



Santander XVI Iberian Small & Mid Cap Conference

February 11, 2010

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Codere at a glance

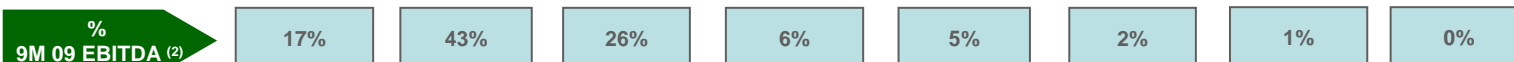


- Manages 53,765 machines, 142 bingo halls and 179 betting shops, 7 casinos and 3 race tracks
- #1 gaming operator in the Province of Buenos Aires
- #1 bingo operator in Mexico, through agreements with local partners
- #2 AWP operator in Spain (c.6.2% market share)
- Leading gaming operator in other growth markets (Italy, Panama, Colombia, Brazil and Uruguay)
- €996⁽¹⁾ million LTM revenues and €213⁽¹⁾ million LTM EBITDA

Key Operating Metrics / Codere's Footprint

	Spain	Argentina	Mexico	Italy	Panama	Uruguay	Colombia	Brazil	Total
Machines	15,586	4,475	21,236	2,331	1,570	1,541	7,026		53,765
Bingo Halls	1	14	109	12			6		142
Casinos					5		2		7
Race Tracks			1		1	1			3
Betting shops	118		46		5	6		4	179

Note: As of September 30, 2009.



(1) Results for 2008 are adjusted by the losses on assets disposals as they are included as a separated line item since Q1 2009
 (2) Excludes Corporate Overhead.

Growth drivers are not directly linked to economic cycles

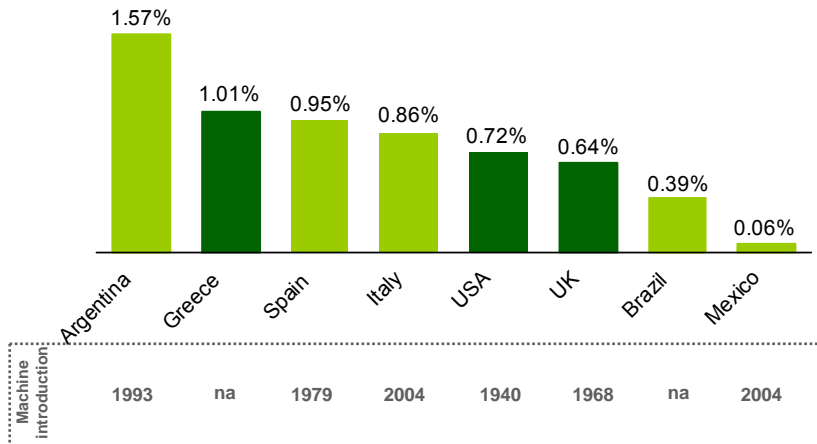
Increasing Gaming as % of GDP

- 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

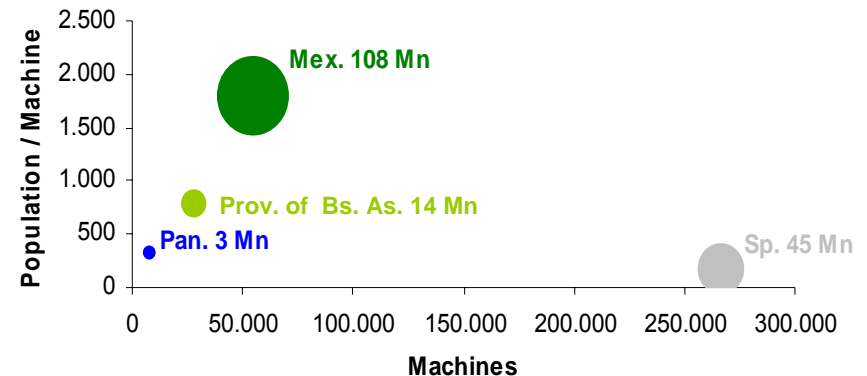
- Operating efficiency
 - Enhancing customer experience, economies of scale, control of data gathering systems
- Strategic alliances
 - Attracting best partners, successful partnership dialogue
- Driving consolidation
 - Leadership in core markets, successful integration of acquisitions, cross-fertilization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

Gaming turnover (% GDP)



Source: 2008 GBGC Report (data 2006)

