ANNUAL FINANCIAL REPORT

FOR THE PERIOD 1ST OF JANUARY TO 31ST OF DECEMBER 2014

According to the International Financial Reporting Standards (IFRS)

TABLE OF CONTENTS

Board of Directors' Annual Report for OPAP SERVICES S.A.

Under the provisions of Law 2190/1920, Article 136 and the Company's Articles of Association, we submit for the current financial year from 01.01.2014 until 31.12.2014 the Annual Report of the Board, which includes the audited corporate financial statements, notes pertaining to the financial statements and the statutory auditors' audit report. The present report includes information pertaining to the company OPAP SERVICES S.A. (the "Company") including financial information aimed at providing general information to shareholders and investors about the financial position and results, the overall progress and changes made during the fiscal year closing (01.01.2014 - 31.12.2014), significant events that occurred and their impact on the financial statements for that period. A description of principal risks and uncertainties that the Company is expected to face in the future as well as the most important transactions which occurred between the issuer and related parties are also mentioned.

A. Financial review for the fiscal year 2014

Changes in financial results and performance

For the fiscal year 2014, the Company’s financial results were as follows:

1. Company’s turnover for the year 2014 amounted to the sum of € 28,353 th. compared to € 35,149 th. for the year 2013, representing a decrease of 19.3%. This is mainly determined by the decrease by 20% of the revenues from the services provided to OPAP S.A. agencies’ network, in comparison to the previous year, according to the 22.06.2009 agreement and its appendices, as revised at 13.01.2014. The aforementioned amendment, contributed to the revenue decrease as the Company’s fee for the services provided to OPAP S.A., is now at 5% on total cost against 10% that was due up to 31.12.2013. Furthermore, a 23.1% decrease in the revenues from the subscription based sports TV services, Novasports and OTE TV, provided to OPAP S.A. agencies network, due to the expiration of the agreement.

2. Cost of sales was encumbered by € 11,388 th. due to the voluntary leave scheme for the employees, that was introduced during 2014 according to the Company’s restructuring plan.
Subsequently, gross loss amounted to € 10,542 th. for 2014, in comparison to gross profit of € 2,419 th. for 2013.

3. Results before taxes presented a significant decrease amounting to losses of € 12,217 th. compared to profit of € 877 th. in the year 2013. The voluntary leave scheme, that was introduced during 2014 was the main factor, burdening the results by 11,937 th.. Furthermore, a 65% decline of the financial income, affected the results.

4. Net results are losses of € 12,835 th. compared to profit of € 1,231 th. in 2013.

B. Significant events during 2014 and their effect on the financial statements

The following events significantly affected Company's operations during 2014. Out of these, most are related to the Company's readiness to provide enhanced services to its parent company OPAP S.A.. In 2014, the financial results were affected by the full undertaking of operating procedures referred to in the relevant agreement (SLA) with the parent OPAP S.A. and mainly by the implementation of corporate branding project at OPAP S.A. agents’ shops.

More specifically, the Company focused on the following:

1. Based on the agreement and the schedule therein with OPAP S.A., dated 22.06.2009, as revised at 13.01.2014, the Company during the course of 2014, provided, the full range of services for the supply and distribution of OPAP consumables materials to OPAP S.A. agencies, provided supporting services to the agencies network and other supporting (facilities management, security etc) and advisory services to OPAP S.A..
2. On 30.06.2014, OPAP Group, aiming at reorganizing its operations and services, introduced a voluntary leave scheme for the employees of OPAP SERVICES S.A. The scheme was introduced on 30.06.2014 and the deadline for participation ended on 18.07.2014. Three hundred and forty seven (347) employees participated in the scheme which represents 52.9% of total employees as at 30.06.2014. In total, were paid indemnities of euro 12,279, whereas the fiscal year’s results were encumbered by euro 11,937.
3. The Agreement for subscription based sports TV services, Novasports and OTE TV, provided to OPAP S.A. agencies network, expired on September 2014 without further renewal.
4. By the end of 2014, the Corporate Branding project was applied to 3,707 agents’ shops throughout the country, while for the project’s completion, there is work in progress for other 1,097 agent’s shops.

C. Description of main risks and uncertainties

The main risk and uncertainties that the Company confronts are described below:

1. Exchange risk

The Company operates within Greece. Furthermore all transactions made outside of Greece (OPAP CYPRUS LTD) were made in the Euro currency. As a result, the Company is not threatened by any exchange risk.

2. Credit risk

Credit risk could potentially exist in the event that a financial Institution is unable to cover its responsibilities related to the investment of the Company’s available funds in Time Deposits.

3. Liquidity risk

The Company does not face any liquidity risk as such due to the fact that the investment of its available funds and the short payback period, primarily from the parent company, coupled with sound financial management, are all factors that combined guarantee adequate liquidity.

4. Cash flows risk and fair value change risk due to interest changes

No such risk exists.

5. Risk from the impact of adverse financial circumstances on the Greek economy

The macroeconomic and financial environment in Greece remains variable during 2015 due to developments and discussions at national and international level on the review of the terms of Greece's funding program.

The return to economic stability depends greatly on the actions and decisions of institutions in the Greece and abroad.

Taking into account the nature of the activities of the Company and its financial situation, any negative development in the Greek economy is not expected to significantly affect the normal operation. Nevertheless, the Administration continually assesses the situation and its possible consequences, to ensure that all necessary and possible measures and actions are taken, to minimize any impact on the Company's activities which are inherent in the parent company OPAP S.A.

D. Related Party significant transactions

The following table shows the total of transactions with related parties as defined in the International Accounting Standard 24:

D1. Company Transactions with related parties:

	Revenue	Expenses	Liabilities	Receivables
OPAP S.A. (Revenue/ Expenses from services provided)	23,693	531	-	17,683
OPAP S.A. (Revenues from application of Agencies Corporate Branding)	2,154	-	-	-
OPAP S.A. (Other revenue)	1,090	-	-	-
OPAP S.A. (Long term liabilities)	-	-	25,070	-
OPAP S.A. (Short term liabilities)	-	-	3,052	-
OPAP CYPRUS LTD	79	-	-	13
Total	**27,017**	**531**	**28,123**	**17,696**

D2. Transactions and balances with Board of Directors and Management Personnel:

Transactions	Management Personnel	BoD Members
	01.01 - 31.12.2014	**01.01 - 31.12.2014**
Salaries & Other Benefits	811	47
Cost of Social Insurance	172	-
Total	**983**	**47**

E. Estimates of the Company's activities in the fiscal year 2015

Company's main objectives for the fiscal year 2015 are the following:

1. The constant improvement of services and support provided to OPAP S.A. including visits to the agencies network, construction projects, monitoring of sponsorships, etc. Furthermore, continuously developing ISO 9001, ISO 14001 and SA 8000 management systems.

