



Q1 2014 Financial Results

May 28, 2014

>> Disclaimer

- All drawings, artwork, and texts are the exclusive property of OPAP S.A. The partial or total duplication, copy or publication of the contents of this publication by any medium (mechanical, electronic, photocopy, recording, photography etc) is forbidden according to the standing copyright Law (Law 100/75 and Law 2121/1993) relevant instruction and disclaimers by the EU and the International Law. Any use of material included in this publication must be done with the written permission of OPAP S.A.
- The logo of OPAP S.A. is the exclusive property of OPAP S.A. Any use, copying or distortion of the logo is forbidden without written permission by the company. The contents and visual material included in this publication are the property of OPAP S.A. or third parties from which the company has received all appropriate licences
- Copyright refers to all graphics and texts of the present publication
- The facts included in the present document have been acquired by valid sources. It is considered self-evident and granted that OPAP S.A. does not guarantee their accuracy and endurance through time. Respectively, OPAP S.A. bears no responsibility to any investment actions that may take place on the basis of the estimates published here. This is not an offer of invitation for purchase or registration of market shares of any kind. Finally, the information included in this publication is subject to renewal, completion, review or modification by OPAP S.A. The information may be significantly modified without any liability for prior update on behalf of OPAP S.A.

>> Panel Participants

Kamil Ziegler

Chairman & CEO

Michal Houst

CFO, Executive Director

Investor Relations Dpt

- Nikos Polymenakos – Investor Relations Officer
Tel : +30 (210) 5798929 - polymenakos@opap.gr
- George Vitorakis - Investor Relations Officer / Business Analyst
Tel : +30 (210) 5798976 - vitorakis@opap.gr

AGENDA

Financial Review

Focus for the year

Investment Highlights

Appendix

>> Overview



Financial Review

Focus for the year

Investment Highlights

Appendix

In Q1 '14 OPAP reports reinforced revenues coupled with solid EBITDA growth

- Revenues up 11.1% to €965.5m (2013: €869.3m) demonstrating a sequentially improved for a 5th consecutive quarter rate of change on the back of a 30% growth in Stihima as well as KINO'S return to positive territory.
- Gross Gaming Revenue (GGR) up 5.8% at €320.1m (Q1 2013: €302.6m) reversing the Q4 2013 drop.
- EBITDA at €76.3m (Q1 2013: €57.6m), higher by 32.4% y-o-y, returning to growth path after 13 declining y-o-y quarters.
- Distribution expenses at €25.8m, further reduced by 12.2% y-o-y.
- Net Profit up 27.6% to €49.7m (2013: €38.9m).
- Strong cash position of €168m.

(€ 'm)	Q1 2014	Q1 2013	% Δ
Revenues	965.5	869.3	11.1
GGR (Gross Gaming Revenue)	320.1	302.6	5.8
EBITDA	76.3	57.6	32.4
Payout (%)	66.8%	65.2%	
EBITDA margin (on revenues)	7.9%	6.6%	
EBITDA margin (on GGR)	23.8%	19.0%	
Net profit	49.7	38.9	27.6
Net profit margin	5.1%	4.5%	
EPS (€)	0.16	0.12	27.6

