



## Company overview

January 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
- #2 AWP operator in Spain (c.6.2% 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)
- €996<sup>(1)</sup> million LTM revenues and €213<sup>(1)</sup> 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

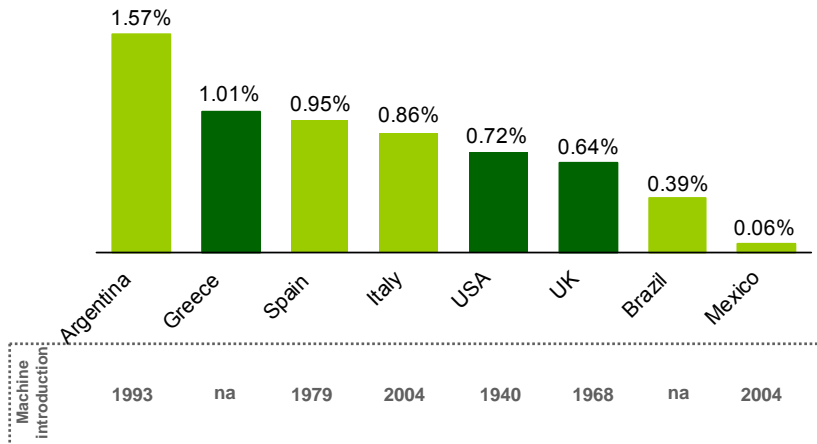
## Increasing Gaming as % of GDP

- 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

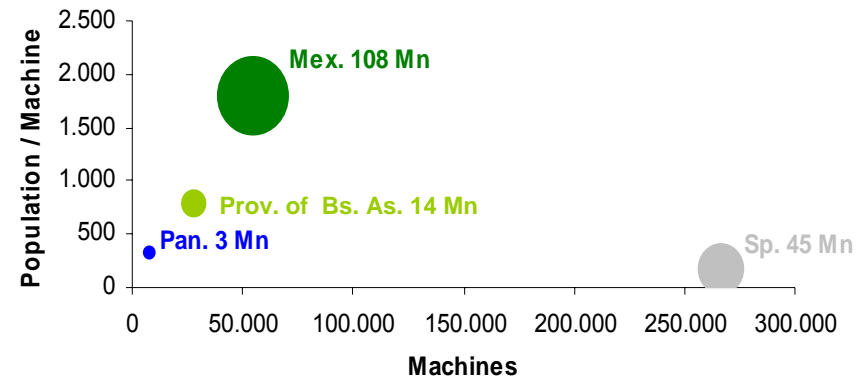
- Operating efficiency
  - Enhancing customer experience, economies of scale, control of data gathering systems
- Strategic alliances
  - Attracting best partners, successful partnership dialogue
- Driving consolidation
  - Leadership in core markets, successful integration of acquisitions, cross-fertilization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

## Gaming turnover (% GDP)



Source: 2008 GBGC Report (data 2006)

## Population per machine



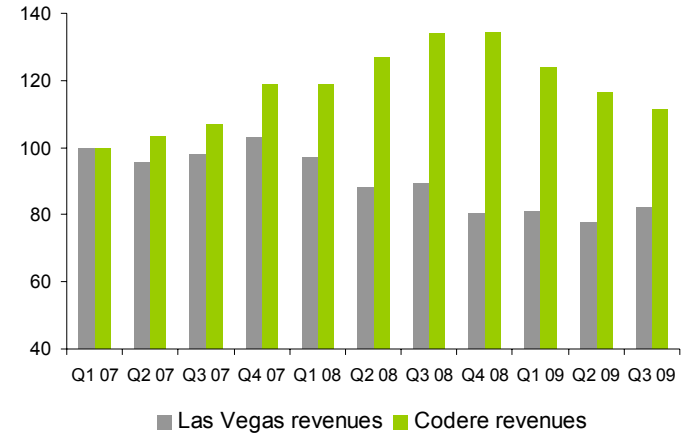
**Integrate market knowledge, regulatory expertise and technology, to develop successful, legal, gaming experiences**

# 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

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

## Market

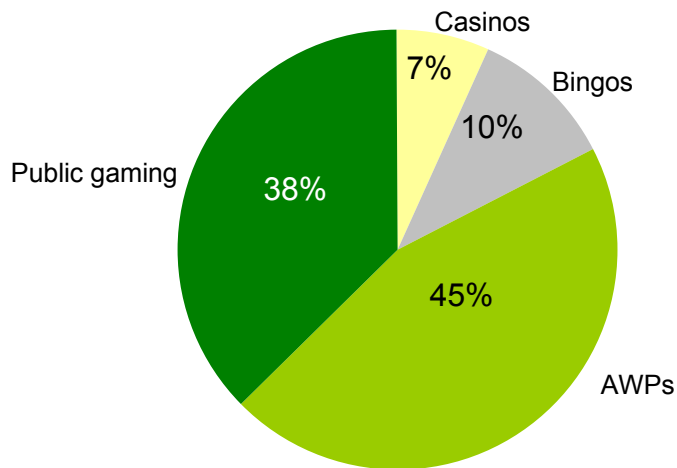
### Key value drivers

- Growth through consolidation of highly fragmented, mature market
- 2<sup>nd</sup> 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

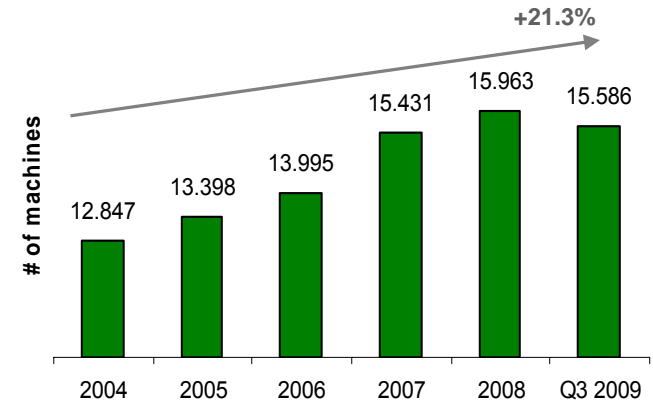
- Recovery of net win
  - Madrid regulation (Aug. '09) affects c.22% of portfolio
  - Net wins appear to have reach lows in Q2'09

## 2008 Spanish gaming market (€32bn) <sup>(1)</sup>

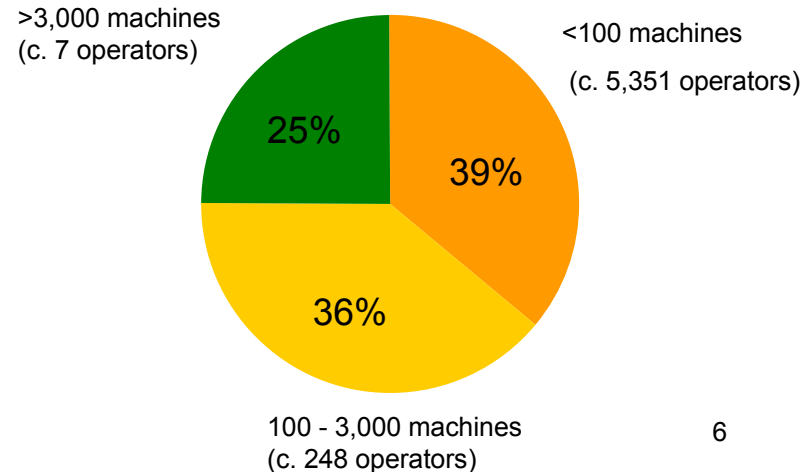


(1) Spanish Gaming Commission, data is amount wagered.

## Codere AWP Machine Portfolio

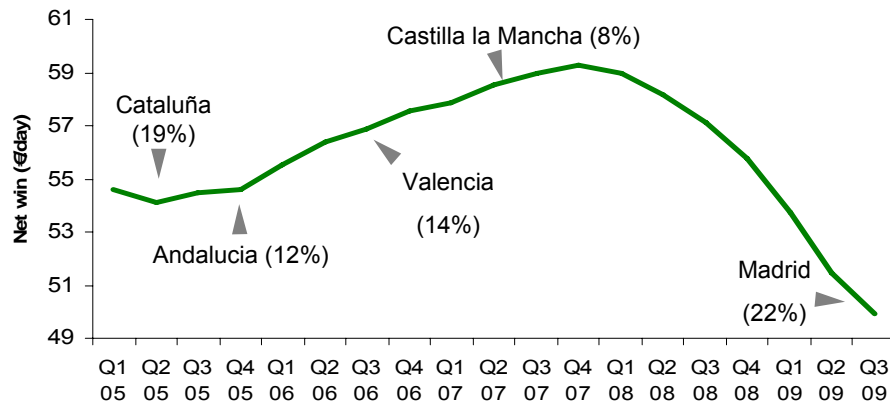


## AWP Market fragmentation



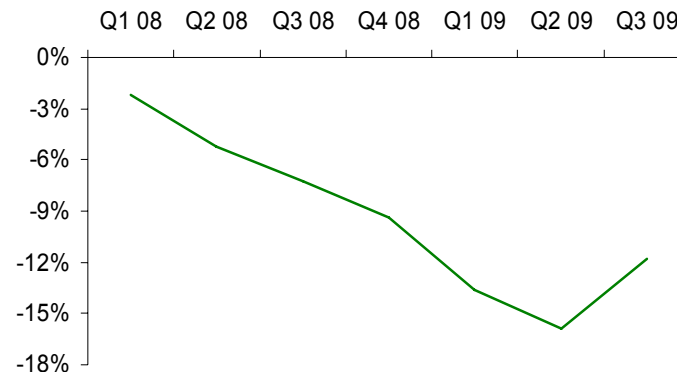
# Spain (II)

