

INTRALOT S.A.

INTEGRATED LOTTERY SYSTEMS AND SERVICES
Notes and information 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
amounts reported in thousands of €

All following data and information aim to provide a general briefing for the financial position and the results of INTRALOT Group. Therefore, it is recommended to any reader who is willing to proceed to any kind of investment decision or transaction, to visit INTRALOT web site (www.intralot.com) where the Interim Condensed Financial Statements, as they are prepared according to IFRS, are posted, accompanied with the Auditors Opinion, where it is necessary. The following Condensed Financial Statements have been approved by the Company's Board of Directors at May 23, 2006.
Audit Company : SOL S.A. Type of Auditor's Report: Unaudited

1. CONDENSED BALANCE SHEET GROUP / COMPANY

	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
TOTAL ASSETS	542,792	425,283	290,066	212,824
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)	313,978	224,044	168,983	93,202
Shareholders' Equity	166,685	154,366	121,083	119,622
Minority Interest	62,129	46,873	0	0
Total Equity (b)	228,814	201,239	121,083	119,622
TOTAL EQUITY AND LIABILITIES (A) + (B)	542,792	425,283	290,066	212,824

3. CONDENSED STATEMENT OF CHANGES IN EQUITY GROUP / COMPANY

	GROUP		COMPANY	
	31/3/2006	31/3/2005	31/3/2006	31/3/2005
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)	228,814	162,246	121,083	103,623

Supplementary information

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

I. Full Consolidation

COMPANY	BASE	PARTICIPATION PERCENTAGE	Subsidiary of the company:
INTRALOT SA	Maroussi	Parent	1: Intralot Betting Operations (Cyprus) Ltd
BETTING COMPANY SA***	N. Hiraklion	100%	2: Intralot Holdings International Ltd
INTRALOT DE CHILE SA*	Santiago, Chile	99,99%	3: Bilot EOOD
INTRALOT DE PERU SAC*	Lima, Peru	99,98%	4: Eurofootball Ltd
INTRALOT INC.*	Atlanta, USA	85%	5: Intralot International Ltd
INTRALOT BETTING OPERATIONS (CYPRUS) LTD*	Nicosia, Cyprus	54,95%	6: Pollot Sp.Zoo
ROYAL HIGHGATE LTD***	Paralimni, Cyprus	53,47% (& 2,34% directly)	7: White Eagle Investments Ltd
POLLOT Sp.zoo*	Warsaw, Poland	100%	8: Instant Lottery SA
MALTO LOTTERIES LTD*	Valetta, Malta	73%	9: Atropos SA
INTRALOT HOLDINGS INTERNATIONAL LTD*	Nicosia, Cyprus	100%	10: AEDIL SA
LOTROM SA**	Bucharest, Romania	60%	11: Betarial Sp.Zoo
YUGOLOT LTD**	Belgrade, Serbia & Montenegro	100%	12: Uniclic Ltd
BILOT EOOD**	Sofia, Bulgaria	100%	13: Betting Company SA
EUROFOOTBALL LTD**	Sofia, Bulgaria	49%	* Companies with direct participation
EUROFOOTBALL PRINT LTD**	Sofia, Bulgaria	100%	** Companies with indirect participation
INTRALOT INTERNATIONAL LTD**	Nicosia, Cyprus	100%	*** Companies with direct and indirect participation
INTRALOT OPERATIONS LTD**	Nicosia, Cyprus	100%	
INTRALOT BUSINESS DEVELOPMENT LTD**	Nicosia, Cyprus	100%	
INTRALOT TECHNOLOGIES LTD**	Nicosia, Cyprus	100%	
INTELTEK INTERNET AS*	Istanbul, Turkey	45%	
LOTERIA MOLDOVEI SA*	Chisinau, Moldova	47,90%	
TOTOLOTEK SA**	Warsaw, Poland	54%	
WHITE EAGLE INVESTMENTS LTD**	Hertfordshire, United Kingdom	100%	
BETA RIAL Sp.Zoo**	Warsaw, Poland	100%	
YUVENGA CJSC**	Moscow, Russia	49%	
UNICLIC LTD**	Nicosia, Cyprus	50%	
DOWA LTD**	Nicosia, Cyprus	60%	
INTRALOT NEW ZEALAND LTD*	Wellington, New Zealand	100%	
BETTING CYPRUS LTD**	Nicosia, Cyprus	100%	
INTRALOT EGYPT LTD**	Nicosia, Cyprus	88,24%	

II. Equity Method

INSTANT LOTTERY SA*	Maroussi	48,17%
ATROPOS SA***	Maroussi	100%
AEDIL SA**	Maroussi	100%
BEST NET Co**	Maroussi	100%
LIBERO INTERAKTIF AS*	Istanbul, Turkey	25%

2. The same accounting policies and methods of computation have been followed as compared with the previous year's annual consolidated financial statements (December 31, 2005).

