



Harrah's Entertainment Successfully Amends CMBS Loan Terms

LAS VEGAS – March 8, 2010 – Harrah's Entertainment, Inc. received unanimous consent from its commercial mortgage back securities (CMBS) lenders to amend the terms of approximately \$5.5 billion in loans. Under the revised terms, Harrah's will have the option to extend the CMBS loan maturity date to 2015 and Harrah's will have the ability to purchase CMBS loans at a discounted rate in the future. The amendments to the terms of the CMBS loans will become effective upon execution of definitive documentation.

"These revised terms for the CMBS loans represent the culmination of nearly two years of transformative activities that have allowed us to improve our balance sheet substantially; reducing our debt load by more than \$4 billion while improving our liquidity and maturity profile," said Gary Loveman, chairman, CEO and president of Harrah's Entertainment. "We now have even greater financial flexibility as we have extended all of our maturities until 2015 and beyond."

As a part of this agreement, Harrah's has also agreed to purchase approximately \$124 million face value of CMBS loans for \$37 million, subject to the completion of the definitive documentation referenced above. Harrah's began purchasing discounted CMBS loans in the fourth quarter of 2009 and purchased approximately \$950 million of face value loans for approximately \$237 million. Pursuant to the amendments, the borrowers under the CMBS loans have agreed to pay the selling lenders an additional \$48 million for the loans previously sold, subject to the completion of the definitive documentation.

Harrah's Entertainment, Inc. is the world's largest provider of branded casino entertainment. Since its beginning in Reno, Nevada, more than 70 years ago, Harrah's has grown through development of new properties, expansions and acquisitions, and now operates casinos on four continents. The company's properties operate primarily under the Harrah's®, Caesars® and Horseshoe® brand names; Harrah's also owns the World Series of Poker® and a majority interest in the London Clubs International family of casinos. Harrah's Entertainment is focused on building loyalty and value with its customers through a unique combination of great service, excellent products, unsurpassed distribution, operational excellence and technology leadership. Harrah's is committed to environmental sustainability and energy conservation and recognizes the importance of being a responsible steward of the environment. For more information, please visit <http://www.harrah.com/>.

This release includes three "forward-looking statements" relating to the terms of the CMBS loans becoming effective upon execution of definitive documentation. These statements are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995 and are based on current expectations and projections about future events. Such risks and uncertainties include the following factors:

- negotiation and execution of definitive documentation related to the CMBS loan amendment;
- conditions required to be met in order for Harrah's to exercise its option to extend the maturity of the CMBS loans; and
- negotiation and execution of definitive documentation related to the purchase of \$124 million face value of CMBS loans.

Investors are cautioned that forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties that cannot be predicted or quantified and, consequently, the actual performance of Harrah's may differ materially from those expressed or implied by such forward-looking statements.

Any forward-looking statements are made pursuant to the Private Securities Litigation Reform Act of 1995 and, as such, speak only as of the date made. Harrah's disclaims any obligation to update the forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, as of the date of this press release.