Population per machine



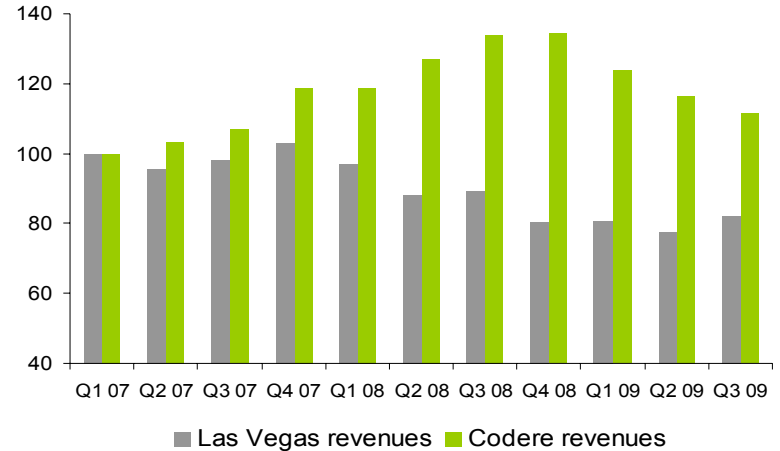
Integrate market knowledge, regulatory expertise and technology, to develop successful, legal, gaming experiences

Codere's business model

Characteristics

- “European” model of gaming
- Growth focused on profitability rather than scale
- Horizontal versus vertical integration
- Institutionalisation / professionalization

Codere vs. Las Vegas revenues



“European” model

vs.

“Las Vegas” model

Regulation	High	Low
Target market	Local clientele	Tourist
Stakes / prizes	Low	High
Capital intensity	Low	High
Marketing	Restricted	Permitted
Taxes	High	Low
Number of players	Low	High

Market

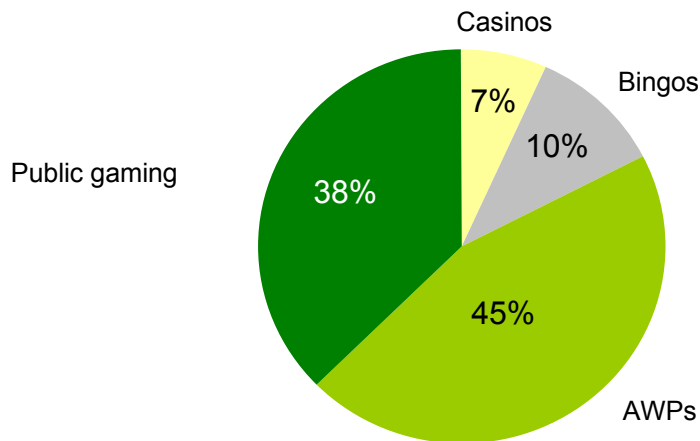
Key value drivers

- Growth through consolidation of highly fragmented, mature market
- 2nd largest operator with 6% market share
- Net win impacted by regulation, technological changes and economy
- Superior net win per day through focus on product selection, service and location

Outlook

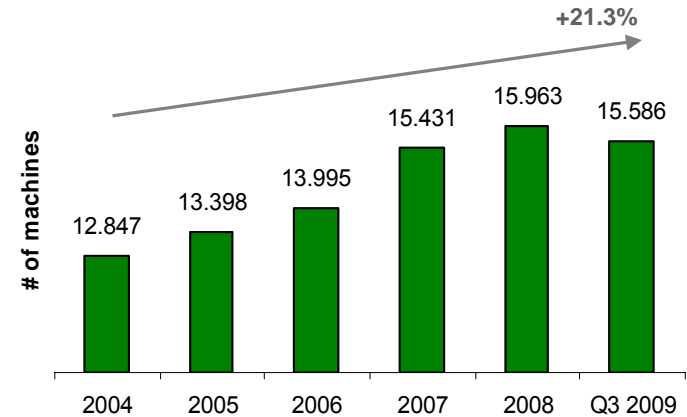
- Recovery of net win
 - Madrid regulation (Aug. '09) affects c.22% of portfolio
 - Net wins appear to have reach lows in Q3'09

2008 Spanish gaming market (€32bn) ⁽¹⁾

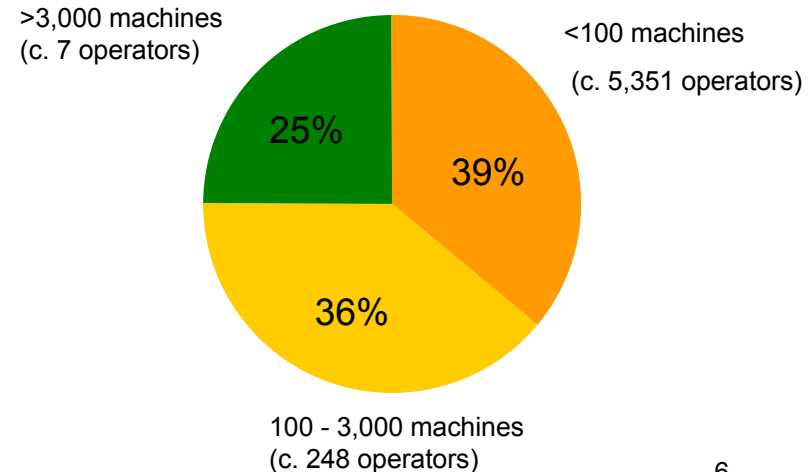


(1) Spanish Gaming Commission, data is amount wagered.

