



# 4Q and Full Year 2020 Earnings Presentation

March 1, 2021



# Forward-Looking Statements

In this presentation, Scientific Games Corporation (“Scientific Games,” “SGMS” or the “Company”) 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: the impact of the COVID-19 pandemic and any resulting unfavorable social, political, economic and financial conditions, including the temporary and potentially recurring closure of casinos and lottery operations on a jurisdiction-by-jurisdiction basis; slow growth of new gaming jurisdictions, slow addition of casinos in existing jurisdictions and declines in the replacement cycle of gaming machines; risks relating to foreign operations, including anti-corruption laws, fluctuations in currency 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 continuing uncertainty following the U.K.’s withdrawal from the European Union (“EU”); difficulty predicting what impact, if any, new tariffs imposed by and other trade actions taken by the U.S. and foreign jurisdictions could have on our business; U.S. and international economic and industry conditions; level of our indebtedness, higher interest rates, availability or adequacy of cash flows and liquidity to satisfy indebtedness, other obligations or future cash needs; the discontinuation or replacement of LIBOR, which may adversely affect interest rates; 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; competition; inability to win, retain or renew, or unfavorable revisions of, existing contracts, and the inability to enter into new contracts; the impact of U.K. legislation approving the reduction of fixed-odds betting terminals maximum stakes limit on LBO operators, including the related closure of certain LBO shops; 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; changes in demand for our products and services; inability to benefit from, and risks associated with, strategic equity investments and relationships; inability to achieve some or all of the anticipated benefits of SciPlay being a standalone public company; dependence on suppliers and manufacturers; SciPlay’s dependence on certain key providers; ownership changes and consolidation in the gaming industry; fluctuations in our results due to seasonality and other factors; security and integrity of our products and systems, including the impact of any security breaches or cyber-attacks; protection of our intellectual property, inability to license third-party intellectual property and the intellectual property rights of others; reliance on or failures in information technology and other systems; 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; reliance on technological blocking systems; challenges or disruptions relating to the implementation of a new global enterprise resource planning system; laws and government regulations, both foreign and domestic, including those relating to gaming, data privacy and security, including with respect to the collection, storage, use, transmission and protection of personal information and other consumer data, and environmental laws, and those laws and regulations that affect companies conducting business on the internet, including online gambling; legislative interpretation and enforcement, regulatory perception and regulatory risks with respect to gaming, especially internet wagering, social gaming and sports wagering; changes in tax laws or tax rulings, or the examination of our tax positions; opposition to legalized gaming or the expansion thereof and potential restrictions on internet wagering; significant opposition in some jurisdictions to interactive social gaming, including social casino gaming and how such opposition could lead these jurisdictions to adopt legislation or impose a regulatory framework to govern interactive social gaming or social casino gaming specifically, and how this could result in a prohibition on interactive social gaming or social casino gaming altogether, restrict our ability to advertise our games, or substantially increase our costs to comply with these regulations; expectations of shift to regulated online gaming or sports wagering; 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; the continuing evolution of the scope of data privacy and security regulations, and our belief that the adoption of increasingly restrictive regulations in this area is likely within the U.S. and other jurisdictions; incurrence of restructuring costs; goodwill impairment charges including changes in estimates or judgments related to our impairment analysis of goodwill or other intangible assets; stock price volatility; failure to maintain adequate internal control over financial reporting; dependence on key executives natural events that disrupt our operations or those of our customers, suppliers or regulators; possibility that the 2018 renewal of the LNS concession to operate the Italian instant games lottery is not final (pending appeal against existing court rulings relating to third-party protest against the renewal of the concession); and expectations of growth in total consumer spending on social casino gaming.

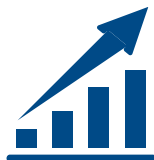
Additional information regarding risks and uncertainties and other factors that could cause actual results to differ materially from those contemplated in forward-looking statements is included from time to time in our filings with the SEC, including the Company’s Current Reports on Form 8-K and quarterly reports on Form 10-Q. Additional information is forthcoming on our annual report on Form 10-K filed with the SEC for the year ended December 31, 2020 (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 our ongoing obligations under the U.S. federal securities laws, we undertake no and expressly disclaim any obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise.

## Additional Notes

This presentation may contain references to industry market data and certain industry forecasts. Industry market data and industry forecasts are obtained from publicly available information and industry publications. Industry publications generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of that information is not guaranteed. Although we believe industry information to be accurate, it is not independently verified by us and we do not make any representation as to the accuracy of that information. In general, we believe there is less publicly available information concerning the international gaming, lottery, social and digital gaming industries than the same industries in the U.S.

Due to rounding, certain numbers presented herein may not precisely agree or add up on a cumulative basis to the totals previously reported.

