

OPAP S.A. Consolidated Financial Results For The Three and Twelve Months Ended December 31, 2008

- **12-month Revenues up 9.0% to €5,519.6m (2007: €5,065.8m)**
- **12-month EBITDA up 22.9% to €1,056.7m (2007 adjusted: €860.0m)**
- **12-month Net Profit up 19.6% to €728.5m (2007 adjusted: €608.9m)**
- **Earnings per share up 27.5% to €2.28 (2007: €1.79)**
- **Total 2008 Gross Dividend up 26.4% to €2.20 per share (2007: €1.74)**

Athens, Greece – March 16, 2009 – OPAP (OPAr.AT), the leading gaming operator in Greece, announces its consolidated financial results for the three- and twelve-month periods ended December 31, 2008, prepared in accordance with International Financial Reporting Standards.

1. OVERVIEW

(€ 'm)	Q4 2008	Q4 2007	% Δ	2008	2007	% Δ
Revenues	1,542.4	1,521.9	1.4	5,519.6	5,065.8	9.0
EBITDA	259.9	245.9	5.7	1,056.7	810.0	30.5
Adjusted EBITDA*	259.9	270.9	(4.1)	1,056.7	860.0	22.9
Adjusted EBITDA margin	16.9%	17.8%		19.1%	17.0%	
Net profit	178.9	174.0	2.8	728.5	571.4	27.5
Adjusted Net Profit**	178.9	192.8	(7.2)	728.5	608.9	19.6

* For comparability purposes, the amount of €50.0m (equally allocated to the Q3 and Q4 2007 results), which corresponds to the financial aid provided to the victims of the forest fires in Greece, has been excluded.

** The tax charge corresponding to the above financial aid, has been deducted from the adjusted net profit of the period.

OPAP's revenues for 2008 increased by 9.0% and reached €5,519.6m compared to €5,065.8m in 2007, primarily due to KINO's continuing strong performance. Revenues for Q4 2008 grew by 1.4% to €1,542.4m compared to €1,521.9m for the same period in 2007.

EBITDA reached €1,056.7m in the 12M 2008 period from €810.0m in 2007, up 30.5%. The comparable increase, excluding the one-off charge of €50m recorded in 2007, amounts to 22.9%, while the EBITDA margin reached 19.1% from 17.0% in 2007. During the last quarter, EBITDA stood at €259.9m, down 4.1%, from the adjusted EBITDA of €270.9m in Q4 2007.

The increase in the year's EBITDA and EBITDA margin primarily reflects the reduced operating expenses related to *Stihima* and the decrease in administrative and distribution expenses.

On a comparable basis, net profit for 2008 increased by 19.6% to €728.5m from €608.9m in 2007, while for Q4 2008 net profit decreased by 7.2% to €178.9m from €192.8m for the corresponding period in 2007.

Commenting on the full-year 2008 results, Mr. Christos Hadjiemmanuil, OPAP's Chairman & CEO, noted:

"Although in 2008 we operated in a challenging and difficult economic environment, we managed to deliver an impressive improvement of our business results. Furthermore, we are particularly pleased with the significant progress achieved on our main priorities: rejuvenation of our games portfolio, progress in the revamping of our agent network and our internal reorganization. For 2009, despite the deteriorating economic conditions, we will focus on maintaining our strong profitability at high levels and support our initiatives to expand outside our core concession."

He also added the following:

"Please note that fourth quarter results have been burdened due to firstly, the company's decision to include in an actually conservative manner, provisions for lawsuits and legal risks and secondly, the signing of term contracts with sport leagues which provide large exposure for OPAP. Also, in Q4 2008, despite STIHIMA payout being at the same level with Q4 2007, sales reduction is primarily attributed to the low number of sports events available during December 2008 compared to December 2007. Finally, despite the actual increased profitability of all our subsidiaries, the accounts seem to appear lower profitability figures due to the fact that the mother company withheld in 2008 amounts which were previously paid to OPAP Services S.A., in order to renovate the agent network. It is noted that such renovation is already underway in our agent network in Cyprus and the relative cost is covered from the already reserved amounts."

2. FINANCIAL REVIEW

Revenue per game for Q4 and FY 2008 and 2007.

