***INTRALOT* Group**

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED

31 DECEMBER 2008

IN ACCORDANCE WITH

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

CONTENTS OF ANNUAL FINANCIAL REPORT

Representation of the Members of the Board of Directors
(according to article 4 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

CERTIFY THAT

As far as we know:

a. The enclosed financial statements of the company "INTRALOT S.A" for the period 1st January 2008 to 31st December 2008, drawn up in accordance with the applicable accounting standards, reflect in true manner the assets and liabilities, equity and results of the Company and the companies included in the consolidated financial statements taken as a total.

b. The Board of Directors' annual report truly presents the course, the performance and the position of the Company and the companies included in the consolidated financial statements taken as a total, including the description of the most important risks and uncertainties they are facing.

c. The attached Financial Statements are those approved by the Board of Directors of "INTRALOT S.A." at 30 March 2009 and have been published to the electronic address www.intralot.com.

Maroussi, 30th March 2009

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

Report of the Board of Directors - INTRALOT Group
To the Annual General Assembly of the Shareholders for the fiscal year
01/01/2008 – 31/12/2008

Dear Shareholders,

INTRALOT, during 2008, further enhanced its leading position in the global gaming sector by managing, among others, to win two more lotteries in the US, South Carolina and Ohio, to prevail in an international tender with both leading lotteries in the Netherlands, to win again the tender in Turkey for the management of sports betting the next 10 years, to obtain a sports betting license in Madrid, to strengthen its position in the Italian betting market through an acquisition, to acquire a stake in Melco, to acquire a company in Slovakia, to enter the Brazilian market and finally to become the new gaming leader in Central America and the Caribbean by signing contracts in Guatemala, the Dominican Republic and Jamaica.

However, year 2008 marked the beginning of the most severe global financial crisis in decades. Although the gaming sector is more resilient than other sectors of the economy, it didn't remain unaffected. Lotteries in advanced economies have already reported diminishing sales, while lottery sales in developing economies are slowing down, a phenomenon which is intensified by currency devaluations. Moreover, the impact of the adverse economic environment is more severe in games with frequent draws (like KINO or video-lotto). Casino industry incurs significant reduction in revenues which is indicative of how games with frequent draws are affected.

In this framework, INTRALOT's consolidated revenues in 2008 increased 28.9% to €1.08 bil. from €835.5 mil. in 2007. Consolidated net income after taxes & after minorities, excluding write-downs and provisions, decreased 19.1% in 2008 to €90.9 mil. Net income after taxes & after minorities, including write-downs and provisions decreased 55.3% to €50.1 mil. Group results were negatively affected by currency devaluations in developing countries like Turkey and Romania and developed countries like Australia. Also, the strengthening of the US dollar increased technology costs that are denominated in this currency.

Concerning Parent company results, revenues increased by 12.5% to €198.1 mil in 2008, while net income after taxes decreased by 70.4% to €18.6 mil. from €62.7 mil. in 2007.

Amidst a worsening economic environment, it is imperative that the Company's management be very careful in making business decisions and pursuing new projects and investments. However, we foresee that the financial crisis will create numerous opportunities in various regions around the world. Having leading technology and expertise, strong capital structure and the healthiest financial position in the sector, INTRALOT has a competitive advantage over its peers to exploit the forthcoming opportunities in the sector for the benefit of its shareholders.

CAPITAL STRUCTURE
The cash balance reached €305.4 mil. in 2008, while bank debt plus the €200 mil. convertible bond reached €507.2 mil., shaping net debt at €201.8 mil.

The Group return on equity in 2008 was shaped at 34.6% and to19.1% after the write-downs and the provisions.

PERFORMANCE IN MAJOR COUNTRIES

In Italy, the deregulation of the betting games increased the size of the market by 50% in 2008. INTRALOT, amid a highly competitive environment, managed to become the top foreign betting operator in the country for 2008. The operation of its entire sales network concluded during the 4th quarter of 2008, while the 55 new points of sale, acquired in July 2008 after the acquisition of the Italian joint venture William Hill Codere Italia Srl., will commence operations soon.

In Turkey, fixed-odds betting revenues increased substantially in 2008, as the game is very popular in the country and the market is still underpenetrated. However, euro-denominated sales were negatively affected by the devaluation of the Turkish lira during 2008.

Inteltek, the subsidiary of the Group in Turkey, won the tender for the operation and technical supply of the sports betting game in the country for over the next 10 years. From the beginning of March, the players already enjoy a significantly upgraded betting game.

In Bulgaria, fixed-odds betting sales showed satisfactory growth rates. Eurofootball, the Group's subsidiary in the country, continued to develop and improve its betting services, while the sales network further increased. Moreover, Eurofootball, introduced a sports-betting TV channel that provides game-related information and news, in order to boost the popularity of the game in the country.

In Romania, Video Lottery sales of the subsidiary Lotrom continued to grow during 2008, as the game is very successful in the country, with significant potential for further development. Increased sales were also reported for the fixed-odds betting game that Lotrom offers in the country and for the national lottery of CNLR whose lottery system is also run by Lotrom.

In Poland, the subsidiary Totolotek reported increased sports and horse betting revenues compared to 2007. During 2008 the sales network further expanded and there have been efforts for the qualitative upgrade of the game, as its penetration in the market is still low.

In South Africa, INTRALOT commenced the operation and the management of the lottery games in the country at the end of 2007, through a joint venture. During 2008, special emphasis was given in advertising and promotion issues, in the design and introduction of new games and the optimization of the new sales network. Although the operation of the lottery was successful, the results of INTRALOT were affected by the significant devaluation of the local currency.

In the US during 2008, INTRALOT won two very important lottery projects that marked the Company´s entrance in the top lotteries of North America. Specifically, it won a contract with the Ohio Lottery, the tenth largest lottery in the US with $2.2 bil. sales in 2007 and a contract with South Carolina Lottery with sales of $1 bil.. Moreover, in November 2008 the lotteries of South Carolina and New Mexico successfully commenced operations under INTRALOT's systems and management. The fact that INTRALOT has won 6 contracts in total in the US in a relatively short period of time proves the credibility that the Company enjoys on an international level and its ability to implement projects successfully in the most demanding environments.

In Malta, revenues of the subsidiary Maltco, which is the exclusive operator of all lottery games in the country, remained constant in 2008 as the popularity of the games is very high.

NEW PROJECTS – INVESTMENTS

In January 2008, the subsidiary INTRALOT USA won its fifth contract in the US with the State Lottery of South Carolina whose sales reached $1 bil. The duration of the contract is 7 years with the option of extending it for a further 3 years. The project, which started in November 2008, includes among others the provision of a central system, 3.800 terminals, 1.800 ticket checkers and a satellite network to link retailer terminals to the central system.

In February 2008, INTRALOT's subsidiary in Poland, TOTOLOTEK, was granted a license by the Polish Government to operate the European Pool of the Swedish Horse Racing Totalisator Board, ATG.

In April 2008, INTRALOT signed an agreement to acquire a 51% stake in Slovenske Loterie, a company based in the Slovak Republic, holding licenses for the operation of Video Lottery Terminals (VLTs) and Automated Roulettes. INTRALOT has the right to increase its equity participation up to 81% through the exercise of call option rights over the next two years. The overall transaction is expected to have a total value of €3.1 million, mainly through a capital increase in the company, which will dilute existing shareholders as they will waive their right to participate.

In April 2008, INTRALOT Iberia, the subsidiary of INTRALOT S.A. in Spain, was awarded a license to manage Sports Betting games throughout the territory of the Autonomous

Community of Madrid. The duration of the license is 5 years with the possibility of automatic renewals of 5 years every time.

At the end of April, INTRALOT's subsidiary, INTRALOT Nederland, following a dual international tender, signed a contract with the two leading lotteries of the Netherlands, De Lotto and De Nederlandse Staatsloterij whose total turnover reached €1,1 billion in 2007. The duration of the agreement is 7 years with the possibility of 3 annual renewals. The new system will initiate its operation in the third quarter of 2009.

In May 2008, INTRALOT's subsidiary, INTRALOT Inc, was selected by the Ohio Lottery as the preferred bidder to operate the lottery's gaming systems. The project will launch on July 1st 2009 with an initial duration of two years and possibility of up to four, two-year renewals. The contract entails the initial provision of 8,800 new terminals and 2,000 self-service terminals. With this contract, the sixth in the US, INTRALOT enters one of the most important US markets that has a population of about 11.5 million inhabitants and which ranked 10th in the U.S. for 2007 based on the sales that reached $2.26 billion.

In June 2008, following the license awarded in the state of Victoria, INTRALOT Australia Pty Ltd, a subsidiary of INTRALOT, was granted a license to operate in Tasmania a variety of lottery and instant games. The operations of the games in the country started in July and the initial sales network will increase to 80 points of sale, in a population of about 500.000 inhabitants.

In the beginning of July, INTRALOT, through its subsidiary INTRALOT Italia, acquired 100% of the Italian Joint Venture company, William Hill Codere Italia Srl. (WHCI), thus further strengthening its position in the Italian betting market. The gross consideration agreed was €5.5 mil. Through this acquisition, INTRALOT Italia enriched its current portfolio with 55 additional licenses for horseracing and sports betting points of sale in the Italian market.

In September 2008, INTRALOT's subsidiary in Turkey, INTELTEK, won the tender procured by the Turkish State Organization Spor Toto, for the operation and technical supply of the successful and popular sports betting game Iddaa in Turkey for a period of 10 years. The contractual framework of the new agreement includes the expansion of the current sales network from 4,000 POS to 7,000 (of which 1,000 will be mobile POS that will contribute to a push market strategy), an increased winner's payout structure and the introduction of all sports events instead of only football events that were available up to now.

In September 2008, INTRALOT, through its subsidiary INTRALOT do Brazil, entered the Brazilian market by undertaking the on-line operation of the State Lottery of Rio de Janeiro, LOTERJ. The first product to offer will be a Keno type game combined with instant lottery, in an initial network of 1.000 points of sale. The gaming portfolio as well as the network is expected to expand further along with the course of the operations.

In September 2008, INTRALOT announced that through its subsidiary INTRALOT International Ltd., it will proceed with the acquisition of a 20.62% stake on a fully diluted basis in Melco LottVentures Limited, following equity capital increases of all major shareholders in Melco LottVentures Limited (MLV). The total consideration of the acquisition is HK$305 million (€27.4 million) and will be executed through a capital increase and convertible bonds. INTRALOT's investment in MLV is a major step in its strategic plan to capture opportunities in the highly developed market of the People's Republic of China and to monitor opportunities in Asia.

In October 2008, INTRALOT signed a 10 year agreement for the operation of lottery games in Guatemala. INTRALOT as a majority shareholder in a joint venture, will offer the Guatemalan market a range of numerical, instant and video lottery games, with the possibility of expanding its gaming portfolio in the future. The project entails the provision of services, central system, communication equipment and services, all the related software and maintenance services as well as microLOT terminals.

In October 2008, INTRALOT signed a contract with the company "Dominican Republic SAJAMA" (SAJAMA), which holds a license to conduct on-line numerical and instant games issued by the National Lottery of the Dominican Republic. SAJAMA has chosen INTRALOT to be its exclusive technology provider until 2020 with a strong possibility of further extension of the contract. Under the contractual agreement, INTRALOT will offer facility management services in an initial network of 1,000 points of sale which is expected to expand significantly within the following years.

In October 2008, INTRALOT, through its subsidiary INTRALOT Jamaica, signed a contract with Supreme Ventures Limited (SVL) for the complete operation of Fixed-Odds Betting in Jamaica for 10 years with possible extensions. The project includes the provision of the central system, microLOT terminals, risk management and other supportive services, in an initial network of approximately 500 points of sale, which is expected to double in number. Moreover, considering the great potential of the market, INTRALOT has been committed to acquire a stake of up to 10% of SVL, which is one of the leading companies in the broader Caribbean region.

In December 2008, following a competitive tender process procured by Hamburg's State Lottery "LOTTO Hamburg GmbH", INTRALOT was awarded the contract for the provision of a Central System software with multi-client capability and software for the operation of terminals, both tailored to the demanding German market and the strategies of LOTTO Hamburg. The contract has an indefinite duration with a minimum term of 5 years.

RESEARCH AND DEVELOPMENT

The Company invests in the Research and Development of innovative solutions that are based both on existing product upgrades as well as on new product design and development, in order to offer leading-edge technology to its customers.

The company's R&D Division adopts standard advanced procedures and best practices with regards to design and implementation, aiming at the constant evolution of the LOTOS platform (central system, terminals and telecommunications) and the development of solutions in new sectors, such as business intelligence, financial and business data management, information security, fraud detection, electronic system and casino monitoring, risk management for betting, interactive gaming, subscription services, alternative channels (internet, mobiles, interactive TV) and value-added services (trade transactions, news services).

Additionally the company invests in the improvement and the further development of imaging technology which is already applied in its two new products, PHOTON and Stylot. Combined with WINSTATION, which is the new self-service player terminal to offer all lottery games and instant tickets, these products demonstrate INTRALOT's technological superiority and place the company in a strategically advantageous position for increasing its customer base.

HUMAN RESOURCES

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. INTRALOT is committed to offering a stable working environment for its personnel, assuring its employees' health and safety and further enabling them to grow professionally and personally. 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

DIVIDEND

For the fiscal year 2008 the Board of Directors will propose to the shareholders' Annual General Meeting on May 5th, 2009, the distribution of a total dividend per share of 0,22 euros (of which 0,11 euros have already been distributed as an interim dividend and 0,11 euros per share will be distributed as a remaining dividend). Based on the closing share price on 31/12/2008, the total dividend yield to the shareholders amounts to 7.4%.

INTRALOT AND THE INTERNATIONAL PROSPECTS OF THE GAMING SECTOR

INTRALOT is a leading company in the global sector of gaming technology and service providers, with a presence in 50 countries on all 5 continents. It is also, by far, the largest lottery operator worldwide, in monopolies or liberalized markets, with operations in 19 countries.

It is also the fastest growing company in the sector, with 60% wins over its main competitors in international tenders in the last 3 years. Moreover, INTRALOT has the strongest financial position in the sector, which is a significant competitive advantage over its competitors, given the current financial crisis.

The major growth drivers of the sector are:

Lottery Privatizations
In order to fund their increasing budget deficits, governments grant lottery licenses to private operators. Two lotteries are already in the process of privatization: the Turkish National Lottery and the New South Wales Lottery in Australia.
In the US a large number of states have expressed their interest to privatize their lotteries but the whole process delays due to legal issues.

Liberalization of gaming markets
Italy and Spain recently followed the liberalization model in sports betting and poker, while France has announced the liberalization of its internet betting market.
Moreover, Australia has started the gradual liberalization of its gaming market that is expected to conclude by 2012. During 2009, three licenses will be granted in Victoria (for KINO, sports betting and an electronic monitoring system) and one in Tasmania. INTRALOT is the first international player that has established a strong presence in Australia.

Legalization of games
Governments legalize lottery games because they lose taxes from illegal markets (mainly sports betting and casino type games) but also for social reasons.
In Asia, governments begin to realize the benefits of legalization and proceed with regulations. Countries like China and Vietnam that have very large illegal markets are expected to become significant growth factor of the sector.
With its recent participation in Melco (a listed company in the Hong Kong stock exchange) INTRALOT is strategically placed in the Asian market and is expecting to utilize the existing business relationships that Melco has established with the two official lotteries of China for the provision of gaming products and services.

Internet Market

The recent developments for the Internet betting in France and the controlled liberalization of this market in 2010, is expected to affect other countries as well. The Internet market is a significant growth opportunity for INTRALOT, which has already established its presence in Italy, Spain (Madrid) and Turkey.

PROSPECTS AND UNCERTAINTIES FOR 2009

- The global financial crisis that started in 2008 is expected to continue in 2009, while there is uncertainty regarding its duration. According to the estimates, the European Union and the US will be in recession in 2009, while developing economies will face sharp deceleration. Although the gaming market is more immune than other sectors, it is still affected by the economic downturn like all consumer products. Developed gaming markets will eventually undergo a drop in their sales in 2009, while developed markets may face reduced growth rates, depending on the magnitude and duration of the financial crisis.

- During 2008, the financial crisis led to currency devaluation in countries where INTRALOT is active, with negative impact in the Group's results. A possible deterioration of the economic environment may cause further devaluations in these countries that will affect the results of the Group.

- The progress of the Group in 2009 will depend, among others, on the course of the new international markets where it operates such as:

  - ✓ Italy, where the roll-out of its network concluded at the end of 2008, after the liberalization of the betting market in the country. Year 2009, will be the first year of operations in the country with the entire sales network in place.

  - ✓ Madrid, Spain, where the first ten (10) betting shops commenced operations at the beginning of August, following the license awarded to INTRALOT. The number of the sales network is expected to increase significantly in 2009.

  - ✓ Victoria, Australia, where INTRALOT has won a license to operate lottery and instant games. Operations started in July 2008 and Year 2009 will be the first year of full operations in the country.

  - ✓ The US, where the states of New Mexico and South Carolina started operation with INTRALOT's central system and terminals in November 2008, while the significant project of Ohio Lottery will commence operations in July 2009.

  - ✓ INTRALOT's new projects in Brazil, Central America and the Caribbean (Guatemala, the Dominican Republic and Jamaica) that are expected to start during 2009.

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.

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.

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.

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.

2008				
Group	Sales to related parties	Purchases from related parties	Amounts owed from related parties	Amounts owed to related parties
Instant Lottery SA	54	0	1.344	0
Uniclic LTD	0	0	3.987	0
Intracom Telecom Solutions SA	8.163	37.374	8.231	0
Eurosadruzie LTD	0	0	9.902	0
Gidani LTD	16.646	5.622	50.291	0
Intracom Telecom Holdings International LTD	0	4.015	0	4.015
Intralot St.Lucia	0	0	3.496	0
Intracom Information Technology & Communication Company SA	17	2.174	2	2.761
Intracom Holdings SA	0	174	0	4.353
Add AS	0	4.169	0	1.054
Aksam Paz	0	2.548	0	0
Intrarom SA	2.221	36	0	3
Lotrich	1.006	0	396	0
Other related Parties	797	5.205	1.982	1.241
Executives and members of the board	0	12.954	398	1.108
	28.904	74.271	80.029	14.535

2007

Group	Sales to related parties	Purchases from related parties	Amounts owed from related parties	Amounts owed to related parties
Instant Lottery SA	90	160	1.285	0
Uniclic LTD	0	0	3.888	0
Intracom Telecom Solutions SA	9.270	51.857	11.632	12.021
Gidani LTD	28.473	4.432	59.477	0
Intracom Information Technology & Communication Company SA	12	19	79	1.948
Lotrich Info Co LTD	816	0	6.738	0
Firich Enteprises Co LTD	0	0	0	5.001
Intrarom SA	0	1.276	0	169
Bilyoner Interaktif Hizmelter AS	0	1.349	200	0
Add AS	0	3.664	0	623
Aksam Paz	0	2.391	0	83
Other related Parties	525	2.616	600	1.812
Executives and members of the board	0	3.740	46	308
	39.186	71.504	83.945	21.965

2008

Company	Sales to related parties	Purchases from related parties	Amounts owed from related parties	Amounts owed to related parties
Intralot Operations LTD	14.303	0	25.852	0
Intralot Business Development	10.707	0	11.511	0
Intracom Telecom Solutions SA	8.163	37.374	10.477	0
Gaming Solutions Int. SAC	7.313	0	11.005	0
Intralot Inc	1.946	0	8.062	2
Betting Company SA	19.000	6.974	0	3.653
Betting Cyprus LTD	0	1.560	0	5.051
Intracom Information Technology & Communication Company SA	0	2.174	0	2.495
Lotrom SA	6.271	3.902	0	325

2008

Company	Sales to related parties	Purchases from related parties	Amounts owed from related parties	Amounts owed to related parties
Intralot Luxembourg SA	3	4.502	131	0
Inteltek Internet AS	28.183	0	1.969	0
Intralot Australia PTY LTD	6.254	0	5.036	0
Intralot South Africa LTD	4.152	107	3.663	1
Uniclic	0	0	4.345	0
Intralot New Zealand	250	0	3.797	0
Yugobet	982	0	2.834	1
Intralot International	2.000	0	2.000	0
Intralot Italia Spa	752	0	1.300	0
Gaming Solutions Int.	691	0	1.666	0
Pollot Spzoo	1.246	0	5.551	0
Intralot de Peru Sac	9	0	3.516	23
Intralot Holdings International LTD	4.067	0	54.105	0
Intralot Iberia SA Unipersona	439	0	7.878	0
Gidani	2.722	0	321	0
Lotrich	1.006	0	396	0
Intralot South Korea	389	1.224	4	0
Intrarom	0	1.515	42	338
Instant Lottery SA	54	0	1.344	0
Loteria Moldovei	190	0	1.874	0
Other related Parties	4.077	697	388	1.581
Executives and members of the board	0	7.837	0	0
	125.169	67.866	169.063	13.470

2007

Company	Sales to related parties	Purchases from related parties	Amounts owed from related parties	Amounts owed to related parties
Intralot Holdings International LTD	2.945	0	80.038	0
Intralot Operations LTD	3.698	0	11.549	0
Intracom Telecom Solutions SA	9.270	51.857	11.632	12.021
Gaming Solutions Int. SAC	3.687	0	3.687	0
Intralot Inc	895	0	5.738	1
Betting Company SA	45.683	854	5.252	815
Betting Cyprus LTD	0	1.577	0	3.491

2007

Company	Sales to related parties	Purchases from related parties	Amounts owed from related parties	Amounts owed to related parties
Intracom Information Technology & Communication Company	0	19	0	1.681
Lotrom SA	5.580	4.269	0	772
Intralot Luxembourg SA	1	4.501	33	0
Inteltek Internet AS	12.217	3	0	71
Intralot South Africa LTD	2.140	519	1.256	0
Intralot De Peru SAC	0	22	1.500	22
Tecno Accion SA	137	34	274	1.150
Lotrich Info.Co LTD	816	0	6.738	0
Intralot de Chile Sa	81	0	2.742	857
Intralot International Ltd	5.000	0	5.000	0
Uniclic	0	0	4.345	0
Intralot New Zealand	313	0	3.765	0
Yugobet	484	0	1.852	1
Gidani	23.079	0	0	0
Maltco	2.836	73	221	0
Royal	54	0	1.042	0
Instant Lottery SA	90	160	1.285	0
Pollot SpZoo	170	1	1.560	0
Loteria Moldovei	58	0	1.627	0
Other related Parties	3.253	2.280	2.490	902
Executives and members of the board	0	6.775	0	0
	122.487	72.944	153.626	21.784

From the company sales of 2008, 35.597 thousands (2007: 51.206 thousands)relate to dividends received from Inteltek AS ,Betting SA, Maltcoo LTD and TecnoAccion SA.

