



Chester Downs and Marina, LLC

Pennsylvania Gaming Control Board

08.18.2011

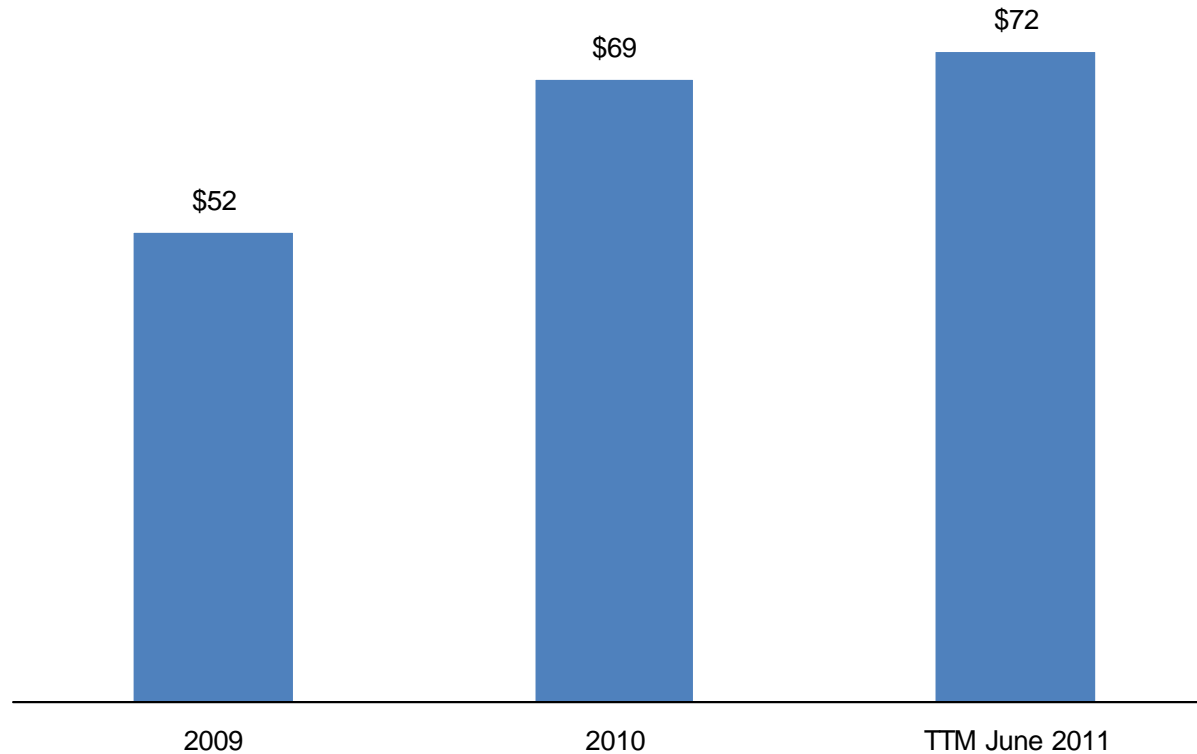


Harrah's Chester Liquidity Position

- Harrah's Chester generates sufficient cash flow to effectively reinvest in our business to ensure long term growth and service debt

