

Record end to transformational year driven by growth in VLT customers

ATHENS, Greece – March 27, 2019 – OPAP S.A. (OPAr.AT, OPAP:GA), the leading gaming operator in Greece, announces its consolidated financial results for the fiscal year ended December 31st, 2018, prepared in accordance with International Financial Reporting Standards (IFRS).

- Record high quarterly GGR since 2010 & EBITDA since GGR contribution (2013)
- Revenues (GGR) higher by 6.3% at €1,547.0m in FY 2018 (FY 2017: €1,455.5m). Q4 2018 up by 7.6% at €440.7m (Q4 2017: €409.7m), due to higher VLTs contribution and improved KINO performance.
- Gross Profit (from gaming operations) increased by 7.3% at €605.9m (FY 2017: €564.7m). Q4 2018 Gross Profit up 9.8% at €171.8m (Q4 2017: €156.6m).
- EBITDA in FY 2018 marked an increase by 15.4% to €353.6m (FY 2017: €306.5m), while Q4 2018 EBITDA stood at €109.0m (Q4 2017: €82.9m), higher by 31.5% y-o-y, or 21.1% on a LFL basis.
- Operating Expenses in Q4 2018 stood at €76.1m, a decrease of 9.6% y-o-y or down 1.3% LFL, also impacted by additional €8.6m Opex from Neurosoft's full year consolidation.
- 2018 Net Profit at €143.3m (FY 2017: €126.2m) higher by 13.7% & Q4 2018 Net Profit at €38.1m (Q4 2017: €32.9m) up 15.8% y-o-y, despite charge of €17.5m for impairment of Neurosoft's goodwill. On a recurring level, Q4 2018 net profit increased by 39.4%.
- Strong financial position, with Net Debt at €459.0m, and Net Debt/EBITDA ratio of 1.3x.
- 18,944 VLTs and 5,370 SSBTs installed in Greece as of 31st December 2018.
- Remaining gross DPS at €0.60 that together with the already paid €0.10 interim dividend leads to a total DPS of €0.70.

1. OVERVIEW

(€ 'm)	Q4 2018	Q4 2017	Δ	FY 2018	FY 2017	Δ
Amounts wagered ¹	1,234,4	1,209,3	2,1%	4,390,9	4,422,9	(0,7%)
GGR (Gross Gaming Revenue)	440,7	409,7	7,6%	1,547,0	1,455,5	6,3%
Payout (%) ¹	69,8%	68,8%		69,5%	68,4%	
NGR (Net Gaming Revenue) ²	296,9	274,8	8,1%	1,039,9	972,9	6,9%
Gross Profit (from gaming operations) ³	171,8	156,6	9,8%	605,9	564,7	7,3%
Operating Expenses	76,1	84,2	(9,6%)	289,1	286,2	1,0%
EBITDA	109,0	82,9	31,5%	353,6	306,5	15,4%
EBITDA margin	24,7%	20,2%		22,9%	21,1%	
Net profit	38,1	32,9 ⁴	15,8%	143,3	126,2	13,7%
Net profit margin	8,7%	8,0%		9,3%	8,7%	
EPS (in €)	0,1202	0,1036	15,8%	0,4511	0,3969	13,7%

¹ excl. VLTs

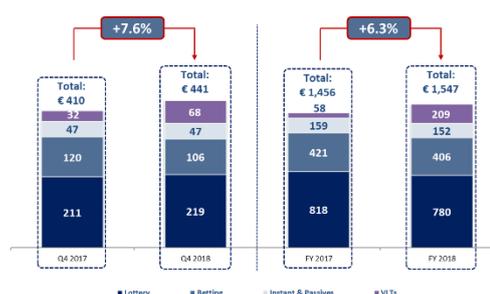
² GGR-GGR contribution

³ NGR-Agents' commission-other NGR related commission

⁴ Restated figure on retroactive implementation of the new VLTs license amortization method

Revenues (GGR)

OPAP's revenues (GGR) in FY 2018 increased by 6.3% to €1,547.0m versus €1,455.5m in FY 2017. Revenues in Q4 2018 rose by a significant 7.6% y-o-y as a result of the increased VLTs contribution as well as improved KINO & Joker performance.



