



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 2017 to 30th September 2017
 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 IFRSs 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.

Financial Statements approval date:
 November 24, 2017

Web site:
 www.intralot.com

STATEMENT OF FINANCIAL POSITION GROUP / COMPANY				CASH FLOW STATEMENT GROUP / COMPANY (total operations)				
	GROUP		COMPANY		GROUP		COMPANY	
	30/9/2017	31/12/2016	30/9/2017	31/12/2016	1/1-30/9/2017	1/1-30/9/2016	1/1-30/9/2017	1/1-30/9/2016
ASSETS								
Tangible Assets	112.846	126.962	14.873	15.391	37.560	18.945	-5.937	-8.521
Investment Property	5.112	6.038	0	0	-11.868	36.568	0	0
Intangible Assets	330.026	329.582	89.175	90.044				
Other Non-Current Assets	217.105	231.874	153.723	157.367				
Inventories	34.447	32.250	19.644	18.888	51.271	68.740	11.043	8.575
Trade Receivables	75.008	84.792	40.928	55.007	2.605	2.913	156	-1.800
Other Current Assets	558.520	249.588	86.022	93.359	19.890	-37.332	-12.336	-10.843
TOTAL ASSETS	1.333.064	1.061.086	404.365	430.056				
EQUITY AND LIABILITIES								
Share Capital	47.689	47.689	47.689	47.689				
Other Equity Elements	27.458	29.853	47.521	49.119				
Shareholders Equity (a)	85.157	127.542	95.220	96.808				
Non-Controlling Interest (b)	57.624	68.944	0	0				
Total Shareholders Equity (c)=(a)+(b)	142.781	196.486	95.220	96.808				
Long-term Debt	976.029	644.576	228.204	237.348				
Provisions / Other Long term Liabilities	29.740	49.580	16.681	20.032				
Short-term Debt	10.938	14.733	0	0				
Other Short-term Liabilities	173.576	155.711	64.260	75.867				
Total Liabilities (d)	1.190.283	864.600	309.145	333.248				
TOTAL EQUITY AND LIABILITIES (c)+(d)	1.333.064	1.061.086	404.365	430.056				

STATEMENT OF CHANGES IN EQUITY GROUP / COMPANY				
	GROUP		COMPANY	
	30/9/2017	30/9/2016	30/9/2017	30/9/2016
Net equity at the beginning of the period (1/1/2017 and 1/1/2016 respectively)	196.486	207.382	96.808	100.258
Effect on retained earnings from previous years adjustments	-6	5	0	0
Total comprehensive income / (expenses) for the year after tax (continuing and discontinued operations)	-16.971	21.757	-1.582	-6.906
Dividends to equity holders of parent / non-controlling interest	-36.707	-38.902	0	0
Subsidiary share capital return	0	-3.357	0	0
New Consolidated Entities	0	2.759	0	0
Treasury shares repurchase	-6	-495	-6	-495
Effect due to change in participation percentage	-15	0	0	0
Net Equity of the period Closing Balance (30/9/2017 and 30/9/2016 respectively)	142.781	189.149	95.220	92.857

