

ANNUAL REPORT ON CORPORATE GOVERNANCE

LISTED COMPANIES

IDENTIFICATION DETAILS OF ISSUER

DATE FINANCIAL YEAR ENDED: 31/12/2010

C.I.F. (Tax I.D. Code): A-82110453

Company Name: CODERE, S.A.

STANDARD FORMAT: ANNUAL REPORT ON CORPORATE GOVERNANCE BY LISTED COMPANIES

For a better understanding of this standard format and the subsequent preparation of your submission, please follow the instructions provided at the end of the report.

A – OWNERSHIP STRUCTURE

A.1 Complete the following table on the company's share capital:

Date of last change	Share Capital (euros)	Number of shares	Number of voting rights
19/10/2007	11,007,294.00	55,036,470	55,036,470

Indicate whether there are different classes of shares with different associated rights.

NO

A.2 List the direct and indirect holders of significant shareholdings in your company on the date of close of accounts for the year.

Indicate the most significant movements in the shareholder structure occurring in the course of the financial year:

Name or company name of the shareholder	Date of the transaction	Description of the transaction
NOONDAY ASSET MANAGEMENT LLP	25/03/2010	Shareholdings exceeded 3% of the share capital
NOONDAY ASSET MANAGEMENT LLP	17/11/2010	Shareholdings exceeded 5% of the share capital

A.3 Complete the following tables with respect to the members of the company's Board of Directors holding voting rights attached to company shares:

Name or company name of the director	Number of direct voting rights	Number of indirect voting rights (*)	% of total voting rights
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	6,838,261	28,259,088	63.771
ENCARNACIÓN MARTÍNEZ SAMPEDRO	1,202,000	0	2.184
EUGENIO VELA SASTRE	0	20,718	0.038
JOSEPH ZAPPALA	278,738	0	0.506
JOSÉ RAMÓN ROMERO RODRÍGUEZ	50,000	0	0.091
LUIS JAVIER MARTÍNEZ SAMPEDRO	1,296,035	100,000	2.537

Name or company name of the indirect owner of the shareholding	Through: Name or company name of the direct owner of the shareholding	Number of direct voting rights	% of total voting rights
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	MASAMPE HOLDING, B.V.	28,259,088	51.346
ENCARNACIÓN MARTÍNEZ SAMPEDRO	SOLGIM INVERSIONES SICAV, S.A.	100,000	0.182
EUGENIO VELA SASTRE	CARMEN FERRER PALASÍ	20,718	0.038

% of total voting rights held by the Board of Directors	69.127
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Complete the following tables with respect to the members of the company's Board of Directors owning rights on company shares:

A.4 Indicate, if applicable, the relationships of a family, business, contractual or corporate nature existing among the owners of significant shareholdings, to the extent that such relationships are known to the company, unless they are of scant relevance or derive from ordinary business activities:

Type of relationship:

Corporate

Brief description:

José Antonio Martínez Sampedro is the majority shareholder of Masampe Holding BV.

Name or company name of related parties
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO
MASAMPE HOLDING, B.V.

A.5 Indicate, if applicable, any relationships of a family, business, contractual or corporate nature existing among the owners of significant shareholdings and the company and/or its group, unless they are of scant relevance or derive from ordinary business activities:

Type of relationship:

Corporate

Brief description:

MASAMPE HOLDING BV. is the company's major shareholder.

Name or company name of related parties
MASAMPE HOLDING, B.V.

A.6 Indicate whether any shareholder agreements have been notified to the company which could affect it in the terms established in art. 112 of the Securities Market Act. If applicable, briefly describe such agreements and list the shareholders bound by them:

NO

Indicate whether the company is aware of any concerted actions among its shareholders. If applicable, provide a brief description:

NO

In the event that during the year any such covenants or agreements or concerted actions were amended or broken, please indicate expressly below:

A.7 Indicate whether there is any natural or legal person who exercises or could exercise control over the company in accordance with article 4 of the Securities Market Act. If so, identity such person below:

YES

Name or company name
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO
Remarks
José Antonio Martínez Sampedro through MASAMPE HOLDING, B.V.

A.8 Complete the following tables with respect to the company's treasury shares:

At year-end:

Number of direct shares	Number of indirect shares (*)	% total share capital
24,261	0	0.044

(*) Through:

Total	0
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Specify significant changes, as per Royal Decree 1362/2007, occurring during the year:

Gain/(Loss) on treasury shares sold during the period (thousands of euros)	75
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A.9 Specify the terms and conditions and the duration of the authority given to the Board of Directors in order to acquire or transfer treasury shares.

The General Shareholders' Meeting held on 10 June 2010 approved the following as point four on the Agenda:

1. Relinquishing the unused portion of the authority given for the buy-back of shares under point five on the agenda of the General Shareholders' Meeting held on 25 June 2009, to approve, in accordance with the relevant legislation, the derivative acquisition by Codere, S.A., at any time and as often as deemed advisable, either directly or through any of the subsidiaries of which it is the parent company, of its own fully paid-up shares, by purchase or under any other legal title involving a consideration.

The minimum purchase price or consideration will be the nominal value of the shares bought back and the maximum will be the result of increasing the share price on the date of purchase by 20 percent.

Such authority is granted for a period of eighteen months counting from the date of this Meeting and is expressly subject to the restriction that at no time may the nominal value of the shares bought-back under this authority, added to that of those already owned by Codere, S.A. and any of its subsidiaries, exceed the maximum amount allowed by Law at any time.

It is expressly stated that this authority may be used fully or partially for the acquisition of the company's own shares to be handed over or transferred to consultants, senior management staff and employees of the company or of companies in its group, directly or as a consequence of the exercise by the aforementioned of their option rights, within the framework of the remuneration systems indexed to the Codere, S.A. share price (ART. 75, Companies Act).

2. To empower the Board of Directors, in the broadest terms, for the exercise of the authority concerned in this resolution and in order to carry out the rest of the planned actions contained therein, with the possibility of the delegation of such powers by the Board of Directors to any of the Directors, the Secretary or Deputy Secretary of the Board, or to any other person whom the Board of Directors may expressly empower for this purpose.

A.10 Indicate, if applicable, any restrictions imposed by law or by the Articles of Association to the exercise of voting rights, as well as the legal restrictions to the acquisition or transfer of shareholdings. Indicate whether there are legal restrictions to the exercise of voting rights:

NO

Maximum percentage of voting rights which a shareholder may exercise under legal restriction	0
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Indicate whether there are restrictions to the exercise of voting rights in the Articles of Association:

NO

Maximum percentage of voting rights which a shareholder may exercise under a restriction established in the Articles of Association	0
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Indicate whether there are legal restrictions to the acquisition or transfer of shareholdings:

NO

A.11 Indicate whether the General Meeting has agreed to adopt neutralisation measures with respect to a takeover bid pursuant to Act 6/2007.

NO

If yes, explain the measures approved and the terms in which the restrictions will become ineffective:

B – COMPANY MANAGEMENT STRUCTURE

B.1 Board of Directors

B.1.1 Specify the maximum and minimum number of directors established in the Articles of Association:

Maximum number of directors	15
Minimum number of directors	4

B.1.2 Complete the following table with the details of the members of the Board:

Name or company name of director	Representative	Position on the Board	Date of initial appt.	Date of last appt.	Election Procedure
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	-	CHAIRMAN – MANAGING DIRECTOR	07/05/1999	25/06/2009	VOTING AT GENERAL SHAREHOLDERS' MEETING
MASAMPE, S.L.	FERNANDO LORENTE HURTADO	DEPUTY CHAIRMAN	25/06/2009	25/06/2009	VOTING AT GENERAL SHAREHOLDERS' MEETING
ENCARNACIÓN MARTÍNEZ SAMPEDRO	-	DIRECTOR	17/06/1999	25/06/2009	VOTING AT GENERAL SHAREHOLDERS' MEETING
EUGENIO VELA SASTRE	-	DIRECTOR	17/06/1999	25/06/2009	VOTING AT GENERAL SHAREHOLDERS' MEETING
JOSEPH ZAPPALA	-	DIRECTOR	20/11/2002	25/06/2009	VOTING AT GENERAL SHAREHOLDERS' MEETING
JOSÉ IGNACIO CASES MÉNDEZ	-	DIRECTOR	17/06/1999	25/06/2009	VOTING AT GENERAL SHAREHOLDERS' MEETING

Name or company name of director	Representative	Position on the Board	Date of initial appt.	Date of last appt.	Election Procedure
JOSÉ RAMÓN ROMERO RODRÍGUEZ	-	DIRECTOR	17/06/1999	25/06/2009	VOTING AT GENERAL SHAREHOLDERS' MEETING
JUAN JOSÉ ZORNOZA PÉREZ	-	DIRECTOR	17/06/1999	25/06/2009	VOTING AT GENERAL SHAREHOLDERS' MEETING
LUIS JAVIER MARTÍNEZ SAMPEDRO	-	DIRECTOR	07/05/1999	25/06/2009	VOTING AT GENERAL SHAREHOLDERS' MEETING

Total number of directors	9
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Indicate any resignations or removals from the Board of Directors occurring in the period:

B.1.3 Complete the following tables with the details of the members of the Board and their status:

EXECUTIVE DIRECTORS

Name or company name of director	Committee which proposed the appointment	Position in company organisational chart
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	CORPORATE GOVERNANCE COMMITTEE	CHAIRMAN AND MANAGING DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CORPORATE GOVERNANCE COMMITTEE	DIRECTOR
LUIS JAVIER MARTÍNEZ SAMPEDRO	CORPORATE GOVERNANCE COMMITTEE	DIRECTOR CODERE AMERICA

Total number of executive directors	3
% of total Board	33.333

EXTERNAL NOMINEE DIRECTORS

Name or company name of director	Committee which proposed the appointment	Name or company name of the significant shareholder represented or who proposed appointment
MASAMPE, S.L.	CORPORATE GOVERNANCE COMMITTEE	JOSÉ ANTONIO MARTÍNEZ SAMPEDRO
JOSÉ IGNACIO CASES MÉNDEZ	CORPORATE GOVERNANCE COMMITTEE	JOSÉ ANTONIO MARTÍNEZ SAMPEDRO
JOSÉ RAMÓN ROMERO RODRÍGUEZ	CORPORATE GOVERNANCE COMMITTEE	JOSÉ ANTONIO MARTÍNEZ SAMPEDRO

Total number of nominee directors	3
% of total Board	33.333

EXTERNAL INDEPENDENT DIRECTORS

Name or company name of the director
EUGENIO VELA SASTRE

Profile

President of Grupo Cosien S.A.

Degree in Economics and Business Administration and Industrial Engineering from the Complutense University of Madrid and the Polytechnic University of Madrid.

Name or company name of the director
JOSEPH ZAPPALA

Profile

Former U.S. Ambassador to Spain, 1989-1992.

President of Joseph Zappala Investments.

Name or company name of the director
JUAN JOSÉ ZORNOZA PÉREZ

Profile

Chair of Financial and Tax Law, Universidad Carlos III, Madrid

Doctorate in Law from the Autonomous University of Madrid.

Total number of independent directors	3
% of total Board	33.333

OTHER EXTERNAL DIRECTORS

Specify the reasons why these DIRECTORS cannot be considered as nominee or independent directors and their ties either with the company or its managers, or with its shareholders.

Indicate any changes which have taken place during the period with respect to the status of each director:

B.1.4 Explain, if applicable, the reasons for appointing nominee directors at the request of shareholders owning less than 5% of the share capital.

Indicate whether formal requests for appointments to the Board have been denied to shareholders whose shareholdings are equal to or greater than those of others at whose request nominees directors were appointed. If this is the case, explain the reasons why the requests of such shareholders were not accepted.

NO

B.1.5 If a director has stepped down from his/her office prior to the end of the relevant term, indicate whether such director explained his or her reasons to the Board, and through what means, and, in the event that reasons were given in writing to the entire Board, explain below at least the reasons given by the director:

NO

B.1.6 Indicate the powers delegated to the managing director/s, if applicable:

Name or company name of director

JOSÉ ANTONIO MARTÍNEZ SAMPEDRO

Brief description

The Board of Directors permanently delegates all powers to the Managing Director, except for those which are reserved by law or the Articles of Association and those which cannot be delegated according to the Rules of Procedure of the Board of Directors of Codere, S.A.

B.1.7 Identify, if applicable, the members of the Board who hold directorships or senior management positions in other companies which form a part of the listed company's group:

Name or company name of director	Name of the group company	Office
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	C-F8, S.L.	JOINT AND SEVERAL DIRECTOR

Name or company name of director	Name of the group company	Office
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	CODERE AMÉRICA, S.L.U.	JOINT AND SEVERAL DIRECTOR
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	CODERE DISTRIBUCIONES, S.L.	JOINT AND SEVERAL DIRECTOR
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	CODERE ESPAÑA, S.L.U.	JOINT AND SEVERAL DIRECTOR
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	CODERE INTERACTIVA, S.L.	CHAIRMAN OF THE BOARD
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	CODERE INTERNACIONAL, S.L.U.	JOINT AND SEVERAL DIRECTOR
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	CODERE MADRID, S.A.	JOINT AND SEVERAL DIRECTOR
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	CODERE MEXICO S.A. DE C.V.	CHAIRMAN OF THE BOARD
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	CODERE VALENCIA, S.A.	JOINT AND SEVERAL DIRECTOR
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	COLONDER, S.A.U.	JOINT AND SEVERAL DIRECTOR
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	NIDIDEM, S.L.U.	JOINT AND SEVERAL DIRECTOR
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	RECREATIVOS MAE, S.L.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	BINGO OASIS, S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	BINGO RE, S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	BINTENGRAL, S.P.A.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	C-F8, S.L.	JOINT DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CARTAYA, S.A.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODEMATICA, S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE AMÉRICA, S.L.U.	JOINT AND SEVERAL DIRECTOR

Name or company name of director	Name of the group company	Office
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE ASESORÍA, S.A.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE BARCELONA, S.A.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE DISTRIBUCIONES, S.L.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE ESPAÑA, S.L.U.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE GAMING ITALIA, S.R.U.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE GIRONA, S.A.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE INTERATTIVA ITALIA SRL	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE INTERNACIONAL, S.L.U.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE ITALIA, S.P.A.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE MADRID, S.A.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE NETWORK, S.P.A.	CHAIRMAN OF THE BOARD
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE VALENCIA, S.A.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODESTRADA, S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	COLONDER, S.A.U.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	EL PORTALÓN, S.L.	JOINT DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	GAMING NEW, S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	GESTIONI MARCONI, S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	GIOMAX, S.R.L.	SOLE DIRECTOR

Name or company name of director	Name of the group company	Office
ENCARNACIÓN MARTÍNEZ SAMPEDRO	IMMOBILGEST, S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	JPVMATIC 2005	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	MAXIBINGO, S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	MISURI, S.A.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	NIDIDEM, S.L.U.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	OPERBINGO ITALIA, S.P.A.	CHAIRMAN OF THE BOARD
ENCARNACIÓN MARTÍNEZ SAMPEDRO	OPERGAMES, S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	OPERGIOCHI ITALIA, S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	OPERIBÉRICA, S.A.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	OPERINVESTMENTS, S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	OPERLOTS ITALIA, S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	OPERSHERKA, S.L.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	PALACE BINGO SRL	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	PARISIENNE S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	RECREATIVOS CÓSMICOS, S.L.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	RECREATIVOS MAE, S.L.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	RECREATIVOS OBELISCO, S.L.	CHAIRMAN OF THE BOARD AND DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	RECREATIVOS POPULARES, S.L.	JOINT DIRECTOR

