

CAESARS ENTERTAINMENT Corp

Form 10-Q

November 02, 2018

false--12-31Q320182018-09-3010-Q0000858339669733000YesfalseAccelerated FilerCAESARS

ENTERTAINMENT CorpfalseCZR30000003000000010000005800000017000000046000000Amended guidance replaces the incurred loss impairment methodology with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. Amendments affect entities holding financial assets and net investments in leases that are not accounted for at fair value through net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables and any other financial assets not excluded from the scope that have the contractual right to receive cash. Amendments are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. Early adoption is permitted. We are currently assessing the effect the adoption of this standard will have on our financial statements. Amendments in this update allow a reclassification from accumulated other comprehensive income to retained earnings effectively eliminating the stranded tax effects resulting from the Tax Cuts and Jobs Act (the U.S. federal government enacted a tax bill, H.R. 1, An Act to Provide for Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018) (the "Tax Act"). Because the amendments only relate to the reclassification of the income tax effects of the Tax Act, the underlying guidance that requires that the effect of a change in tax laws or rates be included in income from continuing operations is not impacted. The amendments in this update are effective for all entities for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption is permitted. Amendments in this update should be applied either in the period of adoption or retrospectively to each period (or periods) in which the effect of the change in the U.S. federal corporate income tax rate in the Tax Act is recognized. We are currently assessing the effect the adoption of this standard will have on our financial statements. Amended guidance expands the scope of employee share-based payments to include share-based payment transactions for acquiring goods and services from nonemployees. Equity-classified share-based payment awards issued to nonemployees will be measured on the grant date, instead of the previous requirement to remeasure the awards through the performance completion date. This amended guidance also clarifies that any share-based payment awards issued to customers should be evaluated under ASC 606, Revenue from Contracts with Customers. The amendments in this update are effective for public entities for fiscal years beginning after December 15, 2018, including interim periods within that fiscal year. Early adoption is permitted. We are currently assessing the effect the adoption of this standard will have on our financial statements. Amended guidance provides miscellaneous changes to clarify, correct errors in, or make minor improvements to the ASC. These amendments make the ASC easier to understand and easier to apply by eliminating inconsistencies and providing clarifications. Many of the amendments in this update do not have transition guidance and were effective upon issuance of the update. We assessed these updates and noted no applicability to Caesars. However, several amendments in this update do have transition guidance with effective dates for annual periods beginning after December 15, 2018 for public business entities. We are currently assessing the effect the adoption of the remaining amendments in this standard will have on our financial statements. Amended guidance modifies fair value measurement disclosure requirements including (i) removing certain disclosure requirements such as the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy, (ii) modifying certain disclosure requirements, and (iii) adding certain disclosure requirements such as changes in unrealized gains and losses for the period included in other comprehensive income for recurring Level 3 fair value measurements held at the end of the reporting period. The amendments in this update are effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted. We are currently assessing the effect the adoption of this standard will have on our financial statements. Amended guidance modifies the disclosure requirements for employers that sponsor defined benefit pension or other postretirement benefit plans including (i) removing certain disclosure requirements such as the amount and timing of plan assets expected to be returned to the employer, (ii) adding certain disclosure requirements such as an explanation of the reasons for significant gains and losses related to changes in the benefit obligation for the period, and (iii) clarifying certain disclosure requirements such as disclosing the projected benefit obligation ("PBO") and fair value of plan assets for plans with PBOs in excess of plan assets. The amendments in this update are effective for public entities for fiscal years ending after December 15, 2020. Early adoption is permitted. We do not expect the adoption

of this standard to have a material impact on our financial statements. Amended guidance aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The accounting for the service element of a hosting arrangement that is a service contract is not affected. The amendments in this update are effective for public entities for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted. We are currently assessing the effect the adoption of this standard will have on our financial statements. The amended guidance is intended to increase transparency and comparability among organizations by requiring additional disclosures to reflect the significance of an entity's leasing arrangements and by recognizing right-of-use (ROU) assets and lease liabilities on the balance sheet. Many long-term operating leases, including agreements relating to real estate, may be recorded on the balance sheet as an ROU asset with a corresponding lease liability, which will be amortized using the effective interest rate method as payments are made. Certain leases embedded in other arrangements, such as service and supplier contracts, may be accounted for separately by allocating payments between lease and non-lease components. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. We will adopt the new standard on January 1, 2019, and we have elected to apply the guidance as of the adoption date and recognize a cumulative-effect adjustment to the opening balance of retained earnings. Under this method, comparative periods will continue to be reported under legacy lease accounting guidance consistent with previously issued financial statements. We are currently assessing the effects the guidance will have on our financial statements and related

disclosures. 200000030000005700000084000000 0000858339 2018-01-01 2018-09-30 0000858339 2018-10-30 0000858339 2017-12-31 0000858339 2018-09-30 0000858339
us-gaap:VariableInterestEntityPrimaryBeneficiaryMember 2017-09-30 0000858339
us-gaap:VariableInterestEntityPrimaryBeneficiaryMember 2018-09-30 0000858339
us-gaap:VariableInterestEntityPrimaryBeneficiaryMember 2017-12-31 0000858339
us-gaap:VariableInterestEntityPrimaryBeneficiaryMember 2016-12-31 0000858339 2017-01-01 2017-09-30 0000858339 2018-07-01 2018-09-30 0000858339 us-gaap:ProductAndServiceOtherMember 2018-07-01 2018-09-30 0000858339 us-gaap:OccupancyMember 2018-01-01 2018-09-30 0000858339 us-gaap:ServiceOtherMember 2017-07-01 2017-09-30 0000858339 2017-07-01 2017-09-30 0000858339 us-gaap:FoodAndBeverageMember 2017-07-01 2017-09-30 0000858339 us-gaap:CasinoMember 2018-01-01 2018-09-30 0000858339
us-gaap:OccupancyMember 2017-01-01 2017-09-30 0000858339 us-gaap:OccupancyMember 2018-07-01 2018-09-30 0000858339 us-gaap:FoodAndBeverageMember 2018-01-01 2018-09-30 0000858339
us-gaap:CasinoMember 2018-07-01 2018-09-30 0000858339 us-gaap:OccupancyMember 2017-07-01 2017-09-30 0000858339 us-gaap:FoodAndBeverageMember 2018-07-01 2018-09-30 0000858339
us-gaap:ProductAndServiceOtherMember 2017-01-01 2017-09-30 0000858339 us-gaap:LicenseAndServiceMember 2017-01-01 2017-09-30 0000858339 us-gaap:ServiceOtherMember 2018-07-01 2018-09-30 0000858339
us-gaap:FoodAndBeverageMember 2017-01-01 2017-09-30 0000858339 us-gaap:CasinoMember 2017-07-01 2017-09-30 0000858339 us-gaap:ServiceOtherMember 2017-01-01 2017-09-30 0000858339
us-gaap:LicenseAndServiceMember 2018-01-01 2018-09-30 0000858339 us-gaap:CasinoMember 2017-01-01 2017-09-30 0000858339 us-gaap:ServiceOtherMember 2018-01-01 2018-09-30 0000858339
us-gaap:ProductAndServiceOtherMember 2018-01-01 2018-09-30 0000858339
us-gaap:ProductAndServiceOtherMember 2017-07-01 2017-09-30 0000858339 us-gaap:LicenseAndServiceMember 2017-07-01 2017-09-30 0000858339 us-gaap:LicenseAndServiceMember 2018-07-01 2018-09-30 0000858339
us-gaap:AccumulatedOtherComprehensiveIncomeMember 2017-09-30 0000858339 us-gaap:CommonStockMember 2017-01-01 2017-09-30 0000858339 us-gaap:ParentMember 2017-01-01 2017-09-30 0000858339
us-gaap:ParentMember 2018-01-01 2018-09-30 0000858339 us-gaap:AdditionalPaidInCapitalMember 2018-01-01 2018-09-30 0000858339 us-gaap:TreasuryStockMember 2018-01-01 2018-09-30 0000858339
us-gaap:AccumulatedOtherComprehensiveIncomeMember 2017-01-01 2017-09-30 0000858339
us-gaap:NoncontrollingInterestMember 2018-01-01 2018-09-30 0000858339 us-gaap:NoncontrollingInterestMember 2017-01-01 2017-09-30 0000858339 us-gaap:CommonStockMember 2018-01-01 2018-09-30 0000858339
us-gaap:RetainedEarningsMember 2018-01-01 2018-09-30 0000858339 us-gaap:AdditionalPaidInCapitalMember 2017-01-01 2017-09-30 0000858339 us-gaap:ParentMember 2018-09-30 0000858339
us-gaap:AdditionalPaidInCapitalMember 2017-12-31 0000858339

Edgar Filing: CAESARS ENTERTAINMENT Corp - Form 10-Q

us-gaap:AccumulatedOtherComprehensiveIncomeMember 2016-12-31 0000858339
us-gaap:AccumulatedOtherComprehensiveIncomeMember 2018-09-30 0000858339 us-gaap:TreasuryStockMember
2017-01-01 2017-09-30 0000858339 us-gaap:TreasuryStockMember 2018-09-30 0000858339
us-gaap:NoncontrollingInterestMember 2017-12-31 0000858339 us-gaap:TreasuryStockMember 2017-09-30
0000858339 us-gaap:ParentMember 2016-12-31 0000858339 us-gaap:CommonStockMember 2017-09-30
0000858339 us-gaap:RetainedEarningsMember 2017-12-31 0000858339 us-gaap:RetainedEarningsMember
2017-01-01 2017-09-30 0000858339 us-gaap:NoncontrollingInterestMember 2016-12-31 0000858339
us-gaap:NoncontrollingInterestMember 2018-09-30 0000858339
us-gaap:AccumulatedOtherComprehensiveIncomeMember 2018-01-01 2018-09-30 0000858339
us-gaap:RetainedEarningsMember 2018-09-30 0000858339
us-gaap:AccumulatedOtherComprehensiveIncomeMember 2017-12-31 0000858339
us-gaap:RetainedEarningsMember 2017-09-30 0000858339 us-gaap:CommonStockMember 2016-12-31 0000858339
us-gaap:RetainedEarningsMember 2016-12-31 0000858339 us-gaap:AdditionalPaidInCapitalMember 2018-09-30
0000858339 2016-12-31 0000858339 us-gaap:CommonStockMember 2018-09-30 0000858339
us-gaap:NoncontrollingInterestMember 2017-09-30 0000858339 us-gaap:TreasuryStockMember 2016-12-31
0000858339 us-gaap:ParentMember 2017-09-30 0000858339 us-gaap:AdditionalPaidInCapitalMember 2016-12-31
0000858339 us-gaap:CommonStockMember 2017-12-31 0000858339 us-gaap:TreasuryStockMember 2017-12-31
0000858339 us-gaap:AdditionalPaidInCapitalMember 2017-09-30 0000858339 us-gaap:ParentMember 2017-12-31
0000858339 2017-09-30 0000858339 2018-07-16 2018-07-16 0000858339 stpr:NV country:US
us-gaap:SalesRevenueNetMember us-gaap:GeographicConcentrationRiskMember 2018-01-01 2018-09-30
0000858339 czr:HarrasPhiladelphiaMember 2018-07-11 2018-07-11 0000858339 czr:OctaviusTowerMember
2018-07-11 2018-07-11 0000858339 czr:HarrasPhiladelphiaMember 2018-07-11 0000858339 country:US
us-gaap:GeographicConcentrationRiskMember 2018-09-30 0000858339 stpr:NV country:US
us-gaap:GeographicConcentrationRiskMember 2018-09-30 0000858339 czr:InternationalMember
us-gaap:GeographicConcentrationRiskMember 2018-09-30 0000858339 stpr:NV country:US
us-gaap:SalesRevenueNetMember us-gaap:GeographicConcentrationRiskMember 2018-07-01 2018-09-30
0000858339 czr:CaesarsAcquisitionCompanyMember srt:ScenarioPreviouslyReportedMember 2017-07-01
2017-09-30 0000858339 srt:RestatementAdjustmentMember
us-gaap:DifferenceBetweenRevenueGuidanceInEffectBeforeAndAfterTopic606Member 2017-01-01 2017-09-30
0000858339 czr:CaesarsEntertainmentCorporationMember srt:ScenarioPreviouslyReportedMember 2017-01-01
2017-09-30 0000858339 srt:ConsolidationEliminationsMember 2017-07-01 2017-09-30 0000858339
czr:CaesarsAcquisitionCompanyMember srt:ScenarioPreviouslyReportedMember 2017-01-01 2017-09-30
0000858339 srt:RestatementAdjustmentMember
us-gaap:DifferenceBetweenRevenueGuidanceInEffectBeforeAndAfterTopic606Member 2017-07-01 2017-09-30
0000858339 czr:CaesarsEntertainmentCorporationMember srt:ScenarioPreviouslyReportedMember 2017-07-01
2017-09-30 0000858339 srt:ConsolidationEliminationsMember 2017-01-01 2017-09-30 0000858339
czr:AccountingStandardsUpdate201802Member 2018-01-01 2018-09-30 0000858339
czr:AccountingStandardsUpdate201613Member 2018-01-01 2018-09-30 0000858339
czr:AccountingStandardsUpdate201814Member 2018-01-01 2018-09-30 0000858339
czr:AccountingStandardsUpdate201815Member 2018-01-01 2018-09-30 0000858339
czr:AccountingStandardsUpdate201809Member 2018-01-01 2018-09-30 0000858339
us-gaap:AccountingStandardsUpdate201602Member 2018-01-01 2018-09-30 0000858339
czr:AccountingStandardsUpdate201813Member 2018-01-01 2018-09-30 0000858339
czr:AccountingStandardsUpdate201807Member 2018-01-01 2018-09-30 0000858339
czr:CentaurHoldingsLLCMember 2018-07-16 2018-07-16 0000858339 czr:CentaurHoldingsLLCMember
us-gaap:ScenarioForecastMember 2021-07-16 2021-07-16 0000858339 czr:CentaurHoldingsLLCMember
us-gaap:ProFormaMember 2017-01-01 2017-09-30 0000858339 czr:CentaurHoldingsLLCMember 2018-01-01
2018-09-30 0000858339 czr:CentaurHoldingsLLCMember 2018-07-16 0000858339
czr:CentaurHoldingsLLCMember 2018-07-01 2018-09-30 0000858339 czr:CentaurHoldingsLLCMember
us-gaap:ScenarioForecastMember 2020-07-16 2020-07-16 0000858339 czr:CentaurHoldingsLLCMember 2018-07-16
2018-09-30 0000858339 czr:CentaurHoldingsLLCMember us-gaap:LicensingAgreementsMember 2018-07-16

