



2010 Full Year Results

Ended December 31, 2010

*Rome
March 10, 2011*

Safe Harbour Statement

Disclaimer

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Agenda

FY'10 Highlights

Marco Sala – CEO, Lottomatica Group

FY'10 Results

Stefano Bortoli – CFO, Lottomatica Group

Q & A, Also Participating

Renato Ascoli – General Manager, Lottomatica

Jaymin Patel – President & CEO, GTECH Corporation

Strategic Update

Year end results in-line with expectations

- Revenues, EBITDA and Operating Income achieved single-digit growth
- Net Income after minorities at break-even due to G2 goodwill impairment and other charges primarily related to refinancing

Fourth quarter results demonstrate improved fundamentals

- Double-digit growth in Revenues, EBITDA and Operating Income
- Gathering momentum heading into 2011

Key growth priorities to deliver plan

- Maintain and grow Italian lottery and machine gaming operations
- Re-energize GTECH same store sales
- Execute private manager and operator business plans
- Pursue machine gaming growth in Canadian replacement market and re-emerging commercial casino market

Strategic Update: Italian Operations

Italian operations strengthening

- Upswing in early 2011 performance
- 10eLotto game driving Lotto wagers
- Scratch & Win achieving solid single-digit growth supported by new game launches
- Machine gaming becoming major contributor
 - VLTs launched, player response positive
 - 5,500 units installed; full deployment of allotted licenses by year-end

Strategic Update: GTECH

GTECH same store revenues rebounding

- Fourth quarter grew by 2% year over year
- Early indications for 2011 demonstrate consistent growth

Major rebid cycle concluded with Texas win

- Investing in efforts to drive same store revenues
- California prize payout reform driving rebound from 2009 lows

Illinois private manager agreement proceeding according to plan

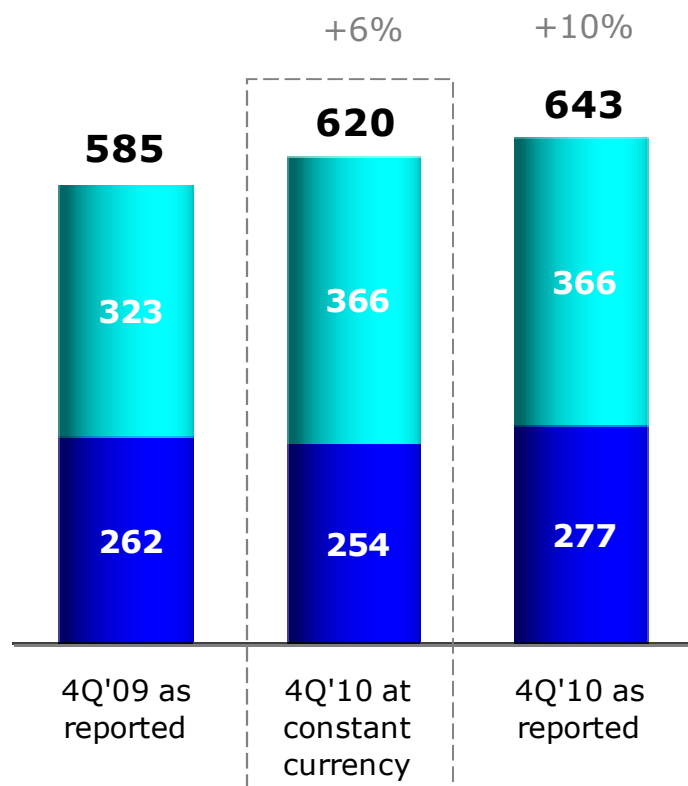
- Successfully completed transition period
- Retailer expansion, rebranding and new game launches underway
- Measurement of performance incentive begins in July

FY'10 Results

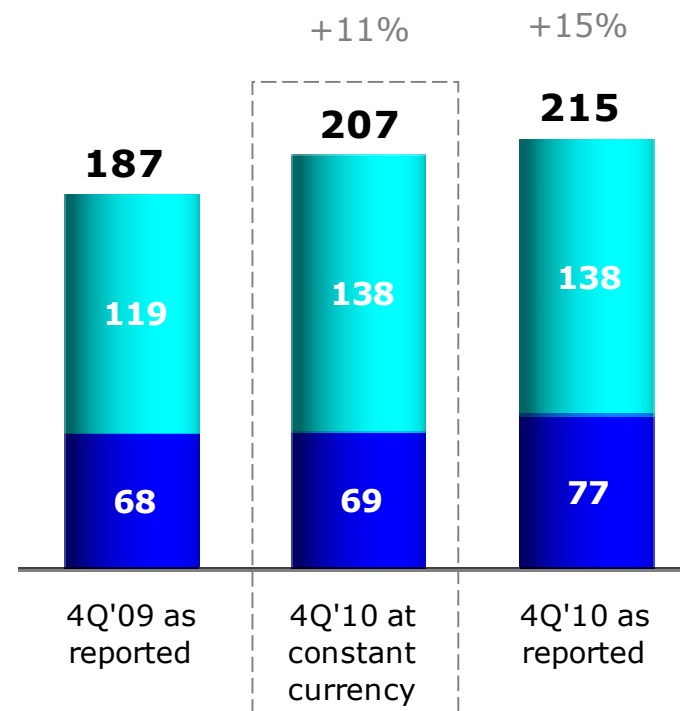
Stefano Bortoli
CFO, Lottomatica Group

Results Summary – 4Q'10

Revenues



EBITDA



Margin %	32.0%	33.4%	33.5%
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Note: - \$/€ FX average: 1.47 in 4Q'09; 1.34 in 4Q'10

