

Olympic Entertainment Group AS

Unaudited consolidated interim financial statements
for the 1st quarter of 2008

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|-----------------------------|--|
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| Beginning of financial year | 1 January 2008 |
| End of reporting period | 31 March 2008 |
| Managing director | Armin Karu |
| Auditor | KPMG Baltics AS |

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Directors' report

Confirmation by the management board

The board confirms that the directors' report presents fairly the development, performance and financial position of Olympic Entertainment Group AS, the company and the Group, and provides an overview of the main risks and uncertainties.

19 May 2008



Armin Karu
Chairman of the Management Board



Andri Avila
Member of the Management Board



Mart Relve
Member of the Management Board

Olympic Entertainment Group AS (the “Company” or, together with the subsidiaries, the “Group”) is the leading gaming services provider in the Baltic countries (Estonia, Latvia and Lithuania) and an increasingly recognized gaming facilities operator in Ukraine, Belarus, Poland and Romania.

Olympic Entertainment Group AS is the Group’s ultimate holding company, which deals with the Group’s strategic management and financing. The Group’s casinos are operated by local subsidiaries: Olympic Casino Eesti AS in Estonia, Olympic Casino Latvia SIA in Latvia, Olympic Casino Group Baltija UAB in Lithuania, Olympic Casino Ukraine TOV in Ukraine, Olympic Casino Bel IP in Belarus, Casino Polonia-Wroclaw Sp. Z O.O. in Poland and Olympic Casino Bucharest S.R.L. in Romania. In Estonia, Latvia and Lithuania, the Group’s non-core activities, such as the operation of a hotel in Tallinn and the operation of casino bars, have been separated from casino operations and transferred to specialized entities.

The Group operates slot and table casinos and, at most of its gaming facilities, casino bars. At 31 March 2008, the Group had 125 casinos - 35 in Estonia, 38 in Latvia, 16 in Lithuania, 20 in Ukraine, 4 in Belarus, 8 in Poland and 4 in Romania - and employed 3,900 people in eight countries.

Most of the Group’s casino properties operate under the Olympic Casino name. In Estonia, Latvia and Lithuania, Olympic Casinos operate in conformity with the international quality management standard ISO 9001 (in Estonia since 1998, in Latvia and Lithuania since 2004).

Selected financial data, 3 months 2008:

Revenue: 695.0 million kroons (year-over-year growth 50.7%)
Operating profit: 75.3 million kroons (year-over-year decrease 13.9%)
Operating margin*: 10.8% (3 months 2007 19.0%)
Profit before tax: 64.2 million kroons (year-over-year decrease 33.7%)
Net profit **: 61.9 million kroons (year-over-year decrease 25.1%)
Net margin***: 8.7% (3 months 2007 17.9%)

* Operating margin = operating profit / revenue

** Net profit before minority interest

** Net margin = net profit / revenue

1 EUR = 15.6466 EEK

The Group ended the quarter with sales revenue of 692.3 million kroons (44.2 million euros). Total consolidated revenue (sales revenue and other income) surged to 695.0 million kroons (44.4 million euros), 50.7% up on the first quarter of 2007 total consolidated revenue of 461.0 million kroons (29.5 million euros). In the first quarter of 2008 94% of concern consolidated revenue was formed by gaming operations and 6% of other income. In 2007 Q1 gaming revenues accounted for 93% and other revenues for 7% of consolidated revenue.

External revenue by segments

| | 3 months 2008 | Growth | Proportion | 3 months 2007 | Proportion |
|-----------|---------------|--------|------------|---------------|------------|
| Estonia | 206,882 | 17.3% | 29.8% | 176,306 | 38.2% |
| Latvia | 162,612 | 4.3% | 23.4% | 155,847 | 33.8% |
| Lithuania | 112,364 | 17.6% | 16.2% | 95,516 | 20.7% |
| Ukraine | 72,441 | 127.1% | 10.4% | 31,893 | 6.9% |
| Belarus | 6,227 | 314.9% | 0.9% | 1,501 | 0.3% |
| Poland | 122,010 | - | 17.6% | - | 0.0% |
| Romania | 12,486 | - | 1.8% | - | 0.0% |
| Total | 695,022 | 50.7% | 100.0% | 461,063 | 100.0% |

Consolidated revenue of the first quarter of 2008 was positively influenced by the contribution of newly acquired companies as well as organic and expansion-triggered revenue growth.

At the end of March 2008, the Group had 125 casinos with a total area of 35,630 square metres. At the end of March 2007, the number of casinos was 82 and their total area was 23,169 square metres. The number of casinos increased by 43 compared to the same period of last year. During the first quarter, a new casino was opened in each of the following countries – Lithuania, Ukraine and Romania, and six casinos were renovated – three former Kristiine Kasiinos in Estonia and 3 former Baltic Gaming casinos in Latvia.

Number of casinos by segments

| | 31 March 2008 | 31 December 2008 | 31 March 2007 |
|-----------|---------------|------------------|---------------|
| Estonia | 35 | 35 | 24 |
| Latvia | 38 | 38 | 38 |
| Lithuania | 16 | 15 | 10 |
| Ukraine | 20 | 19 | 9 |
| Belarus | 4 | 4 | 1 |
| Poland | 8 | 8 | - |
| Romania | 4 | 3 | - |
| Slovakia | - | - | - |
| Total | 125 | 122 | 82 |

Consolidated operating profit amounted to 75.3 million kroons (4.8 million euros), 13.9% down compared with the first quarter of 2007. Consolidated net profit equalled 61.9 million kroons (4.0 million euros), a 25.1% decrease from the 82.7 million kroons (5.3 million euros) earned in the first quarter of 2007.

The management of the Group considers that the results for the first quarter were mostly according to expectations. As expected, quarterly results will be affected by slight seasonality: in overall trend, about 45% of revenues and 40% of the profit will be made during the first half-year. The results of the Polish and Lithuanian subsidiaries were better than expected and the results Latvian subsidiaries were somewhat more modest. The operating profit for the first quarter 2008 was affected by non-capitalized costs in connection with casino opening and renovation in the amount of 19.9 million kroons (1.3 million euros), slowdown in income growth caused by the overall cooling of the economic climate, pressure on operating costs and extension of periods for launching new casinos.

The Group's management will continue this year to implement activities planned at the end of 2007 that are aimed at streamlining organizational structures of Group companies and optimization of operating costs. In the coming quarters the main focus will be on continuing the integration of companies acquired in 2007 into other operations of OEG with the objective of increasing their operating efficiency and implementation of the expansion strategy. Depending on the development of the overall economic climate we expected margins to start growing not before the final quarter of this year.