>> Overview



Financial
Review

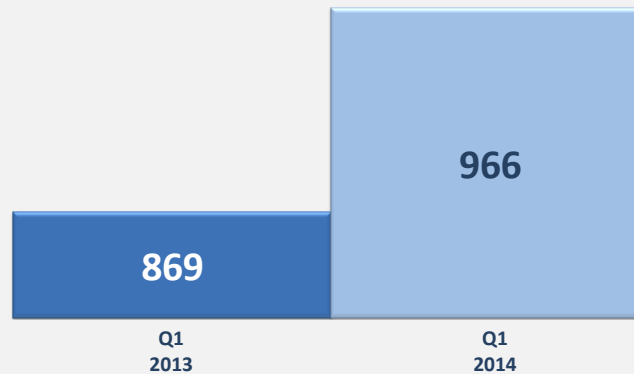
Focus for
the year

Investment
Highlights

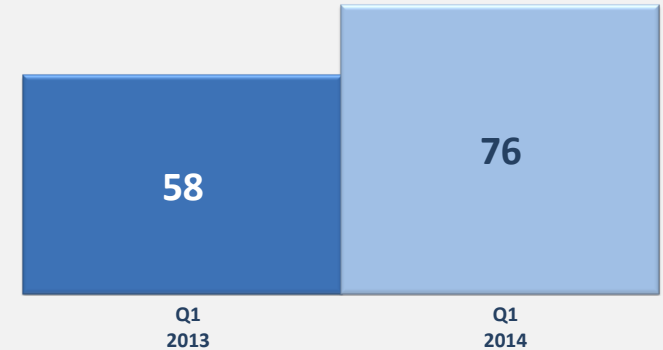
Appendix

Key Financials Q1 2013-2014

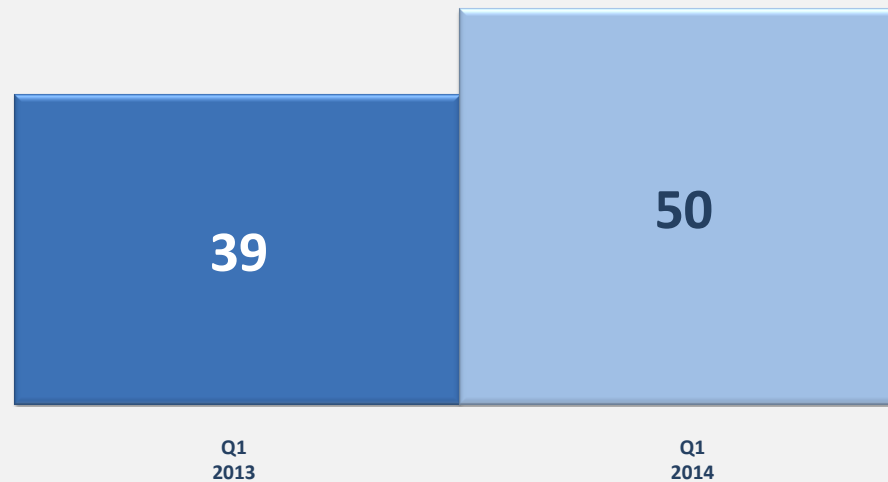
Turnover



EBITDA



Net Profit



>> Turnover

Financial
Review

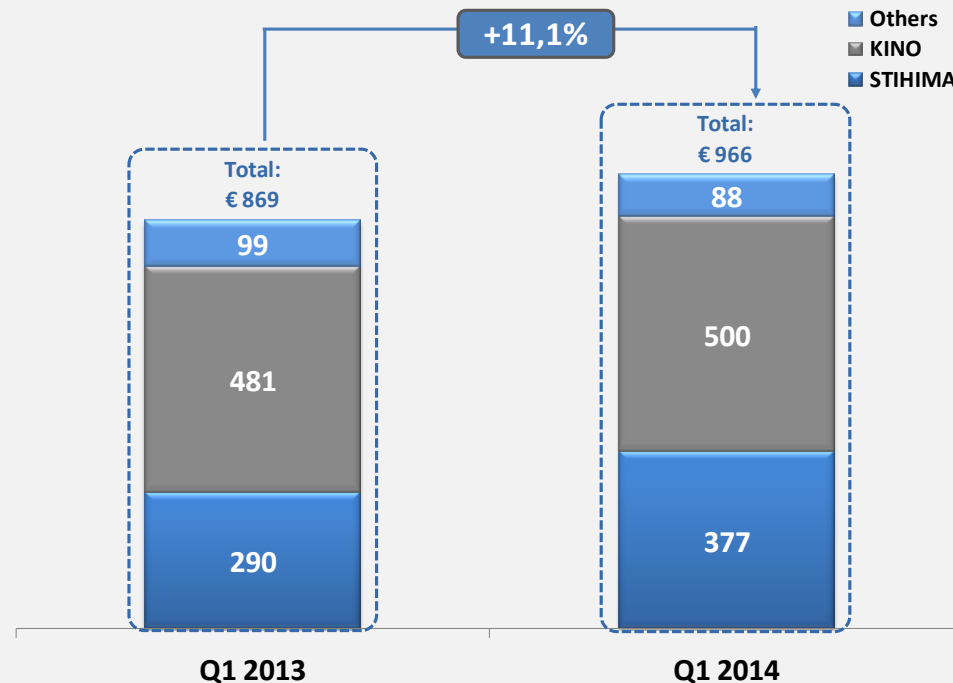
Focus for
the year

Investment
Highlights

Appendix

Q1 2014 Turnover

- OPAP's revenues for Q1 2014 increased by 11.1% to €965.5m versus €869.3m in Q1 2013, despite the ongoing domestic recession (Q1 2014 Greek GDP down 1.1%) aided by the on-going rejuvenation actions taken on Stihima as well as solid Kino performance.
- Sports betting**
Total sports betting revenues increased by 27.8% to €395.5m in Q1 2014 from €309.5m in Q1 2013. Stihima revenues increased by 30.1%, growing for a 3rd consecutive quarter.
- Numerical games**
Revenues from numerical games increased by 1.8% to €570.0m in Q1 2014 from €559.8m in Q1 2013. KINO's revenues reached €500.4m higher by 4.1% y-o-y, turning positive after 18 declining quarters and further demonstrating improved sequential performance (-1.0% in Q4, -1.6% in Q3, -5.2% in Q2 and -11.4% in Q1 2013).



