



INTERNATIONAL GAME TECHNOLOGY PLC REPORTS SECOND QUARTER 2024 RESULTS

- **Achieved record H1'24 Operating income and Adjusted EBITDA excluding Separation and divestiture costs**
- **Delivered Q2'24 revenue of \$1.05 billion and Operating income of \$230 million, in line with outlook; Adjusted EBITDA was \$420 million**
- **Best-in-class technology and solutions bolster Global Lottery portfolio while advancing key strategic initiatives; compelling games driving Gaming & Digital performance**
- **Generated over \$460 million in cash from operations and over \$260 million in free cash flow in the first half of the year**

LONDON – July 30, 2024 – International Game Technology PLC (“IGT”) (NYSE:IGT) today reported financial results for the second quarter ended June 30, 2024. Today, at 8:00 a.m. EDT, management will host a conference call and webcast to present the results; access details are provided below.

“IGT delivered strong first half results, including record operating income and Adjusted EBITDA net of Separation and divestiture costs,” said **Vince Sadusky, CEO of IGT**. “Consistent investments in technology, game content, and other innovative solutions provide us a solid foundation to build from as we execute on our growth objectives. The recently announced sale of our Gaming & Digital business for \$4.05 billion in cash is an important step in unlocking the intrinsic value of IGT's best-in-class businesses.”

“We generated over \$460 million in cash from operations in the first half of the year and our balance sheet is as strong as ever,” said **Max Chiara, CFO of IGT**. “Our ample liquidity and manageable near-term debt maturities provide us significant flexibility in light of upcoming investments to extend and secure our long-term lottery contract portfolio for the coming years.”

Overview of Consolidated Second Quarter 2024 Results

	Quarter Ended		Y/Y Change	Constant Currency Change
	June 30,			
	2024	2023		
(\$ in millions)				
GAAP Financials:				
Revenue				
Global Lottery	613	624	(2)%	(2)%
Gaming & Digital	436	432	1%	1%
Total revenue	1,049	1,055	(1)%	—%
Operating income (loss)				
Global Lottery	212	229	(8)%	(7)%
Gaming & Digital	103	89	16%	16%
Corporate support expense	(51)	(30)	(67)%	(68)%
Other ⁽¹⁾	(35)	(38)	8%	8%
Total operating income	230	251	(8)%	(8)%
<i>Operating income margin</i>	<i>21.9%</i>	<i>23.8%</i>		
Operating income excluding Separation and divestiture costs	256	254	1%	1%
<i>Operating income margin excluding Separation and divestiture costs</i>	<i>24.4%</i>	<i>24.0%</i>		
Earnings per share - diluted	\$0.20	\$0.23	(10)%	
Net cash provided by operating activities	343	34	NM	
Cash and cash equivalents	438	461	(5)%	
Non-GAAP Financial Measures:				
Adjusted EBITDA				
Global Lottery	311	332	(6)%	(6)%
Gaming & Digital	151	133	13%	14%
Corporate support expense	(43)	(22)	(94)%	(95)%
Total Adjusted EBITDA	420	443	(5)%	(5)%
<i>Adjusted EBITDA margin</i>	<i>40.0%</i>	<i>42.0%</i>		
Adjusted EBITDA excluding Separation and divestiture costs	446	446	—%	—%
<i>Adjusted EBITDA margin excluding Separation and divestiture costs</i>	<i>42.5%</i>	<i>42.2%</i>		
Adjusted earnings per share - diluted	\$0.36	\$0.45	(20)%	
Free cash flow	235	(72)	NA	
Net debt	5,109	5,355	(5)%	

⁽¹⁾ Primarily includes purchase price amortization

Note: Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures are provided at the end of this news release

Key Highlights:

- Recently awarded seven-year facilities management contract with the Colorado Lottery and three-year contract extension with the Mississippi Lottery Corporation
- Signed five-year iLottery content contract with Atlantic Lottery Corporation and launched iLottery in Connecticut
- Continued success in securing instant ticket contract wins and extensions including a five-year agreement with ONCE in Spain and three-year extension in Mississippi
- Launched *Tiger and Dragon* on the *PeakCurve49* cabinet, which ranks as the #1 new premium leased & WAP game in industry performance reports; introduced *Whitney Houston* on the new *SkyRise™* cabinet
- Recently launched award-winning *Prosperity Link™* game in digital format in U.S.
- Continued international progress including deployment of Diamond Mania MLP in Spain AWP market, Holland Casino purchase of 500 PeakBar Top™ Video Poker cabinets, and expansion of HHR footprint to Malta
- Recently published 17th annual Sustainability Report, highlighting Environmental, Social, and Governance accomplishments
- Won "Diversity and Inclusion" category at 2024 Women in Gaming Diversity Awards and recognized as "Best Place to Work for Disability Inclusion"

