

Madrid, August 26, 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

In light of the recent developments in Argentina following the August 11, 2019, primary elections (PASO), after which there has been a sharp devaluation of the country's currency, as well as a decline in the trading levels of the country's fixed income securities and many stocks, the Company is issuing the attached presentation to provide the market with additional context with regards to the contribution of our local business to Group results and the impact of the Argentine peso devaluation on our 2019 Adjusted EBITDA Guidance.

In the contribution analysis, the document refers to preliminary 1H 2019 results, financial figures that are still pending review and approval by the Board of Directors of Codere S.A, which will happen in its meeting on September 12, 2019.

Luis Argüello Álvarez
Secretary of the Board of Directors

2Q 2019 Group Trading Update* - Argentina

August 26, 2019



codere

***Figures presented in this document are unaudited. 1H19 accounts and related financial figures are preliminary and pending Board of Directors' review and approval of 1H 2019 accounts.**

This presentation (the "Presentation") has been prepared and is issued by, and is the sole responsibility of Codere, S.A. ("Codere" or "the Company"). For the purposes hereof, the Presentation shall mean and include the slides that follow, any prospective oral presentations of such slides by the Company, as well as any question-and-answer session that may follow that oral presentation and any materials distributed at, or in connection with, any of the above.

The information contained in the Presentation has not been independently verified and some of the information is in summary form. No representation or warranty, express or implied, is made by Codere or any of its affiliates (together, "Codere Group"), nor by their directors, officers, employees, representatives or agents as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions expressed herein. None of Codere nor any of its affiliates, nor their respective directors, officers, employees, representatives or agents shall have any liability whatsoever (in negligence or otherwise) for any direct or consequential loss, damages, costs or prejudices whatsoever arising from the use of the Presentation or its contents or otherwise arising in connection with the Presentation, save with respect to any liability for fraud, and expressly disclaim any and all liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in connection with the accuracy or completeness of the information or for any of the opinions contained herein or for any errors, omissions or misstatements contained in the Presentation.

Codere cautions that this Presentation 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 rate and interest rates; (3) competitive pressures; (4) technical developments; (5) changes in the financial position or credit worthiness of our customers, obligors and counterparts. 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.

The information contained in the Presentation, including but not limited to forward-looking statements, is provided as of the date hereof and is not intended to give any assurances as to future results. No person is under any obligation to update, complete, revise or keep current the information contained in the Presentation, whether as a result of new information, future events or results or otherwise. The information contained in the Presentation may be subject to change without notice and must not be relied upon for any purpose.

This Presentation contains financial information derived from Codere's unaudited financial statements for the quarter and, if applicable, year to date period. None of this financial information has been audited by our auditors. Financial information by business areas is presented according to GAAP as well as internal Codere Group's criteria including a restatement of historical figures to reflect, among other things, an exclusion of non-recurring items and impact of effective exchange rates, in each case as per management estimates. These criteria do not follow any particular regulation and can include historical figures, forecasts and subjective valuations which could represent substantial differences should a different methodology be applied.

Market and competitive position data in the Presentation has generally been obtained from industry publications and surveys or studies conducted by third-party sources. Peer firm information presented herein has been taken from peer firm public reports. There are limitations with respect to the availability, accuracy, completeness and comparability of such data. Codere has not independently verified such data and can provide no assurance of its accuracy or completeness. Certain statements in the Presentation regarding the market and competitive position data are based on the internal analyses of Codere, which involve certain assumptions and estimates. These internal analyses have not been verified by any independent source and there can be no assurance that the assumptions or estimates are accurate. Accordingly, undue reliance should not be placed on any of the industry, market or Codere's competitive position data contained in the Presentation.

Alternative Performance Measures: This report includes certain Alternative Performance Measures ("APMs") 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 accurate, 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.

The distribution of this Presentation in certain jurisdictions may be restricted by law. Recipients of this Presentation should inform themselves about and observe such restrictions. Codere disclaims any liability for the distribution of this Presentation by any of its recipients.

