



Caesars Entertainment Corporation

3Q 2016 Earnings Results

November 7, 2016



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 reflects 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 Please be advised that developments subsequent to this call are likely to cause this information to become outdated with the passage of time.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 and Adjusted EBITDA Margin
- Property EBITDA
- CEC + CEOC, or enterprise-wide financial measures

Definitions of these non-GAAP measures, reconciliations to their nearest GAAP measures, and the reasons management believes these measures provide useful information for investors, can be found on Slide 3 and in the Appendix to this presentation, beginning on Slide 24.



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 and associated parent company and elimination adjustments that represent the current CEC consolidated structure. Through June 30, 2016, we aggregated the operating segments within CGP into two separate reportable segments: CGP Casino Properties and CIE. On September 23, 2016, CIE sold its social and mobile games business (the "SMG Business") for cash consideration of \$4.4 billion, subject to customary purchase price adjustments, and retained only its World Series of Poker ("WSOP") and regulated online real money gaming businesses. The SMG Business represented the majority of CIE's operations and is being classified as a discontinued operation for all periods presented effective in the third quarter of 2016. After excluding the SMG Business from CIE's continuing operations, CIE is no longer considered a separate reportable segment from CGP Casinos based on management's view. Therefore, CGP Casinos and CIE have been combined for all periods presented to form the CGP segment.

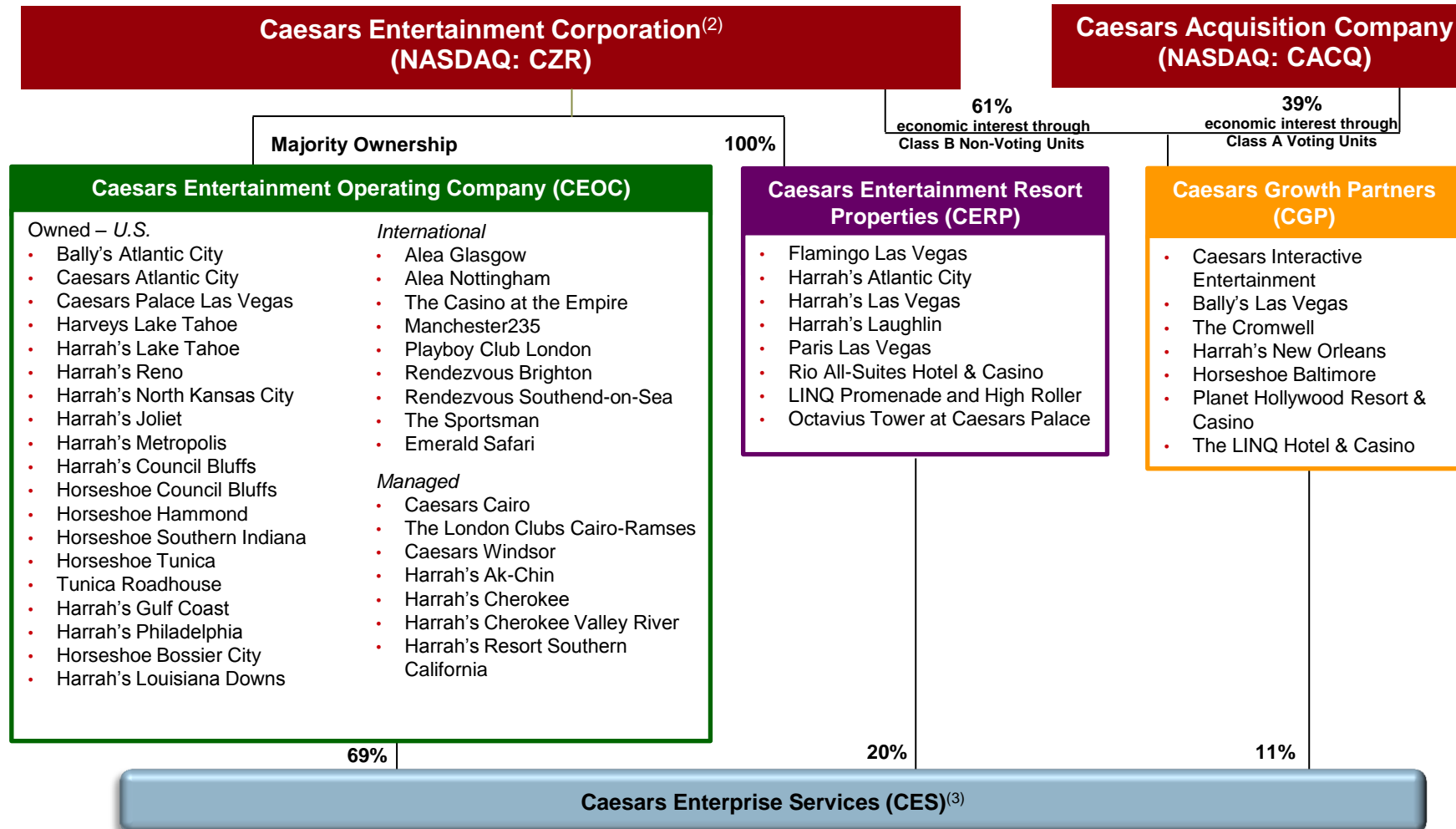
However, we are also providing certain supplemental information as if we had continued to consolidate CEOC throughout the third quarter of 2016. This information includes both stand-alone CEOC financials and key metrics for the third quarter of 2016, and certain financial information for CEC as if CEOC 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. CEC has committed to a material amount of payments to support CEOC's restructuring, which would result in the reacquisition of CEOC's operations if the restructuring is made on terms consistent with the current Restructuring Support Agreements to which CEC is a party ("RSAs"). In addition, compensation of management is in part determined by reference to certain of such financial information. As a result, we believe this supplemental information is useful to investors who are trying to understand the results of the entire "Caesars" enterprise, including CEOC and consistent with the management services provided across the system's properties.

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 reorganization of CEOC contemplated by the RSAs be successfully completed.

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



Operating Structure¹



(1) The Caesars Entertainment portfolio of properties operates 47 casino properties in 13 U.S. states and five countries; Does not include all subsidiaries

(2) In 2014, CEC and Caesars Acquisition Company ("CAC") entered into a merger agreement, which was amended and restated on July 9, 2016. Pursuant to the Merger Agreement, among other things, CAC will merge with and into Caesars, with Caesars as the surviving company.