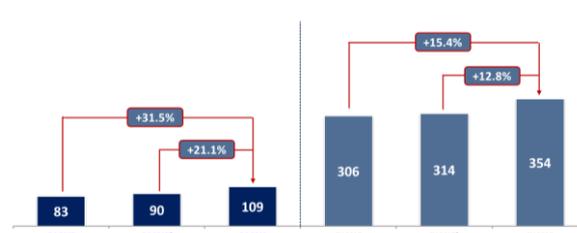
Gross Profit (from gaming operations)¹

Gross Profit from gaming operations in FY 2018 stood at €605.9m compared to €564.7m in FY 2017 increased by 7.3%. Q4 2018 gross profit increased by 9.8% to €171.8m versus €156.6m in Q4 2017, demonstrating a higher vs. revenues run rate.



EBITDA

EBITDA in FY 2018 increased by 15.4% to €353.6m versus €306.5m in FY 2017, despite full year consolidation of Neurosoft. Excluding one-off expenses of €7.1m linked with our IT systems implementation in 2017, FY 2018 EBITDA increased by 12.8% LFL. Q4 2018 EBITDA stood at €109.0m increased by 31.5% y-o-y, or 21.1% LFL, due to effective cost containment actions.

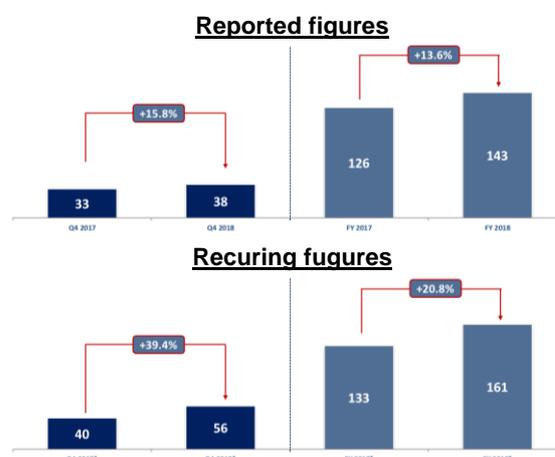


*Excl. one-off items of €7.1m

Net Profit

Net profit in FY 2018 at €143.3m, increased by 13.6% vs. €126.2m in FY 2017.

On a recurring level, Q4 2018 net profit (excl. one-off non-cash burden of €17.5m related to Neurosoft goodwill impairment) stood at €55.6m increased by 39.4% compared to the LFL Q4 2017 net profit of €39.9m.



*Excl. one-off items of €7.0m in 2017 and €17.5m in 2018

¹ GGR - GGR contribution – Agents' commission – Other NGR related commission

Comment of OPAP's CEO, Mr. Damian Cope, on the Q4 2018 results:

"2018 marked the 60th anniversary of OPAP's foundation and the entire OPAP team is proud of what was achieved in this historic year. We successfully delivered all of our key business objectives including our complex technology transformation and the move to a new, mutually beneficial relationship with our agents. The quality of our retail network further improved with over 500 new shops opened and a total of more than 6,000 SSBTs now operational across our networks in Greece & Cyprus.

Our young Play Games VLT business finished the year with an excellent Q4 performance, driven by an encouraging increase in the number of active players. We are now operating over 350 dedicated Gaming Halls and remain on track to install all 25,000 machines by the end of 2019 as planned. Online we relaunched OPAP's own sportsbook and we also made a strategically important investment in Stoiximan Group, and via both paths we believe we will be able to rapidly grow our presence online.

Throughout all our activities we continue to maintain both our overall cost discipline and our focus on operating as a responsible corporate citizen. This is reflected in the WLA Level 4 certification of our responsible gaming approach and via our sustained commitment to many, diverse CSR activities.

Finally, I would like to once again express my sincere gratitude to all members of the wider OPAP team, including our agents, partners, suppliers and other supporters, for all of their hard work, determination and support during our transformational year in 2018. Thanks to this collective effort we remain well placed to deliver another positive year in 2019, the next step in the delivery of our 2020 Vision."

