



2010 First Half Results

Ended June 30, 2010

*Rome
July 29, 2010*

Safe Harbour Statement

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Agenda

2Q'10 and 1H'10 Highlights

Marco Sala – CEO, Lottomatica Group

2Q'10 and 1H'10 Results

Stefano Bortoli – CFO, Lottomatica Group

Q & A, Also Participating

Renato Ascoli – General Manager, Lottomatica

Jaymin Patel – President & CEO, GTECH Corporation

Overview of Second Quarter 2010

Solid performance by underlying business

- Revenues up 11% and EBITDA up 5% vs. 2009
- EPS up 40%
- Continued focus on disciplined cost management also contributing
- Positive foreign exchange impact

Strong growth in Italian Machine Gaming and Sports Betting markets

- SPIELO and GTECH G2 supporting expansion

New contracts in Poland & Kentucky; major extension in California

Successful launch of new ONCE/GTECH lottery in Spain

Cross selling of Powerball and Mega Millions bolstering sales in US

Overview of Second Quarter 2010

Italian operations revenue grew 5%

- Scratch & Win regaining momentum
- Fixed-odds sports betting wagers up over 7% helped by World Cup
- Machine gaming revenues up by 39%

GTECH revenues up 20%

- Service revenues grew by 12%

Gaming expansion gaining momentum worldwide

Gaming Solutions awarded new business in Argentina

- Anticipating start of Canadian VLT replacement cycle

GTECH G2 to launch major lottery-sponsored poker network in Canada

- Well positioned for growth as regulatory environment stabilizes

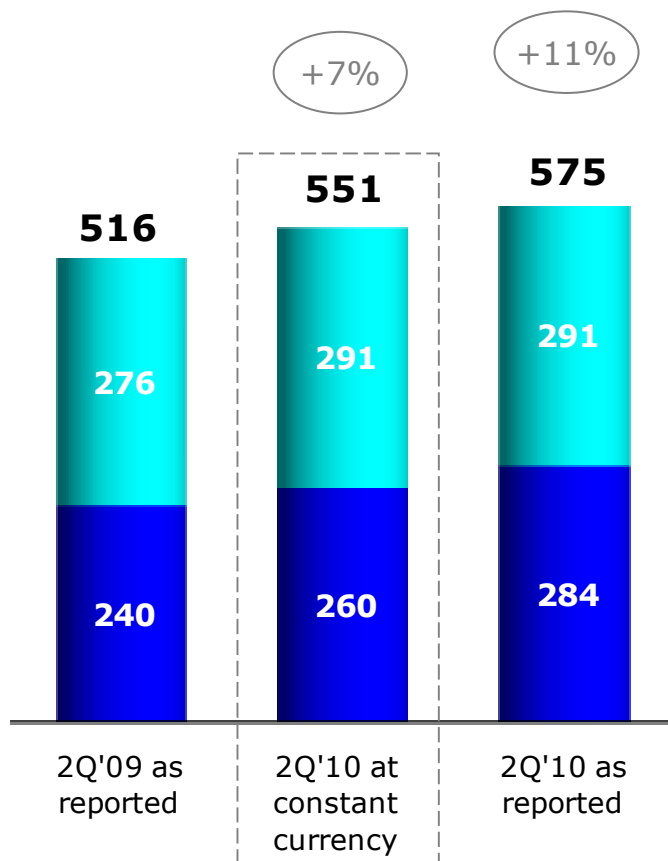
Confident in guidance; committed to maintaining investment grade credit rating

