



Q4 & FY 2013 Financial Results

April 1, 2014

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OPAP's Q4 '13 revenues return to growth path

- Revenues down 6.6% to €3,711.1m (2012: €3,971.6m). Revenues in Q4 2013 reached €1,069.2m demonstrating a positive y-o-y growth of 4.3% coupled with a sequentially improved for a 4th consecutive quarter rate of change.
- Gross Gaming Revenue (GGR) down 6.3% at €1,219.9m (2012: €1,302.1m). Q4 2013 GGR stood lower by 1.9%, albeit the drop rate was still improved by 6.1 p.p. compared to the respective 9M 2013 figure.
- EBITDA at €221.7m (2012: €673.8m), lower by 67.1% y-o-y, hit mainly by the 30% GGR taxation effective January 1st, 2013 amounting to €345.4m.
- Q4 EBITDA stood at €47.6m, taking an additional burden of €24.8m related to an one-off & non-cash impairment charge and other restructuring costs.
- Net Profit down 72.1% to €141.1m (2012: €505.5m).
- Earnings per share down 72.1% to €0.44 (FY 2012: €1.58).
- Strong cash position of €242m.
- DPS at €0.25 implying a dividend payout of 56.5% following the early full repayment of the Group's credit facility. Furthermore, Management intends to propose the distribution of an interim dividend within 2014.
- Cost of licenses paid by OPAP in 2013 reached €213m (€127m for the 67% of Hellenic Lotteries and €86m for VLTs).

(€ 'm)	Q4 2013	Q4 2012	% Δ	FY 2013	FY 2012	% Δ
Revenues	1,069.2	1,025.5	4.3	3,711.1	3,971.6	(6.6)
GGR (Gross Gaming Revenue)	345.1	351.7	(1.9)	1,219.9	1,302.1	(6.3)
EBITDA	47.6	174.2	(72.7)	221.7	673.8	(67.1)
Payout (%)	67.7%	65.7%		67.1%	67.2%	
EBITDA margin (on revenues)	4.5%	17.0%		6.0%	17.0%	
EBITDA margin (on GGR)	13.8%	49.5%		18.2%	51.7%	
Net profit	29.4	133.8	(77.6)	141.1	505.5	(72.1)
Net profit margin	2.7%	13.0%		3.8%	12.7%	
EPS (€)	0.09	0.42	(77.6)	0.44	1.58	(72.1)
DPS	-	-		0.25	0.57	(56.0)

>> Overview



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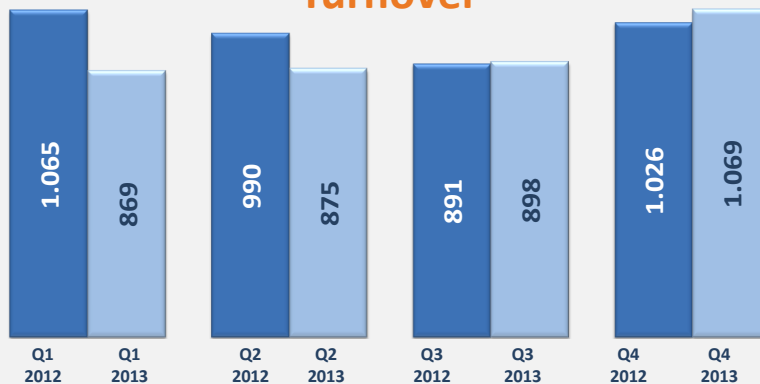
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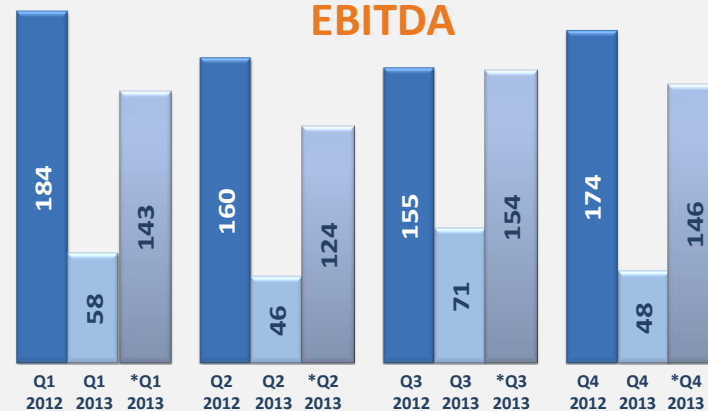
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Key Financials 2012-2013 Quarterly Overview

