

Full International Game Technology PLC Fiscal Year 2022 Overview

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Goals and objectives of the research

Research Objective: To study International Game Technology PLC publicly available financial information, determine the company's development strategy, and compile an overview of its annual financial reports.

Research Tasks:

- Find the company's comprehensive financial and corporate information;
- Analyze the gathered information;
- Draw conclusions based on the analyzed data.

Disclaimers

The information collected in this report reflects data from the company's public reports and is not questioned or verified via other sources. In other words, information from the company's public reports is taken and used as is.

If additional information from other sources is used or if the data used is reflective of the researcher's personal opinion, this will be labeled accordingly.

Document markup

- FY - Financial Year;
- IGT - International Game Technology PLC;
- This report uses the American number format: a period is used as the decimal separator, while commas separate thousands;
- Year-over-year (YoY) calculations of relative values were not performed in cases where last year's profit changed to a loss in the current year and vice versa within the scope of the current report;
- International Game Technology PLC report period is from January 1 to December 31, 2022;
 - The specified financial year coincides with the calendar year.

Conclusions

General information

Parameter	International Game Technology PLC
Website	igt.com
Country (location)	UK
Country (issuer)	US UK
Year of foundation	1975
Founder	William Redd
Sector	Consumer Discretionary
Type	Public
Year of IPO	1981
Stock market	NYSE
Ticker	IGT

Note: IGT was founded in 1975 as A-1 Supply. In 1978, it changed its name to Sircoma and later, in 1981, to International Game Technology. The company went public in 1981, and evidence of this can be seen in the trading chart of its shares on the NYSE, starting in October 1981.¹

In July 2014, the Italian gaming equipment company Gtech agreed to acquire IGT for a total of 6.4 billion USD, comprising 4.7 billion USD in cash and 1.7 billion USD in assumed debt. In April 2015, Gtech completed the merger with IGT, and the newly merged entity was named [International Game Technology PLC](#).

¹ [Rgj, Timeline: The IGT story](#)

Members of the board and Managers

Board of Directors ²		
Name	Title	Since
Marco Sala	Director, Chief Executive Officer, Chairman of the Board	2015
James F. McCann	Vice-Chairperson of the Board, Lead Independent Director, Non-executive Director	2015
Vincent L. Sadusky	Chief Executive Officer, Executive Director	2015
Massimiliano Chiara	Executive Vice President and Chief Financial Officer, Executive Director	2020
Lorenzo Pellicoli	Non-Executive Director	2015
Marco Drago	Non-Executive Director	2015
Alberto Dessy	Independent Non-executive Director	2015
Ashley M. Hunter	Independent Non-executive Director	2022
Heather J. McGregor	Independent Non-executive Director	2017
Maria Pinelli	Independent Non-executive Director	2022
Samantha F. Ravich	Independent Non-executive Director	2019
Gianmario Tondato Da Ruos	Independent Non-executive Director	2015

² [IGT Consolidated Annual Report 2022, p.48-52](#)

Executive Team ³		
Name	Title	Since
Marco Sala	Director, Chief Executive Officer, Chairman of the Board	2015
Vincent L. Sadusky	Chief Executive Officer, Executive Director	2015
Renato Ascoli	Chief Executive Officer, Global Gaming	2020
Enrico Drago	Chief Executive Officer, PlayDigital	2021
Fabio Celadon	Executive Vice President, Strategy and Corporate Development	2020
Massimiliano Chiara	Executive Vice President and Chief Financial Officer, Executive Director	2020
Dorothy Costa	Senior Vice President of People and Transformation	2020
Scott Gunn	Senior Vice President, Corporate Public Affairs	2019
Wendy Montgomery	Senior Vice President, Marketing, Communications and Sustainability	2021
Christopher Spears	Executive Vice President, General Counsel	2017
Robert Vincent	Chairperson of IGT Global Solutions Corporation	2015

Employees⁴

Parameter	Number of employees
Number of Employees as of Dec 31, 2020	11,048
Number of Employees as of Dec 31, 2021	10,486
Number of Employees as of Dec 31, 2022	10,786

³ [IGT web. Management](#)

⁴ [IGT Consolidated Annual Report 2022, p.67](#)

Shareholders

Shareholders structure

Ownership Breakdown as of Nov 17, 2023 ⁵		
Owner Type	Number of Shares	Ownership Percentage
Private Companies	137,078,095	57.66%
Institutions	98,623,066	41.48%
Individual Insiders	2,041,982	0.86%
Total Shares	237,743,143	100%

Total Shares Outstanding - 199,078,909⁶ (as of December 31, 2022).

