



**INTRALOT S.A.
and its
Subsidiaries**

Interim Financial Statements

For the period ended June 30, 2006
based on the International Financial and Reporting Standards

2nd Semester of 2006

Contents

- 1. Condensed income statements (consolidated & single).**
- 2. Condensed balance sheets (consolidated & single).**
- 3. Condensed statements of changes in equity (consolidated & single).**
- 4. Condensed cash flow statements (consolidated & single).**
- 5. General information - Approval of the Financial Statements**
- 6. Disclosure of compliance.**
- 7. Accounting policies.**
- 8. Segment reporting.**
- 9. Contingent liabilities.**
- 10. Other selected explanatory notes.**
- 11. Supplementary information:**
 - 1. Business combinations** (table of companies consolidated).
 - 2. Tax authorities' fiscal control.**
 - 3. Real liens.**
 - 4. Legal issues pending.**
 - 5. Personnel employed.**
 - 6. Related party disclosures.**
 - 7. Other information.**
- 12. Subsequent events.**

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Interim Condensed Financial Statements (Group and Company) for the period 1 January 2006 until 30 June 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

1. CONDENSED INCOME STATEMENTS

Amounts reported in thousands €	GROUP		GROUP		COMPANY		COMPANY	
	1/1-30/06/2006	1/1-30/06/2005	1/4-30/06/2006	1/4-30/06/2005	1/1-30/06/2006	1/1-30/06/2005	1/4-30/06/2006	1/4-30/06/2005
Sale Proceeds	381.967	211.233	202.170	108.551	106.712	49.685	65.401	23.801
Less: Cost of Sales	<u>-223.819</u>	<u>-110.258</u>	<u>-125.636</u>	<u>-54.796</u>	<u>-35.911</u>	<u>-18.215</u>	<u>-18.966</u>	<u>-7.450</u>
Gross Profit / (Loss)	158.148	100.975	76.534	53.755	70.801	31.470	46.435	16.351
Other Income	1.116	1.888	-4.290	1.714	48	1.055	6	1.006
Selling Expenses	-20.598	-15.046	-12.915	-9.014	-4.041	-1.831	-2.193	-912
Administrative Costs	-20.785	-13.759	-11.427	-7.104	-6.682	-3.110	-3.756	-1.555
Research and Development Costs	-4.575	-1.796	-2.554	-911	-4.575	-1.847	-2.554	-911
Other Operating Expenses	-531	-561	387	-282	0	0	0	0
EBIT	112.775	71.701	45.735	38.158	55.551	25.737	37.938	13.979
EBITDA	122.716	78.978	50.928	42.908	59.087	27.248	39.739	14.723
Interest and similar Charges	-6.854	-2.089	-1.879	-1.147	-2.436	-647	-930	-381
Interest and related Income	8.703	3.829	4.894	2.206	10.638	13.263	10.440	13.098
Exchange Differences	<u>-551</u>	<u>6.112</u>	<u>-309</u>	<u>2.087</u>	<u>-1.182</u>	<u>2.273</u>	<u>-914</u>	<u>1.348</u>
Operating Profit Before Tax	114.073	79.553	48.441	41.303	62.571	40.626	46.534	28.044
Less: Taxes	-29.327	-22.100	-7.141	-15.514	-17.267	-12.253	-11.061	-6.532
Net Profit	84.746	57.453	41.300	25.789	45.304	28.373	35.473	21.512
Attributable to:								
Equity holders of the parent	55.238	36.557	31.273	18.299	45.304	28.373	35.473	21.512
Minority Interest	29.508	20.896	10.027	7.490	0	0	0	0
Earnings after taxes per share (in €) *								
-basic*	0,71	0,47	0,40	0,23	0,58	0,37	0,45	0,28
-diluted*	0,71	0,47	0,40	0,23	0,58	0,37	0,45	0,28

