Caesars Entertainment Corporation

Q3 2015 Earnings Call

November 9, 2015

Forward Looking Statements

Certain information in this presentation and discussed on the conference call which this presentation accompanies constitutes forward-looking information within the meaning of the Private Securities Litigation Reform Act of 1995. This information is based on the Company's current expectations and actual results could vary materially depending on risks and uncertainties that may affect the Company's operations, markets, services, prices and other factors as discussed in the Company's filings with the Securities and Exchange Commission. These risks and uncertainties include, but are not limited to, industry and economic conditions, competitive, legal, governmental and technological factors. There is no assurance that the Company's expectations will be realized.

The forward-looking information in this presentation and discussed on the conference call which this presentation accompanies reflect the opinion of management as of today. Please be advised that developments subsequent to this call are likely to cause this information to become outdated with the passage of time. The Company assumes no obligation to update any forward-looking information contained in this presentation or discussed on the conference call which this presentation accompanies should circumstances change, except as otherwise required by securities and other applicable laws.

Use of Non-GAAP Measures

The following non-GAAP measures will be used in the presentation and discussed on the conference call which this presentation accompanies:

- Adjusted EBITDA
- Property EBITDA
- CEC + CEOC, or System-wide financial measures

Definitions of these non-GAAP measures and reconciliations to their nearest GAAP measures can be found in the tables of our press release issued today and furnished to the SEC on Form 8-K.

Important Information about Presentation of Results

On January 15, 2015, Caesars Entertainment Operating Company, Inc. filed a voluntary bankruptcy petition under Chapter 11 of the United States Bankruptcy Code, resulting in the deconsolidation of CEOC effective as of such date. As such, amounts presented in this presentation exclude the operating results of CEOC subsequent to January 15, 2015, unless otherwise stated, and analysis of our operating results in this presentation and as may be discussed on the conference call which this presentation accompanies include those components that remain in the consolidated CEC entity subsequent to the deconsolidation of CEOC. "Continuing CEC" represents CERP, CGP Casinos, CIE, and associated parent company and elimination adjustments that represent the CEC structure.

However, we are also providing certain supplemental information as if we had continued to consolidate CEOC throughout the third quarter of 2015. This information includes both stand-alone CEOC financials and key metrics for the third quarter of 2015, and certain financial information for CEC as if CEOC remained a consolidated entity during the quarter. This information within this presentation may be different from CEOC's standalone results separately provided due to immaterial adjustments, rounding, and basis of presentation differences. We believe this supplemental information is useful to investors who are trying to understand year-over-year business results in a comparable fashion.

As a result of the deconsolidation of CEOC, CEC generates no direct economic benefits from CEOC's results. This supplemental information is non-GAAP. It is not preferable to GAAP results provided elsewhere in this presentation or discussed on the conference call this presentation accompanies, but is used by management as an analytical tool to assess the results of all properties owned, managed or branded by a Caesars entity, regardless of consolidation. Additionally, the results are not necessarily indicative of future performance or of the results that would be reported should the contemplated reorganization of CEOC be successfully completed.

Supplemental materials have been posted on the Caesars Entertainment Investor Relations website at http://investor.caesars.com/financials.cfm

Operating Structure[1]

Caesars Entertainment Corporation (NASDAQ: CZR)

Caesars Acquisition Company (NASDAQ: CACQ)

58% economic interest through Class B Non-Voting Units

42% economic interest through Class A Voting Units

Majority Ownership **100%**

Caesars Entertainment Operating Company (CEOC)

Owned – *U.S.*

- Bally's Atlantic City
- Caesars Atlantic City
- Caesars Palace Las Vegas
- Harveys Lake Tahoe
- Harrah's Lake Tahoe
- Harrah's Reno
- Harrah's North Kansas City
- Harrah's Joliet
- Harrah's Metropolis
- Harrah's Council Bluffs
- Horseshoe Council Bluffs
- Horseshoe Hammond
- Horseshoe Southern Indiana
- Horseshoe Tunica
- Tunica Roadhouse
- Harrah's Gulf Coast
- Harrah's Philadelphia
- Horseshoe Bossier City
- Louisiana Downs

International

- Alea Glasgow
- Alea Nottingham
- The Casino at the Empire
- Manchester235
- Playboy Club London
- Rendezvous Brighton
- Rendezvous Southend-on-Sea
- The Sportsman
- Emerald Safari

Managed

- Caesars Cairo
- The London Clubs Cairo-Ramses
- Caesars Windsor
- Harrah's Ak-Chin
- Harrah's Cherokee
- Harrah's Cherokee Valley River
- Harrah's Resort Southern California
- Horseshoe Cincinnati
- Horseshoe Cleveland
- ThistleDown Racino

Caesars Entertainment Resort Properties (CERP)

- Flamingo Las Vegas
- Harrah's Atlantic City
- Harrah's Las Vegas
- Harrah's Laughlin
- Paris Las Vegas
- Rio All-Suites Hotel & Casino
- LINQ Promenade and High Roller
- Octavius Tower at Caesars Palace

Caesars Growth Partners (CGP)

- Caesars Interactive Entertainment
- Bally's Las Vegas
- The Cromwell
- Harrah's New Orleans
- Horseshoe Baltimore
- Planet Hollywood
- The LINQ Hotel & Casino

69% **20%** **11%**

Caesars Enterprise Services (CES)[2]

(1) The Caesars Entertainment portfolio of properties operates 50 casino properties in 14 U.S. states and five countries; Does not include all subsidiaries

(2) CGP, CERP and CEOC are linked together through common ownership of CES – the analytics and marketing engine that optimizes these entities.

