

## OPAP S.A. Consolidated Financial Results For The Three and Twelve Months ended December 31, 2010

### OPAP reports resilient profitability and FY 2010 Results

- Continues to weather the economic crisis -

ATHENS, Greece – March 16, 2011 – OPAP S.A. (OPAr.AT), the leading gaming operator in Greece, announces its consolidated financial results for the three and twelve-month periods ended December 31, 2010, prepared in accordance with International Financial Reporting Standards (IFRS).

- 12-month Revenues down 5.5% to €5,140.0m (2009: €5,440.9m)
- 12-month EBITDA down 5.8% to €911.3m (2009: €966.8m)
- 12-month distribution and administration cost down 20.7% to €157.1m (2009: €198.0m)
- 12-month Adjusted Net Profit\* down 3.5% to €667.7m (2009: €691.9m)
- 12-month Net Profit down 3.0% to €575.8m (2009: €593.8m)
- Adjusted Earnings per share down 3.7% to €2.09 (2009: €2.17)
- Earnings per share down 2.7% to €1.81 (2009: €1.86)
- Total 2010 dividend per share (before withholding tax) down 12.0% to €1.54 (2009: €1.75)

\* Adjusted for the impact of the 10% extraordinary tax. This is calculated on prior year's earnings.

Commenting on the FY 2010 financial results, OPAP's Chief Executive Officer, Mr. Ioannis Spanoudakis, noted:

**"We are satisfied with the performance of our company in 2010. We managed to sustain high levels of profitability despite the adverse macroeconomic conditions and the increased competition. We set targets to increase efficiencies and productivity in 2010 and exceeded them by a high margin. Given our strong financial position, we remain optimistic for 2011 in view of:**

- a) the imminent reform and regulation of the Greek gaming market
- b) the expansion of our product range with the new forms of gaming (monitor games, live betting)
- c) enhancement of our distribution channels taking advantage of new technologies and equipment

**OPAP is best positioned to exploit the upcoming market opportunities given its strong brand its financial strength and its extensive franchise. Our strategy is focusing on growth."**

### 1. OVERVIEW

(€ 'm)	Q4 2010	Q4 2009	% Δ	2010	2009	% Δ
<b>Revenues</b>	1,261.4	1,467.0	(14.0)	5,140.0	5,440.9	(5.5)
<b>EBITDA</b>	215.3	273.6	(21.3)	911.3	966.8	(5.8)
<b>EBITDA margin</b>	17.1%	18.7%		17.7%	17.8%	
<b>Adjusted Net profit</b>	160.8	190.2	(15.5)	667.7	691.9	(3.5)
<b>Net profit</b>	162.7	92.1	76.6	575.8	593.8	(3.0)

OPAP's revenues for 2010 decreased by 5.5% to €5,140.0m versus €5,440.9m in 2009, mainly due to declining KINO and JOKER revenues as a result of the adverse economic environment. The negative effect was partially counterbalanced by the strong performance of Stihima during the World Football Cup in June 2010.



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In Q4 2010, revenues decreased by 14% compared to the same period in 2009, due to the overall macroeconomic conditions and less operating days.

The Group's EBITDA reached €911.3m in 2010 from €966.8m in 2009, down 5.8%, mainly due to decreased top line revenues and higher Stihima payout, counterbalanced by reduced operating expenses. In Q4 2010 EBITDA decreased by 21.3%, reaching €215.3m from €273.6m in the corresponding period of 2009, due to the higher Stihima payout, as well as increased distribution expenses.

Adjusted 2010 Net Profit decreased by 3.5% to €667.7m from €691.9m last year. Adjusted Net Profit in Q4 2010 decreased by 15.5% to €160.8m from €190.2m in the corresponding period of 2009.

Net Profit for 2010 decreased by 3.0% to €575.8m from €593.8m in the corresponding period of 2009. Net Profit in Q4 2010 increased to €162.7m compared to €92.1m in 2009, due to the extraordinary tax charge of €98.1m reported in Q4 2009.