2Q'10 and 1H'10 Results

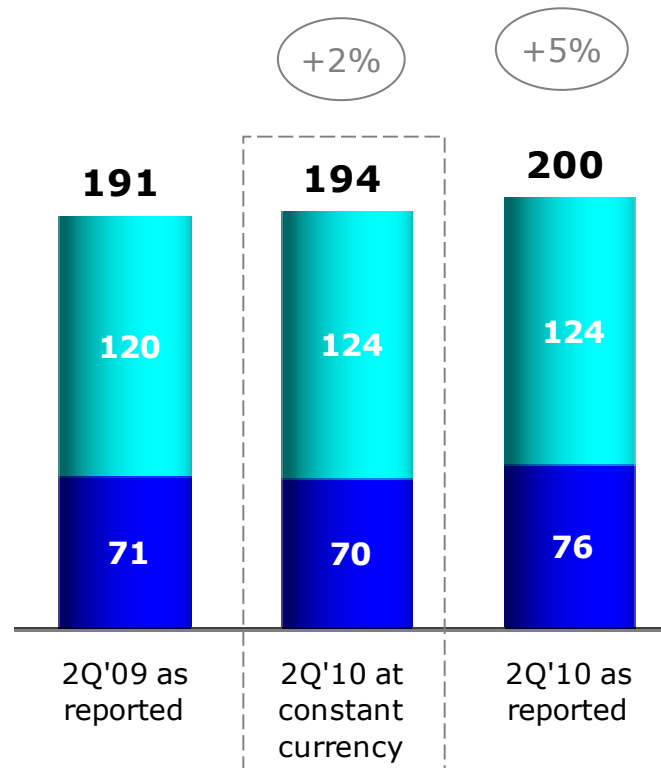
Stefano Bortoli
CFO, Lottomatica Group

Results Summary – 2Q'10

Revenues



EBITDA



■ Italian Operations
■ GTECH, G2 & Gaming

Margin % 37.0% 35.2% 34.8%

Note: - \$/€ FX average: 1.39 in 2Q'09; 1.27 in 2Q'10

Figures in €M

Italian Operations – 2Q'10

Wagers	2Q'10	2Q'09	% change
Scratch & Win Wagers (€m)	2,344	2,366	-1%
<i>Tickets Sold</i>	616	619	0%
<i>Average Price Point €</i>	3.81	3.82	0%
Lotto Wagers (€m)	1,199	1,421	-16%
Sports Betting Wagers (€m) ¹	251	242	4%
Machine Gaming Wagers (€m)	1,133	1,030	10%
<i>AWP Installed</i>	54K	51K	4%
Interactive Wagers (€m)	103	87	19%

¹ Includes fixed odds sports betting and pool games

Key Revenue (€m)	2Q'10	2Q'09	% change
Lottery	160	174	-8%
Sports Betting	42	33	29%
Machine Gaming	51	37	39%
Commercial Services	25	23	9%
Interactive	13	9	39%

GTECH, G2 & Gaming Service Revenue – 2Q'10

Service Revenue Breakdown	2Q'10	2Q'09	% change
Same Store Revenue			
<i>Mega Millions States (\$m)</i>	118	117	1%
<i>Powerball States (\$m)</i>	42	41	2%
US Lottery (\$m)	160	158	1%
At Constant Currency			
US Lottery (€m)	115	115	1%
International Lottery (€m)	65	66	-2%
Total Lottery (€m)	180	181	0%
All Other - Net (€m)	31	30	1%
Total Same Store Revenue (€m)	211	211	0%
Acquisitions/Divestitures/Other	6	-	
FX Impact	19	-	
Total Service Revenue (€m)	236	211	12%

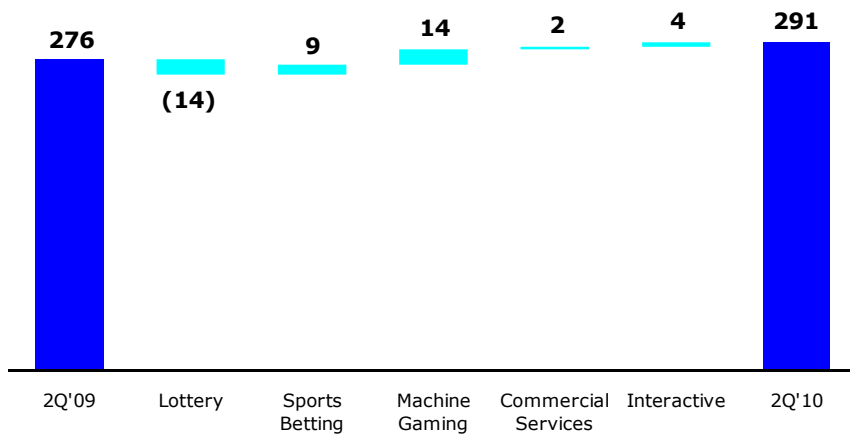
Note: - \$/€ FX average: 1.39 in 2Q'09; 1.27 in 2Q'10

