INTRALOT Group

ANNUAL FINANCIAL REPORT

(based on article 4 of L.3556/2007)

FOR THE YEAR ENDED 31 DECEMBER 2014

IN ACCORDANCE WITH

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

CONTENTS OF ANNUAL FINANCIAL REPORT

Representation of the Members of the Board of Directors
(according to article 4 par. 2 of L.3556/2007)

The

1. Socrates P. Kokkalis, Chairman of the Board of Directors
2. Antonios I. Kerastaris, Group CEO
3. Sotirios N. Filos , Member of the Board of Directors

CERTIFY THAT

As far as we know:

a. The enclosed financial statements of the company "INTRALOT S.A" for the year 1st January 2014 to 31st December 2014, drawn up in accordance with the applicable accounting standards, reflect in true manner the assets and liabilities, equity and results of the Company and the companies included in the consolidated financial statements taken as a total.

b. The attached Board of Directors' annual report truly presents the course, the performance and the position of the Company and the companies included in the consolidated financial statements taken as a total, including the description of the most important risks and uncertainties they are facing.

c. The attached Financial Statements are those approved by the Board of Directors of "INTRALOT S.A." at 30th March 2015 and have been published to the electronic address www.intralot.com.

Maroussi, 30th March 2015

The designees

Socrates P. Kokkalis	Antonios I. Kerastaris	Sotirios N. Filos
Chairman of the Board of Directors	Group CEO	Member of the Board

REPORT OF THE BOARD OF DIRECTORS-INTRALOT GROUP TO THE ANNUAL GENERAL ASEMBLY OF THE SHAREHOLDERS FOR THE FISCAL YEAR 01/01/2014-31/12/2014

Dear Shareholders,

INTRALOT is the leading company of the gaming sector worldwide and the largest Greek multinational company with presence in 57 jurisdictions on all 5 continents and over 5.500 employees. INTRALOT's evolution is undoubtedly a Greek and an international success story. In 22 years, the Company managed to climb to the top and become one of the 3 major players of the gaming sector globally.

In the beginning of 2014, INTRALOT announced a new organizational structure, created in response to its growing global footprint, the need to better serve customers, satisfy their fast evolving needs, as well as to optimize its operations, to enhance the offering of top-quality and innovative products and services, and to increase shareholder value. The new organization was the outcome of a thorough strategic and organization study conducted in collaboration with the global management consultants The Boston Consulting Group.

The major divisions of the new organizational structure of the Company are: Products & Services, Global Operations & Sales and Technology. The appointment of Mr. Antonios Kerastaris as Group CEO, that possesses multiyear experience in similar positions, signals the beginning of a new era for the company.

The gaming sector is undergoing rapid regulatory and technological changes with large scale mergers and acquisitions and the final consumer being the center of attention. In this environment INTRALOT has embarked on a process of change that sets the basis for even larger future success with a new Group strategy, defined by three main pillars:

The first is to further expand and strengthen the Company's product offering. INTRALOT's strategy focuses on the final consumer, the player, whose needs and preferences are the key to success. The company invests in Customer Relationship Management (CRM), as the basis for the design of more competitive products. In this direction, the Company recently announced its strategic partnership with the company Bit8.

The second pillar is the company's transition from technology provider (B2B) to the B2C operations. This constitutes a shift from the traditional B2B business to end consumer and B2C operations, a business segment that the Group has systematically developed in recent years.

The third major pillar is the focus on operations. The Company is implementing organizational changes aiming at streamlining projects on all 5 continents as well as makes a cultural shift, further strengthening the management of the Group's subsidiaries globally.

Concerning the major business developments in 2014, in the U.S. INTRALOT was selected by the Wyoming Lottery to provide systems and services to the newly-formed lottery of the State. In Georgia the Company signed a contract for a central monitoring system and related products and services with the Georgia Lottery, while in Ohio it amended its contract with the Ohio Lottery in order to provide its Multi-Purpose

Next Generation (MPNG) self-service Lottery machines that will be manufactured in Mason, Ohio. INTRALOT also signed extensions of its contracts with the lotteries in New Mexico for three years, in New Hampshire for four years and in Washington DCLB for five years.

In Australia, INTRALOT announced the sale of its lottery license assets in Victoria Australia, where the Company did not have a satisfactory presence after it was "unequally treated" in the awarding process. INTRALOT will continue to operate in Australia and will focus on the successful monitoring operation of VLTs in Victoria, the recently awarded Pre-commitment (Responsible Gaming) VLT project in the same state, as well as with the technological support of Lotterywest in Western Australia, a contract that was extended in 2014 for three years.

In Asia, INTRALOT signed an extension of its Agreement with Magnum Corporation Sdn. Berhad, the leading gaming company in Malaysia, for a further seven years with an option of extending it for another two years.

In Europe, INTRALOT was selected by Premier Lotteries Ireland Limited (PLI), as its technology provider for the supply of the new lottery software and terminals in Ireland. In Croatia, INTRALOT announced the extension of its agreement with the Croatian State Lottery, while in Greece the Company signed a technology contract with OPAP S.A.

Regarding the Group's financial results in 2014, revenues increased by 20,4% to €1.853,2 mil. from €1.539,4 mil. in 2013. EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) decreased by 10,0%, reaching €175,5 mil. from €194,9 mil in 2013. Earnings before taxes decreased by 31,9% to €36,5 mil. from €53,6 mil in 2013, while losses after taxes and after minorities were shaped to €49,5 mil. from losses of €4,6 mil. in 2013. Concerning Parent company results, revenues were €85,7 mil. in 2014, while losses after taxes were €11,0 mil.

Moreover, in May 2014 INTRALOT completed the issuance of its 7 year, €250 mil. Bond, while in the following month it signed a €200 mil. Syndicated Loan Facility that replaced a previous syndicated loan of €230 mil. The successful conclusion of the above loans confirms the support of the banks towards our strategy and business outlook and provides INTRALOT with a diverse, flexible and long-term funding structure.

PERFORMANCE OF OUR MAIN MARKETS

In Italy, our subsidiary INTRALOT Italia in 2014 managed to improve significantly its sales in 2014, while it remained the largest non-Italian sports betting company in the country. This is mainly attributed to the company's strategy, built around product enhancement, customer satisfaction and network optimization. During 2014 the gaming portfolio of Intralot Italia was enriched with the operation of virtual games, the launch of SportsMobile, a new mobile and tablet sports betting proposition and the redesign of its Live Betting offering so as to offer players multiple betting opportunities. In the area of gaming machines, our subsidiary INTRALOT Gaming Machines managed to strengthen its presence in the AWP and VLT market, by further increasing the number of operating machines.

In Malta, our subsidiary MALTCO Lotteries, due to the positive effect of the FIFA World Cup on sports betting sales, registered a significant increase in revenue during 2014, which was also driven by the effective aggregation of the value and frequency of jackpots in numerical games, as compared to 2013. Further, MALTCO holds the license to manage all National Lottery games in Malta.

In Turkey, Inteltek succeeded in increasing its revenue stream, even in Euro, despite the depreciation of the Turkish Lira. The primary explanation of this increase during 2014 is the fact that the Turkish sports betting market is still in a growing phase. Revenue growth was also assisted by an enlarged number of matches, which prompted Inteltek to improve the effectiveness and efficiency of the agents' network.

In Jamaica, our subsidiary Supreme Ventures Limited (SVL) manages video lottery gaming lounges, holds the leading position in sports betting and is the only company offering numerical games in the country. The introduction of two new numerical games (Top Draw & Money Time) along with the FIFA World Cup have led to an increase in sales in 2014 as compared to 2013. Further, in 2014 the license regarding the whole range of Lottery games was extended until 2033.

In Azerbaijan, where INTRALOT owns a strategic stake in Azerinteltek, sales in 2014 have proved much better than those of 2013 because of the under-penetrated gaming market in the country. The company's revenue growth was also supported by the increased number of operating terminals, both in sports betting games and in dog racing, as well as by the full year effect in 2014 of the facility management services provided in the numerical games.

In Morocco, Intralot Maroc is a key player in the local gaming market by providing supporting services to the two major Moroccan lotteries, which cover a wide product range including sports betting, numerical games, instant tickets and Internet. Despite the non-friendly social environment for gaming in which it operates, INTRALOT's subsidiary managed to increase its turnover in 2014 compared to 2013 by enhancing the agents' network efficiency and due to the effect of its successful marketing campaigns throughout the year.

In Bulgaria, the sports betting revenues of the subsidiary Eurofootball in 2014 were significantly improved despite the intense competition from the illegal internet betting. The increase is attributed to the effect of the FIFA World Cup and to lower gaming taxation, in effect as of February 2014, which enabled the company to increase its payout and thus to offer a more attractive product in the market.

In Peru, Intralot de Peru offers a wide product portfolio and has a dominant position in the lottery market of the country. In 2014, sales have largely increased, as a result of the boosted revenues from the sports betting game that is in the growing phase. Due to low penetration, the Peruvian gaming market still offers great opportunities that the company will attempt to capture in order to further expand in the next years.

In Argentina, the subsidiary Tecno Accion is one of the leading gaming technology companies, with contracts in 11 out of the 23 Provincial Lotteries in Argentina and a contract with the Palermo Hippodrome. Despite the unstable macroeconomic situation and the continuously rising inflation, Tecno Accion's revenues have largely increased in 2014, as it annualized the benefit of entering in the Operation side of the Lottery business, by acquiring the exclusive license to operate lottery games in Salta province as of late November 2013.

In the U.S. the company has projects in twelve states. The revenues from the facilities management of lotteries substantially increased in 2014 due to the supply of lottery equipment under two new awarded contracts, one for the provision of self-service lottery terminals (MPNG) in Ohio and one for a VLT monitoring system in Georgia. Furthermore, in September 2014 INTRALOT successfully launched operations within its newly awarded contract in the State of Wyoming. The U.S. lottery market is a mature market and every year revenue deviations are small and are mainly driven by the frequency and the size of jackpots. Year 2014, trended off 2013 jackpot records, while instant games continued to grow.

NEW PROJECTS / SIGNIFICANT DEVELOPMENTS

In January 2014, INTRALOT announced its new organizational structure that contains, among others, the formation of an Executive Committee, who will report directly to the Group CEO, Mr. Constantinos Antonopoulos. The new structure of the organization reflects the growing global footprint of INTRALOT, the need to better serve the customers, satisfy their fast evolving needs, optimize its operations, enhance the offering of top-quality and innovative products and services, and increase shareholder value. The new organization was the outcome of a thorough strategic and organization study conducted in collaboration with the global management consultants The Boston Consulting Group - BCG. The company will be organized around three distinct divisions - Products & Services, Global Operations & Sales and Technology.
The new management Executive Committee members, following the organizational changes that took place in November 2014 and in January 2015, are the following:

• Mr. Antonios Kerastaris was appointed Group Chief Executive Officer
• Mr. Socrates S. Kokkalis was appointed Group Deputy Chief Executive Officer, undertaking also in the interim the duties of the Group Chief Products & Services Officer
• Mr. Nikos Nikolakopoulos was appointed Group Chief Operating Officer
• Mr. Konstantinos Farris was appointed Group Chief Technology Officer
• Mr. Athanasios Chronas was appointed Group Chief Legal & Compliance Counsel

In February 2014, after a smooth conversion to INTRALOT's systems and six years of successful operations in New Mexico, INTRALOT USA was awarded an extension of its contract by the New Mexico Lottery Board for the provision of the on-line Lottery Gaming System and related products and services. The new amendment extends the current seven (7) year contract, for three (3) additional years from 2015 until 2018.

In February 2014, INTRALOT S.A. announced the extension of its agreement with Hrvatska Lutrija d.o.o, the Croatian State Lottery, for the supply and maintenance of an extensive portfolio of interactive instant and scratch games, following a public procurement procedure. The extension contract will have a duration of one (1) year and may be re-extended for consecutive one-year periods.

In March 2014 INTRALOT was selected by Premier Lotteries Ireland Limited (PLI), as its technology provider for the supply, set up, maintenance and support of new lottery software platforms and terminals in Ireland. Premier Lotteries Ireland is a company that has been awarded a 20 year licence to operate the Irish National Lottery that recorded revenues of €735mil in 2012. Within the framework of the 10-year contract, INTRALOT provides its state-of-the-art LOTOS™ O/S On-line Gaming Computer System for the operation and administration of Lottery and instant games over the retail POS network, as well as the Internet and mobile channels. The technology suite also includes INTRALOT's CRM solution and LOTOS™ Horizon content management software platform. In addition, INTRALOT supplies PLI with more than 4,000 of its sophisticated Photon terminals that are based on INTRALOT's cutting-edge Icon Digital Imaging Technology. Aiming to offer the most efficient on-site support, INTRALOT has set-up INTRALOT Ireland that is responsible for the implementation and configuration of these platforms, simultaneously offering a combination of high quality maintenance, support and repair services for the delivered software and terminals, as well as on-going consultancy services for the complete project term. Additional options from INTRALOT's product portfolio have also been made available to Premier Lotteries Ireland for the duration of the contract.

In March 2014, INTRALOT Inc., INTRALOT's subsidiary in USA, was selected by the Wyoming Lottery Corporation as its gaming vendor to provide systems and services for the newly-formed WyoLotto™, the State's first entry into the Lottery business. INTRALOT provided the start-up and on-going services, including the recruitment of Lottery retailers, the supply, installation, maintenance and support of the new lottery Central System and software platforms, terminal network and communications. The Lottery released a Request for Proposal for Lottery Operations and Services on Dec. 3, 2013. The largest three vendors in the industry submitted proposals and after a thorough review and fair scoring of each proposal, the Wyoming Lottery awarded the contract to INTRALOT, which scored the highest points. The youngest U.S. lottery commenced successfully operations in August 24, 2014.

In April 2014, INTRALOT Inc., Intralot's subsidiary in USA, announced an amendment to its contract with the Ohio Lottery. INTRALOT provides its Multi-Purpose Next Generation (MPNG) self-service Lottery machines that empower players to have an incredible interactive player experience with EZPLAY® Tap Games™, an extension of the lottery's already successful instant online EZPLAY® product line. The MPNG Player Activated Vending Machines are manufactured in INTRALOT's facilities in Mason, Ohio. The MPNG was connected to INTRALOT's B-On® system, the company's Interactive Gaming Platform. The B-On® system is a state-of-the-art, innovative, robust and high performance solution that meets the growing demands of the gaming industry and enables the expansion of sales and services across many traditional and alternative sales channels.

In April 2014, INTRALOT announced that, during the Extraordinary General Meeting of the Shareholders of the Company dated 10 April 2014, a new Board of Directors of the Company having a term of five years was elected and its independent members were nominated.

The new Board of Directors is consisted by:

1. Socrates KOKKALIS son of Petros,
2. Constantinos ANTONOPOULOS son of Georgios,
3. Konstantinos KOKKALIS son of Socrates,

4. Dimitrios KLONIS son of Christos,
5. Petros SOURETIS son of Constantinos,
6. Nikolaos Leon PAPAPOLITIS son of Ioannis,
7. Sotirios FILOS son of Nikolaos,
8. Anastasios TSOUFIS son of Miltiadis, and
9. Ioannis TSOUKARIDIS son of Petros.

Independent members of the Board of Directors were nominated Messrs:

1. Sotirios Filos son of Nikolaos,
2. Anastasios Tsoufis son of Miltiadis, and
3. Ioannis Tsoukaridis son of Petros.

A new three-member Audit and Compliance Committee was also elected, pursuant to article 37 by the L.3693/2008, that will be constituted by the above independent non-executive members of the Board of Directors Messrs Sotirios Filos, Anastasios Tsoufis and Ioannis Tsoukaridis.

The Board of Directors during its session dated April 10th, 2014 has been formed into a Body and appointed its executive and non-executive members, as follows:

1. Socrates KOKKALIS son of Petros, Chairman of the BoD, executive member,
2. Constantinos ANTONOPOULOS son of Georgios, Vice- Chairman of the BoD and CEO, executive member,
3. Konstantinos KOKKALIS son of Socrates, non-executive member
4. Dimitrios KLONIS son of Christos, non-executive member
5. Petros SOURETIS son of Constantinos, non-executive member
6. Nikolaos Leon PAPAPOLITIS son of Ioannis, non-executive member
7. Sotirios FILOS son of Nikolaos, independent non-executive member
8. Anastasios TSOUFIS son of Miltiadis, independent non-executive member
9. Ioannis TSOUKARIDIS son of Petros, independent non-executive member

In May 2014, Intralot Capital Luxembourg SA successfully completed the process of issuing Bonds (Senior Unsecured Notes) maturing in 2021. The initial offering of €200 million was substantially oversubscribed and upsized to €250 million. The Notes were offered at an issue price of 99,294% and the Notes' coupon was set at 6%.

In June 2014, INTRALOT announced that it signed an IT contract with OPAP S.A. The company undertook the implementation of the new Data Centers, the provision of hardware and system software, as well as services for the operation, maintenance, technical support and system evolution. The new contract is valid retrospectively as of 1/4/2014 and will expire on 31/7/2018. The contract includes the provision of the use of the hardware and system software of Data Centers, the migration of all existing data and functionalities to the new Central System and upgrade LOTOS O/S to Enhanced LOTOS O/S, the granting of the licenses to use its software and, in particular, for the iFLEX Sports Betting Platform, the Data Warehouse System and the Loyalty Program Players' Club. Moreover, INTRALOT provides support services, including the maintenance of the Data Centers, as well as the on site maintenance of Points of Sale equipment, Support

Center Services, Data Center Business Operation Support Services and the Continuous Development Services of the Application Software, among others. INTRALOT also provides OPAP S.A. with equipment for a new Central System.

In June 2014, INTRALOT Inc., INTRALOT's subsidiary in USA, announced an amendment to its contract with the New Hampshire Lottery Commission. INTRALOT will continue to provide the Lottery with its Lottery Gaming System ("System") for the operation of terminal based games; the management of instant games and associated gaming products, the support of the retailer network and other support services including marketing. In addition, under the terms of the amendment, INTRALOT has received the available 4-year extension of its original contract dated July 1, 2010. The extension will commence on July 1, 2016 and go through June 30, 2020. The amendment also effectuates the implementation of certain equipment exchange options and certain Offered Options pursuant to the original contract.

In June 2014, INTRALOT announced the signing of a 3-year, €200 million Syndicated Loan Facility (with a one-year extension option) out of its subsidiary INTRALOT Finance UK plc. The Facility replaced the existing syndicated loan which has been fully redeemed and was due to mature in December 2014.

In July 2014, INTRALOT Inc., INTRALOT's subsidiary in USA, announced that it signed a contract for a Central Monitoring and Accounting System and related products and services with the Georgia Lottery Corporation. INTRALOT is pleased to provide to the Georgia Lottery start-up services and operation of its iGEM™ Central Monitoring and Accounting System including the associated central site equipment, site controllers for the location venues, wide area communications that are needed to connect the site controllers to the central system, as well as reporting, training, staffing and other support services as required by the contract. The Georgia Lottery Corporation Board of Directors awarded the contract to INTRALOT at a special meeting on June 12, 2014. The initial period of contract commenced on January 1, 2015 and will run through December 31, 2022. The contract may be extended for three additional one-year extensions. In total, around 6,000 locations and over 26,000 amusement machines will be monitored through INTRALOT's iGEM™ Central Monitoring System.

In July 2014, INTRALOT signed an extension of its Agreement with Magnum Corporation Sdn. Berhad, the leading gaming company in Malaysia, for a further seven (7) years with an option of extending it for another two (2) years. The agreement concerns the procurement, installation and support of an advanced, integrated lottery system to support up to 2,450 gaming terminals, INTRALOT's core operating system LOTOS™ O/S, and an On-line Gaming Computer System, including both the games software and its state-of-the-art new generation of Photon terminals. In addition to the central system, INTRALOT also provides service functions, such as customer and marketing support, and all the necessary services for the operation and maintenance of the Central System during the seven (7) years of the extended agreement. The commercial operation of the project is estimated to start in mid 2015.

In July 2014, INTRALOT Group's subsidiary in Australia, INTRALOT Australia Pty Ltd., announced that it signed an amendment of its contract with the Lotteries Commission of Western Australia (Lotterywest) for three (3) additional years with the option of two one-year additional extensions, and will continue to provide technology and related services to Lotterywest through 2019. The amendment of the contract includes the upgrade of INTRALOT's flagship Central System, LOTOS O/S™, and the provision of the new version of its interactive platform, B-On as well as the Horizon interactive multimedia platform. Lotterywest as part of a significant project to redesign not only the technology for its retailers but also to create a new retail image which is currently under development will deploy INTRALOT's state-of-the-art retailers' terminals, Photon and Genion, and its next-generation self-service device, Gablet. INTRALOT will also provide Lotterywest with its newly launched interactive solution, the Mobile Lottery, a patent pending, independent end-to-end solution developed for native iOS and android, mobile and tablet devices. The Mobile Lottery will elevate the gaming experience to new levels of interaction and social engagement by allowing participation in all games through an innovative mobile app-anytime, anywhere.

In July 2014, INTRALOT Inc., INTRALOT's subsidiary in USA, announced an amendment that extends its contract, pursuant to the terms of the existing contract, with the District of Columbia. The extension provides that INTRALOT will continue to offer the DC Lottery and Charitable Games Control Board (DCLB) INTRALOT's LOTOS™ O/S On-line Gaming and Instant Ticket Management Computer System. This includes its state-of-the-art terminals, peripheral devices and a communications network that links retailer terminals across the district to the central system. Incorporated into this package are additional services, such as marketing support, hotline, maintenance and repair as well as field operations. Under the terms of the amendment, INTRALOT has received all five (5) of the available 1-year extensions of its original contract dated March 30, 2010. The extensions commenced on March 30, 2015 and go through March 29, 2020.

In October 2014, following the approval from the Victorian Government in Australia, INTRALOT Australia announced the sale of its Category 2 lottery license assets in Victoria (operated also in Tasmania), Australia, to the Tatts Group, which currently holds the Category 1 Public lottery license, the primary license in the region. The transaction brings Victoria back to a monopoly status quo. Proceeds related to the transaction, including upfront fees, ongoing payments and cost savings, are estimated to reach up to $20 mil. AUD. The Victorian lottery operation represented less than 2% of the Group's revenues in the first semester of 2014. Mr. Peter Sidwell, Executive Chairman of INTRALOT Australia, stated: "We have opted for a solution which is to the benefit of our retailers and, of course, we will expedite a smooth transition to the new operator. As represented in other forums, INTRALOT's ability to fully exploit the Category 2 license was materially affected by events linked to the license issuance." The Gambling Licensing Review Panel found that INTRALOT Australia was "unequally treated" during the process that resulted in the awarding of its license, but no corrective measures were taken by the Government. For this purpose INTRALOT Australia is actively pursuing legal remedies before Court. INTRALOT will continue to operate and focus on the very successful monitoring operation of 27,000 VLTs in Victoria, the recently awarded Pre-commitment (Responsible Gaming) project in the same state, its successful recently updated partnership with

Lotterywest in Western Australia and the new opportunities that will arise in the other jurisdictions of Australia and the wider region of Oceania.

In November 2014, due to the resignation of Mr. Nikolaos Leon Papapolitis son of Ioannis - non-executive member of INTRALOT's BoD – the Board of Directors during its session dated 17.11.2014 elected as a new executive member of the Board of Directors Mr. Kerastaris Antonios, son of Ioannis. Also, INTRALOT announced the retirement of Constantinos Antonopoulos from the position of the Group CEO, effective November 17, 2014, while he remains Vice-Chairman of the Board of Directors. Mr. Antonis Kerastaris, with a long and successful cooperation with the INTRACOM Group as CEO of hellas online, was appointed Group CEO of INTRALOT. INTRALOT following the above announcements notified the new Board of Directors of the Company:

1. Socrates Kokkalis son of Petros,
2. Constantinos Antonopoulos son of Georgios,
3. Antonios Kerastaris son of Ioannis,
4. Konstantinos Kokkalis son of Socrates,
5. Dimitrios Klonis son of Christos,
6. Petros Souretis son of Constantinos,
7. Sotirios Filos son of Nikolaos,
8. Anastasios Tsoufis son of Miltiadis, and
9. Ioannis Tsoukaridis son of Petros.

The Board of Directors during its session dated November 17th, 2014 has been formed into a Body and appointed its executive and non-executive members, as follows:

1. Socrates Kokkalis son of Petros, Chairman of the BoD, executive member,
2. Constantinos Antonopoulos son of Georgios, Vice- Chairman of the BoD, non-executive member,
3. Antonios Kerastaris son of Ioannis, Group CEO, executive member,
4. Konstantinos Kokkalis son of Socrates, non-executive member,
5. Dimitrios Klonis son of Christos, non-executive member,
6. Petros Souretis son of Constantinos, non-executive member,
7. Sotirios Filos son of Nikolaos, independent non-executive member,
8. Anastasios Tsoufis son of Miltiadis, independent non-executive member, and
9. Ioannis Tsoukaridis son of Petros, independent non-executive member.

SIGNIFICANT EVENTS AFTER THE END OF FY 2014 - UNTIL THE DATE OF FINANCIAL STATEMENTS RELEASE

In February 2015, during ICE 2015, the largest trade exhibition in the gaming sector worldwide, INTRALOT Group announced at a press conference held in London that it has reached an in principle commercial and strategic partnership agreement with Bit8, a Malta-based gaming platform solutions company. Bit8 has developed a cutting-edge online gaming platform based on proprietary artificial intelligence technology.

Thanks to its functionality, modularity, scalability and flexibility, Bit8's platform has gained widespread commercial success, with its customers including some of the top online casinos internationally. Bit8's platform is an all-inclusive sportsbook and casino platform that includes functionalities such as Player Account Management (PAM), eWallet, real-time analytical tools, automated rules and a bonus engine that works with little need for human interaction, resulting in lower promotional and labour costs, solving a long term issue for the gaming industry. The agreement stipulates an exclusive, joint development and marketing approach in the international online platform market and the acquisition of a significant minority stake in the company. The consummation of the transaction is subject to customary closing requirements such as due diligence and appropriate regulatory approvals.

Regarding the company's syndicated loan facility of €200 mil., in early March 2015 the Group secured from the creditors an amendment of the Interest Cover covenant of the facility documentation along with a waiver for any potential shortfall of the said financial covenant for the reference period 31/12/2014. Following IAS 1 requirements, outstanding amounts under the financing as at 31/12/2014 are reclassified as current and will be classified back to long-term with the release of the Group's financial statements for the first quarter of 2015.

In March 2015, INTRALOT obtained a 10-year exclusive license in Azerbaijan to offer horse racing games, in addition to the sports betting and greyhound game licenses that holds in the country. Moreover, the existing exclusive sports betting license was extended by an additional five years, up to 2025.

In March 2015, INTRALOT extended its facilities management and marketing services contracts for all games (including numerical, instants, sports betting and Internet) offered in Morocco for two additional years, up to August 2017.

RESEARCH AND DEVELOPMENT

INTRALOT invests continuously in Research and Development of innovative solutions, based on novel product design and development as well as on existing products evolution. As a result, INTRALOT's customers constantly leverage the benefits of leading-edge technology. A main principle of our corporate philosophy that retains us to our leading position regards focus and passion on designing and developing innovative and effective solutions.

INTRALOT Group for the ninth consecutive year was ranked amongst the top 1,000 European organizations of the '2014 EU Industrial Research & Development Investment Scoreboard' prepared and published by the European Commission. Committed to a strategy with constant focus on Innovation, INTRALOT is the 589th most significant R&D investor in Europe. INTRALOT was also classified 33rd at the "Technology Hardware & Equipment" industrial sector list of the Scoreboard. The R&D Scoreboard measured the total value of INTRALOT's global R&D investment financed with its own funds, irrespective of the location where the relevant R&D took place.

Through its dedicated Innovation Lab (i-Lab), INTRALOT provides all the necessary tools for enabling innovation, from ideation to exploration, research, development and exploitation, creating an environment in which innovative ideas can be conceived, validated and turned into state of the art solutions. In 2014

INTRALOT adopted proven, advanced R&D methodologies and best practices, in all system designs and implementations. R&D activities support the LOTOS O/S platform evolution (central system, terminals and telecommunications) and offer innovative solutions in sectors such as business intelligence, financial and business data management, information security, fraud detection, electronic system and casino monitoring, betting risk management, interactive gaming, subscription services, internet sales channels & media (PCs, mobile handhelds and tablets, interactive TV, social networks) and value-added services (trade transactions, news services, etc).

The 2014 version of B-On®, the company's interactive gaming platform, was enriched by the R&D department with new functional characteristics enabling providers to prevent fraud and protect the players. It is expanded with a number of features, including management and administration of all possible means of payment of registered player's e-wallet and optimized management of online promotions via internet and also mobile web (smartphones, tablets and mobile phones). The latter feature is made possible through intelligence mechanisms and workflows.

iGC (interactive Gaming Console) is the new state-of-the-art gaming content management platform that allows centralized management and control of content distribution for multiple game verticals across multiple channels. The iGC enables content editors with just a few clicks to enhance the end user experience, to change the content and behavior of page components and to provide end-user customization and personalization. It streamlines collaborative content creation, contribution and editing together with content versioning, scheduling and rollback capabilities. What makes iGC to really stand-out in the market are the integrated digital marketing tools like A/B testing, heat maps and customer behavioral modelling. Large scale data harvesting together with data metrics and analytics tools give unparalleled power to gaming content publishers across all different type of channels (mobile, desktop, TV sets, etc).

Introducing mobile technology in a business is not simply a case of embracing the merits of another form of technological evolution. Mobile presents a fundamental shift in the way we conduct business, redefining the way we interact with our customers. Significant intellectual capital and investment efforts have been injected in the process of designing new interaction patterns between the users of mobile devices, such as phones and tablets. So the mobile offering is not just another channel. Mobile enables interaction with players on a very personal level. We took a step back, rethinked design, UI, UX, channel and social elements from scratch, tried to answer the question of meaning and relevance to them on a personal level. It's a completely new product, a whole new approach. So the need for the modern lotteries is not just a mobile app. It's a mobile "experience" strategy. Here at Intralot we did just that. We went back to the design board, jumped into uncharted waters – continuous innovation and R&D- and created an unparalleled mobile experience with our mobile lottery offering. Simple and powerful. The real and interactive world combined. That's interactive squared.

The INTRALOT R&D program also led to the creation of the upgraded 2014 version of i-FLEX, which embraces new features , through the component iFlexContent, including offering of pregame and live betting products by operating with multiple providers serving the entire cycle of many different betting events. Furthermore, the platform iFlexTrader of 2014 version of i-FLEX supports features of automation, pricing, payment and risk management, supply and management of the betting product in retail and online channels homogeneously. It is fully integrated with iFlexContent for managing multiple providers.

In 2014 INTRALOT has continued the exploration of the capabilities of the LOTOS™ family of terminals enriching the current portfolio with new features and product additions. INTRALOT presented the second generation of Genion terminal, which implements the results of research on a very compact, multi-use terminal to complement the LOTOS ™ family of terminals. The purpose was to improve the existing first generation of Genion so as to respond to the needs of the industry for a multifunctional terminal: Ticket Checker, Customer's Transaction Display, Advertising Display and Players Access Point and yet very compact and easy to be mounted. Moreover, the new, more powerful CPU and GPU of the second generation of Genion empower the terminal’s application with improved capabilities for moving images and video playback.

Year 2014 INTRALOT R&D program also led to the 2014 version of iGEM platform, which enables operators to have complete and secure control of their electronic gaming machines network and is expanded by the addition of more G2S and S2S Classes. The enhanced iGEM version is a multi-venue, multi-protocol EGM monitoring and control system, featuring a number of new functionalities, such as G2S/S2S (Gaming Standards Association protocols) native support, protocol conversion, local and wide area jackpots, cashless gaming, TITO, player tracking, real time graphical display tools, responsible gaming support and a comprehensive accounting and reporting system. Moreover, the Responsible Play module of iGEM allows operators worldwide to adapt to the evolving regulatory requirements, safeguarding business continuity and Player Protection.

iRGD (INTRALOT Responsible Gaming Designer) is the result of extensive Research & Development carried out by AIT (Athens Information Technology-Center of Excellence for Research and Education) which deployed the expertise of international independent scientists in the area of responsible gaming. The result is a tool that provides independent, unbiased reports based on scientific facts. iRGD is designed and deployed to evaluate structural, situational and custom responsible gaming characteristics per game and provide results and recommendations for improvement. It embraces modern User Experience design and is applicable to any gaming operation irrespective of market, vendor or technology.

Apart from in-house R&D, INTRALOT is cooperating with leading educational institutions. Inside the collaboration framework with AIT (Athens Information Technology), several research projects have been conducted, in areas including Face Detection and Tracking as source of Marketing Analytics, Automated Content Authoring, Responsible Gaming and Collaborative Game development, among others.

As a leading partner in the Corallia Gaming Cluster, INTRALOT raised its efforts on the development of a dynamic, technology-oriented Gaming Innovation Cluster, based in Greece, and the introduction of a cooperation framework with the highly skilled human capital of the sector. INTRALOT actively supports innovation and collaboration with dynamic new entities and highly skilled engineering capital and looks forward to introducing more innovative technological solutions, pioneering gaming content and new gaming technologies.

HUMAN RESOURCES

Acknowledging the importance of Human Resources as one of the most important assets and competitive advantages of a Group, the policies pursued and the initiatives undertaken by INTRALOT and its subsidiaries abroad, aim at effectively attracting, enhancing and retaining talent. The continuous efforts and contribution of all INTRALOT employees as well as their unceasing trust and support of its shareholders remain a key factor in the advancement of the Company's competitiveness and further growth. The Company wishes to establish long-term relationships of trust with its employees, while at the same time nurturing an environment of continuous recognition and reward, in accordance with the principles that govern the Group.

INTRALOT AND THE INTERNATIONAL PROSPECTS OF THE GAMING SECTOR

INTRALOT's new strategy focuses on three pillars, the expansion and strengthening of the Company's product offering, the transition from technology provider (B2B) to B2C operations and the focus on the current operations. INTRALOT's focus in the customer relationship management systems (CRM) and the final consumer, the player, strengthens the company's transition towards the fast growing consumer demand for entertainment through personalized game offering. Moreover, the best possible operation of the projects undertaken by the company on 5 continents becomes extremely important. In this direction the company is implementing organizational changes, along with a cultural shift, while it strengthens further the management of the Group's subsidiaries globally.

Regulation and technology convergence are driving the lottery industry towards new models, where strong player focus will be a key element of success. Substantial opportunities for further growth arise from the liberalization of gaming markets and particularly from the rapidly evolving Internet and mobile market, from lottery privatizations as well as from the legalization of lottery games. All these opportunities have emerged from the need of governments to increase their revenues, to fund budget deficits under difficult economic circumstances and the players need for increased entertainment value though highly branded games.

INTRALOT is closely monitoring the sector's developments so as to selectively participate in projects with higher growth potential, with major focus on the B2C segment through retail and interactive channels.

INTRALOT Group is the leading partner for those organizations that want to compete in a regulated interactive competitive environment, offering a Personalized Player Experience. Its customers take advantage of the most robust, efficient and versatile Gaming Platform in the industry that converges land base and interactive channels, connecting innovative Gaming Verticals and offering unparalleled business support for optimal customer experience.

In Europe, the last years there is a tendency towards the liberalization of the gaming markets and especially of the interactive gaming, as the governments trying to increase their revenues through gaming licenses and gaming taxation together with the need to fight illegal gaming while promoting social responsibility and raise revenues for the support of good causes.

- A very successful model of market liberalization proved to be the one of Italy, where licenses were provided for the creation of a sport betting retail and Internet-based sales network. After participating in this licensing procedure, INTRALOT managed to become the leading non-local company in the country as far as market share is concerned.
- In Bulgaria, a new gaming law was voted in 2012, which included the regulation of the Internet market. This development has strengthened the activities of the Group's subsidiary Eurofootball, which is the largest operator of sports betting in the country through a retail network.
- In Poland, INTRALOT's subsidiary Totolotek was awarded an Internet betting license in 2013, after the regulation of the interactive gaming market, while in the end of Q2 2014 it launched mobile betting games just before the start of FIFA's World Cup.
- In Ireland, where the license for the operation of the National Lottery was awarded to a private consortium (Premier Lotteries Ireland), INTRALOT was selected to provide and support the new technological infrastructure of the Lottery, which successfully launched operations in mid-2014.
- In Germany, although there are significant delays, the liberalization of the betting market and the licensing process continues. INTRALOT has already entered the sports betting market in the country, in cooperation with Scientific Games International and currently supports the operation of ODDSET, subsidiary of the German State Lotteries. ODDSET is going to contend for one of the new national sports betting licenses in Germany, for the operation of the game through its network of 23.000 points of sale throughout the country and over the Internet.
- In Greece, a significant reform of the gaming market is ongoing. In 2013, the Hellenic Lotteries S.A., a company in which INTRALOT participates, signed the exclusive 12 years license contract with the Hellenic Republic Asset Development Fund (HRADF) for the management of the Hellenic State Lotteries (Instant and Passive Tickets). The instant tickets sales started in May 2014 with significant appeal in the market. In addition, OPAP, which has been granted a ten year license for the operation of 35,000 VLTs in Greece, is expected to announce a bidding procedure for the subcontracting of 18.500 VLTs to third party operators. Also, a tendering process for the award of internet betting licenses in Greece is expected to take place. Moreover, in many other European countries the current online gambling legislation is currently under review.

The US online regulatory framework is also changing and 2015 appears to be a year of developments at a state-by-state level, while Federal regulation is not likely to emerge in the short-term. Among the regulatory scenarios, it appears that internet lottery sales is the model more likely to prevail in the short term. Year 2014 marked the launch of internet lottery sales in three states (Minnesota, Illinois, and Georgia) and the approval of internet lotteries in three others (Kentucky, Maryland, and Michigan). With more states considering similar action (New York, West Virginia, Florida and Pennsylvania), by the end of the year there could be more than ten states where lottery tickets are available or have been approved for sale on the internet.

With 15 contracts in the US, INTRALOT is prepared to seize the opportunities posed by the developments in the country and become the technology partner of the lotteries in their effort to offer internet gaming. Legislation permitting, INTRALOT USA will also offer the gaming platform as a B2B product to clients who want to introduce a “real-money” site within their regulated US jurisdictions.

- In Latin America there is a degree of disparity in the regulations and legal environment of gaming, but as a broad trend Latin American governments are expected to gradually consider the process of evaluation and modernization of their current gaming legislation, enacting internet gaming and legalizing sports betting games while eliminating the growth of illegal operators in the gaming sector.
- Africa is considered to be the lottery business green field with a steady economic growth and development despite various endemic problems in certain countries. The regulatory framework is changing, though at a slow pace and is expected to allow major foreign operators and gaming entities to enter the market. INTRALOT is closely monitoring the gradual changes and preparing its next steps in the continent.
- The gaming market in the Asian countries is highly regulated and government controlled. Countries such as PR of China, Philippines and Vietnam have very large illegal gaming operators and as of 2014 local governments have started legal actions against them in order to protect the players and society and at the same time secure funds for local budgets through taxation. Gaming legalization in Asia can become a major growth factor for the sector. INTRALOT has a significant presence in PR of China, South Korea, Taiwan, Philippines, and Malaysia. Within 2014, INTRALOT achieved contract renewals in Malaysia and Philippines and two successful launches, of the Public Welfare Lottery and the Sport Lottery in Taiwan. Especially noteworthy, the launch of Sports Betting in a retail and online network proved to be one of the best in Asia.
- In Oceania, the gaming industry of Australia and New Zealand is highly regulated. The industry ranges from the Lottery sector to wagering, poker machines (VLTs) and casinos. The VLT market in both countries is especially large in terms of revenues and number of poker machines. The liberalization of the market and the amount of poker machines highly spread in the communities introduce some important challenges regarding responsible gaming and game integrity. Given its significant presence in Oceania, INTRALOT is strategically placed in the market and operates the monitoring systems for VLTs on behalf of the Government in the state of Victoria (AUS) and in New Zealand. The Company’s systems monitor in real time more than 43,000 VLTs in both countries. On top of that, the Company, took up the implementation of the Pre-Commitment project in Victoria, a high-end responsible gaming solution for 28,700 VLTs. Responsible gaming innovative solutions is a sector on which INTRALOT will invest in the coming years in the region of Oceania.

PROSPECTS AND CHALLENGES FOR 2015

The lottery industry experiences significant changes and is facing both increased challenges and a wealth of opportunities. Regulatory initiatives, market liberalization, technological convergence, new business models and the need to attract new customer demographics all set the pace of change and the bases of very interesting developments. By leveraging the industry’s intrinsic values of contribution to social causes, preservation and advancement of responsible gaming practices and brand loyalty and trust, lotteries have unique advantages to compete in an open market across the globe.

- Optimization of existing projects

With presence in 57 jurisdictions in all 5 continents, the Company runs projects in advanced and mature gaming markets, but it also has contracts in developing markets and projects in immature markets with significant growth potential. INTRALOT aims to further penetrate its existing markets with the continuous improvement of products and services and the development of new technologies. At the same time its goal is to improve the profitability of the projects, mainly by reducing the operating costs and increasing the productivity.

- Winners' payouts in sports betting

INTRALOT is one of the largest sports betting operator worldwide. The winners' payout in sports betting may fluctuate in the short-term since it depends on the outcome of the events. The fluctuation of the payout may affect the financial results of INTRALOT since it represents a significant cost element for the Company.

- Gaming sector and economic activity

The gaming market is affected by the economic cycles since lottery products are consumer products. However, the gaming sector is more resilient than other sectors of the economy. Specifically, during an economic downturn, frequent draw games (like KENO or VLTs) are most likely to present a reduction in revenues, while lotto type games are less affected. With its international expansion, INTRALOT has achieved significant diversification and has reduced its dependency on the performance of individual markets and economies.

- Gaming Taxation

The financial crisis has increased the budget deficits of many countries. The increase of the taxation of lottery games constitutes sometimes an easy, but not correct in our opinion, solution for the governments to finance these deficits. Nevertheless, such measures may affect INTRALOT's financial results.

RISKS AND UNCERTAINTIES

Description of significant risks and uncertainties

The Group's international activities create several financial risks in the Group's operation, due to constant changes in the global financial environment. The Group beyond the traditional risks of liquidity risk and credit risk also faces market risk. The most significant of these risks are currency risk and interest rate risk. The risk management program is a dynamic process that is constantly evolving and adapted according to market conditions and aims to minimize potential negative impact on financial results. The basic risk management policies are set by the Group Management. The risk management policy is implemented by the Treasury Department of the Group which operates under specific guidelines approved by management.

Credit risk

The Group does not have significant credit risk concentration because of the wide dispersion of its customers and the fact that credit limits are set through signed contracts. The maximum exposure of credit risk amounts to the aggregate values presented in the balance sheet. In order to minimize the potential credit risk exposure arising from cash and cash equivalents, the Group sets limits regarding the amount of credit exposure to any financial institution. Moreover, in order to secure its transactions even more, the Group adopted an internal rating system, regarding credit rating evaluation, using the relevant financial indices.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group took measures to obtain certain policies to monitor the liquidity in order to hold liquid assets that can cover Group's liabilities.

Market Risk

1) Foreign Exchange risk

Fluctuations in exchange rates can have significant effects on the Group's currency positions. Group transactions are carried out in more than one currency and therefore there is a high exposure in foreign exchange rate fluctuations against the euro, which is the main underlying economic currency. On the other hand, the Group's activity abroad also helps to create a significant advantage in foreign exchange risk management, due to the diversification in the currency portfolio. This kind of risk mainly results from commercial transactions in foreign currency as well as investments in foreign entities. For managing this type of risk, the Group enters into derivative financial instruments with various financial institutions. The Group's policy regarding the foreign exchange risk concerns not only the parent company but also the Group's subsidiaries.

Sensitivity Analysis in Currency movements amounts of the period 1/1 – 31/12/2014 (in thousand €)

Foreign Currency	Currency Movement	Effect in Earnings before taxes	Effect in Equity
USD:	5%	-40	2.503
	-5%	36	-2.265
TRY:	5%	2.393	3.445
	-5%	-2.165	-3.117
PEN:	5%	205	43
	-5%	-186	-38
BRL:	5%	-194	-517
	-5%	176	468
JMD:	5%	455	1.179
	-5%	-411	-1.067
ARS:	5%	567	0
	-5%	-513	0
RON:	5%	363	936
	-5%	-328	-847

Sensitivity Analysis in Currency movements amounts of the period 1/1 – 31/12/2013 *
(in thousand €)

Foreign Currency	Currency Movement	Effect in Earnings before taxes	Effect in Equity
USD:	5%	-316	2.221
	-5%	286	-2.010
TRY:	5%	1.687	2.373
	-5%	-1.527	-2.147
PEN:	5%	-105	112
	-5%	95	-101
BRL:	5%	-314	-204
	-5%	284	184
JMD:	5%	304	1.085
	-5%	-275	-982
ARS:	5%	636	-70
	-5%	-576	63
RON:	5%	306	921
	-5%	-277	-833

* Including restated figures according to IFRS 11 – note 2.27.A.III

2) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's activities are closely linked to interest rates because of investment and long and short term borrowings. To manage this risk category, the Group uses financial hedging instruments in order to reduce its exposure to interest rate risk. The Group's policy on managing its exposure to interest rate risk affects not only the parent company but also its subsidiaries for the loans concluded in euros or local currency.

