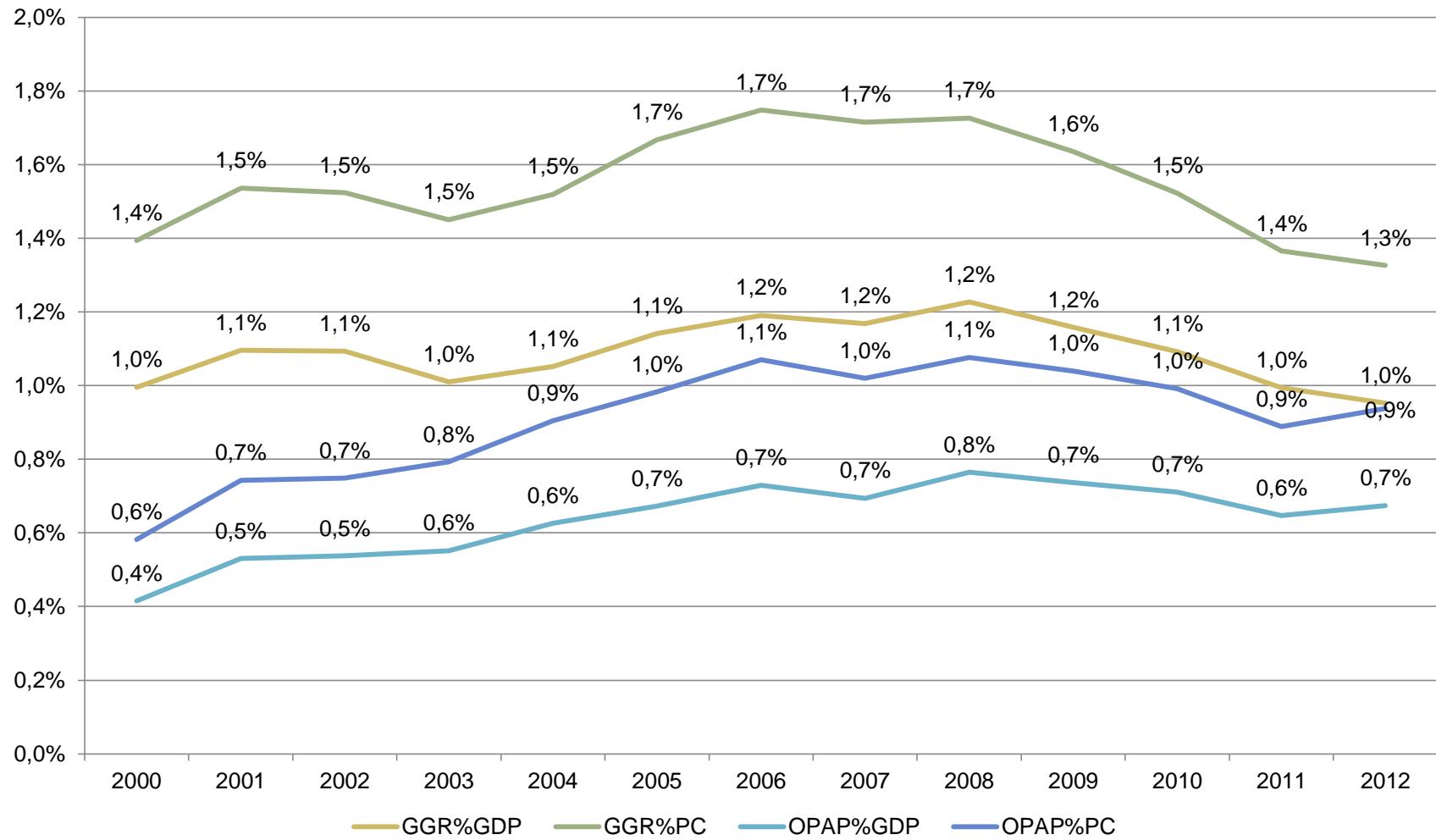


OPAP S.A. PROSPECTS

MAY 2014
S.TRAVLOS

Information contained in this presentation comes from published sources

GREEK GAMING MARKET: SOME HISTORICAL DATA



HIGH CORRELATION OF GGR WITH PRIVATE CONSUMPTION AND GDP

- The GGR is closely related both to GDP and Private Consumption:

