

INTERNATIONAL GAME TECHNOLOGY
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Date: October 21, 2014

INFORMATION DOCUMENT

relating to the

CROSS-BORDER MERGER OF GTECH S.P.A.

WITH AND INTO GEORGIA WORLDWIDE PLC

The official version of the Information Document in Italian, prepared on a voluntary basis in accordance with Article 70, paragraph 6, of CONSOB Regulation no. 11971 of May 14, 1999 as subsequently amended, has been made available on October 20, 2014. This translation of the Information Document is provided for convenience purposes only.

GTECH S.p.A. Registered Office: Rome, Viale del Campo Boario 56/D (Italy) Share Capital: Euro 174,951,075.00 Companies Register of Rome/Tax code no. 08028081001 Subject to direction and coordination activity by De Agostini S.p.A.

GTECH S.p.A. has exercised the option to waive the obligation to publish an information document for material mergers/demergers and acquisitions/divestments, as permitted by Article 70, paragraph 8, and Article 71, paragraph 1-bis, of the CONSOB Regulation no. 11971 of May 14, 1999 as subsequently amended (Issuers Regulation) (so-called opt-out).

However, given the significance of the transaction described herein, GTECH S.p.A. considered it advisable to provide adequate information to shareholders through the publication of an information document before the extraordinary shareholders meeting called to approve the merger by absorption of GTECH S.p.A. with and into Georgia Worldwide PLC.

This information document has been prepared, on a voluntary basis, in accordance with the scheme for material merger transactions provided by Article 70, paragraph 6, of Issuers Regulation, taking into account also the wider transaction involving the acquisition of International Game Technology, of which the merger is a part.

Pursuant to Article 6 of the CONSOB Regulation no. 17211 of March 12, 2010, as subsequently amended (Regulation 17221/2010), Georgia Worldwide PLC is a related party of GTECH S.p.A., being controlled by the latter. As communicated to the market on 16 July 2014, the execution of the Merger Agreement (as defined below) and the merger between GTECH S.p.A. and Georgia Worldwide PLC are not subject to the procedures for related party transactions by virtue of the exemption set forth in Article 14 of the Regulation 17221/2010 and Article 3.2 of the Disposizioni in materia di operazioni con parti correlate (Procedures for transactions with related parties) adopted by GTECH on July 28, 2011 (as amended) and published on the website www.gtech.com. Therefore, GTECH S.p.A. will not publish an information document for related party transactions as provided by Article 5 of the Regulation 17221/2010.

Disclaimer

This Information Document has been prepared in accordance with Italian law and may not be published or distributed in any other jurisdiction, either directly or indirectly, and in particular in Australia, Japan, Canada or the United States of America or in any other jurisdiction in which issue of the securities described in this Information Document, or their offer to investors resident in those countries, is not permitted without specific authorization from the relevant authorities. The publication or distribution of this Information Document in a jurisdiction other than Italy can be subject to specific regulations and restrictions. Any person coming to have a copy of this Information Document is required to preliminarily verify the existence of such regulations and restrictions and comply with them.

Forward-looking statements

This Information Document contains forward-looking statements concerning the business of GTECH S.p.A., International Game Technology and, following completion of the transactions, of Georgia Worldwide PLC. These statements may discuss goals, intentions and expectations as to future plans, trends, events, results of operations or financial condition, or otherwise, based on current beliefs of the management, as well as assumptions made by, and information currently available to, such management. These forward-looking statements are subject to various risks and uncertainties, which are outside the control of the companies involved in the transaction. Therefore, you should not place undue reliance on such statements. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including, without limitation: failure to obtain authorizations, consents or shareholders' approvals, changes in general economic conditions, economic growth and other changes in business conditions, changes in regulation and governmental environment (in Italy or abroad), and many other factors, most of which are outside of the control of the companies party to the transaction.

**SELECTED CONSOLIDATED PRO FORMA INFORMATION AND PRO FORMA PER SHARE INDICATORS OF THE ISSUER
(GTECH S.P.A.) AND GEORGIA WORLDWIDE PLC AT AND FOR THE SIX MONTHS ENDED JUNE 30, 2014**

Consolidated Income Statement

| (in million, unless otherwise specified) | Six months ended June 30, 2014 | | |
|---|---------------------------------------|--------------------------|----------------------------------|
| | Unaudited GTECH IFRS Historical | Pro forma adjustments | Unaudited UKCo IFRS Pro Forma |
| Total revenue | 1,532.3 | 769.5 | 2,301.8 |
| Operating income | 336.9 | (10.6) | 326.3 |
| Income before income tax expense | 249.4 | (149.1) | 100.3 |
| Net income attributable to owners of the parent | 135.8 | (80.4) | 55.4 |
| Net income attributable to non controlling interest | 11.4 | | 11.4 |
| Earnings per share (in) | | | |
| - basic | 0.78 | (0.48) | 0.30 |
| - diluted | 0.78 | (0.48) | 0.30 |

Consolidated Statement of Financial Position

| (in million) | At June 30, 2014 | | |
|---|---------------------------------------|-----------------------|----------------------------------|
| | Unaudited GTECH IFRS Historical | Pro forma adjustments | Unaudited UKCo IFRS Pro Forma |
| Non-current assets | 5,393.8 | 5,837.2 | 11,231.0 |
| Current assets | 1,499.0 | 956.1 | 2,455.1 |
| Total assets | 6,892.8 | 6,793.3 | 13,686.1 |
| Equity attributable to owners of the parent | 2,226.0 | (91.6) | 2,134.4 |
| Non-controlling interests | 279.7 | | 279.7 |
| Total equity | 2,505.7 | (91.6) | 2,414.1 |
| Non-current liabilities | 2,926.2 | 6,000.1 | 8,926.3 |
| Current liabilities | 1,460.9 | 884.8 | 2,345.7 |
| Total liabilities | 4,387.1 | 6,884.9 | 11,272.0 |
| Total equity and liabilities | 6,892.8 | 6,793.3 | 13,686.1 |

CONTENTS

| | | |
|---------------------------|---|----|
| <u>DEFINITIONS</u> | | 9 |
| <u>SUMMARY</u> | | 13 |
| <u>1.1.</u> | <u>MAIN RISKS AND UNCERTAINTIES RELATING TO THE GTECH ACTIVITIES</u> | 20 |
| <u>1.1.1.</u> | <u>Risks related to general economic conditions</u> | 20 |
| <u>1.1.2.</u> | <u>Risks related to revenues of the GTECH Group deriving from the Lotto and the instant lottery concessions</u> | 20 |
| <u>1.1.3.</u> | <u>Risks related to cancellation or non-renewal of the concessions</u> | 21 |
| <u>1.1.4.</u> | <u>Risks related to transfer of assets for free upon the termination of concessions</u> | 22 |
| <u>1.1.5.</u> | <u>Risks related to the enforcement of performance bonds or letter of credit and payment of liquidated damages</u> | 22 |
| <u>1.1.6.</u> | <u>Risks related to decrease in growth or decline in sales of products and services related to lotteries</u> | 22 |
| <u>1.1.7.</u> | <u>Risks related to operating in a highly regulated market</u> | 23 |
| <u>1.1.8.</u> | <u>Risks related to legal and arbitration proceedings</u> | 24 |
| <u>1.1.9.</u> | <u>Risks related to regulatory, political and economical changes in the countries in which GTECH operates</u> | 24 |
| <u>1.1.10.</u> | <u>Risks related to protection of intellectual property rights</u> | 25 |
| <u>1.1.11.</u> | <u>Risks related to potential infringement of third parties intellectual property rights</u> | 25 |
| <u>1.1.12.</u> | <u>Risks related to employees, directors, agents and security systems integrity</u> | 26 |
| <u>1.1.13.</u> | <u>Risks related to interruption of the operating information technology systems</u> | 26 |
| <u>1.1.14.</u> | <u>Risks related to technological innovation</u> | 26 |
| <u>1.1.15.</u> | <u>Risks related to lottery contracts</u> | 26 |
| <u>1.1.16.</u> | <u>Risks related to a concentrated customer base</u> | 27 |
| <u>1.1.17.</u> | <u>Risks related to breach or termination of agreements with suppliers</u> | 27 |
| <u>1.1.18.</u> | <u>Risks related to management of U.S. lottery contracts</u> | 28 |
| <u>1.1.19.</u> | <u>Risks related to competition</u> | 28 |
| <u>1.1.20.</u> | <u>Risks related to gaming and betting market regulation</u> | 29 |
| <u>1.1.21.</u> | <u>Risks related to illegal gaming market</u> | 30 |
| <u>1.2.</u> | <u>MAIN RISKS AND UNCERTAINTIES ASSOCIATED WITH THE TRANSACTION</u> | 30 |
| <u>1.2.1.</u> | <u>Risks related to the conditions precedent to the Merger Agreement</u> | 30 |
| <u>1.2.2.</u> | <u>Risks related to the consummation failure of the Mergers</u> | 31 |
| <u>1.2.3.</u> | <u>Risks related to potential opposition of creditors</u> | 31 |
| <u>1.2.4.</u> | <u>Risks related to termination fees to be paid in accordance with the Merger Agreement</u> | 32 |
| <u>1.2.5.</u> | <u>Risks related to legal proceedings connected with the Mergers</u> | 32 |
| <u>1.2.6.</u> | <u>Risks related to publicly traded securities</u> | 33 |
| <u>1.2.7.</u> | <u>Risks related to the waiver of certain conditions</u> | 33 |
| <u>1.2.8.</u> | <u>Risks related to the management</u> | 33 |

| | | |
|----------|---|----|
| 1.2.9. | <u>Risks related to the impact of the Transaction on GTECH's and IGT's business relationships</u> | 34 |
| 1.2.10. | <u>Risks related to governmental authorizations</u> | 34 |
| 1.2.11. | <u>Risks related to obtaining the resources required for the consummation of the Transaction</u> | 34 |
| 1.2.12. | <u>Risks related to the bridge facility repayment</u> | 35 |
| 1.3. | <u>MAIN RISKS AND UNCERTAINTIES ASSOCIATED WITH THE UKCO BUSINESS</u> | 35 |
| 1.3.1. | <u>Risks related to the integration and the possible failure to reach the expected synergies resulting from the Transaction</u> | 35 |
| 1.3.2. | <u>Risks related to costs connected with the Transaction</u> | 36 |
| 1.3.3. | <u>Risks related to UKCo indebtedness after the Mergers</u> | 37 |
| 1.3.4. | <u>Risks related to GTECH rating</u> | 37 |
| 1.3.5. | <u>Risks related to financial covenants of debt instruments</u> | 37 |
| 1.3.6. | <u>Risks related to UKCo share price</u> | 38 |
| 1.3.7. | <u>Risks related to UKCo shareholders' rights</u> | 38 |
| 1.3.8. | <u>Risks related to distributions in accordance with English law</u> | 39 |
| 1.3.9. | <u>Risks related to growth management</u> | 40 |
| 1.3.10. | <u>Risks related to changes in consumer preferences and behavior</u> | 40 |
| 1.3.11. | <u>Risks related to information technology systems</u> | 40 |
| 1.3.12. | <u>Risks related to greater difficulty to proceed against UKCo</u> | 41 |
| 1.3.13. | <u>Risks related to exchange rates fluctuation</u> | 41 |
| 1.3.14. | <u>Risks related to taxation</u> | 41 |
| 1.3.15. | <u>Risks related to the shareholding and corporate governance structure</u> | 43 |
| 1.3.16. | <u>Risks related to the loyalty voting structure</u> | 44 |
| 1.3.17. | <u>Risks related to the pro-forma data</u> | 44 |
| 1.3.18. | <u>Risks related to forward-looking statements contained in this Information Document</u> | 45 |
| 1.3.19. | <u>Risks related to the requirements of the DTC system</u> | 45 |
| 2. | <u>INFORMATION ABOUT THE TRANSACTION</u> | 46 |
| 2.1. | <u>SUMMARY DESCRIPTION OF THE TERMS AND CONDITIONS OF THE TRANSACTION</u> | 46 |
| 2.1.1. | <u>Description of the participating companies</u> | 46 |
| 2.1.1.1. | <u>UKCo</u> | 46 |
| 2.1.1.2. | <u>GTECH</u> | 61 |
| 2.1.1.3. | <u>IGT</u> | 64 |
| 2.1.2. | <u>Description of the structure, terms and conditions of the Transaction</u> | 66 |
| 2.1.2.1 | <u>Modalities, structure and conditions of the Transaction</u> | 66 |
| 2.1.2.2 | <u>Values attributed to companies participating in the Transaction</u> | 74 |
| 2.1.2.3 | <u>Valuation criteria and methodologies applied for the exchange ratio determination</u> | 77 |
| 2.1.2.4 | <u>Expert report Exchange Ratio</u> | 82 |
| 2.1.2.5 | <u>Allocation of UKCo shares and date of entitlement</u> | 82 |
| 2.1.2.6 | <u>Effectiveness of the Transaction for accounting and tax purposes</u> | 84 |
| 2.1.2.7 | <u>Accounting treatment applicable to the Transaction</u> | 86 |

| | | | |
|---------------|--|---|-----|
| | <u>2.1.2.8</u> | <i>Material tax consequences of the Transaction</i> | 86 |
| <u>2.1.3.</u> | <u>Shareholders structure estimate of UKCo subsequent to the completion of the Transaction</u> | | 100 |
| <u>2.1.4.</u> | <u>Effects of the Transaction on shareholders agreements</u> | | 102 |
| <u>2.2.</u> | <u>RATIONALE AND PURPOSE OF THE TRANSACTION</u> | | 102 |
| <u>2.2.1.</u> | <u>Rationale of the Transaction specifically regarding the GTECH s operational objectives</u> | | 102 |
| <u>2.2.2.</u> | <u>Programs developed by GTECH specifically with regard to industrial prospects and possible restructuring and/or reorganizations</u> | | 103 |
| <u>2.3.</u> | <u>PUBLICLY AVAILABLE DOCUMENTS</u> | | 104 |
| <u>3.</u> | <u>SIGNIFICANT EFFECTS OF THE TRANSACTION</u> | | 106 |
| <u>3.1.</u> | <u>SIGNIFICANT EFFECTS OF THE TRANSACTION ON THE GTECH GROUP AND ITS BUSINESS ACTIVITIES</u> | | 106 |
| <u>3.2.</u> | <u>IMPACTS OF THE TRANSACTION ON THE STRATEGIC GUIDELINES CONCERNING COMMERCIAL AND FINANCIAL TRANSACTIONS AND CENTRALIZED SERVICES EXCHANGED BY GTECH GROUP COMPANIES</u> | | 107 |
| <u>4.</u> | <u>INCOME STATEMENT, FINANCIAL POSITION AND CASH FLOW DATA OF GTECH AND IGT</u> | | 108 |
| <u>4.1</u> | <u>CONSOLIDATED FINANCIAL STATEMENTS OF THE GTECH GROUP</u> | | 108 |
| <u>4.1.1</u> | <u>Consolidated financial statements for the years ended December 31, 2013 and 2012 and interim consolidated financial statements for the six months ended June 30, 2014</u> | | 108 |
| | <u>4.1.1.1</u> | <i>Analysis of the main changes in the statement of financial position that occurred between December 31, 2013 and June 30, 2014</i> | 115 |
| | <u>4.1.1.2</u> | <i>Analysis of the main changes in the statement of financial position that occurred between December 31, 2012 and December 31, 2013</i> | 116 |
| | <u>4.1.1.3</u> | <i>Analysis of the main variances in the income statement between the six months ended June 30, 2013 and the six months ended June 30, 2014</i> | 117 |
| | <u>4.1.1.4</u> | <i>Analysis of the main variances in the income statement between the year ended December 31, 2012 and the year ended December 31, 2013</i> | 120 |
| | <u>4.1.1.5</u> | <i>Analysis of the main variances that occurred in key components of the statement of cash flows for the six months ended June 30, 2014</i> | 122 |
| | <u>4.1.1.6</u> | <i>Analysis of the main variances that occurred in key components of the statement of cash flows for the year ended December 31, 2013</i> | 123 |
| <u>4.2</u> | <u>CONSOLIDATED FINANCIAL STATEMENTS OF THE IGT GROUP</u> | | 124 |
| <u>4.2.1</u> | <u>Consolidated financial statements for the fiscal years ended September 30, 2013 and 2012 and condensed interim financial statements for the six months ended March 31, 2014</u> | | 124 |
| | <u>4.2.1.1</u> | <i>Analysis of the main changes in the statement of financial position that occurred between September 30, 2013, and March 31, 2014</i> | 131 |
| | <u>4.2.1.2</u> | <i>Analysis of the main changes in the statement of financial position that occurred between September 30, 2012 and September 30, 2013</i> | 131 |
| | <u>4.2.1.3</u> | <i>Analysis of the main changes in the income statement that occurred between the six months ended March 31, 2013 and the six months ended March 31, 2014</i> | 132 |
| | <u>4.2.1.4</u> | <i>Analysis of the main changes in the income statement that occurred between the fiscal year ended September 30, 2012 and the fiscal year ended September 30, 2013</i> | 134 |

| | | |
|-----------------------|---|------------|
| 4.2.1.5 | <i>Analysis of the main changes that occurred in key components of the statement of cash flows between the six months ended March 31, 2013 and the six months ended March 31, 2014</i> | 136 |
| 4.2.1.6 | <i>Analysis of the main changes that occurred in key components of the statement of cash flows for the years ended September 30, 2013 and September 30, 2012</i> | 137 |
| 4.2.2 | Main differences between US GAAP and IFRSs applicable to the Group | 137 |
| 5. | <u>UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION GEORGIA WORLDWIDE PLC</u> | 139 |
| 5.1 | <u>GEORGIA WORLDWIDE PLC UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT JUNE 30, 2014 AND UNAUDITED PRO FORMA CONSOLIDATED INCOME STATEMENTS FOR THE SIX MONTHS THEN ENDED</u> | 139 |
| 5.2 | <u>PER SHARE INDICATORS</u> | 161 |
| 6. | <u>OUTLOOK FOR UKCO AND GTECH GROUP</u> | 162 |
| 6.1. | <u>OVERVIEW OF PERFORMANCE OF UKCO AND GTECH SUBSEQUENTLY THE END OF THE FINANCIAL PERIOD OF THE LAST FINANCIAL STATEMENT PUBLISHED</u> | 162 |
| 6.2. | <u>DEVELOPMENT TO BE EXPECTED FOR THE CURRENT YEAR</u> | 162 |
| 6.3. | <u>ESTIMATES AND PROJECTIONS</u> | 162 |
| 6.4. | <u>REPORT OF THE INDEPENDENT AUDITOR ON THE ESTIMATES AND PROJECTIONS</u> | 162 |
| <u>ANNEXES</u> | | 163 |

DEFINITIONS

Capitalized terms used but not expressly defined in this Information Document have the meanings assigned to them in the following definitions.

| | |
|------------------------------|--|
| B&D Holding | B&D Holding di Marco Drago e C. S.a.p.A., with registered office in Via G. da Verrazano 15, Novara (Italy). |
| Borsa Italiana | Borsa Italiana S.p.A., with registered office in Piazza degli Affari 6, Milan (Italy). |
| Closing Date | The date on which the Transaction will be completed pursuant to the Merger Agreement. |
| CONSOB | The Italian authority for issuers and financial markets (<i>Commissione Nazionale per le Società e la Borsa</i>), with head office in Via G.B. Martini 3, Rome (Italy). |
| Companies | Jointly, GTECH and IGT. |
| De Agostini | De Agostini S.p.A., with registered office in Via G. da Verrazano 15, Novara (Italy). |
| DeA Shareholders | Jointly, De Agostini and DeA Partecipazioni S.p.A., with registered office in Via G. da Verrazano 15, Novara (Italy). |
| Decree 108/08 | The Legislative Decree no. 108 of May 30, 2008, as amended, implementing in Italy the Directive 2005/56/EC of the European Parliament and Council of October 26, 2005 on cross-border mergers of limited liability companies. |
| DTC | Depository Trust & Clearing Corporation, with registered office in 55 Water Street, New York (USA). |
| Entitled Shareholders | Shareholders of UKCo who, after maintaining ownership of UKCo Ordinary Shares for a continuous period of three years, subject to the terms and conditions specified in the Post-GTECH Merger Articles and in the Loyalty Plan, may elect to receive the right to direct the exercise of votes attaching to an equal number of Special Voting Shares. |
| Exchange Ratio | The exchange ratio determined by the board of directors of each of GTECH and UKCo in connection with the GTECH Merger, as better described in this Information Document. |
| Expert Report | The report relating to the Exchange Ratio issued by Grant Thornton UK LLP, as independent expert appointed in the United Kingdom upon joint request of GTECH and UKCo to the High Court of England and Wales pursuant to Regulation 9 of the UK Regulation and Article 9 of the Decree 108/08. |
| Expert | Grant Thornton UK LLP. |

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| Gaming Approvals | The authorizations required under gaming laws, as defined in the Merger Agreement. |
| Georgia US | Georgia Worldwide Corporation, with office in 10 Memorial Boulevard, Providence, Rhode Island (USA). |
| GTECH Group or Group | The group of companies consisting of GTECH and the companies controlled by GTECH pursuant to Article 2359 of the Italian Civil Code and Article 93 of the Italian Financial Act. |
| GTECH Merger Effective Date | The date starting from which the GTECH Merger will be effective, which shall be fixed by the High Court of England and Wales, with its order as competent English authority. |
| GTECH Merger Terms | The common cross-border merger terms relating to the GTECH Merger, drafted in accordance with Article 6 of the Decree 108/08 and Article 7 of the UK Regulation and approved by the board of directors of each of GTECH and UKCo on October 1, 2014. |
| GTECH Merger | The cross-border merger by absorption of GTECH with and into UKCo. |
| GTECH Share Trading Price | The average of the volume-weighted average prices, rounded to four decimal points, of ordinary shares of GTECH on the MTA (converted to the US\$ equivalent calculated at the end of each trading day) for 10 randomly selected trading days within the period of 20 consecutive trading days ending on (and including) the second full trading day prior to the IGT Merger Effective Time. |
| GTECH or Issuer | GTECH S.p.A., with registered office in Viale del Campo Boario 56/D, Rome (Italy). |
| IGT Consideration | The consideration, partly in cash and partly in UKCo Ordinary Shares, which will be paid to IGT shareholders for each IGT share held by them, as described herein. |
| IGT Group | The group of companies consisting of IGT and its subsidiaries. |
| IGT Merger Effective Date | The date on which the articles of merger relating to the IGT Merger will be filed with the Secretary of State of the State of Nevada, as provided by the Nevada Revised Statutes. |
| IGT Merger | The merger under the laws of Nevada between Georgia US and IGT, pursuant to which Georgia US will merge with and into IGT and each outstanding share of common stock of IGT will be converted into the right to receive the IGT Consideration. |
| IGT | International Game Technology, with registered office in 6355, Buffalo Drive, Las Vegas, Nevada (USA). |
| Information Document | This information document. |

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| International Financial Reporting Standards or IFRS | The International Financial Reporting Standards issued by the International Accounting Standards Board and adopted by the European Union including all the interpretations adopted by the IFRS Interpretations Committee. |
| Issuers Regulation | The regulation adopted by CONSOB with resolution no. 11971 of May 14, 1999, as amended. |
| Italian Civil Code | The Italian Civil Code adopted with the Royal Decree no. 262 of March 16, 1942, as subsequently amended. |
| Italian Financial Act | The Legislative Decree no. 58 of February 24, 1998, as amended. |
| Italian Reorganization | The reorganization of GTECH's Italian business that will be implemented prior to the completion of the GTECH Merger, as described herein. |
| Loyalty Plan | The loyalty scheme for UKCo shareholders relating to the Special Voting Shares. |
| Merger Agreement | The Agreement and Plan of Merger executed on 15 July 2014 by and between GTECH, UKCo, GTECH Corporation, Georgia US and IGT, as amended on September 23, 2014. |
| Mergers or Transaction | Jointly, the GTECH Merger and the IGT Merger. |
| MTA | The <i>Mercato Telematico Azionario</i> , organized and managed by Borsa Italiana S.p.A. |
| Nominee | The nominee which will be allotted the Special Voting Shares in accordance with the provisions of the Post-GTECH Merger Articles and the Loyalty Plan. |
| NYSE | The New York Stock Exchange. |
| Post-GTECH Merger Articles | The articles of association to be adopted by UKCo on the GTECH Merger Effective Date. |
| Registration Statement | The registration statement on Form F-4, together with any amendments, filed with the SEC. |
| SEC | The United States Securities and Exchange Commission. |
| Securities Act | The Securities Act of 1933, as subsequently amended. |
| Special Voting Shares | The special voting shares with a nominal value of US\$0.000001 each issued by UKCo to the Nominee under the Post-GTECH Merger Articles and the Loyalty Plan. |
| Sterling Shareholder | Elian Corporate Services (UK) Limited (formerly Ogier Corporate Services (UK) Limited), holding, pursuant to an administration agreement, 50,000 sterling non-voting shares with a nominal value |

of £1.00 each issued by UKCo.

| | |
|-----------------------------|---|
| Subscriber Share | The sole ordinary share of UKCo having voting rights before the completion of the GTECH Merger, with a nominal value of £1.00 and held by GTECH. |
| Support Agreement | The agreement signed on July 15, 2014 by DeA Shareholders and IGT, providing for certain provisions aimed at the implementation of the Transaction. |
| UK Companies Act | The UK Companies Act of 2006, as amended. |
| UK Regulation | The Companies (Cross-Border Mergers) Regulations of 2007, as amended, implementing in the United Kingdom the Directive 2005/56/EC of the European Parliament and Council of October 26, 2005 on cross-border mergers of limited liability companies. |
| UKCo | Georgia Worldwide PLC, with registered office in 11 Old Jewry, 6th Floor, London, EC2R 8DU (United Kingdom). |
| UKCo Group | The group of companies consisting of UKCo and its subsidiaries, following the completion of the Transaction. |
| UKCo Ordinary Shares | The ordinary shares of UKCo with a nominal value of US\$0.10 each, which will be allotted and issued by UKCo to GTECH shareholders and IGT shareholders in exchange for the respective GTECH and IGT shares on the basis of the Exchange Ratio of the GTECH Merger and the IGT Consideration, respectively. |
| US GAAP | United States Generally Accepted Accounting Principles |
| Voting Agreement | The agreement signed on July 15, 2014 by DeA Shareholders and IGT, providing, <i>inter alia</i> , for certain provisions relating to the corporate governance of UKCo following the completion of the Transaction. |

SUMMARY

Introduction

This information document (the **Information Document**) has been prepared by GTECH S.p.A. (**GTECH**) on a voluntary basis in accordance with the scheme provided by Article 70, paragraph 6, of the regulation on issuers adopted by CONSOB with resolution no. 11971 of May 14, 1999 (the **Issuers Regulation**) to provide GTECH shareholders with information about the cross-border merger of GTECH with and into Georgia Worldwide PLC (**UKCo**), a public company limited by shares organized under the laws of England and Wales whose voting share capital is wholly and directly owned by GTECH (the **GTECH Merger**).

The GTECH Merger is part of a wider transaction involving the acquisition by GTECH of International Game Technology (**IGT**) and, together with GTECH, the **Companies**), a Nevada corporation whose shares are listed on the New York Stock Exchange (the **Transaction**).

On July 15, 2014, GTECH, UKCo, GTECH Corporation, a Delaware corporation and a wholly owned subsidiary of GTECH, Georgia Worldwide Corporation, a Nevada corporation and a wholly owned subsidiary of UKCo (**Georgia US**), and IGT entered into an Agreement and Plan of Merger in connection with the execution of the Transaction (such agreement, as amended on September 23, 2014, the **Merger Agreement**). The Merger Agreement provides that the Transaction shall be completed through:

- the GTECH Merger, pursuant to which holders of GTECH ordinary shares will receive one UKCo ordinary share (a **UKCo Ordinary Share**) in exchange for each GTECH ordinary share held; and
- the merger (under the laws of Nevada) between Georgia US and IGT (the **IGT Merger**), pursuant to which (a) Georgia US will merge with and into IGT and (b) each issued and outstanding share of IGT will be converted into the right to receive a combination of US\$13.69 in cash, plus a number of UKCo Ordinary Shares equal to US\$4.56 divided by the US dollar value of GTECH shares prior to the closing, subject to adjustments and limitations described herein (the **IGT Consideration**).

The GTECH Merger and the IGT Merger, although legally distinct transactions, are intended to produce a single economic result with the effective time of the GTECH Merger immediately preceding the effective time of the IGT Merger. The execution of each transaction shall take place only once all conditions precedent to the GTECH Merger and the IGT Merger have been satisfied or validly waived and all pre-merger formalities have been taken.

For further information relating to the GTECH Merger Effective Date and the IGT Merger Effective Date (as defined below), please refer to Paragraph 2.1.2 below.

Before the completion of the GTECH Merger, GTECH intends to carry out, subject to any required authorizations, a reorganization of its Italian business, in order to separate operating activities from holding activities, to allow the continuity of the management of the Italian activities and

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to rationalize its participations, through one or more Italian companies wholly owned by GTECH to which (a) the business unit composed of tangible and intangible assets (including shareholdings), receivables, debts, personnel and other assets and liabilities related to the exercise of the concession for the Lotto game and to the supply of administrative, commercial and general services in favor of the companies directly

or indirectly controlled by GTECH, will be contributed, and (b) almost all the equity holdings in Italian companies held by GTECH will be contributed and sold (the **Italian Reorganization**).

For further information relating to the Italian Reorganization, please refer to Paragraph 2.2.2 below.

As a result and following the GTECH Merger and the IGT Merger, UKCo will become the new holding company of the enlarged group resulting from the combination of GTECH and IGT, since UKCo will control directly the entire issued share capital of IGT and, indirectly, all the companies currently controlled by IGT; UKCo will also control, directly and/or indirectly, all the companies currently controlled by GTECH, as reorganized pursuant to the Italian Reorganization.

The diagrams below illustrate the corporate structure of the GTECH Group and the IGT Group prior the Transaction and the resulting structure following the completion of the Italian Reorganization, the Mergers and other transactions related to the Transactions.

Pre-Transaction Structure

Post-Transaction Structure

It is expected that, following the completion of the Transaction, the UKCo Ordinary Shares will be listed on the NYSE. UKCo Ordinary Shares will be held through the centralized clearing system organized and managed by the Depository Trust & Clearing Corporation (**DTC**) and will be registered in the shareholders' ledger in the name of Cede & Co., as DTC's nominee.

In light of the structure and unitary nature of the envisaged Transaction, this Information Document has been prepared for the purposes of the GTECH Merger, having taken into account also the IGT Merger, considered in combination with the GTECH Merger as one and the same Transaction, even though structured in different steps, taking into consideration the overall impact of the Transaction on GTECH and its shareholders.

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On October 1, 2014, the board of directors of GTECH and the board of directors of UKCo approved the common cross-border merger terms relating to the GTECH Merger (the **GTECH Merger Terms**).

The GTECH Merger Terms (together with all the relevant annexes) attached to this Information Document as Annex 2 were filed with the Companies Register of Rome on October 1, 2014 and registered on October 2, 2014 and filed with the Registrar of Companies of England and Wales on

October 14, 2014. The GTECH Merger Terms were deposited and made available for inspection at the GTECH registered office and published on the GTECH website (www.gtech.com) on October 4, 2014. The GTECH Merger Terms will be made available for inspection at the registered office of UKCo at least one month in advance of the court-convened meeting of UKCo shareholders for approval of the GTECH Merger. The notice provided by article 7 of the Legislative Decree no. 108 of May 30, 2008 as amended (the **Decree 108/08**), was published on the Italian Official Gazette on October 4, 2014.

For further information relating to the documents publicly available, please refer to Paragraph 2.3 below.

The GTECH Merger Terms will be submitted to GTECH shareholders for approval at the extraordinary shareholders meeting called on November 4, 2014. De Agostini S.p.A. and DeA Partecipazioni S.p.A. (together, the **DeA Shareholders**) have committed, pursuant to the Support Agreement, to vote in favour of the GTECH Merger at said GTECH extraordinary shareholders meeting.

The GTECH Merger Terms will also be submitted for approval at the court-convened meeting of UKCo shareholders on or around December 15, 2014. GTECH is the sole shareholder of UKCo having voting rights.

Scope of the Transaction

The purpose of the Transaction is to create a world leading end-to-end gaming group, uniquely positioned to capitalize on opportunities across global gaming market segments. The new group will combine best-in-class content, operator capabilities, and interactive solutions for the on-line segment, and will also combine IGT's leading game library and manufacturing and creative operating capabilities with GTECH's gaming operations, lottery technology and services. The Transaction will thus give rise to a business with competitive dimensions across gaming businesses, geographies and product lines.

The board of directors considered, *inter alia*, that the Transaction:

- will result in the creation of a world-leading end-to-end gaming company with significant market position across the lottery, machine gaming and interactive wagering and social gaming segments and strong product offerings across the client spectrum;
- will result in enhanced global scale with a diversified product portfolio and geographic mix and strengthened research and development capabilities;
- will result in a well-diversified revenue base that reduces dependence on the machine gaming replacement cycle in key product sales markets and on the Italian economy;

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- will allow UKCo, because of scale in the machine gaming, interactive, and social gaming markets, to support substantial recurring R&D investment which is critical to continued development of successful content and technology solutions;
- will result in the UKCo ability to achieve industrial efficiencies, including economies of scale in purchasing, to consolidate corporate and support activities, and to optimize R&D spending;
- will result, because of the complementary product portfolios and extensive lottery and gaming customer base, in a greater ability to meet operating customers' needs, providing its customers

with a more compelling and holistic product offering across land-based, online, and mobile channels, and to increase revenue potential;

- will be carried out by the GTECH management team that, working together with the members of IGT management, will be able to integrate successfully the two companies;
- will allow the achievement of cost synergies and additional possible revenue synergies;
- will allow UKCo to be uniquely positioned to capture gaming sector trends including government stimulated growth, the emergence of multichannel offerings, and the increased importance of proprietary content due to gaming industry convergence; and
- will result in an increased earnings and cash flow and better access to capital markets for UKCo as a result of enhanced size and business diversification.

Exchange Ratio

At the GTECH Merger Effective Date, each holder of GTECH ordinary shares, shall be allotted and issued one UKCo Ordinary Share (with a nominal value of US\$0.10) in exchange for each GTECH ordinary share (with a nominal value of 1.00) held by such holder (the **Exchange Ratio**), without any cash payment by UKCo.

The Special Voting Shares (described in Paragraph 2.1.1.1) that will be issued by UKCo at the GTECH Merger Effective Date will not form part of the Exchange Ratio.

The Exchange Ratio relating to the GTECH Merger, approved by the board of directors of GTECH and by the board of directors of UKCo, has been examined by Grant Thornton UK LLP as independent expert (the **Expert**) appointed in the United Kingdom upon joint request of GTECH and UKCo to the High Court of England and Wales pursuant to Regulation 9 of the Companies (Cross-Border Mergers) Regulations of 2007, as amended (**UK Regulation** and Article 9 of the Decree 108/08, for the purposes of the relevant opinion on the fairness of the Exchange Ratio. Such opinion has been issued on October 2, 2014. The Expert's report is attached to this Information Document as Annex 4.

No payments, in cash or otherwise, shall be made by UKCo to the GTECH shareholders in respect of the GTECH Merger (other than in the case of the valid exercise of cash exit rights and shares being purchased by GTECH in the context of the relevant liquidation process pursuant to Article 2437 *et seq.* of the Italian Civil Code and, in any event, without prejudice to the right of GTECH to terminate the Merger Agreement should the maximum amount of exercised cash exit rights referred to in Paragraph 2.1.2.1 below be exceeded, in which case the Transaction will not be completed).

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For further information relating to the Exchange Ratio and the Expert report, please refer to Paragraphs 2.1.2.3 and 2.1.2.4 below.

Conditions precedent

The obligation of each party of the Merger Agreement to execute the Transaction is subject to satisfaction or, if permitted, to the waiver at or prior to the Closing Date, of the conditions precedent specified in the following Paragraph 2.1.2.1.

Special Voting Shares

At the GTECH Merger Effective Date, UKCo will issue, in addition to the ordinary shares to be allotted and issued pursuant to the Exchange Ratio, a number of special voting shares with a nominal value of US\$0.000001 each (the **Special Voting Shares**) equal to the total amount of UKCo Ordinary Shares issued pursuant to the GTECH Merger, which will be issued to a nominee (the **Nominee**), pursuant to a loyalty scheme for UKCo shareholders. According to such scheme, shareholders of UKCo that maintain the ownership of UKCo Ordinary Shares for a continuous period of three years, subject to the terms and conditions specified in the articles of association to be adopted by UKCo upon the GTECH Merger (the **Post-GTECH Merger Articles**), which are attached to the GTECH Merger Terms, and in the terms and conditions of the loyalty scheme relating to such Special Voting Shares (the **Loyalty Plan**), may elect to receive the right to direct the exercise of votes attaching to an equal number of Special Voting Shares (such persons being **Entitled Shareholders**).

The Nominee will vote the Special Voting Shares (i) at the direction of any Entitled Shareholders and (ii) in respect of all other Special Voting Shares held by it, in accordance with the outcome of UKCo's general meeting. Accordingly, until the right to direct the exercise of votes attaching to the Special Voting Shares is elected by Entitled Shareholders after the applicable 3-year continuous holding period as provided for in accordance with the Post-GTECH Merger Articles and in the Loyalty Plan, the Nominee will exercise the votes attaching to the Special Voting Shares in accordance with the outcome of UKCo's general meeting.

The characteristics of Special Voting Shares are specified in the Post-GTECH Merger Articles; in particular, the Special Voting Shares (i) do not carry economic rights (except an amount of US\$1 in aggregate on a return of capital on a winding up); (ii) carry 0.9995 votes per Special Voting Share; (iii) may not be transferred other than in accordance with the provisions of the Post-GTECH Merger Articles and in the Loyalty Plan; and (iv) may be purchased or redeemed by UKCo and may be subject to reduction in accordance with the provisions of the Post-GTECH Merger Articles. In addition, Entitled Shareholders must direct the exercise of votes attaching to each of their Special Voting Shares in the same way as they exercise the vote attaching to the associated UKCo Ordinary Shares.

For the sake of clarity, the Special Voting Shares shall neither constitute part of the Exchange Ratio nor shall be granted to GTECH or IGT shareholders at the GTECH Merger Effective Date or the IGT Merger Effective Date. UKCo shareholders will be entitled to participate in the Loyalty Plan only after the 3-year continuous holding period of UKCo Ordinary Shares.

For further information on the Special Voting Shares, please refer to Paragraph 2.1.1.1 below.

Accounting Effects

With reference to the accounting effects of the Transaction, as provided for in the GTECH Merger Terms and illustrated in the report of the board of directors of GTECH, the financial information in relation to the assets, liabilities and other legal obligations of GTECH will be reflected in the accounts and other financial reports of UKCo as of the GTECH Merger Effective Date, that is the date of issuance of the shares for the purpose of the GTECH Merger and accordingly also the accounting effects of the GTECH Merger will be recognized in UKCo's accounts from such date.

For a detailed description of the accounting treatment of the GTECH Merger reference is to be made to the directors' report prepared by the GTECH board of directors; see also Paragraph 2.1.2.7 below.

1. RISK FACTORS

Following is a brief description of risks and uncertainties relating to the Transaction described in this Information Document that could potentially have a significant impact on the activities of GTECH and the business of UKCo.

Other risks and uncertainties, which are currently unforeseeable or considered to be unlikely, could also have a significant influence on the operating performance, financial position and future prospects of GTECH.

1.1. MAIN RISKS AND UNCERTAINTIES RELATING TO THE GTECH ACTIVITIES

1.1.1. Risks related to general economic conditions

GTECH is exposed to risks associated with the performance of the global economy and the markets in which it operates. GTECH's income and results of operations have been influenced, and will continue to be influenced, to a certain degree, by the general state and the performance of the global economy. The recent volatility of the financial markets shows that there can be no assurance that any recovery is sustainable or that there will be no recurrence of the global financial and economic crisis or similar adverse market conditions.

GTECH's business is sensitive to trends in discretionary consumer spending in the markets in which it operates, which may be affected by general economic conditions in these markets. Economic contraction, economic uncertainty and the perception by GTECH's customers of weak or weakening economic conditions may cause a decline in demand for entertainment in the forms of the gaming services that GTECH offers. In addition, changes in discretionary consumer spending or consumer preferences could be driven by factors such as an unstable job market, perceived or actual disposable consumer income and wealth, or fears of war and future acts of terrorism.

In particular, the lack of resolution of the sovereign debt crisis of several countries of the Eurozone, including Greece, Italy, Cyprus, Ireland, Spain and Portugal, together with the risk of contagion to other, more stable, countries, particularly France and Germany, has raised a number of uncertainties regarding the stability and overall standing of the European Monetary Union. Concerns that the Eurozone sovereign debt crisis could worsen may lead to the reintroduction of national currencies in one or more Eurozone countries or, in particularly dire circumstances, the abandonment of the euro. The departure or risk of departure from the euro by one or more Eurozone countries and/or the abandonment of the euro as a currency could have major negative effects on both existing contractual relations and the fulfillment of obligations by GTECH and/or its customers, which could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

1.1.2. Risks related to revenues of the GTECH Group deriving from the Lotto and the instant lottery concessions

A substantial portion of GTECH's revenues, equal to approximately 53.4% of GTECH's total consolidated revenues for the six-month period ended June 30, 2014 (52.4% and 54.8% for the years ended December 31, 2013 and 2012, respectively), is derived from exclusive and non-exclusive concessions awarded to GTECH by *Agenzia delle Dogane e Dei Monopoli* (formerly *Amministrazione*

Autonoma dei Monopoli di Stato, **ADM**), the governmental authority responsible for regulating and supervising gaming in Italy.

In particular, a substantial portion of GTECH's revenues is derived from two exclusive concessions, one for the operation of the Lotto game and one for instant tickets (equal to approximately 13.4% and 12.3%, respectively, of GTECH's total consolidated revenues for the six-month period ended June 30, 2014, 13.3% and 12.3%, respectively, for the year ended December 31, 2013 and 13.1% and 12.4%, respectively, for the year ended December 31, 2012). The Lotto game concession and the instant ticket concession have been respectively awarded by ADM to GTECH and its subsidiary, Lotterie Nazionali S.r.l. GTECH's management believes that in the future, a significant portion of GTECH's business and profitability will continue to depend upon the concessions awarded to GTECH by ADM and other Italian governmental entities. Therefore, a material reduction in GTECH's revenues from these concessions, including as a result of an early termination, non-renewal or non-award of these concessions following their expiration, could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

GTECH's management believes that the Lotto concession held by GTECH will expire on June 8, 2016 as was determined by an arbitral ruling in favor of GTECH on August 1, 2005, and confirmed by the Supreme Court of Cassation on February 3, 2014, with reference to the starting date of the Lotto concession to calculate its aggregate 18-year term. However, the appeal through which Stanley International Betting Limited (**Stanley**) challenged the renewability of the Lotto concession after the expiration of the first 9 years-period is still pending before the State Council. The judicial decree that declared the extinction of the trial for the failure of Stanley to reinstatement in terms has been appealed by Stanley and the council chamber has not yet been set. Should this trial continue, the upholding of the Stanley appeal could result in the earlier termination of GTECH's Lotto concession prior to June 8, 2016, which could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

1.1.3. Risks related to cancellation or non-renewal of the concessions

GTECH is required to obtain and maintain licenses from various jurisdictions in order to operate its business.

Upon the expiration of GTECH's concessions, new concessions may be awarded to one or more parties through a competitive bidding process open to parties other than GTECH or its subsidiaries. In addition, concessions may be terminated prior to their expiration dates upon the occurrence of certain events of default affecting GTECH or its subsidiaries or if their continuation is determined under applicable principles of law to be against the public interest.

There can be no assurance that GTECH will be able to renew or be awarded again any of its existing concessions, and the loss, denial, non-renewal or renewal on different terms of any of its concessions could have a material adverse effect on its results of operations, business, financial condition or prospects.

1.1.4. Risks related to transfer of assets for free upon the termination of concessions

Upon the termination or non-renewal of the Lotto, instant lottery or machine gaming concessions, GTECH will be required at the request of ADM, if GTECH is not awarded the concession again, to transfer to ADM, free of charge, ownership of certain assets that are part of its central system used to operate the above mentioned concessions and equipment such as terminals at the points of sale, facilities, software, data files, and any other related assets that may be necessary for the full functioning, operation, and operability of the system itself.

As of June 30, 2014, the value of such assets was 53 million (the value of such assets was 61 million as of December 31, 2013) or approximately 0.8% of GTECH's consolidated total assets and approximately 1.4% without goodwill (the value of such assets was approximately 0.9% of GTECH's consolidated total assets and approximately 1.5% without goodwill as of December 31, 2013).

The obligation to transfer the Lotto concession assets may also have detrimental effects on certain other businesses operated by GTECH because GTECH uses terminals, central system hardware and software used in the operation of Lotto in connection with certain of its other businesses.

1.1.5. Risks related to the enforcement of performance bonds or letter of credit and payment of liquidated damages

GTECH's Italian concessions, lottery contracts in the United States and in other jurisdictions and other service contracts often require substantial performance bonds to secure its performance under such contracts and require GTECH to pay substantial monetary liquidated damages in the event of non-performance by GTECH.

As of December 31, 2013, GTECH had outstanding performance bonds and letters of credit in an aggregate amount of approximately 956.9 million. These instruments present a potential for expense for GTECH and divert financial resources from other uses.

Claims on performance bonds, drawings on letters of credit and payment of liquidated damages could individually or in the aggregate have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

1.1.6. Risks related to decrease in growth or decline in sales of products and services related to lotteries

In recent years, as the lottery industry has matured in the primary markets where GTECH operates, the rate of lottery sales growth has moderated and some of GTECH's customers have from time-to-time experienced a downward trend in sales. GTECH's dependence on large jackpot games and specifically, the decline in aggregate sales at similar jackpot levels (jackpot fatigue) has had a negative impact on revenue from this game category. These developments may in part reflect increased competition for consumers' discretionary spending, including from a proliferation of destination gaming venues and an increased availability of internet gaming opportunities. GTECH's future success will depend, in part, on the success of the lottery industry, as a whole, in attracting and retaining new players in the face of such increased competition in the entertainment and gambling markets (which competition may continue to increase), as well as its own success in developing innovative services, products and distribution

methods/systems to achieve this goal. In addition, there is a risk that new products and services may replace existing products and services. The replacement of old products and services with new products and services may offset the overall growth of sales of GTECH. A failure by GTECH to achieve these goals could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

1.1.7. Risks related to operating in a highly regulated market

GTECH's activities are subject to extensive and complex governmental regulation which varies from time to time and from jurisdiction to jurisdiction where GTECH operates.

Such governmental regulation includes restrictions on advertising, increases in or differing interpretations by authorities on taxation, limitations on the use of cash and anti-money laundering compliance procedures. GTECH believes that it has developed procedures designed to comply with such regulatory requirements. However, any failure by GTECH to so comply or its inability to obtain required suitability findings could lead regulatory authorities to seek to restrict GTECH's business in their jurisdictions.

In addition, GTECH is subject to extensive background investigations in its lottery and gaming businesses. Authorities generally conduct such investigations prior to and after the award of a lottery contract or issuance of a gaming license. Such investigations frequently include individual suitability standards for officers, directors, major shareholders and key employees. Authorities are generally empowered to disqualify GTECH from receiving a lottery contract or operating a lottery system as a result of any such investigation.

GTECH's failure, or the failure of any of its personnel, systems or machines, in obtaining or retaining a required license or approval in one jurisdiction could negatively impact its ability to obtain or retain required licenses and approvals in other jurisdictions. Any such failure would decrease the geographic areas where GTECH may operate and as a result could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

Further, there have been, are currently and may in the future continue to be, investigations of various types conducted by governmental authorities into possible improprieties and wrongdoing in connection with GTECH's efforts to obtain or the awarding of lottery contracts and related matters. Because such investigations frequently are conducted in secret, GTECH may not necessarily know of the existence of an investigation in which it might be involved. Because GTECH's reputation for integrity is an important factor in its business dealings with lottery and other governmental agencies, a governmental allegation or a finding of improper conduct by or attributable to GTECH in any manner or the prolonged investigation of these matters by governmental or regulatory authorities could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects, including its ability to retain existing contracts or to obtain new or renewed contracts, both in the subject jurisdiction and elsewhere. In addition, adverse publicity resulting from any such proceedings could have a material adverse effect on GTECH's reputation, results of operations, business, financial condition or prospects.

1.1.8. Risks related to legal and arbitration proceedings

Due to the nature of its business, GTECH is involved in a number of legal, regulatory, tax and arbitration proceedings regarding, among other matters, claims by and against it as well as injunctions by third parties arising out of the ordinary course of its business and is subject to investigations and compliance inquiries related to its on-going operations. The outcome of these proceedings and similar future proceedings cannot be predicted with certainty.

As of June 30, 2014, GTECH's total provision for litigation risks was 8.7 million. However, it is difficult to accurately estimate the outcome of any proceeding. As such, the amounts of GTECH's provision for litigation risk, accrued also on the basis of assessments made by external counsel, could vary significantly from the amounts GTECH may be asked to pay and from the amounts GTECH would ultimately pay in any such proceeding. In addition, unfavorable resolution of or significant delay in adjudicating such proceedings could require GTECH to pay substantial monetary damages or penalties and/or incur costs which may exceed any provision for litigation risks or, under certain circumstances, cause the termination or revocation of the relevant concession, license or authorization and thereby have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

1.1.9. Risks related to regulatory, political and economical changes in the countries in which GTECH operates

GTECH is a global business and derives a substantial portion of its revenues from operations outside of Italy and the United States (15.6% of GTECH's total consolidated revenues for the six-month period ended June 30, 2014; 19.3% and 18.5% for the years ended December 31, 2013 and 2012, respectively).

Risks associated with GTECH's international operations include changes in governmental regulation of the online lottery industry in the markets where it operates, exchange controls or other currency restrictions and significant political instability.

Other economic risks that GTECH's international activity subjects it to include inflation, currency devaluation, illiquid or restricted foreign exchange markets, high interest rates, debt default, unstable capital markets and foreign direct investment restrictions. Political risks include change of leadership, change of governmental policies, new foreign exchange controls regulating the flow of money into or out of a country, failure of a government to honor existing contracts, changes in tax laws and corruption, as well as global risk aversion driven by political unrest, war and terrorism.

Finally, social instability risks include high crime in certain of the countries in which GTECH operates due to poor economic and political conditions, riots, unemployment and poor health conditions. These factors may affect GTECH's work force as well as the general business environment in a country. The materialization of such risks could have a negative impact on GTECH's results of operations, business, financial condition or prospects.

1.1.10. Risks related to protection of intellectual property rights

GTECH protects its proprietary technology and intellectual property to ensure that its competitors do not use such technology and intellectual property. However, intellectual property laws in Italy, the United States and in other jurisdictions may afford differing and limited protection, may not permit GTECH to gain or maintain a competitive advantage, and may not prevent GTECH's competitors from duplicating its products, designing around its patented products, or gaining access to its proprietary information and technology.

Although GTECH takes measures intended to prevent disclosure of its trade secrets through non-disclosure and confidentiality agreements and other contractual restrictions, GTECH may not be able to prevent the unauthorized disclosure or use of its technical knowledge or trade secrets. For example, there can be no assurance that consultants, vendors, former employees or current employees will not breach their obligations regarding non-disclosure and restrictions on use. In addition, anyone could seek to challenge, invalidate, circumvent or render unenforceable any GTECH patent. GTECH cannot provide assurance that any pending or future patent applications it holds will result in an issued patent, or that, if patents are issued, they would necessarily provide meaningful protection against competitors and competitive technologies and/or adequately protect GTECH's then-current products and technologies. GTECH may not be able to detect the unauthorized use of its intellectual property or take appropriate steps to enforce its intellectual property rights effectively, and certain contractual provisions, including restrictions on use, copying, transfer and disclosure of licensed programs, may be unenforceable under the laws of certain jurisdictions.

GTECH licenses intellectual property rights from third parties. If such third parties do not properly maintain or enforce the intellectual property rights underlying such licenses, or if such licenses are terminated or expire without being renewed, GTECH could lose the right to use the licensed intellectual property, which could adversely affect its competitive position or its ability to commercialize certain of its technologies, products or services.

GTECH intends to enforce its intellectual property rights, and from time to time it may initiate claims against third parties that it believes are infringing its intellectual property rights if it is unable to resolve matters satisfactorily through negotiation. Litigation brought to protect and enforce GTECH's intellectual property rights could be costly, time-consuming and distracting to management and could fail to obtain the results sought and could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

1.1.11. Risks related to potential infringement of third parties' intellectual property rights

GTECH cannot provide assurance that its products or methods do not infringe the patents or other intellectual property rights of third parties. Infringement and other intellectual property claims and proceedings brought against GTECH, whether successful or not, are costly, time-consuming and distracting to management, and could harm GTECH's reputation.

In addition, intellectual property litigation or claims could require GTECH to do one or more of the following: (i) cease selling or using any of its products that allegedly incorporate the infringed intellectual property, (ii) pay substantial damages, (iii) obtain a license from the third party owner, which license may not be available on reasonable terms, if at all, (iv) rebrand or rename its products, and (v)

redesign its products to avoid infringing the intellectual property rights of third parties, which may not be possible and, if possible, could be costly, time-consuming or result in a less effective product.

The loss of proprietary technology or a successful claim against GTECH could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

1.1.12. Risks related to employees, directors, agents and security systems integrity

The real and perceived integrity and security of a lottery is critical to its ability to attract players. GTECH strives to set exacting standards of personal integrity for its employees and directors, as well as system security for the systems that it provides to its customers, and its reputation in this regard is an important factor in its business dealings with lottery and other governmental agencies. For this reason, an allegation or a finding of improper conduct on GTECH's part, or on the part of one or more of its current or former employees, directors or agents that is attributable to GTECH, or an actual or alleged system security defect or failure attributable to GTECH, could have a material adverse effect upon GTECH's results of operations, business, financial condition or prospects, including its ability to retain or renew existing contracts or obtain new contracts.

1.1.13. Risks related to interruption of the operating information technology systems

GTECH's ability to provide goods (such as software and lottery terminals) and services to its customers and to effectively operate its games and services depends to a great extent on the reliability and security of the information technology systems providers and networks it uses. Information technology systems and networks used by GTECH are potentially subject to damage and interruption caused by human error, problems relating to the telecommunications network, natural disasters, sabotage, hacking, viruses and similar events. Interruptions in the system could have a negative impact on the quality of the services offered and, as a result, on demand from consumers and consequently on the volume of sales and revenues. In addition, interruptions in systems or networks could result in the termination of certain of GTECH's concessions or lottery contracts or the imposition of substantial penalties. GTECH has, from time to time, experienced system downtime and problems with telecommunications networks.

1.1.14. Risks related to technological innovation

Many of GTECH's software and hardware products are based on proprietary technologies. While management believes that certain of GTECH's technologies, such as the GTECH Enterprise Series open-architecture software platform, provide an industry standard, if GTECH were to fail to enhance its product and service offerings to take advantage of technological developments, it may fall behind its competitors and GTECH's results of operations, business, financial condition or prospects could suffer.

1.1.15. Risks related to lottery contracts

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GTECH derives a portion of its revenues and cash flow from its portfolio of long-term lottery contracts in the Americas and International segments (equal to approximately 30.7% of GTECH's total)

consolidated revenues for both the six-month period ended June 30, 2014 and the year ended December 31, 2013, respectively), awarded through competitive procurement processes. In addition, GTECH's U.S. lottery contracts typically permit a lottery authority to terminate the contract at any time for failure to perform and for other specified reasons, and many of these contracts in the U.S. permit the lottery authority to terminate the contract at will with limited notice and do not specify the compensation, if any, to which GTECH would be entitled were such termination to occur.