Edgar Filing: CAESARS ENTERTAINMENT Corp - Form 10-Q

0000858339 czt:CentaurHoldingsLLCMember us-gaap:TrademarksMember 2018-07-16 2018-07-16 0000858339
czt:CentaurHoldingsLLCMember us-gaap:CustomerRelationshipsMember 2018-07-16 0000858339
czt:CentaurHoldingsLLCMember us-gaap:TrademarksMember 2018-07-16 0000858339
czt:CentaurHoldingsLLCMember us-gaap:CustomerRelationshipsMember 2018-07-16 2018-07-16 0000858339
czt:CentaurHoldingsLLCMember 2017-07-01 2017-09-30 0000858339 czt:CentaurHoldingsLLCMember 2017-01-01
2017-09-30 0000858339 us-gaap:ConstructionInProgressMember 2018-09-30 0000858339
us-gaap:LandBuildingsAndImprovementsMember 2018-09-30 0000858339 us-gaap:LandMember 2017-12-31
0000858339 us-gaap:FurnitureAndFixturesMember 2017-12-31 0000858339
us-gaap:LandBuildingsAndImprovementsMember 2017-12-31 0000858339 us-gaap:LandMember 2018-09-30
0000858339 us-gaap:FurnitureAndFixturesMember 2018-09-30 0000858339 us-gaap:ConstructionInProgressMember
2017-12-31 0000858339 us-gaap:OtherIntangibleAssetsMember 2018-01-01 2018-09-30 0000858339
us-gaap:OtherIntangibleAssetsMember 2018-01-01 2018-09-30 0000858339 us-gaap:CustomerRelationshipsMember
2018-09-30 0000858339 us-gaap:LicensingAgreementsMember 2018-09-30 0000858339
us-gaap:CustomerRelationshipsMember 2018-01-01 2018-09-30 0000858339 us-gaap:LicensingAgreementsMember
2018-01-01 2018-09-30 0000858339 us-gaap:CustomerRelationshipsMember 2017-12-31 0000858339
us-gaap:TrademarksAndTradeNamesMember 2017-12-31 0000858339 us-gaap:ContractualRightsMember
2018-09-30 0000858339 us-gaap:LicensingAgreementsMember 2017-12-31 0000858339
us-gaap:ContractualRightsMember 2017-12-31 0000858339 us-gaap:TrademarksAndTradeNamesMember
2018-09-30 0000858339 us-gaap:LicensingAgreementsMember 2018-09-30 0000858339
us-gaap:ContractualRightsMember 2018-01-01 2018-09-30 0000858339 us-gaap:TrademarksMember 2017-12-31
0000858339 us-gaap:TrademarksAndTradeNamesMember 2018-01-01 2018-09-30 0000858339
us-gaap:LicensingAgreementsMember 2017-12-31 0000858339 us-gaap:OtherIntangibleAssetsMember 2017-12-31
0000858339 us-gaap:TrademarksMember 2018-09-30 0000858339 us-gaap:OtherIntangibleAssetsMember
2018-09-30 0000858339 us-gaap:DesignatedAsHedgingInstrumentMember 2018-09-30 0000858339
us-gaap:ScenarioForecastMember 2018-10-01 2019-09-30 0000858339 us-gaap:FairValueInputsLevel3Member
us-gaap:FairValueMeasurementsRecurringMember us-gaap:ConvertibleDebtMember 2018-09-30 0000858339
us-gaap:ConvertibleDebtMember us-gaap:UnsecuredDebtMember 2017-12-31 0000858339
us-gaap:ConvertibleDebtMember us-gaap:UnsecuredDebtMember 2018-09-30 0000858339
us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsRecurringMember
us-gaap:ConvertibleDebtMember us-gaap:MeasurementInputPriceVolatilityMember 2018-09-30 0000858339
us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsRecurringMember
us-gaap:ConvertibleDebtMember us-gaap:MeasurementInputExpectedTermMember 2018-01-01 2018-09-30
0000858339 us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsRecurringMember
us-gaap:ConvertibleDebtMember 2018-01-01 2018-09-30 0000858339 us-gaap:FairValueInputsLevel3Member
us-gaap:FairValueMeasurementsRecurringMember us-gaap:ConvertibleDebtMember
us-gaap:MeasurementInputDiscountRateMember 2018-01-01 2018-09-30 0000858339
us-gaap:FairValueInputsLevel3Member us-gaap:FairValueMeasurementsRecurringMember
us-gaap:ConvertibleDebtMember us-gaap:MeasurementInputRiskFreeInterestRateMember 2018-09-30 0000858339
us-gaap:EquitySecuritiesMember us-gaap:AssetsMember us-gaap:EstimateOfFairValueFairValueDisclosureMember
us-gaap:FairValueMeasurementsRecurringMember 2017-12-31 0000858339 us-gaap:AssetsMember
us-gaap:FairValueInputsLevel2Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
us-gaap:FairValueMeasurementsRecurringMember 2017-12-31 0000858339
us-gaap:USTreasuryAndGovernmentMember us-gaap:AssetsMember us-gaap:FairValueInputsLevel2Member
us-gaap:EstimateOfFairValueFairValueDisclosureMember us-gaap:FairValueMeasurementsRecurringMember
2018-09-30 0000858339 us-gaap:LiabilityMember us-gaap:ConvertibleNotesPayableMember
us-gaap:FairValueInputsLevel1Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
us-gaap:FairValueMeasurementsRecurringMember 2018-09-30 0000858339 us-gaap:AssetsMember
us-gaap:FairValueInputsLevel1Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
us-gaap:FairValueMeasurementsRecurringMember 2018-09-30 0000858339 us-gaap:AssetsMember
us-gaap:InterestRateSwapMember us-gaap:FairValueInputsLevel2Member
us-gaap:EstimateOfFairValueFairValueDisclosureMember us-gaap:FairValueMeasurementsRecurringMember

Edgar Filing: CAESARS ENTERTAINMENT Corp - Form 10-Q

us-gaap:FairValueInputsLevel2Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
us-gaap:FairValueMeasurementsRecurringMember 2017-12-31 0000858339 us-gaap:LiabilityMember
us-gaap:EstimateOfFairValueFairValueDisclosureMember us-gaap:FairValueMeasurementsRecurringMember
2018-09-30 0000858339 us-gaap:AssetsMember us-gaap:FairValueInputsLevel3Member
us-gaap:EstimateOfFairValueFairValueDisclosureMember us-gaap:FairValueMeasurementsRecurringMember
2018-09-30 0000858339 us-gaap:EquitySecuritiesMember us-gaap:AssetsMember
us-gaap:FairValueInputsLevel2Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
us-gaap:FairValueMeasurementsRecurringMember 2017-12-31 0000858339
us-gaap:USTreasuryAndGovernmentMember us-gaap:AssetsMember
us-gaap:EstimateOfFairValueFairValueDisclosureMember us-gaap:FairValueMeasurementsRecurringMember
2018-09-30 0000858339 us-gaap:LiabilityMember us-gaap:ConvertibleNotesPayableMember
us-gaap:FairValueInputsLevel3Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
us-gaap:FairValueMeasurementsRecurringMember 2018-09-30 0000858339 us-gaap:AssetsMember
us-gaap:EstimateOfFairValueFairValueDisclosureMember us-gaap:FairValueMeasurementsRecurringMember
2018-09-30 0000858339 us-gaap:USTreasuryAndGovernmentMember us-gaap:AssetsMember
us-gaap:EstimateOfFairValueFairValueDisclosureMember us-gaap:FairValueMeasurementsRecurringMember
2017-12-31 0000858339 us-gaap:LiabilityMember us-gaap:FairValueInputsLevel3Member
us-gaap:EstimateOfFairValueFairValueDisclosureMember us-gaap:FairValueMeasurementsRecurringMember
2018-09-30 0000858339 us-gaap:EquitySecuritiesMember us-gaap:AssetsMember
us-gaap:FairValueInputsLevel1Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
us-gaap:FairValueMeasurementsRecurringMember 2017-12-31 0000858339 us-gaap:LiabilityMember
us-gaap:ConvertibleNotesPayableMember us-gaap:FairValueInputsLevel2Member
us-gaap:EstimateOfFairValueFairValueDisclosureMember us-gaap:FairValueMeasurementsRecurringMember
2017-12-31 0000858339 czr:InterestRateSwapat2.707Member us-gaap:DesignatedAsHedgingInstrumentMember
2018-09-30 0000858339 czr:InterestRateSwapat2.828effective01012019Member
us-gaap:DesignatedAsHedgingInstrumentMember 2018-09-30 0000858339 czr:InterestRateSwapat2.153Member
us-gaap:DesignatedAsHedgingInstrumentMember 2018-09-30 0000858339
czr:InterestRateSwapat2.828effective01012019Member us-gaap:DesignatedAsHedgingInstrumentMember
2018-01-01 2018-09-30 0000858339 czr:InterestRateSwapat2.172Member
us-gaap:DesignatedAsHedgingInstrumentMember 2018-01-01 2018-09-30 0000858339
czr:InterestRateSwapat2.788Member us-gaap:DesignatedAsHedgingInstrumentMember 2018-09-30 0000858339
czr:InterestRateSwapat2.739effective12312018MemberMember us-gaap:DesignatedAsHedgingInstrumentMember
2018-01-01 2018-09-30 0000858339 czr:InterestRateSwapat2.828effective12312018Member
us-gaap:DesignatedAsHedgingInstrumentMember 2018-01-01 2018-09-30 0000858339
czr:InterestRateSwapat2.739effective12312018MemberMember us-gaap:DesignatedAsHedgingInstrumentMember
2018-09-30 0000858339 czr:InterestRateSwapat2.274Member us-gaap:DesignatedAsHedgingInstrumentMember
2018-01-01 2018-09-30 0000858339 czr:InterestRateSwap2.731Member
us-gaap:DesignatedAsHedgingInstrumentMember 2018-09-30 0000858339 czr:InterestRateSwap2.731Member
us-gaap:DesignatedAsHedgingInstrumentMember 2018-01-01 2018-09-30 0000858339
czr:InterestRateSwapat2.707Member us-gaap:DesignatedAsHedgingInstrumentMember 2018-01-01 2018-09-30
0000858339 czr:InterestRateSwapat2.788Member us-gaap:DesignatedAsHedgingInstrumentMember 2018-01-01
2018-09-30 0000858339 czr:InterestRateSwapat2.153Member us-gaap:DesignatedAsHedgingInstrumentMember
2018-01-01 2018-09-30 0000858339 czr:InterestRateSwapat2.274Member
us-gaap:DesignatedAsHedgingInstrumentMember 2018-09-30 0000858339 czr:InterestRateSwapat2.172Member
us-gaap:DesignatedAsHedgingInstrumentMember 2018-09-30 0000858339
czr:InterestRateSwapat2.828effective12312018Member us-gaap:DesignatedAsHedgingInstrumentMember
2018-09-30 0000858339 czr:InterestRateSwapat2.196Member us-gaap:DesignatedAsHedgingInstrumentMember
2018-01-01 2018-09-30 0000858339 czr:InterestRateSwapat2.196Member
us-gaap:DesignatedAsHedgingInstrumentMember 2018-09-30 0000858339 us-gaap:LiabilityMember
us-gaap:ConvertibleNotesPayableMember us-gaap:FairValueInputsLevel3Member
us-gaap:EstimateOfFairValueFairValueDisclosureMember us-gaap:FairValueMeasurementsRecurringMember

