



## **SIX-MONTH FINANCIAL REPORT**

**For the period 1 January to 30 June 2013**

According to article 5 of L. 3556/2007

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## **A. Statements of the Representatives of the Board of Directors**

(according to article 5 par. 2 of L. 3556/2007)

The members of the OPAP S.A. BoD, of parent company (Company):

1. Konstantinos Louropoulos, Chairman of the BoD and Chief Executive Officer,
2. Grigorios Felonis, Member of the BoD,
3. Theofanis Moustakatos, Member of the BoD,

notify and certify that as far as we know:

- a) the Condensed Interim Financial Reporting of Group OPAP S.A. (Group) for the period 1.1.2013-30.6.2013 which was prepared according to the IFRS, truthfully represent the assets and liabilities, the equity and the statement of comprehensive income of the publisher as well as of the companies included in the consolidation, as defined on paragraphs 3 to 5 of article 5 of the L. 3556/30.4.2007 and from authorization decisions by the Board of Directors of the Hellenic Capital Market Commission,
- b) the six-month BoD Report truthfully represents the information required according to paragraph 6 of article 5 of the L. 3556/30.4.2007 and from authorization decisions by the Board of Directors of the Hellenic Capital Market Commission.

Peristeri, 29 August 2013

**Chairman of the BoD & CEO**

**A Member of the BoD**

**Appointed Member of the BoD**

**Konstantinos Louropoulos**

**Grigorios Felonis**

**Theofanis Moustakatos**

[Translation from the original text in Greek]

## **B. Report on Review of Interim Financial Information**

To the Shareholders of OPAP S.A.

### **Introduction**

We have reviewed the accompanying condensed company and consolidated statement of financial position of OPAP S.A., as of 30 June 2013 and the related condensed company and consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by L.3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to Interim Financial Reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

### **Scope of review**

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

### **Conclusion**

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

## Reference to Other Legal and Regulatory Requirements

Our review has not revealed any inconsistency or discrepancy of the other information of the six-month financial report, as required by article 5 of L.3556/2007, with the accompanying interim condensed financial information.



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Athens, 29 August 2013  
The Certified Public Auditor

Kyriakos Riris  
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## **C. Six-month Board of Directors' Report for the period ended on 30 June 2013**

(according to par. 6 of article 5 of the Law 3556/2007 and the decisions of Hellenic Capital Market Commission Decision 7/448/11.10.2007 article 4 and Decision 1/434/2007 article 3)

The Six-month Board of Directors of OPAP S.A. (the "Company" or "parent company") Report at hand concerns the first semester of 2013 and was written in compliance with provisions set forth in article 5 of the Law 3556/2007 and the relevant Hellenic Capital Market Commission Rules issued by the Board of Directors of the Hellenic Capital Market Commission.

The report describes briefly the financial outcome of the Group OPAP S.A. (the "Group") for the first semester 2013 as well as important facts that have occurred during the same period and had a significant effect on the Condensed Interim Financial Reporting. It also describes significant risks that may arise during the following remaining period of the fiscal year and finally, any transactions that took place between the Group and the Company and related parties.

### **1. Financial progress and performances of reporting period**

#### **Progress and Changes in Financial Figures, Performances**

Basic Group economic figures that are mainly determined by the parent company are as follows:

1. Games Revenues amounted to € 1,744,274 th. vs. € 2,054,815 th. in the first semester of 2012, decreased by 15.11%, which mainly reflects: a) KINO sales decrease by 8.37%, b) PAME STIHIMA sales decrease by 26.25% (because of UEFA Euro Cup holding during summer period of 2012), c) JOKER sales increase by 1.00% (because of a lot repeated jackpots in the second quarter of 2013) and d) the sales' decrease of the games GO LUCKY & MONITOR GAMES by 37.99%.
2. Gross Profit amounted to € 161,598 th. vs. € 390,873 th. in the relevant period of 2012 (-58.66%) because of the Revenues decrease and the imposition of the 30% tax on net revenues (games revenues minus payouts to the winners).
3. Operating Profit before Depreciation and Amortization, Interest and Taxes (EBITDA) amounted to € 103,296 th. vs. € 344,585 th. in the first semester of 2012 (-70.02%).
4. Profit before Tax decreased by 71.94% to the amount of € 90,982 th. vs. € 324,289 th. in the first semester of 2012.
5. Net Profit decreased by 73.91% amounting to € 67,313 th. vs. € 258,046 th. in the first semester of 2012.
6. The Payouts to the winners and the Cost of Services amounted to € 1,162,697 th. and € 256,239 th. respectively vs. € 1,396,270 th. and € 267,672 th. in the first semester of 2012 (-14.72%), consistent with the Revenues decrease.
7. The Tax on the Net Revenues amounted to € 163,740 th. which is imposed from 1.1.2013 at the rate of 30% on the net revenues of OPAP S.A. (revenues minus payouts to the winners) according to L. 4093/12.
8. Administration, Distribution and Other Operating Expenses amounted to € 80,792 th. vs. € 73,941 th. of the first semester 2012 (+9.26%).
9. Group's cash flows are mainly determined by Company's cash flows. The main changes are as follows:

- a) Operational activities cash flows during the first semester 2013 decreased by 55.15%, lower percentage than the operating result percentage (-70.02%), reaching € 161,222 th. vs. € 359,453 th. of the first semester 2012. The decrease amount of € 198,231 th. is due to: a) the decrease of the operating result and b) the increase of liabilities (pay-outs to the winners) and tax liabilities (the 30% tax on the net revenues of the second quarter) after 1.7.2013.
- b) Outflows from investing activities in the first semester 2013 (€ 17,985 th.) mainly reflect credit interest € 8,959 th. and payment € 26,944 th. for equipment purchase (tangible and intangible assets) and establishment of associate in comparison with the credit interest € 5,829 th., and payment € 17,129 th. for equipment purchase (tangible and intangible assets) in the first semester 2012.
- c) Cash flows from financial activities ranged to € 36,678 th. vs. € 238,006 th. in the relevant period 2012, reflecting the payment of loan installments, the dividend and installments of the financial lease.

### **Value Creation Factors and Performance Measurement**

The Group monitors the measurements through the analysis of nine of its basic business segments, which are the nine games it organizes, conducts and operates.

The business segment with the highest portion in the sales is KINO that constituted - for the first semester 2013 – 55.66% of turnover while it contributed to the 50.26% of the total gross profit of the Group. Game revenues amounted to € 970,809 th. against € 1,059,502 th. in the first semester of 2012, decreased by 8.37%.

Second in sales is the business segment of the betting games "PAME STIHIMA, GO LUCKY and MONITOR GAMES" that participate in first semester 2013 by 34.32% in the total sales and by 29.72% in the gross profit of the Group. Game revenues amounted to € 598,590 th. against € 820,000 th. in the first semester of 2012, decreased by 27.00%.

JOKER still constitutes an important segment for the Group. This segment in first semester 2013 constituted 6.05% of the turnover, as well as 14.36% over the total gross profit, while its participation in the results of second semester 2013 is expected significant. Game revenues amounted to € 105,446 th. against € 104,407 th. in the first semester of 2012, increased by 1.00%.

The remaining games SUPER 3, PROPO, LOTTO, PROTO, EXTRA 5 and PROPO-GOAL represent 3.97% of the total Group sales for the first semester and 9.16% to the total gross profit.

It is the Group's policy to evaluate its results and performance on a monthly basis tracing - in time and effectively - deviations from the objectives and taking the relative corrective measures. The Group measures its efficiency by using financial performance ratios:

- ROCE (Return on Capital Employed) – "Return On Capital Employed": The index divides the profit before tax and operating results with the Group's capital employed, which are the sum of the Equity plus the total loans.

- ROE (Return on Equity) – "Return on Equity": The index divides profit after tax with the Group's Equity.

- EVA (Economic Value Added) – "Economic Value Added": This figure is calculated by multiplying the capital employed by the difference (ROCE – Cost of Capital) and constitutes the amount by which the economic value of

the Company increases. In order for the Group to calculate the cost of capital, it uses the formula of WACC – “Weighted Average Cost of Capital”.

The indices above, for the first semester 2013, and in comparison with the first semester 2012, changed as follows:

	30.6.2013	30.6.2012
ROCE	6.32%	26.76%
ROE	6.42%	28.11%
EVA	€ (43) mil.	€ 212 mil.

Other indices, for the first semester 2013 in comparison with the semester 2012 are presented below:

	30.6.2013	30.6.2012
EBITDA	5.92%	16.77%
Gross profit	9.26%	19.02%

Basic earnings per share (in euro)			
30.6.2013		30.6.2012	
GROUP	COMPANY	GROUP	COMPANY
0.2110	0.2212	0.8089	0.8364

#### **In the parent company:**

The main changes are as follows:

1. Game Revenues amounted to € 1,644,179 th. in the first semester of 2013 vs. € 1,960,424 th. in the first semester of 2012, decreased by 16.13%.
2. Gross Profit amounted to € 150,567 th. vs. € 379,578 th. in the relevant period of 2012 decreased by 60.33%.
3. Operating Profit (before depreciation and amortization, interest and taxes) amounted to € 100,789 th. vs. € 341,266 th. in the first semester of 2012, decreased by 70.47%.
4. Profit before tax decreased by 71.24% and amounted to € 95,640 th. vs. € 332,533 th. in the first semester of 2012.
5. Net Profit decreased by 73.55% amounting to € 70,560 th. vs. € 266,806 th. in the first semester of 2012.

## **2. Significant events during the first semester 2013 and their effect on the Condensed Interim Financial Statements**

**A)** On 11.1.2013 was voted by the Greek Parliament, the draft law of Ministry of Finance entitled "Arrangements on income tax, regulation of issues concerning the Ministry of Finance and other provisions" according to which:

1. The tax rate is increased from 20% to 26% with effect from the fiscal year 2014 (year 2013).
2. The rate of withholding on dividends or profits that capitalize or distribute the domestic SA Ltd. and associations is reduced from 25% to 10%. By deduction, is no further tax liability. The provision applies to distributed profits approved by the General Meetings or other competent body from 1.1.2014 onwards.

**B1)** According to L. 4093/12 which was passed by the Parliament on Wednesday, 7 November 2012 imposed by 1.1.2013:

- a) taxation on prize payouts to the lottery and betting winners at the rate of 10% from the first euro,
- b) taxation at the rate of 30% on net revenues of OPAP S.A. (revenues minus prize payouts to the lottery and betting winners).

Finally, in accordance with the aforementioned law, following the end of each fiscal year the undistributed profits of games, are attributed to the Hellenic Republic with effect from 1.1.2013.

**B2)** According to L. 4141/2013 which was passed by the Parliament on 26.3.2013 and was published on 5.4.2013, the taxation of the players' profits of OPAP S.A. is amended.

The taxation of profits stands at 0% for players' profits under the sum of € 100, 15% of the players' profits between the sums of € 100 and € 500 and 20% for players' profits more than € 500.

This Law comes with the assent of the European Commission, which - at the request of the Ministry of Finance-responded positively.

**C)** On 24 January 2013, the Court of Justice of the European Union issued its ruling concerning the preliminary referral sent by the Plenary of the Hellenic Council of State with regards to the application submitted by companies offering services of games of chance about installing betting agencies in Greece.

Once again, the Court reaffirmed its jurisprudence in accordance with which **exclusive rights can be granted** where overriding reasons in the public interest exist. These overriding reasons include consumer protection as well as the prevention of both fraud and incitement of citizens' to excessive spending on games of chance. The conditions set for granting exclusive rights are based on the arrangement actually reducing gambling opportunities and limiting activities in this area in a consistent and systematic manner and that the public authorities strictly inhibit the growth of gambling to the extent necessary in combating gambling related crime.

The Court **didn't pass any judgement on the case itself**, in other words whether the gaming regulatory framework is compatible, or not, with the conditions as set forth by the case law. Instead, it referred the issue of evaluating national legislation to the Plenary of the Greek Council of State with a reminder that the Council should take overall regulatory conditions into consideration; particularly lay down the level, i.e. more or less strict control exercised by the state, the consistency of the restrictive policy practiced in gambling and the proportionality of the measures, into consideration.

The European Court also passed a judgment of an extremely importance as to whether the gaming market should be open up if the Greek Court judged that the national regulation is contrary to the European Union law.

As per the ruling "the introduction of free, undistorted competition in a traditional market, the presence of that kind of competition in the very specific market of games of chance, that is to say, between several operators authorised to run the same games of chance, is liable to have detrimental effects owing to the fact that those operators would be led to compete with each other in inventiveness in making what they offer more attractive and, in that way, increasing consumers' expenditure on gaming and the risks of their addiction". Therefore, the State **is not obliged to liberalise the gaming market**, if it considers that the liberalization is not compatible with the level of the consumer protection and the preservation of order in the society.

Moreover, the European Court held that even if national law, in relation to the monopolization is held by the national court as not compatible with European law, the Member State is not obliged to liberalize the gaming market. Specifically, it held that "Under European Union law as it currently stands, Member States remain free to undertake reforms of existing monopolies in order to make them compatible with Treaty provisions, inter alia by making them subject to effective and strict controls by the public authorities."

As misleading information already exists concerning the European Court's grounds of its decision and the ruling itself, OPAP S.A. notes that this ruling vindicates the main axes of the Greek State's policy and that the Greek legislation's compatibility with the directives of European jurisprudence will be conclusively determined by the Greek courts.

The Greek government is therefore allowed to continue its restrictive policy which is one of the strictest in Europe, with a view to ensuring social cohesion and preventing the country becoming a European gaming paradise, as some would like to envision it, without taking into account Greek society itself.

OPAP S.A. will continue with its policy of strict control, social contribution and its participation in the country's economic recovery. The European Court's decision also veered in this direction and we believe that the competent Greek courts will follow this path also.

