



Company overview

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Codere at a glance



- Manages 53,909 machines, 135 bingo halls and 77 betting shops, 5 casinos and 3 racetracks
- #2 AWP operator in Spain (c.6.3% market share)
- #1 bingo operator in Mexico, through agreements with local partners
- #1 gaming operator in the Province of Buenos Aires
- Leading gaming operator in other growth markets (Italy, Panama, Colombia, Brazil and Uruguay)
- LTM €1,057 million revenues and LTM €215.6 million EBITDA (€235.3 million adjusted)

Key Operating Metrics / Codere's Footprint

	Spain	Argentina	Mexico	Italy	Colombia	Panama	Uruguay	Brazil	Total
Machines	15,909	4,487	19,575	2,360	8,639	1,410	1,529		53,909
Bingo Halls	1	14	102	12	6				135
Casinos					1	4			5
Race Tracks			1			1	1		3
Betting shops	16		47			5	6	3	77

Note: As of 30 September 2008.



(1) Excludes Corporate Overhead.

Growth drivers are not directly linked to economic cycles

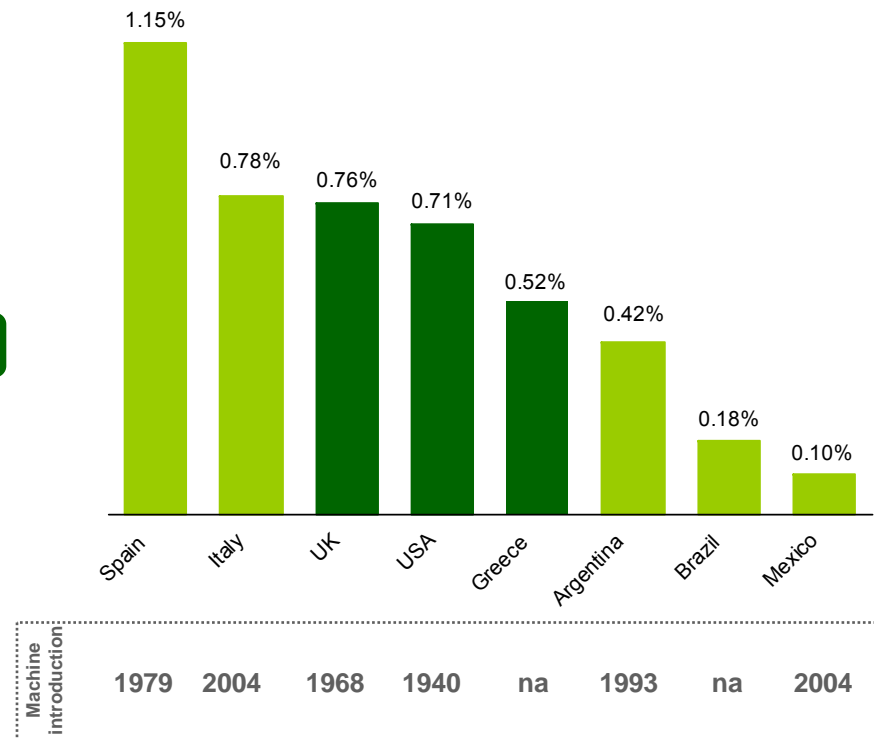
Increasing Gaming as % of GDP

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

Increase market share

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

Gaming turnover (% GDP)

