UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 6, 2018

Eldorado Resorts, Inc.
(Exact name of registrant as specified in its charter)

Nevada	001-36629	46-3657681
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

100 West Liberty Street, Suite 1150 Reno, NV	89501
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (775) 328-0100

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01. Regulation FD Disclosure.

The information contained in this Item 7.01, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any registration statement or other filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference to such filing.

Notes Offering

Eldorado Resorts, Inc., a Nevada corporation ("ERI" or the "Company"), previously announced that ERI, Delta Merger Sub, Inc., a Delaware corporation and a direct wholly owned subsidiary of the Company ("Escrow Issuer"), GLP Capital, L.P., a Pennsylvania limited partnership that is the operating partnership of Gaming and Leisure Properties, Inc. ("GLP"), and Tropicana Entertainment Inc., a Delaware corporation ("Tropicana"), entered into an Agreement and Plan of Merger (the "Merger Agreement") on April 15, 2018 pursuant to which (i) GLP will purchase substantially all of the real property assets owned by Tropicana, other than the MontBleu Casino Resort & Spa and the Tropicana Aruba Resort and Casino (the "Real Estate Sale") and (ii) immediately following the consummation of the Real Estate Sale, the Company's wholly owned subsidiary will merge with and into Tropicana, with Tropicana as the surviving entity (the "Tropicana Acquisition"). Following the consummation of the Merger, Tropicana will be a wholly owned subsidiary of the Company.

On September 6, 2018, ERI announced that it and Escrow Issuer intended to offer senior notes (the "Notes") to finance a portion of the consideration payable in connection with the Tropicana Acquisition. Set forth below is certain information provided to potential lenders in the proposed financing. Unless the context otherwise requires, references in this current report on Form 8-K to the ''Registrant,'' ''ERI,'' ''we,'' ''our'' and ''us'' refer to Eldorado Resorts, Inc. and its consolidated subsidiaries, including Tropicana and its subsidiaries following consummation of the Tropicana Acquisition. As used herein, (i) "Acquisitions" means, together, (A) the Tropicana Acquisition and (B) the Company's acquisition of Elgin Riverboat Resort-Riverboat Casino, an Illinois general partnership ("Elgin") that occurred on August 7, 2018 (the "Elgin Acquisition") and (ii) "Dispositions" means, together (A) the Company's previously announced dispositiitions of Presque Isle Downs and Lady Luck Casino Nemacolin.

(i) Business Strengths and Strategy

Increased scale and financial profile

We believe that the Tropicana Acquisition will add complementary regional gaming assets to our existing portfolio and will strengthen our financial profile by enhancing the size, scale and diversification of our operations. We anticipate that the Acquisitions will enhance our footprint in attractive markets by increasing the gaming geographies of operation and increasing the number of properties from eighteen to twenty-six, after giving effect to the Dispositions. We also anticipate that the Acquisitions will strengthen our financial profile, creating a combined company with approximately $2.7 billion of combined net revenues for the twelve months ended June 30, 2018 (after giving effect to the Acquisitions and the Dispositions (representing a 49% increase from ERI prior to giving effect to the Acquisitions and the Dispositions)) and approximately $641.5 million of combined Adjusted EBITDA (after giving effect to the Acquisitions (excluding Tropicana Aruba, as it is not part of the acquisition of Tropicana by ERI) and the Dispositions (but prior to taking into account (x) the annual rent payments under the Master Lease that are expected to be approximately $87.6 million, and (y) the anticipated cost savings, which we estimate to be approximately $55 million between the Tropicana Acquisition and the Elgin Acquisition), in each case, for the twelve months ended June 30, 2018 (representing a 50% increase from ERI prior to giving effect to the Acquisitions and the Dispositions)), making the Company the nation's fourth largest regional owner-operator of self-owned casinos based on net revenues and Adjusted EBITDA, in each case, for the twelve months ended June 30, 2018.

In addition, after giving effect to the Acquisitions and the Dispositions, the Company is anticipated to have, in the aggregate, approximately 12,600 hotel rooms (a 76% increase from ERI prior to the Acquisitions and the Dispositions), approximately 850 table and poker games (a 48% increase from ERI prior to the Acquisitions and the Dispositions) and approximately 27,900 slot machines and VLTs (a 32% increase from ERI prior to the Acquisitions and the Dispositions).

Increased scale and diverse portfolio across key geographic markets and customer segments

We are geographically diversified across the United States. After giving pro forma effect to the Acquisitions (excluding Tropicana Aruba, as it is not part of the acquisition of Tropicana by ERI) and the Dispositions (but prior to taking into account (x) the annual rent payments under the Master Lease that are expected to be approximately $87.6 million, and (y) the anticipated cost savings, which we estimate to be approximately $55 million between the Tropicana Acquisition and the Elgin Acquisition), no single state accounted for more than 16.6% of our combined Adjusted EBITDA (excluding corporate) for the twelve months ended June 30, 2018. Our customer pool draws from a diversified base of both local and out-of-town patrons. For example, approximately 20% of our customer base at Eldorado Reno is local, while 80% visit from out-of-town and utilize our hotel, restaurants and other amenities for a full-service gaming experience. We have also initiated changes to our marketing strategy to reach more profitable customers through targeted direct mailings and electronic marketing. We believe we have assembled a platform on which we can continue to grow and provide a differentiated customer experience.

Opportunity to generate operational efficiencies

We intend to implement our strategy of focusing on margin enhancement and customer service and experiences across the portfolio by marrying our best practices with the best practices of each of Tropicana and Elgin. Led by our proven gaming, hotel management and food and beverage teams with a long-term record of operating and integrating acquired properties, we believe that ERI will be positioned for long-term success. The combined assets, management, personnel, operations and other resources of ERI, together with Tropicana and Elgin, are expected to create substantial near- and long-term synergies. Meaningful potential cost savings are anticipated by consolidating public company, administrative and other costs. We currently expect to achieve (i) approximately $40 million in cost synergies as a result of the Tropicana Acquisition, which is expected to be realized within the first year following completion of the Tropicana Acquisition and (ii) approximately $15 million in cost synergies as a result of the Elgin Acquisition, which is expected to be realized within the first year following completion of the Elgin Acquisition. However, we are unable to provide any assurances that the expected synergies relating to either the Tropicana Acquisition or the Elgin Acquisition will be realized or that the expected results will be achieved.

Significant free cash flow generation

We believe that the Acquisitions will be accretive to ERI's free cash flow, which we define as Combined Adjusted EBITDA less maintenance capital expenditures, cash taxes and cash interest expense, inclusive of anticipated cost synergies as a result of the Tropicana Acquisition (excluding Tropicana Aruba, as it is not part of the acquisition of Tropicana by ERI) and the Elgin Acquisition of approximately $40 million and $15 million, respectively, in the first year following the completion of the applicable Acquisition. Notably, after giving effect to the Acquisitions and the Dispositions (but prior to taking into account (x) the annual rent payments under the Master Lease that are expected to be approximately $87.6 million, and (y) the anticipated cost savings, which we estimate to be approximately $55 million between the Tropicana Acquisition and the Elgin Acquisition), we expect our net leverage ratio to be approximately 4.7x at the closing of the offering based on combined Adjusted EBITDA for the twelve months ended June 30, 2018. We plan to use the free cash flow expected to be generated by the combined company following the Acquisitions to reduce leverage and pursue future growth opportunities.

Proven ability of successful integration

We have demonstrated our ability to successfully execute complementary acquisitions of regional gaming and entertainment destinations. For example, our acquisition of Isle of Capri Casinos, Inc. ("Isle") in May 2017 (the "Isle Acquisition"), our acquisition of the 50% remaining interest in the Silver Legacy Resort Casino ("Silver Legacy") and Circus Circus Reno ("Circus Reno") in November 2015 and our acquisition of MTR Gaming Group, Inc. ("MTR Gaming") in September 2014 illustrate our ability to successfully integrate operations and realize synergies.

Continued focus on personal service and high quality amenities

We focus on customer satisfaction and delivering superior guest experiences. We seek to provide our customers with an extraordinary level of personal service and popular gaming, dining and entertainment experiences designed to exceed customer expectations in a clean, safe, friendly and fun environment. Our senior management is actively involved in the daily operations of our properties, frequently interacting with gaming, hotel and restaurant patrons to ensure that they are receiving the highest level of personal attention. Management believes that personal service is an integral part of fostering customer loyalty and generating repeat business. We continually monitor our casino operations to react to changing market conditions and customer demands. We target both premium-play and value-conscious gaming patrons with differentiated offerings at our state-of-the-art casinos, which feature the latest in game technology, innovative bonus options, dynamic signage, customer-convenient features and non-gaming amenities at a reasonable value and price point.

Management team with deep gaming industry experience and strong local relationships

We have an experienced management team that has extensive experience in the gaming and hotel industry, acquisitions of complementary properties across multiple jurisdictions and finance. Our extensive management experience and unwavering commitment to our team members, guests and equity holders have been the primary drivers of our strategic goals and success. We take pride in our reinvestment in our properties and the communities we support along with emphasizing our family-style approach in an effort to build loyalty among our team members and guests. We expect to continue to focus on the future growth and diversification of our company while maintaining our core values and striving for operational excellence.

(ii) Lumiere financing

In order to obtain regulatory approval of the transfer of Lumiere Place to the Company, the Company and GLP have proposed that (i) a wholly-owned subsidiary of the Company, rather than GLP, purchase the Lumiere Real Property pursuant to an amendment of the Real Estate Purchase Agreement and (ii) GLP or its affiliate loan such wholly-owned subsidiary of the Company an aggregate of $246 million to fund the entire purchase price of the Lumiere Real Property (the "Lumiere Note"). It is anticipated that the Lumiere Note will be fully repaid by the substitution of additional ERI real property acceptable to ERI and GLP that will be transferred to GLP. The Lumiere Note is expected to bear interest at a rate equal to (i) 9.09% until the 1-year anniversary of the closing and (ii) 9.27% until the second anniversary of the closing, and is expected to mature on the second anniversary of the consummation of the Tropicana Acquisition. The Lumiere Note is expected to be secured by a first priority mortgage on the Lumiere Real Property. In connection with the issuance of the Lumiere Note, the Company is expected to agree to use its commercially reasonable efforts to identify another property that is owned by the Company that is reasonably equivalent to the Lumiere Real Property to transfer to GLP for inclusion in the Master Lease. On the earlier of the date that the agreed replacement property is transferred to GLP or the amounts outstanding are paid in full in cash at the maturity date of the Lumiere Note, the Company's obligations under the Lumiere Note will be deemed to have been satisfied and it is expected that, except to the extent that the Company pays its obligations under the Lumiere Note in cash as a result of certain acts by GLP, the base rental payments under the Master Lease will be increased in the amount of the annual interest payable in respect of the Lumiere Note. The proposed acquisition of the Lumiere Real Property by the Company, the terms of the Lumiere Note and the transactions contemplated by the Lumiere Note remain subject to regulatory approval.

(iii) Exclusive Agreement with William Hill

On September 4, 2018, the Company entered into an agreement (the "Master Agreement") with William Hill US Holdco, Inc. ("William Hill"), an indirect wholly-owned subsidiary of William Hill PLC ("William Hill PLC"), pursuant to which the Company for a term of 25 years (i) has granted to William Hill the exclusive right to conduct betting activities in retail and online channels with respect to the Company's current and future properties located in the United States and the territories and possessions of the United States, including Puerto Rico and the U.S. Virgin Islands (the "Territory") and (ii) has agreed that it may grant to William Hill the non-exclusive right to conduct online gaming activities utilizing gaming licenses held by the Company in respect of its properties in the Territory. At the closing of the transactions contemplated by the Master Agreement, the Company will receive (i) shares of common stock of William Hill in an aggregate amount such that the Company will hold 20% of the outstanding shares of common stock of William Hill immediately following the issuance and (ii) ordinary shares of William Hill PLC with an aggregate value of $50 million determined using the 60 day volume-weighted average trading price of such shares ending on September 4, 2018, which will be subject to a lock up period for up to five years from the date of the closing of the transaction contemplated by the Master Agreement and other restrictions on transfer. The consummation of the transactions contemplated by the Master Agreement are subject to customary closing conditions, including the receipt of required gaming approvals and the termination of the waiting period under the Hart-Scott-Rodino Act.

