

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Notes and information of Group and Company for the period from 1 January 2006 until 30 June 2006
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 August 28, 2006.
Audit Company : SOL S.A Type of Auditor's Report: Unqualified - Emphasis of matters

1. CONDENSED BALANCE SHEET GROUP / COMPANY

	GROUP		COMPANY	
	30/06/2006	31/12/2005	30/06/2006	31/12/2005
ASSETS				
Tangible Assets	219.437	156.562	163.004	90.259
Inventories	18.872	13.307	14.761	10.901
Accounts Receivable	109.807	98.088	118.202	90.266
Other assets	189.824	157.326	27.831	21.398
TOTAL ASSETS	537.940	425.283	323.798	212.824
LIABILITIES				
Long-term Debt	153.377	47.962	99.145	5.575
Short-term Borrowing and Current Portion of L-T Debt	18.463	21.097	6.960	10.000
Other Short-term Liabilities	158.991	154.985	86.425	77.627
Total Liabilities (a)	330.831	224.044	192.530	93.202
Shareholders' Equity	143.917	154.366	131.268	119.622
Minority Interest	63.192	46.873	0	0
Total Equity (b)	207.109	201.239	131.268	119.622
TOTAL EQUITY AND LIABILITIES (A) + (B)	537.940	425.283	323.798	212.824

3. CONDENSED STATEMENT OF CHANGES IN EQUITY GROUP / COMPANY

	GROUP		COMPANY	
	30/06/2006	30/06/2005	30/06/2006	30/06/2005
Net equity of period Opening Balance (1.01.2006 and 1.01.2005 respectively)	201.239	132.280	119.622	111.639
Adjustments in Equity as at 01.01.2005	0	-1.581	0	-7.138
Dividends Distributed	-40.927	-36.204	-35.386	-30.345
Net Amounts Effected Directly Equity	-37.949	7.694	1.728	-357
Profit for the year after taxes	84.746	57.453	45.304	28.373
Net Equity of period Closing Balance (30/06/2006 and 30/06/2005 respectively)	207.109	159.642	131.268	102.172

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. Hirkalio	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% (& 3,24%)	7: White Eagle Investments Ltd
POLLOT Sp.zoo*	Warsow, Poland	100%	8: Instant Lottery SA
MALTO 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
YUGOLOT LTD**	Belgrade, Serbia& Montenegro	100%	12: Uunicic 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**	Warsow, Poland	54%	
WHITE EAGLE INVESTMENTS LTD**	Hertfordshire, United Kingdom	100%	
BETA RIAL Sp.Zoo**	Warsow, 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%	
INTRALOT EGYPT LTD**	Nicosia, Cyprus	88,24%	
YUGOBET LTD**	Belgrade, Serbia& Montenegro	100%	
II. Equity Method			
INSTANT LOTTERY SA*	Maroussi	48,17%	
ATROPOS SA***	Maroussi	100%	
AEDIL SA**	Maroussi	100%	
BEST NET Co**	Maroussi	100%	
BILYONER INTERAKTIF HIZMETLER AS* (Former LIBERO INTERAKTIF AS)	Istanbul, Turkey	25%	