Codere AWP Machine Portfolio

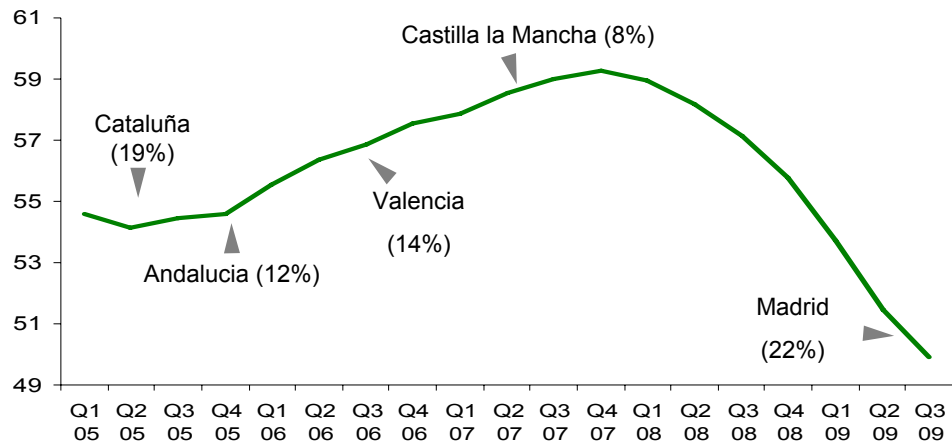


AWP Market fragmentation



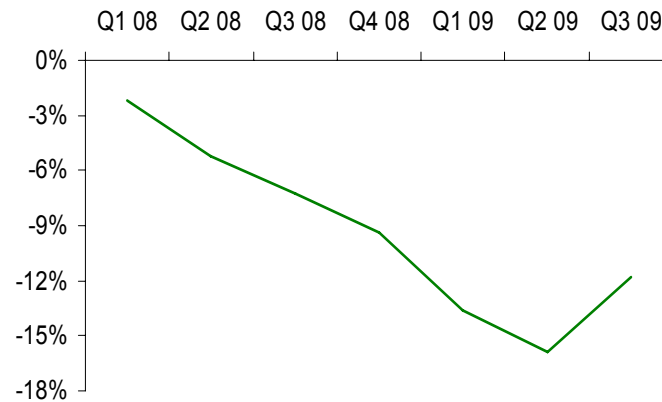
Spain (II)

Net win (seasonally adjusted) vs. regulatory changes

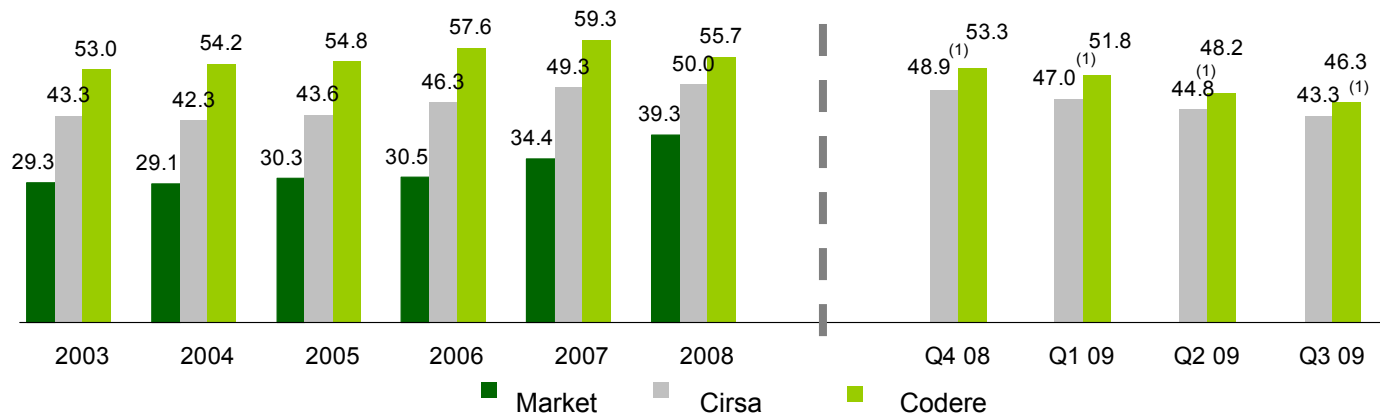


Note: Figures in parenthesis represent percentage of Codere's portfolio in that region when regulation was introduced.

