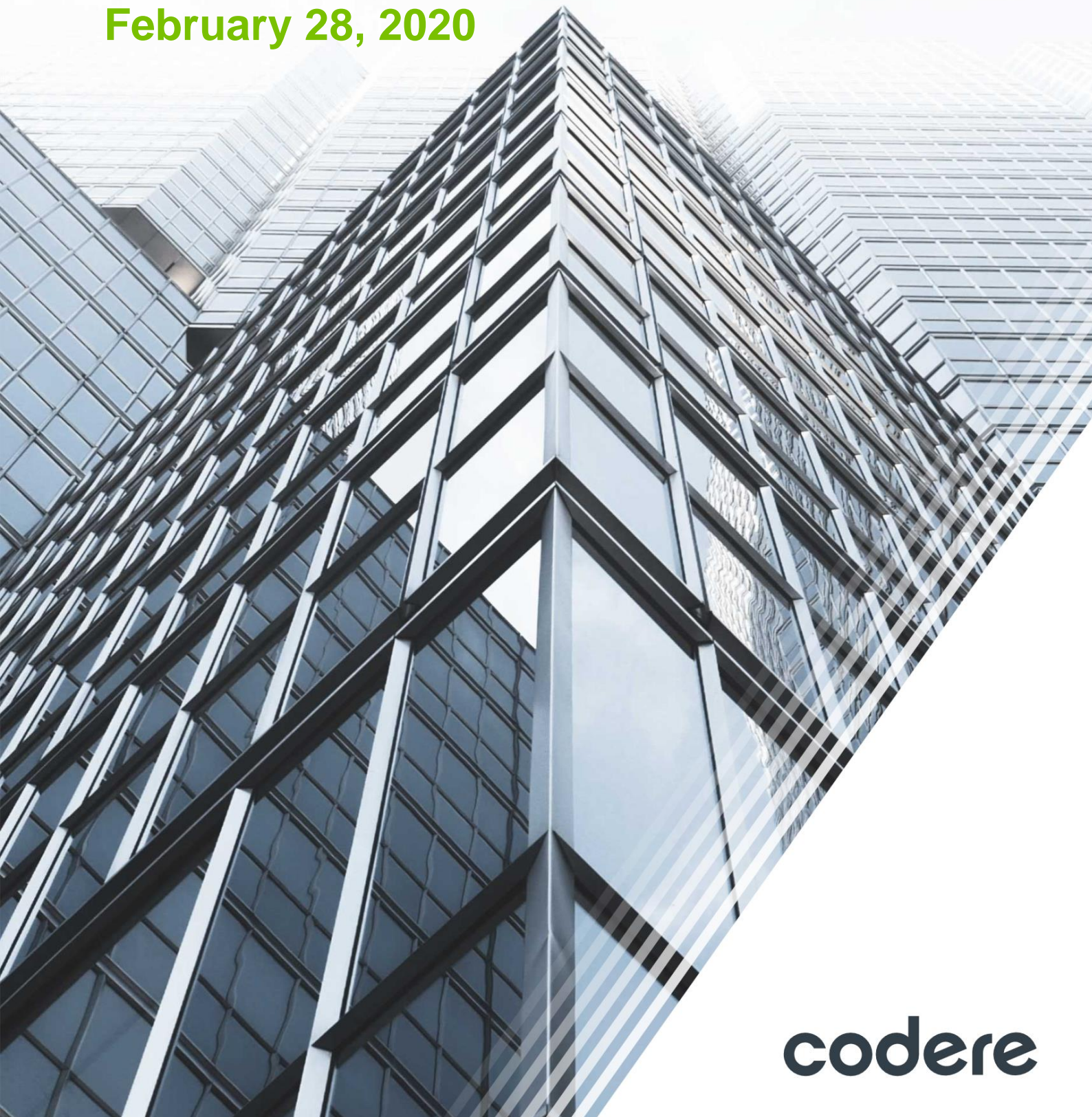


FY 2019 Earnings Results

February 28, 2020



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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, Mexico and Colombia, which included the Online result, will vary from prior earning releases.

- 2019 Operating Revenue decreased by 5.9% to €1,389.4 mm, as growth in Online, Spain, Italy and Uruguay was offset by a €90.5 mm decrease in Argentina due to the depreciation of Argentine Peso against the Euro.
- 2019 Adjusted EBITDA reached €249.1 mm, 11.9% below 2018, as EBITDA increases in Online, Spain (thanks to capacity optimization and continuous performance enhancements), as well as in Uruguay, were offset by reductions in Argentina (€23.5 mm due to the Argentine Peso devaluation and the impact of the new tax on cash out), Italy (impacted by higher gaming taxes), Mexico and Panama.
- 2019 Adjusted EBITDA margin reached 17.9%, 1.3 percentage points below 2018 due to gaming tax increases and the loss in relative weight of our high margin Argentinian operation, together with a decline in margin in our Mexican business.
- In 2019, our net profit prior to the application of IAS 29 and IFRS 16 would have been negative at €18.9 mm. The application of these standards increases financial expenses and Corporate Income Tax, resulting in a net loss of €61.7 mm.
- Capex in 2019 was €90.8 mm, 44.4% below 2018, and included €72.9 mm of maintenance capex and €17.9 mm for growth projects.
- As of December 31, 2019, we had €103.1 mm in cash and equivalents and €145.5 mm in total liquidity (i.e. including availability under the SSRCF) vs €81.8 and €159.7 mm as of December 31, 2018.
- In 2019, the Company has generated €117.8 mm of FCF² vs. €93.6 mm in 2018. Out of this cash, €67.6 mm were used to pay interest (vs. €67.1 mm in 2018), and €32.8 mm to invest in growth, including online marketing investments (vs. €81.2 mm in 2018). As a consequence, we have generated €17.5 mm of cash before deleveraging (deleveraging refers to repayment of financial debt and tax and capex deferrals) and FX variations, vs. a cash usage of €54.7 mm in 2018.
- In terms of gaming capacity, the total number of slots decreased 0.4% to 56,886 in 2019 mainly driven by a reduction in Spain. In terms of venues, gaming halls increased from 148 to 149, sports betting shops decreased from 463 to 261 (as we rationalized deployment in third parties in Colombia) and bars decreased from 9,940 to 9,345 in 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.

² Defined as Adjusted EBITDA – Non Recurring Items (excluding Online marketing growth investment) – Working Capital (excluding movements in Deferred Gaming Taxes) – Corporate Income Tax Paid – Maintenance Capex – Dividends to Minorities.

Consolidated Income Statement

Figures in EUR mm, except where noted otherwise
(Unaudited in 2019)

| | Quarter | | | Full Year | | |
|---|----------------|----------------|-------------------|------------------|------------------|-------------------|
| | Q4 2018 | Q4 2019 | Var. % | 2018 | 2019 | Var. % |
| Operating Revenue | 360.8 | 344.0 | (4.7%) | 1,476.4 | 1,389.4 | (5.9%) |
| Gaming & Other Taxes | (126.1) | (123.8) | 1.8% | (528.1) | (495.4) | 6.2% |
| Personnel | (56.2) | (56.3) | (0.1%) | (252.5) | (239.4) | 5.2% |
| Rentals (Pre-IFRS 16) | (23.8) | (29.3) | (23.0%) | (110.4) | (109.5) | 0.8% |
| Capitalized Operating Leases | 18.9 | 17.1 | (9.6%) | 84.5 | 69.9 | (17.2%) |
| Rentals | (4.9) | (12.2) | n.a. | (25.9) | (39.5) | (52.8%) |
| Cost of Goods Sold | (13.1) | (11.0) | 15.9% | (52.8) | (50.7) | 4.0% |
| Other | (62.4) | (58.9) | 5.6% | (249.7) | (245.3) | 1.8% |
| Operating Expenses (excl. D&A) | (262.7) | (262.2) | 0.2% | (1,109.1) | (1,070.4) | 3.5% |
| Depreciation & Amortization (Pre-IFRS 16) | (30.7) | (29.7) | 3.3% | (113.9) | (124.8) | (9.6%) |
| Depreciation of Capitalized Operating Leases | (10.0) | (15.9) | (59.5%) | (42.3) | (55.3) | (30.8%) |
| Depreciation & Amortization | (40.7) | (45.6) | (12.1%) | (156.2) | (180.1) | (15.3%) |
| Variation in Provisions for Trade Transactions ⁽¹⁾ | (3.8) | (7.0) | (83.9%) | (5.5) | (9.9) | (81.5%) |
| Gains / (Losses) on Asset Disposals ⁽²⁾ | (2.5) | (2.0) | 19.9% | (4.4) | (2.5) | 43.6% |
| Impairment Charges | (0.0) | 0.0 | n.a. | (0.0) | 0.0 | n.a. |
| Non-Recurring Items | (11.9) | (13.5) | (13.6%) | (42.7) | (32.1) | 24.8% |
| Operating Profit (Pre-Inflation Accounting) | 39.2 | 13.7 | (65.1%) | 158.6 | 94.3 | (40.5%) |
| Inflation Adjustment on Operating Expenses ^(3,4) | (0.3) | (0.7) | n.a. | (19.5) | (12.2) | 37.3% |
| Operating Profit (Post-Inflation Accounting) | 38.9 | 13.0 | (66.6%) | 139.1 | 82.1 | (41.0%) |
| Interest Expense (Pre-IFRS 16) | (17.7) | (19.6) | (10.6%) | (70.1) | (71.3) | (1.7%) |
| Financial Expenses from Capitalized Operating Leases | (12.6) | (5.9) | 52.9% | (48.5) | (39.4) | 18.7% |
| Interest Expense | (30.3) | (25.6) | 15.7% | (118.6) | (110.7) | 6.7% |
| Interest Income | 0.5 | 3.0 | n.a. | 2.9 | 5.0 | 72.3% |
| Gains / (Losses) from Financial Investments | (0.1) | (2.8) | n.a. | (0.1) | (2.1) | n.a. |
| Gains / (Losses) from Exchange Rate Variations | (1.1) | 9.9 | n.a. | (33.9) | (10.6) | 68.8% |
| Inflation Adjustment ⁽⁵⁾ | (11.1) | 2.8 | n.a. | 1.3 | 3.4 | n.a. |
| Earnings before Corporate Income Taxes | (3.2) | 0.4 | n.a. | (9.4) | (32.8) | n.a. |
| Provision for Corporate Income Taxes ⁽⁶⁾ (including IFRS 16) | 0.8 | (0.8) | n.a. | (38.4) | (14.2) | 63.1% |
| Inflation Adjustment on CIT ⁽⁷⁾ | 15.2 | (10.3) | n.a. | 8.0 | (15.5) | n.a. |
| Minority Interests in Subsidiary (Income) / Loss | (2.2) | 3.6 | n.a. | (6.9) | 1.0 | n.a. |
| Equity in Affiliate Income / (Loss) | 0.4 | 0.1 | (66.1%) | (0.1) | (0.2) | (70.6%) |
| Net Income / (Loss) | 11.0 | (7.0) | n.a. | (46.8) | (61.7) | (31.7%) |
| EBITDA | | | | | | |
| EBIT (Operating Profit) | 38.9 | 13.0 | (66.6%) | 139.1 | 82.1 | (41.0%) |
| (+) Impairment Charges | 0.0 | 0.0 | n.a. | 0.0 | 0.0 | n.a. |
| (+) (Gains) / Losses on Asset Disposals | 2.5 | 2.0 | (19.9%) | 4.4 | 2.5 | (43.6%) |
| (+) Variation in Provisions for Trade Transactions | 3.8 | 7.0 | 83.9% | 5.5 | 9.9 | 81.5% |
| (+) Depreciation & Amortization | 40.7 | 45.6 | 12.1% | 156.2 | 180.1 | 15.3% |
| (+) Inflation Adjustment on Other Opex ⁽⁴⁾ | 7.3 | 3.4 | (53.7%) | 7.3 | 9.9 | 35.8% |
| EBITDA | 93.2 | 71.0 | (23.8%) | 312.4 | 284.6 | (8.9%) |
| EBITDA Margin | 25.8% | 20.6% | (5.2 p.p.) | 21.2% | 20.5% | (0.7 p.p.) |
| Adjusted EBITDA | | | | | | |
| Adjusted EBITDA (Post-IFRS 16) | 98.1 | 81.8 | (16.6%) | 367.4 | 319.0 | (13.2%) |
| (-) Capitalized Operating Leases | (18.9) | (17.1) | 9.6% | (84.5) | (69.9) | 17.2% |
| Adjusted EBITDA | 79.2 | 64.7 | (18.3%) | 282.9 | 249.1 | (11.9%) |
| Adjusted EBITDA Margin | 22.0% | 18.8% | (3.2 p.p.) | 19.2% | 17.9% | (1.3 p.p.) |
| Adjusted EBITDA (Post-IFRS 16) | | | | | | |
| EBITDA | 93.2 | 71.0 | (23.8%) | 312.4 | 284.6 | (8.9%) |
| (+) Non-Recurring Items | 11.9 | 13.5 | 13.6% | 42.7 | 32.1 | (24.8%) |
| (+) Inflation Adjustment on EBITDA ⁽³⁾ | (7.0) | (2.7) | 61.0% | 12.2 | 2.3 | (81.1%) |
| Adjusted EBITDA (Post-IFRS 16) | 98.1 | 81.8 | (16.6%) | 367.4 | 319.0 | (13.2%) |
| Adjusted EBITDA (Post-IFRS 16) Margin | 27.2% | 23.8% | (3.4 p.p.) | 24.9% | 23.0% | (1.9 p.p.) |