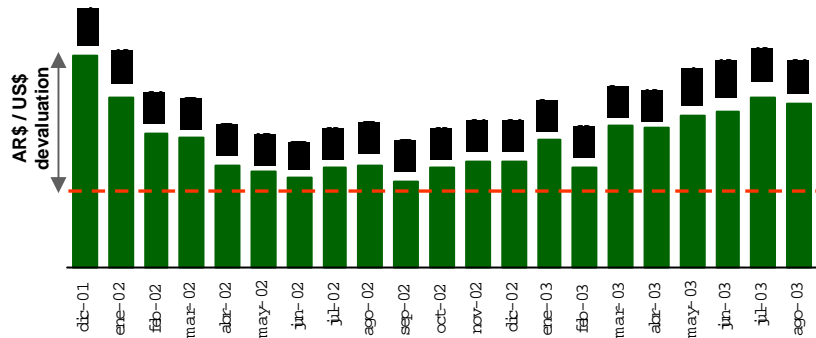


Source: GBGC (August 2005) and national statistics

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

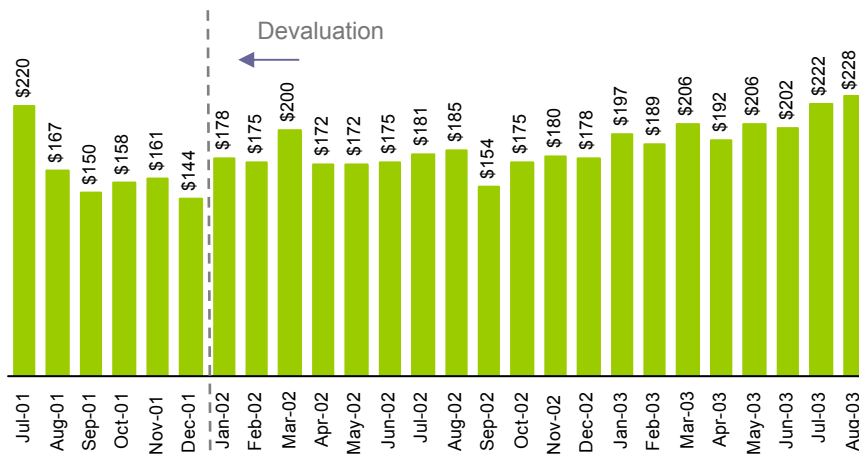
Codere has demonstrated remarkable resilience

Net Win per Day in US\$



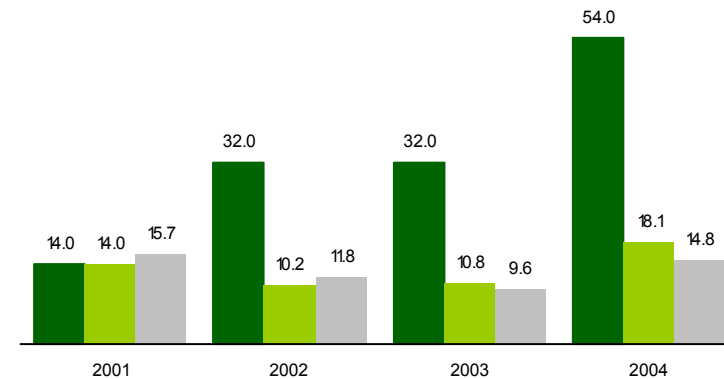
- December 31, 2001 Argentine government eliminated peso peg to US\$
- Peso devalued 67% versus US\$ in 2001-2002
- By August 2003 net win per machine was back to July 2001 levels in real terms
- 2002 EBITDA decreased 25% in euro terms following the devaluation of the peso
- Strong profitability maintained throughout economic crisis

Net Win per Day (constant July 2001 pesos)



EBITDA

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



GDP

-4.5% -10.9% +8.7% +9.0%

Results for the nine months ended Sept. 30, 2008

(in € millions)

	9M 2007	9M 2008 Reported	% change	9M 2008 At constant currency	% change
Revenues	636.7	778.5	22.3%	828.4	30.1%
EBITDA ⁽¹⁾					
Spain AWP	55.1	51.4	(6.7%)	51.4	(6.7%)
Argentina	72.6	80.3	10.6%	90.8	25.1%
Mexico	38.1	52.0	36.5%	56.1	47.2%
Others	14.5	21.8	50.3%	22.7	56.6%
Corp. overhead	(19.8)	(26.1)	<i>n.a.</i>	(26.1)	<i>n.a.</i>
Reported EBITDA	160.5	179.4	15.9%	194.9	21.4%
Net Income	17.9	5.6	(68.7%)	12.0	(33.0%)

(1) The Italian direct AWP and Italy Sports Betting businesses are not reflected because they were classified as discontinued operation in 9M 2008 and prior periods for comparative purposes.