(€ '000)	Q4 08	Q4 07	Δ%	2008	2007	Δ%
STIHIMA	618,000	664,765	(7.0)	2,214,188	2,145,952	3.2
PROPO	17,450	21,890	(20.3)	54,735	63,746	(14.1)
PROPO-GOAL	208	309	(32.6)	1,323	1,673	(20.9)
TOTAL SPORTS BETTING	635,658	686,964	(7.5)	2,270,246	2,211,371	2.7
JOKER	73,444	79,867	(8.0)	244,474	256,536	(4.7)
LOTTO	17,303	13,270	30.4	55,774	54,987	1.4
PROTO	15,615	14,561	7.2	50,093	50,288	(0.4)
Extra 5	3,183	3,481	(8.6)	12,887	13,915	(7.4)
SUPER 3	14,885	15,961	(6.7)	58,555	60,564	(3.3)
KINO	779,871	707,792	10.2	2,825,122	2,418,090	16.8
TOTAL NUMERICAL GAMES	904,301	834,932	8.3	3,246,905	2,854,380	13.8
TOTAL GAME REVENUES	1,539,959	1,521,896	1.2	5,517,151	5,065,751	8.9
Other Revenues*	2,440	0		2,440	0	
TOTAL REVENUES	1,542,399	1,521,896	1.4	5,519,591	5,065,751	9.0

* This amount represents revenues of the subsidiary OPAP Services S.A. related to the World Lottery Association (WLA) convention organized in October 2008 in Rhodes.

Total game revenues increased by 8.9% to €5,517.2m in 2008 from €5,065.8m in 2007. In Q4 2008, revenues amounted to €1,540.0m, increased by 1.2% compared to the corresponding period in 2007.

Sports betting revenues for 2008 increased by 2.7% to €2,270.2m, mainly due to the additional revenues generated during the European Football Cup in *Stihima*. However, during Q4 2008, total revenues from Sports betting decreased by 7.5% to €635.7m from €687.0m in the same period of 2007, mainly due to the decrease in *Stihima* revenues. This decrease is primarily attributed to the lower number of sports events available during December 2008, compared to the corresponding month of 2007.

In 2008, sports betting represented 41.2% of the Company's total game revenues, compared to 43.7% in 2007.

Revenues from numerical games in 2008, increased by 13.8%, reaching €3,246.9m from €2,854.4m in 2007, while in Q4 2008 revenues increased by 8.3% to €904.3m compared to the corresponding period in 2007. In 2008, numerical games represented 58.8% of the Company's total game revenues, compared to 56.3% in 2007.

Revenues from KINO posted an increase of 16.8% in 2008 reaching €2,825.1m, while in Q4 2008, revenues from KINO increased by 10.2% to €779.9m, from €707.8m for the same period in 2007. On a monthly basis, revenues from KINO increased by 14.9% in October, 6.1% in November and 9.8% in December.

Cost of Goods Sold for Q4 and FY 2008 and 2007

(€ '000)	Q4 08	Q4 07	Δ%	2008	2007	Δ%
Prize payouts to lottery and betting winners	1,034,642	1,028,180	0.6	3,667,940	3,469,147	5.7
Agents' commissions	129,034	127,645	1.1	460,685	424,754	8.5
Betting commissions	489	192	155.3	1,908	9,863	(80.7)
Depreciation	3,166	1,803	75.6	10,085	4,813	109.5
Amortization	21,276	10,375	105.1	83,650	40,772	105.2
Repairs and maintenance expenses	11,125	4,226	163.2	39,082	15,402	153.7
Third party expenses	7,501	5,400	38.9	29,398	17,500	68.0
Greek Football Federation & Greek Professional Leagues	1,322	1,682	(21.5)	4,183	4,503	(7.1)
Personnel costs	5,500	4,214	30.5	20,186	17,730	13.9
Other expenses	12,962	9,475	36.8	41,438	32,933	25.8
Bad debt provision	1,000	1,800	(44.4)	3,000	3,500	(14.3)
Retirement benefit costs	850	1,156	(26.5)	2,175	2,941	(26.1)
Total	1,228,867	1,196,148	2.7	4,363,730	4,043,858	7.9

The cost of sales increased in 2008 by 7.9% to €4,363.7m, from €4,043.9m in 2007. In Q4 2008 the increase was 2.7% and cost of sales reached €1,228.9m.

Payout to lottery and betting winners in 2008 reached €3,667.9m, increased by 5.7%, from €3,469.1m in 2007. This corresponds to 66.5% of total revenues versus 68.5% last year. In Q4 2008, payout to winners was flat compared to the same quarter in 2007.