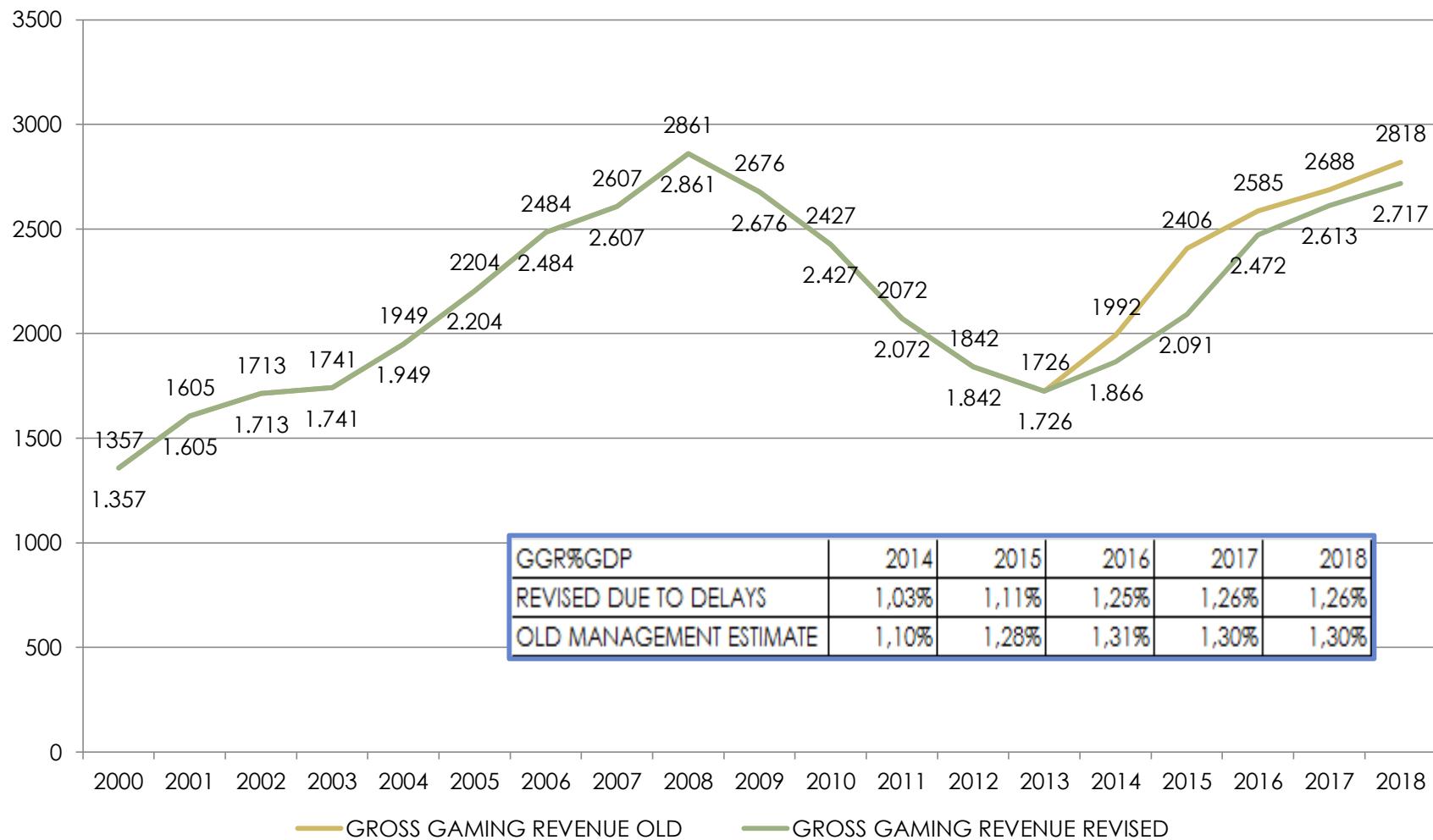
- $R^2 \text{ GGR/GDP} = 0,883174$
- $R^2 \text{ GGR/PC} = 0,825671$

