SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K

(Mark One)
[x] ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]
For the fiscal year ended December 31, 1994

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]
For the transition period from   to

Commission File No. 1-10410

A. Full title of the plan and address of the plan, if different from that of the issuer named below:

The Promus Companies Incorporated
Savings and Retirement Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

The Promus Companies Incorporated
1023 Cherry Road
Memphis, Tennessee 38117

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Trustees of The Promus Companies Incorporated
Savings and Retirement Plan:

We have audited the accompanying statements of net assets available for plan benefits of THE PROMUS COMPANIES INCORPORATED SAVINGS AND RETIREMENT PLAN as of December 31, 1994 and 1993, and the related statements of changes in net assets available for plan benefits for each of the three years ended December 31, 1994. These financial statements and the schedules referred to below are the responsibility of the Plan Administrator. Our responsibility is to express an opinion on these financial statements and schedules based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of The Promus Companies Incorporated Savings and Retirement Plan as of December 31, 1994 and 1993, and the changes in its net assets available for plan benefits for each of the three years ended December 31, 1994, in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of investments as of December 31, 1994 (Exhibit I) and of reportable transactions for the year ended December 31, 1994 (Exhibit II) are presented for the purposes of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

ARTHUR ANDERSEN LLP

Memphis, Tennessee,
June 1, 1995.

THE PROMUS COMPANIES INCORPORATED
SAVINGS AND RETIREMENT PLAN
STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
DECEMBER 31, 1994

	Promus Stock Fund	Aggressive Stock Fund	Diversified Stock Fund	Long-term Bond Fund	Income Investment Fund	Treasury Fund	Executive Life Fund (Note 4)
ASSETS							
Investments (Notes 1 and 2)							
Promus common stock	$172,725,711	$ -	$ -	$ -	$ -	$ -	$ -
Mutual funds	-	1,881,506	29,932,696	1,323,359	-	13,898,472	-
Bonds	-	-	-	-	56,805,021	-	-
Guaranteed investment contracts	-	-	-	-	8,913,105	-	10,940,544
Temporary investments	1,306,439	35,086	224,963	12,383	381,819	103,194	76,453
Receivables							
Due from participants (Note 1)	-	-	-	-	-	-	-
Due from Promus	123,953	2,695	20,210	770	35,993	8,854	45,100
Due (to) from other funds	2,506,902	371,973	(1,451,312)	477,612	(1,233,751)	(713,436)	92,831
Contributions	-	-	-	-	-	-	-
Other	1,294	35	222	13	378	103	-
Accrued interest and dividends	-	-	-	-	175,721	-	-
Cash	81,839	-	-	-	118,664	-	-
Total assets	176,746,138	2,291,295	28,726,779	1,814,137	65,196,950	13,297,187	11,154,928
LIABILITIES							
Advances from Promus	-	-	-	-	-	-	(3,056,000)
Bank overdrafts	(966,627)	(25,960)	(166,449)	(9,162)	(282,506)	(76,353)	-
Accrued expenses	(193,699)	(4,769)	(34,901)	(1,725)	(94,146)	(15,499)	-
Accounts payable	(52,016)	(11)	(7,591)	(4)	(6,691)	(1,547)	-
Unposted contributions	(213)	(1,860)	(3,544)	(1,174)	(1,181)	(2,817)	-
Total liabilities	(1,212,555)	(32,600)	(212,485)	(12,065)	(384,524)	(96,216)	(3,056,000)
NET ASSETS AVAILABLE FOR PLAN BENEFITS	$175,533,583	$2,258,695	$28,514,294	$1,802,072	$64,812,426	$13,200,971	$ 8,098,928

