

OPAP S.A. Consolidated Financial Results for the Three Month period ended March 31st, 2012

ATHENS, Greece – May 17, 2012 – OPAP S.A. (OPAr.AT), the leading gaming operator in Greece, announces its consolidated financial results for the three month period ended March 31st, 2012, prepared in accordance with International Financial Reporting Standards (IFRS).

- Revenues down 5.0% to €1,065.2m (2011: €1,121.4m) due to the harsh local macroeconomic environment
- EBITDA 13.9% lower to €184.4m (2011: €214.2m)
- Distribution cost down by 7.6% at €28.5m (2011: €30.9m)
- Net Profit down 20.9% to €131.9m (2011: €166.9m)
- Earnings per share 20.9% lower to €0.41 (2011: €0.52)
- Cash position of €360.5m

Commenting on the Q1 2012 financial results, OPAP's Chairman & CEO, Mr. Ioannis Spanoudakis, noted that: **"Having run through the first quarter of 2012, once again OPAP delivered a resilient set of results compared to a negative macroeconomic environment (Q1 2012 Greek GDP down 6.2%) driven by the enduring demand in its core products together with on-going savings on the company's controllable costs.**

Although the economic conditions will remain very challenging and volatile throughout the year, OPAP will continue to pursue the execution of its growth strategy; Live betting introduction (Euro 2012), VLTs implementation, entry in the online market and the participation in the tender process for the Hellenic Lotteries exclusive license."

1. OVERVIEW

(€ 'm)	Q1 2012	Q1 2011	Δ%
Revenues	1,065.2	1,121.4	(5.0)
GGR (Gross Gaming Revenue)	349.3	379.8	(8.0)
EBITDA	184.4	214.2	(13.9)
Payout (%)	67.2%	66.1%	
EBITDA margin (on revenues)	17.3%	19.1%	
EBITDA margin (on GGR)	32.8%	33.9%	
Net profit	131.9	166.9	(20.9)
Net profit margin	12.4%	14.9%	

Although OPAP's revenues for the first quarter of 2012 decreased by 5.0% to €1,065.2m versus €1,121.4m in the corresponding period in 2011, they improved sequentially versus both the 7.9% decline in Q4 2011 and the 11.4% reduction in Q3 2011.

The Group's EBITDA reached €184.4m in Q1 2012 from €214.2m in Q1 2011 signifying a 13.9% decline due for the most part, to factors such as lower revenues and the increased Stihima payout, aided however, by the positive effect of lower distribution expenses.

The Group's Q1 2012 net profit amounted to €131.9m from €166.9m in the corresponding period in 2011 down by 20.9%, affected primarily by net interest expenses of €6.9m versus net interest income of €5.8m in Q1 2011.

2. FINANCIAL REVIEW

Revenue per game for Q1 2012 and 2011			
(€ '000)	Q1 2012	Q1 2011	Δ%
STIHIMA	397,111	430,080	(7.7)
PROPO	5,477	8,206	(33.3)
PROPO-GOAL	528	194	171.8
MONITOR GAMES	24,868	695	-
GO LUCKY	1,744	276	-
TOTAL SPORTS BETTING	429,728	439,451	(2.2)
% total revenues	40.3	39.2	
KINO	542,561	581,708	(6.7)
JOKER	59,355	64,146	(7.5)
LOTTO	15,567	16,371	(4.9)
Super 3	7,601	9,017	(15.7)
PROTO	7,720	8,152	(5.3)
Extra 5	2,698	2,603	3.7
TOTAL NUMERICAL GAMES	635,502	681,997	(6.8)
% total revenues	59.7	60.8	
TOTAL REVENUES	1,065,230	1,121,448	(5.0)

Total sports betting revenues decreased by 2.2% to €429.7m in Q1 2012 from €439.5m in Q1 2011 as a result of the 7.7% decrease in Stihima in the period which was partially offset by the Monitor & Go lucky games contribution.