Figures in €M

Italian Operations – 4Q'10

Wagers	4Q'10	4Q'09	% change
Scratch & Win Wagers (€m)	2,341	2,289	2%
<i>Tickets Sold</i>	592	551	7%
<i>Average Price Point €</i>	3.96	4.15	-5%
Lotto Wagers (€m)	1,557	1,430	9%
Sports Betting Wagers (€m) ¹	293	245	20%
Machine Gaming Wagers (€m)	1,345	1,064	26%
<i>Machines Installed</i>	59K	48K	23%
Interactive Wagers (€m)	105	113	-8%

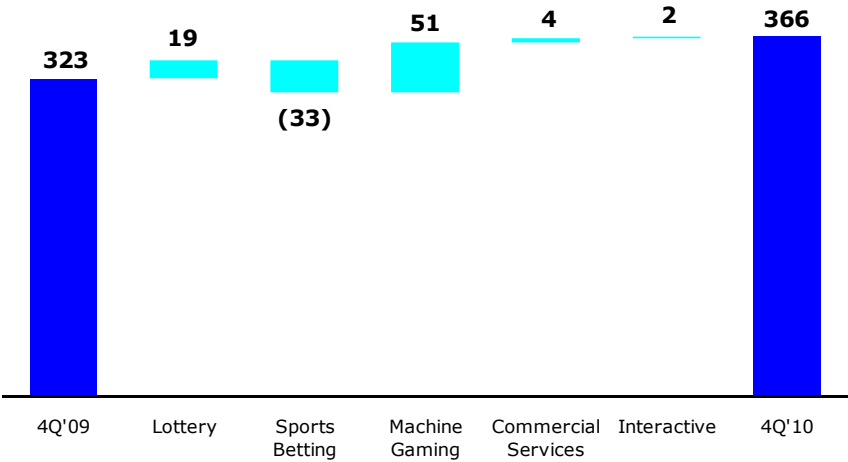
¹ Includes fixed odds sports betting and pool games

Key Revenues (€m)	4Q'10	4Q'09	% change
Lottery	193	174	12%
Sports Betting	32	65	-52%
Machine Gaming	101	50	101%
Commercial Services	28	24	17%
Interactive	12	10	13%

