



International Game Technology PLC

2021 Second Quarter Results

Period ended June 30, 2021

August 3, 2021

Cautionary Statement Regarding Forward-Looking Statements

This presentation may contain forward-looking statements (including within the meaning of the Private Securities Litigation Reform Act of 1995) concerning International Game Technology PLC and its consolidated subsidiaries (the “Company”) and other matters. These statements may discuss goals, intentions, and expectations as to future plans, trends, events, dividends, results of operations, or financial condition, or otherwise, based on current beliefs of the management of the Company as well as assumptions made by, and information currently available to, such management. Forward-looking statements may be accompanied by words such as “aim,” “anticipate,” “believe,” “plan,” “could,” “would,” “should,” “shall,” “continue,” “estimate,” “expect,” “forecast,” “future,” “guidance,” “intend,” “may,” “will,” “possible,” “potential,” “predict,” “project” or the negative or other variations of them. These forward-looking statements speak only as of the date on which such statements are made and are subject to various risks and uncertainties, many of which are outside the Company’s control. Should one or more of these risks or uncertainties materialize, or should any of the underlying assumptions prove incorrect, actual results may differ materially from those predicted in the forward-looking statements and from past results, performance, or achievements. Therefore, you should not place undue reliance on such statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include (but are not limited to) the uncertainty of the duration, extent and effects of the COVID-19 pandemic and the response to governments, including government-mandated property closures and travel restrictions, and other third parties on the Company’s business, results of operations, cash flows, liquidity and development prospects and the factors and risks described in the Company’s annual report on Form 20-F for the financial year ended December 31, 2020 and other documents filed from time to time with the SEC, which are available on the SEC’s website at www.sec.gov and on the investor relations section of the Company’s website at www.IGT.com. Except as required under applicable law, the Company does not assume any obligation to update these forward-looking statements. You should carefully consider these factors and other risks and uncertainties that affect the Company’s business. Nothing in this presentation is intended, or is to be construed, as a profit forecast or to be interpreted to mean that the financial performance of International Game Technology PLC for the current or any future financial years will necessarily match or exceed the historical published financial performance of International Game Technology PLC, as applicable. All forward-looking statements contained in this presentation are qualified in their entirety by this cautionary statement. All subsequent written or oral forward-looking statements attributable to International Game Technology PLC, or persons acting on its behalf, are expressly qualified in their entirety by this cautionary statement.

Comparability of Results

All figures presented in this release are prepared under U.S. GAAP, unless otherwise noted.

Non-GAAP Financial Measures

Management supplements the reporting of financial information, determined under GAAP, with certain non-GAAP financial information. Management believes the non-GAAP information presented provides investors with additional useful information, but it is not intended to nor should it be considered in isolation or as a substitute for the related GAAP measures. Moreover, other companies may define non-GAAP measures differently, which limits the usefulness of these measures for comparisons with such other companies. The Company encourages investors to review its financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure.

Adjusted EBITDA represents net income (loss) from continuing operations (a GAAP measure) before income taxes, interest expense, foreign exchange gain (loss), other non-operating expenses, depreciation, impairment losses, amortization (service revenue, purchase accounting and non-purchase accounting), restructuring expenses, stock-based compensation, litigation expense (income), and certain other non-recurring items. Other non-recurring items are infrequent in nature and are not reflective of ongoing operational activities. For the business segments, Adjusted EBITDA represents segment operating income (loss) before depreciation, amortization (service revenue, purchase accounting and non-purchase accounting), restructuring expenses, stock-based compensation, litigation expense (income) and certain other non-recurring items. Adjusted EBITDA – discontinued operations represents income from discontinued operations (a GAAP measure) before income taxes, interest expense, depreciation and amortization, and gain on sale of discontinued operations. Adjusted EBITDA – combined represents Total Adjusted EBITDA plus EBITDA – discontinued operations. Management believes that the non-GAAP measures just mentioned are useful in providing period-to-period comparisons of the results of the Company’s ongoing operational performance.

Net debt is a non-GAAP financial measure that represents debt (a GAAP measure, calculated as long-term obligations plus short-term borrowings) minus capitalized debt issuance costs and cash and cash equivalents. Cash and cash equivalents are subtracted from the GAAP measure because they could be used to reduce the Company’s debt obligations. Management believes that net debt is a useful measure to monitor leverage and evaluate the balance sheet.

Net debt leverage is a non-GAAP financial measure that represents the ratio of Net debt as of a particular balance sheet date to Adjusted EBITDA for the last twelve months (“LTM”) prior to such date. Prior to the disposal of the Italian B2C gaming businesses in the second quarter of 2021, management calculated the Net debt leverage ratio as the ratio of Net debt as of a particular balance sheet date to the LTM of Adjusted EBITDA – combined prior to such date. Management believes that Net debt leverage is a useful measure to assess our financial strength and ability to incur incremental indebtedness when making key investment decisions.

Free cash flow is a non-GAAP financial measure that represents cash flow from operations (a GAAP measure) less capital expenditures. Management believes free cash flow is a useful measure of liquidity and an additional basis for assessing IGT’s ability to fund its activities, including debt service and distribution of earnings to shareholders.