Revenues from numerical games decreased by 6.8% to €635.5m in Q1 2012 from €682.0m in Q1 2011. KINO revenues in Q1 2012 stood at €542.6m down by a lower 6.7%, versus 8.2% in Q4 2011 and 14.4% in Q3 2011.

Cost of Sales for Q1 2012 and 2011			
(€ '000)	Q1 2012	Q1 2011	Δ%
Prize payouts to lottery and betting winners	715,918	741,612	(3.5)
Agents' commissions	89,588	94,382	(5.1)
Other cost of sales	47,996	42,762	12.2
Total cost of sales	853,502	878,756	(2.9)

Total cost of sales in Q1 2012 reached €853.5m from €878.8m in Q1 2011, decreasing by 2.9%.

Payout to lottery and sports betting winners in Q1 2012 reached €715.9m from €741.6m in Q1 2011, signifying a 3.5% decrease. This payout corresponds to 67.2% of total revenues versus 66.1% in Q1 2011. In particular, Stihima payout in Q1 2012 increased to 70.0% compared to 65.3% in Q1 2011, while KINO's payout decreased to 68.7% versus 70.2% in Q1 2011.

Distribution costs for Q1 2012 and 2011			
(€ '000)	Q1 2012	Q1 2011	Δ%
Advertisement	2,201	5,941	(63.0)
Donations-Grants	3,094	2,453	26.1
Sponsorship	21,766	20,725	5.0
Subtotal	27,061	29,119	(7.1)
Remaining distribution cost	1,459	1,756	(16.9)
Total	28,520	30,875	(7.6)

Total distribution costs in Q1 2012 decreased by 7.6% to €28.5m versus €30.9m in the corresponding period in 2011, due to management's on-going cost savings focus. Advertising costs declined by 63% to €2.2m, while donations and grants increased by 26.1% reflecting the company's enhanced social contribution.

Administrative costs for Q1 2012 and 2011			
(€ '000)	Q1 2012	Q1 2011	Δ%
Total	7,559	7,853	(3.7)

In Q1 2012, administrative expenses reached €7.6m, 3.7% lower compared to the corresponding period in Q1 2011.

Cash Flows for Q1 2012 and 2011			
(€' .000)	Q1 2012	Q1 2011	Δ%
Cash Flow from Operating Activities	169,432	89,533	89.2
Cash Flow from Investing Activities	(593)	1,785	-
Cash Flow from Financing Activities	(4,266)	(482)	

Cash Flow from Operating Activities

Cash flow from operating activities in Q1 2012 increased by 89.2% amounting to €169.4m from €89.5m in the corresponding period in 2011. This was primarily due to the non occurrence of the cash outflow related to the one-off taxation in the current quarter, compared to a cash outflow of €91.9m in Q1 2011.

Cash Flow from Investing Activities

Cash flow from investing activities in Q1 2012 amounted to an outflow of €0.6m mainly due to fixed asset additions of €2.6m.

Cash Flow from Financing Activities

Cash flow from financing activities in Q1 2012 mainly reflects the instalment payments for the financial lease contract.

3. MAIN DEVELOPMENTS

Annual General Meeting (AGM) - Dividend Distribution

On March 21st 2012, OPAP's Board of Directors resolved upon the proposal to the AGM the distribution of a €0.72 dividend for the fiscal year 2011. Subject to the AGM's (June 1st 2012) approval, the ex-dividend date will take place on Friday, June 8th 2012. Dividend payment to the entitled shareholders will then commence on Monday, June 18th 2012.