Today's Agenda

- **Overview** – Mark Frissora, CEO
- **3Q15 Financial Performance** – Eric Hession, CFO
- **Recap and 2015 Outlook**– Mark Frissora, CEO
- **Q&A Session**

3Q15 Earnings Highlights

System-wide Adjusted EBITDA margin of 27%, highest level since 2007

	3Q'15	% Change YoY
Continuing CEC[1]		
Net revenues	$1,141	12%
Adjusted EBITDA	317	51%
Adjusted EBITDA margin	27.8%	709 bp
CEC + CEOC[2]		
Net revenues	$2,326	5%
Adjusted EBITDA	630	43%
Adjusted EBITDA margin	27.1%	710 bp

- Net revenue growth driven by higher gaming and hotel revenues, excellent labor and marketing productivity improvements, and continued strong performance in CIE's social and mobile games franchise
  - Gaming revenue growth driven by a full quarter of Horseshoe Baltimore results and favorable YoY hold
  - Hotel revenue growth driven by The LINQ Hotel & Casino renovation, expansion of resort fees across all properties, and improved pricing power at our Las Vegas hotels through better yield management[3]
- Adjusted EBITDA performance attributable to higher revenue, marketing and operational efficiencies, and improved customer mix in hotel outlets

(1) Does not include CEOC, which was deconsolidated by CEC subsequent to its bankruptcy filing on January 15, 2015.
(2) This information is non-GAAP and is presented for the reasons described in slide 3.
(3) Yield management refers to pricing, management and optimization of hotel inventory.

Marketing & Operational Efficiencies Driving EBITDA Margin Improvement

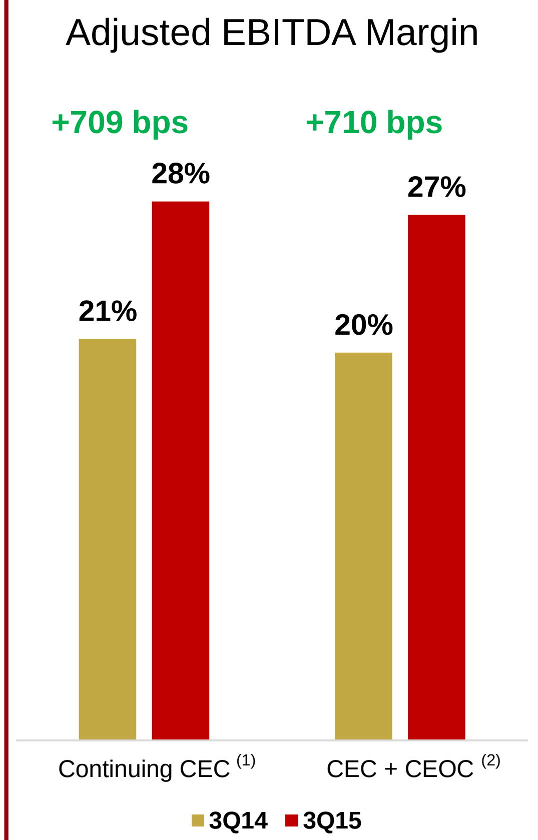
Marketing

- Multi-pronged effort to drive greater marketing efficiencies:
  - Reduced spend relative to last year's elevated levels
  - Moved a number of programs from direct mail to email and digital channels allowing us to be more agile and personalized
  - Implemented a more targeted approach on offers, enhancing customer profitability
  - Transitioned data analytics function to a performance management model to track productivity improvements and marketing efficiencies

Operational

- Relentless approach to continuous operations improvement, particularly around labor productivity
- Year-to-date operational efficiency gains expected to continue
- Implementing improvement focused operating model, including revitalizing lean efficiency program to:
  - Drive continuous process improvement
  - Enhance customer experience, particularly at the property level
  - Incorporate lean concepts into corporate and back office processes

EBITDA Margin Growth

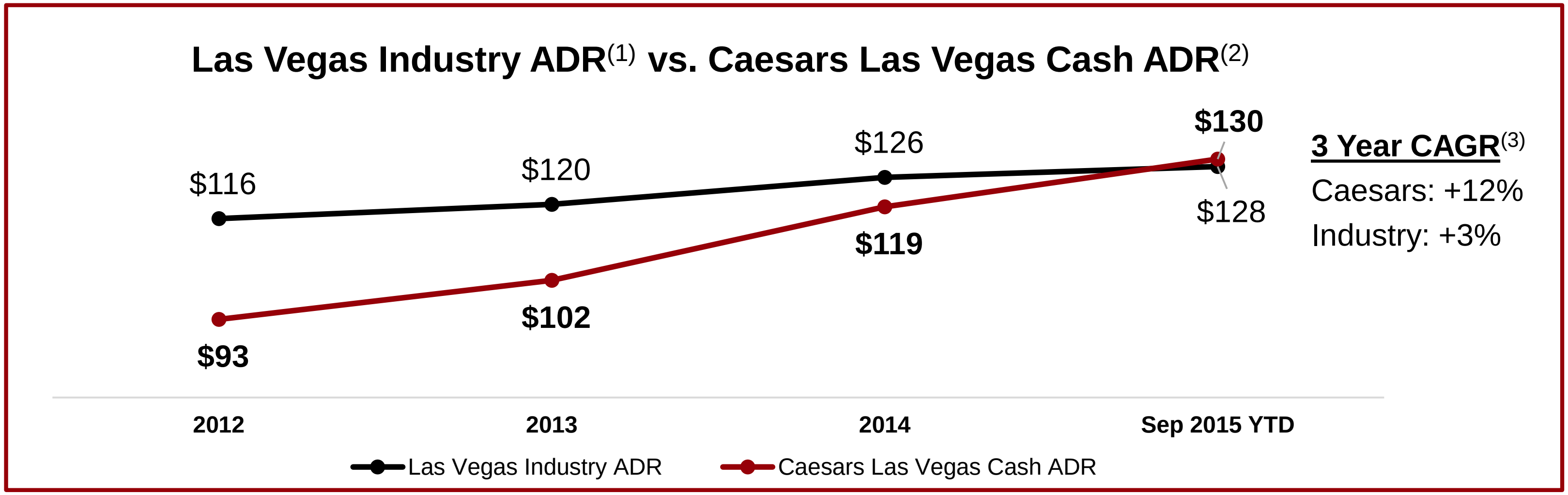


(1) Does not include CEOC, which was deconsolidated by CEC subsequent to its bankruptcy filing on January 15, 2015

(2) This information is non-GAAP and is presented for the reasons described on slide 3.