Constant currency is a non-GAAP financial measure that expresses the current financial data using the prior-year/period exchange rate (i.e., the exchange rates used in preparing the financial statements for the prior year). Management believes that constant currency is a useful measure to compare period-to-period results without regard to the impact of fluctuating foreign currency exchange rates.

A reconciliation of the non-GAAP measures to the corresponding amounts prepared in accordance with GAAP appears in the tables in this release. The tables provide additional information as to the items and amounts that have been excluded from the adjusted measures.



Business Update

Impressive Q2'21 Results Confirm Vitality of Portfolio



Revenue up over 70% on outstanding Global Lottery performance, progressive recovery in land-based Global Gaming, and significant growth in Digital & Betting activities

**+35% Lottery
SSS Growth**



Structural cost reductions tracking ahead of plan



Once again, among highest Adjusted EBITDA⁽¹⁾ in Company history (\$ and margin⁽²⁾); generated \$380M of free cash flow in H1'21, a record level for a first half period

**Active U.S. units
and yields up
sequentially**



Publication of 14th annual Sustainability Report highlights improved ESG performance; diversity and inclusion efforts recognized for their scope and impact

**Digital &
Betting
revenue up
41%**



Raising outlook for 2021; now expect to exceed 2019 levels for key financial metrics this year

**\$442M in
Adjusted
EBITDA⁽¹⁾
(42% margin ⁽²⁾)**

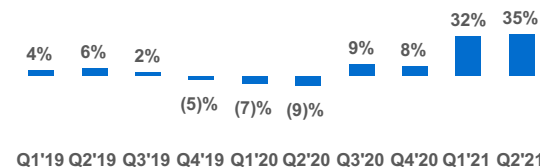
Innovation Driving Stronger Global Lottery Growth Profile



35% SSS growth and a 24% increase over Q2'19 on broad-based gains across games and regions

- 21% growth in North America & Rest of World
- 115% increase in Italy, helped by closure of gaming halls & betting shops
- Growing acceptance of iLottery

Global Same-Store Sales (Y/Y)



Consistent, multi-year industry growth fueled by game innovation, improved retail penetration, and sales execution



Expect mid-single digit H2'21 global SSS growth; up low-double digits versus H2'19 levels, at upper end of historical rate

- Research confirms an expanding player base with intention to increase play over pre-COVID levels
- Return to more normal growth rate applied to higher levels of consumption



CASH
4LIFE



Global Gaming Recovery Progressing Nicely



Global markets mostly open, some restrictions still in place outside the U.S.



Recurring revenue recovering swiftly; sequential improvement in U.S. active units and installed base yields



Improved unit sales both Y/Y and sequentially



Growing adoption of IGT's best-in-class cashless solutions (Resort Wallet™, IGTPay™), most recently with Agua Caliente Casinos



Won "Casino Supplier of the Year" in 2021 Global Gaming Awards London



Expect continued, progressive improvement throughout year



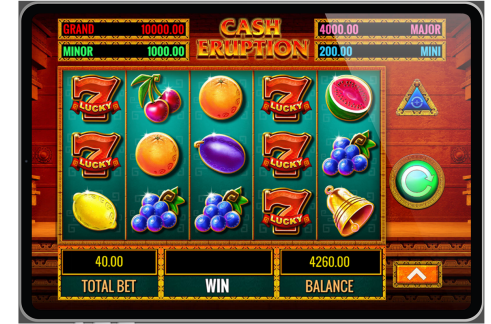
Spotlight on Digital & Betting: Building on Leadership Positions



iGaming

Leveraging deep and proven land-based portfolio

Success developing digitally native games that are among the strongest performing ever (*Cash Eruption*)



iLottery

Working with third parties to complement our proprietary IP

Deploying next-generation platform, starting with Georgia in Q3

Expanding portfolio of innovative and high-performing e-instants: *VIP Gold Grand, Triple Platinum, Ruby 7, Sfida al Campionato, Invasioni Spaziali*



Sports Betting

PlaySports platform powering ~50 U.S. sportsbooks, including Resorts World Las Vegas's retail sportsbook and statewide mobile betting app

40+ leads in pipeline for turnkey solution



Strong Player Demand, Disciplined Execution Drive Improved Outlook



Top-line momentum supported by attractive long-term Lottery industry trends, Global Gaming recovery, and high-growth Digital & Betting activities



Substantial cost savings already achieved, increasing profit margin and cash flow outlook



Significantly reduced debt and leverage returns to pre-COVID levels; expect positive trends to continue



Unwavering commitment to sustainability, building on our important progress

- Selected for 2020 Bloomberg Gender-Equality Index
- Awarded responsible gaming certification from Global Gambling Guidance Group; first gaming supplier to achieve accreditation for land-based and digital operations
- Lakeland, Florida printing facility recognized as winner of the Sustainability Program in the 2021 FTA Sustainability Excellence Awards





