

magazine

For Sustainable Global Gaming Excellence



Innovation from A to Z

The term may be overused, but it's hard to overstate the importance of innovation. In this issue, we track the origins of the current race for innovation, examine the implications for the lottery sector, and question industry leaders about how their innovation processes can help lotteries remain relevant to their players.



INTRALOT's new growth strategy

Antonios Kerastaris assumed the position of INTRALOT Group CEO a few months ago and is ready to lead the company into a new era. Within only 23 years INTRALOT has grown to become a leading company of the gaming sector with revenues that exceed EUR 1.85 billion, currently employing about 5,400 professionals in 57 jurisdictions globally.

Antonios I. Kerastaris is INTRALOT Group Chief Executive Officer and an Executive Member of the Board of Directors. In his 22 years of work experience he has held a number of senior management executive positions in large companies such as Procter & Gamble, Hilton, Mercedes, INTRACOM Group and OTE Group of Companies.

What was the reason for INTRALOT's organizational changes in 2014?

2014 was a transition year for INTRALOT. We announced the Group's new organizational structure in January, integrated into four pillars introducing a products vertical division, a technology division, an operation and business development division and a finance division. The goal of the new structure is to better serve our customers, satisfy their fast evolving needs, optimize our operations, enhance the offering of top-quality and innovative products and services, and increase shareholder value.

What is INTRALOT's new strategy?

INTRALOT's strategy focuses on further enriching and strengthening our products and services portfolio, while placing the player at the center of our operations. We are streamlining operations and strengthening our subsidiaries' management, while expanding our offer in existing jurisdictions and seeking opportunities for selective growth and greenfield development. In an increasingly competitive

market, how you sell is as important as what you sell. We need to develop business intelligence both about internal processes and about player behavior.

How will you strengthen your Product Portfolio?

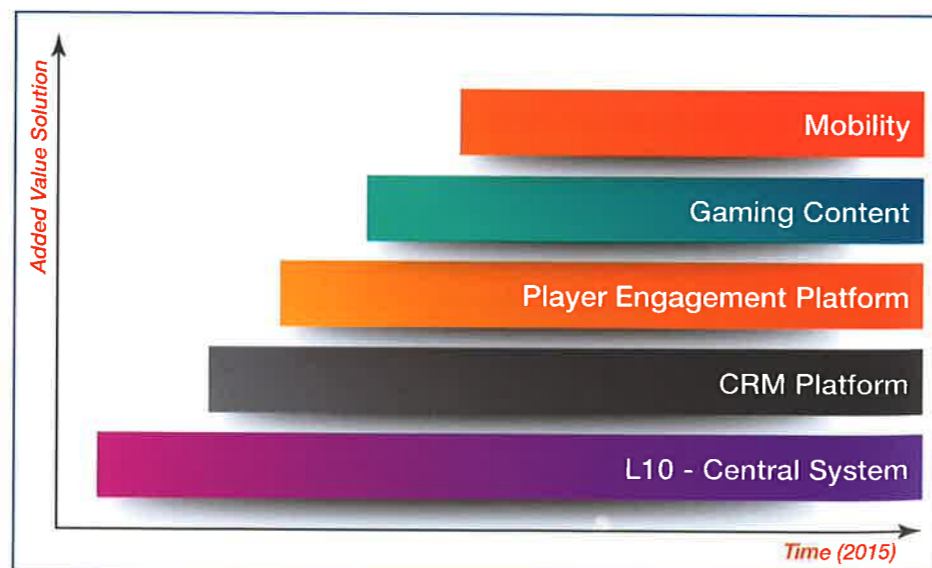
We will expand our product portfolio and improve the consumer experience by adopting a true "best-of-breed" model. We will create added value by investing in new products that further enhance players' experience. Our products strategy in the years coming will focus on mobility, the gaming content, the player engage-

ment platform, the CRM platform and the L10 - Central System.

To better serve our customers' continuously evolving needs in a transforming gaming market, streamline our product development and facilitate innovation, we have consolidated all products and services into one global division and have centralized product development and R&D.

How do you plan to streamline operations?

One of the major pillars of our strategy is streamlining our operations. In this



Moving forward, INTRALOT will adopt a product strategy that will focus on mobility, the gaming content, the player engagement platform, the CRM platform, and the L10 - Central System.

direction, the company focuses on an effective operational structure both in our Headquarters and our subsidiaries worldwide. Further power will be granted to our subsidiaries' management under the direction and monitor of our central operational team. As far as our business strategy is concerned we will focus on B2C projects and embark on both expanding our business in existing geographies and selectively grow our business in new jurisdictions. We were

pleased to witness that our efforts have already yielded positive results, since we have started implementing our strategy in late 2014.

You have underlined that INTRALOT focuses on B2C? How does this affect your B2B customers?

INTRALOT is both a B2B and B2C company and our vast portfolio of operations is our competitive advantage. Our extensive B2C operational experience is only

to the benefit of our B2B customers that receive greater value from our know-how. Our B2B customers include the operators of government gaming organizations and lotteries. The best way for us to be of excellent service to our customers is to help them deliver value to their end-customer, which is the player. So it's all about the player both in B2B and B2C operations.

What is the role of CRM in this strategy?

From product development through to the end user, CRM is the cornerstone for any business that aspires to be genuinely customer-centric. It is the consumer who decides whether to buy the product or play the games. It is the consumer who drives all business decisions. Effective CRM provides that never-ending feedback cycle, the live model that gets re-evaluated and adjusted based in new information gleaned from customer behavior and response to past actions and methods, implemented anew, tested again, and reevaluated again. This loop informs the earliest stages of product inception, product design, technology R&D, engineering, and all aspects of operations. Everything we do is for the purpose of creating value for the player. CRM requires investment in technology and business processes that generate big data. To this end we have recently signed a strategic alliance with Bit8, a cutting-edge CRM online gaming platform. As we seamlessly integrate their platform with our own and that of our customers we will be uniquely positioned to manage player data, monitor our own performance and provide a personal, exceptional and responsible gaming experience to customers.

What are your goals for 2015?

INTRALOT will focus on top line growth from both existing projects and greenfield development. We will evaluate the opportunity to grow our business in jurisdictions where we are currently operating or to gain a foothold in new key geographies. We will also focus on improving our bottom-line and being positive in terms of cash flow. Our goal is to stay ahead of competition by embracing innovation and capitalizing on business know-how to offer a responsible and engaging gaming experience to players, while improving the long-term sustainability of our operations.



Antonios Kerastaris is Chief Executive Officer the INTRALOT Group and is an Executive Member of its Board of Directors.