INTRALOT GROUP

First Semester Report

For the period ended June 30, 2010

According to L.3556/2007

1st Semester of 2010

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1. Statement of the Members of the Board of Directors (According to article 5 par. 2 of L.3556/2007)

The

a. Sokratis P. Kokkalis, Chairman of the Board of Directors
b. Con/nos G. Antonopoulos, Vice - Chairman of the Board of Directors and CEO
c. Sotirios N. Filos , Member of the Board of Directors

DECLARE THAT

As far as we know:

a. the accompanying interim company and consolidated financial statements of the company "INTRALOT S.A." for the period 1st January 2010 to 30th June 2010, prepared according to the International Financial Reporting Standards currently in effect, present truly and fairly the assets and liabilities, equity and the financial results of the Company, as well as of the companies included in the consolidation, for the period then ended, according to par. 3 to 5 of article 5 of L. 3556/2007.

b. the semi - annual Board of Directors Management Report presents in a true and fair view the information required according to par. 6 of article 5 of L. 3556/2007.

c. the attached Interim Financial Statements are those approved by the Board of Directors of "INTRALOT S.A." at 27 August 2010 and have been published to the electronic address www.intralot.com.

Maroussi, August 27th, 2010

The designees

S. P. Kokkalis	C. G. Antonopoulos	Sotirios N. Filos
Chairman of the Board of Directors	Vice - Chairman of the Board of Directors and CEO	Member of the Board

2. Semi-annual Board of Directors Management Report

We submit to all interested parties the 1st semester 2010 interim financial statements according to the International Financial Reporting Standards as adopted by the European Union, along with the present Report for the period from January 1st to June 30, 2010.

The present Report of the Board of Directors of the company "INTRALOT S.A. INTEGRATED LOTTERY SYSTEMS AND SERVICES" has been composed according to the provision of par. 6, article 5 of the Law 3556/2007 and to the published executive resolutions 1/434/3-7-2008 and 7/448/11.10.2007 of the Capital Market Commission' Board of Directors.

PROGRESS OF THE GROUP'S AND COMPANY'S PERFORMANCE FOR THE PERIOD 1/1- 30/6/2010 BUSINESS DEVELOPMENTS FOR THE FIRST SEMESTER OF 2010

FINANCIAL OVERVIEW

INTRALOT during the first six months of 2010 managed to deliver satisfactory results, although in Bulgaria there was an increase in taxation since the beginning of the year and in Turkey there is an unfavorable comparison with the first semester of 2009 due to the renewal of the contract in March 2009. Moreover, the Company incurred significant start-up expenses from the new projects in 3 U.S states, in Italy (video-lotto), in Morocco and in Brazil. We must note that the profits of INTRALOT in the semester were burdened with the provision for extraordinary social responsibility tax that was €4,85 mil. for the Company and €5,27 mil. for the Group.

More specific, INTRALOT's consolidated revenues in the first half of 2010 increased 10,8% to €540,9 mil. from €488,0 mil. In the first half of 2009 EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) decreased by 22,3% to €70,8 mil. in the first half of 2010, compared to €91,1 mil. in the same period in 2009. Earnings Before Taxes were €50,9 mil., 31,8% lower from the €74,6 mil. reported in the first half of 2009. Earnings After Taxes and after minorities decreased by 39,8% to €25,3 mil.

Concerning parent company results, revenues were €75,0 mil., 45,8% higher than in the first half of 2009, while Earnings After Taxes reached €20,2 mil. from €10,6 mil. in the first half of 2009, posting an increase of 91% y-o-y.

Concerning the business developments, INTRALOT during the first half of 2010, among others, increased its participation in the Jamaican company Supreme Ventures Limited, undertook the management of the sports betting game in Azerbaijan, won the tender for the management of the lottery in the state of Minas Gerais in Brazil, signed a contract for the provision of 15,000 terminals to the Italian company SISAL, undertook the management of the two state lotteries in Morocco, signed a new project in U.S with the state lottery of Washington D.C, entered the Russian betting market through the acquisition of a 33% stake in the company Kelicom and renewed until 2020 the contract in New Zealand for the electronic monitoring system of videolotto terminals.

CAPITAL STRUCTURE

The cash balance reached €195,1 mil. in the first half of 2010, while bank debt plus the convertible bond reached €499,1 mil.

SIGNIFICANT EVENTS

Granting of authorization for the issue of Convertible Bond Loan
The 2nd Repeat Session of Ordinary General Assembly dated 10 June 2010 granted authorization to the Board of Directors to proceed, at its judgment, to the issue of a convertible bond loan only if the conditions of financial market are favorable for the Company. The duration of the convertible bond loan will be up to seven years and will amount up to €200.000.000.

NEW PROJECTS – INVESTMENTS

In January 2010, INTRALOT announced that its subsidiary in Turkey, INTELTEK, received authorization from the responsible authorities in Azerbaijan, to organize, operate, manage, and develop fixed-odds and pari-mutuel sports betting games, including the provision of related services, in Azerbaijan. INTELTEK will own 51% of the newly established company, named Azerinteltek, which will be based in Azerbaijan. Azerinteltek will operate sports betting on an exclusive basis in more than 1.000 points of sale countrywide for a period of 10 years.

In March 2010, following an international tender, its subsidiary, INTRALOT do Brasil, undertook the operation of lottery games in the State of Minas Gerais in Brazil. The contract will have an initial term of six (6) years with an option to extend it for six (6) more years. The first product to be launched by INTRALOT will be a fast Keno type game, though additional numerical games will follow in an online network of 2,500 points of sale, established in the State within a period of two (2) years from the start-up of the project. The gaming portfolio is expected to expand further in the course of the operations.

In March 2010, INTRALOT announced that it signed a contract with the Italian company SISAL S.p.A., one of the leading gaming operators in the Italian market. Intralot will provide SISAL with 15.000 state-of-the-art microLot terminals that along with the related peripherals will be connected online to SISAL's Central System. Moreover, INTRALOT will provide consulting and maintenance services.

In March 2010, following an international competitive selection process held jointly by the two gaming operators of Morocco, the National Lottery ('Societe de Gestion de la Loterie Nationale') and 'La Marocaine des Jeux et des Sports', INTRALOT signed a contract to undertake the technical and commercial operation of the two Lotteries. The contract has an initial term of five (5) years, with an automatic two (2) year renewal option based on performance criteria. According to the contract, INTRALOT will deploy its flagship LOTOSTM O/S Central System and the games management software, and expand significantly the retail distribution network by installing more than 4,500 of its state-of-the-art terminals over the term of the contract. Additionally, INTRALOT will introduce interactive gaming channels, such as mobile phones and the internet, for the first time in Morocco through its innovative B-OnTM platform.

In March 2010, INTRALOT USA, following an international tender, awarded its 13th contract in U.S (in 11 States) for the provision of an on-line gaming system, including associated gaming products and support services with the DC Lottery and Charitable Games Control Board (DCLB). The contract has an initial term of five (5) years with an extension option for up to four (4) additional years. The contract entails the provision of a state of the art central system, a back-up system, an Internal Control System, 625+ terminals and related peripheral equipment, and the necessary software. Additionally, INTRALOT will provide the telecommunications system and related equipment, implementation services and facilities management. INTRALOT will also provide new and innovative gaming opportunities to the DCLB as well as support for marketing and promotions.

During the first quarter of 2010 INTRALOT increased its share in Supreme Ventures Limited (SVL), the biggest lottery operator in the Caribbean. INTRALOT Caribbean Ventures Limited, a subsidiary where INTRALOT has 50,1% equity participation, has consolidated the existing participation of INTRALOT as well as of the remaining shareholders of INTRALOT Caribbean Ventures Limited in SVL, while it also acquired additional stake in SVL. More precisely, approximately 1,3 billion shares of SVL were transferred to INTRALOT Caribbean Ventures Limited at a price of 1,95 Jamaican dollars (USD 0,022) per share.

In May 2010, INTRALOT Interactive, a member of INTRALOT Group, and Net Entertainment have signed a cooperation agreement for the provision of online Casino Games in Italy, under the brand name of INTRALOT. The agreement provides initially for the integration of the award winning CasinoModule product suite by Net Entertainment, with the INTRALOT Interactive Gaming Platform, fully complementing with existing games and ensuring a unified customer experience. The parties agree to seek further opportunities in other territories where internet gaming is regulated by the local government. INTRALOT will launch online Casino Games in Italy, subject to the forthcoming opening of the market and an approval by the local competent authorities, which are expected to take place during the second half of 2010.

In June 2010, INTRALOT acquired a 33% stake in the company Kelicom, through its subsidiary INTRALOT Holdings International Ltd. Kelicom is the majority shareholder of the company FAVORIT BOOKMAKERS' OFFICE LLC (Favorit), holding a stake of 74,9%. Favorit is one of the leading betting companies in Russia and holds a five(5)-year license to run sports betting activities in the country. The license is granted by the Federal Tax Service and includes scheduled renewals. Favorit succeeded in extending its license last year following the introduction of stricter federal regulations in the betting business in Russia. It thus became one of only a handful of registered players on the country's betting market which is estimated to have a potential of over US$2 billion. INTRALOT has the option of increasing its shareholding in Kelicom to 100% and gaining control of Favorit. The acquisition is subject to the relative approvals from competent authorities, which are customary for such transactions.

In June 2010, INTRALOT's subsidiary in New Zealand, INTRALOT NZ Ltd, has signed a heads of an agreement with the Department of Internal Affairs (DIA) for an integrated gambling platform (IGP) that will complement the proven electronic monitoring system (EMS) of 19,000 non-casino gaming machines until 2020. EMS was introduced by

INTRALOT in March 2007 to track and monitor gaming machine operations in pubs and clubs, ensuring the integrity of games and the accurate accounting of money.

SIGNIFICANT DEVELOPMENTS AFTER THE END OF THE FIRST SEMESTER 2010

In the context of the financial risk management and the respective financial programming and taking into account the conditions of the international financial market, the company proceeded at 15/07/2010 to the issue of a new convertible bond of € 70 mio with four years duration, which was used to refinance equal amount of a convertible bond which was incurred with the same bond holders with maturity date 07/07/2011.

In July 2010, MelcoLot Limited (MelcoLot), the Hong Kong listed company in which INTRALOT is a shareholder, has entered into an agreement with the China Welfare Lottery (CWL) in the municipality of Chongqing, for the provision of INTRALOT's LOTOSTM Horizon system and related services. Moreover, INTRALOT will provide 2,000 LOTOSTM Horizon Multimedia Controllers, which will allow the Chongqing Welfare Lottery to create, manage and broadcast rich multimedia content throughout its retail network that exceeds 2,500 points of sale. The initial term of the contract is five years, which will renew automatically for five more years by mutual consent.

In August 2010, INTRALOT renewed its agreement with OPAP S.A. for one year with an option to extend it for one additional year with a starting date July 31st, 2010. In the context of the agreement, INTRALOT will upgrade the existing technology infrastructure of OPAP and will provide technical support services, maintenance and operation of such infrastructure. Moreover, INTRALOT will proceed with the expansion of the LOTOS Horizon audiovisual system that will require the installation of 20.000 TV sets in OPAP's retail network that will broadcast information content regarding OPAP games. INTRALOT will develop, install and operate the OPAP/TV system, which will broadcast sports and betting content, via satellite and Internet (WebTV) exclusively to OPAP agencies and its Portal. Moreover, INTRALOT will develop and operate new games; monitor games and fast draw games, which will be will operated on LOTOS Horizon and on self service terminals of OPAP network. In addition, INTRALOT will design, develop, operate and maintain the Portal of OPAP S.A. According to the agreement, INTRALOT and its subsidiary, Betting Company, will also provide support services for the game "Pame Stihima" and will undertake the introduction of new forms of betting content as well as Live betting.

PROSPECTS AND UNCERTAINTIES FOR THE SECOND HALF OF 2010

The financial crisis led to currency devaluation in countries where INTRALOT has presence, with negative impact in the Group's results. Although there is an improvement in the foreign exchange markets from the beginning of the year, there are still downward risks.

The financial crisis has increased the budget deficits of many countries. The increase of lottery taxes consists a solution for the governments, in order to finance these deficits and a downward risk for INTRALOT's global operations.

The results of the Group in 2010 will depend, among others, on the course of the new markets where it has established its presence, such as:

Italy, where INTRALOT has entered the newly established Italian video lottery market through a joint venture with Cogetech S.p.A., a leading licensed VLT operator in Italy. The operation of the VLTs is expected to commence soon.

The Caribbean and specifically in Jamaica, where INTRALOT after the increase of its participation in the company Supreme Ventures Limited (SVL), proceeded to a full consolidation of the company from March 31, 2010.

USA, where three new lottery contracts of INTRALOT, in Louisiana, New Hampshire and Vermont, commenced in July 2010.

Netherlands, where the significant project of INTRALOT with both the leading lotteries of the country started during the second quarter of 2010.

Morocco, where INTRALOT after an international tender undertook the management of the two state lotteries in the country. The project started during August.

Azerbaijan, where INTRALOT in the beginning of 2010 undertook the management and the development of the sports betting games in the country.

Brazil, where INTRALOT, following an international tender, undertook recently the operation of the lottery games in the state of Minas Gerais.

Russia, where INTRALOT entered the country's betting market by acquiring a 33% stake in the company Kelicom that is the majority shareholder of the company FAVORIT BOOKMAKERS' OFFICE LLC (Favorit), one of the leading sports betting operators in Russia.

Description of significant risks and uncertainties
The group's international activities expose its companies to a variety of financial risks, including foreign exchange, interest rate, credit and liquidity risks. Risk management is a continuous and evolving process, which focuses on the volatility of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by a central treasury department under policies approved by the Board of Directors.

Credit risk
The Group does not have significant credit risk concentration because of the wide dispersion of its customers and the fact that credit limits are set through signed contracts. The maximum exposure of credit risk amounts to the aggregate values presented in the balance sheet. In order to minimize the potential credit risk exposure arising from cash and cash equivalents, the Group sets limits regarding the amount of credit exposure to any financial institution and deals with well-established financial institutions of high credit standing. Moreover, in order to secure its transactions even more, the Group adopted an internal rating system, regarding credit rating evaluation, using the relevant financial indices.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Based on its strong financial figures, the Group took measures to obtain a significant amount of committed credit facilities from the banking system for the coming years. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available.

Market Risk

1) Foreign Exchange risk

Fluctuations in exchange rates can have significant effects on the Group's currency positions. Group transactions are carried out in more than one currency and therefore there is a high exposure in foreign exchange rate fluctuations against the euro, which is the main underlying economic currency. On the other hand, the Group's activity abroad also helps to create a significant advantage in foreign exchange risk management, due to the diversification in the currency portfolio. This kind of risk mainly results from commercial transactions in foreign currency as well as investments in foreign entities. For managing this type of risk, the Group enters into derivative financial instruments with various financial institutions. The Group's policy regarding the foreign exchange risk concerns not only the parent company but also the Group's subsidiaries.