Name or company name of director	Name of the group company	Office
ENCARNACIÓN MARTÍNEZ SAMPEDRO	RED AEAM, S.A.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	SIGIREC, S.L.	CHAIRMAN OF THE BOARD
ENCARNACIÓN MARTÍNEZ SAMPEDRO	SUPERPIK, S.L.	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	VEGAS, S.R.L.	SOLE DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	WINNER BET S.R.L.	SOLE DIRECTOR
JOSÉ RAMÓN ROMERO RODRÍGUEZ	CODERE INTERACTIVA S.L.	DIRECTOR
LUIS JAVIER MARTÍNEZ SAMPEDRO	ALTA CORDILLERA, S.A.	PRESIDENT
LUIS JAVIER MARTÍNEZ SAMPEDRO	BINGOS DEL OESTE, S.A.	DIRECTOR
LUIS JAVIER MARTÍNEZ SAMPEDRO	BINGO PLATENSES, S.A.	DIRECTOR
LUIS JAVIER MARTÍNEZ SAMPEDRO	CODERE AMÉRICA, S.L.U.	JOINT AND SEVERAL DIRECTOR
LUIS JAVIER MARTÍNEZ SAMPEDRO	CODERE ARGENTINA, S.A.	DIRECTOR
LUIS JAVIER MARTÍNEZ SAMPEDRO	CODERE INTERNACIONAL, S.L.U.	JOINT AND SEVERAL DIRECTOR
LUIS JAVIER MARTÍNEZ SAMPEDRO	CODERE MEXICO S.A. DE C.V.	TREASURER
LUIS JAVIER MARTÍNEZ SAMPEDRO	CODERE PANAMÁ, S.A.	CHAIRMAN OF THE BOARD
LUIS JAVIER MARTÍNEZ SAMPEDRO	COMPAÑÍA DE RECREATIVOS DE PANAMÁ, S.A.	CHAIRMAN OF THE BOARD
LUIS JAVIER MARTÍNEZ SAMPEDRO	DESARROLLO ONLINE DE JUEGOS REGULADOS S.A.	CHAIRMAN OF THE BOARD AND MANAGING DIRECTOR
LUIS JAVIER MARTÍNEZ SAMPEDRO	HÍPICA DE PANAMÁ, S.A..	CHAIRMAN OF THE BOARD
LUIS JAVIER MARTÍNEZ SAMPEDRO	IBERARGEN, S.A.	CHAIRMAN OF THE BOARD
LUIS JAVIER MARTÍNEZ SAMPEDRO	INTERBAS, S.A.	CHAIRMAN OF THE BOARD

Name or company name of director	Name of the group company	Office
LUIS JAVIER MARTÍNEZ SAMPEDRO	INTERJUEGOS, S.A.	DIRECTOR
LUIS JAVIER MARTÍNEZ SAMPEDRO	INTERMAR BINGOS, S.A.	DIRECTOR
LUIS JAVIER MARTÍNEZ SAMPEDRO	INTERNATIONAL THUNDERBIRD GAMING (PANAMA) CORPORATION	CHAIRMAN OF THE BOARD
LUIS JAVIER MARTÍNEZ SAMPEDRO	ITAPOAN, S.A.	CHAIRMAN OF THE BOARD
LUIS JAVIER MARTÍNEZ SAMPEDRO	NANOS, S.A.	CHAIRMAN OF THE BOARD
LUIS JAVIER MARTÍNEZ SAMPEDRO	SAN JAIME, S.A.	DIRECTOR

B.1.8 Specify, if applicable, the directors of your company who are members of the Board of Directors of other companies listed on official securities markets in Spain other than those of your group, which have been reported to the company:

B.1.9 Indicate and, if applicable, explain if the company has established rules with respect to the number of Boards to which its directors may belong:

YES

Explanation of the rules
Pursuant to article 4 of the Rules of Procedure of the Board of Directors of Codere SA, unless expressly authorised by the Board following a report by the Corporate Governance Committee, Directors may not belong to more than 8 Boards, excluding (i) Boards of Companies belonging to the same group as the Company, (ii) the Boards of family companies or holding companies owned by the Directors or their families and (iii) Boards to which they belong as a result of a professional relationship.

B.1.10 In relation to Recommendation number 8 of the Unified Code, indicate the general policies and strategies of the company which the plenum of the Board has reserved for itself to approve:

Investment and finance policy	YES
Definition of the structure of the group of companies	YES
Corporate Governance policy	YES
Corporate Social Responsibility policy	YES

Strategic or Business Plan, as well as the annual management targets and budget	YES
Compensation policy and evaluation of senior management performance	YES
Risk management and control policy, as well as the regular monitoring of the internal information and control systems	YES
Dividend policy, as well as treasury share policy and, particularly, the limits thereof	YES

B.1.11 Complete the following tables with respect to the aggregate compensation of the directors paid during the year:

a) In the company concerned in this report:

Type of compensation	Figures in thousands of euros
Fixed Compensation	375
Variable Compensation	0
Meeting Attendance Allowances	282
Fees established in Articles of Association	0
Stock options and/or other financial instruments	0
Other	0

Total	657
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Other Benefits	Figures in thousands of euros
Advances	0
Loans granted	0
Pension Funds and Plans: Contributions	0
Pension Funds and Plans: Liabilities	0
Life insurance premiums	0
Guarantees provided by the company to directors	0

b) For company directors serving on other Boards of Directors and/or in the senior management of group companies:

Type of compensation	Figures in thousands of euros
Fixed Compensation	1,157
Variable Compensation	0
Meeting Attendance Allowances	0
Fees established in Articles of Association	0
Stock options and/or other financial instruments	0
Other	0

Total	1,157
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Other Benefits	Figures in thousands of euros
Advances	0
Loans granted	0
Pension Funds and Plans: Contributions	0
Pension Funds and Plans: Liabilities	0
Life insurance premiums	0
Guarantees provided by the company to directors	0

c) Total compensation by type of directorship:

Type of directors	By company	By group
Executive	236	1,157
External Nominee	229	0
External Independent	192	0
Other External	0	0

Total	657	1,157
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d) With respect to the profit attributed to the parent company:

Total compensation paid to directors (in thousands of euros)	1,814
Total compensation paid to directors/profit attributed to the parent company (shown as a %)	0.0

B.1.12 Identify any members of senior management who are not in turn executive directors and indicate the total remuneration paid to them during the year:

Name or company name	Position
RAFAEL CATALÁ POLO	GENERAL SECRETARY AND SECRETARY OF THE BOARD OF DIRECTORS
LUIS MIGUEL AREAN MARTÍNEZ	OPERATIONS MANAGER MEXICO
PEDRO CARLOS ECHEVARRIA ARNAIZ	MANAGER ASSISTING THE CHAIRMAN
RAFAEL LÓPEZ ENRÍQUEZ CHILLÓN	HUMAN RESOURCES MANAGER
SERAFÍN GÓMEZ RODRÍGUEZ	SECURITY AND COMPLIANCE MANAGER
ALBERTO GONZÁLEZ DEL SOLAR	GENERAL MANAGER ARGENTINA
CLAUDIO VALLEJO AGUILA REAL	COMMUNICATIONS MANAGER
PEDRO VIDAL ARAGON DE OLIVES	MANAGER OF GAMING IN HOSPITALITY SECTOR SPAIN
ANTONIO PARA ANDRADE	PRODUCT MANAGER SPAIN
JAIME ESTALELLA CARVAJAL	OPERATIONS MANAGER EUROPE
DAVID ELIZAGA CORRALES	FINANCIAL MANAGER
RICARDO MORENO WARLETA	CORPORATE DEVELOPMENT MANAGER

Name or company name	Position
ADOLFO CARPENA MANSO	INTERNAL AUDIT MANAGER
FERNANDO ORS VILLAREJO	BUSINESS DEVELOPMENT MANAGER
KIM NIZAM PASHA SHARPE	GENERAL MANAGER MEXICO
ALEJANDRO PASCUAL GONZALEZ	OPERATIONS MANAGER ITALY
BEATRICE RANGEL NBSP	INSTITUTIONAL RELATIONS MANAGER FOR AMERICA
VICENTE GABRIEL DI LORETO	OPERATIONS MANAGER LATIN AMERICA
MASSIMO RUTA	GENERAL MANAGER ITALY
RICARDO JANSON	GENERAL MANAGER PANAMA

Total remuneration paid to senior managers (in thousands of euros)	5,023
---------------------------------------------------------------------------	-------

B.1.13 Identify in aggregate terms whether any golden parachute clauses exist for senior management, including the executive directors, of the company or its group for cases of dismissal or changes in control. Indicate whether the existence of such contracts must be reported to and/or be approved by the management bodies of the company or of its group:

Number of beneficiaries	4
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	Board of Directors	General Meeting
Body approving the clauses	YES	NO

Is the General Meeting informed of the clauses?	NO
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B.1.14 Describe the process for determining the compensation to be paid to the members of the Board of Directors and the clauses in the Articles of Association relevant to such process:

Process for determining the compensation to be paid to the members of the Board of Directors and the relevant clauses in the Articles of Association

In accordance with the provision made in the Rules of Procedure of the Board of Directors of Codere S.A., specifically in article 5 paragraph 2, the compensation of the Directors shall be made in accordance with the Articles of Association. Following a report by the Corporate Governance Committee, the Board will approve an annual report on the policy for the compensation of the Directors which will address, among other matters, when included in the compensation established in the Articles of Association, the amount of the fixed components, variable items and the principal characteristics of social welfare systems. This report will be submitted to a vote at the General Shareholders' Meeting as a separate item on the agenda and on a consultative basis.

Article 24.5 of the Articles of Association stipulates the following with respect to the compensation of the members of the Board of Directors:

"The office of Director shall be remunerated. Such compensation shall be comprised by the following items:

- a) A fixed annual payment to each Director of thirty thousand one hundred and twenty euros (30,120.00 euros).
 - b) An allowance for attendance at Board meetings. In the case of personal attendance at the Board meetings, each Director shall be paid an amount to be established by the Board but which may not exceed three thousand and twelve euros (3,012.00 euros).
 - c) Fees, if any, which are allocated by the Board of Directors in view of the duties or tasks performed by Directors in the scope of the actions of the Board and its Committees.
- The total amount of these fees may not exceed, on an annual basis, the total amount pertaining to the Directors taken overall for the items referred to in letters a) and b) above.
- The Board shall establish the specific duties or tasks which will give rise to the entitlement to these fees and their amount. The General Shareholders' Meeting shall be informed of the details of any such fees as may be determined in the Annual Compensation Policy Report.

The amount of compensation referred to in paragraphs a) to c) above shall be automatically adjusted each year to the increases or decreases registered in the General Consumer Price Index published by the National Institute of Statistics.

Likewise, paragraph 6 under article 24 of the Articles of Association indicates with respect to the amounts payable above that such amounts shall be compatible with and independent of the wages, remuneration, indemnities, pensions, stock options, share-price-indexed remuneration systems or compensation of any other kind established on a general or individual basis for those Directors who provide executive or professional services to the Company, regardless of the nature of their relationship with the Company, that is, an ordinary or special senior management employment relationship, or a commercial or services arrangement, relations which shall be compatible with the status of a member of the Board of Directors."

Indicate whether the plenum of the Board has reserved for itself the approval of the following decisions:

At the proposal of the chief executive of the company, the appointment and eventual dismissal of senior management staff, as well as their indemnity clauses.	YES
The compensation of the directors and, in the case of executive directors, additional remuneration for their executive duties and other terms and conditions which their contracts must respect.	YES

B.1.15 Indicate whether the Board of Directors approves a detailed compensation policy and specify the issues addressed by it:

YES

Amount of the fixed components, with a breakdown, if applicable, of the allowances for attending Board meetings and participating on Committees and an estimate of the annual fixed compensation to which they give rise.	YES
Variable compensation items	YES
Principal characteristics of social welfare systems, estimating their amount or equivalent annual cost.	YES
Terms and conditions which must be observed in the contracts of those performing senior management duties as well as executive directors	YES

B.1.16 Indicate whether the Board submits a report on director compensation policy to a vote by the General Shareholders' Meeting as a separate item on the agenda and on a consultative basis. If applicable, explain the aspects of the report addressing the compensation policy approved by the Board for future years, the most significant changes in such policies with respect to the policy applied during the year and an overall summary of how the compensation policy was applied in the year. Describe the role of the Compensation Committee and, if external consultancy has been used, identify the external consultants providing the service:

YES

Issues addressed in the compensation policy
<ol style="list-style-type: none"> 1. Composition of the Company's Board of Directors 2. Composition, responsibilities and running of the Corporate Governance Committee. 3. General Principles of the policy for the compensation of directors. 4. Compensation system for the executive directors, including plans or estimate for the following year. 5. Compensation system for non-executive directors, including plans or estimate for the following year.

Role of the Compensation Committee
As established in article 5.2 of the Codere S.A. Rules of Procedure of the Board of Directors, the Board approves the Directors' Compensation Policy Report, following a report issued by the Corporate Governance Committee.

Has external consultancy been used?	
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Identity of the external consultants

B.1.17 Indicate, if applicable, the identity of the members of the Board who are, in turn, members of the Board of Directors, managers or employees of companies having significant shareholdings in the listed company and/or in companies belonging to its group:

Name or company name of the director	Company name of the significant shareholder	Position
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	MASAMPE HOLDING, B.V.	Managing Director

Specify, if applicable, any relevant relationships of the members of the Board of Directors other than those considered in the preceding paragraph which connect them with the significant shareholders and/or in companies of their group:

B.1.18 Indicate whether any change has been made in the Rules of Procedure of the Board during the year:

YES

Description of the changes
The Board of Directors, at the meeting held on 10 June 2010, agreed to approve the new Rules of Procedure of the Board of Directors, introducing a number of changes with respect to the composition of the Board, term of office, responsibilities and powers of the Board and its Committees.

B.1.19 Indicate the procedures for the appointment, re-election, evaluation and resignation and removal of the directors. Detail the competent bodies, the steps to be taken and the criteria to be used in each procedure.

Appointment.

The power to appoint the members of the Board of Directors pertains to the General Shareholders' Meeting (Art. 24.1 of the Articles of Association), without prejudice to the power of the Board to appoint, from among the shareholders, the persons who are to fill any vacancies as may occur, until such time as the next General Meeting is held (Art. 24.15 of the Articles).

Persons liable to any circumstance of incompatibility, disqualification, incapacity or prohibition established within any territorial scope affecting the company, both of a general nature as well as applicable specifically to the corporate purpose and business activities of the Company, may not serve on the Board as directors or represent directors who are legal persons (Art. 24.4 of the Articles of Association).

In any case, those persons appointed as Directors must meet not only the requirements stipulated in the Law and in the Articles of Association, but also those contained in the Rules of Procedure of the Board of Directors, formally undertaking at the time when they take up their office to comply with the obligations and duties established therein. Particularly significant is the fact that when the Board of Directors makes its proposal to the General Meeting for the appointment of Directors and makes any appointments as appropriate under the cooptation system, it shall do so on the proposal of the Corporate Governance Committee in the case of Independent Directors and following a report by the Corporate Governance Committee in the case of the rest of the Directors (Art. 2, Rules of Procedure of the Board of Directors).

