

Q2 delivers further growth thanks to continuing positive trends

ATHENS, Greece – September 11, 2019 – OPAP S.A. (OPAr.AT, OPAP:GA), the leading gaming operator in Greece, announces its consolidated financial results for the period ended June 30th, 2019, prepared in accordance with International Financial Reporting Standards (IFRS).

- Revenues (GGR) higher by 5.7% at €779.6m in H1 2019 (H1 2018: €737.5m). GGR run rate increased in Q2 2019, leading to an increase of 6.5% at €383.6m (Q2 2018: €360.2m) on the back of rising VLTs contribution coupled with higher lottery performance.
- Gross Profit (from gaming operations) increased by 7.0% at €308.4m (H1 2018: €288.1m). Q2 2019 gross profit (from gaming operations) stood at €152.3m (Q2 2018: €140.1m) higher by 8.6% y-o-y, once more demonstrating that revenue growth is bringing in higher profitability expansion.
- EBITDA in H1 2019 increased by 26.2% to €198.7m (H1 2018: €157.4m), or 21.2% on a LFL basis after excluding one-off items primarily related to a legal provision reversal in Q1. Q2 2019 EBITDA came in at €87.0m (Q2 2018: €70.2m) up by 24.0%, or up by 28.0% on LFL basis.
- Operating Expenses in H1 2019 at €138.4m, lower by 5.9% y-o-y. Q2 2019 operating expenses declined by 6.7% at €74.4m (Q2 2018: €79.7m) mainly as a result of reduced IT costs following the conclusion of IT transformation project.
- Net Profit in H1 2019 increased by 39.0% at €91.8m (H1 2018: €66.0m) or higher by 30.9% on a recurring basis. Q2 2019 Net Profit stood at €34.6m (Q2 2018: €26.2m) up by 32.2% or up by 39.9% on a LFL basis.
- Strong financial position, with Net Debt at €361.9m, and Net Debt/LTM EBITDA ratio of 0.9x.
- 20,035 VLTs in Greece and 6,487 SSBTs in Greece/Cyprus installed as of 30th June 2019.

1. OVERVIEW

(€ 'm)	Q2 2019	Q2 2018	Δ	H1 2019	H1 2018	Δ
Amounts wagered ¹	1,048.9	1,032.1	1.6%	2,131.7	2,111.3	1.0%
GGR (Gross Gaming Revenue)	383.6	360.2	6.5%	779.6	737.5	5.7%
Payout (%) ¹	70.2%	69.6%		70.0%	69.3%	
NGR (Net Gaming Revenue) ²	258.8	242.3	6.8%	525.6	495.5	6.1%
Gross Profit (from gaming operations) ³	152.3	140.1	8.6%	308.4	288.1	7.0%
Operating Expenses	74.4	79.7	(6.7%)	138.4	147.1	(5.9%)
EBITDA	87.0	70.2	24.0%	198.7	157.4	26.2%
EBITDA margin	22.7%	19.5%		25.5%	21.3%	
Net profit	34.6	26.2	32.2%	91.8	66.0	39.0%
Net profit margin	9.0%	7.3%		11.8%	9.0%	
EPS (in €)	0.1092	0.0824	32.5%	0.2894	0.2077	39.3%

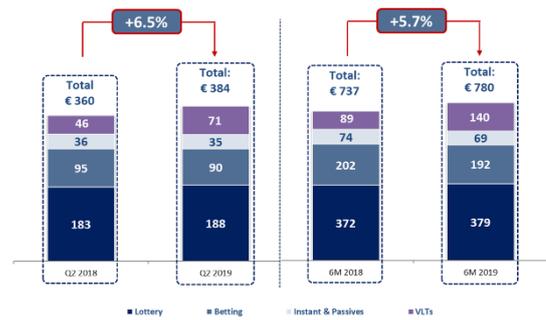
¹ excl. VLTs

² GGR-GGR contribution

³ NGR-Agents' commission-other NGR related commission

Revenues (GGR)

OPAP's revenues (GGR) in H1 2019 increased by 5.7% to €779.6m versus €737.5m in H1 2018. Revenues in Q2 2019 rose by 6.5% y-o-y at €383.6m on the back of increased VLTs contribution, along with improved lottery performance.



Gross Profit (from gaming operations)¹

Gross Profit from gaming operations in H1 2019 stood at €308.4m compared to €288.1m in H1 2018 up by 7.0% y-o-y. Q2 2019 gross profit increased by 8.6%, or c. 2 p.p. higher versus the revenue run rate, reaching €152.3m vs. to €140.1m in Q2 2018.



