



THIRD QUARTER 2018 RESULTS

November 28, 2018

On April 27, 2018, private equity funds managed by Blackstone and CIRSA announced the signing of the agreement for the acquisition of CIRSA Gaming Corporation SA. **The transaction, which does not include the Argentinean business, was completed on July 3, 2018.**

As required by IFRS 5, the following financial statements were prepared treating the Argentinean business as discontinued operations for 1H-2018 (and the prior period of 1H-2017). Argentina data is not included in the Ebit, Ebitda, Cash, Financial Debt, and Capex captions.

- For 3Q-18, we report Ebitda of €95.0 million: increased 6.7% from 3Q-17

Adjusted Ebitda Mix by Country	FY 2017	YTD Sept. 30, 2018
Spain	45.9%	46.5%
Italy	5.9%	5.5%
Panama	20.3%	18.8%
Colombia	13.4%	13.3%
Mexico	9.0%	8.8%
Peru	1.4%	2.9%
Other	4.1%	4.2%

- As of September 30, 2018 our financial position is:
 - Total net debt of €1,494.0 million; increased €557.5 million from June 30, 2018
 - Cash of €176.3 million; increased €12.9 million from June 30, 2018
 - Net debt to Adjusted Ebitda ratio stands at 4.2x; increased from 2.7x from June 30, 2018

On June 22, 2018, LHMC Finco S.à r.l., a special purpose vehicle indirectly controlled by funds managed by The Blackstone Group L.P. (“Blackstone”), announced that it had successfully priced its offering of €663,000,000 aggregate principal amount of 6.250% senior secured notes due 2023 issued at 97.749% of their nominal value, €425,000,000 aggregate principal amount of floating rate senior secured notes due 2023 with an initial interest rate of EURIBOR plus 5.75% and issued at 97.698% of their nominal value, and \$550,000,000 aggregate principal amount of 7.875% senior secured notes due 2023 issued at 95.747% of their nominal value (collectively, the “Notes”). The offering of the Notes was subject to customary closing conditions, and settlement was completed on July 3, 2018. The proceeds from the offering, together with certain equity contributions, were used to (i) finance the acquisition of Cirsa by LHMC Bidco S.L.U, a special purpose vehicle established to acquire Cirsa, (ii) the repayment of certain indebtedness of Cirsa (including €950,000,000 aggregate principal amount of senior notes¹); and (iii) pay costs, expenses and fees in connection with the acquisition and the offering.

On July 3, 2018, the acquisition of CIRSA (excluding the Argentinean business) was completed: 100% of the shares of Cirsa Gaming Corporation SA were transferred to LHMC Bidco S.L.U. and €950.000.000 aggregate principal amount of Cirsa’s senior notes¹ were redeemed.

Additionally, LHMC Bidco S.L.U. signed a Revolver Credit Facility (RCF) with six global banks: the committed amount is €200 million and matures on June 2023. As of today, the RCF is fully available.

The financial information contained in this report includes the consolidation of LHMC Finco S.à r.l and LHMC Bidco S.L.U. as of July 3, 2018.

On November 21, 2018, LHMC Bidco S.L.U changed its denomination to **Cirsa Enterprises S.L.U.**

(1) €450,000,000 of 5.750% Senior Notes due 2021 issued pursuant to the indenture dated as of April 27, 2016 and €500,000,000 of 5.875% Senior Notes due 2023 issued pursuant to the indenture dated as of May 6, 2015.

Cirsa Enterprises S.L.U.

