

Armstrong Flooring, Inc.
Form 10-Q
November 06, 2017

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2017

OR
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 001-37589

ARMSTRONG FLOORING, INC.

(Exact name of Registrant as specified in its charter)

Delaware 47-4303305
(State or other jurisdiction of incorporation or organization) (I.R.S. employer Identification number)

2500 Columbia Avenue, PO Box 3025, Lancaster, Pennsylvania 17604
(Address of principal executive offices)

(717) 672-9611
(Registrant's telephone number, including area code).

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that registrant was required to submit and post such files.) Yes No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):
Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company) Emerging growth company

Edgar Filing: Armstrong Flooring, Inc. - Form 10-Q

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. "

Indicate by check mark whether the Registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act).
Yes " No

The Registrant had 25,725,206 shares of common stock, \$0.0001 par value, outstanding at October 30, 2017.

Armstrong Flooring, Inc.

Table of Contents

	Page Number
<u>Cautionary Statement Concerning Forward-Looking Statements</u>	1
PART I <u>FINANCIAL INFORMATION</u>	
Item 1. <u>Financial Statements</u>	
<u>Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) (Unaudited)</u>	2
<u>Condensed Consolidated Balance Sheets (Unaudited)</u>	3
<u>Condensed Consolidated Statements of Stockholders' Equity (Unaudited)</u>	4
<u>Condensed Consolidated Statements of Cash Flows (Unaudited)</u>	5
<u>Notes to Unaudited Condensed Consolidated Financial Statements</u>	6
Item 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	21
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	30
Item 4. <u>Controls and Procedures</u>	30
PART II <u>OTHER INFORMATION</u>	
Item 1. <u>Legal Proceedings</u>	31
Item 1A. <u>Risk Factors</u>	31
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	31
Item 3. <u>Defaults Upon Senior Securities</u>	31
Item 4. <u>Mine Safety Disclosures</u>	31
Item 5. <u>Other Information</u>	31
Item 6. <u>Exhibits</u>	32
<u>SIGNATURES</u>	33

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements in this Quarterly Report on Form 10-Q ("Form 10-Q") and the documents incorporated by reference may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Those forward-looking statements are subject to various risks and uncertainties and include all statements that are not historical statements of fact and those regarding our intent, belief or expectations, including, but not limited to, our expectations concerning our residential and commercial markets and their effect on our operating results, and our ability to increase revenues, earnings and EBITDA (as such terms are defined by documents incorporated by reference herein). Words such as "anticipate," "expect," "intend," "plan," "target," "project," "predict," "believe," "will," "would," "could," "should," "seek," "estimate" and similar expressions are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of factors that could lead to actual results materially different from those described in the forward-looking statements. Although we believe that the assumptions underlying the forward-looking statements are reasonable, we can give no assurance that our expectations will be attained. Factors that could have a material adverse effect on our financial condition, liquidity, results of operations or future prospects or which could cause actual results to differ materially from our expectations include, but are not limited to:

- global economic conditions;
- construction activity;
- competition;
- key customers;
- availability and costs of raw materials and energy;
- recent plant construction;
- international operations;
- intellectual property rights;
- cost saving and productivity initiatives;
- strategic transactions;
- labor;
- information systems;
- claims and litigation;
- defined-benefit plan obligations;
- liquidity;
- debt covenants;
- debt;
- negative tax consequences;
- outsourcing;
- environmental matters; and

other risks detailed from time to time in our filings with the Securities and Exchange Commission, press releases, and other communications, including those set forth under "Risk Factors" included in our Annual Report on Form 10-K and in the documents incorporated by reference.

Such forward-looking statements speak only as of the date they are made. We expressly disclaim any obligation to release publicly any updates or revisions to any forward-looking statements to reflect any change in our expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

PART I: FINANCIAL INFORMATION

Item 1. Financial Statements

Armstrong Flooring, Inc. and Subsidiaries

Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) (Unaudited)

(Dollars in millions, except per share data)

	Three Months Ended September 30, 2017		Nine Months Ended September 30, 2016	
Net sales	\$308.5	\$313.4	\$871.0	\$921.5
Cost of goods sold	276.8	243.4	735.1	736.4
Gross profit	31.7	70.0	135.9	185.1
Selling, general and administrative expenses	49.3	53.8	153.2	157.0
Intangible asset impairment	12.5	—	12.5	—
Operating (loss) income	(30.1)	16.2	(29.8)	28.1
Interest expense	0.8	0.6	2.0	1.3
Other expense, net	0.1	0.3	0.1	2.1
(Loss) income from continuing operations before income taxes	(31.0)	15.3	(31.9)	24.7
Income tax (benefit) expense	(12.3)	6.0	(10.8)	10.9
(Loss) income from continuing operations	(18.7)	9.3	(21.1)	13.8
Gain on disposal of discontinued operations, net of tax	—	—	—	1.7
Net (loss) income	(18.7)	9.3	(21.1)	15.5
Other comprehensive (loss) income, net of tax:				
Foreign currency translation adjustments	2.3	0.1	5.7	(6.6)
Derivatives loss	(0.6)	(0.3)	(1.5)	(2.2)
Pension and postretirement adjustments	(2.6)	1.1	(0.2)	2.0
Total other comprehensive (loss) income	(0.9)	0.9	4.0	(6.8)
Total comprehensive (loss) income	\$(19.6)	\$10.2	\$(17.1)	\$8.7
Basic (loss) earnings per share of common stock:				
Basic (loss) earnings per share of common stock from continuing operations	\$(0.70)	\$0.33	\$(0.76)	\$0.50
Basic earnings per share of common stock from discontinued operations	—	—	—	0.06
Basic (loss) earnings per share of common stock	\$(0.70)	\$0.33	\$(0.76)	\$0.56
Diluted (loss) earnings per share of common stock:				
Diluted (loss) earnings per share of common stock from continuing operations	\$(0.70)	\$0.33	\$(0.76)	\$0.49
Diluted earnings per share of common stock from discontinued operations	—	—	—	0.06
Diluted (loss) earnings per share of common stock	\$(0.70)	\$0.33	\$(0.76)	\$0.55

See accompanying notes to Condensed Consolidated Financial Statements.

Armstrong Flooring, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(Dollars in millions, except par value)

	September 30, 2017	December 31, 2016
	(Unaudited)	
Assets		
Current assets:		
Cash	\$ 43.6	\$ 30.6
Accounts and notes receivable, net	85.1	76.0
Inventories, net	264.5	272.1
Income tax receivable	4.3	2.4
Prepaid expenses and other current assets	21.5	23.8
Total current assets	419.0	404.9
Property, plant, and equipment, less accumulated depreciation and amortization of \$392.1 and \$336.8, respectively	421.1	445.2
Prepaid pension costs	0.1	0.2
Intangible assets, net	62.1	42.6
Deferred income taxes	5.8	4.5
Other noncurrent assets	6.9	7.0
Total assets	\$ 915.0	\$ 904.4
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 156.5	\$ 163.0
Income tax payable	0.9	0.4
Total current liabilities	157.4	163.4
Long-term debt	96.1	21.2
Postretirement benefit liabilities	72.1	75.5
Pension benefit liabilities	4.0	1.6
Other long-term liabilities	9.7	9.1
Noncurrent income taxes payable	0.5	1.7
Deferred income taxes	6.2	8.4
Total liabilities	346.0	280.9
Stockholders' equity:		
Common stock with par value \$.0001 per share: 100,000,000 shares authorized; 28,173,681 issued and 25,724,685 outstanding shares as of September 30, 2017 and 27,895,671 issued and outstanding shares as of December 31, 2016	—	—
Preferred stock with par value \$.0001 per share: 15,000,000 shares authorized; none issued	—	—
Treasury stock, at cost, 2,448,996 shares as of September 30, 2017	(39.9) —
Additional paid-in capital	675.8	673.3
(Accumulated deficit) retained earnings	(11.1) 10.0
Accumulated other comprehensive loss	(55.8) (59.8
Total stockholders' equity	569.0	623.5
Total liabilities and stockholders' equity	\$ 915.0	\$ 904.4

See accompanying notes to Condensed Consolidated Financial Statements.

Edgar Filing: Armstrong Flooring, Inc. - Form 10-Q

Armstrong Flooring, Inc. and Subsidiaries

Condensed Consolidated Statements of Stockholders' Equity (Unaudited)

(Dollars in millions)

	Common Stock	Treasury Stock	Net	Additional	Accumulated	(Accumulated	Total	
	Shares	Amount	AWI	Paid-in Capital	Other Comprehensive	Deficit) Retained	Equity	
			Investment		(Loss) Income	Earnings		
December 31, 2016	27,895,671	\$ —	\$—	\$ —	\$ 673.3	\$ (59.8)	\$ 10.0	\$623.5
Net (loss)	—	—	—	—	—	(21.1)	(21.1)	(21.1)
Repurchase of common stock	(2,455,604)	—	2,455,604	(40.0)	—	—	—	(40.0)
Stock-based compensation, net	284,618	—	(6,608)	0.1	—	3.3	—	3.4
Net transfers to Armstrong World Industries ("AWI")	—	—	—	(0.8)	—	—	—	(0.8)
Reclassification of net parent investment to additional paid-in capital	—	—	—	0.8	(0.8)	—	—	—
Other comprehensive income	—	—	—	—	—	4.0	—	4.0
September 30, 2017	25,724,685	\$ —2,448,996	\$ (39.9)	\$ —	\$ 675.8	\$ (55.8)	\$ (11.1)	\$569.0

S-27

Table of Contents

The restricted periods described in the preceding paragraph will be automatically extended if:

during the last 17 days of the applicable lock-up period we issue an earnings release or announce material news or a material event; or

prior to the expiration of the applicable lock-up period, we announce that we will release earnings results during the 16-day period following the last day of the applicable lock-up period;

in which case, the restrictions described in this paragraph will continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the announcement of the material news or material event.

**Nasdaq
Global Select
Market
Listing**

The shares are listed on the Nasdaq Global Select Market under the symbol CZR.

**Price
Stabilization,
Short
Positions**

Until the distribution of the shares is completed, SEC rules may limit underwriter and selling group members from bidding for and purchasing our common stock. However, the

representatives may engage in transactions that stabilize the price of the common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with the offering, the underwriter may purchase and sell our common stock in the open market. These transactions may include short sales and purchases on the open market to cover positions created by short sales. Short sales involve the sale by the underwriter of a greater number of shares than they are required to purchase in the offering.