2. FINANCIAL REVIEW

Revenues (GGR) per game						
(€ '000)	Q4 2018	Q4 2017	Δ%	FY 2018	FY 2017	Δ%
Lottery	218.865	211.135	3,7	779.944	817.989	(4,7)
% total revenues	49,7	51,5	-	50,4	56,2	-
Betting	106.394	120.151	(11,4)	406.244	421.058	(3,5)
% total revenues	24,1	29,3	-	26,3	28,9	-
VLTs	68.435	31.898	114,5	208.659	57.550	262,6
% total revenues	15,5	7,8	-	13,5	4,0	-
Instant & Passives	46.993	46.519	1,0	152.168	158.916	(4,2)
% total revenues	10,7	11,4	-	9,8	10,9	-
TOTAL REVENUES	440.687	409.703	7,6	1.547.015	1.455.514	6,3

Lottery Revenues from lottery reached €779.9m in FY 2018 versus €818.0m in FY 2017, lower by 4.7% y-o-y. Lottery GGR in Q4 2018 increased by 3.7% y-o-y on the back of stronger Joker revenues, while new KINO features introduced in Q4'18 had a meaningful positive impact on the game's performance.



Betting Total betting revenues reached €406.2m in FY 2018 from €421.1m in FY 2017 lower by 3.5% y-o-y. Q4 2018 betting GGR stood at €106.4m vs. €120.2m in the respective period last year, decreased by 11.4% y-o-y. Actions taken within H2 2018 are expected to deliver results in 2019.



VLTs VLTs revenues continued their upwards performance reaching €68.4m in Q4 2018 vs. €31.9m in Q4 2017. The number of installed VLTs stood at 18,944 machines as of the end of the year, thus meeting FY targets.



Instant & Passives Revenues from Instant & Passives stood at €152.2m in FY 2018 from €158.9m in FY 2017, decreased by 4.2%. Q4 2018 instant & passives GGR reached €47.0m, up 1.0% y-o-y mostly due to positive results of Christmas scratch promos.



Gaming revenue related expense

(€ '000)	Q4 2018	Q4 2017	% Δ	FY 2018	FY 2017	% Δ
Agents' commission	109.810	105.415	4,2	381.090	369.924	3,0
Other NGR related commission	15.261	12.790	19,3	52.954	38.270	38,4
Total	125.071	118.205	5,8	434.044	408.194	6,3
% of total revenues (GGR)	28,4	28,9		28,1	28,0	

Gaming revenue related expense

Gaming revenue related expense in FY 2018 reached €434.0m compared to €408.2m in FY 2017 marking an increase of 6.3%. Q4 2018 expense stood at €125.1m vs. €118.2m in the respective period last year, thus increasing by a lower 5.8% vs. the revenue run rate in Q4.



Payroll expense

(€ '000)	Q4 2018	Q4 2017	% Δ	FY 2018	FY 2017	% Δ
Wages and salaries	14.501	11.193	29,6	60.001	50.324	19,2
Social security costs	3.317	3.166	4,8	12.328	10.352	19,1
Other staff costs	1.334	(8)	-	3.723	3.106	19,9
Total cost	19.152	14.351	33,5	76.052	63.782	19,2
% of total revenues (GGR)	4,3	3,5		4,9	4,4	

Payroll expense

Payroll expense in FY 2018 reached €76.1m compared to €63.8m in FY 2017, higher by 19.2% y-o-y. Headcount is now very close to the anticipated levels.

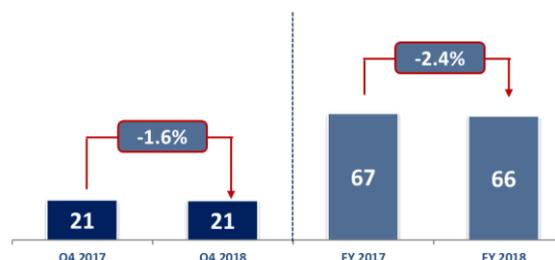


Marketing expense

(€ '000)	Q4 2018	Q4 2017	% Δ	FY 2018	FY 2017	% Δ
CSR & sponsorship expense	6.860	9.423	(27,2)	22.385	27.386	(18,3)
Advertising expense	14.177	11.949	18,6	43.454	40.045	8,5
Total	21.037	21.372	(1,6)	65.839	67.431	(2,4)

Marketing expense

Marketing expense in FY 2018 decreased by 2.4% at €65.8m. Q4 2018 marketing expense remained broadly stable decreased by 1.6% y-o-y at €21.0m.



