

INTRALOT S.A.
INTEGRATED LOTTERY SYSTEMS AND SERVICES
Notes and information of Group and Company for the period from 1 January 2005 until 31 December 2005
Public Companies (S.A.) Reg. No. 27074/06/B/92/9
amounts reported in thousands of €

All following data and information aim to provide a general briefing for the financial position and the results of INTRALOT Group. Therefore, it is recommended to any reader who is willing to proceed to any kind of investment decision or transaction, to visit INTRALOT web site (www.intralot.com) where the Interim Condensed Financial Statements, as they are prepared according to IFRS, are posted, accompanied with the Auditors Opinion, where it is necessary. The following Condensed Financial Statements have been approved by the Company's Board of Directors at 21 March 2006 and 7 April 2006.

Company's Name: INTRALOT S.A.
Public Companies (S.A.) Reg. No.: 27074/06/B/92/9
Domicile: Kifissias 64 & Premetis 3, Marousi.
Regulatory Authority: Ministry of Development
Date of incorporation: 31/07/1992
Core Activity: Integrated Lottery Systems and Services

Certified Auditor: Sotirios N. Filos
Auditing Firm: S.O.L. S.A.
Type of Auditor's Report: Unqualified - Emphasis of matters
Board of Directors: Chairman: Socrates P. Kokkalis
Vice Chairman and CEO: Constantinos G. Antonopoulos
Member: Andreas V. Papoulas
Member: Fotis Th. Mavroudis
Member: Dimitrios Ch. Klonis
Member: Dimitrios K. Hatzigrigoriadis
Member: Anastasios M. Tsoufis
Member: Petros S. Kokkalis

1. CONDENSED BALANCE SHEET GROUP / COMPANY

| | GROUP | | COMPANY | |
|---|----------------|----------------|----------------|----------------|
| | 31/12/2005 | 31/12/2004 | 31/12/2005 | 31/12/2004 |
| ASSETS | | | | |
| Tangible Assets | 156.562 | 127.464 | 90.259 | 84.006 |
| Inventories | 13.307 | 6.969 | 10.901 | 5.224 |
| Accounts Receivable | 98.088 | 18.234 | 90.266 | 63.906 |
| Other assets | 157.326 | 119.305 | 21.398 | 26.586 |
| TOTAL ASSETS | 425.283 | 271.972 | 212.824 | 179.722 |
| LIABILITIES | | | | |
| Long-term Debt | 47.962 | 27.194 | 5.575 | 434 |
| Debt | 21.097 | 10.563 | 10.000 | 0 |
| Other Short-term Liabilities | 154.985 | 103.517 | 77.627 | 74.787 |
| Total Liabilities (a) | 224.044 | 141.274 | 93.202 | 75.221 |
| Share Capital | 28.974 | 14.335 | 28.974 | 14.335 |
| Other Equity Components | 125.392 | 100.638 | 90.648 | 90.166 |
| Total Shareholders' Equity | 154.366 | 114.973 | 119.622 | 104.501 |
| Minority Interest | 46.873 | 15.725 | 0 | 0 |
| Total Equity (b) | 201.239 | 130.698 | 119.622 | 104.501 |
| TOTAL EQUITY AND LIABILITIES (A) + (B) | 425.283 | 271.972 | 212.824 | 179.722 |

3. CONDENSED STATEMENT OF CHANGES IN EQUITY GROUP / COMPANY

| | GROUP | | COMPANY | |
|--|----------------|----------------|----------------|----------------|
| | 31/12/2005 | 31/12/2004 | 31/12/2005 | 31/12/2004 |
| Net equity of period Opening Balance (1.01.2005 and 1.01.2004 respectively) | 132.280 | 95.288 | 111.639 | 94.176 |
| Adjustments in Equity as at 1.1.2005 | -1.581 | 0 | -7.138 | 0 |
| Issue of Share Capital | 207 | 3.326 | 207 | 774 |
| Dividends Distributed | -49.262 | -35.217 | -38.388 | -28.698 |
| Net Amounts Effected Directly Equity | 13.844 | 3.809 | -109 | -3.110 |
| Profit for the year after taxes | 104.128 | 63.492 | 51.788 | 41.359 |
| Purchases / (Sales) of own shares | 1.623 | 0 | 1.623 | 0 |
| Net Equity of period Closing Balance (31/12/2005 and 31/12/2004 respectively) | 201.239 | 130.698 | 119.622 | 104.501 |