Sensitivity Analysis in Currency movements

(amounts for the period 1/1-30/6/2010)

Foreign Currency	Currency Movement	Effect in Earnings before taxes	Effect in Equity
USD:	5%	133	3.758
	-5%	-121	-3.401
TRY:	5%	226	1.818
	-5%	-205	-1.645

2) Interest rate risk

The Group's exposure to market risk for changes in interest rates relates to long and short term borrowings. For managing this type of risk the Group enters into derivatives financial instruments. Group policy regarding the interest rate risk concerns not only the parent company but also debt that the Group's subsidiaries have raised either in Euros or in the local currency.

Dedicated to its principles and commitments, the INTRALOT Group contributes to sustainable development with its programme of Corporate Social Responsibility, which it has developed and which it applies through various activities, focusing on People, Education, Culture and the Environment.

CORPORATE SOCIAL RESPONSIBILITY

Based on the belief that business activities can and must contribute to the preservation of social cohesion, the company actively supports global, Non-Governmental Organizations and Institutes in aid of vulnerable social groups in the countries where it operates on an international level, and at the same time promotes social welfare volunteering among its employees.
As a member of the Hellenic Network for Corporate Social Responsibility, INTRALOT supports the Network's initiatives for the continuous updating and promotion of ethical values in the business and social environment.

HUMAN RESOURCES
INTRALOT's policy is focusing on the principle of building a long-term relationship with its employees. Company's corporate philosophy is based on the continuous effort to establish a working environment that contributes to the personal and professional development of the employees, resulting to the success and growth of the Company. Along with its global expansion, INTRALOT offers its employees the opportunity to work abroad by creating broad working teams of people with diverse academic and cultural backgrounds and supports the development of an international culture. As a result, the company was distinguished as one of the Best Workplaces in Greece for 2007, by the "Great Place to Work" International Institute in Greece. In recognition of its expertise, INTRALOT's HR department received the Human Resources award by KPMG in 2008 for its commitment to excellence in HR management through new technologies.

MATERIAL TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES:

The most important transactions between the Company and related parties as per IAS 24 relate to transactions between the Company and the following subsidiaries (related parties as per article 42e of Law 2190/20), shown on the table below

Group	Income		Expenses	
	01/01/2010-30/06/2010	**01/01/2009-30/06/2009**	**01/01/2010-30/06/2010**	**01/01/2009-30/06/2009**
Intracom Holdings Group	1.635	972	8.754	33.439
Gidani LTD	7.230	1.392	2.756	1.754
Intrarom S.A.	412	2	1.235	1.103
Turkcell Group	53	81	2.264	2.643
Lotrich Info Co LTD	118	662	0	0
Instant Lottery SA	6	15	0	0
Intralot South Africa Ltd	2.938	0	0	0
Other related parties	1.539	243	121	348
Executives and members of the board	0	0	4.506	5.054
	13.931	**3.367**	**19.636**	**44.341**

Company	**Income**		**Expenses**	
	01/01/2010-30/06/2010	**01/01/2009-30/06/2009**	**01/01/2010-30/06/2010**	**01/01/2009-30/06/2009**
Intralot Operations LTD	1.854	137	0	0
Inteltek Internet AS	7.480	10.703	0	0
Intracom Holdings Group	1.124	971	8.675	30.485
Gaming Solutions Int. SAC	114	165	0	0
Intralot Inc	945	2.099	95	62
Betting Company S.A	11.138	0	16	91
Betting Cyprus LTD	0	0	298	714
Lotrom S.A.	6.020	5.214	870	1.714
Lotrich Info. Co LTD	118	662	0	0
Intralot South Africa LTD	2.938	408	0	0
Intralot New Zealand LTD	125	125	0	0
Yugobet LTD	0	66	0	0
Gaming Solutions Int. LTD	61	71	0	0
Pollot Sp.zoo	77	396	0	0
Intralot Holdings International LTD	60	856	0	0
Intralot Iberia SA Unipersona	98	129	0	0
Instant Lottery SA	6	15	0	0
Loteria Moldovei S.A.	4	8	0	0
Intralot de Chile SA	20	23	0	0
Maltco Ltd	2.734	2.724	0	0
Royal Highgate Ltd	50	48	0	0
Tecno Accion SA	3.161	1.734	15	8
Intralot Nederland BV	339	0	0	0
Other related parties	3.189	558	3.649	3.160
Executives and members of the board	0	0	2.724	1.870
	41.715	**27.112**	**16.342**	**38.114**

Group	**Receivable**		**Payable**	
	30/06/2010	**31/12/2009**	**30/06/2010**	**31/12/2009**
Uniclic LTD	4.231	3.925	0	0
Intracom Holdings Group	5.851	15.510	12.649	21.658
Eurosadruzie LTD	2.999	10.386	2.194	0
Gidani LTD	224	261	0	0
Intrarom S.A.	3.178	2.766	3.613	2.182
Turkcell Group	16	11	338	344
Intralot South Africa LTD	3.922	1.035	1	1
Cogetech SpA	11.513	11.250	107	4.778
Instant Ticket S.A	1.375	1.368	0	0
Melco LottVentures Limited	29.132	0	0	0
Other related parties	3.784	1.631	5.277	1.040
Executives and members of the board	519	156	2.142	2.134
	66.744	**48.299**	**26.321**	**32.137**

Company	**Receivable**		**Payable**	
	30/06/2010	**31/12/2009**	**30/06/2010**	**31/12/2009**
Intralot Operations LTD	59.716	57.861	0	0
Inteltek Internet A.S.	963	951	1.633	1.641
Intracom Holdings Group	5.315	9.960	11.499	15.776
Gaming Solutions Int. SAC	10.810	11.387	14	12
Intralot Inc	7.595	5.623	131	193
Betting Company SA	10.022	0	3.825	3.825
Betting Cyprus LTD	0	0	5.706	6.408
Intralot South Africa LTD	3.922	1.035	1	1
Uniclic LTD	4.346	4.344	0	0
Intralot New Zealand LTD	9	999	0	0
Intralot International LTD	0	2.000	1.750	0
Gaming Solutions Int. LTD	1.673	1.466	0	0
Pollot Sp.zoo	6.286	6.181	0	0
Intralot de Peru SAC	5.003	5.009	0	22
Intralot Holdings International LTD	3	10.136	0	0
Intralot Iberia SA Unipersona	13.254	12.581	0	0
Intralot Australia Ltd	1.014	752	0	0
Instant Lottery S.A.	1.375	1.368	0	0
Loteria Moldovei S.A.	1.970	1.943	0	0
Intralot Italia SRL	1.615	1.545	0	0
Lotrom S.A.	-5.177	-6.242	558	62
Intralot Business Development LTD	13.483	11.498	0	0
Intrarom S.A.	3.178	2.766	3.610	2.178

Company	**Receivable**		**Payable**	
	30/06/2010	**31/12/2009**	**30/06/2010**	**31/12/2009**
Ilot Dominicana S.A.	1.899	1.877	0	0
Intralot Nederland B.V.	10.672	-20.936	0	0
Intralot Do Brazil LTDA	5.951	2.987	0	0
Gidani LTD	224	261	0	0
Lotrich Info. Co LTD	1.190	921	12	10
Intralot South Korea LTD	5	4	0	0
Intralot Luxembourg S.A.	0	0	16	19
Other related parties	8.390	5.736	1.377	1.386
	174.706	**134.013**	**30.132**	**31.533**

In the Company's Income, 25.448 thousand (2009: 15.564 thousand) relate to dividends received from the subsidiaries Maltco LTD, Tecno Accion SA, Inteltek AS, Betting Company SA and from the associate company Bilyoner AS.

The BoD and Key Management Personnel transactions and fees for the Group and the Company for the period 01/01/2010-30/06/2010 were € 4,5 mil. and € 2,7 mil. respectively.

MAROUSSI, AUGUST 27th, 2010
THE BOARD OF DIRECTORS OF THE COMPANY

It is certified that the, as above, Report of the Board of Directors of the Intralot Group is the one referred to in the independent Auditor's Review Report provided at August 30th, 2010.

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CERTIFIED PUBLIC ACCOUNTANTS
Crowe Horwath

The Certified Public Accountant Auditor

Epaminondas Nik. Gkipalis

Institute of CPA (SOEL) Reg. No. 24051

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3. Review Report on Interim Financial Information

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CERTIFIED PUBLIC ACCOUNTANTS
Crowe Horwath

To the Shareholders of «INTRALOT S.A. INTEGRATED LOTTERY SYSTEMS AND SERVICES»

Introduction

We have reviewed the accompanying separate and consolidated condensed statement of financial position of «INTRALOT S.A. INTEGRATED LOTTERY SYSTEMS AND SERVICES» (the "Company") and of its subsidiaries as at 30 June 2010 and the relative separate and consolidated condensed statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes, that constitute the interim financial information, which is an integral part of the six-month financial report under the article 5 of L. 3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information, in accordance with International Financial Reporting Standards, as adopted by the European Union (EU) and which apply to Interim Financial Reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.

Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard "IAS 34".

Report on Other Legal and Regulatory Requirements

Our review did not identify any inconsistency or mismatching of the other data of the provided by the article 5 of L. 3556/2007 six-month financial report with the accompanying financial information.

Athens, 30th August 2010
Certified Public Accountant Auditor

Epameinondas Gkipalis
Institute of CPA (SOEL) Reg. No. 24051

Associated Certified Public Accountants s.a.
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CERTIFIED PUBLIC ACCOUNTANTS
Crowe Horwath.

4. Interim Financial Statements

4.1 Comprehensive Income Statement (Group and Company)

Amounts reported in thousands €	**GROUP**		**GROUP**		**COMPANY**		**COMPANY**	
	1/1-30/06/2010	1/1-30/06/2009	1/4-30/06/2010	1/4-30/06/2009	1/1-30/06/2010	1/1-30/06/2009	1/4-30/06/2010	1/4-30/06/2009
Sale Proceeds	540.896	488.008	312.880	232.028	75.021	51.438	48.886	24.100
Less: Cost of Sales	-447.060	-363.417	-263.595	-170.060	-52.826	-39.488	-35.530	-19.580
Gross Profit /(Loss)	**93.836**	**124.591**	**49.285**	**61.968**	**22.195**	**11.950**	**13.356**	**4.520**
Other Operating Income	9.543	11.566	4.053	5.790	71	5.503	30	2.861
Selling Expenses	-16.732	-19.066	-9.186	-9.147	-3.684	-4.358	-2.110	-2.191
Administrative Expenses	-46.657	-43.929	-25.790	-23.802	-6.970	-6.285	-4.567	-2.558
Research and Development Costs	-5.059	-4.804	-2.833	-1.950	-3.829	-3.500	-2.153	-1.381
Other Operating Expenses	-1.992	-1.494	-1.237	-776	0	0	0	0
EBIT	**32.939**	**66.864**	**14.292**	**32.084**	**7.783**	**3.310**	**4.556**	**1.251**
EBITDA	**70.801**	**91.101**	**36.786**	**44.973**	**15.172**	**9.479**	**8.134**	**4.364**
Interest and similar Charges	-17.373	-14.413	-6.764	-6.953	-8.925	-8.052	-4.452	-3.975
Interest and related Income	15.480	17.455	5.141	7.553	27.768	17.209	23.130	13.185
Exchange Differences	18.774	4.015	10.348	-2.512	2.627	716	1.136	-541
Profit / (Loss) from equity method consolidations	1.064	724	179	234	0	0	0	0
Operating Profit Before Tax	**50.884**	**74.645**	**23.196**	**30.406**	**29.253**	**13.183**	**24.370**	**9.920**
Less: Taxes	-14.940	-12.786	-10.340	-5.798	-9.084	-2.621	-6.978	-2.249
Net Profit / Loss from Continuing Operations (a)	**35.944**	**61.859**	**12.856**	**24.608**	**20.169**	**10.562**	**17.392**	**7.671**
Net Profit / Loss from Discontinuing Operations (b)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net Profit / Loss (Continuing and Discontinuing Operations) (a) + (b)	**35.944**	**61.859**	**12.856**	**24.608**	**20.169**	**10.562**	**17.392**	**7.671**
Attributable to:								
Owners of the parent	25.308	42.026	10.161	19.923	20.169	10.562	17.392	7.671

Amounts reported in thousands €	**GROUP**		**GROUP**		**COMPANY**		**COMPANY**	
	1/1-30/06/2010	1/1-30/06/2009	1/4-30/06/2010	1/4-30/06/2009	1/1-30/06/2010	1/1-30/06/2009	1/4-30/06/2010	1/4-30/06/2009
Non-Controlling Interest	10.636	19.833	2.695	4.685	0	0	0	0
Other comprehensive income after tax:								
Valuation of Available for Sale financial instruments	6.153	-85	1.793	0	-47	0	-47	0
Derivatives valuation	-3.350	-505	-1.275	979	-815	-565	-228	919
Asset revaluation surplus	0	133	0	0	0	0	0	0
Exchange differences on translating foreign operations	13.772	-6.357	8.585	3.011	0	0	0	0
Total comprehensive income/ (expense) after tax:	**16.575**	**-6.814**	**9.103**	**3.990**	**-862**	**-565**	**-275**	**919**
Total income after tax	**52.519**	**55.045**	**21.959**	**28.598**	**19.307**	**9.997**	**17.117**	**8.590**
Attributable to:								
Owners of the parent	34.741	35.306	14.852	21.658	19.307	9.997	17.117	8.590
Non-Controlling interest	17.778	19.739	7.107	6.940	0	0	0	0
Earnings after taxes per share (in €)								
-basic	0,1592	0,2644	0,0639	0,1253	0,1269	0,0664	0,1094	0,0483
-diluted	0,1592	0,2644	0,0639	0,1253	0,1269	0,0664	0,1094	0,0483
Weighted Average Number of Shares	158.961.721	158.954.524	158.961.721	158.954.524	158.961.721	158.954.524	158.961.721	158.954.524

4.2 Statement of Financial Position (Group and Company)

Amounts reported in thousands €		GROUP			COMPANY	
		30/06/2010	31/12/2009		30/06/2010	31/12/2009
ASSETS						
Non Current Assets						
Tangible assets		282.957	243.787		40.742	46.008
Intangible assets		239.901	205.621		21.640	20.946
Investment in subsidiaries and associates		20.400	18.661		155.449	155.274
Other financial assets		32.809	34.331		451	498
Deferred Tax asset		17.743	18.742		7.496	9.224
Other long term receivables		97.679	75.765		500	421
		691.489	**596.907**		**226.278**	**232.371**
Current Assets						
Inventories		52.128	52.066		41.587	46.043
Trade and other short term receivables		173.639	172.630		226.940	191.414
Other financial assets		2.465	14.793		0	0
Cash and cash equivalents		195.081	219.111		19.711	40.580
		423.313	**458.600**		**288.238**	**278.037**
TOTAL ASSETS		**1.114.802**	**1.055.507**		**514.516**	**510.408**
EQUITY AND LIABILITIES						
Share Capital		47.689	47.689		47.689	47.689
Share premium		0	0		0	0
Other reserves		81.376	83.259		55.953	56.389
Foreign currency translation		-18.310	-24.969		0	0
Retained earnings		173.859	166.807		32.111	35.987
		284.614	**272.786**		**135.753**	**140.065**

