

CAESARS ENTERTAINMENT Corp

Form S-1/A

February 02, 2012

[Table of Contents](#)

As filed with the Securities and Exchange Commission on February 2, 2012

Registration No. 333-177985

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 3

to

FORM S-1

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

CAESARS ENTERTAINMENT CORPORATION

(Exact name of registrant as specified in its charter)

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DELAWARE (State or other jurisdiction of Incorporation or organization)	7993 (Primary Standard Industrial Classification Code Number) One Caesars Palace Drive Las Vegas, NV 89109 (702) 407-6000	62-1411755 (I.R.S. Employer Identification No.)
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(Address, including zip code, and telephone number, including area code, of Registrant's Principal Executive Offices)

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Senior Vice President, Deputy General Counsel and Corporate Secretary

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Approximate date of commencement of proposed sale to public: As soon as practicable after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Accelerated filer

Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price⁽¹⁾	Amount of Registration Fee⁽²⁾
Common Stock, \$0.01 par value, to be sold by Caesars Entertainment Corporation	\$20,830,100	\$2,388
Common Stock, \$0.01 par value, to be sold by selling shareholders	\$223,391,430	\$25,601
Common Stock, \$0.01 par value, to be sold by Caesars Entertainment Corporation on a continuous basis	\$500,000,000	\$57,300

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended (the "Securities Act").

(2) \$5,730 previously paid.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion

Preliminary Prospectus dated February 2, 2012

PRELIMINARY PROSPECTUS

1,811,313 Shares

Caesars Entertainment Corporation

Common Stock

\$ per share

This is the initial public offering of our common stock. We are selling an aggregate of 1,811,313 shares in this offering.

Prior to this offering, there has been no public market for our common stock. The initial public offering price of our common stock is expected to be between \$8.00 and \$10.00 per share. We have applied to list our common stock on the Nasdaq Global Select Market under the symbol CZR. The listing is subject to approval of our application.

We have granted to the underwriters a 30-day option to purchase up to 271,697 additional shares from us at the initial public offering price less underwriting discounts and commissions.

Investing in our common stock involves risks. You should read the section entitled Risk Factors beginning on page 21 for a discussion of certain risks that you should consider before investing in our common stock.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Us
Per Share	\$	\$	\$
Total	\$	\$	\$

Delivery of the shares of common stock will be made on or about .

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Credit Suisse

BofA Merrill Lynch

KeyBanc Capital Markets

Lebenthal & Co., LLC
Prospectus dated _____, 2012.

Citigroup

Deutsche Bank Securities

Ramirez & Co., Inc.

Table of Contents**TABLE OF CONTENTS**

<u>Prospectus Summary</u>	1
<u>Risk Factors</u>	21
<u>Cautionary Statements Concerning Forward Looking Statements</u>	39
<u>Market and Industry Data and Forecasts</u>	41
<u>Use of Proceeds</u>	42
<u>Capitalization</u>	43
<u>Dilution</u>	45
<u>Selected Historical Consolidated Financial Data</u>	47
<u>Dividend Policy</u>	50
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	51
<u>Industry</u>	79
<u>Business</u>	86
<u>Gaming Regulatory Overview</u>	101
<u>Management</u>	111
<u>Security Ownership of Certain Beneficial Owners and Management</u>	158
<u>Certain Relationships and Related Party Transactions</u>	161
<u>Description of Indebtedness</u>	164
<u>Description of Capital Stock</u>	168
<u>Shares Eligible for Future Sale</u>	172
<u>Certain U.S. Federal Income Tax Considerations</u>	174
<u>Underwriting</u>	178
<u>Notice to Canadian Residents</u>	185
<u>Legal Matters</u>	187
<u>Experts</u>	187
<u>Where You Can Find Additional Information</u>	187
<u>Index to Financial Statements</u>	F-1

You should rely only on the information contained in this prospectus or to which we have referred you. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date.

We have proprietary rights to a number of trademarks used in this prospectus that are important to our business, including, without limitation, Caesars Entertainment, Caesars Palace, Harrah's, Total Rewards, World Series of Poker, Horseshoe, Paris Las Vegas, Bally's Las Vegas and Flamingo Las Vegas. We have omitted the ® and ™ trademark designations for such trademarks named in this prospectus.

Dealer Prospectus Delivery Obligation

Until _____, 2012, all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to unsold allotments or subscriptions.

Table of Contents

PROSPECTUS SUMMARY

The following summary contains information about Caesars Entertainment Corporation and its common stock. It does not contain all of the information that may be important to you in making a decision to participate in the offering. For a more complete understanding of Caesars Entertainment Corporation, we urge you to read this prospectus carefully, including the sections entitled Risk Factors, Cautionary Statements Concerning Forward Looking Statements and Where You Can Find Additional Information. In connection with the reclassification of our common stock in 2010, we changed our name from Harrah's Entertainment, Inc. to Caesars Entertainment Corporation, and the name of our operating company, Harrah's Operating Company, Inc., to Caesars Entertainment Operating Company, Inc. Unless otherwise noted or indicated by the context, the term Caesars refers to Caesars Entertainment Corporation, we, us and our refer to Caesars and its consolidated subsidiaries, and CEOC refers to Caesars Entertainment Operating Company, Inc. Except for the financial statements included elsewhere in this prospectus and as stated otherwise herein, the share data set forth in this prospectus reflects a 1.742-for-one split of our common stock that we expect to effect prior to consummation of this offering.