P&L Consolidated <i>Thousands of Euros</i>	Third Quarter			YTD September 30		
	2017	2018	Dif.	2017	2018	Dif.
Operating Revenues	411,987	432,029	20,042	1,237,887	1,275,289	37,402
Variable rent	-63,161	-64,755	-1,595	-197,199	-199,752	-2,553
Net Operating Revenues	348,826	367,273	18,447	1,040,688	1,075,537	34,849
Consumptions	-15,547	-15,794	-247	-51,868	-49,136	2,732
Personnel	-57,507	-60,599	-3,092	-170,291	-218,065	-47,774
Gaming taxes	-125,801	-126,512	-712	-366,133	-377,571	-11,438
External supplies & services	-60,917	-69,350	-8,432	-189,300	-201,405	-12,105
Depreciation, amort. & impairment	-46,286	-33,365	12,921	-138,466	-121,592	16,874
EBIT	42,768	61,653	18,885	124,629	107,768	-16,861
Financial results	-16,309	-67,522	-51,213	-45,284	-100,594	-55,310
Foreign exchange results	2,764	-4,406	-7,170	3,575	-4,534	-8,109
Results on sale of non-current assets	-941	5,438	6,379	-3,324	11,049	14,373
Profit before Income Tax	28,282	-4,837	-33,119	79,597	13,690	-65,907
Income Tax	-8,558	-10,698	-2,140	-27,991	-29,969	-1,978
Profit after Tax from continuing operations	19,724	-15,535	-35,259	51,606	-16,279	-67,885
Profit after Tax from discontinued operations	8,750	-263,549	-272,299	20,230	-240,366	-260,596
Minority interest	-5,993	-6,586	-593	-15,663	-14,749	914
Net Profit	22,481	-285,671	-308,152	56,173	-271,394	-327,567
EBITDA	89,054	95,018	5,964	263,095	229,360	-33,735
ADJUSTED EBITDA¹	89,054	95,018	5,964	263,095	269,860	6,765

(1) Ebitda prior to one-time expenses of €40.5 million related to the acquisition of Cirsa by Blackstone.

Third quarter of 2018 compared to third quarter 2017

Net operating revenues increased by 5.3% and Ebitda grew by 6.7% from 3Q-2017 due to the good performance of our Spanish operations and the steady organic growth of our Latam casinos. Financial expenses were impacted in 3Q-2018 by €27.6 million of premium paid for the redemption of €950 million of Senior Notes and a €8.4 million write-off corresponding to capitalized issuance costs. On 3Q-2018, and according to IFRS 5, we recorded €263.5 million of non-recurrent loss in respect to the spin-off of the Argentinean business; the non-recurrent loss does not impact our consolidated net equity nor does it imply any cash expenditure.

Average Exchange Rates <i>One Euro equals:</i>	YTD <i>Sept. 30, 2017</i>	YTD <i>Sept. 30, 2018</i>	Variation
Colombia Peso	3,302.4293	3,441.6330	4.2%
Costa Rica Colon	642.6717	683.1445	6.3%
Dominican Republic Peso	53.2209	58.9111	10.7%
Mexico Peso	21.0013	22.6084	7.7%
Morocco Dirham	10.9372	11.1562	2.0%
Panama US Dollar	1.1218	1.1932	6.4%
Peru Nuevo Sol	3.6548	3.8943	6.6%

Slots Division						
P&L Consolidated <i>Thousands of Euros</i>	Third Quarter			YTD September 30		
	2017	2018	Dif.	2017	2018	Dif.
Operating Revenues	223,975	231,748	7,773	686,439	713,432	26,993
Variable rent	-61,013	-62,886	-1,873	-190,113	-193,261	-3,148
Net Operating Revenues	162,962	168,862	5,900	496,326	520,171	23,845
Consumptions	-9,435	-9,685	-250	-27,518	-30,478	-2,960
Personnel	-16,643	-17,583	-940	-49,069	-52,920	-3,851
Gaming taxes	-90,499	-90,841	-342	-270,154	-276,858	-6,704
External supplies & services	-17,967	-18,476	-509	-56,959	-58,044	-1,085
Depreciation, amort. & impairment	-26,565	-17,309	9,256	-77,618	-68,406	9,212
EBIT	1,853	14,967	13,114	15,008	33,464	18,456
EBITDA	28,418	32,276	3,858	92,626	101,870	9,244

Third quarter of 2018 compared to third quarter 2017

Net operating revenues grew by 3.6% and Ebitda increased by 13.6% from 3Q-2017.