	ESOP Fund	Loan Fund	Total
ASSETS			
Investments (Notes 1 and 2)			
Promus common stock	$14,396,395	$ -	$187,122,106
Mutual funds	-	-	47,036,033
Bonds	-	-	56,805,021
Guaranteed investment contracts	-	-	19,853,649
Temporary investments	-	-	2,140,337
Receivables			
Due from participants (Note 1)	-	21,846,770	21,846,770
Due from Promus	-	-	237,575
Due (to) from other funds	(50,819)	-	-
Contributions	537,441	-	537,441
Other	34,246	-	36,291
Accrued interest and dividends	-	-	175,721
Cash	55,708	-	256,211
Total assets	14,972,971	21,846,770	336,047,155
LIABILITIES			
Advances from Promus	-	-	(3,056,000)
Bank overdrafts	-	-	(1,527,057)
Accrued expenses	-	-	(344,739)
Accounts payable	(20,046)	-	(87,906)
Unposted contributions	-	-	(10,789)
Total liabilities	(20,046)	-	(5,026,491)
NET ASSETS AVAILABLE FOR PLAN BENEFITS	$14,952,925	$21,846,770	$331,020,664

The accompanying Notes to Financial Statements are an integral part of this statement.

THE PROMUS COMPANIES INCORPORATED
SAVINGS AND RETIREMENT PLAN
STATEMENT OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
DECEMBER 31, 1993

	Promus Stock Fund	Diversified Stock Fund	Income Investment Fund	Treasury Fund	Executive Life Fund (Note 4)
ASSETS					
Investments (Notes 1 and 2)					
Guaranteed investment contracts	$ -	$ -	$24,591,922	$ -	$11,014,122
Bonds	-	-	37,642,524	-	-
Mutual funds	-	28,323,337	-	8,546,564	-
Promus common stock	255,810,210	-	-	-	-
Temporary investments	1,166,643	169,352	335,282	39,344	-
Receivables					
Due from participants (Note 1)	-	-	-	-	-
Due from Promus	181,109	26,290	52,049	6,108	140,529
Due (to) from other funds	3,901,984	(1,097,124)	(2,284,011)	(551,351)	(10,357)
Contributions	-	-	-	-	-
Other	11,941	1,733	3,432	403	-
Accrued interest and dividends	-	-	105,635	-	-
Cash	27,132	3,678	100,743	854	-
Total assets	261,099,019	27,427,266	60,547,576	8,041,922	11,144,294
LIABILITIES					
Advances from Promus	-	-	-	-	(2,700,400)
Bank overdrafts	(531,090)	(77,094)	(152,630)	(17,911)	-
Accrued expenses	(75,875)	(11,014)	(21,805)	(2,559)	-
Accounts payable	(50,650)	(7,352)	(14,558)	(1,707)	-
Total liabilities	(657,615)	(95,460)	(188,993)	(22,177)	(2,700,400)
NET ASSETS AVAILABLE FOR PLAN BENEFITS	$260,441,404	$27,331,806	$60,358,583	$8,019,745	$ 8,443,894

	ESOP Fund	Loan Fund	Total
ASSETS			
Investments (Notes 1 and 2)			
Guaranteed investment contracts	$ -	$ -	$35,606,044
Bonds	-	-	37,642,524
Mutual funds	-	-	36,869,901
Promus common stock	22,310,033	-	278,120,243
Temporary investments	-	-	1,710,621
Receivables			
Due from participants (Note 1)	-	20,184,547	20,184,547
Due from Promus	-	-	406,085
Due (to) from other funds	40,859	-	-
Contributions	730,722	-	730,722
Other	-	-	17,509
Accrued interest and dividends	-	-	105,635
Cash	69,147	-	201,554
Total assets	23,150,761	20,184,547	411,595,385
LIABILITIES			
Advances from Promus	-	-	(2,700,400)
Bank overdrafts	-	-	(778,725)
Accrued expenses	-	-	(111,253)
Accounts payable	-	-	(74,267)
Total liabilities	-	-	(3,664,645)
NET ASSETS AVAILABLE FOR PLAN BENEFITS	$23,150,761	$20,184,547	$407,930,740

The accompanying Notes to Financial Statements are an integral part of this statement.

