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Madrid, October 17, 2017

In accordance with article 228 of the consolidated text of the Spanish Stock Market Act approved by the Legislative Royal Decree 4/2015 of 23 October, Codere S.A. hereby informs of the following:

SIGNIFICANT EVENT

Codere S.A. hereby announces that the Board of Directors resolved yesterday to execute the grouping and exchange of shares approved in the EGM held on October 16, 2017.

Specifically, to group and cancel the 2,548,574,009 shares into which the capital was divided, to exchange them for 118,538,326 newly issued shares, in a ratio of 2 new shares per every 43 existing shares, increasing the par value of the shares from twenty euro cents (€0.20) to four euros and thirty cents (€4.30) without changing the share capital, which should remain 509,714,801.80 euros, with the consequent reduction of the number of shares representing outstanding share capital.

The new shares would be represented by book entry, the book entries to be kept by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores S.A.U. (Iberclear) and its participating entities.

GVC Gaesco Beka, S. V., S. A. would act as share grouping, cancellation and exchange agent.

Exchange: The holders of shares in Codere S.A. would receive two (2) new shares, each with a par value of 4.30 euros, for every forty-three (43) existing shares, each with a par value of twenty euro cents (€0.20), the outstanding 2,548,574,009 shares into which the capital was then divided, grouped and cancelled for their exchange for 118,538,326 newly issued shares each with a par value of four euros and thirty cents, represented by book entry.

Date of effectiveness of the grouping: The exchange of the shares would take effect after November 10, 2017, once the resolution to group the shares and the consequent amendment of the bylaws had been entered in advance on the page of the Company at the Registry.

Procedure for exchange of shares and treatment of fractions: Persons with the status of shareholders of Codere S.A. at the closing of the markets on the stock exchange day preceding the date of effectiveness of the grouping (i.e., those having such status at the closing of the markets on November 9, 2017) according to the accounting records of Iberclear and its participating entities would have the right to two new shares per every forty-three exiting shares, such exchange to be made automatically. The shares would be exchanged subject to the procedures established for securities represented by book entry, through the relevant



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participating entities, according to the instructions issued for such purpose by Iberclear and the agent GVC Gaesco Beka, S. V., S. A.

Shareholders of a number of shares not multiple of forty-three (43) would be able to acquire or transfer the shares necessary to reach a number of shares multiple of that established in the exchange ratio.

GVC Gaesco Beka, S. V., S. A., as agent, would acquire surplus shares if, at the closing of the session of the day before that on which the share exchange was to be effective, shareholders were to remain holding a number of shares not multiple of forty-three. The acquisition price would be the listed price at closing that day, the sale to be free of charge for the shareholders holding such surplus shares, other than the brokerage fees and expenses they could be charged by their respective depositories. The amount for the purchase of surplus shares would be paid by the Company to the Iberclear participating entities for its payment into the account of the shareholders whose shares in the Company were deposited with such entities. Such payment would be coordinated by the agent GVC Gaesco Beka, S. V., S. A. and would be made between the date of effectiveness of the exchange and the second next business day.

Amendment to the Bylaws: Due to the transaction, according to the authorization granted by the Shareholders' Meeting on October 16, 2017, once the grouping were fully executed, article 5 of the Bylaws would be amended to adapt its contents to the new par value and number of issued shares.

Article 5 of the Corporate Bylaws of Codere S.A. would be restated as set out below:

ARTICLE 5. The share capital is FIVE HUNDRED AND NINE MILLION SEVEN HUNDRED AND FOURTEEN THOUSAND EIGHT HUNDRED AND ONE EURO AND EIGHTY CENTS (€509,714,801.80), fully subscribed for and paid up, and it is represented by ONE HUNDRED AND EIGHTEEN MILLION FIVE HUNDRED AND THIRTY-EIGHT THOUSAND THREE HUNDRED AND TWENTY-SIX (**118,538,326**) shares, each with a par value of FOUR EUROS AND THIRTY CENTS (€4.30), represented by book entry.

Luis Argüello Álvarez
Secretary of the Board of Directors