

Gaming System Conversion Success Continues for Scientific Games in Puerto Rico

Integration of Instant Game Management Services Key to Growth



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Scientific Games Corporation →
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LAS VEGAS and ATLANTA, Dec. 6, 2016 /PRNewswire/ -- Scientific Games Corporation (NASDAQ: SGMS) ("Scientific Games" or the "Company") today announced that its next generation *AEGIS*[™] gaming system is now powering Lotería Electrónica de Puerto Rico (the "Lotería Electrónica") after a successful systems conversion in November. The technology conversion took place in just four months as part of the Company's new, eight-year systems contract which began July 1, 2016. The contract was awarded by the Lotería Electrónica following a competitive procurement process, and includes sales and marketing services. Along with the new, advanced systems technology in Puerto Rico, Scientific Games also launched the lottery industry's first single ticket accounting program for instant games in the U.S. as well as a new retail Keno game.

To support Lotería Electrónica's continued revenue growth, Scientific Games launched its global market leading *Cooperative Services Program*™ (CSP) for instant game management. Integrating game portfolio planning, analytics, inside sales, packaging, warehousing and retail distribution, CSP is used by more than 20 lotteries globally, including nine of the Top 15 lotteries in the world for instant game per capita sales (*La Fleur's Almanac*).

Pat McHugh, Senior Vice President, Global Lottery Systems for Scientific Games, said, "Despite challenging economic conditions, Lotería Electrónica has a very strong brand in Puerto Rico and offers players one of the top performing draw game portfolios in the industry. Scientific Games is honored to be a trusted partner in their remarkable success. We appreciate the continued confidence in our games, innovative products, technology and services to maximize profits for Lotería Electrónica and their retailers."

As part of the systems conversion, Scientific Games implemented a new, comprehensive suite of retail technologies, innovative products and services that support Lotería Electrónica's strategic plans across all product lines to meet Puerto Rico's evolving consumer needs and maximize total sales and profits in the coming years. To maximize sales uptime, the conversion also included a new dual communications network for Lotería Electrónica retailers across the island.

Víctor Pizarro Núñez, Assistant Secretary of the Puerto Rico Lotteries, said, "The system conversion we implemented for Lotería Electrónica de Puerto Rico was part of a long-term strategic growth plan that included integrating our draw and instant game technologies so that our products are more convenient for our retailers to sell, more accessible to our players, and more efficient for the Lotería Electrónica to manage. Scientific Games' conversion went live with great success, and this is an important step forward to support our growth in the coming years."

Since 2005, Scientific Games has provided the lottery gaming system in the U.S. territory with a population of 3.5 million. Since switching to the Company's systems technology, Lotería Electrónica has grown sales more than 55 percent and profits to the Puerto Rico Government by 64 percent, and has become one of the top 10 performing lotteries in U.S. for draw games per capita sales. The Lotería Electrónica reported nearly \$492 million in total sales in fiscal year 2015-16.

Scientific Games provides products, technology and services to more than 150 lotteries worldwide, including nearly every North American lottery.

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. 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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