>> Sequential improvement continues

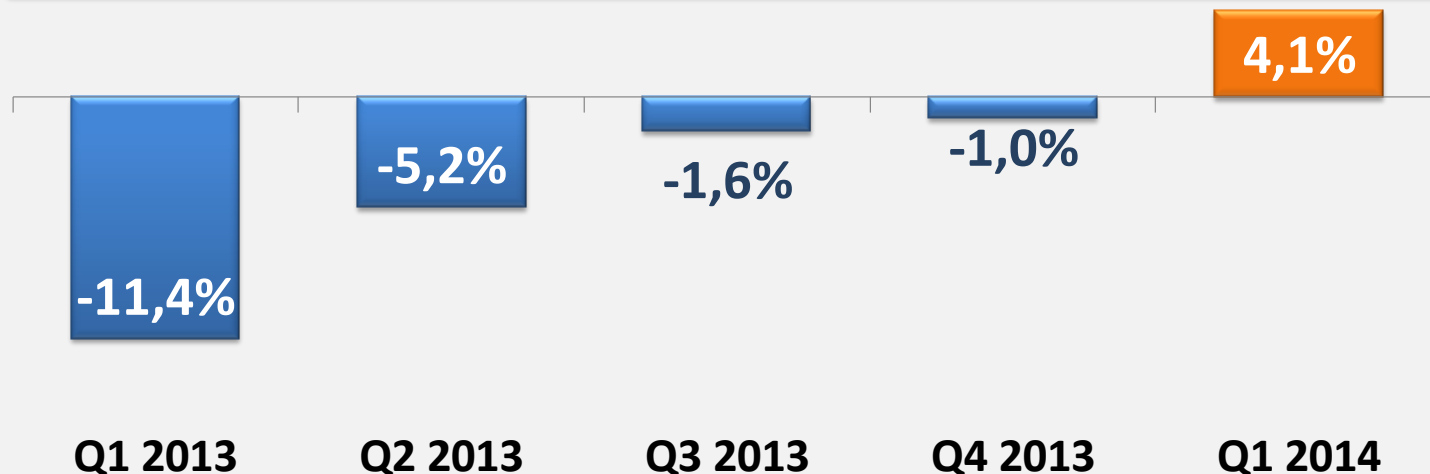
Financial Review

Focus for the year

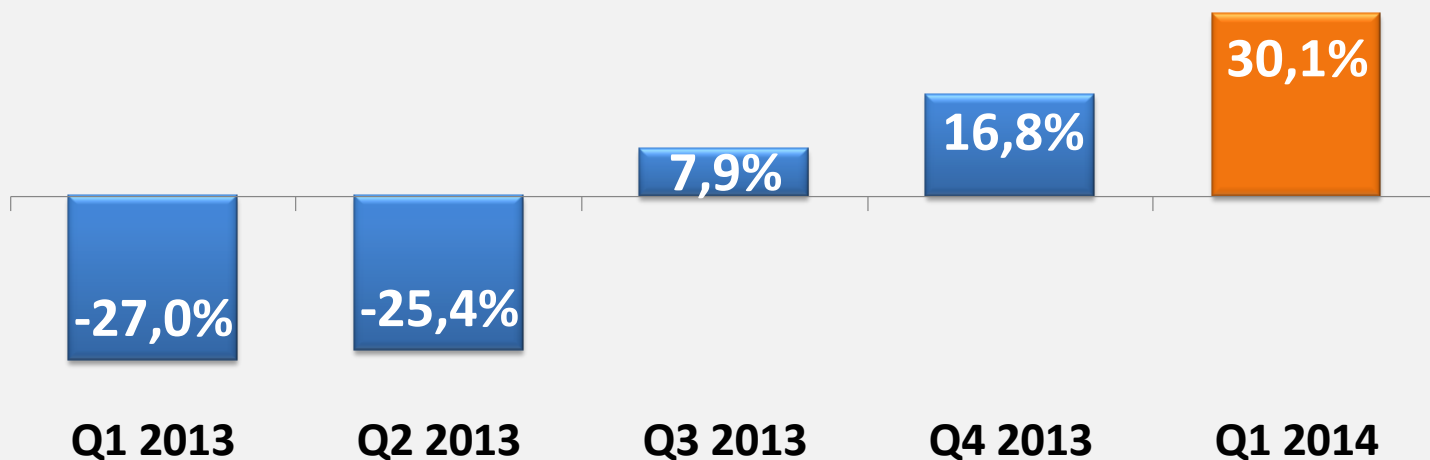
Investment Highlights

Appendix

KINO Turnover



STIHIMA Turnover



>> GGR & Prize Payout

Financial
Review

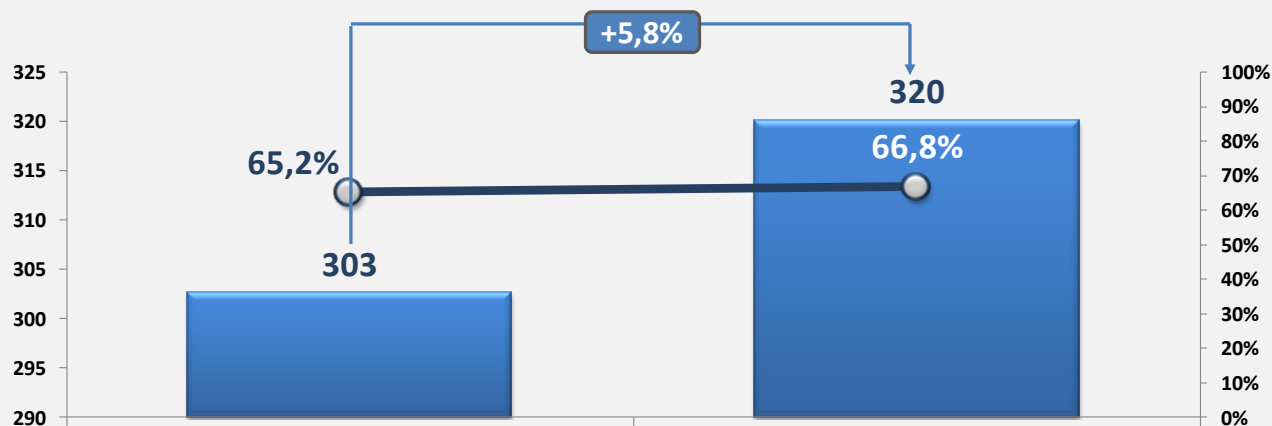
Focus for
the year

Investment
Highlights

Appendix

Q1 2014 Gross Gaming Revenue & Prize Payout

- Payout to lottery and sports betting winners in Q1 2014 reached €645.4m, at 66.8% vs. 65.2% in Q1 2013 due mainly to Stihima payout reaching 67.9% vs. 63.6% in Q1 2013.
- Despite the payout's increase, Stihima's GGR for the quarter reached €121.0m, reflecting a 15.3% growth y-o-y.
- KINO payout in Q1 2014 decreased slightly at 68.75% vs. 69.31% in Q1 2013.