(3) CGP, CERP and CEOC are linked together through common ownership of CES – which manages and provides certain corporate and administrative services for all entities



Today's Agenda

- **Overview** – Mark Frissora, CEO
- **3Q 2016 Financial Performance** – Eric Hession, CFO
- **Summary** – Mark Frissora, CEO
- **Q&A Session**

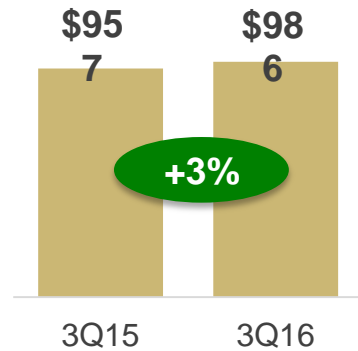


3Q16 Financial Summary

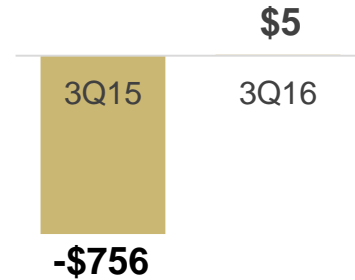
CEC¹

\$ millions

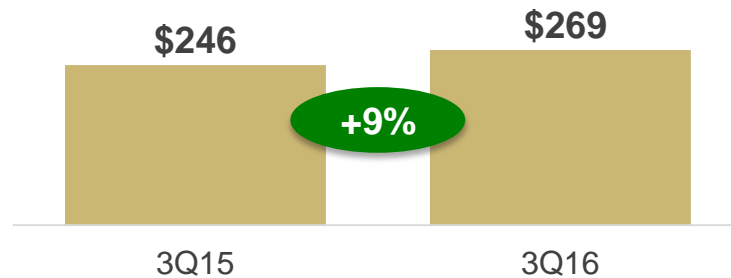
Net Revenue



Net Income



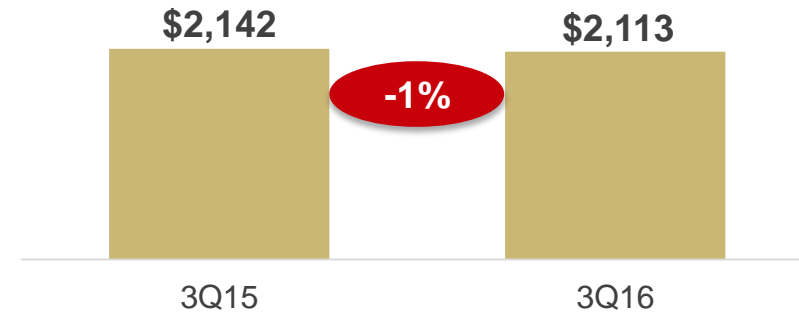
Adjusted EBITDA



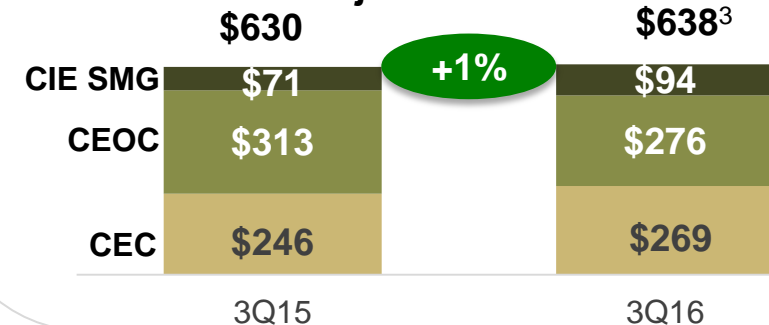
Enterprise-wide²

\$ millions

Net Revenue CEC+CEOC



Adjusted EBITDA



3Q16 enterprise-wide adjusted EBITDA impacted by \$30 – \$35M in unfavorable YoY hold.

- (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 the Appendix beginning on Slide 24.
- (3) CEC+CEOC includes elimination and other adjustments totaling \$(1) for the 2016 period.



Cornerstone Initiatives

Our **cornerstone initiatives** continue to play a pivotal role in **strengthening our foundation** and **positioning us for future value creation**:



Invigorating Hospitality and Loyalty Marketing Programs



Investing in Caesars' Infrastructure to Enhance Long-term Value



Instituting a Continuous Improvement-focused Operating Model

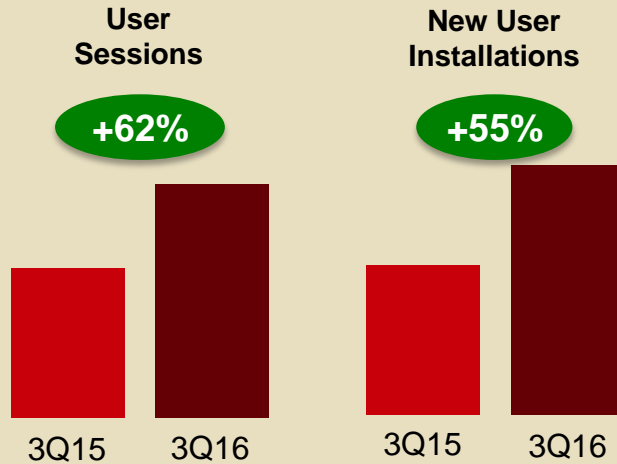


Inspiring a Sales and Service Culture

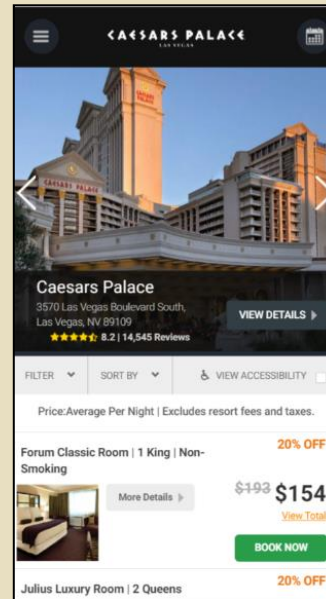


Invigorating Hospitality and Loyalty Marketing Programs

Focused on Increasing Adoption of Total Rewards App



Enhanced Mobile Booking Experience Driving Improved Conversion at Caesars.com



+14%
YoY Mobile Conversion¹

+33%
YoY Total Rewards Sign-up¹

Received Industry Recognition for Loyalty Programs



WINNER: Loyalty Innovation of the Year category

WINNER: Innovation of the Year - Travel Co-Brand Card



1. As of September 2016 year-to-date



Investing in Caesars' Infrastructure to Enhance Long-term Value: Room Product

Caesars Palace Augustus Tower

- 949 rooms and suites
- Completed in July 2016



Planet Hollywood Phase 2 & 3

- 2,240 rooms and suites
- Began September 2016 and expect completion mid-2017



Paris Phase 2

- 1,166 rooms and suites
- Began July 2016 and expect 4Q16 completion



Harrah's Atlantic City Bayview Tower

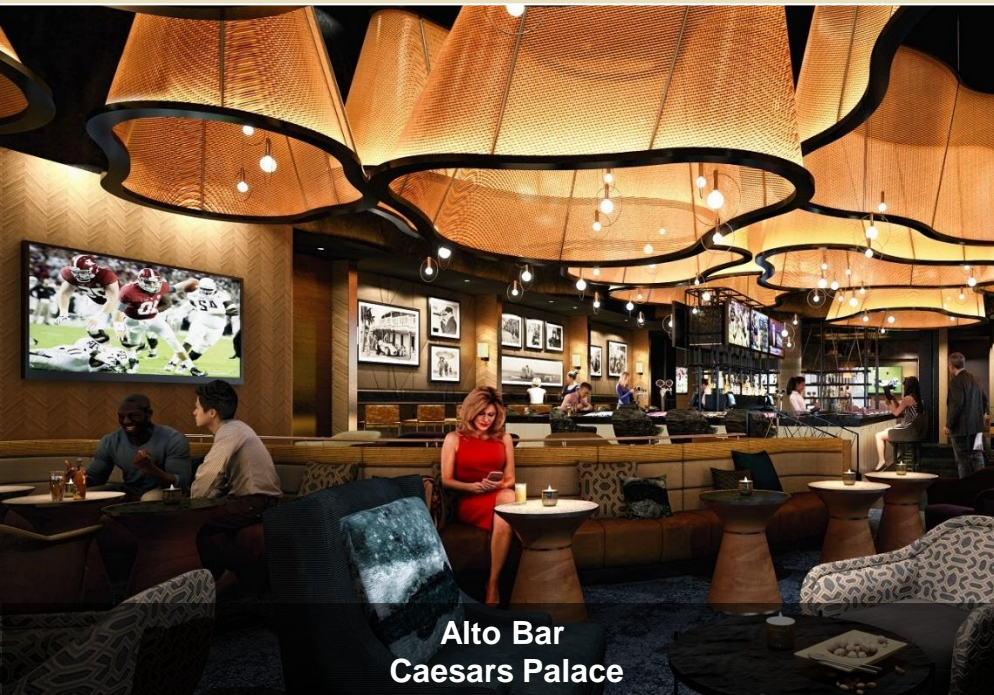
- 444 rooms and suites
- Scheduled to begin mid-November and expect 2Q17 completion

\$25 - \$40 Cash ADR increase post renovation depending on property peer group



Investing in Caesars' Infrastructure to Enhance Long-term Value: Food & Beverage

Now Open in Las Vegas



Alto Bar
Caesars Palace



Gordon Ramsay Fish & Chips
LINQ Promenade

Coming Soon:

Las Vegas

- In-N-Out Burger
- Virgil's Real Barbecue
- Canter's Deli
- Honolulu Cookie Company
- JaBurritos

Regional Markets

- Emporium Food Hall
- The Blind Tiger
- Guy Fieri's Philly Kitchen and Bar



Investing in Caesars' Infrastructure to Enhance Long-term Value: Entertainment



Britney Spears

- Since opening in 2013, the “Piece of Me” residency has drawn more than 650,000 people
- Added 18 more dates in 2017 fueled by release of new album “Glory”



Jennifer Lopez

- “All I Have” residency has generated the highest average ticket price of any concert or tour in North America in 2016



Backstreet Boys

- Best-selling boy band of all time, with over 130 million albums sold worldwide
- “Larger Than Life” residency begins March 2017 at The AXIS



Céline Dion

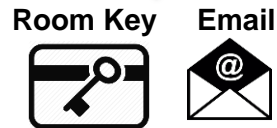
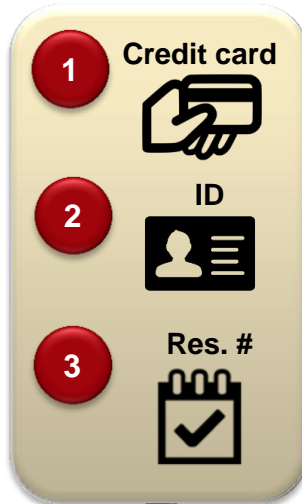
- Recently celebrated milestone 1,000th show at The Colosseum at Caesars Palace



Instituting a Continuous Improvement-focused Operating Model

Expanded Roll-Out of Self Check-in Kiosks in Las Vegas

22% of property guests take advantage of this feature



Currently Available:

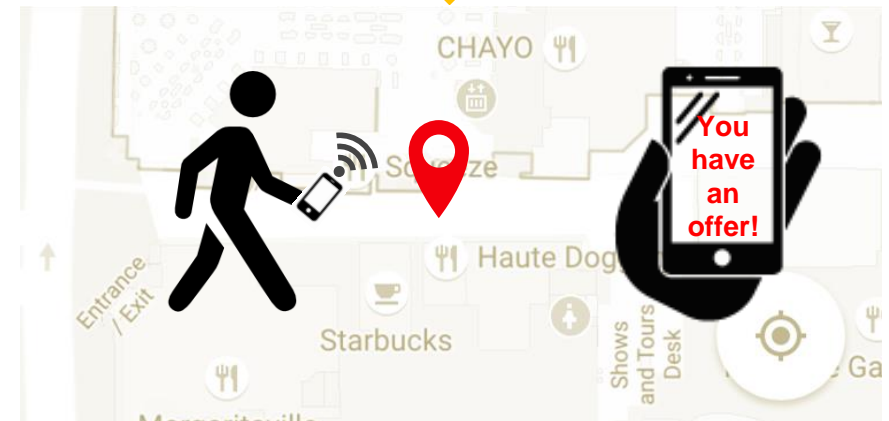
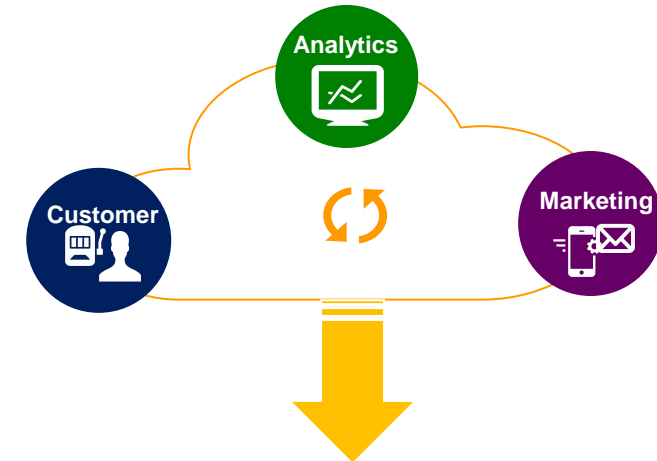
- Caesars Palace
- Flamingo
- The LINQ Hotel & Casino
- Harrah's Las Vegas
- Rio
- Paris

Coming Soon:

- Planet Hollywood

Migrating Certain Applications to the Cloud

Increases efficiency and agility

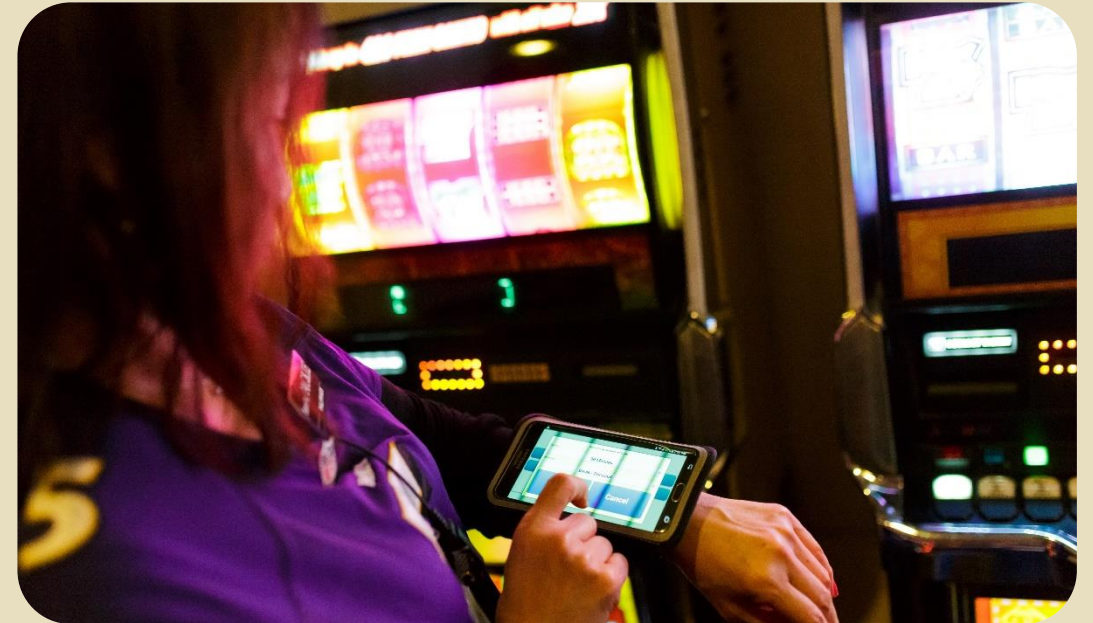




Inspiring a Sales and Service Culture

Introducing Mobile Slot Dispatch System to All Properties

- ✓ Provides critical data on each transaction and enables measurement of response times
- ✓ Attendants can view personal performance history, reinforcing continuous improvement on front line
- ✓ Supervisors can manage slot floor from mobile device and assist as needed



Mobile Slot Dispatch System Has Delivered a 15-20% Improvement in Response Efficiency



Future Accelerator of Growth: Gaming Innovation

Caesars to be the First Casino Operator to Offer Skills-Based Real-Money Gaming Machines



TRISTATION™



MODEL G™



GameCo



CAESARS

Harrah's

BALLY'S



ERIC HESSION

CHIEF FINANCIAL OFFICER

- 3Q16 CEC and Segment Results
- 3Q16 Supplemental Information
 - CEOC Results
 - Enterprise-wide Results (CEC + CEOC)
- Liquidity and Capex Review



3Q16 Results (CEC)

Results exclude CEOC after January 15, 2015 due to deconsolidation

\$ millions		
	3Q16	\$ Change YoY Increase / (Decrease)
Casino revenue ¹	\$ 542	\$ -
F&B revenue	202	(9)
Room revenue	237	17
Other revenue ¹	136	18
Less: casino promotional allowances	(131)	3
Net Revenue	\$ 986	\$ 29
Net Income	\$ 5	\$ 761
Margin	0.5%	7950 bp
Adj EBITDA ²	\$ 269	\$ 23
Margin ²	27.3%	158 bp

Key drivers / statistics

	3Q16	% Change YoY Increase / (Decrease)
Cash ADR	\$ 126	10.7%
Occupancy	95.5%	2.4 ppts

- Revenue from CIE's real money online gaming and WSOP businesses is accounted for in casino revenue and other revenue following the sale of CIE's social and mobile games business.
- Adjusted EBITDA and EBITDA margin are non-GAAP measures. This information is presented for the reasons described on page 3 and is reconciled to the nearest GAAP measure in the Appendix, beginning on slide 24.

Financial Performance

- Net revenue +3% YoY due to strong growth in the Las Vegas region, partially offset by revenue declines in Atlantic City and New Orleans and unfavorable YoY hold.
- Net income increased \$761 million YoY due to a \$4.2 billion pre-tax gain on the sale of CIE's social and mobile games business, partially offset by an accrual of \$3.0 billion related to CEOC's restructuring.
- Adjusted EBITDA +9% YoY mainly due to higher revenues and efficiency initiatives.
- Hold impact to operating income:
 - Favorable ~\$5 to \$10 million relative to expected hold.
 - Unfavorable ~\$5 to \$10 million YoY.



3Q16 CERP Results

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

\$ millions		
	3Q16	\$ Change YoY Increase / (Decrease)
Casino revenue	\$ 289	\$ 8
F&B revenue	134	(3)
Room revenue	147	9
Other revenue	83	10
Less: casino promotional allowances	(84)	3
Net Revenue	\$ 569	\$ 27
Net Income	\$ 6	\$ 6
Margin	1.1%	105 bp
Adj EBITDA ¹	\$ 170	\$ 13
Margin ¹	29.9%	91 bp

Key drivers / statistics

	3Q16	% Change YoY Increase / (Decrease)
Cash ADR	\$ 124	12.0%
Occupancy	95.5%	2.2 ppts

Financial Performance

- Net revenues +5% YoY due to strong growth in gaming and hospitality revenues in Nevada.
- While CERP experienced strength in Las Vegas due to higher hotel rates, performance was affected by room renovations as there were over 32,000 room nights out of service, primarily concentrated at Paris.
- Paris room renovations began in July and will continue through 4Q16.
- Net income increased \$6 million YoY. Adjusted EBITDA +8% YoY. Performance mainly due to higher revenues and marketing and operational efficiencies.
- Hold impact to operating income:
 - Favorable ~\$5 to \$10 million relative to expected hold.
 - Favorable ~\$0 to \$5 million YoY.

1. Adjusted EBITDA and EBITDA margin are non-GAAP measures. This information is presented for the reasons described on page 3 and is reconciled to the nearest GAAP measure in the Appendix, beginning on slide 24.



3Q16 CGP Results

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

\$ millions		
	3Q16	\$ Change YoY Increase / (Decrease)
Casino revenue ¹	\$ 253	\$ (8)
F&B revenue	67	(7)
Room revenue	90	8
Other revenue ¹	57	9
Less: casino promotional allowances	(45)	2
Net Revenue	\$ 422	\$ 4
Net Income	\$ 3,864	\$ 3,843
Margin	915.6%	91062 bp
Adj EBITDA ²	\$ 100	\$ 2
Margin ²	23.7%	25 bp

Key drivers / statistics

	3Q16	% Change YoY Increase / (Decrease)
Cash ADR	\$ 129	8.5%
Occupancy	95.5%	2.9 ppts

- Revenue from CIE's real money online gaming and WSOP businesses is accounted for in casino revenue and other revenue following the sale of CIE's social and mobile games business.
- Adjusted EBITDA and EBITDA margin are non-GAAP measures. This information is presented for the reasons described on page 3 and is reconciled to the nearest GAAP measure in the Appendix, beginning on slide 24.