The BoD and Key Management Personnel transactions and fees for the Group and the Company for the period 01.01-31.12.2008 were € 12,9 mil. and € 7,8 mil. respectively.

From the information stated above and from the Financial Statements you are able to have a complete picture of the Group for the period 1/1/2008-31/12/2008.

Maroussi, 30/03/2009

Sincerely,

Constantinos G. Antonopoulos
CEO and BoD Vice President

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 Report provided at March 30th, 2009.

The Certified Public Accountant Auditor
George A. Karamichalis
SOEL Reg. No15931
SOL SA

SOL s.a.
CERTIFIED PUBLIC ACCOUNTANTS - AUDITORS
Institute of CPA Reg. No 125
A Horwath Business Alliance Associate

INDEPENDENT AUDITOR'S REPORT

To the Shareholders
*"**INTRALOT S.A. INTEGRATED LOTTERY SYSTEMS AND SERVICES**"*

Report on the Financial Statements

We have audited the accompanying corporate and consolidated financial statements of "***INTRALOT S.A. INTEGRATED LOTTERY SYSTEMS AND SERVICES***", which comprise the corporate and consolidated balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union (EU). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

SOL s.a.
CERTIFIED PUBLIC ACCOUNTANTS - AUDITORS
Institute of CPA Reg. No 125
A Horwath Business Alliance Associate

Opinion

In our opinion, the accompanying corporate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and of the Group as of 31 December 2008, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU).

Report on Other Legal and Regulatory Requirements

1. We verified the consistency and the correspondence of the content of the Report of the Board of Directors with the accompanying financial statements, under the legal frame of the articles 43a, 107 and 37 of c.L. 2190/1920.

Athens, 30 March 2009

Georgios Andr. Karamichalis

Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 15931
SOL S.A. – Certified Public Accountants Auditors
3, Fok. Negri Street
11257 Athens, Greece
Institute of CPA (SOEL) Reg. No. 125

INTRALOT S.A.

INCOME STATEMENT 1/1/2008 – 31/12/2008

Amounts reported in thousand €		**GROUP**		**COMPANY**	
	Note	01/01-31/12/2008	01/01-31/12/2007	01/01-31/12/2008	01/01-31/12/2007
Sale Proceeds		1.077.330	835.493	198.077	176.036
Less: Cost of Sales		-817.421	-531.570	-162.023	-100.908
Gross Profit /(Loss)		**259.909**	**303.923**	**36.054**	**75.128**
Other Income		15.667	26.267	70	155
Selling Expenses		-47.851	-33.769	-11.017	-7.763
Administrative Costs		-74.220	-65.507	-14.497	-23.022
Research and Development Costs	7	-12.090	-9.687	-10.505	-9.560
Other Operating Expenses		-4.494	-1.364	0	0
EBIT		**136.921**	**219.863**	**105**	**34.938**
EBITDA		192.699	253.578	27.746	44.300
Interest and similar Charges	33	-32.182	-30.645	-16.154	-16.348
Interest and related Income	33	40.201	29.106	44.106	59.148
Exchange Differences		-454	-9.924	592	1.158
Profit or loss from participations accounted for using the equity method		1.016	105	0	0
Operating Profit Before Tax		**145.502**	**208.505**	**28.649**	**78.895**
Less: Taxes	8	-41.076	-43.820	-10.090	-16.213
Net Profit / Loss from Continuing Operations (a)		**104.426**	**164.685**	**18.559**	**62.683**
Net Profit / Loss from Discontinuing Operations (b)		0	0	0	0
Net Profit / Loss (Continuing and Discontinuing Operations) (a) + (b)		**104.426**	**164.685**	**18.559**	**62.683**
Attributable to:					
Equity holders of the parent		50.147	112.301	18.559	62.683
Minority Interest		54.279	52.384	0	0
Earnings after taxes per share (in €)					
-basic	9	0,3155	0,7124	0,1168	0,3976
-diluted	9	0,3154	0,7122	0,1167	0,3975
Weighted Average Number of Shares	9	158.942.093	157.636.823	158.942.093	157.636.823

BALANCE SHEET 1/1/2008 – 31/12/2008

Amounts reported in thousand €		GROUP			COMPANY	
	Note	31/12/2008	31/12/2007		31/12/2008	31/12/2007
ASSETS						
Non Current Assets						
Tangible fixed assets	11	157.914	85.385		29.725	26.220
Intangibles	12	163.035	158.230		9.846	20.123
Investment in subsidiaries and associates	13	11.482	10.985		144.227	140.611
Other financial assets	15	3.506	6.981		459	676
Deferred Tax asset	8	11.473	12.243		4.620	4.106
Other long term receivables	16	105.701	110.684		417	41.286
		453.111	**384.508**		**189.294**	**233.022**
Current Assets						
Inventories	17	47.791	48.739		40.784	43.675
Trade and other short term receivables	18	216.415	139.394		244.444	165.566
Cash and cash equivalents	19	305.447	284.753		22.004	57.618
		569.653	**472.886**		**307.232**	**266.859**
TOTAL ASSETS		**1.022.764**	**857.394**		**496.526**	**499.881**
EQUITY AND LIABILITIES						
Share Capital	20	47.689	47.683		47.689	47.683
Share premium	20	0	12.184		0	12.182
Treasury shares	20	856	856		856	856
Other reserves	20	87.430	69.089		54.980	53.408
Foreign currency translation		-15.321	523		0	0
Retained earnings	20	141.888	145.461		52.251	69.247
		262.542	**275.796**		**155.776**	**183.376**
Minority interest	20	75.263	93.235		0	0
Total equity		**337.805**	**369.031**		**155.776**	**183.376**

Non Current Liabilities						
Long term loans	21	449.317	317.111		265.785	259.914
Staff retirement indemnities	22	2.119	1.719		1.451	1.077
Other long term provisions		20.353	6.441		19.053	5.634
Deferred Tax liabilities		3.078	2.206		0	0
Other long term liabilities	25	233	6.134		0	2
Finance lease obligation	28	13.534	1.549		0	0
		488.634	**335.160**		**286.289**	**266.627**
Current Liabilities						
Trade and other short term liabilities	26	129.273	89.877		53.949	47.511
Short term debt and current portion of long term debt	27	44.289	37.501		0	0
Current income taxes payable		10.817	15.004		262	2.367
Short-term provision	31	11.946	10.821		250	0
		196.325	**153.203**		**54.461**	**49.878**
TOTAL LIABILITIES		**684.959**	**488.363**		**340.750**	**316.505**
TOTAL EQUITY AND LIABILITIES		**1.022.764**	**857.394**		**496.526**	**499.881**

INTRALOT S.A.

STATEMENT OF CHANGES IN EQUITY For the year ending 31 December 2008

STATEMENT OF CHANGES IN EQUITY INTRALOT GROUP (Amounts reported in thousand of €)	Share Capital	Share Premium	Treasury Shares	Legal Reserve	Other Reserves	Retained Earnings	Total	Minority Interest	Grand Total
Balances as at 1/1/2008	**47.683**	**12.184**	**856**	**26.480**	**42.609**	**145.984**	**275.796**	**93.235**	**369.031**
Adjustments on the opening balances						-1.016	**-1.016**		**-1.016**
Equity method Consol. entity							**0**		**0**
New Consolidated Entities							**0**	1.368	**1.368**
Subsidiary Share Capital Increase							**0**	28	**28**
Period's Results						50.147	**50.147**	54.279	**104.426**
Valuation of assets available for sale							**0**		**0**
Valuation of Derivatives					749	-73	**676**		**676**
Stock Options Reserves							**0**		**0**
Compound Financial Instrument Reserves							**0**		**0**
Share Capital Increase							**0**		**0**
Stock Options	6	23					**29**		**29**
Dividends						-45.800	**-45.800**	-55.982	**-101.782**
Net Amounts Effected Directly Equity				44	-1.274	-205	**-1.435**	-14	**-1.449**
Transfer to reserves		-12.205		-685	19.508	-6.618	**0**		**0**
Translation differences					-2	-15.854	**-15.856**	-17.650	**-33.506**
Balances as at 31/12/08	**47.689**	**2**	**856**	**25.839**	**61.590**	**126.565**	**262.541**	**75.264**	**337.805**

STATEMENT OF CHANGES IN EQUITY For the year ending 31 December 2007

STATEMENT OF CHANGES IN EQUITY INTRALOT GROUP (Amounts reported in thousand of €)	Share Capital	Share Premium	Treasury Shares	Legal Reserve	Other Reserves	Retained Earnings	Total	Minority Interest	Grand Total
Balances as at 1/1/2007	**29.154**	**23.957**	**856**	**9.122**	**35.977**	**104.810**	**203.876**	**86.176**	**290.052**
Adjustments on the opening balances							**0**		**0**
Equity method Consol. entity							**0**		**0**
New Consolidated Entities							**0**	2.800	**2.800**
Subsidiary Share Capital Increase							**0**	2.679	**2.679**
Period's Results						112.301	**112.301**	52.384	**164.685**
Valuation of assets available for sale							**0**		**0**
Valuation of Derivatives					-2.467		**-2.467**		**-2.467**
Stock Options Reserves							**0**		**0**
Compound Financial Instrument Reserves							**0**		**0**
Share Capital Increase	18.123	-18.123					**0**		**0**
Stock Options	406	6.350			9.340		**16.096**		**16.096**
Dividends						-53.399	**-53.399**	-59.041	**-112.440**
Net Amounts Effected Directly Equity							**0**		**0**
Transfer to reserves				17.358	-183	-17.175	**0**		**0**
Translation differences					-58	-553	**-611**	8.237	**7.626**
Balances as at 31/12/07	**47.683**	**12.184**	**856**	**26.480**	**42.609**	**145.984**	**275.796**	**93.235**	**369.031**

INTRALOT S.A.

STATEMENT OF CHANGES IN EQUITY For the year ending 31 December 2008

STATEMENT OF CHANGES IN EQUITY INTRALOT COMPANY (Amounts reported in thousand of €)	Share Capital	Share Premium	Reserve Treasury Shares	Legal Reserve	Other Reserves	Retained Earnings	Total
Opening Balance 01/01/2008	**47.683**	**12.182**	**856**	**13.384**	**40.024**	**69.247**	**183.376**
Adjustments on the opening balances							**0**
Period's Results						18.559	**18.559**
Valuation of assets available for sale							**0**
Valuation of Derivatives					-418		**-418**
Stock Options Reserves							**0**
Compound Financial Instrument Reserves							**0**
Share Capital Increase from Share premium and other reserves							**0**
Shareholders Deposits							**0**
Cost of Share-Bared Payment	6	23					**29**
Dividends						-45.800	**-45.800**
Net Amounts Effected Directly Equity				1		29	**30**
Transfer to reserves		-12.205		1.988		10.217	**0**
Sale of own shares							**0**
Translation differences							**0**
Balances as at 31/12/08	**47.689**	**0**	**856**	**15.373**	**39.606**	**52.252**	**155.776**

STATEMENT OF CHANGES IN EQUITY For the year ending 31 December 2007

STATEMENT OF CHANGES IN EQUITY INTRALOT COMPANY (Amounts reported in thousand of €)	Share Capital	Share Premium	Reserve Treasury Shares	Legal Reserve	Other Reserves	Retained Earnings	Total
Opening Balance 01/01/2007	**29.154**	**23.955**	**856**	**9.718**	**33.145**	**63.585**	**160.413**
Adjustments on the opening balances							**0**
Period's Results						62.683	**62.683**
Valuation of assets available for sale							**0**
Valuation of Derivatives					-2.462	45	**-2.417**
Stock Options Reserves					9.340		**9.340**
Compound Financial Instrument Reserves							**0**
Share Capital Increase from Share premium and other reserves	18.123	-18.123		-267		267	**0**
Shareholders Deposits							**0**
Cost of Share-Bared Payment	406	6.350					**6.756**
Dividends						-53.399	**-53.399**
Transfer to reserves				3.933	1	-3.934	**0**
Sale of own shares							**0**
Translation differences							**0**
Balances as at 31/12/07	**47.683**	**12.182**	**856**	**13.384**	**40.024**	**69.247**	**183.376**

CASH FLOW STATEMENT

CASH FLOW STATEMENT (Amounts reported in thousand of €)		GROUP		COMPANY	
	Note	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Operating activities					
Net Profit before Taxation		145.502	208.505	28.649	78.896
Plus/Less adjustments for:					
Depreciation and Amortization	6	55.778	33.715	27.642	9.362
Impairment of tangible and intangible assets		0	0	0	0
Provisions		17.069	889	13.793	65
Exchange rate differences		-25.946	10.361	0	0
Results from Investing Activities		-18.040	4.512	-35.797	-44.044
Debit Interest and similar expenses		32.182	30.645	16.154	16.348
Credit Interest		-41.217	-29.106	-8.509	-7.933
Plus/Less adjustments of working capital to net cash or related to operating activities:					
Decrease/(increase) of Inventories		4.398	-23.280	2.892	-23.103
Decrease/(increase) of Receivable Accounts		-83.643	-142.648	-38.011	-89.565
(Decrease)/increase of Payable Accounts (except Banks)		30.578	-32.732	5.915	-23.155
Less:					
Interest Paid and similar expenses paid		20.116	19.667	10.282	10.783
Income Tax Paid		42.324	55.163	12.430	34.299
Net Cash from Operating Activities (a)		**54.221**	**-13.969**	**-9.984**	**-128.212**
Investing Activities					
(Purchases) / Sales of subsidiaries, associates, joint ventures and other investments	13	-626	-12.865	-3.615	-23.346
Purchases of tangible and intangible assets	11,12	-141.745	-98.878	-20.870	-8.345
Proceeds from sales of tangible and intangible assets		21.228	1.442	0	0
Interest received		28.947	28.843	8.509	7.933
Dividends received		0	8	35.597	51.215
Net Cash from Investing Activities (b)		**-92.196**	**-81.450**	**19.621**	**27.457**
Financing Activities					
Cash inflows from Share Capital Increase/Share Premium deposits		29	7.566	29	6.756
Cash outflow from Share Capital Decrease		0	0	0	0
Cash inflows from loans		232.240	74.427	0	0
Repayment of loans		-68.862	-56.438	0	-37.000
Repayment of Leasing Obligations		-3.475	-845	0	0
Dividends paid		-101.263	-112.440	-45.280	-53.399
Net Cash from Financing Activities (c)		**58.669**	**-87.730**	**-45.251**	**-83.643**
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)		**20.694**	**-183.149**	**-35.614**	**-184.398**
Cash and cash equivalents at the beginning of the year		**284.753**	**467.902**	**57.618**	**242.016**
Cash and cash equivalents at the end of the year	19	**305.447**	**284.753**	**22.004**	**57.618**

1. 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 4,000 people and revenues of € 1.077 millions in 2008. 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.

2. Basis of preparation of the Financial Statements

Basis of preparation of the Financial Statements

The attached 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 of a non significant amount, and under the assumption that the Company and the Group would continue as a going concern. The attached financial statements are presented in Euros and all values are rounded to the nearest thousand (€000) except when otherwise indicated.

Statement of compliance

These financial statements have been prepared by management 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), as they have been adopted by the European Union as of December 31, 2008.

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 Tax regulations and drafts 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 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 and prepared in relation to the requirements of the International Financial Reporting Standards (IFRS).

New accounting standards, amendments to existing standards and interpretations

Specific new standards, amendments of standards and interpretations have been published, which are mandatory for accounting periods beginning during the present year or later periods. The Group's assessment of the impact of these new standards and interpretations is set out below.

<u>Standards and Interpretations compulsory for fiscal year 2008</u>

IAS 39 (Amendment) "Financial instruments: Recognition and Measurement" and IFRS 7 (Amendment) "Financial instruments: Disclosures"

Reclassification of financial instruments

(COMMISSION REGULATION (EC) No 1004/2008 of 15 October 2008, L 275-16.10.2008)

Applicable from 1 July 2008 onwards.

The amendment allows a financial entity to reclassify non-derivative financial assets (except for those classified by the company at fair value through the results at their initial recognition) out of the "fair value through profit or loss" category in specific cases. The amendment also allows a financial entity to transfer a financial asset which could be defined under "Loans and Receivables" (if this had not been classified as available for sale) from the "Available for Sale" category to the "Loans and Receivables" category, provided that such financial entity was willing and able to hold said financial item in the near future. The above amendment will not affect the Group's financial statements.

IFRIC 11 - IFRS 2: Transactions through Group Equity

(COMMISSION REGULATION (EC) No 611/2007 of 1 June 2007, L 141-2.6.2007)

It applies to the annual accounting periods starting on or after 1 March 2007.

The Interpretation clarifies the accounting method in the cases where the employees of a subsidiary company receive shares of the parent company. It also clarifies whether certain transactions should be accounted for as equity-settled or as cash-settled. The Group will apply this Interpretation when needed.

IFRIC 12 - Service Concession Arrangements

This Interpretation applies to the annual accounting periods starting on or after 1 January 2008. IFRIC 12 provides instructions for the accounting method of arrangements in which: (i) a public-sector entity (the "grantor") concedes contracts for the provisions of public services to private-sector entrepreneurs ("operators"); and (ii) the services provided require the operator (a private enterprise) to use the infrastructure. The European Union has not adopted this Interpretation yet. IFRIC 12 does not apply to Group.

IFRIC 14 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

(COMMISSION REGULATION (EC) No 1263/2008 of 16 December 2008, L 338-17.12.2008)

It applies to the annual accounting periods starting on or after 1 January 2008.

The Interpretation refers to retirement benefits and to other long-term fixed benefit plans for employees. The Interpretation clarifies: **(a)** when economic benefits in the form of refunds from the plan or reductions in future contributions to the plan should be considered as available; **(b)** how the existence of minimum funding requirements may affect the available economic benefits in the form of reductions in future contributions; and **(c)** when the existence of minimum funding requirements would give rise to a liability. Given that the Group has no such benefit plans for employees, the Interpretation will have no effect on the Group's financial statements.

Standards and Interpretations compulsory after 31 December 2008

IAS 1 (revised in 2007) "Presentation of Financial Statements"

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

(COMMISSION REGULATION (EC) No 1274/2008 of 17 December 2008, L 339-18.12.2008)

IAS 1 has been revised to upgrade the usefulness of the information presented in financial statements. The most important changes are: **(a)** The statement of changes in equity must only include transactions with shareholders; **(b)** The introduction of a new statement of comprehensive income combining all items of income and expenses, which are recorded in the income statement under "other income"; and **(c)** Restatements in the financial statements or retroactive application of new accounting principles and methods must be presented from the start of the earliest comparative period. The Regulation is accompanied by an addendum of similar limited amendments of a number of IASs, IFRSs, IFRICs and SICs which also apply to the periods starting on or after 1.1.2009. The Group will apply the above amendments and make the necessary changes in the presentation of the financial statements for 2009.