In particular, 2008 *Stihima* payout amounted to 66.6% of the game's revenue compared with 71.2% in the corresponding period last year. The respective Q4 2008 payout for *Stihima* was 68.3%, compared to 68.9% for the same period in 2007.

Total agents' commissions reached 8.4% of total game revenues equivalent to €460.7m in 2008 from €424.8m in 2007.

The Depreciation and Amortization expense included in COGS rose to €93.7m in 2008 from €45.6m in 2007, while total Depreciation and Amortization expense amounted to €96.9m in 2008 from €47.9m in 2007. This increase reflects the installation of the new terminals and the *Stihima* know-how transfer agreement.

Repairs and maintenance expenses reached €39.1m in 2008 from €15.4m in 2007, associated with expenses for maintaining the new terminals.

Third party expenses increased to €29.4m from €17.5m in 2007.

Staff costs included in COGS, increased to €20.2m in 2008 from €17.7m in the previous year. Total staff costs amounted to €55.6m in 2008, up by 2.8% from €54.1m in 2007.

Other operating expenses included in COGS, increased to €41.4m in 2008 from €32.9m in 2007, reflecting increased costs in the operation of our games (coupon tickets, new thermal printing paper, risk management software services etc.).

Gross Profit

Gross profit in 2008 increased by 13.1% to €1,155.9m and the gross profit margin increased to 20.9%, from 20.2% in 2007. Q4 2008 Gross Profit reached €313.5m, down by 3.8% from Q4 2007. Q4 2008 gross profit margin decreased to 20.3% from 21.4% in Q4 2007.

Distribution Costs

Distribution costs reached €136.8m in 2008 from €200.8m last year. Excluding the payment of €50.0m made towards the victims of forest fires that was recorded in 2007, distribution costs in 2008 decreased by €14.0m, or 9.3%. Out of the total distribution costs for the year, the amount of €128.5m corresponds to sponsorships, grants and advertising costs versus €185.3m in the previous year, a decrease of 30.7%.

Administrative Expenses

Administrative expenses in 2008 decreased by 7.8% to €43.8m from €47.5m in 2007, due to lower administrative costs associated with consultants' and advisory fees etc.

Other Operating Expenses

Other operating expenses of €20.4m in 2008 compared to €10.8m in 2007 mainly relate to litigation provisions.

Profit from Operations

Reflecting the reasons mentioned above, profit from operations rose to €959.9m compared to €762.1m in the corresponding period of 2007.

Tax Expenses

Tax expenses in 2008 increased to €265.5m from €205.2m in 2007, reflecting the rise in the Group's profitability.

Net Profit

Net profit for 2008 posted an increase of 27.5%, to €728.5m from €571.4m in 2007, while on an adjusted basis net profit increased by 19.6%. In Q4 2008, net profit amounted to €178.9m from €174.0m in the corresponding period of 2007.

Cash Flows for Q4 and FY of 2008 και 2007

(€'.000)	Q4 08	Q4 07	Δ%	2008	2007	Δ%
Cash Flow from Operating Activities	224,819	229,098	(1.9)	856,523	704,438	21.6
Cash Flow from Investing Activities	11,610	4,475	159.4	34,451	(61,415)	NM
Cash Flow from Financing Activities	(266,742)	(197,571)	35.0	(677,446)	(534,289)	26.8

Cash Flow from Operating Activities

Cash flow from operating activities in 2008 increased by 21.6% to €856.5m, from €704.4m in 2007. The increase in cash flow from operating activities at a rate lower than that of the operating profitability is mainly attributed to: (i) the payment of €25m in Q1 2008 for the financial aid provided to the victims of the fires and (ii) the collection of the agents' receipts related to 2008's last week of operations was completed in the first week of 2009 due to calendar effect.

Cash Flow from Investing Activities

Cash flow from investing activities in 2008 amounted to €34.5m, reflecting higher interest income due to increased cash balances and higher interest rates in 2008 compared to outflows of €61.4m in 2007 due to the payment associated with the transfer of know-how agreement for *Stihima*.

Cash Flow from Financing Activities

Cash flow from financing activities in 2008 amounted to €677.4m from €534.3m in 2007 reflecting mainly the payment of increased dividends in the current year (remaining dividend for the fiscal year 2007 and the interim dividend for the fiscal year 2008) and the instalment payments of the financial leasing agreement.