Discretionary free cash flow

(€ millions)	9M 2007	9M 2008	% Change
EBITDA	160.5	179.4	11.8%
- Net interest	40.5	48.4	19.5%
-Taxes	<u>29.0</u>	<u>38.4</u>	32.4%
Operating Cash Flow	91.0	92.6	1.8%
- Maintenance Capex	<u>49.4</u>	<u>51.5</u>	4.3%
Discretionary Free Cash Flow	41.6	41.1	(1.2%)
- Growth Capex	<u>77.1</u>	<u>50.8</u>	(34.1%)
Free Cash Flow	(35.5)	(9.7)	(72.7%)
Deferred portion of Argentine minority acquisition		21.3	n.a.
Adj. Free Cash Flow	(35.5)	11.6	n.a.

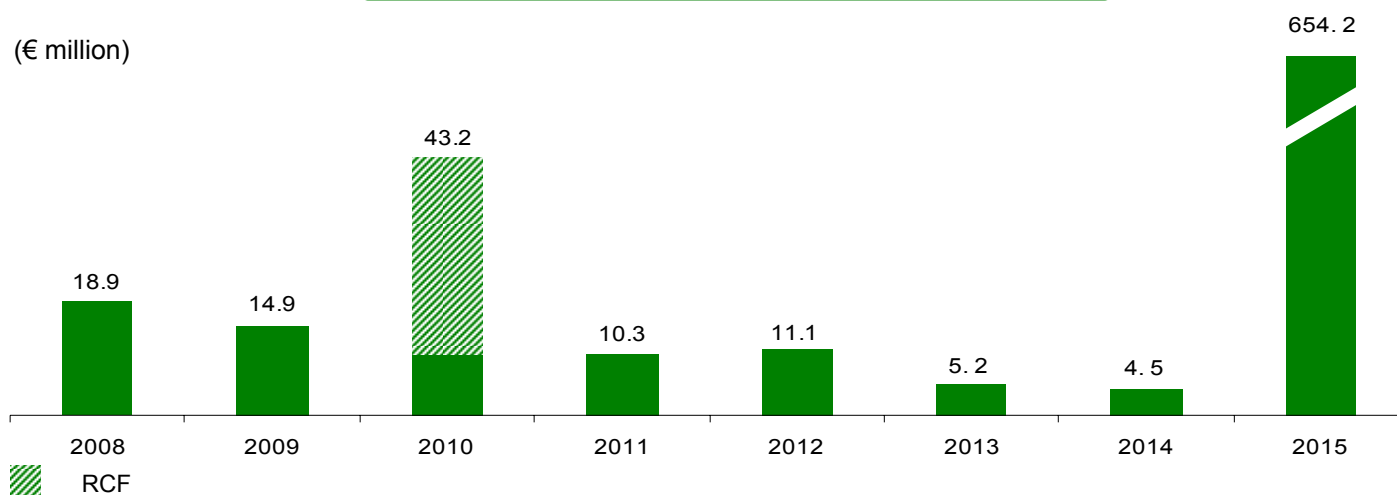
Debt breakdown at Sept. 30, 2008

	Effective interest rate	Final Maturity	€million	Currency
Senior Notes ⁽¹⁾	8.25%	2015	668.1 ⁽¹⁾	EUR
RCF	Euribor + 1.75%	2010	32.9	EUR
Icela	TIEE + 2.2%	2015	29.9	MXN
Italy	Euribor 1M+ 2.50%	2012	12.6	EUR
Colombia	DTF + 5.20%	2011	8.6	COP
Panama	Libor + 4%	2009 - 2013	2.7	USD
Spain AWP	5.72% ⁽²⁾	2009 - 2013	<u>1.4</u>	EUR
Sub - Total			756.2	
Uruguay	Local Index +6%	2014	<u>6.1</u>	UYU / UI
Total			762.3	

