INTRALOT Group

INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 March 2018
(based on the Article 5 of L.3556/2007)
ACCORDING TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

CONTENTS

INTERIM FINANCIAL STATEMENTS

INCOME STATEMENT GROUP / COMPANY FOR THE THREE MONTHS OF 2018

Amounts reported in thousand €	Note	GROUP 1/1-31/3/2018	GROUP 1/1-31/3/2017	COMPANY 1/1-31/3/2018	COMPANY 1/1-31/3/2017
Sale Proceeds	2.2	280.665	268.959	14.501	14.136
Less: Cost of Sales		-219.886	-214.240	-9.727	-8.868
Gross Profit /(loss)		**60.779**	**54.719**	**4.774**	**5.268**
Other Operating Income	2.3	3.521	4.197	50	46
Selling Expenses		-17.185	-13.658	-2.322	-2.775
Administrative Expenses		-18.278	-18.304	-3.180	-3.106
Research and Development Expenses		-1.490	-1.656	-1.490	-1.656
Other Operating Expenses	2.7	-432	-237	-1.268	-2
EBIT	2.1.5	**26.915**	**25.061**	**-3.436**	**-2.225**
EBITDA	2.1.5	**42.599**	**41.829**	**60**	**890**
Income/(expenses) from participations and investments	2.5	1.006	537	8.470	11.897
Gain/(loss) from assets disposal, impairment loss and write-off of assets	2.6	-109	-56	0	-6
Interest and similar expenses	2.8	-12.961	-12.939	-3.868	-4.236
Interest and similar income	2.8	1.873	1.693	620	734
Foreign exchange differences	2.9	-2.661	801	-975	-203
Profit / (loss) from equity method consolidations		-850	-1.173	0	0
Operating Profit/(loss) before tax from continuing operations		**13.213**	**13.924**	**811**	**5.961**
Tax	2.4	-8.753	-9.756	-812	-1.133
Profit / (loss) after tax from continuing operations (a)		**4.460**	**4.168**	**-1**	**4.828**
Profit / (loss) after tax from discontinued operations (b) [1]	2.20	0	2.972	0	0
Profit / (loss) after tax (continuing and discontinued operations) (a)+(b)		**4.460**	**7.140**	**-1**	**4.828**
Attributable to:					
Equity holders of parent					
-Profit/(loss) from continuing operations		-6.037	-6.167	-1	4.828
-Profit/(loss) from discontinued operations [1]	2.20	0	696	0	0
		-6.037	**-5.471**	**-1**	**4.828**
Non-Controlling Interest					
-Profit/(loss) from continuing operations		10.497	10.335	0	0
-Profit/(loss) from discontinued operations [1]	2.20	0	2.276	0	0
		10.497	**12.611**	**0**	**0**
Earnings/(loss) after tax per share (in €) from total operations					
-basic	2.20	-0,0385	-0,0348	0,0000	0,0307
-diluted	2.20	-0,0385	-0,0348	0,0000	0,0307
Weighted Average number of shares		156.974.455	157.373.970	156.974.455	157.373.970

[1] The activities of Group subsidiaries Favorit Bookmakers Office OOO (Russia), Intralot Caribbean Ventures Ltd (Santa Lucia), Supreme Ventures Ltd (Jamaica) and Slovenske Loterie AS (Slovakia) are presented as discontinued operations pursuant to IFRS 5 (note 2.20.A.VIII)

STATEMENT OF COMPREHENSIVE INCOME GROUP / COMPANY FOR THE THREE MONTHS OF 2018

Amounts reported in thousand €	Note	GROUP		COMPANY	
		1/1-31/3/2018	1/1-31/3/2017	1/1-31/3/2018	1/1-31/3/2017
Net Profit / (loss) after tax (continuing and discontinued operations) (a)+(b)		**4.460**	**7.140**	**-1**	**4.828**
Attributable to:					
Equity holders of parent					
-Profit/(loss) from continuing operations		-6.037	-6.167	-1	4.828
-Profit/(loss) from discontinued operations [1]		0	696	0	0
		-6.037	**-5.471**	**-1**	**4.828**
Non-Controlling Interest					
-Profit/(loss) from continuing operations		10.497	10.335	0	0
-Profit/(loss) from discontinued operations [1]		0	2.276	0	0
		10.497	**12.611**	**0**	**0**
Other comprehensive income after tax					
Amounts that may not be reclassified to profit or loss:					
Defined benefit plans revaluation for subsidiaries and parent company		5	20	0	0
Defined benefit plans revaluation for associates and joint ventures		-110	0	0	0
Valuation of financial assets measured at fair value through other comprehensive income of parent and subsidiaries	2.12	3	-435	3	-266
Amounts that may be reclassified to profit or loss:					
Derivatives valuation of parent and subsidiaries		18	113	18	113
Exchange differences on translating foreign operations of subsidiaries	2.15	-7.612	-5.215	0	0
Share of exchange differences on translating foreign operations of associates and joint ventures	2.15	-1.671	-1.071	0	0
Other comprehensive income/ (expenses) after tax		**-9.367**	**-6.588**	**21**	**-153**
Total comprehensive income / (expenses) after tax		**-4.907**	**552**	**20**	**4.675**
Attributable to:					
Equity holders of parent		-13.659	-10.473	20	4.675
Non-Controlling Interest		8.752	11.025	0	0

[1] The activities of Group subsidiaries Favorit Bookmakers Office OOO (Russia), Intralot Caribbean Ventures Ltd (Santa Lucia), Supreme Ventures Ltd (Jamaica) and Slovenske Loterie AS (Slovakia) are presented as discontinued operations pursuant to IFRS 5 (note 2.20.A.VIII)

STATEMENT OF FINANCIAL POSITION GROUP/COMPANY

Amounts reported in thousand €	Note	GROUP		COMPANY	
		31/3/2018	31/12/2017	31/3/2018	31/12/2017
ASSETS					
Tangible assets	2.10	98.249	102.793	15.652	15.794
Investment property	2.10	0	0	0	0
Intangible assets	2.10	321.671	324.508	93.413	93.729
Investment in subsidiaries, associates and joint ventures	2.11	138.665	135.763	141.500	141.500
Other financial assets	2.12	21.527	21.524	1.246	1.243
Deferred Tax asset		4.699	4.749	0	0
Other long term receivables		18.274	16.515	140	142
Total Non-Current Assets		**603.085**	**605.852**	**251.951**	**252.408**
Inventories	2.13	36.848	31.482	19.782	18.839
Trade and other short term receivables	2.19	133.641	145.575	102.483	105.917
Other financial assets	2.12	876	914	0	0
Cash and cash equivalents	2.14	223.331	238.041	22.361	20.434
Total Current Assets		**394.696**	**416.012**	**144.626**	**145.190**
TOTAL ASSETS		**997.781**	**1.021.864**	**396.577**	**397.598**
EQUITY AND LIABILITIES					
Share capital	2.15	47.689	47.689	47.689	47.689
Treasury shares	2.15	-2.156	-2.149	-2.156	-2.149
Other reserves	2.15	56.764	56.738	43.600	43.579
Foreign exchange differences	2.15	-84.284	-76.747	0	0
Retained earnings	2.16	23.974	32.291	-4.892	-4.558
Total equity attributable to shareholders of the parent		**41.987**	**57.822**	**84.241**	**84.561**
Non-Controlling Interest		18.089	31.966	0	0
Total Equity		**60.076**	**89.788**	**84.241**	**84.561**
Long term debt	2.17	743.695	727.988	236.135	232.179
Staff retirement indemnities		5.222	5.451	3.283	3.489
Other long term provisions	2.20	8.204	7.993	7.793	7.612
Deferred Tax liabilities		14.364	15.054	5.622	5.803
Other long term liabilities	2.19	2.766	1.069	330	0
Finance lease obligation	2.21	1.141	1.389	0	0
Total Non-Current Liabilities		**775.392**	**758.944**	**253.163**	**249.083**
Trade and other short term liabilities	2.19	136.983	136.844	56.273	61.910
Short term debt and finance lease	2.17	6.798	19.345	0	0
Current income tax payable		13.607	11.084	2.809	1.953
Short term provision	2.20	4.925	5.859	91	91
Total Current Liabilities		**162.313**	**173.132**	**59.173**	**63.954**
TOTAL LIABILITIES		**937.705**	**932.076**	**312.336**	**313.037**
TOTAL EQUITY AND LIABILITIES		**997.781**	**1.021.864**	**396.577**	**397.598**

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 exchange differences	Retained Earnings	Total	Non-Controlling Interest	Grand Total
Opening Balance 1 January 2018 prior to the application of IFRS 9 & 15	**47.689**	**-2.149**	**28.201**	**28.537**	**-76.747**	**32.291**	**57.822**	**31.966**	**89.788**
Effect from the application of IFRS 15 [1]						-937	**-937**		**-937**
Effect from the application of IFRS 9 [1]						-1.150	**-1.150**		**-1.150**
Opening Balance 1 January 2018 after the application of IFRS 9 & 15	**47.689**	**-2.149**	**28.201**	**28.537**	**-76.747**	**30.204**	**55.735**	**31.966**	**87.701**
Effect on retained earnings from previous years adjustments						-72	**-72**	-9	**-81**
New consolidated associate companies				-10			**-10**		**-10**
Period's results						-6.037	**-6.037**	10.497	**4.460**
Other comprehensive income / (expenses) after tax				23	-7.537	-108	**-7.622**	-1.745	**-9.367**
Dividends to equity holders of parent / non-controlling interest							**0**	-22.620	**-22.620**
Transfer between reserves			13			-13	**0**		**0**
Repurchase of treasury shares		-7					**-7**		**-7**
Balances as at 31 March 2018	**47.689**	**-2.156**	**28.214**	**28.550**	**-84.284**	**23.974**	**41.987**	**18.089**	**60.076**

[1] Relates to adjustment of the opening balance from the first application of IFRS 9 and IFRS 15 (note 2.1.4)

STATEMENT OF CHANGES IN EQUITY INTRALOT GROUP (Amounts reported in thousand of €)	Share Capital	Treasury Shares	Legal Reserve	Other Reserves	Foreign exchange differences	Retained Earnings	Total	Non-Controlling Interest	Grand Total
Opening Balance 1 January 2017	**47.689**	**-1.709**	**27.076**	**28.960**	**-61.180**	**86.706**	**127.542**	**68.944**	**196.486**
Effect on retained earnings from previous years adjustments						-90	**-90**	-19	**-109**
Period's results						-5.471	**-5.471**	12.611	**7.140**
Other comprehensive income / (expenses) after tax				-335	-4.676	9	**-5.002**	-1.586	**-6.588**
Dividends to equity holders of parent / non-controlling interest							**0**	-25.340	**-25.340**
Transfer between reserves			659			-659	**0**		**0**
Repurchase of treasury shares		-6					**-6**		**-6**
Balances as at 31 March 2017	**47.689**	**-1.715**	**27.735**	**28.625**	**-65.856**	**80.495**	**116.973**	**54.610**	**171.583**

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 1 January 2018 prior to the application of IFRS 15	**47.689**	**-2.149**	**15.896**	**27.683**	**-4.558**	**84.561**
Effect from the application of IFRS 15 [1]					-333	**-333**
Opening Balance 1 January 2018 after the application of IFRS 15	**47.689**	**-2.149**	**15.896**	**27.683**	**-4.891**	**84.228**
Period's results					-1	**-1**
Other comprehensive income /(expenses) after tax				21		**21**
Repurchase of treasury shares		-7				**-7**
Balances as at 31 March 2018	**47.689**	**-2.156**	**15.896**	**27.704**	**-4.892**	**84.241**

[1] Relates to adjustment of the opening balance from the first application of IFRS 15 (note 2.1.4)

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 1 January 2017	**47.689**	**-1.709**	**15.896**	**28.040**	**6.892**	**96.808**
Period's results					4.828	**4.828**
Other comprehensive income /(expenses) after tax				-153		**-153**
Repurchase of treasury shares		-6				**-6**
Balances as at 31 March 2017	**47.689**	**-1.715**	**15.896**	**27.887**	**11.720**	**101.477**

CASH FLOW STATEMENT GROUP/COMPANY

Amounts reported in thousand of € (total operations)	Note	GROUP 1/1-31/3/2018	GROUP 1/1-31/3/2017	COMPANY 1/1-31/3/2018	COMPANY 1/1-31/3/2017
Operating activities					
Profit / (loss) before tax from continuing operations		13.213	13.924	811	5.961
Profit / (loss) before tax from discontinued operations	2.20	0	3.999	0	0
Profit / (loss) before Taxation		**13.213**	**17.923**	**811**	**5.961**
Plus / Less adjustments for:					
Depreciation and Amortization		15.684	17.216	3.496	3.115
Provisions	2.6/2.7	355	529	1.298	88
Results (income, expenses, gain and loss) from Investing Activities	2.5/2.6 2.9/2.11	2.524	-202	-7.495	-11.688
Interest and similar expenses	2.8	12.961	13.091	3.868	4.236
Interest and similar Income	2.8	-1.873	-1.826	-620	-734
Plus / Less adjustments for changes in working capital:					
Decrease / (increase) of Inventories		-4.368	-217	506	-421
Decrease / (increase) of Receivable Accounts		6.822	1.679	2.851	9.119
(Decrease) / increase of Payable Accounts (except Banks)		-4.194	-2.400	-3.695	-6.684
Less: Income Tax Paid		5.261	6.646	0	0
Total inflows / (outflows) from operating activities (a)		**35.863**	**39.147**	**1.020**	**2.992**
Investing Activities					
(Purchases) / Sales of subsidiaries, associates, joint ventures and other investments	2.12/ 2.20	-6.751	-3.108	0	0
Purchases of tangible and intangible assets	2.10	-14.771	-24.709	-4.668	-3.244
Proceeds from sales of tangible and intangible assets	2.10	625	95	0	40
Interest received		1.635	1.443	203	0
Dividends received		0	0	5.854	10.100
Total inflows / (outflows) from investing activities (b)		**-19.262**	**-26.279**	**1.389**	**6.896**
Financing Activities					
Repurchase of treasury shares	2.15	-7	-6	-7	-6
Proceeds from loans	2.17	26.347	31.457	0	0
Repayment of loans	2.17	-13.112	-21.857	0	-4.500
Repayments of finance lease obligations	2.17	-614	-468	0	0
Interest and similar expenses paid		-23.485	-12.977	-150	257
Dividends paid	2.16	-15.455	-10.787	0	0
Total inflows / (outflows) from financing activities (c)		**-26.326**	**-14.638**	**-157**	**-4.249**
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)		**-9.725**	**-1.770**	**2.252**	**5.639**
Cash and cash equivalents at the beginning of the period	2.14	**238.041**	**164.401**	**20.434**	**20.356**
Net foreign exchange difference		-4.985	-2.084	-325	-236
Cash and cash equivalents at the end of the period from total operations	2.14	**223.331**	**160.547**	**22.361**	**25.759**

1. 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, a public listed company, is the leading supplier of integrated gaming and transaction processing systems, innovative game content, sports betting management and interactive gaming services to state-licensed gaming organizations worldwide. Its broad portfolio of products & services, its know-how of Lottery, Betting, Racing & Video Lottery operations and its leading-edge technology, give INTRALOT a competitive advantage, which contributes directly to customers' efficiency, profitability and growth. With presence in 51 countries and states, with approximately 5.100 employees and revenues from continuing operations of €1,1 billion for 2017, INTRALOT has established its presence on all 5 major continents.

The interim financial statements of the Group and the Company for the period ended 31 March 2018 were approved by the Board of Directors on 30 May 2018.

2. NOTES TO THE INTERIM FINANCIAL STATEMENTS

2.1.1 Basis of preparation of the Financial Statements

The attached financial statements have been prepared on the historical cost basis, except for financial assets measured at fair value through other comprehensive income 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 for the period ended 31 March 2018 have been prepared in accordance with IAS 34 "Interim Financial Reporting". Those interim condensed financial statements do not include all the information and disclosures required by IFRS in the annual financial statements and should be read in conjunction with the Group's and Company's annual financial statements as at 31 December 2017.

2.1.3 Financial Statements

INTRALOT keeps its accounting books and records and prepares its financial statements in accordance with the International Financial Reporting Standards (IFRS) Law 4308/2014 chap. 2, 3 & 4 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 GAS (L.4308/2014), the International Financial Reporting Standards (IFRS) 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 March 31, 2018, the accounting policies adopted are consistent with those followed in the preparation of the most recent annual financial statements (31 December 2017), except for the below mentioned adoption of new standards and interpretations applicable for fiscal periods beginning at January 1, 2018.

Standards and Interpretations compulsory for the fiscal year 2018

New standards, amendments of published standards and interpretations mandatory for accounting periods beginning on 1st January 2018. The Group's assessment of the impact of these new and amended standards and interpretations is set out below.

IFRS 9 "Financial Instruments"

(COMMISSION REGULATION (EU) No. 2016/2067 of 22nd November 2016, L 323/1 - 29/11/2016)
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 recognized and to recognize 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 recognized 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.

Based on the current assessment of the Group's management, IFRS 9 at its initial application and subsequent periods is not expected to have a material impact on the Group's financial statements. In particular, the following are estimated:

Classification and Measurement

The financial assets held by the Group on 1/1/2018, will continue to be measured on the same basis under the new standard and so no significant changes on financial assets classification and measurement are expected.

Impairment

Applying the new impairment model based on expected losses may, in some cases, lead to an earlier recognition of expected credit losses, which is currently not estimated to be significant for the Group (Company and subsidiaries). Subsequent changes in market conditions and the business model of the Group may affect the above estimations.

Regarding the Group associates, and especially the group Gamenet Group S.p.A. the application of the new impairment model on 1/1/2018 led to a cumulative effect of €5.749 thousand after taxes (Intralot Group 20% share: €1.150 thousand), that applying IFRS 9 and the "Modified retrospective method" was recognised as adjustment to "Retained Earnings" on 1/1/2018, while comparative 2017 figures do not require to be restated.

Cumulative effect in Statement of Financial Position of Intralot Group (increase/(decrease) as of 1/1/2018

Amounts reported in thousand €	GROUP 1/1/2018
ASSETS	
Investment in subsidiaries, associates and joint ventures	-1.150
Total Non-Current Assets	**-1.150**
TOTAL ASSETS	**-1.150**
EQUITY AND LIABILITIES	
Retained earnings	-1.150
Total equity attributable to shareholders of the parent	**-1.150**
Non-Controlling Interest	
Total Equity	**-1.150**
TOTAL EQUITY AND LIABILITIES	**-1.150**

Hedge accounting

The application of the reformed hedge accounting model is not expected to have a significant effect on the accounting treatment of the hedging contracts normally conducted by the Group.

Own credit

New standard is not expected to have any impact on the accounting treatment of the Group financial liabilities, since the Group does not have any financial liabilities at fair value through profit or loss, but only financial liabilities at amortized cost.

IFRS 15 "Revenue from Contracts with Customers"

(COMMISSION REGULATION (EU) No. 2016/1905 of 22nd September 2016, L 295/19 - 29/10/2016)

This applies to annual accounting periods starting on or after 1st January 2018. 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 applied the new Standard since 1 January 2018 with the cumulative effect of the initial application recognized in the opening balance of "Retained Earnings" at the date of initial application. In addition, the Group has chosen to apply the Standard retrospectively only for contracts that have not been completed on the date of initial application.

The Group finalised during the first months of 2018 the analysis of the impact of the IFRS 15 application and has assessed the following as the most significant impact of the adoption of this Standard by category of business activities:

a) Licensed operations (Game operation):

During fiscal year 2017 Group revenue from the activities of the category "Licensed operations" was 68,3% of total revenue from continuing operations and amounted to €754.567 thous.

In this category, INTRALOT Group has the full game operating license in a country. In the case of operating the game, each Group company undertakes the overall organization of the games provided. Based on current Standards, 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. The application of IFRS 15 does not affect the revenue recognition in this category.

b) Management contacts (Game management):

During fiscal year 2017 Group revenue from the activities of the category "Management contracts" was 10,6% of total revenue from continuing operations and amounted to €117.101 thous.