Annual Operating Cash Flow – Before Capex and Debt Service

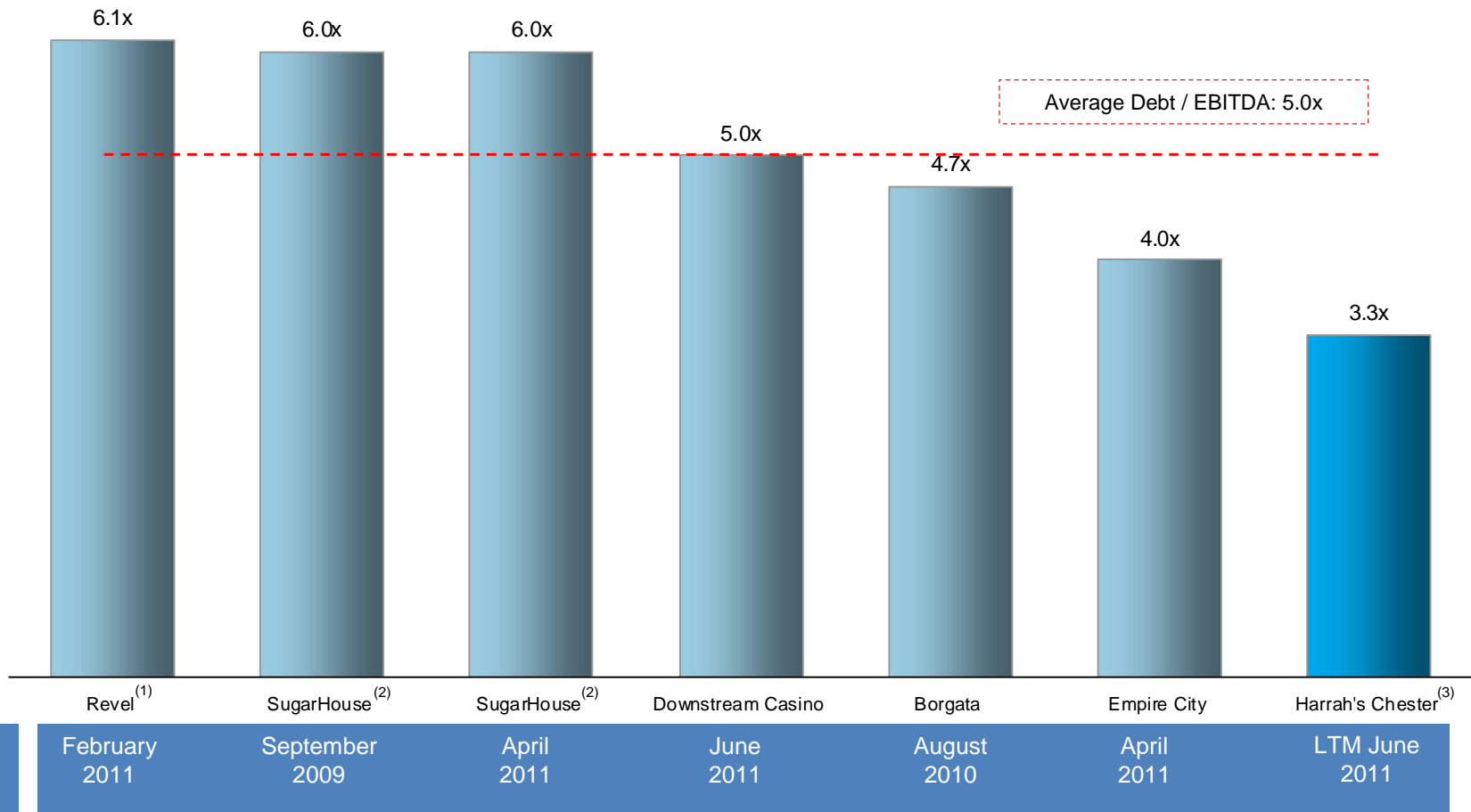
(\$ in millions)