Net win trend YoY



Codere Net win vs. rest of market



(1) Codere estimates

Argentina

Market

Key value drivers

- Leadership position (c. 50% market share with 14 out of 46 halls) in fast growing market.
- Significant unmet demand resulting from limitation on number of licenses (regional monopolies)

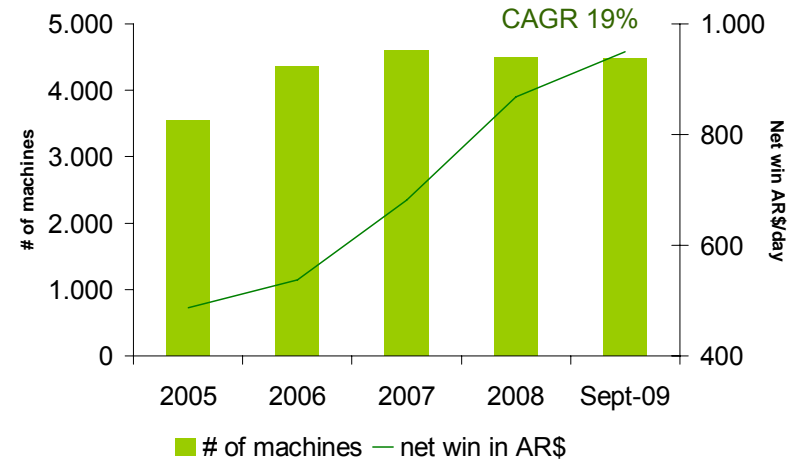
Outlook

- Continued optimization of park via installation of coinless systems (i.e. TITO) in remaining 26% of park
- Optimization of hall locations and capacity increase

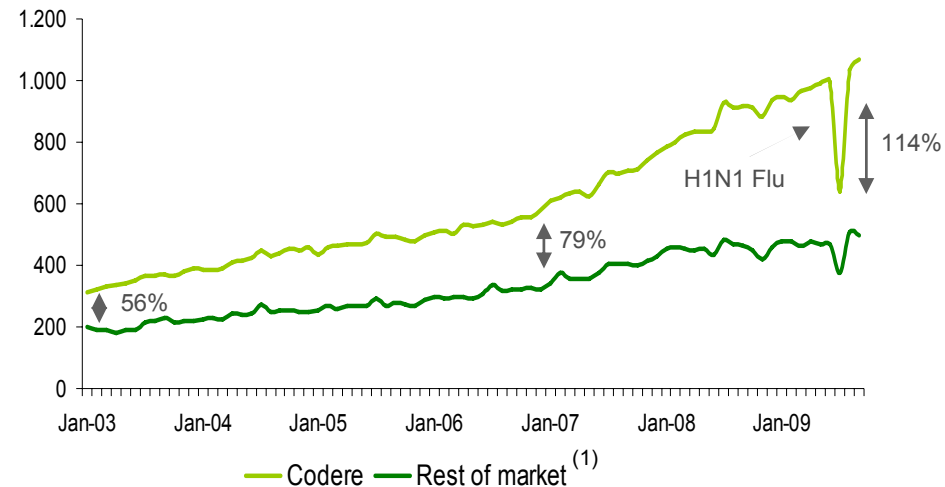
Evolution of machines per hall

Hall	2005	Sept-09	Var. %
SAN MARTIN	485	554	14%
LOMAS DEL MIRADOR	115	545	374%
LA PLATA	366	543	48%
LANUS	388	495	28%
SAN JUSTO	351	409	17%
MORON	348	397	14%
SAN MIGUEL	312	346	11%
LOMAS DE ZAMORA	256	271	6%
MAR	224	225	0%
SOL	179	216	21%
TEMPERLEY	115	127	10%
RAMOS MEJIA	186	123	-34%
PEATONAL	121	121	0%
CENTRO	99	103	4%
TOTAL	3,545	4,475	26%

Net win vs. machines



Net win CDR vs. competitors (Prov. Bs As)



