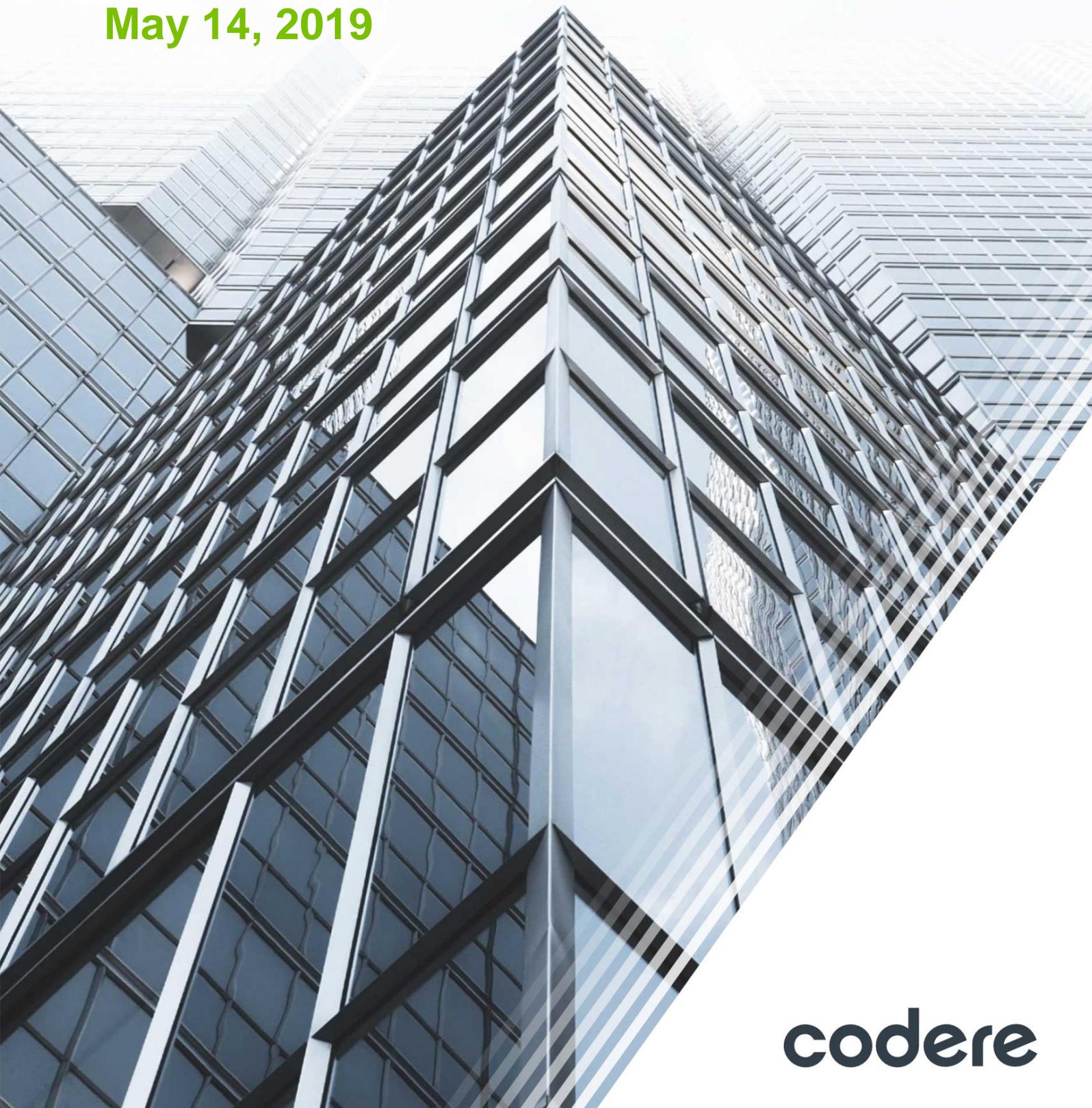


Q1 2019 Earnings Results

May 14, 2019



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Financial and Operating Overview

Herein, figures presented above Operating Profit (other than non-recurring items and impairment charges) are shown excluding the impact of non-recurring items as well as the impact resulting from the application of IAS 29. Adjusted EBITDA refers to EBITDA¹ excluding all non-recurring items and not considering Argentine figures according to IAS 29 standards (inflation accounting).

In 2019 we have started to apply IFRS 16, breaking down its impact on our Income Statement on Rentals, D&A and Financial Expenses. For comparability purposes, we have provided the proforma impact of this accounting standard in 2018, as well as the Adjusted EBITDA metric prior to its application (i.e. comparable with that of 2018).

Additionally, we have started to report our Online business unit on a standalone basis within “Other Operations”. As such, 2018 figures for Spain and Mexico, which included the Online result, will vary from prior earning releases.

- Q1 2019 Operating Revenue decreased by 6.7% to €357.7 mm, driven by significant growth in Mexico, Online and Spain being offset by a €42.0 mm decrease in Argentina due to the depreciation of Argentine Peso against the Euro.
- Q1 2019 Adjusted EBITDA reached €68.0 mm, above Q1 2018's €67.9 mm, driven by EBITDA increases in Mexico, Online and Spain (driven by capacity growth and continuous performance enhancements), as well as in other operations, being offset by the impact of the Argentine Peso devaluation and a new tax on Argentina's figures, and of the higher gaming taxes in Italy.
- Q1 2019 Adjusted EBITDA margin reached 19.0%, 1.3 percentage points above Q1 2018 thanks to the efficiencies delivered during 2018 and early 2019, that more than compensated tax increases and the loss of relative weight of our Argentine operation.
- In terms of Q1 2019 results post IFRS 16, Operating profit increased to €41.1 mm from €38.0 mm in Q1 2018 thanks to reduced non-recurring items.
- Inflation accounting resulted in the following impacts in Q1 2019:
 - (i) Negative impact of €3.2 mm on Operating Profit, broken down as follows:
 - a. impact on EBITDA of negative €1.0 mm;
 - b. impact on Other Opex below EBITDA of negative €2.2 mm;
 - (ii) Inflation adjustment as interest expense (€0.1 mm) and
 - (iii) Inflation adjustment as lower corporate income tax (€0.2 mm).

To enable comparability with our previously reported Adjusted EBITDA, the full amount under (a) is added back to EBITDA, together with non-recurring items.

- In Q1 2019, our net profit according to last year's accounting standards (i.e. prior to applying IAS 29 and IFRS 16) would have been positive at €2.0 mm. Application of the new accounting standard increases financial expenses and drives net profit to a loss of €0.5 mm, a loss of €3.6 mm considering inflation accounting in Argentina.
- Capex in Q1 2019 was €16.4 mm, 32.2% below Q1 2018, and included €15.6 mm of maintenance capex and €0.8 mm for growth projects. IFRS 16 related Capex resulted in a negative figure of €6.4 mm, mainly due to the discontinuation of certain leases.
- As of March 31, 2019, we had €75.7 mm in cash and equivalents and €153.5 mm in total liquidity (i.e. including availability under the SSRCF) vs €81.8 and €159.7 mm as of December 31, 2018.
- In terms of gaming capacity, the total number of slots increased 0.3% to 56,764 in Q1 2019 driven by growth in Mexico and Spain more than offsetting the reduction in Italy, Colombia, Panama and Argentina. In terms of venues, gaming halls were flat at 148, sports betting shops increased to 478 from 443 and bars decreased from 9,999 to 9,898 in Q1 2019.

¹ EBITDA, as defined by the Company, is operating profit (EBIT) plus depreciation and amortization, variation in provisions for trade transactions, gains / (losses) on asset disposals, and impairment charges.

