

Olympic Entertainment Group AS

Consolidated interim financial statements for the 1st quarter of 2015 (unaudited)

(translation of the Estonian original)*

Beginning of reporting period	1 January 2015
End of reporting period	31 March 2015
Business name	Olympic Entertainment Group AS
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Telephone	+372 667 1250
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E-mail	info@oc.eu
Website	www.olympic-casino.com
Core activity	Provision of gaming services
Auditor	AS PricewaterhouseCoopers

*This version of consolidated interim financial statements is a translation from the original, which was prepared in Estonian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of consolidated interim financial statements takes precedence over this translation.

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Corporate profile

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

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 Estonia 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. and OlyBet Slovakia S.r.o. in Slovakia, Olympic Casino Bel IP in Belarus and Jackpot Game S.r.l. and Slottery S.r.l. in Italy. Most of the Group’s casino properties operate under the trademark of Olympic Casino.

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

As at 31 March 2015, the Group had a total of 96 casinos. The Group operates 20 casinos in Estonia, 37 in Latvia, 16 in Lithuania, 2 in Poland, 7 in Slovakia, 2 in Belarus and 12 in Italy. The Group employed 2,656 employees in 7 countries.

Group entities include:

	Domicile	Ownership 31.03.2015	Ownership 31.12.2014	Area of activity
Olympic Casino Eesti AS	Estonia	95%	95%	Gaming services
Kungla Investeeringu AS	Estonia	100%	100%	Bar services
Kesklinna Hotelli OÜ	Estonia	100%	100%	Hotel real estate development
Nordic Gaming OÜ	Estonia	100%	100%	Holding activities
Fortuna Travel OÜ	Estonia	100%	100%	Hotel operations
Kasiino.ee OÜ	Estonia	100%	100%	Internet solutions
Olympic Casino Latvia SIA	Latvia	99%	99%	Gaming services
Ahti SIA	Latvia	100%	100%	Bar services
Olympic Casino Group Baltija UAB	Lithuania	100%	100%	Gaming services
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%	Gaming services
Olympic Casino Slovakia S.r.o	Slovakia	100%	100%	Gaming services
OlyBet Slovakia S.r.o.	Slovakia	100%	100%	Gaming services
Olympic F & B S.r.o.	Slovakia	100%	100%	Bar services
Olympic Casino Bel IP	Belarus	100%	100%	Gaming services
The Box S.r.l.	Italy	70%	70%	Gaming services
Jackpot Game S.r.l.	Italy	70%	70%	Gaming services
Slottery S.r.l.	Italy	70%	70%	Gaming services
Siquia Holding B.V.	Holland	95%	95%	Holding activities
Jessy Investments B.V.	Holland	100%	100%	Holding activities
Gametech Services Ltd	Jersey	100%	100%	Software services
Brandhouse Ltd	Jersey	100%	100%	Holding activities
OEG Malta Holding Ltd	Malta	100%	0%	Holding activities
OEG Malta Gaming Ltd	Malta	100%	0%	Holding activities
Olympic Casino Ukraine TOV	Ukraine	100%	100%	Bankrupt
Alea Private Company	Ukraine	100%	100%	Bankrupt

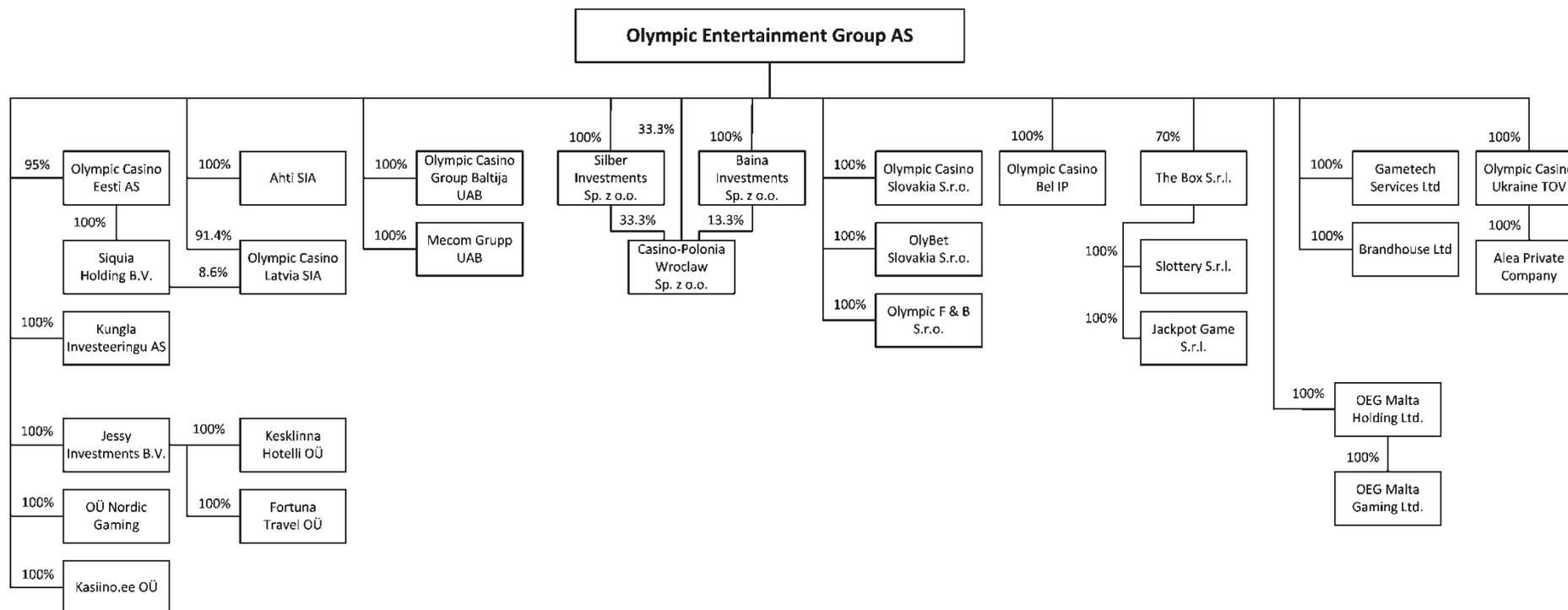
Our vision

Our vision is to be a global casino and resort operator, best known for our excellent service and creative design.