3. MAIN DEVELOPMENTS

Dividend Payment

On March 16, 2009, the Board of Directors of OPAP decided to propose to the Annual Ordinary General Meeting (AGM) the distribution of a gross dividend of €2.20 per share, compared to €1.74 per share for fiscal 2007 (total gross dividend amount for 2008 is €701.8m, compared to €555.1m in 2007). Excluding the gross interim dividend of €0.80 per share already paid on December 24, 2008, the remaining gross dividend payment to the shareholders amounts to €1.40 per share, or €446.6m. It is reminded that the €1.40 per share amount is subject to a 10% withholding tax, according to the provisions of Article 18, of Law 3697/2008. Subject to AGM approval, the ex-dividend date will be at June 2, 2009 and the dividend payment date will be June 11, 2009.

Participation in the Milli Piyango tender in Turkey

OPAP, together with its local partners, has qualified to the final stage and binding bids are due on April 15, 2009.

Sector developments

On February 6, 2009, the Greek Council of State reviewed the case brought against the Greek State and its policy on the domestic gaming market and is expected to release a decision in due course.

On March 10, 2009, the European Parliament adopted by an overwhelming majority a resolution calling for a solution to online gaming's regulation by national law.

Note: "Financial Status and Results" for the Full Year 2008 will be published in the following newspapers: ETHNOS, TA NEA, ELEFTHEROS TYPOS, KATHIMERINI, NAFTEMPORIKI and IMERISIA on Tuesday March 17th, 2009 and will be available along with the "Financial Statements based on IFRS" on the company's website: (www.opap.gr) and on the Athens Exchange website: (www.ase.gr)

ATTACHMENTS

- 1. Balance Sheet for the fiscal years ended December 31, 2008 and 2007**
- 2. Income Statement for the fiscal years ended December 31, 2008 and 2007**
- 3. Cash Flow Statement for the fiscal years ended December 31, 2008 and 2007**

1. Balance Sheet

For the years ended on December 31st, 2008 and 2007

(Amounts in thousand of euro)

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
ASSETS				
Current assets				
Cash and cash equivalents	706,388	492,860	603,509	404,825
Inventories	1,310	703	1,310	703
Trade receivables	69,337	36,839	71,989	38,213
Other current assets	224,898	155,136	223,236	154,248
Total current assets	1,001,933	685,538	900,044	597,989
Non-current assets				
Intangible assets	253,286	336,379	253,253	336,332
Property, plant and equipment	97,663	108,119	95,423	107,322
Investments in intangible assets	1,362	-	2,898	-
Goodwill	8,435	7,672	-	-
Investments in subsidiaries	-	-	36,527	35,627
Investments in associates	1,470	1,608	1,200	1,200
Other non-current assets	15,313	15,692	15,304	15,676
Deferred tax assets	22,079	11,915	35,900	25,420
Total non-current assets	399,608	481,385	440,505	521,577
TOTAL ASSETS	1,401,541	1,166,923	1,340,549	1,119,566
EQUITY & LIABILITIES				
Short-term liabilities				
Trade and other payables	147,128	125,749	142,031	130,370
Payables from financial leases	53,474	61,394	53,474	61,394
Tax liabilities	378,965	237,345	378,104	234,593
Accrued and other liabilities	49,530	52,444	46,161	48,159
Total short-term liabilities	629,097	476,932	619,770	474,516
Long-term liabilities				
Payables from financial leases	32,419	84,429	32,419	84,429
Employee benefit plans	22,637	21,566	22,637	21,566
Provisions	31,793	8,159	31,743	8,159
Other long-term liabilities	7,022	6,756	6,842	6,631
Total long-term liabilities	93,871	120,910	93,641	120,785
Equity				
Share capital	95,700	95,700	95,700	95,700
Reserves	43,700	43,700	43,060	43,060
Proposed dividends	446,600	363,660	446,600	363,660
Exchange differences	(23)	(8)	-	-
Retained earnings	92,596	65,908	41,778	21,845
Total Equity	678,573	569,860	627,138	524,265
Minority interest	-	121	-	-
Total Equity	678,573	569,981	627,138	524,265
TOTAL EQUITY & LIABILITIES	1,401,541	1,166,923	1,340,549	1,119,566

