

HARRAHS ENTERTAINMENT INC

Form S-4

March 05, 2004

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As filed with the Securities and Exchange Commission on March 5, 2004

Registration No. 333-

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## SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

### FORM S-4

REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

### HARRAH'S ENTERTAINMENT, INC.

(Exact name of Registrant as specified in its charter)

**DELAWARE**

(State or other jurisdiction of  
incorporation or organization)

**7993**

(Primary Standard Industrial  
Classification Code Number)

**One Harrah's Court  
Las Vegas, NV 89119  
(702) 407-6000**

**62-1411755**

(I.R.S. Employer  
Identification No.)

(Address, including zip code, and telephone number, including area code, of Registrant's Principal Executive Offices)

### HARRAH'S OPERATING COMPANY, INC.

(Exact name of Registrant as specified in its charter)

**DELAWARE**

(State or other jurisdiction of  
incorporation or organization)

**7993**

(Primary Standard Industrial  
Classification Code Number)

**One Harrah's Court  
Las Vegas, NV 89119  
(702) 407-6000**

**75-1941623**

(I.R.S. Employer  
Identification No.)

(Address, including zip code, and telephone number, including area code, of Registrant's Principal Executive Offices)

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**One Harrah's Court  
Las Vegas, NV 89119  
(702) 407-6000**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Harrah's Entertainment, Inc.  
One Harrah's Court  
Las Vegas, NV 89119  
(702) 407-6000**

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## Approximate Date Of Commencement Of Proposed Sale To The Public:

As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act of 1933, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

## CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Offering Price per Note(1)	Proposed Aggregate Offering Price(1)	Amount of Registration Fee(2)
5.375% Senior Notes due 2013	\$500,000,000	100%	\$500,000,000	\$63,350
Guarantees of 5.375% Senior Notes due 2013				(3)

- (1) Estimated solely for purposes of calculating the registration fee in accordance with Rule 457(f) under the Securities Act of 1933, as amended.
- (2) Calculated pursuant to Rule 457(f) of the rules and regulations under the Securities Act of 1933, as amended.
- (3) Pursuant to Rule 457(n) of the rules and regulations under the Securities Act of 1933, no separate fee for the guarantees is payable.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

[The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.]

**SUBJECT TO COMPLETION, DATED MARCH 5, 2004**

**PRELIMINARY PROSPECTUS**

## **HARRAH'S OPERATING COMPANY, INC.**

### **OFFER TO EXCHANGE**

**\$500,000,000 principal amount of our  
5.375% Senior Notes due 2013,**

**which have been registered under the Securities Act,  
for any and all of our outstanding unregistered 5.375% Senior Notes due 2013**

### **Material Terms of the Exchange Offer**

The exchange offer expires at 5:00 p.m., New York City time, on \_\_\_\_\_, 2004, unless extended.

We will exchange all outstanding 5.375% Senior Notes due 2013, or the private notes, that are validly tendered and not validly withdrawn for an equal principal amount of a new series of notes which are registered under the Securities Act, or the exchange notes.

You may withdraw tenders of private notes at any time before the exchange offer expires.

The exchange notes will not be listed on any securities exchange. A public market for the exchange notes may not develop, which could make selling the exchange notes difficult. If a market for the exchange notes develops, the exchange notes could trade at prices that are higher or lower than the initial prices of the unregistered notes.

The exchange of notes will not be a taxable event for U.S. federal income tax purposes.

We will not receive any proceeds from the exchange offer.

The terms of the exchange notes are substantially identical to the private notes, except for transfer restrictions and registration rights relating to the private notes.

You may tender private notes only in denominations of \$1,000 and multiples of \$1,000.

Our affiliates may not participate in the exchange offer.

The exchange offer is not subject to any conditions other than that it not violate applicable law or any applicable interpretation of the staff of the SEC.

Please refer to "Risk Factors" beginning on page 14 of this document for a description of the risks you should consider before participating in the exchange offer.

None of the Securities and Exchange Commission, any state securities commission, any state gaming commission or any other gaming authority has approved of the notes or determined that this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is \_\_\_\_\_, 2004.