Financial Highlights:

Consolidated revenue of \$1.05 billion, in line with the prior-year period, as strength in Gaming & Digital is offset by elevated prior year product sales in Global Lottery

- Global Lottery revenue of \$613 million decreased 2% year-over-year, primarily due to a multi-year software license sale in the prior year
- Gaming & Digital revenue of \$436 million, up 1% versus the prior year, driven by installed base growth with resilient yields and elevated intellectual property and software license sales, offset by lower terminal unit shipments

Operating income of \$230 million, compared to \$251 million in the prior-year period; excluding \$26 million in Separation and divestiture costs, operating income rose to \$256 million

- Global Lottery operating income of \$212 million versus \$229 million in the prior year, primarily due to a multi-year software license sale and resolution of a customer contract dispute in the prior-year period
- Gaming & Digital operating income of \$103 million compared to \$89 million in the prior-year period on high-margin intellectual property and software sales and easing of supply chain costs, partially offset by lower terminal sales; operating income margin expands 300 basis points to 23.7%
- Corporate support and other expense of \$86 million versus \$68 million driven by \$26 million in Separation and divestiture costs

Adjusted EBITDA of \$420 million compared to \$443 million in the prior-year period; excluding Separation and divestiture costs, Adjusted EBITDA was stable at \$446 million and Adjusted EBITDA margin expanded 30 basis points

Net interest expense of \$73 million compared to \$71 million in the prior year

No foreign exchange gain or loss, compared to a \$5 million loss in the prior year, primarily due to non-cash impact of fluctuations in the EUR/USD exchange rate on debt and reduced losses related to the devaluation of the Argentine peso

Other non-operating expense, net, of \$1 million versus other non-operating income, net, of \$2 million in the prior year

Income tax provision of \$71 million, compared to \$86 million in the prior year, primarily driven by lower valuation allowances on deferred tax assets and lower pre-tax income

Net income of \$85 million versus \$90 million in the prior-year period

Diluted earnings per share of \$0.20 versus \$0.23 in the prior year; Adjusted diluted earnings per share of \$0.36 compared to \$0.45 in the prior year primarily driven by lower net income, coupled with reduced foreign currency and discrete tax items

Net debt of \$5.1 billion compared to \$5.1 billion at December 31, 2023; Net debt leverage of 2.9x consistent with the December 31, 2023 level

Cash and Liquidity Update

Total liquidity of \$1.7 billion as of June 30, 2024; \$0.4 billion in unrestricted cash and \$1.3 billion in additional borrowing capacity from undrawn credit facilities

Other Developments

The Company's Board of Directors declared a quarterly cash dividend of \$0.20 per common share

- Record date of August 13, 2024
- Payment date of August 27, 2024

As announced on July 26, 2024, the Company entered into a definitive agreement to sell its Gaming & Digital business to funds managed by affiliates of Apollo for \$4.05 billion in gross cash proceeds. The transaction is expected to be completed by the end of the third quarter of 2025.

Withdrawing Full Year 2024 Outlook

Due to the planned sale of the Gaming & Digital business, the Company expects to classify and report Gaming & Digital results as discontinued operations beginning in the third quarter of 2024. As a result, the Company is withdrawing its previously provided full year financial outlook. The Company expects to provide an outlook for full year 2024 continuing operations once the preparation of the discontinued operations reporting is complete.

Earnings Conference Call and Webcast

July 30, 2024, at 8:00 a.m. EDT

To register to participate in the conference call, or to listen to the live audio webcast, please visit the "Events Calendar" on IGT's Investor Relations website at www.IGT.com. A replay will be available on the website following the live event.

Comparability of Results

All figures presented in this news release 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 news release. Constant currency changes for 2024 are calculated using the same foreign exchange rates as the corresponding 2023 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. Amounts reported in millions are computed based on amounts in thousands. As a result, the sum of the components may not equal the total amount reported in millions due to rounding. Certain columns and rows within tables may not add due to the use

of rounded numbers. Percentages and earnings per share amounts presented are calculated from the underlying unrounded amounts.