IAS 23 "Borrowing Costs" (revised in 2007)

(COMMISSION REGULATION (EC) No 1260/2008 of 10 December 2008, L 338-17.12.2008).

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

The Standard replaces the previous version of IAS 23. The main difference to the previous version is the abolition of the option to recognise as an expense of borrowing costs related to assets which require a substantial period before they can operate or be sold. Also, certain amendments have been made to IFRS 1, IAS 1, IAS 7, IAS 11, IAS 16, IAS 38 and IFRIC 1, which apply on or after 1.1.2009. The Group is in the process of evaluating the effect of this standard on its financial statements.

IAS 32 (Amendment) "Financial Instruments: Presentation" and
IAS 1 (Amendment) "Presentation of Financial Statements" –
Financial instruments available by the holder

(COMMISSION REGULATION (EC) No 53/2009 of 21 January 2009, L 17- 22.1.2009)

These apply to the annual accounting periods starting on or after 1 January 2009.

The amendment of IAS 32 requires that certain financial instruments available by the holder and liabilities arising during liquidation be classified as Equity if certain criteria are met. The amendment of IAS 1 requires the disclosure of certain information on such instruments which are classified as Equity. Amendments have also been made to IFRS 7, IAS 39 and IFRIC 2, which apply to periods starting on or after 1.1.2009. Given that the Group does not hold any such instruments, the amendments will not affect the financial statements of fiscal year 2009.

IFRS 1 (Amendment) "First-Time Adoption of IFRSs" and
IAS 27 (Amendment) "Consolidated and Separate Financial Statements"

(COMMISSION REGULATION (EC) No 69/2009 of 23 January 2009, L 21-24.1.2009)

These apply to the annual accounting periods starting on or after 1 January 2009.

The amendment of IFRS 1 allows the financial entities which are implementing the IFRSs for the first time to use, as the deemed cost, either the fair value or the previous GAAP carrying amount for the evaluation of the initial cost of investments in subsidiaries, in jointly controlled entities or in associates. Also, the amendment abolishes the definition of the cost method from IAS 27 and replaces it with the requirement that the dividends be presented as earnings in the investor's separate financial statements. Amendments have also been made to IAS 18, IAS 21 and IAS 36, which also apply to the periods starting on or after 1.1.2009. Given that the parent company and all of its subsidiaries have already migrated to IFRS, this amendment will not affect the financial statements of fiscal year 2009.

IFRS 2 (Amendment) "Share-based payment" – Vesting Conditions and Cancellations

(COMMISSION REGULATION (EC) No 1261/2008 of 16 December 2008, L 338- 17.12.2008) It applies to the annual accounting periods starting on or after 1 January 2009.

The amendment clarifies the definition of the "vesting conditions" by introducing the term "non-vesting conditions" for terms which are not service terms or performance terms. It also clarifies that all cancellations, whether originating from the entity itself or from the contracting parties, must be accounted for in the same way. The Group expects that this amendment will not affect the financial statements of fiscal year 2009.

IFRS 3 (Revised) "Business Combinations" and

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

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 recognised goodwill, the results of the reported period during which the companies are acquired and the future results. These changes include the recognition under profit or loss of expenses related to the acquisition and recognition of subsequent adjustments in the fair value of the contingent consideration in the results. The amended IAS 27 requires that transactions leading to changes in the shares of participation in a subsidiary be recognised at fair value. Also, the amended Standard changes the accounting method of losses incurred by the subsidiary and of the loss of control over a subsidiary. All the changes made by the above standards apply after their implementation date and will affect any future acquisitions and transactions with minority shareholders. The European Union has not yet adopted the revision of IFRS 3 and the amendment to IAS 27.

IFRS 8 "Operating Segments"

(COMMISSION REGULATION (EC) No 1358/2007 of 21 November 2007, L 304- 22.11.2007)

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

This Standard replaces IAS 14, according to which the segments were recognised and presented based on a performance and risk analysis. According to IFRS 8, the segments are elements of a financial entity which are regularly examined by the Managing Director / Board of Directors of such financial entity and are presented in the financial statements based on this internal categorisation. The Group will implement IFRS 8 from 1 January 2009 onwards.

IFRIC 13 – Customer Loyalty Programmes

(COMMISSION REGULATION (EC) 1262/2008 of 16 December 2008, L 338- 17.12.2008)

It applies to the annual accounting periods starting on or after 1 July 2008.

The Interpretation clarifies the method to be employed by the companies providing a form of loyalty reward, such as "points" or "air miles", to customers purchasing goods or services. The Interpretation does not apply to the Group.

IFRIC 15 – Agreements on the Construction of Real Estate:

The Interpretation applies to the annual accounting periods starting on or after 1 January 2009 and refers to the existing different accounting methods for the sale of real estate. Some financial entities recognise the income according to IAS 18 (i.e. when the ownership risks and benefits of real estate are transferred) and others recognise the income depending on the real estate property's completion stage according to IAS 11. The Interpretation clarifies which standard should be applied in each case. Interpretation 15 has not yet been adopted by the European Union. The Interpretation does not apply to the Group.

IFRIC 16 – Hedges of a Net Investment in a Foreign Operation:

The Interpretation applies to the annual accounting periods starting on or after 1 October 2008 and to a financial entity which hedges the currency risk resulting from a net investment in a foreign operation and meets the conditions for hedge accounting according to IAS 39. The Interpretation provides instructions on the way in which a financial entity should determine the amounts reclassified from equity in the results, both for the hedging instrument and for the hedged item. Interpretation 16 has not been adopted yet by the European Union. The Group is in the process of evaluating the effect that this Standard will have on its financial statements.

IFRIC 17 – Distributions of Non-Cash Assets to Owners:

IFRIC 17 applies to the annual financial statements starting on or after 1 July 2009. This Interpretation clarifies how an entity should measure the appropriation of assets, excluding cash, when it pays dividends to its owners. Interpretation 17 has not been adopted yet by the European Union and does not apply to the Group.

IFRIC 18 – Transfers of Assets from Customers:

IFRIC 18 applies to the annual financial statements starting on or after 1 July 2009. This Interpretation clarifies the IFRS requirements on agreements where a company receives a tangible asset from a customer and must then use such asset either to connect the customer to a commercial network or to provide the client with continuous access to the supply of goods or services (such as electricity, fuel or water). This Interpretation also provides instructions on the accounting method for transfers of cash from clients. The Group is in the process of evaluating the effects that this Interpretation will have and the potential changes that may result from such effects. Interpretation 18 has not yet been adopted by the European Union.

Amendments to standards forming a segment of the annual improvements programme of the IASB (International Accounting Standards Board)
(COMMISSION REGULATION (EC) No 70/2009 of 23 January 2009, L 21- 24.1.2009)

The following amendments describe the most important changes made to the IFRSs as a result of the IASB annual improvements programme published in May 2008. Unless specified otherwise, the following amendments apply to the annual accounting periods starting on or after 1 January 2009.

IAS 1 (Amendment) "Presentation of Financial Statements"
The amendment clarifies that some of the financial assets and liabilities classified as intended for commercial exploitation pursuant to IAS 39 "Financial Instruments: Recognition and Measurement" are examples of current assets and short-term liabilities respectively.

IAS 8 (Amendment) "Accounting Policies, Changes in Accounting Estimates and Errors"
This applies to annual accounting periods starting on or after 1 January 2009. The amendment clarifies that only the Implementation Guidance, which is considered as an indispensable part of an IFRS, is compulsory when selecting accounting policies.

IAS 10 (Amendment) "Events after the Reporting Period"
This applies to annual accounting periods starting on or after 1 January 2009. The amendment clarifies that the dividends approved after the balance sheet date are not considered as liabilities.

IAS 16 (Amendment) "Property, Plant and Equipment" (and consequential amendment to IAS 7 "Statement of Cash Flows")
This amendment requires that the financial entities which have normal activities that include the leasing and subsequent sale of assets must present the revenue from the sale of such assets in their incomes and must transfer the non-amortised value of the asset to reserves when the asset is considered available for sale. The consequential amendment to IAS 7 states that the cash flows resulting from the purchase, leasing and sale of such assets are classified under cash flows from operating activities. Given that the Group's normal activities do not include the leasing and subsequent sale of assets, this amendment will not affect these activities.

IAS 19 (Amendment) "Employee Benefits"
The following changes have been made to the Standard: **(a)** An amendment to the programme which leads to a change in the extent to which the commitments to benefits are affected by future salary increases is a reduction, whereas an amendment which modifies the benefits due to work experience causes a negative work experience cost if it results in a reduction in the present value of defined benefit liabilities; **(b)** The definition of asset performance in the programme has been

amended to stipulate that the administrative costs of the programme are deducted when calculating the performance of the programme's assets only to the extent that such costs have been excluded from the evaluation of the fixed benefits liability; **(c)** The distinction between short-term and long-term employee benefits will be based on whether or not the benefits will be settled within 12 months of the provision of the employees' services; **(d)** IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" requires that the contingent liabilities be disclosed and not recognised. IAS 19 has been amended to comply with this.

IAS 20 (Amendment) "Accounting for Government Grants and Disclosure of Government Assistance"

This amendment requires that the benefit gained from a government loan at a below-market rate of interest be accounted for as the difference between the accounting value based on IAS 39 "Financial Instruments: Recognition and Measurement" and the incomes resulting from said benefit using the accounting method of IAS 20. Given that the Group has not received any loans from the State, this amendment will not affect the Group's operations.

IAS 23, Borrowing Costs (as revised in 2007) (Amendment)

This amendment: (a) Clarifies that the interest expenses must be calculated using the effective interest method under IAS 39 "Financial Instruments: Recognition and Measurement"; and (b) abolishes that ability for the borrowing costs to include an amortisation of the balance of the receiving of loans below par or the repayment of loans above par and the amortisation of consequent costs associated with loan settlement.

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

The amendment stipulates that in the cases where an investment in a subsidiary which is accounted for according to IAS 39 "Financial Instruments: Recognition and Measurement" has been classified as an asset held for sale pursuant to IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations", IAS 39 will continue to apply.

IAS 28 (Amendment) "Investments in Associates" (and consequential amendments to IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial Instruments: Disclosures")

According to this amendment, an investment in an associate is dealt with as a single item for purposes of impairment control and any impairment loss is not apportioned to specific assets included in the investment. The reversals of impairment loss are recorded as an adjustment of the accounting balance of the investment to the extent that the recoverable amount of the investment in the associate increases.

IAS 28 (Amendment) "Investments in Associates" (and consequential amendments to IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial Instruments: Disclosures")

This amendment stipulates that if an investment in an associate is accounted for according to IAS 39 "Financial Instruments: Recognition and Measurement" in addition to the required disclosures under IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial Instruments: Disclosures", then only specific disclosures should take place, and not all the disclosures required under IAS 28.

IAS 29 (Amendment) "Financial Reporting in Hyperinflationary Economies"

The Guidance in this Standard has been amended in order to reflect the fact that some assets and liabilities are valued at fair value, rather than at historic cost.

IAS 31 (Amendment) "Interests in Joint Ventures" (and consequential amendments to IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial Instruments: Disclosures")

This amendment stipulates that if an investment in a joint venture is accounted for according to IAS 39 "Financial Instruments: Recognition and Measurement" in addition to the required disclosures under IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial Instruments: Disclosures", then only specific disclosures should take place, and not all the disclosures required under IAS 31 "Interests in Joint Ventures".

IAS 34 (Amendment) "Interim Financial Reporting"

This applies to annual accounting periods starting on or after 1 January 2009. This amendment clarifies that earnings per share are disclosed in the interim financial reports if the company falls within the scope of IAS 33.

IAS 36 (Amendment) "Impairment of Assets"

This amendment stipulates that, where the fair value less costs to sell is determined by discounted cash flow projections, disclosures which are equivalent to those required for the calculation of the value in use are required.

IAS 38 (Amendment) "Intangible Assets"

This amendment stipulates that a payment may only be recognised as a prepayment if it took place before gaining the right to access goods or receive services. In practice, this amendment means that when the Group gains access to the goods or receives the services, then the payment must be recorded under costs.

IAS 38 (Amendment) "Intangible Assets"

This amendment strikes out the wording that stipulated that there is "rarely, if ever" persuasive evidence to support a method that results in a lower amount of accumulated amortisation than under the straight-line method.

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

The following changes have been made to this Standard: **(a)** There may be transfers to and from the fair value category through the results when a derivate starts or stops meeting the conditions as a cash flow hedge or net investment hedge. **(b)** The definition of the financial asset or of the financial liability at fair value through the results with regard to items held as available for commercial exploitation has been amended. It is clarified that a financial asset or liability which is part of a portfolio of financial instruments commonly managed with a documented indication of an actual recent shot-term profit plan is included in this type of portfolio in the initial recognition. **(c)** The applicable Guidance on the determination and documentation of hedges states that a hedge must involve a part which does not belong to the reporting financial entity and mentions a segment as an example of a financial entity. This means that, in order to apply hedge accounting on a segment level, the hedge accounting requirements must be met, at the same time, by the segment applying it. The amendment removes this requirement, so that IAS 39 will be in line with IFRS 8 "Operating Segments", which requires that the segments disclosure will be based on information presented to the financial entity's Board of Directors. **(d)** The amendment clarifies that, when the accounting value of a debt instrument is valued anew at the end of the fair value hedge accounting, a revised actual interest rate (Calculated on the day of the end of fair value hedge accounting) must be used.

IAS 40 (Amendment) "Investment Property" (and consequential amendments to IAS 16 "Property, Plant and Equipment")

The amendment stipulates that the real estate property under construction or being utilised for future use as investment property fall within the scope of IAS 40. Therefore, when the fair value method is applied, this property will be valued at fair value. However, where the fair value of an investment property under construction cannot be reliably estimated, the property is valued at cost up to the construction completion date or up to the date on which the fair value can be reliably estimated (whichever is earlier). The Group does not hold any investment property and the amendment will not affect its operations.

IAS 41 (Amendment) "Agriculture"

The amendment requires the use of discount rate in the market, where fair value calculations are based on discounted cash flows and removes the clause prohibiting that biological transformations are taken into account when calculating the fair value. Given that the Group has not undertaken any agricultural activity, the amendment will not affect its operations.

IFRS 5 (Amendment) "Non-Current Assets Held for Sale and Discontinued Operations" (and consequential amendments to IFRS 1 "First-Time Adoption of International Financial Reporting Standards")

These apply to the annual accounting periods starting on or after 1 July 2009.

The amendment clarifies that all the assets and liabilities of a subsidiary are classified as held for sale if a sales programme for partial disposal results in the loss of the subsidiary's control and disclosures must be made on this subsidiary if the definition for a suspended activity is satisfied. The consequential amendment to IFRS 1 stipulates that these amendments will be applied in the future from the IFRS transition date onwards.

3. Significant Accounting Policies

Basis of Consolidation

The consolidated financial statements comprise the financial statements of INTRALOT S.A. and its subsidiaries as at 31 December of each year. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

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. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. 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 INTRALOT SA has control.

Foreign Currency Translation

The functional and presentation currency of INTRALOT S.A. and its subsidiaries which are located in Greece is the euro (€). 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 income statement 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 equity until the disposal of the net investment, at which time they are recognized in the consolidated income statement. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in equity. 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.

The functional currency of the overseas subsidiaries is the currency of the country in which these subsidiaries are located and operate. As at the reporting date, the assets and liabilities of these overseas subsidiaries are translated into the presentation currency of INTRALOT SA at the rate of exchange ruling at the balance sheet date and, their income statements 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 equity. On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation shall be recognized in the income statement.

Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment in value. 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

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 net selling price 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 income statement.

An item of property, plant and equipment 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 income statement in the year the item is de-recognized.

As regards hardware and software leased under operating lease, these assets, in the group balance sheet are disclosed in acquisition cost values and have been 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.

Borrowing Costs

Borrowing costs are recognized as an expense when incurred.

Goodwill

Goodwill on acquisition is initially measured at cost being the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. 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.

The Group made use of the exception provided by IFRS 1 'First Time Adoption of IFRS' relating to business combinations that occurred before the transition date (1 January 2004). For those business combinations IFRS 3 'Business Combinations' is not applied. Instead, in accordance with IFRS 1 the Group kept the same classification as in its previous GAS financial statements. For business combinations prior to the transition date, the Group had recognized the resulting goodwill as a deduction from equity in its previous GAS financial statements. Therefore the Group did not recognize that goodwill in its opening IFRS balance sheet. Any adjustments to the assets and liabilities of the subsidiaries for IFRS purposes are taken to retained earnings.
The Group, based on previous GAS, had not consolidated certain subsidiaries that had been acquired in past business combinations. On first adoption of IFRS and in accordance with the exceptions of IFRS 1, the Group adjusted the carrying amounts of the subsidiary's assets and liabilities to the amounts that IFRS would require in the subsidiary's balance sheet. The deemed

cost of goodwill equals the difference at the date of transition to IFRS between the parent's interest in those adjusted carrying amounts; and the cost in the parent's separate financial statements of its investment in the subsidiary. The resulting goodwill is recorded in the transition balance sheet (1 January 2004) and is tested for impairment.

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 are 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 circumstance is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Intangibles

Intangible assets acquired individually, are capitalized at cost and those acquired through a business combination at fair values 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 Income Statement apportioned to the related cost centers.

Intangibles, except Development costs internally generated, are not capitalized and the costs are included in the Income Statement 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 are made on a prospective basis.

Research and Development Costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. 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. Any expenditure carried forward 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 yet in use, or more frequently when an indicator of impairment arises during the reporting year indicating that the carrying value may not be recoverable.

Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are stated in the individual and consolidated financial statements at their cost less any impairment in value.

Financial assets

All investments are initially recognized at cost, being the fair value of the consideration given, including any acquisition related costs.

After initial recognition, investments (except investments in subsidiaries, associates and joint ventures) which are classified as *'valued at fair values through income statement'*, or as *'available for sale'* are measured at fair values. Gains or losses on investments classified as *'valued at fair values through Income Statement'* are recognized in the income statement. Gains or losses on *'available for sale'* investments are recognized in a separate component within Equity until the investment is either disposed or the investment is considered to have been impaired at which time any accumulated gains or losses are transferred to the Income Statement.

Other financial assets, except derivatives, with fixed or determinable payments and fixed maturity, are classified as «held to maturity», when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this category. The «held to maturity» monetary items, such as bonds, are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated taking into consideration any premium or discount on acquisition, over the period to maturity. For investments carried at amortized cost, gains or losses are recognized in the Income Statement when the investments are disposed or impaired and also through amortization.

For investments that are actively traded in organized markets, fair values are determined in relation to the closing traded values at the balance sheet. For investments where these is no quoted market price, fair values are 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 base of the investment otherwise in the acquisition cost.

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, less estimated costs to completion and the estimated costs necessary to make the sale.

Trade and other short term receivables

Trade receivables are recognized and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when all possible legal actions 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 financing 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 accordance with IAS 39 'Financial Instruments: Recognition and Measurement'.

Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, without the netting of outstanding bank overdrafts.

Interest bearing loans and Borrowings

All loans and borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest-bearing 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 net profit or loss when the liabilities are derecognized or impaired, as well as through the amortization process.

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 at the reporting date. Any interest cost is recognized on an accruals basis.

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 income statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-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 (annual 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 for each reporting period is recognized and booked in the reporting period profit and loss account as an expense.

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 against 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 income statement 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 company’s tangible and intangible assets and the income that occurs is recognized on a straight line through the contract period. The present value of the minimum future lease collection of the non cancelable contracts is given in the note 28 (c).

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 results during the lease using the net investment method, which represents a constant periodic return.

Treasury Shares

Treasury shares represent shares of the parent company held by the Group. Treasury shares are stated at cost and disclosed as a separate component in Equity. Upon acquisition, disposal, issuance or cancellation of treasury shares no gain or loss is recognized in the Income Statement. The consideration given or received and the related gains or losses from the settlement are recognized directly in Equity.

Share Based Payments

IFRS 2 'Share-based Payment' requires an expense to be recognized where the Group buys goods or services in exchange for shares or rights over shares ('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 main impact of IFRS 2 on the Group is the expensing of employees' and directors' share options and other share based incentives by using an option-pricing model. Further details of the relevant schemes offered by the Company to employees and directors are given in note 23.

IFRS 2 is mandatory for accounting periods beginning on or after 1 January 2005. The Group has taken advantage of the exceptions of IFRS 1 and the transitional provisions of IFRS 2 in respect of equity-settled awards and has applied IFRS 2 only to equity settled awards granted after 7 November 2002 that had not vested on or before 1 January 2005.