Supplementary information

1. The companies included in the consolidation, with the relevant addresses and the relevant participation percentages are the following:

I. Full Consolidation

| COMPANY | BASE | PARTICIPATION PERCENTAGE | Subsidiary of the company: |
|--|--|--------------------------------------|--|
| INTRALOT SA | Maroussi | Parent | 1: Intralot Betting Operations (Cyprus) Ltd |
| BETTING COMPANY SA*** | N. Hiraklion | 100% | 2: Intralot Holdings International Ltd |
| INTRALOT DE CHILE SA* | Santiago, Chile | 99,99% | 3: Bilot EOOD |
| INTRALOT DE PERU SAC* | Lima, Peru | 99,98% | 4: Eurofootball Ltd |
| INTRALOT INC.* | Atlanta, USA | 85% | 5: Intralot International Ltd |
| INTRALOT BETTING OPERATIONS (CYPRUS) LTD* | Nicosia, Cyprus | 54,95% | 6: Pollot Sp.Zoo |
| ROYAL HIGHGATE LTD*** | Paralimni, Cyprus | 53,47% (& 2,19% directly) | 7: White Eagle Investments Ltd |
| POLLOT Sp.zoo* | Warsaw, Poland | 100% | 8: Instant Lottery SA |
| MALTCO LOTTERIES LTD* | Valetta, Malta | 73% | 9: Atropos SA |
| INTRALOT HOLDINGS INTERNATIONAL LTD* | Nicosia, Cyprus | 100% | 10: AEDIL SA |
| LOTROM SA** | Bucharest, Romania | 60% | 11: Betarial Sp.Zoo |
| YUGOLOFT LTD** | Belgrade, Serbia & Montenegro | 100% | 12: Uniclic Ltd |
| BILOT EOOD** | Sofia, Bulgaria | 100% | 13: Betting Company SA |
| EUROFOOTBALL LTD** | Sofia, Bulgaria | 49% | |
| EUROFOOTBALL PRINT LTD** | Sofia, Bulgaria | 100% | * Companies with direct participation |
| INTRALOT INTERNATIONAL LTD** | Nicosia, Cyprus | 100% | ** Companies with indirect participation |
| INTRALOT OPERATIONS LTD** | Nicosia, Cyprus | 100% | *** Companies with direct and indirect participation |
| INTRALOT BUSINESS DEVELOPMENT LTD** | Nicosia, Cyprus | 100% | |
| INTRALOT TECHNOLOGIES LTD** | Nicosia, Cyprus | 100% | |
| INTELTEK INTERNET AS* | Istanbul, Turkey | 45% | |
| LOTERIA MOLDOVEI SA* | Chisinau, Moldova | 47,90% | |
| TOTOLOTEK SA** | Warsaw, Poland | 54% | |
| WHITE EAGLE INVESTMENTS LTD** | Hertfordshire, United Kingdom | 100% | |
| BETA RIAL Sp.Zoo** | Warsaw, Poland | 100% | |
| YUVENGA CJSC** | Moscow, Russia | 49% | |
| UNICLIC LTD** | Nicosia, Cyprus | 50% | |
| DOWA LTD** | Nicosia, Cyprus | 60% | |
| INTRALOT NEW ZEALAND LTD* | Wellington, New Zealand | 100% | |
| BETTING CYPRUS LTD** | Nicosia, Cyprus | 100% | |

II. Equity Method

| | | |
|-------------------------------|-------------------------|---------------|
| 8. INSTANT LOTTERY SA* | Maroussi | 48,17% |
| 8,9. ATROPOS SA*** | Maroussi | 100% |
| 9. AEDIL SA** | Maroussi | 100% |
| 9,10. BEST NET Co** | Maroussi | 100% |
| LIBERO INTERAKTIF AS* | Istanbul, Turkey | 25% |

2. The same accounting policies and methods of computation have been followed as compared with the previous year's annual consolidated financial statements (December 31, 2004), except of the case which is mentioned in the note 13.

