



Third QUARTER 2017 RESULTS
Cirsa Gaming Corporation S.A.
November 22, 2017

- For 3Q-2017, we report Ebitda of €108.2 million: increased 7.0% from 3Q-2016

| Ebitda Mix by Country | FY 2016 | YTD Sept. 30, 2017 |
|----------------------------------|--------------------|-------------------------------|
| Spain | 36.2% | 36.1% |
| Italy | 4.8% | 4.4% |
| Argentina | 18.3% | 17.5% |
| Panama | 17.7% | 18.9% |
| Colombia | 12.1% | 11.1% |
| Mexico | 6.6% | 7.6% |
| Other | 4.3% | 4.4% |

- **As of September 30, 2017 our financial position is:**
 - Total net debt of €961.0 million; increased €12.8 million from June 30, 2017
 - Cash of €184.7 million; increased €18.6 million from June 30, 2017
 - Available revolving credit facilities of €75.0 million
 - Net debt to Ebitda ratio stands at 2.3x; unchanged from June 30, 2017

As previously announced, on July 1, 2017 Cirsa acquired 17 electronic casinos in Peru which together operate 2,400 slot machines. The total consideration, which represents an Ebitda multiple of 4.5x, was US\$26.0 million (33% was paid at closing and 67% will be paid in 2018 and 2019). As a result of this acquisition Cirsa becomes one of the leading casino operators in Peru.

CIRSA Gaming Corporation S.A.

| P&L Consolidated <i>Thousands of Euros</i> | Third Quarter | | | YTD September 30 | | |
|---|----------------|----------------|---------------|------------------|------------------|----------------|
| | 2016 | 2017 | Dif. | 2016 | 2017 | Dif. |
| Operating Revenues | 465,527 | 491,465 | 25,938 | 1,378,781 | 1,479,474 | 100,693 |
| Variable rent | -63,400 | -63,443 | -43 | -188,974 | -197,915 | -8,941 |
| Net Operating Revenues | 402,127 | 428,022 | 25,895 | 1,189,807 | 1,281,559 | 91,752 |
| Consumptions | -15,924 | -17,288 | -1,364 | -48,598 | -57,818 | -9,220 |
| Personnel | -73,268 | -77,288 | -4,020 | -211,935 | -233,311 | -21,376 |
| Gaming taxes | -142,576 | -155,066 | -12,490 | -424,068 | -451,492 | -27,424 |
| External supplies & services | -69,318 | -70,217 | -899 | -207,050 | -218,554 | -11,504 |
| Depreciation, amort. & impairment | -79,982 | -50,455 | 29,527 | -180,361 | -152,366 | 27,995 |
| EBIT | 21,059 | 57,708 | 36,649 | 117,795 | 168,018 | 50,223 |
| Financial results | -28,722 | -16,524 | 12,198 | -71,823 | -48,222 | 23,601 |
| Foreign exchange results | -994 | 3,173 | 4,167 | 286 | 4,883 | 4,597 |
| Results on sale of non-current assets | 1,870 | -944 | -2,814 | 3,264 | -3,314 | -6,578 |
| Profit before Income Tax | -6,787 | 43,413 | 50,200 | 49,522 | 121,365 | 71,843 |
| Income Tax | -2,289 | -14,940 | -12,651 | -30,258 | -45,012 | -14,754 |
| Minority interest | -6,076 | -5,993 | 83 | -18,988 | -20,180 | -1,192 |
| Net Profit | -15,152 | 22,481 | 37,633 | 276 | 56,173 | 55,897 |
| EBITDA | 101,041 | 108,163 | 7,122 | 298,156 | 320,384 | 22,228 |

Third quarter of 2017 compared to third quarter 2016

Net operating revenues increased by 6.4% and Ebitda grew by 7.0% from 3Q-2016. Despite the gaming tax increases in Italy, Argentina and Colombia, the improvement in our Spanish operations, the positive underlying performance across our Latam operations and the implementation of productivity programs across the company, resulted in steady organic growth. Financial expenses were reduced by €12.2 million or 42.5% due to the negative impact on 3Q-2016 of the €11.6 million charged to financial results in connection to the fiscal settlement in Argentina (see 3Q-2016 Report).