Our Company

We are the world's most diversified casino-entertainment provider and the most geographically diverse U.S. casino-entertainment company. As of September 30, 2011, we owned, operated or managed, through various subsidiaries, 52 casinos in 12 U.S. states and seven countries. The vast majority of these casinos operate in the United States and England, primarily under the Caesars, Harrah's and Horseshoe brand names in the United States. As of September 30, 2011, our facilities had an aggregate of approximately three million square feet of gaming space and approximately 42,000 hotel rooms. Our industry-leading customer loyalty program, Total Rewards, has over 40 million members. We use the Total Rewards System to market promotions and to generate customer play across our network of properties. In addition, we own an online gaming business, providing for real money casino, bingo and poker in the United Kingdom, alliances with online gaming providers in Italy and France, play for fun offerings in other jurisdictions, social games on Facebook and other social media websites, and mobile application platforms. We also own and operate the World Series of Poker tournament and brand.

We derive the majority of our revenues and Property EBITDA (as defined under Summary Historical Consolidated Financial Data of Caesars Entertainment Corporation) from gaming sources. However, we also generate significant revenues and Property EBITDA from other sources, such as sales of lodging, food, beverages, and entertainment.

We have grown rapidly over the years through growth in our core operating business and through a series of strategic acquisitions that have strengthened our scale, geographic diversity and market leading position. In 1998, we completed our acquisition of Showboat, Inc., and in 1999 we purchased Rio Hotel & Casino, Inc. In 2000, we completed the purchase of Players International. During the next five years, we acquired Harveys Casino Resorts (2001), Horseshoe Gaming Holding Corp. (2004), the rights to the World Series of Poker (2004) and the Imperial Palace Hotel & Casino in Las Vegas (2005). We also acquired Caesars Entertainment, Inc. in 2005 for \$9.3 billion, which was, at the time, the largest acquisition in the history of the gaming industry. In 2010, we acquired Planet Hollywood Resort and Casino, or Planet Hollywood, in Las Vegas. Additionally, we have expanded internationally, completing the acquisitions of London Clubs International plc, or London Clubs, in 2006 and Macau Orient Golf, which operates a golf course on 175 acres of prime real estate through a land concession on the Cotai strip in Macau, in 2007.

We revolutionized the approach our industry takes with respect to marketing by introducing our Total Rewards loyalty program in 1997. Continual improvements have been made throughout the years enabling our system to remain the most effective in the industry and enabling us to grow and sustain revenues more efficiently than our largest competitors and generate cross-market play, which we define as play by a guest in one of our properties outside the home market of their primary gaming property. In support of our Total Rewards loyalty

Table of Contents

program, we created the Winner's Information Network, or WINet, the industry's first sophisticated nationwide customer database. In combination, these systems supported the first technology-based customer relationship management strategy implemented in the gaming industry and have enabled our management teams to enhance overall operating results and outperform our competition.

We have established a rich history of industry leading growth and expansion since we commenced casino operations in 1937 and became a publicly listed company in 1971. We were the first gaming company to be listed on the New York Stock Exchange, or NYSE. In 1980, we were acquired by Holiday Inns, Inc. and were delisted from the NYSE. In 1995, we again became a stand-alone company and resumed trading on the NYSE.

On December 19, 2006, we entered into a definitive merger agreement with Hamlet Holdings LLC, a Delaware limited liability company (Hamlet Holdings), and Hamlet Merger Inc., a Delaware corporation and a wholly owned subsidiary of Hamlet Holdings (Merger Sub). Hamlet Holdings and Merger Sub were formed and are controlled by affiliates of Apollo Global Management, LLC (Apollo) and affiliates of TPG Capital, L.P. (TPG) which we refer to as the Sponsors. Pursuant to the merger agreement, on January 28, 2008, Merger Sub merged with and into us, which we refer to as the Acquisition. Upon completion of the Acquisition, Hamlet Holdings, funds affiliated with and controlled by the Sponsors, certain co-investors and certain members of management became the owners of all of the outstanding Caesars equity interests. Following this offering and the Co-Investors Transaction (as defined below), 70.1% of Caesars outstanding common stock will be subject to an irrevocable proxy that gives Hamlet Holdings, the members of which are comprised of an equal number of individuals affiliated with each of the Sponsors, sole voting and sole dispositive power with respect such shares.

Our Industry

Based on 2010 reported gaming revenues, we estimate the size of the global casino gaming industry in major gaming markets worldwide to be approximately \$120 billion. Revenues in the United States are split among commercial casinos (including racetrack casinos) and tribal casinos at approximately \$31 billion and approximately \$27 billion, respectively. Domestic casino gaming revenues had steadily grown on an annualized basis to approximately \$34 billion in 2007 until the last three years when, during the global economic recession, they contracted to \$30.7 billion in 2009 and increased slightly to \$30.9 billion in 2010.