2. CONDENSED BALANCE SHEETS

Amounts reported in thousands of €	GROUP		COMPANY	
	30/06/2006	31/12/2005	30/06/2006	31/12/2005
ASSETS				
Tangible Assets	219.437	156.562	163.004	90.259
Inventories	18.872	13.307	14.761	10.901
Accounts Receivable	109.807	98.088	118.202	90.266
Other assets	189.824	157.326	27.831	21.398
<u>TOTAL ASSETS</u>	<u>537.940</u>	<u>425.283</u>	<u>323.798</u>	<u>212.824</u>
LIABILITIES				
Long-term Debt	153.377	47.962	99.145	5.575
Short-term Borrowing and Current Portion of L-T Debt	18.463	21.097	6.960	10.000
Other Short-term Liabilities	158.991	154.985	86.425	77.627
Total Liabilities (a)	<u>330.831</u>	<u>224.044</u>	<u>192.530</u>	<u>93.202</u>
Shareholders Equity	143.917	154.366	131.268	119.622
Minority Interest	63.192	46.873	0	0
Total Equity (b)	<u>207.109</u>	<u>201.239</u>	<u>131.268</u>	<u>119.622</u>
<u>TOTAL EQUITY AND LIABILITIES (A) + (B)</u>	<u>537.940</u>	<u>425.283</u>	<u>323.798</u>	<u>212.824</u>

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Interim Condensed Financial Statements (Group and Company) for the period 1 January 2006 until 30 June 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

3. CONDENSED STATEMENTS OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY INTRALOT GROUP 30/06/2005 (Amounts reported in thousands of €)	Issued Share Capital	Reserves and other Equity Components	Retained Earnings	Minority Interest	Total Equity
Net Equity of period Opening Balance as at 01.01.2005	14.335	41.825	59.891	16.229	132.280
Adjustments in Equity as at 01.01.2005	-	-	-1.077	-504	-1.581
Increase / (decrease) of Share Capital	14.432	-14.432	-	-	0
Dividends Distributed	-	-	-36.204	-	-36.204
Net Amounts Effected Directly Equity	-	-	7.694	-	7.694
Profit for the year after taxes	-	-	57.453	-	57.453
Purchases / (sales) of Own Shares	-	-	-	-	0
Net Equity of period Closing Balance as at 30/06/2005	<u>28.767</u>	<u>27.393</u>	<u>87.757</u>	<u>15.725</u>	<u>159.642</u>

STATEMENT OF CHANGES IN EQUITY INTRALOT – COMPANY 30/06/2005 (Amounts reported in thousands of €)	Issued Share Capital	Reserves and other Equity Components	Retained Earnings	Minority Interest	Total Equity
Net Equity of period Opening Balance as at 01.01.2005	14.335	39.466	57.838	-	111.639
Adjustments in Equity as at 01.01.2005	-	-	-7.138	-	-7.138
Increase / (decrease) of Share Capital	14.432	-14.432	-	-	0
Dividends Distributed	-	-	-30.345	-	-30.345
Net Amounts Effected Directly Equity	-	-	-357	-	-357
Profit for the year after taxes	-	-	28.373	-	28.373
Purchases / (sales) of Own Shares	-	-	-	-	0
Net Equity of period Closing Balance as at 30/06/2005	<u>28.767</u>	<u>25.034</u>	<u>48.371</u>	<u>0</u>	<u>102.172</u>

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Interim Condensed Financial Statements (Group and Company) for the period 1 January 2006 until 30 June 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

STATEMENT OF CHANGES IN EQUITY INTRALOT GROUP 30/06/2006 (Amounts reported in thousands of €)	Issued Share Capital	Reserves and other Equity Components	Retained Earnings	Minority Interest	Total Equity
Net Equity of period Opening Balance as at 01.01.2006	28.974	31.912	93.410	46.943	201.239
Shareholder deposits transferred in Share Premium	-181	181	-	-	0
Increase / (decrease) of Share Capital	-	-	-	-	0
Dividends Distributed	-	-	-35.385	-5.541	-40.927
Net Amounts Effected Directly Equity	-	2.066	-32.297	-7.718	-37.949
Profit for the year after taxes	-	-	55.238	29.508	84.746
Purchases / (sales) of Own Shares	-	-	-	-	0
Net Equity of period Closing Balance as at 30/06/2006	<u>28.793</u>	<u>34.160</u>	<u>80.964</u>	<u>63.192</u>	<u>207.109</u>

