

Madrid, September 11, 2019

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

## **SIGNIFICANT EVENT**

Codere S.A. hereby announces that on September 10, 2019, "Standard & Poor's Rating Services" confirmed our ratings, with the following Outlook changes:

- Codere S.A.: Corporate credit rating unchanged at B, with Outlook changed to CreditWatch Negative from Stable.
- Codere Finance 2 (Luxembourg) S.A.: Issue rating on senior secured notes unchanged at B, with Outlook changed to CreditWatch Negative from Stable

Additionally, on September 11, 2019, "Moody's Investors Service" has made the following rating changes:

- Codere S.A.: Corporate Family Rating (CFR) changed from B2 to B3 and Probability of Default Rating (PDR) changed from B2-PD to B3-PD, with Outlook maintained as Stable;
- Codere Finance 2 (Luxembourg) S.A.: Issue rating on senior secured notes changed from B2 to B3, with Outlook maintained as Stable.

The company does not share Moody's decision to downgrade Codere now. In contrast to our understanding of Moody's rationale, the company, as communicated to the market in its August 26, 2019 Trading Update (Significant Event 281322), reaffirms its expectation to meet the 2019 Adjusted EBITDA guidance despite the macroeconomic uncertainty in Argentina, to improve EBITDA from last year and to generate positive free cash flow in 2019. In the meantime, the company continues to execute its transformational plan to deliver significant Adjusted EBITDA growth in the next years. One of the key objectives of this plan is to reduce further its exposure to Argentina (c.23% in revenue and c. 24% in EBITDA in Q2 2019 results versus c.36% of revenues and c.44% of EBITDA in 2017).

In the context of the publication of the 1H 2019 results next Friday, 13<sup>th</sup> of September, the company will provide further details on its guidance and cash flow generation expectations based on Q2 2019 actual results.

Luis Argüello Álvarez  
Secretary of the Board of Directors