We have not authorized any dealer, salesperson or other person to give any information or to make any representation other than those contained in this prospectus. You must not rely upon any information or representation not contained in this prospectus as if we had authorized it. This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the registered securities to which it relates, nor does this prospectus constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act of 1933, as amended. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for private notes where such private notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, starting on the expiration date and ending on the close of business one year after the expiration date, they will make this prospectus available to any broker-dealer for use in connection with any such resale. See "Plan of Distribution."

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This prospectus incorporates important business and financial information about us that is not included or delivered with the document. This information is available without charge to you upon written or oral request to:

Harrah's Entertainment, Inc.  
One Harrah's Court  
Las Vegas, Nevada 89119  
Attention: Corporate Secretary  
(702) 407-6000

To obtain timely delivery, you must request the information no later than five business days before the date you must make your investment decision, or \_\_\_\_\_, 2004.

### FORWARD-LOOKING STATEMENTS

This prospectus includes "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. You can identify these statements by the fact that they do not relate strictly to historical or current facts. These statements contain words such as "may," "will," "project," "might," "expect," "believe," "anticipate," "intend," "could," "would," "estimate," "continue" or "pursue," or the negative or other variations thereof or comparable terminology. In particular, they include statements relating to, among other things, future actions, new projects, strategies, future performance, the outcome of contingencies such as legal proceedings and future financial results. We have based these forward-looking statements on our current expectations and projections about future events.

We caution the reader that forward-looking statements involve risks and uncertainties that cannot be predicted or quantified and, consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, the following factors as well as other factors described from time to time in our reports filed with the Securities and Exchange Commission, or the SEC:

the effects of economic, credit and capital market conditions on the economy in general, and on gaming and hotel companies in particular;

construction factors, including delays, zoning issues, environmental restrictions, soil and water conditions, weather and other hazards, site access matters and building permit issues;

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

our ability to timely and cost-effectively integrate into our operations the companies that we acquire, including with respect to our previously announced acquisition of Horseshoe Gaming Holding Corp.;

access to available and feasible financing, including financing for our acquisition of Horseshoe Gaming Holding Corp., on a timely basis;

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

litigation outcomes and judicial actions, including gaming legislative action, referenda and taxation;

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

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

acts of war or terrorist incidents;

abnormal gaming holds; and

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

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Any forward-looking statements are made pursuant to the Private Securities Litigation Reform Act of 1995 and, as such, speak only as of the date made. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

### MARKET DATA

Market data used throughout this prospectus including information relating to our relative position in the casino and gaming industry is based on our good faith estimates, which estimates we based upon our review of internal surveys, independent industry publications and other publicly available information. Although we believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy and completeness.

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### PROSPECTUS SUMMARY

*In this prospectus, the words "Harrah's Entertainment" refer to Harrah's Entertainment, Inc., a Delaware corporation, "Harrah's Operating" refer to Harrah's Operating Company, Inc., a Delaware corporation and wholly-owned subsidiary of Harrah's Entertainment, and "Harrah's," "we," "our," "ours," and "us" refer to Harrah's Entertainment and its consolidated subsidiaries, including without limitation Harrah's Operating, unless otherwise stated or the context otherwise requires. The following summary contains basic information about this offering. It may not contain all the information that is important to you. We urge you to read this entire prospectus carefully, including the "Risk Factors" section, the information incorporated by reference herein and the documents identified under "Where You Can Find More Information." The "Description of Exchange Notes" section of this Prospectus contains more detailed information regarding the terms and conditions of the exchange notes.*

#### The Company

We are one of the leading casino entertainment companies in the United States, operating in more markets than any other casino company and offering a Harrah's casino experience within a three-hour drive of over half of the U.S. adult population. Our casino entertainment facilities, operating primarily under the Harrah's, Rio, Showboat and Harveys brand names, include ten land-based casinos, nine riverboat or dockside casinos, a greyhound racing facility, a thoroughbred racetrack and four casinos on Indian reservations. In addition, during the third quarter of 2003, we signed a definitive agreement to acquire Horseshoe Gaming Holding Corp. Upon completion of the acquisition and contemplated sale of our Shreveport facility, the addition of the Horseshoe properties will add a net 107,100 square feet of casino space, more than 4,360 slot machines and 138 table games to serve our customers. The acquisition is subject to regulatory approvals and is expected to be completed in the first half of 2004.

