Form **8937**
(December 2011)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-2224

Part I Reporting Issuer

1 Issuer's name CAESARS ENTERTAINMENT CORPORATION		**2** Issuer's employer identification number (EIN) 62-1411755
3 Name of contact for additional information TIM BROWN	**4** Telephone No. of contact 702-407-6337	**5** Email address of contact TBROWN3@CAESARS.COM
6 Number and street (or P.O. box if mail is not delivered to street address) of contact ONE CAESARS PALACE DRIVE		**7** City, town, or post office, state, and Zip code of contact LAS VEGAS, NV 89109
8 Date of action 10/6/2017	**9** Classification and description COMMON STOCK	

10 CUSIP number 127686103	**11** Serial number(s)	**12** Ticker symbol CZR	**13** Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ SEE STATEMENT

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ SEE STATEMENT

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ SEE STATEMENT

Part II **Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ 368(a)(1)(A), 354(a), 358(a)

18 Can any resulting loss be recognized? ▶ NOT APPLICABLE. SEE LINE 15.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ NOT APPLICABLE. SEE LINE 15.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ Date ▶ 11/20/17

Print your name ▶ CRAIG FJELSTED Title ▶ VICE PRESIDENT, TAX

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Caesars Entertainment Corporation

EIN: 62-1411755

Attachment to Form 8937

CEOC Merger

CONSULT YOUR TAX ADVISOR

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the exchange of New CEOC Preferred Equity (as defined below) into New CEC Common Stock on the tax basis of such New CEC Common Stock pursuant to Caesars Entertainment Operating Company, Inc. ("CEOC"), and certain of its subsidiaries (collectively, the "Debtors"), emergence from Chapter 11 bankruptcy on October 6, 2017 (the "Emergence").

The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may be relevant to particular categories of Debtors' creditors. The parent of CEOC, Caesars Entertainment Corporation ("CEC"), filing this form, does not provide tax advice to the Debtors' creditors or otherwise holders of certain claims in relation to Emergence. THE INFORMATION SET FORTH BELOW IS FOR GENERAL INFORMATION PURPOSES ONLY. Further, this information does not constitute tax advice and may not be applicable to creditors of the Debtors who are not citizens or residents of the United States. You are urged to consult your own tax advisor regarding the particular tax consequences to you, including the applicability and effect of all U.S. federal, state, and local and foreign tax laws. We further urge you to read the Form 8-K of CEC, including all attached exhibits, as filed with the Securities and Exchange Commission on October 13, 2017. You may access CEC's press releases in connection thereto at CEC's website at www.investor.caesars.com under Press Releases, and Form 8-K at www.sec.gov.

Line 14, Description of Organizational Action:

On October 6, 2017, pursuant to the Debtors' Third Amended Joint Plan of Reorganization (the "Plan"), approved and confirmed by the United States Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court") on January 17, 2017, CEOC was reorganized as an operating company ("OpCo") and a property company ("PropCo"). PropCo is majority owned by a newly formed real estate investment trust ("REIT"). The separation of the Debtors into OpCo, PropCo, and the REIT structure was accomplished through a spin-off of the REIT in a transaction that was intended to constitute a tax-free reorganization under Section 368(a)(1)(G) of the Code (the "G Reorganization"). In connection with the G Reorganization, certain of Debtors' creditors received OpCo Series A Preferred Equity ("New CEOC Preferred Equity").

On October 6, 2017, following the consummation of the G Reorganization, CEOC merged with and into CEOC LLC, a disregarded subsidiary of CEC for U.S. federal income tax purposes, with the latter surviving (the "CEOC Merger"). As merger consideration, all holders of New CEOC Preferred Equity received New CEC Common Stock in exchange therefor.

Caesars Entertainment Corporation

EIN: 62-1411755

Attachment to Form 8937

CEOC Merger

Line 15, Quantitative Effect of Organizational Action:

As noted in the Disclosure Statement for the Debtors' Second Amended Joint Plan of Reorganization pursuant to Chapter 11 of the Bankruptcy Code dated June 16, 2016 ("Disclosure Statement"), the CEOC Merger is expected to constitute a tax-free reorganization within the meaning of Section 368(a)(1)(A) of the Code. New CEOC Preferred Equity is expected to be treated as "stock" of CEOC for purposes of the CEOC Merger, and each share of New CEOC Preferred Equity issued and outstanding immediately prior to the effective time of the CEOC Merger was converted into 10 shares of CEC common stock. No cash in lieu of fractional shares was received in the CEOC Merger.

Accordingly, U.S. holders of New CEOC Preferred Equity are not expected to recognize gain or loss as a result of the CEOC Merger, and are expected to receive New CEC Common Stock with a tax basis and holding period equal to the tax basis and holding period in such U.S. holder's New CEOC Preferred Equity.

Line 16, Calculation of Change in Basis:

Pursuant to the Merger, each holder of New CEOC Preferred Equity received 10 shares of New CEC Common Stock per 1 share of New CEOC Preferred Equity surrendered. The adjusted tax basis in such shares of New CEC Common Stock received should be equal to the adjusted tax basis of the shares of New CEOC Preferred Equity surrendered, pursuant to Section 358(a) of the Code.