STATEMENT OF CHANGES IN EQUITY INTRALOT - COMPANY 30/06/2006 (Amounts reported in thousands of €)	Issued Share Capital	Reserves and other Equity Components	Retained Earnings	Minority Interest	Total Equity
Net Equity of period Opening Balance as at 01.01.2006	28.974	29.800	60.848	-	119.622
Shareholder deposits transferred in Share Premium	-181	181	-	-	0
Increase / (decrease) of Share Capital	-	-	-	-	0
Dividends Distributed	-	-	-35.385	-	-35.385
Net Amounts Effected Directly Equity	-	1.728	-	-	1.728
Profit for the year after taxes	-	-	45.304	-	45.304
Purchases / (sales) of Own Shares	-	-	-	-	0
Net Equity of period Closing Balance as at 30/06/2006	<u>28.793</u>	<u>31.709</u>	<u>70.766</u>	<u>0</u>	<u>131.268</u>



4. CONDENSED CASH FLOW STATEMENTS

Amounts reported in thousands €	GROUP		COMPANY	
	1/1-30/06/2006	1/1-30/06/2005	1/1-30/06/2006	1/1-30/06/2005
Operating Activities				
Net Profit before Taxation	114.073	79.553	62.571	40.626
Plus /Less adjustments for:				
Depreciation and Amortization	9.941	7.277	3.535	1.511
Provisions	15.899	-104	70	-18
Profit for sale of tangible and intangible assets	0	-21	0	-40
Results from Investing Activities	4.410	0	938	0
	144.323	86.705	67.114	42.079
Debit Interest and similar expenses	6.854	2.089	2.436	647
Credit Interest	-8.703	-3.829	-10.638	-13.263
Plus/ Less adjustments of working capital to net cash or related to operating activities:				
Increase/Decrease of Inventories	-5.565	-17.530	-3.859	-6.010
Increase/Decrease of Receivables	-11.786	-41.167	-27.179	-2.697
Increase/Decrease of Payable Accounts (except Banks)	-17.955	-9.203	-2.819	-12.897
(Less):				
Interest Paid and similar expenses paid	6.855	2.246	2.436	647
Income Tax Paid	29.301	8.884	5.887	6.240

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Interim Condensed Financial Statements (Group and Company) for the period 1 January 2006 until 30 June 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

Continued from previous page	GROUP		COMPANY	
	1/1-30/06/2006	1/1-30/06/2005	1/1-30/06/2006	1/1-30/06/2005
Amounts reported in thousands €				
Net Cash from Operating Activities (a)	71.012	5.935	16.732	972
Investing Activities				
Purchases of subsidiaries, associates and other investments	-72.586	-3.686	-73.248	-168
Purchases of tangible and intangible assets	-24.360	-8.520	-2.763	-3.953
Proceeds from sales of tangible and intangible assets	49	84	0	69
Interest received	8.877	3.825	10.638	438
Dividends received	0	0	0	12.825
Net Cash from Investing Activities (b)	-88.020	-8.297	-65.373	9.211
Financing Activities				
Proceeds from Loans	107.819	10.355	90.459	5.000
Repayment of Loans	-3.897	-3.988	0	0
Dividends paid	-40.927	-36.204	-35.385	-30.345
Net Cash from Financing Activities (c)	62.995	-29.837	55.074	-25.345

Continued from previous page	GROUP		COMPANY	
Amounts reported in thousands €	1/1-30/06/2006	1/1-30/06/2005	1/1-30/06/2006	1/1-30/06/2005
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	45.987	-32.199	6.433	-15.163
Cash and cash equivalents at the beginning of the year	<u>157.326</u>	<u>134.977</u>	<u>21.398</u>	<u>26.586</u>
Exchange rate differences from the conversion of Cash Equivalents	<u>-13.489</u>	<u>4.210</u>	<u>0</u>	<u>0</u>
Cash and cash equivalents at the end of the year	<u>189.824</u>	<u>106.988</u>	<u>27.831</u>	<u>11.423</u>