>> Payout



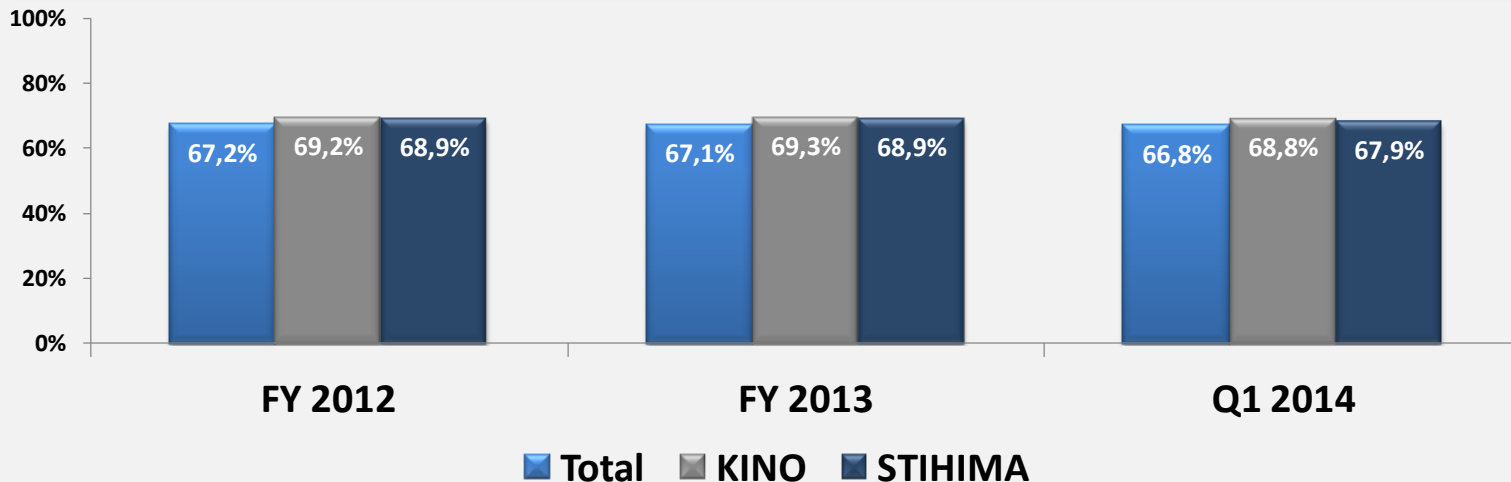
Financial Review

Focus for the year

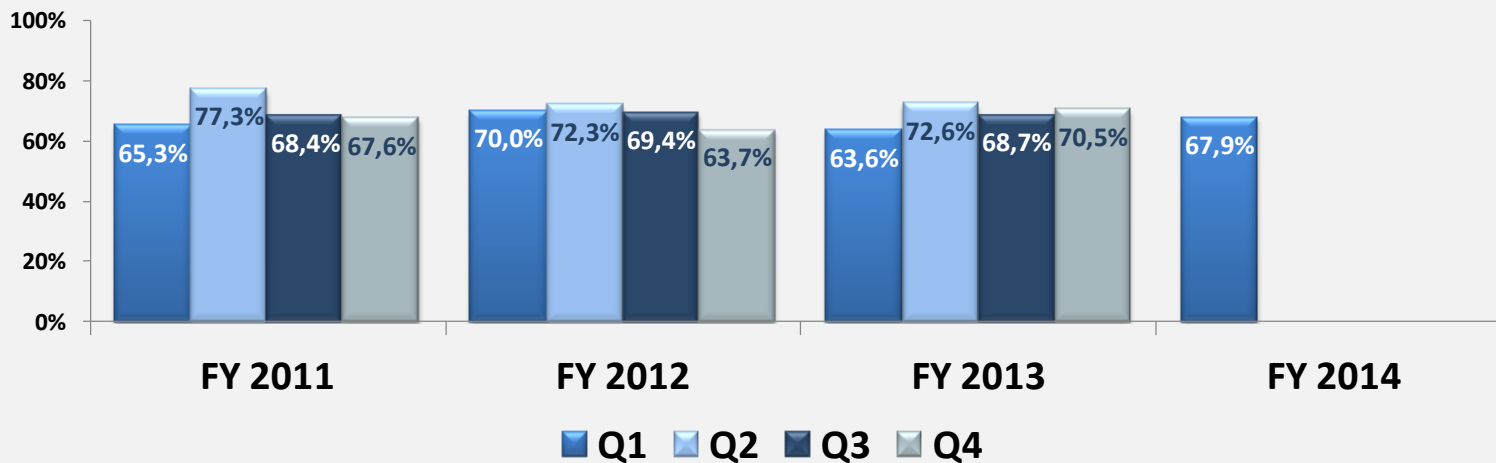
Investment Highlights

Appendix

Payout ratio per game



STIHIMA Payout ratio



>> EBITDA

Financial
Review

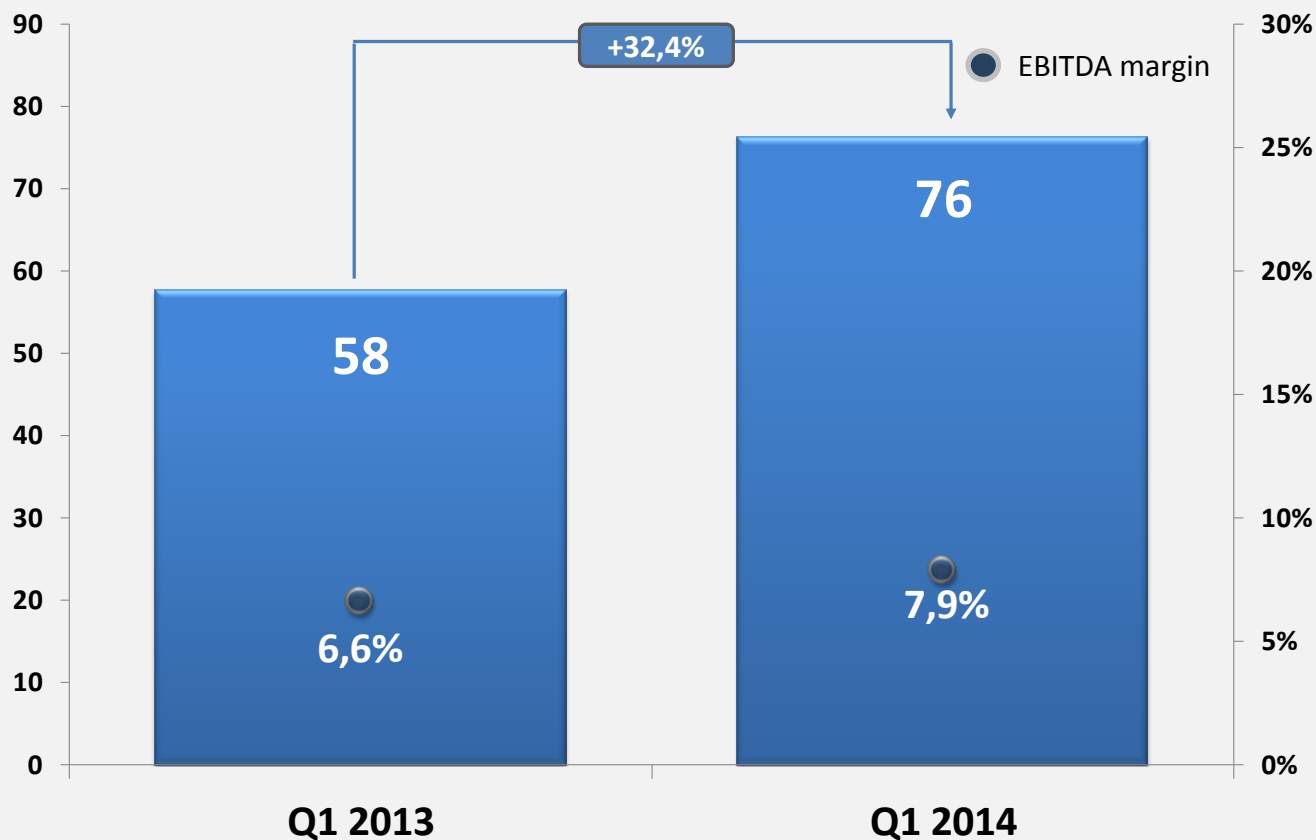
Focus for
the year

Investment
Highlights

Appendix

Q1 2014 EBITDA & EBITDA margin

- The Group's EBITDA increased to €76.3m in Q1 2014 from €57.6m