(iv) ERI Adjusted EBITDA

	Twelve months ended June 30, 2018	Year ended December 31, 2017
	(unaudited, dollars in thousands)	
Adjusted EBITDA excluding Presque Isle Downs and Nemacolin	$ 407,162	$ 388,096

Adjusted EBITDA, a non-GAAP financial measure, has been presented as a supplemental disclosure because it is a widely used measure of performance and basis for valuation of companies in our industry and we believe that this non-GAAP supplemental information will be helpful in understanding ERI's ongoing operating results. We define Adjusted EBITDA as operating income (loss) before depreciation and amortization, stock based compensation, transaction expenses, S-1 expenses, severance expense, costs and income associated with the Dispositions and the terminated Vicksburg and Lake Charles sales, impairment charges, equity in income of unconsolidated affiliates, (gain) loss on the sale or disposal of property and equipment and other regulatory gaming assessments, including the impact of the change in regulatory reporting requirement, to the extent that such items existed in the periods presented. Adjusted EBITDA is not a measure of performance or liquidity calculated in accordance with GAAP, is unaudited and should not be considered an alternative to, or more meaningful than, net income (loss) as an indicator of operating performance. Uses of cash flows that are not reflected in Adjusted EBITDA include capital expenditures, interest payments, income taxes, debt principal repayments and certain regulatory gaming assessments, which can be significant. As a result, Adjusted EBITDA should not be considered as a measure of liquidity. Other companies that provide EBITDA information may calculate EBITDA differently than we do. The definition of Adjusted EBITDA may not be the same as the definitions used in any of ERI's debt agreements. See below for a quantitative reconciliation of ERI's Adjusted EBITDA to operating income (loss).

Set forth below is a quantitative reconciliation of ERI's Adjusted EBITDA to operating income (loss), which we believe is the most comparable financial measure calculated in accordance with GAAP, for each of the twelve months ended June 30, 2018, and the year ended December 31, 2017 and 2016 (unaudited, in thousands). All periods reflect the adoption of ASU No. 2014-09, "Revenue from Contracts with Customers," ("ASC Topic 606").

	Twelve months ended June 30, 2018					
	Operating income (loss)	Depreciation and amortization	Stock-based compensation	Transaction expenses(c)	Other(d)	Adjusted EBITDA
West	$ 80,179	$ 33,307	$ 98	$ —	$ 779	$114,363
Midwest	100,746	32,080	199	—	426	133,451
South	19,075	35,352	125	—	50,029	104,581
East	78,433	24,130	18	—	1,401	103,982
Corporate	(35,576)	3,953	9,971	11,651	(18,717)	(28,718)
Total	**$ 242,857**	**$ 128,822**	**$ 10,411**	**$ 11,651**	**$ 33,918**	**$427,659**
Presque Isle Downs and Nemacolin	**14,250**	**5,665**	**18**	**—**	**564**	**20,497**
Total Excluding Presque Isle Downs and Nemacolin	**$ 228,607**	**$ 123,157**	**$ 10,393**	**$ 11,651**	**$ 33,354**	**$407,162**

	Year ended December 31, 2017					
	Operating income (loss)	Depreciation and amortization	Stock-based compensation	Transaction expenses(c)	Other(d)	Adjusted EBITDA
Excluding Pre-Acquisitions:						
West	$ 66,108	$ 26,950	$ 182	$ —	$ 364	$ 93,604
Midwest	62,071	20,997	210	—	193	83,471
South	3,680	25,307	147	—	41,144	70,278
East	68,101	30,517	14	—	369	99,001
Corporate	(105,150)	2,120	5,769	92,777	(19,689)	(24,173)
Total Excluding Pre-Acquisitions	**$ 94,810**	**$ 105,891**	**$ 6,322**	**$ 92,777**	**$ 22,381**	**$322,181**
Pre-Isle Acquisition(a)	**59,547**	**22,662**	**1,725**	**286**	**749**	**84,969**
Total Including Pre-Isle Acquisition(e)	**$ 154,357**	**$ 128,553**	**$ 8,047**	**$ 93,063**	**$ 23,130**	**$407,150**
Presque Isle Downs and Nemacolin	**10,192**	**8,849**	**14**	**—**	**(1)**	**19,054**
Total Including Pre-Isle Acquisition and Excluding Presque Isle Downs and Nemacolin	**$ 144,165**	**$ 119,704**	**$ 8,033**	**$ 93,063**	**$ 23,131**	**$388,096**

(a) Figures for Isle are the four months ended April 30, 2017, the day before the Company acquired Isle on May 1, 2017. The Company reports its financial results on a calendar fiscal year. Prior to the Company's acquisition of Isle, Isle's fiscal year typically ended on the last Sunday in April. Isle's fiscal 2017 and 2016 were 52-week years, which commenced on April 25, 2016 and April 27, 2015, respectively. Such figures were prepared by the Company to reflect Isle's unaudited consolidated historical net revenues and Adjusted EBITDA for periods corresponding to the Company's fiscal quarterly calendar. Such figures are based on the unaudited internal financial statements and have not been reviewed by the Company's auditors and do not conform to GAAP.

(c) Transaction expenses for the twelve months ended December 31, 2017 represent costs related to the Isle Acquisition.

(d) Other is comprised of severance expense, (gain) loss on sale or disposal of property and equipment, equity in loss of unconsolidated affiliate and other regulatory gaming assessments. Also included are $38.0 million in impairment charges, income totaling $20.0 million related to the termination of the Lake Charles sale, and costs totaling $2.8 million associated with the termination of the Lake Charles sale during the twelve months ended June 30, 2018 and December 31, 2017. Costs associated with the sales of Vicksburg and Presque Isle Downs are included for the twelve months ended June 30, 2018. In conjunction with the announced sale of Vicksburg, an impairment charge totaling $9.8 million was recorded for the twelve months ended June 30, 2018.

(e) Total figures for 2017 include combined results of operations for Isle and the Company for periods preceding the date that the Company acquired Isle. Such presentation does not conform with GAAP or the SEC rules for pro forma presentation; however, we believe that the additional financial information will be helpful to investors in comparing current results with results of prior periods. This is non-GAAP data and should not be considered a substitute for data prepared in accordance with GAAP, but should be viewed in addition to the results of operations reported by the Company.

(v) Tropicana Adjusted EBITDA

	Twelve Months ended June 30, 2018	Six months ended June 30, 2018	Six months ended June 30, 2017	Year ended December 31, 2017
		(unaudited, dollars in thousands)		
Adjusted EBITDA	$ 197,395	$ 101,611	$ 88,918	$ 184,702

Tropicana defines Adjusted EBITDA as operating income (loss) before depreciation and amortization, transaction expenses, (gain) loss on asset disposal, insurance recoveries, real estate tax settlements and contract early termination costs, to the extent that such items existed in the periods presented. Adjusted EBITDA is not a measure of performance or liquidity calculated in accordance with GAAP, is unaudited and should not be considered an alternative to, or more meaningful than, net income (loss) as an indicator of operating performance. Uses of cash flows that are not reflected in Adjusted EBITDA include capital expenditures, interest payments, income taxes, debt principal repayments and certain regulatory gaming assessments, which can be significant. As a result, Adjusted EBITDA should not be considered as a measure of liquidity. Other companies that provide EBITDA information may calculate EBITDA differently than Tropicana does. The definition of Adjusted EBITDA may not be the same as the definitions used in any of ERI's or Tropicana's debt agreements. See below for a quantitative reconciliation of Tropicana's Adjusted EBITDA to operating income (loss).

Set forth below is a quantitative reconciliation of Tropicana's Adjusted EBITDA to operating income (loss), which we believe is the most comparable financial measure calculated in accordance with GAAP, for each of the twelve months ended June 30, 2018, the six months ended June 30, 2018 and 2017, and the year ended December 31, 2017 (unaudited, in thousands).

	Twelve months ended June 30, 2018				
	Operating income (loss)	Depreciation and amortization	Transaction expenses (a)	Other(b)	Adjusted EBITDA
West	$ 16,930	$ 12,484	$ —	$ 7	$ 29,421
Central	64,124	24,400	—	(2,732)	85,792
South	3,150	9,413	—	1	12,564
East	82,640	30,771	—	(23,387)	90,024
Corporate	(23,977)	2,325	2,730	—	(18,922)
Total Including Tropicana Aruba	**$ 142,867**	**$ 79,393**	**$ 2,730**	**$ (26,111)**	**$198,879**
Tropicana Aruba	**344**	**1,140**	**—**	**—**	**1,484**
Total Excluding Tropicana Aruba	**$ 142,523**	**$ 78,253**	**$ 2,730**	**$ (26,111)**	**$197,395**

	Six months ended June 30, 2018				
	Operating income (loss)	Depreciation and amortization	Transaction expenses (a)	Other(b)	Adjusted EBITDA
West	$ 9,345	$ 6,173	$ —	$ (3)	$ 15,515
Central	37,038	12,362	—	67	49,467
South	2,577	4,656	—	—	7,233
East	23,883	16,372	—	50	40,305
Corporate	(13,339)	1,089	2,730	—	(9,520)
Total Including Tropicana Aruba	**$ 59,504**	**$ 40,652**	**$ 2,730**	**$ 114**	**$103,000**
Tropicana Aruba	**787**	**602**	**—**	**—**	**1,389**
Total Excluding Tropicana Aruba	**$ 58,717**	**$ 40,050**	**$ 2,730**	**$ 114**	**$101,611**

	Six months ended June 30, 2017				
	Operating income (loss)	Depreciation and amortization	Transaction expenses	Other (b)	Adjusted EBITDA
West	$ 5,787	$ 6,256	$ —	$ (12)	$ 12,031
Central	29,249	11,157	—	(1,175)	39,231
South	6,900	4,946	—	(77)	11,769
East	21,223	13,466	—	161	34,850
Corporate	(9,054)	969	—	—	(8,085)
Total Including Tropicana Aruba	**$ 54,105**	**$ 36,794**	**$ —**	**$ (1,103)**	**$ 89,796**
Tropicana Aruba	**363**	**515**	**—**	**—**	**878**
Total Excluding Tropicana Aruba	**$ 53,742**	**$ 36,279**	**$ —**	**$ (1,103)**	**$ 88,918**

	Year ended December 31, 2017				
	Operating income (loss)	Depreciation and amortization	Transaction expenses	Other (b)	Adjusted EBITDA
West	$ 13,372	$ 12,567	$ —	$ (2)	$ 25,937
Central	56,335	23,195	—	(3,974)	75,556
South	7,473	9,703	—	(76)	17,100
East	79,980	27,865	—	(23,276)	84,569
Corporate	(19,692)	2,205	—	—	(17,487)
Total Including Tropicana Aruba	**$ 137,468**	**$ 75,535**	**$ —**	**$(27,328)**	**$185,675**
Tropicana Aruba	**(80)**	**1,053**	**—**	**—**	**973**
Total Excluding Tropicana Aruba	**$ 137,548**	**$ 74,482**	**$ —**	**$(27,328)**	**$184,702**

(a) Transaction expenses represent costs primarily related to ERI's acquisition of Tropicana for the six and twelve months ended June 30, 2018.

(b) Other is comprised of (gain) loss on sale or disposal of property and equipment, certain contract early termination costs, and gains for insurance recoveries totaling $1.4 million for the six months ended June 30, 2017, and $5.0 million for the year ended December 31, 2017. Also included is a $23.4 million real estate tax settlement for the year ended December 31, 2017.

(vi) Elgin Adjusted EBITDA

	Twelve months ended June 30, 2018	Six months ended June 30, 2018	Six months ended June 30, 2017	Year ended December 31, 2017
	(unaudited, dollars in thousands)			
Adjusted EBITDA	$ 36,937	$ 19,666	$ 19,131	$ 36,401

Elgin defines Adjusted EBITDA as operating income before depreciation and amortization, transaction expenses and dividends, to the extent that such items existed in the periods presented. Adjusted EBITDA is not a measure of performance or liquidity calculated in accordance with GAAP, is unaudited and should not be considered an alternative to, or more meaningful than, net income as an indicator of operating performance. Uses of cash flows that are not reflected in Adjusted EBITDA include capital expenditures, interest payments, income taxes, debt principal repayments and certain regulatory gaming assessments, which can be significant. As a result, Adjusted EBITDA should not be considered as a measure of liquidity. Other companies that provide EBITDA information may calculate EBITDA differently than Elgin does. The definition of Adjusted EBITDA may not be the same as the definitions used in any of ERI's or Elgin's debt agreements. See below for a quantitative reconciliation of Elgin's Adjusted EBITDA to operating income.

Set forth below is a quantitative reconciliation of Elgin's Adjusted EBITDA to operating income which we believe is the most comparable financial measure calculated in accordance with GAAP, for each of the twelve months ended June 30, 2018, the six months ended June 30, 2018 and 2017, and the year ended December 31, 2017 (unaudited, in thousands).

