

2019 Third Quarter Results

Ended September 30, 2019

November 14, 2019



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 factors and risks described in the Company’s annual report on Form 20-F for the financial year ended December 31, 2018 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. All forward-looking statements contained in this presentation are qualified in their entirety by this cautionary statement.

Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures, including adjusted EBITDA, adjusted operating income, adjusted diluted EPS, and free cash flow. Reconciliations of non-GAAP measures to the most directly comparable GAAP measures are included in the appendix to this presentation.

Comparability of Results

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

Adjusted figures exclude the impact of items such as purchase accounting, impairment charges, restructuring expense, foreign exchange, and certain one-time, primarily transaction-related items. Reconciliations to the most directly comparable U.S. GAAP measures are included in the tables in this presentation. Constant currency changes for 2019 are calculated using the same foreign exchange rates as the corresponding 2018 period.

Management uses non-GAAP financial measures to understand and compare operating results across accounting periods, for internal budgeting and forecasting purposes, and to evaluate the Company’s financial performance. Management believes these non-GAAP financial measures reflect the Company’s ongoing business in a manner that allows for meaningful period-to-period comparisons and analysis of business trends. These constant currency changes and non-GAAP financial measures should however be viewed in addition to, and not as an alternative for, the Company’s reported results prepared in accordance with U.S. GAAP.

Agenda

1

**Strategic
Update**

Marco Sala, CEO

2

**Q3'19
Results**

Alberto Fornaro, CFO

3

Q&A



Strategic Update

Q3'19 Results Led by Gaming

Solid core business momentum

- Strong KPIs
- Global gaming machine unit sales up sharply

YTD free cash flow marks important inflection point



Lotteries Continue to Perform; Leveraging Distribution to Drive Growth

2% SSR growth outside Italy; Italy wagers stable

Strong North American product sales reflect growing suite of self-service options

- GameTouch 20™
 - Solution for big-box, national retailers
 - Won Lottery Product of the Year at International Gaming Awards
- GameTouch Draw™
 - Facilitates Keno expansion
 - Inspired by sports betting solution used in Italy



Wins & Extensions Secure Future

Several North American contract wins & extensions

- Wins: Mississippi
- Extensions: Colorado, Minnesota, Kentucky, Oregon

Awarded 15-year Brazil instant ticket license through 50-50 joint venture

- Expect to be operational in H2'20
- Compelling incremental growth driver



Strong Quarter for Global Gaming Business

44% increase in unit sales of gaming machines driven by strong replacement demand

- NA replacements up 38%
- International replacements up 88%; new Cobalt cabinet launched in Eastern Europe

North America installed base stable, yields higher

- Continued rollout of *Wheel of Fortune® Cash Link* & *WOF 4D* games



G2E Highlights Strategy of “Player-Driven Performance”

Core video offer showcases evolution of proven franchises

Focus on multi-link progressives, a growing market segment worldwide

New Peak cabinets for leased games

Strong video poker showing should support continued segment leadership



U.S. Sports Betting Solutions Gaining Momentum

IGT powering 35 casino-based sportsbooks in 11 states

- Mobile/digital active in 7 states
- >200 self-service terminals deployed

Leading market share in NJ & PA confirms stability and scalability of offer

“Sportsbook in a box” solutions featured at G2E

- Enables Vegas-style sportsbook experience for small and medium casinos



Confident in Continued Progress for Global Lottery & Gaming

Italy budget law process still evolving

- Proven record of minimizing impact on P&L
 - Italy profits have grown despite higher taxes over the last several years
- Working on initiatives to offset new taxes