In this category, 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 revenue usually 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.

Based on current Standards, 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. The application of IFRS 15 does not affect the recognition of revenue in this category.

c) <u>Technology (hardware and software) and support services (technical)</u>:
During fiscal year 2017 Group revenue from "Technology and support services" was 21,1% of total revenue from continuing operations and amounted to €232.529 thous.

This category includes largely multi-element arrangements, which include both the sale of technological products (hardware and software), as well as the provision of installation services and subsequent support and maintenance services. This kind of contracts led to an effect from IFRS 15 application.

The accounting treatment in accordance with the current Standards and in accordance with IFRS 15 is as follows:

i) <u>Technology (hardware and software)</u>: 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 either (a) as a direct sale of hardware and software, or (b) as operating lease, or (c) as finance lease for a predetermined time period according to the contract with the customer.
In the first (a) case, the revenue 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. The application of IFRS 15 does not affect the recognition of revenue in this case, since the revenue recognition will occur at appoint of time when control of the technology (hardware and software) is transferred to the customer.
In the second (b) case that consists revenue 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). The application of IFRS 15 does not affect the recognition of revenue in this case, since it is subject to the principles of IAS 17.
In the third (c) case that consists revenue from finance lease, 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 income statement during the lease term. The application of IFRS 15 does not affect the recognition of revenue in this case, since it is subject to the principles of IAS 17.

ii) <u>Installation, (technical) support and maintenance services</u>: This category includes the rendering of installation, technical support and maintenance services to Lotteries so that they can operate their on-line games. These services, as mentioned above, are sold either bundled (multi-element arrangements) together with the sale of technology products (hardware and software) to customers, or on their own in separate contracts with the customers. The Group accounts for the sales technology products (hardware and software) and installation, technical support and maintenance services as separate deliverables of bundled sales and allocates consideration between these deliverables using the relative fair value approach. Revenue recognition related to support services occurs by reference to the stage of completion of the transaction, at the reporting date. When applying IFRS 15, in the case of multiple-element arrangements, the individual performance obligations, as defined in the Standard, are identified first and which may in some cases differ from those identified in accordance with the existing Standards. Subsequently, the transaction price is allocated on the basis of the relevant standalone selling prices of each performance obligation recognized. This results in both the timing of revenue recognition from each obligation execution and the amount of revenue being varied.

Finally, the Group has long-term contracts with clients for which it has incurred a high cost before commencing. In accordance with IFRS 15, those costs are initially recognized as an asset and then amortized on a systematic basis that is consistent with the transfer of the goods or services to which the asset relates to the client.

The cumulative impact of the IFRS 15 initial application in the above cases is amounted to a loss of €937 thousand for the Group and €333 thousand for the Company, and was recognized in opening balance of "Retained Earnings" at the date of the initial application of the Standard, ie on 1 January 2018.

Cumulative impact in Statement of Financial Position [increase/(decrease)] on 1/1/2018

Amounts reported in thousand €	Adjustments	GROUP 1/1/2018	COMPANY 1/1/2018
ASSETS			
Intangible assets	(a)	1.302	0
Deferred Tax Asset	(d)	7	136
Total Non-Current Assets		**1.309**	**136**
TOTAL ASSETS		**1.309**	**136**
EQUITY AND LIABILITIES			
Retained earnings		-937	-333
Total equity attributable to shareholders of the parent		**-937**	**-333**
Non-Controlling Interest			
Total Equity		**-937**	**-333**
Other long term liabilities	(b)	1.905	365
Total Non-Current Liabilities		**1.905**	**365**
Trade and other short term liabilities	(c)	341	104
Total Current Liabilities		**341**	**104**
TOTAL LIABILITIES		**2.246**	**469**
TOTAL EQUITY AND LIABILITIES		**1.309**	**136**

Cumulative impact by geographical operating segment

Amounts reported in thousand €	GROUP 1/1/2018		
	European Union	America	Total
ASSETS			
Intangible assets		1.302	1.302
Deferred Tax Asset	358	-351	7
Total Non-Current Assets	**358**	**951**	**1.309**
TOTAL ASSETS	**358**	**951**	**1.309**
EQUITY AND LIABILITIES			
Retained earnings	-1.888	951	-937
Total equity attributable to shareholders of the parent	**-1.888**	**951**	**-937**
Non-Controlling Interest			
Total Equity	**-1.888**	**951**	**-937**
Other long term liabilities	1.905		1.905
Total Non-Current Liabilities	**1.905**	**0**	**1.905**
Trade and other short term liabilities	341		341
Total Current Liabilities	**341**	**0**	**341**
TOTAL LIABILITIES	**2.246**	**0**	**2.246**
TOTAL EQUITY AND LIABILITIES	**358**	**951**	**1.309**

All of the above adjustments of the Group Statement of Financial Position as of 1/1/2018 refer to the Group business activity "Technology and support services".

Impact in Income Statement of first quarter of 2018

Amounts reported in thousand €	Adjustments	GROUP 1/1-31/3/2018	COMPANY 1/1-31/3/2018
Sale Proceeds	(b),(c)	101	42
Less: Cost of Sales	(a)	-35	0
Gross Profit /(loss)		**66**	**42**
EBIT		**66**	**42**
EBITDA		**101**	**42**
Foreign exchange differences		12	12
Operating Profit/(loss) before tax from continuing operations		**78**	**54**
Tax	(d)	-14	-16
Profit / (loss) after tax from continuing operations (a)		**64**	**38**
Profit / (loss) after tax from discontinued operations (b)		0	0
Profit / (loss) after tax (continuing and discontinued operations) (a)+(b)		**64**	**38**
Attributable to:			
Equity holders of parent			
-Profit/(loss) from continuing operations		64	38
-Profit/(loss) from discontinued operations		0	0
		64	**38**
Non-Controlling Interest			
-Profit/(loss) from continuing operations		0	0
-Profit/(loss) from discontinued operations		0	0
		0	**0**
Earnings/(loss) after tax per share (in €) from total operations			
-basic		0,0004	0,0002
-diluted		0,0004	0,0002
Weighted Average number of shares		156.974.455	157.373.970

Adjustments:

(a) Costs of contracts with clients

Refer to adjustments for costs incurred by the Group before commencing long-term contracts with clients, which according to IFRS 15 are initially recognized as an asset and then amortized on a systematic basis that is consistent with the transfer of the goods or services to which the asset relates to the client.

(b), (c) Deferred revenue from contracts with clients

Refer to adjustments for deferred revenue (non-current and current portion) of mutli-element arrangements (hardware, software and installation, technical support and maintenance services), for which the individual performance obligations, as defined in the IFRS 15, are identified first and which may in some cases differ from those identified in accordance with the existing Standards. Subsequently, the transaction price is allocated on the basis of the relevant standalone selling prices of each performance obligation recognized. This results in both the timing of revenue recognition from each obligation execution and the amount of revenue being varied.

(d) Deferred Tax Assets

Refer to adjustments for deferred tax impact of the above cases (a), (b) and (c).

Impact by geographical operating segment

Amounts reported in thousand €	GROUP 1/1-31/3/2018	
	America	Total

Sale Proceeds	101	0	101
Less: Cost of Sales	0	-35	-35
Gross Profit /(loss)	**101**	**-35**	**66**
EBIT	**101**	**-35**	**66**
EBITDA	**101**	**0**	**101**
Foreign exchange differences	12	0	12
Operating Profit/(loss) before tax from continuing operations	**113**	**-35**	**78**
Tax	-24	10	-14
Profit / (loss) after tax from continuing operations (a)	**89**	**-25**	**64**
Profit / (loss) after tax from discontinued operations (b)	0	0	0
Profit / (loss) after tax (continuing and discontinued operations) (a)+(b)	**89**	**-25**	**64**
Attributable to:			
Equity holders of parent			
-Profit/(loss) from continuing operations	89	-25	64
-Profit/(loss) from discontinued operations	0	0	0
	89	**-25**	**64**
Non-Controlling Interest			
-Profit/(loss) from continuing operations	0	0	0
-Profit/(loss) from discontinued operations	0	0	0
	0	**0**	**0**

All of the above adjustments of the Group Income Statement of first quarter of 2018 refer to the Group business activity "Technology and support services".

Impact in Statement of Comprehensive Income of first quarter of 2018

Amounts reported in thousand €	GROUP 1/1-31/3/2018	COMPANY 1/1-31/3/2018
Profit / (loss) after tax (continuing and discontinued operations) (a)+(b)	**64**	**38**
Attributable to:		
Equity holders of parent		
-Profit/(loss) from continuing operations	64	38
-Profit/(loss) from discontinued operations	0	0
	64	**38**
Non-Controlling Interest		
-Profit/(loss) from continuing operations	0	0
-Profit/(loss) from discontinued operations	0	0
	0	**0**
Other comprehensive income after tax		
Amounts that may be reclassified to profit or loss:		
Exchange differences on translating foreign operations of subsidiaries	-7	0
Other comprehensive income/ (expenses) after tax	**-7**	**0**
Total comprehensive income / (expenses) after tax	**57**	**38**
Attributable to:		
Equity holders of parent	57	38
Non-Controlling Interest	0	0

There is no significant impact in Cash Flow Statement of first quarter of 2018.

IFRS 2 (Amendment) "Share-based Payment"

(COMMISSION REGULATION (EU) No. 2018/289 of 26th February 2018, L 55/21 - 27/2/2018)

This applies to annual accounting periods starting on or after 1st January 2018. Earlier application is permitted. In June 2016 the IASB issued amendments in IFRS 2 "Share-based Payment", clarifying how to account for certain types of share-based payment transactions. The amendments, which were developed through the IFRS Interpretations Committee, provide requirements on the accounting for:

a. the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments;
b. share-based payment transactions with a net settlement feature for withholding tax obligations; and
c. a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

These amendments do not affect Group financial statements.

IFRS 4 (Amendment) "Insurance Contracts"

COMMISSION REGULATION (EU) No. 2017/1988 of 3rd November 2017, L 291/72 - 9/11/2017)

This applies to annual accounting periods starting on or after 1st January 2018.

In September 2016 the IASB issued amendments in IFRS 4 "Insurance Contracts", addressing concerns arising from implementing the new financial instruments Standard, IFRS 9, before implementing the replacement Standard that the IASB is developing for IFRS 4. These concerns include temporary volatility in reported results. The amendments introduce two approaches: an overlay approach and a deferral approach. The amended Standard will:

- give all companies that issue insurance contracts the option to recognize in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts Standard is issued; and
- give companies whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 until 2021. The entities that defer the application of IFRS 9 will continue to apply the existing financial instruments Standard—IAS 39.

The amendments to IFRS 4 supplement existing options in the Standard that can already be used to address the temporary volatility.

These amendments do not affect Group financial statements.

IAS 40 (Amendment) "Investment Property"

(COMMISSION REGULATION (EU) No. 2018/400 of 14th March 2018, L 72/13 - 15/3/2018)

This applies to annual accounting periods starting on or after 1st January 2018.

In December 2016 the IASB issued amendments in IAS 40 "Investment Property", clarifying that an entity shall transfer a property to, or form, investment property when, and only when, there is change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use.

These amendments do not affect Group financial statements.

IFRIC 22 "Foreign Currency Transactions and Advance Consideration"

(COMMISSION REGULATION (EU) No. 2018/519 of 28th March 2018, L 87/3 - 3/4/2018)

This applies to annual accounting periods starting on or after 1st January 2018.

In December 2016 the IASB issued the Interpretation IFRIC 22 "Foreign Currency Transactions and Advance Consideration" providing guidance on how to determine the date of the transaction when applying IAS 21 about foreign currency transactions. This Interpretation applies to foreign currency transactions when an entity recognizes a payment or receipt of advance consideration before the entity recognizes the related asset, expense or income.

These amendments are not expected to significantly affect the Group's financial statements.

Amendments that regard part of the annual improvement program of IASB

(International Accounting Standards Board)

Annual Improvements to IFRSs 2014-2016 Cycle

COMMISSION REGULATION (EU) No. 2018/182 of 7th February 2018, L 34/1 - 8/2/2018)

IASB in its annual improvement program, published in December 2016 a Cycle of minor amendments to existing Standards. The Group will assess the impact of the new standard on its financial statements.

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

The amendment applies to the annual fiscal periods beginning on or after the 1st of January, 2018.

The amendment deletes short-term exemptions for first-time adopters.

IFRS 12 "Disclosure of Interests in Other entities"

The amendment holds for the annual fiscal periods beginning on or after the 1st of January, 2017.

The amendment clarifies that the disclosure requirements in IFRS 12 apply to interests in entities within the scope of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", apart from the requirements to disclose summarized financial information.

IAS 28 "Investments in Associates and Joint Ventures"

The amendment applies to the annual fiscal periods beginning on or after the 1st of January, 2018.

The amendment clarifies that when an investment in an associate or a joint venture is held by an entity that is a venture capital organization, or a mutual fund, and similar entities apply the election to measure that investment at fair value through profit or loss in accordance to IFRS 9, this election shall be made separately for each associate or joint venture, at initial recognition.

Standards and Interpretations compulsory after 31 December 2018

The following new standards, amendments and IFRICs have been published but are in effect for the annual fiscal period beginning the 1st of January 2019 and have not been adopted from the Group earlier.

IFRS 9 (Amendment) "Financial Instruments"

(COMMISSION REGULATION (EU) No. 2018/498 of 22nd March 2018, L 82/3 -26/3/2018)

This applies to annual accounting periods starting on or after 1st January 2019. Earlier application is permitted.

In October 2017, the IASB issued amendments in IFRS 9 "Financial Instruments" allowing companies to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met—instead of at fair value through profit or loss. The Group will assess the impact of these amendments on its financial statements.

IFRS 16 "Leases"

(COMMISSION REGULATION (EU) No. 2017/1986 of 31st October 2017, L 291/1 - 9/11/2017)

This applies to annual accounting periods starting on or after 1st January 2019. Earlier application is permitted if IFRS 15 "Revenue from Contracts with Customers" has also been applied.

In January 2016, the IASB issued a new accounting Standard, called IFRS 16 "Leases" that replaces IAS 17 "Leases", and related Interpretations. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor').

As for lessee, IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Applying that model, a lessee is required to recognise:

(a) assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value; and

(b) depreciation of lease assets separately from interest on lease liabilities in the income statement.

As for lessor, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The new accounting standard will affect the accounting treatment of the operating leases of the Group as a lessee. On 31/3/2018 the Group had commitments from non-cancellable operating leases amounting to €10.476 thousand (note 2.21.C.i). However, the Group has not yet determined to what extent these commitments will result in the recognition of liabilities for future payments, and how the new standard application will affect income statement as well as the classification of cash flows of the Group. Some of the above commitments may be exempted from the requirements of the new standard since they not meet criteria to qualify as leases or covered by the exception for short-term or/and low-value leases.

A more detailed assessment of the new standard effects will be carried out during the current year.

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

In September 2014, the IASB announced that the amendments apply to annual accounting periods starting on or after 1st January 2016. In December 2015 it was announced that application is indefinitely deferred. 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. These amendments have not yet been endorsed by the European Union.

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

This applies to annual accounting periods starting on or after 1st January 2019. Earlier application is permitted.

In October 2017 the IASB issued amendments in IAS 28 "Investments in Associates and Joint Ventures" clarifying that companies account for long-term interests in an associate or joint venture—to which the equity method is not applied—using IFRS 9.

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

IAS 19 (Amendment) "Employee benefits"

This applies to annual accounting periods starting on or after 1st January 2019. Earlier application is permitted.

In February 2018 the IASB issued amendments in IAS 19 "Employee benefits" that require a company to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. Until now, IAS 19 did not specify how to determine these expenses for the period after the change to the plan. By requiring the use of updated assumptions, the amendments are expected to provide useful information to users of financial statements.

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

IFRIC 23 "Uncertainty over Income Tax Treatments"

This applies to annual accounting periods starting on or after 1st January 2019.
In June 2017 the IASB issued the Interpretation IFRIC 23 "Uncertainty over Income Tax Treatments" to specify how to reflect uncertainty in accounting for income taxes.
The Group will assess the impact of the new standard on its financial statements. These amendments have not yet been endorsed by the European Union.

IFRS 17 "Insurance Contracts"

This applies to annual accounting periods starting on or after 1st January 2021. Earlier application is permitted.
In May 2017, the IASB issued a new accounting Standard, called IFRS 17 "Insurance Contracts" that replaces IFRS 4 "Insurance Contracts", which was brought in as an interim Standard in 2004. IFRS 4 has given companies dispensation to carry on accounting for insurance contracts using national accounting standards, resulting in a multitude of different approaches. As a consequence, it is difficult for investors to compare and contrast the financial performance of otherwise similar companies. IFRS 17 solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner, benefiting both investors and insurance companies. Insurance obligations will be accounted for using current values, instead of historical cost. The information will be updated regularly, providing more useful information to users of financial statements.
This new standard does not affect Group financial statements and has not yet been endorsed by the European Union.

IFRS 14 "Regulatory Deferral Accounts" (interim Standard)

This applies to annual accounting periods starting on or after 1st January 2016. Earlier application is permitted. The European Commission has decided not to launch the endorsement process of this interim standard and to wait for the final standard.
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. 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.

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

Annual Improvements to IFRSs 2015-2017 Cycle

IASB in its annual improvement program, published in December 2017 a Cycle of narrow-scope amendments to existing Standards that apply to annual accounting periods starting on or after 1st January 2019. Earlier application is permitted. The Group will assess the impact of the new standard on its financial statements. These amendments have not yet been endorsed by the European Union.

IFRS 3 "Business Combinations"

The amendment clarifies that a company remeasures its previously held interest in a joint operation when it obtains control of the business.

IFRS 11 "Joint Arrangements"

The amendment clarifies that a company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

IAS 12 "Income Taxes"

The amendment clarifies that a company accounts for all income tax consequences of dividend payments in the same way.

IAS 23 "Borrowing Costs"

The amendment clarifies that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

2.1.5 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 similar income", "Interest and similar expenses", "Income/(expenses) from participations and investments", "Write-off and impairment loss of assets", "Gain/(loss) from assets 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 similar income", "Interest and similar expenses", "Income/(expenses) from participations and investments" ,"Write-off and impairment loss of assets" and "Gain/(loss) from assets disposal".

Reconciliation of operating profit before tax to EBIT and EBITDA (continuing operations):	GROUP 1/1-31/3/2018	GROUP 1/1-31/3/2017
Operating profit/(loss) before tax	**13.213**	**13.924**
Profit/(loss) equity method consolidation	850	1.173
Foreign exchange differences	2.661	-801
Interest and similar income	-1.873	-1.693
Interest and similar expenses	12.961	12.939
Income / (expenses) from participations and investments	-1.006	-537
Gain / (loss) from assets disposal, impairment losses & write-off of assets	109	56
EBIT	**26.915**	**25.061**

Depreciation and amortization	15.684	16.768
EBITDA	**42.599**	**41.829**

Reconciliation of operating profit before tax to EBIT and EBITDA (continuing operations):	**COMPANY**	
	1/1-31/3/2018	**1/1-31/3/2017**
Operating profit/(loss) before tax	**811**	**5.961**
Foreign exchange differences	975	203
Interest and similar income	-620	-734
Interest and similar expenses	3.868	4.236
Income / (expenses) from participations and investments	-8.470	-11.897
Gain / (loss) from assets disposal, impairment losses & write-off of assets	0	6
EBIT	**-3.436**	**-2.225**
Depreciation and amortization	3.496	3.115
EBITDA	**60**	**890**

Project EBITDA of the Company

For the calculation of the project EBITDA of the Company, the direct costs of the projects are allocated directly to the projects for which they are carried out. Payroll costs related to the Company's production segments are recorded in "Cost of Sales" and are allocated to projects based on man effort at Company level. "Distribution Expenses" and "Administration Expenses" are monitored per project and allocated to them based on man effort at Company level. "Research and Development Expenses" are allocated to the projects in proportion to the revenues of each project in the total revenue of the Company. Furthermore, for the calculation of the Company's "Gross" results per project, the relevant depreciation of tangible and intangible assets are accounted and the allocated operating "Distribution", "Administration" and "Research and Development" expenses are deducted.

