

# INTRALOT S.A.



## INTEGRATED LOTTERY SYSTEMS AND SERVICES

Summary financial information of Group and Company for the year ended 31 December 2008  
(published according to Law 2190, article 135 for companies preparing financial consolidated statements, consolidated and stand alone, according to IFRS)  
Amounts reported in thousands €

The figures presented below aim to give summary information about the financial position and results of INTRALOT S.A. and INTRALOT Group. Therefore, it is recommended to any reader who is willing to proceed to any kind of investment decision or transaction, moreover to obtain a more complete picture of these financial position and results, to visit INTRALOT web site (www.intralot.com) where the Annual Condensed Financial Statements, as they are prepared according to IFRS, are posted, accompanied by the Auditors Report.

<p><b>Company's Name:</b> INTRALOT S.A.  <b>Public Companies (S.A.) Reg. No.:</b> 27074/06/B/92/9  <b>Domicile:</b> 64 Kifissias Av. &amp; 3 Premetis Str., Marousi.  <b>Regulatory Authority:</b> Ministry of Development  <b>Date of Incorporation:</b> 31/7/1992  <b>Core Activity:</b> Integrated Lottery Systems and Services  <b>Financial Statements approval date:</b> March 30th, 2009  <b>Web Site:</b> www.intralot.com  <b>Certified Auditor:</b> George A. Karamichailis Reg.No/S.O.E.L. 15931  <b>Auditor Firm:</b> S.O.L. S.A. Reg.No /S.O.E.L. 125  <b>Type of Auditor's Report:</b> Unqualified</p>	<p><b>Board of Directors:</b> Chairman - Socrates P. Kokkalis                  Vice-Chairman and CEO - Constantinos G. Antonopoulos                  Member - Andreas V. Papoulias                  Member - Fotios Th. Mavroudis                  Member - Dimitrios Ch. Klonis                  Member - Dimitrios C. Chatzigrigoriadis                  Member - Anastasios M. Tsoufis                  Member - Sotirios N. Filios                  Member - Petros K. Souretis</p>
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	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
<b>ASSETS</b>				
Tangible Assets	157.914	85.385	29.725	26.220
Intangible Assets	163.035	158.230	9.846	20.123
Other Non-Current Assets	132.162	140.893	149.723	186.679
Inventories	47.791	48.739	40.784	43.675
Trade accounts receivable	216.415	139.394	244.444	165.566
Other Current Assets	305.447	284.753	22.004	57.618
<b>TOTAL ASSETS</b>	<b>1.022.764</b>	<b>857.394</b>	<b>496.526</b>	<b>499.881</b>
<b>LIABILITIES AND EQUITY</b>				
Share Capital	47.689	47.683	47.689	47.683
Other Equity Elements	214.853	228.113	108.087	135.693
Shareholders Equity (a)	262.542	275.796	155.776	183.376
Minority Interest (b)	75.263	93.235	0	0
Total Shareholders Equity (c) = (a) + (b)	337.805	369.031	155.776	183.376
Long-term Debt	449.317	317.111	265.785	259.914
Provisions and Other Long term Liabilities	39.317	18.049	20.504	6.713
Short-term Debt	44.289	37.501	0	0
Other Short-term Liabilities	152.036	115.702	54.461	49.878
Total Liabilities (d)	684.959	488.363	340.750	316.505
<b>TOTAL EQUITY AND LIABILITIES (c)+(d)</b>	<b>1.022.764</b>	<b>857.394</b>	<b>496.526</b>	<b>499.881</b>

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Net equity at the beginning of the year (01.01.2008 and 01.01.2007 respectively)	369.031	290.052	183.376	160.413
New Consolidated Entities	1.368	0	0	0
Profit for the year after taxes	104.426	164.685	18.559	62.683
Share Capital Increase / (Decrease)	57	9.435	29	6.756
Dividends Distributed	-101.782	-112.440	-45.800	-53.399
Net Amounts Effected Directly Equity	-35.295	17.299	-388	6.923
Net Equity of the year Closing Balance (31/12/2008 and 31/12/2007 respectively)	<b>337.805</b>	<b>369.031</b>	<b>155.776</b>	<b>183.376</b>

