



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

Interim Financial Statements

For the period ended March 31, 2006
based on the International Financial and Reporting Standards

1rd Quarter 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. Disclosure of compliance.**
- 6. Accounting policies.**
- 7. Segment reporting.**
- 8. Contingent liabilities.**
- 9. Other selected explanatory notes.**
- 10. 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.**
- 11. Subsequent events.**

1. CONDENSED INCOME STATEMENTS

Amounts reported in thousands €	GROUP		COMPANY	
	1/1-31/03/2006	1/1-31/03/2005	1/1-31/03/2006	1/1-31/03/2005
Sale Proceeds	179.797	102.682	41.311	25.884
Less: Cost of Sales	-98.183	-55.462	-16.945	-10.765
Gross Profit / (Loss)	81.614	47.220	24.366	15.119
Other Income	5.406	175	42	49
Selling Expenses	-7.683	-6.033	-1.848	-919
Administrative Costs	-9.358	-6.655	-2.926	-1.555
Research and Development Costs	-2.021	-885	-2.021	-936
Other Operating Expenses	-918	-279	0	0
Operating Profit	67.040	33.543	17.613	11.758
EBITDA	71.788	36.070	19.348	12.525
Interest and similar Charges	-4.975	-942	-1.506	-266
Interest and related Income	3.809	1.623	198	165
Exchange Differences	-242	4.026	-268	925
Operating Profit Before Tax	65.632	38.250	16.037	12.582
Less: Taxes	-22.186	-6.586	-6.206	-5.721
Net Profit	43.446	31.664	9.831	6.861
Attributable to:				
Equity holders of the parent	23.965	18.258	9.831	6.861
Minority Interest	19.481	13.406	0	0
Earnings after taxes per share-basic (in €)	0,31	0,24	0,13	0,09
Earnings after taxes per share – diluted (in €)	0,31	0,24	0,13	0,09

2. CONDENSED BALANCE SHEETS

Amounts reported in thousands of €	GROUP		COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
ASSETS				
Tangible Assets	229.344	156.562	163.652	90.259
Inventories	15.242	13.307	12.575	10.901
Accounts Receivable	86.922	98.088	95.712	90.266
Other assets	211.284	157.326	18.127	21.398
<u>TOTAL ASSETS</u>	<u>542.792</u>	<u>425.283</u>	<u>290.066</u>	<u>212.824</u>
LIABILITIES				
Long-term Debt	129.056	47.962	84.110	5.575
Short-term Borrowing and Current Portion of L-T Debt	26.149	21.097	7.000	10.000
Other Short-term Liabilities	158.773	154.985	77.873	77.627
Total Liabilities (a)	<u>313.978</u>	<u>224.044</u>	<u>168.983</u>	<u>93.202</u>
Shareholders Equity	166.685	154.366	121.083	119.622
Minority Interest	62.129	46.873	0	0
Total Equity (b)	<u>228.814</u>	<u>201.239</u>	<u>121.083</u>	<u>119.622</u>
<u>TOTAL EQUITY AND LIABILITIES (A) + (B)</u>	<u>542.792</u>	<u>425.283</u>	<u>290.066</u>	<u>212.824</u>

3. CONDENSED STATEMENTS OF CHANGES IN EQUITY

Amounts reported in thousands €	GROUP		COMPANY	
	31/03/2006	31/03/2005	31/03/2006	31/03/2006
Net equity of period Opening Balance (1.01.2006 and 1.01.2005 respectively)	201.239	130.699	119.622	104.501
Dividends Distributed	-13.258	-8.637	-9.868	-8.637
Net Amounts Effected Directly Equity	-2.613	8.520	1.498	898
Profit for the year after taxes	43.446	31.664	9.831	6.861
Net Equity of period Closing Balance (31/03/2006 and 31/03/2005 respectively)	<u>228.814</u>	<u>162.246</u>	<u>121.083</u>	<u>103.623</u>