Covered short sales are sales made in an amount not greater than the underwriter's option to

purchase additional shares described above. The underwriter may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriter will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option granted to them. Naked short sales are sales in excess of such option. The underwriter must close out any naked short position by purchasing shares in the open market.

A naked short position is more likely to be created if the underwriter is concerned that there may be downward pressure on the price of our common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of shares of common stock made by the underwriter in the open market prior to the completion of the offering.

Similar to other purchase transactions, the underwriter's purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common stock

or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. The underwriter may conduct these transactions on the Nasdaq Global Select Market, in the over-the-counter market or otherwise.

Neither we nor the underwriter makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. In addition, neither we nor the underwriter make any representation

that the underwriter will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

**Passive
Market
Making**

In connection with this offering, the underwriter may engage in passive market making transactions in the common stock on the Nasdaq Global Select Market in accordance with Rule 103 of Regulation M under the Exchange Act during a period before the commencement of offers or sales of common stock and extending

S-28

Table of Contents

through the completion of distribution. A passive market maker must display its bid at a price not in excess of the highest independent bid of that security. However, if all independent bids are lowered below the passive market maker's bid, that bid must then be lowered when specified purchase limits are exceeded. Passive market making may cause the price of our common stock to be higher than the price that otherwise would exist in the open market in the absence of those transactions. The underwriter is not required to engage in passive market making and may end passive market

making
activities at
any time.

**Electronic
Distribution**

In connection
with the
offering, the
underwriter
may distribute
prospectuses
by electronic
means, such as
e-mail.

**Other
Relationships**

The
underwriter
and its
affiliates have
engaged in,
and may in the
future engage
in, investment
banking and
other
commercial
dealings in the
ordinary
course of
business with
us or our
affiliates. The
underwriter
has received,
or may in the
future receive,
customary fees
and
commissions
for these
transactions.
The
underwriter
has acted in
the past as
initial

purchaser of offerings of our debt securities. In addition, certain affiliates of the underwriter are lenders and/or agents under our or our subsidiaries credit facilities. Certain affiliates of the underwriter may also own our debt securities from time to time and de minimis amounts of our equity.

In addition, in the ordinary course of its business activities, the underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and

for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriter and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area (each, a

Relevant
Member
State), no offer
of shares may
be made to the
public in that
Relevant
Member State
other than:

A. to any legal
entity
which is a
qualified
investor as
defined in
the
Prospectus
Directive;

B. to fewer than
100 or, if the
Relevant
Member
State has
implemented
the relevant
provision of
the 2010 PD
Amending
Directive,
150, natural
or legal
persons
(other than
qualified
investors as
defined in the
Prospectus
Directive), as
permitted
under the
Prospectus
Directive,
subject to
obtaining the
prior consent
of the

underwriter;
or

C. in any other
circumstances
falling within
Article 3(2) of
the Prospectus
Directive,
provided that
no such offer
of shares shall
require the
Company or
the
underwriter to
publish a
prospectus
pursuant to
Article 3 of
the Prospectus
Directive or
supplement a
prospectus
pursuant to
Article 16 of
the Prospectus
Directive.

Each person in
a Relevant
Member State
who initially
acquires any
shares or to
whom any
offer is made
will be
deemed to
have
represented,
acknowledged
and agreed
that it is a
qualified
investor within
the meaning of
the law in that
Relevant
Member State

implementing Article 2(1)(e) of the Prospectus Directive. In the case of any shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any shares to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the

prior consent
of the
underwriter
has been
obtained to
each such
proposed offer
or resale.

S-29

Table of Contents

The Company, the underwriter and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

This prospectus has been prepared on the basis that any offer of shares in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of shares. Accordingly any person making or intending to make an offer in that Relevant Member State of shares which are the subject of the offering

contemplated
in this
prospectus
may only do
so in
circumstances
in which no
obligation
arises for the
Company or
the
underwriter to
publish a
prospectus
pursuant to
Article 3 of
the Prospectus
Directive in
relation to
such offer.
Neither the
Company nor
the
underwriter
has authorized,
nor do they
authorize, the
making of any
offer of shares
in
circumstances
in which an
obligation
arises for the
Company or
the
underwriter to
publish a
prospectus for
such offer.

For the
purpose of the
above
provisions, the
expression an
offer to the
public in
relation to any
shares in any
Relevant

Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC (including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member States) and includes any relevant implementing measure in the Relevant Member State

and the
expression
2010 PD
Amending
Directive
means
Directive
2010/73/EU.

**Notice to
Prospective
Investors in
the United
Kingdom**

In addition, in
the United
Kingdom, this
document is
being
distributed
only to, and is
directed only
at, and any
offer
subsequently
made may
only be
directed at
persons who
are qualified
investors (as
defined in the
Prospectus
Directive)
(i) who have
professional
experience in
matters
relating to
investments
falling within
Article 19
(5) of the
Financial
Services and
Markets Act
2000
(Financial
Promotion)
Order 2005, as

amended (the Order) and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as relevant persons). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

Notice to Prospective Investors in Switzerland

The shares may not be

publicly
offered in
Switzerland
and will not be
listed on the
SIX Swiss
Exchange
(SIX) or on
any other
stock
exchange or
regulated
trading facility
in Switzerland.
This document
has been
prepared
without regard
to the
disclosure
standards for
issuance
prospectuses
under art. 652a
or art. 1156 of
the Swiss
Code of
Obligations or
the disclosure
standards for
listing
prospectuses
under art. 27
ff. of the SIX
Listing Rules
or the listing
rules of any
other stock
exchange or
regulated
trading facility
in Switzerland.
Neither this
document nor
any other
offering or
marketing
material
relating to the
shares or the
offering may

be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA) (FINMA), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (CISA). The investor protection

afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to Prospective Investors in the Dubai International Financial Centre

This prospectus supplement relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (DFSA). This prospectus supplement is intended for distribution only

S-30

Table of Contents

to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for the prospectus supplement. The shares to which this prospectus supplement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due

diligence on the shares. If you do not understand the contents of this prospectus supplement you should consult an authorized financial advisor.

Notice to Prospective Investors in Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 (Cth) of Australia (Corporations Act)) in relation to the common stock has been or will be lodged with the Australian Securities & Investments Commission (ASIC). This document has not been lodged with ASIC and is only directed to certain categories of exempt persons. Accordingly, if you receive this document in Australia:

(a) you
confirm
and
warrant
that you
are either:

(i) a
sophisticated
investor
under section
708(8)(a) or
(b) of the
Corporations
Act;

(ii) a
sophisticated
investor
under section
708(8)(c) or
(d) of the
Corporations
Act and that
you have
provided an
accountant's
certificate to
us which
complies
with the
requirements
of section
708(8)(c)(i)
or (ii) of the
Corporations
Act and
related
regulations
before the
offer has
been made;

(iii) a person
associated
with the

company
under section
708(12) of
the
Corporations
Act; or

(iv) a
professional
investor
within the
meaning of
section
708(11)(a) or
(b) of the
Corporations
Act, and to
the extent
that you are
unable to
confirm or
warrant that
you are an
exempt
sophisticated
investor,
associated
person or
professional
investor
under the
Corporations
Act any offer
made to you
under this
document is
void and
incapable of
acceptance;
and

(b) you warrant
and agree
that you will
not offer any
of the
common
stock for
resale in

Australia within 12 months of that common stock being issued unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act.

Notice to Prospective Investors in Hong Kong

The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to professional investors as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a

prospectus as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons

outside Hong Kong or only to professional investors as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Notice to Prospective Investors in Japan

The shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial

guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, Japanese Person shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

S-31

Table of Contents

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of

the Securities and Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in

Section 4A
of the SFA))
the sole
business of
which is to
hold
investments
and the
entire share
capital of
which is
owned by
one or more
individuals,
each of
whom is an
accredited
investor; or
a trust
(where the
trustee is not
an
accredited
investor)
whose sole
purpose is to
hold
investments
and each
beneficiary
of the trust
is an
individual
who is an
accredited
investor,
securities (as
defined in
Section 239(1)
of the SFA) of
that
corporation or
the
beneficiaries
rights and
interest
(howsoever
described) in
that trust shall
not be
transferred

within six
months after
that
corporation or
that trust has
acquired the
shares
pursuant to an
offer made
under
Section 275 of
the SFA
except:

(b) to an institutional
investor or to a
relevant person
defined in
Section 275(2) of the
SFA, or to any
person arising from
an offer referred to
in Section 275(1A)
or
Section 276(4)(i)(B)
of the SFA; where
no consideration is
or will be given for
the transfer; where
the transfer is by
operation of law; as
specified in
Section 276(7) of the
SFA; or as specified
in Regulation 32 of
the Securities and
Futures (Offers of
Investments) (Shares
and Debentures)
Regulations 2005 of
Singapore.

**Notice to
Canadian
Residents**

*Resale
Restrictions*

The distribution of our shares of common stock in Canada is being made only in the provinces of Ontario, Quebec, Alberta, British Columbia and Manitoba on a private placement basis exempt from the requirement that we prepare and file a prospectus with the securities regulatory authorities in each province where trades of the shares of common stock are made. Any resale of the shares of common stock in Canada must be made under applicable securities laws which may vary depending on the relevant jurisdiction, and which may require resales to be made under available

statutory
exemptions or
under a
discretionary
exemption
granted by the
applicable
Canadian
securities
regulatory
authority.
Purchasers are
advised to
seek legal
advice prior to
any resale of
the shares of
common
stock.

