



3rd Quarter 2018

Interim Management Statement
According to International Financial Reporting Standards

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A. Financial progress and performance of reporting period

Financial Performance

Basic Group financials are presented below:

(Amounts in thousands of euro)	01.01-30.09.2018	01.01-30.09.2017 Restated	Δ %
Revenue (GGR)	1,106,328	1,045,811	5.8%
GGR contribution and other levies and duties	363,310	347,638	4.5%
Net gaming revenue (NGR)	743,019	698,173	6.4%
Profit before interest, tax, depreciation and amortization (EBITDA)	244,598	223,534	9.4%
Profit before tax	155,365	141,752	9.6%
Profit for the period	105,775	94,866	11.5%
Net increase/(decrease) in cash and cash equivalents			
Cash inflows from operating activities	156,304	153,254	2.0%
Cash outflows used in investing activities	(52,499)	(82,457)	(36.3%)
Cash (outflows)/inflows used in/from financing activities	(160,528)	3,514	(4667.8%)

Basic Company financials are presented below:

(Amounts in thousands of euro)	01.01-30.09.2018	01.01-30.09.2017 Restated	Δ %
Revenue (GGR)	929,038	863,519	7.6%
GGR contribution and other levies and duties	318,356	300,382	6.0%
Net gaming revenue (NGR)	610,683	563,137	8.4%
Profit before interest, tax, depreciation and amortization (EBITDA)	220,058	200,527	9.7%
Profit before tax	156,169	143,652	8.7%
Profit for the period	109,551	103,028	6.3%
Net increase/(decrease) in cash and cash equivalents			
Cash inflows from operating activities	155,990	167,677	(7.0%)
Cash outflows used in investing activities	(12,487)	(39,309)	(68.2%)
Cash (outflows)/inflows used in/from financing activities	(160,743)	14,528	(1206.4%)

B. Main developments during the nine month period of 2018 and their effect on the interim management statement

VLTS

Operating activities

The first Gaming Halls commenced their operating activities on 11.01.2017. As at 30.09.2018, 16,043 VLT machines were operating in 320 Gaming Halls and in 1,762 Opap Stores. The main target of the Company's Management is to continue the roll-out of VLT machines in operation during the year.

Financing

Loan restructuring of OPAP S.A.

In order to achieve more favourable borrowing terms, the Company proceeded within the period March-April 2018 with its loan portfolio restructuring. More specifically, it repaid, earlier and without extra cost, loans of an amount of € 290,500 th. which at the time bore an interest rate of 3.9% (floating) and at the same time issued a new 5-year duration bond loan of € 250,000 th. which bears fixed interest of 3.1%.

Bond loan of HORSE RACES S.A.

HORSE RACES S.A. according to the meeting of its Board of Directors dated 26.07.2018, resolved on the issuance of a common bond loan of € 5,000 th., divided in 5,000 bonds of € 1,000 each. OPAP INVESTMENT Ltd subscribed for the amount of € 4,950 th. and OPAP S.A. for the amount of € 50 th., on 07.09.2018, while the respective loan agreements were signed on 03.09.2018.

Share capital

Share Capital Increase of TORA DIRECT S.A.

The extraordinary General Meeting of TORA DIRECT S.A. that took place on 18.12.2017, approved a Share Capital Increase of € 1,001 th. through the issuance of 1,390,000 new ordinary shares with a nominal value of € 0.72 each. The share capital increase was paid up on 11.01.2018.

Share capital increase of HORSE RACES S.A.

On 30.01.2018 the extraordinary General Meeting of HORSE RACES S.A. decided to increase the company's share capital by € 5,000 th. through the issuance of 500,000 new ordinary shares of € 10 nominal price each. The share capital increase was paid up on 05.02.2018.

HELLENIC LOTTERIES S.A. share capital return

During the Shareholders Extraordinary General Meeting which took place on 10.04.2018, a share capital increase was approved which amounted to € 18,972 th. through capitalizing part of share premium without issuing new shares and with simultaneous share nominal value increase. This amount was subsequently returned to the shareholders through an equal reduction in the nominal value of the shares.