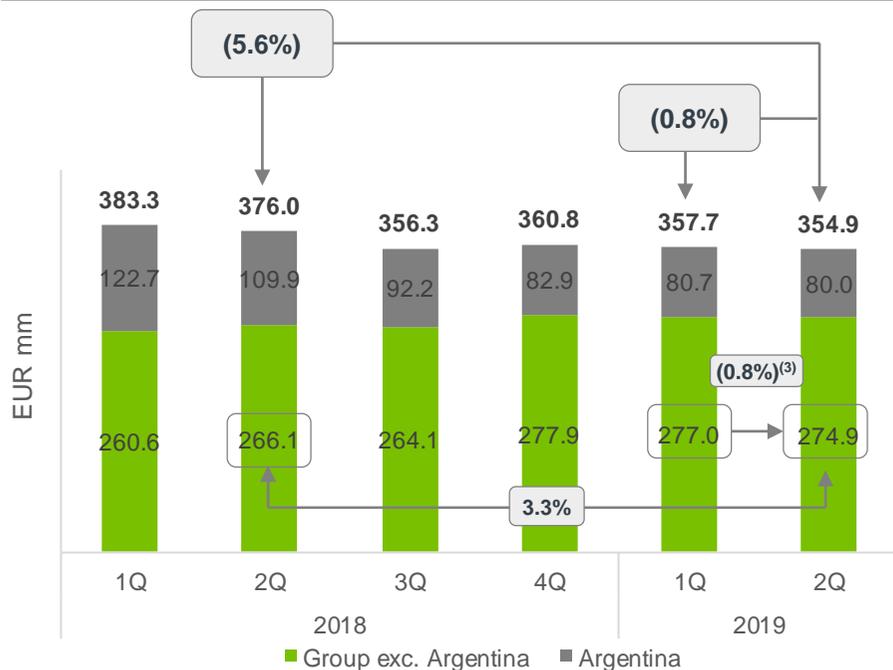
Codere is not nor can it be held responsible for the use, valuations, opinions, expectations or decisions which might be adopted by third parties following the publication of this Presentation. No one should purchase or subscribe for any securities in the Company on the basis of this Presentation. This Presentation does not constitute or form part of, and should not be construed as, (i) an offer, solicitation or invitation to subscribe for, sell or issue, underwrite or otherwise acquire any securities, nor shall it, or the fact of its communication, form the basis of, or be relied upon in connection with, or act as any inducement to enter into any contract or commitment whatsoever with respect to any securities; or (ii) any form of financial opinion, recommendation or investment advice with respect to any securities.

By receiving or accessing to this Presentation you accept and agree to be bound by the foregoing terms, conditions and restrictions.

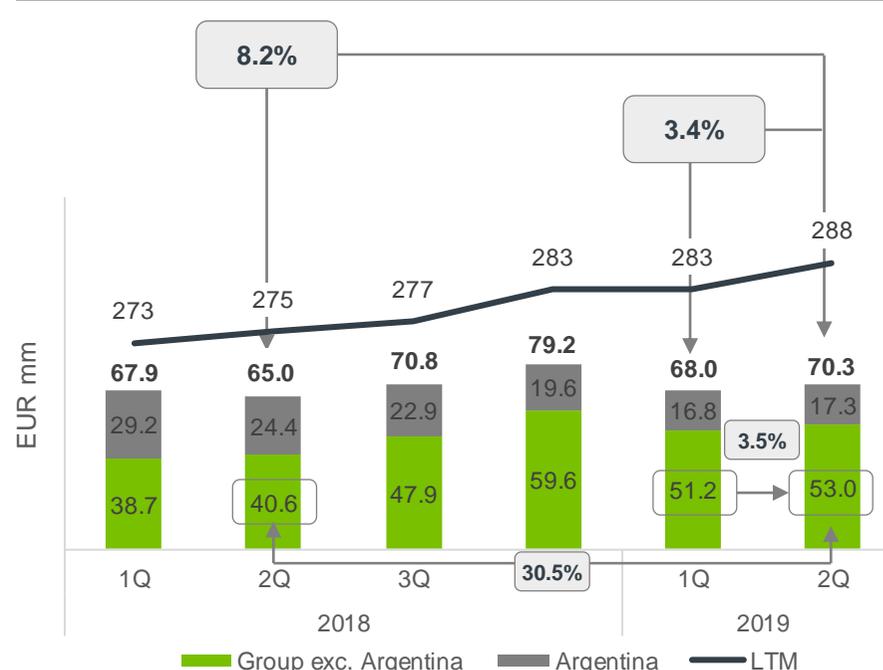
Notice on Rounding. Due to decimal rounding, numbers presented throughout this report may not add up precisely to the totals and subtotals provided, and percentages may not precisely reflect the absolute figures.

