



**Financial Results For The Three Months  
Ended, March 31<sup>st</sup>, 2015**

**May 28<sup>th</sup>, 2015**

***Investor Relations Department***

## INTRALOT S.A.

### Results For The Three Months Ended March 31<sup>st</sup>, 2015 (in accordance with IFRS)

**Athens** – May 28<sup>th</sup>, 2015 – **INTRALOT SA** (RIC: **INLr.AT**, Bloomberg: **INLOT GA**), the leading international gaming company, today announces its financial results for the three-month period ending March 31<sup>st</sup>, 2015, prepared in accordance with IFRS.

#### A. OVERVIEW

##### In 1Q 2015:

##### Revenues

- **Revenues** for the 1Q15 period grew by 12.0%, to €499.4m from €445.7m in the 1Q14 period, representing an increase of €53.7m.
- The €53.7m increase is analyzed as follows: +35.5m in South America, mainly due to the strong performance of Jamaica, Argentina and Peru, +12.0m in East Europe, mainly due to the performance of Turkey and Bulgaria, +6.1m in North America, +3.1m in West Europe, +0.8m in Africa, and -3.8m in Australasia, due to the sale of the Victorian license in February 2015.
- Sports Betting is the largest contributor to our top line, comprising 48.6% of our revenues (+8.7% vs. 1Q14), followed by numerical games contributing 31.3% to Group turnover (+16.4% vs. 1Q14). VLTs/AWPs represented 10.3% of Group turnover (+17.5% vs. 1Q14), followed by IT products & Services with 6.8% (+6.1% vs. 1Q14) and Racing with 3.1% (+19.0% vs. 1Q14).
- **Constant currency basis:** Net of a positive FX impact of €24.0m, revenues reached €475.4m, posting an increase of 6.7% vs. 1Q14.
- **Wagers handled**  
During the 1Q15 period INTRALOT handled €6.5bn of wagers, increased by 20.0% y-o-y across all of our geographical segments. East Europe increased by 35.2%, North America increased by 26.0%, Australasia increased by 25.0%, South America increased by 21.8%, Africa increased by 12.2% and West Europe increased by 0.7%.

##### EBITDA/EBT/EAT

- **EBITDA** developed to €46.2m, being a decrease of €5.4m (10.6%) compared to 1Q14. After adjustment for one-off restructuring costs of €0.6m and provisions of €0.6m EBITDA in 1Q15 reached €47.4m. Excluding the impact of the OPAP and Romanian contracts the rest of the business grew by an estimated 11%.
- **Constant currency basis:** net of a positive FX impact of €3.4m, EBITDA reached €42.8m in 1Q15, a decrease of 17.2% y-o-y.

- **EBT** in 1Q 2015 increased by 12.5% to €18.7m. After adjustment for one-off restructuring costs, provisions and impairments, EBT increased by 20.4%.
- **Constant currency basis:** net of a positive FX impact of €3.0m, EBT reached €15.7m, posting a decrease of 5.5% y-o-y.
- **Net profit after minorities** for the period was shaped at a negative €8.9m. After adjustment for one-off restructuring costs, provisions and impairments, NIATM developed at €-7.9m.
- **Winners' payout:** Payout for all games increased by 2.5 percentage points in 1Q15 compared to 1Q14.

## Cash-Flow & Capex

- **Operating Cash-flow** in the 1Q15 increased by €2.1m to €6.4m, compared to the same period in 2014. Cash flow in 1Q15 includes the one-off impact of increased working capital needs in order to bring suppliers credit to normal levels.
- **Capex** in 1Q15 was €13.6m, which includes €1.1m of one-off restructuring and relocation costs, compared to €13.9m in 1Q14.
- **Net Debt** as at 31.03.2015 reached €393.0m, increased by €11.6m compared to 31.12.2014 (€381.4m). The increase in net debt was mainly attributed to the higher working capital requirements in the period of 1Q15, which we believe is temporary and should unwind in the next quarters. Moreover, cash flow was impacted by the payment of the semiannual coupon of the 325m bond (€15.5m) and the interest expense for the €200m Syndicated Facility that was fully drawn for financial prudence reasons in the end of December 2014 (€2.8m) and continues to be largely unutilized. The drawdown of our syndicated facility did not have any further impact on Net Debt. Finally, Net Debt was impacted in 1Q15 by €1.6m outflows for one-off restructuring OPEX and CAPEX items.
- **R&D**  
The Group continued to invest in R&D in order to remain at the forefront of technological developments, mainly focusing on further enhancing its products relating to mobile gaming, content, player engagement platforms, CRM systems, and the LOTOS10 system. The total amount spent for R&D in 1Q15 was €2.4m vs. €5.2m in 1Q14.