(1) Codere estimates

Market

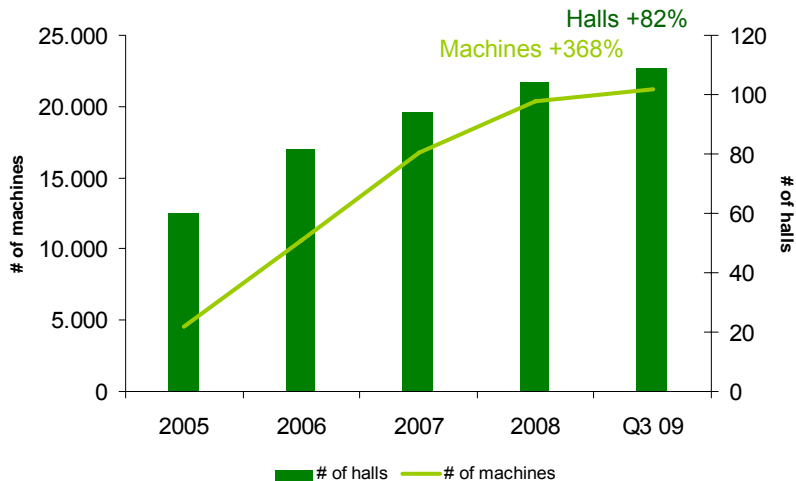
Key value drivers

- Dominant position (c.50%) in newly regulated market through agreements with two partners and own licenses
- Growth through machine deployment (+368% in 5 yrs)

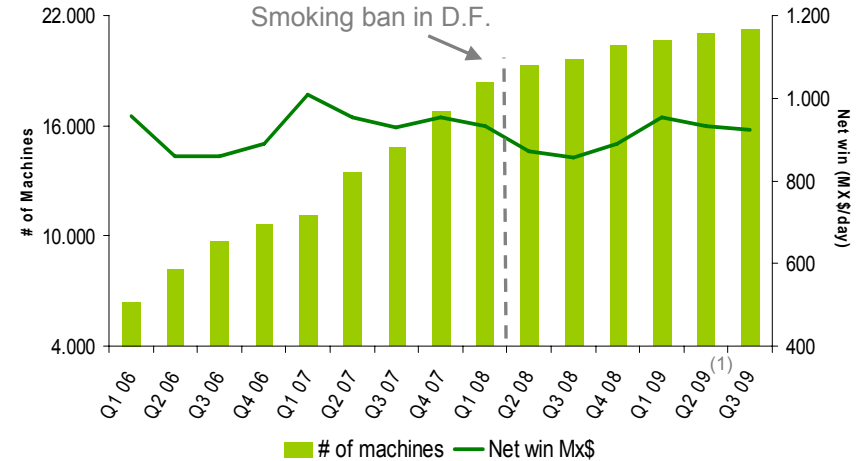
Outlook

- Net win to be affected by countervailing factors:
 - (+) Continued roll out of Class III machines (vs. Class II) projected to result in c.20% increase
 - (-) Smoking ban at national level (ex D.F.) projected to result in 15-20% decrease and recover 9-12 months
- Continued machine deployment