| Average Exchange Rates <i>One Euro equals:</i> | YTD <i>Sept. 30, 2016</i> | YTD <i>Sept. 30, 2017</i> | Variation |
|---|------------------------------|------------------------------|-----------|
| Argentina Peso | 16.4582 | 18.3803 | 11.7% |
| Colombia Peso | 3,381.1481 | 3,302.4293 | -2.3% |
| Costa Rica Colon | 611.9725 | 642.6717 | 5.0% |
| Dominican Republic Peso | 51.1949 | 53.2209 | 4.0% |
| Mexico Peso | 20.4240 | 21.0013 | 2.8% |
| Morocco Dirham | 10.9110 | 10.9372 | 0.2% |
| Panama US Dollar | 1.1140 | 1.1218 | 0.7% |
| Peru Nuevo Sol | 3.7647 | 3.6548 | -2.9% |

| Slots Division | | | | | | |
|--|----------------------|----------------|--------------|-------------------------|----------------|---------------|
| P&L Consolidated <i>Thousands of Euros</i> | Third Quarter | | | YTD September 30 | | |
| | 2016 | 2017 | Dif. | 2016 | 2017 | Dif. |
| Operating Revenues | 215,888 | 223,975 | 8,087 | 656,565 | 686,439 | 29,874 |
| Variable rent | -60,618 | -61,013 | -395 | -180,386 | -190,113 | -9,727 |
| Net Operating Revenues | 155,270 | 162,962 | 7,692 | 476,179 | 496,326 | 20,147 |
| Consumptions | -7,730 | -9,435 | -1,705 | -24,694 | -27,518 | -2,824 |
| Personnel | -15,378 | -16,643 | -1,265 | -45,717 | -49,069 | -3,352 |
| Gaming taxes | -85,872 | -90,499 | -4,627 | -264,448 | -270,154 | -5,706 |
| External supplies & services | -19,495 | -17,967 | 1,528 | -58,686 | -56,959 | 1,727 |
| Depreciation, amort. & impairment | -27,266 | -26,565 | 701 | -78,647 | -77,618 | 1,029 |
| EBIT | -471 | 1,853 | 2,324 | 3,987 | 15,008 | 11,021 |
| EBITDA | 26,795 | 28,418 | 1,623 | 82,634 | 92,626 | 9,992 |

Third quarter of 2017 compared to third quarter 2016

Net operating revenues grew by 5.0% and Ebitda increased by 6.1% from 3Q-2016.

The 3Q-2017 Ebitda contribution by country was as follows:

- Ebitda of Spanish operations increased by 9.5%: €24.3 million from €22.2 million in 3Q-2016, mainly due to the addition, and the corresponding synergies, of 1,875 slot machines to our portfolio.
- Ebitda of Italian operations decreased by 10.9%: €4.1 million from €4.6 million in 3Q-2016 due to the increase of €3.2 million of gaming taxes. On April 24, 2017, AWP gaming taxes increased from 17.5% to 19.0% and VLT gaming taxes increased from 5.5% to 6.0%.

| Slot Machines <i>As of September 30</i> | 2016 | | 2017 | Var. | Var. |
|---|---------------|---------------|--------------|--------------|-------------|
| | units | units | units | units | % |
| Slot machines, Spain | 28,159 | 30,034 | 1,875 | | 6.7 |
| Slot machines, Italy | 8,922 | 8,970 | 48 | | 0.5 |
| VLTs, Italy | 2,553 | 2,566 | 13 | | 0.5 |
| Total | 39,634 | 41,570 | 1,936 | | 4.9 |

Projects & main operational issues

In Spain and Italy, together with the ongoing implementation of efficiency programs, we plan to continue with our strategy of highly selective acquisitions and the discontinuation of underperforming slot machines to increase the quality of our slot operations portfolio.

