



## **SCIENTIFIC GAMES SIGNS CONTRACT WITH TENNESSEE EDUCATION LOTTERY CORPORATION AS EXCLUSIVE INSTANT GAME AND SERVICES PROVIDER**

**NEW YORK – November 3, 2014** – [Scientific Games Corporation](#) (NASDAQ: SGMS) (“Scientific Games” or the “Company”) today announced it has signed a new contract to continue as the exclusive provider of instant games and related services for the Tennessee Education Lottery Corporation (“the Lottery”). Under the new agreement, Scientific Games will provide the Lottery with an instant game portfolio as well as an integrated Cooperative Services Program (CSP) which includes instant game production, product management support, game management systems, warehousing and distribution, and a wide range of related services such as interactive content and marketing research. The Lottery is currently ranked among the Top 10 highest performing lotteries in the world for instant game per capital sales.

The new contract, which was awarded through a competitive procurement process, continues the successful relations with Scientific Games and the Lottery have shared since 2003. The contract will begin January 1, 2015 with an initial term of seven years plus seven one-year extension options.

Rebecca Hargrove, President & CEO, Tennessee Education Lottery Corporation said, “The success of our instant product category with consumers in Tennessee has been integral to the more than \$3 billion we have raised for education programs in Tennessee since the Lottery began 10 years ago. We look forward to continuing our team effort with Scientific Games and our more than 5,000 retailers to offer entertainment value to consumers in Tennessee through a superior instant game portfolio.

“Our selection as the primary instant game provider for the Tennessee Education Lottery Corporation ensures the continuation of the game design, technology innovation, and instant category management services that have delivered 10 consecutive years of instant product growth for the Lottery,” said John Schulz, Senior Vice President, Instant Products for Scientific Games. “We are honored to continue to fulfill our role with the Lottery to help maximize revenues for education in the state of Tennessee.”

The Tennessee Education Lottery Corporation generated more than \$1.36 billion in total retail sales in fiscal year 2013, which included \$1.08 billion in instant game products.

### **About the Tennessee Lottery Corporation**

The Tennessee Education Lottery Corporation operates entirely from the revenue it generates through the sale of its products. Net proceeds from sales of Lottery tickets, currently averaging over \$6.3 million per week, fund specific education programs, including college scholarships and after-school programs. Since the Lottery began selling tickets on Jan. 20, 2004, it has raised more than \$3 billion for these programs. In addition to the educational beneficiaries, players have won over \$7 billion in prizes and Lottery retailer partners have earned over \$753 million in retailer commissions.

### **About Scientific Games**

Scientific Games Corporation is a leading developer of technology-based products and services and associated content for worldwide gaming and lottery markets. The company’s portfolio includes instant and draw-based lottery games; electronic gaming machines and game content; server-based lottery

and gaming systems; sports betting technology; loyalty and rewards programs; and social, mobile and interactive content and services. For more information, please visit: [www.scientificgames.com](http://www.scientificgames.com).

## **Company Contacts**

Investor Relations:

Bill Pfund (847) 785-3167

Media Relations:

Mollie Cole (773) 961-1194

## **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," "continue," "believe," "expect," "anticipate," "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 lottery retail sales or gross gaming revenues, reductions in or constraints on capital spending by gaming or lottery operators and credit risk relating to customers; 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 casino industry; opposition to legalized gaming or the expansion thereof; ability to adapt to, and offer products that keep pace with, evolving technology; ability to develop successful gaming concepts and content; laws and government regulation, including those relating to gaming licenses and environmental laws; inability to identify and capitalize on trends and changes in the gaming and lottery industries, including the expansion of interactive gaming; dependence upon key providers in our social gaming business; retention and renewal of existing contracts or entry into new or revised contracts; level of our indebtedness, higher interest rates, availability and adequacy of cash flows and liquidity to satisfy obligations or future needs, and restrictions and covenants in our debt agreements; protection of our intellectual property, ability 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 meet the net income targets or otherwise to realize the anticipated benefits under its private management agreement with the Illinois lottery, (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 (including as a result of a protest) 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 acquisition of WMS, including due to the inability to realize synergies in the anticipated amounts or within the contemplated time-frames or cost expectations, or at all; inability to complete future acquisitions, including the pending acquisition of Bally Technologies, Inc. ("Bally") due to the failure to obtain the required approvals or debt financing or otherwise; litigation relating to the pending Bally acquisition; disruption of our current plans and operations in connection with the pending Bally acquisition (whether prior to its completion or following its completion, including in connection with the integration of Bally), including departure of key personnel or inability to recruit additional qualified personnel or maintain relationships with customers, suppliers or other third parties; costs, charges and expenses relating to the pending Bally acquisition; inability to successfully integrate future acquisitions, including Bally (including SHFL entertainment, Inc. and Dragonplay Ltd.) following completion of the pending Bally acquisition; failure to realize the intended benefits of the pending Bally acquisition, including the inability to realize the anticipated synergies in the anticipated amounts or within the contemplated time-frames or cost expectations, or

at all; inability to control Bally until completion of the Bally acquisition; incurrence of restructuring costs, revenue recognition standards and impairment charges; 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 and restrictions on the import of our products; dependence on our 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, 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 under the heading "Risk Factors" in our most recent Annual Report on Form 10-K. 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.