Financial Results

Significant Profit Growth in Q2'21 and YTD Periods

All amounts from continuing operations, unless otherwise noted	Quarter Ended June 30,			Year-To-Date June 30,		
	2021	2020		2021	2020	
<u>GAAP Financials:</u>						
Revenue	1,041	600	74%	2,055	1,414	45%
Operating income (loss)	244	(72)	NA	504	(290)	NA
Net income (loss) ⁽¹⁾	365	(282)	NA	514	(516)	NA
Net income (loss) attributable to IGT PLC per common share ⁽¹⁾	\$1.49	\$(1.37)	NA	\$1.94	\$(2.58)	NA
Net cash provided by operating activities	249	127	95%	500	153	227%
<u>Non-GAAP Financial Measures:</u>						
Adjusted EBITDA ⁽²⁾	442	164	170%	892	425	110%
Free cash flow ⁽²⁾	176	73	140%	380	13	NM

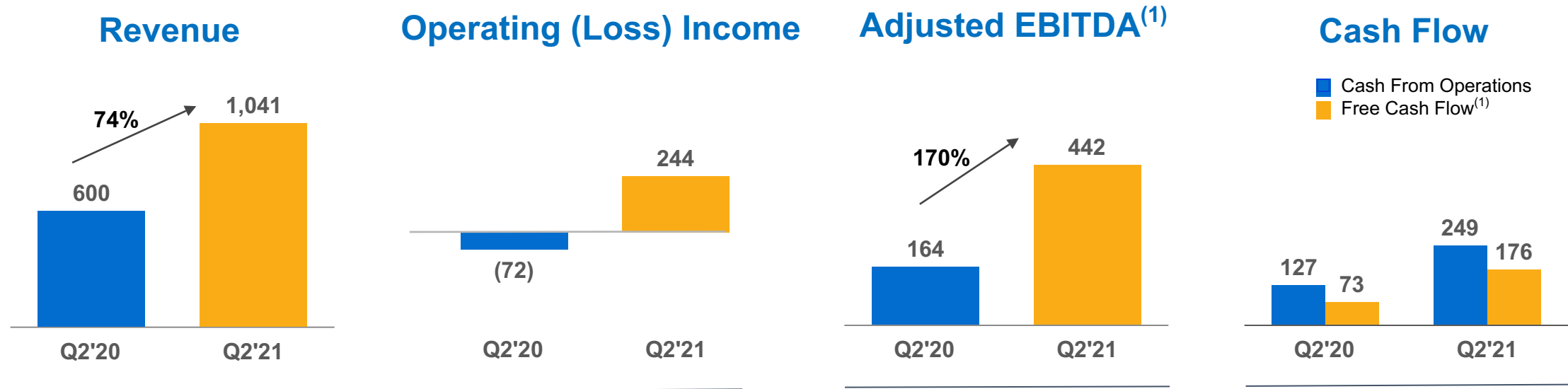
Note: \$ in millions, except where noted otherwise

⁽¹⁾ includes results of discontinued operations, net of tax

⁽²⁾ Non-GAAP measure; see disclaimer on page 2 and reconciliations to the most directly comparable GAAP measures in Appendix for further details



Q2'21 Financial Highlights: Impressive Operating Leverage on Robust Revenue Growth



All key financial measures up significantly Y/Y

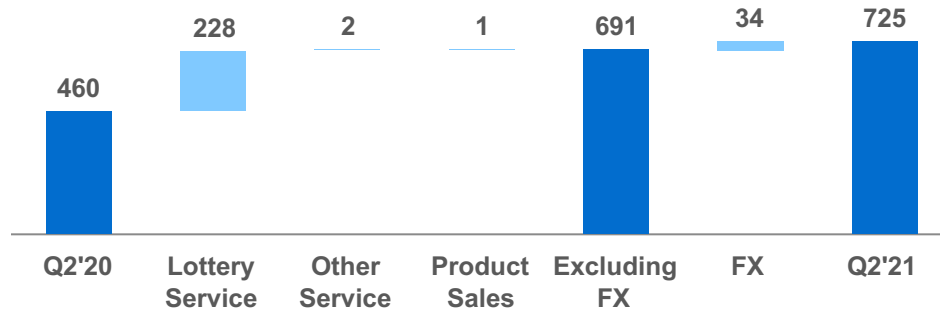
~2/3 of OPTiMa \$200M+ structural cost savings target achieved YTD

- Product simplification and margin improvement initiatives ~70% complete
- Operational excellence initiative ~30% complete; incremental benefits tied to ramp in production volumes

Note: \$ in millions; EUR/USD FX daily average: 1.20 in Q2'21, 1.10 in Q2'20; all amounts presented reflect continuing operations
⁽¹⁾ Non-GAAP measure; see disclaimer on page 2 and reconciliations to the most directly comparable GAAP measures in Appendix for further details

Q2'21 Global Lottery Highlights: Strong Player Demand Drives Near-Record Results

Revenue



	Q2'21	Q2'20	Y/Y % change as reported	Y/Y % change at constant FX	Q2'19 ⁽¹⁾	% change as reported
Revenue	725	460	58%	50%	586	24%
Operating income	300	107	180%	163%	183	64%
Adjusted EBITDA ⁽²⁾	414	221	87%	76%	289	43%

Global SSS growth	Y/Y % change at constant FX	% change at constant FX vs Q2'19
Instants & Draw Games	34.9%	26.5%
Multi-jurisdiction jackpots	28.8%	(2.4)%
Total	34.5%	24.1%