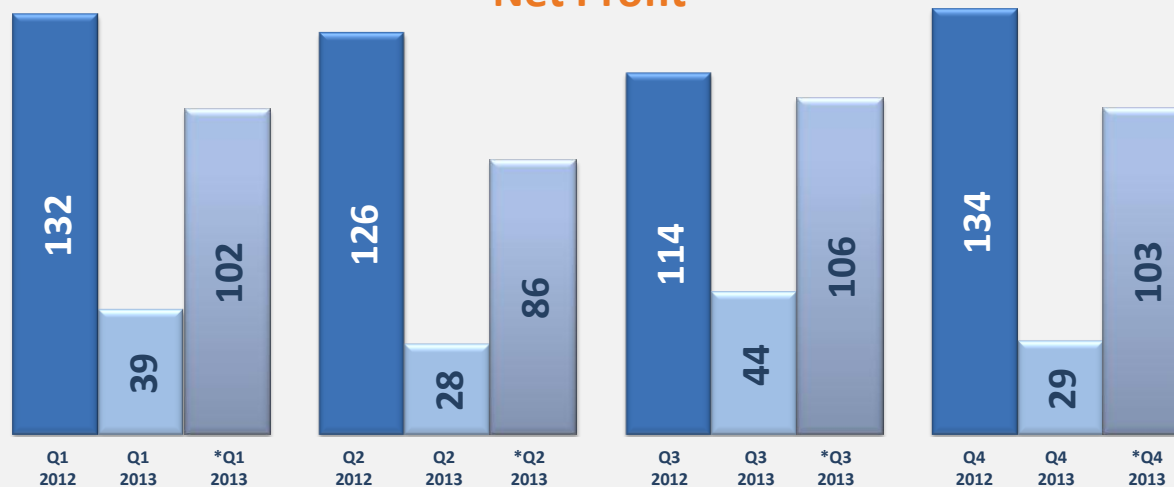
Turnover



EBITDA



Net Profit



>> Turnover



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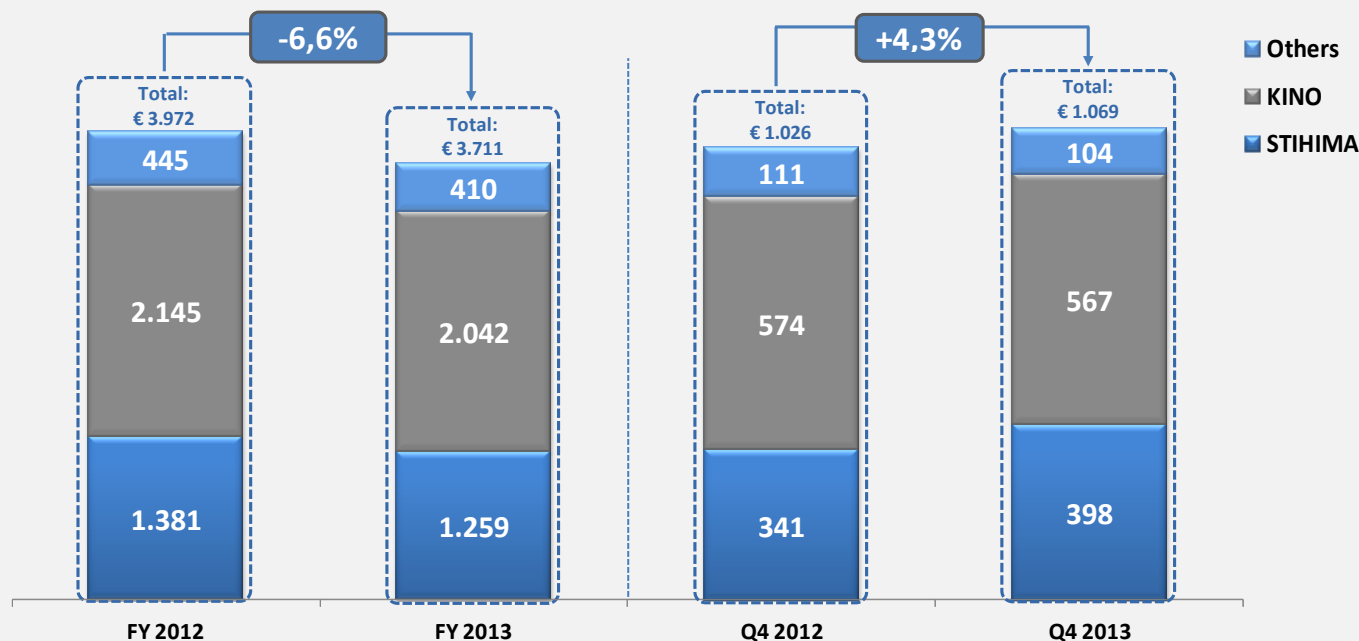
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FY 2013 Turnover

- OPAP's revenues for FY 2013 declined by 6.63% to €3,711.1m versus €3,971.6m in FY 2012, mainly due to the economic downturn (FY 2013 Greek GDP down 3.9%) and several one-off factors that hit Q1 results. Revenues for Q4 2013 stood at €1,069.2m, up by 4.3% y-o-y, remaining on positive ground for a 2nd consecutive quarter.
- Sports betting**
Total sports betting revenues decreased by 10.3% to €1,341.9m in FY 2013 from €1,495.7m in FY 2012, mainly due to a 8.9% Stihima drop, given the absence of a major sporting event. Stihima revenues in Q4 2013 increased substantially for a 2nd consecutive quarter to €398.2m higher by 16.8% y-o-y, reflecting the on-going qualitative enhancement of the game's offering.
- Numerical games**
Revenues from numerical games decreased by 4.3% to €2,369.2m in FY 2013 from €2,475.9m in FY 2012. Revenues in Q4 2013 declined by 1.5% y-o-y at €648.6m, albeit demonstrating an improved drop rate vs. to the 9m period due to a further quarterly sequential improvement of KINO. The game's revenues decreased by a mild 1.0% in Q4 2013 compared to a decline of 11.4% in Q1, 5.2% in Q2 and 1.6% in Q3.