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

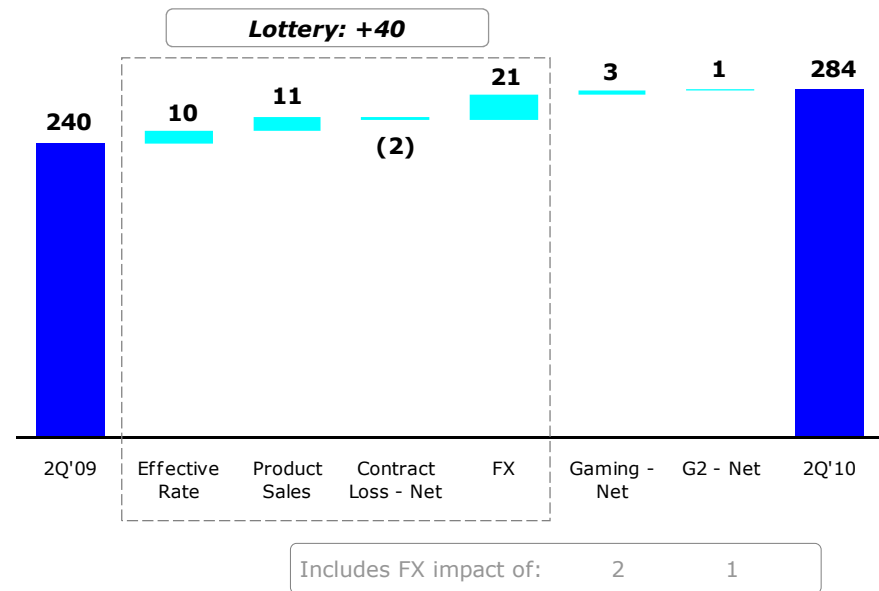
Revenue Breakdown – 2Q'10

Revenue – 2Q'10

Italian Operations



GTECH, G2 & Gaming



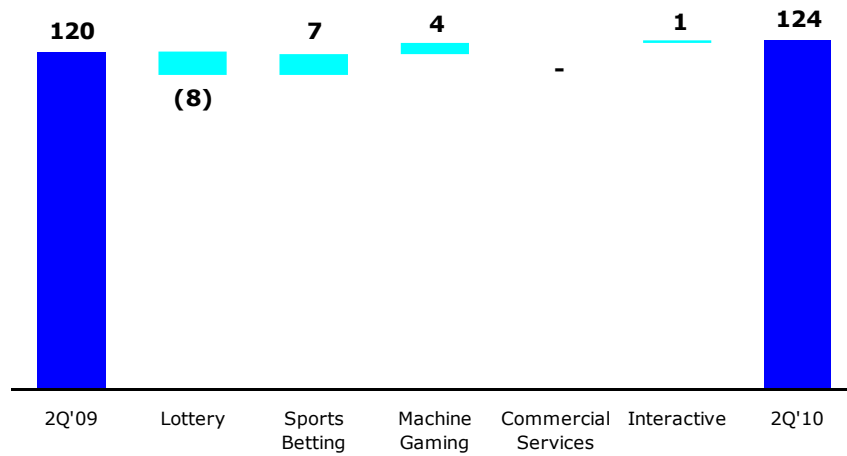
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Figures in €M

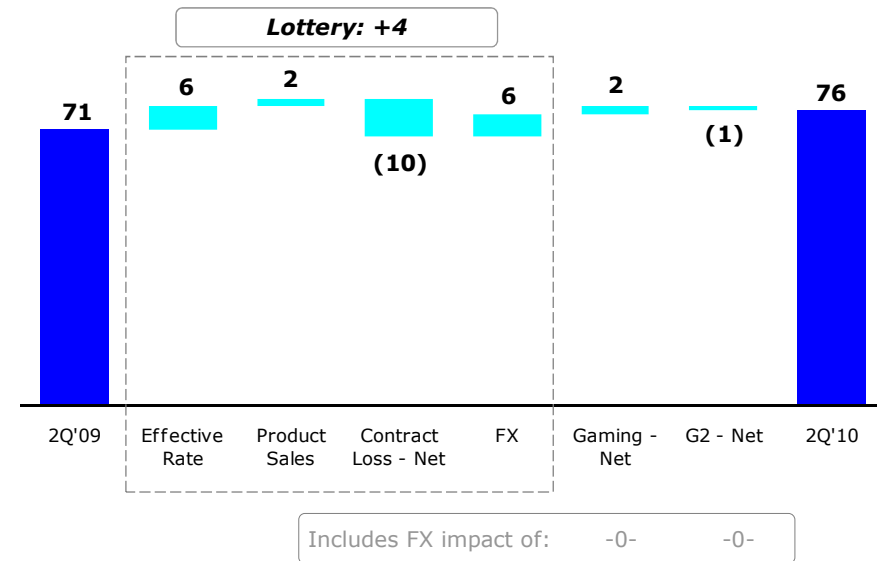
EBITDA Breakdown – 2Q'10

EBITDA – 2Q'10

Italian Operations



GTECH, G2 & Gaming



Note: - \$/€ FX average: 1.39 in 2Q'09; 1.27 in 2Q'10

Figures in €M

Focusing on Cost Reduction

To sustain 2010 performance, we have launched several projects across our businesses in every country in which we operate.

Targeting each functional area to improve cost leadership in technology, software services, product development and support.

In Q2 alone, we achieved €8 million in cost savings, and the majority are sustainable in 2011 and beyond.

On track to achieve higher end of expected savings in 2010, as indicated in our guidance (€25 million - €30 million).