2.1.6 Significant accounting judgments 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 of the interim condensed financial statements for the period ended on 31st March 2015 and have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, are consistent with those applied and were valid at the reporting date of the annual financial statements 31 December 2017.

Contract of OPAP technical support

Intralot Group relationship with Greek Organization of Football Prognostics S.A. (OPAP) began in 1999. Most recently, the Group signed a four year technology contract with OPAP in June 2014. Under this contract, the Group has undertaken the implementation of new Data Centers and the provision of hardware and system software as well as services for operation, maintenance, technical support and system evolution. On February 1, 2017 OPAP announced that they will not seek to renew their technology contract with the Group, which expires on July 30, 2018, and instead will appoint another technology provider. OPAP contract represented 2,5% of Group revenue (from continuing operations) for the last twelve months ended 31/3/2018. In December 2017, the Group and OPAP agreed the extension of their cooperation specifically in the field of numerical lotteries and services with the signing of a new three-year contract that also includes an option for OPAP to renew for an additional two years.

2.1.7 Seasonality and cyclicality of operations

The Group revenue can fluctuate due to seasonality in some components of the worldwide operations. In particular, the majority of the Group sports betting revenue is generated from bets placed on European football, which has an off-season in the European summer that typically causes a corresponding periodic decrease in the Group revenue. In addition, Group revenue from lotteries can be somewhat dependent on the size of jackpots of lottery games during the relevant period. The Group revenue may also be affected by the scheduling of major football events that do not occur annually, notably the FIFA World Cup and UEFA European Championships, and by the performance of certain teams within specific tournaments, particularly where the national football teams, in the markets where the Group earns the majority of its revenue, fail to qualify for the World Cup. Furthermore, the cancellation or curtailment of significant sporting events, for example due to adverse weather, traffic or transport disruption or civil disturbances, may also affect Group revenue. This information is provided to allow for a better understanding of the revenue, however, Group management has concluded that this is not "highly seasonal" in accordance with IAS34.

2.2 INFORMATION PER SEGMENT

Intralot Group manages in 51 countries and states an expanded portfolio of contracts and gaming licenses. The grouping of the Group companies is based on the geographical location in which they are established. The financial results of the Group are presented in the following operating geographic segments based on the geographic location of the Group companies:

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

1/1-31/3/2018

(in million €)	European Union	Other Europe	America	Other Countries	Eliminations	Total
Sales to third parties	151,05	0,67	50,16	78,79	0,00	280,67
Intragroup sales	12,38	0,00	0,10	0,00	-12,48	0,00
Total Sales	**163,43**	**0,67**	**50,26**	**78,79**	**-12,48**	**280,67**
Gross Profit	**18,71**	**0,39**	**5,56**	**36,75**	**-0,63**	**60,78**
(Debit)/Credit interest & similar (expenses)/income	-11,63	0,07	-0,94	1,00	0,41	-11,09
Depreciation/Amortization	-8,71	-0,08	-5,41	-2,34	0,86	-15,68
Profit/(loss) consolidated with equity method	-0,70	0,00	0,21	-0,36	0,00	-0,85
Write-off & impairment of assets	-0,09	0,00	0,00	0,00	0,00	-0,09
Write-off & impairment of investments	-0,01	0,00	0,00	0,00	0,01	0,00
Doubtful provisions, write-off & impairment of receivables	-1,25	0,00	-0,01	-0,10	1,25	-0,11
Profit/(Loss) before tax and continuing operations	**12,71**	**0,25**	**-1,04**	**22,10**	**-20,81**	**13,21**
Tax	-1,43	-0,07	-0,75	-6,50	0,00	-8,75
Profit/(Loss) after tax from continuing operations	**11,28**	**0,18**	**-1,79**	**15,60**	**-20,81**	**4,46**
Profit/(Loss) after tax from discontinued operations	0,00	0,00	0,00	0,00	0,00	0,00
Profit/(Loss) after tax from total operations	**11,28**	**0,18**	**-1,79**	**15,60**	**-20,81**	**4,46**

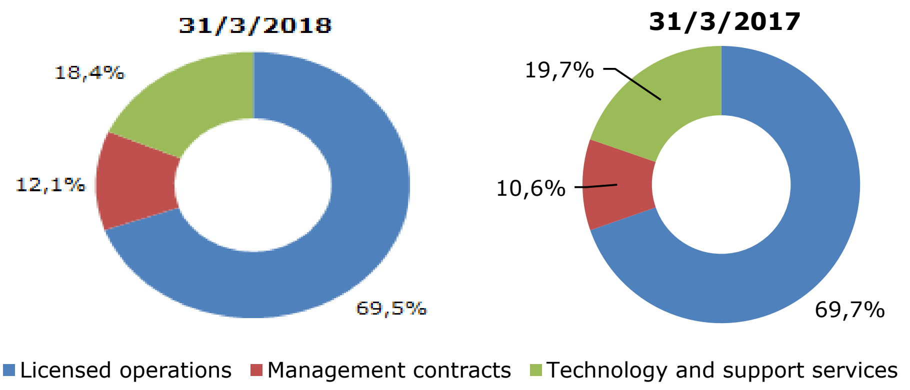
1/1-31/3/2017

(in million €)	European Union	Other Europe	America	Other Countries	Eliminations	Total
Sales to third parties	141,73	0,82	54,05	72,36	0,00	268,96
Intragroup sales	12,40	0,00	0,17	0,00	-12,57	0,00
Total Sales	**154,13**	**0,82**	**54,22**	**72,36**	**-12,57**	**268,96**
Gross Profit	**16,70**	**0,22**	**6,75**	**31,14**	**-0,09**	**54,72**
(Debit)/Credit interest & similar (expenses)/income	-10,93	0,11	-1,22	0,79	0,00	-11,25
Depreciation/Amortization	-9,26	-0,40	-5,63	-2,52	1,04	-16,77
Profit/(loss) consolidated with equity method	-0,38	0,00	-0,03	-0,76	0,00	-1,17
Write-off & impairment of assets	0,00	-0,14	0,00	0,00	0,00	-0,14
Write-off & impairment of investments	-40,52	0,00	0,00	0,00	40,52	0,00
Doubtful provisions, write-off & impairment of receivables	0,00	0,00	-0,01	-0,03	0,00	-0,04
Reversal of doubtful provisions & recovery of written off receivables	0,00	0,00	0,00	0,01	0,00	0,01
Reversal of provisions for participations impairment	36,21	0,00	0,00	0,00	-36,21	0,00
Profit/(Loss) before tax and continuing operations	**19,63**	**-0,26**	**2,50**	**18,40**	**-26,35**	**13,92**
Tax	-2,71	-0,07	-1,31	-5,66	0,00	-9,75
Profit/(Loss) after tax from continuing operations	**16,92**	**-0,33**	**1,19**	**12,74**	**-26,35**	**4,17**
Profit/(Loss) after tax from discontinued operations	-0,01	-0,22	3,89	0,00	-0,69	2,97
Profit/(Loss) after tax from total operations	**16,91**	**-0,55**	**5,08**	**12,74**	**-27,04**	**7,14**

Sales per business activity (continuing operations) *(in thousand €)*	31/3/2018	31/3/2017	Change
Licensed operations	195.063	187.340	4,12%
Management contracts	33.832	28.601	18,29%
Technology and support services	51.770	53.018	-2,35%
Total	**280.665**	**268.959**	**4,35%**

The sales of the above business activities are coming from all geographical segments.

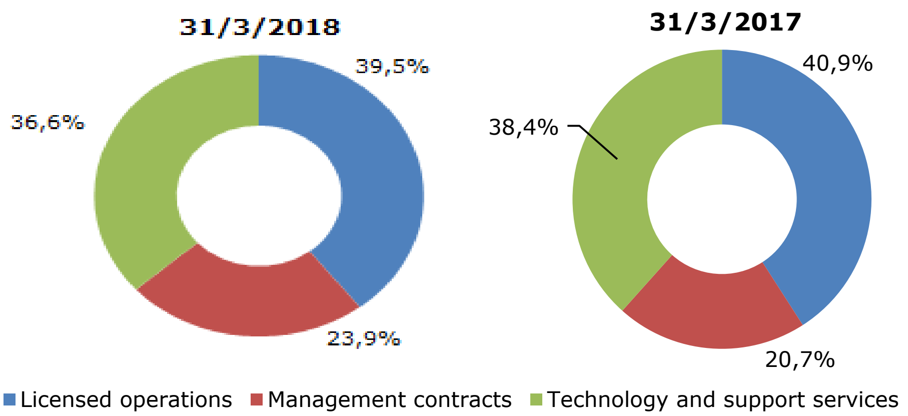
Sales per business activity



Sales per product type (continuing operations)	31/3/2018	31/3/2017
Lottery games	29,7%	32,7%
Sports Betting	58,9%	55,0%
IT products & services	6,2%	6,4%
Racing	2,4%	2,8%
Video Lottery Terminals	2,8%	3,1%
Total	**100%**	**100%**

Revenue Net of Payout (GGR) per business activity (continuing operations) *(in thousand €)*	31/3/2018	31/3/2017	Change
Licensed operations	55.891	56.501	-1,08%
Management contracts	33.832	28.601	18,29%
Technology and support services	51.769	53.019	-2,36%
Total	**141.492**	**138.121**	**2,44%**

Revenue Net of Payout (GGR) per business activity



2.3 OTHER OPERATING INCOME

(continuing operations)	GROUP		COMPANY	
	31/3/2018	31/3/2017	31/3/2018	31/3/2017
Income from rents from third parties	2.694	3.387	0	0
Income from rents from subsidiaries	0	0	37	37
Income from uncollected winnings	252	270	0	0
Income from reversal of doubtful provisions and proceeds for written off receivables from third parties	2	8	0	0
Other income	573	532	13	9
Total	**3.521**	**4.197**	**50**	**46**

2.4 INCOME TAX

GROUP (continuing operations)	31/3/2018	31/3/2017
Current income tax	9.146	9.714
Deferred income tax	-827	-399
Tax audit differences and other taxes non-deductible	434	441
Total income tax expense reported in income statement	**8.753**	**9.756**

The income tax expense for the Company was calculated to 29% on the taxable profit of the periods 1/1-31/3/2018 and 1/1-31/3/2017 respectively.

COMPANY	31/3/2018	31/3/2017
Current income tax	856	1.252
Deferred income tax	-44	-119
Total income tax expense reported in income statement	**812**	**1.133**

2.5 INCOME / (EXPENSES) FROM PARTICIPATIONS AND INVESTMENTS

(continuing operations)	GROUP		COMPANY	
	31/3/2018	31/3/2017	31/3/2018	31/3/2017
Income from dividends	997	942	8.470	14.630
Gain from sale of participations and investments	48	23	0	1.055
Other income from participations and investments	0	43	0	0
Total income from participations and investments	**1.045**	**1.008**	**8.470**	**15.685**
Loss from sale of participations and investments	-39	-471	0	0
Loss from impairment / write-offs of participations and investments	0	0	0	-3.788
Total expenses from participations and investments	**-39**	**-471**	**8.470**	**-3.788**
Net result from participations and investments	**1.006**	**537**	**8.470**	**11.897**

2.6 GAIN / (LOSS) FROM ASSETS DISPOSAL, IMPAIRMENT LOSS & WRITE OFF OF ASSETS

(continuing operations)	GROUP		COMPANY	
	31/3/2018	31/3/2017	31/3/2018	31/3/2017
Gain from disposal of tangible and intangible assets	0	94	0	0
Loss from disposal of tangible and intangible assets	-14	-12	0	-6
Loss from impairment and write-off of tangible and intangible assets	-95	-138	0	0
Net result from tangible and intangible assets	**-109**	**-56**	**0**	**-6**

2.7 IMPAIRMENT, WRITE OFF AND PROVISIONS FOR DOUBTFUL DEBTS

Included in «Other operating expenses»:

(continuing operations)	GROUP		COMPANY	
	31/3/2018	31/3/2017	31/3/2018	31/3/2017
Provisions for doubtful receivables from subsidiaries	0	0	1.238	0
Provisions for doubtful receivables from debtors	109	44	0	0
Total	**109**	**44**	**1.238**	**0**

2.8 INTEREST AND SIMILAR EXPENSES / INTEREST AND SIMILAR INCOME

(continuing operations)	GROUP		COMPANY	
	31/3/2018	31/3/2017	31/3/2018	31/3/2017
Interest Expense[1]	-12.208	-11.909	-3.956	-4.030
Finance costs	-673	-829	88	-206
Discounting	-80	-201	0	0
Total Interest and similar expenses	**-12.961**	**-12.939**	**-3.868**	**-4.236**
Interest Income	1.742	1.477	620	734
Discounting	131	216	0	0
Total Interest and similar Income	**1.873**	**1.693**	**620**	**734**
Net Interest and similar Income / (Expenses)	**-11.088**	**-11.246**	**-3.248**	**-3.502**

[1] Including the amortized costs, expenses and fees of banking institutions in connection with the issue of bond and syndicated loans, as well as repurchase of bond loans costs.

2.9 FOREIGN EXCHANGE DIFFERENCES

The Group reported in the Income Statement for the three months of 2018 losses from «Exchange differences» amounting €2.661 thousand (three months of 2017: gain €801 thousand) coming mainly from valuation of commercial and borrowing liabilities (intercompany and non) in EUR that various subsidiaries abroad, with a different functional currency than the Group, had at 31/3/2018 as well as from valuation of trade receivables (from third parties and associates) in USD of the Company on 31/3/2018.

2.10 TANGIBLE AND INTANGIBLE ASSETS

Acquisitions and disposals of tangible and intangible assets:

During the three months of 2018, the Group acquired tangible (owner occupied) and intangible assets with acquisition cost €13.239 thousand (discontinued operations €0 thousand), (three months 2017: €20.634 thousand – discontinued operations €2.103 thousand).

Also, during the three months of 2018, the Group disposed tangible (owner occupied) and intangible assets with a net book value of €642 thousand (three months 2017: €90 thousand), making a net loss amounting to €14 thousand (three months 2017: net gain €82 thousand), which was recorded in the account "Gain/(loss) from assets disposal, impairment loss & write-off of assets".

Write-offs and impairment of tangible and intangible assets:
During the three months of 2018, the Group proceeded to writes-offs and impairments of tangible (owner-occupied) and intangible assets with a net book value of €95 thousand (three months 2017: €227 thousand – discontinued operations €89 thousand), which were recorded in the account "profit / (loss) from assets disposal, impairment loss & write-off of assets".
Exchange differences on valuation of tangible and intangible assets:
The net book value of tangible (owner-occupied and investment) and intangible assets of the Group decreased in the three months of 2018 due to foreign exchange valuation differences by €5,5 million.

Goodwill and Intangible assets with indefinite useful life impairment test

Management tests goodwill for impairment annually (December 31) or more frequently if events occur or changes in conditions 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» of the annual Financial Statements of 31 December 2017.
The Group tested goodwill for impairment on 31/12/2017 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:

CGU	Goodwill		Intangible assets with indefinite useful life	
	31/3/2018 [1]	31/12/2017	31/3/2018	31/12/2017
European Union	23.520	23.552	2.300	2.300
Other Europe	0	0	0	0
America	1.424	1.578	3	4
Other countries	30.551	32.911	0	0
Total	**55.495**	**58.041**	**2.303**	**2.304**

[1] The net decrease in goodwill during the three months of 2018 by €2.546 thousand is caused by foreign currency translation differences losses on goodwill valuation from acquisitions of foreign subsidiaries with a different functional currency made by the Group in the past.

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 is 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 it 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, the renewal of the relevant contracts beyond the five year period is very possible. 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	2017	2016
European Union	-0,9% - 5,4%	-1,2% - 25,9%
Other Europe	n/a	n/a
America	0,0% - 33,7%	0,0% - 3,8%
Other countries	0,0% - 3,6%	0,0% - 16,6%

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	2017	2016
European Union	0,0% - 2,4%	0,0% - 2,3%
Other Europe	n/a	n/a
America	0,0% - 20,0%	0,0% - 4,6%
Other countries	0,0% - 2,0%	0,0% - 3,6%

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. The Cost of debt is based on the interest rate of the loans that the Group must facilitate. The specific risk of each country is incorporated by implementing individualized sensitivity factors «beta» (beta factors). The sensitivity factors «beta» are evaluated annually based on published market data.

Discount rates:

CGU	2017	2016
European Union	6,6% - 7,3%	6,2% - 8,0%
Other Europe	n/a	n/a
America	21,7% - 21,7%	17,5% - 28,1%
Other countries	14,3% - 15,1%	12,0% - 14,1%

Recoverable amount sensitivity analysis:

On 31/12/2017, 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.

2.11 INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

GROUP INVESTMENT IN ASSOCIATES AND JOINT VENTURES	% Participation	Country	31/3/2018	31/12/2017
Lotrich Information Co LTD	40%	Taiwan	5.852	5.844
Goreward LTD Group	38,84%	China	44.997	47.000
Gamenet Group SpA	20%	Italy	65.552	67.523
Intralot de Peru SAC	20%	Peru	15.513	15.395
Karenia Enterprises Co Ltd	50%	Cyprus	6.750	0
Other			1	1
Total			**138.665**	**135.763**

GROUP INVESTMENT IN ASSOCIATES AND JOINT VENTURES	31/3/2018	31/12/2017
Opening Balance before the application of IFRS 9	**135.763**	**180.807**
Effect from the application of IFRS 9	-1.150	0
Opening Balance after the application of IFRS 9	**134.613**	**180.807**
Participation in net profit / (loss) of associates and joint ventures	-850	-3.412
Change in consolidation method	0	-4.482
Additions/contribution in kind	6.750	848
Foreign exchange differences	-1.669	-12.912
Impairment	0	-24.624
Dividends	0	-645
Other	-179	183
Closing Balance	**138.665**	**135.763**

COMPANY INVESTMENT IN ASSOCIATES AND JOINT VENTURES	% Participation	Country	31/3/2018	31/12/2017
Lotrich Information Co LTD	40%	Taiwan	5.131	5.131
Intralot De Peru SAC	20%	Peru	5.528	5.528
Total			**10.659**	**10.659**

COMPANY INVESTMENT IN SUBSIDIARIES	% Participation	Country	31/3/2018	31/12/2017
Intralot Holdings International LTD	100%	Cyprus	4.464	4.464
Betting Company S.A.	95%	Greece	139	139
Inteltek Internet AS	20%	Turkey	15.231	15.231
Bilyoner Interactif Hizmelter AS	50,01%	Turkey	10.751	10.751
Intralot Global Securities BV	100,00%	Nederland	57.028	57.028
Intralot Global Holdings BV	0,002%	Nederland	37.268	37.268
Intralot Iberia Holdings SA	100%	Spain	5.638	5.638
Other			322	322
Total			**130.841**	**130.841**
Grand Total			**141.500**	**141.500**

COMPANY INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	31/3/2018	31/12/2017
Opening Balance	**141.500**	**155.740**
Provisions / reverse of provisions for impairment of affiliates	0	-15.295
Participation fee of affiliate	0	1.055
Closing Balance	**141.500**	**141.500**

2.12 OTHER FINANCIAL ASSETS

The other financial assets that have been classified by the Group as "equity instruments at fair value through other comprehensive income" and as "debt instruments at amortized cost" are analyzed below:

	GROUP		COMPANY	
	31/3/2018	31/12/2017	31/3/2018	31/12/2017
Opening Balance	**22.438**	**21.910**	**1.243**	**1.483**
Purchases	0	2.260	0	0
Disposals	0	-921	0	0
Fair value revaluation	31	-685	3	-240
Foreign exchange differences	-66	-112	0	0
Disposal of subsidiary	0	-14	0	0
Closing balance	**22.403**	**22.438**	**1.246**	**1.243**
Quoted securities	1.565	1.600	63	60
Unquoted securities	20.838	20.838	1.183	1.183
Total	**22.403**	**22.438**	**1.246**	**1.243**
Long-term Financial Assets	21.527	21.524	1.246	1.243
Short-term Financial Assets	876	914	0	0
Total	**22.403**	**22.438**	**1.246**	**1.243**

During the three months of 2018, the Group gain arising from the valuation at fair value of the above financial assets amounting €31 thousand (three months 2017: losses €434 thousand) are analyzed in gains amounting €3 thousand (three months 2017: losses €322 thousand) reported in particular equity reserves (revaluation reserve) and in gains amounting €28 thousand (three months 2017: losses of €112 thousand) reported in the income statement. Respectively for the Company, gains amounting €3 thousand (three months 2017: gain of €153 thousand) are analyzed in gain amounting €3 thousand (three months 2017: gain of €153 thousand) that were reported in particular equity reserves (revaluation reserve and hedging reserve).