All share options of the Group had been vested before 1 January 2005 and therefore IFRS 2 has not been applied in respect with the valuation of such benefits in the attached financial statements (note 23). For any new options starting from the January 2005 and therefore IFRS 2 is applied.

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 Income Statement 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.

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.

Revenue recognition

Revenue is recognized in the period they are realized and the related amounts can be reliably measured. 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 benefits and risks 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) etc 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 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, collections and payment of winnings to players, etc). 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 to the total amount received from the player-customer.

Income taxes

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 profits 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 bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

• Except where 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 investments 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 reverse in the foreseeable future.

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

• Except where 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 investments 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 are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.
Deferred income tax is not measured by the Group in regards with the undistributed profits of subsidiaries, branches, associates and joint ventures due to intercompany profits, from relevant transactions, eliminations in the consolidation process.
Income tax relating to items recognized directly in equity are recognized in equity and not in the income statement.

Revenues, expenses and assets are recognized net of the amount of sales tax except**:**
• Where the sales tax incurred on a purchase of goods and 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 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 balance sheet.

Earnings per Share

The basic earnings per share (EPS) are calculated by dividing net profit attributed to the equity holders of the parent 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 equity holders 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).

Financial Instruments

The financial assets and financial liabilities of the balance sheet include cash and cash equivalents, receivables, other short term liabilities and Derivative Financial Instruments. The accounting policies for recognition and measurement of financial assets and financial liabilities are detailed in the corresponding paragraphs of this Note.

Cash and cash equivalents, receivables, other short term liabilities:

The financial instruments are presented as assets, liabilities or Equity items based on their substance and content of the related contracts from which they derive. Interest, dividends, gains and losses arising from financial instruments characterized as assets or liabilities, are recognized as expense or income in the income statement. The payment of dividends to equity holders is deducted directly from equity. The financial instruments are offset when the Company, has a legally enforceable right to set off the recognized amounts and intends to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Derivative Financial Instruments and Hedging:

The Group uses derivative financial instruments such as forward currency contracts and Interest Rate Swaps to hedge its risks associated with interest rate and foreign currency fluctuations. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to net profit or loss for the year.

The fair value of forward currency contracts is calculated by reference of the market value and is verified by the financial institutions. For the purpose of hedge accounting, hedges are classified as: fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability; cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a forecast transaction; or hedges of a net investment in a foreign operation.

A hedge of the foreign currency risk of a firm commitment is accounted for as a cash flow hedge. 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 hedging instrument's effectiveness 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.

Hedges which meet the strict criteria for hedge accounting are accounted for as follows:

Fair value hedges :

Fair value hedges are hedges of the Group's exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect profit or loss. For fair value hedges, the carrying amount of the hedged item is adjusted for gains and losses attributable to the risk being hedged, the derivative is remeasured at fair value and gains and losses from both are taken to profit and loss. For fair value hedges relating to items carried at amortized cost, the adjustment to carrying value is amortized through profit and loss over the remaining term to maturity. Any adjustment to the carrying amount of a hedged financial instrument for which the effective interest method is used is amortized to profit and loss. Amortization may begin as soon as an adjustment exists and shall begin no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain or loss recognized in profit and loss. The changes in the fair value of the hedging instrument are also Recognized in profit and loss. The Group discontinues fair value hedge accounting if the hedging instrument expires or is sold, terminated or exercised, the hedge no longer meets the criteria for hedge accounting or the Group revokes the designation. Any adjustment to the carrying amount of a hedged financial instrument for which the effective interest method is used is amortized to profit and loss. Amortization may begin as soon as an adjustment exists and shall begin no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

Cash flow hedges

Cash flow hedges are a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction and could affect profit and loss. The effective portion of the gain or loss on the hedging instrument is recognized directly in equity, while the ineffective portion is recognized in profit and loss. Amounts taken to equity are transferred to the income statement when the hedged transaction affects profit or loss, such as when hedged financial income or financial expense is recognized or when a forecast sale or purchase occurs. Where the hedged item is the cost of a non-financial asset or liability, the amounts taken to equity are transferred to the initial carrying amount of the non-financial asset or liability. If the forecast transaction is no longer expected to occur, amounts previously recognized in equity are transferred to profit and loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognized in equity remain in equity until the forecast transaction occurs. If the related transaction is not expected to occur, the amount is taken to profit and loss.

Certain derivatives, although characterized as effective hedges based on Group policies, do not meet the criteria for hedge accounting in accordance with the provisions of IAS 39 and, therefore, gains or losses are recognized in the statements of income.

1. Market risk

i) Interest Rate

The Group's exposure to market risk for changes in interest rates relates to the long and short term borrowings. The Group partially hedged against its interest rate risk in the year ended 31 December 2008 since management assessed that any change in historically low interest rates in conjunction with the low borrowing levels would give the chance to keep funding costs at a low level.

ii) Foreign exchange risk

The Group sells goods and provides services in various currencies including the Euro. Therefore, it is exposed to movements in foreign currency exchange rates against its reporting currency, the Euro. The Group in assessing the related risk used derivative financial instruments in the year ended 31 December 2008 in order to reduce its exposure to foreign currency change risk. At 31 December 2008 there were open positions in derivative financial instruments.

The management has decided to hedge foreign exchange risk for changes in forward rates and not in spot rates. The hedging designation was decided at the inception of the hedging instrument and is followed till the maturity. The effect of the forward points goes to equity reserves.

2. 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 to credit risk amounts to the aggregate values presented in the balance sheet.

3. Fair Value

The carrying amounts of cash and cash equivalents, short term receivables and short term liabilities in the balance sheet approximate their fair values due to their short term nature. The fair value of short term loans is not significantly different from their carrying values due to the use of variable interest rates.

4. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through and adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Group Treasury aims to maintain flexibility in funding by keeping committed credit lines available.

De-recognition of Financial Instruments

A financial instrument is derecognized when the Group no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all the cash flows attributable to the instrument are passed through to an independent third party.

4. Revenue Per Segment

The Group's reporting format is by geographical areas (based on the operating location of the Group). The Group has strong international presence in 40 countries and the entities in the various countries are organized and managed separately. The Greek parent company provides support mainly in technical infrastructure (systems and software). The four segments of the Group based on geographical areas and according the criteria of Sales and Gross Margin are as follows:

- European Union
- Rest of Europe
- Americas
- Rest of the world

In the following table financial information is provided per geographical area, for the years ended 31 December 2008 and 31 December 2007 :

in million €	Geographical Sales Breakdown			Gross Margin Breakdown		
	31/12/08	31/12/07	%	31/12/08	31/12/07	%
European Union	976,00	731,52	33,42%	193,06	215,44	-10,39%
Other Europe	6,19	5,26	17,68%	1,69	0,70	141,43%
America	53,96	46,08	17,10%	20,80	15,00	38,67%
Other	158,96	108,87	46,00%	95,38	97,84	-2,51%
Eliminations	-117,79	-56,25	-	-51,03	-25,06	-
Total Consolidated Sales	***1.077,32***	***835,48***	**28,95%**	***259,90***	***303,92***	**-14,48%**

5. Staff costs

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Salaries	64.615	48.756	20.293	14.794
Social security contributions	10.169	6.715	3.918	2.599
Staff retirement indemnities (Note 22)	746	679	426	341
Other staff costs	2.705	2.006	97	162
Total	**78.235**	**58.156**	**24.734**	**17.896**

Salaries & Social security contributions per cost center December 31, 2008

Group	Cost of Sales	Selling expenses	Administrative costs	R&D costs	Other operating expenses	Total
Salaries	28.380	9.473	23.255	3.480	27	64.615
Social security contributions	4.513	1.497	3.345	803	11	10.169
Staff retir. & other	1.387	519	1.416	52	77	3.451
	34.280	**11.489**	**28.016**	**4.335**	**115**	**78.235**

Company	Cost of Sales	Selling expenses	Administrative costs	R&D costs	Other operating expenses	Total
Salaries	9.822	3.248	3.747	3.476	0	20.293
Social security contributions	2.065	602	449	802	0	3.918
Staff retir. & other	334	57	80	52	0	523
	12.221	**3.907**	**4.276**	**4.330**	**0**	**24.734**

Salaries & Social security contributions per cost center December 31, 2007

Group	Cost of Sales	Selling expenses	Administrative costs	R&D costs	Other operating expenses	Total
Salaries	19.381	6.607	18.541	4.225	2	48.756
Social security contributions	2.496	881	2.595	742	1	6.715
Staff retir. & other	1.187	184	1.169	144	1	2.685
	23.064	**7.672**	**22.305**	**5.111**	**4**	**58.156**

Company	Cost of Sales	Selling expenses	Administrative costs	R&D costs	Other operating expenses	Total
Salaries	3.614	2.122	4.833	4.225	0	14.794
Social security contributions	635	373	849	742	0	2.599
Staff retir. & other	123	72	164	144	0	503
	4.372	**2.567**	**5.846**	**5.111**	**0**	**17.896**

The number of employees of the Company and of the Group for the year ended 31 December 2008 was 567 and 4.706 respectively (31 December 2007 was 482 and 4.056 respectively).

6. Depreciation and amortization

Depreciation and amortization before eliminations recognized in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2006**
Depreciation of tangible fixed assets (Note 11)	25.844	26.845	6.410	6.003
Eliminations	-2.206	-1.558	0	0
Amortization of intangibles (Note 12)	32.932	9.320	21.232	3.359
Eliminations	-792	-892	0	0
Total	**55.778**	**33.715**	**27.642**	**9.362**

Depreciation and amortization per cost center

December 31, 2008	Cost of Sales	Selling expenses	Administrative costs	R&D costs	Other operating expenses	Total	Elimi-nations	Grand Total
Group	37.914	7.397	10.720	2.746	0	58.777	-2.998	**55.778**
Company	18.040	2.880	4.081	2.641	0	27.642	0	**27.642**

December 31, 2007	Cost of Sales	Selling expenses	Administrative costs	R&D costs	Other operating expenses	Total	Elimi-nations	Grand Total
Group	25.357	2.902	7.240	666	0	36.165	-2.450	**33.715**
Company	6.940	727	1.029	666	0	9.362	0	**9.362**

7. Research and Development Costs

Research and development costs recognized in the consolidated income statement amount to € 12.090 thousand and in the income statement of the parent company they amount to € 10.505 thousand (2007: € 9.687 thous. & € 9.560 thous.).

8. Income Taxes

Corporate income tax is calculated at 25% on the estimated tax assessable profit for the year 2008 and 2007 respectively.

Within 2008 a new tax law came into force (law N.3697/2008 - FEK A194/25.9.2008), according to which the corporate income tax rates for the fiscal years from 2010 up to and including 2014 are set to 24%, 23% 22%, 21% and 20% respectively. These rates have been used for the calculation of deferred taxation when needed for the current year.

The components of income taxes reported in the financial statements are analyzed as follows:

	GROUP		COMPANY	
	31/12/08	**31/12/07**	**31/12/08**	**31/12/07**
Income Statement:				
Current income taxes	39.912	45.903	10.604	18.077
Deferred income taxes	1.164	-2.083	-514	-1.864
Total tax expense reported in income statement	**41.076**	**43.820**	**10.090**	**16.213**

The reconciliation of the income tax expense applicable to accounting profit before income tax at the Greek statutory tax rate to income tax expense at the Groups' s/ Company's effective income tax rate is as follows:

	GROUP		COMPANY	
	31/12/08	**31/12/07**	**31/12/08**	**31/12/07**
Accounting Profit before income taxes	**145.501**	**208.505**	**28.649**	**78.895**
Income taxes based on Greek statutory tax rate 25% (2007: 25%)	35.750	52.126	7.162	19.724
Adjustments in prior year amounts	-5	29	0	0
Tax effect of disallowable for tax purposes expenses	9.484	7.906	7.181	5.905
Tax effect of losses of subsidiaries, for which deferred tax asset was not recognized	8.146	4.024	0	0
Tax effect of tax free reserves	0	0	0	0
Tax effect of non taxable profits	-91.282	-29.191	-4.750	-9.417
Tax effect of foreign subsidiaries' profits that are taxable at different tax rates	77.781	8.927	0	0
Deferred tax effect due to tax rate change	-1.096	0	-1.097	0
Income tax of previous years after tax audit	1.938	0	1.344	0
Provision for additional taxes from future tax audits	360	0	250	0
Income taxes at effective tax rate as reported in income statement	**41.076**	**43.820**	**10.090**	**16.212**

Tax returns are submitted annually, but the declared taxable profits or tax allowable losses remain provisional until the tax authorities subject the tax returns and books and records of a Company to an audit, at which time the tax liabilities will become final. The tax losses to the extent recognized by the tax authorities can be utilized through offsetting against taxable profits of the following five years.

Deferred income taxes arise on the temporary differences between the carrying amounts and tax bases of the assets and liabilities, at the currently applicable tax rate.

	GROUP		COMPANY	
	31/12/08	**31/12/07**	**31/12/08**	**31/12/07**
Net deferred tax asset at beginning of the year	**10.037**	**7.548**	**4.106**	**2.242**
Adjustments on prior year amount	0	0	0	0
(Debit)/Credit to income statement	-1.164	2.083	514	1.864
Effect of a subsidiary first time consolidated	57	764	0	0
Exchange difference	-535	-358	0	0
Net deferred tax asset at end of the year	**8.395**	**10.037**	**4.620**	**4.106**

The deferred tax asset and liability presented in the accompanying balance sheet are analyzed as follows:

December 31, 2008	**GROUP**		**COMPANY**	
	Assets	**Liabilities**	**Assets**	**Liabilities**
-Subsidiaries' tax losses carried forward	2.760	0	0	0
-Inventories– Intercompany profit	801	0	438	0
-Financial assets	0	-4	0	0
Long term receivables	5.670	0	0	0
-Provisions	1.417	-436	0	-436
-Tangible fixed assets	110	-6.868	0	-4.695
-Intangibles	2.511	-1.903	2.437	0
-Receivables	6.049	0	4.264	0
Prepayments	0	0	0	0
Long term liabilities	0	1.663	0	1.663
-Current Liabilities	257	-4.389	0	659
- ST Loans	0	0	0	0
- Fin. Lease Liabilities	0	0	0	0
-Staff retirement indemnities	663	0	290	0
-Other	95	-1	1	-1
	20.333	**-11.938**	**7.430**	**-2.810**

01/01-31/12/2008

	Income Statement	
Deferred income tax	**GROUP**	**COMPANY**
Prior years' tax losses utilized	-1.020	0
Subsidiaries' tax losses carried forward	0	0
Provisions	524	0
Reversal of provisions	0	0
Tangible assets	1.374	491
Intangible Assets	-3.643	-4.022
Other Financial assets	-11	0
Short term receivables	5.218	4.651
Long Term Receivables	-511	0
Inventories– impairment	-632	-961
Prepayments	0	0
Staff retirement indemnities	-34	-21
Short term Provisions	245	337
Current Liabilities	543	103
LT Liabilities	-891	-1.092
Other	2	0
Deferred Tax (income) / expense	**1.164**	**-514**

December 31, 2007	**GROUP**		**COMPANY**	
	Assets	**Liabilities**	**Assets**	**Liabilities**
-Subsidiaries' tax losses carried forward	2.227	0	0	0
-Inventories– Intercompany profit	234	-13	-523	0
-Financial assets	0	-23	0	0
Long term receivables	5.928	-110	0	0
-Provisions	1.290	-99	0	-99
-Tangible fixed assets	523	-5.827	0	-4.204
-Intangibles	198	-3.330	0	-1.584
-Receivables	12.014	-113	8.915	0
Prepayments	0	0	0	0
Long term liabilities	51	571	0	571
-Current Liabilities	320	-4.291	0	761
- ST Loans	29	-1	0	0
- Fin. Lease Liabilities	0	1	0	0
-Staff retirement indemnities	399	0	269	0
-Other	67	-8	0	0
	23.280	**-13.243**	**8.661**	**-4.555**

01/01-31/12/2007

	Income Statement	
Deferred income tax	**GROUP**	**COMPANY**
Prior years' tax losses utilized	-674	0
Subsidiaries' tax losses carried forward	0	0
Provisions	-344	-348
Reversal of provisions	0	0
Tangible assets	-1.821	-701
Intangible Assets	512	-59
Other Financial assets	24	0
Short term receivables	307	555
Long Term Receivables	79	0
Inventories– impairment	2.007	961
Prepayments	0	0
Staff retirement indemnities	-112	-85
Short term Provisions	-29	0
Current Liabilities	-491	-796
LT Liabilities	-1.379	-1.391
Other	-162	0
Deferred Tax (income) / expense	**-2.083**	**-1.864**

In case that the parent company's tax free reserves are distributed to equity holders, they will be taxed at the applicable tax rate, at the time the distribution is made, whereas in the case of distribution of retained earnings no additional tax will be imposed.

9. Earnings per share

The calculation of basic and diluted earnings per share is as follows:

	GROUP	GROUP	COMPANY	COMPANY
	31/12/08	31/12/07	31/12/08	31/12/07
Net profit attributable to equity holders of the parent company	**50.147**	**112.301**	**18.559**	**62.683**
Weighted average number of shares	158.942.093	157.636.823	158.942.093	157.636.823
Less: Weighted average number of treasury shares	0	0	0	0
Weighted average number of shares outstanding	**158.942.093**	**157.636.823**	**158.942.093**	**157.636.823**
Basic earnings per share (EPS) (in Euro)	**€ 0,3155**	**€ 0,7124**	**€ 0,1168**	**€ 0,3976**
Weighted average number of shares outstanding (for basic EPS)	158.942.093	157.636.823	158.942.093	157.636.823
Effect of potential exercise of share options (weighted average number outstanding in the year)	47.903	37.279	47.903	37.279
Weighted average number of shares outstanding (for diluted EPS)	**158.989.996**	**157.674.102**	**158.989.996**	**157.674.102**
Diluted earnings per share (EPS) (in Euro)	**€ 0,3154**	**€ 0,7122**	**€ 0,1167**	**€ 0,3975**

The difference between the weighted average number of shares outstanding and the shares taking into account those that would arise from the potential exercise of share options, is not significant.

10. Dividends

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Declared dividends of ordinary shares in the year:				
Final 2005 dividend	4.480	13.319	0	0
Final 2006 dividend	4.476	64.293	0	29.271
Final 2007 dividend	65.448	34.828	28.324	24.128
Interim dividend of 2008	27.378	0	17.476	0
	101.782	**112.440**	**45.800**	**53.399**
Less interim dividend of 2008 that has not been paid or approved by the Annual General Meeting of shareholders at the balance sheet date	0	0	0	0
Dividend per the Statement of changes in equity	**101.782**	**112.440**	**45.800**	**53.399**
Final 2008 dividend: € 0,22 (Company € 0,22)	**34.971**	**52.451**	**34.971**	**52.451**
Less: dividend paid as of year end	-17.476	-24.128	-17.476	-24.128
Dividend not recognized as a liability as of 31 December	**17.495**	**28.323**	**17.495**	**28.323**

The interim dividend of 2008 which had been paid as of the balance sheet date (€ 17.476 thousand) is presented together with the final 2008 dividend in the statement of changes in equity for the year.