Income Statement – 2Q'10

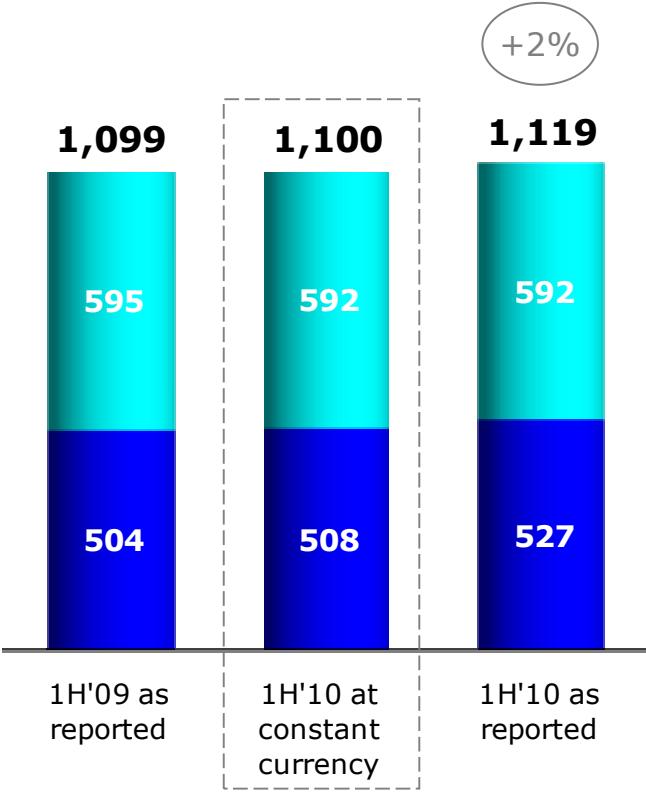
Income Statement	2Q'10	2Q'09	% Change
<i>Service Revenue</i>	526	485	8%
<i>Product Sales</i>	49	31	60%
Revenues	575	516	11%
EBITDA	200	191	5%
<i>EBITDA margin %</i>	35%	37%	
Operating Income	110	106	4%
<i>Interest Expense, Net</i>	(42)	(35)	
<i>Foreign Exchange and Other</i>	15	(13)	
Financial Charges, Net	(27)	(48)	
Income Before Tax	83	58	44%
Net Income	46	33	37%
Net Income - Owners	35	22	58%
Earnings Per Share	0.21	0.15	40%

Note: - \$/€ FX average: 1.39 in 2Q'09; 1.27 in 2Q'10
 - Diluted WASO: 148.7M in 2Q'09, 168.1M in 2Q'10

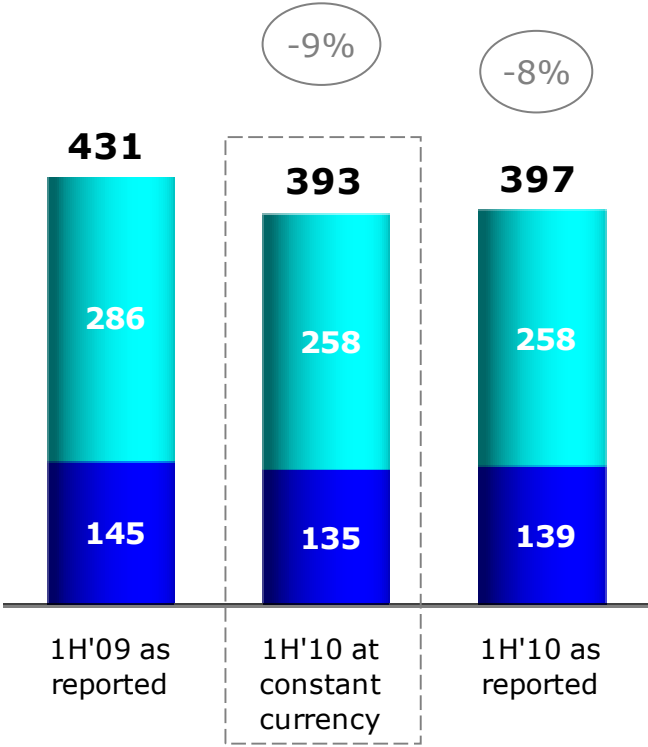
Figures in €M (except EPS)

Results Summary – 1H'10

Revenues



EBITDA



Margin %	39.2%	35.8%	35.5%
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Note: - \$/€ FX average: 1.34 in 1H'09; 1.32 in 1H'10