Consolidated expenses for 3 months 2008 totalled to 619.7 million kroons (39.6 million euros), up 65.9% compared to 3 months 2007. The largest expense item was personnel expenses including social charges which amounted to 210.5 million kroons (13.5 million euros), followed by gaming tax expenses of 111.7 million kroons (7.1 million euros), depreciation and amortisation expense of 80.6 million kroons (5.2 million euros), buildings rental expenses of 61.0 million kroons (3.9 million euros) and marketing and jackpot expenses of 48.7 million kroons (3.1 million euros).

In comparison with last year the strongest cost growth in absolute figures came from personnel expenses – 91.2 million kroons (5.8 million euros) – a 76.5% up on year ago, gaming tax expenses – 66.8 million kroons (4.3 million euros) – a 148.9% growth, and premises rent expenses – 32.1 million kroons (2.1 million euros) – a 111.4% growth.

Consolidated net profit for 3 months of 2008 was affected by unrealised exchange differences – a net exchange loss of 14.2 million kroons (0.9 million euros) arisen from significant fluctuations in the euro-US dollar exchange rate. Exchange differences have been recognised in the income statement in *Foreign exchange loss*.

Estonian segment

Due to the Group's rapid expansion, the Estonian segment's contribution to consolidated revenue has declined from 38.2% to 29.8% compared to the same period of a previous year. In the first quarter of 2008, the segment's external revenue amounted to 206.9 million kroons (13.2 million euros) including gaming revenue of 194.2 million kroons (12.4 million euros). In first quarter 2008, the segment's external revenue grew by 17.3% compared to the same period of last year.

According to the Estonian Gaming Operator Association, in first quarter 2008 the market share of Olympic Casino Eesti AS has grown from 44% to 47%.

At the end of March 2008, there were 35 Olympic Casinos in Estonia with a total of 1,360 slot machines and 24 game tables. During the quarter, three former Kristiine Kasiino facilities were renovated.

In first quarter of 2008 the segment's operating profit has grown 25.9% and reached 44.7 million kroons (2.9 million euros). The growth of profit was achieved due to the growth of revenues and efficient cost management.

Latvian segment

The Latvian segment accounts for 23.4% of the Group's consolidated revenue. In the first quarter of 2008, the segment's external revenue amounted to 162.6 million kroons (10.4 million euros) including gaming revenue of 148.9 million kroons (9.5 million euros) and other revenues of 13.7 million kroons (0.9 million euros). In the first quarter of 2008, the segment's external revenue grew by 4.3% compared to the same period last year. The Latvian gaming market grew with the same magnitude.

The Latvian segment's operating profit amounted to 2.2 million kroons (0.1 million euros), 93.1% down from the first quarter of 2007. Profit decrease has been caused by increase of operating expenses and slowdown of the revenue growth. In Latvian subsidiaries the process of streamlining organizational structures has been started, the effect on operational costs will appear in the second half of the year.

At the end of March 2008, the Latvian segment was operating 38 casinos with a total of 1,267 slot machines and 40 game tables.

Lithuanian segment

The Lithuanian segment continues steady growth. During the first 3 months of 2008 revenue grew up 17.6%. The Lithuanian segment accounts for 16.2% of the Group's consolidated revenue. In the first quarter of 2008, the segment's external revenue amounted to 112.4 million kroons (7.2 million euros) including gaming revenue of 107.2 million kroons (6.9 million euros) and other revenues of 5.2 million kroons (0.3 million euros).

In the first quarter the segment's operating profit has grown 11.4% compared to the first quarter of 2007 and has reached 22.8 million kroons (1.5 million euros).

At the end of March 2008, the Lithuanian segment was operating 10 casinos under the Olympic Casino brand (including Kaunas casino temporarily closed for renovation) and 6 under the Bumerangas brand. The casinos have a total of 578 slot machines and 64 game tables.

Ukrainian segment

Ukraine is continually the Group's fastest growing segment. The segment's external revenue increased 2.3 times compared to the revenues of first 3 months of 2007. The segment's revenues grew up to 10.4% of the Group's consolidated revenue. In the first quarter of 2008, the segment's external revenue amounted to 72.4 million kroons (4.6 million euros) including gaming revenue of 66.7 million kroons (4.3 million euros) and other revenues of 5.7 million kroons (0.4 million euros).

The Ukrainian segment's operating profit for the first 3 months of 2008 amounted to 2.8 million kroons (0.2 million euros), which is 2.0 million kroons (0.1 million euros) less than in the first quarter of 2007. The

segment's operating profit was influenced by expansion costs and expenses related to the renovation of Eldorado casinos in total amount of 7.7 million kroons (0.5 million euros).

At the end of March 2008, the Ukrainian segment was operating 20 casinos with a total of 870 slot machines and 18 game tables.

Belarusian segment

At the end of March, Olympic Casino Bel IP was operating 4 casinos with a total of 199 slot machines in Minsk.

The Belarusian segment accounts for less than 1% of the Group's consolidated revenue. During the first quarter of 2008, revenue has grown three times compared to the first quarter of 2007 and amounted to 6.2 million kroons (0.4 million euros). The operating loss of Belarusian segment was 4.5 million kroons (0.3 million euros).

Polish segment

In the first quarter of 2008, the segment's external revenue amounted to 122.0 million kroons (7.8 million euros), accounting for 17.6% of the Group's consolidated revenue. At the end of March, Group was operating 8 casinos in Poland with 302 slots and 45 gaming tables. The segment's operating profit amounted to 15.9 million kroons (1.0 million euros).

Romanian segment

The Romanian segment finished the first quarter of 2008 with a revenue of 12.5 million kroons (0.8 million euros). Due to the expenses related with the opening of new casinos, the period ended with an operating loss of 7.1 million kroons (0.5 million euros).

At the end of March 2008, Group was operating 4 casinos in Romania with a total of 139 slot machines and 13 gaming tables.

Balance sheet

At 31 March 2008, the consolidated balance sheet of Group totalled 2,712.5 million kroons (173.4 million euros). At 31 December 2007, the consolidated balance sheet of Group amounted to 2,703.9 million kroons (172.8 million euros). During the quarter the volume of balance sheet increased 0.3%.

Current assets accounted for 547.8 million kroons (35.0 million euros) or 20.2% of total assets and non-current assets for 2,164.7 million kroons (138.3 million euros) or 79.8% of total assets. Intangible assets accounted for 679.2 million kroons (43.4 million euros) or 31.1% of non-current assets.