For investments that are actively traded in organized financial markets, the fair value is determined by reference to the closing price at the reporting 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.

2.13 INVENTORIES

	GROUP		COMPANY	
	31/3/2018	31/12/2017	31/3/2018	31/12/2017
Merchandise – Equipment	33.580	29.217	19.782	18.839
Other	4.807	3.803	0	0
Total	**38.387**	**33.020**	**19.782**	**18.839**
Provisions for impairment	-1.539	-1.538	0	0
Total	**36.848**	**31.482**	**19.782**	**18.839**

The burden on the three month results of 2018, from disposals/usage and provision of inventories for the Group amounts to €927 thousand (three months of 2017: €469 thousand) while for the Company amounts to €977 thousand (three months of 2017: €288 thousand) and is included in "Cost of Sales".

Reconciliation of changes in inventories provision for impairment	GROUP		COMPANY	
	31/3/2018	31/12/2017	31/3/2018	31/12/2017
Opening balance for the period	**-1.538**	**-2.078**	**0**	**0**
Reversed provisions	0	500	0	0
Foreign exchange differences	-1	40	0	0
Closing balance for the period	**-1.539**	**-1.538**	**0**	**0**

There are no liens on inventories.

2.14 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 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	
	31/3/2018	31/12/2017	31/3/2018	31/12/2017
Cash and bank current accounts	221.750	236.855	22.361	20.434
Short term time deposits	1.581	1.186	0	0
Total	**223.331**	**238.041**	**22.361**	**20.434**

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).

2.15 SHARE CAPITAL, TREASURY SHARES AND RESERVES

Share Capital

Total number of authorized shares	31/3/2018	31/12/2017
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 2017	**158.961.721**	**47.689**
Issue of new shares	0	0
Balance 31 December 2017	**158.961.721**	**47.689**
Issue of new shares	0	0
Balance 31 March 2018	**158.961.721**	**47.689**

On 16/5/2018 the Shareholder's Annual General Meeting approved the decrease of the share capital of the Company by 2.000.000 shares (€600 thousand) with corresponding cancellation of 2.000.000 own shares.

Treasury Shares

Share buyback program 11.6.2014 - 11.6.2018:

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 on 11.6.2014, as amended by the resolution of the Shareholder's Annual General Meeting of 19.5.2015 and 18.5.2017, has approved a treasury shares buy-back program from the Company, of up to 10% of the paid share capital, for the time period of 24 months with effect from 11.06.2014 and until 11.06.2018, with a minimum price of €1,00 and maximum price of €12,00. It has also been approved that the treasury shares which will eventually be acquired may be held for future acquisition of shares of another company or be distributed to the Company's employees or the staff of a company related with it. The above programme was cancelled with a relevant decision of the Shareholder's Annual General Meeting on 16.5.2018.

Share buyback program 16.5.2018 - 16.5.2020:

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 on 16.5.2018, has approved a treasury shares buy-back program from the Company, of up to 10% of the paid share capital, including treasury shares which might have been acquired and held by the Company (on 16/5/2018 amounted 748.661 treasury shares that is 0,48% of the share capital following the cancelation of 2.000.000 treasury shares and a relevant decrease in the share capital of the Company as approved by the Shareholder's Annual General Meeting for a period of 24 months with effect from 16.5.2018 and until 16.5.2020, with a minimum price of €0,30 and maximum price of €12 cancelling the previous programme that was about to end on 11.6.2018. It has also been approved that the treasury shares which will eventually be acquired may be held for future acquisition of shares of another company or be distributed to the Company's employees or the staff of a company related with it.
During the three months of 2018, the Company purchased 6.149 treasury shares (0,004% of the Company's share capital) at an average price of €1,14 per share, totalling €7 thousand. Until 31/3/2018 the Company has purchased 1.987.403 treasury shares (1,25% of the company's share capital) with average price €1,08 per share, with total price of €2.156 thousand. During the second quarter of 2018 and until Shareholder's Annual General Meeting on 16.5.2018, the Company has cancelled 2.000.000 treasury shares (1,27% of the share capital of the Company) at an average purchase price of €1,10 as well as in the purchase of 761.258 treasury shares (0,479% of the share capital of the Company) at an average acquisition price of €1,16 per share, totalling €881 thousand,also, from the Shareholder's Annual General Meeting of 16.05.2018 until the date of approval of the financial statements of 31/3/2018, the Company purchased 696.109 treasury shares (0,443% of the share capital of the Company, after cancellation of 2.000.000 treasury shares and a corresponding share capital decrease) at an average price of €0,89 per share, totaling €618 thousand, forming total repurchases of 1.444.770 treasury shares (0,92% of the Company's share capital after cancellation of 2,000,000 own shares and a corresponding decrease in the share capital) at an average price €1,00 per share and total value of €1.445 thousand.

	GROUP Number of ordinary shares	GROUP € '000	COMPANY Number of ordinary shares	COMPANY € '000
Balance 1 January 2017	**1.582.769**	**1.709**	**1.582.769**	**1.709**
Repurchase of treasury shares	869.231	930	869.231	930
Disposal of treasury shares	-470.746	-490	-470.746	-490
Balance 31 December 2017	**1.981.254**	**2.149**	**1.981.254**	**2.149**
Repurchase of treasury shares	6.149	7	6.149	7
Balance 31 March 2018	**1.987.403**	**2.156**	**1.987.403**	**2.156**

Reserves

Foreign exchange differences reserve

This reserve is used to report the exchange differences arising from the translation of foreign subsidiaries' financial statements. The balance of this reserve in the Group on 31/3/2018 was €-84,3 million (31/12/2017: €-76,7 million). The Group had a total net loss which was reported in the statement of comprehensive income from the change in the fair value reserve during the three months of 2018 amounting to €9,3 million, out of which loss of €7,6 million is attributable to the owners of the parent and a loss of €1,7 million to non-controlling interest. The above total net loss for the three months of 2018 comes mainly from the fluctuation of the TRY, USD, ARS and AUD against the EUR.

The main exchange rates of abroad subsidiaries financial statements conversion were:

- **Statement of Financial Position**:

	31/3/2018	31/12/2017	Change
EUR / USD	1,23	1,20	2,5%
EUR / AUD	1,60	1,53	4,6%
EUR / TRY	4,90	4,55	7,7%
EUR / PEN	3,98	3,89	2,3%
EUR / AZN	2,08	2,04	2,0%
EUR / ARS	24,81	22,39	10,8%
EUR / PLN	4,21	4,18	0,7%
EUR / BRL	4,09	3,97	3,0%

- **Income Statement**:

	Avg. 1/1-31/3/2018	Avg. 1/1-31/3/2017	Change
EUR / USD	1,23	1,06	16,0%
EUR / AUD	1,56	1,41	10,6%
EUR / TRY	4,69	3,94	19,1%
EUR / PEN	3,98	3,50	13,7%
EUR / AZN	2,08	1,92	8,3%
EUR / ARS	24,19	16,69	44,9%
EUR / PLN	4,18	4,32	-3,3%
EUR / BRL	3,99	3,35	19,1%

Other Reserves

	GROUP 31/3/2018	GROUP 31/12/2017	COMPANY 31/3/2018	COMPANY 31/12/2017
Statutory reserve	28.214	28.201	15.896	15.896
Extraordinary reserves	1.689	1.689	1.456	1.456
Tax free and specially taxed reserves	31.324	31.334	28.601	28.601
Treasury shares reserve	5	5	5	5
Actuarial differences reserve	-190	-190	-186	-186
Hedging reserve	0	-18	0	-18
Revaluation reserve	-4.278	-4.283	-2.172	-2.175
Total	**56.764**	**56.738**	**43.600**	**43.579**

Analysis of changes in other comprehensive income by category of reserves

GROUP 1/1-31/3/2018	Revaluation Reserve	Hedging Reserve	Foreign exchange differences Reserve	Retained Earnings	Total	Non-controlling interest	Grand total
Defined benefit plans revaluation for subsidiaries and parent company				2	**2**	3	**5**
Revaluation of defined benefit plans of associates and joint ventures				-110	**-110**		**-110**
Valuation of financial assets at fair value through other comprehensive income, of subsidiaries and parent company	5				**5**	-2	**3**
Valuation of derivatives of subsidiaries and parent company		18			**18**		**18**
Foreign exchange differences on consolidation of subsidiaries			-5.866		**-5.866**	-1.746	**-7.612**
Share of foreign exchange differences on consolidation of associates and joint ventures			-1.671		**-1.671**		**-1.671**
Other comprehensive income / (expenses) after tax	**5**	**18**	**-7.537**	**-108**	**-7.622**	**-1.745**	**-9.367**

GROUP 1/1-31/3/2017	Revaluation Reserve	Hedging Reserve	Foreign exchange differences Reserve	Retained Earnings	Total	Non-controlling interest	Grand total
Defined benefit plans revaluation for subsidiaries and parent company				9	**9**	11	**20**
Valuation of financial assets at fair value through other comprehensive income, of subsidiaries and parent company	-448				**-448**	13	**-435**
Valuation of derivatives of subsidiaries and parent company		113			**113**		**113**
Foreign exchange differences on consolidation of subsidiaries			-3.605		**-3.605**	-1.610	**-5.215**
Share of foreign exchange differences on consolidation of associates and joint ventures			-1.071		**-1.071**		**-1.071**
Other comprehensive income / (expenses) after tax	**-448**	**113**	**-4.676**	**9**	**-5.002**	**-1.586**	**-6.588**

COMPANY 1/1-31/3/2018	Revaluation Reserve	Hedging reserve	Total
Valuation of financial assets measured at fair value through other comprehensive income	3	0	**3**
Valuation of derivatives	0	18	**18**
Other comprehensive income / (expenses) after tax	**3**	**18**	**21**

COMPANY 1/1-31/3/2017	Revaluation Reserve	Hedging reserve	Total
Valuation of financial assets measured at fair value through other comprehensive income	-266	0	**-266**
Valuation of derivatives	0	113	**113**
Other comprehensive income / (expenses) after tax	**-266**	**113**	**-153**

2.16 DIVIDENDS

	GROUP		COMPANY	
Declared dividends of ordinary shares:	**31/3/2018**	**31/12/2017**	**31/3/2018**	**31/12/2017**
Final dividend of 2014	0	173	0	0
Final dividend of 2015	0	482	0	0
Final dividend of 2016	512	26.433	0	0
Interim dividend of 2017	0	17.807	0	0
Final dividend of 2017	20.283	0	0	0
Interim dividend of 2018	1.825	0	0	0
Dividend per statement of changes in equity	**22.620**	**44.895**	**0**	**0**

Paid Dividends on ordinary shares:

During the three months of 2018 dividends paid on ordinary shares, aggregated €15.455 thousand (three months 2017: €10.787 thousand).

2.17 LONG TERM LOANS

			GROUP		COMPANY	
	Currency	**Interest rate**	**31/3/2018**	**31/12/2017**	**31/3/2018**	**31/12/2017**
Facility A (€250,0 million)	EUR	6,75%	243.769	247.520	0	0
Facility B (€500,0 million)	EUR	5,25%	485.293	490.956	0	0
Intercompany Loans			0	0	236.135	232.179
Other			20.237	7.439	0	0
Total Loans			**749.299**	**745.915**	**236.135**	**232.179**
Less: Payable during the next year			-5.604	-17.927	0	0
Long Term Loans			**743.695**	**727.988**	**236.135**	**232.179**

- Facility A: In September 2016, Intralot Capital Luxembourg, issued Senior Notes with a nominal value of €250 million, guaranteed by the parent company and subsidiaries of the Group, due 15 September 2021. The Notes were offered at an issue price of 100,000%. Interest is payable semi-annually at an annual fixed nominal coupon of 6,75%. The Notes are trading on the Luxembourg Stock Exchanges Euro MTF Market. The Notes bear the Group financial covenants with respect to Net Debt to EBITDA (Senior Leverage ratio <3,75), and financial expenses coverage ratio (Fixed Charge Coverage ratio >2,00).The Group was in compliance with the covenants under Notes as at 31/03/2018.

- Facility B: In September 2017, Intralot Capital Luxembourg issued Senior Notes with a nominal value of €500,0 million, guaranteed by the parent company and subsidiaries of the Group, due 15 September 2024. The Notes were offered at an issue price of 100,000%. Interest is payable semi-annually at an annual fixed nominal coupon of 5,25%. The Notes are trading on the Luxembourg Stock Exchanges Euro MTF Market. The Notes bear the Group financial covenants with respect to Net Debt to EBITDA (Senior Leverage ratio <3,75), and financial expenses coverage ratio (Fixed Charge Coverage ratio >2,00). The Group was in compliance with the covenants under Notes as at 31/3/2018. During the second quarter of 2018 and up to the date of approval of the interim financial statements of 31/3/2018, the Group proceeded to the repurchase of bonds with nominal value of € 5,0 million, forming the total outstanding nominal amount at € 495,0 million.

The Company, the subsidiaries of the Group or other related parties, or agents on its or their behalf, may from time to time purchase and/or re-sell 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 or re-sale otherwise than in accordance with any legal or regulatory obligation the Group may have to do so.

In December 2017 and February 2018, Intralot Finance UK Ltd signed loan agreements guaranteed by the parent and subsidiaries of the Group amounting to €95 million (€80 million in the form of revolving facilities and €15 million as term loan). Loan agreements mature on 30/6/2021 (with an extension option up to 31/12/2022 in case Facility A has been fully repaid until 30/6/2021), bear a floating rate (Euribor) plus a 4,50% margin regarding revolving facility and 2,75% as for term loan. Under the facility agreements the Group has the right to borrow, repay and utilize the loan limit until maturity. Additionally, voluntary prepayments and commitment reductions under the credit agreements are permitted at any time in whole or in part, without premium or penalty (other than break-funding costs). The financial terms of the above loans, include minimum ratio requirements of total net debt to EBITDA (Leverage Ratio) and the Interest Coverage ratio. On 31/3/2018 the Group had only used term loan of €15 million. On 31/12/2017 the Group covers the financial covenants of the above loans.

Reconciliation of liabilities arising from financing activities:

GROUP	Balance 31/12/2017	Cash flows	Non cash adjustments				Balance 31/3/2018
			Accrued interest	Foreign exchange differences	Transfers	Unpaid issue costs	
Long term loans	727.988	14.934	28	0	1.101	-356	743.695
Short term loans	17.927	-23.048	11.947	-121	-1.101	0	5.604
Long term finance lease	1.389	-214	0	-34	0	0	1.141
Short term finance lease	1.418	-195	12	-41	0	0	1.194
Total liabilities from financing activities	**748.722**	**-8.523**	**11.987**	**-196**	**0**	**-356**	**751.634**

GROUP	Balance 31/12/2016	Cash flows	Non cash adjustments					Balance 31/12/2017
			Accrued interest	Foreign exchange differences	New consolidated entities / Companies disposal	Transfers	Loss on bond buy back / Unpaid issuing cost	
Long term loans	643.892	91.501	4.278	-122	-1.786	7.214	-16.989	727.988
Short term loans	13.273	-45.411	59.363	-527	-703	-8.068	0	17.927
Long term finance lease	684	3.084	0	-261	-2.118	0	0	1.389
Short term finance lease	1.460	10	75	-110	-17	0	0	1.418
Total liabilities from financing activities	**659.309**	**49.184**	**63.716**	**-1.020**	**-4.624**	**-854**	**-16.989**	**748.722**

2.18 SHARED BASED BENEFITS

The Group had no active option plan during the three months of 2018.

2.19 FINANCIAL ASSETS AND LIABILITIES

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

31/3/2018	GROUP		
Financial assets:	Debt instruments at amortized cost	Equity instruments at fair value through other comprehensive income	Total
Debtors	80.826	0	**80.826**
Receivables from related parties	22.010	0	**22.010**
Prepaid expenses and other receivable	62.251	0	**62.251**
Bad debtors provisions	-13.172	0	**-13.172**
Other quoted financial assets	876	689	**1.565**
Other unquoted financial assets	0	20.838	**20.838**
Total	**152.791**	**21.527**	**174.318**
Long term	18.274	21.527	**39.801**
Short term	134.517	0	**134.517**
Total	**152.791**	**21.527**	**174.318**

31/12/2017	GROUP		
Financial assets:	Debt instruments at amortized cost	Equity instruments at fair value through other comprehensive income	Total
Debtors	92.263	0	**92.263**
Receivables from related parties	21.703	0	**21.703**
Prepaid expenses and other receivable	61.241	0	**61.241**
Bad debtors provisions	-13.117	0	**-13.117**
Other quoted financial assets	914	686	**1.600**
Other unquoted financial assets	0	20.838	**20.838**
Total	**163.004**	**21.524**	**184.528**
Long term	16.515	21.524	**38.039**
Short term	146.489	0	**146.489**
Total	**163.004**	**21.524**	**184.528**

31/3/2018	GROUP			
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
Creditors	45.574	0	0	**45.574**
Payables to related parties	29.225	0	0	**29.225**
Other liabilities	64.950	0	0	**64.950**
Borrowing and finance lease	751.634	0	0	**751.634**
Total	**891.383**	**0**	**0**	**891.383**
Long term	747.602	0	0	**747.602**
Short term	143.781	0	0	**143.781**
Total	**891.383**	**0**	**0**	**891.383**

31/12/2017	GROUP			
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
Creditors	50.135	0	0	**50.135**
Payables to related parties	22.639	0	0	**22.639**
Other liabilities	65.121	0	0	**65.121**
Derivatives	0	0	18	**18**
Borrowing and finance lease	748.722	0	0	**748.722**
Total	**886.617**	**0**	**18**	**886.635**
Long term	730.446	0	0	**730.446**
Short term	156.171	0	18	**156.189**
Total	**886.617**	**0**	**18**	**886.635**

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

31/3/2018	COMPANY		
Financial assets:	Debt instruments at amortized cost	Equity instruments at fair value through other comprehensive income	Total
Trade receivables	40.850	0	**40.850**
Receivables from related parties	88.847	0	**88.847**
Prepaid expenses and other receivable	23.243	0	**23.243**
Bad debtors provisions	-50.317	0	**-50.317**
Other quoted financial assets	0	63	**63**
Other unquoted financial assets	0	1.183	**1.183**
Total	**102.623**	**1.246**	**103.869**
Long term	140	1.246	**1.386**
Short term	102.483	0	**102.483**
Total	**102.623**	**1.246**	**103.869**

31/12/2017	COMPANY		
Financial assets:	Debt instruments at amortized cost	Equity instruments at fair value through other comprehensive income	Total
Trade receivables	41.769	0	**41.769**
Receivables from related parties	88.757	0	**88.757**
Prepaid expenses and other receivable	24.612	0	**24.612**
Bad debtors provisions	-49.079	0	**-49.079**
Other quoted financial assets	0	60	**60**
Other unquoted financial assets	0	1.183	**1.183**
Total	**106.059**	**1.243**	**107.302**
Long term	142	1.243	**1.385**
Short term	105.917	0	**105.917**
Total	**106.059**	**1.243**	**107.302**