North America & Rest of world SSS growth	Y/Y % change at constant FX	% change at constant FX vs Q2'19
Instants & Draw Games	20.5%	25.8%
Multi-jurisdiction jackpots	28.8%	(2.4)%
Total	21.1%	22.9%

Italy SSS growth	Y/Y % change at constant FX	% change at constant FX vs Q2'19
Instants & Draw Games	115.2%	28.5%

Significant increase in lottery service over one and two-year periods

- 35% global SSS growth; sharp increase in all main geographies
- Italy SSS more than double
- 24% higher than Q2'19

Operating income more than doubles

- High flow-through of SSS growth and positive geographic mix
- Disciplined cost management

57% Adjusted EBITDA margin; second highest quarterly level in segment history

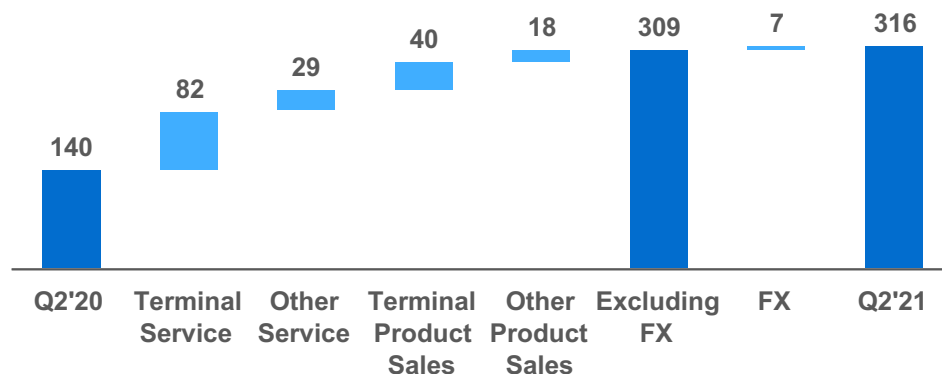
Note: \$ in millions; all amounts presented reflect continuing operations except where noted otherwise

⁽¹⁾ As previously disclosed, does not reflect impact of discontinued operations

⁽²⁾ Non-GAAP measure; see disclaimer on page 2 and reconciliations to the most directly comparable GAAP measures in Appendix for further details

Q2'21 Global Gaming Highlights: Continued Recovery Drives Return to Profitability

Revenue



Results from continuing operations	Q2'21	Q2'20	Y/Y % change as reported	Y/Y % change at constant FX	Q1'21	Sequential % change as reported
Revenue	316	140	126%	120%	266	19%
Operating income (loss)	10	-111	NA	NA	-19	NA
Adjusted EBITDA ⁽¹⁾	49	-36	NA	NA	19	158%

Installed Base (units)	Q2'21	Q2'20	Q1'21	Machine Units Sold	Q2'21	Q2'20	Q1'21
US & Canada	33,820	34,800	34,138	New & expansion	1,167	1,443	884
Rest of world	<u>15,280</u>	<u>14,834</u>	<u>15,227</u>	Replacement	<u>5,168</u>	<u>1,538</u>	<u>3,521</u>
Total	49,100	49,634	49,365	Total	6,335	2,981	4,405
Yields⁽³⁾	\$27.49	\$6.21	\$22.93	Average selling price	\$13,400	\$14,600	\$13,800

Service revenue more than doubles; on path to achieve Q4'19 levels in Q4'21

Progressive quarterly increase in machine units sold since Q2'20

Digital & Betting⁽¹⁾ revenue up over 40%

Profitability measures significantly higher

- Increased operating leverage as business scales
- Disciplined cost management and benefits from OPTiMa cost saving initiatives

Sequential growth in revenue, profit, and margins

- Higher number of active units and yields
- 44% increase in machine units sold

Note: \$ in millions, except where noted otherwise; all amounts presented reflect continuing operations

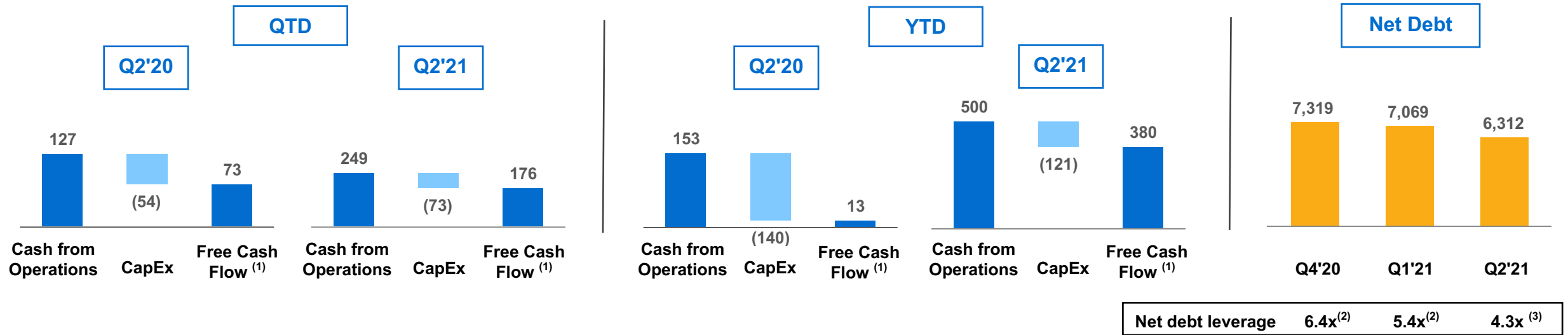
⁽¹⁾ Reported Digital & Betting revenue reflects activity across the Company's business portfolio and includes iLottery