Confidence in future rooted in focus on player-driven performance

- Unmatched breadth and depth of product offer
- Positive customer feedback

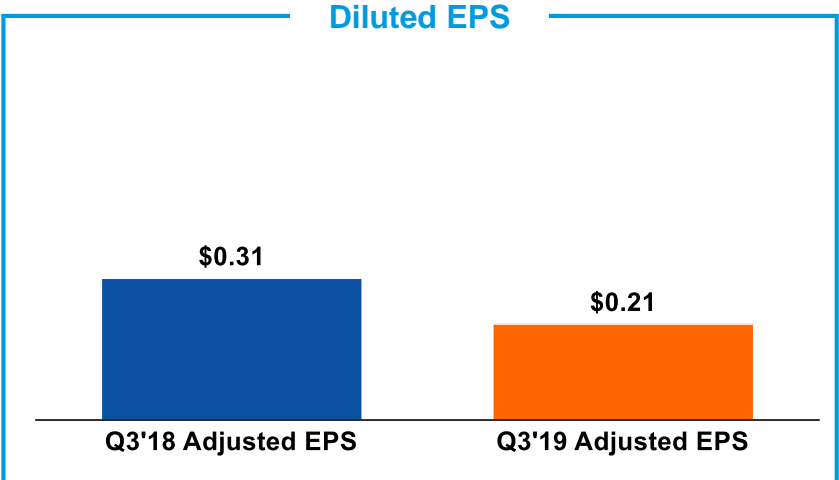
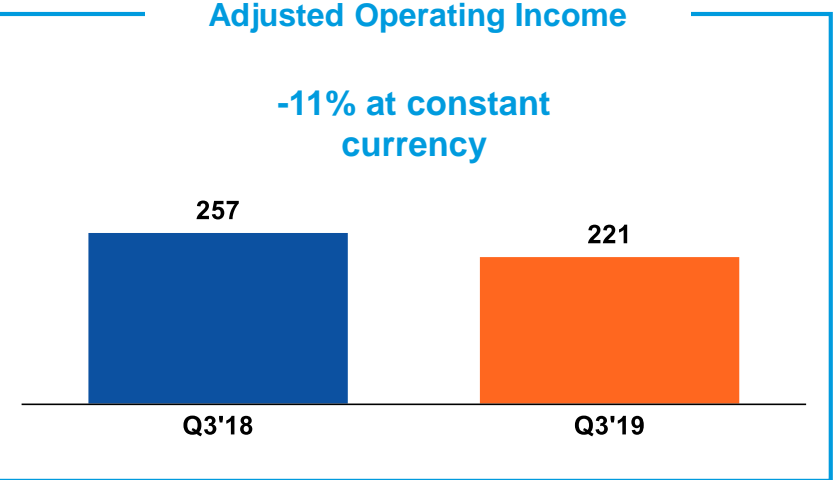
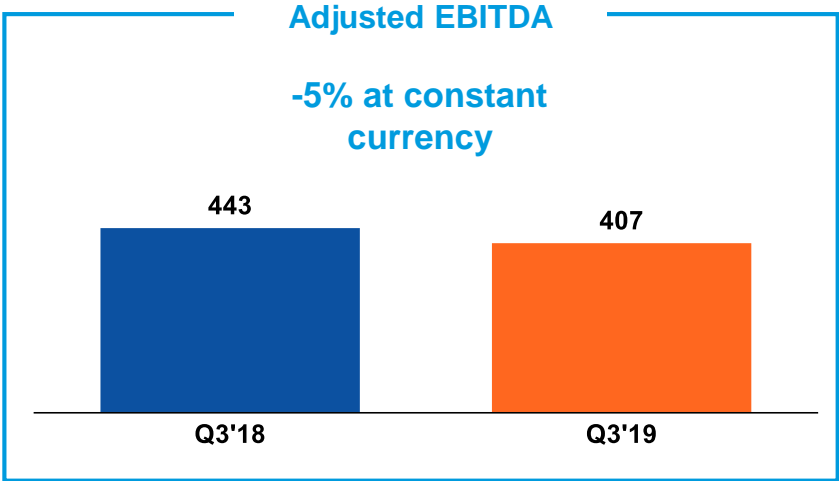
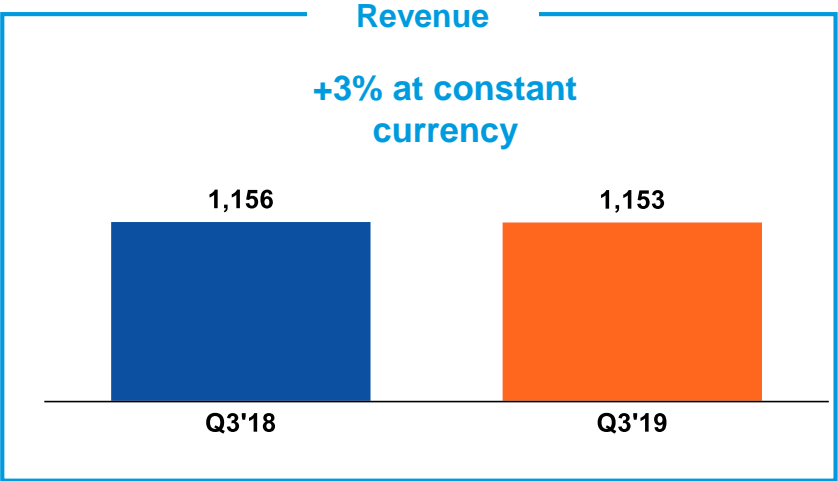