## 2. FINANCIAL REVIEW

Revenue per game for Q4 and FY 2010 and 2009						
(€ '000)	Q4 2010	Q4 2009	Δ%	2010	2009	Δ%
STIHIMA	493,879	566,073	(12.8)	2,051,786	2,026,319	1.3
PROPO	8,946	11,992	(25.4)	30,635	45,684	(32.9)
PROPO-GOAL	199	292	(32.1)	707	1,128	(37.4)
<b>TOTAL SPORTS BETTING</b>	<b>503,024</b>	<b>578,357</b>	<b>(13.0)</b>	<b>2,083,128</b>	<b>2,073,131</b>	<b>0.5</b>
% total revenues	<b>39,9</b>	<b>39,4</b>		<b>40,5</b>	<b>38,1</b>	
KINO	653,221	750,183	(12.9)	2,583,037	2,861,702	(9.7)
JOKER	61,572	90,388	(31.9)	307,087	328,036	(6.4)
LOTTO	22,096	15,095	46.4	73,326	64,162	14.3
PROTO	9,437	17,312	(45.5)	40,748	50,431	(19.2)
Super 3	9,413	12,709	(25.9)	41,749	51,156	(18.4)
Extra 5	2,590	2,996	(13.6)	10,940	12,314	(11.2)
<b>TOTAL NUMERICAL GAMES</b>	<b>758,329</b>	<b>888,683</b>	<b>(14.7)</b>	<b>3,056,887</b>	<b>3,367,801</b>	<b>(9.2)</b>
% total revenues	<b>60,1</b>	<b>60,6</b>		<b>59,5</b>	<b>61,9</b>	
<b>TOTAL REVENUES</b>	<b>1,261,353</b>	<b>1,467,040</b>	<b>(14.0)</b>	<b>5,140,015</b>	<b>5,440,932</b>	<b>(5.5)</b>

Sports betting revenues increased by 0.5% to €2,083.1m in 2010 compared to €2,073.1m in 2009, mainly due to increased Stihima revenues as a result of the World Football Cup in 2010. During Q4 2010, Sports betting revenues decreased by 13.0% to €503.0m, versus €578.4m in the corresponding period in 2009, mainly due to lower Stihima sales by 12.8%.

Revenues from numerical games in 2010 decreased by 9.2%, reaching €3,056.9m from €3,367.8m in 2009, while in Q4 2010 revenues from numerical games decreased by 14.7% to €758.3m versus €888.7m in the same quarter last year. Revenues from KINO in 2010 decreased by 9.7% to €2,583.0m from €2,861.7m in the corresponding period in 2009. In Q4 2010, revenues from KINO decreased by 12.9% compared to Q4 2009, also due to lost income from five days of agents' strikes, compared to last year.

Cost of Sales for Q4 and FY 2010 and 2009						
(€ '000)	Q4 2010	Q4 2009	Δ%	2010	2009	Δ%
Prize payouts to lottery and betting winners	857,771	979,572	(12.4)	3,486,094	3,659,996	(4.8)
Agents' commissions	105,834	123,709	(14.5)	432,561	458,341	(5.6)
Rest cost of sales	39,010	50,443	(22.7)	185,391	192,919	(3.9)
<b>Total cost of sales</b>	<b>1,002,615</b>	<b>1,153,724</b>	<b>(13.1)</b>	<b>4,104,046</b>	<b>4,311,256</b>	<b>(4.8)</b>

Payout to lottery and sports betting winners in 2010 decreased by 4.8% to €3,486.1m from €3,660.0m in 2009. In particular, Stihima payout in 2010 was 71.3% of the game's revenues compared to 70.0% in 2009.

The respective Q4 2010 payout for Stihima stood at 71.8% compared to 68.7% in Q4 2009. In 2010, agents' commissions decreased to €432.6m from €458.3m in 2009.

Distribution costs for Q4 and FY 2010 and 2009						
(€ '000)	Q4 2010	Q4 2009	Δ%	2010	2009	Δ%
Advertisement	9,013	7,761	16.1	29,685	37,061	(19.9)
Donations-Grants	6,995	2,409	190.3	20,463	27,743	(26.2)
Sponsorship	20,219	24,274	(16.7)	70,021	81,809	(14.4)
<b>Subtotal</b>	<b>36,227</b>	<b>34,444</b>	<b>5.2</b>	<b>120,169</b>	<b>146,613</b>	<b>(18.0)</b>
Remaining distribution cost	1,690	1,615	4.6	7,273	7,949	(8.5)
<b>Total</b>	<b>37,917</b>	<b>36,059</b>	<b>5.2</b>	<b>127,442</b>	<b>154,562</b>	<b>(17.6)</b>

Total distribution costs in 2010 amounted to €127.4m, down from €154.6m last year, reflecting management's cost cutting initiatives. Donations-grants and advertisement costs amounted to €120.2m, compared to €146.6 in 2009, decreased by 18.0% y-o-y. In Q4 2010, donations-grants and advertisement costs increased by 5.2% compared to the corresponding period last year.