## Consolidated Financial Statements For The 3 Months Ended March 31<sup>st</sup>, 2015

<i>(in € million)</i>	1Q15	1Q14	% Change
Revenues (Turnover)	499.4	445.7	12.0%
Gross Profit	69.3	72.4	-4.2%
EBITDA	46.2	51.6	-10.6%
<i>EBITDA Margin (%)</i>	<i>9.2%</i>	<i>11.6%</i>	<i>-2.3pps</i>
EBT	18.7	16.6	12.5%
<i>EBT Margin (%)</i>	<i>3.7%</i>	<i>3.7%</i>	<i>+0.0pps</i>
EAT (after minorities)	-8.9	-8.5	-

## Proforma Consolidated Financial Statements For The 3 Months Ended March 31<sup>st</sup>, 2015 Adjusted for non-recurring items

<i>(in € million)</i>	1Q15	1Q14	% Change
Revenues	499.4	445.7	12.0%
EBITDA	47.4	51.8	-8.6%
<i>EBITDA Margin (%)</i>	<i>9.5%</i>	<i>11.6%</i>	<i>-2.1pps</i>
EBT	20.4	17.0	20.4%
EAT (after minorities)	-7.9	-8.4	-

*\* Adjusted on a pro-forma basis for non-recurring restructuring costs, impairments & provisions.*

### **INTRALOT Parent company results:**

**Revenues** for the period decreased by 36.6%, to €15.1m.

**EBITDA** decreased to €-0.5m from €7.8m in 1Q14, largely attributed to the impact of the OPAP and Romanian contracts.

**Earnings After Taxes (EAT)** decreased to €-1.0m from €-1.1m in 1Q14.

## INTRALOT Parent Company Headline P&L Figures For The 3 Months Ended March 31<sup>st</sup>, 2015

<i>(€ million)</i>	1Q15	1Q14	% Change
Revenues (Sales)	15.1	23.9	-36.6%
EBITDA	-0.5	7.8	-
EAT	-1.0	-1.1	-

## Commenting on the 1Q15 Results INTRALOT Group CEO Antonios Kerastaris noted:

“Revenues in the quarter grew by 12% and EBITDA proved to be resilient despite the difficult comparison with 1Q14, due to the fall-off of the previous OPAP and Romanian contracts and strong headwinds from a higher than usual payout. A comparison of the business excluding these exceptional items shows a strong growth in Revenue across all of our geographical segments. On a like for like basis our EBITDA grew by c. 11% in this quarter as the majority of our subsidiaries reported strong results, in-line with our broader expectations.

During the first quarter we have renewed our contracts in the Netherlands, Morocco and Azerbaijan and continued the implementation of our strategic plan to streamline operations. We are expanding our product portfolio and improving the player experience by adopting a true “best-of-breed” model, with our products strategy focusing on mobility, gaming content, player engagement platform, CRM platform and L10 Central System.

Our course is in line with our goals to generate top line growth from both existing projects and greenfield development. We are also focusing on improving our bottom-line and being positive in terms of cash flow.”

## Turnover Analysis

<b>Geographical Sales Breakdown</b>			
<i>(in € million)</i>	1Q15	1Q14	% chg
Europe	259.7	252.6	2.8%
Americas	165.9	124.8	32.9%
Other	87.3	83.4	4.7%
Eliminations	(13.6)	(15.1)	-
<b>Total Consolidated Sales</b>	<b>499.4</b>	<b>445.7</b>	<b>12.0%</b>

<b>Geographical Gross Profit Breakdown</b>			
<i>(in € million)</i>	1Q15	1Q14	% chg
Europe	15.7	28.6	-45.0%
Americas	20.0	16.7	19.6%
Other	34.7	26.7	30.1%
Eliminations	(1.1)	0.4	-
<b>Total Consolidated Gross Profit</b>	<b>69.3</b>	<b>72.4</b>	<b>-4.2%</b>

<b>Geographical Gross Profit margin Analysis</b>			
<i>(in € million)</i>	1Q15	1Q14	% chg
Europe	6.1%	11.3%	-5.3pps
Americas	12.1%	13.4%	-1.3pps
Other	39.7%	31.9%	+7.8pps
<b>Total Consolidated Gross Margin</b>	<b>13.9%</b>	<b>16.2%</b>	<b>-2.4pps</b>

<b>Contract type Sales Breakdown - % contribution to Group turnover</b>		
	1Q15	1Q14
Operation Contracts	82.3%	82.4%
Management contracts	7.6%	7.2%
HW sales & facilities management contracts	10.1%	10.4%
<b>Total</b>	<b>100%</b>	<b>100%</b>

## **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 €1.85 billion for 2014, INTRALOT has established its presence on all 5 continents.