31/3/2018 Financial liabilities	Financial liabilities measured at amortized cost	COMPANY Financial liabilities at fair value through profit and loss	Financial liabilities at fair value through other comprehensive income	Total
Trade Payables	11.417	0	0	**11.417**
Payables to related parties	36.477	0	0	**36.477**
Other liabilities	8.709	0	0	**8.709**
Borrowing and finance lease	236.135	0	0	**236.135**
Total	**292.738**	**0**	**0**	**292.738**
Long term	236.465	0	0	**236.465**
Short term	56.273	0	0	**56.273**
Total	**292.738**	**0**	**0**	**292.738**

31/12/2017 Financial liabilities	Financial liabilities measured at amortized cost	COMPANY Financial liabilities at fair value through profit and loss	Financial liabilities at fair value through other comprehensive income	Total
Trade Payables	14.628	0	0	**14.628**
Payables to related parties	37.662	0	0	**37.662**
Other liabilities	9.602	0	0	**9.602**
Derivatives	0	0	18	**18**
Borrowing and finance lease	232.179	0	0	**232.179**
Total	**294.071**	**0**	**18**	**294.089**
Long term	232.179	0	0	**232.179**
Short term	61.892	0	18	**61.910**
Total	**294.071**	**0**	**18**	**294.089**

Estimated fair value

Below is a comparison by category of carrying amounts and fair values of financial assets and liabilities of the Group and the Company as at 31 March 2018 and 31 December 2017:

	GROUP			
	Carrying Amount		Fair Value	
Financial Assets	31/3/2018	31/12/2017	31/3/2018	31/12/2017
Other long-term financial assets - classified as "equity instruments at fair value through other comprehensive income "	21.527	21.524	21.527	21.524
Other long-term receivables	18.274	16.515	18.274	16.515
Trade and other short-term receivables	133.641	145.575	133.641	145.575
Other short-term financial assets classified as "debt instruments at amortized cost"	876	914	809	871
Cash and cash equivalents	223.331	238.041	223.331	238.041
Total	**397.649**	**422.569**	**397.582**	**422.526**

Financial Liabilities				
Long-term loans	743.695	727.988	781.858	766.794
Other long-term liabilities	2.766	1.069	2.766	1.069
Liabilities from finance leases	1.141	1.389	1.141	1.389
Trade and other short term payables	136.983	136.844	136.983	136.844
Short-term loans and finance lease	6.798	19.345	6.884	20.030
Total	**891.383**	**886.635**	**929.632**	**926.126**

	COMPANY			
	Carrying Amount		Fair Value	
Financial Assets	31/3/2018	31/12/2017	31/3/2018	31/12/2017
Other long-term financial assets - classified as "equity instruments at fair value through other comprehensive income "	1.246	1.243	1.246	1.243
Other long-term receivables	140	142	140	142
Trade and other short-term receivables	102.483	105.917	102.483	105.917
Cash and cash equivalents	22.361	20.434	22.361	20.434
Total	**126.230**	**127.736**	**126.230**	**127.736**
Financial Liabilities				
Long-term loans	236.135	232.179	236.135	232.179
Other long-term liabilities	330	0	330	0
Trade and other short term payables	56.273	61.910	56.273	61.910
Total	**292.738**	**294.089**	**292.738**	**294.089**

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 the inputs used in making these measurements. 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 31/3/2018 the following assets and liabilities measured at fair value:

GROUP	Fair Value 31/3/2018	Fair value hierarchy Level 1	Level 2	Level 3
Financial assets measured at fair value				
Other financial assets classified as "equity instruments at fair value through other comprehensive income"	**21.527**	**689**	**0**	**20.838**
- Quoted securities	*689*	*689*	*0*	*0*
- Unquoted securities	*20.838*	*0*	*0*	*20.838*
Other financial assets classified as "debt instruments at amortized cost"	**876**	**0**	**0**	**876**
- Quoted securities	*876*	*0*	*0*	*876*

- Unquoted securities	*0*	*0*	*0*	*0*
Derivative financial instruments	**0**	**0**	**0**	**0**
Financial liabilities measured at fair value				
Derivative financial instruments	**0**	**0**	**0**	**0**

COMPANY	**Fair Value 31/3/2018**	**Fair value hierarchy Level 1**	**Level 2**	**Level 3**
Financial assets measured at fair value				
Other financial assets classified as "equity instruments at fair value through other comprehensive income"	**1.246**	**63**	**0**	**1.183**
- Quoted securities	*63*	*63*	*0*	*0*
- Unquoted securities	*1.183*	*0*	*0*	*1.183*
Derivative financial instruments	**0**	**0**	**0**	**0**
Financial liabilities measured at fair value				
Derivative financial instruments	**0**	**0**	**0**	**0**

During 2018 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 31/12/2017 the following assets and liabilities measured at fair value:

GROUP	**Fair Value 31/12/2017**	**Fair value hierarchy Level 1**	**Level 2**	**Level 3**
Financial assets measured at fair value				
Other financial assets classified as "equity instruments at fair value through other comprehensive income"	**21.524**	**686**	**0**	**20.838**
- Quoted securities	*686*	*686*	*0*	*0*
- Unquoted securities	*20.838*	*0*	*0*	*20.838*
Other financial assets classified as "debt instruments at amortized cost"	**914**	**0**	**0**	**914**
- Quoted securities	*914*	*0*	*0*	*914*
- Unquoted securities	*0*	*0*	*0*	*0*
Derivative financial instruments	**0**	**0**	**0**	**0**
Financial liabilities measured at fair value				
Derivative financial instruments	**18**	**0**	**18**	**0**

COMPANY	**Fair Value 31/12/2017**	**Fair value hierarchy Level 1**	**Level 2**	**Level 3**
Financial assets measured at fair value				
Other financial assets classified as "equity instruments at fair value through other comprehensive income"	**1.243**	**60**	**0**	**1.183**
- Quoted securities	*60*	*60*	*0*	*0*
- Unquoted securities	*1.183*	*0*	*0*	*1.183*
Derivative financial instruments	**0**	**0**	**0**	**0**
Financial liabilities measured at fair value				
Derivative financial instruments	**18**	**0**	**18**	**0**

During 2017 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 securities	GROUP	COMPANY
Balance 1/1/2017	**19.961**	**1.459**
Period purchases	1.300	0
Disposals	-14	0
Fair value adjustment	-382	-276
Foreign exchange differences	-13	0
Disposal of subsidiary	-14	0
	20.838	**1.183**
Period purchases	0	0
Disposals	0	0
Fair value adjustment	0	0
Foreign exchange differences	0	0
Balance 31/3/2018	**20.838**	**1.183**

Quoted securities	GROUP	COMPANY
Balance 1/1/2017	**0**	**0**
Period purchases	960	0
Fair value adjustment	49	0
Foreign exchange differences	-95	0
Balance 31/12/2017	**914**	**0**
Fair value adjustment	28	0
Foreign exchange differences	-66	0
Balance 31/3/2018	**876**	**0**

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 "equity instruments at fair value through other comprehensive income ") derives from quoted market closing prices in active markets at the reporting date.
- Fair value of the unquoted shares (classified as ""debt instruments at amortized cost"") 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 "equity instruments at fair value through other comprehensive income ") except that it is sensitive to a reasonably possible change in forecasted 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.

Unquoted shares (classified as "equity instruments at fair value through other comprehensive income ")

Valuation method	Significant unobservable inputs	Range (Weighted Average) 31/12/2017	31/12/2016
DCF	Sales growth rate	0.0% - 6.0% (1.1%)	0.0% - 95.8% (5.3%)
	Growth rate beyond budgets period	0.0% - 1.0% (0.9%)	0.0% - 13.1% (4.1%)
	Discount rates (WACC)	5.8% - 15.4% (14.9%)	6.4% - 18.9% (18.2%)

Sensitivity analysis of recoverable amounts:

On 31/12/2017, 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.

2.20 SUPPLEMENTARY INFORMATION

A. BUSINESS COMBINATION AND METHOD OF CONSOLIDATION

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

I. Full consolidation		Domicile	Nature of business	% Direct Part'n	% Indirect Part'n	% Total Part'n
	INTRALOT S.A.	Maroussi, Greece	Holding company / Technology and support services	Parent	Parent	-
3.	BETTING COMPANY S.A.	Maroussi, Greece	Technology and support services	95%	5%	100%
23.	BETTING CYPRUS LTD	Nicosia, Cyprus	Technology and support services		100%	100%
	INTRALOT IBERIA HOLDINGS SA	Madrid, Spain	Holding company	100%		100%
27.	INTRALOT JAMAICA LTD	Kingston, Jamaica	Technology and support services		100%	100%
27.	INTRALOT TURKEY A.S.	Istanbul, Turkey	Technology and support services	50%	49,99%	99,99%
27.	INTRALOT DE MEXICO LTD	Mexico City, Mexico	Technology and support services		99,80%	99,80%
27.	INTRALOT CHILE SPA	Santiago, Chile	Technology and support services		100%	100%
27.	INTELTEK INTERNET AS	Istanbul, Turkey	Management contracts	20%	25%	45%
28.	AZERINTELTEK AS	Baku, Azerbaijan	Licensed operations		22,95%	22,95%
	POLDIN LTD	Warsaw, Poland	Technology and support services	100%		100%
	ATROPOS S.A.	Maroussi, Greece	Technology and support services	100%		100%
	INTRALOT SERVICES S.A.	Paiania, Greece	Technology and support services	100%		100%
	INTRALOT ADRIATIC DOO	Zagreb, Croatia	Technology and support services	100%		100%
	BILYONER INTERAKTIF HIZMELTER AS GROUP	Istanbul, Turkey	Management contracts	50,01%		50,01%
	INTRALOT MAROC S.A.	Casablanca, Morocco	Management contracts	99,83%		99,83%
2.	GAMING SOLUTIONS INTERNATIONAL LTDA	Bogota, Colombia	Management contracts	99%	1%	100%
2.	INTRALOT INTERACTIVE S.A.	Maroussi, Greece	Technology and support services	65,24%	34,76%	100%
	INTRALOT GLOBAL SECURITIES B.V.	Amsterdam, Netherlands	Holding company	100%		100%
1.	INTRALOT CAPITAL LUXEMBOURG S.A.	Luxembourg, Luxembourg	Financial services		100%	100%
18.	INTRALOT FINANCE LUXEMBOURG S.A.[1]	Luxembourg, Luxembourg	Financial services		100%	100%
1,2,3,4.	INTRALOT GLOBAL HOLDINGS B.V.	Amsterdam, Netherland	Holding company		100%	100%
5.	INTRALOT INC	Atlanta, USA	Technology and support services		100%	100%
12.	DC09 LLC	Wilmington, USA	Technology and support services		49%	49%
5.	INTRALOT AUSTRALIA PTY LTD	Melbourne, Australia	Technology and support services		100%	100%

I. Full consolidation		Domicile	Nature of business	% Direct Part'n	% Indirect Part'n	% Total Part'n
26.	INTRALOT GAMING SERVICES PTY	Melbourne, Australia	Technology and support services		100%	100%
5.	ILOT CAPITAL UK LTD	Hertfordshire, United Kingdom	Financial services	0,02%	99,98%	100%
5.	ILOT INVESTMENT UK LTD	Hertfordshire, United Kingdom	Financial services	0,02%	99,98%	100%
5.	INTRALOT NEDERLAND B.V.	Amsterdam, Netherlands	Technology and support services		100%	100%
5.	LOTROM S.A.	Bucharest, Romania	Management contracts		60%	60%
5.	INTRALOT BEIJING Co LTD	Beijing, China	Technology and support services		100%	100%
5.	TECNO ACCION S.A.	Buenos Aires, Argentina	Technology and support services		50,01%	50,01%
5.	TECNO ACCION SALTA S.A.	Buenos Aires, Argentina	Licensed operations		50,01%	50,01%
5.	MALTCO LOTTERIES LTD	Valetta, Malta	Licensed operations		73%	73%
5.	INTRALOT NEW ZEALAND LTD	Wellington, New Zealand	Technology and support services		100%	100%
5.	INTRALOT DO BRAZIL LTDA	Sao Paulo, Brazil	Licensed operations		80%	80%
14.	OLTP LTDA	Rio de Janeiro, Brazil	Licensed operations		80%	80%
5.	INTRALOT GERMANY GMBH	Munich, Germany	Technology and support services		100%	100%
5.	INTRALOT SOUTH KOREA S.A.	Seoul, S. Korea	Technology and support services		100%	100%
5.	INTRALOT FINANCE UK LTD	London, United Kingdom	Financial services		100%	100%
5.	INTRALOT ASIA PACIFIC LTD	Hong Kong, China	Technology and support services		100%	100%
5.	WHITE EAGLE INVESTMENTS LTD	Hertfordshire, United Kingdom	Holding company		100%	100%
5.	BETA RIAL Sp.Zoo	Warsaw, Poland	Holding company		100%	100%
5.	POLLOT Sp.Zoo	Warsaw, Poland	Holding company		100%	100%
15,16,17	TOTOLOTEK S.A.	Warsaw, Poland	Licensed operations		95,45%	95,45%
5.	INTRALOT SLOVAKIA SPOL. S.R.O.	Bratislava, Slovakia	Technology and support services		100%	100%
5.	NIKANTRO HOLDINGS Co LTD	Nicosia, Cyprus	Holding company		100%	100%
19.	LOTERIA MOLDOVEI S.A.	Chisinau, Moldova	Licensed operations	47,90%	32,85%	80,75%
5.	INTRALOT BETTING OPERATIONS (CYPRUS) LTD	Nicosia, Cyprus	Holding company		54,95%	54,95%
5,6.	ROYAL HIGHGATE LTD	Nicosia, Cyprus	Licensed operations		35,08%	35,08%
5.	INTRALOT LEASING NEDERLAND B.V.	Amsterdam, Netherland	Financial services		100%	100%
5.	INTRALOT IRELAND LTD	Dublin, Ireland	Technology and support services		100%	100%
5.	BILOT INVESTMENT LTD	Sofia, Bulgaria	Holding company		100%	100%

I. Full consolidation		Domicile	Nature of business	% Direct Part'n	% Indirect Part'n	% Total Part'n
11.	EUROBET LTD	Sofia, Bulgaria	Licensed operations		49%	49%
13.	EUROBET TRADING LTD	Sofia, Bulgaria	Trading company		49%	49%
13.	ICS S.A.	Sofia, Bulgaria	Licensed operations		49%	49%
5.	TECNO ACCION URUGUAY S.A. (Pilmery Corporation S.A.)	Montevideo, Uruguay	Technology and support services		50,10%	50,10%
5.	INTRALOT GLOBAL OPERATIONS B.V.	Amsterdam, Netherland	Technology and support services		100%	100%
5.	GARDAN LTD	Majuro, Marshall Islands	Technology and support services		100%	100%
5,2.	GAMEWAY LTD	Valletta, Malta	Technology and support services		100%	100%
5.	INTRALOT ITALIAN INVESTMENTS B.V.	Amsterdam, Netherlands	Holding company		100%	100%
5.	BIT8 LTD	Valletta, Malta	Technology and support services		100%	100%
5.	INTRALOT CYPRUS GLOBAL ASSETS LTD	Nicosia, Cyprus	Holding company		100%	100%
8.	INTRALOT OOO	Moscow, Russia	Management contracts		100%	100%
8.	INTRALOT ST. LUCIA LTD	Castries, Santa Lucia	Holding company		100%	100%
9.	INTRALOT GUATEMALA S.A.	Guatemala City, Guatemala	Holding company		100%	100%
10.	LOTERIAS Y APUESTAS DE GUATEMALA S.A.	Guatemala City, Guatemala	Technology and support services		51%	51%
9.	INTRALOT DOMINICANA S.A.	St. Dominicus, Dominican Republic	Technology and support services		100%	100%
9.	INTRALOT LATIN AMERICA INC	Miami, USA	Technology and support services		100%	100%
	INTRALOT HOLDINGS INTERNATIONAL LTD	Nicosia, Cyprus	Holding company	100%		100%
2.	INTRALOT INTERNATIONAL LTD	Nicosia, Cyprus	Technology and support services		100%	100%
3.	INTRALOT OPERATIONS LTD	Nicosia, Cyprus	Technology and support services		100%	100%
2,4.	NETMAN SRL	Bucharest, Romania	Management contracts		100%	100%
2.	BILOT EOOD	Sofia, Bulgaria	Holding company		100%	100%
20.	EUROFOOTBALL LTD	Sofia, Bulgaria	Licensed operations		49%	49%
21.	EUROFOOTBALL PRINT LTD	Sofia, Bulgaria	Licensed operations		49%	49%
2.	INTRALOT TECHNOLOGIES LTD	Nicosia, Cyprus	Technology and support services		100%	100%
22.	INTRALOT LOTTERIES LTD	Nicosia, Cyprus	Holding company	51%	49%	100%
2.	INTRALOT BUSINESS DEVELOPMENT LTD	Nicosia, Cyprus	Technology and support services		100%	100%
2,4.	GAMING SOLUTIONS INTERNATIONAL SAC	Lima, Peru	Licensed operations		100%	100%
2.	NAFIROL S.A.	Montevideo, Uruguay	Technology and support services		100%	100%
2.	LEBANESE GAMES S.A.L	Beirut, Lebanon	Technology and support services		99,99%	99,99%

I. Full consolidation		Domicile	Nature of business	% Direct Part'n	% Indirect Part'n	% Total Part'n
2.	INTRALOT HONG KONG HOLDINGS LTD	Hong Kong, China	Holding company		100%	100%
2.	ENTERGAMING LTD	Alderney, Guernsey	Licensed operations		100%	100%
2.	INTRALOT BETTING OPERATIONS RUSSIA LTD	Nicosia, Cyprus	Holding company		100%	100%
II. Equity method		**Domicile**	**Nature of business**	**% Direct Part'n**	**% Indirect Part'n**	**% Total Part'n**
	LOTRICH INFORMATION Co LTD	Taipei, Taiwan	Technology and support services	40%		40%
	INTRALOT SOUTH AFRICA LTD	Johannesburg, S. Africa	Technology and support services	45%		45%
2,3.	GOREWARD LTD	Taipei, Taiwan	Holding company		38,84%	38,84%
29.	GOREWARD INVESTMENTS LTD	Taipei, Taiwan	Holding company		38,84%	38,84%
29.	PRECIOUS SUCCESS LTD GROUP	Hong Kong, China	Licensed operations		19,03%	19,03%
29.	GAIN ADVANCE GROUP LTD	Hong Kong, China	Holding company		38,84%	38,84%
29.	OASIS RICH INTERNATIONAL LTD	Taipei, Taiwan	Technology and support services		38,84%	38,84%
30.	WUSHENG COMPUTER TECHNOLOGY (SHANGHAI) CO LTD	Shanghai, China	Technology and support services		38,84%	38,84%
2.	UNICLIC LTD	Nicosia, Cyprus	Holding company		50%	50%
25.	DOWA LTD	Nicosia, Cyprus	Holding company		30%	30%
7.	GAMENET GROUP S.p.A. [2]	Rome, Italy	Holding company		20%	20%
24.	GAMENET S.p.A.	Rome, Italy	Licensed operations		20%	20%
31.	INTRALOT ITALIA S.p.A	Rome, Italy	Licensed operations		20%	20%
31.	GAMENET ENTERTAINMENT S.R.L.	Rome, Italy	Licensed operations		20%	20%
32.	EASY PLAY S.R.L.	Rome, Italy	Licensed operations		10,20%	10,20%
32.	LA CHANCE S.R.L.	Rome, Italy	Licensed operations		12%	12%
33.	SLOT PLANET S.R.L.	Milan, Italy	Licensed operations		12%	12%
31.	GAMENET SCOMMESSE S.p.A.[3]	Rome, Italy	Licensed operations		20%	20%
31.	TOPPLAY S.R.L.	Rome, Italy	Licensed operations		20%	20%
31.	GNETWORK S.R.L.	Rome, Italy	Licensed operations		20%	20%
31.	BILLIONS ITALIA S.R.L.	Rome, Italy	Licensed operations		10,20%	10,20%
31.	JOLLY VIDEOGIOCHI S.R.L.	Rome, Italy	Licensed operations		14%	14%
34.	ROSILSPORT SRL	Milan, Italy	Technology and support services		10,50%	10,50%
31.	NEW MATIC S.R.L.	Rome, Italy	Licensed operations		10,20%	10,20%

II. Equity method		Domicile	Nature of business	% Direct Part'n	% Indirect Part'n	% Total Part'n
31.	AGESOFT S.R.L.	Rome, Italy	Technology and support services		12%	12%
	INTRALOT DE PERU SAC	Lima, Peru	Licensed operations	20%		20%

Subsidiary of the company:			
1: Intralot Global Securities BV	10: Intralot Guatemala S.A.	19: Nikantro Holdings Co LTD	28: Inteltek Internet AS
2: Intralot Holdings International LTD	11: Bilot Investment Ltd	20: Bilot EOOD	29: Goreward LTD
3: Intralot International LTD	12: Intralot Inc	21: Eurofootball LTD	30: Oasis Rich International LTD
4: Intralot Operations LTD	13: Eurobet Ltd	22: Intralot Technologies LTD	31: Gamenet S.p.A.
5: Intralot Global Holdings BV	14: Intralot Do Brazil LTDA	23: Betting Company S.A.	32: Gamenet Entertainment S.R.L.
6: Intralot Betting Operations(Cyprus) LTD	15: Pollot Sp.Zoo	24: Gamenet Group S.p.A.	33: La Chance S.R.L.
7: Intralot Italian Investments B.V.	16: White Eagle Investments LTD	25: Uniclic LTD	34: Jolly Videogiochi S.R.L.
8: Intralot Cyprus Global Assets LTD	17: Beta Rial Sp.Zoo.	26: Intralot Australia PTY LTD	
9: Intralot St.Lucia LTD	18: Intralot Capital Luxemburg S.A.	27: Intralot Iberia Holdings S.A.	