>> GGR & Prize Payout



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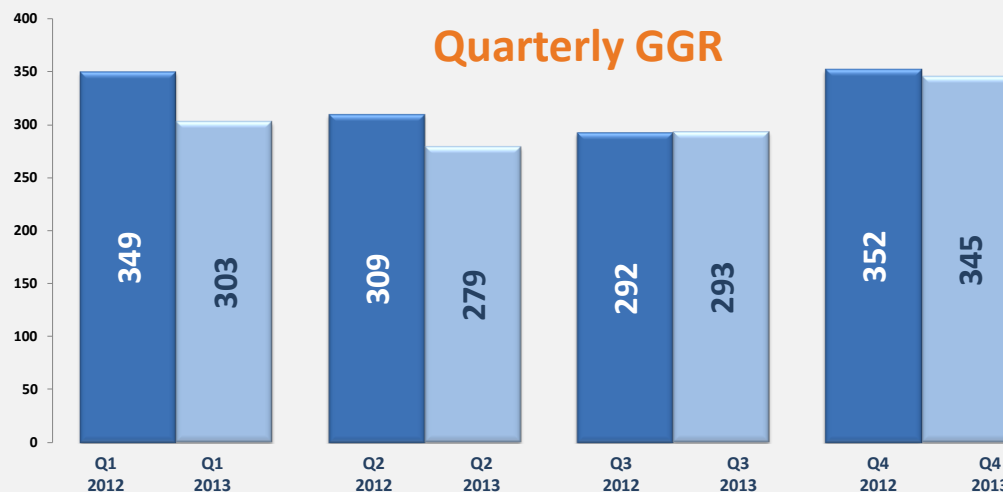
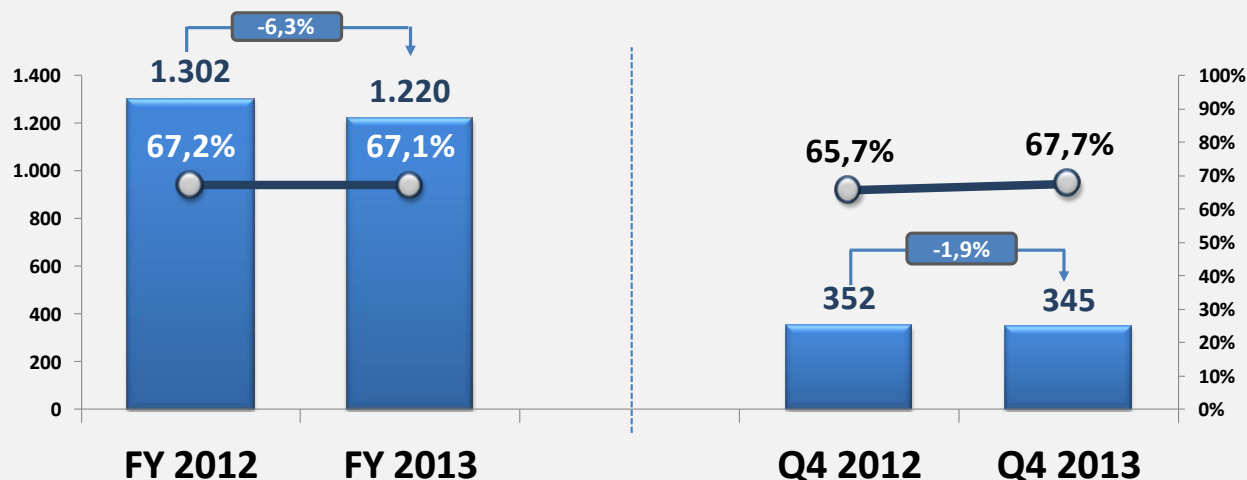
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FY 2013 Gross Gaming Revenue & Prize Payout

- Payout to lottery and sports betting winners in FY 2013 reached €2,491.1m, at 67.1% vs. 67.2% in FY 2012.
- Stihima payout in Q4 2013 stood at 70.5% vs. 63.7% in Q4 2012, bringing the game's FY payout at 68.9%, in line with the Group's long-term average of c. 70%.
- KINO payout in FY 2013 remained flattish at 69.3% compared to 69.2% in FY 2012.



>> Payout



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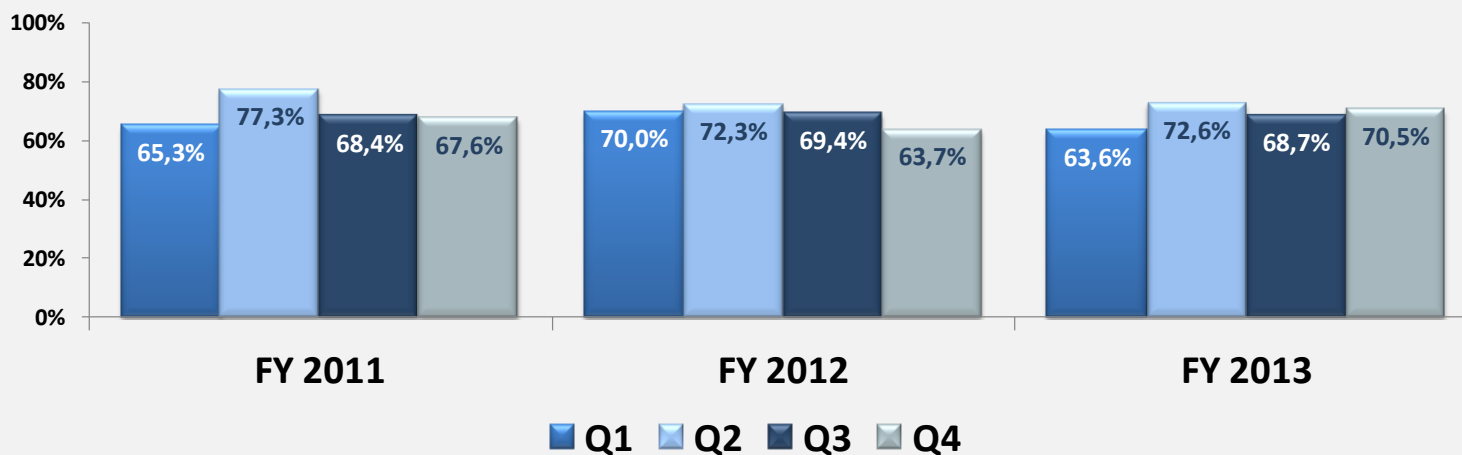
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Payout ratio per game