The following key trends are currently affecting the U.S. gaming industry:

Liberalization of existing and new jurisdictions. Domestically, several states are in the process of either liberalizing existing gaming offerings or legalizing gaming activities where they are currently illegal. These locations are generally regional in nature and should increase overall gaming spending and open up new opportunities for ownership and management of casinos. For example, in 2010, Pennsylvania began allowing table games in casinos and in Ohio a voter referendum in November 2009 amended the state constitution to allow casinos in four cities.

Limited supply expansion in established gaming markets. We estimate there will be limited supply introduced into established markets in the foreseeable future, in part due to limited availability of construction financing and the limited number of available licenses in certain jurisdictions. The lack of additional supply being introduced should provide stability for established enterprises and lead to increased revenues and profit. For example, in the Las Vegas market there are no planned large-scale casino projects expected to open in the near term.

Favorable travel industry trends. Our industry is heavily dependent upon both the leisure and business traveler. The trends in both of these areas have turned positive since 2010, as evidenced by increasing hotel occupancy, visitor counts and convention space booking.

Table of Contents

Potential legalization of online gaming. Globally, online gaming is currently only legal in a limited number of jurisdictions, but additional jurisdictions, including the United States, are considering legalizing and regulating online gaming, most notably poker. Prior to the Unlawful Internet Gambling Enforcement Act being passed in 2006, published reports estimated that the United States online poker industry generated \$1.5 billion in revenues.

Our Competitive Strengths

We attribute our operating success and historical industry outperformance to the following key strengths that differentiate us from our competition:

One of the industry's largest operators with leading market positions in numerous jurisdictions. We are one of the world's largest gaming companies (as measured by net revenues and individual casinos) and the most geographically diverse U.S. casino operator. As of September 30, 2011, we owned, managed or operated 52 casinos in 12 U.S. states and seven countries. In addition, our casino properties operate as market leaders, having the #1 or #2 market share, based on revenue, in almost every major U.S. gaming market, including Las Vegas, the largest gaming market in the U.S. We use our scale and market leading position, in combination with our proprietary marketing technology and customer loyalty programs, to foster revenue growth and encourage repeat business.

Superior business model based on nationwide customer database and loyalty program. Our strategy is to generate same store gaming revenue growth and cross-market play through superior marketing and technological capabilities in combination with our nationwide casino network. The systems that we use to generate our same store gaming revenue growth and cross-market play consist of proprietary tools including Total Rewards and the WINet database. We believe these marketing tools, coupled with the industry's broadest geographic reach, provide us with a significant competitive advantage that enables us to efficiently market our products to a large and recurring customer base, and generate profitable revenue growth.

Portfolio of the most highly recognized brand names in the gaming industry. We own, operate or manage casinos that bear many of the most highly recognized brand names in the gaming industry, including Caesars, Harrah's, Horseshoe, Rio, Paris, Bally's, Flamingo and Planet Hollywood. We also own the Total Rewards loyalty program and the World Series of Poker brand. Many of these brands have a strong identity and enjoy widespread customer recognition. This diverse collection of brands allows us to appeal to a wide range of customer preferences and capture multiple visits through our ability to offer differentiated gaming experiences. In casino brand awareness studies, our key brands consistently achieve higher rates of recognition overall, as compared to our competitors.

Leading innovator in the gaming industry. We have a proven record of innovation, including revolutionizing our industry's approach to marketing with the introduction of our Total Rewards loyalty program in 1997 and applying this program nationwide and across multiple brands. We believe that our industry will continue to evolve into additional areas of gaming and entertainment, including online gaming, and we have expended resources designed to put us on the forefront of these areas. We are not aware of another U.S. land-based casino company that owns an online gaming business. In addition, we are exploring additional online entertainment offerings that capitalize on our recognized brand names, particularly our World Series of Poker and Caesars brands. We believe that we are better positioned than our competitors to take advantage of new opportunities in the gaming industry due to our history of innovation, strong brand names and current online business, and we plan to continue to invest in developing areas of the gaming industry.

Long-dated capital structure with no near-term maturities and significant liquidity. Recent capital market transactions have improved our liquidity and maturity profile and have better positioned us to grow and create value. These transactions have included two debt-for-debt exchange offers, tender offers, open market repurchases, the issuance of new first and second lien notes, an amendment to our commercial mortgage-backed securities, or CMBS, financing (the CMBS Financing), including a two-year maturity extension, subject to

Table of Contents

certain conditions, and an amendment to our senior secured credit facilities pursuant to which a portion of the loan was extended by three years. Through these transactions, we have reduced the amount of our debt maturing from 2012 through 2014 from \$7,000.6 million to \$125.8 million. These debt maturities assume that we will exercise extension options on the CMBS Financing, moving its maturity from 2013 to 2015. We have also reduced our annual interest expense through these transactions by approximately \$94.0 million. Further, these transactions have enhanced our liquidity. As of September 30, 2011, we had approximately \$1.2 billion of cash and cash equivalents, excluding \$544.0 million in restricted cash, and \$1.1 billion available under our revolving credit facility. Although we have \$22,513.6 million face value of total debt outstanding at September 30, 2011, only \$45.5 million of this debt is due within the next 12 months, with minimal near-term maturities thereafter, after taking into account our exercise of the extension options with respect to the CMBS Financing and the Planet Hollywood debt. Therefore, we believe that our significant liquidity combined with our debt maturity profile positions us well to capitalize on growth opportunities and an extended rebound in the broader economy. See [Risk Factors](#) [Risks Related to Our Indebtedness](#) for a discussion of the risks concerning our indebtedness.