3. The companies that included in the consolidation of 31/12/2005 and not in the consolidation of 31/12/2004 are the following: INTELTEK INTERNET AS (effect at the cons. profit after taxes appr. 31%), TOTOLOTEK SA, WHITE EAGLE INVESTMENTS LTD, INSTANT LOTTERY SA, INTRALOT NEW ZEALAND LTD, LIBERO AS, UNICLIC LTD.

4. The company has not undergone tax authorities fiscal control for the last one to two years, while the rest companies that are included in the consolidation have not undergone tax authorities fiscal control for the last one to five fiscal years.

5. There are no real liens.

6. The Liabilities account "Other Short-term Liabilities" by Euro 20,9 approximately millions represents provision for contingent cost excess concerning betting games at pre-determined yield.

7. The company holds dominant influence in Loteria Moldovei Sa, and for that purpose Loteria Moldovei Sa is consolidated with the Full Consolidation Method. Also, Inteltek Internet AS is included in the consolidation with the Full Consolidation Method, since the Group holds dominant influence in the company's financing and operating activities, as well as in the determination of its internal procedures and also the Group has increased this investment. Furthermore the Group has access in the company's accounting books and other information.

8. The amounts of Sales and Purchases of the Company, to and from the related parties, accumulated from the opening balance of the period come up to the amount of € 99.201 thousands and € 20.506 thousands respectively. The amounts of Sales and Purchases of the Group, to and from the related parties, accumulated from the opening balance of the period come up to the amount of € 14.874 thousands and € 11.589 thousands respectively. The receivables and payables balances of the Company with related parties amount respectively to € 67.889 thousands and € 39.799 thousands. The receivables and payables balances of the Group with related parties amount respectively to € 27.261 thousands and € 38.415 thousands.

9. By decision of Arbitration Court awarded to the subsidiary company "BETTING COMPANY S.A." the payment of an indemnity of approximately MEUR 37 annually from 30/3/2001 (up to the starting date of a specific betting or the end of the contract) and KEUR 390 for arbitration fees and charges. By decision of the Appeal Court in Athens the aforementioned decision of the Arbitration Court was cancelled. Following the Athens Court of Appeal decision service to the company, an appeal filed before the Supreme Court for the reversal of the decision of the Appeal Court; by decision of the Supreme Court the appeal was rejected and the decision of the Appeal Court was upheld.

10. The personnel employed of the Company and the Group as at the end of the current period is 308 and 2.710 respectively. The personnel employed of the Company and Group as at the end of the previous period is 236 and 1.447 respectively.

2. CONDENSED INCOME STATEMENT GROUP / COMPANY

| | GROUP | | COMPANY | |
|---------------------------------------|----------------|----------------|----------------|----------------|
| | 1/1-31/12/2005 | 1/1-31/12/2004 | 1/1-31/12/2005 | 1/1-31/12/2004 |
| Sale Proceeds | 522.964 | 314.223 | 123.707 | 110.713 |
| Less: Cost of Sales | -296.762 | -175.144 | -44.109 | -36.234 |
| Gross Profit | 226.202 | 139.079 | 79.598 | 74.479 |
| Other Income | 2.384 | 1.599 | 826 | 73 |
| Selling Expenses | -30.579 | -13.647 | -5.056 | -3.619 |
| Administrative Costs | -36.575 | -27.274 | -11.401 | -5.999 |
| Research and Development Costs | -4.023 | -3.260 | -4.075 | -3.718 |
| Other Operating Expenses | -15.193 | 0 | 0 | 0 |
| Operating Profit | 142.216 | 96.497 | 59.892 | 61.216 |
| EBITDA | 160.010 | 105.119 | 65.629 | 63.201 |
| Interest and similar charges | -3.946 | -2.505 | -711 | -739 |
| Interest and related income | 7.834 | 1.116 | 13.003 | 911 |
| Exchange differences | 4.387 | 4.081 | 2.998 | -611 |
| Operating Profit before Tax | 150.491 | 99.189 | 75.182 | 60.777 |
| Less Taxes: | -46.363 | -35.697 | -23.394 | -19.418 |
| Net Profit | 104.128 | 63.492 | 51.788 | 41.359 |
| Attributable to: | | | | |
| Equity holders of the parent | 69.889 | 54.355 | 51.788 | 41.359 |
| Minority Interest | 34.239 | 9.137 | 0 | 0 |
| Earnings after taxes per share | | | | |
| basic (€) | 0,90 | 0,74 | 0,67 | 0,59 |
| diluted (in €) | 0,90 | 0,74 | 0,67 | 0,58 |