OPAP INVESTMENT LTD share capital return

During the Shareholders Extraordinary General Meeting which took place on 02.05.2018, a share capital decrease was approved which amounted to € 19,017 th. through shares cancellation. This amount was subsequently returned to the sole shareholder (OPAP S.A.).

Share capital increase of OPAP SERVICES S.A.

On 13.07.2018 the extraordinary General Meeting of OPAP SERVICES S.A. decided to increase the company's share capital by € 5,000 th. through the issuance of 5,000,000 new ordinary shares of € 1 nominal price each. The share capital increase was paid up on 21.08.2018.

Dividends

Dividend distribution for the year 2017

OPAP S.A. according to the 18th Annual Ordinary Shareholders General Meeting, held on April 25th, 2018 decided upon the distribution of a total dividend for the fiscal year 2017 of 0.40 euro per share. It is noted that the Company's Board of Directors had decided the distribution of a gross amount of 0.10 euro per share as interim dividend. The remaining dividend of the amount of 0.30 euro per share which has been distributed, is subject to 15% withholding tax in accordance to articles 36 & 64 of L. 4172/2013, as this has been amended by L. 4387/2016, i.e. 0.045 euro per share.

Payment of interim dividend for the fiscal year 2018

The Company's Board of Directors decided during its meeting on 11.09.2018 to distribute a gross amount of € 31,782 th. or € 0.10 per share excluding treasury shares, as interim dividend for the fiscal year 2018. The interim dividend of the amount of € 0.10 per share is subject to 15% withholding tax in accordance with Law 4387/2016, i.e. € 0.015 per share. Therefore the net payable amount to the shareholders following the abovementioned withholding tax amounted to € 0.085 per share.

TORA WALLET S.A. licensed as an Electronic Money Institution by the Bank of Greece

On 12.02.2018 the procedure for the licensing of TORA WALLET S.A. as an Electronic Money Institution by the Bank of Greece was completed successfully. This development marks the official commencement of TORA WALLET S.A.'s activities in the financial services sector through OPAP's agency network.

Arbitral award of HORSE RACES S.A.

On May 2017, the Hellenic Republic Asset Development Fund (HRADF) filed a Request for Arbitration against HORSE RACES S.A. before the London Court of International Arbitration. The HRADF alleged that HORSE RACES S.A. had an obligation to pay 10% interest (equal to €2,025 th.) on the last instalment of the financial consideration (€20,250 th.) provided for in the Concession Agreement dated 24.04.2015.

The hearing took place on 23-24.04.2018 and the arbitral award was issued on 20.09.2018. The Tribunal ruled in favor of HORSE RACES S.A. and dismissed HRADF's claim for an allegedly additional financial consideration of approx. €2,000 th.. HRADF was also ordered to pay all HORSE RACES S.A.'s legal costs (circa €400 th.).

C. Alternative Performance Indicators (API)

The Group presents certain Alternative Performance Indicators besides from IFRSs arising from its financial statements, particularly the indicator "Net Debt/Earnings before interest, taxes, depreciation and amortization (EBITDA)". The indicators which are defined and calculated in detail below, are widely used in order to present the Group's profits in relation to its debt and how viable the servicing of its debt is. The Alternative Performance Indicators should not be considered as a substitute for other figures and have been calculated in accordance with the IFRS provisions.

(Amounts in thousands of euro)	01.01-30.09.2018	01.01-30.09.2017 Restated	Δ %
Profit before interest, tax, depreciation and amortization (EBITDA) / Revenue (GGR)	22.1%	21.4%	3.4%
Profit attributable to owners of the Company / Revenue (GGR)	9.5%	8.9%	6.6%
Net debt	462,286	234,549	97.1%
Total debt / Total equity	85.9%	60.7%	41.6%
Net debt / Profit before interest, tax, depreciation and amortization (EBITDA) last twelve months	1.4	0.8	84.9%

Earnings before interest, taxes, depreciation and amortization (EBITDA) as a % of GGR

Calculated as the ratio of Earnings before tax, depreciation and amortization (EBITDA) over GGR in the period.