2. Cost improvement of the services and support processes provided.

3. New projects and expansion of supporting services provided for new business, commissioned by the parent company.

F. Number and par value of shares

All the shares issued by the Company are common shares.
The total authorized number of common shares was 20,000,000 on December 31st, 2014 with a par value of € 1 per share. All issued shares are fully paid. There were no changes in the Company's share capital during the period that ended on December 31st, 2014.

Peristeri, 29 May 2015

Chairman of the BoD	A Member of the BoD	A Member of the BoD
Kamil Ziegler	Michal Houst	Spyridon Fokas

Independent Auditor's Report

(Translated from the original in Greek)

To the Shareholders of
OPAP SERVICES S.A.

Report on the Financial Statements

We have audited the accompanying Financial Statements of OPAP SERVICES S.A. (the "Company") which comprise the Statement of Financial Position as of 31 December 2014, the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of OPAP SERVICES S.A. as of 31 December 2014 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

We verified that the contents of the Board of Directors' Report are consistent and correspond with the accompanying Financial Statements within the scope set by articles 37 and 43a of C.L. 2190/1920.

Athens, 29 May 2015

KPMG Certified Auditors AE

KPMG Certified Auditors AE
3, Stratigou Tombra Str
153 42 Aghia Paraskevi
Greece
AM SOEL 114

Chrysoula Douka,

Certified Auditor Accountant
AM SOEL 37551

Annual Financial Statements

The attached financial statements were approved by the Board of Directors of OPAP SERVICES S.A. on 29 May 2015 and have also been posted on the Company's website, www.opapservices.gr.

It is noted that the attached financial information also published in the press, arise from the financial statements which aim to provide the reader with general information concerning the Company's financial status and its results. They do not however, provide a comprehensive view of the Company's financial position, results of financial performance and cash flows in accordance with the International Financial reporting Standards (IFRS).

A. Statement of Financial Position

Of 31 December 2014 and of the year ended on this date

(Amounts in thousands Euro)

		The Company	
	Note	**31.12.2014**	**31.12.2013**
ASSETS			
Non-current Assets			
Tangible assets	5.1	16,104	18,471
Deferred tax assets	5.2	3,702	4,318
Other non-current assets		62	64
Total non-current Assets		**19,868**	**22,853**
Current Assets			
Inventory	5.3	799	880
Other receivables from related parties	5.17	17,696	10,105
Other receivables	5.4	1,320	431
Other current assets		15	547
Cash and cash equivalents	5.5	774	24,646
Total Current Assets		**20,606**	**36,609**
Total Assets		**40,474**	**59,462**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity attributable to parent equity holders			
Share capital	5.6	20,000	20,000
Reserves	5.6	363	363
Retained earnings		(12,167)	2,623
Total equity		**8,196**	**22,986**
Long term liabilities			
Long term loan liabilities	5.7	-	42
Liabilities for personnel compensation due to retirement	5.9	31	584
Other long term liabilities to related parties	5.17	25,070	27,459
Provisions	5.10	1,508	1,200
Total long term liabilities		**26,609**	**29,285**
Short term liabilities			
Trade payables	5.11	1,594	2,677
Current tax liabilities	5.12	748	241
Long term loan liabilities payable in the subsequent year	5.7	-	393
Other short term liabilities	5.8	275	1,062
Other long term liabilities to related parties	5.17	3,052	2,818
Total short term liabilities		**5,669**	**7,191**
Total liabilities		**32,278**	**36,476**
Total equity and liabilities		**40,474**	**59,462**

The attached notes from page 15 to page 41 form an integral part of the Financial Statements.

B. Statement of Comprehensive Income

Of 31 December 2014 and of the year ended on this date

(Amounts in thousands Euro)

		The Company	
	Note	**01.01 - 31.12.2014**	**01.01 - 31.12.2013**
Revenues from related parties	5.13	27,017	33,512
Revenues	5.13	1,336	1,637
Total Revenues		**28,353**	**35,149**
Voluntary leave scheme cost		(11,388)	-
Other costs		(27,508)	(32,730)
Cost of Sales	5.14	**(38,895)**	**(32,730)**
Gross (loss)/profit		**(10,542)**	**2,419**
Other operating income		87	30
Administrative expenses	5.14	(1,839)	(2,276)
Other operating expenses		(242)	(35)
Profit/(Loss) from operations		**(12,535)**	**138**
Profit/(Loss) from Sale of Tangible Assets		4	(202)
Financial revenues	5.5	352	1,017
Financial expenses		(38)	(76)
(Loss) / Profit before tax		**(12,217)**	**877**
Income tax	5.15	(18)	(1,157)
Deferred Tax	5.15	(600)	1,511
Total (losses) / income after tax		**(12,835)**	**1,231**
Other Comprehensive Income – items that will not be reclassified to profit or loss			
Actuarial profit / (loss)	5.9	61	(3)
Deferred tax	5.15	(16)	36
Other Comprehensive Income after tax		**45**	**33**
Total (losses) / Income after tax		**(12,791)**	**1,264**

The attached notes from page 15 to page 41 form an integral part of the Financial Statements.

C. Statement of Changes in Equity

Of 31 December 2014 and of the year ended on this date

(Amounts in thousands Euro)

Amount in thousand euro	The Company			
	Share Capital	Other reserves	Retained earnings	Total
Equity Balance as at 1st of January 2013	**20,000**	**363**	**2,859**	**23,222**
Comprehensive total income for the period 01.01-31.12.2013	-	-	1,264	1,264
Dividends	-	-	(1,500)	(1,500)
Equity Balance as at 31st of December 2013	**20,000**	**363**	**2,623**	**22,986**
Comprehensive total income for the period 01.01-31.12.2014	-	-	(12,791)	(12,791)
Dividends	-	-	(2,000)	(2,000)
Equity Balance as at 31st of December 2014	**20,000**	**363**	**(12,167)**	**8,196**

The attached notes from page 15 to page 41 form an integral part of the Financial Statements.