Hospitality Investments to Further Stimulate Revenue Growth

- Hotel upgrade investments to provide significant upside:
  - Meeting growing demand for upgraded room products, particularly in Las Vegas
  - Enabling continued growth in ADR
- Substantial improvement in ADR as demonstrated by double-digit increases in system-wide cash ADR over trailing four quarters, with strong growth in Las Vegas



- High return on invested capital (ROIC), low risk use of available cash

Remains a high priority going forward to drive increasing revenue growth

(1) Source: Las Vegas Convention and Visitors Authority, Monthly and YTD Visitor Statistics – Strip ADR; 2012 ADR implied from 2013 YoY growth figure
(2) System-wide basis, all Las Vegas Strip properties . (3) Compound Annual Growth Rate

Upgrading Our Las Vegas Room Product

Hotel upgrades have given us more pricing power in the Las Vegas hotel portfolio

Enhancing Our Entertainment Offerings…

Britney Spears

Signed a two-year extension through Dec. 2017 for a Planet Hollywood residency

Reba + Brooks & Dunn

Extended their residency into 2016 at Caesars Palace Colosseum

Jennifer Lopez

Beginning in Jan. 2016, will share residency with Britney Spears at Planet Hollywood

Donny & Marie

Extended their residency into 2016 at Flamingo

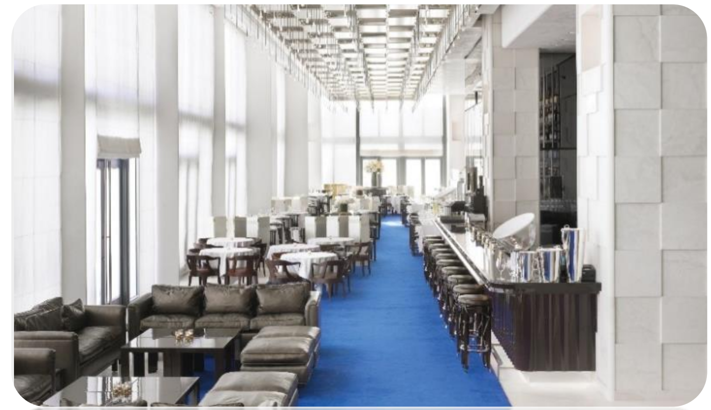
… and Enriching Our Dining Offerings

Horseshoe Southern Indiana

Smoke & Rye: New bourbon, burgers and BBQ restaurant

Caesars Palace Las Vegas

Mr. Chow: Set to debut in Las Vegas in December 2015[1]



Harrah's Laughlin

Guy Fieri's El Burro Borracho: Authentic Mexican with upscale touches

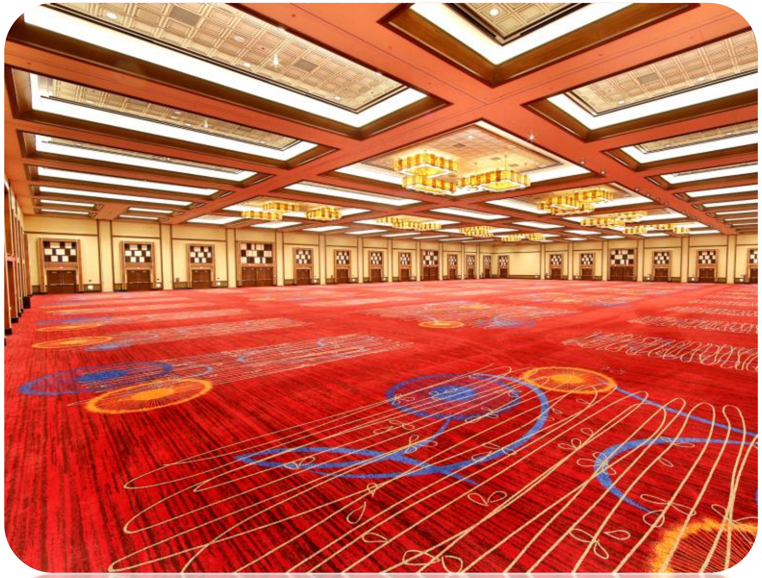
Harrah's North Kansas City

Noodle Bar: New casual dining option featuring Asian cuisine

(1) Photo of Mr. Chow Miami

Opened Waterfront Conference Center in Atlantic City

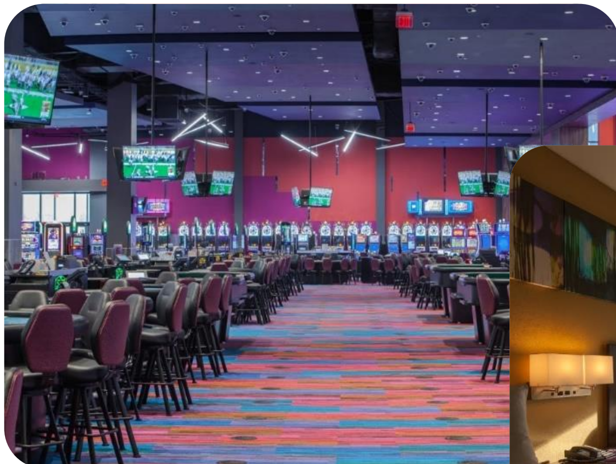
The largest conference-hotel complex from Baltimore to Boston