- OPAP GGR is also highly correlated with the same variables:

- $R^2 \text{ OPAP/GDP} = 0,975913$
- $R^2 \text{ OPAP/CP} = 0,950159$

- It is unclear whether the recovery will be a linear process. Much depends on the reaction of the management.
- Structural breaks in consumption behavior occur after severe crises. The market environment is changing.
- The introduction of new lines of activity may lead to a jump in GGR for limited time (2/3 years) period and then to decline. The experience from Italy is that online gambling lost the appeal that had at the beginning. Innovation is needed to restore it.
- A million scratch lotteries in the first six days of operation despite the partial mobilization of the network.

RECOVERY STRONGER THAN GDP RELATED DUE TO NEW GAMES



KEY DRIVERS FOR GGR GROWTH



VLTs INTRODUCTION: FEW REMAINING CHALLENGES

- Delays of 12 months from the original plan due to a number of factors.
- The issue of the increase of VLTs per store not yet resolved with EU authorities stepping in and pressure by casino operators increasing.
- New formal complain to EU competition authorities on relaxation of smoking and possibly drinking on VLT premises by casino operator

- The main competitive threat is directed towards the existing casinos.
- Some land based maturing games will also be affected especially KINO.
- Overall VLTs and Scratch may lead to a 15% cannibalization of existing games.
- During the latter years of the crisis OPAP was able to increase market share.

PHASING IN VLTS

- From 16,500 machines to be managed by OPAP, about 2000 will be in operation in late 2014 another 9,000 VLTS will be in operation by the end of 2015 and the full development of the network will be completed in the first quarter of 2016.
- The process for the remaining 18,500 machines (licenses will be given in 4-10 concessionaires) are expected to begin 6-9 months after the start of the first VLTS from OPAP.

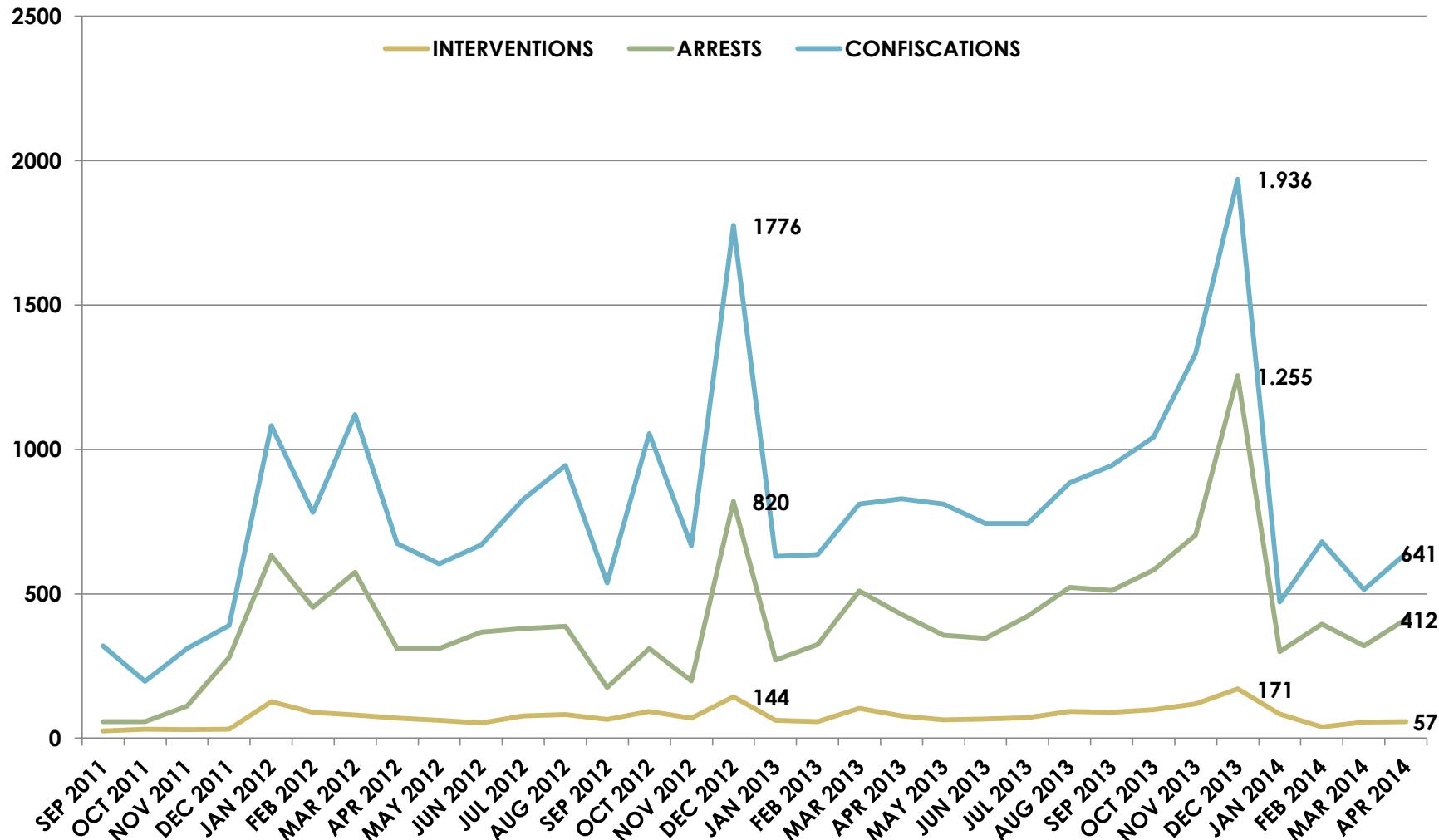
Based on some estimates by Alpha Finance Analysis Report Feb 2014 and press reports.