Further, in the event that GTECH is unable or unwilling to perform, some of its lottery contracts permit the lottery authority to acquire title to its system related equipment and software during the term of the contract or upon the expiration or earlier termination of the contract, in some cases without paying GTECH any compensation related to the transfer of that equipment and software to the lottery authority.

The termination of or failure to renew or extend one or more of GTECH's lottery contracts, or the renewal or extension of one or more of GTECH's lottery contracts on materially altered terms or the transfer of its assets without compensation could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

1.1.16. Risks related to a concentrated customer base

Revenues from GTECH's top ten customers outside of Italy accounted for approximately 18.6% of GTECH's total consolidated revenues for the six-month period ended June 30, 2014 (18.3% and 17.7% for the years ended December 31, 2013 and 2012, respectively). If GTECH were to lose any of these larger customers, or if these larger customers experience slow lottery ticket sales and consequently reduced lottery revenue, there could be a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

1.1.17. Risks related to breach or termination of agreements with suppliers

GTECH purchases most of the parts, components and subassemblies necessary for its lottery and machine gaming terminals and other system components from outside sources. GTECH outsources all of the manufacturing and assembly of certain lottery products to a single vendor while other products have portions outsourced to multiple qualified vendors. Although GTECH works closely with its manufacturing outsourcing vendor and GTECH is likely to be able to realign its manufacturing facilities to manufacture its products itself, GTECH's operating results could be adversely affected if one or more of its manufacturing outsourcing vendors failed to meet production schedules. For example, while most of the parts, components and subassemblies can be purchased through more than one supplier, GTECH currently has approximately three material source vendors for lottery terminals for its lottery products. GTECH's total purchases from these three vendors during the year ended December 31, 2013 was approximately 57.7% of its total consolidated purchases of parts, components and subassemblies for that product for that year.

GTECH's management believes that if a supply contract with one of these vendors were to be terminated or breached, GTECH would be able to replace the vendor. However, it may take time to replace the vendor under some circumstances and any replacement parts, components or subassemblies may be more expensive, which could reduce GTECH's margins. Depending on a number of factors,

including the level of the related part, component or subassembly in GTECH's inventory, the time it takes to replace a vendor may result in a delay in its implementation for a customer. Generally, if GTECH fails to meet its delivery schedules under its contracts, it may be subject to substantial penalties or liquidated damages, or even contract termination, which in turn could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

1.1.18. Risks related to management of U.S. lottery contracts

In the United States, state lotteries are exploring lottery manager contracts as a means of maximizing lottery profits. Under these contracts (currently in Illinois, Indiana and New Jersey), GTECH is required to guarantee income levels to the state. In addition, in other states, agreements may require upfront payments for concessions. Arrangements such as the guarantee of income when not achieved, large up-front payments or other similar arrangements may have a material adverse effect on GTECH's results of operation, business, financial condition or prospects.

1.1.19. Risks related to competition

The gaming business is highly competitive. GTECH faces competition from a number of companies in Italy, the United States and worldwide. Although GTECH is making investments, including the Mergers intended to position it to exploit the opportunities in the machine gaming, interactive gaming and sports betting markets, it expects significant competition in these markets from other companies. Competition could cause GTECH to lose players or customers and could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

The online lottery industry has faced increased competition from the gaming machine and gambling industries in recent years, including from a proliferation of destination gaming venues, and an increased availability of gaming opportunities including gaming opportunities on the internet.

In recent years there has been increased competition in the gaming industry and in some instances, GTECH observed extremely aggressive pricing from these competitors in an effort to gain market share. Increased competition and aggressive pricing practices from competitors could adversely affect GTECH's ability to retain business, to win new business and may impact the margin of profitability on contracts that GTECH is successful in retaining or winning.

Also, awards of contracts to GTECH are, from time to time, challenged by its competitors. Increased competition also may have a material adverse effect on the profitability of contracts which GTECH does obtain. Over the past several fiscal years, GTECH has experienced and may continue to experience a reduction in the percentage of lottery ticket sales that it receives from certain customers resulting from contract rebids, extensions and renewals due to a number of factors, including the substantial growth of lottery sales, reductions in the cost of technology and telecommunications services and general and competitive dynamics.

GTECH may also be affected by increased competition as a result of consolidation among gaming equipment and technology companies. GTECH expects the trend toward consolidation in its global industry to continue as gaming equipment and technology companies attempt to strengthen or expand their market positions in the gaming industry through mergers and acquisitions.

Several acquisitions of slot machine and other gaming equipment makers by gaming technology companies have been announced recently, such as the pending acquisition of Bally Technologies by Scientific Games Corp., announced in August 2014, and the acquisition of Multimedia Games by Global Cash Access Holdings Inc., announced in September 2014 and expected to close next year. GTECH believes that industry consolidation such as these acquisitions may result in stronger competitors that are better able to compete by increasing their scale and operating efficiencies.

Consolidation may also result in competitors with greater resources which may be directed toward accelerating innovation and product development, resulting in a broader service and product offering. Such changes in the competitive landscape could potentially reduce GTECH's market share and lead to declining sales volumes and prices for its products and services. If any of these risks are realized, GTECH's competitive position and therefore its business, results of operations and financial condition may be materially adversely affected.

1.1.20. Risks related to gaming and betting market regulation

The gaming and betting industry is heavily regulated. In Italy, this regulation determines, among others, (i) games that may be operated and amounts that may be charged by operators, (ii) the prizes for the players, (iii) the compensation paid to concessionaires, including GTECH, (iv) the kinds of points of sale and (v) the applicable tax regulations. Renewing existing and applying for new licenses, concessions, permits and approvals can be costly and time consuming and there is no assurance of success. Any failure to renew or obtain any such license, concession, permit or approval could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects. Any changes in the legal or regulatory framework or other changes, such as increases in the taxation of gaming or betting, changes in the compensation paid to concessionaires or increases in the number of licenses, authorizations or concessions awarded to competitors of GTECH could materially and adversely affect its profitability.

In the United States and in many international jurisdictions where GTECH currently operates or seeks to do business, lotteries are not permitted unless expressly authorized by law. The successful implementation of GTECH's growth strategy and its business could be materially adversely affected if jurisdictions that do not currently authorize lotteries do not approve new lotteries or if those jurisdictions that currently authorize lotteries do not continue to permit such activities.

Once authorized, the on-going operations of lotteries and lottery operators are typically subject to extensive and evolving regulation. In the United States, in particular, lottery authorities generally conduct an investigation of the winning vendor and its employees prior to and after the award of a lottery contract. Further, lottery authorities may require the removal of any of the vendor's employees deemed to be unsuitable and are generally empowered to disqualify GTECH from receiving a lottery contract or operating a lottery system as a result of any such investigation. Some jurisdictions also require extensive personal and financial disclosure and background checks from persons and entities beneficially owning a specified percentage (typically 5% or more) of GTECH's securities. The failure of these beneficial owners to submit to such background checks and provide required disclosure could jeopardize the award of a lottery contract to GTECH or provide grounds for termination of an existing lottery contract. Additional restrictions are often imposed by international jurisdictions upon foreign corporations, such as GTECH, seeking to do business there.

Finally, sales generated by lottery games frequently are dependent upon decisions over which GTECH has no control made by lottery authorities with respect to the operation of these games, such as matters relating to the marketing and prize payout features of lottery games. Because GTECH is typically compensated in whole or in part based on a jurisdiction's gross lottery sales, lower than anticipated sales due to these factors could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

1.1.21. Risks related to illegal gaming market

A significant threat for the entire gaming and betting industry arises from illegal activities. Such illegal activities may drain significant betting volumes away from the regulated industry. In particular, illegal gaming could take away a portion of the present players that are the focus of GTECH's business. The loss of such players could have a material adverse effect on GTECH's results of operations, business, financial condition or prospects.

1.2. MAIN RISKS AND UNCERTAINTIES ASSOCIATED WITH THE TRANSACTION

1.2.1. Risks related to the conditions precedent to the Merger Agreement

The obligations of GTECH and IGT to complete the Mergers are subject to satisfaction or waiver (if permitted) of a number of conditions, including, among other conditions, (i) IGT and GTECH obtaining shareholder approvals, (ii) receipt of certain antitrust approvals in the U.S., Canada and Colombia, (iii) obtaining certain Gaming Approvals, (iv) effectiveness of the Registration Statement filed with the Securities and Exchange Commission for the UKCo Ordinary Shares, (v) NYSE listing approval for the UKCo Ordinary Shares, (vi) the expiration or early termination of a 60-day GTECH creditor opposition period in accordance with the applicable laws, (vii) the absence of any order prohibiting or restraining the Mergers, (viii) subject to certain materiality exceptions, the accuracy of each party's representations and warranties in the Merger Agreement and performance by each party of their respective obligations under the Merger Agreement, (ix) the receipt of the UKCo Merger order issued by the High Court of England and Wales and (x) in the case of IGT's obligation to close the IGT Merger, IGT's receipt of certain tax opinions.

The satisfaction of all of the required conditions could delay the completion of the Mergers for a significant period of time or prevent them from occurring. Any delay in completing the Mergers could cause the UKCo not to realize some or all of the benefits that the UKCo expects to achieve if the Mergers are successfully completed within its expected timeframe. Further, there can be no assurance that the conditions to the closing of the Mergers will be satisfied or waived or that the Mergers will be completed.

In addition, if the Mergers are not completed on or before July 15, 2015 (subject to certain extension rights), either GTECH or IGT may choose not to proceed with the Mergers.

IGT may also terminate the Merger Agreement under certain circumstances, including among others in order to enter into an agreement with respect to a proposal that is determined by the IGT Board to be superior to the Merger Agreement, subject to the terms and conditions of the Merger Agreement (including an opportunity for GTECH to match any such proposal).

GTECH may also terminate the Merger Agreement under certain circumstances, including among others (i) if GTECH shareholders exercise rescission rights pursuant to Article 2437 of Italian Civil Code in respect of more than 20% of GTECH's ordinary shares outstanding as of the date of the Merger Agreement, (ii) if UKCo would, as a result of a change in applicable law, be treated as a domestic corporation for U.S. federal income tax purposes as of or after the Closing or (iii) if the Special Voting Shares provided for by the Post-GTECH Merger Articles cannot be implemented under certain circumstances.

1.2.2. Risks related to the consummation failure of the Mergers

If the Mergers are not completed for any reason, including as a result of IGT shareholders failing to approve the Merger Agreement, without realizing any of the benefits of having completed the Mergers, GTECH would be subject to a number of risks. In particular:

- GTECH may be required, under certain circumstances, to pay IGT a termination fee of approximately US\$270.6 million or, in certain situations, US\$135.3 million, and in certain situations reimburse IGT for certain expenses related to IGT's cooperation with respect to the financing of the transaction;
- GTECH is subject to certain restrictions on the conduct of its businesses prior to completing the Mergers. Such restrictions may adversely affect GTECH's ability to execute certain of its business strategies;
- GTECH has incurred and will continue to incur significant costs and fees associated with the proposed Transaction;
- GTECH may experience negative reactions from the financial markets, including negative impacts on its stock prices;
- GTECH may experience negative reactions from its customers, regulators and employees;
- matters relating to the Mergers (including integration planning) will require substantial commitments of time and resources by GTECH management, which would otherwise have been devoted to day-to-day operations and other opportunities that may have been beneficial to GTECH as an independent company.

In addition, GTECH could be subject to litigation related to any failure to complete the Mergers or related to any enforcement proceeding commenced against GTECH to perform its obligations under the Merger Agreement. If the Mergers are not completed, these risks may materialize and may adversely affect GTECH's businesses, financial condition, financial results and stock price.

1.2.3. Risks related to potential opposition of creditors

Pursuant to Article 2503 of the Italian Civil Code, the GTECH Merger cannot take effect until 60 days after the last registration required under article 2502-*bis* of the Italian Civil Code, unless the consent of the creditors prior the relevant registration pursuant to Article 2501-*ter*, paragraph 3, of the Italian Civil Code has been obtained or the payment of those creditors who have not consented or the deposit of the corresponding amounts with a bank have occurred, unless the independent expert appointed to

issue the report concerning the exchange ratio fairness certifies under its own responsibility that the financial statements and assets of the companies involved in the GTECH Merger makes unnecessary additional safeguards to protect creditors of the above. If none of the above circumstances has occurred, the above mentioned creditors may file their claim against the execution of the GTECH Merger within the above 60-day period.

Even if a claim has been filed, the competent Court may still decide, pursuant to Article 2503, paragraph 2, and Article 2445, paragraph 4, of the Italian Civil Code, that the GTECH Merger will be carried into effect, if it deems that there would be no prejudice for the creditors or if the company offers adequate security. GTECH has agreed to use reasonable best efforts to avoid, or obtain the early termination of, these rights of creditors of GTECH.

1.2.4. Risks related to termination fees to be paid in accordance with the Merger Agreement

In the event the Merger Agreement is terminated, GTECH must pay IGT a termination fee of US\$270,634,000 in the following circumstances, among others : (i) a governmental entity of competent jurisdiction has issued a final and non-appealable law that (a) prohibits, enjoins or otherwise prevents either of the Mergers solely as a result of any of the provisions of the Holdco Articles related to the special voting shares or (b) renders the issuance of special voting shares illegal, or prohibits, enjoins or otherwise prevents the issuance of the special voting shares, (ii) the NYSE has issued a final and non-appealable determination that it will not authorize the UKCo Ordinary Shares for listing solely as a result of any provisions of the Post-GTECH Merger Articles related to the Special Voting Shares, (iii) holders of more than 20% of the GTECH ordinary shares issued and outstanding as of the date of the Merger Agreement exercise rescission rights.

In addition, GTECH must pay IGT a termination fee of US\$135,317,000 if the Merger Agreement is terminated by GTECH because UKCo would, as a result of the change of any applicable law following the date of the Merger Agreement and prior to the Closing, be treated as a domestic corporation for U.S. federal income tax purposes as of or after the Closing.

1.2.5. Risks related to legal proceedings connected with the Mergers

The members of the IGT Board, IGT, GTECH, UKCo and its subsidiary, UKCo Worldwide Corporation, are named as defendants in multiple putative class action lawsuits brought by purported IGT shareholders challenging the Mergers. The actions allege that members of the IGT Board breached their fiduciary duties by agreeing to sell IGT for inadequate consideration and pursuant to an inadequate process, and that GTECH, UKCo and UKCo Worldwide Corporation aided and abetted these alleged breaches. Among other remedies, the plaintiffs seek to enjoin the Mergers.

One of the conditions to the closing of the Mergers is that no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the completion of the Mergers will be in effect. If the plaintiffs are successful in obtaining an injunction prohibiting the defendants from consummating the Mergers on the agreed terms, then such injunction may prevent the Mergers from becoming effective, or from becoming effective within the expected timeframe.

1.2.6. Risks related to publicly traded securities

Prior to the Mergers, there has been no market for the UKCo Ordinary Shares. At the effective time of the Mergers, the UKCo Ordinary Shares will be listed for trading on the NYSE. However, there can be no assurance that an active market for the UKCo Ordinary Shares will develop after closing of the Mergers, or that if it develops, the market will be sustained.

In addition, following completion of the Mergers, UKCo Ordinary Shares will be publicly traded on the NYSE, enabling GTECH shareholders (including De Agostini, although De Agostini will initially be subject to the share transfer restrictions of the Voting Agreement) to sell the UKCo Ordinary Shares they receive in the Mergers. Such sales of UKCo Ordinary Shares may take place promptly following the Mergers and could have the effect of decreasing the market price for UKCo Ordinary Shares below the market price of GTECH ordinary shares prior to the completion of the Mergers.

1.2.7. Risks related to the waiver of certain conditions

Some of the conditions set forth in the Merger Agreement may be waived by GTECH or IGT, subject to certain limitations. If any conditions are waived, GTECH and IGT will evaluate whether further shareholder approval would be warranted. Subject to applicable law, if the boards of directors of GTECH and IGT determine that further shareholder approval is not required, GTECH and IGT will have the discretion to complete the IGT Merger without seeking further shareholder approval.

1.2.8. Risks related to the management

The UKCo's success after the Mergers have been completed will depend in part upon the ability of UKCo to retain key employees of GTECH and IGT. Current and prospective employees of GTECH and/or IGT may experience uncertainty about the effect of the Mergers, which may impair GTECH's and IGT's ability to attract and retain their key employees prior to and following the Mergers.

Pursuant to change-in-control provisions in IGT's employment and transition agreements, certain key employees of IGT are entitled to receive severance payments upon a constructive termination of employment. Certain key IGT employees potentially could terminate their employment following specified circumstances set forth in the applicable employment; for example, such circumstances could occur in connection with the Mergers as a result of changes in roles and responsibilities. The departure of key employees of GTECH or IGT, and the inability to hire and retain qualified and new employees could therefore have a material adverse effect on the prospects of UKCo and its subsidiaries following the completion of the Transaction (**UKCo Group**) and the integration of the Companies. Accordingly, no assurance can be given that UKCo will be able to attract or retain key employees of GTECH and IGT to the same extent that those companies have been able to attract or retain their own employees in the past.

1.2.9. Risks related to the impact of the Transaction on GTECH's and IGT's business relationships

Parties with which GTECH and IGT do business may experience uncertainty associated with the Transaction, including with respect to current or future business relationships with GTECH, IGT or UKCo.

GTECH's and IGT's business relationships may be subject to disruption as customers, distributors, suppliers, vendors and others may attempt to negotiate changes in existing business relationships or consider entering into business relationships with parties other than GTECH, IGT or UKCo. These disruptions could have an adverse effect on the businesses, financial condition, results of operations or prospects of UKCo Group, including an adverse effect on the UKCo Group's ability to realize the anticipated benefits of the Mergers. The risk and adverse effect of such disruptions could be exacerbated by a delay in completion of the Mergers or termination of the Merger Agreement.

1.2.10. Risks related to governmental authorizations

Although GTECH and IGT have agreed in the Merger Agreement to use their reasonable best efforts to make certain governmental filings and obtain the required governmental authorizations or termination of relevant waiting periods, as the case may be, there can be no assurance that the relevant waiting periods will expire or that the relevant authorizations will be obtained. In addition, the governmental authorities from which these authorizations are required have broad discretion in administering the governing regulations. As a condition to authorization of the Mergers, these governmental authorities may impose requirements, limitations or costs or require divestitures or place restrictions on the conduct of UKCo's business after completion of the Mergers. There can be no assurance that regulators will not impose conditions, terms, obligations or restrictions and that such conditions, terms, obligations or restrictions will not have the effect of delaying completion of the Mergers or imposing additional material costs on or materially limiting the revenues of UKCo following the Mergers, or otherwise adversely affecting, including to a material extent, UKCo's businesses and results of operations after completion of the Mergers. In addition, there can be no assurance that these conditions, terms, obligations or restrictions will not result in the delay or abandonment of the Mergers.

1.2.11. Risks related to obtaining the resources required for the consummation of the Transaction

GTECH's obligation to complete the Mergers is not subject to any conditions regarding the ability of GTECH to finance, or obtain debt financing for the Mergers. Under the Merger Agreement GTECH is obligated to have sufficient funds available to satisfy its obligations provided therein.

GTECH intends to finance all or a portion of the cash component of the IGT Consideration with new debt financing. The proceeds from these borrowings or issuances of debt financing will be used by GTECH to pay all or a portion of the cash consideration to be paid in the Mergers, to redeem and/or refinance existing specified indebtedness of GTECH, IGT and their subsidiaries and to pay fees and expenses related to the Transaction.

In the event that the debt financing contemplated by the debt commitment letter (please see Paragraph 2.1.2) is not available, other financing may not be available on acceptable terms, in a timely manner or

at all. If other financing becomes necessary and GTECH is unable to obtain such other financing, the Mergers may not be completed.

1.2.12. Risks related to the bridge facility repayment

GTECH has obtained a commitment letter pursuant to which, subject to certain conditions, affiliates of Credit Suisse AG, Barclays PLC and Citigroup Inc. committed to fund a 364-day senior bridge term loan credit facility up to an aggregate principal amount of approximately US\$10.7 billion or approximately 7.9 billion based on the US\$/ exchange rate of 0.737 on July 15, 2014 (which such amount is equal to approximately US\$10.4 billion or approximately 8.2 billion based on the US\$/ exchange rate of 0.785 on September 26, 2014), to cover the cash portion of the merger consideration, the transaction expenses, any potential redemption and/or refinancing of the existing indebtedness of GTECH and IGT and their subsidiaries, as well as the payments to any GTECH shareholders exercising rescission rights.

The bridge facility will be drawn only to the extent that GTECH is unable to raise debt financing in the form of term loans and/or debt securities at or prior to the closing of the Mergers.

To the extent that the bridge facility is drawn in part or in full, GTECH will need to seek alternative financing before its 364-day maturity; save the right, subject to applicable conditions, to extend the maturity up to 544-days. There is a risk that due to market conditions or otherwise, GTECH may not be able to find alternative financing timely, or to find other financing at least as favorable, with respect to cost, enforceability, financing structure and conditionality.

1.3. MAIN RISKS AND UNCERTAINTIES ASSOCIATED WITH THE UKCO BUSINESS

1.3.1. Risks related to the integration and the possible failure to reach the expected synergies resulting from the Transaction

The combination of two independent companies is a complex, costly and time-consuming process. As a result, the UKCo Group will be required to devote significant management attention and resources to integrating the business practices and operations of GTECH and IGT. The integration process may disrupt the business of either or both of the companies and, if implemented ineffectively, could preclude realization of the full benefits expected by GTECH and IGT. The failure of UKCo Group to meet the challenges involved in successfully integrating the operations of GTECH and IGT or otherwise to realize the anticipated benefits of the Mergers could cause an interruption of the activities of UKCo Group and could seriously harm its results of operations. In addition, the overall integration of the two companies may result in material unanticipated problems, expenses, liabilities, competitive responses, loss of client relationships, and diversion of management's attention, and may cause UKCo's stock price to decline.

The difficulties of combining the operations of the companies include, among others:

- managing a significantly larger company;
- coordinating geographically separate organizations;

- the potential diversion of management focus and resources from other strategic opportunities and from operational matters;
- retaining existing customers and attracting new customers;
- maintaining employee morale and retaining key management and other employees;
- integrating two unique business cultures, which may prove to be incompatible;
- the possibility of faulty assumptions underlying expectations regarding the integration process;
- consolidating corporate and administrative infrastructures and eliminating duplicative operations;
- issues in integrating information technology, communications and other systems;
- unanticipated changes in applicable laws and regulations;
- managing tax costs or inefficiencies associated with integrating the operations of UKCo; and
- unforeseen expenses or delays associated with the Mergers.

Many of these factors will be outside of UKCo Group's control and any one of them could result in increased costs, decreased revenues and diversion of management's time and energy, which could materially impact the UKCo Group's businesses, financial condition and results of operations. In addition, even if the operations of GTECH and IGT are integrated successfully, UKCo Group may not realize the full benefits of the Mergers, including the synergies, cost savings or sales or growth opportunities expected. These benefits may not be achieved within the anticipated time frame, or at all. As a result, GTECH cannot assure that the combination will result in the realization of the benefits anticipated from the Transaction.

1.3.2. Risks related to costs connected with the Transaction

GTECH and IGT expect to incur a number of non-recurring costs associated with the Mergers and combining the operations of the two companies. The substantial majority of non-recurring expenses will be comprised of transaction and regulatory costs related to the Mergers. GTECH and IGT have agreed to use their respective reasonable best efforts to effect all necessary notices, reports and other filings and to obtain all consents, registrations, approvals, permits, expirations of waiting periods and authorizations necessary or advisable to be obtained from any third party and/or any governmental entity in order to consummate the Mergers.

GTECH also will incur transaction fees and costs related to formulating and implementing integration plans, including facilities and systems consolidation costs and employment-related costs. GTECH continues to assess the magnitude of these costs, and additional unanticipated costs may be incurred in the Mergers and the integration of the two companies.

The incurrence of these costs may materially impact the UKCo Group's businesses, financial condition and results of operations until the integration is substantially completed.

1.3.3. Risks related to UKCo indebtedness after the Mergers

The total debt of GTECH as of June 30, 2014 was approximately 2,828 million. GTECH's pro forma total debt as of June 30, 2014, after giving effect to the Mergers, would be approximately 8,035 million. UKCo Group would have substantially increased indebtedness following completion of the Mergers in relation to that of GTECH and IGT on a recent historical basis, which could have the effect, among other things, of reducing UKCo Group's flexibility to respond to changing business and economic conditions and will increase the UKCo Group's interest expense, in respect of the amount of cash required to service the indebtedness of GTECH and IGT prior to the Mergers. The increased levels of indebtedness following completion of the Mergers could also reduce funds available for UKCo Group's investments in product development as well as capital expenditures, share repurchases, dividend payments and other activities and may create competitive disadvantages for UKCo Group relative to other companies with lower debt levels. Further, it is not expected that all of UKCo's debt will be guaranteed by all of the entities of the UKCo Group and accordingly, certain cash flows of UKCo Group may not be available to service UKCo debt.

In connection with executing UKCo Group's business strategies following the Mergers, GTECH expects to continue to evaluate the possibility of acquiring additional assets and making further strategic investments. GTECH or UKCo Group may elect to finance these endeavors by incurring additional indebtedness. Moreover, to respond to competitive challenges, GTECH or UKCo Group may be required to raise substantial additional capital to finance new product or service offerings. GTECH's or UKCo Group's ability to arrange additional financing will depend on, among other factors, GTECH's and, following the Mergers, UKCo Group's financial position and performance, as well as prevailing market conditions and other factors beyond GTECH's or UKCo Group's control. No assurance can be given that UKCo Group will be able to obtain additional financing on terms acceptable or at all. The acquiring of additional indebtedness by GTECH or UKCo could negatively effect the UKCo credit ratings, which could further raise the UKCo's borrowing costs and further limit its access to capital and its ability to satisfy its obligations under its indebtedness.

1.3.4. Risks related to GTECH rating

Following the announcement of the Mergers, S&P lowered its corporate credit rating on GTECH to BBB- from BBB, and also lowered its short-term rating to A-3 from A-2. S&P also lowered its ratings on GTECH's senior unsecured debt to BBB- from BBB, and lowered its ratings on GTECH's subordinated debt to BB from BB+. Any further downgrades of the UKCo's credit ratings will impact the cost and availability of future borrowings and, accordingly, the UKCo's cost of capital, including any borrowings to refinance the bridge facility (if drawn).

1.3.5. Risks related to financial covenants of debt instruments

Any further ratings downgrades could lead to enhanced covenant restrictions under the UKCo's debt instruments, including in respect of dividend payments and share repurchases. In addition, future borrowings under circumstances in which the UKCo's debt is rated below investment grade may contain further covenant restrictions that impose significant restrictions on the way the UKCo operates its business, including restrictions on its ability to:

- make acquisitions or investments;
- make loans or otherwise extend credit to others;
- incur indebtedness;
- create security;
- pay dividends;
- sell or lease assets;
- merge or consolidate with other companies; and
- transact with affiliates.

Certain of the UKCo's debt instruments will require it to comply with certain affirmative covenants and certain specified financial covenants and ratios. These restrictions could affect its ability to operate its business and may limit its ability to react to market conditions or take advantage of potential business opportunities as they arise. For example, such restrictions could adversely affect UKCo Group's ability to finance its operations, make strategic acquisitions, investments or alliances, restructure its organization or finance its capital needs.

Additionally, UKCo Group's ability to comply with these covenants and restrictions may be affected by events beyond its control such as prevailing economic, financial, regulatory and industry conditions. UKCo could be in default under one or more of its debt instruments if it breaches any of these covenants (including financial covenants or ratios) or restrictions; such breaches, if not cured or waived, could result in acceleration of the indebtedness under such agreements and cross defaults under its other debt instruments. Any such actions could result in the enforcement of its lenders' security interests and/or force UKCo into bankruptcy or liquidation, which could have a material adverse effect on the UKCo Group's business, financial condition and results of operations.

1.3.6. Risks related to UKCo share price

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Upon completion of the Mergers, holders of GTECH ordinary shares (other than those who exercise rescission rights in connection with the UKCo Merger) will become holders of UKCo Ordinary Shares. UKCo's businesses following the Mergers will differ from those of GTECH prior to completion of the Mergers in important respects and, accordingly, after the Mergers, the market price of UKCo Ordinary Shares may be affected by factors different from those currently affecting the market price of GTECH ordinary shares.

1.3.7. Risks related to UKCo shareholders' rights

Upon completion of the Mergers, the rights of GTECH shareholders who become shareholders of UKCo will be governed by the Post-GTECH Merger Articles and by the laws of England and Wales. The rights associated with GTECH ordinary shares are different from the rights associated with UKCo Ordinary Shares. Differences between the rights of shareholders of GTECH and the rights of shareholders of UKCo could include differences with respect to, among other things, distributions, dividends, repurchases and redemptions, dividends in shares issues, preemptive rights, the election of

directors, the removal of directors, the fiduciary and statutory duties of directors, conflicts of interests of directors, the indemnification of directors and officers, limitations on director liability, the convening of annual meetings of shareholders and special shareholder meetings, notice provisions for meetings, the quorum for shareholder meetings, the adjournment of shareholder meetings, the exercise of voting rights, shareholder action by written consent, shareholder suits, shareholder approval of certain transactions, rights of dissenting shareholders, anti-takeover measures and the amendment of governing documents.

English law also generally provides shareholders with preemptive rights when new shares are issued for cash; however, it is possible for the articles of association, or shareholders in general meeting, to exclude preemptive rights. Such an exclusion of preemptive rights may be for a maximum period of up to five years from the date of adoption of the articles of association, if the exclusion is contained in the articles of association, or from the date of the shareholder resolution, if the exclusion is by shareholder resolution; in either case, this exclusion would need to be renewed by UKCo's shareholders upon its expiration (*i.e.*, at least every five years). The Post-Merger GTECH Articles will exclude preemptive rights for a period of five years following the date of the relevant shareholder resolution. In order to remain effective, such exclusion will need to be renewed upon expiration (*i.e.*, at least every five years), it being understood that the renewal (for additional five year or any shorter period) may be sought even before the relevant expiration.

English law also generally prohibits a public company from repurchasing its own shares without the prior approval of shareholders by ordinary resolution, being a resolution passed by a simple majority of votes cast, and other formalities. Such approval may be for a maximum period of up to five years. Prior to the completion of the Mergers, UKCo will adopt an ordinary resolution to permit purchases of UKCo shares. This ordinary resolution will need to be renewed upon expiration (*i.e.*, at least every five years), it being understood that the renewal (for additional five year or any shorter period) may be sought even before the relevant expiration.

1.3.8. Risks related to distributions in accordance with English law

Under English law, UKCo will only be able to declare dividends, make distributions or repurchase shares out of distributable profits, it being understood that they are a company's accumulated, realized profits (so far as not previously utilized by distribution or capitalization), less its accumulated, realized losses (so far as not previously written off in a reduction). UKCo, as a public company, may only make a distribution if the amount of its net assets is not less than the aggregate of its share capital and undistributable reserves and if, and to the extent that, the distribution does not reduce the amount of those assets to less than that aggregate. Immediately after the Mergers, UKCo may not have distributable profits. Following the effective date for the Mergers, it is expected that UKCo will capitalize the merger reserve created pursuant to the Mergers and implement a parallel court-approved reduction of that capital in order to create a distributable reserve to support the payment of possible future dividends or future share repurchases. Neither the capitalization of the merger reserve effected in the context of the Merger nor the reduction will impact shareholders' relative interests in the capital of UKCo.

The Post-GTECH Merger Articles will, from the effective date of the Mergers, permit UKCo by ordinary resolution of the shareholders to declare dividends, provided that the directors have made a

recommendation as to its amount. The dividends shall not exceed the amount recommended by the directors. The directors may also decide to pay interim dividends if it appears to them that the profits available for distribution justify the payment. When recommending or declaring the payment of a dividend, the directors will be required under English law to comply with their duties, including considering UKCo's future financial requirements.

1.3.9. Risks related to growth management

From time to time, UKCo expects it will pursue acquisitions in support of its strategic goals. In connection with any such acquisitions, UKCo could face significant challenges in managing and integrating its expanded or combined operations, including acquired assets and personnel. There can be no assurance that acquisition opportunities will be available on acceptable terms or at all or that UKCo will be able to obtain necessary financing or regulatory approvals to complete potential acquisitions. The UKCo's ability to succeed in implementing its strategy will depend to some degree upon the ability of its management to identify, complete and successfully integrate commercially viable acquisitions. Acquisition transactions may disrupt the UKCo's ongoing business and distract management from other responsibilities.

1.3.10. Risks related to changes in consumer preferences and behavior

The popularity and acceptance of gaming is influenced by the prevailing social mores, and changes in social mores could result in reduced acceptance of gaming as a leisure activity. The UKCo Group's future financial success will depend on the appeal of its gaming offerings to its customers and players and the acceptance of gaming generally. If UKCo is not able to anticipate and react to changes in consumer preferences and social mores, its competitive and financial position may be adversely affected. In addition, the UKCo Group's future success will also depend on the success of the gaming industry as a whole in attracting and retaining players in the face of increased competition for players' entertainment dollars. Gaming may lose popularity as new leisure activities arise or as other leisure activities become more popular. If the popularity of gaming declines for any reason, UKCo's business, financial condition and results of operations may be adversely affected.

1.3.11. Risks related to information technology systems

The UKCo Group games and gaming systems depend to a great extent on the reliability and security of UKCo's information technology system, software and network, which are subject to damage and interruption caused by human error, problems relating to the telecommunications network, software failure, natural disasters, sabotage, viruses and similar events. Any interruption in UKCo's systems could have a negative effect on the quality of products and services offered and, as a result, on customer demand and therefore volume of sales. As UKCo will also offer online access to games and betting, such services may be subject to attack by hackers or experience other network interruptions that interfere with the provision of service and thereby subject the UKCo to liability for losses by players or to fines from the applicable governmental authorities for failure to provide the required level of service under its concessions.

1.3.12. Risks related to greater difficulty to proceed against UKCo

Because UKCo is a public limited company incorporated under English law, after the effective time of the Mergers, shareholders could experience more difficulty enforcing judgments obtained against UKCo in Italian courts than would currently be the case for Italian judgments obtained against GTECH. In addition, it may be more difficult (or impossible) to bring some types of claims against UKCo in courts in England than it would be to bring similar claims against an Italian company in Italian court.

1.3.13. Risks related to exchange rates fluctuation

UKCo Group will transact business in numerous countries around the world and expects that a significant portion of its business will continue to take place in international markets. UKCo will prepare its consolidated financial statements in its functional currency, while the financial statements of each of its subsidiaries will be prepared in the functional currency of that entity. Accordingly, fluctuations in the exchange rate of the functional currencies of the UKCo Group's foreign currency entities against the functional currency of UKCo will impact its results of operations and financial condition. As such, it is expected that UKCo's revenues and earnings will continue to be exposed to the risks that may arise from fluctuations in foreign currency exchange rates. Such fluctuations could have a material adverse effect on UKCo's business, results of operation or financial condition.

1.3.14. Risks related to taxation

Future changes to U.S. and foreign tax laws could adversely affect UKCo.

UKCo believes that, under current law, it is, and following the closing will be, treated as a foreign corporation for U.S. federal tax purposes. However, changes to the inversion rules in Section 7874 of the Internal Revenue Code or the U.S. Treasury Regulations promulgated thereunder (including Treasury Regulations recently announced by the U.S. Treasury Department) or other guidance from the U.S. Internal Revenue Service (IRS) could adversely affect UKCo's status as a foreign corporation for U.S. federal tax purposes or otherwise adversely affect UKCo for U.S. federal income tax purposes, and any such changes could have prospective or retroactive application to GTECH, IGT, their respective shareholders, affiliates or the Mergers. In addition, recent legislative proposals have aimed to expand the scope of U.S. corporate tax residence, and such legislation, if passed, could have an adverse effect on UKCo.

Moreover, the U.S. Congress, the Organization for Economic Co-operation and Development and other government agencies in jurisdictions where GTECH, IGT and their affiliates do business are focusing on issues related to the taxation of multinational corporations. One example is in the area of base erosion and profit shifting, where payments are made between affiliates from a jurisdiction with high tax rates to a jurisdiction with lower tax rates. As a result, the tax laws in the United States and other countries in which GTECH, IGT and their affiliates do business could change on a prospective or retroactive basis, and any such changes could adversely affect UKCo and its affiliates (including IGT and its subsidiaries after the Mergers).

UKCo intends to operate so as to be treated exclusively as a resident of the U.K. for tax purposes, but the relevant tax authorities may treat it as also being a resident of another jurisdiction for tax purposes.

UKCo is a company incorporated in the U.K. Current U.K. law, the decisions of the U.K. courts and the published practice of Her Majesty's Revenue & Customs, or HMRC, suggest that UKCo, a group holding company, is likely to be regarded as being a U.K. resident from incorporation and remaining so if, as UKCo intends that, (i) all major meetings of its board of directors and most routine meetings are held in the U.K. with a majority of directors present in the U.K. for those meetings; (ii) at those meetings there are full discussions of, and decisions are made regarding, the key strategic issues affecting UKCo and its subsidiaries; (iii) those meetings are properly minuted; (iv) at least some of the directors of UKCo, together with supporting staff, are based in the U.K.; and (v) UKCo has permanent staffed office premises in the U.K. sufficient to discharge its functions as a holding company.

Even if UKCo is resident of the U.K. for tax purposes, as expected, it would nevertheless not be treated as a resident of the U.K. if (a) it were concurrently resident of another jurisdiction (applying the tax residence rules of that jurisdiction) that has a double tax treaty with the U.K. and (b) there is a tiebreaker provision in that tax treaty which allocates exclusive residence to that other jurisdiction.

Residence of UKCo for Italian tax purposes is largely a question of fact based on all relevant circumstances. A rebuttable presumption of residence in Italy may apply under Article 73(5-bis) of Decree 22 December 1986, n. 917 (Italian Consolidated Tax Act, or **CTA**). However, UKCo intends to set up its management and organizational structure in such a manner that it should be regarded as resident in the U.K. from its incorporation for the purposes of the Italy-U.K. tax treaty. Because this analysis is highly factual and may depend on future changes in UKCo's management and organizational structure, there can be no assurance regarding the final determination of UKCo's tax residence. Should UKCo be treated as an Italian tax resident, it would be subject to taxation in Italy on its worldwide income and may be required to comply with withholding tax and/or reporting obligations provided under Italian tax law. Should any Italian withholding taxes be imposed on dividends as a consequence of UKCo being treated as Italian tax resident, this would not have any material impact on the overall tax burden for Italian shareholders, since they would in any case be subject to Italian taxation at the same rates applicable to dividends paid by a UK resident company. With respect to non-Italian shareholders, whether such Italian withholding taxes are creditable against a tax liability to which a shareholder is otherwise subject depends on the law of such shareholder's jurisdiction and such shareholder's particular circumstances.

*Transfers of UKCo Ordinary Shares may be subject to stamp duty or stamp duty reserve tax (**SDRT**) in the U.K., which would increase the cost of dealing in UKCo Ordinary Shares as compared to GTECH or IGT shares.*

Stamp duty and/or SDRT are imposed in the U.K. on certain transfers of chargeable securities (which include shares in companies incorporated in the U.K.) at a rate of 0.5% of the consideration paid for the transfer. Certain issues or transfers of shares to depositaries or into clearance systems, as discussed below, are charged at a higher rate of 1.5%.

Transfers of shares held in book entry form through the Depository Trust & Clearing Corporation (**DTC**) should not be subject to stamp duty or SDRT in the U.K. A transfer of title in the shares from within the DTC system out of DTC and any subsequent transfers that occur entirely outside the DTC system, including repurchase by UKCo, will generally be subject to stamp duty or SDRT at a rate

of 0.5% of any consideration, which is payable by the transferee of the shares. Any such duty must be paid (and the relevant transfer document stamped by HMRC) before the transfer can be registered in the books of UKCo. If such shares are redeposited into the DTC system, the redeposit will attract stamp duty or SDRT at the higher 1.5% rate.

Following the Mergers, UKCo expects to put in place arrangements to require that shares held in certificated form cannot be transferred into the DTC system until the transferor of the shares has first delivered the shares to a depository specified by UKCo so that stamp duty or SDRT may be collected in connection with the initial delivery to the depository. Any such shares will be evidenced by a receipt issued by the depository. Before the transfer can be registered in the books of UKCo, the transferor will also be required to put in the depository funds to settle the applicable stamp duty or SDRT, which will be charged at a rate of 1.5% of the value of the shares.

Tax consequences of the loyalty voting structure are uncertain.

No statutory, judicial or administrative authority has provided public guidance on how the receipt, ownership, or loss of the entitlement to instruct the Nominee on how to vote in respect of Special Voting Shares and, as a result, the tax consequences are uncertain.

The fair market value of the UKCo Special Voting Shares, which may be relevant to the tax consequences, is a factual determination and is not governed by any guidance that directly addresses such a situation. Because, among other things, (i) the Special Voting Shares are not transferrable (other than in very limited circumstances as provided for in the Loyalty Plan), (ii) on a return of capital of UKCo on a winding up or otherwise, the holders of the Special Voting Shares will only be entitled to receive out of UKCo assets available for distribution to its shareholders, in aggregate, US\$1, and (iii) loss of the entitlement to instruct the Nominee on how to vote in respect of Special Voting Shares will occur for nil consideration, UKCo believes and intends to take the position that the value of each Special Voting Share is minimal.

However, the relevant tax authorities could assert that the value of the Special Voting Shares as determined by UKCo is incorrect. The tax treatment of the Special Voting Shares is unclear and shareholders are urged to consult their tax advisors as to the tax consequences of receipt, ownership and loss of the entitlement to instruct the Nominee on how to vote in respect of Special Voting Shares. See [Material Tax Consequences of the Transaction](#) for a further discussion.

1.3.15. Risks related to the shareholding and corporate governance structure

Assuming that: (a) the current shareholding structure of GTECH and IGT will not vary until the Transaction has completed; (b) no GTECH shareholder will exercise cash exit rights; (c) the 1,793,026 treasury shares currently held by GTECH will be kept in the GTECH portfolio and cancelled in the context of the GTECH Merger; and (d) for each IGT share, IGT shareholders will receive 0.1819 UKCo Ordinary Shares, upon completion of the Transaction DeA Shareholders would own shares representing approximately 47.0% of the UKCo Ordinary Shares. In addition, under the terms of the Merger Agreement, DeA Shareholders will designate six out of thirteen directors of members of UKCo board of directors; in addition to Marco Sala, Chief Executive Officer of GTECH that will become the Chief Executive Officer of UKCo. Therefore DeA Shareholders may have a significant influence over

the matters submitted to the UK shareholders for approval, including election and removal of directors and change in control transactions. In addition, DeA Shareholders will be able to block any such matter which, under English law, requires approval by special resolution (*i.e.*, a resolution approved by the holders of at least 75% of the voting share capital), such as amendment of the Post-GTECH Merger Articles or the exclusion of pre-emptive rights. The interests of DeA Shareholders may not always coincide with the interests of the other UKCo shareholders.

In addition, under the terms of the Merger Agreement, the board of directors of UKCo will, for a period of three years after the completion of the Mergers, consist of 13 members, including the Chief Executive Officer of GTECH and other directors to be designated by IGT and by DeA Shareholders prior to the completion of the Mergers. Accordingly, holders of UKCo Ordinary Shares will have limited ability to influence the composition of the UKCo board of directors during such three-year period.

1.3.16. Risks related to the loyalty voting structure

UKCo shareholders that maintain their ownership of UKCo Ordinary Shares continuously for at least three years will be entitled, upon election, to direct the voting rights in respect of one Special Voting Share per ordinary share held for such period, provided that such shareholders meet the conditions described in the Post-GTECH Merger Articles and in the *Loyalty Plan*

If UKCo shareholders maintaining ownership of a significant number of UKCo Ordinary Shares for an uninterrupted period of at least three years elect to receive the right to direct the exercise of the voting rights attaching to Special Voting Shares, a relatively large proportion of the voting power of UKCo could be further concentrated in a relatively small number of shareholders who would have significant influence over UKCo.

The provisions of the Post-GTECH Merger Articles establishing the loyalty voting structure may make it more difficult for a third party to acquire, or attempt to acquire, control of UKCo, even if a change of control were considered favorably by shareholders holding a majority of UKCo Ordinary Shares.

The loyalty voting structure may also prevent or discourage shareholders' initiatives aimed at changes in UKCo's management.

1.3.17. Risks related to the pro-forma data

This Information Document contains consolidated pro-forma financial information as of June 30, 2014 that has been prepared, in accordance with the applicable reporting standards, to provide investors with information on the impact of the Transaction on the earnings and financial position and on the statements of income of the GTECH Group had the Transaction occurred during the period to which those pro-forma figures relate. Given that these figures are based on assumptions, it should be noted that if the Transaction had taken place on the dates on which the pro-forma figures are based rather than the actual effective date, the historic figures may have differed from the pro-forma figures provided. In addition, the pro-forma figures are not forward-looking and should not be considered a forecast of future earnings for the GTECH Group resulting from the Transaction. They have been prepared for the sole purpose of providing an illustrative representation of the identifiable and objectively measurable effects of the Transaction. Finally, given that the pro-forma data and the historic

data have a different purpose and that different methodologies have been used to calculate the impacts on the statements of financial position, income and cash flows, the pro-forma statements of financial position, income and cash flows should be read and analyzed separately without attempting to reconcile those statements with each other.

1.3.18. Risks related to forward-looking statements contained in this Information Document

This Information Document contains forward-looking statements concerning the activities of GTECH, IGT and, following the completion of the Transaction, of UKCo. These statements do not represent statements of fact but are based on current expectations and projections of the companies party to the Transaction in relation to future events and, by their nature, are subject to inherent risks and uncertainties. Earnings estimates and projections are based on specific knowledge of the sector, publicly available data, and past experience. Underlying the projections are assumptions concerning future events and trends that are subject to uncertainty and whose actual occurrence or non-occurrence could result in significant variations from the projected results. These forward-looking statements relate to events and depend on circumstances that may or may not occur or exist in the future, and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: general economic conditions, economic growth and other changes in business conditions, changes in government regulation and framework (in each case, in Italy or abroad), and many other factors, some of which are referred to in this Section, most of which are outside of the control of the companies participating in the Transaction.

1.3.19. Risks related to the requirements of the DTC system

The facilities of *Depository Trust & Clearing Corporation* (**DTC**) are a widely-used mechanism that allow for rapid electronic transfers of securities between the participants in the DTC system, which include many banks and brokerage firms. UKCo expects that, upon the completion of the Mergers, UKCo Ordinary Shares will be eligible for deposit and clearing within the DTC system. However, DTC is not obligated to accept UKCo Ordinary Shares for deposit and clearing within its facilities at the Closing and, even if DTC does initially accept UKCo Ordinary Shares, it will generally have discretion to cease to provide the above mentioned facilities. If DTC determines at any time that UKCo Ordinary Shares are not eligible for facilities provided, then UKCo believes that UKCo Ordinary Shares would not be eligible for continued listing on a U.S. securities exchange and the relevant trading would be disrupted. While UKCo would pursue alternative arrangements to preserve the listing and maintain trading, any such disruption of facilities provided by DTC could have a material adverse effect on the trading price of UKCo Ordinary Shares.

2. INFORMATION ABOUT THE TRANSACTION

2.1. SUMMARY DESCRIPTION OF THE TERMS AND CONDITIONS OF THE TRANSACTION

2.1.1. Description of the participating companies

2.1.1.1. UKCo

Introduction

UKCo, a public limited company organized under the laws of England and Wales, was incorporated on July 11, 2014, as a private limited company. On September 16, 2014 UKCo was re-registered as a public company limited by shares. The incorporation of UKCo was a preliminary step to the Transaction and, as of the date of this Information Document, the whole voting share capital of UKCo, consisting of one ordinary share, is directly owned by GTECH. Since incorporation, UKCo has carried out only activities in connection with for the Transaction and it is not expected that the company will carry out activity of any other nature until the Transaction is completed.

A description of UKCo as of the date of this Information Document, as well as of expected activities in connection with and following the Transaction, is provided below

Name, form of incorporation, registered office and share capital

UKCo is registered with the Registrar of Companies of England and Wales under the registration number 9127533, with the legal name of Georgia Worldwide PLC.

The address of UKCo's registered office is 1 Old Jewry, 6th Floor, London, EC2R 8DU (United Kingdom) (telephone no. +44 207 160 5000). As of the date of this Information Document, the share capital of UKCo, equal to £50,001, is divided into 50,001 shares and is currently owned as follows:

- (i) one ordinary share with a nominal value of £1.00 and carrying one vote (the **Subscriber Share**);

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(ii) 50,000 sterling non-voting shares with a nominal value of £1.00 each, which broadly have, among others, the following characteristics: (a) they are not entitled to any economic rights (except an amount of £1 in aggregate on a return of capital on a winding up); (b) they have no voting rights; (c) they may not be transferred other than in accordance with the provisions of the articles of association of UKCo currently in force; and (d) they may be redeemed by UKCo for nil consideration at any time.

Duration and financial year

UKCo has a perpetual duration and its financial year ends on December 31.

Shareholders structure

The Subscriber Share is held by GTECH and the 50,000 sterling non-voting shares are held by Elian Corporate Services (UK) Limited (formerly Ogier Corporate Services (UK) Limited, the **Sterling Shareholder**).

The Sterling Shareholder has been appointed pursuant to an administration agreement which, amongst other things, governs the terms upon which the sterling non-voting shares will be held.

Corporate bodies

As of the date of this Information Document, the board of directors of UKCo is composed of Mr. Alberto Fornaro and Mr. Declan James Harkin.

Amendments to the articles of association associated with or resulting from the Transaction

The articles of association of UKCo, adopted in the context of the incorporation on July 11, 2014, were amended on September 16, 2014, at the time the company was re-registered as a public company limited by shares. At the GTECH Merger Effective Date, UKCo will adopt the Post-GTECH Merger Articles. The Post-GTECH Merger Articles of UKCo are provided as an appendix to the GTECH Merger Plan, made available on the GTECH corporate website (www.gtech.com) and attached to this Information Document as Annex 2.

A table is enclosed as an appendix to this Information Document, containing a summary comparison between (a) the current rights of GTECH shareholders under Italian law and GTECH's by-laws; and (b) the rights which UKCo shareholders will have upon the completion of the Transaction under English law and the Post-GTECH Merger Articles.

(I) *Company name and registered office*

The company name of UKCo currently Georgia Worldwide PLC and/or the registered address (provided that the registered office will remain in the United Kingdom) may be changed before the GTECH Merger Effective Date by a resolution of the UKCo board of directors and notice given to the Registrar of Companies of England and Wales, pursuant to the current UKCo articles of association and applicable law. Shareholders, creditors and other interested parties will be informed about the new name and/or new registered address through publication on the corporate website of GTECH (www.gtech.com).

(II) *Share capital of UKCo*

Prior to the GTECH Merger Effective Date, the UKCo directors and/or GTECH (as shareholder) are expected to pass certain resolutions in order to, among other matters, authorize UKCo directors to carry out the actions required of UKCo in relation to the Transaction including: (i) the authority for the directors of UKCo to allot and issue, *inter alia*, (a) ordinary shares to be issued to GTECH shareholders and IGT shareholders who are entitled to receive UKCo shares pursuant to the Transaction; (b) Special Voting Shares, (c) ordinary shares for the purposes of the stock plans that, further to the completion of the Transaction, will be referenced to UKCo Ordinary Shares and (d) ordinary shares for the purposes of certain conditions of the non-convertible securities, issued by GTECH, entitled 750,000,000 Subordinated Interest-Deferrable Capital Securities due 2066, which will be assumed by UKCo as of the GTECH Merger Effective Date; (ii) the approval of the UKCo reduction of capital following the GTECH Merger Effective Date in order to create distributable reserves (if applicable); and (iii) the authority for the directors of UKCo to enter into certain off-market buyback contracts.

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Following the completion of the GTECH Merger, all GTECH shares currently outstanding, including any treasury shares possibly held by GTECH as of the GTECH Merger Effective Date, will be

cancelled in accordance with applicable law provisions. Upon such cancellation, UKCo, at the GTECH Merger Effective Date and on the basis of the Exchange Ratio, will allot and issue one UKCo Ordinary Share (with a nominal value of US\$0.10) for each outstanding GTECH ordinary share (with a nominal value of 1.00), save for any treasury shares held by GTECH, which therefore shall be cancelled without exchange.

At the GTECH Merger Effective Date, (i) the Subscriber Share will be acquired for nil consideration and cancelled by UKCo immediately prior to the issuance of ordinary shares and Special Voting Shares pursuant to the GTECH Merger, and (ii) the 50,000 sterling non-voting shares will continue to be held by the Sterling Shareholder.

It is expected that, following the completion of the Transaction, UKCo Ordinary Shares will be traded on the NYSE. UKCo Ordinary Shares will be held through the book-entry system provided by the Depository Trust & Clearing Corporation (**DTC**) and will be registered in the register of shareholders in the name of Cede & Co., as DTC's nominee.

The Special Voting Shares, the features of which are described below, will be issued to the *Nominee* in accordance with the Post-GTECH Merger Articles and the Loyalty Plan (as defined below), drawn up for shareholders of UKCo.

(III) *The voting structure connected with the Special Voting Shares*

Purpose

At the GTECH Merger Effective Date, UKCo will issue, in addition to the ordinary shares to be allotted and issued pursuant to the Exchange Ratio, the Special Voting Shares, to promote stability of UKCo's shareholder base, as well as to encourage the long term investment and the commitment of the shareholders whose goals are aligned with the long-term strategic interests of the group.

The Special Voting Shares grant to UKCo shareholders maintaining the ownership of UKCo Ordinary Shares for a continuous period of three years and electing to participate in the Loyalty Plan the right to direct the exercise of voting rights of Special Voting Shares as described below.

Characteristics of the Special Voting Shares

Each Special Voting Share carries 0.9995 votes. Special Voting Shares and UKCo Ordinary Shares shall be treated as if they are a single class of shares and not divided into separate classes for voting purposes (save upon a resolution in respect of the potential termination of the Loyalty Plan).

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The Special Voting Shares have only minimal economic entitlements (*i.e.* an amount of US\$1 in aggregate on a return of capital on a winding up). Such economic entitlements are provided to comply with English law but are immaterial for investors.

Issue

At completion of the Transaction, UKCo will allot and issue to the Nominee such number of Special Voting Shares as is equal to the number of UKCo Ordinary Shares allotted pursuant to the GTECH Merger and IGT Merger. The Nominee will hold such Special Voting Shares on behalf of the shareholders of UKCo as a whole, and will exercise the voting rights attached to those shares in accordance with the Post-GTECH Merger Articles.

Participation in the Loyalty Plan

In order to become entitled to elect to participate in the Loyalty Plan, a person must maintain ownership (in accordance with the Post-GTECH Merger Articles) of one or more UKCo Ordinary Shares for a continuous period of three years or more (an **Entitled Shareholder**). The board of directors of UKCo may, in accordance with the terms and conditions of the Loyalty Plan, deem that a person held UK Ordinary Shares as beneficial owner although it is not the legal owner of the relevant UK Ordinary Shares.

Therefore, no shareholder, other than the Nominee, will be entitled to exercise any rights in Special Voting Shares until after the third anniversary of completion of the Mergers.