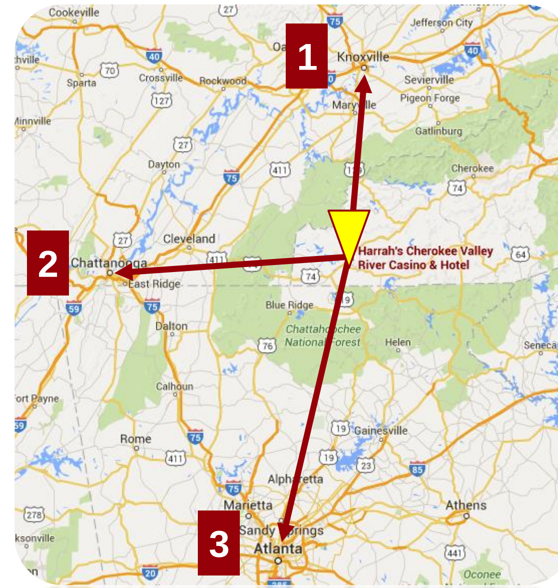


- Opened in September 2015, the Waterfront Conference Center is adjacent to Harrah's Atlantic City
- Positions Atlantic City as a destination for corporate & association meetings
  - Opportunity to attack the **$16 billion convention and meetings market** in the Northeast
- Nationwide sales force has made great traction in building the new business pipeline –**160 events and 150,000+ room nights booked**
  - 61% of total bookings, or 90,000+ room nights, are scheduled in the first 12 months of operations compared to ~11,000 at this time last year

Opened Harrah's Cherokee Valley River Casino & Hotel

Strategically positioned next to three major Southeast cities





- Overwhelming visitor response on opening day
- Features a 50,000 sq. ft. gaming floor with **70 table games** and **1,050 slot machines**, and a full service **300-room hotel**
- Second managed property for the Eastern Band of Cherokee Indians (EBCI)
  - Will add to solid stream of CEOC management fee income

- Based in North Carolina, **~2 hours** from the three cities:
  1. Knoxville, TN
  2. Chattanooga, TN
  3. Atlanta, GA

Significant Opportunity to Expand Millennial & Gen X Customer Base

Creating new, social environments for younger customers to enjoy

- Actively testing a number of programs, products, and experiences aimed at improving our ability to attract, engage, and retain millennials and Gen X customers
- Creating new, social environments for younger customers such as O'Sheas at The LINQ Hotel & Casino and TAG lounges at various locations
  - TAG lounges are large virtual gaming centers containing electronic tables

O'Sheas

LINQ Hotel & Casino

TAG Lounge

Various Properties

Expanding and Enhancing Gaming Offerings

Deploying Games with Skill-Based Components

Millennial-Friendly Concept Environments

Will add excitement to our Las Vegas and regional casinos

ERIC HESSION
CHIEF FINANCIAL OFFICER

- 3Q15 CEC and Segment Results
- 3Q15 Supplemental Information
  - CEOC
  - CEC + CEOC
- Liquidity Review

3Q15 Results (Continuing CEC)

Results exclude CEOC after January 15, 2015 due to deconsolidation

$ millions	3Q15	$ Change YoY Favorable/ (Unfavorable)
Casino revenue	$ 535	$ 56
F&B revenue	211	11
Room revenue	220	37
Interactive entertainment	192	30
Other revenue	117	(12)
Less: casino promotional allowances	(134)	4
Net Revenue	$ 1,141	$ 126
Adj EBITDA	$ 317	$ 107
Adj EBITDA Margin	27.8%	709 bp

Key drivers / statistics	3Q15	% Change YoY Favorable/ (Unfavorable)
Cash ADR	$ 114	15.0%
Occupancy	93.1%	1.1 ppts

Financial Performance

- Net revenue +12% YoY due to:
  - A full quarter of Horseshoe Baltimore results
  - Increase in room revenue mainly due to resort fees, driving a 15% increase in cash ADR
  - Favorable YoY hold
  - Strong organic growth at CIE
- Adj EBITDA +51% YoY, primarily due to:
  - Growth in revenue
  - Marketing and operational efficiencies
  - Improved hotel customer mix
  - Approximately $8-$12 million in EBITDA from favorable YoY hold
- EBITDA margins expanded 709 bp YoY

3Q15 CERP Results

CERP's business consists of six casino resort properties, largely located in Las Vegas, and the LINQ Promenade

$ millions		3Q15		$ Change YoY Favorable/ (Unfavorable)
Casino revenue	$	281	$	(1)
F&B revenue		137		1
Room revenue		138		14
Other revenue		73		(14)
Less: casino promotional allowances		(87)		6
Net Revenue	$	542	$	6
Adj EBITDA	$	157	$	34
Adj EBITDA Margin		29.0%		602 bp

Key drivers / statistics		3Q15	% Change YoY Favorable/ (Unfavorable)
Cash ADR	$	111	13.9%
Occupancy		93.3%	0.3 ppts

Financial Performance

- Net revenue +1% YoY as strong hotel performance was partially offset by a decline in entertainment revenue
  - Room revenue increased due to resort fees and improved hotel yielding, driving a 13.9% rise in cash ADR
  - Cost savings of 6.5% YoY in casino promotions
- Adj EBITDA +28% YoY driven by operating and marketing efficiencies, improved hotel customer mix and favorable property taxes.
  - Minimal impact from hold in the quarter
- EBITDA margins expanded 602 bp YoY

3Q15 CGP Results

CGP's business consists of the interactive business and six destination market properties

$ millions	3Q15	$ Change YoY Favorable/ (Unfavorable)
Net Revenue	$ 602	$ 116
Adj EBITDA	170	65
Adj EBITDA Margin	28.2%	663 bp

Financial Performance

- CGP net revenue +24% YoY and Adj EBITDA +62% YoY due to the addition of Horseshoe Baltimore, strong growth at CIE, the introduction of resort fees, and continued YoY ADR improvement due to The LINQ Hotel renovation

3Q15 CGP Casino Properties Segment Results

$ millions		3Q15		$ Change YoY Favorable/ (Unfavorable)
Casino revenue	$	254	$	57
F&B revenue		74		10
Room revenue		82		23
Other revenue		44		(5)
Less: casino promotional allowances		(47)		(2)
Net Revenue	$	407	$	83
Adj EBITDA		96		44
Adj EBITDA Margin		23.6%		754 bp