THE PROMUS COMPANIES INCORPORATED
SAVINGS AND RETIREMENT PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 1994

	Promus Stock Fund	Aggressive Stock Fund	Diversified Stock Fund	Long-term Bond Fund	Income Investment Fund	Treasury Fund	Executive Life Fund (Note 4)
NET INVESTMENT INCOME							
Interest	$ 74,748	$ 145	$ 8,842	$ 102	$ 4,274,148	$ 4,484	$ 2,875
Dividends	-	-	603,276	11,584	-	456,209	-
	74,748	145	612,118	11,686	4,274,148	460,693	2,875
REALIZED GAIN (LOSS) ON INVESTMENTS							
Aggregate proceeds	17,486,151	-	3,124,163	-	2,879,687	-	-
Aggregate cost (at average cost)	5,599,712	-	2,717,751	-	2,971,295	-	-
Net realized gain (loss)	11,886,439	-	406,412	-	(91,608)	-	-
UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS	(92,596,671)	(28,813)	(2,382,635)	9,075	(2,262,385)	-	-
CONTRIBUTIONS							
Participants	13,313,390	73,357	2,166,085	24,815	3,617,185	751,342	-
Promus	9,058,805	47,402	1,415,552	17,370	2,575,445	621,675	-
	22,372,195	120,759	3,581,637	42,185	6,192,630	1,373,017	-
OTHER							
Distributions to participants and beneficiaries	(13,819,311)	(91)	(2,121,419)	(549)	(5,767,763)	(1,145,732)	(286,300)
Transfers between funds	(12,149,250)	2,173,104	1,222,398	1,741,979	2,482,193	4,539,095	(61,541)
Administrative expenses	(675,971)	(6,409)	(136,023)	(2,304)	(373,372)	(45,847)	-
NET INCREASE (DECREASE) IN PLAN EQUITY	(84,907,821)	2,258,695	1,182,488	1,802,072	4,453,843	5,181,226	(344,966)
PLAN EQUITY, beginning of period	260,441,404	-	27,331,806	-	60,358,583	8,019,745	8,443,894
PLAN EQUITY, end of period	$175,533,583	$2,258,695	$28,514,294	$1,802,072	$64,812,426	$13,200,971	$8,098,928

	ESOP Fund	Loan Fund	Total
NET INVESTMENT INCOME			
Interest	$ -	$ 1,616,847	$ 5,982,191
Dividends	-	-	1,071,069
	-	1,616,847	7,053,260
REALIZED GAIN (LOSS) ON INVESTMENTS			
Aggregate proceeds	1,276,173	-	24,766,174
Aggregate cost (at average cost)	693,131	-	11,981,889
Net realized gain (loss)	583,042	-	12,784,285
UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS	(8,085,372)	-	(105,346,801)
CONTRIBUTIONS			
Participants	-	-	19,946,174
Promus	540,119	-	14,276,368
	540,119	-	34,222,542
OTHER			
Distributions to participants and beneficiaries	(1,242,271)	-	(24,383,436)
Transfers between funds	6,646	45,376	-
Administrative expenses	-	-	(1,239,926)
NET INCREASE (DECREASE) IN PLAN EQUITY	(8,197,836)	1,662,223	(76,910,076)
PLAN EQUITY, beginning of period	23,150,761	20,184,547	407,930,740
PLAN EQUITY, end			

of period	$14,952,925	$21,846,770	$331,020,664
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The accompanying Notes to Financial Statements are an integral part of this statement.