*Representations
of Purchasers*

By purchasing
shares of
common stock
in Canada and
accepting
delivery of a
purchase
confirmation,
a purchaser is
representing to
us and the
dealer from
whom the
purchase
confirmation
is received
that:

the purchaser is
entitled under
applicable
provincial
securities laws to
purchase the
shares of common
stock without the

benefit of a
prospectus
qualified under
those securities
laws as it is an
accredited
investor as
defined under
National
Instrument
45-106 Prospectus
and Registration
Exemptions,

the purchaser is
a Canadian
permitted client
as defined in
National
Instrument
31-103 *Registration
Requirements,
Exemptions and
Ongoing
Registrant
Obligations*, or
as otherwise
interpreted and
applied by the
Canadian
Securities
Administrators,

S-32

Table of Contents

where
required by
law, the
purchaser is
purchasing
as principal
and not as
agent,

the purchaser
has reviewed
the text
above under
Resale
Restrictions ,
and

the purchaser
acknowledges
and consents to
the provision of
specified
information
concerning the
purchase of the
shares of
common stock
to the regulatory
authority that by
law is entitled to
collect the
information,
including certain
personal
information. For
purchasers in
Ontario,
questions about
such indirect
collection of
personal
information
should be
directed to
Administrative

Support Clerk,
Ontario
Securities
Commission,
Suite 1903, Box
55, 20 Queen
Street West,
Toronto, Ontario
M5H 3S8 or to
(416) 593-3684.

*Rights of
Action Ontario
Purchasers*

Under Ontario
securities
legislation,
certain
purchasers
who purchase
a security
offered by this
document
during the
period of
distribution
will have a
statutory right
of action for
damages, or
while still the
owner of the
shares of
common
stock, for
rescission
against us in
the event that
this document
contains a
misrepresentation
without regard
to whether the
purchaser
relied on the
misrepresentation.
The right of
action for
damages is
exercisable not
later than the

earlier of 180 days from the date the purchaser first had knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for the shares of common stock. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the shares of common stock. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against us. In no case will the amount recoverable in any action exceed the price at which the shares of common stock were offered to the purchaser and

if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, we will have no liability. In the case of an action for damages, we will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the shares of common stock as a result of the misrepresentation relied upon. These rights are in addition to, and without derogation from, any other rights or remedies available at law to an Ontario purchaser. The foregoing is a summary of the rights available to an Ontario purchaser. Ontario purchasers should refer to the complete text of the relevant

statutory provisions.

Enforcement of Legal Rights

All of our directors and officers as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

*Taxation and
Eligibility for
Investment*

Canadian purchasers of shares of common stock should consult their own legal and tax advisors with respect to the tax consequences of an investment in the shares of common stock in their particular circumstances and about the eligibility of the investment by the purchaser under relevant Canadian legislation.

S-33

**Table of
Contents**

**LEGAL
MATTERS**

The validity of the shares of common stock being offered hereby will be passed upon for us by Paul, Weiss, Rifkind, Wharton & Garrison LLP, New York, New York. Cahill Gordon & Reindel LLP, New York, New York will pass upon legal matters for the underwriter.

EXPERTS

The consolidated financial statements, and the related consolidated financial statement schedule, incorporated herein by reference from the Caesars Entertainment Corporation Annual Report on Form 10-K and the effectiveness

of our internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference. Such financial statements and financial statement schedule have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

**WHERE
YOU CAN
FIND
ADDITIONAL
INFORMATION**

We are required to file annual and quarterly reports and other information with the SEC. You may read

and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C., 20549. Please call 1-800-SEC-0330 for further information on the operation of the Public Reference Room. Our filings will also be available to the public from commercial document retrieval services and at the web site maintained by the SEC at <http://www.sec.gov>. Certain information about our company may also be obtained from our website at www.caesars.com. Information contained on our website or any other website is not incorporated by reference into and does not constitute part of this prospectus.

We have filed with the SEC a registration statement on Form S-3 under the Securities Act with respect to the shares of our common stock offered by this prospectus supplement. This prospectus supplement and the accompanying prospectus, which are part of the registration statement, do not contain all of the information set forth in the registration statement or the exhibits and schedules thereto as permitted by the rules and regulations of the SEC. For further information about us and our common stock, you should refer to the registration statement.

We have not authorized anyone to give you any information or

to make any representations about us or the transactions we discuss in this prospectus supplement and the accompanying prospectus other than those contained in this prospectus supplement and the accompanying prospectus. If you are given any information or representations about these matters that is not discussed in this prospectus supplement and the accompanying prospectus, you must not rely on that information. This prospectus supplement and the accompanying prospectus is not an offer to sell or a solicitation of an offer to buy securities anywhere or to anyone where or to whom we are not permitted to offer or sell

securities
under
applicable law.

The SEC
allows us to
incorporate by
reference the
information
we file with
the SEC,
which means
that we can
disclose
important
information to
you by
referring you
to those
documents.

The
information
we incorporate
by reference is
an important
part of this
prospectus
supplement
and the
accompanying
prospectus,
and later
information
that we file
with the SEC
will
automatically
update and
supersede this
information. In
all cases, you
should rely on
the later
information
over different
information
included in
this prospectus
supplement
and the
accompanying

prospectus.
We
incorporate by
reference the
following
documents
which have
been filed with
the SEC:

Our Annual
Report on
Form 10-K for
the fiscal year
ended
December 31,
2012 filed
with the SEC
on March 15,
2013 and
Amendment
No. 1 on Form
10-K/A to our
Annual Report
filed on
March 18,
2013;

S-34

Table of Contents

Portions of our Definitive Proxy Statement on Schedule 14A filed with the SEC on March 18, 2013 that are incorporated by reference into Part III of our Annual Report on Form 10-K for the fiscal year ended December 31, 2012;

Our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2013 and June 30, 2013, filed with the SEC on May 5, 2013 and August 5, 2013, respectively;

Our Current reports on Form 8-K filed with the SEC on February 4, 2013, February 5,

2013,
February 7,
2013,
February 15,
2013,
February 21,
2013,
February 27,
2013,
March 28,
2013, April 23,
2013, April 29,
2013, May 22,
2013, July 2,
2013, July 25,
2013,
September 18,
2013 and
September 24,
2013; and

The
description
of our
common
stock
contained in
the
Registration
Statement on
Form 8-A
filed on
February 2,
2012,
including
any
amendments
or reports
filed for the
purposes of
updating
such
description.
All documents
and reports
that we file
with the SEC
(other than any
portion of such
filings that are

furnished
under
applicable
SEC rules
rather than
filed) pursuant
to
Section 13(a),
13(c), 14 or
15(d) of the
Exchange Act
after the date
of this
prospectus
supplement
and before the
later of (1) the
completion of
the offering of
the securities
described in
this prospectus
supplement
and the
accompanying
prospectus and
(2) the
termination of
the offering of
securities
pursuant to
this prospectus
supplement
and the
accompanying
prospectus,
shall be
incorporated
by reference in
this prospectus
supplement
and the
accompanying
prospectus
from the date
of filing of
such
documents.

Upon request,
we will

provide to each person to whom a prospectus is delivered a copy of any or all of the reports or documents that have been incorporated by reference in this prospectus supplement and the accompanying prospectus but not delivered with the prospectus. You may request a copy of these filings or a copy of any or all of the documents referred to above which have been incorporated in this prospectus supplement and the accompanying prospectus by reference, at no cost, by writing or telephoning us at the following address:

Caesars
Entertainment
Corporation

One Caesars
Palace Drive

Las Vegas,
NV 89109

Attention:
Corporate
Secretary

Telephone:
(702) 407-6000

You should not assume that the information in this prospectus supplement, the accompanying prospectus or any documents incorporated by reference is accurate as of any date other than the date of the applicable document. Any statement contained in a document incorporated or deemed to be incorporated by reference into this prospectus supplement and the accompanying prospectus will be deemed to be modified or superseded for purposes of this prospectus supplement and the accompanying

prospectus to the extent that a statement contained in this prospectus supplement, the accompanying prospectus or any other subsequently filed document that is deemed to be incorporated by reference into this prospectus supplement and the accompanying prospectus modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement and the accompanying prospectus.

S-35

**Table of
Contents**

PROSPECTUS

**Caesars
Entertainment
Corporation**

**Common
Stock**

This prospectus relates to the offer and sale of shares of our common stock by Caesars Entertainment Corporation. We may offer and sell pursuant to one or more prospectus supplements, from time to time, shares of our common stock, in one or more underwritten or other public offerings and at prices and on terms that will be determined at the time of the offering, up to a maximum aggregate offering price

of
\$500,000,000.
This
prospectus
describes the
general terms
of these
securities and
the general
manner in
which these
securities will
be offered. We
will provide
the amounts,
prices and
specific terms
of these
securities in
supplements to
this
prospectus.
The
prospectus
supplements
will also
describe the
specific
manner in
which these
securities will
be offered and
may also
supplement,
update or
amend
information
contained in
this
prospectus.
You should
read this
prospectus and
any applicable
prospectus
supplement
before you
invest.

We may offer
the shares as

we may determine through public or private transactions or through other means described in the section entitled Plan of Distribution at a fixed price, or prices, at prevailing market prices, or prices related to prevailing market prices, at prices different than prevailing market prices or at privately negotiated prices. The prices at which we may sell the shares may be determined by the prevailing market price for the shares at the time of sale, may be different than such prevailing market prices or may be determined through negotiated transactions with third parties.

The securities may be sold

directly to you, through agents, through underwriters and dealers or through a combination of any of these methods of sale. If agents, underwriters or dealers are used to sell the securities, we will name them and describe their compensation in a prospectus supplement.

Our common stock is listed on the NASDAQ Global Select Market under the symbol CZR. On March 14, 2012, the last reported sale price of our common stock on the NASDAQ Global Select Market was \$12.88.

Investing in our common stock involves risks. You should read the section

entitled Risk Factors beginning on page 3 for a discussion of certain risks that you should consider before investing in our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Prospectus dated March 26, 2012.

**Table of
Contents**

**TABLE OF
CONTENTS**

<u>About This</u>	
<u>Prospectus</u>	ii
<u>Prospectus</u>	
<u>Summary</u>	1
<u>Risk Factors</u>	3
<u>Cautionary</u>	
<u>Statements</u>	
<u>Concerning</u>	
<u>Forward</u>	
<u>Looking</u>	
<u>Statements</u>	9
<u>Use of</u>	
<u>Proceeds</u>	11
<u>Description</u>	
<u>of Capital</u>	
<u>Stock</u>	12
<u>Plan of</u>	
<u>Distribution</u>	16
<u>Legal</u>	
<u>Matters</u>	18
<u>Experts</u>	18
<u>Where You</u>	
<u>Can Find</u>	
<u>Additional</u>	
<u>Information</u>	18
<u>Incorporation</u>	
<u>by Reference</u>	19

**You should
rely only on
the
information
contained in
or
incorporated
by reference
in this
prospectus or
the applicable
prospectus
supplement.
We have not
authorized**

any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus, the applicable prospectus supplement or in any documents incorporated by reference in this prospectus or the applicable prospectus supplement is accurate only as of the date of the applicable document. Our business, financial condition,

results of operations and prospects may have changed since that date.