Consolidated Income Statement

Figures in EUR mm, except where noted otherwise

| | Quarter | | |
|---|----------------|----------------|-----------------|
| | Q1 2018 | Q1 2019 | Var. % |
| Operating Revenue | 383.3 | 357.7 | (6.7%) |
| Gaming & Other Taxes | (142.4) | (127.0) | 10.8% |
| Personnel | (66.0) | (60.8) | 7.8% |
| Rentals (Pre-IFRS 16) | (29.3) | (26.6) | 9.2% |
| Capitalized Operating Leases | 22.2 | 17.9 | (19.4%) |
| Rentals | (7.1) | (8.7) | (22.2%) |
| Cost of Goods Sold | (12.1) | (12.8) | (5.2%) |
| Other | (65.6) | (62.4) | 4.8% |
| Operating Expenses (excl. D&A) | (293.3) | (271.8) | 7.3% |
| Depreciation & Amortization (Pre-IFRS 16) | (27.1) | (31.0) | (14.3%) |
| Depreciation of Capitalized Operating Leases | (12.1) | (10.0) | 17.4% |
| Depreciation & Amortization | (39.2) | (41.0) | (4.5%) |
| Variation in Provisions for Trade Transactions ⁽¹⁾ | (0.6) | (0.4) | 31.8% |
| Gains / (Losses) on Asset Disposals ⁽²⁾ | (0.4) | (0.4) | 3.4% |
| Impairment Charges | 0.0 | 0.0 | n.a. |
| Non-Recurring Items | (11.9) | (3.0) | 74.4% |
| Operating Profit (Pre-Inflation Accounting) | 38.0 | 41.1 | 8.2% |
| Inflation Adjustment on Operating Expenses ^(3,4) | 0.0 | (3.2) | n.a. |
| Operating Profit (Post-Inflation Accounting) | 38.0 | 37.9 | (0.2%) |
| Interest Expense (Pre-IFRS 16) | (17.5) | (18.0) | (2.6%) |
| Financial Expenses from Capitalized Operating Leases | (13.6) | (10.9) | 19.9% |
| Interest Expense | (31.1) | (28.9) | 7.2% |
| Interest Income | 1.0 | 0.6 | (39.5%) |
| Gains / (Losses) from Financial Investments | 0.0 | (0.2) | n.a. |
| Gains / (Losses) from Exchange Rate Variations | 3.9 | (2.9) | n.a. |
| Inflation Adjustment ⁽⁵⁾ | 0.0 | (0.1) | n.a. |
| Earnings before Corporate Income Taxes | 11.8 | 6.5 | (45.2%) |
| Provision for Corporate Income Taxes ⁽⁶⁾ (including IFRS 16) | (13.3) | (8.5) | 36.0% |
| Inflation Adjustment on CIT ⁽⁷⁾ | 0.0 | 0.2 | n.a. |
| Minority Interests in Subsidiary (Income) / Loss | (1.0) | (1.6) | (62.3%) |
| Equity in Affiliate Income / (Loss) | (0.2) | (0.1) | 40.5% |
| Net Income / (Loss) | (2.7) | (3.6) | (32.1%) |
| EBITDA | | | |
| EBIT (Operating Profit) | 38.0 | 37.9 | (0.2%) |
| (+) Impairment Charges | (0.0) | 0.0 | n.a. |
| (+) (Gains) / Losses on Asset Disposals | 0.4 | 0.4 | (3.4%) |
| (+) Variation in Provisions for Trade Transactions | 0.6 | 0.4 | (31.8%) |
| (+) Depreciation & Amortization | 39.2 | 41.0 | 4.5% |
| (+) Inflation Adjustment on Other Opex ⁽⁴⁾ | 0.0 | 2.2 | n.a. |
| EBITDA | 78.2 | 81.9 | 4.8% |
| <i>EBITDA Margin</i> | <i>20.4%</i> | <i>22.9%</i> | <i>2.5 p.p.</i> |
| Adjusted EBITDA | | | |
| Adjusted EBITDA (Post-IFRS 16) | 90.1 | 85.9 | (4.6%) |
| (-) Capitalized Operating Leases | (22.2) | (17.9) | 19.4% |
| Adjusted EBITDA | 67.9 | 68.0 | 0.2% |
| <i>Adjusted EBITDA Margin</i> | <i>17.7%</i> | <i>19.0%</i> | <i>1.3 p.p.</i> |
| Adjusted EBITDA (Post-IFRS 16) | | | |
| EBITDA | 78.2 | 81.9 | 4.8% |
| (+) Non-Recurring Items | 11.9 | 3.0 | (74.4%) |
| (+) Inflation Adjustment on EBITDA ⁽³⁾ | 0.0 | 1.0 | n.a. |
| Adjusted EBITDA (Post-IFRS 16) | 90.1 | 85.9 | (4.6%) |
| <i>Adjusted EBITDA (Post-IFRS 16) Margin</i> | <i>23.5%</i> | <i>24.0%</i> | <i>0.5 p.p.</i> |

¹ Figures reflect change in provisions on advances to site owners in connection with contracts to install our machines in their establishments.

² Figures primarily reflect disposal of gaming machines;

³ Figure reflects, following IAS 29, the net impact on revenues and costs above EBITDA from applying Argentinean inflation to the end of the reporting period on the accrued items and ARS/EUR exchange rate as of March 31, 2019.

⁴ Figure reflects, following IAS 29, the net impact on costs above Operating Profit from applying Argentinean inflation to the end of the reporting period on the accrued items and ARS/EUR exchange rate as of March 31, 2019, excluding impact on items above EBITDA.

⁵ Figure includes the impact from applying end of period inflation on fixed assets.

⁶ Figure reflects Provision for CIT after applying IFRS 16 accounting standard.

⁷ Figure includes the impact of inflation accounting on corporate income tax in Argentina.

- **Operating Revenue** decreased by €25.6 mm or 6.7% to €357.7 mm in Q1 2019, due to the decrease in revenues in Argentina (€42.0 mm) as a result of the Argentine peso devaluation, partially offset by growth in Mexico (€7.1 mm), Online (€6.1 mm) and Spain (€3.7 mm).
- **Operating Expenses** (excluding depreciation and amortization) decreased by €21.5 mm or 7.3% to €271.8 mm, primarily due to a decrease in costs in Argentina of €29.1 mm associated to the Argentine peso devaluation.
- **Adjusted EBITDA** increased €0.1 mm to €68.0 mm in Q1 2019, as a result of EBITDA growth in Mexico, Online and Spain, partially offset by the evolution of Argentina (driven by FX) and Italy (as a result of capacity reductions and increased taxes).
- **Adjusted EBITDA (Post-IFRS 16)** reached €85.9 mm, thanks to the reduction in leases of €17.9 mm as a result of the new criteria applied for capitalization of assets.
- **Non-Recurring Items** in Q1 2019 were €3.0 mm, significantly below the €11.9 mm in Q1 2018.
- **Inflation Adjustment** in Q1 2019 represents a loss of €1.0 mm (impact on EBITDA). At the net income level, the impact is a net loss of €3.1 mm.
- **Operating Profit** increased to €41.1 mm in Q1 2019, €3.1 mm (prior to considering inflation accounting for Argentina). This positive evolution reflects a reduction of non-recurring items together with a positive evolution of operating profit in most markets that offset the decrease in Argentina derived of the devaluation of its currency.
- **Interest Expense** (including financial expenses from capitalized operating leases) decreased by €2.2 mm to €28.9 mm. **Interest income** decreased by €0.4 mm to €0.6 mm.
- Losses on **Exchange Rate Variations** reached €2.9 mm in Q1 2019 versus gains of €3.9 mm in Q1 2018, driven by the appreciation of the US dollar.
- Provision for **Corporate Income Tax (including IFRS 16)** decreased by €4.8 mm to €8.5 mm in Q1 2019, primarily due to the devaluation of the Argentine Peso.
- **Minority Interest** represents a loss of €1.6 mm in Q1 2019.
- As a result of the aforementioned results, the **Net Loss** in Q1 2019 was €3.6 mm, compared to a Net Loss of €2.7 mm in Q1 2018.

Revenue and Adjusted EBITDA¹

Figures in EUR mm, except where noted otherwise

| | Quarter | | |
|----------------------------------|--------------|--------------|----------------|
| | Q1 2018 | Q1 2019 | Var. % |
| Operating Revenue | | | |
| Argentina | 122.7 | 80.7 | (34.2%) |
| Mexico | 76.4 | 83.5 | 9.3% |
| Panama | 21.8 | 19.1 | (12.3%) |
| Uruguay | 16.7 | 18.8 | 12.4% |
| Colombia | 5.9 | 5.5 | (7.3%) |
| Sub-Total - Latin America | 243.6 | 207.7 | (14.7%) |
| Italy | 85.4 | 86.5 | 1.3% |
| Spain | 44.9 | 48.6 | 8.2% |
| Sub-Total - Europe | 130.3 | 135.1 | 3.7% |
| Online | 8.8 | 14.9 | 69.3% |
| Total | 382.7 | 357.7 | (6.5%) |
| Adjusted EBITDA | | | |
| Argentina | 29.2 | 16.8 | (42.6%) |
| Mexico | 21.6 | 29.7 | 37.7% |
| Panama | 3.6 | 2.9 | (17.0%) |
| Uruguay | 3.8 | 4.9 | 28.9% |
| Colombia | 0.5 | 1.4 | n.a. |
| Sub-Total - Latin America | 58.7 | 55.7 | (5.1%) |
| Italy | 6.2 | 4.7 | (23.9%) |
| Spain | 7.7 | 9.6 | 25.3% |
| Sub-Total - Europe | 13.9 | 14.3 | 3.1% |
| Corporate | (3.2) | (3.2) | (0.5%) |
| Online | (1.5) | 1.2 | n.a. |
| Total | 67.9 | 68.0 | 0.2% |

Earnings per Share

Figures in EUR mm, except where noted otherwise

| | Quarter | | |
|--|--------------|--------------|----------------|
| | Q1 2018 | Q1 2019 | Var. % |
| Earnings per Share | | | |
| Net Income / (Loss) (EUR mm) | (2.7) | (3.6) | (32.1%) |
| Average Shares Issued & Outstanding⁽²⁾ (mm): | | | |
| Basic | 119 | 118 | (0%) |
| Earnings per Share (EUR): | | | |
| Basic | (0.02) | (0.03) | (32.3%) |

¹ Figures exclude Brazilian Operating Revenue of €0.6 mm in Q1 2018. Brazilian Adjusted EBITDA of €(0.1) mm in Q1 2018 included under Corporate.

² Figure excludes treasury shares.

Revenue and Adjusted EBITDA at Constant Currency¹

Figures in EUR mm, except where noted otherwise

| | Quarter | | |
|----------------------------------|--------------|--------------|--------------|
| | Q1 2018 | Q1 2019 | Var. % |
| Operating Revenue | | | |
| Argentina | 122.7 | 148.1 | 20.6% |
| Mexico | 76.4 | 79.0 | 3.4% |
| Panama | 21.8 | 17.6 | (19.0%) |
| Uruguay | 16.7 | 20.0 | 19.7% |
| Colombia | 5.9 | 5.6 | (6.2%) |
| Sub-Total - Latin America | 243.6 | 270.3 | 11.0% |
| Italy | 85.4 | 86.5 | 1.3% |
| Spain | 44.9 | 48.6 | 8.2% |
| Sub-Total - Europe | 130.3 | 135.1 | 3.7% |
| Online | 8.8 | 14.9 | 69.3% |
| Total | 382.7 | 420.3 | 9.8% |
| Adjusted EBITDA | | | |
| Argentina | 29.2 | 30.8 | 5.3% |
| Mexico | 21.6 | 28.1 | 30.2% |
| Panama | 3.6 | 2.7 | (23.9%) |
| Uruguay | 3.8 | 5.1 | 35.8% |
| Colombia | 0.5 | 1.5 | n.a. |
| Sub-Total - Latin America | 58.7 | 68.2 | 16.2% |
| Italy | 6.2 | 4.7 | (23.9%) |
| Spain | 7.7 | 9.6 | 25.3% |
| Sub-Total - Europe | 13.9 | 14.3 | 3.1% |
| Corporate | (3.2) | (3.2) | (0.5%) |
| Online | (1.5) | 1.2 | n.a. |
| Total | 67.9 | 80.5 | 18.7% |

¹ Figures exclude Brazilian Operating Revenue of €0.6 mm in Q1 2018. Brazilian Adjusted EBITDA of €(0.1) mm in Q1 2018 included under Corporate.

