

Olympic Entertainment Group AS

Consolidated interim financial statements for the 3rd quarter and the 9-month period of 2011 (unaudited)

Beginning of reporting period	1 January 2011
End of reporting period	30 September 2011
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Core activity	Provision of gaming services
Auditor	AS PricewaterhouseCoopers

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Management report

Corporate profile

Olympic Entertainment Group AS with its subsidiaries (hereinafter "Group") is the leading provider of gaming services in the Baltic States (Estonia, Latvia and Lithuania) and it operates casinos in Poland Slovakia and Belarus.

Olympic Entertainment Group AS is the Group's ultimate holding company, organising the strategic management and financing of the Group. The operations of local casinos are controlled by local subsidiaries which include Olympic Casino Eesti AS in Estonia, Olympic Casino Latvia SIA in Latvia, Olympic Casino Group Baltija UAB in Lithuania, Casino Polonia-Wroclaw Sp. Z.o.o. in Poland, Olympic Casino Slovakia S.r.o in Slovakia and Olympic Casino Bel IP in Belarus. In Estonia, Latvia, Lithuania and Slovakia the Group's non-core activities, such as managing the hotel in Tallinn and managing casino bars, are separated from casino operations and performed by respective specialised legal persons. Most of the Group's casino properties operate under the trademark of Olympic Casino.

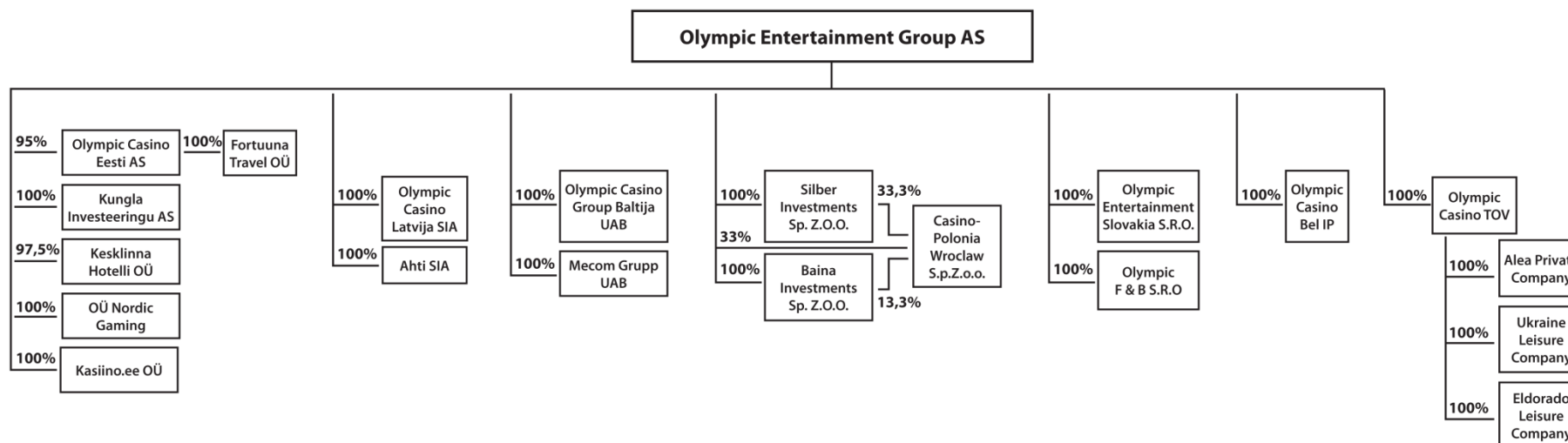
Group entities include:

	Domicile	Ownership 30.09.2011	Ownership 31.12.2010	Area of activity
Olympic Casino Eesti AS	Estonia	95%	95%	Organisation of gaming
Kungla Investeeringu AS	Estonia	100%	100%	Hotel services, catering
Kesklinna Hotelli OÜ	Estonia	97,5%	97,5%	Hotel services
Nordic Gaming OÜ	Estonia	100%	100%	Holding activities
Fortuna Travel OÜ	Estonia	95%	95%	Casino tourism
Kasiino.ee OÜ	Estonia	100%	100%	Internet solutions
Olympic Casino Latvia SIA	Latvia	100%	100%	Organisation of gaming
Ahti SIA	Latvia	100%	100%	Bar services
Olympic Casino Group Baltija UAB	Lithuania	100%	100%	Organisation of gaming
Mecom Grupp UAB	Lithuania	100%	100%	Bar services
Silber Investments Sp. Z o.o.	Poland	100%	100%	Holding activities
Baina Investments Sp. Z o.o.	Poland	100%	100%	Holding activities
Casino-Polonia Wroclaw Sp.Z.o.o.	Poland	80%	80%	Organisation of gaming
Olympic Casino Slovakia S.r.o	Slovakia	100%	100%	Organisation of gaming
Olympic F & B S.r.o.	Slovakia	100%	100%	Bar services
Olympic Casino Bel IP	Belarus	100%	100%	Organisation of gaming
Olympic Casino Bucharest S.r.l.	Romania	0%	100%	Organisation of gaming
Muntenia Food Beverage S.r.l	Romania	0%	100%	Bar services
Olympic Exchange S.r.l	Romania	0%	100%	Foreign exchange services
Olympic Casino Ukraine TOV	Ukraine	100%	100%	Bankrupt
Alea Private Company	Ukraine	100%	100%	Bankrupt
Eldorado Leisure Company	Ukraine	100%	100%	Bankrupt
Ukraine Leisure Company	Ukraine	100%	100%	Bankrupt

The Group operates slot and gaming table casinos as well as casino bars at most of the casinos of its subsidiaries. At 30 September 2011, the Group had a total of 63 casinos: 17 in Estonia, 21 in Latvia, 11 in Lithuania, 6 in Poland, 3 in Slovakia and 5 in Belarus. The Group employed 1,997 employees in 6 countries.