Our mission

To give our guests a customer orientated, secure and safe environment with the finest design and craftsmanship, unparalleled in the industry and supported by the excellence of our name and reputation.

Group's structure at 31 March 2015



Declaration of the management

The members of the management confirm that according to their best knowledge, the interim financial statements, prepared in accordance with the accounting standards in force, give a true and fair view of the assets, liabilities, financial position and profit or loss of Olympic Entertainment Group AS and the Group entities involved in the consolidation as a whole, and the management report gives a true and fair view of the development and results of the business activities and financial position of Olympic Entertainment Group AS and the Group entities involved in the consolidation as a whole and contains a description of the main risks and doubts.



Madis Jääger
Chairman of the Management Board



Meelis Pielberg
Member of the Management Board

28 April 2015

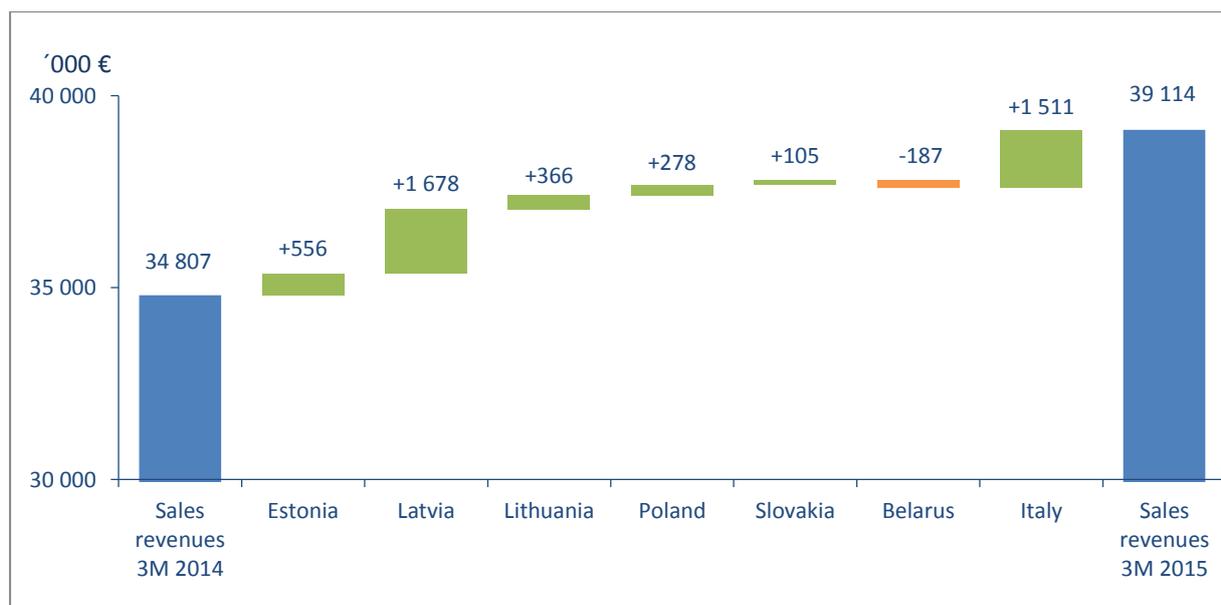
Management report

Overview of the economic activities

Key developments of the Group during the first quarter of 2015:

- The Group's consolidated sales revenues for Q1 2015 amounted to EUR 39.1 million, up 12.4% or EUR 4.3 million y-o-y.
- Gaming revenues accounted for 93.9% (36.7 m€) and other revenues for 6.1% (2.4 m€) of the Group's consolidated sales revenues for Q1 2015. A year before the revenue split was 94.0% (32.7 m€) and 6.0% (2.1 m€), respectively.
- The Group's consolidated EBITDA for Q1 2015 amounted to EUR 8.8 million, a growth of 9.9% from EUR 8.0 million a year before. The Group's consolidated operating profit increased EUR 0.9 million (+15.1%) to EUR 7.0 million.
- The Group's consolidated net profit attributable to equity holders of the parent company for Q1 2015 totalled EUR 5.5 million compared to EUR 4.9 million a year ago.
- Group company Olympic Casino Eesti AS has acquired on 4 March 2015 business activities of two operating casinos from the Estonian casino operator Casino Cleopatra OÜ that increases the number of casinos Group owns in Estonia to 20.
- On 14 January 2015 Olympic Entertainment Group AS has established subsidiaries OEG Malta Holding Ltd and OEG Malta Gaming Ltd in Malta. OEG Malta subsidiary has concluded an agreement for providing casino management services and related service to Maltese company Casino Malta Limited and associated companies.
- The general meeting of shareholders held on 16 April 2015 has decided to pay out dividends in amount of EUR 15,179,120.60, that were paid out to shareholders on 4 May 2015.

The Group's consolidated sales revenue bridge by segments:



The Group's consolidated sales revenues by segments:

'000€	Q1 2015	Q1 2014	Change
Estonia	8,344	7,788	7.1%
Latvia	12,093	10,415	16.1%
Lithuania	5,865	5,499	6.7%
Poland	6,496	6,218	4.5%
Slovakia	3,730	3,625	2.9%
Belarus	285	472	-39.6%
Italy	2,301	790	191.3%
Total	39,114	34,807	12.4%

Share of segments in the Group's sales revenues:



At the end of March 2015, the Group had 96 casinos with total floor area of 31,603 m² (+4,422 m²).

