



PRESS RELEASE

CODERE INCREASED ITS EBITDA 21.9% IN THE FIRST QUARTER OF THE YEAR, REACHING 61.8 MILLION EUROS

- In the first quarter of 2008, turnover totalled 243.6 million euros, 18.8% more than the figure obtained in the same period in 2007.
- CODERE's results show continuing growth in its principal markets in Latin America, Mexico and Argentina.
- The CODERE Group, winner of the "Best Bingo Operator" award in the *International Gaming Awards 2008*.

Madrid, 14 May 2008. The CODERE Group, a Spanish multinational and a benchmark company in the private gaming sector, announced today its results for the first quarter of 2008 (1Q08), showing significant rates of growth which confirm the positive performance of the Group's business at the beginning of the year.

Turnover during 1Q08 totalled 243.6 million euros, 18% more than the figure obtained in the same period in 2007. EBITDA amounted to 61.8 million euros in 1Q08, representing a 21.9% increase with respect to the same period in the previous year. The 1Q08 Net Profit was 1.1 million euros, in comparison to 9.3 million in 1Q07, due mainly to the expenses involved in the restructuring of the business in Italy, which had been announced previously, and to exchange rate differences. In 2008 CODERE is once again on the road to a profit after having closed 2007 with losses.

The key elements responsible for these results include an increase in the volume of business in Mexico, associated with the growth in the number of electronic bingo terminals (EBTs) installed and with the proportionate consolidation of ICELA, the operating improvements in the gaming terminal business in Argentina and the growth of the number of machines in Spain.

The positive performance continues in the Group's principal markets

In **Spain**, turnover in the area of recreational machines grew 5.7% in the first quarter of 2008, moving up to 53.5 million euros and reflecting the increase in the number of machines installed and, to a lesser degree, the sale of machines. The barrier of 15,700 machines installed has now been surpassed. EBITDA advanced 2.8% with respect to the same period in the previous year, reaching 18.4 million euros.

In **Argentina**, turnover was up 14.2% with respect to 1Q07, totalling 80.5 million euros. The growth in the number of recreational machines installed and the increase in the average daily take per machine, which was 9.8% higher than in 1Q07, were the key factors in this positive progression. EBITDA amounted to 27.2 million euros, 18.3% more than in the same quarter of the previous year.

In **Mexico**, the CODERE Group's business has experienced significant growth. Turnover totalled 50.3 million euros in 1Q08, which represents a 77.7% increase with respect to the first quarter in the previous year. This increase is due basically to the larger number of EBTs installed, which now amount to 18,366 units, 65% more than in the same period of the previous year, and to the proportionate consolidation of ICELA, which includes the contribution of new business undertakings such as the Las Américas racetrack and the Banamex convention centre. In terms of EBITDA, a 63.8% increase was registered, totalling 21.3 million euros in 1Q08.

The growth experienced in **Panama** stands out among the rest of the Group's operations, with a turnover of 10.3 million euros associated with the expansion of the number of machines in casinos and the opening of a gaming hall at the Presidente Remón racetrack in 2Q07. In **Italy**, the consolidation of the indirect operators of machines and the contribution of CODERE Network have boosted revenues by 5.1 million euros with respect to the same period in the previous year. The positive performance of Bingos Italia has been strengthened by the introduction of recreational machines in the bingo halls, and the revenues in this area totalled 24.1 million euros in 1Q08.

Outstanding milestones

In January 2008, the CODERE Group was awarded the "Best Bingo Operator" prize in the International Gaming Awards presented in the city of London.

During 1Q08, CODERE concluded the sale of the direct recreational machine business in Italy and initiated the restructuring of the recreational machine operating division in that country. The effect of these transactions on the results for 1Q08 totalled 3 million euros from the sale and an outlay for restructuring costs of 3 million euros.

The CODERE Group

Codere is a Spanish multinational, a benchmark company in the private gaming sector in Europe and Latin America, which manages more than 52,000 recreational machines, 130 bingo halls, 56 sports betting halls, 3 racetracks and 5 casinos in Spain, Italy, Argentina, Brazil, Colombia, Mexico, Panama and Uruguay.

Communications Department

comunicacion@codere.com

Phone: +(34)91-3542826

NOTE: The 1Q08 Financial Report on Results is available at www.codere.com