

Powering Up: Iowa Lottery Extends Systems & Instant Games Contracts with Scientific Games

State Programs Continue to Win Big with Record Lottery Sales in 2016



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LAS VEGAS and ATLANTA, March 23, 2017 /PRNewswire/ -- Scientific Games Corporation (NASDAQ: SGMS) ("Scientific Games" or the "Company") today announced that the Iowa Lottery ("the Lottery") has extended its gaming systems contract with Scientific Games for two additional years, and its instant games contract for one additional year.

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(PRNewsFoto/Scientific Games Corporation)...

The Company will continue to power the Lottery's systems and point-of-sale technology at nearly 2,400 Iowa retailers, as well as provide innovative instant, draw and fast play games that bring entertainment and prizes to Iowa players. With \$366.9 million in retail sales in 2016, the Lottery experienced a record year for sales and proceeds to the state.

Terry Rich, Chief Executive Officer, Iowa Lottery, said, "We appreciate the working relationship we have had with Scientific Games over the last 20 years. We've produced a record of innovation, consistent delivery, and most importantly, increased returns to our state beneficiaries."

The Iowa Lottery's total retail sales have grown nearly 13 percent in the last year, providing record funding for state programs including new recreation areas, veteran affairs, agriculture, tourism, and research at Iowa universities.

Pat McHugh, Senior Vice President, Global Lottery Systems for Scientific Games, said, "The Iowa Lottery's long history of integrity, thought leadership and spirit of innovation shines through in everything they do. The Lottery's management team has applied strategic business practices to driving responsible growth, and we are honored to provide the technology powering their efforts. These contract extensions represent the Iowa Lottery's confidence in our technology, games and services."

In addition to providing draw and fast-play games, Scientific Games collaborates with the Iowa Lottery team to bring a portfolio of instant games to players, including top-sellers like *Prize Lines*, *Wild 9s*, *Holiday Sparkle* and *Holiday Cheer*. In the last 10 years, the Lottery's instant game retail sales have increased more than 80 percent.

John Schulz, Senior Vice President of Instant Products for Scientific Games, said, "The Iowa Lottery has built a very successful brand, and continually evolves its portfolio of instant games to keep players excited. We are honored to be a part of this success and provide the Lottery with new, innovative instant products to help drive its growth."

The Iowa Lottery was created in 1985 and has since contributed more than \$1.7 billion in profits to the state.

Scientific Games is the world's leading supplier of lottery instant games, and provides games, technology and services to more than 150 lotteries globally, including nearly every North American lottery.

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About Scientific Games

Scientific Games Corporation (NASDAQ: SGMS) is a leading developer of technology-based products and services and associated content for worldwide gaming, lottery and interactive markets. The Company's portfolio includes gaming machines, game content and systems; table games products and utilities; instant and draw-based lottery games; server-based lottery and gaming systems; sports betting technology; loyalty and rewards programs; and interactive content and services. For more information, please visit us at www.scientificgames.com.

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Forward-Looking Statements

In this press release, Scientific Games makes "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements describe future expectations, plans, results or strategies and can often be identified by the use of terminology such as "may," "will," "estimate," "intend," "plan," "continue," "believe," "expect," "anticipate," "target," "should," "could," "potential," "opportunity," "goal," or similar terminology. These statements are based upon management's current expectations, assumptions and estimates and are not guarantees of timing, future results or performance. Therefore, you should not rely on any of these forward-looking statements as predictions of future events. Actual results may differ materially from those contemplated in these statements due to a variety of risks and uncertainties and other factors, including, among other things: competition; U.S. and international economic and industry conditions, including slow growth of new gaming jurisdictions, slow addition of casinos in existing jurisdictions, and declines in the replacement cycle of gaming machines; ownership changes and consolidation in the gaming industry; opposition to legalized gaming or the expansion thereof; inability to adapt to, and offer products that keep pace with, evolving technology, including any failure of our investment of significant resources in our R&D efforts; inability to develop successful products and services and capitalize on trends and changes in our industries, including the expansion of internet and other forms of interactive gaming; laws and government regulations, including those relating to gaming licenses and environmental laws; dependence upon key providers in our social gaming business; inability to retain or renew, or unfavorable revisions of, existing contracts, and the inability to enter into new contracts; level of our indebtedness, higher interest rates, availability or adequacy of cash flows and liquidity to satisfy indebtedness, other obligations or

future cash needs; inability to reduce or refinance our indebtedness; restrictions and covenants in debt agreements, including those that could result in acceleration of the maturity of our indebtedness; protection of our intellectual property, inability to license third party intellectual property, and the intellectual property rights of others; security and integrity of our products and systems and reliance on or failures in information technology and other systems; challenges or disruptions relating to the implementation of a new global enterprise resource planning system; failure to maintain internal control over financial reporting; natural events that disrupt our operations or those of our customers, suppliers or regulators; inability to benefit from, and risks associated with, strategic equity investments and relationships; failure to achieve the intended benefits of our acquisitions; incurrence of restructuring costs; implementation of complex revenue recognition standards or other new accounting standards; changes in estimates or judgments related to our impairment analysis of goodwill or other intangible assets; fluctuations in our results due to seasonality and other factors; dependence on suppliers and manufacturers; risks relating to foreign operations, including fluctuations in foreign currency exchange rates, restrictions on the payment of dividends from earnings, restrictions on the import of products and financial instability, including the potential impact to our business resulting from the affirmative vote in the U.K. to withdraw from the EU, and the potential impact to our instant lottery game concession or VLT lease arrangements resulting from the recent economic and political conditions in Greece; changes in tax laws or tax rulings, or the examination of our tax positions; dependence on key employees; litigation and other liabilities relating to our business, including litigation and liabilities relating to our contracts and licenses, our products and systems, our employees (including labor disputes), intellectual property, environmental laws and our strategic relationships; influence of certain stockholders; and stock price volatility.

Additional information regarding risks, uncertainties and other factors that could cause actual results to differ materially from those contemplated in forward-looking statements is included from time to time in our filings with the SEC, including the Company's current reports on Form 8-K, quarterly reports on Form 10-Q and its latest annual report on Form 10-K filed with the SEC on March 3, 2017 (including under the headings "Forward Looking Statements" and "Risk Factors"). Forward-looking statements speak only as of the date they are made and, except for Scientific Games' ongoing obligations under the U.S. federal securities laws, Scientific Games undertakes no obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise.

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