Financial Performance

- Net revenue +1% YoY
 - Higher hotel rates in Las Vegas.
 - Increases in entertainment revenue mainly due to The AXIS Theater at Planet Hollywood.
 - Unfavorable YoY hold at Harrah's New Orleans due to exceptional hold in 3Q15.
 - Lower food and beverage revenue mainly due to less banquet business in Las Vegas.
- Net income, before including the effect of non-controlling interest, increased to \$3.9 billion mainly due to a \$4.2 billion pre-tax gain on the sale of CIE's social and mobile games business.
- Adjusted EBITDA +2% YoY due to higher revenues and efficiency initiatives.
- Hold impact to operating income:
 - Minimal effect relative to expected hold.
 - Unfavorable ~\$5 to \$10 million YoY.



3Q16 Supplemental Financial Information – CEOC Results

\$ millions

	3Q16	\$ Change YoY Increase / (Decrease)
Net Revenue	\$ 1,166	\$ (58)
Adj EBITDA	\$ 276	\$ (37)
Margin	23.7%	-190 bp

Key drivers / statistics

	3Q16	% Change YoY Increase / (Decrease)
Cash ADR	\$ 168	6.3%
Occupancy	92.2%	1.0 ppts

Financial Performance

- Net revenue -5% YoY
 - Unfavorable year over year hold, mainly at Caesars Palace.
 - Lower gaming volumes in the Southeast region.
 - Higher hotel rates and improved food and beverage revenue in Nevada.
 - Decline in reimbursable revenues and expenses due to the removal of Ohio properties in 2Q16.
- Adjusted EBITDA -12% YoY mainly due to hold.
- Hold impact to operating income:
 - Unfavorable ~\$10 to \$15 million relative to expected hold.
 - Unfavorable ~\$25 to \$30 million YoY.

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 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.



3Q16 Supplemental Financial Information – Enterprise-wide Results (CEC + CEOC)

\$ millions

	3Q16	\$ Change YoY Increase / (Decrease)
Net Revenue	\$ 2,113	\$ (29)
CEC Adj EBITDA	269	23
CEOC Adj EBITDA	276	(37)
CIE SMG Adj EBITDA	\$ 94	\$ 23
Total Adj EBITDA	638	8

Key drivers / statistics

	3Q16	% Change YoY Increase / (Decrease)
Cash ADR	\$ 136	9.4%
Occupancy	94.4%	1.9 pts

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 -1% YoY as higher revenues in Las Vegas were offset by revenue declines in the regions, unfavorable YoY hold and lower reimbursable expenses. Excluding reimbursable expenses, revenue was relatively flat YoY.
- Adjusted EBITDA +1% YoY due to the performance of CIE's social and mobile games business and marketing and operational efficiencies, which offset lower revenues.
- Hold impact to operating income:
 - Unfavorable ~\$5 to \$10 million relative to expected hold.
 - Unfavorable ~\$30 to \$35 million YoY.
- Considerations:
 - Expect inflationary cost pressures to persist and will remain vigilant in offsetting these increases.
 - Expect to be adversely affected by ongoing restructuring efforts, largely in the form of elevated expenses.
 - Ongoing room renovations will result in inventory disruptions, which we will attempt to mitigate.



Liquidity and Capex Review

Liquidity (\$ millions)

	September 30, 2016			
	CERP	CGP	CES	Other ⁽¹⁾
Cash and cash equivalents	\$ 247	\$ 1,140	\$ 94	\$ 188
Revolver capacity	270	160		
Revolver capacity drawn or committed to letters of credit				
Total	\$ 517	\$ 1,300	\$ 94	\$ 188

Capex Estimates (\$ millions)

	FY 2016	
	Low Est.	High Est.
CERP	\$ 150	\$ 165
CGP	90	110
CES	20	30
CEC	\$ 260	\$ 305
CEOC	\$ 220	\$ 250
Enterprise-wide	\$ 480	\$ 555

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



MARK FRISSORA

CHIEF EXECUTIVE OFFICER

- Summary



Summary

- Delivered solid 3Q 2016 operating performance despite headwinds
- Remain focused on executing against strategic and operational initiatives to increase margins and cash flows
- Hospitality to remain a critical driver of performance
- Introduction of skills-based games provides opportunity to appeal to new customers
- Progress in CEOC's bankruptcy proceedings puts it on a path toward emerging from bankruptcy in 2017



APPENDIX



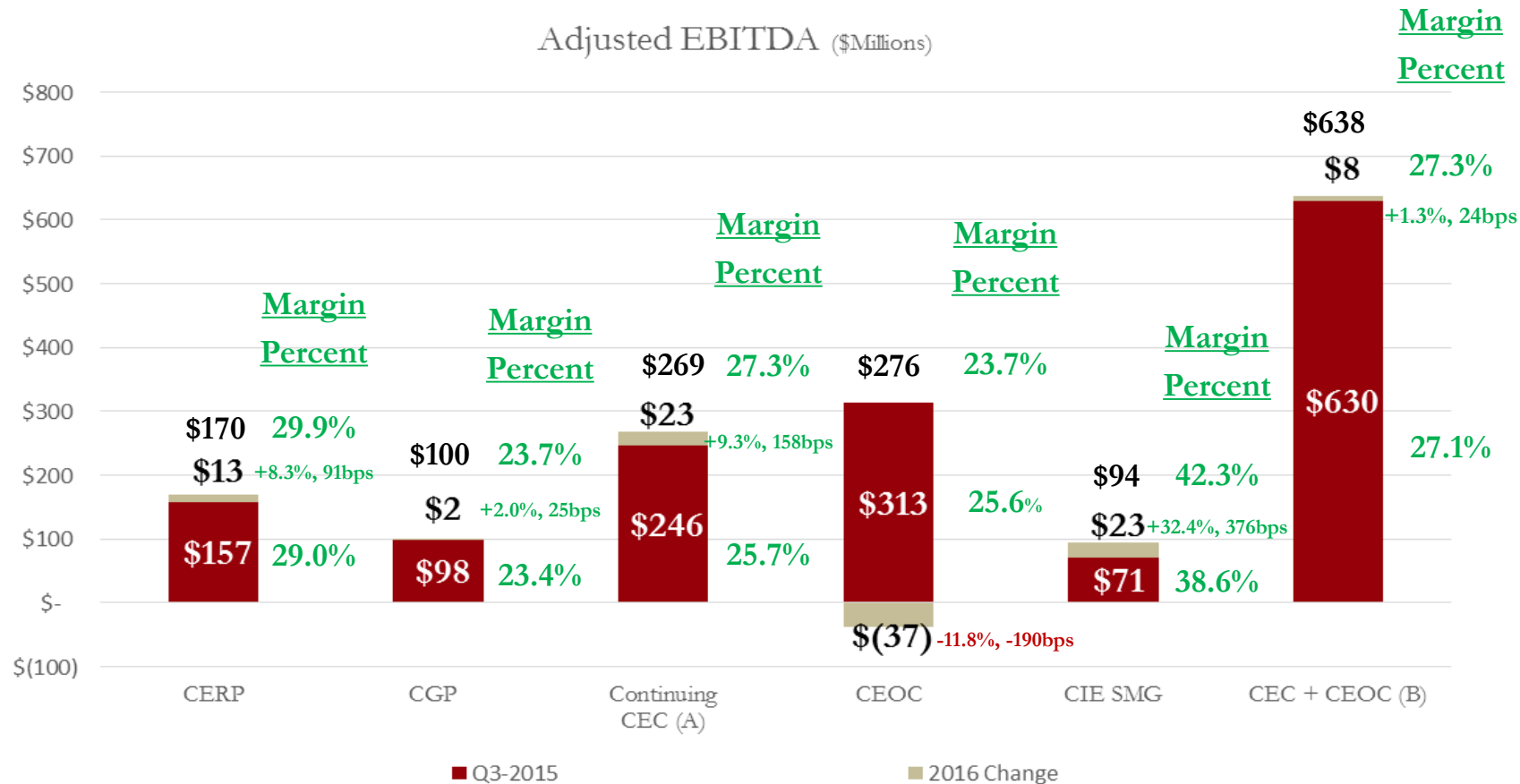
Reconciliation of Non-GAAP Information: Notes