in Q1 2013 higher by 32.4% y-o-y. EBITDA growth was 22 p.p. higher compared to the revenue growth due in the most part to the on-going reduction of the Group's operating expenses.



>> Net Profit

Financial
Review

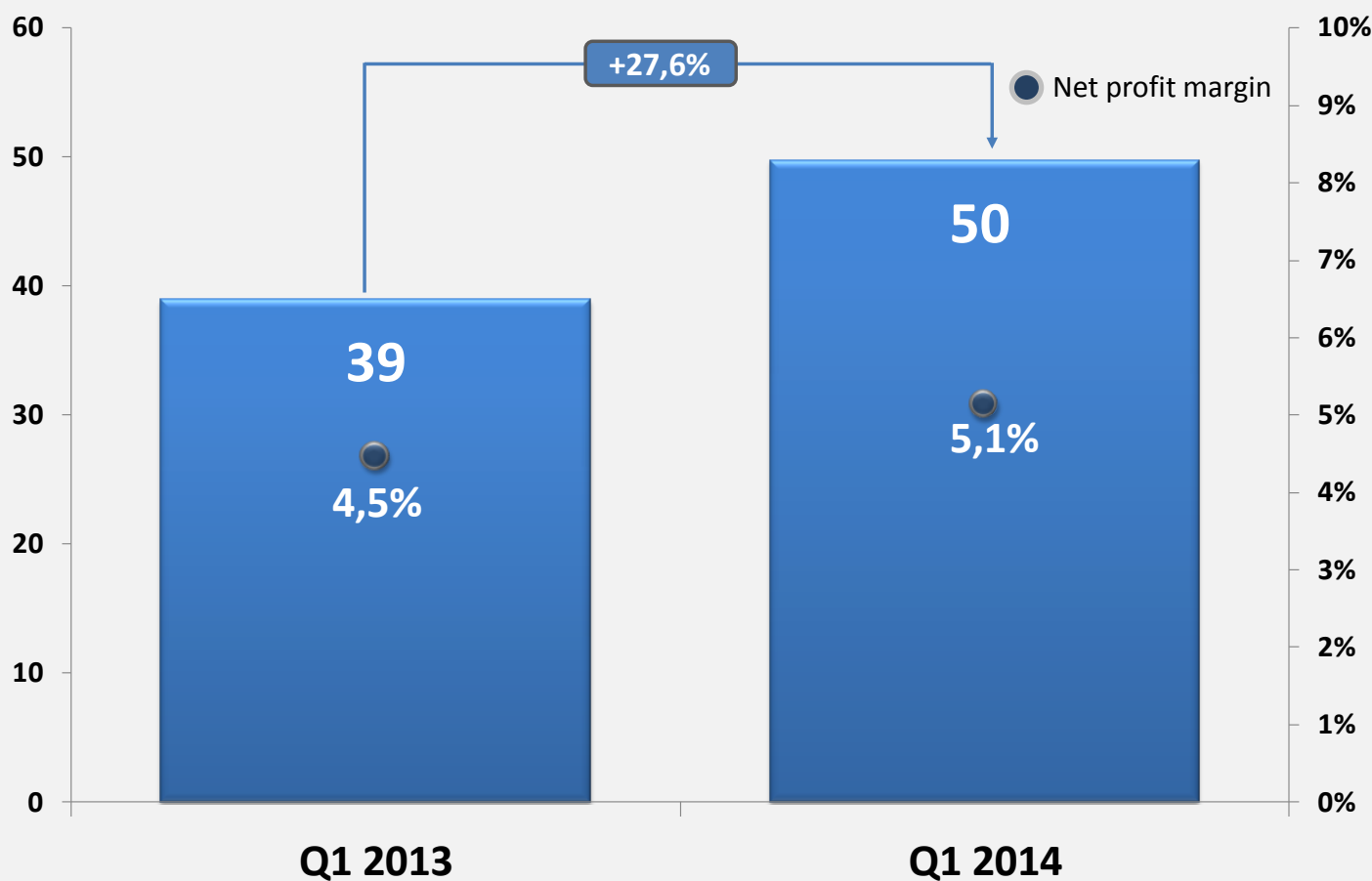
Focus for
the year

Investment
Highlights

Appendix

Q1 2014 Net profit & Net profit margin

- Net profit in Q1 2014 increased at €49.7m from €38.9m in 2013, up by 27.6% y-o-y.