Contribution from Argentina: 2018 - 2Q 2019 Preliminary Results^(1,2)

Revenue (€ mm)



Adjusted EBITDA (€ mm)



Margin (quarter)	17.7%	17.3%	19.9%	22.0%	19.0%	19.8%
Non-Recurring Items	(11.9)	(12.0)	(7.0)	(11.9)	(3.0)	(7.5)
<i>of which Online Investment</i>	-	-	-	-	(2.7)	(4.5)

- Sustained revenue level since Q3 2018 on a consolidated basis despite significant reduction in the contribution from Argentina
- Mexico, Spain, Uruguay and Online are the key markets supporting growth outside of Argentina.

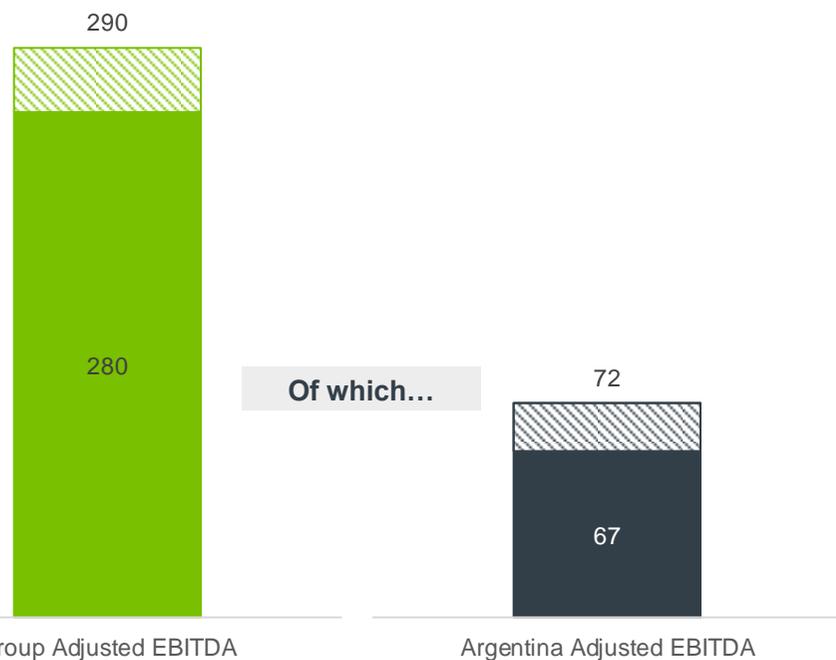
- 8.2% year on year growth in Q2 driven by strong performance in Mexico, Spain, Colombia and Uruguay, despite a 29% decrease in Argentina.
- Sustained LTM Adjusted EBITDA growth.
- Margin increase to 19.8% in Q2 2019, 2.5.p.p. above Q2 2018.
- Decrease of over 50% of non-recurring expenses in 1H'19 vs. 1H'18.

1) Figures prior to the application of IFRS 16 and inflation accounting adjustments (IAS 29) in Argentina.
 2) Figures are unaudited and pending Board of Directors' review and approval of 1H 2019 accounts.
 3) Typical seasonality implies a lower Q2 in revenues due to Easter and end of soccer season. In 2018, Easter happened in Q1 and the World Cup event in June had a positive impact on SB revenue.

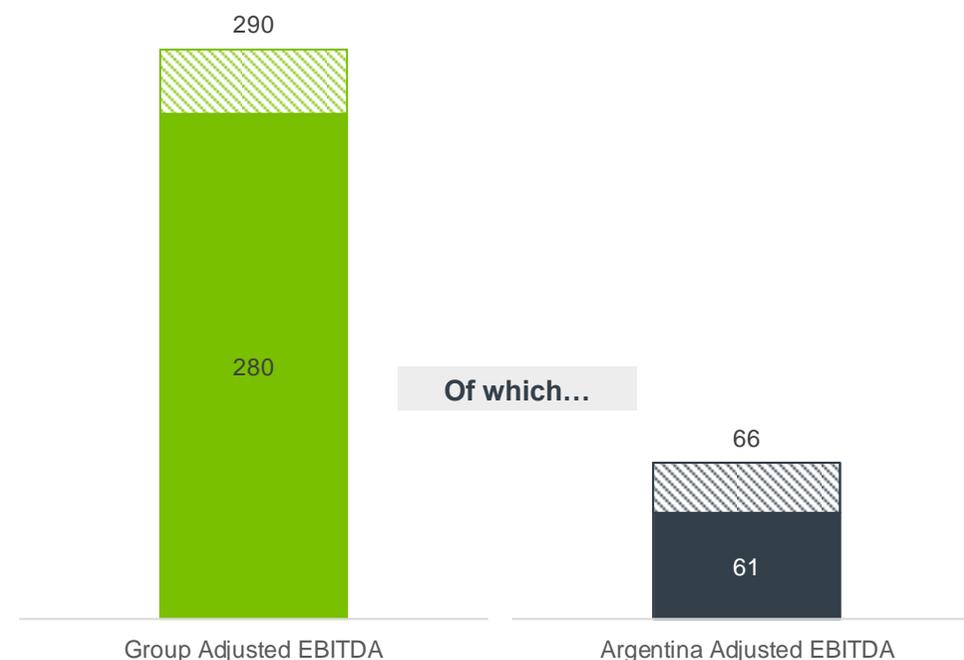
2019 Adjusted EBITDA Guidance Confirmed^(1,2)