Because we deconsolidated CEOC upon its Chapter 11 filing, 2016 financial results presented under GAAP, we are also providing certain supplemental information as if we had continued to consolidate CEOC throughout the third quarter of 2016. This information includes both stand-alone CEOC financials and key metrics for the third quarter of 2016, 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. CEC has committed to a material amount of payments to support CEOC's restructuring, which would result in the reacquisition of CEOC's operations if the restructuring is made on terms consistent with the current Restructuring Support Agreement to which CEC is a party ("RSAs"). In addition, compensation of management is in part determined by reference to certain of such financial information. As a result, we believe this supplemental information is useful to investors who are trying to understand the results of the entire "Caesars" enterprise, including CEOC and consistent with the management services provided across the system's properties.

- 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, 2016 and 2015.
- As a result of the above, "CEC+CEOC" in the following reconciliations represents Non-GAAP results as it includes CEOC for both the 2015 and 2016 periods.



Reconciliation of Non-GAAP Information: 3Q16 Adjusted EBITDA



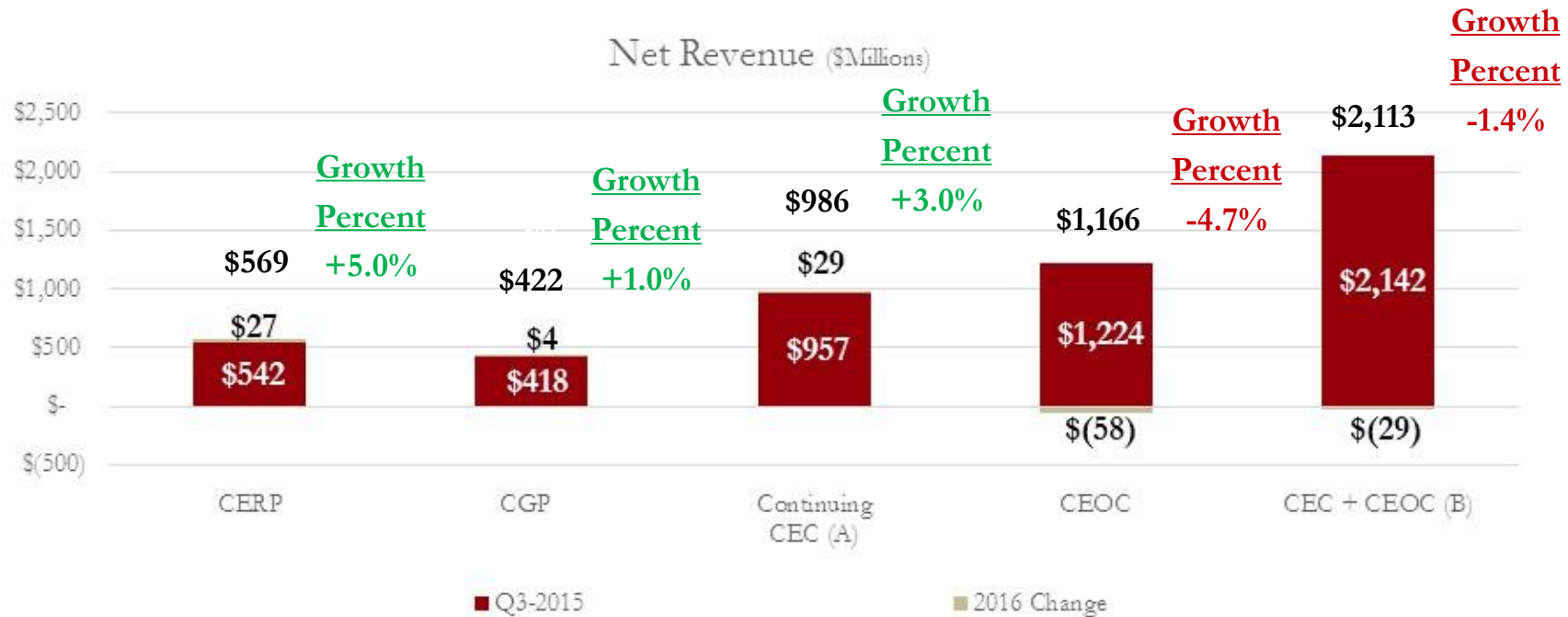
(A) Continuing CEC includes elimination and other adjustments totaling \$(1) and \$(9) for the 2016 and 2015 periods, respectively.

(B) CEC+CEOC includes elimination and other adjustments totaling \$(1) for the 2016 period.

- Adjusted EBITDA information is separately reconciled to the nearest GAAP metric on the following slides.
- 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 2015 (See slide 3).



Reconciliation of Non-GAAP Information: 3Q 2016 Net Revenue



- (A) Continuing CEC includes elimination and other adjustments totaling \$(5) and \$(3) for the 2016 and 2015 periods, respectively.
- (B) CEC + CEOC includes elimination and other adjustments totaling \$(39) and \$(39) for the 2016 and 2015 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 2015 (See slide 3).