INCOME STATEMENT GROUP / COMPANY						
	GROUP			COMPANY		
	1/1-30/9/2017	1/1-30/9/2016	1/7-30/9/2017	1/7-30/9/2016	1/1-30/9/2017	1/1-30/9/2016
Sale Proceeds	1.085.816	957.492	352.651	320.620	43.103	47.285
Less: Cost of Sales	-894.985	-789.189	-288.813	-271.526	-28.435	-35.043
Gross Profit / (Loss)	190.831	168.303	63.838	49.094	14.668	12.242
Other Operating Income	13.022	14.340	4.207	4.130	1.603	14.504
Selling Expenses	-42.712	-39.893	-13.289	-12.479	-7.444	-7.565
Administrative Expenses	-68.025	-63.292	-22.706	-21.467	-10.307	-9.600
Research and Development Expenses	-4.865	-4.131	-2.139	-1.435	-4.865	-4.076
Other Operating Expenses	-2.212	-1.539	-323	-162	-1.550	-12.355
EBIT	86.039	73.788	29.588	17.681	-7.895	-6.850
Income/(expenses) from participations and investments	1.043	-2.050	61	-692	13.083	10.829
Gain/(loss) from assets disposal, impairment loss and write-off of assets	-993	-1.797	23	-25	-6	5
Interest and similar expenses	-44.510	-54.847	-17.300	-20.736	-12.847	-14.510
Interest and related income	5.296	7.944	1.673	1.716	2.469	2.073
Exchange differences	-5.957	-1.490	-1.757	1.563	-741	-68
Profit / (Loss) from equity method consolidations	-3.358	-2.603	-1.346	-830	0	0
Profit / (Loss) before tax from continuing operations	37.560	18.945	10.942	-1.323	-5.937	-8.521
Tax	-22.907	-21.667	-5.401	-6.351	4.609	1.589
Net Profit / (Loss) after tax from continuing operations	14.653	-2.722	5.541	-7.674	-1.328	-6.932
Net Profit / (Loss) after tax from discontinued operations	-11.868	35.129	203	527	0	0
Net Profit / (Loss) after tax (continuing and discontinued operations) (A)	2.785	32.407	5.744	-7.147	-1.328	-6.932
Attributable to:						
- Equity holders of parent	-32.008	1.807	-6.207	-17.587	-1.328	-6.932
- Non-Controlling Interest	34.793	30.600	11.951	10.440	0	0
Other comprehensive income / (expenses), after tax (B)	-19.756	-10.650	-10.324	-5.614	-254	26
Total comprehensive income / (expenses) after tax (A) + (B)	-16.971	21.757	-4.580	-12.761	-1.582	-6.906
Attributable to:						
- Equity holders of parent	-42.402	-4.407	-13.211	-21.581	-1.582	-6.906
- Non-Controlling Interest	25.431	26.164	8.631	8.820	0	0
Earnings / (loss) after tax per share (in euro)						
- Basic	-0,2034	0,0114	-0,0394	-0,1111	-0,0084	-0,0438
- Diluted	-0,2034	0,0114	-0,0394	-0,1111	-0,0084	-0,0438
EBITDA	137.295	124.273	45.071	35.256	3.148	1.725
Proposed dividend per share (in C)	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 31/12/2016 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.
- The companies included in the consolidation of 30/9/2017 and not in the consolidation of 30/9/2016 due to subsequent acquisition/establishment are the following Gameway Ltd, Intralot Global Operations B.V. and Intralot Italian Investments B.V. (subsidiaries), as well as La Chance S.r.l., Slot Planet S.r.l., Topplay S.r.l., Future Platforms Ltd and Goward Investments Ltd (associates) (note 2.20.A of interim financial statements). Also, during the second quarter of 2017, the Group acquired an additional stake of 4,06% of ordinary shares with voting rights of the subsidiary company Intralot Interactive SA, increasing its stake to 100%, and the associate company Gamenet S.p.A. (20%) increased its stake in Verve S.p.A to 100% from 51%, while at the same time, during the nine months of 2017 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. and the associate company Intralot Holding & Services S.p.A. (20%) acquired 2% of Intralot Gaming Machines S.p.A. previously held by Gamenet S.p.A. In July 2017 the associate company Gamenet S.p.A. (20%) absorbed its 100% subsidiaries, Intralot Holding & Services S.p.A. and Intralot Gaming Machines S.p.A. The entities Atropos S.A., Nafrol S.A., Intralot Dominicana S.A., Gaming Solutions International Ltd, Loteria Moldovei S.A. and Gain Advance Group LTD are in the process of liquidation. During 2017, the Group completed the liquidation and strike off of the subsidiaries Intralot Argentina S.A. and Caribbean VLT Services Ltd.
- 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 merger 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 2.20.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 AWP 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 (note 2.20.A.VIII.A of the interim financial statements). Since the end of June 2016, the Group consolidates 20% of the combined activity (Gamenet Group S.p.A.) with the equity method.
- 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 NG 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 (note 2.20.A.VIII.B of interim financial statements). The consideration price for the disposal of Intralot de Peru S.A.C. amounted to €64,7 million and paid in November 2016.