The Group's exposure to the risk of changes in market interest rates relates primarily to long-term borrowings of the Group's with floating rate. The Group also manages interest rate risk by having a balanced portfolio of loans with fixed and floating rate borrowings. On December 31, 2014, taking into account the impact of financial hedging products, approximately 73% of the Group's borrowings are at a fixed rate (2013: 78%). As a result, the impact of interest rate fluctuations in operating results and cash flows of the Group's operating activities is small, as shown in the following sensitivity analysis.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates after the impact of financial hedging products. With all other variables held constant, the Group's profit before tax is affected by the impact on floating rate, as follows:

Sensitivity Analysis of Group Loans in Interest Rates Changes

Amounts for 2014	Change in interest rate	Effect on profit before tax
Euribor 1M	+/- 1%	2.000

Amounts for 2013	Change in interest rate	Effect on profit before tax
Euribor 1M	+/- 1%	1.260
Euribor 3M	+/- 1%	425

MATERIAL TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES:

The most important transactions between the Company and its related parties as per IAS 24 are presented on the table below:

Group	Income		Expense	
	01/01/2014-31/12/2014	01/01/2013-31/12/2013	01/01/2014-31/12/2014	01/01/2013-31/12/2013
Intracom Holdings Group	141	5.539	12.337	13.606
Turkcell Group	77	23	1.582	2.782
Lotrich Information Co LTD	1.721	14.065	7	0
Baltech LTD	0	0	2.192	0
Gain Advance Group LTD	0	5.450	0	0
Hellenic Lotteries S.A.	4.936	0	0	0
Other related parties	884	875	189	3.934
Executives and members of the board	0	0	11.905	10.769
Total	**7.759**	**25.952**	**28.212**	**31.091**

Company	Income		Expense	
	01/01/2014-31/12/2014	01/01/2013-31/12/2013	01/01/2014-31/12/2014	01/01/2013-31/12/2013
Inteltek Internet AS	2.482	2.540	0	2
Intracom Holdings Group	111	5.539	12.150	13.378
Bilyoner Interaktif Hizmelter A.S.	3.721	1.109	0	0
Intralot Inc	2.488	747	91	173
Betting Company S.A.	9	14	1.606	4.243
Lotrom S.A.	1.270	11.292	798	1.641
Lotrich Information Co LTD	1.721	14.065	7	0
Intralot Nederland B.V.	2.271	2.454	22	20
Intralot Do Brazil LTDA	1.594	1.310	-351	-278
Intralot International LTD	716	664	6.118	8.369
Tecno Accion S.A.	143	2.973	34	31
Intralot New Zealand LTD	936	2.016	0	0
Maltco LTD	1.480	4.568	0	3
Intralot Finance UK PLC	0	17	6.620	3.697
Intralot Finance Luxembourg S.A.	0	0	17.748	2.337
Hellenic Lotteries S.A.	4.936	0	0	0
Intralot Lotteries LTD	1.384	1.531	0	0
Intralot Ireland LTD	4.169	0	0	0
Intralot South Africa LTD	990	1.207	-356	-610
Azerinteltek AS	955	1.174	0	8
Other related parties	5.769	5.321	469	4.007
Executives and members of the board	0	0	7.088	5.715
Total	**37.145**	**58.541**	**52.044**	**42.736**

Group	Receivable		Payable	
	31/12/2014	31/12/2013 *	31/12/2014	31/12/2013*
Intracom Holdings Group	8.625	13.645	16.007	26.932
Gain Advance Group LTD	0	5.450	0	0
Lotrich Information Co LTD	10.413	14.071	-9	0
Hellenic Lotteries S.A.	1.341	0	0	0
Eurosadruzie LTD	0	0	1.026	0
Other related parties	14.147	12.634	1.816	4.660
Executives and members of the board	648	585	602	826
Total	**35.174**	**46.385**	**19.443**	**32.418**

*Including restated figures according to IFRS 11 – note 2.27.A.III

Company	Receivable		Payable	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Inteltek Internet A.S.	1.978	1.807	0	0
Intracom Holdings Group	7.349	13.000	15.645	26.210
Gaming Solutions Int. SAC	0	9.029	0	13
Intralot Inc	13.662	10.371	417	255
Intralot International LTD	39	2.508	2.369	2.074
Pollot Sp.zoo	7.374	7.309	0	0
Intralot de Peru SAC	14.322	7.499	15	0
Intralot Iberia Holdings SA	1.265	1.342	18	18
Loteria Moldovei S.A.	2.217	2.084	0	0
LotRom S.A.	1.663	256	14.343	13.418
Intralot Business Development LTD	11.838	12.476	0	0
Intralot Nederland B.V.	12.197	15.239	22	0
Betting Company S.A.	9	0	5.478	7.373
Betting Cyprus LTD	0	0	4.114	5.706
Intralot Do Brazil LTDA	18.145	14.929	0	0
Intralot Australia PTY LTD	1.687	1.449	3	3
Intralot Czech SRO	0	1.497	0	0
Intralot Beijing Co LTD	0	0	3.300	4.424
Intralot Lotteries LTD	0	33.378	0	0
Gaming Solutions International LTDA	0	1.932	0	0
Maltco LTD	2.047	2.008	0	3
Intralot Dominicana S.A.	2.258	2.225	0	0
Intralot Finance UK PLC	17	17	104.856	66.017
Intralot Gaming Services PTY LTD	5.321	4.639	0	0
Intralot Finance Luxembourg S.A.	2.163	2.163	171.823	166.692
Lotrich Information Co LTD	10.413	14.071	-9	0
Intralot Italia S.p.A	0	276	0	1.033
Hellenic Lotteries S.A.	1.341	0	0	0
Intralot Ireland LTD	4.169	0	0	0
Intralot Capital Luxembourg S.A.	0	0	3.091	0
Intralot Holding & Services S.p.A. (ex Jackpot)	30	0	1.036	2
Other related parties	12.428	11.542	749	4.296
Executives and members of the board	0	0	272	482
Total	**133.932**	**173.046**	**327.542**	**298.019**

From the company profits in 2014, €4.008 thousand (2013: €7.356 thousand) refer to dividends from the subsidiaries and associated companies Bilyoner AS and Intralot South Africa LTD.

The BoD and Key Management Personnel transactions and fees for the Group and the Company for the year 1/1/2014-31/12/2014 were €11,9 million and €7,1 million respectively (2013: €10,8 million και €5,7 million respectively)

From the information stated above and from the Financial Statements you are able to have a complete picture of the Group for the year 1/1/2014-31/12/2014.

Maroussi, 30/03/2015

Sincerely,

Group CEO

Antonios I. Kerastaris

Explanatory Report on Article 4 par. 7 of Law 3556/2007

1. Share capital structure.

The share capital of the Company amounts today to forty seven million six hundred eighty eight thousand five hundred sixteen euro and thirty cents (€47,688,516.30) divided by one hundred fifty eight million nine hundred sixty one thousand seven hundred twenty one (158,961,721) nominal shares at thirty cents (€0.30) each. All Company shares are introduced to the Athens Stock Exchange for negotiation, in the Large Capitalization category, under "Gaming Sector". Company shares are common registered shares with a voting right.

2. Restrictions on company share transfer.

Transfer of Company shares is made in accordance with the law, and the Company Statute contains no restrictions on transfer.

3. Major direct or indirect participation pursuant to the Articles 9 to 11 of Law 3556/2007

Socrates Kokkalis owned 20,005% of the corporate share capital as of 31/12/2014.
Konstantinos Dimitriadis owned 8,148% of the corporate share capital as of 31/12/2014.
NOVOMATIC AG owned 5,070% of the corporate share capital as of 31/12/2014. UNICREDIT BANK AUSTRIA AG possesses these shares on behalf of NOVOMATIC AG.
MAKURIA CRETID MASTER FUND LTD owned 5,023% of the corporate share capital as of 31/12/2014.

All other natural or legal person / entity own no more than 5% of the corporate share capital.

4. Shareholders with special control rights (all types of shares).

Corporate shares, which confer special control rights to their holders, have not been issued.

5. Restrictions on the voting right.

The Company Statute does not provide for restrictions on the voting right.

6. Agreements between Company Shareholders.

The Company has no notion of agreements between its shareholders that may result in restrictions both on share transfer and on the exercise of the related voting rights.

7. BoD members' appointment rules and replacement; Statute amendments.

The rules of the Company Statute concerning appointment and replacement of corporate BoD members, as well as amendments in the Statute provisions, are conformed with C.L. 2190/1920.

8. BoD or BoD member responsibility for the issuance of new shares or the purchase of own shares.

Intralot BoD is responsible for issuing new shares in the following cases:

a. According to article 5 § 2, 3 and 4 of the corporate Statute:

"2. Without prejudice to §3 hereof, following relevant authorization by the General Assembly, and the decision of the Board of Directors by a two third (2/3) majority, the Board of Directors is entitled to increase share capital in part or in whole by issuing new shares; the corresponding amount cannot exceed the capital paid-up at the date when the BoD was authorized. The above resolution of the General Assembly is subject to the publication obligations referred to in article 7b of the C.L. 2190/20.
The above authorization of the BoD may be renewed by the General Assembly for an interval not exceeding five years for each renewal; its term starts upon termination of the previous 5-year interval.
3. Notwithstanding the provisions of the previous paragraph, if corporate reserves exceed one fourth (1/4) of the paid-up share capital, an increase of capital necessitates a resolution by the General Assembly extraordinary quorum and majority under article 15 hereof, and the relevant amendment of this article.
4. Increases of capital that are decided pursuant §2 hereof, do not constitute an amendment to the Statute".

The above right has not been conferred to the corporate BoD.

b. In the cases referred to in article 13 § 13 of the C.L. 2190/1920 (stock options right) and in accordance with the article 7 § 3 last quotation of Articles of Association (grant stock option rights).

In any case of increase of the share capital that is not made by contribution in kind or issue of bonds with a right of their conversion into shares, a right of preference on the whole new capital or bond loan is granted, in favor of the shareholders at the time of issue, in proportion to their participation in the existent share capital.
The right of preference is exercised within the deadline, which was determined by the company body that decided the increase. This deadline with the reservation of observing the deadline for capital payment, as it is provided for in article 11 of the C.L. 2190/1920, cannot be less than fifteen (15) days. In the case of section 6, article 13 of the C.L. 2190/1920, the deadline for the exercise of the right of preference does not begin before the resolution taken by the board of directors for the determination of the disposal price of the new shares. After the expiry of these deadlines, the shares that have not been undertaken according to the above are freely disposed by the board of directors of the company at a price not less than the price paid by the existent shareholders. In case that the company body that decided the increase of the share capital omitted to fix the deadline for the exercise of the right of preference, this deadline or its possible extension is fixed by the board of directors by its resolution within the time limits prescribed by article 11 of the C.L. 2190/1920.
The invitation for the exercise of the right of preference, in which the deadline within which this right should be exercised should be also mentioned, is published on the company's initiative in the Issue of Societes Anonyme and Limited Liability Companies of the Official Gazette. With the reservation of section 6, article 13 of the C.L. 2190/1920, the invitation and the notification of the deadline for the exercise of the right of preference, according to the above, may be omitted, should at the General Meeting shareholders be present who represented the whole share capital and be informed of the deadline set for the exercise of the right of preference or who have stated their decision for the exercise or not by them of the right of preference. The publication of the invitation may be replaced by registered "upon receipt" letter, should all shares be registered.
By a resolution of the general meeting taken pursuant to the provisions of sections 3 and 4, article 29 and section 2, article 31 of the C.L. 2190/1920, the right of preference of section 7 of the C.L. 2190/1920 may be restricted or abolished. In order to take this decision, the board of directors is obliged to submit to the general meeting a written report, in which the reasons that impose the

restriction or abolishment of the right of preference are mentioned and in which the price proposed for the issue of the new shares is justified. The resolution of the general meeting falls under the formalities on publication of article 7b of the C.L. 2190/1920. There is no exclusion from the right of preference according to the meaning of this paragraph, when the shares are undertaken by credit institutions or enterprises of rendering investment services, which have the right to accept securities for custody, in order to be offered to the shareholders pursuant to section 7 of the C.L. 2190/1920. Moreover, there is no exclusion from the right of preference, when the capital increase aims at the staff participation in the company's capital according to the presidential decree 30/1988 (Official Gazette 13 A').

The capital may be increased partly by contributions in cash and partly by contributions in kind. In this case, a provision of the body that decides the increase, according to which the shareholders that contribute in kind do not participate also in the increase by contributions in cash, does not constitute exclusion of the right of preference. If the proportion of the value of the contributions in kind, in relation to the total increase, is at least the same with the proportion of the participation in the share capital of the shareholders who proceed to these contributions. In case of increase of the share capital by contributions partly in cash and partly in kind, the value of the contributions in kind should have been assessed pursuant to articles 9 and 9a of the C.L. 2190/1920 before taking the relevant decision.

By a resolution of the general meeting taken pursuant to the provisions of sections 3 and 4, article 29 and section 2, article 31 of the C.L. 2190/1920, a program can be set for share disposition to the members of the board of directors and the staff of the company, as well as of the associated with it companies according to the meaning of section 5, article 42e of the C.L. 2190/1920, in the form of option for acquiring shares, according to the conditions of this resolution, a summary of which falls under the formalities of publication of article 7b of the C.L. 2190/1920. Persons that render to the company services on a regular basis may be also appointed as beneficiaries. The nominal value of the shares disposed according to this paragraph cannot exceed totally the one tenth (1/10) of the capital, which is paid up on the date of the resolution of the general meeting. The resolution of the general meeting provides for if for the satisfaction of the right of preference the company will proceed to increase of its share capital or if it will use shares that it acquires or has acquired pursuant to article 16 of the C.L. 2190/1920. In any case, the resolution of the general meeting should determine the maximum number of shares that may be acquired or issued, if the beneficiaries exercise the above right, the price and conditions of share disposition to the beneficiaries, the beneficiaries or their classes and the method of determination of the acquisition price, with the reservation of section 2, article 14 of the C.L. 2190/1920, the program duration as well as any other relevant condition. By the same resolution of the general meeting, the determination of the beneficiaries or their classes may be assigned to the board of directors as well as the way of exercising the right and any other condition of the share disposition program. The board of directors, according to the program conditions, issues to the beneficiaries who exercised their right certificates of entitlement to share acquisition and, per calendar quarter at most delivers the shares already issued or issues and delivers the shares to the above beneficiaries, increasing the share capital of the company, and it certifies the capital increase. The resolution of the board of directors for the certification of payment of capital increase is taken per calendar quarter, notwithstanding those prescribed in article 11 of the C.L. 2190/1920. These increases of the share capital do not constitute modifications of the articles of association, and sections 7 to 11 of the article 13 of the C.L. 2190/1920 do not apply on these. The board of directors is obliged during the last month of the corporate year, within which capital increases took place, according to those prescribed above, to adjust by its resolution the article of the articles of association on capital, so that the capital amount be provided for, as it resulted following above increases, observing the formalities on publication of article 7b of the C.L. 2190/1920.

The general meeting, by its resolution taken pursuant to the provisions of sections 3 and 4, article 29 and section 2, article 31 of the C.L. 2190/1920 and fallen under the formalities on publication of article 7b of the C.L. 2190/1920, may authorize the board of directors to set a share disposition program according to the previous paragraph, possibly increasing the share capital and taking all other relevant decisions. This authorization is valid for five (5) years, unless the general meeting determines a shorter period of its validity and it is independent of the powers of the board of directors of section 1, article 13 of the C.L. 2190/1920. The resolution of the board of directors is taken under the conditions of section 1, article 13 of the C.L. 2190/1920 and under the restrictions of section 13, article 13 of the C.L. 2190/1920.

c. Pursuant to the C.L. 2190/1920 and specifically article 16 of the above mentioned law company may acquire own shares.

INTRALOT S.A., according to article 16, C.L. 2190/1920, article 4.1.4.2 of the regulation of ATHEX and based on the resolution of the Shareholder's Annual General Meeting which took place on the 11.06.2014, has approved a buy-back program of up to 10% of the paid share capital, for the time period of 24 months with effect from 11.06.2014 and until 11.06.2016, with a minimum price of €1.00 and maximum price of €10.00. It has also approved that the own shares which will eventually be acquired may be held for future acquisition of shares of another company. Until 31/12/2014 the Company has purchased 470.746 own shares (0,296% of the corporate share capital) with average price €1,0402 per share and a total purchase price of €489.678,68.

9. Key agreement by the Company, which becomes effective, is amended or terminated in case the Company control changes hands following a public offer, and the results of such agreement.
There is no such agreement.

10. Any agreement between the Company and members of its BoD or its personnel providing for indemnification in case of non-well founded resignation or dismissal or termination of mandate/ employment due to a public offer.
There are no agreements between the Company and members of its BoD or its personnel providing for indemnification in case of non-well founded resignation or dismissal or termination of mandate/ employment due to a public offer.

CORPORATE GOVERNANCE STATEMENT

I. Reference to the Corporate Governance Code the Company is subject to and the location where this Code is available to the public.

INTRALOT (hereinafter "the Company"), is a Société Anonyme whose shares are listed in the Athens Stock Exchange.

This Corporate Governance Statement constitutes special part of the Annual Report of the Board of Directors, according to the provisions of par. 2 of article 2 of Greek Law 3873/2010.

The Company is fully compliant with the relevant national laws, provisions and regulations, as well as with its internal corporate values regarding the development of the principles of corporate governance it applies, and adjusted to what is defined by the institutional framework for corporate governance.

The meeting of 16/03/2011 of the Board of Directors approved the Corporate Governance Code, as amended and in force from the meeting of 08/03/12 of the Board of Directors to be found posted on the Company website www.intralot.com along with its English translation.

II. Reference to corporate governance practices applied by the Company in addition to provisions of the lawand reference to the location where they are published.

INTRALOT, in addition to the provisions of the Greek law included in particular in Laws 2190/1920, 3016/2002,3693/2008,3884/2010 and 3873/2010, in drafting the Corporate Governance Code posted as applicable on the Company's website www.intralot.com, has considered and incorporated in its Code, and applies the best international practices for listed companies and the Principles of Corporate Governance of OECD.

III. Description of the main attributes of the Company's internal audit and risk management systems, in relation to the process of financial reports drafting.

- The BoD maintains an effective internal audit system whose purpose is to safeguard the investments and assets of the Company and to identify and resolve major risks. The internal audit system is defined as the set of procedures implemented by the Board of Directors, the Management and the employees of the Company, and aims to ensure the effectiveness and efficiency of corporate operations, the accuracy of financial reporting and the compliance with applicable legislation and regulations.
- The Board of Directors monitor and regularly review the implementation of corporate strategy. At the same time, it should regularly review the main risks faced by the company and the effectiveness of the internal audit system regarding the management of said risks. The review should comprise all vital audits, including financial and operational audits, compliance testing and the monitoring of risk management systems. The Board of Directors, through the Audit Committee, also develop direct and regular contact with external and internal auditors in order to receive regular updates from the latter in relation to the proper operation of the control system.
- The Board of Directors must certify in writing that the annual and interim financial statements reflect objectively the financial position of the company. This certification should follow the corresponding certification by the Company auditors.

- The Board of Directors is responsible for the presentation of all significant business risks related to the operation of the company, providing explanations where it deems necessary, in the preparation of annual and interim financial statements.
- The Internal Audit Service has been appointed in accordance with the requirements of the Greek legislation, has been sufficiently staffed and assesses the adequacy of internal controls. The Internal Audit Service is independent from other business units, and in the fulfillment of its duties, all documents, divisions and employees must be made available to it. The Internal Audit Service reports to the Audit and Compliance Committee of the Board of Directors. The Internal Audit Service operates in accordance with a program established by it and approved by the Audit and Compliance Committee and the Board of Directors and submits reports on a three months basis before the publication of financial information.
- The members of the Board of Directors, through the Audit and Compliance Committee and the Internal Audit Service, are ultimately responsible for ensuring the adequacy and effectiveness of the internal control system and the monitoring and supervision of its effective implementation. The Management of the Company is responsible for the development of a strategy for the Board of Directors as regards a secure internal control system.
- The Internal Audit Service should assist in the assessment of internal control practices, while adopting a systematic and professional approach to the evaluation and improvement of the effectiveness of risk management procedures, internal audit systems and corporate governance.

  Specifically,
  - Risks be identified and managed effectively.
  - Resources (assets) of the Company be protected and used efficiently.
  - Financial and management reporting be reliable, accurate and current.
  - Employees comply with the policies, procedures and standards of the Company.
  - Company conformance with the regulatory framework governing its operation.
- The Internal Audit Service, throughout the audit process, presents proposals aiming to continuously improve internal control systems in order to achieve high productivity and efficiency.

IV. Information demanded by the article 10 par. 1 of Directive 2004/25/EK of the European Parliament and Council.

The information demanded by article 10 par. 1 of Directive 2004/25/EK of the European Parliament and Council is included, according to article 4 par. 7 of l. 3556/2007, in the Explanatory Report which comprises part of the Annual Report of the Board of Directors.

V. Information regarding the function of the General Meeting of shareholders and its main authorities, description of shareholders’ rights and of the manner they are exercised.

The Company's General Meeting of Shareholders is its supreme instrument and has the right to decide for all matters concerning the Company. Its legal decisions are binding for shareholders who are absent or in disagreement.

The General Meeting is singularly competent to decide over:

a) the Company's extension of duration, merger, dissolution, demerger, reorganization or restoration,

b) amendments of the articles of associations

c) the increase or decrease of share capital, with the exception of cases where the Board of Directors is competent according to Law or the Articles of Association, and increases or decreases are dictated by provisions of other laws.

d) the election of members of the Board of Directors, with the exception of the case of article 22 of the Articles of Association regarding the election of members by the Board of Directors to replace resigned, deceased or members who lost their status, for the remainder of the term of the members who are being replaced, and provided that these members cannot be replaced by replacement members elected by the General Meeting.

e) the election of auditors

f) the approval of annual accounts (annual financial reports) and the appropriation of annual profit.

g) the appointment of liquidators

The General Meeting of the shareholders is convoked by the Board of Directors and assembles regularly at the Company's registered offices or in another Municipality within the Prefecture of the registered offices, at least once for every year of account and no later than six (6) months of the end of the year of account. The General Meeting may also assemble in the vicinity of the Municipality where the Athens Stock Exchange is headquartered. The Board of Directors may convene an Extraordinary General Meeting of shareholders when they deem appropriate.

The General Meeting, with the exception of repetitive meetings or those identifying with them, must be called at least twenty (20) clear days before the date of its meeting.

The invitation of the General Meeting must at least include the exact address of its location, the time and date of the meeting, a clear layout of items on the agenda, the shareholders entitled to participate, and precise instructions on how the shareholders may participate in the meeting and exercise their rights in person or by proxy. The invitation should at least also include information on the deadline for the exercise of minority rights, the record date, specifying that only persons who are shareholders on the record date are entitled to participate and cast a vote in the General Meeting, information on where the full documentation and the draft of resolutions to be proposed by the Board of Directors for every item on the agenda, and reference of the Company website, where all above information is available, as well as the forms to be used for proxy voting.

The invitation to the General Meeting must be published in whole or in summary (not failing to refer expressly to the website address, where the full text of the invitation and the information specified in par. 3 article 27 of the C.L. 2190/1920, are available), in the printed media defined by article 26. par. 2 of C.L. 2190/1920, in the Issue of S.A. and L.C. of the Greek Government Gazette and on the websites of the Athens Stock Exchange and the Company, at least twenty days prior to the day of the meeting.

Right to attend General Assemblies

A person must hold shareholder status on the beginning of the fifth day before the day of assembly of the General Meeting (record date).

A person may prove their shareholder status by presenting in writing relevant certification by the Hellenic Exchanges S.A., pursuant to article 51 of law 2396/96 or alternatively, by direct link of the company with the records of the above body. The relevant written certification or electronic authentication regarding shareholder status must be presented to the Company by the Third day before the assembly of the General Meeting, at the latest.

Further to the above, exercising the right to attend the General Assembly is not subject to blocking the shares of the shareholder or complying with any other procedure binding to the ability to sell or transfer the shares in the period between the record date and the date of the General Assembly.

Shareholders or representatives of theirs not having complied with the above may only attend the General Assembly with its permission.

Shareholders with the right to participate in the General Assembly may be represented by a legally authorized person. Legal persons may participate in the General Assembly by appointing one to three natural persons as their representatives.

The company must be notified in writing for the appointment and revocation of a representative in the same manner, at least three (3) days prior to the date of the General Meeting. The Company should post on its website the forms shareholders must complete and present to the Company in order to appoint their representatives.

Quorum – Majority

A quorum is present and validly convening on the items of the agenda at the General Meeting when at least twenty per cent (20%) of the fully-paid share capital is represented in the meeting.

If such quorum fails to be present in the first meeting, a repetitive meeting is held within twenty (20) days of the date of postponement, by invitation with notice of at least ten (10) days. In the repetitive meeting, a quorum is present and validly convening on items of the initial agenda, regardless of the segment of the fully-paid share capital represented in the meeting.

The decisions of the General Meeting are made by absolute majority of the votes cast in the Meeting.

With the exception of decisions regarding:

a) the extension of duration, merger, demerger, reorganization, restoration or dissolution of the Company, establishing or affirming the power of the Board of Directors to increase share capital

b) the change of the Company's nationality

c) the change of the Company's purpose

d) the increase or decrease of share capital, with the exception of increases per article 5 par. 2 of the articles of association where powers are delegated to the Board of Directors

e) the issuance of loan with convertible bonds or the right to share in profits according to articles 8 and 9 of Law 3156/2003

f) the increase of shareholders liability

g) the change in the manner of appropriation of profit

h) all other cases in which, by law,

a quorum is present and validly convenes on the items of the agenda at the General Meeting, when shareholders representing the two thirds (2/3) of the fully-paid share capital are present in person or by proxy. In all of the above cases, decisions are made by a majority of two thirds (2/3) of the votes represented in the Meeting.

Should the above increased quorum not be present, the General Meeting is called and meets anew within twenty (20) days of the date of the postponed meeting, and a quorum is present and validly convening on the items of the initial agenda when at least half (1/2) of the fully-paid share capital is represented in the meeting. Should this quorum also fail to be present, the Meeting is convoked and meets anew within twenty (20) days, and a quorum is present and validly convening on the items of the initial agenda, when at least one fifth (1/5) of the fully-paid share capital is represented in the meeting.

No additional invitation is required, should the time and place of the repetitive meetings in case a quorum is not present, are defined in the initial invitation.

Rights of the Shareholders

Shareholders have the right to attend General Meetings in person or by proxy, shareholder or not. Each share entitles the owner to one vote.

Priority right

In case of increase of the Company's share capital, when that increase is not happening by contribution in kind or by issue of convertible bonds, priority rights for the entire new capital or the bond issue, are granted to the shareholders at the date of issue, proportionate to their holding in the existing share capital.

According to article 13 par. 10 of C.L. 2190/1920, priority rights may be limited or abolished, by decision of the General Meeting of Shareholders made by an increased quorum and majority, pursuant to the provisions of articles 29 par. 3 and 4 and 31 par. 2 of C.L. 2190/1920.

Minority rights

Following the request of shareholders representing one twentieth (1/20) of the paid up share capital, the board of directors is obligated to call an extraordinary general meeting of shareholders within forty five (45) days from the day that the relevant application is delivered to the chairman of the board of directors. The request should include the items of the agenda. Should the board of directors fail to call a general meeting within twenty (20) days of the delivery of said application, the requesting shareholders may call a meeting at the expense of the company, after decision of the court of first instance with jurisdiction over the area of the Company's registered offices, issued during interim measures procedure. The time and place of the meeting, as well as the items of the agenda are defined in this decision.

Following the request of shareholders representing one twentieth (1/20) of the paid up share capital, the board of directors is obligated to record additional matters in the agenda of the general meeting that has been called, provided the relevant application reaches the board of directors at least fifteen (15) days prior to the general meeting. Pursuant to article 26 of C.L. 2190/1920, the board of directors is responsible for publishing or communicating additional matters at least seven (7) days prior to the general meeting. Should these matters fail to be published, requesting shareholders are entitled to demand that the general meeting be postponed pursuant to paragraph 3 article 39 of C.L. 2190/1920, and engage in the publication themselves as defined in the preceding paragraph, at the expense of the company.

Following the request of shareholders representing one twentieth (1/20) of the paid up share capital, the chairman of the meeting is obligated to postpone once the adoption of resolutions by an annual or extraordinary general meeting, for all or certain items of the agenda, setting as date for the continuation of the meeting the date stated in the shareholders' request, which date cannot however be later than thirty (30) days from the date of postponement.

The general meeting standing adjourned is a continuation of the previous meeting and the formalities of publication regarding the shareholders' invitation to it need not be repeated, while new shareholders may participate to it, subject to the provisions of articles 27 par. 2 and 28 of C.L. 2190/1920.

Company shareholders representing at least one twentieth (1/20) of its paid up share capital have the right to request that the company be audited by the Court of First Instance with jurisdiction over the area the company is headquartered in accordance to the provisions set out in article 40 paragraph 2 of C.L. 2190/1920.

Following the request of any shareholder, which is submitted to the company at least five (5) clear days before the general meeting, the board of directors is obligated to provide at the general meeting the information specifically requested regarding the affairs of the company, to the extent such information is useful towards a realistic assessment of the items on the agenda. Also, following the request of shareholders representing one twentieth (1/20) of the paid up share capital, the board of directors is obligated to announce at the annual general meeting, the sums paid to each member of the board of directors or to the directors of the company in the previous two years, as well as all other benefits paid to these persons for any reason, or any contract between the company and them. In all above cases, the board of directors may refuse to disclose information with due cause, which is recorded.

Following the request of shareholders representing one fifth (1/5) of the paid up share capital, which is submitted to the company by the deadline of the preceding paragraph, the board of directors is obligated to provide information regarding company affairs and the financial standing of the company to the general meeting. In all above cases, the board of directors may refuse to provide information with due cause, which is recorded.

At the request of shareholders representing 1/20 of the paid up share capital, decisions on any item of the agenda of a general meeting are made by roll-call vote.

Shareholders representing one fifth (1/5) of the paid up share capital have the right to request that the Court of First Instance with jurisdiction over the area of the company's registered offices, audit the Company in accordance to article 40 paragraph 3 of C.L. 2190/1920, provided that the course of the company indicates that the management of company affairs is not exercised in an appropriate and prudent manner.

Right to Dividends

According to the articles of association, the Company must distribute annually minimum dividend equal to the minimum annual dividend projected by law (article 45 of C.L. 2190/1920), which according to article 3 of Development Law 148/1967 amounts to at least 35% of the company's net profit, following the deduction necessary for the establishment of statutory reserves.

The place and method of payment is announced in notices published in the press, the Daily Official List and the website of the ATHEX and the Company website.

Dividends are paid within two (2) months of the date of the Annual General Meeting of Shareholders which approves the Company's Financial Statements.

Dividends which remain unclaimed for a period of five years of the date they became payable, are forfeited to the State.

Rights in product of liquidation

On conclusion of the liquidation, the liquidators return the contributions of the Shareholders in accordance with the Articles of Association and distribute the balance of the Company's assets' liquidation to the Shareholders in proportion to their share in the paid-up capital of the Company.

VI. Composition and manner of operation of the board of directors and other administrative, management or supervisory bodies or committees of the Company.

The purpose of the Board is the continuous enhancement of the long-term economic value of the Company and the safeguarding of general corporate interests. The Board of Directors is responsible for deciding on all matters pertaining to the management of the Company, administering company assets and the general pursuit of the company's purposes without any limitation (apart from matters pertaining exclusively to the General Meeting) and representing the Company both judicially and extra-judicially.

Composition

The Company is managed by a Board of Directors, comprised of minimum seven (7) to eleven (11) members, who are elected by the General Meeting, which also determines the term of their service. A legal entity may also be elected to the Board.

The members of the Board of Directors are elected by shareholders for a five year term which is automatically extended until the first annual General Meeting following the end of their term and is not permitted to exceed six years but does not preclude their re-election. The replacement of all members of the Board in one General Meeting should be avoided, and the succession of members of the Board of Directors must be conducted gradually.

The names of the members of the Board of Directors submitted for election or re-election will be accompanied by sufficient biographical details and the view of the Board on the independence of the proposed Board members, in accordance with the independence criteria set out in the Law, and any other relevant information to enable shareholders to make an informed decision.

The General Meeting may also elect alternate members of the Board, with the aim to replace resigning, deceased or retiring members of the Board.

Should the replacement by alternate members, as stated above, is not possible, the remaining members of the Board of Directors, provided they constitute at least three (3), may resolve to elect new members.

Should the Board be deficient of members (due to resignation, death or any other loss of membership), the Board of Directors, provided the number of remaining members is more than half of the initial number of members, and in any event no less than three (3), may continue to manage and represent the Company, without proceeding to replacement of deficient members as stated in the previous paragraph.

The Board of Directors elects the Chairman, the Vice-Chairman and one or two Chief Executive Officers among its members. The Chairman or Vice-Chairman of the Board of Directors is not required to be an executive member of the Board of Directors.

When the Chairman is absent, unable to attend or non-existent, his responsibilities (as set out by legislation or company statute) are undertaken by the Vice-Chairman. Should the Vice-Chairman also be absent or unable to attend, the Chief Executive Officer or other Executives will preside following a resolution of the Board of Directors.

The Board of Directors is comprised of a majority of non-executive members (including at least two independent non-executive members).

The independent non-executive members are exempt from conflicts of interest with the Company, and from close ties with Management, majority shareholders or the Company. For the duration of their term, the independent non-executive members are not permitted to hold more than 0,5% of the share capital of the Company or to maintain a dependant relationship with the Company or with persons affiliated with the Company. The independent members are elected by the General Meeting of Shareholders. The Board of Directors must determine whether the candidate fulfils the independence criteria before he/she is nominated by the General Meeting of Shareholders. In determining the independence of both candidates and current members, the Board of Directors should consider that a relation of dependence exists when the member:

- is (as stipulated in Law 3016/2002), or has been an employee, senior executive or Chairman of the Board of Directors of the Company or its subsidiaries within the last three (3) years;
- receives or has received during the 12 month prior to his appointment any compensation from the Company other than board membership fees approved by the General Meeting of Shareholders of the Company;
- has (as stipulated in Law 3016/2002) or had within the past year a material business relationship with the Company or its subsidiaries, particularly as a significant client, supplier or consultant of the Company or as a partner, shareholder or board member, or senior executive of an entity that has such a relationship with the Company or its subsidiaries;
- has been the external auditor of the Company or its subsidiaries or has been a partner or employee of a firm that provides external auditing services to the Company or its subsidiaries within the last three (3) years;
- has (as stipulated in Law 3016/2002) a second degree kinship with or is the spouse of a non-independent Board members, senior executive, adviser or significant shareholder of the Company or its subsidiaries;
- controls directly or indirectly through related parties , more than 10% of the voting rights of the Company or represents a significant shareholder of the Company or its subsidiaries.

The Company's current Board of Directors consists of nine (9) members and was elected by the Extraordinary General Meeting of Shareholders of April 10, 2014, for a five-year term and has the following composition after the resignation of the member Mr. Nikolaos-Leon Papapolitis, and the reconstruction of the Board of Directors:

1) Socrates P. Kokkalis, Chairman, executive member,

2) Constantinos G. Antonopoulos, Vice Chairman, non executive member,

3) Antonios I. Kerastaris, Group CEO, executive member,

4) Konstantinos S. Kokkalis, Director, non executive member,

5) Dimitrios Ch. Klonis, Director, non executive member,

6) Petros K. Souretis, Director, non executive member,

7) Sotirios N. Filos, Director, independent-non executive member,

8) Anastasios M. Tsoufis, Director, independent-non executive member, and

9) Ioannis P. Tsoukaridis, Director, independent-non executive member,

The CVs of all members of the Board of Directors are available on the Company's website (www.intralot.com).

Board of Director Meetings

The Board of Directors may validly convene, in addition to the company headquarters, elsewhere in Greece or abroad. The Board of Directors may also convene via teleconference; in such case, the invitation to the Board members includes information relevant to the teleconference.

The Board of Directors shall convene with the frequency required to ensure the effective performance of its duties and at least once per month.

The Chairman will preside over meetings of the Board of Directors and in the case of being absent; the Vice-Chairman will take the chair.

The Board of Directors decides with a majority of the members either physically present and/or represented by proxy except in case of Article 5 Paragraph 2 of the Company's Articles of Association.

The discussions and the resolutions of the Board are recorded in minutes. The minutes of each session must be distributed and approved at the subsequent Board meeting. The copies of the minutes of the meeting of the Board of Directors must be signed either by the Chairman or Vice-Chairman of the Board of Directors or a General Director each of whom is also entitled to sign extracts thereof.

Responsibilities of the Board of Directors

The responsibilities of the Board of Directors are clearly defined, apart from the legislation in force, by both the Company's Articles of Association and the internal Company regulation or other internal Company documents.

The Board of Directors is responsible for deciding on all matters pertaining to the management of the Company, administering company assets and the general pursuit of the company's purposes without any limitation (apart from matters pertaining exclusively to the General Meeting) and representing the Company both judicially and extra-judicially. Responsibilities of the Board of Directors include:

- approving the overall long-term strategy and operational goals of the Company;
- approving annual budgets and business plans and deciding on major capital expenditures, acquisitions and divestitures;
- selecting and replacing, if necessary, the executive leadership of the Company and overseeing succession planning;
- monitoring the performance of the Management and aligning executive remuneration with the longer term interests of the Company and its shareholders;
- ensuring the integrity of the Company's accounts, financial reporting systems and public disclosures, as well as the effectiveness of the systems of internal control and risk management;
- being alert and adequately addressing actual and potential conflicts of interest between the Company, on the one hand, and the Management, Board members or major shareholders on the other (including shareholders with direct or indirect power to control the Board's composition and behaviour); to this end, the Board should put a set of procedures in place for supervising transactions

by all related persons (including transactions that must be submitted to the shareholders for approval) in order to ensure transparency and protect the Company's interests,

- ensuring that there is a satisfactory process for monitoring the Company's compliance with relevant laws and regulations;
- deciding on and monitoring the effectiveness of the Company's governance processes, including its system of decision–making and delegation of authorities and duties to other key executives, and the definition, circulation and implementation of the main values and principles of the Company which govern the relationships between all parties whose interests are associated with the Company;
- the issuance of all bond loans (which is a parallel duty of the General Meeting) except for the issuance of convertible bond loans with profit participation rights for which the General Meeting is responsible to resolve.

The Board of Directors may assign all or part of its managerial powers (except for those requiring collective action) and representation to one or more persons, either members or non-members of the Board of Directors, Company's employees or third parties, specifying the extent of the power granted. These persons may, if provided in the respective resolution of the Board of Directors, further delegate to third parties, wholly or partially, the aforementioned powers. The persons assigned with the aforementioned powers bind the Company as its corporate bodies to the full extent of the aforementioned powers.

The Board of Directors may assign committees which support its decision making process and ensure the effective management of potential conflicts of interest which may arise throughout the decision making process.

Responsibilities & Conduct of the members of the Board of Directors

Each Board member has a duty of loyalty to the Company. The Board members should act with integrity and in the best interests of the Company as well as protect the confidentiality of information that has not been disclosed to the public. They should not compete with the Company and must avoid any role or activity that creates or appears to create conflict between personal interests and the interests of the Company, including holding board or executive positions in competing companies, without the permission of the General Meeting of the Shareholders. The Board members contribute their expertise and devote to their duties the necessary time and attention. They should also limit the number of other professional commitments (in particular any directorship held in other companies) to the extent necessary for the satisfactory execution of their duties as members of the Board. Finally, the members of the Board must endeavour to attend all meetings of the Board and the committees of which they are members.

The division of responsibilities between the Chairman and the Chief Executive Officer, in case that both are executive members of the Board, should be clearly established by the Board, set out in writing and communicated to the shareholders. The same applies in the event that the duties of the Chairman and Chief Executive Officer are exercised by the same person.

The Chairman should facilitate the effective contribution by non-executive Board members to the work of the Board and ensure constructive relations between executive and non-executive members.

The Chairman and/or the Vice Chairman must have meetings with the non-executive members, without the presence of the executive members, in order to discuss the performance of the later as well as other related matters.

The Board should ensure that an induction program is established for new Board members and that continuing professional development programs are available to other Board members, if this is considered to be required.

Board members should arrange to receive regular briefings on business developments and changes in the risk profile of the Company. They should be also appraised in a timely manner of changes in laws and the market environment. Board members should engage frequently with senior executives of the Company, attending regular presentations by heads of sectors and services.

Board members should have the right to request from the Management, via the Chief Executive Officer, any information they consider necessary to fulfill their responsibilities at any point of time.

The Board should appoint an independent vice chairman from among its independent Board members where the Company chooses to combine the roles of Chairman and Chief Executive Officer; or

A former executive of the Company who is appointed as Chairman within three (3) years as from his/her retirement as executive, he/she should be considered as being an executive chairman.

The Chairman is responsible for leading the Board. He is responsible for determining the agenda of the meetings, (without limitation to the right of the deputy of the Chairman or two of its members as stipulated in the Articles of Association of the Company to convene a meeting of the Board of Directors), ensuring the organization of activities performed by the Board, and effectively conducting Board meetings. In addition, the Chairman or, should the Chairman be a non-executive director, the Vice Chairman, is responsible for ensuring that the members of the Board are informed in a timely manner and for effectively communicating with all shareholders, as well as the fair and equitable treatment of all shareholder interests. When the Chairman is absent or unable to attend, his responsibilities are undertaken by the Vice-Chairman. Should the Vice-Chairman also be unable to attend, the Chief Executive Officer or other Executive will preside following the resolution of the Board of Directors.

A Board member's other professional commitments (including significant non-executive engagements in companies and non-profit institutions) should be disclosed to the Board before appointment. Changes to such commitments should be reported to the Board as they arise. Non-executive Board members should undertake at appointment that they will have sufficient time to meet what is expected of them.

An executive Board member's appointment as a non-executive board member in a company other than a subsidiary or a related company should be approved by the Board.

Responsibilities of executive members of the Board of Directors:

The Board of Directors selects its executive members from within its members in accordance with the law and the Company's Articles of Association and assigns to one or more members, to other corporate bodies or executives of the Company or to third parties (as per authorization of the abovementioned to this end) the daily management matters and part of its powers.

Responsibilities of non- executive members of the Board of Directors:

The Board of Directors selects its non-executive members from within its members in accordance with legislation and Company statute. The non-executive members are responsible for the advancement of corporate matters, they participate on boards and committees and are particularly responsible for upholding the principles of proper corporate governance.

The non-executive members maintain their independence as regards the matters they investigate, aiming to effectively perform their role and to create a trustworthy climate between the Board of Directors, senior executives and managers.

The non-executive members of the Board of Directors must have in-depth knowledge of both the operation and product of the Company and the broader market of the industry and should be provided with every assistance. In general, each non-executive member arranges for his/her continuing education so as to contribute effectively and efficiently to the proper and efficient operation of the Company.

At least of two of the non-executive members are elected by the General Meeting as independent and may, if deemed necessary, submit, individually or jointly, reports or studies independent from those of the Board of Directors to the Ordinary or Extraordinary General Meeting of the Company.

Compensation Policy

The formulation and flawless implementation of the Corporate Compensation and Benefits Policy, plays a fundamental role in the operation of INTRALOT and constitutes the focal point for the long-term retention of its Human Capital.

INTRALOT cooperates with international consultancy agencies in the field of Compensation and Benefits research, constantly monitoring world reward trends aiming to achieve a fair, objective and competitive reward strategy in comparison not only with international but with local labor market practices as well.

The Compensation and Benefits Policy regulates fixed salaries levels, benefits and performance-related variable remuneration systems concerning the executive members of Board of Directors. The job description, accountability and responsibility of the position in the Group along with the academic background, competencies, professional experience, and performance evaluation constitute the criteria of the above mentioned policy.

The implementation of the Compensation and Benefits Policy and its monitoring systems aim, in full transparency, to define the salaries and benefits' structure and to safeguard the internal corporate fairness and consistency.

The principles of the Compensation and Benefit Policy imbue the total of the employee force of the Company, including the executive members of the Board of Directors. The fixed salaries reviews, the granting of bonuses along with the benefits share the aforementioned common principles and regard the whole corporate ladder based on the corporate budget and the annual performance of the Group.

In addition to both the fixed and variable remuneration pertaining to the executive members of the Board of Directors, other incentives such as medical and life insurance, corporate car along with extra benefits are granted.

Additionally, the corporate stock option scheme constitutes a strong incentive contributing to the retention of highly performing executives and to the continuous effort for the improvement of the long term results of the Company. Such programs regard the executive members of the Board of Directors, top executives and key employees meeting the following criteria, hierarchy, personal contribution, importance of the role along with performance evaluation results.

Other Managerial and Supervisory Bodies

The Board of Directors may decide to establish committees governing human resources, scheduling, control or other responsibilities as it deems necessary to facilitate the purpose of the Company. The detailed terms of mandate, composition, term, the directorship and reporting frequency to the Board of Directors is determined at the time of establishment. The committees have consulting competence and submit their recommendations to the Board of Directors for due examination and action. Exceptionally, the Board of Directors may, at its discretion, delegate to these committees executive and/or decision making authorities in cases allowed by law and the Company's Articles of Association.

A. Audit and Compliance Committee

Chairman: Sotirios N. Filos, Independent non executive member

Members:,

Anastasios M. Tsoufis, independent-non executive member,

The Audit and Appliance Committee is a committee of the Board of Directors and is established with the aim to assist the Board with its supervisory responsibilities as regards financial reporting and information, the compliance of the Company and its subsidiaries to the legislative and regulatory operational framework, audit system procedures and to exercise supervision over the auditing operation.

The members of the Audit and Compliance Committee are appointed by the Board of Directors. The Audit and Compliance Committee is comprised of at least two (2) non-executive members and one independent non-executive member of the Board of Directors who presides the meetings and has experience/knowledge on finance and accounting matters.