5. GENERAL INFORMATION – APPROVAL OF THE FINANCIAL STATEMENTS

General information

INTRALOT S.A. – ‘Integrated Lottery Systems and Gaming Services’, with the distinct title «INTRALOT» is a business entity that was established based on the Laws of Hellenic Republic and whose shares are traded in the Athens Stock Exchange. Reference to «INTRALOT» or the «Company» includes INTRALOT S.A. whereas reference to the «Group» includes INTRALOT S.A. and its fully consolidated subsidiaries, unless otherwise stated. The Company was established in 1992 and has its registered office in Marousi of Attica.

The main activities of the Group are analyzed in Note 8.

Approval of the Financial Statements

The Board of Directors of INTRALOT SA approved the accompanying interim IFRS financial statements for the company and the Group for the period ended 30 June 2006, on 28 August 2006.

6. DISCLOSURE OF COMPLIANCE

The interim consolidated financial statements for the interim six months period ended June 30, 2006 have been prepared in accordance to IAS 34.

These interim financial statements should be reviewed along with the annual financial statements of the year ended at December 31, 2005.

7. ACCOUNTING POLICIES

For the preparation of the interim consolidated financial statements for the interim six months periods ended June 30, 2006 the same accounting policies and methods of computation have been followed as compared with the most recent annual consolidated financial statements (December 31, 2005).

8. SEGMENT REPORTING

<i>(in € million)</i>	Geographical Sales Breakdown			Gross Margin Breakdown		
	1H06	1H05	Difference %	1H06	1H05	Difference %
European Union	287,57	158,69	81,21%	80,51	49,61	62,29%
Other Europe	98,04	47,91	104,63%	16,74	15,63	7,10%
Americas	23,65	17,77	33,09%	11,19	5,67	97,35%
Other	78,82	37,25	111,60%	52,30	28,11	86,05%
Eliminations	(106,11)	(50,39)	-	(2,59)	1,95	-
Total Consolidated Sales	381,97	211,23	-	158,15	100,97	-

9. CONTINGENT LIABILITIES

No significant changes in contingent liabilities, or assets, status since the last annual balance sheet date.

10. OTHER SELECTED EXPLANATORY NOTES

a. No significant effect due to seasonality and cyclicity of interim operations as these are expressed through the current interim financial statements.

b. Apart from the fact that the company repaid its liability for the takeover of additional 20% participation in Inteltek for the interim period ended June 30, 2006 - which has been taken under consideration for the preparation of the financial statements as at December 31, 2005 - there are no other items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

ci. Changes in estimates of amounts reported in prior interim periods of the current financial year, if those changes have a material effect in the current interim period:

No such.

cii. Changes in estimates of amounts reported in prior financial years, if those changes have a material effect in the current interim period:

No such.

d. Issuances, repurchases and repayments of debt and equity securities:

I. Share Option:

Following the share option, during 2005, the share capital was increased by € 26.125,7 with the issue of 70.610 shares with a nominal value of € 0, 37 each. Payment of this amount was confirmed by the Board of Directors on 19.12.2005 while the share capital increase and confirmation of this amount were approved by decisions K2-16475/2-1-2006 and K2-16476/2-1-2006 of the Ministry of Development.

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Interim Condensed Financial Statements (Group and Company) for the period 1 January 2006 until 30 June 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

II. New Group Companies:

- Participation of 100% in Intralot OOO (indirectly).
- Participation of 60% in Intralot South Africa Ltd (directly).
- Participation of 22, 5% in Gidani Ltd (indirectly).
- Participation of 40% in Lotrich Information Co (directly).
- Participation of 85% in ECES S.A. (indirectly).
- Participation of 100% in Intralot Asia Pacific Ltd (directly).
- Participation of 100% in Intralot Australia PTY Ltd (directly).

e. Dividends paid (aggregate or per share):

Ordinary shares dividends paid of thous. € 40.921

f. The effect of changes in the composition of the enterprise during the interim period, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinuing operations:

Such changes have not a significant effect on the consolidated total assets, on the consolidated revenues and on the consolidated earnings after tax.

g. Acquisitions and disposals of tangibles and intangible assets:

Net addition due to acquisitions and disposals of tangibles and intangible assets as at June 30, 2006 amounts 24,4mil euros approximately.

