



# Company overview

September 2008

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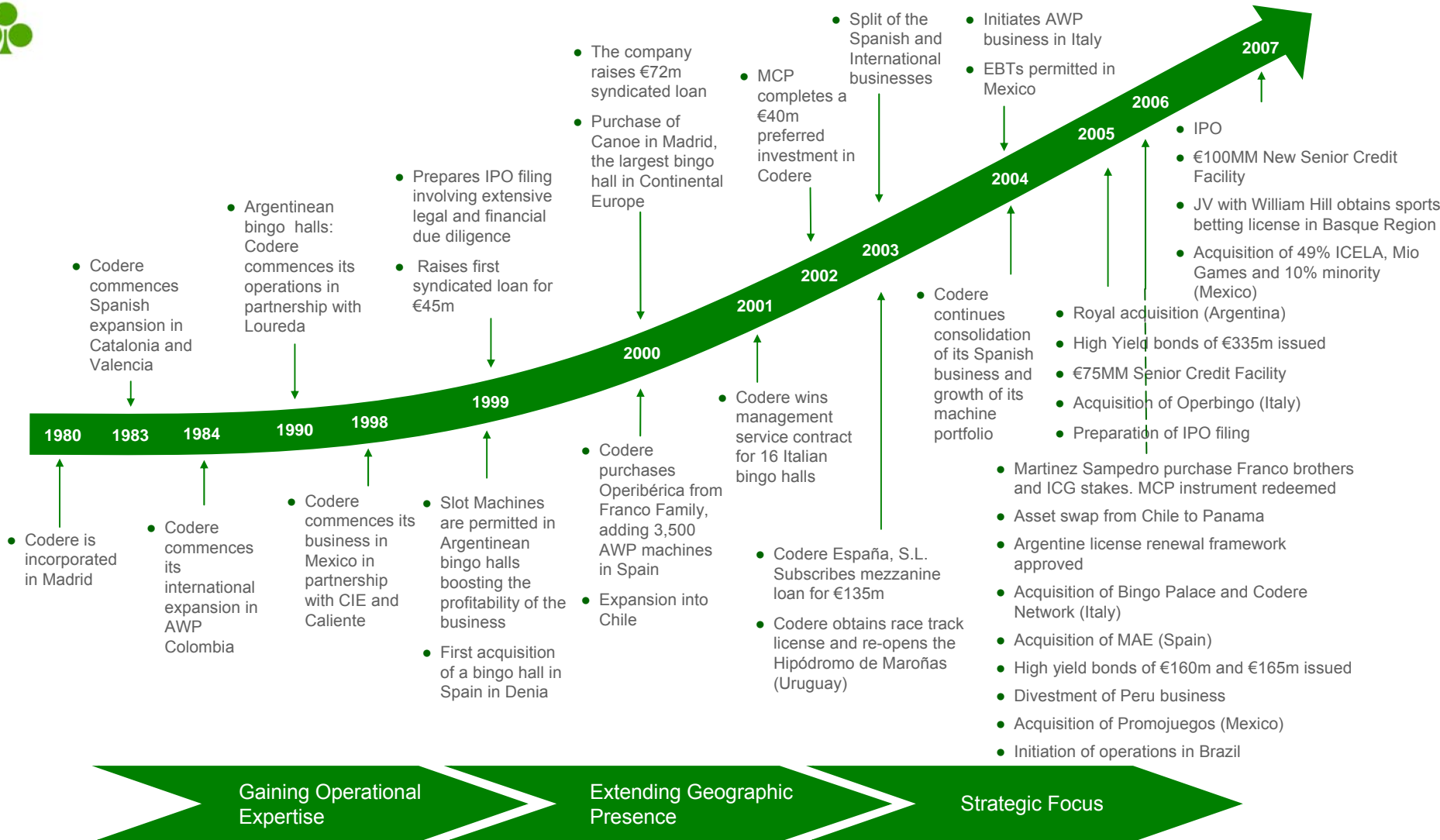
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# Codere's strategy and business model

# Where we come from



# Codere at a glance



- Manages 53,575 AWP and EBT machines, 133 bingo halls and 68 off-track betting facilities, 5 casinos and 3 racetracks
- #2 AWP operator in Spain (c6.3% market share)
- #1 bingo operator in Mexico, through agreements with local partners
- #1 gaming operator in the province of Buenos Aires
- Leading gaming operator in other growth markets (Italy, Panama, Colombia, Brazil and Uruguay)
- €1,002 million revenues and €213.2 million EBITDA LTM (€236 million adjusted)

## Key Operating Metrics / Codere's Footprint

	Spain	Argentina	Mexico	Italy	Panama	Colombia	Uruguay	Brazil	Total
Machines	15,863	4,497	19,266	2,380	1,424	8,616	1,529		53,575
Bingo Halls	1	14	100	12		6			133
Casinos					4	1			5
Race Tracks			1		1		1		3
OTBs	9		46		4		6	3	68

Note: As of 30 June 2008.



(1) Excludes Corporate Overhead.

# Codere's business model

- “European” model of gaming
- Growth focused on profitability rather than scale
- Horizontal versus vertical integration
- Institutionalisation / professionalization

## “European” vs. “Las Vegas” model

	“European” model	“Las Vegas” model
Regulation	High	Low
Target market	Local clientele	Tourist
Stakes / prizes	Low	High
Capital intensity	Low	High
Marketing	Restricted	Permitted
Taxes	High	Low
Number of players	Low	High

# Growth drivers are not directly linked to economic cycles

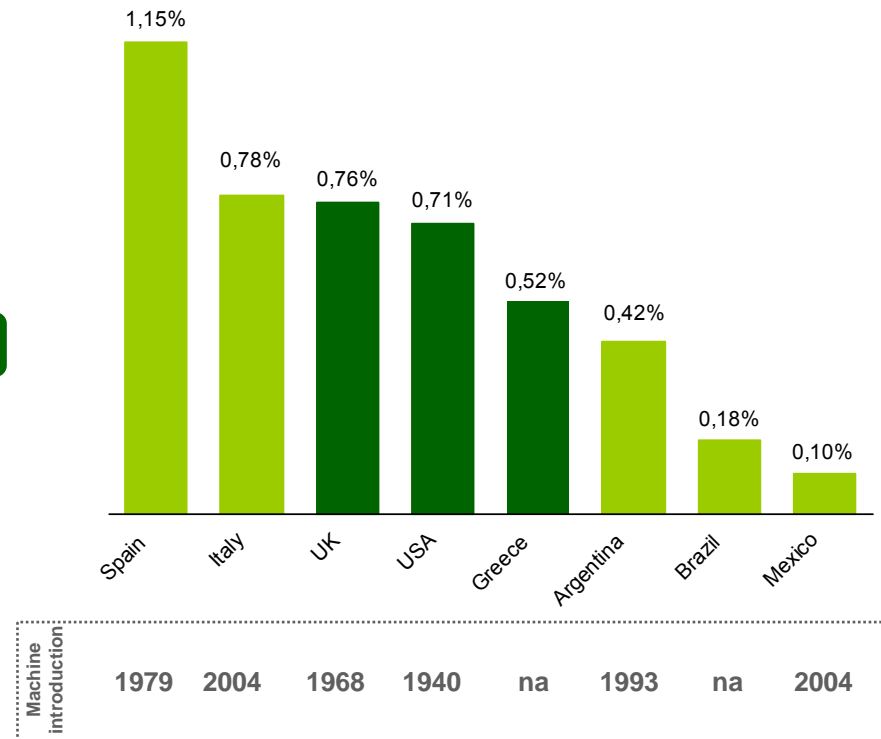
## Increasing Gaming as % of GDP

- Regulatory dialogue
  - Tax authorities outsourcing, large employer, responsible gaming
- Technological & game innovation
  - Video, server-based gaming, TITO, jackpots, multigame
- Market knowledge
  - Customer preferences, distribution footprint

## Increase market share

- Operating efficiency
  - Enhancing customer experience, economies of scale, control of data gathering systems
- Strategic alliances
  - Attracting best partners, successful partnership dialogue
- Driving consolidation
  - Leadership in core markets, successful integration of acquisitions, cross-fertilization of best practices

