

GTECH HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS

	Fourth Quarter Fiscal Year Ended	
	February 25, 2006	February 26, 2005
	(Dollars in thousands, except per share amounts)	
Revenues:		
Services	\$ 294,074	\$ 264,298
Sales of products	<u>74,253</u>	<u>73,570</u>
	368,327	337,868
Costs and expenses:		
Costs of services	179,003	164,897
Costs of sales	<u>40,359</u>	<u>53,996</u>
	<u>219,362</u>	<u>218,893</u>
Gross profit	148,965	118,975
Selling, general and administrative	40,107	29,989
Research and development	<u>14,242</u>	<u>13,818</u>
Operating expenses	<u>54,349</u>	<u>43,807</u>
Operating income	94,616	75,168
Other income (expense):		
Interest income	3,926	1,657
Equity in earnings (loss) of unconsolidated affiliates	(1,194)	403
Other expense	(891)	(1,175)
Interest expense	<u>(7,631)</u>	<u>(7,470)</u>
	<u>(5,790)</u>	<u>(6,585)</u>
Income before income taxes	88,826	68,583
Income taxes	<u>29,410</u>	<u>24,740</u>
Net income	<u>\$ 59,416</u>	<u>\$ 43,843</u>
Basic earnings per share	<u>\$ 0.47</u>	<u>\$ 0.38</u>
Diluted earnings per share	<u>\$ 0.45</u>	<u>\$ 0.34</u>
Weighted average shares outstanding - basic	<u>126,708</u>	<u>115,555</u>
Weighted average shares outstanding - diluted	<u>130,772</u>	<u>131,075</u>
Dividends per share - common stock	<u>\$ 0.085</u>	<u>\$ 0.085</u>