- 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.C of interim financial statements). The consideration price for the disposal of Favorit Bookmakers Office OOO amounted to €3,5 million and paid within 2017.
- 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 POS 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 €19,5 million and will be paid as follows: €5,85 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 2.20.A.III.A of interim financial statements).
- In October 2017, the Group signed a Share Purchase Agreement to acquire, via Intralot Global Holdings BV, the remaining 61% of BtB, a gaming technology company in Malta, in which the Group first invested in 2015. The consideration of the acquisition of 61% amounts to €6,2 million and shall be paid during 2017, as well as the consideration of €800 thousand for the buying option of a 4% stake that was exercised in September 2016. Based on the above the total consideration for the acquisition of 100% shares of BtB will reach €12,7 million.
- The Group signed in early October 2017 a Share Purchase Agreement (SPA) with Zodiac International Investments Ltd for the sale of its 50.05% stake in subsidiary Intralot Caribbean Ventures Ltd which owns 49.9% of subsidiary Supreme Ventures Limited - a company listed in the Jamaica Stock Exchange (JSE). The transaction amount is agreed at USD 40m, that corresponds nearly 12 times the annual (reporting period of the twelve months ended June 30, 2017) net profit after tax attributable to the equity holders of the Group. The transaction was concluded on 11 October 2017 and its result will be recognized in the financial statements of the fourth quarter of 2017, applying IFRS 5 regarding discontinued operations.
- The Group's provisions at 30/9/2017 that refer to legal issues amount to €4,7 million, those referring to unaudited tax periods and tax audit expenses amount to €3,6 million and €5,3 million refer to other provisions. The respective amounts for the Company amount to €4,6 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).
- The number of employees of the Group in 30/9/2017 amounted to 5.368 persons (Company/subsidiaries 3.410 and associates 1.958) and the Company's to 728 persons. At the end of 2016 fiscal year the number of employees of the Group amounted to 5.293 persons (Company/subsidiaries 3.449 and associates 1.844) and the Company 689 persons.
- Companies that are included in 30/9/2017 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.
- 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.
- The amounts of other comprehensive expense/income included directly in the Group's comprehensive income statement as at 30/9/2017 of €-19,8 million (2016: €-10,7 million) concern: foreign exchange differences of €-19,8 million (2016: €-10,7 million), Cdk (2016: €28k) concerns the valuation of derivatives, €-42k (2016: €-0,4 million) concerns valuation of available for sale financial assets, while amount €68k (2016: €0,4 million) concerns defined benefit plans revaluation. Accordingly, the amounts of expense/income recorded in the comprehensive income statement as at 30/9/2017 for the Company, amounted to €-254k (2016: €-26k) refer to valuation of available for sale financial assets €-254k (2016: €-2k) and derivatives valuation Cdk (2016: €28k).
- On 30/9/2017 the Company held 1.588.169 treasury shares with a total acquisition cost of €1.715 k (note 2.15 of the interim 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 2.23 of the interim financial statements.
- Transactions (including income, expenses, receivables, payables) with related parties, are as follows:

	GROUP	COMPANY
a) Income		
-from subsidiaries	0	30.149
-from associates	3.434	3.141
-from other related parties	5.111	3.920
b) Expenses		
-to subsidiaries	0	14.509
-to associates	616	616
-to other related parties	4.648	3.247
c) Receivables		
-from subsidiaries	0	68.589
-from associates	11.084	6.216
-from other related parties	10.830	6.956
d) Payables		
-to subsidiaries	0	251.194
-to associates	54	8
-to other related parties	21.934	18.224
e) BoD and Key Management Personnel transactions and fees	7.347	3.419
f) BoD and Key Management Personnel receivables	0	0
g) BoD and Key Management Personnel payables	179	0

Maroussi, November 24, 2017

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OF THE BOARD OF DIRECTORS

THE GROUP CHIEF EXECUTIVE OFFICER

THE GROUP CHIEF FINANCIAL OFFICER

THE GROUP ACCOUNTING DIRECTOR

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A. I. KERASTARIS
ID. No. AI 682788

G. SP. KOLIASTASIS
ID. No. AN 157931

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