



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 2016 to 31st December 2016
 According to the article 135 of C.L. 2190/1920, for Companies preparing annual consolidated and single financial statements in accordance with IAS/IFRS
 Amounts in C'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 IFRS are posted, accompanied by the Auditor's Report where appropriate.

Regulatory Authority:
 Ministry of Economy, Development and Tourism, Department for Companies and G.E.M.I.

Certified Auditor:
 Evaggelos D. Kosmatos Reg.No/S.O.E.L 13561
 Georgios N. Deligiannis Reg.No/S.O.E.L 15791

Board of Directors:
 Chairman: Socrates P. Kokkalis
 Vice-Chairman: Constantinos G. Antonopoulos **
 CEO: Antonios I. Kerastaris
 Member: Konstantinos S. Kokkalis **
 Member: Dimitrios C. Klonis **
 Member: Petros C. Souretis **
 Member: Sotirios N. Filos *
 Member: Anastasios M. Tsoufiris *
 Member: Ioannis P. Tsoukaridis *
 *Independent Non executive director
 **Non executive directors

Financial Statements approval date:
 March 29, 2017

Auditing firm:
 S.O.L S.A Reg. No/S.O.E.L 125
 Grant Thornton Reg. No/S.O.E.L 127

Web site:
 www.intralot.com

Type of auditor's audit report:
 Unqualified opinion

	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
ASSETS				
Tangible Assets	126.962	166.445	15.391	17.338
Investment Property	6.038	5.805	0	0
Intangible Assets	329.582	328.827	90.044	83.144
Other Non-Current Assets	231.874	146.288	157.367	175.737
Inventories	32.250	42.591	18.888	24.064
Trade Receivables	84.792	123.060	55.007	63.169
Other Current Assets	249.588	356.281	93.359	99.782
TOTAL ASSETS	1.061.086	1.169.297	430.056	463.234
EQUITY AND LIABILITIES				
Share Capital	47.689	47.689	47.689	47.689
Other Equity Elements	79.853	81.874	49.119	52.569
Shareholders Equity (a)	127.542	129.563	96.808	100.258
Non-Controlling Interest (b)	68.944	77.819	0	0
Total Shareholders Equity (c)=(a)+(b)	196.486	207.382	96.808	100.258
Long-term Debt	644.576	718.060	237.348	280.673
Provisions / Other Long term Liabilities	49.580	48.772	20.032	14.777
Short-term Debt	14.733	36.180	0	1.358
Other Short-term Liabilities	155.711	158.903	75.868	66.168
Total Liabilities (d)	864.600	961.915	333.248	362.976
TOTAL EQUITY AND LIABILITIES (c)+(d)	1.061.086	1.169.297	430.056	463.234

	GROUP		COMPANY	
	1/1-31/12/2016	1/1-31/12/2015	1/1-31/12/2016	1/1-31/12/2015
Operating Activities				
Profit/(loss) before Taxation (continuing operations)	4.753	47.893	9.410	2.424
Profit/(loss) before Taxation (discontinued operations)	84.528	-22.154	0	0
Plus/Less				
Depreciation and Amortization	86.873	98.190	11.565	10.158
Provisions	25.402	9.625	11.129	4.404
Results/(income, expenses, gain and loss)/from Investing Activities	-88.875	-183	-45.385	-20.971
Interest and similar expenses	88.825	68.640	19.878	24.842
Interest and similar income	-11.952	-18.020	-3.636	-6.969
Plus/Less adjustments of working capital to net cash or related to operating activities:				
Decrease/(increase) of Inventories	2.756	1.158	-980	8.590
Decrease/(increase) of Receivable Accounts	-9.160	-19.272	7.964	10.931
(Decrease)/increase of Payable Accounts (except Banks)	11.156	-23.905	4.275	-52.034
Less:				
Income Tax Paid	26.204	28.188	0	0
Total inflows / (outflows) from Operating Activities (a)	168.102	113.784	14.220	-18.625
Investing Activities				
(Purchases)/Sales of subsidiaries, associates, joint ventures and other investments	4.499	-5.339	42.611	992
Purchases of tangible and intangible assets	-65.420	-70.786	-18.644	-17.645
Proceeds from sales of tangible and intangible assets	2.566	2.106	13	5
Interest received	7.741	12.326	1.179	1.166
Dividends received	1.011	1.875	9.272	15.626
Total inflows / (outflows) from Investing Activities (b)	-49.603	-59.818	34.611	144
Financing Activities				
Subsidiary's capital return	-3.292	0	1.245	0
Treasury shares repurchase	-1.219	0	-1.219	0
Cash inflows from loans	303.836	61.423	10.000	289.604
Repayment of loans	-388.416	-58.781	-68.957	-227.806
Bond buy backs	-3.742	-40.885	0	0
Repayment of finance lease obligations	-6.833	-11.509	0	0
Interest and similar expenses paid	-83.492	-64.850	-5.397	-16.895
Dividends paid	-42.161	-67.682	0	0
Total inflows/(outflows)from Financing Activities (c)	-225.319	-182.284	-64.328	44.903
Net increase/(decrease) in cash and cash equivalents for the period (a)+(b)+(c)	-106.820	-128.318	-15.497	26.422
Cash and cash equivalents at the beginning of the period	276.609	416.925	35.859	7.875
Net foreign exchange difference	-5.388	-11.998	-6	1.562
Cash and cash equivalents at the end of the period from total operations	164.401	276.609	20.356	35.859

