

## PRESS RELEASE

---

### ANNOUNCEMENT ON RATING DOWNGRADES

March 8, 2019

In reaction to the credit rating downgrades INTRALOT wishes to clarify the following:

1. The rating downgrades are attributed to the penalization of an anticipated squeeze on liquidity in 2018 due to extraordinary CAPEX requirements that are related to our strategic expansion in the US, more specifically our investment in Illinois during 2017-18. This project, which went live in February 18, 2019 is anticipated to generate €20m towards our EBITDA in 2019 while INTRALOT Group CAPEX is anticipated to return to normal levels in 2019 and onwards.
2. The loss of the Sportoto contract in Turkey has generated additional concerns. To this end, and pursuant to our previous announcements on March 1st, we would like to clarify that INTRALOT continues to have significant revenue streams from Turkey via its online sportsbetting agent, Bilyoner, which maintains a 35%-40% online market share. Recent regulatory changes in Turkey allowing a payout increase from 50% to 70% and live betting, anticipated to come into effect in September 2019, are going to increase the overall online market and bear a promise for continuing strong revenue streams for INTRALOT from Turkey with higher profitability. The contractual obligations of the new Sportoto concessioner for an increase of the overall market from 12.5bn TRY to 17bn TRY in one year, confirm our anticipation for rapid growth of the online market in Turkey.
3. INTRALOT plans to strengthen its liquidity position and at the same time implement its deleverage strategy via disposal of non-core assets within 2019.
4. We remain committed to fully serving our customers and guarantee business continuity. All our decisions primarily aim to preserve the trust of our customers. Long term B2B and B2G contracts have been our main strength, securing revenue visibility and serving as guarantors of our capital structure.

5. We are fully committed in serving our contractual obligations to the bond holders and pay our coupon on March 15, 2019.
6. We remain committed to our business plan to launch next-generation products and services for lottery modernization and digital transformation while optimizing our cost structure. We invest in new talent for a new digital division, to be announced soon, addressing market needs and serving our vision for a holistic approach to gaming solution. We enhance the diversity of our portfolio offering, leveraging new technologies for a personalized omnichannel player experience.

---

## **About INTRALOT**

INTRALOT, a public listed company established in 1992, is a leading gaming solutions supplier and operator active in 52 regulated jurisdictions around the globe. With €1.1 billion turnover and a global workforce of approximately 5,100 employees (3,100 of which in HQ and subsidiaries and 2,000 in associates) in 2017, INTRALOT is an innovation – driven corporation focusing its product development on the customer experience. The company is uniquely positioned to offer to lottery and gaming organizations across geographies market-tested solutions and retail operational expertise. The company has designed a new ecosystem of holistic omni-channel solutions across verticals (Lottery, Betting, Interactive, VLT) for Lotteries digital transformation. INTRALOT has been awarded the prestigious WLA Responsible Gaming Framework Certification by the World Lottery Association (WLA) and the WLA certificate for the Security Control standard.

For more info: Ms. Spyranda Anamouroglou, Corporate Communications Manager, Phone: +30-210 6156000, Fax: +30-210 6106800, email: [anamouroglou@intralot.com](mailto:anamouroglou@intralot.com) - [www.intralot.com](http://www.intralot.com)