Amounts reported in thousands €		**GROUP**			**COMPANY**	
		30/06/2010	**31/12/2009**		**30/06/2010**	**31/12/2009**
Non-Controlling Interest		75.625	58.420		0	0
Total equity		**360.239**	**331.206**		**135.753**	**140.065**
Non Current Liabilities						
Long term loans		472.277	468.292		275.203	271.980
Staff retirement indemnities		4.261	3.762		2.527	2.420
Other long term provisions		25.908	24.005		23.894	22.935
Deferred Tax liabilities		5.026	5.434		0	0
Other long term liabilities		16.632	13.563		0	0
Finance lease obligation		18.117	16.064		0	0
		542.221	**531.120**		**301.624**	**297.335**
Current Liabilities						
Trade and other short term liabilities		146.607	138.871		59.496	59.546
Short term debt and current portion of long term debt		26.810	18.256		0	0
Current income taxes payable		27.420	23.464		16.993	12.962
Short-term provision		11.505	12.590		650	500
		212.342	**193.181**		**77.139**	**73.008**
TOTAL LIABILITIES		**754.563**	**724.301**		**378.763**	**370.343**
TOTAL EQUITY AND LIABILITIES		**1.114.802**	**1.055.507**		**514.516**	**510.408**

4.3 Statement of Changes in Equity (Group and Company)

STATEMENT OF CHANGES IN EQUITY INTRALOT GROUP (Amounts reported in thousands of €)	Share Capital	Share Premium	Legal Reserve	Other Reserves	Retained Earnings	Total	Non-Controlling Interest	Grand Total
Opening Balance 01/01/2010	**47.689**	**0**	**30.031**	**53.228**	**141.838**	**272.786**	**58.420**	**331.206**
Effect on retained earnings from previous years adjustment					1.177	**1.177**	-122	**1.055**
New Consolidated Entities						**0**	24.227	**24.227**
Subsidiary Share Capital Increase						**0**	594	**594**
Period's Results					25.308	**25.308**	10.636	**35.944**
Other comprehensive income/(expense) after tax				2.775	6.659	**9.434**	7.141	**16.575**
Exercise of stock option rights				225		**225**		**225**
Dividends					-23.844	**-23.844**	-24.925	**-48.769**
Change of consolidation method from full to equity method					-471	**-471**	-347	**-818**
Transfer between reserves			-5.042	159	4.883	**0**	0	**0**
Balances as at 30/06/10	47.689	0	24.989	56.387	155.549	**284.615**	75.624	**360.239**

STATEMENT OF CHANGES IN EQUITY INTRALOT GROUP (Amounts reported in thousands of €)	Share Capital	Share Premium	Legal Reserve	Other Reserves	Retained Earnings	Total	Non-Controlling Interest	Grand Total
Opening Balance 01/01/2009	**47.689**	**2**	**26.695**	**61.590**	**126.565**	**262.541**	**75.264**	**337.805**
Effect on retained earnings from previous years adjustment					-1.923	**-1.923**	77	**-1.846**
Subsidiary Share Capital Increase						**0**	655	**655**
Period's Results					42.026	**42.026**	19.833	**61.859**
Other comprehensive income/(expense) after tax			5	-461	-6.264	**-6.720**	-94	**-6.814**
Dividends					-17.495	**-17.495**	-39.036	**-56.531**
Change of consolidation method from full to equity method						**0**	-597	**-597**
Transfer between reserves			3.952	127	-4.079	**0**	0	**0**
Balances as at 30/06/09	**47.689**	**2**	**30.652**	**61.256**	**138.830**	**278.429**	**56.102**	**334.531**

STATEMENT OF CHANGES IN EQUITY INTRALOT COMPANY (Amounts reported in thousands of €)	Share Capital	Share Premium	Legal Reserve	Other Reserves	Retained Earnings	Total
Opening Balance 01/01/2010	**47.689**	**0**	**16.860**	**39.529**	**35.987**	**140.065**
Period's Results					20.169	**20.169**
Other comprehensive income/(expense) after tax				-862		**-862**
Exercise of stock option rights				**225**		**225**
Dividends					-23.844	**-23.844**
Transfer between reserves			201		-201	**0**
Balances as at 30/06/10	**47.689**	**0**	**17.061**	**38.892**	**32.111**	**135.753**

STATEMENT OF CHANGES IN EQUITY INTRALOT COMPANY (Amounts reported in thousands of €)	Share Capital	Share Premium	Legal Reserve	Other Reserves	Retained Earnings	Total
Opening Balance 01/01/2009	**47.689**	**0**	**16.229**	**39.606**	**52.252**	**155.776**
Period's Results					10.562	**10.562**
Other comprehensive income/(expense) after tax				-565		**-565**
Dividends					-17.495	**-17.495**
Transfer between reserves			1.232	0	-1.232	**0**
Balances as at 30/06/09	**47.689**	**0**	**17.461**	**39.041**	**44.087**	**148.278**

4.4 CASH FLOW STATEMENT

STATEMENT OF CASH FLOWS	GROUP		COMPANY	
	30/06/10	30/06/09	30/06/10	30/06/09
Cash flows from operating activities				
Net Profit before Taxation (continuing operations)	50.884	74.645	29.253	13.183
Plus/Less adjustments for:				
Depreciation and Amortization	37.862	24.237	7.389	6.169
Impairment	0	0	0	0
Provisions	-2.629	-4.607	-799	-.5.699
Exchange rate differences	7.719	-31	0	0
Results from Investing Activities	-21.959	-2.479	-27.107	-15.509
Debit Interest and similar expenses	17.373	14.413	8.925	8.052
Credit Interest	-15.480	-17.455	-2.320	-2.265
Plus/Less adjustments of working capital to net cash or related to operating activities:				
Decrease/(increase) of Inventories	4.990	-39.118	4.456	-32.193
Decrease/(increase) of Receivable Accounts	7.968	-30.305	-14.340	49.157
(Decrease)/increase of Payable Accounts (except Banks)	-18.457	25.359	-1.477	13.680
Less:				
Interest Paid and similar expenses paid	11.464	9.546	5.702	4.996
Income Tax Paid	11.047	9.320	4.194	66
Net Cash from Operating Activities (a)	**45.760**	**25.793**	**-5.916**	**29.513**
Investing Activities				
(Purchases) / Sales of subsidiaries, associates, joint ventures and other investments	14.000	-8.863	-175	-5.092
Purchases of tangible and intangible assets	-48.993	-95.099	-2.816	-27.962
Proceeds from sales of tangible and intangible assets	1.465	216	0	0
Interest received	7.857	10.696	2.320	2.265
Dividends received	0	0	9.556	14.944
Net Cash from Investing Activities (b)	**-25.671**	**-93.051**	**8.885**	**-15.845**
Financing Activities				
Cash inflows from Share Capital Increase	46	0	0	0
Cash outflows from Share Capital Decrease	0	0	0	0
Cash inflows from loans	15.772	59.812	0	0
Repayment of loans	-8.607	-15.179	0	0
Repayment of Leasing Obligations	-2.842	-2.575	0	0
Dividends paid	-48.488	-53.305	-23.838	-17.480
Net Cash from Financing Activities (c)	**-44.119**	**-11.247**	**-23.838**	**-17.480**
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	**-24.030**	**-78.504**	**-20.869**	**-3.812**
Cash and cash equivalents at the beginning of the period	**219.111**	**305.447**	**40.580**	**22.004**
Cash and cash equivalents at the end of the period	**195.081**	**226.944**	**19.711**	**18.192**

4.5 GENERAL INFORMATION – APPROVAL OF THE FINANCIAL STATEMENTS

General information

INTRALOT S.A. – 'Integrated Lottery Systems and Gaming Services', with the distinct title «INTRALOT» is a business entity that was established based on the Laws of Hellenic Republic and whose shares are traded in the Athens Stock Exchange. Reference to «INTRALOT» or the «Company» includes INTRALOT S.A. whereas reference to the «Group» includes INTRALOT S.A. and its fully consolidated subsidiaries, unless otherwise stated. The Company was established in 1992 and has its registered office in Maroussi of Attica.

INTRALOT is one of the leading suppliers of integrated gaming and transaction processing systems, while its footprint straddles five continents, with presence in 50 countries, more than 5.000 people and revenues of € 904 millions in 2009. Committed to meeting customer requirements and performance expectations and with a demonstrated ability to adapt to new markets and overcome technological and cultural constraints, INTRALOT has acquired an excellent reputation in the global gaming sector.

Approval of the Financial Statements

The Board of Directors of INTRALOT SA approved the accompanying interim IFRS financial statements for the company and the Group for the period ended 30 June 2010, on August 27th 2010.

4.6 Significant Accounting Policies

4.6.1 Basis of preparation of the Financial Statements

The accompanying financial statements have been prepared on the historical cost basis, except for the available-for sale financial assets that are measured at fair value, or at cost in case the difference is not a significant amount, and under the assumption that the Company and the Group would continue as a going concern. The accompanying financial statements are presented in Euros and all values are rounded to the nearest thousand (€000) except when otherwise indicated.

4.6.2 Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (I.F.R.S.), including the International Accounting Standards (IAS) and issued Interpretations by International Financial Reporting Interpretations Committee (IFRIC), that have been adopted by the European Union as of June 30, 2010.

4.6.3 Changes in accounting policies

For the preparation of the interim consolidated financial statements of period ended June 30, 2010, the same accounting policies and methods of measurement have been followed as compared with the most recent annual consolidated financial statements (December 31, 2009), except for the below mentioned adoption of new standards and interpretations applicable for fiscal periods beginning at January 1, 2010.

NEW STANDARDS AND AMENDMENTS OF PUBLISHED STANDARDS

Standards and Interpretations compulsory for the fiscal year 2010

New standards, amendments of published standards and interpretations that are mandatory for accounting periods beginning on 1st January 2010. The Group's assessment of the impact of these new and amended standards and interpretations is set out below.

IFRS 3 (Revised) "Business Combinations" and

IAS 27 (Amended) "Consolidated and Separate Financial Statements"

(COMMISSION REGULATION (EC) No. 495/2009 of 3 June 2009 &
COMMISSION REGULATION (EC) No. 494/2009 of 3 June 2009, L 149-12.06.2009)

It applies to the annual accounting periods starting on or after 1 July 2009.

The revised IFRS 3 introduces a series of changes in the accounting method of business combinations which will affect the amount of recognized goodwill, the results of the reported period during which the companies are acquired and the future results. These changes include the recognition of expenses related to the acquisition and recognition of subsequent adjustments in the fair value of the contingent consideration in statement of comprehensive income. The amended IAS 27 requires that transactions leading to changes in the shares of participation in a subsidiary be recognized in Equity. Also, the amended Standard changes the accounting method for losses incurred by the subsidiary as well as the loss of control over a subsidiary. All the changes made by the above standards are applicable after their implementation date and will affect any future acquisitions and transactions with non-controlling interests. The Group implements these changes from their effective date onwards for new business acquisitions.

IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement"

(COMMISSION REGULATION (EC) No. 839/2009 of 15 September 2009, L 244-16.09.2009)

It applies to the annual accounting periods starting on or after 1 July 2009.

This amendment clarifies the way in which the principles determining the extent to which a hedged risk or portion of the cash flows falls within the scope of hedge accounting should be implemented in specific cases. The above amendment does not affect the Group's financial statements.

IFRS 1 (Amendment) "First-time adoption of International Financial Reporting Standards"

(COMMISSION REGULATION (EC) No. 550/2010 of 23 March 2010, L157 – 24.03.2010)

It applies to the annual accounting periods starting on or after 1 January 2010.

This amendment provides additional clarifications for first-time adopters of IFRS in respect of the use of deemed cost for oil and gas assets, the determination of whether an arrangement contains a lease and the decommissioning liabilities included in the cost of intangible assets. This amendment has no impact to the Group's financial statements since it has already adopted IFRS.

IFRS 2 (Amendment) "Share-based payment"

(COMMISSION REGULATION (EC) No. 244/2010 of 23 March 2010, L77-24.03.2010)

This applies to annual accounting periods starting on or after 1 January 2010.

The amendment aims to clarify the scope of IFRS 2 and the accounting practices for cash-settled share-based payments in the consolidated or separate financial statements of the financial entity receiving goods or services, when the financial entity is under no obligation to make the share based payments. This amendment is not expected to affect the Group's financial statements.

IFRIC 17 – "Distribution of non-cash assets to owners"

(COMMISSION REGULATION (EC) No. 1142/2009 of 26 November 2009, L 312-27.11.2009)

It applies to the annual accounting periods starting on or after 1 July 2009.

The Interpretation provides guidance on the accounting treatment of the following nonreciprocal distributions of assets from the financial entity to the owners acting in their capacity as shareholders: (a) distribution of non-cash assets; and (b) distributions where owners are given a choice of taking either non-cash assets or cash. The interpretation is not expected to affect the Group's financial statements.

Standards and Interpretations compulsory after 31 December 2010

The following new standards, amendments and IFRICs have been published but are not in effect for the annual fiscal period beginning from 1st January 2011 and have not been adopted from the Group earlier.

IAS 24 (Revised 2009) "Related Party Disclosures"

(COMMISSION REGULATION (EC) No.632/2010 of 19 July 2010, L186 – 20.07.2010)

This applies to annual accounting periods starting on or after 1 January 2011.

This amendment aims to reduce the disclosures of transactions between government-related entities and to clarify the meaning of the term "related party". More specifically, the obligation of government-related entities to disclose the details of all the transactions with the public sector and with other government-related entities is annulled, the definition of a related party is clarified and simplified and the amendment requires the disclosure not only of the relationship, transaction and balances between the related parties, but also their commitments, both in their separate and in their consolidated financial statements. The Group will implement these changes from their effective date onwards.

IAS 32 (Amendment) "Financial Instruments: Presentation"

(COMMISSION REGULATION (EC) No. 1293/2009 of 23 December 2009, L 347-24.12.2009)

It applies to the annual accounting periods starting on or after 1 February 2010.

This amendment relates to rights issues offered for a fixed amount of foreign currency, which rights were dealt with as derivatives in the existing standard. Based on this amendment, if such rights are issued pro rata to an entity's shareholders who hold the same class of shares, for a fixed amount of foreign currency, they should be classified as equity regardless of the currency in which the exercise price is denominated. The Group does not expect this amendment to affect its financial statements, given that it has not made any such transactions.

IFRS 1 (Amendment) "First-time adoption of International Financial Reporting Standards"

(COMMISSION REGULATION (EC) No. 574/2010 of 30 June 2010, L166 – 01.07.2010)

It applies to the annual accounting periods starting on or after 1 July 2010.