## Net win (seasonally adjusted) vs. regulatory changes

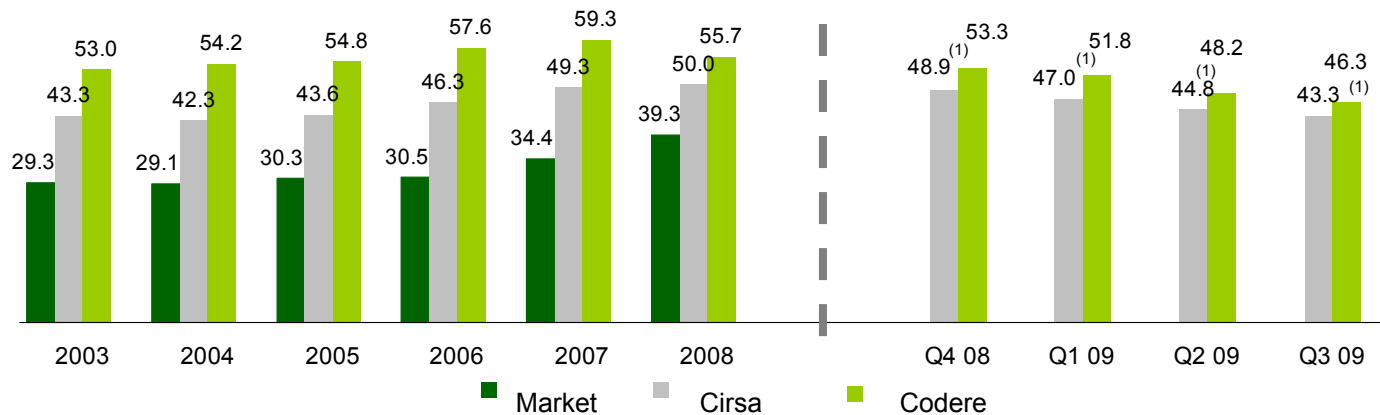


Note: Figures in parenthesis represent percentage of Codere's portfolio in that region

## 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)

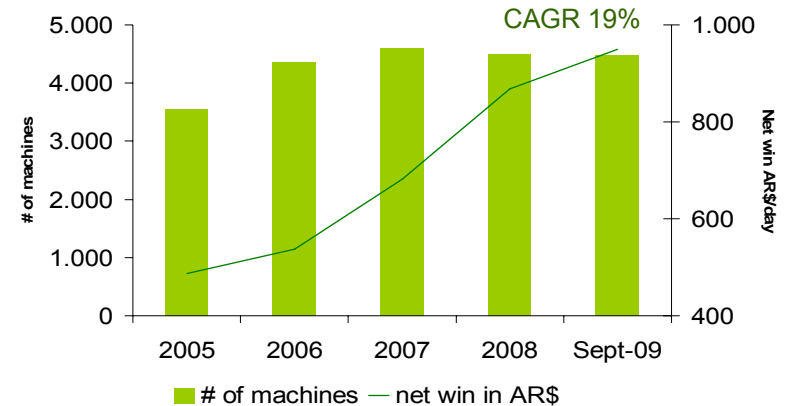
### Outlook

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

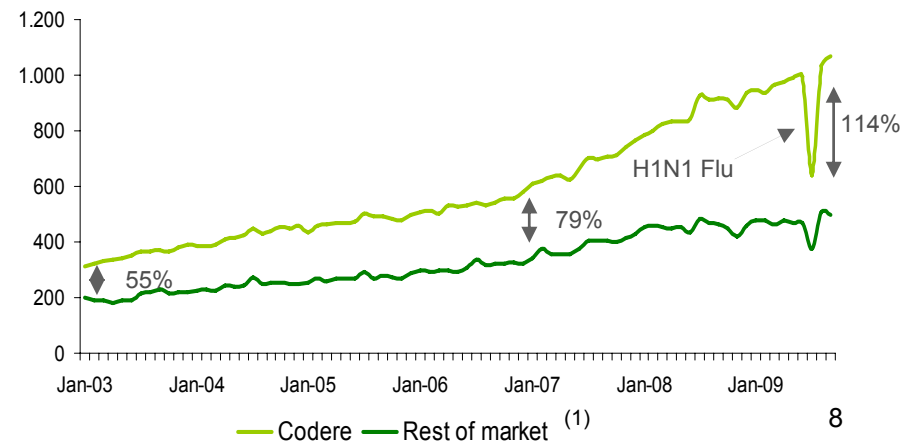
## Evolution of machines per hall

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%
<b>TOTAL</b>	<b>3.545</b>	<b>4.475</b>	<b>26%</b>

## Net win vs. machines



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



(1) Codere estimates



## Market

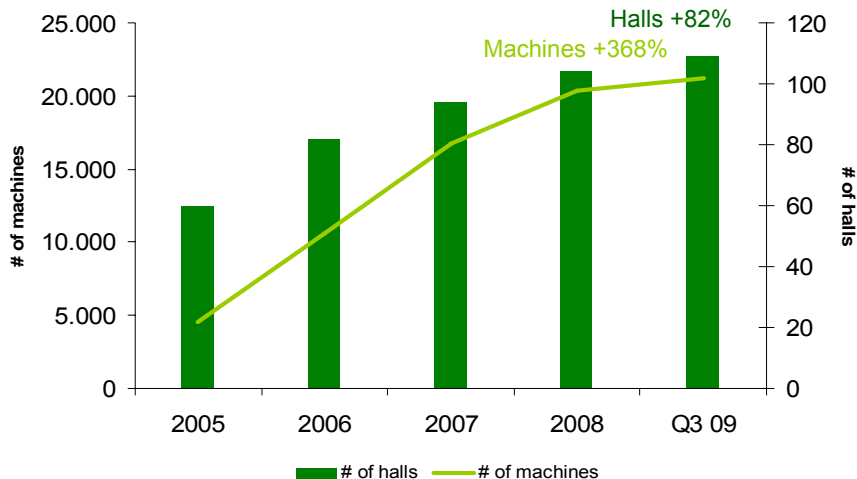
### Key value drivers

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

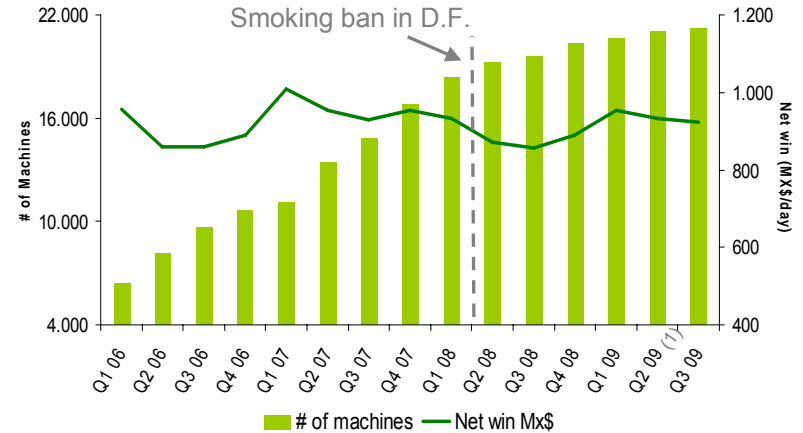
### Outlook

- 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

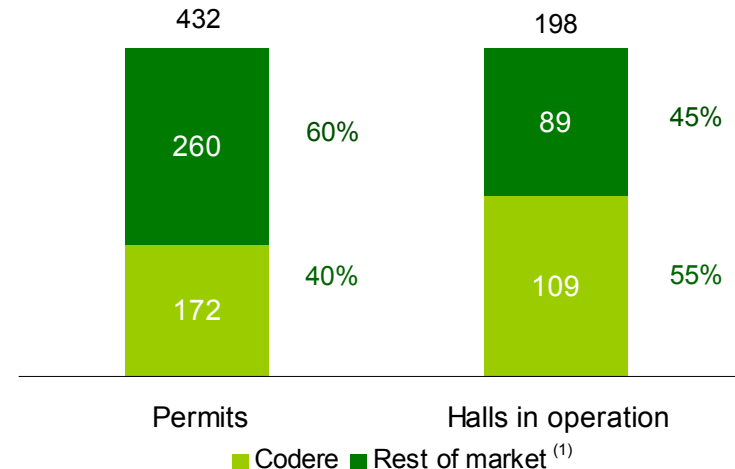


## Net win vs. machines



(1) Net wins in Q2 2009 were negatively impacted by H1N1 virus

## Hall permits



(1) Codere estimates

## Market

Key value drivers

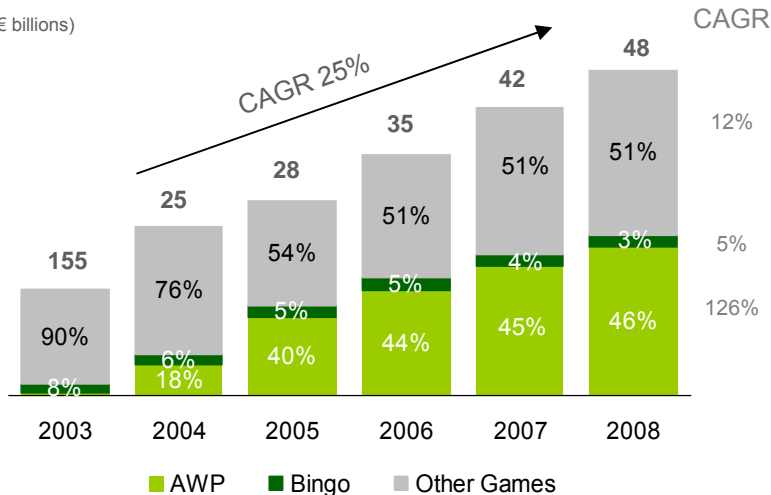
- Relevant presence in fast growing market via 3 businesses:
  - 14 Bingo halls (11% market share) and 586 AWP
  - 1 of 10 AWP network concessionaries
  - Machine operation with 1,745 AWP
- Growth driven by machine deployment