Edgar Filing: CAESARS ENTERTAINMENT Corp - Form 10-Q

2018-06-30 0000858339 us-gaap:LiabilityMember us-gaap:FairValueInputsLevel3Member
us-gaap:EstimateOfFairValueFairValueDisclosureMember us-gaap:FairValueMeasurementsRecurringMember
2018-01-01 2018-09-30 0000858339 us-gaap:LiabilityMember us-gaap:ConvertibleNotesPayableMember
us-gaap:FairValueInputsLevel3Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
us-gaap:FairValueMeasurementsRecurringMember 2018-01-01 2018-09-30 0000858339 us-gaap:LiabilityMember
us-gaap:FairValueInputsLevel3Member us-gaap:EstimateOfFairValueFairValueDisclosureMember
us-gaap:FairValueMeasurementsRecurringMember 2018-07-01 2018-09-30 0000858339 us-gaap:LiabilityMember
us-gaap:ConvertibleNotesPayableMember us-gaap:FairValueInputsLevel3Member
us-gaap:EstimateOfFairValueFairValueDisclosureMember us-gaap:FairValueMeasurementsRecurringMember
2018-07-01 2018-09-30 0000858339 us-gaap:LiabilityMember us-gaap:FairValueInputsLevel3Member
us-gaap:EstimateOfFairValueFairValueDisclosureMember us-gaap:FairValueMeasurementsRecurringMember
2018-06-30 0000858339 czr:CaesarsEntertainmentOperatingCompanyMember
us-gaap:DiscontinuedOperationsDisposedOfByMeansOtherThanSaleAbandonmentMember
czr:HarrahsGulfCoastconstructionprojectMember 2018-09-30 0000858339
czr:CaesarsEntertainmentOperatingCompanyMember
us-gaap:DiscontinuedOperationsDisposedOfByMeansOtherThanSaleAbandonmentMember
czr:HarrahsGulfCoastconstructionprojectMember 2017-12-31 0000858339
czr:CaesarsEntertainmentOperatingCompanyMember
us-gaap:DiscontinuedOperationsDisposedOfByMeansOtherThanSaleAbandonmentMember
czr:HorseshoeCouncilBluffsMember 2017-12-31 0000858339 czr:CaesarsEntertainmentOperatingCompanyMember
us-gaap:DiscontinuedOperationsDisposedOfByMeansOtherThanSaleAbandonmentMember
czr:DisposalGroupOtherMember 2018-09-30 0000858339 czr:CaesarsEntertainmentOperatingCompanyMember
us-gaap:DiscontinuedOperationsDisposedOfByMeansOtherThanSaleAbandonmentMember
czr:DisposalGroupOtherMember 2017-12-31 0000858339 czr:CaesarsEntertainmentOperatingCompanyMember
us-gaap:DiscontinuedOperationsDisposedOfByMeansOtherThanSaleAbandonmentMember
czr:HorseshoeCouncilBluffsMember 2018-09-30 0000858339 us-gaap:ConvertibleNotesPayableMember 2018-09-30
0000858339 us-gaap:ConvertibleDebtMember 2018-09-30 0000858339 us-gaap:ContractTerminationMember
2018-01-01 2018-09-30 0000858339 czr:VICIPropertiesInc.Member czr:GolfCoursesMember 2018-09-30
0000858339 us-gaap:ContractTerminationMember 2018-09-30 0000858339 czr:VICIPropertiesInc.Member
czr:GolfCoursesMember 2018-07-01 2018-09-30 0000858339 czr:VICIPropertiesInc.Member
czr:GolfCoursesMember 2018-01-01 2018-09-30 0000858339 us-gaap:ContractTerminationMember
us-gaap:ScenarioForecastMember 2017-09-02 2023-09-01 0000858339 czr:CaesarsResortCollectionMember
czr:SpecialImprovementDistrictBondsMember us-gaap:UnsecuredDebtMember 2018-09-30 0000858339
czr:CaesarsResortCollectionMember czr:SpecialImprovementDistrictBondsMember us-gaap:UnsecuredDebtMember
2017-12-31 0000858339 czr:CaesarsResortCollectionMember czr:TermLoanMember us-gaap:UnsecuredDebtMember
2018-09-30 0000858339 czr:CEOCLLCMember us-gaap:RevolvingCreditFacilityMember
us-gaap:LineOfCreditMember 2018-01-01 2018-09-30 0000858339 czr:CaesarsResortCollectionMember
us-gaap:RevolvingCreditFacilityMember us-gaap:LineOfCreditMember 2018-09-30 0000858339
czr:CEOCLLCMember us-gaap:RevolvingCreditFacilityMember us-gaap:LineOfCreditMember 2017-12-31
0000858339 czr:CaesarsResortCollectionMember us-gaap:RevolvingCreditFacilityMember
us-gaap:LineOfCreditMember 2018-01-01 2018-09-30 0000858339 czr:CEOCLLCMember
us-gaap:RevolvingCreditFacilityMember us-gaap:LineOfCreditMember 2018-09-30 0000858339
czr:CaesarsResortCollectionMember czr:TermLoanMember us-gaap:SecuredDebtMember 2018-09-30 0000858339
czr:CaesarsResortCollectionMember czr:SpecialImprovementDistrictBondsMember us-gaap:UnsecuredDebtMember
2018-01-01 2018-09-30 0000858339 us-gaap:ConvertibleDebtMember us-gaap:UnsecuredDebtMember 2018-01-01
2018-09-30 0000858339 czr:CEOCLLCMember czr:TermLoanMember us-gaap:SecuredDebtMember 2017-12-31
0000858339 czr:CaesarsResortCollectionMember czr:TermLoanMember us-gaap:SecuredDebtMember 2017-12-31
0000858339 czr:CEOCLLCMember czr:TermLoanMember us-gaap:SecuredDebtMember 2018-09-30 0000858339
czr:CaesarsResortCollectionMember czr:TermLoanMember us-gaap:SecuredDebtMember 2018-01-01 2018-09-30
0000858339 czr:CaesarsResortCollectionMember us-gaap:RevolvingCreditFacilityMember
us-gaap:LineOfCreditMember 2017-12-31 0000858339 czr:CaesarsResortCollectionMember czr:TermLoanMember

Edgar Filing: CAESARS ENTERTAINMENT Corp - Form 10-Q

us-gaap:UnsecuredDebtMember 2018-01-01 2018-09-30 0000858339 czt:CEOCLLCMember czt:TermLoanMember
us-gaap:SecuredDebtMember 2018-01-01 2018-09-30 0000858339 czt:CaesarsResortCollectionMember
czt:TermLoanMember us-gaap:UnsecuredDebtMember 2017-12-31 0000858339 czt:CaesarsResortCollectionMember
us-gaap:RevolvingCreditFacilityMember us-gaap:LineOfCreditMember
us-gaap:LondonInterbankOfferedRateLIBORMember 2018-08-02 2018-09-30 0000858339 czt:CEOCLLCMember
czt:TermLoanMember us-gaap:SecuredDebtMember us-gaap:LondonInterbankOfferedRateLIBORMember
2018-04-16 2018-09-30 0000858339 us-gaap:RevolvingCreditFacilityMember us-gaap:LineOfCreditMember
2018-09-30 0000858339 czt:CaesarsResortCollectionMember us-gaap:RevolvingCreditFacilityMember
us-gaap:LineOfCreditMember us-gaap:LondonInterbankOfferedRateLIBORMember 2018-05-04 2018-08-01
0000858339 czt:CEOCLLCMember us-gaap:RevolvingCreditFacilityMember us-gaap:LineOfCreditMember
us-gaap:LondonInterbankOfferedRateLIBORMember 2018-01-01 2018-09-30 0000858339
czt:CaesarsResortCollectionMember us-gaap:RevolvingCreditFacilityMember us-gaap:LineOfCreditMember
us-gaap:LondonInterbankOfferedRateLIBORMember 2018-01-01 2018-05-03 0000858339 czt:CEOCLLCMember
czt:TermLoanMember us-gaap:SecuredDebtMember us-gaap:LondonInterbankOfferedRateLIBORMember
2018-01-01 2018-04-15 0000858339 czt:CaesarsResortCollectionMember czt:TermLoanMember
us-gaap:SecuredDebtMember us-gaap:LondonInterbankOfferedRateLIBORMember 2018-01-01 2018-09-30
0000858339 us-gaap:InterestExpenseMember 2018-09-30 0000858339 2018-08-10 0000858339
us-gaap:ConvertibleNotesPayableMember 2017-07-01 2017-09-30 0000858339
us-gaap:ConvertibleNotesPayableMember 2017-01-01 2017-09-30 0000858339
us-gaap:ConvertibleNotesPayableMember 2018-01-01 2018-09-30 0000858339
us-gaap:EmployeeStockOptionMember 2017-07-01 2017-09-30 0000858339 us-gaap:EmployeeStockOptionMember
2018-01-01 2018-09-30 0000858339 us-gaap:EmployeeStockOptionMember 2018-07-01 2018-09-30 0000858339
us-gaap:EmployeeStockOptionMember 2017-01-01 2017-09-30 0000858339
us-gaap:ConvertibleNotesPayableMember 2018-07-01 2018-09-30 0000858339
us-gaap:ConvertibleNotesPayableMember 2017-07-01 2017-09-30 0000858339
us-gaap:ConvertibleNotesPayableMember 2018-01-01 2018-09-30 0000858339
us-gaap:EmployeeStockOptionMember 2017-07-01 2017-09-30 0000858339 us-gaap:EmployeeStockOptionMember
2018-01-01 2018-09-30 0000858339 us-gaap:EmployeeStockOptionMember 2018-07-01 2018-09-30 0000858339
us-gaap:ConvertibleNotesPayableMember 2018-07-01 2018-09-30 0000858339
us-gaap:EmployeeStockOptionMember 2017-01-01 2017-09-30 0000858339
us-gaap:ConvertibleNotesPayableMember 2017-01-01 2017-09-30 0000858339 us-gaap:FoodAndBeverageMember
2017-12-31 0000858339 us-gaap:CasinoMember 2018-09-30 0000858339 us-gaap:EntertainmentMember 2018-09-30
0000858339 us-gaap:EntertainmentMember 2017-12-31 0000858339 us-gaap:CasinoMember 2017-12-31
0000858339 us-gaap:FoodAndBeverageMember 2018-09-30 0000858339 us-gaap:IntersegmentEliminationMember
us-gaap:AccountingStandardsUpdate201409Member 2018-07-01 2018-09-30 0000858339
us-gaap:IntersegmentEliminationMember 2018-07-01 2018-09-30 0000858339 us-gaap:OperatingSegmentsMember
us-gaap:ProductAndServiceOtherMember czt:LasVegasNVMember 2018-07-01 2018-09-30 0000858339
us-gaap:IntersegmentEliminationMember us-gaap:FoodAndBeverageMember 2018-07-01 2018-09-30 0000858339
us-gaap:FoodAndBeverageMember us-gaap:CorporateAndOtherMember 2018-07-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:LicenseAndServiceMember czt:LasVegasNVMember 2018-07-01
2018-09-30 0000858339 us-gaap:IntersegmentEliminationMember us-gaap:CasinoMember 2018-07-01 2018-09-30
0000858339 us-gaap:OperatingSegmentsMember us-gaap:LicenseAndServiceMember czt:OtherU.S.Member
2018-07-01 2018-09-30 0000858339 us-gaap:OperatingSegmentsMember us-gaap:EntertainmentMember
czt:OtherU.S.Member 2018-07-01 2018-09-30 0000858339 us-gaap:IntersegmentEliminationMember
us-gaap:ProductAndServiceOtherMember 2018-07-01 2018-09-30 0000858339 us-gaap:EntertainmentMember
us-gaap:CorporateAndOtherMember 2018-07-01 2018-09-30 0000858339 us-gaap:ServiceOtherMember
us-gaap:CorporateAndOtherMember 2018-07-01 2018-09-30 0000858339
us-gaap:AccountingStandardsUpdate201409Member us-gaap:CorporateAndOtherMember 2018-07-01 2018-09-30
0000858339 us-gaap:IntersegmentEliminationMember us-gaap:LicenseAndServiceMember 2018-07-01 2018-09-30
0000858339 us-gaap:OperatingSegmentsMember us-gaap:CasinoMember czt:OtherU.S.Member 2018-07-01
2018-09-30 0000858339 us-gaap:OperatingSegmentsMember czt:LasVegasNVMember

Edgar Filing: CAESARS ENTERTAINMENT Corp - Form 10-Q

us-gaap:AccountingStandardsUpdate201409Member 2018-07-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember cqr:LasVegasNVMember 2018-07-01 2018-09-30 0000858339
us-gaap:CorporateAndOtherMember 2018-07-01 2018-09-30 0000858339 us-gaap:EntertainmentMember 2018-07-01
2018-09-30 0000858339 us-gaap:AccountingStandardsUpdate201409Member 2018-07-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:ServiceOtherMember cqr:LasVegasNVMember 2018-07-01 2018-09-30
0000858339 us-gaap:ProductAndServiceOtherMember us-gaap:CorporateAndOtherMember 2018-07-01 2018-09-30
0000858339 us-gaap:OperatingSegmentsMember cqr:OtherU.S.Member 2018-07-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:ProductAndServiceOtherMember cqr:OtherU.S.Member 2018-07-01
2018-09-30 0000858339 us-gaap:OperatingSegmentsMember us-gaap:CasinoMember cqr:LasVegasNVMember
2018-07-01 2018-09-30 0000858339 us-gaap:IntersegmentEliminationMember us-gaap:OccupancyMember
2018-07-01 2018-09-30 0000858339 us-gaap:OperatingSegmentsMember us-gaap:ServiceOtherMember
cqr:OtherU.S.Member 2018-07-01 2018-09-30 0000858339 us-gaap:OccupancyMember
us-gaap:CorporateAndOtherMember 2018-07-01 2018-09-30 0000858339 us-gaap:OperatingSegmentsMember
us-gaap:OccupancyMember cqr:OtherU.S.Member 2018-07-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:FoodAndBeverageMember cqr:LasVegasNVMember 2018-07-01
2018-09-30 0000858339 us-gaap:OperatingSegmentsMember us-gaap:EntertainmentMember
cqr:LasVegasNVMember 2018-07-01 2018-09-30 0000858339 us-gaap:IntersegmentEliminationMember
us-gaap:ServiceOtherMember 2018-07-01 2018-09-30 0000858339 us-gaap:OperatingSegmentsMember
us-gaap:FoodAndBeverageMember cqr:OtherU.S.Member 2018-07-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:OccupancyMember cqr:LasVegasNVMember 2018-07-01 2018-09-30
0000858339 us-gaap:CasinoMember us-gaap:CorporateAndOtherMember 2018-07-01 2018-09-30 0000858339
us-gaap:LicenseAndServiceMember us-gaap:CorporateAndOtherMember 2018-07-01 2018-09-30 0000858339
us-gaap:IntersegmentEliminationMember us-gaap:EntertainmentMember 2018-07-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember cqr:OtherU.S.Member us-gaap:AccountingStandardsUpdate201409Member
2018-07-01 2018-09-30 0000858339 us-gaap:FoodAndBeverageMember us-gaap:CorporateAndOtherMember
2017-01-01 2017-09-30 0000858339 us-gaap:AccountingStandardsUpdate201409Member
us-gaap:CorporateAndOtherMember 2017-01-01 2017-09-30 0000858339 us-gaap:CorporateAndOtherMember
2017-01-01 2017-09-30 0000858339 us-gaap:EntertainmentMember 2017-01-01 2017-09-30 0000858339
us-gaap:IntersegmentEliminationMember us-gaap:FoodAndBeverageMember 2017-01-01 2017-09-30 0000858339
us-gaap:OperatingSegmentsMember cqr:LasVegasNVMember us-gaap:AccountingStandardsUpdate201409Member
2017-01-01 2017-09-30 0000858339 us-gaap:OperatingSegmentsMember us-gaap:ProductAndServiceOtherMember
cqr:OtherU.S.Member 2017-01-01 2017-09-30 0000858339 us-gaap:OperatingSegmentsMember
us-gaap:EntertainmentMember cqr:OtherU.S.Member 2017-01-01 2017-09-30 0000858339
us-gaap:ProductAndServiceOtherMember us-gaap:CorporateAndOtherMember 2017-01-01 2017-09-30 0000858339
us-gaap:OperatingSegmentsMember cqr:OtherU.S.Member 2017-01-01 2017-09-30 0000858339
us-gaap:IntersegmentEliminationMember us-gaap:OccupancyMember 2017-01-01 2017-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:ProductAndServiceOtherMember cqr:LasVegasNVMember 2017-01-01
2017-09-30 0000858339 us-gaap:IntersegmentEliminationMember us-gaap:EntertainmentMember 2017-01-01
2017-09-30 0000858339 us-gaap:IntersegmentEliminationMember
us-gaap:AccountingStandardsUpdate201409Member 2017-01-01 2017-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:OccupancyMember cqr:LasVegasNVMember 2017-01-01 2017-09-30
0000858339 us-gaap:IntersegmentEliminationMember us-gaap:ProductAndServiceOtherMember 2017-01-01
2017-09-30 0000858339 us-gaap:OperatingSegmentsMember us-gaap:EntertainmentMember
cqr:LasVegasNVMember 2017-01-01 2017-09-30 0000858339 us-gaap:IntersegmentEliminationMember 2017-01-01
2017-09-30 0000858339 us-gaap:CasinoMember us-gaap:CorporateAndOtherMember 2017-01-01 2017-09-30
0000858339 us-gaap:OperatingSegmentsMember us-gaap:CasinoMember cqr:OtherU.S.Member 2017-01-01
2017-09-30 0000858339 us-gaap:EntertainmentMember us-gaap:CorporateAndOtherMember 2017-01-01 2017-09-30
0000858339 us-gaap:OperatingSegmentsMember cqr:OtherU.S.Member
us-gaap:AccountingStandardsUpdate201409Member 2017-01-01 2017-09-30 0000858339
us-gaap:OperatingSegmentsMember cqr:LasVegasNVMember 2017-01-01 2017-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:FoodAndBeverageMember cqr:LasVegasNVMember 2017-01-01