THE PROMUS COMPANIES INCORPORATED
SAVINGS AND RETIREMENT PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 1993

	Promus Stock Fund	Diversified Stock Fund	Income Investment Fund	Treasury Fund	Executive Life Fund (Note 4)
NET INVESTMENT INCOME					
Interest	$ 57,729	$ 11,007	$ 5,417,520	$ 2,834	$ -
Dividends	-	1,316,933	-	252,130	-
	57,729	1,327,940	5,417,520	254,964	-
REALIZED GAIN ON INVESTMENTS					
Aggregate proceeds	766,992	7,069,666	13,463,687	-	-
Aggregate cost (at average cost)	237,349	5,676,111	13,412,626	-	-
Net realized gain	529,643	1,393,555	51,061	-	-
UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS	141,189,725	1,162,165	(372,908)	-	-
CONTRIBUTIONS					
Participants	10,272,010	2,218,795	5,018,471	550,236	-
Promus	6,771,138	1,498,809	3,648,463	376,139	-
	17,043,148	3,717,604	8,666,934	926,375	-
OTHER					
Distributions to participants and beneficiaries	(12,017,273)	(1,429,370)	(9,271,491)	(447,890)	(641,197)
Transfers between funds	33,131,262	(3,497,702)	(29,676,055)	(1,365,973)	(1,418,656)
Administrative expenses	(237,245)	(104,785)	(362,359)	(25,691)	-
NET INCREASE (DECREASE) IN PLAN EQUITY	179,696,989	2,569,407	(25,547,298)	(658,215)	(2,059,853)
PLAN EQUITY, beginning of period	80,744,415	24,762,399	85,905,881	8,677,960	10,503,747
PLAN EQUITY, end of period	$260,441,404	$27,331,806	$60,358,583	$8,019,745	$ 8,443,894

	ESOP Fund	Loan Fund	Total
NET INVESTMENT INCOME			
Interest	$ -	$ 1,426,920	$ 6,916,010
Dividends	-	-	1,569,063
	-	1,426,920	8,485,073
REALIZED GAIN ON INVESTMENTS			
Aggregate proceeds	1,358,871	-	22,659,216
Aggregate cost (at average cost)	430,639	-	19,756,725
Net realized gain	928,232	-	2,902,491
UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS	12,983,985	-	154,962,967
CONTRIBUTIONS			
Participants	-	-	18,059,512
Promus	1,496,842	-	13,791,391
	1,496,842	-	31,850,903
OTHER			
Distributions to participants and beneficiaries	(1,250,746)	-	(25,057,967)
Transfers between funds	(14,880)	2,842,004	-
Administrative expenses	-	-	(730,080)
NET INCREASE (DECREASE) IN PLAN EQUITY	14,143,433	4,268,924	172,413,387
PLAN EQUITY, beginning of period	9,007,328	15,915,623	235,517,353
PLAN EQUITY, end of period	$23,150,761	$20,184,547	$407,930,740

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The accompanying Notes to Financial Statements are an integral part of this statement.

THE PROMUS COMPANIES INCORPORATED
SAVINGS AND RETIREMENT PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 1992

	Promus Stock Fund	Diversified Stock Fund	Income Investment Fund	Treasury Fund	Executive Life Fund (Note 4)
NET INVESTMENT INCOME					
Interest	$ 62,606	$ 33,880	$ 6,753,939	$ 4,570	$ -
Dividends	-	1,057,141	-	191,286	-
	62,606	1,091,021	6,753,939	195,856	-
REALIZED GAIN (LOSS) ON INVESTMENTS					
Aggregate proceeds	4,637,439	3,800,686	7,900,016	-	-
Aggregate cost (at average cost)	3,391,241	3,230,229	7,966,622	-	-
Net realized gain (loss)	1,246,198	570,457	(66,606)	-	-
UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS	45,653,992	170,422	(62,769)	-	-
CONTRIBUTIONS					
Participants	4,398,142	3,050,390	7,624,265	467,414	-
Promus	3,029,986	1,855,348	5,539,659	318,768	-
	7,428,128	4,905,738	13,163,924	786,182	-
OTHER					
Distributions to participants and beneficiaries	(5,939,585)	(2,755,982)	(13,376,264)	(633,300)	(1,260,347)
Transfers between funds	790,005	(670,269)	(9,127,815)	8,353,150	89,993
Administrative expenses	(189,435)	(158,902)	(635,920)	(23,928)	-
NET INCREASE (DECREASE) IN PLAN EQUITY	49,051,909	3,152,485	(3,351,511)	8,677,960	(1,170,354)
PLAN EQUITY, beginning of period	31,692,506	21,609,914	89,257,392	-	11,674,101
PLAN EQUITY, end of period	$ 80,744,415	$24,762,399	$85,905,881	$8,677,960	$10,503,747