# Strong Execution Across Diverse Portfolio



## Delivered Sequential Improvement in Revenue & AEBITDA<sup>(1)</sup>

- Record full year results at SciPlay, Lottery and Digital
- Gaming seeing significant sequential improvement across all lines of business



## Continued to Make Operational Progress Against our Strategy

- Early success with Gaming product roadmap
- SciPlay entering the casual genre with *Solitaire Pets™ Adventure*
- Lottery benefiting from key initiatives including SGEP, digital & retail solutions
- iGaming platform continues to lead in NJ with early success in MI
- Sports platform outshines competition at NFL championship game



## Disciplined Cost & Balance Sheet Management Delivered \$72MM of FCF in 4Q

- Focus on expense controls and working capital activities
- Enabled FCF conversion of 23%, up nearly 600 bps yr/yr
- Paid down \$111MM of debt in 4Q, additional \$100MM post quarter end

(1) Denotes a non-GAAP financial measure and is reconciled to the most directly comparable GAAP in the tables in the appendix

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# Operational Progress

# Gaming

## Executing on New Global Strategy and Centralized Platform



**Reprioritized  
Product  
Roadmap**



**Reconfigured  
Game Studio  
Model**



**Centralized R&D  
Investment**



**Global Operating  
Model**

- Hired great talent to augment existing organization
- Reprioritized product roadmap, focusing on the largest profit pools
- Reconfigured gaming design studio model, aligning talent with largest global opportunities
- Focused R&D investment to drive top performing games
- Shifted to global operating model in supply chain and R&D to drive efficiencies

# Gaming

## Early Success with Global Product Roadmap

Q4 2020	Q1 2021	Q2 2021	Q3 2021
<i>Kascada™ Portrait Pilot</i>	<i>Kascada™ Portrait Launch</i>	<i>Mural™ Pilot</i>	<i>Mural™ Launch</i>

EARLY  
EILERS  
REPORT  
ABOVE  
ZONE AVERAGE

# 2.5X



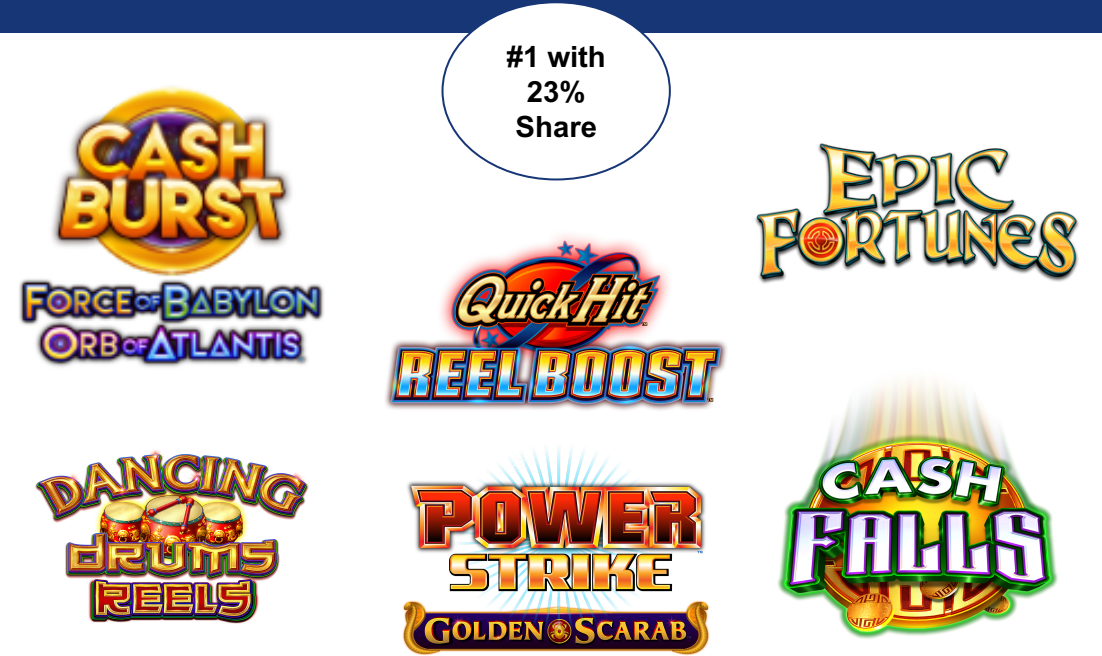
# Gaming

## Improved Competitive Position with Recent Game Releases

### Top New Premium Leased & WAP



### Top New Core (For Sale) Games



#1 with Highest Percentage of Top Games

#1 with Highest Percentage of Top Games

# Lottery

## Modernizing the Industry to Maximize Growth

### SGEP INSTANT GAME SERVICES

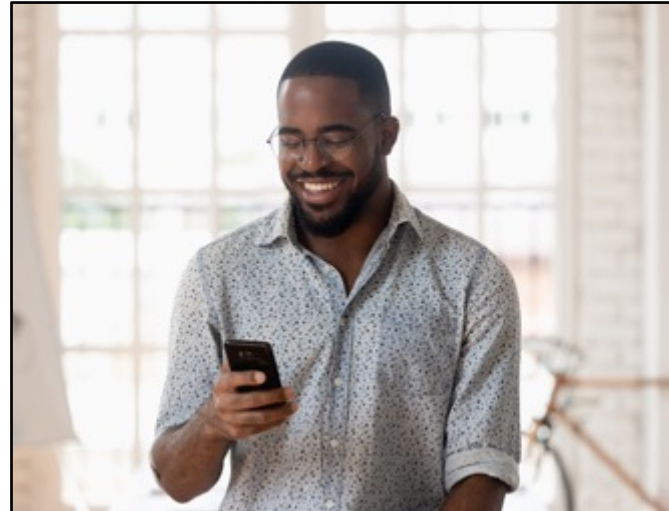
All 13 U.S. SGEP customers experienced record instant game retail sales FY2020