Figures in €M

Income Statement – 1H'10

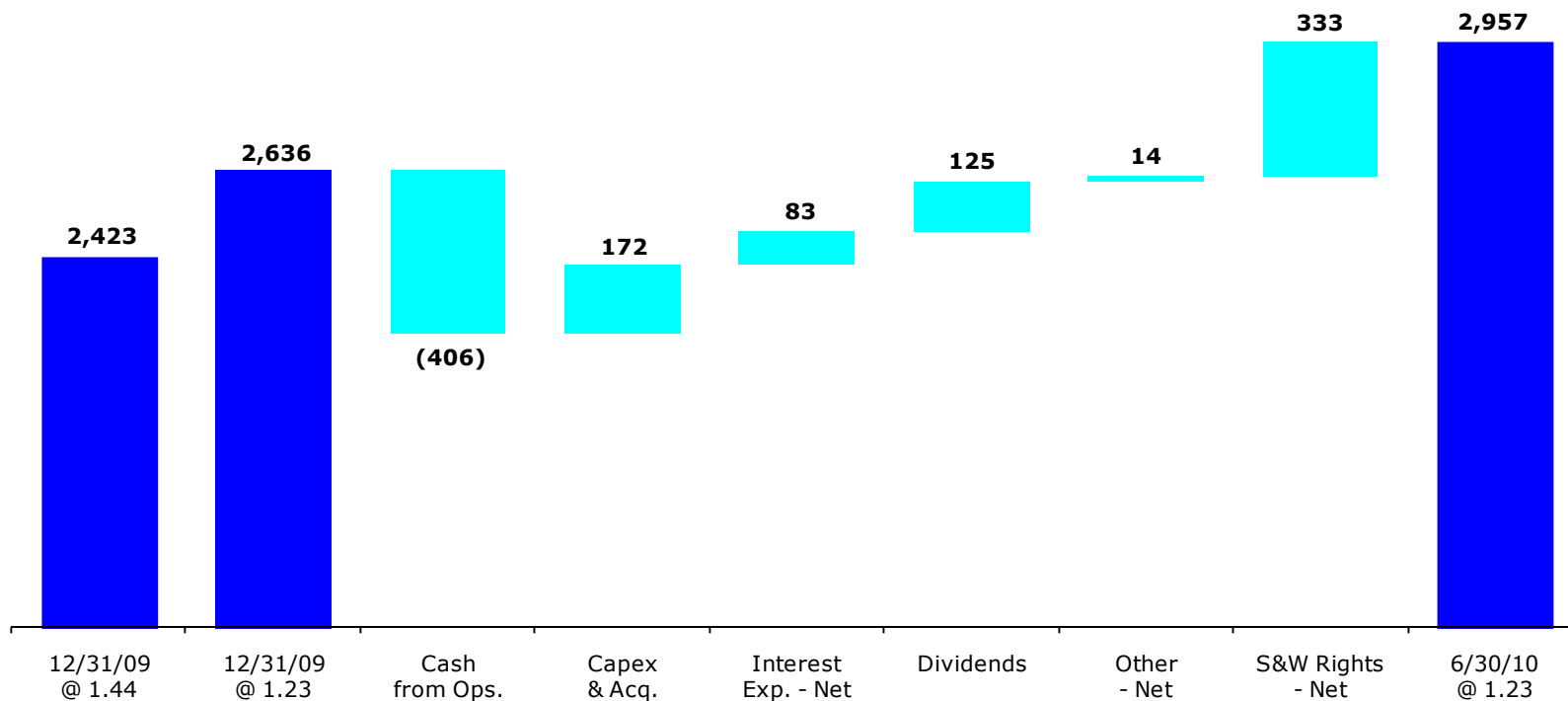
Income Statement	1H'10	1H'09	% Change
<i>Service Revenue</i>	1,045	1,028	2%
<i>Product Sales</i>	74	71	3%
Revenues	1,119	1,099	2%
EBITDA	397	431	-8%
<i>EBITDA margin %</i>	36%	39%	
Operating Income	228	261	-13%
<i>Interest Expense, Net</i>	(83)	(76)	
<i>Foreign Exchange and Other</i>	15	(3)	
Financial Charges, Net	(68)	(79)	
Income Before Tax	160	182	-12%
Net Income	87	119	-27%
Net Income - Owners	64	94	-32%
Earnings Per Share	0.38	0.63	-40%

Note: - \$/€ FX average: 1.34 in 1H'09; 1.32 in 1H'10
 - Diluted WASO: 148.7M in 1H'09, 168.1M in 1H'10

Figures in €M (except EPS)