| Casinos Division | | | | | | |
|--|----------------------|----------------|---------------|-------------------------|----------------|---------------|
| P&L Consolidated <i>Thousands of Euros</i> | Third Quarter | | | YTD September 30 | | |
| | 2016 | 2017 | Dif. | 2016 | 2017 | Dif. |
| Operating Revenues | 190,931 | 203,433 | 12,502 | 547,036 | 594,173 | 47,137 |
| Variable rent | -1,024 | -383 | 641 | -2,999 | -2,055 | 944 |
| Net Operating Revenues | 189,907 | 203,050 | 13,143 | 544,037 | 592,118 | 48,081 |
| Consumptions | -3,994 | -3,781 | 213 | -10,970 | -11,794 | -824 |
| Personnel | -40,027 | -41,167 | -1,140 | -114,156 | -125,203 | -11,047 |
| Gaming taxes | -42,065 | -50,667 | -8,602 | -115,116 | -140,622 | -25,506 |
| External supplies & services | -39,116 | -40,667 | -1,551 | -114,742 | -124,794 | -10,052 |
| Depreciation, amort. & impairment | -49,839 | -21,058 | 28,781 | -92,190 | -65,630 | 26,560 |
| EBIT | 14,866 | 45,710 | 30,844 | 96,863 | 124,075 | 27,212 |
| EBITDA | 64,705 | 66,768 | 2,063 | 189,053 | 189,705 | 652 |

Third quarter of 2017 compared to third quarter 2016

Net operating revenues increased by 6.9% and Ebitda grew by 3.2% from 3Q-2016. The increase of gaming taxes in Argentina and Colombia, which impacted our 3Q-2017 ebitda by approximately €9.0 million, was fully offset by strong revenue growth, the contribution from the newly acquired casinos in Peru and the implementation of mitigation actions and cost reduction initiatives.

| As of September 30 | 2016 | | | 2017 | | | Variation | | |
|---------------------------|----------------|---------------|---------------|----------------|---------------|---------------|------------------|--------------|---------------|
| | Casinos | Slots | Tables | Casinos | Slots | Tables | Casinos | Slots | Tables |
| Panama | 29 | 7,572 | 25 | 30 | 7,689 | 21 | 1 | 117 | -4 |
| Argentina | 9 | 7,450 | 202 | 9 | 7,517 | 201 | 0 | 67 | -1 |
| Colombia | 64 | 5,966 | 216 | 66 | 6,362 | 234 | 2 | 396 | 18 |
| Peru | 12 | 1,969 | 45 | 30 | 4,297 | 45 | 18 | 2,328 | 0 |
| Costa Rica | 7 | 967 | 21 | 8 | 873 | 26 | 1 | -94 | 5 |
| Dominican Republic | 5 | 627 | 71 | 5 | 675 | 65 | 0 | 48 | -6 |
| Spain | 4 | 319 | 52 | 4 | 304 | 41 | 0 | -15 | -11 |
| Morocco | 1 | 190 | 19 | 1 | 190 | 19 | 0 | 0 | 0 |
| Total | 131 | 25,060 | 651 | 153 | 27,907 | 652 | 22 | 2,847 | 1 |

Projects & main operational issues

As previously announced, on July 1, 2017 Cirsa acquired 17 electronic casinos in Peru which together operate 2,400 slot machines. The total consideration, which represents an Ebitda multiple of 4.5x, was US\$26.0 million (33% was paid at closing and 67% will be paid in 2018 and 2019). As a result of this acquisition Cirsa becomes one of the leading casino operators in Peru.

Our focus remains on the enhancement of our current casino operations supported by regular targeted marketing campaigns. The goal of our investment plan will be to upgrade our gaming offer, to expand our better performing halls, and to make selective acquisitions in our traditional and adjacent geographic markets.

| Bingo Division | | | | | | |
|-----------------------------------|----------------------|---------------|--------------|-------------------------|----------------|---------------|
| P&L Consolidated | Third Quarter | | | YTD September 30 | | |
| <i>Thousands of Euros</i> | 2016 | 2017 | Dif. | 2016 | 2017 | Dif. |
| Operating Revenues | 52,528 | 57,416 | 4,888 | 160,871 | 171,847 | 10,976 |
| Variable rent | -1,758 | -2,109 | -351 | -5,589 | -5,931 | -342 |
| Net Operating Revenues | 50,770 | 55,307 | 4,537 | 155,282 | 165,916 | 10,634 |
| Consumptions | -2,546 | -2,680 | -134 | -7,444 | -7,814 | -370 |
| Personnel | -10,149 | -11,140 | -991 | -30,617 | -33,077 | -2,460 |
| Gaming taxes | -14,319 | -13,606 | 713 | -43,610 | -39,795 | 3,815 |
| External supplies & services | -13,864 | -14,870 | -1,006 | -41,885 | -45,087 | -3,202 |
| Depreciation, amort. & impairment | -3,761 | -3,933 | -172 | -11,715 | -11,901 | -186 |
| EBIT | 6,131 | 9,078 | 2,947 | 20,011 | 28,242 | 8,231 |
| EBITDA | 9,892 | 13,011 | 3,119 | 31,726 | 40,143 | 8,417 |