In addition, pursuant to two separate transactions we have announced recently, we will acquire certain intellectual property assets from Horseshoe Club Operating Company to secure the rights to the Horseshoe brand in Nevada and to the World Series of Poker brand and tournament, while MTR Gaming Group, Inc. will acquire the remaining assets of the Binion's Horseshoe Hotel and Casino in Las Vegas, Nevada, including the right to use the name "Binion's" at the property, from Horseshoe Club Operating Company. We will operate the hotel and casino jointly with MTR Gaming, on an interim basis. Horseshoe Gaming Holding Corp. and Horseshoe Club Operating Company are under separate ownership. These transactions are subject to regulatory approval and are expected to be completed in the first quarter of 2004.

We have agreed to sell our Harrah's Shreveport property in Shreveport, Louisiana for \$190 million, subject to regulatory approval, to reduce our exposure to the Shreveport/Bossier City, Louisiana market given our plans to acquire Horseshoe Gaming Holding Corp. and its property in Bossier City. We also expect to complete this transaction during the first half of 2004.

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The following table sets forth information about our casino entertainment facilities:

#### Summary of Property Information\*

Property	Type of Casino	Casino Space	Slot Machines(a)	Table Games(a)	Hotel Rooms &
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		Sq. Ft.(a)			Suites(a)
<i>Las Vegas, Nevada</i>					
Harrah's Las Vegas	Land-based	87,700	1,400	80	2,530
Rio	Land-based	107,000	1,200	80	2,550
<i>Laughlin, Nevada</i>					
Harrah's Laughlin	Land-based	47,000	1,200	40	1,560
<i>Reno, Nevada</i>					
Harrah's Reno	Land-based	57,000	1,230	45	930
<i>Lake Tahoe, Nevada</i>					
Harrah's Lake Tahoe	Land-based	58,000	1,300	70	530
Harveys Lake Tahoe	Land-based	63,300	1,100	70	740
Bill's Lake Tahoe	Land-based	18,000	520	20	
<i>Atlantic City, New Jersey</i>					
Harrah's Atlantic City	Land-based	127,000	4,240	70	1,630
Atlantic City Showboat	Land-based	115,700	3,970	60	1,300
<i>Chicago, Illinois area</i>					
Harrah's Joliet (Illinois)	Dockside	39,000	1,200	20	200
Harrah's East Chicago (Indiana)	Dockside	54,000	1,900	65	290
<i>Metropolis, Illinois</i>					
Harrah's Metropolis	Dockside	29,800	1,200	20	120(b)
<i>Council Bluffs, Iowa</i>					
Harrah's Council Bluffs	Riverboat	28,000	1,240	30	250
Bluffs Run Casino(c)	Greyhound Racing Facility	40,000	1,500		
<i>Shreveport, Louisiana</i>					
Harrah's Shreveport(d)	Dockside	28,400	1,220	30	510
<i>Lake Charles, Louisiana</i>					
Harrah's Lake Charles	Dockside	60,000	1,460	60	260
<i>Tunica, Mississippi</i>					
Harrah's Tunica	Dockside	35,000	1,180	20	200
<i>St. Louis, Missouri</i>					
Harrah's St. Louis	Dockside	120,000	2,600	60	290(e)
<i>North Kansas City, Missouri</i>					
Harrah's North Kansas City	Dockside	60,100	1,970	50	200
<i>New Orleans, Louisiana</i>					
Harrah's New Orleans	Land-based	100,000	2,220	120	
<i>Phoenix, Arizona</i>					
Harrah's Ak-Chin(f)	Indian Reservation	48,000	775	20	150
<i>Topeka, Kansas</i>					
Harrah's Prairie Band(f)	Indian Reservation	33,000	950	30	100(g)
<i>Cherokee, North Carolina</i>					
Harrah's Cherokee(f)	Indian Reservation	80,000	3,320	30	250(h)
6					
<i>San Diego, California</i>					
Harrah's Rincon(f)	Indian Reservation	58,000	1,600	40	190(i)
<i>Bossier City, Louisiana</i>					
Louisiana Downs(j)	Thoroughbred Racing Facility	15,000	900		

\*

As of December 31, 2003.

