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**"First Quarter 2012 Financial Results"
Conference Call**

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Conductors:

Mr. Ioannis Spanoudakis, Chairman of BoD & CEO

Conference Call Conducted by Chorus Call Hellas



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OPERATOR: Good afternoon ladies and gentlemen, this is the Chorus Call Conference Operator.

Welcome and thank you for joining OPAP First Quarter 2012 Financial Results conference call.

At this time I would like to turn the conference over to Mr. Ioannis Spanoudakis, Chairman of the Board and CEO of OPAP S.A.

Mr. Spanoudakis, please go ahead.

SPANOUDAKIS I: Good afternoon everybody and thank you for taking part in this Conference Call regarding OPAPs First Quarter 2012 Results. With regards to our reported set of numbers, you must already be aware that of the fact that the revenue decline rate in Q1 2012 improves sequentially for a third consecutive quarter. This is an outcome deriving basically from the resilient demand for our games together with our decision this year to extend KINO playing hours since January from three to five in the afternoon.

Current trading is obviously affected by the macroeconomic environment. It is however, expected to be aided by the Euro 2012 tournament and the live betting introduction in STIHIMA in June.

With regards to profitability, we incurred a higher drop in GGR versus sales namely 8% versus 5% in sales predominately due to a higher STIHIMA payout standing at approximately 70% versus 65.5% in Q1, 2011. This was due to a more

favorable result for the punters in January, which also occurred in other markets in Europe.

Taking into account our successful track record of meeting payout targets, we remain confident that the games payout will remain within the normalized 70 to 72 range... percentage points range, for the full year taking into consideration Euro 2012 in June.

Also note that our STIHIMA product mix is expected to be significantly enriched with the introduction of live betting during the year of 2012 period and thereafter.

In terms of controllable costs, we managed to further contain distribution costs by a sizeable 7.5% for the quarter, which is significant bearing in mind that this savings followed three years of consecutive reductions.

We are also happy to report that despite the heavy investments made in December for the acquisition of licenses, we have generated sufficient free cash flow to produce a cash position and net cash position of €360 million at the end of the quarter.

This has obviously further strengthened in the second quarter and now enables OPAP firstly, to propose a distribution of €0.72 per share dividend in the forthcoming AGM and secondly, to comfortably pursue other business opportunities like the instant tickets opportunity and the Hellenic Lotteries opportunity.

As for our plans for 2012, we remain focused on the VLT implementation. Again technical specifications are already sent in the European Union and approval process is pending... expected to conclude within this summer. Taking into account the aforementioned process delays, we now expect that the first VLTs will be commercially deployed in the first quarter of 2013.

In the meantime, we have already created the VLT general decision following the decision of the Board of OPAP. We have appointed a General Manager from the casino industry and continue with our preparation for training the point of sales selection, agreements with our agents and the model for the potential substantial-contactors, partners to OPAP. We expect to close the details in finalizing the model for the sub contractors of the 18,500 VLTs in the third quarter.

Moving on to the online segment, our negotiations with the three selected participants, namely Playtech, G2 and INTRALOT continue, so that ultimately we can select the best potential partner. We are pursuing the finalization of the online regulation in order to include the terms of OPAPs entering the specific segment.

Last but not least, let me please remind you that OPAPs AGM is scheduled to take place on June 1, taking into account that our last AGM quorum reached a historic high level of participation which exceeded 70%, we would like to take this opportunity to thank you as shareholders for their support and furthermore, we encourage you and then to participate this time as well, thereby extending our proactive dialogue.

And with these comments, I conclude my introductory statements and I am looking forward to your questions. Thank you.

Q&A

OPERATOR: The first question is from Mr. Lewis Vaughn of Morgan Stanley. Please go ahead, sir.

LEWIS V: Hi, afternoon. You mentioned the partners that you've selected for the internet, I was just wondering what sort of structure we should expect there, is there a straight supply deal that you are considering or is it a joint venture and will that be specifically for Greece or will it be an international venture as well?