At 31 March, Group's consolidated liabilities amounted to 315.7 million kroons (20.2 million euros) and consolidated equity amounted to 2,396.7 million kroons (153.2 million euros). The largest part of liabilities were trade payables in amount of 96.4 million kroons (6.2 million euros), tax commitments of 74.3 million kroons (4.7 million euros), payables to employees of 69.5 million kroons (4.4 million euros).

Investment

In the first quarter of 2008, the Group's expenditures on property, plant and equipment totalled 208.6 million kroons (13.3 million euros) including investment in gaming equipment of 133.3 million kroons (8.5 million euros), renovation of casinos in amount of 67.1 million kroons (4.3 million euros), and acquisition of other items of property, plant and equipment in amount of 8.2 million kroons (0.5 million euros).

Expenditures on intangible assets amounted to 3.1 million kroons (0.2 million euros).

Cash flows

Group's operating cash flows during the first 3 months of 2008 were 59.2 million kroons (3.8 million euros), cash outflows from investing activities were 144.5 million kroons (9.2 million euros). Net cash outflows amounted to 86.5 million kroons (5.5 million euros).

People

At 31 March 2008, the Group employed 3,900 people (31 March 2007: 2,406): 779 in Estonia, 939 in Latvia, 807 in Lithuania, 667 in Ukraine, 82 in Belarus, 457 in Poland, 166 in Romania and 3 in Slovakia.

Employee remuneration expenses including relevant social charges amounted to 210.5 million kroons (13.5 million euros), in first quarter of 2007 the relevant figure was 119.2 million kroons (7.6 million euros).

Dividends

The Management Board of Olympic Entertainment Group AS will make a proposal at the shareholders' general meeting to pay out 75.5 million kroons (4.8 million euros) or 0.5 kroons (0.03 euros) per share as dividends

The Group's key financials

| | 3 months 2008 | 3 months 2007 | Change |
|---|---------------|---------------|--------|
| Revenue (kroons, millions) | 695.0 | 461.1 | 50.7% |
| EBITDA(kroons, millions) | 156.0 | 134.5 | 16.0% |
| Operating profit (kroons, millions) | 75.3 | 87.4 | -13.8% |
| Net profit (kroons, millions) | 61.9 | 82.7 | -25.2% |
| EBITDA margin | 22.4% | 29.2% | -23.0% |
| Operating margin | 10.8% | 19.0% | -42.8% |
| Net margin | 8.9% | 17.9% | -50.3% |
| Equity ratio | 88.3% | 90.1% | -2.0% |
| | | | |
| Number of casinos at end of period | 125 | 82 | 52.4% |
| Total area of casinos at end of period (in square metres) | 35,630 | 23,169 | 53.8% |
| | | | |
| Number of slots at end of period | 4,715 | 3,023 | 56.0% |
| Number of game tables at end of period | 204 | 119 | 71.4% |

Underlying formulas

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

EUR 1 = EEK 15.6466

Consolidated interim financial statements

Statement of management responsibility

The management board of Olympic Entertainment Group AS acknowledges its responsibility for the preparation, integrity and fair presentation of the consolidated interim financial statements of Olympic Entertainment Group AS for the first quarter of 2008 presented on pages 10 to 25 of this report and confirms that to the best of its knowledge, information and belief:

- ❑ the policies applied in the preparation of the consolidated interim financial statements comply with International Financial Reporting Standard (IFRS) IAS 34 Interim Financial Reporting as adopted by the EU;
- ❑ the consolidated interim financial statements give a true and fair view of the financial position of the Group and of the results of its operations and its cash flows;
- ❑ all significant events that occurred until the date on which the consolidated interim financial statements were authorised for issue (19 May 2008) have been properly recognised and disclosed; and
- ❑ Olympic Entertainment Group AS and its subsidiaries (excluding Nordic Gaming AS and Viking Services OÜ which are in liquidation) are going concerns.

19 May 2008



Armin Karu
Chairman of the Management Board



Andri Avila
Member of the Management Board



Mart Relve
Member of the Management Board

Consolidated interim balance sheet

ASSETS

| (In thousands of Estonian kroons) | Note | 31 Mar 2008 | 31 Dec 2007 |
|-----------------------------------|------|------------------|------------------|
| Current assets | | | |
| Cash and cash equivalents | | 415,724 | 501,800 |
| Short-term financial investments | | 6,714 | 10,929 |
| Trade receivables | | 4,729 | 14,309 |
| Other receivables and prepayments | | 93,607 | 68,461 |
| Prepaid income tax | | 1,670 | 2,567 |
| Inventories | | 25,321 | 20,441 |
| Total current assets | | 547,766 | 618,507 |
| Non-current assets | | | |
| Deferred tax assets | | 3,511 | 3,575 |
| Other financial investments | | 7,211 | 7,248 |
| Other long-term receivables | | 14,928 | 11,955 |
| Investment property | 2 | 57,909 | 52,924 |
| Property, plant and equipment | 2 | 1,401,984 | 1,319,338 |
| Intangible assets | 3 | 679,146 | 690,379 |
| Total non-current assets | | 2,164,689 | 2,085,419 |
| TOTAL ASSETS | | 2,712,456 | 2,703,926 |

LIABILITIES AND EQUITY

| (In thousands of Estonian kroons) | Note | 31 Mar 2008 | 31 Dec 2007 |
|--|------|------------------|------------------|
| LIABILITIES | | | |
| Current liabilities | | | |
| Interest-bearing loans and borrowings | 4 | 3,523 | 4,682 |
| Customer advances | | 3,832 | 12,600 |
| Trade payables | | 96,417 | 125,749 |
| Other payables | | 9,968 | 9,293 |
| Income tax liability | | 11,872 | 13,617 |
| Other tax liabilities | | 62,429 | 70,870 |
| Other accrued payables | | 72,357 | 73,662 |
| Provisions | | 15,634 | 15,297 |
| Total current liabilities | | 276,033 | 325,770 |
| Non-current liabilities | | | |
| Deferred tax liability | | 14,909 | 18,280 |
| Interest-bearing loans and borrowings | | 24,821 | 24,787 |
| Total non-current liabilities | | 39,730 | 43,067 |
| Total liabilities | | 315,764 | 368,837 |
| EQUITY | | | |
| Share capital | 5 | 1,510,000 | 1,510,000 |
| Share premium | | 227,273 | 227,273 |
| Statutory capital reserve | | 19,444 | 19,444 |
| Translation reserves | | -1,675 | -1,343 |
| Retained earnings | | 574,179 | 518,394 |
| Total equity attributable to equity holders of | | 2,329,221 | 2,273,768 |
| Minority interest | | 67,471 | 61,321 |
| Total equity | | 2,396,692 | 2,335,089 |
| TOTAL LIABILITIES AND EQUITY | | 2,712,456 | 2,703,926 |