Number of casinos by segment:

	31 March 2015	31 March 2014
Estonia	20	18
Latvia	37	38
Lithuania	16	12
Poland	2	3
Slovakia	7	5
Belarus	2	4
Italy	12	2
Total	96	82

The Group's consolidated operating expenses for Q1 2015 amounted to EUR 32.2 million, up 11.7% or EUR 3.4 million y-o-y. The growth was highest in personnel expenses (+1.3 m€, +13.6%), gaming tax (+0.4 m€, +5.9%), rent expenses (+0.3 m€, +8.8%) and other services costs (+1.1 m€, +27.5%). Amortisation and depreciation cost declined the most (-0.1 m€, -6.4%). Personnel expenses (10.8 m€) and gaming tax (7.5 m€) represented the largest cost items accounting for 56.7% of total operating expenses.



Key performance indicators of the Group

		Q1 2015	Q1 2014	Q1 2013
Revenues	m€	39.2	34.9	33.3
Gaming tax	m€	7.5	7.0	6.8
EBITDA	m€	8.8	8.0	8.2
EBIT	m€	7.0	6.1	6.1
Net profit	m€	5.5	4.9	4.6
EBITDA margin	%	22.5%	23.0%	24.8%
Operating margin	%	17.8%	17.4%	18.4%
Net margin	%	14.0%	14.0%	13.8%
Assets	m€	135.5	122.3	113.2
Equity	m€	115.6	107.1	97.3
ROE	%	5.2%	5.0%	5.1%
ROA	%	4.2%	4.2%	4.1%
Current ratio	times	2.8	3.5	3.6
Casinos at end of period	#	96	82	66
Casino floor area at end of period	m ²	31,603	27,181	25,232
Employees	#	2,656	2,505	2,381
Slot machines at end of period	#	3,425	3,011	2,693
Gaming tables at end of period	#	197	191	184

Underlying formulas:

- EBITDA = earnings before financial expenses, taxes, depreciation and amortisation and impairment losses
- Operating profit = profit before financial expenses and taxes
- Net profit = net profit for the period less non-controlling interests
- EBITDA margin = EBITDA / revenue
- Operating margin = operating profit / revenue
- Net margin = net profit / revenue
- ROE = net profit / average total equity attributable to the shareholders of the parent company
- ROA = net profit / average total assets
- Current ratio = current assets / current liabilities

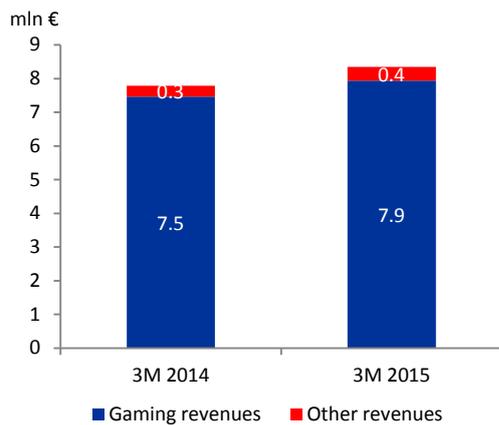
Overview by markets

Estonia

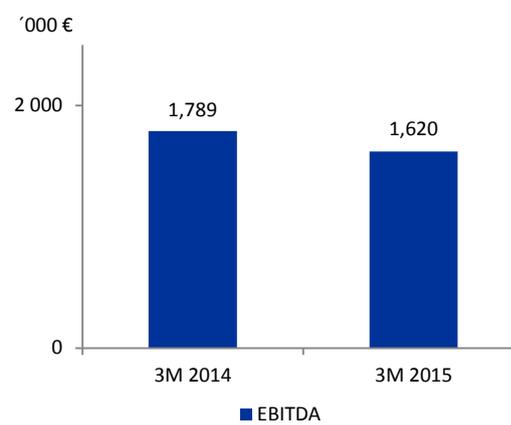
The sales revenues of Estonian segment for Q1 2015 amounted to EUR 8.3 million (+0.6 m€, +7.1%), EBITDA to EUR 1.6 million (-0.2 m€, -9.4%) and operating profit to EUR 1.2 million (-0.1 m€, -10.3%). Gaming revenue increased 6.4% y-o-y amounting to EUR 7.9 million.

At the end of March 2015, there were 20 Olympic casinos with 817 slot machines and 19 gaming tables operating in Estonia. As at 31 March 2015, the Estonian operations employed 488 people.

Sales revenues



EBITDA

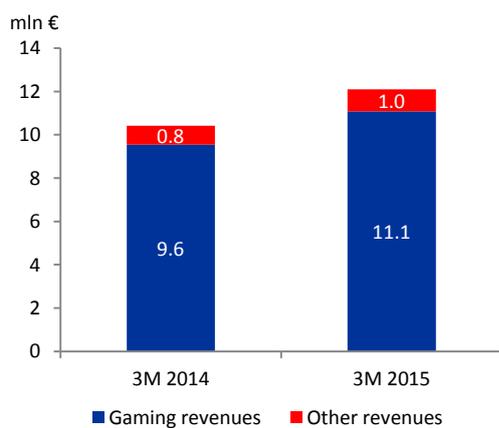


Latvia

The sales revenues of Latvian segment for Q1 2015 amounted to EUR 12.1 million (+1.7 m€, +16.1%), EBITDA to EUR 5.2 million (+1.4 m€, +36.0%) and operating profit to EUR 4.5 million (+1.4 m€, +43.7%). Gaming revenue increased 16.0% y-o-y amounting to EUR 11.1 million.

At the end of March 2015, there were 37 Olympic casinos with 1,056 slot machines and 19 gaming tables operating in Latvia. As at 31 March 2015, the Latvian operations employed 692 people.