Profit attributable to owners of the Company as a % of GGR

Calculated as the ratio of net profit for the period over GGR for the period.

Net Debt

Calculated as the sum of short-term borrowings plus long-term Loans at the end of the period minus the "Cash and cash equivalents" balance at the end of the period.

Total Debt/Equity

Calculated as the ratio of the sum of Short-term loan plus the sum of Long-term loans at the end of the period over Equity at the end of the period.

Net Debt /Earnings before interest, taxes, depreciation and amortization (EBITDA) last twelve months

Calculated as the ratio of Net Debt (see above) over Earnings before interest, tax and amortization in the last twelve months.

D. Interim Management Statement

The attached Interim Management Statement as at 30 September 2018 was approved by the Board of Directors of OPAP S.A. per rotation on 26 November 2018 and has been posted at the Company's website www.opap.gr as well as in the website of the Athens Stock Exchange.

All amounts presented in the interim management statement are in thousands of euro unless otherwise stated.

The comparative figures have been reclassified where was necessary in order to comply with changes in the presentation of the current period.

1. Statement of Financial Position

As at 30 September 2018 and for the nine-month period then ended

(Amounts in thousands of euro)

	Notes	GROUP		COMPANY	
		30.09.2018	31.12.2017 Restated*	30.09.2018	31.12.2017
ASSETS					
Non - current assets					
Intangible assets		1,138,733	1,169,776	984,747	1,001,442
Property, plant & equipment		111,337	109,298	87,263	86,994
Investment property		908	922	908	922
Goodwill		51,775	51,775	-	-
Investments in subsidiaries		-	-	267,927	281,945
Long – term receivables		2	2	2	2
Other non - current assets		46,653	22,553	47,816	40,225
Deferred tax asset		<u>13,357</u>	<u>3,495</u>	-	-
Total non - current assets		1,362,764	1,357,822	1,388,662	1,411,530
Current assets					
Cash and cash equivalents		189,379	246,102	77,031	94,270
Inventories		10,726	7,920	1,837	1,927
Trade receivables		110,026	127,829	39,123	54,360
Other current assets		<u>37,072</u>	<u>58,532</u>	<u>17,920</u>	<u>29,896</u>
Total current assets		347,203	440,383	135,911	180,454
TOTAL ASSETS		1,709,967	1,798,205	1,524,573	1,591,984
EQUITY & LIABILITIES					
Equity					
Share capital		95,700	95,700	95,700	95,700
Reserves		33,034	33,034	31,900	31,900
Treasury shares		(9,039)	(9,039)	(9,039)	(9,039)
Retained earnings		<u>603,132</u>	<u>595,016</u>	<u>611,206</u>	<u>598,462</u>
Equity attributable to owners of the Company		722,827	714,711	729,767	717,023
Non-controlling interests		<u>35,381</u>	<u>44,752</u>	-	-
Total equity		758,208	759,462	729,767	717,023
Non-current liabilities					
Loans	6.1	651,170	513,098	601,524	467,342
Deferred tax liability		15,424	-	14,527	9,252
Employee benefit plans		4,298	3,084	3,854	2,735
Provisions		30,547	31,187	29,154	29,773
Other non-current liabilities		<u>10,332</u>	<u>9,354</u>	<u>7,877</u>	<u>7,590</u>
Total non-current liabilities		711,771	556,722	656,937	516,693
Current liabilities					
Loans	6.1	495	169,171	-	169,171
Trade payables		130,639	173,860	46,423	77,005
Tax liabilities		62,919	89,771	56,748	78,409
Other current liabilities		<u>45,935</u>	<u>49,218</u>	<u>34,697</u>	<u>33,683</u>
Total current liabilities		239,988	482,020	137,869	358,268
Total liabilities		951,759	1,038,743	794,806	874,961
TOTAL EQUITY & LIABILITIES		1,709,967	1,798,205	1,524,573	1,591,984

* The Group figures of 2017 have been restated as a result of the Purchase Price Allocation finalization relating to the acquisition of NEUROSFT S.A..