The 3Q-2018 Ebitda contribution by country was as follows:

- Ebitda of Spanish operations increased by 13.6%: €27.6 million from €24.3 million in 3Q-2017, mainly due to net revenue per slot machine growth, the addition of 335 slot machines to our portfolio and the implementation of productivity measures.
- Ebitda of Italian operations increased by 14.6%: €4.7 million from €4.1 million in 3Q-2017 despite the discontinuation of 1,803 slot machines (as required by the new Italian regulation).

Slot Machines <i>As of September 30</i>	2017	2018	Var. units	Var. %
Slot machines, Spain	30,034	31,991	1,957	6.5
Slot machines, Italy	8,970	7,402	-1,568	-17.5
VLTs, Italy	2,566	2,556	-10	-0.4
Total	41,570	41,949	379	0.9

Projects & main operational issues

As previously announced:

On February 21, 2018, Cirsa acquired a 50% interest in a slot operating company which operates 1,101 slot machines in Spain. The total cash consideration of €18.5 million was funded with available cash.

On June 13, 2018, Cirsa acquired a 50% interest in a slot operating company which operates 521 slot machines in Spain. The total cash consideration of €2.3 million was funded with available cash.

In accordance with International Financial Reporting Standards (IFRS), the results of both joint ventures, which are co-managed by Cirsa, will be consolidated by the equity method: net profit will be recorded in "Financial results".

Casinos Division						
P&L Consolidated <i>Thousands of Euros</i>	Third Quarter			YTD September 30		
	2017	2018	Dif.	2017	2018	Dif.
Operating Revenues	127,996	134,184	6,188	364,439	377,644	13,205
Variable rent	-101	-801	-700	-1,339	-2,219	-880
Net Operating Revenues	127,895	133,383	5,488	363,100	375,425	12,325
Consumptions	-2,040	-1,990	50	-5,844	-5,967	-123
Personnel	-21,806	-22,890	-1,084	-63,558	-66,456	-2,898
Gaming taxes	-21,654	-21,672	-18	-56,005	-61,562	-5,557
External supplies & services	-32,808	-35,961	-3,153	-100,045	-104,814	-4,769
Depreciation, amort. & impairment	-17,028	-12,102	4,926	-52,164	-41,742	10,422
EBIT	32,559	38,767	6,208	85,483	94,883	9,400
EBITDA	49,587	50,869	1,282	137,647	136,625	-1,022

Third quarter of 2018 compared to third quarter 2017

Net operating revenues increased by 4.3% and Ebitda grew by 2.6% due the steady organic growth of our Latam operations which, combined with the positive impact of operating efficiencies, have offset the significant depreciation of all local currencies against the Euro (see page 3).

As of September 30	2017			2018			Variation		
	Casinos	Slots	Tables	Casinos	Slots	Tables	Casinos	Slots	Tables
Panama	30	7,689	21	32	7,886	17	2	197	-4
Colombia	66	6,362	234	66	6,373	236	0	11	2
Peru	30	4,297	45	29	4,237	44	-1	-60	-1
Costa Rica	8	873	26	8	839	25	0	-34	-1
Dominican Republic	5	675	65	5	694	64	0	19	-1
Spain	4	304	41	4	284	41	0	-20	0
Morocco	1	190	19	2	284	28	1	94	9
Total	144	20,390	451	146	20,597	455	2	207	4

Projects & main operational issues

On November 14, 2018, Cirsa acquired a 100% interest in a casino located in The Renaissance Hotel of Santo Domingo (Dominican Republic). The casino operates 25 tables and 130 slot machines. The total cash consideration of US\$14 million was funded with available cash.