Edgar Filing: CAESARS ENTERTAINMENT Corp - Form 10-Q

2017-09-30 0000858339 us-gaap:AccountingStandardsUpdate201409Member 2017-01-01 2017-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:FoodAndBeverageMember czr:OtherU.S.Member 2017-01-01
2017-09-30 0000858339 us-gaap:OccupancyMember us-gaap:CorporateAndOtherMember 2017-01-01 2017-09-30
0000858339 us-gaap:IntersegmentEliminationMember us-gaap:CasinoMember 2017-01-01 2017-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:OccupancyMember czr:OtherU.S.Member 2017-01-01 2017-09-30
0000858339 us-gaap:OperatingSegmentsMember us-gaap:CasinoMember czr:LasVegasNVMember 2017-01-01
2017-09-30 0000858339 us-gaap:FoodAndBeverageMember us-gaap:CorporateAndOtherMember 2018-01-01
2018-09-30 0000858339 us-gaap:OperatingSegmentsMember us-gaap:ServiceOtherMember
czr:LasVegasNVMember 2018-01-01 2018-09-30 0000858339 us-gaap:ServiceOtherMember
us-gaap:CorporateAndOtherMember 2018-01-01 2018-09-30 0000858339 us-gaap:OperatingSegmentsMember
us-gaap:CasinoMember czr:LasVegasNVMember 2018-01-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:OccupancyMember czr:LasVegasNVMember 2018-01-01 2018-09-30
0000858339 us-gaap:OperatingSegmentsMember czr:OtherU.S.Member 2018-01-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember czr:LasVegasNVMember 2018-01-01 2018-09-30 0000858339
us-gaap:EntertainmentMember 2018-01-01 2018-09-30 0000858339 us-gaap:CasinoMember
us-gaap:CorporateAndOtherMember 2018-01-01 2018-09-30 0000858339 us-gaap:IntersegmentEliminationMember
us-gaap:OccupancyMember 2018-01-01 2018-09-30 0000858339 us-gaap:EntertainmentMember
us-gaap:CorporateAndOtherMember 2018-01-01 2018-09-30 0000858339 us-gaap:IntersegmentEliminationMember
us-gaap:EntertainmentMember 2018-01-01 2018-09-30 0000858339 us-gaap:OperatingSegmentsMember
czr:LasVegasNVMember us-gaap:AccountingStandardsUpdate201409Member 2018-01-01 2018-09-30 0000858339
us-gaap:IntersegmentEliminationMember us-gaap:FoodAndBeverageMember 2018-01-01 2018-09-30 0000858339
us-gaap:IntersegmentEliminationMember us-gaap:CasinoMember 2018-01-01 2018-09-30 0000858339
us-gaap:IntersegmentEliminationMember us-gaap:LicenseAndServiceMember 2018-01-01 2018-09-30 0000858339
us-gaap:IntersegmentEliminationMember 2018-01-01 2018-09-30 0000858339 us-gaap:OperatingSegmentsMember
us-gaap:ProductAndServiceOtherMember czr:OtherU.S.Member 2018-01-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:ServiceOtherMember czr:OtherU.S.Member 2018-01-01 2018-09-30
0000858339 us-gaap:OperatingSegmentsMember us-gaap:EntertainmentMember czr:OtherU.S.Member 2018-01-01
2018-09-30 0000858339 us-gaap:IntersegmentEliminationMember
us-gaap:AccountingStandardsUpdate201409Member 2018-01-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:LicenseAndServiceMember czr:LasVegasNVMember 2018-01-01
2018-09-30 0000858339 us-gaap:AccountingStandardsUpdate201409Member 2018-01-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:ProductAndServiceOtherMember czr:LasVegasNVMember 2018-01-01
2018-09-30 0000858339 us-gaap:IntersegmentEliminationMember us-gaap:ProductAndServiceOtherMember
2018-01-01 2018-09-30 0000858339 us-gaap:OperatingSegmentsMember us-gaap:FoodAndBeverageMember
czr:OtherU.S.Member 2018-01-01 2018-09-30 0000858339 us-gaap:OperatingSegmentsMember
us-gaap:FoodAndBeverageMember czr:LasVegasNVMember 2018-01-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:EntertainmentMember czr:LasVegasNVMember 2018-01-01
2018-09-30 0000858339 us-gaap:ProductAndServiceOtherMember us-gaap:CorporateAndOtherMember 2018-01-01
2018-09-30 0000858339 us-gaap:IntersegmentEliminationMember us-gaap:ServiceOtherMember 2018-01-01
2018-09-30 0000858339 us-gaap:LicenseAndServiceMember us-gaap:CorporateAndOtherMember 2018-01-01
2018-09-30 0000858339 us-gaap:OperatingSegmentsMember czr:OtherU.S.Member
us-gaap:AccountingStandardsUpdate201409Member 2018-01-01 2018-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:LicenseAndServiceMember czr:OtherU.S.Member 2018-01-01
2018-09-30 0000858339 us-gaap:OperatingSegmentsMember us-gaap:OccupancyMember czr:OtherU.S.Member
2018-01-01 2018-09-30 0000858339 us-gaap:OperatingSegmentsMember us-gaap:CasinoMember
czr:OtherU.S.Member 2018-01-01 2018-09-30 0000858339 us-gaap:AccountingStandardsUpdate201409Member
us-gaap:CorporateAndOtherMember 2018-01-01 2018-09-30 0000858339 us-gaap:CorporateAndOtherMember
2018-01-01 2018-09-30 0000858339 us-gaap:OccupancyMember us-gaap:CorporateAndOtherMember 2018-01-01
2018-09-30 0000858339 srt:ConsolidationEliminationsMember srt:ScenarioPreviouslyReportedMember 2017-01-01
2017-09-30 0000858339 srt:ScenarioPreviouslyReportedMember 2017-01-01 2017-09-30 0000858339
us-gaap:TradeAccountsReivableMember 2018-01-01 2018-09-30 0000858339

Edgar Filing: CAESARS ENTERTAINMENT Corp - Form 10-Q

us-gaap:AllowanceForCreditLossMember 2018-01-01 2018-09-30 0000858339
us-gaap:TradeAccountsReceivableMember 2018-09-30 0000858339 us-gaap:TradeAccountsReceivableMember
2017-12-31 0000858339 us-gaap:AllowanceForCreditLossMember 2018-09-30 0000858339
us-gaap:AllowanceForCreditLossMember 2017-12-31 0000858339 czr:OtherPromotionalAllowancesMember
us-gaap:FoodAndBeverageMember 2017-07-01 2017-09-30 0000858339 czr:OtherPromotionalAllowancesMember
us-gaap:FoodAndBeverageMember 2018-01-01 2018-09-30 0000858339 czr:OtherPromotionalAllowancesMember
2017-07-01 2017-09-30 0000858339 czr:OtherPromotionalAllowancesMember 2017-01-01 2017-09-30 0000858339
czr:OtherPromotionalAllowancesMember czr:OtherMember 2018-07-01 2018-09-30 0000858339
czr:OtherPromotionalAllowancesMember czr:OtherMember 2017-07-01 2017-09-30 0000858339
czr:OtherPromotionalAllowancesMember us-gaap:FoodAndBeverageMember 2017-01-01 2017-09-30 0000858339
czr:OtherPromotionalAllowancesMember us-gaap:OccupancyMember 2017-01-01 2017-09-30 0000858339
czr:OtherPromotionalAllowancesMember 2018-01-01 2018-09-30 0000858339
czr:OtherPromotionalAllowancesMember us-gaap:OccupancyMember 2018-07-01 2018-09-30 0000858339
czr:OtherPromotionalAllowancesMember 2018-07-01 2018-09-30 0000858339
czr:OtherPromotionalAllowancesMember czr:OtherMember 2017-01-01 2017-09-30 0000858339
czr:OtherPromotionalAllowancesMember us-gaap:OccupancyMember 2017-07-01 2017-09-30 0000858339
czr:OtherPromotionalAllowancesMember us-gaap:FoodAndBeverageMember 2018-07-01 2018-09-30 0000858339
czr:OtherPromotionalAllowancesMember us-gaap:OccupancyMember 2018-01-01 2018-09-30 0000858339
czr:OtherPromotionalAllowancesMember czr:OtherMember 2018-01-01 2018-09-30 0000858339
czr:CustomerLoyaltyProgramMember 2018-01-01 2018-09-30 0000858339 czr:CustomerLoyaltyProgramMember
2018-09-30 0000858339 czr:CustomerAdvancesMember 2018-01-01 2018-09-30 0000858339
czr:CustomerLoyaltyProgramMember 2017-12-31 0000858339 czr:CustomerAdvancesMember 2017-12-31
0000858339 czr:CustomerAdvancesMember 2018-09-30 0000858339
us-gaap:NewAccountingPronouncementMember 2017-12-31 0000858339 srt:ScenarioPreviouslyReportedMember
2017-12-31 0000858339 us-gaap:NewAccountingPronouncementMember 2016-12-31 0000858339
srt:ScenarioPreviouslyReportedMember 2016-12-31 0000858339 srt:ConsolidationEliminationsMember
srt:ScenarioPreviouslyReportedMember 2017-07-01 2017-09-30 0000858339
srt:ScenarioPreviouslyReportedMember 2017-07-01 2017-09-30 0000858339 us-gaap:OperatingSegmentsMember
us-gaap:CasinoMember czr:LasVegasNVMember 2017-07-01 2017-09-30 0000858339
us-gaap:IntersegmentEliminationMember us-gaap:OccupancyMember 2017-07-01 2017-09-30 0000858339
us-gaap:CorporateAndOtherMember 2017-07-01 2017-09-30 0000858339 us-gaap:OperatingSegmentsMember
us-gaap:EntertainmentMember czr:OtherU.S.Member 2017-07-01 2017-09-30 0000858339
us-gaap:AccountingStandardsUpdate201409Member us-gaap:CorporateAndOtherMember 2017-07-01 2017-09-30
0000858339 us-gaap:OperatingSegmentsMember us-gaap:ProductAndServiceOtherMember
czr:LasVegasNVMember 2017-07-01 2017-09-30 0000858339 us-gaap:AccountingStandardsUpdate201409Member
2017-07-01 2017-09-30 0000858339 us-gaap:EntertainmentMember 2017-07-01 2017-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:ProductAndServiceOtherMember czr:OtherU.S.Member 2017-07-01
2017-09-30 0000858339 us-gaap:IntersegmentEliminationMember us-gaap:FoodAndBeverageMember 2017-07-01
2017-09-30 0000858339 us-gaap:OperatingSegmentsMember czr:LasVegasNVMember
us-gaap:AccountingStandardsUpdate201409Member 2017-07-01 2017-09-30 0000858339
us-gaap:OccupancyMember us-gaap:CorporateAndOtherMember 2017-07-01 2017-09-30 0000858339
us-gaap:IntersegmentEliminationMember us-gaap:AccountingStandardsUpdate201409Member 2017-07-01
2017-09-30 0000858339 us-gaap:OperatingSegmentsMember us-gaap:FoodAndBeverageMember
czr:OtherU.S.Member 2017-07-01 2017-09-30 0000858339 us-gaap:OperatingSegmentsMember
us-gaap:FoodAndBeverageMember czr:LasVegasNVMember 2017-07-01 2017-09-30 0000858339
us-gaap:ProductAndServiceOtherMember us-gaap:CorporateAndOtherMember 2017-07-01 2017-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:OccupancyMember czr:OtherU.S.Member 2017-07-01 2017-09-30
0000858339 us-gaap:OperatingSegmentsMember czr:OtherU.S.Member
us-gaap:AccountingStandardsUpdate201409Member 2017-07-01 2017-09-30 0000858339
us-gaap:IntersegmentEliminationMember us-gaap:EntertainmentMember 2017-07-01 2017-09-30 0000858339
us-gaap:OperatingSegmentsMember us-gaap:EntertainmentMember czr:LasVegasNVMember 2017-07-01