The shares of Olympic Entertainment Group AS are listed on the Tallinn and Warsaw Stock Exchanges (OMX: OEG1T / WSE: OEG).

Group's structure at 30 September 2011



Key performance indicators

Discontinued and continuing operations combined (in millions of euros)

	9m 2011	9m 2010
Revenue	93.2	81.8
EBITDA	24.0	15.5
Operating profit	11.5	2.1
Net profit	10.0	1.1
EBITDA margin	25.7%	19.0%
Operating margin	12.3%	2.6%
Net margin	10.8%	1.3%
Equity ratio	73.7%	79.4%
Number of casinos at period-end	63	64
Casino area (m ²) at period-end	23,149	24,988
Number of slot machines at period-end	2,447	2,445
Number of gaming tables at period-end	173	170

Underlying formulas:

- o EBITDA = earnings before financial expenses, taxes, depreciation and amortisation and impairment losses
- o Operating profit = profit before financial expenses and taxes
- o Net profit = net profit for the period less non-controlling interests
- o EBITDA margin = EBITDA / revenue
- o Operating margin = operating profit / revenue
- o Net margin = net profit / revenue
- o Equity ratio = equity / total assets

Overview of the Group's key events and developments in the first 9-month period of 2011:

- In Q3 2011 the consolidated net profit after corporate income tax for the Group totalled 5.6 million euros. In Q3 2010, the Group incurred a net profit of 2.2 million euros.
- The efficiency of the Group's business operations improved. In Q3 2011, the Group's income from gaming transactions and revenues totalled 30.9 million euros, i.e. 7.7% more than for Q3 2010. The number of casinos in operation declined by 1 casino or 1.5% period-over-period.
- As planned, the Group has increased its market share. At the end of Q3 2011, the Group's market share was 55% in Estonia, 20% in Latvia and 70% in Lithuania. At the end of Q3 2010, its market share was 52% in Estonia, 20% in Latvia and 68% in Lithuania.
- Olympic Entertainment Group AS signed share purchase agreement on 30 April 2011 with an Israeli entrepreneur for selling all the shares in Romanian subsidiaries Olympic Casino Bucharest S.R.L, Muntenia Food and Beverage S.R.L. and Olympic Exchange S.R.L. As of 30 June 2011 shares of Romanian subsidiaries have been registered to the buyer.
- On 27 May 2011 and 18 August 2011, the decrease of share capital and the conversion of share capital of Olympic Entertainment Group AS into euros were entered into the Commercial Register based on the resolutions adopted by the General Meeting of Shareholders of the Company held on 5 May 2011. The new amount of the registered share capital of the Company was 90,797,703 euros, which is divided into 151,329,505 ordinary shares with the nominal value of 0.6 euros. According to the resolutions of the General Meeting of Shareholders held on 5 May 2011, the share capital of the Company was reduced by 9,079,770.30 euros from 90,797,703 euros to 81,717,932.70 euros by reducing the calculated value of the shares. The referred resolution entered into force on the day following to the day, when the reduction of the share capital in relation to the conversion into euros and the amendment of the Articles of Association were entered into the Commercial Register, (i.e. on 28 May 2011) pursuant to the resolutions of the General Meeting.

The Group's consolidated sales revenue for the 9 months of 2011 totalled 88.8 million euros and the revenue totalled 93.2 million euros which is 13.9% more than the total revenue of 81.8 million euros earned within the 9 months of 2010. The Group's EBITDA increased from 15.5 million euros for the 9 months of 2010 to 24.0 million euros for the 9 months of 2011. During 9 months in 2011 operating profit totalled 11.5 million euros; during 9 months in 2010 the operating profit totalled 2.1 million euros.

During 9 months in 2011, gaming operations accounted for 88.5% and other revenue 11.5% of the Group's consolidated revenue, the respective percentages for the 9 months of 2010 were 92.5% and 7.5%.

External sales revenue by segments, continuing operations

(thousands of euros)	Q3 2011	Change	Percentage	Q3 2010	Percentage
Estonia	8,225	12.2%	26.6%	7,330	26.8%
Latvia	7,828	29.7%	25.3%	6,035	22.1%
Lithuania	5,157	20.3%	16.7%	4,287	15.7%
Poland	6,197	-7.1%	20.0%	6,669	24.4%
Slovakia	2,737	24.8%	8.8%	2,193	8.0%
Belarus	799	-3.6%	2.6%	829	3.0%
Total	30,943	13.2%	100.0%	27,343	100.0%

(thousands of euros)	9m 2011	Change	Percentage	9m 2010	Percentage
Estonia	21,933	9.5%	25.0%	20,025	25.5%
Latvia	21,104	22.1%	24.0%	17,278	22.0%
Lithuania	13,914	8.7%	15.8%	12,804	16.3%
Poland	20,178	1.3%	23.0%	19,915	25.3%
Slovakia	8,236	29.9%	9.4%	6,341	8.1%
Belarus	2,459	10.7%	2.8%	2,222	2.8%
Total	87,824	11.8%	100.0%	78,585	100.0%

At the end of Q3 2011, the Group had 63 casinos, with the total area of 23,149 m². At the end of Q3 2010, the number of the Group's casinos was 64, and their total area was 24,988 m².

