2019 Second Quarter Results

Ended June 30, 2019

August 1, 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	Q2’19 Results	Alberto Fornaro, CFO
3	Q&A	

Strategic Update

Q2’19: Solid Revenue and Profit Growth, Robust Free Cash Flow

Revenue up 5% at constant currency

- 46% increase in gaming product sales
- Strong lottery same-store revenue growth

EBITDA up 5% at constant currency

- Highest quarterly EBITDA in three years
- North America and Italy driving improvement

Solid free cash flow generation in Q2’19 and H1’19













Q2’19: Sustained Momentum in Global Lotteries

Global same-store revenue ex-Italy up 6%

- 7% growth in North America SSR
- 3% increase in International SSR
- Recent contract extensions reinforce strategy to secure future revenue and cash flows



SimboLotto

OH! LOTTERY

Italy lotteries better than expected

- Lotto wagers up 4%; 6% growth for 10eLotto
- Scratch & Win wagers up 1% on success of new game introductions
- Additional innovations planned for H2’19

COLORADO LOTTERY



Q2’19: Significant Global Growth in Gaming Product Sales

Global gaming machine unit shipments up 46% on quality of games and cabinets

- Robust replacement demand in North America, International divisions
- Accelerated momentum in video reel on acceptance of new titles (*Fortune Coin™, Griffin’s Throne™*) and proven-performers (*Scarab™, Ocean Magic Grand®*)
- Crystal series ~ 70% of global unit sales

Building on video poker leadership

- Multi-year poker license featuring Crystal Slant
- New bartop terminal planned for H2’19 launch



Q2’19: Underlying Improvement in Installed Base

North America installed base stable Y/Y, up sequentially on underlying basis

- Strong WAP performance (*Wheel of Fortune®, Megabucks®)*
- *The Price is Right®* launch commences in H2’19, pursuing multi-level progressive opportunities

Improved Italy gaming machine productivity

- Wagers up on strength of network; new games feature enhanced player experiences
- Gaming machine taxes actualizing as expected