11. SUPPLEMENTARY INFORMATION

1. BUSINESS COMBINATION (TABLE OF COMPANIES CONSOLIDATED)

The companies included in the consolidation, with the relevant addresses and the relevant participation percentages are the following:

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Interim Condensed Financial Statements (Group and Company) for the period 1 January 2006 until 30 June 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

I. Full Consolidation:

	COMPANY	BASE	PARTICIPATION PERCENTAGE
	INTRALOT SA	Maroussi, Attica	Parent
	BETTING COMPANY SA***	N. Iraklion, Attica	100%
13.	BETTING CYPRUS LTD**	Nicosia, Cyprus	100%
	INTRALOT DE CHILE SA*	Santiago, Chile	99,99%
	INTRALOT DE PERU SAC*	Lima, Peru	99,98%
	INTRALOT INC.*	Atlanta, USA	85%
	INTRALOT BETTING OPERATIONS (CYPRUS) LTD*	Nicosia, Cyprus	54,95%
1.	ROYAL HIGHGATE LTD***	Paralimni, Cyprus	53,47 (& 3,24% directly)
	POLLOT Sp.zo.o*	Warsaw, Poland	100%
	MALTCO LOTTERIES LTD*	Valetta, Malta	73%
	INTRALOT HOLDINGS INTERNATIONAL LTD*	Nicosia, Cyprus	100%
2.	LOTROM SA**	Bucharest,Romania	60%
2.	YUGOLOT LTD**	Belgrade, Serbia & Montenegro	100%
2.	YUGOBET LTD**	Belgrade, Serbia & Montenegro	100%
2.	BILOT FOOD**	Sofia, Bulgaria	100%
3.	EUROFOOTBALL LTD**	Sofia, Bulgaria	49%
4.	EUROFOOTBALL PRINT LTD**	Sofia, Bulgaria	100%
2.	INTRALOT INTERNATIONAL LTD**	Nicosia, Cyprus	100%
5.	INTRALOT OPERATIONS LTD**	Nicosia, Cyprus	100%
2.	INTRALOT BUSINESS DEVELOPMENT LTD**	Nicosia, Cyprus	100%
2.	INTRALOT TECHNOLOGIES LTD**	Nicosia, Cyprus	100%
	INTELTEK INTERNET AS*	Istanbul, Turkey	45%
	LOTERIA MOLDOVEI SA*	Chisinau, Moldova	47,90%
6,7,11.	TOTOLOTEK SA**	Warsaw, Poland	54%
2.	WHITE EAGLE INVESTMENTS LTD**	Hertfordshire, United Kingdom	100%
7.	BETA RIAL Sp.zo.o**	Warsow, Poland	100%
12.	YUVENGA CJSC**	Moscow, Russia	49%
2.	UNICLIC LTD**	Nicosia, Cyprus	50%
12.	DOWA LTD**	Nicosia, Cyprus	60%
	INTRALOT NEW ZEALAND LTD*	Wellington, New Zealand	100%
2.	INTRALOT EGYPT LTD**	Nicosia, Cyprus	88,24%

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Interim Condensed Financial Statements (Group and Company) for the period 1 January 2006 until 30 June 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

II. Equity Method:

	INSTANT LOTTERY SA*	Tavros, Attica	48,17%
8.	ATROPOS SA***	Maroussi, Attica	100%
8,9.	AEDIL SA**	Tavros, Attica	100%
9,10.	BEST NET CO**	Tavros, Attica	100%
	BILYONER INTERAKTIF HIZMELTER AS (former LIBERO INTERAKTIF AS)*	Istanbul, Turkey	25%