This amendment provides limited exemption for first-time adopters of IFRS to present comparative IFRS 7 fair value disclosures. This amendment has no impact to the Group's financial statements since it has already adopted IFRS.

IFRS 9 "Financial Instruments"

This applies to annual accounting periods starting on or after 1 January 2013.

IFRS 9 is the first part of Phase 1 in the work carried out by the International Accounting Standards Board (IASB) for the replacement of IAS 39. The IASB intends to expand IFRS 9 in 2010 in order to add new requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment, and hedge accounting. According to IFRS 9, all financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, specific transaction costs. The subsequent measurement of financial assets is either at amortized cost or at fair value, depending on the financial entity's business model regarding the management of financial assets and the contractual cash flows of the financial asset. IFRS 9 prohibits reclassifications, except in the rare circumstances when the financial entity's business model changes, in which case the financial entity is required to reclassify the affected financial assets prospectively. According to IFRS 9 principles, all investments in equity instruments should be measured at fair value. However, the management has the option of reporting the realized and unrealized fair value through profit or loss of equity instruments which are not held for trading in the "other comprehensive income". Such designation is made at the time of initial recognition separately for each financial instrument and is irrevocable. There is no subsequent recycling of fair value gains and losses to profit or losses while dividends from such investments will continue to be recognized in profit or loss. IFRS 9 annuls the exemption of the measurement at cost of non-listed shares and derivatives in non-listed shares, but provides guidance as to when the cost can be a representative estimation of fair value. The Group is in the process of evaluating the effect of IFRS 9 on its financial statements. IFRS 9 has not been adopted yet by the European Union and cannot, therefore, be implemented earlier by the Group. Only when it has been adopted will the Group decide whether or not it will implement IFRS 9 before 1 January 2013.

IFRIC 14 (Amendment) "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"

(COMMISSION REGULATION (EC) No. 633/2010 of 19 July 2010, L186 – 20.07.2010)
It applies to the annual accounting periods starting on or after 1 January 2011.
The amendments apply to specific cases: when the financial entity is subject to a minimum funding requirement and makes a prepayment of contributions to meet this requirement. These amendments allow such financial entity to recognize the benefit from such prepayment as an asset. The above amendment will not affect the Group's financial statements.

IFRIC 19 "Extinguishing Financial Liabilities with equity instruments"

(COMMISSION REGULATION (EC) No. 662/2010 of 23 July 2010, L193 – 24.07.2010)
It applies to the annual accounting periods starting on or after 1 July 2010.

Interpretation 19 refers to the accounting treatment by the financial entity issuing equity instruments to a creditor in order to settle, in full or in part, a financial liability. The above amendment will not affect the Group's financial statements.

Amendments that regard part of the annual improvement program of IASB (International Accounting Standards Board)

IASB in its annual improvement program published in May 2010, amendments to 7 existing Standards and Interpretations. The amendments if not defined otherwise, hold for the annual fiscal periods beginning on or after the 1st of July, 2010 and have not yet been adopted by the European Union. The above amendments will not have significant effect on the Group's financial statements and will not be applied earlier.

4.6.4 Financial Statements

INTRALOT keeps its accounting books and records and prepares its financial statements in accordance with the Greek Corporate Law 2190/1920, the Greek Unified Chart of Accounts and current tax regulations and issues its financial statements in accordance with the International Financial Reporting Standards (IFRS).

INTRALOT’s Greek subsidiaries keep their accounting books and records and prepare their financial statements in accordance with Greek Corporate Law 2190/1920 and the International Financial Reporting Standards (IFRS), the Greek Unified Chart of Accounts and current tax regulations. INTRALOT’s foreign subsidiaries keep their accounting books and records and prepare their financial statements in accordance with the applicable laws and regulations in their respective countries. For the purposes of the consolidated financial statements, Group entities’ financial statements are adjusted in relation to the requirements of the International Financial Reporting Standards (IFRS).

4.6.5 Basis of Consolidation

The consolidated financial statements comprise the financial statements of INTRALOT S.A. and its subsidiaries as at the end of each reporting period. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. The accompanying financial statements have been prepared according to the International Financial Reporting Standards (IFRS) as they have been adopted by European Union and the provisions of IAS 34 “Interim Financial

Reporting". These interim financial statements should be read in conjunction with the Group's annual financial statements as at 31 December 2009.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date which control is transferred out of the Group. Adjustments are made to bring in line any dissimilar accounting policies that may have existed. All intercompany balances and transactions, including unrealized profits arising from intra-group transactions, have been eliminated in full. Unrealized losses are eliminated unless costs cannot be recovered.

Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners).

Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

If the Group loses control over a subsidiary, then it:

- derecognizes its assets (including goodwill) and its liabilities,
- derecognizes the carrying amount of any non-controlling interests in the former subsidiary (including any components of other comprehensive income attributable to them),
- derecognizes the cumulative consolidated translation differences that have been recorded in equity,
- recognizes the fair value of the consideration received from the transaction,
- recognizes any investment retained in the former subsidiary at its fair value at the date when control is lost,
- reclassifies to profit or loss, (or transfers directly to retained earnings if required in accordance with other IFRSs), the amounts that have been recorded in other comprehensive income,
- recognizes any resulting difference as a gain or loss in profit or loss.

Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting year during which the Group had control.

4.6.6 Business combination and goodwill

a) Subsidiaries

Subsidiaries are entities which are controlled by the Group. Control is the power to govern the financial and operating policies of an entity, so as to obtain benefits from its activities. Control is presumed to exist when the Group owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. Control also exists when the Group owns half or less of the voting power of an entity, but clauses of IAS 27.13 are met. The existence and effect of potential voting rights that are currently exercisable or convertible, are considered when assessing whether Group controls an entity.

Subsidiaries are consolidated using the acquisition method according to IFRS 3. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. The amount of non-controlling interest is measured at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed to statement of comprehensive income.

At the acquisition date, the Group classifies or designates the identifiable assets and liabilities acquired on the basis of the contractual terms, economic conditions, its operating or accounting policies and other pertinent conditions as they exist at the acquisition date**.**

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition-date fair value and recognizes the resulting gain or loss in profit or loss. In prior reporting periods, the Group may have recognized changes in the value of its equity interest in the acquiree in other comprehensive income (i.e. due to the fact that the investment has been classified as available for sale). In this case, the amount that was recognized in other comprehensive income shall be recognized on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

The Group recognizes any contingent consideration at the fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or a liability will be recognized in accordance with IAS 39 either in statement of comprehensive income or as a change in other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it finally settled within equity.

Goodwill in a business acquisition is initially measured at cost being the excess of the cost of acquisition over the net fair value of the identifiable assets acquired and liabilities assumed of the acquiree. If the cost of acquisition is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

Any goodwill arising on the acquisition of a foreign subsidiary and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate accordingly.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Based on IFRS 3 'Business combinations', Goodwill is not amortized. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Impairment is determined by assessing the recoverable amount of the cash-generating unit, to which the goodwill relates. Where recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized.

Where goodwill forms part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this case is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Any impairment losses that have been recognized for goodwill, are not reversed in future periods.

Investments in subsidiaries are stated in the individual statement of financial position of the Company at their cost less any impairment in value.

b) Investment in associates

Associates are entities over which the Group has significant influence and there are neither subsidiaries nor joint ventures. The Group's investments in associates are accounted for using the equity method.

Under this method, investments in associates are carried in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the associate. Goodwill relating to an associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

The statement of comprehensive income reflects the Group's share of the post acquisition associate's results after taxes and non-controlling interests of the associate's subsidiaries. Also, the Group's share of the changes in associates' equity is directly recognized to the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an associate uses accounting policies that differ from those of the Group for like transactions and events in similar circumstances, adequate adjustments are made to the associate's financial statements so as to apply the equity method.

The financial statements of associates are prepared for the same reporting period as that of the parent company.

If the Group's share of losses of an associate equals or exceeds its interest in the associate, the Group discontinues to recognize its share of further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

After application of the equity method, the Group applies the requirements of the relative IFRSs to determine whether it is necessary to recognize any additional impairment loss with respect to its net investment in the associate. The Group determines impairment test at the end of each reporting period comparing the recoverable amount of the investment in associate to its carrying value and recognizes the difference in the statement of comprehensive income of the period.

The Group discontinues the use of the equity method from the date when it ceases to have significant influence over an associate and accounts for the investment in accordance with IAS 39 measuring the investment at fair value. Any difference between the carrying amount and the fair value of the investment in associate is recognized in statement of comprehensive income of the period.

Investments in associates are stated in the individual statement of financial position of the Company at their cost less any impairment in value.

c) Interest in joint ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. The Group consolidates joint ventures applying the proportionate consolidation method, whereby the Group's share of each of the assets, liabilities, income and expenses of a jointly controlled entity is combined "line by line" with similar items in the Group's consolidated financial statements.

If a joint venture uses accounting policies other than those of the Group for like transactions and events in similar circumstances, adequate adjustments are made to the joint venture's financial statements so as to apply the proportionate method.

The financial statements of joint ventures are prepared for the same reporting period as that of the parent company.

Any intercompany balances and transactions, including unrealized gains, resulting from transactions between the Group and joint ventures, are fully eliminated.

At the date of loss of joint control to a venture and provided the former joint venture does not become a subsidiary or associate, the Group ceases applying the proportionate consolidation method and measures the remaining investment at its fair value. Any difference between the carrying amount of the former joint venture and the fair value of the investment is recognized in statement of comprehensive income. If the joint venture becomes an associate or subsidiary it would be accounted for according to IAS 28 & IAS 27 respectively.

Investments in joint ventures are stated in the individual statement of financial position of the Company at their cost less any impairment in value.

4.6.7 Foreign Currency Translation

The functional and presentation currency of INTRALOT S.A. and its subsidiaries which are located in Greece is the euro (€).

a) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date.

All resulting differences are taken to the consolidated statement of comprehensive income with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to other comprehensive income until the disposal of the net investment, at which time they are recognized in the consolidated statement of comprehensive income. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transaction. Non-monetary items measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was determined.

b) Group companies

The functional currency of the overseas subsidiaries is the currency of the country in which each subsidiary is located and operates. As at the balance sheet date, the assets and liabilities of these overseas subsidiaries are translated into the presentation currency of INTRALOT S.A. at the rate of exchange ruling at the balance sheet date and, their statements of comprehensive income are translated at the weighted average exchange rates for the year. The resulting exchange differences arising on the retranslation are taken directly to a separate component of other comprehensive income. On disposal of a foreign entity, the deferred cumulative amount recognized in Other Comprehensive Income relating to that particular foreign operation shall be transferred to the statement of comprehensive income.

4.6.8 Tangible assets

Tangible assets are valued at cost less accumulated depreciation and any impairment in value. Such cost includes the cost of replacing the tangible assets and borrowing costs for long-term construction assets if the recognition criteria are met.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

• Owned Buildings	20 to 30 years
• Installations on third party property	Over the duration of the lease but not less than 5% per annum

• Equipment	5 to 15 years
• Computer Hardware	20% to 30% per annum
• Motor vehicles	7 years or 15% per annum
• Trucks etc.	5 years or 20% per annum

A tangible asset is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the year the item is de-recognized.

The assets' residual values and useful lives are reviewed at each financial year end, and adjusted prospectively, if appropriate.

As regards hardware and software leased under operating lease, these assets, in the group statement of financial position are disclosed in acquisition cost values and are depreciated using the straight line method and according to the lower period between the useful life and the contract life. In case of the respective contracts renewal, the assets' remaining net book value is depreciated according to the renewed contract life.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of plant and equipment is the greater of fair value minus selling expenses and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an after-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the statement of comprehensive income.

4.6.9 Borrowing costs

Since January 1st 2009, borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

4.6.10 Intangible assets

Intangible assets acquired individually, are capitalized at cost while those acquired through a business combination are capitalised at fair value at the acquisition date. After initial recognition, intangibles are valued at cost less accumulated amortization. Useful lives of these intangibles are assessed to be either finite or indefinite. Intangibles with finite useful lives are amortized as follows:

• Software platforms • Central operating software • Central Network software • Licenses • Rights	Over the duration of the longest contract
• Other software	3 to 5 years

Amortization of finite life intangibles are recognized as an expense in the statement of comprehensive income apportioned to the related cost centers. Intangible assets with indefinite useful life are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

Intangibles, except development costs internally generated, are not capitalized and the costs are included in the statement of comprehensive income in the year they are incurred.

Intangible assets are tested for impairment annually, either individually or at the cash generating unit level. Useful lives are also assessed annually and any revisions do not have retrospective application.

Gains or losses arising from derecognition of an intangible asset (that are measured as the difference between the net disposal proceeds and the carrying amount of the asset) are recognized in the statement of comprehensive income when the asset is derecognized.

Research and Development Costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is capitalized if, and only if, the Group can demonstrate all of the following:

(a) the technical feasibility of completing the intangible asset so that it will be available for use or sale.

(b) its intention to complete the intangible asset and use or sell it.

(c) its ability to use or sell the intangible asset.

(d) how the intangible asset will generate probable future economic benefits.

(e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

(f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Following the initial recognition of the development expenditure the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the capitalized development expenditure begins when development is complete and the asset is available for use. Any expenditure capitalized is amortized over the period of expected future sales from the related project.

The carrying value of development costs is reviewed for impairment annually when the asset is not in use or more frequently when an indicator of impairment arises during the reporting year which indicates that the carrying value may not be recoverable.

4.6.11 Financial instruments

i) Financial assets

Financial assets within the scope of IAS 39 are classified according to their nature and characteristics in the below four categories:

- Financial assets at fair value through profit or loss,
- Loans and receivables,
- Financial assets held-to-maturity, and
- Available-for-sale financial assets.

All financial assets are recognized initially at cost, which is the fair value of the consideration given, including transaction costs, in some cases.

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss:

Include trading portfolio investments acquired for the purpose of selling them in the near term. Also, include derivatives financial instruments that are not designated as hedging instruments. Gain or losses from the measurement of these assets are recognized in statement of comprehensive income as financial revenue or expenses respectively.

Loans and receivables:

Include non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method (EIR), less impairment. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on acquisition over the period to maturity. Gains or losses arising from derecognition and impairment are recognized in the statement of comprehensive income as finance costs or income, as well as the EIR income through the amortization process.

Financial assets held-to-maturity:

Include non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group has the positive intention and ability to hold them to maturity. Financial assets held for indefinite or non-predetermined period of time cannot be classified under this category. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method. Gains or losses arising from derecognition and impairment are recognized in the statement of comprehensive income as finance costs or income, as well as the EIR income through the amortization process.

Available-for-sale financial assets:

Financial assets that cannot be included under the abovementioned categories are classified as available-for-sale financial assets. After initial measurement the available-for-sale financial assets, are subsequently measured at fair value with unrealized gains or losses recognized as other comprehensive income in the available-for-sale reserve. When the investment is sold, derecognized or impaired the cumulative gains or losses are transferred from the relative reserve to the statement of comprehensive income of the period.