	Operating income	Depreciation and amortization	Transaction expenses (a)	Other (b)	Adjusted EBITDA
Twelve months ended June 30, 2018	$ 27,683	$ 7,246	$ 380	$1,628	$36,937
Six months ended June 30, 2018	$ 14,785	$ 3,693	$ 380	$ 808	$19,666
Six months ended June 30, 2017	$ 14,716	$ 3,551	$ —	$ 864	$19,131
Year ended December 31, 2017	$ 27,612	$ 7,104	$ —	$1,685	$36,401

(a) Transaction expenses represent costs primarily related to ERI's acquisition of Elgin for the six and twelve months ended June 30, 2018.
(b) Other is comprised of preferred dividend distributions pursuant to Elgin's historical joint venture agreement

(vii) On September 6, 2018, the Company provided the unaudited pro forma condensed combined financial statements, which give pro forma effect to the Acquisitions, the Real Estate Sale, the offering of the Notes, the Company's previously announced amendments to its revolving credit facility, the sale of Presque Isle Downs and Nemacolin and the Isle Acquisition. A copy of such unaudited pro forma condensed combined financial statements is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Item 8.01. Other Events.

Launch of Notes Offering

On September 6, 2018, the Company issued a press release announcing that Escrow Issuer intends to offer $600,000,000 aggregate principal amount of senior notes due 2026. A copy of the press release is attached as Exhibit 99.2 hereto and is hereby incorporated in reference to this Item 8.01.

Update to Description of Governmental Regulations and Licensing

The Company is filing this Form 8-K to update its disclosure regarding the regulatory and gaming regulations that relate to its current or future operations. The following description of the gaming regulations in the State of Illinois is being filed in connection with the Company's previously announced acquisition of the Elgin Riverboat Resort-Riverboat Casino, which operates the Grand Victoria Casino in Elgin, Illinois.

Grand Victoria Riverboat Casino, located in Elgin, Illinois ("Grand Victoria"), is subject to extensive state regulation under the Illinois Riverboat Gambling Act, as amended (the "Illinois Act") and the rules of the Illinois Gaming Board (the "Illinois Gaming Board").

In February 1990, the State of Illinois legalized riverboat gambling. The Illinois Act authorizes the Illinois Gaming Board to issue up to ten riverboat gaming owners' licenses on any water within the State of Illinois or any water other than Lake Michigan which constitutes a boundary of the State of Illinois. The Illinois Act restricts the location of certain of the ten owners' licenses. The Illinois Act requires that three of the licenses must be located on the Mississippi River. One license must be at a location on the Illinois River south of Marshall County, and another license must be located on the Des Plaines River in Will County. The remaining licenses are not restricted as to location. Currently, all ten owner's licenses are in operation. The licensees are located in Alton, Aurora, East Peoria, East St. Louis, Elgin, Metropolis, Rock Island, Des Plaines, and Joliet (where two licensees are located). Subject to certain Illinois Gaming Board rules, individuals or entities can own more than one riverboat operation.

The Illinois Act does not limit the maximum bet or per patron loss. Minimum and maximum wagers on games are set by the holder of the owner's license. Wagering may not be conducted with money or other negotiable currency. No person under the age of 21 is permitted to wager and wagers only may be received from a person present on the riverboat. With respect to electronic gaming devices, the payout percentage may not be less than 80% or more than 100%.

Illinois imposes a number of taxes on Illinois casinos. Such taxes are subject to change by the Illinois legislature and have been increased in the past. The Illinois legislature also may impose new taxes on Grand Victoria's activities. Illinois currently imposes an admission tax of $2.00 per person for an owner licensee that admitted 1,000,000 persons or fewer in the 2004 calendar year, and $3.00 per person for all other owner licensees (including Grand Victoria).

Additionally, Illinois imposes a wagering tax on the adjusted gross receipts, as defined in the Illinois Act, of a riverboat operation. The owner licensee is required, on a daily basis, to wire the wagering tax payment to the Illinois Gaming Board. Currently, the wagering tax is:

- 15.0% of adjusted gross receipts up to and including $25.0 million;
- 22.5% of adjusted gross receipts in excess of $25.0 million but not exceeding $50.0 million;
- 27.5% of adjusted gross receipts in excess of $50.0 million but not exceeding $75.0 million;
- 32.5% of adjusted gross receipts in excess of $75.0 million but not exceeding $100.0 million;
- 37.5% of adjusted gross receipts in excess of $100.0 million but not exceeding $150.0 million;
- 45.0% of adjusted gross receipts in excess of $150.0 million but not exceeding $200.0 million; and
- 50.0% of adjusted gross receipts in excess of $200.0 million.

No gaming-related local tax is imposed on Grand Victoria.

The Illinois Act strictly regulates the facilities, persons, associations and practices related to gaming operations. It grants the Illinois Gaming Board specific powers and duties, and all other powers necessary and proper to fully and effectively execute the Illinois Act for the purpose of administering, regulating and enforcing the system of riverboat gaming. The Illinois Gaming Board has authority over every person, association, corporation, partnership and trust involved in riverboat gaming operations in the State of Illinois.

The Illinois Act requires the owner of a riverboat gaming operation to hold an owner's license issued by the Illinois Gaming Board. Each owner's license permits the holder to own up to two riverboats as part of its gaming operation; however, gaming participants are limited to 1,200 for any owner's license. The Illinois Gaming Board determines the number of gaming participants by the number of gaming positions available at any given time, with such positions counted as follows:

- positions for electronic gaming devices are determined as 90% of the total number of devices available for play;
- craps tables are counted as having ten gaming positions; and
- games utilizing live gaming devices, except for craps, are counted as having five gaming positions.

After expiration of its initial licensure period, each owner's license may be renewed by the Illinois Gaming Board for a period of up to four years. An owner licensee is eligible for renewal upon payment of the applicable fee and a determination by the Illinois Gaming Board that the licensee continues to meet all of the requirements of the Illinois Act and the Illinois Gaming Board's rules. The owner's license for Grand Victoria was most recently renewed for a four-year period in 2016 that ends in October 2020. An ownership interest in an owner's license may not be transferred or pledged as collateral without the prior approval of the Illinois Gaming Board.

Pursuant to the Illinois Act, the Illinois Gaming Board established certain rules for deciding whether to approve direct or indirect ownership or control of an owner's license. The Illinois Gaming Board must consider the impact of any economic concentration caused by the ownership or control. No direct or indirect ownership or control may be approved that will result in undue economic concentration of the ownership of a riverboat gambling operation in Illinois. The Illinois Act specifies a number of criteria for the Illinois Gaming Board to consider in determining whether the approval of the issuance, transfer or holding of a license will create undue economic concentration. Undue economic concentration means that a person or entity would have actual or potential domination of riverboat gambling in Illinois sufficient to:

- substantially impede or suppress competition among holders of owners' licenses;
- adversely impact the economic stability of the riverboat casino industry in Illinois; or
- negatively impact the purposes of the initial Illinois Act, including tourism, economic development, benefits to local communities, and State and local revenues.

A holder of any gaming license issued by the Illinois Gaming Board is subject to imposition of fines, suspension or revocation of such license, or other action for any act or failure to act by the licensee or the licensee's agents or employees, that is injurious to the public health, safety, morals, good order and general welfare of the people of the State of Illinois, or that would discredit or tend to discredit the Illinois gaming industry or the State of Illinois. The Illinois Gaming Board may revoke or suspend licenses, as it may determine and, in compliance with applicable Illinois law regarding administrative procedures, may suspend an owner's license, without notice or hearing, upon a determination that the safety or health of patrons or employees is jeopardized by continuing a riverboat's operation. The suspension may remain in effect until the Illinois Gaming Board determines that the cause for suspension has been abated and it may revoke the owner's license upon a determination that the owner has not made satisfactory progress toward abating the hazard.

If the Illinois Gaming Board has suspended, revoked or refused to renew an owner's license or if a riverboat gambling operation is closing and the owner is voluntarily surrendering its owner's license, the Illinois Gaming Board may petition the local circuit court in which the riverboat is situated for appointment of a receiver. The circuit court has sole jurisdiction over any and all issues pertaining to the appointment of a receiver. The Illinois Gaming Board specifies the specific powers, duties and limitations of the receiver.

The Illinois Gaming Board requires that each "Key Person" of an owner licensee submit a personal disclosure or business entity form and be investigated and approved by the Illinois Gaming Board. The Illinois Gaming Board determines which positions, individuals or business entities are required to be approved as Key Persons. Once approved, such Key Person status must be maintained. Key Persons include:

- any business entity and any individual with an ownership interest or voting rights of more than 5% in the licensee or applicant and the trustee of any trust holding such ownership interest or voting rights;
- the directors of the licensee or applicant and its chief executive officer, president and chief operating officer or their functional equivalents;
- a gaming operations manager or any other business entity or individual who has influence and/or control over the conduct of gaming or the riverboat gaming operation; and
- all other individuals or business entities that, upon review of the applicant's or licensees table of organization, ownership and control are determined to hold a position or a level of ownership, control or influence that is material to the regulatory concerns and obligations of the Illinois Gaming Board for the specified licensee or applicant.

Each owner licensee must provide a means for the economic disassociation of a Key Person in the event such economic disassociation is required by an order of the Illinois Gaming Board. Based upon findings from an investigation into the character, reputation, experience, associations, business probity and financial integrity of a Key Person, the Illinois Gaming Board may enter an order upon the licensee or require the economic disassociation of the Key Person.

Furthermore, under the Illinois Act, each applicant or owner licensee must disclose the identity of every person, association, trust or corporation having a greater than 1% direct or indirect pecuniary interest in an owner licensee or in the riverboat gaming operation with respect to which the license is sought. The Illinois Gaming Board may also require an applicant or owner licensee to disclose any other principal or investor and require the investigation and approval of such individuals.

Applicants for and holders of an owner's license are required to obtain the Illinois Gaming Board's approval for changes in the following: (i) Key Persons; (ii) type of entity; (iii) equity and debt capitalization of the entity; (iv) investors and/or debt holders; (v) source of funds; (vi) applicant's economic development plan; (vii) riverboat capacity or significant design change; (viii) gaming positions; (ix) anticipated economic impact; or (x) agreements, oral or written, relating to the acquisition or disposition of property (real or personal) of a value greater than $1 million. The Illinois Gaming Board rules provide that a holder of an owner's license may make distributions to its partners, stockholders or itself only to the extent that such distributions do not impair the financial viability of the owner.

The Illinois Gaming Board requires each holder of an owner's license to obtain the Illinois Gaming Board's approval prior to issuing a guaranty of any indebtedness, and the Illinois Gaming Board has approved the guarantees for our senior credit facility and outstanding senior notes. We and our subsidiaries with a direct interest in Grand Victoria intend to seek approval from the Illinois Gaming Board to allow future subsidiaries to issue subsidiary guarantees of any indebtedness that we incur in the future to the extent such guarantees are required by our lenders or investors. Although we and those subsidiaries believe the Illinois Gaming Board will continue to approve our requests and allow such guarantees of our future indebtedness, there can be no assurance that the Illinois Gaming Board will continue to grant the necessary approvals.

The Illinois Gaming Board requires that each "institutional investor," as that term is defined by Illinois Gaming Board, that, individually or jointly with others, cumulatively acquires, directly or indirectly, 5% or more of any class of voting securities of a publicly-traded licensee or a licensee's publicly-traded parent corporation shall, within no less than ten days after acquiring such securities, notify the Illinois Gaming Board of such ownership and shall, upon request, provide such additional information as may be required by the Illinois Gaming Board. An institutional investor that, individually or jointly with others, cumulatively acquires, directly or indirectly, 10% or more of any class of voting securities of a publicly-traded licensee or a licensee's publicly-traded parent corporation shall file an "Institutional Investor Disclosure Form," provided by the Illinois Gaming Board, within 45 days after cumulatively acquiring such level of ownership interest, unless such requirement is waived by the Illinois Gaming Board. Additionally, the Illinois Gaming Board rules require that a licensee notify the Illinois Gaming Board as soon as possible after it becomes aware that it or its parent is involved in an ownership acquisition by an institutional investor.

The Illinois Gaming Board may waive any licensing requirement or procedure provided by rule if it determines that the waiver is in the best interests of the public and the gaming industry. Also, the Illinois Gaming Board may, from time to time, amend or change its rules.

On July 13, 2009, Illinois enacted the Video Gaming Act, which legalizes the use of up to five video gaming terminals in most bars, restaurants, fraternal organizations and veterans' organizations holding valid Illinois liquor licenses, as well as at qualifying truck stops. The Illinois Gaming Board implements the Video Gaming Act and regulates licensees under the Video Gaming Act. Effective October 9, 2012, video gaming in Illinois became operational. The video gaming terminals in licensed establishments allow patrons to play games such as video poker, line up and blackjack. In June 2018, over 6,500 licensed establishments were operating over 29,000 video gaming terminals. Grand Victoria's revenues may be adversely impacted by the availability of additional video gaming terminals in non-casino establishments proximately located to its customer base.