11. Tangible fixed assets

Tangible fixed assets are analyzed as follows:

GROUP	Land	Buildings and installations	Machinery and equipment	Transport equipment	Furniture and fixtures	Assets under construction	Total
1/1/2008							
Cost	6.517	3.189	81.154	1.845	82.234	183	175.122
Accumulated Depreciation	0	-1.517	-46.864	-862	-40.422	-71	-89.736
Net Book value 1/1/2008	**6.517**	**1.672**	**34.290**	**983**	**41.812**	**112**	**85.386**
Opening balance							
Adjustment Entries(cost)	**0**	**0**	**0**	**0**	**1.957**	**0**	**1.957**
Adjustment Entries(depreciation)	**0**	**0**	**0**	**0**	**-127**	**0**	**-127**
Cost	**6.517**	**3.189**	**81.154**	**1.845**	**84.191**	**183**	**177.079**
Accumulated Depreciation	**0**	**-1.517**	**-46.864**	**-862**	**-40.549**	**-71**	**-89.863**
	6.517	**1.672**	**34.290**	**983**	**43.642**	**112**	**87.216**
PLUS							
Additions	0	6.002	76.871	1.704	12.117	7.495	104.189
Transfer of assets to other categories	0	11	5.767	281	63	-6.037	85
Transfer from (to) inventories	0	0	0	0	0	780	780
Disposal	0	-27	-388	-60	-8.114	0	-8.589
Write-off	0	-16	-1.470	-34	-55	0	-1.575
New Consolidated Subsidiary	0	45	224	115	55	14	453
MINUS							
Depreciation	0	-560	-10.385	-392	-12.302	0	-23.639
Impairment	0	0	-4	0	0	-124	-128
Disposal	0	20	17	28	1.066	0	1.131
Write off	0	5	1.437	31	40	0	1.513
New Consolidated Subsidiary	0	-10	-123	-47	-41	0	-221
Net exchange differences on foreign currency translation	0	91	-2.646	53	-637	-186	-3.325
Transfer of assets to other categories	0	0	1.575	-281	-1.270	0	24
Net book value-31/12/2008	**6.517**	**7.233**	**105.165**	**2.381**	**34.564**	**2.054**	**157.914**
31/12/2008							
Cost	6.517	9.204	162.158	3.851	88.257	2.435	272.422
Minus							
Accumulated Depreciation and impairment	0	-1.971	-56.993	-1.470	-53.693	-381	-114.508
Net book value-31/12/2008	**6.517**	**7.233**	**105.165**	**2.381**	**34.564**	**2.054**	**157.914**

GROUP	**Land**	**Buildings and installations**	**Machinery and equipment**	**Transport equipment**	**Furniture and fixtures**	**Assets under construction**	**Total**
1/1/2007							
Cost	0	3.489	32.268	1.725	95.526	7.613	140.621
Accumulated Depreciation	0	-1.278	-17.543	-803	-36.456	-2.948	-59.028
Net Book value 1/1/2007	**0**	**2.211**	**14.725**	**922**	**59.070**	**4.665**	**81.593**
Opening balance							
PLUS							
Additions	6.517	963	14.117	261	6.728	229	28.815
Transfer of assets to other categories	0	-590	32.517	-173	-24.111	-7.659	-16
Disposal	0	-639	-706	-15	-24	0	-1.384
Write-off	0	-34	-4	-1	-73	0	-112
New Consolidated Subsidiary	0	0	2.962	47	4.188	0	7.197
MINUS							
Depreciation	0	-359	-16.332	-230	-8.365	0	-25.286
Impairment	0	0	-87	0	0	0	-87
Disposal	0	68	15	0	4	0	87
Write off	0	34	0	0	0	0	34
New Consolidated Subsidiary	0	0	-2.070	-6	-4.143	0	-6.219
Net exchange differences on foreign currency translation	0	-89	1.545	-68	-553	-72	763
Transfer of assets to other categories	0	107	-12.392	245	9.091	2.949	0
Net book value-31/12/2007	**6.517**	**1.672**	**34.290**	**982**	**41.812**	**112**	**85.385**
31/12/2007							
Cost	6.517	3.189	81.154	1.844	82.234	183	175.121[1]
Minus							
Accumulated Depreciation and impairment	0	-1.517	-46.864	-862	-40.422	-71	-89.736
Net book value-31/12/2007	**6.517**	**1.672**	**34.290**	**982**	**41.812**	**112**	**85.385**

[1] The breakdown of group tangible and intangible cost and depreciation have been changed comparing with 2007 annual report for comparability reasons, as cost and depreciation of disposals and write-offs are presented here separately and not in their Net Book Value as 2007 annual report.

COMPANY	**Buildings and installations**	**Machinery and equipment**	**Transport equipment**	**Furniture and fixtures**	**Total**
1/1/2008					
Cost	937	1	115	42.920	43.973
Accumulated amortization and impairment	-475	-1	-24	-17.253	-17.753
Opening balance 01/01/2008	**462**	**0**	**91**	**25.667**	**26.220**
PLUS					
Additions	679	0	2	9.234	9.915
Transfer	0	0	0	0	0
Acquisition of subsidiary	0	0	0	0	0
MINUS					
Depreciation	-157	0	-17	-6.236	-6.410
Impairment	0	0	0	0	0
Disposal	0	0	0	0	0
Write off	0	0	0	0	0
Net exchange differences on foreign currency translation	0	0	0	0	0
Net book value- 31/12/2008	**984**	**0**	**76**	**28.665**	**29.725**
31/12/2008					
Cost	1.616	1	117	52.154	53.888
Minus					
Accumulated Depreciation and impairment	-632	-1	-41	-23.489	-24.163
Net book value- 31/12/2008	**984**	**0**	**76**	**28.665**	**29.725**

COMPANY	Buildings and installations	Machinery and equipment	Transport equipment	Furniture and fixtures	Total
1/1/2007					
Cost	545	1	115	40.234	40.895[i]
Accumulated amortization and impairment	-366	-1	-7	-11.376	-11.750
Opening balance 01/01/2007	**179**	**0**	**108**	**28.858**	**29.145**
PLUS					
Additions	392	0	0	2.685	3.077
Transfer	0	0	0	0	0
Acquisition of subsidiary	0	0	0	0	0
MINUS					
Depreciation	-109	0	-17	-5.877	-6.003
Impairment	0	0	0	0	0
Disposal	0	0	0	0	0
Write off	0	0	0	0	0
Net exchange differences on foreign currency translation	0	0	0	0	0
Net book value-31/12/2007	**462**	**0**	**92**	**25.666**	**26.220**
31/12/2007					
Cost	937	1	115	42.919	43.972
Minus					
Accumulated Depreciation and impairment	-475	-1	-23	-17.253	-17.752
Net book value-31/12/2007	**462**	**0**	**92**	**25.667**	**26.220**

For the security of bank loan of a subsidiary company there is mortgage prenotation on building.

There are no other restrictions, apart from the aforementioned, in the ownership, transfer or other liens on the Group's property. Also none of the assets has been pledged as security against liabilities

At 31 December 2008 the Group had no commitments for the purchase of tangible fixed assets.

12. Intangibles

GROUP	GOODWILL	SOFTWARE	RESEARCH & DEVELOPMENT	OTHER	LICENCES	TOTAL
1/1/2008						
Cost	56.385	31.185	11.685	9.723	89.389	198.367[ii]
Accumulated amortization	-289	-12.832	-5.667	-5.022	-16.327	-40.137
Opening balance 01/01/2008	**56.096**	**18.353**	**6.018**	**4.701**	**73.062**	**158.230**
PLUS						
Internally generated intangibles	0	336	0	896	0	1.232
Revaluation	0	0	0	0	0	0
Additions	299	11.835	2.999	7.812	14.009	36.954
Transfer of assets to other categories	172	-378	0	-1.589	1.686	-109
New Consolidated Subsidiary (note 14)	1.864	6	0	23	0	1.893
Disposal	0	-2.050	0	-23	-4	-2.077
Write - off	0	-145	0	0	0	-145
MINUS						
Amortization	0	-10.375	-6.576	-656	-14.533	-32.140
Disposal	0	0	0	0	0	0
Impairment	0	0	-82	0	0	-82
New Consolidated Subsidiary	0	-6	0	0	0	-6
Net exchange differences on foreign currency translation	0	-426	75	-167	-197	-715
Transfer of assets to other categories	0	21	0	-21	0	0
Write - off	0	0	0	0	0	0
Net book value - 31/12/2008	**58.431**	**17.171**	**2.434**	**10.976**	**74.023**	**163.035**
31/12/2008						
Cost	58.720	40.789	14.682	16.842	105.080	236.115
Minus						
Accumulated amortization and impairment	-289	-23.618	-12.250	-5.866	-31.057	-73.080
Net book value – 31/12/2008	**58.431**	**17.171**	**2.434**	**10.976**	**74.023**	**163.035**

GROUP	GOODWILL	SOFTWARE	RESEARCH & DEVELOPMENT	OTHER	LICENCES	TOTAL
1/1/2007						
Cost	47.963	30.454	0	4.926	30.797	114.140
Accumulated amortization	-285	-7.039	0	-4.718	-13.824	-25.866
Opening balance 01/01/2007	**47.678**	**23.415**	**0**	**208**	**16.973**	**88.274**
PLUS						
Internally generated intangibles	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Additions	0	2.452	5.739	2.292	59.580	70.063
Transfer of assets to other categories	2.252	-1.932	0	705	1.009	16
New Consolidated Subsidiary	6.170	222	5.946	1.800	21	14.159
Disposal	0	-11	0	0	0	-11
Write - off	0	0	0	0	0	0
MINUS						
Amortization	0	-3.018	-497	-102	-4.811	-8.428
Disposal	0	0	0	0	0	0
Impairment	0	-9	0	0	0	-9
New Consolidated Subsidiary	0	-25	-4.976	0	0	-5.001
Net exchange differences on foreign currency translation	-1	-653	-194	-42	57	-833
Transfer of assets to other categories	-3	-2.088	0	-160	2.251	0
Write - off	0	0	0	0	0	0
Net book value - 31/12/2007	**56.096**	**18.353**	**6.018**	**4.701**	**73.062**	**158.230**
31/12/2007						
Cost	56.385	31.850	11.685	9.723	89.389	198.378[2]
Minus						
Accumulated amortization and impairment	-289	-12.832	-5.667	-5.022	-16.327	-40.148
Net book value – 31/12/2007	**56.096**	**18.353**	**6.018**	**4.701**	**73.062**	**158.230**

[2] The breakdown of group tangible and intangible cost and depreciation have been changed comparing with 2007 annual report for comparability reasons, as cost and depreciation of disposals and write-offs are presented here separately and not in their Net Book Value as 2007 annual report.

COMPANY	GOODWILL	SOFTWARE	RESEARCH & DEVELOPMENT	OTHER
1/1/2008				
Cost	21.179	4.005	8.535	33.719
Accumulated amortization	-8.109	0	-5.487	-13.596
Opening balance 01/01/2008	**13.070**	**4.005**	**3.048**	**20.123**
PLUS				
Internally generated intangibles	0	0	0	0
Additions	687	2.133	8.138	10.958
Acquisition of subsidiary	0	0	0	0
MINUS				
Amortization	-8.319	-6.138	-6.778	-21.235
Disposal	0	0	0	0
Impairment	0	0	0	0
Net exchange differences on foreign currency translation	0	0	0	0
Net book value-31/12/2008	**5.438**	**0**	**4.408**	**9.846**
31/12/2008				
Cost	21.866	6.138	16.673	44.677
Minus				
Accumulated Depreciation and impairment	-16.428	-6.138	-12.265	-34.831
Net book value-31/12/2008	**5.438**	**0**	**4.408**	**9.846**

COMPANY	SOFTWARE	RESEARCH & DEVELOPMENT	LICENCES	TOTAL
1/1/2007				
Cost	20.192	0	8.259	28.451
Accumulated amortization and impairment	-5.924	0	-4.314	-10.238
Opening balance 01/01/2007	**14.268**	**0**	**3.945**	**18.212**
PLUS				
Internally generated intangibles	0	0	0	0
Additions	987	4.005	276	5.268
Acquisition of subsidiary	0	0	0	0
MINUS				
Amortization	-2.185	0	-1.174	-3.359
Disposal (Net Book Value)	0	0	0	0
Impairment	0	0	0	0
Net exchange differences on foreign currency translation	0	0	1	1
Net book value-31/12/2007	**13.070**	**4.005**	**3.048**	**20.123**
31/12/2007				
Cost	21.179	4.005	8.535	33.719
Minus				
Accumulated Depreciation and impairment	-8.109	0	-5.487	-13.596
Net book value-31/12/2007	**13.070**	**4.005**	**3.048**	**20.123**

13. Investments in subsidiaries and associates

GROUP	% Participation	Country	31/12/2008	31/12/2007
Bilyoner Interactif Hizmelter As	25%	Turkey	1.489	291
Lotrich Information Co	40%	Taiwan	3.922	4.171
Nanum Lotto	15%	Korea	5.970	5.970
Bulln's	5%	Bulgaria	0	486
Other			101	67
			11.482	**10.985**

INTRALOT SA Investments in Associates	**% Participation**	**Country**	**Cost**	**Adj**	**Adjusted Cost**	**Adjusted Cost**
			31/12/08		**31/12/08**	**31/12/07**
Bilyoner Interactif Hizmelter As	25%	Turkey	499	0	499	499
Innovative Solutions Consultancy Group Inc	37,38%	Philippines	0	0	0	82
Lotrich Information Co	40%	Taiwan	5.131	0	5.131	5.131
Nanum Lotto	15%	Korea	5.970	0	5.970	5.970
Other			1	0	1	1
			11.601	**0**	**11.601**	**11.683**

INTRALOT SA Investments in Subsidiaries	**% Participation**	**Country**	**Cost**	**Adj**	**Adjusted Cost**	**Adjusted Cost**
			31/12/08		**31/12/08**	**31/12/07**
Intralot De Chile	99,99%	Chile	9.361	0	9.361	9.361
Intralot Inc	85%	USA	4.424	0	4.424	4.423
Intralot De Peru SAC	99,98%	Peru	15.759	0	15.759	14.259
Pollot Ltd	100%	Poland	2.249	0	2.249	2.249
Intralot Holdings International Ltd	100%	Cyprus	8.464	0	8.464	8.464
Intralot Australia pty Ltd	100%	Australia	114	0	114	114
Betting Company S.A.	95%	Greece	139	0	139	139
Maltco Lotteries Ltd	73%	Malta	6.993	0	6.993	6.993
Intralot Betting Operations Ltd	54,95%	Cyprus	2.000	0	2.000	2.000
Royal Highgate Ltd	3,82%	Cyprus	182	0	182	182
Inteltek Internet AS	20%	Turkey	67.326	0	67.326	67.326
Loteria Moldovei SA	47,90%	Moldavia	656	0	656	656
Intralot Asia Pacific Ltd	100,00%	China	295	0	295	300
Intralot Luxembourg SA	100,00%	Luxembourg	31	0	31	31
Intralot New Zealand Ltd	100%	N. Zealand	568	0	568	568
Intralot South Africa Ltd	72,95%	S. Africa	2.300	0	2.300	2.300
Intralot Iberia SAU	100%	Spain	635	0	635	635
Intralot Iberia Holdings SA	100%	Spain	60	0	60	60
Tecnoaccion SA	50,01%	Argentina	8.225	0	8.225	8.225
Intralot Beijing Co Ltd	100%	China	110	0	110	110
Intralot Argentina S.A.	89,79%	Argentina	453	0	453	74
Gaming Solutions International Ltd	99%	Colombia	316	0	316	316
Intralot South Korea S.A.	100%	S. Korea	75	0	75	75
Intralot Do Brazil Ltda	99,97%	Brazil	1.774	0	1.774	66
Intralot Finance UK Plc	100%	UK	16	0	16	0
Other			101	0	101	2
			132.626	**0**	**132.626**	**128.928**
TOTAL			**144.227**	**0**	**144.227**	**140.611**

Group Structure

The consolidated financial statements include the financial statements of INTRALOT SA and of the subsidiaries listed below.

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%
	LOTERIA MOLDOVEI SA	Chisinau, Moldova	47,90%		47,90%
6,7,8	TOTOLOTEK SA	Warsaw, Poland		75,83%	75,83%
2.	WHITE EAGLE INVESTMENTS LTD	Hertfordshire, United Kingdom		100%	100%
2.	BETA RIAL Sp.Zoo	Warsaw, Poland		100%	100%
9.	YUVENGA CJSC	Moscow, Russia		24,50%	24,50%
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, 2	E.C.E.S. SAE	Cairo, Egypt		75,01%	75,01%
2.	INTRALOT OOO	Moscow, Russia		100%	100%
	POLDIN LTD	Warsaw, Poland	100%		100%
	INTRALOT ASIA PACIFIC LTD	Hong Kong, China	100%		100%

	INTRALOT AUSTRALIA PTY LTD	Melbourne, Australia	100%		100%
	INTRALOT SOUTH AFRICA LTD	Johannesburg, South Africa	72,95%		72,95%
	INTRALOT LUXEMBOURG SA	Luxemburg	100%		100%
2.	INTRALOT ITALIA SRL	Rome, Italia		85%	85%
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		99%	99%
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		100%	100%
	INTRALOT SOUTH KOREA	Seoul, S. Korea	100%		100%
	INTRALOT FINANCE UK PLC	London, United Kingdom	100%		100%
2.	SLOVENSKE LOTERIE AS	Bratislava, Slovakia		51%	51%
17.	TORSYS SRO	Bratislava, Slovakia		100%	100%
	INTRALOT DO BRAZIL LTDA	Brazil	99,97%		99,97%
18.	OLTP LTDA	Brazil		93%	93%
	II. Equity method				
	BILYONER INTERAKTIF HIZMELTER AS (former LIBERO INTERAKTIF AS)	Istanbul, Turkey	25%		25%
	LOTRICH INFORMATION Co. LTD	Taipei, Taiwan	40%		40%
12.	GIDANI LTD	Johannesburg, South Africa		16,41%	16.41%

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 SA
15: Intralot de Chile SA
16: Intralot Italia SRL
17: Slovenske Loterie AS
18: Intralot Do Brazil LTDA

Basic Financial Figures of the group entities consolidated through the equity method *(first level of consolidation)*

Basic Financial Figures	Total Assets	Liabilities	Revenue	Profits / (Losses) after Taxation
BILYONER INTERAKTIF HIZMELTER AS (former LIBERO INTERAKTIF AS)	8.662	2.704	13.405	5.094
LOTRICH INFORMATION Co. LTD	11.282	1.388	158	-1.055

The Group has also a number of shares of a non significant value in subsidiaries and associates for which, in respect to INTRALOT SA, there is no ultimate parent, company relationship in the form of a legal entity.

14. Business Combination

Acquisitions in 2008

A. Investment in Slovenske Loterie AS

During June 2008 the Group acquired 51% of the Slovenske Loterie AS, through its subsidiary Intralot Holdings International LTD, which Intralot SA controls 100%. Slovenke Loterie AS has considerable presence in the Slovakian lottery market. The carrying and fair value of the company’s assets, the date of the acquisition (04/06/2008) were:

	Fair value	Carrying value
	€ 000	**€ 000**
Intangible Assets	23	23
Tangible fixed assets	233	233
Long-Term Loans	14	14
Deferred Tax assets	5	5
Inventories	19	19
Short term receivables	88	88
Cash and cash equivalents	2.628	2.628
Total Assets	**3.010**	**3.010**
Non- current liabilities	22	22
Current liabilities	194	194
Value of Net Assets	**2.794**	**2.794**
Group 51% participation	**1.425**	
Consideration	**3.289**	
Goodwill on Acquisition(note 12)	**1.864**	
The net cash outflow is analysed as follows :		
Cash and cash equivalents acquired	2.628	
Cash consideration given	-3.289	
Group Cash outflow	**-661**	

During the same time the Group

1. During 2008 Intralot established OLTP company through its subsidiary Intralot De Brazil. Initially Intralot possessed 91% of OLTP, acquiring subsequently another 2%.
2. Also, Intralot established during 2008 Intralot South Korea.

15. Other financial assets

Other financial assets which have been classified by the Group as «Available for sale» are analyzed as follows:

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Bank of Cyprus capital investments	2.563	5.126	0	0
Foreign Government Notes	485	1.179	0	0
INTRAROM SA	398	398	398	398
Other	60	278	61	278
	3.506	**6.981**	**459**	**676**

The above data concern:

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Listed securities	60	278	61	278
Un-listed securities	3.446	6.703	398	398
Total	**3.506**	**6.981**	**459**	**676**

During the year ended 31 December 2008 a loss for the group of € 23 thousand for the Group (2007: € -125 thousand) and of € 23 thousand loss for the company (2007: -125 thousand) arising from the measurement of the above financial assets at fair values, was recorded to a special reserve in equity.

Bank of Cyprus capital investments: The Group acquired these investments through the acquisition of a subsidiary in January 2004, they yield income at interest rates of 6.20% (2007: 5.25%); they are stated at acquisition cost and the difference between carrying values and fair values at 31 December 2008 is not significant.

Intrarom SA.: The Company has a 4.14% (2007: 4.14%) participation in the share capital of INTRAROM SA a non listed company which is registered in Romania. The participation amount is stated at acquisition cost.

Other: "Other items" consist of shares of various listed entities and are fair valued based on their stock exchange prices. At the balance sheet date the value of these shares is € 61 thous (2007: € 278 thous).

16. Other long term receivables

Other long term receivables at 31 December 2008 are analyzed as follows:

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Receivables	18.893	38.222	0	0
Due from related parties (Note 29)	50.724	58.473	0	41.000
Rent guarantees	1.338	802	0	0
Other receivables	34.746	13.187	417	286
	105.701	**110.684**	**417**	**41.286**

17. Inventories

Inventories are analyzed as follows:

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Merchandise – Equipment	45.136	48.078	42.519	45.410
Other	4.390	2.396	0	0
	49.526	**50.474**	**42.519**	**45.410**
Impairment	-1.735	-1.735	-1.735	-1.735
	47.791	**48.739**	**40.784**	**43.675**

For the period ended December 31, 2008 the amount transferred to the Cost of Goods Sold is € 42.782 thous. (2007: € 30.640 thous.) for the Group while the respective amount for the Company is € 71.307 thous. (2007: € 41.474 thous).