INTERNET BASED GAMES: A HUGE POTENTIAL

- The experience of other European countries like Italy is that spending on legal remote gambling has grown significantly as a result of the progressive introduction of new games and has always been accompanied by the channeling of illegal gambling into the legal circuit.
- G-Tech has been assigned the contract to provide the on line betting system and the Player Account Management system.
- The continuing exchange of communications between the government the Gaming Commission and the European Competition Authorities **is delaying** the launching of the games.
- A limited service may still be in place for the World Cup assuming that all obstacles have been cleared but OPAP is running out of time.

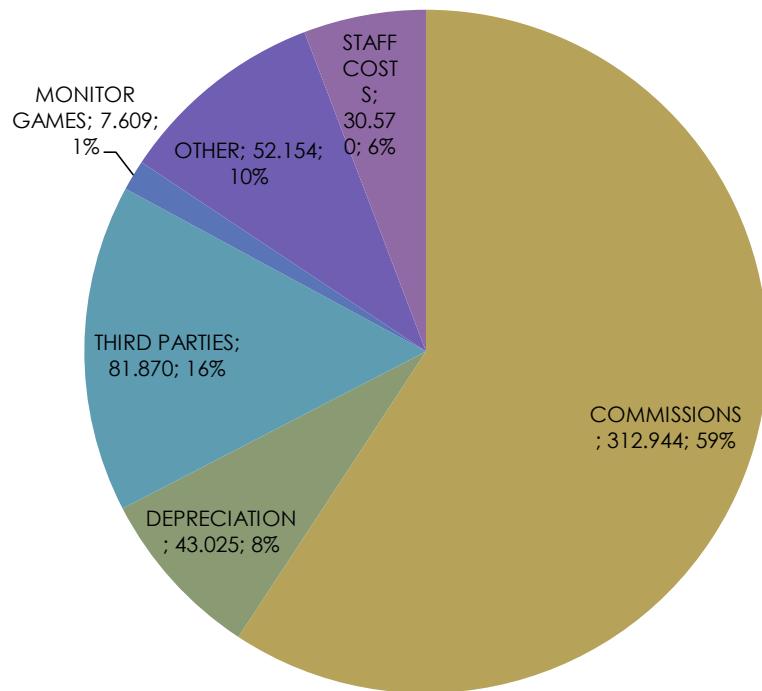
- The total number of blacklisted internet based operators was at the last count 438.
- The estimated GGR from illegal internet games was 200-250 mil. Euro in 2012.
- About 400 thousands Greeks have been actively playing in illegal games.
- Penalties for the unlicensed operators are heavy and the banks involved in the transfer of fees to these operators also face stiff penalties.