⁵ [SimplyWall, IGT Ownership Breakdown](#)

⁶ [IGT Consolidated Annual Report 2022, p.1](#)

Shareholders Equities

Top 10 Shareholders as of Nov 17, 2023 ⁷				
Name	Number of Shares	Current Value ⁸ , mill USD	Last Reported Holding Date	Ownership Percentage
New B&D Holding di Marco Drago e C. S.a.p.a	89,922,324	2,400	May 25, 2023	44.85%
Gamma Topco S.à r.l.	47,142,963	1,300	Sep 30, 2023	23.51%
BNY Mellon Asset Management	10,563,206	283	Sep 30, 2023	5.27%
TPG Capital, L.P.	8,236,290	220	Sep 30, 2023	4.11%
Massachusetts Financial Services Company	7,105,907	190	Sep 30, 2023	3.54%
Norges Bank Investment Management	5,844,050	156	Nov 2, 2023	2.92%
BlackRock, Inc.	5,373,212	144	Sep 30, 2023	2.68%
Lazard Asset Management LLC	4,739,072	127	Sep 30, 2023	2.36%
Neuberger Berman Investment Advisers LLC	4,087,581	109	Sep 30, 2023	2.04%
Boston Partners Global Investors, Inc.	3,583,724	96	Sep 30, 2023	1.79%
Total Top 10	186,598,329	5,025	-	93.07%

⁷ [SimplyWall, IGT Top Shareholders](#)

⁸ As of November 17, 2023

Mergers, acquisitions and subsidiaries⁹

Mergers, acquisitions		
Name	Date	Price, mill USD
Million-2-1	Jun 10, 2008	-
DoubleDown Interactive	Jan 12, 2012	500
BringIt	Feb 2012	10
Hudson Alley Software	Jul 19, 2016	13
iSoftBet	Jul 5, 2022	~169 ¹⁰

The full list of International Game Technology's subsidiaries is provided in [Notes №29](#) of the company's IGT Annual Report for 2022.

Note: This section may not fully represent all the company's transactions, but, within the scope of this current report, presents the maximum amount of information available via open sources.

⁹ [Crunchbase, IGT Acquisitions](#)

¹⁰ [160 mill EUR exchange to USD by Exchanger Rates](#)

Company strategy^{11 12 13}

IGT's strategy focuses on increasing revenue and margins in business segments. The company follows a policy of cost control and capital allocation, maintaining a balanced debt ratio.

The mission of IGT is to provide content, services, and solutions for the global regulated gambling industry. The company's businesses complement each other and span the regulated gambling sector. IGT is focused on growth in regions where it already has market share, in the USA and Europe, and in new regions, jurisdictions, and market segments.

The company's strategy is formulated around four strategic priorities, both at the company-wide level and within its business segments:

- **For the entire company:** development, growth, and innovation;
- **Lottery:** ensuring revenue growth in the lottery segment in the post-pandemic years;
- **Gaming Machines:** ensuring growth and healthy cash flows in the land-based gaming segment after the COVID-19 pandemic;
- **PlayDigital:** maintaining leadership in the digital and betting sphere.

IGT adheres to the "Sustainability Plan" valid until 2025, which encompasses the following strategic priorities:

- **Employee assessment and protection:** becoming an employer of choice for future talents;
- **Promoting responsibility:** facilitating a safe and positive gaming environment;
- **Community support:** collaborating with societal partners to create ways to support, educate, and develop;
- **Building a sustainable business:** combating climate change, promoting circularity, and enhancing sustainable procurement.

¹¹ [IGT Annual Report 2022, p.10](#)

¹² [IGT Annual Report 2022, p.4](#)

¹³ [IGT Sustainability Plan 2022/2025, p.3](#)

Divisions¹⁴

The company has three categories of products and services:

- [Gaming](#): IGT offers a comprehensive and complementary portfolio of gaming systems, products, and solutions;
- [Lottery](#): IGT has been collaborating with governments since 1980 to develop the lottery business;
- [PlayDigital](#): IGT PlayDigital offers a portfolio of Casino and Sports products, equipment, and solutions.