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, resulting in increased wagers

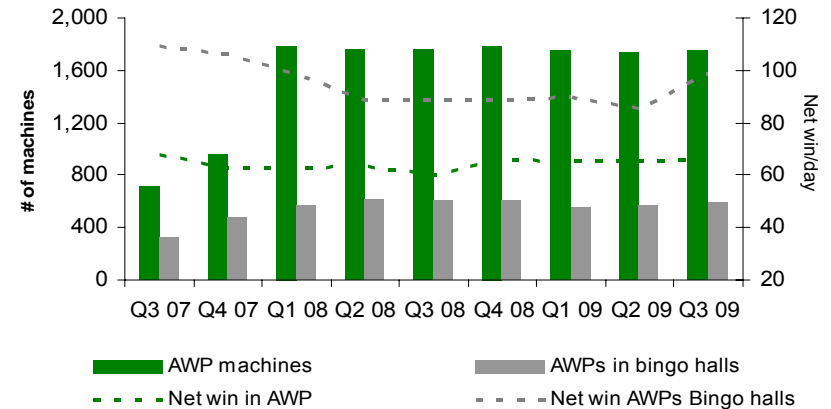
## Italian gaming market

(in € billions)



Source: AAMS, GBGC

## Net win vs. machines



## Machine Comparison

	VLT	AWP
Payout	85%	75%
Max. price	€5,000 - €500K	€100
Taxes	4%	13.4%
Location	Bingo halls LBOs Gaming halls	Bars, cafes Bingo halls
Net win	€160 <sup>(1)</sup>	€91 <sup>(2)</sup>

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

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

# Consolidated results (reported)

(in € millions)

	2007	2008	% change	9M 2008	9M 2009	% change
<b>Revenues<sup>(1)</sup></b>	880.3	1,054.3	19.8%	775.1	721.2	(7.0%)
<b>EBITDA<sup>(1)</sup></b>						
Spain AWP	72.9	63.6	(12.8%)	52.2	32.5	(37.7%)
Argentina <sup>(2)</sup>	98.5	110.0	11.7%	80.3	76.1	(5.2%)
Mexico <sup>(2)</sup>	57.9	69.0	19.2%	52.0	47.0	(9.6%)
Others	(4.1)	27.8	<i>n.a.</i>	18.8	22.9	21.8%
Corp. overhead	(25.0)	(35.7)	<i>n.a.</i>	(26.1)	(21.2)	<i>n.a.</i>
<b>Total EBITDA</b>	<b>200.2</b>	<b>234.7</b>	<b>17.2%</b>	<b>177.2</b>	<b>157.3</b>	<b>(11.2%)</b>
<b>Net Income</b>	<b>(9.9)</b>	<b>(10.6)</b>	<b><i>n.a.</i></b>	<b>5.6</b>	<b>3.1</b>	<b>(44.6)</b>

(1) 9M 2008 and 9M 2009 exclude the effect of the gains or losses on assets disposals, which are now reflected as a separate line item.

(2) Includes 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...**

# Consolidated results (in constant currency)

(in € millions)	2007	2008	% change	9M 2008	9M 2009	% change
<b>Revenues<sup>(1)</sup></b>	880.3	1,103.7	25.4%	772.9	756.6	(2.1%)
<b>EBITDA<sup>(1)</sup></b>						
Spain AWP	72.9	63.6	(12.8%)	52.2	32.5	(37.7%)
Argentina <sup>(2)</sup>	98.5	119.5	21.3%	80.3	78.8	(1.9%)
Mexico <sup>(2)</sup>	57.9	73.2	26.4%	52.0	51.7	(0.6%)
Others	(4.1)	28.3	<i>n.a.</i>	18.8	22.2	18.1%
Corp. overhead	(25.0)	(35.7)	<i>n.a.</i>	(26.1)	(21.2)	<i>n.a.</i>
<b>Total EBITDA</b>	<b>200.2</b>	<b>248.9</b>	<b>24.3%</b>	<b>177.2</b>	<b>164.0</b>	<b>(7.4%)</b>
<b>Net Income</b>	<b>(9.9)</b>	<b>(4.8)</b>	<b><i>n.a.</i></b>	<b>5.6</b>	<b>2.8</b>	<b>(50.0%)</b>

(1) 9M 2008 and 9M 2009 exclude the effect of the gains or losses on assets disposals, which are now reflected as a separate line item.

(2) Includes 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.

**... particularly excluding effect of euro appreciation against most local currencies**

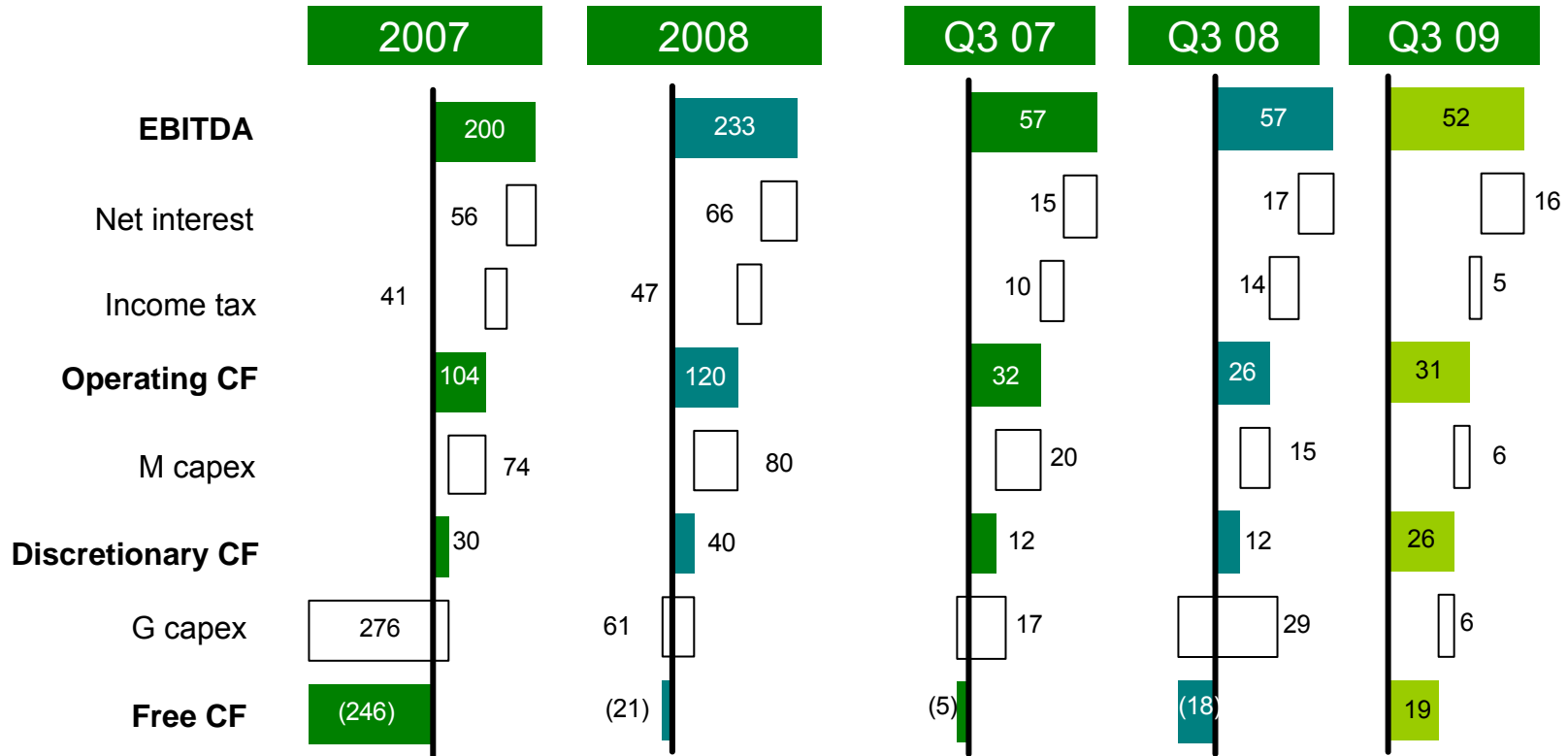
## Assumptions and expectations

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

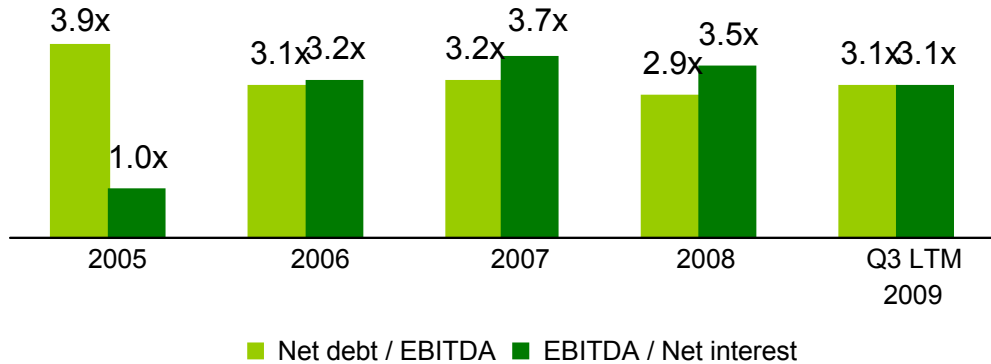
# Focus on cash flow generation



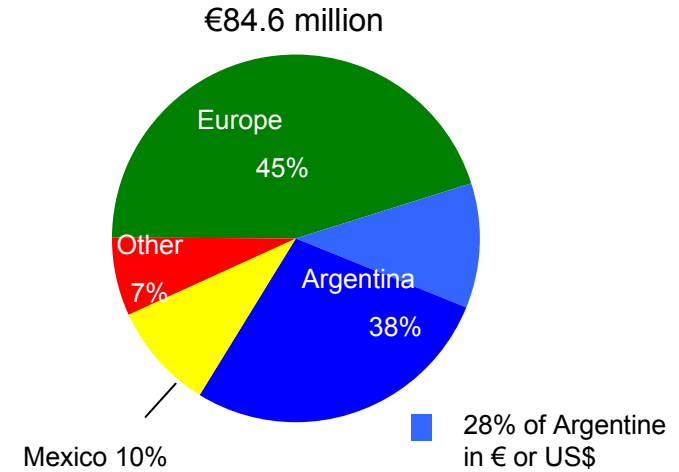
**Strong cash flow growth driven by tight discipline on capital expenditure**