Experienced and highly motivated management team with proven track record. Our management team, led by CEO Gary W. Loveman, has built Caesars into an industry leader by geographically diversifying our operations and introducing technology-based tools to loyalty programs. A former associate professor at the Harvard University Graduate School of Business Administration, Mr. Loveman joined us as Chief Operating Officer in 1998 and drew on his extensive background in retail marketing and service-management to enhance Total Rewards. Mr. Loveman has been named [Best CEO](#) in the gaming and lodging industry by Institutional Investor magazine four times. In addition, our senior management operations team has an average of 27 years of industry experience. Other senior management team members possess significant experience in government and a variety of consumer industries. In addition, a significant portion of our management team's compensation is in the form of equity and stock options, the value of which depends on our overall results and motivates our senior management to focus on maximizing our long-term earnings and equity value.

Our Business Strategy

Leverage our unique scale and proprietary loyalty programs to generate superior revenue growth and fair share. We plan to continue to aggressively leverage our nationwide distribution platform and superior marketing and technological capabilities to generate same store gaming revenue growth and cross-market play. Our Total Rewards and WINet systems include over 40 million program members with 184% growth in tracked players since 2000. Through these systems, we promote cross-market play and target our efforts and marketing expenditures on areas and customer segments that generate the highest return. This system, coupled with our vast footprint in the U.S., enables us to profitably stimulate substantial cross-market play. We offer a unique value proposition to loyal players whereby they get the best service and product in their local market, and as a reward for their loyalty, they get especially attentive and customized services in our destination markets. This two-part value proposition is unique to us and an important source of our competitive advantage. For example, a number of financial measures have improved significantly at our Planet Hollywood property since we acquired it in 2010, in large part due to our ability to stimulate cross-market play. Cross market play represents 70% and 60% of the gross gaming revenues we generate in Las Vegas and Atlantic City, respectively. The data that we collect indicates that individual customers play more with Caesars when they visit multiple properties, either during the same trip or on different occasions. Our wins per position at both destination and regional markets, as well as in our local markets, were on average 25% higher than the industry average in those markets for the first nine months of 2011. Our extensive historical knowledge and refined decision modeling procedures enable us to distribute best practices to ensure our marketing expenditures are being used to their utmost efficiency. Given our historical investments in information technology and our broad geographic footprint, we believe we have a competitive advantage with regards to stimulating revenues.

Table of Contents

Continue to evolve our integrated marketing programs to maximize returns and maintain our competitive advantage. We have established a marketing organization that is designed to adhere to the scientific method of test and control, which we believe is the optimal approach to continued advancement and innovation. The structure and procedures embedded in our organization enable individual creativity to flourish while simultaneously ensuring impartial evaluations and the rapid transfer of best practices. The evolution of our structure has enabled us to respond more quickly to changes in customer elasticity and to have confidence in our approach with respect to our offers and incentives.

Maximize our core business profitability upon a rebound in net revenues. We operate businesses that have inherently low variable costs such that positive change in revenues should drive relatively large improvements in Income from Operations. A key determinant of hotel revenues is the average daily hotel rate, or ADR, that is charged. Increases in ADR would drive nearly a dollar for dollar improvement in Income from Operations and on our room base of 42,000 rooms, we anticipate that a \$5 increase in ADR on an annual basis would equate to an improvement to annual Income from Operations of approximately \$65 million. Our average system-wide ADR was \$111 in 2007, compared to \$91 during the last twelve months ended September 30, 2011. Likewise, we anticipate that a \$5 improvement in spend per rated customer gaming trip would equate to an improvement to annual Income from Operations of approximately \$95 million, and a \$5 improvement per unrated customer gaming trip would equate to an improvement to annual Income from Operations of approximately \$79 million. Average spending per rated customer gaming trip declined from \$178 in 2007 to \$162 during the last twelve months ended September 30, 2011. While we use 2007 as a measurement for our financial performance and the gaming industry in general, we may not attain those financial levels in the near term, or at all.

In addition to the inherently high variable margin nature of our businesses, we have and will continue to dedicate significant efforts towards positioning our business and cost structure to ensure we generate the maximum incremental profitability when core industry revenue growth returns. Over the last several years, our management team has instituted operational concepts, such as LEAN service operations and Kaizen activities (operational practices that consider work from the perspective of the customer and endeavor to provide service and product in the most efficient way possible) as well as dynamic volume based scheduling, with the intention to achieve consistently high efficiency rates. For example, our Kaizen efforts help our operations teams to identify more efficient ways to operate their respective businesses and provide direct management with the tools to monitor progress and to assist in the early identification of variances to the planned processes.