Other operating expense						
(€ '000)	Q4 2018	Q4 2017	% Δ	FY 2018	FY 2017	% Δ
IT related costs	7.461	14.548	(48,7)	44.201	52.256	(15,4)
Utilities & Telco costs	4.207	1.962	114,4	14.749	13.754	7,2
Rentals	2.919	2.968	(1,7)	10.628	8.809	20,7
Inventory consumption	1.599	1.258	27,1	5.464	5.722	(4,5)
Other	19.729	27.737	(28,9)	72.204	74.439	(3,0)
Total	35.914	48.474	(25,9)	147.247	154.980	(5,0)

Other operating expense

Other operating expense in FY 2018 decreased by 5.0% y-o-y standing at €147.2m. The Q4 2018 figure decreased by 25.9% y-o-y, also reflecting IT costs lower by 49%, following the completion of technology transformation.



Cash Flows			
(€' .000)	FY 2018	FY 2017	Δ%
Cash Flow from Operating Activities	253.110	244.925	3,3
Cash Flow from Investing Activities	(109.316)	(123.769)	-
Cash Flow from Financing Activities	(198.442)	(148.578)	-

Cash Flow from Operating Activities

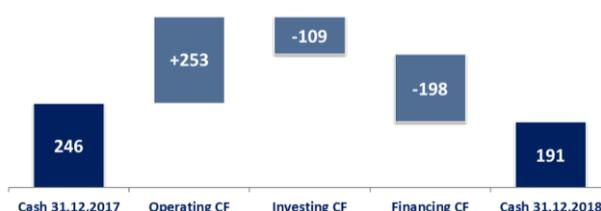
Cash inflow from operating activities in FY 2018 at €253.1m from €244.9m in FY 2017 on the back of increased operating profitability.

Cash Flow from Investing Activities

Cash flow from investing activities in FY 2018 amounted to an outflow of €109.3m due to the payment of the first part of the investment in Stoiximan along with Capex mainly related to IT and network infrastructure.

Cash Flow from Financing Activities

Cash flow from financing activities in FY 2018 amounted to an outflow of €198.4m on the back of dividend outflows and net borrowings' payment.



3. MAIN DEVELOPMENTS

VLTs Rollout update

At the end of Q4 2018, 18,944 VLTs were operational, hosted by 351 Play Gaming Halls and 1,915 agencies.

Investment in Stoiximan update

In December 2018 OPAP Group completed the acquisition of a 36.75% stake in TCB Holdings Ltd ('TCB'), for a total consideration of Euros 50 million. Additionally, in January 2019, OPAP Group agreed to acquire the 51% of Stoiximan Group's Greek and Cypriot operations under GML Interactive Ltd, 100% subsidiary of TCB, for a total consideration of Euros 94.86 million, plus net cash as of the closing date. The conclusion of this transaction that will provide OPAP with joint control in Stoiximan Group's Greek and Cypriot operations is subject to clearance by the competent gaming regulatory and anti-trust authorities.

KKCG and EMMA have agreed to divide the assets in the SAZKA Group

In a joint announcement on 14.03.2019, KKCG and EMMA Capital announced their agreement in splitting assets of the SAZKA Group.

Following the completion of the transaction, which is subject to the approval of regulatory and competition authorities, KKCG will solely own 100% of SAZKA Group while the participation of EMMA Capital will be fully eliminated. Thus, in relation to OPAP Emma Delta Hellenic Holdings remains the strategic shareholder with 33% stake, jointly controlled by SAZKA Group and Georgiella Holdings.

Tora Wallet and Tora Direct are introducing their services in OPAP's retail network

Tora Wallet and Tora Direct launched their 'tora' services, which include mobile top-up and bill payments (telephony, electricity, natural gas, pay-TV, etc.) through the majority of OPAP's retail network.

Annual General Meeting (AGM) & Dividend Payment

On March 26th 2019, the Board of Directors of OPAP resolved upon proposing to the AGM to be held on 22 May 2019, the distribution of a €0.70 gross dividend for the fiscal year 2018. Taking into account that the company has already distributed an €0.10 interim dividend, the remaining gross dividend to be distributed stands at €0.60. Subject to AGM approval, the ex-dividend date is set on 26 June 2019. Dividend payment to the entitled shareholders commences on 03 July 2019. OPAP's management welcomes the proactive dialogue with investors and would like to invite its shareholders to participate to the AGM.