D. Cash Flow Statement

Of 31 December 2014 and of the year ended on this date

(Amounts in thousands Euro)

	The Company	
	01.01 - 31.12.2014	**01.01 - 31.12.2013**
Operating Activities		
(Loss) / Profit before tax	(12,217)	877
Adjustments for:		
Depreciation	2,574	2,356
Pension liability provisions	(507)	107
Other provisions	208	-
Profit/(loss) from sale of tangible assets	-	202
Actuarial gains	(61)	-
Interest Income	(352)	(1,017)
Interest Expenses	38	76
Plus/Minus adjustments for changes in working capital related to operating activities:		
(Increase) / decrease in inventory	80	(156)
(Increase) / decrease in trade receivables	(7,596)	1,242
(Increase) / decrease in other receivables	332	1,456
Decrease in liabilities (excluding banks)	(3,989)	(1,957)
Increase / (decrease) in tax liabilities	507	3,233
(Minus):		
Interest paid and related expenses	(25)	(1)
Taxes Paid	(574)	(1,770)
Total cash flows from operating expenses	**(21,582)**	**4,647**
Investing activities		
Purchase of tangible assets	(207)	(4,749)
Interest received	352	869
Cash flows used in investing activities	**145**	**(3,880)**
Financing activities		
Dividends paid to parent company shareholders	(2,000)	(1,500)
Interest paid for leasing of assets	-	(52)
Capital paid for leasing of assets	(435)	(362)
Cash flows used in financing activities	**(2,435)**	**(1,914)**
Net increase/(decrease) in cash and cash equivalents	**(23,872)**	**(1,147)**
Cash and cash equivalents at the beginning of the year	**24,646**	**25,794**
Cash and cash equivalents at the end of the year	**774**	**24,646**

The attached notes from page 15 to page 41 form an integral part of the Financial Statements.

1. Company Information

1.1 General Information

OPAP SERVICES S.A., is a Société Anonyme, registered in the Greek General Electronic Commercial Registry (G.E.MH) and its registration number is 5873501000 (former AR.M.A.E. 57177/01/DT/B/04/23 2009). The Company is a member of OPAP S.A. group of companies with registered offices in Peristeri, Athens.

The financial statements for the year ended December 31st, 2014 were approved by the Board of Directors on the 29th of May 2015 and are under approval by the General Assembly.

1.2 Nature of operations

The main areas, within which the company operates, are:

1. Providing a full range of support services in relation to both OPAP S.A.'s various business functions and needs, supporting and/or coordination of the sales network, in particular OPAP S.A. agencies.
2. Providing support services in relation to the Company's activities and OPAP S.A.'s activities.
3. The co-ordination of athletic and cultural oriented activities, conventions and exhibitions relevant to both the activities of the Company and OPAP S.A.
4. Providing services and organizing events with a sports and cultural content, including tourism activities and events, and providing advisory services on matters of sports tourism, technical and other development projects and related services.
5. The implementation of Corporate Branding at OPAP S.A. agencies using the appropriate technological equipment whilst improving the existing agencies infrastructure.
6. The issuance, distribution and management of tickets for athletic, cultural and other entertainment activities.
7. The development and construction of athletic premises and facilities as well as the exploitation of existing facilities.
8. To exploit the existing and future OPAP S.A. infrastructure, as well as sales points for both products and services for advertisement and product promotion, for the sale of athletic and other relevant products in addition to providing financial and other services.
9. To research, promote and exploit the athletic market as well as implement all types of financial, economic, technical and commercial types of research.
10. The operation, management and sale of sports rights of limited liability companies, associations and any other sports entity and in general their optimal use with any suitable means.
11. The construction, repair, restoration and maintenance of all types of construction projects that promote the purposes of the Company aimed at the implementation of these projects.

2. Basis of preparation

OPAP SERVICES S.A.'s financial statements as of the 31st December 2014 which cover the period from the 1st of January to the 31st of December 2014, have been prepared in accordance with the International Financial Reporting Standards (IFRS) as these have been developed and published by the International Accounting Standards Board (IASB) and have been adopted by the European Union. The financial statements have been prepared under the historical cost and going concern conventions.

The preparation of the Financial Statements in conformity with the IFRS requires the use of certain critical accounting estimates. It also requires that the Company's management exercise its judgment in the process of applying the appropriate accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in notes 2.3 and 2.4..

These financial statements are presented in Euro. All amounts have been rounded to the nearest thousand, unless otherwise explicitly indicated.

2.1 Changes in accounting policies

The company has adopted all the new standards and interpretations whose application was mandatory for the periods that began on January 1st, 2014.

2.2 New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial period

IFRIC 21 "Levies"

This interpretation sets out the accounting for an obligation to pay a levy imposed by government that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy (one of the criteria for the recognition of a liability according to IAS 37) is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation could result in recognition of a liability later than today, particularly in connection with levies that are triggered by circumstances on a specific date.

IAS 32 (Amendment) "Financial Instruments: Presentation"

This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.

IFRS 10, IFRS 12 and IAS 27 (Amendment) "Investment entities"

The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many funds and similar entities that qualify as investment entities will be exempt from consolidating most of their subsidiaries, which will be accounted for at fair value through profit or loss, although controlled. The amendments to IFRS 12 introduce disclosures that an investment entity needs to make.

IAS 36 (Amendment) "Recoverable amount disclosures for non-financial assets"

This amendment requires: a) disclosure of the recoverable amount of an asset or cash generating unit (CGU) when an impairment loss has been recognised or reversed and b) detailed disclosure of how the fair value less costs of disposal has been measured when an impairment loss has been recognised or reversed. Also, it removes the requirement to disclose recoverable amount when a CGU contains goodwill or indefinite lived intangible assets but there has been no impairment.

IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement"

This amendment will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulations, if specific conditions are met.

Standards and Interpretations effective for subsequent periods

The Company considers it unlikely that future implementation of these standards and interpretations will have major impact.

IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9 and IFRS 7: (effective for annual periods beginning on or after January 1, 2018)

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. It also establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The standard has not yet been endorsed by the EU.

IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after January 1, 2017)

The objective of the Standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The standard has not yet been endorsed by the EU.

IAS 19 (Amendment) "Employee Benefits": (effective for annual periods beginning on or after July 1, 2015)

This narrow scope amendment applies to contributions from employees or third parties to defined plans and simplifies the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

IFRS 11 (Amendment) "Joint Arrangements" (effective for annual periods beginning on or after January 1, 2016)

This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a "business". This amendment has not yet been endorsed by the EU.

IAS 16 and IAS 38 (Amendments) "Clarification of Acceptable Methods of Depreciation and Amortization" (effective for annual periods beginning on or after January 1, 2016)

These amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate and they also clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. These amendments have not yet been endorsed by the EU.

IAS 27 (Amendment) "Separate Financial Statements" (effective for annual periods beginning on or after January 1, 2016)

This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements. This amendment has not yet been endorsed by the EU.

IFRS 10 and IAS 28 (Amendments) "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" (effective for annual periods beginning on or after January 1, 2016)

These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after February 1, 2015)

The amendments set out below describe the key changes to six IFRSs, following the publication of the results of the IASB's 2010-2012 cycle of the annual improvements project.

