



LOTTOMATICA S.p.A.

With Registered Office in Rome, Viale del Campo Boario, 56/d

Paid-in Capital Euro 152,286,837.00

Enrolled with the Companies Register of Rome with the no. 08028081001

Subjected to the direction and coordination of

De Agostini S.p.A.

**ILLUSTRATIVE REPORT BY THE BOARD OF DIRECTORS
ON THE ITEM OF THE AGENDA OF THE SHAREHOLDERS MEETING,
IN EXTRAORDINARY SESSION, SUMMONED FOR JULY 2 AND 8, 2009, RESPECTIVELY
IN FIRST AND SECOND CALL**

1. Item on the agenda for the extraordinary meeting - “Proposal for the amendment of Article no. 1 of the By-laws (Company name)”

Dear Shareholders,

The Board of Directors has summoned this extraordinary Shareholders’ meeting to resolve upon the approval of the proposal for the amendment of Article no. 1 of the By-laws (Company name).

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This illustrative report (hereinafter referred to as the "**Report**") has been drafted by the Board of Directors pursuant to Article no. 72, first paragraph, and Annex no. 3A (form 3) to the regulations implementing the Legislative Decree no. 58 of February 24, 1998 (so called Consolidated Financial Law, hereinafter referred to as "**TUF**") concerning the governance of listed issuers, adopted by CONSOB’s Resolution no. 11971 of May 14, 1999, as subsequently supplemented and amended (hereinafter referred to as the "**Issuers’ Regulation**").

Pursuant to the provisions of Articles no. 72 and no. 92 of the Issuers’ Regulation, this Report is submitted to CONSOB on the day chosen for the calling of the extraordinary Shareholders’ meeting summoned to pass resolution on the proposed amendment to the By-laws, and then made available to the public at the Company's registered office and on its website, as well as at the headquarters of the Italian Stock Exchange at least fifteen days prior to the date scheduled for the meeting, further to an announcement to the public at the same time.

Please find hereinbelow a commented comparison between the current version of the concerned article of the By-laws and the proposed marked-up version

1. REASONS FOR THE PROPOSED AMENDMENTS TO THE COMPANY BY-LAWS

With the aim to ease and accelerate the full integration between Lottomatica and its subsidiary Gtech, culminated with the recent appointment of Marco Sala as CEO in charge of the entire Group, the Board of Directors deems that it is necessary to clearly evidence such integration also through the adoption of a new company name which reflects such intent.

The insertion of the word “Group” within the name “Lottomatica S.p.A.”, herein proposed, is therefore a tangible sign provided to the shareholders, the financial community, the competent authorities as well as the stakeholders in general, of the renewed commitment that the Company intends to broaden in the path towards the integration with its subsidiary Gtech.

The Board of Directors therefore proposes to amend the company name “Lottomatica S.p.A.” into “Lottomatica Group S.p.A.”, in line with the references, clearly recalling the Group as a sole entity, recently used

in the communication to the public and in meetings with the financial community.

2. COMPARISON OF THE ARTICLE OF THE CURRENT BY-LAWS AND OF THE ONE PROPOSED AS AMENDED

2.1 The following is a marked-up comparison between the current text of Article no. 1 of the By-laws and the proposed new one:

CURRENT BY-LAWS	NEW AMENDED BY-LAWS
1. Company name 1.1 The limited company is established under the name: "LOTTOMATICA S.p.A."	1. Company name 1.1 The limited company is established under the name: "LOTTOMATICA <u>GROUP</u> S.p.A."

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3. ASSESSMENT BY THE BOARD OF DIRECTORS AS TO THE OCCURRENCE OR NON OCCURRENCE OF THE SHAREHOLDERS' RIGHT TO WITHDRAW

The amendment proposal described here above does not fall under any of the provisions of Article no. 2437 of the Italian Civil Code; the right of withdrawal is therefore excluded.

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Dear Shareholders:

based on the foregoing, the Board of Directors hereby proposes to adopt following resolution:

"The extraordinary Shareholders' meeting of Lottomatica:

- having examined and discussed the illustrative Report of the Board of Directors as filed in accordance with the provisions of law;
- having acknowledged the proposed amendments to the By-laws:

resolved

1. to amend Article no. 1 of the By-laws in accordance with the above said Report;
2. to grant to the Chairman of the Board of Directors and to each Managing Director from time to time in charge all the powers, each of them severally and with the faculty to exercise such powers even through third parties, as to do everything necessary for purposes of executing the above said resolution and to carry out all the relevant activities, including each formality necessary to the enrolment with the register of enterprises pursuant to Section 2436 of the Civil Code and the faculty to amend the above resolution and the Directors' report in the event of any non material amendments requested by the competent

Authorities or the Notary public, or if anyway deemed necessary or appropriate by the above mentioned delegates.

Rome, May 28, 2009

Lottomatica S.p.A.

On behalf of the Board of Directors

The Chairman

Lorenzo Pellicoli