18. Trade and other short term receivables

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Trade receivables	141.974	83.039	56.426	36.685
Receivables from related parties (Note 29)	28.907	25.425	169.063	112.626
Other receivables (1)	41.173	17.118	22.860	6.304
Less: Provisions	-5.869	-6.207	-4.358	-4.358
Prepaid expenses and other receivables	10.230	20.019	453	14.309
	216.415	**139.394**	**244.444**	**165.566**

(1) Included financial derivatives with total value on 31/12/2008 € 1.167 thous. for the Group.

The above receivables are non interest bearing.

19. Cash and cash equivalents

Bank current accounts are either non interest bearing or interest bearing and yield income at the daily bank rates.
The short term time deposits are made for periods between one (1) day and one month depending on the Group's cash requirements and yield income at the applicable prevailing interest rates.

For the purposes of the Statement of Cash Flows, cash and cash equivalents at 31 December 2008 consist of**:**

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Cash and bank current accounts	239.191	204.266	4.643	9.497
Short term time deposits	66.256	80.487	17.361	48.121
	305.447	**284.753**	**22.004**	**57.618**

The time deposits denominated in foreign currency relate mainly to currency exchange contracts (which have the nature of a time deposit and not a derivative).

20. Share Capital and Reserves

	GROUP	COMPANY
158.961.721 Ordinary shares of nominal value € 0,30 each *(including titles of stock option paid and confirmed in 2008 but issued in 2009)*	**47.689**	**47.689**

After the exercise of share option rights on INTRALOT SA shares by the employees, the Company issued in February 2004 272.010 ordinary shares for a total value of € 100.644.

Following the share option, during 2005, the share capital was increased by € 26.125,7 with the issue of 70.610 shares at a nominal value of €0.37 each. Payment of this amount was confirmed by the Board of Directors on 19.12.05 while the share capital increase and confirmation of this amount were approved by decisions K2-16475/2-1-2006 and K2-16476/2-1-2006 of the Ministry of Development. According to the decision of the General Assembly of Shareholders on May 4th, 2005, the share capital (Ministry of Development Decision K2-5852/17-5-2005) was increased by € 14.383.411,45 through the capitalization of reserves with the issuance of 38.874.085 new ordinary shares of € 0,37 nominal value each, which were distributed freely to old shareholders, at a ratio of one new share for each existing one respectively.

Following partial exercise of the share option, during 2006, the share capital was increased by A) 6,969,32€ with the issue of 18.836 nominal shares at a nominal value of € 0,37 each. Payment of this amount was confirmed by the Board of Directors on 18/12/2006 while the share capital increase and confirmation of this amount were approved by decisions K2-18150/22-12-2006 and K2-18151/22-12-2006 of the Ministry of Development; and B) 353.847,65€ with the issue of 956.345 nominal shares with a nominal value of € 0.37 each. Payment of this amount was confirmed by the Board of Directors on 18/12/2006 while the share capital increase and confirmation of this amount were approved by decisions K2-18152/22-12-2006 and K2-18153/22-12-2006 of the Ministry of Development.

According to the decision of the General Assembly of Shareholders on October 24th, 2007, the share capital (Ministry of Development Decision K2-15700/31-10-2007) was increased by € 18.122.611,03 through the capitalization of reserves and the increase of the nominal value of the share of the company by € 0,23 and by the same aforementioned resolution , it was resolved to decrease the nominal value of each share from € 0,60 to € 0,30 and to issue 78.793.961 new shares with a nominal value of € 0,30 each ,which were distributed freely to the old shareholders, at a ratio of one new share for each existing one respectively.

Following the partial exercise of the share option, during 2007, the share capital was increased by A) 1242€ with the issue of 4.140 nominal shares ata nominal value of € 0,30 each. Payment of this amount was confirmed by the Board of Directors on 19/12/2007 while the share capital increase and confirmation of this amount were approved by decisions K2- 18339/11-1-2008 and K2-18338/11-1-2008 of the Ministry of Development and B) 405.009,30€ with the issue of 1.350.031 nominal shares with a nominal value of € 0.30 each. Payment of this amount was confirmed by the Board of Directors on 19/12/2007 while the share capital increase and confirmation of this amount were approved by decisions K2- 18340/11-1-2008 and K2-18337/11-1-2008 of the Ministry of Development.

Following the exercise of the share option during 2008, the share capital was increased by 5.888,40€ with the issue of 19.628 nominal shares at a nominal value of € 0,30 each. Payment of this amount was confirmed by the Board of Directors on 19/12/2008 while the share capital increase and confirmation of this amount were approved by decisions K2- 15716/30-12-2008 and K2-15717/30-12-2008 of the Ministry of Development.

For comparison purposes, earnings per share (EPS) calculation as at December 31, 2008, have been adjusted respectively (Note 9).

Reserves

Statutory reserve
In accordance with Greek Commercial Law, companies are required to set aside to this reserve at least 5% of their annual accounting profits as shown in their books at Legal Reserve until the cumulative balance reaches 1/3 of their paid up share capital. This reserve is not distributable during a company's operating life.

Cumulative translation differences
This component of equity includes the exchange differences arising from the translation of foreign subsidiaries' financial statements into the Group's presentation currency. The balance of this component at 31 December 2008 was debit € 33.504 thousand (2007: € 7.626 thous. debit balance)

Tax free reserves and reserves specially taxed
The tax free reserves and reserves taxed in a special way, represent interest income which are either tax free or have been taxed at 15% at source. This particular income is not taxable provided that there will be sufficient profits from which the related tax free reserves can be created. Based on Greek tax law, this reserve is exempt from tax provided that it will not be distributed to shareholders. The Company does not intend to distribute this reserve and has thus not provided for deferred tax liability that would have been necessary if the reserve were to be distributed. The balance of these reserves at 31 December 2008 was € 28.055 thousand for the Group and € 7.282 thousand for the Company (31 December 2007 was € 9.821 thousand for the Group and € 7.282 thousand for the Company).

Compound Financial Instruments reserve
This reserve refers to the exchangeable bond (note 21: Loan A) and amounts € 12.134 thous.

Stock option reserve
This reserve concerns the stock option rights granted and amounts for the year ended 2008 to € 20.844 thous. (2007: € 20.844 thous.).

21. Long Term Loans

Long term loans at 31 December 2008 are analyzed as follows:

	Currency	Interest rate	GROUP €'000	COMPANY €'000
Loan A	EURO	2,25	200.000	200.000
Loan B	EURO	3M EURIBOR+0,85%	70.000	70.000
Loan C	EURO	1M Euribor+ 0,425%	150.000	
Loan D	EUR	3M Euribor+0,67%	21.014	
Loan E	ZAR	Prime Rate- 2,442%	16.504	
others			40.213	0
			497.731	270.000
Current portion of long term loans (Note 27)			- 44.289	
Equity Component and other IFRS Adjustments			-4.215	-4.215
Long Term Loans			**449.317**	**265.785**

Sensitivity Analysis in interest rate risk

Year 2008		**Change in interest rate**	**Effect on profit before tax**
	Euribor 1M	+/- 1%	1.500
	Euribor 3M	+/- 1%	910
	Prime rate	+/- 1%	165
Year 2007		**Change in interest rate**	**Effect on profit before tax**
	Euribor	+/- 1%	1.040
	Prime rate	+/- 1%	246

Sensitivity Analysis on exchange rate risk

Year 2008	**Foreign Currency**	**Change in exchange rate**	**Effect on profit before tax**	**Effect on equity**
	TRY	+5%	4.580	1.131
		-5%	-4.143	-1.023
	ZAR	+5%	591	672
		-5%	-1.037	-1.111
Year 2007	**Foreign Currency**	**Change in exchange rate**	**Effect on profit before tax**	**Effect on equity**
	TRY	+5%	4.551	2.982
		-5%	-4.118	-2.698
	ZAR	+5%	1.386	1.425
		-5%	-1.084	-1.118

- Loan A: On December 20th, 2006, Intralot Luxembourg ("Issuer") issued an exchangeable bond with a face value of € 200 million maturing on December 20th, 2013, at which point the holder, in case the right to convert was not exercised in 2013, may opt for repayment of € 230.076.637,6 (nominal value increased by 15,04%) or conversion into 13.114.754,10 common shares of Intralot SA. Interest is payable annually in arrears at a nominal interest rate of 2,25% per annum. The exchangeable loan is listed at the Luxembourg Stock Exchange.

- Loan B: On July 2006 the parent company decided to borrow through a bond issue of 70 million EURO. The financing bears floating interest 3M Euribor plus 0,85% spread. The first tranche of 70 million EURO was issued on July 2006. The bonds mature in July 2011. The company holds the right repay the face value of the bond under certain conditions. The terms of the bond issue contain events of default including, among others, failure to make payments, inability to meet general and economic guarantees, certain events of insolvency, the suspension of business, ownership structure and materially adverse changes clause affecting the financials

- Loan C: On December 2007 a foreign subsidiary entered in a syndicated revolving credit facility agreement for 500 million EUR for 5 years, of which 150million was utilized. The loan bears interest at the 1M Euribor plus 0,425% spread. The 5-year transaction is for general corporate purposes, including the refinancing of existing indebtedness, acquisitions, investments and capital expenditure and is anticipated to improve both the Group's capital structure and overall financial expenses.

- Loan D: In February 2007 a foreign subsidiary entered into an agreement for a loan for a total amount of EUR 25 million, of which EUR 23,7 million was utilized. The loan bears interest at the 3M Euribor plus 0,67% spread. The loan principal is payable in equal semi-annual installments from February 2008 until February 2013. The loan has been guaranteed by the parent company.

- Loan E: In February 2007, a foreign subsidiary entered into an agreement for a loan for a total amount of ZAR 246,39 million. The loan bears interest at Prime Rate minus 2,442%. The loan principal is payable in equal semi-annual installments from April 2008 until January 2012. The loan has been guaranteed by the parent company.

  The weighted average long term loans interest rate is 3,46% in Euro and from 4% up to 12% in other currencies.

  In regards of the maturity loans are categorized as follows:
  One to five years:-
  Two to five years: Loan A,B,C,D,E

22. Staff retirement indemnities

(a) ***State Insurance Programs:*** The Group's contributions to the State insurance funds for the year ended 31 December 2008 have been reported in the income statement and amount to € 10.169 as stated in note 5 to the financial statements.

(b) ***Staff Retirement Indemnities:*** According to Greek Labor Law, employees are entitled to indemnity on dismissal and retirement, the amount of which varies depending on the years of service, salary level and the way the employee leaves employment (dismissal – retirement). Employees that resign or are dismissed for legally valid reasons are not indemnified. The indemnity payable on retirement is 40% of the amount that would have been payable to the same employee on dismissal on the same day (retirement date). In Greece, based on customary practice these programs are not funded. The Group charges to the income statement the expense attributable to the service provided by employees in the year, with a corresponding increase in the provision for staff retirement indemnities. Any payments made to retiring employees, are set against the related provision.

Independent actuaries calculated the Company's and the Group's liability for retirement indemnities. The movement of the net liability as presented in the balance sheet and the basic assumptions used in the actuarial study as at 31 December 2008 are as follows:

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Present Value of unfunded liability	2.768	2.309	2.059	1.579
Unrecognized actuarial losses	-649	-590	-608	-502
Net liability on the balance sheet	**2.119**	**1.719**	**1.451**	**1.077**
Components of the net retirement cost in the year:				
Current service cost	604	537	298	268
Interest	113	117	96	53
Amortization of unrecognised actuarial (gain) or loss	39	25	37	20
Effect of cutting / settlement / termination benefits	-10	0	-5	0
Benefit expense charged to income statement (Note 5)	746	679	426	341
Additional service cost	0	0	0	0
Total charge to income statement	**746**	**679**	**426**	**341**
Movement of benefit liability:				
Net liability at beginning of year	1.719	1.368	1.077	735
Service cost	604	341	298	268
Interest	113	117	96	53
Amortization of unrecognised actuarial (gain) or loss	38	25	37	21
Effect of cutting / settlement / termination benefits	-10	0	-5	0
Benefits paid	-307	-142	-52	0
Subsidiary not consolidated	0	0	0	0
New consolidated entities	0	0	0	0
Foreign exchange difference	-38	10	0	0
Present Value of the liability at end of year	**2.119**	**1.719**	**1.451**	**1.077**

Basic assumptions:

Discount rate	5,6%
Percentage of annual salary increases	4%
Increase in Consumer Price Index	2%

23. Share based benefits

Plans for employee participation in the share capital

The Group has in place incentive plans to executives and employees with the provision of non transferable rights to acquire shares. At the date of preparation of these financial statements two (2) plans had been approved:

The first plan was approved by the Shareholders' General Assembly of 28 February 2001 and 27 September 2001 and has a five (5) year duration. Under this program 3.708.200 rights to acquire shares were granted to Board of Directors' members and to employees, at an exercise price of € 2,935. The beneficiaries have an exercise period until 30 November of each year of the duration of the program, to exercise their rights. In 2002 the first rights were exercised. At 31 December 2003, 2004, 2005, 2006 , 2007 and 2008 931.850, 387.830, 124.030, 35.220 32.768 and 19.628 such rights for shares, were outstanding respectively under this program. In 2008 the number of rights exercised was for 19.628 shares at an exercise price of € 1,468*. The first plan expired at 31 December 2008 .

The second plan was approved by the Shareholders' General Assembly of 4 May 2005 and has three (3) year duration. Under this program 2.400.000 rights to acquire shares were granted to Board of Directors' members, the General Directors and the Managerial Officers of INTRALOT SA and its subsidiaries, at an exercise price of € 10,00. After the approve by the Shareholders' General Assembly of 22 September 2006, decided that for each year that the plan will be in operation, the Shareholders' General Assembly shall be entitled with a specific resolution, to determine the exact number of rights to be granted to the beneficiaries. In this case, the issuance rights for the first year (2006) they amount to up a 1,000,000 shares, from these exercised 956,345 shares. By the Shareholders' General Assembly of 24 October 2007 the issuance rights for the second year (2007) they amount up to 2.000.000 shares, from these exercised 1.350.031 shares(included the rest rights of the first year) at an exercise price of € 5,00*. Under the 03.06.08 General Assembly the second plan II was extended for 3 years , until December 2011. At the same General Assembly was decided the increase of the rights by up to 4.800.000, which will be added to the rests 37.279 rights, which the Board of Directors will offer during the second plan II, every year, by its decision to the beneficiaries which will determine. (revoking the Shareholders' General Assembly of 22.09.06 which appointed that the General Assembly could be entitled by a specific resolution determine the exact number of rights to be granted every year to the beneficiaries. Moreover, the exercise of the options can be done according to the provisions of the amended article 13 par. 13 of the Codified Law 2190/1920 and every calendar trimester maximum, the Board of Directors will increase the share capital and will issue and deliver the shares to the beneficiaries.

*****The number of shares and the exercise prices are adjusted for the stock bonus issue (issuance of one new bonus share for each existing one), according to the decision of the Repeat Shareholder's General Assemblies on May 4th, 2005 and on 24 October 2007.

Share Base Payment

During the period ended 31 December 2007, the Company had two share-based payment arrangements, IFRS 2 is applied for the second which is described for the first year below.

Type of arrangement	Directors and Managerial Officers
Date of grant	September 22, 2006
Number granted	1.000.000*
Contractual life	1 year
Vesting conditions	1 year service as at November 2007.

*956.345 shares were exercised from the total of 1.000.000 for the first year of the program II. The rest 43.655 shares (which by the Shareholders' General Assembly of 24 October 2007 were adjusted to 87.310- issuance of one new bonus share for each existing one) exercised in 2007.

The estimated fair value of each value of each share option granted in the general employee share option plan is € 10,7518. This was calculated by applying the option pricing model Black & Scholes.

Share Base Payment

IFRS 2 is applied for the second which is described for the second year below.

Type of arrangement	Directors and Managerial Officers
Date of grant	November 27, 2007
Number granted	1.300.000
Contractual life	1 year
Vesting conditions	1 year service as at November 2007.

The estimated fair value of each value of each share option granted in the general employee share option plan is € 12,1844. This was calculated by applying the option pricing model Black & Scholes.

During 2008 none stock option was exercised.

24. Explanatory Report on Article 11a of Law 3371/2005

This explanatory report that the Board of Directors addresses to the Ordinary General Meeting of Shareholders, contains information related to the provisions of § 1, article 11a of Law 3371/2005.

1. *Share capital structure*.
The share capital of the Company amounts today to forty seven million six hundred eighty eight thousand five hundred sixteen euro and thirty cents (€47,688,516.30) divided by 158.961.721 nominal shares at thirty seven cents (€0.30) each. All Company shares are introduced to the Athens Stock Exchange for negotiation, in the Large Capitalization category, under "Gaming Sector". Company shares are common registered shares with a voting right.

2. *Restrictions on company share transfer; indicatively, restrictions on share possession or obligation of prior approval by the company, by other shareholders or a public / administration authority, subject to article 4 § 2 of Law 3371/2005*.

Transfer of Company shares is made in accordance with the law, and the Company Statute contains no restrictions on transfer. As per Law 3310/05 («Measures to ensure transparency and avoid violations during public procurement procedure» - about the Reference Shareholder) potential abroad companies (as per Law 3310/2005) that became Reference Shareholders, are bound to transfer as appropriate the total / exceeding number of shares which conveyed them a Reference Shareholder status and in any case provided is needed shareholders are bound to comply with the terms of legislation concerning transparency in public contracts.

3. *Major direct or indirect participation pursuant to the provisions of Presidential Decree 51/1992*.
Sokratis Kokkalis owned 20.10% of the corporate share capital as of 31/12/2008.
Konstantinos Dimitriadis owned 10.21% of the corporate share capital as of 31/12/2008.
Bank of America owned 5,15% of the corporate share capital as of 31/12/2008
INVESCO LTD owned 5% of the corporate share capital as of 31/12/2008

All other natural or legal person / entity own no more than 5% of the corporate share capital.

4. *Shareholders with special control rights (all types of shares)*.
Corporate shares, which confer special control rights to their holders, have not been issued.

5. *Restrictions on the voting right*.
The Company Statute does not provide for restrictions on the voting right.

6. A*greements between Company Shareholders*.
The Company has no notion of agreements between its shareholders that may result in restrictions both on share transfer and on the exercise of the related voting rights.

BoD members' appointment rules and replacement; Statute amendments.

The rules of the Company Statute concerning appointment and replacement of corporate BoD members, as well as amendments in the Statute provisions, are conformed with Codified Law 2190/1920.

8. *BoD or BoD member responsibility for the issuance of new shares or the purchase of own shares*.

Intralot BoD is responsible for issuing new shares in the following cases:

a. According to article 5 § 2, 3 and 4 of the corporate Statute:

> *«**2**. Without prejudice to §4 hereof, following relevant authorization by the General Assembly, and the decision of the Board of Directors by a two third (2/3) majority, the Board of Directors is entitled to increase share capital in part or in whole by issuing new shares; the corresponding amount cannot exceed the capital paid-up at the date when the BoD was authorized. The above resolution of the General Assembly is subject to the publication obligations referred to in article 7b of the Codified Law 2190/20.*
> *The above authorization of the BoD may be renewed by the General Assembly for an interval not exceeding five years for each renewal; its term starts upon termination of the previous 5-year interval.*
> ***3.** Notwithstanding the provisions of the previous paragraph, if corporate reserves exceed one fourth (1/4) of the paid-up share capital, an increase of capital necessitates a resolution by the General Assembly extraordinary quorum and majority under article 15 hereof, and the relevant amendment of this article.*
> ***4.** Increases of capital that are decided pursuant §2 hereof, do not constitute an amendment to the Statute.»*

The above right has not been conferred to the corporate BoD.

b. In the cases referred to in article 13 § 13 of the Codified Law 2190/1920 (stock options right) and in accordance with the article 7 § 3 last quotation (grant stock option rights).

3.In any case of increase of the share capital that is not made by contribution in kind or issue of bonds with a right of their conversion into shares, a right of preference on the whole new capital or bond loan is granted, in favor of the shareholders at the time of issue, in proportion to their participation in the existent share capital.