The Audit and Compliance Committee convenes as necessary but at a minimum four times per annum on invitation of its Chairman and also meets with the Company's auditor at least twice a year and not in the presence of Company's Management.

The main responsibilities of the Audit and Compliance Committee include:

- Monitoring and evaluation of the competence of the internal audit and risk management system of the Company.
- Monitoring the findings of the Supervisory and Taxation Authorities including the responses of the Management of the Company.
- Examination of the Internal Operational Regulation of the Company every two years.
- Monitoring of the financial reporting processes.
- Monitoring of the procedures of mandatory bi-annual and annual audits of the individual and consolidated financial statements of the Company which are prepared according to the International Financial Reporting Standards (IFRS) and recommends their approval or rejection to the Board of Directors of the Company.
- Supervision of the most significant financial accounting reporting matters and the notes to the financial statements, focusing on areas and methods used to evaluate assets and liabilities which are open to subjective interpretation
- Supervision of all taxation or legal matters which may have a significant impact on financial statements.

- Examines, with the Management of the Company, the external and internal Auditors, the adequacy of Company's information systems including the significant risks and instituted controls to minimize risk.
- Recommends the external auditor or firm of auditors (the Auditor) to the Board of Directors, to enable the Board to submit its proposal to appoint an external or firm of auditors to the General Meeting.
- Ensures the independence and objectivity of the Auditor, reviewing the compliance of the firm as regards the rotation of the auditors, the fee paid by the Company and the provision of other services (for example consulting services) by the statutory auditor or firm of auditors.
- Is informed by the Auditor or the firm of auditors, at least once a year, on each matter related to the progress and results of the statutory audit. The Committee receives a report on the weaknesses of the internal audit system, specifying the weaknesses of procedures related to financial reporting and the preparation of financial statements.
- Ensures the Board of Directors is available to internal and external auditors by acting as intermediary.
- Meets with the Auditor (either in the presence of Management or not) to discuss the aforementioned matters, potential disputes which may arise between the Auditor and Management of the Company, and any significant changes which may arise in the audit plan.
- Proposes the appointment, replacement and termination of the Internal Auditor to the Board of Directors and is responsible for the periodic evaluation of the Internal Auditor's performance.
- Receives and examines the periodic reports of the internal audit and supervises the progress of recommendations made by the Internal Auditor and adopted by Management as expressed in the respective reports.
- Examines transparency matters pertaining to the procedures connected to the awarding and execution of public tenders in accordance with current legislation while aiming to ensure transparency.
- Controls the transactions of the subsidiaries and related corporations as stipulated in article 42e of C.L. 2190/1920 in Greece and abroad as regards the interests and activities of the group of the Company.
- Proposes the appointment of a person as responsible for the whistleblowing policy of the Company, determines the responsibilities and any remuneration.

The Financial Committee, which is responsible for the financial management of the Company, is a sub-committee of the Audit and Compliance Committee. More particularly, the Financial Committee is comprised of:

the Chief Financial Officer, the Director of Finance, the Accounting Director, the Subsidiaries and Business Development Director and other executives within the finance department as deemed necessary and recommends to the Audit and Compliance Committee and/or directly to the Board of Directors as follows:

a. To manage the Group's exposure to risk associated with interest rate fluctuations while taking into account the ratio between floating and fixed interest rates for the total net indebtedness of the Group.

To manage the risk ratio of fixed-floating interest rates, the Company and/or its subsidiaries may enter into financial derivative agreements such as: Interest Rate Swaps, Interest Rate Caps, Interest Rate Collars and other financial products offered by Greek and international banks. The abovementioned products "swap" the variable interest rate with a fixed one.

b. To manage the Group's exposure to risks associated with currency exchange rate fluctuations by proposing financial derivative agreements such as: Forward Contracts, Options, Currency Swaps and other financial products offered by Greek and international banks.

The abovementioned products "lock" the exchange rates (spot rate) of various currencies. Decisions regarding the advisability and risk management strategy are undertaken by the Financial Committee depending on the coverage percentage and market conditions and circumstances.

c. To manage risks which may arise from socio-political changes through products available on the market such as: Event Swaps - when a political event compels a business/investment interruption abroad (for example following a political resolution to expel all foreign companies), or Credit Default Swaps - when the credit-worthiness of a county deteriorates.

The Financial Committee will recognise potential risk in a timely manner and will discern the most appropriate and effective methods to manage said risks with the use of suitable financial tools. The Committee then proposes that divisions and/or subsidiaries of the Company enter into agreements.

B. Remuneration and Nomination Committee for the Board Directors

Chairman: Konstantinos S. Kokkalis, Non-Executive Member

Members: Sotirios N. Filos, Independent non executive member, Ioannis P. Tsoukaridis, Independent-non executive member.

The Board of Directors of the Company assigns the responsibility of determining the employee remuneration policy of the Company to the Remuneration Committee. The Remuneration Committee recommends levels of remuneration to the Board of Directors for executives, managers and senior executives and concurrently regulates matters associated with the overall remuneration policy of the Company.

The Remuneration committee is comprised of three (3) members the majority of whom are non-executive members. The Chairman of the Remuneration Committee is appointed by the Board of Directors and must be a non-executive member. Should an executive be a member of the Remuneration Committee, this member may not attend discussions pertaining to his/her own remuneration.

The Remuneration Committee convenes at the invitation of its Chairman as deemed necessary and at least once per annum. The main responsibilities of the Remuneration Committee are as follows:

- Proposes the remuneration policy of the Company including incentive bonuses, stock options and employee loyalty incentive programs.
- Specifically for the remuneration of executives and managers, the Committee suggests an annual salary, performance related remuneration, pension plan and severance package.

- Suggests the level and structure of senior executive remuneration. The remuneration of the internal auditor is discussed with the Audit and Compliance Committee.
- Proposes the criteria and the overall framework for the selection of the members of the Board of Directors.
- Suggests the procedures for determining the internal relations of the members of the Board of Directors.
- Determines the criteria for selection of new directors and movements.

C. Management Committee

The Management Committee is comprised of the Chief Executive Officer and General Directors of the Company and examines all significant Company matters, formulates proposals and decides how to address them. The role of the Management Committee is also essential in the achievement of inter-company communication, the coordination of the departments' projects and the support of the Chief Executive Officer in both an informative and advisory capacity. The Management Committee provides an accurate and complete overview of the Company, emphasising critical operational issues, designs the development strategy of the Company and advances the implementation of major projects and objectives. The Management Committee may convene without the whole of its members on invitation of the Chief Executive Officer of the Company. Members of the Audit and Compliance Committee and senior executives may attend the meetings as deemed necessary.

Evaluation of the Board of Directors

The evaluation of the performance of the Board and its committees should take place at least every two (2) years in line with a clearly established procedure. The evaluation exercise should be led by the Chairman of the Board (or should the Chairman be a non-executive member, the Vice-Chairman of the Board of Directors) and of every committee, while following the evaluation, the Chairman should act on the results of the performance evaluation by addressing the weaknesses of the Board.

TABLE OF MEMBERS' ATTENDANCE IN DECISION MAKING PROCEDURES OF THE BOARD OF DIRECTORS AND COMMITTEES DURING THE YEAR

FULL NAME	46 PARTICIPATIONS IN DECISION MAKING PROCEDURES OF THE BoD		9 MEETINGS OF THE AUDIT & COMPLIANCE COMMITTEE		1 MEETING OF THE REMUNERATION & NOMINATION COMMITTEE	
	PRESENT	ABSENT	PRESENT	ABSENT	PRESENT	ABSENT
SOCRATES KOKKALIS	46					
CONSTANTINOS ANTONOPOULOS	45	1				
ANTONIOS KERASTARIS	7					
KONSTANTINOS KOKKALIS	35				1	
DIMITRIOS KLONIS	46					
PETROS SOURETIS	46					
SOTIRIOS FILOS	46		9		1	
ANASTASIOS TSOUFIS	46		9			
IOANNIS TSOUKARIDIS	35				1	

INDEPENDENT AUDITORS' REPORT

To the Shareholders of the Company "INTRALOT S.A. INTEGRATED LOTTERY SYSTEMS AND SERVICES"

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of the Company "INTRALOT S.A. INTEGRATED LOTTERY SYSTEMS AND SERVICES", which comprise the separate and consolidated statement of financial position as of 31 December 2014, the separate and consolidated statements of income statement and comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's system of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company "INTRALOT S.A. INTEGRATED LOTTERY SYSTEMS AND SERVICES" and its subsidiaries as of 31 December 2014, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Reference to Other Legal and Regulatory Requirements

a) The Report of the Board of Directors includes a corporate governance statement which provides all information set out in paragraph 3d of article 43a of C.L. 2190/1920.
b) We verified the consistency and the correspondence of the content of the Report of the Board of Directors with the accompanying separate and consolidated financial statements, under the legal frame of the articles 43a, 108 and 37 of C.L. 2190/1920.

Athens, 31 March 2015

The Auditors

Georgios And. Karamichalis

Certified Public Accountant Auditor

Institute of CPA (SOEL) Reg. No. 15931

Associated Certified Public Accountants s.a.
member of Crowe Horwath International
3, Fok. Negri Street – 112 57 Athens, Greece
Institute of CPA (SOEL) Reg. No. 125

Georgios Deligiannis

Institute of CPA (SOEL) Reg. No 15791

Chartered Accountants Management Consultants
56, Zefirou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

INCOME STATEMENT GROUP / COMPANY

Amounts reported in thousand €	Note	GROUP		GROUP		COMPANY		COMPANY	
		1/1-31/12/2014	1/1-31/12/2013*	1/10-31/12/2014	1/10-31/12/2013*	1/1-31/12/2014	1/1-31/12/2013	1/10-31/12/2014	1/10-31/12/2013
Sale Proceeds	2.2	1.853.164	1.539.430	523.655	459.468	85.714	150.853	21.228	48.033
Less: Cost of Sales	2.3-2.5	-1.582.930	-1.271.522	-446.940	-387.496	-48.673	-80.233	-11.045	-26.507
Gross Profit /(Loss)		**270.234**	**267.908**	**76.715**	**71.972**	**37.041**	**70.620**	**10.183**	**21.526**
Other Operating Income		19.309	17.361	5.393	4.866	7.021	332	4.273	207
Selling Expenses	2.3-2.5	-60.309	-40.185	-17.752	-11.729	-8.446	-5.218	-3.086	-64
Administrative Expenses	2.3-2.5	-119.941	-120.754	-33.611	-27.801	-12.048	-8.781	-3.022	-1.915
Research and Development Expenses	2.3-2.5	-7.223	-6.977	-382	-1.226	-7.110	-6.458	-325	-1.034
Other Operating Expenses	2.6	-15.103	-17.045	-9.272	-12.030	-5.441	-41.594	-5.136	-41.556
EBIT	2.1.26	**88.142**	**103.276**	**21.905**	**26.833**	**11.197**	**8.901**	**2.949**	**-22.836**
EBITDA	2.1.26	**175.445**	**194.850**	**43.792**	**51.373**	**20.074**	**23.141**	**5.041**	**-19.532**
Interest and similar Charges	2.7	-72.175	-57.898	-18.476	-18.414	-29.606	-24.665	-7.609	-6.851
Interest and similar Income	2.7	13.468	25.233	3.466	11.128	11.132	24.251	1.152	1.533
Exchange Differences		10.552	-11.061	3.667	-405	5.309	-1.288	2.028	-595
Profit / (Loss) from equity method consolidations	2.27	-2.279	-3.027	-489	-2.951	0	0	0	0
Operating Profit/(Loss) Before Tax		**36.533**	**53.555**	**9.259**	**13.410**	**-2.148**	**7.199**	**-1.542**	**-28.749**
Less: Taxes	2.8	-44.175	-32.239	-13.641	-12.041	-8.859	-7.254	-2.051	-2.133
Net Profit / (Loss) after taxes from Continuing Operations (a)		**-7.642**	**21.316**	**-4.382**	**1.369**	**-11.007**	**-55**	**-3.593**	**-30.882**
Net Profit / (Loss) after taxes from Discontinuing Operations (b)		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net Profit / (Loss) (Continuing and Discontinuing Operations) (a) + (b)		**-7.642**	**21.316**	**-4.382**	**1.369**	**-11.007**	**-55**	**-3.593**	**-30.882**
Attributable to:									
Equity holders of parent		-49.546	-4.566	-17.477	-5.093	-11.007	-55	-3.593	-30.882
Non-Controlling Interest		41.904	25.882	13.095	6.462	0	0	0	0
Earnings/(losses) after taxes per share (in €)									
-basic	2.9	-0,3117	-0,0287	-0,1099	-0,0320	-0,0693	-0,0003	-0,0226	-0,1943
-diluted	2.9	-0,3117	-0,0287	-0,1099	-0,0320	-0,0693	-0,0003	-0,0226	-0,1943
Weighted Average number of shares	2.9	158.943.422	158.961.721	158.943.422	158.961.721	158.943.422	158.961.721	158.943.422	158.961.721

*Including restated figures according to IFRS 11 – note 2.27.A.III

STATEMENT OF COMPREHENSIVE INCOME GROUP / COMPANY

Amounts reported in thousand €	Note	GROUP		GROUP		COMPANY		COMPANY	
		1/1-31/12/2014	1/1-31/12/2013*	1/10-31/12/2014	1/10-31/12/2013*	1/1-31/12/2014	1/1-31/12/2013	1/10-31/12/2014	1/10-31/12/2013
Net Profit / (Loss) (Continuing and Discontinuing Operations)		**-7.642**	**21.316**	**-4.382**	**1.369**	**-11.007**	**-55**	**-3.593**	**-30.882**
Attributable to:									
Equity holders of parent		-49.546	-4.566	-17.477	-5.093	-11.007	-55	-3.593	-30.882
Non-Controlling Interest		41.904	25.882	13.095	6.462	0	0	0	0
Other comprehensive income after tax:									
Amounts that may not be reclassified to profit or loss:									
Defined benefit plans revaluation for Parent company and subsidiaries	2.21	-33	-280	-28	-280	75	-72	75	-72
Amounts that may be reclassified to profit or loss:									
Valuation of available- for -Sale financial assets of parent and subsidiaries	2.14	-3.239	5.360	22	2.346	158	-8	-4	4
Share of valuation of available- for -Sale financial assets of associates and joint ventures	2.14	-20	20	0	20	0	0	0	0
Derivatives valuation of parent and subsidiaries	2.29	407	3.270	0	897	0	1.593	0	521
Exchange differences on translating foreign operations of subsidiaries		-884	-40.906	-4.539	-27.968	0	0	0	0
Share of exchange differences on translating foreign operations of associates and joint ventures		9.327	-1.413	2.334	747	0	0	0	0
Other comprehensive income/ (expense) after taxes		**5.558**	**-33.949**	**-2.211**	**-24.238**	**233**	**1.513**	**71**	**453**
Total income / (expenses) after taxes		**-2.084**	**-12.633**	**-6.593**	**-22.869**	**-10.774**	**1.458**	**-3.522**	**-30.429**
Attributable to:									
Equity holders of parent		-48.516	-25.059	-21.990	-24.679	-10.774	1.458	-3.522	-30.429
Non-Controlling Interest		46.432	12.426	15.397	1.810	0	0	0	0

* Including restated figures according to IFRS 11 – note 2.27.A.III

STATEMENT OF FINANCIAL POSITION GROUP/COMPANY

Amounts reported in thousand €	Note	GROUP		COMPANY	
		31/12/2014	31/12/2013 [1]	31/12/2014	31/12/2013
ASSETS					
Tangible fixed assets	2.11	182.794	199.418	8.001	7.381
Intangible assets	2.12	348.854	353.346	77.804	65.977
Investment in subsidiaries, associates and joint ventures [2]	2.13/2.27	32.608	25.823	209.661	171.520
Other financial assets [2]	2.14	36.928	43.476	3.254	6.411
Deferred Tax asset	2.8	9.035	14.710	0	3.284
Other long term receivables	2.15	60.530	77.521	315	438
Total Non Current Assets		**670.749**	**714.294**	**299.035**	**255.011**
Inventories	2.17	52.017	48.331	39.085	37.353
Trade and other short term receivables	2.16	215.073	221.315	128.809	166.298
Other financial assets	2.14	328	3.585	0	0
Cash and cash equivalents	2.18	416.925	143.293	7.875	5.131
Total Current Assets		**684.343**	**416.524**	**175.769**	**208.782**
TOTAL ASSETS		**1.355.092**	**1.130.818**	**474.804**	**463.793**
EQUITY AND LIABILITIES					
Share Capital	2.19	47.689	47.689	47.689	47.689
Treasury Shares	2.19	-490	0	-490	0
Other reserves	2.19	59.807	63.850	46.064	48.703
Foreign currency translation		-57.090	-61.002	0	0
Retained earnings		167.563	215.812	10.420	18.642
Total equity attributable to shareholders of the parent		**217.479**	**266.349**	**103.683**	**115.034**
Non-Controlling Interest	2.27	100.060	77.395	0	0
Total Equity		**317.539**	**343.744**	**103.683**	**115.034**
Long term Debt	2.20	557.452	350.315	172.542	223.042
Staff retirement indemnities	2.21	7.053	6.840	4.094	3.881
Other long term provisions	2.27	6.071	13.683	5.423	13.039
Deferred Tax liabilities	2.8	14.740	8.124	5.599	0
Other long term liabilities	2.23	14.151	12.124	0	0
Finance lease obligation	2.28	8.600	19.243	0	0
Total Non Current Liabilities		**608.067**	**410.329**	**187.658**	**239.962**
Trade and other short term liabilities	2.24	175.457	181.364	108.972	95.142
Short term debt [3]	2.25	232.268	176.920	71.129	9.432
Current income taxes payable	2.8	13.571	11.315	2	954
Short term provision	2.27	8.190	7.146	3.360	3.269
Total Current Liabilities		**429.486**	**376.745**	**183.463**	**108.797**
TOTAL LIABILITIES		**1.037.553**	**787.074**	**371.121**	**348.759**
TOTAL EQUITY AND LIABILITIES		**1.355.092**	**1.130.818**	**474.804**	**463.793**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III
[2] Included in the Group and the Company on 31.12.13 reclassification (for investments in non-consolidated companies) from the account "Investments in subsidiaries, associates and joint ventures" in the account "Other financial assets" for a more appropriate presentation - note 2.27.A.III
[3] The Group in "Short-term loans" includes a long-term syndicated loan of €197,6 million maturing in June 2017, which was reclassified as short-term on 31/12/2014 pursuant to IAS 1 (note 2.20). This loan will be classified back to long-term with the release of the Group's financial statements for the first quarter of 2015.

STATEMENT OF CHANGES IN EQUITY GROUP

STATEMENT OF CHANGES IN EQUITY INTRALOT GROUP (Amounts reported in thousand of €)	Share Capital	Treasury Shares	Legal Reserve	Other Reserves	Foreign currency translation	Retained Earnings	Total	Non-Controlling Interest	Grand Total
Opening Balance 01/01/2014 (Initial publication)	**47.689**	**0**	**24.197**	**39.653**	**-61.300**	**217.212**	**267.451**	**78.320**	**345.771**
Restatement for IFRS 11 *					298	-1.400	**-1.102**	-925	**-2.027**
Opening Balance 01/01/2014 (after the restatement for IFRS 11) *	**47.689**	**0**	**24.197**	**39.653**	**-61.002**	**215.812**	**266.349**	**77.395**	**343.744**
Effect on retained earnings from previous years adjustment						69	**69**	-222	**-153**
Period's Results						-49.546	**-49.546**	41.904	**-7.642**
Other comprehensive income/(expenses) after tax				-2.877	3.912	-5	**1.030**	4.528	**5.558**
Dividends to equity holders of parent /non-controlling interest							**0**	-23.537	**-23.537**
Deemed Dividend Distribution Tax				10			**10**	18	**28**
Sale / liquidation of subsidiary							**0**	31	**31**
Effect Due To Change In Ownership Percentage						57	**57**	-57	**0**
Purchase of treasury shares		-490					**-490**		**-490**
Transfer between Reserves			1.804	-2.980		1.176	**0**		**0**
Balances as at 31/12/2014	**47.689**	**-490**	**26.001**	**33.806**	**-57.090**	**167.563**	**217.479**	**100.060**	**317.539**

* Including restated figures according to IFRS 11 – note 2.27.A.III

STATEMENT OF CHANGES IN EQUITY INTRALOT GROUP (Amounts reported in thousand of €)	Share Capital	Treasury Shares	Legal Reserve	Other Reserves	Foreign currency translation	Retained Earnings	Total	Non-Controlling Interest	Grand Total
Opening Balance 01/01/2013 (after the restatement for IAS 19)	**47.689**	**0**	**23.927**	**37.057**	**-32.404**	**226.711**	**302.980**	**80.617**	**383.597**
Restatement for IFRS 11 *					267	-1.400	**-1.133**	-969	**-2.102**
Opening Balance 01/01/2013 (after the restatement for IFRS 11) *	**47.689**	**0**	**23.927**	**37.057**	**-32.137**	**225.311**	**301.847**	**79.648**	**381.495**
Effect on retained earnings from previous years adjustment						-1.163	**-1.163**	-84	**-1.247**
New consolidated entities							**0**	5.121	**5.121**
Period's Results						-4.566	**-4.566**	25.882	**21.316**
Other comprehensive income/(expenses) after tax				8.374	-28.865	-2	**-20.493**	-13.456	**-33.949**
Repurchase of convertible bond				-8.956		3.717	**-5.239**		**-5.239**
Tax deemed dividend distribution				-62			**-62**	-115	**-177**
Dividends to equity holders of parent/non-controlling interest						-417	**-417**	-16.522	**-16.939**
Effect due to change in ownership percentage						-3.558	**-3.558**	-3.079	**-6.637**
Transfer between Reserves			270	3.240		-3.510	**0**		**0**
Balances as at 31/12/2013*	**47.689**	**0**	**24.197**	**39.653**	**-61.002**	**215.812**	**266.349**	**77.395**	**343.744**

* Including restated figures according to IFRS 11 – note 2.27.A.III

STATEMENT OF CHANGES IN EQUITY COMPANY

STATEMENT OF CHANGES IN EQUITY INTRALOT S.A. (Amounts reported in thousand of €)	Share Capital	Treasury Shares	Legal Reserve	Other Reserves	Retained Earnings	Total
Opening Balance 01/01/2014	**47.689**	**0**	**15.896**	**32.807**	**18.642**	**115.034**
Effect on retained earnings from previous years adjustment					-87	**-87**
Period's Results					-11.007	**-11.007**
Other comprehensive income/(expenses) after tax				233		**233**
Purchase of treasury shares		-490				**-490**
Transfer between Reserves				-2.872	2.872	**0**
Balances as at 31/12/2014	**47.689**	**-490**	**15.896**	**30.168**	**10.420**	**103.683**

STATEMENT OF CHANGES IN EQUITY INTRALOT S.A. (Amounts reported in thousand of €)	Share Capital	Treasury Shares	Legal Reserve	Other Reserves	Retained Earnings	Total
Opening Balance 01/01/2013 (after the restatement for IAS 19)	**47.689**	**0**	**15.896**	**39.309**	**18.108**	**121.002**
Period's Results					-55	**-55**
Other comprehensive income/(expenses) after tax				1.513		**1.513**
Repurchase of convertible bond				-10.726	3.717	**-7.009**
Dividends to parent shareholders/ non-controlling interest					-417	**-417**
Transfer between Reserves				2.711	-2.711	**0**
Balances as at 31/12/2013	**47.689**	**0**	**15.896**	**32.807**	**18.642**	**115.034**

CASH FLOW STATEMENT GROUP/COMPANY

Amounts reported in thousand of €		GROUP		COMPANY	
	Note	1/1-31/12/2014	1/1-31/12/2013*	1/1-31/12/2014	1/1-31/12/2013*
Operating activities					
Profit before Taxation		36.533	53.555	-2.148	7.199
Plus/Less adjustments for:					
Depreciation and Amortization	2.4	87.303	91.574	8.877	14.240
Provisions	2.6	10.833	14.578	94	40.779
Exchange rate differences		7.052	-22.581	0	0
Results from Investing Activities		-10.213	11.868	-9.138	-6.020
Debit Interest and similar expenses	2.7	72.175	57.898	29.606	24.665
Credit Interest	2.7	-12.604	-24.774	-6.271	-16.895
Plus/Less adjustments of working capital to net cash or related to operating activities:					
Decrease/(increase) of Inventories		-5.203	-3.901	-2.300	-4.628
Decrease/(increase) of Receivable Accounts		14.895	-67.343	36.235	-20.373
(Decrease)/increase of Payable Accounts (except Banks)		-10.261	43.706	-22.827	35.566
Less:					
Interest Paid and similar expenses paid		66.165	37.812	30.026	12.341
Income Tax Paid		28.986	35.493	954	2.861
Net Cash from Operating Activities (a)		**95.359**	**81.275**	**1.148**	**59.331**
Investing Activities					
(Purchases) / Sales of subsidiaries, associates, joint ventures and other investments	2.7 2.14	7.539	-22.934	-695	-12.092
Purchases of tangible and intangible assets	2.11 2.12	-67.310	-58.170	-18.242	-23.155
Proceeds from sales of tangible and intangible assets	2.11 2.12	315	389	0	0
Interest received		13.587	8.591	6.361	5.367
Dividends received		999	2.606	4.162	7.643
Net Cash from Investing Activities (b)		**-44.870**	**-69.518**	**-8.414**	**-22.237**
Financing Activities					
Proceeds from share capital increase	2.19	0	0	0	0
Purchase of treasury shares	2.19	-490	0	-490	0
Cash inflows from loans	2.20	521.243	492.442	22.500	74.500
Repayment of loans	2.20	-261.777	-472.315	-12.000	-111.300
Repayment of Leasing Obligations	2.28	-12.170	-6.877	0	0
Dividends paid		-23.663	-16.645	0	-417
Net Cash from Financing Activities (c)		**223.143**	**-3.395**	**10.010**	**-37.217**
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)		**273.632**	**8.362**	**2.744**	**-123**
Cash and cash equivalents at the beginning of the period	2.18	**143.293**	**134.931**	**5.131**	**5.254**
Cash and cash equivalents at the end of the period	2.18	**416.925**	**143.293**	**7.875**	**5.131**

* Including restated figures according to IFRS 11 – note 2.27.A.III

1. GENERAL INFORMATION

General Information

INTRALOT S.A. – "Integrated Lottery Systems and Gaming Services", with the distinct title «INTRALOT» is a business entity that was established based on the Laws of Hellenic Republic, whose shares are traded in the Athens Stock Exchange. Reference to «INTRALOT» or the «Company» includes INTRALOT S.A. whereas reference to the «Group» includes INTRALOT S.A. and its fully consolidated subsidiaries, unless otherwise stated. The Company was established in 1992 and has its registered office in Maroussi of Attica.

INTRALOT is one of the leading suppliers of integrated gaming and transaction processing systems, while its footprint straddles five continents, with presence in 57 countries, about 5.500 people and revenues of €1.853 million in 2014. Committed to meeting customer requirements and performance expectations along with a demonstrated ability to adapt to new markets and overcome technological and cultural constraints, INTRALOT has acquired a worldwide reputation in the global gaming sector.

2 ACCOUNTING POLICIES

2.1.1 Basis of preparation of the Financial Statements

The attached financial statements have been prepared on the historical cost basis, except for the available-for-sale financial assets and the derivative financial instruments that are measured at fair value, or at cost if the difference is not a significant amount, and on condition that the Company and the Group would continue as a going concern. The attached financial statements are presented in Euros and all values are rounded to the nearest thousand (€000) except if indicated otherwise.

2.1.2 Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (I.F.R.S.), including the International Accounting Standards (IAS) and Interpretations issued by International Financial Reporting Interpretations Committee (IFRIC), that have been endorsed by the European Union as of December 31, 2014.

2.1.3 Financial Statements

INTRALOT keeps its accounting books and records and prepares its financial statements in accordance with the Greek C.L. 2190/1920, the Greek Unified Chart of Accounts and current tax regulations and issues its financial statements in accordance with the International Financial Reporting Standards (IFRS).

INTRALOT's Greek subsidiaries keep their accounting books and records and prepare their financial statements in accordance with Greek C.L. 2190/1920 and the International Financial Reporting Standards (IFRS), the Greek Unified Chart of Accounts and current tax regulations. INTRALOT's foreign subsidiaries keep their accounting books and records and prepare their financial statements in accordance with the applicable laws and regulations in their respective countries. For the purpose of the consolidated financial statements, Group entities' financial statements are adjusted and prepared in relation to the requirements of the International Financial Reporting Standards (IFRS).

2.1.4 Changes in accounting policies

For the preparation of the financial statements of period ended December 31, 2014, the accounting policies adopted are consistent with those followed in the preparation of the most recent annual financial statements

(December 31, 2013), except for the below mentioned adoption of new standards and interpretations applicable for fiscal periods beginning at January 1, 2014.

Standards and Interpretations compulsory for the fiscal year 2014

New standards, amendments of published standards and interpretations mandatory for accounting periods beginning on 1st January 2014. The Group's assessment of the impact of these new and amended standards and interpretations is set out below.

IAS 32 (Amendment) "Financial Instruments: Presentation"

(COMMISSION REGULATION (EC) No.1256/2012 of 13th December 2012, L 360 -29/12/2012)
This applies to annual accounting periods starting on or after 1st January 2014.
The amendment clarifies the assets and liabilities offsetting criteria in order to address inconsistencies in current practice. This amendment does not affect Group financial statements.

IFRS 10 "Consolidated Financial Statements"

(COMMISSION REGULATION (EC) No.1254/2012 of 11th December 2012, L 360 -29/12/2012)
According to EU, this applies to annual accounting periods starting at the latest on or after 1st January 2014. Earlier application is permitted.
In May 2011 the IASB issued IFRS 10 "Consolidated Financial Statements". IFRS 10 establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. IFRS 10 replaces the consolidation requirements in IAS 27 "Consolidated and Separate Financial Statements" and in SIC-12 "Consolidation—Special Purpose Entities". IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Group implemented IFRS 10 on 1st January 2014, with no impact on the consolidation of investments held by the Group.

IFRS 11 "Joint Arrangements"

(COMMISSION REGULATION (EC) No.1254/2012 of 11th December 2012, L 360 -29/12/2012)
According to EU, this applies to annual accounting periods starting at the latest on or after 1st January 2014. Earlier application is permitted.
In May 2011 the IASB issued IFRS 11 "Joint Arrangements". IFRS 11 replaces IAS 31 "Interests in Joint Ventures" and SIC-13 "Jointly Controlled Entities—Non-Monetary Contributions by Venturers". IFRS 11 "Joint Arrangements" provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method (equity method) to account for interests in jointly controlled entities. The Group implemented IFRS 11 on 1st January 2014, changing the consolidation method for jointly controlled entities from proportionate to equity method. (Note 2.27.A.III).

IFRS 12 "Disclosure of Interests in Other Entities"

(COMMISSION REGULATION (EC) No.1254/2012 of 11th December 2012, L 360 -29/12/2012)

According to EU, this applies to annual accounting periods starting at the latest on or after 1st January 2014. Earlier application is permitted.

In May 2011 the IASB issued IFRS 12 "Disclosure of Interests in Other Entities". IFRS 12 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. The Group implemented IFRS 12 on 1st January 2014.

IFRS10, IFRS11 & IFRS12 (Amendments) "Transition Guidance"

(COMMISSION REGULATION (EC) No. 313/2013 of 4th April 2013, L95/9 – 05.04.2013)

According to EU, this applies to annual accounting periods starting at the latest on or after 1st January 2014. Earlier application is permitted.

In June 2012 the IASB issued additional transition relief in IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities" limiting the requirement to provide adjusted comparative information. The amendments explain that the "date of initial application" in IFRS 10 means "the beginning of the annual reporting period in which IFRS 10 is applied for the first time". Consequently, an entity is not required to make adjustments to the previous accounting for its involvement with entities if the consolidation conclusion reached at the date of initial application is the same when applying IAS 27 "Consolidated and Separate Financial Statements" and SIC-12 "Consolidation—Special Purpose Entities" and when applying IFRS 10. As a result, the IASB confirms that relief from retrospective application of IFRS 10 would also apply to an investor's interests in investees that were disposed of during a comparative period in such a way that consolidation would not occur in accordance with either IAS 27/SIC-12 or IFRS 10 at the date of initial application. The amendments also clarify how an investor shall adjust comparative period(s) retrospectively if the consolidation conclusion reached at the date of initial application is different when applying IFRS 10 when compared with applying IAS 27/SIC-12. Additional transition relief is provided by limiting the requirement to present adjusted comparative information to the period immediately preceding the date of initial application (the "immediately preceding period"). Presentation of adjusted comparatives for earlier periods is permitted but not required. The IASB has also amended IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities" to provide similar relief from the presentation or adjustment of comparative information for periods prior to the immediately preceding period. IFRS 12 is further amended to provide additional transition relief by eliminating the requirement to present comparatives for the disclosures relating to unconsolidated structured entities for any period before the first annual period for which IFRS 12 is applied. The Group implemented these amendments on 1st January 2014.

IAS 27 (Amendment) "Separate Financial Statements"

(COMMISSION REGULATION (EC) No.1254/2012 of 11th December 2012, L 360 -29/12/2012)

According to EU, this applies to annual accounting periods starting at the latest on or after 1st January 2014. Earlier application is permitted.

In May 2011, when the IASB issued IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities" also amended IAS 27 that now contains the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. The Standard requires an entity preparing separate financial statements to account for those investments at cost or in accordance with IFRS 9 "Financial Instruments". The Group implemented IAS 27 on 1st January 2014.

IAS 28 (Amendment) "Investments in Associates and Joint Ventures"

(COMMISSION REGULATION (EC) No.1254/2012 of 11th December 2012, L 360 -29/12/2012)

According to EU, this applies to annual accounting periods starting at the latest on or after 1st January 2014. Earlier application is permitted.

In May 2011, when the IASB issued IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities" also amended IAS 28 that now contains the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The Group implemented IAS 28 on 1st January 2014.

IFRS10, IFRS12 & IAS27 (Amendments) "Investment Entities"

(COMMISSION REGULATION (EC) No.1174/2013 of 20th November 2013, L 312 -21/11/2013)

This applies to annual accounting periods starting on or after 1st January 2014. Earlier application is permitted.

In October 2012 the IASB issued additional transition amendments in IFRS 10 "Consolidated Financial Statements", IFRS 12 "Disclosure of Interests in Other Entities" and IAS 27 "Separate Financial Statements". The amendments define an investment entity and introduce an exception to consolidating particular subsidiaries for investment entities. These amendments require an investment entity to measure those subsidiaries at fair value through profit or loss in accordance with IFRS 9 Financial Instruments in its consolidated and separate financial statements. The amendments also introduce new disclosure requirements for investment entities in IFRS 12 and IAS 27 for investment entities. This amendment does not affect Group financial statements.

IAS 36 (Amendment) "Impairment of Assets"

(COMMISSION REGULATION (EC) No.1374/2013 of 19th December 2013, L 346 -20/12/2013)

This applies to annual accounting periods starting on or after 1st January 2014. Earlier application is permitted when the entity has already applied IFRS 13.

In May 2013 the IASB issued amendments in IAS 36 "Impairment of Assets" to require disclosures about the recoverable amount of impaired assets. The amendments clarify the IASB's original intention that the scope of those disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal. This amendment does not affect Group financial statements.

IAS 39 (Amendment) "Financial Instruments: Recognition & Measurement"

(COMMISSION REGULATION (EC) No.1375/2013 of 19th December 2013, L 346 -20/12/2013)

This applies to annual accounting periods starting on or after 1st January 2014. Earlier application is permitted.

On June 2013 the IASB issued amendments in IAS 39 "Financial Instruments: Recognition & Measurement". The amendments will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met (in this context, a novation indicates that parties to a contract agree to replace their original counterparty with a new one). This amendment does not affect Group financial statements.

Standards and Interpretations compulsory after 31 December 2014

The following new standards, amendments and IFRICs have been published but are in effect for the annual fiscal period beginning the 1st of January 2015 and have not been adopted from the Group earlier.

IFRS 9 "Financial Instruments"

This applies to annual accounting periods starting on or after 1st January 2018. Earlier application is permitted.

In July 2014, the IASB completed the last phase of IAS 39 replacement by issuing IFRS 9 "Financial Instruments". The package of improvements introduced by IFRS 9 includes a logical model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting.

Classification and Measurement

Classification determines how financial assets and financial liabilities are accounted for in financial statements and, in particular, how they are measured on an ongoing basis. IFRS 9 introduces a logical approach for the classification of financial assets, which is driven by cash flow characteristics and the business model in which an asset is held. This single, principle-based approach replaces existing rule-based requirements that are generally considered to be overly complex and difficult to apply. The new model also results in a single impairment model being applied to all financial instruments, thereby removing a source of complexity associated with previous accounting requirements.

Impairment

During the financial crisis, the delayed recognition of credit losses on loans (and other financial instruments) was identified as a weakness in existing accounting standards. As part of IFRS 9, the IASB has introduced a new, expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis.

Hedge accounting

IFRS 9 introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities, enabling entities to better reflect these activities in their financial statements. In addition, as a result of these changes, users of the financial statements will be provided with better information about risk management and the effect of hedge accounting on the financial statements.

Own credit

IFRS 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss. Early application of this improvement to financial reporting, prior to any other changes in the accounting for financial instruments, is permitted by IFRS 9.

The Group is in the process of evaluating the effect of IFRS 9 on its financial statements. IFRS 9 has not been endorsed yet by the European Union and cannot, therefore, be implemented earlier by the Group. Only when it has been endorsed will the Group decide whether or not it will implement IFRS 9 before 1st January 2018.

IFRS 7 (Amendment) "Financial Instruments: Disclosures"

This applies to annual accounting periods starting on or after 1st January 2018. Earlier application is permitted.

On 16.12.2011 and on 19.11.2013, the IASB issued an amendment in IFRS 7, adding in the Standard disclosures related to the transition to IFRS 9. The amendment has not yet been endorsed by the European Union. The Group is in the process of evaluating the effect of the amendment on its financial statements.

IFRS 14 "Regulatory Deferral Accounts"

This applies to annual accounting periods starting on or after 1st January 2016. Earlier application is permitted.

In January 2014, the IASB issued an interim Standard, IFRS 14 "Regulatory Deferral Accounts". The aim of this interim Standard is to enhance the comparability of financial reporting by entities that are engaged in rate-regulated activities. Many countries have industry sectors that are subject to rate regulation, whereby governments regulate the supply and pricing of particular types of activity by private entities. This can include utilities such as gas, electricity and water. Rate regulation can have a significant impact on the timing and amount of an entity's revenue. IFRS does not provide any specific guidance for rate-regulated activities. The IASB has a project to consider the broad issues of rate regulation and plans to publish a Discussion Paper on this subject in 2014. Pending the outcome of this comprehensive Rate-regulated Activities project, the IASB decided to develop IFRS 14 as an interim measure. IFRS 14 permits first-time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognise such amounts, the Standard requires that the effect of rate regulation must be presented separately from other items. An entity that already presents IFRS financial statements is not eligible to apply the Standard. These amendments do not affect Group financial statements and have not yet been endorsed by the European Union.

IFRS 15 "Revenue from Contracts with Customers"

This applies to annual accounting periods starting on or after 1st January 2017. Earlier application is permitted.

In May 2014, the International Accounting Standards Board (IASB), responsible for International Financial Reporting Standards (IFRS), and the Financial Accounting Standards Board (FASB), responsible for US Generally Accepted Accounting Principles (US GAAP), jointly issued a converged Standard on the recognition of revenue from contracts with customers. The Standard will improve the financial reporting of revenue and improve comparability of the financial statements globally.

Revenue is a vital metric for users of financial statements and is used to assess a company's financial performance and prospects. However, the previous requirements of both IFRS and US GAAP were different and often resulted in different accounting for transactions that were economically similar. Furthermore, while revenue recognition requirements of IFRS lacked sufficient detail, the accounting requirements of US GAAP were considered to be overly prescriptive and conflicting in certain areas.

Responding to these challenges, the boards have developed new, fully converged requirements for the recognition of revenue in both IFRS and US GAAP—providing substantial enhancements to the quality and consistency of how revenue is reported while also improving comparability in the financial statements of companies reporting using IFRS and US GAAP.

This new Standard replaces IAS 18, IAS 11 and the Interpretations IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31 that are related to revenue recognition. The core principle of the new Standard is for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. The new Standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

The Group will assess the impact of the amendment on its financial statements. This amendment has not yet been endorsed by the European Union.

IAS 19 (Amendment) "Employee Benefits"

(COMMISSION REGULATION (EC) No.2015/29 of 17th December 2014, L 5/11 -9/1/2015)

This applies to annual accounting periods starting on or after 1st July 2014. Earlier application is permitted.

In November 2013 the IASB issued narrow scope amendments in IAS 19 "Employee Benefits". The narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The Group will assess the impact of the amendment on its financial statements.

IAS 16 (Amendment) "Property, Plant and Equipment" and IAS 38 (Amendment) "Intangible Assets"

This applies to annual accounting periods starting on or after 1st January 2016. Earlier application is permitted.

In May 2014, the IASB published amendments to IAS 16 "Property, Plant and Equipment" and IAS 38 "Intangible Assets". IAS 16 and IAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances. The Group will assess the impact of the amendment on its financial statements. This amendment has not yet been endorsed by the European Union.

IAS 16 (Amendment) "Property, Plant and Equipment" and IAS 41 (amendment) "Agriculture"

This applies to annual accounting periods starting on or after 1st January 2016. Earlier application is permitted.

In June 2014, the IASB published amendments that change the financial reporting for bearer plants. The IASB decided that bearer plants should be accounted for in the same way as property, plant and equipment in IAS 16 "Property, Plant and Equipment", because their operation is similar to that of manufacturing. Consequently, the amendments include them within the scope of IAS 16, instead of IAS 41. These amendments do not affect Group financial statements and have not yet been endorsed by the European Union.

IFRIC 21 "Levies"

(COMMISSION REGULATION (EC) No.634/2014 of 13th June 2014, L 175 -14/06/2014)

This applies to annual accounting periods starting on or after 17th June 2014. Earlier application is permitted.

On May 2013 the IASB issued IFRIC 21 "Levies". The Interpretation describes how an entity should account for liabilities to pay levies imposed by governments, other than income taxes, in its financial statements. The principal question raised was about when the entity should recognise a liability to pay a levy. This is an interpretation of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. The Group does not expect this interpretation to affect its financial statements.

IFRS 11 (Amendment) "Joint Arrangements"

This applies to annual accounting periods starting on or after 1st January 2016. Earlier application is permitted.

In May 2014, the IASB published amendments to IFRS 11 "Joint Arrangements". IFRS 11 addresses the accounting for interests in joint ventures and joint operations and adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions. The Group will assess the impact of the amendment on its financial statements. This amendment has not yet been endorsed by the European Union.

IAS 27 (Amendment) "Separate Financial Statements"

This applies to annual accounting periods starting on or after 1st January 2016. Earlier application is permitted.

In August 2014, the IASB published amendments to IAS 27 "Separate Financial Statements". The amendments to IAS 27 will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Intralot SA will continue accounting, in its separate financial statements, for investments in subsidiaries, joint ventures and associates either at cost or in accordance with IFRS 9. This amendment has not yet been endorsed by the European Union.

IFRS 10 & IAS 28 (Amendments) "Sale or contribution of Assets between an Investor and its Associate or Joint Venture"

This applies to annual accounting periods starting on or after 1st January 2016. Earlier application is permitted.

In September 2014, the IASB published amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures". The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The Group will assess the impact of the amendment on its financial statements. This amendment has not yet been endorsed by the European Union.

IFRS 10, IFRS 12 & IAS 28 (Amendments) "Investment Entities: Applying the Consolidation Exception"

This applies to annual accounting periods starting on or after 1st January 2016. Earlier application is permitted.

In December 2014, the IASB published amendments to IFRS 10 "Consolidated Financial Statements", IFRS 12 "Disclosure of Interests in other entities" and IAS 28 "Investments in Associates and Joint Ventures". The amendments introduce clarifications to the requirements when accounting for investment entities. The amendments also provide relief in particular circumstances, which will reduce the costs of applying the Standards. These amendments do not affect Group financial statements. These amendments have not yet been endorsed by the European Union.

IAS 1 (Amendment) "Presentation of Financial Statements"

This applies to annual accounting periods starting on or after 1st January 2016. Earlier application is permitted.

In December 2014, the IASB published amendments to IAS 1 "Presentation of Financial Statements". The amendments are designed to further encourage companies to apply professional judgement in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgement in determining where and in what order information is presented in the financial disclosures. The Group will assess the impact of the amendment on its financial statements. This amendment has not yet been endorsed by the European Union.

Amendments that regard part of the annual improvement program of IASB (International Accounting Standards Board)

IASB in its annual improvement program published in December 2013, 2 Cycles of narrow scope amendments to existing Standards. The amendments hold for the annual fiscal periods beginning on or after the 1st of July, 2014. The above amendments will not have significant effect on the Group's financial statements.

Annual Improvements to IFRSs 2010-2012 Cycle

(COMMISSION REGULATION (EC) No.2015/28 of 17th December 2014, L 5/1 -9/1/2015)

IFRS 2 "Share-based Payment"

Definitions of "vesting conditions" and "market conditions" are amended and the definitions of "performance conditions" and "service conditions" are added (previously were part of the "vesting conditions" definition).