Operating Expenses¹

Figures in EUR mm, except where noted otherwise

| | Quarter | | |
|---|----------------|----------------|----------------|
| | Q1 2018 | Q1 2019 | Var. |
| Operating Revenue | 383.3 | 357.7 | (6.7%) |
| Gaming & Other Taxes | (142.4) | (127.0) | 10.8% |
| Personnel | (66.0) | (60.8) | 7.8% |
| Rentals | (7.1) | (8.7) | (22.2%) |
| Cost of Goods Sold | (12.1) | (12.8) | (5.2%) |
| Other | (65.6) | (62.4) | 4.8% |
| Operating Expenses (excl. D&A) | (293.3) | (271.8) | 7.3% |
| Gaming & Other Taxes | | | |
| Gaming Taxes | (117.7) | (105.6) | 10.3% |
| Other Taxes | (24.7) | (21.3) | 13.6% |
| Total | (142.4) | (127.0) | 10.8% |
| Rentals | | | |
| Gaming Venues & Other | (2.1) | (2.1) | (0.5%) |
| Slots | (5.0) | (6.6) | (31.2%) |
| Total | (7.1) | (8.7) | (22.2%) |
| Other | | | |
| Professional Fees ⁽²⁾ | (7.0) | (5.6) | 19.2% |
| Advertising and Marketing | (11.2) | (11.7) | (5.1%) |
| Utilities | (11.8) | (12.0) | (1.9%) |
| Repairs & Maintenance ⁽³⁾ | (7.0) | (6.2) | 11.5% |
| Insurance ⁽⁴⁾ | (1.2) | (1.6) | (29.2%) |
| Travel | (1.0) | (1.0) | (0.1%) |
| Transportation ⁽⁵⁾ | (0.7) | (0.7) | 2.3% |
| Other Expenses | (25.7) | (23.6) | 8.2% |
| Total | (65.6) | (62.4) | 4.8% |
| As % of Operating Revenue (Var. in p.p.) | | | |
| Operating Revenue | 100.0% | 100.0% | - |
| Gaming & Other Taxes | 37.1% | 35.5% | (1.6) |
| Personnel | 17.2% | 17.0% | (0.2) |
| Rentals | 1.9% | 2.4% | 0.6 |
| Cost of Goods Sold | 3.2% | 3.6% | 0.4 |
| Other | 17.1% | 17.5% | 0.4 |
| Operating Expenses (excl. D&A) | 76.5% | 76.0% | (0.5) |
| Gaming & Other Taxes | | | |
| Gaming Taxes | 30.7% | 29.5% | (1.2) |
| Other Taxes | 6.4% | 6.0% | (0.5) |
| Total | 37.1% | 35.5% | (1.6) |
| Rentals | | | |
| Gaming Venues & Other | 0.5% | 0.6% | 0.0 |
| Slots | 1.3% | 1.8% | 0.5 |
| Total | 1.9% | 2.4% | 0.6 |
| Other | | | |
| Professional Fees ⁽²⁾ | 1.8% | 1.6% | (0.2) |
| Advertising and Marketing | 2.9% | 3.3% | 0.4 |
| Utilities | 3.1% | 3.3% | 0.3 |
| Repairs & Maintenance ⁽³⁾ | 1.8% | 1.7% | (0.1) |
| Insurance ⁽⁴⁾ | 0.3% | 0.4% | 0.1 |
| Travel | 0.3% | 0.3% | 0.0 |
| Transportation ⁽⁵⁾ | 0.2% | 0.2% | 0.0 |
| Other Expenses | 6.7% | 6.6% | (0.1) |
| Total | 17.1% | 17.5% | 0.4 |

¹ Figures exclude non-recurring items.

² Figures exclude payments to personnel via outsourcing agreements in Mexico which are re-classified as personnel expense.

³ Includes cleaning services and general supplies consumed.

⁴ Includes insurance (including surety bonds) premiums and letter of credit fees.

⁵ Includes armored vehicles for route collections and other transportation costs.

Mexico

Figures in EUR mm, except where noted otherwise

| | Quarter | | |
|--|---------------|---------------|-----------------|
| | Q1 2018 | Q1 2019 | Var. % |
| Operating Revenue | 76.4 | 83.5 | 9.3% |
| Gaming & Other Taxes | (7.5) | (8.6) | (13.6%) |
| Personnel ⁽¹⁾ | (13.7) | (12.6) | 7.6% |
| Rentals (Pre-IFRS 16) | (15.3) | (14.2) | 7.3% |
| Capitalized Operating Leases | 11.0 | 8.5 | (22.7%) |
| Rentals | (4.3) | (5.7) | (32.2%) |
| Cost of Goods Sold | (3.3) | (3.6) | (10.6%) |
| Other | (15.0) | (14.8) | 1.6% |
| Operating Expenses (excl. D&A) | (43.8) | (45.3) | (3.4%) |
| Depreciation & Amortization (Pre-IFRS 16) | (9.3) | (12.9) | (38.4%) |
| Depreciation of Capitalized Operating Leases | (4.7) | (3.6) | 23.4% |
| Depreciation & Amortization | (14.0) | (16.5) | (17.6%) |
| Variation in Provisions for Trade Transactions | 0.0 | 0.0 | n.a. |
| Gains / (Losses) on Asset Disposals ⁽²⁾ | (0.0) | (0.0) | 1.1% |
| Impairment Charges | 0.0 | 0.0 | n.a. |
| Non-Recurring Items | (1.2) | 1.2 | n.a. |
| Operating Profit | 17.4 | 22.9 | 32.1% |
| EBITDA | 31.4 | 39.4 | 25.6% |
| <i>EBITDA Margin</i> | <i>41.1%</i> | <i>47.2%</i> | <i>6.1 p.p.</i> |
| Adjusted EBITDA (Post-IFRS 16) | 32.6 | 38.2 | 17.3% |
| <i>Adjusted EBITDA (Post-IFRS 16) Margin</i> | <i>42.7%</i> | <i>45.8%</i> | <i>3.1 p.p.</i> |
| Adjusted EBITDA | 21.6 | 29.7 | 37.7% |
| <i>Adjusted EBITDA Margin</i> | <i>28.3%</i> | <i>35.6%</i> | <i>7.3 p.p.</i> |
| Economic Indicators | | | |
| Average Exchange Rate - EUR/MXN | 23.05 | 21.81 | (5.4%) |
| Average Inflation (YoY) | 5.3% | 4.1% | (1.2 p.p.) |
| Key Performance Indicators | | | |
| Avg. Installed Capacity (Slots) | 19,841 | 21,881 | 10.3% |
| Gross Win per Slot per Day: | | | |
| EUR | 35.7 | 34.0 | (4.7%) |
| Local Currency | 822 | 741 | (9.8%) |

- **Operating Revenue** in Q1 2019 increased by €7.1 mm (9.3%) compared to Q1 2018 despite the more competitive environment, driven by growth of 10.3% in the average number of slots and the favorable FX trend (5.4% depreciation of Euro against the Mexican Peso).

In 2019 we are operating 4 additional halls versus Q1 2018, two re-openings, a greenfield and an acquisition as reported in Q4 2018.

- **Operating Expenses (excluding D&A)** increased 3.4% in Q1 2019 as a result of increases on gaming taxes and rentals (due to the application of IFRS 16) and the operation of the new halls, being partially offset by cost reductions in personnel.
- **Adjusted EBITDA** increased by 37.7% to €29.7 mm as a result of the positive revenue trend combined with limited growth on operating expenses, including the impact of the acquisition of machines in Q3 and Q4 2018. Adjusted EBITDA margin increased 7.3 percentage points to 35.6% versus 28.3% in Q1 2018.

¹ Includes personnel costs related to outsourced employees.

² Figures reflect primarily disposal of gaming machines.

Argentina

Figures in EUR mm, except where noted otherwise

| | Quarter | | |
|---|---------------|---------------|-------------------|
| | Q1 2018 | Q1 2019 | Var. % |
| Operating Revenue | 122.7 | 80.7 | (34.2%) |
| Gaming & Other Taxes | (57.4) | (36.7) | 36.1% |
| Personnel | (18.4) | (13.9) | 24.4% |
| Rentals (Pre-IFRS 16) | (3.2) | (2.4) | 26.0% |
| Capitalized Operating Leases | 1.9 | 1.5 | (21.1%) |
| Rentals | (1.3) | (0.9) | 33.0% |
| Cost of Goods Sold | (1.9) | (1.9) | (2.0%) |
| Other | (12.4) | (8.9) | 28.1% |
| Operating Expenses (excl. D&A) | (91.6) | (62.5) | 31.8% |
| Depreciation & Amortization (Pre-IFRS 16) | (1.8) | (1.4) | 19.2% |
| Depreciation of Capitalized Operating Leases | (1.5) | (0.9) | 40.0% |
| Depreciation & Amortization | (3.3) | (2.3) | 28.7% |
| Variation in Provisions for Trade Transactions | 0.0 | 0.0 | n.a. |
| Gains / (Losses) on Asset Disposals ⁽¹⁾ | (0.0) | 0.0 | n.a. |
| Impairment Charges | 0.0 | 0.0 | n.a. |
| Non-Recurring Items | (1.3) | (0.7) | 44.7% |
| Operating Profit (Pre-Inflation Accounting) | 26.6 | 15.2 | (42.6%) |
| Inflation Adjustment on Operating Expenses ⁽²⁾ | 0.0 | (3.2) | n.a. |
| Operating Profit (Post-Inflation Accounting) | 26.6 | 12.0 | (54.7%) |
| EBITDA | 29.8 | 16.6 | (44.4%) |
| <i>EBITDA Margin</i> | <i>24.3%</i> | <i>20.6%</i> | <i>(3.7 p.p.)</i> |
| Adjusted EBITDA (Post-IFRS 16) | 31.1 | 18.3 | (41.3%) |
| <i>Adjusted EBITDA (Post-IFRS 16) Margin</i> | <i>25.4%</i> | <i>22.7%</i> | <i>(2.7 p.p.)</i> |
| Adjusted EBITDA | 29.2 | 16.8 | (42.6%) |
| <i>Adjusted EBITDA Margin</i> | <i>23.8%</i> | <i>20.8%</i> | <i>(3.0 p.p.)</i> |
| Economic Indicators | | | |
| Average Exchange Rate - EUR/ARS | 24.23 | 44.40 | 83.3% |
| Average Inflation (YoY) | 25.4% | 51.8% | 26.4 p.p. |
| Key Performance Indicators | | | |
| Avg. Installed Capacity (Slots) | 6,952 | 6,859 | (1.3%) |
| Gross Win per Slot per Day: | | | |
| EUR | 193.0 | 124.5 | (35.5%) |
| Local Currency | 4,671 | 5,523 | 18.2% |