	GROUP		COMPANY	
	1/1-31/12/2008	1/1-31/12/2007	1/1-31/12/2008	1/1-31/12/2007
<b>Operating Activities</b>				
Net Profit before Taxation	145.502	208.505	28.649	78.896
Plus/Less adjustments for:				
Depreciation and Amortization	55.778	33.715	27.642	9.362
Provisions	17.069	889	13.793	65
Exchange rate differences	-25.946	10.361	0	0
Results from Investing Activities	-18.040	4.512	-35.797	-44.045
Debit Interest and similar expenses	32.182	30.645	16.154	16.348
Credit Interest	-41.217	-29.106	-8.509	-7.933
Plus/Less adjustments of working capital to net cash or related to operating activities:				
Decrease/(increase) of Inventories	4.398	-23.280	2.892	-23.103
Decrease/(increase) of Receivable Accounts	-83.643	-142.648	-38.011	-89.565
(Decrease)/increase of Payable Accounts (except Banks)	30.578	-32.732	5.915	-23.155
Less:				
Interest Paid and similar expenses paid	20.116	19.667	10.282	10.783
Income Tax Paid	42.324	55.163	12.430	34.299
<b>Net Cash from Operating Activities (a)</b>	<b>54.221</b>	<b>-13.969</b>	<b>-9.984</b>	<b>-128.212</b>
<b>Investing Activities</b>				
(Purchases) / Sales of subsidiaries, associates and other investments	-626	-12.865	-3.615	-23.346
Purchases of tangible and intangible assets	-141.745	-98.878	-20.870	-8.345
Proceeds from sales of tangible and intangible assets	21.228	1.442	0	0
Interest received	28.947	28.843	8.509	7.933
Dividends received	0	8	35.597	51.215
<b>Net Cash from Investing Activities (b)</b>	<b>-92.196</b>	<b>-81.450</b>	<b>19.621</b>	<b>27.457</b>
<b>Financing Activities</b>				
Cash inflows from Share Capital Increase/Share Premium deposits	29	7.566	29	6.756
Cash inflows from loans	232.240	74.427	0	0
Repayment of loans	-68.862	-56.438	0	-37.000
Repayment of Leasing Obligations	-3.475	-845	0	0
Dividends paid	-101.263	-112.440	-45.280	-53.399
<b>Net Cash from Financing Activities (c)</b>	<b>58.669</b>	<b>-87.730</b>	<b>-45.251</b>	<b>-83.643</b>
<b>Net increase / (decrease) in cash and cash equivalents for the year</b>				
<b>(a) + (b) + (c)</b>	<b>20.694</b>	<b>-183.149</b>	<b>-35.614</b>	<b>-184.398</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>284.753</b>	<b>467.902</b>	<b>57.618</b>	<b>242.016</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>305.447</b>	<b>284.753</b>	<b>22.004</b>	<b>57.618</b>

	GROUP		COMPANY	
	1/1-31/12/2008	1/1-31/12/2007	1/1-31/12/2008	1/1-31/12/2007
Sale Proceeds	1.077.330	835.493	198.077	176.036
Less: Cost of Sales	-817.421	-531.570	-162.023	-100.908
<b>Gross Profit / (Loss)</b>	<b>259.909</b>	<b>303.923</b>	<b>36.054</b>	<b>75.128</b>
Other Operating Income	15.667	26.267	70	155
Selling Expenses	-47.851	-33.769	-11.017	-7.763
Administrative Expenses	-74.220	-65.507	-14.497	-23.022
Research and Development Costs	-12.090	-9.687	-10.505	-9.560
Other Operating Expenses	-4.494	-1.364	0	0
<b>EBIT</b>	<b>136.921</b>	<b>219.863</b>	<b>105</b>	<b>34.938</b>
Interest and similar charges	-32.182	-30.540	-16.154	-16.348
Interest and related income	41.217	29.106	44.106	59.148
Exchange differences	-454	-9.924	592	1.158
<b>Operating Profit / (Loss) before tax</b>	<b>145.502</b>	<b>208.505</b>	<b>28.649</b>	<b>78.896</b>
Less taxes	-41.076	-43.820	-10.090	-16.213
<b>Operating Profit / (Loss) after tax</b>	<b>104.426</b>	<b>164.685</b>	<b>18.559</b>	<b>62.683</b>
Attributable to:				
Equity holders of the parent	50.147	112.301	18.559	62.683
Minority Interest	54.279	52.384	0	0
Earnings after taxes per share (in euro)	0	0	0	0
basic	0.3155	0.7124	0.1168	0.3974
diluted	0.3154	0.7122	0.1167	0.3975
proposed dividend per issued share (in euro)			0.2200	0.3300
<b>EBITDA</b>	<b>192.699</b>	<b>253.578</b>	<b>27.746</b>	<b>44.300</b>