Activity	Products
Gaming	<ul style="list-style-type: none">• Game Search• Cabinets• Systems• Services• Electronic Table Games• Class II
Lottery	<ul style="list-style-type: none">• OMNIA• Retail Lottery Terminals & Self-Service Vending• Instant Ticket Services• iLottery• Lottery Games
PlayDigital	<ul style="list-style-type: none">• Casino• Sports

Technology¹⁵

In 2022, IGT allocated 255 million USD for research and development, marking a 7.14% increase compared to 2021 (238 million USD). The company's research and development efforts encompass solutions for lottery, gaming, and digital businesses:

- Work on gaming content;
- Hardware and software solutions;
- Solutions for land-based casinos;
- Online social and real-money digital applications.

These products are created by in-house designers, engineers, artists, and external content creators. Technologies from third-party developers are utilized to enhance the return on investment in development and focus additional resources on engineering product differentiation.

¹⁴ [IGT web. Products and Services](#)

¹⁵ [IGT Consolidated Annual Report 2022, p.25](#)

Financial Statements for 2022 Fiscal Year Revenue Retrospective

Note to Financial Statements and Revenue Retrospective

This report utilizes financial data from the annual public reports of International Game Technology prepared for the [SEC](#). The company's website provides annual public reports prepared according to UK standards.¹⁶ IGT PLC is incorporated under the laws of England and Wales and is listed on the NYSE, subjecting the group to financial statement audits in both the UK and the US.¹⁷

Discrepancies have been identified in the provided financial information between the SEC and UK reports. In the audit reports for the financial statements, both the Annual Report UK 2022¹⁸ and Annual Report US (SEC) 2022,¹⁹ auditors conclude that the financial statements are prepared in accordance with the accounting standards of these respective countries and reliably reflect the financial position of the company.

Effective July 1, 2020, the company adopted a new organizational structure focused on two business segments, Global Lottery and Global Gaming. On December 7, 2020, the Parent announced that its wholly-owned subsidiary, Lottomatica, had entered into a definitive agreement to sell one hundred percent of the share capital of Lottomatica Videolot Rete S.p.A. and Lottomatica Scommesse S.r.l.^{20 21} In connection with the new structure, focused on two segments and the presentation of financial information for discontinued operations Lottomatica separately from the Consolidated Statements of Operations, the Annual Report 2020 provides a breakdown of financial information by business segments, revenue sources, and revenue recognition for the years 2020, 2019, and 2018.²² As a result, the revenue information from the Consolidated Statements of Operations in the Annual Report 2020²³ is not directly comparable to the information in the Annual Report 2019.²⁴

The decision has been made to split the Revenue Retrospective into two charts:

- The first one includes Revenue values from the Consolidated Statements of Operations for 2020-2022, excluding financial information for discontinued operations Lottomatica;
- The second one includes Revenue values for 2013-2019, taken from Annual Reports up to 2020, and excludes information related to Lottomatica's exit.

¹⁶ [IGT web, Annual Reports](#)

¹⁷ [IGT Annual Report 2022, p.89](#)

¹⁸ [IGT Annual Report 2022, p.89](#)

¹⁹ [IGT Consolidated Annual Report 2022, p.F-2](#)

²⁰ [IGT Consolidated Annual Report 2020, p.19](#)

²¹ [IGT Consolidated Annual Report 2020, p.F-23-F-24](#)