Number of casinos by segment

	30.09.2011	30.09.2010
Estonia	17	17
Latvia	21	21
Lithuania	11	10
Poland	6	7
Slovakia	3	2
Belarus	5	5
Romania	0	2
Total	63	64

The Group's consolidated operating expenses before depreciation, amortisation and impairment for the 9 months of 2011 increased by 4.5% or 3.3 million euros as compared to the respective expenses during the 9 months in 2010. Operating licences and gaming taxes increased the most as compared to 2010, 3.2% or 0.6 million euros, staff costs by 3.2% or 0.7 million euros and maintenance costs of gaming areas by 13.1% or 0.4 million euros.

Staff costs with social security taxes made up the largest share of the Group's operating expenses before depreciation, amortisation and impairment, i.e. 22.4 million euros, followed by gaming tax expenses of 19.2 million euros, rental expenses of 7.2 million euros and marketing expenses of 6.7 million euros.

In 2011, the consolidated net profit after tax for the 9 months totalled 10.0 million euros. In 2010, the consolidated net profit after tax for the 9 months totalled 1.1 million euros.

Overview by markets**Estonian segment**

External revenue of the Estonian segment for the 9 months of 2011 totalled 23.9 million euros, of which the gaming revenue 19.8 million euros and other income totalled 4.1 million euros. External revenue of the Estonian segment increased by 18.3% compared to the same period last year. The increase in the gaming market in Estonia for the 9 months of 2011 was 3.4% compared to the same period last year. The market share of Olympic Casino Eesti AS on the Estonian gaming market was 55% at end of Q3 2011. At the end of Q3 2010, the market share of Olympic Casino Eesti AS was 52%.

The EBITDA of the Estonian segment for the 9 months of 2011 totalled 6.1 million euros and the operating profit totalled 3.2 million euros. The EBITDA of the Estonian segment for the 9 months of 2010 totalled 3.7 million euros and the operating profit totalled 0.3 million euros.

At the end of Q3 2011, there were 17 Olympic casinos with 698 slot machines and 20 gaming tables operating in Estonia.

Latvian segment

The external revenue of the Latvian segment for the 9 months of 2011 totalled 21.1 million euros, of which the gaming revenue 19.3 million euros and other revenue totalled 1.8 million euros. External revenue of the Latvian segment increased by 21.3% compared to the same period last year. The increase in the gaming market in Latvia for the 9 months of 2011 was 15.4% compared to the same period last year. The market share of Olympic Casino Latvia SIA on the Latvian gaming market was 20% at the end of Q3 2011. At the end of Q3 2010, the market share of Olympic Casino Latvia SIA was 20%.

The EBITDA of the Latvian segment for the 9 months of 2011 totalled 8.6 million euros and the operating profit totalled 6.1 million euros. The EBITDA of the Latvian segment for the 9 months of 2010 totalled 5.8 million euros and the operating profit totalled 2.7 million euros.

At the end of Q3 2011, there were 21 Olympic casinos with 646 slot machines and 24 gaming tables operating in Latvia.

Lithuanian segment

The external revenue of the Lithuanian segment for the 9 months of 2011 totalled 14.0 million euros, of which the gaming revenue 12.9 million euros and other income totalled 1.1 million euros. External revenue of the Lithuanian segment increased by 9.0% compared to the same period last year. The increase in the gaming market in Lithuania for the 9 months of 2011 was 2.8% compared to the same period last year. The market share of UAB Olympic Casino Group Baltija on the Lithuanian gaming market was 70% at the end of Q3 2011. At the end of Q3 2010, the market share of Olympic Casino Group Baltija UAB was 68%.

The EBITDA of the Lithuanian segment for the 9 months of 2011 totalled 3.3 million euros and the operating profit totalled 1.8 million euros. The EBITDA of the Lithuanian segment for the 9 months of 2010 totalled 2.5 million euros and the operating profit totalled 0.8 million euros.

At the end of Q3 2011, there were 11 Olympic casinos with 376 slot machines and 52 gaming tables operating in Lithuania.

Polish segment

The external revenue of the Polish segment for the 9 months of 2011 totalled 22.5 million euros, of which the gaming revenue 19.8 million euros and other income totalled 2.7 million euros. External revenue of the Polish segment increased by 12.8% compared to the same period last year.

The EBITDA of the Polish segment for the 9 months of 2011 totalled 4.7 million euros and the operating profit totalled 1.9 million euros. The EBITDA of the Polish segment for the 9 months of 2010 totalled 2.3 million euros and the operating loss totalled 1.0 million euros.

At the end of Q3 2011, there were 6 Olympic casinos with 353 slot machines and 45 gaming tables operating in Poland.

Slovak segment

The external revenue of the Slovak segment for the 9 months of 2011 totalled 8.2 million euros, of which the gaming revenue 7.6 million euros and other income totalled 0.6 million euros. External revenue of the Slovak segment increased by 29.9% compared to the same period last year.

The EBITDA of the Slovak segment for the 9 months of 2011 totalled 1.6 million euros and the operating profit totalled 0.9 million euros. The EBITDA of the Slovak segment for the 9 months of 2010 totalled 1.2 million euros and the operating profit totalled 0.6 million euros.

At the end of Q3 2011, there were 3 Olympic casinos with 141 slot machines and 31 gaming tables operating in Slovakia.

Belarusian segment

The external revenue of the Belarusian segment for the 9 months of 2011 totalled 2.5 million euros, of which the gaming revenue 2.3 million euros and other income totalled 0.2 million euros. External revenue of the Belarusian segment increased by 8.4% compared to the same period last year.

The EBITDA of the Belarusian segment for the 9 months of 2011 totalled 0.6 million euros and the operating profit totalled 0.1 million euros. The EBITDA of the Belarusian segment for the 9 months of 2010 totalled 0.6 million euros and the operating loss totalled 0.1 million euros.

At the end of Q3 2011, there were 5 Olympic casinos with 233 slot machines operating in Belarus.