Third quarter of 2017 compared to third quarter 2016

Net operating revenues grew by 8.9% and Ebitda increased by 31.5% from 3Q-2016. The Ebitda contribution by country was as follows:

- Ebitda of Spanish operations increased by 32.5% to €5.3 million from €4.0 million in 3Q-2016 continuing the positive trend that started in 2015 and has been supported by the implementation of advanced retention and loyalty programs.
- Ebitda of Mexican operations increased by 30.5% to €7.7 million from €5.9 million in 3Q-2016 due to the strong performance of our halls, marketing productivity programs, and the contribution from two newly acquired halls in January and June 2017.

| Bingo Halls | 2016 | 2017 | Var. |
|---------------------------|-------------|-------------|-------------|
| As of September 30 | | | |
| Spain | 38 | 37 | -1 |
| Mexico | 18 | 20 | 2 |
| Italy | 12 | 11 | -1 |
| Total | 68 | 68 | 0 |

Projects & main operational issues

In Spain, we are actively working enhance our offer in order to attract more customers to our halls, taking advantage of improved market conditions. As part of our continuous portfolio review, during the last 12 months, we have discontinued two underperforming halls and acquired one hall.

In Mexico we plan to continue to expand our best performing halls and are currently evaluating the acquisition of new halls in our target regions (similar to the two halls acquired during 2017).

| B2B Division | | | | | | |
|--|----------------------|---------------|--------------|-------------------------|---------------|---------------|
| P&L Consolidated <i>Thousands of Euros</i> | Third Quarter | | | YTD September 30 | | |
| | 2016 | 2017 | Dif. | 2016 | 2017 | Dif. |
| Operating Revenues | 21,273 | 22,730 | 1,457 | 69,905 | 81,954 | 12,049 |
| Variable rent | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Operating Revenues | 21,273 | 22,730 | 1,457 | 69,905 | 81,954 | 12,049 |
| Consumptions | -7,948 | -9,446 | -1,498 | -29,920 | -36,823 | -6,903 |
| Personnel | -4,292 | -4,022 | 270 | -14,312 | -14,583 | -271 |
| Gaming taxes | -301 | -280 | 21 | -836 | -874 | -38 |
| External supplies & services | -4,270 | -4,361 | -91 | -13,910 | -15,088 | -1,178 |
| Depreciation, amort. & impairment | -795 | -719 | 76 | -2,811 | -2,625 | 186 |
| EBIT | 3,667 | 3,902 | 235 | 8,116 | 11,961 | 3,845 |
| EBITDA | 4,462 | 4,621 | 159 | 10,927 | 14,586 | 3,659 |

Third quarter of 2017 compared to third quarter 2016

Despite market demand still being flat, net operating revenues increased by 6.9% and Ebitda increased by 3.6% from 3Q-2016 mainly due to the good performance of our top slot machine models, which have maintained our leadership position in the Spanish slot machines market.

Projects & main operational issues

We will continue with our cost reduction initiatives and leverage on our market leadership to support our sales of slot machine kits: Cirsa's high market share facilitates sales in the kits & refurbishment market segment. R&D activities will continue to focus on profitable segments: all current programs being developed are intended to positively impact P&L.