- **Operating Revenue** in Q1 2019 decreased by €42.0 mm or 34.2% compared to Q1 2018, due to the significant devaluation of the Peso (83.3%). Gross win per slot per day in local currency grew 18.2% (19.3% including clients' withholdings), well below year on year average inflation of 51.8%³ and installed capacity decreased slightly. Revenues were also impacted by the new tax on prizes (3%) effective since February.
- **Operating Expenses (excluding D&A)** decreased by 31.8% driven by reductions across all cost items, including personnel, rentals and gaming taxes which benefitted from the FX trend. The effective gaming tax (as a percentage of revenue) decreased 1.3 percentage points to 45.5% as operational systems have been progressively changed during 2018 to withhold cash-in tax from our clients deposits.
- **Adjusted EBITDA** decreased by 42.6% to €16.8 mm, compared to €29.2 mm in Q1 2018 as a result of the devaluation of the Argentine Peso and the introduction of the tax on prizes, partially offset by efficiencies implemented in the year. The Adjusted EBITDA margin was 20.8% in Q1 2019, 3.0 percentage points below that of Q1 2018, due to the aforementioned reduction in costs being lower than the decline in revenue.

¹ Figures reflect primarily the disposal of gaming machines.

² Figure reflects, following IAS 29, the net impact on revenues and costs from applying Argentinean inflation to the end of the period on the accrued items and ARS/EUR exchange rate as of March 31, 2019.

³ Codere estimate based on INDEC's (Instituto Nacional de Estadísticas y Censos de la República Argentina) CPI data for the Province of Buenos Aires.

Spain

Figures in EUR mm, except where noted otherwise

| | Quarter | | |
|---|---------------|---------------|-----------------|
| | Q1 2018 | Q1 2019 | Var. % |
| Operating Revenue | 44.9 | 48.6 | 8.2% |
| Gaming & Other Taxes | (14.7) | (16.2) | (10.3%) |
| Personnel | (10.8) | (10.7) | 0.6% |
| Rentals (Pre-IFRS 16) | (2.1) | (2.1) | (2.7%) |
| Capitalized Operating Leases | 1.7 | 1.7 | - |
| Rentals | (0.4) | (0.4) | (14.6%) |
| Cost of Goods Sold | (3.0) | (1.2) | 60.7% |
| Other | (6.7) | (8.8) | (31.7%) |
| Operating Expenses (excl. D&A) | (35.6) | (37.3) | (5.0%) |
| Depreciation & Amortization (Pre-IFRS 16) | (6.9) | (6.6) | 4.2% |
| Depreciation of Capitalized Operating Leases | (1.3) | (1.4) | (7.7%) |
| Depreciation & Amortization | (8.2) | (8.0) | 2.3% |
| Variation in Provisions for Trade Transactions ⁽¹⁾ | (0.4) | (0.3) | 32.1% |
| Gains / (Losses) on Asset Disposals ⁽²⁾ | (0.3) | (0.2) | 46.6% |
| Impairment Charges | 0.0 | 0.0 | n.a. |
| Non-Recurring Items | (0.2) | 0.0 | n.a. |
| Operating Profit | 0.2 | 2.8 | n.a. |
| EBITDA | 9.2 | 11.3 | 23.3% |
| <i>EBITDA Margin</i> | <i>20.4%</i> | <i>23.2%</i> | <i>2.8 p.p.</i> |
| Adjusted EBITDA (Post-IFRS 16) | 9.4 | 11.3 | 20.7% |
| <i>Adjusted EBITDA (Post-IFRS 16) Margin</i> | <i>20.8%</i> | <i>23.2%</i> | <i>2.4 p.p.</i> |
| Adjusted EBITDA | 7.7 | 9.6 | 25.3% |
| <i>Adjusted EBITDA Margin</i> | <i>17.1%</i> | <i>19.7%</i> | <i>2.6 p.p.</i> |
| Key Performance Indicators | | | |
| Avg. Installed Capacity (Slots) | 9,581 | 10,234 | 6.8% |
| Avg. Installed Capacity (Sports Betting Terminals) | 5,577 | 7,033 | 26.1% |
| Gross Win per Slot per Day: | | | |
| Slots | 52.1 | 50.5 | (3.1%) |

- **Operating Revenue** in Q1 2019 grew by €3.7 mm (8.2%) to €48.6 mm compared to Q1 2018, driven by growing revenues in retail sports betting and our slot route businesses with 26.1% and 6.8% more installed units, respectively, and the progressive maturity of the sports betting capacity installed, offset by a 3.1% decrease in route slot unit yields (mainly driven by the increase in the number of units, especially in arcades).
- **Operating Expenses (excluding D&A)** increased by 5.0% to €37.3 mm in Q1 2019 as a result of the greater capacity in sports betting partially offset by our continuous deployment of efficiencies across the business.
- **Adjusted EBITDA** grew 25.3% to €9.6 mm. Adjusted EBITDA margin increased by 2.6 percentage points to 19.7%, versus Q1 last year as we continue our efforts to improve profitability of both our route and sports betting businesses.

¹ Figures reflect change in provisions on advances to site owners in connection with contracts to install our machines in their establishments.

² Figures reflect primarily disposal of gaming machines.

Italy

Figures in EUR mm, except where noted otherwise

| | Quarter | | |
|---|---------------|---------------|-------------------|
| | Q1 2018 | Q1 2019 | Var. % |
| Operating Revenue | 85.4 | 86.5 | 1.3% |
| Gaming & Other Taxes | (55.0) | (59.3) | (8.0%) |
| Personnel | (9.1) | (8.5) | 6.5% |
| Rentals (Pre-IFRS 16) | (3.4) | (3.0) | 11.6% |
| Capitalized Operating Leases | 2.3 | 1.9 | (17.4%) |
| Rentals | (1.1) | (1.1) | (0.7%) |
| Cost of Goods Sold | (0.5) | (0.4) | 23.1% |
| Other | (11.2) | (10.5) | 6.3% |
| Operating Expenses (excl. D&A) | (76.9) | (79.8) | (3.9%) |
| Depreciation & Amortization (Pre-IFRS 16) | (4.2) | (3.5) | 16.2% |
| Depreciation of Capitalized Operating Leases | (1.6) | (1.4) | 12.5% |
| Depreciation & Amortization | (5.8) | (4.9) | 15.2% |
| Variation in Provisions for Trade Transactions ⁽¹⁾ | 0.0 | 0.0 | n.a. |
| Gains / (Losses) on Asset Disposals ⁽²⁾ | (0.0) | (0.1) | n.a. |
| Impairment Charges | 0.0 | 0.0 | n.a. |
| Non-Recurring Items | (0.2) | 0.0 | n.a. |
| Operating Profit | 2.5 | 1.6 | (34.3%) |
| EBITDA | 8.3 | 6.6 | (20.3%) |
| <i>EBITDA Margin</i> | <i>9.7%</i> | <i>7.7%</i> | <i>(2.0 p.p.)</i> |
| Adjusted EBITDA (Post-IFRS 16) | 8.5 | 6.6 | (22.1%) |
| <i>Adjusted EBITDA (Post-IFRS 16) Margin</i> | <i>10.0%</i> | <i>7.7%</i> | <i>(2.3 p.p.)</i> |
| Adjusted EBITDA | 6.2 | 4.7 | (23.9%) |
| <i>Adjusted EBITDA Margin</i> | <i>7.3%</i> | <i>5.5%</i> | <i>(1.8 p.p.)</i> |
| Key Performance Indicators | | | |
| Avg. Installed Capacity (AWPs) | 8,761 | 7,341 | (16.2%) |
| Avg. Installed Capacity (VLTs) | 1,491 | 1,478 | (0.9%) |
| Gross Win per Slot per Day: | | | |
| AWPs | 72.7 | 90.1 | 24.0% |
| VLTs | 203 | 200 | (1.4%) |

- **Operating Revenue** in Q1 2019 increased by €1.1 mm or 1.3% compared to Q1 2018 as a result of the significant improvement on AWP unit yields (24.0%), and because of the higher PREU tax (that increases the share we retain from the machines in bars), offsetting the reduction in capacity (16.2%). Increased fees to units connected to our network also contributed positively to maintain our revenue.
- **Operating Expenses (excluding D&A)** decreased by 3.9% in Q1 2019 to €79.8 mm compared to Q1 2018, as a result of lower rentals and personnel costs being offset by higher gaming taxes.
- **Adjusted EBITDA** was €4.7 mm in Q1 2019, 23.9% lower than in Q1 2018 due to the reduction in capacity and the higher gaming taxes. Adjusted EBITDA margin was 1.8 percentage points lower at 5.5%.

¹ Figures reflect change in provisions on advances to site owners in connection with contracts to install our machines in their establishments.

² Figures reflect primarily disposal of gaming machines.