4. CONDENSED CASH FLOW STATEMENTS

Amounts reported in thousands €	GROUP		COMPANY	
	1/1-31/03/2006	1/1-31/03/2005	1/1-31/03/2006	1/1-31/03/2005
Operating Activities				
Net Profit before Taxation	65.632	38.250	16.037	12.582
Plus /Less adjustments for:				
Depreciation and Amortization	4.748	2.527	1.735	767
Provisions	10.015	2.009	35	44
Results from Investing Activities	3.559	0	801	0
	83.954	42.786	18.608	13.393
Debit Interest and similar expenses	4.975	942	1.506	266
Credit Interest	-3.809	-1.623	-198	-165
Plus/ Less adjustments of working capital to net cash or related to operating activities:				
Increase/Decrease of Inventories	-1.955	-15.189	-1.674	-3.937
Increase/Decrease of Receivables	6.914	-41.344	-5.444	-2.706
Increase/Decrease of Payable Accounts (except Banks)	-15.856	40.275	-5.748	1.025
(Less):				
Interest Paid and similar expenses paid	4.960	810	1.506	134
Income Tax Paid	11.282	659	0	215

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Notes of Group and Company for the period from 1 January 2006 until 31 March 2006

Public Companies (S.A.) Reg. No. 27074/06/B/92/9

Continued from previous page	GROUP		COMPANY	
Amounts reported in thousands €	1/1-31/03/2006	1/1-31/03/2005	1/1-31/03/2006	1/1-31/03/2005
Net Cash from Operating Activities (a)	57.981	24.378	5.544	7.527
Investing Activities				
Purchases of subsidiaries, associates and other investments	-72.492	-3.440	-73.195	-223
Purchases of tangible and intangible assets	-5.718	-3.689	-1.450	-2.553
Proceeds from sales of tangible and intangible assets	9	14	0	0
Interest received	3.723	1.623	198	165
Net Cash from Investing Activities (b)	-74.478	-5.492	-74.447	-2.611
Financing Activities				
Cash received from Issue of Share Capital	90.520	8.563	75.500	5.000
Proceeds from Loans	-4.561	-614	0	0
Payments for leases	-19	0	0	0
Dividends paid	-13.258	-10.167	-9.868	-7.738
Net Cash from Financing Activities (c)	72.683	-2.218	65.632	-2.738

Continued from previous page	GROUP		COMPANY	
Amounts reported in thousands €	1/1-31/03/2006	1/1-31/03/2005	1/1-31/03/2006	1/1-31/03/2005
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	56.186	16.668	-3.271	2.178
Cash and cash equivalents at the beginning of the year	<u>157.326</u>	<u>134.835</u>	<u>21.398</u>	<u>26.586</u>
Exchange rate differences from the conversion of Cash Equivalents	<u>-2.228</u>	<u>1.085</u>	<u>0</u>	<u>0</u>
Cash and cash equivalents at the end of the year	<u>211.284</u>	<u>152.588</u>	<u>18.127</u>	<u>28.764</u>

6. DISCLOSURE OF COMPLIANCE

The interim consolidated financial statements for the interim three months period ended March 31, 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 three months periods ended March 31, 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		
	1Q06	1Q05	Difference %	1Q06	1Q05	Difference %
European Union	120.663,20	75.129,18	60,61%	33.354,64	20.730,68	60,90%
Other Europe	45.496,87	26.655,25	70,69%	8.812,35	8.657,76	1,79%
Americas	12.726,01	8.078,83	57,52%	4.521,78	2.244,96	101,42%
Other	43.483,99	17.242,68	152,19%	45.440,02	12.780,99	255,53%
Eliminations	-42.572,71	-24.423,95	-	-10.514,61	2.805,62	-
Total Consolidated Sales	179.797,36	102.682,00	-	81.614,18	47.220,00	-

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. No 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.

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).

- e.** Dividends paid (aggregate or per share):

i) Ordinary shares dividends paid of thous. € 13.258.

- 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.