	ESOP Fund	Loan Fund	Total
NET INVESTMENT INCOME			
Interest	$ -	$ 1,281,871	$ 8,136,866
Dividends	-	-	1,248,427
	-	1,281,871	9,385,293
REALIZED GAIN (LOSS) ON INVESTMENTS			
Aggregate proceeds	1,002,695	-	17,340,836
Aggregate cost (at average cost)	1,386,096	-	15,974,188
Net realized gain (loss)	(383,401)	-	1,366,648
UNREALIZED APPRECIATION (DEPRECIATION) OF INVESTMENTS	5,875,133	-	51,636,778
CONTRIBUTIONS			
Participants	-	-	15,540,211
Promus	351,784	-	11,095,545
	351,784	-	26,635,756
OTHER			
Distributions to participants and beneficiaries	(695,190)	-	(24,660,668)
Transfers between funds	(4,646)	569,582	-
Administrative expenses	-	-	(1,008,185)
NET INCREASE (DECREASE) IN PLAN EQUITY	5,143,680	1,851,453	63,355,622
PLAN EQUITY, beginning of period	3,863,648	14,064,170	172,161,731
PLAN EQUITY, end of period	$9,007,328	$15,915,623	$235,517,353

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The accompanying Notes to Financial Statements are an integral part of this statement.

THE PROMUS COMPANIES INCORPORATED
SAVINGS AND RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1994

NOTE 1 - SUMMARY DESCRIPTION OF THE PLAN

The following description of The Promus Companies Incorporated Savings and Retirement Plan (the "Plan") is provided for general information purposes only. Reference should be made to the Plan Document for a more complete description of the Plan's provisions.

The Plan

The Plan was established by The Promus Companies Incorporated effective February 6, 1990, to include eligible employees of The Promus Companies Incorporated and its affiliates ("Promus") for the primary purpose of allowing these employees to accumulate capital for their retirement. Participants can contribute either pre-tax payroll dollars (i.e., temporary deferral of federal and/or state income taxes) or after-tax dollars to the Plan, as provided for under Sections 401(k) and 401(m) of the Internal Revenue Code. Promus matches the first six percent of eligible participant contributions to the Plan, defined as basic contributions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Plan Investment Funds

By election of a participant, his or her account balances (contributions, Promus matching funds and accumulated earnings) can be invested in one or in a combination of up to six separate funds of the Plan in 10 percent units as follows:

I. Promus Stock Fund - invested in Promus common stock which provides a return based on the change in market value of Promus' common stock, including any dividends declared thereon;

II. Aggressive Stock Fund - invested in the Delaware Trend Institutional Fund comprised primarily of a mix of common stocks of emerging and other growth-oriented companies, including securities convertible to common stocks;

III. Diversified Stock Fund - invested mainly in stocks through mutual funds which provide a return based on the performance of the stocks included within the mutual funds, including dividends thereon;

IV. Long-term Bond Fund - invested in the Vanguard Long-term Corporate Portfolio, a mutual fund with investments in a diversified mix of long-term investment grade bonds;

NOTE 1 - SUMMARY DESCRIPTION OF THE PLAN (Continued)

V. Income Investment Fund - invested in intermediate term bonds and "guaranteed investment contracts" issued by major insurance companies and other financial institutions; or

VI. Treasury Fund - invested in a money market mutual fund that invests solely in United States Treasury Department backed short-term securities issued by the United States Government.

The Plan also includes three other special purpose funds, as follows:

VII. Executive Life Fund - segregates the assets and participants' equity accounts related to the investment in Executive Life Insurance Company's guaranteed investment contract. See Note 4 - Executive Life Investment for further details.