Conference Call Invitation

Q4 2018 Financial Results Conference Call

Thursday, March 28th, 2019

04:00 PM (Athens) / 02:00 PM (London) / 10:00 AM (New York)

**Q4 2018 Financial Results Presentation will be available at Company's website
one (1) hour prior to the Conference Call kick off.**

Dial-in Numbers:

UK participants please dial	+44 (0) 800 368 1063
Greek participants please dial	+30 211 180 2000
US participants please dial	+ 1 516 447 5632
Other International please dial	+44 (0) 203 0595 872

Live Webcast:

The conference call will be webcasted in real time over the Internet and you may join by linking at the internet site:
www.opap.gr/Q418 or <http://themediiframe.eu/links/opapQ418.html>

If you experience any difficulty, please call + 30 210 9460803.

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ATTACHMENTS

1. Statement of Financial Position As of 31 December 2018 and for the year then ended
2. Income Statement As of 31 December 2018 and for the year then ended
3. Statement of Profit or Loss and other Comprehensive Income As of 31 December 2018 and for the year then ended
4. Statement of Changes in Equity As of 31 December 2018 and for the year then ended
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 - 4.2. Separate Statement of Changes in Equity
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1. Statement of Financial Position

As of 31 December 2018 and for the year then ended

(Amounts in thousands of euro)

	GROUP		COMPANY	
	31.12.2018	31.12.2017 Restated*	31.12.2018	31.12.2017
ASSETS				
Non - current assets				
Intangible assets	1,122,920	1,169,776	972,679	1,001,442
Property, plant & equipment	111,467	109,298	88,421	86,994
Investment property	903	922	903	922
Goodwill	34,275	51,775	-	-
Investments in subsidiaries	-	-	270,725	281,945
Investments in associates	50,089	-	-	-
Long – term receivables	2	2	2	2
Other non - current assets	47,151	22,553	47,464	40,225
Deferred tax asset	<u>1,897</u>	<u>3,495</u>	-	-
Total non - current assets	1,368,704	1,357,822	1,380,194	1,411,530
Current assets				
Cash and cash equivalents	191,454	246,102	101,563	94,270
Inventories	10,662	7,920	1,053	1,927
Trade receivables	137,417	127,829	43,512	54,360
Other current assets	41,686	<u>58,532</u>	17,898	<u>29,896</u>
Total current assets	381,220	440,383	164,026	180,454
Total Assets	1,749,923	1,798,205	1,544,220	1,591,984
EQUITY & LIABILITIES				
Equity				
Share capital	95,700	95,700	95,700	95,700
Reserves	33,156	33,034	31,900	31,900
Treasury shares	(14,497)	(9,039)	(14,497)	(9,039)
Retained earnings	<u>608,395</u>	<u>595,016</u>	<u>604,126</u>	<u>598,462</u>
Equity attributable to owners of the Company	722,754	714,711	717,229	717,023
Non-controlling interests	<u>36,782</u>	<u>44,752</u>	-	-
Total equity	759,536	759,462	717,229	717,023
Non-current liabilities				
Loans	650,260	513,098	601,351	467,342
Deferred tax liability	-	-	12,701	9,252
Employee benefit plans	4,807	3,084	4,409	2,735
Provisions	28,273	31,187	26,893	29,773
Other non-current liabilities	<u>12,021</u>	<u>9,567</u>	<u>9,300</u>	<u>7,804</u>
Total non-current liabilities	695,361	556,936	654,654	516,907
Current liabilities				
Loans	191	169,171	20,011	169,171
Trade payables	176,685	173,860	64,394	77,005
Tax liabilities	73,136	89,771	60,752	78,409
Other current liabilities	<u>45,015</u>	<u>49,004</u>	<u>27,181</u>	<u>33,470</u>
Total current liabilities	295,026	481,807	172,337	358,054
Total liabilities	990,387	1,038,743	826,991	874,961
TOTAL Equity & Liabilities	1,749,923	1,798,205	1,544,220	1,591,984

* The figures of fiscal year 2017 are the ones that resulted after the reform of the Financial Statements according to IFRS 3 regarding the finalization of the amount of goodwill arising from the acquisition of the subsidiary NEUROSOFT S.A.