Consolidated interim balance sheet (continued)

| ASSETS | | | |
|--|------|----------------|----------------|
| (In thousands of euro) | Note | 31 Mar 2008 | 31 Dec 2007 |
| Current assets | | | |
| Cash and cash equivalents | | 26,570 | 32,071 |
| Short-term financial investments | | 429 | 698 |
| Trade receivables | | 302 | 915 |
| Other receivables and prepayments | | 5,983 | 4,375 |
| Prepaid income tax | | 107 | 164 |
| Inventories | | 1,618 | 1,306 |
| Total current assets | | 35,009 | 39,530 |
| Non-current assets | | | |
| Deferred tax assets | | 224 | 229 |
| Other financial investments | | 461 | 463 |
| Other long-term receivables | | 954 | 764 |
| Investment property | 2 | 3,701 | 3,382 |
| Property, plant and equipment | 2 | 89,603 | 84,321 |
| Intangible assets | 3 | 43,405 | 44,123 |
| Total non-current assets | | 138,349 | 133,283 |
| TOTAL ASSETS | | 173,358 | 172,812 |
| LIABILITIES AND EQUITY | | | |
| (In thousands of euro) | Note | 31 Mar 2008 | 31 Dec 2007 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Interest-bearing loans and borrowings | 4 | 225 | 299 |
| Customer advances | | 245 | 805 |
| Trade payables | | 6,162 | 8,037 |
| Other payables | | 637 | 594 |
| Income tax liability | | 759 | 870 |
| Other tax liabilities | | 3,990 | 4,529 |
| Other accrued payables | | 4,624 | 4,708 |
| Provisions | | 999 | 978 |
| Total current liabilities | | 17,642 | 20,821 |
| Non-current liabilities | | | |
| Deferred tax liability | | 953 | 1,168 |
| Interest-bearing loans and borrowings | | 1,586 | 1,584 |
| Total non-current liabilities | | 2,539 | 2,753 |
| Total liabilities | | 20,181 | 23,573 |
| EQUITY | | | |
| Share capital | 5 | 96,507 | 96,507 |
| Share premium | | 14,525 | 14,525 |
| Statutory capital reserve | | 1,243 | 1,243 |
| Translation reserves | | -107 | -86 |
| Retained earnings | | 36,697 | 33,131 |
| Total equity attributable to equity holders of | | 148,865 | 145,320 |
| Minority interest | | 4,312 | 3,919 |
| Total equity | | 153,177 | 149,239 |
| TOTAL LIABILITIES AND EQUITY | | 173,358 | 172,812 |

Consolidated interim income statement

| (In thousands of Estonian kroons) | Note | Q1 2008 | Q1 2007 |
|--|------|-----------------|-----------------|
| Revenue | | | |
| Sales revenue | | 692,253 | 459,738 |
| Other income | | 2,770 | 1,325 |
| Total revenue | | 695,022 | 461,063 |
| Expenses | | | |
| Cost of materials, goods and services used | | -17,184 | -11,144 |
| Other operating expenses | | -304,108 | -195,603 |
| Labour costs | | -210,452 | -119,222 |
| Depreciation and amortisation | 2;3 | -80,685 | -47,172 |
| Other expenses | | -7,290 | -513 |
| Total expenses | | -619,718 | -373,654 |
| Operating profit | | 75,304 | 87,409 |
| Financial income and expenses | | | |
| Interest income | | 3,450 | 12,932 |
| Interest expense | | -312 | -4 |
| Foreign exchange losses | | -14,210 | -3,392 |
| Net financing costs | | -11,072 | 9,536 |
| Profit from ordinary operations | | 64,232 | 96,945 |
| Income tax expense | | -2,298 | -14,265 |
| NET PROFIT FOR THE PERIOD | | 61,934 | 82,679 |
| Attributable to minority interest | | 6,150 | 3,346 |
| Attributable to equity holders of the parent | | 55,785 | 79,333 |
| Basic earnings per share (kroons) | 5 | 0.37 | 0.53 |
| Diluted earnings per share (kroons) | 5 | 0.37 | 0.53 |

Consolidated interim income statement (continued)

| (In thousands of euro) | Note | Q1 2008 | Q1 2007 |
|--|------|----------------|----------------|
| Revenue | | | |
| Sales revenue | | 44,243 | 29,383 |
| Other income | | 177 | 85 |
| Total revenue | | 44,420 | 29,467 |
| Expenses | | | |
| Cost of materials, goods and services used | | -1,098 | -712 |
| Other operating expenses | | -19,436 | -12,501 |
| Labour costs | | -13,450 | -7,620 |
| Depreciation and amortisation | 2;3 | -5,157 | -3,015 |
| Other expenses | | -466 | -33 |
| Total expenses | | -39,607 | -23,881 |
| Operating profit | | 4,813 | 5,586 |
| Financial income and expenses | | | |
| Interest income | | 221 | 826 |
| Interest expense | | -20 | 0 |
| Foreign exchange losses | | -908 | -217 |
| Net financing costs | | -708 | 609 |
| Profit from ordinary operations | | 4,105 | 6,196 |
| Income tax expense | | -147 | -912 |
| NET PROFIT FOR THE PERIOD | | 3,958 | 5,284 |
| Attributable to minority interest | | 393 | 214 |
| Attributable to equity holders of the parent | | 3,565 | 5,070 |
| Basic earnings per share (euro) | 5 | 0.02 | 0.03 |
| Diluted earnings per share (euro) | 5 | 0.02 | 0.03 |