From time to time, various proposals have been or may be considered by the Illinois legislature, the Illinois Gaming Board, and other Illinois governmental entities that, if adopted, could affect the taxation, regulation, operation or other aspects of the gaming industry. No assurance can be given whether such or similar proposals will be adopted. The Illinois legislature continues to discuss the possibility of gaming expansion. This expansion could include several new gaming licenses (including one in Chicago), increased gaming positions for existing licensees, gaming positions at Illinois racetracks, and the authorization of sports betting and online gaming. If gaming expansion occurs, Grand Victoria's operating results could be adversely impacted by the increased competition.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Unaudited pro forma condensed combined financial statements.
99.2	Press Release dated September 6, 2018.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ELDORADO RESORTS, INC.,
a Nevada corporation

Date: September 6, 2018

By: /s/ Gary L. Carano
Name: Gary L. Carano
Title: Chief Executive Officer

Unaudited pro forma condensed combined financial statements

The following unaudited pro forma condensed combined financial information included herein presents the unaudited pro forma condensed combined balance sheet and the unaudited pro forma condensed combined statements of operations based upon the combined audited and unaudited historical financial statements of ERI, Tropicana and Elgin after giving effect to the Acquisitions, the Real Estate Sale, the ERI Financing Transactions (as defined below), the sale of Presque Isle Downs and Nemacolin, the Isle Transaction (consummated May 1, 2017) (together the “Combined Transactions”), and the adjustments described in the accompanying notes.

Acquisitions

The Tropicana Acquisition

On April 15, 2018, the Company entered into the Merger Agreement to acquire Tropicana in a cash transaction valued at approximately $1.85 billion. The Merger Agreement and related acquisition agreements provide that (i) GLP will pay $964.0 million and the Company will pay $246.0 million in the Real Estate Sale, (ii) GLP will enter into the Master Lease with the Company for the real estate acquired by GLP in the Real Estate Sale, and (iii) the Company will pay aggregate consideration in the amount of approximately $640 million for the operations of Tropicana. Immediately following the consummation of the Real Estate Sale, Escrow Issuer will merge with and into Tropicana, with Tropicana as the surviving entity and as a wholly owned subsidiary of the Company. Tropicana intends to dispose of Tropicana Aruba prior to closing, which such disposal is a condition to the closing of the Tropicana Acquisition.

The Master Lease will be a triple net master lease and will have an initial term of 15 years, with renewals of up to 20 years at the Company’s option. The initial annual rent under the terms of the lease is expected to be approximately $87.6 million. The payment structure under the Master Lease includes a fixed component, a portion of which is subject to an annual escalator of up to 2% if certain coverage ratio thresholds are met, and a component that is based on the performance of the facilities, which is prospectively adjusted, subject to a floor of zero. In addition to rental payments under the Master Lease, the Company is required to pay the following, among other things: (1) lease payments to the underlying ground lessor for properties that are subject to ground leases; (2) facility maintenance costs; (3) all insurance premiums for insurance with respect to the leased properties and the business conducted on the leased properties; (4) taxes levied on or with respect to the leased properties (other than taxes on the income of the lessor); and (5) all utilities and other services necessary or appropriate for the leased properties and the business conducted on the leased properties.

Completion of the Tropicana Acquisition is subject to customary closing conditions, including receipt of required regulatory approvals.

The Elgin Acquisition

On April 15, 2018, the Company entered into a definitive agreement to acquire the Grand Victoria Casino in Elgin, Illinois for $327.5 million in cash, as adjusted pursuant to a customary working capital adjustment. The transaction closed on August 7, 2018 and was funded using cash from the Company’s ongoing operations and borrowings under the Company’s revolving credit facility. As a result of the Elgin Acquisition, Elgin became a wholly owned subsidiary of the Company and a guarantor under the Credit Facility.

ERI financing transactions

In connection with the Tropicana Acquisition, the Company will complete an offering of $600.0 million of the Notes offered hereby. The proceeds of Notes, together with borrowings under the Revolving Credit Facility, the Company's cash on hand and Tropicana's cash on hand, will be used to (i) pay the Merger Consideration, (ii) repay all of the debt outstanding under the Tropicana Credit Facility and (iii) pay fees and costs associated with the Tropicana Acquisition. Additionally, substantially concurrent with the consummation of the Tropicana Acquisition, the Company expects to amend the Credit Facility to increase its Revolving Credit Facility from $300.0 million to approximately $500.0 million and extend the maturity of the Revolving Credit Facility from April 2022 to the fifth anniversary following the consummation of the Tropicana Acquisition (the offering of the Notes and the Credit Facility Amendments, the "ERI Financing Transactions").

Lumiere financing

In order to obtain regulatory approval of the transfer of Lumière Place to the Company, the Company and GLP have proposed that (i) a wholly-owned subsidiary of the Company, rather than GLP, purchase the Lumiere Real Property pursuant to an amendment of the Real Estate Purchase Agreement and (ii) GLP or its affiliate loan such wholly-owned subsidiary of the Company an aggregate of $246 million to fund the entire purchase price of the Lumiere Real Property (the "Lumiere Note"). It is anticipated that the Lumiere Note will be fully repaid by the substitution of additional ERI real property acceptable to ERI and GLP that will be transferred to GLP. The Lumiere Note is expected to bear interest at a rate equal to (i) 9.09% until the 1-year anniversary of the closing and (ii) 9.27% until the second anniversary of the closing, and is expected to mature on the second anniversary of the consummation of the Tropicana Acquisition. The Lumiere Note is expected to be secured by a first priority mortgage on the Lumiere Real Property. In connection with the issuance of the Lumiere Note, the Company is expected to agree to use its commercially reasonable efforts to identify another property that is owned by the Company that is reasonably equivalent to the Lumiere Real Property to transfer to GLP for inclusion in the Master Lease. On the earlier of the date that the agreed replacement property is transferred to GLP or the amounts outstanding are paid in full in cash at the maturity date of the Lumiere Note, the Company's obligations under the Lumiere Note will be deemed to have been satisfied and it is expected that, except to the extent that the Company pays its obligations under the Lumiere Note in cash as a result of certain acts by GLP, the base rental payments under the Master Lease will be increased in the amount of the annual interest payable in respect of the Lumiere Note. The proposed acquisition of the Lumiere Real Property by the Company, the terms of the Lumiere Note and the transactions contemplated by the Lumiere Note remain subject to regulatory approval.

The Dispositions

On February 28, 2018, ERI entered into an agreement to sell substantially all of the assets and liabilities of Presque Isle Downs and Vicksburg to CDI. Under the terms of the agreements, CDI agreed to purchase Presque Isle Downs for cash consideration of approximately $178.9 million and Vicksburg for cash consideration of approximately $50.6 million, in each case subject to a customary working capital adjustment.

The definitive agreements provided that the transactions were subject to receipt of required regulatory approvals, termination of the waiting period under the Hart-Scott-Rodino Act and other customary closing conditions, including, in the case of Presque Isle Downs, the prior closing of the sale of Vicksburg or the entry into an agreement to acquire another asset of the Company. On May 7, 2018, the Company and CDI each received a Request for Additional Information and Documentary Materials, often referred to as a "Second Request," from the Federal Trade Commission in connection with its review of the Vicksburg acquisition. Following receipt of, and in consideration of the time and expense needed to reply to, the Second Request, pursuant to a termination agreement and release, dated as of July 6, 2018, by and among CDI, ERI and a wholly owned subsidiary of ERI, the Company and CDI mutually agreed to terminate the asset purchase agreement with respect to the Vicksburg transaction.

In connection with the termination of the Vicksburg acquisition, CDI agreed to pay the Company a $5.0 million termination fee, subject to the parties' execution of a definitive agreement to acquire and assume the Company's rights and obligations to operate Lady Luck Nemacolin. On August 13, 2018, ERI entered into an agreement pursuant to which CDI will acquire Nemacolin for cash consideration of $100,000, subject to a customary working capital adjustment. Substantially concurrent with the execution of the purchase agreement for the Nemacolin Transaction, CDI paid the Company the $5.0 million termination fee related to Vicksburg.

The Isle Acquisition

On May 1, 2017, ERI completed its acquisition of Isle, for total purchase consideration of $1.93 billion, and Isle became a wholly-owned subsidiary of ERI.

In connection with the Isle Acquisition, the Company completed a debt financing transaction comprised of: (a) a senior secured credit facility in an aggregate principal amount of $1.75 billion with a (i) term loan facility of $1.45 billion and (ii) revolving credit facility of $300.0 million and (b) $375.0 million of 6.0% senior unsecured notes.

Basis for historical information

The Unaudited Pro Forma Financial Statements have been prepared by management for illustrative purposes only and do not purport to represent what the results of operations, balance sheet data or other financial information of ERI would have been if the Combined Transactions had occurred as of the dates indicated or what such results will be for any future periods. The pro forma adjustments are based on the preliminary assumptions and information available at the time of the preparation of this report. The historical financial information has been adjusted to give effect to pro forma events that are: (1) directly attributable to the Combined Transactions, (2) factually supportable, and (3) with respect to the Unaudited Pro Forma Income Statements, expected to have a continuing impact on the combined results of ERI. As such, the Unaudited Pro Forma Income Statements for the six months ended June 30, 2018 and for the year ended December 31, 2017 do not reflect non-recurring charges that will be incurred in connection with the Combined Transactions. The Unaudited Pro Forma Income Statements also do not reflect any cost savings from potential operating efficiencies or associated costs to achieve such savings or synergies that are expected to result from the Combined Transactions nor does it include any costs associated with severance, restructuring or integration activities resulting from the Combined Transactions, as they are currently not known, and, to the extent they arise, they are expected to be non-recurring and will not have been incurred at the closing date of the Combined Transactions. However, such costs could affect the combined company following the Combined Transactions in the period the costs are incurred. Further, the Unaudited Pro Forma Financial Statements do not reflect the effect of any regulatory actions that may impact the results of the combined company following the Combined Transactions.

Unaudited pro forma condensed combined balance sheet as of June 30, 2018

(Dollars in thousands)

	Historical As of June 30, 2018			Pro forma Adjustments as of June 30, 2018					As of June 30, 2018
	ERI	Elgin	Tropicana (as adjusted for Aruba) (Note 3(k))	ERI dispositions (Note 3(l))	Vicksburg reclassification (Note 3(m))	Reclassification adjustments (Note 4)	Pro forma adjustments (Note 3)		Pro forma combined
ASSETS									
CURRENT ASSETS:									
Cash and cash equivalents	$ 202,016	$28,261	$ 94,318	$ 170,617	$ —	$ 35	$ (357,308)	(a)	$ 137,939
Restricted cash	4,683	—	16,366	—	—	—	—		21,049
Marketable securities	17,066	—	—	—	—	—	—		17,066
Accounts receivable, net	34,808	125	24,980	—	100	—	—		60,013
Due from affiliates	125	—	—	—	—	—	—		125
Inventories	14,847	393	7,819	—	252	—	—		23,311
Prepaid income taxes	187	—	—	—	—	—	—		187
Prepaid expenses and other	30,469	1,157	17,087	—	275	868	—		49,856
Assets held for sale	201,202	—	—	(153,197)	(48,005)	—	—		—
Total current assets	505,403	29,936	160,570	17,420	(47,378)	903	(357,308)		309,546
Property and equipment, net	1,400,088	35,227	799,290	(5,041)	35,852	—	624,436	(b)	2,889,852
Goodwill	719,254	—	15,857	—	8,806	—	383,344	(c)	1,127,261
Investment	—	—	7,123	—	—	—	—		7,123
Non-operating real property	14,030	—	—	—	—	—	—		14,030
Deferred tax assets, net	—	—	57,908	—	—	—	(57,908)	(f)	—
Intangible asset, net	915,936	—	69,379	—	2,720	—	274,021	(c)	1,262,056
Other assets, net	45,035	961	28,719	—	—	(868)	—		73,847
Total assets	$3,599,746	$66,124	$1,138,846	$ 12,379	$ —	$ 35	$ 866,585		$ 5,683,715
LIABILITIES AND STOCKHOLDERS' EQUITY									
CURRENT LIABILITIES:									
Current portion of long-term debt	$ 486	$ —	$ —	$ —	$ —	$ —	$ —		$ 486
Accounts payable	28,949	914	35,490	—	175	523	—		66,051
Due to affiliates	20	130	—	—	—	—	—		150
Accrued property, gaming and other taxes	35,133	—	—	—	—	22,862	—		57,995
Accrued payroll and related	50,936	—	—	—	300	31,032	—		82,268
Accrued interest	26,788	—	—	—	—	25	—		26,813
Income tax payable	222	—	—		—	—	—		222
Accrued other liabilities	69,341	19,281	76,408	725	379	(53,539)	(1,056)	(d)	111,539
Liabilities related to assets held for sale	5,817	—	—	(4,963)	(854)	—	—		—
Total current liabilities	217,692	20,325	111,898	(4,238)	—	903	(1,056)		345,524
Long-term debt, less current portion	2,190,749	—	87,333	—	—	—	868,725	(e)	3,146,807
Deferred income taxes	176,607	—	3,963	—	—	—	(3,963)	(f)	176,607
Other long-term liabilities	17,975	868	8,290	(2,780)	—	(868)	985,652	(d), (o), (p)	1,009,137
Total liabilities	2,603,023	21,193	211,484	(7,018)	—	35	1,849,358		4,678,075
COMMITMENTS AND CONTINGENCIES									
STOCKHOLDERS' EQUITY:									
Common stock	1	—	238	—	—	—	(238)	(j)	1
Paid-in capital	744,020	—	521,553	—	—	—	(521,553)	(j)	744,020
Retained earnings/partners' equity	252,623	44,931	404,061	19,397	—	—	(459,472)	(g)	261,540
Accumulated other comprehensive income	79	—	1,510	—	—	—	(1,510)	(j)	79
Total stockholders'/partners' equity	996,723	44,931	927,362	19,397	—	—	(982,773)		1,005,640
Total liabilities and stockholders'/partners' equity	$ 3,599,746	$ 66,124	$ 1,138,846	$ 12,379	$ —	$ 35	$ 866,585		$ 5,683,715