Sales revenues



EBITDA

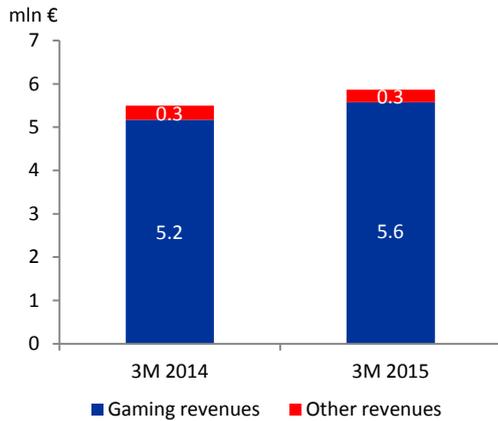


Lithuania

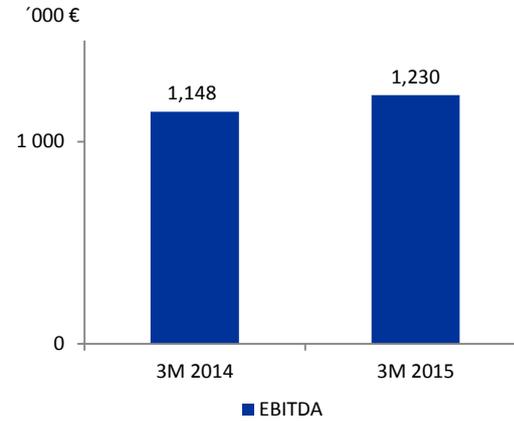
The sales revenues of Lithuanian segment for Q1 2015 amounted to EUR 5.9 million (+0.4 m€, +6.7%), EBITDA to EUR 1.2 million (+0.1 m€, +7.1%) and operating profit to EUR 1.0 million (+0.1 m€, +10.5%). Gaming revenue increased 7.9% y-o-y amounting to EUR 5.6 million.

At the end of March 2015, there were 16 Olympic casinos with 519 slot machines and 64 gaming tables operating in Lithuania. As at 31 March 2015, the Lithuanian operations employed 737 people.

Sales revenues



EBITDA

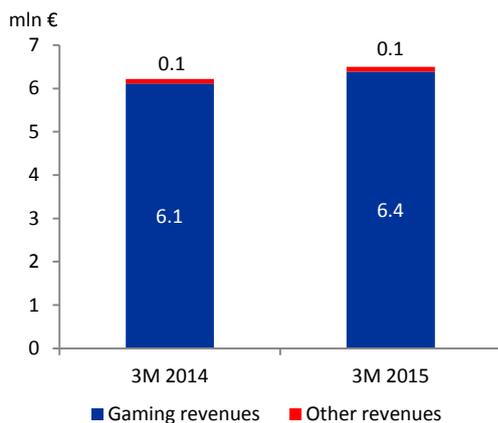


Poland

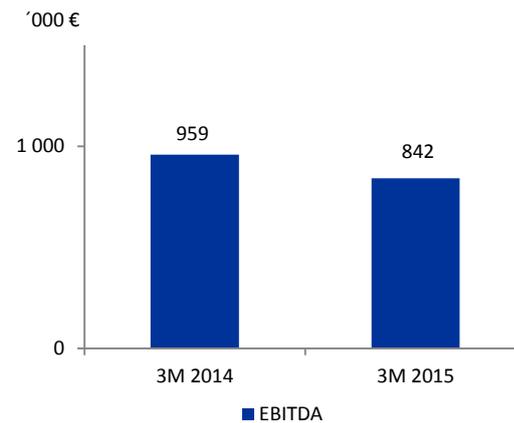
The sales revenues of Polish segment for Q1 2015 amounted to EUR 6.5 million (+0.3 m€, +4.5%), EBITDA to EUR 0.8 million (-0.1 m€, -12.2%) and operating profit to EUR 0.7 million (-0.1 m€, -6.5%). Gaming revenue increased 4.5% y-o-y amounting to EUR 6.4 million.

At the end of March 2015, there were 2 Olympic casinos with 210 slot machines and 42 gaming tables operating in Poland. As at 31 March 2014, the Polish operations employed 306 people.

Sales revenues



EBITDA

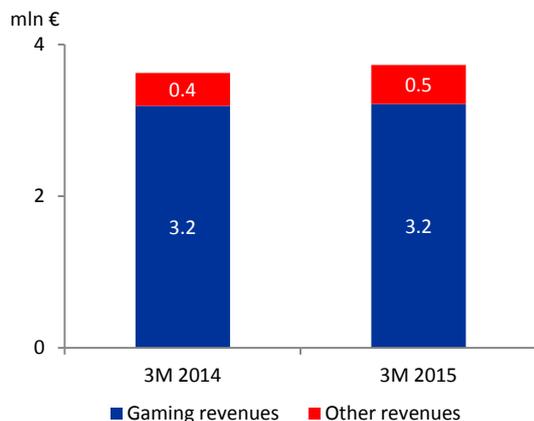


Slovakia

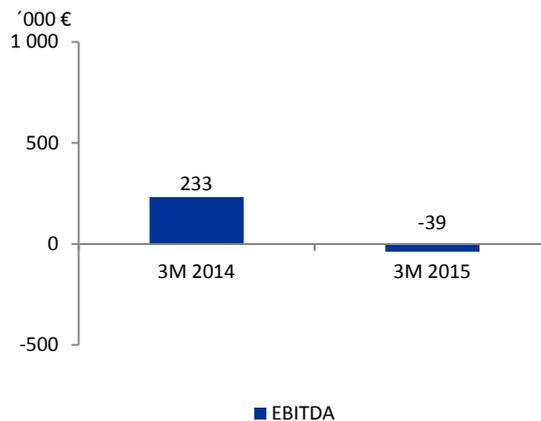
The sales revenues of Slovak segment for Q1 2015 amounted to EUR 3.7 million (+0.1 m€, +2.9%), EBITDA to EUR -0.1 million (-0.3 m€, -116.6%) and operating loss to EUR -0.3 million (-0.2 m€, -531.6%). Gaming revenue increased 0.7% y-o-y amounting to EUR 3.2 million.

At the end of March 2015, there were 7 Olympic casinos with 292 slot machines and 53 gaming tables operating in Slovakia. As at 31 March 2015, the Slovak operations employed 313 people.