Entitled Shareholders may elect to participate in the Loyalty Plan by submitting a validly completed and signed election form to the Company's designated agent (**Agent**). The election form will, amongst other things, include: (i) representations and warranties from the Entitled Shareholder and, if relevant, their broker, bank or intermediary that such Entitled Shareholder has held a relevant interest in the relevant UKCo Ordinary Shares for a continuous period of three years; (ii) agreement by the Entitled Shareholder to the voting arrangements for the Special Voting Shares as set out in the Post-GTECH Merger Articles and the terms and conditions of the Loyalty Plan; and (iii) an undertaking not to transfer any interest in the Special Voting Shares or the associated UKCo Ordinary Shares without first delivering to the Agent a withdrawal form.

The election form will be available on the website of UKCo following completion of the Mergers.

Upon receipt of the election form, the Agent will register the relevant UKCo Ordinary Shares in a separate register (the **Loyalty Register**).

For so long as an Entitled Shareholder's UKCo Ordinary Shares remain in the Loyalty Register, they may not be sold, disposed of, transferred, pledged or subjected to any lien, fixed or floating charge or other encumbrance, except in very limited circumstances.

Voting system

The Nominee will exercise the votes attaching to the Special Voting Shares held by it at a general meeting or a class meeting as follows:

(i) for the Special Voting Shares connected with UKCo Ordinary Shares registered in the Loyalty Register, the Nominee will exercise the votes in the same manner as the relevant Entitled Shareholder has exercised his, her or its votes for such UKCo Ordinary Shares;

(ii) for the Special Voting Shares connected with UKCo Ordinary Shares not registered in the Loyalty Register, the Nominee will exercise the votes in the same percentages as the total outcome of the vote exercised in the general meeting, taking into account the votes

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exercised by the Nominee in connection with the Special Voting Shares connected with UKCo Ordinary Shares registered in the Loyalty Register.

Transfer or withdrawal

The Special Voting Shares may not be transferred, except in limited circumstances, (e.g. for transfers between nominees).

If, at any time, one or more UKCo Ordinary Shares are removed from the Loyalty Register for any reason, or any UKCo Ordinary Shares in the Loyalty Register are sold, disposed of, transferred, pledged

or subjected to any lien, fixed or floating charge or other encumbrance, the Special Voting Shares associated with those UKCo Ordinary Shares will cease to confer on the Entitled Shareholder any voting rights (or any other rights) in connection with those Special Voting Shares.

An Entitled Shareholder may request the removal of their UKCo Ordinary Shares from the Loyalty Register at any time by submitting a withdrawal form to the Agent. The Agent will release the UKCo Ordinary Shares from the Loyalty Register within three business days thereafter. Upon the removal from the Loyalty Register, such shares will be freely transferable and tradable. From the date of submission of the withdrawal form, a person's rights in connection with the relevant Special Voting Shares shall cease with immediate effect.

Termination of the Loyalty Plan

The Loyalty Plan may be terminated at any time with immediate effect by a resolution taken at a general meeting with the approval of members representing 75% or more of the total voting rights attaching to the UKCo Ordinary Shares of members who have voted in person or by proxy. The votes attaching to the Special Voting Shares shall not be exercisable upon such resolution.

Repurchase or redemption

Special Voting Shares may only be purchased or redeemed by UKCo in limited circumstances, e.g. to reduce the number of Special Voting Shares held by the Nominee in order to align the aggregate number of ordinary shares and Special Voting Shares in issue from time to time; upon termination of the loyalty voting structure; or pursuant to an off-market purchase arrangement. Special Voting Shares may be redeemed for nil consideration and repurchased for, depending on the circumstances, nil consideration or their nominal value.

(IV) Changes to the corporate governance system associated with or resulting from the Transaction

The UKCo Board will be comprised of 13 members and will be responsible for the ordinary management of the company and for management and strategy of the company.

As of the date of this Information Document, it is expected that the following persons will be appointed as UKCo's directors following the completion of the Transaction, to serve for a term of three years:

- six directors designated by DeA Shareholders, in addition to Marco Sala, Chief Executive Officer of GTECH;
- five directors designated by IGT, including the Chief Executive Officer and Chairman of the board of directors of IGT; and

- one independent director mutually agreed to by GTECH and IGT.

The Chief Executive Officer of GTECH, Marco Sala, will become the Chief Executive Officer of UKCo and the Chairman (Philip G. Satre) and the Chief Executive Officer (Patti S. Hart) of IGT will become, respectively, Chairman and Vice-chairman of UKCo. In addition, one of the directors designated by DeA Shareholders will also become a Vice-chairman.

The three additional directors designated by IGT are Paget Alves, Vincent Sadusky and Tracey Weber. The six directors designated by De Agostini are Paolo Ceretti, Alberto Dessy, Marco Drago, Sir Jeremy

Hanley, Lorenzo Pellicioli and Gianmario Tondato da Ruos. The independent director mutually agreed to by GTECH and IGT will be James F. McCann.

The UKCo Board shall form, after the completion of the Transaction, the following board committees: Audit, Compensation, Nominating & Governance.

Each committee will be composed entirely of directors deemed to be, in the judgment of the UKCo board of directors, independent in accordance with the applicable rules of the NYSE, with which rules UKCo will comply. The UKCo board of directors may otherwise make rules of procedure for all or any committee.

Prior to the completion of the Mergers, UKCo expects to adopt a compensation policy for UKCo's directors. The form and amount of the compensation to be paid to UKCo's directors following the completion of the Mergers will be determined by the UKCo board of directors in line with that compensation policy.

UKCo must appoint an independent auditor to make a report on the annual accounts of the company.

Information on English company law

In addition to the description of the corporate governance structure of UKCo upon completion of the Mergers, below is a brief overview of the laws applicable to UKCo, as a company organized under the laws of England and Wales.

Issuance of Shares

Under the UK Companies Act 2006 (**UK Companies Act**), subject to a limited number of exceptions, the board of directors of an English company must not issue shares unless it has first been authorized to do so either by the company's articles of association or by way of a shareholders' resolution.

Such authority must state the maximum amount of shares that may be allotted under it, and must specify the date on which it will expire. Such date must be not more than five years from the date on which the resolution is passed by virtue of which the authorization is given.

The Post-GTECH Merger Articles will authorize the directors, for a period of up to five years from the date of the resolution granting the authority, to allot shares in UKCo, or to grant rights to subscribe for or to convert or exchange any security into shares in UKCo, up to an aggregate nominal amount (*i.e.*, par value) of US\$ 185,000,000. Such authorization will continue for five years and renewal of such authorization by a resolution of the UKCo shareholders in a general meeting is expected to be sought at least once every five years, and possibly

more frequently.

The UK Companies Act prohibits an English company from issuing shares at a discount to nominal amount (*i.e.*, par value) or for no consideration, including with respect to grants of restricted stock made pursuant to equity incentive plans. If the shares are issued upon the lapse of restrictions or the vesting of any restricted stock award or any other share-based grant underlying any UKCo Ordinary Shares, the nominal amount (*i.e.*, par value) of the shares must be paid up pursuant to the UK Companies Act.

Rights of pre-emption

Under the UK Companies Act, a company must not allot equity securities that are to be paid for wholly in cash unless it has first made an offer to the existing holders of ordinary shares to allot to such

holders, on the same or more favourable terms, a proportion of those securities that is as nearly as practicable equal to the proportion in nominal value (*i.e.* par value) held by such holders of the ordinary share capital of the company. The rights of pre-emption do not apply to shares held under an employees' share scheme. The rights of pre-emption may be excluded if shareholders pass a special resolution (*i.e.*, a resolution approved by the holders of at least 75% of the aggregate voting power of the outstanding UKCo shares that, being entitled to vote, vote on the resolution) or if the articles of association provide an exclusion from this requirement (which exclusion can be for a maximum of five years after which shareholders' approval would be required to renew the exclusion). In this context, equity securities generally means shares other than shares which, with respect to dividends or capital, carry a right to participate only up to a specified amount in a distribution.

In relation to UKCo, this would include the UKCo Ordinary Shares and all rights to subscribe for or convert securities into such shares. In the event of an issuance of Special Voting Shares under the terms of the Loyalty Plan shareholders will not have any right of pre-emption.

The Post-GTECH Merger Articles will authorize the directors, for a period of up to five years from the date of the resolution granting the authority, to exclude pre-emptive rights in respect of such issuances, up to an aggregate nominal amount (*i.e.* par value) of \$US 185,000,000. Such authorization will continue for five years and renewal of such authorization by a special resolution of the UKCo shareholders in a general meeting is expected to be sought at least once every five years, and possibly more frequently.

Repurchase of shares

English law prohibits UKCo from purchasing its own shares unless such purchase has been approved by its shareholders. Shareholders may approve two different types of such share purchases; on-market purchases or off-market purchases.

On-market purchases may only be made on a recognized investment exchange, which does not include the NYSE, which is the only exchange on which it is intended that UKCo's shares will be traded.

In order to purchase its own shares, UKCo must therefore obtain shareholder approval for off-market purchases. UKCo shareholders shall approve a special resolution approving the terms of the contract pursuant to which the purchase(s) are to be made. Such approval may be for a maximum period of up to five years.

The Post-GTECH Merger Articles authorizes the directors, for a period of up to five years from the date of the resolution granting the authority, to purchase its own shares of any class, on the terms of any buyback contract approved by the shareholders (or otherwise as may be permitted by the UK Companies Act), provided that:

1. the maximum aggregate number of UKCo Ordinary Shares authorized to be purchased will equal 20% of the total issued UKCo Ordinary Shares of the relevant class on the GTECH Merger Effective Date (subject to adjustments for consolidation or division);

2. the maximum price that may be paid to purchase a UKCo Ordinary Share is 105% of the average market value of a UKCo Ordinary Share for the five business days prior to the day the purchase is made (subject to any further price restrictions contained in any buyback contract); and

3. the maximum aggregate number of Special Voting Shares authorized to be purchased will equal 20% of the total issued Special Voting Shares of the relevant class on the GTECH Merger Effective Date (subject to adjustments for consolidation or division);

4. the maximum price that may be paid to purchase a Special Voting Share is its nominal value.

Prior to the GTECH Merger Effective Date, a resolution will be passed by GTECH, as the current sole voting shareholder of UKCo, to grant to directors the authority contemplated by the Post-GTECH Merger Articles to purchase UKCo's own shares and to approve certain buyback contracts pursuant to which UKCo will be able to make off-market purchases from selected investment banks. This resolution may be renewed prior to its expiration (*i.e.*, within five years), and renewal of such authorization may be sought at least once every five years, and possibly more frequently. The Post-GTECH Merger Articles provide that any renewal of the authorization may specify a different maximum aggregate number of UKCo Ordinary Shares and Special Voting Shares that may be repurchased and a different maximum price that may be paid to purchase a UKCo Ordinary Share.

Except in the case of an employee share scheme, UKCo is only permitted to purchase its own shares if they are fully paid, and must pay for them in full when purchasing them.

UKCo may only purchase its own shares out of distributable profits of the company, or, subject to certain exceptions, out of the proceeds of a fresh issue of shares made for the purposes of financing the purchase.

Reduction of share capital

A public limited company may only reduce its share capital with the approval of the competent English court. In order to obtain an order, the shareholders must first have passed a special resolution to approve the reduction. There must also be no restriction in the articles of association. The Post-GTECH Merger Articles do not prohibit a reduction of share capital by UKCo.

Following the GTECH Merger Effective Date, it is expected that UKCo will capitalize the merger reserve created pursuant to the Mergers and implement a parallel court-approved reduction of that capital in order to create a reserve of an equivalent amount of distributable profits to support the payment of possible future dividends or future share repurchases. Neither the capitalization nor the reduction will impact shareholders' relative interests in the capital of UKCo.

Transfer of shares

The transferability of shares of a company is determined by the articles of association of that company.

Ordinary Shares

The Post-GTECH Merger Articles allow holders of UKCo Ordinary Shares to transfer all or any of their shares by instrument of transfer in writing in any usual form or in any other form which is permitted by the UK Companies Act and is approved by the UKCo board of directors. The instrument of transfer must be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid) by or on behalf of the transferee.

The Post-GTECH Merger Articles provide that UKCo, at its option, may or may not charge a fee for registering the transfer of a share or for making any other entry in the register.

The UKCo board of directors may, in their absolute discretion, refuse to register a transfer of shares to any person, whether or not it is fully paid or a share on which the UKCo has a lien.

If the UKCo board of directors refuses to register a transfer of a share, the instrument of transfer must be returned to the transferee as soon as practicable and in any event within two months after the date on which the transfer was lodged with UKCo with the notice of refusal and reasons for refusal unless they suspect that the proposed transfer may be fraudulent.

It is a condition to closing of the Mergers that the UKCo Ordinary Shares will be listed on the NYSE following the GTECH Merger Effective Date. The UKCo Ordinary Shares will, unless withdrawn from the system by the shareholder, be held through the book-entry system provided by DTC and will be registered in the register of shareholders in the name of Cede & Co, as DTC's nominee. If a shareholder wishes to transfer beneficial ownership of UKCo Ordinary Shares held through DTC, it must do so by way of electronic transfer made by a DTC participant. Such transfer will be subject to the rules of DTC.

Special Voting Shares

Special Voting Shares may not be transferred, save in limited circumstances (e.g. between the *Nominee* and a replacement nominee). UKCo does not have a right to purchase or redeem a Special Voting Share, except to reduce the number of Special Voting Shares held by the Nominee (i) in order to align the aggregate number of UKCo Ordinary Shares and Special Voting Shares in issue from time to time; (ii) upon termination of the loyalty voting structure; or (iii) pursuant to an off-market purchase arrangement.

Sterling non-voting shares

The 50,000 sterling non-voting shares are not transferable save with the prior consent of the UKCo board of directors.

Annual accounts and independent auditor

Under English law, a quoted company, which includes a company whose equity share capital is admitted to dealing on the NYSE, must deliver to the Registrar of Companies a copy of:

1. the company's annual accounts;
2. the directors remuneration report;
3. the directors' report;

4. any separate corporate governance statement;
5. a strategic report; and
6. the auditor's report on those accounts, on the auditable part of the directors' remuneration report, on the directors' report, the strategic report and any separate corporate governance statement.

The annual accounts and reports must be laid before the company in general meeting (although no vote is required in respect of such documents). Copies of the annual accounts and reports must, unless a shareholder agrees to receive more limited information in accordance with the UK Companies Act, be sent to shareholders, debenture holders and everyone entitled to receive notice of general meetings at least 21 days before the date of the meeting at which copies of the documents are to be laid. The Post-GTECH Merger Articles provide that such documents may be distributed in electronic form.

UKCo must appoint an independent auditor to make a report on the annual accounts of the company. The auditor is usually appointed by ordinary resolution at the general meeting of the company at which the company's annual accounts are laid. Directors can also appoint auditors at any time before the company's first accounts meeting, after a period of exemption or to fill a casual vacancy.

The remuneration of an auditor is fixed by the members of the company by ordinary resolution or in a manner that the members by ordinary resolution determine.

Payment of dividends

Dividends may only be paid out of distributable reserves, defined as the company's accumulated realized profits, so far as not previously utilized by distribution or capitalization, less its accumulated, realized losses, so far as not previously written off in a reduction or reorganization of capital duly made, and not out of share capital, which includes the share premium account. Distributable reserves are determined in accordance with generally accepted accounting principles at the time the relevant accounts are prepared.

The amount of UKCo's distributable reserves is a cumulative calculation, UKCo may be profitable in a single financial year but unable to pay a dividend if the profits of that year do not offset all previous year's accumulated realized losses.

Additionally, as a public limited company, UKCo will be permitted to pay a dividend only if, at the time that dividend is paid, the amount of its net assets is not less than the total of its called up share capital and undistributable reserves, and if, and to the extent that, the dividend itself, at the time that it is made, does not reduce the amount of the net assets to less than that total.

The Post-GTECH Merger Articles provide that, subject to the U.K. Companies Act, the UKCo shareholders may declare a dividend by ordinary resolution on the recommendation of the board of directors, and the board of directors may decide to pay an interim dividend to shareholders in accordance with their respective rights and interests in UKCo, and may fix the time for payment of such dividend. Dividends may be declared and paid on the UKCo Ordinary Shares. Neither the Special Voting Shares, nor the sterling non-voting shares entitle the holders thereof to participate in any dividend.

The shareholders of UKCo may, by ordinary resolution on the recommendation of the directors, decide that the payment of all or any part of a dividend be satisfied by transferring non-cash assets of equivalent value, including shares or securities in any corporation.

The Post-GTECH Merger Articles also permit a scrip dividend scheme under which the directors may, with the prior authority of an ordinary resolution of UKCo, allot to those holders of a particular class of shares, who have elected to receive them, further shares of that class or ordinary shares, in either case credited as fully paid, instead of cash in respect of all or part of a dividend or dividends specified by the resolution.

The UKCo board of directors intends to adopt a formal dividend policy, but has not done so as of the date of this Information Document.

Annual general meeting

Under English law, UKCo is required to hold an annual general meeting of shareholders within six months from the day following the end of its fiscal year. English law does not specify what business must be transacted at the annual general meeting, nor are there any restrictions on business.

General meeting of shareholders and place of meetings

A general meeting may be held at a date, time and place determined by the UKCo board of directors, whether within or outside of the U.K.

Notice of call and agenda

Under English law, an annual general meeting must be called by not less than 21 clear days' notice (*i.e.* excluding the date of receipt or deemed receipt of the notice and the date of the meeting itself). All other general meetings must be called by not less than 14 clear days' notice, unless a shorter notice is agreed to by a majority in number of the shareholders having the right to attend and vote at the meeting, being a majority who together hold not less than 95% in nominal value of the shares given that right. At least 7 clear days' notice is required for any meeting adjourned for 28 days or more or for an indefinite period.

Under English law, notice must be given in hard copy form, electronic form or by means of a website or partly by one such means and partly by another.

The notice must specify the time and date of the meeting and the place of the meeting. It must also state the general nature of the business to be dealt with at the meeting.

The notice of a general meeting must be given to the shareholders (other than any who, under the provisions of the company's articles of association or the terms of allotment or issue of shares, are not entitled to receive notice), to the UKCo board of directors, to the auditors and to the beneficial owners nominated to enjoy information rights under the UK Companies Act.

Under English law, UKCo must convene such a meeting once it has received requests to do so from shareholders representing at least 5% of the paid up share capital of the company as carries voting rights at general meetings.

Admission and registration

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Under English law, the notice of a general meeting must specify a time by which a person must be entered on the register in order to have the right to attend or vote at the meeting. Changes to entries on the register after the time specified in the notice will be disregarded in deciding the rights of any person to attend or vote.

A member may appoint another person as his proxy to exercise all (or any) of his rights to attend and to speak and to vote (both on a show of hands and on a poll) on a resolution, an amendment to a resolution, or on any other business arising at the general meeting. The appointment of a proxy must be in writing in any usual form (or in another form approved by the directors). The directors may accept appointment of a proxy delivered by electronic means.

Arrangements are being put in place to enable those persons holding shares via the DTC to attend and vote at general meetings.

Directors may attend and speak at general meetings whether or not they are members. The chairman of a general meeting may permit any other person to attend and speak at a general meeting if he considers it will assist the deliberations of the meeting.

The general meeting is chaired by the chairman of the board of directors, if present. If he is absent, any vice, deputy or assistant chairman appointed by the directors shall act as chairman. If the directors have not appointed a chairman (or vice, deputy or assistant chairman), or if the chairman (or vice, deputy or assistant chairman) is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start, a chairman will be appointed by the directors present or (if there are no directors present) by the meeting. If only one director is present and willing and able to act, he shall be the chairman.

Voting rights

Voting rights are determined by a company's articles of association.

The Post-GTECH Merger Articles provide that, subject to the UK Companies Act, the necessary quorum for a general shareholder meeting is the shareholders who together represent at least a majority of the voting rights of UKCo entitled to be exercised at the meeting, present in person or by proxy.

The general meeting may vote on a show of hands, or by poll. Under the Post-GTECH Merger Articles, a poll on a resolution may be demanded by the chairman, the directors, five or more people having the right to vote on the resolution or a shareholder or shareholders (or their duly appointed prox(ies)) having not less than 10% of either the total voting rights or the total paid up share capital. Such persons may demand the poll both in advance of, and during, a general meeting, either before or after a show of hands on a resolution.

On a show of hands, each shareholder present will have one vote. A proxy will also have one vote, except where:

1. that proxy has been appointed by more than one shareholder entitled to vote on the resolution; and
2. the proxy has been instructed by one or more of those shareholders:
 - a. to vote for or against the resolution; or
 - b. to vote in the same way on the resolution (whether for or against) and one or more of those shareholders has permitted the proxy discretion as to how to vote,

in which case, the proxy has one vote for and one vote against the resolution.

On a poll taken at a meeting, every qualifying shareholder present and entitled to vote on the resolution has one vote for every UKCo Ordinary Share of which he, she or it is the holder, and 0.9995 votes for every Special Voting Share of which he, she or it is entitled to.

The Nominee will exercise the votes attaching to the Special Voting Shares held by it at a general meeting or a class meeting as follows:

(i) for the Special Voting Shares connected with UKCo Ordinary Shares registered in the Loyalty Register, the Nominee will exercise the votes in the same manner as the relevant Entitled Shareholder has exercised his, her or its votes for such UKCo Ordinary Shares;

(ii) for Special Voting Shares connected with UKCo Ordinary Shares not registered in the Loyalty Register, the Nominee will exercise the votes in the same percentages as the total outcome of the vote exercised in the general meeting, taking into account the votes exercised by the Nominee in connection with the Special Voting Shares connected with UKCo Ordinary Shares registered in the Loyalty Register.

The sterling non-voting shares have no voting rights.

Shareholders' votes on certain transactions

On a vote by show of hands, an ordinary resolution requires the affirmative vote of the holders of a simple majority of the voting rights attaching to UKCo shares that, being entitled to vote, vote on the resolution at a general meeting. A vote by poll requires the affirmative vote of the simple majority of the voting rights of UKCo entitled to be exercised at the meeting, present in person or by proxy.

A special resolution requires the affirmative vote of the holders of at least 75% of the voting rights attaching to UKCo shares that, being entitled to vote, vote on the resolution at a general meeting.

The UK Companies Act requires that a number of matters are approved by way of special resolution, including (amongst other things) an amendment to the company's articles of association, change of name, and re-registration as a public or private company.

Amendments to the UKCo articles of association, including variation of rights

Under English law, the shareholders may amend any provision of the articles of association of a public limited company, other than entrenched provisions, by special resolution at a general meeting.

An entrenched provision of the articles of association is a provision that may be amended or repealed only if certain conditions are complied with. These conditions are more restrictive than those applied to a special resolution (e.g. a higher majority than the threshold for a special resolution, being 75%). Entrenchment does not prevent alteration to the articles by unanimous consent of the shareholders.

The Post-GTECH Merger Articles do not contain any entrenched provisions.

Rights attaching to any class of shares may be varied only in accordance with the company's articles of association, or, if no provision is made in the articles, by a statutory procedure set out in section 630 of the UK Companies Act. Both the statutory procedure and the Post-GTECH Merger Articles require the consent in writing from the holders of at least three-quarters in nominal value of the issued shares of the relevant class (excluding any shares held as treasury shares), or a special resolution passed at a separate general meeting of the holders of the relevant class

sanctioning the variation.

Winding-up

In the event of a voluntary winding-up of UKCo, the liquidator may, upon obtaining any sanction required by law, divide among the shareholders the whole or any part of the assets of UKCo, whether or not the assets consist of property of one kind or of different kinds and vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he, with the like sanction, will determine.

The liquidator may not, however, distribute to a shareholder without his consent an asset to which there is attached a liability or potential liability for the owner.

Upon any such winding up, after payment or provision for payment of UKCo's debts and liabilities and payment of US\$1 in aggregate to all holders of the Special Voting Shares and £1 in aggregate to all holders of sterling non-voting shares, the holders of UKCo Ordinary Shares (and any other shares outstanding at the relevant time which rank equally with such shares) will share equally, on a share for share basis, in UKCo's assets remaining for distribution to the holders of UKCo Ordinary Shares.

Liability of directors

Under English law, any provision that purports to exempt a director of a company (to any extent) from any liability that would otherwise attach to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company is void. However, despite this prohibition, UKCo is permitted to purchase and maintain limited insurance for a director of the company.

Shareholders can ratify by ordinary resolution a director's conduct amounting to negligence, default, breach of duty or breach of trust in relation to UKCo.

Whilst directors are not generally jointly and severally liable, joint and several liability may arise at common law where more than one director is involved in the same breach of duty.

Indemnification of directors and officers

Subject to certain exceptions, English law does not permit UKCo to indemnify a director against any liability attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to UKCo. The exceptions allow UKCo to:

1. purchase and maintain director and officer insurance against any liability attaching in connection with any negligence, default, breach of duty or breach of trust owed to the company;
2. provide a qualifying third party indemnity provision which permits UKCo to indemnify its directors (and directors of an associated company, *i.e.* a company that is a parent, subsidiary or sister company of UKCo) in respect of proceedings brought by third parties, covering both legal costs and the amount of any adverse judgment, except for: (i) the legal costs of an unsuccessful defence of criminal proceedings or civil proceedings brought by the company itself; (ii) fines imposed in criminal proceedings; and (iii) penalties imposed by regulatory bodies;
3. indemnify a director in respect of defence costs in relation to civil and criminal proceedings against him or her (even if the action is brought by the company itself). This is subject to the requirement for the director or officer to reimburse the company if the defence is unsuccessful; and

4. provide a qualifying pension scheme indemnity provision, which allows the company to indemnify a director of a company that is a trustee of an occupational pension scheme against liability incurred in connection with such company's activities as a trustee of the scheme (subject to certain exceptions).

The Post-GTECH Merger Articles provide that, to the fullest extent permitted by the UK Companies Act and without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was a director or other officer of UKCo or any of its associates (other than any person engaged by UKCo or any of its associates as auditor) shall be and shall be kept indemnified out of the assets of UKCo against all costs, charges, losses and liabilities incurred by him (whether in connection with any negligence, default, breach of duty or breach of trust by him or otherwise as a director or such other

officer of UKCo any of its associates) in relation to UKCo or any of its associates or its/their affairs. This is subject to the exceptions set out in the UK Companies Act, which are reflected in the Post-GTECH Merger Articles.

Takeover Provisions

An English public limited company is potentially subject to the takeover provisions in the U.K. City Code on Takeovers and Mergers (the **Takeover Code**). However, the Takeover Panel which is an independent body whose main functions are to administer the Takeover Code and to supervise and regulate takeovers and other matters to which the Takeover Code applies has confirmed that UKCo will not be subject to the Takeover Code.

It is possible that, in the future, circumstances could change that may cause the Takeover Code to apply to UKCo. It should be noted that if UKCo becomes subject to the Takeover Code, the ability of the directors of UKCo to engage in defensive measures to seek to frustrate takeover bids will, in addition to being subject to the directors' statutory and fiduciary duties, be subject to the provisions of the Takeover Code.

Listing

It is a condition to closing of the Mergers that the UKCo Ordinary Shares will be listed on the NYSE following the GTECH Merger Effective Date, subject to official notice of issuance.

Listing rules

In the light of the jurisdiction of organization of UKCo, following the admission to listing on the NYSE, the following rules, among others, shall apply.

Shareholder disclosure and reporting obligation under the articles of association

Under the Post-GTECH Merger Articles, shareholders must comply with the notification obligations to the company contained in Chapter 5 (*Vote Holder and Issuer Notification Rules*) of the Disclosure and Transparency Rules (**DTR**) (including, without limitation, the provisions of DTR 5.1.2) as if UKCo were an issuer whose home member state is in the U.K., save that the obligation will arise if the percentage of voting rights reaches, exceeds or falls below one percent and each one percent threshold thereafter (up or down) up to one hundred percent. In effect, this means that a shareholder must notify UKCo if the percentage of voting rights in UKCo it holds reaches one percent and crosses any one percent threshold thereafter (up or down).

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Section 793 of the UK Companies Act gives UKCo the power to require persons whom it knows have, or whom it has reasonable cause to believe have, or within the previous three years have had, any ownership interest in any UKCo shares to disclose specified information regarding those shares. Failure to provide the information requested within the prescribed period (or knowingly or recklessly providing false information) after the date the notice is sent can result in criminal or civil sanctions being imposed against the person in default.

Under the Post-GTECH Merger Articles, if any shareholder, or any other person appearing to be interested in UKCo shares held by such shareholder, fails to give UKCo the information required by a Section 793 notice, then UKCo may withdraw voting and certain other rights, place restrictions on the rights to receive dividends and transfer such shares (including any shares allotted or issued after the date of the Section 793 notice in respect of those shares).

Shareholder disclosure and reporting obligation under U.S. law

Holders of more than 5% of UKCo Ordinary Shares will be required to file certain beneficial ownership reports with the Securities and Exchange Commission that are required under Section 13 of the Exchange Act and the rules and regulations promulgated thereunder.

If UKCo were to fail to qualify as a foreign private issuer for purposes of U.S. securities laws in the future, Section 16(a) of the Exchange Act requires UKCo's directors and executive officers, and persons who own more than 10% of a registered class of UKCo's equity securities, to file reports of ownership of, and transactions in, UKCo's equity securities with the SEC. Such directors, executive officers and 10% stockholders would also be required to furnish UKCo with copies of all such reports they file.

2.1.1.2. GTECH

Name, form of incorporation, registered office and share capital

GTECH S.p.A. is incorporated as a joint stock company (*Società per azioni*) under Italian law and has its registered office at Viale del Campo Boario 56/D, Rome, Italy (telephone no.: +39 06518991), VAT code, tax code and number of registration at the Companies Registrar of Rome: 08028081001.

GTECH shares are traded on the Mercato Telematico Azionario, organized and managed by Borsa Italiana S.p.A. (the Milan Stock Exchange, **MTA**).

As of the date of this Information Document, the authorized corporate share capital of GTECH is equal to 190,502,053.00, while the subscribed and paid in share capital is equal to 174,951,075.00, divided into 174,951,075 ordinary shares with a par value of 1.00 each.

GTECH is subject to direction and coordination by De Agostini S.p.A.

Duration and financial year

GTECH is established for a period ending on December 31, 2070 and its financial year ends on December 31.

Corporate purpose

GTECH s objective is all activities pertaining to the organization, management and fulfilment of games and/or lotteries, instant and/or traditional, for example games of ability, forecasting competitions, lottery draws and betting, whether directly or through concessions, in Italy or abroad. In particular, GTECH can organize and manage, under license from the Department of Finance, the automatic lottery, as provided for by section 1 of the d.m. 4832/GAB of March 17, 1993 and subsequent amendments. GTECH can also carry out any concessionary activity and/or activities connected with services delegated, or in any way given in concession, to tobacconist shops and/or collectors for the Public Administration, including the collection of car taxes. GTECH can further exercise and develop, under concession, national pari-mutuel games through a distribution network.

GTECH can carry out any other delegated activity granted by the Public Administration in connection to concessionary services or activities.

GTECH can carry out all manufacturing, financial, commercial, security and real estate transactions, in any way instrumental to the pursuit of the company objective, including the issuing of surety bonds and collateral securities, the acquisition, assignment and use of industrial rights, patents and inventions.

GTECH can participate with and have interests in other companies, businesses and associations, established or in formation, including foreign companies, essential to, connected with or instrumental in achieving the company objective and can carry out, in general, any essential or desirable transaction with this aim in mind within the provisions of activity as per Section 106 and following sections of the Legislative Decree no. 385/1993 and related administrative provisions.

Shareholders structure

GTECH is controlled by B&D Holding di Marco Drago e C. S.A.p.A. (hereinafter **B&D Holding**) (58.662%), through De Agostini S.p.A. (52.904%) which exercises direction and coordination on GTECH, and DeA Partecipazioni S.p.A. (5.758%)(1).

As of the date of this Information Document, the other shareholder who on the basis of the communications received pursuant to Article 120 of Italian Financial Act and information in any event available to GTECH hold, through its subsidiaries, shares in GTECH representing more than 2% of the voting share capital is Assicurazioni Generali S.p.A., with an interest equal to 3.255%.

As of the date of this Information Document, GTECH holds 1,793,026 treasury ordinary shares, equal to 1.02% of the share capital. As of the date of this Information Document, no other companies of the group hold GTECH shares.

In addition, as of as of the date of this Information Document, GTECH directors and managers having a strategic responsibility who own GTECH shares are the following:

| Director / Manager having a strategic responsibility | No. of shares | % share capital |
|--|---------------|-----------------|
| Lorenzo Pelliccioli | 71,400 | 0.041 |
| Marco Sala | 492,845 | 0.282 |
| Paolo Ceretti | 3,060 | 0.002 |
| Jaymin Patel | 193,070 | 0.110 |
| Renato Ascoli | 82,643 | 0.047 |
| Other managers having a strategic responsibility | 44,273 | 0.025 |

Corporate bodies

Board of directors and managers having a strategic responsibility

The board of directors, elected by shareholders at the ordinary shareholders meeting held on May 8, 2014 and in office until the date of the ordinary shareholders meeting that will be called in order to approve the financial statement at December 31, 2016, is composed as follows:

(1) Percentages based on the communications received pursuant to Article 120 of Italian Financial Act and information in any event available to GTECH.

| Name | Position |
|----------------------|-------------------------|
| Lorenzo Pellicoli | Chairman |
| Marco Sala | Chief Executive Officer |
| Jaymin B. Patel | Director |
| Paolo Ceretti | Director |
| Marco Drago | Director |
| Donatella Busso | Independent Director |
| Alberto Dessy | Independent Director |
| Anna Gatti | Independent Director |
| Antonio Mastrapasqua | Independent Director |
| Elena Vasco | Independent Director |

The managers having a strategic responsibility are the following:

| Name | Position |
|-----------------|---|
| Renato Ascoli | General Manager |
| Fabio Cairoli | General Manager |
| Alberto Fornaro | Chief Financial Officer and manager in charge of drawing up corporate financial reports |
| Walter Bugno | In charge of International Region |

Board of Statutory Auditors

The board of the statutory auditors, elected by shareholders at the general meeting held on May 8, 2014 and in office until the date of the general meeting that will be called in order to approve the financial statement at December 31, 2016, is composed as follows:

| Name | Position |
|-----------------------------|-------------------|
| Massimo Cremona | Chairman |
| Caterina Margherita Baldari | Statutory Auditor |
| Sergio Duca | Statutory Auditor |

Committees

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The board of directors has established among its members the remuneration and nomination Committee and the control, risk and related parties Committee being the latter comprised solely of independent directors.

Independent Auditors

PricewaterhouseCoopers S.p.A. was appointed as the GTECH's independent auditor for statutory reporting purposes in Italy on May 8, 2014, and the relevant mandate will expire upon completion of the audit of the financial statements for the year ended December 31, 2022.

The previous independent auditor, Reconta Ernst & Young S.p.A., issued an unqualified opinion on the GTECH's 2013 statutory and consolidated financial statements.

Reports of the independent auditors are publicly available as indicated under Paragraph 2.3.

Changes to share-based incentive plans resulting from the Transaction

GTECH has currently outstanding certain stock incentive plans to the benefit of officers and employees of the companies belonging to its group. There are currently stock option plans (2009-2015, 2010-2016, 2011-2017, 2012-2018, 2013-2019, 2014-2020 plans) and restricted stock plans (2011-2015, 2012-2016, 2013-2017, 2014-2018 plans).

Subject to the completion of the Transaction, for each right held, the beneficiaries of said stock option and restricted stock plans referred to GTECH ordinary shares shall be granted a comparable right with respect to an adequate number of UKCo Ordinary Shares, effective from the GTECH Merger Effective Date, subject to the revision, as the case may be, of the performance objectives for any options and awards not yet vested.

2.1.1.3. IGT

Name, form of incorporation, registered office and share capital

IGT is a global gaming company specializing in the design, development, manufacture, and marketing of casino-style gaming equipment, systems technology, and game content across multiple platforms – land-based, online real-money and social gaming. IGT is a leading supplier of gaming entertainment products worldwide and provides a diverse offering of quality products and services at competitive prices, designed to enhance the gaming player experience.

IGT was incorporated in Nevada in December 1980 to facilitate its initial public offering (IPO) in 1981. Principally serving the U.S. gaming markets when founded, IGT expanded into jurisdictions outside the U.S. beginning in 1986.

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IGT has a registered office at 9295 Prototype Drive, Reno, Nevada (telephone no.: +1 (775)448-7777), SEC File number: 001-10684.

The authorized capital stock of IGT consists of 1,280,000,000 shares of common stock, par value of US\$0.0015625 per share, 247,296,260 of which were outstanding as of October 10, 2014. Shares of IGT common stock are currently listed on the NYSE.

Financial years

IGT's fiscal year ends on the Saturday nearest September 30 of each year.

Shareholder structure

The following sets forth information with respect to the beneficial ownership of IGT common stock by persons known by IGT to own beneficially more than 5% of the outstanding common stock of

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IGT, based on information made public pursuant to Rule 13d-1 of the Securities Exchange Act of 1934, as amended, with percentages calculated based on the number of shares outstanding as of October 10, 2014:

- The Vanguard Group, Inc.(1): 6.677%
- BlackRock, Inc.(2): 6.039%
- State Street Corporation(3): 5.074%
- Gates Capital Management, Inc.(4): 5.057%

(1) *Based upon beneficial ownership information contained in a Schedule 13G/A filed with the SEC by The Vanguard Group, Inc. on February 11, 2014, in its capacity as an investment advisor of several trusts.*

(2) *Based upon beneficial ownership information contained in a Schedule 13G/A filed with the SEC by BlackRock, Inc. on January 29, 2014, on behalf of BlackRock, Inc. and its subsidiaries.*

(3) *Based upon beneficial ownership contained in a Schedule 13G filed with the SEC by State Street Corporation on February 3, 2014, on behalf of State Street Corporation and its subsidiaries.*

(4) *Based upon beneficial ownership contained in a Schedule 13G filed with the SEC by Gates Capital Management, Inc., Gates Capital Partners, L.P., ECF Value Fund, L.P., ECF Value Fund II, L.P., ECF Value Fund International Master L.P. and Jeffrey L. Gates on January 29, 2014.*

As of October 10, 2014, IGT held 27,424,345 treasury shares, equal to the 11.1% of its share capital. There are not companies belonging to Group IGT that hold IGT shares.

The following sets forth information as of October 10, 2014 with respect to the ownership of IGT's outstanding common stock by each of IGT's directors and executive officers:

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| Director / Executive Officer | No. of shares | % voting share capital |
|------------------------------|---------------|------------------------|
| Paget L. Alves | 29,253 | 0.0118% |
| Eric A. Berg (1) | 28,988 | 0.0117% |
| Eric F. Brown | 4,828 | 0.002% |
| Janice D. Chaffin | 36,284 | 0.0147% |
| Greg Creed | 12,750 | 0.0052% |
| Will Daugherty | 0 | 0% |
| Paul C. Gracey, Jr. | 13,155 | 0.0053% |
| Patti S. Hart | 951,129 | 0.3846% |
| Robert J. Miller | 29,534 | 0.0119% |
| Vincent L. Sadusky | 26,284 | 0.0106% |
| Philip G. Satre | 106,107 | 0.0429% |
| Eric P. Tom | 94,618 | 0.0383% |
| John M. Vandemore | 24,691 | 0.01% |
| Tracey D. Weber | 4,828 | 0.002% |

(1) On October 15, 2014 Eric A. Berg resigned from his position as Chief Operations Officer of IGT.

Corporate bodies

The board of directors, appointed by the annual shareholder meeting of IGT on March 10, 2014 for one year, is composed of the following (as of October 10, 2014):

| Name | Position |
|--------------------|--------------------------------------|
| Philip G. Satre | Chairman and Independent Director |
| Patti S. Hart | Chief Executive Officer and Director |
| Paget L. Alves | Independent Director |
| Eric F. Brown | Independent Director |
| Janice D. Chaffin | Independent Director |
| Greg Creed | Independent Director |
| Robert J. Miller | Independent Director |
| Vincent L. Sadusky | Independent Director |
| Tracey D. Weber | Independent Director |

The executive officers are the following (as of October 10, 2014):

| Name | Position |
|-------------------|---|
| Patti S. Hart | Chief Executive Officer |
| Eric A. Berg (1) | Chief Operations Officer |
| Will Daugherty | Senior Vice President and General Manager of DoubleDown Interactive |
| Paul C. Gracey | General Counsel and Secretary |
| Eric P. Tom | Executive Vice President Global Sales |
| John M. Vandemore | Chief Financial Officer and Treasurer |

(1) On October 15, 2014, Eric A. Berg resigned from his position as Chief Operations Officer of IGT.

Committees

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The IGT board of directors has five standing committees, namely: (i) the Audit Committee, (ii) the Capital Deployment Committee, (iii) the Compensation Committee, (iv) the Executive Committee and (v) the Nominating and Corporate Governance Committee.

2.1.2. Description of the structure, terms and conditions of the Transaction

2.1.2.1 Modalities, structure and conditions of the Transaction

Modalities and structure of the Transaction

The GTECH merger will be implemented by absorption of GTECH with and into UKCo, a company whose voting share capital is wholly and directly owned by GTECH. The GTECH Merger will be executed pursuant to the Directive 2005/56/EC of the European Parliament and Council of 26

October 2005 on cross-border mergers of limited liability companies, implemented in the United Kingdom by the UK Regulation and in Italy by the Decree 108/08.

The GTECH Merger is part of a wider transaction involving the acquisition by GTECH of IGT, a company incorporated under the laws of Nevada and with shares listed on the New York Stock Exchange.

The Merger Agreement provides, in particular, that the Transaction shall be carried out through:

- the GTECH Merger, pursuant to which holders of GTECH ordinary shares will receive one UKCo Ordinary Share in exchange for each GTECH ordinary share held; and
- the IGT Merger, pursuant to which (a) Georgia US will merge with and into IGT and (b) each issued and outstanding share of common stock of IGT will be converted into the right to receive a combination of (i) US\$13.69 in cash (together with any additional cash described in clause (iii) below, the **Per Share Cash Amount**), (ii) a number of UKCo Ordinary Shares determined by dividing US\$4.56 by the average of the volume-weighted average prices, rounded to four decimal points, of GTECH ordinary shares on the MTA (converted to the US\$ equivalent calculated at the end of each trading day) on 10 randomly selected individual trading days within the period of 20 consecutive trading days ending on (and including) the second trading day prior to the effective time of the IGT Merger (such average, the **GTECH Share Trading Price**), subject to a minimum of 0.1582 UKCo Ordinary Shares and a maximum of 0.1819 UKCo Ordinary Shares (the **Share Consideration**), provided that (iii) if the Share Consideration would, but for the cap described in clause (ii), exceed 0.1819, the Per Share Cash Amount will be increased by an additional amount in cash equal to the product of such excess number of shares (up to a maximum of 0.0321) and the GTECH Share Trading Price.

The calculation explained above reflects a collar mechanism, as described in the press release issued by GTECH on July 16, 2014, based on the fluctuation of the GTECH Share Trading Price, compared to the GTECH share market price used as benchmark when the Merger Agreement was executed, within the limits of +/- 15%.

Following completion of the Transaction, approximately 79.4% of UKCo s ordinary share capital will be held by current GTECH shareholders and approximately 20.6% of UKCo s ordinary share capital will be held by current IGT shareholders (2).

The Merger Agreement is available, in English, as an attachment of the Registration Statement, on the GTECH website (www.gtech.com).

It is expected that, in accordance with the terms of the Merger Agreement, the GTECH Merger and the IGT Merger will be completed, subject to the satisfaction or waiver, if permitted, of the conditions precedent set forth in the Merger Agreement and in the GTECH Merger Terms, as follows:

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(i) pursuant to the provisions of Articles 4 and 15, paragraph 3, of the Decree 108/08 and the UK Regulation, the GTECH Merger shall be executed in accordance with the relevant provisions of

(2) Percentages calculated assuming that: (a) for each of the 247,296,260 shares outstanding of IGT, IGT shareholders will receive 0.1819 UKCo shares (without any adjustment to the IGT Consideration in accordance with the terms of the Merger Agreement); (b) no GTECH shareholders will exercise cash exit rights; (c) the 1,793,026 treasury shares currently held by GTECH will be kept in the GTECH portfolio and cancelled in the context of the GTECH Merger; and (d) the number of issued shares of GTECH will be equal to 174,951,075.

English law and will become effective on the date which shall be fixed by the High Court of England and Wales, with its order as competent English authority; and

(ii) the IGT Merger will be the final transaction and will be effective immediately after the GTECH Merger, or at such later date, permitted by the laws of Nevada, as may be agreed by the parties to the Merger Agreement,

it being understood that the GTECH Merger and the IGT Merger, although legally distinct transactions, are intended to produce a single economic result with the effective times for each merger being as proximate as possible. The execution of each transaction shall take place only once all conditions precedent to the GTECH Merger and the IGT Merger have been satisfied or validly waived and all pre-merger formalities have been taken.

Before the GTECH Merger is completed, GTECH intends to carry out, subject to any required authorizations, a reorganization of its Italian business, in order to separate operating activities from holding activities, to allow the continuity of Italian activities and to rationalize its participations, through one or more Italian companies wholly owned by GTECH to which (a) the business unit composed by tangible and intangible assets (including shareholding), receivables, debts, personnel and other assets and liabilities, related to the exercise of the concession for the Lotto game and to the supply of administrative, commercial and general services in favor of the companies directly or indirectly controlled by GTECH, will be contributed, and (b) almost all the equity holdings in Italian companies held by GTECH will be contributed and sold.

As a result and following the GTECH Merger and the IGT Merger, UKCo will become the new holding company of the enlarged group resulting from the combination of IGT and GTECH, since UKCo will control directly the entire issued share capital of IGT and, indirectly, all the companies currently controlled by IGT; UKCo will also control, directly and/or indirectly, all the companies currently controlled by GTECH, as reorganized pursuant to the Italian Reorganization.

Conditions to the Transaction

(1) Conditions precedent to the obligation of each of the parties of the Merger Agreement to execute the GTECH Merger and the IGT Merger

The respective obligations of each party of the Merger Agreement to execute the GTECH Merger and the IGT Merger are subject to satisfaction or, if permitted, to the waiver (in writing) prior to the Closing Date (as defined in the Merger Agreement) of the following conditions specified in the Merger Agreement:

(i) the approval of the Merger Agreement and transactions contemplated thereby at the IGT shareholders meeting;

(ii) the approval of the GTECH Merger at the GTECH Extraordinary Shareholders Meeting;

(iii) the declaration of effectiveness of the registration statement on Form F-4 (together with any amendments, the **Registration Statement**) by the *Securities and Exchange Commission* (**SEC**) under the *Securities Act* of 1933, as amended (the **Securities Act**); no stop order suspending the effectiveness of the Registration Statement having been issued by the SEC and remaining in effect, and no proceedings for that purpose having been initiated or to the knowledge of GTECH, UKCo or IGT threatened by the SEC;

- (iv) UKCo Ordinary Shares, which are to be allotted and issued to GTECH and IGT shareholders in connection with the GTECH Merger and the IGT Merger, respectively, having been authorised for listing on the New York Stock Exchange (**NYSE**), subject to an official notice of issuance;
- (v) the 60-day period following the date upon which the resolution of the GTECH Extraordinary Shareholders Meeting has been registered with the Companies Register of Rome having expired or having been earlier terminated pursuant to the posting of a bond by GTECH sufficient to satisfy GTECH's creditors' claims, if any, without prejudice to Article 2503 of the Italian Civil Code;
- (vi) (a) the waiting period (and any extensions thereof) applicable to the IGT Merger under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the laws and regulations issued pursuant to this, having expired or been terminated; (b) the Competition Act Clearance, as defined in the Merger Agreement, applicable to the consummation of the Transaction having been received; and (c) the waiting periods and approvals applicable to the consummation of the GTECH Merger and IGT Merger of the Antitrust Laws of Colombia having expired, been terminated or been obtained, as applicable;
- (vii) the Gaming Approvals, as defined in the Merger Agreement (the **Gaming Approvals**), relating to GTECH and IGT, having been obtained and being in full force and effect; provided that, notwithstanding anything to the contrary herein, GTECH may in its sole discretion waive any such Gaming Approval on behalf of both IGT and GTECH, if consummation of the Transaction in the absence of such Gaming Approval would not constitute a violation of applicable law, on the advice of outside counsel reasonably satisfactory to GTECH and IGT; provided that (a) GTECH has confirmed in an irrevocable written notice delivered to IGT that all of the conditions set forth in this Paragraph (1) and the next Paragraph (2) have been satisfied or waived (other than those conditions that by their nature are to be satisfied or waived at the Closing (as defined in the Merger Agreement), provided that such conditions are reasonably capable of being satisfied), (b) the Closing (as defined in the Merger Agreement) shall occur immediately following any such waiver and (c) no such waiver shall otherwise affect the obligations of GTECH, UKCo and Georgia US set forth in the Merger Agreement;
- (viii) no governmental entity of competent jurisdiction having enacted, issued, promulgated, enforced or entered any order which is in effect and prohibits consummation of the Transaction in accordance with the terms set forth in the Merger Agreement;
- (ix) the order approving the GTECH Merger having been issued by the High Court of England and Wales and having been in full force and effect for at least 21 days; and
- (x) if GTECH or UKCo determines (acting reasonably and in good faith) that a prospectus or equivalent document is required to be prepared by GTECH and/or UKCo in connection with the Transaction, formal approval by the relevant competent authority in respect of such document having been obtained.

With reference to the condition precedent relating to antitrust laws provided in point (vi) above, on July 29, 2014, GTECH and IGT filed their respective notifications pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976 with the Federal Trade Commission and the Antitrust Division of the U.S. Department of Justice, and the antitrust agencies granted early termination of the applicable

waiting period on August 8, 2014. GTECH and IGT filed an advance ruling certificate application pursuant to Section 102 the Competition Act (Canada) (the **Competition Act**) on August 21, 2014, and premerger notifications pursuant to Section 114 of the Competition Act on August 27, 2014. The relevant waiting period under the Competition Act expired on September 26, 2014, and on October 6, 2014, GTECH was advised in writing by the Competition Bureau that the Commissioner of Competition does not, at such time, intend to make an application under section 92 of the Competition Act in respect of the GTECH Merger and the IGT Merger. On September 15, 2014, GTECH and IGT received notification from the competition authorities in Colombia of closing of the review of the Transaction. In light of the above, the condition precedent under point (vi) above is already fulfilled.

(2) Conditions precedent to the obligation of each of GTECH, UKCo and Georgia US to execute the GTECH Merger and the IGT Merger.

The obligation of GTECH, UKCo and Georgia US to effect the GTECH Merger and the IGT Merger is subject to the satisfaction, or waiver (in writing), of each of the following additional conditions at or prior to the Closing Date (as defined in the Merger Agreement):

- (i) the representations and warranties of IGT, as set forth in the Merger Agreement, being true, subject to the materiality and timing standards set forth in the Merger Agreement;
- (ii) IGT having performed in all material respects all obligations required to be performed by it under the Merger Agreement at or prior to the Closing Date (as defined in the Merger Agreement);
- (iii) GTECH having received a certificate signed by an executive officer of IGT on behalf of IGT as to the satisfaction of the conditions set out under (i) and (ii) of this Paragraph (2).

In addition, under the GTECH Merger Terms, the GTECH Merger is subject to the condition precedent that the Merger Agreement is not terminated by GTECH or IGT under the terms of the Merger Agreement and, in particular, that GTECH does not terminate the Merger Agreement following the exercise of cash exit rights by the shareholders of GTECH representing over 20% of the GTECH ordinary shares outstanding at the date of signing of the Merger Agreement.

(3) Conditions precedent to the obligation of IGT to execute the IGT Merger

The obligation of IGT to effect the IGT Merger is subject to the satisfaction, or waiver (in writing), of each of the following additional conditions at or prior to the Closing Date (as defined in the Merger Agreement):

- (i) the representations and warranties of GTECH, as set forth in the Merger Agreement, being true, subject to the materiality and timing standards set forth in the Merger Agreement;

(ii) GTECH, UKCo and Georgia US having performed in all material respects all obligations required to be performed by them under the Merger Agreement at or prior to the Closing Date (as defined in the Merger Agreement);

(iii) IGT having received a certificate signed by an authorized officer of GTECH on behalf of GTECH as to the satisfaction of the conditions set out under (i) and (ii) of this Paragraph (3); and

(iv) IGT having received an opinion of a law firm of international standing provided by GTECH confirming that the GTECH Merger and any related transactions, including the issue of shares in favour of the relevant shareholders, excluding any withdrawal from GTECH: (a) will be tax neutral for GTECH shareholders for the purposes of the EU Council Directive 90/434 of 23 July 1990, as implemented in *Capo* III and *Capo* IV, *Titolo* III, of the Italian Presidential Decree No. 917 of 22 December 1986, as amended; (b) will not trigger any Italian Taxes, as defined in the Merger Agreement, for UKCo, GTECH (except for the Italian exit tax which, based on estimates as at the date of the Merger Agreement and representations of GTECH, should not exceed 50 million Euro), IGT or their shareholders (on the assumption that they are not resident in Italy or operate through a permanent Italian establishment), and will not reasonably expose GTECH, UKCo or their shareholders to material future tax liabilities in Italy in respect of the GTECH Merger, and in the case of tax claims the risk that the tax authorities could succeed is remote; and (c) will not trigger any United Kingdom Taxes (as defined in the Merger Agreement) for UKCo, GTECH, IGT or their shareholders.

Satisfaction or waiver of the conditions set out in Paragraphs (1), (2) and (3) above will be evidenced between the administrative bodies of each Company in a written statement to be addressed by the GTECH Board to the UKCo administrative body and vice versa, subject to (as the case may be) prior approval by the GTECH Extraordinary Shareholders Meeting, if required.

In addition to the foregoing, the GTECH Merger cannot be completed until:

(i) a declaration has been received from the Court of Rome, declaring that no creditor has opposed the GTECH Merger under Article 2503 of the Italian Civil Code or, in case of any opposition proposed within 60 days from the date of registration with the Register of Companies of Rome of the resolution of approval of these Common Cross-Border Merger Terms at the GTECH extraordinary shareholders meeting, a deposit with a bank of the amount required to satisfy possible claims by creditors of GTECH which might have opposed the GTECH Merger, without prejudice to the provisions under Article 2503 of the Italian Civil Code; and

(ii) delivery by the Italian public notary selected by GTECH and the competent UK Court of the pre-merger compliance certificate; such certificate being the pre-merger compliance certificate within the meaning of EU Directive 2005/56/EC of the European Parliament and Council of 26 October 2005 on cross-border mergers of limited liability companies and of Article 11 of the Decree 108/08 and Regulation 6 of UK Regulation.

Source of financing of the Transaction

On July 15, 2014, GTECH obtained a debt commitment letter, pursuant to which affiliates of Credit Suisse AG, Barclays PLC and Citigroup Inc. provided commitments to fund a 364-day senior bridge term loan credit facility in an aggregate principal amount up to approximately US\$10.7 billion or approximately 7.9 billion based on the US\$/ exchange rate of 0.737 on July 15, 2014 (such amount is equal to approximately US\$10.4 billion or approximately 8.2 billion based on the US\$/ exchange rate of 0.785 on September 26, 2014). The bridge facility is to consist of four sub-facilities, the proceeds of which are to be used, among other things, to pay the cash portion of the IGT merger consideration, to fund transaction expenses, to redeem and/or refinance existing specified indebtedness of GTECH and IGT, to the extent applicable, and to fund cash payments to GTECH shareholders

exercising rescission rights. It is anticipated that the bridge facility will be drawn only to the extent that GTECH is unable to raise debt financing in the form of term loans and/or debt securities at or prior to the closing of the Mergers.