Source: Audited Statements of Operations and Cash Flows, Deloitte & Touche LLP



Debt / EBITDA for Recent Gaming Financings

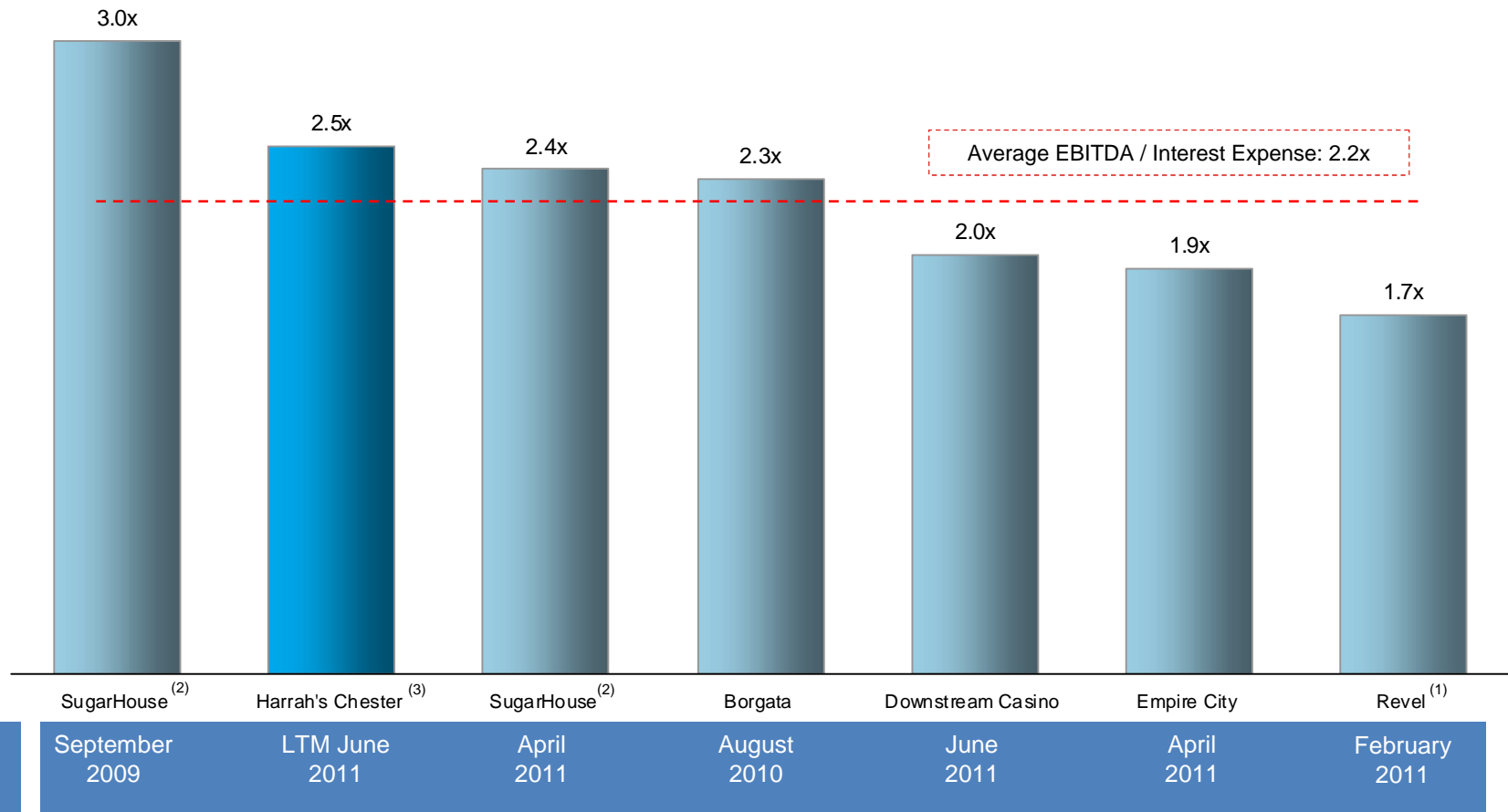


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(1) Estimated EBITDA for the year of 2013.
 (2) Reflects Rating Agencies' estimated EBITDA for the first full year of operation.
 (3) LTM Debt / EBITDA as of June 2011.