Romanian segment

Olympic Entertainment Group AS signed share purchase agreement on 30 April 2011 with an Israeli entrepreneur for selling all the shares in Romanian subsidiaries Olympic Casino Bucharest S.R.L, Muntenia Food and Beverage S.R.L. and Olympic Exchange S.R.L. As of 30 June 2011 shares of Romanian subsidiaries have been registered to the buyer.

Financial position

At 30 September 2011, the consolidated balance sheet total of the Group was 105.3 million euros (31 December 2010: 107.7 million euros). The balance sheet total decreased by 2.2% in 9 months of 2011.

Current assets accounted for 51.2 million euros or 48.6% of total assets and non-current assets for 54.2 million euros or 51.4% of total assets. At the balance sheet date, consolidated liabilities totalled 27.7 million euros and the consolidated equity amounted to 77.6 million euros. The largest liability items included the reduction of share capital liability of 9.2 million euros, borrowings of 7.0 million euros, tax liabilities of 3.8 million euros and payables to employees of 2.5 million euros.

Investments

The Group's expenditures on property, plant and equipment segment for the 9 months of 2011 totalled 2.8 million, of which 2.0 million euros was spent on new gaming equipment, 0.4 million euros was spent on reconstruction of casinos and 0.4 million euros was spent on other property, plant and equipment.

Total expenditures on property, plant and equipment, and intangible assets for the 9 months of 2010 were 4.1 million euros.

Cash flows

The Group's cash flows from operating activities for the 9 months of 2011 totalled 23.4 million euros. Cash flows used in investing activities totalled 9.8 million euros and cash flows used in financing activities totalled 8.3 million euros. Net cash flows totalled 5.3 million euros.

The Group's cash flows from operating activities for the 9 months of 2010 totalled 12.8 million euros. Cash flows from investing activities totalled 1.3 million euros and cash flows used in financing activities totalled 8.5 million euros. Net cash flows totalled 5.6 million euros.

Staff

At 30 September 2011, the Group employed 1,997 people (31 December 2010: 2,115): 434 in Estonia, 441 in Latvia, 530 in Lithuania, 353 in Poland, 170 in Slovakia and 69 in Belarus.

Employee wages and salaries including social security taxes in the Group for the 9 months of 2010 totalled to 22.4 million euros (21.7 million euros last year). The remuneration and benefits of the Group's Supervisory and Management Board including social security taxes for the 9 months of 2011 totalled 0.26 million euros (0.24 million euros last year).

Overview of the main risks

The risk management policy of the Group is based on the requirements established by regulative bodies, generally accepted practices and internal regulations of the Group. The Group is guided by the principle to manage risks in a manner that ensures an optimal risk to income ratio. As part of the risk management of the Group, all potential risks, their measurement and control are defined, and an action plan is prepared to reduce risks, thereby ensuring the achievement of financial and other strategic objectives of the Company.

Business risks

The macro-economic development of activity markets and related changes in the consumption habits of clients are the factors that influence the Group the most. To manage risks, the Group monitors and analyses the general development of markets and the activities of competitors, as a result of which the Group will adjust operational activities, including marketing activities, if necessary.

The gaming sector as a whole is significantly influenced by regulative changes and supervisory activities at the state and local level. The Group estimates that the regulative risk is managed by representation of the risk in six different jurisdictions.

Currency risk

The Group earns income in euros, Latvian lats, Lithuanian litas, Belarusian rubles and Polish zloty. Most of the Group's expenses are incurred in these currencies in its operating markets. The changes in exchange rates of these currencies against the euro impact both the Group's revenue and expenses, as a result of which there is no major effect on the Group's operating profit.

Internal transactions of the Group are primarily concluded in euros. The equity of the Group is influenced by a change in the exchange rate of the Belarusian ruble and Polish zloty to the euro. All functional currencies of subsidiaries belonging to OEG group, as well as US dollar (USD), Swiss franc (CHF) and investment gold (XAU), and derivative instruments based on such currencies, can be used for foreign exchange rate risk management. The market value of assets USD, CHF or XAU (including derivative instruments based thereon) in total may not exceed an amount corresponding to 20% of the equity as in the latest audited consolidated balance sheet of OEG group.

The bank loan of the Group is denominated in euros and is not exposed to the currency risk.

Interest rate risk

The Group's term deposits are with fixed interest rates. The Group has invested in Lithuanian Government Bonds, which interest rates are fixed.

The interest rate on the loan assumed by the Group is fixed 5.45% p.a.

Credit risk

The Group's settlements with clients are to a great extent immediately carried out in cash or by payment cards. The Group accepts banks with credit rating A and B where the most of the Group's funds have been deposited. The Group's credit risk is related to the positions of cash, its equivalents and other financial assets.

Management and Supervisory Boards

The Management Board of Olympic Entertainment Group AS comprises two members: Indrek Jürgenson and Madis Jääger. In the everyday management activities, the Management Board of the Company is independent and is guided by the best interests of all shareholders, thereby ensuring sustainable development of the Company according to the set objectives and strategy. The Management Board also ensures the functioning of internal control and risk management procedures in the Company.

- Indrek Jürgenson – member of the Management Board and CEO since 2009. Indrek Jürgenson graduated from Tallinn University in 1998 with a degree in Physics. Indrek Jürgenson owns directly and by controlled companies in total of 9,189 Company's shares.
- Madis Jääger – member of the Management Board and CFO since 2010. Madis Jääger graduated from Estonian Business School in 2002 with a degree in International Business Administration major in accounting and banking *cum laude*. Madis Jääger does not own directly nor by controlled companies any Company's shares.