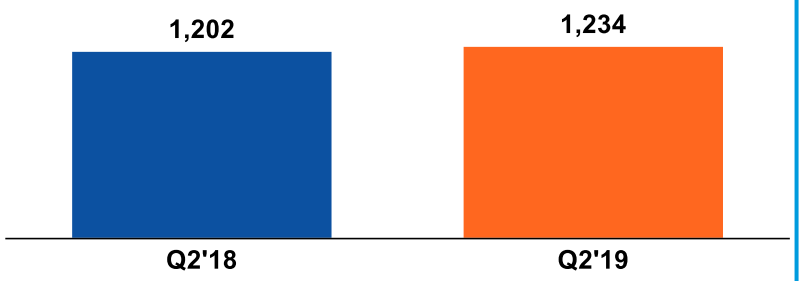
2019 Second Quarter Financial Results

Q2’19 Financial Highlights

$ M

Revenue

+5% at constant currency



Adjusted EBITDA

+5% at constant currency

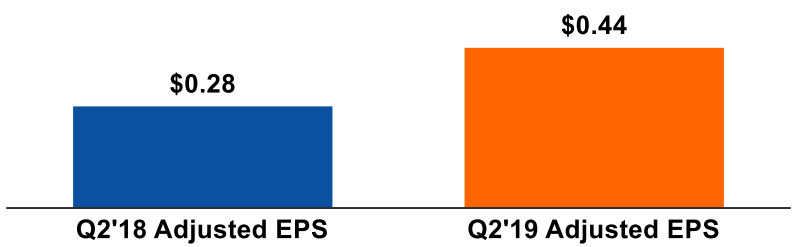


Adjusted Operating Income

+6% at constant currency



Diluted EPS

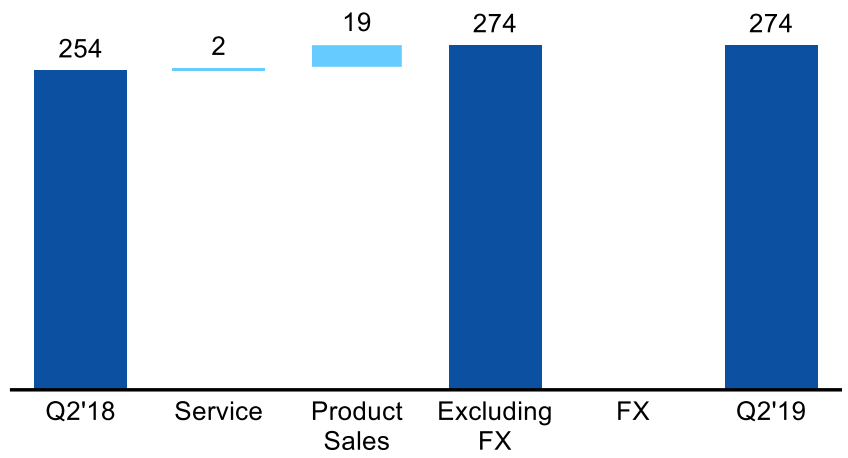


Note: Adjusted results remove impact of purchase price amortization, impairment charges, restructuring expense and transaction expense (see appendix for details)
EUR/USD FX daily average: 1.12 in Q2’19; 1.19 in Q2’18

Q2’19 North America Gaming & Interactive Highlights

$ M except where noted otherwise

Revenue



Key Performance Indicators

	Q2'18	Q2'19	% Change	Constant FX
Revenue	254	274	8%	8%
Operating income	66	85	30%	27%

Machine Units Shipped	Q2'18	Q2'19
New & expansion	1,803	438
Replacement	2,747	4,223
Total	4,550	4,661

No impact from OK strategic agreement

	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19*
Casino installed base (units)	23,351	23,357	23,108	22,713	21,073

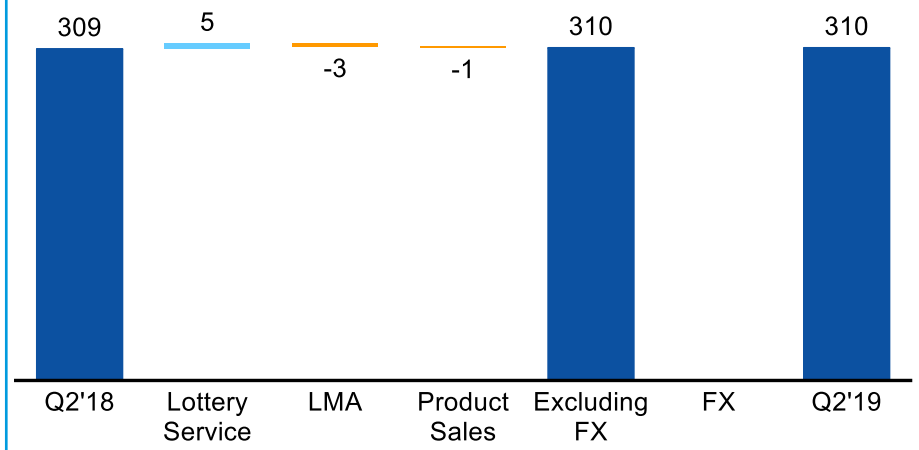
*2,076 unit reduction per OK strategic agreement

- Replacement units up 54% on strength of product offering; higher ASPs
- Higher systems revenue (Encore Boston Harbor, MGM Northfield installs)
- Installed base stable Y/Y, up sequentially on underlying basis (excl. OK strategic agreement)
- Excluding discrete items, operating income up in line with revenue growth

Q2’19 North America Lottery Highlights

$ M except where noted otherwise

Revenue



Key Performance Indicators

	Q2'18	Q2'19	% Change	Constant FX
Revenue	309	309	0%	0%
Operating income	80	78	-3%	-3%

Same-store revenue growth	Q2'18	Q2'19
Instant ticket & draw games	5.3%	5.4%
Multistate jackpots	-4.8%	23.8%
Total SSR growth	4.2%	7.2%