The obligation of each commitment party to fund its commitments under, and perform the agreed upon services set forth in, the debt commitment letter is subject to a number of conditions, including, without limitation, execution and delivery of definitive documentation consistent with the debt commitment letter. The commitments will expire on the earliest to occur of (i) the date of July 15, 2015 (except for certain extension rights under terms and conditions provided in the commitment letter), (ii) the closing of the acquisition, (iii) the date the Merger Agreement is terminated or expires and (iv) receipt by the commitment parties of written notice from GTECH and UKCo of their election to terminate the commitments.

The definitive documentation governing the debt financing has not been finalized and, accordingly, the actual terms of the debt financing may differ from those described herein. Although the debt financing described herein is not subject to due diligence or a market out, such financing may not be considered assured. The obligation of the commitment parties to provide debt financing under the debt commitment letter is, as noted above, subject to a number of conditions.

As announced by GTECH to the market with an ad hoc press release, on August 20, 2014, the aforesaid 364-day committed bridge term loan credit facility of up to US\$10.7 billion has been fully syndicated.

Support Agreement and Voting Agreement

In connection with the Merger Agreement, on July 15, 2014, DeA Shareholders entered into a Support Agreement with IGT. Pursuant to the Support Agreement, the DeA Shareholders committed, *inter alia*, to (i) vote the shares held by them in favour of the Transaction in any shareholders meeting of GTECH called to resolve upon the same; (ii) vote the shares held by them against (a) any GTECH Competing Proposal as defined in the Merger Agreement, such term meaning any proposal or offer (other than a proposal or offer by IGT or any of its subsidiaries or the reorganization of GTECH Italian activities as referred to in the Merger Agreement) relating to, among others, any direct or indirect acquisition (whether by merger, consolidation, share exchange, business combination, recapitalization, liquidation, dissolution, equity investment, joint venture or otherwise) of more than twenty percent (20%) of the assets of GTECH and the GTECH Subsidiaries or the acquisition in any manner of more than twenty percent (20%) of the issued and outstanding GTECH Shares or any action which is a component of any GTECH Competing Proposal, and (b) any amendment of the GTECH charter (*regolamento del consiglio di amministrazione*) or GTECH by-laws or other proposal, which would in any manner impede, frustrate, prevent or nullify any provision of the Merger Agreement or any of the other transactions contemplated by the Merger Agreement or change in any manner the voting rights of the GTECH ordinary shares; and (iii) not to transfer the shares held by them until the completion of the Transaction. The DeA Shareholders obligations pursuant to the Support Agreement will terminate upon the earlier of (1) the effective date of the GTECH Merger, (2) the termination of

the Merger Agreement in accordance with its terms, and (3) any amendment to the Merger Agreement without the prior written consent of the DeA Shareholders that (x) increases the consideration for the IGT Merger or (y) modifies, in a manner material and adverse to the DeA Shareholders, the rights associated with the UKCo Special Voting Shares.

The *Support Agreement* has been published by the parties pursuant to Article 122 of the Italian Financial Act. The abstract of such agreement is available on CONSOB's website (www.consob.it) and on GTECH's website (www.gtech.com).

On July 15, 2014, the DeA Shareholders also entered into a *Voting Agreement* with IGT. Pursuant to the Voting Agreement, from and after the GTECH Merger Effective Time until the three-year anniversary of the IGT Merger Effective Time, the DeA Shareholders shall vote all of the UKCo Ordinary Shares then owned in favor of any proposal or action so as to effect and preserve the board and executive officer composition of UKCo in place immediately following the Mergers.

In addition, pursuant to the Voting Agreement, the DeA Shareholders are restricted from transferring any covered UKCo Ordinary Shares (i) to any affiliate prior to the three-year anniversary of the IGT Merger Effective Time, unless the affiliate agrees to be bound by the Voting Agreement, or (ii) to any other person prior to the two-month anniversary of the IGT Merger Effective Time.

The Voting Agreement will terminate upon the earlier of (1) the termination of the Merger Agreement in accordance with its terms, (2) any amendment to the Merger Agreement that (x) increases the merger consideration to be received by IGT shareholders or (y) modifies, in a manner adverse to DeA Shareholders, the rights associated with the Special Voting Shares, in the case of each of clauses (x) and (y), without the prior written consent of DeA Shareholders, and (3) three years after the IGT Merger Effective Time.

All determinations regarding any dispute between UKCo, IGT and the DeA Shareholders following the effective times of the Mergers will be made by a committee of independent directors of UKCo who are not directors, officers or employees of the DeA Shareholders.

Relationships between GTECH and IGT

As of the date of this Information Document, GTECH Group maintains no significant relationship with IGT Group.

For the sake of completeness, below is provided a brief description of the contracts between GTECH and IGT in force as of the date of this Information Document: (i) in August 2008, subsidiaries of IGT and GTECH entered into a Game Manufacturer Cashless License Agreement pursuant to which GTECH licenses certain intellectual property rights relating to cashless gaming functionality offered in some GTECH casino gaming machines; (ii) in October 2011, subsidiaries of GTECH and IGT entered into a Gaming Platform License Agreement pursuant to which GTECH is able to offer IGT interactive game content to GTECH gambling operator customers; (iii) in March 2012, subsidiaries of GTECH and IGT entered into an agreement allowing GTECH to use and distribute in Italy IGT game content on GTECH Video Lottery Terminals (VLTs) and to lease a limited quantity of IGT Video Lottery Terminals (VLTs) in the Italian VLT market; (iv) in October 2012, subsidiaries of GTECH and IGT entered into an agreement that allows GTECH to use IGT interactive game content in the Italian market; and (v) in July 2014,

subsidiaries of GTECH and IGT entered into an agreement that allows GTECH to use IGT interactive game content in the Norwegian market.

Management does not believe that any of the above contracts are material.

To the knowledge of GTECH, there are no significant relationship or agreement between its directors and/or officers, on one side, and IGT, on the other.

Fees and expenses relating to the Transaction

All costs and expenses incurred in connection with the Merger Agreement and the Mergers and the other transactions contemplated by the Merger Agreement generally are to be paid by the party incurring such costs and expenses, except that GTECH will be responsible for certain expenses associated with antitrust and gaming approvals and the NYSE listing application, provided that IGT must reimburse such expenses associated with antitrust and gaming approvals and the NYSE listing application if the Merger Agreement is terminated by GTECH because of an uncured breach of the Merger Agreement by IGT that gives rise to the failure of certain conditions to Closing. In addition, GTECH will be responsible for certain expenses incurred by IGT due to IGT's cooperation with respect to the financing of the transaction.

2.1.2.2 Values attributed to companies participating in the Transaction

The board of directors of GTECH determined the Exchange Ratio after first conducting a valuation of the companies taking part in the GTECH Merger, and considering the anticipated nature and size of UKCo on the GTECH Merger Effective Date.

Furthermore, with regard to the Transaction in the context of which the GTECH Merger is taking place, and, specifically, to the effects on UKCo that will be determined immediately after the completion of the GTECH Merger, the completion of the IGT Merger and the payment of the IGT Consideration to IGT shareholders, the board of directors also considered it appropriate to conduct a comparative valuation of the companies taking part in the Transaction, considering the specific characteristics of the Transaction itself and the theoretical effects that it could have on UKCo's economic value.

In conducting the valuations, the GTECH board of directors was assisted by financial advisor Credit Suisse Securities Europe Limited, which also issued a fairness opinion regarding the fairness from a financial viewpoint of the Exchange Ratio in connection with the Transaction. The fairness opinion issued by Credit Suisse on July 15, 2014, together with the bring-down letter issued on October 1, 2014, are attached as Annex 5.

(1) *Valuation approach and methodologies*

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The Exchange Ratio was determined after having conducted valuations of the companies taking part in the GTECH Merger, and having regard to the anticipated nature and size of UKCo on the GTECH Merger Effective Date. More specifically, as (a) this is a cross-border reverse merger of GTECH into a wholly-controlled company with a subscribed and paid-up share capital of £50,001, divided into: 1 ordinary share held by GTECH and 50,000 sterling non-voting shares, each with a nominal value of £1.00, and (b) UKCo will have no material economic value immediately before the

GTECH Merger Effective Date, there will be a substantial continuity in the values of GTECH into UKCo, without dilutive effects for GTECH shareholders.

Having said this, with reference to the GTECH Merger, for the purpose of the valuations of the companies taking part in the broader Transaction, the valuation methodologies of the economic capital of GTECH and IGT were chosen taking into account the specific characteristics of the sectors in which the companies operate, their activities, their status as listed companies and the objectives of the valuation itself, in accordance with the criteria commonly used in corporate finance, as well as by applying the methodologies normally adopted in transactions involving the integration of different economic entities.

In the specific context of company valuations for mergers or integrations, the main objective is to estimate the relative values of the companies economic capital, and these values should not therefore be assumed with reference to contexts other than that in which the Transaction is taking place. Generally, the principle underlying company valuations used to determine if exchange ratio is appropriate consists of homogenizing analysis and estimated criteria for the companies taking part. This involves selecting criteria and methods that follow the same valuation logic and that are most appropriate for the companies being valued, but which nevertheless take into account the differences between them, in order to propose comparable and consistent values that allow the appropriateness of the exchange ratio to be determined.

For the purpose of the analysis to determine the valuation of GTECH and IGT, the companies were considered on a stand-alone basis and as going concerns, thereby leaving aside any potential economic or financial impact that could be generated by the Transaction.

In the case in question, the methods used by the board of directors to value GTECH and IGT were the Discounted Cash Flow (**DCF**) and the trading multiples of comparable companies. Other valuation methods were also used purely for information purposes, such as market trading prices and an analysis of financial analysts target prices, as well as an analysis of the implied multiples paid in similar and comparable transactions.

In light of the above and having determined the stand-alone valuations of the companies, the board of directors verified that the Exchange Ratio was appropriate, based on the theoretical value of UKCo s economic capital and the relative value implicit in UKCo shares, upon completion of the Transaction, assuming the exchange ratio of one ordinary UKCo share for each ordinary GTECH share.

In calculating the theoretical value of UKCo s economic capital, and the relative implicit price per share, the specific characteristics of the Transaction and the theoretical effects that the Transaction could have on the economic value of the companies taking part therein, and particularly UKCo, were considered. These effects mainly relate to the impact resulting from the increase in financial debt for UKCo necessary to pay IGT shareholders the amount due in cash for IGT shares, as well as the potential economic, financial and tax benefits resulting from the integration of the companies with UKCo. In addition, certain effects were taken into consideration which, although not certain, could occur in relation to the Transaction, particularly the exercise of cash exit rights by GTECH shareholders (see Paragraph 2.1.2.5), the potential impact resulting from the increase in the cash component in the payment for ordinary IGT shares by UKCo compared with the component settled in UKCo shares owing to a possible adjustment due to the collar mechanism.

In order to value GTECH and IGT on a stand-alone basis and calculate the theoretical value of UKCo's economic capital and the related implicit price per share, ranges of values were determined for each valuation methodology, whose upper and lower extremes were labeled Low and High respectively.

For the sake of completeness of its analysis, the board of directors also considered, for the purposes of the GTECH Merger, the valuation of GTECH and UKCo on a stand-alone basis, without taking into account the theoretical effect of the Transaction on the economic value of UKCo.

(2) *Description of the valuation methodologies*

DCF methodology

The DCF methodology was adopted in order to calculate the operating cash flows that the companies could generate in the future, taking into account their specific characteristics in relation to profitability, growth, risk level, capital structure and expected investment level.

Based on this method, a company's economic capital is calculated as the sum of (a) the current value of unlevered operating cash flows expected over the life of a medium- to long-term explicit forecast plan, and in general, (b) the company's residual value at the end of the explicit forecast period of the cash flows (terminal value), net of (c) net financial debt, any value of interests held by third parties and making adjustments for any non-operating assets. The present value of cash flows is usually obtained through the weighted average cost of capital (WACC), calculated as the weighted average of cost of equity capital and the cost of debt capital, net of tax effect. The cost of equity is usually estimated using the Capital Asset Pricing Model (CAPM).

Comparable companies trading multiples analysis

The comparable companies trading multiples method assumes that a company's value may be determined using information provided by the market with reference to companies with similar characteristics. Specifically, according to the multiples method, a company's value may be calculated based on the valuation that the market assigns to comparable companies, expressed as a ratio between the Enterprise Value or market capitalization, and certain reference financial indicators (e.g. EBITDA or net profit).

To apply this method, the sample of comparable companies must be determined, as well as the multiples that are best adapted to the characteristics of the companies being analyzed, and the purpose of the analysis itself. Once the multiples for comparable companies have been calculated, and an appropriate range has been identified, this range must be used to calculate the value of the company in question by multiplying it by the relevant financial indicators.

A more accurate valuation of a company's economic capital is obtained if the companies included in the sample have similar characteristics to the company being analyzed, the type of multiple used reflects the specific nature of the sector and the objective of the analysis, and the multiples of the companies included in the sample are constructed and adjusted coherently and homogeneously.

Analysis of trading prices

Market price analysis enables a company's economic value to be identified with the value attributed to it by the stock market where the company's shares are traded.

This methodology consists of valuing the company's shares based on the market price on a certain date, or the average price of the shares registered in the stock market in which the shares are traded over a certain time period.

Specifically, the choice of the time period over which to calculate the average prices must be fairly balanced between the mitigation of any short-term volatility (for which a longer time horizon would be preferable) and the need to reflect the most recent market conditions and the current situation of the company being valued (for which only recent prices should be taken into consideration).

Furthermore, the chosen time period should only include prices that are not influenced by news on the potential transaction in the context of which the valuation is being conducted, or other information which could generate a distortive effect (prices defined as unaffected).

Analysis of analysts' target prices

The methodology consists of analyzing the target prices and recommendations contained in the research of analysts who cover the securities being valued. These prices must be adjusted to reflect solely the stand-alone valuation of the companies being analyzed and not also the effects of announced or potential extraordinary transactions.

Analysis of comparable transactions multiples

The comparable transactions multiples method follows the same logic as the comparable companies trading multiples method. The identification of the multiple to be applied to the relevant financial indicators of the company being valued is calculated as the ratio between the price paid or the implied Enterprise Value and the relevant reference financial indicator. Unlike market multiples, the reference financial indicator is based solely on the latest available historical data and not on future estimates.

In selecting the previous transactions, the analysis must take into consideration, among other things, the industrial and commercial sectors in which the companies are active, the characteristics of the acquiring company, the shareholding to be acquired, payment methods and price adjustment mechanisms, as well as the competitive nature of the acquisition process.

2.1.2.3 Valuation criteria and methodologies applied for the exchange ratio determination

The GTECH Merger will be conducted through the cross-border merger of GTECH into UKCo with the issue to GTECH shareholders of UKCo shares, based on the Exchange Ratio established.

As part, and in continuity, of the Transaction, and immediately following the GTECH Merger, the IGT Merger will be completed, through the merger of GTECH US (a company wholly-owned by UKCo) into IGT, at the same time as the issue of UKCo shares to IGT shareholders for the

component of the purchase price for their shares not settled in cash.

Given that, based on the Exchange Ratio, GTECH shareholders will receive one ordinary UKCo share for each ordinary share of GTECH held, the GTECH board of directors conducted the valuations of GTECH and IGT within the context of the overall Transaction in order to calculate the potential theoretical value of UKCo's economic capital and the relative implicit value per share, so as to be able to determine if the proposed exchange ratio is appropriate. In determining the value of UKCo's economic capital and the relative implicit value per share, the effect of the specific characteristics of the

Transaction and the effects that the Transaction could have on the economic value of the companies taking part therein, and of UKCo in particular, were also taken into consideration.

(1) *Application of the selected methodologies*

DCF

The DCF analysis for GTECH and IGT was conducted in order to determine the fundamental valuation of the two companies, calculating the present value of operating cash flows that the Companies could generate in the future.

The methodology was applied to the GTECH and IGT business plans, as prepared by GTECH's management. These business plans provide an explicit forecast period for operating cash flow for the years from 2014 to 2018; a terminal value was also estimated for both Companies after the years covered by the explicit forecasts of the respective business plan, based on expected normalized cash flow.

The WACC range for the valuation of GTECH and IGT was constructed as the central value resulting from the application of the CAPM. To determine the economic capital, the Enterprise Value was adjusted for the Companies' latest net financial debt, along with other adjustments (*i.e.* minority interests and non-operating items). In the case of GTECH, the Enterprise Value was adjusted to take into account the estimated cost to renew the *Gratta e Vinci* (*Scratch & Win*) concession to be sustained beyond the explicit forecast horizon of the operating cash flows.

Application of market multiples

The market multiples method is based on the application of amounts obtained through the analysis of comparable companies (multiples) to certain financial parameters of the companies being valued.

Two different samples were used for GTECH and IGT, which better reflected the specific characteristics of the companies and the sectors in which they operate, specifically:

- for GTECH, the sample includes selected operators in the lottery business (Intralot, Opap, Tatts Group, Tabcorp, Scientific Games) and the sale of gaming machines (Aristocrat, Bally, Multimedia Games, IGT);

- for IGT, the sample includes Aristocrat, Bally, Multimedia Games and Scientific Games. The sample used for IGT only includes selected operators mainly active in the gaming machines sector, as they are more representative of IGT's business model.

As the main but not exclusive methodology, the EV/EBITDA and EV/(EBITDA net of fixed investment) were used as a multiplier of the companies in the sample, having as reference the financial estimates relating to the year 2015.

The range of values was determined taking into account a sensitivity analysis based also on the average multiplier of the companies in the sample.

The data for the calculation of the multipliers of the companies in the sample were taken from financial analysts consensus forecasts, financial statements and company data.

Other methodologies

In addition to the main methodologies, other methods used for purely information purposes are also shown below.

Analysis of trading prices: the application of this method led to the definition of a range based, for GTECH, on the minimum and maximum value of the share price over a time period of 12 months up to June 13, 2014 (the last trading day before GTECH issued a press release announcing that it was engaged in preliminary, exploratory discussions as part of a process regarding a potential transaction with IGT). For IGT, the share price was determined based on the minimum and maximum values up to June 6, 2014; it was considered that after June 6, 2014, the share price was affected by rumors and press releases relating to a potential strategic operation regarding IGT.

Analysis of financial analysts' consensus forecasts: the recommendations and target prices of analysts who publish research on GTECH and IGT were examined.

Analysis of implied multiples paid in comparable companies transactions: an analysis was conducted using this methodology, but the results were considered to be of little significance given the low number of comparable transactions and their nature.

(2) *Exchange Ratio established*

The GTECH board of directors decided to propose an exchange ratio of one ordinary UKCo share for every ordinary GTECH share.

In order to assess whether the Exchange Ratio was appropriate within the context of the Transaction, the board of directors also compared the value of GTECH shares with the theoretical value of UKCo shares resulting from the Transaction, taking into account all the potential effects generated by and resulting from the integration of GTECH, IGT and UKCo.

For the valuation of UKCo's Enterprise Value resulting from the Transaction, the DCF was used as the reference methodology, supported and verified by the results of the comparable companies' trading multiples methodology.

With regard to the valuation of UKCo's Enterprise Value based on DCF, the Low and High cases were constructed by adding together the Enterprise Value of GTECH and IGT on the basis of the DCF in the Low and High cases respectively. The DCFs of GTECH and IGT in the Low and High cases assume different valuation hypotheses as regards the WACC and the long-term growth rate g . To determine UKCo's Enterprise Value, the potential economic, financial and tax benefits that could be generated in the future by the integration of GTECH, IGT and UKCo, net of the costs to be sustained to carry out this integration, were also taken into consideration.

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Starting from UKCo's Enterprise Value, the theoretical value of UKCo's economic capital resulting from the Transaction was then defined, by subtracting the following items: (a) net financial debt and other items (*i.e.* minority interests and non-operating items) of GTECH and IGT; (b) the amount of the purchase price for IGT shares paid in cash; (c) the Transaction costs. Sensitivity analyses were conducted for prudential reasons. In particular, in conducting these analyses, the impact that could result from the potential exercise of cash exit rights by GTECH shareholders (see Paragraph 2.1.2.5)

and any other potential financial costs relating to the potential impact of the collar on the form of payment of the amount due to IGT shareholders were considered.

As regards cash exit rights, a maximum limit of 20% of the total number of GTECH shares outstanding was assumed, taking into account the provisions of the Merger Agreement.

The theoretical value of UKCo's economic capital was finally used to calculate the implicit theoretical price of UKCo shares resulting from the Transaction and the related integration of UKCo with GTECH and IGT. UKCo shares post-Transaction were calculated:

(i) by adding together (a) the number of UKCo shares issued by UKCo on the basis of the assumed Exchange Ratio, and (b) the number of UKCo shares being issued to IGT shareholders for the portion of the IGT Consideration not settled in cash; and

(ii) by subtracting from this sum any shares bought back to satisfy GTECH shareholders who exercised cash exit rights (assuming that all shares are purchased by GTECH, not by other shareholders or third parties).

The same analytical procedure was adopted in the valuation of UKCo's Enterprise Value with the support methodology, that is using market multiples to determine the Enterprise Values of GTECH and IGT.

In particular, market multiples were analyzed using EV/EBITDA and EV/(EBITDA net of fixed investment) multiples, taking as a reference the financial indicators expected in the year 2015 and conducting sensitivity analyses on the level of the potential exercise of cash exit rights by GTECH shareholders (*i.e.* up to 20% of the GTECH issued share capital) and assuming different impacts resulting from the collar mechanism. It should be noted that in determining the theoretical value of UKCo's economic capital and the theoretical implicit price of UKCo shares, the valuation of potential economic, financial and tax benefits which could be generated in the future by the integration of GTECH, IGT and UKCo, net of the integration costs to be incurred to conduct this integration, was made using the DCF methodology.

For the sake of completeness of its analysis, the board of directors also subsequently considered, for the purposes of the GTECH Merger, the valuation of GTECH and UKCo without taking into account the theoretical effect of the Transaction on the economic value of UKCo.

The tables below set out:

(i) the relative contribution of GTECH and UKCo based on the main valuation methodologies and assuming that both GTECH and UKCo are valued as stand-alone entities

- (ii) the Net Asset Value for both GTECH and UKCo.

| Primary valuation methodologies | GTECH | | UKCo | | GTECH | | UKCo | |
|---------------------------------|--------------------|------|--------------------|------|-----------------------|--------|-----------------------|------|
| | Equity Value (bn) | | Equity Value (bn) | | relative contribution | | relative contribution | |
| | Low | High | Low | High | Low | High | Low | High |
| DCF | 3.4 | 4.6 | 0.0 | 0.0 | 100.0% | 100.0% | 0.0% | 0.0% |
| EV /EBITDA | 2.9 | 4.0 | 0.0 | 0.0 | 100.0% | 100.0% | 0.0% | 0.0% |
| EV / (EBITDA - Capex) | 3.0 | 4.6 | 0.0 | 0.0 | 100.0% | 100.0% | 0.0% | 0.0% |

Assuming UKCo valuation of £50,001 and converted in based on £/ exchange rate of 0.7948

| | GTECH | UKCo |
|-----------------------|-------|------|
| Net asset value (bn) | 2.2 | 0.0 |

Assuming UKCo valuation of £50,001 (converted in at £/ exchange rate of 0.7948) on the basis of 50,001 shares and a value of £1 per share

The overall valuation analyses on GTECH, IGT and UKCo carried out by the board of directors of GTECH have reassured the board of directors with regard to the appropriateness of the Exchange Ratio of one ordinary UKCo share for each ordinary GTECH share in the context of the Transaction.

(3) *Difficulties and limits encountered in the valuation analysis*

Pursuant to Article 2501-*quinquies* of the Civil Code, the GTECH board of directors did not encounter difficulties in the valuation conducted for the purpose of determining the Exchange Ratio.

In the context of the valuations conducted in respect of the Transaction and on the companies taking part therein, in order to conduct the valuation analysis described in the paragraphs above, the following were taken into consideration: (a) the particular characteristics of the companies taking part in the Transaction, and (b) the typical critical issues that result from the application of the valuation methods adopted.

In particular:

- (i) certain valuation methodologies, including the DCF and comparable companies trading multiples, were applied using economic and financial estimates relating to future years that were prepared by the management of the companies. These estimates largely depend on macroeconomic assumptions, the outlook and the regulatory and concessionary framework in which GTECH and IGT operate, and are therefore by their very nature subject to a degree of risk and uncertainty;

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(ii) the analyses conducted assume that the current regulatory framework in which GTECH and IGT operate presents business continuity requirements with respect to the past, and will not be changed as a consequence of the Transaction;

(iii) the market multiples analysis is based on a sample of companies operating in the gaming sector. The GTECH board of directors believes that this sample represents the best possible reference benchmark in terms of comparison. However, each company considered has a specific nature, and none of the companies in the sample can be considered fully comparable to the companies being valued. The same considerations also apply to the analysis of comparable transactions where, in addition to the specific features of the companies, the distinctive characteristics of each transaction must be considered;

(iv) the analysis of market prices presents intrinsic problems relating both to the underlying assumption that the market is sufficiently liquid and efficient, and to price volatility. Furthermore, the prices of the companies being analyzed could also be influenced by events unrelated to the companies themselves;

(v) the analysis of the theoretical value of UKCo's economic capital and the theoretical implicit price of UKCo shares also takes into account the potential economic, financial and tax benefits that could be generated in the future by the integration of GTECH, IGT and UKCo, net of the integration costs to be incurred to conduct this integration; the size and timing of this integration, and the way GTECH management expects it to take place, are subject to integration risks typical of operations of this nature;

(vi) the Transaction is marked by uncertainties beyond the external macroeconomic environment or future estimates, but which may have a significant economic and financial impact, for example the impact of the cash exit rights;

(vii) the above does not take into account any events subsequent to the analyses reference date.

2.1.2.4 Expert report Exchange Ratio

Grant Thornton UK LLP was appointed as independent expert appointed in the United Kingdom upon joint request of GTECH and UKCo to the High Court of England and Wales pursuant to Regulation 9 of the UK Regulation and Article 9 of the Decree 108/08, for the purpose of issuing the Exchange Ratio Report (as defined below).

On October 2, 2014, Grant Thornton UK LLP issued its written report to the GTECH board of directors with respect to the reasonableness and non-arbitrariness of the valuation methods adopted by the GTECH board of directors in determining the Exchange Ratio (the **Exchange Ratio Report**).

The Exchange Ratio Report is attached as Annex 4 to this Information Document and is also available at the registered office and on the website of GTECH (www.gtech.com).

2.1.2.5 Allocation of UKCo shares and date of entitlement

Following the completion of the GTECH Merger, all GTECH shares currently outstanding, including any possible treasury shares held by GTECH, will be cancelled in accordance with applicable law provisions. Upon such cancellation, UKCo, at the GTECH Merger Effective Date and on the basis of the Exchange Ratio, will allot and issue one UKCo Ordinary Share (with a nominal value of US\$0.10 each) for each outstanding GTECH ordinary share (with a nominal value of 1.00 each), save for any possible treasury shares held by GTECH, which therefore shall be cancelled without exchange.

At the GTECH Merger Effective Date, (i) the Subscriber Share will be acquired for nil consideration and cancelled by UKCo immediately prior to the issuance of ordinary shares and Special Voting Shares pursuant to the GTECH Merger, and (ii) the 50,000 sterling non-voting shares will continue to be held by the Sterling Shareholder. For further information on the Special Voting Shares, please refer to Paragraph 2.1.1.1. above.

The UKCo Ordinary Shares being allotted and issued in connection with the Transaction will be admitted to listing on the NYSE, subject to the completion of the Transaction, and will be allotted and

issued in dematerialized form and delivered to the shareholders of GTECH and IGT through the centralized clearing system with effect from the GTECH Merger Effective Date and the IGT Merger Effective Date.

Additional information on the conditions and procedure for the allotment of UKCo Ordinary Shares shall be announced to the market by way of a notice published on the GTECH website (www.gtech.com), and on the newspaper *Il Sole 24Ore*. GTECH shareholders will not incur any out-of-pocket costs in relation to the GTECH Merger.

Both the UKCo Ordinary Shares issued and allotted for the purposes of the Exchange Ratio, and the UKCo Ordinary Shares issued and allotted to IGT shareholders as payment of (the non-cash component of) the IGT Consideration will carry the entitlement to participate in any profits that may be distributed by UKCo from 1 January of the fiscal year of the GTECH Merger Effective Date. It is expected that such shares will be entitled to profits as from 1 January 2015.

GTECH shareholders who do not vote in favour of the approval of the GTECH Merger Terms will be entitled to exercise their cash exit rights (*diritto di recesso*) pursuant to:

- (i) Article 2437, paragraph 1, letter (a) of the Italian Civil Code, as a consequence of UKCo's nature as a holding company;
- (ii) Article 2437, paragraph 1, letter (c) of the Italian Civil Code, given that GTECH's registered seat is to be transferred outside Italy;
- (iii) Article 2437-*quinquies* of the Italian Civil Code, given that GTECH's shares will be delisted from a regulated market; and
- (iv) Article 5 of Decree 108/08, given that UKCo is subject to the laws of a country other than Italy (*i.e.* the law of England and Wales).

Given that the circumstances referred to above will only occur upon the completion of the GTECH Merger, cash exit rights exercised by GTECH shareholders will be subject to the condition precedent of the High Court of England and Wales making its order approving the completion of the GTECH Merger and fixing the GTECH Merger Effective Date, and such order not having been cancelled or withdrawn.

In accordance with Article 2437-ter of the Italian Civil Code, the cash exit price payable to shareholders validly exercising cash exit rights is equivalent to the arithmetic average of the closing price of GTECH ordinary shares (as calculated by Borsa Italiana S.p.A.) in the six-month period prior to the date of publication of the notice of the GTECH extraordinary shareholders' meeting called to approve the GTECH Merger Terms. The call notice for the extraordinary shareholders' meeting has been published on October 4, 2014, and the extraordinary shareholders' meeting will be held on single call on November 4, 2014. The liquidation value per each GTECH share to be paid to shareholders validly exercising the right of withdrawal, determined as provided by the law, is equal to 19.174.

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In accordance with Article 2437-bis of the Italian Civil Code, the shareholders entitled to cash exit rights may exercise their cash exit rights, in relation to some or all of their shares, by sending a notice via registered mail with confirmation of receipt to the registered office of GTECH no later than fifteen days following registration with the Companies Register of Rome of the minutes of the GTECH extraordinary shareholders meeting which approves the GTECH Merger Terms. Notice of

the registration of the resolution will be published in the newspaper *Il Sole 24Ore* and on the website of GTECH (www.gtech.com). In particular, shareholders exercising their cash exit rights must deliver the specific communication to be issued by an authorized intermediary attesting the continuous ownership of the shares for which the shareholder has exercised his/her cash exit rights since prior to the relevant shareholders' meeting, the resolution of which triggers the cash exit rights, through the date of the notice. Further details regarding the exercise of cash exit right will be provided to GTECH shareholders in accordance with applicable laws and regulations.

Once the fifteen-day exercise period following the registration of the merger resolution has expired and before the GTECH Merger becomes effective, the shares with respect to which cash exit rights have been exercised will be offered by GTECH to its existing shareholders and subsequently, if any of such shares remained unsold, on the market for at least one trading day. In the event that, following the offer to shareholders and the offer on the market, any shares remain unsold, such shares will be eventually acquired by GTECH.

The aforesaid offer and sale procedure will be conditional upon the High Court of England and Wales making its order approving the completion of the GTECH Merger and fixing the GTECH Merger Effective Date, and such order not having been cancelled or withdrawn. Therefore, the transfer to the relevant purchasers of GTECH shares for which cash exit rights have been exercised, as well as the payment to shareholders who exercised cash exit rights, through the relevant depositaries, of the cash exit price, will take place only once the aforesaid condition precedent is fulfilled.

Since the exercise of cash exit rights by GTECH shareholders is subject to the aforesaid condition precedent, in the event that such condition is not satisfied the GTECH Merger will not be completed and the shares will continue to be held by the shareholders who exercised said rights; no payment will be made to such shareholders and GTECH shares will not be delisted from the MTA. Moreover, in the event that one or more of the conditions precedent to the Transaction will not be satisfied or waived, if permitted (in which case the GTECH Merger will not be completed), the offer and subsequent settlement of the shares of shareholders exercising cash exit rights will not take place or become effective.

2.1.2.6 *Effectiveness of the Transaction for accounting and tax purposes*

In accordance with Articles 4 and 15, para. 3, of the Decree 108/08 and the UK Regulation and subject to the execution of the pre-merger formalities of the GTECH Merger and the satisfaction or waiver, if permitted, of the conditions precedent set forth in the Merger Agreement, the GTECH Merger will become effective from the date which will be fixed by the High Court of England and Wales, with its order as competent English authority.

At the GTECH Merger Effective Date, GTECH will cease to exist and UKCo will assume any and all assets and liabilities, rights, obligations and other legal relationships of GTECH (as resulting following the Italian Reorganisation), save for any shares held by GTECH in UKCo, which will be cancelled as of the GTECH Merger Effective Date.

The financial information in relation to the assets, liabilities and other legal obligations of GTECH will be reflected in the accounts and other financial reports of UKCo as of the GTECH Merger Effective Date, that is the date of issuance of the shares for the purpose of the GTECH Merger, and, accordingly,

the accounting effects of the GTECH Merger will be recognized in UKCo's accounts from such date.

It is expected that UKCo will prepare its consolidated financial statements in accordance with the International Financial Reporting Standards (hereinafter **IFRS**), which meet the requirements applicable for a Foreign Private Issuer (FPI) with shares listed on the NYSE. UKCo's consolidated IFRS financial statements will be prepared under the predecessor-value method, *i.e.* using GTECH predecessor book values. In fact, the first consolidated financial statements of UKCo will present comparative information derived from GTECH's consolidated financial statements, although UKCo had not yet been constituted during that period, and include GTECH predecessor book values for the current period, except for the composition of the shareholders' equity, which will reflect the legal set up of the Transaction. It should be noted that should UKCo decide to adopt US GAAP in the future for the preparation of consolidated financial statements, the accounting treatment of GTECH Merger discussed above would not change.

In addition, UKCo will have to prepare financial statements in order to meet the UK requirements. In accordance with UK company law, UKCo would have the option to apply (i) IFRS as adopted by the European Union (hereinafter **EU-IFRS**) or (ii) UK GAAP in the preparation of its first statutory separate financial statements for the period ending 31 December 2015. Regardless of which of the applicable accounting frameworks are adopted, UKCo will have to prepare separate financial statements, in which assets, liabilities and other legal relations of GTECH will be recognized at the date of issue of the relevant shares in the GTECH Merger, under the predecessor-value method. In addition, UKCo may not be obliged to prepare consolidated financial statements for UK legal purposes if it meets the exemption requirements; however should UKCo prepare consolidated EU-IFRS financial statements, the accounting treatment of the GTECH Merger discussed above would not change.

Pursuant to the Nevada Revised Statutes (**NRS**) and subject to the execution of the pre-merger formalities of the IGT Merger and the satisfaction or waiver, if permitted, of the conditions precedent set forth in the Merger Agreement, the IGT Merger will become effective from the date of filing with the Secretary of State of the State of Nevada of the articles of merger (the **Articles of Merger**), in accordance with the NRS (the **IGT Merger Effective Date**). Pursuant to the Merger Agreement, the IGT Merger will be effective immediately after the GTECH Merger, or at such later date permitted under the NRS as is agreed in writing between the parties and specified in the Articles of Merger. At the IGT Merger Effective Date, Georgia US will be merged by in corporation into IGT and IGT will become a wholly owned subsidiary of UKCo.

Pursuant to the Merger Agreement, the Mergers will be completed within the third business day following the satisfaction or waiver of all the conditions precedent to the Mergers, or on such other date agreed in writing by GTECH and IGT.

It is expected that the GTECH Merger Effective Date and the Merger IGT Effective will fall during the first six months of 2015.

2.1.2.7 *Accounting treatment applicable to the Transaction*

GTECH prepares its consolidated financial statements in accordance with EU-IFRS, while IGT prepares its consolidated financial statements under US GAAP.

On completion of the Transaction, UKCo will prepare (i) consolidated financial statements in accordance with IFRS given that its ordinary shares will be listed on the NYSE, and (ii) separate financial statements in accordance with EU-IFRS, given that, as previously indicated, UKCo will have its registered office in the UK. As discussed above, if UKCo does not meet the exemption requirements it will also be obliged to prepare consolidated financial statements for UK regulation purposes.

In accordance with IFRS and EU-IFRS, and in particular, with IFRS 3 *Business Combinations*, GTECH Merger qualifies as a *reverse merger* and, as previously indicated, will be accounted for using the predecessor-values method. Therefore, the first consolidated financial statements of UKCo will present comparative information derived from GTECH's consolidated financial statements, although UKCo had not yet been constituted during that period, and include GTECH predecessor book values for the current period, except for the composition of shareholders equity, which will reflect the legal set up of the Transaction. In the UKCo's separate financial statements prepared to meet the UK requirements, assets, liabilities and other legal relations of GTECH will be recognized at the date of issue of the relevant shares in the GTECH Merger, using GTECH predecessor book values.

In accordance with IFRS and EU-IFRS, and in particular, with IFRS 3 *Business Combinations*, IGT Merger qualifies as the acquisition of IGT by UKCo. In particular, on the date at which control over IGT is acquired, the identifiable assets acquired and liabilities assumed will be recognized in UKCo's consolidated financial statements at fair value. The difference between the acquisition consideration and the net fair value at the acquisition date of the identifiable assets acquired and liabilities assumed, net of any non-controlling interest in the IGT group, if positive shall be recognized as goodwill, or if negative will be recognized in the consolidated income statement. The acquisition consideration is defined as the sum of the acquisition date fair values of the assets transferred, the liabilities incurred by UKCo to former owners of IGT and any equity instruments issued. All the IGT acquisition related costs will be recognized in the income statement as incurred, with the exception of costs related to the capital increase, which will be recognized as a decrease in equity, net of the tax effect. The shares that will be issued by UKCo as part of the IGT acquisition will be recognized at fair value on the acquisition date.

2.1.2.8 *Material tax consequences of the Transaction*

Material Italian tax consequences

This Paragraph describes the material Italian tax consequences of the GTECH Merger and IGT Merger and of the ownership and transfer of UKCo Ordinary Shares. The following description does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to own or dispose of the shares (such as Italian inheritance and gift tax considerations, and transfer tax considerations) and, in particular does not discuss the treatment of shares that are held in connection with a permanent establishment or a fixed base through which a non-Italian resident shareholder carries on business or performs personal services in Italy.

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For the purposes of this discussion, an **Italian Shareholder** is a beneficial owner of GTECH ordinary shares, IGT shares or UKCo Ordinary Shares that is:

- an Italian-resident individual, or
- an Italian-resident corporation.

This Paragraph does not apply to shareholders subject to special rules, including:

- non-profit organizations, foundations and associations that are not subject to tax,
- Italian commercial partnerships and assimilated entities (*società in nome collettivo, in accomandita semplice*),
- Italian noncommercial partnerships (*società semplice*),
- Individuals holding the shares in connection with the exercise of a business activity, and
- Italian real estate investment funds (fondi comuni di investimento immobiliare) and Italian real estate SICAF, (società di investimento a capitale fisso).

In addition, where specified, this Paragraph also applies to Italian pension funds, Italian investment funds (fondi comuni di investimento mobiliare) and Società di Investimento Collettivo A Capitale Variabile (SICAVs).

For the purposes of this Paragraph, a **Non-Italian Shareholder** means a beneficial owner of GTECH ordinary shares, IGT shares or UKCo Ordinary Shares that is not an Italian Shareholder nor a permanent establishment or a fixed base through which a non-Italian resident shareholder carries on business or performs personal services in Italy nor a partnership.

This Paragraph is limited to Italian Shareholders and Non-Italian Shareholders that hold their shares directly and whose shares represent, and have represented in any 12-month period preceding each disposal: (i) a percentage of voting rights in the ordinary shareholders meeting not greater than two percent for listed shares or (ii) a participation in the share capital not greater than five percent for listed shares.

This Paragraph is based upon tax laws and applicable tax treaties and what is understood to be the current practice in Italy in effect on the date of this Information Document (*Documento Informativo*) which may be subject to changes in the future, even on a retroactive basis. Italian

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Shareholders and Non-Italian Shareholders should consult their own advisors as to the Italian tax consequences of the ownership and disposal of UKCo Ordinary Shares in their particular circumstances.

Italian Reorganization

Contribution of the Italian Business to GTECH Italian OpCo

Prior to the GTECH Merger, GTECH will transfer all of the assets and liabilities related to its Italian business, including the Lotto concession and shareholdings, to a newly-formed Italian subsidiary (**GTECH Italian OpCo**) in exchange for shares of GTECH Italian OpCo. As it is expected that the contributed assets and assumed liabilities represent a branch of business , under Article 176 of the CTA their tax basis will be rolled over to the shares in GTECH Italian OpCo and the contribution will not trigger Italian corporate income taxes.

Transfer of the Italian subsidiaries, including GTECH Italian OpCo, to GTECH Italian HoldCo

Prior to the GTECH Merger, GTECH will transfer at fair market value the stock of almost all of its Italian subsidiaries (including GTECH Italian OpCo) to a new Italian subsidiary (**GTECH Italian**

HoldCo), in exchange for GTECH Italian HoldCo shares and an intercompany receivable. Such transfer will trigger the realization of capital gains for Italian tax purposes on the stock of the Italian subsidiaries (including GTECH Italian OpCo). It is expected that such gains will benefit from the participation exemption regime under the combined rules as per Article 87 and 175 of the CTA. The transfer of the stock of the Italian Subsidiaries (including GTECH Italian OpCo) will be exempt from the Italian Financial Transaction Tax.

The GTECH Merger

Tax consequences to GTECH

The GTECH Merger should be qualified as a cross-border merger transaction within the meaning of Article 178 of the CTA, implementing the Directive 90/434/EEC of 23 July 1990 (codified in the Directive 2009/133/CE).

UKCo intends to set up its business and organizational structure in such a manner that it will not maintain a permanent establishment in Italy after the Mergers.

As a consequence, Italian tax laws provide that such a cross-border merger will in principle result in the realization of capital gains or losses on all GTECH assets and liabilities held at GTECH Merger effective date, including the shares in GTECH Italian HoldCo (giving rise to an **Italian Exit Tax**).

Under Italian law (Article 166 (2-quater) of the CTA), companies which cease to be Italian resident and become tax-resident in another EU Member State may apply to suspend or pay in installments any Italian Exit Tax under the principles of the Court of Justice of the European Union case C-371/10, National Grid Indus BV. Italian rules implementing Article 166 (2-quater), as amended in July 2014, excluded cross-border merger transactions from the suspension, or payment in installments of the Italian Exit Tax. As a result, the GTECH Merger will in principle result in the immediate charge of an Italian Exit Tax in relation to GTECH assets.

However, since latent capital gains on the stock of almost all of the Italian subsidiaries (including GTECH Italian OpCo) will have already been taxed in connection with the above described Italian Reorganization (meaning the contribution of the Italian business to GTECH Italian OpCo and the Transfer of almost all of the Italian subsidiaries, including GTECH Italian OpCo, to Italian HoldCo) no material Italian Exit Tax is expected.

GTECH's net equity does not include any tax-deferred reserves. GTECH does not have any carried-forward losses, on a stand-alone basis or within the Fiscal Unit with De Agostini S.p.A. Therefore, the GTECH Merger will not trigger the negative effects provided for by Article 180 and Article 181 of the CTA.

A fixed registration tax of Euro 200 is due in Italy in respect of the GTECH Merger.

Tax consequences of GTECH Merger on the Italian fiscal unit

GTECH and some of its Italian subsidiaries are currently included in a Fiscal Unit with De Agostini S.p.A. Pursuant to Articles 117, 120 and 124 of the CTA, the GTECH Merger might trigger the interruption of the Fiscal Unit between De Agostini and such Italian subsidiaries, depending on the residual De Agostini S.p.A.'s interest in these subsidiaries after the GTECH Merger. It is expected that any such interruption will not materially adversely affect GTECH and that, should such interruption occur, GTECH Italian HoldCo may form a new fiscal unit with the GTECH Italian subsidiaries.

Italian Shareholders

Currently, GTECH is resident in Italy for tax purposes.

For the purposes of the Italy-U.K. tax treaty, UKCo is expected to be resident in the United Kingdom from its incorporation. According to Italian tax laws, the GTECH Merger will not trigger any taxable event for Italian income tax purposes for GTECH Italian Shareholders. UKCo Ordinary Shares received by such GTECH Italian Shareholders at the effective time of the GTECH Merger would be deemed to have the same aggregate tax basis as the GTECH common shares held by the said Italian Shareholders prior to the GTECH Merger.

GTECH Italian Shareholders that exercise their cash exit rights will be entitled to receive an amount of cash per share of GTECH ordinary shares under Article 2437-ter of the Italian Civil Code (**Cash Exit Price**).

Italian Shareholders that receive the Cash Exit Price as a consideration for their GTECH ordinary shares being sold to other GTECH shareholders or to the market will recognize a capital gain or loss equal to the difference between the amount received and their tax basis in their GTECH ordinary shares (see *Ownership of UKCo Ordinary Shares Italian Shareholders Taxation of Capital Gains Italian resident individual shareholders* for further discussion).

Italian resident individual shareholders of GTECH that have their GTECH ordinary shares redeemed and cancelled pursuant to their rescission rights will be subject to a 26% final withholding tax on any profits derived from such redemption, which profits will be deemed equal to the difference between the Cash Exit Price and their tax basis in their GTECH ordinary shares (see *Ownership of UKCo Ordinary Shares Italian Shareholders Taxation of dividends Italian resident individual shareholders* for further discussion). Any losses are not deductible (unless an election is made for the so called Regime del Risparmio Gestito, discussed further below).

Italian resident corporate shareholders of GTECH that have their GTECH ordinary shares redeemed and cancelled pursuant to their rescission rights will recognize gain or loss equal to the difference between the Cash Exit Price (or portion thereof) which is paid out of share capital and capital reserves and their tax basis in GTECH ordinary shares (see *Ownership of UKCo Ordinary Shares Italian Shareholders Taxation of Capital Gains Italian resident corporations* for further discussion), while the portion of the rescission price (if any) which is paid out of annual profit and/or profit reserves will be treated as a dividend distribution (see *Ownership of UKCo Ordinary Shares Italian Shareholders Taxation of Capital Gains Italian resident corporations* for further discussion).

Italian Shareholders should consult their tax advisor in connection with any exercise of rescission rights in their particular circumstances.

Non-Italian Shareholders

According to Italian tax laws, the GTECH Merger will not trigger any taxable event for Italian income tax purposes for GTECH Non-Italian Shareholders.

Non-Italian Shareholders that receive the Cash Exit Price as a consideration for their GTECH ordinary shares being sold to other GTECH shareholders or to the market will not be subject to taxation in Italy.

Non-Italian Shareholders that have their GTECH ordinary shares redeemed and cancelled pursuant to their rescission rights should be subject to a 26% final withholding tax on any profits derived from such redemption, which profits will be deemed equal to the difference between the cash exit price and their tax basis in their GTECH ordinary shares. A more favorable regime might be provided for by the applicable international tax treaties.

The IGT Merger

Italian Shareholders

According to Italian tax laws, the IGT Merger should be regarded as taxable event for Italian income tax purposes for Italian Shareholders of IGT.

Non-Italian Shareholders

According to Italian tax laws, the IGT Merger will not trigger any taxable event for Italian income tax purposes for Non-Italian Shareholders of IGT.

Ownership of UKCo Ordinary Shares

Italian Shareholders

Taxation of Dividends

The tax treatment applicable to dividend distributions depends upon the nature of the dividend recipient, as summarized below.

Italian resident individual shareholders.

Dividends paid by a non-Italian-resident company, such as UKCo, to Italian resident individual shareholders are subject to a 26% tax. Such tax (i) may be applied by the taxpayer in its tax assessment or (ii) if an Italian withholding agent intervenes in the collection of the dividends, may be withheld by such withholding agent.

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In the event that a taxpayer elects to be taxed under the *Regime del Risparmio Gestito* (discussed below in the paragraph entitled *Taxation of Capital Gains - Italian resident individual shareholders*), dividends are not subject to the 26% tax, but are subject to taxation under such *Regime del Risparmio Gestito*.

Pursuant to Law Decree No. 167 of 28 June 1990, as amended, Italian resident individual shareholders who hold (or are beneficial owners of) foreign financial activities not being deposited or otherwise held or traded through Italian resident financial intermediaries, must in certain circumstances, disclose the aforesaid to the Italian tax authorities in their income tax return.

Italian resident corporations.

Subject to the paragraph below, Italian Shareholders subject to Italian corporate income tax (**IRES**) should benefit from a 95% exemption on dividends if certain conditions are met. The remaining five percent of dividends are treated as part of the taxable business income of such Italian resident corporations, subject to tax in Italy under the IRES.

Dividends, however, are fully subject to tax in the following circumstances: (i) dividends paid to taxpayers using IAS/IFRS in relation to shares accounted for as *held for trading* on the balance sheet of their statutory accounts; (ii) dividends which are considered as *deriving from profits accumulated*

by companies or entities resident for tax purposes in States or Territories with a preferential tax system; or (iii) dividends paid in relation to shares acquired through repurchase transactions, stock lending and similar transactions, unless the beneficial owner of such dividends would have benefited from the 95% exemption described in the above paragraph. In the case of (ii), 100% of the dividends is subject to taxation, unless a special ruling request is filed with the Italian tax authorities in order to prove that the shareholding has not been used to enable taxable income to build up in the said States or Territories.

For certain companies operating in the financial field and subject to certain conditions, dividends are also included in the tax base for the regional tax on productive activities (*Imposta regionale sulle attività produttive* **IRAP**).

Italian pension funds.

Dividends paid to Italian pension funds (subject to the regime provided for by article 17 of Italian legislative decree No. 252 of 5 December 2005) are not subject to any withholding tax, but must be included in the result of the relevant portfolio accrued at the end of the tax period, subject to substitute tax at the rate of 11.5% for fiscal year 2014. For the following tax periods the substitute tax referred to above will apply at the rate of 11%.

Italian investment funds (fondi comuni di investimento mobiliare) and SICAVs.

Dividends paid to Italian investment funds and SICAVs are not subject to any withholding tax nor to any taxation at the level of the fund or SICAV. A withholding tax may apply in certain circumstances at the rate of up to 26% on distributions made by the Fund or SICAV.

Taxation of Capital Gains

Italian resident individual shareholders.

Capital gains realized upon disposal of shares or rights by an Italian resident individual shareholder are subject to Italian final substitute tax (*imposta sostitutiva*) at a 26% rate.

Capital gains and capital losses realized in the relevant tax year have to be declared in the annual income tax return (*Regime di Tassazione in Sede di Dichiarazione dei Redditi*). Losses in excess of gains may be carried forward against capital gains realized in the four subsequent tax years. While losses generated as of July 1, 2014 can be carried forward for their entire amount, losses realized until December 31, 2011 can be carried forward for 48.08% of their amount only and losses realized between January 1, 2012 and June 30, 2014 for 76.92% of their amount.

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As an alternative to the *Regime di Tassazione in Sede di Dichiarazione dei Redditi* described in the above paragraph, Italian resident individual shareholders may elect to be taxed under one of the two following regimes:

(i) *Regime del Risparmio Amministrato*: under this regime, separate taxation of capital gains is allowed subject to (i) the shares and rights in respect of the shares being deposited with Italian banks, *società di intermediazione mobiliare* or certain authorized financial intermediaries resident in Italy for tax purposes and (ii) an express election for the *Regime del Risparmio Amministrato* being timely made in writing by the relevant shareholder. Under the *Regime del Risparmio Amministrato*, the financial intermediary is responsible for accounting for the substitute tax in respect of capital gains realized on each sale of the shares or rights on the shares, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a

corresponding amount from the proceeds to be credited to the shareholder. Under the *Regime del Risparmio Amministrato*, where a sale of the shares or rights on the shares results in a capital loss, such loss may be deducted (up to 48.08% for capital losses realized until December 31, 2011 and up to 76.92% for capital losses realized between January 1, 2012 and June 30, 2014) from capital gains of the same kind subsequently realized under the same relationship of deposit in the same tax year or in the four subsequent tax years. Under the *Regime del Risparmio Amministrato*, the shareholder is not required to declare the capital gains in its annual tax declaration;

(ii) *Regime del Risparmio Gestito*: under this regime, any capital gains accrued to Italian resident individual shareholders, that have entrusted the management of their financial assets, including the shares and rights in respect of the shares, to an authorized Italian-based intermediary and have elected for the *Regime del Risparmio Gestito*, are included in the computation of the annual increase in value of the managed assets accrued, even if not realized, at year-end, subject to the 26% substitute tax to be applied on behalf of the taxpayer by the managing authorized Italian-based intermediary. Under the *Regime del Risparmio Gestito*, any fall in value of the managed assets accrued at year-end may be carried forward (up to 48.08% if accrued until December 31, 2011 and up to 76.92% if accrued between January 1, 2012 and June 30, 2014) and set against increases in value of the managed assets which accrue in any of the four subsequent tax years. Under the *Regime del Risparmio Gestito*, the shareholder is not required to report capital gains realized in its annual tax declaration.

Italian resident corporations.

Capital gains realized through the disposal of UKCo common shares by Italian Shareholders which are companies subject to IRES benefit from a 95% exemption (referred to as the **Participation Exemption Regime**), if the following conditions are met:

- the shares have been held continuously from the first day of the 12th month preceding the disposal; and
- the shares were accounted for as a long term investment in the first balance sheet closed after the acquisition of the shares (for companies adopting IAS/IFRS, shares are considered to be a long term investment if they are different from those accounted for as held for trading).

Based on the assumption that UKCo should be a holding company resident of the U.K. for tax purposes, that its ordinary shares will be listed on a regulated market, that its value will be predominantly composed of shareholdings in companies carrying on a business activity and not resident in a State with a preferential tax system, the two additional conditions set forth by Article 87 of the CTA in order to enjoy the Participation Exemption Regime (*i.e.*, the company is not resident in a State with a preferential tax system and carries on a business activity) are both met.

The remaining five percent of the amount of such capital gain is included in the aggregate taxable income of the Italian resident corporate shareholders and subject to taxation according to ordinary IRES rules and rates.

If the conditions for the Participation Exemption Regime are met, capital losses from the disposal of shareholdings realized by Italian resident corporate shareholders are not deductible from the taxable income of the company.

Capital gains and capital losses realized through the disposal of shareholdings which do not meet at least one of the aforementioned conditions for the Participation Exemption Regime are, respectively, fully included in the aggregate taxable income and fully deductible from the same aggregate taxable income, subject to taxation according to ordinary rules and rates. However, if such capital gains are realized upon disposal of shares which have been accounted for as a long-term investment on the last three balance sheets, then if the taxpayer so chooses the gains can be taxed in equal parts in the year of realization and the four following tax years.

The ability to use capital losses to offset income is subject to significant limitations, including provisions against dividend washing. In addition, Italian resident corporations that recognize capital losses exceeding 50,000 are subject to tax reporting requirements in their annual income tax return (also in case such capital losses are realized as a consequence of a number of transactions). Furthermore, for capital losses of more than 5,000,000, deriving from transactions on shares booked as fixed financial assets, the taxpayer must report the relevant information in its annual income tax return (also in case such capital losses are realized as a consequence of a number of transactions). Such an obligation does not apply to parties who prepare their financial statements in accordance with IAS/ IFRS international accounting standards. Italian resident corporations that recognize capital losses should consult their tax advisors as to the tax consequences of such losses.

For certain types of companies operating in the financial field and subject to certain conditions, the capital gains are also included in the IRAP taxable base.

Italian pension funds.

