

Press Release

FOR IMMEDIATE RELEASE

INTRALOT continues to deliver substantial growth in sales and earnings

- **Revenues grew by 12,4% to €227 m**
- **EBITDA up 19% to €70,7 m**
- **Net Income before taxes up 22,4% to €63,5 m**

Athens, Greece –November 14th, 2002 – INTRALOT announces consolidated interim results for the nine months ended 30 of September 2002.

Intralot achieved to sustain a high growth in its revenues, operating earnings, earnings per share and to maintain its ability to generate considerable operating cash flow.

1. Overview

Consolidated results:

million euros	9 months 02	9 months 01	Change %
Sales	227	202	+12,4
EBITDA	70,7	59,5	+19
PBT	63,5	51,9	+22,4

Revenues reached €227 million compared to €202 million in the same period last year, a 14,4% increase compared to the previous period mainly driven by the fixed odds betting operation.

Gross margin improved to 32,5% from 30% last year, mainly driven by higher domestic revenues and new international contracts.

EBITDA (earnings before interest, tax, depreciation and amortization) increased by 19 % to €70,7 million, compared to €59,5 million in the same period last year.

EBITDA margin improved and reached 31,2% (last year 29,4%) reflecting operational efficiency and the higher proportion of revenues coming from higher margin operations, such as fixed odds betting.

Income before taxes recorded an increase of 22,4% by reaching €63,5 million compared to €51,9 million, on nine months 2001.

Net cash position reached €64 million, improved from €46 million on six months (six months net cash position was affected by the dividend payment made on June). The strong cash position demonstrates the company's ability to generate significant free cash flow through the projects it undertakes and efficiently utilize its capital employed.

Expenses increased 22% driven by a 25% increase in administrative expenses (due to high effort in monitoring international expansion) and a 75% increase in RnD expenses.

Parent results:

million euros	9 months 02	9 months 01	Change %
Sales	64,3	41,2	+56
EBITDA	42,2	33,1	+27
Net Income	41,7	33,5	+24,5

Revenues increased 56% reaching €64,3 million from €41,2 million in the prior year semester. This increase was primarily driven by several new international contracts.

EBITDA increased to €42,2 million though EBITDA margin decreased due to higher proportion of systems in sales mix.

Income before taxes increased to €41,7 million, an increase of 24,5 % compared to the previous period.

Cash stood at €36 million and the company has no borrowings.

Commenting on the results, Intralot's Chief Executive Officer, Mr. Constantinos Antonopoulos said: **“The nine months financial results are consistent with our expectations of accomplishing significant growth in both revenues and profitability. Furthermore, Intralot continues to expand its business in the international market, pursuing numerous contracts worldwide. The recent deal in Turkey signifies the penetration in the very promising Turkish market, through the collaboration with one of the leading local corporations. Our estimation is that this new contract is of great added value for Intralot, since the potential of the Turkish lottery and betting market has not yet been exploited. During 2003, the impact of our internationalisation strategy is expected to ensure the group's profitability growth.”**

2. Main operations' outlook

During the third quarter the company continued its efforts to expand its business internationally, winning a new contract in the well promising Turkish market and bidding in numerous tenders worldwide. It is the management's belief that, in the forthcoming months, INTRALOT will be awarded more contracts that will contribute significantly to consolidated revenues.

In the Greek operations, the Fixed Odds Betting turnover for the nine month period stood at €1,054 billion, recording an approximately 20% year-over-year increase, remaining in line with Intralot's expectations and guidance.

The Instant Lottery sales stood at 133 million standing at the same levels compared to the same period of last year, whereas the October turnover (up 5% compared to October 2001) indicates that the Instant Lottery revenues will turn up to be increasing for the second year sequentially.

Moreover, in the foreign operations, the project in Chile has started very successfully, a fact that was acknowledged and approved by the lottery community.

In Romania, the installation of Videolottery terminals continues, reaching more than 500 till the end of the year.

In Bulgaria, the fixed odds betting sales are increasing and, after the system modernization that will take place next year, the revenues are expected to increase furthermore.

The apparent tendency of governments around the globe to efficiently utilize their lottery networks and ensure their revenues, forces them to invest in the upgrade of their technical infrastructure or even entrust the operation of state lotteries to companies which can be innovative, competitive and capable of enhancing the revenues stream of such lottery operations. Intralot is one of the leading companies in this sector, already having the references required to contest for the big opportunities that exist or will appear in the future.

The company's guidance for the full year 2002 remains the same, which is 15% and 20% increase in revenues and profitability equivalently. Also, Intralot will follow the same high dividend policy, distributing to its shareholders a big part of the free cash flow generated by its operations.

3. Third quarter highlights

- **The new contract in Turkey**
- **The Chilean project has started successfully**
- **Betting continues to exhibit high growth both in Greece and Bulgaria**
- **Instant Lottery sales stable on the nine months period but, thereafter, increasing on a year-over-year basis**
- **Romanian Videolotto continues to expand**

About INTRALOT

Intralot is engaged in the development of integrated gaming systems and provides multiple services related to the design, development, operation and support of games. Based on its extensive know how, advanced product development specifications and substantial experience in organizing and operating lottery games, Intralot can offer its clients custom-made integrated solutions, which ensure maximum efficiency and absolute security. Following a highly successful period of rapid growth, Intralot is ranked 3rd in revenues and 2nd in profits, based on 2001 financial results, among lottery suppliers worldwide, and maintains a steady course towards the leading position in the global market. Today the company has secured an important position in the European and South American markets while is expanding its presence in North America and S.E. Asia.