2019 Third Quarter Financial Results

Q3'19 Financial Highlights

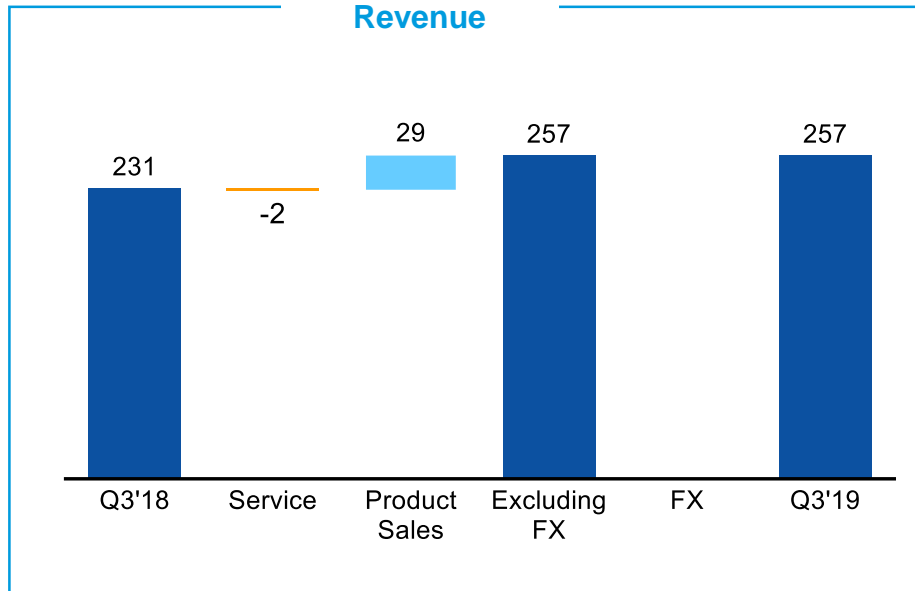
\$ M



Note: Adjusted results remove impact of purchase price amortization, impairment charges, restructuring expense and transaction expense (see appendix for details)
EUR/USD FX daily average: 1.11 in Q3'19; 1.16 in Q3'18

Q3'19 North America Gaming & Interactive Highlights

\$ M except where noted otherwise



Key Performance Indicators

	Q3'18	Q3'19	% Change	Constant FX	
Revenue	231	257	11%	12%	
Operating income	45	62	38%	34%	
Machine Units Shipped					
	Q3'18	Q3'19			
New & expansion	843	791			
Replacement	2,998	4,150			
Total	3,841	4,941			
<hr/>					
	Q3'18	Q4'18	Q1'19	Q2'19*	Q3'19*
Casino installed base (units)	23,357	23,108	22,713	21,073	21,071