Unaudited pro forma condensed combined statement of operations for the year ended December 31, 2017

(Dollars in thousands, except share and per share data)

	Pro forma Fiscal year ended December 31, 2017	Historical Twelve months ended December 31, 2017		Pro forma Adjustments Twelve months ended December 31, 2017				Fiscal year ended December 31, 2017
	ERI (adjusted for acquisition of Isle) (Note 3(n))	Elgin	Tropicana (as adjusted for Aruba) (Note 3(k))	ERI dispositions (Note 3(l))	Reclassification adjustments (Note 4)	Pro forma adjustments (Note 3)		Pro forma combined
REVENUES:								
Casino	$ 1,356,764	$156,972	$ 711,904	$ (143,806)	$ (149,951)	$ —		$ 1,931,883
Pari-mutuel commissions	18,442	—	—	(2,630)	—	—		15,812
Food and beverage	231,001	12,522	110,077	(11,089)	5,267	—		347,778
Hotel	147,895	—	124,278	—	22,026	—		294,199
Other	55,265	6,391	30,893	(2,785)	13,054	—		102,818
Management fee from related party	—	—	1,250	—	—	—		1,250
Total revenues	1,809,367	175,885	978,402	(160,310)	(109,604)	—		2,693,740
Less: promotional allowances	—	(11,776)	(95,425)	—	107,201	—		—
Net operating revenues	1,809,367	164,109	882,977	(160,310)	(2,403)	—		2,693,740
EXPENSES:								
Casino	685,187	89,615	303,131	(97,484)	(104,027)	—		876,422
Pari-mutuel commissions	17,177	—	—	(3,259)	—	—		13,918
Food and beverage	185,335	4,499	55,321	(9,894)	48,652	—		283,913
Hotel	53,413	—	40,603	—	17,259	—		111,275
Other	34,214	14,710	18,109	(1,778)	(6,476)	—		58,779
Marketing and promotions	103,008	—	70,898	(7,627)	32,509	—		198,788
General and administrative	297,355	11,436	141,785	(20,953)	65,293	(2,014)	(p)	492,902
Corporate	39,186	—	—	—	17,795	—		56,981
Impairment charges	38,016	—	(3,879)	—	3,879	—		38,016
Depreciation and amortization	125,066	7,104	74,482	(7,898)	—	8,828	(b), (c)	207,582
Charitable donations	—	7,449	—	—	(7,449)	—		—
Maintenance and utilities	—	—	68,428	—	(68,428)	—		—
Real estate tax settlement	—	—	(23,449)	—	—	—		(23,449)
Preferred distribution	—	1,684	—	—	(1,684)	—		—
Total operating expenses	1,577,957	136,497	745,429	(148,893)	(2,677)	6,814		2,315,127
(Loss) Gain on sale of disposal of property and equipment	(470)	—	—	120	295	—		(55)
Proceeds from terminated sale	20,000	—	—	—	—	—		20,000
Transaction expenses	(92,777)	—	—	—	—	—		(92,777)
Equity loss of unconsolidated affiliates	(367)	—	—	—	—	—		(367)
Operating income (loss)	157,796	27,612	137,548	(11,297)	569	(6,814)		305,414
OTHER INCOME (EXPENSE):								
Interest expense, net	(119,324)	2	(10,106)	5,573	—	(153,217)	(e)	(277,072)
Termination fee from affiliate	—	—	15,000	—	—	—		15,000
Loss on extinguishment of debt	(40,220)	—	(1,358)	—	—	—		(41,578)
Total other expense	(159,544)	2	3,536	5,573	—	(153,217)		(303,650)
NET (LOSS) INCOME BEFORE INCOME TAXES	(1,748)	27,614	141,084	(5,724)	569	(160,031)		1,764
Benefit (Provision) for income taxes	104,787	—	(91,006)	3,866	(591)	52,967	(q)	70,023
Net Income (loss)	$ 103,039	$ 27,614	$ 50,078	$ (1,858)	$ (22)	$ (107,064)		$ 71,787
Net Income per share of Common Stock:								
Basic	$ 1.53							$ 1.07
Diluted	$ 1.51							$ 1.05
Weighted Average Basic Shares Outstanding	67,133,531							67,133,531
Weighted Average Diluted Shares Outstanding	68,102,814							68,102,814

Unaudited pro forma condensed combined statement of operations for the six months ended June 30, 2018

(Dollars in thousands, except share and per share data)

	Historical			Pro forma Adjustments				
	Six months ended June 30, 2018			Six months ended June 30, 2018				Six months ended June 30, 2018
	ERI	Elgin	Tropicana (as adjusted for Aruba) (Note 3(k))	ERI dispositions (Note 3(l))	Reclassification adjustments (Note 4)	Pro forma adjustments (Note 3)		Pro forma combined
REVENUES:								
Casino	$ 683,133	$76,892	$ 298,380	$ (78,667)	$ (3,354)	$ —		$ 976,384
Pari-mutuel commissions	9,115	—	—	(1,005)	—	—		8,110
Food and beverage	106,491	5,985	58,690	(5,750)	(858)	—		164,558
Hotel	69,667	—	73,474	—	(5,069)	—		138,072
Other	28,588	2,666	15,173	(1,565)	4,086	—		48,948
Total revenues	896,994	85,543	445,717	(86,987)	(5,195)	—		1,336,072
Less: promotional allowances	—	(5,296)	—	—	5,296	—		—
Net operating revenues	896,994	80,247	445,717	(86,987)	101	—		1,336,072
EXPENSES:								
Casino	331,203	41,972	118,311	(53,893)	(7,716)	—		429,877
Pari-mutuel commissions	8,293	—	—	(1,373)	—	—		6,920
Food and beverage	89,546	2,393	47,142	(4,970)	3,352	—		137,463
Hotel	26,201	—	30,649	—	(2,240)	—		54,610
Other	15,715	5,733	9,652	(746)	(4,169)	—		26,185
Marketing and promotions	43,133	—	36,032	(3,226)	8,961	—		84,900
General and administrative	147,947	6,266	72,498	(12,190)	28,905	(1,387)	(h), (p)	242,039
Corporate	23,801	—	—	—	11,845	(2,730)	(h)	32,916
Impairment charges	9,815	—	114	—	(114)	—		9,815
Charitable donations	—	4,597	—	—	(4,597)	—		—
Maintenance and utilities	—	—	33,432	—	(33,432)	—		—
Real estate tax settlement	—	—	(880)	—	—	—		(880)
Depreciation and amortization	63,444	3,693	40,050	(1,577)	—	1,464	(b), (c)	107,074
Preferred distribution	—	808	—	—	(808)	—		—
Total operating expenses	759,098	65,462	387,000	(77,975)	(13)	(2,653)		1,130,919
Loss on sale of disposal of property and equipment	(283)	—	—	(16)	(114)	—		(413)
Transaction expenses	(5,952)	—	—	—	—	4,803	(i)	(1,149)
Equity loss of unconsolidated affiliates	(53)	—	—	—	—	—		(53)
OPERATING INCOME	131,608	14,785	58,717	(9,028)	—	7,456		203,538
OTHER INCOME (EXPENSE):								
Interest expense, net	(62,494)	3	(2,917)	3,287	—	(79,409)	(e)	(141,530)
Loss on extinguishment of debt	(162)	—	(362)	—	—	—		(524)
Other non-operating income	—	—	76	—	—	—		76
Total other expense	(62,656)	3	(3,203)	3,287	—	(79,409)		(141,978)
NET INCOME (LOSS) BEFORE INCOME TAXES	68,952	14,788	55,514	(5,741)	—	(71,953)		61,560
(Provision) benefit for income taxes	(11,301)	—	(13,939)	1,040	—	14,289	(g)	(9,911)
Net Income (loss)	$ 57,651	$14,788	$ 41,575	$ (4,701)	$ —	$ (57,664)		$ 51,649
Net Income per share of Common Stock:								
Basic	$ 0.74							$ 0.67
Diluted	$ 0.74							$ 0.66
Weighted Average Basic Shares Outstanding	77,406,447							77,406,447
Weighted Average Diluted Shares Outstanding	78,169,629							78,169,629

Note 1—Basis of presentation

The following unaudited pro forma condensed combined financial information presents the pro forma effects of the following transactions:

- the Acquisitions;
- the Real Estate Sale;
- the ERI Financing Transactions;
- the Dispositions; and
- the Isle Acquisition.

The unaudited pro forma condensed combined financial information is prepared in accordance with Article 11 of Regulation S-X. The historical financial information has been adjusted to give effect to transactions that are (i) directly attributable to the Combined Transactions, (ii) factually supportable and (iii) with respect to the unaudited pro forma condensed combined statement of operations, expected to have a continuing impact on the operating results of the combined company. The historical information of ERI (including Isle), Tropicana, and Elgin is presented in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The unaudited pro forma condensed combined balance sheet (the "Unaudited Pro Forma Balance Sheet") as of June 30, 2018 was prepared using the historical unaudited consolidated balance sheets of ERI, Tropicana and Elgin as of June 30, 2018, respectively, and shows the combined financial position of ERI, Tropicana and Elgin as if the Acquisitions, the Real Estate Sale, the ERI Financing Transactions, and the Dispositions had occurred on June 30, 2018. The Isle Acquisition is already reflected in ERI's historical unaudited consolidated balance sheet as of June 30, 2018. Therefore, no pro forma balance sheet adjustments are necessary to show the pro forma impact of the Isle Acquisition.

The unaudited pro forma condensed combined statements of operations (the "Unaudited Pro Forma Income Statements") for the six months ended June 30, 2018 and the year ended December 31, 2017, give effect to the Acquisitions, the Real Estate Sale, the ERI Financing Transactions, the Dispositions, and the Isle Acquisition as if they had occurred on January 1, 2017 and reflect pro forma adjustments that are expected to have a continuing impact on the results of operations. The Isle Acquisition was consummated on May 1, 2017, and as such, is already reflected in ERI's historical audited consolidated statement of operations for the period from May 1, 2017 to December 31, 2017 and historical unaudited consolidated statement of operations for the six months ended June 30, 2018. Accordingly, the effect of the Isle Acquisition is included in the unaudited pro forma condensed statement of operations from January 1, 2017 to April 30, 2017.

ERI's historical financial and operating data for the year ended December 31, 2017 and the six months ended June 30, 2018 is derived from the financial data in its audited consolidated financial statements for the year ended December 31, 2017 and from its unaudited consolidated financial statements for the six months ended June 30, 2018. The historical financial and operating data for Tropicana for the year ended December 31, 2017 and the six months ended June 30, 2018 is derived from the financial data in its audited consolidated financial statements for the year ended December 31, 2017 and from its unaudited consolidated financial statements for the six months ended June 30, 2018. The historical financial and operating data for Elgin for the year ended December 31, 2017 and the six months ended June 30, 2018 is derived from the financial data in its audited consolidated financial statements for the year ended December 31, 2017 and from its unaudited consolidated financial statements for the six months ended June 30, 2018.

Note that certain reclassifications have been made to the historical financial statements of Tropicana and Elgin to align their presentation in the Unaudited Pro Forma Financial Statements. Additionally, in May 2014 (amended January 2017), FASB issued ASC Topic 606 which provides a single comprehensive model for entities

to use in accounting for revenue arising from contracts with customers and eliminates existing industry guidance, including revenue recognition guidance specific to the gaming industry. Public entities were required to adopt ASC Topic 606 effective for interim and annual periods beginning after December 15, 2017. ERI and Tropicana adopted this standard effective January 1, 2018, and elected to apply the full retrospective adoption method. All periods for ERI reflect the adoption of ASC Topic 606 Tropicana has not reflected the retrospective adjustments in its audited financial statements for the year ended December 31, 2017. Elgin had not adopted this standard prior to the acquisition by ERI.