IFRS 3 "Business Combinations"

The amendment clarifies that the contingent consideration that is classified as financial asset or liability shall be measured at fair value at each reporting date.

IFRS 8 "Operating Segments"

The amendment requires that an entity shall disclose the judgements made by the management in applying the aggregation criteria in operating segments. It also clarifies that the entity shall provide reconciliations of the total reportable segments' assets to the entity's assets only if the segments assets are reported regularly.

IFRS 13 "Fair Value Measurement"

The amendment clarifies that the issue of IFRS 13 and the amendments of IFRS 9 and IAS 39 did not result in the deletion of the ability to measure short-term receivables and payables with no stated interest rate at invoice amounts without discounting, when the effect of not discounting is immaterial.

IAS 16 "Property, Plant and Equipment"

The amendment clarifies that when an item of property, plant and equipment is revalued, the gross carrying amount is adjusted in a manner that is consistent with revaluation of the carrying amount of the asset and the accumulated depreciation is eliminated against the gross carrying amount of the asset.

IAS 24 "Related Party Disclosures"

The amendment clarifies that the entity, or any member of a group of which is part, provides "key management personnel" services to the reporting entity or to the parent of the reporting entity, is a related party to the reporting entity.

IAS 38 "Intangible Assets"

The amendment clarifies that when an intangible asset is revalued, the gross carrying amount is adjusted in a manner that is consistent with revaluation of the carrying amount of the asset and the accumulated depreciation is eliminated against the gross carrying amount of the asset.

Annual Improvements to IFRSs 2011-2013 Cycle

(COMMISSION REGULATION (EC) No.1361/2014 of 18th December 2014, L 365/120 -19/12/2014)

IFRS 1 "First-time Adoption of International Financial Reporting Standards"

The amendment clarifies that a first-time adopter entity is allowed to use either the IFRS that is currently mandatory or the new IFRS that is not yet mandatory, if that new IFRS permits early application. It is required the entity to apply the same version of the IFRS throughout the periods covered by the entity's first IFRS financial statements. Consequently, if a first-time adopter chooses to early apply a new IFRS, that new

IFRS will be applied throughout all the periods presented in its first IFRS financial statements on a retrospective basis, unless IFRS 1 provides an exemption.

IFRS 3 "Business Combinations"

The amendment clarifies that IFRS3 does not apply the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.

IFRS 13 "Fair Value Measurement"

The amendment clarifies that the exemption of financial assets, financial liabilities and other contracts, that is mentioned in paragraph 52 of IFRS13, includes all the contracts within the scope of, and accounted for in accordance with IAS 39 or IFRS 9, regardless of whether they meet the definitions of financial assets or financial liabilities in IAS 32 "Financial Instruments: Presentation".

IAS 40 "Investment Property"

The amendment clarifies whether a specific transaction meets the definition of a business combination as defined in IFRS 3 and includes an investment property as defined in IAS 40, the separate application of both Standards is required.

Also, IASB in its annual improvement program published in September 2014, one new Cycle of narrow scope amendments to existing Standards. The amendments hold for the annual fiscal periods beginning on or after the 1st of January, 2016. The above amendments will not have significant effect on the Group's financial statements and have not yet been endorsed by the European Union.

Annual Improvements to IFRSs 2012-2014 Cycle

IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations"

The amendment clarifies the accounting for a change in a disposal plan from a plan to sell a non-current asset (or disposal group) to a plan to distribute a non-current asset (or disposal group), and provides guidance in IFRS 5 for the discontinuation of held for distribution accounting.

IFRS 7 "Financial Instruments: Disclosure"

The amendment clarifies how an entity should apply the guidance in paragraph 42C of IFRS 7 to a servicing contract in order to decide whether a servicing contract is "continuing involvement" for the purposes of applying the disclosure requirements in paragraphs 42E–42H of IFRS 7.

IAS 19 "Employee Benefits"

The amendment clarifies that for the determination of the rate used to discount post-employment benefit obligations, the depth of the market for high quality corporate bonds should be assessed at the currency level.

IAS 34 "Interim Financial Reporting"

The amendment clarifies the meaning of disclosure of information "elsewhere in the interim financial report" in paragraph 16A of IAS 34 and requires the inclusion of a cross-reference from the interim financial statements to the location of this information.

2.1.5 Basis of Consolidation

The consolidated financial statements comprise the financial statements of INTRALOT S.A. and its subsidiaries as at the end of each reporting period. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

Adjustments are made to bring in line any dissimilar accounting policies that may have existed. All intercompany balances and transactions, including unrealized profits arising from intra-group transactions, have been eliminated in full. Unrealized losses are eliminated unless costs cannot be recovered.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect the amount of its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of comprehensive income and financial position from the date the Group gains control until the date the Group ceases to control the subsidiary.

Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners).

Total comprehensive income is attributed to the equity holders of parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the Group loses control over a subsidiary, it:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary,
- derecognizes the carrying amount of any non-controlling interests in the former subsidiary (including any components of other comprehensive income attributable to them),
- derecognizes the cumulative translation differences that have been recorded in equity,
- recognizes the fair value of the consideration received from the transaction,
- recognizes any investment retained in the former subsidiary at its fair value at the date when control is lost,
- reclassifies to profit or loss, (or transfers directly to retained earnings if required in accordance with other IFRSs), the amounts that have been recorded in the parent's share of other comprehensive income,
- recognizes any resulting difference as a gain or loss in profit or loss.

Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting year during which the Group has control.

2.1.6 Business combination and goodwill

a) Subsidiaries

Subsidiaries are entities that are controlled by the Group. Subsidiaries are consolidated using the acquisition method according to IFRS 3. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each subsidiary acquired, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included to statement of comprehensive income.

At the acquisition date, the Group classifies or designates the identifiable assets acquired and liabilities assumed on the basis of the contractual terms, economic conditions, its operating or accounting policies and other pertinent conditions as they exist at the acquisition date.

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition-date fair value and recognizes the resulting gain or loss in profit or loss. In prior reporting periods, the Group may have recognized changes in the value of its equity interest in the acquiree in other comprehensive income (i.e. due to the fact that the investment has been classified as available for sale). If so, the amount that was recognized in other comprehensive income shall be recognized on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

The Group recognizes any contingent consideration at the fair value, at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or a liability will be recognized in accordance with IAS 39 either in statement of comprehensive income or as a change in other comprehensive income. If the contingent consideration is not within the scope of IAS 39, it is measured in accordance with the appropriate IFRS. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

Goodwill in a business acquisition is initially measured at cost being the excess of the consideration transferred, the amount recognized for non-controlling interests and any previous interest held, over the net fair value of the identifiable assets acquired and liabilities assumed of the acquiree. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss. Any goodwill arising on the acquisition of a foreign subsidiary and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate accordingly.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Based on IFRS 3 "Business combinations", Goodwill is not amortized. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Impairment is determined by assessing the recoverable amount of the cash-generating unit, to which the goodwill relates. Where recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized.

Where goodwill forms part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Any impairment losses that have been recognized for goodwill, will not be reversed in future periods.

Investments in subsidiaries are stated in the individual statement of financial position of the Company at their cost less any impairment in value.

b) Investment in associates and joint ventures

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group’s investments in associates and joint ventures are accounted for using the equity method.

Under this method, investments in associates or joint ventures are carried in the statement of financial position at cost plus post acquisition changes in the Group’s share of net assets of the associate or joint venture. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

The statement of comprehensive income reflects the Group’s share of the post-acquisition associate’s or joint venture’s results after taxes and non-controlling interests of the associate’s or joint venture’s subsidiaries. Any change in other comprehensive income of those investees is presented as part of the Group’s other comprehensive income. Also, the Group’s share of the changes in associates’ or joint ventures’ equity is directly recognized to the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an associate or joint venture uses accounting policies other than those of the Group for similar transactions and events in similar circumstances, adjustments are made to the associate’s or joint venture’s financial statements so as to apply the equity method.

The financial statements of associates or joint ventures are prepared for the same reporting period as the parent company.

If the Group's share of losses of an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group discontinues recognizing its share of further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

After application of the equity method, the Group applies the requirements of the relative IFRSs to determine whether it is necessary to recognize any additional impairment loss with respect to its net investment in the associate or joint venture. The Group incurs impairment test at the end of each reporting period comparing the recoverable amount of the investment in associate or joint venture to its carrying value and recognizes the difference in the statement of comprehensive income of the period.

The Group discontinues the use of the equity method from the date when it ceases to have significant influence over an associate or joint control over a joint venture and accounts for the investment in accordance with IAS 39 measuring the investment at fair value. Any difference between the carrying amount and the fair value of the investment in associate or joint venture is recognized in the statement of comprehensive income of the period.

Investments in associates or joint venture are stated in the statement of financial position of the Company at their cost less any impairment in value.

2.1.7 Foreign Currency Translation

The functional and presentation currency of INTRALOT S.A. and its subsidiaries which are located in Greece is the euro (€). The Group's consolidated financial statements are presented in euros. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

a) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rates of exchange at the reporting date.

All resulting differences are taken to the consolidated statement of comprehensive income with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to Other Comprehensive Income until the disposal of the net investment, at which time they are recognized in the consolidated statement of comprehensive income. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in Other Comprehensive Income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

b) Group companies

The functional currency of the overseas subsidiaries is the currency of the country in which these subsidiaries are located and operate. As at the reporting date, the assets and liabilities of these overseas subsidiaries are translated into the presentation currency of INTRALOT S.A. at the rate of exchange ruling at the balance sheet date and, their statements of comprehensive income are translated at the weighted average exchange rates for the year. The resulting exchange differences arising on the retranslation are taken directly to a separate component of Other Comprehensive Income. On disposal of a foreign entity, the deferred cumulative amount recognized in Other Comprehensive Income relating to that particular foreign operation shall be transferred to the statement of comprehensive income.

2.1.8 Tangible assets

Tangible assets are stated at cost less accumulated depreciation and any impairment in value. Such cost includes the cost of replacing the tangible assets and borrowing costs for long-term construction assets if the recognition criteria are met.

Depreciation is calculated on a straight-line basis over the useful life of the asset as follows:

• Buildings (owned)	20 to 30 years
• Installations on third party property	Over the duration of the lease but not less than 5% per annum
• Equipment	5 to 15 years
• Computer Hardware	20% to 30% per annum
• Transportation Equipment-Motor vehicles	7 years or 15% per annum
• Transportation Equipment-Trucks etc.	5 years or 20% per annum

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the year the item is derecognized.

The assets' residual values and useful lives are reviewed at each financial year end, and adjusted prospectively, if appropriate.

As regards hardware and software leased under operating lease, these assets, in the group statement of financial position are disclosed in acquisition cost values and are depreciated using the straight line method and according to the lower period between the useful life and the contract life, taking also into account their residual value at the end of the relative contract life as well as the collecting cost. In case of the respective contracts renewal the assets' remaining net book value is depreciated according to the renewed contract life.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount is the greater of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an after-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for public traded companies or other available fair value indicators. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the statement of comprehensive income.

2.1.9 Borrowing costs

Since January 1st 2009, borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

2.1.10 Intangible assets

Intangible assets acquired individually, are capitalized at cost and those acquired through a business combination at fair values at the acquisition date. After initial recognition, intangibles are valued at cost less accumulated amortization and any impairment in value. Useful lives of these intangibles are assessed to be either finite or indefinite. Intangibles with finite useful lives are amortized as follows:

• Software platforms • Central operating software • Central Network software • Licenses • Rights	Over the duration of the longest contract
• Other software	3 to 5 years

Central operating systems used for several projects are amortized over their expected useful life, up to 20 years. The expected useful life is determined by reference to the longest duration of the relevant contracts and the Intralot Group's renewal track record in respect of such contract. Software that does not fall within the scope of particular contracts, is amortized at the expected useful life.

Amortization of finite life intangibles is recognized as an expense in the statement of comprehensive income apportioned to the related cost centers. Intangible assets with indefinite useful life are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

Intangibles, except development costs, internally generated are not capitalized and the costs are included in the statement of comprehensive income in the year they are incurred.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the intangible assets or cash-generating units are written down to their recoverable amount. The recoverable amount is the greater of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an after-tax discount rate that reflects current market assessments of the time value of

money and the risks specific to the intangible asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for public traded companies or other available fair value indicators. For an intangible asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the intangible asset belongs. Impairment losses are recognized in the statement of comprehensive income.
Useful lives are also assessed annually and any revisions do not have retrospective application.
Gains or losses arising from derecognition of an intangible asset (that are measured as the difference between the net disposal proceeds and the carrying amount of the asset) are recognized in the statement of comprehensive income when the asset is derecognized.

Research and Development Costs
Research costs are expensed as incurred. Development expenditure incurred by individual project is capitalized if, and only if, the Group can demonstrate all of the following:
(a) the technical feasibility of completing the intangible asset so that it will be available for use or sale
(b) its intention to complete the intangible asset and use or sell it
(c) its ability to use or sell the intangible asset
(d) how the intangible asset will generate probable future economic benefits
(e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
(f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.
Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the capitalized development expenditure begins when development is complete and the asset is available for use. Any expenditure capitalized is amortized over the period of expected future sales from the related project.
The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, or more frequently when an indicator of impairment arises during the reporting year indicates that the carrying value may not be recoverable.

2.1.11 Financial instruments

i) Financial assets

Financial assets within the scope of IAS 39 are classified according to their nature and characteristics in the below four categories:
• Financial assets at fair value through profit or loss,
• Loans and receivables,
• Financial assets held-to-maturity, and
• Available-for-sale financial assets.
All financial assets are recognized initially at cost, which is the fair value of the consideration given, including transaction costs, in some cases.

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss:

Include trading portfolio investments that acquired for the purpose of selling them in the near future. Also, include derivatives financial instruments that are not designated as hedging instruments. Gain or losses from the measurement of these assets are recognized in statement of comprehensive income as financial income or expenses respectively.

Loans and receivables:

Include non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method (EIR), less impairment. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on acquisition over the period to maturity. Gains or losses arising from derecognition and impairment are recognized in the statement of comprehensive income as finance costs or income, as well as the EIR income through the amortization process.

Financial assets held-to-maturity:

Include non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to maturity that the Group has the positive intention and ability to hold them to maturity. Financial assets that held for indefinite or non-predetermined period of time cannot be classified under this category. After initial measurement held-to-maturity investments are measured at amortized cost using the effective interest method. Gains or losses arising from derecognition and impairment are recognized in the statement of comprehensive income as finance costs or income, as well as the EIR income through the amortization process.

Available-for-sale financial assets:

Financial assets that cannot be included under the abovementioned categories are classified as available-for-sale financial assets. Available-for-sale financial investments include equity instruments and debt instruments. Equity instruments classified as available-for-sale are those that are neither classified as held for trading nor designated at fair value through profit or loss. Debt instruments in this category are those that are intended to be held for an indefinite period of time and that may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement the available-for-sale financial assets are subsequently measured at fair value with unrealized gains or losses recognized as other comprehensive income in the available-for-sale reserve. When the investment is sold, derecognized or impaired the cumulative gains or losses are transferred from the relative reserve to the statement of comprehensive income of the period.

Derecognition of financial assets

The Group ceases recognizing a financial asset when and only when:

- the contractual rights to the cash flows from the financial asset expire or
- the Group has transferred its contractual right to receive cash flows from an asset, or retains this right to receive cash flows from an asset but has assumed a contractual obligation to pay the cash flows to a third or more parties, or has transferred substantially all risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred the control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has assumed a contractual obligation to pay the cash flows to a third or more parties, but in parallel has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset.
When the Group's continuing involvement takes the form of a guarantee over the transferred asset, the extent of continuing involvement is measured at the lower of the carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay ("the guarantee amount"). When the entity's continuing involvement takes the form of a written or purchased option (or both) on the transferred asset (including cash-settled options), the extent of the entity's continuing involvement is the amount of the transferred asset that the Group may repurchase. However, in case of a written put option on an asset that is measured at fair value, the extent of the continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise.

Impairment of financial assets

The Group assesses, at each reporting date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event (s) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the holder of the asset about the following loss events:
(a) significant financial difficulty of the issuer or obligor;
(b) a breach of contract, such as a default or delinquency in interest or principal payments;
(c) the lender, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
(d) it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
(e) the disappearance of an active market for that financial asset because of financial difficulties; or
(f) observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets.

Financial assets carried at amortised cost

For financial assets carried at amortised cost (loans and receivables or held-to-maturity investments), the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (ie the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current EIR. The carrying amount of the asset shall be reduced either directly or through use of an allowance account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the income statement. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced either directly or by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in the income statement.

Financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses shall not be reversed.

Available-for-sale financial investments

For available-for-sale financial instruments, the Group assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of equity investments classified as available-for-sale, objective evidence would include a "significant" or "prolonged" decline in the fair value of the investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. When there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss on that investment previously recognised in the income statement – is removed from other comprehensive income and recognised in the income statement. Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available for sale shall not be reversed through profit or loss.; increases in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement. Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the income statement. If, in a subsequent year, the fair value of a debt instrument classified as available for sale, increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income statement, the impairment loss is reversed through the income statement.

Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments such as forward currency contracts, interest rate swaps, currency swaps and other derivatives in order to hedge risks related to interest rates and foreign currency fluctuations.

Such derivative financial instruments are measured at fair value at each reporting date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The fair value of these derivatives is mainly measured by reference of the market value and is verified by the financial institutions.

Gains or losses from the change in derivatives fair value are recognized directly in statement of comprehensive income, except for the effective portion of cash flow hedges, which is recognized in Other Comprehensive Income.

For the purpose of hedge accounting, derivative financial instruments are classified as:

- **fair value hedge**: hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
- **cash flow hedge**: hedging the exposure to variability in cash flows that is either attributable to particular risk associated with a recognized asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction
- **hedge of a net investment in a foreign operation.**

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument’s fair value in offsetting the exposure to changes in the hedged item’s fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting:

Fair value hedge:

Gains or losses from subsequent measurement of the hedging instrument at fair value are recognized in the statement of comprehensive income as finance income/expenses. Gains or losses from subsequent measurement of the hedged item at fair value are recognized as a part of the carrying value of the hedged item and is also recognized in the statement of comprehensive income as finance income/expenses.

Cash flow hedge:

The effective portion of the gain or loss on the hedging instrument is recognized directly as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the statement of comprehensive income as finance income/expenses.

Amounts recognized as other comprehensive income are transferred to the statement of comprehensive income in the same period or periods during which the asset acquired or liability assumed affects profit or loss (such as in the periods when the hedged financial income or financial expense is recognized or when a forecast sale occurs).

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognized in other comprehensive income are transferred to the statement of comprehensive income. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, any cumulative gain or loss previously recognized in other comprehensive income remains in other comprehensive income until the forecast transaction occurs, when is transferred to the statement of comprehensive income.

Hedge of a net investment in a foreign operation:

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized as other comprehensive income while any gains or losses relating to the ineffective portion are recognized in the statement of comprehensive income. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in other comprehensive income is transferred to the statement of comprehensive income.

Some derivatives while characterized as efficient hedging items, following group policy, they cannot qualify as hedging accounting according to IAS 39 and thus profit and loss are accounted directly in the statement of comprehensive income.

ii) Financial liabilities

Financial liabilities include trade and other liabilities, bank overdrafts, loans and borrowings, financial guarantee contracts and derivative financial instruments.

Financial liabilities are initially recognized at fair value and in case of loans and borrowings, plus directly attributable transaction costs.

After the initial measurement, the financial liabilities are measured as follows:

Interest bearing loans and borrowings:

All interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses are recognized in the statement of comprehensive income when the liabilities are derecognized or impaired, as well as through the amortization process.

Financial liabilities at fair value through profit or loss:

Include financial liabilities held for trading, that are acquired or incurred principally for the purpose of selling or repurchasing it in the near term, are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking, or it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Such liabilities, including derivative instruments that are liabilities, are measured at fair value (except for a derivative liability that is linked to and must be settled by delivery of an unquoted equity instrument whose fair value cannot be reliably measured, which shall be measured at cost). Gains or losses from the measurement at fair value are recognized in the statement of comprehensive income.

Financial guarantee contracts:

Include contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. These contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently are measured at the higher of the amount determined in accordance with IAS 37 and the amount initially recognized less, when appropriate, cumulative amortization recognized in accordance with IAS 18.

Derecognition of financial liabilities

Financial liabilities are derecognized when the obligation is cancelled, extinguished or not exists any more. In the case that an existing liability is replaced by another from the same borrower but under substantially different terms, or in case that there are substantial changes in terms of an existing liability, then the initial financial liability is derecognized and a new liability recognized, and the resulting difference between balances is recognized in the statement of comprehensive income.

Offsetting of financial instruments

The financial instruments are offset when the Group, according to law, has this legal right and there is an intention to settle them on a net basis (among them) or to realize the asset and settle the liability simultaneously.

Fair value of financial instruments

For investments that are actively traded in organized markets, fair values are determined in relation to the closing traded values at the reporting date. For investments where there is no quoted market price, fair value is determined by reference to the current market value of another item substantially similar, or is estimated based on the expected cash flows of the underlying net asset that consists the base of the investment or on acquisition cost.

2.1.12 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business of the Group, less the estimated costs necessary to make the sale. Provisions for impairment of the inventories value are recorded when it is needed and recognized in the statement of comprehensive income.

2.1.13 Trade and other short term receivables

Trade receivables are recognized and carried at original invoice amount less an allowance for any uncollectible amount.

The Group makes an estimate for doubtful debts when collection of the full amount is no longer probable. Bad debts are written off when all possible legal actions have been exhausted.

When the inflow of cash or cash equivalents arising from goods sale or services rendering is deferred, the fair value of the consideration may be less than the nominal amount of cash received or receivable. When the arrangement effectively constitutes a finance transaction, the fair value of the consideration is determined by discounting all future receipts using the prevailing interest rate for a similar instrument of an issuer with a similar credit rating. The difference between the fair value and the nominal amount of the consideration is recognized as interest revenue in the future periods, in accordance with IAS 39 "Financial Instruments: Recognition and Measurement".

2.1.14 Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position include cash at bank, short-term deposits and cash in hand along with other high liquidity investments that are subject to an insignificant risk of changes in value and have an original maturity of three months or less.

Bank overdrafts are included in the short-term bank loans in the statement of financial position. Also, cheques payables that have not been paid at the balance sheet date are included in short-term liabilities.

For cash flow statement purposes, cash and cash equivalents include what is defined above, without the netting of outstanding bank overdrafts.

2.1.15 Long Term Liabilities

All long term liabilities are initially recognized at cost. Following initial recognition, liabilities that are denominated in foreign currency are valued at the closing exchange rate of each reporting date. Any interest expenses are recognized on an accruals basis.

2.1.16 Provisions and Contingent Liabilities

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain the expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. Provisions are re-examined at the reporting date and are adjusted so as to represent the present value of the expense that will be needed to settle the liability. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at an after-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a borrowing cost.

Contingent liabilities are not recognized in the financial statements but are disclosed, except if the probability of a potential outflow of funds embodying economic benefits is remote. Contingent assets are not recognized but are disclosed when the probability of a cash inflow is probable.

Provisions are recognized on each financial statements date (and interim) based on the best and reliable estimate for potential excess of cost (payments to winners) in games with predetermined odds, as this is provided by the contracts between the company and the clients. The provision amount arising from this calculation is recognized and booked as an expense.

2.1.17 Leases

Entity of the Group as lessee:

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statement of comprehensive income. Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

Entity of the Group as Lessor:

In cases of hardware and software leasing through operating lease, these assets are included in the Group's tangible assets. The lease income that occurs is recognized on a straight line basis through the contract period.

When fixed assets are leased through financial leasing, the present value of the lease is recognized as a receivable. The difference between the gross amount of the receivable and its present value is registered as a deferred financial income. The income from the lease is recognized in the period's statement of comprehensive income during the lease using the net investment method, which represents a constant periodic return.

2.1.18 Share capital – Treasury shares

Share capital includes common and preference shares without voting right, which have been issued and being traded. Share premium reserve includes the excess of the shares par value received consideration. Any costs directly attributable to the issue of new shares are shown as a deduction in share premium reserve.

Treasury shares represent shares of the parent company held by the Group. Treasury shares are stated at cost and are deducted from Equity. Upon acquisition, disposal, issuance or cancellation of treasury shares, no gain or loss is recognized in the statement of comprehensive income. The consideration given or received and the related gains or losses from the settlement are recognized directly in Equity.

2.1.19 Share Based Payments

IFRS 2 "Share-based Payment" requires an expense to be recognized where the Group buys goods and services in exchange for shares ("equity-settled transactions") or rights over shares (stock options), or in exchange for other assets equivalent in value to a given number of shares or rights over shares ("cash-settled transactions").

The Group provides stock options to executives and employees. The fair value of the executives and employees, who receive these stock options, is recognized according to IFRS 2 as expenditure in the statement of comprehensive income, with a respective increase of equity, during the period that these services are received and the options provided. The estimation of the total amount of the stock options expenditure during the vesting period is based on the provided stock options fair value at the grant date. The stock options fair value is measured using the proper valuation model depending on the terms of each program, taking into account the proper data such as volatility, discounting factor and dividend yield. Detailed information about the relative stock option programs of the Company included in note 2.22.

Any outstanding stock options during the reporting period are taken into account for the calculation of the diluted earnings per share.

2.1.20 Staff Retirement Indemnities

Staff retirement indemnities are measured at the present value of the defined benefit obligations at the balance sheet date, through the recognition of the employees' right to benefits based on years of service over their expected working life. The above liabilities are calculated using financial and actuarial assumptions and are determined based on an actuarial valuation method (Projected Unit Credit Method). The net pension costs for the period are included in the accompanying statement of comprehensive income and consists of the present value of the benefits earned during the year, interest cost on the benefit liability, past service cost and any other additional pension costs that are recognised within staff costs in income statement, and the actuarial gains or losses that are fully recognized when they occur, in other comprehensive income without future reclassification in income statement. Total past service costs are recognized in income statement at the earlier of when the amendment occurs or when the Group recognizes the related restructuring or termination costs. The Company's pension benefit schemes are not funded.

2.1.21 State Insurance Programs

The Company employees are covered by the main State Insurance Organization for the private sector (IKA) that provides pension and medical benefits.

Each employee is obliged to contribute a percentage of the monthly salary to IKA while part of the total contribution is covered by the Company. On retirement, IKA is responsible for the payment of pensions to employees. Consequently, the Company does not have any legal or constructive obligation for the payment of future benefits based on this scheme.

2.1.22 Revenue recognition

Revenues are recognized in the period they are realized and the related amounts can be reliably measured. Revenues are measured at their fair value of the consideration received excluding discounts, sales tax and duties. The following specific recognition criteria must also be met before revenue is recognized:

- ***Hardware and Software:*** This category includes the supply of hardware and software (gaming machines, central computer systems, gaming software, communication systems etc.) to Lotteries so that they can operate their on-line games. Revenue is recognized by the Company either as a direct sale of hardware and software or as operating lease or as finance lease for a predetermined time period according to the contract with the customer.

  In the first case, the income from the sales of hardware and software (in a determined value) is recognized when the significant risks and rewards arising from the ownership are transferred to the buyer.

  In the second case that consists income from operating lease, is defined per case either on straight-line basis over the lease term or as a percentage on the Lottery Organization's gross turnover received by the player-customer (in this case income recognition occurs the moment that the player-customer places the related consideration in order to participate in a game).

  In the third case that consists income from finance lease, it is defined using the net investment method (the difference between the gross amount of the receivable and its present value is registered as a deferred financial income). This method represents a constant periodic return, recognizing the revenue from the finance lease in the period's statement of comprehensive income during the lease term.

- ***Technical services:*** This category includes the rendering of technical support services to Lotteries so that they can operate their on-line games. The revenue associated with the transaction is recognized by reference to the completion of the transaction at the end of the reporting period.

- ***Game management:*** The Group undertakes the provision of value added services, such as the design, organization and/ or management of games, advertising and sales promotion, establishment of sales network, risk management (for fixed odds games) e.t.c to organizations internationally. Group revenues mainly consist of a percentage of the turnover of the games to which the above services are provided, the size of which is contractually determined based on the market size, the type of services rendered, the duration of the contract and other parameters. Revenue recognition occurs the moment that the player-customer pays the related consideration in order to participate in a game and equals to an amount calculated as a percentage on the total amount received by the lottery games organization from the player-customer.

- ***Game operation*****:** In this category, the Group has the full game operating license in a country. In the case of operating the game the Company undertakes the overall organization of the games provided (installation of information systems, advertising and promotion, establishment of sales network, receipt of the payments from players, payment of winnings to players, etc). Revenue recognition in this category occurs the moment that the player-customer pays the related consideration in order to participate in a game and equals the total amount received from the player-customer. Especially in the case of VLT revenue measured as the "net drop" (total price minus winnings/payout) received from the player-customer.

- ***Interest income:*** Interest income is recognized in the statement of comprehensive income using the effective interest rate method.

- ***Dividends:*** Dividend income is recognized in the statement of comprehensive income when the Group's right to receive the payment is established.
- ***Rental income:*** Rental income arising from operating leases on is accounted for on a straight-line basis during the lease term.

2.1.23 Taxes

Income tax

Current and deferred income taxes are calculated based on the financial statements of each entity included in the consolidated financial statements, based on the Greek tax laws or other tax frameworks within which the foreign subsidiaries operate. Income tax is calculated based on the profit of each entity as adjusted on their tax returns, for additional taxes arising from audits performed by the tax authorities and deferred taxes based on enacted or substantially enacted tax rates.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount.

Deferred income tax liabilities are recognized for all taxable temporary differences except:

- If the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investment in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences and carry-forward unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, or the unused tax losses can be utilized except if:

- the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and,
- in respect of deductible temporary differences associated with investment in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that apply at the year when the asset is expected to be realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax is not measured by the Group as regards the undistributed profits of subsidiaries, branches, associates and joint ventures due to the elimination of intercompany profits, from relevant transactions, as they are considered insignificant.

Income tax relating to items recognized directly in Other Comprehensive Income is recognized in Other Comprehensive Income and not in the statement of comprehensive income.

Sales tax

Revenues, expenses and assets are recognized net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, is included as part of receivables or payables in the statement of financial position.

2.1.24 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is presented in the statement of financial position as deferred income and is recognised as deduction in the relative expenses on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it is presented in the statement of financial position as deferred income and is recognised as income in the profit or loss on a systematic basis over the expected useful life of the related asset.

2.1.25 Earnings per share

The basic earnings per share (EPS) are calculated by dividing net profit by the weighted average number of ordinary shares outstanding during each year, taking into account the average number of ordinary shares of the parent held by the Group as treasury shares.

The diluted earnings per share are calculated by dividing the net profits attributable to the equity holders of the parent company by the weighted average number of ordinary shares outstanding during the year (adjusted for the effect of the average number of share option rights outstanding during the year).

2.1.26 EBITDA & EBIT

International Financial Reporting Standards (IFRS) do not define the content of the "EBITDA" & "EBIT". The Group taking into account the nature of its activities, as well as the Decision 6/448/11.10.2007 of the BoD of Hellenic Capital Market Commission and the relative Circular no.34 defines "EBITDA" as "Operating Profit/(Loss) before tax" adjusted for the figures "Profit/(loss) from equity method consolidations", "Exchange Differences", "Interest and related income", "Interest and similar charges", "Write-off and impairment losses of assets and investments", "Gain/(loss) from asset disposal" and "Assets depreciation and amortization". Also, the Group defines "EBIT" as "Operating Profit/(Loss) before tax" adjusted for the figures "Profit/(loss) from equity method consolidations", "Exchange Differences", "Interest and related income", "Interest and similar charges", "Write-off and impairment losses of assets and investments" and "Gain/(loss) from asset disposal".

Reconciliation of operating profit before tax to EBIT and EBITDA:	GROUP	
	1/1-31/12/14	1/1-31/12/13 [1]
Operating profit/loss before tax	**36.533**	**53.555**
Profit/(loss) equity method consolidation	2.279	3.027
Exchange differences	-10.552	11.061
Interest and related income	-13.468	-25.233
Interest and similar charges	72.175	57.898
Assets gain/(loss) from disposal, write-off & impairment losses of assets and investments*	1.175	2.968
EBIT	**88.142**	**103.276**
Depreciation and amortization	87.303	91.574
EBITDA	**175.445**	**194.850**

* Included in "Other Operating Income" and "Other Operating Expenses" of Total comprehensive income statement

[1] Including restated figures according to IFRS 11 – note 2.27.A.III

Reconciliation of operating profit before tax to EBIT and EBITDA:	COMPANY	
	1/1-31/12/14	1/1-31/12/13 [1]
Operating profit/loss before tax	**-2.148**	**7.199**
Profit/(loss) equity method consolidation	0	0
Exchange differences	-5.309	1.288
Interest and related income	-11.132	-24.251
Interest and similar charges	29.606	24.665
Assets gain/(loss) from disposal, write-off & impairment losses of assets and investments*	180	0
EBIT	**11.197**	**8.901**
Depreciation and amortization	8.877	14.240
EBITDA	**20.074**	**23.141**

* Included in "Other Operating Income" and "Other Operating Expenses" of Total comprehensive income statement

2.1.27 Significant accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the amounts of revenues, expenses, assets liabilities and disclosures of contingent liabilities that included in the financial statements. On an ongoing basis, management evaluates its judgements, estimates and assumptions that mainly refer to goodwill impairment, allowance for doubtful receivables, provision for staff retirement indemnities, provision for impairment of inventories value, impairment of tangible and intangible assets as well as estimation of their useful lives, recognition of revenue and expenses, pending legal cases, provision for income tax and recoverability of deferred tax assets. These judgements, estimates and assumptions are based on historical experience and other factors including expectations of future events that are considered reasonable under the circumstances.

The key judgements, estimates and assumptions concerning the future and other key sources of uncertainty at the reporting date and have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are the below:

Goodwill, tangible and intangible assets impairment

Management tests goodwill for impairment annually (as at 31 December) or more frequently if events occur or changes in circumstances indicate that the carrying value may be reduced in accordance with accounting policy described in 2.1.6.a. The recoverable amounts of cash generating units (CGU) have been determined based on "value in use" calculations using appropriate estimates regarding future cash flows and discount rates. The determination of value in use is obtained by the present value of estimated future cash flows, as expected to be generated by each CGU (discounted cash flow method - DCF). The cash flows are derived from the most recent approved by the administration budgets for the next three years and does not include any estimated future cash inflows or outflows expected to arise from future restructurings or from improving or enhancing the asset's performance, which is tested for impairment. The expected cash flow projections beyond the period covered by the most recent budgets, estimated by extrapolating the projections based on the budgets using a steady or declining growth rate for subsequent years, which does not exceed the long-term average growth rate for products, industries, countries in which the Group operates, or for the market in which the asset is used. The Group makes estimates and beyond the period of five years where has signed revenue contracts beyond five years as well as in cases where management believes that based on market data and historical renewals track record of the Group, it is very possible to renew relevant contracts beyond this period. Cash flow projections are based on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset, giving greater weight to external evidence. Management assesses the reasonableness of the assumptions on which its current cash flow projections are based by examining the causes of differences between past cash flow projections and actual cash flows. Management also ensures that the assumptions on which its current cash flow projections are based are consistent with past actual outcomes, provided that effects of subsequent events or circumstances, that did not exist when those actual cash flows were generated, make this appropriate. Further details are provided in note 2.12.

The carrying values of tangible and intangible assets are reassessed for possible need for impairment whenever events or circumstances indicate that the value reported on may not be recovered in accordance with the accounting principle described in the notes 2.1.8 and 2.1.10.

Income Tax Provision

The companies of the Group are subject to income taxes in numerous jurisdictions. The provision for income taxes in accordance with IAS 12 "Income Taxes" refers to the amounts expected to be paid to the tax authorities and includes provision for current income taxes and the provision for any additional taxes that may arise as a result of the audit of the tax authorities. The provision for income tax of the Group for numerous transactions require significant subjective judgment, making tax exact calculation uncertain during the ordinary course of business of the Group. The estimate may differ from the final tax due to future changes in tax legislation or to unforeseen effects of the final determination of the tax liability for each year from the tax authorities. Where the final tax resulting from tax audits differ from the amounts that were initially assessed and recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination of tax differences occurred. Further details are provided in notes 2.8 and 2.28.B.

Deferred Tax Assets

Deferred tax assets and liabilities are recognized on temporary differences between the accounting basis and the tax basis of assets and liabilities using the tax rates that have been enacted and are expected to apply in the periods when the differences are expected to be eliminated. Deferred tax assets are recognized for the deductible temporary differences and tax losses carried forward to the extent that it is probable that there will be taxable income available to be used against which the deductible temporary differences and the carry forward of unused tax losses. The Group considers the existence of future taxable income and ongoing follow a conservative tax planning strategies in assessing the recoverability of deferred tax assets. The determination of future taxable income is made through the systematic process of budgeting, at the parent company level as well as at the level of subsidiaries, which are mainly based on already signed long-term revenue contracts. Almost all of the Group's revenue (parent and subsidiaries) derives from long-term contracts signed making the risk of discrepancies between budgeted and actual revenue as low, something that applies to the costs that usually are in a proportion relationship with the revenue of the related contracts. In any case there is a system of monitoring for the verification of these budgets and conducting relevant adjustments, resulting in the safe keeping of any final discrepancies at low levels. The accounting estimates related to deferred tax assets requires management to make assumptions about the timing of future events, the probability of expected future taxable income and available tax planning possibilities. Further details are provided in Note 2.8.

Allowance for doubtful receivables

The Group impairs the value of receivables when there is evidence or indications which show that the recovery of the receivables in whole or in part is unlikely. The Group's Management periodically reassesses the adequacy of the allowance for doubtful accounts based on factors such as the credit policy, reports from the legal department for recent developments in cases handled by this, and its estimation of the influence of other factors related to the collectability requirements. Further details are provided in notes 2.15 and 2.16.

Provision for staff retirement indemnities

Liabilities for retirement benefits are calculated using actuarial methods that require management to assess specific parameters such as discount rates, future growth rates of employee wages, the future rate of employees' retirement and other factors such as the inflation rate. The Group's management estimates in the best possible way these parameters on an annual basis, for the relevant actuarial study.

Estimation of assets useful life

The Group reassesses at each year end and, when appropriate, prospectively adjusts useful lives of tangible and intangible assets that were recognized either through acquisition or business combination. These estimates take into account new data and current market conditions. Further details are provided in 2.1.8, 2.1.10 and 2.12.

Contingent liabilities

The Group reviews the status of each significant legal case on a periodic basis and assesses the potential risk, based partly on the view of legal department. If the potential loss from any litigation and legal matters is considered probable and the amount can be reliably estimated, the Group recognizes a liability for the estimated loss. In order to determine the probability and whether the risk can be estimated reliably, a considerable degree of judgment of management is required. When additional information becomes available, the Group reassesses the potential liability related to pending litigation and legal proceedings, and estimates for the probability of an unfavorable outcome and an assessment of potential loss may be revised. Such revisions in the estimates of the potential liability could have a material effect on the financial position and income statement of the Group. Further details are provided in note 2.28.A.

Provision for impairment of inventories value

The Group recognizes inventory at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling expenses. Provisions for impairment of inventories are formed when necessary and recognized in the income statement.

Consolidation of subsidiaries in which the Group holds less than a majority of voting right (de facto control)

The Group estimates that controls the subsidiaries Supreme Ventures LTD, Inteltek Internet AS, Eurofootball LTD and DC09 LLC, even though it holds less than 50% of the voting rights, since the conditions of IFRS 10 are met. Specifically, the control of Supreme Ventures LTD based on the fact that the Group is the largest shareholder with a stake of 49.90%, while the remainder of the shares of Supreme Ventures LTD is widely held in many other shareholders and since the acquisition date of Supreme Ventures LTD there is no history of the other shareholders collaborating to exercise their votes collectively or outvote the Group's proposals. Also, for the subsidiaries Inteltek Internet AS, Eurofootball LTD and DC09 LLC, in which the Group holds 45%, 49% and 49% respectively of the voting rights, the control is based on the fact that the Group has signed agreements with other shareholders under which the Group has the ability to direct the business decisions of these subsidiaries.

Business combination

Group when acquiring a company performs the necessary estimates in determining the fair value and the useful life of the acquired tangible and intangible assets. Future events could cause changes in the assumptions used in determining fair value with a corresponding effect on the results and equity of the Group. Further details are provided in notes 2.1.6.a

2.2 INFORMATION PER SEGMENT

Intralot Group is active in about 57 countries and the segmentation of its subsidiaries is performed based on their geographical position. The financial results are presented in the following operating geographical segments:

European Union:	Greece, Italy, Malta, Cyprus, Poland, Luxembourg, Spain, United Kingdom, Nederland, Romania, Bulgaria, France, Germany, Czech Republic and Slovakia and Republic of Ireland.
Other Europe:	Russia, Moldova.
America:	USA, Peru, Brazil, Argentina, Mexico, Jamaica, Chile, Colombia, Guatemala, Dominican Republic, Suriname, Uruguay and St. Lucia.
Other Countries:	Australia, New Zealand, China, South Africa, Turkey, South Korea, Lebanon, Egypt, Azerbaijan, Taiwan and Morocco.

No two operating segments have been added.

The following information is based on the internal financial reports provided to the manager responsible for taking decisions who is the General Director. The performance of the segments is evaluated based on the sales and profit/(loss) before tax. The Group applies the same accounting policies for the financial results of the above segments as those of the consolidated financial statements. The transactions between segments are realized within the natural conditions present in the Group with similar way to that with third parties. The intragroup transactions are eliminated in group level and are included in the column "Eliminations".

1/1-31/12/2014

(in million €)	European Union	Other Europe	America	Other Countries	Eliminations	Total
Sales to third parties	940,15	7,33	549,47	356,21	0,00	1.853,16
Intragroup sales	59,16	0,00	1,82	0,45	-61,43	0,00
Total Sales	**999,31**	**7,33**	**551,29**	**356,66**	**-61,43**	**1.853,16**
(Debit)/Credit interest & similar (expenses)/income	-29,66	-0,34	-1,84	5,39	-32,26	-58,71
Depreciation/Amortization	-53,88	-2,38	-26,88	-8,79	4,63	-87,30
Profit/(loss) consolidated with equity method	0,00	0,00	0,00	-2,28	0,00	-2,28
Write-off & impairment of assets	-0,56	-0,01	-0,98	0,00	0,00	-1,55
Write-off & impairment of investments	-11,91	-10,45	-0,44	0,00	22,80	0,00
Doubtful provisions, write-off & impairment of receivables	-13,00	-0,31	-1,39	-0,20	6,38	-8,52
Profit/ (Loss) before tax	**-25,26**	**-13,83**	**19,63**	**65,71**	**-9,72**	**36,53**
Taxes	-12,5	-0,22	-7,87	-23,58	0,00	-44,17
Profit/(Loss) after Tax	**-37,76**	**-14,05**	**11,76**	**42,13**	**-9,72**	**-7,64**

1/1-30/12/2013 [1]

(in million €)	European Union	Other Europe	America	Other Countries	Eliminations	Total
Sales to third parties	772,91	11,74	458,81	295,97	0,00	1.539,43
Intragroup sales	67,54	0,00	8,89	0,03	-76,46	0,00
Total Sales	**840,45**	**11,74**	**467,7**	**296**	**-76,46**	**1.539,43**
(Debit)/Credit interest & similar (expenses)/income	-10,06	-0,23	-1,04	1,78	-23,11	-32,66
Depreciation/Amortization	-57,55	-3,08	-26,6	-11,94	7,6	-91,57
Profit/(loss) consolidated with equity method	0,00	-0,02	0,00	-3,01	0,00	-3,03
Write-off & impairment of assets	-2,35	-0,01	-0,39	-0,05	0,00	-2,8
Write-off & impairment of investments	-1,04	0,00	0,00	-0,07	1,11	0,00
Doubtful provisions, write-off & impairment of receivables	-51,57	0,00	-0,68	-0,33	41,23	-11,35
Profit/ (Loss) before tax	**-16,75**	**-4,41**	**6,99**	**31,05**	**36,68**	**53,56**
Taxes	-11,16	-0,12	-5,61	-15,35	0,00	-32,24
Profit/(Loss) after Tax	**-27,91**	**-4,53**	**1,38**	**15,7**	**36,68**	**21,32**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III

Revenue per business activity:

(in thousand €)	31/12/2014	31/12/2013	Change
Licensed operations	1.505.042	1.160.632	29,67%
Management contracts	138.279	124.480	11,09%
Technology and support services	209.843	254.318	-17,49%
Total	**1.853.164**	**1.539.430**	**20,38%**

2.3 STAFF COSTS

	GROUP		COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Salaries	97.107	90.032	17.621	16.075
Social security contributions	16.156	16.656	3.448	4.181
Staff retirement indemnities (Note 2.21)	1.595	-65	1.547	-463
Other staff costs	11.407	11.151	781	1.181
Total	**126.265**	**117.774**	**23.397**	**20.974**

Salaries & Social security contributions per cost center December 31, 2014

Group	Cost of Sales	Selling expenses	Administrative costs	R&D costs	Total
Salaries	42.950	12.896	37.739	3.522	97.107
Social security contributions	6.622	2.553	6.246	735	16.156
Staff retir. & other costs	6.589	1.382	4.775	256	13.002
Total	**56.161**	**16.831**	**48.760**	**4.513**	**126.265**

Company	Cost of Sales	Selling expenses	Administrative costs	R&D costs	Total
Salaries	3.660	4.100	6.414	3.447	17.621
Social security contributions	805	881	1.028	734	3.448
Staff retir. & other costs	1.397	279	396	256	2.328
Total	**5.862**	**5.260**	**7.838**	**4.437**	**23.397**

Salaries & Social security contributions per cost center December 31, 2013

Group	Cost of Sales	Selling expenses	Administrative costs	R&D costs	Total
Salaries	43.168	10.297	33.492	3.075	90.032
Social security contributions	8.113	2.195	5.562	786	16.656
Staff retir. & other costs	4.863	904	5.293	26	11.086
Total	**56.144**	**13.396**	**44.347**	**3.887**	**117.774**

Company	Cost of Sales	Selling expenses	Administrative costs	R&D costs	Total
Salaries	7.619	2.277	3.179	3.000	16.075
Social security contributions	2.389	533	473	786	4.181
Staff retir. & other costs	141	28	523	26	718
Total	**10.149**	**2.838**	**4.175**	**3.812**	**20.974**

The number of employees of the Group at the end of the current period amounted to 5.348 (5.269 subsidiaries and associates 79) and the Company's 690. As at 31/12/2013 the number of employees of the Group were 5.685 persons (subsidiaries 5.361 and associates 324) and the Company's 620.