The Supervisory Board of Olympic Entertainment Group AS comprises four members, the Chairman of the Supervisory Board is Armin Karu and the members of the Supervisory Board are Jaan Korpusov, Liina Linsi and Peep Vain.

- Armin Karu – Chairman of the Supervisory Board since 2008. Armin Karu is the founder of the Company and has graduated from Haaga Institute in Finland (International Management Diploma 1998; MBA 2005). Armin Karu owns directly and by controlled companies in total of 69,414,790 Company's shares.
- Jaan Korpusov – member of the Supervisory Board since 2006. Jaan Korpusov has graduated from University of Tartu in 1985 faculty of history. Jaan Korpusov owns directly and by controlled companies in total of 29,211,910 Company's shares.
- Liina Linsi – member of the Supervisory Board since 2006. Liina Linsi graduated from University of Tartu (law) in 1984 *cum laude*. Liina Linsi owns directly and by controlled companies in total of 16,681 Company's shares.
- Peep Vain – member of the Supervisory Board since 2006. Peep Vain has studied technology in the Tallinn Polytechnic Institute from 1986 to 1987 and market economy in the University of Tartu between 1989 and 1990. He graduated from Bentley College, Massachusetts, US in the field of marketing *cum laude*. Peep Vain owns directly and by controlled companies in total of 36,852 Company's shares.

Shares of Olympic Entertainment Group AS

Olympic Entertainment Group AS is listed in main list of the Tallinn Stock Exchange from 23 October 2006. From 26 September 2007, the shares of Olympic Entertainment Group AS are traded on the Warsaw Stock Exchange. On 27 May 2011, the decrease of share capital and the conversion of share capital of Olympic Entertainment Group AS into euros were entered into the Commercial Register based on the resolutions adopted by the General Meeting of Shareholders of the Company held on 5 May 2011. The new amount of the registered share capital of the Company was 90,797,703 euros, which is divided into 151,329,505 ordinary shares with the nominal value of 0.6 euros. On 18 August 2011, the decrease of share capital of Olympic Entertainment Group AS was registered in the Commercial Register based on the resolutions adopted by the General Meeting of Shareholders of the Company held on 5 May 2011. The new amount of the registered share capital of the Company is 81,717,932.70 euros, which is divided into 151,329,505 ordinary shares without nominal value and with the calculated value of 0.54 euros per share.

ISIN	EE3100084021
Ticker symbol	OEG1T
Market	BALTIC MAIN LIST
Number of securities issued	151,329,505
Number of listed securities	151,329,505
Listing date	23.10.2006

Movements in the share price (in EUR) and traded volume (number of securities) of Olympic Entertainment Group AS:



Largest shareholders of Olympic Entertainment Group AS as at 30 September 2011:

OÜ HANSA ASSETS	45.87%
OÜ HENDAYA INVEST	19.28%
Central Securities Depository of Lithuania	3.13%
NORDEA BANK FINLAND PLC, CLIENTS	3.08%
Skandinaviska Enskilda Banken Ab Clients	2.27%
CITIBANK (LONDON)/ UBS AG LONDON BRANCH-IPB CLIENT ACCOUNT	2.04%
ING LUXEMBOURG S.A.	1.66%
FIREBIRD AVRORA FUND, LTD.	1.19%
STATE STREET BANK AND TRUST OMNIBUS ACCOUNT A FUND NO OM01	1.11%
BNYM / ING BANK SLAKSI A/C ING PARASOL	1.08%

Consolidated interim financial statements

Consolidated statement of financial position

	Notes	30.09.2011	31.12.2010
ASSETS			
Current assets			
Cash and cash equivalents		34,459	28,960
Financial investments		11,317	3,937
Receivables and prepayments		3,185	4,959
Prepaid income tax		527	734
Inventories		906	1,416
Non-current assets held for sale		762	1,105
Total current assets		51,156	41,111
Non-current assets			
Deferred tax assets		998	1,098
Financial investments		934	927
Other long-term receivables		679	949
Investment property	4	1,414	1,414
Property, plant and equipment	5	22,276	33,135
Intangible assets	6	27,860	29,062
Total non-current assets		54,161	66,585
TOTAL ASSETS		105,317	107,696
LIABILITIES AND EQUITY			
Current liabilities			
Borrowings	7	3,112	3,109
Trade and other payables		18,628	10,782
Income tax payable		762	833
Provisions		1,138	1,694
Total current liabilities		23,640	16,418
Non-current liabilities			
Deferred tax liability		193	313
Borrowings	7	3,913	6,231
Total non-current liabilities		4,106	6,544
TOTAL LIABILITIES		27,746	22,962
EQUITY			
Share capital		81,718	96,717
Share premium		14,535	14,535
Statutory reserve capital		2,470	2,413
Translation reserves		-1,746	740
Accumulated losses		-23,726	-33,703
Total equity attributable to equity holders of the parent		73,251	80,702
Non-controlling interest		4,320	4,032
TOTAL EQUITY		77,571	84,734
TOTAL LIABILITIES AND EQUITY		105,317	107,696