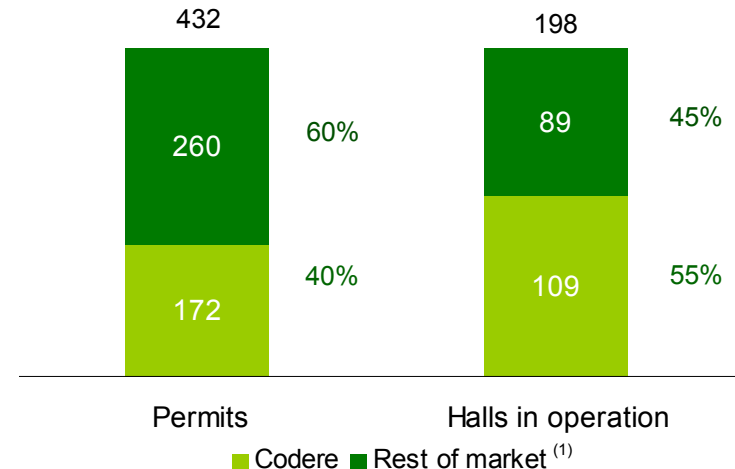
Machine and hall evolution



Net win vs. machines



Hall permits



(1) Codere estimates

Market

Key value drivers

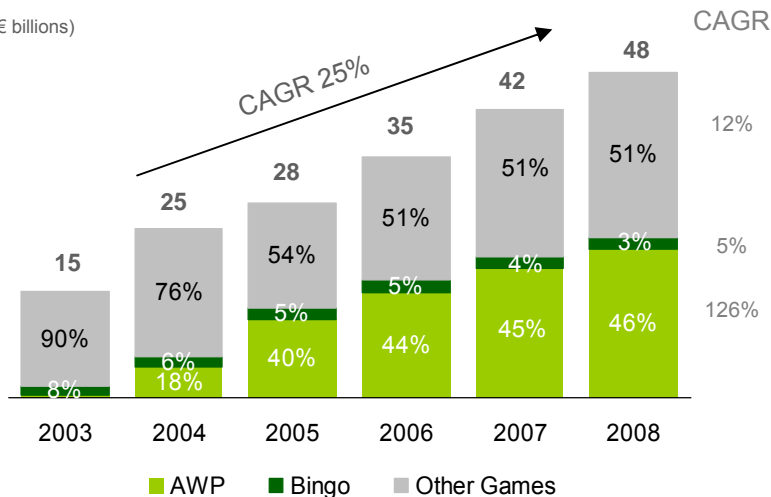
- Relevant presence in fast growing market via 3 businesses:
 - 12 Bingo halls (11% market share) and 586 AWP
 - 1 of 10 AWP network concessionaries
 - Machine operation with 1,745 AWP
- Growth driven by machine deployment

Outlook

- Introduction of VLTs operated by network concessionaries in 2010
 - Codere committed to acquire rights for 1,359 VLTs
 - Machines to be placed primarily in bingo halls
- New bingo regulation (Nov '09) decreases taxes and increases prizes payout, resulting in increased wagers

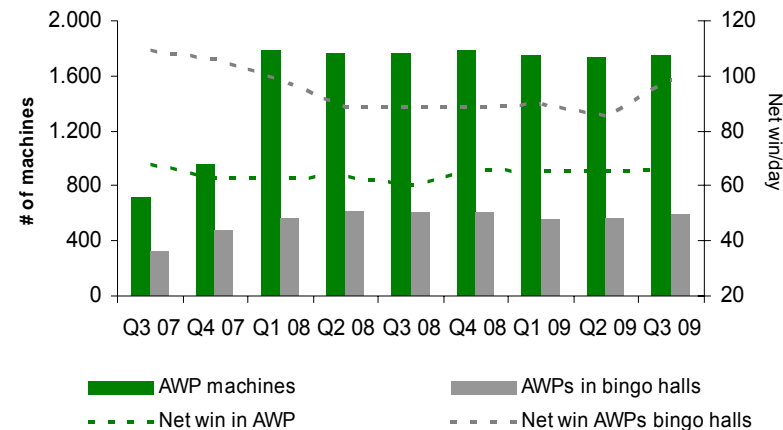
Italian gaming market

(in € billions)



Source: AAMS, GBGC

Net win vs. machines



Machine Comparison

	VLT	AWP
Payout	85%	75%
Max. prize	€5,000 - €500K	€100
Taxes (amount wagered/net win)	2.8%/18.6%	13.4%/53.6%
Location	Bingo halls LBOs Gaming halls	Bars, cafes Bingo halls
Net win	€160 ⁽¹⁾	€91 ⁽²⁾

(1) Estimated based on other countries where VLTs are operated

(2) Nine months ended Sept. '09 in machine bingo halls

Consolidated results

(in € millions)

	Reported			At constant exchange ⁽¹⁾		
	9M 2008	9M 2009	% change	9M 2008	9M 2009	% change
Revenues⁽²⁾	775.1	721.2	(7.0%)	772.9	767.2	(0.7%)
EBITDA⁽²⁾						
Spain AWP	52.2	32.5	(37.7%)	52.2	32.5	(37.7%)
Argentina ⁽³⁾	80.3	76.1	(5.2%)	80.1	85.6	6.9%
Mexico ⁽³⁾	52.0	47.0	(9.6%)	51.4	55.5	8.0%
Others	18.8	22.9	21.8%	18.8	22.2	18.1%
Corp. overhead	(26.1)	(21.2)	<i>n.a.</i>	(26.1)	(21.2)	<i>n.a.</i>
Total EBITDA	177.2	157.3	(11.2%)	176.4	174.6	(1.0%)
Net Income	5.6	3.1	(44.6%)	4.6	13.3	<i>n.a.</i>

(1) Adjusted to eliminate the gain or loss in the foreign exchange contracts and the effect of the H1N1 virus in Mexico and Argentina which was €3.5MM in Q2 2009 and €6.0MM in Q3 2009, respectively

(2) Excludes the effect of the gains or losses on assets disposals, which are now reflected as a separate line item.

(3) The Reported results include EBITDA losses related to the impact of the H1N1 virus in Mexico and Argentina, €3.5MM in Q2 2009 and €6.0MM in Q3 2009, respectively.