EBITDA

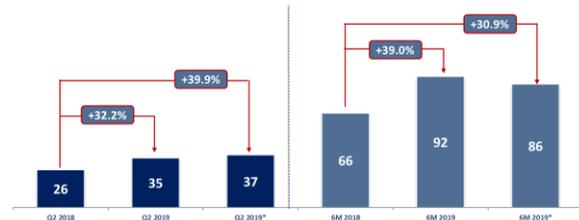
EBITDA in H1 2019 increased by 26.2% to €198.7m versus €157.4m in H1 2018. Excluding one-off items of €7.9m related to litigation provisions in Q1'19 and VRS expense in Q2'19, EBITDA increased by 21.2% on a LFL basis. Reduced marketing and IT expenses resulted to €87.0m of EBITDA in Q2 2019 vs. €70.2m in Q2 2018, thus marking a 24.0% increase or 28.0% on a LFL basis.



*Excl. one-off items of €7.9m income in 6M and €2.8m expense in Q2

Net Profit

Net profit in H1 2019 stood at €91.8m, increased by 39.0% vs. €27.0m in H1 2018, or up by 30.9% on a LFL basis. Q2 2019 net profit marked an increase of 32.2% standing at €34.6m versus €26.2m in Q2 2018 or up by 39.9% on a LFL basis, further aided by Stoiximan Group's results contribution.



*Excl. one-off items of €5.4m income in 6M and €2.0m expense in Q2

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

Comment of OPAP's CEO, Mr. Damian Cope, on the Q2 2019 results:

"I am pleased to report another set of satisfying results for OPAP in Q2, which were driven by a continuation of the good trends we saw in Q1. Solid GGR growth was led notably by VLTs, a resilient Lottery performance and the underlying improvement of our sportsbetting product. All of this despite tough comparables given the World Cup contribution in June 2018. Sustained cost management across the company delivered even better profitability growth despite various one-offs in the period.

The delivery of our 2020 Vision, and the transformation of OPAP into a world class gaming entertainment company, continues apace with further improvements being seen across every part of our business. In just the last three years we have succeeded in renewing or upgrading over a third of our large retail network in Greece, and we are very encouraged by the positive performance and customer reaction in these new, larger venues.

Online remains a key area of focus as we further develop our dual strategy, via OPAP Online and our investment in Stoiximan Group. We are seeing good growth in the customer bases of both operations and are confident that we will continue to see growth from both businesses for some time to come.

Overall, the OPAP Team has delivered a solid performance in the first half of 2019 and we all believe we are well placed to sustain this momentum for the rest of 2019 and successfully fulfil our targets for the year."

2. FINANCIAL REVIEW

Revenues (GGR) per game						
(€ '000)	Q2 2019	Q2 2018	Δ%	H1 2019	H1 2018	Δ%
Lottery	187,669	182,801	2.7	379,348	371,500	2.1
% total revenues	48.9	50.8	-	48.7	50.4	-
Betting	90,113	94,970	(5.1)	191,854	202,390	(5.2)
% total revenues	23.5	26.4	-	24.6	27.4	-
VLTs	70,942	46,020	54.2	139,888	89,405	56.5
% total revenues	18.5	12.8	-	17.9	12.1	-
Instant & Passives	34,838	36,407	(4.3)	68,502	74,163	(7.6)
% total revenues	9.1	10.1	-	8.8	10.1	-
TOTAL REVENUES	383,562	360,197	6.5	779,592	737,457	5.7

Lottery Revenues from lottery reached €379.3m in H1 2019 versus €371.5m in H1 2018, higher by 2.1% y-o-y. Lottery GGR in Q2 2019 increased by 2.7% y-o-y standing at €187.7m on the back of higher KINO revenues mostly due to KINO side bets as well as increased Joker performance.



Betting Total betting revenues in H1 2019 reached €191.9m from €202.4m in H1 2018 lower by 5.2% y-o-y. In Q2 2019 betting GGR stood at €90.1m versus €95.0m in Q2 2018 decreased by 5.1% on the back of virtual games natural attrition. Pame Stoixima continued its positive trend managing to stay broadly flat y-o-y, despite tough comparables due to the World Cup event in Q2 2018.