Drivers of Net Financial Position

- Continued healthy cash flow generation from operations of 406 million in 1H'10



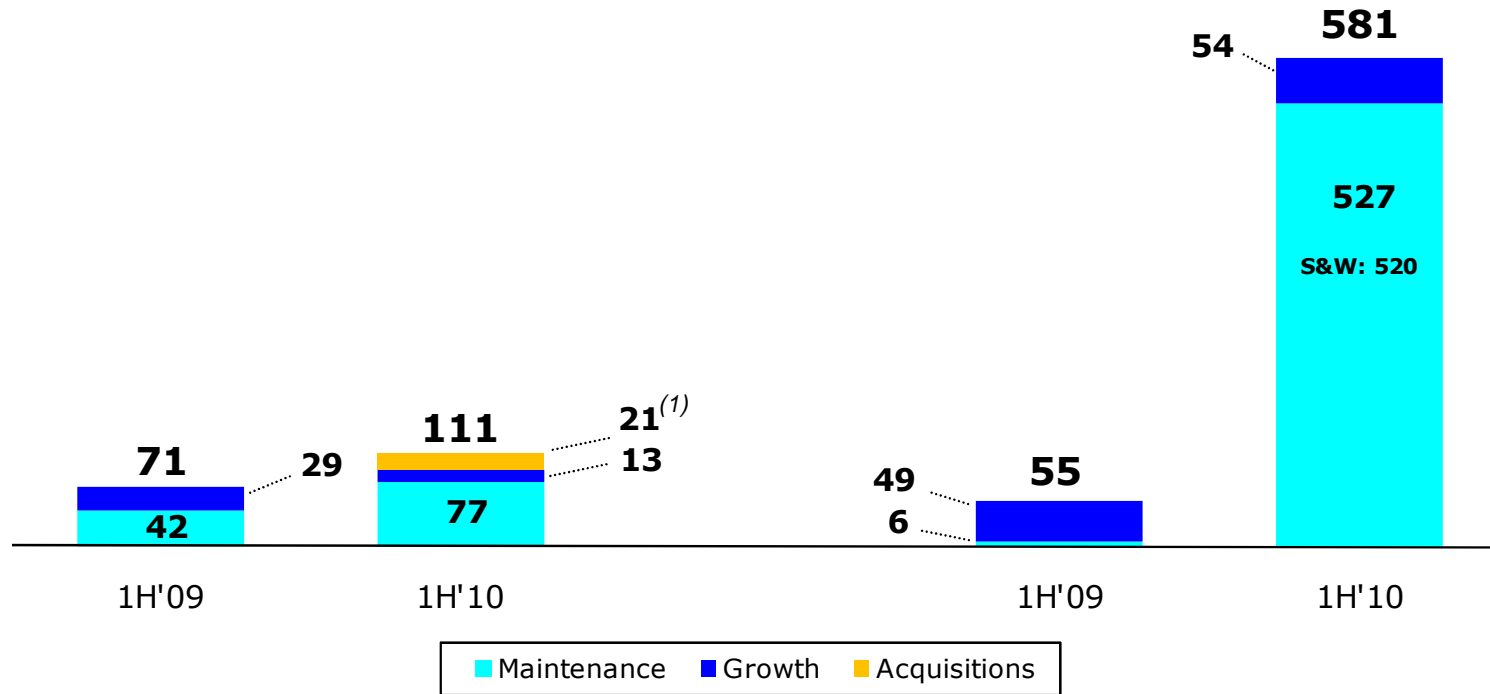
- FX and planned investment in license for S&W drive NFP to 2.957 billion

Figures in €M

Drivers of Net Financial Position - Capex

GTECH, G2 & Gaming

Italian Operations



Capex progressing in-line with plan

(1) Boss Media payment, no NFP impact due to on-going recognition as a financial liability.

Figures in €M

Q & A

Summary

Opportunity across all businesses

Italian market important focus for re-energizing S&W and growing machine gaming and sports betting

GTECH performing well

- Developing Spanish market; Cross selling and California prize payouts driving revenues

Gaming Solutions supporting machine gaming expansion in Italy; preparing for potential Greek market regulation