Second one, on the VLTs, have you selected the machine suppliers and how long will it take to get those machines so if the roll out starts in January of '13, how many machines do you think would be rolled out by the end of '13 and when would it be completed? And then finally, could you give us a bit of an indication on current trading in April and so far in May, if that's okay? Thanks.

SPANOUDAKIS I: Current trading, okay. I will start with the first question which is online partners, what type that of cooperation we are progressing on to; is this going to be a joint venture or is this going to be a straight license acquisition?

Our prime target is to create a joint venture aiming at the participation of the selected party. We believe that this will

accelerate a lot the entry phase of OPAP into the Greek market. Our focus is on Greece primarily in the entry phase, but we will be looking at the opportunities internationally and on the second... on a second phase. Assuming that these discussions conclude favorably, this will be... we expect this would be to concluded let's say by the end of the third quarter, this process.

With regards to the selection of VLT machine suppliers, we are... we have not started the process yet because obviously we are waiting for the approval of the technical specifications by the European Community. And we expect as we have mentioned, the process to be completed within the summer period.

Following that and having finalized the technical specifications then the selection will commence. We expect the process to take place... to last about three months, this is our assumption and we expect that we will meet the deadline requirements once the process has commenced.

The delivery period that we have been hearing from our... from all the potential partners, machine suppliers, delivery period is from the time of selection, it's about three to four months. We expect that they will hold to this... to this deadline.

With regards to current trading, current trading in... obviously in the first quarter you have seen that there was resilient demand for our main products. I cannot give you a very, very strong indications, the quarter has started in the same trend, but obviously in May you have to take into

consideration that we have an early finish in the championships all over Europe because of the euro.

So you would have to expect that you know, this will affect trading, especially in STIHIMA. But obviously, we expect this to be offset in June because of the strong euro products that we are expecting to offer, and as we told you we expect that this will be coupled with live betting in our shops.

LEWIS V: Great. Thank you.

SPANOUDAKIS I: Thank you too.

OPERATOR: The next question is from Mr. Gerard Matthew of Credit Suisse. Please go ahead.

GERARD M: Hi, good afternoon, guys. I think two from me; firstly, can you update us on the progress in negotiating the new STIHIMA commission structure with your agents and presumably that needs to be resolved before the launch of live betting next month. So if you could just provide a bit of color there? That would be helpful.

And secondly, Monitor and Go Lucky games have gone into quite a sharp decline quarter-on-quarter, could you just provide a bit of detail on what kind of what's gone wrong there, and if there is anything you can do in terms of new product launches to kind of improve performance or are they kind of dwindling away to nothing?

And then actually a third one, can you in anyway quantify the impact of the 3 to 5 PM trading for KINO from January in terms of the impact in the quarter? Thank you.

SPANOUDAKIS I: With regards to STIHIMA, you know that the negotiated commission structure is 3% for singles, 6% for doubles, a combination of two matches, and 9% and 12%, 9 for... 9 percentage points for three games, a combination of three games and 12% above, for four games and above.

This is concluded at the negotiation, we are... the process we are engaging in at this point in time is the finalization of the games regulation because in order to be implemented we need to modify the regulation of STIHIMA and we are combining this effort with a change in regulation for all the other products, for the introduction of live... for the introduction, I am sorry, of online provisions, for all these games.

So this is the process that... the process steps that complicate the whole procedure. We expect to complete this shortly within the next two weeks. This according to our evaluation is to be approved by the gaming commission, and then it will be... once it's communicated officially then we can implement that; all these new regulations.

In the mean time though for euro... in case that the regulation is not ready, we will apply live betting, we will implement live betting, but implementing it with the 8% commission structure for STIHIMA. This is our fallback position and we are prepared to doing this.

With regards to Monitor and Go Lucky games, obviously there has been a decline in demand, but we have seen this as a natural consequence, a natural sequence and effect on the basis of the financial conditions. We have seen that the demand for dog racing... greyhound racing has stabilized. We will take a lot more initiatives once we take the two set of games into our hands after the conclusion of the INTRALOT contract.