VLTs VLTs revenues continued trending upwards reaching €139.9m in H1 2019 vs. €89.4m in H1 2018. In Q2 2019, VLTs GGR stood at €70.9m, while installed VLTs reached 20,035 machines. Following the resolution of the temporary & procedural halt caused from the Council of State decision, machines' rollout restarted in Q3.



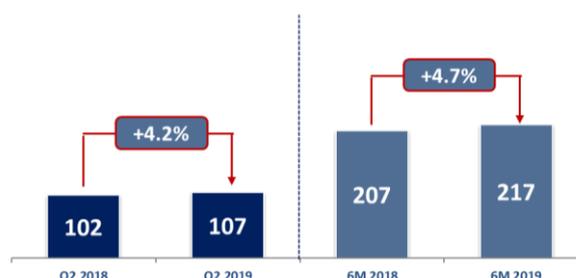
Instant & Passives Revenues from Instant & Passives stood at €68.5m in H1 2019 compared to €74.2m in H1 2018, lower by 7.6%. Revenues in Q2 2019 stood at €34.8m versus €36.4m in the respective quarter last year, improving materially Q1 trends.



Gaming revenue related expense						
(€ '000)	Q2 2019	Q2 2018	% Δ	H1 2019	H1 2018	% Δ
Agents' commission	90,447	88,446	2.3	185,330	180,990	2.4
Other NGR related commission	16,055	13,729	16.9	31,908	26,402	20.9
Total	106,502	102,175	4.2	217,239	207,392	4.7
% of total revenues (GGR)	27.8	28.4		27.9	28.1	

Gaming revenue related expense

Gaming revenue related expense in H1 2019 reached €217.2m versus €207.4m in H1 2018. In Q2 2019 gaming revenue related expense stood at €106.5m versus €102.2m in 2018 mainly because of an increased VLTs & SSBTs installed base



Payroll expense						
(€ '000)	Q2 2019	Q2 2018	% Δ	H1 2019	H1 2018	% Δ
Wages and salaries	14,538	15,651	(7.1)	30,091	30,412	(1.1)
Social security costs	4,255	3,955	7.6	6,945	6,438	7.9
Termination compensations	3,116	116	2,590.6	3,865	116	3,237.4
Other staff costs	761	713	6.7	1,517	1,400	8.4
Total cost	22,670	20,435	10.9	42,418	38,366	10.6
% of total revenues (GGR)	5.9	5.7		5.4	5.2	

Payroll expense

Payroll expense in H1 2019 reached €42.4m compared to €38.4m in H1 2018, higher by 10.6% y-o-y. Q2 2019 payroll expense increased by 10.9% y-o-y at €22.7m, due to a one-off cost of €2.8m linked with a small scale voluntary departure scheme. The latter is expected to have a positive impact on the overall payroll cost in the coming quarters.



Marketing expense						
(€ '000)	Q2 2019	Q2 2018	% Δ	H1 2019	H1 2018	% Δ
CSR & sponsorship expense	5,046	5,519	(8.6)	10,257	12,158	(15.6)
Advertising expense	11,504	14,940	(23.0)	21,120	22,248	(5.1)
Total	16,550	20,459	(19.1)	31,376	34,406	(8.8)

Marketing expense Marketing expense in H1 2019 decreased by 8.8% at €31.4m vs €34.4m in H1 2018. Q2 2019 marketing expenses reached €16.6m compared to €20.5m in Q2 2018 dropping by 19.1% y-o-y.



Other operating expense						
(€ '000)	Q2 2019	Q2 2018	% Δ	H1 2019	H1 2018	% Δ
IT related costs	7,479	12,612	(40.7)	14,865	25,196	(41.0)
Utilities & Telco costs	3,340	3,436	(2.8)	6,928	6,619	4.7
Rentals	350	2,493	(85.9)	1,002	5,184	(80.7)
Inventory consumption	1,454	1,270	14.5	2,839	2,780	2.2
Other	22,527	19,013	18.5	38,996	34,523	13.0
Total	35,150	38,823	(9.5)	64,631	74,301	(13.0)

Other operating expense Other operating expense in H1 2019 decreased by 13.0% y-o-y standing at €64.6m versus €74.3m in the respective period last year. Q2 2019 other operating expenses reached €35.2m lower by 9.5% y-o-y, mainly on the back of IT costs that came in lower by 40.7% y-o-y.