Conference Call Invitation

First Quarter 2012 Financial Results

Friday May 18th, 2011

04:00 p.m. (Athens) / 02:00 p.m. (London) / 09:00 a.m. (New York)

DIAL IN NUMBERS:

UK participants please dial

+44 (0) 800 376 9250

US participants please dial

+1 866 288 9315

Greek participants and other countries please dial

+30 211 180 2000

Note:

On Friday, May 18th, 2012, OPAP S.A.'s "Financial Status and Results" for the Q1 2012 along with the "Interim Financial Statements based on IFRS", will be published in the "Kerdos" and "Ethnos" daily newspapers. The above will also be available on the company's website: www.opap.gr as well as the Athens Exchange website: www.ase.gr, following the Athens Exchange market close on 17.5.2012.

ATTACHMENTS

1. Condensed Interim Statement of Financial Position as of March 31st, 2012 and December 31st, 2011
2. Condensed Statement of Comprehensive Income for the three-month period that ended on March 31st, 2012 and 2011
3. Condensed Cash Flow Statement for the three-month period that ended on March 31st, 2012 and 2011

1. Condensed Interim Statement of Financial Position

As of 31 March 2012 and 31 December 2011

(Amounts in thousand euro)

	GROUP		COMPANY	
	31.3.2012	31.12.2011	31.3.2012	31.12.2011
ASSETS				
Current assets				
Cash and cash equivalents	360,467	195,894	275,781	105,548
Inventories	786	475	-	-
Trade receivables	46,771	51,651	49,496	52,950
Other current assets	<u>17,679</u>	<u>36,849</u>	<u>15,956</u>	<u>34,451</u>
Total current assets	425,703	284,869	341,233	192,949
Non - current assets				
Intangible assets	1,095,301	1,101,654	1,095,295	1,101,647
Tangible assets (for own use)	87,507	89,597	76,027	79,753
Investments	1,142	1,159	2,431	2,467
Goodwill	8,435	8,435	-	-
Investments in subsidiaries	-	-	36,727	36,527
Investments in associates	2,908	2,919	1,200	1,200
Long – term trade receivables	1,122	1,122	1,102	1,102
Other non - current assets	11,664	11,409	64,719	64,728
Deferred tax assets	<u>2,634</u>	<u>3,026</u>	<u>984</u>	<u>1,634</u>
Total non - current assets	1,210,713	1,219,321	1,278,485	1,289,058
TOTAL ASSETS	1,636,416	1,504,190	1,619,718	1,482,007
EQUITY & LIABILITIES				
Short - term liabilities				
Loans	33,557	33,443	33,557	33,443
Payables	78,487	86,887	82,613	83,103
Payables from financial leases	4,748	8,047	4,407	7,713
Tax liabilities	19,227	9,472	16,990	7,482
Accrued and other liabilities	<u>52,156</u>	<u>51,691</u>	<u>46,220</u>	<u>46,346</u>
Total short - term liabilities	188,175	189,540	183,787	178,087
Long - term liabilities				
Loans	251,224	250,629	251,224	250,629
Payables from financial leases	710	798	-	-
Employee benefit plans	18,712	20,711	18,170	20,208
Provisions	67,666	63,841	66,366	62,566
Other long-term liabilities	<u>88,511</u>	<u>89,159</u>	<u>88,522</u>	<u>88,982</u>
Total long - term liabilities	426,823	425,138	424,282	422,385
Equity				
Share capital	95,700	95,700	95,700	95,700
Reserves	44,001	44,001	43,060	43,060
Retained earnings	<u>881,717</u>	<u>749,811</u>	<u>872,889</u>	<u>742,775</u>
Total equity	1,021,418	889,512	1,011,649	881,535
Minority interest	-	-	-	-
Total equity	1,021,418	889,512	1,011,649	881,535
TOTAL EQUITY & LIABILITIES	1,636,416	1,504,190	1,619,718	1,482,007

2. Condensed Statement of Comprehensive Income

For the three-month period that ended on 31 March 2012 and 2011

(Amounts in thousand euro except earnings per share)