Other Operations

Figures in EUR mm, except where noted otherwise

| | Quarter | | |
|---------------------------------------|--------------|--------------|-----------------|
| | Q1 2018 | Q1 2019 | Var. % |
| Operating Revenue | | | |
| Panama | 21.8 | 19.1 | (12.3%) |
| Uruguay | 16.7 | 18.8 | 12.4% |
| Colombia | 5.9 | 5.5 | (7.3%) |
| Online | 8.8 | 14.9 | 69.3% |
| Operating Revenue | 53.3 | 58.3 | 9.5% |
| Adjusted EBITDA | | | |
| Panama | 3.6 | 2.9 | (17.0%) |
| Uruguay | 3.8 | 4.9 | 28.9% |
| Colombia | 0.5 | 1.4 | n.a. |
| Online | (1.5) | 1.2 | n.a. |
| Adjusted EBITDA | 6.3 | 10.5 | 65.2% |
| <i>Adjusted EBITDA Margin</i> | <i>11.9%</i> | <i>17.9%</i> | <i>6.0 p.p.</i> |
| Adjusted EBITDA (Post IFRS-16) | | | |
| Adjusted EBITDA | 6.3 | 10.5 | 65.2% |
| (+) Capitalized Operating Leases | 4.8 | 3.7 | (22.9%) |
| Adjusted EBITDA (Post IFRS-16) | 11.1 | 14.2 | 27.2% |
| <i>Adjusted EBITDA Margin</i> | <i>20.9%</i> | <i>24.3%</i> | <i>3.4 p.p.</i> |
| EBITDA | | | |
| Adjusted EBITDA (Post IFRS-16) | 11.1 | 14.2 | 27.2% |
| (-) Non-Recurring Items | (1.8) | (0.5) | 73.0% |
| (-) Online Growth Investment | 0.0 | (2.7) | n.a. |
| EBITDA | 9.3 | 11.0 | 17.4% |
| <i>EBITDA Margin</i> | <i>17.5%</i> | <i>18.8%</i> | <i>1.3 p.p.</i> |
| Average Exchange Rates | | | |
| EUR/USD | 1.23 | 1.14 | (7.6%) |
| EUR/UYU | 35.03 | 37.29 | 6.5% |
| USD/UYU | 28.49 | 32.84 | 15.3% |
| EUR/COP | 3,517 | 3,560 | 1.2% |

Other Operations includes results from Panama, Uruguay, Colombia and Online, but excludes Corporate Overhead.

Operating revenue increased by €5.0 mm (9.5%), to €58.3 mm as a result of:

- An increase in **Online** of €6.1 mm due to the increasing revenues in Spain and to a lesser extent Mexico.
- An increase in **Uruguay** of €2.1 mm as a result of strong performance in HRU.
- A combined decrease in **Panama and Colombia** of €3.1 mm due to the closing of 3 non-performing casinos.

Adjusted EBITDA increased by €4.2 mm (65.2%), to €10.5 mm as a result of:

- An increase in **Online** of €2.7 mm due to better performance of the business in Spain.
- An increase in **Uruguay** of €1.1 mm due to a more efficient HRU operation together with a favorable evolution of exchange rates for our revenue recognition mechanics.
- An increase in **Colombia** of €0.9 mm, due to the improved profitability as a result of our performance enhancement measures.

Adjusted EBITDA margin in Q1 2019 was 17.9%, 6.0 percentage points above that of Q1 2018.

Consolidated Cash Flow Statement

Figures in EUR mm, except where noted otherwise

| | Quarter | | |
|--|---------------|---------------|----------------|
| | Q1 2018 | Q1 2019 | Var. % |
| EBITDA | 78.2 | 81.9 | 4.7% |
| Capitalized Operating Leases | (22.2) | (17.9) | 19.4% |
| Inflation Adjustment | 0.0 | 1.0 | n.a. |
| Corporate Income Taxes Paid | (10.9) | (10.6) | 2.8% |
| Chg. in Working Capital ⁽¹⁾ | (8.3) | (27.3) | n.a. |
| Cash Flow from Operations | 36.8 | 27.1 | (26.4%) |
| Maintenance Capital Expenditures ⁽²⁾ | (16.4) | (15.6) | 4.9% |
| Growth Capital Expenditures ⁽²⁾ , of which: | (7.8) | (0.8) | 89.7% |
| Capacity Deployment ⁽³⁾ | (7.0) | (0.8) | 89.3% |
| Acquisitions ⁽⁴⁾ | (0.8) | 0.0 | n.a. |
| Cash Flow from Investing | (24.2) | (16.4) | 32.2% |
| Cash Interest Expense | (3.9) | (3.8) | 2.6% |
| Cash Interest Income | 0.6 | 0.3 | (50.0%) |
| Chg. in Financial Debt | (9.4) | 2.2 | n.a. |
| Chg. in Financial Investments | 3.1 | (0.6) | n.a. |
| Chg. in Deferred Payments ⁽⁵⁾ | (1.1) | (9.8) | n.a. |
| Dividends Paid, net ⁽⁶⁾ | (1.6) | (2.2) | (37.5%) |
| Investment in Treasury Shares, net | 0.0 | (0.3) | n.a. |
| Cash Effect from Exchange Rate Difference | (4.0) | (1.5) | 62.5% |
| Cash Flow from Financing | (16.3) | (15.7) | 3.7% |
| Exchange Rate Impact on Cash Balances | (1.4) | (1.1) | 21.4% |
| Cash Flow | (5.1) | (6.1) | (20.1%) |
| Cash & Equivalents | | | |
| Beginning of Period | 104.5 | 81.8 | (21.7%) |
| Cash Flow | (5.1) | (6.1) | (20.1%) |
| End of Period | 99.4 | 75.7 | (23.9%) |

- **Cash flow from operations** in Q1 2019 was €27.1 mm, a 26.4% decrease versus €36.8 mm in Q1 2018. This decrease is primarily attributable to a decrease in change in working capital that offset the increase of €3.7 mm in reported EBITDA. Inflation adjustments (IAS 29 accounting in Argentina) and Capitalized Operating Leases (IFRS 16) are excluded in the cash flow calculations, as they are non-cash items in the Income Statement.

The working capital figure was exceptionally high due to certain one-off impacts (€8.8 mm), seasonality impacts (€7.0 mm) and others (mainly the €10.0 mm payment to suppliers). Seasonality and one-offs should be recovered throughout 2019.

- **Cash flow from investing** in Q1 2019 was €16.4 mm of capital expenditures, mostly related to maintenance.

¹ The difference between this figure and management reporting of net working capital corresponds mostly to non-cash FX movements in certain balance sheet items.

² Figures reflect accrued amounts, including contingency payments (if any), and prior to any deferred payment arrangements (if applicable).

³ Includes opening of greenfield gaming halls, increase of capacity on existing ones, deployment and expansion of sports betting points of sale, among other projects.

⁴ Includes acquisition of gaming halls, slot operators and acquisition of product through previously operated through revenue share or operational agreements.

⁵ Includes changes in deferred payments related to capital expenditures.

⁶ Figure reflects dividends paid to minority partners net of dividends received from Group investments in unconsolidated entities.

- **Cash flow from financing** was (€15.7 mm) mm and included:
 - €3.8 mm of cash interest expense, including €0.4 mm related to our SSRCF, and €3.4mm related to OpCo debt (including capital leases);
 - €0.3 mm of cash interest income;
 - €2.2 mm increase in financial debt made up of:
 - (i) €0.3 mm decrease in capital leases, primarily in Spain;
 - (ii) €2.5 mm in OpCo financial debt (excluding capital leases), due net effect of loans raised in Uruguay – HRU (€4.4 mm), and in Mexico (€4.5mm) and scheduled amortization of loans in HRU (€ 1.2 mm), Mexico (€2.4 mm), Uruguay – Carrasco (€1.8 mm), Spain HQ (€ 0.7 mm) and Colombia (€0.3mm);
 - €0.6 mm increase in financial investments;
 - Decrease in deferred payments of €9.8 mm, consisting of deferred payments with capex suppliers mainly in Mexico and Argentina;
 - Dividends paid to minority partners of €2.2 mm;
 - Net investment in treasury shares of €0.3 mm;
 - €1.5 mm net negative impact from exchange rate differences;
 - The fluctuation in foreign exchange rates has resulted in a negative impact of €1.1 mm on conversion of cash balances;
- During Q1 2019, there has been a decrease in cash and equivalents of €6.1 mm to €75.7 mm.

Capital Expenditures and Acquisitions¹

Figures in EUR mm, except where noted otherwise

| | Quarter | | |
|--|-------------|--------------|----------------|
| | Q1 2018 | Q1 2019 | Var. % |
| Capital Expenditures and Acquisitions | | | |
| Maintenance ⁽²⁾ | 16.4 | 15.6 | (4.9%) |
| Growth ⁽³⁾ | 7.8 | 0.8 | (89.7%) |
| Sub-Total | 24.2 | 16.4 | (32.2%) |
| Capex IFRS 16 | n.a. | (6.4) | n.a. |
| Total (Post-IFRS 16) | 24.2 | 10.0 | (58.7%) |
| Maintenance | | | |
| Argentina | 1.0 | 0.8 | (20.0%) |
| Mexico | 7.4 | 4.2 | (43.2%) |
| Panama | 0.3 | 0.3 | - |
| Colombia | 0.7 | 0.1 | (85.7%) |
| Uruguay | 0.8 | 2.9 | n.a. |
| Sub-Total - Latin America | 10.2 | 8.3 | (18.6%) |
| Italy | 0.5 | 1.4 | n.a. |
| Spain | 5.6 | 5.1 | (8.9%) |
| Sub-Total - Europe | 6.1 | 6.5 | 6.6% |
| Corporate | 0.1 | 0.3 | n.a. |
| Online | 0.0 | 0.5 | n.a. |
| Total | 16.4 | 15.6 | (4.9%) |
| Growth | | | |
| Argentina | 0.0 | 0.0 | n.a. |
| Mexico | 0.0 | 0.0 | n.a. |
| Panama | 1.0 | 0.0 | n.a. |
| Colombia | 0.6 | 0.0 | n.a. |
| Uruguay | 0.0 | 0.0 | n.a. |
| Sub-Total - Latin America | 1.6 | 0.0 | n.a. |
| Italy | 0.1 | 0.0 | n.a. |
| Spain | 5.5 | 0.7 | (87.3%) |
| Sub-Total - Europe | 5.6 | 0.7 | (87.5%) |
| Corporate | 0.0 | 0.0 | n.a. |
| Online | 0.6 | 0.1 | (83.3%) |
| Total, of which: | 7.8 | 0.8 | (89.7%) |
| Capacity Deployment ⁽⁴⁾ | 7.0 | 0.8 | (89.3%) |
| Acquisitions ⁽⁵⁾ | 0.8 | 0.0 | n.a. |
| IFRS 16 Capex | n.a. | (6.4) | n.a. |
| Total Capex (Post-IFRS 16) | 24.2 | 10.0 | (58.7%) |

Maintenance Capex in Q1 2019 reached €15.6 mm, principally driven by:

- Investment in Mexico of €4.2 mm, a decrease of €3.2 mm, associated with slot renewals and hall refurbishments;
- Spanish investment of €5.1 mm, a decrease of €0.5 mm, due to lower levels of product renewal in our retail AWP business, partially offset by higher commercial capex;
- Investment in Argentina of €0.8 mm;
- Investment in Uruguay of €2.9 mm, an increase of €2.1 mm.