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 December 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 period on the accrued items and ARS/EUR exchange rate as of December 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 €87.0 mm or 5.9% to €1,389.4 mm in 2019, due to the decrease in revenues in Argentina (€90.5 mm), Panama (€10.5 mm), Mexico (€9.5 mm) and Colombia (€4.4 mm), being partially offset by growth in Online (€15.4 mm), Italy (€6.7 mm), Spain (€3.1 mm) and Uruguay (€3.6 mm).
- **Operating Expenses** (excluding depreciation and amortization) decreased by €38.7 mm or 3.5% to €1,070.4 mm, primarily due to a decrease in costs in Argentina of €65.8 mm associated to the Argentine peso devaluation reducing gaming taxes and personnel costs.
- **Adjusted EBITDA** decreased by €33.8 mm to €249.1 mm in 2019, as a result of EBITDA growth in Online, Spain, Uruguay and lower Corporate costs being offset by the decline in Argentina (driven by the aforementioned devaluation), Italy (as a result of increased taxes), Mexico, Colombia and Panama.
- **Adjusted EBITDA (Post-IFRS 16)** reached €319.0 mm, thanks to the reduction in leases to €69.9 mm as a result of the capitalization of assets.
- **Non-Recurring Items** in 2019 were €32.1 mm (of which €15.1 mm were marketing expenses related to online growth), significantly below the €42.7 mm in 2018.
- **Inflation Adjustment** in 2019 represents a loss of €2.3 mm (impact on EBITDA). At the net income level, the impact is a net loss of €24.3 mm.
- **Operating Profit** (prior to considering inflation accounting for Argentina) decreased by €64.2 mm to €94.3 mm in 2019. This reduction reflects a reduction of operating profit in Argentina, Mexico and Italy, partially offset by lower non-recurring items.
- **Interest Expense** (excluding financial expenses from capitalized operating leases) increased by €1.2 mm to €71.3 mm. **Interest income** increased by €2.1 mm to €5.0 mm.
- Losses on **Financial Investments** reached €2.1 mm in 2019.
- Losses on **Exchange Rate Variations** reached €10.6 mm in 2019, mainly driven by the appreciation of the US Dollar against the Euro and the devaluation of the Argentine peso against the Euro, versus losses of €33.9 mm in 2018, in which the same currencies had greater fluctuations.
- Provision for **Corporate Income Tax (including IFRS 16)** decreased by €24.2 mm to €14.2 mm in 2019, primarily due to the significant decline in EBT in Argentina and Mexico.
- **Minority Interest** represents a gain of €1.0 mm in 2019.
- As a result of the aforementioned results, the **Net Loss** in 2019 was €61.7 mm, compared to a Net Loss of €46.8 mm in 2018.

Revenue and Adjusted EBITDA¹

Figures in EUR mm, except where noted otherwise
(Unaudited in 2019)

| | Quarter | | | Full Year | | |
|----------------------------------|--------------|--------------|----------------|----------------|----------------|----------------|
| | Q4 2018 | Q4 2019 | Var. % | 2018 | 2019 | Var. % |
| Operating Revenue | | | | | | |
| Argentina | 82.9 | 75.9 | (8.4%) | 407.7 | 317.2 | (22.2%) |
| Mexico | 79.6 | 73.3 | (7.9%) | 317.3 | 307.8 | (3.0%) |
| Panama | 23.0 | 20.3 | (11.8%) | 88.7 | 78.2 | (11.9%) |
| Uruguay | 18.3 | 18.8 | 2.8% | 70.7 | 74.2 | 5.1% |
| Colombia | 5.7 | 4.7 | (18.2%) | 23.4 | 19.0 | (18.7%) |
| Sub-Total - Latin America | 209.4 | 193.0 | (7.8%) | 907.9 | 796.5 | (12.3%) |
| Italy | 90.3 | 89.0 | (1.4%) | 336.5 | 343.3 | 2.0% |
| Spain | 48.3 | 47.6 | (1.5%) | 186.7 | 189.8 | 1.7% |
| Sub-Total - Europe | 138.7 | 136.7 | (1.4%) | 523.2 | 533.0 | 1.9% |
| Online | 12.7 | 14.3 | 12.5% | 44.5 | 59.8 | 34.5% |
| Total | 360.8 | 344.0 | (4.7%) | 1,475.5 | 1,389.3 | (5.8%) |
| Adjusted EBITDA | | | | | | |
| Argentina | 19.6 | 18.8 | (4.1%) | 96.1 | 72.7 | (24.4%) |
| Mexico | 31.3 | 16.4 | (47.4%) | 99.9 | 83.1 | (16.8%) |
| Panama | 5.2 | 1.3 | (75.1%) | 17.3 | 8.6 | (50.0%) |
| Uruguay | 5.5 | 6.1 | 10.1% | 18.2 | 20.6 | 13.3% |
| Colombia | 1.7 | 0.8 | (56.0%) | 4.6 | 3.3 | (28.7%) |
| Sub-Total - Latin America | 63.3 | 43.4 | (31.5%) | 236.1 | 188.3 | (20.3%) |
| Italy | 9.7 | 7.4 | (24.3%) | 27.6 | 21.1 | (23.7%) |
| Spain | 8.2 | 12.1 | 47.3% | 31.7 | 40.8 | 28.8% |
| Sub-Total - Europe | 17.9 | 19.4 | 8.4% | 59.3 | 61.9 | 4.4% |
| Corporate | (3.2) | (2.1) | 35.5% | (13.1) | (11.0) | 16.2% |
| Online | 1.2 | 4.0 | n.a. | 0.6 | 9.9 | n.a. |
| Total | 79.2 | 64.7 | (18.3%) | 282.9 | 249.1 | (11.9%) |

Earnings per Share

Figures in EUR mm, except where noted otherwise
(Unaudited in 2019)

| | Quarter | | | Full Year | | |
|--|-------------|--------------|-------------|---------------|---------------|----------------|
| | Q4 2018 | Q4 2019 | Var. % | 2018 | 2019 | Var. % |
| Earnings per Share | | | | | | |
| Net Income / (Loss) (EUR mm) | 11.0 | (7.0) | n.a. | (46.8) | (61.7) | (31.7%) |
| Average Shares Issued & Outstanding⁽²⁾ (mm): | | | | | | |
| Basic | 118 | 118 | (0%) | 119 | 118 | (0%) |
| Earnings per Share (EUR): | | | | | | |
| Basic | 0.09 | (0.06) | n.a. | (0.39) | (0.52) | (31.9%) |

¹ Figures exclude Brazilian Operating Revenue of €0.9 mm in 2018 and Corporate Revenue of €0.1mm in 2019. Brazilian Adjusted EBITDA of €(0.1) mm in 2018 included under Corporate.

² Figure excludes treasury shares.