Derecognition of financial assets

The Group ceases to recognize a financial asset when and only when:

- the contractual rights to the cash flows from the financial asset expire or
- the Group has transferred its right to receive cash flows from an asset, or retains this right to receive cash flows from an asset but has assumed a contractual obligation to pay the cash flows to one or more third parties, or has transferred substantially all risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred the control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has assumed a contractual obligation to pay the cash flows to one or more third parties, but in parallel has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset.

When the Group's continuing involvement takes the form of a guarantee over the transferred asset, the extent of continuing involvement is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay ('the guarantee amount'). When the entity's continuing involvement takes the form of a written or purchased option (or both) on the transferred asset (including cash-settled options), the extent of the entity's continuing involvement is the amount of the transferred asset that the Group may repurchase. However, in case of a written put option on an asset that is measured at fair value, the extent of the continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments such as forward currency contracts, interest rate swaps, currency swaps and other derivatives in order to hedge risks related to interest rates and foreign currency fluctuations.

Such derivative financial instruments are measured at fair value at each reporting date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The fair value of these derivatives is measured by reference of the market value and is verified by the financial institutions.

Gains or losses from the change in derivatives fair value are recognized directly in statement of comprehensive income, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income.

For the purpose of hedge accounting, derivative financial instruments are classified as:

- **fair value hedge**: hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
- **cash flow hedge**: hedging the exposure to variability in cash flows that is either attributable to particular risk associated with a recognized asset or liability (such as all or some of future interest payments on variable rate debt) or a highly probable forecast transaction
- **hedge of a net investment in a foreign operation.**

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of the changes in the hedging instrument’s fair value in offsetting the exposure to changes in the hedged item’s fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting:

Fair value hedge:

Gains or losses from subsequent measurement of the hedging instrument at fair value are recognized in the statement of comprehensive income as finance income/expenses. Gains or losses from subsequent measurement of the hedged item at fair value are recognized as a part of the carrying value of the hedged item and is also recognized in the statement of comprehensive income as finance income/expenses.

Cash flow hedge:

The effective portion of the gain or loss on the hedging instrument is recognized directly as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the statement of comprehensive income as finance income/expenses.

Amounts recognized as other comprehensive income are transferred to the statement of comprehensive income in the same period or periods during which the asset or liability acquired assumed, affects profit or loss (such as in the periods when the hedged financial income or financial expense is recognized or when a forecast sale occurs).

If the hedged transaction is no longer expected to occur, the cumulative gain or loss previously recognized in other comprehensive income are transferred to the statement of comprehensive income. If the hedging instrument expires or is sold, terminates or is being exercised without replacement or rollover, any cumulative gain or loss previously recognize in other comprehensive income, remains in equity until the forecast transaction occurs, in which case is transferred to the statement of comprehensive income.

Hedge of a net investment in a foreign operation:

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized as other comprehensive income while any gains or losses relating to the ineffective portion are recognized in the statement of comprehensive income. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in other comprehensive income is transferred to the statement of comprehensive income.

Some derivatives while characterized as efficient hedging items, following group policy, they cannot qualify as hedging accounting according to IAS39 and thus profit and loss are accounted directly in the statement of comprehensive income.

ii) Financial liabilities

Financial liabilities include trade and other liabilities, bank overdrafts, loans and borrowings, financial guarantee contracts and derivative financial instruments.
Financial liabilities are initially recognized at fair value and in case of loans and borrowings, plus directly attributable transaction costs.
After the initial measurement, the financial liabilities are measured as follows:

Loans and borrowings:

All loans and borrowings are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses are recognized in the statement of comprehensive income when the liabilities are derecognized or impaired, as well as through the amortization process.

Financial liabilities at fair value through profit or loss:

Include financial liabilities held for trading, that are acquired or incurred principally for the purpose of selling or repurchasing it in the near term, are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking, or it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).
Such liabilities, including derivative instruments that are liabilities, are measured at fair value. (Except for a derivative liability that is linked to and must be settled by delivery of an unquoted equity instrument whose fair value cannot be reliably measured, which shall be measured at cost). Gains or losses from the measurement at fair value are recognized in the statement of comprehensive income.

Financial guarantee contracts:

Include contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Subsequently are measured at the higher of the amount determined in accordance with IAS 37 and the amount initially recognized less, when appropriate, cumulative amortization recognized in accordance with IAS 18.

Derecognition of financial liabilities

Financial liabilities are derecognized when the obligation is extinguished or not exists any more. In the case that an existing liability is replaced by another from the same borrower but under substantially different terms, or in case that there are substantial changes in terms of an existing liability, then the initial financial liability is derecognized and a new liability recognized, and the resulting difference between balances is recognized in the statement of comprehensive income.

Offsetting of Financial Instruments

The financial instruments are offset when the Group, according to law, has this legal right and there is an intention to settle them on a net basis (among them) or to realize the asset and settle the liability simultaneously.

Fair value of financial instruments

For investments that are actively traded in organized markets, fair values are determined in relation to the closing traded values at the reporting date. For investments where there is no quoted market price, fair value is determined by reference to the current market value of another item substantially similar, or is estimated based on the expected cash flows of the underlying net asset that consists the base of the investment or on acquisition cost.

4.6.12 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined using the FIFO method. Net realizable value is the estimated selling price in the ordinary course of business of the Group, less the estimated costs necessary to make the sale.

Provisions for impairment of the inventories value are recorded when it is needed and recognized in the statement of comprehensive income.

4.6.13 Trade and other short term receivables

Trade receivables are recognized and carried at original invoice amount less an allowance for any uncollectible amount.

The Group makes an estimate for doubtful debts when collection of the full amount is no longer probable. Bad debts are written off when all possible legal actions to receive them have been exhausted.

When the inflow of cash or cash equivalents is deferred, the fair value of the consideration may be less than the nominal amount of cash received or receivable. When the arrangement effectively constitutes a finance transaction, the fair value of the consideration is determined by discounting all future receipts using the prevailing interest rate for a similar instrument of an issuer with a similar credit rating. The difference between the fair value and the nominal amount of the consideration is recognized as interest revenue in the future periods, in accordance with IAS 39 'Financial Instruments: Recognition and Measurement'.

4.6.14 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position include cash at bank, short-term deposits and cash in hand along with other high liquidity investments that are subject to an insignificant risk of changes in value and have an original maturity of three months or less.

Bank overdrafts are included in the short-term bank loans in the statement of financial position.

For cash flow statement purposes, cash and cash equivalents include cash and cash equivalents as defined above, without the netting of outstanding bank overdrafts.

4.6.15 Long Term Liabilities

All long term liabilities are initially recognized at cost. Following initial recognition, liabilities that are denominated in foreign currency are valued at the closing exchange rate of each reporting date. Any interest expenses are recognized on an accruals basis.

4.6.16 Provisions and Contingent Liabilities

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain the expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. Provisions are re-examined at the reporting date and are reviewed so as to represent the present value of the expense that will be needed to settle the liability. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at an after-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a borrowing cost.

Contingent liabilities are not recognized in the financial statements but are disclosed, except if the probability of a potential outflow of funds is remote. Contingent assets are not recognized but are disclosed when the probability of a cash inflow is possible.

Provisions are recognized on each financial statements date (and interim) based on the best and reliable estimate for potential excess of cost (payments to winners) in games with predetermined odds as this is provided by the contracts between the company and the clients. The provision amount arising from this calculation is recognized and booked as an expense.

4.6.17 Leases

Group Entity as lessee:

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statement of comprehensive income. Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

Group Entity as Lessor:

In cases of hardware and software leasing through operating lease, these assets are included in the Group's tangible assets. The income that occurs is recognized on a straight line through the contract period.

When fixed assets are leased through financial leasing, the present value of the lease is recognized as a receivable. The difference between the gross amount of the receivable and its present value is registered as a deferred financial income. The income from the lease is recognized in the period's statement of comprehensive income during the lease using the net investment method, which represents a constant periodic return.

4.6.18 Share Capital – Treasury Shares

Share capital includes common and preference shares without voting right, which have been issued. Share premium reserve includes the excess of the shares par value received consideration. Any costs directly attributable to the issue of new shares are shown as a deduction in share premium reserve.

Treasury shares represent shares of the parent company held by the Group. Treasury shares are stated at cost and are deducted from Equity. Upon acquisition, disposal, issuance or cancellation of treasury shares no gain or loss is recognized in the statement of comprehensive income. The consideration given or received and the related gains or losses from the settlement are recognized directly in Equity.

4.6.19 Share based payments

IFRS 2 'Share-based Payment' requires an expense to be recognized when the Group buys goods or services in exchange for shares or rights over shares (stock options) - ('equity-settled transactions'), or in exchange for other assets equivalent in value to a given number of shares or rights over shares ('cash-settled transactions').

The Group provides stock options to executives and employees. The fair value of the executives and employees, who receive these stock options, is recognized according to IFRS 2 as expenditure in the statement of comprehensive income, with a respective increase of equity, during the period that these services are received and the options provided. The estimation of the total amount of the stock options expenditure during the vesting period is based on the provided stock options fair value at the grant date. The stock options fair is measured using the proper valuation model depending on the terms of each program, taking into account the proper data such as volatility, discounting factor and dividend yield. Detailed information about the relative stock option programs of the Company included in note 4.8.C.

Any outstanding stock options during the reporting period are taken into account for the calculation of the diluted earnings per share.

4.6.20 Staff Retirement Indemnities

Staff retirement indemnities are measured at the present value of the Company's defined benefit obligations at the balance sheet date, through the recognition of the employees' right to benefits based on years of service over their expected working life. The above liabilities are calculated using financial and actuarial assumptions and are determined based on an actuarial valuation method (Projected Unit Credit Method). The net expense for the period is included within staff costs in the accompanying statement of comprehensive income and consists of the present value of the benefits earned during the year, interest cost on the benefit liability, past service cost, actuarial gains or losses recognized and any other additional pension costs. The past service costs are recognized as an expense on a straight line basis over the average period until the benefits become vested. The unrecognized actuarial gains or losses are recognized over the remaining working life of active employees, and are included as part of the net annual pension cost of each year, if at the beginning of the period they exceed 10% of the future estimated liability for benefits. The Company's pension benefit schemes are not funded.

4.6.21 State Insurance Programs

The Company employees are covered by the main State Insurance Organization for the private sector (IKA) that provides pension and medical benefits.

Each employee is obliged to contribute a percentage of the monthly salary to IKA while part of the total contribution is covered by the Company. On retirement, IKA is responsible for the payment of pensions to employees. Consequently, the Company does not have any legal or constructive obligation for the payment of future benefits based on this scheme.

4.6.22 Revenue recognition

Revenues are recognized in the period they are realized and the related amounts can be reliably measured. Revenues are measured at their fair value of the consideration received excluding discounts, sales tax and duties. The following specific recognition criteria must also be met before revenue is recognized:

- ***Hardware and software:*** This category includes the supply of hardware, software and technical support services (gaming machines, central computer systems, gaming software, communication systems, installation services etc.) to Lotteries so that they can operate their on-line games. Revenue is recognized by the Company either as a direct sale of hardware and software or as operating lease for a predetermined time period according to the contract with the customer.

  In the first case the income from the sales of hardware and software (in a determined value) is recognized when the significant risks and rewards arising from the ownership are transferred to the buyer.

  In the second case it consists income from operating lease, it is defined as a percentage on the Lottery Organization's gross turnover received by the player-customer. Income recognition occurs the moment that the player-customer places the related consideration in order to participate in a game.

- ***Game management:*** The Group undertakes the provision of value added services, such as the design, organization and/or management of games, advertising and sales promotion, establishment of sales network, risk management (for fixed odds games) e.t.c. to Organizations internationally. Group revenues mainly consist of a percentage of the turnover of the games for which the above services are provided, the size of which is contractually determined based on the market size, the type of services rendered, the duration of the contract and other parameters. Revenue recognition occurs the moment that the player-customer pays the related consideration in order to participate in a game and equals to an amount calculated as a percentage on the total amount received by the lottery games Organization from the player-customer.

- ***Game operation*****:** In this category, the Group INTRALOT has the full game operating license in a country. In the case of operating the game the Company undertakes the overall organization of the games provided (installation of information systems, advertising and promotion, establishment of sales network, receipt of the payments from players, payment of winnings to players, e.t.c.). Revenue recognition in this category occurs the moment that the player-customer pays the related consideration in order to participate in a game and equals the total amount received from the player-customer.

- ***Interest income:*** Interest income is recognized in the statement of comprehensive income using the effective interest rate method.

- ***Dividends:*** Dividend income is recognized in the statement of comprehensive income when the Group's right to receive the payment is established.

- ***Rental income:*** Rental income arising from operating leases on investment properties is accounted for on a straight line basis.

4.6.23 Taxes

Income tax

Current and deferred income taxes are calculated based on the financial statements of each entity included in the consolidated financial statements, based on the Greek tax laws or other tax frameworks within which the foreign subsidiaries operate. Income tax is calculated based on the profit of each entity as adjusted on their tax returns, additional taxes arising from audits performed by the tax authorities and deferred taxes based on enacted or substantially enacted tax rates.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount.

Deferred income tax liabilities are recognized for all taxable temporary differences except:

- If the deferred income tax liability arises from goodwill impairment or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investment in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences and carry-forward unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, or the unused tax losses can be utilized except if:

- the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and,
- in respect of deductible temporary differences associated with investment in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that apply at the year when the asset is expected to be realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax is not measured by the Group as regards the undistributed profits of subsidiaries, branches, associates and joint ventures due to the elimination of intercompany profits, from relevant transactions, as they are considered insignificant.

Income tax relating to items recognized directly in Other Comprehensive Income is recognized in other comprehensive income and not in the statement of comprehensive income.

Sales tax

Revenues, expenses and assets are recognized net of the amount of sales tax except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

4.6.24 Earnings per share

The basic earnings per share (EPS) are calculated by dividing net profit by the weighted average number of ordinary shares outstanding during each year, excluding the average number of ordinary shares of the parent held by the Group as treasury shares.

The diluted earnings per share are calculated by dividing the net profits attributable to the owners of the parent company by the weighted average number of ordinary shares outstanding (adjusted for the effect of the average number of share option rights outstanding during the year).