About IGT

IGT (NYSE:IGT) is a global leader in gaming. We deliver entertaining and responsible gaming experiences for players across all channels and regulated segments, from Lotteries and Gaming Machines to Sports Betting and Digital. Leveraging a wealth of compelling content, substantial investment in innovation, player insights, operational expertise, and leading-edge technology, our solutions deliver unrivaled gaming experiences that engage players and drive growth. We have a well-established local presence and relationships with governments and regulators in more than 100 jurisdictions around the world, and create value by adhering to the highest standards of service, integrity, and responsibility. IGT has approximately 11,000 employees. For more information, please visit www.IGT.com.

Cautionary Statement Regarding Forward-Looking Statements

This news release 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, including with respect to the proposed sale of the Gaming & Digital business to the Apollo Funds. These statements may discuss goals, intentions, and expectations as to future plans and strategies, transactions, including the divestiture of Gaming & Digital, trends, events, dividends, results of operations, and/or financial condition or measures, including our expectations on the future release of revenue, operating income, cash, and capital expenditures guidance, 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," "outlook," "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, 2023 and other documents filed or furnished 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 may affect the Company's business, including management's discussion and analysis of potential or actual impacts to operations and financial performance. Nothing in this news release 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 news release 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.

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) (a GAAP measure) before income taxes, interest expense, net, foreign exchange gain (loss), net, other non-operating expenses (e.g., DDI/Benson Matter provision, gains/losses on extinguishment and modifications of debt, etc.), net, 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. Management believes that Adjusted EBITDA is useful in providing period-to-period comparisons of the results of the Company's ongoing operational performance.

Adjusted EBITDA margin represents Adjusted EBITDA divided by revenue

Adjusted EPS represents diluted earnings per share (a GAAP measure), excluding the effects of foreign exchange, impairments, amortization from purchase accounting, discrete tax items, and other significant non-recurring adjustments that are not reflective of on-going operational activities (e.g., gains/losses on sale of business, gains/losses on extinguishment and modifications of debt, etc.). Adjusted EPS is calculated using diluted weighted-average number of shares outstanding, including the impact of any potentially dilutive common stock equivalents that are anti-dilutive to GAAP net income (loss) per share but dilutive to Adjusted EPS. Management believes that Adjusted EPS is 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, including cash and cash equivalents classified as held for sale. Cash and cash equivalents, including cash and cash equivalents held for sale, 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. Management believes that Net debt leverage is a useful measure to assess IGT's 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 (a component of investing cash flows) and payments on license obligations (a component of financing cash flows). 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 current financial data using the prior-year/period exchange rate (i.e., the exchange rate 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.

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Select Performance and KPI data: (\$ in millions, unless otherwise noted)

GLOBAL LOTTERY	Q2'24	Q2'23	Y/Y Change	Constant Currency Change⁽¹⁾	Q1'24	Sequential Change as Reported
Revenue						
Service						
Operating and facilities management contracts	620	623	(1)%	—%	653	(5)%
Upfront license fee amortization	(47)	(47)	1%	—%	(47)	1%
Operating and facilities management contracts, net	573	576	(1)%	—%	605	(5)%
Other	13	13	7%	11%	13	—%
Total service revenue	586	588	—%	—%	619	(5)%
Product sales	27	35	(25)%	(25)%	42	(37)%
Total revenue	613	624	(2)%	(2)%	661	(7)%
Operating income	212	229	(8)%	(7)%	258	(18)%
Adjusted EBITDA⁽¹⁾	311	332	(6)%	(6)%	355	(12)%
Global same-store sales growth (%)						
Instant ticket & draw games	(0.5%)	2.3%			(0.2%)	
Multi-jurisdiction jackpots	20.2%	(5.3%)			(1.0%)	
Total	0.9%	1.8%			(0.3%)	
North America & Rest of world same-store sales growth (%)						
Instant ticket & draw games	(1.4%)	0.8%			(1.6%)	
Multi-jurisdiction jackpots	20.2%	(5.3%)			(1.0%)	
Total	0.6%	0.2%			(1.5%)	
Italy same-store sales growth (%)						
Instant ticket & draw games	2.3%	8.0%			4.4%	

⁽¹⁾ Non-GAAP measure; see disclaimer on page 5 and reconciliations to the most directly comparable GAAP measure in Appendix for further details