>> Total opex

Financial
Review

Focus for
the year

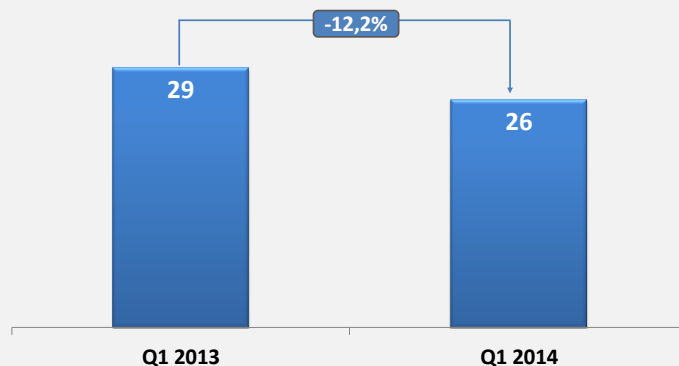
Investment
Highlights

Appendix

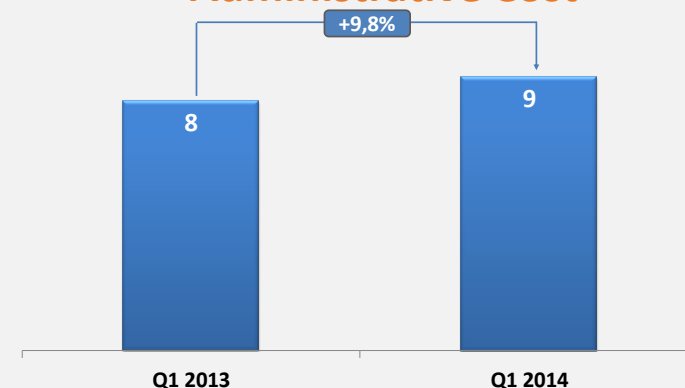
Q1 2014 Operating Expenses - Cost Optimization

- Total **distribution costs** in Q1 2014 reached €25.8m versus €29.4m in 2013 down by 12.2%. Advertising declined by a significant 67.7%, however through a medium-term perspective the relevant expense should also be viewed along with new products' introduction. As such the scratch tickets launch should lead to cost normalization for the remainder of the year.
- In Q1 2014, **administrative expenses** increased moderately by 9.8% to €8.9m due mostly to higher retirement benefits costs.
- Total **cost of services** in Q1 2014 reached €128.2m from €129.7m in Q1 2013, decreased by 1.2% y-o-y. The total non-revenue based cost as recorded in the cost of services line reached €46.5m, down by 14.8% y-o-y despite the reported 11.1% revenue growth.

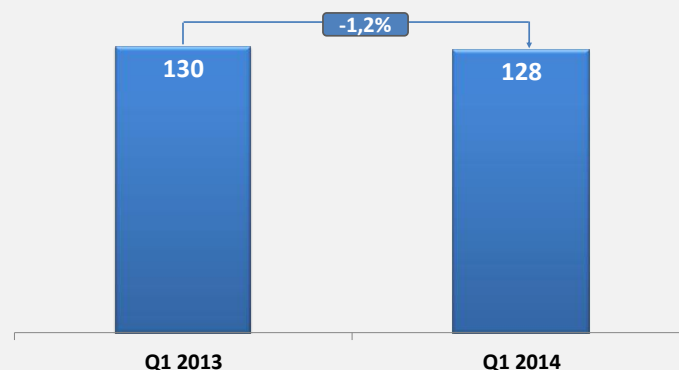
Distribution Cost



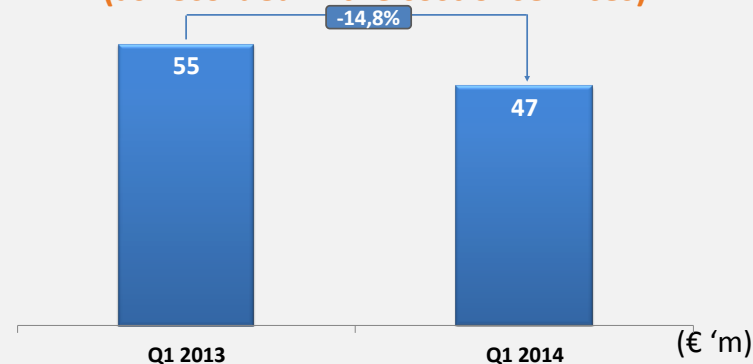
Administrative Cost



Cost of Services



Non-revenue based cost (as recorded in the cost of services)