Growth Capex in Q1 2019 was €0.8 mm, €7.0 mm lower than in Q1 2018.

IFRS 16 Capex results in a negative €6.4 mm figure due to discontinuation of certain leases (including the transfer of a closed hall lease contract in Mexico) that offset new contracts or extended lease contracts in the period.

¹ Figures as per consolidated cash flow statements.

² Includes primarily slot product/gaming hall renovation, exclusivity payments to site owners and gaming license renewals.

³ Includes primarily slot product/gaming hall expansion and acquisition activity.

⁴ Includes opening of greenfield gaming halls, increase of capacity on existing ones, deployment and expansion of sports betting, among other projects.

⁵ Includes acquisition of gaming halls, slot operators and acquisition of product previously operated through revenue share or operational agreements.

Consolidated Balance Sheet

Figures in EUR mm, except where noted otherwise

2018 figures Proforma for the application of IFRS 16

| | As at | | | |
|---|----------------|----------------|--------------|---------------|
| | Dec-18 | Mar-19 | Var. | Var. % |
| Assets | | | | |
| Cash & Equivalents | 81.8 | 75.7 | (6.1) | (7.4%) |
| S-T Financial Investments ⁽¹⁾ | 31.3 | 33.4 | 2.1 | 6.9% |
| Accounts Receivable ⁽²⁾ | 75.9 | 88.4 | 12.5 | 16.5% |
| Taxes Receivable ⁽³⁾ | 87.7 | 94.6 | 6.9 | 7.9% |
| Prepaid Expenses | 20.0 | 23.6 | 3.6 | 18.1% |
| Inventory | 10.9 | 10.6 | (0.3) | (2.3%) |
| Other Current Assets | 0.0 | 0.0 | 0.0 | n.a. |
| Current Assets | 307.5 | 326.4 | 18.9 | 6.1% |
| Fixed Assets | 453.6 | 449.4 | (4.2) | (0.9%) |
| L-T Financial Investments | 22.8 | 21.0 | (1.8) | (7.7%) |
| Intangible Assets (excl. Goodwill) | 382.7 | 381.4 | (1.3) | (0.3%) |
| Right-of-Use Assets (IFRS 16) | 316.6 | 305.5 | (11.1) | (3.5%) |
| Goodwill | 230.4 | 231.9 | 1.5 | 0.7% |
| Deferred Tax Assets | 47.5 | 48.0 | 0.5 | 1.1% |
| Other Non-Current Assets | 0.0 | 0.0 | 0.0 | n.a. |
| Total Assets | 1,761.2 | 1,763.8 | 2.6 | 0.1% |
| Liabilities & Shareholders' Equity | | | | |
| Accounts Payable ⁽⁴⁾ | 97.0 | 93.8 | (3.2) | (3.3%) |
| S-T Provisions ⁽⁵⁾ | 4.8 | 4.7 | (0.1) | (3.9%) |
| S-T Taxes Payable ⁽⁶⁾ | 147.9 | 147.0 | (0.9) | (0.6%) |
| S-T Financial Debt | 60.4 | 75.8 | 15.4 | 25.5% |
| S-T Deferred Payments ⁽⁷⁾ | 72.6 | 64.8 | (7.8) | (10.8%) |
| S-T Capital Leases (IFRS 16) | 39.4 | 27.1 | (12.3) | (31.3%) |
| Other Current Liabilities | 5.7 | 5.7 | 0.0 | (1.1%) |
| Current Liabilities | 427.8 | 418.7 | (9.1) | (2.1%) |
| L-T Provisions ⁽⁸⁾ | 23.0 | 24.3 | 1.3 | 5.6% |
| L-T Taxes Payable | 13.3 | 12.9 | (0.4) | (2.9%) |
| L-T Financial Debt | 803.1 | 810.8 | 7.7 | 1.0% |
| L-T Deferred Payments ⁽⁷⁾ | 29.9 | 25.9 | (4.0) | (13.5%) |
| L-T Capital Leases (IFRS 16) | 277.2 | 282.1 | 4.9 | 1.8% |
| Deferred Tax Liabilities | 94.6 | 92.7 | (1.9) | (2.0%) |
| Other Non-Current Liabilities | 0.1 | 0.1 | 0.0 | (3.1%) |
| Total Liabilities | 1,669.0 | 1,667.4 | (1.6) | (0.1%) |
| Minority Interests | 83.4 | 85.9 | 2.5 | 3.0% |
| Shareholders' Equity | 8.8 | 10.4 | 1.6 | 19.0% |
| Total Liabilities & Shareholders' Equity | 1,761.2 | 1,763.8 | 2.6 | 0.1% |
| End of Period Exchange Rates | | | | |
| EUR/ARS | 43.17 | 48.70 | 5.54 | 12.8% |
| EUR/MXN | 22.50 | 21.77 | (0.73) | (3.2%) |
| EUR/USD | 1.15 | 1.12 | (0.02) | (1.9%) |
| EUR/COP | 3,721 | 3,585 | (136) | (3.7%) |
| EUR/YUY | 37.10 | 37.62 | 0.51 | 1.4% |
| USD/YUY | 32.41 | 33.48 | 1.08 | 3.3% |

¹ Includes €4.9 and €6.2 mm, respectively, in cash in transit (realized gross win in route business pending to be collected).

² Includes A/R from customers, other parties and advances to employees.

³ Includes all taxes receivable from tax authorities, including the 0.5% canon (AAMS) in Italy.

⁴ Includes accounts payable to suppliers, other parties and accrued wages.

⁵ Figures include provision for trade transactions and other provisions related to treasury share activity.

⁶ Figures include gaming taxes, corporate income taxes and other taxes payable to tax authorities.

⁷ Figures include deferred payments (and other partner investments) related to capital expenditures and other deferred payments.

⁸ Figures include all other provisions related to business contingencies (personnel, tax, etc.).

Net Working Capital¹

Figures in EUR mm, except where noted otherwise

| | As at | | | |
|--|---------------|---------------|-------------|---------------|
| | Dec-18 | Mar-19 | Var. | Var. % |
| Assets | | | | |
| Accounts Receivable | 75.9 | 88.4 | 12.5 | 16.5% |
| Taxes Receivable ⁽²⁾ | 58.3 | 59.4 | 1.1 | 1.9% |
| Prepaid Expenses | 20.0 | 23.6 | 3.6 | 18.1% |
| Inventory | 10.9 | 10.6 | (0.3) | (2.3%) |
| Other Current Assets ⁽³⁾ | 0.0 | 0.0 | 0.0 | - |
| Total | 165.1 | 182.1 | 17.0 | 10.3% |
| Liabilities | | | | |
| Accounts Payable | 97.0 | 93.8 | 3.2 | (3.3%) |
| S-T Provisions ⁽⁴⁾ | 3.3 | 3.1 | 0.2 | (6.8%) |
| Taxes Payable ⁽²⁾ | 122.4 | 116.3 | 6.1 | (5.0%) |
| Deferred Payments ⁽⁵⁾ | 6.2 | 3.9 | 2.3 | (37.2%) |
| Other Current Liabilities ⁽³⁾ | 3.9 | 3.1 | 0.8 | (20.6%) |
| Total | 232.8 | 220.2 | 12.6 | (5.4%) |
| Net Working Capital | (67.7) | (38.1) | 29.6 | 43.7% |

Balance Sheet

- Balance sheet figures have been restated following the application of IFRS 16. Assets now include right-of-use assets which are offset by short and long term leases on the liability side.
- Total assets increased by €2.6 mm in Q1 2019. This increase is principally attributable to an increase in accounts receivable partially offset by Right-of-Use assets.
- Current Assets increased by €18.9 mm, as a result of a €12.5 mm increase in accounts receivable, a €6.9 mm increase in taxes receivable and a €3.6 mm increase in prepaid expenses, partially offset by a €6.1 mm decrease in cash.
- Financial debt, including both the short and long term portion increased by €23.1 mm as a result of the increase in the USD denominated Senior Notes due to the appreciation of the USD against the Euro and a €3.9 mm increase OpCo debt (including capital leases).
- Minority interests increased by €2.5 mm to €85.9 mm and shareholders' equity increased by €1.6 mm to €10.4 mm.

Net Working Capital

- Net working capital increased by €29.6 mm to negative €38.1 mm.
- This change in net working capital was primarily due to a €12.5 mm increase in accounts receivable and a €7.2 mm decrease in taxes payable, net⁶.

¹ The difference between this figure and the consolidated Cash Flow Statement corresponds mostly to non-cash FX movements in certain balance sheet items.

² Figures reflect gaming and other taxes (i.e. exclude corporate income taxes).

³ Figures exclude security deposits.

⁴ Figures reflect provisions for trade transactions.

⁵ Figures reflect other deferred payment obligations (i.e. exclude deferred payments and other partner investments related to capital expenditures).

⁶ Taxes payable less taxes receivable.