GAMING & DIGITAL	Q2'24	Q2'23	Y/Y Change	Constant Currency Change⁽¹⁾	Q1'24	Sequential Change as Reported
Revenue						
Service						
Terminal	133	128	4%	4%	131	1%
iGaming	45	48	(7)%	(6)%	48	(6)%
Systems, software, and other	73	71	3%	3%	75	(3)%
Total service revenue	250	247	2%	2%	253	(1)%
Product sales						
Terminal	120	139	(14)%	(14)%	110	9%
Systems, software, and other	66	45	45%	46%	43	54%
Total product sales revenue	186	185	1%	1%	153	21%
Total revenue	436	432	1%	1%	406	7%
Operating income	103	89	16%	16%	81	28%
Adjusted EBITDA⁽¹⁾	151	133	13%	14%	127	19%
Installed base units						
Casino	53,588	51,304	4%		53,368	
Casino - L/T lease ⁽²⁾	697	851	(18)%		701	
Total installed base units	54,285	52,155	4%		54,069	
Installed base units (by geography)						
US & Canada	34,320	33,554	2%		34,146	
Rest of world	19,965	18,601	7%		19,923	
Total installed base units	54,285	52,155	4%		54,069	
Yields (by geography)⁽³⁾, in absolute \$						
US & Canada	\$42.01	\$41.89	—%		\$41.17	
Rest of world	\$7.45	\$7.44	—%		\$7.13	
Total yields	\$29.14	\$29.56	(1)%		\$28.51	
Global machine units sold						
New/expansion	1,060	1,061	—%		203	
Replacement	6,570	7,208	(9)%		6,424	
Total machine units sold	7,630	8,269	(8)%		6,627	
US & Canada machine units sold						
New/expansion	696	1,046	(33)%		46	
Replacement	4,436	5,278	(16)%		5,014	
Total machine units sold	5,132	6,324	(19)%		5,060	

⁽¹⁾ Non-GAAP measures; see disclaimer on page 5 and reconciliations to the most directly comparable GAAP measure in Appendix for further details

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

⁽³⁾ Excludes Casino L/T lease units due to treatment as sales-type leases

				Constant Currency Change ⁽¹⁾	Sequential Change as Reported
GAMING & DIGITAL (Continued)	Q2'24	Q2'23	Y/Y Change		Q1'24
Rest of world machine units sold					
New/expansion	364	15	NM		157
Replacement	2,134	1,930	11%		1,410
Total machine units sold	2,498	1,945	28%		1,567
Average Selling Price (ASP), in absolute \$					
US & Canada	\$16,400	\$16,700	(2)%		\$16,900
Rest of world	\$13,500	\$16,000	(16)%		\$14,800
Total ASP	\$15,400	\$16,500	(7)%		\$16,400
				Constant Currency Change ⁽¹⁾	Sequential Change as Reported
CONSOLIDATED	Q2'24	Q2'23	Y/Y Change		Q1'24
Revenue (by geography)					
US & Canada	661	650	2%	2%	660 —%
Italy	237	240	(1)%	(1)%	258 (8)%
Rest of world	151	164	(8)%	(8)%	150 1%
Total revenue	1,049	1,055	(1)%	—%	1,067 (2)%

⁽¹⁾ Non-GAAP measure; see disclaimer on page 5 and reconciliations to the most directly comparable GAAP measure in Appendix for further details

International Game Technology PLC
Consolidated Statements of Operations
(\$ and shares in millions, except per share amounts)

Unaudited

	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Service revenue	837	835	1,709	1,681
Product sales	213	220	408	435
Total revenue	1,049	1,055	2,117	2,116
Cost of services	411	402	823	800
Cost of product sales	130	131	248	258
Selling, general and administrative	199	208	407	425
Research and development	53	60	108	122
Separation and divestiture costs	26	3	44	3
Total operating expenses	819	805	1,631	1,610
Operating income	230	251	486	506
Interest expense, net	73	71	145	141
Foreign exchange loss (gain), net	—	5	(15)	32
Other non-operating expense (income), net	1	(2)	3	2
Total non-operating expenses	74	75	132	176
Income before provision for income taxes	156	176	353	330
Provision for income taxes	71	86	141	173
Net income	85	90	213	157
Less: Net income attributable to non-controlling interests	43	44	89	88
Net income attributable to IGT PLC	42	46	123	69
Net income attributable to IGT PLC per common share - basic	0.21	0.23	0.61	0.35
Net income attributable to IGT PLC per common share - diluted	0.20	0.23	0.61	0.34
Weighted-average shares - basic	201	200	201	200
Weighted-average shares - diluted	203	203	203	202