Consolidated interim statement of cash flows

| (In thousands of Estonian kroons) | Note | Q1 2008 | Q1 2007 |
|---|------|-----------------|------------------|
| Cash flows from operating activities | | | |
| Net profit for the period | | 61,934 | 82,679 |
| Adjustments for | | | |
| Depreciation and amortisation | 2;3 | 80,685 | 47,172 |
| Gain on disposal of property, tangibles, intangibles | | 3,242 | -53 |
| Other net financing items | | 11,072 | -9,536 |
| Change in receivables and prepayments related to operating | | -25,698 | -22,445 |
| Change in inventories | | -4,880 | -11,833 |
| Change in payables and advances related to operating activity | | -64,312 | 81 |
| Interest paid | | 312 | -4 |
| Corporate income tax paid | | -3,194 | -2,288 |
| Net cash from operating activities | | 59,160 | 83,773 |
| Cash flows from investing activities | | | |
| Acquisition of property, tangibles, intangibles | | -157,083 | -89,181 |
| Proceeds from sale of non-current assets | | 9,421 | 21 |
| Acquisition of shares in subsidiaries | | 0 | -156 |
| Loans given | | 0 | -57,736 |
| Repayment of loans given | | 0 | 2 |
| Interest received | | 3,158 | 9,013 |
| Net cash used in investing activities | | -144,504 | -138,037 |
| Cash flows from financing activities | | | |
| Payment of finance lease principal | 4 | -1,159 | -47 |
| Net cash used in financing activities | | -1,159 | -47 |
| NET CASH FLOWS | | -86,502 | -54,311 |
| Increase in cash and cash equivalents | | -86,502 | -54,310 |
| Cash and cash equivalents at beginning of period | | 501,800 | 1,234,658 |
| Effect of exchange rate fluctuations | | 426 | -324 |
| Cash and cash equivalents at end of period | | 415,724 | 1,180,024 |

Consolidated interim statement of cash flows (continued)

| (In thousands of euro) | Note | Q1 2008 | Q1 2007 |
|---|------|---------------|---------------|
| Cash flows from operating activities | | | |
| Net profit for the period | | 3,958 | 5,284 |
| Adjustments for | | | |
| Depreciation and amortisation | 2;3 | 5,157 | 3,015 |
| Gain on disposal of property, tangibles, intangibles | | 207 | -3 |
| Other net financing items | | 708 | -609 |
| Change in receivables and prepayments related to operating | | -1,642 | -1,435 |
| Change in inventories | | -312 | -756 |
| Change in payables and advances related to operating activity | | -4,110 | 5 |
| Interest paid | | 20 | 0 |
| Corporate income tax paid | | -204 | -146 |
| Net cash from operating activities | | 3,781 | 5,354 |
| Cash flows from investing activities | | | |
| Acquisition of property, tangibles, intangibles | | -10,039 | -5,700 |
| Proceeds from sale of non-current assets | | 602 | 1 |
| Acquisition of shares in subsidiaries | | 0 | -10 |
| Loans given | | 0 | -3,690 |
| Interest received | | 202 | 576 |
| Net cash used in investing activities | | -9,235 | -8,822 |
| Cash flows from financing activities | | | |
| Payment of finance lease principal | 4 | -74 | -3 |
| Net cash used in financing activities | | -74 | -3 |
| NET CASH FLOWS | | -5,528 | -3,471 |
| Increase in cash and cash equivalents | | -5,528 | -3,471 |
| Cash and cash equivalents at beginning of | | 32,071 | 78,909 |
| Effect of exchange rate fluctuations | | 27 | -21 |
| Cash and cash equivalents at end of period | | 26,570 | 75,417 |

Consolidated interim statement of changes in equity

| Equity attributable to equity holders of the parent | | | | | | | | |
|---|----------------|----------------|---------------------------|---------------------|-------------------|------------------|-------------------|------------------|
| (In thousands of Estonian kroons) | Share capital | Share premium | Statutory capital reserve | Translation reserve | Retained earnings | Total | Minority interest | Total |
| At 31 December 2006 | 754,000 | 968,800 | 4 | -2,217 | 315,308 | 2,035,896 | 37,118 | 2,073,013 |
| Net profit for the period | 0 | 0 | 0 | 0 | 79,333 | 79,333 | 3,346 | 82,679 |
| Effect of changes in exchange rates | 0 | 0 | 0 | -3,297 | 0 | -3,297 | 0 | -3,297 |
| Total recognised income and expense | 0 | 0 | 0 | -3,297 | 79,333 | 76,036 | 3,346 | 79,382 |
| At 31 March 2007 | 754,000 | 968,800 | 4 | -5,514 | 394,641 | 2,111,932 | 40,464 | 2,152,395 |

| | | | | | | | | |
|--|------------------|----------------|---------------|---------------|----------------|------------------|---------------|------------------|
| At 31 December 2007 | 1,510,000 | 227,273 | 19,444 | -1,344 | 518,394 | 2,273,767 | 61,321 | 2,335,088 |
| Net profit for the period | 0 | 0 | 0 | 0 | 55,785 | 55,785 | 6,150 | 61,935 |
| Effect of changes in exchange rates | 0 | 0 | 0 | -331 | 0 | -331 | 0 | -331 |
| Total recognised income and expense | 0 | 0 | 0 | -331 | 55,785 | 55,454 | 6,150 | 61,604 |
| At 31 March 2008 | 1,510,000 | 227,273 | 19,444 | -1,675 | 574,179 | 2,329,225 | 67,467 | 2,396,692 |

| Equity attributable to equity holders of the parent | | | | | | | | |
|---|---------------|---------------|---------------------------|---------------------|-------------------|----------------|-------------------|----------------|
| (In thousands of euro) | Share capital | Share premium | Statutory capital reserve | Translation reserve | Retained earnings | Total | Minority interest | Total |
| At 31 December 2006 | 48,189 | 61,918 | 0 | -142 | 20,152 | 130,117 | 2,372 | 132,490 |
| Net profit for the period | 0 | 0 | 0 | 0 | 5,070 | 5,070 | 214 | 5,284 |
| Effect of changes in exchange rates | 0 | 0 | 0 | -211 | 0 | -211 | 0 | -211 |
| Total recognised income and expense | 0 | 0 | 0 | -211 | 5,070 | 4,860 | 214 | 5,073 |
| At 31 March 2007 | 48,189 | 61,918 | 0 | -352 | 25,222 | 134,977 | 2,586 | 137,563 |

| | | | | | | | | |
|--|---------------|---------------|--------------|-------------|---------------|----------------|--------------|----------------|
| At 31 December 2007 | 96,507 | 14,525 | 1,243 | -86 | 33,131 | 145,320 | 3,919 | 149,239 |
| Net profit for the period | 0 | 0 | 0 | 0 | 3,565 | 3,565 | 393 | 3,958 |
| Effect of changes in exchange rates | 0 | 0 | 0 | -21 | 0 | -21 | 0 | -21 |
| Total recognised income and expense | 0 | 0 | 0 | -21 | 3,565 | 3,544 | 393 | 3,937 |
| At 31 March 2008 | 96,507 | 14,525 | 1,243 | -107 | 36,697 | 148,865 | 4,312 | 153,177 |

Notes to the consolidated interim financial statements

Note 1. Summary of significant accounting policies

Olympic Entertainment Group AS (the “Company”) is a company registered in Estonia on 15 November 1999. The condensed consolidated interim financial statements of the Company as at and for the three months ended 31 March 2008 comprise the Company and its subsidiaries (together referred to as the “Group”).

