

All Systems Go: Arizona Lottery's Advanced, New Integrated Gaming System from Scientific Games is Live



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LAS VEGAS and ATLANTA, Sept. 9, 2016 /PRNewswire/ -- Scientific Games Corporation (NASDAQ: SGMS) ("Scientific Games" or the "Company") today announced the successful launch of its latest generation lottery gaming system for the Arizona Lottery ("the Lottery"). The system is now "live" with the retail terminals across the state, increasing the momentum behind the Lottery's strategic plan to grow sales and financial returns to state beneficiaries.

Designed and installed by Scientific Games, this new and advanced gaming system brings significant improvements to the consumer experience at retail, advanced promotional and content delivery capabilities, as well as enhancements to data security and communications between the Lottery and its retailers.

"We could not be more excited about the success of our gaming systems conversion. The collaboration between our team and Scientific Games has been unprecedented throughout this nine-month project," said Gregg Edgar, Executive Director of the Arizona Lottery. "Retailers are very pleased with the new point-of-sale equipment and this new system will help the Arizona Lottery move forward in our goals to significantly grow retail sales and increase contributions to our state beneficiaries."

In July 2015, the Arizona Lottery awarded Scientific Games a new contract for its gaming system, with its Evaluation Committee Report noting: "SGI is an industry leader in innovation and offers the best opportunity to grow lottery sales in this ever-changing environment as we move into the future."

The new contract provides an integrated lottery gaming system, facilities management services for the Lottery's central computer systems, software, data center operations, a retailer telecommunications network, retail point-of-sale and peripherals, in-store digital advertising content system, mobile programs, retailer website, as well as marketing and promotional services. The contract remains in effect for five years beginning August 28, 2016. The contract may be extended for up to an additional five years.

Pat McHugh, Senior Vice President, Global Lottery Systems for Scientific Games, said, "We are very pleased to see so much excitement surrounding this conversion. Scientific Games aligned with the Lottery's strategic goals and our teams have worked well together every step of the way. We've implemented the Company's most advanced, open architecture *AEGIS*™ system here in Arizona. It is a next generation system that will serve and support the Lottery's growth plans today and in the future."

"Our *WAVE*™ and *Flair*™ point-of-sale terminals and *Lottery InMotion*™ digital advertising system have been a hit with retailers and players. We congratulate the Arizona Lottery on their foresight and express our sincere gratitude for trusting Scientific Games with this technology implementation. We look forward to leveraging the capabilities of the new system, products and services to increase funding for the Lottery's beneficiaries."

Scientific Games has provided instant games to the Arizona Lottery since its inception in 1981. Today, with operations on six continents, the Company provides lottery games, services, systems and retail technology 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 shufflers; 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 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. 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 declines in or slow growth of gross gaming revenues or lottery retail sales, reductions in or constraints on capital spending by gaming or lottery operators and bankruptcies of, or credit risk relating to, customers; limited growth from new gaming jurisdictions, declines in the replacement cycle of existing gaming machines and slow addition of casinos in existing jurisdictions; ownership changes and consolidation in the gaming industry, including by casino operators; opposition to legalized gaming or the expansion thereof; inability to adapt to, and offer products that keep pace with, evolving technology; inability to develop successful gaming concepts and content; laws and government regulations, including those relating to gaming licenses and environmental laws; inability to identify and capitalize on trends and changes in the gaming, lottery and interactive industries; 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 our 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 software and systems and reliance on or failures in our information technology systems; 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, including (i) the inability of our joint venture to realize the anticipated benefits under its private management agreement with the Illinois lottery or from the disentanglement services performed in connection with the termination thereof, (ii) the inability of our joint venture to meet the net income targets or other requirements under its agreement to provide marketing and sales services to the New Jersey Lottery or otherwise to realize the anticipated benefits under such agreement and (iii) failure to realize the anticipated benefits related to the award to our consortium of an instant lottery game concession in Greece; failure to achieve the intended benefits of the Bally acquisition or the WMS acquisition, other recent acquisitions, or future acquisitions, including due to the inability to successfully integrate such acquisitions or realize synergies in the

anticipated amounts or within the contemplated time frames or cost expectations, or at all; disruption of our current plans and operations in connection with our recent acquisitions (including in connection with the integration of Bally and WMS), including departure of key personnel or inability to recruit additional qualified personnel or maintain relationships with customers, suppliers or other third parties; incurrence of employee termination or restructuring costs, and impairment or asset write-down charges; changes in estimates or judgments related to our impairment analysis of goodwill or other intangible assets; implementation of complex revenue recognition standards; 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 (including those fluctuations related to the affirmative vote in the U.K. to withdraw from the EU), 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; dependence on our 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 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 February 29, 2016 (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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