2. Income Statement

As of 31 December 2018 and for the year then ended

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

	GROUP		COMPANY	
	01.01-31.12.2018	01.01-31.12.2017 Restated*	01.01-31.12.2018	01.01-31.12.2017
Amounts wagered	4,390,861	4,422,902	3,644,812	3,684,005
Income Statement is as follows:				
Revenue (GGR)	1,547,015	1,455,514	1,294,097	1,201,589
GGR contribution and other levies and duties	<u>(507,080)</u>	<u>(482,578)</u>	<u>(442,800)</u>	<u>(416,874)</u>
Net gaming revenue (NGR)	1,039,935	972,936	851,297	784,715
Agents' commission	(381,090)	(369,924)	(312,796)	(302,659)
Other NGR related commission	(52,954)	(38,270)	(36,403)	(21,740)
Other operating income	128,788	119,636	41,768	38,012
Other operating cost	<u>(91,940)</u>	<u>(91,731)</u>	-	-
	642,738	592,647	543,866	498,328
Operating expenses	<u>(289,138)</u>	<u>(286,192)</u>	<u>(254,924)</u>	<u>(238,358)</u>
Payroll expenses	(76,052)	(63,781)	(63,471)	(55,294)
Marketing expenses	(65,839)	(67,431)	(48,352)	(47,485)
Other operating expenses	<u>(147,247)</u>	<u>(154,980)</u>	<u>(143,101)</u>	<u>(135,579)</u>
Profit before interest, tax, depreciation, amortization and impairment (EBITDA)	353,600	306,455	288,942	259,971
Depreciation, amortization and impairment	<u>(114,308)</u>	<u>(92,008)</u>	<u>(71,149)</u>	<u>(66,631)</u>
Results from operating activities	239,292	214,447	217,793	193,339
Finance income	2,887	2,934	1,091	1,412
Finance costs	(26,368)	(23,998)	(23,711)	(20,656)
Other finance income / (cost)	<u>89</u>	<u>(267)</u>	<u>4,836</u>	<u>6,592</u>
Profit before tax	215,900	193,115	200,008	180,687
Income tax expense	<u>(70,599)</u>	<u>(61,578)</u>	<u>(64,818)</u>	<u>(55,125)</u>
Profit for the period	145,301	131,538	135,190	125,563
Profit attributable to:				
Owners of the Company	143,312	126,151	135,190	125,563
Non-controlling interests	<u>1,988</u>	<u>5,387</u>	-	-
Profit after tax	145,301	131,538	135,190	125,563
Basic and diluted earnings (after tax) per share in €	0.4511	0.3969	0.4256	0.3950

* The figures of fiscal year 2017 are the ones that resulted after the reform of the Financial Statements according to IFRS 3 regarding the finalization of the amount of goodwill arising from the acquisition of the subsidiary NEUROSOFT S.A. (refer to note 7.4).

3. Statement of Profit or Loss and other Comprehensive Income

As of 31 December 2018 and for the year then ended

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

	GROUP		COMPANY	
	01.01- 31.12.2018	01.01- 31.12.2017 Restated*	01.01- 31.12.2018	01.01- 31.12.2017
Profit for the period	145,301	131,538	135,190	125,563
Other comprehensive income - items that will not be reclassified to profit or loss				
Actuarial gains/(losses)	(101)	255	(127)	29
Related tax	<u>25</u>	<u>(74)</u>	<u>32</u>	<u>(8)</u>
Total items that will not be reclassified to profit or loss	(77)	181	(96)	20
Loss from valuation of hedging derivatives	(1,057)	(214)	(1,057)	(214)
Attributable income tax	<u>264</u>	<u>62</u>	<u>264</u>	<u>62</u>
Total items that may be reclassified to profit or loss	(793)	(152)	(793)	(152)
Other comprehensive income net of tax	(870)	29	(889)	(131)
Total comprehensive income net of tax	144,431	131,567	134,301	125,431
Total comprehensive income attributable to:				
Owners of the Company	142,439	126,129	134,301	125,431
Non-controlling interests	<u>1,992</u>	<u>5,438</u>	-	-
Total comprehensive income net of tax	144,431	131,567	134,301	125,431

* The figures of fiscal year 2017 are the ones that resulted after the reform of the Financial Statements according to IFRS 3 regarding the finalization of the amount of goodwill arising from the acquisition of the subsidiary NEUROSOFT S.A.