Capital gains realized by Italian pension funds are not subject to any withholding or substitute tax. Capital gains and capital losses must be included in the result of the relevant portfolio accrued at the end of the tax period, which is subject to an 11.5% substitute tax. for fiscal year 2014. For the following tax periods the substitute tax referred to above will apply at the rate of 11%.

Italian investment funds (fondi comuni di investimento mobiliare) and SICAVs

Capital gains realized by Italian investment funds and SICAVs are not subject to any withholding or substitute tax. Capital gains and capital losses must be included in the fund s or SICAV s annual result, which is not subject to tax. A withholding tax may apply in certain circumstances at the rate of up to 26% on distributions made by the fund or SICAV.

IVAFE-Imposta sul Valore delle Attivit`a Finanziarie detenute all Estero

According to Article 19 of the Decree of 6 December 2011, No. 201 (**Decree No. 201/2011**), converted with Law of 22 December 2011, No. 214, Italian resident individuals holding financial assets including shares outside the Italian territory are required to pay a special tax (IVAFE) at the rate of 0.20%. The tax applies to the market value at the end of the relevant year of such financial assets held outside the Italian territory.

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Taxpayers may deduct from the tax a tax credit equal to any wealth taxes paid in the State where the financial assets are held (up to the amount of the Italian tax due).

Non-Italian Shareholders

Taxation of Dividends

According to Italian tax laws, the distribution of dividends by UKCo will not trigger any taxable event for Italian income tax purposes for Non-Italian Shareholders.

Taxation of Capital Gains

According to Italian tax laws, capital gain on UKCo Ordinary Shares will not trigger any taxable event for Italian income tax purposes for Non-Italian Shareholders.

Special Voting Shares

No statutory, judicial or administrative authority has provided published guidance on the Italian tax consequences of the receipt, ownership or loss of the entitlement to instruct the Nominee on how to vote in respect of *Special Voting Shares* and as a result, such tax consequences are uncertain. Accordingly, we urge Italian shareholders to consult their tax advisors as to the tax consequences of the receipt, ownership and loss of the entitlement to instruct the Nominee on how to vote in respect of *Special Voting Shares*.

Receipt of the entitlement to instruct the Nominee on how to vote in respect of Special Voting Shares

An Italian Shareholder that receives the entitlement to instruct the Nominee on how to vote in respect of *Special Voting Shares* issued by UKCo should in principle not recognize any taxable income upon the receipt of such entitlement. Under a possible interpretation, the issue of *Special Voting Shares* can be treated as the issue of bonus shares free of charge to the shareholders out of existing available reserves of UKCo. Such issue should not have any material effect on the allocation of the tax basis of an Italian Shareholder between its UKCo Ordinary Shares and the corresponding UKCo *Special Voting Shares*. Because the *Special Voting Shares* are not transferable (other than in very limited circumstances as provided for in the Loyalty Plan) and their very limited economic rights (equal to a fraction of the aggregate sum of US\$1) can be enjoyed only at the time of a return of capital of the company of a winding up or otherwise UKCo believes and intends to take the position that the tax basis and the fair market value of the *Special Voting Shares* is minimal. However, because the determination of the tax basis and fair market value of the *Special Voting Shares* is not governed by any guidance that directly addresses such a situation and is unclear, the Italian tax authorities could assert that the tax basis and fair market value of the *Special Voting Shares* as determined by UKCo is incorrect.

Loss of the entitlement to instruct the Nominee on how to vote in respect of Special Voting Shares

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The tax treatment of an Italian Shareholder that loses its entitlement to instruct the Nominee on how to vote in respect of *Special Voting Shares* for no consideration is uncertain. It is possible that an Italian Shareholder should recognize a loss to the extent of the Italian Shareholder's tax basis (if any). The deductibility of such loss depends on individual circumstances and conditions required by Italian law. It is also possible that an Italian Shareholder would not be allowed to recognize a loss upon losing its entitlement to instruct the Nominee on how to vote in respect of *Special Voting Shares* and instead should increase its basis in its UKCo Ordinary Shares by an amount equal to the tax basis (if any) in such UKCo *Special Voting Shares*.

Stamp Duty (Imposta di bollo)

According to Article 19 of Decree No. 201/2011, a proportional stamp duty applies on a yearly basis on the market value of any financial product or financial instruments. The stamp duty applies at the rate of 0.20% and, in respect of Italian shareholders or Non-Italian Shareholders other than individuals, it cannot exceed 14,000. The stamp duty applies with respect to any Italian Shareholders or Non-Italian Shareholders (other than banks, insurance companies, investments and pension funds and certain other financial intermediaries) to the extent that the shares are held through an Italian based banking or financial intermediary or insurance company.

Financial Transaction Tax

According to Article 1 of the Law of December 24, 2012, No. 228, an Italian Financial Transaction tax (**FTT**) will apply as of March 1, 2013 on the transfer of property rights in shares issued by Italian resident companies, such as GTECH, regardless of the tax residence of the parties and/or where the transaction is entered into. If a holder of GTECH ordinary shares exercises its rescission rights, according to Italian law such holder must first offer its GTECH ordinary shares for sale to the holders of GTECH ordinary shares that have not chosen to exercise rescission rights. Shareholders of GTECH that purchase shares of a holder exercising its cash exit rights may be subject to the FTT. The FTT applies at a rate of 0.20%, reduced to 0.10% if the transaction is executed on a regulated market or a multilateral trading system, as defined by the law. The taxable base is the transaction value, which is defined as the consideration paid for the transfer or as the net balance of the transactions executed by the same subject in the course of the same day. The FTT is due by the party that acquires the shares and will be levied by the financial intermediary (or by any other person) that is involved, in any way, in the execution of the transaction. Specific exclusions and exemptions are set out by the law by Decree 21 February 2013 (as amended by Decree 16 September 2013) which also regulates in detail other aspects of the FTT. Specific rules apply for the application of the FTT on derivative financial instruments having as underlying instruments shares issued by Italian resident companies and on high frequency trading transactions.

Material U.K. Tax Consequences

This Paragraph is the mere non-certified translation in Italian language of the *Material U.K. Tax Considerations* section included in the Registration Statement in English language (Form F-4) filed with the Securities and Exchange Commission. Investors are invited to make direct reference to such Registration Statement (Section *Material U.K. Tax Considerations*).

The following statements are intended to apply only as a general guide to certain United Kingdom (U.K.) tax considerations, and are based on current U.K. tax law and current published practice of HM Revenue and Customs (**HMRC**), both of which are subject to change at any time, possibly with retrospective effect. They relate only to certain limited aspects of the U.K. taxation treatment of investors who are resident and, in the case of individuals, domiciled in (and only in) the U.K. for U.K. tax purposes (except to the extent that the position of non-U.K. resident shareholders is expressly referred to), who will hold the UKCo Ordinary Shares as investments (other than under an individual savings account or a self invested personal pension) and who are the beneficial owners of both the UKCo Ordinary Shares.

The statements of this Paragraph may not apply to certain classes of investors such as (but not limited to) persons acquiring their UKCo Ordinary Shares in connection with an office or employment, dealers in securities, insurance companies and collective investment schemes.

Any shareholder or potential investor should obtain advice from his or her own investment or taxation adviser.

Taxation of dividends

UKCo will not be required to withhold tax at source from dividend payments it makes.

U.K. resident individual shareholders

An individual shareholder who is resident in the U.K. for tax purposes and who receives a dividend from UKCo will be entitled to a tax credit which may be set off against such individual shareholder's total income tax liability on the dividend. Such an individual shareholder's liability to income tax is calculated on the aggregate of the dividend and the tax credit (the **Gross Dividend**) which will be regarded as the top slice of the individual's income. The tax credit is equal to 10% of the Gross Dividend (*i.e.*, one-ninth of the amount of the cash dividend received).

A U.K. resident individual shareholder who is not liable to income tax in respect of the Gross Dividend will not be entitled to reclaim any part of the tax credit. A U.K. resident individual shareholder who is liable to income tax at the basic rate will be subject to income tax on the dividend at the rate of 10% of the Gross Dividend so that the tax credit will satisfy in full such shareholder's liability to income tax on the dividend. A U.K. resident individual shareholder liable to income tax at the higher rate will be subject to income tax on the Gross Dividend at 32.5% but will be able to set the tax credit off against part of this liability. A U.K. resident individual shareholder liable to income tax at the additional rate will be subject to income tax on the Gross Dividend at 37.5% but will be able to set the tax credit off against part of this liability.

The effect of the tax credit is that a basic rate taxpayer will not have to account for any additional tax to HMRC, a higher rate taxpayer will have to account for additional tax equal to 22.5% of the Gross Dividend (which equals 25% of the cash dividend received) and an additional rate taxpayer will have to account for additional tax equal to 27.5% of the Gross Dividend (which is approximately 30.56% of the cash dividend received).

U.K. resident corporate shareholders

A corporate shareholder resident in the U.K. for tax purposes which is a small company for the purposes of Chapter 2 of Part 9A of the Corporation Tax Act 2009 will not be subject to U.K. corporation tax on any dividend received from UKCo provided certain conditions are met (including an anti-avoidance condition).

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Other corporate shareholders resident in the U.K. for tax purposes will not be subject to U.K. corporation tax on any dividend received from UKCo so long as the dividends fall within an exempt class and certain conditions are met. For example, (i) dividends paid on shares that are not redeemable and do not carry any present or future preferential rights to dividends or to a company's assets on its winding up, and (ii) dividends paid to a person holding less than a 10% interest in UKCo, should generally fall within an exempt class. However, the exemptions mentioned above are not comprehensive and are subject to anti-avoidance rules.

If the conditions for exemption are not met or cease to be satisfied, or such a corporate shareholder elects an otherwise exempt dividend to be taxable, the shareholder will be subject to U.K. corporation tax on dividends received from UKCo, at the rate of corporation tax applicable to that corporate shareholder (currently 21%, although it is expected that the rate of U.K. corporation tax will be reduced to 20% beginning on April 1, 2015).

U.K. resident exempt shareholders

U.K. resident shareholders who are not liable to U.K. taxation on dividends, including pension funds and charities, will not be entitled to reclaim the tax credit attaching to any dividend paid by UKCo.

Non-U.K. resident shareholders

A shareholder resident outside the U.K. for tax purposes and who holds the UKCo Ordinary Shares as investments will not generally be liable to tax in the U.K. on any dividend received from UKCo, but would also not be able to claim payment from HMRC of any part of the tax credit attaching to a dividend received from UKCo, although this will depend on the existence and terms of any double taxation convention between the U.K. and the country in which such shareholder is resident.

A non-U.K. resident shareholder may also be subject to taxation on dividend income under local law. A shareholder who is not solely resident in the U.K. for tax purposes should consult his own tax advisers concerning his tax liabilities (in the U.K. and any other country) on dividends received from UKCo, whether he is entitled to claim any part of the tax credit and, if so, the procedure for doing so, and whether any double taxation relief is due in any country in which he is subject to tax.

Taxation of Capital Gains

IGT Merger

The receipt of cash by IGT shareholders will be treated as a part disposal of their shares of IGT common stock. The proportion of the shareholder's base cost attributable to that part disposal should be computed as the proportion that the cash received bears to the aggregate value of the cash received and the UKCo Ordinary Shares on the completion of the IGT Merger.

Subject to the statements below, the receipt of UKCo Ordinary Shares by IGT shareholders pursuant to the IGT Merger should be treated as a scheme of reconstruction for the purposes of U.K. taxation of chargeable gains. This means that, except to the extent that IGT shareholders are treated as disposing of their shares of IGT common stock as a consequence of their receipt of cash as described above, IGT shareholders should not be treated as disposing of their shares of IGT common stock and, instead, the UKCo Ordinary Shares received by them should be treated as the same asset, acquired at the same time, and for the same amount, as the IGT shares in respect of which they are issued.

In the case of IGT shareholders who alone, or together with persons connected with them, hold 5% or more of the shares or debentures, or any class of shares or class of debenture, of IGT, this rollover treatment will only apply if the provisions of section 137(1) Taxation of Chargeable Gains Act 1992 (**TCGA**) (scheme of reconstruction must be for bona fide commercial reasons and not part of a scheme for the avoidance of U.K. tax) do not prevent it. IGT shareholders should note that no application for clearance (which would confirm that section 137(1) TCGA should not prevent the IGT Merger being treated as a scheme of reconstruction) has been made.

If the IGT Merger is not treated as a scheme of reconstruction, U.K. resident IGT shareholders would be treated as having disposed of their entire holding of IGT shares in consideration of the payment to them of the cash and the issue to them of UKCo Ordinary Shares.

GTECH Merger

The GTECH Merger should be treated as a reorganization of share capital under section 136 TCGA 1992.

As a result, GTECH shareholders who are resident for tax purposes of the United Kingdom and who exchange their shares in GTECH for shares in UKCo under the GTECH Merger would not be treated as disposing of their shares and would, instead, be treated as having acquired their UKCo Ordinary Shares at the same time and for the same consideration as the GTECH ordinary shares in respect of which they are issued.

GTECH shareholders who are resident in the UK and who alone, or together with persons connected with them, hold 5% or more of the shares or debentures in, or any class of shares or debentures in, GTECH should note that in certain circumstances section 137(1) TCGA may operate to prevent the rollover treatment described in the preceding paragraph and that no application for clearance (which would provide clearance that section 137(1) TCGA would not prevent the rollover treatment from applying) has been made.

A GTECH shareholder who is resident, for tax purposes, of the United Kingdom and who exercises his rescission rights will be treated as having disposed of his GTECH ordinary shares and may, depending on such shareholder's personal circumstances be liable to pay U.K. taxation on chargeable gains.

Disposal of UKCo Ordinary Shares

A disposal or deemed disposal of UKCo Ordinary Shares by a shareholder who is resident of the U.K. for tax purposes may, depending on the shareholder's circumstances and subject to any available exemptions and reliefs (such as the annual exempt amount for individuals and indexation allowance for corporate shareholders), give rise to a chargeable gain or an allowable loss for the purposes of U.K. taxation of capital gains.

If an individual shareholder who is subject to income tax at either the higher or the additional rate becomes liable to U.K. capital gains tax on the disposal of UKCo Ordinary Shares, the applicable rate will be 28%. For an individual shareholder who is subject to income tax at the basic rate and liable to U.K. capital gains tax on such disposal, the applicable rate would be 18%.

A shareholder who is not resident of the U.K. for tax purposes should not normally be liable to U.K. taxation on chargeable gains on a disposal of UKCo Ordinary Shares. However, an individual shareholder who has ceased to be resident of the U.K. for tax purposes for a period of less than five years and who disposes of UKCo Ordinary Shares during that period may be liable on his return to the U.K. to U.K. taxation on any capital gain realized (subject to any available exemption or relief).

Stamp Duty and Stamp Duty Reserve Tax

The Issue of UKCo Ordinary Shares

No liability to stamp duty or stamp duty reserve tax (SDRT) should generally arise on the issue of the UKCo Ordinary Shares, including into the DTC system.

Subsequent transfers

Transfers of UKCo Ordinary Shares within the DTC system should not be subject to stamp duty or SDRT provided that no instrument of transfer is entered into and that no election that applies to the UKCo Ordinary Shares is made or has been made by DTC under section 97A of the Finance Act 1986.

Transfers of UKCo Ordinary Shares within the DTC system where an election that applies to the UKCo Ordinary Shares is or has been made under section 97A of the Finance Act 1986 will generally be subject to SDRT (rather than stamp duty) at the rate of 0.5% of the amount or value of the consideration.

Transfers of UKCo Ordinary Shares that are held in certificated form will generally be subject to stamp duty at the rate of 0.5% of the consideration given (rounded up to the nearest £5). SDRT may be payable on an agreement to transfer such UKCo Ordinary Shares, generally at the rate of 0.5% of the consideration given under the agreement to transfer the UKCo Ordinary Shares. This charge to SDRT would be discharged if stamp duty is duly paid on the instrument transferring the UKCo Ordinary Shares, within six years of the date of the agreement.

If UKCo Ordinary Shares (or interests therein) are subsequently transferred into a clearing system including the DTC system or to a depository, stamp duty or SDRT will generally be payable at the rate of 1.5% of the amount or value of the consideration given or, in certain circumstances, the value of the shares (save to the extent that an election is made or has been made under section 97A of the Finance Act 1986 that applies to the UKCo Ordinary Shares).

The purchaser or transferee of the UKCo Ordinary Shares will generally be responsible for paying such stamp duty or SDRT.

Inheritance Tax

The UKCo Ordinary Shares will be assets situated in the U.K. for the purposes of U.K. inheritance tax. A gift or settlement of such assets by, or on the death of, an individual holder of such assets may (subject to certain exemptions and reliefs and depending upon the shareholder's circumstances) give rise to a liability to U.K. inheritance tax even if the holder is not a resident of or domiciled in the U.K. for tax purposes. For inheritance tax purposes, a transfer of assets at less than market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit.

A charge to inheritance tax may arise in certain circumstances where UKCo Ordinary Shares are held by close companies and by trustees of settlements. Shareholders should consult an appropriate tax adviser as to any inheritance tax implications if they intend to make a gift or transfer at less than market value or intend to hold UKCo Ordinary Shares through a close company or trust arrangement.

Shareholders and/or potential investors who are in any doubt as to their tax position, or who are subject to tax in any jurisdiction other than the U.K., should consult a suitable professional adviser.

Material U.S. tax consequences

As regards the tax consequences for U.S. shareholders, please make reference to the Registration Statement in English language filed with the Securities and Exchange Commission (Sezione *Material United States Federal Income Tax Considerations*).

2.1.3. Shareholders structure estimate of UKCo subsequent to the completion of the Transaction

At the date of this Information Document, holders of shares with voting rights in GTECH in excess of 2%, based on the communications received pursuant to Article 120 of Italian Financial Act and information in any event available to GTECH, are the following:

| | |
|---|--------|
| B&D Holding di Marco Drago e C. S.a.p.A.* | 58.662 |
| Assicurazioni Generali S.p.A.** | 3.255 |

* Overall shareholding held through the subsidiaries *De Agostini S.p.A.* (52.904%) and *DeA Partecipazioni S.p.A.* (5.758%)

** Overall shareholding held through the subsidiaries *Alleanza Assicurazioni S.p.A.* (2.489%), *Generali Italia S.p.A.* (0.536%), *Genertellife S.p.A.* (0.225%) and *BSI S.p.A.* (0.004%)

At the date of this Information Document, GTECH holds 1,793,026 treasury shares, equal to 1.02% of the share capital.

The following sets forth information with respect to the beneficial ownership of IGT common stock by persons known by IGT to own beneficially more than 5% of the outstanding common stock of IGT, based on information made public pursuant to Rule 13d-1 of the Securities Exchange Act of 1934, as amended, with percentages calculated based on the number of shares outstanding as of October 10, 2014.

- The Vanguard Group, Inc.(1): 6.677%
- BlackRock, Inc.(2): 6.039%
- State Street Corporation(3): 5.074%
- Gates Capital Management, Inc.(4): 5.057%

(1) Based upon beneficial ownership information contained in a Schedule 13G/A filed with the SEC by The Vanguard Group, Inc. on February 11, 2014, in its capacity as an investment advisor of several trusts.

(2) Based upon beneficial ownership information contained in a Schedule 13G/A filed with the SEC by BlackRock, Inc. on January 29, 2014, on behalf of BlackRock, Inc. and its subsidiaries.

(3) Based upon beneficial ownership contained in a Schedule 13G filed with the SEC by State Street Corporation on February 3, 2014, on behalf of State Street Corporation and its subsidiaries.

(4) Based upon beneficial ownership contained in a Schedule 13G filed with the SEC by Gates Capital Management, Inc., Gates Capital Partners, L.P., ECF Value Fund, L.P., ECF Value Fund II, L.P., ECF Value Fund International Master L.P. and Jeffrey L. Gates on January 29, 2014.

The following table shows the expected percentage interest of major shareholders of UKCo (for illustrative purposes, this table only considers those shareholders holding, directly and/or indirectly, more than 1% in the UKCo ordinary share capital) following the GTECH Merger Effective Date and the IGT Merger Effective Date, taking into account the Exchange Ratio and the IGT Consideration. Percentages indicated hereafter have been calculated assuming that: (a) the current shareholding structure of GTECH and IGT will not vary until the Transaction has completed; (b) no GTECH shareholder will exercise cash exit rights; (c) the 1,793,026 treasury shares currently held by GTECH will be kept in the GTECH portfolio and cancelled in the GTECH Merger; and (d) for each IGT

share, IGT shareholders will receive 0.1819 UKCo Ordinary Shares (assuming that no adjustment is made in accordance with the terms of the Merger Agreement).

| UKCo Shareholder | % of ordinary share capital* |
|--|------------------------------|
| B&D Holding di Marco Drago e C. S.a.p.A. | 47.047 |
| Assicurazioni Generali S.p.A. | 2.610 |
| Vanguard Group, Inc. | 1.377 |
| BlackRock, Inc. | 1.245 |
| State Street Corporation | 1.046 |
| Gates Capital Management, Inc. | 1.043 |
| Other shareholders (total) | 45.631 |

* The table does not consider the Special Voting Shares, that will be issued by UKCo in a number equal to the UKCo Ordinary Shares to be issued for the purposes of the GTECH Merger and the IGT Merger and that will be allotted to the Nominee and voted by it in accordance with the Post-GTECH Merger Articles and the Loyalty Plan. Until the right to direct the exercise of votes attaching to the Special Voting Shares is elected by Entitled Shareholders after the applicable 3-year continuous holding period as provided for in accordance with the Post-GTECH Merger Articles and in the Loyalty Plan, the Nominee will exercise any votes attaching to the Special Voting Shares in accordance with the outcome of UKCo's general meeting.

If the Transaction is completed, the directors and managers with strategic responsibilities of GTECH will receive one UKCo Ordinary Share for each GTECH common share held. Based on the GTECH common shares held as the date of this Information Document, representing approximately 0.507% of GTECH common shares, the directors and managers with strategic responsibilities of GTECH will be entitled to receive, on an aggregate basis, 887,291 UKCo Ordinary Shares, representing 0.407%(3) of UKCo shares after the Merger. On an individual basis such directors and managers with strategic responsibilities of GTECH will receive UKCo Ordinary Shares in the following amounts:

- Lorenzo Pellicoli: 71,400 shares;
- Marco Sala: 492,845 shares;
- Paolo Ceretti: 3,060 shares;
- Jaymin Patel: 193,070 shares;

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- Renato Ascoli: 82,643 shares;

- Other managers having a strategic responsibility: 44,273 shares.

(3) The number of shares and the percentages indicated hereafter have been calculated assuming that: (a) the current shareholding structure of GTECH and IGT will not vary until the Transaction has completed; (b) no GTECH shareholder will exercise cash exit rights; (c) the 1,793,026 treasury shares currently held by GTECH will be kept in the GTECH portfolio and cancelled in the context of the GTECH Merger; and (d) for each IGT share, IGT shareholders will receive 0.1819 UKCo Ordinary Shares (assuming that no adjustment is made in accordance with the terms of the Merger Agreement).

2.1.4. Effects of the Transaction on shareholders agreements

Based on the communications received pursuant to Article 122 of the Unified Financial Act and applicable provisions of the Issuers Regulation, the following shareholders agreements relating to GTECH are in force:

- on June 30, 2012, the shareholders of B&D Holding, a company holding 68.23% of De Agostini S.p.A. (**De Agostini**), entered into a three year shareholders agreement in order to regulate the corporate governance rules and the reallocation of the stock interests owned by them (the **Project**) in B&D Holding and in the relevant subsidiaries De Agostini and B&D Finance S.p.A. The Project - through a series of corporate transactions - has allowed certain shareholders of B&D Holding (i) to hold directly an overall participation equal to 26.47% in the share capital of De Agostini, while the majority holding, equal to 68.23% of the share capital, remains with the parent company and the residual 5.20% of the share capital is currently held by Investendo Due S.r.l.; (ii) to hold directly a shareholding equal in the aggregate, as of the date hereof, to 16.77% of B&D Finance S.p.A., while the majority holding of 72.05% of the share capital is with the parent company and the remaining 11.18% is owned by B&D Finance S.p.A. itself, and (iii) to exercise a possible exit option in 2015, aimed at divesting the participation directly held in De Agostini in favour of B&D Holding (or one of its subsidiaries) or, in the event it would not be possible to pursue such solution, to initiate a series of alternatives. On October 18, 2013, B&D Holding announced some amendments to the agreement partly related to the adherence by additional parties;

- on July 15, 2014, De Agostini and DeA Partecipazioni S.p.A. (jointly, the **DeA Shareholders**) entered into a Support Agreement with IGT, providing for certain commitments of the DeA Shareholders aimed at the implementation of the Transaction. The DeA shareholders committed, *inter alia*, to vote the shares held in GTECH equal, for De Agostini, to 92,556,318 shares (approximately 52.95% of the share capital at the date of the agreement), and, for DeA Partecipazioni, to 10,073,006 shares (approximately 5.76% of the share capital at the date of the agreement) in favour of the Transaction in any shareholders meeting of GTECH called to resolve upon the same and not to transfer the shareholdings held in GTECH until the completion of the Transaction.

Based on the information made public with reference to the aforesaid shareholders agreements, it is assumed that the Transaction will have no effects on the same.

2.2. RATIONALE AND PURPOSE OF THE TRANSACTION

2.2.1. Rationale of the Transaction specifically regarding the GTECH s operational objectives

The purpose of the Transaction is to create a world leading end-to-end gaming group, uniquely positioned to capitalize on opportunities across global gaming market segments. The new group resulting from the Transaction will combine best-in-class content, operator capabilities, and interactive solutions for the on-line segment, and will also combine IGT s leading game library and manufacturing and creative operating capabilities with GTECH s gaming operations, lottery technology and services. The Transaction will thus give rise to a business with competitive dimensions across gaming businesses, geographies and product lines.

The board of directors considered, *inter alia*, that the Transaction:

- will result in the creation of a world-leading end-to-end gaming company with significant market position across the lottery, machine gaming and interactive wagering and social gaming segments and strong product offerings across the client spectrum;
- will result in enhanced global scale with a diversified product portfolio and geographic mix and strengthened research and development capabilities;
- will result in a well-diversified revenue base that reduces dependence on the machine gaming replacement cycle in key product sales markets and on the Italian economy;
- will allow UKCo, because of scale in the machine gaming, interactive, and social gaming markets, to support substantial recurring R&D investment which is critical to continued development of successful content and technology solutions;
- will result in the UKCo ability to achieve industrial efficiencies, including economies of scale in purchasing, to consolidate corporate and support activities, and to optimize R&D spend;
- will result, because of the complementary product portfolios and extensive lottery and gaming customer base, in a greater ability to meet operating customers' needs, providing its customers with a more compelling and holistic product offering across land-based, online, and mobile channels, and to increase revenue potential;
- will be carried out by the GTECH management team that, working together with the members of IGT management, will be able to integrate successfully the two companies;
- will allow the achievement of cost synergies and additional possible revenue synergies;
- will allow UKCo to be uniquely positioned to capture gaming sector trends including government stimulated growth, the emergence of multichannel offerings, and the increased importance of proprietary content due to gaming industry convergence; and
- will result in an increased earnings and cash flow and better access to capital markets for UKCo as a result of enhanced size and business diversification.

2.2.2. Programs developed by GTECH specifically with regard to industrial prospects and possible restructuring and/or reorganizations

Before the GTECH Merger is completed, GTECH intends to carry out, subject to any required authorisations, a reorganization of its Italian business, in order to separate operating activities from holding activities, to allow the continuity of Italian activities and to rationalize its participations, through one or more Italian companies wholly owned by GTECH to which (a) the business unit composed by tangible and intangible assets (including shareholdings), receivables, debts, personnel and other assets and liabilities related to the exercise of the concession for the Lotto game and to the supply of administrative, commercial and general services in favor of the companies directly or indirectly controlled by GTECH, will be contributed (the **Lotto Unit**) and (b) almost all the equity holdings in Italian companies held by GTECH will be contributed and sold (the **Participations**).

The above mentioned transactions sub letters (a) and (b) will be defined hereafter, jointly, as the **Italian Reorganization** .

These transactions will have no impact on the Transaction and, in particular, on the Exchange Ratio.

It is expected that the Italian Reorganization will be implemented by GTECH as follows.

It is expected that GTECH, before the end of the current financial year, will transfer to Lottomatica Holding S.r.l., a new limited liability company (*società a responsabilità limitata*) under Italian law (**GTECH Italian HoldCo**) to which the Participations in the following companies will be transferred, through contribution and sale, at fair market value.

Without prejudice to the foregoing, certain minority Participations, the transfer of which is subject to the prior authorization of certain Italian Authorities, could be carried out from GTECH to GTECH Italian HoldCo after the end of 2014, but, in any case, before the completion of the GTECH Merger.

In addition, it is expected that, before the GTECH Merger Effective Date, a new Italian law joint stock company (*società per azioni*), to which the Lotto Unit will be contributed at fair market value (**GTECH Italian OpCo**), will be established. Against such contribution, GTECH will receive newly issued GTECH Italian OpCo shares.

After the completion of the above mentioned contribution, but in any event before the GTECH Merger Effective Date, GTECH is expected to transfer to GTECH Italian HoldCo, at fair market value, the whole participation held in GTECH Italian OpCo.

Therefore, after the Italian Reorganization, the new Italian sub-holding (GTECH Italian HoldCo) will own both the aforesaid Participations and the whole share capital of GTECH Italian OpCo.

2.3. PUBLICLY AVAILABLE DOCUMENTS

The following documents have been published, in accordance with applicable laws and regulations, on the GTECH website (www.gtech.com) and deposited and made available, for inspection by entitled persons, at the GTECH registered office in Rome, Viale del Campo Boario 56/D:

- (i) this Information Document;

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- (ii) the GTECH Merger Terms;

- (iii) the report of the board of directors of GTECH prepared pursuant to article 2501-*quinquies* of the Italian Civil Code, Article 8 of the Decree 108/08 and article 70 of the Issuers' Regulation;

- (iv) the report of the board of directors of UKCo;

- (v) the report of Grant Thornton UK LLP as independent expert appointed upon joint request of GTECH and UKCo to the High Court of England and Wales, pursuant to Regulation 9 of the UK Regulation and Article 9 of the Decree 108/08, relating to the Exchange Ratio (the **Expert Report**);

- (vi) the financial statements of GTECH for the six-month period ended on June 30, 2014, together with the limited review report issued by PricewaterhouseCoopers S.p.A., and the financial statements of UKCo for the period ended on August 31, 2014, pursuant to Article 2501-*quater* of the Italian Civil Code and Article 7(2)(1) of the UK Regulation;

(vii) the 2011, 2012 and 2013 consolidated and stand-alone yearly financial statements of GTECH, together with the relevant management reports and the audit reports issued by Reconta Ernst & Young; with reference to UKCo, no yearly financial statements are made available since, as of the date of this Information Document, the first fiscal year is not closed yet.

3. SIGNIFICANT EFFECTS OF THE TRANSACTION

3.1. SIGNIFICANT EFFECTS OF THE TRANSACTION ON THE GTECH GROUP AND ITS BUSINESS ACTIVITIES

As a result and following the GTECH Merger and the IGT Merger, UKCo will become the new holding company of the enlarged group resulting from the combination of IGT and GTECH, since UKCo will control directly the entire issued share capital of IGT and, indirectly, all the companies currently controlled by IGT. UKCo will also control, directly and/or indirectly, all the companies currently controlled by GTECH, as reorganized pursuant to the Italian Reorganization

GTECH believes that the establishment of the parent company in the United Kingdom, among other things, better reflects the growing international business of UKCo Group and the expected UKCo shareholding structure. Once the Transaction will be completed, UKCo's main market will be the United States, followed by Italy and the United Kingdom. In such a scenario, the choice of establishing the seat in the United Kingdom provides a geographic, logistic, cultural and linguistic balance between the several activities of the group and enhances the global profile of the combined company.

UKCo will apply to list its ordinary shares on the NYSE, in order to further increase the access of the UKCo Group to international capital markets and to attract new investors.

The integration of GTECH and IGT will create a world leading end-to-end gaming group, geographically diversified and with significant competitive positions across all gaming market segments. GTECH will reduce its dependence on particular gaming sectors and on some jurisdictions in which is currently operating. For example, the impact of revenues in the lottery segment and the impact of the revenues generated in Italy will be reduced.

It is expected that UKCo will be positioned to maintain global leadership in the lottery industries, increasing same store revenues (generated by existing contracts), by extending IGT games and licensed brands to instant tickets. Further benefits may be obtained by offering to lottery customers IGT's games and products intended to interactive and mobile industries.

GTECH and IGT currently operate globally in the gaming solution industry. The acquisition of IGT will enable GTECH to consolidate significantly its market position in the US as well as in other jurisdictions, due to IGT's game library, commercial relationships and leadership in the central systems casinos.

IGT will also bring a knowledge heritage and a significant presence in the social gaming industry, where it manages DoubleDown Casino, one of the largest social casinos. This event will further consolidate the presence of GTECH in the *interactive* industry.

The acquisition of IGT is expected to enable UKCo to realize synergies, in particular for cost savings, obtaining industrial efficiencies and economies of scale in the gaming machine business, eliminating duplicative operations and information systems and optimizing research and

development spending.

3.2. IMPACTS OF THE TRANSACTION ON THE STRATEGIC GUIDELINES CONCERNING COMMERCIAL AND FINANCIAL TRANSACTIONS AND CENTRALIZED SERVICES EXCHANGED BY GTECH GROUP COMPANIES.

Save for as provided under Paragraphs 2.2.1, 2.2.2 and 3.1, the Transaction has no impact on the strategic guidelines concerning commercial and financial transactions and centralized services exchanged among GTECH Group companies.

4. INCOME STATEMENT, FINANCIAL POSITION AND CASH FLOW DATA OF GTECH AND IGT

The following paragraphs set forth an analysis of the income statement, statement of financial position and statement of cash flows of the GTECH Group and the IGT Group.

4.1 CONSOLIDATED FINANCIAL STATEMENTS OF THE GTECH GROUP

4.1.1 Consolidated financial statements for the years ended December 31, 2013 and 2012 and interim consolidated financial statements for the six months ended June 30, 2014

The following tables set forth the consolidated statements of financial position and consolidated net financial position at June 30, 2014, December 31, 2013 and 2012, and the consolidated income statements and consolidated statements of cash flows for the six months ended June 30, 2014 and 2013 and for the years ended December 31, 2013 and 2012 of the GTECH Group and have been derived from:

- The consolidated financial statements of the GTECH Group for the years ended December 31, 2013 and 2012, prepared in accordance with IFRS, as adopted by the European Union, and subject to audit by Reconta Ernst & Young S.p.A., which issued its audit report without qualification on March 31, 2014 and March 28, 2013, respectively.
- The interim condensed consolidated financial statements of the GTECH Group for the six months ended June 30, 2014, prepared in accordance with IAS 34 *Interim Financial Reporting*, as adopted by the European Union, which were the subject of a limited review by PricewaterhouseCoopers S.p.A., which issued its report without qualification on August 1, 2014.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT JUNE 30, 2014, DECEMBER 31, 2013 AND DECEMBER 31, 2012

| <i>(thousands of euros)</i> | At June 30, 2014 | At December 31, 2013 | At December 31, 2012 |
|---|---------------------|-------------------------|-------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Systems, equipment and other assets related to contracts, net | 856,744 | 899,536 | 946,255 |
| Property, plant and equipment, net | 73,280 | 76,382 | 84,749 |
| Goodwill | 3,129,863 | 3,095,466 | 3,188,753 |
| Intangible assets, net | 1,186,326 | 1,257,297 | 1,333,948 |
| Investments in associates and joint ventures | 22,426 | 26,894 | 10,162 |
| Other non-current assets | 76,292 | 48,777 | 27,354 |
| Non-current financial assets | 32,998 | 28,886 | 23,395 |
| Deferred income taxes | 15,869 | 14,000 | 11,030 |
| Total non-current assets | 5,393,798 | 5,447,238 | 5,625,646 |
| Current assets | | | |
| Inventories | 139,604 | 146,406 | 164,304 |
| Trade and other receivables, net | 803,209 | 904,248 | 809,894 |
| Other current assets | 168,639 | 190,517 | 181,177 |
| Current financial assets | 14,228 | 12,273 | 8,915 |
| Income taxes receivable | 4,811 | 3,574 | 19,509 |
| Cash and cash equivalents | 368,573 | 419,118 | 455,762 |
| Total current assets | 1,499,064 | 1,676,136 | 1,639,561 |
| Non-current assets classified as held for sale | | | 12,063 |
| TOTAL ASSETS | 6,892,862 | 7,123,374 | 7,277,270 |
| EQUITY AND LIABILITIES | | | |
| Equity attributable to owners of the parent | | | |
| Issued capital | 174,806 | 173,992 | 172,455 |
| Share premium | 1,649,525 | 1,717,261 | 1,703,923 |
| Retained earnings | 358,057 | 292,847 | 235,858 |
| Other reserves | 43,657 | 15,812 | 155,565 |
| | 2,226,045 | 2,199,912 | 2,267,801 |
| Non-controlling interests | 279,701 | 403,620 | 374,464 |
| Total equity | 2,505,746 | 2,603,532 | 2,642,265 |
| Non-current liabilities | | | |
| Long-term debt, less current portion | 2,645,655 | 2,641,260 | 2,778,764 |
| Deferred income taxes | 152,631 | 134,278 | 138,755 |
| Long-term provisions | 18,564 | 17,499 | 45,204 |
| Other non-current liabilities | 53,046 | 62,098 | 51,059 |
| Non-current financial liabilities | 56,262 | 60,600 | 42,407 |
| Total non-current liabilities | 2,926,158 | 2,915,735 | 3,056,189 |
| Current liabilities | | | |
| Accounts payable | 818,046 | 978,598 | 1,000,703 |
| Short-term borrowings | 13 | 851 | 541 |
| Other current liabilities | 344,211 | 361,740 | 355,668 |
| Current financial liabilities | 24,537 | 21,503 | 10,620 |
| Current portion of long-term debt | 182,732 | 214,496 | 181,276 |
| Short-term provisions | 755 | 1,185 | 1,900 |
| Income taxes payable | 90,664 | 25,734 | 28,108 |
| Total current liabilities | 1,460,958 | 1,604,107 | 1,578,816 |
| TOTAL EQUITY AND LIABILITIES | 6,892,862 | 7,123,374 | 7,277,270 |

CONSOLIDATED NET FINANCIAL POSITION AT JUNE 30, 2014, DECEMBER 31, 2013 AND DECEMBER 31, 2012

| <i>(thousands of euros)</i> | At June 30, 2014 | At December 31, 2013 | At December 31, 2012 |
|--------------------------------------|---------------------|-------------------------|-------------------------|
| Cash at bank | 365,479 | 416,787 | 455,386 |
| Cash on hand | 3,094 | 2,331 | 376 |
| Cash and cash equivalents | 368,573 | 419,118 | 455,762 |
| Current financial receivables | 14,228 | 12,273 | 8,915 |
| Facilities | 127,226 | 125,901 | 105,267 |
| 2009 Notes (due 2016) | 23,082 | 2,926 | 2,926 |
| Capital Securities | 15,469 | 46,406 | 46,406 |
| 2010 Notes (due 2018) | 11,112 | 24,549 | 24,549 |
| 2012 Notes (due 2020) | 5,658 | 14,408 | 1,223 |
| Short-term borrowings | 13 | 851 | 541 |
| Other | 24,722 | 21,809 | 11,525 |
| Current financial debt | 207,282 | 236,850 | 192,437 |
| Net current financial cash | (175,519) | (194,541) | (272,240) |
| 2009 Notes (due 2016) | 756,604 | 756,558 | 759,616 |
| Capital Securities | 745,131 | 743,803 | 741,148 |
| 2010 Notes (due 2018) | 496,556 | 496,128 | 495,307 |
| 2012 Notes (due 2020) | 493,370 | 492,851 | 491,842 |
| Facilities | 152,506 | 150,446 | 288,922 |
| Other | 57,750 | 62,074 | 44,336 |
| Non-current financial debt | 2,701,917 | 2,701,860 | 2,821,171 |
| Net financial position | 2,526,398 | 2,507,319 | 2,548,931 |

CONSOLIDATED INCOME STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2014 AND JUNE 30, 2013

| <i>(thousands of euros)</i> | For the six months ended June 30, | |
|--|-----------------------------------|------------------|
| | 2014 | 2013 |
| Service revenue | 1,411,649 | 1,399,901 |
| Product sales | 120,733 | 159,642 |
| Total revenue | 1,532,382 | 1,559,543 |
| Raw materials, services and other costs | 749,513 | 763,159 |
| Personnel | 273,020 | 277,836 |
| Depreciation | 119,003 | 122,829 |
| Amortization | 99,540 | 93,339 |
| Impairment recovery, net | (1,104) | (2,025) |
| Capitalization of internal construction costs labor and overhead | (44,450) | (48,611) |
| Total costs | 1,195,522 | 1,206,527 |
| Operating income | 336,860 | 353,016 |
| Interest income | 1,648 | 1,439 |
| Equity loss | (2,041) | (129) |
| Other income | 767 | 660 |
| Other expense | (4,806) | (3,883) |
| Foreign exchange loss, net | (1,696) | (1,479) |
| Interest expense | (81,394) | (80,624) |
| | (87,522) | (84,016) |
| Income before income tax expense | 249,338 | 269,000 |
| Income tax expense | 102,224 | 109,751 |
| Net income | 147,114 | 159,249 |
| Attributable to: | | |
| Owners of the parent | 135,804 | 142,004 |
| Non-controlling interests | 11,310 | 17,245 |
| | 147,114 | 159,249 |
| Earnings per share/ADRs | | |
| Basic net income attributable to owners of the parent | 0.78 | 0.82 |
| Diluted net income attributable to owners of the parent | 0.78 | 0.82 |

CONSOLIDATED INCOME STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2013 AND DECEMBER 31, 2012

| <i>(thousands of euros)</i> | For the years ended December 31, | |
|--|----------------------------------|------------------|
| | 2013 | 2012 |
| Service revenue | 2,783,727 | 2,822,279 |
| Product sales | 279,107 | 253,406 |
| Total revenue | 3,062,834 | 3,075,685 |
| Raw materials, services and other costs | 1,585,303 | 1,611,173 |
| Personnel | 568,266 | 539,346 |
| Depreciation | 254,599 | 249,921 |
| Amortization | 189,684 | 185,909 |
| Impairment loss, net | 6,058 | 6,227 |
| Capitalization of internal construction costs - labor and overhead | (100,208) | (100,038) |
| Total costs | 2,503,702 | 2,492,538 |
| Operating income | 559,132 | 583,147 |
| Interest income | 3,334 | 2,462 |
| Equity income (loss) | (965) | 1,015 |
| Other income | 1,131 | 3,686 |
| Other expense | (11,177) | (9,729) |
| Foreign exchange loss, net | (2,309) | (1,214) |
| Interest expense | (163,074) | (155,364) |
| | (173,060) | (159,144) |
| Income before income tax expense | 386,072 | 424,003 |
| Income tax expense | 180,837 | 158,778 |
| Net income | 205,235 | 265,225 |
| Attributable to: | | |
| Owners of the parent | 175,434 | 233,136 |
| Non-controlling interests | 29,801 | 32,089 |
| | 205,235 | 265,225 |
| Earnings per share/ADRs | | |
| Basic net income attributable to owners of the parent | 1.01 | 1.35 |
| Diluted net income attributable to owners of the parent | 1.01 | 1.35 |

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED JUNE 30, 2014 AND JUNE 30, 2013

| <i>(thousands of euros)</i> | For the six months ended June 30, | |
|---|-----------------------------------|------------------|
| | 2014 | 2013 |
| Cash flows from operating activities | | |
| Income before income tax expense | 249,338 | 269,000 |
| Adjustments for: | | |
| Depreciation | 119,003 | 122,829 |
| Intangibles amortization | 99,584 | 93,384 |
| Interest expense | 81,394 | 80,624 |
| Share-based payment expense | 3,689 | 4,932 |
| Non-cash foreign exchange loss, net | 1,060 | 125 |
| Provisions | 702 | (6,701) |
| Impairment recovery, net | (1,104) | (2,025) |
| Interest income | (1,648) | (1,439) |
| Other non-cash items | 9,194 | 4,658 |
| Cash foreign exchange loss, net | 596 | 1,354 |
| Income tax paid | (37,489) | (17,167) |
| Cash flows before changes in operating assets and liabilities | 524,319 | 549,574 |
| Changes in operating assets and liabilities: | | |
| Trade and other receivables | 105,273 | (58,502) |
| Other current assets | 22,067 | 13,910 |
| Accounts payable | (136,864) | (132,109) |
| Deferred revenue | (20,852) | 21,196 |
| Employee compensation | (22,088) | (24,209) |
| Taxes other than income taxes | (17,801) | (12,733) |
| Advance payments from customers | 1,321 | (13,751) |
| Other assets and liabilities | 4,242 | 10,977 |
| Net cash flows from operating activities | 459,617 | 354,353 |
| Cash flows from investing activities | | |
| Purchases of systems, equipment and other assets related to contracts | (82,628) | (91,922) |
| Acquisitions, net of cash acquired | (25,477) | (6,713) |
| Purchases of intangible assets | (8,461) | (108,762) |
| Purchases of property, plant and equipment | (3,907) | (5,100) |
| Interest received | 1,549 | 1,759 |
| Cash proceeds related to impairment recovery | | 2,025 |
| Other | 184 | (6,825) |
| Net cash flows used in investing activities | (118,740) | (215,538) |
| Cash flows from financing activities | | |
| Dividends paid | (130,525) | (125,920) |
| Interest paid | (109,953) | (97,588) |
| Acquisition of non-controlling interest | (72,328) | |
| Return of capital non-controlling interest | (42,145) | (37,354) |
| Dividends paid non-controlling interest | (32,427) | (33,601) |
| Net repayments of short-term borrowings | (825) | (785) |
| Capital increase - Northstar New Jersey Lottery Group LLC | | 54,439 |
| Other | (1,602) | (4,077) |
| Net cash flows used in financing activities | (389,805) | (244,886) |
| Net decrease in cash and cash equivalents | (48,928) | (106,071) |
| Effect of exchange rate on cash | (1,617) | (3,727) |
| Cash and cash equivalents at the beginning of the period | 419,118 | 455,762 |
| Cash and cash equivalents at the end of the period | 368,573 | 345,964 |

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2013 AND DECEMBER 31, 2012

| <i>(thousands of euros)</i> | For the year ended December 31, | |
|---|---------------------------------|------------------|
| | 2013 | 2012 |
| Cash flows from operating activities | | |
| Income before income tax expense | 386,072 | 424,003 |
| Adjustments for: | | |
| Depreciation | 254,599 | 249,921 |
| Intangibles amortization | 189,774 | 186,001 |
| Interest expense | 163,074 | 155,364 |
| Share-based payment expense | 8,611 | 12,349 |
| Impairment loss, net | 6,058 | 6,227 |
| Non-cash foreign exchange loss, net | 938 | 1,159 |
| Interest income | (3,334) | (2,462) |
| Provisions | (5,304) | 9,141 |
| Other non-cash items | 15,015 | 7,376 |
| Cash foreign exchange loss, net | 1,372 | 55 |
| Income tax paid | (170,943) | (193,442) |
| Cash flows before changes in operating assets and liabilities | 845,932 | 855,692 |
| Changes in operating assets and liabilities: | | |
| Inventories | 14,423 | (19,974) |
| Trade and other receivables | (108,594) | (143,678) |
| Other current assets | (13,021) | (71,028) |
| Accounts payable | (45,220) | 114,899 |
| Accrued expenses | 11,055 | (13,836) |
| Deferred revenue | 22,265 | 16,298 |
| Advance payments from customers | (29,466) | 18,811 |
| Other assets and liabilities | (1,125) | 6,145 |
| Net cash flows from operating activities | 696,249 | 763,329 |
| Cash flows from investing activities | | |
| Purchases of systems, equipment and other assets related to contracts | (183,878) | (211,833) |
| Purchases of intangible assets | (134,919) | (30,336) |
| Investment in associate | (19,800) | |
| Purchases of property, plant and equipment | (10,370) | (10,193) |
| Acquisitions, net of cash acquired | (7,345) | |
| Italy segment contingent consideration | (324) | (2,693) |
| Cash proceeds related to impairment recovery | 3,807 | 4,455 |
| Interest received | 7,307 | 5,101 |
| Other | 3,951 | (5,798) |
| Net cash flows used in investing activities | (341,571) | (251,297) |
| Cash flows from financing activities | | |
| Interest paid | (143,390) | (184,479) |
| Dividends paid | (125,920) | (122,220) |
| Principal payments on long-term debt | (102,810) | (320,423) |
| Return of capital non-controlling interest | (40,087) | (42,562) |
| Dividends paid non-controlling interest | (34,062) | (32,116) |
| Repayments of short-term borrowings | (170) | (15,218) |
| Proceeds from exercise of stock options | 15,746 | 121 |
| Capital increase non-controlling interest | 71,973 | |
| Cash paid on interest rate swaps | | (15,901) |
| Proceeds from issuance of long-term debt | | 501,618 |
| Other | (19,733) | (12,356) |
| Net cash flows used in financing activities | (378,453) | (243,536) |
| Net increase (decrease) in cash and cash equivalents | (23,775) | 268,496 |
| Effect of exchange rate on cash | (12,869) | (2,838) |

| | | |
|---|----------------|----------------|
| Cash and cash equivalents at the beginning of the year | 455,762 | 190,675 |
| Cash and cash equivalents at the end of the year | 419,118 | 456,333 |

4.1.1.1 Analysis of the main changes in the statement of financial position that occurred between December 31, 2013 and June 30, 2014

Total non-current assets amounted to 5,393.8 million at June 30, 2014. The 53.4 million decrease as compared to December 31, 2013, was attributable to: *i*) a 42.8 million decrease in Systems, equipment and other assets related to contracts, net, due to depreciation for the period totaling 112.3 million, offset in part by additions of 65.0 million; and *ii*) a 71.0 million decrease in Intangible assets, as amortization of 99.6 million was offset in part by 20.8 million in additions during the period, mainly in connection with the acquisition of Probability PLC (hereinafter also referred to as **Probability**). This decrease was offset in part by an increase of 34.4 million in Goodwill, attributable to *i*) the effects of the translation of items denominated in foreign currencies, totaling 21.2 million; and *ii*) the Probability acquisition amounting to 13.2 million. The remaining non-current assets, which include Property, plant and equipment, Investments in associates and joint ventures, Other non-current assets, Non-current financial assets and Deferred income taxes, increased by 25.9 million due mainly to the recognition of an asset related to the minimum revenue guarantee in the State of Illinois.

Total current assets amounted to 1,499.1 million at June 30, 2014, a decrease of 177.1 million as compared to December 31, 2013, attributable to a decrease of 101.0 million in Trade and other receivables, net due to a contraction of Lottery receivables in the Italy segment reflecting lower sales. The remaining current assets, which include Inventories, Other current assets, Current financial assets, Income taxes receivable and Cash and cash equivalents, decreased by 76.1 million, due to the receipt in June 2014 of the concession fees due from the Italian gaming regulatory agency (*Agenzia delle Dogane e dei Monopoli*).

Total equity amounted to 2,505.7 million at June 30, 2014, a decrease of 97.8 million as compared to December 31, 2013 attributable to *i*) dividends distributed to shareholders of the parent of 130.5 million; *ii*) 72.2 million related to the acquisition of a 12.5% interest in SW Holding S.p.A.; *iii*) 42.1 million related to capital repayments; and *iv*) 32.4 million related to the distribution of dividends to non-controlling shareholders. This decrease was offset by 147.1 million in net income for the period and 32.3 million of favorable foreign currency translation effect and other minor changes.

Total non-current liabilities amounted to 2,926.2 million at June 30, 2014, an increase of 10.4 million as compared to December 31, 2013 primarily attributable to Deferred income taxes, which increased by 18.4 million due mainly to the tax effect deriving from the excess of amortization allowed for tax purposes over the amount recognized for reporting purposes, and the utilization of deferred tax assets on certain foreign net operating losses.

Total current liabilities amounted to 1,461.0 million at June 30, 2014, a decrease of 143.1 million as compared to December 31, 2013 attributable to *i*) Accounts payable for 160.6 million, due to the timing of payments to suppliers and intermediaries during the period; *ii*) Current portion of long-term debt for 31.8 million, due to interest paid in the six months ended June 30, 2014, attributable to the Capital Securities (maturity 2066)(4), the 2009 Notes (maturity 2016), the 2010 Notes (maturity 2018)

(4) In May 2006, GTECH S.p.A. floated a bond issue that may be repaid at face value at maturity after March 31, 2016, or on any following coupon payment date upon the occurrence of certain events relevant for tax purposes, through open market purchase, tender offers or if there is a change in corporate control. This bond issue is listed on the Luxembourg Stock Exchange. The Capital Securities accrue interest at a fixed rate payable annually until March 31, 2016 and at a variable rate payable semiannually thereafter.

and the 2012 Notes (maturity 2020)(5). This decrease was partially offset by an increase of 64.9 million in Income taxes payable due to the timing of estimated income tax payments. The remaining current liabilities, which include Other current liabilities and Current portion of long-term debt, decreased by 18.0 million due to several factors, such as incentive compensation payments in April 2014, the timing of Machine Gaming tax payments in the Italy segment and a decrease in deferred revenue principally related to Machine Gaming product sales booked in the first quarter of 2014 in the International segment. This decrease was partially offset by the recognition of a liability related to the minimum revenue guarantee in the State of Illinois.

4.1.1.2 Analysis of the main changes in the statement of financial position that occurred between December 31, 2012 and December 31, 2013

Total non-current assets amounted to 5,447.2 million at December 31, 2013, a decrease of 178.4 million as compared to December 31, 2012 attributable to *i*) a 46.7 million decrease in Systems, equipment and other assets related to contracts, net, due to depreciation for the period totaling 241.3 million, the currency translation effect amounting to 31.4 million and impairment losses in the International segment totaling 6.3 million, offset in part by capital additions and the acquisition of Big Easy S.r.l., in April 2013; *ii*) a 93.3 million decrease in Goodwill, attributable to currency translation effect of 104.0 million, partially offset by an addition of 10.7 million recognized on the acquisition of Big Easy S.r.l.; and *iii*) a 76.7 million decrease in Intangible assets, due to the amortization for the period, totaling 189.8 million, and the currency translation effect amounting to 23.4 million, offset in part by 139.4 million of intangible asset additions including the US\$120 million payment (91.7 million at the June 2013 acquisition date) in connection with the signing, in June 2013, of a service contract with the State of New Jersey.

The remaining non-current assets, which include Property, plant and equipment, Investments in associates and joint ventures, Other non-current assets, Non-current financial assets and Deferred income taxes, increased by 38.2 million, primarily due to an investment made in December 2013 in Yeonama Holdings Co. Limited, for 19.8 million, and the recognition of an asset related to the minimum revenue guarantee agreement in the State of Illinois.

Total current assets amounted to 1,676.1 million at December 31, 2013, an increase of 36.6 million as compared to December 31, 2012, primarily attributable to Trade and other receivables, which increased by 94.4 million due to the timing of collection of Lottery receivables in the Italy segment.

Non-current assets classified as held for sale, amounting to 12.1 million as of December 31, 2012, were sold in the first quarter of 2013.