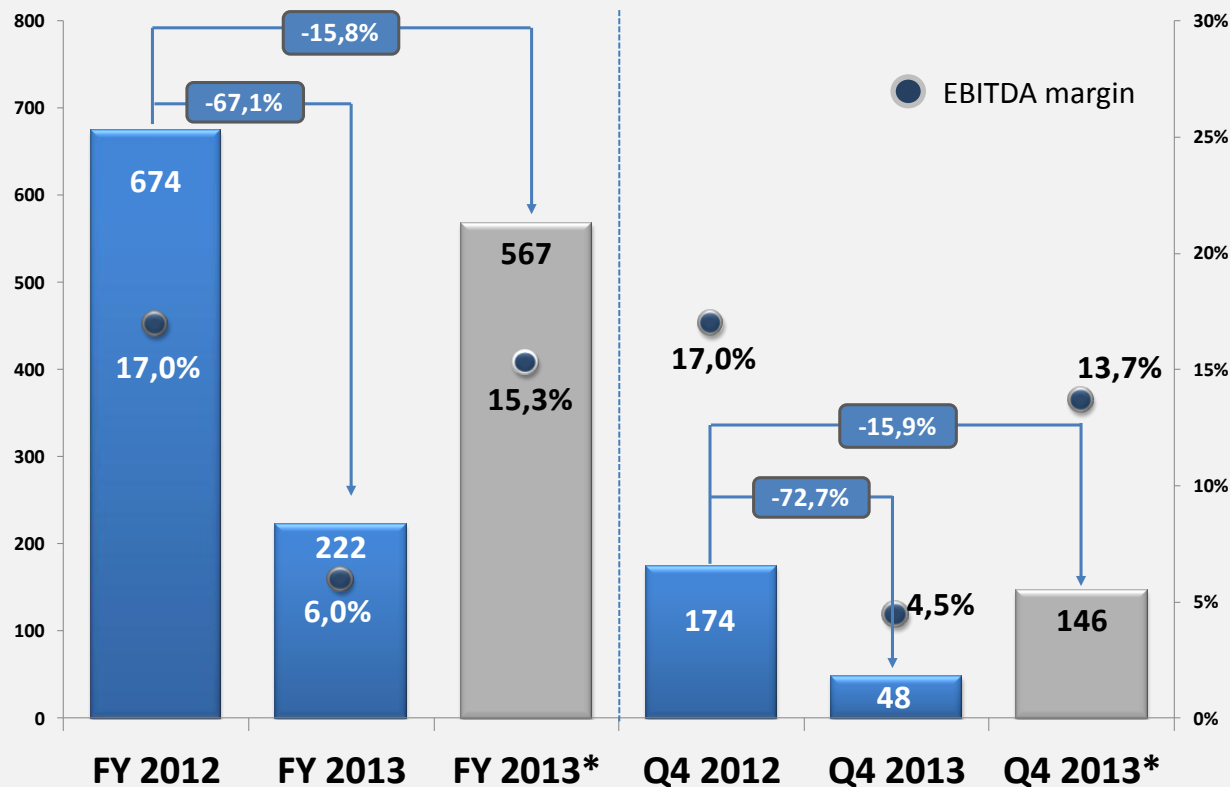


STIHIMA Payout ratio



FY 2013 EBITDA & EBITDA margin

- The Group's EBITDA declined to €221.7m in FY 2013 from €673.8m in FY 2012 reduced by 67.1% y-o-y, due in the most part to the 30% GRR taxation of €345.4m. On an adjusted (for the GRR taxation) basis, EBITDA declined by 15.8% at €567.1m owing mostly to lower revenues for the period and restructuring costs.
- EBITDA for Q4 2013 reached €47.6m, signifying a 72.7% decrease y-o-y, carrying a negative impact from the GRR taxation together with restructuring costs of €24.8m related to an impairment charge of the self-service terminals of €19.7m as well as costs related to severance packages of €5.1m. Adjusted (for the GRR taxation) EBITDA declined by 15.9% at €146.4m.
- Recurring EBITDA after adjusting for the aforementioned restructuring costs reached €72.4m in Q4 2013 down by 58.4% y-o-y and €246.5m in FY 2013 lower by 63.4% vs. FY 2012.