Revenue and Adjusted EBITDA at Constant Currency¹

Figures in EUR mm, except where noted otherwise
(Unaudited in 2019)

| | Quarter | | | Full Year | | |
|----------------------------------|--------------|--------------|----------------|----------------|----------------|---------------|
| | Q4 2018 | Q4 2019 | Var. % | 2018 | 2019 | Var. % |
| Operating Revenue | | | | | | |
| Argentina | 82.9 | 117.9 | 42.3% | 407.7 | 535.1 | 31.2% |
| Mexico | 79.6 | 69.1 | (13.3%) | 317.3 | 292.1 | (7.9%) |
| Panama | 23.0 | 19.7 | (14.5%) | 88.7 | 74.2 | (16.4%) |
| Uruguay | 18.3 | 21.0 | 15.0% | 70.7 | 80.8 | 14.3% |
| Colombia | 5.7 | 4.9 | (14.4%) | 23.4 | 20.1 | (14.5%) |
| Sub-Total - Latin America | 209.4 | 232.4 | 11.0% | 907.9 | 1,002.2 | 10.4% |
| Italy | 90.3 | 89.0 | (1.4%) | 336.5 | 343.3 | 2.0% |
| Spain | 48.3 | 47.6 | (1.5%) | 186.7 | 189.8 | 1.7% |
| Sub-Total - Europe | 138.7 | 136.7 | (1.4%) | 523.2 | 533.0 | 1.9% |
| Online | 12.7 | 14.3 | 12.5% | 44.5 | 59.8 | 34.5% |
| Total | 360.8 | 383.5 | 6.3% | 1,475.5 | 1,595.0 | 8.1% |
| Adjusted EBITDA | | | | | | |
| Argentina | 19.6 | 29.2 | 48.8% | 96.1 | 122.5 | 27.5% |
| Mexico | 31.3 | 15.5 | (50.5%) | 99.9 | 78.9 | (21.1%) |
| Panama | 5.2 | 1.3 | (75.8%) | 17.3 | 8.2 | (52.6%) |
| Uruguay | 5.5 | 6.8 | 23.1% | 18.2 | 22.4 | 23.2% |
| Colombia | 1.7 | 0.8 | (54.0%) | 4.6 | 3.5 | (24.9%) |
| Sub-Total - Latin America | 63.3 | 53.5 | (15.5%) | 236.1 | 235.5 | (0.3%) |
| Italy | 9.7 | 7.4 | (24.3%) | 27.6 | 21.1 | (23.7%) |
| Spain | 8.2 | 12.1 | 47.3% | 31.7 | 40.8 | 28.8% |
| Sub-Total - Europe | 17.9 | 19.4 | 8.4% | 59.3 | 61.9 | 4.4% |
| Corporate | (3.2) | (2.1) | 35.5% | (13.1) | (11.0) | 16.2% |
| Online | 1.2 | 4.0 | n.a. | 0.6 | 9.9 | n.a. |
| Total | 79.2 | 74.9 | (5.5%) | 282.9 | 296.3 | 4.8% |

¹ Figures exclude Brazilian Operating Revenue of €0.9 mm in 2018 and Corporate Revenue of €0.1mm in 2019. Brazilian Adjusted EBITDA of €(0.1) mm in 2018 included under Corporate.

Operating Expenses¹

Figures in EUR mm, except where noted otherwise
(Unaudited in 2019)

| | Quarter | | | Full Year | | |
|---|----------------|----------------|---------------|------------------|------------------|----------------|
| | Q4 2018 | Q4 2019 | Var. | 2018 | 2019 | Var. |
| Operating Revenue | 360.8 | 344.0 | (4.7%) | 1,476.4 | 1,389.4 | (5.9%) |
| Gaming & Other Taxes | (126.1) | (123.8) | 1.8% | (528.1) | (495.4) | 6.2% |
| Personnel | (56.2) | (56.3) | (0.1%) | (252.5) | (239.4) | 5.2% |
| Rentals | (4.9) | (12.2) | n.a. | (25.9) | (39.5) | (52.8%) |
| Cost of Goods Sold | (13.1) | (11.0) | 15.9% | (52.8) | (50.7) | 4.0% |
| Other | (62.4) | (58.9) | 5.6% | (249.7) | (245.3) | 1.8% |
| Operating Expenses (excl. D&A) | (262.7) | (262.2) | 0.2% | (1,109.1) | (1,070.4) | 3.5% |
| Gaming & Other Taxes | | | | | | |
| Gaming Taxes | (105.2) | (103.4) | 1.7% | (436.9) | (413.3) | 5.4% |
| Other Taxes | (20.9) | (20.4) | 2.2% | (91.2) | (82.2) | 9.9% |
| Total | (126.1) | (123.8) | 1.8% | (528.1) | (495.4) | 6.2% |
| Rentals | | | | | | |
| Gaming Venues & Other | (1.5) | (2.2) | (49.0%) | (7.7) | (7.5) | 2.2% |
| Slots | (3.5) | (10.0) | n.a. | (18.2) | (32.1) | (75.9%) |
| Total | (4.9) | (12.2) | n.a. | (25.9) | (39.5) | (52.8%) |
| Other | | | | | | |
| Professional Fees ⁽²⁾ | (4.8) | (3.0) | 37.3% | (21.9) | (17.9) | 18.4% |
| Advertising and Marketing | (12.3) | (11.1) | 9.4% | (45.6) | (46.8) | (2.5%) |
| Utilities | (11.9) | (13.0) | (9.8%) | (47.8) | (50.0) | (4.6%) |
| Repairs & Maintenance ⁽³⁾ | (5.9) | (5.1) | 13.6% | (25.8) | (22.4) | 13.1% |
| Insurance ⁽⁴⁾ | (1.0) | (1.2) | (20.5%) | (4.7) | (4.2) | 9.9% |
| Travel | (1.3) | (1.4) | (3.3%) | (4.6) | (4.7) | (1.7%) |
| Transportation ⁽⁵⁾ | (0.8) | (0.7) | 4.0% | (3.0) | (2.9) | 4.1% |
| Other Expenses | (24.4) | (23.3) | 4.5% | (96.2) | (96.4) | (0.2%) |
| Total | (62.4) | (58.9) | 5.6% | (249.7) | (245.3) | 1.8% |
| As % of Operating Revenue (Var. in p.p.) | | | | | | |
| Operating Revenue | 100.0% | 100.0% | - | 100.0% | 100.0% | - |
| Gaming & Other Taxes | 34.9% | 36.0% | 1.0 | 35.8% | 35.7% | (0.1) |
| Personnel | 15.6% | 16.4% | 0.8 | 17.1% | 17.2% | 0.1 |
| Rentals | 1.4% | 3.5% | 2.2 | 1.8% | 2.8% | 1.1 |
| Cost of Goods Sold | 3.6% | 3.2% | (0.4) | 3.6% | 3.7% | 0.1 |
| Other | 17.3% | 17.1% | (0.2) | 16.9% | 17.7% | 0.7 |
| Operating Expenses (excl. D&A) | 72.8% | 76.2% | 3.4 | 75.1% | 77.0% | 1.9 |
| Gaming & Other Taxes | | | | | | |
| Gaming Taxes | 29.1% | 30.0% | 0.9 | 29.6% | 29.7% | 0.2 |
| Other Taxes | 5.8% | 5.9% | 0.1 | 6.2% | 5.9% | (0.3) |
| Total | 34.9% | 36.0% | 1.0 | 35.8% | 35.7% | (0.1) |
| Rentals | | | | | | |
| Gaming Venues & Other | 0.4% | 0.6% | 0.2 | 0.5% | 0.5% | 0.0 |
| Slots | 1.0% | 2.9% | 2.0 | 1.2% | 2.3% | 1.1 |
| Total | 1.4% | 3.5% | 2.2 | 1.8% | 2.8% | 1.1 |
| Other | | | | | | |
| Professional Fees ⁽²⁾ | 1.3% | 0.9% | (0.5) | 1.5% | 1.3% | (0.2) |
| Advertising and Marketing | 3.4% | 3.2% | (0.2) | 3.1% | 3.4% | 0.3 |
| Utilities | 3.3% | 3.8% | 0.5 | 3.2% | 3.6% | 0.4 |
| Repairs & Maintenance ⁽³⁾ | 1.6% | 1.5% | (0.2) | 1.7% | 1.6% | (0.1) |
| Insurance ⁽⁴⁾ | 0.3% | 0.4% | 0.1 | 0.3% | 0.3% | (0.0) |
| Travel | 0.4% | 0.4% | 0.0 | 0.3% | 0.3% | 0.0 |
| Transportation ⁽⁵⁾ | 0.2% | 0.2% | 0.0 | 0.2% | 0.2% | 0.0 |
| Other Expenses | 6.8% | 6.8% | 0.0 | 6.5% | 6.9% | 0.4 |
| Total | 17.3% | 17.1% | (0.2) | 16.9% | 17.7% | 0.7 |

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
(Unaudited in 2019)

| | Quarter | | | Full Year | | |
|--|---------------|---------------|----------------|----------------|----------------|----------------|
| | Q4 2018 | Q4 2019 | Var. % | 2018 | 2019 | Var. % |
| Operating Revenue | 79.6 | 73.3 | (7.9%) | 317.3 | 307.8 | (3.0%) |
| Gaming & Other Taxes | (9.9) | (10.5) | (6.3%) | (34.7) | (36.7) | (5.8%) |
| Personnel ⁽¹⁾ | (11.2) | (12.5) | (11.1%) | (51.8) | (52.2) | (0.8%) |
| Rentals (Pre-IFRS 16) | (11.5) | (14.7) | (27.6%) | (58.0) | (57.1) | 1.5% |
| Capitalized Operating Leases | 8.6 | 8.6 | (0.2%) | 41.7 | 33.9 | (18.7%) |
| Rentals | (2.9) | (6.1) | n.a. | (16.3) | (23.2) | (42.7%) |
| Cost of Goods Sold | (3.9) | (4.6) | (18.1%) | (15.7) | (18.6) | (18.3%) |
| Other | (11.8) | (14.6) | (23.7%) | (57.2) | (60.2) | (5.2%) |
| Operating Expenses (excl. D&A) | (39.8) | (48.3) | (21.5%) | (175.6) | (190.8) | (8.6%) |
| Depreciation & Amortization (Pre-IFRS 16) | (10.9) | (12.5) | (15.2%) | (40.0) | (50.7) | (26.7%) |
| Depreciation of Capitalized Operating Leases | (4.6) | (6.3) | (37.7%) | (16.9) | (25.0) | (47.7%) |
| Depreciation & Amortization | (15.5) | (18.9) | (21.9%) | (56.9) | (75.7) | (32.9%) |
| Variation in Provisions for Trade Transactions | 0.0 | (0.0) | n.a. | 0.0 | (0.0) | n.a. |
| Gains / (Losses) on Asset Disposals ⁽²⁾ | (1.7) | (0.2) | 89.2% | (2.1) | (0.2) | 89.2% |
| Impairment Charges | 0.0 | 0.0 | n.a. | 0.0 | 0.0 | n.a. |
| Non-Recurring Items | (5.4) | 0.9 | n.a. | (10.2) | (3.3) | 67.3% |
| Operating Profit | 17.3 | 6.8 | (60.6%) | 72.4 | 37.7 | (47.9%) |
| EBITDA | 34.5 | 25.9 | (25.0%) | 131.5 | 113.7 | (13.6%) |
| <i>EBITDA Margin</i> | 43.3% | 35.3% | (8.0 p.p.) | 41.4% | 36.9% | (4.5 p.p.) |
| Adjusted EBITDA (Post-IFRS 16) | 39.9 | 25.0 | (37.2%) | 141.7 | 117.0 | (17.4%) |
| <i>Adjusted EBITDA (Post-IFRS 16) Margin</i> | 50.1% | 34.1% | (16.0 p.p.) | 44.7% | 38.0% | (6.7 p.p.) |
| Adjusted EBITDA | 31.3 | 16.4 | (47.4%) | 99.9 | 83.1 | (16.9%) |
| <i>Adjusted EBITDA Margin</i> | 39.3% | 22.4% | (16.9 p.p.) | 31.5% | 27.0% | (4.5 p.p.) |
| Economic Indicators | | | | | | |
| Average Exchange Rate - EUR/MXN | 22.65 | 21.32 | (5.9%) | 22.72 | 21.56 | (5.1%) |
| Average Inflation (YoY) | 4.8% | 2.9% | (1.9 p.p.) | 4.9% | 3.6% | (1.3 p.p.) |
| Key Performance Indicators | | | | | | |
| Avg. Installed Capacity (Slots) | 21,422 | 22,033 | 2.9% | 20,612 | 21,871 | 6.1% |
| Gross Win per Slot per Day: | | | | | | |
| EUR | 32.5 | 31.1 | (4.4%) | 34.4 | 32.1 | (6.6%) |
| Local Currency | 736 | 662 | (10.0%) | 781 | 693 | (11.3%) |

- **Operating Revenue** in 2019 decreased by €9.5 mm (3.0%) compared to 2018 despite the increase in capacity and favorable FX due to a more challenging macroeconomic environment (negative GDP growth) together with increased security issues and a more competitive market. Gross win per slot per day in local currency decreased by 11.3%.