Total equity amounted to 2,603.5 million at December 31, 2013, a decrease of 38.7 million as compared to December 31, 2012, attributable to *i*) dividends distributed to shareholders of the parent and non-controlling interests of 125.9 million and 34.1 million, respectively; *ii*) currency translation

(5) In December 2009, December 2010 and December 2012, GTECH S.p.A. issued Senior unsecured non-convertible bonds unconditionally and irrevocably guaranteed by GTECH Corporation, GTECH Holdings Corporation, GTECH Rhode Island Corporation LLC and Invest Games S.A. These bond issues are listed on the Luxembourg Securities Exchange. Interest is paid annually in arrears based on a fixed rate that can be adjusted annually by 1.25% depending on whether the rating is raised or lowered.

effect and other effects of 141.9 million, and *iii*) repayment of capital to non-controlling interests for 40.1 million. These effects were partially offset by 205.2 million of net income for the year, 75.0 million of capital contributions provided by partners in connection with Lottery Management Services agreements in New Jersey and Illinois and 23.1 million related to stock option plans, including the exercise of stock options by employees.

Total non-current liabilities amounted to 2,915.7 million at December 31, 2013, a decrease of 140.5 million as compared to December 31, 2012, of which 137.5 million was attributable to a decrease in Long-term debt resulting from the reclassification of US\$175 million (126.4 million) to

Current portion of long-term debt relating to the portion of the US\$700 million Term Loan Facility maturing within the next 12 months combined with the foreign currency translation effect. This reduction was offset in part by an increase of 18.2 million in Non-current financial liabilities reflecting an increase in finance leases in the Italy segment. Other non-current liabilities, which include Other non-current liabilities and Long-term provisions, decreased by 16.7 million, primarily due to lower provisions for risks, including a reduction of a provision as a result of the settlement of a tax dispute in the Italy segment, partially offset by an increase in deferred income for equipment supplied in California.

Total current liabilities amounted to 1,604.1 million at December 31, 2013, an increase of 25.3 million as compared to December 31, 2012, primarily attributable to the Current portion of long-term debt, which increased by 33.2 million mainly due to the reclassification of the US\$175 million, (126.4 million) installment of the US\$700 million Term Loan Facility maturing within the next 12 months, from Long-term debt, less current portion. The effect of this reclassification was partially offset by the repayment of a US\$140.0 million (102.4 million) portion of the amount owed under the US\$700 million Term Loan Facility and a decrease of 22.1 million in Accounts payable as a result of the timing of payments to suppliers and intermediaries.

4.1.1.3 Analysis of the main variances in the income statement between the six months ended June 30, 2013 and the six months ended June 30, 2014

REVENUE

In the six months ended June 30, 2014, revenue decreased by 1.7% as compared to the same period in 2013. The decrease was as a result of a combination of factors, including the impact of unfavorable exchange rate fluctuations and a decrease in product sales, partially offset by an increase in service revenue.

The following table sets forth an analysis of revenue by operating segment:

| (thousands of euros) | Service revenue | | Product sales | | Total | |
|--------------------------|------------------|------------------|----------------|----------------|------------------|------------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Operating segment | | | | | | |
| Americas | 411,299 | 387,681 | 82,676 | 116,531 | 493,975 | 504,212 |
| International | 115,029 | 124,222 | 36,861 | 41,420 | 151,890 | 165,642 |
| Italy | 885,060 | 887,725 | 1,196 | 1,691 | 886,256 | 889,416 |
| | 1,411,388 | 1,399,628 | 120,733 | 159,642 | 1,532,121 | 1,559,270 |
| Purchase accounting | | | | | 261 | 273 |

| | | |
|----------------------|------------------|------------------|
| Total revenue | 1,532,382 | 1,559,543 |
|----------------------|------------------|------------------|

Americas Segment

Service revenue in the Americas segment increased by 6.1% as compared to the same period in 2013, primarily due to the contribution of Lottery Management Services agreements in New Jersey and Indiana, which commenced operations on October 1, 2013 and July 1, 2013, respectively. This increase was partially offset by an unfavorable currency translation effect.

Product sales in the Americas segment decreased by 29.1% as compared to the same period in 2013, as the significant increase in sales of gaming equipment achieved in Canada in the first six months of 2013 was not repeated in 2014, and unfavorable foreign currency fluctuations impacted product sales by 6.6 million.

These decreases were partially offset by an increase in sales of Lottery products in California and Pennsylvania.

International Segment

Service revenue in the International segment decreased by 7.4% as compared to the same period in 2013, attributable to a combination of factors, including a change in contract terms with a European customer, the recognition of deferred service revenue in the first half of 2013 related to a European customer that did not recur in 2014 and, unfavorable foreign currency exchange impacts amounting to 1.7 million.

Product sales in the International segment decreased by 11% as compared to the same period in 2013, and primarily reflects lower Machine Gaming product sales in Europe.

Italy Segment

An analysis of the main variances in the results for the different products offered and services provided, by type, within the Italy segment in the six months ended June 30, 2014 as compared to the same period in 2013, is provided below.

Instant Tickets: In the six months ended June 30, 2014, revenue from Instant Ticket services decreased by 2.5% as compared to same period in 2013, primarily due to lower ticket sales.

Machine Gaming: In the six months ended June 30, 2014, revenue from Machine Gaming decreased by 3.1% as compared to the same period in 2014, primarily as a result of a decrease in gaming machine wagers during the period.

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Sports Betting: In the six months ended June 30, 2014, revenue from Sports Betting increased by 15.3% as compared to the same period in 2013, primarily due to an increase in wagers driven by the introduction of virtual betting. This increase was offset in part by a higher payout percentage.

Interactive Games: In the six months ended June 30, 2014, revenue from Interactive Games decreased by 8.9% as compared to the same period in 2013, primarily due a decrease in poker wagers.

TOTAL COSTS

In the six months ended June 30, 2014, total costs decreased by 11.0 million as compared to the same period in 2013, primarily attributable to a decrease in raw materials, services and other costs, largely as a result of a contraction in business volume during the period, and a decrease of 4.8 million in personnel costs as a result of a decrease in incentive compensation and statutory benefits paid due to a reduction in employees. Depreciation of property, plant and equipment decreased by 3.8 million as a result of a revision of the useful lives of some machines and systems currently in use, and a decrease in capitalization of costs for internally constructed assets. These decreases were partially offset by an increase of 6.2 million in amortization of intangible assets, due to new investments in licenses, software and sports betting rights, and the payment of an upfront fee for the service contract signed by Northstar New Jersey Lottery Group with the State of New Jersey.

OPERATING INCOME

| <i>(thousands of euros)</i> | For the six months ended June 30. | |
|-------------------------------|-----------------------------------|----------------|
| | 2014 | 2013 |
| Operating segment | | |
| Americas | 56,610 | 73,626 |
| International | 27,688 | 25,516 |
| Italy | 300,370 | 302,126 |
| | 384,668 | 401,268 |
| Corporate support | (23,287) | (19,382) |
| Purchase accounting | (24,521) | (28,870) |
| Total operating income | 336,860 | 353,016 |

In the six months ended June 30, 2014, operating income decreased by 4.6% as compared to the same period in 2013, primarily as a result of lower operating income in the Americas segment caused by a decrease in sales of gaming equipment in Canada, partially offset by higher sales of Lottery products.

FINANCIAL COMPONENTS

Interest expense, which is the main financial component, was substantially unchanged. The 0.8 million increase was attributable to the securitization program entered into in December 2013.

INCOME TAX EXPENSE

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GTECH's effective income tax rate was 41.0% for the six months ended June 30, 2014, substantially in line with the effective income tax rate for the same period of 2013.

4.1.1.4 Analysis of the main variances in the income statement between the year ended December 31, 2012 and the year ended December 31, 2013

REVENUE

Revenue for the year ended December 31, 2013 decreased by 0.4% as compared to 2012, attributable to a decrease in Italy segment revenue primarily due to Machine Gaming, and in the International segment, due to a peak in product sales in 2012, combined with an unfavorable currency translation effect of 46.1 million. These impacts were partially offset by higher revenues in the Americas segment driven by Machine Gaming equipment sales in Canada.

The following table sets forth an analysis of revenue by operating segment:

| (thousands of euros) | Service revenue | | For the years ended December 31, Product sales | | Total | |
|--------------------------|------------------|------------------|---|----------------|------------------|------------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Operating segment | | | | | | |
| Americas | 800,959 | 755,727 | 193,126 | 116,702 | 994,085 | 872,429 |
| International | 247,980 | 258,914 | 83,137 | 128,055 | 331,117 | 386,969 |
| Italy | 1,734,246 | 1,807,282 | 2,844 | 8,649 | 1,737,090 | 1,815,931 |
| | 2,783,185 | 2,821,923 | 279,107 | 253,406 | 3,062,292 | 3,075,329 |
| Purchase accounting | | | | | 542 | 356 |
| Total revenue | | | | | 3,062,834 | 3,075,685 |

Americas Segment

Revenue in the Americas segment increased by 13.9% for the year ended December 31, 2013 as compared to the prior year, primarily attributable to sales of Machine Gaming equipment in Canada, amounts received from Lottery Management Services agreements in New Jersey and Indiana, which commenced operations on October 1, 2013 and July 1, 2013, respectively, and a 3.1% increase in Lottery same store service revenue. The effect of these increases was partially offset by the unfavorable impact of currency translation. Revenue from existing contracts also increased from multistate jackpot activity and further growth in sales of instant lottery tickets, principally in Texas, North Carolina and California.

International Segment

Revenue in the International segment decreased by 14.4% for the year ended December 31, 2013 as compared to the prior year. Product sales decreased due to significant product sales recorded in 2012, to customers in United Kingdom and France, which did not recur in 2013. Lottery revenue for the year ended December 31, 2013 was comparable with the amount reported for 2012. Total revenues were impacted by unfavorable foreign currency translation effect.

Italy Segment

An analysis of the main variances in the results for the different products offered and services provided, by type, within the Italy segment for 2013 as compared to 2012, is provided below.

Lotto: In the year ended December 31, 2013, Lotto service revenue increased by 1.4% as compared to the prior year, primarily due to the combined effect of an increase in late number wagers, lower core wagers and increased wagers for the 10eLotto game.

Instant Tickets: In the year ended December 31, 2013, Instant Ticket services revenue decreased by 1.3% as compared to the prior year, due mainly to lower ticket sales.

Machine Gaming: In the year ended December 31, 2013, Machine Gaming revenue decreased by 12.6% as compared to the prior year, primarily due to higher taxes applied to machine gaming and a decrease in wagers, the effects of which were partially offset by an increase in the installed machine base.

Sports Betting: In the year ended December 31, 2013, Sports Betting revenue increased by 13.5% as compared to the prior year, principally due to a lower payout percentage, which was partially offset by a decrease in wagers. At December 31, 2013, the operational points of sale included 1,338 fixed-odds sports betting locations and 340 sports pool betting locations.

Interactive Games: In the year ended December 31, 2013, Interactive Games revenue decreased by 11.2% as compared with the prior year, primarily due to a decrease in poker wagers.

TOTAL COSTS

In the year ended December 31, 2013, total costs increased as compared with the prior year mainly due to an increase of 28.9 million in personnel costs, which reflects the hiring of additional staff, and a 4.7 million and 3.8 million increases in depreciation and amortization, respectively, as a result of additional capital investments made during the period, mainly focused on systems, equipment and other contract-related assets. These items were partially offset by a 25.9 million decrease in Raw materials, services and other costs, which decreased in line with the decrease in revenue, and insurance and taxes other than income taxes, which decreased as a result of extraordinary items in the previous year which did not recur in 2013.

OPERATING INCOME

For the years ended December 31,

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| <i>(thousands of euros)</i> | 2013 | 2012 |
|-------------------------------|----------------|----------------|
| Operating segment | | |
| Americas | 122,164 | 88,684 |
| International | 50,655 | 55,578 |
| Italy | 499,661 | 541,552 |
| | 672,480 | 685,814 |
| Corporate support | (56,065) | (41,184) |
| Purchase accounting | (57,283) | (61,483) |
| Total operating income | 559,132 | 583,147 |

In the year ended December 31, 2013, Operating income decreased by 4.1% as compared with the prior year. Such decrease was attributable to lower operating income from Machine Gaming in the Italy segment, due in a part to a 30 million provision for the AWP litigation, and the higher machine gaming tax, the effect of which was partially offset by a lower sports betting payout. The increase in Corporate Support was primarily due to restructuring provisions incurred by the Products & Services organization resulting from the 2013 reorganization. The overall decrease in operating income was partially offset by the increase in operating income reported in the Americas segment as a result of sales of Machine Gaming equipment in Canada.

FINANCIAL COMPONENTS

Interest expense, which is the main financial component, increased in December 31, 2013 as compared to the prior year, primarily due to a change in the composition of the Company's debt, as the financial resources generated by the 2012 Notes (maturity 2020) were used to repay the remaining Facility indebtedness.

INCOME TAX EXPENSE

The GTECH effective income tax rate during 2013 was 46.8% compared to 37.4% during 2012. The increase in the effective income rate principally relates to the tax settlement that was reached with the Italian Tax agency in December 2013 for the settlement of certain tax matters. The settlement was for a total of 34.7 million, of which 6.3 million had been recorded as a provision in previous periods. Absent this settlement, the effective income tax rate during 2013 was 39.8%, slightly higher than 2012 due to higher foreign losses principally in Spain and the United Kingdom where the future tax benefits of those losses could not be currently recorded.

4.1.1.5 Analysis of the main variances that occurred in key components of the statement of cash flows for the six months ended June 30, 2014

Operating cash flows

The net cash flows from operating activities generated by GTECH in the six months ended June 30, 2014 amounted to 459.6 million, an increase of 105.3 million compared to same period in 2013, principally due to changes in operating assets and liabilities.

Investing cash flows

Net cash flows used in investing activities in the six months ended June 30, 2014 amounted to 118.7 million, mainly attributable to: *i)* 82.6 million for investments in systems, equipment and other assets in the Italy segment, for Machine Gaming, Lotto and Sports Betting, and, in the Americas and International segments, for systems and equipment in New Jersey, Colorado, Ontario, Trinidad and Tobago, Texas, Poland, Belgium, the United Kingdom and Greece; and *ii)* 25.5 million for new

acquisitions, including 19.7 million (net of acquired cash) for the acquisition of the entire equity capital of Probability.

Financing cash flows

Net cash flows used in financing activities in the six months ended June 30, 2014 amounted to 389.8 million. In particular, dividends of 125.9 million (0.73 per share) were paid and interest of 110.0 million primarily related to the Capital Securities, the 2010 Notes (maturity 2018) and the 2012 Notes (maturity 2020) was paid. In addition, in March 2014, the Company exercised a call option to acquire from UniCredit S.p.A. its entire interest in SW Holding S.p.A., equal to 12.5% of the equity capital, at a cost of 72.3 million, including related transaction costs. During the period, GTECH returned 42.1 million of capital and paid 32.4 million of dividends to non-controlling interests. At June 30, 2014, cash and cash equivalents amounted to 368.6 million.

4.1.1.6 Analysis of the main variances that occurred in key components of the statement of cash flows for the year ended December 31, 2013

Operating cash flows

Net cash flows from operating activities were 696.2 million for 2013, a decrease of 67.1 million, as compared to 2012, attributable to changes in operating assets and liabilities, the payment of 30 million for the Italy Machine Gaming litigation settlement and the payment of a portion of the 28 million December 2013 Italy tax matter settlement.

Investing cash flows

Net cash flows used in investing activities during 2013 amounted to 341.6 million. The main investments included: *i*) 183.9 million for investments in systems, equipment and other assets in the Italy segment, for Machine Gaming, Lotto and Sports Betting, and, in the Americas and International segments, for systems and equipment in California, Indiana, the United Kingdom, Georgia, Texas, Illinois, New Jersey, Beijing, Rhode Island and New York; *ii*) 134.9 million for investments in intangible assets, principally related to the US\$120 million (91.7 million at the June 2013 acquisition date) Upfront Fee paid pursuant to a contract signed with the New Jersey Lottery to manage a wide range of the Lottery's marketing, sales, and related functions; and *iii*) 19.8 million invested in Yeonama Holdings Co. Limited. At December 31, 2013, GTECH had undertaken a commitment to invest an additional 10.2 million in Yeonama, representing a total potential investment of 30 million.

Financing cash flows

Net cash flows used in financing activities during 2013 amounted to 378.5 million. In particular, interest paid amounted to 143.4 million primarily related to the Capital Securities, the 2009 Notes (maturity 2016) and the 2010 Notes (maturity 2018), and dividends paid amounted to 125.9 million (0.73 per share). During the period, GTECH repaid 103.0 million in long-term debt, mainly related to the US\$140.0 million (102.4 million) payment made in December 2013 on the US\$700 million Term Loan Facility. GTECH returned 40.1 million of capital and paid 34.1

million of dividends to non-controlling interests. GTECH received capital contributions of 72.0 million from its partners in Lottery Management Services agreements in New Jersey and Illinois.

4.2 CONSOLIDATED FINANCIAL STATEMENTS OF THE IGT GROUP

4.2.1 Consolidated financial statements for the fiscal years ended September 30, 2013 and 2012 and condensed interim financial statements for the six months ended March 31, 2014.

The schedules that follow present the consolidated statement of financial position and the consolidated net financial position at March 31, 2014 and at September 30, 2013 and 2012, the consolidated income statement and the consolidated statement of cash flows for the six months ended March 31, 2014 and 2013 and for the fiscal years ended September 30, 2013 and 2012 of the IGT Group. The abovementioned schedules have been derived from the following documents:

- The audited consolidated financial statements of IGT at September 30, 2013 and 2012 and for the three years in the period ended September 30, 2013 included in IGT's Annual Report on Form 10-K filed with the SEC on November 26, 2013 prepared in accordance with US GAAP and subject to audit by PricewaterhouseCoopers LLP, which issued its audit report without qualification on November 26, 2013.
- The unaudited consolidated interim financial information of IGT at and for the six months ended March 31, 2014 is included in IGT's Quarterly Report on Form 10-Q filed with the SEC on May 7, 2014 and is prepared in accordance with Generally Accepted Accounting Principles in the United States (US GAAP). PricewaterhouseCoopers LLP conducted a review of this information in accordance with the procedures specified by the Public Company Accounting Oversight Board in AU 722, Interim Financial Information .

IGT reports the fiscal year on a 52 or 53 week period that ends on the Saturday nearest to September 30. The actual period ends for the periods presented in the financial statements referred to above are as follows:

| Presentation date | Actual closing date |
|--------------------|---------------------|
| September 30, 2013 | September 28, 2013 |
| September 30, 2012 | September 29, 2012 |
| March 31, 2014 | March 29, 2014 |
| March 31, 2013 | March 30, 2013 |

The consolidated financial statements were prepared in accordance with US GAAP. However, based on a preliminary analysis, the adoption of IFRS would not have produced material differences in terms of the Group's results or financial position. For additional information, refer to the section of this chapter which describes the main differences between US GAAP and IFRS applicable to the Group.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT MARCH 31, 2014, SEPTEMBER 30, 2013 AND SEPTEMBER 30, 2012

| <i>(US\$ millions)</i> | At March 31, 2014 | 2013 | At September 30, 2012 |
|---|----------------------|----------------|--------------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 355.8 | 713.3 | 206.3 |
| Investment securities | 15.0 | 28.8 | |
| Restricted cash and investment securities | 59.7 | 64.9 | 79.7 |
| Restricted cash and investment securities of VIEs | 1.8 | 2.1 | 2.2 |
| Jackpot annuity investments | 43.0 | 44.1 | 46.9 |
| Jackpot annuity investments of VIEs | 12.0 | 12.4 | 13.3 |
| Accounts receivable, net | 319.1 | 348.6 | 346.6 |
| Current maturities of contracts and notes receivable, net | 232.4 | 229.3 | 218.2 |
| Inventories | 76.0 | 90.1 | 92.9 |
| Deferred income taxes | 106.9 | 111.1 | 96.7 |
| Other assets and deferred costs | 177.5 | 131.3 | 160.5 |
| Total current assets | 1,399.2 | 1,776.0 | 1,263.3 |
| Non-current assets | | | |
| Property, plant and equipment, net | 443.9 | 483.9 | 555.7 |
| Jackpot annuity investments | 222.9 | 234.5 | 252.3 |
| Jackpot annuity investments of VIEs | 30.4 | 34.1 | 43.4 |
| Contracts and notes receivable, net | 143.6 | 165.6 | 139.3 |
| Goodwill | 1,471.5 | 1,471.1 | 1,469.7 |
| Other intangible assets, net | 106.3 | 130.6 | 193.4 |
| Deferred income taxes | 127.6 | 128.8 | 106.5 |
| Other assets and deferred costs | 356.1 | 188.2 | 261.5 |
| Total non-current assets | 2,902.3 | 2,836.8 | 3,021.8 |
| TOTAL ASSETS | 4,301.5 | 4,612.8 | 4,285.1 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Short-term debt | 846.4 | 826.6 | |
| Accounts payable | 92.9 | 110.0 | 87.5 |
| Jackpot liabilities, current portion | 121.9 | 131.7 | 152.4 |
| Accrued employee benefits | 16.2 | 40.2 | 43.7 |
| Accrued income taxes | | 7.8 | 8.1 |
| Dividends payable | 27.2 | 25.9 | 16.0 |
| Other accrued liabilities | 321.8 | 366.3 | 322.6 |
| Total current liabilities | 1,426.4 | 1,508.5 | 630.3 |
| Non-current liabilities | | | |
| Long-term debt | 1,357.1 | 1,366.3 | 1,846.4 |
| Jackpot liabilities | 278.5 | 293.3 | 328.6 |
| Other liabilities | 124.9 | 190.6 | 282.0 |
| Total non-current liabilities | 1,760.5 | 1,850.2 | 2,457.0 |
| TOTAL LIABILITIES | 3,186.9 | 3,358.7 | 3,087.3 |
| Commitments and Contingencies | | | |
| Shareholder's Equity | | | |
| Common stock | | | 0.1 |
| Additional paid-in capital | 1,456.6 | 1,433.1 | 1,585.1 |
| Treasury stock | (486.2) | (274.9) | (1,332.9) |
| Retained earnings | 138.0 | 87.7 | 941.0 |
| Accumulated other comprehensive income | 6.2 | 8.2 | 4.5 |

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| | | | |
|---|----------------|----------------|----------------|
| Total Equity | 1,114.6 | 1,254.1 | 1,197.8 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 4,301.5 | 4,612.8 | 4,285.1 |

CONSOLIDATED OUTSTANDING DEBT OBLIGATIONS AT MARCH 31, 2014, SEPTEMBER 30, 2013 AND SEPTEMBER 30, 2012

| <i>(US\$ millions)</i> | At March 31, 2014 | At September 30, 2013 | At September 30, 2012 |
|---|----------------------|--------------------------|--------------------------|
| <i>Credit Facilities</i> | | | |
| Credit facility (due April 2018) | | | 140.0 |
| 3.25% Convertible Notes (due May 2014) | 850.0 | 850.0 | 850.0 |
| 7.5% Bonds (due June 2019) | 500.0 | 500.0 | 500.0 |
| 5.5% Bonds (due June 2020) | 300.0 | 300.0 | 300.0 |
| 5.35% Bonds (due October 2023) | 500.0 | 500.0 | |
| Total principal debt obligations | 2,150.0 | 2,150.0 | 1,790.0 |
| <i>Discounts</i> | | | |
| 3.25% Convertible Notes | (3.6) | (23.3) | (60.0) |
| 7.5% Bonds | (1.7) | (1.8) | (2.1) |
| 5.5% Bonds | (0.9) | (0.9) | (1.0) |
| 5.35% Bonds | (1.9) | (2.1) | |
| <i>Swap fair value adjustments</i> | | | |
| 7.5% Bonds | 42.0 | 48.4 | 77.0 |
| 5.5% Bonds | 19.6 | 22.6 | 42.5 |
| Total outstanding debt, net | 2,203.5 | 2,192.9 | 1,846.4 |

CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED MARCH 31, 2014 AND MARCH 31, 2013

| <i>(US\$ millions, except earnings per share and diluted earnings per share)</i> | For the six months ended | |
|--|--------------------------|----------------|
| | 2014 | March 31, 2013 |
| Revenues | | |
| Gaming operations | 453.4 | 496.9 |
| Product sales | 446.2 | 513.7 |
| Interactive | 154.4 | 119.6 |
| Total revenues | 1,054.0 | 1,130.2 |
| Costs and operating expenses | | |
| Cost of gaming operations | 176.8 | 187.1 |
| Cost of product sales | 215.3 | 244.2 |
| Cost of interactive | 59.3 | 48.2 |
| Selling, general and administrative | 242.1 | 210.9 |
| Research and development | 118.8 | 112.5 |
| Depreciation and amortization | 33.2 | 38.7 |
| Contingent acquisition-related costs | 15.0 | 39.3 |
| Impairment and restructuring | 17.8 | 1.6 |
| Total costs and operating expenses | 878.3 | 882.5 |
| Operating income | 175.7 | 247.7 |
| Other income (expense) | | |
| Interest income | 20.9 | 22.4 |
| Interest expense | (73.3) | (62.0) |
| Other | (5.3) | (2.7) |
| Total other income (expense) | (57.7) | (42.3) |
| Income from continuing operations before tax | 118.0 | 205.4 |
| Income tax provision | 13.0 | 61.9 |
| Net income | 105.0 | 143.5 |
| Other comprehensive income (loss) | | |
| Foreign currency translation adjustment | (1.6) | (5.1) |
| Unrealized gain (loss), net of tax | (0.4) | |
| Comprehensive income | 103.0 | 138.4 |
| Earnings per share | | |
| Basic | 0.42 | 0.54 |
| Diluted | 0.42 | 0.54 |
| Cash dividends declared per share | 0.22 | 0.15 |
| Weighted average shares outstanding | | |
| Basic | 250.2 | 264.7 |
| Diluted | 251.9 | 266.7 |

CONSOLIDATED INCOME STATEMENT FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2013 AND SEPTEMBER 30, 2012

| <i>(US\$ millions, except earnings per share and diluted earnings per share)</i> | Year ended September 30, | |
|--|-----------------------------|----------------|
| | 2013 | 2012 |
| Revenues | | |
| Gaming operations | 991.4 | 1,040.0 |
| Product sales | 1,085.2 | 966.8 |
| Interactive | 265.0 | 143.9 |
| Total revenues | 2,341.6 | 2,150.7 |
| Costs and operating expenses | | |
| Cost of gaming operations | 374.3 | 405.7 |
| Cost of product sales | 520.2 | 444.5 |
| Cost of interactive | 102.7 | 62.9 |
| Selling, general and administrative | 460.4 | 410.4 |
| Research and development | 235.0 | 217.0 |
| Depreciation and amortization | 77.4 | 76.9 |
| Contingent acquisition-related costs | 73.9 | 69.1 |
| Impairment | 3.6 | 42.5 |
| Total costs and operating expenses | 1,847.5 | 1,729.0 |
| Operating income | 494.1 | 421.7 |
| Other income (expense) | | |
| Interest income | 44.4 | 45.3 |
| Interest expense | (123.4) | (122.2) |
| Other | (12.8) | (2.0) |
| Total other income (expense) | (91.8) | (78.9) |
| Income from continuing operations before tax | 402.3 | 342.8 |
| Income tax provision | 129.6 | 93.1 |
| Income from continuing operations | 272.7 | 249.7 |
| Loss from discontinued operations, net of tax | | (3.8) |
| Net income | 272.7 | 245.9 |
| Other comprehensive income (loss) | | |
| Foreign currency translation adjustment | (4.3) | 13.4 |
| Unrealized gain (loss), net of tax | 8.0 | (0.1) |
| Comprehensive income | 276.4 | 259.2 |
| Basic earnings (loss) per share | | |
| Continuing operations | 1.04 | 0.86 |
| Discontinued operations | | (0.01) |
| Net income | 1.04 | 0.85 |
| Diluted earnings (loss) per share | | |
| Continuing operations | 1.03 | 0.86 |
| Discontinued operations | | (0.01) |
| Net income | 1.03 | 0.85 |
| Cash dividends declared per share | 0.34 | 0.24 |
| Weighted average shares outstanding | | |
| Basic | 262.6 | 288.8 |
| Diluted | 265.2 | 290.4 |

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED MARCH 31, 2014 AND MARCH 31, 2013

| <i>(US\$ millions)</i> | For the six months ended March 31, | |
|--|---------------------------------------|----------------|
| | 2014 | 2013 |
| Operating | | |
| Net income | 105.0 | 143.5 |
| Adjustments | | |
| Depreciation and amortization | 99.4 | 117.8 |
| Acquisition related contingent earn-out costs | 6.6 | 16.2 |
| Discounts and deferred issuance costs | 23.7 | 22.1 |
| Share-based compensation | 16.5 | 18.6 |
| Impairment | 9.0 | 1.6 |
| Excess tax benefits from employee stock plans | (6.5) | (0.9) |
| Other non-cash items | 15.6 | 12.4 |
| Changes in operating assets and liabilities, excluding acquisitions: | | |
| Receivables | 15.5 | (21.1) |
| Inventories | 13.4 | 9.4 |
| Accounts payable and accrued liabilities | (50.2) | (78.0) |
| Jackpot liabilities | (32.9) | (40.7) |
| Income taxes, net of employee stock plans | (43.9) | (21.0) |
| Other assets and deferred costs | (236.4) | 2.6 |
| Net operating cash flows | (65.2) | 182.5 |
| Investing | | |
| Capital expenditures | (46.2) | (56.4) |
| Proceeds from assets sold | 7.8 | 8.3 |
| Purchases of investment securities | 13.9 | |
| Jackpot annuity investments, net | 25.0 | 27.1 |
| Changes in restricted cash | 5.6 | 5.8 |
| Loans receivables payments received | 14.9 | 15.1 |
| Net investing cash flows | 21.0 | (0.1) |
| Financing | | |
| Debt proceeds | | 65.0 |
| Debt repayments | | (85.0) |
| Debt issuance costs | (0.6) | |
| Employee stock plan proceeds | 5.5 | 7.4 |
| Excess tax benefits from employee stock plans | 6.5 | 0.9 |
| Share repurchases | (211.3) | (75.1) |
| Dividends paid | (53.4) | (34.7) |
| Acquisition-related contingent consideration | (56.1) | (27.9) |
| Net financing cash flows | (309.4) | (149.4) |
| Foreign exchange rates effect on cash and cash equivalents | (3.9) | (2.8) |
| Net change in cash and cash equivalents | (357.5) | 30.2 |
| Beginning cash and cash equivalents | 713.3 | 206.3 |
| Ending cash and cash equivalents | 355.8 | 236.5 |

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2013 AND SEPTEMBER 30, 2012

| <i>(US\$ millions)</i> | Year ended September 30, | |
|--|-----------------------------|----------------|
| | 2013 | 2012 |
| Operating | | |
| Net income | 272.7 | 245.9 |
| Adjustments | | |
| Depreciation and amortization | 231.6 | 240.3 |
| Acquisition related contingent earn-out costs | 35.0 | 27.5 |
| Discounts and deferred issuance costs | 45.0 | 41.2 |
| Share-based compensation | 39.4 | 33.2 |
| Net loss on disposal and impairment | 3.6 | 40.6 |
| Excess tax benefits from employee stock plans | (2.5) | (2.4) |
| Other non-cash items | 7.3 | (16.9) |
| Changes in operating assets and liabilities, excluding acquisitions: | | |
| Receivables | (93.1) | (101.1) |
| Inventories | 14.2 | (11.7) |
| Accounts payable and accrued liabilities | (33.6) | 53.8 |
| Jackpot liabilities | (73.6) | (47.5) |
| Income taxes, net of employee stock plans | (24.6) | (38.4) |
| Other assets and deferred costs | 28.6 | (18.0) |
| Settlement of treasury lock contracts | 12.6 | |
| Net operating cash flows: | 462.6 | 446.5 |
| Investing | | |
| Capital expenditures | (127.8) | (208.7) |
| Proceeds from assets sold | 24.6 | 33.1 |
| Purchases of investment securities | (28.8) | |
| Jackpot annuity investments, net | 48.6 | 51.8 |
| Changes in restricted cash | 14.9 | 10.7 |
| Loans receivable cash advanced | | (0.8) |
| Loans receivable payments received | 32.4 | 29.8 |
| Proceeds from unconsolidated affiliates | | 9.2 |
| Business acquisitions, net of cash acquired | | (233.9) |
| Net investing cash flows | (36.1) | (308.8) |
| Financing | | |
| Debt proceeds | 617.9 | 280.0 |
| Debt repayments | (260.0) | (140.0) |
| Debt issuance costs | (6.5) | |
| Employee stock plan proceeds | 27.5 | 13.3 |
| Excess tax benefits from employee stock plans | 2.5 | 2.4 |
| Share repurchases | (190.5) | (475.2) |
| Noncontrolling interests acquired | | (2.5) |
| Dividends paid | (79.0) | (70.6) |
| Acquisition-related contingent consideration | (27.9) | |
| Net financing cash flows | 84.0 | (392.6) |
| Foreign exchange rates effect on cash and cash equivalents | (3.5) | 1.2 |
| Net change in cash and cash equivalents | 507.0 | (253.7) |
| Beginning cash and cash equivalents | 206.3 | 460.0 |
| Ending cash and cash equivalents | 713.3 | 206.3 |

4.2.1.1 Analysis of the main changes in the statement of financial position that occurred between September 30, 2013, and March 31, 2014

Total assets of the IGT Group amounted to US\$4,301.5 million at March 31, 2014. The decrease of US\$311.3 million as compared to September 30, 2013 is primarily the result of the following factors: *i*) a US\$376.8 million decrease in Cash and cash equivalents, Investment securities and Restricted cash due to purchases of treasury shares and advance payments for licenses; *ii*) a US\$48.4 million decrease in Accounts receivables, net, Current maturities of contacts and notes receivable, net and Contacts and notes receivable, net that mainly reflects the impact of lower revenues; and *iii*) a US\$64.3 million, decrease in Property, plant and equipment, net and Other intangible assets, net as a result of the depreciation and amortization for the period. These reductions in Total assets were offset in part by a US\$185 million increase in other assets attributable to purchases of prepaid licensing rights.

The decrease in Total liabilities reported by the IGT Group at March 31, 2014, as compared to September 30, 2013 included: *i*) a reduction of US\$140.4 million in other liabilities resulting from payments related to acquisition contingencies; *ii*) a net release of US\$51.7 million relating to tax provisions; and *iii*) a decrease of US\$24.6 million in jackpot-related liabilities due to a difference in the timing of the accrual of jackpots, payment of winnings, amounts wagered and applied interest rates. These decreases in Total liabilities were offset in part by an increase of US\$39.8 million arising from the recognition of liabilities for royalties.

Total shareholders equity of the IGT Group, amounting to US\$1,114.6 million at March 31, 2014, decreased as compared to September 30, 2013, due primarily to the effect of purchases of treasury shares and the payment of dividends, partially offset by the contribution of the results for the period.

4.2.1.2 Analysis of the main changes in the statement of financial position that occurred between September 30, 2012 and September 30, 2013

Total assets of the IGT Group amounted to US\$4,612.8 million at September 30, 2013. The increase of US\$327.7 million as compared to September 30, 2012 is primarily the result of an increase of US\$507 million in Cash and cash equivalents mostly due to new bonds issued in September 2013. This increase is offset by *i*) decreases of US\$71.8 million and US\$62.8 million, in Property, plant and equipment, net and Other intangible assets, net, respectively, as a result of the depreciation and amortization for the period; and *ii*) a decrease of US\$51.6 million in other assets primarily attributable to changes in fair value of interest rate derivatives.

The increase in Total liabilities reported by the IGT Group as compared to September 30, 2012 is primarily attributable to the placement of a new bond issue floated in September 2013. The effect of this transaction was partly offset by a US\$56 million decrease in current and non-current jackpot liabilities.

Total shareholders equity of the IGT Group amounted to US\$1,254.1 million at September 30, 2013, an increase of US\$56.3 million, as compared to September 30, 2012. This increase was primarily

attributable to the following factors: *i*) US\$276.4 million relates to the comprehensive income for the year; *ii*) US\$59.4 million attributable to employee stock plan issuances; and *iii*) a decrease of US\$279.4 million, attributable to the purchases of treasury shares and the payment of dividends.

4.2.1.3 Analysis of the main changes in the income statement that occurred between the six months ended March 31, 2013 and the six months ended March 31, 2014

REVENUES

Total revenues of the IGT Group amounted to US\$1,054.0 million for the six months ended March 31, 2014, a decrease of US\$76.2 million, as compared to the six months ended March 31, 2013, of which US\$43.4 million was attributable to the North America segment, and US\$32.8 million attributable to the International segment. Revenues from Product sales decreased by US\$67.5 million (13%) during the period, reflecting a reduction in the number of gaming machines sold, and revenues from Gaming operations decreased by US\$43.5 million (9%), due to a decrease in amounts wagered and the number of installed machines. These decreases were partly offset by a gain of US\$34.8 million (29%) in revenues from Interactive gaming, driven by the increased contribution provided by social gaming.

A detailed review of sales trends for the Group's three main revenue lines is provided below.

Gaming operations

The decrease in revenues generated by gaming operations is the combined result of a contraction in amount wagered, particularly regarding the *MegaJackpots*® premium brand of games, and a reduction in the number of installed machines. The decrease in gross margin was primarily due to the reduction in amounts wagered, partially offset by lower depreciation.

Product sales

Revenues from products sales decreased due to lower sales volumes from replacement machines, particularly in North America. Non-machine revenues increased due to *i*) a US\$7.5 million increase in parts sales; and *ii*) a US\$7.2 million increase in system sales, partially offset by *iii*) lower license fees, primarily due to a US\$5 million royalty settlement in the prior year period.

Interactive

Interactive revenue increased due to the growth generated by the *DoubleDown Casino*® product. Social gaming(6) revenue continued to improve, as a result of increases both in DAU(7) and Bookings per DAU(8) made possible by the introduction of IGT content in the

DoubleDown Casino® and an effective marketing strategy. The decrease in IGTi revenues, was primarily as a result of the discontinuation of the lower-performing product offerings.

(6) The activity or practice of playing an online game on a social media platform.

(7) DAU (Daily Active Users) measures the number of users playing on the *DoubleDown Casino*® each day.

(8) Bookings per DAU measures the amount of virtual chips sold during each period per DAU.

COSTS AND OPERATING EXPENSES

Total cost and operating expenses of the IGT Group amounted to US\$878.3 million for the six months ended March 31, 2014, a decrease of US\$4.2 million as compared to the six months ended March 31, 2013. The overall decrease in operating expenses partially related to the decrease in revenues. Impairment and restructuring charges increased as a result of initiatives launched in March 2014 as part of the program to realign the operational structure, which resulted in the recognition of US\$8.8 million related to workforce reduction and US\$7.7 million of impairment related to abandoned software. Other significant increases in operating expenses included US\$9.7 million in marketing expenses and US\$6.5 million for professional fees primarily due to an increase in commercial litigation and contingent litigation charges.

OTHER INCOME (EXPENSE)

The unfavorable change in total other income (expense) was primarily due to increased interest expense primarily related to additional bonds issued in September 2013 and an increase of US\$4 million in foreign currency losses primarily related to the Argentina peso devaluation.

INCOME TAX PROVISION

The effective annual tax rate for 2014 benefited from the completion of the tax audit performed by the U.S. Internal Revenue Service in December 2013, which resulted in a reduction of the tax provision of US\$29.6 million. This positive effect was offset in part by the inability to deduct for tax purposes the foreign exchange losses incurred on the Argentinian peso in January 2014. Furthermore, the effective tax rate applied in the first half of 2013 reflected the positive impact of an increase in tax-deductible expenses amounting to US\$5.9 million.

Overall, the difference between the effective tax rate (11% in 2014 and 30.1% in 2013) and the U.S. federal statutory rate (35%) is primarily due to the geographical distribution of taxable income, permanent differences between the tax bases and the carrying amounts of some of IGT Group's assets and some changes in previously unrecognized tax benefits.

ANALYSIS BY SEGMENT

The table below provides a breakdown of IGT Group's performance in the different segments in which it operates (North America and International).

| (US\$ millions) | For the six months ended March 31. | | | | | |
|-------------------|------------------------------------|-------|---------------|-------|-------|-------|
| | North America | | International | | Total | |
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Gaming operations | 391.7 | 428.8 | 61.7 | 68.1 | 453.4 | 496.9 |
| Product sales | 313.8 | 359.5 | 132.4 | 154.2 | 446.2 | 513.7 |
| Interactive | 136.1 | 96.7 | 18.3 | 22.9 | 154.4 | 119.6 |

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| | | | | | | |
|-----------------------|--------------|--------------|--------------|--------------|----------------|----------------|
| Total revenues | 841.6 | 885.0 | 212.4 | 245.2 | 1,054.0 | 1,130.2 |
|-----------------------|--------------|--------------|--------------|--------------|----------------|----------------|

North America Segment

The US\$43.4 million decrease in North America revenues reflects the impact of *i*) a decrease of US\$45.7 million in product sales; and *ii*) a reduction of US\$37.1 million in gaming operations, and *iii*)

an increase of US\$39.4 million in interactive. Total gross margin remained flat as higher margin in interactive was offset by lower gaming operations margin. Operating margin decreased due to lower revenues coupled with higher operating expenses.

International segment

The revenues of the International segment decreased by US\$32.8 million compared with the six months ended March 31, 2013. This contraction affected all business lines, but was particularly pronounced in terms of product sales, which decreased by 14%. The currency translation effect had a negative impact on revenues of US\$9.5 million. Gross margin was flat, as higher margins in gaming operations and interactive were offset by product sales margin decline. Operating income and operating margin declined due to lower revenue along with higher operating expenses, primarily due to bad debt provisions and business realignment charges.

4.2.1.4 Analysis of the main changes in the income statement that occurred between the fiscal year ended September 30, 2012 and the fiscal year ended September 30, 2013

REVENUES

Total revenues of the IGT Group amounted to US\$2,341.6 million for the year ended September 30, 2013, an increase of US\$190.9 million as compared to the year ended September 30, 2012, entirely attributable to growth in the North America segment, which was driven by *i*) an increase of US\$133.0 million in interactive gaming revenues, mainly attributable to social gaming with *DoubleDown Casino*® acquisition at the end of January 2012; and *ii*) an increase of US\$111.6 million in product sales. These increases were partly offset by a reduction in revenues from gaming operations in the North America segment amounting to US\$53.6 million. Changes in foreign currency rates negatively impacted revenues by US\$9.9 million.

A detailed review of sales trends for the Group's three main revenue lines is provided below.

Gaming operations

The decrease in revenues generated by gaming operations was due to the combined result of a contraction in amounts wagered, particularly regarding the *MegaJackpots*® premium brand of games, and a reduction in the number of installed machines, particularly in North America and, to a lesser extent, in the International segment.

Product sales

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Revenues from product sales increased due to an increase in machines and systems sales in North America. The increase in machines sales was primarily driven by 6,000 replacement video lottery terminals (VLTs) in Canada, 4,400 new VLTs in Illinois and 4,600 poker replacement machines.

Interactive

Interactive revenue grew primarily as a result of growth in the *DoubleDown Casino*®. Social gaming revenues continued to improve as a result of increases in both DAU and Bookings per DAU. These

improvements were primarily driven by the introduction of IGT content in the *DoubleDown Casino*® and overall growth in desktop and mobile platform applications. IGTi revenues decreased by US\$14.3 million, as the result of the following factors: *i*) the closing of certain European online turnkey and poker operations; and *ii*) US\$7.4 million related to the prior year VAT settlement. These decreases were partially offset by an increase of US\$11.3 million in online casino revenues due to a 36% increase in *IGT rgs*® customers. Additionally, mobile applications generated 21% of online casino revenues, compared to 10% in the prior year.

COSTS AND OPERATING EXPENSES

Total costs and operating expenses of the IGT Group amounted to US\$1,847.5 million for the year ended September 30, 2013, an increase of US\$118.5 million as compared to the prior year. The increase was primarily attributable to Cost of product sales and Selling, general and administrative expenses, as a result of the following factors: *i*) an increase of \$34.5 million due to advertising and promotional expenses which included US\$27.1 million in increased marketing costs related to the increase in social gaming revenues and additional costs for trade shows and related events; *ii*) a US\$7.7 million increase in proxy contest fees; and *iii*) a US\$7.7 million increase in bad debt provisions mainly relating to international customers. The remaining increase in Selling, general and administrative expenses and Research and development costs generally related to higher employee headcount. Acquisition-related costs increased by US\$3.4 million due to the *DoubleDown* transaction. These increases were partially offset by a decrease of US\$38.9 million in impairment and restructuring charges.

OTHER INCOME (EXPENSE)

The change in total other income (expense) was unfavorable primarily due to increased foreign currency losses of US\$6.2 million primarily from Latin America and Australia currencies and an additional fair value loss adjustment of US\$4.7 million on interest rate swaps. Lower interest income and higher interest expense on debt also contributed to the unfavorable change.

INCOME TAX PROVISION

The difference between the effective tax rate (32.2% in 2013 and 27.2% in 2012) and the U.S. federal statutory rate (35%) is primarily due to the geographical distribution of taxable income, permanent differences between the tax bases and the carrying amounts of some of the Group's assets and some changes in previously unrecognized tax benefits.

ANALYSIS BY SEGMENT

The table below provides a breakdown of the Group's performance in the different segments in which it operates (North America and International).

| (US\$ millions) | North America | | For the years ended September 30, International | | Total | |
|-----------------|---------------|------|--|------|-------|------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |

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| | | | | | | |
|-----------------------|----------------|----------------|--------------|--------------|----------------|----------------|
| Gaming operations | 854.2 | 907.8 | 137.2 | 132.2 | 991.4 | 1,040.0 |
| Product sales | 759.8 | 648.2 | 325.4 | 318.6 | 1,085.2 | 966.8 |
| Interactive | 221.1 | 88.1 | 43.9 | 55.8 | 265.0 | 143.9 |
| Total revenues | 1,835.1 | 1,644.1 | 506.5 | 506.6 | 2,341.6 | 2,150.7 |

North America Segment

The US\$191 million increase in North America was attributable to the following factors: *i*) a US\$133 million increase in interactive gaming revenues; and *ii*) a US\$111.6 million increase in revenues from product sales. These increases were partially offset by a US\$53.6 million decrease in revenues from gaming operations. Gross margin was in line with that of the previous year, as improvements in the gaming operations and interactive gaming areas were offset by a contraction in product sales. Operating margins improved, as revenues grew at a faster rate than operating expenses. Operating expenses increased primarily from additional costs of US\$55.3 million related to *DoubleDown* operations, which included US\$27.1 million for increased advertising and promotional expenses and US\$3.4 million in additional acquisition-related expenses.

International segment

International revenues remained relatively constant, as a decrease of US\$11.9 million in interactive gaming was offset by increases of US\$6.8 million in product sales and US\$5 million in gaming operations. Changes in foreign currency exchange negatively impacted revenues by US\$8.9 million. Total gross margin was relatively constant compared with the previous year, as an improvement in the margin generated by interactive gaming was offset by margin contractions both for gaming operations and product sales. Operating margin improved due to a reduction in operating expenses resulting from the closing of certain operations, partially offset by an increase in the bad debt provisions of US\$7.3 million.

4.2.1.5 Analysis of the main changes that occurred in key components of the statement of cash flows between the six months ended March 31, 2013 and the six months ended March 31, 2014

Operating cash flows

Cash used in operations amounted to US\$65.2 million for the six months ended March 31, 2014, compared to cash generated in operations amounting to US\$182.5 million for the six months ended March 31, 2013. This change is mainly due to the cash used for prepaid licensing rights of US\$185 million, and acquisition-related contingent payments of US\$84.3 million during the six months ended March 31, 2014.

Investing cash flows

Investing cash flows amounted to US\$21 million for the six months ended March 31, 2014, an increase of US\$21.1 million as compared to the six months ended March 31, 2013, attributable to increased proceeds from investment securities of US\$13.9 million and a \$10.2 million decrease in capital expenditures.

Financing cash flows

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The increase in cash used for financing activities primarily relates to an increase of US\$136.2 million in used to purchase treasury shares and US\$28.2 million in acquisition-related disbursements.

4.2.1.6 Analysis of the main changes that occurred in key components of the statement of cash flows for the years ended September 30, 2013 and September 30, 2012

Operating cash flows

Operating cash flows generated cash of US\$462.6 million in the year ended September 30, 2013, an increase over cash generated by operations in 2012, attributable to higher earnings, offset by US\$47.4 million of payments for acquisition-related contingent consideration. Changes in operating assets and liabilities, caused by changes in business volumes and timing of payments, absorbed cash of US\$6.6 million. The increase in cash used, including US\$87.4 million to settle trade payables and other liabilities and US\$26.1 million to settle jackpot liabilities, was partially offset by a reduced cash utilization for (i) other activities, amounting to \$46.6 million, (ii) inventory, amounting to \$25.9 million, and (ii) taxes, amounting to US\$13.8 million, in addition to the cash made available by the settlement of the treasury lock contracts, amounting to US\$12.6 million.

Investing cash flows

Net cash used in investing activities amounted to US\$36.1 million in the fiscal year ended September 30, 2013. The reduction in cash used for investments in 2013 was primarily due to a decrease in cash used for business acquisitions amounting to US\$233.9 million, and lower capital expenditures.

Financing cash flows

Cash generated by financing activities amounted to US\$84.0 million in the fiscal year ended September 30, 2013. The reduction in cash used for financing activities in 2013 was primarily attributable to the combination of the following factors *i*) an increase of US\$211.4 million in financing received, as a result of a bond placement (5.35% Bonds) in September 2014; and *ii*) a decrease of US\$284.7 million in cash used to purchase treasury shares. These effects were offset in part by contingent consideration paid on past acquisitions, of US\$27.9 million. In 2013, approximately 2.5 million shares, paid for in advance in June 2012, were awarded within the framework of the accelerated share repurchase transaction (ASR) and an additional 10 million shares were purchased through market transactions for a total of US\$190.5 million.

4.2.2 Main differences between US GAAP and IFRSs applicable to the Group.

A brief description of the main differences between US GAAP and IFRS identified based on a preliminary analysis of the financial statements of the IGT Group is provided below:

- (i) *Accounting treatment of convertible bonds and related call options and warrants:* IAS 32 specifies that financial instruments that contain both a liability and equity component must be recognized in the financial statements separately as a financial liability and an equity instrument (split accounting). IFRS requirements differ from those of US GAAP, as the embedded conversion option of the convertible bonds,

the related call options and warrants would be defined as derivative financial instruments under IFRS compared to equity instruments under US GAAP.

(ii) *Accounting treatment of deferred compensation plans:* In accordance with IAS 19, IGT's deferred compensation plans that are invested in a fund are deemed to be defined-benefit plans and the

corresponding liabilities must be measured in the financial statements based on the present value of the benefits owed to employees. This valuation method differs from the one prescribed by US GAAP which calls for measuring the liability based on the fair value of the assets held by the fund.

(iii) *Accounting treatment of share-based incentives:* The abovementioned analysis identified the following main differences in the accounting treatment of the IGT incentives:

a) Share-based incentives that vest over the long term: Under US GAAP share-based incentives consisting of multiple tranches with different vesting dates are recognized in the financial statements using a straight-line cost allocation method over the entire vesting period. Under IFRS, the cost of the incentive is recognized using the straight-line method for each tranche consistent with the respective vesting period.

b) Share-based incentives paid net of tax withholdings: Under US GAAP, share-based incentives that call for the net cash settlement of tax withholdings are accounted for in equity, unless the withholding rate applied exceeds the company's tax rate. Under IFRS, the portion of the incentive corresponding to the tax withholding is treated as a cash-settled award, the fair value of which must be recognized as a liability in the financial statements.

c) Tax deductibility of share-based incentives: Under US GAAP, deferred taxes on share-based incentives are computed on the cumulative value of the cost for incentives that vested during the reporting period. Under IFRS, deferred taxes are computed based on the present value of deductible costs on the reporting date.

(iv) *Taxation differences:* The abovementioned analysis identified the following main taxation differences:

a) Under US GAAP, no deferred taxes are recognized for differences involving non-cash assets and liabilities converted from their original currency to the functional currency of the financial statements based on historical exchange rates. Under IFRS, deferred taxes must be recognized on any difference between the carrying amounts of the abovementioned assets and liabilities, computed based on historical exchange rates, and the corresponding tax bases.

b) Under US GAAP, all tax effects computed by the seller by applying its tax rate to the margins generated by an intercompany transaction are deferred until the abovementioned margins are realized with an external party. Under IFRS, deferred taxes on margins on intercompany transactions not yet realized with an external party are computed based on the tax rates of the buyer.

5. UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION GEORGIA WORLDWIDE PLC

The following section includes the document *Georgia Worldwide PLC unaudited pro forma consolidated statements of financial position at June 30, 2014 and unaudited pro forma consolidated income statements for the six months then ended* approved by the GTECH board of directors at October 1, 2014 and prepared to represent the main effects of the Transactions (as defined below) on the consolidated statement of financial position and result of operations of UKCo.

5.1 GEORGIA WORLDWIDE PLC UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT JUNE 30, 2014 AND UNAUDITED PRO FORMA CONSOLIDATED INCOME STATEMENTS FOR THE SIX MONTHS THEN ENDED

Introduction

The unaudited pro forma consolidated financial information of Georgia Worldwide PLC (**UKCo**) includes the unaudited pro forma consolidated statement of financial position at June 30, 2014 and the unaudited pro forma consolidated income statement for the six months ended June 30, 2014 with the related explanatory notes (together the **Unaudited Pro Forma Consolidated Financial Information**). The Unaudited Pro Forma Consolidated Financial Information has been prepared for inclusion in the information document being prepared on voluntary basis in accordance with Article 70, paragraph 6, of CONSOB Regulation no. 11971 of May 14, 1999 as subsequently amended, for the cross-border merger of GTECH S.p.A. (**GTECH** , together with its subsidiaries the **GTECH Group**) into UKCo. In particular, the Unaudited Pro Forma Consolidated Financial Information has been prepared to represent the pro forma effects of the following transactions (the **Transactions**) on the consolidated statement of financial position and results of operations of UKCo:

- acquisition of 100% of the outstanding capital stock International Game Technology (together with its subsidiaries **IGT**) by UKCo through the merger of IGT with Georgia Worldwide Corporation, controlled by UKCo (**IGT Merger**). At the effective time of the IGT Merger:

- each outstanding share of IGT common stock will be converted into the right to receive a combination of cash and UKCo ordinary shares;

- each outstanding IGT stock option and restricted stock unit award granted (i) before July 1, 2013 to IGT employees or (ii) to non-employee directors will fully vest and be cancelled in exchange for a cash payment equal to \$18.25; and

- each outstanding award of IGT restricted stock units granted between July 1, 2013 and July 15, 2014 will be converted into an award with respect to UKCo ordinary shares.

- financing of the Mergers (as defined below) and related costs incurred by GTECH through the bridge facility obtained on July 15, 2014 (the **Bridge Facility**) in an aggregate principal amount of approximately US\$10.4 billion (8.2 billion at a US\$ to exchange rate of 0.785 at September 26, 2014). Furthermore, GTECH and IGT might be required to refinance existing specified indebtedness, due to provisions triggered by the Mergers (the **Financing**). The pro forma adjustments are based on the assumption that the counterparties to the IGT derivatives, the GTECH derivatives, the GTECH credit facility and the GTECH notes will exercise their contractual rights to require early termination due to the Transactions. The pro forma adjustments are based on the assumption that IGT bondholders will not exercise their put option, as the IGT bonds are trading above the contractual put price at September 26, 2014. The outstanding principal amount of the IGT bonds at June 30, 2014 amounts to 1,021.0 million (US\$1.3 billion at a US\$ to exchange rate of 0.785 at September 26, 2014). It is anticipated that the Bridge Facility will be drawn only to the extent that GTECH is unable (i) to obtain consent from the GTECH note holders or counterparties of GTECH and IGT derivative financial instruments and (ii) to raise debt financing in the form of term loans and/or debt securities at or prior to the closing of the Mergers. The pro forma adjustments are based upon available information and certain assumptions that management believes are reasonable at this time; actual results may materially differ from the Unaudited Pro Forma Consolidated Financial Information; and

- GTECH merger with and into UKCo, pursuant to which each issued and outstanding GTECH ordinary share will be converted into the right to receive one UKCo ordinary share (the **GTECH Merger** and together with the IGT Merger, the **Mergers**). Pursuant to the Merger Agreement, if GTECH shareholders exercise cash exit rights (**Rescission Rights**) under Italian law in respect of more than 20% of the GTECH ordinary shares outstanding at the date of the Merger Agreement, GTECH will be entitled to terminate the Merger Agreement. The pro forma effects of the GTECH Merger have been prepared assuming 20% of Rescission Rights are exercised as the actual amount of Rescission Rights which will be exercised is unknown at this time.