VIII. ESOP Fund - accounts for special contributions by Promus of its common stock or cash equivalents to eligible employees. The ESOP Fund was established within the Plan to serve as a means to monitor the accounts and records of the participants. Participants are not allowed to make contributions to their ESOP account and distributions can be made only after a participant terminates employment.

IX. Loan Fund - separately tracks loans to participants as provided for under the Plan. See Loans in the Summary Description of the Plan for further details.

Plan Administration

The general administration of the Plan is the responsibility of its Trustees, who are appointed by the Promus Board of Directors, and who act as the Plan Administrator. The Trustees perform the duties and exercise the authority set forth in the Plan and Trustee Agreements. The Trustees have delegated certain of their authority to individuals for purposes of day-to-day administration.

Employee Eligibility, Vesting and Termination

Employees of Promus become eligible to join the Plan on the first entry date (January 1 or July 1) following completion of 12 months during which the employee is credited with at least 1,000 hours of service. Participants vest in Promus matching contributions over seven calendar years of credited service as follows:

Years of Credited Service	Vested Percentage
One	10
Two	20
Three	30
Four	40
Five	60
Six	80
Seven	100

NOTE 1 - SUMMARY DESCRIPTION OF THE PLAN (Continued)

An employee's active participation in the Plan ceases upon separation of service at which time his or her vested account balance can then be withdrawn or remain in the Plan according to the Plan Document.

Plan Expenses

As sponsor of the Plan, Promus, through its wholly-owned subsidiary Embassy Suites, Inc. ("Embassy"), initially pays many of the costs associated with the operation of the Plan. These costs include salaries for employees who perform administrative services for the Plan, rent, various service charges and other direct costs of operation. The Plan reimbursed Embassy for these costs in the amounts of approximately $1.2 million, $0.7 million and $1.0 million for 1994, 1993 and 1992, respectively. Such costs are reflected as administrative expenses in the accompanying statements of changes in net assets available for plan benefits.

Participants' Contributions and Withdrawals

During 1994, participants could elect to make basic contributions ranging from two to six percent of their eligible earnings, as defined. If a non-highly compensated participant is making basic pre-tax contributions of six percent of his earnings to the Plan, the participant could elect to make supplemental contributions of up to an additional 10% of which 8% can be pre-tax dollars. Highly compensated employees could contribute an additional 10% of after-tax dollars. Promus will match the first six percent of all participants' contributions.

Participants' contributions, vested matching Promus contributions and related income may be withdrawn by giving 30 days written notice subject to Plan and Internal Revenue Service rules. In-service withdrawals of pre-tax contributions are subject to hardship rules if the withdrawal occurs before age 59 1/2. Withdrawal of basic after-tax and matching contributions will not prohibit participants from making further contributions; however, if these contributions or any other funds are withdrawn, Promus will not match subsequent contributions for six months. Supplemental after-tax contributions and any earnings thereon may be withdrawn without this penalty. If a participant ceases to make contributions to the Plan, the participant's equity may remain constant, except for allocation of earnings, gains and losses on the Plan's investments.

In January 1995, the Plan made payments of approximately $0.5 million to participants for withdrawals which had been requested prior to December 31, 1994.

NOTE 1 - SUMMARY DESCRIPTION OF THE PLAN (Continued)

Allocation of Forfeitures and Net Plan Income

As required by the Plan, forfeited amounts attributed to non-vested Promus matching contributions of terminated employees will not be reallocated to remaining participants for a period of five years. Employees who return to service within that period will be credited, subject to further vesting, at the date of rehire with the unallocated equity amount. The total amount of potential forfeitures of terminated non-vested participants at December 31, 1994 was $3.0 million. Forfeitures are allocated to active participants based upon their total basic contributions for the year. The Plan Administrator reallocated approximately $0.7 million, $0.7 million and $0.6 million of forfeited funds during 1994, 1993 and 1992, respectively.