The attached notes on pages 15 to 17 form an integral part of Interim Management Statement.

2. Income Statement

2.1. Consolidated Income Statement

As at 30 September 2018 and for the nine-month period then ended

(Amounts in thousands of euro except earnings per share)

GROUP	Notes	2018		2017	
		01.01-30.09.2018	01.07-30.09.2018	01.01-30.09.2017 Restated**	01.07-30.09.2017 Restated **
Amounts wagered		3,156,479	1,045,220	3,213,588	1,088,057
Income Statement is as follows:					
Revenue (GGR)		1,106,328	368,871	1,045,811	357,351
GGR contribution and other levies and duties		(363,310)	(121,312)	(347,638)	(118,397)
Net gaming revenue (NGR)		743,019	247,559	698,173	238,953
Agents' commission		(271,280)	(90,290)	(264,509)	(90,416)
Other NGR related commission		(37,693)	(11,291)	(25,480)	(9,822)
Other operating income	6.2	88,968	29,210	83,372	32,220
Other operating cost		(65,380)	(22,051)	(66,027)	(23,329)
		457,633	153,137	425,529	147,607
Operating expenses		(213,034)	(65,961)	(201,995)	(54,723)
Payroll expenses	6.3	(56,900)	(18,534)	(49,430)	(17,462)
Marketing expenses	6.4	(44,802)	(10,396)	(46,059)	(11,662)
Other operating expenses	6.5	(111,332)	(37,031)	(106,506)	(25,599)
Profit before interest, tax, depreciation and amortization (EBITDA)		244,598	87,175	223,534	92,884
Depreciation and amortization		(70,718)	(24,476)	(66,259)	(21,721)
Results from operating activities		173,881	62,699	157,275	71,163
Finance income		1,472	347	2,101	605
Finance costs		(19,988)	(6,459)	(17,357)	(5,740)
Other finance income / (cost)		-	-	(267)	(567)
Profit before tax		155,365	56,587	141,752	65,460
Income tax expense		(49,590)	(17,191)	(46,886)	(21,282)
Profit for the period		105,775	39,396	94,866	44,179
Profit attributable to:					
Owners of the Company		105,185	39,083	93,239	43,496
Non-controlling interests		591	313	1,628	682
Profit after tax		105,775	39,396	94,866	44,179
Basic and diluted earnings (after tax) per share in €		0.3310	0.1230	0.2933	0.1368

**The comparative figures are the outcome of the restated Financial Statements due to the re-calculation of the VLTs license amortization following the amendment of the respective legislation (November 2017).

The attached notes on pages 15 to 17 form an integral part of Interim Management Statement.

2.2. Income Statement of the Company

As at 30 September 2018 and for the nine-month period then ended

(Amounts in thousands of euro except earnings per share)

COMPANY	Notes	2018		2017	
		01.01-30.09.2018	01.07-30.09.2018	01.01-30.09.2017 Restated**	01.07-30.09.2017 Restated**
Amounts wagered		2,636,457	883,942	2,686,894	923,337
Income Statement is as follows:					
Revenue (GGR)		929,038	314,400	863,519	300,118
GGR contribution and other levies and duties		<u>(318,356)</u>	<u>(107,569)</u>	<u>(300,382)</u>	<u>(103,818)</u>
Net gaming revenue (NGR)		610,683	206,831	563,137	196,300
Agents' commission		(224,758)	(75,863)	(217,691)	(75,694)
Other NGR related commission		(26,301)	(7,953)	(13,822)	(6,234)
Other operating income	6.2	27,409	8,925	28,202	10,651
		387,033	131,941	359,826	125,023
Operating expenses		<u>(166,976)</u>	<u>(53,227)</u>	<u>(159,299)</u>	<u>(41,026)</u>
Payroll expenses	6.3	(46,823)	(15,250)	(42,895)	(14,818)
Marketing expenses	6.4	(32,648)	(8,308)	(32,411)	(8,553)
Other operating expenses	6.5	<u>(87,505)</u>	<u>(29,669)</u>	<u>(83,993)</u>	<u>(17,654)</u>
Profit before interest, tax, depreciation and amortization (EBITDA)		220,058	78,714	200,527	83,998
Depreciation and amortization		<u>(51,584)</u>	<u>(17,890)</u>	<u>(49,608)</u>	<u>(16,018)</u>
Results from operating activities		168,474	60,824	150,919	67,980
Finance income		633	131	927	239
Finance costs		(17,775)	(5,694)	(14,787)	(4,943)
Other finance income / (cost)		<u>4,836</u>	<u>4,000</u>	<u>6,592</u>	-
Profit before tax		156,169	59,262	143,652	63,276
Income tax expense		<u>(46,617)</u>	<u>(16,246)</u>	<u>(40,624)</u>	<u>(18,788)</u>
Profit for the period		109,551	43,016	103,028	44,488
Profit attributable to:					
Owners of the Company		109,551	43,016	103,028	44,488
Profit after tax		109,551	43,016	103,028	44,488
Basic and diluted earnings (after tax) per share in €		0.3447	0.1353	0.3241	0.1400