EBITDA / Interest Expense for Recent Gaming Financings



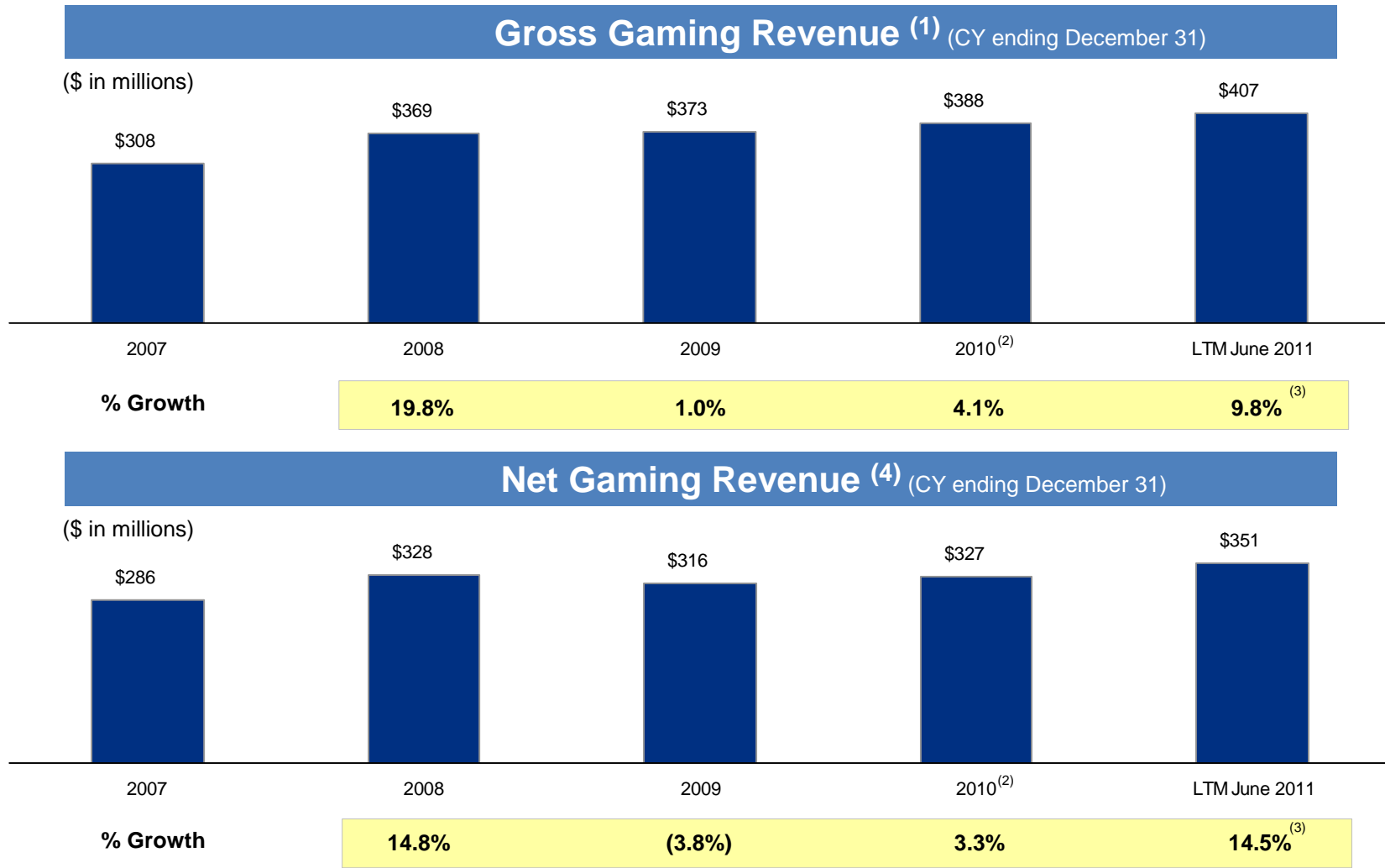
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Harrah's Chester Revenue Growth

— Harrah's Chester has delivered consistent growth in revenues, with a GGR CAGR of 8.0% from 2007 to 2010



Source: Pennsylvania Gaming Control Board

(1) Gross gaming revenue includes slot win and table win

(2) SugarHouse Casino opened in September 2010.

(3) LTM 6/30/2011 growth calculated from LTM 6/30/2010 data.

(4) Net Gaming Revenue calculated as Gross Gaming Revenue less Promotional Play and Adjustments.