Net Plan income (i.e. unrealized appreciation/depreciation of investments, dividend and interest income, and realized gains or losses on the sale of investments) is allocated monthly to active participants based upon the individual's prior month-end equity balance. For purposes of calculating the realized gains or losses on investments, the Plan uses a cumulative average cost per share.

Loans

Loans may be made to participants upon written application to the Plan Administrator. All loans, other than those used to acquire or construct the principal residence of the participant, shall be repaid within five years. The minimum amount that may be borrowed is $500. The balance of loans outstanding under the Plan to a participant may not exceed $50,000 (which maximum is subject to reduction if another loan is outstanding) or one-half of the vested balance of the participant's account, whichever is less. Loans bear interest at a rate set by the Plan Administrator. This rate was changed on September 1, 1992 from 9.5% to 7.5%. Principal and interest paid by a participant are credited to the participant's account.

Reclassifications

Certain amounts for prior years have been reclassified to conform with the presentation for 1994.

NOTE 2 - VALUATION OF INVESTMENTS

Guaranteed investment contracts are stated at contract values. Investments in securities and mutual funds are stated at market values on December 31, 1994 and 1993.

NOTE 3 - EXCESS CONTRIBUTIONS

Plan participants received a refund of a portion of their contributions and attributable earnings totaling approximately $63,000, $68,000 and $134,000 in 1994, 1993 and 1992, respectively. These refunds were paid in accordance with Internal Revenue Code Section 401(m) which requires that certain nondiscriminatory tests related to the overall composition of participants' contributions be met and Section 415 which requires annual contributions not to exceed 25% of the participant's compensation, as defined.

NOTE 4 - EXECUTIVE LIFE INVESTMENT

On May 1, 1991, the Plan was amended to provide that approximately $12.9 million attributable to a guaranteed investment contract issued by Executive Life Insurance Company ("Executive Life") and held in the Plan's Income Investment Fund would be frozen until such time as the contract is finally paid out. The $12.9 million represented the book value of this contract as of March 31, 1991. The action was taken by Promus due to the conservatorship imposed on Executive Life by the State of California Insurance Commissioner. Promus has agreed to pay to the Plan any deficiency between the $12.9 million and any amounts finally paid under the contract. Promus has also agreed to make interest free loans to the Plan, which are to be repaid out of any amounts received under the contract, so that persons who leave or who have already left Promus' employment may withdraw the vested portion of the Executive Life guaranteed investment contract, as well as other vested funds. Amounts loaned to the Plan are reflected in the accompanying statements of net assets available for plan benefits as Advances from Promus.

On September 3, 1993, the California Department of Insurance closed on a rehabilitation transaction with Aurora National Life Insurance Company ("Aurora"), whereby substantially all Executive Life assets and restructured liabilities were transferred to Aurora. Additionally, on September 3, 1993, Aurora made a payment of $1,864,150 to the Plan which reduced the principal of the Executive Life contract. Of this payment, $414,829 was paid to Promus to reduce the Advances from Promus balance. The remaining amount was used to unfreeze part of the Executive Life Fund for each participant on a pro-rata basis. On February 4, 1994, the Plan elected to participate in an ongoing rehabilitation plan offered by Aurora. This plan provides for recovery of at least 77.7% of the March 31, 1991 book value. Promus remains liable to the Plan for any deficiency between the book value and amounts ultimately received. The restructured contract matures on September 3, 1998 and is presently earning interest at approximately 5 percent.

NOTE 5 - PLAN QUALIFICATION

The Plan is intended to satisfy the tax qualification requirements under Section 401(a) of the Internal Revenue Code; therefore, the trust funds of the Plan are intended to be exempt from federal income taxes under Section 501(a). A favorable determination letter regarding the Plan's status, dated November 19, 1992, has been received from the Internal Revenue Service.

NOTE 6 - PLAN TERMINATION

Although it has not expressed any intent to do so, Promus has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts.