Re-election.

The Directors shall perform their duties during a term of six years and may be re-elected for new terms of the same duration by the General Shareholders' Meeting.

As in the case of appointments, re-election must be preceded either by a proposal (in the case of the Independent Directors) or by a report issued by the Corporate Governance Committee (in the case of the rest of the Directors).

Evaluation.

Once each year, the Board, on the proposal of the Corporate Governance Committee, evaluates its own performance, that of its Committees and of the Chairman of the Board (Art. 12, Rules of Procedure of the Board of Directors).

Stepping-down.

The Directors shall step down in the cases and for the reasons established by Law or in the Articles of Association (Art. 3, Rules of Procedure of the Board of Directors).

B.1.20 Specify the cases in which directors are obliged to step down.

The Nominee Directors must step down whenever the shareholder they represent sells its entire shareholding or reduces its shareholding to a level requiring the reduction of the number of its Nominee Directors (Art. 3.3, Rules of Procedure of the Board of Directors).

The Board must not propose the removal of any of the Independent Directors prior to the completion of the term of office to which such Directors are appointed, unless there is due cause, as determined by the Board following a report by the Corporate Governance Committee. Due cause shall be understood to exist when a Director has failed to discharge the duties inherent to his/her office or has become liable to any of the circumstances preventing qualification as independent (Art. 3.4, Rules of Procedure of the Board of Directors). The removal of Independent Directors may also be proposed as a result of takeover bids, mergers or other similar corporate transactions involving a change in the structure of the Company's capital, whenever such changes in the structure of the Board are supported by the criterion of proportionality established in Art. 1.9 of the Rules of Procedure of the Board of Directors.

Directors shall be obliged to step down in those cases in which they may damage the credit and reputation of the Company (Art. 3.6, Rules of Procedure of the Board of Directors).

Whenever, by resignation or for any other reason, a Director steps down from his/her office prior to the end of the term thereof, such Director must explain the reasons in a letter to be sent to all of the members of the Board (Art. 3.7, Rules of Procedure of the Board of Directors).

B.1.21 Explain whether function of chief executive of the Company falls upon the office of Chairman of the Board. Indicate the measures taken to limit the risks of accumulation of powers in a single person:

YES

Measures for limiting risks
<p>In accordance with the Rules of Procedure of the Board of Directors, the Chairman and Chief Executive Officer is a member of the Board of Directors, a collegiate body which is required to carry out its duties with unity of purpose and independence, strictly within the framework of rigour, impartiality and objectivity established by Law and the Articles of Association.</p> <p>Similarly, any resolution or decision of particular significance for the company must be submitted to the relevant Board Committee prior to approval by the Board.</p> <p>Moreover, reports and proposals by the various Committees of the company must be obtained prior to adopting certain resolutions.</p> <p>Likewise, it is important to highlight the fact that the Chairman does not have a casting vote on the Board of Directors.</p>

Indicate and, if applicable, explain whether rules have been established which empower one of the independent directors to request the call of a Board meeting, or that additional items be included on the agenda, in order to coordinate and reflect the concerns of the external directors and to conduct the evaluation by the Board of Directors.

YES

Explanation of the rules
<p>In accordance with article 10.5 of the Rules of Procedure of the Board of Directors, the Deputy Chairman or in his/her absence, one of the Independent Directors, may request that a Board meeting be called or the inclusion of additional items on the agenda, in order to reflect the concerns of the External Directors and direct the evaluation of the Chairman by the Board.</p> <p>In addition, article 10.6, in the framework of the appointment of the Deputy Chairman, states that the Board of Directors, if it deems appropriate, may appoint a Deputy Chairman in order that, such office may not only replace the Chairman in the event of absence or illness, but also may collaborate with the Chairman in the exercise of his or her duties.</p>

B.1.22 Are reinforced majorities, other than the legal majorities, required for any kind of decision?

NO

Describe how resolutions are adopted on the Board of Directors, indicating at least the minimum attendance quorum and the type of majorities required in order to adopt resolutions:

Description of the resolution:

The resolutions of the Board of Directors.-

Quorum	%
In accordance with article 24.11 of the Articles of Association, in order for a Board meeting to be validly convened, half plus one of its members, between those present and those represented by proxy, must be in attendance. Moreover, article 12.3 of the Rules of Procedure of the Board states that the valid convening of the Board and the adoption of resolutions by the meeting must conform to the stipulations of the Law and of the Articles of Association.	50.00

Types of majority	%
Article 24.13 of the Articles of Association establishes that the resolutions of the Board, except for those requiring a reinforced majority under the Law, shall be adopted by an absolute majority of votes by the Directors, both present and represented, and shall be recorded in the relevant Minutes.	50.00

B.1.23 Explain whether there are any specific requirements other than those applicable to the directors, in order to be appointed Chairman.

NO

B.1.24 Indicate whether the Chairman has a casting vote:

NO

B.1.25 Indicate whether the Articles of Association or the Rules of Procedure of the Board of Directors establish an age limit for directors:

NO

Age limit for chairman	Age limit for managing director	Age limit for director
0	0	0

B.1.26 Indicate whether the Articles of Association or the Rules of Procedure of the Board of Directors establish a limited term of office for independent directors:

NO

Maximum number of years in office	0
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B.1.27 In the event that there are no or very few women directors, explain the reasons and the initiatives adopted in order to remedy this situation:

Explanation of the reasons and the initiatives
<p>At the present time the Codere S.A. Board of Directors is made up by nine members, one of whom is Ms. Encarnación Martínez Sampedro, who has the status of an Executive Director of the Company. This means that 11.11% of the Board is composed of women, a percentage which is much higher than that of other Spanish listed companies.</p> <p>Moreover, through its Rules of Procedure, the Codere S.A. Board of Directors attributes as a duty of the Corporate Governance Committee the task of evaluating the expertise, knowledge and experience necessary for Board membership, as well as of defining the duties and skills of the candidates which are necessary for filling each vacancy on the Board.</p>

In particular, state whether the Appointments and Compensation Committee has established procedures to ensure that the selection processes are not implicitly biased so as to prevent the selection of women directors and that they deliberately seek women candidates who fit the required profile:

YES

Indicate the principal procedures
Through its Rules of Procedure, the Codere S.A. Board of Directors attributes to the Corporate Governance Committee (art. 1.12 of the Rules of Procedure of the Board) the duty of ensuring that selection procedures have not implicit bias which would place obstacles in the way of the selection of women directors, as well as the duty of deliberately seeking out and including among potential candidates women with the professional profile required. In this way, whenever the Corporate Governance Committee performs this task, it takes into consideration the recommendation on the equality policy for application to Boards of Directors.

B.1.28 Indicate whether there are any formal processes for proxy voting on the Board of Directors. If so, explain briefly:

Article 24.12 of the Articles of Association provides as follows:

“Directors may delegate their attendance and vote in writing to any other Director.”

Also, article 4.1.d of the Rules of Procedure of the Board of Directors, without prejudice to the duty of the Directors to attend the meetings of the bodies to which they belong and to reduce their absences to indispensable situations, establishes that Directors may be represented by proxy, provided that such situation is unavoidable and that the proxy is granted to another member of the Board, through a written document addressed to the Chairman of the Board, with instructions and specific to each meeting.

B.1.29 Indicate the number of meetings held by the Board of Directors during the past year. Likewise, indicate, if applicable, the number of times when the Board met without the attendance of the Chairman:

Number of meetings of the Board	10
Number of meetings of the Board without the attendance of the Chairman	0

Indicate the number of meetings held by the various Board Committees during the year:

Number of meetings of the Executive or Delegated Committee	0
Number of meetings of the Audit Committee	7
Number of meetings of the Appointments and Compensation Committee	8
Number of meetings of the Appointments Committee	0
Number of meetings of the Compensation Committee	0

B.1.30 Indicate the number of meetings held by the Board of Directors during the year without the attendance of all of its members. Attendance by proxy without specific instructions will be counted as non-attendance:

Number of cases of non-attendance by Directors during the year	1
% of non-attendance with respect to the total votes during the year	1.010

B.1.31 Indicate whether the separate and consolidated annual accounts presented for approval to the Board are previously certified:

YES

Identify, if applicable, the person who has/persons who have certified the separate and consolidated annual accounts of the company for the preparation thereof by the Board:

Name	Position
DAVID ELIZAGA CORRALES	FINANCIAL MANAGER

B.1.32 Explain the mechanisms, if any, which the Board of Directors has put into place in order to prevent the separate and consolidated annual accounts drawn up by the Board from being presented to the General Meeting with a qualified opinion in the audit report.

In accordance with article 26.5 of the Articles of Association and article 14.2. e) of the Rules of Procedure of the Board of Directors, the Audit Committee, among other duties, is responsible for liaising with the external auditors to receive information on those matters which could jeopardise the auditors' independence and any other matters associated with the auditing process, as well as to receive information and maintain the communications with the auditors as required by Law.

Pursuant to article 9.4 of the Rules of Procedure of the Board of Directors, the relations of the Board with the company's external auditors, which are channelled through the Audit Committee, must abide by criteria of loyal cooperation and respect for their independence. An effort must be made to ensure that the annual accounts drawn up by the Board can be verified without a qualified opinion by the auditors. In the event that a qualified opinion is unavoidable, the Board, the Chairman of the Audit Committee and the auditors must provide a clear explanation to the shareholders of the content and scope of the reservations or qualified opinions.

The report by the external auditors, Price Waterhouse Coopers, referring to the 2010 financial year, contains no qualified opinions whatsoever.

B.1.33 Does the Secretary of the Board have Director status?

NO

B.1.34 Explain the procedures for the appointment and removal of the Secretary of the Board, indicating whether the appointment and removal of the Secretary involves a report by the Appointments Committee and approval by the plenum of the Board.

Indicate the appointment and removal procedures
In accordance with art. 11.6 of the Rules of Procedure of the Board of Directors, in order to safeguard the independence, impartiality and professionalism of the Secretary, his/her appointment and removal must be preceded by a report by the Corporate Governance Committee and approved by the plenum of the Board.

Does the Appointments Committee report on the appointment?	YES
Does the Appointments Committee report on the removal?	YES
Does the plenum of the Board approve the appointment?	YES
Does the plenum of the Board approve the removal?	YES

Is the Secretary of the Board particularly entrusted with the duty of monitoring compliance with the recommendations of good governance?

YES

Remarks
<p>In accordance with art. 11.3 of the Rules of Procedure of the Board of Directors, the Secretary of the Board has the special duty of monitoring the actions of the Board to ensure that:</p> <p>They conform to the letter and spirit of the Law and the regulations pursuant thereto, including those approved by regulatory authorities;</p> <p>They conform to the Company's Articles of Association and with the Rules of Procedure of the General Meeting, of the Board and any other rules and regulations as the Company may have in place.</p> <p>They keep in mind any recommendations on good governance accepted by the Company.</p>

B.1.35 Indicate the mechanisms, if any, established by the company to preserve the independence of the auditor, the financial analysts, the investment banks and the rating agencies.

Independence of the Auditor

Pursuant to art. 9.4 of the Rules of Procedure of the Board of Directors, the relations of the Board with the company's external auditors, channelled through the Audit Committee, must adhere to criteria of loyal cooperation and respect for their independence.

In addition, art. 14.2 of the Rules establishes that the Audit Committee shall be responsible for liaising with the external auditor in order to receive information on those matters which could jeopardise the independence of the latter. Likewise, art. 14.3.2 of the same text indicates that one of the tasks of the Audit Committee is to submit to the Board proposals for the selection, appointment, re-election and replacement of the external auditor, together with the terms and conditions under which the auditor is to be engaged.

Finally, art. 14.3.2.c) of the Rules of Procedure of the Board of Directors states that the Audit Committee is responsible for ensuring the independence of the external auditor and, in this regard, must ensure that the Company notifies the CNMV (National Securities Market Commission) of any change in the auditors (together with a statement on the possible existence of discrepancies between

the incoming and outgoing auditor) as a significant event, ensure that the Company and the auditor observe the current regulations on the provision of services other than audit services, the restrictions to the concentration of the auditor's business and examine the circumstances, if any, which may have led the external auditor to resign.

Independence of the financial analysts, investment banks and rating agencies:

Article 6.2 of the Internal Code of Conduct with respect to the Securities Markets provides that, during the information meetings held by the company or its representatives with analysts, institutional investors and other securities market professionals, the company and its representatives shall strive to follow the recommendations made in this regard by the CNMV.

In consonance with the foregoing, the investor relations department channels communications with the institutional shareholders and financial analysts reporting on the Company's share, taking care to ensure that they are not given information which could constitute a situation of privilege or advantage for them in comparison to the rest of the shareholders, complying in similar terms with the provision made in art. 6.1.c) of the Internal Code of Conduct with respect to the Securities Markets, which considers the recommendation to third parties of the acquisition, sale or transfer of the company's securities based on privileged information as a prohibited conduct.

B.1.36 Indicate whether, in the course of the year, the Company has changed its external auditor. If so, identify the outgoing and the incoming auditors:

NO

Outgoing auditor	Incoming auditor

In the event that there were any discrepancies with the outgoing auditor, explain the content of such discrepancies below:

NO

B.1.37 Indicate whether the audit firm performs other work for the company and/or its group separate from the audit of the accounts and, if so, state the amount of the fees paid for such work and the percentage such fees represent of the total fees billed to the company and/or its group:

YES

	Company	Group	Total
Amount of other work separate from the audit of the accounts (thousands of euros)	41	548	589
Amount of other work separate from the audit of the accounts/total amount billed by the audit firm (in %)	24.60	31.65	31.03

B.1.38 Indicate whether the audit report on the annual accounts for the previous year contained reservations or qualified opinions. If so, state the reasons given by the Chairman of the Audit Committee to explain the content and scope of such reservations or qualified opinions.