Group guidance remains stable despite Argentine peso devaluation thanks to over performance in markets such as Mexico and Uruguay, among others.

Adjusted EBITDA Guidance (€mm) – May 2019



Adjusted EBITDA Guidance (€ mm) – August 2019



	Average Exchange Rates				
	1Q	2Q	3Q	4Q	FY
EUR/ARS ⁽³⁾	44.40	49.18	52.76	55.99	50.58
EUR/MXN	21.81	21.30	21.86	22.34	21.83
EUR/USD	1.14	1.12	1.13	1.13	1.13

	Average Exchange Rates				
	1Q	2Q	3Q	4Q	FY
EUR/ARS ⁽⁴⁾	44.40	49.38	54.59	79.41	56.94
EUR/MXN	21.81	21.50	21.45	22.45	21.80
EUR/USD	1.14	1.12	1.11	1.11	1.12

Guidance sensitivity analysis implies that a variation of 1 AR\$ on the average EUR/ARS exchange rate for 2019 would result in a 1 EUR million variation on Adjusted EBITDA for the Group.

1) Figures prior to the application of IFRS 16 and inflation accounting adjustments (IAS 29) in Argentina.

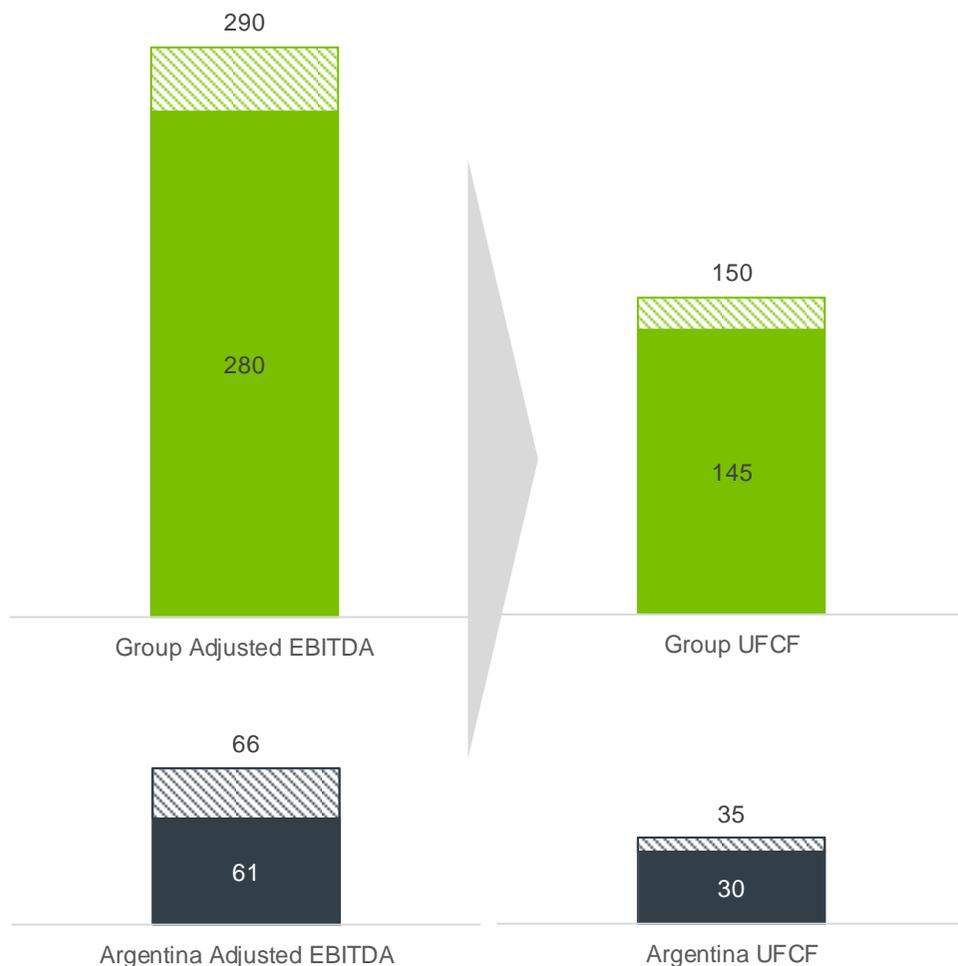
2) Figures are unaudited and pending Board of Directors' review and approval of 1H 2019 accounts.