International Game Technology PLC
Consolidated Balance Sheets
(\$ in millions)
Unaudited

	June 30, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	438	572
Restricted cash and cash equivalents	121	167
Trade and other receivables, net	651	685
Inventories, net	310	317
Other current assets	443	382
Total current assets	1,963	2,123
Systems, equipment and other assets related to contracts, net	895	928
Property, plant and equipment, net	120	119
Operating lease right-of-use assets	216	230
Goodwill	4,485	4,507
Intangible assets, net	1,492	1,555
Other non-current assets	871	1,004
Total non-current assets	8,080	8,342
Total assets	10,042	10,465
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	695	797
Current portion of long-term debt	713	—
Short-term borrowings	—	16
Other current liabilities	923	879
Total current liabilities	2,331	1,691
Long-term debt, less current portion	4,833	5,655
Deferred income taxes	349	344
Operating lease liabilities	199	214
Other non-current liabilities	453	609
Total non-current liabilities	5,835	6,821
Total liabilities	8,166	8,513
Commitments and contingencies		
IGT PLC's shareholders' equity	1,503	1,443
Non-controlling interests	374	510
Shareholders' equity	1,877	1,952
Total liabilities and shareholders' equity	10,042	10,465

International Game Technology PLC
Consolidated Statements of Cash Flows
(\$ in millions)
Unaudited

	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Cash flows from operating activities				
Net income	85	90	213	157
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	73	74	144	151
Amortization	56	54	111	110
Amortization of upfront license fees	50	50	100	100
Deferred income taxes	13	28	12	55
Stock-based compensation	11	12	22	23
Foreign exchange loss (gain), net	—	5	(15)	32
Other non-cash items, net	—	3	3	9
Changes in operating assets and liabilities:				
Trade and other receivables	67	39	24	6
Inventories	14	(25)	7	(63)
Accounts payable	(26)	(118)	(71)	(7)
DDI / Benson Matter provision	—	(220)	—	(220)
Accrued interest payable	13	15	(13)	(4)
Accrued income taxes	(1)	23	3	64
Other assets and liabilities	(11)	3	(75)	(68)
Net cash provided by operating activities	343	34	463	345
Cash flows from investing activities				
Capital expenditures	(101)	(99)	(185)	(193)
Other	4	—	5	3
Net cash used in investing activities	(97)	(99)	(180)	(190)
Cash flows from financing activities				
Payments on license obligations	(7)	(7)	(14)	(8)
Net (payments of) proceeds from short-term borrowings	(6)	(53)	(16)	—
Net payments on financial liabilities	(1)	(14)	(64)	(6)
Principal payments on long-term debt	—	—	—	(462)
Net proceeds from (repayments of) Revolving Credit Facilities	35	81	(37)	473
Dividends paid	(80)	(40)	(80)	(80)
Dividends paid - non-controlling interests	(61)	(61)	(162)	(152)
Return of capital - non-controlling interests	(35)	(36)	(45)	(46)
Other	(15)	(12)	(14)	(23)
Net cash used in financing activities	(170)	(141)	(433)	(303)
Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents	76	(206)	(149)	(149)
Effect of exchange rate changes on cash and cash equivalents and restricted cash and cash equivalents	(14)	(1)	(31)	7
Cash and cash equivalents and restricted cash and cash equivalents at the beginning of the period	496	805	739	740
Cash and cash equivalents and restricted cash and cash equivalents at the end of the period	<u>558</u>	<u>599</u>	<u>558</u>	<u>599</u>
Supplemental Cash Flow Information				
Interest paid	62	58	162	148
Income taxes paid	59	35	126	54