4. CONDENSED CASH FLOW STATEMENT COMPANY / GROUP

| | GROUP | | COMPANY | |
|--|----------------|----------------|----------------|----------------|
| | 1/1-31/12/2005 | 1/1-31/12/2004 | 1/1-31/12/2005 | 1/1-31/12/2004 |
| Operating Activities | | | | |
| Net Profit before Taxation | 150.491 | 99.189 | 75.182 | 60.777 |
| Plus /Less adjustments for: | | | | |
| Depreciation and Amortization | 17.794 | 8.622 | 5.737 | 1.985 |
| Provisions | 18.918 | -31.478 | 190 | 11 |
| Goodwill on acquisition of subsidiary | 0 | -418 | 0 | 0 |
| Results from Investing Activities | 462 | 1.202 | -420 | 117 |
| Exchange rate differences | 604 | 159 | 0 | 0 |
| | 188.269 | 77.276 | 80.689 | 62.890 |
| Debit Interest and similar expenses | 3.945 | 2.505 | 711 | 739 |
| Credit Interest | -7.834 | -1.116 | -13.003 | -911 |
| Plus/ Less adjustments of working capital to net cash or related to operating activities: | | | | |
| Increase/Decrease of Inventories | -5.542 | -3.533 | -5.677 | -4.072 |
| Increase/Decrease of Receivable Accounts | -45.817 | -26.786 | -25.629 | -23.745 |
| Increase/Decrease of Payable Accounts (except Banks) | -30.208 | 65.642 | 5.345 | 49.485 |
| (Less): | | | | |
| Cash generated from / (used in) Operations | 4.150 | 2.505 | 711 | 739 |
| Interest Paid and similar expenses paid | 35.681 | 33.083 | 24.804 | 25.819 |
| Income Tax Paid | | | | |
| Net Cash from Operating Activities (a) | 62.982 | 78.400 | 16.921 | 57.828 |
| Investing Activities | | | | |
| Purchases of subsidiaries, associates and other investments | -3.181 | -2.973 | -395 | -12.745 |
| Purchases of tangible and intangible assets | -22.773 | -53.210 | -13.231 | -32.369 |
| Proceeds from sales of tangible and intangible assets | 45 | 0 | 0 | 0 |
| Interest received | 7.808 | 1.293 | 13.003 | 911 |
| Dividends received | 0 | 0 | 0 | 0 |
| Increase of other long term receivables | 0 | -6.322 | 0 | 0 |
| Net Cash from Investing Activities (b) | -18.101 | -61.212 | -623 | -44.203 |
| Financing Activities | | | | |
| Shareholder's deposits | 207 | 774 | 207 | 774 |
| Cash inflows from minority interest shareholders | 0 | 2.552 | 0 | 0 |
| Cash inflows from loans | 28.353 | 18.305 | 15.000 | 0 |
| Repayment of Loans | -7.195 | -3.999 | 0 | 0 |
| Payments for leases | -1.877 | 0 | 0 | 0 |
| Payments from Share Capital Increase | 2 | 0 | 0 | 0 |
| Sales from Equity Dividends | 1.623 | 0 | 1.623 | 0 |
| Dividends paid | -49.262 | -35.217 | -38.318 | -28.698 |
| Net Cash from Financing Activities © | -28.147 | -17.585 | -21.488 | -27.924 |
| Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + © | 16.734 | -397 | -5.190 | -14.299 |
| Cash and cash equivalents at the beginning of the year | 135.261 | 119.702 | 26.586 | 40.884 |
| Exchange rate differences from the conversion of Cash Equivalents | 5.331 | 0 | 0 | 0 |
| Cash and cash equivalents at the end of the year | 157.326 | 119.305 | 21.398 | 26.585 |