	GROUP		COMPANY	
	31.3.2012	31.3.2011	31.3.2012	31.3.2011
Revenues	1,065,230	1,121,448	1,015,207	1,072,163
Payouts to lottery and betting winners	(715,918)	(741,612)	(683,199)	(709,613)
Net revenues	349,312	379,836	332,008	362,550
Cost of sales	(137,584)	(137,144)	(126,717)	(126,550)
Gross profit	211,728	242,692	205,291	236,000
Other operating income	423	296	5,207	4,933
Distribution costs	(28,520)	(30,875)	(27,936)	(30,235)
Administrative expenses	(7,559)	(7,853)	(7,985)	(7,973)
Other operating expenses	(2,770)	(190)	(2,758)	(189)
Operating result	173,302	204,070	171,819	202,536
Gain / (Loss) from sales of non-current assets	-	22	-	-
Gain / (Loss) from associates	(11)	(217)	-	-
Financial income	2,171	6,337	1,470	5,429
Financial expenses	(9,063)	(532)	(9,012)	(482)
Profit before tax	166,399	209,680	164,277	207,483
Income tax	(34,101)	(42,554)	(33,513)	(42,116)
Deferred tax	(392)	(275)	(650)	(383)
Profit after tax	131,906	166,851	130,114	164,984
Parent company shareholders	131,906	166,851	130,114	164,984
Total income after tax	131,906	166,851	130,114	164,984
Parent company shareholders	131,906	166,851	130,114	164,984
Basic earnings per share	0.4135	0.5230	0.4079	0.5172

3. Condensed Cash Flow Statement

For the three-month period that ended on 31 March 2012 and 2011
(Amounts in thousand euro)

	GROUP		COMPANY	
	31.3.2012	31.3.2011	31.3.2012	31.3.2011
OPERATING ACTIVITIES				
Profit before tax	166,399	209,680	164,277	207,483
Adjustments for:				
Depreciation & amortization	11,077	10,098	10,755	9,873
Financial result	6,857	(5,832)	7,507	(4,974)
Employee benefit plans	409	467	377	436
Provisions for bad debts	600	500	600	500
Other provisions	2,600	(70)	2,600	(70)
Exchange differences	35	27	35	27
Other non cash items	-	(3)	-	-
Loss / (income) from associates	11	217	-	-
Results from investing activities	±	(22)	±	±
Total	187,988	215,062	186,151	213,275
Changes in working capital				
(Increase) decrease in inventories	(311)	(180)	-	-
(Increase) decrease in receivables	2,731	21,073	1,519	19,635
Increase (decrease) in payables (except borrowings)	(11,599)	(27,155)	(4,900)	(18,898)
Increase (decrease) in taxes payables	(3,168)	(119,249)	(2,904)	(118,742)
Total	175,641	89,551	179,866	95,270
Interest expenses	(6,209)	(18)	(6,187)	(3)
Taxes paid	±	±	±	±
Cash flows from operating activities	169,432	89,533	173,679	95,267
INVESTING ACTIVITIES				
Proceeds from sales of tangible & intangible assets	-	59	-	-
Establishment of a subsidiary	-	-	(15)	-
Acquisition / proceed of financial assets	-	2,068	-	2,068
Purchase of intangible assets	(74)	(46)	(74)	(46)
Purchase of tangible assets	(2,543)	(6,111)	(567)	(5,529)
Interest received	2,024	5,815	1,372	4,907
Cash flows used in investing activities	(593)	1,785	716	1,400
FINANCING ACTIVITIES				
Payments of financial leases interests	(760)	(29)	(737)	-
Payments of financial lease capital	(3,387)	(75)	(3,306)	(8)
Dividends paid	(119)	(378)	(119)	(378)
Cash flows used in financing activities	(4,266)	(482)	(4,162)	(386)
Net increase / (decrease) in cash and cash equivalents	164,573	90,836	170,233	96,281
Cash and cash equivalents at the beginning of the period	195,894	657,488	105,548	557,531
Cash and cash equivalents in the end of the period	360,467	748,324	275,781	653,812