**The comparative figures are the outcome of the restated Financial Statements due to the re-calculation of the VLTs license amortization following the amendment of the respective legislation (November 2017).

The attached notes on pages 15 to 17 form an integral part of Interim Management Statement.

3. Statement of Profit or Loss and Other Comprehensive Income

3.1. Consolidated Statement of Profit or Loss and Other Comprehensive Income

As at 30 September 2018 and for the nine-month period then ended

(Amounts in thousands of euro except earnings per share)

GROUP	Notes	2018		2017	
		01.01-30.09.2018	01.07-30.09.2018	01.01-30.09.2017 Restated**	01.07-30.09.2017 Restated **
Profit for the period		105,775	39,396	94,866	44,179
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss					
Profit from valuation of hedging derivatives		108	582	-	-
Attributable income tax		(31)	(169)	-	-
Total items that may be reclassified to profit or loss		77	413	-	-
Other comprehensive income net of tax		77	413	-	-
Total comprehensive income net of tax		105,852	39,809	94,866	44,179
Total comprehensive income attributable to:					
Owners of the Company		105,261	39,496	93,239	43,496
Non-controlling interests		591	313	1,628	682
Total comprehensive income net of tax		105,852	39,809	94,866	44,179

**The comparative figures are the outcome of the restated Financial Statements due to the re-calculation of the VLTs license amortization following the amendment of the respective legislation (November 2017).

The attached notes on pages 15 to 17 form an integral part of Interim Management Statement.

3.2. Statement of Profit or Loss and Other Comprehensive Income of the Company

As at 30 September 2018 and for the nine-month period then ended

(Amounts in thousands of euro except earnings per share)

COMPANY	Notes	2018		2017	
		01.01-30.09.2018	01.07-30.09.2018	01.01-30.09.2017 Restated**	01.07-30.09.2017 Restated**
Profit for the period		109,551	43,016	103,028	44,488
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss					
Profit from valuation of hedging derivatives		108	582	-	-
Attributable income tax		(31)	(169)	-	-
Total items that may be reclassified to profit or loss		77	413	-	-
Other comprehensive income net of tax		77	413	-	-
Total comprehensive income net of tax		109,628	43,429	103,028	44,488
Total comprehensive income attributable to:					
Owners of the Company		109,628	43,429	103,028	44,488
Total comprehensive income net of tax		109,628	43,429	103,028	44,488

**The comparative figures are the outcome of the restated Financial Statements due to the re-calculation of the VLTs license amortization following the amendment of the respective legislation (November 2017).

The attached notes on pages 15 to 17 form an integral part of Interim Management Statement.