## Gaming turnover (% GDP)

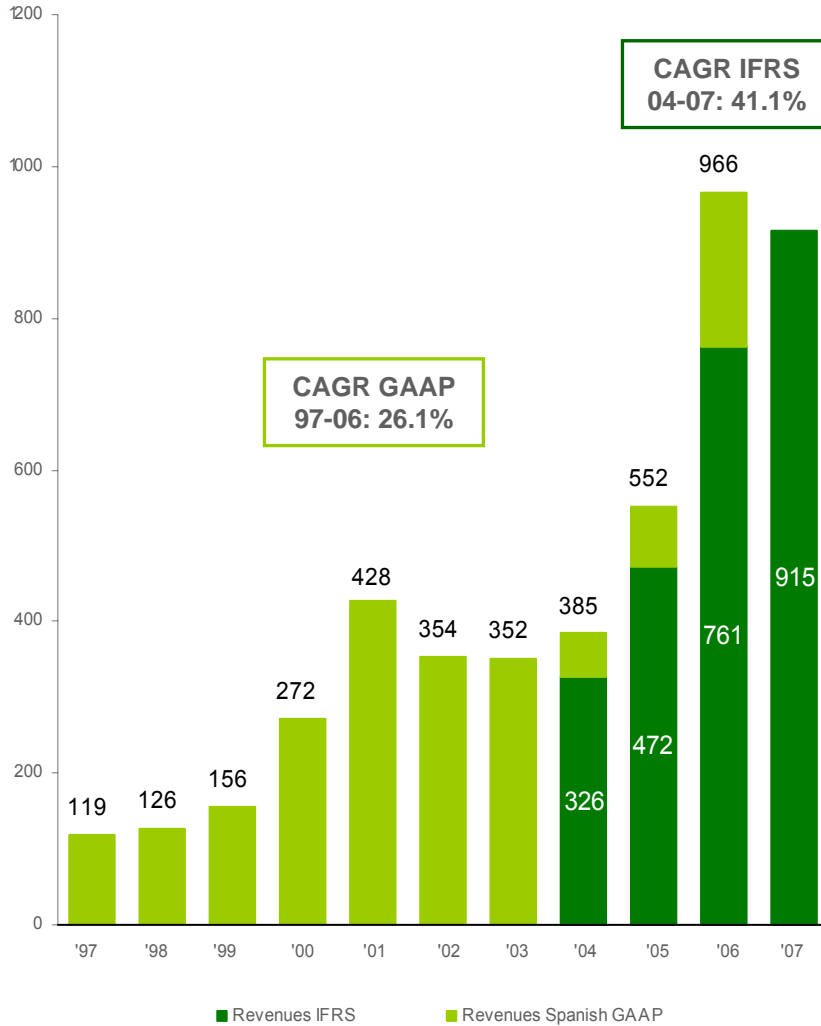


Source: GBGC (August 2005) and national statistics

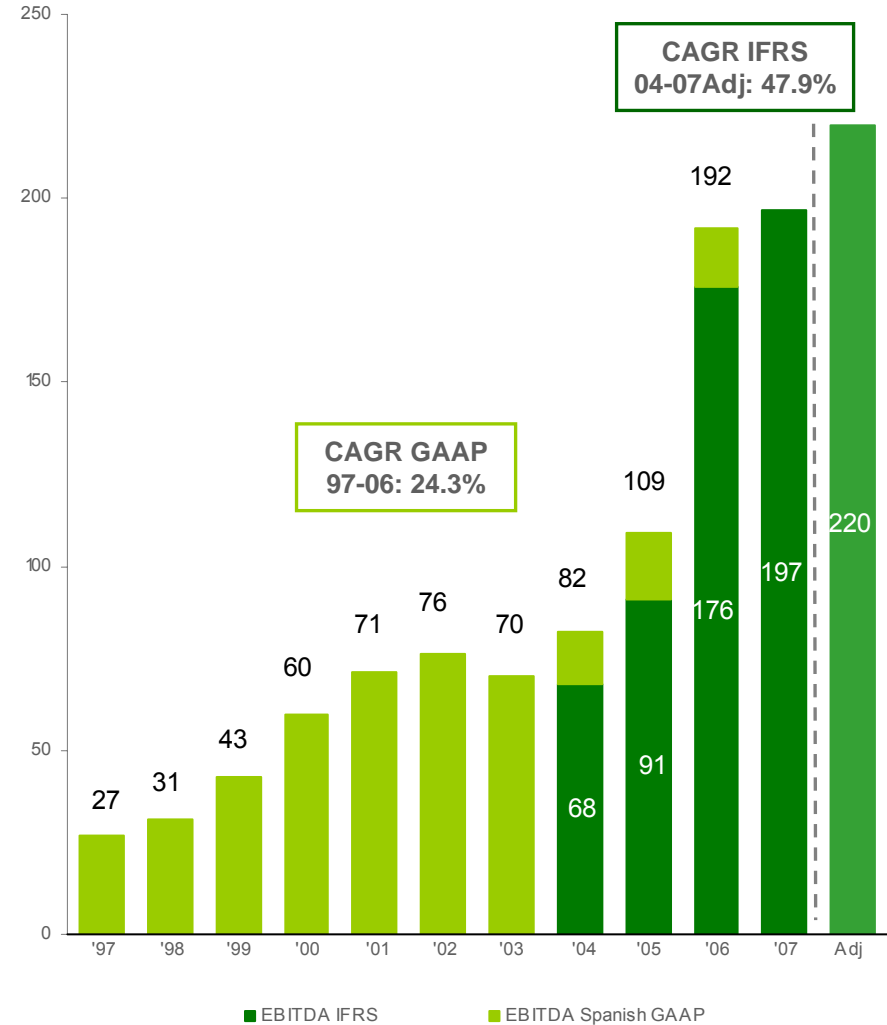
**Integrate market knowledge, regulatory expertise and technology, to develop successful, legal, gaming experiences**

# Successful implementation of business model has resulted in a solid track record

## Revenues development (€m)



## EBITDA development (€m)



Note: 96-98 figures are pro forma audited figures as per 1999 Folleto registered with CNMV



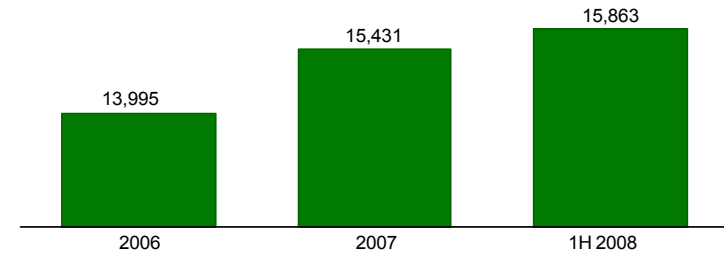


# Business and financial overview

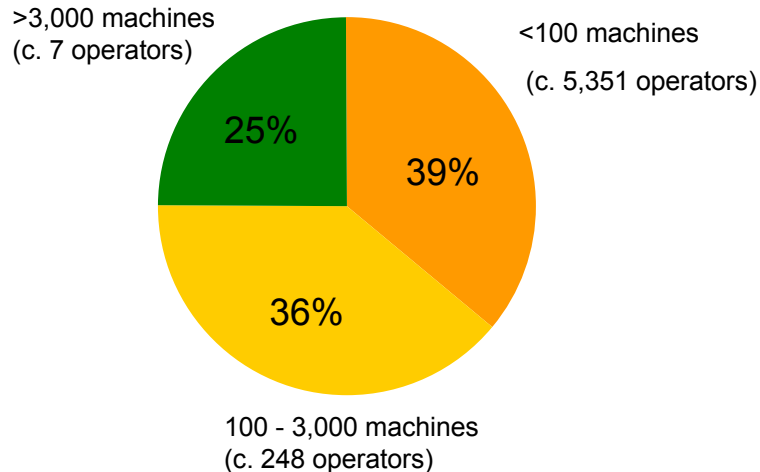
## Key Value Drivers

- 2<sup>nd</sup> largest operator with 15,863 machines
- Superior net win per day through unique focus on machine management
- Growth through consolidation of highly fragmented market