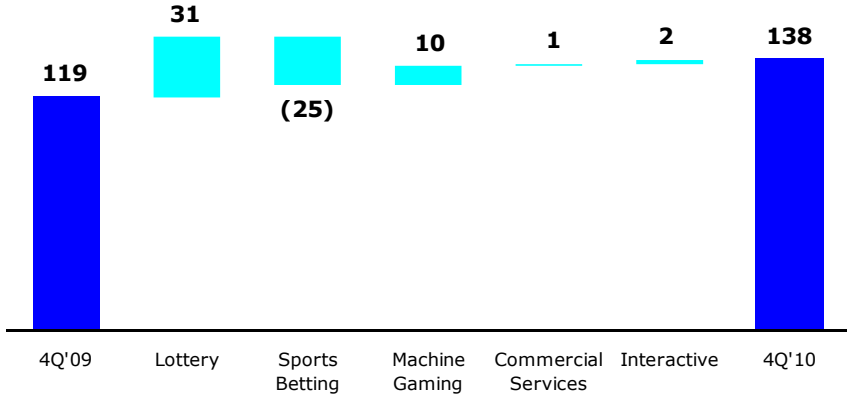
Performance Breakdown – 4Q'10

Italian Operations

Revenues



EBITDA

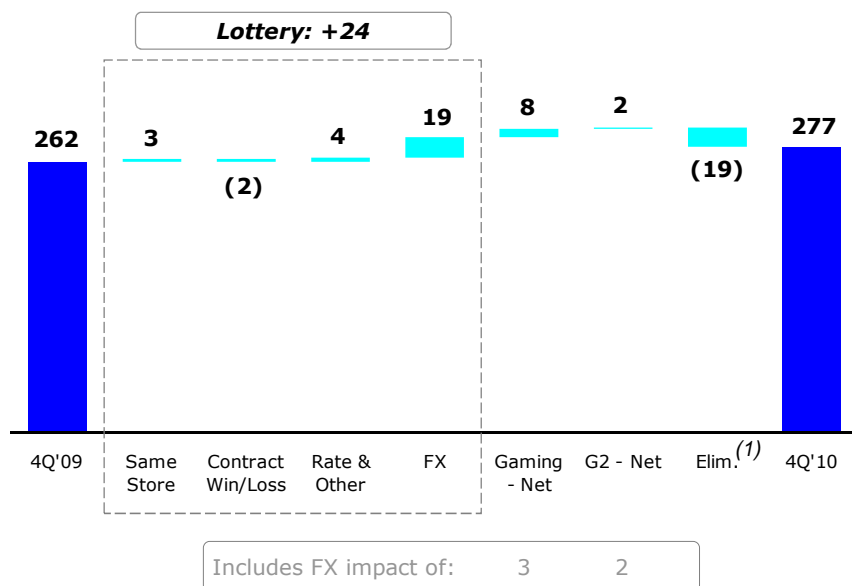


Figures in €M

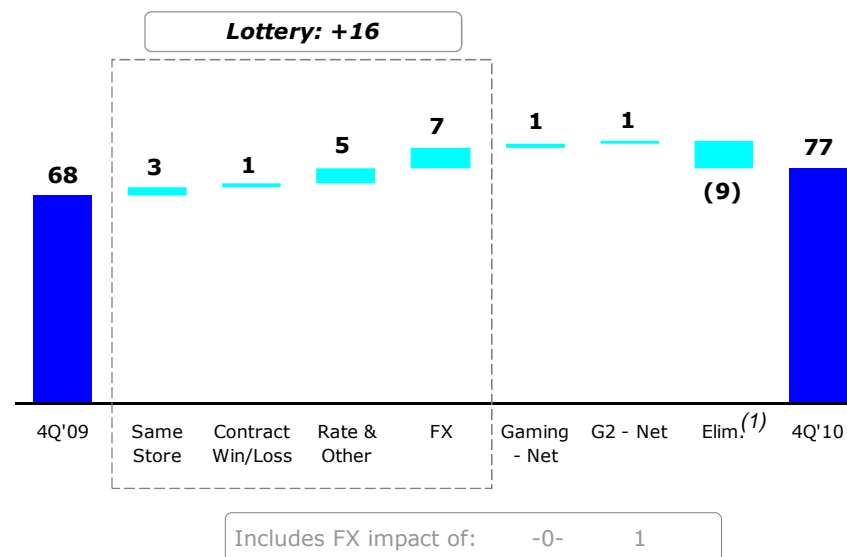
Performance Breakdown – 4Q'10

GTECH, G2 & Gaming

Revenues



EBITDA



Note: - \$/€ FX average: 1.47 in 4Q'09; 1.34 in 4Q'10

(1) Elimination of intercompany revenues/profits on sales between segments, principally Gaming sales to Italy. Figures in €M

GTECH, G2 & Gaming Service Revenues – 4Q'10

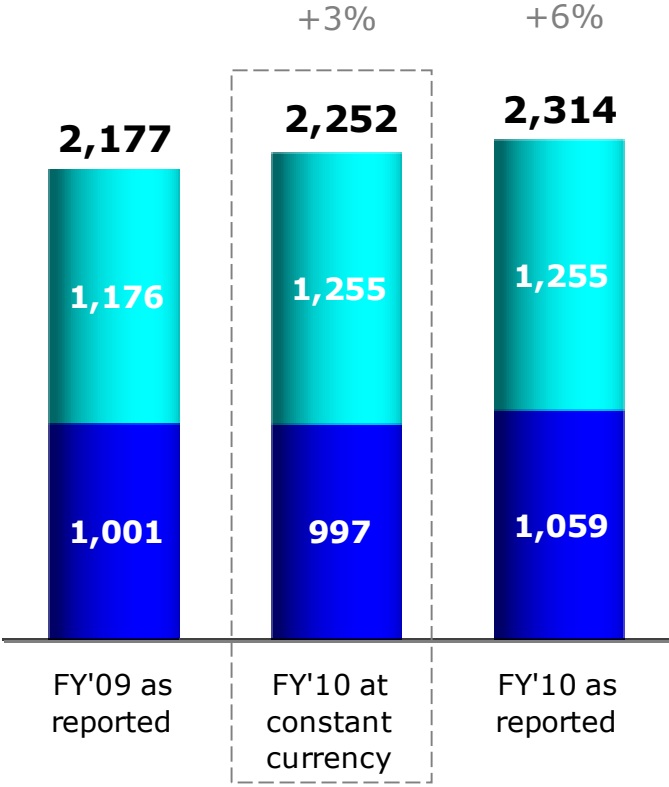
Service Revenues Breakdown	4Q'10	4Q'09	% change
Same Store Revenues			
<i>Mega Millions States (\$m)</i>	106	102	3%
<i>Powerball States (\$m)</i>	45	44	2%
US Lottery (\$m)	151	146	3%
At Constant Currency			
US Lottery (€m)	102	99	3%
International Lottery (€m)	74	73	0%
Total Lottery (€m)	176	172	2%
All Other - Net (€m)	33	32	5%
Total Same Store Revenues (€m)	209	204	2%
Acquisitions/Divestitures/Other	(3)	-	
FX Impact	18	-	
Total Service Revenues (€m)	224	204	9%