2.4 DEPRECIATION AND AMORTIZATION

Depreciation and amortization recognized in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Depreciation of tangible fixed assets (Note 2.11)	44.157	50.620	1.449	8.684
Amortization of intangibles (Note 2.12)	43.146	40.954	7.428	5.556
Total	**87.303**	**91.574**	**8.877**	**14.240**

Depreciation and amortization per cost center

31/12/2014	**Cost of Sales**	**Selling expenses**	**Administrative costs**	**R&D costs**	**Total**
Group	66.086	1.420	18.820	977	**87.303**
Company	5.326	1.065	1.509	977	**8.877**

31/12/2013	**Cost of Sales**	**Selling expenses**	**Administrative costs**	**R&D costs**	**Total**
Group	62.055	2.165	25.788	1.566	**91.574**
Company	8.544	1.709	2.421	1.566	**14.240**

2.5 EXPENSES BY NATURE

	GROUP		COMPANY	
	31/12/2014	**31/12/2013** [1]	**31/12/2014**	**31/12/2013**
Staff Costs (Note 2.3)	126.265	117.774	23.397	20.974
Depreciation & amortization (Note 2.4)	87.303	91.574	8.877	14.240
Change in inventories	17.058	3.512	3.343	6.672
Winners Payout, game taxes and agent commissions	1.284.051	978.735	0	0
Consumables	11.961	11.444	0	0
Third party fees	84.981	95.176	30.862	51.399
Other expenses	158.784	141.223	9.798	7.405
Total	**1.770.403**	**1.439.438**	**76.277**	**100.690**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III

2.6 IMPAIRMENT, WRITE OFF AND PROVISIONS FOR DOUBTFUL DEBTS

Included in other operating expenses:

	GROUP		COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Impairments / write offs of participations in subsidiaries (Note 2.13)	0	0	179	0
Provisions for doubtful receivables from subsidiaries (Note 2.15 & 2.16)	0	0	0	39.528
Provisions for doubtful receivables from debtors (Note 2.15 & 2.16)	3.117	10.008	754	2.000
Receivables write off from debtors (Note 2.15 & 2.16)	5.401	1.337	4.435	0
Impairment / write off tangible fixed assets (Note 2.11)	1.000	2.746	0	0
Impairment / write off intangible fixed assets (Note 2.12)	549	52	0	0
Total	**10.067**	**14.143**	**5.368**	**41.528**

2.7 INTEREST AND SIMILAR CHARGES / INTEREST AND SIMILAR INCOME

	GROUP		COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Interest Expense	-59.266	-38.626	-24.917	-17.285
Losses on investments	-1.354	-2.436	-166	-347
Losses on derivatives	-917	-5.346	-180	-3.102
Finance costs	-10.632	-11.422	-4.343	-3.931
Discounting	-6	-68	0	0
Total Interest and similar Charges	**-72.175**	**-57.898**	**-29.606**	**-24.665**
Interest Income	12.204	10.198	6.091	5.495
Gains on investments and securities	109	14.370	0	11.315
Gains on derivatives	190	85	180	85
Dividends	864	459	4.861	7.356
Discounting	101	121	0	0
Total Interest and similar Income	**13.468**	**25.233**	**11.132**	**24.251**
Net Interest and similar Income / (Charges)	**-58.707**	**-32.665**	**-18.474**	**-414**

2.8 INCOME TAXES

GROUP	**1/1-31/12/2014**	**1/1-31/12/2013**
Current income taxes	31.717	25.392
Deferred income taxes	12.458	6.847
Total income tax expense reported in income statement	**44.175**	**32.239**

The income tax expense for the Company was calculated to 26% on the taxable profit of the periods 1/1-31/12/2014 and 1/1-31/12/2013.

COMPANY	**1/1-31/12/2014**	**1/1-31/12/2013**
Current income taxes	0	1.500
Deferred income taxes	8.859	5.754
Total income tax expense reported in income statement	**8.859**	**7.254**

Income tax attributable to the Group's profit differs from the amount that would arise by applying the nominal tax rate applicable at the domicile of the Parent Company, as follows:

	GROUP		COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Profit before income taxes	**36.533**	**53.555**	**-2.148**	**7.199**
Income taxes based on the statutory income tax rate of the Parent 26% (2013: 26%)	9.498	13.923	-558	1.872
Adjustments to income taxes related to:				
Adjustments in opening balance	870	-49	0	0
Tax effect of non-deductible tax expenses	24.701	16.424	8.589	7.903
Tax effect of subsidiaries' losses, for which deferred tax asset was not recognized	23.409	4.133	2.605	0
Tax effect of tax free reserves	59	39	0	0
Tax effect of non taxable profits	-8.057	-11.056	-1.777	-6.696
Tax effect of foreign subsidiaries' profits that are taxable at different tax rates	-8.329	4.650	0	0
Deferred tax effect due to tax rate change	1.722	2.675	0	2.675
Income tax of previous years after tax audit	302	0	0	0
Provision for additional taxes from future tax audits	0	1.500	0	1.500
Income taxes at effective tax rate as reported in the income statement	**44.175**	**32.239**	**8.859**	**7.254**

	GROUP		COMPANY	
	31/12/2014	**31/12/2013 [1]**	**31/12/2014**	**31/12/2013**
Net deferred tax asset at beginning of the year*	**6.586**	**15.665**	**3.284**	**9.012**
(Debit)/Credit to the consolidated statement of comprehensive income	-12.458	-6.847	-8.859	-5.754
Opening balance restatement	0	-1.400	0	0
Effect from a first time consolidated subsidiary	0	180	0	0
Exchange difference	299	-504	0	0
Non-consolidated entity due to liquidation / disposal	18	0	0	0
Deferred tax on other comprehensive income	-150	-508	-24	26
Net deferred tax asset at end of the year	**-5.705**	**6.586**	**-5.599**	**3.284**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III

The deferred tax asset and liability presented in the accompanying balance sheet are analyzed as follows:

December 31, 2014	**GROUP**		**COMPANY**	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Subsidiaries' tax losses carried forward	5.765	0	0	0
Inventories– Intercompany profit	-211	0	-335	0
Financial assets	66	-4	0	0
Long term receivables	306	0	0	0
Provisions	1.634	-1.815	1.065	-1.448
Tangible assets	-792	-950	0	-42
Intangibles assets	78	-11.238	0	-4.122
Short term receivables	116	-1.870	0	-1.257
Accrued expenses	297	1.248	0	-18
Long term liabilities	461	-389	0	0
Short term liabilities	1.231	570	0	558
Short term loans	82	-290	0	0
Total	**9.033**	**-14.738**	**730**	**-6.329**

01/01/2014-31/12/2014	**Income Statement**	
Deferred income tax	**GROUP**	**COMPANY**
Prior years' tax losses utilized	5.079	2.431
Subsidiaries' tax losses carried forward	-737	0
Accrued expenses	36	-617
Tangible assets	254	-57
Intangible assets	2.371	1.526
Financial assets	669	0
Short term receivables	4.301	4.482
Long Term receivables	-73	0
Inventories– impairment	-43	0
Short term provisions	1.150	1.116
Short term liabilities	59	60
Long term liabilities	-608	-82
Financial lease obligations	0	0
Deferred Tax (income) / expense	**12.458**	**8.859**

On 31/12/2014 the most significant Group's subsidiaries (excluding Company) had accumulated tax losses amounting to about €199,6 million and had recognized a deferred tax asset of €5,8 million (2013: €10,1 million) attributable to tax losses amounting to €20,7 million. For the remaining tax losses amounting to €178,9 million there was no deferred tax asset recognized on 31.12.2014 since the recognition criteria under IAS 12 as described in notes 2.1.23 and 2.1.27 were not met. Of the above total accumulated tax losses amount of €42,3 million can be transferred up to the periods 2015-2019, amount of €48,2 until the periods 2020-2034 and finally an amount of €109,1 million has no time limit.

Also on 31/12/2014 the Company had accumulated tax losses and had not recognized deferred tax asset (2013: €2,4 million) attributable to these tax losses since the recognition criteria under IAS 12 as described in notes 2.1.23 and 2.1.27 were not met. The accumulated tax losses of the Company can be transferred up to the year 2019.

31/12/2013 [1]	**GROUP**		**COMPANY**	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Subsidiaries' tax losses carried forward	10.101	0	2.431	0
Inventories– Intercompany profit	-253	0	-335	0
Financial assets	717	-1	0	0
Long term receivables	220	0	0	0
Provisions	1.541	-566	1.009	-333
Tangible assets	949	-2.537	0	-99
Intangibles assets	15	-8.769	0	-2.597
Short term receivables	168	2.353	0	2.590
Accrued expenses	2.165	-712	0	0
Long term liabilities	139	-603	0	0
Short term liabilities	1.105	73	0	618
Short term loans	638	-157	0	0
Total	**17.505**	**-10.919**	**3.105**	**179**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III

01/01/2013-31/12/2013	**Income Statement**	
Deferred income tax	**GROUP**	**COMPANY**
Prior years' tax losses utilized	1.834	0
Subsidiaries' tax losses carried forward	-4.935	-2.431
Accrued expenses	-706	481
Tangible assets	-1.364	-1.564
Intangible assets	5.182	1.715
Financial assets	-1.509	83
Short term receivables	2.244	1.618
Long term receivables	216	0
Inventories– impairment	70	77
Short term provisions	306	-171
Short term liabilities	4.228	6.050
Long term liabilities	1.281	-104
Liabilities from finance lease	0	0
Deferred Tax (income) / expense	**6.847**	**5.754**

2.9 EARNINGS / (LOSSES) PER SHARE

The calculation of basic and diluted earnings per share is as follows:

Basic earnings / (loss) per share (EPS) are calculated by dividing net income / (loss) for the period attributable to equity holders of the parent by the weighted average number of common shares outstanding during the period, taking into account the average number of ordinary shares acquired by the Group as treasury shares.

	GROUP		COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Net profit / (loss) attributable to shareholders of the parent company	**-49.546**	**-4.566**	**-11.007**	**-55**
Weighted average number of shares	158.961.721	158.961.721	158.961.721	158.961.721
Less: Weighted average number of treasury shares	18.299	0	18.299	0
Weighted average number of shares outstanding	**158.943.422**	**158.961.721**	**158.943.422**	**158.961.721**
Basic earnings / (losses) per share (EPS) (in EUR)	**€-0,3117**	**€-0,0287**	**€-0,0693**	**€-0,0003**

Diluted earnings / (loss) per share is calculated by dividing net income / (loss) for the period attributable to equity holders of the parent by the weighted average number of shares outstanding during the period (adjusted for the effect of the average stock option plans outstanding during the period). During 2014 the Group had no stock option plan in effect.

	GROUP		COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Weighted average number of shares outstanding (for basic EPS)	158.943.422	158.961.721	158.943.422	158.961.721
Effect of potential exercise of options (weighted average number for the period)	0	0	0	0
Weighted average number of shares outstanding (for diluted EPS)	**158.943.422**	**158.961.721**	**158.943.422**	**158.961.721**
Diluted earnings / (losses) per share (EPS) (in EUR)	**€-0,3117**	**€-0,0287**	**€-0,0693**	**€-0,0003**

The difference between the weighted average number of shares outstanding and the number of shares including those that would arise from a potential exercise of share options, is not significant.

2.10 DIVIDENDS

	GROUP		COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Declared dividends of ordinary shares in the year:				
Final dividend of 2012	0	10.883	0	417
Interim dividend of 2013	0	6.056	0	0
Final dividend of 2013	12.309	0	0	0
Interim dividend of 2014	11.228	0	0	0
Dividend per Statement of changes in equity	**23.537**	**16.939**	**0**	**417**
Dividend not recognized as a liability as at 31st December	**0**	**0**	**0**	**0**

2.11 TANGIBLE FIXED ASSET

GROUP	LAND	BUILDINGS AND INST ALLATIONS	MACHINERY AND EQUIPMENT	TRANSPORT EQUIPMENT	FURNITURE AND FUXTURES	ASSETS UNDER CONSTRUCTION	OTHER TANGIBLE ASSETS	TOTAL
January 1, 2014								
Cost	8.789	25.044	320.714	4.670	124.455	1.461	4.262	489.395
Accumulated Depreciation	0	-8.912	-171.295	-2.853	-105.540	0	-1.377	-289.977
Net Book value January 1, 2014	**8.789**	**16.132**	**149.419**	**1.817**	**18.915**	**1.461**	**2.885**	**199.418**
COST								
Additions of the period	0	2.150	14.521	461	3.240	2.512	593	23.477
Transfer of assets from (to) other categories	0	217	3.987	-8	-3.214	-1.052	70	0
Transfer from (to) inventories and intangible assets	0	0	20	0	-2	-192	0	-174
Sale of subsidiaries / Change in consolidation method	0	0	-4.425	0	-7	0	0	-4.432
Disposal	0	-16	-688	-220	-15	0	0	-939
Impairment / Write-off	-636	-427	-4.188	-273	-73	-100	-5	-5.702
Net exchange differences on foreign currency translation	86	2.280	3.541	122	-1.381	98	110	4.856
ACCUMULATED DEPRECIATION								
Depreciation of the period	0	-1.760	-35.827	-539	-5.223	0	-808	-44.157
Disposal	0	16	438	178	2	0	0	634
Impairment / Write-off	0	187	4.096	197	38	0	184	4.702
Net exchange differences on foreign currency translation	0	-1.235	3.271	-63	1.599	0	-45	3.527
Transfer of assets from (to) other categories	0	-5	-1.535	7	1.603	0	-70	0
Transfer from (to) inventories and intangible assets	0	0	0	0	459	0	0	459
Sale of subsidiaries / Change in consolidation method	0	0	1.118	0	7	0	0	1.125
Net book value December 31, 2014	**8.239**	**17.539**	**133.748**	**1.679**	**15.948**	**2.727**	**2.914**	**182.794**
Cost	8.239	29.248	333.482	4.752	123.003	2.727	5.030	506.481
Accumulated Depreciation	0	-11.709	-199.734	-3.073	-107.055	0	-2.116	-323.687
Net Book value December 31, 2014	**8.239**	**17.539**	**133.748**	**1.679**	**15.948**	**2.727**	**2.914**	**182.794**

The Group recognized impairment losses / write-offs of tangible fixed assets amounting to €1 million. during the period 1/1-31/12/2014 which were recognized in the income statement (in other operating expenses - note 2.6). The largest portion, amounting to €0,6 million. applies to a subsidiary plot impairment loss in Bulgaria. The net book value of tangible assets held by leasing was on 31/12/2014 €27.344 thousand. (Buildings & Instalations €7 thousand, Machinery & Equipment €20.747 thousand, Transport Equipment €98 thousand and Furniture & fixtures €6.492 thousand).

GROUP	LAND	BUILDINGS AND INSTALLATIONS	MACHINERY AND EQUIPMENT	TRANSPORT EQUIPMENT	FURNITURE AND FUXTURES	ASSETS UNDER CONSTRUCTION	OTHER TANGIBLE ASSETS	TOTAL
January 1, 2013								
Cost	11.273	26.270	336.842	5.979	124.110	3.711	2.603	510.788
Accumulated Depreciation	0	-8.012	-160.656	-3.512	-97.123	0	-792	-270.095
Net Book value January 1, 2013	**11.273**	**18.258**	**176.186**	**2.467**	**26.987**	**3.711**	**1.811**	**240.693**
COST								
Additions of the period	0	657	48.945	684	5.845	1.973	1.658	59.762
Transfer of assets from (to) other categories	0	907	3.271	-211	-1.095	-3.186	314	0
Transfer from (to) inventories and intangible assets	0	83	-16	0	-204	-76	-18	-231
Additions due to acquisitions of subsidiaries	0	0	3.031	0	254	0	0	3.285
Disposal	0	0	-44.088	-1.189	-106	-422	-31	-45.836
Impairment / Write-off	-2.220	-122	-2.746	-56	-1.216	-5	-11	-6.376
Net exchange differences on foreign currency translation	-264	-2.751	-24.525	-537	-3.133	-534	-253	-31.997
ACCUMULATED DEPRECIATION								
Depreciation of the period	0	-1.520	-34.758	-638	-13.048	0	-656	-50.620
Disposal	0	0	11.367	738	70	0	28	12.203
Additions due to acquisitions of subsidiaries	0	0	-957	0	-127	0	0	-1.084
Net exchange differences on foreign currency translation	0	763	12.891	302	2.166	0	90	16.212
Transfer of assets from (to) other categories	0	0	-1.657	214	1.515	0	-72	0
Transfer from (to) inventories and intangible assets	0	-258	8	0	10	0	16	-224
Impairment / Write-off	0	115	2.467	43	997	0	9	3.631
Net book value December 31, 2013	**8.789**	**16.132**	**149.419**	**1.817**	**18.915**	**1.461**	**2.885**	**199.418**
Cost	8.789	25.044	320.714	4.670	124.455	1.461	4.262	489.395
Accumulated Depreciation	0	-8.912	-171.295	-2.853	-105.540	0	-1.377	-289.977
Net book value December 31, 2013	**8.789**	**16.132**	**149.419**	**1.817**	**18.915**	**1.461**	**2.885**	**199.418**

The Group recognized impairment losses / write-offs of tangible fixed assets amounting to €2,7 million. During the period 1/1-31/12/2013 which were recognized in the income statement (in other operating expenses - note 2.6). The largest portion, amounting to €2,2 million applies to a subsidiary plot impairment loss in Bulgaria. The net book value of tangible assets held by leasing was on 31/12/2013 €36.660 thousand. (Machinery & Equipment €28.133 thousand, Transport Equipment €82 thousand and Furniture & fixtures €8.445 thousand).

COMPANY	LAND	BUILDINGS AND INSTALLATIONS	MACHINERY AND EQUIPMENT	TRANSPORT EQUIPMENT	FURNITURE AND FIXTURES	TOTAL
January 1, 2014						
Cost	3.030	4.722	1	665	74.391	82.809
Accumulated Depreciation	0	-2.601	-1	-377	-72.449	-75.428
Net Book value January 1, 2014	**3.030**	**2.121**	**0**	**288**	**1.942**	**7.381**
COST						
Additions of the period	0	890	0	70	650	1.610
ACCUMULATED DEPRECIATION						
Depreciation of the period	0	-190	0	-88	-1.171	-1.449
Transfer from (to) inventories and tangible assets	0	0	0	0	459	459
Net Book value December 31, 2014	**3.030**	**2.821**	**0**	**270**	**1.880**	**8.001**
Cost	3.030	5.612	1	735	75.041	84.419
Accumulated Depreciation	0	-2.791	-1	-465	-73.161	-76.418
Net Book value December 31, 2014	**3.030**	**2.821**	**0**	**270**	**1.880**	**8.001**

COMPANY	LAND	BUILDINGS AND INSTALLATIONS	MACHINERY AND EQUIPMENT	TRANSPORT EQUIPMENT	FURNITURE AND FIXTURES	TOTAL
January 1, 2013						
Cost	3.030	4.524	1	665	74.031	82.251
Accumulated Depreciation	0	-2.392	-1	-315	-64.036	-66.744
Net Book value January 1, 2013	**3.030**	**2.132**	**0**	**350**	**9.995**	**15.507**
COST						
Additions of the period	0	198	0	0	360	558
ACCUMULATED DEPRECIATION						
Depreciation of the period	0	-209	0	-62	-8.413	-8.684
Net Book value December 31, 2013	**3.030**	**2.121**	**0**	**288**	**1.942**	**7.381**
Cost	3.030	4.722	1	665	74.391	82.809
Accumulated Depreciation	0	-2.601	-1	-377	-72.449	-75.428
Net Book value December 31, 2013	**3.030**	**2.121**	**0**	**288**	**1.942**	**7.381**

2.12 INTANGIBLE ASSETS

GROUP	GOODWILL	SOFTWARE	DEVELOPMENT COSTS (Internally generated) [1]	OTHER	LICENCES [2]	TOTAL
January 1, 2014						
Cost [3]	79.200	98.304	72.048	20.096	302.963	572.611
Accumulated amortization	0	-54.822	-19.012	-7.605	-137.826	-219.265
Net Book value January 1, 2014	**79.200**	**43.482**	**53.036**	**12.491**	**165.137**	**353.346**
COST						
Additions of the period	0	17.953	11.680	2.227	14.283	46.143
Transfer of assets from (to) other categories	0	-7.974	0	-38	8.012	0
Transfer from (to) inventories and tangible assets	0	149	94	0	0	243
Sale of subsidiaries / Change in consolidation method	0	-60	0	0	0	-60
Disposal	0	-780	0	-1.137	0	-1.917
Impairment / Write-off	-552	-42	0	0	-4	-598
Net exchange differences on foreign currency translation	2.059	-4.284	188	1.993	-9.390	-9.434
ACCUMULATED DEPRECIATION						
Amortization of the period	0	-9.611	-4.110	-2.469	-26.956	-43.146
Disposal	0	384	0	568	0	952
Impairment / Write-off	0	41	0	8	0	49
Net exchange differences on foreign currency translation	0	4.697	-145	-1.061	284	3.775
Transfer of assets from (to) other categories	0	2.047	0	0	-2.047	0
Transfer from (to) inventories and tangible assets	0	-420	-94	0	0	-514
Sale of subsidiaries / Change in consolidation method	0	15	0	0	0	15
Net Book value December 31, 2014	**80.707**	**45.597**	**60.649**	**12.582**	**149.319**	**348.854**
Cost	80.707	103.266	84.010	23.141	315.864	606.988
Accumulated amortization	0	-57.669	-23.361	-10.559	-166.545	-258.134
Net Book value December 31, 2014	**80.707**	**45.597**	**60.649**	**12.582**	**149.319**	**348.854**

[1] The internally generated intangible assets of the Group include an individually material intangible asset of net book value €52.583 thousand on 31/12/2014 (central operating system - LOTOS, which supports the majority of the contracts of the Group). The remaining amortization period of the central operating system is 20 years whereas additions, upgrades and improvements to this asset are constant.
[2] The Group "Licenses' include intangible assets with indefinite useful lives (Lottery Games Intellectual property rights) amounting €5,1 million 31/12/2014.
[3] On 1/1/14 the Group reclassified funds amounting €2,6 million from the account "Goodwill" in the account "Licences" for a more appropriate presentation since they regard gambling licenses with indefinite useful lives , acquired by a subsidiary of the Group.

GROUP	GOODWILL	SOFTWARE	DEVELOPMENT COSTS (Internally generated) [1]	OTHER	LICENCES [2]	TOTAL
January 1, 2013						
Cost [3]	80.251	95.246	60.932	19.542	291.778	547.749
Accumulated amortization	-326	-47.864	-15.196	-5.552	-114.987	-183.925
Net Book value January 1, 2013	**79.925**	**47.382**	**45.736**	**13.990**	**176.791**	**363.824**
COST						
Additions of the period	0	7.522	12.344	2.203	18.221	40.290
Transfer of assets from (to) other categories	0	12	-32	-221	241	0
Transfer from (to) inventories and tangible assets	0	383	-94	-152	-154	-17
Additions due to acquisitions of subsidiaries	15.383	1.512	0	48	0	16.943
Sale of subsidiaries/ change in consolidation method	-43	0	0	0	0	-43
Disposal	0	-4.017	0	0	0	-4.017
Impairment / Write-off	-346	-254	-8	-112	-149	-869
Net exchange differences on foreign currency translation	-16.045	-2.100	-1.094	-1.212	-6.974	-27.425
ACCUMULATED DEPRECIATION						
Amortization of the period	0	-7.923	-4.168	-2.482	-26.381	-40.954
Disposal	0	805	0	0	0	805
Additions due to acquisitions of subsidiaries	0	-1.066	0	-40	0	-1.106
Net exchange differences on foreign currency translation	0	1.187	344	402	3.099	5.032
Transfer of assets from (to) other categories	0	-56	0	-19	75	0
Transfer from (to) inventories and tangible assets	0	-127	0	-26	219	66
Impairment / Write-off	326	222	8	112	149	817
Net Book value December 31, 2013	**79.200**	**43.482**	**53.036**	**12.491**	**165.137**	**353.346**
Cost	79.200	98.304	72.048	20.096	302.963	572.611
Accumulated amortization	0	-54.822	-19.012	-7.605	-137.826	-219.265
Net Book value December 31, 2013	**79.200**	**43.482**	**53.036**	**12.491**	**165.137**	**353.346**

[1] The internally generated intangible assets of the Group include an individually material intangible asset of net book value €43.884 thousand on 31/12/2013 (central operating system - LOTOS, which supports the majority of the contracts of the Group). The remaining amortization period of the central operating system is 20 years whereas additions, upgrades and improvements to this asset are constant.
[2] The Group "Licenses' include intangible assets with indefinite useful lives (Lottery Games Intellectual property rights) amounting €4,9 million on 31/12/2013.
[3] On 1/1/13 the Group reclassified funds amounting €2,6 million from the account "Goodwill" in the account "Licences" for a more appropriate presentation since they regard gambling licenses with indefinite useful lives , acquired by a subsidiary of the Group.

COMPANY	SOFTWARE	DEVELOPMENT COSTS (Internally generated) [1]	LICENCES	TOTAL
January 1, 2014				
Cost	40.282	58.022	22.487	120.791
Accumulated amortization	-25.414	-14.137	-15.263	-54.814
Net Book value January 1, 2014	**14.868**	**43.885**	**7.224**	**65.977**
COST				
Additions of the period	5.793	11.421	2.500	19.714
ACCUMULATED DEPRECIATION				
Amortization of the period	-3.540	-2.723	-1.165	-7.428
Transfer from (to) inventories and tangible assets	-459	0	0	-459
Net Book value December 31, 2014	**16.662**	**52.583**	**8.559**	**77.804**
Cost	46.075	69.443	24.987	140.505
Accumulated amortization	-29.413	-16.860	-16.428	-62.701
Net Book value December 31, 2014	**16.662**	**52.583**	**8.559**	**77.804**

COMPANY	SOFTWARE	DEVELOPMENT COSTS (Internally generated) [1]	LICENCES	TOTAL
January 1, 2013				
Cost	35.659	45.998	18.203	99.860
Accumulated amortization	-23.008	-11.333	-14.917	-49.258
Net Book value January 1, 2013	**12.651**	**34.665**	**3.286**	**50.602**
COST				
Additions of the period	4.623	12.024	4.284	20.931
ACCUMULATED DEPRECIATION				
Amortization of the period	-2.406	-2.804	-346	-5.556
Net Book value December 31, 2013	**14.868**	**43.885**	**7.224**	**65.977**
Cost	40.282	58.022	22.487	120.791
Accumulated amortization	-25.414	-14.137	-15.263	-54.814
Net Book value December 31, 2013	**14.868**	**43.885**	**7.224**	**65.977**

[1] The internally generated intangible assets of the Group consist of an individually material intangible asset (central operating system - LOTOS, which supports the majority of the contracts of the Group). The remaining amortization period of the central operating system is 20 years whereas additions, upgrades and improvements to this asset are constant.

Goodwill and Intangible assets with indefinite useful life impairment test

Management tests goodwill for impairment annually (31 December) or more frequently if events occur or changes in circumstances indicate that the carrying value may have been reduced in accordance with accounting practice described in note 2.1.6.a "Business Combination and Goodwill".

The Group recognized impairment losses of goodwill amounting €0,6 million. During the period 1/1-31/12/2014 that were recognized in the income statement (in other operating expenses - note 2.6) due to missing certain assumptions that were used in 31/12/2013 for goodwill impairment testing of the Group's subsidiary company in Brazil.

The Group tested goodwill for impairment on 31/12/2014 and the key assumptions that are used for the determination of the recoverable amount are disclosed below. The recoverable amounts of cash generating units have been determined based on value in use calculations using appropriate estimates regarding future cash flows and discount rates.

Specifically, goodwill arising on consolidation of acquired subsidiaries and intangible assets with indefinite useful life are allocated to the following cash generating units (CGU) by geographical area, which are the operating segments for impairment testing purposes:

Carrying amount:

	Goodwill		Intangible assets with indefinite useful life	
CGU	**31/12/2014**	**31/12/2013[1]**	**31/12/2014**	**31/12/2013[1]**
European Union	6.472	6.583	2.300	2.300
Other Europe	0	0	0	0
America	21.400	21.727	2.774	2.609
Other countries	52.835	50.890	0	0
Total	**80.707**	**79.200**	**5.074**	**4.909**

[1] On 31/12/13 the Group reclassified funds amounting €2,6 million from the account "Goodwill" in the account "Intangible assets with indefinite useful life" for a more appropriate presentation since they regard gambling licenses with indefinite useful lives , acquired by a subsidiary of the Group in geographic operating segment "America".

Key assumptions:

The recoverable amount of each CGU is determined according to the calculations of value in use. The determination is obtained by the present value of estimated future cash flows expected to be generated by each CGU (discounted cash flow method - DCF). The cash flows are derived from the most recent approved by the management budgets for the next three years and do not include estimated future cash inflows or outflows expected to arise from future restructurings or from improving or enhancing the asset's performance which is tested for impairment. The expected cash flow projections beyond the period covered by the most recent budgets estimated by extrapolating the projections based on the budgets using a steady or declining growth rate for subsequent years, which does not exceed the long-term average growth rate for products, industries, countries in which the Group operates, or for the market in which the asset is used. The Group makes estimates beyond the period of five years where has signed revenue contracts beyond five years as well as in cases where management believes that based on market data and renewals track record of the Group, it is very possible the renewal of the relevant contracts beyond the five year period. Cash flow projections are based on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset, giving greater weight to external evidence. Management assesses the reasonableness of the assumptions underlying the current cash flow projections by examining the causes of differences between past cash flow projections and actual cash flows. Management also ensures that the assumptions on which its current cash flow projections are based are consistent with past actual outcomes, provided that subsequent events or circumstances that did not exist when those actual cash flows were generated make this appropriate. The use value for CGUs affected (has sensitivity) of the following key factors (assumptions):

- Sales
- Growth rate used to extrapolate cash flows beyond the budget period, and
- Discount rates

Sales:

Sales projections are derived from estimates of local management of various subsidiaries. These projections are based on careful assessments of various factors, such as past performance, estimates of growth of the local market, competition - if exists, possible changes in the institutional framework governing the gambling market, the economic situation of the gambling industry and the market in general, new opportunities such as lotteries privatizations, etc.

Sales growth rate:

CGU	2014	2013
European Union	0,0% - 10,3%	-1,0% - 16,9%
Other Europe	n/a	n/a
America	0,0% - 8,0%	0,0% - 9,0%
Other countries	0,0% - 6,3%	0,0% - 8,7%

Growth rate used to extrapolate cash flows beyond the budget period:

The factors taken into account for the calculation of the growth rate beyond the budgets period derive from external sources and include among others, the level of maturity of each market, the existence of barriers to entry for competitors, the economic situation of the market, existing competition and technology trends.

Growth rate beyond the budget period:

CGU	2014	2013
European Union	0,0% - 3,0%	0,0% - 2,1%
Other Europe	n/a	n/a
America	0,0% - 4,0%	0,0% - 5,6%
Other countries	0,0% - 12,2%	0,0% - 8,6%

Discount rates:

The discount rates represent the current market assessments of the risks personalized for each CGU, having made the necessary adjustments for the time value of money and possible risks specific to any assets that have not been included in the cash flow projections. The calculation of discount rates based on specific conditions under which the Group and its operating segments operate and calculated through the weighted average cost of capital method (WACC). The WACC takes into account both debt and equity. The cost of equity derives from the expected return that Group investors have for their investment. Cost of debt based on the interest rate of the Group loans. The specific risk of each country is incorporated by implementing individualized sensitivity factors "beta" (beta factors). The sensitivity factors "beta" evaluated annually based on published market data.

Discount rates:

CGU	2014	2013
European Union	7,0% - 8,6%	7,7% - 9,8%
Other Europe	n/a	n/a
America	28,8% - 37,5%	10,1% - 28,8%
Other countries	11,0% - 13,7%	13,0% - 15,5%

Recoverable amount sensitivity analysis:

On 31/12/14, the Group analyzed the sensitivity of the recoverable amounts in a reasonable and possible change of some of the basic assumptions (such as the change of a percentage point to the growth rate beyond the budget period and the discount rates). This analysis does not show a situation in which the carrying amount of the Group's significant CGUs exceeds their recoverable amount.

2.13 INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

GROUP INVESTMENT IN ASSOCIATES AND JOINT VENTURES	% Participation	Country	31/12/2014	31/12/2013 [1]
Lotrich Information Co LTD	40%	Taiwan	4.653	4.136
Goreward LTD Group	49,99%	China	25.872	19.586
Intralot South Africa LTD	45%	South Africa	1.835	1.861
Other			248	240
Total			**32.608**	**25.823**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III
Also included in the Group and the Company on 31.12.13 reclassification (for investments in non-consolidated companies) from the account "Investments in subsidiaries, associates and joint ventures" in the account "Other financial assets" for a more appropriate presentation - note 2.27.A.III

INTRALOT SA INVESTMENT IN ASSOCIATES AND JOINT VENTURES	% Participation	Country	31/12/2014	31/12/2013 [2]
Lotrich Information Co LTD	40%	Taiwan	5.131	5.131
Intralot South Africa LTD	45%	South Africa	2.300	2.300
Total			**7.431**	**7.431**

[2] Included in the Group and the Company on 31.12.13 reclassification (for investments in non-consolidated companies) from the account "Investments in subsidiaries, associates and joint ventures" in the account "Other financial assets" for a more appropriate presentation - note 2.27.A.III

INTRALOT SA INVESTMENT IN SUBSIDIARIES	% Participation	Country	31/12/2014[1]	31/12/2013
Intralot De Peru SAC	99,98%	Peru	15.759	15.759
Intralot Holdings International LTD	100%	Cyprus	8.464	8.464
Intralot Australia Pty LTD	100%	Australia	36.212	114
Betting Company S.A.	95%	Greece	139	139
Inteltek Internet AS	20%	Turkey	67.326	67.326
Bilyoner Interactif Hizmelter AS	50,01%	Turkey	10.751	10.751
Intralot Global Securities BV	100,00%	Nederland	57.028	55.028
Loteria Moldovei SA	47,90%	Moldova	656	656
Intralot Iberia Holdings S.A.	100%	Spain	5.638	5.638
Other			257	214
Total			**202.230**	**164.089**

[1] During 2014 there was a write off of the Company's participation in Intralot Luxembourg SA amounting to €31 thousand and Intralot Holdings Luxembourg SA amounting to €31 thousand due to liquidation of the two subsidiaries. Also, there was a provision for impairment for the participation in Gaming Solutions International LTDA amount €117 thousand - Note 2.6

2.14 OTHER FINANCIAL ASSETS

Other financial assets which in total have been classified by the Group as «Available for sale» and «Held to maturity» are analyzed as follows:

	GROUP		COMPANY	
	31/12/2014	31/12/2013 [1]	31/12/2014	31/12/2013 [1]
Opening Balance	**47.061**	**9.619**	**6.411**	**1.547**
Purchases	0	36.716	0	0
Return of Capital	-3.150	0	-3.150	0
Exchange of bank deposits with shares	0	786	0	0
Exchange of financial instrument with shares	0	26	0	0
Disposals	-3.471	-9.028	0	-1.020
Fair value revaluation	-3.268	5.457	-7	-86
Change in the consolidation method	0	4.379	0	5.970
Foreign exchange differences	84	-894	0	0
Closing balance	**37.256**	**47.061**	**3.254**	**6.411**
Quoted securities	3.561	6.963	35	43
Unquoted securities	33.695	40.098	3.219	6.368
Total	**37.256**	**47.061**	**3.254**	**6.411**
Long-term Financial Assets	36.928	43.476	3.254	6.411
Short-term Financial Assets	328	3.585	0	0
Total	**37.256**	**47.061**	**3.254**	**6.411**

[1] Included in the Group and the Company on 31.12.13 reclassification (for investments in non-consolidated companies) from the account "Investments in subsidiaries, associates and joint ventures" in the account "Other financial assets" for a more appropriate presentation - note 2.27.A.III

For the 2014 fiscal year the Group losses arising from the valuation at fair value of the above financial assets amounting to €3.268 thousand (2013: profit €5.457 thousand) are analyzed in losses amounting to €3.405 thousand (2013: profit €5.360 thousand) recorded in a separate equity reserve and in profits amounting to €137 thousand (2013: profit of €97 thousand) recognized in the income statement. Respectively for the Company, the losses amounting €7 thousand (2013: losses of €86 thousand) are analyzed in losses amounting to €7 thousand (2013: losses €8 thousand) recorded in a separate equity reserve. In 2013 the Company incurred losses amounting to €78 thousand recognized in the income statement.

For investments that are actively traded in organized financial markets, fair value is determined by reference to the closing price at the balance sheet date. For investments where there is no corresponding market price, fair value is determined by reference to the current market value of another instrument that is substantially the same, or estimated based on expected cash flows of the net assets underlying the investment or acquisition value.

2.15 OTHER LONG TERM RECEIVABLES

	GROUP		COMPANY	
	31/12/2014	31/12/2013 [1]	31/12/2014	31/12/2013
Receivables	47	2.654	0	0
Receivables from related parties (note 2.27.E)	6.935	5.954	0	0
Guarantees	2.415	2.441	0	0
Minus: Provisions	-7.000	-7.000	0	0
Other receivables	58.133	73.472	315	438
Total	**60.530**	**77.521**	**315**	**438**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III

Reconciliation of changes in provisions for impairment of long-term receivables	**GROUP**		**COMPANY**	
	31/12/2014	**31/12/2013 [1]**	**31/12/2014**	**31/12/2013**
Opening Balance	**-7.000**	**0**	**0**	**0**
Bad debt provisions [2]	0	-7.000	0	0
Translation differences	0	0	0	0
Closing Balance	**-7.000**	**-7.000**	**0**	**0**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III
[2] Relating to impairment of receivables from debtors (third parties outside the Group) derived from commercial transactions in the ordinary course of business.

2.16 TRADE AND OTHER SHORT TERM RECEIVABLES

	GROUP		**COMPANY**	
	31/12/2014	**31/12/2013 [1]**	**31/12/2014**	**31/12/2013**
Trade receivables [3]	131.479	128.812	50.600	61.491
Receivables from related parties (note 2.27.E)	28.239	40.431	133.932	173.046
Other receivables [2]	26.260	39.133	7.311	15.269
Less: Provisions	-10.331	-13.190	-79.893	-91.175
Prepaid expenses and other receivables	39.426	26.129	16.859	7.667
Total	**215.073**	**221.315**	**128.809**	**166.298**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III
[2] In the Group at 31/12/2014 are included time deposits maturing beyond three months amounting to €69 thousand and at 31/12/2013 €616 thousand.
[3] The account trade receivables of the Company and the Group include a receivable from the "Hellenic Organization of Horse Racing S.A." (ODIE) amounting to €23,3 million (31/12/2013: €19,4 million) that was overdue by the reporting date and had not been impaired. To its all this requirement is covered by collateral as disclosed in note 2.28.A.r "Contingent liabilities" - "Litigation cases". We also note that the Company continued and continues to provide services to ODIE because it appreciates and assesses the risk of non-collectability as minimum, given both the public character of ODIE, and the reception of physical collateral (first mortgage and note of mortgage) on a property of ODIE (Markopoulos facilities). The record of the above physical collateral, was made for the amount of €20,9 million against the real estate and the facilities of ODIE in Markopoulos, that have a multiple fair value, making the collection of the claim as fully secured.

Reconciliation of changes in provisions for impairment of short-term receivables	**GROUP**		**COMPANY**	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Opening Balance	**-13.190**	**-10.770**	**-91.175**	**-49.956**
Provisions for the period for receivable from affiliates [1]	0	0	0	-39.528
Provisions for the period for receivable from debtors [2]	-3.117	-3.049	-754	-2.000
Provisions utilized for receivables from affiliates	0	0	1.930	309
Provisions utilized for receivables from debtors	5.650	3	4.083	0
Reversed provisions for receivables from affiliates	0	0	5.683	0
Reversed provisions for receivables from debtors	340	0	340	0
Foreign exchange differences	-14	626	0	0
Closing Balance	**-10.331**	**-13.190**	**-79.893**	**-91.175**

[1] Relating to impairment provision of receivables from subsidiaries derived either from machinery and equipment sales and services rendered or from loan contracts.

[2] Relating to impairment provision of receivables from debtors (third parties outside the Group) derived from commercial transactions in the ordinary course of business.

The maturity information of short-term and long-term receivables is as follows:

	GROUP		COMPANY	
RECEIVABLES	**31/12/2014**	**31/12/2013 [1]**	**31/12/2014**	**31/12/2013**
Trade receivables	131.526	131.466	50.600	61.490
Receivables from related parties (note 2.26)	35.174	46.386	133.932	173.047
Prepaid expenses and other receivables	126.234	141.175	24.485	23.374
Provisions for doubtful debts	-17.331	-20.190	-79.893	-91.175
Total	**275.603**	**298.836**	**129.124**	**166.736**
MATURITY INFORMATION				
0-3 months	45.449	29.519	21.469	8.851
3-12 months	169.624	191.796	107.340	157.447
More than 1 year	60.530	77.521	315	438
Total	**275.603**	**298.836**	**129.124**	**166.736**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III

2.17 INVENTORIES

	GROUP		COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Merchandise – Equipment	51.761	46.833	40.838	39.106
Other	3.609	3.251	0	0
Total	**55.370**	**50.084**	**40.838**	**39.106**
Impairment	-3.353	-1.753	-1.753	-1.753
Total	**52.017**	**48.331**	**39.085**	**37.353**

For the period ended December 31, 2014 the amount transferred to profit and loss is €17.058 thousand (2013: €3.512 thousand) for the Group while the respective amount for the Company is €3.343 thousand (2013: €6.672 thousand).

Reconciliation of changes in inventories provision for impairment	**GROUP**		**COMPANY**	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Opening balance for the period	**1.753**	**1.753**	**1.753**	**1.753**
Period provisions	1.600	0	0	0
Used provisions	0	0	0	0
Reversed provisions	0	0	0	0
Foreign exchange differences	0	0	0	0
Closing balance for the period	**3.353**	**1.753**	**1.753**	**1.753**

There are no liens on reserves.

2.18 CASH AND CASH EQUIVALENTS

Bank current accounts are either non-interest bearing or interest bearing and yield income at the daily bank interest rates.

The short term deposits are made for periods from one (1) day to three months depending on the Group's cash requirements and yield income at the applicable prevailing interest rates.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of**:**

	GROUP		COMPANY	
	31/12/2014	**31/12/2013 [1]**	**31/12/2014**	**31/12/2013**
Cash and bank current accounts	407.720	133.062	6.294	2.737
Short term time deposits	9.205	10.231	1.581	2.394
Total	**416.925**	**143.293**	**7.875**	**5.131**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III

The time deposits denominated in foreign currency relate mainly to currency exchange contracts (which have the nature of a time deposit and not of a derivative financial asset).

2.19 SHARE CAPITAL, TREASURY SHARE AND RESERVES

Share Capital

Total number of authorized shares

	31/12/2014	31/12/2013
Ordinary shares of nominal value €0,30 each	158.961.721	158.961.721

Issued and fully paid shares

	Number of ordinary shares	€ '000
Balance 1 January 2013	**158.961.721**	**47.689**
Issue of new shares	0	0
Balance 31December 2013	**158.961.721**	**47.689**
Issue of new shares	0	0
Balance 31December 2014	**158.961.721**	**47.689**

Treasury Shares

The Company, according to article 16, C.L. 2190/1920, article 4.1.4.2 of the regulation of ATHEX and based on the resolution of the Shareholder's Annual General Meeting which took place on the 11.06.2014, has approved a buy-back program of up to 10% of the paid share capital, for the time period of 24 months with effect from 11.06.2014 and until 11.06.2016, with a minimum price of €1.00 and maximum price of €10.00. It has also approved that the own shares which will eventually be acquired may be held for future acquisition of shares of another company. Until 31/12/2014 the Company has purchased 470,746 own shares (0.296% of the corporate share capital) with average price €1.0402 per share and a total purchase price of €490 thousand.

	GROUP		COMPANY	
	Number of ordinary shares	€ '000	Number of ordinary shares	€ '000
Balance 1 January 2013	**0**	**0**	**0**	**0**
Purchase of treasury shares	0	0	0	0
Balance 31December 2013	**0**	**0**	**0**	**0**
Purchase of treasury shares	470.746	490	470.746	490
Balance 31December 2014	**470.746**	**490**	**470.746**	**490**

Reserves

Foreign exchange differences reserve

This reserve includes the exchange differences arising from the translation of foreign subsidiaries' financial statements. The balance of this reserve in the Group at 31 December 2014 was debit €-57,1 million (2013: €-61,0 million).