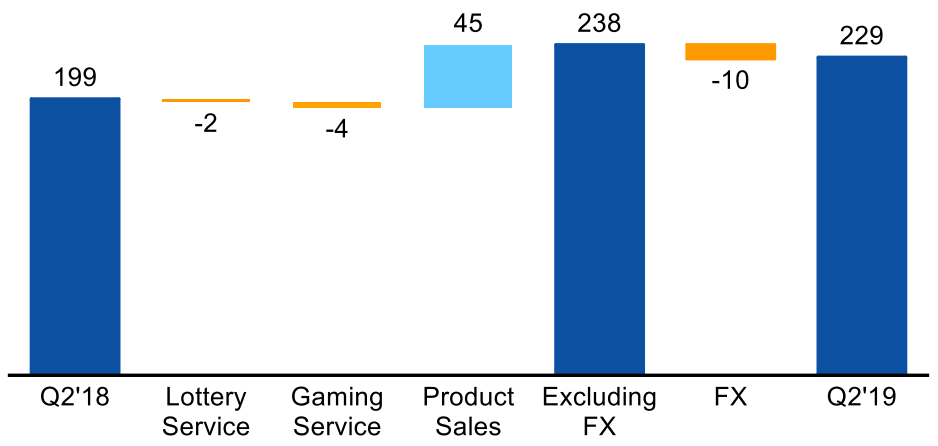
	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19
VLT installed base (units)	15,176	14,965	14,939	14,799	14,215

- Strong same-store revenue growth more than offsets Illinois contract conclusion
- Increased product sales across multiple states, rise in instant ticket printing help offset large MA sales in PY
- Operating income reflects higher depreciation

Q2’19 International Highlights

$ M except where noted otherwise

Revenue



Key Performance Indicators

	Q2'18	Q2'19	% Change	Constant FX
Revenue	199	229	15%	20%
Operating income	36	30	-17%	-11%

Machine Units Shipped	Q2'18	Q2'19
New & expansion	732	700
Replacement	2,388	5,863
Total	3,120	6,563

Same-store revenue growth	Q2'18	Q2'19
Instant ticket & draw games	3.0%	2.4%
Multistate jackpots	-20.4%	11.0%
Total SSR growth	1.4%	2.8%

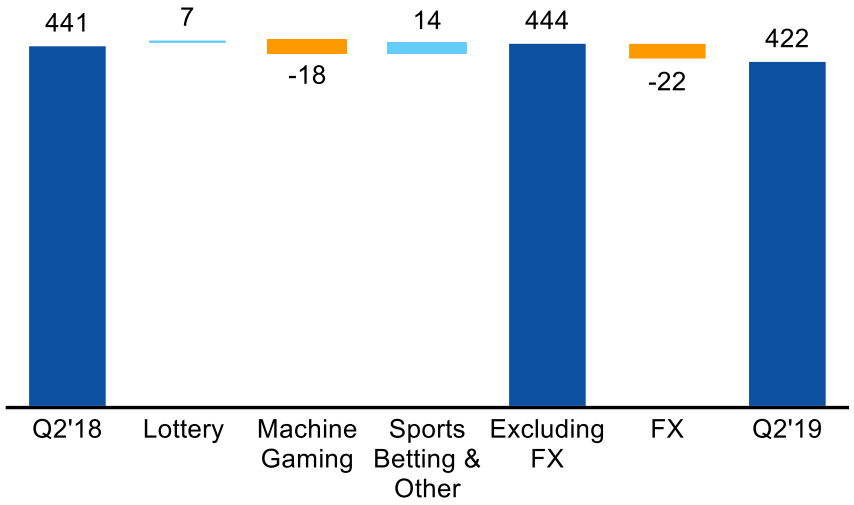
	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19
Installed base (units)	16,340	16,007	14,905	15,085	14,475

- Significant increase in units shipped, including the early shipment of some Sweden units; higher software sales
- Installed base down on conversions (Y/Y South Africa; sequentially Europe and Mexico)
- Operating income primarily reflects lower profit flow-through on service and product revenue, higher SG&A; improvement expected in Q4’19