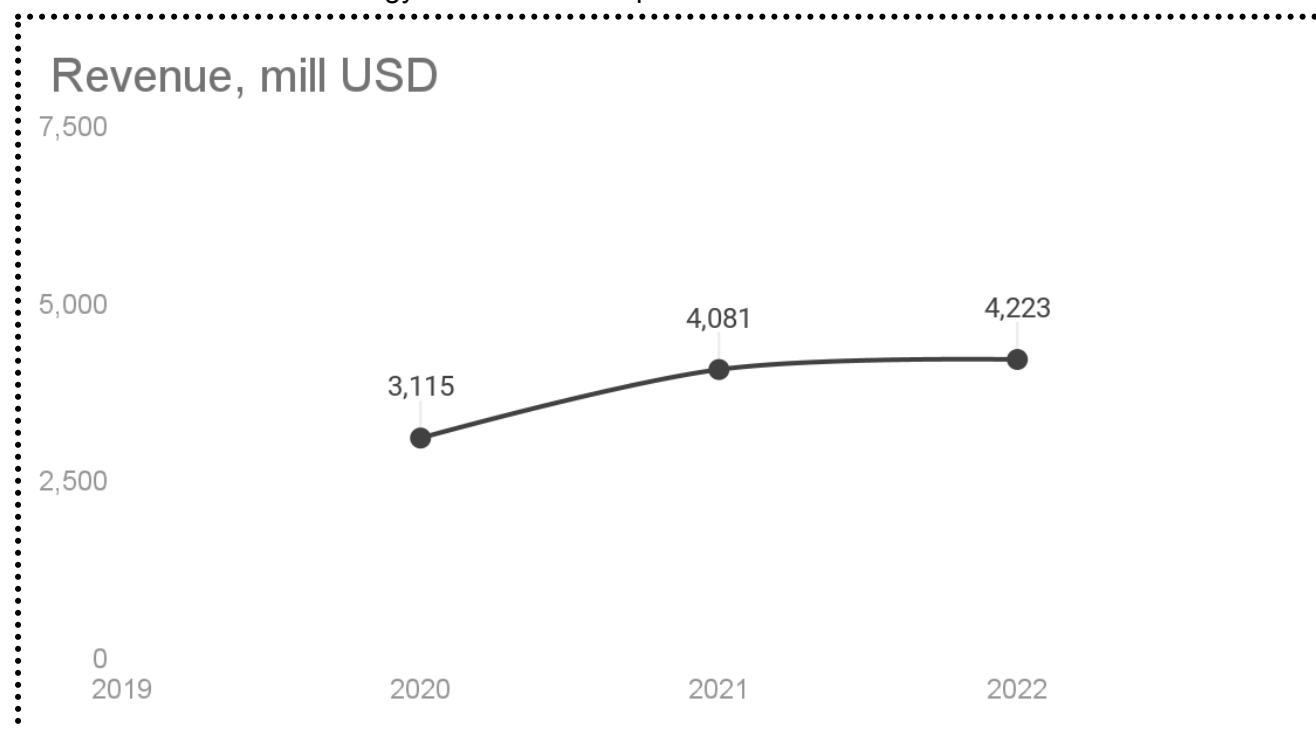
²² [IGT Consolidated Annual Report 2020, p.F-25](#)

²³ [IGT Consolidated Annual Report 2020, p.F-6](#)