17% vs. 10% industry growth  
CY20 vs CY19

### DIGITAL LOTTERY

30+ iLottery, digital loyalty & promotions programs globally



Record-setting digital and retail performance

### RETAIL SOLUTIONS

Technology product suite modernizing lottery retail experience



All-time record for retail POS product deliveries globally in 2020

SciQ instant game ecosystem live at 5 major retail chains in 9 states

# Lottery

## Driving Both Retail & Digital Performance with Our Solutions



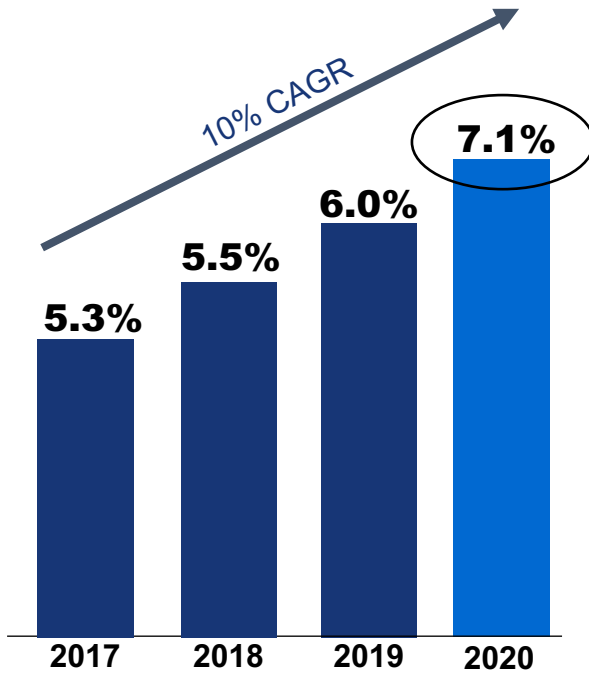
- **Pennsylvania Lottery – fastest iLottery program to reach \$1 Billion in total sales – in the most competitive U.S. iGaming market**
- Simultaneously grew traditional retail sales to new annual record
  - **combined retail and digital instant game performance one of the highest globally (per capita)**
- **Online/mobile sales grew 67% yr/yr**

**Continued adoption of iLottery by more U.S. states expected in coming years**

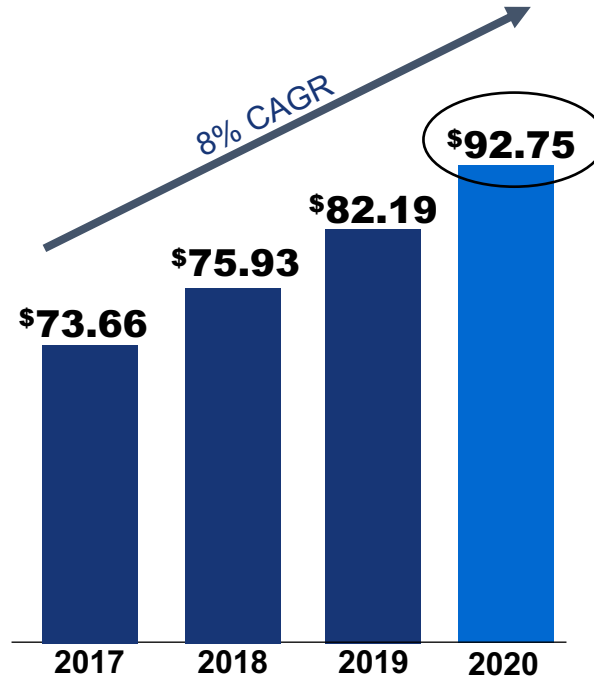
# SciPlay

## Driving Monetization Through Payer Focus & Live Ops Strategy

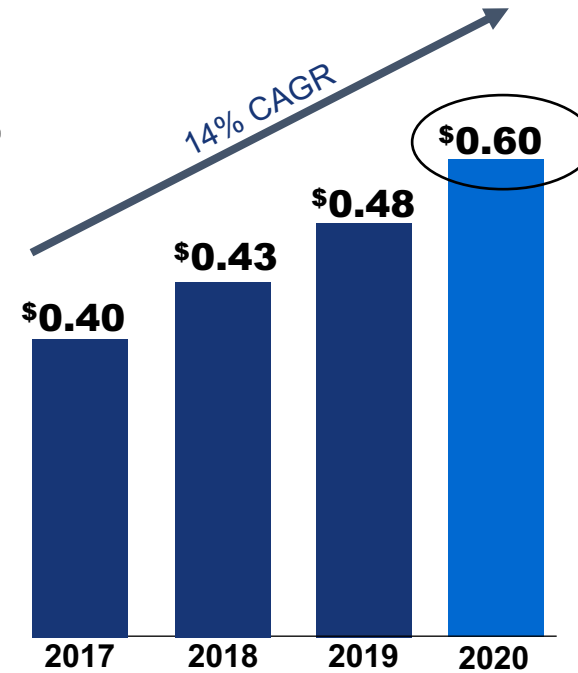
### Payer Conversion Rate (%)



### AMRPPU<sup>(1)</sup>



### ARPPU<sup>(2)</sup>



### Key highlights

- Achieved records across all key metrics: payer conversion, AMRPPU, & ARPPU
- Improved monetization through payer focus
- Evergreen franchises strengthened by data analytics, user acquisition and live ops strategies
- Innovation driving engagement across the portfolio

(1) Average Monthly Revenue Per Paying User, (2) Average Revenue Per Daily Active Users