Consolidated statement of comprehensive income

	Notes	Q3 2011	Q3 2010	9m 2011	9m 2010
Continuing operations					
Income from gaming transactions	9	28,661	25,536	81,711	73,562
Revenue	9	2,282	1,807	6,113	5,023
Other income	9	432	151	4,443	459
Total revenue and income		31,375	27,494	92,267	79,044
Cost of materials, goods and services		-750	-607	-2,057	-1,703
Other operating expenses		-13,627	-13,613	-41,893	-40,302
Staff costs		-7,345	-6,784	-21,717	-20,850
Depreciation, amortisation and impairment	3;5;6	-3,240	-3,966	-11,031	-12,747
Other expenses		-678	-134	-1,664	-163
Total operating expenses		-25,640	-25,104	-78,362	-75,765
Operating profit		5,735	2,390	13,905	3,279
Interest income		127	62	280	194
Interest expense		-108	-150	-351	-554
Foreign exchange gains (losses)		47	7	160	-15
Other finance income and costs		377	-3	372	-27
Total finance income and costs		443	-84	461	-402
Profit from operating activities		6,178	2,306	14,366	2,877
Income tax expense		-625	-132	-1,582	-419
Net profit for the period from continuing operations		5,553	2,174	12,784	2,458
Net profit (loss) for the period from discontinued operations	3	0	243	-2,462	-1,266
Net profit for the period		5,553	2,417	10,322	1,192
<i>Attributable to equity holders of the parent company</i>		<i>5,606</i>	<i>2,205</i>	<i>10,034</i>	<i>1,102</i>
<i>Attributable to non-controlling interest</i>		<i>-53</i>	<i>212</i>	<i>288</i>	<i>90</i>
Other comprehensive income					
Currency translation differences		-1,581	515	-2,486	496
Total comprehensive profit for the period		3,972	2,932	7,836	1,688
<i>Attributable to equity holders of the parent company</i>		<i>4,025</i>	<i>2,720</i>	<i>7,548</i>	<i>1,598</i>
<i>Attributable to non-controlling interest</i>		<i>-53</i>	<i>212</i>	<i>288</i>	<i>90</i>
Basic earnings (loss) per share*	8	3,7	1,5	6,6	0,7
<i>From continuing operations</i>		<i>3,7</i>	<i>1,3</i>	<i>8,2</i>	<i>1,5</i>
<i>From discontinuing operations</i>		<i>0,0</i>	<i>0,2</i>	<i>-1,6</i>	<i>-0,8</i>
Diluted earnings (loss) per share*	8	3,7	1,5	6,6	0,7
<i>From continuing operations</i>		<i>3,7</i>	<i>1,3</i>	<i>8,2</i>	<i>1,5</i>
<i>From discontinuing operations</i>		<i>0,0</i>	<i>0,2</i>	<i>-1,6</i>	<i>-0,8</i>

* euro cents

Consolidated statement of cash flows

	Notes	9m 2011	9m 2010
Cash flows from operating activities			
Net profit		10,322	1,192
Adjustments:			
Depreciation, amortisation and impairment	3;5;6	12,474	13,422
Loss on disposal of non-current assets (net)		127	18
Gain on disposal of investment property		0	-2
Income tax expense		1,633	499
Other financial income and expenses (net)		-471	410
Changes in working capital:			
Receivables and prepayments		2,104	-1,078
Inventories		510	-199
Non-current assets held for sale		343	162
Liabilities and prepayments		-1,737	-778
Interest paid		-354	-562
Corporate income tax paid		-1,584	-238
Net cash generated from operating activities		23,367	12,846
Cash flows from investing activities			
Acquisition of property, plant, equipment and intangible assets		-3,092	-2,252
Proceeds from sale of property, plant, equipment		288	155
Proceeds from sale of investment property		0	64
Purchase of financial investments		-7,529	0
Proceeds from sale of other financial investments		101	3,009
Proceeds from sale of subsidiaries		177	0
Interest received		265	281
Net cash (used in) from investing activities		-9,790	1,257
Cash flows from financing activities			
Proceeds from issuance of shares		0	223
Repayments of loans received	7	-2,332	-8,731
Repayments of finance leases		-1	0
Reduction of share capital paid	8	-5,919	0
Net cash used in financing activities		-8,252	-8,508
Net cash flows		5,325	5,595
Cash and cash equivalents at beginning of the period		28,960	18,283
Exchange gains and losses on cash and cash equivalents		174	62
Cash and cash equivalents at end of the period		34,459	23,940

Consolidated statement of changes in equity

	Equity attributable to equity holders of the parent						Non-controlling interest	Total equity
	Share capital	Share premium	Statutory reserve capital	Translation differences	Accumulated losses	Total		
At 31.12.2009	96,507	14,525	2,413	25	-34,861	78,609	4,076	82,685
Total comprehensive income for the period	0	0	0	496	1,102	1,598	90	1,688
Proceeds from shares issued	210	13	0	0	0	223	0	223
At 30.09.2010	96,717	14,538	2,413	521	-33,759	80,430	4,166	84,596
At 31.12.2010	96,717	14,535	2,413	740	-33,703	80,702	4,032	84,734
Increase of reserve capital	0	0	57	0	-57	0	0	0
Reduction of share capital	-14,999	0	0	0	0	-14,999	0	-14,999
Total comprehensive income for the period	0	0	0	-2,486	10,034	7,548	288	7,836
At 30.09.2011	81,718	14,535	2,470	-1,746	-23,726	73,251	4,320	77,571

Notes to the consolidated interim financial statements

Note 1 Accounting policies

Olympic Entertainment Group AS (hereinafter the "Company") is a company registered in Estonia at 15 November 1999. The consolidated interim financial statements of the Company prepared for the reporting period ended 30 September 2011 comprise the Company and its subsidiaries (together referred to as the "Group").

This condensed consolidated interim financial information was approved by the management for issue on 3 November 2011.

The audited consolidated financial statements of the Group as of and for the year ended 31 December 2010 are available upon request from the Company's registered office at Pronksi 19, Tallinn and at the Company's website at www.olympic-casino.com.

Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting" as adopted by the European Union. The condensed consolidated interim financial statements do not include all of the information required by complete set of financial statements and should be read in conjunction with annual consolidated financial statements of the Group as at and for the year ended 31 December 2010.

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2010.