IFRS 2 "Share-based payment"

The amendment clarifies the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'.

IFRS 3 "Business combinations"

The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 "Financial instruments: Presentation". It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.

IFRS 8 "Operating segments"

The amendment requires disclosure of the judgements made by management in aggregating operating segments.

IFRS 13 "Fair value measurement"

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

IAS 16 "Property, plant and equipment" and IAS 38 "Intangible assets"

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

IAS 24 "Related party disclosures"

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Annual Improvements to IFRSs 2013 (effective for annual periods beginning on or after January 1, 2015)

The amendments set out below describe the key changes to three IFRSs, following the publication of the results of the IASB's 2011-2013 cycle of the annual improvements project.

IFRS 3 "Business Combinations"

This amendment clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11 in the financial statements of the joint arrangement itself.

IFRS 13 "Fair Value Measurement"

The amendment clarifies that the portfolio exception in IFRS 13 applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.

IAS 40 "Investment Property"

The standard is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive.

Annual Improvements to IFRSs 2014 (effective for annual periods beginning on or after January 1, 2016)

The amendments set out below describe the key changes to four IFRSs, following the publication of the results of the IASB's 2012-2014 cycle of the annual improvements project. The improvements have not yet been endorsed by the EU.

IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations"

The amendment clarifies that, when an asset (or disposal group) is reclassified from "held for sale" to "held for distribution", or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.

IFRS 7 "Financial Instruments: Disclosures"

The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and clarifies that the additional disclosure required by the amendments to IFRS 7, "Disclosure – Offsetting financial assets and financial liabilities" is not specifically required for all interim periods, unless required by IAS 34.

IAS 19 "Employee Benefits"

The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.

IAS 34 "Interim Financial Reporting"

The amendment clarifies what is meant by the reference in the standard to "information disclosed elsewhere in the interim financial report".

2.3 Judgments

The preparation of the Financial Statements in accordance with the IFRSs requires that the Company's management carry out judgments that affect the reported amounts:

The most significant judgments concern the following:

Recoverability of accounts receivable:

On an annual basis, management examines the recoverability of the amounts included in accounts receivable, in combination with external information (such as credibility databases, customer credit ratings, lawyers) in order to decide on the recoverability of accounts receivable.

The classification of leases as operating or finance leases:

The Management considers, irrespective of the lease's legal contract, whether it substantially transfers all of the risks and benefits associated with the leased asset.

2.4 Estimations and assumptions

Certain amounts that are included in or affect the Financial Statements and related disclosures must be estimated which requires that Management use assumptions concerning the values or conditions which cannot be known with certainty at the time that the Financial Statements are in fact prepared. A "critical accounting estimate" therefore is both important to the portrayal of the Company's financial condition and results and requires that Management make difficult, subjective or complex judgments, where estimates are often called upon concerning the impact events which are considered as inherently uncertain. The Company evaluates these judgments on an ongoing basis, based on historical data and experience, expert advice, on trends and methods that are reasonable in the circumstances, as well as predictions as to how these might change in future. Also, see Note No. 3 on the "Summary of significant accounting policies" which refers to accounting principles selected from proposed acceptable alternatives.

Provisions

See note 3.10.

Income taxes

See note 3.9.

Contingent assets and liabilities

See note 3.10.

Useful life of depreciable assets

See notes 3.2 and 3.3.

Seasonality

According to the International Financial Reporting Standards, the Company's activities are not affected by seasonal or cyclical factors.

3. Summary of significant accounting policies

The principal significant accounting policies which are used for preparing the financial statements are summarized below. It should be noted that accounting estimates and assumptions used in the preparation of financial statements. Although these estimates are based on the Management's best knowledge on current events, actual results may differ from those estimates.

3.1 Recognition of income and revenues

Revenue is recognized when it is probable that future economic benefits will flow to the Company and that the amount can be reliably measured. Revenues are measured at the fair value of the consideration received and are shown net of Value Added Tax, rebates and discounts. Revenue is considered to be reliably measured when all contingencies related to the sale have been resolved.

Revenues include the rendering of services net of Value Added Tax, discounts and returns. The recognition of revenue is as follows:

- Rendering of services: Revenue from fixed price contracts is recognized according to the stage of completion at the date of the financial statements. Under this practice, revenues generally are recognized under the cost of services implemented in relation to the total cost required for the service. When the outcome of the transaction cannot be estimated reliably, revenue is recognized only to the extent of the expenses recognized that are recoverable. The amount associated with a later service, is deferred and recognized over the period when the service is provided. This deferred income is included in "Other liabilities" in the Statement of Financial Position.

-Interest income: Interest income is recognized on a time proportion basis using the effective interest method. When a receivable is impaired, the carrying value is reduced to its recoverable amount, which is the present value of expected future cash flows discounted at the original effective interest rate. Subsequently, the same interest rate on the impaired (new book) value is accounted.

Expenses: Expenses are recognized on an accrual basis.

- Expenses from interest: Expenses from interest are also recognized on an accrual basis.

3.2 Tangible assets

Fixed assets (furniture and fixtures) are reported in the financial statements at their acquisition cost, minus depreciation and impairment losses and the cost includes all expenses directly assigned to the acquisition of the asset. Subsequent expenditure is added to the tangible assets' book value or is booked as a separate asset only to the extent that these costs increase the future economic benefits expected to accrue from the use of the asset and the cost can be measured reliably. The cost of repairs and maintenance are charged to the income statement when incurred.

Upon the sale of tangible fixed assets, the differences between the proceeds and the book value is recorded as profits or losses in the results. Repairs and maintenance are charged as an expense in the period they are realized in.

The depreciation of tangible fixed assets (excluding land which is not depreciated) is calculated using the straight line method over their estimated useful lives, as follows:

Buildings	25 years
Vehicles	passenger vehicles: 10 years, trucks: 8.3 years
Furniture and fixtures	10 years

The purchase of tangible fixed assets amounting to up to € 1.5 are depreciated immediately upon when they are initially utilized (excluding corporate branding assets in agent shops).

The residual values and useful economic lives of tangible assets are reviewed at each Statement of Financial Position. When the book value of tangible assets exceeds its recoverable amount, the difference (impairment) is directly booked as an expense in the income statement.

3.3 Impairment of Assets

Other assets are reviewed for impairment annually when certain events indicate that the carrying value may not be recoverable. The recoverable amount is the greater amount between the net selling price and value in use. The net sales value is considered the amount from the sale of an asset at an arm's length transaction between knowledgeable parties, who are willing, after deducting any additional direct costs pertaining to the disposal of the asset, while the use value is based on evaluation of this value of future cash flows, as the present value of estimated future cash flows expected to accrue to the company from using an asset and from its disposal at the end of its useful life.