Additionally, we consolidated activities, refined our target marketing efforts, and drove procurement efficiencies. Moreover, we have achieved these cost savings while achieving record customer satisfaction levels since the cost savings initiatives were implemented. To further ensure that our operating structure is designed in the most effective and efficient way, in the fourth quarter of 2010, we embarked on a reorganization we refer to as Project Renewal. Under Project Renewal, our management team was challenged to review all of our key decision making procedures and lines of business and to identify the optimum way of structuring them given our breadth and scale of product offerings. As a result of the process, in the third quarter of 2011, we designed a unique shared services organization that will enable more efficient decision making and sharing of best practices. This organization includes business analytics, meetings and conventions, retail, database marketing, VIP marketing, our flight program, and other key areas of our operations. We anticipate that our company will have a permanently lower cost structure and will benefit from greater concentration of specified talent and quicker decision making. We will continue to make progress on Project Renewal and anticipate reaching our \$400 million target and full implementation run rate at the end of 2012. To ensure that the impact from Project Renewal is reflected in our financial performance and that each planned initiative is executed, we track our progress centrally and in a detailed fashion. The savings value for each initiative is calculated by predicting the change in the expense level compared to the current expense level under constant business volumes and conditions.

Table of Contents

As of September 30, 2011, we have realized approximately \$135 million in savings associated with Project Renewal. We classify initiatives that are identified and are in the process of being implemented as yet to be realized identified estimated cost savings. For the purposes of our senior secured leverage ratio under our credit agreement, this amount can be added back into the EBITDA calculation to calculate Adjusted EBITDA. As of September 30, 2011, the yet to be realized identified estimated cost savings was \$202.5 million. This figure increases as new initiatives that are part of Project Renewal are identified and get implemented, and decrease as the actual results become reflected in our cost structure. See Risk Factors Risks Related to our Business We may not realize any or all of our projected cost savings, which would have the effect of reducing our LTM Adjusted EBITDA Pro Forma, which would have a negative effect on our results of operations and negatively impact our covenant calculation and could have a negative effect on our stock price on page 29 of this prospectus.

Pursue opportunistic domestic acquisitions and development opportunities. We believe our brand portfolio and recognition, coupled with the power of the Total Rewards loyalty program, uniquely positions us to capitalize on expansion into underdeveloped regional markets or to pursue opportunistic acquisitions of distressed assets. We intend to pursue these acquisitions from time to time. We believe our operating expertise and network synergies enable us to create value above and beyond what other operators can provide. Our geographically broad-based experience gives us a superior understanding of a property's revenue potential and

enables us to be the optimal partner or purchaser for select assets. For example, we executed a definitive agreement in December 2010 with Rock Gaming LLC to jointly develop, and for us to manage, two of four authorized casinos in Ohio, Horseshoe Cleveland and Horseshoe Cincinnati. As part of our investment, we agreed to contribute Thistledown Racetrack, a non-casino racetrack located outside Cleveland, to the venture, subject to certain conditions. The venture obtained financing for the casinos in August 2011 and we expect Horseshoe Cleveland to open in the second quarter of 2012 and Horseshoe Cincinnati to open in the second quarter of 2013. Commencement of operations of Horseshoe Cleveland and Horseshoe Cincinnati is subject to the receipt of gaming licenses. Along with Rock Gaming LLC and local investors in Maryland, in September 2011, a Caesars led group submitted a bid for a license to develop a video lottery terminal facility in Baltimore. Completion of the Baltimore license bid is subject to a number of conditions, including, without limitation, the negotiation of definitive documentation, receipt of required regulatory approvals, receipt of acceptable financing, and other terms and conditions. In addition, we intend to apply for a video lottery terminal license in Ohio in connection with our contribution of Thistledown Racetrack to Rock Gaming LLC. We believe there will be expansion opportunities in newly created U.S. regional markets due to continued legalization of gaming in new jurisdictions. Further, we believe that due to the continued global economic downturn, there will be opportunities to acquire assets at attractive valuations, such as our 2010 acquisition of Planet Hollywood, due to the fragmented nature of our industry and the benefits inherent in our scale. See Risk Factors Risks Related to Our Business The acquisition, development and construction of new hotels, casinos and gaming and non-gaming venues and the expansion of existing ones could have an adverse effect on our business, financial condition and results of operations due to various factors including delays, cost overruns and other uncertainties and Risk Factors Risks Related to Our Business We may not realize all of the anticipated benefits of current or potential future acquisitions for a discussion of the risks relating to pursuing development and expansion opportunities.