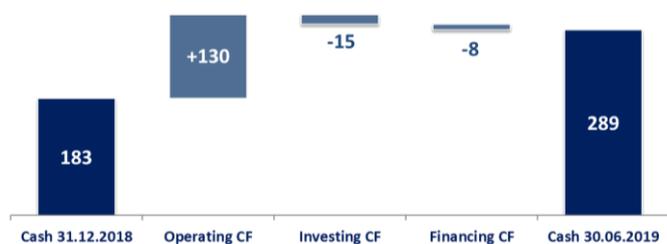


Cash Flows			
(€' .000)	H1 2019	H1 2018	Δ%
Cash Flow from Operating Activities	129,776	104,118	24.6
Cash Flow from Investing Activities	(14,857)	(18,866)	-
Cash Flow from Financing Activities	(8,119)	(151,529)	-

Cash Flow from Operating Activities Cash inflow from operating activities in H1 2019 stood at €129.8m from €104.1m in H1 2018 on the back of increased operating profitability.

Cash Flow from Investing Activities Cash flow from investing activities in H1 2019 amounted to an outflow of €14.9m due to investments mainly relating to IT and network upgrade.

Cash Flow from Financing Activities Cash flow from financing activities in H1 2019 amounted to an outflow of €8.1m.



3. MAIN DEVELOPMENTS

VLTs Rollout update

At the end of Q2 2019, 20,035 VLTs were operational, hosted by 365 Play Gaming Halls and 1,952 agencies.

Legislative act referring to VLTs regulation

On 27.06.2019, the President of the Republic endorsed a legislative act which gave to the respective Regulation the force of law and is applicable for an interval of up to 12 months. Consequently, the Company is now in a position to continue with the installation of the remaining VLT machines.

Following this, on 09.08.2019 was published in the Government Gazette the L.4623/2019 which, according to the Article 86, establishes directions for the Gambling Regulations and the Hellenic Gaming Commission's certification acts and allows for an interval of up to 12 months, the transitional application of the directions enforced by the Hellenic Gaming Commission's decision No.225/2/25.10.2016.

Voluntary tender offer

The Company on 09.07.2019 received the tender offer by Sazka Group a.s.. In accordance with the Greek Takeover Law (law 3461/2006), the Company shall appoint a financial advisor and the Board of Directors shall evaluate the tender offer and issue its opinion following the approval of the information memorandum by the Hellenic Capital Market Commission that is still pending.

Signing of binding Memorandum of Understanding between OPAP S.A. and INTRALOT S.A. for the transfer of INTRALOT S.A. shares in HELLENIC LOTTERIES S.A.

The Company, through its subsidiary OPAP INVESTMENT LTD, signed a binding Memorandum of Understanding with INTRALOT S.A. to acquire all of its shares in HELLENIC LOTTERIES S.A. for a consideration €20m. In addition, according to the aforementioned memorandum, HELLENIC LOTTERIES S.A. will sign with INTRALOT S.A. an amendment to the existing services provision agreement under renegotiated terms & conditions.

The closure of the transaction is expected with the signing of the definitive Share Purchase Agreement upon completion of all regulatory and existing Shareholder Agreement requirements. The completion of the transaction is expected within the current month. Upon completion, OPAP INVESTMENT LTD participation in the share capital of HELLENIC LOTTERIES S.A. will reach 83.5%.

OPAP confirmed as FTSE4Good Index Series constituent

FTSE Russell confirmed in July 2019 that OPAP has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series, for a 3rd consecutive year.

Conference Call Invitation

Q2 2019 Financial Results Conference Call

Thursday, September 12th, 2019

04:00 PM (Athens) / 02:00 PM (London) / 09:00 AM (New York)

Q2 2019 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/Q219 or <http://themediiframe.eu/links/opapQ219.html>

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

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ATTACHMENTS

1. Condensed Interim Statement of Financial Position of Financial Position as of the six-month period ended 30 June 2019
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3. Condensed Interim Statement of Profit or Loss and Other Comprehensive Income as of the six-month period ended 30 June 2019
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1. Condensed Interim Statement of Financial Position

As of the six-month period ended 30 June 2019

(Amounts in thousands of euro)