Q2’19 Italy Highlights

$ M except where noted otherwise

Revenue



Key Performance Indicators

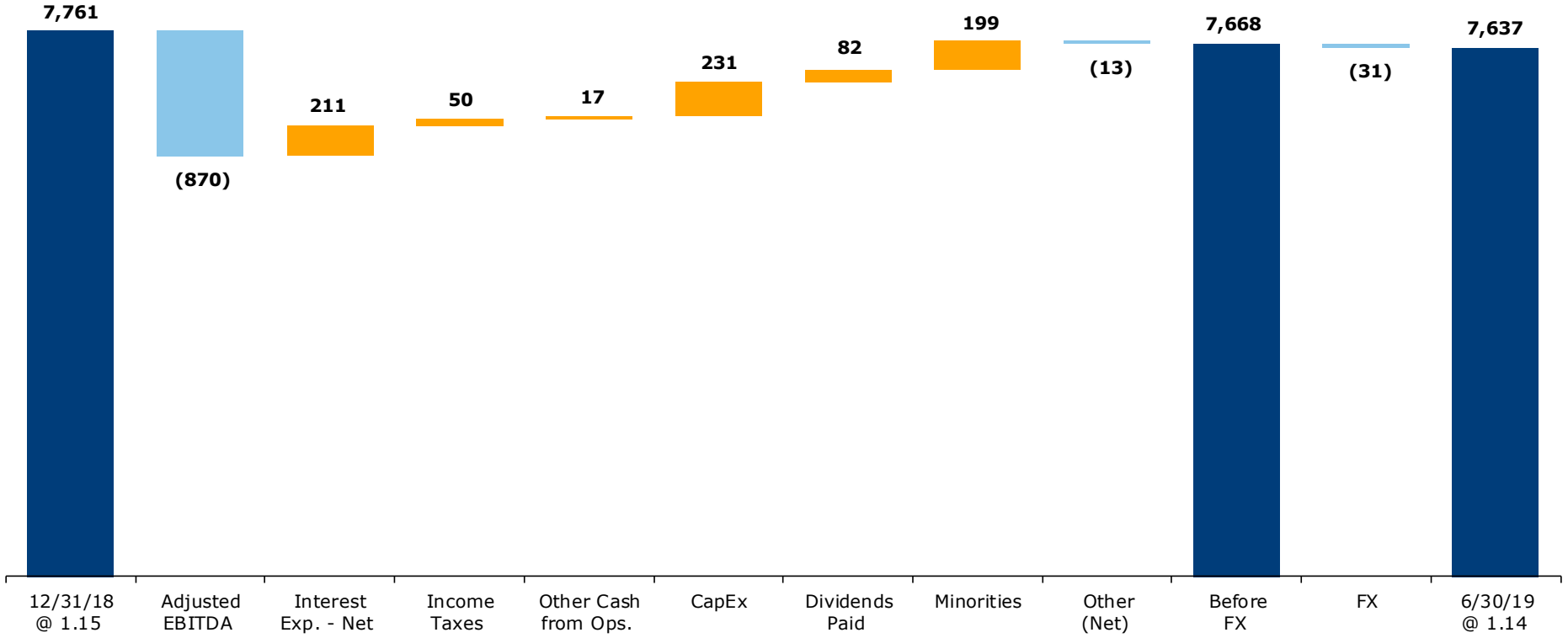
	Q2'18	Q2'19	% Change	Constant FX
Revenue	441	422	-4%	1%
Operating income	131	133	2%	8%

€M	Q2'18	Q2'19	% Growth
Lotto wagers	1,981	2,064	4.2%
10eLotto	1,422	1,507	6.0%
Core	471	479	1.6%
Late numbers	33	31	-5.6%
MillionDAY	54	47	-14.0%
S&W wagers	2,237	2,257	0.9%
Gaming wagers			
VLT - operator (B2C)	1,407	1,427	1.4%
AWP	885	916	3.5%
Interactive	459	508	10.7%
Sports betting wagers	244	252	3.1%
Sports betting payout	82.9%	82.2%	-0.6 ppt