On July 15, 2014 GTECH, UKCo, Georgia Worldwide Corporation and GTECH Corporation, entered into the merger agreement with IGT (the **Merger Agreement**) to acquire the entire issued share capital of IGT. The completion of the Mergers is subject to satisfaction of certain conditions, including (i) antitrust approval, (ii) gaming approvals, (iii) the receipt of a merger order from the High Court of England and Wales, (iv) IGT and GTECH shareholder approvals and (v) NYSE listing approval for the UKCo ordinary shares.

The pro forma adjustments to the Unaudited Pro Forma Consolidated Financial Information are limited to those that are directly attributable to the pro forma adjustment related to the Transactions,

factually supportable, and with respect to the income statement, expected to have a continuing impact on the results of the combined entities. The Unaudited Pro Forma Consolidated Financial Information is presented for illustrative purposes only and based upon available information and certain assumptions that each of GTECH and IGT believe are reasonable, including assumptions pursuant to the terms of the Merger Agreement.

The Unaudited Pro Forma Consolidated Financial Information has been prepared in order to simulate, using accounting principles that are consistent with those used in the preparation of the GTECH historical financial statements, the main effects of the Transactions on the consolidated statement of financial position and result of operations of UKCo, as if the Transactions had occurred on June 30, 2014 for the consolidated statement of financial position purposes and on January 1, 2014 for the consolidated income statement purposes.

As mentioned above, the Unaudited Pro Forma Consolidated Financial Information represents a simulation, for illustrative purposes only, of the main potential impacts of the Transactions. In particular, as pro forma information is prepared to illustrate retrospectively the effects of transactions that will occur subsequently using generally accepted regulations and reasonable assumptions, there are limitations that are inherent to the nature of pro forma information; hence, had the Transaction taken place on the dates assumed above, the actual effects would not necessarily have been the same as those presented in the Unaudited Pro Forma Consolidated Financial Information. Furthermore, in consideration of the different purposes of the pro forma information as compared to the historical financial statements and the different methods of calculation of the effects of the Transactions on the unaudited pro forma consolidated statement of financial position and the unaudited pro forma consolidated income statement, these statements should be read and interpreted without comparisons between them.

Finally, it should be noted that the Unaudited Pro Forma Consolidated Financial Information does not attempt to predict or estimate the future results of UKCo and should not be used for this purpose.

The Unaudited Pro Forma Consolidated Financial Information should be read in conjunction with:

- the interim consolidated financial statements of GTECH at and for the six months ended June 30, 2014 (Interim Consolidated Financial Statements of GTECH), prepared in accordance with IAS 34 Interim Financial Reporting adopted by the European Union and subject to limited review by PricewaterhouseCoopers S.p.A, which issued its review report on August 1, 2014;
- the unaudited consolidated interim financial information of IGT at and for the six months ended March 31, 2014 (Interim Consolidated Financial Information of IGTis)included in IGT's Quarterly Report on Form 10-Q filed with the SEC on May 7, 2014 and is prepared in accordance with Generally Accepted Accounting Principles in the United States (US GAAP). PricewaterhouseCoopers LLP conducted a review of this information in accordance with the procedures specified by the Public Company Accounting Oversight Board in AU 722, Interim Financial Information .

Unaudited pro forma consolidated financial information

This section presents the unaudited pro forma consolidated statement of financial position at June 30, 2014, the unaudited pro forma consolidated income statement for the six months ended June 30, 2014 and the related explanatory notes.

Unaudited pro forma consolidated statement of financial position

The following table sets forth the pro forma adjustments to reflect the main effects of the Transactions on the UKCo unaudited consolidated statement of financial position at June 30, 2014.

| <i>(in millions)</i> | Unaudited Pro Forma Adjustments | | | | | Unaudited UKCo IFRS Pro Forma Total |
|---|--|-----------------------------------|-------------------|------------------|--|-------------------------------------|
| | Unaudited GTECH IFRS Historical Note 1 | Unaudited IGT Reclassified Note 2 | IGT Merger Note 3 | Financing Note 4 | UKCo Merger and Other Adjustments Note 5 | |
| Non-current assets | | | | | | |
| Systems, equipment and other assets related to contracts, net | 856.7 | 98.8 | 25.4(a) | | | 980.9 |
| Property, plant and equipment, net | 73.3 | 223.8 | (39.5)(b) | | | 257.6 |
| Goodwill | 3,129.9 | 1,069.5 | 1,281.4(e) | | | 5,480.8 |
| Intangible assets, net | 1,186.3 | 77.3 | 2,464.3(c) | | | 3,727.9 |
| Investments in associates and joint ventures | 22.4 | 3.2 | | | | 25.6 |
| Other non-current assets | 76.3 | 201.1 | (6.0)(k) | | | 271.4 |
| Non-current financial assets | 33.0 | 330.2 | 85.6(g) | (53.2)(a) | | 395.6 |
| Deferred income taxes | 15.9 | 170.4 | (170.4)(i) | 75.3(e) | | 91.2 |
| Total non-current assets | 5,393.8 | 2,174.3 | 3,640.8 | 22.1 | | 11,231.0 |
| Current assets | | | | | | |
| Inventories | 139.6 | 55.2 | 34.6(d) | | | 229.4 |
| Trade and other receivables, net | 803.2 | 231.9 | | | | 1,035.1 |
| Other current assets | 168.6 | 125.8 | | | (0.7)(a) | 293.7 |
| Current financial assets | 14.2 | 328.7 | (2.9)(g) | (5.5)(a) | | 334.5 |
| Income taxes receivable | 4.8 | 47.7 | (8.4)(k) | | | 44.1 |
| Cash and cash equivalents | 368.6 | 149.7 | (2,800.4) | 3,556.7(b) | (756.3)(b) | 518.3 |
| Total current assets | 1,499.0 | 939.0 | (2,777.1) | 3,551.2 | (757.0) | 2,455.1 |
| TOTAL ASSETS | 6,892.8 | 3,113.3 | 863.7 | 3,573.3 | (757.0) | 13,686.1 |
| Equity attributable to owners of the parent | 2,226.0 | 810.0 | 53.1(j) | (198.4)(c) | (756.3)(b) | 2,134.4 |
| Non-controlling interests | 279.7 | | | | | 279.7 |
| Total equity | 2,505.7 | 810.0 | 53.1 | (198.4) | (756.3) | 2,414.1 |
| Non-current liabilities | | | | | | |
| Long-term debt, less current portion | 2,645.7 | 973.5 | 54.8(g) | 3,941.2(d) | | 7,615.2 |
| Deferred income taxes | 152.6 | | 741.8(i) | | | 894.4 |
| Long-term provisions | 18.6 | | | | | 18.6 |
| Other non-current liabilities | 53.0 | 293.2 | (4.4)(f) (k) | | | 341.8 |
| Non-current financial liabilities | 56.3 | | | | | 56.3 |
| Total non-current liabilities | 2,926.2 | 1,266.7 | 792.2 | 3,941.2 | | 8,926.3 |
| Current liabilities | | | | | | |
| Accounts payable | 818.0 | 61.3 | 24.5(h) | | | 903.8 |
| Short-term borrowings | | 0.4 | | | | 0.4 |
| Other current liabilities | 344.2 | 284.4 | (6.6)(f) (k) | | (0.7)(a) | 621.3 |
| Current financial liabilities | 24.5 | 20.5 | 0.8(g) (k) | (2.4)(a) | | 43.4 |
| Current portion of long-term debt | 182.7 | 644.6 | (0.3)(k) | (167.1)(d) | | 659.9 |
| Short-term provisions | 0.8 | 25.4 | | | | 26.2 |
| Income taxes payable | 90.7 | | | | | 90.7 |
| Total current liabilities | 1,460.9 | 1,036.6 | 18.4 | (169.5) | (0.7) | 2,345.7 |
| TOTAL EQUITY AND LIABILITIES | 6,892.8 | 3,113.3 | 863.7 | 3,573.3 | (757.0) | 13,686.1 |

Unaudited pro forma consolidated income statement

The following table sets forth the pro forma adjustments to reflect the main effects of the Transactions on the UKCo unaudited consolidated income statement for the six months ended June 30, 2014.

| | | | | | |
|---|----------------|--------------|---------------|---------------|----------------|
| Service revenue | 1,411.6 | 445.3 | | (0.1)(a) | 1,856.8 |
| Total revenue | 1,532.3 | 772.2 | (2.6) | (0.1) | 2,301.8 |
| Personnel | 273.0 | 179.9 | 2.3(d) | | 455.2 |
| Amortization | 99.5 | 19.8 | 120.0(b) | | 239.3 |
| Capitalization of internal construction costs - labor and overhead | (44.5) | (10.8) | | | (55.3) |
| Interest income | 1.6 | 15.3 | (0.1)(c) | | 16.8 |
| Other income / (expense), net | (4.0) | (3.7) | 6.1(d) | | (1.6) |
| Interest expense | (81.4) | (53.5) | (4.6)(c) | (90.9)(a) (b) | (230.4) |
| Income tax expense / (benefit) | 102.2 | 9.5 | (52.7)(f) (d) | (25.5)(c) | 33.5 |
| Attributable to: | | | | | |
| <i>Non-controlling interest</i> | <i>11.4</i> | | | | <i>11.4</i> |

Basis for presentation and accounting principles

The Unaudited Pro Forma Consolidated Financial Information was prepared in compliance with CONSOB Communication no. DEM/1052803 of July 5, 2001, which regulates the methodology for preparing pro forma data. In particular, the unaudited pro forma consolidated statements of financial position and the unaudited pro forma consolidated income statement were prepared on the basis of historical financial information of the GTECH Group derived from the Interim Consolidated Financial Statements of GTECH at and for the six months ended June 30, 2014 adjusted to reflect the main effects of the Transactions. The Unaudited Pro Forma Consolidated Financial Information is presented in millions of Euro and prepared, unless otherwise specified, on a basis that is consistent with the accounting policies used in the preparation of the consolidated financial statements of GTECH, which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (**IFRS**). It should be noted that IGT consolidated financial statements are prepared in accordance with US GAAP and presented in US dollars. The historical IGT amounts reflected in the Unaudited Pro Forma Consolidated Financial Information have been derived from IGT's consolidated

financial statements prepared under US GAAP and reconciled to IFRS, as applicable, and as further discussed below in Note 3 to the Unaudited Pro Forma Consolidated Financial Information based on a preliminary IFRS analysis. The reconciliation has not been audited.

Furthermore, certain current market based assumptions used will be updated upon completion of the Transactions. Management believes the estimated fair values utilized for the assets to be acquired and liabilities to be assumed are based on reasonable estimates and assumptions. Preliminary fair value estimates may change as additional information becomes available and such changes could be material, as certain valuations and other studies have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. In addition, a preliminary analysis of US GAAP to IFRS differences and related accounting policies has been completed based on information made available to date. However, following the consummation of the combination, management will conduct a final analysis. As a result of that analysis, management may identify differences that, when finalized, could have a material impact on this Unaudited Pro Forma Consolidated Financial Information.

Pro forma adjustments relating to the unaudited pro forma consolidated statement of financial position, and in particular the pro forma purchase consideration for the IGT Merger and its allocation, have been translated into Euro using the applicable exchange rate of US\$1 per 0.785 at September 26, 2014. Furthermore, the pro forma purchase consideration has been calculated using the trading price of GTECH ordinary shares at September 26, 2014 and the payment for Rescission Rights has been calculated using the average GTECH share price during the period March 25, 2014 - September 26, 2014, assuming this as the nearest date to the effective time of the Transactions. Pro forma adjustments relating to the unaudited pro forma consolidated income statement have been translated into Euro using an average exchange rate of US\$1 per 0.730 for the six months ended June 30, 2014.

Note 1 Unaudited consolidated statement of financial position of GTECH Group

This column includes the consolidated statement of financial position of GTECH Group at June 30, 2014, derived from the Interim Consolidated Financial Statements of GTECH at June 30, 2014.

Note 2 - Unaudited IGT Reclassified consolidated statement of financial position at March 31, 2014

Represents the unaudited IGT reclassified consolidated statement of financial position at March 31, 2014 that has been prepared by applying unaudited pro forma adjustments to the unaudited historical consolidated interim balance sheet.

In the following table, the pro forma adjustments are set out in order to illustrate the Unaudited IGT Reclassified consolidated statement of financial position at March 31, 2014. In particular:

Note 2.1: This column includes the consolidated statement of financial position of IGT at March 31, 2014, derived from the Interim Consolidated Financial Information of IGT at and for the six months ended March 31, 2014, represented in US dollars;

Note 2.2: This column reflects the change in reporting currency from US dollar to Euro at an exchange rate of US\$1 per 0.727 at March 31, 2014;

Note 2.3: This column reflects certain reclassifications to align the classification of assets and liabilities with GTECH disclosure.

| (in millions) | Unaudited IGT Historical Note 2.1 US dollar | Unaudited IGT Historical Note 2.2 Euro | Unaudited Reclassifications Note 2.3 Euro | Unaudited IGT Reclassified Total Euro |
|---|---|--|--|--|
| Non-current assets | | | | |
| Systems, equipment and other assets related to contracts, net | | | 98.8(1) | 98.8 |
| Property, plant and equipment, net | 443.9 | 322.6 | (98.8)(1) | 223.8 |
| Goodwill | 1,471.5 | 1,069.5 | | 1,069.5 |
| Intangible assets, net | 106.3 | 77.3 | | 77.3 |
| Investments in associates and joint ventures | | | 3.2(2) | 3.2 |
| Other non-current assets | 356.1 | 258.8 | (57.7)(2) (3) (4) | 201.1 |
| Non-current financial assets | 396.9 | 288.5 | 41.7(3) | 330.2 |
| Deferred income taxes | 127.6 | 92.7 | 77.7(5) | 170.4 |
| Total non-current assets | 2,902.3 | 2,109.4 | 64.9 | 2,174.3 |
| Current assets | | | | |
| Inventories | 76.0 | 55.2 | | 55.2 |
| Trade and other receivables, net | 319.1 | 231.9 | | 231.9 |
| Other current assets | 284.4 | 206.7 | (80.9)(3) (4) (5) (6) (7) | 125.8 |
| Current financial assets | 363.9 | 264.5 | 64.2(3) (7) (8) | 328.7 |
| Income taxes receivable | | | 47.7(6) | 47.7 |
| Cash and cash equivalents | 355.8 | 258.6 | (108.9)(8) | 149.7 |
| Total current assets | 1,399.2 | 1,016.9 | (77.9) | 939.0 |
| TOTAL ASSETS | 4,301.5 | 3,126.3 | (13.0) | 3,113.3 |
| Equity attributable to owners of the parent | 1,114.6 | 810.0 | | 810.0 |
| Non-controlling interests | | | | |
| Total equity | 1,114.6 | 810.0 | | 810.0 |
| Non-current liabilities | | | | |
| Long-term debt, less current portion | 1,357.1 | 986.3 | (12.8)(4) | 973.5 |
| Other non-current liabilities | 403.4 | 293.2 | | 293.2 |
| Total non-current liabilities | 1,760.5 | 1,279.5 | (12.8) | 1,266.7 |
| Current liabilities | | | | |
| Accounts payable | 92.9 | 67.5 | (6.2)(9) | 61.3 |
| Short-term borrowings | | | 0.4(10) | 0.4 |
| Other current liabilities | 459.9 | 334.3 | (49.9)(3) (9) (10) (11) | 284.4 |
| Current financial liabilities | 27.2 | 19.8 | 0.7(3) | 20.5 |
| Current portion of long-term debt | 846.4 | 615.2 | 29.4(4) (10) | 644.6 |
| Short-term provisions | | | 25.4(9) (11) | 25.4 |
| Total current liabilities | 1,426.4 | 1,036.8 | (0.2) | 1,036.6 |
| TOTAL EQUITY AND LIABILITIES | 4,301.5 | 3,126.3 | (13.0) | 3,113.3 |

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(1) Systems, equipment and other assets related to contracts have been reclassified from *Property, plant and equipment, net* to *Systems, equipment and other assets related to contracts, net* for an amount of 98.8 million;

(2) Investments in Joint Ventures have been reclassified from *Other non-current assets* to *Investments in associates and joint ventures* for an amount of 3.2 million;

- (3) Derivative financial instruments have been reclassified from *Other non-current assets* to *Non-current financial assets* for an amount of 41.7 million, from *Other current assets* to *Current financial assets* for an amount of 0.1 million and from *Other current liabilities* to *Current financial liabilities* for an amount of 0.7 million;
- (4) Debt issuance costs have been reclassified from *Other non-current assets* for an amount of 12.8 million and from *Other current assets* for an amount of 0.3 million to *Long-term debt, less current portion* and *Current portion of long-term debt*, respectively in order to align presentation to GTECH classification and as required by IFRS;
- (5) Current deferred income tax included in *Other current assets* has been reclassified to non-current *Deferred income tax* for an amount of 77.7 million in order to align presentation to GTECH disclosure and IFRS.
- (6) Income taxes receivable have been reclassified from *Other current assets* to *Income taxes receivables* for an amount of 47.5 million in order to align presentation to GTECH classification and as required by IFRS;
- (7) Restricted cash has been reclassified from *Current financial assets* to *Other current assets* for an amount of 44.7 million;
- (8) Money market fund investments have been reclassified from *Cash and cash equivalents* to *Current financial assets* for an amount of 108.9 million in order to align presentation of similar instruments to GTECH classification;
- (9) Legal and other provisions accounted for in *Accounts payable* for an amount of 6.2 million and in *Other current liabilities* for an amount of 16.7 million have been reclassified to *Short-term provision* in order to align presentation to GTECH classification and as required by IFRS;
- (10) Accrued interest classified in *Other current liabilities* for an amount of 30.1 million has been reclassified to *Current portion of long-term debt* for an amount of 29.7 million and to *Short-term borrowing* for an amount of 0.4 million in order to align classification to GTECH presentation;
- (11) Product warranties accounted for in *Other current liabilities* have been reclassified to *Short-term provisions* for an amount of 2.5 million.

Note 3 - IGT Merger (consolidated statement of financial position)

Purchase Price Allocation

For accounting purposes, UKCo is deemed to acquire IGT. The IGT Merger qualifies as the acquisition of IGT by UKCo and is accounted for using the purchase method of accounting under IFRS 3 - Business Combinations. In the unaudited pro forma consolidated statement of financial position the purchase consideration has been allocated to the IGT assets and liabilities assumed based upon preliminary estimates by GTECH and IGT management of the respective fair values at the date of the IGT Merger. Any difference between the purchase consideration and the fair value of IGT's assets and liabilities assumed is recorded as goodwill. GTECH has not completed its purchase price allocation for the acquisition of IGT, and the final allocation may differ materially from the preliminary allocation. The final valuation and the impact of integration activities could cause material differences between actual and pro forma results. As GTECH completes the purchase price allocation for IGT, the preliminary allocation is subject to change.

In a transaction in which the consideration is not only in the form of cash, the acquisition consideration (which is equivalent to the purchase price) is measured based on the fair value of the consideration given at the date of the acquisition at the then-current market price. The fair value of the purchase consideration will fluctuate until completion of the IGT Merger, as a significant portion of the consideration is based on the fair value of GTECH's share price and cash payments denominated in US dollars.

The Merger Agreement provides that, each outstanding share of IGT common stock will be converted into the right to receive a combination of (i) US\$13.69 in cash (10.75 at a US\$ to exchange rate of 0.785 at September 26, 2014, the **Per Company Share Cash Amount**), and (ii) a number of UKCo ordinary shares determined by dividing US\$4.56 (3.58 at a US\$ to exchange rate of 0.785 at

September 26, 2014) by the GTECH Average Share Trading Price, subject to a minimum of 0.1582 UKCo ordinary shares and a maximum of 0.1819 UKCo ordinary shares (the **IGT Exchange Ratio**). Should the IGT Exchange Ratio exceed 0.1819, the Per Company Share Cash Amount will be increased by an additional amount in cash equal to the product of such excess number of shares (up to a maximum of 0.0321) and the GTECH Average Share Trading Price (the **Consideration for IGT shares**). For purposes of the pro forma computations the GTECH Average Share Trading Price is calculated as the average of the volume-weighted average prices of GTECH ordinary shares on the Milan Stock Exchange, 20 days prior to September 26, 2014 converted to the US dollar equivalent (**GTECH Average Share Trading Price**).

Under the terms of the Merger Agreement, IGT shareholders will contribute to UKCo their shares in IGT in exchange for consideration consisting of up to a maximum of 45.0 million newly issued UKCo ordinary shares and up to a hypothetical maximum of 2,876.3 million in cash (including the maximum cash consideration to IGT shareholders of 2,790.8 million, cash compensation to stock option and restricted stock unit holders of 58.0 million and retention payments of 27.5 million).

IGT Stock Options and Restricted Stock Unit Awards:

- each outstanding IGT stock option will fully vest and be cancelled in exchange for cash payment equal to the product of (i) the total number of IGT shares subject to such stock options and (ii) the excess, if any, of US\$18.25 (14.33 equivalent based on a US\$ to exchange rate of 0.785 at September 26, 2014) compared to the exercise price per share subject to such stock option. Any IGT stock option that has a per-share exercise price that is greater than \$18.25 (14.33 equivalent) will be cancelled for no consideration.
- each outstanding award of IGT restricted stock units granted (i) before July 1, 2013 to IGT employees or (ii) to non-employee directors will fully vest and be cancelled in exchange for an amount equal to the product of (i) the number of shares subject to such award and US\$18.25 (14.33 equivalent).
- each outstanding award of IGT restricted stock units granted between July 1, 2013 and July 15, 2014 as well as certain awards granted after July 15, 2014 will be converted into an award with respect to UKCo ordinary shares, based on the IGT Exchange Ratio. These IGT awards will vest on the earlier of (x) the date such award would have otherwise vested and (y) the first anniversary of the closing of the IGT Merger.

As prescribed by IFRS 2 - Share-based Payment and IFRS 3 - Business Combinations , for the purposes of preparing the Unaudited Pro Forma Consolidated Financial Information, consideration relating to pre-combination services of IGT employees in the form of IGT stock options, restricted stock unit awards and retention payments has been included in the purchase consideration. IGT stock options and restricted stock unit awards included preexisting automatic change in control clauses.

Compensation expense for replacement awards granted by UKCo in exchange for IGT stock unit awards granted between July 1, 2013 and July 15, 2014, will be recognized over their vesting period (*i.e.*, within 12 months from the IGT Merger Effective Time) and have not been included in the Unaudited Pro Forma Consolidated Financial Information.

Pro forma purchase consideration

Based on the above information, the pro forma purchase consideration for the IGT Merger (based on GTECH's volume weighted average share price during the 20 days prior to September 26, 2014 equal to 18.42) is determined as follows:

| | | <i>(in millions)</i> |
|--|-----|----------------------|
| IGT shares settled in cash | (A) | 2,714.9 |
| IGT shares exchanged for UKCo ordinary shares | (B) | 845.1 |
| Consideration for IGT shares | | 3,560.0 |
| IGT stock options and restricted stock unit awards granted before July 1, 2013 settled in cash | (C) | 58.0 |
| IGT stock options and restricted stock unit awards granted between July 1, 2013 and July 15, 2014 settled in UKCo stock incentives | (D) | 18.0 |
| Retention payments settled in cash | (E) | 27.5 |
| Consideration for IGT stock options, restricted stock unit awards and retention payments | | 103.5 |
| Total pro forma purchase consideration for IGT Merger | | 3,663.5 |
| <i>- of which settled in cash</i> | | <i>2,800.4</i> |

(B) Reflects the cash consideration to be paid to IGT shareholders as part of the IGT Merger totaling 2,714.9 million, estimated as follows:

| | | <i>(in million, unless otherwise specified)</i> |
|---|-----|---|
| IGT shares outstanding at June 30, 2014 (shares in million) | (a) | 247.2 |
| Per Share Cash Amount in | (b) | 10.75 |
| Additional cash out (1) | (c) | 57.0 |
| IGT shares settled in cash ((a) x (b) +(c)) | | 2,714.9 |

(1) The IGT Exchange Ratio is calculated as US\$4.56 translated into Euro (3.58 equivalent based on a US\$ to exchange rate of 0.785 at September 26, 2014) and divided by the GTECH volume weighted average Share Trading Price of 18.42. The additional cash out has been calculated by multiplying the number of IGT shares outstanding at June 30, 2014 times the excess of this IGT Exchange Ratio compared to the maximum IGT Exchange Ratio of 0.1819 times the GTECH volume weighted average Share Trading Price of 18.42.

Sensitivity

The following table provides sensitivity to changes in the GTECH Average Share Trading Price and the consequence to the cash consideration to be paid to IGT shareholders:

| | GTECH Average Share Trading Price (in) | Consideration for IGT shares settled in cash (in million) |
|---|--|--|
| Base case GTECH Average Share Trading Price at September 26, 2014 | 18.42 | 2,714.9 |
| Minimum cash consideration to IGT shareholders | 22.64 | 2,658.0 |
| Maximum cash consideration to IGT shareholders | 16.74 | 2,790.8 |

(C) Reflects the fair value at September 26, 2014 of the GTECH shares to be issued by UKCo upon conversion of outstanding IGT shares. The number of UKCo ordinary shares to be issued is based on the IGT Exchange Ratio of 0.1819 (based on the GTECH Average Share Trading Price at September 26, 2014).

| | | <i>(in million, unless otherwise specified)</i> |
|--|-----|---|
| IGT shares outstanding at June 30, 2014 (shares in million) | (a) | 247.2 |
| IGT Exchange Ratio | (b) | 0.1819 |
| UKCo ordinary shares to be issued to IGT shareholders ((a) x (b)) (shares in million) | (c) | 45.0 |
| GTECH share price at September 26, 2014 (in) | (d) | 18.78 |
| Fair value of UKCo shares to be issued to IGT shareholders ((c) x (d)) (in million) | | 845.1 |

Sensitivity

The minimum number of UKCo ordinary shares to be issued is 39.1 million shares (247.2 million IGT shares outstanding at June 30, 2014 multiplied by the minimum IGT Exchange Ratio of 0.1582). The maximum UKCo shares to be issued are equal to 45.0 million based on the IGT Exchange Ratio of 0.1819.

(D) Reflects the fair value at September 26, 2014 of outstanding IGT stock options and restricted stock unit awards granted before July 1, 2013, attributable to pre-combination services.

(E) Reflects the fair value at September 26, 2014 of outstanding IGT restricted stock unit awards granted between July 1, 2013 and July 15, 2014 attributable to pre-combination services of IGT employees settled in UKCo stock awards.

(F) Reflects the maximum retention payment of US\$35.0 million (27.5 million equivalent based on a US\$ to exchange rate of 0.785 at September 26, 2014) granted to certain IGT employees. The Merger Agreement permits IGT to implement retention plans in an aggregate amount not to exceed US\$35.0 million that will vest on the Effective Time of the IGT Merger.

Preliminary goodwill

The following table presents the preliminary fair value adjustments to IGT's net assets acquired, in accordance with IFRS, at June 30, 2014:

| | <i>(in million)</i> |
|--|---------------------|
| Purchase consideration for IGT | 3,663.5 |
| Less fair value of net assets acquired | 1,312.6 |
| Preliminary goodwill (1) | 2,350.9 |

(1) For the purposes of the simulation of IGT Merger, the consolidated financial position of IGT at March 31, 2014 has been translated into Euro at a US\$ to exchange rate of 0.727 at March 31, 2014 (see Note 2.2). Preliminary goodwill has been calculated using an exchange rate of 0.785 at September 26, 2014. The difference emerging from the application of two different exchange rates has been classified

in Non-current financial assets and amounts to 63.5 million.

The following is a description of each significant preliminary fair value adjustments:

(a) Systems, equipment and other assets related to contracts, net at June 30, 2014, and estimated remaining useful lives, in years, are estimated as follows:

| | <i>(in million)</i> | Estimated weighted average remaining useful life in years |
|--|---------------------|--|
| Estimated preliminary fair value | 124.2 | 3 |
| Less, net historical carrying value | 98.8 | |
| Estimated preliminary pro forma adjustment | 25.4 | |

Systems, equipment and other assets related to contracts, net have been valued primarily by using both cost and market approaches. The estimated remaining useful lives of Systems, equipment and other assets related to contracts, net, are based on a preliminary evaluation of the assets being acquired which is subject to change as further evaluation is performed.

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(b) Property, plant and equipment, net at June 30, 2014, and estimated remaining useful lives, in years, are estimated as follows:

| | (in million) | Estimated weighted average remaining useful life in years |
|--|---------------|---|
| Estimated preliminary fair value | 184.3 | 17 |
| Less, net historical carrying value | 223.8 | |
| Estimated preliminary pro forma adjustment | (39.5) | |

Property, plant and equipment, net have been valued primarily by using both cost and market approaches. The estimated remaining useful lives of Property, plant and equipment, net, are based on a preliminary evaluation of the assets being acquired which is subject to change as further evaluation is performed.

(c) Intangible assets, net at June 30, 2014, and estimated remaining useful lives, in years, are estimated as follows:

| | (in million) | Estimated weighted average remaining useful life in years |
|--|----------------|---|
| Estimated preliminary fair value | 2,541.6 | |
| <i>Customer relationship</i> | 1,535.7 | 15 |
| <i>Patents, software platforms and other</i> | 644.6 | 5 |
| <i>Product trademarks</i> | 86.4 | 8 |
| <i>Corporate trademarks</i> | 274.9 | indefinite |
| Less, net historical carrying value | 77.3 | |
| Estimated preliminary pro forma adjustment | 2,464.3 | |

The fair value of intangible assets include corporate trademarks with an indefinite useful life with a preliminary fair value amounting to 274.9 million. Customer relationships have been valued using the multi-period excess earnings method. Trademarks, patents and software have been valued primarily using the relief-from-royalty method. The estimated remaining useful lives of Intangible assets, net are based on a preliminary evaluation of the assets being acquired which is subject to change as further evaluation is performed.

(d) Inventory at June 30, 2014 is estimated as follows:

| | (in million) |
|--|--------------|
| Estimated preliminary fair value | 89.8 |
| Less, net historical carrying value | 55.2 |
| Estimated preliminary pro forma adjustment | 34.6 |

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The estimated fair value adjustments to inventory related to the estimated difference between (a) selling prices less the sum of (i) the cost to complete work in progress, (ii) the cost of disposal and (iii) a reasonable profit allowance for the completing and selling effort and (b) the carrying amount of inventory. The estimated average inventory turn is preliminarily evaluated as

less than 6 months. As further evaluation of the inventory acquired is performed, there could be changes in the average inventory turn.

(e) The pro forma goodwill was calculated based on the estimated fair values of the purchase consideration and the estimated fair values of the assets acquired and liabilities assumed, as calculated above, totaling approximately 2,350.9 million:

| | <i>(in million)</i> |
|--|---------------------|
| Preliminary goodwill | 2,350.9 |
| Less, net historical carrying value | 1,069.5 |
| Estimated preliminary pro forma adjustment | 1,281.4 |

As UKCo completes the purchase price allocation, this excess may be allocated to other identified tangible or intangible assets, which could be depreciable or amortizable.

(f) Reflects the fair value adjustment of deferred revenue amounting to 17.0 million. The fair value of deferred revenues was based on the present value of the costs to fulfill these obligations plus a normal profit component. UKCo recognizes a liability relating to deferred revenue only to the extent that the deferred revenue represents an obligation assumed.

(g) Reflects the fair value adjustments of financial assets and liabilities not carried at fair value in IGT's unaudited historical consolidated interim statement of financial position amounting to a step up of financial assets of 19.2 million and a step up of 43.3 million of financial liabilities.

(h) Reflects the assumed liability of IGT costs amounting to 24.5 million, incurred in connection with the Transactions.

(i) Reflects the tax effect on the fair value adjustments, calculated at statutory tax rates in the United States.

(j) Reflects the net impact on the pro forma equity due to the estimated fair value of the UKCo common shares issued to IGT shareholders as part of the consideration for the IGT Merger, offset by the elimination of IGT's historical equity balance:

| | <i>(in million)</i> |
|--|---------------------|
| UKCo ordinary shares issued to IGT shareholders | 845.1 |
| Fair value of pre-combination services relating IGT stock options and restricted stock unit awards granted between July 1, 2013 and July 15, 2014 settled in UKCo stock incentives | 18.0 |
| Less, net US GAAP book value of IGT | 810.0 |
| Estimated preliminary pro forma adjustment | 53.1 |

(k) The Unaudited Pro Forma Consolidated Financial Information includes adjustments to IGT's unaudited historical consolidated financial statements for the following differences between US GAAP and IFRS.

1) *Accounting treatment of convertible bonds and related call option and warrant:* GTECH and IGT performed a preliminary analysis regarding the convertible bonds of IGT and related call options and

warrants. Under US GAAP the equity conversion options, the call option and warrant have been accounted for under the scope exemption of ASC 815 Hedging and Derivatives and classified within equity. Under the provisions of IAS 32 - Financial Instruments - Presentation and IAS 39 - Financial Instruments - Recognition and Measurement the equity conversion option would be accounted for separately as a financial liability. IFRS requirements differ from those of US GAAP, as the embedded conversion option of the convertible bonds, the related call options and warrants would be defined as derivative financial instruments under IFRS compared to equity instruments under US GAAP. The related adjustments amounted to 5.2 million increase on net income for the six months ended June 30, 2014.

2) *Accounting treatment of deferred compensation plan:* GTECH and IGT management performed a preliminary analysis regarding the deferred compensation plan of IGT. The liability for deferred compensation benefits invested in rabbi trusts is measured differently under US GAAP and IFRS. Under IFRS, the deferred compensation obligation is measured based on the actuarial present value of the benefits owed to the employee, which may differ from the fair value of the assets held in the rabbi trust. The related adjustments on equity amounted to a decrease of 2.7 million at June 30, 2014.

3) *Accounting treatment of IGT stock awards:* based on the preliminary analysis performed by GTECH and IGT management on IGT stock awards, the following adjustments have been reflected in the Unaudited Pro Forma Consolidated Financial Information:

- *stock awards that vest in installments:* Under US GAAP, IGT has elected to recognize compensation cost for awards with service only conditions that have graded vesting schedules on a straight line basis over the requisite period for the entire award. Under IFRS, the compensation cost is required to be recognized based on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in substance, multiple awards (*i.e.*, accelerated method).

- *stock awards settled net of tax withholding:* Under US GAAP, stock awards containing a net settled tax withholding clause could be equity classified so long as the arrangement limits tax withholding to the company's minimum statutory rate. IFRS does not include a similar exemption. The portion of the stock incentive award relating to the estimated tax payment is treated as a cash-settled award, which results in the tax payment portion being classified as a liability that must be marked to market each period until settlement;

- *tax deduction accounting for stock awards:* Under US GAAP, the deferred tax asset on stock awards is calculated based on the cumulative compensation cost recognized over the vesting period and trued-up or down only upon realization of the tax benefit. IFRS estimates the actual deduction to be taken based on information at each reporting period.

The stock incentive adjustments are reflected as a reduction in equity of 25.3 million at June 30, 2014 and a reduction of net income of 5.3 million for the six months ended June 30, 2014.

4) *Tax accounting:* Based on the preliminary analysis performed by GTECH and IGT management with respect to IGT's accounting for income taxes, the following adjustments have been reflected in the Unaudited Pro Forma Consolidated Financial Information:

- *recognition of deferred tax when the local currency is not the functional currency:* Under US GAAP, no deferred taxes are recognized for differences related to nonmonetary assets and liabilities that are re-measured from local currency into their functional currency by using historical exchange rates. Under IFRS, deferred tax is recognized on the difference between the carrying amount of the underlying asset determined by using historical exchange rates and the relevant tax basis at the balance sheet date.

- *unrealized intragroup profits:* Under US GAAP, any tax impact to the seller, calculated based on the seller's tax rate, as a result of an intragroup transaction are deferred until realized by a third party sale. Under IFRS, deferred tax resulting from intragroup transactions are recognized at the buyer's tax rate.

These adjustments are reflected as an increase in equity of \$5.2 million at June 30, 2014 and an increase in net income of \$1.7 million for the six months ended June 30, 2014.

Note 4 - Financing adjustments (consolidated statement of financial position)

In order to fund the Mergers, GTECH has entered into an arrangement to borrow up to US\$10.4 billion (\$8.2 billion at a US\$ to € exchange rate of 0.785 at September 26, 2014) from international banks for a period of 12 months extendable to 18 months. GTECH will use a portion of this arrangement primarily to finance (i) the cash consideration of the IGT Merger, (ii) any payment related to the Rescission Rights, and (iii) to the assumed refinance of existing debt of IGT and GTECH, which could become due upon closing of the Mergers. The sources and uses of the overall financings are presented below.

(in million)

| | Sources | Note | Uses | Note |
|---------------------------|----------------|------|--|--------------|
| Bridge Facility draw down | 5,978.2 | | IGT shares settled in cash | 2,714.9 |
| Derivatives | 56.3 | (i) | IGT stock awards settled in cash | 58.0 |
| | | | Retention payments | 27.5 |
| | | | Purchase consideration settled in cash | 2,800.4 |
| | | | GTECH notes | 2,037.5 (ii) |
| | | | GTECH credit facility | 302.4 (ii) |
| | | | Rescission Rights | 677.5 (iii) |
| | | | Italian Reorganization taxes | 32.7 (iv) |
| | | | Transaction costs | 46.1 (v) |
| | | | Financing costs | 137.9 (vi) |
| | 6,034.5 | | 6,034.5 | |

(i) Relates to the assumed early extinguishment of all of GTECH and IGT derivative financial instruments due to contractual clauses providing the contractual counterparty with the ability to terminate the contract due to the Mergers. GTECH and IGT derivative financial instruments are measured at their fair value at June 30, 2014.

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(ii) Relates to the assumed early extinguishment of GTECH's notes, measured at the contractual make whole payment amount, the GTECH credit facility and accrued interest at June 30, 2014.

(iii) Relates to the assumed Rescission Right payments to GTECH shareholders withdrawing from the GTECH Merger.

| | <i>(in million, unless otherwise specified)</i> |
|---|---|
| GTECH outstanding shares at June 30, 2014 (shares in million) | 174.8 |
| 20% of GTECH outstanding shares at June 30, 2014 (shares in million) | 35.0 |
| Average GTECH share price during the period March 25, 2014 - September 26, 2014 (in) | 19.38 |
| Estimated payment for Rescission Rights | 677.5 |

As provided by Italian law, GTECH shareholders exercising their Rescission Rights will be paid the average GTECH share price during the six months prior to receiving the notice to the shareholder meeting that will approve the GTECH Merger. The pro forma adjustment assumes an average GTECH share price for the six months ended September 26, 2014. The average GTECH share price determined in accordance with Article 2437-ter of the Italian Civil Code at October 4, 2014, amounts to 19.174 and would result in a decrease of the Rescission Rights payment by 7.1 million. A decrease by 1% of GTECH shareholders (equivalent to 1.7 million GTECH outstanding shares) exercising the Rescission Rights will decrease the payment by 33.5 million, based on the average GTECH share price of 19.174.

(iv) Relates to the payment of the estimated income taxes in connection with the corporate reorganization process in Italy aimed to segregate the Italian operations in view of the GTECH Merger. The pro forma adjustments assume the payment of the non-recurring Italian Reorganization taxes at June 30, 2014.

(v) Relates to transaction costs expected to be incurred until closing of the Transactions amounting to 46.1 million.

(vi) Relates to estimated debt issuance costs on the Bridge Facility based on a 5,978.2 million draw-down of the Bridge Facility.

The following further describes the Financing pro forma adjustments:

(a) Reflects the assumed termination of all of GTECH's and IGT's derivative financial instruments. Pro forma adjustments are based on the assumption that the counterparties to the derivatives will exercise their contractual rights to require early termination due to the Transactions;

(b) Reflects the assumed Bridge Facility draw down in connection with the cash used in the Mergers and related costs.

(in million)

| | |
|--|----------------|
| Purchase consideration settled in cash | 2,800.4 |
| Rescission Rights | 677.5 |
| Transaction costs | 46.1 |
| Italian Reorganization taxes | 32.7 |
| Total | 3,556.7 |

(c) Reflects the net impact on the pro forma equity of the unamortized debt issuance cost and additional make whole payments due to the refinancing of the GTECH notes and GTECH credit facility of 273.7 million, net of the tax effect on such adjustments calculated at the statutory tax rate of the jurisdiction to which the pro forma adjustment relates for an amount of 75,3 million.

(d) Reflects the change in long-term debt due to the Bridge Facility draw-down detailed in the table below:

| | Current portion of long-term debt | Long-term debt, less current portion |
|--|--------------------------------------|---|
| GTECH credit facility | (127.2) | (152.5) |
| GTECH notes | (39.9) | (1,746.6) |
| <i>Early extinguishment of existing debt</i> | <i>(167.1)</i> | <i>(1,899.1)</i> |
| Bridge Facility draw down | | 5,978.2 |
| Financing costs | | (137.9) |
| <i>Change in long-term debt</i> | <i>(167.1)</i> | <i>3,941.2</i> |

(e) Reflects the tax effect on the Financing adjustments, calculated at statutory tax rates of the jurisdiction to which the pro forma adjustment relates.

Note 5 - UKCo Merger & Other Adjustments (consolidated statement of financial position)

The UKCo Merger is a reorganization of existing legal entities that does not give rise to any change of control, and therefore is outside the scope of application of IFRS 3. Accordingly, it will be accounted for as an equity transaction using the predecessor values method (*i.e.*, using GTECH predecessor book values).

(a) Reflects the elimination of the intercompany transactions at June 30, 2014 between IGT and GTECH.

(b) Reflects the payment of the Rescission Rights, Italian Reorganization taxes and transaction costs.

| | <i>(in million)</i> |
|------------------------------|---------------------|
| Rescission Rights | 677.5 |
| Transaction costs | 46.1 |
| Italian Reorganization taxes | 32.7 |
| Total | 756.3 |

Note 6 Unaudited consolidated income statement of GTECH Group

This column includes the consolidated income statement of GTECH Group for the six months ended June 30, 2014, derived from the Interim Consolidated Financial Statements of GTECH at June 30, 2014.

Note 7 - Unaudited IGT Reclassified consolidated income statement for the six months ended March 31, 2014

Represents the unaudited IGT Reclassified consolidated income statement for the six months ended March 31, 2014 that has been prepared by applying unaudited pro forma adjustments to the unaudited historical consolidated interim income statement.

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In the following table, the pro forma adjustments are set out in order to illustrate the Unaudited IGT Reclassified consolidated income statement for the six months ended March 31, 2014. In particular:

Note 7.1: this column includes the consolidated income statement of IGT for the six months ended March 31, 2014, derived from the Interim Consolidated Financial Information of IGT at and for the six months ended March 31, 2014 and expressed in US dollars;

Note 7.2: this column reflects the change in reporting currency from US dollar to Euro at an average exchange rate of US\$1 per 0.733 for the six months ended March 31, 2014;

Note 7.3: this column reflects certain reclassifications to align revenues and costs in IGT's income statement presented by function with GTECH disclosure and GTECH's income statement, presented by nature.

Unaudited IGT Reclassified consolidated income statement for the six months ended March 31, 2014

| <i>(in millions)</i> | Unaudited IGT Historical Note 7.1 US dollar | Unaudited IGT Historical Note 7.2 Euro | Unaudited Reclassifications Note 7.3 Euro | Unaudited IGT Reclassified Total Euro |
|---|---|---|--|--|
| Service revenue | 607.8 | 445.3 | | 445.3 |
| Product sales | 446.2 | 326.9 | | 326.9 |
| Total revenue | 1,054.0 | 772.2 | | 772.2 |
| Raw materials, services and other costs | 827.3 | 606.1 | (222.4)(1) (2) (4) | 383.7 |
| Personnel | | | 179.9(1) (4) (5) | 179.9 |
| Depreciation | 33.2 | 24.3 | 28.7(2) (3) | 53.0 |
| Amortization | | | 19.8(2) (3) | 19.8 |
| Impairment loss, net | 17.8 | 13.0 | | 13.0 |
| Capitalization of internal construction costs - labor and overhead | | | (10.8)(5) | (10.8) |
| Operating income | 175.7 | 128.8 | 4.8 | 133.6 |
| Interest income | 20.9 | 15.3 | | 15.3 |
| Equity income | | | | |
| Other income / (expense), net | (5.3) | (3.9) | 0.2(4) (6) (7) | (3.7) |
| Foreign exchange loss, net | | | (5.2)(6) | (5.2) |
| Interest expense | (73.3) | (53.7) | 0.2(7) | (53.5) |
| Income before income tax expense | 118.0 | 86.5 | | 86.5 |
| Income tax expense | 13.0 | 9.5 | | 9.5 |
| Net income | 105.0 | 77.0 | | 77.0 |
| Attributable to: | | | | |
| <i>Owners of the parent</i> | 105.0 | 77.0 | | 77.0 |
| <i>Non-controlling interest</i> | | | | |

(1) Personnel costs included in cost of goods sold shown in *Raw materials, services and other costs* have been reclassified to *Personnel* for an amount of 162.9 million;

(2) Depreciation and amortization costs included in cost of goods sold shown in *Raw materials, services and other costs* have been reclassified to *Depreciation* and *Amortization* for an amount of 43.2 million and 5.3 million, respectively;

(3) Amortization costs accounted for in *Depreciation* have been reclassified to *Amortization* for an amount of 14.5 million;

(4) Personnel retention cost and interest accretion on contingent consideration of a business combination included in cost of goods sold shown in *Raw materials, services and other costs* for an amount of 11.0 million have been reclassified by nature to *Personnel* and *Other income/(expense), net* for an amount of 6.2 million and 4.8 million respectively;

(5) *Personnel* costs incurred for the construction of assets have been reclassified to *Capitalization of internal construction costs - labor and overhead* for an amount of 10.8 million;

(6) Foreign exchange losses accounted for in *Other income/(expense), net* have been reclassified to *Foreign exchange loss, net* for an amount of 5.2 million.

(7) Fair value changes of IGT debt and derivative financial instruments, accounted for as a fair value hedge, have been reclassified from *Other income/(expense), net* to *Interest expense* for an amount of 0.2 million to align presentation to GTECH disclosure.

Note 8 - IGT Merger (consolidated income statement)

(a) Reflects the reversal of acquired deferred revenues on the statement of financial position. Assuming the IGT Merger occurred on January 1, 2014, such amounts would not have been recognized. The following table shows the effects of reversing these amounts and income tax impact calculated at the statutory tax rate.

| <i>(in million)</i> | Six months ended June 30, 2014 |
|---------------------|---|
| Product sales | (2.6) |
| Income tax benefit | 0.9 |

(b) Depreciation and amortization has been calculated on the estimated preliminary fair value adjustments taking into account the estimated remaining useful life of the acquired Intangible assets, net; Property, plant and equipment, net; and System, equipment and other assets related to contracts, net. Their estimated remaining useful lives are based on a preliminary evaluation; as further evaluation is performed, there could be changes in the estimated remaining useful lives. The following table shows the pro forma increase / (decrease) in relation to depreciation and amortization, and income tax impact calculated at the statutory tax rate.

| <i>(in million)</i> | Six months ended June 30, 2014 |
|---------------------|---|
| Depreciation | (12.8) |
| Amortization | 120.0 |
| Income tax benefit | 39.6 |

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(c) Represents the re-measurement of interest income and expense on the financial assets and liabilities measured at fair value at the acquisition date. Pro forma adjustments mainly relate to interest expense adjustments of IGT bonds amounting to 4.6 million for the six months ended June 30, 2014.

(d) Represents the differences between IFRS and US GAAP including equity related derivative financial instruments, deferred compensation plans, stock awards and tax accounting. Refer to Note 3 (k) for more details.

(e) Represents the reversal of the inventory step up within six months, based on the average inventory turn. As further evaluation of the inventory acquired is performed, there could be changes in the average inventory turn.

(f) Represents the tax effect on the above adjustments using the statutory tax rate.

Note 9 - Financing adjustments (consolidated income statements)

(a) Reflects the elimination of the impact to the income statement of GTECH and IGT derivative financial instruments assumed to be extinguished in connection with the Mergers. The pro forma adjustments relating to foreign exchange derivative financial instruments amounted to 1.9 million and 0.2 million for the six months ended June 30, 2014. The pro forma adjustments relating to the interest rate fair value hedges of IGT bonds and GTECH notes, increased interest expense for the six months ended June 30, 2014.

(b) Represents the estimated incremental interest expense related to the Bridge Facility. The pro forma interest expense relates to the following:

| <i>(in million)</i> | Six months ended June 30, 2014 |
|--|---|
| Elimination of interest expense | |
| GTECH credit facility | 4.7 |
| GTECH notes | 41.8 |
| <i>Early extinguishment of existing debt</i> | 46.5 |
| Interest expense on Bridge Facility | |
| Bridge Facility (Libor +1.7%) (1) | (137.2) |
| <i>Increase in interest expense</i> | (90.7) |

(1) The Bridge Facility determines that if Libor is less than 1%, the minimum interest rate to be paid is equal to 2.7%, assuming a minimum Libor of 1%. At September 26, 2014 Libor is below 1%; therefore, the Bridge Facility interest expense includes interest expense calculated based on Libor equal 1%, on the draw down amount of 5,978.2 million and the amortization of the Bridge Facility financing costs of 137.9 million over the contractual term of 18 months. An increase in Libor by 0.125 basis points (if Libor is beyond 1%), would have resulted in an increase in interest expense by 3.8 million for the six months ended June 30, 2014.

(c) Represents the tax effect on the above adjustments using the statutory tax rate applicable to the jurisdiction the pro forma adjustment relates to.

Note 10 - UKCo Merger & Other Adjustments (consolidated income statements)

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Elimination of intercompany transactions during the six months ended June 30, 2014 amounted to 0.1 million.

It should be noted that, in accordance with the CONSOB communication n. DEM/1052803 of July 5, 2001 which provides general guidance on the preparation of pro forma financial information, the Unaudited Pro Forma Consolidated Financial Information does not reflect:

- any integration costs that may be incurred as a result of the Mergers;

- any synergies, operating efficiencies and cost savings that may result from the Mergers;
- any other long term financing arrangement that GTECH might be able to enter into in the future instead of using the Bridge Facility;
- any cost that may be incurred as a result of the change in control severance benefits that executive officers would become entitled to, within 18 months following the IGT Merger Effective Time, should the executive officer's employment be terminated either by IGT without cause or by the executive officer for good reason;
- any compensation expense for replacement awards issued by UKCo to IGT employees to be recognized over their vesting period, within 12 months from the IGT Merger Effective Time.

Furthermore, the Transactions give IGT's bondholders the right to require early termination and reimbursement. Having regard to the unfavorable market conditions to exercise the put option at September 26, 2014, the Unaudited Pro Forma Consolidated Financial Information does not set out the effects of the aforementioned put option. The outstanding principal amount of the IGT bonds at June 30, 2014 amounts to 1,021.0 million (US\$1.3 billion at a US\$ to exchange rate of 0.785 at September 26, 2014).

5.2 PER SHARE INDICATORS

The following table sets forth the main indicators per share for the six months ended 30 June 2014 of UKCo, reflecting pro forma adjustments to represent the main effects of the Transactions.

The unaudited pro forma consolidated basic and diluted earnings per share calculations are based on the consolidated basic and diluted weighted average shares of UKCo. The pro forma basic weighted average shares outstanding are a combination of historic GTECH shares and the shares issued as part of the IGT Merger. In addition, the dilutive effect of GTECH and IGT stock awards converted into UKCo stock awards have been included in the diluted weighted average number of common shares outstanding calculations.

| <i>(in million, unless otherwise specified)</i> | Unaudited GTECH IFRS Historical | Pro forma adjustments | Unaudited UKCo IFRS Pro Forma |
|--|------------------------------------|--------------------------|----------------------------------|
| GTECH weighted average basic shares outstanding | 174.1 | 10.0(1) | 184.1 |
| GTECH weighted average diluted shares outstanding | 174.2 | 10.6(1) | 184.8 |
| Net income attributable to owners of the parent | 135.8 | (80.4) | 55.4 |
| Operating income | 336.9 | (10.6) | 326.3 |
| Equity attributable to owners of the parent | 2,226.0 | (91.6) | 2,134.4 |
| Earnings per share (in) | | | |
| <i>Basic</i> | 0.78 | (0.48) | 0.30 |
| <i>Diluted</i> | 0.78 | (0.48) | 0.30 |
| Operating income per share (in) | | | |
| <i>Basic</i> | 1.9 | (0.1) | 1.8 |
| <i>Diluted</i> | 1.9 | (0.1) | 1.8 |
| Equity attributable to owners of the parent per share (in) | | | |
| <i>Basic</i> | 12.8 | (1.2) | 11.6 |
| <i>Diluted</i> | 12.8 | (1.3) | 11.5 |

(1) The following table sets forth the historic and pro forma weighted average number of ordinary shares outstanding (basic and diluted):

| <i>(in millions of shares)</i> | Six months ended June 30, 2014 |
|---|-----------------------------------|
| Historical GTECH weighted average basic shares outstanding | 174.1 |
| Rescission Rights | (35.0) |
| Number of UkCo common shares issued to IGT shareholders | 45.0 |
| Pro forma basic weighted average ordinary shares outstanding | 184.1 |
| Historical GTECH weighted average diluted shares outstanding | 174.2 |
| Rescission Rights | (35.0) |
| Number of UkCo common shares issued to IGT shareholders | 45.0 |
| Number of dilutive shares associated with the UKCo stock awards | 0.6 |

| | |
|---|--------------|
| Pro forma diluted weighted average ordinary shares outstanding | 184.8 |
|---|--------------|

161

6. OUTLOOK FOR UKCO AND GTECH GROUP

6.1. OVERVIEW OF PERFORMANCE OF UKCO AND GTECH SUBSEQUENTLY THE END OF THE FINANCIAL PERIOD OF THE LAST FINANCIAL STATEMENT PUBLISHED

UKCo was incorporated on July 11, 2014. Since incorporation, its activities have been limited to those in connection with the Transaction. It is not expected that UKCo will carry out activities of any other nature until the completion of the Transaction.

With reference to the performance of GTECH Group subsequently to December 31, 2013, no significant events other than those communicated to the public on the occasion of the First Half-Year Report as of 30 June 2014, published on August 1, 2014, should be reported.

GTECH provides lottery management services in Illinois through Northstar Lottery Group, LLC (**Northstar**), a consortium in which GTECH indirectly holds an 80% controlling interest. Northstar manages the day-to-day operations and core functions of the Illinois lottery, subject to the oversight of the Illinois Department of Lottery. GTECH provides certain hardware, equipment, software and support services to Northstar.

In addition to the information provided in the First Half-Year Report dated June 30, 2014, it should be noted that in August 2014, the Illinois Governor's Office has directed the Illinois Department of Lottery to end its relationship with Northstar. Northstar and the Illinois Department of Lottery are working to address the Governor's Office concerns in accordance with the process set forth in the agreement between the State of Illinois and Northstar, which may include an agreement to terminate such agreement. As of the date of this Information Document, a final decision regarding Northstar's relationship with the State of Illinois has not been reached.