Other reserves

	GROUP		COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Statutory Reserve	26.001	24.197	15.896	15.896
Extraordinary Reserves	1.650	5.911	1.456	1.456
Tax Free and Specially Taxed Reserves	31.900	32.993	29.143	30.237
Options reserve	0	922	0	922
Own shares reserve	0	856	0	856
Actuarial differences reserve	-553	-529	-267	-342
Hedging reserve	0	-299	0	0
Revaluation reserve	809	-201	-164	-322
Total	**59.807**	**63.850**	**46.064**	**48.703**

Statutory reserve

Some of the Group companies are obliged, according to commercial laws in force in the country based, to form a percentage of their annual net profit as reflected in their statutory books to a legal reserve. Under Greek corporate law, companies are required to form at least 5% of their annual net profit as reflected in their statutory books to a legal reserve until the aggregate amount of legal reserve reaches at least 1/3 of the share capital. This reserve cannot be distributed during the Company's operation. Statutory reserve at December 31, 2014 amounts to €26,0 million for the Group and €15,9 million for the Company (2013: €24,2 million. and €15,9 million. respectively).

Extraordinary Reserves

They concern among other, reserves formed under development laws, from the Company and certain subsidiaries of the Group. For these reserves the tax liability has run out or permanently exempted from taxation and therefore their distribution does not create further tax burden on the Group and Company. Extraordinary reserves at 31 December 2014 amount to €1,7 million for the Group and €1,5 million for the Company (2013: €5,9 million. and €1,5 million. respectively).

Tax free reserves and reserves specially taxed

Tax-free and specially taxed reserves represent interest income, which are either tax free or taxed at 15% at source, or reserves that have formed because of the lump-sum payment of income tax. These revenues are not taxable provided that there are sufficient profits from which can be formed relative untaxed reserves. According to the Greek tax legislation, these reserves are exempt from income tax, provided they are not distributed to shareholders. Exceptions are the reserves formed in Greece in accordance with the provisions of Law 2238/1994 and that according to Law 4172/2013 article 72, provided that in case of distribution or capitalization until 31/12/2013 they are autonomously taxed at a rate of 15%, while since 01/01/2014 will be mandatorily offset at the end of each tax year to tax recognizable losses incurred in the last five (5) years until exhausted, unless distributed or capitalized and subject to an autonomous taxation at a rate of 19%. The Company under the above act made on 31/12/2014 an offsetting of tax free reserves with recognizable tax losses which emerged in the last five (5) years amounting to €1.093 thousand. The Company does not intend to distribute or capitalize reserves and therefore has not provided for deferred income tax would be required in the case of distribution.

The distribution of the balance of these reserves can only occur following the approval of shareholders in a regular meeting and if the applicable taxation is paid. The Group does not intend to distribute the balance of these reserves and therefore has not calculated the tax liability that would arise from the distribution. Also the profits received from resident companies which have their registered office in another member state of the European Union, in which the resident company participates within the meaning of Article 11 of L.2578/1998, are exempt from taxation. The exempt amount is displayed in tax free reserve account, regardless of the adequacy of profits or not. The balance of these reserves at December 31, 2014 was €31,9 million for the Group (2013: €32,9 million.) and €29,1 million for the Company (2013: €30,2 million.).

Stock option reserve

This reserve concerns the stock option rights granted and amounts to €922 thousand at 31/12/2013 for the Group and the Company. The above reserve on 31.12.2014 was transferred to retained earnings after the end of the relevant share option program.

Own shares reserve

It concerns the profits or losses arising on the sale, re-issuance or cancellation of treasury shares and amounted on 31/12/2013 to €856 thousand for the Group and the Company. The above reserve on 31.12.2014 was transferred to retained earnings and offset against tax losses identifiable under N.4172 / 2013 Article 72.

Actuarial differences reserve

It concerns actuarial gains / losses arising from actuarial studies performed by the Group to its subsidiaries for the various benefit plans to employees. The actuarial differences reserve on 31 December, 2014 amount to €-553 thousand for the Group and €-267 thousand for the Company (2013: €-529 thousand and €-342 thousand respectively).

Hedging reserve

It concerns the results arising from the valuation of financial instruments used as cash flow hedges to cover foreign exchange and interest rate risk. The hedging reserve on 31 December, 2013 amounted to €-299 thousand for the Group.

Revaluation reserve

It concerns changes in fair value of available for sale financial assets amounting to €809 thousand for the Group at 31 December 2014 and €-164 thousand for the Company (2013: €-201 thousand and €-322 thousand respectively).

2.20 LONG TERM LOANS

			GROUP		COMPANY	
	Currency	**Interest rate**	**31/12/2014**	**31/12/2013 [1]**	**31/12/2014**	**31/12/2013**
Facility A (€250 mil)	EUR	6,00%	243.828	0	0	0
Facility B (€325 mil)	EUR	9,75%	323.395	321.148	0	0
Facility C (€42,5 mil)	EUR	3M Euribor +4,75%	0	42.257	0	0
Facility D (€230 mil)	EUR	1M Euribor + 5,50%	0	124.388	0	0
Facility E (€200 mil)	EUR	1M Euribor + 5,50%	197.840	0	0	0
Facility G (€25 mil)	EUR	4,80%	10.164	13.176	0	0
Intercompany Loans			0	0	243.671	232.474
Other [1]			9.473	14.976	0	0
Total Loans			**784.700**	**515.945**	**243.671**	**232.474**
Less: Payable during the next year (Note 2.25) [2]			-220.868	-165.630	-71.129	-9.432
Repurchase Facility A			-4.390	0	0	0
Repurchase Facility B			-1.990	0	0	0
Long Term Loans			**557.452**	**350.315**	**172.542**	**223.042**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III

[2] The Group includes in "Loans payable during the next year" a long-term syndicated loan (Funding E) amounting €197,6 million maturing in June 2017, which was reclassified as short on 31/12/2014 pursuant to IAS 1 (detailed reference is made below). This loan will be classified back to long-term with the release of the Group's financial statements for the first quarter of 2015.

- Facility A: In May 2014, Intralot Capital Luxembourg issued Senior Unsecured Notes with a face value of €250 million, due May 15th 2021 guaranteed by the parent company and subsidiaries of the Group. The Notes were offered at an issue price of 99.294%. Interest is payable semi-annually at an annual fixed nominal coupon of 6%. The Notes are trading on the Luxembourg Stock Exchanges Euro MTF Market. Part of the proceeds were used to repay Facilities C and D and part of other loans of the Group. The Notes bear the Group financial covenants with respect to Net Debt to EBITDA (Leverage ratio), and financial expenses coverage ratio (Fixed Charge Coverage ratio). The Group was in compliance with the covenants under Notes as at 31/12/2014. During the fourth quarter of 2014, the Group proceeded to bonds buy back with a nominal value €4,5 million. During the first quarter of 2015 and up to the authorization date of the 2014 annual financial statements, the Group proceeded to bonds buy back with a nominal value €2,0 million.

- Facility B: In August 2013, Intralot Finance Luxembourg issued Senior Unsecured Notes with a face value of €325 million, due August 15th 2018, guaranteed by the parent company and subsidiaries of the Group. The Notes were offered at an issue price of 99.027% and interest is payable semi-annually at an annual fixed nominal coupon of 9,75%. The Notes are trading on the Luxembourg Stock Exchanges Euro MTF Market. Part of the proceeds was used to repay the €140 million outstanding principal Guaranteed Exchangeable Notes plus interest and redemption due December 2013. Interest is payable semi-annually in arrears at a nominal interest rate of 9.75% per annum. The Notes are subject to financial covenants such as Leverage Ratio and Fixed Charge Coverage Ratio. The Group was in compliance with the covenants under Notes as at 31/12/14. During the fourth quarter of 2014, the Group proceeded to bonds buy back with a nominal value of €2 million. During the first quarter of 2015 and up to the authorization date of the 2014 annual financial statements, the Group proceeded to bonds buy back with a nominal value €11,5 million.
- Facility C: In June 2013, Intralot Finance UK PLC signed a €62.5 million term loan guaranteed by the parent company and the subsidiaries of the Group. Part of the loan was prepaid out of the proceeds from Facility B and the cash balances of the Group and was fully repaid out of proceeds from Facility A.
- Facility D: In June 2012, Intralot Finance UK PLC signed a syndicated senior unsecured Credit Facility, guaranteed by the parent company and subsidiaries of the Group, for an amount up to €300 million, maturing in December 2014. Part of the loan was prepaid out of the proceeds from Facility B and the cash balances of the Group and was fully repaid out of proceeds from Facility A.
- Facility E: In June 2014, Intralot Finance UK PLC signed a syndicated loan guaranteed by the parent and subsidiaries of the Group amounting €200 million. The loan will have three year duration (extendable for a further year) and the current limit is set at €200 million, of which €120 million in the form of revolving facility and €80 million as term loan. The outstanding loan balance on 31/12/14 was €200 million, and bears a floating rate (Euribor) plus a margin of 5.50%. Amounts under the revolving credit facility may be borrowed, repaid and re-borrowed by the Group from time to time until maturity. Voluntary prepayments and commitment reductions under the Credit Agreement are permitted at any time in whole or in part, without premium or penalty (other than break-funding costs). The financial terms of the loan, include minimum ratio requirements of total net debt to EBITDA (Leverage Ratio) and the Interest Coverage ratio. In early March 2015 the Group secured from the creditors of the above financing an amendment of the Interest Cover covenant of the facility documentation along with a waiver for any potential shortfall of the said financial covenant for the reference period 31/12/2014. Following IAS 1 requirements, outstanding

amounts under the financing as at 31/12/2014 are reclassified as current and will be classified back to long-term with the release of the Group's financial statements for the first quarter of 2015.

- Facility G: In July 2012, Maltco Lotteries LTD signed a term loan amounting to €25 million, guaranteed by the parent company. The financing bears floating interest with a total average rate equal to 4.80%, is paid in monthly instalments and matures in October 2017.

The Company, the subsidiaries of the Group or other related parties, or agents on its or their behalf, may opportunistically purchase bonds of the Group (Facility A & B) in one or more series of open-market transactions from time to time. The Group does not intend to disclose the extent of any such purchase otherwise than in accordance with any legal or regulatory obligation the Group may have to do so.

The weighted average cost of funding of the long term loans (including Facility E) in 31/12/2004 in EUR and USD is 7,6% and 9,2% respectively.

Maturity of Group's long term borrowing (excluding finance lease liabilities):

	31/12/2014	**31/12/2013**
From 1 to 5 years [1]	319.673	350.315
More than 5 years	237.779	0
Total	**557.452**	**350.315**

[1] Period «1-5 years » excludes Financing E amounting €197,6 million and maturing June 2017, which was reclassified as short term on 31/12/2014 pursuant to IAS 1. This Financing will be classified back to long-term with the release of the Group's financial statements for the first quarter of 2015.

Loans are classified as follows with reference to the granting currency:

	GROUP		**COMPANY**	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Loans in EUR	556.103	347.317	172.542	223.042
Loans in USD	1.348	1.361	0	0
Loans in PEN	0	1.104	0	0
Loans in JMD	0	529	0	0
Loans in ARS	1	4	0	0
Total	**557.452**	**350.315**	**172.542**	**223.042**

2.21 STAFF RETIREMENT INDEMNITIES

(a) ***State Insurance Programs:*** The Group's contributions to the State insurance funds for the year ended 31st December 2014 that have been reported in the year expenses amount to €16.156 thousand as stated in Note 2.3.

(b) ***Staff Retirement Indemnities:*** According to Greek Labor Law, employees are entitled to indemnity on dismissal or retirement, the amount of which varies depending on the years of service, salary level and the way the employee leaves employment (dismissal or retirement). Employees that resign or are dismissed for legally valid reasons are not indemnified. The indemnity payable on retirement is 40% of the amount that would have been payable to the same employee on dismissal on the same day (retirement date). In Greece, based on customary practice these programs are not funded. The Group charges to the income statement the expense attributable to the service provided by employees in the year, with a corresponding increase in the provision for staff retirement indemnities. Any payments made to retiring employees, are set against the related provision.

Independent actuaries calculated the Company's and the Group's liability for retirement indemnities. The movement of the net liability as presented in the balance sheet, details and the basic assumptions used in the actuarial study as at 31st December 2014 are as follows:

	GROUP		COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Present Value of unfunded liability	7.053	6.840	4.094	3.881
Unrecognized actuarial losses	0	0	0	0
Net liability on the balance sheet	**7.053**	**6.840**	**4.094**	**3.881**
Components of the net retirement cost in the year:				
Current service cost	583	761	322	314
Interest	152	176	135	158
Amortization of unrecognised service cost	0	-920	0	-859
Effect of cutting / settlement / termination benefits	860	-82	860	-82
Intragroup staff transfer	0	0	230	6
Benefit expense charged to income statement (Note 2.3)	**1.595**	**-65**	**1.547**	**-463**
Additional service cost	0	0	0	0
Total charge to income statement	**1.595**	**-65**	**1.547**	**-463**
Actuarial (gains) / losses recognized in other comprehensive income (before deferred tax)	**4**	**307**	**-101**	**98**
Reconciliation of benefit liabilities:				
Net liability at beginning of year	6.840	6.909	3.881	4.290
Service cost	583	761	322	314
Interest	152	176	135	158
Amortization of unrecognised service cost	0	-920	0	-859
Effect of cutting / settlement / termination benefits	860	-82	860	-82
Benefits paid	-1.388	-243	-1.233	-44
Intragroup staff transfer	0	0	230	6
New consolidated entities	0	102	0	0
Actuarial (gains) / losses	4	307	-101	98
Foreign exchange difference	2	-170	0	0
Present Value of the liability at end of year	**7.053**	**6.840**	**4.094**	**3.881**

Basic assumptions:

Discount rate		2,25%
Percentage of annual salary increases	2015-16: 0%, afterwards	2%
Increase in Consumer Price Index		2%

2.22 SHARED BASED BENEFITS

The Group had no active option plan during the period 1/1-31/12/2014.

2.23 OTHER LONG TERM LIABILITIES

	GROUP		COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Guarantees	13.654	11.211	0	0
Amounts due to related parties (Note 2.27.E)	0	32	0	0
Other liabilities	497	881	0	0
Total	**14.151**	**12.124**	**0**	**0**

2.24 TRADE AND OTHER CURRENT LIABILITES

	GROUP		COMPANY	
	31/12/2014	**31/12/2013[1]**	**31/12/2014**	**31/12/2013**
Trade Creditors	75.825	78.661	17.900	22.282
Amounts due to related parties (Note 2.27.E)	19.152	32.139	83.871	65.545
Winnings	18.262	20.528	0	0
Other Payables [2]	49.183	38.935	6.144	5.293
Taxes	13.009	10.685	1.035	1.937
Dividends payable	26	416	22	85
Total	**175.457**	**181.364**	**108.972**	**95.142**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III
[2] There are included financial derivatives with total value on 31/12/2014 €254 thousand (31/12/2013 €1.061 thousand) for the Group and on 31/12/2013 €165 thousand for the Company.

The maturity of short-term and long-term liabilities is as follows:

	GROUP		COMPANY	
	31/12/2014	**31/12/2013 [1]**	**31/12/2014**	**31/12/2013**
PAYABLES				
Trade payables	75.825	78.661	17.900	22.282
Payable to related parties (note 2.27.E)	19.152	32.171	83.871	65.545
Other payables	94.631	82.657	7.201	7.315
Total	**189.608**	**193.488**	**108.972**	**95.142**
MATURITY INFORMATION				
0-3 months	76.531	69.309	5.833	3.942
3-12 months	98.926	112.055	103.139	91.200
More than 1 year	14.151	12.124	0	0
Total	**189.608**	**193.488**	**108.972**	**95.142**

[1] Including restated figures according to IFRS 11 – note 2.27.A.III

2.25 SHORT TERM LOANS AND CURRENT PORTION OF LONG TERM LOANS (INCLUDING FINANCE LEASE)

Short term loans represent draw-downs on various credit lines that the Group maintains in various banks. The utilized amounts of these credit lines are analyzed below:

	GROUP		COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Loan in EUR[1]	213.678	155.515	71.129	9.432
Loan in USD[1]	6.567	5.436	0	0
Loan in PEN	0	1.489	0	0
Loan in PLN	0	1.740	0	0
Loan in ARS	3	4	0	0
Loan in JMD	558	971	0	0
Loan in BRL	0	425	0	0
Loan in TRY	62	50	0	0
Total	**220.868**	**165.630**	**71.129**	**9.432**
Leasing in EUR	10.126	9.452	0	0
Leasing in USD	1.267	1.833	0	0
Leasing in BRL	7	5	0	0
Total	**11.400**	**11.290**	**0**	**0**
Total	**232.268**	**176.920**	**71.129**	**9.432**

[1] The Group included in "Loans in USD” funding from other related parties amounting to €291 thousand (31/12/2013: €247 thousand) and the Company in "Loans in EUR” finance from subsidiaries amounting to €71.129 thousand (31/12/2013: €9.432 thousand) (Note 2.27.E). Also, the Group included in "Loans in EUR” a long term syndicated loan of €197,6 million maturing in June 2017, which was reclassified as short term on 31/12/2014 pursuant to IAS 1 (note 2.20). This loan will be classified back to long-term with the release of the Group’s financial statements for the first quarter of 2015.

2.26 SHORT TERM FINANCIAL ASSETS AND LIABILITIES

The financial assets and liabilities of the Group, excluding cash and cash equivalents are analyzed as follows:

31/12/2014

Financial assets:	**Loans and receivables**	**Available for sale financial assets**	**Financial assets held to maturity**	**Total**
Trade receivables	131.526	0	0	**131.526**
Receivables from related parties (Note 2.27.E)	35.174	0	0	**35.174**
Prepaid expenses and other receivable	126.234	0	0	**126.234**
Bad debtors provisions	-17.331	0	0	**-17.331**
Other quoted financial assets	0	3.561	0	**3.561**
Other unquoted financial assets	0	33.367	328	**33.695**
Total	**275.603**	**36.928**	**328**	**312.859**
Long term	60.530	36.928	0	**97.458**
Short term	215.073	0	328	**215.401**
Total	**275.603**	**36.928**	**328**	**312.859**

31/12/2013 [1]

Financial assets:	**Loans and receivables**	**Available for sale financial assets**	**Financial assets held to maturity**	**Total**
Trade receivables	131.466	0	0	**131.466**
Receivables from related parties (Note 2.27.E)	46.385	0	0	**46.385**
Prepaid expenses and other receivable	141.175	0	0	**141.175**
Bad debtors provisions	-20.190	0	0	**-20.190**
Other quoted financial assets	0	6.963	0	**6.963**
Other unquoted financial assets[2]	0	36.513	3.585	**40.098**
Total	**298.836**	**43.476**	**3.585**	**345.897**
Long term	77.521	43.476	0	**120.997**
Short term	221.315	0	3.585	**224.900**
Total	**298.836**	**43.476**	**3.585**	**345.897**

[1] Including restated figures according to IFRS 11 – 2.27.A.III
[2] Included in the Group and the Company on 31.12.13 reclassification (for investments in non-consolidated companies) from the account "Investments in subsidiaries, associates and joint ventures" in the account "Other financial assets" for a more appropriate presentation - 2.27.A.III

31/12/2014

Financial liabilities	Financial liabilities measured at amortized cost	Financial liabilities at fair value through profit and loss	Financial liabilities at fair value through other comprehensive income	Total
Trade Payables	75.825	0	0	**75.825**
Payables to related parties (Note 2.27.E)	19.152	0	0	**19.152**
Other liabilities	94.377	0	0	**94.377**
Derivatives	0	254	0	**254**
Borrowing and finance lease	798.320	0	0	**798.320**
Total	**987.674**	**254**	**0**	**987.928**
Long term	580.203	0	0	**580.203**
Short term[1]	407.471	254	0	**407.725**
Total	**987.674**	**254**	**0**	**987.928**

[1] The Group in "Short term financial liabilities at amortized cost" includes a long-term syndicated loan of €197,6 million maturing in June 2017, which was reclassified as short term on 31/12/2014 pursuant to IAS 1 (note 2.20). This loan will be classified back to long-term with the release of the Group's financial statements for the first quarter of 2015.

31/12/2013 [1]

Financial liabilities	Financial liabilities measured at amortized cost	Financial liabilities at fair value through profit and loss	Financial liabilities at fair value through other comprehensive income	Total
Trade Payables	78.661	0	0	**78.661**
Payables to related parties (Note 2.27.E)	32.171	0	0	**32.171**
Other liabilities	81.596	0	0	**81.596**
Derivatives	0	317	744	**1.061**
Borrowing and finance lease	546.477	0	0	**546.477**
Total	**738.905**	**317**	**744**	**739.966**
Long term	381.682	0	0	**381.682**
Short term	357.223	317	744	**358.284**
Total	**738.905**	**317**	**744**	**739.966**

[1] Including restated figures according to IFRS 11 – 2.27.A.III

Below is the analysis of the financial assets and liabilities of the Company excluding cash and cash equivalents:

31/12/2014

Financial assets:	**Loans and receivables**	**Available for sale financial assets**	**Financial assets held to maturity**	**Total**
Trade receivables	50.600	0	0	**50.600**
Receivables from related parties (Note 2.27.E)	133.932	0	0	**133.932**
Prepaid expenses and other receivable	24.485	0	0	**24.485**
Bad debtors provisions	-79.893	0	0	**-79.893**
Other quoted financial assets	0	35	0	**35**
Other unquoted financial assets	0	3.219	0	**3.219**
Total	**129.124**	**3.254**	**0**	**132.378**
Long term	315	3.254	0	**3.569**
Short term	128.809	0	0	**128.809**
Total	**129.124**	**3.254**	**0**	**132.378**

31/12/2013

Financial assets:	**Loans and receivables**	**Available for sale financial assets**	**Financial assets held to maturity**	**Total**
Trade receivables	61.491	0	0	**61.491**
Receivables from related parties (Note 2.27.E)	173.046	0	0	**173.046**
Prepaid expenses and other receivable	23.374	0	0	**23.374**
Bad debtors provisions	-91.175	0	0	**-91.175**
Other quoted financial assets	0	43	0	**43**
Other unquoted financial assets[1]	0	6.368	0	**6.368**
Total	**166.736**	**6.411**	**0**	**173.147**
Long term	438	6.411	0	**6.849**
Short term	166.298	0	0	**166.298**
Total	**166.736**	**6.411**	**0**	**173.147**

[1] Included in the Group and the Company on 31.12.13 reclassification (for investments in non-consolidated companies) from the account "Investments in subsidiaries, associates and joint ventures" in the account "Other financial assets" for a more appropriate presentation - 2.27.A.III

31/12/2014

Financial liabilities	Financial liabilities measured at amortized cost	Financial liabilities at fair value through profit and loss	Financial liabilities at fair value through other comprehensive income	Total
Trade Payables	17.900	0	0	**17.900**
Payables to related parties (Note 2.27.E)	83.871	0	0	**83.871**
Other liabilities	7.201	0	0	**7.201**
Derivatives	0	0	0	**0**
Borrowing and finance lease	243.671	0		**243.671**
Total	**352.643**	**0**	**0**	**352.643**
Long term	172.542	0	0	**172.542**
Short term	180.101	0	0	**180.101**
Total	**352.643**	**0**	**0**	**352.643**

31/12/2013

Financial liabilities	Financial liabilities measured at amortized cost	Financial liabilities at fair value through profit and loss	Financial liabilities at fair value through other comprehensive income	Total
Trade Payables	22.282	0	0	**22.282**
Payables to related parties (Note 2.27.E)	65.545	0	0	**65.545**
Other liabilities	7.150	0	0	**7.150**
Derivatives	0	0	165	**165**
Borrowing and finance lease	232.474	0	0	**232.474**
Total	**327.451**	**0**	**165**	**327.616**
Long term	223.042	0	0	**223.042**
Short term	104.409	0	165	**104.574**
Total	**327.451**	**0**	**165**	**327.616**

Estimated fair value

Below is a comparison by category of carrying amounts and fair values of financial assets and liabilities of the Group and of the Company as at 31 December 2014 and 31 December 2013:

	GROUP			
	Carrying Amount		Fair Value	
Financial Assets	**31/12/2014**	**31/12/2013 [1]**	**31/12/2014**	**31/12/2013**
Other long-term financial assets - classified as "available for sale" [2]	36.928	43.476	36.928	43.476
Other long-term receivables	60.530	77.521	60.530	77.521
Trade and other short-term receivables	215.073	221.315	215.073	221.315
Other short-term financial assets - classified as "Held to maturity" [3]	328	3.585	328	3.585
Cash and cash equivalents	416.925	143.293	416.925	143.293
Total	**729.784**	**489.190**	**729.784**	**489.190**
Financial Liabilities				
Long-term loans	557.452	350.315	539.100	384.058
Other long-term liabilities	14.151	12.124	14.151	12.124
Liabilities from finance leases	8.600	19.243	8.600	19.243
Trade and other short term payables	175.457	181.364	175.457	181.364
Short-term loans [4]	232.268	176.920	232.465	178.173
Total	**987.928**	**739.966**	**969.773**	**774.962**

[1] Including restated figures according to IFRS 11 – 2.27.A.III
[2] Included in the Group and the Company on 31.12.13 reclassification (for investments in non-consolidated companies) from the account "Investments in subsidiaries, associates and joint ventures" in the account "Other financial assets" for a more appropriate presentation - 2.27.A.III
[3] Represent corporate bonds held to maturity are measured at amortized cost
[4] The Group in "Short-term loans" includes a long-term syndicated loan of €197,6 million maturing in June 2017, which was reclassified as short-term on 31/12/2014 pursuant to IAS 1 (note 2.20). This loan will be classified back to long-term with the release of the Group's financial statements for the first quarter of 2015.

	COMPANY			
	Carrying Amount		Fair Value	
Financial Assets	**31/12/2014**	**31/12/2013**	**31/12/2014**	**31/12/2013**
Other long-term financial assets - classified as "available for sale" [1]	3.254	6.411	3.254	6.411
Other long-term receivables	315	438	315	438
Trade and other short-term receivables	128.809	166.298	128.809	166.298
Cash and cash equivalents	7.875	5.131	7.875	5.131
Total	**140.253**	**178.278**	**140.253**	**178.278**
Financial Liabilities				
Long-term loans	172.542	223.042	172.542	223.042
Other long-term liabilities	0	0	0	0
Trade and other short term payables	108.972	95.142	108.972	95.142
Short-term loans	71.129	9.432	71.129	9.432
Total	**352.643**	**327.616**	**352.643**	**327.616**

[1] Included in the Group and the Company on 31.12.13 reclassification (for investments in non-consolidated companies) from the account "Investments in subsidiaries, associates and joint ventures" in the account "Other financial assets" for a more appropriate presentation - 2.27.A.III

The management estimated that the carrying value of cash and cash equivalents, trade and other receivables, trade and other payables approximates their fair value, primarily because of their short term maturities.

Fair value hierarchy

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements to them. The levels of the fair value hierarchy are as follows:

Level 1: official quoted prices (unadjusted) in markets with significant volume of transactions for similar assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group and the Company held on 31/12/2014 the following assets and liabilities measured at fair value:

GROUP	**Fair Value 31/12/2014**	**Fair value hierarchy**		
		Level 1	**Level 2**	**Level 3**
Financial assets measured at fair value				
Other financial assets classified as "Available for sale"	**36.928**	**3.561**	**0**	**33.367**
- Quoted shares	*3.561*	*3.561*	*0*	*0*
- Unquoted shares	*33.367*	*0*	*0*	*33.367*
Derivative financial instruments	**0**	**0**	**0**	**0**
Financial liabilities measured at fair value				
Derivative financial instruments	**254**	**0**	**254**	**0**

COMPANY	**Fair Value 31/12/2014**	**Fair value hierarchy**		
		Level 1	**Level 2**	**Level 3**
Financial assets measured at fair value				
Other financial assets classified as "Available for sale"	**3.254**	**35**	**0**	**3.219**
- Quoted shares	*35*	*35*	*0*	*0*
- Unquoted shares	*3.219*	*0*	*0*	*3.219*
Derivative financial instruments	**0**	**0**	**0**	**0**
Financial liabilities measured at fair value				
Derivative financial instruments	**0**	**0**	**0**	**0**

During 2014 there were no transfers between Level 1 and Level 2 of the fair value hierarchy, no transfers to and from Level 3.

The Group and the Company held on 31/12/2013 the following assets and liabilities measured at fair value:

GROUP	Fair Value 31/12/2013	Fair value hierarchy Level 1	Level 2	Level 3
Financial assets measured at fair value				
Other financial assets classified as "Available for sale" [1]	**43.476**	**6.963**	**0**	**36.513**
- Quoted shares	*6.963*	*6.963*	*0*	*0*
- Unquoted shares [1]	*36.513*	*0*	*0*	*36.513*
Derivative financial instruments	**0**	**0**	**0**	**0**
Financial liabilities measured at fair value				
Derivative financial instruments	**1.061**	**0**	**1.061**	**0**

[1] Included in the Group and the Company on 31.12.13 reclassification (for investments in non-consolidated companies) from the account "Investments in subsidiaries, associates and joint ventures" in the account "Other financial assets" for a more appropriate presentation - note 2.27.A.III

COMPANY	Fair Value 31/12/2013	Fair value hierarchy Level 1	Level 2	Level 3
Financial assets measured at fair value				
Other financial assets classified as "Available for sale" [1]	**6.411**	**43**	**0**	**6.368**
- Quoted shares	*43*	*43*	*0*	*0*
- Unquoted shares [1]	*6.368*	*0*	*0*	*6.368*
Derivative financial instruments	**0**	**0**	**0**	**0**
Financial liabilities measured at fair value				
Derivative financial instruments	**165**	**0**	**165**	**0**

[1] Included in the Group and the Company on 31.12.13 reclassification (for investments in non-consolidated companies) from the account "Investments in subsidiaries, associates and joint ventures" in the account "Other financial assets" for a more appropriate presentation - note 2.27.A.III

During 2013 there were no transfers between Level 1 and 2 in the hierarchy of fair value or transfer in and out of Level 3.

Reconciliation for recurring fair value measurements classified in the 3rd level of the fair value hierarchy:

Unquoted shares	GROUP	COMPANY
Balance 1/1/2013	**418**	**398**
Purchases	31.716	0
Change of consolidation method	4.379	5.970
Balance 31/12/2013	**36.513**	**6.368**
Return of capital	-3.150	-3.150
Foreign exchange differences	4	1
Balance 31/12/2014	**33.367**	**3.219**

Valuation methods and assumptions

The fair value of the financial assets and liabilities is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than in a forced or liquidation sale.

The following methods and assumptions are used to estimate the fair values:

- Fair value of the quoted shares (classified as "Available for sale") derives from quoted market closing prices in active markets at the reporting date.

- Fair value of the unquoted shares (classified as "Available for sale") is estimated by reference to the current market value of another item substantially similar or using a DCF model. The valuation through the DCF model requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.
- Fair value of the quoted bonds is based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- The Group uses derivative financial instruments such as forward currency contracts, interest rate swaps, currency swaps and other derivatives in order to hedge risks related to interest rates and foreign currency fluctuations. Such derivative financial instruments are measured at fair value at each reporting date. The fair value of these derivatives is measured mainly by reference of the market value and is verified by the financial institutions.

Description of significant unobservable inputs to valuation:

The fair value of unquoted shares (classified as "Available for sale") except that it is sensitive to a reasonably possible change in the forecast cash flows and the discount rate, is also sensitive to a reasonably possible change in growth rates. The valuation requires management to use unobservable inputs in the model, of which the most significant are disclosed in the tables below. The management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

As at 31 December 2014:

Unquoted shares (classified as "Available for sale")

Valuation method	Significant unobservable inputs	Range (Weighted Average)
DCF	Sales growth rate	1.0% - 64.6% (28.3%)
	Growth rate beyond budgets period	1.0% - 1.6% (1.6%)
	Discount rates (WACC)	7.9% - 14.8% (14.6%)

Sensitivity analysis of recoverable amounts:

On 31/12/2014, the Group analyzed the sensitivity of recoverable amounts in a reasonable and possible change in any of the above significant unobservable inputs (i.e. the change of one percentage point in the growth rate beyond the budgets period and discount rates). This analysis did not indicate a situation in which the carrying value of the Group's significant investments in unquoted shares exceeds their recoverable amount.

2.27 SUPPLEMENTARY INFORMATION

A.BUSINESS COMBINATION AND METHOD OF CONSOLIDATON

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

I. Full consolidation:		**Domicile**	**% Direct Part'n**	**% Indirect Part'n**	**% Total Part'n**
	INTRALOT SA	Maroussi, Attica	Parent	Parent	-
3.	BETTING COMPANY SA	Maroussi, Attica	95%	5%	100%
24.	BETTING CYPRUS LTD	Nicosia, Cyprus		100%	100%
	INTRALOT AUSTRALIA PTY LTD	Melbourne, Australia	100%		100%
28.	INTRALOT GAMING SERVICES PTY	Melbourne, Australia		100%	100%
	INTRALOT LUXEMBOURG S.A.	Luxembourg, Luxembourg	100%		100%
	INTRALOT IBERIA HOLDINGS SA	Madrid, Spain	100%		100%
29.	INTRALOT JAMAICA LTD	Kingston, Jamaica		100%	100%
29.	INTRALOT TURKEY A.S.	Istanbul, Turkey	50%	49,99%	99,99%
29.	INTRALOT DE MEXICO LTD	Mexico City, Mexico		99,8%	99,8%
29.	INTELTEK INTERNET AS	Istanbul, Turkey	20%	25%	45%
30.	AZERINTELTEK AS	Baku, Azerbaijan		22,95%	22,95%
	INTRALOT DE CHILE S.A.	Santiago, Chile	99,99%		99,99%
4.	INTRALOT DE PERU SAC	Lima, Peru	99,97%	0,03%	100%
	POLDIN LTD	Warsaw, Poland	100%		100%
	ΑΤΡΟΠΟΣ Α.Ε.	Maroussi, Attica	100%		100%
	BILYONER INTERAKTIF HIZMELTER AS GROUP	Istanbul, Turkey	50,01%		50,01%
	INTRALOT MAROC S.A.	Casablanca, Morocco	99,83%		99,83%
	INTRALOT HOLDINGS LUXEMBOURG S.A.	Luxembourg, Luxembourg	100%		100%
2.	GAMING SOLUTIONS INTERNATIONAL LTDA	Bogota, Colombia	99%	1%	100%
2.	INTRALOT INTERACTIVE S.A.	Maroussi, Attica	63,26%	29,76%	93,02%
	INTRALOT GLOBAL SECURITIES B.V.	Amsterdam, Netherlands	100%		100%
1.	INTRALOT FINANCE LUXEMBOURG S.A.	Luxembourg, Luxembourg		100%	100%
1.	INTRALOT CAPITAL LUXEMBOURG S.A.	Luxembourg, Luxembourg		100%	100%
1,2,3,4.	INTRALOT GLOBAL HOLDINGS B.V.	Amsterdam, Netherlands		100%	100%
5.	INTRALOT INC	Atlanta, USA		85%	85%
12.	INTRALOT INTERACTIVE USA LLC	Atlanta, USA		85%	85%
12.	DC09 LLC	Wilmington, USA		41,65%	41,65%
12.	DEEPSTACK CASINO LLC	Atlanta, USA		85%	85%
5.	INTRALOT NEDERLAND B.V.	Amsterdam, Netherlands		100%	100%
5.	LOTROM S.A.	Bucharest, Romania		60%	60%
5.	INTRALOT BEIJING Co LTD	Beijing, China		100%	100%
5.	TECNO ACCION S.A.	Buenos Aires, Argentina		50,01%	50,01%
5.	MALTCO LOTTERIES LTD	Valetta, Malta		73%	73%
5.	INTRALOT NEW ZEALAND LTD	Wellington, New Zealand		100%	100%
5.	INTRALOT DO BRAZIL LTDA	Sao Paulo, Brazil		80%	80%
14.	OLTP LTDA	Rio de Janeiro, Brazil		80%	80%
5.	INTRALOT ARGENTINA S.A.	Buenos Aires, Argentina		100%	100%

I. Full consolidation:		**Domicile**	**% Direct Part'n**	**% Indirect Part'n**	**% Total Part'n**
5.	INTRALOT GERMANY GMBH	Munich, Germany		100%	100%
5.	INTRALOT HOLDING & SERVICES S.p.A. (ex JACKPOT)	Rome, Italy		100%	100%
5,7.	INTRALOT GAMING MACHINES S.p.A.	Rome, Italy		100%	100%
7.	INTRALOT ITALIA S.p.A	Rome, Italy		100%	100%
13.	VENETA SERVIZI S.R.L.	Mogliano Veneto, Italy		100%	100%
5.	INTRALOT SOUTH KOREA S.A.	Seoul, S. Korea		100%	100%
5.	INTRALOT FINANCE UK PLC	London, United Kingdom		100%	100%
5.	INTRALOT ASIA PACIFIC LTD	Hong Kong, China		100%	100%
5.	WHITE EAGLE INVESTMENTS LTD	Hertfordshire, United Kingdom		100%	100%
5.	BETA RIAL Sp.Zoo	Warsaw, Poland		100%	100%
5.	POLLOT Sp.Zoo	Warsaw, Poland		100%	100%
15,16,17	TOTOLOTEK S.A.	Warsaw, Poland		95,45%	95,45%
5.	INTRALOT SLOVAKIA SPOL. S.R.O.	Bratislava, Slovakia		100%	100%
5.	SLOVENSKE LOTERIE A.S.	Bratislava, Slovakia		51%	51%
18.	TACTUS S.R.O.	Bratislava, Slovakia		51%	51%
5.	NIKANTRO HOLDINGS Co LTD	Nicosia, Cyprus		100%	100%
19.	LOTERIA MOLDOVEI S.A.	Chisinau, Moldova	47,90%	32,85%	80,75%
2,5.	INTRALOT CZECH S.R.O.	Prague, Czech Republic		100%	100%
5.	INTRALOT BETTING OPERATIONS (CYPRUS) LTD	Nicosia, Cyprus		54,95%	54,95%
5,6.	ROYAL HIGHGATE LTD	Nicosia, Cyprus		35,08%	35,08%
5.	INTRALOT LEASING NEDERLAND B.V.	Amsterdam, Netherlands		100%	100%
5.	INTRALOT IRELAND LTD	Dublin, Ireland		100%	100%
5.	INTRALOT CYPRUS GLOBAL ASSETS LTD	Nicosia, Cyprus		100%	100%
8.	INTRALOT OOO	Moscow, Russia		100%	100%
27.	INTRALOT DISTRIBUTION OOO	Moscow, Russia		100%	100%
8.	INTRALOT ST. LUCIA LTD	Castries, St. Lucia		100%	100%
9.	INTRALOT GUATEMALA S.A.	Guatemala City, Guatemala		100%	100%
10.	LOTERIAS Y APUESTAS DE GUATEMALA S.A.	Guatemala City, Guatemala		51%	51%
9.	INTRALOT DOMINICANA S.A.	St. Dominicus, Dominican Republic		100%	100%
9.	INTRALOT LATIN AMERICA INC	Miami, USA		100%	100%
9.	INTRALOT SURINAME LTD	Paramaribo, Suriname		100%	100%
9.	CARIBBEAN VLT SERVICES LTD	Castries, Santa Lucia		50,001%	50,001%
9.	INTRALOT CARIBBEAN VENTURES LTD	Castries, Santa Lucia		50,05%	50,05%
11.	SUPREME VENTURES LTD	Kingston, Jamaica		24,97%	24,97%
	INTRALOT HOLDINGS INTERNATIONAL LTD	Nicosia, Cyprus	100%		100%
2.	INTRALOT INTERNATIONAL LTD	Nicosia, Cyprus		100%	100%
3.	INTRALOT OPERATIONS LTD	Nicosia, Cyprus		100%	100%
2,4.	NETMAN SRL	Bucharest, Romania		100%	100%
2.	BILOT EOOD	Sofia, Bulgaria		100%	100%
20.	EUROFOOTBALL LTD	Sofia, Bulgaria		49%	49%
21.	EUROFOOTBALL PRINT LTD	Sofia, Bulgaria		49%	49%
2.	INTRALOT EGYPT LTD	Nicosia, Cyprus		88,24%	88,24%
2,4,23.	E.C.E.S. SAE	Cairo, Egypt		90,03%	90,03%
2.	INTRALOT TECHNOLOGIES LTD	Nicosia, Cyprus		100%	100%

I. Full consolidation:		**Domicile**	**% Direct Part'n**	**% Indirect Part'n**	**% Total Part'n**
32.	INTRALOT LOTTERIES LTD	Nicosia, Cyprus	51%	49%	100%
32.	INTRALOT INVESTMENTS LTD	Nicosia, Cyprus	51%	49%	100%
2.	INTRALOT BUSINESS DEVELOPMENT LTD	Nicosia, Cyprus		100%	100%
2.	GAMING SOLUTIONS INTERNATIONAL SAC	Lima, Peru		100%	100%
2.	NAFIROL S.A.	Montevideo, Uruguay		100%	100%
2.	LEBANESE GAMES S.A.L	Lebanon		99,99%	99,99%
2.	INTRALOT HONG KONG HOLDINGS LTD	Hong Kong, China		100%	100%
2.	INTRALOT BETTING OPERATIONS RUSSIA LTD	Nicosia, Cyprus		100%	100%
25.	FAVORIT BOOKMAKERS OFFICE OOO	Moscow, Russia		100%	100%
2.	KELICOM HOLDINGS CO LTD	Nicosia, Cyprus		100%	100%
3.	DINET ZAO	Moscow, Russia		100%	100%
26.	PROMARTA OOO	Moscow, Russia		100%	100%

II. Equity method:		**Domicile**	**% Direct Part'n**	**% Indirect Part'n**	**% Total Part'n**
	LOTRICH INFORMATION Co LTD	Taipei, Taiwan	40%		40%
	INTRALOT SOUTH AFRICA LTD	Johannesburg, South Africa	45%		45%
3.	GOREWARD LTD	Taipei, Taiwan		49,99%	49,99%
33.	PRECIOUS SUCCESS LTD GROUP	Hong Kong, China		24,49%	24,49%
33.	GAIN ADVANCE GROUP LTD	Hong Kong, China		49,99%	49,99%
22.	KTEMS HOLDINGS CO LTD	Seoul, South Korea		49,99%	49,99%
33.	OASIS RICH INTERNATIONAL LTD	Taipei, Taiwan		44,99%	44,99%
34.	WUSHENG COMPUTER TECHNOLOGY (SHANGHAI) CO LTD	Shanghai, China		44,99%	44,99%
2.	UNICLIC LTD	Nicosia, Cyprus		50%	50%
31.	DOWA LTD	Nicosia, Cyprus		30%	30%

Subsidiary of the company:		
1: Intralot Global Securities BV	13: Intralot Italia S.P.A	25: Intralot Betting Operations Russia LTD
2: Intralot Holdings International LTD	14: Intralot Do Brazil LTDA	26: Dinet ZAO
3: Intralot International LTD	15: Pollot Sp.Zoo	27: Intralot OOO
4: Intralot Operations LTD	16: White Eagle Investments LTD	28: Intralot Australia PTY LTD
5: Intralot Global Holdings BV	17: Beta Rial Sp.Zoo.	29: Intralot Iberia Holdings S.A.
6: Intralot Betting Operations (Cyprus) LTD	18: Slovenske Loterie AS	30: Inteltek Internet AS
7: Intralot Holding & Services S.p.A.(ex Jackpot)	19: Nikantro Holdings Co LTD	31: Uniclic LTD
8: Intralot Cyprus Global Assets LTD	20: Bilot EOOD	32: Intralot Technologies LTD
9: Intralot St.Lucia LTD	21: Eurofootball LTD	33: Goreward LTD
10: Intralot Guatemala S.A.	22: Gain Advance Group LTD	34: Oasis Rich International LTD
11: Intralot Caribbean Ventures LTD	23: Intralot Egypt LTD	
12: Intralot Inc	24: Betting Company S.A.	

The entities Atropos S.A., Nafirol S.A., are under liquidation process.
On 01.01.2015 Slovenske Loterie A.S. merged with its 100% subsidiary Tactus S.R.O.

The Group has also a number of shares of non-significant value in subsidiaries and associates to which, in respect to INTRALOT SA, there is no parent- subsidiary relationship in the form of a legal entity.

On 31/12/2014, the Group or its subsidiaries did not have any significant contractual or statutory restrictions on their ability to access or use the assets and settle the liabilities of the Group.