The Unaudited Pro Forma Financial Statements have been prepared using the acquisition method of accounting in accordance with ASC Topic 805, *Business Combinations*, with ERI treated as the accounting acquirer of the Acquisitions, the Real Estate Sale, and the Isle Acquisition, and reflect the preliminary allocation of the purchase price to the acquired assets and liabilities based upon a preliminary estimate of fair values, using the assumptions set forth in the notes to the unaudited pro forma condensed combined financial information.

Note 2—Calculation of estimated purchase consideration

Elgin

The total estimated purchase consideration for the purpose of this pro forma financial information is $328.9 million.

Purchase price calculation—Elgin

Purchase consideration calculation (dollars in thousands)		
Cash consideration paid	$	327,500
Estimated working capital and other adjustments		1,386
Estimated purchase consideration	$	328,886

For pro forma purposes, the fair value of consideration given and thus the estimated purchase price was determined based upon the gross purchase of $327.5 million, and estimated working capital and other adjustments of $1.4 million. The working capital adjustment is subject to finalization within 100 days of the Elgin Acquisition date pursuant to the terms of the purchase agreement; however, no material adjustments are anticipated.

Preliminary purchase price accounting—Elgin

Under the acquisition method of accounting, the identifiable assets acquired and liabilities assumed of Elgin are recorded at the acquisition date fair values and added to those of ERI. The pro forma adjustments on the condensed combined balance sheet are preliminary and based on estimates of the fair value and useful lives of the assets acquired and liabilities assumed as of June 30, 2018 and have been prepared to illustrate the estimated effect of the Elgin Acquisition. The allocation is dependent upon certain valuation and other studies that have not yet been completed. Accordingly, the pro forma purchase price accounting is subject to further adjustment as additional information becomes available and as additional analyses and final valuations are completed. There can be no assurances that these additional analyses and final valuations will not result in significant changes to the estimates of fair value set forth below.

The following table summarizes the preliminary allocation of the purchase consideration to the identifiable assets acquired and liabilities assumed of Elgin, with the excess recorded as goodwill (dollars in thousands):

Current and other assets	$ 30,804
Property and equipment	58,980
Goodwill	54,952
Intangible assets(i)	205,000
Other noncurrent assets	93
Total assets	349,829
Current liabilities	(20,943)
Total liabilities	(20,943)
Net assets acquired	$328,886

(i) Intangible assets consist of gaming license, trade name, and player relationships.

Tropicana

The total estimated purchase consideration for the purpose of this pro forma financial information is $974.0 million.

Purchase price calculation—Tropicana

Purchase consideration calculation (dollars in thousands)	
Cash consideration paid	$640,000
Lumiere Real Estate	246,000
Estimated cash paid to retire Tropicana's long term debt	88,000
Estimated purchase consideration	$974,000

For pro forma purposes, the fair value of consideration given and thus the estimated purchase price was determined based upon the cash consideration of $640.0 million, estimated cash paid to retire Tropicana's long term debt, and the Lumiere Real Estate.

Preliminary purchase price accounting—Tropicana

Under the acquisition method of accounting, the identifiable assets acquired and liabilities assumed of Tropicana are recorded at the acquisition date fair values and added to those of ERI. The pro forma adjustments on the condensed combined balance sheet are preliminary and based on estimates of the fair value and useful lives of the assets acquired and liabilities assumed as of June 30, 2018 and have been prepared to illustrate the estimated effect of the Tropicana Acquisition. The allocation is dependent upon certain valuation and other studies that have not yet been completed. Accordingly, the pro forma purchase price allocation is subject to further adjustment as additional information becomes available and as additional analyses and final valuations are completed. There can be no assurances that these additional analyses and final valuations will not result in significant changes to the estimates of fair value set forth below.

The following table summarizes the preliminary allocation of the purchase consideration to the identifiable assets acquired and liabilities assumed of Tropicana, with the excess recorded as goodwill (dollars in thousands):

Current and other assets	$ 160,570
Property and equipment	435,973
Property subject to the financing obligation	964,000
Goodwill	344,249
Intangible assets(i)	138,400
Other noncurrent assets	35,842
Total assets	2,079,034
Current liabilities	(111,092)
Failed sale-leaseback financing obligation	(964,000)
Other noncurrent liabilities	(29,942)
Total liabilities	(1,105,034)
Net assets acquired	$ 974,000

(i) Intangible assets consist of gaming licenses, trade names, and player relationships.

Note 3—Unaudited pro forma financial statements transaction adjustments

a) The following table illustrates the pro forma adjustments to cash and cash equivalents for the period ended June 30, 2018 (dollars in thousands):

	June 30, 2018
Cash proceeds of the Notes	$ 581,700
Borrowings under ERI's credit facility	128,358
Cash consideration—Elgin	(328,886)
Cash consideration—Tropicana	(640,000)
Repayment of Tropicana debt	(88,000)
Change in control payment—Tropicana	(7,500)
Transaction costs	(7,980)
Vicksburg termination fee	5,000
Net cash outflow	$ (357,308)

b) Represents the estimated adjustment to step up Elgin's and Tropicana's property, plant and equipment ("PP&E") (excluding the real property acquired by GLP pursuant to the Real Estate Sale) to a fair value of approximately $59.0 million and $436.0 million, respectively, which is an increase of approximately $23.8 million and $86.8, respectively, from the respective carrying values. The fair value estimates are preliminary and subject to change.

The fair value of land (excluding the real property acquired by GLP pursuant to the Real Estate Sale) was determined using the market approach, which arrives at an indication of value by comparing the site being valued to sites that have been recently acquired in arm's-length transactions. The market data is then adjusted for any significant differences, to the extent known, between the identified comparable sites and the site being valued. Building and site improvements were valued using the cost approach using a direct cost model built on estimates of replacement cost. With respect to personal property components of the assets, personal property assets with an active and identifiable secondary market such as riverboats, gaming equipment, computer equipment and vehicles were valued using the market approach. Other

personal property assets such as furniture, fixtures, computer software, and restaurant equipment were valued using the cost approach which is based on replacement or reproduction costs of the asset.

The cost approach is an estimation of fair value developed by computing the current cost of replacing a property and subtracting any depreciation resulting from one or more of the following factors: physical deterioration, functional obsolescence, and/or economic obsolescence. The income approach incorporates all tangible and intangible property and served as a ceiling for the fair values of the acquired assets of the ongoing business enterprise, while still taking into account the premise of highest and best use. In the instance where the business enterprise value developed via the income approach was exceeded by the initial fair values of the underlying assets, an adjustment to reflect economic obsolescence was made to the tangible assets on a pro rata basis to reflect the contributory value of each individual asset to the enterprise as a whole.

In connection with the Tropicana Acquisition and the Real Estate Sale, certain real estate assets will be sold to GLP. Substantially concurrent with the consummation of the Tropicana Acquisition, ERI will enter into the Master Lease with GLP pursuant to which the Company will lease the real estate acquired by GLP in the Real Estate Sale. Under the expected terms of Master Lease, ERI estimates that the length of the lease, including optional renewal periods, would represent substantially all (90% or more) of the remaining economic lives of the properties and facilities subject to the lease, and the terms of the renewal options give ERI the ability to renew the lease at a rate that has the potential of being less than a fair market value rate as determined at the time of renewal. Accordingly, ERI anticipates that the transaction will not qualify for sale-leaseback accounting.

The real estate assets that will be sold to GLP and leased back by ERI will first be adjusted to fair value concurrent with the Tropicana Acquisition. The fair value is determined based on the highest and best use of the real estate assets, where the highest and best use represents the value determined from a REIT’s perspective, which increases the value due to its tax-advantaged status and lower cost of capital. The fair value of the properties was determined utilizing the direct capitalization method of the income approach. In allocating the fair value to the underlying acquired assets, a fair value for the buildings and improvements was determined using the above mentioned cost approach method. To determine the underlying land value, the extraction method was applied wherein the fair value of the building and improvements was deducted from the fair value of the property as derived from the direct capitalization approach to determine the fair value of the land. The fair value of GLP’s real estate assets is determined to be $964.0 million. ERI will also recognize a failed sale-leaseback financing obligation equal to this fair value (see Note 3(o) for the related liability).

GLP or its affiliate will loan the Company an aggregate of $246.0 million to fund the entire purchase price of the Lumiere Real Property. The fair value of the Lumiere Real Property is estimated to be $246.0 million.

Adjustments to depreciation expense for property and equipment were based on comparing the historical depreciation recorded during the periods presented to the revised depreciation. The revised depreciation was calculated by dividing, on a straight-line basis, the fair value assigned to Elgin's and Tropicana's property and equipment by the estimated remaining useful lives assigned to the assets. The following table illustrates the pro forma adjustments to depreciation expense (dollars in thousands):

	Elgin		Tropicana		Total	
	Six months ended June 30, 2018	Year ended December 31, 2017	Six months ended June 30, 2018	Year ended December 31, 2017	Six months ended June 30, 2018	Year ended December 31, 2017
To eliminate historical depreciation related to PP&E	$ (3,693)	$ (7,104)	$ (38,662)	$ (72,181)	$ (42,355)	$ (79,285)
To record new depreciation expense related to the fair value adjustments to PP&E	2,551	5,103	37,414	74,828	39,965	79,931
Total adjustments to depreciation of PP&E	$ (1,142)	$ (2,001)	$ (1,248)	$ 2,647	$ (2,390)	$ 646

c) Represents the estimated adjustment for Elgin's and Tropicana's intangible assets, the elimination of historical Tropicana intangible assets and goodwill and the recognition of the preliminary goodwill for the purchase consideration in excess of the fair value of net assets acquired in connection with the Acquisitions.

The fair value of Elgin's intangible assets is approximately $205.0 million, and Tropicana's intangibles assets is approximately $138.4 million, an increase of approximately $274.0 million from Tropicana's and Elgin's historical carrying values. The fair value estimate is preliminary and subject to change. Preliminary identifiable intangible assets in the unaudited pro forma condensed combined financial statements consist of the following (dollars in thousands):

	Elgin	
	Fair value	Useful life
Trade Names	$ 12,500	Indefinite
Gaming Licenses	163,500	Indefinite
Player Relationships	29,000	4
Total Value of Intangible Assets	$205,000	

	Tropicana	
	Fair value	Useful life
Trade Names	$ 71,600	Indefinite
Gaming Licenses	57,100	Indefinite
Player Relationships	9,700	3
Total Value of Intangible Assets	$138,400	

The fair value of the gaming licenses was determined using the excess earnings or replacement cost methodology, based on whether the license resides in gaming jurisdictions where competition is limited to a specified number of licensed gaming operators. The excess earnings methodology is an income approach

methodology that estimates the projected cash flows of the business attributable to the gaming license intangible asset, which is net of charges for the use of other identifiable assets of the business including working capital, fixed assets and other intangible assets. Under the respective state's gaming legislation, the property specific licenses can only be acquired if a theoretical buyer were to acquire each existing facility. The existing licenses could not be acquired and used for a different facility. The properties' estimated future cash flows were the primary assumption in the respective valuations. Cash flow estimates included net gaming revenue, gaming operating expenses, general and administrative expenses, and tax expense. The replacement cost methodology is a cost approach methodology based on replacement or reproduction cost of the gaming license as an indicator of fair value.

ERI has preliminarily assigned an indefinite useful life to the gaming licenses, in accordance with its review of the applicable guidance of ASC 350. The standard required ERI to consider, among other things, the expected use of the asset, the expected useful life of other related asset or asset group, any legal, regulatory, or contractual provisions that may limit the useful life, ERI's own historical experience in renewing similar arrangements, the effects of obsolescence, demand and other economic factors, and the maintenance expenditures required to obtain the expected cash flows. In that analysis, ERI determined that no legal, regulatory, contractual, competitive, economic or other factors limit the useful lives of these intangible assets. Tropicana currently has licenses in New Jersey, Missouri, Mississippi, Nevada, Indiana, and Louisiana. The renewal of each state's gaming license depends on a number of factors, including payment of certain fees and taxes, providing certain information to the state's gaming regulator, and meeting certain inspection requirements. However, ERI's historical experience has not indicated, nor does ERI expect, any limitations regarding its ability to continue to renew each license. No other competitive, contractual, or economic factor limits the useful lives of these assets. Accordingly, ERI has preliminarily concluded that the useful lives of these licenses are indefinite.