Capitalization

Figures in EUR mm, except where noted otherwise

| | As at | | | |
|--|----------------|----------------|---------------|----------------|
| | Dec-18 | Mar-19 | Var. | Var. % |
| Capitalization | | | | |
| S-T Financial Debt ⁽¹⁾ | 60.4 | 75.8 | 15.4 | 25.5% |
| L-T Financial Debt ⁽¹⁾ | 803.1 | 810.8 | 7.7 | 1.0% |
| Total Financial Debt | 863.4 | 886.5 | 23.1 | 2.7% |
| Minority Interests | 83.4 | 85.9 | 2.5 | 3.0% |
| Shareholders' Equity | 8.8 | 10.4 | 1.6 | 19.0% |
| Total Capitalization | 955.6 | 982.9 | 27.3 | 2.9% |
| Financial Debt⁽¹⁾ | | | | |
| OpCo Debt (excl. Capital Leases) | 81.4 | 85.7 | 4.3 | 5.3% |
| OpCo Capital Leases | 8.6 | 8.2 | (0.4) | (5.1%) |
| Sub-Total | 90.0 | 93.9 | 3.9 | 4.3% |
| Super Senior Revolving Credit Facility | 9.9 | 10.0 | 0.1 | 1.0% |
| Senior Notes | 763.5 | 782.7 | 19.2 | 2.5% |
| Total Financial Debt | 863.4 | 886.5 | 23.1 | 2.7% |
| Capitalization of Operating Leases ⁽²⁾ | 316.6 | 309.1 | (7.5) | (2.4%) |
| Total Adjusted Debt | 1,180.0 | 1,195.7 | 15.7 | 1.3% |
| Cash & Equivalents | | | | |
| Mexico | 10.1 | 9.9 | (0.2) | (1.9%) |
| Argentina | 13.5 | 9.3 | (4.2) | (31.0%) |
| Spain | 13.7 | 7.4 | (6.3) | (45.6%) |
| Italy | 19.3 | 13.4 | (5.9) | (30.3%) |
| Other Operations | 12.5 | 12.8 | 0.3 | 2.2% |
| Sub-Total | 69.0 | 52.9 | (16.1) | (23.4%) |
| Corporate | 12.7 | 22.8 | 10.1 | 79.3% |
| Total | 81.8 | 75.7 | (6.1) | (7.4%) |
| Europe (incl. Corporate) | 45.7 | 43.7 | (2.0) | (4.3%) |
| Latam | 36.1 | 32.0 | (4.1) | (11.3%) |
| Total | 81.8 | 75.7 | (6.1) | (7.4%) |
| Credit Statistics | | | | |
| LTM Adjusted EBITDA | 282.9 | 278.7 | (4.2) | (1.5%) |
| LTM Adjusted EBITDA (Post-IFRS 16) | 350.9 | 358.7 | 7.8 | 2.2% |
| Proforma Interest Expense ⁽³⁾ | 59.9 | 61.8 | 1.9 | 3.2% |
| Proforma Interest Expense (Post-IFRS 16) ⁽³⁾ | 96.9 | 111.3 | 14.4 | 14.9% |
| Leverage: | | | | |
| Senior Financial Debt ⁽⁴⁾ / LTM Adjusted EBITDA | 0.4x | 0.4x | - | - |
| Total Financial Debt / LTM Adjusted EBITDA | 3.1x | 3.2x | 0.1x | 3.3% |
| Total Adj. Net Debt / LTM Adj. EBITDA (Post-IFRS 16) | 3.1x | 3.1x | - | - |
| Total Net Financial Debt / LTM Adjusted EBITDA | 2.8x | 2.9x | 0.1x | 3.6% |
| <i>Including Inflation Accounting</i> | <i>2.8x</i> | <i>3.0x</i> | <i>0.2x</i> | <i>7.2%</i> |
| Coverage: | | | | |
| LTM Adjusted EBITDA / Proforma Interest Expense | 4.7x | 4.5x | (0.2x) | (4.2%) |
| <i>Including Inflation Accounting</i> | <i>4.7x</i> | <i>4.5x</i> | <i>(0.2x)</i> | <i>(4.2%)</i> |

¹ Figures include accrued interest and impact of deferred financing fees, which, for covenant calculation purposes, would be excluded (i.e. financial debt and leverage would be lower).

² Figures reflect short and long term capitalized operating leases following the application of IFRS 16.

³ Figures based on December 31, 2018 and March 31, 2019, as applicable, financial debt outstanding and interest rates; excludes fees on unused revolver availability.

⁴ Includes structurally senior OpCo debt (including capital leases) plus drawn amounts outstanding under the €95 mm SSRFCF.

Gaming Capacity¹ by Venue

| Region | Gaming Venues | | | | | | | | | | | |
|------------------------------|-----------------------------|------------|------------------------|--------------|---------------------|--------------|-------------------------------------|------------|------------|----------|---------------|---------------|
| | Gaming Halls ⁽²⁾ | | Arcades ⁽³⁾ | | Bars ⁽⁴⁾ | | Sports Betting Shops ⁽⁵⁾ | | Racetracks | | Total | |
| | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 |
| Latin America | | | | | | | | | | | | |
| Argentina | 14 | 13 | - | - | - | - | - | - | - | - | 14 | 13 |
| Mexico ⁽⁶⁾ | 91 | 95 | - | - | - | - | 88 | 90 | 1 | 1 | 92 | 96 |
| Panama ^(6,7) | 13 | 11 | - | - | - | - | 8 | 8 | 1 | 1 | 14 | 12 |
| Colombia | 10 | 9 | 164 | 139 | - | - | 252 | 290 | - | - | 174 | 313 |
| Uruguay (CN) | 1 | 1 | - | - | - | - | - | - | - | - | 1 | 1 |
| Uruguay (HRU) ⁽⁸⁾ | 5 | 5 | - | - | - | - | 28 | 28 | 2 | 2 | 30 | 30 |
| Brazil | - | - | - | - | - | - | 4 | - | - | - | 4 | - |
| Total | 134 | 134 | 164 | 139 | - | - | 380 | 416 | 4 | 4 | 329 | 465 |
| Europe | | | | | | | | | | | | |
| Italy | 11 | 11 | - | - | 2,349 | 2,194 | - | - | - | - | 2,360 | 2,205 |
| Spain ⁽⁹⁾ | 3 | 3 | 817 | 1,018 | 7,650 | 7,704 | 63 | 62 | - | - | 8,533 | 8,787 |
| Total | 14 | 14 | 817 | 1,018 | 9,999 | 9,898 | 63 | 62 | - | - | 10,893 | 10,992 |
| Total Group | 148 | 148 | 981 | 1,157 | 9,999 | 9,898 | 443 | 478 | 4 | 4 | 11,222 | 11,457 |
| Operator | | | | | | | | | | | | |
| Codere | 148 | 148 | 191 | 180 | - | - | 442 | 313 | 4 | 4 | 432 | 252 |
| Third Party | - | - | 790 | 977 | 9,999 | 9,898 | 1 | 165 | - | - | 10,790 | 11,040 |
| Total | 148 | 148 | 981 | 1,157 | 9,999 | 9,898 | 443 | 478 | 4 | 4 | 11,222 | 11,292 |
| Spain | | | | | | | | | | | | |
| SSTs Only ⁽¹⁰⁾ | - | - | 803 | 980 | 1,096 | 1,123 | 25 | 21 | - | - | 1,924 | 2,124 |
| AWPs & SSTs | 3 | 3 | 14 | 38 | 387 | 370 | 38 | 41 | - | - | 442 | 452 |
| Sub-Total | 3 | 3 | 817 | 1,018 | 1,483 | 1,493 | 63 | 62 | - | - | 2,366 | 2,576 |
| AWPs Only | - | - | - | - | 6,167 | 6,211 | - | - | - | - | 6,167 | 6,211 |
| Total | 3 | 3 | 817 | 1,018 | 7,650 | 7,704 | 63 | 62 | - | - | 8,533 | 8,787 |

¹ Figures as at March 31, 2018 and 2019, as applicable.

² Includes all gaming venues with > 50 slot machines.

³ Includes all gaming venues with between 5 and 50 (inclusive) slot machines (Codere and/or 3rd party operated).

⁴ Includes all bars, restaurants, tobacco shops and other retail locations with < 5 slot machines and/or self-service sports betting terminals.

⁵ Includes sports books co-located within Codere gaming halls and other Codere operated standalone sports betting shops.

⁶ Figure for sports betting shops reflects sports books co-located within Codere operated gaming halls.

⁷ Figure for sports betting shops excludes 42 and 38, respectively, affiliated agencies (horserace betting only).

⁸ Figure for sports betting shops includes 5 sports books co-located within HRU operated gaming halls. In Colombia, other than those located in arcades, sport betting shops reflect standalone points of sale.

⁹ Sports betting shops excludes 33 and 47, respectively, franchised locations (included in Arcades).

¹⁰ Self-service sports betting terminals; arcades and bars would, however, typically have 3rd party operated AWPs.