11. Following the share option, during 2005, the share capital was increased by € 26.125,7 with the issue of 70.610 shares with a nominal value of € 0.37 each. Payment of this amount was confirmed by the Board of Directors on 05.01.05 while the share capital increase and confirmation of this amount were approved by decisions K2-16475/2-1-2006 and K2-16476/2-1-2006 of the Ministry of Development. According to the decision of shareholders' General Assembly on May 4th, 2005, the share capital (Ministry of Development Decision K2-5852/17-5-2005) was increased by € 14.383.411,45 through the capitalization of reserves with the issuance of 38.874.085 new ordinary shares of € 0,37 nominal value each, which were distributed freely, one new share for each existing one respectively. For comparison purposes, earnings per share (EPS) calculation as at December 31, 2004, has been adjusted respectively.

12. The BoD of the company, according to the Income Statement of the period 1.1.05-31.12.05, has taken the decision for the distribution of preliminary dividends 0,55 € per share. (Regarding the Balance Sheet and Income Statement has been published Auditor's Report- Unqualified)

13. The group acknowledges as income annualized during contract duration, the income that results from the equipment handed over to customers in those cases where these are part of the income resulting from games operation contracts. The effect of this adjustment in the previous period comes up for the cons. results and the equity to the amount of € 3,5 mil. and € 1,5 mil. respectively and the respective amounts regarding the parent company come up to € 4,1 mil. and € 7,1 mil. The text in quotes was added after the SEC as at 24/3/06 with the relevant suggestions, which was published after the publication of the Consolidated Financial Statements of the Company, after the approval of the Company's BoD as at 7/4/06.

«The effect of the adjustment at the published interim financial statements of the current period comes up, for the consolidated revenues and the equity, to the amounts of 6,6 and 8,2 mil € respectively as at 30/9/2005, to the amounts of 5,3 and 6,9 mil € respectively as at 30/6/2005, to the amounts of 3,4 and 5 mil € respectively as at 31/3/2005, while the respective amounts which concern the parent company come up to the amounts of 3,9 and 11 mil € respectively as at 30/9/05, to the amounts of 3,2 and 10,3 mil € respectively as at 30/6/05 and to the amounts of 1,6 and 8,8 mil € respectively as at the 31/3/05. The relevant, detailed report is taking place in the Comment 32 of the Financial Statements».

14. The sales of the local Group Companies are classified under Code 519.0 of economic activity (STAKOD 03) KEUR 4.025,87, Code 722.9 (STAKOD 03) KEUR 37.802,64 and Code 726.0 (STAKOD 03) KEUR 29.147,63 and Code 927.1 (STAKOD 03) KEUR 451.988,36. The sales of the company are classified under Code 519.0 of Economic Activity (STAKOD 03) KEUR 7.479,58 and Code 722.9 (STAKOD 03) KEUR 116.227,81

Maroussi, April 7th, 2006

THE CHAIRMAN OF THE BOARD OF DIRECTORS

THE VICE-CHAIRMAN OF THE BOARD OF DIRECTORS AND CEO

THE GENERAL DIRECTOR OF FINANCE AND BUSINESS DEVELOPMENT

THE ACCOUNTING DIRECTOR

S.P. KOKKALIS
ID. No. Π 695792

C.G. ANTONOPOULOS
ID. No. M 102737

I. O. PANTOLEON
ID. No. Σ 637990

E.N. LANARA
ID.No. A 682542
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