We have done... we have taken an additional step in the meantime. We have issued daily program for greyhound racing, which would distribute through a new daily sports newspaper, which is called Sports Live, which is distributed daily into all our shops and eventually this allows for more information, for all the people that are interested in participating in it.

We expect that this will give us... this started in May 1, and we expect that this will help the promotion of the game and the information, which is related to the game.

The impact of 3 to 5 opening hours for KINO, this has been stronger in the beginning, January and February. As we have expected, it has normalized. Obviously, the distribution of the game now takes into consideration the 3 to 5... the 3 to 5 opening hours. So, what I am trying to say is that, we have seen a greater effect in the beginning, but then as we progressed, we see that the overall demand is normalizing and distributed evenly across a full time schedule of the game in a given day.

So we have seen a... how can I say it, a slight improvement in the demand, I cannot quantify it exactly. We can look at it and then we can give you some more details in the next days. But I have to say that this has helped our game in the weekdays. Obviously, in the weekends there was no change. We will give you exactly the numbers in the next couple of days.

GERARD M: Okay, thank you. Can I just come back with one follow up then, in terms of how you are going to manage the live betting products? Obviously, the implication of what you've said is that the kind of... the margin on the product is going to be quite a bit higher than the margin on live betting in other markets. Can you give us some idea of what kind of products, what kind of products you will actually be launching through the kind of live channel? How many in running markets will you have operational during the European championships and where are you kind of thinking margin is going to trend to... all the payout ratio is going to trend to I should say?

SPANOUDAKIS I: Well, we expect that the, the live betting margin will be in the range of the singles margins that we have generated so far. So, you should expect in the range of plus 10% let's say 10% to 12% is the range of singles so far. This is the range that we intend to you know, we expect that we will generate on the basis of the live performance in June. We will definitely include a lot more matches in the euro period, and we have a full program and we will announce it, we will publicize it shortly, so you will be able to look at all the product offering of OPAP. And we expect then to follow in the new season

with about 15 to 20 matches on a weekly basis into our shops, minimum two per day and in the weekends 3 to 4.

So, this is the program that we intend to develop and deploy. Naturally, we will not see the margins in the benefit of OPAP, mostly this will be for the benefit of our distributors, of our agents. But you know, we find it very important as an introduction to take place in June with the euro.

GERARD M: Okay. Thanks very much.

OPERATOR: The next question is from Mr. Fulran Peter, of Hamblin-Watsa. Please go ahead.

FULRAN P: Hi, is your cash held in Greek banks, and if so, I was wondering what your contingency plan is if you go back on the drachma, because it seems like a great opportunity given your cash position to move your cash into perhaps safer havens? Thanks.

SPANOUDAKIS I: Yes. Well, we are currently holding our reserves, well evenly almost distributed into different Greek banks, and some in some Cypriot banks for the time being we have seen this as a very important step to maintain the position in the Greek banks and support the Greek banking system. This is a considerable amount, but obviously you have to consider in addition to that, you have to consider the semantics of this... of any move of OPAP moving let's say, a certain substantial amount outside Greece into what you called a safe haven of another foreign bank.

We see at this point in time a very important that we maintain our positions within Greece. And we will inform you if we have decided in the meantime to move in a different direction and whenever this happens. This is not going to be an easy decision but obviously this has to be broadly publicized.

FULRAN P: Thank you.

SPANOUDAKIS I: Thank you.

OPERATOR: The next question is from Mr. Papadopoulos Lambros of Citigroup. Please go ahead.

PAPADOPoulos L: Yes hi. Good afternoon everyone. I came a little bit late on the call, so apologies if you have already answered the questions, just let me know. The first question I have is on the IT tender, whether there has been any developments, whether you have decided whether you would go with INTROLOT or GTECH?