NO

B.1.39 Indicate the number of years for which the current audit firm has been auditing the annual accounts of the company and/or its group without interruption. Likewise, indicate the percentage which the number of years audited by the current audit firm represents with respect to the total number of years for which the annual accounts have been audited:

	Company	Group
Number of continuous years	2	2

	Company	Group
No. of years audited by the current audit firm/No. of years in which the company has been audited (in %)	16.7	16.7

B.1.40 Indicate the shareholdings which members of the Board of Directors have in the capital of companies having the same, similar or complementary type of activity as that which constitutes the corporate purpose of both the company and its group, and which have been reported to the company. Likewise, indicate the positions they hold or the duties they perform in these companies:

Name or company name of the director	Name of the company concerned	% shareholding	Position or duties
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	FORMULA GIOCHI S.P.A. IN PROCESS OF WINDING-UP	5.34	SHAREHOLDER
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	MAJICOL	26.52	SHAREHOLDER
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	PROMOBOWLING, S.A.	24.26	DIRECTOR AND CHAIRMAN OF THE BOARD
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	MAJISA, S.A.	26.00	JOINT AND SEVERAL DIRECTOR
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	FORMULA BINGO, S.P.A. IN PROCESS OF WINDING-UP	2.35	SHAREHOLDER
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	PLANET BOWLING ESPAÑA, S.A.	24.26	SHAREHOLDER
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	SUNSET BOWLING, S.L.	24.26	SHAREHOLDER

Name or company name of the director	Name of the company concerned	% shareholding	Position or duties
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	FRANCOMAR INVESTMENTS, S.A.	52.00	DIRECTOR AND CHAIRMAN OF THE BOARD
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	ZARABOWLING, S.A.	16.98	SHAREHOLDER
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	PROMOBOWLING LEVANTE, S.A.	24.26	SHAREHOLDER
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	CENTROS DE OCIO FAMILIAR, S.L.	8.84	SHAREHOLDER
JOSÉ ANTONIO MARTÍNEZ SAMPEDRO	MAGIC RECREATIVOS, S.L.	16.98	SHAREHOLDER
ENCARNACIÓN MARTÍNEZ SAMPEDRO	FORMULA GIOCHI S.P.A. IN PROCESS OF WINDING-UP	0.83	SHAREHOLDER
ENCARNACIÓN MARTÍNEZ SAMPEDRO	MAJICOL	6.12	SHAREHOLDER
ENCARNACIÓN MARTÍNEZ SAMPEDRO	PROMOBOWLING L, S.A.	10.66	SHAREHOLDER
ENCARNACIÓN MARTÍNEZ SAMPEDRO	MAJISA, S.A.	6.00	SHAREHOLDER
ENCARNACIÓN MARTÍNEZ SAMPEDRO	PLANET BOWLING, S.A.	10.66	DIRECTOR AND CHAIRMAN OF THE BOARD
ENCARNACIÓN MARTÍNEZ SAMPEDRO	FORMULA BINGO, S.P.A. IN PROCESS OF WINDING-UP	0.36	SHAREHOLDER
ENCARNACIÓN MARTÍNEZ SAMPEDRO	FRANCOMAR INVESTMENTS, S.A.	12.00	DIRECTOR AND SECRETARY OF THE BOARD
ENCARNACIÓN MARTÍNEZ SAMPEDRO	SUNSET BOWLING, S.L.	10.66	SHAREHOLDER
ENCARNACIÓN MARTÍNEZ SAMPEDRO	ZARABOWLING, S.A.	7.39	SHAREHOLDER
ENCARNACIÓN MARTÍNEZ SAMPEDRO	PROMOBOWLING LEVANTE, S.A.	10.66	JOINT AND SEVERAL DIRECTOR
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CENTROS DE OCIO FAMILIAR, S.L.	2.04	DIRECTOR AND SECRETARY OF THE BOARD
ENCARNACIÓN MARTÍNEZ SAMPEDRO	MAGIC RECREATIVOS, S.L.	7.39	SHAREHOLDER

Name or company name of the director	Name of the company concerned	% shareholding	Position or duties
JOSEPH ZAPPALA	TUCSON GREYHOUND PARK	80.00	CHAIRMAN OF THE BOARD
LUIS JAVIER MARTÍNEZ SAMPEDRO	MAJICOL	6.12	SHAREHOLDER
LUIS JAVIER MARTÍNEZ SAMPEDRO	PROMOBOWLING, S.A.	10.66	SHAREHOLDER
LUIS JAVIER MARTÍNEZ SAMPEDRO	MAJISA, S.A.	6.00	SHAREHOLDER
LUIS JAVIER MARTÍNEZ SAMPEDRO	PLANET BOWLING ESPAÑA, S.A.	10.66	SHAREHOLDER
LUIS JAVIER MARTÍNEZ SAMPEDRO	FORMULA BINGO S.P.A. IN PROCESS OF WINDING-UP	0.37	SHAREHOLDER
LUIS JAVIER MARTÍNEZ SAMPEDRO	FRANCOMAR INVESTMENTS, S.A.	12.00	BOARD MEMBER
LUIS JAVIER MARTÍNEZ SAMPEDRO	FORMULA GIOCHI, S.P.A. IN PROCESS OF WINDING-UP	0.84	SHAREHOLDER
LUIS JAVIER MARTÍNEZ SAMPEDRO	ZARABOWLING, S.A.	7.39	SHAREHOLDER
LUIS JAVIER MARTÍNEZ SAMPEDRO	PROMOBOWLING LEVANTE, S.A.	10.66	SHAREHOLDER
LUIS JAVIER MARTÍNEZ SAMPEDRO	RECREATIVOS METROPOLITANO, S.L.	100.00	JOINT AND SEVERAL DIRECTOR
LUIS JAVIER MARTÍNEZ SAMPEDRO	CENTROS DE OCIO FAMILIAR, S.L.	2.04	SHAREHOLDER
LUIS JAVIER MARTÍNEZ SAMPEDRO	MAGIC RECREATIVOS, S.L.	7.39	SHAREHOLDER
LUIS JAVIER MARTÍNEZ SAMPEDRO	SUNSET BOWLING, S.L.	10.66	SHAREHOLDER

B.1.41 Indicate whether there is any procedure allowing directors to have access to external consultancy and, if so, provide details:

YES

Details of the procedure
In accordance with article 5.1 of the Rules of Procedure of the Board of Directors, the Directors shall have access to all of the company's services and may gather any information and consultancy they may need for the performance of their duties. They must seek such services through the Chairman or the

Details of the procedure
<p>Secretary of the Board. In the latter case, the Secretary shall keep the Chairman informed of the information requested, in any case without detriment to the gathering and provision thereof to the requesting Director.</p> <p>In addition, Directors may propose to the Board of Directors the engagement of external consultants, whether financial, legal, technical, commercial or of any other kind as they may consider necessary for the interests of the company. External consultancy must be sought whenever the majority of the independent Directors considers that there is a need for such consultancy.</p>

B.1.42 Indicate whether there is any procedure allowing directors to have access to the information necessary for preparing the meetings of the management bodies sufficiently in advance:

YES

Details of the procedure
<p>In accordance with article 12 of the Rules of Procedure of the Board of Directors, the notice of the meetings shall always include the agenda of the meeting together with any written information as appropriate under these Rules. Nevertheless, whenever the Chairman considers that exceptional circumstances so warrant, the Board meeting may be called by telephone, fax or e-mail, without complying with the advance notice mentioned previously and without attaching the written information, advising the Directors of the possibility of examining such information at the company's registered office. Likewise, article 10.4 of the Rules stipulates that the Chairman, as the person responsible for the efficient running of the Board, shall ensure that the Directors receive sufficient information in advance, shall encourage discussion and active participation by the Directors during Board meetings, safeguarding their freedom to take a position and express their opinion, and shall organise and coordinate the regular evaluation of the Board with the Chairman of the Corporate Governance Committee.</p>

B.1.43 Indicate whether the company has established rules obliging directors to report and, if appropriate, resign, in those cases which may damage the credit and reputation of the company. If so, specify:

YES

Explain the rules
<p>Article 3.6 of the Rules of Procedure of the Board of Directors establishes that the Directors are obliged to resign in those cases which may damage the credit and reputation of the company and to report to the Board any criminal proceedings in which they stand accused, as well as the subsequent procedural developments.</p>

B.1.44 Indicate whether any member of the Board of Directors has reported to the company that he or she has been indicted or ordered to stand trial for any of the offences stipulated in article 124 of the Companies Act:

NO

Indicate whether the Board of Directors has analysed the case. If the answer is yes, provide a reasoned explanation of the decision reached on whether it is appropriate or not for the director to continue to hold office:

NO

Decision reached	Reasoned explanation

B.2 Committees of the Board of Directors

B.2.1 List all of the Committees of the Board of Directors and their members:

AUDIT COMMITTEE

Name	Office	Type
EUGENIO VELA SASTRE	CHAIRMAN	INDEPENDENT
JOSEPH ZAPPALA	MEMBER	INDEPENDENT
JOSÉ RAMÓN ROMERO RODRÍGUEZ	MEMBER	NOMINEE
JUAN JOSÉ ZORNOZA PÉREZ	MEMBER	INDEPENDENT

COMPLIANCE COMMITTEE

Name	Office	Type
JOSÉ IGNACIO CASES MÉNDEZ	CHAIRMAN	NOMINEE
JOSEPH ZAPPALA	MEMBER	INDEPENDENT
JOSÉ RAMÓN ROMERO RODRÍGUEZ	MEMBER	NOMINEE
MASAMPE, S.L.	MEMBER	NOMINEE

CORPORATE GOVERNANCE COMMITTEE

Name	Office	Type
JUAN JOSÉ ZORNOZA PÉREZ	CHAIRMAN	INDEPENDENT
EUGENIO VELA SASTRE	MEMBER	INDEPENDENT

Name	Office	Type
JOSÉ IGNACIO CASES MÉNDEZ	MEMBER	NOMINEE
MASAMPE, S.L.	MEMBER	NOMINEE

B.2.2 Indicate whether the following duties are performed by the Audit Committee.

Supervise the process for the drafting and the integrity of the financial information regarding the company and, where appropriate, the group, reviewing compliance with the regulatory requirements, the appropriate delimitation of the scope of consolidation and the proper application of accounting standards.	YES
Make a regular review of the internal control and risk management systems to ensure that the principal risks are identified, managed and adequately made known.	YES
Monitor the independence and efficiency of the internal audit area; propose the selection, appointment, re-election and removal of the person in charge of the internal audit service; propose the budget for this service; receive regular information on its activities and verify that senior management takes into consideration the conclusions and recommendations of its reports.	YES
Set up and supervise a mechanism allowing employees to report confidentially and, where appropriate, anonymously, any irregularities which they detect in the company and which may have an impact, particularly with respect to financial and accounting matters.	YES
Bring before the Board proposals for the selection, appointment, re-election and replacement of the external auditor, as well as the auditor's contract terms and conditions.	YES
Receive information from the external auditor on a regular basis with respect to the audit plan and the results of the implementation thereof and verify that senior management takes into consideration the auditor's recommendations.	YES
Ensure the independence of the external auditor.	YES
In the case of groups, encourage arrangements whereby the group's auditor will also take responsibility for conducting the audits of the companies comprising the group.	YES

B.2.3 Describe the rules for the organisation and operation of each of the Board Committees, together with the responsibilities attributed to them.

Name of Committee

AUDIT COMMITTEE

Brief description

Article 14 of the Rules of Procedure of the Board of Directors establishes the rules for the organisation and operation of the Audit Committee as well as the matters for which the Committee is competent.

Rules of organisation and operation: The Audit Committee is comprised by a minimum of three and a maximum of six members appointed by the Board of Directors. All of the members of the said Committee must be External Directors. Its members, and most particularly its Chairman, are to be appointed by taking into account their knowledge and experience in accounting, auditing or risk management. The Chairman of the Audit Committee must be an Independent Director and is to be replaced every four years, being eligible for re-election after a period of one year has transpired since the time he or she stepped down. The Audit Committee meets at least once each quarter and as often as advisable, following a call by its Chairman, at its own decision or in response to a request by two of its members or of the Board of Directors or its Chairman.

Responsibilities and powers: Notwithstanding any other duty as may be assigned to it by the Board of Directors, the primary function of the Audit Committee is to serve as a support to the Board of Directors in its financial supervision responsibilities and, specifically, the Audit Committee is entrusted with the following duties as a minimum requirement: a) To inform the General Shareholders' Meeting about any issues which are raised at the Meeting by shareholders with respect to the Audit Committee's area of responsibility. b) To propose the appointment of external auditors to the Board of Directors for submission to the approval of the General Meeting. c) To supervise the internal audit services. d) To be familiar with the financial information and the internal control systems. e) To liaise with the external auditor in order to receive information on any matters which may jeopardise the independence of the latter, and any other matters associated with the auditing process, as well as to receive information and maintain the communications with the auditors as required pursuant to the relevant legislation. f) To report on the annual accounts, as well as on issue prospectuses and the regular financial information which is required to be sent quarterly or semi-annually to the regulatory bodies, giving particular attention to compliance with the legal requirements and the proper application of generally accepted accounting principles, as well as to the existence of internal control systems and the monitoring thereof and compliance with the internal audits. g) To draft a brief report each year on the activities of the Committee.

The Audit Committee is also particularly responsible for: One. With respect to the information and internal control systems: a) Supervising the preparation process and the accuracy of the financial information relating to the Company and, if applicable, to the Group, by reviewing compliance with the regulatory requirements, the adequate delimitation of the scope of consolidation and the proper application of the accounting principles. b) Reviewing the internal control and risk management systems on a regular basis, to ensure that the principal risks are adequately identified, managed and made known. c) Ensuring the independence and effectiveness of the internal audit function; proposing the selection, appointment, re-election and removal of the head of the internal audit service; proposing the budget for this service, receiving regular reporting on its activities and verifying that senior management takes into account the conclusions and recommendations contained in the reports issued by the service. d) Reporting to the Board of Directors, at least once each year, on risk control and any malfunctioning thereof, in the internal audit reports or in the performance of the duties listed above. Two. In relation to the external auditor: a) Referring proposals to the Board on the selection, appointment, re-election and replacement of the external auditor, as well as the terms and conditions of the engagement of the auditor. b) Receiving from the external auditor, on a regular basis, information on the audit plan and the results of the implementation thereof, and verifying that senior management takes the auditor's recommendations into account. c) Ensuring the independence of the external auditor and, to this end: i) Ensure that the Company reports any change in auditor to the CNMV as a significant event, attaching a statement on the existence or not of discrepancies with the outgoing auditor and, if any did exist, the content thereof. ii) Ensure that the Company and the auditor observe current legislation on the provision of services other than audit services, on the limits to the concentration of the auditor's business and, in general, all other regulations established to ensure the independence of auditors. iii) In the event of the resignation of the external auditor, examine the circumstance which led the auditor to do so. d) Encouraging arrangements whereby the group's auditor will also take responsibility for conducting the audits of the companies comprising the group. Three. Informing the Board, prior to the adoption by the latter of the decisions stipulated in article 7.17 of these Rules of Procedure as falling under the exclusive responsibility of the Board, with respect to the following matters: a) The financial information which, as a listed company, the Company is required to make public on a regular basis. The Committee must ensure that the interim accounts are prepared in accordance with the same accounting principles as those applied to the annual accounts and, to this end, consider the appropriateness of a limited review by the external auditor. b) The creation or acquisition of stakes in special purpose entities or entities domiciled in countries or territories considered to be tax havens, as well as any other transactions or operations of a similar nature which, due to their complexity, could diminish the transparency of the Group. c) Related-party transactions.

Name of Committee

COMPLIANCE COMMITTEE

Brief description

Article 15 of the Rules of Procedure of the Board of Directors establishes the rules for the organisation and operation of the Compliance Committee as well as the matters for which the Committee is competent.

Rules of organisation and operation: The Compliance Committee is comprised by a minimum of three and a maximum of six members appointed by the Board of Directors. The majority of the members of the Committee must be External Directors. If at all possible, the Chairman of the Compliance Committee should be an Independent Director. If a person is appointed who does not have Independent Director status, the specific reasons for such appointment must be included in the Annual Report on Corporate Governance. The Compliance Committee shall meet each time the Board of Directors requests the issuance of a report or the approval of proposals within the scope of the Committee's responsibilities and as often as advisable, in the opinion of the Committee Chairman, for the attainment of its purposes.