The complete consolidated financial statements of the Group as at and for the year ended 31 December 2007 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.

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2007.

These condensed consolidated interim financial statements were approved by the management board on 19 May 2008.

Basis of preparation

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 2007.

The Company’s functional and presentation currency is the Estonian kroon (EEK). In these financial statements and notes to the financial statements, all figures are presented both in thousands of Estonian kroons and in thousands of euro (€), rounded to the nearest thousand. The data has been translated from Estonian kroons to euro using the Eesti Pank (Bank of Estonia) exchange rate of 15.6466 Estonian kroons to 1 euro.

Use of estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those which applied to the consolidated financial statements as at and for the year ended 31 December 2007.

Note 2. Investment property and property, plant and equipment

| (In thousands of Estonian kroons) | Investment property | Property, plant and equipment | Total |
|---------------------------------------|------------------------|----------------------------------|------------------|
| At 31 December 2007 | 52,924 | 1,319,338 | 1,372,262 |
| Additions | 4,985 | 188,929 | 193,914 |
| Disposals | 0 | -28,257 | -28,257 |
| Depreciation for the period | 0 | -76,682 | -76,682 |
| Accumulated depreciation on disposals | 0 | 17,546 | 17,546 |
| Effect of movements in exchange rates | 0 | -18,890 | -18,890 |
| At 31 March 2008 | 57,909 | 1,401,984 | 1,459,893 |

| (In thousands of euro) | Investment property | Property, plant and equipment | Total |
|---------------------------------------|------------------------|----------------------------------|---------------|
| At 31 December 2007 | 3,382 | 84,321 | 87,704 |
| Additions | 319 | 12,075 | 12,393 |
| Disposals | 0 | -1,806 | -1,806 |
| Depreciation for the period | 0 | -4,901 | -4,901 |
| Accumulated depreciation on disposals | 0 | 1,121 | 1,121 |
| Effect of movements in exchange rates | 0 | -1,207 | -1,207 |
| At 31 March 2008 | 3,701 | 89,603 | 93,304 |

Note 3. Intangible assets

| (In thousands of Estonian kroons) | Goodwill | Other intangible assets | Total |
|---------------------------------------|----------------|----------------------------|----------------|
| At 31 December 2007 | 624,704 | 65,675 | 690,379 |
| Additions | 0 | 3,149 | 3,149 |
| Amortisation for the period | 0 | -4,003 | -4,003 |
| Effect of movements in exchange rates | -9,776 | -603 | -10,379 |
| At 31 March 2008 | 614,928 | 64,218 | 679,146 |

| (In thousands of euro) | Goodwill | Other intangible assets | Total |
|---------------------------------------|---------------|----------------------------|---------------|
| At 31 December 2007 | 39,926 | 4,197 | 44,123 |
| Additions | 0 | 201 | 201 |
| Amortisation for the period | 0 | -256 | -256 |
| Effect of movements in exchange rates | -625 | -39 | -663 |
| At 31 March 2008 | 39,301 | 4,104 | 43,405 |

Note 4. Finance lease liabilities

| (In thousands of Estonian kroons) | 31 March 2008 | 31 December 2007 |
|--|---------------|------------------|
| Finance lease liabilities at beginning of period | 22,857 | 193 |
| Addition to finance lease liabilities | 0 | 25,214 |
| Principal payments made | -1,159 | -2,295 |
| Effect of movements in exchange rates | -31 | -255 |
| Finance lease liabilities at end of period | 21,667 | 22,857 |
| current position | 3,523 | 4,682 |
| non-current portion (payable in up to 4 years) | 18,144 | 18,175 |

| (In thousands of euro) | 31 March 2008 | 31 December 2007 |
|--|---------------|------------------|
| Finance lease liabilities at beginning of period | 1,461 | 12 |
| Addition to finance lease liabilities | 0 | 1,611 |
| Principal payments made | -74 | -147 |
| Effect of movements in exchange rates | -2 | -16 |
| Finance lease liabilities at end of period | 1,385 | 1,461 |
| current position | 225 | 299 |
| non-current portion (payable in up to 4 years) | 1,160 | 1,162 |

The Latvian subsidiary has acquired gaming equipment with finance lease. The lease term is 4 years, the annual interest rate of the lease is 4.8% and the base currency is euro.

Note 5. Earnings per share

Basic earnings per share for the first quarter of 2008 have been calculated by dividing the profit for the period by the weighted average number of shares. In calculating the weighted average number of shares, the number of shares for the period January – March was 151,000,000. For comparability reason, the number of shares used for calculations of the basic earnings per share for the period January – March 2007, was 150,800,000.

In accordance with IAS 33, in calculating diluted earnings per share the Group has not taken into account the option agreements concluded with members of the management board of Olympic Entertainment Group AS and the Group's key persons. The exact number of the shares that may be subscribed by a member of the management board or a key person will depend on the attainment of the Group's financial targets and the individual performance of the member of the management board or the key person.

| | Q1 2008 | Q1 2007 |
|--|-------------|-------------|
| Profit for the period (in thousands of Estonian kroons) | 55,785 | 79,333 |
| Weighted average number of shares outstanding (in thousands) | 151,000 | 151,000 |
| Basic earnings per share (in kroons) | 0.37 | 0.53 |
| Diluted earnings per share (in kroons) | 0.37 | 0.53 |

| | Q1 2008 | Q1 2007 |
|--|-------------|-------------|
| Profit for the period (in thousands of euro) | 3,565 | 5,070 |
| Weighted average number of shares outstanding (in thousands) | 151,000 | 151,000 |
| Basic earnings per share (in euro) | 0.02 | 0.03 |
| Diluted earnings per share (in euro) | 0.02 | 0.03 |

Note 6. Segment reporting

The Group's primary segment reporting format is geographical segments which are based on the customers' geographical location. The Group's secondary segments are business segments, which comprise gaming services and other services (hotel services, bar services and other). Inter-segment pricing is determined on an arm's length basis.