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:

I. Full Consolidation:

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Notes of Group and Company for the period from 1 January 2006 until 31 March 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

	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 (& 2,34% 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.	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%

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%
	LIBERO INTERAKTIF AS*	Istanbul, Turkey	25%

Subsidiary of:

- | | |
|--|---|
| 1: Intralot Betting Operations (Cyprus) Ltd | *: Companies with direct participation |
| 2: Intralot Holdings International Ltd | ** : Companies with indirect participation |
| 3: Bilot EOOD | ***: Companies with direct and indirect participation |
| 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 | |

2. TAX AUTHORITIES FISCAL CONTROL

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 awarded to the subsidiary company "BETTING COMPANY S.A." 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. By decision of the Appeal Court in Athens the aforementioned decision of the Arbitration

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES
Notes of Group and Company for the period from 1 January 2006 until 31 March 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

Court was cancelled. Following the Athens Court of Appeal decision service to the company, an appeal filed before the Supreme Court for the reversal of the decision of the Appeal Court; by decision of the Supreme Court the appeal was rejected and the decision of the Appeal Court was upheld.

b. Customer filed before the Multi Member First Instance Court of Athens his suit dated 28.12.2004 against subsidiary requesting the amount of 10.633.515,39 € as a compensation for non fulfilment of contractual obligations. The case, after the cancellation at 5.4.2006, will be heard on 2.5.2007.

c. On 4.1.2005 OPAP S.A. submitted a notice of proceedings to the Betting Company regarding a lawsuit that was filed against OPAP S.A. before the Court of First Instance, 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.E. should pay this amount to him as profit, additionally to the amount that had already been paid. As Betting Company has a legitimate interest in OPAP S.A. winning the lawsuit, Betting Company and the companies INTRALOT S.A., INTRALOT INTERNATIONAL LTD and the joint venture "INTRALOT S.A.-Intralot International Ltd" made an additional joint intervention in favor of OPAP S.A which was scheduled for hearing on May 3, 2005 but then and following a petition of the plaintiff was heard on 1.12.2005 and the relevant decision is still pending.

d. On 05.09.05 the company was copied on an action filed by the company "IPPOTOUR S.A.", against the company and the company entitled "OPAP S.A.". Through the aforementioned appeal, the plaintiff "IPPOTOUR S.A." requests that it 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 games, 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 be excluded from the operation and organization of betting games on horse racing. The hearing of the case has been set on 14.02.2008. By virtue of the abovementioned action the plaintiff withdrew of the suit 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 suit 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 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 for 14.12.2006 in order that the two suits to be heard together.

f. 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 2.584 persons.

The personnel employed in the single company amounts to 330 persons.

6. RELATED PARTY DISCLOSURES

The amounts of Sales and Purchases of the Company, to and from the related parties, accumulated from the opening balance of the period come up to the amount of € 35.638 thousands and € 9.093 thousands respectively. The amounts of Sales and Purchases of the Group, to and from the related parties, accumulated from the opening balance of the period come up to the amount of € 806 thousands and € 6.678 thousands respectively. The receivables and payables balances of the Company with related parties amount respectively to of € 86.931 thousands and € 41.406 thousands. The receivables and payables balances of the Group with related parties amount respectively to of € 34.621 thousands and € 37.019 thousands.

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.

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 bellow, paragraph 12.

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Notes of Group and Company for the period from 1 January 2006 until 31 March 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

- 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.

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, May 23, 2006

THE CHAIRMAN OF THE BOARD
OF DIRECTORS

S.P. KOKKALIS
ID. No. Π 695792

THE GENERAL DIRECTOR OF
FINANCE AND BUSINESS
DEVELOPMENT

I.O. PANTOLEON
ID. No. Σ 637090

THE VICE CHAIRMAN
OF THE BoD AND CEO

C.G. ANTONOPOULOS
ID. No. M 102737

THE ACCOUNTING DIRECTOR

E. N. LANARA
ID.No. Λ 682542



INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES

Notes of Group and Company for the period from 1 January 2006 until 31 March 2006
Public Companies (S.A.) Reg. No. 27074/06/B/92/9

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