⁽²⁾ Non-GAAP measure; see disclaimer on page 2 and reconciliations to the most directly comparable GAAP measures in Appendix for further details

⁽³⁾ Excludes L/T lease units treated as sales-type leases; comparability on a Y/Y basis hindered due to fewer active units



Strong Cash Generation Continues; Net Debt Leverage Improves to 4.3x



Generated \$500M in cash from operating activities and \$380M in free cash flow YTD

Net debt lower by over \$1.0 billion, as reported, \$866M excluding foreign currency impact

- Strong YTD financial results including solid cash flow generation; 56% cash conversion rate⁽⁴⁾
- \$748M in net cash proceeds from sale of Italy gaming businesses

Net debt leverage improves to 4.3x, reaching pre-pandemic level six months ahead of target

Note: \$ in millions, except where noted otherwise; all amounts presented represent continuing operations

⁽¹⁾ Non-GAAP measure; see disclaimer on page 2 and reconciliations to the most directly comparable GAAP measures in Appendix for further details

⁽²⁾ Non-GAAP measure; calculation predates Italy asset sales therefore based on LTM Adjusted EBITDA - Combined; see disclaimer on page 2 and schedule in Appendix for further details

⁽³⁾ Non-GAAP measure; see disclaimer on page 2 and schedule in Appendix for further details

⁽⁴⁾ Cash conversion defined as Cash from Operations divided by Adjusted EBITDA

Significantly Improved Balance Sheet with Lower Debt and Longer Maturities; No Significant Debt Maturity Until 2024



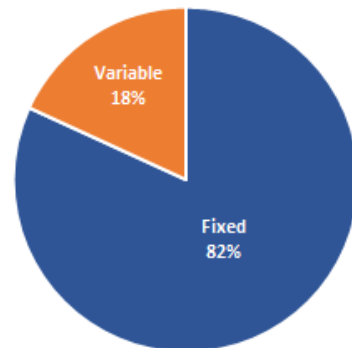
Total liquidity of \$1.9B at quarter end; \$639M in unrestricted cash and \$1.3B in additional borrowing capacity



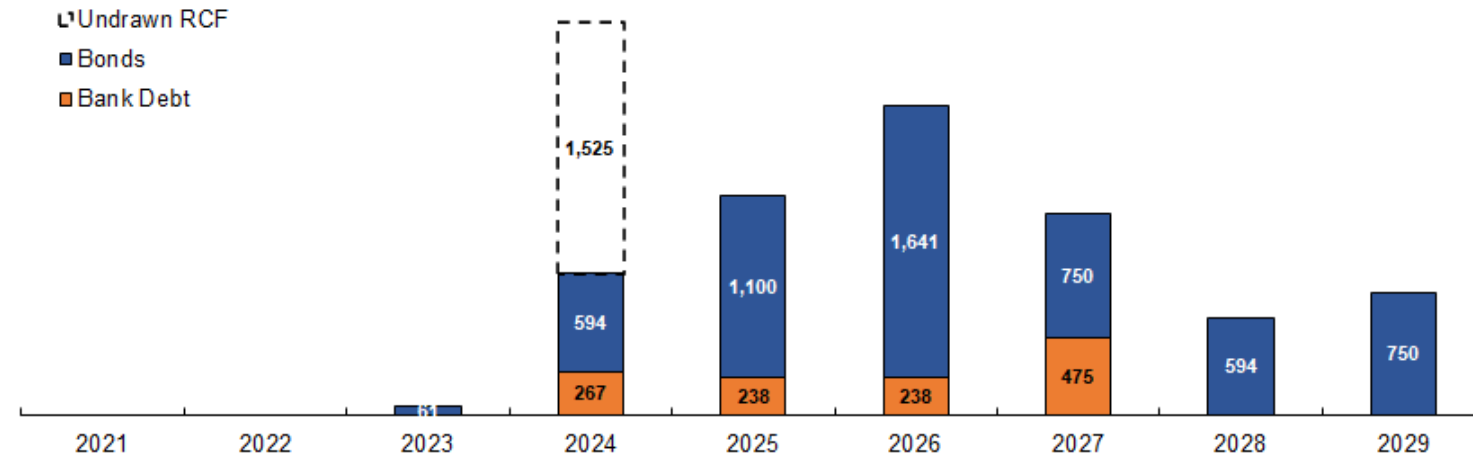
Net proceeds from Italy asset sale used to fund redemption of 4.750% Euro bonds due 2023



Term Loan refinancing generates additional liquidity, extends maturities, and lowers interest costs