4. Statement of Changes in Equity

4.1. Consolidated Statement of Changes in Equity

As at 30 September 2018 and for the nine-month period then ended

(Amounts in thousands of euro)

GROUP	Share capital	Reserves	Treasury shares	Retained earnings Restated**	Non-controlling interests	Total equity
Balance as at 1 January 2017	95,700	32,417	(7,454)	914,614	36,954	1,072,231
Total comprehensive income for the period 01.01-30.09.2017	-	-	-	93,239	1,628	94,866
Transactions with owners of the Company						
Acquisition of treasury shares	-	-	(1,585)	-	-	(1,585)
Acquisition of subsidiary with NCI	-	-	-	-	2,675	2,675
Share capital increase expenses of subsidiaries	-	-	-	(165)	-	(165)
Dividends paid	=	=	=	(222,472)	(1,698)	(224,171)
Total transactions with owners of the Company	-	-	(1,585)	(222,638)	977	(223,246)
Balance as at 30 September 2017	95,700	32,417	(9,039)	785,214	39,558	943,851
	Share capital	Reserves	Treasury shares	Retained earnings Restated*	Non-controlling interests Restated*	Total equity
Balance as at 1 January 2018	95,700	33,034	(9,039)	595,016	44,752	759,463
Total comprehensive income for the period 01.01-30.09.2018	-	-	-	105,261	591	105,852
Transactions with owners of the Company						
Share capital decrease expenses of subsidiaries	-	-	-	(261)	(69)	(330)
Share capital decrease of subsidiary	-	-	-	-	(6,261)	(6,261)
Other movements	-	-	-	(1,539)	-	(1,539)
Dividends paid	=	=	=	(95,345)	(3,632)	(98,977)
Total transactions with the owners of the Company	-	-	-	(97,145)	(9,961)	(107,106)
Balance as at 30 September 2018	95,700	33,034	(9,039)	603,132	35,381	758,208

* The Group figures of 2017 have been restated as a result of the Purchase Price Allocation finalization relating to the acquisition of NEUROSOFT S.A..

**The comparative figures are the outcome of the restated Financial Statements due to the re-calculation of the VLTs license amortization following the amendment of the respective legislation (November 2017).

The attached notes on pages 15 to 17 form an integral part of Interim Management Statement.

4.2. Separate Statement of Changes in Equity

As at 30 September 2018 and for the nine-month period then ended

(Amounts in thousands of euro)

COMPANY	Share capital	Reserves	Treasury shares	Retained earnings Adjusted**	Total equity
Balance as at 1 January 2017	95,700	31,900	(7,454)	917,975	1,038,121
Total comprehensive income for the period 01.01-30.09.2017	-	-	-	103,028	103,028
Acquisition of treasury shares	-	-	(1,585)	-	(1,585)
Dividends paid	–	–	–	<u>(222,472)</u>	<u>(222,472)</u>
Balance as at 30 September 2017	95,700	31,900	(9,039)	798,531	917,092
	Share capital	Reserves	Treasury shares	Retained earnings	Total equity
Balance as at 1 January 2018	95,700	31,900	(9,039)	598,462	717,023
Total comprehensive income for the period 01.01-30.09.2018	-	-	-	109,628	109,628
Other movements	-	-	-	(1,539)	(1,539)
Dividends paid	–	–	–	<u>(95,345)</u>	<u>(95,345)</u>
Balance as at 30 September 2018	95,700	31,900	(9,039)	611,206	729,767

**The comparative figures are the outcome of the restated Financial Statements due to the re-calculation of the VLTs license amortization following the amendment of the respective legislation (November 2017).

The attached notes on pages 15 to 17 form an integral part of Interim Management Statement.

5. Cash Flow Statement

As at 30 September 2018 and for the nine-month period then ended

(Amounts in thousands of euro)