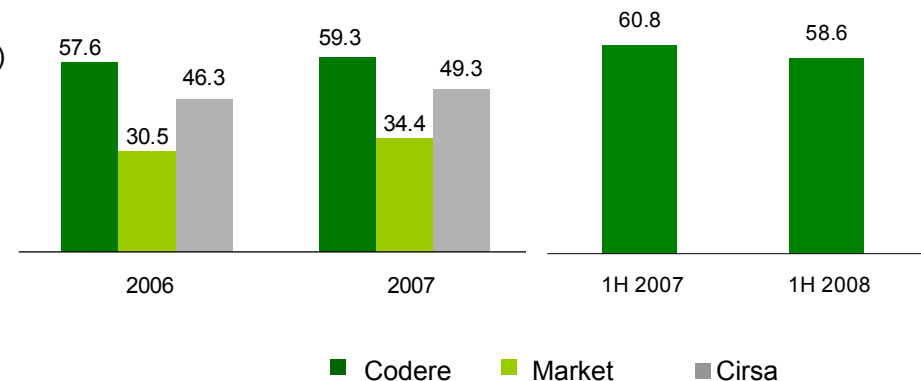
## # AWP Machines



## Market fragmentation



## Average Net Win per Day (€)



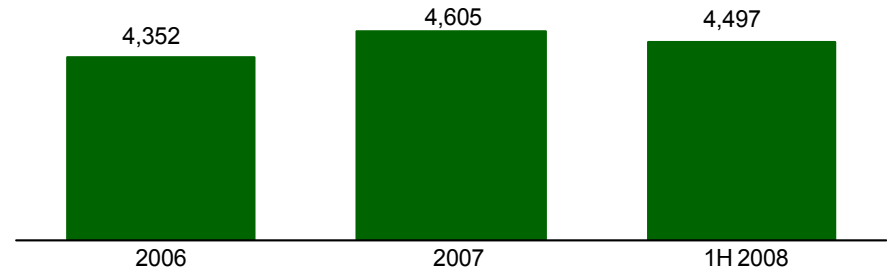
**Growth driven by portfolio increases and net win growth**

# Argentina

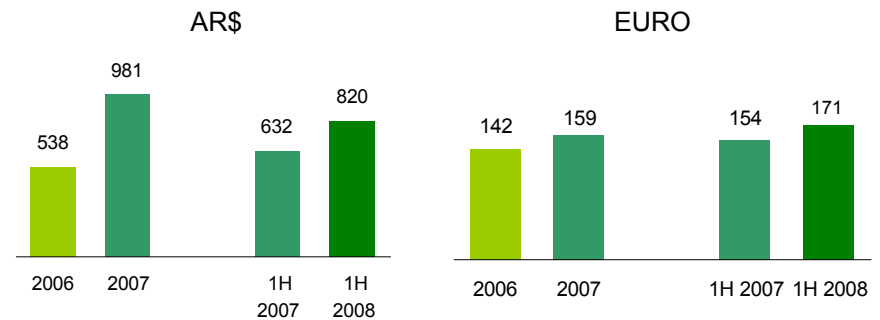
## Key Value Drivers

- Prime position in a fast growing market
  - Growth has primarily been driven by slot machine roll-out
  - Renewal of licenses practically completed
- Unmet demand
  - Continued growth in net win per machine despite substantial increase in the number of slot seats
  - Optimization of hall locations and capacity increase
  - Continued optimization of machine park including the introduction of new technologies (ie. TITO)

## # Slot Machines



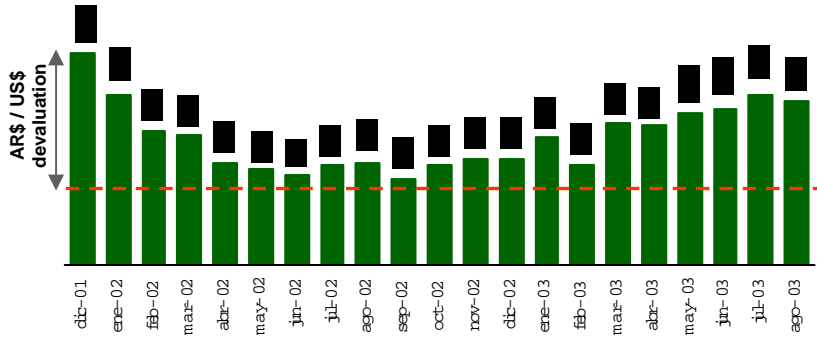
## Net Win per day per machine



**EBITDA growth driven by double-digit growth in net win (+28% 1H 2007 vs. 1H 2008 in local currency) as well as increase in slot seats**

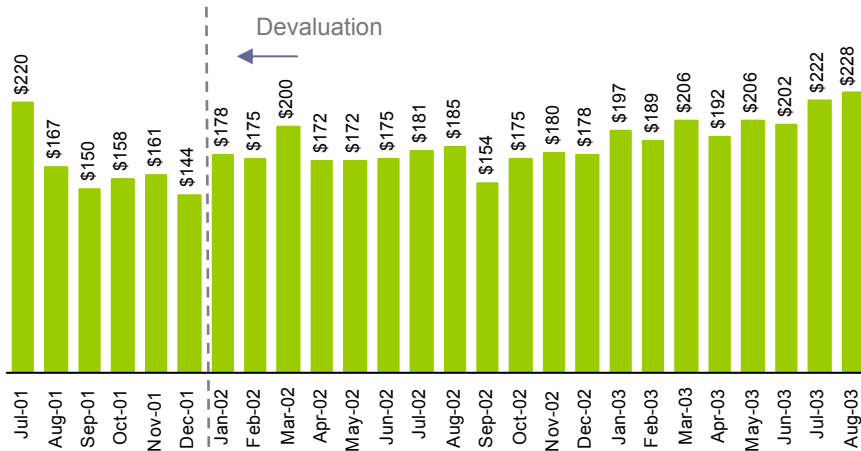
# Codere has demonstrated remarkable resilience

## Net Win per Day in US\$



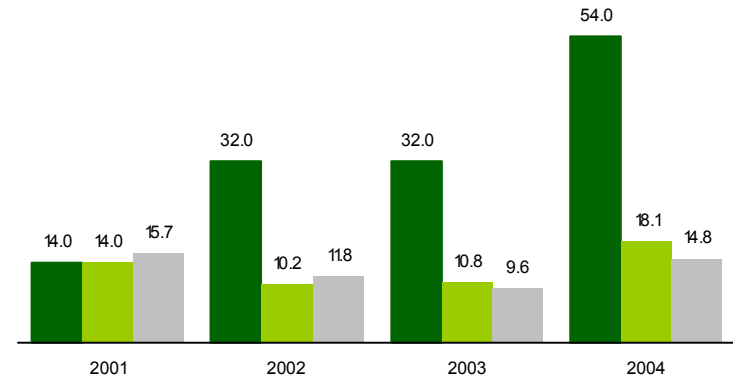
- December 31, 2001 argentine government eliminated peso peg to US\$
- Peso devalued 67% versus US\$ in 2001-2002
- By August 2003 net win per machine was back to July 2001 levels in real terms
- 2002 EBITDA decreased 34% in euro terms following the devaluation of the peso
- Strong profitability maintained throughout economic crisis

## Net Win per Day (constant July 2001 pesos)



## EBITDA

(AR\$m / US\$m / EURm)