The second one is on the VLTs, if there is any update from the EU, and staying with the VLTs, what if it goes wrong either from the EU side or even from a new Greek government side, what sort of protection is in place for the shareholders of OPAP, you know, considering that you have already paid the money for the VLTs? Thank you.

SPANOUDAKIS I: With the IT tender, because of the uncertainty and because of all this waiting period of the... because of the elections, we have not concluded the tender process, the tender process is practically at the final stages. We have not brought the issue to the board, to decide on the final conclusion of the tender.

We will do this as soon as the election process is completed. Most likely this will happen in the second part of June. With regards...

PAPADOPOULOS L: Why are the elections relevant? I mean this is more a company decision, where is the politics coming in to this?

SPANOUDAKIS I: No, because obviously, we take into consideration that this is a very sensitive decision and we would like this to be at the back of the elections; not before the elections and this is a decision that we have taken in the OPAP Board.

PAPADOPOULOS L: Okay, I appreciate that.

SPANOUDAKIS I: VLTs, the EU process, the EU process calls for three month – period for comments, for the technical specifications. This process is expected to be completed if no comments are...or if no substantial comments are raised sometime in July. So, we expect the technical specifications will be completed by July sometime. And eventually, then the overall regulation for the game is expected to be completed by the Gaming Commission in Greece, in the period of summer. So, this was what we referred to as the overall regulation will be completed within summertime.

With regards to any objections stated or any other issues that maybe raised by the European Union or the Greek government, the Greek government I believe has made the proposal, this is my assumption, and obviously this is a correct assumption. We have accepted the proposal that was extended to us by the Greek government. And having accepted this, the only objection that can be raised at this

moment in the process may be from the European Union. But we haven't had any objections so far officially ourselves, so we cannot comment further to that.

But if there is something that we cannot accept, then obviously the question boils down to if we do not accept any changes in the license agreement, then obviously we have to revoke the license agreement. But I don't believe that we are in that kind of process, we are expecting to hear if there is any comment... official comment by the EU, and eventually we will reflect to that, we will respond to that.

PAPADOPOULOS L: Okay, but in the agreement, I guess if the government changes and you have got a more radical government, that is against the idea of liberalizing the VLTs, and they want to take it back, there is a clause in the agreement that... will mean that OPAP will get the money back from what?

SPANOUDAKIS I: Well, this is not...

PAPADOPOULOS L: If we can't get the money back, it's a different thing.

SPANOUDAKIS I : We have a contract... we have a contract that says that we will pay a certain amount of money, and then we will deploy the VLTs on the basis of the conditions and the specifications set out by the contract and by the games regulation when it is issued.

So in essence, this is what the contract that we have signed. If there are changes in the contract, then eventually there are changes in terms, if OPAP does not agree, then obviously there has to be a certain radical solution, which means that

the money has to be given back. But like I said, this is very hypothetical at this point in time. The only expectation from OPAP's side is to hear any comments from the EU.

PAPADOPOULOS L: Okay great. Thank you for the answers.

SPANOUDAKIS I: Thank you.

OPERATOR: The next question is from Mr. Draziotis Stamatis of Eurobank EFG Equities. Please go ahead. Mr. Draziotis Stamatis of Eurobank, you may proceed with your questions.

DRAZIOTIS S: Hi there yeah, sorry about that. I just am following up on the last question about the proposals made by the Greek State. I think on the local press there was a reference on these proposals about the, the increase in the VLT license cost and a change in the taxation of the land based activities. Could you... I mean, I am not sure, if you could elaborate on that, and I am just wondering about you know, what this proposal was with regard to the tax; i.e. was it referring to you know, a gross profit tax imposed on the land based games or was it talking about you know, a tax on player winnings?