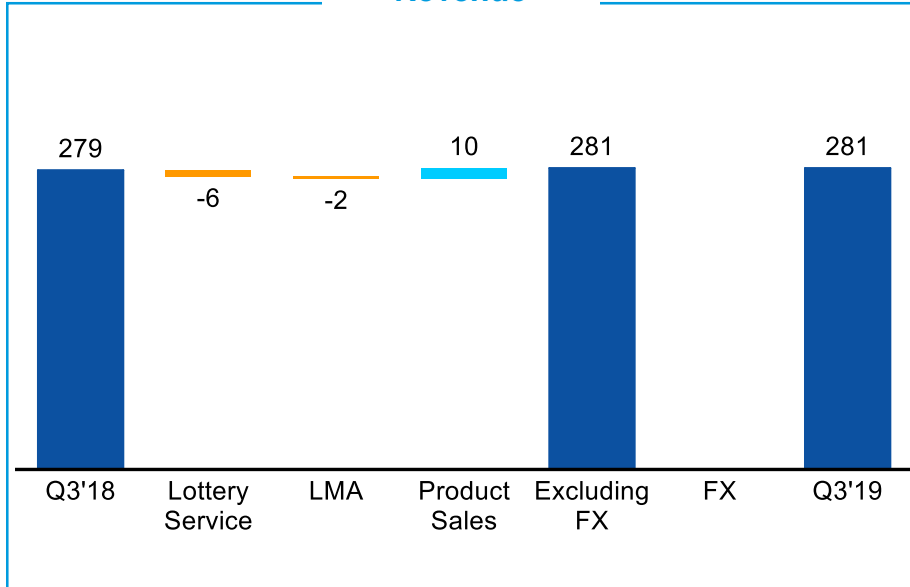
*2,076 and 147 unit reductions in Q2 '19 and Q3 '19, respectively, per OK strategic agreement

- Replacement units up sharply on success of new products; rising ASPs
- Higher intellectual property revenue from multi-year technology license
- Installed base stable Y/Y and sequentially on underlying basis; yields higher
- Operating income growth of 38% on increased unit shipments and high-margin IP revenue

Q3'19 North America Lottery Highlights

\$ M except where noted otherwise

Revenue



Key Performance Indicators

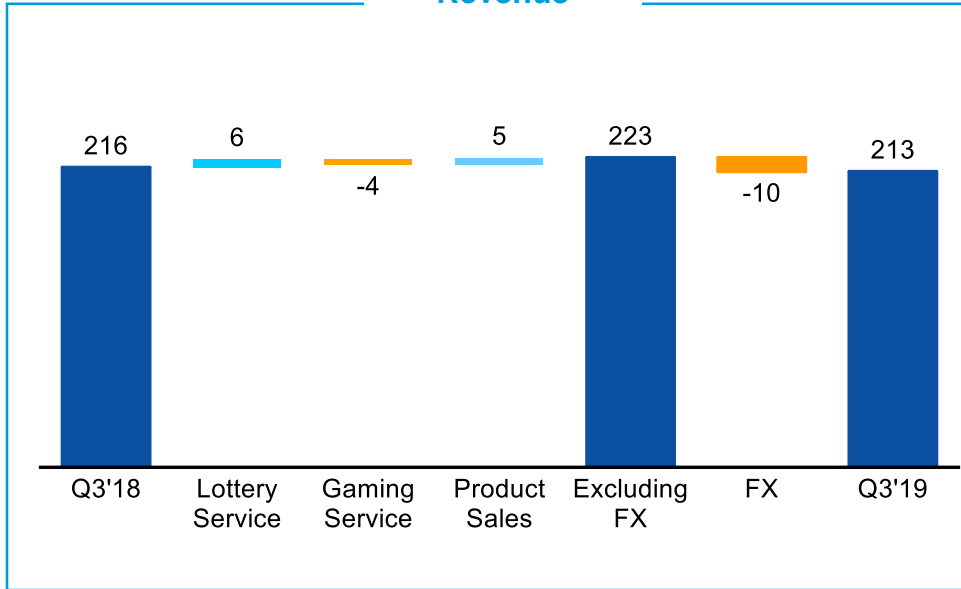
	Q3'18	Q3'19	% Change	Constant FX	
Revenue	279	281	0%	1%	
Operating income	60	51	-16%	-15%	
Same-store revenue growth					
	Q3'18	Q3'19			
Instant ticket & draw games	4.8%	3.9%			
Multistate jackpots	-25.9%	-28.2%			
Total SSR growth	-0.6%	0.0%			
<hr/>					
VLT installed base (units)	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19
	14,965	14,939	14,799	14,215	14,294