At 1 January 2011, the Republic of Estonia joined the euro area and adopted the euro as a national currency, replacing the Estonian kroon. Consequently, the functional currency of the Group is the euro. The financial statements are presented in thousands of euros. Comparative figures are recalculated to euros using the conversion rate of EUR 1 = EEK 15.6466, which is the fixed exchange rate that was applicable also in the earlier periods.

Note 2 Seasonality of operations

Due to the slight seasonal nature of the gaming market, higher revenues are usually expected in the second half of the year than the first six months. In the financial year ended 31 December 2010, 47% of gaming revenues accumulated in the first half of the year, with 53% accumulating in the second half.

Note 3 Discontinued operations

Olympic Entertainment Group AS signed share purchase agreement on 30 April 2011 with an Israeli entrepreneur for selling all the shares in Romanian subsidiaries Olympic Casino Bucharest S.R.L, Muntenia Food and Beverage S.R.L. and Olympic Exchange S.R.L. As of 30 June 2011 shares of Romanian subsidiaries have been registered to the buyer.

Romanian segment results are presented in this interim financial information as a discontinued operation.

Consolidated income statement of discontinued operations

	Q3 2011	Q3 2010	9m 2011	9m 2010
Income from gaming transactions	0	1,148	844	2,110
Revenue	0	228	110	561
Other income	0	45	15	120
Total revenue and income	0	1,421	969	2,791
Cost of materials, goods and services	0	0	-38	-218
Other operating expenses	0	-683	-846	-2,117
Staff costs	0	-251	-688	-870
Depreciation, amortisation and impairment	0	-199	-1,443	-675
Other expenses	0	-8	-375	-89
Total operating expenses	0	-1,141	-3,390	-3,969
Operating profit (loss)	0	280	-2,421	-1,178
Interest income	0	0	0	2
Foreign exchange gains (losses)	0	-21	10	-10
Total finance income and costs	0	-21	10	-8
Profit (loss) from operating activities	0	259	-2,411	-1,186
Income tax expense	0	-16	-51	-80
Net profit (loss) for the period from discontinuing operations	0	243	-2,462	-1,266

Consolidated statement of cash flows of discontinued operations

	Q3 2011	Q3 2010	9m 2011	9m 2010
Net cash from (used in) operating activities	0	469	-825	-617
Net cash from (used in) investing activities	0	-1	-1	63
Cash flows from financing activities	0	240	0	240
Net cash flows	0	708	-826	-314
Cash and cash equivalents at beginning of the period	0	574	816	1,585
Exchange gains and losses on cash and cash equivalents	0	-21	10	-10
Cash and cash equivalents at end of the period	0	1,261	0	1,261

Note 4 Investment property

	Land	Buildings	Total
At 31.12.2010	1,318	96	1,414
At 30.09.2011	1,318	96	1,414

Note 5 Property, plant and equipment

	Land and buildings	Renovation expenditures	Plant and equipment	Other PP&E	Under construction	Total
At 31.12.2010	313	12,775	17,542	1,650	855	33,135
Additions	0	376	1,979	86	368	2,809
Disposals	-36	0	-681	-9	0	-726
Write-offs from continuing operations	0	-235	-211	-54	0	-500
Write-offs from discontinuing operations	0	0	0	-4	0	-4
Reclassifications	0	-694	1,329	87	-722	0
Depreciation charge from continuing operations	-22	-2,749	-6,834	-586	0	-10,191
Depreciation charge from discontinuing operations	0	-76	-87	-15	0	-178
Impairment charge from discontinuing operations	0	-992	-10	-183	0	-1,185
Exchange differences	-5	-267	-554	-37	-21	-884
At 30.09.2011	250	8,138	12,473	935	480	22,276

Note 6 Intangible assets

	Goodwill	Software and licences	Total
At 31.12.2010	27,800	1,262	29,062
Additions	0	29	29
Amortisation charge from continuing operations	0	-340	-340
Amortisation charge from discontinuing operations	0	-9	-9
Impairment charge from discontinuing operations	0	-67	-67
Exchange differences	-764	-51	-815
At 30.09.2011	27,036	824	27,860

Note 7 Borrowings

	30.09.2011	31.12.2010
Short-term borrowings		
Current portion of finance lease liability	3	0
Current portion of long-term debt	3,109	3,109
Total short-term borrowings	3,112	3,109
Long-term borrowings		
Non-current portion of finance lease liability	15	0
Non-current portion of long-term debt	3,886	6,217
Other borrowings	12	14
Total long-term borrowings	3,913	6,231
Total borrowings	7,025	9,340

Note 8 Equity

On 27 May 2011, the decrease of share capital and the conversion of share capital of Olympic Entertainment Group AS into euros were entered into the Commercial Register based on the resolutions adopted by the General Meeting of Shareholders of the Company held on 5 May 2011. The new amount of the registered share capital of the Company was 90,797,703 euros, which is divided into 151,329,505 ordinary shares with the nominal value of 0.6 euros.

On 18 August 2011, the decrease of share capital of Olympic Entertainment Group AS was registered in the Commercial Register based on the resolutions adopted by the General Meeting of Shareholders of the Company held on 5 May 2011. The new amount of the registered share capital of the Company is 81,717,932.70 euros, which is divided into 151,329,505 ordinary shares without nominal value and with the calculated value of 0.54 euros per share.

The first payment related to reduction of nominal value of the shares occurred on 29 August 2011 in total amount of 5,919,478.35 euros, and the second payment will occur on 21 November 2011 in total amount of 9,079,770.30 euros.