Key drivers / statistics		3Q15	% Change YoY Favorable/ (Unfavorable)
Cash ADR	$	119	16.1%
Occupancy		92.7%	3.2 ppts

Financial Performance

- CGP casinos net revenue +26% YoY due to a full quarter of Horseshoe Baltimore, The LINQ Hotel renovation, which saw a 63% increase in cash ADR and higher food & beverage revenue, expansion of resort fees and favorable YoY hold at Harrah's New Orleans
  - Smoking ban continues to impact volumes at Harrah's New Orleans, which were down approx. 15%
- CGP casinos Adj EBITDA +85% YoY driven by revenue growth and marketing and operational efficiencies
  - Approximately $9-$13 million in EBITDA from favorable YoY hold
- EBITDA margins up 754 bp YoY
- CGP casinos 4Q15 considerations:
  - Expect ongoing volatility in New Orleans from smoking ban
  - Annualized opening of Horseshoe Baltimore in August

3Q15 CIE Segment Results

$ millions		3Q15		$ Change YoY Favorable/ (Unfavorable)
Social & mobile games	$	184	$	32
WSOP & online real money		11		1
Net Revenue	$	195	$	33
Adj EBITDA	$	74	$	21
Adj EBITDA Margin		37.9%		523 bp

Key drivers / statistics		3Q15		Change YoY Favorable/ (Unfavorable)
Avg monthly unique payers		860,000		265,000
ARPU	$	0.33	$	0.04

Financial Performance

- Revenue +20% YoY; Adj EBITDA +40% YoY
- EBITDA margins up 523 bp YoY
- Strength driven by organic growth in social and mobile games due to continued focus on monetization and conversion of customer base
- Average monthly unique paying users +45% YoY
- Average revenue per user +14% YoY

Continuing CEC Liquidity Review

($ millions)	September 30, 2015			
	CERP	CES	CGP LLC[(1)]	Parent[(2)]
Cash and cash equivalents	$ 218	$ 141	$ 901	$ 349
Revolver capacity	270	--	160	--
Revolver capacity drawn or committed to letters of credit	(81)	--	(45)	--
Total Liquidity	**$ 407**	**$ 141**	**$ 1,016**	**$ 349**

(1) CGP revolver capacity is comprised of $150 million of CGPH revolver and $10 million at Horseshoe Baltimore

(2) Parent reflects CEC and its various non-operating subsidiaries and excludes CERP, CES and CGP.

3Q15 Supplemental Financial Information - CEOC Results

$ millions	3Q15		$ Change YoY Favorable/ (Unfavorable)	
Net Revenue	$	1,224	$	(29)
Adj EBITDA	$	313	$	81
Adj EBITDA Margin		25.6%		706 bp

Key drivers / statistics	3Q15		% Change YoY Favorable/ (Unfavorable)
Cash ADR	$	159	11.5%
Occupancy		91.2%	0.4 ppts

Note:. The above Supplemental Financial Information contains CEOC results. CEOC is no longer consolidated by CEC subsequent to its bankruptcy filing on January 15, 2015. The 2015 information is non-GAAP as it does not appear in CEC's results, and is presented for the reasons described on slide 3. CEOC information within this presentation may be different from CEOC's standalone results separately provided due to immaterial adjustments, rounding and basis of presentation differences. This information is not preferable to GAAP results provided earlier in this presentation, but is used by management as an analytical tool to assess the results of all properties owned, managed or branded by a Caesars entity, regardless of ownership.

Financial Performance

- Net revenue -2% YoY as lower reimbursable expenses and a decrease in gaming revenues YoY were offset by favorable YoY hold and higher room revenue
  - Lower gaming revenue in CEOC"s regional markets
  - Significant decrease in baccarat volume at Caesars Palace, consistent with the industry, offset by favorable YoY hold at the property
  - Cash ADR +11.5% YoY driven by resort fees and ongoing yield management efforts
  - Notable declines in retail visitation in CEOC regions
- Adj EBITDA +35% YoY primarily due to marketing and operational efficiencies, leading to 706 bp margin expansion YoY
  - Marketing changes have substantially improved casino profitability and EBITDA
  - Approximately $20-$25 million in EBITDA from favorable YoY hold

3Q15 Supplemental Financial Information (CEC + CEOC)

$ millions	3Q15	$ Change YoY Favorable/ (Unfavorable)
Net Revenue	$ 2,326	$ 114
Adj EBITDA	$ 630	$ 188
Adj EBITDA Margin	27.1%	710 bp

Key drivers / statistics	3Q15	% Change YoY Favorable/ (Unfavorable)
Cash ADR	$ 125	13.1%
Occupancy	92.5%	0.9 ppts

Note: The Supplemental Financial Information presented herein includes 2015 information consistent with the 2014 Caesars Reporting Entity. The above Supplemental Financial Information contains the CEC consolidated results on a GAAP basis plus the results of its deconsolidated subsidiary, CEOC. CEOC information within this presentation may be different from CEOC's standalone results separately provided due to immaterial adjustments, rounding and basis of presentation differences. This information is non-GAAP and is presented for the reasons described on slide 3. This information is not preferable to GAAP results provided earlier in this presentation, but is used by management as an analytical tool to assess the results of all properties owned, managed or branded by a Caesars entity, regardless of ownership.