Note: - \$/€ FX average: 1.47 in 4Q'09; 1.34 in 4Q'10

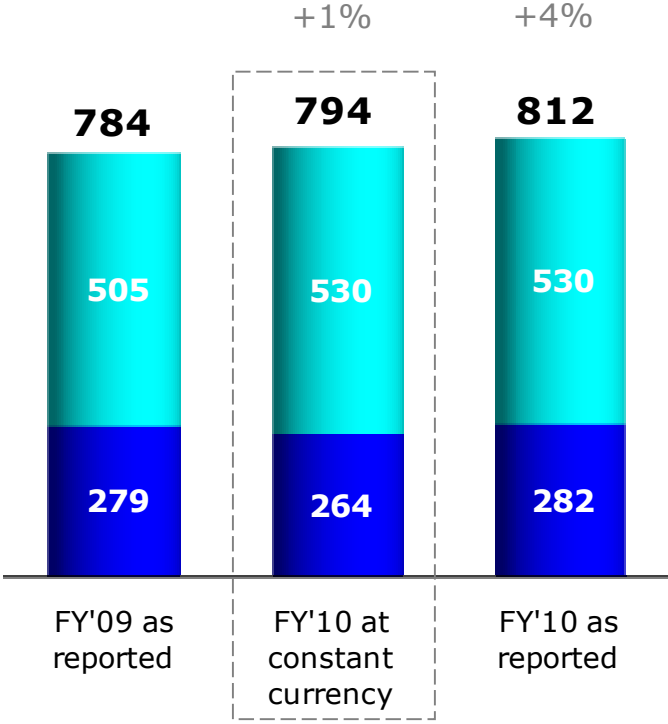
- Mega Millions States: Texas, New York, California, Illinois, Michigan, Georgia, New Jersey, Washington, Virginia
- Powerball States: Florida, North Carolina, Rhode Island, Tennessee, Wisconsin, Missouri, Arizona, Kentucky, Oregon, Kansas, New Mexico, Nebraska, Washington DC, Minnesota
- Same Store Revenues exclude the impact of acquisitions, divestitures, contract wins, losses and rate changes
- Includes intercompany revenues

Results Summary – FY'10

Revenues



EBITDA



Margin %	36.0%	35.3%	35.1%
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Note: - \$/€ FX average: 1.39 in FY'09; 1.33 in FY'10

Figures in €M

Income Statement – FY'10

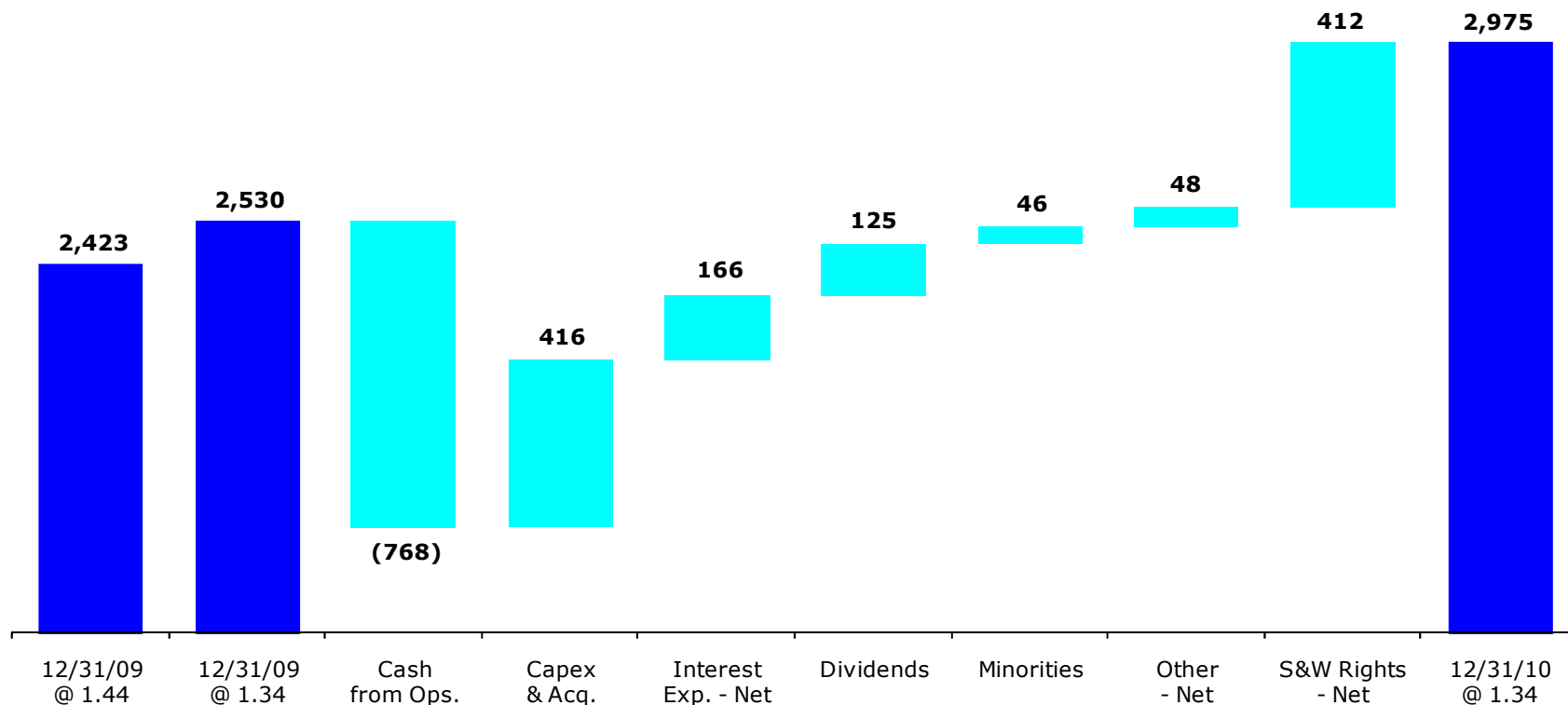
Income Statement	FY'10	FY'09	% Change
<i>Service Revenues</i>	2,145	2,016	6%
<i>Product Sales</i>	169	161	4%
Revenues	2,314	2,177	6%
EBITDA	812	784	4%
<i>EBITDA margin %</i>	35%	36%	
Operating Income	386	366	5%
<i>Interest Expense, Net</i>	(168)	(148)	
<i>Foreign Exchange: Cash</i>	(33)	(19)	
<i>Foreign Exchange: Non-Cash</i>	(8)	3	
<i>Other</i>	(63)	(14)	
Financial Charges, Net	(272)	(178)	
Income Before Tax	114	188	-40%
Net Income	45	112	-60%
Net Income - Owners	-	68	-99%
Earnings Per Share	-	0.45	-100%