Responsibilities and powers: Notwithstanding any other duty as may be assigned to it by the Board of Directors, the Compliance Committee is responsible for: a) The monitoring of compliance by the Company and by the Group with applicable domestic and/or international gaming regulations. b) The evaluation of the internal control systems of the Company and of the Codere Group in relation to their obligations with respect to information and transparency in gaming matters and the submission of proposals for introducing measures and improvements deemed necessary or advisable. c) The monitoring of compliance and of the controls systems by the Company and the Group with respect to the regulations for the prevention of money laundering and the submission of proposals for introducing measures and improvements deemed necessary or advisable. d) The establishment and supervision of a mechanism which will enable employees, customers, suppliers, and other third parties with which contractual relations exist, to report confidentially and, where appropriate, anonymously, any irregularities they may detect in the company with a potential impact, particularly with respect to financial and accounting matters. e) The monitoring of the security systems and measures applied in the performance of the Company's and Group's business activities, with regular reporting to the Committee by the management staff responsible for such areas.

Name of Committee

CORPORATE GOVERNANCE COMMITTEE

Brief description

Article 16 of the Rules of Procedure of the Board of Directors establishes the rules for the organisation and operation of the Corporate Governance Committee as well as the matters for which the Committee is competent.

Rules of organisation and operation: The Corporate Governance Committee, which also encompasses the characteristics and duties which the Listed Companies Unified Good Governance Code recommends for the Appointments and Compensation Committee, is comprised by a minimum of three and a maximum of six members appointed by the Board of Directors. All of the members of this Committee must be External Directors and at least half, Independent Directors. If at all possible, the Chairman of the Corporate Governance Committee should be appointed from among the Independent Directors. If a person is appointed who does not have Independent Director status, the specific reasons for such appointment must be included in the Annual Report on Corporate Governance. The Corporate Governance Committee shall meet each time the Board of Directors or the Chairman of the Board requests the issuance of a report or the approval of proposals within the scope of the Committee's responsibilities and as often as advisable, in the opinion of the Committee Chairman or at the request for any two of its members, for the attainment of its purposes.

Responsibilities and powers: Notwithstanding any other duty as may be assigned to it by the Board of Directors, the Corporate Governance Committee is responsible for: a) Examining compliance with the Internal Code of Conduct in relation to the Securities Markets and making the proposals necessary for improvement, as well as supervising compliance with the corporate governance rules applicable in this respect. b) Drawing up reports and proposals for submission to the Board of Directors on the decisions to be adopted in cases of conflict of interest. c) Submitting the Annual Report on Corporate Governance and the Annual Directors' Compensation Policy Report to the Board, for its approval. d) Making the proposals stipulated in these Rules of Procedure with respect to the compensation of the members of the Board of Directors. e) Evaluating the expertise, knowledge and experience necessary for serving on the Board, therefore defining the duties and capabilities required of the candidates who are to fill each vacancy and evaluating the time and dedication necessary for the proper discharge of their duties. f) Submitting proposals to the Board -in relation to its functions of making appointments and proposals- with respect to the composition of the Board and of its Committees. g) Reporting on the appointments and dismissals of senior management staff members which the chief executive proposes to the Board. h) Informing the Board, whenever

appropriate, with respect to the gender diversity issues contained in article 1.12. i) Making proposals to the Board of Directors with respect to the compensation of the Chairman-Managing Director in his/her capacity as the chief executive of the Company, or of the rest of the executive directors, independently of the compensation received as Directors pursuant to the Articles of Association, as well as in regard to the remaining terms and conditions of their contracts. j) Proposing to the Board the general remuneration policy for the senior management staff of the Company and its subsidiaries, as well as the basic terms and conditions of the contracts of senior managers. k) Establishing guidelines and supervising the processes in relation to the appointment, selection, career development, promotion and dismissal of managers, to ensure that the Company has the highly qualified staff necessary for its management. l) Making proposals to the Board and preparing the examination of the matters to be brought before it, on any issues which are not the specific responsibility of another Committee, whenever deemed necessary.

B.2.4 Describe the advisory and consultancy powers of each of the Committees and, if applicable, any delegations they may have.

Name of Committee

AUDIT COMMITTEE

Brief description

Supervision of the internal auditing, verification of the financial information and proposal for the appointment of the external auditor. See B.2.3.

Name of Committee

COMPLIANCE COMMITTEE

Brief description

Supervision of the proper application of the Corporate Good Governance rules which are in force in the Company. See B.2.3.

Name of Committee

CORPORATE GOVERNANCE COMMITTEE

Brief description

Development and Coordination of the appointment and compensation policy with respect to senior representation and management staff of the Company. See B.2.3.

B.2.5 Indicate the rules of procedure, if any, for the Board Committees, the place where they are available for consultation and any changes made in them during the year. In turn, indicate whether an annual report on the activities of each Committee has been drawn up on a voluntary basis.

Name of Committee

AUDIT COMMITTEE

Brief description

The organisation and the operation of the Audit Committee are regulated in detail in the Rules of Procedure of the Board of Directors, article 14, as well as in the Codere S.A. Articles of Association, article 26. These documents are available on the Codere website (www.codere.com). The Audit Committee has submitted a report to the Board of Directors on the activities carried out during the 2010 financial year. During that year, the Rules of Procedure of the Board of Directors were amended and, as a result, the composition and duties of this Committee have been restated.

Name of Committee

COMPLIANCE COMMITTEE

Brief description

The organisation and the operation of the Compliance Committee are regulated in detail in the Rules of Procedure of the Board of Directors. This document is available on the Codere website (www.codere.com). The Compliance Committee has submitted a report to the Board of Directors on the activities carried out during the 2010 financial year. During that year, the Rules of Procedure of the Board of Directors were amended and, as a result, the composition and duties of this Committee have been restated.

Name of Committee

CORPORATE GOVERNANCE COMMITTEE

Brief description

The organisation and the operation of the Corporate Governance Committee are regulated in detail in the Rules of Procedure of the Board of Directors. This document is available on the Codere website (www.codere.com). The Corporate Governance Committee has submitted a report to the Board of Directors on the activities carried out during the 2010 financial year. During that year, the Rules of Procedure of the Board of Directors were amended and, as a result, the composition and duties of this Committee have been restated.

B.2.6 Indicate whether the composition of the Executive Committee reflects the participation on the Board of the various directors in relation to their status:

NO

If no, explain the composition of your Executive Committee
There is no Executive Committee in Codere.

C – RELATED-PARTY TRANSACTIONS

C.1 Indicate whether the plenum of the Board has reserved the right to approve, following a positive report from the Audit Committee or any other Committee entrusted with such duty, the transactions between the Company and directors, significant shareholders or shareholders represented on the Board or with persons related to them:

YES

C.2 Provide details of the relevant transactions involving a transfer of resources or obligations between the Company or the companies in its Group and significant shareholders of the Company:

C.3 Provide details of the relevant transactions involving a transfer of resources or obligations between the Company or the companies in its Group and the directors or senior management staff of the Company:

Name or company name of the directors or managers	Name or company name of the company or entity of the Group	Nature of the transaction	Type of transaction	Amount (thousands of euros)
ADOLFO CARPENA MANSO	CODERE, S.A.	CONTRACTUAL	Financing agreements, loans and capital injections (debtor)	95
DAVID ELIZAGA CORRALES	CODERE, S.A.	CONTRACTUAL	Financing agreements, loans and capital injections (debtor)	95
ENCARNACIÓN MARTÍNEZ SAMPEDRO	CODERE, S.A.	CONTRACTUAL	Financing agreements, loans and capital injections (debtor)	473
FERNANDO ORS VILLAREJO	CODERE, S.A.	CONTRACTUAL	Financing agreements, loans and capital injections (debtor)	142
JAIME ESTALELLA CARVAJAL	CODERE, S.A.	CONTRACTUAL	Financing agreements, loans and capital injections (debtor)	95
JOSÉ RAMÓN ROMERO RODRÍGUEZ	CODERE, S.A.	CONTRACTUAL	Financing agreements, loans and capital injections (debtor)	473
JOSÉ RAMÓN ROMERO RODRÍGUEZ	CODERE, S.A.	CONTRACTUAL	Provision of services	450
LUIS JAVIER MARTÍNEZ SAMPEDRO	BINGOS DEL OESTE, S.A.	CONTRACTUAL	Provision of services	64
LUIS JAVIER MARTÍNEZ SAMPEDRO	BINGOS PLATENSES, S.A.	CONTRACTUAL	Provision of services	32
LUIS JAVIER MARTÍNEZ SAMPEDRO	CODERE, S.A.	CONTRACTUAL	Financing agreements, loans and capital injections (debtor)	948

Name or company name of the directors or managers	Name or company name of the company or entity of the Group	Nature of the transaction	Type of transaction	Amount (thousands of euros)
LUIS JAVIER MARTÍNEZ SAMPEDRO	IBERARGEN, S.A.	CONTRACTUAL	Provision of services	97
LUIS JAVIER MARTÍNEZ SAMPEDRO	INTERBAS, S.A.	CONTRACTUAL	Provision of services	97
LUIS JAVIER MARTÍNEZ SAMPEDRO	INTERJUEGOS, S.A.	CONTRACTUAL	Provision of services	32
MASAMPE, S.L.	CODERE MEXICO S.A. DE C.V.	CONTRACTUAL	Provision of services	538
PEDRO VIDAL ARAGON DE OLIVES	CODERE, S.A.	CONTRACTUAL	Financing agreements, loans and capital injections (debtor)	142
RAFAEL CATALÁ POLO	CODERE, S.A.	CONTRACTUAL	Financing agreements, loans and capital injections (debtor)	95
RICARDO MORENO WARLETA	CODERE, S.A.	CONTRACTUAL	Financing agreements, loans and capital injections (debtor)	474
VICENTE GABRIEL DI LORETO	CODERE, S.A.	CONTRACTUAL	Financing agreements, loans and capital injections (debtor)	95

C.4 Provide details of the relevant transactions carried out by the Company with other companies in its Group, provided that these are not eliminated in the process of drawing up the consolidated financial statements and do not form a part of the normal business activity of the Company with respect to the purpose and terms thereof:

C.5 Indicate whether members of the Board of Directors have found themselves in any situation of conflict of interest, in the terms of article 127.3 of the Companies Act, in the course of the financial year:

NO

C.6 Provide details of the mechanisms established for detecting, determining and settling possible conflicts of interest between the company and/or its group and their directors, managers or significant shareholders:

In accordance with article 5 of the Codere Internal Code of Conduct in relation to the Securities Markets, persons affected by a conflict of interest (that is, directors, senior managers and employees who have access to privileged information) must act, in relation to the conflict of interest, in accordance not only with the stipulations of this Code but also with the provisions of the Rules of Procedure of the Board of Directors, to the extent that such Rules apply to them.

Whenever a situation of actual or potential conflict of interest arises, the person subject to the Code must report such conflict immediately to the General Secretariat, making available to the Secretariat any and all information requested of such person, to enable, if appropriate, an assessment of the circumstances of the case.

The General Secretariat shall refer the case to the Board Committee which will adopt the appropriate decisions. Any doubts as to the possible existence of a conflict of interest must be consulted with the Board Committee prior to adopting any decision which could be affected by such conflict of interest.

The General Secretariat will report on the conflict of interest identified, the person or persons involved in the management of the situation or in the adoption of the decisions to which the conflict of interest refers.

Any person subject to the Code who is affected by a conflict-of-interest situation shall refrain from intervening in or influencing, either directly or indirectly, the transaction, decision or situation to which the conflict of interest refers.

In the event of a conflict of interest, and as a general rule stemming from the obligation of loyalty to the Company, the interest of the Codere Group shall prevail over the interest of the person subject to the Code involved in the conflict.

C.7 Does the Group have more than one listed company in Spain?

NO

Identify the listed subsidiaries:

D – RISK CONTROL SYSTEMS

D.1 General description of the risk policy of the Company and/or its Group, listing and assessing the risks covered by the system, together with an explanation of how such systems fit the profile of each kind of risk.

Codere considers that the identification, control and management of internal and external risk factors constitute a basic element of its management system and, for this reason, it monitors on an ongoing basis the most significant risks which could affect the principle companies comprising the Group.

For this purpose, Codere has introduced the system proposed by the COSO II reports (Committee of Sponsoring Organisations of the Treadway Commission), establishing an integrated framework of Internal Control and Risk Management.

In this way, the Group has a risk map enabling it to identify those risks which require specific control and monitoring, prioritised according to their order of importance.

The principal risks on which the Codere Corporate Risk Management is based are as follows:

1.- Risk identification and assessment.

Codere recognises the need to increase its capacity to identify potential events, assess risks and establish effective, immediate responses as the ideal way to achieve a better management of these risks.

2.- Centralisation of Risk Systems.

The repercussions of the decisions made in the Group calls for the establishment of centralised policies, measurement procedures and exposure limits at the various levels of the organisation to be defined by the Board of Directors.

3.- Global perspective.

The risk management system is conceived from a global perspective, that is, by integrating all of the strategic and operating factors shaping the Codere risk profile, including economic, regulatory, legal and socio-political factors.

4.- Compliance.

Monitor policies and procedures and the status of corporate risk management.

In accordance with the current model which Codere has in place, the types of risks identified by the Group are set out below:

Regulatory and socio-political risks.-

- Risks of changes in the legal framework, which may adversely affect expected income or profit margins.
- Social movements against gaming.

Financial risks, among which the following stand out as the most relevant:

- Changes in interest rates.
- Risks derived from fluctuations in the exchange rates of the local or, as applicable, functional currencies with respect to the euro.
- Default in payment or late payment by customers.
- Country risk (investments in Latin America).

Risks by Business Unit.

- Strategic and Management Risks
- Human Resources Management Risks
- Legal Management Risks
- Gaming Management Risks
- Hotel and Restaurant Management Risks
- Administration Management Risks

Technological Risks.

- Information security verification (accesses, data protection, etc.).
- Contingency Plans.
- Automation of Activities.
 - Possible vulnerability of the gaming platforms.

Reputational and Compliance Risks.-

- Strengthen the Compliance Policy by intensifying transparency and Codere best practice.

D.2 State whether any of the various types of risks (operational, technological, financial, legal, reputational, tax, etc.) affecting the company and/or its group have materialised.

YES

If yes, indicate the circumstances giving rise to such risks, stating whether the control systems in place worked effectively.

Risk materialised in the year

Financial risk.

Circumstances giving rise to the risk

Fluctuations of the local exchange rates with respect to the euro.

Effectiveness of the control systems

The insurance contracted for variations in the exchange rates of local currencies with respect to the euro was effective.

Risk materialised in the year

Financial risk.

Circumstances giving rise to the risk

Non-payment or late payment by customers.

Effectiveness of the control systems

The risk was identified, defaulted payments were followed up and an extrajudicial or, as appropriate, a judicial claim was lodged.

Risk materialised in the year

Regulatory and socio-political.

Circumstances giving rise to the risk

Changes in the legislative and regulatory framework in certain markets.

Effectiveness of the control systems

Following the detection of changes, the monitoring and management thereof were carried out both through the Company's participation in the business associations of the sector, as well as through the relevant institutional relations.

Risk materialised in the year

Regulatory and socio-political.

Circumstances giving rise to the risk

Risk with respect to the rating which must be issued by the Federal Competition Commission (COFECO) in Mexico, in relation to the acquisition by the Codere Group of 69% of certain companies belonging to the Caliente Group.

