

# Notes to the Financial Statements

Six months ended 30 June 2002 - unaudited

## 1. Basis of Preparation

The financial statements have been prepared in euro in accordance with applicable accounting principles under the historical cost convention.

## 2. Segmental Information

The turnover, operating profit and net assets of the Group relate to the provision of betting services in the Republic of Ireland and the United Kingdom. With the exception of two offices, the Betting Office estate is based in the Republic of Ireland. The remaining two Betting Offices, the On-line division and Dial-a-Bet division are operated out of the UK.

### (a) Turnover by Delivery Channel

	Six months ended 30 June 2002 €'000 (unaudited)	Six months ended 30 June 2001 €'000 (unaudited)	Year ended 31 December 2001 €'000 (audited)
Betting Offices	218,578	170,368	370,698
Dial-a-Bet	59,192	22,055	55,544
On-line	41,372	13,993	34,833
	319,142	206,416	461,075

### (b) Gross Profit by Delivery Channel

Betting Offices	30,279	25,287	49,539
Dial-a-Bet	4,929	2,158	4,677
On-line	3,662	631	2,235
	38,870	28,076	56,451

### (c) Operating Profit/(Loss) by Delivery Channel

Betting Offices	10,750	9,363	16,649
Dial-a-Bet	16	480	961
On-line	(1,693)	(5,833)	(9,103)
	9,073	4,010	8,507

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## 3. Notes to the Cash Flow Statement

### (a) Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

	<b>Six months ended 30 June 2002 €'000 (unaudited)</b>	Six months ended 30 June 2001 €'000 (unaudited)	Year ended 31 December 2001 €'000 (audited)
Operating profit	9,073	4,010	8,507
Depreciation	2,894	2,323	4,911
Amortisation of goodwill	61	61	121
Increase in debtors	(315)	(498)	(440)
Increase/(decrease) in creditors	4,322	(1,010)	(1,642)
Loss on disposal of fixed assets	-	11	4
<b>Net cash inflow from operating activities</b>	<b>16,035</b>	<b>4,897</b>	<b>11,461</b>

### (b) Analysis of Changes in Cash During the Period

	<b>Six months ended 30 June 2002 €'000 (unaudited)</b>	Six months ended 30 June 2001 €'000 (unaudited)	Year ended 31 December 2001 €'000 (audited)
Balance at beginning of period	18,307	16,054	16,054
Net cash inflow/(outflow)	11,129	(1,736)	2,253
<b>Balance at end of period</b>	<b>29,436</b>	<b>14,318</b>	<b>18,307</b>