Trademarks are valued using the relief from royalty method, which presumes that without ownership of such trademarks, ERI would have to make a stream of payments to a brand or franchise owner in return for the right to use their name. By virtue of this asset, ERI avoids any such payments and records the related intangible value of ERI's ownership of the brand name. The primary assumptions in the valuation included revenue, pre-tax royalty rate, and tax expense. ERI has preliminarily assigned an indefinite useful life to the trademark.

Player relationships were valued using the cost approach and the incremental cash flow method under the income approach. The incremental cash flow method is used to estimate the fair value of an intangible asset based on a residual cash flow notion. This method measures the benefits (e.g., cash flows) derived from ownership of an acquired intangible asset as if it were in place, as compared to the acquirer's expected cash flows as if the intangible asset were not in place (i.e., with-and-without). The residual or net cash flows of the two models is ascribable to the intangible asset.

Adjustments to amortization expense for definite-lived intangibles were based on comparing the historical amortization recorded during the periods presented to the revised amortization. The revised amortization was based on the estimated fair value amortized over the respective useful lives of the intangible assets. The following table illustrates the pro forma adjustments to amortization expense (dollars in thousands):

	Elgin		Tropicana		Total	
	Six months ended June 30, 2018	Year ended December 31, 2017	Six months ended June 30, 2018	Year ended December 31, 2017	Six months ended June 30, 2018	Year ended December 31, 2017
To eliminate historical amortization related to intangible assets	$ —	$ —	$ (1,388)	$ (2,301)	$ (1,388)	$ (2,301)
To record new amortization expense related to the fair value adjustments to intangible assets	3,625	7,250	1,617	3,233	5,242	10,483
Total adjustments to amortization of intangible assets	$ 3,625	$ 7,250	$ 229	$ 932	$ 3,854	$ 8,182

The following table illustrates the pro forma adjustments to goodwill (dollars in thousands):

	Elgin	Tropicana	Total
To eliminate historical goodwill	$ —	$ (15,857)	$ (15,857)
To record preliminary goodwill for the purchase consideration in excess of the fair value of net assets acquired in connection with the Acquisition	54,952	344,249	399,201
Total adjustments to goodwill	$54,952	$ 328,392	$383,344

d) Reflects the elimination of Elgin’s and Tropicana’s deferred rent liabilities of $0.3 million and $5.7 million, respectively, as a purchase accounting adjustment.

e) Reflects adjustments to current and long-term debt for anticipated borrowings to fund the Acquisitions net of aggregate reductions in long-term debt (including unamortized original issuance discounts and unamortized deferred financing cost). The adjustments to current and long-term debt are summarized as follows (dollars in thousands):

Anticipated new borrowings(i)	$974,358
Deferred financing cost related to Notes	(18,300)
Repayments of existing long-term debt (net of unamortized deferred financing cost)	(87,333)
Net increase in borrowings	868,725
Less: Increase to current portion of long-term debt	—
Increase to long-term debt	$868,725

(i) Reflects estimated borrowings as of June 30, 2018 and proceeds of new Notes to consummate the Combined Transactions. Actual future borrowings may vary based on working capital needs, including statutory cage cash requirements, to operate the business following the Combined Transactions.

	June 30, 2018
The Notes	$600,000
Borrowings from ERI's revolving credit facility	128,358
Lumiere Note	246,000
Anticipated new borrowings	$974,358

The following table illustrates the pro forma adjustments to interest expense for the six months ended June 30, 2018 and the year ended December 31, 2017 (dollars in thousands):

	Six months ended June 30, 2018	**Year ended December 31, 2017**
Interest expense on the Notes	$ (18,949)	$ (37,810)
Interest expense on Revolving Credit Facility	(3,357)	(6,714)
Interest expense on Lumiere Note	(11,402)	(22,360)
Interest expense on GLP liability	(48,940)	(97,161)
Reversal of Tropicana's historical net interest expense and amortization of deferred financing cost	3,239	10,828
Total adjustments to Interest expense, net	$ (79,409)	$ (153,217)

f) To reflect the elimination of Tropicana's historical tax assets and liabilities as a result of the step-up in tax basis due to the agreed upon joint election under Internal Revenue Code Section 338(h)(10).

g) ERI, Elgin and Tropicana anticipate incurring approximately $5.4 million, $0.3 million and $2.3 million, respectively, for a total of $8.0 million in transaction related costs, as described in Note (1) as cash payout. Such costs consist primarily of legal, financial advisor, gaming license transfer fees, accounting and consulting costs, and was shown as a pro forma adjustment reducing retained earnings. These costs are not reflected in the unaudited pro forma condensed combined statement of operations because they are nonrecurring items that are directly related to the acquisitions. Approximately $18.3 million was related to financing and was capitalized and netted against debt balance as described in Note 3(e) above.

The following table illustrates the pro forma adjustments to ERI's, Elgin's and Tropicana's historical retained earnings (dollars in thousands):

	ERI	Elgin	Tropicana	Total
Estimated transaction costs	$(5,400)	$ (280)	$ (2,300)	$ (7,980)
Change in control payments	—	—	(7,500)	(7,500)
To record Vicksburg's termination fee	5,000	—	—	5,000
To eliminate retained earnings after adjustment	—	(44,931)	(404,061)	(448,992)
Total adjustments to historical retained earnings	$ (400)	$ (45,211)	$ (413,861)	$(459,472)

h) Reflects the elimination of transaction related costs incurred by Elgin and Tropicana of $0.4 million and $2.7 million, respectively, during the six months ended June 30, 2018, as transaction related costs do not have a continuing effect on the combined company.

i) Reflects the elimination of transaction related costs incurred by ERI of $4.8 million during the six months ended June 30, 2018, as transaction related costs do not have a continuing effect on the combined company.

j) Reflects the elimination of Elgin and Tropicana's historical common stock, paid-in capital, and accumulated other comprehensive income.

k) Column reflects adjustments related to the exclusion of Tropicana Aruba, as it is not part of the acquisition of Tropicana by ERI. The following tables discuss the adjustments related to the exclusion of Tropicana Aruba (dollars in thousands):

	Historical As of June 30, 2018		
	Tropicana	Aruba	Tropicana (As adjusted for Aruba)
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	$ 98,040	$ (3,722)	$ 94,318
Restricted cash	16,366	—	16,366
Accounts receivable, net	31,804	(6,824)	24,980
Inventories	8,283	(464)	7,819
Prepaid expenses and other	17,259	(172)	17,087
Total current assets	171,752	(11,182)	160,570
Property and equipment, net	810,828	(11,538)	799,290
Goodwill	15,857	—	15,857
Investments	7,123	—	7,123
Deferred tax assets, net	57,908	—	57,908
Intangible asset, net	77,727	(8,348)	69,379
Other assets, net	33,361	(4,642)	28,719
Total assets	$1,174,556	$(35,710)	$ 1,138,846
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payable	$ 36,733	$ (1,243)	$ 35,490
Accrued other liabilities	79,248	(2,840)	76,408
Total current liabilities	115,981	(4,083)	111,898
Long-term debt, less current portion	87,333	—	87,333
Deferred income taxes	3,963	—	3,963
Other long-term liabilities	8,290	—	8,290
Total liabilities	215,567	(4,083)	211,484
COMMITMENTS AND CONTINGENCIES			
STOCKHOLDERS' EQUITY:			
Common stock	238	—	238
Paid-in capital	521,553	—	521,553
Retained earnings	435,688	(31,627)	404,061
Accumulated other comprehensive income	1,510	—	1,510
Total stockholders' equity	958,989	(31,627)	927,362
Total liabilities and stockholders' equity	$1,174,556	$(35,710)	$ 1,138,846

	Historical		
	Twelve months ended December 31, 2017		
	Tropicana	Aruba	Tropicana (As adjusted for Aruba)
REVENUES:			
Casino	$ 713,712	$ (1,808)	$ 711,904
Food and beverage	111,330	(1,253)	110,077
Hotel	136,459	(12,181)	124,278
Other	31,179	(286)	30,893
Management fee from related party	1,250	—	1,250
Total revenues	993,930	(15,528)	978,402
Less: promotional allowances	(95,740)	315	(95,425)
Net operating revenues	898,190	(15,213)	882,977
EXPENSES:			
Casino	304,704	(1,573)	303,131
Hotel	45,105	(4,502)	40,603
Food and beverage	56,441	(1,120)	55,321
Marketing and promotions	71,207	(309)	70,898
General and administrative	145,050	(3,265)	141,785
Impairment charges	(3,879)	—	(3,879)
Maintenance and utilities	71,899	(3,471)	68,428
Real estate tax settlement	(23,449)	—	(23,449)
Depreciation and amortization	75,535	(1,053)	74,482
Other	18,109	—	18,109
Total operating expenses	760,722	(15,293)	745,429
Operating income (loss)	137,468	80	137,548
OTHER INCOME (EXPENSE):			
Interest expense, net	(10,257)	151	(10,106)
Termination fee from affiliate	15,000	—	15,000
Loss on extinguishment of debt	(1,358)	—	(1,358)
Total other expense	3,385	151	3,536
NET INCOME (LOSS) BEFORE INCOME TAXES	140,853	231	141,084
Provision for income taxes	(91,006)	—	(91,006)
Net Income	$ 49,847	$ 231	$ 50,078

	Historical		
	Six months ended June 30, 2018		
	Tropicana	Aruba	Tropicana (As adjusted for Aruba)
REVENUES:			
Casino	$ 299,507	$(1,127)	$ 298,380
Food and beverage	59,744	(1,054)	58,690
Hotel	80,296	(6,822)	73,474
Other	15,293	(120)	15,173
Net operating revenues	454,840	(9,123)	445,717
EXPENSES:			
Casino	119,155	(844)	118,311
Food and beverage	48,200	(1,058)	47,142
Hotel	32,817	(2,168)	30,649
Marketing and promotions	36,213	(181)	36,032
General and administrative	74,267	(1,769)	72,498
Impairment charges	114	—	114
Maintenance and utilities	35,146	(1,714)	33,432
Real estate tax settlement	(880)	—	(880)
Depreciation and amortization	40,652	(602)	40,050
Other	9,652	—	9,652
Total operating expenses	395,336	(8,336)	387,000
OPERATING INCOME	59,504	(787)	58,717
OTHER INCOME (EXPENSE):			
Interest expense, net	(3,011)	94	(2,917)
Loss on extinguishment of debt, net	(362)	—	(362)
Other non-operating income	76	—	76
Total other expense	(3,297)	94	(3,203)
NET INCOME (LOSS) BEFORE INCOME TAXES	56,207	(693)	55,514
Provision for income taxes	(13,939)	—	(13,939)
Net Income	$ 42,268	$ (693)	$ 41,575

l) Column reflects pro forma adjustments related to the dispositions of Presque Isle Downs and Nemacolin. The pro forma adjustments on the Unaudited Pro Forma Balance Sheet reflects the elimination of assets and liabilities of Presque Isle Downs and Nemacolin, the net proceeds from Presque Isle Downs for $171.2 million, inclusive of fees and working capital adjustment of $7.7 million, and the net proceeds from Nemacolin for $(0.6) million, inclusive of fees and net of working capital adjustment of $0.7 million. The estimated gain from the sale of Presque Isle Downs is approximately $23.0 million and the estimated loss from the sale of Nemacolin is approximately $3.6 million, reflected as an adjustment to retained earnings. The estimated gains and loss related to dispositions has not been reflected in the pro forma consolidated statement of operations as it is considered to be nonrecurring in nature. The pro forma adjustments on the Unaudited Pro Forma Statement of Operations reflect the elimination of historical revenues, expenses, and other income of Presque Isle Downs and Nemacolin for the twelve months ended December 31, 2017 and six months ended June 30, 2018. The adjustment also reflects the estimated income tax effect of the pro-forma adjustments. The tax effect of the pro-forma adjustments was calculated using the historical statutory rates in effect for the periods presented.

m) Column reflects pro forma adjustments related to the terminated sale of Lady Luck Vicksburg in July 2018. The pro forma adjustments on the Unaudited Pro Forma Balance Sheet reflects the reclassification of assets and liabilities of Lady Luck Vicksburg from assets held-for-sale.

n) As described in the section discussing the Isle Acquisition above, ERI acquired Isle on May 1, 2017. The following tables discuss the pro forma adjustments related to the Isle Acquisition (dollars in thousands):