- Increased product sales across multiple states; overcomes lower Illinois revenue but at a reduced margin
- Solid SSR growth for instant ticket and draw games offset by lower multistate jackpot activity
- Operating income reflects IL, lower jackpot activity (incl. impact on LMAs), and RI contract expenses

Q3'19 International Highlights

\$ M except where noted otherwise

Revenue



Key Performance Indicators

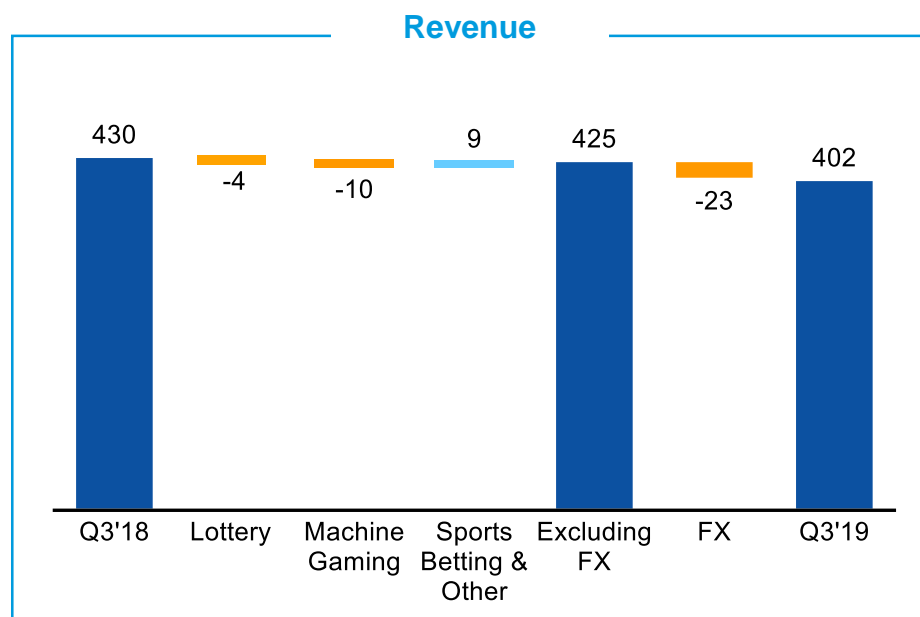
	Q3'18	Q3'19	% Change	Constant FX	
Revenue	216	213	-1%	3%	
Operating income	56	30	-46%	-40%	
Machine Units Shipped					
	Q3'18	Q3'19			
New & expansion	529	210			
Replacement	2,681	5,034			
Total	3,210	5,244			
Same-store revenue growth					
	Q3'18	Q3'19			
Instant ticket & draw games	3.8%	5.0%			
Multistate jackpots	2.7%	29.3%			
Total SSR growth	3.7%	6.5%			
Installed base (units)					
	Q3'18	Q4'18*	Q1'19	Q2'19	Q3'19
	16,007	14,905	15,085	14,475	14,332

*Nearly 1,500 unit reduction in S. Africa in Q4 '18

- Operating income reflects high-margin Finland transaction in the PY
- Solid lottery SSR growth
- Very sharp increase in replacement unit shipments; Sweden VLT system sale also recognized in the quarter
- Gaming service down on smaller installed base and lower Interactive revenue