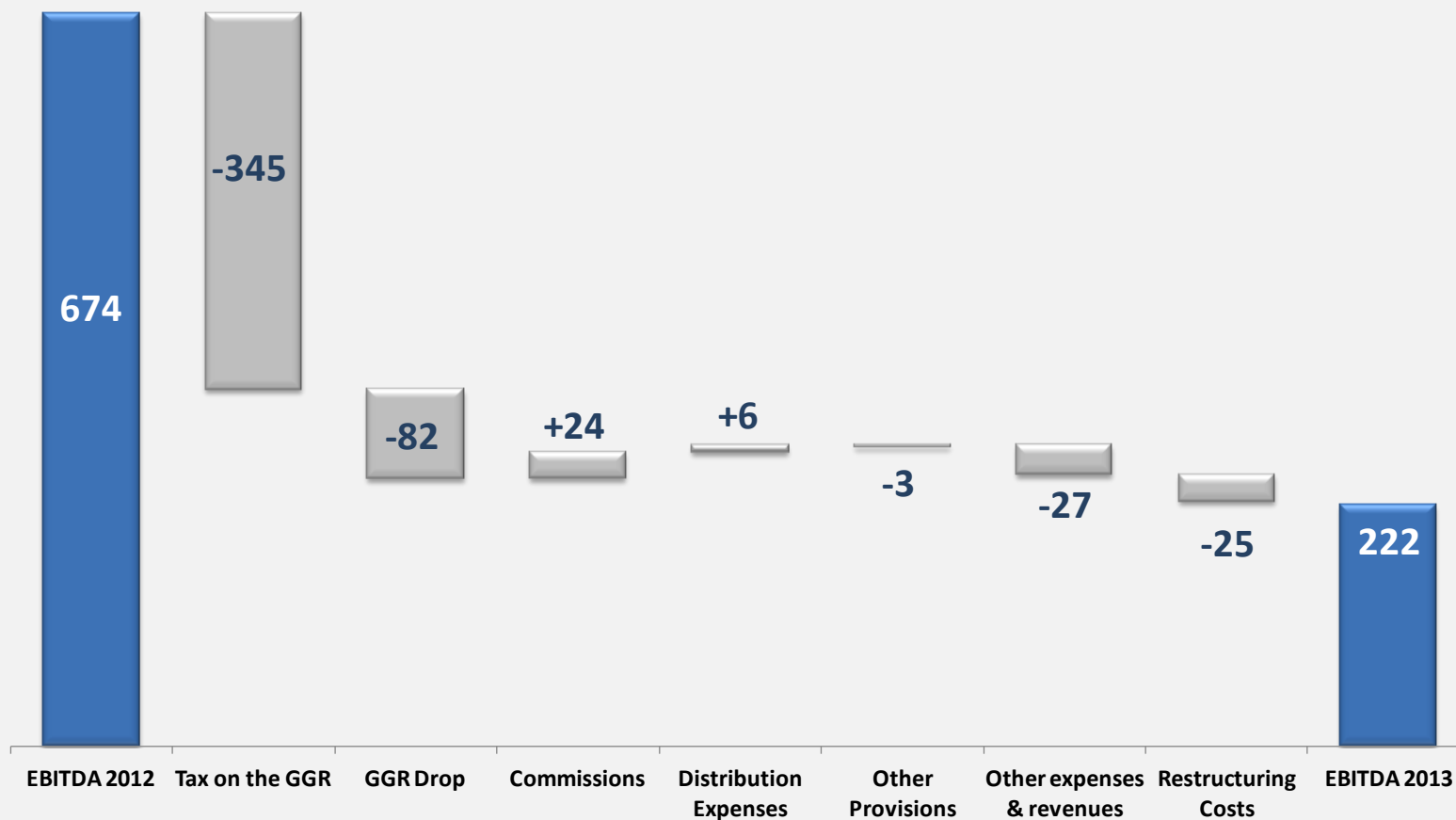


*: Adjusted excluding 30% tax on net revenues

(€ 'm)

FY 2013 EBITDA BRIDGE

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>> Net Profit



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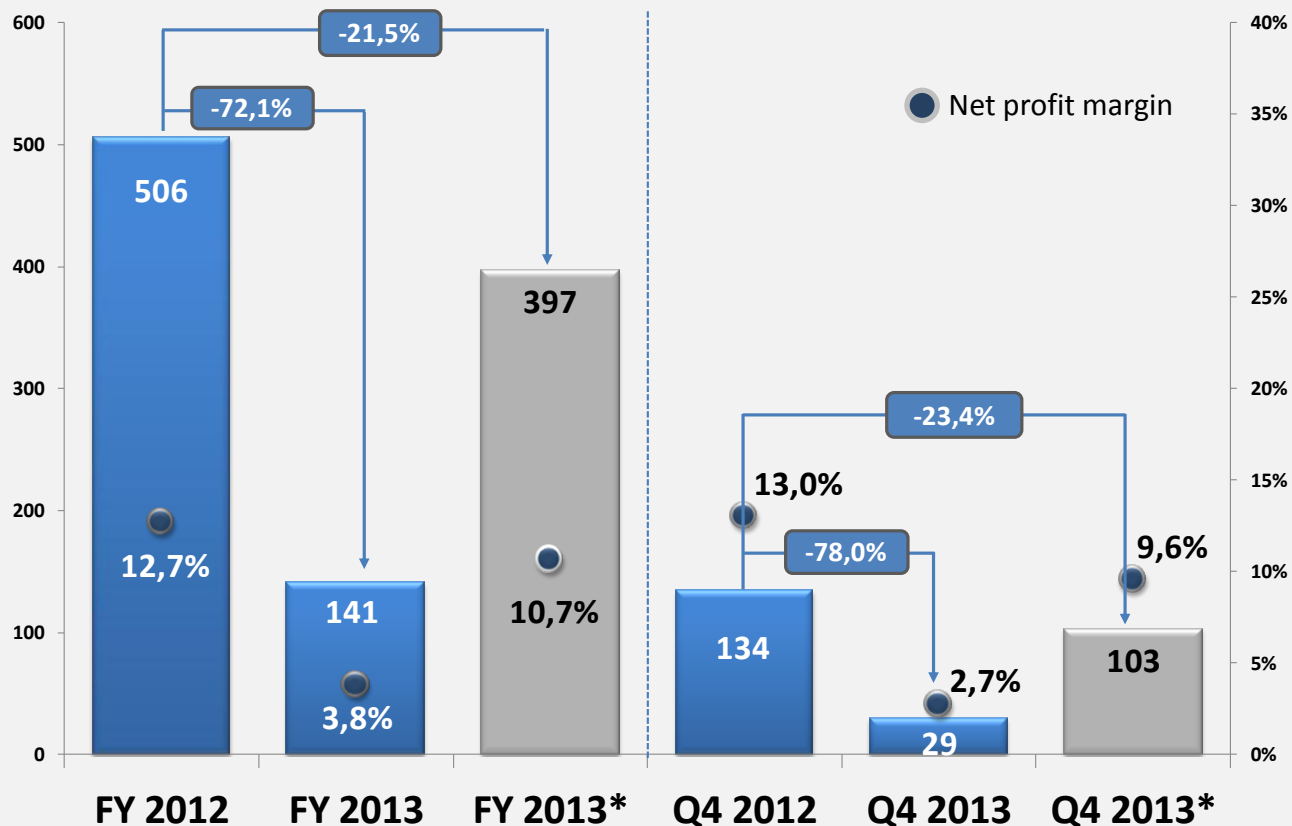
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FY 2013 Net profit & Net profit margin

- Net profit in FY 2013 decreased at €141.1m from €505.5m in 2012, down by 72.1% y-o-y. Adjusted (for the GGR taxation of €345,4m) net profit declined by 21.5% at €396.7m.
- Net profit for Q4 2013 reached €29.4m from €133.8m, lower by 78.0% y-o-y. Adjusted net profit came in at €102.5m, down by 23.4% vs. 2012.