Strong evolution of the business in a challenging environment

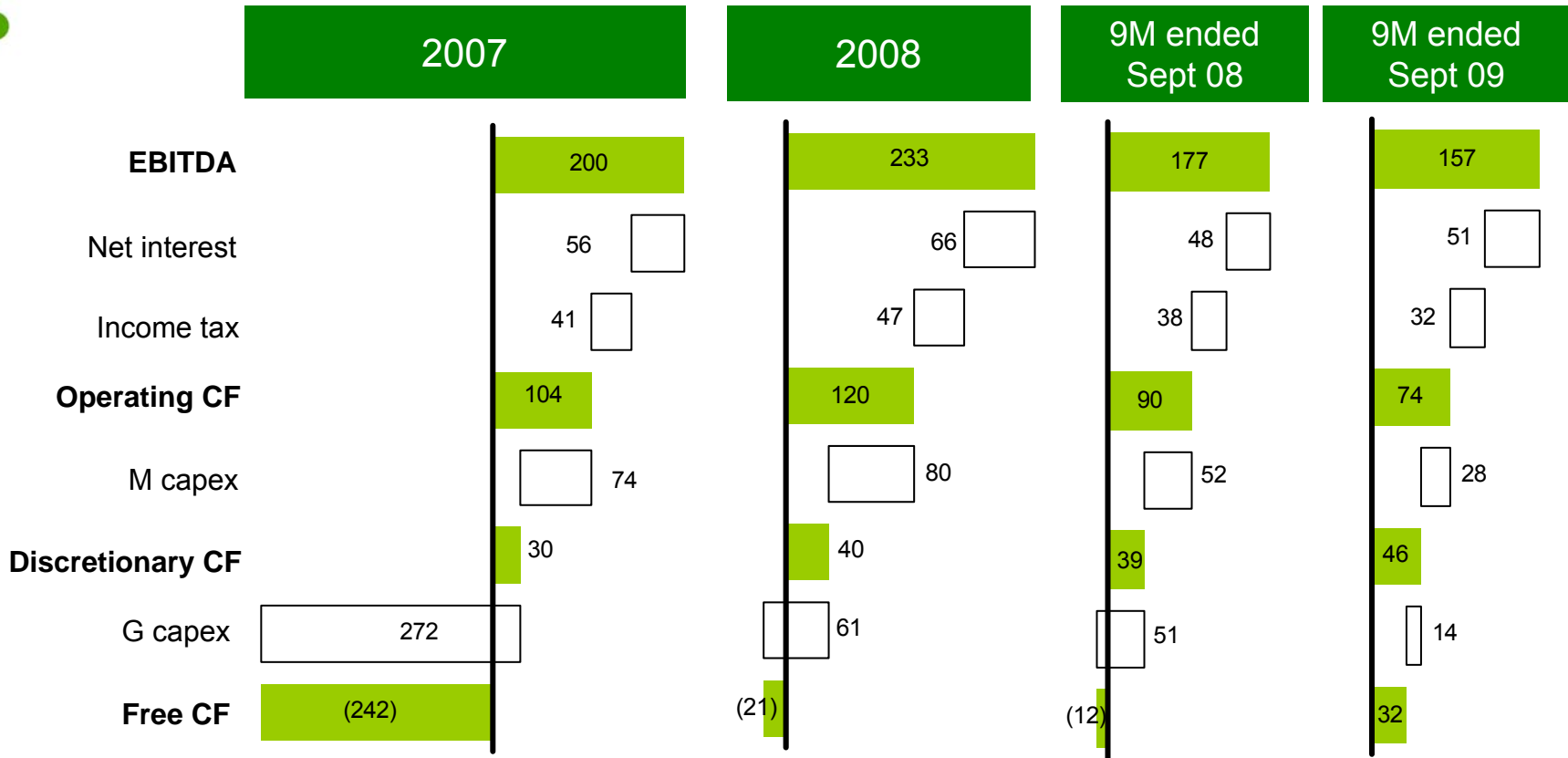
Assumptions and expectations

- Maintenance of the portfolio; weakness in the Spanish business and a significant devaluation of the Argentine and Mexican pesos.
- Focus on cash generation
 - Reduction in capital expenditures
 - Limited investment focused in key markets
 - Relative stability in number of machines in Spain and Argentina and small increase in Mexico
 - Expected net capex €93MM
 - Cost reductions

2009 EBITDA

Quarter	Guidance	Reported
1 st	€50-52MM	€55.4MM
2 nd	€45-47MM (including €3-5MM impact of H1N1 virus in Mexico)	€49.5MM
3 rd	€44-45MM (including €5.5-6.0 MM impact of H1N1 virus in Argentina)	€52.3MM
4 th	€50MM range	N.A