We have proprietary rights to a number of trademarks used in this prospectus that are important to our business, including, without limitation, Caesars Entertainment, Caesars Palace, Harrah s, Total Rewards, World Series of Poker, Horseshoe, Paris Las Vegas, Flamingo Las Vegas and Bally s Las Vegas. We have omitted the ® and trademark designations for such trademarks named in this prospectus.

**Table of
Contents**

**ABOUT
THIS
PROSPECTUS**

This prospectus is part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission (the SEC) using a shelf registration process. Under the shelf registration process, we may offer and sell pursuant to one or more prospectus supplements, from time to time, shares of our common stock, in one or more underwritten or other public offerings and at prices and on terms that will be determined at the time of the offering, up to a maximum aggregate offering price of \$500,000,000.

This prospectus describes the general terms of these securities and the general manner in which these securities will be offered. We will provide the amounts, prices and specific terms of these securities in supplements to this prospectus. The prospectus supplements will also describe the specific manner in which these securities will be offered and may also supplement, update or amend information contained in this prospectus. Information filed with the SEC subsequent to the date of this prospectus and prior to the termination of the particular offering referred to in the applicable prospectus

supplement
will
automatically
be deemed to
update and
supersede
inconsistent
information
contained in
this
prospectus.
You should
read this
prospectus and
any applicable
prospectus
supplement,
together with
the additional
information
described
under the
section
entitled "Where
You Can Find
Additional
Information,"
before you
invest.

The securities
may be sold
directly to
you, through
agents, or
through
underwriters
and dealers. If
agents,
underwriters
or dealers are
used to sell the
securities, we
will name
them and
describe their
compensation
in a prospectus
supplement.
We may offer
the shares as

we may determine through public or private transactions or through other means described in the section entitled Plan of Distribution at prevailing market prices, at prices different than prevailing market prices or at privately negotiated prices. The prices at which we may sell the shares may be determined by the prevailing market price for the shares at the time of sale, may be different than such prevailing market prices or may be determined through negotiated transactions with third parties.

The prospectus supplement may also contain information about any material U.S. federal income

tax
considerations
relating to the
securities
covered by the
prospectus
supplement.

**Table of
Contents**

**PROSPECTUS
SUMMARY**

The following summary contains information about Caesars Entertainment Corporation and its common stock. It does not contain all of the information that may be important to you in making a decision to participate in the offering. For a more complete understanding of Caesars Entertainment Corporation, we urge you to read this prospectus and the applicable prospectus supplement carefully, including the sections entitled Risk Factors, Cautionary Statements Concerning Forward Looking Statements and Where

*You Can Find
Additional
Information.
In connection
with the
reclassification
of our common
stock in 2010,
we changed
our name from
Harrah's
Entertainment,
Inc. to
Caesars
Entertainment
Corporation,
and the name
of our
operating
company,
Harrah's
Operating
Company, Inc.,
to Caesars
Entertainment
Operating
Company, Inc.
Unless
otherwise
noted or
indicated by
the context,
the term
Caesars
refers to
Caesars
Entertainment
Corporation,
we, us
and our
refer
to Caesars and
its
consolidated
subsidiaries,
and CEOC
refers to
Caesars
Entertainment
Operating
Company, Inc.*

**Our
Company**

We are the world's most diversified casino-entertainment provider and the most geographically diverse U.S. casino-entertainment company. Our business is primarily conducted through a wholly-owned subsidiary, CEOC, although certain material properties are not owned by CEOC. As of December 31, 2011, we owned, operated or managed, through various subsidiaries, 52 casinos in 12 U.S. states and seven countries. The majority of these casinos operate in the United States and England. Our casino entertainment facilities operate primarily under the Harrah's, Caesars, and

Horseshoe brand names in the United States. Our casino entertainment facilities include 33 land-based casinos, 12 riverboat or dockside casinos, three managed casinos on Indian lands in the United States, one managed casino in Canada, one casino combined with a greyhound racetrack, one casino combined with a thoroughbred racetrack, and one casino combined with a harness racetrack. Our land-based casinos include one in Uruguay, nine in England, one in Scotland, two in Egypt, and one in South Africa. As of December 31, 2011, our facilities had an aggregate of approximately three million

square feet of gaming space and approximately 43,000 hotel rooms. Our industry-leading customer loyalty program, Total Rewards, has over 40 million members. We use the Total Rewards System to market promotions and to generate customer play across our network of properties. In addition, we own an online gaming business, providing for real money casino, bingo and poker in the United Kingdom, alliances with online gaming providers in Italy and France, social games on Facebook and other social media websites, and mobile application platforms. We also own and operate the World Series

of Poker
tournament
and brand.

We were
incorporated
on
November 2,
1989 in
Delaware and
operated under
predecessor
companies
prior to such
date.

On
January 28,
2008, Caesars
was acquired
by affiliates of
Apollo Global
Management,
LLC (Apollo)
and affiliates
of TPG
Capital, LP
(together with
such affiliates,
TPG and,
together with
Apollo, the
Sponsors) in
an all-cash
transaction,
hereinafter
referred to as
the
Acquisition,
valued at
approximately
\$30.7 billion,
including the
assumption of
\$12.4 billion
of debt, and
the incurrence
of
approximately
\$1.0 billion of
acquisition

costs.
Subsequent to
the
Acquisition,
our stock was
no longer
publicly
traded.

Effective
February 8,
2012, as the
result of our
public offering
(the Public
Offering), our
common stock
trades on the
NASDAQ
Global Select
Market under
the symbol
CZR.

Table of Contents

The Sponsors

Apollo

Founded in 1990, Apollo is a leading global alternative asset manager with offices in New York, Los Angeles, London, Frankfurt, Luxembourg, Singapore, Hong Kong and Mumbai. As of December 31, 2011, Apollo had assets under management of approximately \$75.2 billion in its private equity, capital markets and real estate businesses.

TPG

TPG is a leading global private investment firm founded in 1992 with \$49 billion of assets under management and offices in San Francisco,

Beijing, Fort Worth, Hong Kong, London, Luxembourg, Melbourne, Moscow, Mumbai, New York, Paris, Shanghai, Singapore and Tokyo. TPG has extensive experience with global public and private investments executed through leveraged buyouts, recapitalizations, spinouts, growth investments, joint ventures and restructurings.

Additional Information

For a description of our business, financial condition, results of operations and other important information regarding Caesars, we refer you to our filings with the SEC incorporated by reference in this

prospectus.
For
instructions on
how to find
copies of these
documents,
see Where
You Can Find
Additional
Information.

Our principal
executive
offices are
located at One
Caesars Palace
Drive, Las
Vegas, NV
89109, and our
telephone
number is
(702) 407-6000.
The address of
our internet
site is
www.caesars.com.
This internet
address is
provided for
informational
purposes only
and is not
intended to be
a hyperlink.
Accordingly,
no information
in this internet
address is
included or
incorporated
by reference
herein.

**Table of
Contents**

**RISK
FACTORS**

Investing in our common stock involves risk. You should carefully consider the risk factors set forth below, as well as the other information contained in this prospectus or the applicable prospectus supplement, or incorporated by reference in this prospectus or the applicable prospectus supplement. In addition to those listed below and elsewhere in this prospectus or the applicable prospectus supplement, you should also consider the risks, uncertainties and assumptions discussed under the caption Item 1A. Risk

Factors included in our Annual Report on Form 10-K for the year ended December 31, 2011, which is incorporated by reference in this prospectus or the applicable prospectus supplement. Any of these risks could materially and adversely affect our business, financial condition or results of operations. In such a case, you may lose all or a part of your original investment. These risk factors may be amended, supplemented or superseded from time to time by other reports we file with the SEC in the future and any prospectus supplement related to a particular offering.

**Risks Related
to this
Offering**

An active trading market for our common stock may not develop.

Prior to the Public Offering, which closed on February 13, 2012, there was not a public market for our common stock. We cannot predict the extent to which investor interest in us will lead to the development of an active trading market or how liquid that market might become. Our shares may be less liquid than the shares of other newly public companies and there may be imbalances between supply and demand for our shares. As a result our share price may experience significant volatility and may not necessarily reflect the

value of our expected performance. If an active trading market does not develop, you may have difficulty selling any of our common stock that you buy.

Future sales or the possibility of future sales of a substantial amount of our common stock may depress the price of shares of our common stock.

Future sales or the availability for sale of substantial amounts of our common stock in the public market could adversely affect the prevailing market price of our common stock and could impair our ability to raise capital through future sales of equity securities.

There are
125,297,197

shares of our common stock outstanding as of March 9, 2012. All of the outstanding shares of our common stock are eligible for resale under Rule 144 or Rule 701 of the Securities Act, subject to volume limitations, applicable holding period requirements and the lockup agreements described below or other contractual restrictions. The Sponsors have the ability to cause us to register the resale of its shares, and our management members who hold shares will have the ability to include their shares in such registration.

In connection with the Public Offering, we have agreed not to offer or sell, dispose of or hedge, directly or indirectly any

common stock without the permission of Credit Suisse Securities (USA) LLC and Citigroup Global Markets Inc. for a period of 180 days from the pricing of the Public Offering, subject to certain exceptions and automatic extension in certain circumstances; provided that, after 30 days from the pricing of the Public Offering, we will be permitted to issue and sell common stock to retire existing indebtedness and/or for debt for equity exchange transactions. In addition, our named executive officers and certain holders of our outstanding common stock and options to purchase our common stock, including the

Sponsors, have agreed not to offer or sell, dispose of or hedge, directly or indirectly, any common stock without the permission of Credit Suisse Securities (USA) LLC and Citigroup Global Markets Inc. for a period of 180 days and 270 days, respectively, from the pricing of the Public Offering, subject to certain exceptions and automatic extension in certain circumstances. Certain of our stockholders have agreed not to offer or sell, dispose of or hedge, directly or indirectly 50% of their shares that are being registered for resale pursuant to a shelf registration without the permission of Credit Suisse Securities (USA) LLC and Citigroup Global

Markets Inc.
for a period of
180 days from
the pricing of
the Public
Offering,
subject to
certain
exceptions and
automatic
extension in
certain
circumstances.