*: Adjusted excluding 30% tax on net revenues

(€ 'm)

>> Total opex



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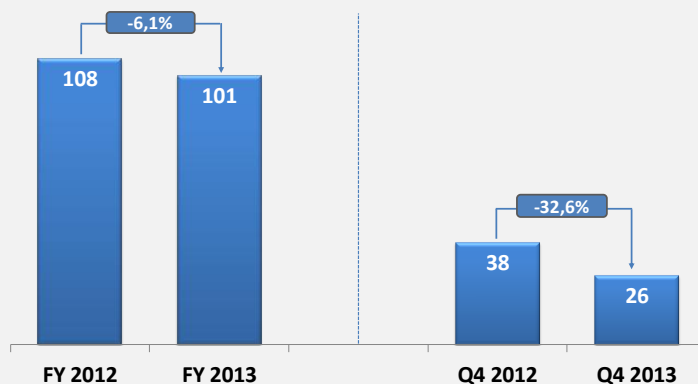
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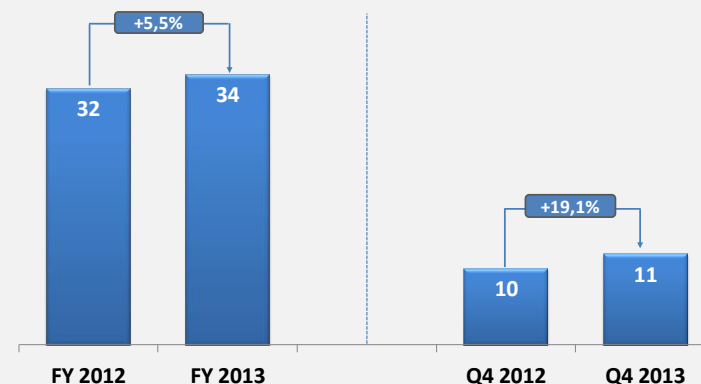
FY 2013 Operating Expenses - Cost Optimization

- Total **distribution costs** in FY 2013 reached €101.4m versus €107.9m in 2012 down by 6.1%, due to normalization in both advertising and donations. Distribution expenses in Q4 2013 decreased by a significant 32.6% at €25.9m, reflecting a rationalization of the 9m figure and in line with Management's commitment towards meaningful cost efficiencies.
- In FY 2013, **administrative expenses** increased moderately by 5.5% to €33.9m due mostly to higher retirement benefits costs. Q4 2013 administrative expenses increased by 19.1% y-o-y, standing at €11.4m.
- Cost of services** in FY 2013 reached €528.2m vs. €529.1m in FY 2012, lower by 0.2%. Cost of services in Q4 2013 increased by 6.5% y-o-y at €145.9m.

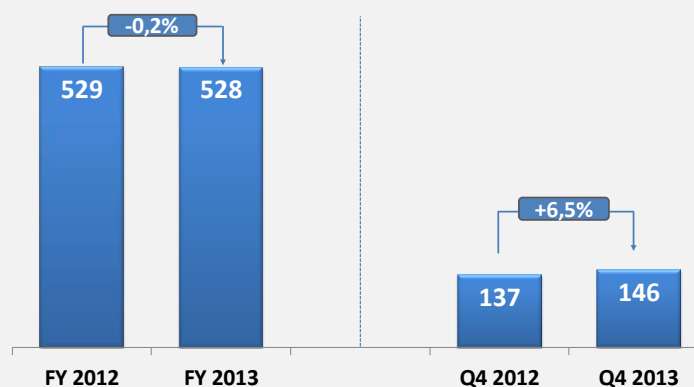
Distribution Cost



Administrative Cost



Cost of Services



(€ 'm)

>> Cash Flow

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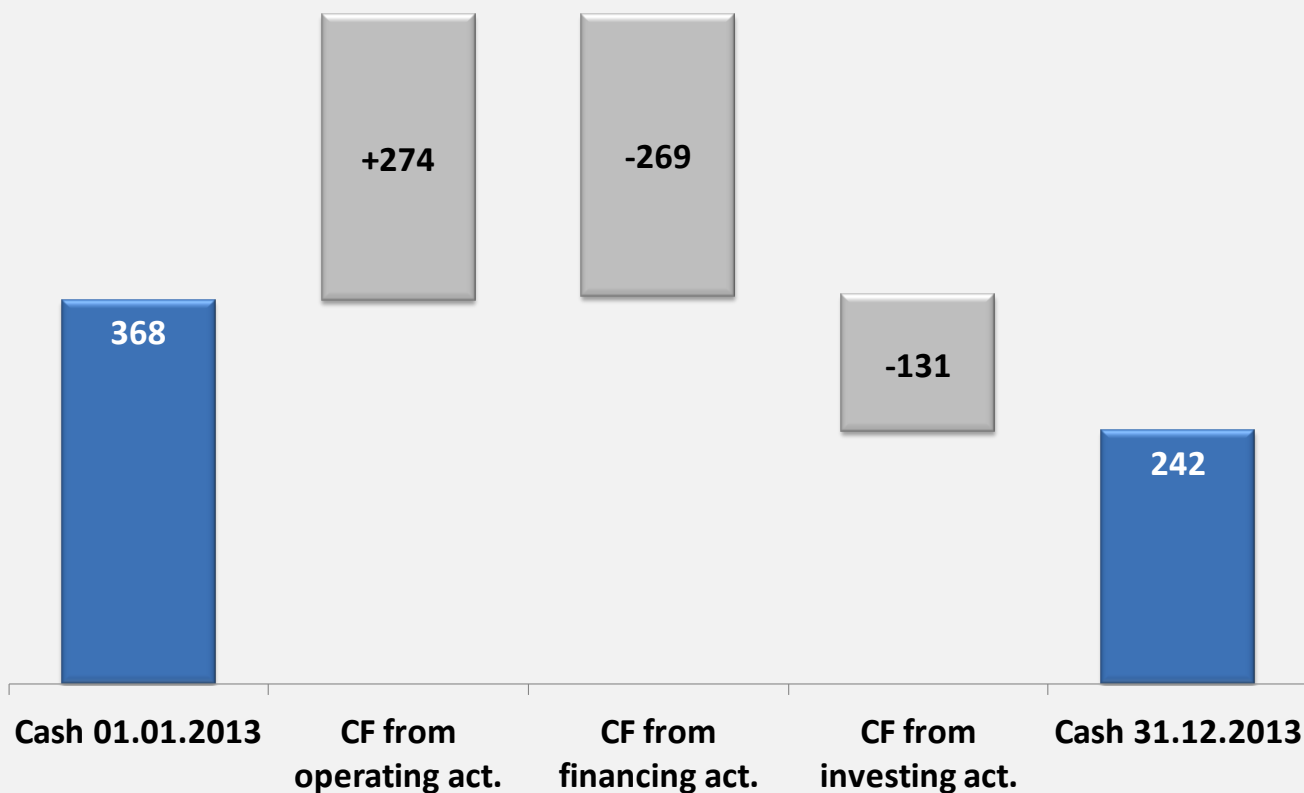
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FY 2013 Cash Flow