Q3'19 Italy Highlights

\$ M except where noted otherwise



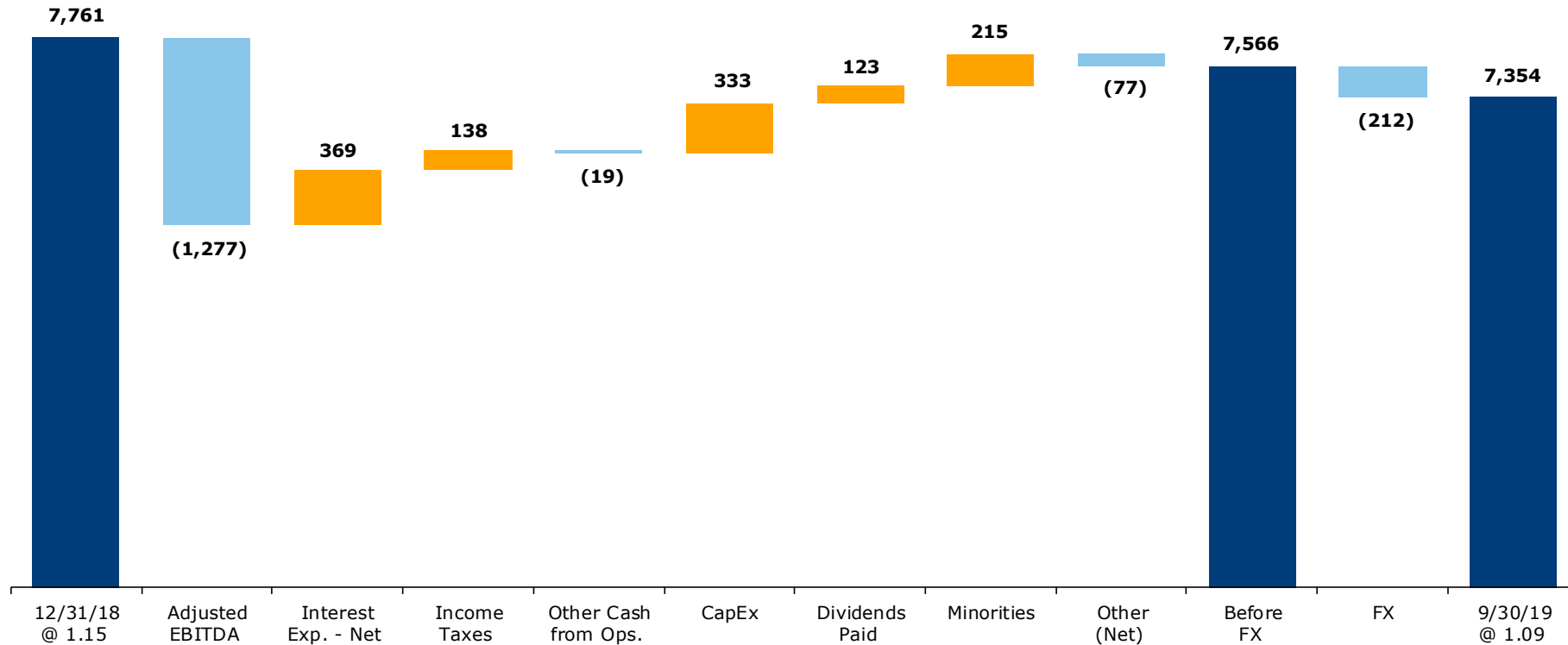
Key Performance Indicators

	Q3'18	Q3'19	% Change	Constant FX
Revenue	430	402	-6%	-1%
Operating income	145	127	-12%	-7%
€M	Q3'18	Q3'19	% Growth	
Lotto wagers	1,913	1,882	-1.6%	
10eLotto	1,361	1,341	-1.5%	
Core	434	477	10.0%	
Late numbers	70	19	-72.3%	
MillionDAY	47	44	-6.4%	
S&W wagers	2,179	2,197	0.8%	
Gaming wagers				
VLT - operator (B2C)	1,426	1,324	-7.1%	
AWP	879	877	-0.3%	
Interactive	447	492	10.1%	
Sports betting wagers	225	227	0.8%	
Sports betting payout	81.1%	83.4%	2.3 pp	