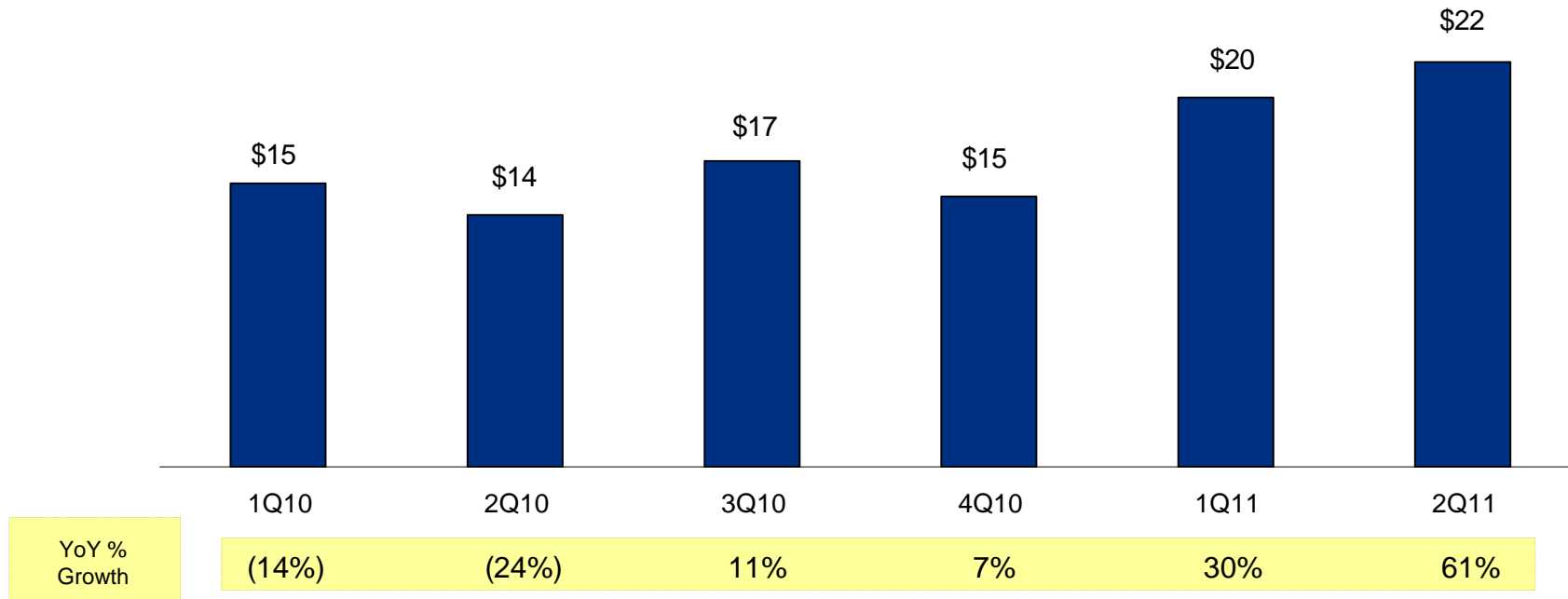


EBITDAM Growth Driven by Table Games

- Harrah's Chester has driven solid operating performance since the introduction of table games

Quarterly EBITDAM

(\$ in millions)



Source: Company reports.



Chester Downs and Marina, LLC

Overview

- § \$450M Invested
 - \$405M initial investment
 - \$36M table games expansion/upgrade
 - \$8M other capital since opening
- § 64 Acre Brownfield Site
- § 5/8 Mile harness track

Major Accomplishments

- § Over 10 million visitors since opening, 2.9M visitors in 2011
- § Over 1,800 jobs created
- § \$1.5M charitable contributions since opening
- § Purchased \$2.7M in goods and services from PA businesses in 2011

Paid Over \$903M in taxes since opening

- § Over \$499M to the Commonwealth (34% Slots and 14% Tables)
- § Over \$67M to the Economic Development & Tourism fund and Delaware County (5% Slots only and 1% Tables)
- § Over \$103M to the Chester and Land Lease (8% Slots and 5% Tables)
- § Over \$166M to the PA Race Horse Development fund (12% Slots only)
- § Over \$66M to the Commonwealth for license fees (\$50M slots + \$16.5M tables)





Property Performance Overview

June net revenue growth YoY of 16%

§ Over 2.8M visitations in 2010, 3M projected in 2011

CET Company Wide – Jun YTD

- 3rd in Slot Win and Poker Win
- 7th in Table Win
- 4th in Total Gaming Revenue

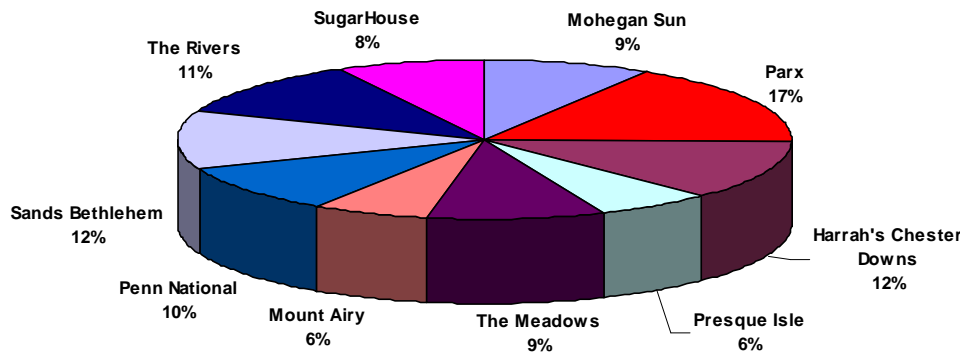
Pennsylvania (through Jun)