Financial Performance

- Net revenue +5% YoY due to addition of Horseshoe Baltimore, favorable YoY hold, strong hotel revenue growth, and strong performance in social mobile games at CIE
  - Room revenue growth due to resort fees and improved pricing power, driving +13.1% YoY cash ADR increase
- Adj EBITDA +43% YoY primarily due to revenue growth, marketing and operational efficiencies and improved customer mix in hotel outlets
  - EBITDA margins expanded 710 bp YoY
  - Approximately $30-$35 million in EBITDA from favorable YoY hold
- Considerations:
  - While properties benefitted from favorable YoY hold YTD, we expect this to normalize over time
  - Expect to face headwinds related to inflationary cost pressures; will be focused on offsetting these
  - YoY comparisons to get more challenging as we annualize marketing and operational efficiency efforts

MARK FRISSORA
CHIEF EXECUTIVE OFFICER

- 3Q15 Recap
- 2015 Outlook & Strategic Priorities

We Remain Confident in 2015 Results

3Q15 Recap

- Highest EBITDA margins since 2007 driven by:
  - Growth investments in hospitality assets
  - Improved hotel pricing power
  - Improved customer mix in hotel and food & beverage outlets
  - Continued marketing and operational improvements
- Customer satisfaction at an all-time high

Outlook

- Full Year 2015
  - On track to achieve or exceed incremental EBITDA of $250 - $300 million from cost savings and EBITDA enhancing initiatives (inclusive of CEOC)
  - On pace to meet or exceed CEOC EBITDA target of $1.024 billion
- October 2015
  - Another strong month of performance driven by hospitality revenues, with Las Vegas hotel revenue up double digits

We are enhancing financial performance while increasing employee and customer satisfaction

Cornerstone Initiatives Established to Drive Growth

Focused on driving a balanced agenda of growth and efficiency initiatives

- Our cornerstone initiatives are critical to achieving our growth objectives, the strategy for which we continue to refine and will provide further updates on in the future:
    1. Reinvesting in high return projects such as room renovations
    2. Developing innovative entertainment environments to attract and retain younger customers
    3. Expanding the Total Rewards database, particularly active members
    4. Inspiring a sales culture at every level within the company
    5. Focusing on continuous improvement

- Marketing and productivity improvements are sustainable as evidenced by our market share performance

- As we gain further traction in our productivity initiatives, we will invest to improve our Las Vegas hotel product suite to drive year over year gains in ADR

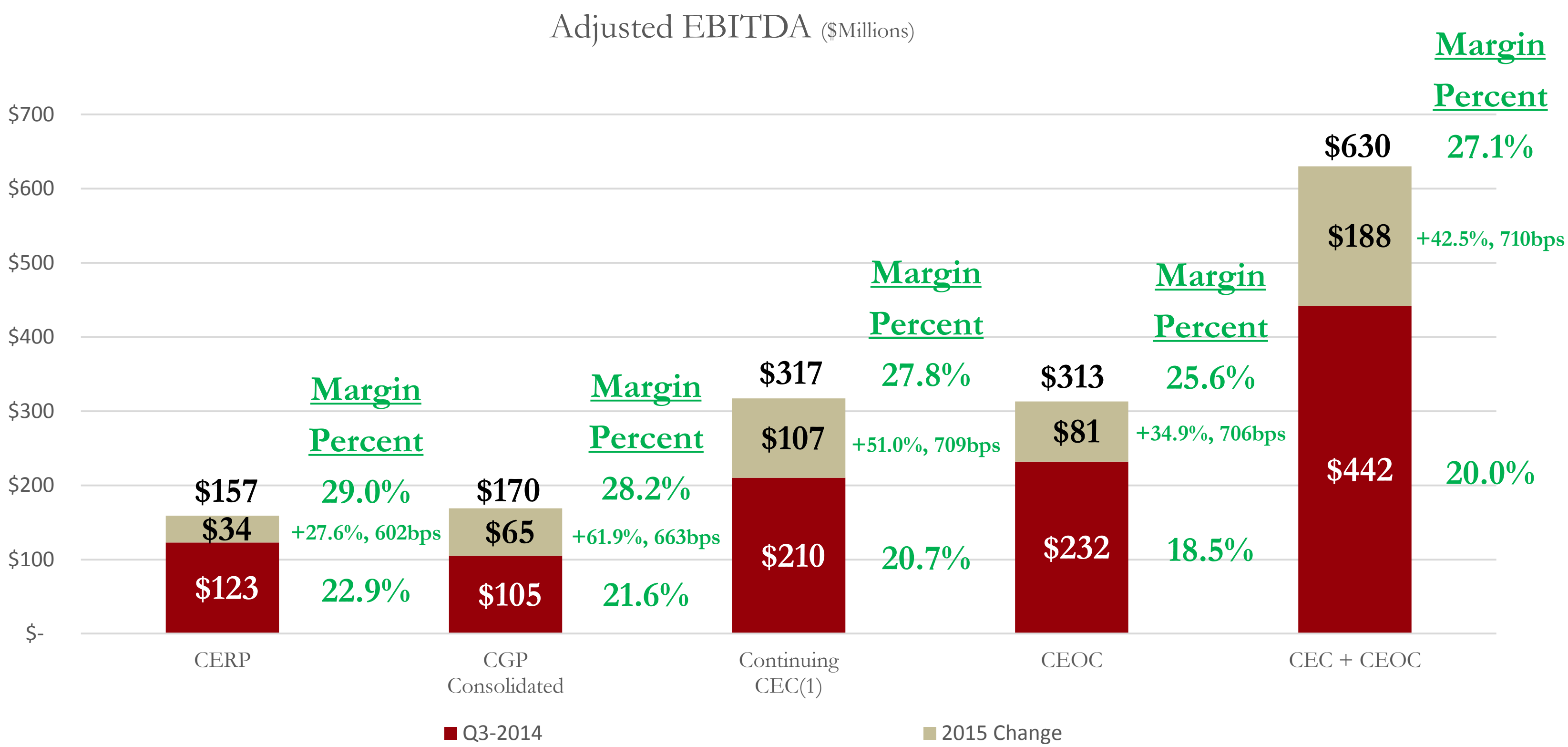
APPENDIX

Reconciliation of Non-GAAP Information: Notes

Because we deconsolidated CEOC upon its Chapter 11 filing, 2015 financial results presented under GAAP are not on the same basis as 2014 making comparisons difficult for users of our financial statements. The financial information for CEC as if CEOC remained a consolidated entity during the quarter (referred to as "CEC + CEOC" in the following reconciliations), comparable with 2014 reporting is reconciled to the nearest GAAP measure(s). We believe this supplemental information, which is non-GAAP, is useful to investors who are trying to understand year-over-year business results in a comparable fashion. This information is not preferable to GAAP results provided elsewhere in this presentation, but is used by management as an analytical tool to assess the results of all properties owned, managed or branded by a Caesars entity, regardless of consolidation. Additionally, the results are not indicative of future performance or the results that would be reported should the Restructuring Support Agreement be successfully completed.