NOTE 7 - SUBSEQUENT EVENT

On January 30, 1995, Promus announced a plan to split the company into two independent public corporations (the "Spin-off"). Promus, to be renamed Harrah's Entertainment, Inc., will retain the casino entertainment business. Promus' hotel operations will be transferred to a newly created company, to be named Promus Hotel Corporation ("PHC"). The Spin-off will be completed on June 30, 1995. The agreements governing the terms of the Spin-off transaction require that the assets allocable to those participants in the Plan who become employees of PHC be transferred to a new savings and retirement plan (the "PHC Plan") to be established for the benefit of the eligible employees of PHC and its affiliates. The PHC Plan will contain the same provisions as the current Plan, including investment options and vesting and eligibility requirements. Concurrent with the completion of the Spin-off, the Plan will be renamed the Harrah's Entertainment Savings and Retirement Plan. Participants' investments in Promus common stock through the Promus Stock Fund and the ESOP Fund will be converted into investments in the common stock of their employer, either Harrah's Entertainment, Inc. or PHC, after the Spin-off.

EXHIBIT I

THE PROMUS COMPANIES INCORPORATED
SAVINGS AND RETIREMENT PLAN
SCHEDULE OF INVESTMENTS
AS OF DECEMBER 31, 1994

	Cost	Contract/ Fair Value
GUARANTEED INVESTMENT CONTRACTS		
Executive Life Insurance Company (see Note)	$ 10,940,544	$ 10,940,544
Hartford Life Insurance Company	1,148,954	1,148,954
Life Insurance Company of Georgia	1,937,292	1,937,292
Pan American Life Insurance Company	1,849,798	1,849,798
Provident National Assurance Company	1,111,705	1,111,705
Principal Mutual Life Insurance Company	2,865,356	2,865,356
	19,853,649	19,853,649
BONDS		
Marinvest Intermediate Bond Fund	59,349,902	56,805,021
MUTUAL FUNDS		
Delaware Trend Institutional Fund	1,910,319	1,881,506
State Street Bank Flagship Fund	12,294,018	15,254,865
CGM Mutual Fund	14,883,963	14,677,831
Vanguard Long-term Corporate Portfolio	1,314,284	1,323,359
Dreyfus Treasury Fund	13,898,472	13,898,472
	44,301,056	47,036,033
PROMUS COMMON STOCK		
Stock Fund	79,813,244	172,725,711
ESOP Fund	7,491,024	14,396,395
	87,304,268	187,122,106
TEMPORARY INVESTMENTS		
Fidelity Money Market Trust	2,140,337	2,140,337
Total investments	$212,949,212	$312,957,146

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Note - See Note 4 in the accompanying Notes to Financial Statements regarding the valuation of Executive Life Insurance Company guaranteed investment contract.

EXHIBIT II

THE PROMUS COMPANIES INCORPORATED
SAVINGS AND RETIREMENT PLAN
SCHEDULE OF REPORTABLE TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 1994

Description	Purchase Price	Selling Price	Cost of Assets Sold	Current Value of Assets on Transaction Date	Gain (Loss)
Fidelity Money Market Trust					
Purchases	$65,755,217	$ -	$ -	$ -	$ -
Sales	-	65,325,500	65,325,500	65,325,500	-
Marinvest Intermediate Bond Fund					
Purchases	24,396,178	-	-	-	-
Sales	-	2,879,687	2,971,295	2,879,687	(91,608)
Promus Common Stock					
Purchases	15,964,237	-	-	-	-
Sales	-	18,762,324	6,292,843	18,762,324	12,469,481

Signature

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

THE PROMUS COMPANIES INCORPORATED
SAVINGS AND RETIREMENT PLAN

June 26, 1995

/s/ Michael N. Regan

Michael N. Regan
Authorized Trustee of the Plan and
Vice President and Controller of
The Promus Companies Incorporated

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation of our report dated June 1, 1995, included in this Form 11-K for the year ended December 31, 1994 into The Promus Companies Incorporated's previously filed Registration Statement File No. 33-32865.

ARTHUR ANDERSEN LLP

Memphis, Tennessee,
June 26, 1995.