Pursue opportunities to further expand into international markets. We currently own, operate or manage 15 casino properties in international gaming markets across Europe, North America, South America and Africa. In addition, in Asia, we operate a golf course on 175 acres of prime real estate through a land concession on the Cotai strip in Macau. We believe that we remain well-positioned for international gaming growth and legalization in Asia and Europe. We are investigating various opportunities to own, operate or manage international resorts and casinos. These opportunities are at varying stages of development, such as due diligence investigations, executed confidentiality agreements, and other discussions regarding potential projects, which may or may not come to fruition. We will continue to evaluate and pursue opportunities to own, operate or manage international casinos and resorts. Our Caesars brand remains the most recognized casino brand in the world, and we plan to leverage the power of this

Table of Contents

brand, and our other brands, as we expand into international markets. In addition to international gaming opportunities, we are also actively pursuing non-gaming management, branding, and development opportunities in Asia and other parts of the world where our brands and reputation are already well-recognized assets. In 2011, we formed a group to focus on this opportunity called Caesars Global Life. In September 2011, we announced our first project, a management and branding agreement for a development, whose equity will be provided by a third party, that will be called Caesars Palace Longmu Bay. Located in Hainan, China, and at a projected cost to the owner of \$470 million, it is expected to open in 2014 and will contain a 1,000-room, five-star hotel with a marina, spa, retail, gourmet dining and other amenities, including 36 holes of golf. This project will be the foundation for our expansion in China and throughout the entire Asia-Pacific region, where we expect to participate in the development of a total of 25 hotels and resorts over the next five years. See Risk Factors Risks Related to Our Business The acquisition, development and construction of new hotels, casinos and gaming and non-gaming venues and the expansion of existing ones could have an adverse effect on our business, financial condition and results of operations due to various factors, including delays, cost overruns and other uncertainties and Risk Factors Risks Related to Our Business The risks associated with international operations could reduce our profits for a discussion of the risks relating to this strategy.

Continue to grow our online business. Our globally recognized World Series of Poker and Caesars brands and our dedicated online gaming management team position us to take advantage of opportunities in the global online gaming market and to continue to develop the infrastructure to support larger scale real money online gaming as it becomes legalized and licensed in new jurisdictions. In late 2009, we launched our real money World Series of Poker and Caesars-branded poker, bingo and casino online sites in the United Kingdom. We also have alliances with online gaming providers in Italy and France. As part of our online strategy, we will continue to expand our online real money gaming offerings in legally compliant jurisdictions and offer for fun online gaming options in those and other jurisdictions. In May 2011, we purchased a majority stake in Playtika Ltd., or Playtika, a social games company located in Israel, and in December 2011 purchased the remaining outstanding shares of Playtika. Playtika develops social games for Facebook and other social networking websites and mobile games. In addition, we will continue to expand our World Series of Poker tournaments to international jurisdictions where we believe there is a likelihood of legalization of online gaming, in order to grow the brand's awareness. We believe that the expansion of online gaming offerings, for real money, for fun and social and mobile games, will benefit our land-based portfolio due to further brand enhancement, customer acquisition in new channels, and marketing arrangements including incorporating our Total Rewards and cash-back for points programs into our online gaming offerings.

We believe that additional jurisdictions will legalize online gaming due to consumer demand, a broader understanding of the need to regulate the industry and to generate income through taxes on gaming revenue. As such, we support efforts to regulate the online gaming industry to ensure that consumers are protected. We believe that the potential for online gaming is substantial and believe that we will command, at a minimum, our fair share in any legal jurisdiction. An H2 Gaming Capital study conducted in 2010 projects that the global online gaming market will grow to \$36 billion in revenues by 2012. We believe that the largest opportunity in online gaming in the near term is the potential legalization of online poker in the United States.

Recent Events

Co-Investors Transaction

Caesars entered into a Release and Contribution Agreement, dated as of January 25, 2012 (the Contribution Agreement), with certain of its direct and indirect stockholders, pursuant to which Caesars, Hamlet Holdings and entities controlled by the Sponsors have agreed to release the contractual transfer restrictions on the shares of our common stock (the Released Shares) beneficially owned by certain indirect stockholders (the Participating Co-Investors). The Released Shares comprise 24,150,456 shares of our common stock. In

Table of Contents

consideration for such release, the Participating Co-Investors have agreed to direct the contribution to Caesars of a portion of the Released Shares beneficially owned by each Participating Co-Investor (the **Delivered Shares**). Caesars agreed to cause the registration for resale (the **Shelf Registration**) under the Securities Act of the remaining Released Shares not constituting Delivered Shares (the **Registered Shares**) and the listing of the Registered Shares on the Nasdaq Global Select Market (**Nasdaq**). Upon the effectiveness of the Shelf Registration, which will be concurrent with the listing of our common stock on Nasdaq, 50% of the Registered Shares will be eligible for resale under the Shelf Registration. In connection with this offering, the Participating Co-Investors will agree not to offer or sell, dispose of or hedge, directly or indirectly, the remaining 50% of the Registered Shares without the permission of the underwriters for a period of 180 days from the date of this prospectus, subject to certain exceptions and automatic extension in certain circumstances. The shares of common stock offered by us in this offering, excluding any shares issued pursuant to the underwriters' option to purchase additional shares, will be equal in number to the Delivered Shares contributed to us on behalf of the Participating Co-Investors. We refer to the transaction with the Participating Co-Investors as the **Co-Investors Transaction**.