- (a) Approximate.
- (b) A hotel in which we own a 12.5% special limited partnership interest is adjacent to the Metropolis facility.
- (c) The property is owned by us, leased to the operator, and managed by us for the operator for a fee pursuant to an agreement that expires in October 2024.
- (d) On January 20, 2004, we, through certain of our subsidiaries, entered into a definitive agreement whereby Boyd Gaming Corporation will acquire all of the outstanding limited and general partnership interests of Red River Entertainment of Shreveport Partnership in Commendam (the "Partnership"), which operates Harrah's Shreveport, subject to regulatory approval. The sale is expected to close during the first half of 2004.
- (e) Construction of a second hotel tower with approximately 210 rooms is currently underway at Harrah's St. Louis and is expected to be complete in the third quarter of 2004.
- (f) Managed.
- (g) Construction is currently underway to expand Harrah's Prairie Band, which will include the addition of approximately 200 hotel rooms and is expected to be complete in late 2004.
- (h) Construction of a hotel tower with approximately 320 rooms is currently underway at Harrah's Cherokee and is expected to be complete in the second quarter of 2005.
- (i) Construction is currently underway to expand Harrah's Rincon, which will include a hotel tower with approximately 460 rooms and is expected to be complete by the end of 2004.
- (j) A temporary casino facility opened at Louisiana Downs in the second quarter of 2003 and 900 slot machines were placed in service. Construction is underway on a new permanent casino facility with approximately 1,400 slot machines and is expected to be complete during second quarter 2004.

Our principal executive offices are located at One Harrah's Court, Las Vegas, Nevada 89119. Our telephone number is (702) 407-6000. The address of our internet site is <http://www.harrahs.com>. Any internet addresses provided in this prospectus are for information purposes only and are not intended to be hyperlinks. Accordingly, no information in any of these internet addresses is included herein.

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### THE EXCHANGE OFFER

#### The Exchange Offer

We are offering to exchange our exchange notes for our outstanding private notes properly tendered and accepted. You may tender private notes only in denominations of \$1,000 and multiples of \$1,000. We will issue the exchange notes on or promptly after the date that the exchange offer expires. As of the date of this prospectus, \$500,000,000 in aggregate principal amount of private notes are outstanding.

#### Expiration Date

The exchange offer will expire at 5:00 p.m., New York City time, on \_\_\_\_\_, 2004, unless extended, in which case the expiration date will mean the latest date and time to which we extend the exchange offer.

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### Conditions to the Exchange Offer

The exchange offer is not subject to any conditions other than that it not violate applicable law or any applicable interpretation of the staff of the SEC. The exchange offer is not conditioned upon any minimum principal amount of private notes being tendered for exchange.

### Procedures for Tendering Private Notes

If you wish to tender your private notes for exchange notes pursuant to the exchange offer you must transmit to the U.S. Bank National Association as exchange agent, on or before the expiration date, either:

a computer generated message transmitted through The Depository Trust Company's Automated Tender Offer Program system and received by the exchange agent and forming a part of a confirmation of book-entry transfer in which you acknowledge and agree to be bound by the terms of the letter of transmittal; or

a properly completed and duly executed letter of transmittal, which accompanies this prospectus, or a facsimile of the letter of transmittal, together with your private notes and any other required documentation, to the exchange agent at its address listed in this prospectus and on the front cover of the letter of transmittal.

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If you cannot satisfy either of these procedures on a timely basis, then you should comply with the guaranteed delivery procedures described below. By executing the letter of transmittal, you will make the representations to us described under "The Exchange Offer Procedures for Tendering."

### Special Procedures for Beneficial Owners

If you are a beneficial owner whose private notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your private notes in the exchange offer, you should contact the registered holder promptly and instruct the registered holder to tender on your behalf. If you wish to tender on your own behalf, you must either (1) make appropriate arrangements to register ownership of the private notes in your name or (2) obtain a properly completed bond power from the registered holder, before completing and executing the letter of transmittal and delivering your private notes.

### Guaranteed Delivery Procedures

If you wish to tender your private notes and time will not permit the documents required by the letter of transmittal to reach the exchange agent before the expiration date, or the procedure for book-entry transfer cannot be completed on a timely basis, you must tender your private notes according to the guaranteed delivery procedures described in this prospectus under the heading "The Exchange Offer Guaranteed Delivery Procedures."

### Acceptance of Private Notes and Delivery of Exchange Notes

Subject to the satisfaction or waiver of the conditions to the exchange offer, we will accept for exchange any and all private notes which are validly tendered in the exchange offer and not withdrawn before 5:00 p.m., New York City time, on the expiration date.