PIB

-4.5%

-10.9%

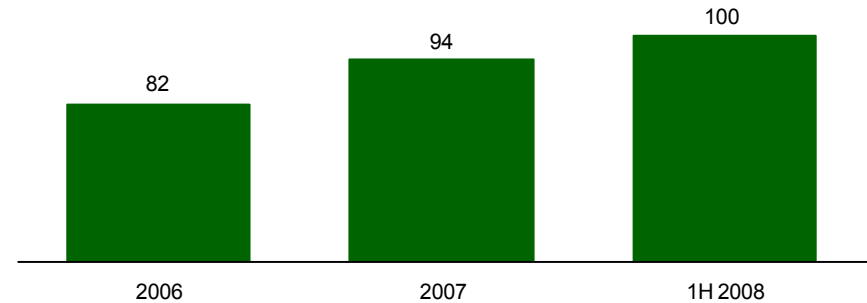
+8.7%

+9.0%

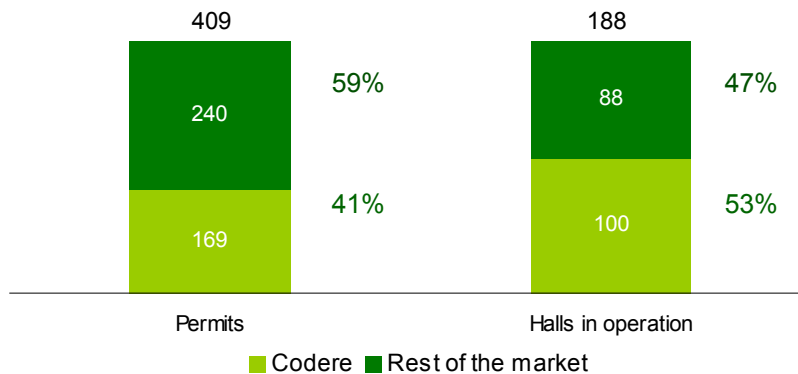
## Key Value Drivers

- Dominant position through agreements with two partners and own licenses
- Growth primarily driven by EBT deployment since 2006
  - 2006: 10,630 EBTs → 1 2008: 19,266 (+81%)
- Further growth from continued EBT rollout

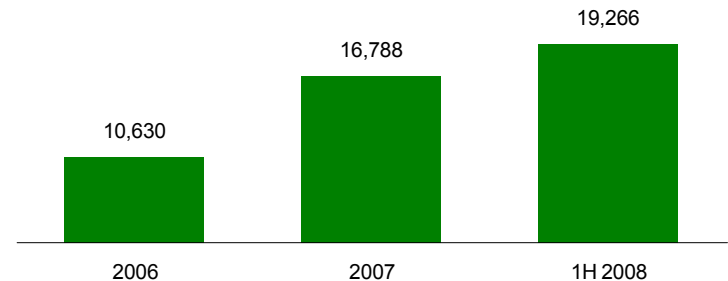
## # Bingo Halls



## Bingo Hall Permits <sup>(1)</sup>



## # of Electronic Bingo terminals



Note: Rest of the market figures estimated as per SEGOB

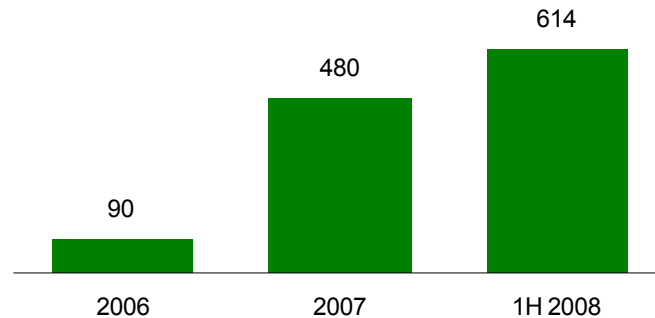
(1) At 30 June 2008

**Continuing to benefit from first mover advantage through rapid deployment of halls and EBTs**

## Key Value Drivers

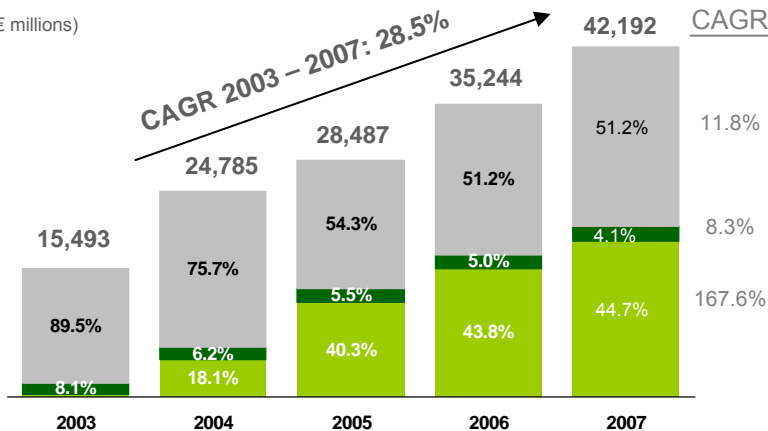
- Attractive and profitable bingo business
  - Continued acquisition of new halls
  - Deployment of AWP's in bingo halls
- AWP business becoming profitable through:
  - Acquisition of AWP operators (indirect operations) leveraging on Codere Network
  - Divestiture of direct operation (Completed March 2008)

## AWP machine in Bingo Halls



## Sector performance: wagered amounts

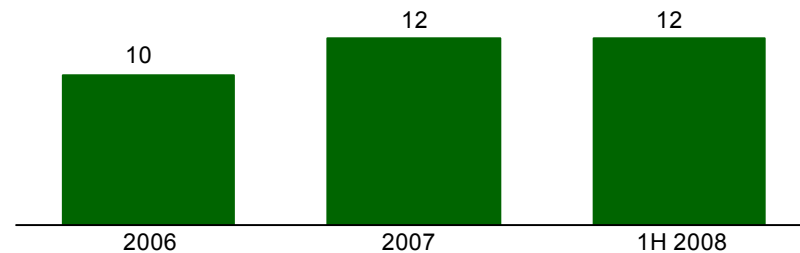
(in € millions)



Source: AAMS, GBGC

■ AWP ■ Bingo ■ Other Games

## # Bingo Halls



Recovery in profitability driven by divestiture of direct AWP business and growth in bingo business



- Regulation
  - Regulated by autonomous region
  - Madrid and Basque regions have passed legislation enabling sports betting
  - Madrid granted 5 year administrative authorizations to companies that meet certain requirements (financial and technical). Codere & William Hill JV was granted with the first authorization awarded (April 2008)
  - Basque region awarded three licenses (25 locations and 500 machines each), one of which was obtained by Codere & William Hill JV
- Channels:
  - Betting shops, existing gaming establishments (bingos, arcades and casinos), sports premises and remote channels (incl. Internet). In the Basque region they are also allowed in bars
- Estimated capex per region €20MM (to be shared equally among partners)
- Victoria started operations in April 2008 in Madrid and expects to start in the Basque Region in Q4 2008.
- 3 or 4 operators expected to have joint market share of 70%

# 1H 2008 results

(in € millions)

	1H 2007	1H 2008 Reported	% change	1H 2008 At constant currency	% change
<b>Revenues</b>	417.4	503.9	20.7%	545.6	30.7%
<b>EBITDA <sup>(1)</sup></b>					
Spain AWP	36.8	35.6	(3.3%)	35.6	(3.3%)
Argentina	46.6	51.7	10.9%	59.6	27.9%
Mexico	24.1	35.9	49%	39.4	63.5%
Others	9.6	14.3	49%	14.9	55.2%
Corp. overhead	(13.6)	(17.5)	(28.7%)	(17.5)	(28.7%)
<b>Reported EBITDA</b>	<b>103.5</b>	<b>120.0</b>	<b>15.9%</b>	<b>132.0</b>	<b>27.5%</b>
<b>Net Income</b>	<b>11.9</b>	<b>0.7</b>	<b>(94.1%)</b>	<b>4.9</b>	<b>(58.8%)</b>

(1) The Italian direct AWP and Italy Sports Betting businesses are not reflected because they were classified as discontinued operation in 1H 2008 and prior periods for comparative purposes.