(1) Includes 15.9 million of interest

(2) Average of various floating rates

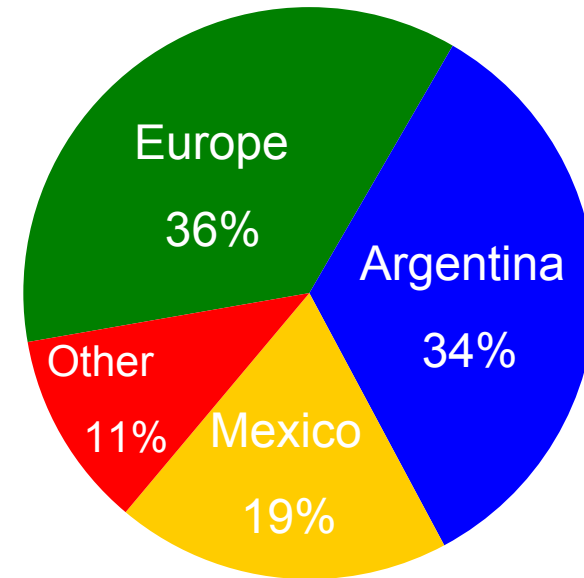
Maturity profile



Cash distribution at Sept. 30, 2008

(€ million)

Country	Amount	Comment
Spain and Italy	36.9	
Argentina	34.8	80% in € or US\$
Mexico	19.2	
Other	<u>11.4</u>	
Total	102.4	