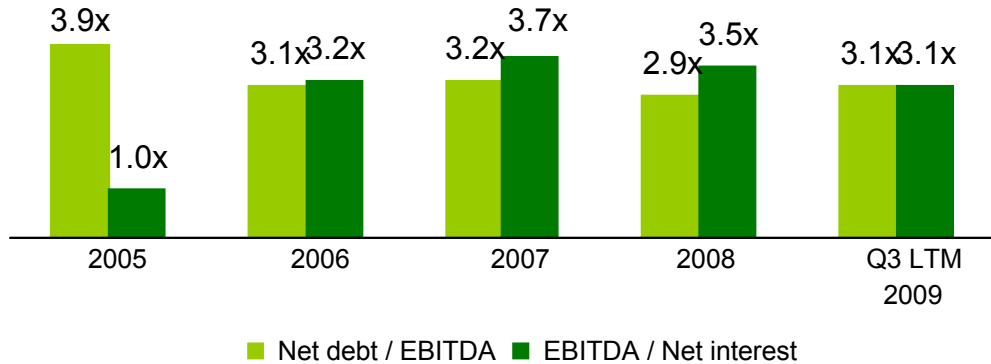
Focus on cash flow generation



Strong cash flow growth driven by tight discipline on capital expenditure

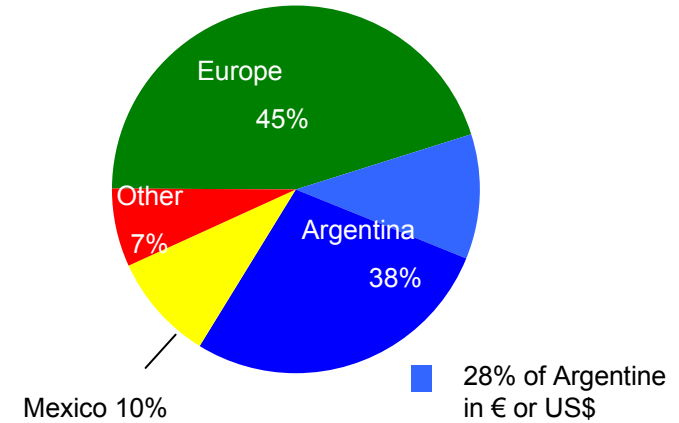
Debt profile and cash

Prudent leverage



Cash at September 30, 2009

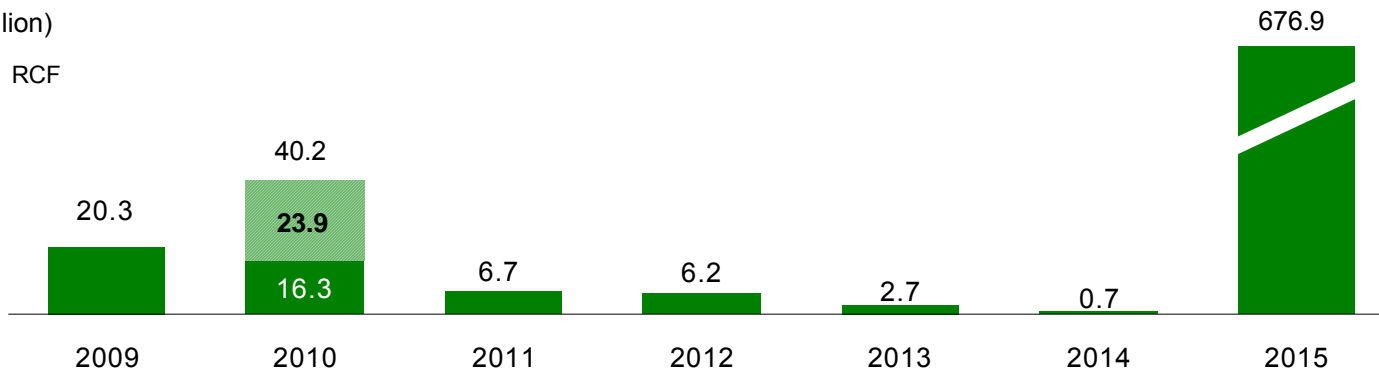
€84.6 million



Maturity profile

(€ million)

▨ RCF



Prudent leverage and long-dated debt maturity profile

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
 - Four years reporting as a public company

Unique international gaming footprint with exceptional growth potential



For further information, please contact:

Investor Relations Department

Tel. +34 91354 2819
inversor@codere.com
www.codere.com