### Withdrawal Rights

You may withdraw the tender of your private notes at any time before 5:00 p.m., New York City time, on the expiration date, by complying with the procedures for withdrawal described in this prospectus under the heading "The Exchange Offer Withdrawal of Tenders."

Liquidated Damages	<p>We issued the private notes on December 11, 2003, to the initial purchaser pursuant to a purchase agreement. At the same time, we entered into a registration rights agreement, or the registration rights agreement, with the initial purchaser requiring us to make the exchange offer. The registration rights agreement also required us to:</p> <p style="padding-left: 40px;">cause the registration statement filed with respect to the exchange offer to be declared effective by June 8, 2004; and</p> <p style="padding-left: 40px;">consummate the exchange offer by July 21, 2004.</p>
Exchange Agent	U.S. Bank National Association, the trustee under the indenture governing the private notes, is serving as the exchange agent.
Consequences of Failure to Exchange Notes	If you do not exchange your private notes for exchange notes, you will continue to be subject to the restrictions on transfer provided in the private notes and in the indenture governing the private notes. In general, the private notes may not be offered or sold, unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. We do not currently plan to register the private notes under the Securities Act.
Registration Rights Agreement	You are entitled to exchange your private notes for exchange notes with substantially identical terms pursuant to the registration rights agreement. The exchange offer satisfies this right. After the exchange offer is completed, you will no longer be entitled to any exchange or registration rights with respect to your private notes. Under the circumstances described in the registration rights agreement, you may require us to file a shelf registration statement under the Securities Act.
Broker-Dealer	Each broker-dealer that receives exchange notes for its own account in exchange for private notes, where such private notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. See "Plan of Distribution."
	We explain the exchange offer in greater detail beginning on page 21.

### THE EXCHANGE NOTES

The form and terms of the exchange notes are the same as the form and terms of the private notes, except that the exchange notes will be registered under the Securities Act and, therefore, the exchange notes will not be subject to the transfer restrictions, registration rights and provisions providing for an increase in the interest rate applicable to the private notes. The exchange notes will evidence the same debt as the private notes and both the private notes and the exchange notes, collectively, the "notes," are governed by the same indenture.

Total Amount of Exchange Notes Offered	Up to \$500,000,000 aggregate principal amount of 5.375% Senior Notes due 2013, which have been registered under the Securities Act.
Maturity	December 15, 2013.
Interest	5.375% per year.
Interest Payment Dates	June 15 and December 15, beginning on June 15, 2004. Interest will accrue from the issue date of the notes.

Optional Redemption	We may redeem some or all of the exchange notes at any time prior to their maturity at the redemption price described in the "Description of Exchange Notes - Optional Redemption" section.
Guarantee	Harrah's Entertainment will unconditionally guarantee the exchange notes. However, because Harrah's Entertainment's sole material asset is its equity interest in Harrah's Operating, Harrah's Entertainment is dependent on the receipt of dividends or other payments from Harrah's Operating to make payments on the guarantee of the exchange notes.
Ranking	The exchange notes will be unsecured senior obligations of Harrah's Operating and will: <ul style="list-style-type: none"> <li>rank equally and ratably with all existing and future unsecured and unsubordinated debt of Harrah's Operating;</li> <li>rank senior to all existing and any future subordinated debt of Harrah's Operating;</li> <li>be effectively junior to any secured debt of Harrah's Operating; and</li> <li>be effectively junior to all existing and future debt and other liabilities of Harrah's Operating subsidiaries.</li> </ul>

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	At December 31, 2003, the private notes ranked equal in right of payment with \$2,491.6 million of other senior indebtedness of Harrah's Operating, including \$947.8 million under our credit facility. Of our total indebtedness, \$94.9 million represents obligations of our subsidiaries, all of which effectively ranks senior to the private notes.
Sinking Fund	None.
Covenants	The indenture governing the notes contains covenants that limit our ability and our subsidiaries' ability to: <ul style="list-style-type: none"> <li>enter into certain sale and lease-back transactions;</li> <li>incur liens on our assets to secure debt;</li> <li>merge or consolidate with another company; and</li> <li>transfer or sell substantially all of our assets.</li> </ul> For more details, see the "Additional Covenants of Harrah's Operating" and "Merger, Consolidation or Sale of Assets" sections under the heading "Description of Exchange Notes" in this prospectus.
Form of Exchange Notes	The exchange notes will be represented by one or more permanent global certificates, in fully registered form, deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company, as depository. You will not receive exchange notes in certificated form unless one of the events described under the heading "Description of Exchange Notes - Book-Entry, Delivery and Form" occurs. Instead, beneficial interests in the exchange notes will be shown on, and transfers of these notes will be effected only through, records maintained

in book-entry form by The Depository Trust Company and its participants.