Edgar Filing: CAESARS ENTERTAINMENT Corp - Form 10-Q

2017-09-30 0000858339 us-gaap:OperatingSegmentsMember czz:OtherU.S.Member 2017-07-01 2017-09-30
0000858339 us-gaap:FoodAndBeverageMember us-gaap:CorporateAndOtherMember 2017-07-01 2017-09-30
0000858339 us-gaap:OperatingSegmentsMember us-gaap:OccupancyMember czz:LasVegasNVMember 2017-07-01
2017-09-30 0000858339 us-gaap:OperatingSegmentsMember us-gaap:CasinoMember czz:OtherU.S.Member
2017-07-01 2017-09-30 0000858339 us-gaap:OperatingSegmentsMember czz:LasVegasNVMember 2017-07-01
2017-09-30 0000858339 us-gaap:EntertainmentMember us-gaap:CorporateAndOtherMember 2017-07-01 2017-09-30
0000858339 us-gaap:IntersegmentEliminationMember 2017-07-01 2017-09-30 0000858339
us-gaap:IntersegmentEliminationMember us-gaap:CasinoMember 2017-07-01 2017-09-30 0000858339
us-gaap:IntersegmentEliminationMember us-gaap:ProductAndServiceOtherMember 2017-07-01 2017-09-30
0000858339 us-gaap:CasinoMember us-gaap:CorporateAndOtherMember 2017-07-01 2017-09-30 0000858339
2018-06-30 0000858339 czz:CustomerAdvancesMember 2018-07-01 2018-09-30 0000858339
czz:CustomerLoyaltyProgramMember 2018-07-01 2018-09-30 0000858339 czz:CustomerAdvancesMember
2018-06-30 0000858339 czz:CustomerLoyaltyProgramMember 2018-06-30 0000858339
us-gaap:EmployeeStockOptionMember 2018-09-30 0000858339 us-gaap:RestrictedStockUnitsRSUMember
2017-12-31 0000858339 us-gaap:EmployeeStockOptionMember 2017-12-31 0000858339
us-gaap:PerformanceSharesMember 2017-12-31 0000858339 us-gaap:RestrictedStockUnitsRSUMember 2018-09-30
0000858339 us-gaap:PerformanceSharesMember 2018-09-30 0000858339 czz:CorporateExpensesMember
us-gaap:ParentMember 2018-07-01 2018-09-30 0000858339
us-gaap:SellingGeneralAndAdministrativeExpensesMember us-gaap:ParentMember 2017-01-01 2017-09-30
0000858339 us-gaap:SellingGeneralAndAdministrativeExpensesMember us-gaap:ParentMember 2017-07-01
2017-09-30 0000858339 us-gaap:ParentMember 2018-07-01 2018-09-30 0000858339
us-gaap:SellingGeneralAndAdministrativeExpensesMember us-gaap:ParentMember 2018-01-01 2018-09-30
0000858339 us-gaap:SellingGeneralAndAdministrativeExpensesMember us-gaap:ParentMember 2018-07-01
2018-09-30 0000858339 czz:CorporateExpensesMember us-gaap:ParentMember 2017-01-01 2017-09-30 0000858339
us-gaap:ParentMember 2017-07-01 2017-09-30 0000858339 czz:CorporateExpensesMember us-gaap:ParentMember
2018-01-01 2018-09-30 0000858339 czz:CorporateExpensesMember us-gaap:ParentMember 2017-07-01 2017-09-30
0000858339 us-gaap:EmployeeStockOptionMember 2018-01-01 2018-09-30 0000858339
us-gaap:RestrictedStockUnitsRSUMember 2018-01-01 2018-09-30 0000858339 us-gaap:PerformanceSharesMember
2018-01-01 2018-09-30 0000858339 us-gaap:DomesticCountryMember 2017-01-01 2017-12-31 0000858339
2017-01-01 2017-12-31 0000858339 us-gaap:StateAndLocalJurisdictionMember 2018-01-01 2018-09-30
0000858339 us-gaap:DomesticCountryMember 2018-01-01 2018-09-30 0000858339
czz:HorseshoeCasinoBaltimoreMember 2018-09-30 0000858339 czz:CEOCLLCMember
us-gaap:LeaseAgreementsMember srt:AffiliatedEntityMember 2018-09-30 0000858339
czz:CaesarsInteractiveEntertainmentMember czz:CEOCLLCMember
czz:CrossMarketingandTrademarkLicenseAgreementMember srt:AffiliatedEntityMember 2018-01-01 2018-09-30
0000858339 czz:HorseshoeCasinoBaltimoreMember czz:ManagementFeesMember
us-gaap:EquityMethodInvesteeMember 2018-01-01 2018-09-30 0000858339 czz:CEOCLLCMember
srt:AffiliatedEntityMember 2018-07-01 2018-09-30 0000858339 czz:CEOCLLCMember
us-gaap:LeaseAgreementsMember srt:AffiliatedEntityMember 2017-01-01 2017-09-30 0000858339
czz:HorseshoeCasinoBaltimoreMember czz:ReimbursementtoCounterpartyMember
us-gaap:EquityMethodInvesteeMember 2017-07-01 2017-09-30 0000858339 srt:AffiliatedEntityMember 2018-07-01
2018-09-30 0000858339 czz:HorseshoeCasinoBaltimoreMember czz:ReimbursementtoCounterpartyMember
us-gaap:EquityMethodInvesteeMember 2017-01-01 2017-09-30 0000858339 czz:HorseshoeCasinoBaltimoreMember
czz:ReimbursementtoCounterpartyMember us-gaap:EquityMethodInvesteeMember 2018-01-01 2018-09-30
0000858339 srt:AffiliatedEntityMember 2018-01-01 2018-09-30 0000858339 czz:CEOCLLCMember
czz:ManagementFeesMember srt:AffiliatedEntityMember 2017-01-01 2017-09-30 0000858339
czz:HorseshoeCasinoBaltimoreMember czz:ManagementFeesMember us-gaap:EquityMethodInvesteeMember
2018-07-01 2018-09-30 0000858339 srt:AffiliatedEntityMember 2017-01-01 2017-09-30 0000858339
czz:CEOCLLCMember czz:ManagementFeesMember srt:AffiliatedEntityMember 2018-07-01 2018-09-30
0000858339 czz:CEOCLLCMember us-gaap:LeaseAgreementsMember srt:AffiliatedEntityMember 2017-07-01
2017-09-30 0000858339 czz:CEOCLLCMember czz:SharedServicesAllocationfromRelatedPartyMember

srt:AffiliatedEntityMember 2018-01-01 2018-09-30 0000858339 czr:CEOCLLCMember
czr:SharedServicesAllocationtoRelatedPartyMember srt:AffiliatedEntityMember 2017-07-01 2017-09-30
0000858339 czr:HorseshoeCasinoBaltimoreMember czr:ManagementFeesMember
us-gaap:EquityMethodInvesteeMember 2017-07-01 2017-09-30 0000858339 czr:CEOCLLCMember
czr:SharedServicesAllocationtoRelatedPartyMember srt:AffiliatedEntityMember 2018-07-01 2018-09-30
0000858339 czr:CEOCLLCMember czr:ManagementFeesMember srt:AffiliatedEntityMember 2018-01-01
2018-09-30 0000858339 czr:CEOCLLCMember czr:SharedServicesAllocationtoRelatedPartyMember
srt:AffiliatedEntityMember 2017-01-01 2017-09-30 0000858339 czr:CEOCLLCMember srt:AffiliatedEntityMember
2017-01-01 2017-09-30 0000858339 czr:HorseshoeCasinoBaltimoreMember czr:ManagementFeesMember
us-gaap:EquityMethodInvesteeMember 2017-01-01 2017-09-30 0000858339 czr:HorseshoeCasinoBaltimoreMember
czr:ReimbursementtoCounterpartyMember us-gaap:EquityMethodInvesteeMember 2018-07-01 2018-09-30
0000858339 czr:CEOCLLCMember srt:AffiliatedEntityMember 2018-01-01 2018-09-30 0000858339
czr:CEOCLLCMember srt:AffiliatedEntityMember 2017-07-01 2017-09-30 0000858339 srt:AffiliatedEntityMember
2017-07-01 2017-09-30 0000858339 czr:CEOCLLCMember us-gaap:LeaseAgreementsMember
srt:AffiliatedEntityMember 2018-07-01 2018-09-30 0000858339 czr:CEOCLLCMember
czr:SharedServicesAllocationfromRelatedPartyMember srt:AffiliatedEntityMember 2017-07-01 2017-09-30
0000858339 czr:CEOCLLCMember czr:SharedServicesAllocationfromRelatedPartyMember
srt:AffiliatedEntityMember 2017-01-01 2017-09-30 0000858339 czr:CEOCLLCMember
us-gaap:LeaseAgreementsMember srt:AffiliatedEntityMember 2018-01-01 2018-09-30 0000858339
czr:CEOCLLCMember czr:ManagementFeesMember srt:AffiliatedEntityMember 2017-07-01 2017-09-30
0000858339 czr:CEOCLLCMember czr:SharedServicesAllocationfromRelatedPartyMember
srt:AffiliatedEntityMember 2018-07-01 2018-09-30 0000858339 czr:CEOCLLCMember
czr:SharedServicesAllocationtoRelatedPartyMember srt:AffiliatedEntityMember 2018-01-01 2018-09-30
0000858339 us-gaap:OperatingSegmentsMember czr:OtherU.S.Member 2017-12-31 0000858339
us-gaap:OperatingSegmentsMember czr:LasVegasNVMember 2017-12-31 0000858339
us-gaap:CorporateAndOtherMember 2017-12-31 0000858339 us-gaap:IntersegmentEliminationMember 2017-12-31
0000858339 us-gaap:OperatingSegmentsMember czr:LasVegasNVMember 2018-09-30 0000858339
us-gaap:CorporateAndOtherMember 2018-09-30 0000858339 us-gaap:IntersegmentEliminationMember 2018-09-30
0000858339 us-gaap:OperatingSegmentsMember czr:OtherU.S.Member 2018-09-30 iso4217:USD xbrli:shares
iso4217:USD xbrli:shares xbrli:pure czr:Casinos czr:interest_rate_swap_agreements czr:reportable_segment

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the Quarterly Period Ended September 30, 2018

or

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

For the transition period from _____ to _____

Commission File No. 1-10410

CAESARS ENTERTAINMENT CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

62-1411755

Edgar Filing: CAESARS ENTERTAINMENT Corp - Form 10-Q

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

One Caesars Palace Drive, Las Vegas, Nevada **89109**
(Address of principal executive offices) (Zip Code)

(702) 407-6000
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the 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 the 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

Emerging growth company

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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class **Outstanding at October 30, 2018**

Common stock, \$0.01 par value 669,733,000

**CAESARS ENTERTAINMENT CORPORATION
INDEX**

	Page
<u>PART I. FINANCIAL INFORMATION</u>	
<u>Item 1. Unaudited Financial Statements</u>	<u>3</u>
<u>Consolidated Condensed Balance Sheets</u>	<u>3</u>
<u>Consolidated Condensed Statements of Operations and Comprehensive Income/(Loss)</u>	<u>4</u>
<u>Consolidated Condensed Statements of Stockholders' Equity/(Deficit)</u>	<u>5</u>
<u>Consolidated Condensed Statements of Cash Flows</u>	<u>6</u>
<u>Notes to Consolidated Condensed Financial Statements</u>	<u>7</u>
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>35</u>
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	<u>50</u>
<u>Item 4. Controls and Procedures</u>	<u>50</u>
<u>PART II. OTHER INFORMATION</u>	
<u>Item 1. Legal Proceedings</u>	<u>51</u>
<u>Item 1A. Risk Factors</u>	<u>51</u>
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>51</u>
<u>Item 3. Defaults Upon Senior Securities</u>	<u>51</u>
<u>Item 4. Mine Safety Disclosures</u>	<u>51</u>
<u>Item 5. Other Information</u>	<u>51</u>
<u>Item 6. Exhibits</u>	<u>52</u>
<u>Signature</u>	<u>53</u>

PART I—FINANCIAL INFORMATION**Item 1. Unaudited Financial Statements****CAESARS ENTERTAINMENT CORPORATION
CONSOLIDATED CONDENSED BALANCE SHEETS
(UNAUDITED)**

<i>(In millions)</i>	September 30, 2018	December 31, 2017
Assets		
Current assets		
Cash and cash equivalents (\$17 and \$58 attributable to our VIEs)	\$ 1,563	\$ 2,558
Restricted cash	123	116
Receivables, net	472	494
Due from affiliates, net	4	11
Prepayments and other current assets (\$3 and \$2 attributable to our VIEs)	178	239
Inventories	40	39
Total current assets	2,380	3,457
Property and equipment, net (\$84 and \$57 attributable to our VIEs)	16,029	16,154
Goodwill	4,083	3,815
Intangible assets other than goodwill	3,008	1,609
Restricted cash	40	35
Deferred income taxes	2	2
Deferred charges and other assets (\$46 and \$0 attributable to our VIEs)	424	364
Total assets	\$ 25,966	\$ 25,436
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable (\$3 and \$3 attributable to our VIEs)	\$ 325	\$ 318
Accrued expenses and other current liabilities (\$1 and \$0 attributable to our VIEs)	1,260	1,326
Interest payable	135	38
Contract liabilities	154	129
Current portion of financing obligations	15	9
Current portion of long-term debt	164	64
Total current liabilities	2,053	1,884
Financing obligations	9,957	9,355
Long-term debt	8,811	8,849
Deferred income taxes	716	577
Deferred credits and other liabilities	1,262	1,474
Total liabilities	22,799	22,139
Commitments and contingencies (Note 8)		
Stockholders' equity		
Caesars stockholders' equity	3,079	3,226
Noncontrolling interests	88	71
Total stockholders' equity	3,167	3,297
Total liabilities and stockholders' equity	\$ 25,966	\$ 25,436

See accompanying Notes to Consolidated Condensed Financial Statements.