Administrative costs for Q4 and FY 2010 and 2009						
(€ '000)	Q4 2010	Q4 2009	Δ%	2010	2009	Δ%
<b>Total</b>	<b>6,683</b>	<b>7,479</b>	<b>(10.6)</b>	<b>29,687</b>	<b>43,447</b>	<b>(31.7)</b>

Administrative expenses in 2010 decreased by €13.8m to €29.7m compared to 2009, reflecting management's cost cutting efforts.

Cash Flows for Q4 and FY 2010 and 2009						
(€'000)	Q4 2010	Q4 2009	Δ%	2010	2009	Δ%
<b>Cash Flow from Operating Activities</b>	76,125	239,959	(68.3)	454,841	688,710	(34.0)
<b>Cash Flow from Investing Activities</b>	(9,295)	4,418	-	(1,635)	13,078	(87.5)
<b>Cash Flow from Financing Activities</b>	(111,705)	(220,898)	(49.4)	(495,305)	(708,589)	(30.1)

### Cash Flow from Operating Activities

Cash flow from operating activities in 2010 decreased by 34%, amounted to €454.8m from €688.7m in the corresponding period in 2009, primarily due to (i) decreased EBITDA by 5.8% (ii) the extraordinary tax charge of €98.1m which corresponds to the 2009 P&L charge (iii) trade receivables calendar effect of €35.0m and (iv) €24.5m deferred taxation attributed to 2008 financial year.

### Cash Flow from Investing Activities

Cash flow from investing activities in 2010 decreased by €14.7m due to increased capex of €15.2m related mainly to the introduction of new forms of gaming (monitor games), and reduced interest income compared to the corresponding period in 2009.

### Cash Flow from Financing Activities

Cash flow from financing activities amounted to an outflow of €495.3m versus €708.6m in the corresponding period in 2009, mainly reflecting reduced dividend payments for 2009 and interim dividend of 2010.

## 3. MAIN DEVELOPMENTS

### Interim Dividend Payment

On 16 March 2011, the Board of Directors of OPAP resolved upon proposing to AGM the distribution to the shareholders of a total dividend for the fiscal year 2010, of €1.54 per share (before 21% withholding tax), compared to €1.75 per share for the fiscal year 2009, which is analysed as follows:

Dividend Analysis			
€ per share	Dividend	Withholding tax 21%	Net dividend
Interim dividend	0,58	0,12	0,46
Remaining dividend	0,96	0,20	0,76
Total Dividend	1,54	0,32	1,22

Subject to AGM (11 May 2011) approval, the ex-dividend date will take place on Monday, 16 May, 2011. Dividend payment to the entitled shareholders commences on Monday, 23 May, 2011.

### Regulatory update

On 9 March 2011, the Greek government announced amendments to the draft gaming bill for submission to the European Commission, key of which include:

- a) founding gaming regulatory authority and controlling commission to combat illegal activity
- b) consideration of OPAP's right of first refusal for VLTs
- c) 30% tax on Gross Gaming Revenue instead of 6% on sales



## News Release

### Tax reform

On 25 January 2011, the Government released a new tax bill that lowers the corporate tax rate to 20% in 2010 from 24% in 2010 (20% in 2011) and replaces a 40% tax on dividends with a 21% withholding tax for 2010 (25% for 2011).

### New forms of gaming (monitor games)

OPAP received interministerial approval to launch new forms of gaming (monitor games). It is expected to be rolled out by end of March, 2011.

### Conference Call Invitation

Full Year 2010 Results

Thursday March 17<sup>th</sup>, 2011  
16:00 (Athens) / 14:00 (London) / 10:00 (New York)

#### DIAL IN NUMBERS:

UK participants please dial

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#### Note:

OPAP S.A. "Financial Status and Results" for the 2010 along with the "Interim Financial Statements based on IFRS", will be available, on Wednesday, March 16<sup>th</sup>, 2011, on the company's website: [www.opap.gr](http://www.opap.gr) as well as the Athens Exchange website: [www.ase.gr](http://www.ase.gr). On Thursday, March 17<sup>th</sup>, 2011 the results will be published at "Kathimerini" and "Imerisia" daily newspapers.