**D)** On 30.6.2013 regarding the OPAP Group's activities in Cyprus and in connection with the developments in March 2013:

a. The consolidated statement of financial position includes bank accounts of the OPAP's subsidiaries, OPAP CYPRUS LTD and OPAP SPORTS LTD that hold total cash deposits of € 7.7 mil. in CPB and Cyprus Bank. A provision for impairment for the above deposits has been recorded amounting to € 1.5 mil.

b. There is no exposure in any other financial product of any kind in the aforementioned banks.

c. The Cypriot subsidiaries' contribution to the Group's topline is less than 6% while their EBITDA contribution is less than 2% for the first semester 2013.

d. In any case, the impact on the Group's financial results is not significant since the contribution of the Cypriots subsidiaries is low.

**E)** On 31.1.2013 and 18.4.2013 OPAP S.A. decided upon two 3-month extensions of the 30.7.2010 agreement with Intralot, namely from 30.1.2013 until 30.7.2013 under the exact same terms defined in OPAP's announcement on 30.7.2010.

**F)** The postponed (article 39 § 3 of C.N. 2190/1920) 7th Extraordinary General Meeting of the Company's Shareholders continued on Saturday 6.4.2013 at 12:00 and approved the Draft Agreements' documents, between "OPAP S.A." and "INTRALOT S.A. INTEGRATED INFORMATION SYSTEMS AND GAMING SERVICES Company".

**G)** OPAP S.A.'s Board of Directors (BoD) on 19.6.2013 unanimously declared INTRALOT S.A. INTEGRATED INFORMATION SYSTEMS AND GAMING SERVICES COMPANY as the selected contractor of the Ref. No. A/18054/4.8.2011 tender for the "commissioning, installation and transition to production operations of all necessary equipment regarding a new operational system to support all of the Company's games. The agreement will also cover the transition of OPAP S.A.'s existing operations to the new operational system and will provide preventive and corrective maintenance services as well as technical support for procured equipment and software."

The aforementioned contractor will be notified by OPAP S.A. in order to sign the relevant agreements and submit the provisioned good execution guarantee letter.

**H)** The Thirteenth (13<sup>th</sup>) Annual Ordinary General Meeting of the shareholders of Greek Organization of Football Prognostics S.A. (OPAP S.A.) took place on Friday, June 21<sup>st</sup>, 2013 at its headquarters, 62, Kifissou Str., Peristeri and approved the annual financial report of the year 2012 and the distribution of a total gross dividend before withholding dividend tax of 0.57 Euro per share for the fiscal year 2012. After withholding the dividend tax, the 2012 fiscal year dividend, amounted to 0.4275 Euro per share. Specifically, beneficiaries of the dividend are the Company's registered shareholders at the closing of the Athens Exchange session on the record date which was Tuesday 2.7.2013. The Ex-

dividend date for the fiscal year 2012 was Friday 28.6.2013. The dividend payment to entitled Shareholders commenced on Monday, 8.7.2013 and was being processed through the National Bank of Greece.

I) On 11.6.2013 was established the societe anonyme under the name "HELLENIC LOTTERIES – SOCIETE ANONYME MANUFACTURING, OPERATION, DISTRIBUTION, PROMOTION AND MANAGEMENT OF LOTTERIES" and the distinctive title "HELLENIC LOTTERIES S.A.". The share capital of the company was fixed at € 20,000 th. and was divided into 2,000,000 ordinary shares of face value € 10 each. The founders of the HELLENIC LOTTERIES S.A. are:

1. OPAP INVESTMENT LTD with 1,339,999 ordinary shares,
2. SCIENTIFIC GAMES GLOBAL GAMING S.a.r.l. with 330,000 ordinary shares,
3. INTRALOT LOTTERIES LIMITED with 330,000 ordinary shares and
4. LOTTOMATICA GIOCHI E PARTECIPAZIONI S r. l with one ordinary share.

K) The first (1<sup>st</sup>) Ordinary General Meeting of the subsidiary OPAP INVESTMENT LTD, whose 100% shareholder is the OPAP S.A., took place on 27.6.2013. Following the recommendation of the Chairman of the BoD, the General Meeting decided to increase the nominal share capital of OPAP INVESTMENT LTD from € 200 th. to € 28,000 th., and the issued share capital of € 5 th. to € 13,405 th. i.e. by the amount of € 13,400 th., by issuing 13,400,000 new nominal shares with a value of 1 (one) euro each. Subsequently, the General Meeting authorized the Chairman & CEO of the company such take action for the payment of the amount of € 13,399,990 to the established greek company "HELLENIC LOTTERIES S.A." for the coverage and the payment of share capital at the current rate of participation (66.99999%) of OPAP INVESTMENT LTD in the capital of that company amounting to € 20,000 th.

On 9.7.2013 and 10.7.2013 the SCIENTIFIC GAMES GLOBAL GAMING S.a.r.l. paid the participation rate (16.5%) in the share capital of HELLENIC LOTTERIES S.A. (€ 1,700 th. and € 1,600 th., respectively) and on 10.7.2013 the INTRALOT LOTTERIES LIMITED another 16.5% (€ 3,300 th.) in this share capital.

L) Until 30.6.2013, the application of the reformation on the corporate look on the 100% of 494 agencies of OPAP S.A. in the Municipality of Athens and 921 agencies in the region of Macedonia and Thrace was concluded. It was also completed the application of the reformation on the corporate look on the 95% of 1,487 agencies in the rest of Attica. Finally in April 2012, began the project of corporate look to agencies in Western Greece, Crete and north Aegean (1,045 agencies), which was completed on the 88% until 30.6.2013.

### **3. Main risks and uncertainties in the second semester of 2013**

#### **Risk from the impact of adverse financial circumstances on the Greek economy**

Macroeconomic conditions in Greece and the fiscal position of the Greek State have deteriorated markedly and this has had and could continue to have a material adverse effect on the Group's and the Company's business, results of operations, financial condition and prospects.

The second semester 2013 will be another difficult period for the Greek economy, as the financial crisis continues to affect negatively almost all companies in the Greek market.

#### **Competition from other companies and illegal gambling in the gaming sector**

Gaming Market, especially betting games sector, which the Company operates in, is particularly competitive, fairly when referring to the companies that are authorized to legally operate and conduct games of chance in Greece, after

having been granted the appropriate license by the Hellenic Republic (i.e. casinos, national lottery, horse races), but – mainly- in an unfair way when referring to the companies that operate games of chance via Internet, although OPAP S.A. has been granted by the Hellenic Republic of the exclusive right for their organization, conduct and management. At the same time, the company also faces another form of unfair competition that derives from the illegal operation of unauthorized private bookmakers, who offer gaming services without having received the relevant license.

OPAP S.A., in an effort to tackle those incidents has proceeded, on its own initiative and at its own cost, to the composition of a Committee for the Confrontation of Illegal Betting, which consists, among others, of statutory bodies.

As is already known, on 22 August 2011, the Law 4002/2011, published in the Official Gazette (issue A 180), did not apply, at the time the law was passed, to gaming conducted in casinos and the companies ODIE S.A. (Hellenic Horse-race Betting Organization) and OPAP S.A. In particular and according to the provisions of part D of chapter H “Regulation of gaming market and other provisions”, a new regulatory regime, which was shaped under the provisions of L. 4002/2011 in Greece, addresses the technical entertainment gaming, the VLTs and the online gaming market. Furthermore, according to the provisions of Art 28 of L. 4002/2011, the Joint Ministerial Decision Nr. 56660/1679/20.12.2011 on the authorization of the Committee of Surveillance and Control of Gaming (in Greek: EEEP), was published by the Ministry of Finance and the Ministry of Culture on 22<sup>nd</sup> December 2011 in the Official Gazette (issue B 2910) this Committee was set up under Ministerial Decision Nr. 55906/1673 and the Decision of 20.12.2011 by the Ministry of Finance (Issue for Positions of Specialized Staff and of Governmental and Public Institutions Administration, nr. 444) and constitutes a development of the former Commission on Monitoring and Control of Games of Chance that was set up under Article 16 of Law 3229/2004 (Official Gazette A 38). It should also be noted that twenty four companies were submitted to the tax regime of the transitional period set under the provisions of par. 12 of Art. 50 of L. 4002/2011 these companies are entitled to keep on offering, without having been granted the relevant license, games of chance services via Internet, as specified in Decision 1248/13.12.2011, which was published in the Official Gazette of 16.12.2011 (Official Gazette B 2854).

### **Market risk**

Market risk arises from the possibility that changes in market prices such as exchange rates and interest rates affect the results of the Group and the Company or the value of financial instruments held. The management of market risk consists in the effort of the Group and the Company to control their exposure to acceptable limits.

The following describe in more detail the specific risks that make the market risk and their management policies by the Group and the Company.

#### Exchange risk

Given that the Company’s operations up to now are in Greece and Cyprus (roughly the 5.74% of the total revenues) and from 1 January 2008 the currency of Cyprus is Euro, there is no such risk. The Company has not entered into any agreements with suppliers in other currencies than Euro.

#### Capital Management

The primary objective of the Group and the Company relating to capital management is to ensure and maintain strong credit ability and healthy capital ratios to support the business plans and maximize value for the benefit of shareholders.

The Group manages the capital structure and makes the necessary adjustments to conform to changes in business and economic environment in which they operate. The Group and the Company in order to maintain or adjust the capital structure, may adjust the dividend paid to shareholders, return capital to shareholders or issue new shares.

### **Credit risk**

Sales take place via an extended network of agents. The average time of accumulating receivables is approximately three days.

The basic credit risk of Group, which is not considered important, comes from bad debts from agents as well as from the debts of agents with interest-bearing arrangements.

The Company applies particular policies of credit risk management, the most important of which, is the establishment of credit limits per agent, which should not be exceeded.

Potential credit risk may occur from Company's cash and cash equivalents in the case a financial institution failing to meet its obligations. To minimize such risk the Group has placed limits which constitute the maximum amounts placed in any financial institution.

Regarding the OPAP Group's activities in Cyprus and in connection with the developments in March 2013, it has been made provision of impairment amount to € 1.5 mil. for the deposits of OPAP's subsidiaries, OPAP CYPRUS LTD and OPAP SPORTS LTD hold in CPB and Cyprus Bank amount of € 7.7 mil.

The Cypriot subsidiaries' contribution to the Group's topline is less than 6% while their EBITDA contribution is less than 2% for the first semester 2013 so the impact on the Group's financial results is not significant since the contribution is low.

### **Liquidity risk**

The method of profit distribution to the winners of the games of the Group, secures the sufficiency of cash and cash equivalents, preserving the liquidity risk at low levels:

a. KINO, a fixed odds game, statistically distributes roughly the 70% of the net receivables to the winners. It is however possible at the game lotteries, that the distributable profit exceed or are lower than the amount above. During the whole duration of the specific game however, (cumulatively but also in the periods of three-day settlements), the odds range around the average target.

b. PAME STIHIMA is a fixed odds game based on the result of sport and non-sport events included in the coupon. Theoretically, there is liquidity risk but the following should be taken into consideration:

- The financial results of the betting product certify the fact that the objectives of the company for every annual period related to the profits distributed have been achieved.
- Good management, proper design of the betting product and effective Risk Management can make a material contribution to the achievement of the targets related to the company's profit distribution strategy. Another factor, reducing the liquidity risk is the large betting size conducted by the company as well as the diversification of the players' behaviour.

The games GO LUCKY and MONITOR GAMES are fix odds games and the percentage of the payout to winners does not exceed 69% of sales. The surplus amount beyond the contractual rate is compensated by the contractor.

- c. Fixed odds lottery tickets SUPER 3 and EXTRA 5, represent a small percentage of the total sales of the Group, and therefore, they do not affect significantly its liquidity.
- d. The games PROPO and PROPOGOAL have particular pay out (percentage from total revenues) that cannot be exceeded.
- e. Other games and particularly, LOTTO, JOKER and PROTO, according to reformation, distribute to the winners profits of mixed structure (percentage from total revenues for the first winners' categories and fixed profits for the remaining categories) that did not affect negatively the financial statements of company since the particular games represent a small percentage of the total revenues.

#### Cash flows risk and fair value change risk due to interest changes

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the interest rates. The Group's exposure to the risk of changes in interest rates relates primarily to: a) the Group's long-term borrowings with floating interest rates and b) the excess liquidity is placed in short term deposits at market interest rates. A possible change in interest rates by 100 basis points (+ or - 1%) have no significant effect on Group's results.

#### Additional tax charges

In the previous years the Greek State imposed special tax contributions which materially affected the Group's and the Company's income statement. Given the current fiscal position of the Greek State, additional fiscal measures may be taken, which could have a material adverse effect on the Group's and the Company's financial condition.

Also, the new tax measures of L. 4093/2012, effective from 1.1.2013, will have a significant negative impact on cash flow and financial position of the Group and the Company.

#### 4. Significant transactions of the Group and the Company with related parties

In the following tables significant transactions are presented among the Group and Company with related parties - as defined by IAS 24:

##### Company's transactions with related parties

COMPANY	INCOME	EXPENSES	PAYABLES	RECEIVABLES
(Amounts in thousand euro)				
OPAP CYPRUS LTD	13,540	-	-	19,347
OPAP SERVICES S.A.	1,997	15,877	5,929	32,507
OPAP INTERNATIONAL LTD	-	1,719	557	-
OPAP SPORTS LTD	857	-	-	472
OPAP INVESTMENT LTD	-	-	-	699
GLORY TECHNOLOGY LTD	-	-	-	-
NEUROSOFT S.A.	-	219	87	-

##### Group's transactions with related parties

COMPANY	EXPENSES	PAYABLES
(Amounts in thousand euro)		
GLORY TECHNOLOGY LTD	337	37
NEUROSOFT S.A.	219	87

1. The subsidiary OPAP CYPRUS LTD pays 10% of its revenues to the parent company, according to the interstate agreement effective as of 1 January 2003. This fee amounted to € 9,175 th. during the current period. In the same period, OPAP CYPRUS LTD paid to OPAP S.A. the amount of € 4,365 th. for the dividend of year 2012.