Table of Contents

We may elect to sell additional shares of our common stock in one or more future primary offerings pursuant to this prospectus. We may issue shares of common stock or other securities from time to time as consideration for future acquisitions and investments or for any other reason that our board of directors, or Board, deems advisable. If any such acquisition or investment is significant, the number of shares of our common stock, or the number or aggregate principal amount, as the case may be, of other securities that we may issue may in turn be substantial. We may also

grant
registration
rights covering
those shares of
common stock
or other
securities in
connection
with any such
acquisitions
and
investments.
As of March 9,
2012, options
to purchase
8,076,890
shares of
common stock
are
outstanding
under our
Management
Equity
Incentive Plan,
assuming no
changes to the
plan, and
warrants to
purchase
382,129 shares
of our
common stock
are
outstanding.
We intend to
file with the
SEC a
registration
statement on
Form S-8
covering the
shares issuable
under awards
we have
already
granted under
our
Management
Equity
Incentive Plan
and the shares

reserved for
issuance under
our 2012
Performance
Incentive Plan.
Assuming
effectiveness
of the
registration
statement on
Form S-8,
such shares
will be freely
tradable
though they
will be subject
to the lock-up
arrangements
and the
transfer
restrictions
pursuant to the
Management
Investor
Rights
Agreement
described in
Item 13.
Certain
Relationships
and Related
Party
Transactions,
and Director
Independence Management
Investor
Rights
Agreement in
our Annual
Report on
Form 10-K for
the year ended
December 31,
2011, which is
incorporated
by reference in
this
prospectus.

We cannot
predict the size

of future issuances of our common stock or other securities or the effect, if any, that future issuances and sales of our common stock or other securities, including future sales by the Sponsors, will have on the market price of our common stock. Sales of substantial amounts of common stock (including shares of common stock issued in connection with an acquisition), or the perception that such sales could occur, may adversely affect prevailing market prices for our common stock.

The price and trading volume of our common stock may fluctuate significantly, and you could lose all or part of your

investment.

Even if an active trading market develops, the market price of our common stock may be highly volatile and could be subject to wide fluctuations. In addition, the trading volume of our common stock may fluctuate and cause significant price variations to occur.

Volatility in the market price of our common stock may prevent you from being able to sell your shares at or above the price you paid for your shares of common stock. The market price for our common stock could fluctuate significantly for various reasons, including:

our operating and financial

performance
and
prospects;

our quarterly
or annual
earnings or
those of
other
companies
in our
industry;

conditions
that impact
demand for
our products
and services;

the public's
reaction to our
press releases,
other public
announcements
and filings with
the SEC;

changes in
earnings estimates
or
recommendations
by securities
analysts who track
our common
stock;

market and
industry
perception
of our
success, or
lack thereof,
in pursuing
our growth
strategy;

strategic
actions by us
or our
competitors,
such as
acquisitions or
restructurings;

changes in
government
and
environmental
regulation,
including
gaming taxes;

changes in
accounting
standards,
policies,
guidance,
interpretations
or principles;

arrival and
departure of
key
personnel;

the small
percentage
of shares to
be publicly
traded after
the Public
Offering;

changes in
our capital
structure;

sales of
common
stock by us
or members

of our
management
team;

the
expiration of
contractual
lockup
agreements;
and

4

Table of Contents

changes in general market, economic and political conditions in the United States and global economies or financial markets, including those resulting from natural disasters, terrorist attacks, acts of war and responses to such events. In addition, in recent years, the stock market has experienced significant price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies, including companies in the gaming, lodging, hospitality and entertainment industries. The

changes frequently appear to occur without regard to the operating performance of the affected companies. Hence, the price of our common stock could fluctuate based upon factors that have little or nothing to do with us, and these fluctuations could materially reduce our share price.

Apollo and TPG control us, and their interests may conflict with or differ from your interests as a stockholder.

Hamlet Holdings LLC, a Delaware limited liability company (Hamlet Holdings), the members of which are comprised of an equal number of individuals affiliated with each of the

Sponsors, beneficially owns 69.9% of our common stock pursuant to an irrevocable proxy providing Hamlet Holdings with sole voting and sole dispositive power over those shares. The members of Hamlet Holdings have the power to elect all of our directors. Hamlet Holdings has the ability to vote on any transaction that requires the approval of our Board or our stockholders, including the approval of significant corporate transactions such as mergers and the sale of substantially all of our assets.

The interests of the members of Hamlet Holdings could conflict with or differ

from the interests of holders of our common stock. The Sponsors are in the business of making or advising on investments in companies it holds, and may from time to time in the future acquire interests in or provide advice to businesses that directly or indirectly compete with certain portions of our business or are suppliers or customers of ours. One or both of the Sponsors may also pursue acquisitions that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us.

The concentration of ownership held by the Sponsors and their co-investors could delay, defer or

prevent a change of control of us or impede a merger, takeover or other business combination which another stockholder may otherwise view favorably. In addition, a sale of a substantial number of shares of stock in the future by funds affiliated with the Sponsors or their co-investors could cause our stock price to decline.

So long as affiliates of the Sponsors continue to own a significant amount of the outstanding shares of our common stock, they will continue to be able to strongly influence or effectively control our decisions.

In addition, we have an executive committee that serves at the

discretion of
our Board and
is authorized
to take such
actions as it
reasonably
determines
appropriate.
Currently, the
executive
committee
may act by a
majority of its
members,
provided that
at least one
member
designated by
Apollo
Members (as
defined under
Item 13.
Certain
Relationships
and Related
Party
Transactions,
and Director
Independence Hamlet
Holdings
Operating
Agreement in
our Annual
Report on
Form 10-K for
the year ended
December 31,
2011, which is
incorporated
by reference in
this
prospectus)
and one
member
designated by
TPG Members
(as defined
under Item 13.
Certain
Relationships
and Related

Party
Transactions,
and Director
Independence Hamlet
Holdings
Operating
Agreement in
our Annual
Report on
Form 10-K for
the year ended
December 31,
2011, which is
incorporated
by reference in
this
prospectus)
must approve
any action of
the executive
committee.
See Item 10.
Directors,
Executive
Officers and
Corporate
Governance Committees
of Our Board
of
Directors Executive
Committee in
our Annual
Report on
Form 10-K for
the year ended
December 31,
2011, which is
incorporated
by reference in
this
prospectus, for
a further
discussion.

Table of Contents

Our stockholders are subject to extensive governmental regulation and if a stockholder is found unsuitable by the gaming authority, that stockholder would not be able to beneficially own our common stock directly or indirectly.

In many jurisdictions, gaming laws can require any of our stockholders to file an application, be investigated, and qualify or have his, her or its suitability determined by gaming authorities. Gaming authorities have very broad discretion in determining whether an applicant should be deemed

suitable.
Subject to certain administrative proceeding requirements, the gaming regulators have the authority to deny any application or limit, condition, restrict, revoke or suspend any license, registration, finding of suitability or approval, or fine any person licensed, registered or found suitable or approved, for any cause deemed reasonable by the gaming authorities. For additional information on the criteria used in making determinations regarding suitability, see Exhibit 99.3 (Gaming and Regulatory Overview) to our Annual Report on Form 10-K for the year ended December 31, 2011, which is incorporated

by reference in
this
prospectus.

For example,
under Nevada
gaming laws,
each person
who acquires,
directly or
indirectly,
beneficial
ownership of
any voting
security, or
beneficial or
record
ownership of
any
non-voting
security or any
debt security,
in a public
corporation
which is
registered with
the Nevada
Gaming
Commission,
or the Gaming
Commission,
may be
required to be
found suitable
if the Gaming
Commission
has reason to
believe that his
or her
acquisition of
that
ownership, or
his or her
continued
ownership in
general, would
be inconsistent
with the
declared
public policy
of Nevada, in

the sole discretion of the Gaming Commission. Any person required by the Gaming Commission to be found suitable shall apply for a finding of suitability within 30 days after the Gaming Commission's request that he or she should do so and, together with his or her application for suitability, deposit with the Nevada Gaming Control Board, or the Control Board, a sum of money which, in the sole discretion of the Control Board, will be adequate to pay the anticipated costs and charges incurred in the investigation and processing of that application for suitability, and deposit such additional sums as are required by the Control Board

to pay final costs and charges. Additionally, under Ohio law, an institutional investor, which is broadly defined and includes any corporation, that holds any amount of our stock will be required to apply for and obtain a waiver of suitability determination.

Furthermore, any person required by a gaming authority to be found suitable, who is found unsuitable by the gaming authority, may not hold directly or indirectly the beneficial ownership of any voting security or the beneficial or record ownership of any nonvoting security or any debt security of any public corporation which is registered with the gaming

authority
beyond the
time
prescribed by
the gaming
authority. A
violation of
the foregoing
may constitute
a criminal
offense. A
finding of
unsuitability
by a particular
gaming
authority
impacts that
person's ability
to associate or
affiliate with
gaming
licensees in
that particular
jurisdiction
and could
impact the
person's ability
to associate or
affiliate with
gaming
licensees in
other
jurisdictions.

Many
jurisdictions
also require
any person
who acquires
beneficial
ownership of
more than a
certain
percentage of
voting
securities of a
gaming
company and,
in some
jurisdictions,
non-voting

securities, typically 5%, to report the acquisition to gaming authorities, and gaming authorities may require such holders to apply for qualification or a finding of suitability, subject to limited exceptions for institutional investors that hold a company's voting securities for investment purposes only.

Some jurisdictions may also limit the number of gaming licenses in which a person may hold an ownership or a controlling interest. In Indiana, for example, a person may not have an ownership interest in more than two Indiana riverboat owner's licenses.

Because we have not paid

dividends since the Acquisition and do not anticipate paying dividends on our common stock in the foreseeable future, you should not expect to receive dividends on shares of our common stock.