2. CONDENSED INCOME STATEMENT GROUP / COMPANY

	GROUP		GROUP		COMPANY		COMPANY	
	01/01-30/06/2006	01/01-30/06/2005	01/04-30/06/2006	01/04-30/06/2005	01/01-30/06/2006	01/01-30/06/2005	01/04-30/06/2006	01/04-30/06/2005
Sale Proceeds	381.967	211.233	202.170	108.551	106.712	49.685	65.401	23.801
Less: Cost of Sales	-223.819	-110.258	-125.636	-54.796	-35.911	-18.215	-18.966	-7.450
Gross Profit	158.148	100.975	76.534	53.755	70.801	31.470	46.435	16.351
Other Income	1.116	1.888	-4.290	1.714	48	1.055	6	1.006
Selling Expenses	-20.598	-15.046	-12.915	-9.014	-4.041	-1.831	-2.193	-912
Administrative Costs	-20.785	-13.759	-11.427	-7.104	-6.682	-3.110	-3.756	-1.555
Research and Development Costs	-4.575	-1.796	-2.554	-911	-4.575	-1.847	-2.554	-911
Other Operating Expenses	-531	-561	387	-282	0	0	0	0
EBIT	112.775	71.701	45.735	38.158	55.551	25.737	37.938	13.979
EBITDA	122.716	78.978	50.928	42.908	59.087	27.248	39.739	14.723
Interest and similar charges	-6.854	-2.089	-1.879	-1.147	-2.436	-647	-930	-381
Interest and related income	8.703	3.829	4.894	2.206	10.638	13.263	10.440	13.098
Exchange differences	-551	6.112	-309	2.087	-1.182	2.273	-914	1.348
Operating Profit before Tax	114.073	79.553	48.441	41.303	62.571	40.626	46.534	28.044
Less Taxes:	-29.327	-22.100	-7.141	-15.514	-17.267	-12.253	-11.061	-6.532
Net Profit	84.746	57.453	41.300	25.789	45.304	28.373	35.473	21.512
Attributable to:								
Equity holders of the parent	55.238	36.557	31.273	18.299	45.304	28.373	35.473	21.512
Minority Interest	29.508	20.896	10.027	7.490	0	0	0	0
Earnings after taxes per share								
basic (€)	0.71	0.47	0.40	0.23	0.58	0.37	0.45	0.28
diluted (in €)	0.71	0.47	0.40	0.23	0.58	0.37	0.45	0.28

4. CONDENSED CASH FLOW STATEMENT COMPANY / GROUP

	GROUP		COMPANY	
	1/1-30/06/2006	1/1-30/06/2005	1/1-30/06/2006	1/1-30/06/2005
Operating Activities				
Net Profit before Taxation	114.073	79.553	62.571	40.626
Plus /Less adjustments for:				
Depreciation and Amortization	9.941	7.277	3.535	1.511
Provisions	15.899	-104	70	-18
Profit from sales of tangible and intangible assets	0	-21	0	-40
Results from Investing Activities	4.410	0	938	0
144.323	86.705	67.114	42.079	
Debit Interest and similar expenses	6.854	2.089	2.436	647
Credit Interest	-8.703	-3.829	-10.638	-13.263
Plus/ Less adjustments of working capital to net cash or related to operating activities:				
Increase/Decrease of Inventories	-5.565	-17.530	-3.859	-6.010
Increase/Decrease of Receivable Accounts	-11.786	-41.167	-27.179	-2.697
Increase/Decrease of Payable Accounts (except Banks)	-17.955	-9.203	-2.819	-12.897
(Less):				
Interest Paid and similar expenses paid	6.855	2.246	2.436	647
Income Tax Paid	29.301	8.884	5.887	6.240
Net Cash from Operating Activities (a)	71.012	5.935	16.732	972
Investing Activities				
Purchases of subsidiaries, associates and other investments	-72.586	-3.686	-73.248	-168
Purchases of tangible and intangible assets	-24.360	-8.520	-2.763	-3.953
Proceeds from sales of tangible and intangible assets	49	84	0	69
Interest received	8.877	3.825	10.638	438
Dividends received	0	0	0	12.825
Net Cash from Investing Activities (b)	-88.020	-8.297	-65.373	9.211
Financing Activities				
Cash inflows from loans	107.819	10.355	90.459	5.000
Repayment of Loans	-3.897	-3.988	0	0
Dividends paid	-40.927	-36.204	-35.385	-30.345
Net Cash from Financing Activities (c)	62.995	-29.837	55.074	-25.345
Net increase / (decrease) in cash and cash equivalents for the Cash and cash equivalents at the beginning of the year	45.987	-32.199	6.433	-15.163
157.326	134.977	21.398	26.586	
Exchange rate differences from the conversion of Cash Equivalents	-13.489	4.210	0	0
Cash and cash equivalents at the end of the year	143.837	106.988	27.831	11.423

9. There are no legal issues with material effect on the financial position of the Group.

10. The personnel employed of the Company and the Group as at the end of the current period is 369 and 2.902 respectively.

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 19.12.05 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.

12. 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 the adjustment between the comparatives of the previous period in relation with the relevant amounts that were published at 30/06/2005 comes up, for the consolidated revenues and the equity, to the amounts of 5.3 and 6.9 mil € respectively, while the respective amounts which concern the parent company come up to the amounts of 3.2 and 10.3 mil € respectively.

Maroussi, August 28, 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
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