Sales revenues



EBITDA

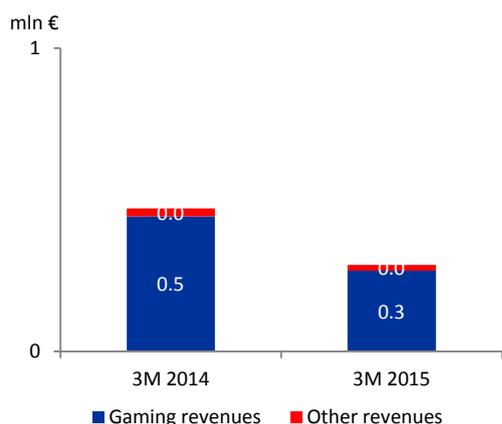


Belarus

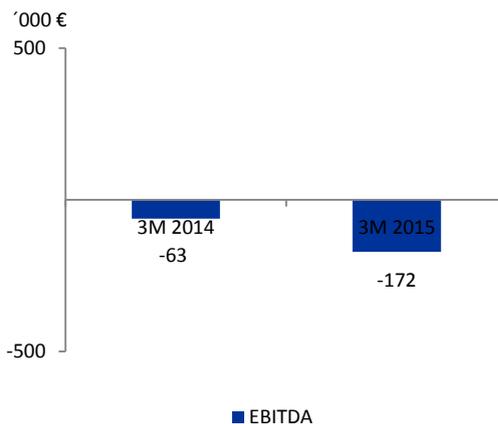
The sales revenues of Belarusian segment for Q1 2015 amounted to EUR 0.3 million (-0.2 m€, -39.6%), EBITDA to EUR -0.2 million (-0.1 m€, -174.2%) and operating loss to EUR -0.2 million (-0.1 m€, -145.5%). Gaming revenue decreased 40.3% y-o-y amounting to EUR 0.3 million.

At the end of March 2015, there were 2 Olympic casinos with 93 slot machines operating in Belarus. As at 31 March 2015, the Belarusian operations employed 64 people.

Sales revenues



EBITDA

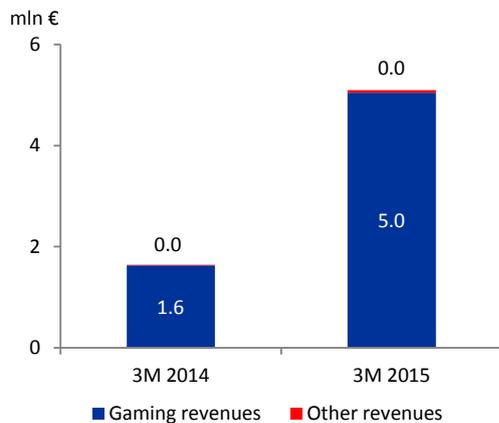


Italy

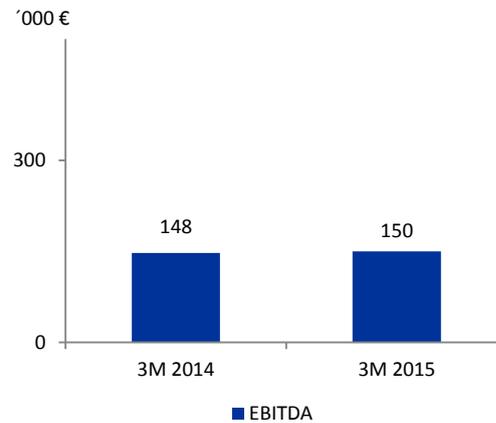
The sales revenues of Italian segment before deducting the gaming tax of Italy for Q1 2015 amounted to EUR 5.0 million (+3.4 m€, +210.1%), EBITDA to EUR 0.2 million (+0.0 m€, +1.7%) and operating profit to EUR 0.1 million (-0.0 m€, -17.1%).

At the end of March 2015, there were 12 VLT slot casinos with 438 slot machines operating in Italy. As at 31 March 2015, the Italian operations employed 56 people.

Sales revenues



EBITDA



Financial position

As at 31 March 2015, the total assets of the Group amounted to EUR 135.5 million, up 10.8% or EUR 13.2 million compared to the same period a year ago.

Current assets totalled EUR 51.6 million or 38.1% of total assets, and non-current assets EUR 83.9 million or 61.9% of total assets. The liabilities amounted to EUR 19.9 million and equity to EUR 115.6 million. The largest liabilities included suppliers payables and advances (6.2 m€), tax liabilities (5.4 m€) and payables to employees (4.3 m€).

Investments

In the 3 months of 2015, the Group's expenditures on property, plant and equipment totalled EUR 5.6 million (+2.0 m€, +56.2%), of which EUR 1.1 million was invested into new gaming equipment (-0.4m€, -28.8%) and EUR 4.4 million (+2.5 m€, +129.8%) into construction of hotel and construction and reconstruction of casinos.

Cash flows

In the 3 months of 2015, the Group's cash flows generated from operating activities amounted to EUR 8.9 million (+3.3 m€, +59.1%) and cash flows used in investing activities to EUR -2.9 million (+2.1 m€). Financing cash flows amounted to EUR -0.2 million (-0.1 m€). Net cash flows totalled EUR 5.8 million (+5.3 m€).

Staff

As at 31 March 2015, the Group employed 2,656 people, up by 151 y-o-y mostly due to expansion in Italy and Lithuania.

In the 3 months of 2015, total personnel expenses amounted to EUR 10.8 million (+1.3 m€, +13.6%). In the 3 months of 2015, the members of the Management Board and Supervisory Board of all Group entities were paid remuneration and benefits including social security taxes in the amount of EUR 230 thousand (EUR 225 thousand in the 3 months of 2014) and EUR 37 thousand (EUR 39 thousand in the 3 months of 2014), respectively.

Description of 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 Group.

Business risks

The macro-economic development of operated 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 presence in seven different jurisdictions.

Currency risk

The Group earns income in euros, Polish zloty, Belarusian rubles and until 31.12.2014 in Lithuanian litas. 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 revenues 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 Polish zloty and Belarusian ruble to the euro. The functional currencies of subsidiaries within the Group, the US dollar (USD) and the Swiss franc (CHF).

