



**Financial Results For The Twelve Months  
Ended, December 31<sup>st</sup>, 2005**

**March 23<sup>rd</sup>, 2006**

***Investor Relations Department***

## INTRALOT S.A.

### Results For The Twelve Months Ended December 31<sup>st</sup>, 2005 (in accordance with IFRS)

**ATHENS, Greece – March 23<sup>rd</sup>, 2006 – INTRALOT SA (RIC: INLr.AT, Bloomberg: INLOT GA)**, the leading international gaming company, today announces its financial results for the twelve-month period ended December 31<sup>st</sup>, 2005, prepared in accordance with IFRS.

- A. Consolidated revenues increased by 66.4% to €523.0m, EBT reached €150.5m, posting a 51.7% increase and EAT after minorities posted a 28.6% growth in FY 2005.
- B. Fiscal year 2004 results have been restated for comparison reasons due to the change of the accounting treatment regarding the supply of gaming equipment to the Romanian Lottery organization, which is part of the management contracts with the Lottery. This treatment results in increased visibility regarding future income generated from this operation. The impact of this change weighed consolidated EAT and after minorities by €3.5m in FY04.
- C. The Group's incremental provisions regarding potential excess payout in sports betting for FY 2005 were shaped at €14.5m, which impacted Earnings after Taxes (EAT). Since provisions are not tax deductible, additional taxes of €4.6m weighed on EAT. Should these provisions be utilized in the future, the company will benefit from a tax return. If they will not be utilized, the Group's EAT will benefit from their revision in the future.
- D. The Company's Board of Directors will propose to the Shareholders' Annual Meeting on May 4<sup>th</sup>, 2006 the distribution of a € 0.55 dividend per share for fiscal year 2005. An interim dividend of € 0.23 per share has already been paid, therefore, shareholders will receive a remaining dividend of € 0.32 per share. As the Company has already announced, the stock will trade ex-dividend on May 9<sup>th</sup>, 2006, while the dividend distribution to shareholders will commence on May 18<sup>th</sup>, 2006.
- E. Operating cash-flow was very much improved in FY 2005 (€ 63.0m) compared to the 9M05 period (€7.6m).
- F. INTRALOT parent company undertook €15.0m of debt in 2005, while an additional €68.0m of bank debt was undertaken in the beginning of 2006 in order to fund the acquisition of the 20% stake in INTELTEK. In this way, the Group has improved its capital structure by reducing the cost of capital (WACC) in its effort to deliver more value to its shareholders.

## G. OVERVIEW

*Consolidated results:*

<b>Consolidated Financial Statements For The 12 Months Ended December 31<sup>st</sup>, 2005</b>			
<i>(in € million)</i>	2005	2004	<i>% Change</i>
Revenues (Turnover)	523.0	314.2	66.4%
Gross Profit	226.2	139.1	62.6%
<i>Gross Margin (%)</i>	43.3%	44.3%	-1.0pps
EBITDA	160.0	105.1	52.2%
<i>EBITDA Margin (%)</i>	30.6%	33.5%	-2.9pps
EBT	150.5	99.2	51.7%
<i>EBT Margin (%)</i>	28.8%	31.6%	-2.8pps
EAT (after minorities)	69.9	54.4	28.6%
<i>EAT Margin (%)</i>	13.4%	17.3%	-3.9pps

**Consolidated Revenues** for the period reached €523.0m, posting a 66.4% increase compared to 2004. Revenues from INTRALOT's International Subsidiaries amounted to €356.4m, a 71.0% contribution to FY05 consolidated turnover, compared to €170.0m (or 52.1%) in 2004. Total International Revenues for the Intralot Group amounted to €390.9m, or 74.7% of total Group turnover, compared with €204.3m, or 62.7% of total Group sales in 2004. International operations contributed a total of €90.7m or 56.9% to group EBT.

**EBITDA** (Earnings Before Interest, Tax, Depreciation and Amortization) increased by 52.2% to €160.0m, compared to the same period last year.

**Earnings Before Taxes (EBT)** recorded an increase of 51.7% y-o-y by reaching €150.5m compared to €99.2m in 2004. EBT margin settled at 28.8% in 2005 reflecting the increased contribution of full operation projects to Group turnover, which contributed 45.0% to Group turnover in 2005 from 39.7% in 2004, posting a 82.0% y-o-y increase.

Finally, **Earnings After Taxes and after minorities (EAT-am)** increased by 28.6% y-o-y to €69.9m from €54.4m in 2004. EAT margin settled at 13.4% due to the increased contribution of full operation projects, which carry lower margins than management projects.

**The cash balance** reached €157.3m in 2005, while total bank debt was €54.0m (€20.7m short-term and €33.4m long-term), shaping the consolidated net cash position at €103.3m.

*INTRALOT Parent company results:*

INTRALOT Parent Company Headline P&L Figures For The 12 Months Ended December 31 <sup>st</sup> , 2005			
(€ million)	2005	2004	% Change
Revenues (Sales)	123.7	110.7	11.7%
EBITDA	65.6	63.2	3.8%
EBT	75.2	60.8	23.7%
EAT	51.8	41.4	25.2%

**Revenues** for the parent company increased to €123.7m in 2005, 11.7% higher year-on-year (2004: €110.7m).

**EBITDA** increased by 3.8% year-on-year to 65.6m (2004: €63.2m).

**Earnings Before Taxes (EBT)** reached €75.2m in 2005, posting a 23.7% y-o-y increase, while **Earnings After Taxes (EAT)** reached €51.8m in 2005, posting a 25.2% y-o-y increase.