Since the end of 2018 we are operating 6 additional halls, two re-openings, a greenfield and three acquisitions. Some of these halls are still in their early operation stages and will contribute positive EBITDA in 2020.

- **Operating Expenses (excluding D&A)** increased by €15.2 mm in 2019 as a result of higher costs associated to the new halls (mainly rentals) and higher local taxes at municipal and state levels.
- **Adjusted EBITDA** decreased by 16.9% to €83.1 mm as a result of the weak revenue trend combined with higher operating expenses. Adjusted EBITDA margin decreased 4.5 percentage points to 27.0% versus 31.5% in 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
(Unaudited in 2019)

| | Quarter | | | Full Year | | |
|---|---------------|---------------|----------------|----------------|----------------|----------------|
| | Q4 2018 | Q4 2019 | Var. % | 2018 | 2019 | Var. % |
| Operating Revenue | 82.9 | 75.9 | (8.4%) | 407.7 | 317.2 | (22.2%) |
| Gaming & Other Taxes | (37.7) | (33.8) | 10.3% | (187.9) | (142.7) | 24.1% |
| Personnel | (13.2) | (12.8) | 2.7% | (64.5) | (54.9) | 14.9% |
| Rentals (Pre-IFRS 16) | (2.3) | (2.1) | 6.2% | (10.9) | (9.2) | 15.0% |
| Capitalized Operating Leases | 1.2 | 1.1 | (9.4%) | 6.4 | 5.2 | (19.5%) |
| Rentals | (1.1) | (1.1) | 2.7% | (4.5) | (4.1) | 8.6% |
| Cost of Goods Sold | (1.7) | (1.4) | 16.8% | (6.9) | (6.9) | 1.1% |
| Other | (8.4) | (6.9) | 17.4% | (41.4) | (31.0) | 25.2% |
| Operating Expenses (excl. D&A) | (62.0) | (56.0) | 9.7% | (305.2) | (239.4) | 21.6% |
| Depreciation & Amortization (Pre-IFRS 16) | (1.3) | (1.3) | 3.2% | (5.9) | (5.7) | 2.7% |
| Depreciation of Capitalized Operating Leases | (1.3) | (0.8) | 37.9% | (5.2) | (3.2) | 38.6% |
| Depreciation & Amortization | (2.6) | (2.1) | 20.5% | (11.1) | (8.9) | 19.6% |
| Variation in Provisions for Trade Transactions | 0.0 | 0.0 | n.a. | 0.0 | 0.0 | n.a. |
| Gains / (Losses) on Asset Disposals ⁽¹⁾ | (0.0) | (0.2) | n.a. | (0.4) | (0.0) | 99.0% |
| Impairment Charges | 0.0 | 0.0 | n.a. | 0.0 | 0.0 | n.a. |
| Non-Recurring Items | (0.4) | (1.0) | n.a. | (2.9) | (3.1) | (4.7%) |
| Operating Profit (Pre-Inflation Accounting) | 17.9 | 16.6 | (7.0%) | 88.2 | 65.9 | (25.3%) |
| Inflation Adjustment on Operating Expenses ⁽²⁾ | (0.3) | (0.7) | n.a. | (19.5) | (12.2) | 37.3% |
| Operating Profit (Post-Inflation Accounting) | 17.6 | 15.9 | (9.1%) | 68.7 | 53.6 | (21.9%) |
| EBITDA | 27.5 | 21.6 | (21.4%) | 87.4 | 72.4 | (17.1%) |
| <i>EBITDA Margin</i> | 33.1% | 28.4% | (4.7 p.p.) | 21.4% | 22.8% | 1.4 p.p. |
| Adjusted EBITDA (Post-IFRS 16) | 20.8 | 19.9 | (4.4%) | 102.5 | 77.8 | (24.1%) |
| <i>Adjusted EBITDA (Post-IFRS 16) Margin</i> | 25.1% | 26.2% | 1.1 p.p. | 25.1% | 24.5% | (0.6 p.p.) |
| Adjusted EBITDA | 19.6 | 18.8 | (4.1%) | 96.1 | 72.7 | (24.4%) |
| <i>Adjusted EBITDA Margin</i> | 23.7% | 24.8% | 1.1 p.p. | 23.6% | 22.9% | (0.7 p.p.) |
| Economic Indicators | | | | | | |
| Average Exchange Rate - EUR/ARS | 42.37 | 65.76 | 55.2% | 32.98 | 53.92 | 63.5% |
| Average Inflation (YoY) | 47.3% | 52.4% | 5.1 p.p. | 34.2% | 53.7% | 19.4 p.p. |
| Key Performance Indicators | | | | | | |
| Avg. Installed Capacity (Slots) | 6,859 | 6,861 | 0.0% | 6,888 | 6,860 | (0.4%) |
| Gross Win per Slot per Day: | | | | | | |
| EUR | 125.7 | 113.6 | (9.6%) | 157.7 | 120.0 | (23.9%) |
| Local Currency | 5,326 | 7,474 | 40.3% | 4,978 | 6,426 | 29.1% |

- **Operating Revenue** in 2019 decreased by €90.5 mm or 22.2% compared to 2018, due to the significant devaluation of the Peso (63.5%). Gross win per slot per day in local currency grew 29.1% (31.2% including clients' withholdings), well below year on year average inflation of 53.7%³. Revenues were also impacted by the new tax on prizes (3%) effective since February and suspended in September (indirect tax on players). Since the end of the second quarter revenue growth has accelerated reducing the gap to inflation from an average of 32.1% in H1 2019 to 12.3% in Q4 2019.
- **Operating Expenses (excluding D&A)** decreased by 21.6% driven by reductions across gaming taxes and personnel which benefitted from the devaluation of the peso. The effective gaming tax (as percentage of revenue) decreased 1.1 percentage points to 45.0% as operational systems were changed throughout 2018 to withhold cash-in tax from our clients' deposits (i.e. we progressively ceased to pay it on their behalf).
- **Adjusted EBITDA** decreased by 24.4% to €72.7 mm, compared to €96.1 mm in 2018 as a result of the devaluation of the Argentine Peso and the introduction of the tax on prizes (suspended in September 2019). The Adjusted EBITDA margin was 22.9% in 2019, 0.7 percentage points below that of 2018, due to the impact on our revenue of the aforementioned increase in gaming taxes for players.

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 December 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
(Unaudited in 2019)

| | Quarter | | | Full Year | | |
|---|---------------|---------------|-----------------|----------------|----------------|-----------------|
| | Q4 2018 | Q4 2019 | Var. % | 2018 | 2019 | Var. % |
| Operating Revenue | 48.3 | 47.6 | (1.5%) | 186.7 | 189.8 | 1.7% |
| Gaming & Other Taxes | (16.2) | (14.9) | 8.1% | (60.7) | (61.0) | (0.5%) |
| Personnel | (10.5) | (10.1) | 3.6% | (42.9) | (41.1) | 4.3% |
| Rentals (Pre-IFRS 16) | (2.0) | (2.0) | 1.8% | (8.8) | (8.4) | 4.9% |
| Capitalized Operating Leases | 2.0 | 1.6 | (19.7%) | 7.5 | 6.7 | (11.1%) |
| Rentals | 0.0 | (0.4) | n.a. | (1.3) | (1.7) | (29.5%) |
| Cost of Goods Sold | (1.4) | (1.4) | (4.7%) | (5.3) | (5.9) | (12.2%) |
| Other | (10.1) | (7.2) | 28.8% | (37.3) | (32.5) | 12.8% |
| Operating Expenses (excl. D&A) | (38.2) | (34.0) | 11.0% | (147.5) | (142.3) | 3.6% |
| Depreciation & Amortization (Pre-IFRS 16) | (8.5) | (4.5) | 47.7% | (30.6) | (26.7) | 12.8% |
| Depreciation of Capitalized Operating Leases | (1.1) | (4.2) | n.a. | (5.1) | (8.8) | (72.6%) |
| Depreciation & Amortization | (9.6) | (8.7) | 9.7% | (35.7) | (35.4) | 0.7% |
| Variation in Provisions for Trade Transactions ⁽¹⁾ | (0.3) | (0.1) | 62.6% | (1.2) | (1.0) | 21.2% |
| Gains / (Losses) on Asset Disposals ⁽²⁾ | (0.6) | (0.4) | 37.6% | (1.5) | (0.7) | 54.1% |
| Impairment Charges | 0.0 | 0.0 | n.a. | 0.0 | 0.0 | n.a. |
| Non-Recurring Items | (1.9) | (1.1) | 42.3% | (4.0) | (2.0) | 51.4% |
| Operating Profit | (2.4) | 3.3 | n.a. | (3.3) | 8.4 | n.a. |
| EBITDA | 8.3 | 12.6 | 52.0% | 35.1 | 45.5 | 29.6% |
| <i>EBITDA Margin</i> | <i>17.1%</i> | <i>26.4%</i> | <i>9.3 p.p.</i> | <i>18.8%</i> | <i>24.0%</i> | <i>5.2 p.p.</i> |
| Adjusted EBITDA (Post-IFRS 16) | 10.2 | 13.7 | 34.1% | 39.2 | 47.5 | 21.2% |
| <i>Adjusted EBITDA (Post-IFRS 16) Margin</i> | <i>21.1%</i> | <i>28.7%</i> | <i>7.6 p.p.</i> | <i>21.0%</i> | <i>25.0%</i> | <i>4.0 p.p.</i> |
| Adjusted EBITDA | 8.2 | 12.1 | 47.3% | 31.7 | 40.8 | 28.9% |
| <i>Adjusted EBITDA Margin</i> | <i>16.9%</i> | <i>25.3%</i> | <i>8.4 p.p.</i> | <i>17.0%</i> | <i>21.5%</i> | <i>4.5 p.p.</i> |
| Key Performance Indicators | | | | | | |
| Avg. Installed Capacity (Slots) | 10,221 | 10,097 | (1.2%) | 9,892 | 10,197 | 3.1% |
| Avg. Installed Capacity (Sports Betting Terminals) | 6,771 | 7,241 | 6.9% | 6,184 | 7,141 | 15.5% |
| Gross Win per Slot per Day: | | | | | | |
| Slots | 49.7 | 49.1 | (1.1%) | 50.1 | 49.2 | (1.8%) |

- **Operating Revenue** in 2019 grew by €3.1 mm (1.7%) to €189.8 mm compared to 2018, driven by growing revenues in our retail sports betting and slot route businesses with 15.5% and 3.1% more installed units, respectively, and the progressive maturity of the sports betting capacity installed, offset by a 1.8% decrease in route slot unit yields (mainly driven by the increase in the number of units, especially in arcades).
- **Operating Expenses (excluding D&A)** decreased by 3.6% to €142.3 mm in 2019 as a result of our continuous deployment of efficiencies across the business.
- **Adjusted EBITDA** grew 28.9% to €40.8 mm. Adjusted EBITDA margin increased by 4.5 percentage points to 21.5% versus last year as our efforts to improve profitability and optimize capacity deployment of both our route and sports betting businesses continue to crystalize.