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 the credit rating of A and B where the most of the Group's funds have been deposited. Credit risk of the Group is related to cash, its equivalents and other positions of financial assets.

Management and Supervisory Boards

The Management Board of Olympic Entertainment Group AS is comprised of two members. In the daily 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. The Supervisory Board of Olympic Entertainment Group AS elects members of the Management Board for a term of three years.



Madis Jääger – Chairman of the Management Board and CEO since 2012 (member of the Management Board 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 owns directly and through the companies controlled by him a total of 75,000 Company's shares.



Meelis Pielberg – member of the Management Board and head of casino operations since 2012. Meelis Pielberg graduated from Estonian Maritime Academy in 2000. Meelis Pielberg owns directly and through the companies controlled by him a total of 50,000 Company's shares.

The Supervisory Board of Olympic Entertainment Group AS is comprised of three members. The General Meeting of Shareholders of Olympic Entertainment Group AS elects members of the Supervisory Management Board for five years.

- Armin Karu – Chairman of the Supervisory Board since 2008. Armin Karu is the founder of the Company. He graduated from Haaga Institute in Finland (International Management Diploma 1998; MBA 2005). Armin Karu owns directly and through the companies controlled by him a total of 68,364,790 Company's shares.
- Jaan Korpusov – member of the Supervisory Board since 2006. Jaan Korpusov graduated from University of Tartu in 1985 the faculty of history. Jaan Korpusov owns directly and through the companies controlled by him a total of 28,761,910 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 through the companies controlled by her a total of 23,141 Company's shares.

Shares of Olympic Entertainment Group AS

The shares of Olympic Entertainment Group AS are listed in the main list of Tallinn Stock Exchange since 23 October 2006. From 26 September 2007, the shares of Olympic Entertainment Group AS are traded on Warsaw Stock Exchange. The Company's registered share capital is EUR 60,716,482.40. The share capital is divided into 151,971,206 ordinary shares with the book value of EUR 0.40 each.

ISIN	EE3100084021
Ticker symbol	OEG1T
Market	BALTIC MAIN LIST
Number of securities issued	151,791,206
Number of listed securities	151,791,206
Listing date	23 October 2006

Movements in the share price (in EUR) and traded volume (number of securities) of Olympic Entertainment Group AS during the period of 01 January 2011 – 31 March 2015:



Comparison of the share of Olympic Entertainment Group AS with indices during the period of 01 January 2011 – 31 March 2015:

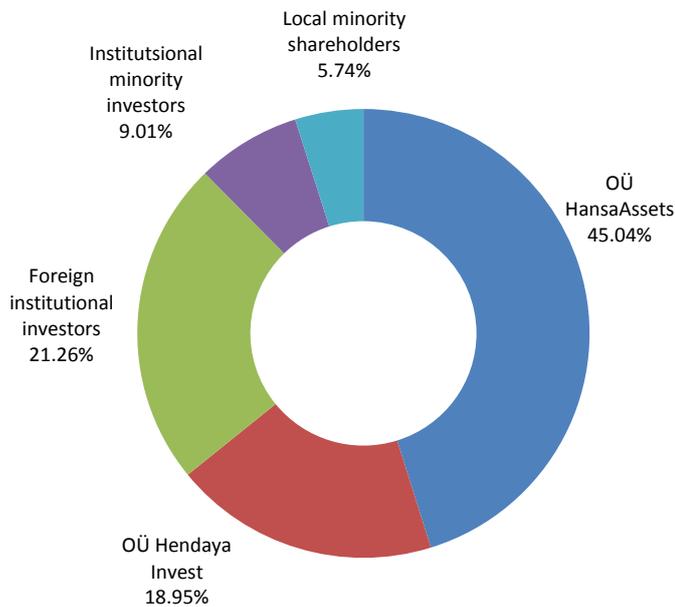


Index/share	01 Jan 2011	31 Mar 2015	+/-%
— OMX Baltic Benchmark GI	533.99	633.35	18.61
— OMX Tallinn	698.38	862.86	23.55
— OEG1T	1.485 EUR	1.930 EUR	29.97

Largest shareholders of Olympic Entertainment Group AS at 31 March 2015:

OÜ HANSAASSETS	45.04%
OÜ Hendaya Invest	18.95%
J.P. MORGAN BANK LUXEMBOURG S.A.	4.21%
SKANDINAVISKA ENSKILDA BANKEN S.A.	2.44%
NORDEA BANK FINLAND PLC, CLIENTS	1.97%
RBC INVESTOR SERVICES BANK / LUX-NON RESIDENTS / DOMESTIC RATE	1.78%
ING LUXEMBOURG S.A. AIF ACCOUNT	1.66%
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION ON BEHALF OF US RESIDENTS	1.27%
STATE STREET BANK AND TRUST OMNIBUS ACCOUNT A FUND NO OM01	1.20%
Central Securities Depository of Lithuania	1.09%

Structure of Olympic Entertainment Group AS shareholders as at 31 March 2015



Consolidated interim financial statements

Consolidated statement of financial position

	Notes	31.03.2015	31.12.2014
ASSETS			
Current assets			
Cash and cash equivalents		45,942	40,117
Financial investments		1,154	1,108
Receivables and prepayments		2,834	3,276
Prepaid income tax		483	483
Inventories		1,203	1,163
Assets held for sale		0	1,016
Total current assets		51,616	47,163
Non-current assets			
Deferred tax assets		1,478	1,398
Financial investments		4,406	4,277
Other long-term receivables		723	688
Investment property	3	292	292
Property, plant and equipment	4	38,111	34,368
Intangible assets	5	38,864	38,045
Total non-current assets		83,874	79,068
TOTAL ASSETS		135,490	126,231
LIABILITIES AND EQUITY			
Current liabilities			
Borrowings	6	253	253
Trade and other payables		16,394	13,121
Income tax payable		708	741
Provisions		1,016	1,424
Total current liabilities		18,371	15,539
Non-current liabilities			
Borrowings		1,166	1,216
Deferred tax liability	6	328	272
Total non-current liabilities		1,494	1,488
TOTAL LIABILITIES		19,865	17,027
EQUITY			
Share capital		60,716	60,716
Share premium		258	258
Statutory reserve capital		2,495	2,495
Other reserves		82	0
Translation reserves		-899	-1,420
Retained earnings		47,286	41,816
Total equity attributable to equity holders of the parent		109,938	103,865
Non-controlling interest		5,687	5,339
TOTAL EQUITY		115,625	109,204
TOTAL LIABILITIES AND EQUITY		135,490	126,231