	Notes	GROUP		COMPANY	
		30.06.2019	31.12.2018*	30.06.2019	31.12.2018*
ASSETS					
Non - current assets					
Intangible assets	5.1	1,091,966	1,122,920	951,047	972,679
Property, plant & equipment	5.2	103,765	111,467	82,991	88,421
Right-of-use assets		66,389	-	33,914	-
Investment property		1,140	903	1,140	903
Goodwill		34,275	34,275	-	-
Investments in subsidiaries	5.3	-	-	275,725	270,725
Investments in associates		52,870	50,089	-	-
Long – term receivables	5.6	2	2	2	2
Other non - current assets		47,501	47,151	41,565	44,709
Deferred tax asset		16,210	17,359	-	-
Long – term investments		<u>5,630</u>	-	-	-
Total non - current assets		1,419,748	1,384,165	1,386,384	1,377,439
Current assets					
Cash and cash equivalents	5.5	289,396	182,596	217,519	101,563
Inventories		14,807	10,662	1,610	1,053
Trade receivables	5.6	118,325	138,293	39,756	43,512
Other current assets	5.7	45,613	45,119	21,906	20,653
Short – term investments		<u>3,268</u>	<u>8,858</u>	-	-
Total current assets		471,409	385,528	280,791	166,780
Total Assets		1,891,156	1,769,694	1,667,176	1,544,220
EQUITY & LIABILITIES					
Equity					
Share capital		95,700	95,700	95,700	95,700
Reserves		30,713	32,212	29,457	30,955
Treasury shares		(14,497)	(14,497)	(14,497)	(14,497)
Retained earnings		<u>510,779</u>	<u>609,339</u>	<u>511,373</u>	<u>605,071</u>
Equity attributable to owners of the Company		622,695	722,754	622,032	717,229
Non-controlling interests		<u>33,427</u>	<u>36,782</u>	-	-
Total equity		656,122	759,536	622,032	717,229

	Notes	GROUP		COMPANY	
		30.06.2019	31.12.2018*	30.06.2019	31.12.2018*
Non-current liabilities					
Loans	5.8	651,118	650,260	596,007	601,351
Lease liabilities		60,078	-	29,244	-
Deferred tax liability		21,701	15,462	18,989	12,701
Employee benefit plans	5.9	2,564	4,807	2,106	4,409
Provisions	5.10	12,689	28,273	11,309	26,893
Other non-current liabilities	5.11	<u>14,253</u>	<u>12,021</u>	<u>11,276</u>	<u>9,300</u>
Total non-current liabilities		762,402	710,823	668,931	654,654
Current liabilities					
Loans	5.8	180	191	20,000	20,011
Lease liabilities		6,875	-	4,950	-
Employee benefit plans	5.9	2,941	-	2,941	-
Trade payables	5.12	135,451	176,685	47,159	64,394
Current income tax liabilities	5.13	40,933	8,648	38,164	6,691
Other current liabilities	5.14	<u>286,252</u>	<u>113,811</u>	<u>262,998</u>	<u>81,241</u>
Total current liabilities		472,632	299,335	376,213	172,337
Total liabilities		1,235,034	1,010,157	1,045,144	826,991
TOTAL Equity & Liabilities		1,891,156	1,769,694	1,667,176	1,544,220

* The Group has applied IFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated (Note 2.3).

2. Condensed Interim Income Statement

2.1. Condensed Interim Consolidated Income Statement

As of the six-month period ended 30 June 2019

(Amounts in thousands of euro except earnings per share)

GROUP	2019		2018	
	01.01-30.06.2019	01.04-30.06.2019	01.01-30.06.2018* Restated**	01.04-30.06.2018* Restated**
Amounts wagered	2,131,678	1,048,873	2,111,260	1,032,150
Income Statement is as follows:				
Revenue (GGR)	779,592	383,562	737,457	360,197
GGR contribution and other levies and duties	(253,996)	(124,801)	(241,997)	(117,881)
Net gaming revenue (NGR)	525,596	258,761	495,459	242,316
Agents' commissions	(185,330)	(90,447)	(180,990)	(88,446)
Other NGR related commissions	(31,908)	(16,055)	(26,402)	(13,729)
Other operating income	72,339	31,937	59,758	32,090
Other operating cost	<u>(43,609)</u>	<u>(22,785)</u>	<u>(43,329)</u>	<u>(22,309)</u>
	337,087	161,411	304,496	149,922
Operating expenses	(138,425)	(74,370)	(147,073)	(79,717)
Payroll expenses	(42,418)	(22,670)	(38,366)	(20,435)
Marketing expenses	(31,376)	(16,550)	(34,406)	(20,459)
Other operating expenses	<u>(64,631)</u>	<u>(35,150)</u>	<u>(74,301)</u>	<u>(38,823)</u>
Profit before interest, tax, depreciation and amortization (EBITDA)	198,662	87,041	157,423	70,205
Depreciation and amortization	(56,730)	(29,381)	(46,389)	(23,461)
Results from operating activities	141,932	57,660	111,034	46,744
Finance income	1,575	910	1,125	527
Finance costs	(13,744)	(6,680)	(13,529)	(6,459)
Income from investments in associates	<u>2,781</u>	<u>1,364</u>	-	-
Profit before tax	132,545	53,254	98,630	40,812
Income tax expense	(40,799)	(18,200)	(32,362)	(14,420)
Profit for the period	91,746	35,054	66,268	26,393
Profit attributable to:				
Owners of the Company	91,797	34,620	66,026	26,194
Non-controlling interests	<u>(51)</u>	<u>434</u>	<u>242</u>	<u>199</u>
Profit after tax	91,746	35,054	66,268	26,393
Basic and diluted earnings (after tax) per share in €	0.2894	0.1092	0.2077	0.0824