Subsidiary of:

- 1:** Intralot Betting Operations (Cyprus) Ltd
- 2:** Intralot Holdings International Ltd
- 3:** Bilot EOOD
- 4:** Eurofootball Ltd
- 5:** Intralot International Ltd
- 6:** Pollot Sp.Zoo
- 7:** White Eagle Investments Ltd
- 8:** Instant Lottery SA
- 9:** Atropos SA
- 10:** AEDIL Sa
- 11:** Beta Rial Sp.Zoo
- 12:** Uniclic Ltd
- 13:** Betting Company SA

- *: Companies with direct participation
- ** : Companies with indirect participation
- ***: Companies with direct and indirect participation

2. TAX AUTHORITIES FISCAL CONTROL

The Group has not undergone tax authorities' fiscal control for the years 2004, 2005 and the period 01/01-30/06/2006, while the rest of the companies that are included in the consolidation have not undergone tax authorities' fiscal control for the last one to five fiscal years.

3. REAL LIENS

There are no real liens.

4. LEGAL ISSUES PENDING

a. By decision of the Arbitration Court, the payment of an indemnity of approximately MEUR 37 annually from 30/3/2001 (up to the starting date of a specific betting or the end of the contract) and KEUR 390 for arbitration fees and charges was awarded to the subsidiary company "BETTING COMPANY S.A.". By decision of the Athens Court of Appeal the aforementioned decision of the Arbitration Court was cancelled. Following the service to the company of the Athens Court of Appeal decision, an appeal was filed by the company before the Supreme Court for the reversal of the decision

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Interim Condensed Financial Statements (Group and Company) for the period 1 January 2006 until 30 June 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

of the Athens Court of Appeal; by decision of the Supreme Court this appeal was rejected and the decision of the Athens Court of Appeal was upheld.

b. An agent filed before the Multi Member First Instance Court of Athens his civil lawsuit dated 28.12.2004 against an affiliate requesting the amount of 10.633.515,39 € as a compensation for non fulfilment of contractual obligations. The case, after the adjournment of its hearing on 5.4.2006, will be heard on 2.5.2007.

c. On 4.1.2005 OPAP S.A. submitted a notice of proceedings to "Betting Company S.A." regarding a lawsuit that was filed against OPAP S.A. before the Multi Member First Instance Court of Athens, with which the plaintiff claims the payment of the amount of €3.668.378,60 plus accrued interests from OPAP S.A., pleading that OPAP S.A. should pay this amount to him as profit, in addition to the amount already paid to him. Since "Betting Company S.A." has a legitimate interest in OPAP S.A. winning the lawsuit, "Betting Company S.A.", the companies INTRALOT S.A., INTRALOT INTERNATIONAL LTD and the joint venture "INTRALOT S.A.-Intralot International Ltd" proceeded to an additional joint intervention in favor of OPAP S.A.; this was scheduled for hearing on May 3, 2007 but following a petition of the plaintiff the case was heard on 1.12.2005. By its decision No 2412/2006 the Multi Member First Instance Court of Athens ruled in favour of the lawsuit of the plaintiff and, following the restriction by the plaintiff of his petition to a lawsuit for acknowledgement of the debt, the Court acknowledged the obligation of OPAP S.A to pay to the plaintiff the amount of 3,668,378.60 €. OPAP S.A and the aforementioned companies filed an appeal dated 28.06.06 for the cancellation of the said decision, the hearing of which has not been scheduled yet.

d. On 05.09.05 an action was served to the company, filed by the company "IPPOTOUR S.A.", against the company and the company "OPAP S.A.". With the aforementioned action the plaintiff "IPPOTOUR S.A." requests to be acknowledged that the contract signed between OPAP S.A. and the company should not grant to the latter the right to operate any kind of wagering game on Greek or foreign horse racing, that "OPAP S.A" should not have the right to operate any kind of wagering game on horse racing and that "OPAP S.A." and the company should be excluded from the operation and organization of betting games on horse racing. The hearing of the case has been set for 14.02.2008. By virtue of the abovementioned action the plaintiff withdrew of the action filed against the Company on 10.1.2003 with the same content, which was set to be heard on 18th of May 2005, on which date the said hearing was cancelled.