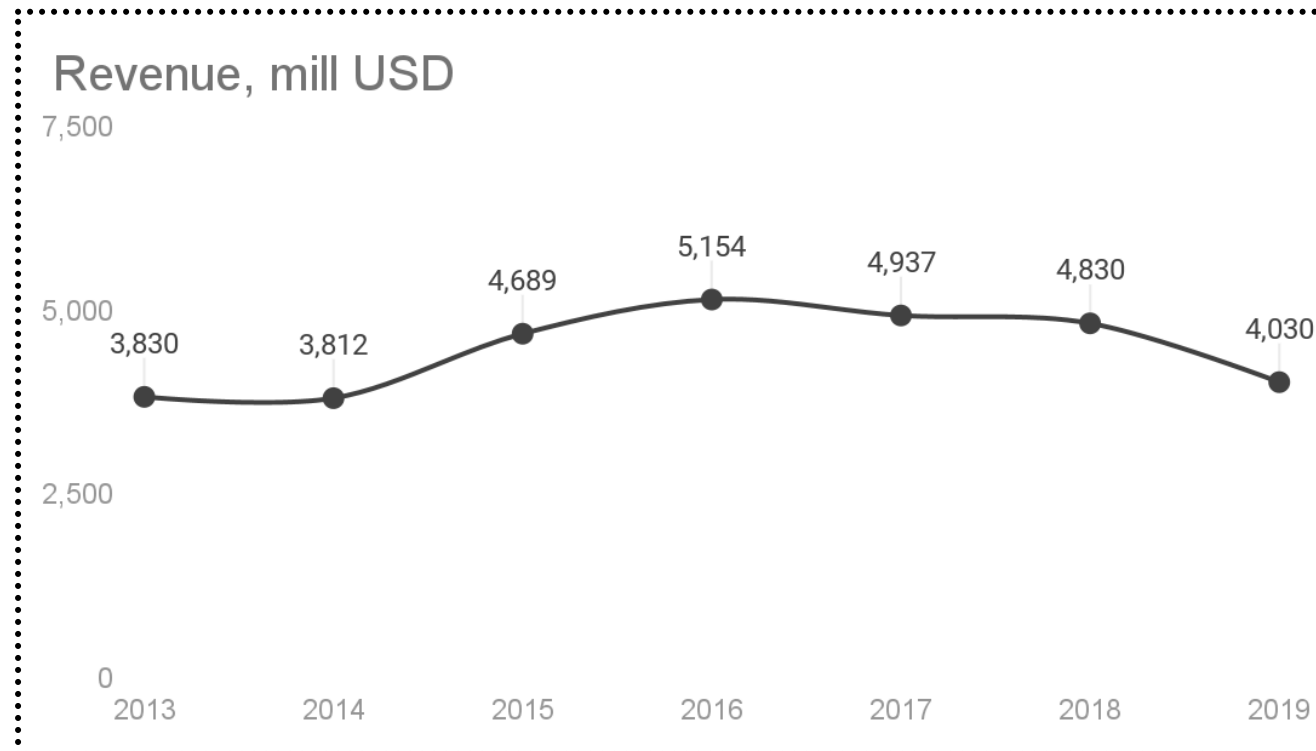
²⁴ [IGT Consolidated Annual Report 2019, p.F-6](#)

Revenue Retrospective

International Game Technology Revenue Retrospective for 2020-2022²⁵



International Game Technology Revenue Retrospective for 2013-2019^{26 27}



²⁵ [IGT Consolidated Annual Report 2022, p.F-5](#)

²⁶ [IGT Consolidated Annual Report 2019, p.F-6](#)

²⁷ [IGT Consolidated Annual Report 2017, p.7](#)

Sales per Business

Net Revenue Structure²⁸

(In million, except Percentages)

Parameter	2022, USD	YoY, %	2021, USD	YoY, %	2020, USD
Operating and facilities management contracts	2,181	-7.70	2,363	35.49	1,744
Gaming terminal services	483	13.92	424	42.28	298
PlayDigital services	209	28.22	163	42.98	114
Systems, software, and other	487	-8.80	534	10.33	484
Service Revenue	3,359	-3.56	3,483	31.93	2,640
Lottery products	157	27.64	123	1.65	121
Gaming terminals	501	47.79	339	65.37	205
Other	209	45.14	144	-3.36	149
Product Sales	866	42.90	606	27.31	476
Total Consolidated Revenue	4,225	3.33	4,089	31.27	3,115

²⁸ [IGT Consolidated Annual Report 2022, p.F-20-F21](#)

Net Revenue Structure 2022 Percentages

Parameter	Percentage, %
Operating and facilities management contracts	51.62
Gaming terminal services	11.43
PlayDigital services	4.95
Systems, software, and other	11.53
Service Revenue	79.50
Lottery products	3.72
Gaming terminals	11.86
Other	4.95
Product Sales	20.50

Sales per Segments

Sales by Segments²⁹

(In million, except Percentages)

Parameter	2022, USD	YoY, %	2021, USD	YoY, %	2020, USD
Global Lottery	2,593	-7.79	2,812	29.94	2,164
Global Gaming	1,423	27.97	1,112	32.86	837
PlayDigital	209	26.67	165	43.48	115
Total Consolidated Revenue	4,225	3.33	4,089	31.93	3,115

Sales by Segments 2022 Percentages

Parameter	Percentage, %
Global Lottery	61.37
Global Gaming	33.68
PlayDigital	4.95

²⁹ [IGT Consolidated Annual Report 2022, p.F-20-F21](#)

Sales per Region

Sales by Region³⁰

(In million, except Percentages)