	GROUP		COMPANY	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Net equity at the beginning of the period (1/1/2016 and 1/1/2015 respectively)	207.382	317.539	100.258	103.683
Effect on retained earnings from previous years adjustments	-5	118	0	0
Total comprehensive income / (expenses) for the year after tax (continuing and discontinued operations)	36.120	-27.832	-2.231	-3.425
Subsidiary share capital return	-3.292	0	0	0
New consolidated entities	1.048	0	0	0
Dividends to equity holders of parent / non-controlling interest	-43.548	-68.915	0	0
Effect due to change in ownership percentage	0	-13.528	0	0
Treasury shares repurchase	-1.219	0	-1.219	0
Net Equity of the period Closing Balance (31/12/2016 and 31/12/2015 respectively)	196.486	207.382	96.808	100.258

	GROUP				COMPANY			
	1/1-31/12/2016	1/1-31/12/2015	1/10-31/12/2016	1/10-31/12/2015	1/1-31/12/2016	1/1-31/12/2015	1/10-31/12/2016	1/10-31/12/2015
Sale Proceeds	1.323.592	1.235.466	366.100	340.501	65.547	76.582	18.261	23.787
Less: Cost of Sales	-1.090.465	-1.001.239	-201.276	-274.982	-44.853	-44.852	-9.810	-12.382
Gross Profit / (Loss)	233.127	233.727	64.824	65.519	20.694	31.730	8.451	11.405
Other Operating Income	33.094	23.139	18.754	6.133	14.673	38.836	169	4.885
Selling Expenses	-56.294	-56.561	-16.401	-19.225	-10.278	-10.794	-2.713	-4.800
Administrative Expenses	-87.375	-89.739	-24.083	-24.209	-15.477	-14.002	-5.877	-5.516
Research and Development Expenses	-4.716	-6.063	-584	-797	-4.642	-5.989	-566	-778
Other Operating Expenses	-9.901	-5.213	-8.363	-1.382	-17.030	-4.210	-4.675	-22
EBIT	107.935	99.290	34.147	26.039	-12.060	35.571	-5.211	5.174
Income/(expenses) from participations and investments	-17.465	-231	-15.415	-163	45.921	-17.836	35.092	2.082
Gain/(loss) from assets disposal, impairment loss and write-off of assets	-8.568	-734	-6.771	-916	-7.667	6	-7.672	5
Interest and similar expenses	-87.489	-67.808	-32.642	-16.572	-19.878	-24.842	-5.368	-4.486
Interest and related income	11.786	17.891	3.842	6.652	3.636	6.969	1.563	4.346
Exchange differences	3.128	3.548	4.618	2.313	-542	2.556	-473	1.964
Profit / (Loss) from equity method consolidations	-4.574	-4.063	-1.921	-1.265	0	0	0	0
Profit / (Loss) before tax from continuing operations	4.753	47.893	-14.192	16.088	9.410	2.424	17.931	9.085
Tax	-32.512	-45.127	-10.845	-11.450	-9.850	-6.054	-11.439	-4.515
Net Profit / (Loss) after tax from continuing operations	-27.759	2.766	-25.037	4.638	-440	-3.630	6.492	4.570
Net Profit / (Loss) after tax from discontinued operations	72.624	-23.442	37.495	-8.686	0	0	0	0
Net Profit / (Loss) after tax (continuing and discontinued operations) (A)	44.865	-20.676	12.458	-4.048	-440	-3.630	6.492	4.570
Attributable to:								
- Equity holders of parent	930	-65.148	-876	-14.724	-440	-3.630	6.492	4.570
- Non-Controlling Interest	43.935	44.472	13.334	10.676	0	0	0	0
Other comprehensive income / (expenses), after tax (B)	-8.745	-7.156	1.904	5.093	-1.791	205	-1.817	212
Total comprehensive income / (expenses) after tax (A) + (B)	36.120	-27.832	14.362	1.045	-2.231	-3.425	4.675	4.782
Attributable to:								
- Equity holders of parent	-3.562	-69.149	844	-11.240	-2.231	-3.425	4.675	4.782
- Non-Controlling Interest	39.682	41.317	13.518	12.285	0	0	0	0
Earnings / (loss) after tax per share (in euro)								
- Basic	0.0059	-0.4111	-0.0055	-0.0929	-0.0028	-0.0229	0.0410	0.0288
- Diluted	0.0059	-0.4111	-0.0055	-0.0929	-0.0028	-0.0229	0.0410	0.0288
EBITDA	175.839	164.892	51.565	43.538	-495	45.729	-2.220	8.576
Proposed dividend per share (in C)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