- Cash flow from **operating activities** in FY 2013 decreased by 51.5% amounting to €273.9m from €564.7m in FY 2012, due mostly to lower profitability partially offset by lower receivables and the calendar effect related to Q4 GGR taxation that occurred in Q1 2014.
- Cash flow from **investing activities** in FY 2013 amounted to an outflow of €130.2m mainly due to the payment of the 2nd tranche of the VLTs license and the establishment of Hellenic Lotteries S.A. The cost of licenses paid by OPAP in FY 2013 reached €213m (€127m for the 67% of Hellenic Lotteries and €86m for VLTs).
- Cash flow from **financing activities** in FY 2013 amounted to an outflow of €269.2m versus €275.9m in FY 2012..



>> Dividend Policy



Financial Review

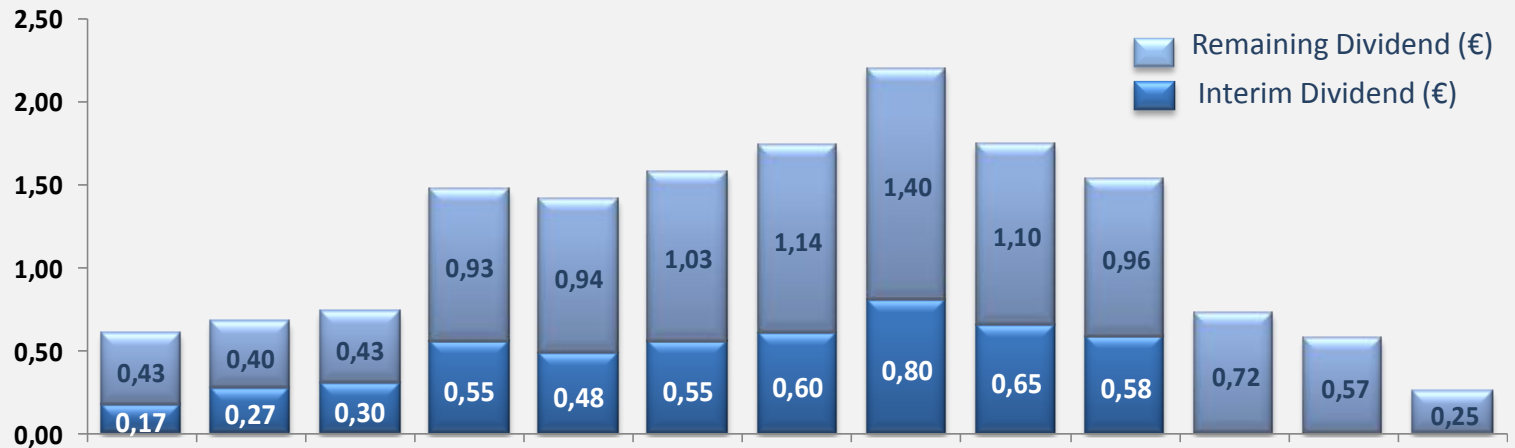
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Historically high dividend pay-out policy
Proposed DPS for 2013 at €0.25. Management intends to distribute an interim dividend in Q4 2014



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 ¹
Dividend per share (€)	0.60	0.67	0.73	1.48	1.42	1.58	1.74	2.20	1.75	1.54	0.72	0.57	0.25
Dividend yield (%)	8.3%	6.6%	6.4%	7.3%	4.9%	5.4%	6.3%	10.6%	11.4%	11.9%	10.5%	10.6%	2,0% ²
Dividend payout (%)	79.4%	103.7%	99.1%	93.4%	98.8%	98.9%	97.1%	96.3%	94.0%	85.3%	42.9%	36.0%	59,6%

¹ Subject to AGM (May 22nd, 2014) approval

² Dividend yield for 2013 based on the closing price of March 31st, 2014

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>> Legacy games Enhancement



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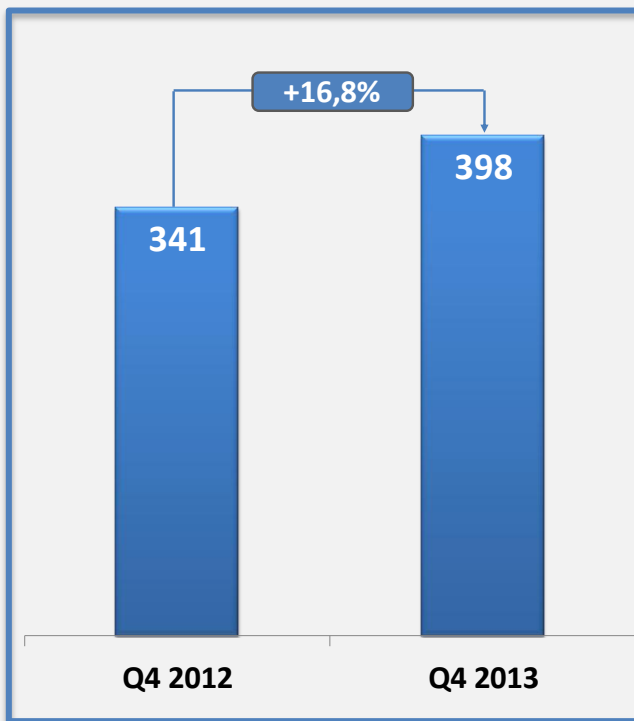
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Stihima Enhancement

- Management has prioritized the modernization of OPAP's legacy games to up to state-of-the art standards, with the first initiatives already taken for Stihima.
- Actions towards Stihima rejuvenation led to a revenue increase of 16,8% in Q4 2013, while positive signs seem to stem from current trading as well.
- Product offering enhanced both on quantity and quality; notwithstanding the significant increase of events offered, pricing policy became considerably more competitive and appealing.