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
(Unaudited in 2019)

| | Quarter | | | Full Year | | |
|---|---------------|---------------|-------------------|----------------|----------------|-------------------|
| | Q4 2018 | Q4 2019 | Var. % | 2018 | 2019 | Var. % |
| Operating Revenue | 90.3 | 89.0 | (1.4%) | 336.5 | 343.3 | 2.0% |
| Gaming & Other Taxes | (56.7) | (58.9) | (3.8%) | (215.6) | (232.0) | (7.6%) |
| Personnel | (7.9) | (8.6) | (10.1%) | (33.7) | (33.4) | 1.0% |
| Rentals (Pre-IFRS 16) | (3.1) | (3.2) | (2.2%) | (13.1) | (12.6) | 3.7% |
| Capitalized Operating Leases | 2.3 | 1.9 | (18.7%) | 9.7 | 7.5 | (22.6%) |
| Rentals | (0.8) | (1.3) | (60.1%) | (3.4) | (5.1) | (50.7%) |
| Cost of Goods Sold | (0.5) | (0.4) | 18.5% | (1.9) | (1.6) | 13.0% |
| Other | (12.4) | (10.5) | 14.7% | (44.6) | (42.6) | 4.6% |
| Operating Expenses (excl. D&A) | (78.3) | (79.8) | (1.9%) | (299.2) | (314.7) | (5.2%) |
| Depreciation & Amortization (Pre-IFRS 16) | (3.7) | (3.6) | 2.8% | (15.2) | (14.3) | 6.2% |
| Depreciation of Capitalized Operating Leases | 0.0 | (1.5) | n.a. | (4.1) | (6.0) | (46.1%) |
| Depreciation & Amortization | (3.7) | (5.1) | (37.2%) | (19.3) | (20.3) | (4.9%) |
| Variation in Provisions for Trade Transactions ⁽¹⁾ | (0.1) | (1.7) | n.a. | (0.6) | (2.8) | n.a. |
| Gains / (Losses) on Asset Disposals ⁽²⁾ | (0.0) | 0.0 | n.a. | (0.0) | (0.1) | (57.1%) |
| Impairment Charges | 0.0 | 0.0 | n.a. | 0.0 | 0.0 | n.a. |
| Non-Recurring Items | (0.4) | (0.1) | 71.5% | (1.4) | (0.2) | 88.4% |
| Operating Profit | 7.8 | 2.4 | (69.0%) | 15.9 | 5.3 | (66.9%) |
| EBITDA | 11.6 | 9.1 | (21.6%) | 35.9 | 28.4 | (20.8%) |
| <i>EBITDA Margin</i> | <i>12.9%</i> | <i>10.2%</i> | <i>(2.7 p.p.)</i> | <i>10.7%</i> | <i>8.3%</i> | <i>(2.4 p.p.)</i> |
| Adjusted EBITDA (Post-IFRS 16) | 12.0 | 9.2 | (23.3%) | 37.3 | 28.6 | (23.4%) |
| <i>Adjusted EBITDA (Post-IFRS 16) Margin</i> | <i>13.3%</i> | <i>10.4%</i> | <i>(2.9 p.p.)</i> | <i>11.1%</i> | <i>8.3%</i> | <i>(2.8 p.p.)</i> |
| Adjusted EBITDA | 9.7 | 7.4 | (24.3%) | 27.6 | 21.1 | (23.7%) |
| <i>Adjusted EBITDA Margin</i> | <i>10.8%</i> | <i>8.3%</i> | <i>(2.5 p.p.)</i> | <i>8.2%</i> | <i>6.1%</i> | <i>(2.1 p.p.)</i> |
| Key Performance Indicators | | | | | | |
| Avg. Installed Capacity (AWPs) | 7,473 | 7,694 | 3.0% | 7,971 | 7,525 | (5.6%) |
| Avg. Installed Capacity (VLTs) | 1,504 | 1,518 | 0.9% | 1,486 | 1,504 | 1.3% |
| Gross Win per Slot per Day: | | | | | | |
| AWPs | 87.1 | 85.0 | (2.5%) | 78.1 | 87.1 | 11.5% |
| VLTs | 214 | 213 | (0.5%) | 202 | 201 | (0.4%) |

- **Operating Revenue** in 2019 increased by €6.7 mm or 2.0% compared to 2018 as a result of the significant improvement on AWP unit yields (11.5%), as well as the higher PREU tax (that increases the share we keep from machines in bars), offsetting the reduction in capacity defined by the regulator in 2018 (5.6%). Increased fees to units connected to our network also contributed positively to maintain our revenue.
- **Operating Expenses (excluding D&A)** increased by 5.2% in 2019 to €314.7 mm compared to 2018, as a result of lower rentals and personnel costs being offset by higher gaming taxes (7.6%) and lower capitalization of operating leases.
- **Adjusted EBITDA** was €21.1 mm in 2019, 23.7% lower than in 2018 due to the reduction in capacity and the higher gaming taxes. Adjusted EBITDA margin was 2.1 percentage points lower at 6.1%.

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
(Unaudited in 2019)

| | Quarter | | | Full Year | | |
|---------------------------------------|--------------|--------------|--------------------|--------------|--------------|-------------------|
| | Q4 2018 | Q4 2019 | Var. % | 2018 | 2019 | Var. % |
| Operating Revenue | | | | | | |
| Panama | 23.0 | 20.3 | (11.8%) | 88.7 | 78.2 | (11.9%) |
| Uruguay | 18.3 | 18.8 | 2.8% | 70.7 | 74.2 | 5.1% |
| Colombia | 5.7 | 4.7 | (18.2%) | 23.4 | 19.0 | (18.7%) |
| Online | 12.7 | 14.3 | 12.5% | 44.5 | 59.8 | 34.5% |
| Operating Revenue | 59.7 | 58.0 | (2.8%) | 227.3 | 231.3 | 1.8% |
| Adjusted EBITDA | | | | | | |
| Panama | 5.2 | 1.3 | (75.1%) | 17.3 | 8.6 | (49.9%) |
| Uruguay | 5.5 | 6.1 | 10.1% | 18.2 | 20.6 | 13.5% |
| Colombia | 1.7 | 0.8 | (56.0%) | 4.6 | 3.3 | (29.1%) |
| Online | 1.2 | 4.0 | n.a. | 0.6 | 9.9 | n.a. |
| Adjusted EBITDA | 13.7 | 12.1 | (11.2%) | 40.7 | 42.5 | 4.3% |
| <i>Adjusted EBITDA Margin</i> | <i>22.9%</i> | <i>20.9%</i> | <i>(2.0 p.p.)</i> | <i>17.9%</i> | <i>18.4%</i> | <i>0.5 p.p.</i> |
| Adjusted EBITDA (Post IFRS-16) | | | | | | |
| Adjusted EBITDA | 13.7 | 12.1 | (11.2%) | 40.7 | 42.5 | 4.3% |
| (+) Capitalized Operating Leases | 4.3 | 3.4 | (21.7%) | 17.2 | 14.6 | (15.1%) |
| Adjusted EBITDA (Post IFRS-16) | 18.0 | 15.5 | (13.7%) | 57.9 | 57.1 | (1.5%) |
| <i>Adjusted EBITDA Margin</i> | <i>30.1%</i> | <i>26.7%</i> | <i>(3.4 p.p.)</i> | <i>25.5%</i> | <i>24.7%</i> | <i>(0.8 p.p.)</i> |
| EBITDA | | | | | | |
| Adjusted EBITDA (Post IFRS-16) | 18.0 | 15.5 | (13.7%) | 57.9 | 57.1 | (1.5%) |
| (-) Non-Recurring Items | (0.8) | (3.0) | n.a. | (5.5) | (5.0) | 9.5% |
| (-) Online Growth Investment | 0.0 | (5.7) | n.a. | 0.0 | (15.1) | n.a. |
| EBITDA | 17.2 | 6.8 | (60.4%) | 52.4 | 37.0 | (29.3%) |
| <i>EBITDA Margin</i> | <i>28.8%</i> | <i>11.7%</i> | <i>(17.1 p.p.)</i> | <i>23.1%</i> | <i>16.0%</i> | <i>(7.1 p.p.)</i> |
| Average Exchange Rates | | | | | | |
| EUR/USD | 1.14 | 1.11 | (3.0%) | 1.18 | 1.12 | (5.2%) |
| EUR/UYU | 37.14 | 41.53 | 11.8% | 36.24 | 39.45 | 8.8% |
| USD/UYU | 32.55 | 37.51 | 15.2% | 30.83 | 35.35 | 14.7% |
| EUR/COP | 3,611 | 3,776 | 4.6% | 3,489 | 3,673 | 5.3% |

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

Operating revenue increased by €4.0 mm (1.8%), to €231.3 mm as a result of:

- An increase in **Online** of €15.3 mm due to the increasing revenues in Spain and Mexico, despite the high comparable from the Soccer World Cup in 2018.
- An increase in **Uruguay** of €3.5 mm as a result of the strong performance in HRU and Carrasco Nobile.
- A combined decrease in **Panama and Colombia** of €14.9 mm due to the closing of 3 non-performing casinos and the market slowdown in the former.

Adjusted EBITDA increased by €1.8 mm (4.3%), to €42.5 mm as a result of:

- An increase in **Online** of €9.3 mm due to better performance of the business in Spain.
- An increase in **Uruguay** of €2.4 mm due to the above mentioned revenue growth and a more efficient HRU and CN operation.
- A combined decrease in **Colombia and Panama** of €10.0 mm, affected by a weak operational performance in our business in Panama.

Adjusted EBITDA margin in 2019 was 18.4%, 0.5 percentage points above that of 2018.

