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Caesars Entertainment, Caesars Entertainment Operating Co. Reach Agreement with Certain Creditors to Reduce CEOC Debt by Nearly \$550 Million

Consent Secured to Amend Indentures Governing 2016 and 2017 Notes

LAS VEGAS, Aug. 12, 2014 /PRNewswire/ -- Caesars Entertainment Corporation ("CEC") (NASDAQ: CZR) and Caesars Entertainment Operating Co. ("CEOC") today announced a transaction to purchase and retire \$238 million of CEOC's outstanding 2016 and 2017 notes held by third parties, with such notes representing 51% of each such class not held by affiliates of CEC. CEC has also agreed to contribute to CEOC for retirement \$393 million of CEOC 2016 and 2017 notes currently held by CEC subsidiaries. As part of the transaction, CEOC received agreement for consents to amendments of certain terms of the notes and the indentures governing the notes, including a consent to the release of CEC's debt guarantee. The proposed transaction, which exemplifies CEOC's constructive and ongoing dialogue with creditors, will reduce CEOC's debt by \$548 million and cut interest expense by \$34 million annually.

"The transaction we are announcing today is the latest in a series of steps intended to deleverage CEOC and position it for a potential stock listing," said Gary Loveman, Chairman and CEO of Caesars Entertainment and Chairman of CEOC. "The transaction will reduce CEOC's leverage and interest payments. We are steadfast in our commitment to work constructively with creditors to deleverage CEOC and create value."

About Caesars Entertainment

Caesars Entertainment Corporation is the world's most diversified casino-entertainment provider and the most geographically diverse U.S. casino-entertainment company. Since its beginning in Reno, Nevada, 75 years ago, Caesars has grown through development of new resorts, expansions and acquisitions and now operates casinos on three continents. The Company's resorts operate primarily under the Caesars®, Harrah's® and Horseshoe® brand names. Caesars also owns the London Clubs International family of casinos. Caesars is focused on building loyalty and value with its guests through a unique combination of great service, excellent products, unsurpassed distribution, operational excellence and technology leadership. The Company is committed to environmental sustainability and energy conservation and recognizes the importance of being a responsible steward of the environment. For more information, please visit www.caesars.com.

About Caesars Entertainment Operating Company Inc.

Caesars Entertainment Operating Company, Inc. ("CEOC"), a majority owned subsidiary of Caesars Entertainment Corporation, provides casino entertainment services and owns, operates or manages 44 gaming and resort properties in 13 states of the United States and in five countries primarily under the Caesars, Harrah's and Horseshoe brand names. CEOC is focused on building customer loyalty through providing its guests with a combination of great service, excellent products, unsurpassed distribution, operational excellence and technology leadership as well as all the advantages of the Total Rewards program. CEOC also is committed to environmental sustainability and energy conservation, and recognizes the importance of being a responsible steward of the environment.

Forward Looking Information

This release includes "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. You can identify these statements by the fact that they do not relate strictly to historical or current facts. These statements contain words such as "may," "will," "project," "might," "expect," "believe," "anticipate," "intend," "could," "would," "estimate," "continue," "pursue," or the negative or other variations thereof or comparable terminology. In particular, they include statements relating to, among other things, the purchase and retirement of the notes, and future actions, strategies, future performance, and the outcomes of contingencies. These forward-looking statements are based on current expectations and projections about future events.

Investors are cautioned that forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties that cannot be predicted or quantified, and, consequently, the actual performance of CEC and CEOC may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, the following factors, and other factors described from time to time in the reports filed with the Securities and Exchange Commission by CEC and/or CEOC (including the sections entitled "Risk Factors" and "Management's Discussion and

Analysis of Financial Condition and Results of Operations" contained therein):

- the transactions described in this release may not be completed on the terms described or at all;
- the impact of the Company's substantial indebtedness and the restrictions in the Company's debt agreements;
- access to available and reasonable financing on a timely basis, including the ability of the Company to refinance its indebtedness on acceptable terms;
- litigation outcomes and judicial and governmental body actions, including regulatory disciplinary actions, and fines and taxation, including but not limited to, the assertion and outcome of litigation or other claims that have been or may be brought against the Company by certain creditors, some of whom have either brought suit or notified the Company of their objection to various transactions undertaken by the Company in 2013 and 2014;
- the effects of local and national economic, credit, and capital market conditions on the economy, in general, and on the gaming industry, in particular;
- changes in laws, including regulations or accounting standards, third-party relations and approvals, and decisions, disciplines, and fines of courts, regulators, and governmental bodies; or
- acts of war or terrorist incidents or uprisings, including losses therefrom, including losses in revenues and damage to property.

Any forward-looking statements are made pursuant to the Private Securities Litigation Reform Act of 1995 and, as such, speak only as of the date made. CEC and CEOC disclaim any obligation to update the forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated or, if no date is stated, as of the date of this filing.

SOURCE Caesars Entertainment Corporation

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