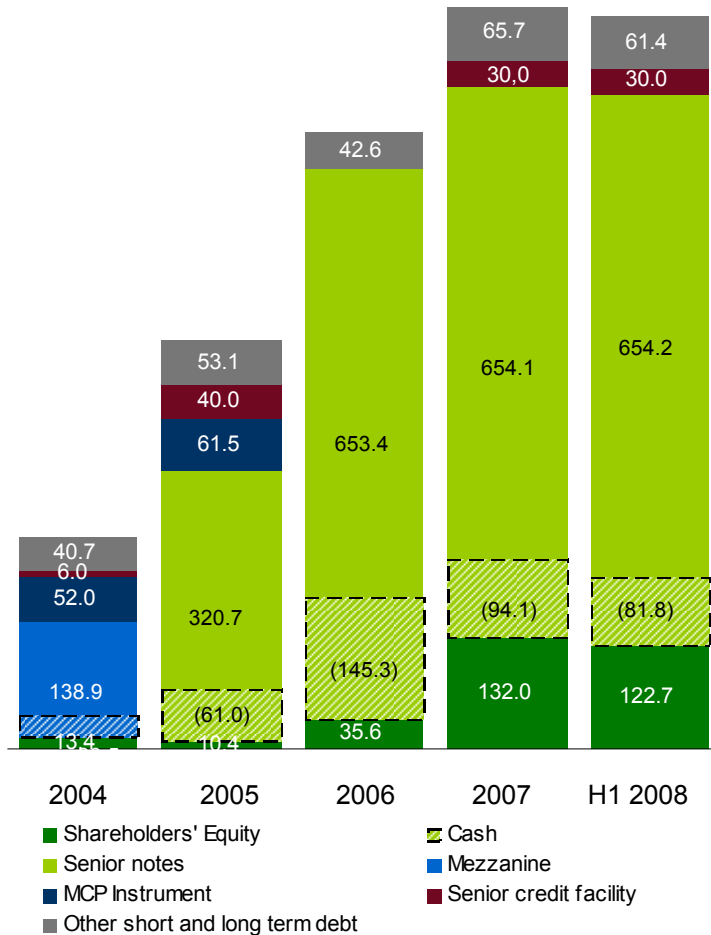
# Discretionary Free Cash Flow

(€ millions)	1H 2007	1H 2008	% Change
<b>EBITDA</b>	103.5	120.0	15.9%
- Net interest	26.6	31.6	18.8%
-Taxes	<u>18.7</u>	<u>24.8</u>	32.6%
<b>Operating Cash Flow</b>	58.2	63.6	9.3%
- Maintenance Capex	<u>29.1</u>	<u>36.7</u>	26.1%
<b>Discretionary Free Cash Flow</b>	29.1	26.9	(7.6%)
- Growth Capex	<u>60.4</u>	<u>21.4</u>	(64.6%)
<b>Free Cash Flow</b>	(31.3)	5.5	n.a

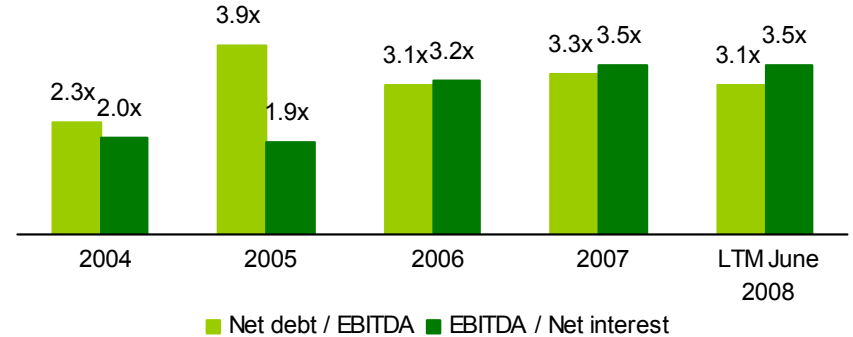
# Simple and conservative capital structure

## Capital Structure

(In € millions)



## Conservative capital structure



## Debt financing

### Bank financing:

- New Senior Credit Facility signed October 19, 2007
  - €100MM multicurrency revolving credit facility
    - €60MM cash and LC at Euribor (or Libor) + 1.75%
    - €40MM LC at 2.75%
  - Key covenants:
    - Net financial debt of Codere Group/EBITDA <4.25x
    - Bank debt/EBITDA <1.5x
    - Minimum interest coverage >2.5x
  - Arranged by CS, Barclays and BBVA

### Key bond covenants

- 3.0x FCCR incurrence test
- €200m senior debt limit

# 2008 consolidated guidance

	Original comments	2008E	Update 1H 2008
<b>EBITDA</b>	Margin in range of 21%	€231 – €240 mm	Absolute amount reiterated
<b>Capex</b>	Range depending on financial availability	€158 – €198 mm	Low range reiterated
<b># Machines</b>			
Mexico	+ 33%	22,390	Below range
Spain	+ 3 – 7%	15,930 – 16,580	Low range reiterated
Argentina	+ 3%	4,740	Reiterated

Foreign Exchange rates			
Currency	Budget 2008	30th June	26th Sept.
MXP/€	16.31	16.24	15.77
ARP/€	4.79	4.76	4.55
US\$/€	1.49	1.57	1.46

## 2008 outlook reflects continuation of successful growth strategy in our principal markets

### Spain

- Increase AWP portfolio through new sign ups and selective acquisitions
- Commercialise sports betting with William Hill

### Argentina

- Continue optimization of hall locations, increase capacity and introduction of TITO
- Finalise license renewal process

### Mexico

- Continue deployment of EBTs
- Develop the remaining permits

### Others

- Maximize our leading position in mature markets (i.e. Uruguay, Panama and Colombia)
- Consolidate positions in new gaming markets (i.e. Brazil, Sports Betting)

### Corporate

- Continue to refine fiscal structure
- Assure capital base for continued growth

## Strengths

- **Unique strategic model**
  - Proven ability to develop profitable gaming activities working with regulators
  - Proven track record in identifying and integrating high-return investment opportunities
  - “Adjacent expansion” strategy, applicable to new markets and business lines
- **Resilient business and capital structure**
  - Leadership positions in attractive markets create significant barriers to entry
  - Demonstrated resilience throughout economic cycles
  - Flexible and cash generative financial structure
  - Long term debt (2015)
- **Highly experienced management team and Board of Directors**
  - Leadership with 25 years experience in gaming across product lines and regulatory environments
  - Well integrated management team across diverse disciplines
  - Board includes independent directors with significant experience in gaming sector
- **Proven track record in financial markets**
  - Three years reporting as public company
  - Three successful bond issues and two PIK deals at holding level
  - IPO October 19, 2007

**Unique international gaming footprint with exceptional growth potential**

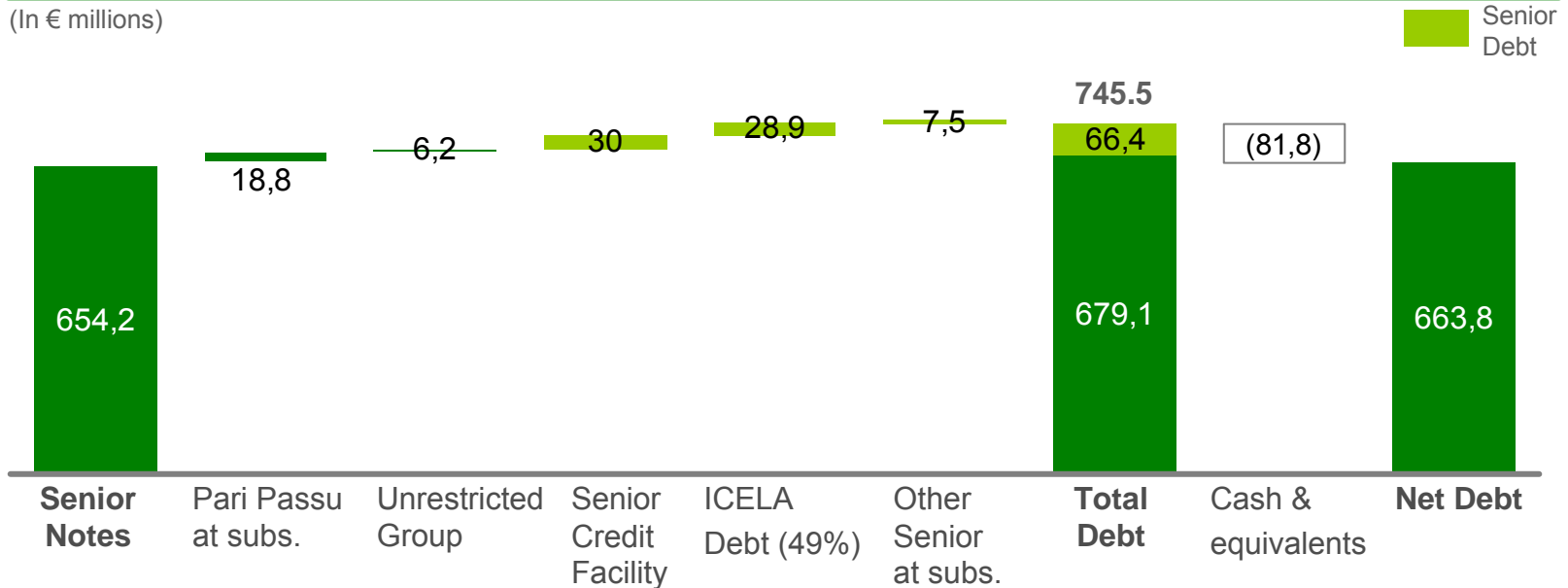


Q & A

# Debt structure and headroom

## Debt Breakdown

(In € millions)