Structure & Adjustments

| P&L Consolidated <i>Thousands of Euros</i> | Third Quarter | | | YTD September 30 | | |
|---|----------------|----------------|-------------|------------------|----------------|-------------|
| | 2016 | 2017 | Dif. | 2016 | 2017 | Dif. |
| Operating Revenues | -15,093 | -16,089 | -996 | -55,596 | -54,939 | 657 |
| Variable rent | 0 | 62 | 62 | 0 | 184 | 184 |
| Net Operating Revenues | -15,093 | -16,027 | -934 | -55,596 | -54,755 | 841 |
| Consumptions | 6,294 | 8,054 | 1,760 | 24,430 | 26,131 | 1,701 |
| Personnel | -3,422 | -4,316 | -894 | -7,133 | -11,379 | -4,246 |
| Gaming taxes | -19 | -14 | 5 | -58 | -47 | 11 |
| External supplies & services | 7,427 | 7,648 | 221 | 22,173 | 23,374 | 1,201 |
| Depreciation, amort. & impairment | 1,679 | 1,820 | 141 | 5,002 | 5,408 | 406 |
| EBIT | -3,134 | -2,835 | 299 | -11,182 | -11,268 | -86 |
| EBITDA | -4,813 | -4,655 | 158 | -16,184 | -16,676 | -492 |

Millions of Euros

| CAPEX YTD September 30 | 2016 | 2017 | Var. |
|---|-------------|--------------|-------------|
| Slots | 43.2 | 49.3 | 6.1 |
| Casinos | 42.5 | 46.9 | 4.4 |
| Bingo | 9.7 | 18.9 | 9.2 |
| B2B | 2.7 | 5.0 | 2.3 |
| Structure | 0.3 | 0.3 | 0.0 |
| Total | 98.4 | 120.4 | 22.0 |

Of the €120.4 million of capital expenditures YTD September 30, 2017, we estimate that 72% corresponded to maintenance expenditures and 28% to the expansion of our business (mainly slot operations in Spain).

| <i>Millions of Euros</i> | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|
| Leverage 12 Trailing Months | 2016 | | Mar-31 | 2017 | |
| | Sep-30 | Dec-31 | | Jun-30 | Sep-30 |
| Ebitda | 397.6 | 398.3 | 405.8 | 413.4 | 420.5 |
| Net Interest Expense | 96.6 | 92.5 | 89.4 | 81.1 | 68.9 |
| Cash & Cash Equivalents | 176.8 | 174.1 | 187.8 | 166.1 | 184.7 |
| Total Debt | 1,153.3 | 1,138.8 | 1,141.5 | 1,114.3 | 1,145.7 |
| Total Net Debt | 976.5 | 964.7 | 953.7 | 948.2 | 961.0 |
| Total Net Debt to Ebitda | 2.5x | 2.4x | 2.3x | 2.3x | 2.3x |
| Ebitda to Net Interest Expense | 4.1x | 4.3x | 4.5x | 5.1x | 6.1x |

| <i>Millions of Euros</i> | | | | | |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|
| Financial Debt As of | 2016 | | Mar-31 | 2017 | |
| | Sep-30 | Dec-31 | | Jun-30 | Sep-30 |
| Bank Loans | 122.2 | 118.7 | 115.5 | 110.5 | 105.2 |
| Capital Lease Agreements | 9.7 | 9.0 | 7.5 | 6.0 | 7.3 |
| Senior Notes | 954.2 | 940.0 | 954.6 | 941.5 | 956.1 |
| Tax Deferrals | 52.1 | 56.4 | 49.9 | 43.8 | 40.9 |
| Other Loans | 15.1 | 14.7 | 14.0 | 12.5 | 36.2 |
| Total Financial Debt | 1,153.3 | 1,138.8 | 1,141.5 | 1,114.3 | 1,145.7 |
| Cash & Cash Equivalents | 176.8 | 174.1 | 187.8 | 166.1 | 184.7 |
| Total Net Financial Debt | 976.5 | 964.7 | 953.7 | 948.2 | 961.0 |

As part of our ongoing efforts to manage our debt profile, we may from time to time repay, prepay or repurchase our existing indebtedness prior to its scheduled maturity.