Debt Maturity Profile at June 30, 2021
Pro-forma for Term Loan Refinancing



Outstanding YTD Operating Results; Improved Financial Condition



Sustained Global Lottery performance drives near-record results; progressive recovery in Global Gaming results in sequential and Y/Y growth in revenue, profit, and margins



OPtiMa program ahead of schedule; ~2/3 of \$200M+ structural cost savings target achieved YTD, boosting operating margins



Generated \$500 million in cash from continuing operations and a record-level \$380 million in free cash flow from continuing operations during the first half of the year



Net debt reduced by ~\$1.0B YTD as reported; net debt leverage improves to 4.3x⁽¹⁾, returning to pre-pandemic level six months ahead of target



Substantial liquidity with no material near-term debt maturities

H2'21 Outlook

Company's H2'21 outlook for revenue and operating income from continuing operations is ~\$2 billion and ~\$300 million, respectively, meaningfully higher Y/Y

- Global Lottery returns to more normal growth rates applied to higher levels of consumption; Q3-to-date SSS up double digits versus 2019
- Global Gaming progressive recovery continues

H2'21 vs H1'21 perspective:

- Revenue and operating income lower versus H1'21 on normalization of lottery growth trends
- Cash from operations below H1'21 levels
- CapEx of ~\$175 million, sequentially accelerating to support growth; FY CapEx remains below 2019 levels
- Depreciation and amortization stable versus H1'21

Does not factor in any impact from additional COVID-19 restrictions



Q&A



Appendix

Q2'21 Select Performance and KPI Data

GLOBAL LOTTERY	Q2'21	Q2'20	Y/Y Change (%)	Constant Currency Change (%) ⁽¹⁾	Q1'21	Sequential Change as Reported (%)
Revenue						
Service						
Operating and facilities management contracts	675	416	62 %	55 %	695	(3)%
Upfront license fee amortization	(53)	(48)	(9)%	— %	(52)	(1)%
Operating and facilities management contracts, net	623	367	70 %	62 %	643	(3)%
Other	79	70	12 %	4 %	83	(4)%
Total service revenue	702	438	60 %	53 %	725	(3)%
Product sales	23	22	6 %	3 %	23	(1)%
Total revenue	725	460	58 %	50 %	749	(3)%
Operating income	300	107	180 %	163 %	337	(11)%
Adjusted EBITDA ⁽¹⁾	414	221	87 %	76 %	447	(7)%
	Q2'21 Constant Currency Change (%) ⁽¹⁾	Q2'20 Constant Currency Change (%) ⁽¹⁾			Q1'21 Constant Currency Change (%) ⁽¹⁾	
Global same-store sales growth (%)						
Instant ticket & draw games	34.9 %	(7.1)%			27.4 %	
Multi-jurisdiction jackpots	28.8 %	(24.2)%			94.7 %	
Total	34.5 %	(8.5)%			32.4 %	
North America & Rest of world same-store sales growth (%)						
Instant ticket & draw games	20.5 %	3.5 %			20.9 %	
Multi-jurisdiction jackpots	28.8 %	(24.2)%			94.7 %	
Total	21.1 %	0.6 %			27.8 %	
Italy same-store sales growth (%)						
Instant ticket & draw games	115.2 %	(40.5)%			52.2 %	

\$ in millions except otherwise noted

⁽¹⁾ Non-GAAP measure; see disclaimer on page 2 and reconciliations to the most directly comparable GAAP measures in Appendix for further details



Q2'21 Select Performance and KPI Data

GLOBAL GAMING	Q2'21	Q2'20	Y/Y Change (%)	Constant Currency Change (%) ⁽¹⁾	Q1'21	Sequential Change as Reported (%)
Revenue						
Service						
Terminal	108	25	325 %	323 %	90	20 %
Systems, software, and other	91	59	54 %	50 %	86	6 %
Total service revenue	199	84	136 %	132 %	175	13 %
Product sales						
Terminal	86	44	97 %	91 %	62	40 %
Other	31	12	160 %	147 %	29	7 %
Total product sales revenue	117	56	110 %	103 %	91	29 %
Total revenue	316	140	126 %	120 %	266	19 %
Operating income (loss)	10	(111)	NA	NA	(19)	NA
Adjusted EBITDA ⁽¹⁾	49	(36)	NA	NA	19	158 %
Installed base units						
Casino	47,964	48,704	(2)%		48,230	
Casino - L/T lease ⁽²⁾	1,136	930	22 %		1,135	
Total installed base units	49,100	49,634	(1)%		49,365	
Installed base units (by geography)						
US & Canada	33,820	34,800	(3)%		34,138	
Rest of world	15,280	14,834	3 %		15,227	
Total installed base units	49,100	49,634	(1)%		49,365	

\$ in millions except otherwise noted

⁽¹⁾ Non-GAAP measure; see disclaimer on page 2 and reconciliations to the most directly comparable GAAP measures in Appendix for further details