Effectiveness of the control systems

The risk was identified, and COFECO was furnished the file on the transaction, while all steps and reports required, or which were considered as possibly necessary, were taken and provided in order to obtain the approval of that body.

D.3 State whether there is any committee or governance body in charge of establishing and supervising these control mechanisms.

YES

If yes, provide details of their duties.

Name of the committee or body

AUDIT COMMITTEE

Description of duties

The duties of this Committee are contained in article 26 of the Rules of Procedure of the Board of Directors. See point B.2.3.

Name of the committee or body

COMPLIANCE COMMITTEE

Description of duties

The duties are contained in article 15 of the Rules of Procedure of the Board of Directors. See point B.2.3.

D.4 Identification and description of the processes for compliance with the various regulations affecting your company and/or its group.

D.4 Identification and description of the processes for compliance with the various regulations affecting your Company and/or its Group.

CODERE is aware that it engages in its business activity in a particularly sensitive sector, as is the gaming sector. This is a sector which has experienced very different degrees of public perception in the course of its history, which has ranged from its absolute prohibition, with the ensuing negative consequences, to the highest levels of regulation and control, going through intermediate periods of unregulated activity and a legal vacuum.

In view of its position of leadership in the sector, Codere feels that it should take up the challenge of establishing standards of maximum excellence with respect to the Authorities, Suppliers and Customers, and that such standards should be included in its global corporate responsibility strategy and in its corporate culture. These standards have materialised through the establishment of an intense Compliance Policy.

The CODERE Compliance Policy

Codere has taken the framework established by the Basel Committee in 2004 as its Compliance standard. In this way, Codere has assumed the full extent of the Compliance Function which identifies, advises on, alerts to, monitors and reports on the compliance risks in organisations, that is, the risk of being penalised for legal or regulatory noncompliance, of undergoing financial losses or of suffering reputational damage on account of failures to comply with the applicable laws, regulations, codes of conduct and best practice standards (taken together, 'laws, rules and standards').

Codere requires of itself, and also of its associates, suppliers and customers, the most absolute adaptation to the regulations applicable to the gaming sector in each of the countries in which it operates, as well as scrupulous respect for all of the financial, tax and employment-related rules wherever it carries out its activities.

The Compliance Policy demonstrates the particular commitment by CODERE to the legislation against fraud and money laundering, as well as to the values of honesty and integrity in corporate business practices and to the internal code of conduct put into place, all of which translates into the following strategic objectives:

- . To establish the appropriate activities and mechanisms for the implementation throughout the Company of a conscious Compliance Culture as an indispensable tool for achieving and maintaining the level of excellence to which Codere aspires.
- . To cooperate in the identification and establishment of the most stringent standards of ethical conduct and of the relevant legislation in the performance of Codere's business activities.
- . To achieve the proactive participation of all of Codere's managers and employees in relation to Compliance policies in the range of activities and geographical areas in which the Company operates, by establishing the basic mechanisms of coordination and exigency among the various players.
- . To identify, assess and control the principal Compliance Risks, understanding as such those which are capable of generating legal penalties, material financial losses or reputational losses as a result of possible instances of noncompliance with laws, regulations or the self-regulation standards of the organisation, or with codes of conduct applicable to its business activities.

Processes for the implementation of CODERE's Compliance Policy.

During 2010, the following processes were developed and/or improved:

- Standardisation of the International Prevention of Money Laundering Policies in Codere, S.A.
- Implementation and management of the Codes of Ethics and of Conduct evidencing the use of best business and CSR practices at Codere, S.A.
- Implementation and management of the Compliance Information System required by the Codere, S.A. Compliance Plan.

In addition, the structures supervised by the Compliance Committee with respect to the operating capacity of the Local Compliance Officers have been reinforced. This has been the case in Colombia and Argentina which, together with those already in place in Panama, Italy and Mexico, significantly enhance the capabilities of the Corporate Compliance Department in its task of implementing the Compliance Policies effectively.

To sum up the activities in the area of the Prevention of Money Laundering (PML) and Know Your Customer (KYC), as well as the training in PML for employees and managers and the Monitoring of Customers or of Suspicious Transactions, the following have been carried out in 2010:

- 5,040 Due Diligences of different kinds have been carried out between the Corporate and Business Unit levels in the various countries where the Company operates with respect to the third parties with which business or contractual relations are maintained, including both natural and well as legal persons.
- 879 Due Diligences have been made of CODERE's own personnel.
- Compulsory Training in PML has been provided to 1,006 employees in-house in Argentina, Panama, Colombia and externally (on-line) in Spain.
- The control and reporting of Prizes and Transactions to the competent Authorities, with the identification and recording processes required in each case, totalled 22,294, in addition to 4 Reports of Suspicious Transactions. This process was carried out in full in all of the Business Units.
- 110 communications relating to the Management of Irregularity Reporting Channels / Internal Investigations were handled.

E – GENERAL SHAREHOLDERS' MEETING

E.1 Indicate and, if applicable, explain any differences between the quorum requirement for convening the General Shareholders' Meeting and the minimum quorum requirements stipulated in the Spanish Companies Act (LSA).

NO

	% of quorum differing from that established in art. 102 LSA for general cases	% of quorum differing from that established in art. 103 LSA for special cases
Quorum required at first call	0	0
Quorum required at second call	0	0

E.2 Indicate and, if applicable, explain any differences regarding the adoption of corporate resolutions with respect to the system provided for in the Spanish Companies Act (LSA):

YES

Title	Value
The transformation, merger or spinoff of the Company, the dissolution of the Company	75.00
The amendment of article 19 of the Articles of Association	75.00

Describe in what way this differs from the system established in the LSA.

Describe the differences
In any case, they require the affirmative vote of 75% of the capital present or represented at the Meeting, in comparison to the two-thirds of the capital present or represented required in the Act, in the event that shareholders representing less than 50% of the subscribed capital with voting rights attend the Meeting.

E.3 List the rights of the shareholders in relation to the General Meetings which are different from those stipulated in the LSA:

The Articles of Association and the Rules of Procedure of the General Shareholders' Meeting do not contain rights other than those established in the LSA for shareholders with respect to the General Meetings.

E.4 Indicate, if applicable, the measures adopted to encourage participation by shareholders at General Meetings:

Apart from the requirements of the relevant legislation, the Rules of Procedure of the General Shareholders' Meeting, which establish the principles of organisation and running of the Codere, S.A. General Shareholders' Meeting to facilitate the exercise by shareholders of their rights, contain the following measures for encouraging participation:

Website.-

As from the time the notice of the Meeting is published, the Company shall make available to the shareholders at the registered office all of the information deemed appropriate and shall maintain access to this information for shareholders and investors in general at all times through the Company website. This information includes the following:

- a) The full text of the call to meeting.
 - b) All documents and information which, in accordance with the Law or the Articles of Association, are required to be provided in relation to the various items on the agenda, such as the annual accounts, reports by directors, auditors, experts, etc.
 - c) The full text of all resolutions proposed by the Board of Directors, together with the relevant documentation for approval by the General Shareholders' Meeting.
 - d) Standard attendance and proxy card, together with an explanation of the means and procedures for obtaining the cards.
 - e) Explanation of the means and procedures for granting proxy for attendance at the General Meeting.
 - f) Explanation of the means and procedures of remote communication which, according to the Law and the Articles of Association, can be used by shareholders for exercising their voting rights.
 - g) Information on how the General Meeting is to take place, such as the location where it is to be held, accesses, whether there will be several meeting rooms, technical resources or procedures making it easier to follow the Meeting such as simultaneous interpreting, the use of audiovisuals, etc.
 - h) Other information including telephone numbers, e-mail addresses, offices, shareholder information office hours and any other details of shareholder information services provided by the Company.
- The foregoing information may be consulted through easy access to the Company's website www.codere.com, by visiting the sections on corporate governance, significant events, financial information, operating information, etc.

Distance voting.-

Shareholders may exercise their right to vote on proposals related to items on the agenda by mail, electronic means or any other distance voting method, provided that the identity of the shareholder exercising his or her right to vote is duly guaranteed.

Electronic forum

Pursuant to article 117.2 of the Securities Market Act and the revised text of the Companies Act, Codere, S.A. has implemented an Electronic Shareholder Forum at its website, www.codere.com. This forum is intended to facilitate communication between shareholders on the occasion of the call for each General Shareholders' Meeting. Registered users may send messages for the purpose of making proposals with the intention of presenting them as complementary proposals to the agenda announced in the notice of the call for the General Meeting; requests for support for such proposals; submission of initiatives for obtaining the necessary percentage for the exercise of a minority right; for making offers or requests of voluntary proxies, etc.

Such granting of powers must be made in accordance with the rules governing the use of the forum, issued by Codere, S.A. prior to the General Meeting and accepted by the duly registered users.

E.5 State whether the office of chairman of the General Meeting coincides with that of Chairman of the Board of Directors. If so, specify what measures are adopted in order to guarantee the independence and proper running of the General Meeting:

YES

Describe the measures
<p>The Rules of Procedure of the Codere, S.A. General Shareholders' Meeting establishes the principles of organisation and operation, to which the Chairman must conform in order to ensure that shareholders are able to exercise their rights.</p> <p>Moreover, at its own initiative, the Board of Directors usually calls upon a Notary Public to attend the General Meeting and take the minutes of the meeting. Consequently, neither the Chairman nor the Secretary of the General Meeting take part in the drafting of the minutes, which is entrusted to a Notary Public, thereby serving as a guarantee of neutrality for the shareholders.</p>

E.6 Indicate, if applicable, any amendments made during the year to the Rules of Procedure of the General Shareholders' Meeting:

No amendments were made to the Rules of Procedure of the General Shareholders' Meeting during the 2010 financial year

E.7 Provide details of attendance at the General Meetings held in the year to which this report refers:

Attendance figures					
Date General Meeting	% physically present	% by proxy	% of distance voting		Total
			Electronic voting	Other	
10/06/2010	18.212	61.100	0.000	0.000	79.312

E.8 Briefly indicate the resolutions adopted at the General Meetings held during the year to which this report refers and the percentage of votes obtained for the approval of each resolution:

The items discussed according to the Agenda for the General Shareholders' Meeting held on 10 June 2010 were approved by the votes and the percentages specified below:

ORDINARY GENERAL SHAREHOLDERS' MEETING HELD ON 10 JUNE 2010.

ONE.- Examination and approval of the annual accounts (balance sheet, profit and loss account, statement of changes in net assets, cash flow statement and notes to the annual accounts) and of the management report, both with respect to CODERE, S.A. as well as its consolidated group of companies, for the financial year ended 31 December 2009, and of the application of the result for the year.

This Agenda item was approved by 99.98% of the attendance quorum.

TWO.- Approval of the running of the Company by the Board of Directors during the 2009 financial year.

This Agenda item was approved by 100% of the attendance quorum.

THREE.- Approval of the amendment to paragraph 5 of Article 24 of the Articles of Association with respect to the items comprising the compensation of the office of Director.

This Agenda item was approved by 100% of the attendance quorum.

FOUR.- Approval for the acquisition of treasury shares, directly or through Group companies.

This Agenda item was approved by 100% of the attendance quorum.

FIVE.- Delegation to the Board of Directors for a period of five years of the power to issue debentures, bonds, notes, promissory notes and other securities which recognise or create a debt, as well as preferred shares or other similar securities, for a maximum total nominal amount of the issue of one thousand million euros, to back the issues of such securities by Companies belonging to the Group and to request their admission to secondary markets.

This Agenda item was approved by 99.2% of the attendance quorum.

SIX.- Delegation of powers in order to formalise, interpret, remedy and implement the resolutions adopted by the General Shareholders' Meeting.

This Agenda item was approved by 100% of the attendance quorum.

SEVEN.- Vote on the Directors' Compensation Policy Report, on a consultative basis.

EIGHT.- Information on the partial amendment of the Rules of Procedure of the General Shareholders' Meeting with respect to the creation and duties of the office of the Deputy Chairman of the Board.

NINE.- Presentation of the explanatory report on the elements of the Management Report contained in article 116 bis of the Securities Market Act.

E.9 Indicate whether there is any restriction in the Articles of Association regarding the minimum number of shares required for attendance at General Meetings:

YES

Number of shares necessary for attendance at General Meetings	100
----------------------------------------------------------------------	-----

E.10 Indicate and justify the policies followed by the Company regarding proxy voting at the General Shareholders' Meeting:

In accordance with article 14 of the Rules of Procedure of the General Shareholders' Meeting, any shareholder entitled to attend the General Meeting can be represented at the Meeting by another person, who need not be a shareholder, by using the proxy formula. A single shareholder may not be represented by more than one proxy at the same Meeting.

The granting of proxy must be made in writing specifically for each General Meeting, by sending the attendance and proxy card duly completed and signed by the shareholder granting proxy, or through remote means of communication which comply with the requirements contained in article 105 of the Companies Act and other applicable legislation on distance voting rights and such requirements as may be established by the Board of Directors for general application or specific to each Meeting.

The proxy granted shall always be revocable and shall be understood to be revoked when the principal attends the General Meeting in person or, as the case may be, exercises his or her voting right by distance voting.

E.11 Indicate whether the Company is aware of the policy of its institutional investors with respect to participating or not in the Company's decisions:

NO

E.12 Indicate the address and method of access to the corporate governance content on your website:

Codere complies with the applicable legislation and best practice with respect to the Corporate Governance content available on its website.

Access to the Corporate Governance content is had through the principal website (www.codere.com) by clicking on the shareholders and investors heading and, once there, by clicking on the Corporate Governance heading.

F – DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the degree of compliance by the Company with the Recommendations of the Unified Good Governance Code. In the event of failure to comply with any of such Recommendations, explain what recommendations, standards, practices or criteria are applied by the Company.

1. That the Articles of Association of listed companies not limit the maximum number of votes which the same shareholder may cast and not contain any other restrictions which would hinder taking control of the company through the acquisition of its shares on the market.

See sub-paragraphs: A.9, B.1.22, B.1.23 and E.1, E.2

Complies

2. That when the parent company and a subsidiary are listed, both companies publicly and clearly define:

a) Their respective areas of business activity and the eventual business relations between them, as well as the relations of the listed subsidiary with the rest of the companies in the group.

b) The mechanisms in place for settling eventual conflicts of interest as may arise.

See sub-paragraphs: C.4 and C.7

Not applicable

3. That, although this may not be expressly required by Business legislation, any transactions involving a structural change in the company be submitted to the General Shareholders' Meeting for approval and, in particular, the following:

a) The transformation of listed companies into holding companies by means of "subsidiarisation" or the incorporation into subsidiaries of essential activities carried out up to that time by the company itself even though the company maintains full control over them.

- b) The acquisition or disposal of essential operating assets, when this involves an effective change in the corporate purpose;
- c) Transactions having an effect equivalent to that of the winding-up of the company.

Complies partially

Given that there is no requirement in this regard in business law and considering that, for the present, transactions of this kind are not likely (to date, Codere, S.A. has not had to confront a transaction of this kind nor does it have any plans to do so), it has not been considered necessary or advisable to include a mention of this kind in the Articles of Association or in any of the Company's Rules of Procedure. Notwithstanding the foregoing, article 7 of the Rules of Procedure of the Codere, S.A. General Shareholders' Meeting establishes that the transformation, merger, spinoff and dissolution of the Company and, in general, any amendment to the Articles of Association shall be a prerogative of the General Shareholders' Meeting.