# SciPlay

Expanding In \$20 Billion<sup>(1)</sup> Casual Gaming Genre



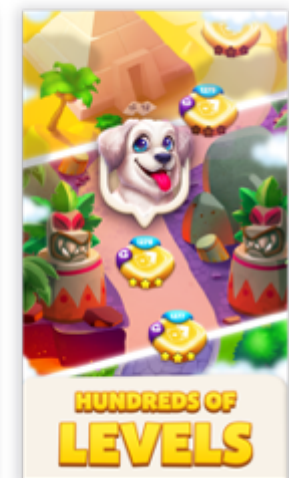
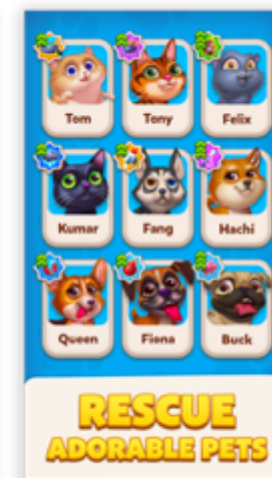
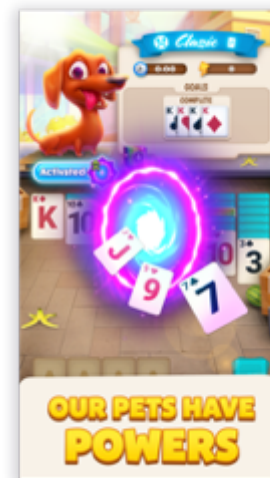
## Launch Roadmap

Acquired June 2020

Designed new metagame

Currently in tech launch

Launch worldwide 2Q

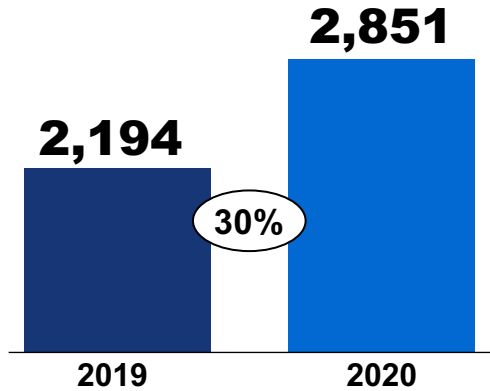


(1) Estimate based on Eilers & Krejci report *EKG Taxonomy: Updated for 2021* and internal company information

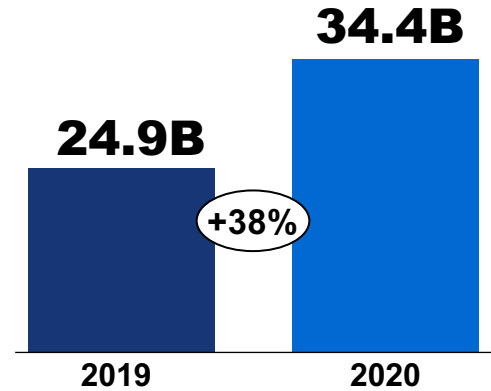
# iGaming

## Leader in iGaming with OGS Platform and Scaled Content Offering

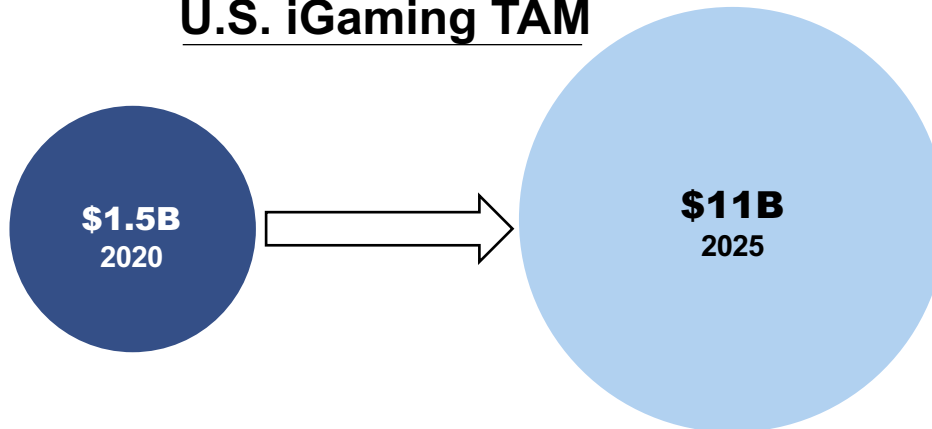
### # of Distinct Games



### # of OGS Game Rounds



### U.S. iGaming TAM



### Key highlights

- The primary choice for market leaders in every major regulated market
- Largest and highest quality offerings in the space with over 2,800 unique games from 45 studios in addition to our own studios
- Servicing over 140 customers covering 500 sites globally
- Increased game rounds played on OGS by 38% to over 34 billion in 2020
- Rich library of proven land-based IP to leverage including *88 Fortunes*®, *Rainbow Riches*™, *Jin Ji Bao Xi*® and *MONOPOLY*