Note: - \$/€ FX average: 1.39 in FY'09; 1.33 in FY'10
 - Diluted WASO: 150.4M in FY'09; 168.1M in FY'10

Figures in €M (except EPS)

Drivers of Net Financial Position

- Continued healthy cash flow generation from operations of 768 million in FY'10



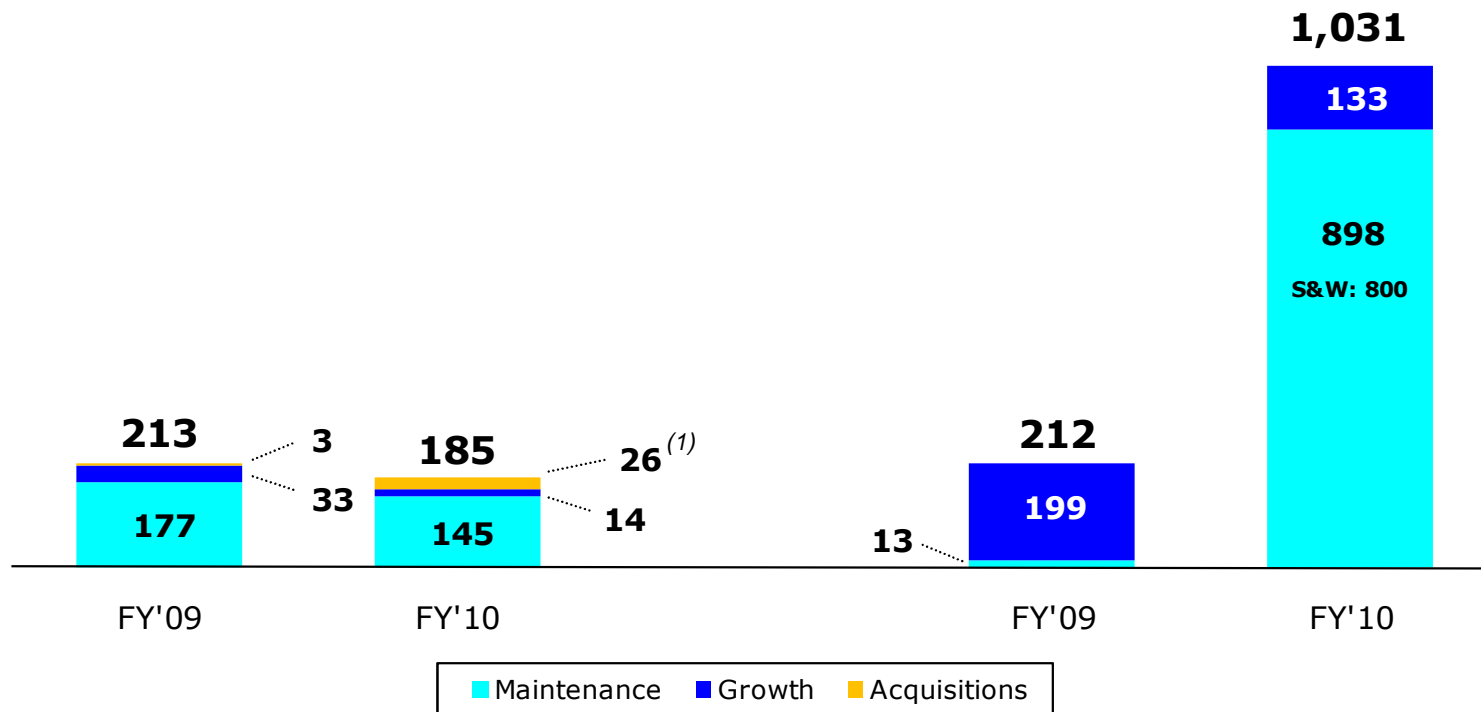
- 667 million of cash or committed un-drawn lines of credit