[1] On March 2018, the subsidiary Intralot Capital Luxembourg S.A. absorbed its wholly-owned subsidiary, Intralot Finance Luxembourg S.A.
[2] The Group consolidated on 31/3/2018 the Gamenet Group S.p.A. using the equity method and the financial statements for the period 1/10/2017-31/12/2017 pursuant to IAS 28 paragraph 34, as the preparation and approval deadlines for the financial statements of Gamenet Group S.p.A. are later than those of the Intralot Group.
[3] On January 1, 2018 the associate company Gamenet S.p.A. (20%) absorbed its 100% subsidiary Gamenet Scommesse S.p.A.

The entities Atropos S.A., Nafirol S.A., Intralot Dominicana S.A., Gaming Solutions International Ltda, Loteria Moldovei S.A., and Gain Advance Group LTD are under liquidation process.
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 31/3/2018, 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.

The following United Kingdom subsidiaries are exempt from the requirements of the Companies Act 2006 relating to the statutory audit of individual company accounts by virtue of Section 479A of that Act:
Intralot Finance UK Ltd (company number 6451119)
White Eagle Investments Limited (company number 3450868)
Ilot Capital UK Limited (company number 9614324)
Ilot Investments UK Ltd (company number 9614271)
However, Intralot Finance UK Ltd has been audited in 2017 for IFRS Group reporting purposes.

III. Acquisitions

Gamenet Group S.p.A. - Italy

During the last quarter of 2017 the associate company Gamenet Entertainment S.R.L. (20%) acquired 51% of the Italian Easy Play S.R.L. company and which is active in the management of AWP gaming halls.

Other acquisitions

On January 2018 the Group completed – through its subsidiary INTRALOT Global Holdings BV –the acquisition of 50% of the Cypriot company "KARENIA ENTERPRISES COMPANY LIMITED", for the price of €6,75 million. This company participates with 30% stake in "ATHENS RESORT CASINO HOLDINGS S.A.", which holds a 51% stake in "REGENCY CASINO MONT PARNES".

IV. New Companies of the Group

The Group did not proceed during the first quarter of 2018 to the establishment of a subsidiary.

V. Changes in ownership percentage during 2018

During the first quarter of 2018, the Group did not change its participation in subsidiaries.

VI. Subsidiaries' Share Capital Increase

During the first quarter of 2018 the Group completed a share capital increase through payment in cash in Netman SRL amounting €154 thousand.

VII. Strike off - Disposal of Group Companies

The Group completed the liquidation and strike off of its associate, Veneta Servizi S.R.L. in December 2017 and its subsidiary Intralot Latin America Inc in May 2018.
The management of subsidiary Inteltek Internet AS, parent of Azerinteltek AS, decided in mid-February to investigate the possibility of selling its 51% stake in Azerinteltek AS.

VIII. Discontinued Operations

A) Russia

On December 2016, the Group definitively decided to discontinue its activities regarding the betting services provided through its subsidiary Favorit Bookmakers Office OOO in Russia. The above subsidiary is presented in the geographic operating segment "Rest of Europe" (note 2.2). On 31/12/2016 the above Group's activities in Russia were classified as discontinued operations pursuant to IFRS 5 par.13. In June 2017, the Group signed a disposal agreement for the 100% of Favorit Bookmakers Office OOO.

Below are presented the results of discontinued operations of the Group in Russia (Favorit Bookmakers Office OOO) for the first quarter of 2017:

	1/1-31/3/2017
Sale proceeds	0
Expenses	-126
Other operating income	0
Other operating expenses	0
EBIT	**-126**
EBITDA	**-119**
Gain/(loss) from assets disposal, impairment loss and write-off of assets	0
Interest and similar expenses	-6
Interest and similar income	0
Foreign exchange differences	-32
Profit/(loss) before tax	**-164**
Income tax	0
	-164
Gain/(loss) from disposal of discontinued operations	0
Relevant tax	0
Profit/(loss) after tax from discontinued operations	**-164**

Below are presented the net cash flows of the Group's discontinued operations in Russia (Favorit Bookmakers Office OOO):

	1/1-31/3/2017
Operating activities	-209
Investing activities	0
Financing activities	0
Net increase / (decrease) in cash and cash equivalents for the period	**-209**

B) Jamaica

The Group signed a Sales and Purchase Agreement (SPA) with Zodiac International Investments Ltd in the beginning of October 2017 for the sale of its 50,05% stake in Intralot Caribbean Ventures Ltd, which owns 49,9% of the subsidiary Supreme Ventures Limited - a company listed on the Jamaica Stock Exchange. The consideration price was agreed at USD 40 million, which corresponds to approximately 12 times the annual (reference period of the last twelve months to 30/6/2017) profit after tax attributable to the shareholders of the Group. The aforementioned subsidiaries are presented in the geographic operating segment "America" (note 2.2). As of 2/10/2017, the Group's above-mentioned activities in Jamaica and Santa Lucia were classified as discontinued operations.

Below are presented the results of the discontinued operations of the Group in Jamaica and Santa Lucia (Supreme Ventures Ltd and Intralot Caribbean Ventures Ltd) for the period 1/1-31/03/2017 (in 2017 they were consolidated with the full consolidation method until 2/10/2017):

	1/1-31/03/2017
Sale proceeds	97.744
Expenses	-93.467
Other operating income	0
Other operating expenses	-33
EBIT	**4.244**
EBITDA	**4.645**
Income/expenses of participations and investments	0
Gain/(loss) from assets disposal, impairment loss and write-off of assets	-92
Interest and similar expenses	-144
Interest and similar income	134
Exchange Differences	3
Profit/(loss) before tax	**4.145**
Income tax	-1.027
	3.118
Gain/(loss) from disposal of discontinued operations	0
Relevant taxes	0
Gain/(loss) after taxes from discontinued operations	**3.118**
Attributable to:	
Equity holders of the parent Company	836
Non-controlling interest	2.282

Below are presented the net cash flows of the Group's discontinued operations in Jamaica and Santa Lucia (Supreme Ventures Ltd and Intralot Caribbean Ventures Ltd):

	1/1-31/3/2017
Operating activities	4.483
Investing activities	-1.990
Financing activities	1.536
Net increase / (decrease) in cash and cash equivalents for the period	**4.029**

C) Slovakia

The Group signed on 18 December 2017 a Sales and Purchase Agreement (SPA) with Olbena S.R.O. to sell its 51% stake in subsidiary Slovenske Loterie AS. The consideration price was agreed at €1,75 million, which corresponds to approximately 12 times the annual (reference period of the last twelve months to 30/9/2017) EBITDA. The aforementioned subsidiary is presented in the geographic operating segment "European Union" (note 2.2). Since 18/12/2017 the aforementioned activities of the Group in Slovakia were classified as discontinued operations.

Below are presented the results of the Group's discontinued operations in Slovakia (Slovenske Loterie AS) for the period 1/1-31/03/2017 (in 2017 they were consolidated with the full consolidation method until 18/12/2017):

	1/1-31/03/2017
Sale proceeds	1.193
Expenses	-1.172
Other operating income	1
Other operating expenses	-1
EBIT	**21**
EBITDA	**61**
Gain/(loss) from assets disposal, impairment loss and write-off of assets	0
Interest and similar expenses	-2
Interest and similar income	0
Exchange Differences	-1
Profit/(loss) before tax	**18**
Income tax	0
	18

Gain/(loss) from disposal of discontinued operations	0
Relevant taxes	0
Gain/(loss) after taxes from discontinued operations	**18**
Attributable to:	
Equity holders of the parent Company	24
Non-controlling interest	-6

Below are presented the net cash flows of the Group's discontinued operations in Slovakia (Slovenske Loterie AS):

	1/1-31/3/2017
Operating activities	230
Investing activities	0
Financing activities	-9
Net increase / (decrease) in cash and cash equivalents for the period	**221**

Below are presented the Profit / (loss) after tax per share of the discontinued operations of the Group subsidiaries in Favorit Bookmakers Office OOO, Supreme Ventures Ltd, Intralot Caribbean Ventures Ltd and Slovenske Loterie AS:

Earnings / (loss) after tax per share (€) from discontinued operations	1/1-31/3/2018	1/1-31/3/2017
- basic	-	0,0044
- diluted	-	0,0044
Weighted Average number of shares	-	157.373.970

IX. Companies merge

On March 2018, the subsidiary Intralot Capital Luxembourg S.A. absorbed its wholly-owned subsidiary, Intralot Finance Luxembourg S.A.

On 1/1/2018 the associate company Gamenet S.p.A. (20%) absorbed its 100% subsidiary Gamenet Scommesse S.p.A.

B. REAL LIENS

A Group subsidiary in Malta has banking facility amounting €4,3 million, for issuing bank letters of guarantee. This facility is secured by an initial general mortgage on all the subsidiary's present and future assets (on 31/3/2018 the letters of guarantee used amounted to €4,0 million). Also, a Group subsidiary in Bulgaria has secured a loan of €1,3 million by pledging its total trading activity and fixed assets of its subsidiary.

There are no other restrictions than the above, in the ownership or transfer or other encumbrances on the Group's property.

On 31 March 2018, the Group had no contractual commitments for the purchase of tangible assets.

In the Group Statement of Financial Position (row "Trade and other short term receivables") of 31/3/2018 are included collateralized bank deposits as security coverage for banking facilities amounting €30 thousand (31/12/2017: €30 thousand) and other collateralized bank deposits amounting to €360 thousand (31/12/2017: €360 thousand). Respectively, for the Company on 31/3/2018 are included collateralized bank deposits as security coverage for banking facilities amounting €30 thousand (31/12/2017: €30 thousand) and other collateralized bank deposits amounting to €129 thousand (31/12/2017: €129 thousand).

C. PROVISIONS

GROUP	Litigation cases [1]	Unaudited fiscal years and tax audit expenses [2]	Other provisions [3]	Total provisions
Period opening balance	**4.558**	**3.116**	**6.178**	**13.852**
Period additions	0	0	707	**707**
Used provisions	0	0	-1.429	**-1.429**
Foreign exchange differences	176	0	-177	**-1**
Period closing balance	**4.734**	**3.116**	**5.279**	**13.129**
Long term provisions	**4.677**	**3.116**	**411**	**8.204**
Short term provisions	**57**	**0**	**4.868**	**4.925**
Total	**4.734**	**3.116**	**5.279**	**13.129**

[1] Relate to litigation cases as analyzed in note 2.21.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 1-3 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 €1.656 thousand as well as provisions for future payments under "onerous contracts" as provided by IAS 37 amounting to €682 thousand as well as provisions amounting €2.236 thousand for earned winnings which relate to sports betting prices and guaranteed future numerical games jackpots The Other provisions are expected to be used in the next 1-6 years.

COMPANY	Litigation cases [1]	Unaudited fiscal years and tax audit expenses [2]	Other provisions	Total provisions
Period opening balance	**4.497**	**3.115**	**91**	**7.703**
Foreign exchange differences	181	0	0	**181**
Period closing balance	**4.678**	**3.115**	**91**	**7.884**
Long term provisions	**4.678**	**3.115**	**0**	**7.793**
Short term provisions	**0**	**0**	**91**	**91**
Total	**4.678**	**3.115**	**91**	**7.884**

[1] Relate to litigation cases as analyzed in note2.21.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 1-3 years.

D. PERSONNEL EMPLOYED

The number of employees of the Group on 31/3/2018 amounted to 5.107 persons (Company/subsidiaries 3.056 and associates 2.051) and the Company's to 708 persons. Respectively on 31/3/2017 the number of employees of the Group amounted to 5.136 persons (Company/subsidiaries 3.351 and associates 1.812) and the Company 710 persons. At the end of 2017 fiscal year the number of employees of the Group amounted to 5.149 persons (Company/subsidiaries 3.132 and associates 2.017) and the Company 735 persons.

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 for the three months of 2018 and the balances on 31/3/2018 of other related parties:

Amounts reported in thousands of € (total operations)	1/1-31/3/2018 GROUP	COMPANY
Income		
-from subsidiaries	0	13.238
-from associates	1.445	1.253
-from other related parties	1.365	1.320

Expenses		
-to subsidiaries	0	4.924
-to associates	33	12
-to other related parties	3.781	856
BoD and Key Management Personnel transactions and fees	1.862	1.130

Amounts reported in thousands of €	31/3/2018	
	GROUP	COMPANY
Receivables		
-from subsidiaries	0	73.508
-from associates	10.541	6.911
-from other related parties	11.469	8.428
Payables		
-to subsidiaries	0	256.704
-to associates	21	21
-to other related parties	29.421	15.887
BoD and Key Management Personnel receivables	0	0
BoD and Key Management Personnel payables	76	0

Below there is a summary of the transactions for the three months of 2017 and the balances on 31/12/2017 with related parties:

Amounts reported in thousands of € (total operations)	1/1-31/3/2017	
	GROUP	COMPANY
Income		
-from subsidiaries	0	18.938
-from associates	972	826
-from other related parties	1.575	1.340
Expenses		
-to subsidiaries	0	4.916
-to associates	-104	-103
-to other related parties	1.433	1.055
BoD and Key Management Personnel transactions and fees	2.485	1.161

Amounts reported in thousands of €	31/12/2017	
	GROUP	COMPANY
Receivables		
-from subsidiaries	0	73.863
-from associates	10.202	6.469
-from other related parties	11.501	8.425
Payables		
-to subsidiaries	0	252.070
-to associates	8	8
-to other related parties	22.482	17.541
BoD and Key Management Personnel receivables	0	0
BoD and Key Management Personnel payables	452	222

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 receivables.

In the three months of 2018, the Company made a provisions concerning an estimate of reduction of the recoverable value of receivables from subsidiaries amounting to €1,2 million that were recorded in the income statement of the period.

The accumulated relevant provisions on 31/3/2018 amounted to €40,0 million (31/12/2017: €38,8 million).

2.21 CONTNGENT LIABILITIES, ASSETS AND COMMITMENTS

A. LITIGATION CASES

a. 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 favor 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 favor 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 decision no 1062/2015 was issued referring the case for hearing before the plenary session of the Supreme Court. The case was heard before the plenary session of the Supreme Court on the 16th February 2017 and the decision of the plenary session of the Supreme Court was issued which rejected the reasons for cassation that were brought for judgment before the plenary session, while the remaining reasons for cassation were referred for hearing to the competent Supreme Court's department. The date for the hearing was set for the 26th of February 2018 when the case was heard and the decision issued rejected the application for cassation.

b. 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. On 17 October 2015 an appeal was served to the company against the above decision, which was scheduled to be heard before the Athens Court of Appeals on 11 February 2016; on that date the hearing was postponed for 22 September 2016 due to lawyers strike when it was cancelled, while following a request of the plaintiff a new hearing date is set for 9 March 2017 when the case has been heard and a decision of the Court of Appeals was issued which ordered the repeat of the appeal's hearing. The date for the hearing was set for the 22nd of February 2018 when the case was heard and the issue of the decision is pending.

c. On 26th July 2011 a lawsuit 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. Before the hearing the plaintiff withdrew from the lawsuit. The estimate of the legal advisors of the Company is that in any case the lawsuit, if it will be heard, has no serious chance of success.

d. 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 behavior:

- 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. The Company filed an appeal against the decision requesting that the lawsuit to be accepted in total; no hearing date has been set for the appeal.
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 lawsuit.

e. In Turkey the companies Teknoloji Holding A.Ş. and Teknoser Bilgisayar Teknik Hizmetler Sanayi ve Dış Ticaret A.Ş have filed a lawsuit against Intralot and Inteltek claiming that due to wrong calculation of the reserves of the years 2005 and 2006, the distributed dividends to the then shareholders of Inteltek should have been higher and for this reason they are requesting that the amount of TL 609.310,40 (€124.410) plus interest to be paid to them. A First Instance Court decision was issued which accepted the lawsuit against Intralot. The Company filed an appeal against this decision which is pending.

f. 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 (€6,8m). 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. On 31 August 2016 an application was served to the Company requesting to render the abovementioned arbitration decision as executable in Greece which was heard before the Athens One-Member First Instance Court and the decision issued accepted it. The Company filed an appeal against this decision which has been scheduled for hearing on 4 October 2018 before the Athens Court of Appeals and an application for suspension of execution which was heard on 24 May 2018 before the Athens Court of Appeals, while a temporary order of non-execution until the issue of the decision in relation to this application for suspension of execution has been issued. The Company has created relative provision in its financial statements part of which (€2,2m) has already been used for the payment to Etesa of a letter of guarantee amounting to 7.694.081.042 Colombian pesos.

g. 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.

h. 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) in order 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 was rejected. Following postponements, the case was heard on 10 June 2016 and the respective first instance decision was issued on 19 July 2016; the lawsuit against LOTROM was rejected while it was accepted partially in respect to its part filed against Intralot Holdings International Ltd., obligating the latter to pay the amount of the purchase and the legal expenses. Both Intralot Holdings International Ltd. and Mr. Petre Ion filed appeals against this decision which was heard and were rejected. The decision is now final and therefore enforceable however Intralot Holdings International Ltd. filed an application for cassation which is pending.

i. 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 (€1.190.137) and to the subsidiary LOTROM to 512.469 ROL (€110.055). 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 which has been rejected. Finally, the applications for the annulment of the decision of the Competition Board filed by LOTROM and INTRALOT were accepted by the court and the respective fines were cancelled. Against LOTROM and the respective abovementioned decision, the Competition Board of Romania filed an appeal which has not been yet scheduled for hearing. The Competition Board filed a separate appeal against the decision which accepted Intralot's application for the annulment which has not been yet scheduled for hearing.

j. In Romania, the subsidiary Lotrom was notified on the beginning of an investigation conducted by the competent authorities against the state lottery CNLR, client of the Group, in relation to alleged occurrence of the crime of conducting games of chance without license and possible complicity to that, in relation to the operation of Video Lottery machines of CNLR; the Group was the technology provider of CNLR from 2003 to 2014. Intralot was notified, through rogatory procedure, that itself along with LOTROM and Intracom, are alleged to be accomplices of the state lottery CNLR to the abovementioned crimes. Intralot refuted with a memo duly submitted within February 2016, the above allegations. Due to the early stage of the procedure and the nature of the case as well as due to the secrecy of the investigation procedures, neither further comments on the issue nor any estimation of any possible negative financial effect on the financials of the group can be provided.

k. 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 filed against the respective decision was also rejected. 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 which were rejected . "Totolotek Totomix SA" intends to file further legal means against the above decisions. 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 the court issued, on 13 May 2015, its decision vindicating "Totolotek Totomix SA" and cancelled the fine, while the respective appeal filed was rejected by the Warsaw Supreme Court rendering final the decision of the court which cancelled the fine.
l. 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 was holding until 10.10.2017 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.

m. 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 court accepted the claim of the plaintiff in relation to the amounts owed due to his labor relationship but rejected the claim for remuneration resulting from a services agreement. The company filed an appeal before the Supreme Labor Court which is pending.

n. 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 case was heard on 6th May 2015 and a decision was issued accepting Intralot's lawsuit in full. ODIE filed an appeal against this decision which has been scheduled for hearing on 1 November 2018 before the Athens Court of Appeal. 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) 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 was 17th February 2016 but on that date the hearing was postponed, due to lawyers' strike, for 4 October 2017, when it was heard and is issue of the decision is pending.