4. Statement of Changes in Equity

4.1. Consolidated Statement of Changes in Equity

As of 31 December 2018 and for the year then ended

(Amounts in thousands of euro)

GROUP	Share capital	Reserves	Treasury shares	Retained earnings Restated*	Total	Non-controlling interests Restated*	Total equity
Balance as of 1 January 2017	95,700	32,417	(7,454)	914,614	1,035,277	36,954	1,072,231
Profit for the year	-	-	-	126,151	126,151	5,387	131,538
Other comprehensive loss	-	-	-	(22)	(22)	51	29
Total comprehensive income	-	-	-	126,129	126,129	5,438	131,567
Transactions with owners of the Company							
Acquisition of treasury shares	-	-	(1,585)	-	(1,585)	-	(1,585)
Share capital increase expenses of subsidiaries	-	-	-	(165)	(165)	-	(165)
Reserves of subsidiaries	-	617	-	(617)	-	-	-
Dividends paid	-	-	-	(444,944)	(444,944)	(1,698)	(446,643)
Total transactions with owners of the Company	-	617	(1,585)	(445,727)	(446,695)	(1,698)	(448,393)
Changes in ownership interests							
Acquisition of subsidiaries with non controlling interests	-	-	-	-	-	4,057	4,057
Total changes in ownership interests	-	-	-	-	-	4,057	4,057
Balance as of 31 December 2017 Restated*	95,700	33,034	(9,039)	595,016	714,711	44,752	759,463
Balance as of 1 January 2018	95,700	33,034	(9,039)	595,016	714,711	44,752	759,463
Profit for the year	-	-	-	143,312	143,312	1,988	145,301
Other comprehensive income/(loss)	-	-	-	(873)	(873)	4	(870)
Total comprehensive income	-	-	-	142,439	142,439	1,992	144,431
Transactions with owners of the Company							
Acquisition of treasury shares (Note 12.15)	-	-	(5,458)	-	(5,458)	-	(5,458)
Share capital increase expenses of subsidiaries	-	-	-	(301)	(301)	(69)	(370)
Share capital decrease of subsidiary	-	-	-	-	-	(6,261)	(6,261)
Other movements	-	-	-	(1,539)	(1,539)	-	(1,539)
Reserves of subsidiaries	-	122	-	(122)	-	-	-
Dividends paid	-	-	-	(127,098)	(127,098)	(3,632)	(130,730)
Total transactions with owners of the Company	-	122	(5,458)	(129,060)	(134,396)	(9,961)	(144,357)
Balance as of 31 December 2018	95,700	33,156	(14,497)	608,395	722,754	36,782	759,536

* The figures of fiscal year 2017 are the ones that resulted after the reform of the Financial Statements according to IFRS 3 regarding the finalization of the amount of goodwill arising from the acquisition of the subsidiary NEUROSOFT S.A.

4.2. Separate Statement of Changes in Equity

As of 31 December 2018 and for the year then ended

(Amounts in thousands of euro)

COMPANY	Share capital	Reserves	Treasury shares	Retained earnings	Total equity
Balance as of 1 January 2017	95,700	31,900	(7,454)	917,975	1,038,121
Profit for the year	-	-	-	125,563	125,563
Other comprehensive loss	=	=	=	(131)	(131)
Total comprehensive income	-	-	-	125,431	125,431
Acquisition of treasury shares	-	-	(1,585)	-	(1,585)
Dividends paid	=	=	=	(444,944)	(444,944)
Balance as of 31 December 2017	95,700	31,900	(9,039)	598,462	717,023
Balance as of 1 January 2018	95,700	31,900	(9,039)	598,462	717,023
Profit for the year	-	-	-	135,190	135,190
Other comprehensive loss	=	=	=	(889)	(889)
Total comprehensive income	-	-	-	134,301	134,301
Acquisition of treasury shares (Note 12.15)	-	-	(5,458)	-	(5,458)
Other movements	-	-	-	(1,539)	(1,539)
Dividends paid	=	=	=	(127,098)	(127,098)
Balance as of 31 December 2018	95,700	31,900	(14,497)	604,126	717,229

