



**Financial Results For The Six Months  
Ended, June 30<sup>th</sup>, 2014**

**August 14<sup>th</sup>, 2014**

***Investor Relations Department***

## INTRALOT S.A.

### Results For The Six Months Ended June 30<sup>th</sup>, 2014 (in accordance with IFRS)

**Athens** – August 14<sup>th</sup>, 2014 – **INTRALOT SA** (RIC: **INLr.AT**, Bloomberg: **INLOT GA**), the leading international gaming company, today announces its financial results for the six-month period ending June 30<sup>th</sup>, 2014, prepared in accordance with IFRS.

#### A. OVERVIEW

##### In 1H 2014:

##### Revenues

- **Revenues** grew by 26.3%, to €905.5m from €717.2m in the 1H 2014 period, an increase of €188.3m.
- The €188.3m increase is analyzed as follows: +21.5m in Eastern Europe, +123.0m in Western Europe, +14.8m in Australasia, -1.3m in North America, +29.3m in South America and +0.9m in Africa.
- Sports Betting is the largest contributor to our top line, comprising 49.9% of our revenues (+36.1% in the 1H 2014 period), followed by numerical games contributing 29.0% to Group turnover (+5.6% in 1H 2014). VLTs/AWPs represented 10.0% of Group turnover (+214.2%), followed by IT products & Services with 8.1% (-12.3%) and Racing with 3.1% (+13.9%).
- **Constant currency basis:** Net of a negative FX impact of €63.8m, **revenues** reached €969.3m, posting an increase of 35.1% y-o-y in 1H 2014.
- **Wagers handled**  
During the 1H 2014 period, INTRALOT handled €10.8bn of wagers. More specifically, wagers increased by 4.6% in euro terms. Eastern Europe declined by 9.5%, West Europe increased by 8.4%, North America decreased by 3.9%, South America decreased by 10.2%, Australasia increased by 17.4% and Africa declined by 14.2%.

##### Ebitda/EBIT/EBT/EAT

- **Ebitda** decreased by 8.4%, to €89.5m.
- **Constant currency basis:** net of a negative FX impact of €8.6m, Ebitda reached €98.1m in 1H 2014, an increase of 0.4% y-o-y in 1H 2014.
- **EBIT** decreased by 11.9%, to €46.6m.
- **Constant currency basis** net of a negative FX impact of €7.1m, EBIT reached €53.6m, posting an increase of 1.5% y-o-y in 1H 2014.
- **EBT** decreased by 21.4%, to €20.2m.

- **Constant currency basis:** net of a negative FX impact of €8.0m, EBT reached €28.2m, posting an increase of 9.9% y-o-y in 1H 2014.
- **Net profit after minorities** for the period was shaped at a negative €24.1m.
- **Winners' payout:** Payout for all games stood 1.4 percentage points higher in 1H 2014 compared to 1H 2013.

## Cash-Flow & Capex

- **Cash-flow:** Cash Flow from Operations reached €32.5m in the 6M 2014 period, posting an increase of 16.0% compared to the same period of 2013 due to operational efficiencies that are being deployed.
- **Net Debt** decreased by €6.4m to €401.1m from €407.5m in 3M 2014, due to a softer capex of €15.5m, as per our strategy going forward, that took place in 2Q 2014 (total 6M 2014 capex reached €29.4m) and the 250m, 7-year bond issue related expenses of €5.1m that also impacted 2Q. The FX impact on the cash position for the 6M 2014 was a positive €1.2m.

### Consolidated Financial Statements For The 6 Months Ended June 30<sup>th</sup>, 2014

<i>(in € million)</i>	1H14	1H13	% Change	2Q14	2Q13	% Change
Revenues (Turnover)	905,5	717,2	26,3%	459,8	361,5	27,2%
Gross Profit	136,4	134,0	1,8%	64,0	63,4	1,0%
EBITDA	89,5	97,7	-8,4%	37,8	42,6	-11,1%
<i>EBITDA Margin (%)</i>	<i>9,9%</i>	<i>13,6%</i>	<i>-3,7pps</i>	<i>8,2%</i>	<i>11,8%</i>	<i>-3,5pps</i>
EBIT	46,6	52,8	-11,9%	15,4	24,1	-35,9%
<i>EBIT Margin (%)</i>	<i>5,1%</i>	<i>7,4%</i>	<i>-2,2pps</i>	<i>3,4%</i>	<i>6,7%</i>	<i>-3,3pps</i>
EBT	20,2	25,7	-21,4%	3,5	4,5	-20,7%
<i>EBT Margin (%)</i>	<i>2,2%</i>	<i>3,6%</i>	<i>-1,4pps</i>	<i>0,8%</i>	<i>1,2%</i>	<i>-0,5pps</i>
EAT (after minorities)	-24,1	2,6	<i>n.m.</i>	-15,5	-2,3	<i>n.m.</i>