The confiscation on the above land property of ODIE in Markopoulo Attica imposed in the frame of the abovementioned procedure of compulsory execution against ODIE, was reversed with the consent of Intralot on 15 December 2015 in execution of the terms of the agreement dated 24 November 2015 between Intralot and ODIE which settled the payment of all above claims of Intralot. Pursuant to this agreement, ODIE assigned to Intralot 2/3 of the rent which it will receive from the lease agreement relating to that real estate to the company "Ippodromies SA". The payment of the assigned rent amounts has already been started.

o. A former officer of the Company filed a lawsuit before the Athens First Instance Court requesting the payment of the amount of €121.869,81 as non-paid wages. The hearing had been scheduled for 25 May 2016 when it was postponed for 4 June 2018 due to lawyers' abstention from hearings. The Legal Department of the Company considers that, following the hearing of the case, the above-mentioned lawsuit would not be successful.

p. In Poland a lawsuit was filed against the subsidiary "Totolotek Totomix SA" by a player of betting games; he claims that the amount of 861.895PLN (€204.696) which was not paid by the abovementioned subsidiary because of violation of the betting regulations by the plaintiff, is due to him. "Totolotek Totomix SA" has requested the case to be heard before the Warsaw courts (instead of the courts of the town Torun) and this application was accepted, however the plaintiff has filed a recourse requesting that the case to be heard before the courts of Torun which was rejected by the court and the case will be scheduled for new hearing by the Warsaw courts.

q. There is a dispute pending between on the one hand the subsidiary company Intralot Leasing Netherlands B.V. in its capacity as lessee and the Company in its capacity as guarantor and on the other hand the company Econocom Nederland B.V. with respect to a sale and leaseback of equipment agreement dated 28 March 2013 and more specifically in relation to a claim of Econocom Nederland B.V. for further payments to it. As per the agreement's terms, a stand-by letter of credit issued by the French bank Societe Generale in the amount of €5mil. had been delivered to Econocom Nederland B.V. The Company requested from the competent French court in Paris this stand-by letter of credit not to be called and the court issued a temporary decision restricting Societe Generale from paying any amount from the above stand-by letter of credit to Econocom Nederland B.V. until the hearing of the case, following postponement, on 17 January 2017. Additionally, the Company filed injunctions in the Netherlands against Econocom Nederland B.V. and the court accepted the respective application and prohibited Econocom Nederland B.V. to request the payment of the abovementioned letter of guarantee and of the relevant corporate guarantee, until the issue of the final judgement, ordering Econocom Nederland B.V. to pay a penalty of €10m in case of breach of the prohibition. A lawsuit was also filed with a request to be recognized that no further amounts are due to Econocom Nederland B.V. by virtue of the above agreement; the lawsuit which was heard on 15 November 2017 and was accepted by the court. Against the injunctions decision Econocom Nederland B.V. filed an appeal which was heard on 13 November 2017 and the issue of the decision is pending.

r. In Romania, the company "INTRAROM SA" having its registered offices in Romania, requested arbitration against Intralot before the Arbitration Court of the Romanian Chamber of Commerce and Industry claiming the amount of 3.960.649,42 RON (€850.564) for unpaid invoices and the amount of 3.210.848,10 RON (€689.541) for delay penalties until 11.7.2017 and additional delay penalties from

11.7.2017 until payment. The arbitration procedure is in progress and Intralot reserves the position that it has strong arguments to object the claims of "INTRAROM SA".

s. In Cyprus, the National Betting Authority has suspended the Class A license of the company Royal Highgate Pcl Ltd. in which the Company has an indirect participation of approx. 35,08%, initially for a period of two months, alleging non-compliance of Royal Highgate Pcl Ltd. with specific terms of the license. Following extensions, the license is still suspended. Royal Highgate Pcl Ltd. considers that those requested by the National Betting Authority are beyond the provisions of the law and has filed a recourse before the competent administrative court of Nicosia which was heard on 30 March 2018 and the issue of the decision is pending.

t. In USA, in South Carolina State, a class action was filed v. the local lottery South Carolina Education Lottery Commission and the subsidiary Intralot, Inc. for breach of contract with the allegation that because of malfunctioning of the system there were winning tickets which were not paid and claiming a total compensation of approx. 35m USD (€28,4m). The lawsuit was served to Intralot, Inc. on 20 March 2018 and the company must reply within 30 days. The Group's management, relying on local expert legal counsels opinion, considers that the lawsuit has low probability of success. It is noted that with regards to such cases, the Group has a respective insurance coverage.

u. A former employee of the Company filed two lawsuits before the Athens First Instance Court requesting, with the first one, the payment of the amount of €133.179,47 for unpaid salaries and €150.000 as compensation for moral damages and, with the second one, the amount of €259.050 for overdue salaries calculated until 3 December 2019 and €150.000 as compensation for moral damages. The first lawsuit was heard on 28 February 2018 and the issue of the decision is pending, while the second one has been scheduled for hearing on 10 May 2018 when it was postponed for 24 January 2019.

v. In Morocco, a judgment was notified to the subsidiary company Intralot Maroc deciding the payment of the amount of 3.360.000 MAD (€304.500) to a supplier company. The company Intralot Maroc has filed an appeal which is pending.

Until 29/5/2018, 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

I) SUBSIDIARIES

COMPANY	YEARS
INTRALOT S.A.	2013-2017
BETTING COMPANY S.A.	2007-2010 & 2012-2017
BETTING CYPRUS LTD	2012-2017
INTRALOT IBERIA HOLDINGS SA	2013-2017
INTRALOT JAMAICA LTD	2010-2017
INTRALOT TURKEY A.S.	2013-2017
INTRALOT DE MEXICO LTD	2006-2017
INTRALOT CHILE SPA	2016-2017
INTELTEK INTERNET AS	2013-2017
AZERINTELTEK AS	2017
POLDIN LTD	2013-2017

COMPANY	YEARS
POLLOT Sp.Zoo	2013-2014 & 2016-2017
TOTOLOTEK S.A.	2013-2017
INTRALOT SLOVAKIA SPOL. S.R.O.	2014-2017
NIKANTRO HOLDINGS Co LTD	2012-2017
LOTERIA MOLDOVEI S.A.	2014-2017
INTRALOT BETTING OPERATIONS (CYPRUS) LTD	2012-2017
ROYAL HIGHGATE LTD	2013-2017
INTRALOT LEASING NEDERLAND B.V.	2013-2017
INTRALOT IRELAND LTD	2014-2017
BILOT INVESTMENT LTD	2016-2017
EUROBET LTD	2013-2017

ATROPOS S.A.	2010-2017	EUROBET TRADING LTD	2013-2017
INTRALOT SERVICES S.A.	2015-2017	ICS S.A.	2013-2017
INTRALOT ADRIATIC DOO	2015-2017	TECNO ACCION URUGUAY S.A. (Pilmery Corporation S.A.)	2016-2017
BILYONER INTERAKTIF HIZMELTER AS GROUP	2015-2017	INTRALOT GLOBAL OPERATIONS B.V.	2016-2017
INTRALOT MAROC S.A.	2016-2017	GARDAN LTD	-
GAMING SOLUTIONS INTERNATIONAL LTDA	2012-2017	GAMEWAY LTD	2016-2017
INTRALOT INTERACTIVE S.A.	2012-2017	INTRALOT ITALIAN INVESTMENTS B.V.	2017
INTRALOT GLOBAL SECURITIES B.V.	2013-2017	BIT8 LTD	2016-2017
INTRALOT CAPITAL LUXEMBOURG S.A.	2014-2017	INTRALOT CYPRUS GLOBAL ASSETS LTD	2012-2017
INTRALOT FINANCE LUXEMBOURG S.A.	2013-2017	INTRALOT OOO	2015-2017
INTRALOT GLOBAL HOLDINGS B.V.	2013-2017	INTRALOT ST. LUCIA LTD	2012-2017
INTRALOT INC	2014-2017	INTRALOT GUATEMALA S.A.	2009-2017
DC09 LLC	2014-2017	LOTERIAS Y APUESTAS DE GUATEMALA S.A.	2009-2017
INTRALOT AUSTRALIA PTY LTD	2013-2017	INTRALOT DOMINICANA S.A.	2009-2017
INTRALOT GAMING SERVICES PTY	2013-2017	INTRALOT LATIN AMERICA INC	2008-2017
ILOT CAPITAL UK LTD	2016-2017	INTRALOT HOLDINGS INTERNATIONAL LTD	2012-2017
ILOT INVESTMENT UK LTD	2016-2017	INTRALOT INTERNATIONAL LTD	2012-2017
INTRALOT NEDERLAND B.V.	2010-2017	INTRALOT OPERATIONS LTD	2012-2017
LOTROM S.A.	2012-2017	NETMAN SRL	2012-2017
INTRALOT BEIJING Co LTD	2007-2017	BILOT EOOD	2013-2017
TECNO ACCION S.A.	2012-2017	EUROFOOTBALL LTD	2013-2017
TECNO ACCION SALTA S.A.	2015-2017	EUROFOOTBALL PRINT LTD	2013-2017
MALTCO LOTTERIES LTD	2004-2017	INTRALOT TECHNOLOGIES LTD	2012-2017
INTRALOT NEW ZEALAND LTD	2013 & 2017	INTRALOT LOTTERIES LTD	2012-2017
INTRALOT DO BRAZIL LTDA	2013-2017	INTRALOT BUSINESS DEVELOPMENT LTD	2012-2017
INTRALOT MINAS GERAIS LTDA [1]	2012	GAMING SOLUTIONS INTERNATIONAL SAC	2013-2017
OLTP LTDA	2013-2017	NAFIROL S.A.	-
INTRALOT GERMANY GMBH	2016-2017	LEBANESE GAMES S.A.L	-
INTRALOT SOUTH KOREA S.A.	2007-2017	INTRALOT HONG KONG HOLDINGS LTD	2015-2017
INTRALOT FINANCE UK LTD	2016-2017	ENTERGAMING LTD	-
INTRALOT ASIA PACIFIC LTD	2017	INTRALOT BETTING OPERATIONS RUSSIA LTD	2012-2017
WHITE EAGLE INVESTMENTS LTD	2016-2017	INTRALOT DE COLOMBIA (BRANCH)	2012-2016
BETA RIAL Sp.Zoo	2013-2017		

[1] The subsidiary company Minas Gerais Ltda has merged with Intralot Do Brazil Ltda

The tax audits were completed in Nederland B.V. for the period 2009, in Tecno Accion S.A. for the period 2014-2015, in Intralot Chile SPA for the year 2016 (with the possibility of re-auditing over the next three years), in Intralot Jamaica Ltd the tax audit was partly completed for the period 2010-2012, in Royal Highgate Ltd for the period 2008-2012 where a tax liability plus interests and fines occurred, amounting to €129 thousand. In Intralot Capital Luxembourg S.A. for the years 2013 & 2016 (regarding VAT), while it was completed in Intralot Germany Gmbh for the period 2012-2015. In Lotrom S.A. the audit initiated by the local tax authorities with respect to financial activities for transactions subject to VAT for the period 2004-2014 was completed in the fourth quarter of 2016. So far the conclusion report has not been yet notified to the company.

Tax audits are in progress in Intralot Chile SPA and in AzerInteltek AS for the year 2017 as well as a partial tax audit in Inteltek Internet AS for the period 2014-2015.

Under the L.2238/94 Art. 82 par.5 of POL.1159/2011, the companies Betting Company S.A. and Intralot Interactive S.A. have received a tax certificate for the period 2011-2016, the company Intralot S.A. for the period 2014-2016 and the company Intralot Services S.A. for the period 2015-2016. In Intralot SA during the tax audit for the year 2011, were imposed taxes on accounting differences plus surcharges amounting to €3,9 million. The Company lodged an administrative appeal against the relevant control sheets resulting in a reduction of taxes of €3,34 million. The Company filed new appeals to the Greek

Administrative Courts which did not justify the Company, which filed an appeal before the Council of State. The Company's management and its legal advisors consider that there is a significant probability that the appeal will thrive finally for the most part. The Company has formed sufficient provisions and has paid the whole amount of taxes. In Intralot S.A. a partial reaudit was contacted for the years 2007 & 2008 as well as a regular tax audit for the year 2012 without incurring any tax liability for the Company, while an audit order has been notified to the Company for the year 2013 and for a partial audit on VAT for the period 01/02/2010 -31/10/2012.

II) ASSOCIATE COMPANIES & JOINT VENTURES

COMPANY	YEARS
LOTRICH INFORMATION Co LTD	2017
INTRALOT SOUTH AFRICA LTD	2017
GOREWARD LTD	-
GOREWARD INVESTMENTS LTD	-
PRECIOUS SUCCESS LTD GROUP	2013-2017
GAIN ADVANCE GROUP LTD	-
OASIS RICH INTERNATIONAL LTD	-
WUSHENG COMPUTER TECHNOLOGY (SHANGHAI) CO LTD	2017
UNICLIC LTD	2005-2017
DOWA LTD	2013-2017
GAMENET GROUP S.p.A.	2016-2017
GAMENET S.p.A.	2013-2017
INTRALOT ITALIA S.p.A	2013-2017
GAMENET ENTERTAINMENT S.R.L.	2013-2017

COMPANY	YEARS
EASY PLAY S.R.L.	2017
LA CHANCE S.R.L.	2016-2017
SLOT PLANET S.R.L.	2016-2017
GAMENET SCOMMESSE S.p.A.[2]	2013-2017
TOPPLAY S.R.L.	2013-2017
GNETWORK S.R.L.	2015-2017
BILLIONS ITALIA S.R.L.	2015-2017
JOLLY VIDEOGIOCHI S.R.L.	2013-2017
ROSILSPORT SRL	2013-2017
NEW MATIC S.R.L.	2013-2017
AGESOFT S.R.L.	2016-2017
INTRALOT DE PERU SAC	2015-2017
SERVICIOS TRANSDATA S.A. [1]	2012-2013

[1] The company Servicios Transdata SA have been merged with Intralot De Peru S.A.C.

[2] The company Gamenet Scommesse S.p.A. was merged with Gamenet S.p.A. on 1/1/2018.

The tax audits were completed in 2016 for the companies Wusheng Computer Technology Co Ltd, in Lotrich Information Co Ltd as well as in Intralot South Africa Ltd without incurring any tax burden and also in Dowa Ltd for the period 2004-2005. In Servicios Transdata S.A the tax audit for income tax was completed in 2014, for the year 2008 and VAT for the period 1/1/2008-30/6/2009 imposing additional taxes and fines amounting to €3,4 million. The company has launched an objection procedure in accordance with the relevant legislation to cancel the imposed taxes and fines. The company's legal consultants believe that the most possible outcome of the case will be positive. On October 13, 2017, the Lazio Region Tax Authorities concluded a tax audit of Gamenet S.p.A. regarding the 2012 tax year. The audit, which had been initiated in May 2017 to review the tax period January 1, 2013 – December 31, 2013, had then been extended to cover 2012 in respect of relations with two suppliers of services. Following the document gathering stage, audit activities regarding the 2013 tax period were suspended on October 9, 2017. On conclusion of the 2012 tax year audit, the Tax Authorities issued the related assessment report which included: (i) a note regarding an increase of €10,8 million in taxable income subject to IRES and IRAP, corresponding to an increase in IRES of €2,96 million and an increase in IRAP of €0,55; and (ii) a note regarding non-application of withholding tax on an amount of €6,6 million corresponding to higher withholding tax due of €0,33 million. On December 19, 2017, Gamenet S.p.A. received formal notices of assessment regarding IRES, IRAP and the Model 770 report for the 2012 tax year, which confirmed the findings set out in the prior assessment report and imposed penalties, applying the most favorable sanctions regime, based on the "favor rei" principle (90% of the IRES and IRAP taxes due and 20% of the taxes due in relation to the Model 770 report). On March 16, 2018, the Lazio Region Tax Authorities concluded the tax audit in relation to fiscal years 2013- 2014-2015 and issued the related assessment report, which contained the following claims: regarding IRES, it found a higher taxable income of approximately €53,4 million, which corresponds to a higher IRES amount of nearly €14,7 million; regarding IRAP, it found a higher taxable income of approximately €58,2 million, resulting in a higher IRAP amount of €3 million; and it identified non-application of withholding tax on an amount of €25 million, corresponding to higher withholding tax due of €3 million. With regard to fiscal year 2012, Gamenet S.p.A. has filed tax settlement proposals relating to the two notices of assessment received on December 19, 2017 and with regard to fiscal years 2013-2015, it has entered into proceedings following receipt of the invitations to appear notified by the tax authorities on April 27, 2018. It is noted that the management of Gamenet S.p.A., while believing (based also on the opinion of authoritative professional experts) the assessments to be rebuttable from various viewpoints, considered it advisable to attempt to reach a settlement with the tax authorities in order to avoid litigation, the inherent risk of which is increased by the existence of charges regarding various years, many of which involving complex legal matters with no clear legal precedent. Taking into account also the possibility that in the event of initiating litigation of this kind, the Tax Authorities could issue further assessments for each of the years after 2015 until a sentence unfavorable to the Tax Authorities is granted, Gamenet S.p.A. has accepted the settlement proposal for a total of about €5,2 million including fines and related interest, as compared with demands estimated at around €51,5 million. The share of Intralot Group (20% - €1,0 million) to the effects of the settlement (€5,2 million) is reflected in the results of first quarter of 2018.