Supplementary information:

- The same accounting policies have been followed as the year-end consolidated financial statements 31/12/2015 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 annual financial statements.
- The companies included in the consolidation of 31/12/2016 and not in the consolidation of 31/12/2015 due to subsequent acquisition/establishment are the following: Bilot Investment Ltd, Eurobet Ltd, Eurobet Trading Ltd, ICS S.A., Intralot Chile S.p.A., Tecnico Accion Uruguay S.A., Entergaming Ltd, Gameway Ltd and Intralot Global Operations B.V. (subsidiaries), as well as Gamenet Group S.p.A., Gamenet S.p.A., Gamenet Entertainment S.r.l., Gamecity S.r.l., Gamenet Scommesse S.p.A., Gnetwork S.r.l., Billions Italia S.r.l., Jolly Videogiochi S.r.l., New Matic S.r.l., Agosoft S.r.l., Future Platforms Ltd and Goreward Investments Ltd (associates) (note 2.31.A of annual financial statements). Also, during the fourth quarter of 2015 the Group acquired an additional 10% of ordinary shares with voting rights in the subsidiary Intralot Inc increasing its shareholding to 100%, while during the fourth quarter of 2015 the Group participated in the share capital increase of subsidiary Intralot Interactive SA, increasing its shareholding from 93,02% to 95,94%. On September 2016 the Group increased its participation share in associates B18 Ltd and Switch IT NV from 35% to 39% after exercising a relevant right. The entities Atropos S.A., Nafrol S.A., Intralot Dominicana S.A., Gaming Solutions International Ltd and Gain Advance Group LTD are in the process of liquidation. During 2016, the Group completed the liquidation and strike off of the associate Ktems Holdings Co LTD (March 2016), and the subsidiaries Intralot Distribution OOO (September 2016) and Intralot Investments Ltd (November 2016). In January 2017 the Group completed the liquidation and strike off of subsidiary Intralot Argentina S.A. The Group sold all the shares it held in subsidiary Intralot Suriname Ltd (September 2016).
- On 25/6/2016 the Group announced that it has signed an agreement, with Trilantic Capital Partners Europe, the main shareholder of Gamenet S.p.A. ("Gamenet") in Italy, concerning the merge of the Group activities in Italy (subsidiaries Intralot Holding & Services S.p.A., Intralot Gaming Machines S.p.A., Intralot Italia S.p.A. and Veneta Servizi Srl) into those of Gamenet, one of the largest network concessionaires of VLT, AWP, betting and online gaming in the country. This announcement was made following the announcement of the signing of a Memorandum of Understanding (MoU) on 21/3/2016. Following the completion of the agreement on 27/6/2016 and the approval of the competent Competition Authority, the Group now controls 20% of the combined operation (Gamenet Group S.p.A. - note 2.31.A.VIII.A), with a network of approximately 750 betting POS, that will continue to use INTRALOT's brand name, approximately 8.200 VLTs, over 50.000 AWPs and more than 60 gaming halls owned by the company. Since 31/3/2016 the above activities of the Group subsidiaries in Italy were classified as assets held for sale and discontinued operations. Since the end of June, the Group consolidates 20% of the combined activity (Gamenet Group S.p.A. - note 2.31.A.VIII.A) with the equity method, the results of which are presented in the line "Profit / (loss) from equity method consolidations" in the Income statement of the Group.
- On 26/5/2016 the Group announced that it has reached an agreement with Nexus Group to sell 80% of Intralot de Peru S.A.C., its 100% owned subsidiary in Peru. After the completion of the transaction on 24/11/2016 the Group will continue to be the company's technological provider and will hold a 20% participation in Intralot de Peru S.A.C.'s share capital while NO Entertainment Peru S.A.C. 80%. Intralot de Peru S.A.C. operates numerical games and sports betting in the country through a network of 3.700 POS and the Internet. The agreement is in line with the Group's strategy to create, in selected countries, strategic partnerships with strong local partners that offer substantial synergies and local market know-how, strengthening the development of the local companies. Since 30/6/2016 the above activities of the Group in Peru were classified as assets held for sale and discontinued operations. The consideration price for the disposal of Intralot de Peru S.A.C. amounted to C64,7 million paid in November 2016 (note 2.31.A.VIII.B of annual financial statements).