CAESARS ENTERTAINMENT CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE
INCOME/(LOSS)
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
<i>(In millions, except per share data)</i>				
Revenues				
Casino	\$ 1,102	\$ 389	\$ 3,147	\$ 1,199
Food and beverage	408	206	1,182	617
Rooms	395	253	1,150	742
Other revenue	213	145	600	409
Management fees	16	—	46	—
Reimbursed management costs	51	—	151	—
Net revenues	2,185	993	6,276	2,967
Operating expenses				
Direct				
Casino	625	210	1,756	659
Food and beverage	284	143	823	426
Rooms	123	83	359	245
Property, general, administrative, and other	467	247	1,340	724
Reimbursable management costs	51	—	151	—
Depreciation and amortization	295	150	843	348
Corporate expense	79	40	237	129
Other operating costs	29	36	128	53
Total operating expenses	1,953	909	5,637	2,584
Income from operations	232	84	639	383
Interest expense	(341)	(120)	(1,005)	(409)
Restructuring and support expenses and other	109	(448)	338	(2,319)
Loss before income taxes	—	(484)	(28)	(2,345)
Income tax benefit/(provision)	111	45	134	(34)
Net income/(loss)	111	(439)	106	(2,379)
Net (income)/loss attributable to noncontrolling interests	(1)	6	(1)	7
Net income/(loss) attributable to Caesars	\$ 110	\$(433)	\$ 105	\$(2,372)
Earnings/(loss) per share - basic and diluted				
Basic earnings/(loss) per share	\$0.16	\$(2.90)	\$0.15	\$(15.97)
Diluted earnings/(loss) per share	\$0.14	\$(2.90)	\$0.15	\$(15.97)
Weighted-average common shares outstanding - basic	681	149	692	148
Weighted-average common shares outstanding - diluted	835	149	697	148
Comprehensive income/(loss)				
Foreign currency translation adjustments	\$2	\$—	\$(17)	\$—
Change in fair market value of interest rate swaps, net of tax	11	—	24	—
Other	—	—	1	—
Other comprehensive income, net of income taxes	13	—	8	—

Edgar Filing: CAESARS ENTERTAINMENT Corp - Form 10-Q

Comprehensive income/(loss)	124	(439)	114	(2,379)
Amounts attributable to noncontrolling interests:				
Foreign currency translation adjustments	1	—	4	—
Comprehensive loss attributable to noncontrolling interests	—	6	3	7
Comprehensive income/(loss) attributable to Caesars	\$ 124	\$ (433)	\$ 117	\$ (2,372)

See accompanying Notes to Consolidated Condensed Financial Statements.

4

CAESARS ENTERTAINMENT CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY/(DEFICIT)
(UNAUDITED)

<i>(In millions)</i>	Caesars Stockholders' Equity/(Deficit)							Total Equity/(Deficit)
	Common Stock	Treasury Stock	Additional Paid-in- Capital	Accumulated Deficit	Other Comprehensive Income/(Loss)	Caesars Stockholders' Equity/(Deficit)	Noncontrolling Interests	
Balance as of December 31, 2016	\$1	\$(29)	\$8,676	\$(10,307)	\$(1)	\$(1,660)	\$53	\$(1,607)
Net loss	—	—	—	(2,372)	—	(2,372)	(7)	(2,379)
Stock-based compensation	—	(8)	32	—	—	24	—	24
Change in noncontrolling interest, net of distributions and contributions	—	—	—	—	—	—	(4)	(4)
Balance as of September 30, 2017	\$1	\$(37)	\$8,708	\$(12,679)	\$(1)	\$(4,008)	\$42	\$(3,966)
Balance as of December 31, 2017	\$7	\$(152)	\$14,040	\$(10,675)	\$6	\$3,226	\$71	\$3,297
Net income	—	—	—	105	—	105	1	106
Stock-based compensation	—	(12)	59	—	—	47	—	47
Repurchase of common stock	—	(311)	—	—	—	(311)	—	(311)
Other comprehensive income/(loss), net of tax	—	—	—	—	12	12	(4)	8
Change in noncontrolling interest, net of distributions and contributions	—	—	—	—	—	—	20	20
Balance as of September 30, 2018	\$7	\$(475)	\$14,099	\$(10,570)	\$18	\$3,079	\$88	\$3,167

See accompanying Notes to Consolidated Condensed Financial Statements.

CAESARS ENTERTAINMENT CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(UNAUDITED)

<i>(In millions)</i>	Nine Months Ended September 30,	
	2018	2017
Cash flows provided by operating activities	\$ 692	\$ 263
Cash flows from investing activities		
Acquisition of Centaur, net of cash and restricted cash acquired	(1,578)	—
Acquisitions of property and equipment, net of change in related payables	(342)	(245)
Payments to acquire certain gaming rights	(10)	—
Deconsolidation of subsidiary cash	—	(57)
Proceeds from the sale and maturity of investments	30	28
Payments to acquire investments	(19)	(21)
Cash flows used in investing activities	(1,919)	(295)
Cash flows from financing activities		
Proceeds from long-term debt and revolving credit facilities	1,167	585
Debt issuance costs and fees	(5)	(19)
Repayments of long-term debt and revolving credit facilities	(1,116)	(673)
Proceeds from sale-leaseback financing arrangement	508	—
Distribution of CIE sale proceeds	—	(63)
Proceeds from the issuance of common stock	4	7
Repurchase of common stock	(311)	—
Taxes paid related to net share settlement of equity awards	(12)	(8)
Financing obligation payments	(11)	—
Contributions from noncontrolling interest owners	20	—
Distributions to noncontrolling interest owners	—	(6)
Cash flows provided by/(used in) financing activities	244	(177)
Net decrease in cash, cash equivalents, and restricted cash	(983)	(209)
Cash, cash equivalents, and restricted cash, beginning of period	2,709	4,658
Cash, cash equivalents, and restricted cash, end of period	\$ 1,726	\$ 4,449
Supplemental Cash Flow Information:		
Cash paid for interest	\$ 782	\$ 319
Cash paid for income taxes	5	3
Non-cash investing and financing activities:		
Change in accrued capital expenditures	51	2
Deferred consideration for acquisition of Centaur	66	—

See accompanying Notes to Consolidated Condensed Financial Statements.

CAESARS ENTERTAINMENT CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

In this filing, the name “CEC” refers to the parent holding company, Caesars Entertainment Corporation, exclusive of its consolidated subsidiaries and variable interest entities, unless otherwise stated or the context otherwise requires. The words “Company,” “Caesars,” “Caesars Entertainment,” “we,” “our,” and “us” refer to Caesars Entertainment Corporation, inclusive of its consolidated subsidiaries and variable interest entities, unless otherwise stated or the context otherwise requires.

This Form 10-Q should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2017 and Exhibit 99.1 included in our Current Report on Form 8-K filed on June 1, 2018 presenting the Company’s financial statements and financial information in certain sections of our Form 10-K recast on a basis consistent with the new revenue recognition standard discussed in Note 12 (collectively, the “2017 Annual Report”). Capitalized terms used but not defined in this Form 10-Q have the same meanings as in the 2017 Annual Report. We also refer to (i) our Consolidated Condensed Financial Statements as our “Financial Statements,” (ii) our Consolidated Condensed Statements of Operations and Comprehensive Income/(Loss) as our “Statements of Operations,” (iii) our Consolidated Condensed Balance Sheets as our “Balance Sheets,” and (iv) our Consolidated Condensed Statements of Cash Flows as our “Statements of Cash Flows.”

Note 1 Description of Business

Organization

CEC is primarily a holding company with no independent operations of its own. Caesars Entertainment operates the business primarily through its wholly owned subsidiaries CEOC, LLC (“CEOC LLC”) and Caesars Resort Collection, LLC (“CRC”). Caesars Entertainment operates a total of 49 casino properties in 13 U.S. states and five countries. Nine casinos are in Las Vegas, which represented 42% and 45%, respectively, of net revenues for the three and nine months ended September 30, 2018.

We lease certain real property assets from VICI Properties Inc. (“VICI”).

CEOC’s Emergence from Bankruptcy and CEC’s Merger with Caesars Acquisition Company

As previously disclosed in our 2017 Annual Report, Caesars Entertainment Operating Company, Inc. (“CEOC”) and certain of its U.S. subsidiaries (collectively, the “Debtors”) voluntarily filed for reorganization on January 15, 2015, at which time CEC deconsolidated CEOC. The Debtors emerged from bankruptcy and consummated their reorganization pursuant to their third amended joint plan of reorganization (the “Plan”) on October 6, 2017 (the “Effective Date”). As part of its emergence from bankruptcy, CEOC reorganized into an operating company separate from its real property assets. The operating company was acquired by CEC on the Effective Date and immediately merged with and into CEOC LLC. CEOC LLC operates the properties and facilities formerly held by CEOC and leases the properties and facilities from VICI.

Pursuant to the merger agreement with Caesars Acquisition Company (“CAC”), on the Effective Date, CAC merged with and into CEC, with CEC as the surviving company (the “CAC Merger”). The CAC Merger was accounted for as a reorganization of entities under common control, which resulted in CAC being consolidated into Caesars at book value as an equity transaction for all periods presented (see Note 2).

Acquisition of Centaur Holdings, LLC

On July 16, 2018, we completed the acquisition of Centaur Holdings, LLC (“Centaur”). Centaur operated Hoosier Park Racing & Casino in Anderson, Indiana, and Indiana Grand Racing & Casino in Shelbyville, Indiana. See Note 4 for additional information.

New Transactions with VICI

Sale of Octavius Tower at Caesars Palace

On July 11, 2018, we sold Octavius Tower at Caesars Palace (“Octavius Tower”) to VICI for \$508 million in cash.

Proceeds from the transaction supported the closing of CEC's acquisition of Centaur. We continue to operate the Octavius Tower under the current terms of the long-term lease agreement with VICI relating to Caesars Palace.

7

CAESARS ENTERTAINMENT CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED)

Harrah's Philadelphia Real Estate Sale and Leaseback

Also on July 11, 2018, CEC agreed to sell to VICI all the real property used in the operation of Harrah's Philadelphia Casino and Racetrack ("Harrah's Philadelphia") for \$242 million. We will lease the real property of Harrah's Philadelphia from VICI pursuant to the existing long-term lease agreement relating to other domestic properties.

Modifications to Lease Agreements with VICI

In connection with the Octavius Tower and Harrah's Philadelphia transactions, CEC and VICI will consummate modifications to certain of our existing lease agreements for consideration of \$159 million to VICI. The modifications are intended to bring the lease terms into alignment with other market precedents and the long-term performance of the properties and create additional flexibility to facilitate our future development strategies.

The Harrah's Philadelphia transaction and lease modifications are expected to close during the fourth quarter of 2018, subject to customary closing conditions and regulatory and third party approvals. The Octavius Tower sale includes a contingency that CEC may repurchase at its option or may be required to repurchase the Octavius Tower if the Harrah's Philadelphia transaction and lease modifications transactions are not completed.

Note 2 -Basis of Presentation and Principles of Consolidation

Basis of Presentation and Use of Estimates

The accompanying unaudited consolidated condensed financial statements of Caesars have been prepared under the rules and regulations of the Securities and Exchange Commission (the "SEC") applicable for interim periods, and therefore, do not include all information and footnotes necessary for complete financial statements in conformity with accounting principles generally accepted in the United States ("GAAP"). The results for the interim periods reflect all adjustments (consisting primarily of normal recurring adjustments) that management considers necessary for a fair presentation of financial position, results of operations, and cash flows. The results of operations for our interim periods are not necessarily indicative of the results of operations that may be achieved for the entire 2018 fiscal year. GAAP requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses and the disclosure of contingent assets and liabilities. Management believes the accounting estimates are appropriate and reasonably determined. Actual amounts could differ from those estimates.

Adoption of New Revenue Recognition Standard

On January 1, 2018, we adopted the new accounting standard Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers*, and all related amendments. See Note 12 for additional information and details on the effects of adopting the new standard.

Reportable Segments

We view each casino property as an operating segment and aggregate all such casino properties into three regionally-focused reportable segments: (i) Las Vegas, (ii) Other U.S., and (iii) All Other, which is consistent with how we manage the business. See Note 16.

Cash, Cash Equivalents, and Restricted Cash

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported on the Balance Sheets that sum to amounts reported on the Statements of Cash Flows.

<u><i>(In millions)</i></u>	September 30, 2018	December 31, 2017
Cash and cash equivalents	\$ 1,563	\$ 2,558
Restricted cash, current	123	116
Restricted cash, non-current	40	35
Total cash, cash equivalents, and restricted cash	\$ 1,726	\$ 2,709

CAESARS ENTERTAINMENT CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED)

Merger with CAC

The following table reconciles the previously-reported net revenues and net income/(loss) of Caesars to the amounts reported in the Statements of Operations after giving effect to the CAC Merger (see Note 1) and adoption of the new revenue recognition standard (see Note 12).

Reconciliation of Net Revenues and Net Income/(Loss)

<u>(In millions)</u>	Three Months Ended September 30, 2017	Nine Months Ended September 30, 2017
Net revenues		
Caesars previously reported	\$ 986	\$ 2,951
CAC	—	—
Adoption of new revenue recognition standard ⁽¹⁾	7	16
As currently reported	\$ 993	\$ 2,967
Net income/(loss)		
Caesars previously reported	\$ (460)	\$ (2,410)
CAC	5	4
Elimination and consolidation adjustments	14	23
Adoption of new revenue recognition standard ⁽¹⁾	2	4
As currently reported	\$ (439)	\$ (2,379)

⁽¹⁾ See above.

Consolidation of Subsidiaries and Variable Interest Entities

Our consolidated financial statements include the accounts of Caesars Entertainment and its subsidiaries after elimination of all intercompany accounts and transactions.

We consolidate all subsidiaries in which we have a controlling financial interest and variable interest entities (“VIEs”) for which we or one of our consolidated subsidiaries is the primary beneficiary. Control generally equates to ownership percentage, whereby (i) affiliates that are more than 50% owned are consolidated; (ii) investments in affiliates of 50% or less but greater than 20% are generally accounted for using the equity method where we have determined that we have significant influence over the entities; and (iii) investments in affiliates of 20% or less are generally accounted for using the cost method.