⁽²⁾ Excluded from yield calculations due to treatment as sales-type leases



Q2'21 Select Performance and KPI Data

GLOBAL GAMING (Continued)	Q2'21	Q2'20	Y/Y Change (%)	Q1'21
Yields (by geography)⁽¹⁾, in absolute \$				
US & Canada	\$38.41	\$8.69	342 %	\$32.27
Rest of world	\$4.03	\$0.49	NM	\$2.58
Total yields	\$27.49	\$6.21	343 %	\$22.93
Global machine units sold				
New/expansion	1,167	1,443	(19)%	884
Replacement	5,168	1,538	236 %	3,521
Total machine units sold	6,335	2,981	113 %	4,405
US & Canada machine units sold				
New/expansion	643	1,382	(53)%	620
Replacement	3,485	1,330	162 %	2,276
Total machine units sold	4,128	2,712	52 %	2,896
Rest of world machine units sold				
New/expansion	524	61	NM	264
Replacement	1,683	208	NM	1,245
Total machine units sold	2,207	269	NM	1,509
Average Selling Price (ASP), in absolute \$				
US & Canada	\$13,900	\$14,700	(5)%	\$13,900
Rest of world	\$12,700	\$14,000	(9)%	\$13,700
Total ASP	\$13,400	\$14,600	(8)%	\$13,800
Gaming Systems Revenue	39	23	66 %	30

\$ in millions except otherwise noted

⁽¹⁾ Excludes Casino L/T lease units due to treatment as sales-type leases; comparability on a Y/Y basis hindered due to fewer active units



Q2'21 Select Performance and KPI Data

CONSOLIDATED	Q2'21	Q2'20	Y/Y Change (%)	Constant Currency Change (%) ⁽¹⁾	Q1'21	Sequential Change as Reported (%)
Revenue (by geography)						
US & Canada	561	369	52 %	51 %	542	4 %
Italy	353	146	141 %	122 %	348	1 %
Rest of world	127	84	51 %	40 %	124	2 %
Total revenue	1,041	600	74 %	67 %	1,015	3 %
Digital & Betting Revenue ⁽²⁾	61	44	41 %	34 %	58	5 %

\$ in millions except otherwise noted

⁽¹⁾ Non-GAAP measure; see disclaimer on page 2

⁽²⁾ Included within consolidated revenue



Q2'21 Summarized Income Statement

	Q2'21	Q2'20	Y/Y Change (%)
Service revenue	901	522	73 %
Product sales	140	78	81 %
Total revenue	1,041	600	74 %
Total operating expenses	796	672	19 %
Operating income (loss)	244	(72)	NA
Interest expense, net	91	96	
Foreign exchange loss, net	90	74	
Other expense, net	70	28	
Total non-operating expenses	251	198	
Loss from continuing operations before provision for (benefit from) income taxes	(7)	(271)	
Provision for (benefit from) income taxes	32	(3)	
Loss from continuing operations	(39)	(268)	
Income (loss) from discontinued operations, net of tax	13	(15)	
Gain on sale of discontinued operations, net of tax	391	—	
Net income (loss)	365	(282)	
Net income (loss) attributable to IGT PLC per common share - basic	\$1.49	\$(1.37)	

\$ in millions except per share amounts

⁽¹⁾ Non-GAAP measure; see disclaimer on page 2 and reconciliations to the most directly comparable GAAP measures in Appendix for further details



Summarized Cash Flow Statement

	For the three months ended			For the six months ended	
	June 30,		March 31,	June 30,	
	2021	2020	2021	2021	2020
Net Cash Flows Provided by Operating Activities	249	127	251	500	153
CapEx	(73)	(54)	(48)	(121)	(140)
Free Cash Flow⁽¹⁾	176	73	204	380	13
Cash Flow Provided by Discontinued Operations	748	34	(46)	702	152
Debt (Repayment)/Proceeds, Net	(947)	(75)	(206)	(1,153)	591
Other - Net	(137)	(139)	(89)	(226)	(128)
Other Investing/Financing Activities	(336)	(180)	(341)	(677)	614
Net Cash Flow	(160)	(106)	(137)	(297)	627
Effect of Exchange Rates/Other	23	18	(36)	(13)	8
Net Change in Cash and Restricted Cash	(137)	(88)	(173)	(310)	636

\$ in millions except per share amounts; all amounts presented reflect continuing operations unless otherwise noted

⁽¹⁾ Non-GAAP measure; see disclaimer on page 2 and reconciliations to the most directly comparable GAAP measures in Appendix for further details



Reconciliations of Non-GAAP Measures

	For the three months ended June 30, 2021				
	Global Lottery	Global Gaming	Business Segment Total	Corporate and Other	Total IGT PLC
Loss from continuing operations					(39)
Provision for income taxes					32
Interest expense, net					91
Foreign exchange loss, net					90
Other non-operating expense, net					70
Operating income (loss)	300	10	310	(66)	244
Depreciation	49	35	83	—	83
Amortization - service revenue ⁽¹⁾	55	—	55	—	55
Amortization - non-purchase accounting	9	1	10	1	11
Amortization - purchase accounting	—	—	—	39	39
Stock-based compensation	2	2	3	4	7
Other ⁽²⁾	—	—	—	1	1
Adjusted EBITDA	414	49	463	(21)	442
Income from discontinued operations					404
Gain on sale of discontinued operations					(396)
Provision for income taxes					—
Interest expense, net					—
Depreciation					—
Amortization					—
Adjusted EBITDA - discontinued					9
Adjusted EBITDA - combined					451
Cash flows from operating activities -					249
Capital expenditures					(73)
Free Cash Flow					176