The Sponsors are not selling their shares in this offering, and their shares will not be included in the Shelf Registration. The shares held by certain affiliates of Paulson & Co. Inc. (the **Paulson Investors**) are currently eligible for resale.

Chester Bond Offering

On January 27, 2012, Chester Downs and Marina, LLC (**Chester Downs**), a majority-owned subsidiary of CEOC, priced an offering of \$330 million aggregate principal amount of 9.25% senior secured notes due 2020 through a private placement. Chester Downs intends to use the proceeds of the notes to repay its existing term loan, make a distribution to Chester Downs' managing member, Harrah's Chester Downs Investment Company, LLC, and for other general corporate purposes. The offering is expected to close on February 3, 2012.

Amendment of Senior Secured Credit Facilities and Related Financing

On February 2, 2012, CEOC, a wholly-owned subsidiary of Caesars, announced its intent to seek amendments to its senior secured credit facilities to, among other things: (i) extend the maturity of up to \$4.0 billion aggregate principal amount of B-1, B-2 and B-3 term loans held by consenting lenders (**Extending Term Lenders**) from January 28, 2015 to January 28, 2018 and increase the interest rate with respect to such extended term loans (**Extended Term Loans**); (ii) convert original maturity revolver commitments held by consenting lenders to Extended Term Loans and promptly following such conversion, repay Extended Term Loans held by any consenting lender in an amount equal to 10% of the amount of revolver commitments that such lender elected to convert; (iii) extend the maturity of original maturity revolver commitments held by consenting lenders who elect not to convert their commitments to term loans, from January 28, 2014 to January 28, 2017 and increase the interest rate and the undrawn commitment fee with respect to such extended revolver commitments and upon the effectiveness of such extension, terminate 20% of extended revolver commitments on a pro rata basis; and (iv) modify certain other provisions of the credit facilities. In connection with the proposed amendment, CEOC intends to raise up to \$1.25 billion of senior secured indebtedness and use up to \$1.0 billion of the net cash proceeds to repay a portion of the term loans held by each Extending Term Lender on a pro rata basis, with such repayment being applied, first, to such Extending Term Lender's non-extended B-1, B-2 and B-3 term loans and, second, to such Extending Term Lender's Extended Term Loans. This indebtedness would have a later maturity and bear an interest rate that is higher than that of the term loans being repaid. The proposed amendment of the senior secured credit facilities and related transactions are subject to market and other conditions, and may not occur as described or at all.

Table of Contents

The Sponsors

Apollo

Founded in 1990, Apollo is a leading global alternative asset manager with offices in New York, Los Angeles, London, Frankfurt, Luxembourg, Singapore, Hong Kong and Mumbai. As of September 30, 2011, Apollo had assets under management of approximately \$65 billion in its private equity, capital markets and real estate businesses.

TPG

TPG is a leading global private investment firm founded in 1992 with \$48 billion of assets under management and offices in San Francisco, Beijing, Fort Worth, Hong Kong, London, Luxembourg, Melbourne, Moscow, Mumbai, New York, Paris, Shanghai, Singapore and Tokyo. TPG has extensive experience with global public and private investments executed through leveraged buyouts, recapitalizations, spinouts, growth investments, joint ventures and restructurings.

Table of Contents

Organizational Structure

The chart below depicts our organizational structure following the consummation of this offering.

- (1) In connection with the Co-Investors Transaction, Hamlet Holdings has agreed to cause its irrevocable proxy to be terminated with respect to 24,150,456 of the Released Shares held by certain co-investors. Following this offering and the Co-Investors Transaction, shares held by funds affiliated with and controlled by the Sponsors and their co-investors, representing 70.1% of Caesars outstanding common stock, will be subject to the irrevocable proxy that gives Hamlet Holdings, the members of which are comprised of an equal number of individuals affiliated with each of the Sponsors, sole voting and sole dispositive power with respect to such shares.
- (2) Shares held by Participating Co-Investors, representing 17.9% of Caesars common stock, will be eligible for resale upon effectiveness of the registration statement of which this prospectus forms a part and will be listed on Nasdaq following this offering.
- (3) Consists primarily of captive insurance subsidiaries, Harrah's BC, Inc., or HBC, and Caesars Interactive Entertainment, Inc., which owns the World Series of Poker brand and our online businesses.
- (4) Consists of Caesars Entertainment Operating Company, Inc. and its subsidiaries, which owned, operated and/or managed 46 of the 52 casinos for Caesars as of September 30, 2011.
- (5) Consists of certain affiliates of Paulson & Co. Inc. Shares held by the Paulson Investors are currently eligible for resale and will be listed on Nasdaq following this offering.
- (6) Consists of Harrah's Las Vegas, Rio, Flamingo Las Vegas, Harrah's Atlantic City, Paris Las Vegas and Harrah's Laughlin. The CMBS Entities and their respective subsidiaries do not guarantee or pledge their assets as security for any indebtedness of CEOC and are not directly liable for any obligations thereunder. CEOC and its subsidiaries do not guarantee or pledge their assets as security for any indebtedness of the CMBS Entities and are not directly liable for any obligations thereunder.

