

GTECH HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS

	(Unaudited)	
	Nine Months Ended	
	November 27, 2004	November 22, 2003
	(Dollars in thousands, except per share amounts)	
Revenues:		
Services	\$ 753,385	\$ 692,782
Sales of products	<u>165,982</u>	<u>78,972</u>
	919,367	771,754
Costs and expenses:		
Costs of services	451,736	391,593
Costs of sales	<u>103,978</u>	<u>50,533</u>
	<u>555,714</u>	<u>442,126</u>
Gross profit	363,653	329,628
Selling, general and administrative	87,264	79,498
Research and development	<u>38,741</u>	<u>41,422</u>
Operating expenses	<u>126,005</u>	<u>120,920</u>
Operating income	237,648	208,708
Other income (expense):		
Interest income	2,958	3,703
Equity in earnings of unconsolidated affiliates	2,409	6,120
Other income	6,531	3,337
Interest expense	<u>(11,743)</u>	<u>(6,997)</u>
	<u>155</u>	<u>6,163</u>
Income before income taxes	237,803	214,871
Income taxes	<u>85,252</u>	<u>79,502</u>
Net income	<u>\$ 152,551</u>	<u>\$ 135,369</u>
Basic earnings per share	<u>\$ 1.30</u>	<u>\$ 1.17</u>
Diluted earnings per share	<u>\$ 1.16</u>	<u>\$ 1.06</u>
Weighted average shares outstanding - basic	<u>117,133</u>	<u>115,764</u>
Weighted average shares outstanding - diluted	<u>133,050</u>	<u>128,712</u>
Dividends per share - common stock	<u>\$ 0.255</u>	<u>\$ 0.17</u>