- As a result of the above, "Continuing CEC" in the following reconciliations represents GAAP results for CEC as reported for the period ended September 30, 2015, and Non-GAAP results for the period ended September 30, 2014, as it excludes CEOC for the 2014 period.
- As a result of the above, "CEC+CEOC" in the following reconciliations represents GAAP results for CEC (as consolidated) as reported for the period ended September 30, 2014, and Non-GAAP results for the period ended September 30, 2015, as it includes CEOC for the 2015 period. CEOC information included within this presentation may be different from CEOC's standalone results separately provided due to immaterial adjustments, rounding and basis of presentation differences.

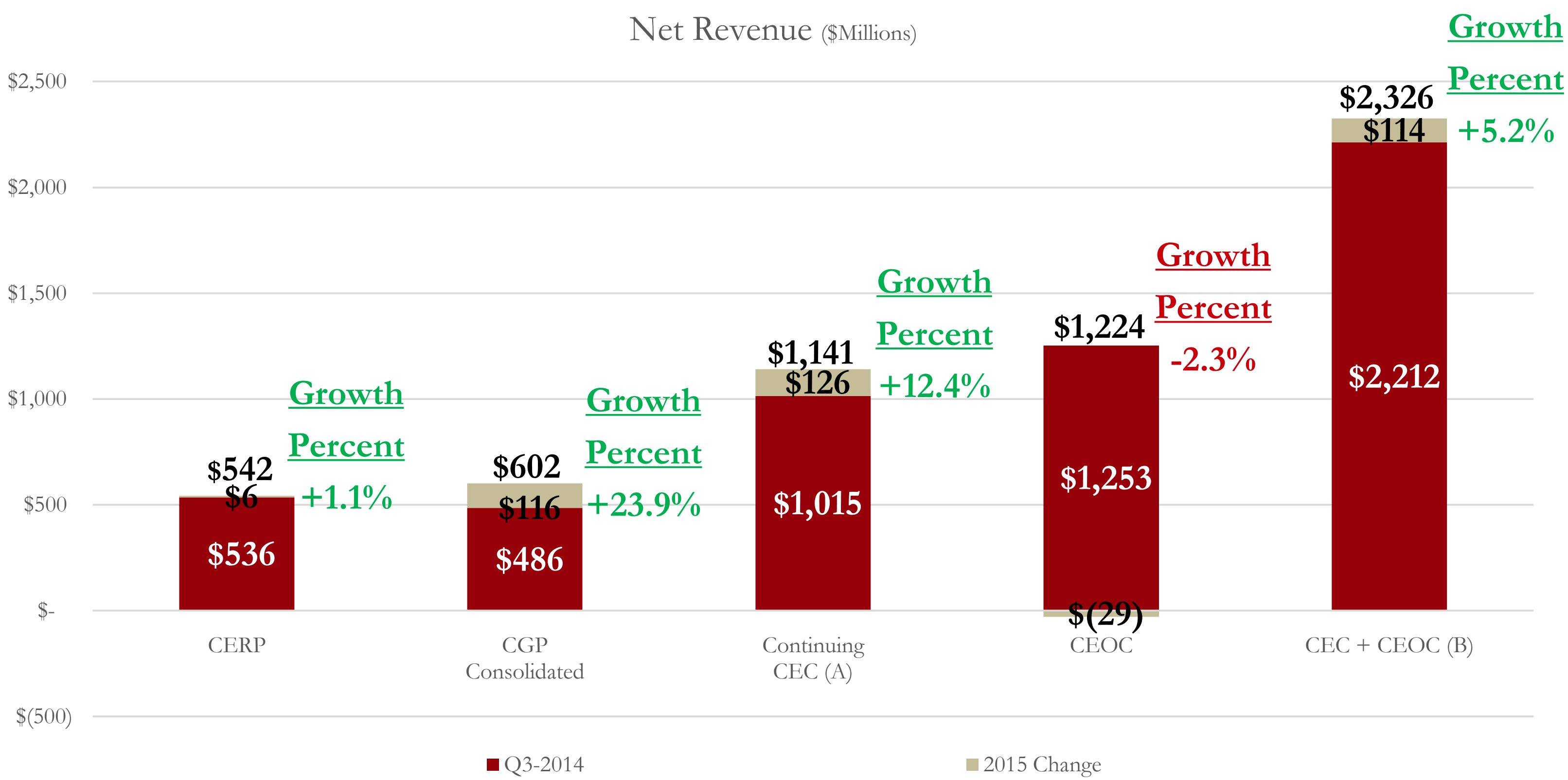
Reconciliation of Non-GAAP Information: Adjusted EBITDA



(1) Continuing CEC includes elimination and other adjustments totaling ($10) and ($18) for the 2015 and 2014 periods, respectively.

- Adjusted EBITDA information is separately reconciled to the nearest GAAP metric on the following slide.
- CEC+CEOC and Continuing CEC EBITDA Margin information is provided for the reasons set forth on slide 3.
- CEOC on a deconsolidated, comparable basis is provided to allow greater understanding of that entity's results on a comparable basis as CEOC results were included in CEC consolidated results in 2014 (See slide 3).

Reconciliation of Non-GAAP Information: Net Revenue



(A) Continuing CEC includes elimination and other adjustments totaling ($3) and ($7) for the 2015 and 2014 periods, respectively.

(B) CEC + CEOC includes elimination and other adjustments totaling ($39) and ($56) for the 2015 and 2014 periods, respectively.