III. Change in consolidation method

The Group has applied the new IFRS 11 "Joint arrangements" retroactively from 1/1/2013, changing the method of consolidation of companies under common control (Uniclic LTD and Dowa LTD) from proportionate to equity method. This change will not result in a significant change in equity, net profit after tax and other comprehensive income of the Group. Below is an analysis of the restatement under IFRS 11:

STATEMENT OF GROUP COMPREHENSIVE INCOME

Amounts reported in thousand €	1/1-31/12/2013 (initial publication)	IFRS 11 effect	1/1-31/12/2013 (restated)
Sale Proceeds	1.539.430	0	1.539.430
Less: Cost of Sales	-1.271.522	0	-1.271.522
Gross Profit /(Loss)	**267.908**	**0**	**267.908**
Other Operating Income	17.361	0	17.361
Selling Expenses	-40.185	0	-40.185
Administrative Expenses	-120.773	19	-120.754
Research and Development Expenses	-6.977	0	-6.977
Other Operating Expenses	-17.045	0	-17.045
EBIT	**103.258**	**19**	**103.277**
EBITDA	**194.831**	**19**	**194.850**
Interest and similar Charges	-57.898	0	-57.898
Interest and related Income	25.233	0	25.233
Exchange Differences	-11.062	1	-11.061
Profit / (Loss) from equity method consolidations	-3.011	-16	-3.027
Operating Profit/(Loss) Before Tax	**53.551**	**4**	**53.555**
Less: Taxes	-32.239	0	-32.239
Net Profit / (Loss) after taxes from Continuing Operations (a)	**21.312**	**4**	**21.316**
Net Profit / (Loss) after taxes from Discontinuing Operations (b)	**0**	**0**	**0**
Net Profit / (Loss) (Continuing and Discontinuing Operations) (a) + (b)	**21.312**	**4**	**21.316**
Attributable to:			
Equity holders of parent	-4.567	1	-4.566
Non-Controlling Interest	25.879	3	25.882
Other comprehensive income after tax:			
Amounts that may not be reclassified to profit or loss:			
Revaluations of defined benefit plans	-280	0	-280
Amounts that may be reclassified to profit or loss:			
Valuation of Available- for -Sale financial assets	5.380	0	5.380
Derivatives valuation	3.270	0	3.270
Exchange differences on translating foreign operations	-42.390	71	-42.319
Total comprehensive income/ (expense) after tax:	**-34.020**	**71**	**-33.949**
Total income after tax	**-12.708**	**75**	**-12.633**
Attributable to:			
Equity holders of parent	-25.089	30	-25.059
Non-Controlling interests	12.381	45	12.426

STATEMENT OF GROUP FINANCIAL POSITION

Amounts reported in thousand €	31/12/2013 (initial publication)	IFRS 11 effect	Reclassification [1]	31/12/2013 (restated)
ASSETS				
Tangible fixed assets	199.418	0	0	199.418
Intangible assets	353.346	0	0	353.346
Investment in subsidiaries, associates and joint ventures	61.914	4	-36.095	25.823
Other financial assets	7.381	0	36.095	43.476
Deferred Tax asset	14.709	1	0	14.710
Other long term receivables	83.276	-5.755	0	77.521
Total Non Current Assets	**720.044**	**-5.750**	**0**	**714.294**
Inventories	48.331	0	0	48.331
Trade and other short term receivables	219.876	1.439	0	221.315
Other financial assets	3.585	0	0	3.585
Cash and cash equivalents	143.334	-41	0	143.293
Total Current Assets	**415.126**	**1.398**	**0**	**416.524**
TOTAL ASSETS	**1.135.170**	**-4.352**	**0**	**1.130.818**
EQUITY AND LIABILITIES				
Share Capital	47.689	0	0	47.689
Other reserves	63.850	0	0	63.850
Foreign currency translation	-61.300	298	0	-61.002
Retained earnings	217.212	-1.400	0	215.812
Total equity attributable to shareholders of parent	**267.451**	**-1.102**	**0**	**266.349**
Non-Controlling Interest	78.320	-925	0	77.395
TOTAL EQUITY	**345.771**	**-2.027**	**0**	**343.744**
Long term Debt	352.146	-1.831	0	350.315
Staff retirement indemnities	6.840	0	0	6.840
Other long term provisions	13.683	0	0	13.683
Deferred Tax liabilities	8.124	0	0	8.124
Other long term liabilities	12.124	0	0	12.124
Finance lease obligation	19.243	0	0	19.243
Total Non Current Liabilities	**412.160**	**-1.831**	**0**	**410.329**
Trade and other short term liabilities	181.441	-77	0	181.364
Short term debt	176.920	0	0	176.920
Current income taxes payable	11.732	-417	0	11.315
Short term provision	7.146	0	0	7.146
Total Current Liabilities	**377.239**	**-494**	**0**	**376.745**
TOTAL LIABILITIES	**789.399**	**-2.325**	**0**	**787.074**
TOTAL EQUITY AND LIABILITIES	**1.135.170**	**-4.352**	**0**	**1.130.818**

[1] The Group on 31.12.13 reclassified the amount of €36.095 thousand (for investments in non-consolidated companies Nanum Lotto Co LTD, Hellenic Lotteries SA and Sentio AS) from the account "Investments in subsidiaries, associates and joint ventures" in the account "Other financial assets" for a more appropriate presentation

STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Amounts reported in thousand €	31/12/2013 (initial publication)	Reclassification [1]	31/12/2013 (restated)
Investment in subsidiaries, associates and joint ventures	177.490	-5.970	171.520
Other financial assets	441	5.970	6.411

[1] In 31.12.13 the Company reclassified the amount of €5.970 thousand (for participation in non-consolidated companies Nanum Lotto Co LTD) from the account "Investments in subsidiaries, associates and joint ventures" in the account "Other financial assets" for a more appropriate presentation.

STATEMENT OF GROUP FINANCIAL POSITION

Amounts reported in thousand €	1/1/2013 (initial publication)	IFRS 11 effect	1/1/2013 (restated)
ASSETS			
Tangible fixed assets	240.693	0	240.693
Intangible assets	363.824	0	363.824
Investment in subsidiaries, associates and joint ventures	40.217	138	40.355
Other financial assets	4.913	0	4.913
Deferred Tax asset	21.355	0	21.355
Other long term receivables	87.950	-6.015	81.935
Total Non Current Assets	**758.952**	**-5.877**	**753.075**
Inventories	43.533	0	43.533
Trade and other short term receivables	172.739	1.403	174.142
Other financial assets	4.706	0	4.706
Cash and cash equivalents	134.973	-42	134.931
Total Current Assets	**355.951**	**1.361**	**357.312**
TOTAL ASSETS	**1.114.903**	**-4.516**	**1.110.387**
EQUITY AND LIABILITIES			
Share Capital	47.689	0	47.689
Other reserves	60.984	0	60.984
Foreign currency translation	-32.404	267	-32.137
Retained earnings	226.711	-1.400	225.311
Total equity attributable to shareholders of parent	**302.980**	**-1.133**	**301.847**
Non-Controlling Interest	80.617	-969	79.648
TOTAL EQUITY	**383.597**	**-2.102**	**381.495**
Long term Debt	329.730	-1.913	327.817
Staff retirement indemnities	6.909	0	6.909
Other long term provisions	14.509	0	14.509
Deferred Tax liabilities	5.690	0	5.690
Other long term liabilities	21.774	0	21.774
Finance lease obligation	5.361	0	5.361
Total Non Current Liabilities	**383.973**	**-1.913**	**382.060**
Trade and other short term liabilities	136.940	-64	136.876
Short term debt	185.883	0	185.883
Current income taxes payable	19.623	-437	19.186
Short term provision	4.887	0	4.887
Total Current Liabilities	**347.333**	**-501**	**346.832**
TOTAL LIABILITIES	**731.306**	**-2.414**	**728.892**
TOTAL EQUITY AND LIABILITIES	**1.114.903**	**-4.516**	**1.110.387**

GROUP CASH FLOW STATEMENT

Amounts reported in thousand €	1/1-31/12/2013 (initial publication)	IFRS 11 effect	1/1-31/12/2013 (restated)
Net Cash from Operating Activities	81.274	1	81.275
Net Cash from Investing Activities	-69.518	-	-69.518
Net Cash from Financing Activities	-3.395	-	-3.395
Net increase / (decrease) in cash and cash equivalents for the period	**8.361**	**1**	**8.362**

IV. Acquisitions:

The Group did not make any acquisition during 2014.

V. New Companies of the Group:

During 2014 the Group proceeded to the establishment of subsidiaries Intralot Slovakia Spol S.R.O., Intralot Ireland LTD and Intralot Capital Luxembourg SA.

VI. Changes in ownership percentage during 2014:

The Group increased its investment in Intralot Interactive SA from 75% to 93.02%. The impact on equity attributable to equity holders of parent by the above change in participation was not significant for the Group's data.

VII. Subsidiaries' Share Capital Increase:

During 2014 the Group completed the share capital increase through payment in cash in Intralot Global Securities BV and Intralot Capital Luxembourg SA amounting €2 million, in Netman SRL amounting €225 thousand, in Intralot Interactive SA amounting €155 thousand, in Gaming Solutions International LTDA amounting €117 thousand and in Favorit Bookmakers Office OOO amounting €2,1 million.

VIII. Discontinued Operations in the Group:

During 2014 the Group ceased operation and finalized liquidation process of the subsidiaries Promarta OOO, Dinet ZAO, Kelicom Holdings Co LTD, Intralot Luxembourg SA, Intralot Holdings Luxembourg SA, Intralot De Chile SA, Intralot Interactive USA LLC και DeepStack Casino LLC.
The Group sold its share in subsidiary Intralot Czech SRO on July 2014. Also in December 2014, the Group sold its participation in the subsidiary Intralot Egypt LTD thus reducing its share in ECES SAE at 15.20% (the conditions of consolidation under IFRS 10 and IFRS 11 are no longer met).
The above liquidations and sales of subsidiaries resulted under IFRS 10 in a total gain amounting to €2,8 million recognized in comprehensive income for the period 1/1-31/12/2014 (profit of €0,9 million, in Other income, a loss of €0,9 million in Other operating expenses, and a profit of €2,3 million in Exchange differences and profit of €0,5 million in Cost of Sales).

As of 31/12/2014 the subsidiary Lotrom S.A. ceased to have any contract (Videollotery, Lotto, FOB) with its single customer the Romanian National Lottery Organization (CNLR). The Group will continue to monitor the developments of the gaming market in the country so as to pursue any possible opportunity.

IX. Material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

Subsidiary Name	Country of incorporation and operation	Geographic operating segment	31/12/2014	31/12/2013
Inteltek Internet AS	Turkey	Other countries	55%	55%
Bilyoner Interaktif Hizmelter AS [1]	Turkey	Other countries	49,99%	49,99%
Azerinteltek AS	Azerbaijan	Other countries	77,05%	77,05%
Lotrom SA	Romania	European Union	40%	40%
Eurofootball LTD	Bulgaria	European Union	51%	51%
Supreme Ventures LTD	Jamaica	America	75,03%	75,03%
Tecno Accion SA	Argentina	America	49,99%	49,99%

[1] Bilyoner Interaktif Hizmelter AS is fully consolidated since November 2013

Accumulated balances of material non-controlling interests:

	31/12/2014	31/12/2013
European Union	12.701	13.655
America	24.231	19.894
Other countries	56.290	36.284

Profit allocated to material non-controlling interests:

	1/1-31/12/2014	1/1-31/12/2013 [1]
European Union	10.644	7.159
America	8.224	6.734
Other countries	24.428	15.907

[1] Bilyoner Interaktif Hizmelter AS is fully consolidated since November 2013

The summarised financial statements of these subsidiaries is provided below. This information is based on amounts before intercompany eliminations as for the transactions with the other entities of the Group (but after the relevant intersegment eliminations):

Summarised statement of profit or loss for the period 1/1-31/12/2014:

	European Union	America	Other Countries
Sales Proceeds	149.476	350.171	289.403
Gross Profit / (Loss)	27.663	40.766	89.345
EBITDA	20.380	22.133	59.771
Profit / (Loss) before taxes	20.365	19.060	63.849
Taxes	-84	-5.780	-21.746
Net Profit / (Loss) after taxes	**20.281**	**13.280**	**42.103**
Other Comprehensive Income after tax	-26	186	3.790
Total Comprehensive Income	**20.255**	**13.466**	**45.893**
Attributable to non-controlling interests	10.633	8.709	26.558
Dividends paid to non-controlling interests	11.323	5.042	6.270

Summarised statement of profit or loss for the period 1/1-31/12/2013:

	European Union	America	Other Countries
Sales Proceeds	125.636	288.152	220.455
Gross Profit / (Loss)	19.175	41.043	53.634
EBITDA	14.209	21.362	41.525
Profit / (Loss) before taxes	14.185	17.635	44.218
Taxes	-118	-6.044	-16.657
Net Profit / (Loss) after taxes	**14.067**	**11.591**	**27.561**
Other Comprehensive Income after tax	-107	-7.338	-14.058
Total Comprehensive Income	**13.960**	**4.253**	**13.503**
Attributable to non-controlling interests	7.116	1.821	8.216
Dividends paid to non-controlling interests	7.301	6.865	617

Summarised statement of financial position as at 31/12/2014:

	European Union	America	Other Countries
Non-current assets	12.452	24.980	13.962
Current assets	42.632	32.438	141.436
Non-current liabilities	-413	-353	-15.930
Current liabilities	-7.248	-20.865	-34.554
Total equity	**47.423**	**36.200**	**104.914**
Attributable to:			
Equity holders of parent	24.878	10.766	47.277
Non-controlling interests	22.545	25.434	57.637

Summarised statement of financial position as at 31/12/2013:

	European Union	America	Other Countries
Non-current assets	12.440	26.262	14.770
Current assets	28.445	22.384	100.380
Non-current liabilities	-332	-894	-13.743
Current liabilities	-2.180	-16.280	-31.803
Total equity	**38.373**	**31.472**	**69.604**
Attributable to:			
Equity holders of parent	20.746	9.475	31.799
Non-controlling interests	17.627	21.997	37.805

Summarised cash flow information for the year ending 31/12/2014:

	European Union	America	Other Countries
Operating activities	23.357	21.764	41.592
Investing activities	9	-1.975	10.470
Financing activities	-21.219	-11.212	-9.749
Net increase / (decrease) in cash and cash equivalents	**2.147**	**8.577**	**42.313**

Summarised cash flow information for the year ending 31/12/2013:

	European Union	America	Other Countries
Operating activities	14.249	10.970	13.123
Investing activities	77	-1.892	5.958
Financing activities	-14.316	-13.596	-3.508
Net increase / (decrease) in cash and cash equivalents	**10**	**-4.518**	**15.573**

X. Investments in companies consolidated with the equity method:

i) Investment in associates

The Group has significant influence over the below associates. The Group's interest in these associates is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in associates:

Proportion of equity interest held by the Group is associates:

Associate Name	Country of incorporation and operation	31/12/2014	31/12/2013
Lotrich Information Co LTD	Taiwan	40%	40%
Intralot South Africa LTD	South Africa	45%	45%
Goreward LTD Group	China	49,99%	49,99%

Summarised statement of financial position as at 31/12/2014:

	Lotrich Information Co LTD	Intralot South Africa LTD	Goreward LTD Group
Non-current assets	5.246	23	52.817
Current assets	22.163	3.932	19.722
Non-current liabilities	0	0	0
Current liabilities	-15.312	-367	-15.763
Total equity	**12.097**	**3.588**	**56.776**
Group's carrying amount of the investment	**4.653**	**1.835**	**25.872**

Summarised statement of financial position as at 31/12/2013:

	Lotrich Information Co LTD	Intralot South Africa LTD	Goreward LTD Group
Non-current assets	90	61	46.735
Current assets	30.918	3.893	22.462
Non-current liabilities	0	0	0
Current liabilities	-20.202	-307	-18.947
Total equity	**10.806**	**3.647**	**50.250**
Group's carrying amount of the investment	**4.136**	**1.862**	**19.586**

Summarised statement of profit or loss for the period 1/1-31/12/2014:

	Lotrich Information Co LTD	Intralot South Africa LTD	Goreward LTD Group
Sales Proceeds	25.946	2.962	20.740
Gross Profit / (Loss)	1.068	1.013	-4.725
EBITDA	475	86	99
Profit / (Loss) before taxes	454	495	-6.076
Taxes	0	-34	0
Net Profit / (Loss) after taxes	**454**	**461**	**-6.076**
Other Comprehensive Income after tax	838	118	19.736
Total Comprehensive Income	**1.292**	**579**	**13.660**
Group's share of total comprehensive income of the period	**517**	**261**	**6.255**
Dividends received by the Group from the associate	0	287	0

Summarised statement of profit or loss for the period 1/1-31/12/2013:

	Lotrich Information Co LTD	Intralot South Africa LTD	Goreward LTD Group
Sales Proceeds	3.115	4.391	8.485
Gross Profit / (Loss)	561	1.301	-531
EBITDA	-146	473	275
Profit / (Loss) before taxes	-233	1.286	-11.180
Taxes	0	-122	-38
Net Profit / (Loss) after taxes	**-233**	**1.164**	**-11.218**
Other Comprehensive Income after tax	-791	-1.199	-560
Total Comprehensive Income	**-1.024**	**-35**	**-11.778**
Group's share of total comprehensive income of the period	**-410**	**-62**	**-9.584**
Dividends received from the associate	0	517	0

Reconciliation of the summarised financial information presented to the carrying amount of investments:

	Lotrich Information Co LTD	Intralot South Africa LTD	Goreward LTD Group
Carrying amount of Investment as of 1/1/2013:	**4.546**	**2.441**	**0**
Net Profit / (Loss) after taxes of the period	-93	477	-9.107
Other Comprehensive Income after tax of the period	-317	-539	-477
Dividends	0	-517	0
New consolidated entities / change of consolidation method	0	0	29.170
Carrying amount of Investment as of 31/12/2013:	**4.136**	**1.862**	**19.586**
Net Profit / (Loss) after taxes of the period	182	208	-2.665
Other Comprehensive Income after tax of the period	335	52	8.920
Dividends	0	-287	0
Foreign exchange differences	0	0	31
Carrying amount of Investment as of 31/12/2014:	**4.653**	**1.835**	**25.872**

The associates had no other contingent liabilities or capital commitments as at 31 December 2014 and 2013, except as disclosed in Note 2.28.A

ii) Investment in Joint Ventures

The Group holds 50% in Uniclic LTD Group (consisting of Uniclic LTD and its 60% subsidiary, Dowa LTD), a consortium based in Cyprus. The Group consolidates this venture with the equity method applying the new IFRS 11 "Schemes under common control" retroactively from 1/1/2013, changing the method of consolidation of companies under common control from analog to that of equity. The carrying value of the investment in the joint venture Uniclic LTD Group is not significant for the Group's data.

B. REAL LIENS

A group subsidiary has banking facilities amounting to €29,3 million, consisting of a loan amounting to €20 million, an overdraft of €5 million, and bank guarantee letters of €4,3 million. These facilities are secured by an initial general mortgage on all the subsidiary’s present and future assets (at 31/12/2014 the loan balance amounted to €10,2 million and the used guarantee letters to €4 million and the overdraft was fully repaid). A second group's subsidiary has a loan of €0,6 million with mortgage on a building and guarantee letter. Also, a third group's subsidiary has a loan of €1,4 million with mortgage on a building.

There are no other restrictions than the above, in the ownership or transfer or other encumbrances on the Company's property.

On 31 December 2014 the Group had no contractual commitments for the purchase of tangible fixed assets.

C. PROVISIONS

GROUP	Legal issues [1]	Unaudited fiscal years and tax audit expenses [2]	Other provisions [3]	Total provisions
Period opening balance	**6.056**	**3.928**	**10.845**	**20.829**
Period additions	339	0	2.175	**2.514**
Used provisions	0	0	-8.551	**-8.551**
Unused provisions	-12	0	-35	**-47**
Acquisition of subsidiary	0	0	-6	**-6**
Translation differences	-634	0	156	**-478**
Period closing balance	**5.749**	**3.928**	**4.584**	**14.261**
Long term provisions	**5.423**	**70**	**578**	**6.071**
Short term provisions	**326**	**3.858**	**4.006**	**8.190**
Total	**5.749**	**3.928**	**4.584**	**14.261**

[1] Relate to legal issues as analyzed in note 2.28.A

[2] Relate to provisions for the coverage of differences from future audits for income taxes and other taxes. It is expected to be used in the next 1-2 years.

[3] Relate to provisions for risks none of which are individually material to the Group except from provisions for additional fees (bonus) and other employee benefits of the Group amounting to €3.684 thousand. It is expected to be used in the next 1-8 years.

COMPANY	Legal issues [1]	Unaudited fiscal years and tax audit expenses [2]	Other provisions	Total provisions
Period opening balance	**6.050**	**3.269**	**6.988**	**16.307**
Period additions	0	0	91	**91**
Used provisions	0	0	-6.986	**-6.986**
Translation differences	-627	0	-2	**-629**
Period closing balance	**5.423**	**3.269**	**91**	**8.783**
Long term provisions	**5.423**	**0**	**0**	**5.423**
Short term provisions	**0**	**3.269**	**91**	**3.360**
Total	**5.423**	**3.269**	**91**	**8.783**

[1] Relate to legal issues as analyzed in note 2.28.A

[2] Relate to provisions for the coverage of differences from future audits for income taxes and other taxes. It is expected to be used in the next 1-2 years.

D.PERSONNEL EMPLOYED

The number of employees of the Group at the end of the current period amounted to 5.348 (5.269 subsidiaries and associates 79) and the Company's 690. At the end of 2013 the number of employees of the Group were 5.685 persons (subsidiaries 5.361 and associates 324) and the Company's 620.

E. RELATED PARTY DISCLOSURES

Intralot SA purchases goods and services and/or provides goods and services to various related companies, in the ordinary course of business. These related companies consisting of subsidiaries, associates or other related companies which have common ownership and / or management with Intralot SA.

Below is a condensed report of the transactions and balances with related parties for the years 2013-2014:

	GROUP		COMPANY	
Amounts reported in thousand of €	31/12/2014	31/12/2013 [1]	31/12/2014	31/12/2013 [1]
a) Income				
-from subsidiaries	0	0	29.316	36.627
-from associates	2.424	20.522	2.711	16.590
-from other related parties	5.335	5.430	5.118	5.324
b) Expenses				
-to subsidiaries	0	0	32.907	20.103
-to associates	-343	-610	-349	-610
-to other related parties	16.650	20.932	12.398	17.528
c) Receivables (A)				
-from subsidiaries	0	0	108.412	139.361
-from associates	19.158	27.899	14.995	18.785
-from other related parties	15.368	17.901	10.525	14.900
d) Payables (B)				
-to subsidiaries	0	0	311.085	267.803
-to associates	-3	0	-9	0
-to other related parties	18.844	31.592	16.194	29.734
e) BoD and Key Management Personnel transactions and fees	11.905	10.769	7.088	5.715
f) BoD and Key Management Personnel receivables	648	585	0	0
g) BoD and Key Management Personnel payables	602	826	272	482
(A) The respective amounts analysed as follows:				
Total due from related parties	35.174	46.385	133.932	173.046
(less) long term portion (Note 2.15)	6.935	5.954	0	0
Short term from related parties (Note 2.16)	28.239	40.431	133.932	173.046
(B) The respective amounts analysed as follows:				
Total due to related parties	19.443	32.418	327.542	298.019
(less) long term loans	0	0	172.542	223.042
(less) long term liabilities (Note 2.23)	0	32	0	0
Short term to related parties (Note 2.24 & 2.25)	19.443	32.386	155.000	74.977

[1] Including restated figures according to IFRS 11 – 2.27.A.III

Sales and services to related parties are made at normal market prices. Outstanding balances at year end are unsecured and settlement occurs in cash. No guarantees have been provided or received for the above requirements. For the year ended December 31, 2014, the Company made a reversal of provision concerning reduction estimate the recoverable amount of receivables from subsidiaries of €5,7 million that was recognized in the income statement. Accumulated relevant provisions of 31/12/2014 amounted to €75,2 million (note 2.15 & 2.16).

2.28 CONTINGENT LIABILITIES

A. LITIGATION CASES

a. On 5th September 2005 an action was served to the company, filed by the company "IPPOTOUR S.A.", against the company and the company "OPAP S.A.". The plaintiff "IPPOTOUR S.A." requested to be acknowledged that the contract signed between OPAP S.A. and the Company should not grant to the latter the right to operate any kind of wagering game on Greek or foreign horse racing, that "OPAP S.A" should not have the right to operate any kind of wagering game on horse racing and that "OPAP S.A." and the company should be excluded from the operation and organization of betting games on horse racing. The hearing of the case had been set for 14th February 2008 when the hearing was postponed for 8th October 2009; at that date the hearing was cancelled due to the national elections. No summons for the schedule of a new hearing date has been served to the company until now. By virtue of the above mentioned action the plaintiff withdrew of the action filed against the Company and OPAP SA on 10th January 2003 with the same content, which was set to be heard on 18th May 2005, on which date the said hearing was cancelled. The Legal Department of the Company considers that, in case of the hearing of the case, the above-mentioned action would not be successful.

b. On 4th January 2005 OPAP S.A. submitted a notice of proceedings to "Betting Company S.A." regarding a lawsuit that was filed against OPAP S.A. before the Multi-member Court of First Instance of Athens, with which the plaintiff claims the payment of the amount of €3.668.378,60 plus accrued interests from OPAP S.A., pleading that OPAP S.A. should pay this amount to him as profit, in addition to the amount already paid to him. Since Betting Company S.A. has a legitimate interest in OPAP S.A. winning the lawsuit, Betting Company S.A., the companies INTRALOT S.A. and INTRALOT INTERNATIONAL LTD proceeded to an additional joint intervention in favour of OPAP S.A.; this was scheduled for hearing on 3rd May 2007 but following a petition for precipitation of the plaintiff the case was heard on 1st December 2005. By its decision No 2412/2006 the Multi-member Court of First Instance of Athens ruled in favour of the lawsuit of the plaintiff and, following the restriction by the plaintiff of his petition to a lawsuit for acknowledgement of the debt, the Court acknowledged the obligation of OPAP S.A to pay to the plaintiff the amount of €3.668.378,60. OPAP S.A and the aforementioned companies filed an appeal on 28/6/2006 which had been rejected by the Athens Court of Appeals with its decision no. 6377/2007. The defendants filed an appeal before the Supreme Court which was heard on 9th November 2009 and decision no. 1252/2010 was issued accepting the appeal and referring back the case to the Athens Court of Appeals which vindicated the defendants and dismissed the lawsuit with its decision no. 5189/2012. For the above case a provision had been made which has been reversed. On 23rd July 2014 an application for cassation was served to the company which has been heard, following a postponement, on 2nd February 2015 and the issue of the decision is still pending.

c. INTRALOT filed before Multi-member Court of First Instance of Athens its civil lawsuit dated 12th May 2005 against Mr. K. Thomaidis, claiming the payment of sum of €300.000 as pecuniary compensation for moral damage. The case was scheduled for hearing on 26th January 2006. On 18th January 2006 the company was served with an action filed by Mr. K. Thomaidis on 9th

January 2006, before the Multi-member Court of First Instance of Athens with which the plaintiff claims the payment of sum of €300.000 as pecuniary compensation for moral damage. The case was scheduled for hearing on 14th December 2006. The suit of INTRALOT against Mr. K. Thomaidis was postponed to be heard on 14th December 2006. The two lawsuits have been heard together and the decision no 7936/2007 was issued declaring the lawsuit dated 9th January 2006 of Mr. Thomaidis as cancelled and accepting partially INTRALOT's lawsuit dated 12th May 2005. Until now, no appeal against this decision has been served to the company.

d. Against (a) publishing company "I. Sideris – Andreas Sideris Sons O.E.", (b) the Foundation of Economic and Industrial Researches (IOBE), (c) Mr. Theodosios Palaskas, Director of Research of IOBE, (d) the Kokkalis Foundation, and (e) INTRALOT, a lawsuit of Mr. Charalambos Kolymbalis, was filed on 8th March 2007 before the Multi-member Athens Court of First Instance. With his lawsuit, the plaintiff requests to be recognized as the sole creator of the project entitled "The financial consequences of sports in Greece" and his intellectual property right on this, and that the amount of €300.000 to be paid to him as monetary compensation for moral damages. Date of the hearing was set the 20th February 2008 when it was postponed for 4th March 2009 and then again for 24th February 2010; on that date the hearing of the case was cancelled due to strike of the judicial secretaries. New hearing date was scheduled the 23rd May 2012 when the case was heard and the decision no. 5724/2012 of the Athens Multi-member Court of First Instance was issued which dismissed the lawsuit. No appeal has been served to the company until now.

e. On 26th July 2011 an action was served to INTRALOT SA and the company "Interstar Security LTD" from a former employee of INTRALOT SA claiming the payment of €500.000 as compensation for moral damage. The hearing had been initially set for 6th March 2014 when it was postponed for 10 November 2016.

f. The Company and its subsidiary "Intralot International Limited" and Mr. Socratis P. Kokkalis, filed before the Athens Multi-member Court of First Instance their lawsuit dated 1st November 2012 against the company "Glory Technology Limited" having its registered offices in Cyprus and Mr. Athanassios K. Ktorides, resident of Cyprus, requesting to compel the defendants to pay, jointly and severally, because of slander and their unfair competitive behaviour:
- to the first plaintiff (Intralot) the amount of €72.860.479,78 (including monetary compensation for moral damages amounting to €25.000.000) with the legal interest as from the service of the lawsuit
- to the second plaintiff (Intralot International Limited) the amount of €5.019.081,67 (including monetary compensation for moral damages amounting to €5.000.000) with the legal interest as from the service of the lawsuit; and
- to the third plaintiff (Mr. Socratis P. Kokkalis) the amount of €50.424.019,73 (including monetary compensation for moral damages amounting to €25.000.000) with the legal interest as from the service of the lawsuit.
The Athens Multi-member Court of First Instance issued its decision partially accepting the lawsuit; "Glory Technology Limited" is obliged to pay €50.000 to the first plaintiff, €25.000 to the

second plaintiff and €25.000 to the third plaintiff. No appeal of the other party has been served to the Company yet.

On the other hand, the company "Glory Technology Limited" and Mr. Athanassios K. Ktorides filed before the same court their lawsuit dated 19 March 2013 claiming that with the filing of the abovementioned lawsuit (from which unfair competitive behaviour results, as they allege) moral damage was caused to them. With their lawsuit, the plaintiffs were requesting from the court to compel the Company, "Intralot International Limited" and Mr. Socratis Kokkalis to pay jointly and severally monetary compensation for moral damages amounting to €25.000.000 to each of the plaintiffs. The hearing of the case had been scheduled for 16th October 2013. On 23rd September 2013, the plaintiffs withdrew from the action.

g. In Turkey, GSGM filed on 23rd January 2006 before the Court of First Instance of Ankara a declaratory action against the 45% subsidiary company Inteltek requesting to be recognized that the calculation of the player's excess payout of the fixed odds betting games, as per their contract, is effected at the end of each separate semester as opposed to on a cumulative basis at the end of the contract. The decision issued in 2007 by the Court of First Instance of Ankara vindicated Inteltek. GSGM filed an appeal which was rejected by the court. GSGM filed an appeal against this decision which was rejected and the decision was finalized.

Inteltek had made a provision of TRY 3,3 million (€1,2 m) plus TRY 1,89 million (€667k) relating to interest in its financial statements due to the probability of a negative outcome of the case which henceforth has been removed following the Court of First Instance of Ankara decision. Moreover, Inteltek claimed the amount of TRY 2,34 million (€826k) (plus interest) which was paid in the 1st and 3rd reconciliation periods. Inteltek has initiated a lawsuit on 21st February 2008 to collect this amount. On 19th March 2009 the court vindicated Inteltek. GSGM filed an appeal against this decision and the appeal was accepted. Inteltek applied for the correction of the decision that was rejected by the higher court which returned the case to the court of first instance. The court of first instance on June 29, 2011 decided to insist on its initial judgment in favour of Inteltek. GSGM filed an appeal and the General Assembly of the Supreme Court of Appeals decided that the decision of the court of first instance on insisting is sufficient and the lawsuit file should be send to a chamber of the Supreme Court of Appeals for evaluation of the appeal requests of GSGM. The Supreme Court vindicated Inteltek and GSGM requested the correction of the decision. Inteltek requested the receivable from GSGM and GSGM paid the amount subject to the lawsuit on 13/12/2012 i.e. TL 5.797.372,24 (€2.047.095). The Supreme Court rejected the application for the correction of the decision and the decision was finalized.

h. In Turkey, GSGM filed before the Ankara Tax Court a lawsuit against the local Tax Authority requesting the annulment of a penalty amounting to TRY 5.075.465 (€1.792.184) imposed on GSGM, since the Tax Authority considers that stamp duty should have been paid by GSGM also for the second copy of the contract dated 29th August 2008 with Inteltek as well as for the letter of guarantee securing the minimum turnover of GSGM games. Inteltek intervened in the case before the abovementioned court in favour of GSGM because, according to the contract dated 29th August 2008, GSGM may request from Inteltek the amount that will be finally obliged to pay. The decision issued by the court vindicates GSGM and Inteltek and the abovementioned penalty was cancelled. The Tax Authority filed an appeal which is pending.

j. In Colombia, INTRALOT, on 22nd July 2004, entered into an agreement with an entity called Empresa Territorial para la salud ("Etesa"), under which it was granted with the right to operate games of chance in Colombia. In accordance with terms of the abovementioned agreement, INTRALOT has submitted an application to initiate arbitration proceedings against Etesa requesting to be recognized that there has been a disruption to the economic balance of abovementioned agreement to the detriment of INTRALOT and for reasons not attributable to INTRALOT and that Etesa to be compelled to the modification of the financial terms of the agreement in the manner specified by INTRALOT as well as to pay damages to INTRALOT (including damages for loss of profit) or alternatively to terminate now the agreement with no liability to INTRALOT. The arbitration court adjudicated in favour of Etesa the amount of 23,6 billion Colombian pesos (€8,2m). The application for annulment of the arbitration award filed by INTRALOT before the High Administrative Court was rejected. The Company filed a lawsuit before the Constitutional Court which was rejected. The Company has created relative provision in its financial statements part of which (€3m) has already been used for the payment to Etesa of a letter of guarantee amounting to 7.694.081.042 Colombian pesos.

k. Against the subsidiary Intralot Holdings International Ltd., a shareholder of LOTROM SA and against LOTROM SA, another shareholders of LOTROM SA, Mr. Petre Ion filed a lawsuit before the competent court of Bucharest requesting that Intralot Holdings International Ltd to be obliged to purchase his shares in LOTROM SA for €2.500.000 and that LOTROM SA to be obliged to register in the shareholders book such transfer. Following the hearing of 28th September 2010 a decision of the court was issued accepting the lawsuit of the plaintiff. Intralot Holdings International Ltd and LOTROM SA filed an appeal which was rejected. The abovementioned companies further filed a recourse before the Supreme Court which was heard and rejected. Mr. Petre Ion initiated an enforcement procedure of the above decision in Romania. The companies will exercise legal means against the enforcement procedure according to the provisions of the Romanian laws.

l. Mr. Petre Ion filed in Romania a lawsuit against Intralot Holdings International Ltd and LOTROM requesting to issue a decision to replace the share purchase contract of its shares in LOTROM SA for €2.500.000 (for which he had filed the above lawsuit) and to oblige Intralot Holdings International Ltd a) to pay the amount of €400.000 as tax on the above price, b) to sign on the shareholders book for the transfer of the shares, c) to pay the price of the transfer and the legal costs. The Court of First Instance rejected Mr. Petre Ion's lawsuit. Mr. Petre Ion filed an appeal which was heard on 4 November 2014 and was partially accepted. The Company filed an appeal against this decision which is still pending. Notwithstanding the appeal, the case has been set to be heard again on 3rd April 2015.

m. On 24 April 2013 the Company was notified of the existence of a research conducted by the Competition Board of Romania in relation to the contract signed in 2003 with Compania Nationala Loteria Romana regarding the Videolotto program. The Competition Board of Romania imposed a fine to the Company amounting to 5.541.874 ROL (€1.236.253) and to the subsidiary LOTROM to 512.469 ROL (€114.319). The Company and its subsidiary LOTROM filed a lawsuit against the respective decision requesting its annulment and the suspension of its execution. The applications for the suspension of validity of the above decision of the Competition Board were rejected and the Company and its subsidiary LOTROM filed appeals; no hearing date has been scheduled yet. Also, an application for the suspension of execution was filed by Intralot, scheduled to be heard on 13th November 2014, date on which the Court decided to suspend the issue of the decision until the competent court decides on the main recourse filed for annulment of the decision of the Competition Board. Against said decision an appeal was filed for which no hearing date has been scheduled yet. Finally, regarding the applications for the annulment of the decision of the Competition Board, the application of LOTROM is scheduled to be heard, following postponements, on 27th May 2015 and the application of INTRALOT on 1st April 2015.

n. In Poland, as a result of bet making points controls conducted by Custom Service bodies in 6 shops, a gambling law breach was claimed to be made by the "E-Promotion" program of the subsidiary "Totolotek Totomix SA" and a relevant administrative procedure was initiated which was concluded with the issue of a second instance decision of the Ministry of Finance for revocation of the six relevant licenses; the company filed a recourse against this decision before the Administrative Courts which was rejected and an appeal was filed against the respective decision which is pending. In relation to all remaining shops a second instance decision of the Ministry of Finance was issued revoking their licenses. The company has filed recourses before Administrative Courts; four of them have been rejected and appeals have been filed against the respective decisions, while in relation to one case the court suspended the procedure. Since December 2012, new licenses have already been issued by virtue of which the subsidiary "Totolotek Totomix SA" operates and, therefore, the abovementioned cases will not affect its activities. Following the abovementioned decisions of the Ministry of Finance regarding the revocation of the licenses, a fine amounting to 480.000 Euro was imposed to the company. The company filed a recourse against this decision and requested the cancellation and suspension of its execution, and the hearing date has been scheduled on 29th April 2015 before the competent Administrative Court of First Instance.

o. In Italy, the company Tike Games S.r.l. filed a lawsuit before the civil courts of Rome requesting a compensation in the amount of 378.400 Euro in relation to a contract signed with Intralot Italia SpA which was terminated by the latter due to material breach of an exclusivity undertaking provision when Intralot Italia SpA realized that the plaintiff had installed in its point of sale gaming machines (AWPs and VLTs) of a third party-concessionaire which was not approved by Intralot Italia Spa. The plaintiff claims that Intralot Italia SpA is responsible for the compensation since it delayed to install the respective gaming machines. Next hearing day is scheduled for the 6th May 2015; after that, the decision of the court will be issued. The opinion of the external legal advisors is that the above lawsuit will not finally succeed.

p. In August 2012, two British Virgin Island companies filed a Complaint in the United States Bankruptcy Court Southern District of Florida, Miami Division, against numerous defendants, including Supreme Ventures Limited ("SVL"), a publicly traded gaming company listed on the Jamaican Stock Exchange in which INTRALOT holds an indirect shareholding interest. Notably, as per SVL, the lawsuit is based on the same claims (related to demands arose before the acquisition of INTRALOT's participation in SVL), towards third parties, initial shareholders and/or directors of SVL, or not, which were brought in, and were recently rejected by the Jamaican courts, first by the Supreme Court and then again by the Court of Appeals. INTRALOT is named as a "Relief Defendant" which means that INTRALOT is not alleged to have been part - directly or indirectly - of any wrongdoing, since the alleged by the plaintiffs acts are made before the acquisition of SVL's shares by INTRALOT through the Jamaican Stock Exchange. Intralot agrees with SVL's opinion that the Complaint is wholly without merit and expects that it will be successful in the Florida courts, as it was in the Jamaican courts.

q. In Brazil, a former officer of a subsidiary company filed a lawsuit against such subsidiary requesting several amounts to be paid to him as fees resulting from his labour relationship amounting to approx. €240.000 and from a services agreement calculated as a percentage 4% on the turnover of the subsidiary. On August 23rd, 2013, the decision of the local court was issued dismissing the lawsuit. The plaintiff filed an appeal and a decision was issued at the end of July 2014 which refers the case for a new hearing before the Court of First Instance. The company is examining the possibility to file legal means against this decision.

r. On 30 July 2012, Intralot filed before the Athens Multi-member Court of First Instance a lawsuit against the company "Hellenic Organization of Horse Racing S.A." (ODIE) requesting the payment of the amount of €2.781.381,15 relating to system maintenance services provided but not paid. The hearing date is 3rd December 2014.
Moreover, Intralot filed a recourse to the arbitration panel on 13 August 2012 against the same company ODIE requesting the payment of the amount of €9.551.527,34 relating to operational services of integrated system provided but not paid. The arbitration was concluded on 1st March 2013 and the arbitration decision no 27/2013 was issued vindicating Intralot and compelling ODIE to pay to Intralot the total amount requested (€9.551.527,34). In order to secure its claims, Intralot:
a) by virtue of the above arbitration decision, has already recorded on the mortgage books of the Land Registry Office of Kropia a mortgage on a land property of ODIE and specifically on the property where the Horse Racetrack of Athens in Markopoulo Attica is operating, and on the buildings thereupon, for an amount of €11.440.655,35;
b) by virtue of the decision no 2209/2014 of the Athens Single Member Court of First Instance, has already recorded on the mortgage books of the Land Registry Office of Kropia, a note of mortgage on the same real estate of ODIE for an amount of €9.481.486,11.
c) has already advanced the procedure of compulsory execution against ODIE in order to execute its claims.
Furthermore, on 20 March 2014, Intralot filed before the Athens Multi-member Court of First Instance a lawsuit against ODIE requesting the payment of the amount of €8.043.568,69 which is owed to it pursuant to the "Agreement of Maintenance and Operation of the System of the Mutual Betting on Horse Races of ODIE" dated 6 March 2012. The hearing date is 17th February 2016.
Besides the above, Intralot will take any further steps to defend its interests including, among others, through the application of the results of the notice of termination of the above agreement which is dated 12 February 2014 and was served to ODIE if the latter do not cure the reason of the termination.

s. In Italy, the company Stanley International Betting Ltd filed a recourse before the administrative courts of Lazio against the State Autonomous Administrative Monopolies (AAMS) and eventually against all companies to which licenses for conducting betting activities have been granted, including the subsidiary Intralot Italia SpA, requesting the annulment of the legislative decree of 2012 which provided for the granting of licenses for betting activities for three years, the annulment of the tenders conducted in 1999 and 2006 and the betting licenses granted pursuant to them for twelve and nine years respectively.
The hearing of the case was made on 5 February 2014 and the court decided to suspend the issue of the decision until the European Court of Justice responds on some preliminary queries which have been set by the court of second instance relating to a recourse of Stanley International Betting Ltd against AAMS and the companies SNAI S.p.A. and Intralot Italia S.p.A. which was rejected at the first instance and was related, among others, to the legality of the participation of Stanley International Betting Ltd to the tenders of 1999 and 2006. The local legal advisors of Intralot Italia S.p.A. opine that the above recourse will not succeed.

t. In Italy, pursuant to a law passed in December 2014, a decision was issued by the Italian Autonomous Administration of State Monopolies (AAMS) on 15th January 2015, according to which, all companies that operate gaming machines are required to pay to the Italian Autonomous Administration of State Monopolies (AAMS) the amount of 1,2K Euro per gaming machine which was in operation on 31st December 2014. The total balance due by all the industry companies is €500 million. The amount corresponding to the Company's subsidiary, Intralot Gaming Machines SpA, is approximately €13 million. Intralot Gaming Machines SpA, together with all the industry companies, have appealed to the competent administrative court against both the abovementioned law and the decision of AAMS, requesting the annulment thereof for being unconstitutional as well as the suspension of the execution of the law and of AAMS's decision. The hearing date for the case regarding the request for the suspension of execution has been scheduled for 1st April 2015.

Until 27/3/2015, apart from the legal issues for which a provision has been recognised, the Group Management estimates that the rest of the litigations will be finalized without a material effect on the Group's and the Company's financial position and results.