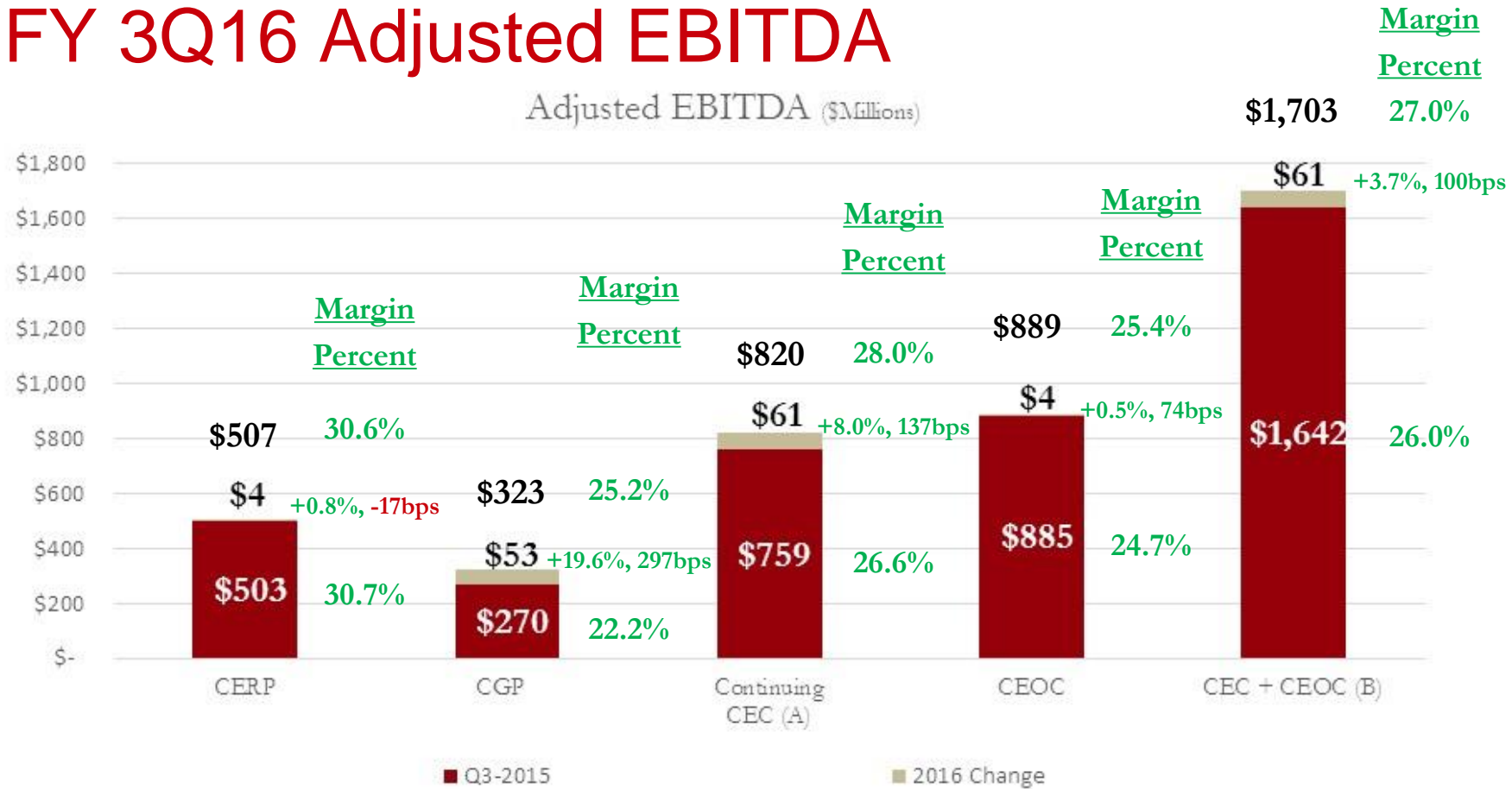
Reconciliation of Non-GAAP Information: 3Q16

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

<i>(In millions)</i>	Three Months Ended September 30, 2016					Three Months Ended September 30, 2015				
	CEOC	CERP	CGP ^(f)	Other ^(g)	CEC	CEOC	CERP	CGP ^(f)	Other ^(g)	CEC
Net income/(loss) attributable to company	\$ —	\$ 6	\$ 3,897	\$ (4,546)	\$ (643)	\$ —	\$ —	\$ 19	\$ (810)	\$ (791)
Net income/(loss) attributable to noncontrolling interests.....	—	—	(33)	681	648	—	—	2	33	35
Net (income)/loss from discontinued operations	—	—	(4,019)	726	(3,293)	—	—	(36)	—	(36)
Income tax (benefit)/provision	—	—	(2)	29	27	—	—	2	(208)	(206)
Deconsolidation and restructuring of CEOC and other ^(a)	—	(1)	(1)	3,072	3,070	—	—	(5)	940	935
Interest expense	—	99	49	(1)	147	—	98	50	(1)	147
Income/(loss) from operations	—	104	(109)	(39)	(44)	—	98	32	(46)	84
Depreciation and amortization	—	63	47	1	111	—	52	39	—	91
Other operating costs ^(b)	—	—	16	19	35	—	1	9	24	34
Corporate expense	—	11	7	22	40	—	10	8	22	40
CIE stock-based compensation	—	—	145	—	145	—	—	13	—	13
Property EBITDA	—	178	106	3	287	—	161	101	—	262
Corporate expense	—	(11)	(7)	(22)	(40)	—	(10)	(8)	(22)	(40)
Stock-based compensation expense ^(c)	—	2	—	6	8	—	3	2	9	14
Other items ^(e)	—	1	1	12	14	—	3	3	4	10
Adjusted EBITDA	\$ —	\$ 170	\$ 100	\$ (1)	\$ 269	\$ —	\$ 157	\$ 98	\$ (9)	\$ 246