Consolidated Cash Flow Statement

Figures in EUR mm, except where noted otherwise
(Unaudited in 2019)

| | Quarter | | | Full Year | | |
|--|---------------|---------------|----------------|----------------|---------------|----------------|
| | Q4 2018 | Q4 2019 | Var. % | 2018 | 2019 | Var. % |
| EBITDA | 93.2 | 71.0 | (23.8%) | 312.4 | 284.6 | (8.9%) |
| Capitalized Operating Leases | (18.9) | (17.1) | 9.5% | (84.5) | (69.9) | 17.3% |
| Inflation Adjustment | (7.0) | (2.7) | 61.4% | 12.2 | 2.3 | (81.2%) |
| Corporate Income Taxes Paid | (11.2) | (9.7) | 13.4% | (51.8) | (40.8) | 21.2% |
| Chg. in Working Capital ⁽¹⁾ | (7.0) | 13.4 | n.a. | (7.5) | 1.0 | n.a. |
| Cash Flow from Operations | 49.1 | 54.9 | 11.8% | 180.8 | 177.2 | (2.0%) |
| Maintenance Capital Expenditures ⁽²⁾ | (26.7) | (25.1) | 6.0% | (82.1) | (72.9) | 11.2% |
| Growth Capital Expenditures ⁽²⁾ , of which: | (24.1) | (7.1) | 70.5% | (81.3) | (17.9) | 78.0% |
| Capacity Deployment ⁽³⁾ | (18.7) | (2.8) | 85.2% | (69.5) | (8.6) | 87.7% |
| Acquisitions ⁽⁴⁾ | (5.5) | (4.3) | 22.0% | (11.8) | (9.3) | 21.7% |
| Initial Cash from Acquired Companies | 0.1 | 0.0 | n.a. | 0.1 | 0.2 | n.a. |
| Cash Flow from Investing | (50.7) | (32.2) | 36.5% | (163.3) | (90.6) | 44.5% |
| Cash Interest Expense | (31.1) | (31.2) | (0.3%) | (68.8) | (68.8) | (0.0%) |
| Cash Interest Income | 0.2 | 0.4 | n.a. | 1.7 | 1.2 | (29.4%) |
| Chg. in Financial Debt | (3.7) | 20.5 | n.a. | (5.0) | 33.9 | n.a. |
| Chg. in Financial Investments | 4.7 | (0.3) | n.a. | 9.4 | (2.2) | n.a. |
| Chg. in Deferred Payments ⁽⁵⁾ | 18.6 | 7.1 | (61.8%) | 50.2 | (9.8) | n.a. |
| Dividends Paid, net ⁽⁶⁾ | (1.3) | (2.4) | (84.6%) | (7.5) | (6.5) | 13.3% |
| Investment in Treasury Shares, net | (0.4) | (0.2) | 50.0% | (0.4) | (0.1) | 75.0% |
| Cash Effect from Exchange Rate Difference ⁽⁷⁾ | (6.0) | (3.2) | 46.7% | (11.5) | (7.6) | 33.9% |
| Cash Flow from Financing | (19.0) | (9.3) | 51.1% | (31.9) | (59.9) | (87.8%) |
| Exchange Rate Impact on Cash Balances | 0.6 | (0.8) | n.a. | (8.3) | (4.7) | 43.4% |
| Cash Flow | (20.0) | 12.6 | n.a. | (22.7) | 22.0 | n.a. |
| Cash & Equivalents | | | | | | |
| Beginning of Period ⁽⁸⁾ | 101.8 | 90.5 | (11.1%) | 104.5 | 81.1 | (22.4%) |
| Cash Flow | (20.0) | 12.6 | n.a. | (22.7) | 22.0 | n.a. |
| End of Period | 81.8 | 103.1 | 26.0% | 81.8 | 103.1 | 26.0% |

- **Cash flow from operations** in 2019 was €177.2 mm, a 2.0% decrease versus €180.8 mm in 2018. This decrease is primarily attributable to the decrease of €27.8 mm in reported EBITDA partially offset by a €11.0 mm reduction in corporate income tax paid and a €8.5 mm decrease in the working capital outflow (to an inflow of €1.0 mm). 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.
- **Cash flow from investing** in 2019 was €90.6 mm of capital expenditures, a decline of 44.5% vs. 2018. Within capital expenditures, €72.9 mm were related to maintenance and €17.9 mm to growth initiatives, significantly below the €81.3 mm in 2018.

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.

⁷ Includes impact of FX differences on non-operational cash inflows and outflows.

⁸ Figures will vary from prior earnings releases as €0.7 mm of cash as of December 2018 have been reclassified to Accounts Receivable in 2019, following a change in criteria on how cash held in Codere Network connected VLTs in third party locations is considered.

- **Cash flow from financing** was (€59.9 mm) mm in 2019 and included:
 - €68.8 mm of cash interest expense, including €54.3 mm related to our Senior Notes, €1.8 mm related to our SSRCF and €12.7 mm related to OpCo debt (including capital leases);
 - €1.2 mm of cash interest income;
 - €33.9 mm increase in financial debt made up of:
 - (i) €35.0 mm drawing on our SSRCF;
 - (ii) €0.4 mm decrease in capital leases;
 - (iii) €0.7 mm decrease in OpCo financial debt (excluding capital leases) due to the scheduled amortization of loans in Uruguay - HRU (€26.3 mm), Mexico (€13.5 mm), Uruguay - Carrasco (€5.2 mm), Panama (€3.0 mm), Spain (€2.6 mm), Colombia (€0.6 mm) and Italy (€0.3 mm), partially offset by new loans raised in Uruguay – HRU (€33.3 mm), Mexico (€12.6 mm), Italy (€2.9 mm) and Panama (€2.0 mm).
 - €2.2 mm increase in financial investments;
 - Decrease in deferred payments of €9.8 mm, consisting of deferred payments with capex suppliers mainly in Mexico, Online / Platform and Italy that offset the increase in deferred payments in Argentina, Panama and our corporate headquarters;
 - Dividends paid to minority partners of €6.5 mm;
 - Net proceeds from investment in treasury shares of €0.1 mm;
 - €7.6 mm net negative impact from exchange rate differences;
- The fluctuation in foreign exchange rates has resulted in a negative impact of €4.7 mm on conversion of cash balances;
- During 2019, there has been an increase in cash and equivalents of €22.0 mm to €103.1 mm.
- Cash generation in the 2019 reflects the Company's efforts to generate cash before debt variations. In the year, free cash flow (defined as EBITDA minus working capital variations¹, corporate income taxes paid, maintenance capex and minorities) increased from €93.6 mm in 2018 to €117.8 mm in 2019.
 - Such production of cash in 2019 was used to pay interest, €67.6 mm, and invest €32.8 mm in growth capex and online growth marketing.
 - In addition, the company reduced operational deferrals (mainly capex deferred payments) by €14.9 mm while increasing financial debt by €33.9 mm.

¹ Excluding variations in tax deferrals in Spain.

Capital Expenditures and Acquisitions¹

Figures in EUR mm, except where noted otherwise
(Unaudited in 2019)

| | Quarter | | | Full Year | | |
|--|-------------|-------------|----------------|--------------|---------------|----------------|
| | Q4 2018 | Q4 2019 | Var. % | 2018 | 2019 | Var. % |
| Capital Expenditures and Acquisitions | | | | | | |
| Maintenance ⁽²⁾ | 26.7 | 25.1 | (6.0%) | 82.1 | 72.9 | (11.2%) |
| Growth ⁽³⁾ | 24.1 | 7.1 | (70.5%) | 81.3 | 17.9 | (78.0%) |
| Sub-Total | 50.8 | 32.2 | (36.6%) | 163.4 | 90.8 | (44.4%) |
| IFRS 16 Capex | n.a. | 22.8 | n.a. | n.a. | (17.5) | n.a. |
| Total (Post-IFRS 16) | 50.8 | 55.0 | 8.4% | 163.4 | 73.3 | (55.1%) |
| Maintenance | | | | | | |
| Argentina | 6.3 | 6.6 | 4.8% | 13.0 | 13.7 | 5.4% |
| Mexico | 4.4 | 4.0 | (9.1%) | 25.2 | 17.2 | (31.7%) |
| Panama | 0.9 | 2.7 | n.a. | 3.2 | 4.4 | 37.5% |
| Colombia | 0.1 | 0.0 | n.a. | 2.1 | 1.7 | (19.0%) |
| Uruguay | 2.0 | 0.9 | (55.0%) | 7.6 | 5.1 | (32.9%) |
| Sub-Total - Latin America | 13.7 | 14.2 | 3.6% | 51.1 | 42.1 | (17.6%) |
| Italy | 2.1 | 1.4 | (33.3%) | 4.7 | 5.6 | 19.1% |
| Spain | 6.6 | 3.9 | (40.9%) | 21.0 | 17.4 | (17.1%) |
| Sub-Total - Europe | 8.7 | 5.3 | (39.1%) | 25.7 | 23.0 | (10.5%) |
| Corporate | 4.3 | 4.8 | 11.6% | 5.3 | 5.6 | 5.7% |
| Online | 0.0 | 0.8 | n.a. | 0.0 | 2.2 | n.a. |
| Total | 26.7 | 25.1 | (6.0%) | 82.1 | 72.9 | (11.2%) |
| Growth | | | | | | |
| Argentina | 0.4 | 0.0 | n.a. | 1.9 | 0.0 | n.a. |
| Mexico | 12.8 | 4.2 | (67.2%) | 43.4 | 7.1 | (83.6%) |
| Panama | 1.2 | 1.7 | 41.7% | 5.7 | 2.5 | (56.1%) |
| Colombia | 0.5 | 0.0 | n.a. | 2.2 | 0.0 | n.a. |
| Uruguay | 0.0 | 0.0 | n.a. | 0.0 | 0.0 | n.a. |
| Sub-Total - Latin America | 14.9 | 5.9 | (60.4%) | 53.2 | 9.6 | (82.0%) |
| Italy | 0.1 | 0.0 | n.a. | 0.2 | 0.2 | - |
| Spain | 9.1 | 1.0 | (89.0%) | 27.9 | 5.8 | (79.2%) |
| Sub-Total - Europe | 9.2 | 1.0 | (89.1%) | 28.1 | 6.0 | (78.6%) |
| Corporate | 0.0 | 0.0 | n.a. | 0.0 | 0.0 | n.a. |
| Online | 0.0 | 0.2 | n.a. | 0.0 | 2.3 | n.a. |
| Total, of which: | 24.1 | 7.1 | (70.5%) | 81.3 | 17.9 | (78.0%) |
| Capacity Deployment ⁽⁴⁾ | 18.7 | 2.8 | (85.2%) | 69.5 | 8.6 | (87.7%) |
| Acquisitions ⁽⁵⁾ | 5.5 | 4.3 | (22.0%) | 11.8 | 9.3 | (21.7%) |
| IFRS 16 Capex | n.a. | 22.8 | n.a. | n.a. | (17.5) | n.a. |
| Total Capex (Post-IFRS 16) | 50.8 | 55.0 | 8.4% | 163.4 | 73.3 | (55.1%) |

Maintenance Capex in 2019 reached €72.9 mm, principally driven by:

- Investment in Mexico of €17.2 mm, a decrease of €8.0 mm, associated with slot renewals and hall refurbishments;
- Spanish investment of €17.4 mm, a decrease of €3.6 mm, due to lower levels of product renewal in our retail AWP business, partially offset by higher commercial capex;
- Investment in Argentina of €13.7 mm due to a higher number of slot renewals;

Growth Capex in 2019 was €17.9 mm, €63.4 mm lower than in 2018, and included €9.3 mm from the acquisition of two small operators in Spain and two brownfields halls in Mexico.

