



**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ 368(a)(1)(A), 354(a), 358(a)

Multiple horizontal lines for providing details for line 17.

18 Can any resulting loss be recognized? ▶ NOT APPLICABLE. SEE LINE 15.

Multiple horizontal lines for providing details for line 18.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ NOT APPLICABLE. SEE LINE 15.

Multiple horizontal lines for providing details for line 19.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ▶  Date ▶ 11/20/17

Print your name ▶ CRAIG FJELSTED Title ▶ VICE PRESIDENT, TAX

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

Caesars Entertainment Corporation

EIN: 62-1411755

Attachment to Form 8937

CAC – CEC Merger

#### CONSULT YOUR TAX ADVISOR

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Merger (as defined below) on the tax basis of CEC Common Stock (as defined below) issued in connection therewith.

The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may be relevant to particular categories of shareholders. Caesars Entertainment Corporation (“CEC”) does not provide tax advice to its shareholders nor the shareholders of Caesars Acquisition Company (“CAC”). THE INFORMATION SET FORTH BELOW IS FOR GENERAL INFORMATION PURPOSES ONLY. You are urged to consult your own tax advisor regarding the particular tax consequences to you, including the applicability and effect of all U.S. federal, state, and local and foreign tax laws. We further urge you to read the Form 8-K of CEC, including all attached exhibits, as filed with the Securities and Exchange Commission on October 13, 2017. You may access CEC’s press releases in connection thereto at CEC’s website at [www.investor.caesars.com](http://www.investor.caesars.com) under Press Releases, and Form 8-K at [www.sec.gov](http://www.sec.gov).

#### **Line 14, Description of Organizational Action:**

On October 6, 2017, CAC merged with and into CEC, with CEC as the surviving entity (the “Merger”).

#### **Line 15, Quantitative Effect of Organizational Action:**

The Merger is expected to qualify as a “reorganization” within the meaning of Section 368(a)(1)(A) of the Code. As described in the Form 8-K of CEC, filed with SEC on October 13, 2017, pursuant to the Amended and Restated Agreement and Plan of Merger, dated as of July 9, 2016, as amended by the First Amendment to Amended and Restated Agreement and Plan of Merger, dated as of February 20, 2017 (as amended, the “Merger Agreement”), by and between CEC and CAC, each share of Class A common stock, par value \$0.001 per share, of CAC (“CAC Common Stock”) issued and outstanding immediately prior to the effective time of the Merger was converted into, and became exchangeable for, 1.625 shares of common stock, par value \$0.01 per share, of CEC (“CEC Common Stock”) (the “Exchange Ratio”). No fractional shares of the CEC Common Stock were issued in the Merger. In lieu of issuance of any such fractional shares that would otherwise be issuable to a holder of CAC Common Stock (after aggregating all fractional CEC Common Stock shares such holder would otherwise receive), such fractional shares were rounded up (if equal to or greater than one-half of a share) or down (if less than one-half of a share) to the nearest whole number of CEC Common Stock shares. Pursuant to

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Section 354 of the Code, no gain or loss is expected to be recognized as a result the stock for stock exchange in the Merger.

**Line 16. Calculation of Change in Basis:**

Pursuant to the Merger, each holder of CAC Common Stock received 1.625 shares of CEC Common Stock per share of CAC Common Stock surrendered. The adjusted tax basis in such shares of CEC Common Stock received equaled the adjusted tax basis of the shares of CAC Common Stock surrendered, pursuant to Section 358(a) of the Code.