Consolidated statement of comprehensive income

	Notes	Q1 2015	Q1 2014
Income from gaming transactions	8	36,724	32,719
Revenue	8	2,390	2,088
Other income	8	85	102
Total revenue and income		39,199	34,909
Cost of materials, goods and services		-893	-723
Other operating expenses		-18,571	-16,527
Staff costs		-10,780	-9,494
Depreciation, amortisation and impairment	4;5	-1,836	-1,960
Other expenses		-129	-131
Total operating expenses		-32,209	-28,835
Operating profit		6,990	6,074
Interest income		17	29
Interest expense		-7	-3
Foreign exchange losses		-1	-1
Other finance income and costs		-2	-1
Total finance income and costs		7	24
Profit from operating activities		6,997	6,098
Income tax expense		-1,179	-962
Net profit for the period		5,818	5,136
<i>Attributable to equity holders of the parent company</i>		<i>5,470</i>	<i>4,881</i>
<i>Attributable to non-controlling interest</i>		<i>348</i>	<i>255</i>
Other comprehensive income			
Currency translation differences		521	106
Total comprehensive profit for the period		6,339	5,242
<i>Attributable to equity holders of the parent company</i>		<i>5,991</i>	<i>4,987</i>
<i>Attributable to non-controlling interest</i>		<i>348</i>	<i>255</i>
Basic earnings per share*	7	3.6	3.2
Diluted earnings per share*	7	3.6	3.2

* euro cents

Consolidated statement of cash flows

	Notes	Q1 2015	Q1 2014
Cash flows from operating activities			
Net profit		5,818	5,136
Adjustments:			
Depreciation, amortisation and impairment	4;5	1,836	1,960
Profit / loss on disposal of non-current assets (net)		-20	73
Income tax expense		1,179	962
Other financial income and expenses (net)		-7	-24
Changes in working capital:			
Receivables and prepayments		62	-547
Inventories		-40	-115
Liabilities and prepayments		1,242	-649
Interest paid		-2	-3
Corporate income tax paid		-1,195	-1,217
Net cash generated from operating activities		8,873	5,576
Cash flows from investing activities			
Acquisition of property, plant, equipment and intangible assets		-3,917	-3,880
Proceeds from sale of property, plant, equipment		51	1
Proceeds from disposal of assets held for sale		1,016	0
Acquisition of subsidiaries, net of cash acquired		0	-1,136
Acquisition of business activity		-100	0
Interest received		52	25
Net cash used in from investing activities		-2,898	-4,990
Cash flows from financing activities			
Repayments of loans received	6	-63	-61
Repayments of finance leases		0	-1
Dividends paid		-89	0
Net cash used in financing activities		-152	-62
Net cash flows		5,823	524
Cash and cash equivalents at beginning of the period		40,117	44,582
Exchange gains and losses on cash and cash equivalents		2	2
Cash and cash equivalents at end of the period		45,942	45,108

Consolidated statement of changes in equity

	Equity attributable to equity holders of the parent								Total equity
	Share capital	Share premium	Statutory reserve capital	Other reserves	Currency translation differences	Retained earnings	Total	Non-controlling interest	
Balance at 01.01.2014	60,532	0	1,210	235	-1,204	36,782	97,555	4,416	101,971
<i>Net profit for the period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>4,881</i>	<i>4,881</i>	<i>255</i>	<i>5,136</i>
<i>Other comprehensive expense</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>106</i>	<i>0</i>	<i>106</i>	<i>0</i>	<i>106</i>
Total comprehensive income for the period	0	0	0	0	106	4,881	4,987	255	5,242
<i>Employee option programme</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>12</i>	<i>0</i>	<i>0</i>	<i>12</i>	<i>0</i>	<i>12</i>
Total transactions with owners	0	0	0	12	0	0	12	0	12
Other adjustments	0	0	0	0	0	-143	-143	0	-143
Balance at 31.03.2014	60,532	0	1,210	247	-1,098	41,520	102,411	4,671	107,082
Balance at 01.01.2015	60,716	258	2,495	0	-1,420	41,816	103,865	5,339	109,204
<i>Net profit for the period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>5,470</i>	<i>5,470</i>	<i>348</i>	<i>5,818</i>
<i>Other comprehensive income</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>521</i>	<i>0</i>	<i>521</i>	<i>0</i>	<i>521</i>
Total comprehensive income for the period	0	0	0	0	521	5,470	5,991	348	6,339
<i>Employee option programme</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>82</i>	<i>0</i>	<i>0</i>	<i>82</i>	<i>0</i>	<i>82</i>
Total transactions with owners	0	0	0	82	0	0	82	0	82
Balance at 31.03.2015	60,716	258	2,495	82	-899	47,286	109,938	5,687	115,625

Notes to the consolidated interim financial statements

Note 1 Summary of significant 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 31 March 2015 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 28 April 2015.

The audited consolidated financial statements of the Group as of and for the year ended 31 December 2014 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 2014.

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 2014.

Note 2 Seasonality of operations

Due to the slight seasonal nature of the gaming market, higher revenues are generated in the second half of the year. In the financial year ended 31 December 2014, 48% of the income from gaming transactions accumulated in the first half of the year, with 52% accumulating in the second half.