The outstanding balance due to the Company, as of 30 June 2013 was € 4,560 th.

2. OPAP S.A. requires from the subsidiary OPAP CYPRUS LTD the amount of € 14,787 th. paid on differences on payouts of lottery winners until 30.6.2013 according to the interstate agreement effective as of 1 January 2003.

3. The subsidiary OPAP SERVICES S.A. paid to OPAP S.A. during the current period: a) sum of € 25 th. for services of OPAP S.A. rendered to the OPAP SERVICES S.A. and b) the amount of € 472 th. for common expenses according to their contract of 22 June 2009. In the same period, the dividend of year 2012 of which OPAP S.A. is 100% beneficially amounted to € 1,500 th.

The outstanding balance as of 30 June 2013 was € 1,150 th.

4. The parent company during the current period paid to its subsidiary OPAP SERVICES S.A. sum of € 15,877 th. The amount concerns for the OPAP S.A.: a) salary and remaining staff expenses, advisers, co-operator etc, b) other expenses and c) subsidiary's fees as they are fixed in the contract of 22 June 2009 between OPAP S.A. and OPAP SERVICES S.A.

The amount OPAP S.A. owed to its subsidiary OPAP SERVICES S.A. as of 30 June 2013 was € 5,929 th.

5. On 30 June 2013, the receivables of € 31,357 th. from the subsidiary OPAP SERVICES S.A. is presented in the books of the parent company about the application of the reformation on the corporate look of the Company's agencies.

6. The parent company during the current period paid to its subsidiary OPAP INTERNATIONAL LTD sum of € 1,719 th. concerning the fee for the rendering of advisory services about the fix-odds betting games which the parent company conducts, according to their contract of 24 September 2009.

The owed amount as of 30 June 2013 was € 557 th.

7. The parent company during the current period requires from its subsidiary OPAP INVESTMENT LTD the amount of € 699 th. paid OPAP S.A. for lawyers' fees and tax expenses until 30.6.2013.

8. The subsidiary OPAP SPORTS LTD during the current period paid an amount of € 337 th. to the associate GLORY TECHNOLOGY LTD, as fees for the management of the online UGS system.

The balance as of 30 June 2013 was € 37 th.

9. In the same period the dividend of the year 2012 of OPAP SPORTS LTD of which OPAP S.A. is 100% beneficiary amounted to € 857 th.

The owed amount as of 30 June 2013 was € 472 th.

10. OPAP S.A. during the current period paid the amount of € 219 th. to the associate (its subsidiaries OPAP INTERNATIONAL LTD and OPAP CYPRUS LTD) NEUROSOFT S.A., concerning of the fee for the rendering of maintenance services, support and operation of system BOLT.

The owed amount of OPAP S.A. to the associate NEUROSOFT S.A. on 30 June 2013 was € 87 th.

## Transactions and balances with Board of Directors members and management personnel

(Amounts in thousand euro)		GROUP	COMPANY
CATEGORY	DESCRIPTION	1.1-30.6.2013	1.1-30.6.2013
MANAGEMENT PERSONNEL	SALARIES	3,614	2,562
	OTHER COMPENSATIONS	119	83
	COST OF SOCIAL INSURANCE	<u>533</u>	<u>353</u>
TOTAL		<b>4,266</b>	<b>2,998</b>

(Amounts in thousand euro)		GROUP	COMPANY
CATEGORY	DESCRIPTION	1.1-30.6.2013	1.1-30.6.2013
BOARD OF DIRECTORS	SALARIES	400	125
	OTHER COMPENSATIONS	55	55
	COST OF SOCIAL INSURANCE	<u>2</u>	-
TOTAL		<b>457</b>	<b>180</b>

(Amounts in thousand euro)		GROUP	COMPANY
Receivables from related parties		30.6.2013	30.6.2013
Board of Directors and key management personnel		<u>2,784</u>	<u>2,784</u>
Total		<b>2,784</b>	<b>2,784</b>

The Group's and Company's receivables from related parties mainly refer to advance payments of retirement benefits and housing loans that have been paid to key management personnel (prior to the undertaking of their duties as Directors) in accordance with the Company's collective employment agreement (§ 7.8) and amount to € 2,784 th.

(Amounts in thousand euro)		GROUP	COMPANY
Liabilities from Board of directors' compensation and remuneration		30.6.2013	30.6.2013
Board of Directors and key management personnel		<u>1,123</u>	<u>1,055</u>
Total		<b>1,123</b>	<b>1,055</b>

The Group and the Company balance from management's remuneration and Board of Directors' compensation refer to: a) key management's personnel remuneration and compensation of the Group that amounted to € 1,123 th., b) key management's personnel remuneration and compensation of OPAP S.A. that amounted to € 1,055 th.

## 5. Estimations of the issuer's activities in the second semester 2013

The Group's objectives for the second semester 2013 are the following:

### 1. VLTs

OPAP S.A. is expecting the issuance of the gaming regulation of VLTs by the Gambling Control Commission (EEEP) as well as the draft's finalization of the regulations concerning the games of chance, in order to proceed to:

- The selection of the contractor who will be responsible for the implementation and support of the central IT system for the operation of VLTs.
- The selection and the supply of 16.500 VLTs that will be installed in OPAP S.A.'s network.
- To a call for a Public International Bidding Tender in order to grant the right of installation and exploitation of 18.500 VLTs, against consideration to 4 up to 10 concessionaires.

Regarding the Networking Development of Installation and Operation of the VLTs, OPAP S.A. aims to implement the following actions:

- The Exploration of the intentions and capabilities of the agents for the determination of the cooperation's framework with OPAP S.A.
- The selection of points for the creation of Gaming Halls.
- The installation of the Central Information System.
- The setting up and implementation of a communication strategy capable for the successful introduction of VLTs in the Greek market.

## **2. Hellenic Lotteries**

OPAP S.A.'s subsidiary, OPAP INVESTMENT LIMITED, took part in a joint venture with the companies INTRALOT LOTTERIES LIMITED, SCIENTIFIC GAMES GLOBAL GAMING S.a.r.l. and LOTTOMATICA GIOCHI E PARTECIPAZIONI S.r.l concerning the licensing of operation and management of State Lotteries. The participation rates of the companies in the joint venture are: OPAP INVESTMENT LIMITED 66.99999%, INTRALOT LOTTERIES LIMITED 16.5%, SCIENTIFIC GAMES GLOBAL GAMING S.a.r.l. 16.5% and LOTTOMATICA GIOCHI E PARTECIPAZIONI S.r.l. 0.00001%.

More precisely, the licensing is consisted of the exclusive right of producing, operating, releasing, promotion, and management of Greek State Lotteries which include the National Ticket, the Popular Ticket, the European Ticket, the Instant State Ticket or Scratch Ticket, the State Housing Ticket and the New Year's Eve Ticket.

On 11.6.2013 was established the societe anonyme under the name "HELLENIC LOTTERIES – SOCIETE ANONYME MANUFACTURING, OPERATION, DISTRIBUTION, PROMOTION AND MANAGEMENT OF LOTTERIES" and the distinctive title "HELLENIC LOTTERIES S.A.". The share capital of the company was fixed at € 20,000 th. and was divided into 2,000,000 ordinary shares of face value € 10 each. The founders of the HELLENIC LOTTERIES S.A. are:

1. OPAP INVESTMENT LTD with 1,339,999 ordinary shares,
2. SCIENTIFIC GAMES GLOBAL GAMING S.a.r.l. with 330,000 ordinary shares,
3. INTRALOT LOTTERIES LIMITED with 330,000 ordinary shares and
4. LOTTOMATICA GIOCHI E PARTECIPAZIONI S r. l with one ordinary share.

On 30.7.2013 "HELLENIC LOTTERIES S.A." signed with the Hellenic Republic Assets Development Fund S.A. (HRADF S.A.) the licence agreement of the 12-year concession for the exclusive rights to the production, operation, circulation, promotion and management of the Hellenic Lotteries in Greece.

"HELLENIC LOTTERIES S.A." is a company comprised of entities controlled by OPAP SA (ATH: OPAP), Scientific Games (Nasdaq: SGMS) and Intralot (ATH: INLOT).

OPAP S.A. will provide to "HELLENIC LOTTERIES S.A." services on commission for the: (a) exploitation of its existing sales network, (b) development of new sales network (subcontracting part of services to Intralot) and (c) accounting, legal and datacenter hosting.

The company is expected to operate in the Greek Market within the second half of 2013 after the final licensing which will be approved by the Competition Committee.

### **3. Games of chance via Internet**

In the second semester 2013, OPAP S.A. works to enable within year 2014 the participation of players through the internet in those games for which OPAP holds the exclusive right of conducting, managing, organizing and operating, according to the 15.12.2000 contract with the Hellenic Republic, as well as the 12.12.2011 additional Act.

Furthermore, OPAP S.A. within the scope of the implementation of law 4002/2011 regarding the Regulation of the Gaming Market, is about to participate in the licensing process for conducting games of chance through the internet whenever it will be launched by the Gambling Control Commission (EEEEP).

For this action, OPAP S.A will cooperate with an International Company, specialized in conducting games of chance through the internet.

The objective of OPAP S.A. is to obtain a substantial share of the Greek market of games of chance through the internet. In this context, it keeps under closely all developments, has been developing the necessary technology and business infrastructure, explores strategic partnerships and considers in cooperation with its agents the further development of the points of sales' network.

### **4. Uphold of OPAP S.A. leading position in the Greek gaming sector**

The objective of OPAP S.A. is: a) improve and upgrade of the quality and image of the games of chance offered to the Greek market, making them modern and attractive, b) enrichment of the PAME STIHIMA in order to meet the requirements of our agents and customers, aiming at a wider public and c) upgrading and modernizing partially the services provided to the Company's points of sales network.

### **5. Improvement of the image and functionality of agent network**

The objective of OPAP S.A. is the completion of the project concerning the modern image of the agent shops, the improvement of their functionality and the enhancement of their infrastructure, aiming at the improvement of the services offered to the public and, generally, to their attractiveness. Until 30.6.2013, the application of the reformation on the corporate look on the 100% of 494 agencies of OPAP S.A. in the Municipality of Athens and at 921 agencies in the region of Macedonia and Thrace was concluded. It was also completed on the 95% of 1,487 agencies in the rest of Attica.

Finally in April 2012, began the project of corporate look to agencies in Western Greece, Crete and north Aegean which was completed in percentage 88% until 30.6.2013.

## **6. Reduction of operational costs and raising productivity growth**

The objectives of OPAP S.A. are:

- the upgrading of the Company's services and operations, growth its potential and creating the foundations for its competitive and self-contained presence at a local and international level,
- the creation of new company structures, recovery and strengthening of human resources by recruiting a small number of qualified professional staff (such as advisors, traders, compilers, odd makers, etc.),
- the pursuit of increased return of certain distributed costs (advertisements and sponsorships) and the adoption management and technological measures, in order to reduce the total operational cost and raise productivity.

Peristeri, 29 August 2013

**Konstantinos Louropoulos**

**CHAIRMAN OF THE BOD & CEO**

## **D. Condensed Interim Financial Reporting**

The Condensed Interim Financial Reporting was approved by the Board of Directors of OPAP S.A. on 29 August 2013 and is posted at the Company's website [www.opap.gr](http://www.opap.gr) as well as in the website of Athens Stock Exchange and will remain at the disposal of investors at least five years from the date of their announcement.

It is noted that the published in the press attached financial information resulting from the Condensed Interim Financial Reporting, aim to provide the reader with a general information about the financial status and results of the Company and the Group but they do not present a comprehensive view of the financial position and results of financial performance and cash flows of the OPAP S.A. (the "Company") and the Group of OPAP S.A. (the "Group") in accordance with the International Financial Reporting Standards (IFRS).

# 1. Condensed Interim Consolidated Statement of Comprehensive Income first half and second quarter of 2013

For the first semester that ended on 30 June 2013 and 2012

(Amounts in thousand euro except earnings per share)

		2013		2012	
	Notes	1.1-30.6.2013	1.4-30.6.2013	1.1-30.6.2012	1.4-30.6.2012
Revenues	6.9	1,744,274	874,946	2,054,815	989,585
Payouts to the lottery and betting winners	6.12.1	<u>(1,162,697)</u>	<u>(595,951)</u>	<u>(1,396,270)</u>	<u>(680,352)</u>
<b>Net revenues before tax (30%)</b>		<b>581,577</b>	<b>278,995</b>	<b>658,545</b>	<b>309,233</b>
Tax on the net revenues	6.12.2	<u>(163,740)</u>	<u>(78,271)</u>	=	=
<b>Net revenues after tax (30%)</b>		<b>417,837</b>	<b>200,724</b>	<b>658,545</b>	<b>309,233</b>
Cost of services	6.12.3	<u>(256,239)</u>	<u>(126,519)</u>	<u>(267,672)</u>	<u>(130,088)</u>
<b>Gross profit</b>		<b>161,598</b>	<b>74,205</b>	<b>390,873</b>	<b>179,145</b>
Other operating income		955	594	5,647	5,224
Distribution expenses	6.13	<u>(58,084)</u>	<u>(28,669)</u>	<u>(53,310)</u>	<u>(24,790)</u>
Administrative expenses	6.14	<u>(15,512)</u>	<u>(7,437)</u>	<u>(15,972)</u>	<u>(8,413)</u>
Other operating expenses		<u>(7,196)</u>	<u>(3,795)</u>	<u>(4,659)</u>	<u>(1,889)</u>
<b>Operating result</b>		<b>81,761</b>	<b>34,898</b>	<b>322,579</b>	<b>149,277</b>
Gain / (Loss) from associates		<u>(25)</u>	<u>25</u>	<u>(105)</u>	<u>(94)</u>
Gain / (Loss) from sales of non-current assets		<u>(202)</u>	<u>(202)</u>	<u>(56)</u>	<u>(56)</u>
Financial results		<u>9,448</u>	<u>4,658</u>	<u>1,871</u>	<u>8,763</u>
<b>Profit before tax</b>		<b>90,982</b>	<b>39,379</b>	<b>324,289</b>	<b>157,890</b>
Current income tax		<u>(22,780)</u>	<u>(9,776)</u>	<u>(61,898)</u>	<u>(27,797)</u>
Deferred tax		<u>(889)</u>	<u>(1,231)</u>	<u>(4,345)</u>	<u>(3,953)</u>
<b>Profit after tax</b>		<b>67,313</b>	<b>28,372</b>	<b>258,046</b>	<b>126,140</b>
Parent company shareholders		67,313	28,372	258,046	126,140
<b>Other total income</b>					
Actuarial profit / (loss)		-	-	1,108	554
Deferred tax		=	=	<u>(222)</u>	<u>(111)</u>
<b>Other total income after tax</b>		-	-	<b>886</b>	<b>443</b>
<b>Total income after tax</b>		<b>67,313</b>	<b>28,372</b>	<b>258,932</b>	<b>126,583</b>
Parent company shareholders		67,313	28,372	258,932	126,583
<b>Basic earnings per share</b>	6.18	<b>0.2110</b>	<b>0.0889</b>	<b>0.8089</b>	<b>0.3954</b>