Well positioned for interactive space expansion by lotteries

Diligently managing costs

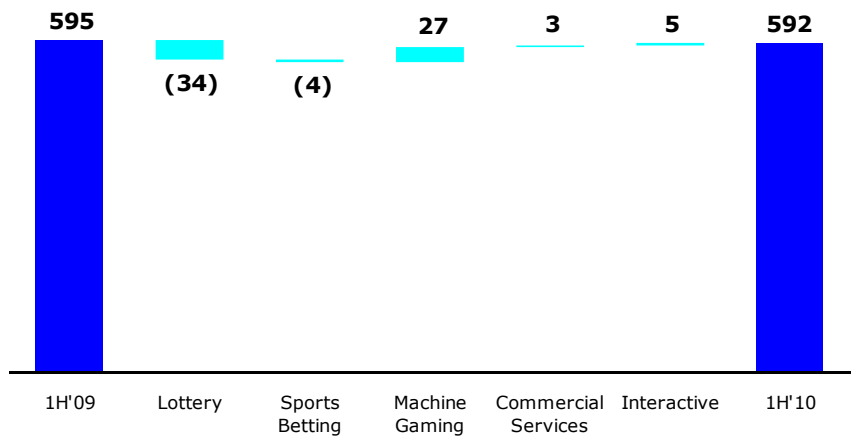
Appendix

Appendix

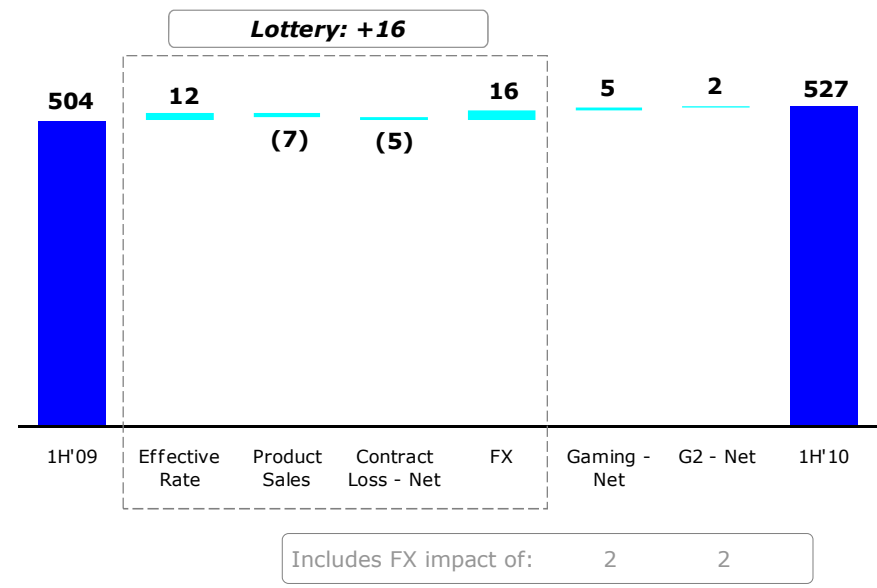
Revenue Breakdown – 1H'10

Revenue – 1H'10

Italian Operations



GTECH, G2 & Gaming



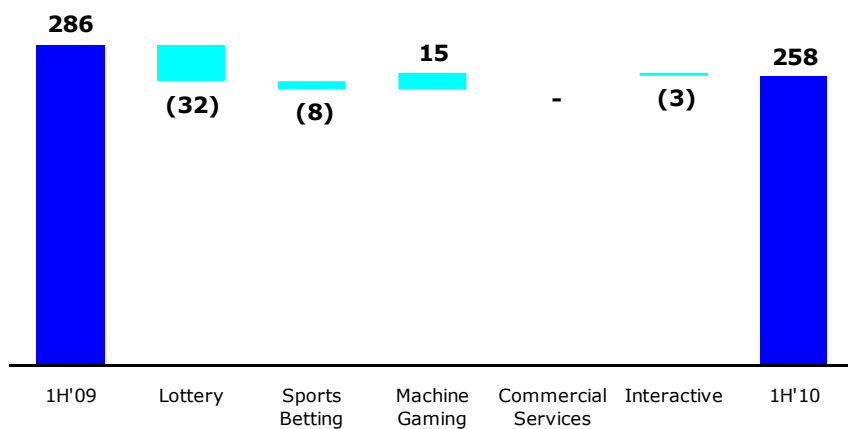
Note: - \$/€ FX average: 1.34 in 1H'09; 1.32 in 1H'10