- Total revenue increased at constant FX, overcoming significant impact of higher gaming machine taxes
- Consistent growth in lottery wagers, led by 10eLotto
- Machine gaming impacted by higher taxes; productivity up on strength of network and new game introductions
- Sharp operating income growth on strong profit flow-through and expense timing despite the higher taxes

Net Debt and Leverage Profile

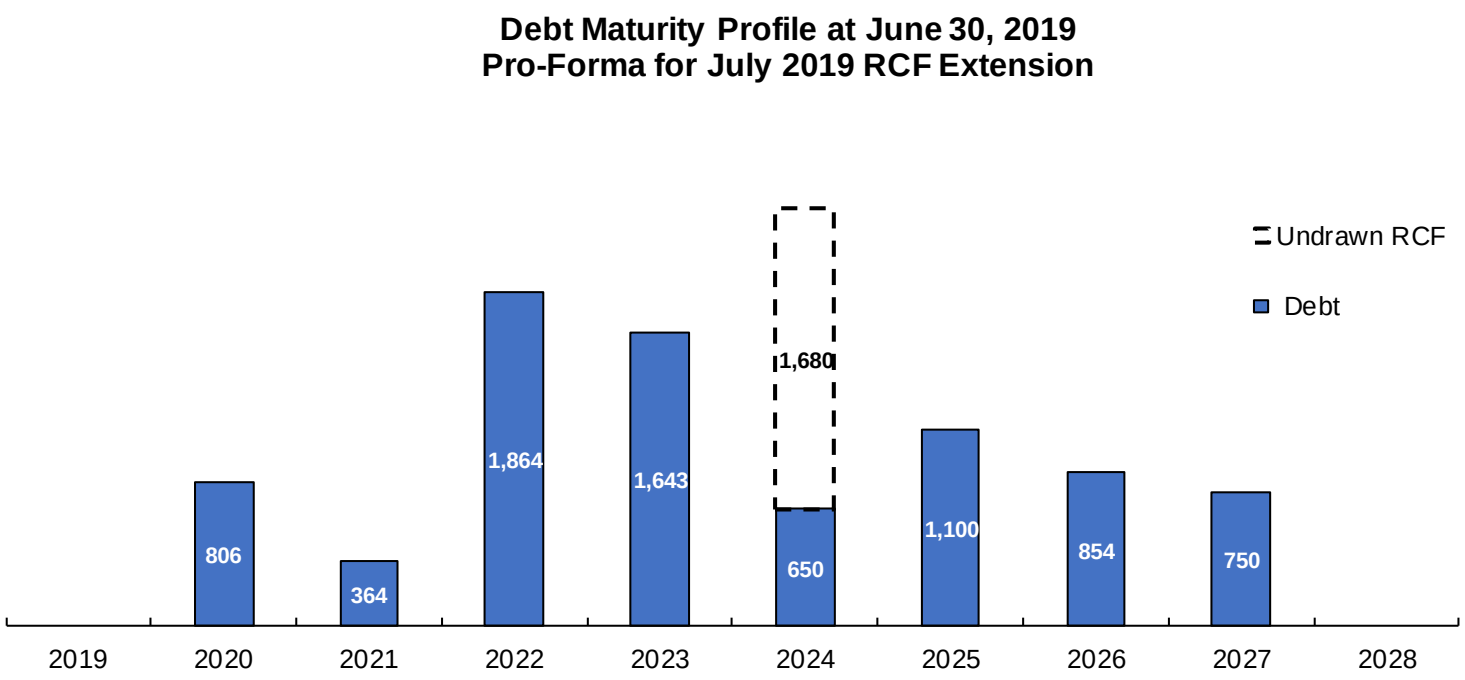
$ M except where noted otherwise



Net Debt/LTM EBITDA	*4.47x*		*4.42x*

- Year-to-date reductions in net debt and leverage

Debt Maturity Schedule



- Q2'19 capital markets activity:
  - Issued €750 million Notes due 2026
    - ~ €438 million of net proceeds used to redeem 4.125% Notes due 2020
    - Balance used to paydown revolver
  - Revolving credit facilities extended to July 2024
    - Provides considerable flexibility
- Available liquidity exceeds debt maturities until 2022:
  - ~ $1.7 billion in capacity under revolving credit facilities
  - ~ $400 million cash on hand
  - Accelerating cash flow generation