Reconciliation of Non-GAAP Information: FY 3Q16 Adjusted EBITDA



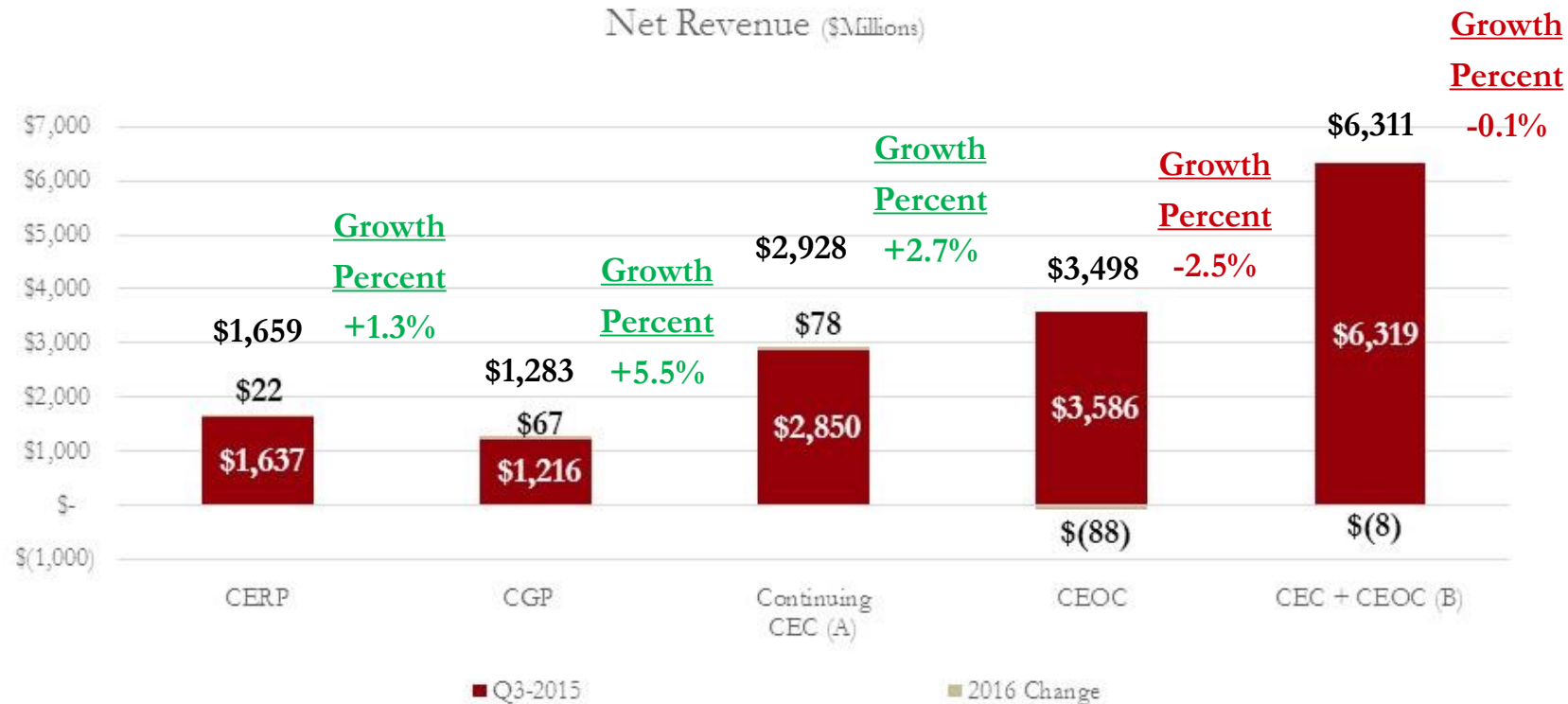
(A) Continuing CEC includes elimination and other adjustments totaling \$(10) and \$(14) for the 2016 and 2015 periods, respectively. Additionally, Continuing CEC excludes \$34 of 15 days of Adjusted EBITDA from CEOC in 2015 (see following slides).

(B) CEC+CEOC includes elimination and other adjustments totaling \$(6) and \$(2) for the 2016 and 2015 periods, respectively.

- Adjusted EBITDA information is separately reconciled to the nearest GAAP metric on the following slides.
- 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 2015 (See slide 3).



Reconciliation of Non-GAAP Information: FY 3Q 2016 Net Revenue



- (A) Continuing CEC includes elimination and other adjustments totaling \$(14) and \$(3) for the 2016 and 2015 periods, respectively. Additionally, Continuing CEC excludes \$158 of 15 days of net revenue, including eliminations of intercompany transactions and other consolidating adjustments, from CEOC in 2015.
- (B) CEC + CEOC includes elimination and other adjustments totaling \$(115) and \$(117) for the 2016 and 2015 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 2015 (See slide 3).



Reconciliation of Non-GAAP Information: FY 3Q16

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

(In millions)	Nine Months Ended September 30, 2016					Nine Months Ended September 30, 2015				
	CEOC	CERP	CGP ^(f)	Other ^(g)	CEC	CEOC	CERP	CGP ^(f)	Other ^(g)	CEC
Net income/(loss) attributable to company	\$ —	\$ (2)	\$ 3,940	\$ (6,966)	\$ (3,028)	\$ (85)	\$ 20	\$ 193	\$ 5,870	\$ 5,998
Net income/(loss) attributable to noncontrolling interests.....	—	—	(26)	742	716	—	—	4	90	94
Net (income)/loss from discontinued operations	—	—	(4,077)	726	(3,351)	7	—	(113)	—	(106)
Income tax (benefit)/provision	—	(2)	(6)	45	37	—	13	(2)	(60)	(49)
Deconsolidation and restructuring of CEOC and other ^(a)	—	—	(2)	5,335	5,333	—	—	(4)	(6,158)	(6,162)
Interest expense	—	297	149	2	448	87	299	145	(1)	530
Income/(loss) from operations	—	293	(22)	(116)	155	9	332	223	(259)	305
Depreciation and amortization	—	195	130	—	325	11	151	111	1	274
Other operating costs ^(b)	—	5	19	53	77	4	3	(98)	197	106
Corporate expense	—	33	22	67	122	7	32	27	65	131
CIE stock-based compensation	—	—	188	—	188	—	—	24	—	24
Property EBITDA	—	526	337	4	867	31	518	287	4	840
Corporate expense	—	(33)	(22)	(67)	(122)	(7)	(32)	(27)	(65)	(131)
Stock-based compensation expense ^(c)	—	7	4	21	32	1	10	2	37	50
Adjustments to include 100% of Baluma S.A.'s adjusted EBITDA ^(d)	—	—	—	—	—	3	—	—	—	3
Other items ^(e)	—	7	4	32	43	6	7	8	10	31
Adjusted EBITDA	\$ —	\$ 507	\$ 323	\$ (10)	\$ 820	\$ 34	\$ 503	\$ 270	\$ (14)	\$ 793



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. 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. In addition, compensation of management is in part determined by reference to certain of such financial information. As a result, we believe this supplemental information is useful to investors who are trying to understand the results of the Company.

Adjusted EBITDA Margin is the ratio of Adjusted EBITDA to Net Revenue and is presented for the same reasons as Adjusted EBITDA noted above.

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 during 2016 primarily represent CEC's estimated costs in connection with the restructuring of CEOC. Amounts during 2015 primarily represent CEC's gain recognized upon the deconsolidation of CEOC.
- (b) 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.
- (c) Amounts represent stock-based compensation expense related to shares, stock options, and restricted stock units granted to the Company's employees.
- (d) 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.
- (e) 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.
- (f) CGP is comprised of all subsidiaries of CGP, including CIE.
- (g) Amounts include consolidating adjustments, eliminating adjustments and other adjustments to reconcile to consolidated CEC Property EBITDA and Adjusted EBITDA.



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