SPANOUDAKIS I: Well, there was... what we have heard, and obviously this was... these were some proposals or discussion points after a certain point in time where added taxation or added taxation for the winner's tax, added or increased tax for the winner's tax. But we have to say that of the Law 4002 defines, the games... the winner's tax is 10%, and the royalty or the interest on... there is a 30% on gross gaming revenue, which will be in favor of the Hellenic Republic that is imposed. And these are very straightforward conditions that have been

included in the OPAP license agreement, which has been signed by the... by OPAP following the acceptance by the General Assembly, and by the Minister of Finance back in December.

So these are very clear solid agreements. If there are changes in the taxation, this is something that relates to a decision by the Greek Parliament that like I say these are only speculative discussions at this point in time. We cannot comment on those, if these affect the value of the license, obviously this will be a change in the license terms.

DRAZIOTIS S: That's clear. Thanks very much.

OPERATOR: We have a follow-up question from Mr. Lewis Vaughn of Morgan Stanley. Please go ahead.

LEWIS V: Hi, and a couple of quick follow-up ones. The bank borrowing is that all from Greek banks, and why not pay down the borrowing, why is there sort of big cash position, is that to pay for the possible license for the National Lottery?

And then a second one, there has been a few stories in the local press about some shops opening with the transitional licenses on the internet, is that something you have noticed and can you comment on? Thanks.

SPANOUDAKIS I: With regards to the question of utilizing the cash position that we have in paying back the €290 million loan, for the time being we are, obviously you are aware that we will pay a dividend in June, which will amount to roughly €230 million. So this is a substantial amount that will be eliminated from

our cash reserves in June. Most of it will be paid up in June and the tax portion will be paid up in July.

We are maintaining a certain cash position available for the implementation of the VLTs. Obviously, we will be looking at investing a certain amount of that into the shops that we will be opening and a certain amount of that may be needed also for the acquisition of equipment and games and all the infrastructure and the hardware.

We are also maintaining a certain amount for the lotteries and we will obviously, you know, that the timeline has been moved on to one month later because of the request of a certain participant and also this was following a decision by the Fund which is responsible for this tender.

So all in all, we have made certain calculations for the amount of money that we will be needing, and eventually we have also an expectation or we are in a standby – mood for the payment of the extraordinary 10% tax, which we have not incurred yet.

Now, if we see that all these decisions or these moves are delayed or postponed, then eventually we will be making a decision of eliminating a portion of the loan amount that we have 100% received from Greek Banks. So in essence, we will see if this €290 million amount, which portion of it, we will be paying back at the end of this year, we will be paying any amount of that earlier, let's say sometime at the end of the third quarter or beginning of the fourth quarter.

Now, with regards to this internet café type of circular that was issued by the Ministry of Finance at a certain point of time in April, this was revoked on the basis of complaints that we have raised and also on the basis of complaints raised by our agents. And we believe this was a fair and a clear and a good decision.

Obviously, 24 internet providers have received a temporary license until such time that the permanent licenses will be issued, and these people are exercising this transitional license into the Greek market. They do this also from, I believe from internet cafes, but what the law strictly prohibits is that internet cafes will be used as agencies for specific providers and you know, I can tell you that this is not now the case, and obviously we have eliminated that type of action.

LEWIS V: Great, thank you.

OPERATOR: Gentlemen, there are no more questions registered at this time. You may now proceed with your closing statements.

SPANOUDAKIS I: Well, I don't have a lot of things to say other than the uncertainty and the financial situation here in Greece affected our results in the first quarter. The situation has not improved greatly; I think to the contrary we have a similar situation in the second quarter. There are a lot of issues to be clarified, but we expect that with the conclusion of the elections in the middle of June, we will expect a lot of things to stabilize and see how this will affect our trading pattern in the rest of the year.

We have weathered the conditions very well in the first quarter. We expect that this will continue in the second quarter, and we will be closely following the successes in the implementation of the VLT strategy, the internet strategy, and also our success or not in winning the instant tickets and the Hellenic lotteries license, which we believe that will add to a very complete product mix for OPAP.

So, despite the difficult conditions, we are optimistic about the future of OPAP and about the future of our strategy and thank you very much for taking part in this conference call.