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, Unaudited in 2019

2018 figures Proforma for the application of IFRS 16

| | As at | | | |
|---|----------------|----------------|----------------|---------------|
| | Dec-18 | Dec-19 | Var. | Var. % |
| Assets | | | | |
| Cash & Equivalents | 81.8 | 103.1 | 21.3 | 26.1% |
| S-T Financial Investments ⁽¹⁾ | 31.3 | 32.9 | 1.6 | 5.0% |
| Accounts Receivable ⁽²⁾ | 75.9 | 62.4 | (13.5) | (17.8%) |
| Taxes Receivable ⁽³⁾ | 87.7 | 91.0 | 3.3 | 3.7% |
| Prepaid Expenses | 20.0 | 12.9 | (7.1) | (35.3%) |
| Inventory | 10.9 | 10.7 | (0.2) | (1.5%) |
| Other Current Assets | 0.0 | 0.0 | 0.0 | n.a. |
| Current Assets | 307.5 | 313.0 | 5.5 | 1.8% |
| Fixed Assets | 453.6 | 403.3 | (50.3) | (11.1%) |
| L-T Financial Investments | 22.8 | 20.5 | (2.3) | (10.2%) |
| Intangible Assets (excl. Goodwill) | 382.7 | 374.0 | (8.7) | (2.3%) |
| Right-of-Use Assets (IFRS 16) | 316.6 | 254.7 | (61.9) | (19.6%) |
| Goodwill | 230.4 | 232.3 | 1.9 | 0.8% |
| Deferred Tax Assets | 47.5 | 52.8 | 5.3 | 11.2% |
| Other Non-Current Assets | 0.0 | 0.0 | 0.0 | n.a. |
| Total Assets | 1,761.2 | 1,650.5 | (110.7) | (6.3%) |
| Liabilities & Shareholders' Equity | | | | |
| Accounts Payable ⁽⁴⁾ | 97.0 | 107.5 | 10.5 | 10.9% |
| S-T Provisions ⁽⁵⁾ | 4.8 | 4.8 | 0.0 | (0.2%) |
| S-T Taxes Payable ⁽⁶⁾ | 147.9 | 133.9 | (14.0) | (9.5%) |
| S-T Financial Debt | 60.4 | 36.6 | (23.8) | (39.3%) |
| S-T Deferred Payments ⁽⁷⁾ | 72.6 | 51.8 | (20.8) | (28.7%) |
| S-T Capital Leases (IFRS 16) | 39.4 | 46.0 | 6.6 | 16.8% |
| Other Current Liabilities | 5.7 | 5.3 | (0.4) | (7.5%) |
| Current Liabilities | 427.8 | 385.9 | (41.9) | (9.8%) |
| L-T Provisions ⁽⁸⁾ | 23.0 | 22.0 | (1.0) | (4.5%) |
| L-T Taxes Payable | 13.3 | 10.8 | (2.5) | (19.0%) |
| L-T Financial Debt | 803.1 | 867.8 | 64.7 | 8.1% |
| L-T Deferred Payments ⁽⁷⁾ | 29.9 | 20.0 | (9.9) | (33.1%) |
| L-T Capital Leases (IFRS 16) | 277.2 | 205.1 | (72.1) | (26.0%) |
| Deferred Tax Liabilities | 94.6 | 95.7 | 1.1 | 1.2% |
| Other Non-Current Liabilities | 0.1 | 0.1 | 0.0 | 14.6% |
| Total Liabilities | 1,669.0 | 1,607.5 | (61.5) | (3.7%) |
| Minority Interests | 83.4 | 81.1 | (2.3) | (2.8%) |
| Shareholders' Equity | 8.8 | (38.0) | (46.8) | n.a. |
| Total Liabilities & Shareholders' Equity | 1,761.2 | 1,650.5 | (110.7) | (6.3%) |
| End of Period Exchange Rates | | | | |
| EUR/ARS | 43.17 | 67.28 | 24.11 | 55.9% |
| EUR/MXN | 22.50 | 21.19 | (1.31) | (5.8%) |
| EUR/USD | 1.15 | 1.12 | (0.02) | (1.9%) |
| EUR/COP | 3,721 | 3,682 | (39) | (1.1%) |
| EUR/YUY | 37.10 | 41.91 | 4.81 | 13.0% |
| USD/YUY | 32.41 | 37.31 | 4.90 | 15.1% |

¹ Includes €4.9 and €5.1 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 net of insolvency provisions.

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 (Unaudited in 2019) | As at | | | |
|--|---------------|---------------|---------------|----------------|
| | Dec-18 | Dec-19 | Var. | Var. % |
| Assets | | | | |
| Accounts Receivable | 75.9 | 62.4 | (13.5) | (17.8%) |
| Taxes Receivable ⁽²⁾ | 58.3 | 64.4 | 6.1 | 10.4% |
| Prepaid Expenses | 20.0 | 12.9 | (7.1) | (35.3%) |
| Inventory | 10.9 | 10.7 | (0.2) | (1.5%) |
| Other Current Assets ⁽³⁾ | 0.0 | 0.0 | 0.0 | - |
| Total | 165.1 | 150.4 | (14.7) | (8.9%) |
| Liabilities | | | | |
| Accounts Payable | 97.0 | 107.5 | (10.5) | 10.9% |
| S-T Provisions ⁽⁴⁾ | 3.3 | 3.3 | 0.0 | (1.6%) |
| Taxes Payable ⁽²⁾ | 122.4 | 120.5 | 1.9 | (1.5%) |
| Deferred Payments ⁽⁵⁾ | 6.2 | 1.1 | 5.1 | (81.6%) |
| Other Current Liabilities ⁽³⁾ | 3.9 | 2.6 | 1.3 | (33.8%) |
| Total | 232.8 | 235.0 | (2.2) | 1.0% |
| Net Working Capital | (67.7) | (84.6) | (16.9) | (24.9%) |

Balance Sheet

- Balance sheet figures have been restated following the application of IFRS 16. Assets now include right-of-use assets (IFRS-16) which are offset by short and long term leases on the liability side.
- Total assets decreased by €110.7 mm in 2019. This decrease is principally attributable to a decrease in Right-of-Use assets and fixed assets.
- Current Assets increased by €5.5 mm, as a result of a €21.3 mm increase in Cash & equivalents and of €3.3 mm in taxes receivable, partially offset by a €13.5 mm decrease in accounts receivable.
- Financial debt, including both the short and long term portion increased by €41.0 mm as a result of a €35.4 mm drawing on the SSRCF and the increase in the USD denominated Senior Notes due to the appreciation of the USD against the Euro, partially offset by a €1.8 mm decrease in OpCo debt (including capital leases).
- Minority interests decreased by €2.3 mm to €81.1 mm and shareholders' equity decreased by €46.1 mm to negative €38.0 mm.

Net Working Capital

- Net working capital decreased by €16.9 mm to negative €84.6 mm.
- This change in net working capital was primarily due to a €13.5 mm reduction in accounts receivable and a €10.5 mm increase in accounts payable, partially offset by an €8.0 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 (Unaudited in 2019) | As at | | | |
|--|----------------|----------------|---------------|----------------|
| | Dec-18 | Dec-19 | Var. | Var. % |
| Capitalization | | | | |
| S-T Financial Debt ⁽¹⁾ | 60.4 | 36.6 | (23.8) | (39.3%) |
| L-T Financial Debt ⁽¹⁾ | 803.1 | 867.8 | 64.7 | 8.1% |
| Total Financial Debt | 863.4 | 904.4 | 41.0 | 4.7% |
| Minority Interests | 83.4 | 81.1 | (2.3) | (2.8%) |
| Shareholders' Equity | 8.8 | (38.0) | (46.8) | n.a. |
| Total Capitalization | 955.6 | 947.5 | (8.1) | (0.9%) |
| Financial Debt⁽¹⁾ | | | | |
| OpCo Debt (excl. Capital Leases) | 81.4 | 81.0 | (0.4) | (0.5%) |
| OpCo Capital Leases | 8.6 | 7.1 | (1.5) | (16.8%) |
| Sub-Total | 90.0 | 88.2 | (1.8) | (2.0%) |
| Super Senior Revolving Credit Facility | 9.9 | 45.3 | 35.4 | n.a. |
| Senior Notes | 763.5 | 770.9 | 7.4 | 1.0% |
| Total Financial Debt | 863.4 | 904.4 | 41.0 | 4.7% |
| Capitalization of Operating Leases ⁽²⁾ | 316.6 | 251.1 | (65.5) | (20.7%) |
| Total Adjusted Debt | 1,180.0 | 1,155.6 | (24.4) | (2.1%) |
| Cash & Equivalents | | | | |
| Mexico | 10.1 | 20.0 | 9.9 | 97.5% |
| Argentina | 13.5 | 16.9 | 3.4 | 26.0% |
| Spain | 13.7 | 7.6 | (6.1) | (44.5%) |
| Italy | 19.3 | 17.3 | (2.0) | (10.3%) |
| Other Operations | 12.5 | 24.1 | 11.6 | 92.9% |
| Sub-Total | 69.0 | 85.9 | 16.9 | 24.5% |
| Corporate | 12.7 | 17.1 | 4.4 | 34.6% |
| Total | 81.8 | 103.1 | 21.3 | 26.1% |
| Europe (incl. Corporate) | 45.7 | 42.0 | (3.7) | (8.0%) |
| Latam | 36.1 | 61.1 | 25.0 | 69.2% |
| Total | 81.8 | 103.1 | 21.3 | 26.1% |
| Credit Statistics | | | | |
| LTM Adjusted EBITDA | 282.9 | 249.1 | (33.8) | (11.9%) |
| LTM Adjusted EBITDA (Post-IFRS 16) ⁽³⁾ | 367.4 | 319.0 | (48.4) | (13.2%) |
| Proforma Interest Expense ⁽⁴⁾ | 60.3 | 62.4 | 2.1 | 3.5% |
| Proforma Interest Expense (Post-IFRS 16) ⁽⁴⁾ | 97.3 | 86.8 | (10.5) | (10.8%) |
| Leverage: | | | | |
| Senior Financial Debt ⁽⁵⁾ / LTM Adjusted EBITDA | 0.4x | 0.5x | 0.1x | 28.3% |
| Total Financial Debt / LTM Adjusted EBITDA | 3.1x | 3.6x | 0.5x | 16.4% |
| Total Adj. Net Debt / LTM Adj. EBITDA (Post-IFRS 16) | 3.0x | 3.3x | 0.3x | 10.0% |
| Total Net Financial Debt / LTM Adjusted EBITDA | 2.8x | 3.2x | 0.4x | 14.5% |
| <i>Including Inflation Accounting</i> | 2.9x | 3.5x | 0.6x | 20.8% |
| Coverage: | | | | |
| LTM Adjusted EBITDA / Proforma Interest Expense | 4.7x | 4.0x | (0.7x) | (14.9%) |
| <i>Including Inflation Accounting</i> | 4.5x | 3.6x | (0.9x) | (20.0%) |

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 2018 figure will vary from prior earnings releases where it did not include leases from slots capitalized in 2019 but related to 2018 acquisitions.