* The Group has applied IFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated (Note 2.3).

** The comparative figures are the ones that resulted after the restatement 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. (Note 2.4).

2.2. Condensed Interim Income Statement of the Company

As of the six-month period ended 30 June 2019

(Amounts in thousands of euro except earnings per share)

COMPANY	2019		2018	
	01.01-30.06.2019	01.04-30.06.2019	01.01-30.06.2018*	01.04-30.06.2018*
Amounts wagered	1,780,201	872,801	1,752,515	855,103
Income Statement is as follows:				
Revenue (GGR)	661,537	324,427	614,638	299,581
GGR contribution and other levies and duties	(224,624)	(109,962)	(210,787)	(102,429)
Net gaming revenue (NGR)	436,913	214,465	403,851	197,152
Agents' commission	(154,074)	(74,848)	(148,895)	(72,684)
Other NGR related commission	(24,763)	(12,229)	(18,348)	(9,778)
Other operating income	<u>33,917</u>	<u>11,249</u>	<u>18,484</u>	<u>9,174</u>
	291,992	138,637	255,092	123,864
Operating expenses	(104,399)	(54,560)	(113,749)	(61,860)
Payroll expenses	(35,205)	(18,877)	(31,573)	(16,940)
Marketing expenses	(24,669)	(13,167)	(24,340)	(15,072)
Other operating expenses	<u>(44,526)</u>	<u>(22,516)</u>	<u>(57,836)</u>	<u>(29,848)</u>
Profit before interest, tax, depreciation and amortization (EBITDA)	187,593	84,077	141,343	62,004
Depreciation and amortization	<u>(42,778)</u>	<u>(22,467)</u>	<u>(33,693)</u>	<u>(17,032)</u>
Results from operating activities	144,815	61,609	107,650	44,972
Finance income	696	440	502	255
Finance costs	(12,049)	(5,883)	(12,081)	(5,738)
Other finance income	<u>1,500</u>	<u>1,500</u>	<u>836</u>	-
Profit before tax	134,962	57,666	96,907	39,489
Income tax expense	<u>(38,358)</u>	<u>(16,868)</u>	<u>(30,372)</u>	<u>(13,611)</u>
Profit for the period	96,604	40,798	66,535	25,878
Profit attributable to:				
Owners of the Company	<u>96,604</u>	<u>40,798</u>	<u>66,535</u>	<u>25,878</u>
Profit after tax	96,604	40,798	66,535	25,878
Basic and diluted earnings (after tax) per share in €	0.3046	0.1286	0.2094	0.0814

* The Group has applied IFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated (Note 2.3).

3. Condensed Interim Statement of Profit or Loss and Other Comprehensive Income

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

As of the six-month period ended 30 June 2019

(Amounts in thousands of euro)

GROUP	2019		2018	
	01.01-30.06.2019	01.04-30.06.2019	01.01-30.06.2018* Restated**	01.04-30.06.2018* Restated**
Profit for the period	91,746	35,054	66,268	26,393
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss				
Loss from valuation of hedging derivatives	(1,998)	(1,050)	(473)	(657)
Attributable income tax	<u>500</u>	<u>263</u>	<u>137</u>	<u>190</u>
Total items that may be reclassified to profit or loss	(1,499)	(788)	(336)	(466)
Other comprehensive income net of tax	(1,499)	(788)	(336)	(466)
Total comprehensive income net of tax	90,247	34,267	65,932	25,926
Total comprehensive income attributable to:				
Owners of the Company	90,298	33,832	65,690	25,727
Non-controlling interests	<u>(51)</u>	<u>434</u>	<u>242</u>	<u>199</u>
Total comprehensive income net of tax	90,247	34,267	65,932	25,926

* The Group has applied IFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated (Note 2.3).