### Senior Credit Facility

#### Terms:

- €100MM multicurrency revolving credit
- €60MM cash and LC at Euribor + 1.75%
- €40MM LC at 2.75%

#### Usage:

Facility Limit (cash)	€60MM
(-) Drawn @ June 2008 <sup>(1)</sup>	(€30MM)
<b>Available to draw down</b>	<b>€30MM</b>

### Headroom under Senior

#### Headroom determination:

- Senior Debt Limit: €200MM
- (-) Capacity used:
  - Senior Credit Facility (€30MM)
  - ICELA Debt (100%) (€59MM)
  - Senior Debt @ subs. (€8MM)

- **Headroom under Senior: €103MM**

### Rating

#### Moody's:

- Corporate: B1
- Bond: B2

#### S & P:

- Corporate: BB-
- Bond: BB-

(1) Additional €5MM drawn July 2008

# Foreign Exchange Risk Coverage

## Foreign Exchange Risk

### Risk Source

- Foreign exchange risk is principally related to the potential negative impact in the consolidated financial statements (denominated in euros) of non Euro currencies devaluations against the Euro
- The Argentine Peso (AR\$) and the Mexican Peso (MX\$) are the most relevant sources of foreign exchange risk as operations in those countries generated the 38% and 26% of the EBITDA<sup>(1)</sup> for the first half ended June 30, 2008, respectively

### Risk Mitigation By Natural Coverage

- In addition to forward contracts, natural coverage plays a relevant role in foreign exchange risk mitigation as most significant operating cost (typically gaming taxes and personnel expenses) are denominated in local currency

## Coverage

### Policy

- Contract foreign exchange forwards on a rolling forward four-quarter basis for approximately 50% of projected Argentina and Mexico EBTIDA
- Make financial projections based on forwards rates available on the market

### Forwards contracted as of August 28, 2008

(€in millions)

Argentina			Mexico	
Quarter	Total €	Total \$	Quarter	Total €
3Q08	12.8	0	3Q08	10.3
4Q08	13.0	1.1	4Q08	11.2
1Q09	0	10.0	1Q09	11.2
<u>2Q09</u>	<u>0</u>	<u>10.0</u>	2Q09	<u>11.2</u>
<b>Total</b>	<b>25.8</b>	<b>21.1</b>	<b>Total</b>	<b>43.9</b>

(1) EBITDA pre Headquarters' costs



# Smoking Bans Overview

	Scope	Effective Date	Regulation for gaming venues	General regulation	
Italy	National	Jan. 2005	50%* of total surface	Total ban	No clear effects identified
Spain	National	Jan. 2006	30%* of total surface (max. of 300 m <sup>2</sup> )	Same as gaming	
Uruguay	National	March 2006	Total ban	Same as gaming	Daily win reduction of up to 15%. Recovery in 9 to 12 months
Mexico	Regional	D.F. April 1, 2008	Total ban	Same as gaming	
	National	Federal – Sept. 1 2008	% for smoking (TBD)		
Panama	National	April 25, 2008	Total ban	Same as gaming	Limited daily win reduction since implementation
Argentina (Prov Bs.As.)	Distrito Mar del Plata	April 1, 2007	40%* of total surface	Same as gaming	Revenue decrease limited to bingo business and only in certain halls
	Distrito San Martín	Sept. 12, 2008	% of total surface (TBD)	Same as gaming	
	Bs. As. province	Law proposal under discussion	TBD	Same as gaming	
Colombia	National	Nov. 30, 2008	Total ban	Same as gaming	

Currently in force

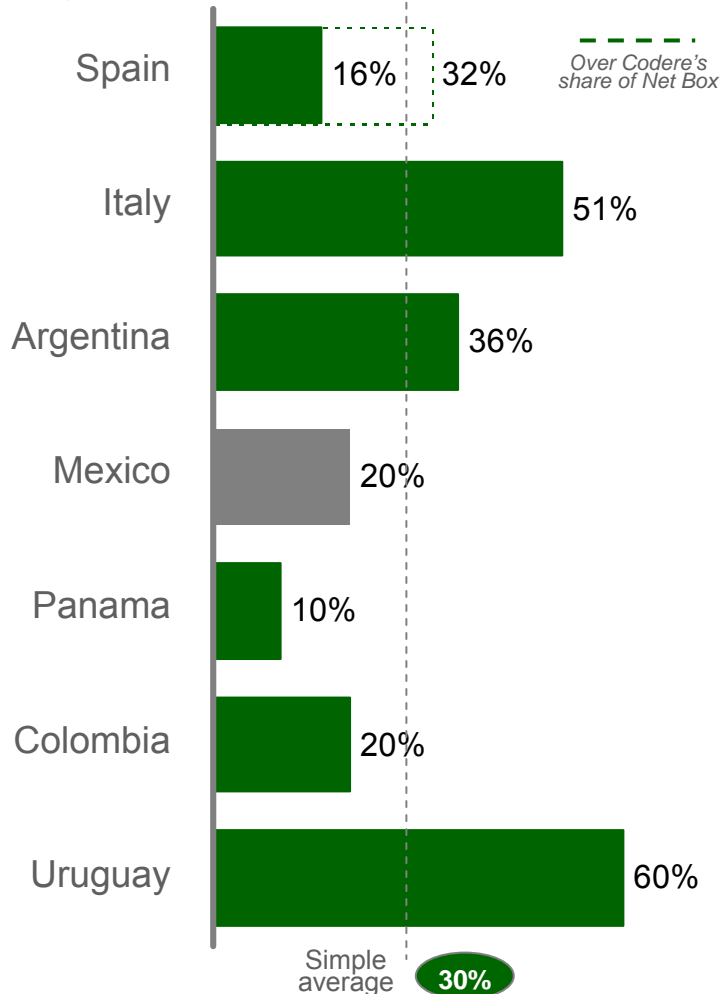
**There is a world trend to regulate smoking in public places. Codere's previous experiences suggest a moderate negative impact in revenues but with strong recovery in the short term**

\* Percentage of space allowed for smokers

# Comparative gaming taxes

## Machine Gaming Taxes

(As percentage of Net Win)