Geographical segments

| | Estonia | | Latvia | | Lithuania | | Ukraine | | Belarus | | Poland | | Romania | | Slovakia | | Eliminations | | Consolidated | |
|--|-----------------|-----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|----------------|---------------|-----------------|-------------|----------------|----------|---------------|----------|---------------|---------------|-----------------|-----------------|
| (In thousands of Estonian kroons) | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 |
| Sales revenue from external customers | 206,295 | 175,739 | 161,915 | 155,215 | 112,364 | 95,401 | 72,415 | 31,881 | 6,225 | 1,501 | 121,128 | 0 | 11,910 | 0 | 0 | 0 | 0 | 0 | 692,252 | 459,738 |
| Other external income | 587 | 567 | 697 | 632 | 0 | 114 | 26 | 12 | 2 | 0 | 882 | 0 | 576 | 0 | 0 | 0 | 0 | 0 | 2,770 | 1,325 |
| Inter-segment sales revenue and other income | 3,023 | 2,041 | 985 | 80 | 222 | 12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -4,230 | -2,133 | 0 | 0 |
| Total revenue | 209,905 | 178,347 | 163,597 | 155,927 | 112,586 | 95,528 | 72,441 | 31,893 | 6,227 | 1,501 | 122,010 | 0 | 12,486 | 0 | 0 | 0 | -4,230 | -2,133 | 695,022 | 461,063 |
| External expenses | -162,232 | -140,830 | -160,413 | -124,038 | -89,583 | -75,067 | -69,603 | -27,023 | -10,747 | -6,176 | -106,094 | -520 | -19,602 | 0 | -1,444 | 0 | 0 | 0 | -619,718 | -373,654 |
| Inter-segment expenses | 0 | -51 | -665 | -803 | -632 | -770 | -594 | -398 | -174 | -111 | -947 | 0 | -1,314 | 0 | -13 | 0 | 4,339 | 2,133 | 0 | 0 |
| Total expenses | -162,232 | -140,881 | -161,078 | -124,841 | -90,215 | -75,837 | -70,197 | -27,421 | -10,921 | -6,287 | -107,041 | -520 | -20,916 | 0 | -1,457 | 0 | 4,339 | 2,133 | -619,718 | -373,654 |
| Operating profit | 47,673 | 37,466 | 2,519 | 31,086 | 22,371 | 19,691 | 2,244 | 4,472 | -4,694 | -4,786 | 14,969 | -520 | -8,430 | 0 | -1,457 | 0 | 109 | 0 | 75,304 | 87,409 |
| Net financial items | | | | | | | | | | | | | | | | | | | -11,072 | 9,536 |
| Income tax expense | | | | | | | | | | | | | | | | | | | -2,298 | -14,265 |
| Net profit for the period | | | | | | | | | | | | | | | | | | | 61,934 | 82,679 |

Olympic Entertainment Group AS
Unaudited consolidated interim financial statements for the 1st quarter of 2008

Geographical segments

(In thousands of euro)

| | Estonia | | Latvia | | Lithuania | | Ukraine | | Belarus | | Poland | | Romania | | Slovakia | | Eliminations | | Consolidated | |
|--|-----------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|-------------|-------------|---------------|------------|---------------|----------|------------|----------|--------------|-------------|----------------|----------------|
| | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 |
| Sales revenue from external customers | 206,295 | 11,232 | 10,348 | 9,920 | 7,181 | 6,097 | 4,628 | 2,038 | 398 | 96 | 7,741 | 0 | 761 | 0 | 0 | 0 | 0 | 0 | 44,243 | 29,383 |
| Other external income | 587 | 36 | 45 | 40 | 0 | 7 | 2 | 1 | 0 | 0 | 56 | 0 | 37 | 0 | 0 | 0 | 0 | 0 | 177 | 85 |
| Inter-segment sales revenue and other income | 3,023 | 130 | 63 | 5 | 14 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -270 | -136 | 0 | 0 |
| Total revenue | 209,905 | 11,398 | 10,456 | 9,966 | 7,196 | 6,105 | 4,630 | 2,038 | 398 | 96 | 7,798 | 0 | 798 | 0 | 0 | 0 | -270 | -136 | 44,420 | 29,467 |
| External expenses | -162,232 | -9,001 | -10,252 | -7,927 | -5,725 | -4,798 | -4,448 | -1,727 | -687 | -395 | -6,781 | -33 | -1,253 | 0 | -92 | 0 | 0 | 0 | -39,607 | -23,881 |
| Inter-segment expenses | 0 | -3 | -43 | -51 | -40 | -49 | -38 | -25 | -11 | -7 | -61 | 0 | -84 | 0 | -1 | 0 | 277 | 136 | 0 | 0 |
| Total expenses | -162,232 | -9,004 | -10,295 | -7,979 | -5,766 | -4,847 | -4,486 | -1,753 | -698 | -402 | -6,841 | -33 | -1,337 | 0 | -93 | 0 | 277 | 136 | -39,607 | -23,881 |
| Operating profit | 47,673 | 2,394 | 161 | 1,987 | 1,430 | 1,258 | 143 | 286 | -300 | -306 | 957 | -33 | -539 | 0 | -93 | 0 | 7 | 0 | 4,813 | 5,586 |
| Net financial items | | | | | | | | | | | | | | | | | | | -708 | 609 |
| Income tax expense | | | | | | | | | | | | | | | | | | | -147 | -912 |
| Net profit for the period | | | | | | | | | | | | | | | | | | | 3,958 | 5,284 |

Business segments

| (In thousands of Estonian kroons) | Gaming services | | Other services | | Eliminations | | Consolidated | |
|--|-----------------|----------------|----------------|---------------|----------------|----------------|----------------|----------------|
| | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 |
| Sales revenue from external customers | 659,369 | 437,036 | 32,884 | 22,702 | 0 | 0 | 692,253 | 459,738 |
| Other external income | 2,181 | 793 | 589 | 531 | 0 | 0 | 2,770 | 1,325 |
| Inter-segment sales revenue and other income | 2,632 | 796 | 20,273 | 14,693 | -22,905 | -15,489 | 0 | 0 |
| Total revenue | 664,182 | 438,626 | 53,745 | 37,926 | -22,905 | -15,489 | 695,022 | 461,063 |