5. Cash Flow Statement

As of 31 December 2018 and for the year then ended

(Amounts in thousand of euro)

	GROUP		COMPANY	
	01.01.- 31.12.2018	01.01.- 31.12.2017 Restated*	01.01.- 31.12.2018	01.01.- 31.12.2017
OPERATING ACTIVITIES				
Profit before tax	215,900	193,115	200,008	180,687
Adjustments for:				
Depreciation & Amortization	96,767	89,266	71,149	66,631
Net finance costs	23,449	21,083	17,772	12,671
Employee benefit plans	1,573	1,516	1,501	1,413
Provisions for bad debts	2,990	1,554	1,751	1,162
Other provisions	(1,823)	(1,884)	(1,789)	(1,923)
Impairment losses on intangible assets & goodwill	17,541	2,742	-	-
Exchange differences	32	(19)	13	(19)
Impairment of investment in subsidiary	-	-	27,202	13,659
Share of (profit)/loss from associates	(89)	267	-	-
Profit from investing activities	(34)	(47)	(34)	(28)
Other non-cash items	-	-	2,755	2,755
Total	356,307	307,593	320,327	277,008
Changes in Working capital				
(Increase) / decrease in inventories	(2,742)	5,155	875	423
(Increase) / decrease in receivables	(14,636)	(63,274)	7,766	(43,714)
Increase / (decrease) in payables (except banks)	2,658	14,994	(13,780)	20,857
Increase / (decrease) in taxes payable	(10,248)	33,861	(11,579)	34,650
Total	331,338	298,330	303,608	289,225
Interest paid	(26,555)	(21,992)	(23,813)	(18,440)
Income taxes paid	(51,674)	(31,412)	(43,724)	(25,665)
Net cash from operating activities	253,110	244,925	236,071	245,120
INVESTING ACTIVITIES				
Proceeds from sale of tangible & intangible assets	55	125	53	45
Acquisition of subsidiary/associate, net of cash acquired	(48,000)	(31,583)	-	-
Loan repayments from third parties	5,106	1,564	3,382	-
Loan repayments from subsidiaries	-	-	700	-
Share capital increase of subsidiaries	-	-	(15,982)	(15,000)
Loans granted to third parties	(16,290)	-	-	-
Loans granted to Group companies	-	-	(750)	(3,600)
Purchase of intangible assets	(30,154)	(38,667)	(28,263)	(15,560)
Purchase of property, plant and equipment & investment property	(21,968)	(57,614)	(15,551)	(53,219)
Dividends received	-	-	4,836	6,592
Interest received	1,935	2,406	740	1,151
Net cash used in investing activities	(109,316)	(123,769)	(50,835)	(79,590)
FINANCING ACTIVITIES				
Proceeds from loans & borrowings	260,180	350,000	270,000	350,000
Payments of loans & borrowings	(290,752)	(46,041)	(290,661)	(36,018)
Transaction costs related to loans & borrowings	(1,750)	(4,726)	(1,425)	(4,726)
Acquisition of treasury shares	(5,458)	(1,585)	(5,458)	(1,585)
Share capital increase expenses of subsidiaries	(370)	(165)	-	-
Share capital return of subsidiaries	(6,261)	-	-	-
Dividends paid	(130,731)	(446,060)	(127,099)	(444,362)
Tax on prior year dividends	(23,300)	-	(23,300)	-
Net cash used in financing activities	(198,442)	(148,578)	(177,943)	(136,691)
Net increase / (decrease) in cash and cash equivalents	(54,648)	(27,421)	7,293	28,838
Cash and cash equivalents at the beginning of the year	246,102	273,523	94,270	65,433
Cash and cash equivalents at the end of the year	191,454	246,102	101,563	94,270

* The figures of fiscal year 2017 are the ones that resulted after the reform of the Financial Statements according to IFRS 3 regarding the finalization of the amount of goodwill arising from the acquisition of the subsidiary NEUROSOFT S.A.