- Total revenue stable at constant FX, overcoming impact of higher gaming machine taxes
- Total lottery wagers in line with PY
- Machine gaming reflects impact of increased taxes
- Higher commercial services revenue partially offset by sports betting payout
- Operating income impacted by higher taxes and sports betting payout

Net Debt and Leverage Profile

\$ M except where noted otherwise



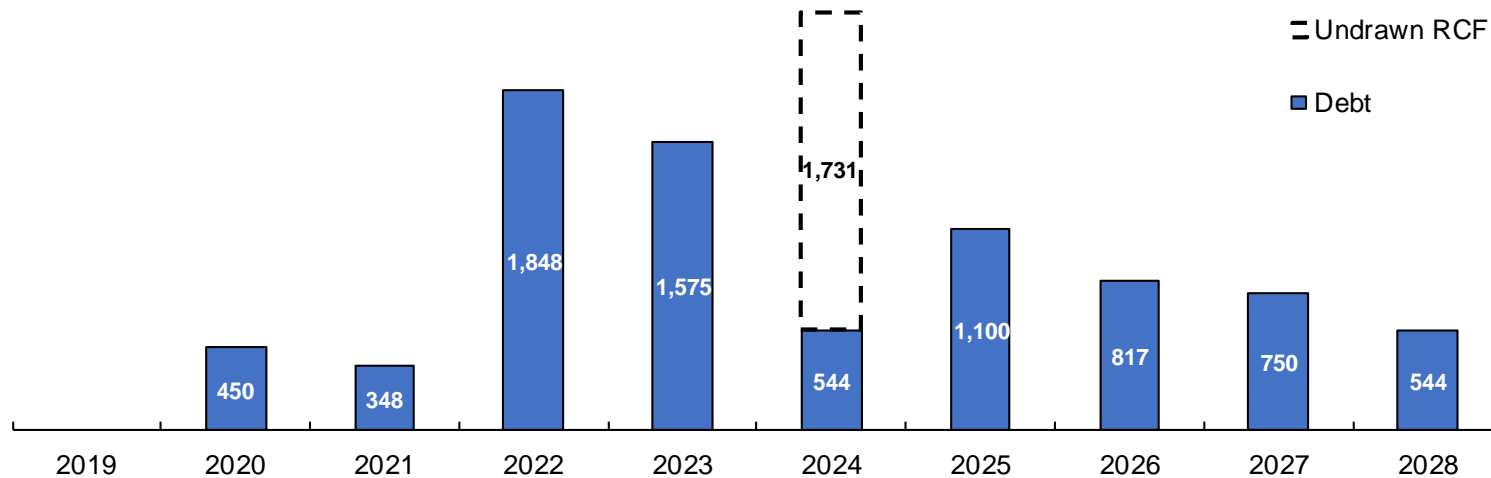
Net Debt/LTM EBITDA 4.47x

4.34x

- ~\$200 million in debt reduction at constant currency
- Leverage of 4.34x compared to 4.47x at December 31, 2018

Debt Maturity Schedule

Debt Maturity Profile at September 30, 2019



- Q3'19 capital markets activity:
 - Issued €500 million 2.375% Notes due 2028
 - ~ €320 million of net proceeds used to pay January 2020 term loan amortization
 - Balance used to repay all revolving credit facility borrowings
- Liquidity exceeds debt maturities through 2022:
 - ~ \$1.7 billion in capacity under revolving credit facilities
 - ~ \$550 million in unrestricted cash
 - Accelerating cash flow generation

Cash Flow Statement

\$ M except where noted otherwise

Cash Flow	YTD 9/30/2019
Net Cash Flows from Operating Activities	789
CapEx	(333)
Free Cash Flow	456
Debt Proceeds/(Repayment), Net	98
Other - Net	(271)
Other Investing/Financing Activities	(173)
Net Cash Flow	283
Effect of Exchange Rates/Other	(31)
Net Change in Cash and Restricted Cash	252
Cash and Restricted Cash at End of the Period	764