- CEOC on a deconsolidated, comparable basis is provided to allow greater understanding of that entity's results on a comparable basis as CEOC results were included in CEC consolidated results in 2014 (See slide 3).

Reconciliation of Non-GAAP Information

CAESARS ENTERTAINMENT CORPORATION
SUPPLEMENTAL INFORMATION
RECONCILIATION OF NET INCOME/(LOSS) ATTRIBUTABLE TO CAESARS ENTERTAINMENT CORPORATION TO PROPERTY EBITDA AND ADJUSTED EBITDA

	Three Months Ended September 30, 2015						Three Months Ended September 30, 2014					
(In millions)	CEOC [g]	CERP [h]	CGP Casinos [i]	CIE	Other [j]	CEC	CEOC [g]	CERP [h]	CGP Casinos [i]	CIE	Other [j]	CEC
Net income/(loss) attributable to company	$ —	$ —	$ (3)	$ 22	$ (810)	$ (791)	$ (875)	$ (149)	$ 77	$ (16)	$ 55	$ (908)
Net income/(loss) attributable to noncontrolling interests	—	—	(2)	4	33	35	—	—	(3)	(2)	(67)	(72)
Net income/(loss)	—	—	(5)	26	(777)	(756)	(875)	(149)	74	(18)	(12)	(980)
Net (income)/loss from discontinued operations	—		—	—	—	—	48	—	—	15	(15)	48
Net income/(loss) from continuing operations	—	—	(5)	26	(777)	(756)	(827)	(149)	74	(3)	(27)	(932)
Income tax (benefit)/provision	—	—	—	21	(208)	(187)	(169)	1	1	21	(24)	(170)
Income/(loss) from continuing operations before income taxes	—	—	(5)	47	(985)	(943)	(996)	(148)	75	18	(51)	(1,102)
Deconsolidation and restructuring of CEOC and other [a]	—	—	(1)	(5)	941	935	101	—	(19)	—	(16)	66
Interest expense	—	98	50	1	(2)	147	583	99	42	2	(18)	708
Income/(loss) from operations	—	98	44	43	(46)	139	(312)	(49)	98	20	(85)	(328)
Depreciation and amortization	—	52	39	7	—	98	88	48	31	7	(9)	165
Impairment of intangible and tangible assets [b]	—	—	—	—	—	—	388	118	63	—	(70)	499
Other operating costs [c]	—	1	9	—	24	34	13	5	(42)	3	55	34
Corporate expense	—	10	8	—	22	40	55	9	—	—	10	74
Gain on sale of bonds	—	—	—	—	—	—	—	—	(99)	—	99	—
EBITDA attributable to discontinued operations	—	—	—	—	—	—	—	—	—	—	—	—
Property EBITDA	**—**	**161**	**100**	**50**	**—**	**311**	**232**	**131**	**51**	**30**	**—**	**444**
Corporate expense	—	(10)	(8)	—	(22)	(40)	(55)	(9)	—	—	(10)	(74)
Stock-based compensation expense [d]	—	3	1	23	9	36	11	—	1	22	(1)	33
Adjustments to include 100% of Baluma S.A.'s adjusted EBITDA [e]	—	—	—	—	—	—	(2)	—	—	—	—	(2)
Depreciation in corporate expense	—	—	—	—	—	—	17	—	—	—	—	17
Other items [f]	—	3	3	1	3	10	29	1	—	1	(7)	24
Adjusted EBITDA, Legal Entity	**—**	**157**	**96**	**74**	**(10)**	**317**	**232**	**123**	**52**	**53**	**(18)**	**442**
Impact of property transactions	—	—	—	—	—	—	—	—	—	—	—	—
Adjusted EBITDA, Reportable Segments	**$ —**	**$ 157**	**$ 96**	**$ 74**	**$ (10)**	**$ 317**	**$ 232**	**$ 123**	**$ 52**	**$ 53**	**$ (18)**	**$ 442**

Notes to Non-GAAP Information

Adjusted EBITDA is defined as EBITDA further adjusted to exclude certain non-cash and other items as exhibited in the above reconciliation, and is presented as a supplemental measure of the Company's performance and Management believes that Adjusted EBITDA provides investors with additional information and allows a better understanding of the results of operational activities separate from the financial impact of decisions made for the long-term benefit of the Company.

Because not all companies use identical calculations, the presentation of Adjusted EBITDA may not be comparable to other similarly titled measures of other companies.

(a) Amounts primarily represent CEC's estimated costs in connection with the restructuring of CEOC.

(b) Amounts represent non-cash charges to impair intangible and tangible assets primarily resulting from changes in the business outlook in light of competitive conditions.

(c) Amounts primarily represent pre-opening costs incurred in connection with property openings and expansion projects at existing properties, and costs associated with the acquisition and development activities and reorganization activities.

(d) Amounts represent stock-based compensation expense related to shares, stock options, and restricted stock granted to the Company's employees.

(e) Amounts represent adjustments to include 100% of Baluma S.A. (Conrad Punta del Este) adjusted EBITDA as permitted under the indentures governing CEOC's existing notes and the credit agreement governing CEOC's senior secured credit facilities.

(f) Amounts represent add-backs and deductions from EBITDA, permitted under certain indentures. Such add-backs and deductions include litigation awards and settlements, costs associated with CEOC's restructuring and related litigation, severance and relocation costs, sign-on and retention bonuses, permit remediation costs, and business optimization expenses.

(g) Amounts include the results and adjustments of CEOC on a consolidated basis without the exclusion of CEOC's unrestricted subsidiaries, and therefore, are different than the calculations used to determine compliance with debt covenants under the credit facility.

(h) Amounts include the results and adjustments of CERP on a stand-alone basis.

(i) Amounts include the results and adjustments attributable to CGP on a stand-alone basis.

(j) Amounts include consolidating adjustments, eliminating adjustments and other adjustments to reconcile to consolidated CEC Property EBITDA and Adjusted EBITDA

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