We have no present plans to pay cash dividends to our stockholders and, for the foreseeable future, intend to retain all of our earnings for use in our business. The declaration of any future dividends by us is within the discretion of our Board and will be dependent on our earnings, financial condition and capital requirements, as well as any other factors deemed relevant by our Board.

Table of Contents

We are a controlled company within the meaning of the NASDAQ rules and, as a result, qualify for, and rely on, exemptions from certain corporate governance requirements.

Hamlet Holdings controls a majority of our voting common stock. As a result, we are a controlled company within the meaning of the New York Stock Exchange or NASDAQ corporate governance standards. Under the NASDAQ rules, a company of which more than 50% of the voting power is held by an individual, group or another

company is a
controlled
company and
may elect not
to comply with
certain
NASDAQ
corporate
governance
requirements,
including:

the
requirement
that a
majority of
the Board
consists of
independent
directors;

the requirement that
we have a
nominating/corporate
governance
committee that is
composed entirely of
independent directors;

the
requirement
that we have a
compensation
committee
that is
composed
entirely of
independent
directors; and

the requirement for an
annual performance
evaluation of the
nominating/corporate
governance and
compensation

committees.
As a result of
these
exemptions,
we do not
have a
majority of
independent
directors nor
do our
nominating/corporate
governance
and
compensation
committees
consist
entirely of
independent
directors and
we are not
required to
have an annual
performance
evaluation of
the
nominating/corporate
governance
and
compensation
committees.
See Item 13.
Certain
Relationships
and Related
Transactions,
and Director
Independence
in our Annual
Report on
Form 10-K for
the year ended
December 31,
2011, which is
incorporated
by reference in
this
prospectus.
Accordingly,
you will not
have the same
protections

afforded to
stockholders
of companies
that are subject
to all of the
NASDAQ
corporate
governance
requirements.

***Our bylaws
and certificate
of
incorporation
contain
provisions
that could
discourage
another
company from
acquiring us
and may
prevent
attempts by
our
stockholders
to replace or
remove our
current
management.***

Provisions of
our bylaws
and our
certificate of
incorporation
may delay or
prevent a
merger or
acquisition
that
stockholders
may consider
favorable,
including
transactions in
which you
might
otherwise
receive a
premium for

your shares. In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace or remove our directors. These provisions include:

establishing a classified board of directors;

establishing limitations on the removal of directors;

permitting only an affirmative vote of at least two-thirds of the Board to fix the number of directors;

prohibiting
cumulative
voting in the
election of
directors;

empowering
only the
Board to fill
any vacancy
on the
Board,
whether
such
vacancy
occurs as a
result of an
increase in
the number
of directors
or otherwise;

authorizing
the issuance
of blank
check
preferred
stock without
any need for
action by
stockholders;

eliminating
the ability of
stockholders
to call special
meetings of
stockholders;

prohibiting
stockholders
from acting
by written
consent if
less than
50.1% of our
outstanding

common
stock is
controlled by
the
Sponsors;

prohibiting
amendments
to the bylaws
without the
affirmative
vote of at
least
two-thirds of
the Board or
the
affirmative
vote of at
least
two-thirds of
the total
voting power
of the
outstanding
shares
entitled to
vote;

Table of Contents

prohibiting amendments to the certificate of incorporation relating to stockholder meetings, amendments to the bylaws or certificate of incorporation, or the election or classification of the Board without the affirmative vote of two-thirds of the shares entitled to vote on any matter; and

establishing advance notice requirements for nominations for election to the Board or for proposing matters that can be acted on by stockholders at stockholder meetings. Our issuance of shares of preferred stock

could delay or prevent a change of control of us. Our Board has the authority to cause us to issue, without any further vote or action by the stockholders, shares of preferred stock, par value \$0.01 per share, in one or more series, to designate the number of shares constituting any series, and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, voting rights, rights and terms of redemption, redemption price or prices and liquidation preferences of such series. The issuance of shares of preferred stock may have the effect of delaying, deferring or preventing a change in control of our

company without further action by the stockholders, even where stockholders are offered a premium for their shares.

Together, these charter and statutory provisions could make the removal of management more difficult and may discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our common stock. Furthermore, the existence of the foregoing provisions, as well as the significant common stock controlled by Hamlet Holdings, could limit the price that investors might be willing to pay in the future for shares of our common stock. They could also

deter potential
acquirers of
our company,
thereby
reducing the
likelihood that
you could
receive a
premium for
your common
stock in an
acquisition.

**Table of
Contents**

**CAUTIONARY
STATEMENTS
CONCERNING
FORWARD
LOOKING
STATEMENTS**

This prospectus contains forward looking statements within the meaning of the federal securities laws, which involve risks and uncertainties. You can identify forward looking statements because they contain words such as believes, project, might, expects, may, will, should, seeks, approximately, intends, plans, estimates, or anticipates or similar expressions that concern our strategy, plans or intentions. All statements we make relating to our

estimated and projected earnings, margins, costs, expenditures, cash flows, growth rates and financial results are forward looking statements. In addition, we, through our senior management, from time to time make forward looking public statements concerning our expected future operations and performance and other developments. These forward looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those that we expected. We derive many of our forward looking statements from our operating budgets and

forecasts,
which are
based upon
many detailed
assumptions.
While we
believe that
our
assumptions
are reasonable,
we caution
that it is very
difficult to
predict the
impact of
known factors,
and it is
impossible for
us to anticipate
all factors that
could affect
our actual
results.

We disclose
important
factors that
could cause
actual results
to differ
materially
from our
expectations
under Risk
Factors herein
and under Item
1A. Risk
Factors in our
Annual Report
on Form 10-K
for the year
ended
December 31,
2011, which is
incorporated
by reference in
this
prospectus,
and elsewhere
in this
prospectus,

including,
without
limitation, in
conjunction
with the
forward
looking
statements
included in
this
prospectus. All
subsequent
written and
oral forward
looking
statements
attributable to
us, or persons
acting on our
behalf, are
expressly
qualified in
their entirety
by the
cautionary
statements.
Some of the
factors that we
believe could
materially
affect our
results
include:

the impact of
our
substantial
indebtedness;

the impact, if
any, of
unfunded
pension benefits
under
multi-employer
pension plans;

the effects of local and national economic, credit and capital market conditions on the economy in general, and on the gaming industry in particular;

construction factors, including delays, increased costs of labor and materials, availability of labor and materials, zoning issues, environmental restrictions, soil and water conditions, weather and other hazards, site access matters and building permit issues;

the effects of environmental and structural building conditions relating to our properties;

our ability to timely and

cost-effectively
integrate
companies that
we acquire into
our operations;

our ability to
realize the
expense
reductions
from our
cost savings
programs;

access to
available
and
reasonable
financing on
a timely
basis;

changes in
laws,
including
increased tax
rates, smoking
bans,
regulations or
accounting
standards,
third-party
relations and
approvals, and
decisions,
disciplines
and fines of
courts,
regulators and
governmental
bodies;

litigation
outcomes and
judicial and
governmental
body actions,

including
gaming
legislative
action,
referenda,
regulatory
disciplinary
actions and
fines and
taxation;

the ability of our
customer-tracking,
customer loyalty
and
yield-management
programs to
continue to
increase customer
loyalty and
same-store or hotel
sales;

our ability to
recoup costs
of capital
investments
through
higher
revenues;

acts of war
or terrorist
incidents,
severe
weather
conditions,
uprisings or
natural
disasters;

access to
insurance on
reasonable
terms for our
assets;

abnormal
gaming
holds
(gaming
hold is the
amount of
money that
is retained
by the
casino from
wagers by
customers);

Table of Contents

the potential difficulties in employee retention and recruitment as a result of our substantial indebtedness, the ongoing downturn in the gaming industry, or any other factor;

the effects of competition, including locations of competitors and operating and market competition; and

the other factors set forth under Risk Factors herein and under Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2011, which is incorporated by reference in this prospectus.

We caution you that the foregoing list of important factors may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward looking statements contained in this prospectus, which speak only as of the date of this prospectus, may not in fact occur. We undertake no obligation to publicly update or revise any forward looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

**Table of
Contents**

**USE OF
PROCEEDS**

We will describe the use of proceeds with respect to a particular offering in the applicable prospectus supplement, which may include the use for general corporate purposes, including development projects and maintenance capital expenditures, and for the retirement of indebtedness.

**Table of
Contents**

**DESCRIPTION
OF
CAPITAL
STOCK**

Our authorized capital stock consists of 1,250,000,000 shares of common stock, par value \$0.01 per share, and 125,000,000 shares of preferred stock, par value \$0.01 per share, the rights and preferences of which may be designated by the board of directors.

All of our existing common stock is validly issued, fully paid and nonassessable. As of March 9, 2012, there were 230 holders of record of our common stock. The discussion below describes the most important terms of our

capital stock, certificate of incorporation and bylaws. Because it is only a summary, it does not contain all the information that may be important to you. For a complete description refer to our certificate of incorporation and bylaws, copies of which have been filed as exhibits to our Annual Report on Form 10-K for the year ended December 31, 2011, which is incorporated by reference in this prospectus, and to the applicable provisions of the Delaware General Corporation Law.

**Common
Stock**

Voting Rights. The holders of Caesars common stock are entitled to one vote per

share on all matters submitted for action by the stockholders.

Dividend Rights. Subject to any preferential rights of any then outstanding preferred stock, all shares of Caesars common stock are entitled to share equally in any dividends our Board may declare from legally available sources.

Liquidation Rights. Upon liquidation or dissolution of Caesars, whether voluntary or involuntary, after payment in full of the amounts required to be paid to holders of any then outstanding preferred stock, all shares of Caesars common stock are entitled to share equally in the assets

available for distribution to stockholders after payment of all of Caesars' prior obligations.

Other Matters. The holders of Caesars' common stock have no preemptive or conversion rights, and Caesars' common stock is not subject to further calls or assessments by Caesars. There are no redemption or sinking fund provisions applicable to the common stock except those described below under "Certain Redemption Provisions." Except as described below under "Certain Anti-Takeover, Limited Liability and Indemnification Provisions," a majority vote of common stockholders is generally required to take action

under our certificate of incorporation and bylaws. The rights, preferences and privileges of holders of our common stock are subject to the terms of any series of preferred stock that may be issued in the future.