# Debt profile and cash

## Prudent leverage



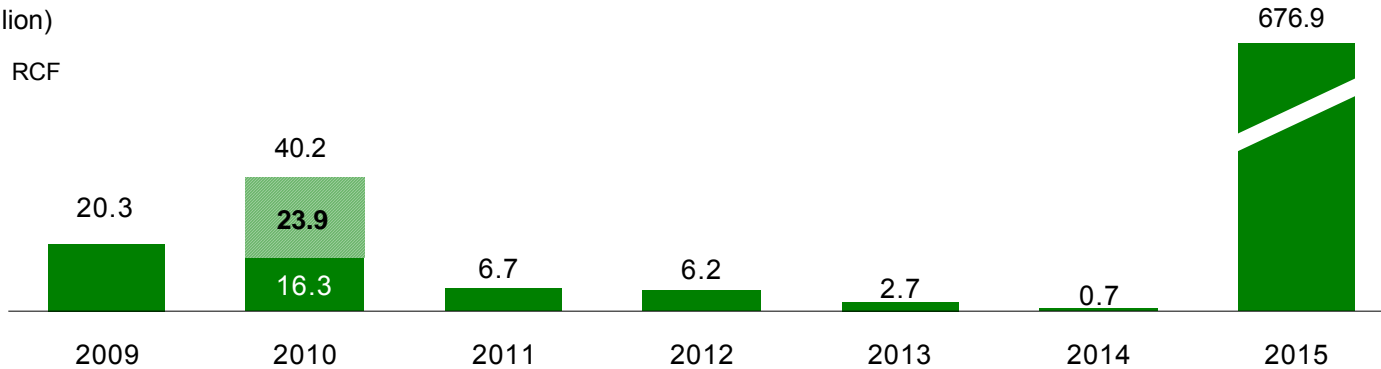
## Cash at September 30, 2009



## Maturity profile

(€ million)

RCF



## Prudent leverage and long-dated debt maturity profile

## 2009 management agenda

### Argentina

- Continue implementation of TITO and other coinless systems
- License renewals

### Mexico

- Continued build-out of permits and installation of machines
- Improvement of performance of ICELA operations
- Implementation of anti-tobacco regulation

### Spain

- Continued focus on investment discipline and cost reduction to counter wpd softness
- Introduction of Madrid regulation-Q4 effect
- Potential technological innovation

### Other Operations

- Sports Betting- Gradual withdrawal of William Hill and implementation of business plan adapted to current environment
- Italy- Monitor regulatory developments

### Corporate

- Reduction in corporate overhead expenses
- Focus on liquidity
- Continued improvement of intercompany charges



## 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**



# Supporting materials

# Q3 2009 results

(in € millions)	Q3 2008	Q3 2009	% change	Q3 2009 At constant currency <sup>(1)</sup>	% change <sup>(1)</sup>
<b>Revenues</b>	271.4	228.6	(15.8%)	253.4	(6.6%)
<b>EBITDA</b>					
Spain AWP	16.1	9.1	(43.5%)	9.1	(43.5%)
Argentina <sup>(2)</sup>	28.6	20.9	(26.9%)	24.2	(17.7%)
Mexico	16.1	16.2	0.6%	18.8	15.3%
Others	4.5	13.0	<i>n.a.</i>	13.0	<i>n.a.</i>
Corp. overhead	(8.6)	(6.9)	<i>n.a.</i>	(6.9)	<i>n.a.</i>
<b>Total EBITDA</b>	<b>56.7</b>	<b>52.3</b>	<b>(7.8%)</b>	<b>58.2</b>	<b>0.9%</b>
<b>Net Income</b>	<b>4.9</b>	<b>8.8</b>	<b>79.6%</b>	<b>11.5</b>	<b>88.5%</b>

(1) Revenues and EBITDA of Q3 2009 and the comparables of Q3 2008 at constant currency are adjusted in both periods to eliminate the gain or loss on the foreign exchange contracts. Gains on the Argentine hedge contracts were €0.3 million and €2.3 million on the nine months ended September 30, 2008 and 2009

(2) Includes €6MM EBITDA loss related to the impact of the H1N1 virus

# 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 43% and 26% of the EBITDA<sup>(1)</sup> for 9M 2009, 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 EBITDA
- Make financial projections based on forwards rates available on the market

### Forwards contracted as of November 13, 2009

(€in millions)

Quarter	€/Ar\$	US\$/Ar\$	€/US\$	€/Mx\$
4Q09	-	16.1	10.8	5.0
1Q10	-	15.8	-	7.9
<u>2Q10</u>	-	<u>21.0</u>	-	<u>8.0</u>
<b>Total</b>	-	<b>52.9</b>	<b>10.8</b>	<b>20.9</b>

(1) EBITDA pre Headquarters' costs

# Selected economic indicators

	Real GDP%		
	2008	2009E	2010E
Argentina	6.8	0.1	4.0
Mexico	1.3	(6.9)	4.2
Spain	0.9	(3.6)	(0.3)
Italy	(1.0)	(4.8)	1.2
Latam	4.2	(2.0)	4.7

Source: Goldman Sachs forecasts at January 2010

	Average exchange rates				
	2007	2008	2009	07/08	08/09
EUR/ARS	4.27	4.64	5.21	8.67%	12.28%
EUR/MXN	14.98	18.52	18.79	23.63%	12.28%
EUR/US\$	1.37	1.47	1.39	7.30%	(5.44%)

Source: Bloomberg composite

# Argentine Licenses

Hall	Expiration date	Renovation date	Renewal through	Up-front fee (MM)		Surcharge canon tax (MM)		% consol. sales	% Argentine sales	% consol. EBITDA	% Argentine EBITDA
				Ar\$	EURO <sup>(1)</sup>	AR\$	EURO <sup>(1)</sup>	1,050 <sup>(2)</sup>	352.5	233 <sup>(2)</sup>	110
<b>Mar</b>	Sep-06	Mar-07	Jun-21	14.3	2.5	33.4	5.9	1.1%	3.3%	1.2%	2.6%
<b>Lomas de Zamora</b>	Jul-06	Jun-07	Jun-21	16.6	2.9	38.6	6.8	1.9%	5.8%	2.5%	5.2%
<b>Sol</b>	Jun-06	Mar-07	Jun-21	15.6	2.7	36.9	6.5	1.6%	4.7%	2.3%	4.8%
<b>Peatonal</b>	Jun-06	May-07	Jun-21	5.7	1.0	13.4	2.4	0.6%	1.7%	0.9%	1.9%
<b>Lanus</b>	Apr-07	Apr-07	Jun-21	38.2	6.7	89	15.6	4.0%	12.1%	5.3%	11.2%
<b>Platense</b>	Jun-07	Oct-09	Jun-21	28.4	5.0	137.7	24.2	4.0%	12.0%	6.5%	13.8%
<b>Puerto</b>	Dec-09							0.4%	1.2%	0.7%	1.6%
<b>San Martín</b>	Dec-09							4.5%	13.5%	8.5%	18.0%
<b>Morón</b>	Jun-13							3.5%	10.6%	6.5%	13.9%
<b>Ramos Mejía</b>	Apr-14							1.3%	3.9%	1.8%	3.7%
<b>San Miguel</b>	May-14							2.6%	7.7%	4.8%	10.1%
<b>Lomas del Mirador</b>	Sep-14							4.3%	12.9%	8.4%	17.9%
<b>San Justo</b>	Oct-14							3.2%	9.6%	5.9%	12.4%
<b>Temperley</b>	Aug-16							0.4%	1.2%	0.5%	1.2%

(1) Based on the Eur/Ar\$ exchange at November 13, 2009

(2) Exclude the gains or losses on assets disposals

# Smoking bans overview

	Scope	Effective Date	Regulation for gaming venues	General regulation	
<b>Italy</b>	National	Jan. 2005	50%* of total surface	Total ban	No clear effects identified
<b>Spain</b>	National	Jan. 2006	30%* of total surface (max. of 300 m <sup>2</sup> )	Same as gaming	
<b>Uruguay</b>	National	March 2006	Total ban	Same as gaming	Daily win reduction of up to 15%. Recovery in 9 to 12 months
<b>Mexico</b>	D.F.	April 3, 2008	Total ban	Same as gaming	Heterogeneous impact among halls. Recovery in 9 months
	National	July 1, 2009 <sup>(1)</sup>	Maximum of 33%* of total surface (TBD by state)		
<b>Panama</b>	National	April 25, 2008	Total ban	Same as gaming	Daily win reduction of up to 15%. Recovery in 6 months
<b>Argentina</b> (Prov Bs.As.)	Distrito Mar del Plata	April 1, 2007	40%* of total surface	Same as gaming	Revenue decrease limited to bingo business and only in certain halls
	Bs. As. province	April 20, 2009	Not affected if surface is bigger than 400 m <sup>2</sup> <sup>(2)</sup>	Total ban	
<b>Colombia</b>	National	Dec. 4, 2008	Total ban	Same as gaming	Daily win reduction around 10%. Recovery in 9 months