## **INTRALOT Parent company results:**

**Revenues** for the period decreased by 13.9%, to €47.9m.

**EBITDA** decreased by 15.2% to €16.0m from €18.9m in 1H 2013.

**Earnings After Taxes (EAT)** decreased to €-3.3m from €11.3m in 1H 2013.

<b>INTRALOT Parent Company Headline P&amp;L Figures For The 6 Months Ended June 30<sup>th</sup>, 2014</b>			
<i>(€ million)</i>	1H14	1H13	<i>% Change</i>
Revenues (Sales)	47,9	55,6	-13,9%
EBITDA	16,0	18,9	-15,2%
EAT	-3,3	11,3	-128,9%

## **Market Update**

Regarding recent developments in our project portfolio, INTRALOT signed a contract with the Georgia Lottery, its 15<sup>th</sup> contract in the US, for a Central Monitoring and Accounting System. The duration will be up to 10 years and INTRALOT's state-of-the-art iGEM™ System will connect approximately 6,000 locations and over 26,000 machines. INTRALOT also signed amendments to its contracts in Washington DC and in New Hampshire, extending their duration by 5 years and 4 years, respectively.

In Australia, INTRALOT amended its contract with the Lotteries Commission of Western Australia (Lotterywest) for up to 5 additional years. The amendment provides for central system upgrades, new terminals and the provision of its newly launched interactive solution, the Mobile Lottery, a patented independent end-to-end solution developed for mobile and tablet devices.

INTRALOT also signed an extension with Magnum, the leading gaming company in Malaysia, for up to 9 years regarding the supply, support and maintenance of up to 2,450 gaming terminals, INTRALOT's core operating system LOTOS™ O/S and an On-line Gaming System, including both the games' software and its state-of-the-art new generation of Photon terminals.

In Greece, INTRALOT signed an IT contract with OPAP S.A. The Company will undertake the implementation of the new Data Centers, will provide hardware and system software, as well as services for the operation, maintenance, technical support and system evolution. The new contract is valid from April 2014 till July 2018.

In the beginning of June INTRALOT signed a €200 million Syndicated Loan Facility with a consortium of banks, for a duration of 3-years plus a one-year extension option. The new facility replaced the pre-existing syndicated loan, which has been fully redeemed and was due

to mature in December 2014. The new facility, that follows one month after the issuance of our 7-year bond, confirms the support towards our strategy and business outlook and provides INTRALOT with a diverse, flexible and long-term funding structure.

**Commenting on the 1H 2014 Results INTRALOT Group CEO Constantinos Antonopoulos noted:**

"As we have completed the first half of the FY 2014 period, we are very satisfied to have extended the duration of five of our existing contracts in North America, Australia and Asia and added a new major contract in the US. As we have mentioned in the recent past, these developments follow on the steps of our strategy to capitalize on our presence in existing jurisdictions.

From a financial stand point, the Group posted in the second quarter a significant growth in operating cash-flow generation and a decrease of its net debt. Furthermore, the refinancing of our syndicated loan extended the Group's debt maturities as we have no refinancing issues for at least the next three years, confirming the banking sector's trust and support towards our strategy and business outlook."

## Turnover Analysis

Geographical Sales Breakdown			
<i>(in € million)</i>	1H14	1H13	% chg
European Union	505,7	376,6	34,3%
Other Europe	3,9	5,3	-26,5%
Americas	253,1	229,4	10,3%
Other	173,9	146,1	19,0%
Eliminations	(31,1)	(40,2)	-
<b>Total Consolidated Sales</b>	<b>905,5</b>	<b>717,2</b>	<b>26,3%</b>

Geographical Gross Profit Breakdown			
<i>(in € million)</i>	1H14	1H13	% chg
European Union	53,2	57,7	-7,7%
Other Europe	0,4	0,6	-34,2%
Americas	32,0	33,7	-5,2%
Other	51,1	39,4	29,6%
Eliminations	(0,2)	2,6	-
<b>Total Consolidated Gross Profit</b>	<b>136,4</b>	<b>134,0</b>	<b>1,8%</b>

Geographical Gross Profit margin Analysis			
<i>(in € million)</i>	1H14	1H13	% chg
European Union	10,5%	15,3%	-4,8pps
Other Europe	9,9%	11,1%	-1,2pps
Americas	12,6%	14,7%	-2,1pps
Other	29,4%	27,0%	+2,4pps
<b>Total Consolidated Gross Margin</b>	<b>15,1%</b>	<b>18,7%</b>	<b>-3,6pps</b>

Contract type Sales Breakdown - % contribution to Group turnover		
	1H14	1H13
Operation Contracts	81.5%	75.3%
Management contracts	7.2%	7.9%
HW sales & facilities management contracts	11.3%	16.9%
<b>Total</b>	<b>100%</b>	<b>100%</b>

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## **About INTRALOT**

INTRALOT, a public listed company, is the leading supplier of integrated gaming and transaction processing systems, innovative game content, sports betting management and interactive gaming services to state-licensed gaming organizations worldwide. Its broad portfolio of products & services, its know-how of Lottery, Betting, Racing & Video Lottery operations and its leading-edge technology, give INTRALOT a competitive advantage, which contributes directly to customers' efficiency, profitability and growth. With presence in 57 jurisdictions, more than 5.500 people and revenues of €1,54 billion for 2013, INTRALOT has established its presence on all 5 continents.

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