Use of Proceeds

The exchange offer satisfies an obligation under the registration rights agreement. We will not receive any cash proceeds from the exchange offer.

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Additional Notes

We may from time to time without notice to, or the consent of, the holders of the notes, create and issue additional notes, equal in rank to the notes offered hereby in all respects (or in all respects except for the payment of interest accruing prior to the issue date of the new notes or except for the first payment of interest following the issue date of the new notes) so that the new notes may be consolidated and form a single series of notes with the notes offered hereby and have the same terms as to status, redemption or otherwise as the notes offered hereby.

No Public Market

The exchange notes are a new issue of securities and will not be listed on any securities exchange or included in any automated quotation system. The initial purchaser has advised us that it currently intends to make a market in the exchange notes. The initial purchaser is not obligated, however, to make a market in the exchange notes, and any such market-making may be discontinued by the initial purchaser in its discretion at any time without notice.

Risk Factors

See "Risk Factors" and other information in this prospectus for a discussion of factors you should carefully consider prior to participating in the exchange offer.

We explain the exchange notes in greater detail beginning on page 33.

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## RISK FACTORS

*You should read carefully this entire prospectus and the documents incorporated by reference before participating in the exchange offer. Among the factors that may adversely affect our business, financial condition or results of operation:*

### **Our substantial indebtedness could adversely affect our financial results and prevent us from fulfilling our obligations under the notes.**

We currently have a significant amount of indebtedness. At December 31, 2003, our total consolidated indebtedness was approximately \$3,673.5 million.

The indenture will not restrict our ability to borrow substantial additional unsecured indebtedness in the future. If new indebtedness is added to our current debt levels, the related risks that we now face could increase.

Our indebtedness could have important consequences for you, as a holder of the notes, including:

limiting our ability to satisfy our obligations with respect to the notes;

increasing our vulnerability to general adverse economic and industry conditions;

limiting our ability to obtain additional financing to fund future working capital, capital expenditures, additional acquisitions and other general corporate requirements;

requiring a substantial portion of our cash flow from operations for the payment of principal of, and interest on, our indebtedness and reducing our ability to use our cash flow to fund working capital, capital expenditures and general corporate requirements;

limiting our flexibility in planning for, or reacting to, changes in our business and the industry; and

placing us at a disadvantage compared to competitors with less indebtedness.

**Servicing our indebtedness will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control.**

Our ability to make payments on our indebtedness, including the notes, and to fund planned capital expenditures will depend on our ability to generate cash in the future. Harrah's Entertainment is a holding company and Harrah's Operating conducts substantially all of its operations through its subsidiaries. As a result, our ability to meet our debt service obligations substantially depends upon our subsidiaries' cash flow and payments of funds to us by our subsidiaries. This ability, to some extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

Based on our current level of operations and recent acquisitions, we believe our cash flow from operations, available cash and available borrowings under our credit facility will be adequate to meet our liquidity needs for the foreseeable future.

We cannot assure you, however, that our business will generate sufficient cash flow from operations or that future borrowings will be available to us under our credit facility in an amount sufficient to enable us to pay our indebtedness, including the notes, or to fund our other liquidity needs. We may need to refinance all or a portion of our indebtedness, including the notes on or before maturity. We cannot assure you that we will be able to refinance any of our indebtedness on commercially reasonable terms or at all.

**Although the notes are referred to as "senior notes," they will be effectively subordinated to our secured indebtedness and the indebtedness of our subsidiaries.**

The notes will be unsecured and therefore will be effectively subordinated to any secured indebtedness we may incur to the extent of the value of the assets securing such indebtedness. In the event of a bankruptcy or similar proceeding involving us, our assets which serve as collateral will be available to satisfy the obligations under any secured indebtedness before any payments are made on the notes. In addition, our subsidiaries will not guarantee the notes. In the event of a bankruptcy, liquidation or reorganization of any of our subsidiaries, creditors of our subsidiaries will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to us, except to the extent we may also have a claim as a creditor. Assuming we had completed this offering on December 31, 2003, the notes would have been effectively junior to approximately \$94.9 million of indebtedness of subsidiaries of Harrah's Operating.