**There is a world trend to regulate smoking in public places. Codere's experience suggests a moderate negative impact in revenues but with a recovery in the medium term**

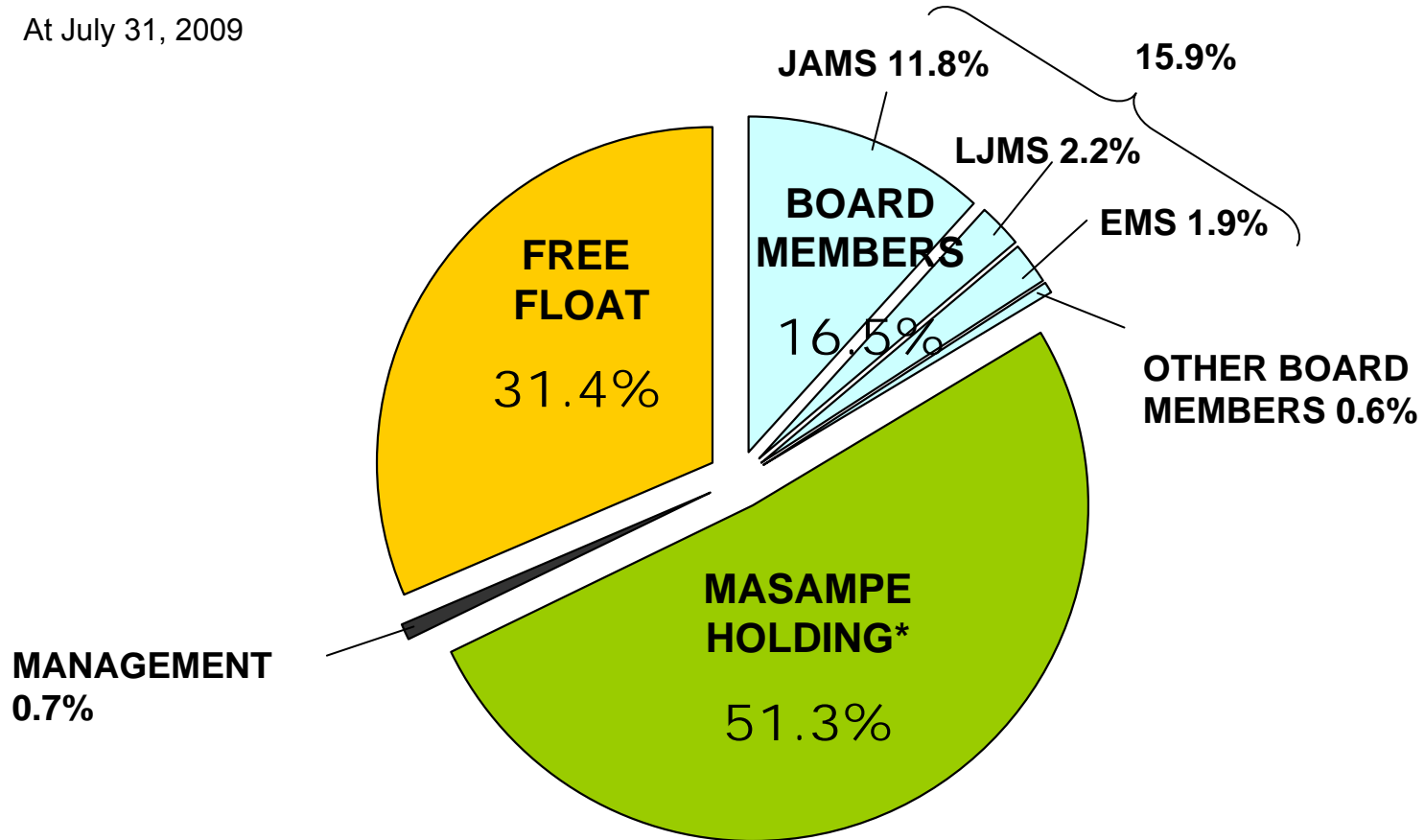
\* Percentage of space allowed for smokers

(1) Effective date of the Federal regulation that develops the Federal Act

(2) All Codere halls meet this requirement

# Shareholder structure

At July 31, 2009



\* Masampe Holding Partners: JAMS, LJMS y EMS

**Total Shares Outstanding: 55,036,470**



# Shareholder obligations

## Payment to Franco brothers and ICIL

- In March 2006 the Martinez Sampedros (“MS”) purchased 17.9 MM shares from the Francos. The shares were transferred to Masampe B.V.
- The total consideration for the Franco shares was payable in three installments.

	Total consideration (€MM)	Paid
March '06	39.0	✓
April '07	<u>152.6</u>	✓
	191.6	
April '08*	N/A	Settled via delivery of 2MM shares

\* Settled July 2009

- July 28, 2009 MS reached an agreement with the Francos to terminate the Sale Process and novate the March 2006 agreements.
- The novation agreement involved the delivery of 1MM shares to each of the Francos, representing 3.63% of the share capital
- Considering the total of €191 million paid by the MS to the Francos, the price per share for the 15,9 shares purchased (17,9 minus the 2 MM delivered) was €12.06
- There are no remaining claims in relation to the March 2006 Sale and Purchase Agreements

- 
- 1.1 MM shares were purchased from ICIL for total consideration of €22.7 MM, which was fully paid in April, 2008

## 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 nominal amount via a tender offer

## Summary terms

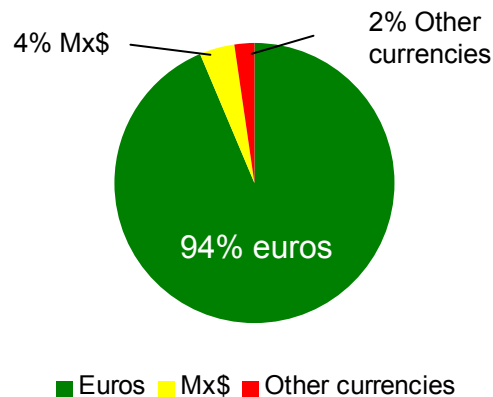
Term	Description
<b>Issue</b>	€340.0 million
<b>Maturity</b>	15 December 2015 (6 month outside existing HY)
<b>Interest</b>	3 months EURIBOR + 750 bps.
<b>Par call window</b>	From June 2008 to December 2009
<b>Covenant</b>	Net debt to EBITDA < 6.5x
<b>Mandatory Prepayment</b>	If Masampe fails to own at least 50.1% of the issued and outstanding shares of Codere S.A.
<b>Principal amount outstanding as of Dec. 31, 2009</b>	€447.8 million

# Debt breakdown

As of September 30, 2009

	Effective interest rate	Final maturity	€ million	Currency
HQ (Bond)	8.25%	2015	669.2	EUR
Icela	TIIE + 2,27%	2015	24.6	Mx\$
HQ (RCF)	Euribor + 1,75%	2010	23.9	EUR
Italy	Euribor 1M+ 2,50%	2012	9.9	EUR
Colombia	DTF + 5,20%	2012	9.3	COP
Icela	9.91%	2009	4.9	Mx\$
Panama	Libor + 4,0%	2009 - 2014	2.9	USD
Mexico	TIIE + 3,75%	2011	2.2	Mx\$
Spain AWP	4.58%	2009 - 2014	1.5	EUR
<b>Sub - Total</b>			<b>748.4</b>	
Uruguay (Bond)	Local Index +6%	2014	5.2	UYU / UI
<b>Total</b>			<b>753.7</b>	

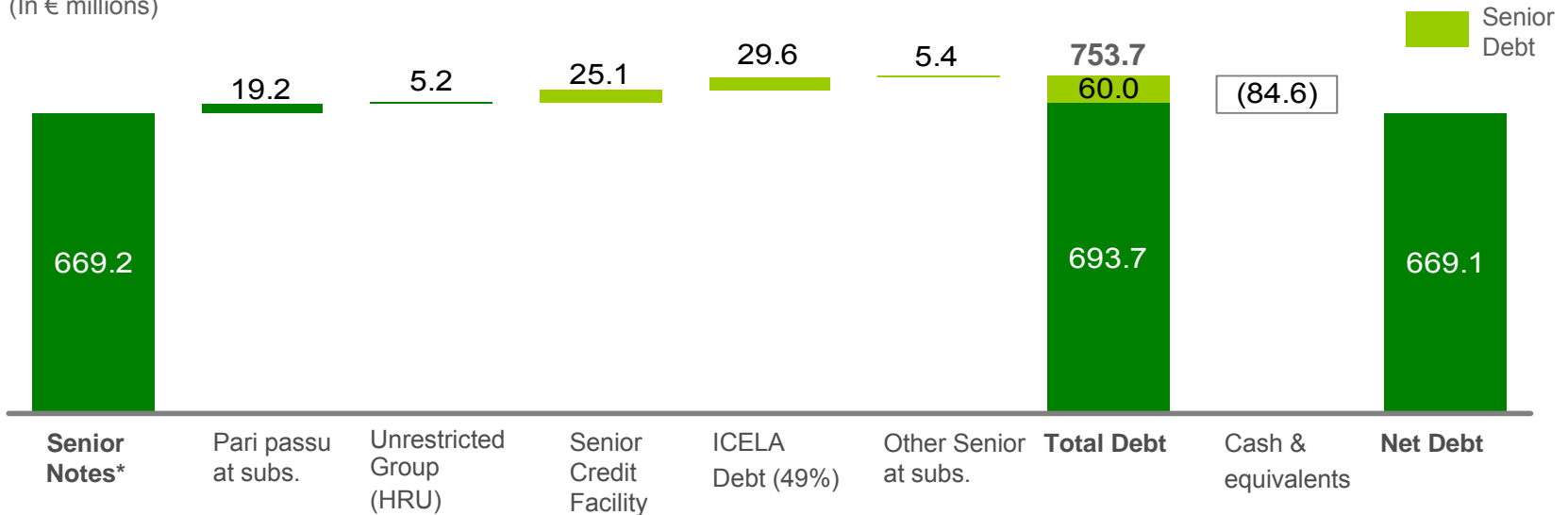
## Distribution of debt by currency



# Debt structure and headroom (as of September 30, 2009)

## Debt Breakdown

(In € millions)