B. FISCAL YEARS UNAUDITED BY THE TAX AUTHORITIES

COMPANY	YEARS	COMPANY	YEARS
INTRALOT S.A.	2012-2014	INTRALOT OOO	2011-2014
BETTING COMPANY S.A.	2007-2010 & 2014	POLDIN LTD	2009-2014
BETTING CYPRUS LTD	2007-2014	INTRALOT ASIA PACIFIC LTD	-
INTRALOT DE PERU SAC	2012-2014	INTRALOT AUSTRALIA PTY LTD	2010-2014
INTRALOT INC.	2010-2014	INTRALOT SOUTH AFRICA LTD	2005-2014
INTRALOT BETTING OPERATIONS (CYPRUS) LTD	2004-2014	INTRALOT ITALIA S.p.A.	2010-2014
ROYAL HIGHGATE LTD	2005-2014	INTRALOT FINANCE UK PLC	2013-2014
POLLOT Sp.Zoo	2010-2014	INTRALOT IBERIA HOLDINGS S.A.	2010-2014
MALTCO LOTTERIES LTD	2004-2014	TECNO ACCION S.A.	2010-2014
INTRALOT HOLDINGS INTERNATIONAL LTD	2004-2014	GAMING SOLUTIONS INTERNATIONAL SAC	2010-2014
LOTROM S.A.	2010-2014	GAMING SOLUTIONS INTERNATIONAL LTDA	2009-2014
BILOT EOOD	2010-2014	INTRALOT BEIJING Co LTD	2007-2014
EUROFOOTBALL LTD	2010-2014	NAFIROL S.A.	-
EUROFOOTBALL PRINT LTD	2010-2014	INTRALOT ARGENTINA S.A.	2010-2014
INTRALOT INTERNATIONAL LTD	2010-2014	LEBANESE GAMES S.A.L	-
INTRALOT OPERATIONS LTD	2010-2014	VENETA SERVIZI S.R.L.	2007-2014
INTRALOT BUSINESS DEVELOPMENT LTD	2010-2014	INTRALOT SOUTH KOREA S.A.	2007-2014
INTRALOT TECHNOLOGIES LTD	2003-2014	SERVICIOS TRANSDATA S.A.	2009-2013
INTELTEK INTERNET AS	2010-2014	SLOVENSKE LOTERIE AS	2010-2014
LOTERIA MOLDOVEI S.A.	2014	TORSYS S.R.O.	2010-2013
TOTOLOTEK S.A.	2009-2014	INTRALOT DO BRAZIL LTDA	2010-2014
WHITE EAGLE INVESTMENTS LTD	2013-2014	OLTP LTDA	2010-2014
BETA RIAL Sp.Zoo	2009-2014	BILYONER INTERAKTIF HIZMELTER AS	2010 & 2012-2014
UNICLIC LTD	2004-2014	LOTRICH INFORMATION Co. LTD	2014
DOWA LTD	2004-2014	GIDANI LTD	2008-2014
INTRALOT NEW ZEALAND LTD	2010-2014	INTRALOT INTERACTIVE S.A.	2010 & 2014
INTRALOT ST.LUCIA LTD	2008-2014	INTRALOT HOLDING & SERVICES S.p.A. (ex Jackpot)	2013-2014
INTRALOT DOMINICANA S.A.	2009-2014	NIKANTRO HOLDINGS CO LTD	2009-2014
INTRALOT GUATEMALA S.A.	2009-2014	TACTUS S.R.O.	2010-2014
LOTTERIA Y APUESTOSA DE GUATEMALA S.A.	2009-2014	ATROPOS S.A.	2009-2014
INTRALOT LATIN AMERICA INC	2008-2014	NETMAN SRL	2010-2014
INTRALOT JAMAICA LTD	2010-2014	AZERINTELTEK AS	2013-2014
INTRALOT NEDERLAND BV	2010-2014	INTRALOT TURKEY AS	2010-2014
INTRALOT CARIBBEAN VENTURES LTD	2010-2014	INTRALOT MAROC S.A.	2011-2014
INTRALOT SURINAME LTD	2008-2014	INTRALOT MINAS GERAIS LTDA	2010-2012
SUPREME VENTURES LTD	2008-2014	FAVORIT BOOKMAKERS OFFICE OOO	2012-2014
DC09 LLC	2010-2014	INTRALOT DE MEXICO LTD	2006-2014
INTRALOT DE COLOMBIA (BRANCH)	2009-2014	INTRALOT DISTRIBUTION OOO	2011-2014
INTRALOT HONG-KONG HOLDINGS LIMITED	2014	INTRALOT GAMING SERVICES PTY	2011-2014
INTRALOT SLOVAKIA SPOL. S.R.O.	2014	KTEMS HOLDINGS CO LTD	2005-2014
INTRALOT GERMANY GMBH	2012-2014	INTRALOT BETTING OPERATIONS RUSSIA LTD	2011-2014
GAIN ADVANCE GROUP LTD	-	INTRALOT LOTTERIES LTD	2011-2014
INTRALOT GAMING MACHINES S.p.A.	2012-2014	PRECIOUS SUCCESS LTD GROUP	2013-2014
CARIBBEAN VLT SERVICES LTD	2012-2014	INTRALOT GLOBAL SECURITIES B.V.	2013-2014
INTRALOT INVESTMENTS LTD	2012-2014	INTRALOT LEASING NEDERLAND B.V.	2013-2014
INTRALOT GLOBAL HOLDINGS B.V.	2013-2014	INTRALOT CYPRUS GLOBAL ASSETS LTD	2012-2014
INTRALOT FINANCE LUXEMBOURG S.A.	2013-2014	OASIS RICH INTERNATIONAL LTD	-
GOREWARD LTD	-	WUSHENG COMPUTER TECHNOLOGY (SHANGHAI) CO LTD	2014
INTRALOT IRELAND LTD	2014	INTRALOT CAPITAL LUXEMBOURG S.A.	2014

There is a tax audit in progress for the period 2005-2012 in Royal Highgate LTD, 2004-2010 in Intralot Holdings International LTD, 2007-2011 in Betting Cyprus, 2004-2011 in Intralot Betting Operations Cyprus LTD, in Intralot Jamaica LTD for 2010-2012 and in Intralot de Peru SAC for the period 2012 while the tax audit for 2011 was completed. Also, in Servicios Transdata S.A the tax audit for the income tax as for the year 2008 and for VAT as for the period 1/1/2008-30/6/2009 has been completed imposing additional taxes and fines amounting to €3,4 million. The company has started an objection according to the relevant law for the cancellation of imposed taxes and fines. The company's legal consultants believe that the most possible outcome of the case will be positive. The income tax audit has been completed for the year 2013 in Wusheng Computer Technology (Shanghai) Co LTD, in Loteria Moldovei SA for the period 01/10/2009-31/1/2014 and in AzerIntlek AS for the period 2010-2012, while the tax audit is in progress for the income tax for the period 2013. The tax audit for the years 2009-2012 has been completed in Intralot Holding & Services S.p.A. (ex Jackpot). In Intralot Italia S.p.A., the audit of VAT and withholding taxes has been completed for 2011 as well as for the year 2009. In 2011, in Lotrom S.A. the tax inspection for the years 2004-2009 has been completed with an effect in the company’s 2011 results of €1,3 million, in addition to imposing taxes of €1,1 million due to a different estimation of the tax base recognition of some transnational transactions, which were offset during 2011-2012 with tax receivables after a relevant audit. In addition, there were penalties of €1 million that have already been paid during 2012, as a prerequisite for a relative appeal of the company and have been recognized as claims. The company’s legal consultants fully disagree and have already started an objection according to the relevant law for the cancellation of taxes imposed and the payback of the fines. So far the Court of Appeal quashed the decisions of the tax authorities, who appealed to the Supreme Court. The tax inspection in Lotrom S.A. covering the period 01/01/2010-30/11/2011 regarding VAT has been completed. Moreover, the tax inspection for Intralot SA 2011 has been completed imposing taxes on accounting differences plus surcharges amounting to €3,9 million. The Company filed administrative appeals against the relevant control sheets with an effect the decrease of taxes to the amount €3,34 million. The Company testified new appeals to the Administrative Greek Courts. The company's management and its legal advisors estimate that the appeals will thrive finally for the most part. The Company has formed sufficient provisions and has paid the biggest part of the taxes (amounting €3,07 million). The companies Intralot Interactive S.A. and Betting Company S.A. have received an annual tax audit report for the year 2013 from an audit company based on POL.1159/22.7.2011. The tax audit for the VAT has been completed for the year 2013 as well as over the period 1.1-30.6.2014 in Intralot Leasing Nederland B.V. In Iberia Holdings S.A. there was finalized a limited review of income tax 2009 regarding the avoidance of double taxation. Lastly the tax audit for the year 2013 has just been audited in February, 2015 in Lotrich Information Co LTD.

C. COMMITMENTS

(i) Operating lease payment commitments:

At 31st December 2014 within the Group there had been various operating lease agreements relating to rental of buildings and motor vehicles. Rental costs have been included in the income statement for the year ended 31st December 2014.

Future minimum lease payments of non-cancelable lease contracts as at 31st December 2014 are as follows:

	GROUP		COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Within 1 year	9.105	10.027	1.068	2.046
Between 2 and 5 years	19.599	30.507	1.588	7.011
Over 5 years	1.280	4.850	891	3.442
Total	**29.984**	**45.384**	**3.547**	**12.499**

(ii) Guarantees:

The Company and the Group at 31st December 2014 had the following contingent liabilities from guarantees for:

	GROUP		COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Bid	3.053	90	53	90
Performance	270.245	240.991	99.751	116.784
Financing	75.694	109.332	65.473	99.470
Other guarantees	30.000	0	0	0
Total	**378.992**	**350.413**	**165.277**	**216.344**

(iii) Financial lease payment commitments:

GROUP	Minimum of the lease payments	Present value of the minimum lease payments	Minimum of the lease payments	Present value of the minimum lease payments
	31/12/2014	**31/12/2014**	**31/12/2013**	**31/12/2013**
Within one year	12.419	11.400	13.002	11.290
After one year but not more than five years	8.990	8.600	20.503	19.243
After more than five years	0	0	0	0
Minus: Interest	-1.409	0	-2.972	0
Total	**20.000**	**20.000**	**30.533**	**30.533**

COMPANY	Minimum of the lease payments	Present value of the minimum lease payments	Minimum of the lease payments	Present value of the minimum lease payments
	31/12/2014	**31/12/2014**	**31/12/2013**	**31/12/2013**
Within one year	0	0	0	0
After one year but not more than five years	0	0	0	0
After more than five years	0	0	0	0
Minus: Interest	0	0	0	0
Total	**0**	**0**	**0**	**0**

	GROUP		COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Long-term leases				
Leases in EUR	7.156	18.066	0	0
Leases in USD	1.435	1.157	0	0
Leases in BRL	9	20	0	0
Total	**8.600**	**19.243**	**0**	**0**
Short-term leases				
Leases in EUR	10.126	9.452	0	0
Leases in USD	1.267	1.833	0	0
Leases in BRL	7	5	0	0
Total	**11.400**	**11.290**	**0**	**0**
Total	**20.000**	**30.533**	**0**	**0**

2.29 FINANCIAL RISK MANAGEMENT

Description of significant risks and uncertainties

The Group's international activities create several financial risks in the Group's operation, due to constant changes in the global financial environment. The Group beyond the traditional risks of liquidity risk and credit risk also faces market risk. The most significant of these risks are currency risk and interest rate risk. The risk management program is a dynamic process that is constantly evolving and adapted according to market conditions and aims to minimize potential negative impact on financial results. The basic risk management policies are set by the Group Management. The risk management policy is implemented by the Treasury Department of the Group which operates under specific guidelines approved by management.

Credit risk

The Group does not have significant credit risk concentration because of the wide dispersion of its customers and the fact that credit limits are set through signed contracts. The maximum exposure of credit risk amounts to the aggregate values presented in the balance sheet. In order to minimize the potential credit risk exposure arising from cash and cash equivalents, the Group sets limits regarding the amount of credit exposure to any financial institution. Moreover, in order to secure its transactions even more, the Group adopted an internal rating system, regarding credit rating evaluation, using the relevant financial indices.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group took measures to obtain certain policies to monitor the liquidity in order to hold liquid assets that can cover Group's liabilities.

The following tables summarize the maturity of the financial liabilities of the Group based on contractual undiscounted payments.

GROUP		**31/12/2014**		
Financial Liabilities:	**0-1 years**	**1-5 years**	**> 5 years**	**Total**
Creditors (note 2.24)	75.825	0	0	**75.825**
Payables to related parties (note 2.23 & 2.24)	19.152	0	0	**19.152**
Other payables (note 2.23 & 2.24)	80.226	14.151	0	**94.377**
Derivative financial instruments (note 2.23 & 2.24)	254	0	0	**254**
Loans and finance leases (note 2.20 & 2.25) [1]	232.268	328.273	237.779	**798.320**
Total	**407.725**	**342.424**	**237.779**	**987.928**

[1] The Group in "Short-term loans" includes a long-term syndicated loan of €197,6 million maturing in June 2017, which was reclassified as short-term on 31/12/2014 pursuant to IAS 1 (note 2.20). This loan will be classified back to long-term with the release of the Group's financial statements for the first quarter of 2015.

GROUP		**31/12/2013**		
Financial Liabilities:	**0-1 years**	**1-5 years**	**> 5 years**	**Total**
Creditors (note 2.24)	78.660	0	0	**78.660**
Payables to related parties (note 2.23 & 2.24)	32.139	32	0	**32.171**
Other payables (note 2.23 & 2.24)	69.504	12.092	0	**81.596**
Derivative financial instruments (note 2.23 & 2.24)	1.061	0	0	**1.061**
Loans and finance leases (note 2.20 & 2.25)	176.920	369.558	0	**546.478**
Total	**358.284**	**381.682**	**0**	**739.966**

COMPANY **31/12/2014**

Financial Liabilities:	**0-1 years**	**1-5 years**	**> 5 years**	**Total**
Creditors (note 2.24)	17.900	0	0	**17.900**
Payables to related parties (note 2.23 & 2.24)	83.871	0	0	**83.871**
Other payables (note 2.23 & 2.24)	7.201	0	0	**7.201**
Derivative financial instruments (note 2.23 & 2.24)	0	0	0	**0**
Loans and finance leases (note 2.20 & 2.25)	71.129	172.542	0	**243.671**
Total	**180.101**	**172.542**	**0**	**352.643**

COMPANY **31/12/2013**

Financial Liabilities:	**0-1 years**	**1-5 years**	**> 5 years**	**Total**
Creditors (note 2.24)	22.283	0	0	**22.283**
Payables to related parties (note 2.23 & 2.24)	65.545	0	0	**65.545**
Other payables (note 2.23 & 2.24)	7.149	0	0	**7.149**
Derivative financial instruments (note 2.23 & 2.24)	165	0	0	**165**
Loans and finance leases (note 2.20 & 2.25)	9.432	223.042	0	**232.474**
Total	**104.574**	**223.042**	**0**	**327.616**

Market Risk

1) Foreign Exchange risk

Fluctuations in exchange rates can have significant effects on the Group's currency positions. Group transactions are carried out in more than one currency and therefore there is a high exposure in foreign exchange rate fluctuations against the euro, which is the main underlying economic currency. On the other hand, the Group's activity abroad also helps to create a significant advantage in foreign exchange risk management, due to the diversification in the currency portfolio. This kind of risk mainly results from commercial transactions in foreign currency as well as investments in foreign entities. For managing this type of risk, the Group enters into derivative financial instruments with various financial institutions. The Group's policy regarding the foreign exchange risk concerns not only the parent company but also the Group's subsidiaries.

Sensitivity Analysis in Currency movements amounts of the period 1/1 – 31/12/2014 (in thousand €)

Foreign Currency	**Currency Movement**	**Effect in Earnings before taxes**	**Effect in Equity**
USD:	5%	-40	2.503
	-5%	36	-2.265
TRY:	5%	2.393	3.445
	-5%	-2.165	-3.117
PEN:	5%	205	43
	-5%	-186	-38
BRL:	5%	-194	-517
	-5%	176	468
JMD:	5%	455	1.179
	-5%	-411	-1.067
ARS:	5%	567	0
	-5%	-513	0
RON:	5%	363	936
	-5%	-328	-847

Sensitivity Analysis in Currency movements
amounts of the period 1/1 – 31/12/2013 *
(in thousand €)

Foreign Currency	Currency Movement	Effect in Earnings before taxes	Effect in Equity
USD:	5%	-316	2.221
	-5%	286	-2.010
TRY:	5%	1.687	2.373
	-5%	-1.527	-2.147
PEN:	5%	-105	112
	-5%	95	-101
BRL:	5%	-314	-204
	-5%	284	184
JMD:	5%	304	1.085
	-5%	-275	-982
ARS:	5%	636	-70
	-5%	-576	63
RON:	5%	306	921
	-5%	-277	-833

* Including restated figures according to IFRS 11 – note 2.27.A.III

2) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's activities are closely linked to interest rates because of investments and long and short term borrowings. To manage this risk category, the Group uses financial hedging instruments in order to reduce its exposure to interest rate risk. The Group's policy on managing its exposure to interest rate risk affects not only the parent company but also its subsidiaries for their loans concluded in euros or local currency. The Group's exposure to the risk of changes in market interest rates relates primarily to long-term borrowings of the Group's floating rate. The Group also manages interest rate risk by having a balanced portfolio of loans with fixed and floating rate borrowings. On December 31, 2014, taking into account the impact of financial hedging products, approximately 73% of the Group's borrowings are at a fixed rate (2013: 78%). As a result, the impact of interest rate fluctuations in operating results and cash flows of the Group's operating activities is small, as shown in the following sensitivity analysis. The following table demonstrates the sensitivity to a reasonably possible change in interest rates after the impact of financial hedging products. With all other variables held constant, the Group's profit before tax is affected by the impact on floating rate, as follows:

Sensitivity Analysis of Group Loans in interest rate risk

Year 2014	**Change in interest rate**	**Effect on profit before tax**
Euribor 1M	+/- 1%	2.000

Year 2013	**Change in interest rate**	**Effect on profit before tax**
Euribor 1M	+/- 1%	1.260
Euribor 3M	+/- 1%	425

DERIVATIVES

For the interest rate and exchange rate risk which may arise from the current and future funding needs, the Group has concluded entering in various contracts for the Parent company and the Subsidiaries.

Interest Rate and foreign exchange Hedge:
Positions: Cross Currency Swap
Inception of contract: 11/11/2014
Expiration: 11/02/2015
Amount: USD 6,5 million

The Group from the fair value revaluation on 31/12/2014 of the above mentioned derivatives and the settlement of derivative instruments that had in its possession from 2013, recognized a gain of €0,4 million (including deferred tax) in equity and a loss of €0,65 million in income statement.

CAPITAL MANAGEMENT

The Group aims through capital management to ensure the smooth functioning ability of the Group in the future, shareholders value maximization and maintaining the appropriate capital structure in terms of capital costs.
The Group monitors its capital adequacy based on the ratio of net debt to EBITDA. Net debt includes borrowings and finance lease liabilities minus cash and cash equivalents.

	GROUP		COMPANY	
	31/12/2014	**31/12/2013 [1]**	**31/12/2014**	**31/12/2013**
Long term loans (note 2.20)	557.452	350.315	172.542	223.042
Long term finance lease liabilities	8.600	19.243	0	0
Short term loans (note 2.25) [2]	220.868	165.630	71.129	9.432
Short term finance liabilities	11.400	11.290	0	0
Total Debt	**798.320**	**546.478**	**243.671**	**232.474**
Minus: Cash and cash equivalents	-416.925	-143.293	-7.875	-5.131
Net Debt	**381.395**	**403.185**	**235.796**	**227.343**
EBITDA	**175.445**	**194.850**	**20.074**	**23.141**
Leverage ratio	**2,17**	**2,07**	**11,75**	**9,82**

[1] Including restated figures according to IFRS 11 – 2.27.A.III
[2] The Group in "Short-term loans" includes a long-term syndicated loan of €197,6 million maturing in June 2017, which was reclassified as short-term on 31/12/2014 pursuant to IAS 1 (note 2.20). This loan will be classified back to long-term with the release of the Group's financial statements for the first quarter of 2015.

2.30 COMPARABLE FIGURES

In the data presented in the previous year were limited size adjustments / reclassifications for comparative purposes, without significant impact on equity, turnover and profit after tax for the previous year the Group and the Company.

2.31 SUBSEQUENT EVENTS

In January 2015, INTRALOT Australia received the approval from the Australian Competition and Consumer Commission regarding the sale of the Victoria Lottery (operated also in Tasmania), to the Tatts Group, which currently holds the primary license in the region. This transaction brings Victoria back to a monopoly status quo. Proceeds related to the transaction, including upfront fees, ongoing payments and cost savings, are estimated to reach up to 20 million AUD. The Victorian lottery operation represented less than 2% of the Group's revenues in 2014.

In February 2015, on the occasion of ICE 2015, the largest trade exhibition in the gaming sector worldwide, INTRALOT Group announced at a press conference held in London today that it has reached an in principle commercial and strategic partnership agreement with Bit8, a Malta-based gaming platform solutions company. Bit8 has developed a cutting-edge online gaming platform based on proprietary artificial intelligence technology. Thanks to its functionality, modularity, scalability and flexibility, Bit8's platform has gained widespread commercial success, with its customers including some of the top online casinos internationally. Bit8's platform is an all-inclusive sportsbook and casino platform that includes functionalities such as Player Account Management (PAM), eWallet, real-time analytical tools, automated rules and a bonus engine that works with little need for human interaction, resulting in lower promotional and labour costs, solving a long term issue for the gaming industry.The agreement stipulates an exclusive, joint development and marketing approach in the international online platform market and the acquisition of a significant minority stake in the company. The consummation of the transaction is subject to customary closing requirements such as due diligence and appropriate regulatory approvals.

In February 2015, the Group decided to discontinue gradually until the end of April 2015 the operation of the 12 agencies of the subsidiary Netman SRL in Romania. The contribution of these agencies to the Group's revenue in 2014 was not significant.

In March 2015, INTRALOT obtained a 10-year exclusive license in Azerbaijan to offer horse racing games, in addition to the sports betting and greyhound game licenses that holds in the country. Moreover, the existing exclusive sports betting license was extended by an additional five years, up to 2025.

In March 2015, INTRALOT extended its facilities management and marketing services contracts for all games (including numerical, instants, sports betting and Internet) offered in Morocco for two additional years, up to August 2017.

Maroussi, March 30th, 2015

THE CHAIRMAN OF THE BOARD OF DIRECTORS	**THE GROUP CEO**
S.P. KOKKALIS **ID. No. AI 091040**	**A.I. KERASTARIS** **ID. No. AI 682788**

THE GROUP ACCOUNTING DIRECTOR

N. G.PAVLAKIS
ID.No. AZ 012557
H.E.C. License
No. 15230/ A' Class

3. Information according to Article 10 L.3401/2005

The following notifications sent to the Daily Official List of ASE, and are posted to the ASE's website (www.helex.gr) and also to our company's website (www.intralot.com):

13/1/2014	Press Release: INTRALOT RENEWS THE ISO 9001:2008 CERTIFICATION FOR BETTING OPERATIONS
16/1/2014	Press Release INTRALOT TO BE THE LEAD SPONSOR OF ICE CONFERENCES 2014
23/1/2014	Announcement (Regarding press publications)
23/1/2014	Press Release INTRALOT UNVEILS ITS LATEST VLT & CASINO SOLUTIONS AT ICE 2014 IN LONDON
23/1/2014	Reply to a letter of Capital Market Commission
30/1/2014	INTRALOT ANNOUNCES NEW ORGANIZATIONAL STRUCTURE
6/2/2014	Press Release: INTRALOT distinguished for its global footprint
13/2/2014	Press Release: INTRALOT CERTIFIED ON THE INTEGRITY OF OPERATIONS IN THE NETHERLANDS & CYPRUS
20/2/2014	INTRALOT EXTENDS ITS ONLINE CONTRACT IN NEW MEXICO
27/2/2014	Press Release: INTRALOT EXTENDS CONTRACT IN CROATIA TO PROVIDE INTERACTIVE INSTANT & SCRATCH GAMES
13/3/2014	Press Release: INTRALOT launches SportsMobile in Italy
18/3/2014	Invitation to the Extraordinary General Meeting of the shareholders
20/3/2014	Press Release: INTRALOT becomes technology vendor of the national lottery of Ireland
20/3/2014	Conference Call Invitation (FY2013 Financial Results)
24/3/2014	Financial Calendar for the year 2014
26/3/2014	Press Release: FY2013 Financial Results
31/3/2014	Press Release: INTRALOT SELECTED AS GAMING VENDOR BY THE WYOMING LOTTERY CORPORATION
2/4/2014	Press Release: INTRALOT ACHIEVES ISAE 3402 YEARLY ASSURANCE FOR ITS OPERATIONS AT OPAP
9/4/2014	Press Release: INTRALOT's gaming protocol converter certified by GSA
10/4/2014	Announcement on the decisions of the Extraordinary General Meeting dated 10 April 2014
10/4/2014	Notification for election of a new Board of Directors
24/4/2014	Press Release: Double Achievement: Maltco Lotteries LTD Receives WLA and EL Certifications on Responsible Gaming
25/4/2014	Announcement (launch of €200,000,000 Senior Notes)
29/4/2014	Press Release: INTRALOT SIGNS FIFTH AMENDMENT WITH THE OHIO LOTTERY TO PROVIDE INTERACTIVE TERMINALS & GAMES
30/4/2014	Announcement: INTRALOT 7-YEAR €250M BOND SUBSTANTIALLY OVERSUBSCRIBED - COUPON AT 6%
2/5/2014	Announcement: INTRALOT successfully prices €250 million senior notes offering April 30th, 2014
7/5/2014	Press Release: CONSTANTINOS ANTONOPOULOS, INTRALOT GROUP CEO, AWARDED 'MANAGER OF THE YEAR 2013'
14/5/2014	Conference Call Invitation (First Quarter 2014 Financial Results)
15/5/2014	Press Release (First Quarter 2014 Financial Results)
20/5/2014	Invitation to the Ordinary General Meeting
26/5/2014	Press Release: INTRALOT NAMED BEST MULTINATIONAL COMPANY
29/5/2014	Press Release: INTRALOT'S SUBSIDIARY TOTOLOTEK SUPPORTS FOOTBALL IN POLAND
2/6/2014	Announcement: INTRALOT signs 200 million syndicated loan facility
3/6/2014	Announcement: INTRALOT SIGNS IT CONTRACT WITH OPAP S.A.
11/6/2014	Press Release: Shareholders' Annual General Meeting
12/6/2014	Press Release: INTRALOT Italia launches MULTILIVE Betting
12/6/2014	Announcement of voting results (Ordinary General Meeting of June 11,2014)
12/6/2014	Announcement (share buy-back program)
24/6/2014	Press Release: INTRALOT SIGNS AMENDMENT TO ITS CONTRACT WITH THE NEW HAMPSHIRE LOTTERY COMMISSION
3/7/2014	Press Release: INTRALOT WINS MONITORING CONTRACT IN GEORGIA, USA WITH EXCELLENT SCORE
7/7/2014	Press Release: INTRALOT: 7 year Extension Agreement with Magnum Corporation

16/7/2014	INTRALOT extends its cooperation WITH LOTTERYWEST until 2019
22/7/2014	Press Release: INTRALOT SIGNS AMENDMENT EXTENDING ITS CONTRACT IN WASHINGTON DC UNTIL 2020
11/8/2014	Conference Call Invitation (First Half 2014 Financial Results)
13/8/2014	Announcement (following a request by the Capital Markets Commission)
14/8/2014	Press Release: 1H2014 Financial Results
14/8/2014	Invitation to the Extraordinary General Meeting of the shareholders
25/8/2014	INTRALOT SEALS VLTs PRE-COMMITMENT CONTRACT IN VICTORIA
1/9/2014	Press Release: INTRALOT USA SUCCESSFULLY LAUNCHES the 44th US LOTTERY
4/9/2014	Announcement on the decisions of the Extraordinary General Meeting dated 4 September 2014
9/10/2014	Press Release: INTRALOT RENEWS GOLD CERTIFICATION FOR SOCIAL, ENVIRONMENTAL & ETHICAL GOVERNANCE
22/10/2014	Press Release: INTRALOT RECOGNIZED FOR GLOBAL EXPANSION INFOCOM AWARDS 2014
27/10/2014	Announcement: INTRALOT AUSTRALIA SELLS LOTTERY ASSETS IN VICTORIA
29/10/2014	Press Release: INTRALOT: “TRUE LEADER” FOR THE 4TH YEAR
3/11/2014	Press Release: INTRALOT EXPANDS ITS ISO 27001 & WLA SCS CERTIFICATIONS IN GERMANY, MALTA, GREECE & SOUTH AFRICA
4/11/2014	Press Release: INTRALOT OFFICIAL OLYMPIC SPONSOR OF SWIMMING CHAMPION APOSTOLOS CHRISTOU
5/11/2014	Conference Call Invitation (Nine Month 2014 Financial Results)
10/11/2014	Press Release (Nine Month 2014 Financial Results)
10/11/2014	Press Release: INTRALOT AT THE 32ND ATHENS MARATHON RACE FOR GOOD CAUSES
17/11/2014	Announcement (new executive member of the Board of Directors)
17/11/2014	Announcement (notification of change senior management)
18/11/2014	Notification for election of a new Board of Directors
26/11/2014	Press Release: INTRALOT RECEIVES AWARD FOR ITS COMMITMENT TO EXCELLENCE
11/12/2014	Press Release: Successful Launch of the Irish National Lottery
11/12/2014	Announcement (share buy back)
12/12/2014	Announcement (share buy back)
16/12/2014	Announcement (share buy back)
17/12/2014	Announcement (share buy back)
18/12/2014	Announcement (share buy back)
19/12/2014	Announcement (share buy back)
22/12/2014	Announcement (share buy back)
23/12/2014	Announcement (share buy back)
29/12/2014	Announcement (share buy back)
30/12/2014	Announcement of regulated information in accordance with L.3556/2007
30/12/2014	Announcement (share buy back)
31/12/2014	Announcement (share buy back)

4. Summary Financial Information for the year January 1st to December 31st 2014

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Company's Number in the General Electronic Commercial Registry: 818201000 - (Public Companies (S.A.) Reg. No.: 27074/06/B/92/9)
Company Domicile: 64 Kifissias Av. & 3 Premetis Str., Maroussi 15125
Figures and information for the period from 1st January 2014 to 31st December 2014
According to the article 135 of C.L. 2190/1920, for Companies preparing annual consolidated and single financial statements in accordance with IAS/IFRS
Amounts in € '000

The figures presented below aim to provide summary information about the financial position and results of INTRALOT S.A. and INTRALOT's Group. Therefore, it is recommended to any reader who is willing to proceed to any kind of investment decision or other transaction concerning the company, to visit the company's web site where the Financial Statements according to IFRSs are posted, accompanied by the Auditor's Review Report where appropriate.

Regulatory Authority:	**Ministry of Economy, Infrastructure, Marine and Tourism, Department for Companies and G.E.MI.**
Web Site:	**www.intralot.com**
Financial Statements BoD approval date:	**March 30, 2015**
Certified Auditor:	**Georgios A. Karamichalis (Reg.No/S.O.E.L 15931)** **Georgios N. Deligiannis (Reg.No/S.O.E.L 15791)**
Auditor Firm:	**S.O.L S.A. (Reg.No /S.O.E.L. 125)** **Grant Thornton (Reg. No/S.O.E.L. 127)**
Type of Auditor's Report:	**Unqualified opinion**

Board of Directors:
Chairman: Socrates P. Kokkalis
Vice-Chairman: Constantinos G. Antonopoulos
CEO: Antonios I. Kerastaris
Member: Konstantinos S. Kokkalis
Member: Dimitrios C. Klonis
Member: Petros C. Souretis
Member: Sotirios N. Filos *
Member: Anastasios M. Tsoufis *
Member: Ioannis P. Tsoukaridis *

***Independent non-executive directors**

STATEMENT OF FINANCIAL POSITION GROUP / COMPANY

	GROUP		COMPANY	
	31.12.2014	31.12.2013¹	31.12.2014	31.12.2013
ASSETS				
Tangible Assets	182.794	199.418	8.001	7.381
Intangible Assets	348.854	353.346	77.804	65.977
Other Non-Current Assets	139.101	161.530	213.230	181.653
Inventories	52.017	48.331	39.085	37.353
Trade Receivables	215.401	224.900	128.809	166.298
Other Current Assets	416.925	143.293	7.875	5.131
TOTAL ASSETS	**1.355.092**	**1.130.818**	**474.804**	**463.793**
EQUITY AND LIABILITIES				
Share Capital	47.689	47.689	47.689	47.689
Other Equity Elements	169.790	218.660	55.994	67.345
Shareholders Equity (a)	**217.479**	**266.349**	**103.683**	**115.034**
Non-Controlling Interests (b)	100.060	77.395	0	0
Total Shareholders Equity (c)=(a)+(b)	**317.539**	**343.744**	**103.683**	**115.034**
Long-term Debt	557.452	350.315	172.542	223.042
Provisions / Other Long term Liabilities	50.615	60.014	15.116	16.920
Short-term Debt ²	232.268	176.920	71.129	9.432
Other Short-term Liabilities	197.218	199.825	112.334	99.365
Total Liabilities (d)	**1.037.553**	**787.074**	**371.121**	**348.759**
TOTAL EQUITY AND LIABILITIES (c)+(d)	**1.355.092**	**1.130.818**	**474.804**	**463.793**

¹ Including restated figures according to IFRS 11 – note 2.27.A.III of annual financial statements.
² The Group in "Short-term Debt" includes a long-term syndicated loan of €197,6 million maturing in June 2017, which was reclassified as short-term on 31/12/2014 pursuant to IAS 1 (note 2.20 of the annual financial statements). This loan will be classified back to long-term with the release of the Group's financial statements for the first quarter of 2015.

STATEMENT OF CHANGES IN EQUITY GROUP / COMPANY

	GROUP		COMPANY	
	31.12.2014	31.12.2013¹	31.12.2014	31.12.2013
Net equity at the beginning of the period (1/1/2014 and 1/1/2013 respectively)(initial publication)	**345.771**	**383.597**	**115.034**	**121.002**
Restatement for IFRS 11¹	-2.027	-2.102	0	0
Net equity at the beginning of the period (1/1/2014 and 1/1/2013 respectively)(after the restatement for IFRS 11)¹	**343.744**	**381.495**	**115.034**	**121.002**
Effect on retained earnings from previous years adjustments	-153	-1.247	-87	0
New Consolidated entities	0	5.121	0	0
Total comprehensive income / (expenses) for the year after tax (continuing and discontinuing operations)	-2.084	-12.633	-10.774	1.458
Dividends Distributed	-23.537	-16.939	0	-417
Tax deemed dividend distribution	28	-177	0	0
Effect due to change in ownership percentage	0	-6.637	0	0
Sale / liquidation of subsidiary	31	0	0	0
Purchase of treasury shares	-490	0	-490	0
Repurchase of convertible bond	0	-5.239	0	-7.009
Net Equity of the period Closing Balance (31/12/2014 and 31/12/2013 respectively)	**317.539**	**343.744**	**103.683**	**115.034**

¹ Including restated figures according to IFRS 11 – note 2.27.A.III of annual financial statements

CASH FLOW STATEMENT GROUP / COMPANY

	GROUP		COMPANY	
	1.1-31.12.2014	1.1-31.12.2013¹	1.1-31.12.2014	1.1-31.12.2013
Operating Activities				
Profit before Taxation (continuing operations)	36.533	53.555	-2.148	7.199
Plus/Less adjustments for:				
Depreciation and Amortization	87.303	91.574	8.877	14.240
Provisions	10.833	14.578	94	40.779
Exchange rate differences	7.052	-22.581	0	0
Results (revenue, expenses, profits and losses) from Investing Activities	-10.213	11.868	-9.138	-6.020
Debit Interest and similar expenses	72.175	57.898	29.606	24.665
Credit Interest and similar income	-12.604	-24.774	-6.271	-16.895
Plus/Less adjustments of working capital to net cash or related to operating activities:				
Decrease/(increase) of Inventories	-5.203	-3.901	-2.300	-4.628
Decrease/(increase) of Receivable Accounts	14.895	-67.343	36.235	-20.373
(Decrease)/increase of Payable Accounts (except Banks)	-10.261	43.706	-22.827	35.566
Less:				
Interest Paid and similar expenses paid	66.165	37.812	30.026	12.341
Income Tax Paid	28.986	35.493	954	2.861
Net Cash inflow / (outflow) from Operating Activities (a)	**95.359**	**81.275**	**1.148**	**59.331**
Investing Activities				
(Purchases) / Sales of subsidiaries, associates, joint ventures and other investments	7.539	-22.934	-695	-12.092
Purchases of tangible and intangible assets	-67.310	-58.170	-18.242	-23.155
Proceeds from sales of tangible and intangible assets	315	389	0	0
Interest received	13.587	8.591	6.361	5.367
Dividends received	999	2.606	4.162	7.643
Net Cash inflow / (outflow) from Investing Activities (b)	**-44.870**	**-69.518**	**-8.414**	**-22.237**
Financing Activities				
Cash inflows from Share Capital Increase	0	0	0	0
Purchase of treasury shares	-490	0	-490	0
Cash inflows from loans	521.243	492.442	22.500	74.500
Repayment of loans	-261.777	-472.315	-12.000	-111.300
Repayment of Leasing Obligations	-12.170	-6.877	0	0
Dividends paid	-23.663	-16.645	0	-417
Net Cash inflow / (outflow) from Financing Activities (c)	**223.143**	**-3.395**	**10.010**	**-37.217**
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	**273.632**	**8.362**	**2.744**	**-123**
Cash and cash equivalents at the beginning of the period	**143.293**	**134.931**	**5.131**	**5.254**
Cash and cash equivalents at the end of the period	**416.925**	**143.293**	**7.875**	**5.131**

¹ Including restated figures according to IFRS 11 – note 2.27.A.III of annual financial statements

TOTAL COMPREHENSIVE INCOME STATEMENT GROUP / COMPANY

	GROUP		GROUP		COMPANY		COMPANY	
	1.1-31.12.2014	1.1-31.12.2013¹	1.10-31.12.2014	1.10-31.12.2013¹	1.1-31.12.2014	1.1-31.12.2013	1.10-31.12.2014	1.10-31.12.2013
Sale Proceeds	1.853.164	1.539.430	523.655	459.468	85.714	150.853	21.228	48.033
Less: Cost of Sales	-1.582.930	-1.271.522	-446.940	-387.496	-48.673	-80.233	-11.045	-26.507
Gross Profit / (Loss)	**270.234**	**267.908**	**76.715**	**71.972**	**37.041**	**70.620**	**10.183**	**21.526**
Other Operating Income	19.309	17.361	5.393	4.866	7.021	332	4.273	207
Selling Expenses	-60.309	-40.185	-17.752	-11.729	-8.446	-5.218	-3.086	-64
Administrative Expenses	-119.941	-120.754	-33.611	-27.801	-12.048	-8.781	-3.022	-1.915
Research and Development Expenses	-7.223	-6.977	-382	-4.226	-7.110	-6.458	-325	-1.034
Other Operating Expenses	-15.103	-17.045	-9.272	-12.030	-5.441	-41.594	-5.136	-41.556
EBIT	**88.142**	**103.276**	**21.905**	**26.833**	**11.197**	**8.901**	**2.949**	**-22.836**
Interest and similar charges	-72.175	-57.898	-18.476	-18.414	-29.606	-24.665	-7.609	-6.851
Interest and related income	13.468	25.233	3.466	11.128	11.132	24.251	1.152	1.533
Exchange differences	10.552	-11.061	3.667	-405	5.309	-1.288	2.028	-595
Profit / (Loss) from equity method consolidations	-2.279	-3.027	-489	2.951	0	0	0	0
Profit / (Loss) before taxes	**36.533**	**53.555**	**9.259**	**13.410**	**-2.148**	**7.199**	**-1.542**	**-28.749**
Taxes	-44.175	-32.239	-13.641	-12.041	-8.859	-7.254	-2.051	-2.133
Net Profit / (Loss) after taxes (A)	**-7.642**	**21.316**	**-4.382**	**1.369**	**-11.007**	**-55**	**-3.593**	**-30.882**
Attributable to:								
- Owners of the parent	-49.546	-4.566	-17.477	-5.093	-11.007	-55	-3.593	-30.882
- Non-Controlling Interests	41.904	25.882	13.095	6.462	0	0	0	0
Other comprehensive income / (expenses), after taxes (B)	**5.558**	**-33.949**	**-2.211**	**-24.238**	**233**	**1.513**	**71**	**453**
Total income / (expenses) after taxes (A) + (B)	**-2.084**	**-12.633**	**-6.593**	**-22.869**	**-10.774**	**1.458**	**-3.522**	**-30.429**
Attributable to:								
- Owners of the parent	-48.516	-25.059	-21.990	-24.679	-10.774	1.458	-3.522	-30.429
- Non-Controlling Interests	46.432	12.426	15.397	1.810	0	0	0	0
Earnings / (losses) after taxes per share (in euro)								
- basic	-0,3117	-0,0287	-0,1099	-0,0320	-0,0693	-0,0003	-0,0226	-0,1943
- diluted	-0,3117	-0,0287	-0,1099	-0,0320	-0,0693	-0,0003	-0,0226	-0,1943
EBITDA	175.445	194.850	43.792	51.373	20.074	23.141	5.041	-19.532
Proposed dividend per share (in €)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

¹ Including restated figures according to IFRS 11 – note 2.27.A.III of annual financial statements

Supplementary information:

1. The same accounting policies have been followed as the year-end consolidated financial statements 31/12/2013 except for the changes resulting from the adoption of new or revised accounting standards and interpretations as mentioned in note 2.1.4 of the year-end financial statements.
2. The companies included in the consolidation of 31/12/2014 and not in the consolidation of 31/12/2013 due to subsequent acquisition are the following: Intralot Slovakia Spol. Sro, Intralot Ireland Ltd and Intralot Capital Luxembourg S.A. (note 2.27.A of annual financial statements).
   The entity Bilyoner Interaktif Hizmetler AS Group is consolidated since 1/12/2013 with the full consolidation method (in prior periods was consolidated with the equity method) since the requirements of IFRS 10 are met.
   Since 1/11/2013, entities Gain Advance Group Ltd and KTEMS Holdings Co Ltd are consolidated with the equity method (in prior periods were consolidated with the full consolidation method) since the requirements of IFRS 10 are no longer met. Since 1/11/2013 Nanum Lotto Co Ltd is not consolidated since the requirements of IAS 28 are no longer met. The subsidiary Servicios Transdata S.A. was absorbed by Intralot De Peru SAC on 1/10/2013.The entities Atropos S.A. and Nafirol S.A. are in the process of liquidation while the liquidation of Intralot France SAS was completed in May 2013. During 2014 the Group ceased operation and finalized liquidation process of the subsidiaries Promarta OOO, Dinet ZAO, Kelicom Holdings Co Ltd, Intralot Luxembourg S.A., Intralot Holdings Luxembourg S.A., Intralot De Chile S.A., Intralot Interactive USA LLC and DeepStack Casino LLC.
   The Group sold its share in subsidiary Intralot Czech SRO on July 2014. Also in December 2014, the Group sold its participation in the subsidiary Intralot Egypt Ltd thus reducing its share in ECES SAE at 15.20% (the conditions of consolidation under IFRS 10 and IFRS 11 are no longer met).
   The Group has applied the new IFRS 11 "Joint arrangements" retroactively from 1/1/2013, changing the method of consolidation of companies under common control (Uniclic Ltd and Dowa Ltd) from proportionate to equity method (note 2.27.A.III of annual financial statements).
3. The Group's provisions at 31/12/2014 that refer to legal issues amount to € 5,7 million, those referring to unaudited tax periods and tax audit expenses amount to € 3,9 million and € 4,6 million refer to other provisions. The respective amounts for the Company amount to € 5,4 million (legal issues), € 3,3 million (provisions for unaudited tax years and tax audit expenses) and € 0,1 million (other provisions) (note 2.27.C & 2.28 of annual financial statements).
4. The number of employees of the Group at the end of the current period amounted to 5.348 (5.269 subsidiaries and associates 79) and the Company's 690. At the end of 2013 the number of employees of the Group were 5.685 persons (subsidiaries 5.361 and associates 324) and the Company's 620.
5. Companies that are included in 31/12/2014 consolidated financial statements are presented in note 2.27.A.I & II in the annual financial report including locations, group percentage ownership and consolidation method.
6. The fiscal years that are unaudited by the tax authorities for the Company and the Group's subsidiaries are presented in detail in the note 2.28.B of the annual financial report.
7. The amounts of other comprehensive expense/income included directly in the Group's comprehensive income statement as at 31/12/2014 of €5,5 mio (2013: €-34 mio) concern: foreign exchange differences of €8,4 mio (2013 : €-42,4 mio), derivative valuation of € 407 k (2013: € 3,3 mio), € -3,3 mio (2013: €5,4 mio), concerns the valuation of available for sale financial assets, while ending amount € -33 k (2013: €-280 k), concerns defined benefit plans revaluation. Accordingly, the amounts of expense/income recorded in the comprehensive income statement as at 31/12/14 for the Company, amounted to €233 k (2013: €1,5 mio) regard: revaluation of available for sale financial assets, amounted to €158 k (2013: €-8 k) and €0 (2013: €1,6 mio) concerns valuation of derivative and € 75 k (2013: €-72 k) concerns defined benefit plans revaluation.
8. The Company, according to article 16, C.L. 2190/1920, article 4.1.4.2 of the regulation of ATHEX and based on the resolution of the Shareholder's Annual General Meeting which took place on the 11.06.2014, has approved a buy-back program of up to 10% of the paid share capital, for the time period of 24 months with effect from 11.06.2014 and until 11.06.2016, with a minimum price of €1.00 and maximum price of €10.00. It has also approved that the own shares which will eventually be acquired may be held for future acquisition of shares of another company. Until 31/12/2014 the Company has purchased 470,746 own shares (0.296% of the corporate share capital) with average price €1.0402 per share and a total purchase price of €490k.
9. There are no changes in accounting estimates. Certain prior year amounts have been reclassified for presentation purposes with no significant impact on the prior year equity, turnover and earnings after tax of the Group and the Company.
10. The Group in "Short-term Debt" includes a long-term syndicated loan of €197,6 million maturing in June 2017, which was reclassified as short-term on 31/12/2014 pursuant to IAS 1 (note 2.20 of the annual financial statements). This loan will be classified back to long-term with the release of the Group's financial statements for the first quarter of 2015. In early March 2015 the Group secured from the creditors of the above financing an amendment of the Interest Cover covenant of the facility documentation along with a waiver for any potential shortfall of the said financial covenant for the reference period 31/12/2014.
11. Significant events after the end of the reporting period and up to the release date of the financial results are stated in the note 2.31 of the annual financial statements.
12. Transactions (including income, expenses, receivables, payables) with related parties, are as follows:

	GROUP	COMPANY
a) Income		
-from subsidiaries	0	29.316
-from associates	2.424	2.711
-from other related parties	5.335	5.118
b) Expenses		
-to subsidiaries	0	32.907
-to associates	-343	-349
-to other related parties	16.650	12.398
c) Receivables		
-from subsidiaries	0	108.412
-from associates	19.158	14.995
-from other related parties	15.368	10.525
d) Payables		
-to subsidiaries	0	311.085
-to associates	-3	-9
-to other related parties	18.844	16.194
e) BoD and Key Management Personnel transactions and fees	11.905	7.088
f) BoD and Key Management Personnel receivables	648	0
g) BoD and Key Management Personnel payables	602	272

Maroussi, March 30, 2015

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE GROUP CHIEF EXECUTIVE OFFICER	THE GROUP ACCOUNTING DIRECTOR
S. P. KOKKALIS **ID. No. AI 091040**	**A. I. KERASTARIS** **ID. No. AI 682788**	**N.G. PAVLAKIS** **ID. No. AZ 012557 H.E.C. License No. 15230/A' Class**