4.7 REVENUE PER SEGMENT

Geographical Sales Breakdown

	Third parties			Inter-segment			Total		
(in million €)	**1H10**	**1H09**	**Diff %**	**1H10**	**1H09**	**Diff %**	**1H10**	**1H09**	**Diff %**
European Union	403,22	407,67	-1,09%	24,53	16,41	49,48%	427,75	424,09	0,86%
Rest of Europe*	2,50	5,26	-52,47%	0,07	0,00	-	2,57	5,26	-51,14%
America	104,09	33,98	206,33%	5,66	3,90	45,13%	109,74	37,88	189,70%
Other countries*	31,09	41,09	-24,34%	0,51	4,94	-89,68%	31,60	46,03	-31,35%
Eliminations	-	-		-30,77	-25,25	-	-30,77	-25,25	-
Total	**540,90**	**488,00**	**10,84%**	**0,00**	**0,00**		**540,90**	**488,01**	**10,84%**

	Geographical Profits Breakdown before taxes			Geographical Profits Breakdown after taxes		
(in million €)	**1H10**	**1H09**	**Diff %**	**1H10**	**1H09**	**Diff %**
European Union	79,00	112,22	-29,60%	69,01	92,69	-25,55%
Rest of Europe*	1,31	-0,88	-	1,26	-1,13	-
America	9,75	-4,00	-	5,83	-5,28	-
Other countries*	-0,52	16,82	-	-1,49	14,14	-
Eliminations	-38,66	-49,51	-	-38,66	-38,57	-
Total	**50,88**	**74,65**	**-31,84%**	**35,94**	**61,85**	**-41,89%**

* Segments outside reportable limits/disclosure criteria.

4.8 CONTINGENT LIABILITIES

A.LEGAL ISSUES PENDING

a. On 05.09.05 an action was served to the company, filed by the company "IPPOTOUR S.A.", against the company and the company "OPAP S.A.". The plaintiff "IPPOTOUR S.A." requested to be acknowledged that the contract signed between OPAP S.A. and the company should not grant to the latter the right to operate any kind of wagering game on Greek or foreign horse racing, that "OPAP S.A" should not have the right to operate any kind of wagering game on horse racing and that "OPAP S.A." and the company should be excluded from the operation and organization of betting games on horse racing. The hearing of the case had been set for 14 February 2008 when the hearing was postponed for 08 October 2009; at that date the hearing was cancelled due to the national elections. No summons for the schedule of a new hearing date has been served to the company until now. By virtue of the above mentioned action the plaintiff withdrew of the action filed against the Company on 10 January 2003 with the same content, which was set to be heard on 18 May 2005, on which date the said hearing was cancelled. The Company has not formed a provision.

b. On 4 January 2005 OPAP S.A. submitted a notice of proceedings to "Betting Company S.A." regarding a lawsuit that was filed against OPAP S.A. before the Multi Member First Instance Court of Athens, with which the plaintiff claims the payment of the amount of €3.668.378,60 plus accrued interests from OPAP S.A., pleading that OPAP S.A. should pay this amount to him as profit, in addition to the amount already paid to him. Since "Betting Company S.A." has a legitimate interest in OPAP S.A. winning the lawsuit, "Betting Company S.A.", the companies INTRALOT S.A., INTRALOT INTERNATIONAL LTD and the joint venture "INTRALOT S.A.-Intralot International Ltd" proceeded to an additional joint intervention in favor of OPAP S.A.; this was scheduled for hearing on 3 May 2005 but following a petition of the plaintiff the case was heard on 1 December 2005. By its decision No 2412/2006 the Multi Member First Instance Court of Athens ruled in favour of the lawsuit of the plaintiff and, following the restriction by the plaintiff of his petition to a lawsuit for acknowledgement of the debt, the Court acknowledged the obligation of OPAP S.A to pay to the plaintiff the amount of € 3.668.378,60. OPAP S.A and the aforementioned companies filed an appeal which had been rejected by the Athens Court of

Appeals with its decision no. 6377/2007. The defendants filed an appeal before the Supreme Court which was heard on 9 November 2009 and the issue of the decision is pending. For the above case a provision has been made.

c. INTRALOT filed before Multi Member First Instance Court of Athens its civil lawsuit dated 12 May.2005 against Mr. K. Thomaidis, claiming the payment of sum of €300.000 as pecuniary compensation for moral damage. The case was scheduled for hearing on 26 January 2006. On 18 January 2006 the company was served with an action filed by Mr. K. Thomaidis on 9 January 2006, before the Multi Member First Instance Court of Athens with which the plaintiff claims the payment of sum of €300.000 as pecuniary compensation for moral damage. The case is scheduled for hearing on 14 December 2006. The suit of INTRALOT against Mr. K. Thomaidis was postponed to be heard on 14 December 2006. The two lawsuits have been heard together and the decision no 7936/2007 was issued declaring the lawsuit dated 9 January 2006 of Mr. Thomaidis as cancelled and accepting partially Intralot's lawsuit dated 12 May 2005. Until now, no appeal against this decision has been served to the company.

d. Against (a) publishing company "I. Sideris – Andreas Sideris Sons O.E.", (b) the Foundation of Economic and Industrial Researches (IOBE), (c) Mr. Theodosios Palaskas, Director of Research of IOBE, (d) the Kokkalis Foundation, and (e)INTRALOT a lawsuit of Mr. Charalambos Kolymbalis resident of Neos Skopos Serron, was filed on 8/3/2007 before the Multi Member Athens First Instance Court; date of the hearing was set the 20 February 2008 when it was postponed for 4 March 2009 and then again for 24 February 2010; on that date the hearing of the case was cancelled due to strike of the judicial secretaries. No summons for the schedule of a new hearing date has been served to the company until now. With his lawsuit, the plaintiff requests to be recognized as the sole creator of the project entitled "The financial consequences of sports in Greece" and his intellectual property right on this, and that the amount of €300.000 to be paid to him as monetary compensation for moral damages. The Company believes that after the hearing of the case, the above lawsuit will not succeed and for this reason no provision has been formed.

e. In Turkey, GSGM filed on 23 January 2006 before the First Instance Court of Ankara a declaratory action against the 45% subsidiary company Inteltek requesting to be recognized that the calculation of the player's excess payout of the fixed odds betting games, as per their contract, is effected at the end of each separate semester (as opposed to on a cumulative basis for all semesters at the end of the contract). Next hearing following the appointment of experts had been set for November 16, 2006 when the hearing was postponed for January 30, 2007 when it has been heard. The decision issued by the First Instance Court of Ankara vindicated Inteltek. GSGM filed an appeal. On 18 October 2007, Inteltek was notified that the appeal was rejected and, consequently, the decision of the First Instance Court of Ankara is final. GSGM filed an appeal against this decision which was rejected and the case file was sent back to the First Instance Court and the decision was finalized.

Inteltek had made a provision of 3,3 million TRY (€ 1,63m) (plus 1,89 million TRY (€934.359) relating to interest) in its financial statements due to the probability of a negative outcome of the case which henceforth has been removed following the First Instance Court of Ankara decision. Moreover, Inteltek claimed the amount of TRY 2,34 million (€1,16m) (plus interest) which was paid in the 1st and 3rd reconciliation periods. Inteltek has initiated a lawsuit on 21 February 2008 to collect this amount and the date of the hearing was scheduled to be 22 April 2008; at that date the case was rescheduled to be heard on 24 June 2008 and on that date was rescheduled for 6 November 2008 and on that date for 3 December 2008 in order that further evidences to be collected. On 3 December 2008, the court decided to request an expert's report and on the hearing of 19 March 2009 the court vindicated Inteltek. GSGM filed an appeal against this decision and the appeal was accepted. Against this decision the provided legal means will be filed and the case will be heard again. The issue of the decision is pending. Inteltek has not made any provisions for income regarding this case in its financial statements relating to the period ending on 30 June 2010.

f. In Turkey, Intralot filed on 21 May 2009, before the Istanbul Court of First Instance a lawsuit against the company Teknoloji Holding A.Ş. ("Teknoloji") requesting from Teknoloji the amount of TRY 1.415.000 (€699.533) on the ground of unjust enrichment, since Intralot unjustly paid taxes which Teknoloji had to pay on dividends distributed by Inteltek. The hearing of the case begun on 14 September 2009 and following successive hearings, on 18 June 2010 a new hearing date was scheduled for 15 October 2010.

g. In Poland an ex-employee of the subsidiary Totolotek SA has requested the payment of the amount of 11.200.000 PLN (€2.799.912) for creation of a software that the company utilizes. The lawsuit has been rejected.

h. In Colombia, Intralot, on 22 July 2004, entered into an agreement with an entity called Empresa Territorial para la salud ("Etesa"), under which it was granted with the right to operate games of chance in Colombia. In accordance with terms of the abovementioned agreement, Intralot has submitted an application to initiate arbitration proceedings against Etesa requesting to be recognized that there has been a disruption to the economic balance of abovementioned agreement to the detriment of Intralot (and for reasons not attributable to Intralot) and that Etesa to be compelled to the modification of the financial terms of the agreement in the manner specified by Intralot as well as to pay damages to Intralot (including damages for loss of profit); or alternatively to terminate now the agreement with no liability to Intralot. The arbitration court adjudicated in favor of Etesa the amount of 23,6 billion Colombian pesos (approx. 10m Euro). Intralot will exercise all legal means available in relation to the errors of substance and formality of arbitration award and in this context it has already submitted an application for annulment of the arbitration award in front of the High Administrative Court. The Company has formed relative provisions in its financial statements.

i. In Romania, on 3 July 2009, the Tax Authority examined the transactions relating to imports of the indirectly subsidiary LOTROM SA, for the period from July 2004 to April 2006 and concluded that imports of IT equipment containing software were not included in the value of the declared goods in the customs and imposed to LOTROM SA the amount of 13.064.620 Romanian lei (€ 3.148.504) (for tax and penalties). LOTROM SA has initiated procedures for the annulment of the abovementioned amount before the competent authorities, while it has requested the suspension of the execution by the competent court which was rejected but such decision will be appealed. The case is pending. LOTROM SA believes that has strong arguments to expect that the final outcome will not be unfavourable and for this reason no provision has been formed.

j. Against the subsidiary Intralot Holdings International Ltd., a shareholder of LOTROM SA and against LOTROM SA, another shareholders of LOTROM SA, Mr. Petre Ion filed a lawsuit before the competent court of Bucharest requesting that Intralot Holdings International Ltd to be obliged to purchase his shares in LOTROM SA for €2.500.000 and that LOTROM SA to be obliged to register in the shareholders book such transfer. Date for the hearing has been scheduled the 19th January 2010 and following successive postponements and/or hearings, on 22 June 2010 a new hearing date was scheduled for 28 September 2010. LOTROM SA believes it has strong arguments which lead the final result of the case not to be unfavourable and for this reason no provision has been formed.

Until 26 August 2010, apart from the above, there are other pending legal issues which do not have a material effect on the financial position of the Group.

B.FISCAL YEARS UNAUDITED BY THE TAX AUTHORITIES

COMPANY	YEARS
INTRALOT S.A.	2008-2010
BETTING COMPANY S.A.	2007-2010
BETTING CYPRUS LTD	2004-2010
INTRALOT DE CHILE S.A.	2008-2010
INTRALOT DE PERU SAC	2006-2010
INTRALOT INC.	2001-2010
INTRALOT BETTING OPERATIONS LTD	2004-2010
ROYAL HIGHGATE LTD	2003-2010
POLLOT Sp.zo.o	2006-2010
MALTCO LOTTERIES LTD	2005-2010
INTRALOT HOLDINGS INTERNATIONAL LTD	2004-2010
LOTROM S.A.	2005-2010
YUGOLOT LTD	-
YUGOBET LTD	-
BILOT EOOD	2005-2010
EUROFOOTBALL LTD	2008-2010
EUROFOOTBALL PRINT LTD	2005-2010
INTRALOT INTERNATIONAL LTD	2005-2010
INTRALOT OPERATIONS LTD	2004-2010
INTRALOT BUSINESS DEVELOPMENT LTD	2004-2010
INTRALOT TECHNOLOGIES LTD	2005-2010
INTELTEK INTERNET AS	2010
LOTERIA MOLDOVEI S.A.	-
TOTOLOTEK S.A.	2004-2010
WHITE EAGLE INVESTMENTS LTD	2008-2010
BETA RIAL Sp.Zoo	2004-2010
UNICLIC LTD	2005-2010
DOWA LTD	-
INTRALOT NEW ZEALAND LTD	2005-2010
INTRALOT ST.LUCIA LTD	2009-2010
INTRALOT DOMINICANA S.A.	2009-2010
INTRALOT GUATEMALA S.A.	2009-2010
LOTTERIA Y APUESTOSA DE GUATEMALA S.A.	2009-2010
INTRALOT LATIN AMERICA INC	2009-2010
INTRALOT JAMAICA LTD	-
INTRALOT NEDERELAND BV	2009-2010
INTRALOT CARIBBEAN VENTURES LTD	2009-2010
INTRALOT SURINAME LTD	2009-2010
INTRALOT TURKEY AS	2010
DC09 LLC	2010
SUPREME VENTURES LIMITED	01/11/06-2010

COMPANY	YEARS
INTRALOT EGYPT LTD	2006-2010
E.C.E.S. SAE	2006-2010
INTRALOT OOO	2007-2010
POLDIN LTD	2004-2010
INTRALOT ASIA PACIFIC LTD	2007-2010
INTRALOT AUSTRALIA PTY LTD	2007-2010
INTRALOT SOUTH AFRICA LTD	2003-2010
INTRALOT LUXEMBOURG S.A.	2006-2010
INTRALOT ITALIA SRL	2007-2010
SERVICIOS TRANSDATA S.A.	2007-2010
INTRALOT IBERIA SAU	2007-2010
INTRALOT IBERIA HOLDINGS S.A.	2007-2010
TECNO ACCION S.A.	2007-2010
GAMING SOLUTIONS INTERNATIONAL SAC	2006-2010
GAMING SOLUTIONS INTERNATIONAL LTD	2007-2010
INTRALOT BEIJING Co LTD	-
NAFIROL S.A.	-
INTRALOT ARGENTINA S.A.	2007-2010
LEBANESE GAMES S.A.L	-
VENETA SERVIZI S.R.L.	2007-2010
INTRALOT SOUTH KOREA S.A.	2008-2010
INTRALOT FINANCE UK PLC	2008-2010
SLOVENSKE LOTERIE AS	-
TORSYS s.r.o.	-
INTRALOT DO BRAZIL LTDA	2008-2010
OLTP LTDA	2008-2010
BILYONER INTERAKTIF HIZMELTER AS	2003-2010
LOTRICH INFORMATION Co. LTD	2009-2010
GIDANI LTD	2003-2010
INTRALOR INTERACTIVE S.A.	2009-2010
INTRALOT INTERACTIVE USA LLC	2009-2010
JACKSPOT S.p.A.	2009-2010
CYBERARTS LICENSING LLC	2005-2010
NIKANTRO HOLDINGS Co LTD	-
TACTUS s.r.o.	-
ΑΤΡΟΠΟΣ Α.Ε.	2007-2010
NETMAN SRL	2010
AZERINTELTEK AS	2010
INTRALOT MAROCCO LTD	2010
CYBERARTS INC	2005-2010

Furthermore there is a tax audit in progress for Pollot Sp.Zoo. for the period 01/01/06-30/06/09.

Intralot's net profit has decreased in the first semester of 2010 due to the provision of special social responsibility tax amounting to € 4,85 mio for the Company and 5,27 mio for the Group in total.