The attached notes on pages 26 to 48 form an integral part of Condensed Interim Financial Reporting

## 2. Condensed Interim Statement of Comprehensive Income first half and second quarter 2013 of OPAP S.A.

For the first semester that ended on 30 June 2013 and 2012

(Amounts in thousand euro except earnings per share)

	Notes	2013		2012	
		1.1-30.6.2013	1.4-30.6.2013	1.1-30.6.2012	1.4-30.6.2012
Revenues	6.9	1,644,179	825,618	1,960,424	945,217
Payouts to the lottery and betting winners	6.12.1	<u>(1,097,066)</u>	<u>(563,691)</u>	<u>(1,334,043)</u>	<u>(650,844)</u>
<b>Net revenues before tax (30%)</b>		<b>547,113</b>	<b>261,927</b>	<b>626,381</b>	<b>294,373</b>
Tax on the net revenues	6.12.2	<u>(163,740)</u>	<u>(78,271)</u>	-	-
<b>Net revenues after tax (30%)</b>		<b>383,373</b>	<b>183,656</b>	<b>626,381</b>	<b>294,373</b>
Cost of services	6.12.3	<u>(232,806)</u>	<u>(114,362)</u>	<u>(246,803)</u>	<u>(120,086)</u>
<b>Gross profit</b>		<b>150,567</b>	<b>69,294</b>	<b>379,578</b>	<b>174,287</b>
Other operating income		10,092	4,974	14,637	9,430
Distribution expenses	6.13	<u>(57,527)</u>	<u>(28,250)</u>	<u>(51,935)</u>	<u>(23,999)</u>
Administrative expenses	6.14	<u>(17,021)</u>	<u>(8,463)</u>	<u>(17,659)</u>	<u>(9,674)</u>
Other operating expenses		<u>(5,630)</u>	<u>(4,536)</u>	<u>(4,632)</u>	<u>(1,874)</u>
<b>Operating result</b>		<b>80,481</b>	<b>33,019</b>	<b>319,989</b>	<b>148,170</b>
Gain / (Loss) from sales of non-current assets		(1)	(1)	(56)	(56)
Financial results		8,438	4,110	605	8,147
Dividends from subsidiaries		<u>6,722</u>	<u>6,722</u>	<u>11,995</u>	<u>11,995</u>
<b>Profit before tax</b>		<b>95,640</b>	<b>43,850</b>	<b>332,533</b>	<b>168,256</b>
Current income tax		<u>(22,636)</u>	<u>(9,074)</u>	<u>(60,835)</u>	<u>(27,322)</u>
Deferred tax		<u>(2,444)</u>	<u>(1,443)</u>	<u>(4,892)</u>	<u>(4,242)</u>
<b>Profit after tax</b>		<b>70,560</b>	<b>33,333</b>	<b>266,806</b>	<b>136,692</b>
Parent company shareholders		70,560	33,333	266,806	136,692
<b>Other total income</b>					
Actuarial profit / (loss)		-	-	1,108	554
Deferred tax		-	-	<u>(221)</u>	<u>(110)</u>
<b>Other total income after tax</b>		-	-	<b>887</b>	<b>444</b>
<b>Total income after tax</b>		<b>70,560</b>	<b>33,333</b>	<b>267,693</b>	<b>137,136</b>
Parent company shareholders		70,560	33,333	267,693	137,136
<b>Basic earnings per share</b>	6.18	<b>0.2212</b>	<b>0.1045</b>	<b>0.8364</b>	<b>0.4285</b>

The attached notes on pages 26 to 48 form an integral part of Condensed Interim Financial Reporting

**3. Condensed Interim Statement of Financial Position**  
**As of 30 June 2013 and 31 December 2012**  
(Amounts in thousand euro)

		GROUP		COMPANY	
	Notes	30.6.2013	31.12.2012 Adjusted	30.6.2013	31.12.2012 Adjusted
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	6.10	474,141	367,582	406,559	305,766
Restricted cash		95,710	95,710	95,710	95,710
Inventories		1,190	724	-	-
Receivables		48,192	27,859	50,672	30,769
Other current assets		<u>9,893</u>	<u>24,730</u>	<u>20,997</u>	<u>27,866</u>
<b>Total current assets</b>		<b>629,126</b>	<b>516,605</b>	<b>573,938</b>	<b>460,111</b>
<b>Non - current assets</b>					
Intangible assets		1,105,659	1,105,851	1,105,657	1,105,845
Tangible assets (for own use)		75,919	81,052	56,941	64,388
Investments in real estate		2,248	2,320	2,248	2,320
Goodwill		8,435	8,435	-	-
Investments in subsidiaries		-	-	56,259	43,054
Investments in associates		14,534	1,159	-	-
Long – term receivables		2,364	1,230	2,364	1,203
Other non - current assets		11,539	11,357	42,228	43,888
Deferred tax assets		<u>4,368</u>	<u>2,813</u>	-	-
<b>Total non - current assets</b>		<b>1,225,066</b>	<b>1,214,217</b>	<b>1,265,697</b>	<b>1,260,698</b>
<b>TOTAL ASSETS</b>		<b>1,854,192</b>	<b>1,730,822</b>	<b>1,839,635</b>	<b>1,720,809</b>
<b>EQUITY &amp; LIABILITIES</b>					
<b>Short - term liabilities</b>					
Loans		99,581	84,903	99,581	84,903
Payables		84,719	58,714	80,188	60,970
Payables from financial leases		377	362	-	-
Tax liabilities		105,183	34,961	102,194	31,490
Accrued expenses and other liabilities		<u>304,620</u>	<u>124,933</u>	<u>297,780</u>	<u>119,659</u>
<b>Total short - term liabilities</b>		<b>594,480</b>	<b>303,873</b>	<b>579,743</b>	<b>297,022</b>
<b>Long - term liabilities</b>					
Loans		115,516	165,686	115,516	165,686
Payables from financial leases		243	436	-	-
Employee benefit plans		6,879	4,435	6,879	4,435
Provisions		23,072	23,509	22,316	22,811
Deferred tax		57,328	61,266	56,078	60,066
Other long-term liabilities		<u>8,855</u>	<u>9,281</u>	<u>8,671</u>	<u>9,087</u>
<b>Total long - term liabilities</b>		<b>211,893</b>	<b>264,613</b>	<b>209,460</b>	<b>262,085</b>
<b>Equity</b>					
Share capital		95,700	95,700	95,700	95,700
Reserves		54,836	44,064	53,832	43,060
Retained earnings		<u>897,283</u>	<u>1,022,572</u>	<u>900,900</u>	<u>1,022,942</u>
<b>Total equity</b>		<b>1,047,819</b>	<b>1,162,336</b>	<b>1,050,432</b>	<b>1,161,702</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,854,192</b>	<b>1,730,822</b>	<b>1,839,635</b>	<b>1,720,809</b>

The attached notes on pages 26 to 48 form an integral part of Condensed Interim Financial Reporting

**4. Condensed Interim Cash Flow Statement**  
**For the first semester that ended on 30 June 2013 and 2012**  
(Amounts in thousand euro)

	GROUP		COMPANY	
	2013	2012	2013	2012
<b>OPERATING ACTIVITIES</b>				
Profit before tax	90,982	324,289	95,640	332,533
<b>Adjustments for:</b>				
Depreciation & Amortization	21,535	22,006	20,308	21,277
Financial results	(9,436)	(1,833)	(15,148)	(12,562)
Employee benefit plans	644	818	598	754
Provisions for bad debts	-	900	-	900
Other provisions	1,100	4,000	1,100	4,000
Exchange differences	(12)	(38)	(12)	(38)
(Profit) / Loss from related companies	25	105	-	-
Results from investing activities	205	56	3	56
<b>Total</b>	<b>105,043</b>	<b>350,303</b>	<b>102,489</b>	<b>346,920</b>
<b>Changes in working capital</b>				
(Increase) decrease in inventories	(466)	(687)	-	-
(Increase) decrease in receivables	(7,160)	8,727	(10,762)	28,387
Increase (decrease) in payables (excluding banks)	13,803	(32,708)	6,579	(33,853)
Increase (decrease) in taxes payable	76,850	47,214	75,782	51,980
<b>Total</b>	<b>188,070</b>	<b>372,849</b>	<b>174,088</b>	<b>393,434</b>
Interest expenses	(187)	(92)	(9)	(12)
Income taxes paid	(26,661)	(13,304)	(26,385)	(12,788)
<b>Cash flows from operating activities</b>	<b>161,222</b>	<b>359,453</b>	<b>147,694</b>	<b>380,634</b>
<b>INVESTING ACTIVITIES</b>				
Proceeds from sales of tangible & intangible assets	-	8	-	-
Establishment of associate	(13,400)	-	-	-
Establishment of subsidiary	-	-	-	(15)
Increase in share capital of subsidiary	-	-	(13,205)	(6,327)
Outflow of tangible assets	(3,831)	(4,686)	(92)	(717)
Outflow of intangible assets	(9,713)	(12,443)	(9,713)	(12,441)
Interest received	8,959	5,829	7,829	4,522
Dividends from subsidiaries	-	-	4,750	11,420
<b>Cash flows used in investing activities</b>	<b>(17,985)</b>	<b>(11,292)</b>	<b>(10,431)</b>	<b>(3,558)</b>
<b>FINANCING ACTIVITIES</b>				
Payments of loan installments	(36,250)	-	(36,250)	-
Payments of financial lease interests	(30)	(1,517)	-	(1,474)
Payments of financial lease capital	(178)	(6,775)	-	(6,611)
Dividends paid	(220)	(229,714)	(220)	(229,714)
<b>Cash flows used in financing activities</b>	<b>(36,678)</b>	<b>(238,006)</b>	<b>(36,470)</b>	<b>(237,799)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>106,559</b>	<b>110,155</b>	<b>100,793</b>	<b>139,277</b>
Cash and cash equivalents at the beginning of the period	367,582	195,894	305,766	105,548
<b>Cash and cash equivalents in the end of the period</b>	<b>474,141</b>	<b>306,049</b>	<b>406,559</b>	<b>244,825</b>

The attached notes on pages 26 to 48 form an integral part of Condensed Interim Financial Reporting

**5. Condensed Interim Statement of Changes in Equity**  
**5.1. Condensed Consolidated Statement of Changes in Equity**  
**For the first semester that ended on 30 June 2013 and 2012**  
(Amounts in thousand euro)

	Share capital	Reserves	Retained earnings	Total equity
<b>Balance as of 31 December 2011 (published)</b>	<b>95,700</b>	<b>44,001</b>	<b>749,811</b>	<b>889,512</b>
Effect of change in IAS 19 (amended)	-	-	(4,755)	(4,755)
<b>Balance as of 31 December 2011 (revised)</b>	<b>95,700</b>	<b>44,001</b>	<b>745,056</b>	<b>884,757</b>
Comprehensive total income for the period 1.1-30.6.2012	-	-	258,932	258,932
Dividends for the year 2011	-	-	(229,680)	(229,680)
<b>Balance as of 30 June 2012</b>	<b>95,700</b>	<b>44,001</b>	<b>774,308</b>	<b>914,009</b>
<b>Balance as of 31 December 2012 (published)</b>	<b>95,700</b>	<b>44,064</b>	<b>1,025,555</b>	<b>1,165,319</b>
Effect of change in IAS 19 (amended)	-	-	(2,983)	(2,983)
<b>Balance as of 31 December 2012 (revised)</b>	<b>95,700</b>	<b>44,064</b>	<b>1,022,572</b>	<b>1,162,336</b>
Comprehensive total income for the period 1.1-30.6.2013	-	-	67,313	67,313
Dividends for the year 2012	-	-	(181,830)	(181,830)
Reserves	-	10,772	(10,772)	-
<b>Balance as of 30 June 2013</b>	<b>95,700</b>	<b>54,836</b>	<b>897,283</b>	<b>1,047,819</b>

**5.2. Condensed Interim Statement of Changes in Equity of OPAP S.A.**  
**For the first semester that ended on 30 June 2013 and 2012**  
(Amounts in thousand euro)

	Share capital	Reserves	Retained earnings	Total equity
<b>Balance as of 31 December 2011 (published)</b>	<b>95,700</b>	<b>43,060</b>	<b>742,775</b>	<b>881,535</b>
Effect of change in IAS 19 (amended)	-	-	(4,756)	(4,756)
<b>Balance as of 31 December 2011 (revised)</b>	<b>95,700</b>	<b>43,060</b>	<b>738,019</b>	<b>876,779</b>
Comprehensive total income for the period 1.1-30.6.2012	-	-	267,693	267,693
Dividends for the year 2011	-	-	(229,680)	(229,680)
<b>Balance as of 30 June 2012</b>	<b>95,700</b>	<b>43,060</b>	<b>776,032</b>	<b>914,792</b>
<b>Balance as of 31 December 2012 (published)</b>	<b>95,700</b>	<b>43,060</b>	<b>1,025,925</b>	<b>1,164,685</b>
Effect of change in IAS 19 (amended)	-	-	(2,983)	(2,983)
<b>Balance as of 31 December 2012 (revised)</b>	<b>95,700</b>	<b>43,060</b>	<b>1,022,942</b>	<b>1,161,702</b>
Comprehensive total income for the period 1.1-30.6.2013	-	-	70,560	70,560
Dividends for the year 2012	-	-	(181,830)	(181,830)
Reserves	-	10,772	(10,772)	-
<b>Balance as of 30 June 2013</b>	<b>95,700</b>	<b>53,832</b>	<b>900,900</b>	<b>1,050,432</b>

The attached notes on pages 26 to 48 form an integral part of Condensed Interim Financial Reporting

## **6. Explicative Notes on the Condensed Interim Financial Reporting**

### **6.1. General information**

The financial reporting of the Group and the Company has been prepared in accordance with International Financial Reporting Standards (IFRS) as developed and published by the International Accounting Standards Board (IASB) and have been adopted by European Union.