3.4 Leases

The Company enters into agreements, which include transactions that do not have the legal form of a lease but convey the right to use assets (tangible assets) against a series of payments.

The consideration of whether an agreement contains an element of a lease is made at the inception of the agreement, taking into account all the available data and particular circumstances. After the inception of the agreement, a revaluation is conducted concerning whether it still contains an element of a lease in the case when any of the following occur:

a) a change in the condition of the lease occurs apart from cases where the lease is prolonged or reviewed,
b) the right of the renewal or prolongation of the lease is exercised unless the renewal or prolongation term was included in the initial lease agreement,
c) there is a change in the extent to which the realization depends in the defined assets, and
d) there is no material change in the assets.

If a lease is revaluated, the accounting treatment concerning the leases is applied as starting from the date the changes qualify for those mentioned in cases (a), (c) or (d), and as starting from the date of prolongation and renewal in cases specified in (b).

The Company as the Lessee

The ownership of a leased asset is transferred to the lessee if all the risks and benefits associated with the leased asset, independent of the legal form of contract, can be transferred. At the beginning of the lease term, the asset is recognized at fair value or, if it is lower, the present value of the minimum lease payments including extra payments if any, are borne by the lessee. A corresponding amount is recognized as a liability from the leasing if some of the assigned lease payments are paid in advance at the beginning of the lease.

The subsequent accounting treatment for assets that are acquired through leasing contracts, e.g. the depreciation method used and the determination of its useful life, is the same as that applied to comparable acquired non leases, assets. The accounting treatment of the corresponding liability corresponds to its gradual reduction on the basis of the minimum lease payments less the net financial charges which are recognized as an expense in financial expenses. Finance charges are allocated over the lease period and represent a constant periodic rate of interest on the outstanding liability.

All other leases are treated as operating leases. Payments on operating lease contracts are recognized as expenses in total revenues with the straight line method (manual matching of revenues and expenses). The associated costs such as maintenance and insurance are recognized as expenses when incurred.

The Company as the lessor

Leases where the Company does not transfer all the risks and rewards of the asset are classified as operating leases. Initial direct costs incurred by lessors in negotiating and agreeing an operating lease are added to the accounting value of the leased asset and are recognized over the lease term as lease income.

3.5 Financial assets

Financial assets include cash and financial instruments. A financial instrument is any contract that creates a financial asset in one entity and a financial liability or equity instrument in another enterprise. Financial instruments, other than hedging instruments, can be divided into the following categories: loans and receivables, financial assets at fair values through profit or loss, available-for-sale financial assets and held-to-maturity investments. The Company’s management classifies financial assets into the above categories upon initial recognition, depending on the purpose for which they were acquired. The categorization of financial assets is re-evaluated on every reporting date on which the choice of classification or accounting treatment is available.

Regular way purchase or sale of financial assets is recognised on their settlement date. All financial assets that are not classified at their fair value through profit or loss are initially recognised at fair value, plus transaction costs.

The company determines whether a contract contains an embedded derivative in its agreement. The embedded derivative is separated from the host contract and is accounted for as a derivative when the analysis shows that the economic characteristics and risks of the derivative are not closely related to the host contract.

Derecognizing of financial assets occurs at the moment the right to receive cash flows from the investment has expired or have been transferred.

At each balance sheet date, the Company assesses whether a financial asset or group of financial assets is impaired.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivables.

Loans and receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in the Income Statement when the loans and receivables are derecognised or impaired, as well as through the amortization process. The amortised cost is calculated through taking into account any discount or premium during the acquisition and includes fees that are an integral part of the effective interest rate and transaction costs.

Trade receivables are provided against when objective evidence is received that the Company will not be able to collect all of the amounts due to it in accordance with the original terms of the receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

Loans and receivables are included in current assets, except for maturities that are greater than 12 months from the date of the Statement of Financial Position. These are classified as non-current assets.

3.6 Inventories

Inventories are stated at the lowest value between their acquisition cost and net realizable value. The cost is determined by the first-in first-out (FIFO) formula.

3.7 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand as well as short term highly liquid investments such as money market instruments and bank deposits with an original maturity of three months or less. Money market instruments are financial assets carried at fair value through profit or loss.

3.8 Equity

Share capital

Share capital is determined using the nominal value of shares that have been issued. Ordinary shares are classified as equity.

Statutory reserves

The reserves consist of the mandatory amounts deducted from previous years' earnings for the formation of the statutory reserves.

The statutory reserves amount to at least 5% of annual net profits that are added every year. The obligation seizes when at least the level of 1/3 of paid up share capital is reached. The amount in question is not available for distribution.

3.9 Income tax and deferred tax

The tax for the period comprises current income tax and deferred tax, i.e. the tax charges or tax credits that are associated with economic benefits accruing in the period that have been assessed by the tax authorities in different periods. Income tax is recognized in the income statement of the period, except for the tax relating to transactions that have been booked directly to Equity. In such cases the related tax is, accordingly, booked directly to Equity.

Current income taxes include short term liabilities or receivables to the tax authorities related to taxes payable on the taxable income of the period and any additional income taxes related to prior fiscal years. Current taxes are measured according to the tax rates and tax laws that are applicable to the accounting periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in the income statement.

Deferred income tax is determined using the liability method in respect to the differences between the carrying value and tax bases of assets and liabilities. Deferred tax assets are recognized to the extent that it is likely that they will be able to be offset against future taxable income. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities related to changes in assets and liabilities allocated directly in equity are recognized directly in equity.

Deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to enable the benefit of part or the entire deferred tax requested amount.

The Company recognises previously unrecognised deferred tax assets are reassessed at each balance sheet date to the extent that it has become probable that a future taxable profit will allow the deferred tax asset to be recovered.

3.10 Other provisions, contingent assets and contingent liabilities

Provisions are recognized when the Company has current or presumed liabilities as a result of past events, and it is possible that their liquidation is possible from an outflow of economic resources and that they can be estimated reliably. The timing or amount of outflow may still be uncertain. Provisions are not recognized for future operating losses. When some or all of the expenditure required to settle a provision is expected to be reimbursed by a third party, the reimbursement is only recognized when it is virtually certain that reimbursement will be received if the Company settles the obligation and it is treated as a separate asset. The amount that is recognized must not exceed the amount of the provision. The expense relating to a provision is presented in the income statement, net of the amount recognized for a reimbursement. Where the time value of the money is material, the amount for the provision is the present value of the expenditures expected to be required to settle the obligation. The discount pre-tax rate reflects the current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the carrying amount of a provision increases in each period in order to reflect the passage of time. This increase is recognized as a borrowing cost in the income statement.