**The comparative figures are the ones that resulted after the restatement 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. (Note 2.4).

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

As of the six-month period ended 30 June 2019

(Amounts in thousands of euro)

COMPANY	2019		2018	
	01.01- 30.06.2019	01.04- 30.06.2019	01.01- 30.06.2018*	01.04- 30.06.2018*
Profit for the period	96,604	40,798	66,535	25,878
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss				
Loss from valuation of hedging derivatives	(1,998)	(1,050)	(473)	(657)
Attributable income tax	<u>500</u>	<u>263</u>	<u>137</u>	<u>190</u>
Total items that may be reclassified to profit or loss	(1,499)	(788)	(336)	(466)
Other comprehensive income net of tax	(1,499)	(788)	(336)	(466)
Total comprehensive income net of tax	95,106	40,010	66,199	25,412
Total comprehensive income attributable to:				
Owners of the Company	<u>95,106</u>	<u>40,010</u>	<u>66,199</u>	<u>25,412</u>
Total comprehensive income net of tax	95,106	40,010	66,199	25,412

* The Group has applied IFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated (Note 2.3).

4. Condensed Interim Statement of Changes in Equity

4.1. Condensed Interim Consolidated Statement of Changes in Equity

As of the six-month period ended 30 June 2019

(Amounts in thousands of euro)

Attributable to owners of the Company

GROUP	Share capital	Reserves	Treasury shares	Retained earnings Restated**	Total	Non-controlling interests Restated**	Total equity
Balance at 1 January 2018*	95,700	32,882	(9,039)	595,168	714,711	44,752	759,463
Profit for the period 01.01-30.06.2018	-	-	-	66,026	66,026	242	66,268
Other comprehensive loss for the period 01.01-30.06.2018	-	(336)	-	-	(336)	-	(336)
Total comprehensive income for the period 01.01-30.06.2018	-	(336)	-	66,026	65,690	242	65,932
Transactions with owners of the Company							
Share capital increase expenses of subsidiaries	-	-	-	(206)	(206)	(69)	(275)
Share capital decrease of subsidiary	-	-	-	-	-	(6,261)	(6,261)
Other movements	-	-	-	(1,523)	(1,523)	-	(1,523)
Dividends	-	-	-	(95,345)	(95,345)	(3,632)	(98,977)
Total transactions with owners of the Company	-	-	-	(97,074)	(97,074)	(9,961)	(107,035)
Balance at 30 June 2018*	95,700	32,546	(9,039)	564,120	683,327	35,032	718,359
GROUP	Share capital	Reserves	Treasury shares	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2019*	95,700	32,212	(14,497)	609,340	722,754	36,782	759,536
Profit for the period 01.01-30.06.2019	-	-	-	91,797	91,797	(51)	91,746
Other comprehensive loss for the period 01.01-30.06.2019	-	(1,499)	-	-	(1,499)	-	(1,499)
Total comprehensive income for the period 01.01-30.06.2019	-	(1,499)	-	91,797	90,298	(51)	90,247
Transactions with owners of the Company							
Share capital increase expenses of subsidiaries	-	-	-	(55)	(55)	-	(55)
Dividends	-	-	-	(190,302)	(190,302)	(3,304)	(193,607)
Total transactions with owners of the Company	-	-	-	(190,357)	(190,357)	(3,304)	(193,662)
Balance at 30 June 2019	95,700	30,713	(14,497)	510,779	622,695	33,427	656,122

* The Group has applied IFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated (Note 2.3).

** The comparative figures are the ones that resulted after the restatement 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. (Note 2.4).

4.2. Condensed Interim Statement of Changes in Equity of the Company

As of the six-month period ended 30 June 2019

(Amounts in thousands of euro)