Events offered as singles +62%, doubles +105%

Live betting now offered throughout the weekend course: Number of events offered +130%



Improved & Competitive overround in most popular events

Coupon enriched with additional leagues' events (Chile, Russia, Cyprus etc.)

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Target

- Launch first VLTs in Q4 2014
- Full deployment of 16.500 VLTs within 2015
- Rollout of 18.500 VLTs to commence in 2015

Already completed

- RFI central system
- RFI terminal providers
- Store mapping
- Store concept ready

To be done

- VLTs Central System, Cabinets & Games RFP
- Central System Provider selection
- Expression of interest by agents
- POS construction
- Recruitment & staff training
- RFP & selection of sub concessioners

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Target

- Rejuvenation of legacy games' content is a prerequisite
- Phased implementation
- Early June launch targeting to Football World Cup
- Late summer enhancement to target Basketball World Championship
- Mid 2015 – Full functionality for all OPAP licensed products
- No material Capex requirements (less than €10m)

Already completed

- Appointment of GTECH as online platform betting provider

>> Hellenic Lotteries



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Target

- Launch in Q2 2014
- Minimal CAPEX requirements mostly related to IT

Already completed

- Following the renegotiation with HL partners, OPAP has now gained full control over HL and will enjoy additional cost savings compared to the initial arrangement
- Regulation recently issued by the Hellenic Gaming Commission
- State Lottery distribution model remains at its current status

To be done

- Utilization of OPAP's agencies network right at launch coupled with gradual recruitment of third party POSs and street vendors
- Four different instant tickets editions (€1, €2, €3 & €5) planned for the initial launch in order to attract different consumers. Payout seen between 60%-70% for National, Popular & Instant depending on ticket edition
- Negotiation with agents on their commission currently under way

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>> Investment Highlights

National leader of world class caliber

Strong financial position

The largest commercial network in Greece

Unique offering secured by exclusive concessions

Significant growth driven by new projects

Highly attractive market

Stock Exchange Data

- **Tickers:**
OASIS: OPAP
Reuters: OPAP.AT
Bloomberg: OPAP:GA
- **Market Cap.:**
3,828m (26/03/14)
- **Outstanding Shares:**
319,000,000
- **Free Float: 67%**

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Condensed Consolidated Statement of Financial Position as of 31 December 2013 & 31 December 2012



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Consolidated Statement of Financial Position		
('000 €)	FY 2013	FY 2012
ASSETS		
Current assets		
Cash and cash equivalents	242.036	367.582
Receivables	36.466	27.859
Other current assets	18.521	121.164
Total current assets	297.023	516.605
Non - current assets		
Intangible assets	1.103.211	1.105.851
Investments in associates	129.563	1.159
Other non - current assets	71.532	107.164
Total non - current assets	1.304.306	1.214.174
TOTAL ASSETS	1.601.329	1.730.779
EQUITY & LIABILITIES		
Liabilities		
Short term loans	165.447	84.903
Short term payables (trade & other)	113.293	183.647
Other short term payables	121.661	35.323
Provisions	49.292	61.266
Other long term liabilities	26.353	203.174
Total liabilities	476.046	568.313
Total equity	1.125.283	1.162.466
TOTAL EQUITY & LIABILITIES	1.601.329	1.730.779

Condensed Consolidated Statement of Comprehensive Income FY 2013 & Q4 2013



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Consolidated Statement of Comprehensive Income								
('000 €)	FY 2013	FY 2012	Δ	Δ%	Q4 2013	Q4 2012	Δ	Δ%
Revenues	3.711.059	3.971.628	-260.569	-6,6%	1.069.228	1.025.528	43.700	4,3%
Payout	-2.491.136	-2.669.518	178.382	-6,7%	-724.089	-673.824	-50.265	7,5%
GGR	1.219.923	1.302.110	-82.187	-6,3%	345.139	351.704	-6.565	-1,9%
Tax on revenues	-345.401	0	-345.401		-98.824	0	-98.824	
CoS	-528.172	-529.096	924	-0,2%	-145.907	-136.963	-8.944	6,5%
Gross Profit	346.350	773.014	-426.664	-55,2%	100.408	214.741	-114.333	-53,2%
S&D	-101.382	-107.968	6.586	-6,1%	-25.924	-38.443	12.519	-32,6%
G&A	-33.949	-32.174	-1.775	5,5%	-11.365	-9.535	-1.830	19,2%
Other OPEX	-35.999	-9.682	-26.317	271,8%	-28.005	-4.213	-23.792	564,7%
EBITDA	221.712	673.805	-452.093	-67,1%	47.614	174.204	-126.590	-72,7%
EBIT	176.956	628.053	-451.097	-71,8%	35.762	161.584	-125.822	-77,9%
EBT	187.756	638.232	-450.476	-70,6%	35.180	168.554	-133.374	-79,1%
EAT	141.115	505.487	-364.372	-72,1%	29.414	133.812	-104.398	-78,0%

Condensed Consolidated Cash Flow statement as of 31 December 2013 & 31 December 2012



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Consolidated Cash flow statement		
('000 €)	2013	2012
Operating Activities before WCC	256.803	684.335
Changes in Working Capital		
Inventories	-156	-249
Receivables	776	16.106
Payables	-25.469	-41.054
Taxes payable	104.604	-2.706
Interest expenses & Income taxes paid	-62.684	-91.700
Cash flow from Operating Activities	273.874	564.732
Cash flow from:		
Investing Activities	-130.181	-117.163
Financing Activities		
Payments of loan installments	-87.000	-36.250
Dividends Paid	-181.825	-229.784
Other Paid	-414	-9.847
Cash flow in Financing Activities	-269.239	-275.881
Net change in cash	-125.546	171.688
Cash at the beginning of the year	367.582	195.894
Cash at the end of the year	242.036	367.582



Q4 & FY 2013 Financial Results

April 1, 2014