International Game Technology PLC

Net Debt
(\$ in millions)
Unaudited

	June 30, 2024	December 31, 2023
6.500% Senior Secured U.S. Dollar Notes due February 2025	—	499
4.125% Senior Secured U.S. Dollar Notes due April 2026	747	747
3.500% Senior Secured Euro Notes due June 2026	801	826
6.250% Senior Secured U.S. Dollar Notes due January 2027	747	747
2.375% Senior Secured Euro Notes due April 2028	533	550
5.250% Senior Secured U.S. Dollar Notes due January 2029	746	745
Senior Secured Notes	3,574	4,113
Euro Term Loan Facilities due January 2027	636	876
Revolving Credit Facility A due July 2027	233	207
Revolving Credit Facility B due July 2027	391	458
Long-term debt, less current portion	4,833	5,655
6.500% Senior Secured U.S. Dollar Notes due February 2025	499	—
Euro Term Loan Facilities due January 2027	214	—
Current portion of long-term debt	713	—
Short-term borrowings	—	16
Total debt	5,547	5,671
Less: Cash and cash equivalents	438	572
Net debt	5,109	5,099

Note: Net debt is a non-GAAP financial measure

International Game Technology PLC
Reconciliation of Non-GAAP Financial Measures
(\$ in millions, except per share amounts)
Unaudited

For the three months ended June 30, 2024

	Global Lottery	Gaming & Digital	Business Segments Total	Corporate and Other	Total IGT PLC
Net income					85
Provision for income taxes					71
Interest expense, net					73
Other non-operating expense, net					1
Operating income (loss)	212	103	315	(86)	230
Depreciation	43	31	74	—	73
Amortization - service revenue ⁽¹⁾	49	—	50	—	50
Amortization - non-purchase accounting	5	16	20	1	21
Amortization - purchase accounting	—	—	—	35	35
Stock-based compensation	2	1	3	7	11
Adjusted EBITDA	311	151	463	(43)	420
Cash flows from operating activities					343
Capital expenditures					(101)
Payments on license obligations					(7)
Free Cash Flow					235
			Pre-Tax Impact	Tax Impact ⁽²⁾⁽³⁾	Net Impact
Reported EPS attributable to IGT PLC - diluted					0.20
Adjustments:					
Foreign exchange loss, net			(0.01)	0.01	(0.02)
Currency conversion impacts of hyper-inflationary economies			0.01	—	0.01
Amortization - purchase accounting			0.17	0.04	0.13
Discrete tax items			—	(0.03)	0.03
Net adjustments					0.16
Adjusted EPS attributable to IGT PLC - diluted ⁽⁴⁾					0.36

⁽¹⁾ Includes amortization of upfront license fees

⁽²⁾ Calculated based on nature of item, including any realizable deductions, and statutory tax rate in effect for the relevant jurisdiction

⁽³⁾ The reported effective tax rate was 45.7%. Adjusted for the above items, the effective tax rate was 38.8%

⁽⁴⁾ Adjusted EPS was calculated using weighted average shares outstanding of 203 million, which includes the dilutive impact of share-based payment awards

International Game Technology PLC
Reconciliation of Non-GAAP Financial Measures
(\$ in millions, except per share amounts)
Unaudited

For the three months ended June 30, 2023

	Global Lottery	Gaming & Digital	Business Segments Total	Corporate and Other	Total IGT PLC
Net income					90
Provision for income taxes					86
Interest expense, net					71
Foreign exchange loss, net					5
Other non-operating income, net					(2)
Operating income (loss)	229	89	319	(68)	251
Depreciation	44	31	75	(1)	74
Amortization - service revenue ⁽¹⁾	50	—	50	—	50
Amortization - non-purchase accounting	5	11	16	1	17
Amortization - purchase accounting	—	—	—	38	38
Stock-based compensation	2	2	4	8	12
Adjusted EBITDA	332	133	465	(22)	443

Cash flows from operating activities	34
Capital expenditures	(99)
Payments on license obligations	(7)
Free Cash Flow	(72)

Payments on DDI / Benson Matter, net of cash tax benefit (\$12 million)	208
Adjusted Free Cash Flow	136

	Pre-Tax Impact	Tax Impact ⁽²⁾ ⁽³⁾	Net Impact
Reported EPS attributable to IGT PLC - diluted			0.23
Adjustments:			
Foreign exchange loss, net	—	—	—
Currency conversion impacts of hyper-inflationary economies	0.02	—	0.02
Amortization - purchase accounting	0.19	0.05	0.14
Discrete tax items	—	(0.05)	0.05
Other (non-recurring adjustments)	0.01	—	0.01
Net adjustments			0.22
Adjusted EPS attributable to IGT PLC - diluted ⁽⁴⁾			0.45

⁽¹⁾ Includes amortization of upfront license fees

⁽²⁾ Calculated based on nature of item, including any realizable deductions, and statutory tax rate in effect for the relevant jurisdiction

