



INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES
Company's Number in the General Electronic Commercial Registry (E.G.E.S.R.) (Public Companies (S.A.)) Reg. No.: 27074/06/8/92/9
Company Domicile: 64 Kifissias Av., B 3 H. Sabahaghy's, Kifissia Str., Marousi 15122
Financial Information for the period from 1st January 2018 to 31st December 2018
According to the article 135 of C.L. 2196/1926, for Companies preparing annual consolidated and single financial statements in accordance with IAS/IFRS

Amounts in €'000

The figures presented below aim to provide summary information about the financial position and results of INTRALOT S.A. and INTRALOT's Group. Therefore, it is recommended to any reader who is willing to proceed to any kind of investment decision or other transaction concerning the company, to visit the company's web site where the Financial Statements issued 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:
Evangelos D. Roumelios Reg. No./S.O.E.L. 13561
Michalis Seitanides Reg. No./S.O.E.L. 12921

Board of Directors:
Chairman & CEO: Stavros P. Babalis
Vice-Chairman: Constantinos G. Antonopoulos **

Financial Statements approval date:
April 15, 2019

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

Members: Spiridion M. Filas **
Member: Alexandros - Strogios N. Manas **
Member: Anastasio M. Tsoufis **
Member: Ioannis P. Tsoukandaris *

Web site:
www.intralot.com

Type of auditor's audit report:
Unqualified opinion

STATEMENT OF FINANCIAL POSITION GROUP / COMPANY			
GROUP		COMPANY	
31/12/2018	31/12/2017 *	31/12/2018	31/12/2017 *
ASSETS			
Tangible Assets	133.360	102.793	18.890
Investment Property	39	0	0
Intangible Assets	302.132	324.508	90.813
Other Non-Current Assets	165.789	178.551	137.267
Inventories	45.033	31.482	18.839
Trade Receivables	71.368	82.201	79.935
Other Current Assets	275.594	305.129	65.385
TOTAL ASSETS	944.065	1,021.864	405.314
EQUITY AND LIABILITIES			
Share Capital	47.088	47.088	47.088
Other Equity Reserves	-48.798	19.175	7.974
Shareholders' Equity (a)	6.300	67.822	55.062
Non-Controlling Interest (b)	28.145	31.966	0
Total Shareholders' Equity (c)=(a)+(b)	34.445	99.788	55.062
Long-term Debt	737.094	728.377	286.330
Provisions / Other Long-term Liabilities	26.221	29.567	16.625
Current-term Debt	48.495	18.182	19.125
Other Current-term Liabilities	109.400	153.787	41.477
Total Liabilities (d)	910.620	920.472	357.147
TOTAL EQUITY AND LIABILITIES (c)+(d)	944.065	1,021.864	405.314

* On 31/12/2017 a reclassification between the amounts "Trade Receivables" and "Other Current Assets" is included for comparability with 31/12/2018.

STATEMENT OF CHANGES IN EQUITY GROUP / COMPANY			
GROUP		COMPANY	
31/12/2018	31/12/2017	31/12/2018	31/12/2017
Net equity at the beginning of the period (1/1/2018 and 1/1/2017 respectively) prior to the application of IFRS 9 & 15 and IAS 29			
89.788	196.486	84.551	96.808
Effect from the application of IFRS 12	-	-	-
Effect from the application of IFRS 9	-8.785	-7.488	-
Effect from the application of IAS 29	1.762	-	-
Net equity at the beginning of the period (1/1/2018 and 1/1/2017 respectively) after the application of IFRS 9 & 15 and IAS 29	81.814	196.486	81.540
Effect on retained earnings from previous years adjustments	-76	-66	-
Total comprehensive income / (expenses) for the year after tax (continuing and discontinued operations)	12.767	-33.463	-16.070
Dividends to equity holders of parent / non-controlling interest	-39.214	-44.895	0
New Financial Instruments Issuance	0	174	0
Treasury shares repurchases/disposal	-8.589	-435	-8.589
Associate companies stock options	142	0	0
Effect due to change in participation percentage	0	-15	0
Subsidiary disposal / acquisition	-12.464	-27.834	0
Adjustment to net monetary position	0	368	0
Net Equity of the period Closing Balance (31/12/2018 and 31/12/2017 respectively)	26.445	89.788	55.062

* Related to adjustment of the opening balance from the first application of IFRS 9 and IFRS 15 (note 2.1.4) and IAS 29 (note 2.2) of annual financial statements.