Bingo Division						
P&L Consolidated <i>Thousands of Euros</i>	Third Quarter			YTD September 30		
	2017	2018	Dif.	2017	2018	Dif.
Operating Revenues	57,416	62,656	5,240	171,847	176,840	4,993
Variable rent	-2,109	-1,751	358	-5,931	-5,558	373
Net Operating Revenues	55,307	60,905	5,598	165,916	171,282	5,366
Consumptions	-2,680	-3,068	-388	-7,814	-8,456	-642
Personnel	-11,141	-11,771	-630	-33,077	-34,061	-984
Gaming taxes	-13,606	-13,913	-308	-39,795	-38,882	913
External supplies & services	-14,870	-17,591	-2,721	-45,087	-49,152	-4,065
Depreciation, amort. & impairment	-3,933	-5,159	-1,226	-11,901	-14,201	-2,300
EBIT	9,078	9,402	324	28,242	26,531	-1,711
EBITDA	13,011	14,561	1,550	40,143	40,732	589

Third quarter of 2018 compared to third quarter 2017

Net operating revenues increased by 10.1% and Ebitda increased by 11.9% from 3Q-2017. The Ebitda contribution by country was as follows:

- Ebitda of Spanish operations increased by 9.4% to €5.8 million from €5.3 million in 3Q-2017.
- Despite the 7.7% depreciation of the Mexican peso against the Euro, Ebitda of Mexican operations increased by 14.3% to €8.8 million from €7.7 million in 3Q-2017 due the good performance of our halls and the contribution from one hall acquired on June 2018.

Bingo Halls <i>As of September 30</i>	2017	2018	Var.
Spain	37	38	1
Mexico	20	21	1
Italy	11	12	1
Total	68	71	3

Projects & main operational issues

In Spain, we are actively working to enhance our offer in order to attract more customers, taking advantage of improved market conditions.

As previously announced, on June 23, 2018, Cirsa acquired one hall in Guadalajara (Mexico) which operates 560 slot machines and 25 tables. The total cash consideration of €16 million was funded with available cash.

B2B Division						
P&L Consolidated <i>Thousands of Euros</i>	Third Quarter			YTD September 30		
	2017	2018	Dif.	2017	2018	Dif.
Operating Revenues	18,689	17,981	-708	70,100	67,605	-2,495
Variable rent			0			0
Net Operating Revenues	18,689	17,981	-708	70,100	67,605	-2,495
Consumptions	-9,446	-7,467	1,980	-36,823	-31,894	4,929
Personnel	-3,601	-4,435	-834	-13,207	-14,238	-1,031
Gaming taxes	-28	-40	-12	-132	-126	6
External supplies & services	-2,920	-3,019	-99	-10,583	-11,371	-788
Depreciation, amort. & impairment	-580	-761	-181	-2,191	-2,941	-750
EBIT	2,113	2,260	147	7,164	7,034	-130
EBITDA	2,693	3,021	328	9,355	9,975	620

Third quarter of 2018 compared to third quarter 2017

Despite the continuing soft demand for new slot machines, Net operating revenues remained stable while Ebitda increased by 12.2% due to a higher contribution from systems (usually with higher margin) in the sales mix.

Projects & main operational issues

We will continue with our cost reduction initiatives and leverage on our market leadership to support our sales of gaming 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		
	2017	2018	Dif.	2017	2018	Dif.
Operating Revenues	-16,089	-14,540	1,549	-54,938	-60,232	-5,294
Variable rent	62	683	621	184	1,286	1,102
Net Operating Revenues	-16,027	-13,858	2,169	-54,754	-58,946	-4,192
Consumptions	8,054	6,416	-1,638	26,131	27,659	1,528
Personnel	-4,316	-3,919	397	-11,379	-50,389	-39,010
Gaming taxes	-14	-45	-31	-47	-142	-95
External supplies & services	7,648	5,698	-1,950	23,374	21,976	-1,398
Depreciation, amort. & impairment	1,820	1,966	146	5,408	5,698	290
EBIT	-2,835	-3,743	-908	-11,268	-54,144	-42,876
EBITDA	-4,655	-5,709	-1,054	-16,676	-59,842	-43,166
ADJUSTED EBITDA¹	-4,655	-5,709	-1,054	-16,676	-19,342	-2,666

(1) Ebitda prior to one-time expenses of €40.5 million related to the acquisition of Cirsa by Blackstone.