All provisions are reviewed at each balance sheet date and are adjusted to reflect current estimates. In the case that it is no longer probable that an outflow of resources will be required to settle the obligation, the provision is reversed.

In cases where the possible outflow of resources as a result of present obligations is improbable or the amount cannot be measured reliably, no liability is recognized unless it is assumed in the course of a business combination. These contingent liabilities are recognized in the course of the allocation of buy-out purchase price and liabilities acquired in the business combination. Contingent liabilities are not recognized in the financial statements but are rather disclosed, unless it is probable that an outflow of resources that embody economic benefits is minimum.

Probable inflows of economic benefits to the Company which do not yet meet the recognition criteria of an asset are considered as contingent assets. Contingent assets are not recognized in the financial statements but are disclosed provided that the inflow of economic benefits is probable.

3.11 Financial Liabilities

The Company's financial liabilities include loans and overdrafts, trade and other payables and lease obligations. They are included in the financial statements under the headings: "Long-term loan liabilities", "Long-term loan liabilities payable in the next year" and "Trade and other payables."

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument and derecognised when the obligation under the liability is discharged or cancelled or expires. All interest related charges are recognised as an expense in “finance cost” in the income statement.

Finance lease liabilities are measured at initial value less the capital element of lease repayments.

Trade payables and other liabilities are recognised initially at their nominal value and subsequently measured at amortized cost less settlement payments.

Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the amortization process.

Where an existing financial liability is exchanged by another or the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as an extinguishment of the original liability and recognition of a new liability. Any difference in the respective carrying amounts is recognised in the income statement.

3.12 Retirement benefits costs

The Company has not activated a special benefit plan for employees, by which it is bound for benefits in the case that all employees are made redundant. The Company has a contractual obligation under applicable law, according to Law 2112/20 and Law 3026/54, amended with Law 4093/2012, to provide a lump sum at the time of retirement.

4. Dividend distribution

The distribution of a dividend to the Company’s shareholders is recognized as a liability named “Other short term liabilities” at the date at which the distribution is approved of by the Shareholders’ General Meeting.

5. Notes on the Financial Statements

5.1 Tangible assets

The change in tangible assets, as reflected in the Statement of Financial Position is as follows:

	Land & Buildings	Vehicles & Equipment	Total
Net value as at 31 December 2012	**382**	**15,899**	**16,280**
Additions	-	4,749	4,749
Depreciation	(8)	(2,348)	(2,356)
Disposal of assets	(306)	-	(306)
Depreciation Deductions	105	-	105
Net value as at 31 December 2013	**172**	**18,300**	**18,471**
Additions	-	207	207
Depreciation	(4)	(2,570)	(2,574)
Net value as at 31 December 2014	**168**	**15,936**	**16,104**

By the end of the fourth quarter of 2014, corporate branding project was completed at 3,707 OPAP SA agents' shops throughout the country. For the termination of the project, there is work in progress for other 1,097 agents' shops.

There are no liens on the assets of the Company.

5.2 Deferred tax assets

Deferred tax assets as they arise, are as follows:

	31.12.2014 Receivables / (Liabilities)	31.12.2013 Receivables / (Liabilities)
Tangible Assets	(488)	(602)
Other current assets	-	(2)
Liabilities for compensation to personnel due for retirement	8	152
Provisions	54	-
Other Long term Liabilities to related companies	4.128	4.657
Financial Lease liabilities	-	113
Σύνολο	**3.702**	**4.318**

The income tax rate that is applicable to the Company for 2014 and 2013 comes to 26%.

Offsetting of deferred assets and liabilities take place in case there is, on the part of the company, an exercisable legal right concerning the subject in question and when the deferred income taxes refer to the same tax authority. Deferred tax assets on tax losses are recognized to the extent the corresponding tax benefits through subsequent taxable profits are possible.

It is worth noting that the Company has not developed deferred tax assets for the tax losses of fiscal year 2014, since for the time being, there is no business plan from which arise enough taxable profits within the next five years' time to counterbalance the respective tax losses. Finally, further information concerning income tax is provided in Note 5.15 below.

5.3 Inventory

Inventory mainly consists of consumables for OPAP S.A. agencies and secondarily of new type lottery slips cases which the Company administers and distributes under the agreement with the parent company signed at 22.06.2009 and amended at 13.01.2014.

The Company has no pledged inventories.

5.4 Other receivables

The Company's other receivables are analyzed as follows:

	31.12.2014	31.12.2013
Customers and other trade receivables	4	20
Receivables from the Greek State	743	199
Deposits to suppliers	558	109
Other receivables	14	103
Total other receivables	**1.320**	**431**

For the works concerning corporate branding project at OPAP S.A. agents' shops as well as for the supporting services provided to the parent company, the Company, during the year 2014 signed various contracts with suppliers. Regarding the above mentioned contracts, the Company paid advances which as at December 31st, 2014 amounted to € 558.

Receivables from the Greek State include income tax prepayment of prior year, equal to €684, which the Company intends to counterbalance with future liabilities.

5.5 Cash and cash equivalents

Cash and cash equivalents are analyzed as follows:

	31.12.2014	31.12.2013
Cash in Hand	11	12
Short term bank deposits	263	117
Time Deposits	500	24,518
Total	**774**	**24,646**

The decrease noticed above, is mainly due to the payment of voluntary leave compensations. (Refer to note 5.9.)

Consequential of time deposits decrease, is also the drop of financial income.

The average rate of interest earned on bank deposits was as follows:

	01.01 – 31.12.2014	01.01 – 31.12.2013
Deposits in EUR	2.5%	2.9%

Short term bank deposits and time deposits are immediately accessible without any restrictions.

5.6 Equity

i) Share Capital

The Company share capital at 31.12.2014 amounted to € 20,000, which is fully submitted and divided into 20,000,000 shares with a nominal value of € 1 each. All the shares are of equal value concerning the dividend distribution and capital return and represent one vote at the General Meeting of the shareholders of the Company.

i) Reserves

The reserves consist of the cumulative, compulsory deduction on each year's earnings for the formation of the statutory reserves.

At 31.12.2014, statutory reserves amounted to € 363.

5.7 Long term loan liabilities – Long term loan liabilities payable in the subsequent year

This kind of liabilities, arise from the finance lease contract of trucks, which expired by the end of the fiscal year. The aforementioned vehicles, are owned by the Company since November 2014.

5.8 Other short term liabilities

This caption mainly includes liabilities to social insurance authorities which significantly decreased within the year due to the participation of a significant part of the employees to the voluntary leave scheme that took place on July 2014.