The right of preference is exercised within the deadline, which was determined by the company body that decided the increase. This deadline with the reservation of observing the deadline for capital payment, as it is provided for in article 11 of the Codified Law 2190/1920, cannot be less than fifteen (15) days. In the case of section 6, article 13 of the Codified Law 2190/1920, the deadline for the exercise of the right of preference does not begin before the resolution taken by the board of directors for the determination of the disposal price of the new shares. After the expiry of these deadlines, the shares that have not been undertaken according to the above are freely disposed by the board of directors of the company at a price not less than the price paid by the existent shareholders. In case that the company body that decided the increase of the share capital omitted to fix the deadline for the exercise of the right of preference, this deadline for the exercise of the right of preference, this deadline or its possible extension is fixed by the board of directors by its resolution within the time limits prescribed by article 11 of the Codified Law 2190/1920.

The invitation for the exercise of the right of preference, in which the deadline within which this right should be exercised should be also mentioned, is published on the company's initiative in the Issue of Societes Anonyme and Limited Liability Companies of the Official Gazette. With the reservation of section 6, article 13 of the Codified Law 2190/1920, the invitation and the notification of the deadline for the exercise of the right of preference, according to the above, may be omitted, should at the General Meeting shareholders be present who represented the whole share capital and be informed of the deadline set for the exercise of the right of preference or who have stated their decision for the exercise or not by them of the right of preference. The publication of the invitation may be replaced by registered "upon receipt" letter, should all shares be registered.

By a resolution of the general meeting taken pursuant to the provisions of sections 3 and 4, article 29 and section 2, article 31 of the Codified Law 2190/1020, the right of preference of section 7 of the Codified Law 2190/1920 may be restricted or abolished. In order to take this decision, the board of directors is obliged to submit to the general meeting a written report, in which the reasons that impose the restriction or abolishment of the right of preference are mentioned and in which the price proposed for the issue of the new shares is justified. The resolution of the general meeting falls under the formalities on publication of article 7bof the Codified Law 2190/1920. There is no exclusion from the right of preference according to the meaning of this paragraph, when the shares are undertaken by credit institutions or enterprises of rendering investment services, which have the right to accept securities for custody, in order to be offered to the shareholders pursuant to section 7 of the Codified Law 2190/1920. Moreover, there is no exclusion from the right of preference, when the capital increase aims at the staff participation in the company's capital according to the presidential decree 30/1998 (Official Gazette 13 A').

The capital may be increased partly by contributions in cash and partly by contributions in kind. In this case, a provision of the body that decides the increase, according to which the shareholders that contribute in kind do not participate also in the increase by contributions in cash, does not constitute exclusion of the right of preference. If the proportion of the value of the contributions in kind, in relation to the total increase, is at least the same with the proportion of the participation in the share capital of the shareholders who proceed to these contributions. In case of increase of the share capital by contributions partly in cash and partly in kind, the value of the contributions in kind should have been assessed pursuant to articles 9 and 9a of the Codified Law 2190/1920 before taking the relevant decision.

By a resolution of the general meeting taken pursuant to the provisions of sections 3 and 4, article 29 and section 2, article 31 of the Codified Law 2190/1920, a program can be set for share disposition to the members of the board of directors and the staff of the company, as well as of the associated with it companies according to the meaning of section 5, article 42e of the Codified Law 2`90/1920, in the form of option for acquiring shares, according to the conditions of this resolution, a summary of which falls under the formalities of publication of article 7b of the Codified Law 2190/1920. Persons that render to the company services on a regular basis may be also appointed as beneficiaries. The nominal value of the shares disposed according to this paragraph cannot exceed totally the one tenth (1/10) of the capital, which is paid up on the date of the resolution of the general meeting. The resolution of the general meeting provides for if for the satisfaction of the right of preference the company will proceed to increase of its share capital or if it will use shares that it acquires or has acquired pursuant to article 16 of the Codified Law 2190/1920. In any case, the resolution of the general meeting should determine the maximum number of shares that may be acquired or issued, if the beneficiaries exercise the above right, the price and conditions of share disposition to the beneficiaries, the beneficiaries or their classes and the method of determination of the acquisition price, with the reservation of section 2, article 14 of the Codified Law 2190/1920, the program duration as well as any other relevant condition. By the same resolution of the general meeting, the determination of the beneficiaries or their classes may be assigned to the board of directors as well as the way of exercising the right and any other condition of the share disposition program. The board of directors, according to the program conditions, issues to the beneficiaries who exercised their *right certificates of entitlement to share acquisition and, per calendar quarter at most delivers the shares already issued or issues and delivers the shares to the above beneficiaries, increasing the share capital of the company, and it certifies the capital increase. The resolution of the board of directors for the certification of payment of capital increase is taken per calendar quarter, notwithstanding those prescribed in article 11 of the Codified Law 2`90/1920. These increases of the share capital do not constitute modifications of the articles of association, and sections 7 to 11 of the article 13 of the Codified Law 2190/1920 do not apply on these. The board of directors is obliged during the last month of the corporate year, within which capital increases took place, according to those prescribed above, to adjust by its resolution the article of the articles of association on capital, so that the capital amount be provided for, as it resulted following above increases, observing the formalities on publication of article 7 b of the Codified Law 2190/1920.*

The general meeting, by its resolution taken pursuant to the provisions of sections 3 and 4, article 29 and section 2, article 31 of the Codified Law 2190/1920 and fallen under the formalities on publication of article 7b of the Codified Law 2190/1920, may authorize the board of directors to set a share disposition program according to the previous paragraph, possibly increasing the share capital and taking all other relevant decisions. This authorization is valid for five (5) years, unless the general meeting determines a shorter period of its validity and it is independent of the powers of the board of directors of section 1, article 13 of the Codified Law 2190/1920. The resolution of the board of directors is taken under the conditions of section 1, article 13 of the Codified Law 2190/1920 and under the restrictions of section 13, article 13 of the Codified Law 2190/1920.

In particular, during 2008, by the decision of the corporate BoD on 17.12.2008 according to article 13 par. 13 of the Codified Law 2190/1920, and by the resolutions of the General Assemblies of Shareholders of the Company on 4.5.06, 22.9.06 the corporate share capital, following cash payment from the beneficiaries, increased within 2008,

- by € 5.888,40€ from the issue of 19. 628 new Company shares with a nominal value of 0.30€

C. Pursuant to the Codified Law 2190/1920 and specifically article 16 of the above mentioned law company may acquire own shares .

By resolution of the General Assembly of Shareholders of the Company on 06.05.08 was approved the possibility of purchase of own shares during a time period of the next 24 months, from 6 May 2008, pursuant to the provisions of the r article 16 of the L 2190/1920. Yet from 06.05.08 to date, the company did not buy own shares.

9. *Key agreement by the Company, which becomes effective, is amended or terminated in case the Company control changes hands following a public offer, and the results of such agreement*.

There is no such agreement.

10. *Any agreement between the Company and members of its BoD or its personnel providing for indemnification in case of non-well founded resignation or dismissal or termination of mandate/ employment due to a public offer*.

There are no agreements between the Company and members of its BoD or its personnel providing for indemnification in case of non-well founded resignation or dismissal or termination of mandate/ employment due to a public offer.

25. Other Long Term Liabilities

Other long term liabilities at 31 December 2008 include:

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Other financial liabilities	37	42	0	0
Guaranties	66	5.709	0	0
Other	130	383	0	2
	233	**6.134**	**0**	**2**

26. Trade and Other Current Liabilities

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Trade Creditors	82.282	46.999	35.360	22.302
Amounts due to related companies(note 29)	13.427	21.657	13.470	21.784
Winnings	1.345	738	0	0
Other Payables (1)	24.463	13.841	1.753	1.908
Taxes	7.249	5.839	2.859	987
Dividends payable	507	803	507	530
Total	**129.273**	**89.877**	**53.949**	**47.511**

(1) Included financial derivatives with total value on 31/12/2008 € 727 thous. (31/12/2007 € 280 thous.) for the Group and on 31/12/2008 € 624 thous. (31/12/2007 € 183 thous.) for the Company.

The above amounts are non interest bearing.

27. Short term loans and current portion of long term loans

Short term loans represent draw-downs on various credit lines that the Group maintains with various banks. The utilized amounts of these credit lines are analyzed below:

31-Dec-08	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Loans in EURO	10.395	14.848	-	-
Loans in ZAR	18.645	18.718	-	-
Loans in PEN	7.070	-	-	-
Loans in PLN	665	-	-	-
Loans in CLP	1.278	2.762	-	-
Loans in EGP	2.492	1.173	-	-
Loans in USD	3.744	-	-	-
Total	**44.289**	**37,501**	**0**	**0**

MATURITY INFORMATION OF SHORT AND LONG-TERM RECEIVABLES AND PAYABLES

	GROUP		COMPANY	
	2008	**2007**	**2008**	**2007**
RECEIVABLE				
Trade receivables	141.974	83.039	56.426	36.685
Receivables from other related parties	79.631	83.898	169.064	153.626
Other receivable	106.381	89.348	23.729	20.899
Provision for doubtful debt	-5.869	-6.207	-4.358	-4.358
Total	**322.117**	**250.078**	**244.861**	**206.852**
MATURITY INFORMATION				
0-3 months	38.479	82.011	0	94.388
3-12 months	177.937	57.383	244.444	71.178
More than 1 year	105.701	110.684	417	41.286
Total	**322.117**	**250.078**	**244.861**	**206.852**

	GROUP		COMPANY	
	2008	**2007**	**2008**	**2007**
PAYABLE				
Trade payable	82.283	46.999	35.360	23.374
Payable to other related parties	13.427	21.657	13.471	21.722
Other payable	33.797	27.355	5.116	2.417
Total	**129.507**	**96.011**	**53.947**	**47.513**
MATURITY INFORMATION				
0-3 months	49.405	61.991	26.563	25.789
3-12 months	79.869	27.886	27.385	21.722
More than 1 year	233	6.134	0	2
Total	**129.507**	**96.011**	**53.947**	**47.513**

28. Contingent Liabilities and Commitments

(a) Legal cases:

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. 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.

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 is scheduled to be heard on 9 November 2009. 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.

d. On 6 August, 2007 a recourse (Law 2522/2007) dated 6 August 2007 filed by the Union of the Companies "G-TECH Corporation" and "G-TECH Global Services Corporation Ltd" before the Board of Directors of OPAP SA against the resolution of the BoD of OPAP SA dated 31 July 2007 (which had resolved for the conclusion of an agreement with INTRALOT), was served to INTRALOT; with the said recourse it is requested that the above resolution of the BoD of OPAP SA as well as any other relevant act are eliminated. On 27

August 2007 an application for interim measures (injunctions) filed by the above mentioned Union of Companies against OPAP SA was served to INTRALOT; with this application it was requested that the execution of the above mentioned resolution of the BoD of OPAP SA and of the contract signed between OPAP SA and INTRALOT, to be suspended. The date of the hearing has been scheduled for 11 September 2007; INTRALOT intervened in this case in favor of OPAP SA. The Court by its decision no. 7597/2007 rejected the application of the Union of the Companies "G-TECH Corporation" and "G-TECH Global Services Corporation Ltd".

e. 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. 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.

f. In Turkey, the tender on fixed odds betting tender related to establishment and operation of risk management center head agency held by Spor Toto (Genclik ve Spor Genel Mudurlugu -GSGM) and the Fixed Odds Betting contract dated 2 October 2003 singed as a result of the said tender between GSGM and Inteltek Internet Teknoloji Yatırım ve Danışmanlık Ticaret A.Ş» (Inteltek) (which is a 45% subsidiary company) were challenged by Reklam Departmani Basin Yayin Produksiyon Yapimcilik Danismanlik ve Ticaret Limited Sirketi ("Reklam Departmani") and Gtech Avrasya Teknik Hizmet ve Musanirlik AS ("Gtech") with the claim of suspension of execution and annulment.

For the lawsuit initiated by Gtech, Council of State (Danistay) decided for the suspension of the tender. Following this decision, the Fixed Odds Betting contract dated 2 October 2003 between GSGM and Inteltek was terminated by GSGM based on the said decision of Council of State and the L. 5583/2007 came into effect which allowed GSGM to hold a new tender and sign a new contract which would be valid until 1 March 2008. On 15 March 2007, GSGM held a new tender, at which Inteltek became the preferred bidder and reacquired the right to operate until 1 March 2008. On the other hand, Inteltek initiated two lawsuits against GSGM on the ground that the termination of the Fixed Odds Betting Contract dated 2 October 2003 was unjustified and to determine that the aforementioned contract is valid under law and is in force. The lawsuit was rejected as well as the legal means filed against the respective decision.

On 27 February 2008, the Turkish parliament passed a new law that allowed GSGM to sign a new Fixed Odds Betting contract with Inteltek, having the same terms and conditions with the latest contracts signed with GSGM and to be valid for up to one year, until operations start under the new tender which GSGM is allowed to hold in accordance with the same law. Inteltek signed a new Fixed Odds Betting contract with GSGM, which took effect on 1 March 2008.

GSGM proclaimed a new tender on 8 July 2008 having a deadline for the submission of the offers the 12th August 2008. On 28 August 2008, the financial offers for that tender were submitted. Inteltek made the best offer and on 29 August 2008 signed with GSGM a new contract acquiring the right to operate fixed odds betting games in Turkey for ten (10) years starting from March 2009.

g. 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(€1,54 million) (plus 1.89 million TRY (€880 thousand) 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 (€1,09 million) (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. Inteltek has not made any revenue provisions for this case in its financial statements relating to the period ending on 31 December 2008.

h. In Turkey, the court Sayistay inspecting the accounts of GSGM of 2005, ruled that there were exceeding payments to Inteltek for specific operational expenses of one thousand terminals of the system, under the terms of the contracts dated 30 July 2002 and 2 October 2003, of an amount of TRY 10.670.528,78(€4.965.808,26). For this reason it sent to GSGM a letter dated 19 January 2007 which was served to GSGM on 26 January 2007. Beginning 2007, GSGM started to withhold (and to keep in escrow) this amount from the amount Inteltek is entitled to under the contract dated 30 July 2002. Inteltek filed a declaratory action before the civil courts of Ankara requesting to be recognized that there is charge for same services under the two contracts and to return to itself the amounts withheld. Sayistay's investigation file has resulted in favor of Inteltek and whereon GSGM released to Inteltek the withheld in escrow amount of TRY 2,494 million (€1.160,65) corresponding the period until 26.3.2007. Following the above, at the hearing date 29 April 2008, the Court decided that there is no reason to issue a decision regarding this case.

i. - In Poland an ex-employee of the subsidiary TotolotekSA has requested the payment of the amount of PLN 11.200.000(€2.696.521,01) for creation of a software that the company utilizes. According to the opinion of the lawyers handling this case, the possibility that the lawsuit is accepted is not high.

- In Poland, Totolotek SA, according to a decision of the court of appeals issued on 10 April 2008, has to pay the equivalent in PLN of 1000K USD(€718,55K) with the legal interest to the consultants' company IDC. The total amount for capital and interests amounts to PLN 4.049.930(€975.064,40). The case relates to a letter of guarantee of the consultants' company IDC that Totolotek SA had requested and succeeded to be drawn in 1999. The above amount has already encumbered the financial statements of Totolotek SA. Totolotek SA examines the possibility to file further legal means.

- Also in Poland, on 10 April 2008, a decision of the competent arbitration court was issued regarding a) the claim for loss of profit of Telenor Software (TTCOMM) against Totolotek SA for the amount of PLN 85.526.710 (€20.591.479,48) and the claim for an amount of PLN 4.445.480,83(€1.070.297,54) for issued invoices after their agreement since 26.4.2000 and b) the counter claim of the company Totolotek SA against Telenor Software (TTCOMM) for restitution of damages (loss or profit) for the amount of PLN 93.552.601,74(€22.523.799,62). The arbitration court partially accepted the claim of Telenor Software (TTCOMM) awarding in its favor the amount of PLN 6.778.852,87(€1.391.321,26) plus interest calculated as from 18.2.2006, while it rejected the claim of Totolotek SA against Telenor Software (TTCOMM). The above amount has already encumbered the financial statements of Totolotek SA. The possibility to file further legal means against this decision before the civil courts is examined while a suspension of execution has already been granted.

j. In Cyprus, against indirectly subsidiary, thirteen plaintiffs have filed a lawsuit requesting the payment to them of the total amount of CYP 283.000 (€483.513) as profit of a bet relating to the non-classification of Formula 1 cars at the race of Indianapolis, USA held on 19.6.2005. Since for this race there was the information that some racing teams would not start the race because there were problems with their tyres (which actually happened) and since the plaintiffs knew this before placing their bets, the company refuses the payment of the above amount. Due to dispute on the matter of the arbitrator's appointment, the matter will be resolved by the Cypriot Courts. No hearing date has been scheduled yet. The Board of Directors of the company decided, following the relevant legal advise of the local lawyers, that no reason exists in order to proceed to a provision for the above lawsuit or for the remaining lawsuits which have been filed against companies belonging to the indirect subsidiary (which are of a total amount of CYP 144.904 (€247.572).

k. In Argentina, the subsidiary company "Tecno Acción S.A." filed before the Tax Court recourses against penalties of a total amount (including interest) of 4.640.234,53 Argentinean Pesos(€965.709,58) (on which further penalties -of an amount that cannot be currently determined- may be imposed) which the tax authority imposed because of alleged, by the tax authority, breach of the tax legislation. It is noted that the litigant parties have the right of recourse to the ordinary justice against any decision of the Tax Court. At this stage, the legal advisors of the subsidiary company in Argentina cannot issue a legal opinion for the outcome of the case. According to the terms of the Share Purchase Agreement relating to the shares of "Tecno Acción S.A." dated 30 December 2006, an amount of 3.250.000 US dollars (€2.335.273,41) has been deposited to an escrow account and part of this amount will cover the abovementioned tax obligations.

l. 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 panel has been formed and the arbitration procedure begun and is pending. The company has made a provision and the financial statements of this period have been encumbered with the amount of 13.769.006.918 Colombian pesos (€ 4.397.487) which correspond to the minimum guaranteed amounts as per the abovementioned agreement with Etesa.

m. In United States of America, GTech Corp. filed an action against Ohio Lottery Commission ("Lottery"), Michael Donlan in his capacity as Executive Director of the Lottery and Intralot Inc., before the Franklin County Court of Common Pleas.
This action was brought by the plaintiff for declaratory and injunctive relief. Plaintiff seeks a preliminary and permanent injunction against the Lottery and Intralot, Inc. from performing under The Agreement for Contractual Services entered into between the Lottery and Intralot Inc. on or about June 16, 2008. Additionally, the plaintiff seeks a Declaratory Judgment declaring that the Director of the Lottery abused his discretion in the evaluation of submitted proposals and the ultimate award of the contract, pursuant to the RFP, to Intralot, Inc. The hearing of the case was scheduled on 12th November 2008. The court rejected both abovementioned requests of GTech Corp.

Until 26 March 2009, apart from the above, any other legal issues do not have a material effect on the financial position of the Group.

(b) Unaudited Tax Years:

Company		Company	
INTRALOT SA	2008	INTRALOT EGYPT LTD	-
BETTING COMPANY SA	2007-2008	E.C.E.S. SAE	2006-2008
BETTING CYPRUS LTD	-	INTRALOT OOO	2007-2008
INTRALOT DE CHILE SA	2008	POLDIN LTD	2001-2008
INTRALOT DE PERU SAC	2006-2008	INTRALOT ASIA PACIFIC LTD	2007-2008
INTRALOT INC.	2001-2008	INTRALOT AUSTRALIA PTY LTD	2005-2008
INTRALOT BETTING OPERATIONS (CYPRUS) LTD	-	INTRALOT SOUTH AFRICA LTD	2003-2008
ROYAL HIGHGATE LTD	-	INTRALOT LUXEMBOURG SA	2006-2008
POLLOT Sp.zo.o	2001-2008	INTRALOT ITALIA SRL	2007-2008
MALTCO LOTTERIES LTD	2003-2008	SERVICIOS TRANSDATA SA	2006-2008
INTRALOT HOLDINGS INTERNATIONAL LTD	-	INTRALOT IBERIA SAU	2007-2008
LOTROM SA	-	INTRALOT IBERIA HOLDINGS SA	2007-2008
YUGOLOT LTD	2000-2008	TECNO ACCION S.A.	2003-2008
YUGOBET LTD	-	GAMING SOLUTIONS INTERNATIONAL SAC	2006-2008
BILOT EOOD	2003-2008	GAMING SOLUTIONS INTERNATIONAL LTD	-
EUROFOOTBALL LTD	2005-2008	INTRALOT BEIJING Co LTD	-
EUROFOOTBALL PRINT LTD	2004-2008	NAFIROL S.A.	-
INTRALOT INTERNATIONAL LTD	-	INTRALOT ARGENTINA S.A	2007-2008
INTRALOT OPERATIONS LTD	-	LEBANESE GAMES S.A.L	-
INTRALOT BUSINESS DEVELOPMENT LTD	-	VENETA SERVIZI S.R.L.	2007-2008
INTRALOT TECHNOLOGIES LTD	-	INTRALOT SOUTH KOREA	2008
INTELTEK INTERNET AS	2003-2008	INTRALOT FINANCE UK PLC	2008
LOTERIA MOLDOVEI SA	-	SLOVENSKE LOTERIE AS	2008
TOTOLOTEK SA	2001-2008	TORSYS AS	-
WHITE EAGLE INVESTMENTS LTD	-	INTRALOT DO BRAZIL	2008
BETA RIAL Sp.Zoo	2001-2008	OLTP	2008
YUVENGA CJSC	-		
UNICLIC LTD	-	BILYONER INTERAKTIF HIZMELTER AS (former LIBERO INTERAKTIF AS)	-
DOWA LTD	-	LOTRICH INFORMATION Co. LTD	-
INTRALOT NEW ZEALAND LTD	2005-2008	GIDANI LTD	2003-2008

(c) Commitments:

(i) Operating lease payment commitments:

At 31 December 2008 within the Group there had been various operating lease agreements relating to rental of buildings and motor vehicles. Rental costs have been included in the income statement for the year ended 31 December 2008.