	For the three months ended June 30, 2020				
	Global Lottery	Global Gaming	Segment Total	Corporate and Other	Total IGT PLC
Loss from continuing operations					(268)
Benefit from income taxes					(3)
Interest expense, net					96
Foreign exchange loss, net					74
Other non-operating expense, net					28
Operating income (loss)	107	(111)	(4)	(69)	(72)
Goodwill impairment	50	37	87	—	88
Depreciation	51	—	51	—	51
Amortization - service revenue ⁽¹⁾	7	2	9	1	10
Amortization - non-purchase accounting	—	—	—	42	42
Amortization - purchase accounting	5	35	40	3	43
Restructuring	—	—	—	1	1
Stock-based compensation	—	—	—	1	1
Other ⁽²⁾	—	—	—	1	1
Adjusted EBITDA	221	(36)	184	(20)	164
Loss from discontinued operations					(15)
Benefit from income taxes					(8)
Interest expense, net					—
Depreciation					12
Amortization					14
Adjusted EBITDA - discontinued					4
Adjusted EBITDA - combined					167
Cash flows from operating activities -					127
Capital expenditures					(54)
Free Cash Flow					73

\$ in millions; all amounts presented reflect continuing operations

⁽¹⁾ Includes amortization of upfront license fees

⁽²⁾ Primarily includes transaction-related costs

Reconciliations of Non-GAAP Measures

	For the six months ended June 30, 2021				
	Lottery	Gaming	Segment Total	Other	PLC
Income from continuing operations					100
Provision for income taxes					181
Interest expense, net					185
Foreign exchange gain, net					(55)
Other non-operating expense, net					94
Operating income (loss)	637	(9)	628	(124)	504
Depreciation	96	70	166	(1)	165
Amortization - service revenue ⁽¹⁾	110	—	110	—	110
Amortization - non-purchase accounting	17	3	19	2	21
Amortization - purchase accounting	—	—	—	79	79
Restructuring	(1)	1	—	—	—
Stock-based compensation	2	3	5	6	11
Other ⁽²⁾	—	—	—	1	1
Adjusted EBITDA	862	67	929	(37)	892
Income from discontinued operations					415
Gain on sale of discontinued operations					(396)
Provision for income taxes					4
Interest expense, net					—
Depreciation					—
Amortization					—
Adjusted EBITDA - discontinued					23
Adjusted EBITDA - combined					915
Cash flows from operating activities -					500
Capital expenditures					(121)
Free Cash Flow					380

	For the six months ended June 30, 2020				
	Lottery	Gaming	Total	Other	PLC
Loss from continuing operations					(515)
Benefit from income taxes					(4)
Interest expense, net					196
Foreign exchange loss, net					4
Other non-operating expense, net					29
Operating income (loss)	251	(117)	135	(425)	(290)
Goodwill impairment	—	—	—	296	296
Depreciation	96	77	173	1	173
Amortization - service revenue ⁽¹⁾	101	—	101	—	101
Amortization - non-purchase accounting	14	3	17	2	19
Amortization - purchase accounting	—	—	—	89	89
Restructuring	5	36	41	6	47
Stock-based compensation	(4)	(5)	(9)	(3)	(12)
Other ⁽²⁾	—	—	—	2	2
Adjusted EBITDA	464	(6)	458	(33)	425
Loss from discontinued operations					(1)
Benefit from income taxes					(4)
Interest expense, net					—
Depreciation					25
Amortization					28
Adjusted EBITDA - discontinued					48
Adjusted EBITDA - combined					473
Cash flows from operating activities -					153
Capital expenditures					(140)
Free Cash Flow					13

\$ in millions; all amounts presented reflect continuing operations

⁽¹⁾ Includes amortization of upfront license fees

⁽²⁾ Primarily includes transaction-related costs

Summary of Adjusted EBITDA and Leverage From Continuing Operations and Including Discontinued Operations

	Q3'20	Q4'20	Q1'21	Q2'21
Adjusted EBITDA	287	295	450	442
Adjusted EBITDA - discontinued operations	65	26	14	9
Adjusted EBITDA - combined	352	321	464	451
LTM Adjusted EBITDA ⁽¹⁾	1,078	1,008	1,196	1,474
LTM Adjusted EBITDA - combined ⁽¹⁾⁽²⁾	1,260	1,146	1,305	1,588
Net debt	7,243	7,319	7,069	6,312
<u>Net debt leverage</u>				
LTM Adjusted EBITDA ⁽³⁾				4.3x
LTM Adjusted EBITDA - combined ⁽⁴⁾	5.7x	6.4x	5.4x	4.0x

\$ in millions; all amounts presented reflect continuing operations unless otherwise noted

⁽¹⁾ Adjusted EBITDA was \$164 million, \$261 million, and \$365 million for the quarters ended June 30, 2020, March 31, 2020, and December 31, 2019, respectively.

⁽²⁾ Adjusted EBITDA from discontinued operations was \$4 million, \$44 million, and \$69 million for the quarters ended June 30, 2020, March 31, 2020, and December 31, 2019, respectively.