e. INTRALOT filed before Multi Member First Instance Court of Athens its civil lawsuit dated 12.5.2005 against Mr. K Thomaidis, claiming the payment of sum of 300.000 € as pecuniary compensation for moral damage. The case was scheduled for hearing on January 26, 2006. On

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Interim Condensed Financial Statements (Group and Company) for the period 1 January 2006 until 30 June 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

18.1.2006 the company was served with an action filed by Mr. K. Thomaidis, before the Multi Member First Instance Court of Athens with which the plaintiff claims the payment of sum of 300.000 € as pecuniary compensation for moral damage. The case is scheduled for hearing on 14.12.2006. The suit of INTRALOT against Mr. K. Thomaidis was postponed to be heard on 14.12.2006 in order that the two lawsuits to be heard together.

f. In Turkey, the company "Reklam Departmanı" filed a lawsuit for the annulment of the fixed odds betting tender that the organization Sport Toto (Gençlik ve Spor Genel Müdürlüğü -GSGM) conducted in relation to the establishment and operation of the risk management center of the game and the activity of the awarded company as head agency. The tender was awarded in 2003 to the 45% subsidiary company «Inteltek İnternet Teknoloji Yatırım ve Danışmanlık Ticaret A.Ş». Inteltek is not a party to the lawsuit but possibly its operations may be affected by the judicial outcome of the case. The lawsuit was dismissed at the first degree by "Reklam Departmanı" filed an appeal which was accepted by the Court of Appeals and the case was referred for new examination to the Ankara Administrative Court. GSGM filed an appeal against the Court of Appeals decision which was rejected. The case is pending. At the current stage the management of Inteltek and its legal council believe that it is not practicable to issue an opinion on the conclusion of the case. Inteltek has not provided any accruals with respect to this matter in its financial statements as of 30.06.2006.

Moreover, the company Gtech Avrasya Teknik Hizmet ve Musavirlik AS (Gtech) filed a lawsuit for the annulment of the above tender against GSGM and Public Tender Authority. Inteltek is not a party to the lawsuit but possibly its operations may be affected by the judicial outcome of the case. The lawsuit was dismissed at the first degree by "Gtech" filed an appeal which was accepted by the Court of Appeals and the case was referred for new examination to the Ankara Administrative Court. On 9.2.2006 Inteltek filed an appeal against the Court of Appeals decision which has been served to it on 26.1.2006, which was rejected by virtue of the Court of Appeals decision dated 9.7.2006. On 18.7.2006 the court issued a preliminary injunction which stopped the effectiveness of Public Tender Authority's decision concerning that there is no ground to give a decision regarding the cancellation of the aforementioned tender and rejected the request concerning the injunction of the abovementioned fixed odds betting tender. Public Tender Authority, GSGM and Inteltek as well as Gtech appealed the preliminary injunctions.

GTech has also filed another lawsuit against GSGM for the above tender which was rejected with a decision of the Ankara Administrative Court due to lack of jurisdiction. Gtech appealed this decision. Both cases are pending. At the current stage the management of Inteltek and its legal council believe that it is not practicable to issue an opinion on the conclusion of the cases. Inteltek has not provided any accruals with respect to these matters in its financial statements as of 30.06.2006.

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Interim Condensed Financial Statements (Group and Company) for the period 1 January 2006 until 30 June 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

g. In Turkey, the organization Sport Toto (Gençlik ve Spor Genel Müdürlüğü -GSGM) filed on 23.01.2006 before the First Instance Court of Ankara a declaratory action against the 45% subsidiary company «Inteltek İnternet Teknoloji Yatırım ve Danışmanlık Ticaret A.Ş.» requesting to be recognized that the calculation of the player's excess payout of the fixed odds betting games, as per their contract, is effected at the end of each separate semester and not on a cumulative basis for all semesters at the end of the contract. The case is pending, however Inteltek accrued 3.3 million TRY in its financial statements as of June 30, 2006 due to the probability of negative outcome of the case.