A MAJOR EFFORT TO CONTAIN ILLEGAL GAMES

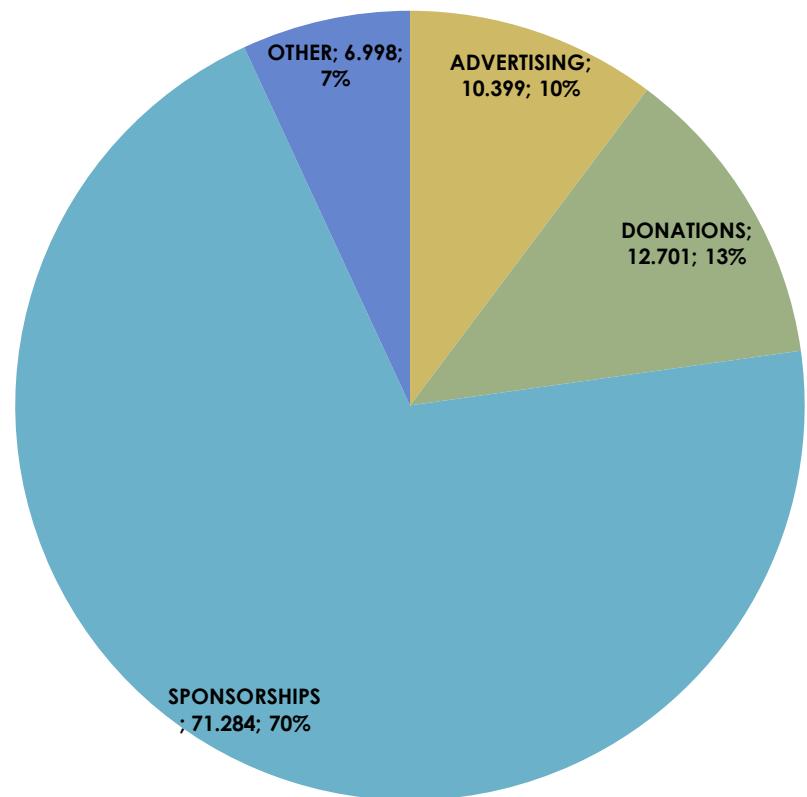


COST STRUCTURE 2013

SALES COSTS



PROMOTION COSTS



COST SAVINGS

- The new management has set an ambitious target of reducing operational costs by 40% but a short term target of 10% is more realistic.
- Reduction on sponsoring activities:
 - New policy on sponsoring sport activities based on criteria.
 - Focus on limited high profile social sponsoring.
- Labor cost savings:
 - New human resources manager appointed previously at Credit Agricole.
 - A large number of employees has left with full compensation.
 - Company wide labor contract ended in March and will not be replaced by a new one.
 - Limited impact of savings in the future but major improvements in productivity.
- Agents contracts renegotiation:
 - Full scale renegotiation towards a scaled commission on GGR will take time and create many frictions within the network. The new agreement for the scratch set commissions at 8% but it is open to revision in 12 months.
 - The development of the on line games will undermine the power of the land based network and make negotiations easier for OPAP in the future.

KEY CHALLENGES

- Clearing up the regulatory framework will be a time consuming task.
- Incentivize and mobilize the agents network will require time and effort.
- We expect 2014 is still a transitional year due to the outstanding regulatory issues and the preparation time required for the development of new activities.
- But 2015 is the year of turnaround with internet based games and VLTs in full swing.

SHARE PRICE SINCE PRIVATISATION