INCOME STATEMENT GROUP / COMPANY			
GROUP		COMPANY	
1/1-9/12/2018	1/1-9/12/2017	1/1-9/12/2018	1/1-9/12/2017
Sale Proceeds			
750.833	930.595	209.606	257.882
Less: Cost of Sales	-799.523	-730.362	-175.540
Gross Profit / (Loss)	161.310	200.203	34.066
Other Operating Income	16.225	16.707	5.071
Selling Expenses	-98.856	-80.786	-34.630
Administrative Expenses	-73.818	-76.614	-19.591
Research and Development Expenses	-10.074	-16,457	-151
Other Operating Expenses	-19,034	-7,025	-6,443
EBIT	81.310	88,268	1,832
Income/(expenses) from participations and investments	18.376	-34,064	15,626
Gain/(loss) from assets disposal, impairment loss and write-off of assets	-19,283	-2,278	-19,012
Interest and similar expenses	-60,404	-69,951	-12,207
Interest and similar income	8,122	6,887	1,589
Exchange differences	6,138	-1,847	-1,067
Profit / (Loss) from equity method consolidations	-18,309	-3,412	-16,789
Gain/(loss) on net monetary position	-130	0	-178
Profit / (Loss) before tax from continuing operations	-10,287	-10,283	-31,216
Tax	-11,349	-18,941	1,766
Net Profit / (Loss) after tax from continuing operations	-15,431	-29,244	-27,430
Net Profit / (Loss) after tax from discontinued operations	42,392	23,223	32,458
Net Profit / (Loss) after tax (continuing and discontinued operations) (A)	26,961	-6,021	5,028
Attributable to:			
- Equity holders of parent	-19,448	-11,786	-14,617
- Non-Controlling Interest	-4,413	-4,235	-14,441
Other comprehensive income / (expenses) after tax (B)	-14,128	-22,642	11,932
Total comprehensive income / (expenses) after tax (A) + (B)	12,833	-32,663	-12,684
Applicable to:			
- Equity holders of parent	-34,805	-69,394	-5,917
- Non-Controlling Interest	47,572	-35,841	22,438
Earnings / (loss) after tax per share (in euro)			
- Basic	-0.1684	-0.3393	-0.0962
- Diluted	-0.1688	-0.3393	-0.0962
EBITDA	116,532	151,045	18,930
Proposed dividend per share (in €)	0	0	0

Supplementary information:

- 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 annual financial statements.
- The companies included in the consolidation of 31/12/2018 and not in the consolidation of 31/12/2017 are the following: Intralot Benelux BV (subsidiary), as well as Easy Play S.L. and Keramo Enterprises Company Limited (associated) (note 2.3.1 of annual financial statements). During fourth quarter of 2018 the associate company and Vantage's S.O.L. (10%) acquired by 79% by Intralot company RoadSport S.L. and the associate company General Entertainment S.L. (10%) acquired by 51% by the latter company Easy Play S.L. On March 2018 the subsidiary Intralot Capital Luxembourg S.A. absorbed the 100% subsidiary Intralot Finance Luxembourg S.A., while on November of 2018 the subsidiary Intralot Ltd absorbed the 100% subsidiary Intralot Financial Ltd. On 12/12/2018 the associate company Games S.A. (10%) absorbed its 100% subsidiary Games Soccerscape S.p.A. On 24/7/2018 with accounting and tax law implementation as of 1/1/2018, the associate company La Chance S.R.L. (10%) absorbed its 100% subsidiary La Chance S.R.L. On 30/12/2018 with accounting and tax law implementation as of 1/1/2019, the associate company Intralot Italia S.p.A. (10%) absorbed the associate company Giallotto S.p.A., which since October 2018 is a 100% subsidiary of associate company Games S.A. (10%). Group will consolidate Giallotto S.p.A. in the financial statements of the period 1/1-9/12/2018. In August 2018 the Group increased its participation rate in subsidiary Tritelux S.A. from 16.17% to 16.76% and in September 2018 the Group established the subsidiary Intralot Benelux B.V. (100%). The entities Netball S.A., Loteria Moldova S.A., Loteria Games S.A., Polin Ltd, Loteria e Games De Guatemala S.A., Games Ltd, Intralot Slovakia S.R.O. and Game Advance Group TD are in the process of liquidation. The Group completed the liquidation and write-off of its associates, Verano Service S.R.L. in December 2017, and its subsidiaries Intralot Latin America SA (May 2018), Intralot Dominicana S.A. (January 2018), Gaming Solutions International Ltd (January 2018), Intralot Hong Kong Holdings Ltd (March 2019) and Atropis SA (March 2019).
- The management of subsidiary Intralot Internet AS (100%), parent of Azerbaijan AS, decided in mid February 2018 to investigate the possibility of selling its 100% stake in Azerbaijan AS. At the end of October 2018, management of Intralot Internet AS decided to sell 10% of Azerbaijan AS (nominal value 10,000 AZN) to Beltech Investment LLC, that holds 24.7% of Azerbaijan AS share capital. On 01/12/2018 the final share purchase agreement (SPA) was signed for a total consideration of approximately €75 million. The transfer of shares was completed by the end of 2018. The actual total consideration of the sale of Azerbaijan AS was €75.0 million and was received in December of 2018. As of 31/12/2018, the Group's above-mentioned activities in Azerbaijan were classified as discontinued operations (note 2.3.1 A.VII.1 of annual financial statements).
- On July 24, 2018, the associate entity Games Group S.p.A. (10%) announced that signed a binding contract for the acquisition of 100% of the share capital of Giallotto S.p.A. ("Giallotto"), an authorized gaming and betting operator in Italy, that operates a total network of 100 betting shops and holds the concession to collect online games and bets, including on mobile platforms. On October 9, 2018, announced that completed the acquisition Giallotto, which, on the same day, was transferred into Giallotto S.p.A. Giallotto ended 2017 with EBITDA of €41 million, EBIT of €3 million and generated an EBITDA for the period of 12 months ended June 30, 2018 of €34 million. The purchase price of the acquisition was equal to approximately €271 million. Of this amount, approximately €242 million, was paid in cash on the closing date, with the remaining €29 million to be paid subsequently, as a deferred price component over a medium term period, subject to the fulfillment of certain conditions provided for in the acquisition agreement. The acquisition will allow Games Group to assume a leading position in Italy in the multi-currency gaming sector, and to significantly increase the degree of diversification of its product portfolio and profitability, at EBITDA, EBIT and net profit levels. The Closing was subject to the achievement of the usual conditions provided for this type of transaction, including the prior approval of the Italian Competition Authority, which was received on September 17, 2018 and the authorization of the Casino and Nonpolo Agency, which was received on August 2, 2018 (note 2.3.1 A.III of annual financial statements).
- On January 2018 the Group completed - through its subsidiary INTRALOT Global Holdings BV - the acquisition of 50% of the Cyprus company "KABANDA ENTERPRISES COMPANY LIMITED", for the price of €5.75 million. The company participates with 30% stake in "ATHENS RESORT CASINO HOLDINGS S.A.", which holds a 51% stake in "REGENCY CASINO MONT PANIENS". (note 2.3.1 A.II of annual financial statements).
- In December 2018, the Group decided to discontinue its activities regarding the betting services provided through its subsidiary Favort Bookmakers Office OOO in Russia. On 31/12/2018 the above Group's activities in Russia were classified as discontinued operations pursuant to IFRS 5 par. 21. In June 2017, the Group signed a disposal agreement for the 100% of Favort Bookmakers Office OOO. The consideration price for the disposal of Favort Bookmakers Office OOO amounted to €3.5 million and paid within 2017 (note 2.3.1 A.III of annual financial statements).
- The Group signed a Sales and Purchase Agreement (SPA) with Justice International Investments Ltd in the beginning of October 2017 for the sale of its 50.00% stake in Intralot Caribbean Ventures Ltd, which owns 60.0% of the subsidiary Supreme Ventures Limited - a company listed on the Jamaica Stock Exchange. The consideration price was agreed at USD 40 million and paid within October 2017, which corresponds to approximately 12 times the annual (reference period of the last twelve months to 30.9.2017) profit after tax attributable to the shareholders of the Group. As of 31/12/2017, the Group's above-mentioned activities in Jamaica and Santa Lucia were classified as discontinued operations (note 2.3.1 A.III of annual financial statements).
- The Group signed on 18 December 2017 a Sales and Purchase Agreement (SPA) with Olsava S.R.O. to sell its 50% stake in subsidiary Slovacka Loteria AS. The consideration price was agreed at €7.15 million, which corresponds to approximately 12 times the annual (reference period of the last twelve months to 30.9.2017) EBITDA. Since 30/12/2017 the above-mentioned activities of the Group in Slovakia were classified as discontinued operations (note 2.3.1 A.III of annual financial statements).

THE CHAIRMAN OF THE BOARD AND GROUP CHIEF EXECUTIVE OFFICER		THE DEPUTY CHIEF EXECUTIVE OFFICER AND MEMBER OF THE BOARD		THE GROUP CHIEF FINANCIAL OFFICER		THE GROUP ACCOUNTING DIRECTOR	
S. P. KOKKALIS	C. O. SFATOS	A. A. CHRYSOS	N. G. PAVLAKIS				
ID. No. AT 091040	ID. No. AM 641907	ID. No. AK 544280	ID. No. AZ 012557				

Supplementary information:			
GROUP		COMPANY	
2) RECEIVABLES			
from subsidiaries	8.150	9.440	
from associates	7.411	5.411	
3) PAYABLES			
to subsidiaries	0	0	
to associates	0	0	
from associates	36.960	8.296	
from subsidiaries	0	76.874	
to associates	10.869	7.330	
from other related parties	11,003	8,600	
4) FINANCIALS			
to associates	0	308,361	
to other related parties	1	0	
to associates	10,367	7,173	
5) BOD AND KEY MANAGEMENT PERSONAL TRANSACTIONS AND FEES			
BOD and Key Management Personal transactions	8,703	5,719	
BOD and Key Management Personal payables	456	220	