- 4. That the detailed proposals of the resolutions to be adopted at the General Meeting, including the information referred to in Recommendation 28, be made public at the time of publication of the notice of the General Meeting.

Complies

- 5. That at the General Meeting a separate vote be taken on those matters which are substantially independent, enabling shareholders to exercise their voting preferences separately. And that such rule be applied, in particular:

- a) To the appointment or ratification of directors, which should be voted on individually;
- b) In the case of amendments to the Articles of Association, to each article or group of articles which are substantially independent.

See sub-paragraph: E.8

Complies

- 6. That the companies allow votes to be split in order that financial intermediaries who are empowered as shareholders, but who act on behalf of different clients, can cast their votes in accordance with the instructions of such clients:

See sub-paragraph: E.4

Complies

- 7. That the Board carry out its functions with unity of purpose and independence of criteria, treat all shareholders equally and be guided by the company's interest, understood as maximising the economic value of the company.

And that it oversee that the company in its relations with stakeholders respects the laws and regulations; complies in good faith with its obligations and contracts, respects the custom and best practice of the sectors and territories where it carries out its activity; and observes those additional principles of social responsibility as it may have voluntarily accepted.

Complies

- 8. That the Board take on, as the core of its mission, the approval of the corporate strategy and the organisation required for the implementation of the strategy, and also, supervise and ensure that Management complies with the objectives set and respects the corporate purpose and interest of the company. And, to this end, that the plenum of the Board reserve for itself the power to approve:

- a) The general policies and strategies of the company, particularly the following:
 - i) The Strategic or Business Plan, as well as the annual management targets and budget;
 - ii) The investment and financial policy;

- iii) The definition of the structure of the group of companies;
- iv) The corporate governance policy;
- v) The corporate social responsibility policy;
- vi) The compensation policy and evaluation of senior management performance;
- vii) The control and risk management policy as well as the regular monitoring of the internal information and control systems.
- viii) The dividend policy and the treasury share policy, particularly with respect to their limits.

See sub-paragraphs: B.1.10, B.1.13, B.1.14 and D.3

b) The following decisions:

- i) At the proposal of the chief executive of the company, the appointment and eventual dismissal of senior managers, as well as their indemnity clauses.

See sub-paragraph: B.1.14

- ii) The compensation to be paid to the directors and, in the case of executive directors, additional remuneration for their executive duties and all other terms and conditions as required to be included in their contracts.

See sub-paragraph: B.1.14

- iii) The financial information which, on account of its listed-company status, the company is required to make public regularly.
 - iv) Investments or transactions of any kind which, in view of the significant amount involved or the special characteristics thereof, are considered strategic, unless they are required to be approved by the General Meeting.
 - v) The creation or acquisition of shareholdings in special-purpose entities or companies domiciled in countries or territories considered to be tax havens, as well as any other similar transactions or operations which, due to their complexity, may diminish the transparency of the group.
- c) Transactions which the company carries out with directors, significant shareholders or shareholders represented on the Board or with persons related to them ("related-party transactions").

This approval by the Board shall not be understood to be necessary, however, in those related-party transactions which simultaneously comply with the following three conditions:

1. That they be carried out through contracts with standardised terms and conditions and applied en masse to a large number of clients;
2. That they be carried out at prices or rates generally established by the supplier of the good or service in question;
3. That the amount thereof not exceed 1% of the company's annual revenues.

It is recommended that the Board approve the related-party transactions following a favourable report by the Audit Committee or, if appropriate, by any other Committee entrusted with this function; and that the directors affected by any such transaction, in addition to not exercising or delegating their right to vote, be absent from the meeting room while the Board deliberates and votes on the transaction.

It is recommended that the duties attributed to the Board here should not be delegatable, except for those mentioned in letters b) and c) which, for urgent reasons, may be taken on by the Delegated Committee, to be subsequently ratified by the plenum of the Board.

See sub-paragraphs: C.1 and C.6

Complies

9. That the size of the Board be large enough to be able to function effectively and in a participative manner, rendering it advisable for its size to be no fewer than five and no more than fifteen members.

See sub-paragraph: B.1.1

Complies

10. That the external nominee and independent directors make up an ample majority of the Board and that the number of executive directors be limited to the minimum necessary, taking into account the complexity of the corporate group and the percentage of share capital held by the executive directors:

See sub-paragraphs: A.2, A.3, B.1.3 and B.1.14

Complies

11. That in the event of an external director who cannot be considered either as a nominee or as an independent director, the company explain this circumstance and the ties of any such director either with the company or its managers, or with the shareholders.

See sub-paragraph: B.1.3

Not applicable

12. That with respect to the external directors, the ratio between the number of nominee directors and that of the independent directors reflect the ratio existing between the company's capital represented by the nominee directors and the rest of the capital.

This criterion of strict proportionality may be attenuated in such a way that the nominee directors would have greater weight than that which would correspond to the total percentage of the capital they represent:

1. In highly capitalised companies in which there are few or no shareholdings which are legally considered as significant, but where there are shareholders with packages having a high absolute value.
2. When companies have a plurality of shareholders represented on the Board, and with no ties among them.

See sub-paragraphs: B.1.3, A.2 and A.3

Complies

13. That the number of independent directors represent at least one-third of the total number of directors.

See sub-paragraph: B.1.3

Complies

14. That the status of each director be explained by the Board to the General Shareholders' Meeting which is to make or ratify their appointments and that this be confirmed, or where appropriate, revised annually in the Report on Corporate Governance, following verification by the Appointments Committee. Furthermore, the aforementioned report must also give the reasons for the appointment of nominee directors at the request of shareholders owning less than 5% of the capital; and state the reasons for not having heeded formal requests for appointments to the Board from shareholders holding the same or a larger percentage of shares in comparison to the percentage held by others at whose request nominee directors were appointed.

See sub-paragraphs: B.1.3 and B.1.4

Complies

15. That when there are few or no women directors, the Board explain the reasons why and the initiatives adopted to correct such situation; and that, in particular, the Appointments Committee ensure that when new vacancies occur:

- a) That there is no implicit bias in the selection procedures so as to hinder the selection of women directors;
- b) The company deliberately seeks out and includes among the potential candidates women with the professional profile sought.

See sub-paragraphs: B.1.2, B.1.27 and B.2.3

Complies

16. That the Chairman, as the person responsible for ensuring that the Board is run effectively, make certain that the directors receive sufficient information in advance;; encourage debate and the active participation of the directors during Board meetings, safeguarding their freedom to take their own positions and express their own opinions; and organise and coordinate, together with the Chairmen of the relevant Committees, the regular evaluation of the Board and of the Managing Director or chief executive, if applicable.

See sub-paragraph: B.1.42

Complies

17. That, when the Chairman of the Board is also the company's chief executive, one of the independent directors be empowered to request the call of Board meetings or the inclusion of additional points on the agenda; to coordinate and reflect the concerns of the external directors; and to conduct the evaluation by the Board of its Chairman.

See sub-paragraph: B.1.21

Complies

18. That the Secretary of the Board be particularly vigilant to ensure that the actions of the Board:

- a) Conform to the letter and spirit of the Law and the regulations pursuant thereto, including those approved by regulatory authorities;
- b) Conform to the Company's Articles of Association and with the Rules of Procedure of the General Meeting, of the Board and any other rules and regulations as the company may have in place;
- c) Take into account the recommendations on good governance contained in this Unified Code which the company may have accepted.

Furthermore, to safeguard the independence, impartiality and professionalism of the Secretary, his or her appointment and removal be examined in a report by the Appointments Committee and approved by the plenum of the Board and that such procedure for the appointment and removal be included in the Rules of Procedure of the Board.

See sub-paragraph: B.1.34

Complies

19. That the Board meet as often as required in order to perform its duties effectively, according to the timetable and matters to be addressed which it establishes at the beginning of the financial year, with each director being able to propose additional items not initially planned for inclusion on the agenda.

See sub-paragraph: B.1.29

Complies

20. That the number of instances of non-attendance of directors at Board meetings be reduced to cases of absolute necessity, and that such cases be quantified in the Annual Report on Corporate Governance. And that any proxy as may prove essential be granted with instructions.

See sub-paragraphs: B.1.28 and B.1.30

Complies

21. That when the directors or the Secretary express their concern over a given proposal or, in the case of the directors, over the running of the company, and these concerns are not resolved at the Board meeting, such circumstance be reflected in the minutes at the request of the person voicing such concerns

Complies

22. That the plenum of the Board evaluate once a year:
- a) The quality and efficiency of the operation of the Board;
 - b) On the basis of the relevant report submitted to it by the Appointments Committee, the performance of their duties by the Chairman of the Board and by the company's chief executive;
 - c) The operation of the Board's Committees, on the basis of the reports submitted to it by the said Committees.

See sub-paragraph: B.1.19

Complies

23. That all directors be able to exercise their right to gather any additional information which they consider necessary with respect to matters for which the Board is competent. And, unless the Articles of Association or the Rules of Procedure of the Board stipulate otherwise, that they address their requests to the Chairman or to the Secretary of the Board.

See sub-paragraph: B.1.42

Complies

24. That all of the directors be entitled to obtain from the company the consultancy they require in order to perform their duties. And that the company find the adequate channels for the exercise of this right which, in special circumstances, may include external consultancy at company expense.

See sub-paragraph: B.1.41

Complies

25. That companies set up an orientation programme to familiarise new directors with the company and its corporate governance rules quickly and sufficiently. And that they also offer their directors programmes for updating their knowledge whenever circumstances render such programmes advisable.

Complies

26. That companies require that their directors to devote sufficient time and effort to the discharge of their duties in order to be able to perform them effectively and, therefore:

- a) That directors inform the Appointments Committee of their other professional obligations, in the event that these might possibly interfere with the dedication required;
- b) That companies establish rules determining the number of boards on which their directors may sit.

See sub-paragraphs: B.1.8, B.1.9 and B.1.17

Complies

27. That the proposal for the appointment or re-election of directors which is submitted by the Board to the General Shareholders' Meeting, as well as the provisional appointment of directors through co-optation, be approved by the Board:

- a) At the proposal of the Appointments Committee in the case of independent directors;
- b) Following a report by the Appointments Committee in the case of the rest of the directors.

See sub-paragraph: B.1.2

Complies

28. That companies publicise and keep the following information on their directors updated through their website:

- a) Professional profile and biography;
- b) Other Boards of Directors to which they belong, regardless of whether listed or unlisted companies are involved;
- c) Indication of the status of director they hold, specifying in the case of nominee directors, the shareholder they represent or with which they have ties.
- d) Date of the initial appointment as a company director and dates of subsequent appointments, and
- e) Any company shares and stock options as they may hold.

Complies

29. That the independent directors not remain as such during a continuous period of more than 12 years.

See sub-paragraph: B.1.2

Complies

30. That nominee directors tender their resignation when the shareholder they represent sells its entire shareholding. And that they do likewise, in the relevant proportion, whenever such shareholder reduces its shareholding down to a level which requires the reduction of the number of its nominee directors.

See sub-paragraphs: A.2, A.3 and B.1.2

Complies

31. That the Board of Directors refrain from proposing the removal of any independent director before said director completes his or her term of appointment as stipulated in the Articles of Association, unless there is good reason to do so, as determined by the Board on the basis of a report by the Appointments Committee. In particular, good cause is understood to exist when a director has failed to discharge the duties inherent to his or her office or is affected by any of the circumstances described in sub-paragraph 5 of paragraph III of the definitions of this Code.

The removal of independent directors may also be proposed as a result of takeover bids, mergers or other similar corporate transactions involving a change in the corporate capital structure, when such changes in the structure of the Board are made in response to the criterion of proportionality indicated in Recommendation 12.

See sub-paragraphs: B.1.2, B.1.5 and B.1.26

Complies

32. That the companies set up rules obliging directors to report and, where appropriate, to resign in those cases which may damage the credit and reputation of the company and, in particular, oblige them to report to the Board any criminal matter of which they stand accused, as well as the subsequent procedural developments

That in the event that a director is indicted or ordered to stand trial for any of the offences stipulated in article 124 of the Companies Act, the Board must examine the case as soon as possible and, in view of the specific circumstances, decide as to whether or not the director should remain in office. Moreover, the Board must render account of the foregoing, in a reasoned manner, in the Annual Report on Corporate Governance.

See sub-paragraphs: B.1.43 and B.1.44

Complies

33. That all of the directors clearly express their opposition whenever they consider that a given proposal for decision put to the Board may be contrary to the corporate interest. And

that they also do so, particularly the independent and other directors who are not affected by the potential conflict of interest, when decisions are involved which may be detrimental to the interests of shareholders not represented on the Board.

And that, when the Board adopts significant or reiterated decisions on which a director has expressed serious reservations, such director draw the appropriate conclusions and, if he or she decides to resign, explain the reasons why in the letter referred to in following recommendation.

This Recommendation also extends to the Secretary of the Board, even when the Secretary does not have director status.

Complies

34. That, whenever, by resignation or for any other reason, a Director steps down from his/her office prior to the end of the term thereof, such Director explain the reasons in a letter to be sent to all of the members of the Board. And that, without prejudice to reporting the stepping-down of the director as a significant event, that the reason for it be stated in the Annual Report on Corporate Governance.

See sub-paragraph: B.1.5

Not applicable

35. That the compensation policy approved by the Board address at least the following matters:

- a) Amount of the fixed components, with a breakdown, if applicable, of allowances for attendance at Board and Committee meetings, and an estimate of the fixed annual compensation to which they give rise;
- b) Variable items of compensation, including, in particular:
 - i) Types of directors to which they apply, as well as an explanation of the relative importance of the variable compensation items with respect to the fixed items.
 - ii) Criteria for the evaluation of results which serve as a basis for an entitlement to compensation by shares, stock options or any variable component;
 - iii) Fundamental parameters and basis for any annual premium (bonus) system or other non-cash benefits;
 - iv) An estimate of the absolute amount of the variable compensation items to which the proposed compensation plan will give rise, in terms of the degree of compliance with the hypotheses or targets taken as a reference.
- c) Principal characteristics of the social welfare systems (for example, additional pensions, life insurance and similar benefits), with an estimate of their equivalent annual cost.
- d) Terms and conditions to be respected in the contracts for those who perform senior manager functions, such as executive directors, including:
 - i) Duration;
 - ii) Periods of advance notice; and
 - iii) Any other clauses regarding contract premiums, such as indemnity or golden parachute clauses for sooner termination or the end of the contractual relationship between the company and the executive director

See sub-paragraph: B.1.15

Complies

36. That only executive directors be eligible for compensation in the form of company or group-company shares, stock options or share-price-indexed instruments, variable compensation tied to company performance or social welfare systems.

This recommendation will not apply to the granting of shares, whenever this is conditioned to the maintaining of such shares by the directors up to the time when they step down.

See sub-paragraphs: A.3 and B.1.3

Complies

37. That the compensation paid to external directors be sufficient so as to compensate the dedication, qualification and responsibility required by the office, but not so high as to compromise their independence.

Complies

38. That the compensation tied to company results take into account any eventual qualified opinions as may be stated in the external auditor's report and reduce such results.