5.9 Employee retirement benefit plans

The Company has not activated a special benefit plan for employees, by which it is bound for benefits in the case that all employees are made redundant. The Company has a contractual obligation under applicable law, according to Law 2112/20 and Law 3026/54, amended with Law 4093/2012, to provide a lump sum at the time of retirement.

At 30.06.2014, the Company, aiming at reorganizing the services and functions of OPAP group, implemented a voluntary leave scheme for the employees. At the scheme participated totally 347 people and were paid indemnities of €12,279.

The analysis of the net liability as shown in the Company's Statement of Financial Position for the fiscal years 2014 and 2013 is analyzed as follows:

	The Company
31 December 2012	**481**
Payments	**(29)**
Cost of service	107
Interest cost	22
Total Cost Recognized In Statement of Comprehensive Income	**129**
Actuarial loss	**3**
31 December 2013	**584**
Payments	**(12,279)**
Cost of service	54
Interest cost	14
Settlement cost	11,937
Staff transfer cost	(219)
Total Cost Recognized In Statement of Comprehensive Income	**11,786**
Actuarial gain	**(61)**
31 December 2014	**31**

The main actuarial assumptions that took place as at December 31st, 2014 and 2013 are the following:

	2014	2013
Discount rate	1.55%	3.70%
Expected salary increase percentage	2.00%	2.20%
Average years period until retirement	24.72	23.88
Inflation rate	2.00%	2.00%

The table below presents the change of the actuarial liability if the discount interest rate was by 0.5% higher or lower than the one used and the respective change if the expected rate of salaries increase was by 0.5% higher or lower than the one used .

Sensitivity analysis	Actuarial Liability	Change %
Increase of the discount rate by 0,5%	28	-9%
Decrease of the discount rate by 0,5%	34	11%
Increase of the expected rate of salaries increase by 0,5%	34	10%
Decrease of the expected rate of salaries increase by 0,5%	28	-9%

5.10 Provisions

The Company's provisions are as follows:

Balance as at 31st December 2013	**1.200**
Changes during the course of the fiscal year	308
Balance as at 31st December 2014	**1.508**

Provisions of € 1,508, refer by €1,300 refer to provisions against tax differences for the open tax year (2010). The remaining amount of € 208 concerns legal disputes, the outcome of which is assessed as negative for the Company's results.

5.11 Suppliers and trade payables

On 31.12.2014 suppliers' balance amounts to € 1,594.

The stipulations and conditions of the aforementioned financial liabilities are as follows:

1. The Suppliers are not subject to interest expenses and are settled upon a regular basis.
2. There are no pledges over the company financial items for its creditors' securement.

5.12 Current tax and social security liabilities

The Company's tax liabilities concern VAT liability of € 684. For other taxes, the respective liability is at € 64.

5.13 Revenues

The Company's sales are analyzed per type as follows:

	01.01 - 31.1.2014	01.01 - 31.12.2013
Revenue from contract with OPAP S.A. regarding Corporate Branding project	2,154	2,320
Revenue arising from contract with OPAP S.A. dated 22.06.2009	23,693	29,628
Revenue from sales of agencies consumables to OPAP CYPRUS LTD	80	46
Revenue from OPAP S.A. regarding subscription services	1,090	1,518
Total revenue from related companies	**27,017**	**33,512**
Revenue from subscription services	1,336	1,637
Total	**28,353**	**35,149**

Regarding the agreement with OPAP S.A. for the completion of the corporate branding project at OPAP S.A. agents' shops, OPAP SERVICES S.A. during 2014 recognized revenue of € 2.154 (€2.320 in 2013). This amount is equal to the expenditure the Company incurred for the implementation of this project. Regarding the agreement with OPAP S.A. dated 22.06.2009 and amended at 13.01.2014 (SLA), during 2014, the company recognized revenue of € 23.693 (€ 29.628 for 2013). This amount is equal to the costs the Company incurred as part of this project plus a predetermined commission as provided by this agreement. Moreover, concerning the agreement dated 15.11.2012 with the parent company, the Company recognized revenue of € 1.090 (€1.518 in 2013) from OPAP S.A. for the subscription based sports TV services, Novasports and OTE TV, provided to OPAP S.A. agents network and € 1.336 (€1.637 in 2013) revenue from the agents for the aforementioned services.

5.14 Cost of sales, Distribution Costs and Administrative Expenses

The cost of sales is analyzed below:

	01.01 - 31.12.2014	01.01 - 31.12.2013
Consumables	7,140	6,838
Staff costs	13,336	17,585
Professional fees and expenses	214	179
Third party expenses	3,103	4,160
Employee benefit plans	11,388	-
Taxes and duties	55	27
Other expenses	1,090	1,602
Depreciation and amortization	2,568	2,339
Total	**38,895**	**32,730**

Administrative expenses are analyzed as follows:

	01.01 - 31.12.2014	01.01 - 31.12.2013
Staff costs	515	939
Third party fees and expenses	248	297
Third party services	495	993
Taxes and duties	3	2
Other expenses	23	28
Depreciation and amortization	6	17
Employee benefit plans	549	-
Total	**1,839**	**2,276**

5.15 Income Tax/Deferred Tax

During fiscal year 2014, a deferred tax loss of €600 th. arose driven mainly by the decrease of the liability to the mother company relative to Corporate Branding project, as it is close to its termination. Also reduced is the Company's liability for staff indemnities due to the voluntary leave scheme that took place within the year.

The relationship between the amount recognized in the company's financial statements, on the profits before taxes and the theoretical amount that would arise using the weighted average rate of tax on profits for the year is presented below:

	01.01 - 31.12.2014	01.01 - 31.12.2013
(Loss) / Profit before tax	**(12.217)**	**877**
Nominal tax rate	*26%*	*26%*
Tax expense	3.176	(228)
Provision for tax differences	(100)	-
Unrecognized deferred tax asset arising from losses of the year	(3.776)	-
Differences from prior years income tax	82	-
Tax effect from expenses/income that are not tax deductible	-	(151)
Permanent and other differences	-	(263)
Effect from tax rate change	-	996
Actual tax expense	**(618)**	**354**
Broken down into:		
Current Income tax	**(18)**	**(1.157)**
Deferred tax (expense) / income	**(600)**	**1.511**

For deferred tax asset on tax losses, refer to note 5.2.

Deferred tax is presented in the Income Statement as follows:

	01.01 - 31.12.2014	01.01 - 31.12.2013
Tangible assets	114	(85)
Other receivables	2	(154)
Retirement benefit plan liabilities	(128)	19
Finance lease liabilities	-	(46)
Provisions	54	-
Other provisions	(113)	-
Other short and long term liabilities to related companies	(529)	1.777
Total deferred tax (expense)/ income	**(600)**	**1.511**
Deferred tax at equity	(16)	36
Total balance of deferred tax asset	**(616)**	**1.547**

For the calculation of income tax and deferred tax for fiscal years 2014 and 2013, the tax rate used was 26%.