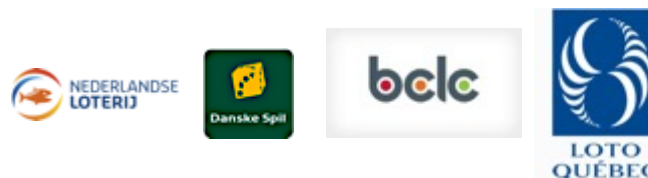
# Sports Betting

## Expanding Pipeline Benefitting From Deal Wins and Secular Trends

### U.S. Deal Progress



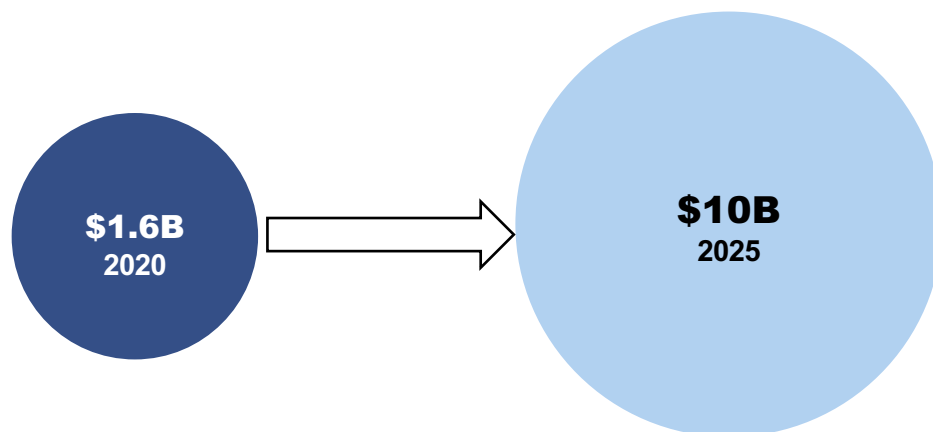
### Rest of World Deal Progress



### Powering the top tier 1's in UK



### U.S. Sports Betting TAM



- World's most reliable and versatile sport betting technology
- Powering the top tier 1 operations in the UK and Europe
- 3bn+ bets placed annually, 35,000 peak bets/Min
- Expanding Pipeline with recent key renewals and new deal wins
  - Deployed 10 U.S. sportsbooks in 2020, expecting to more than double that in 2021
- Outshined the competition at the NFL Championship Game

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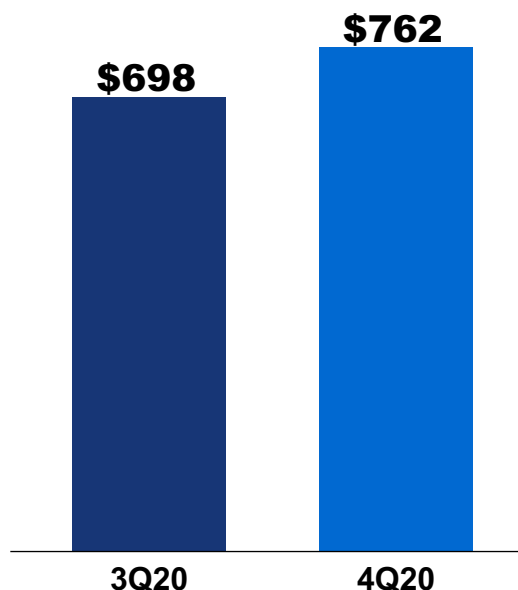
# Financial Results

# Consolidated Financial Results

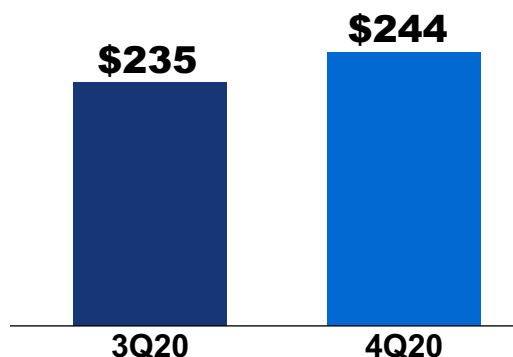
## Sequential Improvement with Record Results at SciPlay, Lottery & Digital

\$ in millions

### Revenue



### AEBITDA<sup>(1)</sup>



### Key highlights

- Sequential improvement in Revenue & AEBITDA driven by strong execution
- Record full year revenue at Lottery, SciPlay and Digital
- Gaming grew sequentially in all lines of business
- Year-over-year results declined due to continued closures and restrictions