Millions of Euros

CAPEX YTD September 30	2017	2018	Var.
Slots	49.3	61.3	12.0
Casinos	38.4	33.5	-4.9
Bingo	18.9	31.2	12.3
B2B	5.0	2.8	-2.2
Structure	0.3	0.6	0.3
Total	111.9	129.4	17.5

Of the €129.4 million of capital expenditures for YTD 3Q-2018, we estimate that 72% corresponded to maintenance expenditures and 28% to the expansion of our business.

Millions of Euros

Leverage	2018		
	Mar-31	Jun-30	Sep-30
LTM Adjusted Ebitda	348.4	351.6	357.6
Net Interest Expense ⁽¹⁾	64.6	68.3	91.9
Cash & Cash Equivalents	176.9	163.4	176.3
Total Debt	1,108.4	1,099.9	1,670.3
Total Net Debt	931.5	936.5	1,494.0
Total Net Debt to Ebitda	2.7x	2.7x	4.2x
Ebitda to Net Interest Expense	5.4x	5.1x	3.9x

(1) Net interest expense does not include €27.6 million of premium paid in 3Q-2018 for the redemption of €450 million of Senior Notes due 2021 and €500 million of Senior Notes due 2023.

Millions of Euros

Financial Debt As of	2018		
	Mar-31	Jun-30	Sep-30
Bank Loans	104.0	103.3	93.3
Capital Lease Agreements	1.4	1.7	2.0
Senior Notes	957.8	944.7	1,534.6
Tax Deferrals	4.7	8.8	8.6
Other Loans	40.5	41.4	31.8
Total Financial Debt	1,108.4	1,099.9	1,670.3
Cash & Cash Equivalents	176.9	163.4	176.3
Total Net Financial Debt	931.5	936.5	1,494.0

The following chart sets forth Cirsa's attributable Ebitda and Net Debt:

Proportional Ebitda & Net Debt	2018		
	Mar-31	Jun-30	Sep-30
LTM Adjusted Ebitda	301.1	306.2	313.3
Total Net Debt	903.6	911.7	1,464.1
Total Net Debt to Ebitda	3.0x	3.0x	4.7x