- \$789 million in operating cash flow
- \$456 million of free cash flow
- \$215 million of minority distributions
 - Heavily concentrated in the first half of the year
 - Accelerated return of capital to Lotto JV partners
- \$123 million returned to shareholders
- \$101 million in proceeds from sale of assets

FY'19 Outlook

2019 Adjusted EBITDA of \$1.675 - \$1.735 billion

Updating CapEx to \$450 - \$500 million; previously \$450 - \$550 million

Assumes full-year EUR/USD rate of 1.12



Q & A



Appendix

Q3'19 Income Statement (As Reported)

\$ M except where noted otherwise

Income Statement	Q3'19	Q3'18	% Change
<i>Service revenue</i>	922	963	-4%
<i>Product sales</i>	231	193	20%
Total Revenue	1,153	1,156	0%
Adjusted EBITDA	407	443	-8%
Operating Income	154	200	-23%
<i>Interest expense, net</i>	(103)	(104)	
<i>Foreign exchange</i>	124	21	
<i>Other</i>	-	(17)	
Financial Charges, Net	21	(100)	
Income Before Tax	175	100	
Net Income (Loss)	131	54	
Net Income (Loss) - Owners	104	22	
Diluted EPS	0.51	0.11	

Q3'19 Reconciliation of Non-GAAP Measures

International Game Technology PLC
Consolidated Statement of Operations
Reconciliation of Non-GAAP Financial Measures
(\$ and shares in thousands, except per share amounts)
Unaudited

	Quarter to date September 2019 As Reported	Adjustments				Quarter to date September 2019 As Adjusted
		Purchase Accounting	Foreign Exchange	Impairment	Refinancing and Other	
Total revenue	1,153,247	(181)	-	-	-	1,153,066
Cost of services	575,594	(17,947)	-	-	-	557,647
Cost of product sales	136,246	(3,955)	-	-	-	132,291
Selling, general and administrative	201,416	(26,788)	-	-	-	174,628
Research and development	68,804	(1)	-	-	-	68,803
Impairment	432	-	-	(432)	-	-
Other operating expense (income), net	16,873	-	-	-	(18,615)	(1,742)
Total operating expenses	999,365	(48,691)	-	(432)	(18,615)	931,627
Operating income	153,882	48,510	-	432	18,615	221,439
Interest expense, net	(102,551)	25	-	-	-	(102,526)
Foreign exchange gain, net	124,068	-	(124,068)	-	-	-
Other (expense) income, net	(308)	-	-	-	2,336	2,028
Total non-operating income (expenses)	21,209	25	(124,068)	-	2,336	(100,498)
Income before provision for income taxes	175,091	48,535	(124,068)	432	20,951	120,941
Provision for income taxes (a)	44,530	11,666	(10,993)	-	5,368	50,571
Net income	130,561	36,869	(113,075)	432	15,583	70,370
Less: Net income attributable to non-controlling interests	26,998	25	-	-	-	27,023
Net income attributable to IGT PLC	103,563	36,844	(113,075)	432	15,583	43,347
Net income per common share - diluted	0.51					0.21
Weighted-average shares - diluted	204,528					204,528

(a) Adjustments for income taxes are determined based on the statutory tax rate in effect in the respective jurisdiction where the adjustment originated.

Q3'19 Reconciliation of Non-GAAP Measures

\$ M except where noted otherwise

	As Reported	
	Q3'19	Q3'18
Net income (loss)	131	54
Provision for/(Benefit from) income taxes	44	46
Non-operating (income) expenses	(21)	99
Depreciation	106	110
Amortization	70	68
Service revenue amortization	51	54
Stock-based compensation expense	7	8
Impairment loss	-	1
Other	19	3
Adjusted EBITDA	<u>407</u>	<u>443</u>