

GTECH HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS

	(Unaudited)	
	Nine Months Ended	
	November 26, 2005	November 27, 2004
	(Dollars in thousands, except per share amounts)	
Revenues:		
Services	\$ 828,594	\$ 753,385
Sales of products	<u>107,885</u>	<u>165,982</u>
	936,479	919,367
Costs and expenses:		
Costs of services	495,525	451,736
Costs of sales	<u>63,678</u>	<u>103,978</u>
	<u>559,203</u>	<u>555,714</u>
Gross profit	377,276	363,653
Selling, general and administrative	95,608	87,264
Research and development	<u>35,627</u>	<u>38,741</u>
Operating expenses	<u>131,235</u>	<u>126,005</u>
Operating income	246,041	237,648
Other income (expense):		
Interest income	6,986	2,958
Equity in earnings of unconsolidated affiliates	3,135	2,409
Other income (expense)	(3,450)	6,531
Interest expense	<u>(23,162)</u>	<u>(11,743)</u>
	<u>(16,491)</u>	<u>155</u>
Income before income taxes	229,550	237,803
Income taxes	<u>77,921</u>	<u>85,252</u>
Net income	<u>\$ 151,629</u>	<u>\$ 152,551</u>
Basic earnings per share	<u>\$ 1.26</u>	<u>\$ 1.30</u>
Diluted earnings per share	<u>\$ 1.17</u>	<u>\$ 1.16</u>
Weighted average shares outstanding - basic	<u>120,277</u>	<u>117,133</u>
Weighted average shares outstanding - diluted	<u>130,257</u>	<u>133,050</u>
Cash dividends declared per common share	<u>\$ 0.255</u>	<u>\$ 0.255</u>