C. OTHER SELECTED EXPLANATORY NOTES

a) No significant effect due to seasonality and cyclicality of interim operations as these are expressed through the current interim financial statements.

b)

c) There are no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

ci) Changes in estimates of amounts reported in prior interim periods of the current financial year, if those changes have a material effect in the current interim period:

No such.

cii) Changes in estimates of amounts reported in prior financial years, if those changes have a material effect in the current interim period:

No such.

d) Issuances, repurchases and repayments of debt and equity securities:

I. *Stock Option:*

The 14.12.2009 Shareholders' General Assembly approved the stock option plan of Intralot (Program III) to be granted to the Board of Directors members, to General Directors, to Directors and Managers of the Company and of its affiliated companies, as defined in paragraph 5 of article 42e of Codified Law 2190/1920, as well as to persons providing services in a regular basis to the Company and/or to the abovementioned affiliates.

The Board of Directors approved on 28.1.2010 the terms of the Program, according to which 235 persons will have the option to excersise –during the Program III duration of four (4) years and more specifically until the end of 2013- the stock options with exercise price of four (4) Euros. In case all options to be granted are exercised, will not exceed 6.212.000 common shares.

Details regarding the Program III approved by the Board of Directors on 28.1.2010:

Option Program	Number Of Options granted	Grant date	Expiry date	Volatility	Risk-Free Rate	Dividend Yield	Fair value per Option (€)
Progr. III - 1	2.070.667	31/3/2010	31/12/2013	44%	6,65%	3,00%	-
Progr. III - 2	2.070.667	1/1/2011	31/12/2013	44%	6,65%	3,00%	0,094
Progr. III - 3	2.070.667	1/1/2012	31/12/2013	44%	6,65%	3,00%	0,352
	6.212.000						

No options were exercised during the first semester of 2010.
The total Option Fair value, estimated with a Binomial Model, is € 923 k, of which € 225 k are included in the semester's result.

II. *New Companies of the Group:*

Increase in the participation in Supreme Ventures Limited from 10,27% to 24,97% (indirect).Participation in Intralot De Mexico with 99,8% (indirect), in Azerinteltek AS with 22,95% (indirect), in Intralot Caribbean Ventures LTD with 50,05% (indirect), in Intralot Suriname LTD with 100% (indirect), in Netman SRL with 100% (indirect), in Intralot Turkey AS with 99,99% (direct and indirect), in Intralot Maroc LTD (direct) with 99,83% (indirect) and in DC09 LLC with 49% (indirect).

III. *Subsidiaries' Share Capital Increase:*

Increase in Intralot Beijing Share Capital by € 146.814,77.

IV. *Discontinued Operations in the Group:*

Yugobet LTD

Yugobet, a subsidiary of the Group is not consolidated since 17/02/2010, as the requirements of IAS 27 do not stand from that date onwards, after the completion of the liquidation procedure and the write-off of the company from the local company registers. Since this change the Group has accounted for a profit of €182 thousand in the statement of comprehensive income of the period.

e. Dividends paid (aggregate or per share):
Ordinary shares dividend paid of € 48.488 thous (€ 53.305 thous. 30/06/09)

f. The effect of changes in the composition of the enterprise during the interim period, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinuing operations:

Such changes have not a significant effect on the consolidated total assets, on the consolidated revenues and on the consolidated earnings after tax.

g. Acquisitions and disposals of tangibles and intangible assets:
Net addition for the Group, due to acquisitions and disposals of tangibles and intangible assets as at June 30, 2010 amounts to € 56.976 thousands, while the respective proceeds were approximately € 282 thousands.

4.9 SUPPLEMENTARY INFORMATION

A. BUSINESS COMBINATION (TABLE OF COMPANIES CONSOLIDATED)

The companies included in the consolidation, with the relevant addresses and the relevant participation percentages are the following:

I. Full Consolidation:

	Company	Country	Direct Part'n %	Indirect Part'n %	Total Part'n %
	Intralot SA	Maroussi, Attica	Parent	Parent	-
5.	BETTING COMPANY SA	N. Iraklion, Attica	95%	5%	100%
10.	BETTING CYPRUS LTD	Nicosia, Cyprus		100%	100%
	INTRALOT DE CHILE SA	Santiago, Chile	99,99%		99,99%
	INTRALOT DE PERU SAC	Lima, Peru	99,98%		99,98%
	INTRALOT INC.	Atlanta, USA	85%		85%
	INTRALOT BETTING OPERATIONS (CYPRUS) LTD	Nicosia, Cyprus	54,95%		54,95%
1.	ROYAL HIGHGATE LTD	Paralimni, Cyprus	3,82%	29,39%	33,21%
	POLLOT Sp.zo.o	Warsaw, Poland	100%		100%
	MALTCO LOTTERIES LTD	Valetta, Malta	73%		73%
	INTRALOT HOLDINGS INTERNATIONAL LTD	Nicosia, Cyprus	100%		100%
2.	LOTROM SA	Bucharest, Romania		60%	60,00%
2.	YUGOLOT LTD	Belgrade, Serbia& Montenegro		100%	100%
2.	YUGOBET LTD	Belgrade, Serbia& Montenegro		100%	100%
2.	BILOT EOOD	Sofia, Bulgaria		100%	100%
3.	EUROFOOTBALL LTD	Sofia, Bulgaria		49%	49%
4.	EUROFOOTBALL PRINT LTD	Sofia, Bulgaria		49%	49%
2.	INTRALOT INTERNATIONAL LTD	Nicosia, Cyprus		100%	100%
5.	INTRALOT OPERATIONS LTD	Nicosia, Cyprus		100%	100%
2.	INTRALOT BUSINESS DEVELOPMENT LTD	Nicosia, Cyprus		100%	100%
2.	INTRALOT TECHNOLOGIES LTD	Nicosia, Cyprus		100%	100%
14.	INTELTEK INTERNET AS	Istanbul, Turkey	20%	25%	45%
21.	LOTERIA MOLDOVEI SA	Chisinau, Moldova	47,90%	32,85%	80,75%
6,7,8	TOTOLOTEK SA	Warsaw, Poland		92,45%	92,45%
2.	WHITE EAGLE INVESTMENTS LTD	Hertfordshire, United Kingdom		100%	100%
2.	BETA RIAL Sp.Zoo	Warsaw, Poland		100%	100%
2.	UNICLIC LTD	Nicosia, Cyprus		50%	50%
9.	DOWA LTD	Nicosia, Cyprus		30%	30%
	INTRALOT NEW ZEALAND LTD	Wellington, New Zealand	100%		100%
2.	INTRALOT EGYPT LTD	Nicosia, Cyprus		88,24%	88,24%
11,13,2	E.C.E.S SAE	Cairo, Egypt		90,03%	90,03%
2.	INTRALOT OOO	Moscow, Russia		100%	100%

	Company	Country	Direct Part'n %	Indirect Part'n %	Total Part'n %
	POLDIN LTD	Warsaw, Poland	100%		100%
	INTRALOT ASIA PACIFIC LTD	Hong Kong, China	100%		100%
	INTRALOT AUSTRALIA PTY LTD	Melbourne, Australia	100%		100%
	INTRALOT LUXEMBOURG SA	Luxemburg, Luxemburg	100%		100%
2.	INTRALOT ITALIA SRL	Rome, Italia		90%	90%
13.	SERVICIOS TRANSDATA SA	Lima, Peru		100%	100%
	INTRALOT IBERIA SAU	Madrid, Spain	100%		100%
	INTRALOT IBERIA HOLDINGS SA	Madrid, Spain	100%		100%
	TECNO ACCION S.A.	Buenos Aires, Argentina	50,01%		50,01%
2.	GAMING SOLUTIONS INTERNATIONAL SAC	Lima, Peru		100%	100%
2.	GAMING SOLUTIONS INTERNATIONAL LTD	Bogota, Colombia	99%	1%	100%
	INTRALOT BEIJING Co LTD	Beijing , China	100%		100%
2.	NAFIROL S.A.	Montevideo, Uruguay		100%	100%
15.	INTRALOT ARGENTINA S.A	Buenos Aires, Argentina	89,79%	10,21%	100%
2.	LEBANESE GAMES S.A.L	Lebanon		99,99%	99,99%
16.	VENETA SERVIZI S.R.L.	Mogliano Veneto, Italia		90%	90%
	INTRALOT SOUTH KOREA	Seoul, S. Korea	100%		100%
	INTRALOT FINANCE UK PLC	London, United Kingdom	100%		100%
	ATROPOS S.A.	Maroussi, Athens	100%		100%
2.	SLOVENSKE LOTERIE AS	Bratislava, Slovakia		51%	51%
17.	TORSYS SRO	Bratislava, Slovakia		51%	51%
17.	TACTUS SRO	Bratislava, Slovakia		51%	51%
	INTRALOT DO BRAZIL LTDA	Sao Paolo, Brazil	99,97%		99,97%
18.	OLTP LTDA	Rio De Janeiro, Brazil		93%	93%
2.	INTERACTIVE S.A.	Maroussi, Athens	51%	24%	75%
14.	INTRALOT JAMAICA	Kingston, Jamaica		100%	100%
19.	INTRALOT GUATEMALA S.A.	Guatemala City, Guatemala		100%	100%
20.	LOTERIAS Y APUESTAS DE GUATEMALA S.A.	Guatemala City, Guatemala		51%	51%
2.	INTRALOT ST. LUCIA LTD	Castries, St. Lucia		100%	100%
19.	INTRALOT DOMINICANA	St. Dominicus		100%	100%
19.	INTRALOT LATIN AMERICA INC	Miami, USA		100%	100%
	INTRALOT NEDERLAND B.V.	Amsterdam, Nederland	100%		100%
2.	NIKANTRO HOLDINGS Co	Nicosia, Cyprus		100%	100%
22.	INTRALOT INTERACTIVE USA LLC	Atlanta, USA		100%	100%
2.	JACKPOT S.p.A	Rome, Italy		51%	51%
19.	INTRALOT CARIBBEAN VENTURES LTD	Castries, St. Lucia		50,05%	50,05%
25.	SUPREME VENTURES LTD*	Kingston, Jamaica		24,97%	24,97%

	Company	Country	Direct Part'n %	Indirect Part'n %	Total Part'n %
26.	AZERINTELTEK AS	Baku, Azerbaijan		22,95%	22,95%
19.	INTRALOT SURINAME LTD	Paramaribo, Suriname		100%	100%
2,13	NETMAN SRL	Bucharest, Romania		100%	100%
	INTRALOT MAROC	Casablanca, Morocco	99,83%		99,83%
14.	INTRALOT TURKEY A.S	Istanbul, Turkey	50%	49,99%	99,99%
22.	DC09 LLC	Wilmington, USA		49%	49%
15.	INTRALOT DE MEXICO LTD	Mexico City, Mexico		99,8%	99,8%
	II. Equity method				
	BILYONER INTERAKTIF HIZMELTER AS (former LIBERO INTERAKTIF AS)	Istanbul, Turkey	25%		25%
	LOTRICH INFORMATION Co. LTD	Taipei, Taiwan	40%		40%
23.	CYBERARTS LICENSING LLC	Berkley, USA		35%	35%
24.	CYBERARTS INC	Berkley, USA		35%	35%
	INTRALOT SOUTH AFRICA LTD	Johannesburg, South Africa	45%		45%
12.	GIDANI LTD	Johannesburg, South Africa		10,12%	10,12%
25.	SUPREME VENTURES LTD*	Kingston, Jamaica		24,97%	24,97%

*Regarding the method of consolidation of Supreme Ventures Limited, refer to note 4.9 A III.

Subsidiary of the company:

1: Intralot Betting Operations(Cyprus)Ltd
2: Intralot Holdings International Ltd
3: Bilot EOOD
4: Eurofootball Ltd
5: Intralot International Ltd
6: Pollot Sp.Zoo
7: White Eagle Investments Ltd
8: Beta Rial Sp.Zoo.
9: Uniclic Ltd
10: Betting Company SA
11: Intralot Egypt LTD
12: Intralot South Africa Ltd
13: Intralot Operations Ltd
14: Intralot Iberia Holdings S.A.
15: Intralot de Chile S.A.
16: Intralot Italia SRL
17: Slovenske Loterie AS
18: Intralot Do Brazil Ltda
19: Intralot St.Lucia Limited
20: Intralot Guatemala S.A.
21: Nikantro Holdings Co Limited
22: Intralot Inc
23: Intralot Interactive USA LLC
24: CyberArts Licensing LLC
25: Intralot Caribbean Ventures LTD
26:Inteltek Internet AS

II. Acquisitions

Acquisition incurred during 2010

Investment in Supreme Ventures Limited

The first quarter of 2010 the Group established Intralot Caribbean Ventures Limited and via this company increased its share in Supreme Ventures Limited to 49,9%. Supreme Ventures Limited was consolidated with equity method until 30/03/2010 while from 31/03/2010 with full consolidation method, as the requirements of IAS 27 hold.

The carrying and fair value of the company's assets, the date of the acquisition were:

	Fair value	Carrying value
Tangible & Intangible fixed assets	20.448	20.448
Deferred Tax assets	472	472
Other Long-Term receivable	2.572	2.572
Inventories	558	558
Short term receivables	3.720	3.720
Cash and cash equivalents	9.952	9.952
Total Assets	**37.722**	**37.722**
Non- current liabilities	692	692
Current liabilities	10.139	10.139
Value of Net Assets	**26.891**	**26.891**
Intralot Caribbean Ventures LTD 49,90% participation	**13.418**	
Consideration	**29.126**	
Goodwill on Acquisition	**15.708**	

A subsidiary of the group signed a contract for the acquisition of 33% of Kelicom Holdings Co Limited company subject to approval by the respective competition committees, which until the date of the authorisation of the financial statements has not been given.

B. REAL LIENS

A group subsidiary has a € 8,4 million mortgage on other assets for the payment of loan amounting to € 3,9 million and bank guarantee letters of € 4,5 million (30/06/2010 there was no utilization of the loan while the utilised guarantee letters were € 4 million). Also, a group's subsidiary has a loan of 910 thousand for the acquisition of VLTs secured over that equipment, a loan of 264 thousand and an overdraft facility of 2,4 million secured on its assets.

C. PROVISIONS

The Group´s and the Company´s provision that refer to legal issues at 30/06/2010 amount to € 10 million. The Group's provisions amounts stated up to 30/06/10 that refer to unaudited tax periods amount to € 1,1 mio and the rest € 26,3 million to other provisions. Respectively, the Company stated € 650 k for provisions for unaudited tax periods and € 13,9 million for other provisions.

D. PERSONNEL EMPLOYED

The personnel employed by the Company and the Group as at the end of the current period is 628 and 5.231 respectively. For the first semester of 2009, the personnel employed by the Company and the Group was 688 and 5.015 respectively.