Figures in €M

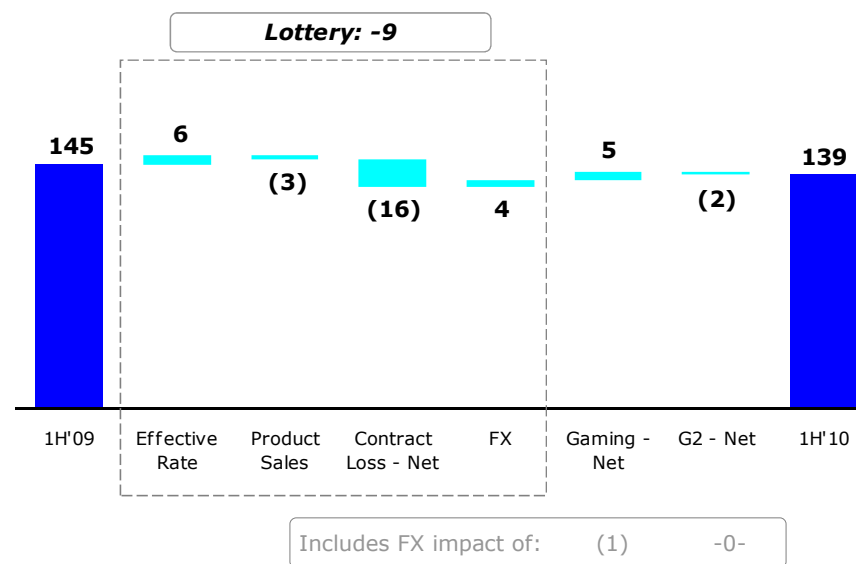
EBITDA Breakdown – 1H'10

EBITDA – 1H'10

Italian Operations



GTECH, G2 & Gaming



Note: - \$/€ FX average: 1.34 in 1H'09; 1.32 in 1H'10

Figures in €M

Italian Operations – 1H'10

Wagers	1H'10	1H'09	% change
Scratch & Win Wagers (€m)	4,833	4,962	-3%
<i>Tickets Sold</i>	1,252	1,296	-3%
<i>Average Price Point €</i>	3.86	3.83	1%
Lotto Wagers (€m)	2,403	2,854	-16%
Sports Betting Wagers (€m) ¹	560	499	12%
Machine Gaming Wagers (€m)	2,247	2,083	8%
<i>AWP Installed</i>	54K	51K	4%
Interactive Wagers (€m)	206	162	27%

¹ Includes fixed odds sports betting and pool games

Key Revenue (€m)	1H'10	1H'09	% change
Lottery	327	361	-9%
Sports Betting	92	96	-5%
Machine Gaming	100	73	38%
Commercial Services	49	46	5%
Interactive	24	19	25%

GTECH, G2 & Gaming Service Revenue – 1H'10

Service Revenue Breakdown	1H'10	1H'09	% change
Same Store Revenue			
<i>Mega Millions States (\$m)</i>	235	234	1%
<i>Powerball States (\$m)</i>	82	82	0%
US Lottery (\$m)	317	316	1%
At Constant Currency			
US Lottery (€m)	237	237	1%
International Lottery (€m)	134	135	-1%
Total Lottery (€m)	371	372	0%
All Other - Net (€m)	63	62	1%
Total Same Store Revenue (€m)	434	434	0%
Acquisitions/Divestitures/Other	8	-	
FX Impact	13	-	
Total Service Revenue (€m)	455	434	5%

Note: - \$/€ FX average: 1.34 in 1H'09; 1.32 in 1H'10

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

Balance Sheet

Balance Sheet	1H'10	FY'09
Non-Current Assets	2,823	1,723
Goodwill	3,391	3,007
Net Working Capital/Other	(883)	(410)
Net Invested Capital	5,331	4,320
Shareholders' Equity	2,374	1,897
Net Financial Position	2,957	2,423
Shareholders' Equity and NFP	5,331	4,320

Figures in €M

Cash Flow Statement – 1H'10

Cash Flow	1H'10	1H'09
Net Cash Flows from Operating Activities	406	343
Capex	(671)	(126)
Acquisitions	(21)	-
Debt Proceeds/(Repayment), Net	29	(10)
Interest Paid, Net	(105)	(104)
Dividends Paid	(125)	(101)
Capital Increase: Non-Controlling Interests	187	-
Non-Controlling Interests/Other	(61)	(47)
Net Cash Flows Used in Investing/Financing	(767)	(388)
Net Cash Flow	(361)	(45)
Effect of Exchange Rates/Other	1	2
Net Change in Cash	(360)	(43)
Cash at End of the Period	109	66

Figures in €M

Financial Charges, Net – 1H'10

Financial Charges, Net	1H'10	1H'09	Change
Interest and Other Income, Net	-	-	-
Foreign Exchange Loss, Net			
<i>Cash Foreign Exchange Loss</i>	(1)	-	(1)
<i>Non-Cash Foreign Exchange Gain</i>	17	(1)	18
Total Foreign Exchange Loss, Net	16	(1)	17
Interest Expense			
<i>GTECH Senior Credit Facilities</i>	(28)	(30)	2
<i>Capital Securities</i>	(32)	(32)	-
<i>Notes</i>	(19)	-	(19)
<i>LTO Term and Revolving Facilities</i>	(1)	(9)	8
<i>Other</i>	(4)	(7)	3
Total Interest Expense	(84)	(78)	(6)
Total Financial Charges, Net	(68)	(79)	11

Figures in €M

Segment Information – 1H'10

Revenues	1H'10	% of Total	1H'09	% of Total
Italian Operations	592	53%	595	54%
GTECH Lottery	422	38%	406	37%
Gaming Solutions	70	6%	65	6%
GTECH G2	37	3%	34	3%
Total	1,121	100%	1,100	100%
Eliminations	(2)	0%	(1)	0%
Purchase Accounting	-	0%	-	0%
Total	1,119	100%	1,099	100%

Operating Income/(Loss)	1H'10	% of Total	1H'09	% of Total
Italian Operations	213	93%	249	95%
GTECH Lottery	65	29%	75	29%
Gaming Solutions	(6)	-3%	(8)	-3%
GTECH G2	(3)	-1%	(2)	-1%
Total	269	118%	314	120%
Corporate Overhead	(5)	-2%	(6)	-2%
Purchase Accounting	(36)	-16%	(47)	-18%
Total	228	100%	261	100%

Figures in €M