Additional Information

Our principal executive offices are located at One Caesars Palace Drive, Las Vegas, NV 89109, and our telephone number is (702) 407-6000. The address of our internet site is www.caesars.com. This internet address is provided for informational purposes only and is not intended to be a hyperlink. Accordingly no information in this internet address is included or incorporated by reference herein.

Table of Contents

The Offering

Common stock offered	1,811,313 shares
Common stock to be outstanding immediately after this offering	125,025,500 shares
Option to purchase additional shares	We have granted to the underwriters a 30-day option to purchase up to 271,697 additional shares from us at the initial public offering price, less underwriting discounts and commissions.
Common stock voting rights	Each share of our common stock will entitle its holder to one vote.
Dividend policy	We intend to retain all future earnings, if any, for use in the operation of our business and to fund future growth. We do not anticipate paying any dividends for the foreseeable future. The decision whether to pay dividends will be made by our board of directors in light of conditions then existing, including factors such as our results of operations, financial condition and requirements, business conditions and covenants under any applicable contractual arrangements, including our indebtedness.
Use of proceeds	<p>We estimate that the net proceeds from this offering without exercise of the option to purchase additional shares will be approximately \$13.1 million after deducting the estimated underwriting discounts and commissions and expenses, assuming the shares are offered at \$9.00 per share, which represents the midpoint of the estimated offering price range set forth on the front cover of this prospectus.</p> <p>We intend to use the net proceeds from this offering for general corporate purposes, including development projects and maintenance capital expenditures.</p>
Proposed Nasdaq trading symbol	CZR
Risk factors	Please see the section entitled "Risk Factors" included in this prospectus for a discussion of some of the factors you should carefully consider before deciding to invest in our common stock.
Except as otherwise indicated, all information in this prospectus:	

assumes this offering have been consummated and that the underwriters have not exercised their option to purchase up to 271,697 additional shares of common stock from us;

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does not give effect to 6,937,285 shares of our common stock issuable upon the exercise of outstanding options as of September 30, 2011, at a weighted-average exercise price of \$41.37 per share, or 1,341,057 shares of common stock issuable upon the exercise of options we anticipate issuing prior to the consummation of this offering;

does not give effect to 56,778 shares of our common stock issuable upon the exercise of outstanding warrants as of September 30, 2011, at a weighted-average exercise price of \$57.41 per share, or 64,051 shares of common stock issuable upon the exercise of warrants issued subsequent to September 30, 2011 at a weighted-average exercise price of \$23.87 per share;

does not give effect to 536,452 shares of our common stock reserved for future issuance under the Caesars Entertainment Corporation Management Equity Incentive Plan; and

does not give effect to 6,867,018 shares of our common stock reserved for future issuance under the Caesars Entertainment Corporation 2012 Performance Incentive Plan.

Table of Contents

Summary Historical Consolidated Financial Data of Caesars Entertainment Corporation

The following tables present our summary historical consolidated financial information as of and for the periods presented. The summary historical consolidated financial information for the periods from January 1, 2008 through January 27, 2008 (Predecessor) and from January 28, 2008 through December 31, 2008, and for the years ended December 31, 2009 and 2010 (Successor) should be read in conjunction with our audited consolidated financial statements as of December 31, 2010 included elsewhere in this prospectus. The summary historical consolidated financial information as of December 31, 2008 has been derived from our audited consolidated financial statements not included in this prospectus. The summary historical consolidated financial information as of September 30, 2011 and for the nine month periods ended September 30, 2010 and 2011 are derived from, and should be read in conjunction with, our unaudited consolidated condensed financial statements as of September 30, 2011 included elsewhere in this prospectus. The summary historical consolidated financial information as of September 30, 2010 has been derived from our unaudited consolidated condensed financial statements not included in this prospectus. Except as otherwise described herein, our interim unaudited financial statements have been prepared on a basis consistent with our annual audited financial statements and, in the opinion of management, include all adjustments, consisting of normal recurring accruals, considered necessary for a fair presentation of such data. Except as otherwise specified in the tables below, the per share data included in this summary historical financial information does not reflect the 1.742-for-one split of our common stock that we expect to effect prior to consummation of this offering.

You should read this data in conjunction with the Selected Historical Consolidated Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations and our financial statements and notes thereto included elsewhere in this prospectus. The audited consolidated financial statements as of December 31, 2009 and 2010, for the periods from January 1, 2008 through January 27, 2008 and from January 28, 2008 through December 31, 2008, and the years ended December 31, 2009 and 2010 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm.

Table of Contents

Caesars Entertainment Corporation

Summary Historical Consolidated Financial Data

	Predecessor			Successor		
	January 1, 2008	January 28, 2008	Year Ended December 31,	Year Ended December 31,	Nine Months Ended	Nine Months Ended
	through January 27, 2008	through December 31, 2008	2009	2010	September 30, 2010	September 30, 2011
(In millions, except per share data)						
Consolidated Statement of Operations						
Revenues						
Casino	\$ 614.6	\$ 7,476.9	\$ 7,124.3	\$ 6,917.9	\$ 5,251.3	