C. COMMITMENTS

I) Operating lease payment commitments

On 31 March 2018 within the Group there have been various operating lease agreements relating to rental of buildings and motor vehicles. Rental costs have been included in the income statement for the period ended 31 March, 2018. Future minimum lease payments of non-cancelable lease contracts as at 31 March, 2018 are as follows:

	GROUP		COMPANY	
	31/3/2018	31/12/2017	31/3/2018	31/12/2017
Within 1 year	4.412	5.372	816	835
Between 2 and 5 years	5.389	5.598	1.936	2.057
Over 5 years	675	796	675	738
Total	**10.476**	**11.766**	**3.427**	**3.630**

II) Guarantees

The Company and the Group on 30 March, 2018 had the following contingent liabilities from guarantees for:

	GROUP		COMPANY	
	31/3/2018	31/12/2017	31/3/2018	31/12/2017
Bid	265	8	265	8
Performance	167.979	172.255	34.743	34.814
Financing	9.085	9.794	6.144	6.800
Other	276	302	276	302
Total	**177.605**	**182.359**	**41.428**	**41.924**

	GROUP	
	31/3/2018	31/12/2017
Guarantees issued by the parent and affiliates:		
-to third party	177.581	182.335
-to third party on behalf of associates	24	24
Total	**177.605**	**182.359**

	COMPANY

	31/3/2018	31/12/2017
Guarantees issued by the parent:		
- to third party on behalf of affiliates	37.026	38.406
- to third party on behalf of associates	24	24
- to third party on behalf of the parent	4.378	3.494
Total	**41.428**	**41.924**

Beneficiaries of Guarantees:
Bid: Hrvatska Lutrija D.O.O
Performance: Arkansas Lottery Commission, Azeridmanservis LLC, City of Torrington, Centre Monetique Interbancaire (CMI), DC Lottery Board, Georgia Lottery Corporation, GPT Pty Ltd, Hrvatska Lutrija D.O.O., Idaho State Lottery, Kansas Department of Administration - Procurement and Contracts, La Societe de Gestion de la Loterie National & la Marocaine des Jeux et des Sports, Loteria do Estado de Minas Gerais, Lotteries Commission of Western Australia, Louisiana Lottery Commission, Lutrija Bosne i Hercegovine D.O.O., Malta Gaming Authority, Maryland State Lottery, Meditel Telecom SA, Milli Piyango Idaresi Genel Mudurlugu, Moniton Pty Ltd, National Betting Authority of Cyprus, New Hampshire Lottery Commission, New Mexico Lottery Authority, Ohio Lottery, Polla Chilena de Beneficencia S.A., South Carolina Education Lottery, South Carolina Education Lottery Systems & Other Services, Spor Toto Teskilat Baskanligi, State of Montana, State of Ohio, Department of Administrative Services, State of Vermont, Vermont Lottery Commission, Stichting Exploitatie Nederlandse Staatsloterij, T.C. Basbakanlik Genclik ve Spor Genel Mudurlugu Spor Toto Teskilat Baskanligi, Totalizator Sportowy Sp. Z.o.o., Town of Greybull, Town of Jackson, City of Gillette, Wyoming Lottery Corporation, Information society S.A., OPAP S.A., Airport EL. Venizelos Customs, Eleusis Customs
Financing: Milli Piyango Idaresi Genel Mudurlugu, Bogazici Kurumlar Vergi Dairesi Mudurlugu, State of Ohio, Department of Health, Fondazione Enasarco, Hanseatische Immobilienfonds Gmbh, Econocom Netherland BV
Other: Teknoloji Holdings

III) Financial lease payment commitments

GROUP	Minimum of the lease payments 31/3/2018	Present value of the minimum lease payments 31/3/2018	Minimum of the lease payments 31/12/2017	Present value of the minimum lease payments 31/12/2017
Within 1 year	1.238	1.194	1.462	1.418
Between 2 and 5 years	1.184	1.141	1.397	1.389
Over 5 years	0	0	0	0
Minus: Interest	-87	0	-52	0
Total	**2.335**	**2.335**	**2.807**	**2.807**

The Company has no obligations under finance leases.

IV) Other commitments

The Group has contractual obligations for the purchase of telecommunication services for the interconnection of points of sale. The minimum future payments for the remaining contract duration on 31 March 2018 were:

GROUP	31/3/2018	31/12/2017
Within 1 year	2.658	2.875
Between 2 and 5 years	2.437	3.096
Over 5 years	0	0
Total	**5.095**	**5.971**

2.22 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.

2.23 SUBSEQUENT EVENTS

On April 2018 INTRALOT announced the appointment of Mr Michael Kogeler, as Group Chief Operating Officer, effective May 2, 2018, following an extensive international search process. Mr Kogeler will be responsible for the Group's business orchestration of its operations around the world, the relationships with partners and customers as well as the trading operations. Mr. Kogeler comes to INTRALOT from Microsoft, where he last held the position of the General Manager, Central and Eastern Europe, with full accountability of 15 countries. In his 14 years with Microsoft, Mr. Kogeler also held positions like COO and CMO of Middle East and Africa, General Manager for Consumer and On Line in Belgium and Netherlands, as well as Business Strategy roles. His 26 years of overall professional experience also include work in companies like Mc Kinsey & Company and IBM consulting. He holds a Bachelor of Business Administration from Rotterdam School of Management, of the Erasmus University Rotterdam.

Maroussi, 30 May 2018

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 CFO	**THE GROUP ACCOUNTING DIRECTOR**
G. SP. KOLIASTASIS **ID No. AN 157931**	**N. G.PAVLAKIS** **ID.No. AZ 012557** **H.E.C. License** **No. 15230/ A' Class**

3. Figures and Information for the period 1 January 2018 until 31 March 2018

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 2018 to 31st March 2018

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 Audit Report where appropriate.

Financial Statements approval date:
May 30, 2018

Web site:
www.intralot.com

STATEMENT OF FINANCIAL POSITION GROUP / COMPANY

	GROUP		COMPANY	
	31/3/2018	31/12/2017	31/3/2018	31/12/2017
ASSETS				
Tangible Assets	98.249	102.793	15.652	15.794
Investment Property	0	0	0	0
Intangible Assets	321.671	324.508	93.413	93.729
Other Non-Current Assets	183.165	178.551	142.886	142.885
Inventories	36.848	31.482	19.782	18.839
Trade Receivables	72.518	84.191	42.168	47.218
Other Current Assets	285.330	300.339	82.676	79.133
TOTAL ASSETS	**997.781**	**1.021.864**	**396.577**	**397.598**
EQUITY AND LIABILITIES				
Share Capital	47.689	47.689	47.689	47.689
Other Equity Elements	-5.702	10.133	36.552	36.872
Shareholders Equity (a)	**41.987**	**57.822**	**84.241**	**84.561**
Non-Controlling Interest (b)	18.089	31.966	0	0
Total Shareholders Equity (c)=(a)+(b)	**60.076**	**89.788**	**84.241**	**84.561**
Long-term Debt	744.836	729.377	236.135	232.179
Provisions / Other Long term Liabilities	30.556	29.567	17.028	16.904
Short-term Debt	6.798	19.345	0	0
Other Short-term Liabilities	155.515	153.787	59.173	63.954
Total Liabilities (d)	**937.705**	**932.076**	**312.336**	**313.037**
TOTAL EQUITY AND LIABILITIES (c)+(d)	**997.781**	**1.021.864**	**396.577**	**397.598**

STATEMENT OF CHANGES IN EQUITY GROUP / COMPANY

	GROUP		COMPANY	
	31/3/2018	31/3/2017	31/3/2018	31/3/2017
Net equity at the beginning of the period (1/1/2018 and 1/1/2017 respectively) prior to the application of IFRS 9 & 15	**89.788**	**196.486**	**84.561**	**96.808**
Efect from the application of IFRS 15[1]	-937	0	-333	0
Efect from the application of IFRS 9[1]	-1.150	0	0	0
Net equity at the beginning of the period (1/1/2018 and 1/1/2017 respectively) after the application of IFRS 9 & 15	**87.701**	**196.486**	**84.228**	**96.808**
Effect on retained earnings from previous years adjustments	-81	-109	0	0
New consolidated associate companies	-10	0	0	0
Total comprehensive income / (expenses) for the year after tax (continuing and discontinued operations)	-4.907	552	20	4.675
Dividends to equity holders of parent / non-controlling interest	-22.620	-25.340	0	0
Repurchase of treasury shares	-7	-6	-7	-6
Net Equity of the period Closing Balance (31/03/2018 and 31/03/2017 respectively)	**60.076**	**171.583**	**84.241**	**101.477**

[1] Refer to opening balance adjustment due to initial application of standards IFRS 9 and IFRS 15 (note 2.1.4 of interim financial statements)

INCOME STATEMENT GROUP / COMPANY

	GROUP		COMPANY	
	1/1-31/3/2018	1/1-31/3/2017	1/1-31/3/2018	1/1-31/3/2017
Sale Proceeds	280.665	268.959	14.501	14.136
Less: Cost of Sales	-219.886	-214.240	-9.727	-8.868
Gross Profit / (Loss)	**60.779**	**54.719**	**4.774**	**5.268**
Other Operating Income	3.521	4.197	50	46
Selling Expenses	-17.185	-13.658	-2.322	-2.775
Administrative Expenses	-18.278	-18.304	-3.180	-3.106
Research and Development Expenses	-1.490	-1.656	-1.490	-1.656
Other Operating Expenses	-432	-237	-1.268	-2
EBIT	**26.915**	**25.061**	**-3.436**	**-2.225**
Income/(expenses) from participations and investments	1.006	537	8.470	11.897
Gain/(loss) from assets disposal, impairment loss and write-off of assets	-109	-56	0	-6
Interest and similar expenses	-12.961	-12.939	-3.868	-4.236
Interest and related income	1.873	1.693	620	734
Exchange differences	-2.661	801	-975	-203
Profit / (Loss) from equity method consolidations	-850	-1.173	0	0
Profit / (Loss) before tax from continuing operations	**13.213**	**13.924**	**811**	**5.961**
Tax	-8.753	-9.756	-812	-1.133
Net Profit / (Loss) after tax from continuing operations	**4.460**	**4.168**	**-1**	**4.828**
Net Profit / (Loss) after tax from discontinued operations	0	2.972	0	0
Net Profit / (Loss) after tax (continuing and discontinued operations) (A)	**4.460**	**7.140**	**-1**	**4.828**
Attributable to:				
- Equity holders of parent	-6.037	-5.471	-1	4.828
- Non-Controlling Interest	10.497	12.611	0	0
Other comprehensive income / (expenses), after tax (B)	**-9.367**	**-6.588**	**21**	**-153**
Total comprehensive income / (expenses) after tax (A) + (B)	**-4.907**	**552**	**20**	**4.675**
Attributable to:				
- Equity holders of parent	-13.659	-10.473	20	4.675
- Non-Controlling Interest	8.752	11.025	0	0
Earnings / (loss) after tax per share (in euro)				
- Basic	-0,0385	-0,0348	0,0000	0,0307
- Diluted	-0,0385	-0,0348	0,0000	0,0307
EBITDA	**42.599**	**41.829**	**60**	**890**
Proposed dividend per share (in €)	0,00	0,00	0,00	0,00

CASH FLOW STATEMENT GROUP / COMPANY (total operations)

	GROUP		COMPANY	
	1/1-31/3/2018	1/1-31/3/2017	1/1-31/3/2018	1/1-31/3/2017
Operating Activities				
Profit/(loss) before Taxation (continuing operations)	13.213	13.924	811	5.961
Profit/(loss) before Taxation (discontinued	0	3.999	0	0
Plus/Less adjustments for:				
Depreciation and Amortization	15.684	17.216	3.496	3.115
Provisions	355	529	1.298	88
Results(income, expenses, gain and loss)from Investing Activities	2.524	-202	-7.495	-11.688
				0
Interest and similar expenses	12.961	13.091	3.868	4.236
Interest and similar income	-1.873	-1.826	-620	-734
Plus/Less adjustments of working capital to net cash or related to operating activities:				
Decrease/(increase) of Inventories	-4.368	-217	506	-421
Decrease/(increase) of Receivable Accounts	6.822	1.679	2.851	9.119
(Decrease)/increase of Payable Accounts (except	-4.194	-2.400	-3.695	-6.684
Less:				
Income Tax Paid	5.261	6.646	0	0
Total inflows / (outflows) from Operating Activities (a)	**35.863**	**39.147**	**1.020**	**2.992**
Investing Activities				
(Purchases)/Sales of subsidiaries, associates, joint ventures and other investments	-6.751	-3.108	0	0
Purchases of tangible and intangible assets	-14.771	-24.709	-4.668	-3.244
Proceeds from sales of tangible and intangible assets	625	95	0	40
Interest received	1.635	1.443	203	0
Dividends received	0	0	5.854	10.100
Total inflows / (outflows) from Investing Activities (b)	**-19.262**	**-26.279**	**1.389**	**6.896**
Financing Activities				
Repurchase of treasury shares	-7	-6	-7	-6
Cash inflows from loans	26.347	31.457	0	0
Repayment of loans	-13.112	-21.857	0	-4.500
Repayment of finance lease obligations	-614	-468	0	0
Interest and similar expenses paid	-23.485	-12.977	-150	257
Dividends paid	-15.455	-10.787	0	0
Total inflows/(outflows)from Financing Activities (c)	**-26.326**	**-14.638**	**-157**	**-4.249**
Net increase/(decrease) in cash and cash equivalents for the period (a)+(b)+(c)	**-9.725**	**-1.770**	**2.252**	**5.639**
Cash and cash equivalents at the beginning of the period	**238.041**	**164.401**	**20.434**	**20.356**
Net foreign exchange difference	-4.985	-2.084	-325	-236
Cash and cash equivalents at the end of the period	**223.331**	**160.547**	**22.361**	**25.759**

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SUPPLEMENTARY INFORMATION

1. The same accounting policies have been followed as the year-end consolidated financial statements 31/12/2017 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 interim financial statements.

2. The companies included in the consolidation of 31/03/2018 and not in the consolidation of 31/03/2017 due to subsequent acquisition/establishment are the following: Gardan Ltd (subsidiary), as well as La Chance S.r.l., Slot Planet S.r.l., RosilSport S.r.l. and Easy Play S.r.l. (associates) (note 2.20.A of interim financial statements). During second quarter of 2017 the associate company Gamenet S.p.A. (20%) increased its stake in associate company Verve S.p.A to from 51% to 100%, while the associate company Gamenet Entertainment S.r.L. (20%) acquired by 60% the Italian company La Chance S.r.L. which owns 100% of the Italian company Slot Planet S.r.L. During the fourth quarter of 2017 the group acquired an additional stake of 61% in the associate company Bit8 Ltd increasing its share to 100% and also acquired through its subsidiary Intralot Global Holdings BV the 100% of Gardan Ltd. Also during last quarter of 2017 the associate company Jolly Videogiochi S.R.L (14%) acquired by 75% the Italian company RosilSport S.R.L. and the associate company Gamenet Entertainment S.R.L. (20%) acquired by 51% the Italian company Easy Play S.R.L. On March 2018 the subsidiary Intralot Capital Luxemburg S.A. absorbed its 100% subsidiary Intralot Finance Luxemburg S.A. At 1/1/2018 the associate company Gamenet S.p.A. (20%) absorbed its 100% subsidiary Gamenet Scommesse S.p.A. The entities Atropos S.A., Nafirol S.A., Intralot Dominicana S.A., Gaming Solutions International Ltda, Loteria Moldovei S.A. and Gain Advance Group LTD are in the process of liquidation. The Group completed the liquidation and strike off of the subsidiaries Caribbean VLT Services Ltd (September 2017), Intralot Latin America Inc (May 2018) and the associate Venetta Servizi S.R.L (December 2017).

3. In December 2016, the Group decided to discontinue its activities regarding the betting services provided through its subsidiary Favorit Bookmakers Office OOO in Russia. On 31/12/2016 the above Group's activities in Russia were classified as discontinued operations pursuant to IFRS 5 par.13. In June 2017, the Group signed a disposal agreement for the 100% of Favorit Bookmakers Office OOO (note 2.20.A.VIII.A of interim financial statements). The consideration price for the disposal of Favorit Bookmakers Office OOO amounted to €3,5 million and paid within 2017.

4. The Group signed a Sales and Purchase Agreement (SPA) with Zodiac International Investments Ltd in the beginning of October 2017 for the sale of its 50,05% stake in Intralot Caribbean Ventures Ltd, which owns 49,9% of the subsidiary Supreme Ventures Limited - a company listed on the Jamaica Stock Exchange. The consideration price was agreed at USD 40 million, which corresponds to approximately 12 times the annual (reference period of the last twelve months to 30.6.2017) profit after tax attributable to the shareholders of the Group. As of 2/10/2017, the Group's above-mentioned activities in Jamaica and Santa Lucia were classified as discontinued operations (note 2.20.A.VIII.B of interim financial statements).

5. The Group signed on 18 December 2017 a Sales and Purchase Agreement (SPA) with Olbena S.R.O. to sell its 51% stake in subsidiary Slovenske Loterie AS. The consideration price was agreed at €1,75 million, which corresponds to approximately 12 times the annual (reference period of the last twelve months to 30.9.2017) EBITDA. Since 18/12/2017 the aforementioned activities of the Group in Slovakia were classified as discontinued operations (note 2.20.A.VIII.C of interim financial statements).

6. The Group's provisions at 31/03/2018 that refer to legal issues amount to €4,7 million, those referring to unaudited tax periods and tax audit expenses amount to €3,1 million and €5,3 million refer to other provisions. The respective amounts for the Company amount to €4,7 million (legal issues), €3,1 million (provisions for unaudited tax years and tax audit expenses) and €0,1 million (other provisions) (note 2.20.C & 2.21 of interim financial statements).

7. The number of employees of the Group on 31/3/2018 amounted to 5.107 persons (Company/subsidiaries 3.056 and associates 2.051) and the Company's to 708 persons. Respectively on 31/3/2017 the number of employees of the Group amounted to 5.163 persons (Company/subsidiaries 3.351 and associates 1.812) and the Company 710 persons. At the end of 2017 fiscal year the number of employees of the Group amounted to 5.149 persons (Company/subsidiaries 3.132 and associates 2.017) and the Company 735 persons.

8. Companies that are included in 31/03/2018 consolidated financial statements are presented in note 2.20.A.I & II of the interim financial statements including locations, group percentage ownership and consolidation method.

9. 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 2.21.B.I & II of the interim financial statements.

10. The amounts of other comprehensive expense/income included directly in the Group's comprehensive income statement as at 31/03/2018 of €-9,4 million (2017: €-6,6 million) concern: foreign exchange differences of €-9,3 million (2017 : €-6,3 million), €-18k (2017: €113k) concerns the valuation of derivatives, €3k (2017: €-0,4 million) concerns valuation of financial assets measured at fair value through other comprehensive income, while amount €-105k (2017: €20k) concerns defined benefit plans revaluation. Accordingly, the amounts of expense/income recorded in the comprehensive income statement as at 31/03/2018 for the Company, amounted to €21k (2017: €-153k) refer to: valuation of financial assets measured at fair value through other comprehensive income €3k (2017: €-266k) and derivatives valuation €-18k (2017: €113k).

11. On 31/03/2018 the Company held 1.987.403 treasury shares with a total acquisition cost of € 2.156 k (note 2.15 of the interim financial statements).

12. 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.

13. Significant events after the end of the reporting period and up to the release date of the financial results are stated in the note 2.23 of the interim financial statements.

14. Transactions (including income, expenses, receivables, payables) with related parties, are as follows:

	GROUP	COMPANY
a) Income		
-from subsidiaries	0	13.238
-from associates	1.445	1.253
-from other related parties	1.365	1.320
b) Expenses		
-to subsidiaries	0	4.924
-to associates	33	12
-to other related parties	3.781	856
BoD and Key Management Personnel transactions &	1.862	1.130
c) Receivables		
-from subsidiaries	0	73.508
-from associates	10.541	6.911
-from other related parties	11.469	8.428
d) Payables		
-to subsidiaries	0	256.704
-to associates	21	21
-to other related parties	29.421	15.887
BoD and Key Management Personnel receivables	0	0
BoD and Key Management Personnel payables	76	0

Maroussi, May 30, 2018

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE GROUP CHIEF EXECUTIVE OFFICER
S. P. KOKKALIS ID. No. AI 091040	A. I. KERASTARIS ID. No. AI 682788
THE GROUP CHIEF FINANCIAL OFFICER	THE GROUP ACCOUNTING DIRECTOR
G. SP. KOLIASTASIS ID. No. AN 157931	N.G. PAVLAKIS ID. No. AZ 012557 H.E.C. License No. 15230/A' Class