## Headroom under Senior

### Headroom determination:

- Senior Debt Limit: €200MM
- (-) Capacity used:
  - Senior Credit Facility (€25MM)
  - ICELA Debt (100%) (€60MM)
  - Senior Debt @ subs. (€6MM)
- **Headroom under Senior: €109MM**

## 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 / EBITDA <4.25x
    - Net senior debt / EBITDA <1.5x
    - EBITDA / Net interest >2.5x
    - Qualifying country EBITDA – Qualifying country maintenance capex / Consolidated net interest >1.0x
  - Arranged by CS, Barclays and BBVA

### Key bond covenants

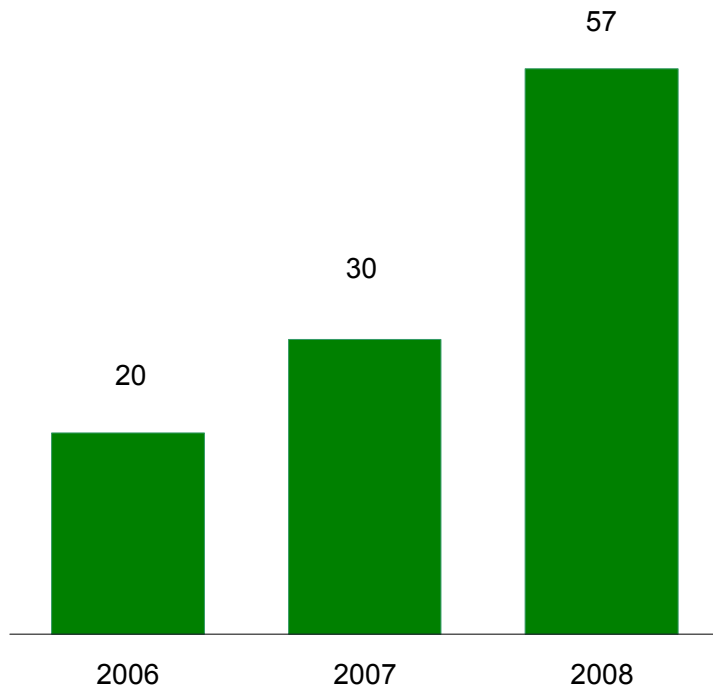
- 3.0x FCCR incurrence test
- €200m senior debt limit

\* Includes €15.9 million of interest

# Intercompany charges

## Intercompany charges

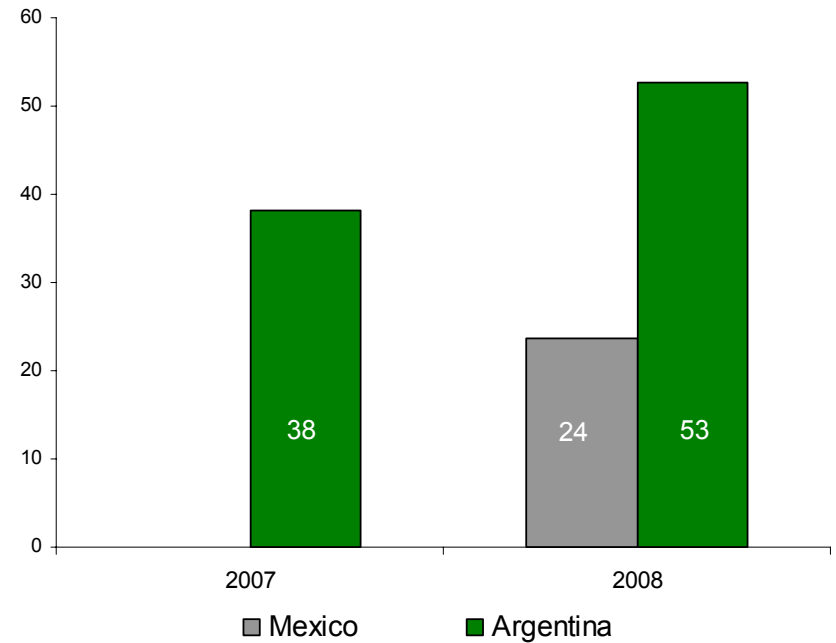
(€ millions)



In 2008 intercompany transfers increased by 92% to €57 million

## Cash upstreamed

(€ millions)

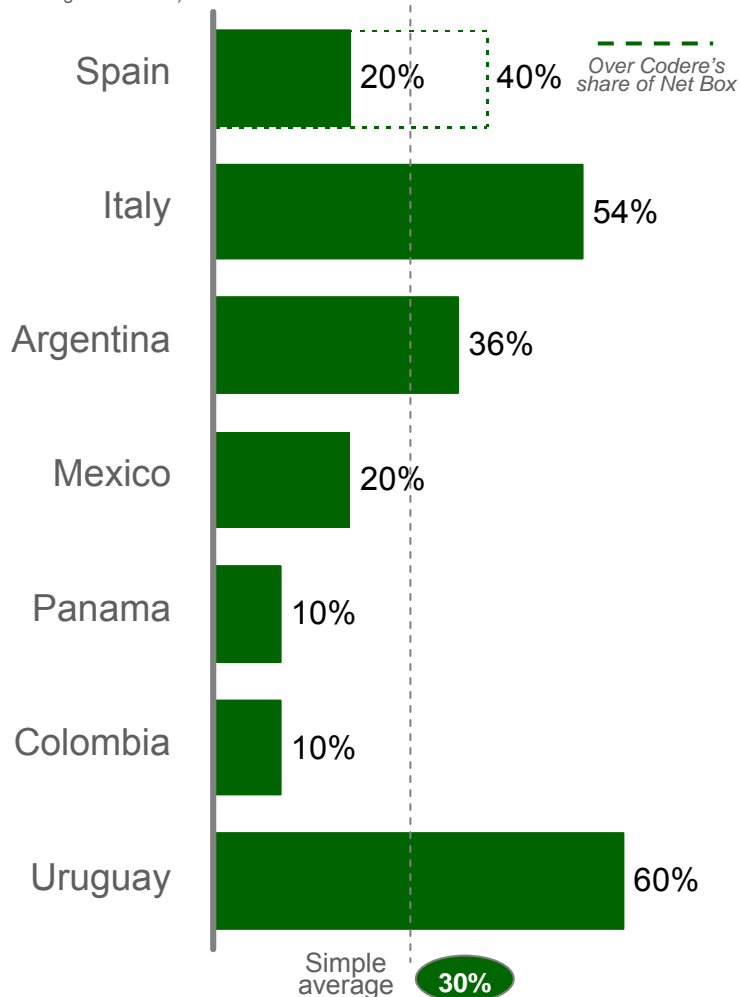


Total cash upstreamed from Argentina and Mexico to HQ in 2008 was €77 million

# Comparative gaming taxes

## Machine Gaming Taxes

(As percentage of Net Win)



## Comments

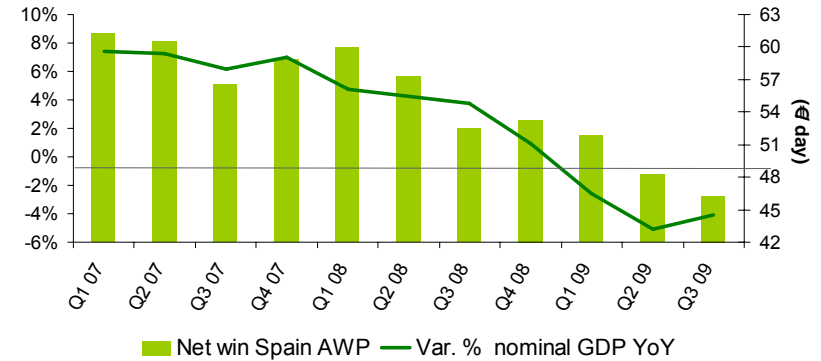
- Fixed gaming tax per machine, “tasa”, that differs by Comunidad Autónoma. In 2008, the average annual tax per machine was circa €3,600. The stated percentage was determined considering Codere’s actual average net win levels
- Max. of 12.6% + 0.8% (including PREU + Canon) over amounts wagered (“coin-in”). The stated percentage was determined based on the current pay out ratio (75%)
- Includes payments to Non Profit Organizations (2% of net win, on average, in 2008). Canon tax surcharge of renewed halls suppose, on average, an extra 7% to 12% of total net win for these halls
- Federal tax of 20% over net win. Reimbursement of SEGOB and state taxes at 100%.
- Fixed percentage over slot machines net win
- In Colombia gaming taxes are calculated as a % of the current minimum salary multiplied by the number of machines in operation. Historically has represented the stated % of net win
- Percentage of net win that the “Dirección General de Casinos” (DGC) withholds to Codere for the operation of the halls. No further gaming taxes exist

# Spain: 2008 / 2009 crisis

## Market

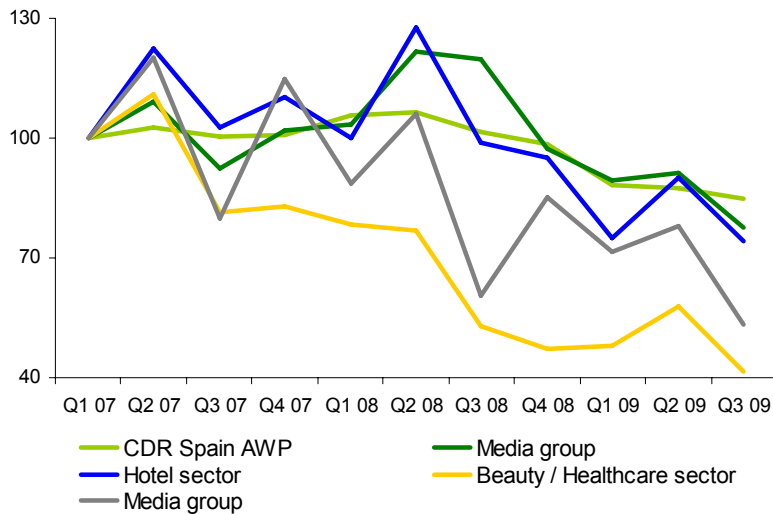
- Mature, highly fragmented
- Factors affecting business
  - Significant macroeconomic downturn
  - Absence of regulatory changes
  - Lack of technological innovation