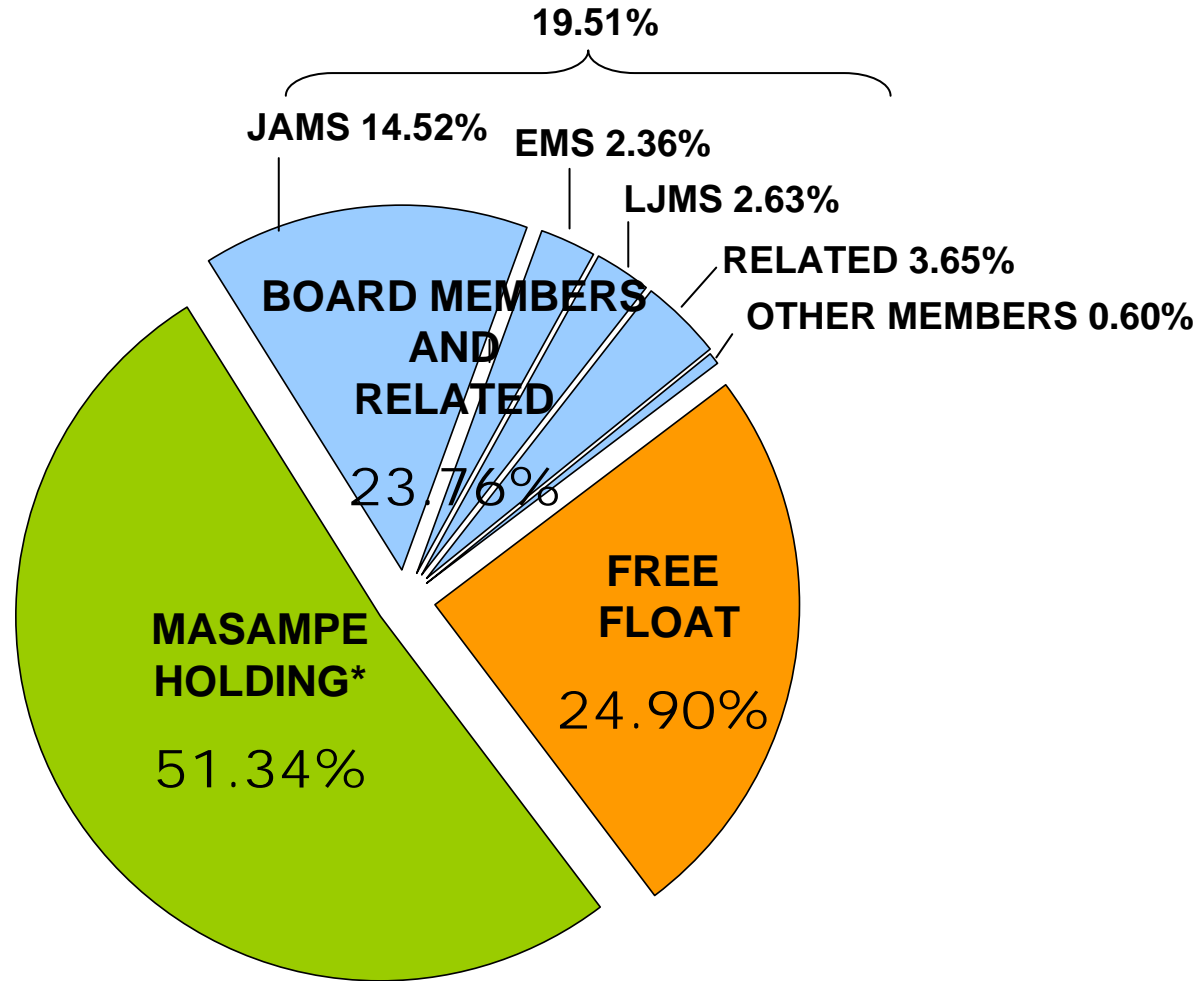


## Comments

- Fixed gaming tax per machine, “tasa”, that differs by Comunidad Autónoma. In 2007, the average annual tax per machine was circa €3,700. The stated percentage was determined considering Codere’s actual average net win levels
- 12.8% (including PREU + Canon) over amounts wagered (“coin-in”). The stated percentage was determined based on the current pay out ratio (75%)
- Includes payments to Non Profit Organizations (2% of net win, on average, in 2006). Canon tax surcharge of renewed halls suppose, on average, an extra 10% to 14% of total net win for these halls
- Federal tax of 20% over net win. Reimbursement of SEGOB and state taxes at 100%.
- Fixed percentage over slot machines net win
- In Colombia gaming taxes are calculated as a % of the current minimum salary multiplied by the number of machines in operation. Historically has represented the stated % of net win
- Percentage of net win that the “Dirección General de Casinos” (DGC) withholds to Codere for the operation of the halls. No further gaming taxes exist

# Shareholder structure

At 30 June 2008



\* Masampe Holding Partners: JAMS, LJMS y EMS

**Total Shares Outstanding: 55,036,470**

# Shareholder obligations (I)

## Payment to Franco brothers and ICIL

- In 2006, Jose Antonio, Encarnación and Luis Javier Martinez Sampedro (“the Martinez Sampedros”) purchased 17.9 million and 1.1 million Codere shares previously owned by the Franco Brothers and ICIL, respectively. The shares purchased were transferred to Masampe B.V.
- The total purchase price was €390.6 million (€20.5 per share), payable in three installments.

	Total Consideration (€Million)	Paid
01 March 2006	41.4	✓
30 April 2007	162.0	✓
31 April 2008 <sup>(1)</sup>	187.2 <sup>(2)</sup>	
	<b>390.6</b>	

(1) Deferred to Oct. 2008 at a 0.25% weekly interest rate

(2) ICIL share (€10.9 million) was paid on April 29, 2008. €176 million due to Franco Brothers.

## PIK loan

- In June 2007, Masampe B.V. borrowed €340.0 million, used to repay the amount outstanding under the initial PIK loan and to make the second installment payment to the Francos and ICIL
- Masampe Holding B.V. is a Dutch special purpose vehicle (SPV) that is controlled by Jose Antonio, Encarnación and Luis Javier Martinez Sampedro. Masampe holds 51.3% of Codere

## Summary Terms

Term	Description
<b>Issue</b>	€340.0 million
<b>Maturity</b>	15 December 2015 (6 month outside existing HY)
<b>Interest</b>	3 months EURIBOR + 750 bps.
<b>Par call window</b>	From June 2008 to December 2009
<b>Covenant</b>	Net debt to EBITDA < 7.0x (6.5x from June 2008)
<b>Mandatory Prepayment</b>	If Masampe fails to own at least 50.1% of the issued and outstanding shares of Codere S.A.

## Shareholder obligations (II) -- Sale process

- At the maturity of the third installment (October 2008) either the Martinez Sampedros, or the Franco Brothers (the “Sellers”) (if it is not paid) may elect to initiate the sale of all shares held by Masampe and the Martinez Sampedros (c.71% at September 2008)
- Sale process would be conducted by an international investment bank
- Requiring this sale process is the Sellers’ sole recourse and, in the event that it is initiated, the obligation to pay the second installment is replaced by the sale process.
- In any event, the Sellers may not require the sale if the proceeds of shares held by Masampe would not be sufficient to satisfy its obligations under the PIK loan (unless the lenders agree otherwise)
- The agreement does not restrict either the Martinez Sampedros or the Francos from participating as buyers in the sale process
- Compensation mechanism
  - The sale proceeds would be divided among the Francos on the one hand, and the Martínez Sampedros, on the other hand, in proportion to the percentage ownership of Codere shares held by the Francos in March 2006 (approximately 41%), taking into account credit for the first and second installment payments made to the Francos totaling approximately €191.0 million, and subject to certain adjustments such as for capital increases since the initial agreement.

# Growth and maintenance capex

(in €million)	2004	2005	2006	2007	1H 2008
<b>Spain AWP</b>	<b>26.5</b>	<b>30.7</b>	<b>86.7</b> <sup>(5)</sup>	<b>59.4</b>	<b>25.4</b>
Maintenance	13.3	18.8	45.0 <sup>(5)</sup>	39.7	20.0
Growth	13.2	11.9	41.7 <sup>(6)</sup>	19.7	5.4
<b>Argentina</b>	<b>2.9</b>	<b>16.8</b>	<b>57.1</b>	<b>21.3</b>	<b>13.0</b>
Maintenance	1.8	-	7.8	9.2	8.6
Growth	1.1	16.8	49.3 <sup>(7)</sup>	12.1	4.4
<b>Mexico</b> <sup>(1)</sup>	<b>18.7</b>	<b>33.8</b>	<b>60.5</b>	<b>203.1</b>	<b>5.1</b>
Maintenance	0.2	-	0.5	0.5 <sup>(10)</sup>	0.7
Growth	18.5	33.8 <sup>(3)</sup>	60.0 <sup>(3)</sup>	202.6 <sup>(10)</sup>	4.4
<b>Italy</b>	<b>5.4</b>	<b>6.2</b>	<b>22.5</b>	<b>30.8</b>	<b>(1.1)</b>
Maintenance	-	0.4	1.7	3.5	1.6 <sup>(11)</sup>
Growth	5.4	5.8	20.8 <sup>(8)</sup>	27.3	(2.7)
<b>Other</b> <sup>(2)</sup>	<b>12.5</b>	<b>114.6</b>	<b>53.6</b>	<b>35.3</b>	<b>15.7</b>
Maintenance	8.4	9.0	8.6	21.1	5.8
Growth	4.1	105.6 <sup>(4)</sup>	45.0 <sup>(9)</sup>	14.2	9.9
<b>Total</b>	<b>66.0</b>	<b>202.1</b>	<b>280.4</b>	<b>349.9</b>	<b>58.1</b>
Maintenance	23.7 36%	28.2 14%	63.6 23%	74.0 21%	36.7 63%
Growth	42.3 64%	173.9 86%	216.8 77%	275.9 79%	21.4 37%