COMPANY	Share capital	Reserves	Treasury shares	Retained earnings	Total equity
Balance at 1 January 2018*	95,700	31,748	(9,039)	598,614	717,023
Profit for the period 01.01-30.06.2018	-	-	-	66,535	66,535
Other comprehensive loss for the period 01.01-30.06.2018	-	<u>(336)</u>	-	-	(336)
Total comprehensive income for the period 01.01-30.06.2018	-	(336)	-	66,535	66,199
Other movements	-	-	-	(1,523)	(1,523)
Dividends	-	-	-	<u>(95,345)</u>	(95,345)
Balance at 30 June 2018*	95,700	31,412	(9,039)	568,281	686,354
Balance at 1 January 2019*	95,700	30,955	(14,497)	605,071	717,229
Profit for the period 01.01-30.06.2019	-	-	-	96,604	96,604
Other comprehensive loss for the period 01.01-30.06.2019	-	<u>(1,499)</u>	-	-	(1,499)
Total comprehensive income for the period 01.01-30.06.2019	-	(1,499)	-	96,604	95,106
Dividends	-	-	-	<u>(190,302)</u>	(190,302)
Balance at 30 June 2019	95,700	29,457	(14,497)	511,373	622,032

* The Group has applied IFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated (Note 2.3).

5. Condensed Interim Cash Flow Statement

As of the six-month period ended 30 June 2019

(Amounts in thousands of euro)

	GROUP		COMPANY	
	01.01-30.06.2019	01.01-30.06.2018* Restated**	01.01-30.06.2019	01.01-30.06.2018*
OPERATING ACTIVITIES				
Profit before tax	132,545	98,630	134,962	96,907
Adjustments for:				
Depreciation & Amortization	56,730	46,389	42,778	33,693
Net finance costs	12,161	12,386	9,849	10,741
Employee benefit plans	840	809	775	740
Provisions for bad debts	2,854	1,827	614	1,066
Other provisions	(15,099)	444	(15,099)	444
Exchange differences	8	18	4	2
Share of profit from associates	(2,781)	-	-	-
Profit from investing activities	15	-	-	-
Other non-cash items	<u>117</u>	-	<u>1,377</u>	<u>1,377</u>
Total	187,388	160,504	175,260	144,971
Changes in Working capital				
(Increase) / decrease in inventories	(4,145)	45	(558)	269
Decrease in receivables	16,100	29,450	3,552	18,973
Decrease in payables (except banks)	(57,551)	(74,708)	(26,340)	(55,090)
Increase / (decrease) in taxes payable	<u>(47)</u>	<u>3,613</u>	<u>(2)</u>	<u>3,613</u>
Total	141,744	118,904	151,913	112,734
Interest paid	(11,491)	(13,889)	(10,656)	(13,114)
Income taxes paid	<u>(477)</u>	<u>(898)</u>	-	<u>(898)</u>
Net cash inflow from operating activities	129,776	104,118	141,257	98,723
INVESTING ACTIVITIES				
Proceeds from sale of tangible & intangible assets	45	16	35	16
Additional consideration for the acquisition of associate	(2,000)	-	-	-
Loan repayments from third parties	1,998	3,384	223	3,000
Loan repayments from subsidiaries	-	-	100	-
Share capital (increase) / decrease of subsidiaries	-	-	(5,000)	19,018
Loans granted to third parties	(1,366)	-	-	-
Loans granted to Group companies	-	-	(200)	-
Purchase of intangible assets	(11,602)	(9,339)	(10,875)	(9,065)
Purchase of property, plant and equipment	(2,924)	(13,814)	(2,486)	(8,083)
Dividends received	-	-	1,500	836
Interest received	1,031	887	580	454
Net change in short-term & long-term investments	<u>(39)</u>	-	-	-
Net cash inflow/(outflow) from investing activities	(14,857)	(18,866)	(16,123)	6,177

	GROUP		COMPANY	
	01.01- 30.06.2019	01.01- 30.06.2018* Restated**	01.01- 30.06.2019	01.01- 30.06.2018*
FINANCING ACTIVITIES				
Proceeds from loans & borrowings	-	260,477	-	250,005
Payments of loans & borrowings	(56)	(290,611)	(6,052)	(290,500)
Transaction costs related to loans & borrowings	-	(1,250)	-	(1,250)
Share capital increase expenses of subsidiaries	(55)	(275)	-	-
Share capital return of subsidiaries	-	(6,261)	-	-
Payment of lease liabilities	(4,465)	-	(2,889)	-
Dividends paid	(3,542)	(113,609)	(238)	(109,978)
Net cash outflow from financing activities	(8,119)	(151,529)	(9,179)	(151,723)
Net increase / (decrease) in cash and cash equivalents	106,800	(66,277)	115,956	(46,824)
Cash and cash equivalents at the beginning of the period	<u>182,596</u>	<u>237,244</u>	<u>101,563</u>	<u>94,270</u>
Cash and cash equivalents at the end of the period	289,396	170,966	217,519	47,447

* The Group has applied IFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated (Note 2.3).

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