E. RELATED PARTY DISCLOSURES

The most important transactions between the Company and related parties as per IAS 24 relate to transactions between the Company and the following subsidiaries (related parties as per article 42e of Law 2190/20), shown on the table below.

	30/6/2010	
Amounts reported in thousands of €	**Group**	**Company**
a) Income		
-from subsidiaries	0	35.639
-from associates	11.751	4.497
-from other related parties	2.180	1.579
b) Expenses		
-from subsidiaries	0	3.641
-from associates	2.780	0
-from other related parties	12.350	9.977
c) Receivables (i)		
-from subsidiaries	0	157.228
-from associates	5.360	5.337
-from other related parties	60.865	12.141
d) Payables		
-to subsidiaries	0	14.958
-to associates	13	13
-to other related parties	24.166	15.161
e) BoD and Key Management Personnel transactions and fees	4.506	2.724
f) BoD and Key Management Personnel receivables	519	0
g) BoD and Key Management Personnel payables	2.142	0
(i) Total due from related entities	66.225	174.706
(less) long term portion	2.060	0
Receivable from related parties	64.165	174.706

E. OTHER INFORMATION

i. Acquisition, merger or disposal of subsidiaries and long term investments, restructurings and discontinuing operations (by extension of the paragraph 4.8.C f and d, as above):

See above paragraph 4.8.C f and d and 4.9. A.III as above.

ii. Previous paragraph (4.9.E.i.) events effect, if this is higher than 25%, in respect of the consolidated revenues, results, net equity (by extension of the paragraph 4.8.C f and d., as above):

No such cases.

iii. Change of the fiscal year or period and causes, comparability of financial data for the current period with previous year. Presentation of basic figures (Turnover, Earnings after tax, Net Equity)of the current period with the respective comparative figures:

No such cases.

iv. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period (to the extent not reflected in the above paragraph 4.10):

See bellow, paragraph 4.10.

v. Effect of changes in the composition of the enterprise during the interim period, regarding business combinations if this is higher than 25%, in respect of the consolidated revenues, results, net equity (by extension of the paragraph 4.8.C f and d, as above):

No such effect

vi. Reclassification of previous year amounts.

No such effect.

4.10 SUBSEQUENT EVENTS

The Company proceeded at 15/07/2010 to the issue of a convertible bond amounting to € 70 mio with four years duration, which was used for the refinancing of an equal amount convertible bond with the same bond holders with maturity date 7/7/2011.

In August 2010 INTRALOT has renewed its agreement with OPAP S.A. for one year with an option to extend it for one additional year with a starting date July 31st, 2010. In the context of the agreement, INTRALOT will upgrade the existing technology infrastructure of OPAP and will provide technical support services, maintenance and operation of such infrastructure. Moreover, INTRALOT will proceed with the expansion of the LOTOS Horizon audiovisual system that will require the installation of 20.000 TV sets in OPAP's retail network that will broadcast information content regarding OPAP games.

INTRALOT will develop, install and operate the OPAP/TV system, which will broadcast sports and betting content, via satellite and Internet (WebTV) exclusively to OPAP agencies and its Portal. Moreover, INTRALOT will develop and operate new games; monitor games and fast draw games, which will be will operated on LOTOS Horizon and on self service terminals of OPAP network. In addition, INTRALOT will design, develop, operate and maintain the Portal of OPAP S.A. According to the agreement, INTRALOT and its subsidiary, Betting Company, will also provide support services for the game "Pame Stihima" and will undertake the introduction of new forms of betting content as well as Live betting.

Maroussi, August 27th, 2010

THE CHAIRMAN OF THE BOARD OF DIRECTORS	**THE VICE-CHAIRMAN OF THE BoD AND CEO**
S.P. KOKKALIS **ID. No. AI 091040**	**C.G. ANTONOPOULOS** **ID. No. AI 025905**
THE GENERAL DIRECTOR OF FINANCE & BUSINESS DEVELOPMENT	**THE ACCOUNTING DIRECTOR**
I.O. PANTOLEON **ID. No. Σ 637090**	**N. G.PAVLAKIS** **ID.No. AZ 012557** **H.E.C. License No. 15230/ A' Class**

intralot

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES
Company's No 27074/06/B/92/9 in the register of Societes Anonymes
Figures and information for the period from 1st January to 30th June 2010
According to 4/507/28.4.2009 resolution of the Board of Directors of the Greek Capital Committee
Amounts reported in thousands €

The figures presented below aim to provide summary information about the financial position and results of INTRALOT S.A. and INTRALOT's group. Therefore, it is recommended to any reader who is willing to proceed to any kind of investment decision or other transaction concerning the company, to visit the company's web site where the financial statements according to IFRS are posted, accompanied by the Auditor's Review Report when appropriate.

Approval date by the BoD: August 27th, 2010
Web Site: www.intralot.com
Certified Auditor Accountant: [illegible]
Auditing firm: [illegible]
Type of auditors report: Unqualified opinion

1. STATEMENT OF FINANCIAL POSITION (GROUP and COMPANY)-Amounts in € thousands

	GROUP		COMPANY	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
ASSETS				
Tangible Assets	282.957	243.787	40.742	46.003
Intangible Assets	239.901	208.421	21.640	20.946
Other Non-Current Assets	168.631	147.490	183.866	183.417
Inventories	52.128	52.066	41.587	46.045
Trade receivables	276.106	257.425	226.960	191.414
Other Current Assets	105.081	218.111	15.711	45.580
TOTAL ASSETS	1.124.802	1.055.807	514.516	510.408
LIABILITIES AND EQUITY				
Share Capital	47.688	47.689	47.689	47.689
Other Equity Elements	238.926	225.097	88.064	92.376
Shareholders Equity (a)	286.614	272.786	135.753	140.065
Non-Controlling Interests (b)	73.625	58.420	0	0
Total Shareholders Equity (c)=(a)+(b)	360.239	331.206	135.753	140.065
Long-term Debt	472.277	468.282	278.205	271.860
Provisions/ Other Long term Liabilities	69.544	62.528	26.421	25.355
Short-term Debt	26.810	18.256	0	0
Other Short-term Liabilities	195.932	174.925	77.139	73.093
Total Liabilities (d)	764.563	724.601	378.763	370.343
TOTAL EQUITY AND LIABILITIES (c)+(d)	1.124.802	1.055.807	514.516	510.408

3. STATEMENT OF CHANGES IN EQUITY (GROUP/ COMPANY)-Amounts in € thousands

	GROUP		COMPANY	
	30/6/2010	30/06/2009	30/6/2010	30/06/2009
Net equity at the beginning of the period (01/01/2010 and 01/01/2009 respectively)	331.206	337.808	140.065	155.776
Effect on retained earnings from previous years adjustment	1.055	-1.848	0	0
New consolidated entities	24.227	0	0	0
Total comprehensive income for the year after tax (continuing and discontinuing operations)	52.519	55.048	19.307	9.997
Increase / (decrease) in share capital	556	655	0	0
Dividends Distributed	-48.789	-56.551	-23.844	-17.495
Exercise of stock option rights	225	0	225	0
Change of consolidation method from full consolidation to equity method	0	-597	0	0
Effect due to change in ownership percentage	-535	0	0	0
Net Equity of the year Closing Balance (30/06/2010 and 30/06/2009 respectively)	360.239	334.531	135.753	148.278

4. CASH FLOW STATEMENT (GROUP and COMPANY)-Amounts in € thousands

	GROUP		COMPANY	
	1/1-30/06/2010	1/1-30/06/2009	1/1-30/06/2010	1/1-30/06/2009
Operating Activities				
Net Profit before Taxation (continuing operations)	50.884	74.645	26.255	13.183
Plus/Less adjustments for:				
Depreciation	37.842	34.237	7.386	6.169
Provisions	-2.629	-4.607	-795	-5.699
Exchange rate differences	7.719	-31	0	0
Results from Investing Activities	-21.859	-2.479	-27.107	-15.509
Debit Interest and similar expenses	17.373	14.423	8.928	8.052
Credit Interest	-15.460	-17.455	-2.320	-2.265
Plus/Less adjustments of working capital to net cash or related to operating activities:				
Decrease/(increase) of Inventories	4.990	-39.118	4.456	-32.155
Decrease/(increase) of Receivable Accounts	7.968	-33.305	-14.340	48.157
(Decrease)/increase of Payable Accounts (except Banks)	-15.457	28.389	-1.477	13.680
Less:				
Interest Paid and similar expenses paid	11.464	9.546	5.702	4.098
Income Tax Paid	11.047	9.320	4.184	66
Net Cash from Operating Activities (a)	48.760	25.793	-9.006	28.513
Investing Activities				
(Purchases) / Sales of subsidiaries, associates, joint ventures and other investments	14.030	-8.863	-175	-5.092
Purchases of tangible and intangible assets	-48.993	-55.099	-2.516	-27.962
Proceeds from sales of tangible and intangible assets	1.465	216	0	0
Interest received	7.857	10.686	2.320	2.265
Dividends received	0	0	9.556	14.946
Net Cash from Investing Activities (b)	-25.671	-93.051	8.985	-15.843
Financing Activities				
Cash inflows from Share Capital Increase	46	0	0	0
Cash outflows from Share Capital Decrease	0	0	0	0
Cash inflows from loans	15.772	59.612	0	0
Repayment of loans	-8.607	-15.179	0	0
Repayment of Leasing Obligations	-2.842	-2.875	0	0
Dividends paid	-48.428	-53.305	-23.838	-17.480
Net Cash from Financing Activities (c)	-44.159	-11.747	-23.824	-17.485
Net increase / (decrease) in cash and cash equivalents for the period				
(a) + (b) + (c)	-24.030	-79.004	-20.869	-3.812
Cash and cash equivalents at the beginning of the period	219.111	305.447	40.580	22.004
Cash and cash equivalents at the end of the period	195.081	226.844	19.711	18.192

2. TOTAL COMPREHENSIVE INCOME STATEMENT (GROUP and COMPANY)-Amounts in € thousands

	GROUP		GROUP		COMPANY		COMPANY	
	1/1-30/06/2010	1/1-30/06/2009	1/4-30/6/2010	1/4-30/6/2009	1/1-30/06/2010	1/1-30/06/2009	1/4-30/6/2010	1/4-30/6/2009
Sale Proceeds	540.896	488.008	312.880	252.028	75.021	51.458	48.886	24.100
Less: Cost of Sales	-447.060	-363.417	-263.555	-170.060	-52.826	-39.468	-35.530	-19.550
Gross Profit / (Loss)	93.836	124.591	49.250	81.968	22.195	11.990	13.356	4.550
Other Operating Income	9.943	11.568	4.055	5.750	71	5.500	50	2.861
Selling Expenses	-16.732	-19.066	-9.186	-9.146	-3.684	-4.358	-2.110	-2.191
Administrative Expenses	-46.657	-43.929	-25.790	-23.802	-6.870	-6.268	-4.587	-2.558
Research and Development Costs	-5.059	-4.806	-2.835	-1.850	-3.829	-3.500	-2.153	-1.381
Other Operating Expenses	-1.992	-1.494	-1.207	-776	0	0	0	0
EBIT	33.339	66.864	14.292	32.084	7.783	3.310	4.556	1.281
Interest and similar charges	-17.373	-14.423	-8.764	-6.855	-8.928	-8.052	-4.482	-3.875
Interest and related income	15.460	17.455	8.141	7.855	27.766	17.209	25.150	15.155
Exchange differences	18.774	4.015	10.348	-2.512	3.627	716	1.136	-541
Profit / (Loss) from equity method consolidations	1.064	724	179	234	0	0	0	0
Operating Profit / (Loss) before tax	50.854	74.645	23.196	30.406	26.253	13.183	24.370	9.920
Less taxes	-14.940	-12.786	-10.340	-5.768	-6.084	-2.621	-6.978	-2.249
Operating Profit / (Loss) after tax (A)	35.944	61.859	12.856	24.638	20.169	10.562	17.392	7.671
Attributable to:								
- Owners of the parent	25.308	42.026	10.161	19.925	20.169	10.562	17.392	7.671
- Non-Controlling Interests	10.636	19.833	2.695	4.685	0	0	0	0
Other comprehensive income for the period, after tax (B)	16.575	-6.814	9.103	3.960	-862	-565	-275	919
Total comprehensive income after of taxes (A) + (B)	52.519	55.045	21.959	28.598	19.307	9.997	17.117	8.590
Attributable to:								
- Owners of the parent	34.741	35.306	14.852	21.658	19.307	9.997	17.117	8.590
- Non-Controlling Interests	17.778	19.739	7.107	6.940	0	0	0	0
Profit / (Loss) after taxes per share (in euro)								
- basic	0,1592	0,2644	0,0639	0,1253	0,1269	0,0664	0,1094	0,0483
- diluted	0,1592	0,2644	0,0639	0,1253	0,1269	0,0664	0,1094	0,0483
EBITDA	70.801	91.101	38.386	44.878	15.172	9.479	8.134	4.384

Supplementary information:

1. The accounting principles followed are the same as those applied for preparing the financial statements at 31/12/2009 except for the changes resulting from the adoption new or revised accounting standards and interpretations as mentioned in note 4.6.3 of the interim condensed financial statements.
2. The companies included in the consolidation of 30/06/2010 and not in that of 30/06/2009 due to subsequent acquisition are the following: [illegible]
3. [illegible]
4. [illegible]
5. Companies that are included in 30/06/2010 consolidated financial statements are presented in [illegible] financial report including locations, group percentage ownership and consolidation method.
6. The fiscal years that are unaudited by the tax authorities for the Company and the Group's subsidiaries are presented in detail in the note 4.8 B in the interim financial report.
7. According to Law 3845/2010 a new social responsibility tax was imposed for the fiscal year 2009. [illegible]
8. The amounts of expense/income included in the Group's and Company's comprehensive income statement [illegible]
9. The amounts of income, expenses, receivables and payables of the Company and Group with related parties, are as follows:

Amounts reported in thousands of €	Group	Company
a) Income		
-from subsidiaries	0	38.630
-from associates	11.751	4.487
-from other related parties	2.180	1.579
b) Expenses		
-to subsidiaries	0	3.641
-to associates	3.780	0
-to other related parties	12.359	9.977
c) Receivables		
-from subsidiaries	0	157.228
-from associates	5.360	5.327
-from other related parties	60.865	12.141
d) Payables		
-to subsidiaries	0	14.958
-to associates	15	15
-to other related parties	24.188	15.161
e) BoD and Key Management Personnel transactions and fees	4.506	2.724
f) BoD and Key Management Personnel receivables	519	0
g) BoD and Key Management Personnel payables	3.142	0

Maroussi, August 27th, 2010

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE VICE-CHAIRMAN OF THE BOARD OF DIRECTORS AND CEO	THE GENERAL DIRECTOR OF FINANCE AND BUSINESS DEVELOPMENT	THE ACCOUNTING DIRECTOR
S. P. KOKKALIS	C.G. ANTONOPOULOS	I. O. PANTOLEON	N.G. PAVLAKIS
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