- 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. (note 2.31.A.VIII.C of annual financial statements).
- On April 2016, the Group announced the acquisition, through its Bulgarian subsidiary Bilot Investment Ltd, of a strategic stake in Eurobet Ltd a leading gaming company in Bulgaria. The Group acquired a 49% stake in Eurobet Ltd, a company that offers to the Bulgarian market numerical games and scratch tickets through a network of 1.100 points of sales countrywide. The Group already has a strong presence in Bulgaria, holding since 2002 a 49% share of Eurofootball Ltd, a company that offers Fixed Odds and Live Betting through a network of 850 shops. The cost of the transaction amounts to C19,5 million and will be paid as follows: C5,8 million deposit and the remaining amount in installments over an 18 months period. The EV/EBITDA ratio for the acquisition of the share amounted to approximately 5x. The acquisition was completed in early July 2016, after approval by the Competition Protection Commission. The Eurobet Group (Eurobet Ltd, Eurobet Trading Ltd & ICS SA) is consolidated since July 2016 with the full consolidation method (note 2.31.A.III.A of annual financial statements).
- The Group's provisions at 31/12/2016 that refer to legal issues amount to C5,1 million, those referring to unaudited tax periods and tax audit expenses amount to C9,3 million and C6,4 million refer to other provisions. The respective amounts for the Company amount to C5,1 million (legal issues), C8,9 million (provisions for unaudited tax years and tax audit expenses) and C0,1 million (other provisions) (note 2.31.C & 2.32 of annual financial statements).
- The number of employees of the Group at the end of the current fiscal year amounted to 5.293 persons (subsidiaries 3.449 and associates 1.844) and the Company's to 689 persons. At the end of 2015 fiscal year the number of employees of the Group amounted to 5.080 persons (subsidiaries 4.963 and associates 117) and the Company 660 persons.
- Companies that are included in 31/12/2016 consolidated financial statements are presented in note 2.31.A.I & II of the annual financial statements including locations, group percentage ownership and consolidation method.
- 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 2.32.B.I & II of the annual financial statements.
- The amounts of other comprehensive expense/income included directly in the Group's comprehensive income statement as at 31/12/2016 of C-8,7 million (2015: C-7,1 million) concern: foreign exchange differences of C-5,9 million (2015: C-5,4 million), C-3,0 million (2015: C-1,7 million), concerns the valuation of available for sale financial assets, while ending amount C157 k (2015: C-14 k), concerns defined benefit plans revaluation. Accordingly, the amounts of expense/income recorded in the comprehensive income statement as at 31/12/2016 for the Company, amounted to C-1,8 k (2015: C205 k) refer to revaluation of available for sale financial assets C-1,8 k (2015: C-11 k) and defined benefit plans revaluation C-31 k (2015: C216 k).
- On 31/12/2016 the Company held 1.582.769 treasury shares with a total acquisition cost of C1.709 k (note 2.22 of the annual financial statements).
- 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.
- Significant events after the end of the reporting period and up to the release date of the financial results are stated in the note 2.35 of the annual financial statements.
- Transactions (including income, expenses, receivables, payables) with related parties, are as follows:

	GROUP	COMP
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