H1’19 Cash Flow Statement

$ M except where noted otherwise

Cash Flow	H1'19
Net Cash Flows from Operating Activities	592
CapEx	(231)
Free Cash Flow	361
Debt Proceeds/(Repayment), Net	33
Other - Net	(245)
Other Investing/Financing Activities	(212)
Net Cash Flow	149
Effect of Exchange Rates/Other	(4)
Net Change in Cash and Restricted Cash	145
Cash and Restricted Cash at End of the Period	657

- Record H1 operating cash flow of ~ $600 million and free cash flow of ~ $360 million
- ~ $200 million of minority distributions
  - Heavily concentrated in the first half of the year
  - Accelerated return of capital to Lotto JV partners
- $65 million in proceeds from sale of assets

Updating FY’19 Outlook, Solely for FX

No change to operating assumptions

2019 Adjusted EBITDA of $1.675 - $1.735 billion

CapEx of $450 - $550 million

Full-year EUR/USD rate of 1.12 vs. prior 1.15 estimate

Q & A

Appendix

Q2'19 Income Statement (As Reported)

$ M except where noted otherwise

Income Statement	Q2'19	Q2'18	% Change
Service revenue	*980*	*1,007*	*-3%*
Product sales	*254*	*195*	*30%*
Total Revenue	**1,234**	**1,202**	***3%***
Adjusted EBITDA	**454**	**442**	***3%***
Operating Income	**224**	**209**	***7%***
Interest expense, net	*(104)*	*(103)*	
Foreign exchange	*(41)*	*173*	
Other	*24*	*(32)*	
Financial Charges, Net	(121)	38	
Income Before Tax	**102**	**247**	
Net Income (Loss)	**39**	**195**	
Net Income (Loss) - Owners	**5**	**161**	
Diluted EPS	**0.02**	**0.79**	

Q2’19 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 June 2019 As Reported	Adjustments: Purchase Accounting	Adjustments: Foreign Exchange	Adjustments: Refinancing and Other	Quarter to date June 2019 As Adjusted
Total revenue	1,234,253	(181)	-	-	1,234,072
Cost of services	594,598	(17,769)	-	-	576,829
Cost of product sales	160,786	(3,912)	-	-	156,874
Selling, general and administrative	213,263	(26,502)	-	-	186,761
Research and development	65,383	(72)	-	-	65,311
Other operating income, net	(23,492)	-	-	(2,454)	(25,946)
Total operating expenses	1,010,538	(48,255)	-	(2,454)	959,829
Operating income	223,715	48,074	-	2,454	274,243
Interest expense, net	(103,860)	26	-	-	(103,834)
Foreign exchange loss, net	(41,061)	-	41,061	-	-
Other income, net	23,493	-	-	9,628	33,121
Total non-operating expenses	(121,428)	26	41,061	9,628	(70,713)
Income before provision for income taxes	102,287	48,100	41,061	12,082	203,530
Provision for income taxes (a)	63,300	11,552	3,264	558	78,674
Net income	38,987	36,548	37,797	11,524	124,856
Less: Net income attributable to non-controlling interests	34,131	26	-	-	34,157
Net income attributable to IGT PLC	4,856	36,522	37,797	11,524	90,699
Net income per common share - diluted	0.02				0.44
Weighted-average shares - diluted	204,412				204,412

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

Q2’19 Reconciliation of Non-GAAP Measures

$ M except where noted otherwise

	As Reported	
	Q2'19	Q2'18
Net income (loss)	39	195
Provision for/(Benefit from) income taxes	63	52
Non-operating (income) expenses	121	(38)
Depreciation	104	104
Amortization	69	68
Service revenue amortization	52	55
Stock-based compensation expense	3	3
Restructuring expense	3	3
Adjusted EBITDA	454	442