Note 3 Investment property

	Land	Buildings	Total
As at 01 January 2015	172	120	292
As at 31 March 2015	172	120	292

Note 4 Property, plant and equipment

	Land and buildings	Renovation expenditures	Machinery & equipment	Other PP&E	Construction in progress	Total
As at 01 January 2015	24	8,974	15,996	1,763	7,611	34,368
Additions	0	704	1,073	150	3,667	5,594
Reclassifications	0	131	194	103	-650	-222
Depreciation charge	-1	-654	-827	-225	0	-1,707
Exchange differences	1	11	64	2	0	78
As at 31 March 2015	24	9,166	16,500	1,793	10,628	38,111

Note 5 Intangible assets

	Goodwill	Software and licences	Total
As at 01 January 2015	36,847	1,198	38,045
Additions	0	397	397
Reclassifications	0	222	222
Amortisation charge	0	-129	-129
Exchange differences	324	5	329
As at 31 March 2015	37,171	1,693	38,864

Note 6 Borrowings

	31.03.2015	31.12.2014
Short-term borrowings		
Current portion of a long-term bank loan	253	253
Total short-term borrowings	253	253
Long-term borrowings		
Non-current portion of a long-term bank loan	2	65
Non-current portion of a long-term loan	1,078	1,078
Other borrowings	86	73
Total long-term borrowings	1,166	1,216
Total borrowings	1,419	1,469

The Group have concluded the loan agreement with the due date of 31 March 2016. The annual interest rate is 3 month Euribor + 2.0%. The Group has received a loan from minority interest with the due date of 31 December 2017. The annual interest rate is 6 months Euribor + 2.0%. Carrying amount of loans received does not vary from their fair value. The fair value measurement was carried out at level 3.

Note 7 Equity

The General Meeting of Shareholders held at 16 April 2015 decided to pay dividends to the shareholders of 0.10 euros per share in the total amount of 15,179,120.60 euros. Dividends will be paid out to the shareholders on 4 May 2015.

Earnings per share

	<u>Q1 2015</u>	<u>Q1 2014</u>
Net profit for the period	5,470	4,881
Weighted average number of shares outstanding (in thousands)	151,791	151,329
Basic earnings per share (euro cents)	3.6	3.2
Diluted earnings per share (euro cents)	3.6	3.2

Basic earnings per share are calculated by dividing profit attributable to equity holders of the company by the weighted average number of ordinary shares outstanding during the period. The calculation of diluted earnings per share also takes into consideration the share options granted to employees.

At 31 December 2014 share option agreements were concluded with Olympic Entertainment Group AS management board members and Group's key employees. According to concluded share option agreement management board member is eligible to subscribe to 100,000 Olympic Entertainment Group AS shares till the end of share option program; number of shares that can be subscribed by Group's key employees is individual. Exact number of shares that can be subscribed by each member of management board and key employee depends on fulfilment of Group's financial objectives and objectives connected with specific areas of responsibilities of each member of management board and key employee. The price for exercising the share option will be the nominal value of the share or the calculated value per one share. Options are conditional based on the 3-year employment relationship at the time of options realisation. Option holder has a right to subscribe for shares starting from 1 January 2018. Share option program ends 28 February 2018.

Note 8 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 31 March 2015, the Group had operations in the Estonian, Latvian, Lithuanian, Polish, Slovak, Belarusian and Italian markets.

All segments generate majority of their income from gaming transactions.

Q1 2015	Estonia	Latvia	Lithuania	Poland	Slovakia	Belarus	Italy	Total
Income from gaming transactions	7,938	11,087	5,579	6,388	3,215	266	5,048	39,521
Gaming tax of Italy	0	0	0	0	0	0	-2,797	-2,797
Revenue	496	1,006	286	108	515	19	50	2,480
Inter-segment revenue	-90	0	0	0	0	0	0	-90
External revenue	8,344	12,093	5,865	6,496	3,730	285	2,301	39,114
Other external revenue	3	6	0	4	2	57	13	85
Total revenue	8,347	12,099	5,865	6,500	3,732	342	2,314	39,199
Total expenses	-7,156	-7,598	-4,884	-5,773	-4,024	-514	-2,260	-32,209
Incl. Depreciation, amortisation and impairment losses	-429	-694	-248	-114	-253	0	-98	-1,836
Total operating profit (-loss)	1,191	4,501	981	727	-292	-172	54	6,990
Q1 2014	Estonia	Latvia	Lithuania	Poland	Slovakia	Belarus	Italy	Total
Income from gaming transactions	7,460	9,554	5,173	6,116	3,193	446	1,628	33,570
Gaming tax of Italy	0	0	0	0	0	0	-851	-851
Revenue	383	862	326	104	432	26	13	2,146
Inter-segment revenue	-55	-1	0	-2	0	0	0	-58
External revenue	7,788	10,415	5,499	6,218	3,625	472	790	34,807
Other external revenue	2	2	1	0	97	0	0	102
Total revenue	7,790	10,417	5,500	6,218	3,722	472	790	34,909
Total expenses	-6,461	-7,285	-4,610	-5,441	-3,769	-542	-727	-28,835
Incl. Depreciation, amortisation and impairment losses	-460	-689	-259	-181	-279	-7	-85	-1,960
Total operating profit (-loss)	1,329	3,132	890	777	-47	-70	63	6,074

Note 9 Transactions with related parties

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

- shareholders with significant influence;
- key management personnel (members of the Management Board and Supervisory Board of Group entities);
- close family members of and companies related to the above.

<u>Purchase of goods and services</u>	<u>Q1 2015</u>	<u>Q1 2014</u>
Shareholders with significant influence	1	0
Total	1	0

As at 31.03.2015 and 31.12.2014, there were no balances of receivables and liabilities.

In the 3 months of 2015, the members of the Management Board and Supervisory Board of all Group entities were paid remuneration and benefits including social security taxes in the amount of EUR 230 thousand (EUR 225 thousand in the 3 months of 2014) and EUR 37 thousand (EUR 39 thousand in the 3 months of 2014), respectively.