**An active trading market may not develop for the exchange notes.**

There is no existing trading market for the exchange notes. The initial purchaser has advised us that they currently intend to make a market in the exchange notes. The initial purchaser is not obligated to do so, however, and any market-making activities with respect to the exchange notes may be discontinued at any time without notice.

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We do not intend to apply for listing of the private notes or the exchange notes, on any securities exchange or for quotation on the Nasdaq National Market.

The liquidity of any market for the exchange notes will depend on a number of factors, including:

the number of holders of the exchange notes;

our performance;

the market for similar securities;

the interest of securities dealers in making a market in the exchange notes; and

prevailing interest rates.

We cannot assure you that an active market for the exchange notes will develop or, if developed, that it will continue.

**The completion of our acquisition of Horseshoe Gaming Holding Corp. is subject to the review process of government entities that could delay or prevent completion of the transaction, or result in the imposition of conditions that could have an adverse effect on our operations.**

The completion of our acquisition of Horseshoe Gaming Holding Corp., or Horseshoe, is conditioned upon the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, or the HSR Act, and the approval of state gaming authorities. On November 7, 2003, we and Horseshoe announced that the Federal Trade Commission, or FTC, made a request for additional information, thereby extending the waiting period imposed by the HSR Act until 30 days after we and Horseshoe each substantially comply with the request, unless the waiting period is extended voluntarily by the parties, or terminated sooner by the FTC. We and Horseshoe are engaged in discussions with the FTC staff with respect to its request and are in the process of seeking the requisite state gaming approvals. A failure to obtain satisfactory approvals or the imposition of unfavorable terms or conditions by government entities could delay or prevent completion of the Horseshoe acquisition or have an adverse effect on our business or financial condition or results of operations.

**If you do not properly tender your private notes, you will continue to hold unregistered private notes and your ability to transfer private notes will be adversely affected.**

We will only issue exchange notes in exchange for private notes that are timely received by the exchange agent together with all required documents, including a properly completed and signed letter of transmittal. Therefore, you should allow sufficient time to ensure timely delivery of the private notes and you should carefully follow the instructions on how to tender your private notes. Neither we nor the exchange agent are required to tell you of any defects or irregularities with respect to your tender of the private notes. If you do not tender your private notes or if we do not accept your private notes because you did not tender your private notes properly, then, after we consummate the exchange offer, you may continue to hold private notes that are subject to the existing transfer restrictions. In addition, if you tender your private notes for the purpose of participating in a distribution of the exchange notes, you will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale of the exchange notes. If you are a broker-dealer that receives exchange notes for your own account in exchange for private notes that you acquired as a result of market-making activities or any other trading activities, you will be required to acknowledge that you will deliver a prospectus in connection with any resale of such exchange notes. After the exchange offer is consummated, if you continue to hold any private notes, you may have difficulty selling them because there will be less private notes outstanding. In addition, if a large amount of private notes are not tendered or are tendered improperly, the limited amount of exchange notes that would be issued and outstanding after we consummate the exchange offer could lower the market price of such exchange notes.

## USE OF PROCEEDS

The exchange offer satisfies an obligation under the registration rights agreement. We will not receive any cash proceeds from the exchange offer.

## SELECTED FINANCIAL DATA

The selected consolidated financial data below is derived from our audited consolidated financial statements. You should read the financial data presented below in conjunction with the consolidated financial statements, accompanying notes and management's discussion and analysis of results of operations and financial condition of Harrah's Entertainment, JCC Holding Company, Players International, Inc., Rio Hotel and Casino, Inc., Showboat, Inc. and Harveys Casino Resorts, all of which can be found in publicly available documents, including those incorporated by reference herein.