Parameter	2022, USD	YoY, %	2021, USD	YoY, %	2020, USD
United States	2,355	10.77	2,126	27.61	1,666
Italy	1,062	-18.75	1,307	45.87	896
United Kingdom	67	-6.94	72	12.50	64
Rest of Europe	254	17.05	217	3.83	209
All other	488	32.61	368	31.43	280
Total Consolidated Revenue	4,225	3.33	4,089	31.27	3,115

Sales by Region 2022 Percentages

Parameter	Percentage, %
United States	55.74
Italy	25.14
United Kingdom	1.59
Rest of Europe	6.01
All other	11.55

³⁰ [IGT Consolidated Annual Report 2022, p.F-52](#)

Dividend Information^{31 32 33}

(In million, except Per share data and Percentages)

Parameter	2022, USD	YoY, %	2021, USD	YoY, %	2020, USD
Per share	0.80 USD	300.00	0.20 USD	0.00	0.20 USD
Cash dividends declared	161.000	292.68	41.000	0.24	40.900

IGT declared a cash dividend of 0.20 USD per share in all four quarters of 2022, in the fourth quarter of 2021 and the first quarter of 2020.

Balance Sheet^{34 35}

(In million, except Percentages)

Parameter	2022, USD	YoY, %	2021, USD	YoY, %	2020, USD
Assets					
Total Current Assets	2,131	-14.31	2,487	-27.70	3,440
Total Non-current Assets	8,302	-6.04	8,836	-7.50	9,552
Total Assets	10,433	-7.85	11,322	-12.85	12,992
Liabilities					
Total Current Liabilities	1,848	-3.45	1,914	-26.81	2,615
Total Non-current Liabilities	6,607	-11.16	7,437	-15.64	8,816
Total Liabilities	8,454	-9.59	9,351	-20.58	11,774
Total Equity	1,979	0.41	1,971	26.27	1,561

³¹ [IGT Consolidated Annual Report 2022, p.44](#)

³² [IGT Consolidated Annual Report 2020, p.51](#)

³³ [IGT Consolidated Annual Report 2022, p.F-48](#)

³⁴ [IGT Consolidated Annual Report 2022, p.F-4](#)

³⁵ [IGT Consolidated Annual Report 2020, p.F-5](#)

Income Statement³⁶

(In million, except EPS data and Percentages)

Parameter	2022, USD	YoY, %	2021, USD	YoY, %	2020, USD
Revenue	4,225	3.33	4,089	31.27	3,115
Total Operating Expense	3,303	3.64	3,187	-1.12	3,223
Operating profit	922	2.22	902	-	(107)
Net Income	275	-42.95	482	-	(898)
EPS Basic	1.36 USD	-42.13	2.35 USD	-	(4.39) USD
EPS Diluted	1.35 USD	-42.06	2.33 USD	-	(4.39) USD

Cashflow Statement³⁷

(In million, except Percentages)

Parameter	2022, USD	YoY, %	2021, USD	YoY, %	2020, USD
Cash flows from operating activities	899	-8.08	978	12.93	866
Cash flows from investing activities	168	-73.58	636	-	(269)
Cash flows from financing activities	(1,065)	-43.89	(1,898)	333.33	(438)

³⁶ [IGT Consolidated Annual Report 2022, p.F-5](#)

³⁷ [IGT Consolidated Annual Report 2022, p.F-7](#)

Criticism

In 2003, James McAndrews filed a lawsuit against IGT, alleging that the company falsified tax reports to conceal or reduce the tax amount. McAndrews claimed that, while working at IGT and handling tax compliance matters, he discovered the company's involvement in tax evasion schemes.³⁸

In 2007, Shawn and Lena Van Asdale, former legal counsels at IGT, filed a lawsuit against the company for their dismissals, which they claim were retaliatory actions for the protected activities of the plaintiffs in reporting suspicions of fraud involving IGT shareholders to federal authorities.³⁹

IGT did not disclose information about the acquisition of BringIt Inc. for 10 million USD in February 2012, deeming the transaction to be immaterial to the company's financial picture.⁴⁰