3. The companies that included in the consolidation of 31/03/2006 and not in the consolidation of 31/03/2005 are the following: TOTOLOTEK SA, WHITE EAGLE INVESTMENTS LTD, INSTANT LOTTERY SA, INTRALOT NEW ZEALAND LTD, LIBERO AS, UNICLIC LTD, INTRALOT EGYPT LTD.

4. The company has not undergone tax authorities fiscal control for the last one to two years, while the rest companies that are included in the consolidation have not undergone tax authorities fiscal control for the last one to five fiscal years.

5. There are no real liens.

6. The Liabilities account "Other Short-term Liabilities" by Euro 21,9 approximately millions represents provision for contingent cost excess concerning betting games at pre-determined yield.

7. The company holds dominant influence in Loteria Moldovei Sa, and for that purpose Loteria Moldovei Sa is consolidated with the Full Consolidation Method. Also, Inteltek Internet AS is included in the consolidation with the Full Consolidation Method, since the Group holds dominant influence in the company's financing and operating activities, as well as in the determination of its internal procedures. Furthermore the Group has access in the company's accounting books and other information.

8. 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.

9. By decision of 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 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.

10. The personnel employed of the Company and the Group as at the end of the current period is 330 and 2.854 respectively.

2. CONDENSED INCOME STATEMENT GROUP / COMPANY

	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	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 (€)	0,31	0,24	0,13	0,09
diluted (in €)	0,31	0,24	0,13	0,09

4. CONDENSED CASH FLOW STATEMENT COMPANY / GROUP

	GROUP		COMPANY	
	1/1-31/3/2006	1/1-31/3/2005	1/1-31/3/2006	1/1-31/3/2005
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
Goodwill on acquisition of subsidiary	0	0	0	0
Results from Investing Activities	3,559	0	801	0
Exchange rate differences	0	0	0	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 Receivable Accounts	6,914	-41,344	-5,444	-2,706
Increase/Decrease of Payable Accounts (except Banks)	-15,856	40,275	-5,748	1,025
(Less):				
Cash generated from / (used in) Operations	4,960	810	1,506	134
Interest Paid and similar expenses paid	11,282	659	0	215
Income Tax Paid				
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
	-74,478	-5,492	-74,447	-2,611
Net Cash from Investing Activities (b)	-74,478	-5,492	-74,447	-2,611
Financing Activities				
Shareholder's deposits	90,520	8,563	75,500	5,000
Cash inflows from minority interest shareholders	-4,561	-614	0	0
Cash inflows from loans	-19	0	0	0
Dividends paid	-13,258	-10,167	-9,868	-7,738
	72,683	-2,218	65,632	-2,738
Net Cash from Financing Activities (c)	72,683	-2,218	65,632	-2,738
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	157,326	134,835	21,398	26,586
Exchange rate differences from the conversion of Cash	-2,228	1,085	0	0
Cash and cash equivalents at the end of the year	211,284	152,588	18,127	28,764

11. 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 19.12.05 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.

12. The group acknowledges as income annualized during contract duration, the income that results from the equipment handed over to customers in those cases where these are part of the income resulting from games operation contracts. The effect of the adjustment between the comparatives of the previous period in relation with the relevant amounts that were published at 31/03/2005 comes up, for the consolidated revenues and the equity, to the amounts of 3,4 and 5 mil € respectively, while the respective amounts which concern the parent company come up to the amounts of 1,6 and 8,8 mil € respectively.

Maroussi, May 23, 2006.

THE CHAIRMAN OF THE BOARD OF DIRECTORS

THE VICE-CHAIRMAN OF THE BOARD OF DIRECTORS AND CEO

THE GENERAL DIRECTOR OF FINANCE AND BUSINESS DEVELOPMENT

THE ACCOUNTING DIRECTOR

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