Commenting on 12-month 2005 results Intralot's CEO, Constantinos Antonopoulos, noted:

“Fiscal year 2005 was very successful for our Company as we continued to deliver strong results and significant value to our shareholders, which is also evident through our proposed dividend for 2005 of €0.55 per share, increased by 15% compared to 2004. Moreover, in 2005 and the beginning of 2006 the Company undertook total debt of €83.0m, taking serious steps towards the, much awaited by investors, improvement of its capital structure, enhancing returns to shareholders.

In 2005, the Company continued its global expansion through organic growth of existing contracts, new contracts, the acquisition of a betting company in Poland and the increase of the stake in our Turkish subsidiary. Moreover, in 2005 INTRALOT was marked as a five-continent company by undertaking projects in Africa and Oceania. Concerning domestic operations, Stihima sales, after the measures taken for the improvement of the game, showed a strong recovery, posting in the fourth quarter of 2005 a 30% increase year-on-year.

Looking forward, 2006 and 2007 will be challenging years since important tenders for Lottery Privatization Projects and other major contracts will take place. Moreover, the World Cup in Germany is a major international sports event that will attract football fans' attention, a very significant factor for INTRALOT's operations in 13 countries. Finally, the development of our new series of games branded GameWare X is expected to be a very promising product in our portfolio of games.

The INTRALOT Group will continue to pursue business opportunities around the Globe and deliver value to both its customers and shareholders, which are the commitments of our Company. The strategic development of the business, our wide

portfolio of products and services and our financial performance provide a strong foundation for the years ahead”.

## 1. Turnover Analysis

<b>Geographical Sales Breakdown</b>			
<i>(in € million)</i>	12M05	12M04	% chg
European Union	368.4	319.7	15.2%
Other Europe	113.6	93.3	21.8%
Americas	42.2	39.5	6.8%
Other	87.4	0.0	N/A
Eliminations	-88.6	-138.2	-35.9%
<b>Total Consolidated Sales</b>	<b>522.9</b>	<b>314.2</b>	<b>66.4%</b>

<b>Geographical Gross Profit Breakdown</b>			
<i>(in € million)</i>	12M05	12M04	% chg
European Union	103.5	131.5	-21.3%
Other Europe	38.1	14.4	164.6%
Americas	13.2	9.0	46.7%
Other	80.0	0.0	N/A
Eliminations	-8.7	-15.8	-44.9%
<b>Total Consolidated Gross Profit</b>	<b>226.2</b>	<b>139.1</b>	<b>62.6%</b>

<b>Geographical Gross Profit margin Analysis</b>			
<i>(in € million)</i>	12M05	12M04	% chg
European Union	28.1%	41.1%	-13.0pps
Other Europe	33.6%	15.4%	+18.2pps
Americas	31.4%	22.8%	+8.2pps
Other	91.5%	N/A	N/A
<b>Total Consolidated Gross Margin</b>	<b>43.3%</b>	<b>44.3%</b>	<b>-1.0pps</b>

Stihima’s gross revenues stood at €1,428.6m in 2005, recording a 10.8% y-o-y decrease, recovering from the 9M05 decrease of 23.4% (Q4 2005 Stihima gross revenues +30.3% y-o-y). The Company’s global expansionary strategy and diversification have more than counterbalanced the slowdown in Stihima and led consolidated sales to grow by 59.2% in 2005.

<b>Contract type Sales Breakdown - % contribution to Group turnover</b>		
	12M05	12M04
Operation Contracts	45.0%	41.2%
Management contracts	42.7%	46.7%
HW sales & facilities management contracts	12.3%	12.1%
<b>Total</b>	<b>100%</b>	<b>100%</b>

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Revenues from full operation contracts posted a significant growth in 2005 reaching €235.3m (+81.8% y-o-y), contributing 45.0% to Group turnover.

## 2. New developments/contracts

- ✓ In **Turkey**, INTRALOT increased its stake by 20% in its Turkish Sports Betting subsidiary INTELTEK, bringing its total stake in the company to 45%. INTELTEK has the exclusive contract to manage sports Betting in the country for eight (8) years on behalf of Sportoto, the Turkish Organization for sports betting. In 2005, which is actually the first year of full operation of Betting in Turkey, the game's turnover exceeded €800 million. The expansion of the sales network, the increasing publicity of games through the media, and players' continuously increasing interest in the game are expected to enhance the penetration of Betting in the country the next years.
- ✓ Loteria Moldovei, INTRALOT's subsidiary in **Moldova**, awarded a new contract with MOLDCELL, mobile operator in Moldova and TURKCELL's affiliated company with which INTRALOT since 2003 has established a collaboration regarding its activities in Turkey. The project in Moldova initially entails the operation of LOTTO game through SMS and soon it will be broaden to other gaming applications.

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### About INTRALOT

INTRALOT, a public company listed on the ASE, is a leading supplier of integrated gaming and transaction processing systems, innovative game content and value added services to state-licensed gaming organizations worldwide. It's broad portfolio of products & services, its know-how of Lottery, Betting & Video Lottery operations, its experience in sports games and its leading-edge technology, give INTRALOT a competitive advantage, which contributes directly to customers' efficiency, profitability and growth. With 33 subsidiaries, 8 business offices, more than 2,700 people in 33 countries and revenues of €523 million for 2005, INTRALOT's footprint straddles five continents.