OPAP S.A. is the Group's parent company. OPAP S.A. was established as a private legal entity in 1958. It was reorganized as a société anonyme in 1999 domiciled in Greece and its accounting as such began in 2000. The address of the Company's registered office, which is also its principal place of business, is 62 Kifissou Avenue, 121 32 Peristeri, Greece. OPAP's shares are listed in the Athens Stock Exchange.

The Condensed Interim Financial Reporting for the period that ended on 30 June 2013 (including the comparatives for the period that ended on 30 June 2012 and for the year that ended on 31 December 2012) was approved by the Board of Directors on 29 August 2013.

### **6.2. Nature of operations**

On 13.10.2000 the Company acquired from the Hellenic Republic the 20-year exclusive right to operate certain numerical lottery and sports betting games for the amount of € 322,817 th. Following this, the Company has the sole concession to operate and manage nine existing numerical lottery and sports betting games as well as two new numerical lottery games, which it has yet to introduce. The above exclusive right was extended until 12.10.2030 for the amount of € 375,000 th. The Company also holds the sole concession to operate and manage any new sports betting games in Greece as well as a right of first refusal to operate and manage any new lottery games permitted by the Hellenic Republic.

The Company currently operates six numerical lottery games (Joker, Lotto, Proto, Extra 5, Super 3 and Kino) and three sports betting games (Stihima, Propo and Propo-goal). It has also designed two new lottery games (Bingo and Super 4).

On 4.11.2011 OPAP S.A. was licensed to import and operate 35,000 VLTs.

The Group distributes its games through an extensive on-line network of 4,888 dedicated agents of which 184 operate in Cyprus under the interstate agreement of OPAP S.A. with the subsidiary OPAP CYPRUS LTD.

### **6.3. Basis for the preparation of the Condensed Interim Financial Reporting**

The financial reporting has been prepared under the historical cost principle and the principle of the going concern.

The preparation of financial reporting in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies.

### **6.4. New Standards, amendments to standards and interpretations**

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

## **Standards and Interpretations effective for the current financial year**

### **IAS 1 (Amendment) “Presentation of Financial Statements”**

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future.

### **IAS 19 (Amendment) “Employee Benefits”**

This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between “short-term” and “other long-term” benefits.

### **IAS 12 (Amendment) “Income Taxes”**

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 “Investment Property”.

### **IFRS 13 “Fair Value Measurement”**

IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones.

### **IFRS 7 (Amendment) “Financial Instruments: Disclosures”**

The IASB has published this amendment to include information that will enable users of an entity’s financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity’s recognised financial assets and recognised financial liabilities, on the entity’s financial position.

### **IFRIC 20 “Stripping costs in the production phase of a surface mine”**

This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. The interpretation may require mining entities to write off existing stripping assets to opening retained earnings if the assets cannot be attributed to an identifiable component of an ore body. IFRIC 20 applies only to stripping costs that are incurred in surface mining activity during the production phase of the mine, while it does not address underground mining activity or oil and natural gas activity.

## **Amendments to standards that form part of the IASB's 2011 annual improvements project**

The amendments set out below describe the key changes to IFRSs following the publication in May 2012 of the results of the IASB's annual improvements project.

### **IAS 1 "Presentation of financial statements"**

The amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either (a) as required by IAS 8 "Accounting policies, changes in accounting estimates and errors" or (b) voluntarily.

### **IAS 16 "Property, plant and equipment"**

The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment, i.e. when they are used for more than one period.

### **IAS 32 "Financial instruments: Presentation"**

The amendment clarifies that income tax related to distributions is recognised in the income statement and income tax related to the costs of equity transactions is recognised in equity, in accordance with IAS 12.

### **IAS 34, 'Interim financial reporting'**

The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements, in line with the requirements of IFRS 8 "Operating segments".

## **Standards and Interpretations effective for periods beginning on or after 1 January 2014**

### **IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2015)**

IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2015.

### **IFRS 7 (Amendment) "Financial Instruments: Disclosures" (effective for annual periods beginning on or after 1 January 2015)**

The amendment requires additional disclosures on transition from IAS 39 to IFRS 9. The amendment has not yet been endorsed by the EU.

**IAS 32 (Amendment) “Financial Instruments: Presentation”** (effective for annual periods beginning on or after 1 January 2014)

This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.

**Group of standards on consolidation and joint arrangements** (effective for annual periods beginning on or after 1 January 2014)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2014. Earlier application is permitted only if the entire “package” of five standards is adopted at the same time. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows.

**IFRS 10 “Consolidated Financial Statements”**

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency / principal relationships.

**IFRS 11 “Joint Arrangements”**

IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

**IFRS 12 “Disclosure of Interests in Other Entities”**

IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

**IAS 27 (Amendment) “Separate Financial Statements”**

This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 “*Consolidated and Separate Financial Statements*”. The amended IAS 27 prescribes the accounting and disclosure requirements for investment in

subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 "*Investments in Associates*" and IAS 31 "*Interests in Joint Ventures*" regarding separate financial statements.

#### **IAS 28 (Amendment) "Investments in Associates and Joint Ventures"**

IAS 28 "*Investments in Associates and Joint Ventures*" replaces IAS 28 "*Investments in Associates*". The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

#### **IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance"** (effective for annual periods beginning on or after 1 January 2014)

The amendment to the transition requirements in IFRSs 10, 11 and 12 clarifies the transition guidance in IFRS 10 and limits the requirements to provide comparative information for IFRS 12 disclosures only to the period that immediately precedes the first annual period of IFRS 12 application. Comparative disclosures are not required for interests in unconsolidated structured entities.

#### **IFRS 10, IFRS 12 and IAS 27 (Amendment) "Investment entities"** (effective for annual periods beginning on or after 1 January 2014)

The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many funds and similar entities that qualify as investment entities will be exempt from consolidating most of their subsidiaries, which will be accounted for at fair value through profit or loss, although controlled. The amendments to IFRS 12 introduce disclosures that an investment entity needs to make. These amendments have not yet been endorsed by the EU.

#### **IAS 36 (Amendment) "Recoverable amount disclosures for non-financial assets"** (effective for annual periods beginning on or after 1 January 2014)

This amendment requires: a) disclosure of the recoverable amount of an asset or cash generating unit (CGU) when an impairment loss has been recognised or reversed and b) detailed disclosure of how the fair value less costs of disposal has been measured when an impairment loss has been recognised or reversed. Also, it removes the requirement to disclose recoverable amount when a CGU contains goodwill or indefinite lived intangible assets but there has been no impairment. This amendment has not yet been endorsed by the EU.

#### **IFRIC 21 "Levies"** (effective for annual periods beginning on or after 1 January 2014)

This interpretation sets out the accounting for an obligation to pay a levy imposed by government that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy (one of the criteria for the recognition of a liability according to IAS 37) is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation could result in recognition of a liability later than today, particularly in connection with levies that are triggered by circumstances on a specific date. This interpretation has not yet been endorsed by the EU.

**IAS 39 (Amendment) “Financial Instruments: Recognition and Measurement”** (effective for annual periods beginning on or after 1 January 2014)

This amendment will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulations, if specific conditions are met. This amendment has not yet been endorsed by the EU.

## 6.5. Restatement of comparative Financial Information

During the six-month period 2013 the items of Financial Position "Employee benefit plans, Deferred tax and Retained Earnings" were restated for the years 2011 and 2012 redefining the item "Employee benefit plans" of OPAP S.A. during the past years, using the provisions of IAS 19 (Amendment) "Employee Benefits".

After the restatement, the condensed interim statement of Financial Position of OPAP S.A. is as follows:

GROUP			
(Amounts in thousands of euro)	31.12.2012		
	REVISED	PUBLISHED	DIFFERENCES
Employee benefit plans	23,509	19,781	3,728
Deferred tax liabilities	4,435	5,180	(745)
<b>Total long-term liabilities</b>	<b>264,613</b>	<b>261,630</b>	<b>2,983</b>
Retained earnings	1,022,572	1,025,555	(2,983)
<b>TOTAL EQUITY</b>	<b>1,162,336</b>	<b>1,165,319</b>	<b>(2,983)</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,730,822</b>	<b>1,730,822</b>	<b>-</b>

GROUP			
(Amounts in thousands of euro)	31.12.2011		
	REVISED	PUBLISHED	DIFFERENCES
Deferred tax assets	4,215	3,026	1,189
<b>Total non – current assets</b>	<b>1,220,510</b>	<b>1,219,321</b>	<b>1,189</b>
<b>TOTAL ASSETS</b>	<b>1,505,379</b>	<b>1,504,190</b>	<b>1,189</b>
Employee benefit plans	26,655	20,711	5,944
<b>Total long-term liabilities</b>	<b>431,082</b>	<b>425,138</b>	<b>5,944</b>
Retained earnings	745,056	749,811	(4,755)
<b>TOTAL EQUITY</b>	<b>884,757</b>	<b>889,512</b>	<b>(4,755)</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,505,379</b>	<b>1,504,190</b>	<b>1,189</b>

COMPANY			
(Amounts in thousands of euro)	31.12.2012		
	REVISED	PUBLISHED	DIFFERENCES
Employee benefit plans	22,811	19,083	3,728
Deferred tax liabilities	4,435	5,180	(745)
<b>Total long-term liabilities</b>	<b>262,085</b>	<b>259,102</b>	<b>2,983</b>
Retained earnings	1,022,942	1,025,925	(2,983)
<b>TOTAL EQUITY</b>	<b>1,161,702</b>	<b>1,164,685</b>	<b>(2,983)</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,720,809</b>	<b>1,720,809</b>	<b>-</b>

COMPANY			
(Amounts in thousands of euro)	31.12.2011		
	REVISED	PUBLISHED	DIFFERENCES
Deferred tax assets	2,822	1,634	1,188
<b>Total non – current assets</b>	<b>1,290,246</b>	<b>1,289,058</b>	<b>1,188</b>
<b>TOTAL ASSETS</b>	<b>1,483,195</b>	<b>1,482,007</b>	<b>1,188</b>
Employee benefit plans	26,152	20,208	5,944
<b>Total long-term liabilities</b>	<b>428,329</b>	<b>422,385</b>	<b>5,944</b>
Retained earnings	738,019	742,775	(4,756)
<b>TOTAL EQUITY</b>	<b>876,779</b>	<b>881,535</b>	<b>(4,756)</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,483,195</b>	<b>1,482,007</b>	<b>1,188</b>

The above changes affect proportionately the interim published financial reporting of the year 2012.

After the restatement, the condensed interim statement of Comprehensive Income of the Group and the Company for the six-month period 2012 is as follows:

GROUP				
	1.1-30.6.2012	1.4-30.6.2012	1.1-30.6.2012	1.4-30.6.2012
(Amounts in thousands of euro)	PUBLISHED		REVISED	
<b>Profit after tax</b>	<b>258,046</b>	<b>126,140</b>	<b>258,046</b>	<b>126,140</b>
Parent company shareholders	258,046	126,140	258,046	126,140
<b>Other total income</b>				
Actuarial profit / (loss)	-	-	1,108	554
Deferred tax	-	-	(222)	(111)
Other total income after tax	-	-	886	443
<b>Total income after tax</b>	<b>258,046</b>	<b>126,140</b>	<b>258,932</b>	<b>126,583</b>
Parent company shareholders	258,046	126,140	258,932	126,583

COMPANY				
	1.1-30.6.2012	1.4-30.6.2012	1.1-30.6.2012	1.4-30.6.2012
(Amounts in thousands of euro)	PUBLISHED		REVISED	
<b>Profit after tax</b>	<b>266,806</b>	<b>136,692</b>	<b>266,806</b>	<b>136,692</b>
Parent company shareholders	266,806	136,692	266,806	136,692
<b>Other total income</b>				
Actuarial profit / (loss)	-	-	1,108	554
Deferred tax	-	-	(221)	(110)
Other total income after tax	-	-	887	444
<b>Total income after tax</b>	<b>266,806</b>	<b>136,692</b>	<b>267,693</b>	<b>137,136</b>
Parent company shareholders	266,806	136,692	267,693	137,136

## 6.6. Seasonality

Under the International Financial Reporting Standards, the company's operations are not affected by seasonality or cyclical factors, except for those relating to Stihima sales that increase in connection with significant sports events, such as the UEFA Euro or the FIFA World Cup. So the even years, as the year 2012, compared to the odd (e.g. 2013), have more sporting events and therefore the periods ended on 30 June 2013 and 2012 are not strictly comparable.