| Cash-flow Statement <i>Millions of Euros</i> | YTD September 30 | | |
|---|-------------------------|---------------|--------------|
| | 2016 | 2017 | Dif. |
| <i>Cash-flows from operation activities</i> | | | |
| Profit before tax, as per the consolidated P&L accounts | 49.5 | 121.4 | 71.9 |
| Adjustments for non-cash revenues and expenses: | | | |
| Depreciation, amortization and impairment | 150.1 | 150.7 | 0.6 |
| Allowances for doubtful accounts & inventories | 1.6 | 1.7 | 0.1 |
| Other | -2.1 | -4.2 | -2.1 |
| Financial items included in profit before tax: | | | |
| Financial results | 71.8 | 48.2 | -23.6 |
| Foreign exchange results | -0.3 | -4.9 | -4.6 |
| Results on sale of non-current assets | -3.3 | 3.3 | 6.6 |
| Adjusted profit from operations before tax and changes in net operating assets | 267.4 | 316.2 | 48.8 |
| Variations in: | | | |
| Receivables | -9.7 | 1.2 | 10.9 |
| Inventories | -1.3 | -4.0 | -2.7 |
| Payables | 0.1 | -6.0 | -6.1 |
| Deferred taxes, payables | 49.4 | -15.5 | -64.9 |
| Accruals, net | -9.5 | -11.2 | -1.7 |
| Cash generated from operations | 296.4 | 280.7 | -15.7 |
| Income taxes paid | -46.2 | -34.7 | 11.5 |
| Net cash-flows from operating activities | 250.2 | 246.0 | -4.2 |
| <i>Cash-flows used in / from investing activities</i> | | | |
| Purchase and development of property, plant and equipment | -77.9 | -80.8 | -2.9 |
| Purchase and development of intangibles | -20.5 | -39.6 | -19.1 |
| Acquisition of participating companies, net of cash acquired | -22.1 | -43.8 | -21.7 |
| Net inflow / outflow current account with Nortia Business Corporation | 2.8 | -0.9 | -3.7 |
| Proceeds from the sale of assets | 6.5 | 1.0 | -5.5 |
| Other financial investments | -8.5 | -6.9 | 1.6 |
| Interest received on loans granted & cash revenues from other financial assets | 5.1 | 4.5 | -0.6 |
| Net cash-flows used in investing activities | -114.5 | -166.3 | -51.8 |
| <i>Cash-flows from / used in financing activities</i> | | | |
| Proceeds from bank borrowings | 1,548.8 | 1,292.2 | -256.6 |
| Repayment of bank borrowings | -1,557.9 | -1,306.9 | 251.0 |
| Issuance of Cirsa Senior Notes | 447.6 | 0.0 | -447.6 |
| Repayment of Cirsa Senior Notes | -450.0 | 0.0 | 450.0 |
| Purchase / sale of Cirsa Senior Notes | 10.2 | 0.0 | -10.2 |
| Capital lease payments | -1.7 | -1.2 | 0.5 |
| Interest paid on financial debt | -49.7 | -42.2 | 7.5 |
| Dividends and other | -20.3 | -6.8 | 13.5 |
| Net cash-flows from / used in financing activities | -73.1 | -64.9 | 8.2 |
| Net variation in cash & cash equivalents | 62.6 | 14.8 | -47.9 |
| Net foreign exchange difference | -0.8 | -4.1 | -3.3 |
| Cash & cash equivalents at January 1 | 114.9 | 174.1 | 59.2 |
| Cash & cash equivalents at September 30 | 176.8 | 184.7 | 7.9 |

| Consolidated Balance Sheet <i>Thousands of Euros</i> | 30-Sep-16 | 31-Dec-16 | 30-Sep-17 |
|--|------------------|------------------|------------------|
| Assets | | | |
| Intangibles | 379,382 | 371,279 | 392,460 |
| Goodwill | 97,899 | 104,412 | 92,621 |
| Property, plant & equipment | 466,474 | 464,229 | 446,816 |
| Financial assets | 169,082 | 169,544 | 176,366 |
| Deferred income tax | 82,431 | 75,788 | 62,188 |
| Total non-current assets | 1,195,268 | 1,185,253 | 1,170,451 |
| Inventories | 15,670 | 15,319 | 19,596 |
| Accounts receivable | 210,397 | 188,181 | 225,255 |
| Financial assets | 67,664 | 69,595 | 72,947 |
| Cash & cash equivalents | 176,764 | 174,057 | 184,681 |
| Other | 9,680 | 7,405 | 12,972 |
| Total current assets | 480,175 | 454,557 | 515,452 |
| Total Assets | 1,675,443 | 1,639,810 | 1,685,903 |