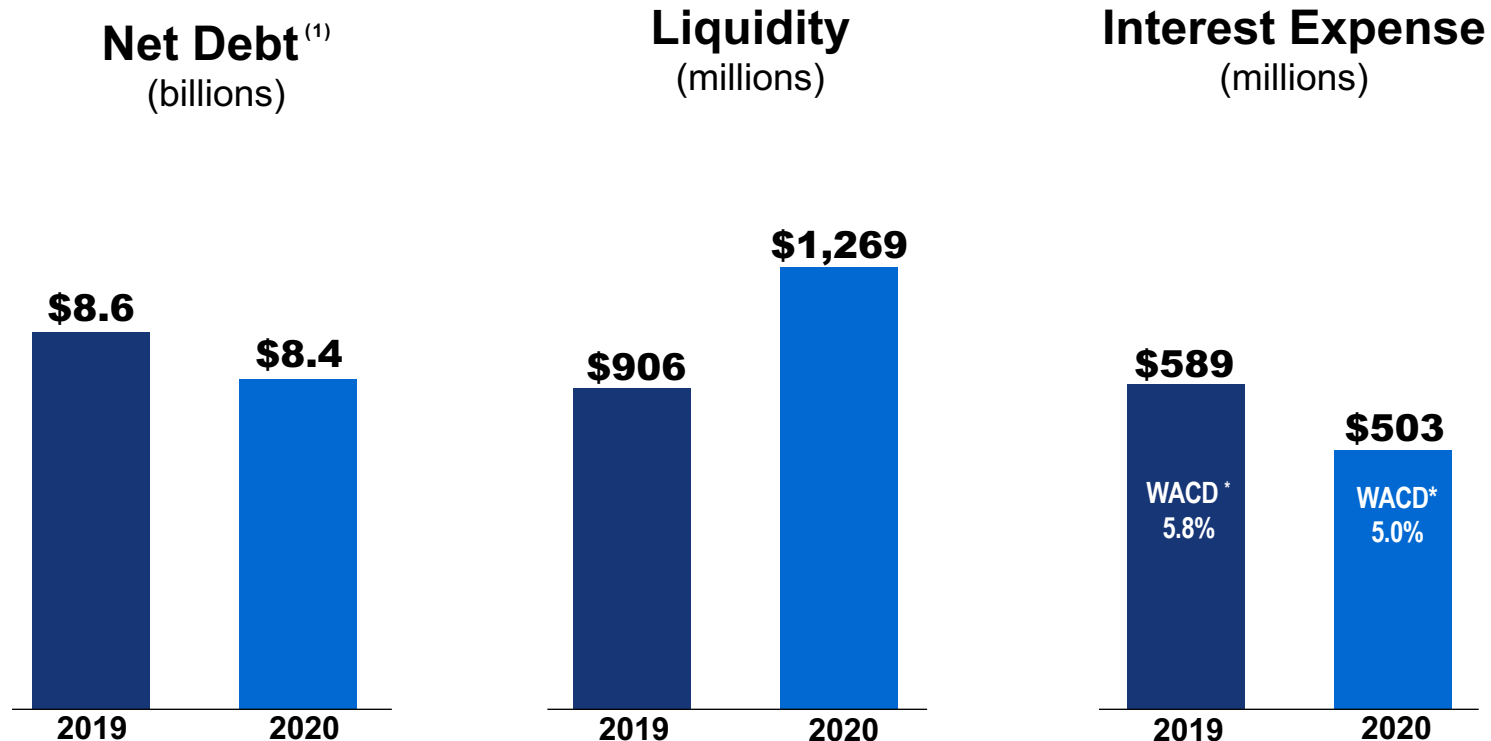
(1) Denotes a non-GAAP financial measure and is reconciled to the most directly comparable GAAP in the tables in the appendix

# Net Debt and Interest Expense

## Disciplined Balance Sheet Management

### Key highlights

- Net Debt declined versus the prior year despite challenging economic backdrop
- Paid down \$111MM of debt in 4Q, additional \$100MM post quarter end
- Debt refinancing and lower LIBOR rates reduced WACD by 80 bps and interest expense by \$86MM
- Improved available liquidity by \$363MM to end 2020 at \$1.3B
- Amended revolving credit agreement in October, extending financial covenant relief



(1) Denotes a non-GAAP financial measure and is reconciled to the most directly comparable GAAP in the tables in the appendix

(\*) Weighted average cost of debt (WACD) annual metrics

# Free Cash Flow

## Focused on Expense Controls and Working Capital Management

\$ in millions

	2020	2019	B/(W)
<b>AEBITDA<sup>(1)</sup></b>	<b>\$ 800</b>	<b>\$ 1,334</b>	(40)%
Capital Expenditures	(190)	(285)	33%
Cash Interest	(471)	(549)	14%
Cash Taxes	(22)	(41)	46%
Changes in Working Capital	78	(148)	153%
Other	(9)	(78)	88%
<b>Free Cash Flow<sup>(1)</sup></b>	<b>\$ 186</b>	<b>\$ 233</b>	(20)%
<b>FCF Conversion<sup>(2)</sup></b>	<b>23.3%</b>	<b>17.5%</b>	<b>578 bps</b>

### Key highlights

- FCF conversion improved nearly 600 bps to 23% in 2020
- Working capital improvements driven primarily by lower accounts receivable balance
- Capital expenditures reduced as realigned capital investment with demand
- Cash interest declined due to refinancing activities and lower LIBOR rates

(1) Denotes a non-GAAP financial measure and is reconciled to the most directly comparable GAAP in the tables in the appendix, (2) FCF conversion is calculated as free cash flows as a percentage of Consolidated AEBITDA. Refer to slide 23 for reconciliation of free cash flows to net cash provided by operating activities and slide 21 for reconciliation of AEBITDA to net loss

# Strong Execution Across Diverse Portfolio

**Delivered Sequential Improvement in Revenue & AEBITDA**

**Continued to Make Operational Progress Against our Strategy**

**Disciplined Cost & Balance Sheet Management**

**Moving Quicky to Unlock Value**

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# Appendix

# Non-GAAP Financial Measures

The Company's management uses the following non-GAAP financial measures in conjunction with GAAP financial measures: Consolidated AEBITDA, free cash flow, free cash flow conversion, EBITDA from equity investments, and net debt (each, as described more fully below). These non-GAAP financial measures are presented as supplemental disclosures. They should not be considered in isolation of, as a substitute for, or superior to, the financial information prepared in accordance with GAAP, and should be read in conjunction with the Company's financial statements filed with the SEC. The non-GAAP financial measures used by the Company may differ from similarly titled measures presented by other companies.