2. Income Statement

For the years ended on December 31st, 2008 and 2007

(Amounts in thousand of euro except for per share amounts)

	GROUP		COMPANY	
	1.1-31.12.2008	1.1-31.12.2007	1.1-31.12.2008	1.1-31.12.2007
Revenues	5,519,591	5,065,751	5,328,100	4,929,708
Cost of sales	(4,363,730)	(4,043,858)	(4,202,537)	(3,930,066)
Gross profit	1,155,861	1,021,893	1,125,563	999,642
Other operating income	5,129	3,612	21,207	14,088
Distribution costs	(136,835)	(200,834)	(133,391)	(217,538)
Administrative expenses	(43,771)	(47,451)	(38,780)	(41,614)
Other operating expenses	(20,377)	(10,779)	(20,359)	(10,778)
Income / loss from associates	(138)	414	-	-
Impairment of assets	-	(4,780)	-	(5,950)
Profit from operations	959,869	762,075	954,240	737,850
Financial results, net	34,094	14,547	28,775	13,583
Dividends		-	2,558	2,587
Profit before tax	993,963	776,622	985,573	754,020
Income tax	(275,623)	(215,194)	(274,320)	(214,186)
Deferred tax	10,164	9,996	10,480	14,468
Profit after tax	728,504	571,424	721,733	554,302
Attributable to:				
Minority interest	16	(13)	-	-
Shareholders equity	728,488	571,437	721,733	554,302
Basic earnings per share in €	2.2837	1.7913	2.2625	1.7376

3. Cash Flow Statement

For the years ended on December 31st, 2008 and 2007

(Amounts in thousand of euro)

	GROUP		COMPANY	
	2008	2007	2008	2007
OPERATING ACTIVITIES				
Profit before tax	993,963	776,622	985,573	754,020
Adjustments for:				
Depreciation & Amortization	96,855	47,929	96,537	47,546
Financial results, net	(34,094)	(14,547)	(28,775)	(13,583)
Employee benefit plans	1,071	1,963	1,071	1,963
Provisions for bad debts	3,000	3,500	3,000	3,500
Other provisions	23,634	7,858	23,584	7,858
Dividends from subsidiaries	-	-	(2,558)	(2,587)
Exchange differences	53	(254)	53	-
Impairment losses	-	4,780	-	5,950
(Income) / loss from associates	138	(414)	-	-
Results from investing activities	(188)	(211)	(182)	(211)
Cash flows from operating activities before changes in working capital	1,084,432	827,226	1,078,303	804,456
Changes in Working capital				
(Increase) Decrease in inventories	(608)	(95)	(608)	(95)
(Increase) Decrease in trade & other receivable	(36,699)	87,794	(37,294)	84,734
Increase (Decrease) in payables (except borrowings)	15,519	10,058	6,681	5,688
Increase (Decrease) in taxes payables	2,069	(825)	3,755	(866)
	1,064,713	924,158	1,050,837	893,917
Interest expenses	(5,622)	(3,767)	(5,600)	(3,748)
Taxes paid	(202,568)	(215,953)	(200,977)	(215,508)
Cash flows from operating activities	856,523	704,438	844,260	674,661
INVESTING ACTIVITIES				
Proceeds from the sale of tangible & intangible assets	269	-	197	-
Guarantees	-	(85)	-	(78)
Loans paid to personnel	123	552	123	552
Purchase of subsidiaries' net assets	(900)	-	(900)	-
Purchase of tangible assets	(2,318)	(2,142)	(2,085)	(1,967)
Purchase of intangible assets	(2,286)	(78,054)	(2,244)	(78,016)
Dividends from subsidiaries	-	-	2,558	2,587
Interest received	39,563	18,314	34,221	17,331
Cash flows used in investing activities	34,451	(61,415)	31,870	(59,591)
FINANCING ACTIVITIES				
Repayment of financial lease funds	(59,930)	(9,766)	(59,930)	(9,766)
Dividends paid	(617,516)	(524,523)	(617,516)	(524,523)
Cash flows used in financing activities	(677,446)	(534,289)	(677,446)	(534,289)
Net increase / decrease in cash and cash equivalents	213,528	108,734	198,684	80,781
Cash and cash equivalents at the beginning of the year	492,860	384,126	404,825	324,044
Cash and cash equivalents at the end of year	706,388	492,860	603,509	404,825