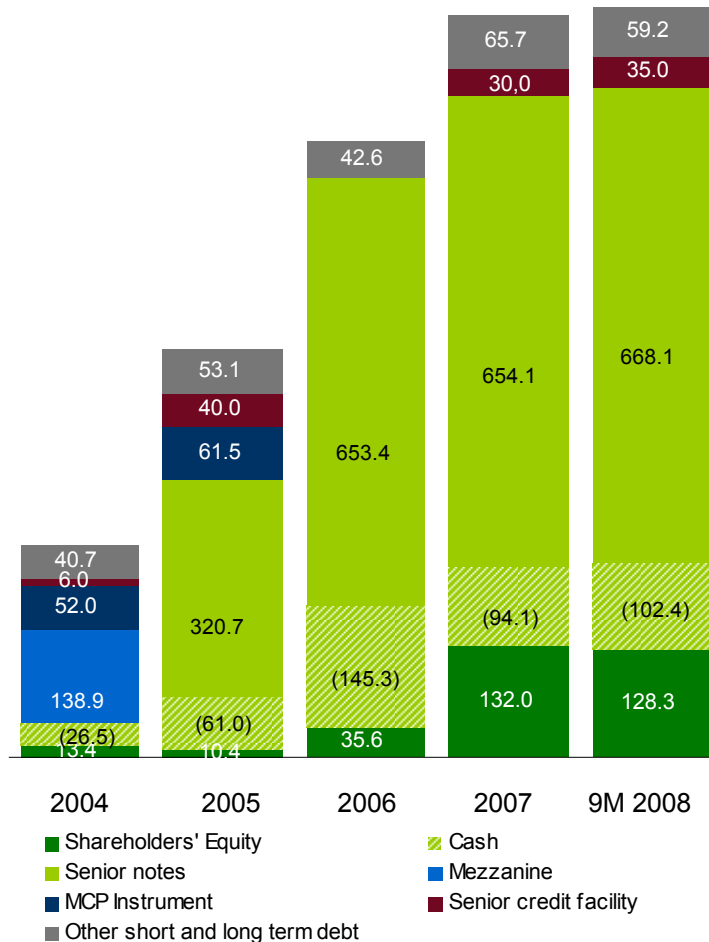


Total Cash: €102.4 million

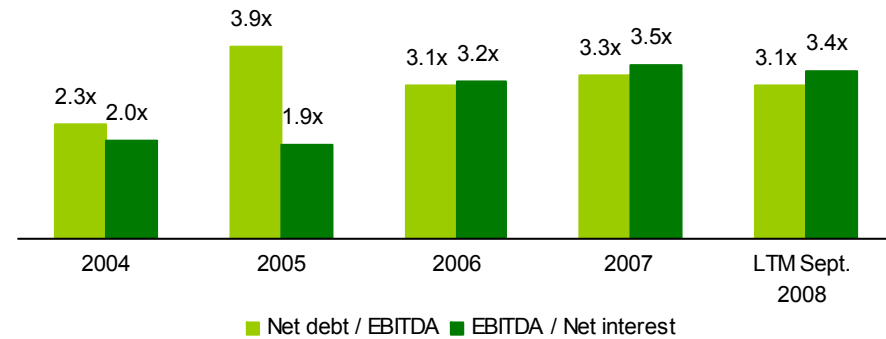
Simple and conservative capital structure

Capital Structure

(In € millions)



Conservative leverage



Debt terms

Bank financing:

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

Key bond covenants

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

* Spain, Italy and Mexico, plus any investment grade

Foreign exchange risk coverage

Foreign Exchange Risk

Risk Source

- Foreign exchange risk is principally related to the potential negative impact in the consolidated financial statements (denominated in euros) of non Euro currencies devaluations against the Euro
- The Argentine Peso (AR\$) and the Mexican Peso (MX\$) are the most relevant sources of foreign exchange risk as operations in those countries generated the 39% and 25% of the EBITDA⁽¹⁾ for the nine months ended September 30, 2008, respectively

Risk Mitigation By Natural Coverage

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

Coverage

Policy

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

Forwards contracted as of November 13, 2008

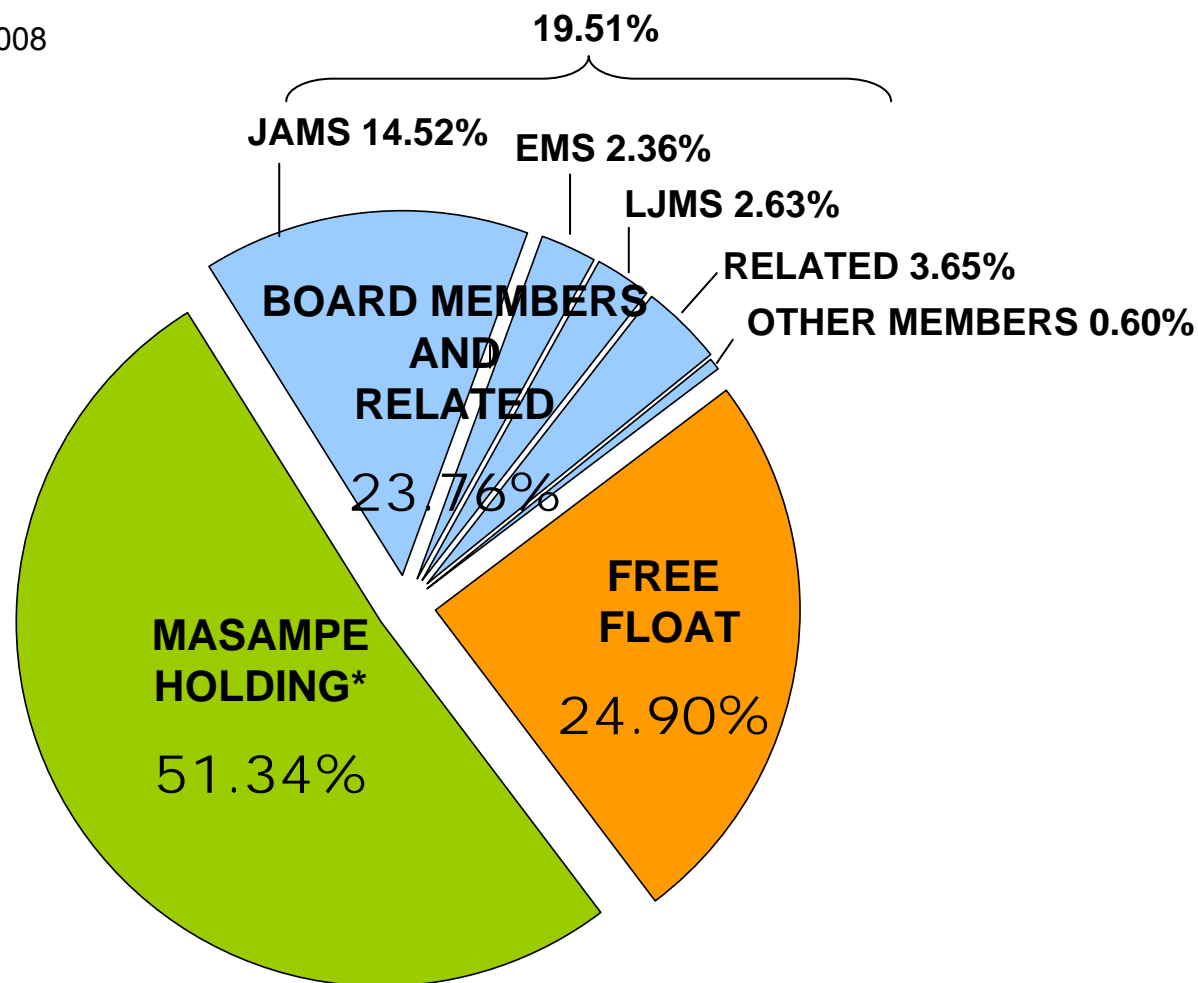
(€in millions)