	Historical			Pro forma
	Fiscal year ended December 31, 2017	Period from January 1, 2017 to April 30, 2017		Fiscal year ended December 31, 2017
	ERI	Isle of Capri Casinos Inc	Pro forma adjustments	ERI (adjusted for acquisition of Isle)
REVENUES:				
Casino	$ 1,085,014	$ 271,750	$ —	$ 1,356,764
Pari-mutuel commissions	14,013	4,429	—	18,442
Food and beverage	198,246	32,755	—	231,001
Hotel	133,338	14,557	—	147,895
Other	50,187	5,078	—	55,265
Net operating revenues	1,480,798	328,569	—	1,809,367
EXPENSES:				
Casino	547,438	137,749	—	685,187
Pari-mutuel commissions	13,651	3,526	—	17,177
Food and beverage	169,848	15,487	—	185,335
Hotel	50,575	2,838	—	53,413
Other	32,156	2,058	—	34,214
Marketing and promotions	83,174	19,834	—	103,008
General and administrative	241,037	56,318	—	297,355
Corporate	30,739	8,447	—	39,186
Impairment charges	38,016	—	—	38,016
Depreciation and amortization	105,891	22,499	(3,324)(a)	125,066
Total operating expenses	1,312,525	268,756	(3,324)	1,577,957
Loss on sale of disposal of property and equipment	(319)	(151)	—	(470)
Proceeds from terminated sale	20,000	—	—	20,000
Transaction expenses	(92,777)	—	—	(92,777)
Equity loss of unconsolidated affiliates	(367)	—	—	(367)
Operating income	94,810	59,662	3,324	157,796
OTHER INCOME (EXPENSE):				
Interest expense, net	(99,769)	(21,549)	1,994(b)	(119,324)
Loss on extinguishment of debt	(38,430)	(1,790)	—	(40,220)
Total other expense	(138,199)	(23,339)	1,994	(159,544)
NET INCOME (LOSS) BEFORE INCOME TAXES	(43,389)	36,323	5,318	(1,748)
(Provision) benefit for income taxes	116,769	(9,854)	(2,128)(c)	104,787
NET INCOME	$ 73,380	$ 26,469	$ 3,190	$ 103,039

The related impact to the unaudited pro forma condensed combined statement of operations as a result of the fair value adjustments of the assets and liabilities of Isle as a result of the Isle Acquisition have been included in the discussion of pro forma adjustments above.

a) Represents an adjustment to historical depreciation and amortization expense as a result of fair value of PP&E and intangible assists recognized for the period from January 1, 2017 to April 30, 2017.

b) Represents additional interest expense of $19.6 million for the period from January 1, 2017 to April 30, 2017 as a result of refinancing activity incurred in conjunction with the Isle Acquisition off-set by the write-off of Isle historical interest expenses of $21.5 million for the period from January 1, 2017 to April 30, 2017 as a result of debt paying down by ERI.

c) The income tax adjustment assumes income taxes based on ERI's historical statutory tax rate.

o) Failed sale-leaseback financing obligation is primarily related to the real estate assets that will be sold to GLP and leased back to ERI pursuant to the Tropicana Acquisition. Under the expected terms of the agreements, ERI anticipates that the transaction will not qualify for sale-leaseback accounting, and therefore, will recognize a failed sale-leaseback financing obligation equal to the fair value of the leased real estate assets.

When cash proceeds are exchanged, a failed sale-leaseback financing obligation is equal to the proceeds received for the assets that are sold and then leased back. However, in the absence of cash proceeds, the value of the failed sale-leaseback financing obligations recognized in this transaction was determined to be the fair value of the leased real estate assets as described in Note 3(b). In subsequent periods, a portion of the periodic lease payment under the Master Lease will be recognized as interest expense with the remainder of the lease payment reducing the failed sale-leaseback financing obligation using the effective interest method. However, the failed sale-leaseback obligations will not be reduced to less than the net book value of the leased real estate assets as of the end of the lease term, which is estimated to be $91.4 million.

The fair value of the real estate assets and the related failed sale-leaseback financing obligations were estimated based on the present value of the estimated future lease payments over the lease term of 35 years, including renewal options, using an imputed discount rate of approximately 10.11%. The value of the failed sale-leaseback financing obligations is dependent upon assumptions regarding the amount of the lease payments and the estimated discount rate of the lease payments required by a market participant. The market participants were determined to be REIT companies, which have a tax-advantaged status and lower cost of capital.

The pro forma future lease payments were estimated primarily based on the lease provisions further described herein. The pro forma future lease payments amounts include the minimum lease payments and were adjusted to include estimated lease payments as described in the agreements, including an annual escalator of up to 2%.

The pro forma future payments related to the failed sale-leaseback financing obligations, as June 30, 2018, are estimated as follows:

(in millions)	Master lease
Year 1	$ 87.6
Year 2	88.7
Year 3	89.9
Year 4	91.2
Year 5	92.5
Thereafter	3,518.7
Total future payments	3,968.6
Less amounts representing interest at 10.11%	(3,096.0)
Plus residual values	91.4
Failed sale-leaseback financing obligation	$ 964.0

The following table sets forth the present value of the minimum and estimated lease payments and the total failed sale-leaseback financing obligations, as well as the sensitivity of these present values assuming a discount rate of 1% greater than or less than the estimated rate of 10.11%.

	Estimated discount rate	Failed sale-leaseback financing obligation (in millions)
Increase of 1%	11.11%	$ 877.3
Decrease of 1%	9.11%	$ 1,066.7

The final value of the finance obligation, determined upon completion of the ERI's final evaluation of the assets and liabilities acquired in connection with the Tropicana Transaction, may differ materially from the pro forma amounts included herein.

p) Tropicana has a lease agreement with respect to the land and building which MontBleu operates, through December 31, 2028. The fair value of the unfavorable lease liability balance is approximately $26.5 million. The following table illustrates the pro forma adjustments to amortization expense for the six months ended June 30, 2018 and the year ended December 31, 2017 (dollars in thousands):

	Six months ended June 30, 2018	Year ended December 31, 2017
To eliminate historical amortization expense related to the unfavorable lease liability	$ 256	$ 512
To record new amortization expense related to the fair value of the unfavorable lease liability	(1,263)	(2,526)
Total adjustments to General and Administrative Expenses	$ (1,007)	$ (2,014)

q) Reflects the pro forma adjustment for the income tax effect of the historical income of Elgin as a result of its acquisition by ERI, as well as the income tax effect of the pro forma adjustments. With respect to the Unaudited Pro Forma Income Statements, a blended federal and state statutory tax rate of 25% and 40%, for the six months ended June 30, 2018 and the year ended December 31, 2017, respectively, has been assumed for the pro forma adjustments.

Note 4—Unaudited pro forma financial statement reclassification adjustments

Certain reclassifications have been recorded to the historical financial statements of Elgin and Tropicana to provide comparability and consistency for the anticipated post-combined company presentation.

Reclassifications were made between certain balance sheet accounts to provide consistency in presentation.

Reclassifications were made among revenue components to classify certain revenue streams consistently between the companies. These included presenting expired slot tickets in gaming revenue and other supporting revenue activities such as spa and room rentals as other revenue.

Reclassifications were also made between expense line items, such as casino, gaming taxes and other costs, as well as marketing and promotions and general and administrative. Certain reclassifications were required to remain consistent with the changes made within revenue reclassifications.

As indicated in Note 1, ERI and Tropicana adopted ASC Topic 606 effective January 1, 2018. Elgin had not adopted this standard prior to the acquisition by ERI. Accordingly, reclassifications and adjustments were made to reflect the adoption of ASC Topic 606 to the historical financial statements of Elgin, and the historical income statement for the year ended December 31, 2017 of Tropicana to provide comparability and consistency for the anticipated post-combined company presentation.

The reclassifications reflect the anticipated presentation of the post-combination company's financial statements and are subject to change.

Note 5—Financing agreements

In connection with the Tropicana Acquisition, the Company intends to complete an offering of $600.0 million of the Notes offered hereby. The proceeds of the Notes, together with borrowings under the Revolving Credit Facility, the Company's cash on hand and Tropicana's cash on hand, will be used to (i) pay the Merger Consideration, (ii) repay all of the debt outstanding under the Tropicana Credit Facility and (iii) pay fees and costs associated with the Tropicana Acquisition. Additionally, substantially concurrent with the consummation of the Tropicana Acquisition, the Company expects to amend the Credit Facility to increase its Revolving Credit Facility from $300.0 million to approximately $500.0 million and extend the maturity of the Revolving Credit Facility to five years following the consummation of the Tropicana Acquisition.

The unaudited condensed combined pro forma financial statements reflect an estimate of the amount of financing required to complete the Acquisitions. The actual amount of financing required for the Acquisitions will not be determined until the closing date when the actual purchase price, the actual amount of existing cash balances of ERI and Tropicana are known. The actual amount of available cash at closing (including cash balances related to the sale of Presque Isle Downs and Nemacolin) may vary materially from preliminary estimates. The pro forma financial statements also reflect an estimate of interest rates for the various debt facilities based on current market conditions and rates currently available and based on facilities with similar terms and tenors. For pro forma purposes, the interest rate utilized to estimate interest expense associated with the Notes is a fixed rate of 6.0%. However, the actual interest incurred may vary significantly based upon, among other things, market considerations, the amount of each debt facility utilized, and success with the note offerings, of various tenors.

A sensitivity analysis on variable interest expense for the six months ended June 30, 2018 and the year ended December 31, 2017 has been performed to assess the effect of a change of 12.5 basis points of the hypothetical interest rate would have on the debt financing.

The following table shows the change in interest expense for the debt financing (dollars in thousands):

Interest expense assuming	Six months ended June 30, 2018	Year ended December 31, 2017
Increase of 0.125%	$ 2,937	$ 5,874
Decrease of 0.125%	2,777	5,553

Exhibit 99.2

FOR IMMEDIATE RELEASE

ELDORADO RESORTS, INC. ANNOUNCES PROPOSED OFFERING OF $600 MILLION SENIOR NOTES DUE 2026

Reno, Nev. (September 6, 2018) – Eldorado Resorts, Inc. (NASDAQ: ERI) ("Eldorado," "ERI," or the "Company") announced today that Delta Merger Sub, Inc., a wholly owned subsidiary of ERI ("Escrow Issuer"), intends to offer $600 million in aggregate principal amount of senior notes due 2026 (the "Notes").

The proceeds of the offering initially will be placed in escrow pending satisfaction of certain conditions, including consummation of ERI's pending acquisition (the "Tropicana Acquisition") of Tropicana Entertainment Inc. ("Tropicana"). Upon satisfaction of such conditions, ERI will assume Escrow Issuer's obligations under the Notes and the indenture that will govern the Notes, and certain of ERI's subsidiaries (including Tropicana and certain of its subsidiaries) will guarantee ERI's obligations under the Notes.

Upon satisfaction of the escrow conditions, ERI intends to apply the net proceeds of the sale of the Notes, together with borrowings under ERI's revolving credit facility, ERI's cash on hand and Tropicana's cash on hand, to (i) pay the consideration payable in the Tropicana Acquisition, (ii) repay all amounts outstanding under Tropicana's existing credit facility and (iii) pay fees and costs associated with the Tropicana Acquisition.

The Notes will be offered to persons reasonably believed to be qualified institutional buyers under Rule 144A of the Securities Act of 1933, as amended (the "Securities Act") and to persons outside the United States under Regulation S of the Securities Act. The Notes will not be registered under the Securities Act, and, unless so registered, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall there be any sale of securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Eldorado Resorts, Inc.

Eldorado Resorts is a leading casino entertainment company that owns and operates twenty one properties in eleven states, including Colorado, Florida, Illinois, Iowa, Louisiana, Mississippi, Missouri, Nevada, Ohio, Pennsylvania and West Virginia. In aggregate, Eldorado's properties feature approximately 22,000 slot machines and VLTs and 600 table games, and over 7,000 hotel rooms.

On April 15, 2018 the Company announced that it entered into a definitive merger agreement to acquire Tropicana Entertainment, Inc. (OTCQB: TPCA) for consideration of approximately $640 million. Upon completion of the transaction, expected to occur in the fourth quarter of 2018, Eldorado will add 7 additional properties to its portfolio taking into account announced divestitures.

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements regarding the timing and completion of the offering and the other financing transactions described herein and the timing and completion of the Tropicana Acquisition and our previously announced dispositions of Presque Isle Downs and Lady Luck Nemacolin (the "Dispositions"). Although our expectations, beliefs and projections are expressed in good faith and with what we believe is a reasonable basis, there can be no assurance that these expectations, beliefs and projections will be realized. Factors that may cause actual results to vary from our expectations include our ability to obtain regulatory approvals that are required for the consummation of the Tropicana Acquisition and the Dispositions, our ability to obtain financing required to consummate the Tropicana Acquisition on terms and conditions satisfactory to us and other matters discussed documents we file with the Securities and Exchange Commission (SEC). More information on potential risks and uncertainties is available in our recent filings with the SEC, including our reports on Form 10-K, Form 10-Q and Form 8-K. In light of these and other risks, uncertainties and assumptions, the forward-looking events discussed in this press release might not occur. These forward-looking statements speak only as of the date of this press release, even if subsequently made available on our website or otherwise, and we do not intend to update publicly any forward-looking statement to reflect events or circumstances that occur after the date on which the statement is made, except as may be required by law.

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