| | | | |
|---------------------------------------|------------------|------------------|------------------|
| Liabilities | | | |
| Share capital | 24,577 | 24,577 | 24,577 |
| Share premium | 9,500 | 9,500 | 9,500 |
| Reserves | 30,910 | 30,910 | 34,174 |
| Cumulative translation reserve | -315,683 | -307,187 | -351,264 |
| Consolidated result for the period | 275 | 3,264 | 56,173 |
| Treasury stock | -184 | -184 | -184 |
| Minority interest | 257,579 | 250,955 | 248,033 |
| Total net equity | 6,975 | 11,835 | 21,010 |
| Provisions | 29,393 | 23,031 | 17,652 |
| Credit institutions | 81,247 | 78,375 | 75,057 |
| Bonds | 932,936 | 935,390 | 936,127 |
| Tax authorities | 32,105 | 38,284 | 29,861 |
| Other creditors | 31,290 | 30,430 | 42,348 |
| Deferred income tax | 135,387 | 130,640 | 128,444 |
| Total non-current liabilities | 1,242,359 | 1,236,148 | 1,229,490 |
| Credit institutions | 50,620 | 49,328 | 37,375 |
| Bonds | 21,405 | 4,654 | 20,017 |
| Accounts payable | 129,179 | 135,398 | 131,630 |
| Other creditors | 196,923 | 188,800 | 211,670 |
| Current income tax payable | 27,981 | 13,647 | 34,712 |
| Total current liabilities | 426,109 | 391,826 | 435,404 |
| Total equity & liabilities | 1,675,443 | 1,639,810 | 1,685,903 |

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This interim report of our results includes forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "intends", "may," "will" or "should" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this interim report and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees for future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this interim report. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this interim report, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause those differences include, but are not limited to:

- the impact of the effects of the economic downturn in Spain and other markets in which we operate;
- risks associated with our other operations outside of Spain;
- adverse developments in our Argentine business;
- the actions of our counterparties in our strategic partnerships, joint ventures and alliances;
- impact of individual events or betting outcomes and the failure to determine accurately the odds at which we will accept bets in relation to any particular event or any failure of our risk management processes;
- our inability to block access to our online services by players in certain jurisdictions;
- our ability to comply with the current gaming regulatory framework and to adapt to any regulatory changes and increases in the taxation of gaming;
- risks associated with unfavorable outcomes with respect to pending litigation;
- potential exposure to an unfavorable outcome with respect to pending litigation, which could result in substantial monetary damages;
- our ability to comply with on-line gaming rules and regulations;
- our failure to keep current with technological developments in the on-line gaming market;
- our failure to comply with regulations regarding the use of personal data;
- risks associated with hacker intrusion, distributed denial of service attack, malicious viruses and other cyber crime attacks;
- our ability to manage growth in our business;
- our ability to provide secure gaming products and services and to maintain the integrity of our employees in order to attract customers;
- competition from other companies in our industry and our ability to retain our market share;
- changes in consumer preferences in relation to our gaming offerings;
- our dependence on maintaining and enhancing our brand;
- risks associated with a failure to detect money laundering or fraudulent activities of our customers or third parties;
- our dependence on credit card payment service providers and other financial institutions to process payments and handle cash generated by our business;
- risks associated with a disruption of operations at our manufacturing facilities;
- risks relating to taxes;
- our dependence on our founder, principal shareholder and chairman, Manuel Lao Hernández;
- risks associated with security issues in the countries in which we operate;
- risks associated with terrorist attacks and other acts of violence or war;
- risks associated with negative perceptions and negative publicity surrounding the industry in which we operate; and
- our significant leverage, which may make it difficult to operate our business.
- our results of operations are impacted by fluctuations in foreign currency exchange rates

We urge you to read the sections of our 2016 Annual Report entitled "Risk Factors," "Operating and Financial Review and Prospects" and "Business" for a more complete discussion of the factors that could affect our future performance and the industry in which we operate. In light of these risks, uncertainties and assumptions, the forward-looking events described in this interim report may not occur.

We undertake no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this interim report and the Annual Report.