Business segments

| (In thousands of euro) | Gaming services | | Other services | | Eliminations | | Consolidated | |
|--|-----------------|---------------|----------------|--------------|---------------|-------------|---------------|---------------|
| | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 | Q1 2008 | Q1 2007 |
| Sales revenue from external customers | 42,141 | 27,932 | 2,102 | 1,451 | 0 | 0 | 44,243 | 29,383 |
| Other external income | 139 | 51 | 38 | 34 | 0 | 0 | 177 | 85 |
| Inter-segment sales revenue and other income | 168 | 51 | 1,296 | 939 | -1,464 | -990 | 0 | 0 |
| Total revenue | 42,448 | 28,033 | 3,436 | 2,424 | -1,464 | -990 | 44,420 | 29,467 |

Note 7. Subsidiaries

| | Domicile | Ownership interest | | Core activity | Shareholder |
|----------------------------------|-----------|--------------------|-------------|--------------------------|-----------------------------|
| | | 31 March 2008 | 31 Dec 2007 | | |
| Olympic Casino Eesti AS | Estonia | 95% | 95% | Gaming services | OEG |
| Nordic Gaming AS | Estonia | 100% | 100% | In liquidation | OEG |
| Kungla Investeeringu AS | Estonia | 100% | 100% | Hotel services, catering | OEG |
| Vikings Services OÜ | Estonia | 100% | 100% | In liquidation | Nordic Gaming |
| Fortuna Travel OÜ | Estonia | 100% | 100% | Casino tourism | Olympic Casino Eesti |
| Kasiino.ee OÜ | Estonia | 100% | 100% | Internet solutions | OEG |
| Jokker-Pokker OÜ | Estonia | 100% | 100% | Bar services | Olympic Casino Eesti |
| Casinova OÜ | Estonia | 100% | 100% | Trademark holding | Olympic Casino Eesti |
| Kesklinna Hotelli OÜ | Estonia | 97.5% | 97.5% | Gaming services | OEG |
| Olympic Casino Latvia SIA | Latvia | 100% | 36.5% | Gaming services | OEG |
| Olympic Casino Latvia SIA | Latvia | 0% | 63.5% | Gaming services | Olympic Casino Group Baltic |
| Ahti SIA | Latvia | 100% | 100% | Gaming services | OEG |
| Faraons SIA | Latvia | 100% | 100% | Bar services | OEG |
| Olympic Casino Group Baltic SIA | Latvia | 0% | 100% | Holding activities | OEG |
| Olympic Casino Group Baltija UAB | Lithuania | 100% | 100% | Gaming services | OEG |
| Mecom Grupp UAB | Lithuania | 100% | 100% | Bar services | OEG |
| Olympic Casino Bel IP | Belarus | 100% | 100% | Gaming services | OEG |
| Olympic Casino Ukraine TOV | Ukraine | 100% | 100% | Gaming services | OEG |
| Alea Private Company | Ukraine | 100% | 100% | Gaming services | Olympic Casino Ukraine |
| Eldorado Leisure Company | Ukraine | 100% | 100% | Gaming services | Olympic Casino Ukraine |
| Ukraine Leisure Company | Ukraine | 100% | 100% | Gaming services | Olympic Casino Ukraine |
| Silber Investments Sp. Z o.o. | Poland | 100% | 100% | Holding activities | OEG |
| Baina Investments Sp. Z o.o. | Poland | 100% | 100% | Holding activities | OEG |
| Casino-Polonia Wroclaw Sp.Z.o.o. | Poland | 33.33% | 33.33% | Gaming services | OEG |
| Casino-Polonia Wroclaw Sp.Z.o.o. | Poland | 33.33% | 33.33% | Gaming services | Silber Investments |
| Casino-Polonia Wroclaw Sp.Z.o.o. | Poland | 13.33% | 13.33% | Gaming services | Baina Investments |
| Olympic Casino Bucharest S.r.l. | Romania | 100% | 100% | Gaming services | OEG |
| Muntenia Food Beverage S.r.l. | Romania | 90% | 90% | Bar services | OEG |
| Muntenia Food Beverage S.r.l. | Romania | 10% | 10% | Bar services | Olympic Casino Bucharest |
| Olympic Exchange S.r.l. | Romania | 90% | 90% | Currency exchange | OEG |
| Olympic Exchange S.r.l. | Romania | 10% | 10% | Currency exchange | Olympic Casino Bucharest |
| Olympic Entertainment Slovakia | Slovakia | 100% | 100% | Gaming services | OEG |
| Olympic F & B S.r.o. | Slovakia | 100% | 0% | Bar services | OEG |

Establishment of subsidiaries

In February Olympic Entertainment Group set up a subsidiary in Slovakia. The incorporated company is named Olympic F&B S.r.o. and its area of activity will be provision of bar services for Olympic Entertainment Slovakia S.r.o and for its customers.

Transformation of subsidiaries

In the first quarter of 2008 subsidiaries Olympic Casino Latvia SIA and Olympic Casino Group Baltic SIA merged. The balance sheet date of the merger was 1 January 2008.

Note 8. Transactions with related parties

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

- a. shareholders with significant influence
- b. members of the executive and higher management;
- c. close family members of and companies related to the above; and
- d. the parent company and associated companies.

In the preparation of the consolidated interim financial statements, all intra-group receivables and liabilities and all intra-group revenues, expenses and unrealised gains and losses were eliminated.

During the reporting period, Group entities performed transactions with related parties in the following volumes and at the end of the reporting period balances with related parties were the following:

| (In thousands of Estonian kroons) | | Q1 2008 | Q1 2007 |
|-----------------------------------|----------------------------|------------|------------|
| Related party | Transaction | Purchases | Purchases |
| Parent company | Lease of business premises | 277 | 277 |
| Total | | 277 | 277 |

| (In thousands of Estonian kroons) | | 31 March 2008 | 31 December 2007 |
|-----------------------------------|----------------------------|---------------|------------------|
| Related party | Transaction | Liabilities | Liabilities |
| Parent company | Lease of business premises | 92 | 92 |
| Total | | 92 | 92 |

| (In thousands of euro) | | Q1 2008 | Q1 2007 |
|------------------------|----------------------------|-----------|-----------|
| Related party | Transaction | Purchases | Purchases |
| Parent company | Lease of business premises | 18 | 18 |
| Total | | 18 | 18 |

| (In thousands of euro) | | 31 March 2008 | 31 December 2007 |
|------------------------|----------------------------|---------------|------------------|
| Related party | Transaction | Liabilities | Liabilities |
| Parent company | Lease of business premises | 6 | 6 |
| Total | | 6 | 6 |

In the first quarter of 2008, the remuneration of management and supervisory board members with social taxes totalled 2,167,000 kroons (139,000 euros). The corresponding figure for the 2007 was 1,215,000 kroons (77,000 euros).