(1) Net of repayments from Caliente

(2) Includes holding company, Spain Bingo, Panama/Chile, Brazil, Colombia, Uruguay, and Sports Betting

(3) Related to the opening of 42 bingo halls

(4) Mainly includes Royal €60.6m, and Operbingo €33.3m

(5) One-off RF portfolio purchase

(6) Includes mainly MAE acquisition

(7) Includes 6 license renewals (€30m)

(8) Bingo Palace (€12m)

(9) Rete Franco (€6m)

(10) Includes acquisition of 49% stake in ICELA (€181 million)

(11) Includes €2.8 million in proceeds for the sale in WHCI

# Investment and expected KPI growth is modest in context of track record

## Evolution in the machine portfolio

	2005 <sup>(1)</sup>	2006 <sup>(1)</sup>	2007 <sup>(1)</sup>	2008F
<b># of Machines</b>				
<b>Spain AWP</b>	<b>13.398</b>	<b>14.648</b> <sup>(2)</sup>	<b>15.431</b>	<b>15.930 - 16.580</b>
Absolute change	1.250 9,3%	783 5,3%	499 - 1,149 3,2% - 7,45%	
<b>Argentina</b>	<b>3.546</b>	<b>4.352</b>	<b>4.605</b>	<b>4.740</b>
Absolute change	806 22,7%	253 5,8%	135 2,9%	
<b>Mexico</b>	<b>4.539</b>	<b>10.630</b>	<b>16.788</b>	<b>22.390</b>
Absolute change	6.091 134,2%	6.158 57,9%	5.602 33,4%	
<b>Italy</b>	<b>1.598</b>	<b>2.486</b>	<b>3.467</b>	<b>5.110 - 8.160</b>
Absolute change	888 55,6%	981 39,5%	1,643 - 4,693 47,4% - 135,4%	

## Investment Outlook

	2007	2008F
<b>Total Capex (in € millions)</b>		
<b>Spain AWP</b>	<b>59,4</b>	<b>59.0 - 74.0</b>
<b>Argentina</b>	<b>21,3</b>	<b>22.0 - 27.0</b>
<b>Mexico</b>	<b>203,1</b>	<b>23,0</b> <sup>(1)</sup>
<b>Italy</b> <sup>(2)</sup>	<b>30,1</b>	<b>24.0 - 34.0</b>
<b>Other</b> <sup>(3)</sup>	<b>36,0</b>	<b>30.0 - 40.0</b>
<b>Total</b>	<b>349,9</b>	<b>158.0 - 198.0</b>

(1) Documented portfolio end of period  
(2) Includes MAE acquisition

(1) €46 million net of repayments from Caliente (€23 million)  
(2) Includes AWP on bingo halls  
(3) Includes Brazil, Colombia, Panama, Uruguay, Spain Bingo, Sports Betting and headquarters

## Forecast KPI growth is modest in context of the track record

## 2008 guidance — capex and KPIs

Country	KPIs Number of machines	Capex € in million	
		Maintenance	Growth
Spain AWP	15,930 – 16,580	39	20-35
Argentina	4,740	13	9-14
Mexico	22,390	11	35
Italy <sup>1</sup>	5,110 – 8,160	4	20-30
Other <sup>2</sup>	11,350 – 11,710	<u>18-23</u>	<u>12-17</u>
<b>Subtotal</b>		<b>85-90</b>	<b>96-131</b>
Repayments from Caliente		=	<u>23</u>
<b>Total</b>	<b>59,520 – 63,580</b>	<b>85-90</b>	<b>73-108</b>

1. Capex and KPIs includes Italy AWP and Bingo

2. Capex and KPIs Include Brazil, Panama, Sports Betting, Uruguay, Colombia, Spain Bingo and Corporate Overhead, as applicable



## Non-recurrent charges and provisions reflect strategic review of businesses — Italy AWP

- Continued losses in the business coupled with uncertainty with respect to the political and regulatory environment
- Decision to provision full amount of €18.3 million performance bond in light of potential new claims arising from 2007 Financial Law and pre-existing claims (€14.1 million provision in Q4 2007, plus existing provisions from 2006 and accumulated through Q3 07 sum to €18.3 million)
- €11.3 million impairment charge against carrying value of business

(€millions)	Q1	Q2	Q3	Q4	FY 2007
Restructuring Provisions		(0.2)		(0.5)	(0.7)
Machine write-offs		(0.9)	(0.1)	(0.1)	(1.1)
Provisions for AAMS fines, penalties and others	(0.1)			(14.1)	(14.2)
<b>Impact on EBITDA</b>	<b>(0.1)</b>	<b>(1.1)</b>	<b>(0.1)</b>	<b>(14.7)</b>	<b>(16.0)</b>
Provisions for bad debt	0.5	(4.3)	0.1	(3.7)	(7.4)
Change in AWP amortization period	(0.6)				(0.6)
Impairment charge				(11.3)	(11.3)
<b>Impact on EBIT</b>	<b>(0.2)</b>	<b>(5.4)</b>	-	<b>(29.7)</b>	<b>(35.3)</b>

## Non-recurrent charges and provisions reflect strategic review of businesses — Colombia

- Identification of additional potential fiscal contingencies
- Repositioning of business towards more profitable growth. Includes optimization of machine portfolio and conversion of branded halls into entertainment centers, broadening product offer and improving hall image.

(€millions)	Q1	Q2	Q3	Q4	FY 2007
Fiscal contingencies	(1.8)		0.4	(2.8)	(4.2)
Machine write-offs and hall closures		(0.8)	0.3	(2.2)	(2.7)
<b>Impact on EBITDA/EBIT</b>	<b>(1.8)</b>	<b>(0.8)</b>	<b>0.7</b>	<b>(5.0)</b>	<b>(6.9)</b>

# Operating data (I)

## # of Machines and Bingos

	At June 30			At June 30		
	2007	2008	% change	2007	2008	% change
	<b>AWP/Slots/EBTs</b>			<b>Bingo Halls</b>		
Spain	15,171	15,863	4.6%	1	1	0.0%
Argentina	4,468	4,497	0.6%	14	14	0.0%
Mexico	13,463	19,266	43.1%	90	100	11.1%
Italy <sup>(1)</sup>	632	2,380	<i>n.a.</i>	11	12	9.1%
Colombia	10,482	8,616	(17.8%) <sup>(2)</sup>	8	6	(25%) <sup>(2)</sup>
Panama	1,249	1,424	14.0%	-	-	<i>n.a.</i>
Uruguay	<u>1,283</u>	<u>1,529</u>	19.2%	-	-	<i>n.a.</i>
<b>Total</b>	<b>43,748</b>	<b>53,575</b>	<b>14.6%</b>	<b>124</b>	<b>133</b>	<b>7.25%</b>

1- Includes 248 machines in 1H 2007 and 614 machines in 1H 2008 deployed in Italian bingo halls.

2- Reflects restructuring of operation

# Operating data (II)

## Net Win per Machine

	At June 30,			At June 30,		
	2007	2008	% change	2007	2008	% change
	Local Currency			Euros		
<b>Full year</b>						
Spain (AWPs)	60.8	58.6	(3.6%)	60.8	58.6	(3.6%)
Italy (AWPs) <sup>1</sup>	48.4	63.2	30.5%	48.4	63.2	30.5%
Italy Bingo	126.9	92.8	(26.9%)	126.9	92.8	(26.9%)
Mexico (EBTs)	980	908	(7.4%)	67.4	55.8	(17.3%)
Argentina (Slots)	632	820	29.8%	154.1	170.7	10.8%

1- These figures include only the indirect operations.



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