Gaming Capacity¹ by Product

| Region | Gaming Product (Installed Capacity) | | | | | | | | | | | |
|-------------------------|-------------------------------------|---------------|----------------------------|--------------|---------------|---------------|-------------------------------|--------------|------------------------|---------------|----------------|----------------|
| | Slots ⁽²⁾ | | Table Seats ⁽³⁾ | | Bingo Seats | | Sports Betting ⁽⁴⁾ | | Network ⁽⁵⁾ | | Total | |
| | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 |
| Latin America | | | | | | | | | | | | |
| Argentina | 6,952 | 6,861 | - | - | 11,906 | 11,692 | - | - | - | - | 18,858 | 18,553 |
| Mexico | 20,160 | 21,917 | 1,758 | 2,178 | 11,117 | 11,217 | 88 | 90 | - | - | 33,123 | 35,402 |
| Panama ⁽⁶⁾ | 3,236 | 2,940 | 426 | 306 | - | - | 8 | 8 | - | - | 3,670 | 3,254 |
| Colombia | 5,132 | 4,346 | 246 | 132 | 850 | 500 | 252 | 616 | - | - | 6,480 | 5,594 |
| Uruguay (CN) | 381 | 403 | 144 | 144 | - | - | - | - | - | - | 525 | 547 |
| Uruguay (HRU) | 1,858 | 1,875 | - | - | - | - | 28 | 28 | - | - | 1,886 | 1,903 |
| Brazil | - | - | - | - | - | - | 4 | - | - | - | 4 | - |
| Total | 37,719 | 38,342 | 2,574 | 2,760 | 23,873 | 23,409 | 380 | 742 | - | - | 64,546 | 65,253 |
| Europe | | | | | | | | | | | | |
| Italy: ⁽⁷⁾ | 9,192 | 8,124 | - | - | 5,139 | 5,139 | - | - | 18,563 | 14,231 | 25,360 | 20,481 |
| AWP ⁽⁸⁾ | 8,300 | 7,215 | - | - | - | - | - | - | 17,062 | 12,726 | 18,674 | 13,785 |
| VLT ⁽⁹⁾ | 892 | 909 | - | - | - | - | - | - | 1,501 | 1,505 | 1,547 | 1,557 |
| Spain ⁽¹⁰⁾ | 9,660 | 10,298 | - | - | 1,193 | 1,064 | 5,847 | 7,165 | - | - | 16,700 | 18,527 |
| Total | 18,852 | 18,422 | - | - | 6,332 | 6,203 | 5,847 | 7,165 | 18,563 | 14,231 | 42,060 | 39,008 |
| Total Group | 56,571 | 56,764 | 2,574 | 2,760 | 30,205 | 29,612 | 6,227 | 7,907 | 18,563 | 14,231 | 106,606 | 104,261 |
| Gaming Venue | | | | | | | | | | | | |
| Gaming Halls | 34,867 | 36,132 | 2,574 | 2,760 | 30,205 | 29,612 | 404 | 769 | - | - | 68,050 | 69,273 |
| Arcades | 4,589 | 4,437 | - | - | - | - | 3,988 | 5,186 | - | - | 8,577 | 9,623 |
| Bars | 16,987 | 16,071 | - | - | - | - | 1,483 | 1,541 | - | - | 18,470 | 17,612 |
| Sports Betting Shops | 128 | 124 | - | - | - | - | 352 | 411 | - | - | 480 | 535 |
| Network ⁽¹¹⁾ | - | - | - | - | - | - | - | - | 18,563 | 14,231 | 11,029 | 7,218 |
| Total Group | 56,571 | 56,764 | 2,574 | 2,760 | 30,205 | 29,612 | 6,227 | 7,907 | 18,563 | 14,231 | 106,606 | 104,261 |

¹ Figures as at March 31, 2018 and 2019, as applicable.

² Includes all Codere operated AWP, VLTs, electronic bingo terminals and other gaming machines; excludes 3rd party operated slots.

³ Figure reflects number of total gaming positions assuming (for illustrative purposes only) 6 seats per table.

⁴ Figures for Spain and Colombia reflect self-service terminals (SSTs); in other markets figure reflects number of sports books/betting shops.

⁵ Reflects all slots connected to Codere network (i.e. both Codere and 3rd party operated).

⁶ Figure for sports betting shops excludes 42 and 38, respectively, affiliated agencies (horserace betting only).

⁷ Figures for slots reflect Codere operated units connected to both Codere Network (typical) and 3rd party networks.

⁸ Figures for slots include 1,612 and 1,059 units, respectively, connected to 3rd party networks.

⁹ Figures for slots include 46 and 52 units, respectively, connected to 3rd party networks.

¹⁰ Figures for slots reflect operating units (i.e. do not include authorized but not deployed units).

¹¹ Figures in total column reflect only 3rd party operated slots that are connected to Network (to avoid double counting of Codere operated units).

Recent Events

- Real Madrid Sponsorship.** In April 2019, we renewed our sponsorship agreement with Real Madrid for three additional seasons (plus two optional ones). The new agreement has been expanded to include additional features in terms of IP, promotional, advertising and hospitality rights, and will cover Spain and Latam territories. As such, we will continue our strategy of improving visibility and brand awareness which has put Codere among the 100 most valuable brands in Spain according to the latest report from Brand Finance ([Link](#)).
- Changes to organizational structure.** In its board meeting held on April 10, 2019, Codere's Board of Directors approved a series of organizational changes in order to foster client-centric strategy and revenue growth as well as to achieve a more efficient global structure. Under this new organizational structure:
 - Carlos Villaseca, former COO in Mexico (and later on in Panama and Colombia) will be taking on the Retail COO position, overseeing all our landbased operations.
 - Moshe Edree will remain as Online COO, in charge of expanding our online offering and deploying it across new countries.
- Tax changes in Colombia.** On May 3, 2019, the Colombian Congress and Senate approved the so called *Plan Nacional de Desarrollo* (National Development Plan), which, among others, included certain provisions with respect to the gaming sector. More specifically, it changed the current variable gaming tax (with a minimum threshold) to a fixed rate of 12% of gross win for slots and bingo. This change is expected to positively impact our EBITDA in the country by €0.9 to €1.3 mm per year.
- Tax changes in Argentina.** On December 7, 2018, the Province of Buenos Aires Senate and Chamber of Deputies passed Law 15,079, which, under articles 137-139, set out a new tax on players, levied on the successive prizes from slots, at a rate between 1 and 3%. The law also established that provincial bingo and casino operators shall be the ones to make the payments. On subsequent regulation of said law, approved and effective since February 1, 2019 by the gaming authority (IPLyC), the rate was set for now at 3% of all cashed-out tickets.

Based on the above, the Company started to withhold and pay said tax on behalf of its customers. Consequently, the impact on 2019 EBITDA is expected to remain below €10 million.

- Tax changes in Italy.** On December 30, 2018, the Italian Parliament passed the 2019 budget law. Within the law, there were changes to gaming tax (PREU), as it increased then current rates of 19.25% for AWP's and 6.25% for VLT's by 1.35% and 1.25%, respectively. The law also allowed payout reductions from 70% to 68% and from 85% to 84% for AWP's and VLT's, respectively.

Furthermore, on January 28, 2019, an additional increase was approved resulting in the following calendar:

| Effective date | AWPs | VLTs |
|------------------|--------|-------|
| January 1, 2019 | 20.60% | 7.50% |
| January 29, 2019 | 21.25% | 7.50% |
| May 1, 2019 | 21.60% | 7.90% |
| January 1, 2020 | 21.68% | 7.93% |
| January 1, 2021 | 21.75% | 8.00% |
| January 1, 2023 | 21.60% | 7.85% |

The impact on EBITDA from these increases is expected to remain below €10.0 mm in 2019 after mitigating actions.

- Implementation of IFRS 16.** We have implemented new standards regarding accounting for operating leases (IFRS 16) in Q1 2019. The application of IFRS 16 has a significant impact on our financial statements, as operating leases (except short-term leases and leases related to low-value assets) are "capitalized" to the balance sheet, and expensed (as D&A and interest expense) over the term of the lease. The impact on our Q1 2019 financial statements is as follows:
 - Lower operating expenses of €17.9 mm;
 - Higher D&A expenses of €10.0 mm;
 - Higher financial expense of €10.9 mm and
 - Increase in assets of €305.5 mm (right of use assets) and €309.2 mm in liabilities (short and long term capitalization of operating leases);
 - Lower Corporate Income Tax of €1.1 mm.

- **Inflation accounting in Argentina.** The company started to apply IAS 29 (inflation accounting) in Q3 2018. Under this International Accounting Standard, financial statements have been adjusted applying inflation to the end of the period on Income Statement items and using end of period exchange rates. We have isolated the effect from this accounting standard into three line items (on Operating Profit, Financial Expenses and Corporate Income Tax, as described on page 3 of this report).
- **Non- recurring expenses.** In Q1 2019, we incurred in €3.0 mm extraordinary items, broken down as follows:
 - (i) Operational and personnel restructuring: €(1.7) mm
 - (ii) Online growth investment (marketing and related costs): €(2.7) mm
 - (iii) Other: €(1.4) mm
 - (iv) Gain on sale of lease rights of a closed hall in Mexico: +€2.8 mm

Contact Information

Codere is a leading international gaming operator with nearly 57,000 slot machines, 30,000 bingo seats and 7,900 sports betting terminals in Latin America, Spain and Italy, across various gaming venues, including 148 gaming halls, 1,100 arcades, 10,000 bars, 500 sports betting shops and 4 horse racetracks.

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Note on Rounding. Due to decimal rounding, numbers presented throughout this report may not add up precisely to the totals and subtotals provided, and percentages may not precisely reflect the absolute figures.

Alternative Performance Measures. This report includes certain Alternative Performance Measures in accordance with the European Securities and Markets Authority (ESMA) Directive 2015/1415. These measures, which are not defined under IFRS standards, are intended to provide more useful, comparable and reliable information in order to improve the understanding of the Company's financial performance and its reported information. For definitions, usage rationales and reconciliation of these metrics with IFRS, please visit the Presentations section within the Shareholders and Investors site of www.grupocodere.com.

Forward Looking Statements. Codere cautions that this document may contain forward looking statements with respect to the business, financial condition, results of operations, strategy, plans and objectives of the Codere Group. While these forward looking statements represent our judgment and future expectations concerning the development of our business, a certain number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, (1) general market, macroeconomic, governmental, political and regulatory trends; (2) movements in local and international securities markets, currency exchange rates and interest rates; (3) competitive pressures; (4) technical developments; (5) changes in the financial position or credit worthiness of our customers, obligors and counterparties.

These and other risk factors published in our past and future filings and reports, including those with the Spanish Securities and Exchange Commission ("CNMV") and available to the public both in Codere's website (www.grupocodere.com) and in the CNMV's website (www.cnmv.es), as well as other risk factors currently unknown or not foreseeable, which may be beyond Codere's control, could adversely affect our business and financial performance and cause actual results to differ materially from those implied in the forward-looking statements.