Consolidation of Korea Joint Venture

During 2017, CEC formed a joint venture referred to herein as the Korea JV. The purpose of the Korea JV is to acquire, develop, own, and operate a casino resort project in Incheon, South Korea. We determined that the Korea JV is a VIE and CEC is the primary beneficiary, and therefore, consolidates the Korea JV into its financial statements as of December 31, 2017.

Note 3 - Recently Issued Accounting Pronouncements

The Financial Accounting Standards Board (the “FASB”) issued the following authoritative guidance amending the FASB Accounting Standards Codification (“ASC”).

In 2018, we adopted the following ASUs:

- ▲ASU 2014-09, *Revenue from Contracts with Customers* (see Note 12).
- ▲ASU 2016-16, *Income Taxes* (see Note 14).

In 2018, the following ASUs became effective, but there was no effect on our financial statements:

ASU 2018-09, *Codification Improvements*.

9

CAESARS ENTERTAINMENT CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED)

ASU 2018-05, *Income Taxes (Topic 740): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 118.*

ASU 2018-04, *Investments — Debt Securities (Topic 320) and Regulated Operations (Topic 980): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 117 and SEC Release No. 33-9273.*

ASU 2017-09, *Compensation - Stock Compensation.*

ASU 2017-01, *Business Combinations.*

ASU 2016-18, *Statement of Cash Flows.*

ASU 2016-01, *Financial Instruments - Overall.*

The following ASUs are not yet effective:

Codification Improvements - July 2018: Amended guidance provides miscellaneous changes to clarify, correct errors in, or make minor improvements to the ASC. These amendments make the ASC easier to understand and easier to apply by eliminating inconsistencies and providing clarifications. Many of the amendments in this update do not have transition guidance and were effective upon issuance of the update. We assessed these updates and noted no applicability to Caesars. However, several amendments in this update do have transition guidance with effective dates for annual periods beginning after December 15, 2018 for public business entities. We are currently assessing the effect the adoption of the remaining amendments in this standard will have on our financial statements.

Intangibles - Goodwill and Other - Internal-Use Software - August 2018: Amended guidance aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The accounting for the service element of a hosting arrangement that is a service contract is not affected. The amendments in this update are effective for public entities for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted. We are currently assessing the effect the adoption of this standard will have on our financial statements.

Compensation - Retirement Benefits - August 2018: Amended guidance modifies the disclosure requirements for employers that sponsor defined benefit pension or other postretirement benefit plans including (i) removing certain disclosure requirements such as the amount and timing of plan assets expected to be returned to the employer, (ii) adding certain disclosure requirements such as an explanation of the reasons for significant gains and losses related to changes in the benefit obligation for the period, and (iii) clarifying certain disclosure requirements such as disclosing the projected benefit obligation (“PBO”) and fair value of plan assets for plans with PBOs in excess of plan assets. The amendments in this update are effective for public entities for fiscal years ending after December 15, 2020. Early adoption is permitted. We do not expect the adoption of this standard to have a material impact on our financial statements.

Fair Value Measurement - August 2018: Amended guidance modifies fair value measurement disclosure requirements including (i) removing certain disclosure requirements such as the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy, (ii) modifying certain disclosure requirements, and (iii) adding certain disclosure requirements such as changes in unrealized gains and losses for the period included in other comprehensive income for recurring Level 3 fair value measurements held at the end of the reporting period. The amendments in this update are effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted. We are currently assessing the effect the adoption of this standard will have on our financial statements.

Previously Disclosed

Compensation - Stock Compensation - June 2018: Amended guidance expands the scope of employee share-based payments to include share-based payment transactions for acquiring goods and services from nonemployees. Equity-classified share-based payment awards issued to nonemployees will be measured on the grant date, instead of

the previous requirement to remeasure the awards through the performance completion date. This amended guidance also clarifies that any share-based payment awards issued to customers should be evaluated under ASC 606, *Revenue from Contracts with Customers*. The amendments in this update are effective for public entities for fiscal years beginning after December 15, 2018, including interim periods within that fiscal year. Early adoption is permitted. We are currently assessing the effect the adoption of this standard will have on our financial statements.

CAESARS ENTERTAINMENT CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED)

Income Statement - Reporting Comprehensive Income - February 2018: Amendments in this update allow a reclassification from accumulated other comprehensive income to retained earnings effectively eliminating the stranded tax effects resulting from the Tax Cuts and Jobs Act (the U.S. federal government enacted a tax bill, H.R.1, An Act to Provide for Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018) (the “Tax Act”). Because the amendments only relate to the reclassification of the income tax effects of the Tax Act, the underlying guidance that requires that the effect of a change in tax laws or rates be included in income from continuing operations is not impacted. The amendments in this update are effective for all entities for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption is permitted. Amendments in this update should be applied either in the period of adoption or retrospectively to each period (or periods) in which the effect of the change in the U.S. federal corporate income tax rate in the Tax Act is recognized. We are currently assessing the effect the adoption of this standard will have on our financial statements.

Leases - February 2016 (amended through July 2018): The amended guidance is intended to increase transparency and comparability among organizations by requiring additional disclosures to reflect the significance of an entity’s leasing arrangements and by recognizing right-of-use (“ROU”) assets and lease liabilities on the balance sheet. Many long-term operating leases, including agreements relating to real estate, may be recorded on the balance sheet as an ROU asset with a corresponding lease liability, which will be amortized using the effective interest rate method as payments are made. Certain leases embedded in other arrangements, such as service and supplier contracts, may be accounted for separately by allocating payments between lease and non-lease components.

This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. We will adopt the new standard on January 1, 2019, and we have elected to apply the guidance as of the adoption date and recognize a cumulative-effect adjustment to the opening balance of retained earnings. Under this method, comparative periods will continue to be reported under legacy lease accounting guidance consistent with previously issued financial statements. We are currently assessing the effects the guidance will have on our financial statements and related disclosures.

Financial Instruments - Credit Losses - June 2016 (amended January 2017): Amended guidance replaces the incurred loss impairment methodology with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. Amendments affect entities holding financial assets and net investments in leases that are not accounted for at fair value through net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables and any other financial assets not excluded from the scope that have the contractual right to receive cash. Amendments are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. Early adoption is permitted. We are currently assessing the effect the adoption of this standard will have on our financial statements.

Note 4 - Business Combination

Acquisition of Centaur Holdings, LLC

As described in Note 1, on July 16, 2018 (the “Centaur Closing Date”), CEC completed its acquisition of all of the voting equity interest of Centaur, for consideration of \$1.7 billion. This acquisition expands our footprint to the central Indiana region and facilitates broad distribution of the Total Rewards program. Acquisition-related costs included in Other operating costs in the Statements of Operations were \$3 million and \$6 million, respectively, during the three and nine months ended September 30, 2018. Consideration transferred was composed of the following:

(In millions)

Cash paid	\$1,636
Deferred consideration ⁽¹⁾	66

Edgar Filing: CAESARS ENTERTAINMENT Corp - Form 10-Q

Total purchase price \$1,702

*Deferred consideration is payable in an installment of \$25 million on the second anniversary of the Centaur Closing Date and \$50 million on the third
(1) anniversary of the Centaur Closing Date with prepayments and right of setoff permitted, subject to the terms and conditions of the Unit Purchase Agreement.
\$66 million represents the present value of future expected cash flows.*

Additionally, CEC paid a \$50 million license transfer fee on behalf of Hoosier Park Racing & Casino.

11

CAESARS ENTERTAINMENT CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED)

Purchase Price Allocation

The following table summarizes the preliminary fair value of assets acquired and liabilities assumed as part of the Centaur acquisition. We will continue to evaluate the fair value of the assets acquired and liabilities assumed which may require the preliminary purchase price allocation to be adjusted within the allowable measurement period. The intangible assets subject to amortization will be amortized on a straight-line basis over their estimated useful lives as of the acquisition date.

<u>(In millions)</u>	Fair Value	Weighted-Average Useful Life (years)
Assets acquired:		
Cash and cash equivalents	\$ 39	
Receivables, net	2	
Other current assets	26	
Property and equipment	297	
Intangible assets other than goodwill		
Trade names and trademarks	14	2.5
Gaming rights ⁽¹⁾	1,390	
Customer relationships	41	15.0
Total assets	1,809	
Liabilities assumed:		
Current liabilities	(92)	
Deferred income taxes	(285)	
Total liabilities	(377)	
Net identifiable assets acquired	1,432	
Goodwill	270	
Total Centaur equity value	\$ 1,702	

⁽¹⁾ Indefinite-lived intangible assets.

We applied the acquisition method of accounting in accordance with FASB ASC Topic 805, *Business Combinations* (“ASC 805”). Goodwill of \$270 million was recognized as a result of the transaction and relates to (i) the values of acquired assets that do not meet the definition of an identifiable intangible asset under ASC 805, but that do contribute to the value of the acquired business, including the assembled workforce and relationships with customers that are not tracked through their customer loyalty program; (ii) the going-concern value associated with expectations of forging relationships with future customers; (iii) the assemblage value associated with acquiring an on-going business whose value is worth more than simply the sum of its parts; (iv) synergies associated with centralized services; and (v) the future potential expansion of table games to the properties. All of the goodwill was assigned to our Other U.S. segment. None of the goodwill recognized is expected to be deductible for income tax purposes.

Unaudited Pro Forma Financial Information

The following unaudited pro forma financial information is presented to illustrate the estimated effects of the acquisition of Centaur as if it had occurred on January 1, 2017, and is not necessarily indicative of either future results of operations or results that might have been achieved had the acquisition been consummated as of this date. The pro forma results include adjustments related to purchase accounting, primarily interest expense related to the legacy debt of Centaur that was not acquired, tax adjustments and amortization of intangible assets. Net loss for the nine months ended September 30, 2017 below includes a discrete tax benefit of \$185 million, resulting from a partial release of

valuation allowance in connection with the acquisition. The net deferred tax liability resulting from the acquisition of Centaur provided a source of additional future taxable income requiring us to reassess the amount of valuation allowance previously recorded. The deferred tax liability considered the 21% corporate tax rate enacted by the Tax Act.

12

CAESARS ENTERTAINMENT CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED)

	Three Months		Nine Months	
	Ended		Ended	
	September 30,		September 30,	
<i>(In millions)</i>	2018	2017	2018	2017
Net revenues	\$2,210	\$1,116	\$6,551	\$3,337
Net loss attributable to Caesars	(70)	(230)	(26)	(2,131)

The results of operations for Centaur have been included in the Company's Financial Statements since the acquisition date. The acquired business contributed \$105 million and \$22 million, respectively, to Net revenues and Income from operations to CEC for the period from July 16, 2018 to September 30, 2018.

Note 5 -Property and Equipment

<i>(In millions)</i>	September 30, 2018	December 31, 2017 <i>(1)</i>
Land	\$ 4,871	\$ 4,857
Buildings, riverboats, and leasehold and land improvements	12,157	11,824
Furniture, fixtures, and equipment	1,530	1,277
Construction in progress	244	329
Total property and equipment	18,802	18,287
Less: accumulated depreciation	(2,773)	(2,133)
Total property and equipment, net	\$ 16,029	\$ 16,154

(1) We reclassified \$73 million in land improvements to Buildings, riverboats and leasehold and land improvements to align with our 2018 reporting presentation.

Depreciation Expense and Capitalized

Interest

	Three		Nine	
	Months		Months	
	Ended		Ended	
	September		September	
<i>(In millions)</i>	2018	2017	2018	2017
Depreciation expense	\$277	\$135	\$792	\$303
Capitalized interest	2	2	5	4

Note 6 -Goodwill and Other Intangible Assets

Changes in Carrying Value of Goodwill and Other Intangible Assets

	Amortizing Intangible Assets	Non-Amortizing Intangible Assets	
		Goodwill	Other
<i>(In millions)</i>			
Balance as of December 31, 2017	\$ 355	\$3,815	\$1,254
Centaur acquisition ⁽¹⁾	55	270	1,390
Amortization	(51)	—	—
Other	—	(2)	5

Edgar Filing: CAESARS ENTERTAINMENT Corp - Form 10-Q

Balance as of September 30, 2018 \$ 359 \$4,083 \$2,649

⁽¹⁾ See Note 4 for further details relating to the acquisition of Centaur.

13

CAESARS ENTERTAINMENT CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED)

Gross Carrying Value and Accumulated Amortization of Intangible Assets Other Than Goodwill

<u>(Dollars in millions)</u>	September 30, 2018				December 31, 2017			
	Weighted Average Remaining Useful Life (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	
Amortizing								
Trade names and trademarks	2.3	\$ 14	\$ (1)	\$ 13	\$—	\$ —	\$ —	
Customer relationships	4.7	1,071	(741)	330	1,030	(693)	337	
Contract rights	6.3	3	(2)	1	3	(2)	1	
Gaming rights and other	5.8	43	(28)	15	43	(26)	17	
		\$ 1,131	\$ (772)	359	\$ 1,076	\$ (721)	355	
Non-amortizing intangible assets								
Trademarks				790			790	
Gaming rights				1,606			211	
Total Rewards				253			253	
				2,649			1,254	
Total intangible assets other than goodwill				\$ 3,008			\$ 1,609	

Note 7 Fair Value Measurements

Items Measured at Fair Value on a Recurring Basis

The following table shows the fair value of our financial assets and financial liabilities that are required to be measured at fair value as of the date shown:

Estimated Fair Value

<u>(In millions)</u>	Balance	Level 1	Level 2	Level 3
September 30, 2018				
Assets				
Government bonds	\$ 21	\$ —	\$ 21	\$ —
Derivative instruments - interest rate swaps	31	—	31	—
Total assets at fair value	\$ 52	\$ —	\$ 52	\$ —
Liabilities				
Derivative instruments - CEC Convertible Notes	\$ 738	\$ —	\$ —	\$ 738
Disputed claims liability	73	—	—	73
Total liabilities at fair value	\$ 811	\$ —	\$ —	\$ 811
December 31, 2017				
Assets				
Equity securities	\$ 8	\$ 8	\$ —	\$ —
Government bonds	25	—	25	—
Total assets at fair value	\$ 33	\$ 8	\$ 25	\$ —
Liabilities				
Derivative instruments - CEC Convertible Notes	\$ 1,016	\$ —	\$ —	\$ 1,016
Disputed claims liability	112	—	—	112
Total liabilities at fair value	\$ 1,128	\$ —	\$ —	\$ 1,128

CAESARS ENTERTAINMENT CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED)

Changes in Level 3 Fair Value Measurements

<u>(In millions)</u>	Three Months Ended September 30, 2018		Nine Months Ended September 30, 2018	
	Derivative Instruments	Disputed Claims Liability	Derivative Instruments	Disputed Claims Liability
Balance as of beginning of period	\$ 831	\$ 86	\$ 1,016	\$ 112
Change in fair value recorded in Restructuring and support expenses and other	(97)	(1)	(282)	(10)
Change due to resolved claims in Disputed claims liability	4	(12)	4	(29)
Balance as of end of period	\$ 738	\$ 73	\$ 738	\$ 73

Equity Securities

Investments in equity securities are traded in active markets and have readily determined market values. These investments were included in Prepayments and other current assets on our Balance Sheets. Gross unrealized gains and losses on marketable securities were not material as of December 31, 2017.