Any other legal issues do not have a material effect on the financial position of the Group.

5. PERSONNEL EMPLOYED

The personnel employed in the consolidated companies amounts to 2.902 persons.

The personnel employed in the single company amounts to 369 persons.

6. RELATED PARTY DISCLOSURES

The amounts of Sales and Purchases, of goods and services, accumulated from the opening balance of the period, as well as the receivables and payables balances for the period ended June 30, 2006 to and from the related parties according to IAS 24, come up for the Group to the amounts of € 2.538 thousands, € 11.968 thousands, € 31.788 thousands and € 33.646 thousands respectively and for the company to the amounts of € 94.297 thousands., € 16.925 thousands., € 109.874 thousands and € 39.808 thousands, respectively.

7. OTHER INFORMATION

- i. Effect of changes in the composition of the enterprise during the interim period, including Acquisition or disposal of subsidiaries and long term investments, restructurings and discontinuing operations (by extension of the paragraph 10.f and d, as above):

See above paragraph 10.f and d.

- ii. Previous paragraph (11.7.i.) events effect, if this is higher than 25%, in respect of the consolidated revenues, results, net equity (by extension of the paragraph 10.f and e., as above):

No such cases.

- iii. Change of the fiscal year or period:

No such.

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Interim Condensed Financial Statements (Group and Company) for the period 1 January 2006 until 30 June 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

- iv. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period:

See below, paragraph 12.

- v. Effect of changes in the composition of the enterprise during the interim period, regarding business combinations if this is higher than 25%, in respect of the consolidated revenues, results, net equity (by extension of the paragraph 10.f and d, as above):

No such effect.

- vi. Among the subsidiary entity's "Betting Company SA" contracts, the one with OPAP SA, expires on January 2007, with OPAP having the right to extend it for three additional years. It is noted that revenues generated from the abovementioned contract have considerable contribution in Group's turnover.

12. SUBSEQUENT EVENTS

No material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

Maroussi, August 28, 2006

THE CHAIRMAN OF THE BOARD
OF DIRECTORS

S.P. KOKKALIS
ID. No. Π 695792

THE VICE CHAIRMAN
OF THE BoD AND CEO

C.G. ANTONOPOULOS
ID. No. M 102737

THE GENERAL DIRECTOR OF
FINANCE AND BUSINESS
DEVELOPMENT

I.O. PANTOLEON
ID. No. Σ 637090

THE ACCOUNTING DIRECTOR

E. N. LANARA
ID.No. Λ 682542
H.E.C. License No. 133/A' Class



REVIEW REPORT

**To the Shareholders of “INTRALOT S.A.”
INTEGRATED LOTTERY
SYSTEMS AND SERVICES**

We have reviewed the accompanying separate interim financial statements as well as the consolidated interim financial statements of “INTRALOT S.A.” INTEGRATED LOTTERY SYSTEMS AND SERVICES, as of and for the six-month period ended 30 June 2006. These interim financial statements are the responsibility of the Company’s management.

We conducted our review in accordance with the International Standard on Review Engagements, as provided for by the Greek Auditing Standards. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the interim financial statements are free of material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data, and thus provides less assurance than an audit. We have not performed an audit and, accordingly we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view (or are not presented fairly, in all material respects) in accordance with the International Financial Reporting Standards that have been adopted by the European Union.

Without having any suspension to the conclusion of the auditor’s review report:

We draw attention to note 11.2 to the financial statements that the tax obligations of the Company and its subsidiaries have not been audited by the tax authorities for certain years as well as for the six months period ended June 30, 2006 and therefore have not been conclusively decided for these years. The outcome of a tax audit can not presently be determined so no provisions have been made

**Athens 29 September 2006
The Certified Public Accountant – Auditor**

**George A. Karamichalis
REG. NO. 15931
S.O.L. S.A. Certified Auditors**