Figures in €M

Drivers of Net Financial Position - Capex

GTECH, G2 & Gaming

Italian Operations



Capex in-line with plan

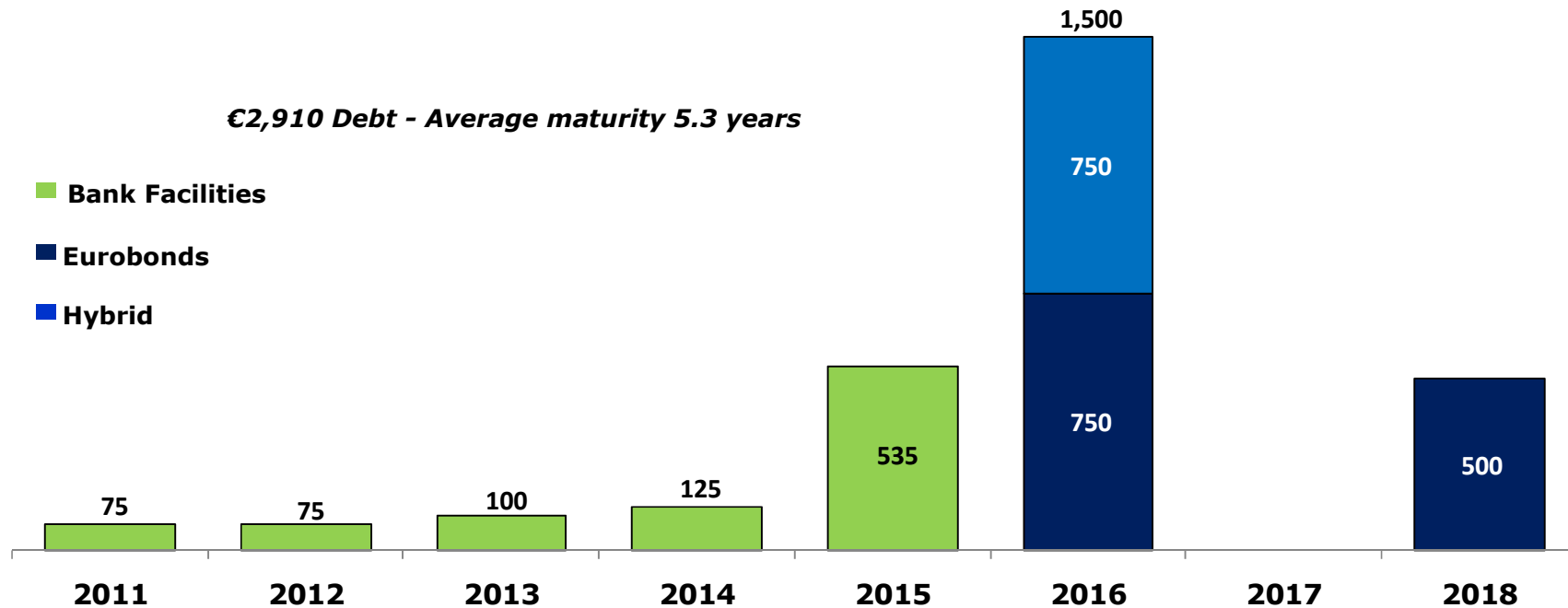
(1) Contingent liabilities, no NFP impact due to prior recognition as a financial liability.

Figures in €M

Capital Structure

€2.65 billion refinancing extends weighted average debt maturity to 5.3 years

Outstanding Debt Maturities Profile as of December 31, 2010 (€M)



Question and Answer

Q & A

2011-2013 Guidance

€M	2010A	2011 Guidance	2013 Guidance
Revenues	2,314	2,550 – 2,650	Mid-single digit 2-year CAGR
EBITDA	812	850 - 865	Mid-single digit 2-year CAGR
Capital Expenditures	1,216	325 - 350	Approx. 20-22% of EBITDA starting from 2012
Net Financial Position	2,975	2,850 – 2,900	NFP/EBITDA ratio 2.60x – 2.80x
FX US\$ = €	1.33	1.30	1.30

Appendix

Appendix

Income Statement – 4Q'10

Income Statement	4Q'10	4Q'09	% Change
<i>Service Revenues</i>	587	526	12%
<i>Product Sales</i>	56	59	-5%
Revenues	643	585	10%
EBITDA	215	187	15%
<i>EBITDA margin %</i>	33%	32%	
Operating Income	46	21	120%
<i>Interest Expense, Net</i>	(44)	(37)	
<i>Foreign Exchange: Cash</i>	(31)	(18)	
<i>Foreign Exchange: Non-Cash</i>	45	14	
<i>Other</i>	(59)	(10)	
Financial Charges, Net	(89)	(51)	
Income Before Tax	(43)	(30)	43%
Net Income	(39)	(31)	27%
Net Income - Owners	(51)	(39)	30%
Earnings Per Share	(0.30)	(0.25)	20%

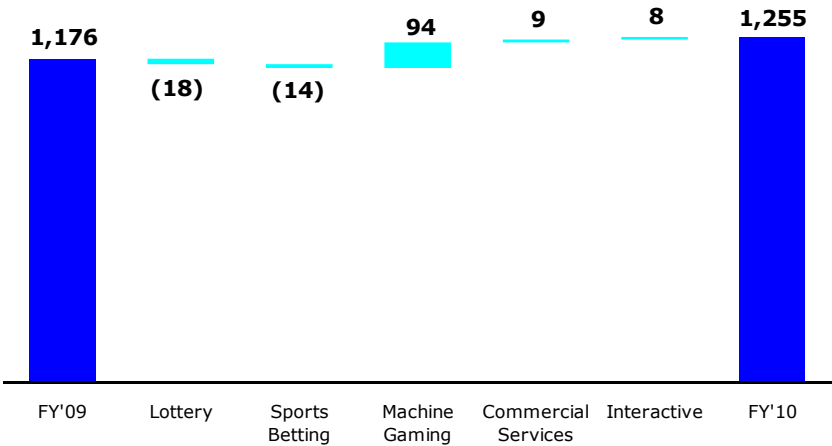
Note: - \$/€ FX average: 1.47 in 4Q'09; 1.34 in 4Q'10
 - Diluted WASO: 156.4M in 4Q'09; 168.1M in 4Q'10