Preferred Stock

Our Board, without further stockholder approval, will be able to issue, from time to time, up to an aggregate of 125,000,000 shares of preferred stock in one or more series and to fix or alter the designations, preferences, rights and any qualifications, limitations or restrictions of the shares of each such series thereof, including the dividend rights, dividend rates, conversion rights, voting

rights, terms of redemption (including sinking fund provisions), redemption prices or prices, liquidation preferences and the number of shares constituting any series or designations of such series. Notwithstanding the foregoing, the rights of each holder of preferred stock will be subject at all times to compliance with all gaming and other statutes, laws, rules and regulations applicable to us or such holder at that time. Upon closing of the Public Offering, there were no shares of preferred stock outstanding. Our Board may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the

voting power or other rights of the holders of common stock. The issuance of preferred stock, while providing flexibility in connection with possible future financings and acquisitions and other corporate purposes could, under certain circumstances, have the effect of delaying, deferring or preventing a change in control of us might harm the market price of our common stock. See Certain Anti-Takeover, Limited Liability and Indemnification Provisions.

Table of Contents

Certain Redemption Provisions

Caesars certificate of incorporation contains provisions establishing the right to redeem the securities of disqualified holders if necessary to avoid any regulatory sanctions, to prevent the loss or to secure the reinstatement of any license or franchise, or if such holder is determined by any gaming regulatory agency to be unsuitable, has an application for a license or permit denied or rejected, or has a previously issued license or permit rescinded, suspended, revoked or not renewed. The certificate of incorporation will also

contain provisions defining the redemption price and the rights of a disqualified security holder.

Registration Rights

The Sponsors each have demand registration rights with respect to the Caesars stock they currently own and both Sponsors and the co-investors can participate in any demand registration initiated by either Sponsor. To the extent the number of securities offered in any such offering has to be limited based upon the opinion of the underwriter or underwriters of such offering, the securities to be offered shall include (i) first, securities to be allocated pro rata among the Sponsors and

their
co-investors
and
(ii) second,
only if all the
securities
referred to in
clause (i) have
been included,
securities that
Caesars
proposes to
include in such
demand
registration.

The Sponsors
and their
co-investors
also have
piggyback
registration
rights for any
other offering
not covered by
a demand
registration,
provided that
the
co-investors
can only
participate if a
Sponsor is
participating
in such
offering as a
selling
stockholder.
To the extent
the number of
securities
offered in any
such offering
has to be
limited based
upon the
opinion of the
underwriter or
underwriters
of such
offering, the

securities to be offered shall include (i) first, all of the securities proposed to be sold in such offering by Caesars or any person exercising a contractual right to a demand registration, (ii) second, only if all the securities referred to in clause (i) have been included, securities to be allocated pro rata among the Sponsors and their co-investors, and (iii) third, only if all of the securities referred to in clause (ii) have been included, any other securities eligible for inclusion in such registration.

Caesars management stockholders also have piggyback registration rights in connection with any registered

offering of
Caesars stock.
To the extent
the number of
securities
offered in any
such offering
has to be
limited based
upon the
opinion of the
underwriter or
underwriters
of such
offering, the
securities to be
offered shall
include
(i) first, all of
the securities
proposed to be
sold in such
offering by
Caesars or any
person
exercising a
contractual
right to a
demand
registration,
(ii) second,
only if all the
securities
referred to in
clause (i) have
been included,
securities to be
allocated pro
rata among the
Sponsors and
their
co-investors,
and (iii) third,
only if all of
the securities
referred to in
clause
(ii) have been
included, the
securities held
by

management
together with
any other
securities
eligible for
inclusion in
such
registration.

**Certain
Anti-Takeover,
Limited
Liability and
Indemnification
Provisions**

We are
governed by
the Delaware
General
Corporation
Law. Caesars
certificate of
incorporation
and bylaws
contain
provisions that
could make
more difficult
the acquisition
of us by means
of a tender
offer, a proxy
contest or
otherwise, or
to remove or
place our
current
management.

*Requirements
for Advance
Notification of
Stockholder
Nominations
and Proposals.*
Caesars
bylaws
establish
advance notice
procedures

with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of the Board or one of its committees.

Delaware Anti-Takeover Law. Caesars is a Delaware corporation subject to Section 203 of the Delaware General Corporation Law. Under Section 203, certain business combinations between a Delaware corporation whose stock generally is publicly traded and an interested stockholder are prohibited for a three-year period following the date that such stockholder became an interested stockholder, unless:

the
corporation
has elected in
its certificate
of
incorporation
not to be
governed by
Section 203,
which we
have elected;

Table of Contents

the business combination or the transaction which resulted in the stockholder becoming an interested stockholder was approved by the board of directors of the corporation before such stockholder became an interested stockholder;

upon consummation of the transaction that made such stockholder an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the commencement of the transaction excluding voting stock owned by directors who

are also officers
or held in
employee
benefit plans in
which the
employees do
not have a
confidential
right to tender
stock held by
the plan in a
tender or
exchange offer;
or

the business
combination
is approved
by the board
of directors
of the
corporation
and
authorized at
a meeting by
two-thirds of
the voting
stock which
the
interested
stockholder
did not own.

The three-year
prohibition
also does not
apply to some
business
combinations
proposed by
an interested
stockholder
following the
announcement
or notification
of an
extraordinary
transaction
involving the
corporation
and a person

who had not been an interested stockholder during the previous three years or who became an interested stockholder with the approval of a majority of the corporation's directors. The term business combination is defined generally to include mergers or consolidations between a Delaware corporation and an interested stockholder, transactions with an interested stockholder involving the assets or stock of the corporation or its majority-owned subsidiaries, and transactions which increase an interested stockholder's percentage ownership of stock. The term interested stockholder is defined generally as

those
stockholders
who become
beneficial
owners of 15%
or more of a
Delaware
corporation's
voting stock,
together with
the affiliates or
associates of
that
stockholder.

*Classified
Board and
Cumulative
Voting.* Our
certificate of
incorporation
and bylaws
provide for a
classified
board of
directors,
pursuant to
which the
board of
directors is
divided into
three classes
whose
members serve
three-year
staggered
terms. Our
certificate of
incorporation
also prohibits
cumulative
voting by
stockholders
in connection
with the
election of
directors,
which would
otherwise
allow less than
a majority of

stockholders
to elect
director
candidates.

*Removal of
Directors.* Our
certificate of
incorporation
and bylaws
provide that a
director may
be removed
from office at
any time, but
only for cause
and only by
affirmative
vote of at least
two-thirds of
the shares
entitled to vote
generally in
the election of
directors.

*Number of
Directors and
Vacancies.*
Our bylaws
permit the
number of
directors to be
fixed only by
an affirmative
vote of at least
two-thirds of
the members
of the board,
and any
vacancy on
our board of
directors,
including a
vacancy
resulting from
an
enlargement of
our board of
directors, may
only be filled

by vote of a majority of our directors then in office, whether such vacancy occurs as a result of an increase in the number of directors or otherwise.

Blank Check Preferred Stock. Our certificate of incorporation authorizes the issuance of blank check preferred stock that could be issued by our board of directors to increase the number of outstanding shares or establish a stockholders rights plan making a takeover more difficult and expensive.

Amendments to Certificate of Incorporation and Bylaws. Our certification of incorporation provides that any amendment to its bylaws will

require the affirmative vote of two-thirds of the shares entitled to vote on any matter or the board of directors. Our certificate of incorporation also provides that any amendment to the certificate of incorporation relating to stockholder meetings, amendments to our bylaws or certificate of incorporation and the election or classification of our board of directors will require the affirmative vote of two-thirds of the shares entitled to vote on any matter.

Special Meetings of Stockholders. Our bylaws provide that, except as otherwise required by law, special meetings of stockholders can only be called by our

board of
directors.

14

Table of Contents

*Actions by
Written
Consent. Our
bylaws
prohibit
stockholders
from acting by
written
consent if less
than 50.1% of
our
outstanding
common stock
is owned by
the Sponsors.*

*Limitation of
Officer and
Director
Liability and
Indemnification
Arrangements.
Caesars
certificate of
incorporation
limits the
liability of our
officers and
directors to the
maximum
extent
permitted by
Delaware law.
Delaware law
provides that
directors will
not be
personally
liable for
monetary
damages for
breach of their
fiduciary
duties as
directors,
except liability
for:*

any breach of
their duty of
loyalty to the
corporation
or its
stockholders;

acts or
omissions
not in good
faith or
which
involve
intentional
misconduct
or a
knowing
violation of
law;

unlawful
payments of
dividends or
unlawful
stock
repurchases
or
redemptions;
or

any
transaction
from which
the director
derived an
improper
personal
benefit.

This charter
provision has
no effect on
any
non-monetary
remedies that
may be
available to

Caesars or its stockholders, nor does it relieve Caesars or its officers or directors from compliance with federal or state securities laws. The certificate also generally provides that Caesars shall indemnify, to the fullest extent permitted by law, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, investigation, administrative hearing or any other proceeding by reason of the fact that he is or was a director or officer of Caesars, or is or was serving at our request as a director, officer, employee or agent of another entity, against expenses incurred by

him in
connection
with such
proceeding.
An officer or
director shall
not be entitled
to
indemnification
by Caesars if:

the officer or
director did
not act in
good faith
and in a
manner
reasonably
believed to
be in, or not
opposed to,
Caesars' best
interests; or

with respect
to any
criminal
action or
proceeding,
the officer or
director had
reasonable
cause to
believe his
conduct was
unlawful.
These charter
and bylaw
provisions and
provisions of
Delaware law
may have the
effect of
delaying,
detering or
preventing a
change of
control of

Caesars.

**Amendments
to Certificate
of
Incorporation
or Bylaws**

Our certification of incorporation provides that any amendment to its bylaws will require the affirmative vote of two-thirds of the shares entitled to vote on any matter. Our certificate of incorporation also provides that any amendment to the certificate of incorporation relating to stockholder meetings, amendments to our bylaws or certificate of incorporation and the election or classification of our board of directors will require the affirmative vote of two-thirds of the shares entitled to vote on any matter.

**Transfer
Agent and
Registrar**

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A., Canton, Massachusetts.

Listing

Our common stock is listed on the NASDAQ Global Select Market under the symbol CZR.