## 6.7. Group's structure

The structure of OPAP Group as of 30.6.2013 is the following:

Company's Name	Ownership Interest	Country of Incorporation	Consolidation Basis	Principal Activities
OPAP S.A.	Parent company	Greece		Numerical lottery games and betting
OPAP CYPRUS LTD	100%	Cyprus	Percentage of ownership	Numerical lottery games
OPAP SPORTS LTD	100%	Cyprus	Percentage of ownership	Betting company
OPAP INTERNATIONAL LTD	100%	Cyprus	Percentage of ownership	Holding company-Services
OPAP SERVICES S.A.	100%	Greece	Percentage of ownership	Sports events-Promotion-Services
OPAP INVESTMENT LTD	100%	Cyprus	Percentage of ownership	Gambling activities
HELLENIC LOTTERIES S.A.	66.99999%	Greece	Equity method	Lotteries
GLORY TECHNOLOGY LTD	20%	Cyprus	Equity method	Software
NEUROSOF S.A.	30%	Greece	Equity method	Software

The effective date of the first consolidation for both OPAP CYPRUS LTD and OPAP SPORTS LTD companies was 1 October 2003. For OPAP INTERNATIONAL LTD the date of consolidation was 24 February 2004, for OPAP SERVICES S.A. the date was 15 September 2004 and for OPAP INVESTMENT LTD was 23 November 2011.

On 11.6.2013 the societe anonyme under the name "HELLENIC LOTTERIES – SOCIETE ANONYME MANUFACTURING, OPERATION, DISTRIBUTION, PROMOTION AND MANAGEMENT OF LOTTERIES" was established its distinctive title is "HELLENIC LOTTERIES S.A.". The share capital of the company is € 20,000 th. consisting of 2,000,000 ordinary shares of face value € 10 each. The founders of the HELLENIC LOTTERIES S.A. are:

1. OPAP INVESTMENT LTD with 1,339,999 ordinary shares,
2. SCIENTIFIC GAMES GLOBAL GAMING S.a.r.l. with 330,000 ordinary shares,
3. INTRALOT LOTTERIES LIMITED with 330,000 ordinary shares and
4. LOTTOMATICA GIOCHI E PARTECIPAZIONI S r. l with one ordinary share.

All subsidiaries report their financial statements on the same date as the parent company does.

## 6.8. Encumbrances

According to data from the Land Registry the Company's the Group's fixed assets are unencumbered.

## 6.9. Operating segments

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Management recognizes business segment as primary and reports separately revenues and results from each game. The reports concerning results per game are the basis for the management's decisions, mainly the Chairman and CEO of OPAP S.A.

### 6.9.1. Consolidated Business Segments

for the six-month period that ended on 30 June 2013 and 2012

1.1-30.6.2013	PROPO	LOTTO	PROTO	BETTING GAMES			PROPO GOAL	JOKER	EXTRA 5	SUPER 3	KINO	UNALLOCATED ASSETS	TOTAL
(Amounts in thousand euro)				STIHIMA	MONITOR GAMES	GO LUCKY							
Revenues	6,713	34,697	12,768	566,075	31,643	872	588	105,446	3,964	10,699	970,809	-	1,744,274
Gross profit	1,037	8,963	2,288	48,272	(247)	9	47	23,198	536	1,929	81,212	(5,646)	161,598
Profit from operations	684	6,947	1,715	21,205	(1,708)	(27)	21	17,983	362	1,461	38,764	(5,646)	81,761
Unallocated items	-	-	-	-	-	-	-	-	-	-	-	9,221	9,221
Profit before tax	684	6,947	1,715	21,205	(1,708)	(27)	21	17,983	362	1,461	38,764	3,575	90,982
Profit after tax	506	5,140	1,269	15,687	(1,260)	(20)	15	13,304	268	1,081	28,678	2,645	67,313

1.1-30.6.2012	PROPO	LOTTO	PROTO	BETTING GAMES			PROPO GOAL	JOKER	EXTRA 5	SUPER 3	KINO	UNALLOCATED ASSETS	TOTAL
(Amounts in thousand euro)				STIHIMA	MONITOR GAMES	GO LUCKY							
Revenues	8,659	27,809	13,884	767,562	49,504	2,934	716	104,407	5,176	14,662	1,059,502	-	2,054,815
Gross profit	3,144	10,011	3,827	127,169	4,622	310	216	38,795	1,614	4,019	201,503	(4,357)	390,873
Profit from operations	2,785	8,857	3,385	100,492	3,192	224	193	35,054	1,450	3,552	167,752	(4,357)	322,579
Unallocated items	-	-	-	-	-	-	-	-	-	-	-	1,710	1,710
Profit before tax	2,785	8,857	3,385	100,492	3,192	224	193	35,054	1,450	3,552	167,752	(2,647)	324,289
Profit after tax	2,216	7,048	2,693	79,957	2,561	180	154	27,891	1,153	2,826	133,473	(2,106)	258,046

## 6.9.2. Business Segments of OPAP S.A.

for the six-month period that ended on 30 June 2013 and 2012

1.1-30.6.2013	PROPO	LOTTO	PROTO	BETTING GAMES			PRORO GOAL	JOKER	EXTRA 5	SUPER 3	KINO	UNALLOCATED ASSETS	TOTAL
(Amounts in thousand euro)				STIHIMA	MONITOR GAMES	GO LUCKY							
Revenues	6,609	31,144	10,571	557,731	31,643	872	567	92,557	3,548	8,248	900,689	-	1,644,179
Gross profit	999	7,711	1,707	47,216	(247)	9	38	19,426	439	1,358	71,911	-	150,567
Profit from operations	673	5,953	1,265	22,373	(1,708)	(27)	16	15,084	295	1,025	35,532	-	80,481
Unallocated items	-	-	-	-	-	-	-	-	-	-	-	15,159	15,159
Profit before tax	673	5,953	1,265	22,373	(1,708)	(27)	16	15,084	295	1,025	35,532	15,159	95,640
Profit after tax	496	4,392	934	16,506	(1,260)	(20)	11	11,128	218	756	26,215	11,184	70,560

1.1-30.6.2012	PROPO	LOTTO	PROTO	BETTING GAMES			PRORO GOAL	JOKER	EXTRA 5	SUPER 3	KINO	UNALLOCATED ASSETS	TOTAL
(Amounts in thousand euro)				STIHIMA	MONITOR GAMES	GO LUCKY							
Revenues	8,514	24,711	11,578	758,461	49,504	2,934	693	92,045	4,599	11,811	995,574	-	1,960,424
Gross profit	3,091	8,921	3,218	126,287	4,622	310	207	35,183	1,481	3,357	193,056	(155)	379,578
Profit from operations	2,762	7,939	2,884	102,165	3,192	224	187	32,111	1,348	3,016	164,316	(155)	319,989
Unallocated items	-	-	-	-	-	-	-	-	-	-	-	12,544	12,544
Profit before tax	2,762	7,939	2,884	102,165	3,192	224	187	32,111	1,348	3,016	164,316	12,389	332,533
Profit after tax	2,217	6,370	2,314	81,971	2,561	180	150	25,764	1,081	2,420	131,838	9,940	266,806

There are no sales transactions between business segments. The allocation of operating costs in these business sectors, is carried out based on cost centers per game. A portion of the cost of providing services and marketing, administration costs, other income and expenses and the impairment provisions, were allocated to business segments according to revenue (turnover) of these business segments. The unallocated items mainly relate to financial income and expenses and impairment of assets.

### 6.9.3 Geographical segments

Group's operations are in Greece and Cyprus. Greece is the country of incorporation of the parent company, of the subsidiary OPAP SERVICES S.A. and of the associates NEUROSOFT S.A. and HELLENIC LOTTERIES S.A.

For the first semester that ended on 30 June 2013	Greece	Cyprus	Intercompany Transactions	Total
	(Amounts in thousand euro)			
Revenues	1,644,179	100,095	-	1,744,274
Gross Profit	151,111	7,692	2,795	161,598
Total Assets	1,904,434	70,720	(120,962)	1,854,192

For the first semester that ended on 30 June 2012	Greece	Cyprus	Intercompany Transactions	Total
	(Amounts in thousand euro)			
Revenues	1,960,424	94,391	-	2,054,815
Gross Profit	380,842	7,269	2,762	390,873
Total Assets (31.12.2012)	1,784,292	40,695	(94,165)	1,730,822

Revenues are based on the country where the client is located.

### 6.10. Cash and cash equivalents

Cash and cash equivalents are analyzed as follows:

	GROUP		COMPANY	
	30.6.2013	31.12.2012	30.6.2013	31.12.2012
	(Amounts in thousand euro)			
Cash in hand	449	520	414	506
Cash at bank	38,391	96,615	24,972	62,990
Short term Bank deposits	<u>435,301</u>	<u>270,447</u>	<u>381,173</u>	<u>242,270</u>
<b>Total cash &amp; cash equivalents</b>	<b>474,141</b>	<b>367,582</b>	<b>406,559</b>	<b>305,766</b>

The average interest rate earned on bank deposits was 4.18% in the first semester of 2013 and 4.91% in year 2012. The average duration of short-term bank deposits was 18 calendar days in the first semester of 2013 and 17 calendar days in year 2012.

### 6.11. Dividends

The Thirteenth (13<sup>th</sup>) Annual Ordinary General Meeting of the shareholders of Greek Organization of Football Prognostics S.A. (OPAP S.A.) took place on Friday, 21.6.2013 at its headquarters, 62, Kifissou Str., Peristeri and approved the annual financial report of the year 2012 and the distribution of a total gross dividend of 0.57 Euro per share before withholding dividend tax for the fiscal year 2012. After withholding the dividend tax the 2012 fiscal year dividend, amounted to 0.4275 Euro per share. Specifically, beneficiaries of the dividend are the Company's registered shareholders at the closing of the Athens Exchange session on the record date which was Tuesday 2.7.2013. The Ex-dividend date for the fiscal year 2012 was Friday 28.6.2013. The dividend payment to entitled Shareholders commenced on Monday, 8.7.2013 and was processed through the National Bank of Greece.

## 6.12. Operating cost

### 6.12.1. Pay-outs to winners

Pay-outs to winners (Amounts in thousands of euro)	GROUP		COMPANY	
For the six-month period that ended on 30 June	2013	2012	2013	2012
Pay-outs to the lottery and betting winners	<u>1,162,697</u>	<u>1,396,270</u>	<u>1,097,066</u>	<u>1,334,043</u>
<b>Total</b>	<b>1,162,697</b>	<b>1,396,270</b>	<b>1,097,066</b>	<b>1,334,043</b>

Pay-outs to the lottery and betting winners represent the profit of the games' winners of the Group according to the rules of each game. The pay-out percentage on six-month period of 2013 was: a) for Stihima 67.98% (H1 2012: 71.11%) and b) for KINO 69.43% (H1 2012: 68.89%). The total pay-out percentage of sales of all the games was 66.66% against 67.95% on six-month period of 2012.

### 6.12.2. Tax on the net revenues

Tax on the net revenues (Amounts in thousands of euro)	GROUP		COMPANY	
For the six-month period that ended on 30 June	2013	2012	2013	2012
Tax on the net revenues	<u>163,740</u>	-	<u>163,740</u>	-
<b>Total</b>	<b>163,740</b>	<b>-</b>	<b>163,740</b>	<b>-</b>

According to L. 4093/12 which was passed by the Parliament on Wednesday, 7.11.2012 imposed by 1.1.2013 taxation at the rate of 30% on the net revenues of **OPAP S.A.** (revenues minus prize pay-outs to the lottery and betting winners, according to Greek accounting – tax fiscal standards).

### 6.12.3. Cost of Services

The Cost of Services' analysis of OPAP S.A.'s Group classified by nature of expense is as follows:

	GROUP		COMPANY	
(Amounts in thousand euro)				
For the first semester that ended on 30 June	2013	2012	2013	2012
Lottery agents' commissions	147,673	172,199	137,334	162,520
Contractor Commission (for betting games)	3,536	5,521	3,199	5,160
Depreciation	8,579	8,786	12,623	8,148
Amortization	12,626	12,665	7,427	12,662
Repairs and maintenance expenditures	1,512	1,527	1,302	1,315
Third party fees	40,599	33,927	52,643	45,495
Distributions to the Super League, Football League & Football League 2	549	540	549	540
Staff cost	16,233	15,156	5,719	5,031
Inventory consumption	3,497	3,691	-	-
Other expenses	14,929	6,478	11,751	4,716
Returns to the Republic of Cyprus	6,203	5,905	-	-
Provisions for bad debts	-	900	-	900
Retirement benefit costs	303	377	259	316
Total	256,239	267,672	232,806	246,803

Agents' commissions are commissions on sales of the parent Company and its subsidiary OPAP CYPRUS LTD dedicated sales network. They are accounted at a fixed rate of 8% on revenues which are generated by STIHIMA, GO LUCKY, MONITOR GAMES, SUPER 3 and KINO and 12% for the other games. The relative percentage for STIHIMA organized in Cyprus by OPAP SPORTS LTD is 10%.

Repair and Maintenance Expenditure and the Third Party Fees include additional expenses (fees and maintenance) originating from the contract of 30.7.2010 with an INTRALOT consortium.

Distributions to the Super League, Football League and Football League 2 are related to the PROPO and PROPO-GOAL games.

The goods are managing from OPAP SERVICES S.A., so are not showed consumptions at Company's level.