3) 2019 FX forecasts based on March 2019 REM Report (Relevamiento de Expectativas de Mercado) issued by the BCRA (Argentina's Central Bank).

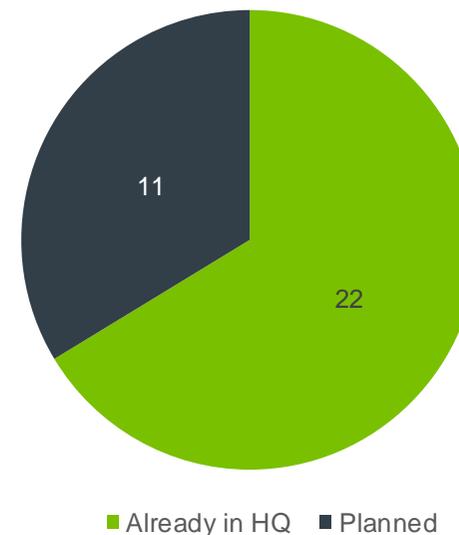
4) 2019 FX forecasts based on Bloomberg forwards as of August 20, 2019.

Contribution from Argentina: 2019 Cash Flow and Liquidity^(1,2)

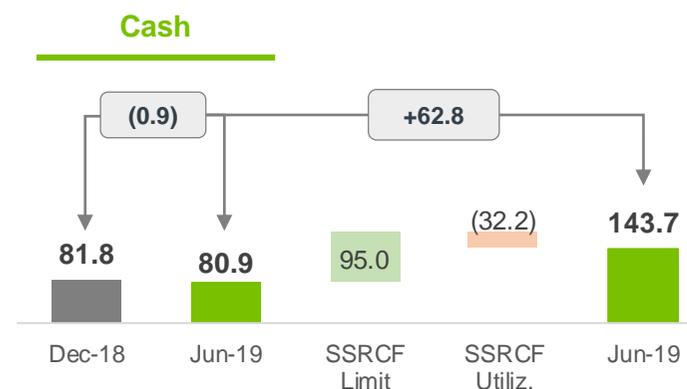
Adjusted EBITDA to UFCF Conversion (€ mm)⁽³⁾



Argentina Cash Distributions to HQ (€ mm)⁽⁴⁾



Liquidity (€mm)



- Argentina expected to generate only 20-25% of the UFCF of the Group in 2019 (vs. approximately 60% in 2016 when Senior Notes were issued).
- As of August 22, 2019, €22 mm of the expected distributions to HQ had already been done and a further €11 mm (considering ARS devaluation) are expected to be distributed before year end.
- Liquidity remains strong with a total cash balance of €81 mm, out of which only €13 mm were in Argentina as of June 30 (€11 mm after the July distributions).

1) Figures prior to the application of IFRS 16 and inflation accounting adjustments (IAS 29) in Argentina.
 2) Cash flow analysis based on Adjusted EBITDA Guidance.
 3) UFCF (Unlevered Free Cash Flow) defined as Adjusted EBITDA – Maintenance Capex – Chg. In Working Capital – Minorities – Corporate Income Taxes Paid.
 4) Planned distributions based on local currency projections converted to EUR as per August 20, 2019 Bloomberg forwards.

For additional information, please contact:

codere

Investor Relations

inversor@codere.com

+34 91 354 2819