Future minimum lease payments of non cancelable lease contracts as at 31 December 2007 are as follows:

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Within 1 year	4.791	4.312	2.250	1.656
Between 2 and 5 years	11.937	11.152	9.260	6.433
Over 5 years	5.041	150	2.398	0
Total	**21.769**	**15.614**	**13.908**	**8.089**

(ii) Guarantees:

The Company and the Group at 31 December 2008 had the following contingent liabilities and guarantees for:

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
(a) Purchase of tangible assets	0	0	0	0
(b) Entrance to competition fees	700	750	700	750
(c) Financing guarantees	100.297	154.751	243.276	136.737
(d) Good performance	58.531	54.316	40.970	75.410
(e) Return of advance payments received	0	0	0	0
(f) Consideration for the acquisition of a subsidiary	0	0	0	0
(g) Other	503	203	503	203
	160.031	**210.020**	**285.449**	**213.100**

(iii) Financial lease payment commitments:

FINANCE LEASES	Minimum of the lease payments	Present value of the minimum lease payments	Minimum of the lease payments	Present value of the minimum lease payments
	31/12/2008	31/12/2008	31/12/2007	31/12/2007
			GROUP	
Within one year	531	500	599	563
After one year but not more than five years	13.427	13.405	1.565	1.548
Minus: Interest	-55	0	-53	0
Total of the lease payments	**13.903**	**13.905**	**2.111**	**2.111**
			COMPANY	
Within one year	0	0	0	0
After one year but not more than five years	0	0	0	0
Minus: Interest	0	0	0	0

Total of the lease payments	**0**	**0**	**0**	**0**

29. Related Parties Disclosures

INTRALOT SA acquires goods and services from or sells goods and provides services to related parties in the course of ordinary business. These related parties consist of subsidiaries or companies that have common ownership and/or management with INTRALOT SA.

Related parties transactions

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
a) Sales of goods and services				
-Group	0	0	113.216	89.223
-Associates	10.785	10.707	8.225	9.033
-Related parties	18.119	28.479	3.728	24.231
b) purchases of goods and services				
-Group	0	0	18.460	11.903
-Associates	55.675	63.262	41.569	54.266
-Related parties	5.642	4.502	0	0
c) Receivables (1)				
-Group	0	0	155.025	133.755
-Associates	28.798	24.448	13.322	12.993
-Related parties	50.833	59.451	716	6.878
d) Liabilities				
-Group	0	0	10.967	7.286
-Associates	13.427	21.657	2.503	14.498
-Related Parties	0	0	0	0
e) Transactions and fees of key management personnel	12.954	3.740	7.837	6.775
f) Due from key management personnel	398	46	0	0
g) Due to key management personnel	1.108	308	0	0
The respective amounts concern:				
i) Total due from related entities	79.631	83.899	169.064	153.626
(less) long term portion (Note 16)	50.724	58.473	0	41.000
Due from related entities (Note 18)	28.907	25.425	169.064	112.626

Sales of goods and services to related companies are at normal market prices. The outstanding balances at the year end are not secured and their settlement is made in cash. For the year ended 31 December 2008 he Company has not raised any provision that relates to the balances with related companies.

30. DERIVATIVES

For the interest rate and exchange rate risk which may arise from the current and future funding needs, the Group has concluded entering in various contracts for the Parent company and the Subsidiaries.

Interest Rate Hedge

Position: Cap
Inception of contract: 18/09/2007
Contract date: 28/09/2007
Expiration: 30/09/2012
Amount: €30 million

Position: Cap
Inception of contract: 12/02/2008
Contract date: 14/02/2008
Expiration: 16/02/2009
Amount: € 10 million

Position: Swap
Inception of contract: 30/09/2008
Contract date: 01/10/2008
Expiration: 01/10/2013
Amount: €20 million

Position: Cap
Inception of contract: 25/11/2008
Contract date: 27/11/2008
Expiration: 16/02/2009
Amount: €10 million

Position: Cross Currency Swap
Inception of contract: 29/02/2008
Contract date: 28/02/2008
Expiration: 28/02/2013
Amount: €20,42 million

Position: Cross Currency Swap
Inception of contract: 13/11/2008
Contract date: 17/11/2008
Expiration: 17/08/2011
Amount: €1,9 million

Position: Cross Currency Swap
Inception of contract: 09/12/2008
Contract date: 10/12/2008
Expiration: 17/08/2011
Amount: € 1,48 million

From the valuation of the above derivatives at fair values at December 31, 2008, a gain of €409,6 thousands arose which was recognized in equity.

Moreover the group had one open position with Lehman Brothers, which filed a chapter 11 Bankruptcy on September 15, 2008. From the measurement at fair values as at December 31, 2008, a loss of €110 thousands incurred which was included in provision.

Position: Cap
Inception of contract: 26/09/2007
Contract date: 30/09/2007
Expiration: 30/12/2012
Amount: €20 million

Forward Currency Contracts/ Currency Options

The group had four open position on forward contracts, which qualifies for hedge accounting, for the amount of €6.9 million and one open position in currency option for the amount of €1.9 million. From the measurement at fair values as at December 31, 2008, a loss of € 253.8 thousands incurred which was included in financial income/expense of the year and a gain of €60.68 thousand incurred, which was included in reserves.

Moreover the group sold derivatives products that had in its possession from 2007, and consequently a loss of €1.32 million incurred which was included in financial income/expenses of the year.

31. Other short and long term provisions

The Group´s and the Company´s provision that refer to legal issues amounts to € 4,4 million. The Group's provisions amounts stated up to 31/12/08 that refer to unaudited tax periods amount to € 540 thousand and the rest € 27,4 million to other provisions. Respectively the Company stated € 250 k for Provisions for unaudited tax periods and € 14,6 million to other provisions.

32. Comparatives

Limited reclassifications have been performed to the comparative previous year financial data for comparison purposes.

33. Debit / Credit Interest -Contiguous Expense /Income

	GROUP		COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Interest on bank loans	-27.216	-21.530	-16.020	-16.348
Interest paid for leases	-571	-37	0	0
Derivatives/Investments	0	0	0	0
Other	-515	-1.467	0	0
Finance costs	-3.880	-2.084	-134	0
Discounting	0	-5.527	0	0
Finance Expense	**-32.182**	**-30.645**	**-16.154**	**-16.348**
Derivatives/Investments	267	496	0	0
Interest income on bank deposits	34.624	26.785	8.509	7.933
Other	1.647	1.649	0	0
Dividends	0	8	35.597	51.215
Discounting	3.662	168	0	0
Finance Income	**40.200**	**29.106**	**44.106**	**59.148**
Net Finance income/expense	**8.018**	**-1.539**	**27.952**	**42.800**

Of which: for financial instruments relating to categories in accordance with IAS39:

	GROUP	
	2008	**2007**
Loans and receivables	34.624	26.785
Held-to-maturity investments	0	77
Available-for-sale financial assets	0	216
FV through P/L	267	211
Financial liabilities measured at amortized cost	-27.787	-21.567
Other	1.132	182
Discounting	3.662	-5.359
Finance costs	-3.880	-2.084
Total	**8.018**	**-1.539**

34. Subsequent events

There are no events subsequent to the date of the financial statements that affect the asset structure and financial position of the Group.

Maroussi, March 30th, 2009

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE VICE-CHAIRMAN OF THE BoD AND CEO
S.P. KOKKALIS ID. No. Π 695792	C.G. ANTONOPOULOS ID. No. M 102737
THE GENERAL DIRECTOR OF FINANCE & BUSINESS DEVELOPMENT	THE ACCOUNTING DIRECTOR
I.O. PANTOLEON ID. No. Σ 637090	E.N. LANARA ID.No. AB 606682 H.E.C. License No. 133/A' Class

INTRALOT S.A.

intralot

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Summary financial information of Group and Company for the year ended 31 December 2008
(published according to Law 2190, article 135 for companies preparing financial consolidated statements, consolidated and stand alone, according to IFRS)
Amounts reported in thousands €

The figures presented below aim to give summary information about the financial position and results of INTRALOT S.A. and INTRALOT Group. Therefore, it is recommended to any reader who is willing to proceed to any kind of investment decision or transaction, moreover to obtain a more complete picture of these financial position and results, to visit INTRALOT web site (www.intralot.com) where the Annual Condensed Financial Statements, as they are prepared according to IFRS, are posted, accompanied by the Auditors Report.

Company's Name:	INTRALOT S.A.
Public Companies (S.A.) Reg. No.:	27074/06/B/92/9
Domicile:	64 Kifissias Av. & 3 Premetis Str., Maroussi.
Regulatory Authority:	Ministry of Development
Date of incorporation:	31/7/1992
Core Activity:	Integrated Lottery Systems and Services
Financial Statements approval date :	March 30th, 2009
Web Site:	www.intralot.com
Certified Auditor :	George A.Karamichalis Reg.No/S.O.E.L 15931
Auditor Firm:	S.O.L S.A. Reg.No /S.O.E.L. 125
Type of Auditor's Report:	Unqualified

Board of Directors: Chairman - Socrates P. Kokkalis
Vice-Chairman and CEO - Constantinos G. Antonopoulos
Member - Andreas V. Papoulias
Member - Fotios Th. Mavroudis
Member - Dimitrios Ch. Klonis
Member - Dimitrios C. Chatzigrigoriadis
Member - Anastasios M. Tsoufis
Member - Sotirios N. Filos
Member - Petros K. Souretis

1. CONDENSED BALANCE SHEET GROUP / COMPANY-Amounts in € thousand

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
ASSETS				
Tangible Assets	157.914	85.385	29.725	26.220
Intangible Assets	163.035	158.230	9.846	20.123
Other Non-Current Assets	132.162	140.893	149.723	186.679
Inventories	47.791	48.739	40.784	43.675
Trade accounts receivable	216.415	139.394	244.444	165.566
Other Current Assets	305.447	284.753	22.004	57.618
TOTAL ASSETS	**1.022.764**	**857.394**	**496.526**	**499.881**
LIABILITIES AND EQUITY				
Share Capital	47.689	47.683	47.689	47.683
Other Equity Elements	214.853	228.113	108.087	135.692
Shareholders Equity (a)	262.542	275.796	155.776	183.376
Minority Interest (b)	75.263	93.235	0	0
Total Shareholders Equity (c)=(a)+(b)	337.805	369.031	155.776	183.376
Long-term Debt	449.317	317.111	265.785	259.914
Provisions and Other Long term Liabilities	39.317	18.049	20.504	6.713
Short-term Debt	44.289	37.501	0	0
Other Short-term Liabilities	152.036	115.702	54.461	49.878
Total Liabilities (d)	684.959	488.363	340.750	316.505
TOTAL EQUITY AND LIABILITIES (c)+(d)	**1.022.764**	**857.394**	**496.526**	**499.881**

2. CONDENSED INCOME STATEMENT GROUP / COMPANY-Amounts in € thousand

	GROUP		COMPANY	
	1/1-31/12/2008	1/1-31/12/2007	1/1-31/12/2008	1/1-31/12/2007
Sale Proceeds	1.077.330	835.493	198.077	176.036
Less: Cost of Sales	-817.421	-531.570	-162.023	-100.908
Gross Profit / (Loss)	**259.909**	**303.923**	**36.054**	**75.128**
Other Operating Income	15.667	26.267	70	155
Selling Expenses	-47.851	-33.769	-11.017	-7.763
Administrative Expenses	-74.220	-65.507	-14.497	-23.022
Research and Development Costs	-12.090	-9.687	-10.505	-9.560
Other Operating Expenses	-4.494	-1.364	0	0
EBIT	**136.921**	**219.863**	**105**	**34.938**
Interest and similar charges	-32.182	-30.540	-16.154	-16.348
Interest and related income	41.217	29.106	44.106	59.148
Exchange differences	-454	-9.924	592	1.158
Operating Profit / (Loss) before tax	**145.502**	**208.505**	**28.649**	**78.896**
Less taxes	-41.076	-43.820	-10.090	-16.213
Operating Profit / (Loss) after tax	**104.426**	**164.685**	**18.559**	**62.683**
Attributable to:	0	0	0	0
Equity holders of the parent	50.147	112.301	18.559	62.683
Minority Interest	54.279	52.384	0	0
Earnings after taxes per share (in euro)	0	0	0	0
basic	0,3155	0,7124	0,1168	0,3976
diluted	0,3154	0,7122	0,1167	0,3975
proposed dividend per issued share (in euro)			0,2200	0,3300
EBITDA	**192.699**	**253.578**	**27.746**	**44.300**

3. CONDENSED STATEMENT OF CHANGES IN EQUITY GROUP / COMPANY-Amounts in € thousand

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Net equity at the beginning of the year (01.01.2008 and 01.01.2007 respectively)	369.031	290.052	183.376	160.413
New Consolidated Entities	1.368	0	0	0
Profit for the year after taxes	104.426	164.685	18.559	62.683
Share Capital Increase / (Decrease)	57	9.435	29	6.756
Dividends Distributed	-101.782	-112.440	-45.800	-53.399
Net Amounts Effected Directly Equity	-35.295	17.299	-388	6.923
Net Equity of the year Closing Balance (31/12/2008 and 31/12/2007 respectively)	**337.805**	**369.031**	**155.776**	**183.376**

4. CONDENSED CASH FLOW STATEMENT GROUP/COMPANY-Amounts in € thousand

	GROUP		COMPANY	
	1/1-31/12/2008	1/1-31/12/2007	1/1-31/12/2008	1/1-31/12/2007
Operating Activities				
Net Profit before Taxation	145.502	208.505	28.649	78.896
Plus/Less adjustments for:				
Depreciation and Amortization	55.778	33.715	27.642	9.362
Provisions	17.069	889	13.793	65
Exchange rate differences	-25.946	10.361	0	0
Results from Investing Activities	-18.040	4.512	-35.797	-44.045
Debit Interest and similar expenses	32.182	30.645	16.154	16.348
Credit Interest	-41.217	-29.106	-8.509	-7.933
Plus/Less adjustments of working capital to net cash or related to operating activities:				
Decrease/(increase) of Inventories	4.398	-23.280	2.892	-23.103
Decrease/(increase) of Receivable Accounts	-83.643	-142.648	-38.011	-89.565
(Decrease)/increase of Payable Accounts (except Banks)	30.578	-32.732	5.915	-23.155
Less:				
Interest Paid and similar expenses paid	20.116	19.667	10.282	10.783
Income Tax Paid	42.324	55.163	12.430	34.299
Net Cash from Operating Activities (a)	54.221	-13.969	-9.984	-128.212
Investing Activities				
(Purchases) / Sales of subsidiaries, associates and other investments	-626	-12.865	-3.615	-23.346
Purchases of tangible and intangible assets	-141.745	-98.878	-20.870	-8.345
Proceeds from sales of tangible and intangible assets	21.228	1.442	0	0
Interest received	28.947	28.843	8.509	7.933
Dividends received	0	8	35.597	51.215
Net Cash from Investing Activities (b)	-92.196	-81.450	19.621	27.457
Financing Activities				
Cash inflows from Share Capital Increase/Share Premium deposits	29	7.566	29	6.756
Cash inflows from loans	232.240	74.427	0	0
Repayment of loans	-68.862	-56.438	0	-37.000
Repayment of Leasing Obligations	-3.475	-845	0	0
Dividends paid	-101.263	-112.440	-45.280	-53.399
Net Cash from Financing Activities (c)	58.669	-87.730	-45.251	-83.643
Net increase / (decrease) in cash and cash equivalents for the year				
(a) + (b) + (c)	**30.694**	**-183.149**	**-35.614**	**-184.398**
Cash and cash equivalents at the beginning of the year	**284.753**	**467.902**	**57.618**	**242.016**
Cash and cash equivalents at the end of the year	**305.447**	**284.753**	**22.004**	**57.618**

Supplementary information

1. The same accounting policies and methods of computation have been followed as compared with the previous year's annual consolidated financial statements (December 31, 2007).
2. The companies included in the consolidation of 31/12/08 and not in the consolidation of 31/12/07 due to subsequent acquisition are the following: SLOVENSKE LOTERIE AS, TORSYS SRO, INTRALOT DO BRAZIL LTDA , OLTP LTDA, INTRALOT SOUTH KOREA LTD, INTRALOT FINANCE UK PLC. INNOVATIVE SOLUTIONS CONSULTANCY GROUP CORPORATION is not consolidated this year, on the contrary to the previous one (with equity method), since it was sold.
3. The Group 's and the Company 's provision that refer to legal issues amounts to € 4,4 mio. The Group's provisions amounts stated up to 31/12/08 that refer to unaudited tax periods amount to € 540 k and the rest € 27,4 mio to other provisions. Respectively the Company stated € 250 k for Provisions for unaudited tax periods and € 14,6 mio to other provisions.
4. The personnel employed by the Company and the Group as at the end of the year 2008 were 567 and 4.706 respectively. As at the end of the year 2007, the personnel employed by the Company and the Group were 482 and 4.056 respectively.
5. Companies that are included in 2008 are presented in note 13 in the annual financial report including locations, percentage Group ownership and consolidation method.
6. The fiscal years that are unaudited by the tax authorities for the Parent Company and the Group's subsidiaries are presented in detail in note 28b in the annual financial report.
7. The amounts of expense/income included directly in the Equity of the Group on 31/12/08 concern foreign exchange differences of € -33,5 mil., derivative valuation of € 676 thousand, amount of € -1 mil. concern effect on retained earnings from previous years equity adjustment of a subsidiary, while amount of € -1,2 mil. concern tax of the Parent Company and the Group that arose from reverse of accountable tax from income tax return, tax dividend and tax from distribution of nontaxable reserves.
The respective figures for the Company amount to € -418 thousands that concern the valuation of derivatives and € 30 thousands, that concern reverse of accountable tax from the income tax return.
8. Following the exercise of the share option during 2008, the share capital was increased by 5.888,40 € with the issue of 19.628 nominal shares at a nominal value of € 0,30 each. Payment of this amount was confirmed by the Board of Directors on 19/12/2008 while the share capital increase and confirmation of this amount were approved by decisions K2- 15716/30-12-2008 and K2-15717/30-12-2008 of the Ministry of Development.
9. The Board of Directors will propose in the Shareholders' General Assembly the amount of € 0,22 as dividend per share for the year 2008 (already issued preliminary dividend of € 0,11, remains to be distributed € 0,11).
10. The amounts of income, expenses, accounts receivable and payable of the Company and the Group with related parties are analyzed as following:

Amounts reported in thousands of €	Group	Company
a) Income		
-from subsidiaries	0	113.216
-from associates	18.119	3.728
-from other related parties	10.785	8.225
b) Expenses		
-to subsidiaries	0	18.460
-to associates	5.642	0
-to other related parties	55.675	41.569
c) Receivables		
-from subsidiaries	0	155.025
-from associates	50.833	716
-from other related parties	28.798	13.322
d) Payables		
-to subsidiaries	0	10.967
-to associates	0	0
-to other related parties	13.427	2.503
e) BoD and Key Management Personnel transactions and fees	12.954	7.837
f) BoD and Key Management Personnel receivables	398	0
g) BoD and Key Management Personnel payables	1.108	0

Maroussi, March 30th, 2009

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE VICE-CHAIRMAN OF THE BOARD OF DIRECTORS & CEO	THE GENERAL DIRECTOR OF FINANCE AND BUSINESS DEVELOPMENT	THE ACCOUNTING DIRECTOR
S. P.KOKKALIS	C.G. ANTONOPOULOS	I. O. PANTOLEON	E.N. LANARA
ID. No Π 695792	ID. No. M 102737	ID. No. Σ 637090	ID. No. AB 606682 H.E.C. License No. 133/A' Class