Government Bonds

Investments primarily consist of debt securities held by our captive insurance entities that are traded in active markets, have readily determined market values, and have maturity dates of greater than three months from the date of purchase. These investments primarily represent collateral for several escrow and trust agreements with third-party beneficiaries and are recorded in Deferred charges and other assets while a portion is included in Prepayments and other current assets in our Balance Sheets.

Derivative Instruments

We do not purchase or hold any derivative financial instruments for trading purposes.

CEC Convertible Notes - Derivative Liability

On the Effective Date, CEC issued \$1.1 billion aggregate principal amount of 5.00% convertible senior notes maturing in 2024 (the “CEC Convertible Notes”) to CEOC’s creditors pursuant to the terms of the Plan. The CEC Convertible Notes were issued pursuant to the Indenture, dated as of October 6, 2017.

The CEC Convertible Notes are convertible at the option of holders into a number of shares of CEC common stock that is equal to approximately 0.139 shares of CEC common stock per \$1.00 principal amount of CEC Convertible Notes, which is equal to an initial conversion price of \$7.19 per share. If all the shares were issued on the Effective Date, they would have represented approximately 17.9% of the shares of CEC common stock outstanding on a fully diluted basis. The holders of the CEC Convertible Notes can convert them at any time after issuance. CEC can convert the CEC Convertible Notes beginning in October 2020 if the last reported sale price of CEC common stock equals or exceeds 140% of the conversion price for the CEC Convertible Notes in effect on each of at least 20 trading days during any 30 consecutive trading day period. As of September 30, 2018, an immaterial amount of the CEC Convertible Notes were converted into shares of CEC common stock. An aggregate of 156 million shares of CEC common stock are issuable upon conversion of the CEC Convertible Notes. As of September 30, 2018, the remaining life of the CEC Convertible Notes is 6 years.

Management analyzed the conversion features for derivative accounting consideration under ASC Topic 815, *Derivatives and Hedging*, (“ASC 815”) and determined that the CEC Convertible Notes contains bifurcated derivative features and qualifies for derivative accounting. In accordance with ASC 815, CEC has bifurcated the conversion features of the CEC Convertible Notes and recorded a derivative liability. The CEC Convertible Notes derivative features are not designated as hedging instruments. The derivative features of the CEC Convertible Notes are carried

on CEC's Balance Sheet at fair value in Deferred credits and other liabilities. The derivative liability is marked-to-market each measurement period, and any unrealized change in fair value is recorded as a component of Restructuring and support expenses and other in the Statements of Operations. The derivative liability associated with the CEC Convertible Notes will remain in effect until such time as the underlying convertible notes are exercised or terminated and the resulting derivative liability will be transitioned from a liability to equity as of such date.

CAESARS ENTERTAINMENT CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED)

Valuation Methodology

We estimated the fair value of the CEC Convertible Notes using a binomial lattice valuation model that incorporated the value of both the straight debt and conversion features of the notes. The CEC Convertible Notes have a face value of \$1.1 billion, a term of 7 years, a coupon rate of 5%, and are convertible into 156 million shares of CEC common stock. The valuation model incorporated assumptions regarding the incremental cost of borrowing for CEC, the value of CEC's equity into which these notes could convert, the expected volatility of such equity, and the risk-free rate.

Key Assumptions as of September 30, 2018:

Incremental cost of borrowing - 6.0%

Expected volatility - 30%

Risk-free rate - 3.0%

Since the key assumptions used in the valuation model, including CEC's estimated incremental cost of borrowing and the expected volatility of CEC's equity, were significant unobservable inputs, the fair value for the conversion features of the CEC Convertible Notes was classified as Level 3.

Interest Rate Swap Derivatives

We use forward-starting interest rate swaps to manage the mix of our debt between fixed and variable rate instruments. During the nine months ended September 30, 2018, we entered into six interest rate swap agreements to fix the interest rate on \$2.0 billion of variable rate debt. As of September 30, 2018, we have entered into a total of ten interest rate swap agreements for notional amounts totaling \$3.0 billion. The interest rate swaps are designated as cash flow hedging instruments. The difference to be paid or received under the terms of the interest rate swap agreements will be accrued as interest rates change and recognized as an adjustment to interest expense for the related debt beginning on December 31, 2018. Changes in the variable interest rates to be paid or received pursuant to the terms of the interest rate swap agreements will have a corresponding effect on future cash flows.

The major terms of the interest rate swap agreements as of September 30, 2018 are as follows:

Effective Date	Notional Amount (In millions)	Fixed Rate Paid	Variable Rate Received as of September 30, 2018	Maturity Date
12/31/2018	250	2.274%	N/A	12/31/2022
12/31/2018	200	2.828%	N/A	12/31/2022
12/31/2018	600	2.739%	N/A	12/31/2022
1/1/2019	250	2.153%	N/A	12/31/2020
1/1/2019	250	2.196%	N/A	12/31/2021
1/1/2019	400	2.788%	N/A	12/31/2021
1/1/2019	200	2.828%	N/A	12/31/2022
1/2/2019	250	2.172%	N/A	12/31/2020
1/2/2019	200	2.731%	N/A	12/31/2020
1/2/2019	400	2.707%	N/A	12/31/2021

Valuation Methodology

The estimated fair values of our interest rate swap derivative instruments are derived from market prices obtained from dealer quotes for similar, but not identical, assets or liabilities. Such quotes represent the estimated amounts we would receive or pay to terminate the contracts. The interest rate swap derivative instruments are included in either Deferred charges and other assets or Deferred credits and other liabilities on our Balance Sheets. Our derivatives are recorded at their fair values, adjusted for the credit rating of the counterparty if the derivative is an asset, or adjusted for the credit rating of the Company if the derivative is a liability. None of our derivative instruments are offset and all were classified as Level 2.

CAESARS ENTERTAINMENT CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED)

The effect of derivative instruments designated as hedging instruments on the Balance Sheet for amounts transferred into Accumulated other comprehensive income (“AOCI”) was \$14 million and \$31 million, respectively, during the three and nine months ended September 30, 2018. The estimated amount of existing gains that are reported in AOCI at the reporting date that are expected to be reclassified into earnings within the next 12 months is approximately \$8 million.

Disputed Claims Liability

CEC and CEOC deposited cash, CEC common stock, and CEC Convertible Notes into an escrow trust to be distributed to satisfy certain remaining unsecured claims (excluding debt claims) as they become allowed (see Note 8). We have estimated the fair value of the remaining liability of those claims. As key assumptions used in the valuation model, including assumptions for the conversion features of the CEC Convertible Notes, include significant unobservable inputs, the fair value of the liability is classified as Level 3.

Note 8 ~~Litigation~~, Contractual Commitments, and Contingent Liabilities

Litigation

Caesars is party to ordinary and routine litigation incidental to our business. We do not expect the outcome of any such litigation to have a material effect on our consolidated financial position, results of operations, or cash flows.

Contractual Commitments

Except as described in Note 7, during the nine months ended September 30, 2018, we have not entered into any material contractual commitments outside of the ordinary course of business that have materially changed our contractual commitments as compared to December 31, 2017.

Exit Cost Accruals

As of September 30, 2018 and December 31, 2017, exit costs were included in Accrued expenses and other current liabilities and Deferred credits and other liabilities on the accompanying Balance Sheets for accruals related to the following:

<i>(In millions)</i>	Accrual Obligation End Date	September 30, 2018	December 31, 2017
Iowa greyhound pari-mutuel racing fund	December 2021	\$ 33	\$ 40
Future obligations under land lease agreements ⁽¹⁾	December 2092	43	43
Permanent closure of international properties ⁽²⁾	January 2032	10	18
Total		\$ 86	\$ 101

⁽¹⁾ Associated with the abandonment of a construction project near the Mississippi Gulf Coast.

⁽²⁾ Properties include Alea Leeds, Golden Nugget and Southend.

NV Energy

In September 2017, we filed our final notice to proceed with our plan to exit the fully bundled sales system of NV Energy for our Nevada casino properties and purchase energy, capacity, and/or ancillary services from a provider other than NV Energy. The transition to unbundle electric service was completed in the first quarter of 2018 (the “Cease-Use Date”). As a result of our decision to exit, an order from the Public Utilities Commission of Nevada required that we pay an aggregate exit fee of \$48 million. These fees are payable over three to six years at an aggregate present value of \$36 million as of September 30, 2018 and are recorded in Accrued expenses and other current liabilities and Deferred credits and other liabilities on the Balance Sheets.

For six years following the Cease-Use Date, we will also be required to make ongoing payments to NV Energy for non-bypassable rate charges, which primarily relate to each entity’s share of NV Energy’s portfolio of above-market renewable energy contracts and the costs of decommissioning and remediation of coal-fired power plants. As of the effective date of the transition, total fees to be incurred were \$31 million, which was accrued at its present value in the first quarter of 2018. As of September 30, 2018, \$25 million was recorded in Accrued expenses and other current

liabilities and Deferred credits and other liabilities on the Balance Sheets. The amount will be adjusted in the future if actual fees incurred differ from our estimates.

CAESARS ENTERTAINMENT CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED)

Golf Course Properties

Concurrently with the execution of the leases CEOC LLC maintains with VICI, certain golf course properties (the “Golf Course Properties”) were sold to VICI, and CEOC LLC entered into a golf course use agreement (the “Golf Course Use Agreement”) with VICI. An obligation of \$143 million is recorded in Deferred credits and other liabilities as of September 30, 2018 representing the fair value of the \$10 million in annual payments to be made under the Golf Course Use Agreement, which exceeds the fair value of services being received.

The obligation is being amortized using the effective interest method over the term of the Golf Course Use Agreement which continues through October 2052. The amortization on this obligation for the three and nine months ended September 30, 2018 was \$3 million and \$8 million, respectively, reflected in Interest expense in our Statement of Operations.

Resolution of Disputed Claims

Prior to the Effective Date, CEOC’s financial statements included amounts classified as liabilities subject to compromise, which represented estimates of pre-petition obligations impacted by the Chapter 11 reorganization process. These amounts represented the Debtors’ then-current estimate of known or potential pre-petition obligations to be resolved in connection with CEOC’s emergence from bankruptcy.

Following the Effective Date, actions to enforce or otherwise affect repayment of liabilities preceding January 15, 2015 (the “Petition Date”), as well as pending litigation against the Debtors related to such liabilities, generally have been permanently enjoined. Any unresolved claims will continue to be subject to the claims reconciliation process under the supervision of the Bankruptcy Court. CEOC LLC will continue the process of reconciling such claims to the amounts listed by the Debtors in their schedules of assets and liabilities, as amended. The amounts submitted by claimants that remain unresolved total approximately \$614 million. We estimate the fair value of these claims to be \$73 million as of September 30, 2018, which is based on management’s estimate of the claim amounts that the Bankruptcy Court will ultimately allow and the fair value of the underlying CEC common stock and CEC Convertible Notes held in escrow for the purpose of resolving those claims.

Pursuant to the Plan, CEC and CEOC deposited cash, CEC common stock, and CEC Convertible Notes into an escrow trust to be distributed to satisfy certain remaining unsecured claims (excluding debt claims) as they become allowed. As claims are resolved, the claimants receive distributions of CEC common stock, cash or cash equivalents, and/or CEC Convertible Notes from the reserves on the same basis as if such distributions had been made on or about the Effective Date. To the extent that any of the reserved shares, cash, and convertible notes remain undistributed upon resolution of the remaining disputed claims, such amounts will be returned to CEC.

As of September 30, 2018, approximately \$51 million in cash, 8 million shares of CEC common stock, and \$33 million in principal value of CEC Convertible Notes remain in reserve for distribution to holders of disputed claims whose claims may ultimately become allowed in the escrow trust. The CEC common stock and CEC Convertible Notes held in the escrow trust are treated as not outstanding in CEC’s Financial Statements. We estimate that the number of shares, cash, and CEC Convertible Notes reserved is sufficient to satisfy the Debtors’ obligations under the Plan.

Contingent Liabilities

Self-Insurance

We are self-insured for workers compensation and other risk insurance, as well as health insurance effective in the first quarter of 2017 when the liability related to certain health insurance contracts was transferred from CEOC to Caesars Enterprise Services, LLC (“CES”). Our total estimated self-insurance liability was \$185 million and \$192 million, respectively, as of September 30, 2018 and December 31, 2017.

CAESARS ENTERTAINMENT CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED)

Note 9 Debt

<i>(Dollars in millions)</i>	September 30, 2018		December 31, 2017		
	Final Maturity	Rate(s) ⁽¹⁾	Face Value	Book Value	Book Value
Secured debt					
CRC Revolving Credit Facility	2022	variable ⁽²⁾	\$ 100	\$ 100	\$ —
CRC Term Loan	2024				