>> Cash Flow

Financial
Review

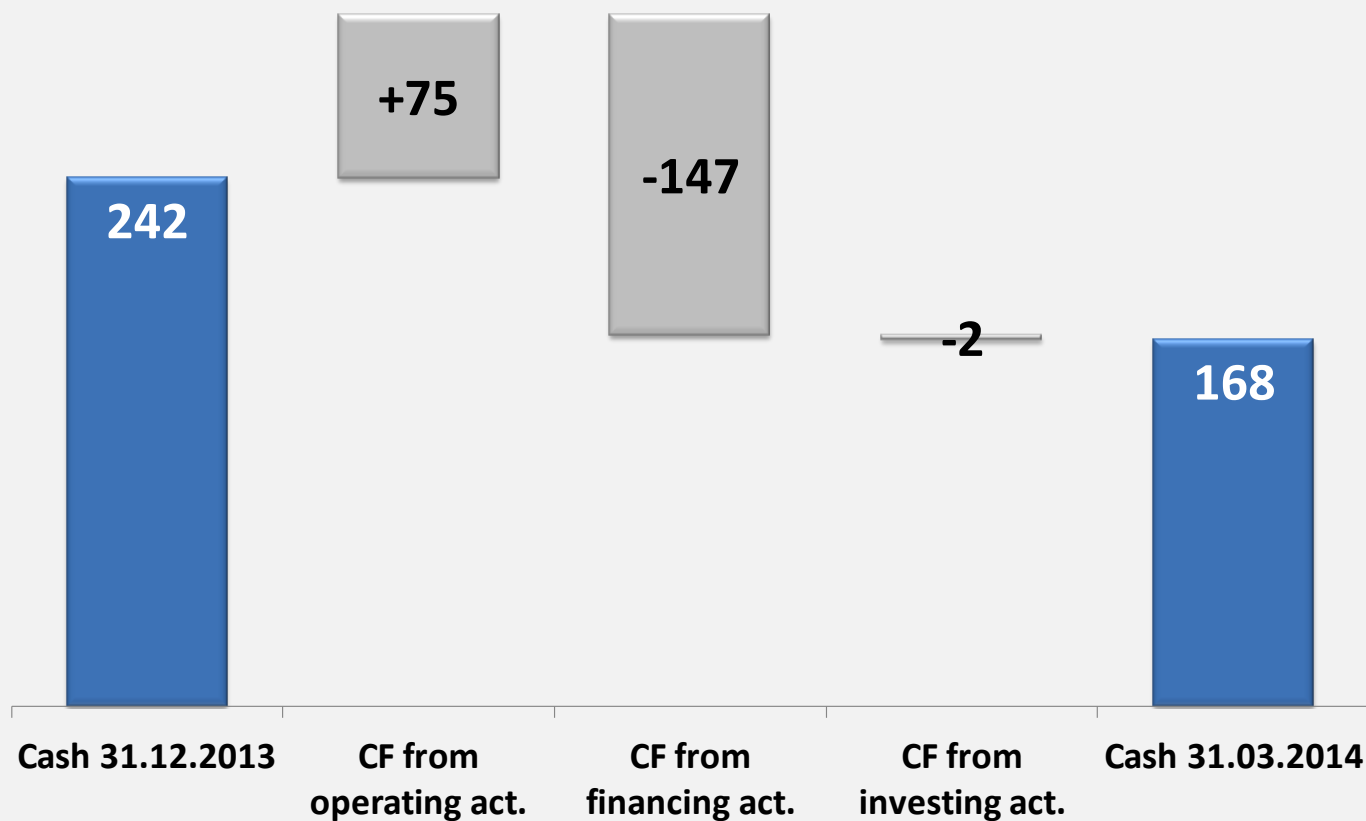
Focus for
the year

Investment
Highlights

Appendix

Q1 2014 Cash Flow

- Cash flow from **operating activities** in Q1 2014 decreased by 44.0% amounting to €75.1m from €133.9m in Q1 2013, due mostly to the calendar effect related to Q1 2013 GGR taxation occurring in Q2 2013.
- Cash flow from **investing activities** in Q1 2014 amounted to an outflow of €2.2m reflecting limited maintenance CAPEX needs.
- Cash flow from **financing activities** in Q1 2014 amounted to an outflow of €146.9m on the back of the early full repayment of the company's bond loan facility.



AGENDA

Financial Review

Focus for the year

Investment Highlights

Appendix

>> Legacy games Enhancement



Financial
Review

Focus for
the year

Investment
Highlights

Appendix

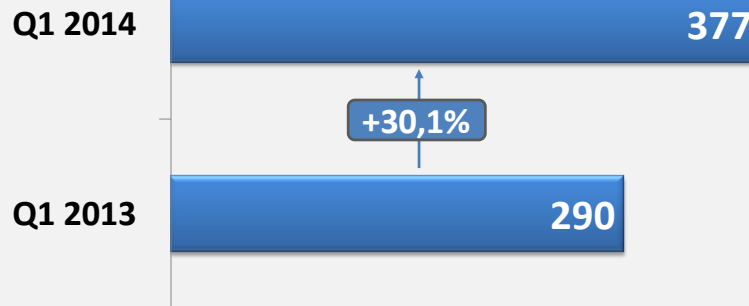
Stihima Enhancement

- Ongoing actions towards Stihima rejuvenation led to a revenue increase of 30,1% in Q1 2014, accompanied by GGR growth of 15,3%.

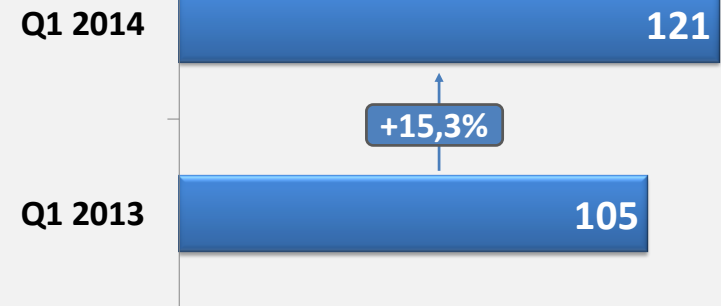
Events offered
as singles +31%,
doubles +156%,
live betting
+61%