Specifically, the Company's management uses Consolidated AEBITDA to, among other things: (i) monitor and evaluate the performance of the consolidated Company's business operations; (ii) facilitate management's internal and external comparisons of the Company's consolidated historical operating performance; and (iii) analyze and evaluate financial and strategic planning decisions regarding future operating investments and operating budgets.

In addition, the Company's management uses Consolidated AEBITDA to facilitate management's external comparisons of the Company's consolidated results to the historical operating performance of other companies that may have different capital structures and debt levels.

The Company's management uses EBITDA from equity investments to monitor and evaluate the performance of the Company's equity investments. The Company's management uses net debt in monitoring and evaluating the Company's overall liquidity, financial flexibility and leverage.

The Company's management believes that each of these non-GAAP financial measures are useful as they provide management and investors with information regarding the Company's financial condition and operating performance that is an integral part of management's reporting and planning processes. In particular, the Company's management believes that Consolidated AEBITDA is helpful because this non-GAAP financial measure eliminates the effects of restructuring, transaction, integration or other items that management believes is less indicative of the Company's ongoing underlying operating performance and are better evaluated separately. Moreover, management believes EBITDA from equity investments is useful to investors because the Company's Lottery business is conducted through a number of equity investments, and this measure eliminates financial items from the equity investees' earnings that management believes has less bearing on the equity investees' performance. Management believes that free cash flow and free cash flow conversion provides useful information regarding the Company's liquidity and its ability to service debt and fund investments. Management also believes that free cash flow and free cash flow conversion are useful for investors because it provides them with an important perspective on the cash available for debt repayment and other strategic measures, after making necessary capital investments in property and equipment and necessary license payments to support the Company's ongoing business operations and taking into account cash flows relating to the Company's equity investments. In the third quarter of 2020, we recast free cash flow to adjust our previously used measure of free cash flow, to exclude changes in restricted cash, substantially associated with the recent expansion of iLottery operations, that are impacting working capital, and align such calculation with the revised management view and definition of such non-GAAP financial measure. Such restricted cash is excluded because it is not available to fund debt repayments or other initiatives and therefore management believes this calculation better aligns with the reason management uses this non-GAAP information.

## Consolidated AEBITDA

Consolidated AEBITDA, as used herein, is a non-GAAP financial measure that is presented as supplemental disclosure and is reconciled to net loss as the most directly comparable GAAP measure, as set forth in the schedule titled "Reconciliation of Net Loss Attributable to SGC to Consolidated AEBITDA." Consolidated AEBITDA should not be considered in isolation of, as a substitute for, or superior to, the consolidated financial information prepared in accordance with GAAP, and should be read in conjunction with the Company's financial statements filed with the SEC. Consolidated AEBITDA may differ from similarly titled measures presented by other companies.

Consolidated AEBITDA is reconciled to consolidated net (loss) income and includes net (loss) income attributable to SGC with the following adjustments: (1) net income attributable to noncontrolling interest, (2) restructuring and other, which includes charges or expenses attributable to: (i) employee severance; (ii) management restructuring and related costs; (iii) restructuring and integration; (iv) cost savings initiatives; (v) major litigation; and (vi) acquisition costs and other unusual items; (3) depreciation and amortization expense and impairment charges (including goodwill impairments); (4) change in fair value of investments and remeasurement of debt; (5) interest expense; (6) income tax (benefit) expense; (7) stock-based compensation; (8) loss (gain) on debt financing transactions; and (9) other expense, net. In addition to the preceding adjustments, we exclude (loss) earnings from equity method investments and add (without duplication) our pro rata share of EBITDA of our equity investments, which represents our share of earnings (whether or not distributed to us) before income tax benefit (expense), depreciation and amortization expense, and

interest expense, net of our joint ventures and minority investees, which is included in our calculation of Consolidated AEBITDA to align with the provisions of our long-term debt arrangements. AEBITDA is presented exclusively as our segment measure of profit or loss.

## Free Cash Flow

Free cash flow, as used herein, represents net cash provided by operating activities less total capital expenditures (which includes lottery, gaming and digital systems expenditures and other intangible assets and software expenditures), less payments on license obligations, less contributions to equity method investments plus distributions of capital from equity investments, and adjusted for changes in restricted cash impacting working capital. Free cash flow is a non-GAAP financial measure that is presented as a supplemental disclosure for illustrative purposes only and is reconciled to net cash provided by operating activities, the most directly comparable GAAP measure, in a schedule herein. In the third quarter of 2020, we recast free cash flow to adjust our previously used measure, free cash flow, to exclude changes in restricted cash, substantially associated with the recent expansion of iLottery operations, that are impacting working capital, and align such calculation with the revised management view and definition of such non-GAAP financial measure. Such restricted cash is excluded because it is not available to fund debt repayments or other initiatives and therefore management believes this calculation better aligns with the reason management uses this non-GAAP information.

## Free Cash Flow Conversion

Free cash flow conversion, as used herein, represents the ratio by which Consolidated AEBITDA (as defined on this page) is converted into Free Cash Flow (as defined above). Free cash flow conversion is a non-GAAP financial measure that is presented as a supplemental disclosure for illustrative purposes only and is reconciled to net cash flow conversion, the most directly comparable GAAP measure, in a schedule herein.