## News Release

### ATTACHMENTS

1. Statement of Financial Position as of September 30th, 2010 and December 31st, 2009
2. Consolidated Statement of Comprehensive Income for the nine-month period that ended on September 30th, 2010 and 2009
3. Cash Flow Statement for the nine-month period that ended on September 30th, 2010 and 2009

## 1. Consolidated Statement of Financial Position

For the years that ended on December 31<sup>st</sup>, 2010 and 2009  
(Amounts in thousand of euro)

	Notes	GROUP		COMPANY		
		31.12.2010	31.12.2009	31.12.2010	31.12.2009	
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	11.1	657,488	699,587	557,531	598,942	
Financial assets held to maturity	11.2	8,471	-	8,471	-	
Inventories	11.3	428	1,166	-	1,080	
Trade receivables	11.4	44,553	35,509	46,792	38,979	
Other current assets	11.5	180,882	194,098	178,189	193,455	
<b>Total current assets</b>		<b>891,822</b>	<b>930,360</b>	<b>790,983</b>	<b>832,456</b>	
<b>Non-current assets</b>						
Intangible assets	11.6	200,119	224,870	200,104	224,857	
Tangible assets (for own use)	11.7	86,982	85,637	81,067	83,355	
Investments	11.8	1,227	1,295	2,611	2,754	
Goodwill	11.9	8,435	8,435	-	-	
Investments in subsidiaries	11.10	-	-	36,527	36,527	
Investments in associates	11.11	8,839	12,938	1,200	1,200	
Long-term trade receivables	11.4	1,258	3,368	1,258	3,368	
Other non-current assets	11.12	13,376	14,558	13,319	14,549	
Deferred tax assets	11.13	8,622	21,320	18,921	34,120	
<b>Total non-current assets</b>		<b>328,858</b>	<b>372,421</b>	<b>355,007</b>	<b>400,730</b>	
<b>TOTAL ASSETS</b>		<b>1,220,680</b>	<b>1,302,781</b>	<b>1,145,990</b>	<b>1,233,186</b>	
<b>EQUITY &amp; LIABILITIES</b>						
<b>Short-term liabilities</b>						
Trade payables	11.14	94,550	145,341	83,509	139,154	
Payables from financial leases	11.15	316	32,411	8	32,411	
Tax liabilities	11.16	305,978	397,554	302,980	395,577	
Accrued and other liabilities	11.17	46,752	32,395	44,160	30,755	
<b>Total short-term liabilities</b>		<b>447,596</b>	<b>607,701</b>	<b>430,657</b>	<b>597,897</b>	
<b>Long-term liabilities</b>						
Payables from financial leases	11.15	1,131	8	-	8	
Employee benefit plans	11.18	22,698	23,514	22,339	23,338	
Provisions	11.19	44,459	45,290	43,310	44,090	
Other long-term liabilities	11.20	8,222	7,856	8,046	7,672	
<b>Total long-term liabilities</b>		<b>76,510</b>	<b>76,668</b>	<b>73,695</b>	<b>75,108</b>	
<b>Equity</b>						
Share capital	11.21	95,700	95,700	95,700	95,700	
Reserves	11.22	43,827	43,809	43,060	43,060	
Exchange differences		(23)	(23)	-	-	
Retained earnings		557,070	478,926	502,878	421,421	
<b>Total Equity</b>		<b>696,574</b>	<b>618,412</b>	<b>641,638</b>	<b>560,181</b>	
Minority interest		-	-	-	-	
<b>Total Equity</b>		<b>696,574</b>	<b>618,412</b>	<b>641,638</b>	<b>560,181</b>	
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,220,680</b>	<b>1,302,781</b>	<b>1,145,990</b>	<b>1,233,186</b>	

The attached notes form an integral part of these financial statements

## 2. Statement of Comprehensive Income

**For the years that ended on December 31<sup>st</sup>, 2010 and 2009**  
 (Amounts in thousand of euro except for per share amounts)

	Notes	GROUP		COMPANY	
		2010	2009	2010	2009
Revenues	10.1, 10.2	5,140,015	5,440,932	4,937,530	5,222,199
Cost of sales	11.24	(4,104,046)	(4,311,256)	(3,928,669)	(4,124,076)
<b>Gross profit</b>		<b>1,035,969</b>	<b>1,129,676</b>	<b>1,008,861</b>	<b>1,098,123</b>
Other operating income	11.25	5,595	2,639	24,621	22,965
Distribution costs	11.26	(127,442)	(154,562)	(124,294)	(151,032)
Administrative expenses	11.26	(29,687)	(43,447)	(31,676)	(41,516)
Other operating expenses	11.27	(12,838)	(10,458)	(12,758)	(10,335)
<b>Operating result</b>		<b>871,597</b>	<b>923,848</b>	<b>864,754</b>	<b>918,205</b>
Gain / (Loss) from sales of non-current assets		(204)	(12)	(204)	(12)
Income / (Loss) from associates	11.11	(1,099)	20	-	-
Impairment of investments	11.11	(3,000)	-	-	-
Financial income	11.28	25,083	26,807	21,314	23,613
Financial expenses	11.28	(2,827)	(3,757)	(2,626)	(3,672)
Dividends		-	-	10,000	750
<b>Profit before tax</b>		<b>889,550</b>	<b>946,906</b>	<b>893,238</b>	<b>938,884</b>
Income tax	11.29	(209,138)	(254,291)	(207,055)	(252,044)
Extraordinary tax	11.29	(91,912)	(98,067)	(91,887)	(98,067)
Deferred tax	11.29	(12,698)	(759)	(15,199)	(1,780)
<b>Profit after tax</b>		<b>575,802</b>	<b>593,789</b>	<b>579,097</b>	<b>586,993</b>
Parent company shareholders		575,802	593,789	579,097	586,993
Minority interest		-	-	-	-
<b>Other income</b>					
Exchange differences from the conversion of business activities abroad		-	-	-	-
<b>Other income after tax</b>		-	-	-	-
<b>Total income after tax</b>		<b>575,802</b>	<b>593,789</b>	<b>579,097</b>	<b>586,993</b>
Parent company shareholders		575,802	593,789	579,097	586,993
Minority interest		-	-	-	-
<b>Basic earnings per share in €</b>	11.30	<b>1.8050</b>	<b>1.8614</b>	<b>1.8154</b>	<b>1.8401</b>