### 6.13. Distribution Expenses

The analysis of Distribution Expenses of the Group and the Company by nature of expense is as follows:

	GROUP		COMPANY	
(Amounts in thousand euro)				
For the first semester that ended on 30 June	2013	2012	2013	2012
Advertisement	5,574	5,377	4,965	4,494
Donations	8,030	6,230	6,195	4,524
Sponsorships	<u>41,269</u>	<u>38,272</u>	<u>41,269</u>	<u>38,272</u>
Subtotal	54,873	49,879	52,429	47,290
Staff cost	1,753	1,661	1,753	1,661
Professional expenses	545	532	2,475	1,903
Depreciation and amortization	57	104	57	104
Retirement benefit costs	80	105	80	105
Other distribution expenses	<u>776</u>	<u>1,029</u>	<u>733</u>	<u>872</u>
Subtotal	<u>3,211</u>	<u>3,431</u>	<u>5,098</u>	<u>4,645</u>
Total Distribution Expenses	58,084	53,310	57,527	51,935

### 6.14. Administrative Expenses

The analysis of Administrative Expenses of the Group and the Company by nature of expense is as follows:

	GROUP		COMPANY	
(Amounts in thousand euro)				
For the first semester that ended on 30 June	2013	2012	2013	2012
Staff cost	7,081	6,785	5,721	5,296
Professional fees and expenses	5,023	5,038	8,668	8,913
Third party payables	1,929	2,149	1,553	1,732
Taxes and duties	222	190	52	91
Other expenses	723	1,023	567	931
Depreciation and amortization	273	451	201	363
Provisions	<u>261</u>	<u>336</u>	<u>259</u>	<u>333</u>
Total Administrative Expenses	15,512	15,972	17,021	17,659

## 6.15. Related party disclosures

The term “related parties” includes not only the Group’s companies, but also companies in which the parent company participates in their share capital with a significant percentage, companies that belong to parent’s main shareholders, companies controlled by members of the BoD or key management personnel of the Group, as well as, close members of their family.

The Group’s and the Company’s income and expenses for the current period as well as the year end balances of receivables and payables that have arisen from related parties’ transactions, as defined by IAS 24, as well as their relevant figures are analyzed as follows:

Income				
(Amounts in thousand euro)	GROUP		COMPANY	
For the first semester that ended on 30 June	2013	2012	2013	2012
Subsidiaries	<u>0</u>	<u>0</u>	<u>16,394</u>	<u>21,077</u>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>16,394</b>	<b>21,077</b>

Expenses				
(Amounts in thousand euro)	GROUP		COMPANY	
For the first semester that ended on 30 June	2013	2012	2013	2012
Subsidiaries	0	0	17,596	17,160
Associates	<u>556</u>	<u>661</u>	<u>219</u>	<u>269</u>
<b>Total</b>	<b>556</b>	<b>661</b>	<b>17,815</b>	<b>17,429</b>

Receivables				
(Amounts in thousand euro)	GROUP		COMPANY	
	30.6.2013	31.12.2012	30.6.2013	31.12.2012
Subsidiaries	<u>0</u>	<u>0</u>	<u>53,025</u>	<u>48,031</u>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>53,025</b>	<b>48,031</b>

Payables				
(Amounts in thousand euro)	GROUP		COMPANY	
	30.6.2013	31.12.2012	30.6.2013	31.12.2012
Subsidiaries	0	0	6,486	11,325
Associates	<u>124</u>	<u>10</u>	<u>87</u>	<u>10</u>
<b>Total</b>	<b>124</b>	<b>10</b>	<b>6,573</b>	<b>11,335</b>

1. The subsidiary OPAP CYPRUS LTD pays 10% of its revenues to the parent company, according to the last interstate agreement effective as of 1 January 2003. This fee amounted to € 9,175 th. during the current period (first semester 2012: € 8,529 th.). In the same period, OPAP CYPRUS LTD paid to OPAP S.A. the amount of € 4,365 th. for the dividend of year 2012 (first semester 2012: € 9,695 th.) and in first semester 2012 purchased from the parent company lottery coupons amounted to € 1 th.

The outstanding balance due to the Company, as of 30 June 2013 was € 4,560 th. (year 2012: € 4,848 th.).

2. OPAP S.A. requires from the subsidiary OPAP CYPRUS LTD the amount of € 14,787 th. paid on differences on pay-outs of lottery winners until 30.6.2013 according to the interstate agreement effective as of 1 January 2003 (year 2012: € 9,554 th.).

3. The subsidiary OPAP SERVICES S.A. paid to OPAP S.A. during the current period: a) sum of € 25 th. for services of OPAP S.A. rendered to the OPAP SERVICES S.A. and an amount of € 472 th. for common expenses according to their contract of 22 June 2009. In the same period, the dividend of year 2012 of which OPAP S.A. is 100% beneficially amounted to € 1,500 th. In first semester of 2012 the subsidiary OPAP SERVICES S.A. paid to OPAP S.A. during the current period: a) the amount of € 9 th. paid by the parent company for the tenancy joint expenses of the sixth floor of the building (Panepistimiou 25) that houses the subsidiary and b) sum of € 25 th. for services of OPAP S.A. rendered to the OPAP SERVICES S.A. and an amount of € 518 th. for common expenses according to their contract of 22 June 2009. In the same period, the subsidiary paid to OPAP S.A. the amount of € 2,300 th. for the dividend of year 2011.

The outstanding balance as of 30 June 2013 was € 1,150 th. (year 2012: € 942 th.).

4. The parent company during the current period paid to its subsidiary OPAP SERVICES S.A. sum of € 15,877 th. The amount concerns for the OPAP S.A.: a) salary and remaining staff expenses, advisers, co-operator etc, b) other expenses and c) subsidiary's fees as they are fixed in the contract of 22 June 2009 between OPAP S.A. and OPAP SERVICES S.A. (first semester 2012: € 15,372 th.).

The amount OPAP S.A. owed to its subsidiary OPAP SERVICES S.A. as of 30 June 2013 was € 5,929 th. (year 2012: € 10,920 th.).

5. On 30 June 2013, the receivables of € 31,357 th. (year 2012: € 32,597 th.) from the subsidiary OPAP SERVICES S.A. is presented in the books of the parent company about the application of the reformation on the corporate look of the Company's agencies.

6. The parent company during the current period paid to its subsidiary OPAP INTERNATIONAL LTD sum of € 1,719 th. (first semester 2012: € 1,788 th.) concerning of the fee for the rendering of advisory services about the fix-odds betting games which parent company conducts, according to their contract of 24 September 2009.

The owed amount as of 30 June 2013 was € 557 th. (year 2012: € 405 th.).

7. The parent company during the current period requires from its subsidiary OPAP INVESTMENT LTD the amount of € 699 th. paid OPAP S.A. for lawyers' fees and tax expenses until 30.6.2013 (year 2012: € 90 th.).

8. The subsidiary OPAP SPORTS LTD during the current period paid an amount of € 337 th. (first semester 2012: € 392 th.) to the associate GLORY TECHNOLOGY LTD, as fees for the management of the online UGS system.

The balance as of 30 June 2013 was € 37 th. (year 2012: € 0 th.).

9. In the same period the dividend of the year 2012 of OPAP SPORTS LTD of which OPAP S.A. is 100% beneficiary amounted to € 857 th. (first semester 2012: € 0 th.).

The owed amount as of 30 June 2013 was € 472 th. (year 2012: € 0 th.).

10. OPAP S.A. in the current period paid the amount of € 219 th. to the associate (its subsidiaries OPAP INTERNATIONAL LTD and OPAP CYPRUS LTD) NEUROSOFT S.A., concerning of the fee for the rendering of maintenance services, support and operation of system BOLT. (first semester 2012: € 269 th.).

The owed amount as of 30 June 2013 was € 87 th. (year 2012: € 10 th.).

Transactions and salaries of executive and administration members				
(Amounts in thousand euro)	GROUP		COMPANY	
For the first semester that ended on 30 June	2013	2012	2013	2012
Board of directors and key management personnel	<u>4,723</u>	<u>4,037</u>	<u>3,178</u>	<u>2,630</u>
<b>Total</b>	<b>4,723</b>	<b>4,037</b>	<b>3,178</b>	<b>2,630</b>

The remuneration of the BoD and key management personnel of the Group is analyzed as follows:

a) the Group's BoD compensation, reached € 457 th. for the first semester of 2013 and € 360 th. for the first semester of 2012 and

b) the Group's key management personnel remuneration, reached € 4,266 th. for the first semester of 2013 and € 3,677 th. for the first semester of 2012.

The remuneration of the BoD and key management personnel of the Company is analyzed as follows:

a) the Company's BoD compensation, reached € 180 th. for the first semester of 2013 and € 135 th. for the first semester of 2012 and

b) the Company's key management personnel remuneration, reached € 2,998 th. for the first semester of 2013 and € 2,495 th. for the first semester of 2012.

Receivables from related parties				
(Amounts in thousand euro)	GROUP		COMPANY	
	30.6.2013	31.12.2012	30.6.2013	31.12.2012
Board of directors and key management personnel	<u>2,784</u>	<u>2,226</u>	<u>2,784</u>	<u>2,226</u>
<b>Total</b>	<b>2,784</b>	<b>2,226</b>	<b>2,784</b>	<b>2,226</b>

The Group's and Company's receivables from related parties mainly refer to prepayments of retirement benefits and housing loans that have been distributed to key management personnel (prior to the undertaking of their duties as Directors) in accordance with the company's collective employment agreement (§ 7.8) and are analyzed as follows:

- a) the balance of parent company's managers' housing loans reached € 264 th. for the first semester of 2013 and € 201 th. for the year 2012 and
- b) the balance of parent company's managers' prepayments of retirement benefits reached € 2,520 th. for the first semester of 2013 and € 2,025 th. for the year 2012.

Balance from Board of directors' compensation and remuneration				
(Amounts in thousand euro)	GROUP		COMPANY	
	30.6.2013	31.12.2012	30.6.2013	31.12.2012
Board of directors and key management personnel	<u>1,123</u>	<u>1,274</u>	<u>1,055</u>	<u>1,241</u>
<b>Total</b>	<b>1,123</b>	<b>1,274</b>	<b>1,055</b>	<b>1,241</b>

The balance from management's remuneration and Board of Directors' compensation refers to:

- a) key management's personnel remuneration and compensation of Group that amounted to € 1,123 th. for the first semester of 2013 and € 1,274 th. for the year 2012 and
- b) key management's personnel remuneration and compensation of Company that amounted to € 1,055 th. for the first semester of 2013 and € 1,241 th. for the year 2012.

All the above inter-company transactions and balances have been eliminated in the Condensed Interim Financial Reporting. Except for the amounts presented above, there are no other transactions or balances between related parties.

### 6.16. Number of employees

The number of the permanent employees and the average number of part-time employees (working on a daily basis), of the Group and Company is analyzed below:

	GROUP		COMPANY	
	1.1-30.6.2013	1.1-30.6.2012	1.1-30.6.2013	1.1-30.6.2012
Employees (permanent)	968	989	230	241
Employees (part-time)	<u>4</u>	<u>8</u>	<u>4</u>	<u>7</u>
<b>Total</b>	<b>972</b>	<b>997</b>	<b>234</b>	<b>248</b>

### 6.17. Commitments and contingencies

#### Contingent liabilities

##### **A) Tax Liabilities:**

1. The parent company OPAP S.A. has been inspected by tax authorities until 2009 inclusive.
2. For the tax audit of the year 2011, the Company and the subsidiary OPAP SERVICES S.A., in the review of L. 2238/1994 concerning Tax Compliance Report by independent auditors, commissioned a special tax audit for the period 1.1.2011 - 31.12.2011 at its regular auditors companies. The above audit was completed in May 2012.
3. For the Tax Compliance audit of the year 2012, from the regular auditors there have no results and significant differences compared with the draft of Income Tax statement prepared by the Company and therefor no provision for tax differences of OPAP S.A. was made.

OPAP SERVICES S.A. for the year 2012 made provision for tax differences the amount of € 100 th. and for the six-month period 2013 the amount of € 50 th.

The fiscal years that have not been inspected by the tax authorities for each of the Group's companies are as follows:

COMPANY'S NAME	FISCAL YEARS NOT INSPECTED BY TAX AUTHORITIES
OPAP S.A.	2010-2012
OPAP CYPRUS LTD	2007-2012
OPAP SPORTS LTD	2012
OPAP INTERNATIONAL LTD	2004-2012
OPAP SERVICES S.A.	2010-2012
OPAP INVESTMENT LTD	2012
GLORY TECHNOLOGY LTD	2007-2012
NEUROSOFT S.A.	2010-2012

For not inspected by tax authorities fiscal years has made provision sum € 8,000 th. for the Company and € 9,250 th. for the Group.

##### **B) Legal matters:**

As estimated by the Legal Department concerning the matters relating to legal claims against OPAP S.A., those which is likely, a negative outcome is probable will require funds amounting to € 48,078 th. for its transaction. The total legal claims against OPAP S.A. amount to € 69,925 th. The total cumulative provision of the Company amounting € 48,078 th. is analyzed as follows:

- a) labor differences between the permanently and seasonably employed staff as well as those concerning the retired employees of the Company, amounting to € 19,876 th.,
- b) lawsuits of private individuals, amounting to € 7,132 th. that pertain to financial differences arising from games coupons payments as well as the fess for rendered services, and
- c) other legal cases amount of € 21,070 th.

Also, according to the letter of the legal adviser of the Company, lawsuits of third parties against OPAP S.A have been filed, amounting to € 6,231 th., for which a negative outcome against the Company is not probable and therefore no provisions have been raised.

Further than those aforementioned, there are no other pending or outstanding differences related to the Company or the Group as well as court and administrative institutions decisions that might have a material effect on the financial statements or operation of the Company and its subsidiaries.

### **Commitments**

#### **a) Contract for maintenance – technical support of information technology systems**

Maintenance and technical support of the central data processing system is provided by the IT Systems company assigned (main contracts those of 1997 and 2005). According to these contracts the assigned company provides maintenance and technical support of 1) the primary and secondary data processing system's hardware and software, 2) the O/S software application platform LOTOS which was developed by the operator, 3) the agency terminals. The provider is also responsible for the operation of the central data processing system. The contract duration varies depending on the services provided.