## EBITDA from Equity Investments

EBITDA from equity investments, as used herein, represents our share of earnings (whether or not distributed to us) plus income tax expense, depreciation and amortization expense (inclusive of amortization of payments made to customers for LNS), interest (income) expense, net, and other non-cash and unusual items from our joint ventures and minority investees. EBITDA from equity investments is a non-GAAP financial measure that is presented as supplemental disclosure for illustrative purposes only and is reconciled to earnings from equity investments, the most directly comparable GAAP measure, in a schedule herein.

## Net Debt

Net debt is defined as total principal face value of debt outstanding, the most directly comparable GAAP measure, less cash and cash equivalents. Principal face value of debt outstanding includes the face value of debt issued under Senior Secured Credit Facilities, Senior Notes and Subordinated Notes, all described in Note 15 of the Company's Annual Report on Form 10-K for the year ended December 31, 2020, but it does not include long term obligations under financing leases or \$7 million in proceeds received in 2019 from transactions completed in 2018 which are presented as debt. In addition, principal face value of debt outstanding with respect to the 2026 Secured Euro Notes and 2026 Unsecured Euro Notes are translated at the constant foreign exchange rate at issuance of these notes as those amounts remain payable at the original issuance amounts in Euro.

# SGMS Reconciliation of Net Loss Attributable to SGC to Consolidated AEBITDA

	Three months ended September 30, 2020		Three months ended December 31, 2020		2019		Year ended December 31, 2020		2019	
	\$		\$		\$		\$		\$	
<b>Net loss attributable to SGC</b>	\$	(117)	\$	(90)	\$	(43)	\$	(569)	\$	(130)
Net income attributable to noncontrolling interest		6		6		6		21		12
<b>Net loss</b>		<b>(111)</b>		<b>(84)</b>		<b>(37)</b>		<b>(548)</b>		<b>(118)</b>
Restructuring and other		20		9		4		67		28
Depreciation, amortization and impairments		136		140		150		554		647
Goodwill impairment		-		-		-		54		-
Other expense, net		3		2		1		10		7
Interest expense		131		124		142		503		589
Income tax expense (benefit)		5		(7)		2		4		10
Stock-based compensation		17		20		4		61		37
Loss on debt financing transactions		1		-		40		1		100
Loss (gain) on remeasurement of debt		24		25		12		51		(9)
EBITDA from equity investments <sup>(1)</sup>		11		12		17		37		67
(Earnings) loss from equity investments		(2)		3		(7)		6		(24)
<b>Consolidated AEBITDA</b>	<b>\$</b>	<b>235</b>	<b>\$</b>	<b>244</b>	<b>\$</b>	<b>328</b>	<b>\$</b>	<b>800</b>	<b>\$</b>	<b>1,334</b>

Note: U.S. Dollars in millions.

(1) EBITDA from equity investments is a non-GAAP financial measure reconciled to (loss) earnings from equity investments on slide 24.

# Reconciliation of Principal Face Value of Debt Outstanding to Net Debt and Net Debt Leverage Ratio

	Year Ended December 31, 2020	Year Ended December 31, 2019
Consolidated AEBITDA <sup>(1)</sup>	\$ 800	\$ 1,334
Total debt	9,303	8,725
Add: Unamortized debt discount/premium and deferred financing costs, net	104	118
Add: Impact of exchange rate <sup>(2)</sup>	7	68
Less: Debt not requiring cash repayment and other	(7)	(11)
Principal face value of debt outstanding	9,407	8,900
Less: Cash and cash equivalents	1,016	313
Net debt	\$ 8,391	\$ 8,587
Net debt leverage ratio	10.5	6.4
Euro to USD exchange rate at reporting date	1.22	1.12
Euro to USD exchange rate at issuance	1.24	1.24

(1) Refer to the reconciliation of Consolidated AEBITDA included in the table titled "SGMS Reconciliation of Net Loss Attributable to SGC to Consolidated AEBITDA" on slide 21.

(2) Exchange rate impact is the impact of translating our outstanding 2026 Secured Euro Notes and 2026 Unsecured Euro Notes translated at constant foreign exchange rate at issuance of these notes as compared to the current exchange rate.

# SGMS Calculation of Free Cash Flow

	Three Months Ended December 31,		Year Ended December 31,	
	2020	2019	2020	2019
<b>Net cash provided by operating activities</b>	\$ 159	143	\$ 471	\$ 546
Less: Capital expenditures	(48)	(78)	(190)	(285)
Add: Distributions of capital from equity investments	12	5	12	23
Less: Additions to equity method investments	(5)	-	(6)	(1)
Less: Payments on license obligations	(15)	(14)	(36)	(40)
Less: Change in restricted cash impacting working capital	(31)	(4)	(65)	(10)
<b>Free cash flow</b>	\$ 72	\$ 52	\$ 186	\$ 233

Note: U.S. Dollars in millions.

# SGMS Reconciliation of (Loss) Earnings from Equity Investments to EBITDA from Equity Investments

	Three months ended September 30,	Three months ended December 31,		Year ended December 31,	
	2020	2020	2019	2020	2019
<b>Earnings (Loss) from equity investments</b>	\$ 2	\$ (3)	\$ 7	\$ (6)	\$ 24
Add: Income tax expense	-	2	2	4	9
Add: Depreciation and amortization	9	8	8	31	33
Add: Interest income, net and other	-	5	-	8	1
<b>EBITDA from equity investments</b>	\$ 11	\$ 12	\$ 17	\$ 37	\$ 67

Note: U.S. Dollars in millions.

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