5.16 Contingent assets-liabilities and commitments

Information related to contingent liabilities

A. Fiscal years which were not inspected by the tax authorities

The Company has not been inspected by tax authorities for the year 2010.

For the tax inspection pertaining to the fiscal year 2011 to 2013, the Company, within the framework of current legislation regarding the Report on Tax Compliance by independent Certified Public Accountants, commissioned to undertake a special tax audit by its regular certified auditors.

The aforementioned audit for the period 01.01.2014-31.12.2014, is still in progress and is anticipated to be completed within fiscal year 2015.

B. Liabilities for contingencies

According to letter from Legal Department, lawsuits of €31,236 concerning third party claims against the Company were delivered, for which a provision of €208 has been raised to cover against the possibility of negative outcome.

Commitments

A. As at 31st December 2014, OPAP SERVICES S.A. is party to an operating leasing agreement pertaining to vehicles and buildings.

Future minimum payments under this agreement are as follows:

	31.12.2014	31.12.2013
Less than 1 year	160	238
Between 2-5 years	4	155
More than 5 years	-	-
Total	**164**	**393**

B. As at 31st of December 2014, OPAP SERVICES S.A. is a party to agreements related to the company's operational activities, in accordance with the agreement dated 22.06.2009 between OPAP S.A. and OPAP SERVICES S.A. as amended at 13.01.2014.

Future minimum payments under the conditions of the agreements are as follows:

	The Company	
	31.12.2014	**31.12.2013**
Less than 1 year	5,304	75
Between 1-5 years	-	-
More than 5 years	-	-
Total	**5,304**	**75**

The Company is a counterparty to contracts related to corporate branding project at OPAP SA agents' shops for specific geographical areas. For the completion of the project, operations at about 1,000 agents' shops are pending.

5.17 Transactions with related parties/companies

The term related or affiliated companies includes not only the Group's companies, but also companies to which the parent company participates in their share capital with a significant percentage, companies that belong to the parent company's main shareholders, companies controlled by members of the BoD and key management personnel as well as close members of their families.

The Company's income and expenses from the beginning of the fiscal year 2014 as well as the year end balances of receivables and payables that have arisen from related parties transactions, as defined by IAS 24 , as well as their relevant figures, are analyzed as follows:

Related parties' transactions		
	31.12.2014	**31.12.2013**
Services provided		
OPAP S.A.	24,784	31,146
OPAP CYPRUS LTD	79	46
OPAP S.A. (Revenue from corporate branding project)	2,154	2,320
Total	**27,017**	**33,512**
Other Long Term Liabilities		
OPAP S.A.	25,070	27,459
Total	**25,070**	**27,459**
Other Short Term Liabilities		
OPAP S.A.	3,052	2,818
Total	**3,052**	**2,818**
Receipt of Services		
OPAP S.A.	531	1,025
Total	**531**	**1,025**
Amounts due from:		
OPAP S.A.	17,683	10,105
OPAP CYPRUS LTD	13	-
Total	**17,696**	**10,105**

5.18 Transactions with directors and Board members

Fees for members of the Board of Directors as well as Managerial Executives' salaries are analyzed as follows:

	31.12.2014	31.12.2013
Salaries of managerial executives	811	1,276
Social Security costs of managerial executives' salaries	172	253
BoD fees	47	87
Total	**1,030**	**1,616**

5.19 Personnel costs

The Company's personnel costs are analyzed as follows:

	31.12.2014	31.12.2013
Wages and salaries	11,679	14,153
Social security costs	1,785	3,832
Retirement benefit costs	11,937	-
Other remuneration	391	432
Total	**25,792**	**18,417**

The Company's personnel is broken down to:

	31.12.2014	31.12.2013
Employees	30	653
Employees (with limited time contract)	-	10
Total	**30**	**663**

5.20 Financial risk factors

Below, we present the main risks and uncertainties which may expose the Company.

A. Exchange risk

The Company operates mostly within Greece. A small part of transactions was performed with OPAP CYPRUS LTD in Euro currency. As a result, the Company is not threatened by any exchange risk.

B. Credit risk

Credit risk could potentially exist in the event that a financial institution is unable to cover its responsibilities related to the investment of the Company's available funds in time deposits.

C. Liquidity risk

The Company does not face any liquidity risk as such, since the investment of its available funds as well as the short payback period, primarily from the parent company, coupled with sound financial management, are all factors that combined guarantee adequate liquidity.

The maturity of financial liabilities at 31 December for the years 2014 and 2013 for the Company is as follows:

	Short term		Long term	
For the year ended on 31st December 2014	**Within 6 months**	**6 – 12 months**	**1 - 5 years**	**Over 5 years**
Other long term liabilities	-	-	25,070	-
Trade payables	1,594	-	-	-
Tax and social security liabilities	748	-	-	-
Other short term liabilities	3,327	-	-	-
Total	**5,669**	**-**	**25,070**	**-**

	Short term		Long term	
For the year ended on 31st December 2013	**Within 6 months**	**6 – 12 months**	**1 - 5 years**	**Over 5 years**
Finance lease liabilities	193	201	42	-
Other long term liabilities	-	-	16,470	10,989
Trade payables	2,677	-	-	-
Tax and social security liabilities	241	-	-	-
Other short term liabilities	2,697	1,183	-	-
Total	**5,808**	**1,384**	**16,512**	**10,989**

D. Cash flow risk and fair value change risk due to interest changes

No such risk exists.

E. Risk from the impact of adverse financial circumstances on the Greek economy

The macroeconomic and financial environment in Greece remains variable during 2015 due to developments and discussions at national and international level on the review of the terms of Greece's funding program.

The return to economic stability depends greatly on the actions and decisions of institutions in Greece and abroad.

Taking though into account the nature of the activities of the Company and its financial situation, any negative development in the Greek economy is not expected to significantly affect its normal operation. Nevertheless, Management continually assesses the situation and its possible consequences, to ensure that all necessary and possible measures and actions are taken, to minimize any impact in the Company's activities, that are inherent to the mother company, OPAP S.A..

5.21 Post balance sheet events

The Company has evaluated the period after the balance sheet date, and determined that there were no subsequent events or transactions after the issue date, that required recognition or disclosure in the financial report.

Peristeri, 29 May, 2015

Chairman of the BoD.	Member of the BoD	Accounting and Consolidation Director
Kamil Ziegler Passport No 36356187	Michal Houst Passport No 39893691	Petros Xarchakos ID. No AK 161998