The contract with the Intralot consortium as at 31.7.2007 regulates all above mentioned contract terms with the Intracom Group apart from the following:

- a) Effective from 28.7.2008 no contract is in effect except the contract signed on 31.7.2007.
- b) The 29.1.2008 contract with Intracom, regarding terminals maintenance has expired. All "coronis" terminals are maintained by Intralot based on the new contract.
- c) According to the latest contract effective from 30.11.2007, Intralot maintains all the equipment of the computer centres.

On 30 July 2010 the BoD of OPAP S.A. approved the extension of the contract with INTRALOT's consortium for one additional year, while aligning this extension with OPAP S.A. business plan to achieve the following objectives:

- uninterrupted OPAP's operation,
- enhance OPAP's growth with the provision of modern services to our clients,
- enrich the content and number of games offered,
- upgrade agency functionality and
- reduce operating costs.

On 30.7.2012, 25.10.2012, 31.1.2013 and 18.4.2013 the Company's Board of Directors (BoD) approved four 3-month extensions of the 30.7.2010 agreement with Intralot, namely from 30.7.2012 until 30.7.2013 under the exact same terms defined in OPAP's announcement on 30.7.2010.

**Other commitments undertaken by the company are as follows:**

**b) Contract between OPAP S.A. and OPAP SERVICES S.A.**

It was signed on 22.6.2009 and includes the following:

OPAP Services S.A. undertakes for OPAP S.A.: a) the rendering of support services and supervision of agencies' network, according to the relevant policies of OPAP S.A., b) the rendering of services for production, supply, storage and distribution of consumables and forms as well as promotional material to all agencies, c) the rendering of support to the players (customers) and to the agents, d) responsibility of rendering of safe-keeping services, cleanness, maintenance and technical support of electromechanical equipment and building installations, e) responsibility of supervision and maintenance of agencies' equipment according to the being in effect contracts, f) rendering of secretarial support services, g) rendering of additional services e.g. the operation of OPAP S.A.'s agency at the Airport of Spata, h) rendering of technical advisory services, as also realization and supervision of technical work.

OPAP S.A. undertakes for OPAP Services S.A.: a) the rendering of services of internal control, b) the rendering of services of management, quality, safety etc systems, c) rendering of services of supplies, management of markets and consumables, d) rendering of infrastructure and support of technologies and administrative applications, e) rendering of services of education and f) rendering of personnel with corresponding experience.

**c) Contracts for operating Stihima in Cyprus**

On 2 April 2003, GLORY LEISURE Ltd (OPAP' s subsidiary since 1 October 2003) signed an agreement with GLORY TECHNOLOGY LTD regarding the use rights of UGS (Universal Game System INTERGRADED TURN-KEY SOLUTION) system of GLORY TECHNOLOGY LTD which automate the online betting operation. The agreement is in effect until 2.4.2010 with an agreed extension until 1.4.2011. The annual charge for the use of the system was calculated at 5% (from 2.4.2010 up to 1.4.2011 the percentage had been agreed at 4%) of the total annual turnover (plus value – added tax). The above contract was extended until 30.9.2013 with agreed fee percentage at 3% (plus value –added tax). An annual fee for the service of maintenance that GLORY TECHNOLOGY LTD will provide was also agreed upon. The maintenance fee is 14% (plus value – added tax) of the annual use charge.

**d) Contract between OPAP S.A. and subsidiary OPAP International LTD**

On 24.9.2009, a Service Level Agreement was signed between OPAP S.A. and its 100% subsidiary OPAP INTERNATIONAL LTD according to which the subsidiary will provide the parent company with advisory services for fixed odds betting games that the latter conducts.

**e) Contract of bond loan with consortium of banks**

On 1 December 2011, following the approval by the Extraordinary General Meeting held on 3 November 2011, the Company signed a common bond loan, not convertible to shares, with a consortium of banks, amounting to € 240,000 th. The participating banks are the EFG Eurobank Ergasias S.A., Emporiki Bank of Greece, National Bank of Greece and Hellenic Postbank. The Bondholder and Facility Agent has been undertaken by EFG Eurobank Ergasias S.A.

On 7 December 2011 the Company took the amount of € 240,000 th. by issuing 240,000 th. bonds, all of which were covered by the consortium of banks.

On 22 December 2011 the Company signed an additional contract with the consortium of banks, whereby the total amount of the bond was increased to € 290,000 th. The participating banks are National Bank of Greece, Alpha Bank S.A. and Piraeus Bank. The Bondholder and Facility Agent has been undertaken by EFG Eurobank Ergasias S.A.

On 29 December 2011 the Company took an additional amount of € 50,000 th. by issuing bonds 50,000 th., which were covered by the consortium of banks.

From the bond loan capital the amount of € 72,500 th. has been paid in two equal six-month installments, the first payment was in December 2012 (12 months after the first issuing date) and the second in June 2013.

#### **f) Contract between Hellenic Republic and OPAP S.A. for authorization of 35,000 Video Lottery Terminals (VLTs)**

On 4.11.2011 OPAP S.A. signed a contract with the Hellenic Republic for the licence for 35,000 VLTs, of which 16,500 VLTs will install and exploit through its agents and 18,500 VLTs will install and operate under license from concessions that will conclude with the OPAP S.A., the conditions that delimit the L. 4002/2011 and this contract.

#### **g) Hellenic Lotteries**

The OPAP S.A. subsidiary, OPAP INVESTMENT LIMITED, participated in a partnership consisted of the above mentioned and the companies INTRALOT LOTTERIES LIMITED, SCIENTIFIC GAMES GLOBAL GAMING S.a.r.l. and LOTTOMATICA GIOCHI E PARTECIPAZIONI S.r.l. (further referred to as: "Consortium"). The Consortium was declared, in December 2012, as provisional successful bidder of the International Tender for the concession of the exclusive right of production, operation, distribution, promotion and overall management of the State Lotteries, which was announced by the Hellenic Republic Assets Development Fund. The quotas of the above companies in the Consortium are: OPAP INVESTMENT LIMITED 66,99999%, INTRALOT LOTTERIES LIMITED 16,5%, SCIENTIFIC GAMES GLOBAL GAMING S.a.r.l. 16,5% and LOTTOMATICA GIOCHI E PARTECIPAZIONI S.r.l. 0,00001%.

The financial bid submitted by the Consortium amounted to € 190 million. The time schedule for payment of the above amount is as follows:

1. 20% will be paid to an escrow account within three (3) working days from the day of signing of the Concession Agreement (it was signed on 30.7.2013 and the percentage 20% was paid on 1.8.2013),
2. 50% will be paid within three (3) working days from the day of the ratification of the Concession Agreement by law of the Greek Parliament,
3. 30% will be paid alternatively: **or** together with the of the above amount (50%) **or** in twelve (12) months from the day of the ratification of the Concession Agreement by law of the Greek Parliament, with a 14% interest rate.

The concession concerns the exclusive right of the concessionaires for the production, operation, distribution, promotion and management of the Hellenic State Lotteries, which include the National, Popular and European Lottery, the Instant State Lottery or "Scratch/Xysto", the Housing State Lottery and the New Year's Lottery.

Thereafter:

**A)** On 11.6.2013 the societe anonyme under the name "HELLENIC LOTTERIES – SOCIETE ANONYME MANUFACTURING, OPERATION, DISTRIBUTION, PROMOTION AND MANAGEMENT OF LOTTERIES" was incorporated and the distinctive title "HELLENIC LOTTERIES S.A.". The share capital of the company is € 20,000 th. and consists of 2,000,000 ordinary shares with face value of € 10 each. The founders of the HELLENIC LOTTERIES S.A. are:

1. OPAP INVESTMENT LTD with 1,339,999 ordinary shares,
2. SCIENTIFIC GAMES GLOBAL GAMING S.a.r.l. with 330,000 ordinary shares,
3. INTRALOT LOTTERIES LIMITED with 330,000 ordinary shares and
4. LOTTOMATICA GIOCHI E PARTECIPAZIONI S r. l with one ordinary share.

**B)** On 30.7.2013 "Hellenic Lotteries S.A." signed with the Hellenic Republic Assets Development Fund S.A. (HRADF S.A.) the licence agreement of the 12-year concession for the exclusive rights to the production, operation, circulation, promotion and management of the Hellenic Lotteries in Greece.

**C)** It is expected the ratification of the concession agreement by the Greek Parliament.

Within the framework of this tender, Alpha Bank issued the following letters of guarantee on behalf of the Consortium:

1. A participation bond to the tender for the amount of € 20 million. The participation rate of OPAP INVESTMENT LIMITED in this participation bond amounted € 13.4 million. To issue this letter of guarantee, OPAP S.A. has pledged the amount of € 6.6 million as binding guarantee. The above participation bond was returned after 1.8.2013.
2. Three «Certain Funds Letters» of a total value that equals 20% of the amount of € 190 million, i.e. € 38 million. The participation rate of OPAP INVESTMENT LIMITED in these Certain Funds Letters came up to € 25.46 million. To issue these Letters, OPAP S.A. has pledged the amount of € 25.46 million as binding guarantee. The three Certain Funds Letters were returned after 1.8.2013.
3. Three «Commitment Letters» of a total value that equals 50% of the amount of € 190 million, i.e. € 95 million. The participation rate of OPAP INVESTMENT LIMITED in these «Commitment Letters» came up to € 63.65 million. To issue these Letters, OPAP S.A. has pledged the amount of € 63.65 million as binding guarantee.

On 30.6.2013 the total restricted deposits of OPAP S.A. for the above letters of guarantee, as mentioned in sections 1 to 3, come up to € 95.71 million while after 1.8.2013 the restricted deposit of OPAP S.A. for the issue of the Commitment Letters with come up to € 63.65 million. These letters will be returned, so the restricted deposit will then be released within the year 2013.

## 6.18. Earnings per share

Basic earnings per share are calculated as follows:

	GROUP			
	1.1-30.6.2013	1.4-30.6.2013	1.1-30.6.2012	1.4-30.6.2012
<b>Net profit attributable to the shareholders (Amounts in €)</b>	<b>67,313,255</b>	<b>28,372,351</b>	<b>258,045,453</b>	<b>126,139,342</b>
Weighted average number of ordinary shares	319,000,000	319,000,000	319,000,000	319,000,000
<b>Basic earnings per share (Amounts in €)</b>	<b>0.2110</b>	<b>0.0889</b>	<b>0.8089</b>	<b>0.3954</b>

	COMPANY			
	1.1-30.6.2013	1.4-30.6.2013	1.1-30.6.2012	1.4-30.6.2012
<b>Net profit attributable to the shareholders (Amounts in €)</b>	<b>70,560,542</b>	<b>33,333,348</b>	<b>266,806,638</b>	<b>136,692,713</b>
Weighted average number of ordinary shares	319,000,000	319,000,000	319,000,000	319,000,000
<b>Basic earnings per share (Amounts in €)</b>	<b>0.2212</b>	<b>0.1045</b>	<b>0.8364</b>	<b>0.4285</b>

The Group and the Company have no dilutive potential categories.

### 6.19. Subsequent events

On 5.7.2013, OPAP S.A. made its announcement known to the investment community that following the approvals by the Company's Extraordinary General Meeting (EGM) on 6.4.2013 as well as the Board of Directors on 19.6.2013, an agreement was signed with INTRALOT S.A. INTEGRATED INFORMATION SYSTEMS AND GAMING SERVICES COMPANY as the selected contractor of the Ref. No. A/18054/4.8.2011 Tender for the "commissioning, installation and transition to production operations of all necessary equipment regarding a new operational system to support all of the Company's games. The agreement will also cover the transition of OPAP S.A.'s existing operations to the new operational system and will provide preventive and corrective maintenance services as well as technical support for procured equipment and software".

Moreover, following negotiations with the contractor and with regards to the already approved terms by the EGM on 6.4.2013, the Company achieved a reduction of the one-off capital expenditure by € 2 mil. to € 27.5 mil. vs. € 29.5 mil., while both the remainder of the financial parameters as well as the contract's duration remain the same.

On 9.7.2013 and 10.7.2013 the SCIENTIFIC GAMES GLOBAL GAMING S.a.r.l. paid its percentage (16.5%) in the share capital of HELLENIC LOTTERIES S.A. (€ 1,700 th. and € 1,600 th., respectively) and on 10.7.2013 the INTRALOT LOTTERIES LIMITED another 16.5% (€ 3,300 th.) in this share capital.

On 30.7.2013 "Hellenic Lotteries S.A." signed with the Hellenic Republic Assets Development Fund S.A. (HRADF S.A.) the licence agreement of the 12-year concession for the exclusive rights to the production, operation, circulation, promotion and management of the Hellenic Lotteries in Greece.

"Hellenic Lotteries S.A." is a company comprised of entities controlled by OPAP SA (ATH: OPAP), Scientific Games (Nasdaq: SGMS) and Intralot (ATH: INLOT).

OPAP S.A. will provide to "Hellenic Lotteries S.A." services on commission for the: (a) exploitation of its existing sales network, (b) development of new sales network (subcontracting part of services to Intralot) and (c) accounting, legal and datacenter hosting.

On 5.8.2013 OPAP S.A., following its 5.7.2013 announcement related to the IT provider, makes its announcement known to the investment community that the Company's Board of Directors (BoD) approved the amendment of the end date of the 30.7.2010 agreement with the Intralot consortium.

The contract amendment was considered necessary in order to secure the transition of current operations to the new system, namely the period from 31.7.2013 until 14.4.2014. It is also noted that the agreement could be terminated earlier without any penalties, following six (6) month period.

Six-month Financial Report – For the period 1 January to 30 June 2013

OPAP S.A. – 62 Kifissou Ave, 121 32 Peristeri, Greece, Tel : +30 (210) 5798800

There are no other significant subsequent events after the lapse of the period that ended on 30 June 2013 referring either to the Group or the Company.

**Chairman of the BoD & CEO**

**A Member of the BoD**

**Chief Financial Officer**

**Constantinos Louropoulos**

**Grigorios Felonis**

**Venetsanos Rogakos**

## E. Summary financial information for the period 1 January to 30 June 2013

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