Figures in €M (except EPS)

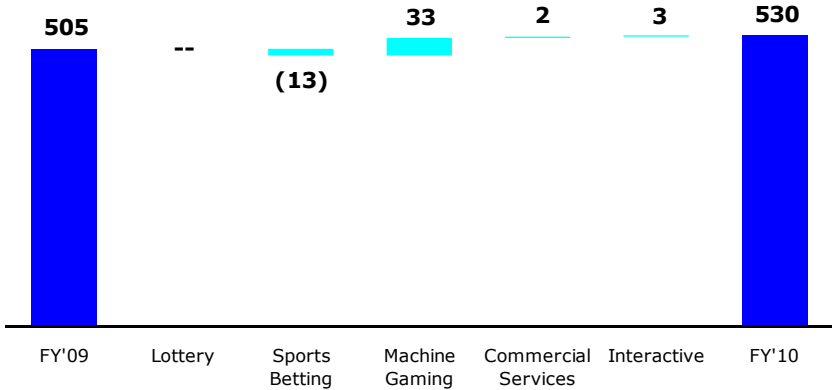
Performance Breakdown – FY'10

Italian Operations

Revenues



EBITDA

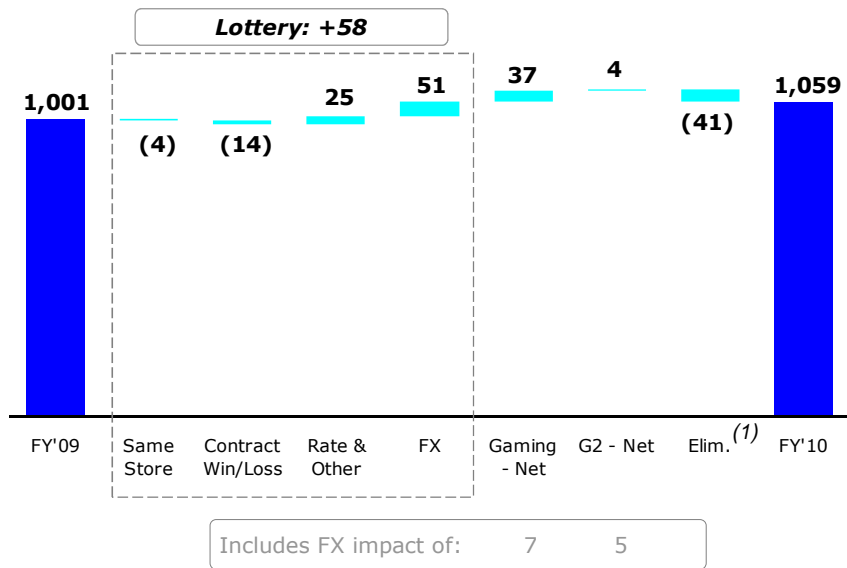


Figures in €M

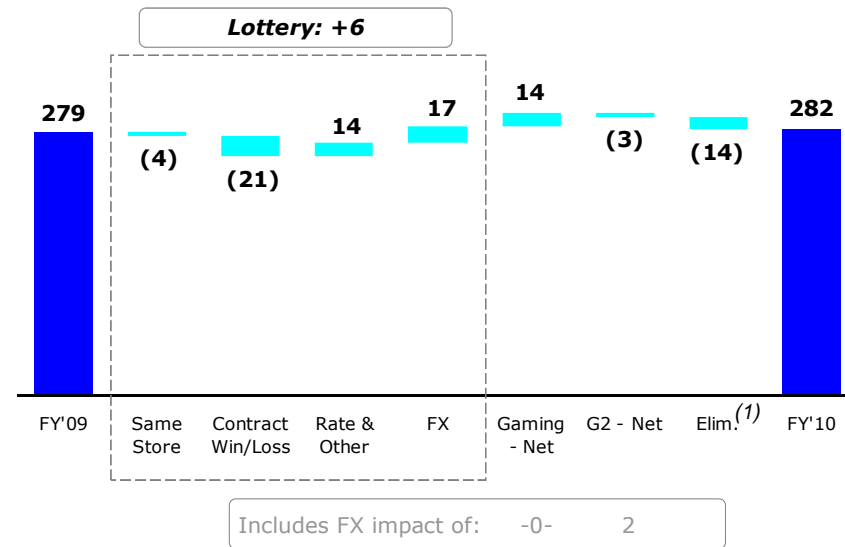
Performance Breakdown – FY'10

GTECH, G2 & Gaming

Revenues



EBITDA



Note: - \$/€ FX average: 1.39 in FY'09; 1.33 in FY'10

(1) Elimination of intercompany revenues/profits on sales between segments, principally Gaming sales to Italy. Figures in €M