The attached notes form an integral part of these financial statements

### 3. Cash flow statement (indirect method)

For the years that ended on December 31<sup>st</sup>, 2010 and 2009  
 (Amounts in thousand of euro)

	GROUP		COMPANY	
	2010	2009	2010	2009
<b>OPERATING ACTIVITIES</b>				
Profit before tax	889,550	946,906	893,238	938,884
<b>Adjustments for:</b>				
Depreciation & Amortization	39,655	42,975	39,086	42,540
Financial results	(22,149)	(23,087)	(18,581)	(19,978)
Employee benefit plans	2,320	877	2,147	701
Provisions for bad debts	1,000	2,624	1,000	2,500
Other provisions	6,779	7,347	6,731	7,347
Dividends from subsidiaries	-	-	(10,000)	(750)
Exchange differences	(107)	37	(107)	37
Other non cash items	-	6	-	-
Investment impairment	3,000	-	-	-
Share of (profit)/loss of associates	1,099	(20)	-	-
Results from investing activities	217	99	204	12
<b>Total</b>	<b>921,364</b>	<b>977,764</b>	<b>913,718</b>	<b>971,293</b>
<b>Changes in Working capital</b>				
(Increase) / Decrease in inventories	738	144	1,080	230
(Increase) / Decrease in trade & other receivable	(9,446)	35,458	(6,890)	34,029
Increase / (Decrease) in payables (except borrowings)	(42,784)	(16,927)	(48,444)	(16,288)
Increase / (Decrease) in taxes payables	(57,496)	(4,724)	(56,989)	(5,836)
<b>Total</b>	<b>812,376</b>	<b>991,715</b>	<b>802,475</b>	<b>983,428</b>
Interest expenses	(647)	(3,176)	(572)	(3,092)
Taxes paid	(356,888)	(299,829)	(355,856)	(299,090)
<b>Cash flows from operating activities</b>	<b>454,841</b>	<b>688,710</b>	<b>446,047</b>	<b>681,246</b>
<b>INVESTING ACTIVITIES</b>				
Proceeds from the sale of tangible & intangible assets	34	220	-	200
Loans paid to personnel	-	926	-	926
Purchase of related companies' net assets	-	(11,520)	-	-
Acquisition of financial assets	(8,690)	-	(8,690)	-
Purchase of tangible assets	(13,517)	(2,132)	(10,905)	(1,562)
Purchase of intangible assets	(1,228)	(654)	(1,204)	(582)
Dividends from subsidiaries	-	-	10,000	750
Interest received	21,766	26,238	18,277	23,044
<b>Cash flows used in investing activities</b>	<b>(1,635)</b>	<b>13,078</b>	<b>7,478</b>	<b>22,776</b>
<b>FINANCING ACTIVITIES</b>				
Payments of financial leases interests	(117)	-	-	-
Payments of financial leases capital	(32,663)	(53,474)	(32,411)	(53,474)
Dividends paid	(462,525)	(655,115)	(462,525)	(655,115)
<b>Cash flows used in financing activities</b>	<b>(495,305)</b>	<b>(708,589)</b>	<b>(494,936)</b>	<b>(708,589)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(42,099)</b>	<b>(6,801)</b>	<b>(41,411)</b>	<b>(4,567)</b>
Cash and cash equivalents at the beginning of the year	699,587	706,388	598,942	603,509
<b>Cash and cash equivalents at the end of year</b>	<b>657,488</b>	<b>699,587</b>	<b>557,531</b>	<b>598,942</b>

The attached notes form an integral part of these financial statements.