Improved
over-round and
enriched
coupon

Revenues



GGR



>> Hellenic Lotteries

Scratch & Passive Lotteries Overview

Financial
Review

Focus for
the year

Investment
Highlights

Appendix

Successful
Launch on
May 1st

3,8m
winners
MTD

EKPATZ

6,500 POS

- Agencies
- Kiosks
- Street Vendors

Smooth
transition of
passive
lotteries
operation

Network
Expansion

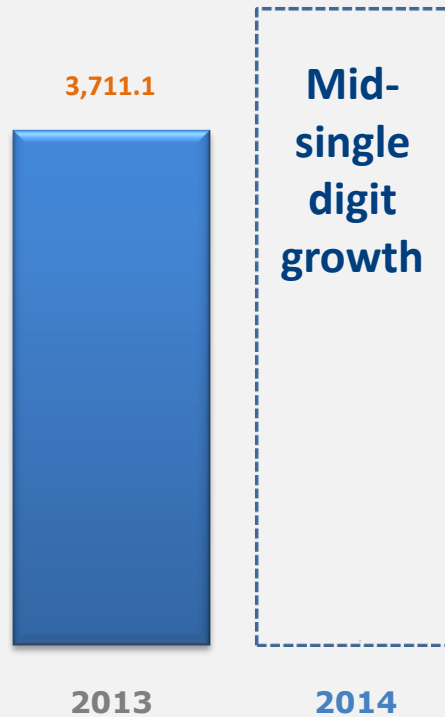


Marketing
Campaign to
Support
Growth

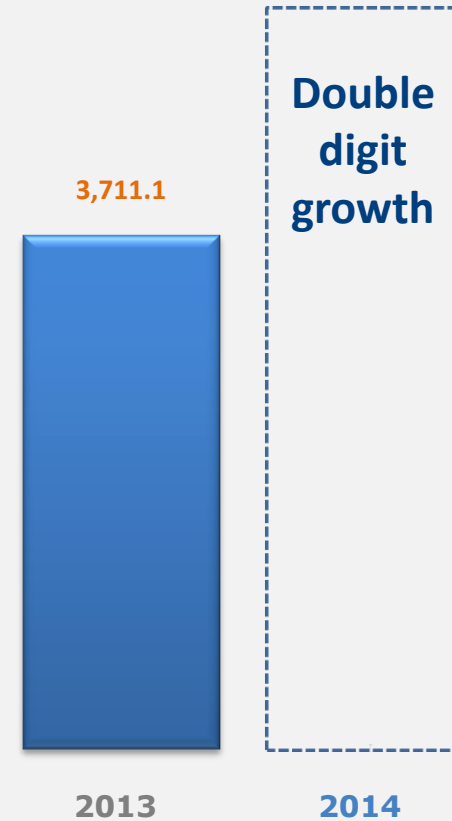
>> 2014 Guidance

- Financial Review
- Focus for the year
- Investment Highlights
- Appendix

**Revenues
(Legacy games)**
(€ 'm)



Total Revenues*
(€ 'm)



*Aided by the new projects' contribution

Disclaimer:

This presentation includes estimates and other statements that are, or may be deemed to be, "forward looking statements". These forward-looking statements are based on assumptions and not historical data and such assumptions as well as the estimates and other forward looking statements depend on the occurrence of events and circumstances that are beyond OPAP's ability to control or predict; as such forward looking statements, including those in the present presentation, are highly uncertain and unreliable predictions of future outcomes such that actual results and developments may differ materially from those expressed in or implied by such forward looking statements. Forward-looking statements are not guarantees of future performance and no liability is accepted for whether any estimate or other forward looking statement is actually achieved.

>> 2014 Guidance

Bloomberg Consensus



Financial
Review

Focus for
the year

Investment
Highlights

Appendix

(€ 'm)	2013a	2014e	Min. 2014	Max. 2014
Revenue	3,711	4,399	4,019	4,745
GGR*	1,219	1,345	1,196	1,390
Growth %, y-o-y		18.6		
Gross Profit	346	411		
Margin %	9.3	9.4		
EBITDA	222	293	274	315
Margin %	6.0	6.7		
Net Income	141	170	141	203
Margin %	3.8	3.9		
EPS	0.44	0.53	0.44	0.64
Growth %, y-o-y		20.4		
DPS	0.25	0.39	0.23	0.56

* Consensus by 10 analysts reporting the past 6 months. Data collected by the company.

Disclaimer:

The above estimates are collected and provided by an independent body. OPAP, in any case, does not adopt these figures as guidance, neither provides investment recommendation or advice. The actual results could differ materially from those expressed in the third parties estimates.

AGENDA

Financial Review

Focus for the year

Investment Highlights

Appendix

>> 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.:**
3,643m (26/05/14)
- **Outstanding Shares:**
319,000,000
- **Free Float: 67%**

AGENDA

Financial Review

Focus for the year

Investment Highlights

Appendix

Condensed Consolidated Statement of Financial Position as of 31 March 2014 & 31 March 2013



Financial Review

Focus for the year

Investment Highlights

Appendix

Consolidated Statement of Financial Position		
('000 €)	Q1 2014	Q1 2013
ASSETS		
Current assets		
Cash and cash equivalents	168.072	242.036
Receivables	23.681	36.466
Other current assets	10.948	18.521
Total current assets	202.701	297.023
Non - current assets		
Intangible assets	1.101.113	1.103.211
Investments in associates	129.553	129.563
Other non - current assets	87.289	71.532
Total non - current assets	1.317.955	1.304.306
TOTAL ASSETS	1.520.656	1.601.329
EQUITY & LIABILITIES		
Liabilities		
Short term loans	20.000	165.447
Short term payables (trade & other)	113.384	113.293
Other short term payables	126.448	121.661
Provisions	49.317	49.292
Other long term liabilities	36.549	26.353
Total liabilities	345.696	476.046
Total equity	1.174.959	1.125.283
TOTAL EQUITY & LIABILITIES	1.520.656	1.601.329

Condensed Consolidated Statement of Comprehensive Income Q1 2014 & Q1 2013



Financial
Review

Focus for
the year

Investment
Highlights

Appendix

Consolidated Statement of Comprehensive Income				
('000 €)	Q1 2014	Q1 2013	Δ	Δ%
Revenues	965.509	869.328	96.181	11,1%
Payout	-645.427	-566.746	-78.681	13,9%
GGR	320.082	302.582	17.500	5,8%
Tax on revenues	-90.856	-85.469	-5.387	6,3%
CoS	-128.215	-129.720	1.505	-1,2%
Gross Profit	101.011	87.393	13.618	15,6%
S&D	-25.829	-29.415	3.586	-12,2%
G&A	-8.865	-8.075	-790	9,8%
Other OPEX	-360	-3.401	3.041	-89,4%
EBITDA	76.276	57.595	18.681	32,4%
EBIT	66.663	46.813	19.850	42,4%
EBT	67.726	51.603	16.123	31,2%
EAT	49.676	38.941	10.735	27,6%

Condensed Consolidated Cash Flow statement as of 31 March 2014 & 31 March 2013



Financial
Review

Focus for
the year

Investment
Highlights

Appendix

Consolidated Cash flow statement		
('000 €)	2013	2012
Operating Activities before WCC	76.345	54.977
Changes in Working Capital		
Inventories	51	-225
Receivables	19.948	-23.285
Payables	-11.027	27.461
Taxes payable	-9.966	87.999
Interest expenses & Income taxes paid	-289	-12.984
Cash flow from Operating Activities	75.061	133.943
Cash flow from:		
Investing Activities	-2.166	-2.732
Financing Activities		
Proceeds from loan	20.000	0
Payments of loan installments	-166.750	0
Dividends Paid	-6	-214
Other Paid	-103	-104
Cash flow in Financing Activities	-146.859	-318
Net change in cash	-73.964	130.893
Cash at the beginning of the year	242.036	367.582
Cash at the end of the year	168.072	498.475



Q1 2014 Financial Results

May 28, 2014