	GROUP		COMPANY	
	01.01- 30.09.2018	01.01- 30.09.2017 Restated**	01.01- 30.09.2018	01.01- 30.09.2017 Restated**
OPERATING ACTIVITIES				
Profit before tax	155,365	141,752	156,169	143,652
Adjustments for:				
Depreciation & Amortization	70,718	66,259	51,584	49,608
Net finance costs	18,471	15,255	12,296	7,267
Employee benefit plans	1,209	2,220	1,110	2,103
Provisions for bad debts	2,348	25	1,460	-
Other provisions	451	(2,668)	472	(2,668)
Exchange differences	45	-	9	-
Share of profit from associates	-	267	-	-
Loss from investing activities	-	24	-	6
Other non-cash items	-	-	2,066	2,065
Total	248,607	223,134	225,166	202,033
Changes in Working capital				
(Increase) / decrease in inventories	(2,806)	5,325	90	144
(Increase) / decrease in receivables	29,940	(7,730)	12,843	(13,036)
Increase / (decrease) in payables (except banks)	(49,734)	(37,300)	(22,292)	3,242
Increase / (decrease) in taxes payable	(25,696)	3,448	(21,263)	3,366
Total	200,311	186,877	194,545	195,748
Interest paid	(22,168)	(17,896)	(20,167)	(15,238)
Income tax paid	(21,840)	(15,727)	(18,388)	(12,833)
Net cash flows from operating activities	156,304	153,254	155,990	167,677
INVESTING ACTIVITIES				
Proceeds from sale of tangible & intangible assets	30	54	18	10
Extra charge for the acquisition of subsidiary	-	(34,197)	-	-
Loan repayments from third parties	3,665	174	3,282	-
Share capital increase of subsidiaries	-	-	14,018	(15,000)
Loans granted to third parties	(16,000)	-	-	-
Loans granted to subsidiaries	-	-	(50)	(3,600)
Increase in cash due to first consolidation of NEUROSOFT S.A.	-	2,613	-	-
Purchase of intangible assets	(25,591)	(23,978)	(24,992)	(2,594)
Purchase of property, plant and equipment & investment property	(16,125)	(28,804)	(10,169)	(25,638)
Dividends received	-	-	4,836	6,592
Interest received	1,522	1,680	571	921
Net cash flows used in investing activities	(52,499)	(82,457)	(12,487)	(39,309)
FINANCING ACTIVITIES				
Proceeds from loans & borrowings	260,433	233,524	249,862	233,524
Payments of loans & borrowings	(290,805)	(33,939)	(290,671)	(23,939)
Acquisition of treasury shares	-	(1,585)	-	(1,585)
Transaction costs related to loans and borrowings	(1,250)	-	(1,250)	-
Share capital increase expenses of subsidiaries	(330)	(165)	-	-
Return of share capital of subsidiary to NCI	(6,261)	-	-	-
Dividends paid	(122,315)	(194,320)	(118,684)	(193,470)
Net cash flows from / (used in) financing activities	(160,528)	3,514	(160,743)	14,528
Net increase / (decrease) in cash and cash equivalents	(56,723)	74,312	(17,240)	142,896
Cash and cash equivalents at the beginning of the period	246,102	273,523	94,270	65,433
Cash and cash equivalents at the end of the period	189,379	347,835	77,031	208,329

**The comparative figures are the outcome of the restated Financial Statements due to the re-calculation of the VLTs license amortization following the amendment of the respective legislation (November 2017).

The attached notes on pages 15 to 17 form an integral part of Interim Management Statement.

6. Notes on the interim management statement

6.1. Loans

The Group's borrowing movement is as follows:

Description	Year of maturity	31.12.2017				30.09.2018	
		Book value	New Loans	Repayments	Amortisation of expenses	Outstanding nominal value	Book value
Loan, amount € 916	2026	756	-	(69)	-	687	687
Bond Loan, amount € 250,000	2023	-	250,000	-	(1,114)	250,000	248,886
Bond Loan, amount € 200,000	2022	196,798	-	-	514	200,000	197,311
Bond Loan, amount € 100,000	2021	100,000	-	(100,000)	-	-	-
Bond Loan, amount € 45,000	2020	40,500	-	(40,500)	-	-	-
Bond Loan, amount € 5,000	2020	5,000	-	-	-	5,000	5,000
Bond Loan, amount € 50,000	2020	49,771	-	-	63	50,000	49,834
Bond Loan, amount € 100,000	2020	99,273	-	-	179	100,000	99,451
Bond Loan, amount € 50,000	2019	40,000	10,000	-	-	50,000	50,000
Bond Loan, amount € 75,000	2018	75,000	-	(75,000)	-	-	-
Bond Loan, amount € 75,000	2018	75,000	-	(75,000)	-	-	-
Overdraft, amount € 500		-	495	-	-	495	495
Overdraft, amount € 15,000		171	-	(171)	-	-	-
Total		682,269	260,495	(290,740)	(359)	656,182	651,665

The Group average interest rate as at 30.09.2018 amounts to 3.41% (31.12.2017: 3.9%).