Cash-flow Statement <i>Millions of Euros</i>	YTD September 30		
	2017	2018	Dif.
Cash-flows from operation activities			
Profit before tax, as per the consolidated P&L accounts	79.6	13.7	-65.9
Adjustments for non-cash revenues and expenses:			
Depreciation, amortization and impairment	136.8	120.2	-16.6
Allowances for doubtful accounts & inventories	1.7	1.4	-0.3
Other	-8.2	8.8	17.0
Financial items included in profit before tax:			
Financial results	45.3	100.6	55.3
Foreign exchange results	-3.6	4.5	8.1
Results on sale of non-current assets	3.3	-11.0	-14.3
Adjusted profit from operations before tax and changes in net operating assets	254.9	238.2	-16.7
Variations in:			
Receivables	-0.1	6.8	6.9
Inventories	-4.0	-2.1	1.9
Payables	-0.7	11.7	12.4
Gaming taxes, payables	-5.4	-4.9	0.5
Accruals, net	-7.6	-5.9	1.7
Cash generated from operations	237.2	243.8	6.6
Income taxes paid	-25.9	-24.0	1.9
Net cash-flows provided by operating activities from continuing operations	211.3	219.8	8.5
Net cash-flows provided by operating activities from discontinued operations	34.7	21.4	-13.3
Net cash-flows from operating activities	246.0	241.2	-4.8
Cash-flows used in / from investing activities			
Purchase and development of property, plant and equipment	-72.3	-83.2	-10.9
Purchase and development of intangibles	-39.6	-46.2	-6.6
Acquisition of participating companies, net of cash acquired	-43.8	-36.8	7.0
Proceeds from the sale of assets	7.3	17.9	10.6
Other financial investments	0.0	-8.6	-8.6
Interest received on loans granted & cash revenues from other financial assets	1.0	2.0	1.0
Net cash-flows provided by investing activities from continuing operations	-147.4	-154.9	-7.5
Net cash-flows provided by investing activities from discontinued operations	-18.9	-28.9	-10.0
Net cash-flows used in investing activities	-166.3	-183.8	-17.5
Cash-flows from / used in financing activities			
Proceeds from bank borrowings	1,292.2	1,103.3	-188.9
Repayment of bank borrowings	-1,306.9	-1,115.0	191.9
Repayment of bonds	0.0	-977.6	-977.6
Shareholders contribution	0.0	962.7	962.7
Capital lease payments	0.0	-0.1	-0.1
Interest paid on financial debt	-33.5	-48.0	-14.5
Dividends and other	0.5	-7.2	-7.7
Net cash-flows provided by financing activities from continuing operations	-47.7	-81.9	-34.2
Net cash-flows provided by financing activities from discontinued operations	-17.2	-7.4	9.8
Net cash-flows from / used in financing activities	-64.9	-89.3	-24.4
Net variation in cash & cash equivalents	14.8	-31.9	-46.7
Net foreign exchange difference	-4.1	-4.0	0.1
Cash & cash equivalents at January 1	174.1	212.2	38.1
Cash & cash equivalents at September 30 from discontinued operations	22.1	0.0	-22.1
Cash & cash equivalents at September 30 from continuing operations	162.7	176.3	13.6

Consolidated Balance Sheet <i>Thousands of Euros</i>	30-Sep-17	31-Dec-17	30-Sep-18
Assets			
Intangibles	392,460	399,188	133,313
Goodwill	92,621	92,912	1,784,710
Property, plant & equipment	446,816	431,050	265,991
Financial assets	176,366	171,045	96,210
Deferred income tax	62,188	56,540	48,212
Total non-current assets	1,170,451	1,150,735	2,328,436
Inventories	19,596	17,753	18,007
Accounts receivable	225,255	185,694	124,992
Financial assets	72,947	32,544	10,046
Cash & cash equivalents	184,681	212,190	176,339
Other	12,972	16,569	14,403
Total current assets	515,452	464,749	343,787
Total Assets	1,685,903	1,615,484	2,672,223

Liabilities			
Share capital	24,577	24,577	70,663
Share premium	9,500	9,500	635,940
Reserves	34,174	34,174	102,183
Cumulative translation reserve	-351,264	-362,633	26,096
Consolidated result for the period	56,173	70,828	-271,394
Treasury stock	-184	-184	0
Minority interest	248,033	236,679	158,854
Total net equity	21,010	12,942	722,342
Provisions	17,652	18,396	15,444
Credit institutions	75,057	37,927	36,187
Bonds	936,127	938,535	1,516,997
Tax authorities	29,861	25,353	5
Other creditors	42,348	38,217	28,745
Deferred income tax	128,444	121,221	17,533
Total non-current liabilities	1,229,489	1,179,650	1,614,911
Credit institutions	37,375	69,270	59,141
Bonds	20,017	4,615	17,643
Accounts payable	131,630	124,773	46,844
Other creditors	211,670	208,926	182,651
Current income tax payable	34,712	15,309	28,692
Total current liabilities	435,404	422,892	334,971
Total equity & liabilities	1,685,903	1,615,484	2,672,223

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 2017 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.