## Net win vs. GDP

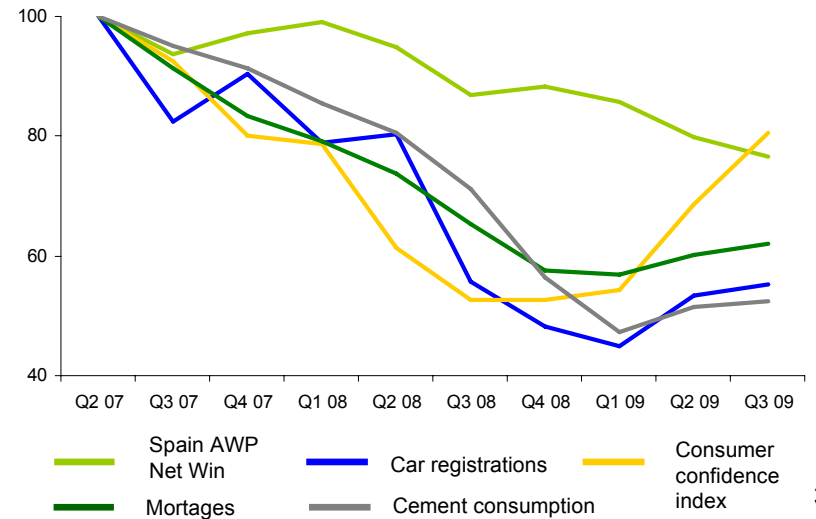


## Spain AWP vs Spanish Small - Mid Caps

Revenues in Spain



## Spain AWP net win vs. Spanish indicators

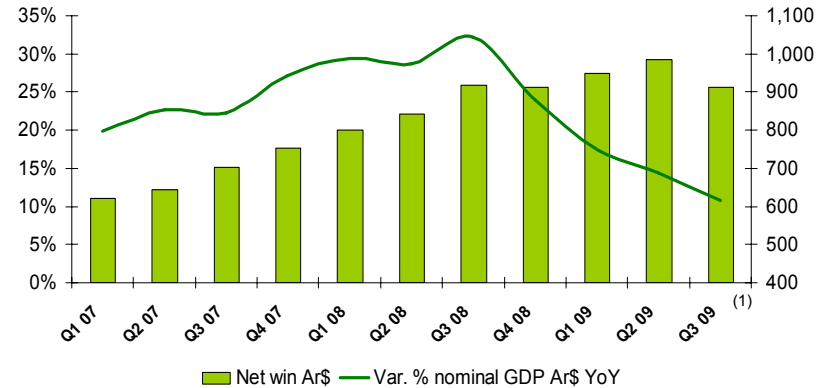


# Argentina: 2008 / 2009 crisis

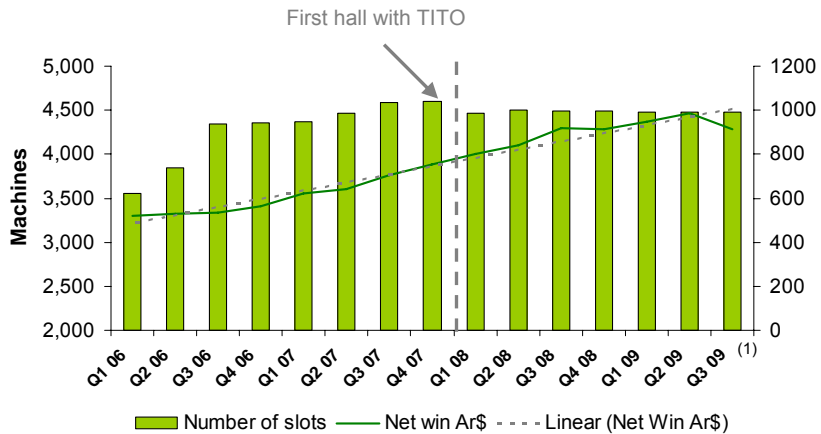
## Market

- Relatively new market, limitation on number of licenses (regional monopolies)
- Factors affecting business
  - Implementation of coinless systems (TITO)
  - Depreciation of Ar\$ vs. euro
  - H1N1 virus in Q3 2009

## Net win in Ar\$ vs. GDP

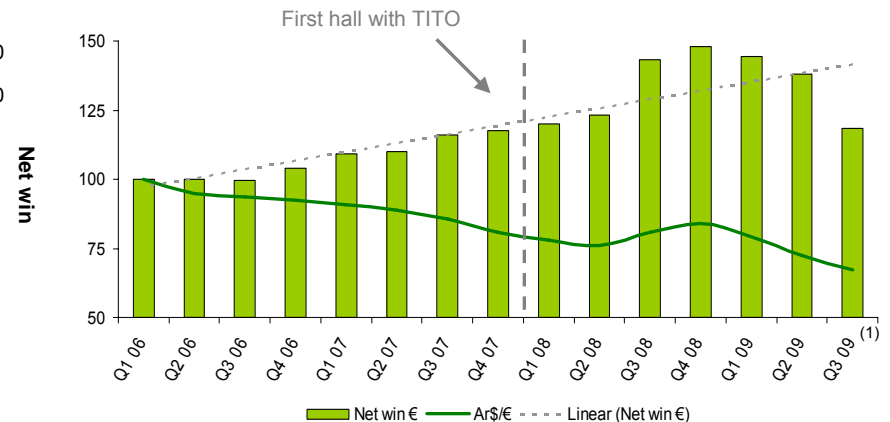


## Net win Ar\$ vs. machines installed



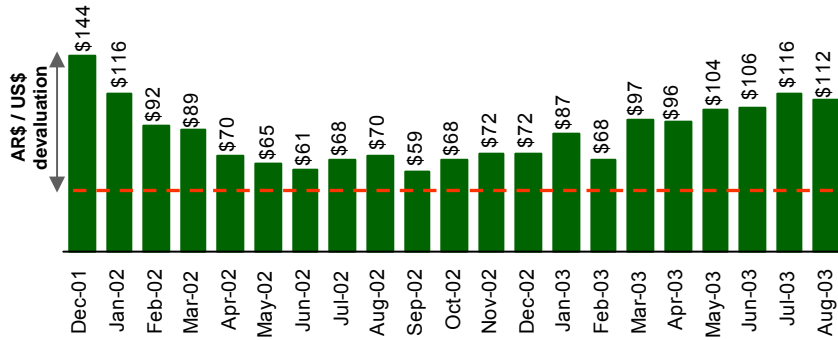
(1) Net wins in Q3 2009 were negatively impacted by H1N1 virus

## Net win € vs. Ar\$/€



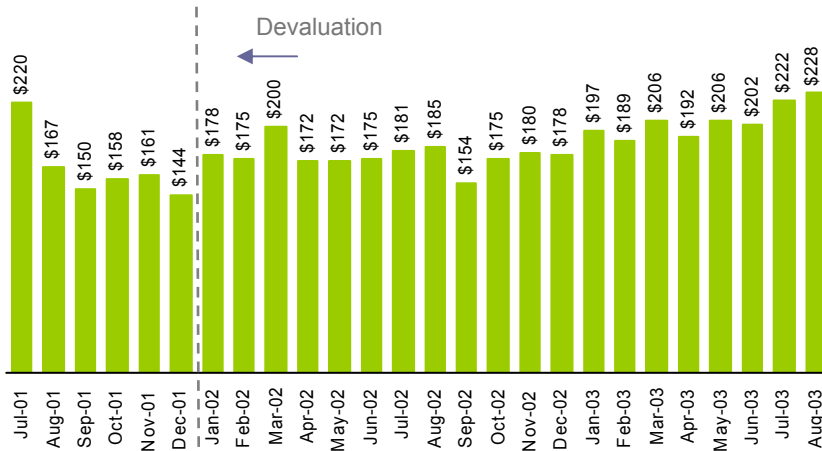
# Codere has demonstrated remarkable resilience

## Net Win per Day in US\$



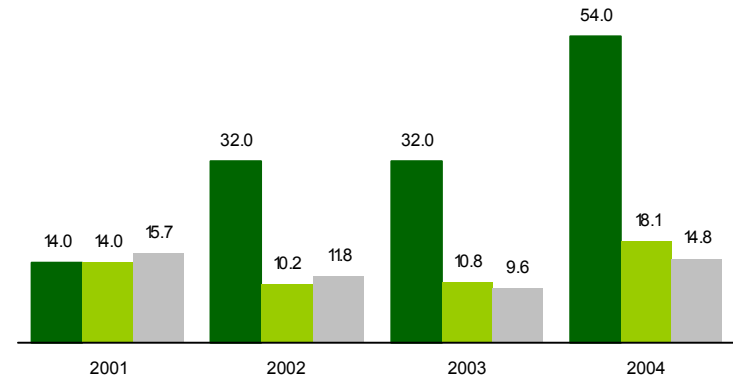
- December 31, 2001 Argentine government eliminated Peso peg to US\$
- Peso devalued 67% versus US\$ in 2001-2002
- By August 2003 net win per machine was back to July 2001 levels in real terms
- 2002 EBITDA decreased 25% in euro terms following the devaluation of the Peso
- Strong profitability maintained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