Italian Operations – FY'10

Wagers	FY'10	FY'09	% change
Scratch & Win Wagers (€m)	9,317	9,372	-1%
<i>Tickets Sold</i>	2,405	2,413	0%
<i>Average Price Point €</i>	3.87	3.88	0%
Lotto Wagers (€m)	5,232	5,664	-8%
Sports Betting Wagers (€m) ¹	1,026	933	10%
Machine Gaming Wagers (€m)	4,697	4,011	17%
<i>Machines Installed</i>	59K	48K	23%
Interactive Wagers (€m)	411	355	16%

¹ Includes fixed odds sports betting and pool games

Key Revenues (€m)	FY'10	FY'09	% change
Lottery	678	696	-3%
Sports Betting	172	186	-8%
Machine Gaming	255	161	59%
Commercial Services	103	94	9%
Interactive	47	39	21%

GTECH, G2 & Gaming Service Revenues – FY'10

Service Revenues Breakdown	FY'10	FY'09	% change
Same Store Revenues			
<i>Mega Millions States (\$m)</i>	444	444	0%
<i>Powerball States (\$m)</i>	167	168	-1%
US Lottery (\$m)	611	612	0%
At Constant Currency			
US Lottery (€m)	440	440	0%
International Lottery (€m)	275	278	-1%
Total Lottery (€m)	715	718	-1%
All Other - Net (€m)	126	125	1%
Total Same Store Revenues (€m)	841	843	0%
Acquisitions/Divestitures/Other	7	-	
FX Impact	49	-	
Total Service Revenues (€m)	897	843	6%

Note: - \$/€ FX average: 1.39 in FY'09; 1.33 in FY'10

- Mega Millions States: Texas, New York, California, Illinois, Michigan, Georgia, New Jersey, Washington, Virginia
- Powerball States: Florida, North Carolina, Rhode Island, Tennessee, Wisconsin, Missouri, Arizona, Kentucky, Oregon, Kansas, New Mexico, Nebraska, Washington DC, Minnesota
- Same Store Revenues exclude the impact of acquisitions, divestitures, contract wins, losses and rate changes
- Includes intercompany revenues

Balance Sheet

Balance Sheet	FY'10	FY'09
Non-Current Assets	2,669	1,723
Goodwill	3,157	3,007
Net Working Capital/Other	(492)	(410)
Net Invested Capital	5,334	4,320
Shareholders' Equity	2,359	1,897
Net Financial Position	2,975	2,423
Shareholders' Equity and NFP	5,334	4,320

Figures in €M

Cash Flow Statement – FY'10

Cash Flow	FY'10	FY'09
Net Cash Flows from Operating Activities	768	695
Capex	(1,190)	(422)
Acquisitions	(26)	(3)
Debt Proceeds/(Repayment), Net	165	47
Share Capital Increase, Net	-	341
Interest Paid, Net	(185)	(148)
Dividends Paid	(125)	(101)
Capital Increase: Non-Controlling Interests	388	-
Non-Controlling Interests/Other	(101)	(47)
Net Cash Flows Used in Investing/Financing	(1,074)	(333)
Net Cash Flow	(306)	362
Effect of Exchange Rates/Other	(11)	(2)
Net Change in Cash	(317)	360
Cash at End of the Period	152	469

Figures in €M

Financial Charges, Net – FY'10

Financial Charges, Net	FY'10	FY'09	Change
Interest and Other Income, Net	(59)	(10)	(49)
Foreign Exchange, Net			
<i>Cash Foreign Exchange</i>	(33)	(19)	(14)
<i>Non-Cash Foreign Exchange</i>	(8)	3	(11)
Total Foreign Exchange, Net	(41)	(16)	(25)
Interest Expense			
<i>GTECH Senior Credit Facilities</i>	(54)	(57)	3
<i>Capital Securities</i>	(65)	(65)	-
<i>Notes Due 2016</i>	(38)	(3)	(35)
<i>LTO Term and Revolving Facilities</i>	(3)	(15)	12
<i>Other</i>	(12)	(12)	-
Total Interest Expense	(172)	(152)	(20)
Total Financial Charges, Net	(272)	(178)	(94)

Figures in €M

Segment Information – FY'10

Revenues	FY'10	% of Total	FY'09	% of Total
Italian Operations	1,255	54%	1,176	54%
GTECH Lottery	841	37%	783	36%
Gaming Solutions	190	8%	153	7%
GTECH G2	75	3%	71	3%
Total	2,361	102%	2,183	100%
Eliminations	(47)	-2%	(6)	0%
Purchase Accounting	-	0%	-	0%
Total	2,314	100%	2,177	100%

Operating Income/(Loss)	FY'10	% of Total	FY'09	% of Total
Italian Operations	406	105%	416	114%
GTECH Lottery	134	35%	127	34%
Gaming Solutions	(2)	0%	(17)	-5%
GTECH G2	(53)	-14%	(63)	-17%
Total	485	126%	463	126%
Eliminations	(14)	-4%	-	0%
Corporate Overhead	(14)	-4%	(11)	-3%
Purchase Accounting	(71)	-18%	(86)	-23%
Total	386	100%	366	100%

Figures in €M