6.2. DEVELOPMENT TO BE EXPECTED FOR THE CURRENT YEAR

The GTECH Merger and the IGT Merger will have no impact on the overall 2014 outlook of GTECH Group as communicated to the market on July 31, 2014.

6.3. ESTIMATES AND PROJECTIONS

No estimates and/or projections have been provided in this Information Document on the performance during the current and future financial years.

6.4. REPORT OF THE INDEPENDENT AUDITOR ON THE ESTIMATES AND PROJECTIONS

As no estimates and/or projections on the performance during the current and future financial years have been provided, no ad hoc report was required from the independent auditors.

ANNEXES

1. The reports of the boards of directors of GTECH, pursuant to Article 2501-quinquies of the Italian Civil Code and Article 8 of the Decree 108/08, and of UKCo, pursuant to Article 8 of the UK Regulation
2. Common Cross-Border Merger Terms pursuant to Article 6 of the Decree 108/08 and Article 7 of the UK Regulation
3. Financial statements of GTECH for the six-month period ended on June 30, 2014 and the financial statements of UKCo for the period ended on August 31, 2014, pursuant to Article 2501-*quater* of the Italian Civil Code and Article 7(2)(1) of the UK Regulation
4. Report of the independent expert Grant Thornton UK LLP relating to the Exchange Ratio
5. Fairness opinion and bring-down fairness opinion letter issued by Credit Suisse Securities Europe Limited concerning the financial reasonableness of the exchange ratio in the contest of the transaction

* * *

Alberto Fornaro, Manager in charge of drawing up corporate reports and financial statements, with reference to GTECH's responsibilities, declares, pursuant to paragraph 2 of Article 154-*bis* of the Italian Financial Act, that the accounting disclosures enclosed in this Information Document, other than pro-forma data, corresponds to the results registered in GTECH's supporting documents, accounting books and other accounting records.

APPENDIX

Comparison of rights of shareholders of GTECH and UKCo

GTECH**UKCo****Corporate Governance**

The corporate bodies of GTECH are the general meeting (*Assemblea*) of shareholders, the board of directors (*Consiglio di Amministrazione*) and the board of statutory auditors (*Collegio Sindacale*). Under GTECH's by-laws, the GTECH board of directors is vested with the full power to act on behalf of the company except for such actions where shareholder approval is required by law.

The corporate bodies of UKCo are the general meeting and the board of directors. The directors are responsible for the management of UKCo's business, for which purpose they may exercise all the powers of UKCo whether relating to the management of the business or not.

Authorized Capital/Outstanding Capital Stock

As of the date of this Information Document, GTECH's share capital is equal to 174,951,075.00, of which 174,951,075 ordinary shares each with a nominal value of 1.00 per share and all with equal rights, have been issued, fully paid-in and registered.

Prior to the GTECH Merger Effective Date, the UKCo directors and/or GTECH (as shareholder) are expected to pass certain resolutions in order to, among other matters, authorize the UKCo directors to carry out the actions required of UKCo in relation to the Transaction including the authority for the directors of UKCo to allot and issue, *inter alia*, UKCo Ordinary Shares to be issued to GTECH shareholders and IGT shareholders who are entitled to receive UKCo shares pursuant to the Transaction and Special Voting Shares.

Shares issued by GTECH are listed and traded on the MTA.

In addition, the Post-GTECH Merger Articles will authorize the directors, for a period of up to five years from the date of the resolution granting the authority, to allot shares in UKCo, or to grant rights to subscribe for or to convert or exchange any security into shares in UKCo up to an aggregate nominal amount of \$US 185,000,000.

The ordinary shares issued by UKCo will be listed on the NYSE.

Board Committees

Pursuant to GTECH's by-laws, the board of directors may establish one or more bodies and/or committees, including an executive committee, having consultative, proposing and controlling functions. The board also has the authority to appoint external individuals to the

Under English law, and the Post-GTECH Merger Articles, the directors may delegate any of the powers, authorities and discretions which are conferred on them under the articles to a person or committee as they see fit.

GTECH

UKCo

same bodies or committees, set their relevant competencies and powers, and grant such competencies and powers to one or more directors.

Under the Post-GTECH Merger Articles, committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Post-GTECH Merger Articles which govern the taking of decisions by directors.

More specifically, the board of directors has currently established a control, risk and related parties committee and a committee for nomination and compensation.

All committees must comply with the applicable rules of the NYSE.

UKCo expects to have, at a minimum, an audit committee, compensation committee and nominating and governance committee.

Voting Rights

GTECH shareholders are entitled to one vote per share on all matters to be voted on by shareholders.

The general meeting may vote on a show of hands, or by poll.

No shareholder has the right of cumulative voting.

On a show of hands, every qualifying shareholder present and entitled to vote on the resolution is entitled to one vote, subject to the provisions for voting by proxies described below.

The extraordinary shareholders' meeting can resolve upon the issuance of ordinary shares, special categories of shares or other financial instruments to be allocated to the employees of GTECH or its subsidiaries.

On a poll taken at a meeting, every qualifying shareholder present and entitled to vote on the resolution has one vote for every UKCo ordinary share of which he or she is the holder, and 0.9995 votes for every Special Voting Shares for which he, she or it is entitled under the terms of the loyalty voting structure to direct the exercise of the vote.

GTECH has not issued preferred stock voting or other special categories of shares.

An ordinary resolution requires, on a show of hands, a simple majority of those entitled to vote who do so, either in person or by proxy. On a poll, it requires the affirmative vote of a simple majority of the voting rights of those who do so, either in person or by proxy.

Under Italian Law, the approval of a merger must be adopted by the extraordinary general meeting, according to the majority provided under paragraph Quorum .

A special resolution requires, on a show of hands, at least 75% of those entitled to vote to do so, either in person or by proxy. On a poll, it requires the affirmative vote of the holders of at least 75% of the voting rights.

The UK Companies Act requires that a number of matters are approved by way of special resolution, including (amongst other things) an amendment to

GTECH

UKCo

the company's articles of association, change of name, and re-registration as a public or private company.

Under the UK Companies Act a scheme of arrangement between a company and its members or creditors (or any class of them) in order to effect a solvent reorganization of a company or group structure, including by merger and demerger, as well as to effect insolvent restructurings such as by a debt for equity swap requires approval by at least 75% in value of each class of the members or creditors who vote on the scheme, being also at least a majority in number of each class. The scheme of arrangement would also need the sanction of the court.

The Post-GTECH Merger Articles require that any variation of special rights attaching to any shares in the capital of UKCo may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, either: (1) with the consent in writing of those entitled to attend and vote at general meetings of UKCo representing 75% of the aggregate voting rights attaching to the UKCo Ordinary Shares and the Special Voting Shares which may be exercised at such meetings; or (2) with the sanction of 75% of the aggregate votes attaching to UKCo Ordinary Shares and the Special Voting Shares cast on a special resolution proposed at a separate general meeting of all those entitled to attend and vote at general meetings of UKCo.

No shareholder has the right of cumulative voting.

UKCo has not issued any shares which carry preferred rights of voting.

Proxies

Any shareholder entitled to attend the general meeting may be represented according to the relevant provisions of Italian law.

A shareholder may vote either in person or by proxy. On a show of hands, a proxy will have one vote, except where: (a) that proxy has been appointed by more than one shareholder entitled to vote on the resolution; and (b) the proxy has been instructed by one or more of those shareholders (i)

Representation requires a written proxy, which may be granted electronically. The proxy can be given only for one meeting (but may have effect

GTECH**UKCo**

for each subsequent call of the same meeting).

Under Italian law, GTECH, one or more of its shareholders or any other eligible person can solicit other shareholders' proxies. Solicitation of proxies must be made through the publication of a prospectus and a proxy form; the relevant notice must be published on GTECH's website and must also be disclosed to CONSOB, Borsa Italiana S.p.A. and Monte Titoli S.p.A.

Proxies must be dated, signed and indicate the voting instructions. The voting instructions can also be referred exclusively to certain items on the agenda. Proxies so granted can be revoked until one day prior to the shareholders' meeting.

to vote for the resolution and by one or more of those shareholders to vote against the resolution; or (ii) to vote in the same way on the resolution (whether for or against) and one or more of those shareholders has permitted the proxy discretion as to how to vote. Under such circumstance, the proxy has one vote for and one vote against the resolution.

On a poll taken at a meeting, a proxy will be entitled to one vote for every UKCo Ordinary Share for which such person is acting as proxy and 0.9995 votes for every special voting share for which such person is acting as proxy.

Under English law, there is no regulatory regime for the solicitation of proxies. Solicitation of proxies is an ad hoc process mainly dealt with by an outside firm.

Dividends

Under Italian law, GTECH may pay dividends out of the net profits recorded in the company's audited and approved financial statements for the preceding fiscal year or out of its distributable legal reserves.

The dividend distribution must be approved by the general meeting approving the company's yearly financial statements.

Distributions may not be made if the distribution would reduce shareholders' equity below the sum of the paid-up capital and any reserves required by Italian law or GTECH's by-laws.

According to GTECH's by-laws, net profit reported in the annual financial statements shall be allocated as follows:

a) to the legal reserve, 5% of net profit until the amount of such reserve is equivalent to one-fifth of share capital;

b) the remainder is allocated pursuant to the decision of the shareholders' meeting.

Under English law, UKCo may only pay dividends out of profits available for that purpose. A company's profits available for distribution are its accumulated, realized profits, so far as not previously utilized by distribution or capitalization, less its accumulated, realized losses, so far as not previously written off in a reduction or reorganization of capital duly made.

The Post-GTECH Merger Articles permit the shareholders, by ordinary resolution, to declare dividends. A declaration must not be made unless the directors have first made a recommendation as to the amount of the dividend. The dividend must not exceed that amount.

In addition, the directors may decide to pay interim dividends.

Any dividends unclaimed may be invested or otherwise made use of by the directors for the benefit of UKCo until claimed. The entitlement to a dividend lapses if unclaimed for 12 years.

UKCo may only make a distribution if the amount of its net assets is not less than the aggregate of its

GTECH

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The board of directors can, during the course of the financial year, distribute advances on dividends between the shareholders.

called-up share capital and undistributable reserves, and if, and to the extent that, the distribution does not reduce the amount of those assets to less than that aggregate.

Purchase of treasury shares

Under Italian law, the purchase of treasury shares must be authorized by the shareholders at any ordinary meeting and only paid out of retained earnings or distributable reserves resulting from the last approved financial statements and provided, in any case, that all shares are fully paid-in.

English law prohibits UKCo from purchasing its own shares unless such purchase has been approved by its shareholders. Shareholders may approve two different types of such share purchases; on-market purchases or off-market purchases. On-market purchases may only be made on a recognised investment exchange, which does not include the NYSE, which is the only exchange on which UKCo's shares will be traded. In order to purchase its own shares, UKCo must therefore obtain shareholder approval for off-market purchases. This requires that UKCo shareholders pass a special resolution approving the terms of the contract pursuant to which the purchase(s) are to be made. Such approval may be for a maximum period of up to five years.

The nominal value of the treasury shares to be repurchased, together with any shares previously held by GTECH or any of its subsidiaries, may not exceed in the aggregate 20% of GTECH's share capital then issued and outstanding.

Treasury shares may only be sold or disposed of in any manner pursuant to a shareholders' resolution.

Prior to the effective times of the Mergers, an ordinary resolution will be passed by GTECH, as the current sole shareholder of UKCo, to approve certain buyback contracts pursuant to which UKCo will be able to make off-market purchases from selected investment banks. This resolution may be renewed prior to its expiration (*i.e.*, within five years), and renewal of such authorization may be sought at least once every five years, and possibly more frequently.

GTECH is not entitled to vote or to receive dividends on the shares it owns. Neither GTECH (except in limited circumstances) nor any of its subsidiaries can subscribe for new shares in the case of capital increases. Shares owned by its subsidiaries are not entitled to voting rights but are entitled to receive dividends. Shares owned by GTECH and its subsidiaries are considered at shareholders' meetings for quorum purposes.

Except in the case of an employee share scheme, UKCo is only permitted to purchase its own shares if they are fully paid, and must pay for them in full when purchasing them.

For listed companies, such as GTECH, the purchase of its own treasury shares and the purchase of shares of a listed company by its subsidiaries must take place in a manner that ensures the equality of treatment among shareholders (e.g., on the market or through a voluntary tender offer addressed to all shareholders).

UKCo may only purchase its own shares out of distributable profits of the company, or the proceeds of a fresh issue of shares made for the purposes of financing the purchase.

Any premium payable on the purchase of its own

GTECH**UKCo**

shares must be paid out of distributable profits of the company, unless the shares being purchased were issued at a premium, in which case any premium payable on their purchase by the company may be paid out of the proceeds of a fresh issue of shares made for the purpose of financing the purchase, up to an amount equal to: (a) the aggregate of the premiums received by the company on the issue of the shares purchased, or (b) the current amount of the company's share premium account (including any sum transferred to that account in respect of premiums on the new shares), whichever is less.

UKCo may at any time dispose of treasury shares for cash consideration, or transfer them for the purposes of or pursuant to an employees' share scheme.

Liquidation Rights

Under Italian law, and subject to satisfaction of the claims of all other creditors, shareholders are entitled to a distribution of GTECH's remaining liquidated assets in proportion to the nominal value of the shares they hold in GTECH's capital stock.

Under English law, on a winding up, following the satisfaction of the claims of all other creditors and payment of US\$1 in aggregate to all holders of the Special Voting Shares and £1 in aggregate to all holders of the sterling non-voting shares, holders of UKCo Ordinary Shares are entitled to share in any surplus assets of UKCo available for distribution pro rata to their shareholding.

Approval of Financial Statements

Under Italian law, the yearly financial statement of a joint stock company that prepares consolidated financial statements must be approved by the shareholders at an ordinary shareholders' meeting to be held no later than 180 days following the end of the relevant fiscal year.

Under English law, the annual accounts, which include a directors' report, a strategic report, a directors' remuneration report and an auditors' report, must be approved by the board of directors in accordance with their normal rules on decision making. The accounts must be signed by a director on behalf of the board and the auditors and filed with the Registrar of Companies of England and Wales.

The directors of UKCo must lay the annual accounts before a general meeting. At the general meeting, there must be proposed an ordinary resolution to approve the directors' remuneration.

GTECH

UKCo

report.

At least every three years, the directors are required to submit to the shareholders for their approval, a director's remuneration policy, which will bind directors' remuneration until the next policy approval.

Appraisal / Dissenters' Rights

Under Italian law, shareholders of Italian joint stock companies are entitled to exercise cash exit rights whenever a resolution is adopted at a shareholders' meeting with respect to, *inter alia*:

- a change in the business purpose of the company in such a way to as to make a substantial change of the activities of the company;
- a change in the legal form of the company;
- the transfer of the registered office of the company outside of Italy;
- revocation of the winding-up of the company;
- change of the corporate and economic rights attached to the shares as provided for in the by-laws. The shareholders are also entitled to exercise cash exit rights upon a resolution adopted at a shareholders' meeting with respect to a merger in which the shareholders of a listed company receive shares which are not listed on a regulated stock market.

There is no mandatory provision in English law for appraisal rights.

Such rights could, in theory, be provided for in the articles of association or in a shareholders' agreement. The Post-GTECH Merger Articles do not provide for appraisal/dissenters' rights.

However, English law provides dissenter's rights which permit a shareholder to object to a Court in the context of the compulsory acquisition of minority shares.

Cash exit rights can only be exercised by shareholders who did not concur in the approval of the resolution.

Cash exit rights can be exercised for all or part of the shares held by the relevant shareholder.

In order to validly exercise their cash exit rights, shareholders entitled to do so must send notice thereof to GTECH by registered mail within 15 days after the publication in the Companies

GTECH**UKCo**

Register of the resolution approved at the relevant meeting of shareholders.

The shares with respect to which cash exit rights are being exercised cannot be sold by the relevant shareholder and must be kept with the relevant intermediary.

Preemptive Rights

Under Italian law, an existing shareholder in a joint stock company has a preemptive right for any issue of shares by such company or debt convertible into shares in proportion to the shares held by such shareholder at the time of the issuance, with the exception summarized below.

Under Italian law, shareholders of listed companies may exercise their preemptive rights for a period of at least 15 days after the registration of the relevant minutes with the competent Register of Enterprises.

Existing shareholders are not entitled to preemptive rights with respect to newly issued shares to be paid for by contribution in kind.

Preemptive rights can also be excluded or limited by the shareholders general meeting in the event GTECH's interest requires such exclusion. The notion of companies' interest could be referred to the interest in maximizing company's profits.

In both cases, the reasons for such exclusion must be adequately illustrated by a report of the board of directors.

In addition, the GTECH's by-laws provide for the exclusion of preemptive rights with respect to newly issued shares for an amount up to a maximum of 10% of the existing share capital.

Finally, the preemptive rights may be excluded if shares are offered to the company's employees or to the employees of its subsidiaries or parent company.

Under the UK Companies Act, the issuance of equity securities (except shares held under an employees' share scheme) that are to be paid for wholly in cash must be offered first to the existing holders of equity securities in proportion to the respective nominal amounts (*i.e.*, par values) of their holdings on the same or more favorable terms, unless a special resolution (*i.e.*, a resolution approved by the holders of at least 75% of the aggregate voting power of the outstanding UKCo shares that, being entitled to vote, vote on the resolution) to the contrary has been passed or the articles of association otherwise provide an exclusion from this requirement (which exclusion can be for a maximum of five years after which shareholders' approval would be required to renew the exclusion). In this context, equity securities generally means shares other than shares which, with respect to dividends or capital, carry a right to participate only up to a specified amount in a distribution, which, in relation to UKCo, will include the UKCo Ordinary Shares, and all rights to subscribe for or convert securities into such shares.

A provision in the Post-GTECH Merger Articles will authorize the directors, for a period up to five years from the date of the shareholder resolution granting such authorization, to exclude preemptive rights in respect of issuances up to a nominal amount (*i.e.*, par value) of US\$185 million. Such authorization will continue for five years and renewal of such authorization is expected to be sought at least once every five years, and possibly more frequently.

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Preemptive rights can also be exercised by the holders of debt convertible into shares of the company on the basis of the relevant exchange ratio.

Amendments to Articles of Association or Articles of Incorporation

Under Italian law, amendments to the by-laws of a joint stock company (including increases in share capital and capital reduction) may be resolved at any time by the shareholders at an extraordinary shareholders meeting.

Extraordinary shareholders meetings are required to vote on all amendments of GTECH's by-laws, including capital increases, transfer of GTECH's registered office abroad, changes in the corporate purposes and all other matters referred to it by Italian law such as the liquidation or winding-up of the company as well as mergers and demergers.

In order to be validly approved, resolutions pertaining to the above matters require the attendance of shareholders representing at least 50% of the ordinary share capital on first call, more than one-third on second call and at least one-fifth on any subsequent calls or in the event of a unique call, and the affirmative vote of holders of at least two-thirds of the GTECH share capital participating in the vote on the resolution.

Number of Directors

GTECH is managed by a board of directors consisting of a number varying from seven to fifteen members, as determined by the shareholders in a general meeting.

As of the date of the Information Document, the current board is comprised of 10 directors.

Under English law, the shareholders may amend any provision of the articles of association of a public limited company, other than entrenched provisions, by special resolution at a general meeting. The full text of the special resolution must be included in the notice of the meeting.

An entrenched provision of the articles of association is a provision that may be amended or repealed only if certain conditions are complied with. These conditions are more restrictive than those applied to a special resolution (e.g. a higher majority than the threshold for a special resolution, being 75%).

Entrenchment does not prevent alteration to the articles by unanimous consent of the shareholders.

The Post-GTECH Merger Articles do not contain any entrenched provisions.

Under English law, there must be at least two directors, at least one of whom is a natural person.

Unless and until otherwise decided by the UKCo board of directors (where, for the period of three years from the date of adoption of the Post-GTECH Merger Articles, not less than three-quarters of the directors shall have voted in favor of such decision), the number of directors will be 13. A majority of the directors need to be present for a board meeting to be quorate.

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Election of Directors

Under Italian law the directors are appointed for a period of no more than three years, the third year expiring on the day of the general meeting of shareholders approving the yearly financial statements relevant for the last financial year of their office.

According to GTECH's by-laws, directors are appointed for a maximum of three financial years, following which, as agreed by the shareholders' meeting of appointment, they may be available for re-election. Their role will expire on the date of the shareholders' meeting called to approve the accounts relating to the final financial year of their appointment.

The board of directors is appointed through a voting list mechanism to ensure election of directors designated by minority shareholders in accordance with Italian law.

Under GTECH's by-laws the election of the directors will proceed as follows: (a) a number of members of the GTECH board of directors representing the entirety of those to be appointed will be elected from the list having obtained the highest number of votes at the shareholders' meeting, on the basis of the same progressive numbering they have been listed in the list, save for the minimum number reserved to the minority shareholders by the applicable provisions; and (b) a number of members of the GTECH board of directors equal to the minimum number set out under (a) unrelated in any manner whatsoever, also indirectly, to those who have submitted or voted the majority list will be elected from the list having obtained the second greatest number of votes at the shareholders' meeting, in accordance with the progressive numbering they have been listed in the list.

Directors are appointed by one of the following methods: (1) by ordinary resolution of the entitled shareholders, (2) at a general meeting called in order to appoint directors where there are fewer than two directors of UKCo; or (3) by a decision of the directors.

Only persons who have been recommended by the directors or proposed by a shareholder may be appointed director. Directors that are proposed to be elected at a shareholder meeting must be elected individually pursuant to separate proposals at the meeting; more than one director cannot be elected under the same shareholder proposal.

English law permits a company to provide for terms of different lengths for its directors. The directors in office on the adoption of the Post-GTECH Merger Articles are appointed for a term of three years.

Under English law, any agreement under which a director agrees to perform services (as a director or otherwise) for a company or its subsidiaries is defined as a service agreement. Service agreements with a guaranteed term of more than two years require prior approval at a general meeting.

GTECH**UKCo*****Removal of Directors***

Directors can be removed from office at any time by the ordinary general meeting. Directors removed without cause before the end of their term may claim damages resulting from their removal from office.

Directors can be removed from office at any time by ordinary resolution, at a general meeting, provided that 28 clear days' notice of the resolution is given to UKCo. Directors removed without cause before the end of their term may be able to claim damages resulting from their removal from office.

A director has the right to make reasonable written representations which the company must circulate to shareholders, as to why he or she should not be removed. The director also has the right to speak at the general meeting.

Vacancies on the Board of Directors

Vacancies on the board of directors are filled by a majority vote of the remaining directors (with a resolution approved by the board of statutory auditors) and confirmed/ replaced by a resolution adopted by the general meeting. Directors so appointed remain in office for the remaining part of the relevant term.

Vacancies may be filled by the directors of UKCo or may be filled by shareholders at a general meeting convened by UKCo for such purpose.

According to Italian law, if as a result of resignations or other reasons the majority of the directors elected by shareholders is no longer in office, a general meeting of shareholders will be convened on an urgent basis by the directors still in office for the purpose of electing new directors.

Action by Written Consent

Under Italian law the members of a public company cannot decide upon, or take any action, by written consent.

Under English law, except for the purposes of approval of a variation of rights attaching to special classes of shares, the members of a public company cannot decide upon, or take any action, by written consent. All decisions must be taken at the general meeting.

Annual Shareholder Meetings

According to Italian law and GTECH's by-laws, the general meeting of shareholders must be held at least once a year within 180 days after the end of GTECH's fiscal year.

Under English law, UKCo is required to hold an annual general meeting of shareholders within six months from the day following the end of its fiscal year.

Pursuant to Italian law and GTECH's by-laws,

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all shareholders having obtained a statement from the intermediary with whom GTECH shares are deposited may attend the general meeting.

To attend the general meeting, the owners of GTECH s shares held through the book-entry system managed by Monte Titoli S.p.A. are required to instruct the relevant banks or financial institutions associated with Monte Titoli S.p.A., or any other relevant authorized intermediary with which their accounts are held, to provide GTECH with certificates evidencing the shares owned as of close of business on the seventh trading day prior to the date scheduled for the meeting in first call (provided that the date of any subsequent call is indicated in the notice of call, otherwise the date of each call shall be taken into account for determining the relevant record date) or in single call, without taking into consideration changes in the ownership of said shares, occurred between such registration and the date of the general meeting.

Such communication from the relevant intermediary to GTECH must be provided by close of business on the third trading day preceding the date of the general meeting. However, shareholders may attend the meeting even if such communication is received by GTECH subsequently, provided that it is received before the relevant meeting begins. Such registration allows them to gain admission to the general meeting.

Advance Notice Requirements for Shareholder Nominations and Other Proposals

In the event of shareholders meetings convened by the shareholders, the report on the items on the agenda is prepared by shareholders requiring the convening of the meeting. The board of directors or auditors shall make available to the public the report, accompanied by their assessments if appropriate, at the same time as publishing the notice calling the shareholders

UKCo shareholders may require the company to circulate to any members entitled to receive notice of a general meeting, a statement of not more than 1000 words in relation to a proposed resolution or any other business to be dealt with at a general meeting. UKCo is required to circulate the statement once it has received requests to do so from members representing at least 5% of the paid

GTECH**UKCo**

meeting.

GTECH's by-laws provide that directors are appointed by the ordinary shareholders' meeting on the basis of lists submitted by the shareholders (at least 25 days before the shareholders' meeting), whereby the candidates must be indexed by progressive numbering. Only the shareholders representing, alone or together with other specific shareholders, the minimum percentage of share capital provided by CONSOB taking into account capitalization, floating funds and ownership structures of GTECH (*i.e.*, 1% for year 2014) are entitled to submit a list.

The candidates' lists must be filed with GTECH's head office within the term provided by the applicable provisions. Upon filing, each list shall be accompanied by: (a) exhaustive information on the personal and professional qualifications of the candidates, indicating their alleged independency qualification pursuant to the applicable provisions; (b) a statement through which each candidate accepts to be candidate and certifies under his/her own responsibility that there are no reasons of ineligibility or incompatibility, as well as that he/she possesses all requisites as provided by applicable provisions and by the by-laws; and (c) an indication of (i) the identity of the shareholders that have submitted the list and (ii) the percentage of share capital jointly owned.

up share capital of the company as carries voting rights at general meetings, or from 100 members, who have the right to vote on the resolution and hold, on average per member, at least £100 (or equivalent in any other currency) of the paid up share capital of UKCo.

Notice of Shareholder Meeting; Record Date

Under Italian law and GTECH's by-laws, a written notice calling a shareholders' meeting indicating the time, place and agenda of the meeting must be published in a national newspaper and on GTECH's website not less than 30 days before the date scheduled for the meeting.

For general meetings called to appoint, by means of the voting lists mechanism, the members of

Under English law and the Post-GTECH Merger Articles, an annual general meeting must be called by not less than 21 clear days' notice (*i.e.*, excluding the date of receipt or deemed receipt of the notice and the date of the meeting itself). All other general meetings must be called by not less than 14 clear days' notice, unless a shorter notice is agreed to by a majority in number of the shareholders having the right to attend and vote at the meeting, being a

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the board of directors and board of statutory auditors, the notice of call shall be published at least 40 days prior to the date of the general meeting.

majority who together hold not less than 95% in nominal value of the shares given that right. At least 7 clear days notice is required for any meeting adjourned for 28 days or more or for an indefinite period.

For extraordinary shareholders meetings called to resolve upon the decrease of the share capital under Articles 2446 and 2447 of the Italian Civil Code or the appointment of liquidators under Article 2487 of the Italian Civil Code, the notice of call shall be published at least 21 days prior to the date of the extraordinary shareholders meeting.

The notice of a general meeting must be given to the shareholders (other than any who, under the provisions of the Post-GTECH Merger Articles or the terms of allotment or issue of shares, are not entitled to receive notice), to the UKCo board of directors, to the beneficial owners nominated to enjoy information rights under the UK Companies Act, and to the auditors.

Under Italian Law the record date is seven trading days before the date of the meeting.

Under English law the notice of a general meeting must specify a time by which a person must be entered on the register in order to have the right to attend or vote at the meeting. Changes to entries on the register after the time specified in the notice will be disregarded in deciding the rights of any person to attend or vote. The Post-GTECH Merger Articles specify that the relevant time must not be more than 48 hours, excluding any part of a day that is not a working day, before the time fixed for the meeting.

The Post-GTECH Merger Articles provide that the directors may decide that persons entitled to receive notices of a general meeting are those on the register at the close of business on a day the directors decide.

Special Meeting of Shareholders

The directors must convene without delay a shareholders meeting if requested to do so by shareholders representing at least 5% of the share capital of GTECH, indicating the agenda of the meeting (provided that the shareholders may only request the call of those meetings in relation to which a directors proposal is not necessary under Italian law or a plan or report is not to be mandatorily drafted by the directors).

The directors may call a general meeting whenever they see fit.

The directors are required to call a general meeting if requested by shareholders representing at least 5 percent of the paid-up capital of UKCo as carries the right of voting at general meetings (excluding any paid-up capital held as treasury shares). Such meeting must be called within 21 days from the date on which the directors become subject to the requirement, and held on a date not more than 28

Should the shareholders meeting not be called

GTECH

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by the directors, or the board of statutory auditors in case of failure by the directors to call the meeting, the shareholders meeting may be convened by order of a court of competent jurisdiction where the failure to call said shareholders meeting is not properly justified.

days after the date of the notice calling the meeting.

Shareholders representing at least 2.5% of the share capital of GTECH may request to add items on the agenda within ten days of the publication of the notice of call of the shareholders meeting (or five days in the event that the shareholders meeting is called to resolve upon the decrease of the share capital under Articles 2446 and 2447 of the Italian Civil Code, the appointment of liquidators under Article 2487 of the Italian Civil Code or upon defensive actions in the context of a takeover bid).

The meeting may only deal with the business stated in the request by shareholders, or as proposed by the directors.

If the directors fail to call the general meeting requested by the shareholders, the shareholders who requested the meeting, or any of them representing more than one half of the total voting rights of all of them, may themselves call a general meeting. Such meeting must be called for a date not more than three months after the date on which the directors become subject to the requirement to call a meeting. Any reasonable expenses incurred by the shareholders requesting the meeting by reason of the failure of the directors duly to call a meeting must be reimbursed by the company.

If for any reason it is impracticable to call the meeting or to conduct the meeting in the manner prescribed by the company's articles or the UK Companies Act, a court may order a meeting to be called, held and conducted as it sees fit.

Quorum

Pursuant to GTECH's by-laws, the shareholders meeting can be convened also on single call.

Subject to the UK Companies Act, the necessary quorum for a general shareholder meeting is the shareholders who together represent at least a majority of the voting rights of all the shareholders entitled to vote at the meeting, present in person or by proxy, save that if UKCo only has one shareholder entitled to attend and vote at the general meeting, one shareholder present in person or by proxy at the meeting and entitled to vote is a quorum.

On both first and second call, as well as on single call, in the ordinary general meeting resolutions are passed by a simple majority of the votes cast, save for the resolutions concerning the appointment of the members of the GTECH Board and of the board of statutory auditors, in which case a slate system applies.

At an adjourned meeting the quorum is one qualifying person present and entitled to vote. If a quorum is not present within five minutes from the time fixed for the start of the meeting, the adjourned meeting is dissolved.

In order to be validly held, the general meeting requires the attendance of shareholders representing at least 50% of the voting capital on the first call, while no quorum is required on second call or on single call.

In the extraordinary general meeting (necessary to approve, inter alia, amendments to the company's articles of association, change of name), resolutions are passed (i) on first call, by

GTECH**UKCo**

a majority of 2/3 of the votes cast (at least 50% of the share capital must attend the meeting); (ii) on second call by a majority of the 2/3 of the of the votes cast (more than the 1/3 of the share capital must attend the meeting); and (iii) on third or on single call, by a majority of the 2/3 of the of the votes cast (at least 1/5 of the share capital must attend the meeting).

Limitation of Personal Liability of Directors

Under Italian law, directors must perform their duties with the care required by the nature of their office and their specific competences.

Directors are jointly and severally liable towards the company for damages resulting from breach of the duties of their office. Directors are also jointly liable if they have knowledge of facts that may be prejudicial to the company but have not implemented, to the extent possible, measures necessary to avoid or limit the effects of such facts.

The company may initiate a liability claim against its own directors with the approval of the general meeting of the company or a resolution of the board of statutory auditors approved with a two-thirds majority of its members. The liability claim can be waived or settled, provided the waiver or settlement is authorized by the general meeting. Such authorization is deemed not granted in the event that shareholders representing at least 5% of the company's share capital vote against the authorization.

Directors may also be held liable vis-à-vis shareholders or the company's creditors in the event of an act prejudicial to the company's shareholders or in the event of any act prejudicial to the company's assets, respectively.

Indemnification of Directors and Officers

Italian law and national collective bargaining agreements provide that GTECH will reimburse its directors and executives for legal expenses incurred in defending against criminal prosecution, provided that such prosecution is related to actions taken such persons in the performance of his duties to GTECH. This rule does not apply to instances of intentional misconduct or gross negligence.

Where criminal proceedings are started against the executive for facts that are directly related to the performance of his duties, all costs for every

Under English law, any provision that purports to exempt a director of a company (to any extent) from any liability that would otherwise attach to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company is void.

Shareholders can ratify by ordinary resolution a director's conduct amounting to negligence, default, breach of duty or breach of trust in relation to UKCo.

Although directors are not generally jointly and severally liable, joint and several liability may arise at common law where more than one director is involved in the same breach of duty.

Subject to certain exceptions, English law does not permit UKCo to indemnify a director against any liability attaching to him in connection with any

GTECH

instance of judgment shall be paid by the company. It is in the power of the executive to be assisted by a lawyer of his choice, with the burden of the cost falling on the company.

The commitment for trial of the executive for facts directly related to the performance of his or her duties does not constitute in itself justified grounds for dismissal; in the case of deprivation of liberty the executive will be entitled to retain his or her job position as well as the related salary.

The warranties and remedies set out in the paragraph above shall apply to the executive even after the termination of the employment relationship, as long as the facts took place in the course of the relationship itself.

The warranties and remedies set out in the paragraph above shall not apply in case of the executive's willful misconduct or gross negligence, ascertained with a definitive judgement of the court.

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negligence, default, breach of duty or breach of trust in relation to UKCo. The exceptions allow UKCo to: (1) purchase and maintain director and officer insurance insuring its directors or the directors of an associated company (*i.e.*, a company that is a parent, subsidiary or sister company of UKCo) against any liability attaching in connection with any negligence, default, breach of duty or breach of trust owed to the company of which he is a director; (2) provide a qualifying third party indemnity provision which permits UKCo to indemnify its directors and directors of an associated company in respect of proceedings brought by third parties (covering both legal costs and the amount of any adverse judgement), except for (i) the legal costs of an unsuccessful defense of criminal proceedings or civil proceedings brought by the company or an associated company, or the legal costs incurred in connection with certain specified applications by the director for relief where the court refuses to grant the relief (ii) fines imposed in criminal proceedings, and (iii) penalties imposed by regulatory bodies; (3) loan funds to a director to meet expenditure incurred defending civil and criminal proceedings against him or her (even if the action is brought by the company itself), or expenditure incurred applying for certain specified relief, subject to the requirement that the loan must be on terms that it is repaid if the defense or application for relief is unsuccessful; and (4) provide a qualifying pension scheme indemnity provision, which allows the company to indemnify a director of a company that is a trustee of an occupational pension scheme against liability incurred in connection with such director's activities as a trustee of the scheme (subject to certain exceptions). The Post-GTECH Merger Articles provide that, to the fullest extent permitted by the UK Companies Act and without prejudice to any indemnity to which he or she may otherwise be entitled, every person who is or was a director or other officer of UKCo or any of its associates (other than any person (whether or not an officer of

GTECH**UKCo**

UKCo or any of its associates) engaged by UKCo of any of its associates as auditor) shall be and shall be kept indemnified out of the assets of UKCo against all costs, charges, losses and liabilities incurred by him (whether in connection with any negligence, default, breach of duty or breach of trust by him or otherwise as a director or such other officer of UKCo or any of its associates) in relation to UKCo or any of its associates or its/their affairs. This is subject to the exceptions set out in the UK Companies Act, which are reflected in the Post-GTECH Merger Articles.

Conflicts of Interest Transactions

Under Italian law, a director with a direct or indirect interest, which does not have to be necessarily conflicting, in a transaction contemplated by GTECH must inform the board of directors of any such interest in a comprehensive manner. If a managing director has a conflict of interest, he must refrain from executing the transaction and refer the relevant decision to the board of directors.

If the board of directors approves the transaction, such decision must be duly justified, in particular with regard to its economic rationale for the company.

In case the conflicted director has not informed the board of the conflict, the board has not justified its decision, or such decision has been adopted with the decisive vote of an interested director, the relevant resolution, in case it may cause damage to the company, can be challenged in court by any of the directors who did not participate in the adoption of the resolution or by the statutory auditors of the company or by any of the directors (including those who participated in the adoption of the resolution) or by the statutory auditors of the company if the conflicted director did not inform the board of the existing conflict.

The challenge must be brought within 90 days

Under English law, a director is under a duty to avoid conflicts of interest, and is obliged to declare his or her interest in a proposed or ongoing transaction to the other directors. It is an offense to fail to declare an interest.

The duty to avoid a conflict of interest is not infringed if the situation cannot reasonably be regarded as likely to give rise to a conflict of interest or if the matter has been authorized by the directors.

Provided that the director has declared his interest to the other directors, a director notwithstanding his office may, generally (i) be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is directly or indirectly, interested; (ii) act by himself or through his firm in a professional capacity for the company (otherwise than as auditor), and in any such case on such terms as to remuneration and otherwise as the directors may decide; or (iii) be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise be interested in, any body corporate in which the company is directly or indirectly interested.

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from the date of the relevant resolution.

Conflicted directors are liable towards the company for damages deriving from any action or omission carried out breaching the above provisions.

Rights of Inspection

Under Italian law, any shareholder, in person or through an agent, may inspect GTECH's shareholders' ledger and the minutes of shareholders' meetings at any time and may request a copy of the same at his or her own expense.

Under English law, a company must retain and keep available for inspection by shareholders free of charge, and by any other person on payment of a prescribed fee, its register of members. It must also keep available for inspection by shareholders free of charge records of all resolutions and meetings by shareholders and for a fee, provide copies of the minutes to shareholders who request them.

In each case, the records should be kept for at least ten years. These records may be kept in electronic form, as long as they are capable of being produced in hard copy form.

Shareholder Suits

The Italian code of consumers provides for the possibility for consumers' associations to start a class action for the protection of collective interests. Single consumers may adhere to a class action suit that has already been initiated by the association. While it is possible to pursue compensation for the breach of consumer contracts, it is not possible to claim punitive damages.

While English law only permits a shareholder to initiate a lawsuit on behalf of the company in limited circumstances, and requires court permission to do so, it does permit a shareholder to bring a claim against UKCo when: (1) UKCo's affairs are being or have been conducted in a manner unfairly prejudicial to the interests of all or some shareholders, including the shareholder making the claim; or (2) any act or omission of UKCo is or would be so prejudicial.

With respect to minority shareholders' rights, shareholders representing at least 2.5% of the share capital of Italian listed companies may bring a liability claim (on behalf of the company) against the directors for breach of their duties towards the company.

The U.K. Limitation Act 1980 imposes a limitation period, with certain exceptions, of civil claims. The period is six years in respect of actions in contract and tort, and twelve years for breach of any obligation contained in a deed. The period starts to run on the date that the action accrued. In the case of contract, this is the date on which the breach

The shareholders promoting such claim appoint

GTECH

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a representative to lead the action and perform all necessary ancillary activities.

occurred, and in tort this is the date on which the damage occurred.

If the action is successful, damages granted inure to the exclusive benefit of the company. The company must reimburse the shareholders, who initiated the action, for the costs and expenses related to the action.

Under English law, the proper claimant for wrongs committed against the company, whether by directors or third parties, is the company itself. However, under Part 11 of the UK Companies Act, a shareholder may bring a derivative claim against a director or third party in respect of an act or omission involving negligence, default, breach of duty or breach of trust by a director.

Any shareholder representing 1/1000 of the voting share capital of an Italian listed company may also challenge any resolution of the board of directors within 90 days of such resolution being passed, if the resolution is prejudicial to the shareholder's rights.

Any shareholder representing 1/1000 of the voting share capital may challenge any shareholders' meeting resolution that contravenes provisions of the by-laws or applicable law, if (i) the resolution was adopted at a shareholders' meeting not attended by such shareholder, (ii) the shareholder dissented, (iii) the shareholder abstained from voting, or (iv) the shareholder purchased the shares between the record date and the beginning of the meeting.

Annex 1

GTECH S.p.A.

Viale del Campo Boario, 56/d - 00154 Rome

Paid-in share capital EUR 174,951,075.00

VAT, tax payers code and enrolment with the Companies Register of Rome no. 08028081001

Subject to the direction and coordination by De Agostini S.p.A.

**ILLUSTRATIVE REPORT OF THE BOARD OF DIRECTORS ON THE SOLE ITEM ON THE AGENDA OF THE
EXTRAORDINARY SHAREHOLDERS MEETING,**

CALLED ON NOVEMBER 4, 2014, ON SINGLE CALL

REPORT OF THE BOARD OF DIRECTORS OF GTECH S.P.A. ON THE COMMON CROSS-BORDER MERGER TERMS RELATING TO THE MERGER BY ABSORPTION OF GTECH S.P.A. WITH AND INTO GEORGIA WORLDWIDE PLC

Dear Shareholders,

this report (the **Report**) illustrates, from a legal and economic perspective, the terms of the common cross-border merger (the **GTECH Merger Terms**) by absorption of GTECH S.p.A. (**GTECH**) with and into Georgia Worldwide Plc (**UKCo**).

This Report was prepared pursuant to Article 2501-*quinquies* of the Italian Civil Code and Article 8 of the Legislative Decree no. 108 of May 30, 2008, as amended (the **Decree 108/08**) and, since GTECH shares are listed on the *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A. (**MTA**), Article 70, paragraph 2, of the regulation enacted by CONSOB with Resolution no. 11971 of 14 May 1999, as amended (the **Issuers Regulation**) and in accordance with Scheme no. 1 of Annex 3A of the Issuers Regulation.

1 DESCRIPTION AND RATIONALE OF THE TRANSACTION

1.1 Description of the Transaction

The cross-border merger to which this Report relates (the **GTECH Merger**) will be implemented by absorption of GTECH with and into UKCo, a company whose voting share capital is wholly and directly owned by GTECH. The GTECH Merger will be executed pursuant to the EU Directive 2005/56/EC of the European Parliament and Council of 26 October 2005 on cross-border mergers of limited liability companies, implemented in the United Kingdom by the Companies (Cross-Border Mergers) Regulations 2007, as amended (the **UK Regulations**) and in Italy by the Decree no. 108/08.

The GTECH Merger is part of a wider transaction involving the acquisition by GTECH of International Game Technology (**IGT**) and, together with GTECH, the **Companies**, a company incorporated under the laws of Nevada and with shares listed on the New York Stock Exchange (the **Transaction**).

On July 15, 2014, GTECH, UKCo, GTECH Corporation (a wholly owned subsidiary of GTECH, incorporated under the laws of Delaware), Georgia Worldwide Corporation (a wholly owned subsidiary of UKCo, incorporated under the laws of Nevada, **Georgia US**) and IGT entered into an agreement in connection with the execution of the Transaction (such agreement, as amended on September 23, 2014, the **Merger Agreement**). The Merger Agreement provides, in particular, that the Transaction shall be completed through:

- the GTECH Merger, pursuant to which holders of GTECH ordinary shares will receive one UKCo ordinary share in lieu of each GTECH ordinary share held; and

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- the merger (under the laws of Nevada) between Georgia US and IGT (the **IGT Merger**), pursuant to which (a) Georgia US will merge with and into IGT, (b) all the shares issued by IGT will be cancelled, and (c) holders of shares of IGT common stock will receive for each share of IGT common stock held a consideration partly in cash and partly in UKCo shares, in a proportion of approximately 75% and 25%, respectively, of the value ascribed pursuant to the Merger Agreement to each IGT share, equal to US\$18.25 (the **IGT Consideration**). The

Merger Agreement also provides an adjustment mechanism for the IGT Consideration (collar), which takes into account the trend of market prices of GTECH shares, within certain pre-set minimum and maximum limits (see also Paragraph 1.3 below). Assuming that no adjustment is made pursuant to the collar mechanism, the IGT Consideration for each IGT share would be equal to US\$13.69 in cash and 0.1819 UKCO ordinary shares.

The Merger Agreement is publicly available through the *Investor Relations* section of the website www.igt.com.

It is expected that, in accordance with the terms of the Merger Agreement, the GTECH Merger and the IGT Merger will be completed, subject to the satisfaction or waiver, if permitted, of the conditions precedent set forth in the Merger Agreement and in the GTECH Merger Terms, as follows:

(i) pursuant to the provisions of Articles 4 and 15, paragraph 3, of the Decree 108/08 and the UK Regulations, the GTECH Merger shall be executed in accordance with the relevant provisions of English law and will become effective on the date which shall be fixed by the High Court of England and Wales, with its order as competent English authority (the **GTECH Merger Effective Date**); and

(ii) the IGT Merger will be the final transaction and will be effective immediately after the GTECH Merger, or at such later date, permitted by the laws of Nevada, as may be agreed by the parties to the Merger Agreement,

it being understood that the GTECH Merger and the IGT Merger, although legally distinct transactions, are intended to produce a single economic result with the effective times for each merger being as proximate as possible. The execution of each transaction shall take place only once all conditions precedent to the GTECH Merger and the IGT Merger have been satisfied or validly waived and all pre-merger formalities have been taken.

Before the GTECH Merger is completed, GTECH intends to carry out, subject to any required authorisations, a reorganization of its Italian business, in order to separate operating activities from holding activities, to allow the continuity of Italian activities and to rationalize its participations, through one or more Italian companies wholly owned by GTECH to which (a) the business unit composed by tangible and intangible assets, receivables, debts, personnel and other assets and liabilities, related to the exercise of the concession for the Lotto game and to the supply of administrative, commercial and general services in favor of the companies directly or indirectly controlled by GTECH, will be contributed, and (b) almost all the equity holdings in Italian companies held by GTECH will be contributed and sold (the **Italian Reorganization**). The aforesaid equity holdings refer in particular, besides the company to which the business unit referred to in (a) above will be contributed, to the companies, and relevant subsidiaries and affiliates, related to the management of the business lines commercial services (Lottomatica Italia Servizi S.p.A.), betting/interactive (Lottomatica Scommesse S.r.l.), gaming machines (Spielo International Italy S.r.l., Lottomatica Videolot Rete S.p.A.), technology services (PCC Giochi e Servizi S.p.A., SED Multitel S.r.l.), Lottery/scratch & win (Lotterie Nazionali S.r.l., SW Holding S.p.A.; as regards this latter company, the relevant merger into GTECH has been started and the merger process is expected to be completed within the first half of December 2014) and other affiliates. These transactions will have no impact on the Transaction and in particular on the Exchange Ratio (as herein defined). Further information relating to the Italian Reorganization will be provided in the information document that will be published by GTECH on a voluntary basis in accordance with the scheme provided by Article 70, paragraph 6, of CONSOB Regulation no. 11971 of 14 May 1999, as subsequently amended (the **Issuers Regulation**) prior to the shareholders meeting of GTECH called to approve the GTECH Merger.

As a result and following the GTECH Merger and the IGT Merger, UKCo will become the new holding company of the enlarged group resulting from the combination of IGT and GTECH, since UKCo will control directly the entire issued share capital of IGT and, indirectly, all the companies currently controlled by IGT; UKCo will also control, directly and/or indirectly, all the companies currently controlled by GTECH, as reorganized pursuant to the Italian Reorganization.

In light of the structure and unitary nature of the envisaged Transaction, this Report was prepared by the GTECH Board of Directors for the purposes of the GTECH Merger and the relevant legal and economic conditions, having examined and reviewed also the IGT Merger, considered in combination with the GTECH Merger as one and the same Transaction, even though structured in different steps, taking into consideration the overall impact of the Transaction on GTECH and its shareholders.

1.2 Purpose of the Transaction

The purpose of the Transaction is to create a world leading end-to-end gaming group, uniquely positioned to capitalize on opportunities across global gaming market segments. The new group will combine best-in-class content, operator capabilities, and interactive solutions for the on-line segment, and will also combine IGT's leading game library and manufacturing and creative operating capabilities with GTECH's gaming operations, lottery technology and services. The Transaction will thus give rise to a business with competitive dimensions across gaming businesses, geographies and product lines.

The Board of Directors consider, *inter alia*, that the Transaction:

- will allow the creation of a world-leading end-to-end gaming group, with significant position across the lottery, gaming equipment and interactive wagering and social gaming segments;
- will result in enhanced global scale with a diversified product portfolio and geographic mix and strengthened research and development capabilities;
- will be able to support and accelerate GTECH's fundamental strategies, diversify GTECH's revenue base and result in enhanced value for GTECH shareholders relative to GTECH continuing as a stand-alone company;
- will allow the UKCo management to employ the best practices of each company to drive greater efficiencies and to realize economies in purchasing and R&D due to the greater scale of the combined group;
- will allow the achievement of cost synergies and additional possible revenue synergies;

- will make the combined group uniquely positioned to capitalize on the opportunities created by ongoing convergence across global gaming segments.

1.3 Exchange Ratio

In respect of the GTECH Merger, at the GTECH Merger Effective Date each holder of GTECH ordinary shares shall be allotted and issued one UKCo ordinary share (with a nominal value of US\$0.10 each) for each GTECH ordinary share (with a nominal value of Euro 1.00 each) held by such holder (the **Exchange Ratio**), without any cash payment by UKCo.

The Exchange Ratio relating to the GTECH Merger, approved by the Board of Directors of GTECH and by the Board of Directors of UKCo, shall be examined by Grant Thornton UK LLP as independent expert appointed in the United Kingdom upon joint request of GTECH and UKCo to the High Court of England and Wales pursuant to Regulation 9 of the UK Regulations and Article 9 of the Decree 108/08, for the purposes of the relevant opinion on the fairness of the Exchange Ratio (for further information with reference to the Exchange Ratio, see Paragraph 3 below).

No payments, in cash or otherwise, shall be made by UKCo to the GTECH shareholders in respect of the GTECH Merger (save in the case of (i) the valid exercise of cash exit rights as described in Paragraph 10 below, and (ii) shares being purchased by GTECH in the context of the relevant liquidation process, and in any event without prejudice to the right of GTECH to terminate the Merger Agreement should the maximum amount of exercised cash exit rights referred to in Paragraph 1.4 below be exceeded, in which case the Transaction will not be completed).

The Special Voting Shares (referred to in Paragraph 1.5 below) that will be issued by UKCo at the GTECH Merger Effective Date will not form part of the Exchange Ratio.

It is to be noted that, in accordance with the Merger Agreement, following the GTECH Merger and at the IGT Merger Effective Date, each holder of IGT shares will receive, for each share of IGT common stock held, the IGT Consideration.

Moreover, the UKCo shares component of the IGT Consideration is subject to adjustment, that may fluctuate by +/- 15% (*collar*), based on a mechanism set out in the Merger Agreement, which takes into account the GTECH share market price before the completion of the Transaction and may result in a payment in cash to the shareholders of IGT in the lower part of the collar.

Based on the number of IGT shares of common stock issued as at the date of this Report, the maximum cash disbursement for the payment of the IGT Consideration in the lower part of the collar would be equal to US\$3,553,464,887; the maximum number of UKCo shares to be allotted to IGT shareholders would be equal to 44,980,881. Following completion of the Transaction, approximately 79.4% of UKCo's ordinary share capital will be held by current GTECH shareholders and approximately 20.6% of UKCo's ordinary share capital will be held by current IGT shareholders (1).

1.4 Conditions precedent

1.4.1 Conditions precedent to the obligation of each of the parties of the Merger Agreement to execute the GTECH Merger and the IGT Merger

The respective obligations of each party of the Merger Agreement to execute the GTECH Merger and the IGT Merger are subject to satisfaction or, if permitted, to the waiver (in writing) at or prior to the Closing Date (as defined in the Merger Agreement) of the following conditions specified in the Merger Agreement:

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- (i) the approval of the Merger Agreement and transactions contemplated thereby at the IGT shareholders meeting;

- (ii) the approval of the GTECH Merger at the GTECH Extraordinary Shareholders Meeting;

(1) Percentages calculated assuming that: (a) for each IGT share, IGT shareholders will receive 0.1819 UKCo shares (without any adjustment to the IGT Consideration on the basis of the collar mechanism); (b) no GTECH shareholders will exercise cash exit rights; and (c) the 1,782,426 treasury shares currently held by GTECH will be kept in the GTECH portfolio and cancelled in the context of the GTECH Merger.

(iii) the declaration of effectiveness of the registration statement on Form F-4 (together with any amendments, the **Registration Statement**) by the Securities and Exchange Commission (**SEC**) under the Securities Act of 1933 (the **Securities Act**); no stop order suspending the effectiveness of the Registration Statement having been issued by the SEC and remaining in effect, and no proceedings for that purpose having been initiated or to the knowledge of GTECH, UKCo or IGT threatened by the SEC;

(iv) UKCo ordinary shares, which are to be allotted and issued to GTECH and IGT shareholders in connection with the GTECH Merger and the IGT Merger, respectively, having been authorised for listing on the New York Stock Exchange (**NYSE**), subject to an official notice of issuance;

(v) the 60-day period following the date upon which the resolution of the GTECH Extraordinary Shareholders Meeting has been registered with the Companies Register of Rome having expired or having been earlier terminated pursuant to the posting of a bond by GTECH sufficient to satisfy GTECH's creditors' claims, if any, without prejudice to Article 2503 of the Italian Civil Code;

(vi) (a) the waiting period (and any extensions thereof) applicable to the IGT Merger under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the laws and regulations issued pursuant to this, having expired or been terminated; (b) the Competition Act Clearance, as defined in the Merger Agreement, applicable to the consummation of the Transaction having been received; and (c) the waiting periods and approvals applicable to the consummation of the GTECH Merger and IGT Merger of the Antitrust Laws of Colombia having expired, been terminated or been obtained, as applicable;

(vii) the Gaming Approvals, as defined in the Merger Agreement (the **Gaming Approvals**), relating to GTECH and IGT, having been obtained and being in full force and effect; provided that, notwithstanding anything to the contrary herein, GTECH may in its sole discretion waive any such Gaming Approval on behalf of both IGT and GTECH, if consummation of the Transaction in the absence of such Gaming Approval would not constitute a violation of applicable law, on the advice of outside counsel reasonably satisfactory to GTECH and IGT; provided that (a) GTECH has confirmed in an irrevocable written notice delivered to IGT that all of the conditions set forth in this Paragraph 1.4.1 and the next Paragraph 1.4.2 have been satisfied or waived (other than those conditions that by their nature are to be satisfied or waived at the Closing (as defined in the Merger Agreement), provided that such conditions are reasonably capable of being satisfied), (b) the Closing (as defined in the Merger Agreement) shall occur immediately following any such waiver and (c) no such waiver shall otherwise affect the obligations of GTECH, UKCo and Georgia US set forth in the Merger Agreement;

(viii) no governmental entity of competent jurisdiction having enacted, issued, promulgated, enforced or entered any order which is in effect and prohibits consummation of the Transaction in accordance with the terms set forth in the Merger Agreement;

(ix) the order approving the GTECH Merger having been issued by the High Court of England and Wales and having been in full force and effect for at least 21 days; and