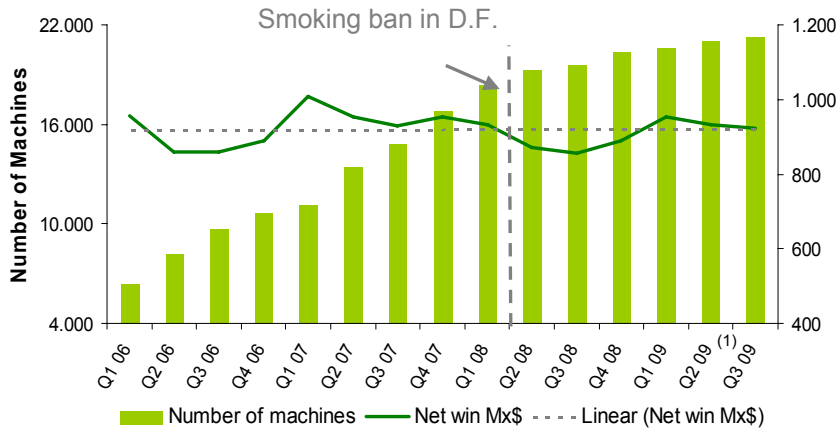


# Mexico: 2008 / 2009 downturn

## Market

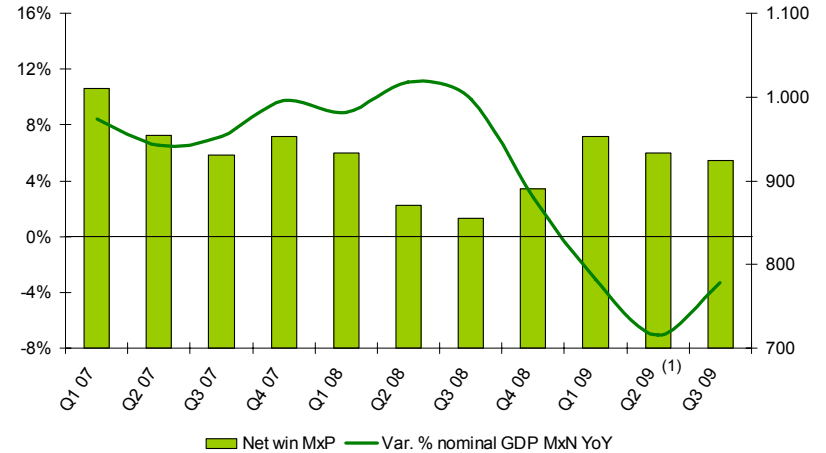
- Newly regulated market
- Factors affecting business
  - Aggressive machine deployment (EBTs and Class III)
  - Smoking ban (April 2008 in D.F. Aug. 2009 rest of states)
  - Depreciation of Mx\$ vs. euro
  - Gap in net win CIE vs. Caliente
  - H1N1 virus Q2 2009

## Net win Mx\$ vs. machines installed

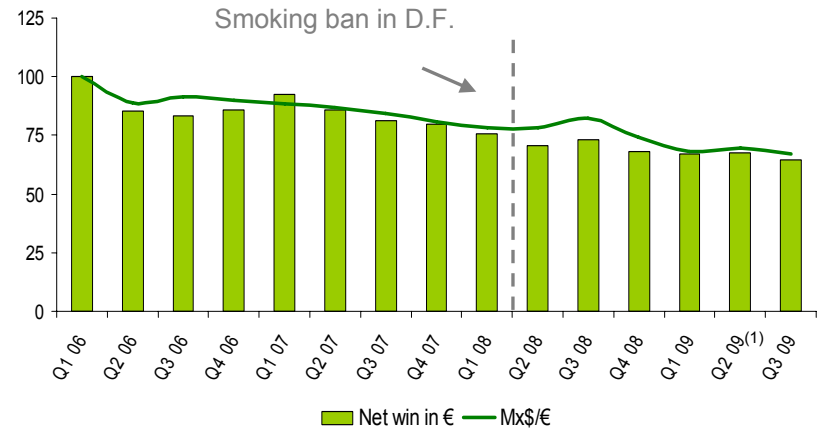


(1) Net wins in Q2 2009 were negatively impacted by H1N1 virus

## Net win in Mx\$ vs. GDP



## Net win € vs. Mx\$/€



# Growth and maintenance capex

(in € million)	2004	2005	2006	2007	2008	9M 2009
<b>Spain AWP</b>	<b>26.5</b>	<b>30.7</b>	<b>86.7</b>	<b>59.4</b>	<b>42.9</b>	<b>11.7</b>
Maintenance	13.3	18.8	45.0 <sup>(6)</sup>	39.7	35.6	12.0
Growth	13.2	11.9	41.7 <sup>(7)</sup>	19.7	7.3	(0.3)
<b>Argentina</b>	<b>2.9</b>	<b>16.8</b>	<b>57.1</b>	<b>21.3</b>	<b>51.7</b>	<b>9.4</b>
Maintenance	1.8	-	7.8 <sup>(8)</sup>	9.2	17.5 <sup>(13)</sup>	6.8
Growth	1.1	16.8	49.3 <sup>(8)</sup>	12.1	34.2	2.6
<sup>(1)</sup> <b>Mexico</b>	<b>18.7</b>	<b>33.8</b>	<b>60.5</b>	<b>203.1</b>	<b>12.6</b>	<b>6.9</b>
Maintenance	0.2	- <sup>(4)</sup>	0.5 <sup>(4)</sup>	0.5 <sup>(11)</sup>	7.1	2.2
Growth	18.5	33.8	60.0	202.6	5.5	4.7
<sup>(2)</sup> <b>Italy</b>	<b>5.4</b>	<b>6.2</b>	<b>22.5</b>	<b>26.6</b>	<b>3.9</b>	<b>7.2</b>
Maintenance	-	0.4	1.7 <sup>(9)</sup>	3.5	7.2 <sup>(12)</sup>	5.1
Growth	5.4	5.8	20.8	23.1	(3.3)	2.1
<sup>(3)</sup> <b>Other</b>	<b>12.5</b>	<b>114.6</b>	<b>53.6</b>	<b>35.3</b>	<b>30.2</b>	<b>7.2</b>
Maintenance	8.4	9.0 <sup>(5)</sup>	8.6 <sup>(10)</sup>	21.1	12.7	2.3
Growth	4.1	105.6	45.0	14.2	17.5	4.9
<b>Total</b>	<b>66.0</b>	<b>202.1</b>	<b>280.4</b>	<b>345.7</b>	<b>141.3</b>	<b>42.4</b>
Maintenance	23.7 36%	28.2 14%	63.6 23%	74.0 21%	80.1 57%	28.4 67%
Growth	42.3 64%	173.9 86%	216.8 77%	271.7 79%	61.2 43%	14.0 33%

- (1) Net of repayments from Caliente  
 (2) Numbers for 2007 and 2008 exclude discontinued operations  
 (3) Includes holding company, Spain Bingo, Panama/Chile, Brazil, Colombia, Uruguay, and Sports Betting  
 (4) Related to the opening of 42 bingo halls  
 (5) Mainly includes Royal €60.6m, and Operbingo €33.3m  
 (6) One-off RF portfolio purchase

- (7) Includes mainly MAE acquisition  
 (8) Includes 6 license renewals (€30m)  
 (9) Bingo Palace (€12m)  
 (10) Rete Franco (€6m)  
 (11) Includes acquisition of 49% stake in ICELA and 10% of minorities  
 (12) Includes €2.8 million in proceeds for the sale in WHCI  
 (13) Includes €25.1 million related to the minority purchase

# Operating data (I)

## # of Machines and Bingos

	As of September 30,			As of September 30,		
	2008	2009	% change	2008	2009	% change
	<b>AWP/Slots/EBTs</b>			<b>Bingo Halls</b>		
Spain	15,909	15,586	(2.0%)	1	1	0.0%
Argentina	4,487	4,475	(0.3%)	14	14	0.0%
Mexico	19,575	21,236	8.5%	102	109	6.9%
Italy <sup>(1)</sup>	2,360	2,331	(1.2%)	12	12	0.0%
Colombia	8,639	7,026	(18.7%)	6	6	0.0%
Panama	1,410	1,570	11.3%	-	-	n.a
Uruguay	<u>1,529</u>	<u>1,541</u>	0.8%	-	-	n.a
<b>Total</b>	<b>53,909</b>	<b>53,765</b>	<b>(0.3%)</b>	<b>135</b>	<b>142</b>	<b>5.2%</b>

1- Includes 601 machines in Q3 2008 and 586 machines in Q3 2009 deployed in Italian bingo halls.

## Operating data (II)

### Net Win per Machine per day

	Nine months ended September 30,			Three months ended September 30,		
	2008	2009	% change	3Q 08	3Q 09	% change
<b>Euros</b>						
Spain (AWPs)	56.5	48.7	(13.8%)	52.5	46.3	(11.8%)
Italy (AWPs)	62.2	65.3	5.0%	60.4	65.7	8.7%
Italy Bingo	91.5	91.1	(0.4%)	88.8	98.5	11.0%
Mexico <sup>(1)</sup>	55.6	50.8	(8.6%)	55.2	48.7	(11.7%)
Argentina <sup>(2)</sup>	180.8	187.3	3.6%	200.8	166.0	(17.3%)
<b>Local Currency</b>						
Mexico <sup>(1)</sup>	889	948	6.6%	855	924	8.0%
Argentina <sup>(2)</sup>	854	949	11.2%	919	913	(0.6%)

1. Net win for the nine months ended September 2009 is negatively affected by halls closures related to the H1N1 virus in Q2.

2. Net wins for the Q3 and the nine months ended September 2009 are negatively affected by hall closures related to the H1N1 virus in Q3.



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