	Year Ended December 31,				
	2003(1)	2002(2)	2001(3)	2000(4)	1999(5)
	(in millions, except per share amounts and ratios)				
<b>Income Statement Data:</b>					
Revenues	\$ 4,322.7	\$ 4,098.5	\$ 3,648.5	\$ 3,290.4	\$ 2,853.6
Income from operations	726.3	771.8	573.3	240.7	539.0
Income before income taxes and minority interests	475.7	533.7	345.7	16.3	340.7
Income/(loss) from continuing operations	292.0	323.2	207.2	(12.3)	207.2
Income/(loss) before cumulative effect of change in accounting principle	292.6	326.2	209.0	(12.1)	208.5
Net income/(loss)	292.6	235.0	209.0	(12.1)	208.5
Net income/(loss) per share-diluted	2.65	2.07	1.81	(0.10)	1.62
Cash dividends declared per common share	0.60				
<b>Other Financial and Operating Data:</b>					
Cash flows from operating activities	737.2	732.4	786.7	525.6	480.5
Interest expense, net of interest capitalized	(234.4)	(240.2)	(255.8)	(227.1)	(193.4)
Ratio of earnings to fixed charges(6)	2.8x	2.9x	2.1x	2.2x	2.6x
	<b>At December 31,</b>				
	2003	2002	2001	2000	1999
<b>Balance Sheet Data:</b>					
Total assets	\$ 6,578.8	\$ 6,350.0	\$ 6,128.6	\$ 5,166.1	\$ 4,766.8
Short-term debt, including current portion of long-term debt	1.6	61.7	32.6	345.9	2.9
Long-term debt	3,671.9	3,763.1	3,719.4	2,835.8	2,540.3
Stockholders' equity	1,738.4	1,471.0	1,374.1	1,269.7	1,486.3

(1) Our results for the year 2003 include \$11.1 million in pretax charges for write-downs, reserves and recoveries and \$19.1 million in charges for premiums paid for, and write-offs associated with, debt retired before maturity.

(2) Our results for 2002 include \$5.0 million in pretax charges for write-downs, reserves and recoveries, a \$6.1 million charge for our exposure under a letter of credit issued on behalf of National Airlines, Inc. and a charge of \$91.2 million, net of tax benefits of \$2.8 million related to a change in accounting principle. 2002 also includes the financial results of Jazz Casino Company LLC from the date of our acquisition of a majority ownership interest on June 7, 2002. 2002 results have been reclassified to reflect Harrah's

Vicksburg as discontinued operations.

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- (3) Our 2001 results include \$22.5 million in pretax charges for write-downs, reserves and recoveries and \$26.2 million of income from dispositions of nonstrategic assets and the settlement of a contingency related to a former affiliate. 2001 also includes the financial results of Harveys Casino Resorts from its July 31, 2001, date of acquisition. 2001 results have been reclassified to reflect Harveys Colorado and Harrah's Vicksburg as discontinued operations.
- (4) Our 2000 results include \$220.0 million in pretax reserves for receivables not expected to be recovered from JCC Holding Company and its subsidiary, Jazz Casino Company LLC, \$6.1 million in pretax charges for other write-downs, reserves and recoveries and \$39.4 million in pretax write-offs and reserves for our investment in, loans to and net estimated exposure under letters of credit issued on behalf of National Airlines, Inc. 2000 also includes the financial results of Players International, Inc. from its March 22, 2000, date of acquisition. 2000 results have been reclassified to reflect Harrah's Vicksburg as discontinued operations.
- (5) Our results for 1999 include \$2.2 million in pretax charges for write-downs, reserves and recoveries, \$59.8 million of gains from sales of our equity interests in nonconsolidated affiliates and \$17.0 million in losses on debt retired before maturity. 1999 results have been reclassified to reflect Harrah's Vicksburg as discontinued operations.
- (6) The ratio of earnings to fixed charges is computed by dividing income/(loss) from continuing operations by fixed charges. For this purpose, "earnings" include net income (loss) before taxes and fixed charges. "Fixed charges" include interest, whether expensed or capitalized, amortization of debt expense and the portion of rental expense that is representative of the interest factor in these rentals.

See the information under the caption "Material Federal Income Tax Consequences of the Exchange" below.

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## REGULATION AND LICENSING

The ownership and operation of casino gaming facilities are subject to extensive governmental regulation. Each of the jurisdictions in which we operate gaming facilities requires us to hold various licenses, findings of suitability, registrations, permits, and approvals, collectively referred to herein as Gaming Licenses.