	Q3 2011	Q3 2010	9m 2011	9m 2010
Net profit for the period	5,606	2,205	10,034	1,102
Weighted average number of shares outstanding (in thousands)	151,329	151,060	151,329	151,021
Basic earnings per share (euro cents)	3.7	1.5	6.6	0.7
Diluted earnings per share (euro cents)	3.7	1.5	6.6	0.7

The calculation of basic earnings per share is based on the net profit attributable to the shareholders of the parent and the weighted average number of shares.

In 2011, share options were granted to the members of the Management Board of Olympic Entertainment Group AS and senior executives of the Group. According to the agreements, a member of the Management Board may subscribe for a maximum of 70,000 Olympic Entertainment Group AS shares; the number of shares to be subscribed by senior executives varies individually. The exact number of the shares that may be subscribed for will depend on the attainment of the Group's financial targets and the individual performance of the member of the Management Board or senior executives. Option holder has the right to subscribe for the shares from 1 July 2014. The expiration date of the entire share option scheme is 1 September 2014

Note 9 Segment reporting

The Group's segments have been determined on the basis of reports monitored and analysed by the parent company's Management Board. Financial results are monitored by geographical regions. The results of operating segments are evaluated on the basis on external sales revenue and operating profit. At 30 September 2011, the Group had operations in the Estonian, Latvian, Lithuanian, Polish, Slovak and Belarusian markets.

All segments generate majority of their income from gaming transactions. In addition, Estonian segment is engaged in hotel services. Management estimates that inter-segment transactions have been concluded at market prices and under market conditions.

Q3 2011	Estonia	Latvia	Lithuania	Poland	Slovakia	Belarus	Total
Income from gaming transactions	7,380	7,155	4,772	6,085	2,528	741	28,661
Revenue	860	673	385	113	209	58	2,298
Inter-segment revenue	-15	0	0	-1	0	0	-16
External revenue	8,225	7,828	5,157	6,197	2,737	799	30,943
Other external revenue	42	1	0	385	0	4	432
Total revenue	8,267	7,829	5,157	6,582	2,737	803	31,375
Total expenses	-7,391	-5,023	-4,153	-5,914	-2,505	-654	-25,640
Incl. depreciation, amortisation and impairment charges	-916	-707	-524	-696	-264	-133	-3,240
Total operating profit	876	2,806	1,004	668	232	149	5,735

Q3 2010	Estonia	Latvia	Lithuania	Poland	Slovakia	Belarus	Total
Income from gaming transactions	6,633	5,490	4,034	6,573	2,021	785	25,536
Revenue	731	566	254	103	172	44	1,870
Inter-segment revenue	-34	-21	-1	-7	0	0	-63
External revenue	7,330	6,035	4,287	6,669	2,193	829	27,343
Other external revenue	62	64	1	19	0	5	151
Total revenue	7,392	6,099	4,288	6,688	2,193	834	27,494
Total expenses	-6,923	-4,939	-3,805	-6,689	-1,934	-814	-25,104
Incl. depreciation, amortisation and impairment charges	-1,082	-1,031	-534	-873	-220	-226	-3,966
Total operating profit (loss)	469	1,160	483	-1	259	20	2,390
9m 2011	Estonia	Latvia	Lithuania	Poland	Slovakia	Belarus	Total
Income from gaming transactions	19,809	19,317	12,932	19,811	7,553	2,289	81,711
Revenue	2,242	1,787	990	370	683	170	6,242
Inter-segment revenue	-118	0	-8	-3	0	0	-129
External revenue	21,933	21,104	13,914	20,178	8,236	2,459	87,824
Other external revenue	2,016	12	41	2,369	1	4	4,443
Total revenue	23,949	21,116	13,955	22,547	8,237	2,463	92,267
Total expenses	-20,757	-15,056	-12,140	-20,632	-7,377	-2,400	-78,362
Incl. depreciation, amortisation and impairment charges	-2,941	-2,502	-1,531	-2,752	-778	-527	-11,031
Total operating profit	3,192	6,060	1,815	1,915	860	63	13,905
9m 2010	Estonia	Latvia	Lithuania	Poland	Slovakia	Belarus	Total
Income from gaming transactions	18,229	15,870	12,060	19,576	5,745	2,082	73,562
Revenue	1,917	1,429	747	348	596	140	5,177
Inter-segment revenue	-121	-21	-3	-9	0	0	-154
External revenue	20,025	17,278	12,804	19,915	6,341	2,222	78,585
Other external revenue	224	116	2	65	0	52	459
Total revenue	20,249	17,394	12,806	19,980	6,341	2,274	79,044
Total expenses	-19,949	-14,683	-12,007	-21,018	-5,735	-2,373	-75,765
Incl. depreciation, amortisation and impairment charges	-3,372	-3,104	-1,669	-3,300	-628	-674	-12,747
Total operating profit (loss)	300	2,711	799	-1,038	606	-99	3,279

Note 10 Transactions with related parties

For the purposes of these consolidated interim financial statements, related parties include:

- shareholders with significant influence;
- members of the executive and higher management;
- close family members of and companies related to the above.

Purchase of goods and services

	9m 2011	9m 2010
Shareholders with significant influence	55	58
Total	55	58

As at 30.09.2011 and 31.12.2010, there were no balances of receivables and liabilities.

Remuneration and benefits, including social security taxes of the members of the Supervisory and Management Board for the 9 months 2011 totalled 263 thousand euros, 9 months of 2010, (241 thousand euros last year).


Signatures of the Management Board to the consolidated interim financial statements for the 3rd quarter and 9-month period of 2011

The Management Board has prepared the management report and the consolidated interim financial statements of Olympic Entertainment Group AS for the 3rd quarter and the 9-month period of 2011.



Indrek Jürgenson
Member of the Management Board

3 November 2011



Madis Jäger
Member of the Management Board