**Table of
Contents**

**PLAN OF
DISTRIBUTION**

We currently intend to offer and sell pursuant to one or more prospectus supplements, from time to time, our common stock offered by this prospectus, in one or more underwritten or other public offerings and at prices and on terms that will be determined at the time of the offering. We may sell our common stock:

through
underwriters;

through
dealers;

through
agents;

directly to
purchasers;
or

through a combination of any of these methods of sale.

We may directly solicit offers to purchase our common stock, or agents may be designated to solicit such offers. We will, in the applicable prospectus supplement relating to such offering, name any agent that could be viewed as an underwriter under the Securities Act, and describe any commissions that we must pay. Any such agent will be acting on a best efforts basis for the period of its appointment or, if indicated in the applicable prospectus supplement, on a firm commitment basis. This prospectus may be used in connection

with any offering of our common stock through any of these methods or other methods described in the applicable prospectus supplement.

The distribution of the common stock may be effected from time to time in one or more transactions:

at a fixed price, or prices, which may be changed from time to time;

at market prices prevailing at the time of sale;

at prices related to such prevailing market prices; or

at privately negotiated prices.

We may also issue our common stock to holders of certain of our outstanding debt, including but not limited to, debt under our credit facilities, notes issued by CEOC and/or debt under our commercial mortgage-backed securities financing as consideration for the retirement of such debt.

Each prospectus supplement will describe the method of distribution of our common stock and any applicable restrictions.

The prospectus supplement will describe the terms of the offering of our common stock, including the following:

the name of the agent or any underwriters;

the public
offering or
purchase
price;

any discounts
and
commissions
to be allowed
or paid to the
agent or
underwriters;

all other items
constituting
underwriting
compensation;

any discounts
and
commissions
to be allowed
or paid to
dealers; and

the exchange
on which the
securities
will be
listed.

If any
underwriters
or agents are
utilized in the
sale of our
common stock
in respect of
which this
prospectus is
delivered, we
will enter into
an
underwriting
agreement or
other
agreement
with them at

the time of
sale to them,
and we will set
forth in the
prospectus
supplement
relating to
such offering
the names of
the
underwriters
or agents and
the terms of
the related
agreement
with them.

If a dealer is
utilized in the
sale of our
common stock
in respect of
which this
prospectus is
delivered, we
will sell such
common stock
to the dealer,
as principal.
The dealer
may then
resell such
common stock
to the public at
varying prices
to be
determined by
such dealer at
the time of
resale.

Table of Contents

Agents, underwriters, dealers and other persons may be entitled under agreements which they may enter into with us to indemnification by us against certain civil liabilities, including liabilities under the Securities Act.

If so indicated in the applicable prospectus supplement, we will authorize underwriters or other persons acting as our agents to solicit offers by certain institutions to purchase our common stock from us pursuant to delayed delivery contracts providing for payment and delivery on the date stated in the prospectus supplement. Each contract

will be for an amount not less than, and the aggregate amount of our common stock sold pursuant to such contracts shall not be less nor more than, the respective amounts stated in the prospectus supplement. Institutions with whom the contracts, when authorized, may be made include commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions and other institutions, but shall in all cases be subject to our approval. Delayed delivery contracts will not be subject to any conditions except that:

the purchase
by an
institution of
our common
stock
covered
under that
contract
shall not at
the time of
delivery be
prohibited
under the
laws of the
jurisdiction
to which that
institution is
subject; and

if our
common
stock is also
being sold to
underwriters
acting as
principals for
their own
account, the
underwriters
shall have
purchased
such common
stock not sold
for delayed
delivery. The
underwriters
and other
persons acting
as our agents
will not have
any
responsibility
in respect of
the validity or
performance
of delayed
delivery
contracts.
Certain agents,
underwriters

and dealers,
and their
associates and
affiliates may
be customers
of, have
borrowing
relationships
with, engage
in other
transactions
with, and/or
perform
services,
including
investment
banking
services, for us
or one or more
of our
respective
affiliates in the
ordinary
course of
business.

In order to
facilitate the
offering of our
common
stock, any
underwriters
may engage in
transactions
that stabilize,
maintain or
otherwise
affect the price
of our
common stock
the prices of
which may be
used to
determine
payments on
such common
stock.
Specifically,
any
underwriters
may over allot

in connection with the offering, creating a short position for their own accounts. In addition, to cover over-allotments or to stabilize the price of our common stock, the underwriters may bid for, and purchase, our common stock in the open market. Finally, in any offering of our common stock through a syndicate of underwriters, the underwriting syndicate may reclaim selling concessions allowed to an underwriter or a dealer for distributing our common stock in the offering if the syndicate repurchases previously distributed common stock in transactions to cover syndicate short positions, in stabilization transactions or otherwise. Any of these

activities may stabilize or maintain the market price of our common stock above independent market levels. Any such underwriters are not required to engage in these activities and may end any of these activities at any time.

Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. The applicable prospectus supplement may provide that the original issue date for a holder's securities may be more than three scheduled business days after the trade date for such

holder s securities. Accordingly, in such a case, if such holder wishes to trade securities on any date prior to the third business day before the original issue date for such holder s securities, such holder will be required, by virtue of the fact that such holder s securities initially are expected to settle in more than three scheduled business days after the trade date for such holder s securities, to make alternative settlement arrangements to prevent a failed settlement.

Our common stock is listed on the NASDAQ Global Select Market under the symbol CZR. However, we can give no assurances as

to the
development
of liquidity or
trading market
for the shares.

In compliance
with the
guidelines of
the Financial
Industry
Regulatory
Authority, or
FINRA, the
aggregate
maximum
discount,
commission or
agency fees or
other items
constituting
underwriting
compensation
to be received
by any FINRA
member or
independent
broker-dealer
will not
exceed 8% of
the proceeds
from any
offering
pursuant to
this prospectus
and any
applicable
prospectus
supplement.

**Table of
Contents**

**LEGAL
MATTERS**

The validity of the shares of common stock being offered hereby will be passed upon for us by Paul, Weiss, Rifkind, Wharton & Garrison LLP, New York, New York. If legal matters in connection with offerings made pursuant to this prospectus are passed upon by counsel for underwriters, dealers or agents, if any, such counsel will be named in the applicable prospectus supplement.

EXPERTS

The consolidated financial statements, and the related consolidated financial statement schedule, incorporated herein by

reference from the Caesars Entertainment Corporation Annual Report on Form 10-K and the effectiveness of our internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference. Such financial statements and financial statement schedule have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

**WHERE
YOU CAN
FIND
ADDITIONAL
INFORMATION**

We are required to file annual and quarterly reports and other information with the SEC. You may read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C., 20549. Please call 1-800-SEC-0330 for further information on the operation of the Public Reference Room. Our filings will also be available to the public from commercial document retrieval services and at the web site maintained by the SEC at <http://www.sec.gov>. Certain information about our company may also be obtained from our website at www.caesars.com. Information contained on

our website or any other website is not incorporated by reference into and does not constitute part of this prospectus.

We have filed with the SEC a registration statement under the Securities Act of 1933, as amended, referred to as the Securities Act, with respect to the shares of our common stock offered by this prospectus. This prospectus, filed as part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules thereto as permitted by the rules and regulations of the SEC. For further information about us and our common stock, you should refer to

the registration statement.

This prospectus summarizes provisions that we consider material of certain contracts and other documents to which we refer you. Because the summaries may not contain all of the information that you may find important, you should review the full text of those documents.

We have not authorized anyone to give you any information or to make any representations about us or the transactions we discuss in this prospectus other than those contained in this prospectus. If you are given any information or representations about these matters that is not discussed in this prospectus,

you must not
rely on that
information.
This
prospectus is
not an offer to
sell or a
solicitation of
an offer to buy
securities
anywhere or to
anyone where
or to whom we
are not
permitted to
offer or sell
securities
under
applicable law.

**Table of
Contents**

**INCORPORATION
BY
REFERENCE**

The SEC allows us to incorporate by reference the information we file with the SEC, which means that we can disclose important information to you by referring you to those documents.

The information we incorporate by reference is an important part of this prospectus, and later information that we file with the SEC will automatically update and supersede this information. In all cases, you should rely on the later information over different information included in this prospectus or the applicable prospectus

supplement.
We
incorporate by
reference the
following
documents
which have
been filed with
the SEC:

Our Annual
Report on
Form 10-K for
the fiscal year
ended
December 31,
2011, filed
with the SEC
on March 14,
2012.

Our Current Reports on
Form 8-K, filed on
January 9,
2012, February 2, 2012
(other than the
information furnished
therein under Item 7.01),
February 7, 2012 (other
than the information
furnished therein under
Item 7.01), February 8,
2012 (other than the
information furnished
therein under Item 7.01),
February 10, 2012 (other
than the information
furnished therein under
Item 7.01), February 13,
2012 (other than the
information furnished
therein under
Item 7.01), February 15,
2012, February 22, 2012
(other than the
information furnished
therein under
Item 7.01), February 29,

2012 (other than the information furnished therein under Item 2.02) and March 2, 2012.

All documents and reports that we file with the SEC (other than any portion of such filings that are furnished under applicable SEC rules rather than filed) pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and before the later of (1) the completion of the offering of the securities described in this prospectus and (2) the termination of the offering of securities pursuant to this prospectus, shall be incorporated by reference in this prospectus from the date of filing of such documents.

Upon request, we will provide to

each person to whom a prospectus is delivered a copy of any or all of the reports or documents that have been incorporated by reference in this prospectus but not delivered with the prospectus. You may request a copy of these filings or a copy of any or all of the documents referred to above which have been incorporated in this prospectus by reference, at no cost, by writing or telephoning us at the following address:

Caesars
Entertainment
Corporation

One Caesars
Palace Drive

Las Vegas,
NV 89109

Attention:
Corporate

Secretary

Telephone:
(702) 407-6000

You should not assume that the information in this prospectus, the prospectus supplement or any documents incorporated by reference is accurate as of any date other than the date of the applicable document.

Any statement contained in a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or any other subsequently filed document that is deemed to be incorporated by reference

into this prospectus modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

**Table of
Contents**

**10,000,000
Shares**

**Caesars
Entertainment
Corporation**

**Common
Stock**

**PROSPECTUS
SUPPLEMENT**

Credit Suisse

**September
25, 2013**