⁽³⁾ The reported effective tax rate was 48.9%. Adjusted for the above items, the effective tax rate was 38.8%

⁽⁴⁾ Adjusted EPS was calculated using weighted average shares outstanding of 203 million, which includes the dilutive impact of share-based payment awards

International Game Technology PLC
Reconciliation of Non-GAAP Financial Measures
(\$ in millions, except per share amounts)
Unaudited

For the six months ended June 30, 2024

	Global Lottery	Gaming & Digital	Business Segments Total	Corporate and Other	Total IGT PLC
Net income					213
Provision for income taxes					141
Interest expense, net					145
Foreign exchange gain, net					(15)
Other non-operating expense, net					3
Operating income (loss)	470	184	654	(168)	486
Depreciation	83	61	145	(1)	144
Amortization - service revenue ⁽¹⁾	99	1	100	—	100
Amortization - non-purchase accounting	10	30	39	2	41
Amortization - purchase accounting	—	—	—	70	70
Stock-based compensation	5	3	7	15	22
Adjusted EBITDA	667	278	945	(82)	863

Cash flows from operating activities	463
Capital expenditures	(185)
Payments on license obligations	(14)
Free Cash Flow	264

	Pre-Tax Impact	Tax Impact ^{(2) (3)}	Net Impact
Reported EPS attributable to IGT PLC - diluted			0.61
Adjustments:			
Foreign exchange gain, net	(0.10)	0.03	(0.13)
Currency conversion impacts of hyper-inflationary	0.02	—	0.02
Amortization - purchase accounting	0.34	0.08	0.26
Discrete tax items	—	(0.06)	0.06
Net adjustments			0.22
Adjusted EPS attributable to IGT PLC - diluted ⁽⁴⁾			0.82

⁽¹⁾ Includes amortization of upfront license fees

⁽²⁾ Calculated based on nature of item, including any realizable deductions, and statutory tax rate in effect for the relevant jurisdiction

⁽³⁾ The reported effective tax rate was 39.8%. Adjusted for the above items, the effective tax rate was 37.1%

⁽⁴⁾ Adjusted EPS was calculated using weighted average shares outstanding of 203 million, which includes the dilutive impact of share-based payment awards

International Game Technology PLC
Reconciliation of Non-GAAP Financial Measures
(\$ in millions, except per share amounts)
Unaudited

For the six months ended June 30, 2023

	Global Lottery	Gaming & Digital	Business Segments Total	Corporate and Other	Total IGT PLC
Net income					157
Provision for income taxes					173
Interest expense, net					141
Foreign exchange loss, net					32
Other non-operating expense, net					2
Operating income (loss)	469	173	642	(136)	506
Depreciation	87	64	150	1	151
Amortization - service revenue ⁽¹⁾	99	—	100	—	100
Amortization - non-purchase accounting	10	21	31	2	32
Amortization - purchase accounting	—	—	—	77	77
Stock-based compensation	4	4	8	14	23
Adjusted EBITDA	671	262	933	(41)	891

Cash flows from operating activities	345
Capital expenditures	(193)
Payments on license obligations	(8)
Free Cash Flow	143

Payments on DDI / Benson Matter, net of cash tax benefit (\$12 million)	208
Adjusted Free Cash Flow	351

	Pre-Tax Impact	Tax Impact ^{(2) (3)}	Net Impact
Reported EPS attributable to IGT PLC - diluted			0.34
Adjustments:			
Foreign exchange loss, net	0.12	(0.02)	0.14
Currency conversion impacts of hyper-inflationary	0.04	—	0.04
Amortization - purchase accounting	0.38	0.09	0.29
Loss on extinguishment and modifications of debt, net	0.02	—	0.02
Discrete tax items	—	(0.10)	0.10
Other (non-recurring adjustments)	0.01	—	0.01
Net adjustments			0.60
Adjusted EPS attributable to IGT PLC - diluted ⁽⁴⁾			0.94

⁽¹⁾ Includes amortization of upfront license fees

⁽²⁾ Calculated based on nature of item, including any realizable deductions, and statutory tax rate in effect for the relevant jurisdiction

⁽³⁾ The reported effective tax rate was 52.5%. Adjusted for the above items, the effective tax rate was 37.5%

⁽⁴⁾ Adjusted EPS was calculated using weighted average shares outstanding of 202 million, which includes the dilutive impact of share-based payment awards