Quarter	€ARS	US\$/ARS	€/MXN	€/US\$
4Q08	13.0	1.1	11.2	-
1Q09	0	20.0	11.2	14.4
2Q09	0	20.0	11.2	14.4
3Q09	0	20.0	-	14.4
Total	13.0	61.1	33.6	43.2

(1) EBITDA pre Headquarters' costs

Shareholder structure

At 30 September 2008



* Masampe Holding Partners: JAMS, LJMS y EMS

Total Shares Outstanding: 55,036,470

Shareholder obligations (I)

Payment to Franco brothers

- In 2006 the Martinez Sampedros (“MS”) purchased 17.9 MM shares from the Francos. The shares purchased were transferred to Masampe B.V.
- The total consideration for the Franco shares was €368 million (c.€21/share), payable in three installments.

	Total consideration (€MM)	Paid
March '06	39.0	✓
April '07	152.6	✓
April '08*	<u>176.3</u>	Sale process invoked
	367.9	

* Deferred to Oct. 2008 at a 0.25% weekly interest rate, resulting in €188 million

- 1.1 MM shares were purchased from ICIL for total consideration of €22.7 MM, which has been fully paid

PIK loan

- In June 2007, Masampe B.V. borrowed €340.0 million, used to repay the amount outstanding under the initial PIK loan and to make the second installment payment to the Francos and ICIL
- In December 2008, MS repurchased (but did not cancel) €73.5 million via a tender offer

Summary terms

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

Shareholder obligations (II) -- Sale process

- Nov.13th Francos informed MS that they require the initiation of the sale process which is to be conducted by an international investment bank
- Requiring sale process is Francos' sole recourse and, once it has been initiated, MS obligation to pay the third installment is replaced by this process
- Francos may not require sale if proceeds of shares held by Masampe are not sufficient to satisfy its obligations under the PIK (unless lenders agree otherwise)
- Agreement does not restrict either MS or Francos from participating as buyers
- Compensation mechanism to Francos
 - c.41% of equity value of Codere (based on their stake in March 2006)
 - Minus installments already paid (c.€191.0 million)
 - Minus other adjustments (principally capital increases at Codere)

Strengths

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

Unique international gaming footprint with exceptional growth potential



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