⁴ Figures based on December 31, 2018 and December 31, 2019, as applicable, financial debt outstanding and interest rates; excludes fees on unused revolver availability.

⁵ 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 | | Racetracks | | Total | |
| | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 |
| Latin America | | | | | | | | | | | | |
| Argentina | 13 | 13 | - | - | - | - | - | - | - | - | 13 | 13 |
| Mexico ⁽⁶⁾ | 95 | 96 | - | - | - | - | 91 | 93 | 1 | 1 | 96 | 97 |
| Panama ^(6,7) | 11 | 11 | - | - | - | - | 8 | 8 | 1 | 1 | 12 | 12 |
| Colombia | 9 | 9 | 143 | 136 | - | - | 266 | 70 | - | - | 418 | 215 |
| Uruguay (CN) | 1 | 1 | - | - | - | - | - | - | - | - | 1 | 1 |
| Uruguay (HRU) ⁽⁸⁾ | 5 | 5 | - | - | - | - | 26 | 29 | 2 | 2 | 28 | 31 |
| Brazil | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | 134 | 135 | 143 | 136 | - | - | 391 | 200 | 4 | 4 | 568 | 369 |
| Europe | | | | | | | | | | | | |
| Italy | 11 | 11 | - | - | 2,246 | 2,198 | - | - | - | - | 2,257 | 2,209 |
| Spain ⁽⁹⁾ | 3 | 3 | 976 | 1,026 | 7,694 | 7,147 | 72 | 61 | - | - | 8,745 | 8,237 |
| Total | 14 | 14 | 976 | 1,026 | 9,940 | 9,345 | 72 | 61 | - | - | 11,002 | 10,446 |
| Total Group | 148 | 149 | 1,119 | 1,162 | 9,940 | 9,345 | 463 | 261 | 4 | 4 | 11,570 | 10,815 |
| Operator | | | | | | | | | | | | |
| Codere | 148 | 149 | 181 | 176 | - | - | 197 | 191 | 4 | 4 | 160 | 344 |
| Third Party | - | - | 938 | 986 | 9,940 | 9,345 | 266 | 70 | - | - | 11,144 | 10,401 |
| Total | 148 | 149 | 1,119 | 1,162 | 9,940 | 9,345 | 463 | 261 | 4 | 4 | 11,304 | 10,745 |
| Spain | | | | | | | | | | | | |
| SSTs Only ⁽¹⁰⁾ | - | - | 941 | 986 | 1,110 | 1,072 | 26 | 18 | - | - | 2,077 | 2,076 |
| AWPs & SSTs | 3 | 3 | 35 | 40 | 383 | 339 | 46 | 43 | - | - | 467 | 425 |
| Sub-Total | 3 | 3 | 976 | 1,026 | 1,493 | 1,411 | 72 | 61 | - | - | 2,544 | 2,501 |
| AWPs Only | - | - | - | - | 6,201 | 5,736 | - | - | - | - | 6,201 | 5,736 |
| Total | 3 | 3 | 976 | 1,026 | 7,694 | 7,147 | 72 | 61 | - | - | 8,745 | 8,237 |

¹ Figures as at December 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 39 and 37, respectively, affiliated agencies (horserace betting only).

⁸ Figure for sports betting shops includes 5 sports books co-located within HRU operated gaming halls.

⁹ Sports betting shops excludes 43 and 48, 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 | 6,854 | 6,861 | - | - | 11,692 | 11,692 | - | - | - | - | 18,546 | 18,553 | |
| Mexico | 21,896 | 21,830 | 2,160 | 2,124 | 11,217 | 11,217 | 729 | 742 | - | - | 36,002 | 35,913 | |
| Panama ⁽⁶⁾ | 2,965 | 3,015 | 378 | 312 | - | - | 42 | 51 | - | - | 3,385 | 3,378 | |
| Colombia | 4,504 | 4,430 | 144 | 108 | 425 | 447 | 690 | 581 | - | - | 5,763 | 5,566 | |
| Uruguay (CN) | 403 | 423 | 144 | 150 | - | - | - | - | - | - | 547 | 573 | |
| Uruguay (HRU) | 1,854 | 1,885 | - | - | - | - | 26 | 29 | - | - | 1,880 | 1,914 | |
| Brazil | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total | 38,476 | 38,444 | 2,826 | 2,694 | 23,334 | 23,356 | 1,487 | 1,403 | - | - | 66,123 | 65,897 | |
| Europe | | | | | | | | | | | | | |
| Italy: ⁽⁷⁾ | 8,436 | 8,505 | - | - | 5,139 | 5,139 | - | - | 15,256 | 14,822 | 21,589 | 21,077 | |
| AWP ⁽⁸⁾ | 7,521 | 7,627 | - | - | - | - | - | - | 13,715 | 13,309 | 14,857 | 14,385 | |
| VLT ⁽⁹⁾ | 915 | 878 | - | - | - | - | - | - | 1,541 | 1,513 | 1,593 | 1,553 | |
| Spain ⁽¹⁰⁾ | 10,218 | 9,937 | - | - | 1,064 | 1,064 | 6,844 | 7,189 | - | - | 18,126 | 18,190 | |
| Total | 18,654 | 18,442 | - | - | 6,203 | 6,203 | 6,844 | 7,189 | 15,256 | 14,822 | 39,715 | 39,267 | |
| Total Group | 57,130 | 56,886 | 2,826 | 2,694 | 29,537 | 29,559 | 8,331 | 8,592 | 15,256 | 14,822 | 105,838 | 105,164 | |
| Gaming Venue | | | | | | | | | | | | | |
| Gaming Halls | 36,121 | 36,269 | 2,826 | 2,694 | 29,537 | 29,559 | 863 | 892 | - | - | 69,347 | 69,414 | |
| Arcades | 4,540 | 4,386 | - | - | - | - | 5,140 | 5,712 | - | - | 9,680 | 10,098 | |
| Bars | 16,328 | 16,102 | - | - | - | - | 1,493 | 1,411 | - | - | 17,821 | 17,513 | |
| Sports Betting Shops | 141 | 129 | - | - | - | - | 835 | 577 | - | - | 976 | 706 | |
| Network ⁽¹¹⁾ | - | - | - | - | - | - | - | - | 15,256 | 14,822 | 8,014 | 7,433 | |
| Total Group | 57,130 | 56,886 | 2,826 | 2,694 | 29,537 | 29,559 | 8,331 | 8,592 | 15,256 | 14,822 | 105,838 | 105,164 | |

¹ Figures as at December 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 reflect self-service terminals (SSTs); For Mexico and Panama, they will vary from prior releases which reflected points of sale.

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

⁶ Figure for sports betting shops excludes 39 and 37, 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 1,142 and 1,076 units, respectively, connected to 3rd party networks.

⁹ Figures for slots include 52 and 40 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

- **Tax changes in Italy.** On December 30, 2019, the Italian Government passed the 2020 budget under Law 160, with PREU increases resulting in the following calendar:

| Effective date | AWPs | VLTs |
|-----------------|--------|-------|
| January 1, 2020 | 23.85% | 8.50% |
| January 1, 2021 | 24.00% | 8.60% |

The law also allowed payout reductions from 68% to 65% for AWP's and from 84% to 83% for VLT's. In addition, as of January 15, 2020, an increase from 12 to 20% on the withholding tax on VLT prizes was implemented on prizes over 200€ (previously over 500€). Finally, the Government established player identification rules through the national health card in order to play VLT's. These changes have generated a decline in our amounts wagered after they became effective, in line with other operators in the country.

- **Changes to gaming advertising regulation in Spain.** On February 24, 2020, the Spanish Ministry of Consumption released a draft Royal Decree for public consultation with 37 articles capturing 100 measures with a series of limitations on gaming advertising, including, among others:
 - (i) Limits on TV and radio advertising to the 1:00 to 5:00 am time span, except on sport events starting after 8:00 pm;
 - (ii) ban on public celebrities participating on these campaigns;
 - (iii) restrictions on free play, coupons or otherwise promotional means to capture first time depositors;
 - (iv) Limitations on promotion through social media or banners on websites.
- **New financings secured.** On November 27, 2019, our Uruguayan subsidiary HRU S.A. concluded the issuance of \$30 mm local bonds (*Obligaciones Negociables*), with maturity in 2029. The proceeds were used to redeem in advance the \$8 mm outstanding under the prior issuance from 2011. Additionally, on November 28, 2019, our Mexican subsidiary Administradora Mexicana del Hipódromo, S.A. de C.V. secured a MXN 200 mm credit facility.
- **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 2019 financial statements is as follows:
 - (i) Lower operating expenses of €69.9 mm;
 - (ii) Higher D&A expenses of €55.3 mm;
 - (iii) Higher financial expense of €39.4 mm;
 - (iv) Increase in assets of €254.7 mm (right of use assets) and €251.1 mm in liabilities (short and long term capitalization of operating leases);
 - (v) Lower Corporate Income Tax of €6.0 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. Inflation accounting resulted in the following impacts in 2019:
 - (i) Negative impact of €12.2 mm on Operating Profit, broken down as follows:
 - a. impact on EBITDA of negative €2.3 mm;
 - b. impact on Other Opex below EBITDA of negative €9.9 mm;
 - (ii) Inflation adjustment as interest income (€3.4 mm) and
 - (iii) Inflation adjustment as higher corporate income tax (€15.5 mm).
- **Non- recurring expenses.** In 2019, we incurred in €32.1 mm extraordinary items, broken down as follows:
 - (i) Operational and personnel restructuring: €(8.9) mm
 - (ii) Online growth investment (marketing and related costs): €(15.1) mm
 - (iii) Management transition and related litigation: €(1.5) mm
 - (iv) Tax contingencies and selected advisories: €(5.7) mm
 - (v) Gain on sale of lease rights of a closed hall in Mexico and others : +€3.8 mm
 - (vi) Carrasco Nobile arbitration costs: €(0.7) mm
 - (vii) Other: €(4.0) mm

Contact Information

Codere is a leading international gaming operator with nearly 57,000 slot machines, 30,000 bingo seats and 8,600 sports betting terminals in Latin America, Spain and Italy, across various gaming venues, including 149 gaming halls, 1,200 arcades, 9,300 bars, 260 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.