In 2016, the U.S. Securities and Exchange Commission (SEC) fined IGT for terminating an employee who reported to senior management and the SEC about distortions in the company's financial reporting. The fine amounted to 0.5 million USD. According to the SEC order, IGT conducted an internal investigation into the whistleblower's allegations. It was found that the whistleblower did not oversee the company's accounting functions. The investigation concluded that the financial statements presented by IGT were accurate and did not contain distortions.⁴¹

In 2019, GC2 Inc. filed a lawsuit against IGT, Doubledown Interactive LLC, and Masque Publishing, Inc., accusing them of copyright infringement and violations of the Digital Millennium Copyright Act (DMCA). The jury unanimously ruled in favor of GC2 Inc.⁴²

In 2022, analyst and investor Evin Rohrbaugh noted in an article that IGT faces an issue with capital allocation, evident from the company's level of debt. The long-term debt sharply increased after the merger of Lottomatica SpA and Gtech Holdings in 2006 and again in 2015. The amounts allocated for dividends and share buybacks are referred to as "problematic".⁴³

The issue of long-term debt for IGT is emphasized on the resource Simply Wall St., where it is mentioned, "Debt is not well covered by operating cash flow." The short-term assets of IGT (2.1 billion USD) do not cover long-term obligations (6.6 billion USD).⁴⁴

In 2022, investors of IGT filed a lawsuit seeking damages, alleging securities fraud during the period from March 16, 2018, to August 29, 2022.⁴⁵

³⁸ [Case-law, International Game Tech. v. Dist. Court, Docket No. 43882](#)

³⁹ [Casetext, Van Asdale v. International Game Technology](#)

⁴⁰ [ReviewJournal, Link not disclosed in IGT deal](#)

⁴¹ [SEC, Casino-Gaming Company Retaliated Against Whistleblower](#)

⁴² [Casetext, GC2 Inc. v. Int'l Game Tech.](#)

⁴³ [Seekingalpha, International Game Technology: Not Deleveraging Fast Enough](#)

⁴⁴ [SimplyWall, IGT, Balance Sheet Health](#)

⁴⁵ [Prnewswire, IGT LAWSUIT ALERT](#)

Analyst's opinion

Summary

IGT is engaged in the production of content and technologies for lotteries, slot machines, sports betting, and digital entertainment. The company is listed on the NYSE under the trading symbol "IGT". Headquarters are located in the UK, with operational headquarters in Italy and the USA. As of December 31, 2022, IGT employs 10,786 people.

According to data from Simply Wall St. as of November 17, 2023, 57.66% of IGT's shares are owned by private companies. IGT pays dividends quarterly at a rate of 0.20 USD per share per quarter, totaling 0.80 USD per share for the year 2022. As of December 31, 2022, the total shares outstanding were 199,078,909.

The company's strategy is formulated around four strategic priorities, both at the company-wide level and business segments level:

- **For the entire company:** development, growth, and innovation;
- **Lottery:** ensuring revenue growth in the lottery segment in the post-pandemic years;
- **Gaming Machines:** Ensuring growth and healthy cash flows in the land-based gaming segment after the COVID-19 pandemic;
- **PlayDigital:** maintaining leadership in the digital and betting sphere.

IGT adheres to the "Sustainability Plan" in effect until 2025.

The company's revenue for 2022 amounted to 4,225 million USD, reflecting a 3.33% increase from 2021 (4,089 million USD). In 2022, 51.62% (2,181 million USD) of IGT's revenue was generated through operating and facilities management contracts. 55.74% (2,355 million USD) of IGT's revenue in 2022 came from its business operations in the USA.

As of 2022, Total Assets amount to 10,433 million USD, while Total Liabilities stand at 8,454 million USD. The Total Equity is 1,979 million USD higher than in 2021 (1,971 million USD) by 0.41% and higher than the Total Equity in 2020 (1,561 million USD) by 26.78%.

During its existence, IGT has faced legal disputes related to dismissals, data concealment and distortion, and improper use of copyrights. These situations have had an impact on the company's reputation.

Sources List

- [IGT Web](#)
- [IGT Annual Report 2022](#)
- [IGT Consolidated Annual Report 2022](#)
- [IGT Consolidated Annual Report 2020](#)
- [IGT Consolidated Annual Report 2019](#)
- [IGT Consolidated Annual Report 2017](#)
- [IGT Sustainability Plan 2022/2025](#)
- [NYSE](#)
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