**Supplementary information**

- The same accounting policies and methods of computation have been followed as compared with the previous year's annual consolidated financial statements (December 31, 2007).
- The companies included in the consolidation of 31/12/08 and not in the consolidation of 31/12/07 due to subsequent acquisition are the following: SLOVENSKIE LOTERIE AS, TORSYS SRO, INTRALOT DO BRAZIL LTDA, OLTP LTDA, INTRALOT SOUTH KOREA LTD, INTRALOT FINANCE UK PLC. INNOVATIVE SOLUTIONS CONSULTANCY GROUP CORPORATION is not consolidated this year, on the contrary to the previous one (with equity method), since it was sold.
- The Group's and the Company's provision that refer to legal issues amounts to € 4.4 mio. The Group's provisions amounts stated up to 31/12/08 that refer to unaudited tax periods amount to € 540 k and the rest € 27.4 mio to other provisions. Respectively the Company stated € 250 k for Provisions for unaudited tax periods and € 14.6 mio to other provisions.
- The personnel employed by the Company and the Group as at the end of the year 2008 were 567 and 4.706 respectively. As at the end of the year 2007, the personnel employed by the Company and the Group were 482 and 4.056 respectively.
- Companies that are included in 2008 are presented in note 13 in the annual financial report including locations, percentage Group ownership and consolidation method.
- The fiscal years that are unaudited by the tax authorities for the Parent Company and the Group's subsidiaries are presented in detail in note 28b in the annual financial report.
- The amounts of expense/income included directly in the Equity of the Group on 31/12/08 concern foreign exchange differences of € -33.5 mil., derivative valuation of € 676 thousand, amount of € -1 mil. concern effect on retained earnings from previous years equity adjustment of a subsidiary, while amount of € -1.2 mil. concern tax of the Parent Company and the Group that arose from reverse of accountable tax from income tax return, tax dividend and tax from distribution of nontaxable reserves.
- The respective figures for the Company amount to € -418 thousands that concern the valuation of derivatives and € 30 thousands, that concern reverse of accountable tax from the income tax return.
- Following the exercise of the share option during 2008, the share capital was increased by 5.888,40 € with the issue of 19.628 nominal shares at a nominal value of € 0.30 each. Payment of this amount was confirmed by the Board of Directors on 19/12/2008 while the share capital increase and confirmation of this amount were approved by decisions K2-15716/30-12-2008 and K2-15717/30-12-2008 of the Ministry of Development.
- The Board of Directors will propose in the Shareholders' General Assembly the amount of € 0.22 as dividend per share for the year 2008 (already issued preliminary dividend of € 0.11, remains to be distributed € 0.11).
- The amounts of income, expenses, accounts receivable and payable of the Company and the Group with related parties are analyzed as following:

Amounts reported in thousands of €	Group	Company
<b>a) Income</b>		
-from subsidiaries	0	113.216
-from associates	18.119	3.728
-from other related parties	10.785	8.225
<b>b) Expenses</b>		
-to subsidiaries	0	18.460
-to associates	5.642	0
-to other related parties	55.675	41.569
<b>c) Receivables</b>		
-from subsidiaries	0	155.025
-from associates	50.833	716
-from other related parties	28.798	13.322
<b>d) Payables</b>		
-to subsidiaries	0	10.967
-to associates	0	0
-to other related parties	13.427	2.503
<b>e) BoD and Key Management Personnel transactions and fees</b>	12.954	7.837
<b>f) BoD and Key Management Personnel receivables</b>	398	0
<b>g) BoD and Key Management Personnel payables</b>	1.108	0

Maroussi, March 30th, 2009

THE CHAIRMAN  
OF THE BOARD OF DIRECTORS

S. P. KOKKALIS  
ID. No Π 695792

THE VICE-CHAIRMAN OF  
THE BOARD OF DIRECTORS  
& CEO

C.G. ANTONOPOULOS  
ID. No. M 102737

THE GENERAL DIRECTOR OF FINANCE  
AND BUSINESS DEVELOPMENT

I. O. PANTOLEON  
ID. No. Σ 637090

THE ACCOUNTING DIRECTOR

E.N. LANARA  
ID. No. AB 606682  
H.E.C. License No. 133/A' Class