6.2. Other operating income

The analysis of other operating income is as follows:

	GROUP		COMPANY	
Period that ended on September 30,	2018	2017	2018	2017
Revenue from prepaid cards and mobile top-ups	66,080	61,119	-	-
Income from IT services	4,938	188	-	-
Management fees	-	-	22,002	21,749
Other income	<u>17,950</u>	<u>22,066</u>	<u>5,407</u>	<u>6,453</u>
Total	88,968	83,372	27,409	28,202

6.3. Payroll expenses

The analysis of payroll expenses is as follows:

	GROUP		COMPANY	
Period that ended on September 30,	2018	2017	2018	2017
Wages and salaries	45,500	39,131	37,395	33,867
Social security costs	9,010	7,186	7,284	6,201
Other staff costs	1,023	850	876	709
Employee benefit plans	1,209	2,049	1,110	1,968
Termination compensations	<u>157</u>	<u>214</u>	<u>157</u>	<u>151</u>
Total	56,900	49,430	46,823	42,895

6.4. Marketing expenses

The analysis of marketing expenses is as follows:

	GROUP		COMPANY	
Period that ended on September 30,	2018	2017	2018	2017
CSR and sponsorships	15,525	17,964	10,353	12,996
Advertising	<u>29,277</u>	<u>28,095</u>	<u>22,294</u>	<u>19,415</u>
Total	44,802	46,059	32,648	32,411

6.5. Other operating expenses

The analysis of other operating expenses is as follows:

	GROUP		COMPANY	
Period that ended on September 30,	2018	2017	2018	2017
IT related costs	36,741	37,707	39,007	36,630
Utilities & Telecommunication costs	10,542	11,792	7,825	9,751
Rentals	7,709	5,841	4,553	3,236
Other	52,475	46,702	32,510	30,152
Inventory consumption	<u>3,866</u>	<u>4,464</u>	<u>3,610</u>	<u>4,224</u>
Total	111,332	106,506	87,505	83,993

6.6. Other disclosures

Preliminary agreement signature for the acquisition of shares in Stoiximan Group

OPAP Investment Ltd has pre-agreed to acquire a 36.75% stake in the mother company of Stoiximan Group, TCB Holdings Ltd ('TCB'), for a consideration of € 50,000 subject to the relevant betting regulatory clearance. The Company has also reached pre-agreement with TCB to make an additional investment to acquire joint control with TCB in Stoiximan Group's Greek and Cypriot operations. This investment is subject to the satisfaction of various conditions precedent, including clearance by the competent gaming regulatory and anti-trust authorities and the performance of due diligence.

6.7. Subsequent events

OPAP S.A. short term loan agreement

On 08.10.2018 OPAP CYPRUS S.A. entered into a short term loan agreement with OPAP S.A. of amount €20,000. The Company disbursed the capital from its subsidiary on 10.10.2018.

Share capital increase of OPAP INVESTMENT S.A.

Upon the Board of Directors decision dated 05.10.2018 and after the approval of the sole shareholder, OPAP S.A., a share capital increase of € 30,000 was effected through the issuance of 30,000 new ordinary shares of € 1 (absolute amount) nominal value each and € 999 (absolute amount) share premium each. The share capital increase was paid up on 11.10.2018.

Share capital increase of TORA WALLET S.A.

On 05.10.2018 the extraordinary General Meeting of TORA WALLET S.A. decided to increase the company's share capital by € 3,600 through the issuance of 3,600,000 new ordinary shares of € 1 (absolute amount) nominal price each. The share capital increase was paid up on 17.10.2018.