Not applicable

39. That in cases of variable compensation, compensation policies incorporate the technical precautions required to ensure that such compensation is in line with the professional performance of its beneficiaries and does not merely stem from general market performance or from the performance of the company's business sector or from other similar circumstances

Not applicable

40. That the Board submit to the vote of the General Shareholders' Meeting, as a separate item on the agenda and on a consultative basis, a report on directors' compensation policy. Furthermore, that such report be made available to the shareholders, either separately or in any other way as the company may deem advisable.

This report is to focus particularly on the compensation policy approved by the Board for the year already under way and, if applicable, the policy planned for future years. It must address all of the matters referred to in Recommendation 35, except for those points which may involve the disclosure of sensitive commercial information and must also highlight the most significant changes made in such policies with respect to the policy applied during the previous year to that which the General Meeting refers. It shall also include an overall summary of how the compensation policy was applied during the said previous financial year.

That the Board likewise report on the role played by the Compensation Committee in drafting the compensation policy and, if external consultancy was used, identify the external consultants providing the service.

See sub-paragraph: B.1.16

Complies

41. That the Annual Report provide details of the individual compensation paid to the directors during the year and that it include:

a) An individualised breakdown of the compensation paid to each director, including, if applicable:

- i) Attendance allowances and other fixed compensation items payable to directors;
- ii) Additional compensation as chairman or member of a Board committee;
- iii) Any compensation in the form of profit-sharing or bonuses, and the reason why it is granted;
- iv) Contributions on behalf of the director to defined contribution pension plans; or the increase in the director's consolidated rights, in cases of contributions to defined benefit plans;
- v) Any indemnity agreed to or paid in the event of the termination of the director's functions;
- vi) Amounts of compensation received as a director of other group companies;
- vii) Amounts of remuneration for the performance of senior management duties by the executive directors;
- viii) Any other item of compensation separate from the above, regardless of the nature of the item or of the group company paying such compensation,

particularly when it is considered to be a related-party transaction or when the omission thereof distorts the true and fair picture of the total compensation received by the director.

- b) An individualised breakdown of any eventual granting to directors of shares, stock options or any other share-price-indexed instruments, with details of:
- i) The number of shares or options granted during the year and the terms and conditions for the exercise thereof;
 - ii) The number of options exercised during the year, indicating the number of shares affected and the exercise price;
 - iii) The number of options pending exercise at year-end, indicating their price, date and other exercise requirements;
 - iv) Any change during the year in the terms and conditions for the exercise of options already granted.
- c) Information on the ratio, during the said previous year, between the compensation obtained by the executive directors and the results or other measures of company performance.

Complies

42. That when a Delegated or Executive Committee (hereinafter, "Delegated Committee") exists, the participation structure of the various categories of directors be similar to that of the Board itself and that the Secretary of the Committee be the same as the Secretary of the Board.

See sub-paragraphs: B.2.1 and B.2.6

Not applicable

43. That the Board always be informed of the matters dealt with and the decisions adopted by the Delegated Committee, and that all members of the Board receive a copy of the minutes of the Delegated Committee meetings.

Not applicable

44. That the Board of Directors set up from among its members, in addition to the Audit Committee required by the Securities Market Act, an Appointments and Compensation Committee, or two separate Committees.

That the rules for the composition and operation of the Audit Committee and the Appointments and Compensation Committee or Committees be stated in the Rules of Procedure of the Board and that they include the following:

- a) That the Board appoint the members of these Committees, taking into account the knowledge, expertise and experience of the directors and the duties of each Committee; that it deliberate on their proposals and reports; and that the said Committees report to the Board on their activity and account for the work performed at the first plenum of the Board held subsequent to the Committee meetings;
- b) That these Committees be made up exclusively by external directors, with a minimum of three. This is understood as without prejudice to the attendance of executive directors or senior management, whenever expressly agreed by the members of the Committee.
- c) That the Chairmen of the Committees be independent directors.
- d) That the Committees may obtain external consultancy, whenever they consider such consultancy advisable for the performance of their duties.
- e) That minutes be taken of the Committee meetings, with a copy to all of the members of the Board.

See sub-paragraphs: B.2.1. and B.2.3

Complies

45. That the supervision of compliance with the internal codes of conduct and the rules of corporate governance be attributed to the Audit Committee, to the Appointments Committee or, if there are two separate Committees, to the Compliance or Corporate Governance Committee.

Complies

46. That the members of the Audit Committee, particularly the Chairman, be appointed by taking into account their knowledge and experience in accounting, auditing or risk management.

Complies

47. That listed companies have an internal audit unit which, under the supervision of the Audit Committee, oversees the proper operation of the information and internal control systems.

Complies

48. That the person in charge of the internal audit unit present the unit's annual work plan to the Audit Committee; directly report to the Committee any incidents as may arise in the implementation of such plan; and submit an activity report to the Committee each year.

Complies

49. That the risk control and management policy identify at least the following:
- a) The various types of risk (operating, technological, financial, legal, reputational...) faced by the company, including contingent liabilities and other off-balance-sheet risks among the financial or economic risks;
 - b) The establishment of the risk level which the company considers acceptable;
 - c) The measures planned to lessen the impact of identified risks should they materialise;
 - d) The information and internal control systems which will be used to control and manage the aforementioned risks, including contingent liabilities or off-balance-sheet risks.

See sub-paragraphs: D

Complies

50. That the Audit Committee be in charge of the following:

1. In relation to the information and internal control systems:

- a) Supervise the process for the drafting and the integrity of the financial information of the company and, if applicable, of the group, reviewing compliance with the regulatory requirements, the adequate delimitation of the scope of consolidation and the proper application of the accounting standards;
- b) Review the internal control and risk management systems on a regular basis to ensure that the principle risks are identified, managed and adequately made known;
- c) Monitor the independence and efficiency of the internal audit area; propose the selection, appointment, re-election and removal of the person in charge of the internal audit service; propose the budget for this service; receive regular information on its activities and verify that senior management takes into consideration the conclusions and recommendations of its reports;
- d) Set up and supervise a mechanism allowing employees to report confidentially and, where appropriate, anonymously, any irregularities which they detect in the company and which may have a potential impact, particularly with respect to financial and accounting matters;

2. In relation to the external auditor:

- a) Submit proposals to the Board with respect to the selection, appointment, re-election and replacement of the external auditor, together with the terms and conditions of the auditor's engagement;
- b) Receive information from the external auditor on a regular basis with respect to the audit plan and the results of the implementation thereof and verify that senior management takes into consideration the auditor's recommendations;
- c) Ensure the independence of the external auditor and to this end:
 - i) Verify that the Company notifies the CNMV (National Securities Market Commission) of any change in the auditor as a significant event, attaching a statement on the possible existence of discrepancies with the outgoing auditor and, if any, the content of such discrepancies.
 - ii) Verify that the company and the auditor observe the regulations in force with respect to the provision of services other than audit services, the limits to the concentration of the auditor's business and, in general, all other rules established to ensure the independence of auditors.
 - iii) That in the event of the resignation of the external auditor, examine the reasons for such decision.
- d) In the case of groups, encourage arrangements whereby the group's auditor will also take responsibility for conducting the audits of the companies comprising the group.

See sub-paragraphs: B.1.35, B.2.2, B.2.3 and D.3

Complies partially

The duty of establishing and supervising a mechanism enabling employees to report confidentially and, if considered appropriate, anonymously, any irregularities detected in the company with a potential impact, particularly on financial and accounting aspects, is entrusted to the Compliance Committee in Codere, S.A.

51. That the Audit Committee may call on any company employee or manager, and even have them appear without the presence of any other manager.

Complies

52. That the Audit Committee inform the Board, prior to the Board's adopting the relevant decisions, about the following matters indicated in Recommendation 8:

- a) The financial information which, as a listed company, the company is required to make public on a regular basis. The Committee must ensure that the interim accounts are prepared in accordance with the same accounting standards as those applied to the annual accounts and, to this end, consider the appropriateness of a limited review by the external auditor;
- b) The creation or acquisition of stakes in special purpose entities or entities domiciled in countries or territories considered to be tax havens, as well as any other transactions or operations of a similar nature which, due to their complexity, could diminish the transparency of the Group;
- c) The related-party transactions, unless the duty of preparing a preliminary report has been attributed to another of the supervisory and control Committee.

See sub-paragraphs: B.2.2 and B.2.3

Complies

53. That the Board of Directors endeavour to present the annual accounts to the General Meeting without reservations or qualified opinions and, in the exceptional case of a reservation or qualified opinion, both the chairman of the Audit Committee as well as the auditors clearly explain to the shareholders the content and scope of such reservations or qualified opinions.

See sub-paragraph: B.1.38

Complies

54. That the majority of the members of the Appointments -or the Appointments and Compensation Committee if there is only a single committee- be independent directors.

See sub-paragraph: B.2.1

Explain

100% of the members of the Corporate Governance Committee (the Committee which includes the duties of the Appointments and Compensation Committee) are External Directors, and 50% are independent.

55. That the Appointments Committee, in addition to the duties indicated in the preceding Recommendations, be entrusted with the following:

- a) Evaluating the expertise, knowledge and experience necessary for serving on the Board, therefore defining the duties and capabilities required of the candidates who are to fill each vacancy and evaluating the time and dedication necessary for the proper discharge of their duties.
- b) Examining or organising, in a manner understood to be adequate, the succession of the Chairman and the chief executive and, as appropriate, making proposals to the Board in order that the succession may take place in an orderly and well-planned manner.
- c) Preparing reports on any appointments or dismissals of senior managers which the chief executive may propose to the Board.
- d) Reporting to the Board on the gender-diversity issues indicated in Recommendation 14 of this Code.

See sub-paragraphs: B.2.2 and B.2.3

Complies

56. That the Appointments Committee consult with the company Chairman and chief executive, particularly with respect to matters relating to executive directors.

And that any director be able to request that the Appointments Committee take into consideration potential candidates to fill director vacancies, if the Committee finds them suitable.

Complies

57. That the Compensation Committee, in addition to the duties indicated in the preceding Recommendations, be entrusted with the following:

- a) Proposing to the Board:
 - i) The compensation policy for directors and senior management;
 - ii) The individual compensation of the executive directors and the other terms and conditions of their contracts;
 - iii) Basic contract terms and conditions for senior managers.
- b) Ensuring that the compensation policy established by the company is observed:

See sub-paragraphs: B.1.14 and B.2.3

Complies partially

The Corporate Governance Committee is responsible for the duties indicated in paragraph a) and, with respect to paragraph b), the Committee is responsible for ensuring observance of the compensation policy for Directors and the remuneration policy for senior managers.

58. That the Compensation Committee consult with the Chairman and chief executive, particularly on matters concerning executive directors and senior managers.

Complies

G – OTHER INFORMATION OF INTEREST

If you consider that there is any principle or relevant aspect in relation to the corporate governance practices applied by your company which has not been addressed by this report, please mention this below and explain the content thereof.

In relation to paragraph A.2, Noonday Asset Management LLP is highlighted as the owner of significant shareholdings with an indirect shareholding at 31/12/2010 of 5.006% (2,754,908 shares). Considering that in the relevant notification submitted by Noonday Asset Management LLP to the NMV the company does not identify the natural or legal person who is the direct owner of the shares, it has not been possible to complete paragraph A.2, although we take advantage of this space in order to complete such information.

In relation to paragraph B.1.3, the Executive and Nominee Directors were re-elected in accordance with the preliminary report submitted by the Appointments and Compensation Committee. The duties of this Committee were subsequently taken over by the Corporate Governance Committee.

In relation to paragraph B.1.13, although the Rules of Procedure of the Board of Directors reserve to the plenum of the Board the power of determining the indemnity clauses for senior managers and the terms and conditions of the contracts of the Executive Directors, the 4 guarantee or golden parachute clauses indicated in this question were not authorised by the Board of Directors, as they refer to contracts made prior to the entry into force of the Rules of Procedure of the Board of Directors.

In relation to paragraph B.1.26, we note that the Rules of Procedure of the Board establish in article 3.2 that the Board will seek to ensure that the Independent Directors do not remain as such during a period of more than 12 years and that, in the event of a decision to renew their term of office beyond such period, the specific reasons for such renewal must be explained in the Annual Report on Corporate Governance.

In relation to paragraph B.1.29, we note that the third Committee existing within the Codere, S.A. Board of Directors, the Compliance Committee, met on six occasions in 2010. In addition, the 8 meetings of the Appointments and Compensation Committee mentioned refer to 3 meetings of the Appointments and Compensation Committee, which was in effect up to June 2010, and to 5 meetings of the Corporate Governance Committee, in effect since then, having taken over the duties of the former Appointments and Compensation Committee.

In relation to paragraph B.2.1, we note that article 15 of the Rules of Procedure of the Codere, S.A. Board of Directors establishes that whenever the Chairman of the Compliance Committee is not an Independent Director, the reasons for this situation must be stated in the Annual Report on Corporate Governance. In this regard, the Chairman of the Compliance Committee, Mr. Jose Ignacio Cases, has the status of a Nominee Director, and his appointment as Chairman of the said Committee is due to his experience and knowledge gained on having served as the General Secretary of the Gaming Commission of the Ministry of the Interior and as Professor of Political Science at the Universidad Carlos III de Madrid, ranking him among the most knowledgeable experts in the field.

In relation to paragraph B.2.2, the duty of establishing and supervising a mechanism enabling employees to report confidentially and, if considered appropriate, anonymously, any irregularities detected with a potential impact, particularly on financial and accounting matters, is the responsibility of the Compliance Committee, according to the Rules of Procedure of the Codere, S.A. Board.

In paragraph C.3 on details of relevant transactions between the Company or entities in its Group and Directors or managers of the Company, we note, with reference to the Director, Mr. Luis Javier Martínez Sampedro, contractual relations for the provision of services with the companies, Interbas SA (in the amount of 97,200 euros), Ibarargen SA (in the amount of 97,200 euros), Bingos Platenses SA (in the amount of 32,400 euros), Interjuegos SA (in the amount of 32,400 euros) and Bingos del Oeste SA (in the amount of 64,800 euros), although it is the company Recreativos Metropolitano S.L., of which the above-named is the Sole Director, who actually provides such services.

In paragraph C.3 on the details of relevant transactions between the Company or entities in its Group and Directors or managers of the Company, we note, with reference to the Director, Mr. José Ramón Romero Rodríguez, a contractual relationship for the provision of services in the amount of 450,000 euros, although it is the law firm, Despacho Loyra Abogados, of which the above-named is Partner Manager, who actually provides such services.

You may indicate in this section any other information, clarification or shades of meaning, in relation to the preceding paragraphs of the report, to the extent that they are relevant and not repetitive.

Specifically, state whether the company is subject to any legislation other than Spanish legislation with respect to corporate governance and, if so, include that information which the company is obliged to provide and which is different from the information required in this report.

Binding definition of independent director:

Indicate whether any of the independent directors has or has had any relationship with the company, its significant shareholders or its managers which, had it been sufficiently significant or important, would have made it impossible for the director to be considered independent in accordance with the definition contained in section 5 of the Unified Good Governance Code:

NO

Date and signature:

This annual report on corporate governance has been approved by the company's Board of Directors, at its meeting of

24/02/2011

State whether any Directors have voted against or have abstained from the approval of this report.

NO