- 2nd in Slot Win (3rd in Tri-State area)
- 3rd in Table Win
- 2nd Poker Win



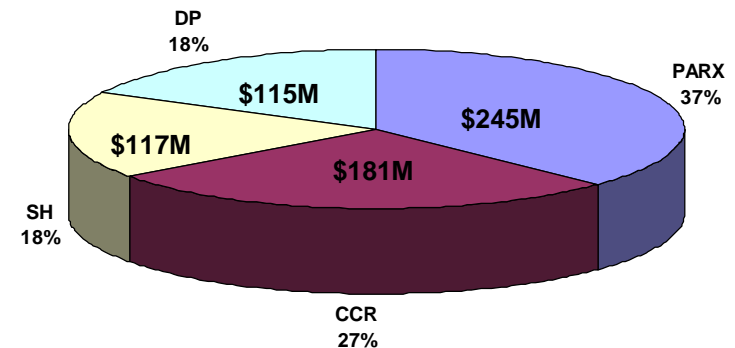
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PA Net Market Share YTD (Slots, Tables, & Poker)



\$3.0B PA Market

Local Market Share YTD (CCR/PARX/SH/DP)



\$1.3B Local Market



2011-12 Capital Planning

2011 - Spent over \$1.7M on new slot technology, World Series of Poker tournament room, and other property maintenance capital

2012 - Focus on revitalizing Food & Beverage outlets, expanded parking, property maintenance, IT upgrades, and more slot technology improvements



GPG - Window opens and game screen resizes to the right. Guest can touch any area of sliver and it will close.



CET is testing latest slot technology at Chester before releasing to AC properties



Marketing Efforts

Booking record amount of entertainment for Chester property

- § Brought Boxing and MMA to Chester in 2011
- § Testing outdoor entertainment in September
 - Utilizing Racetrack infield

Launched world-renowned WSOP Tournament

- § Already Committed for 2012

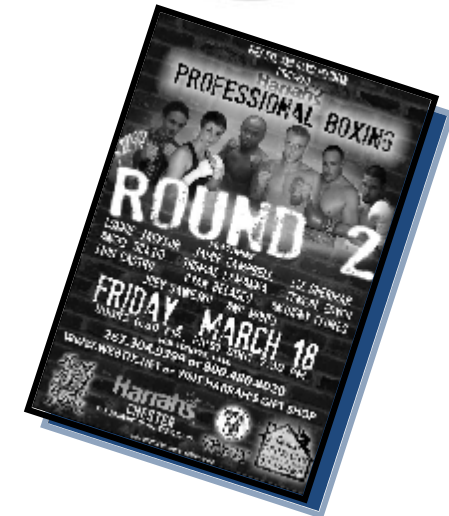
Spent \$9.8M in advertising since opening

- § Projected to Spend \$2.2M in 2011

Total Rewards / Industry's #1 Rewards Program

- § Number One reason for property visitation
- § Leveraged Caesars Entertainment Database and Analytical Abilities

Ready to Launch Slot Tournaments when approved





Creating Careers

Harrah's Chester has over 1,800 employees

Excellent pay and valuable benefits including health insurance and retirement plan

Paid \$136.5M in Wages to our employees and another \$56.2M for payroll Taxes and benefits

§ Current average hourly wage rate → \$10.19 (not including benefits)

§ Current average annual salary → \$55,033 (not including benefits)

We currently employ 727 union workers

Approximately 130 employees are Chester Residents

Partnership with Chester Youth Collaborative

§ 2 interns from Chester Upland School district

Employee Engagement initiatives

§ Future Leaders 101

§ Legendary Leadership Enrichment training

§ Rewards Me program



Harrah's bets on interns

Published: Saturday, July 30, 2011

in conjunction with the Chester Youth Collaborative, Harrah's has offered Rotin and Kristie McClairen-Barnes, a Lincoln University junior, positions in the food and beverage and marketing departments, respectively, for six weeks.



Investment in our communities

\$1.5M in charitable contributions over the past 5 years

- § Workforce Investment board → \$500K
- § Alzheimer's Association → \$62K
- § United Way of Southeast Delaware Co → \$56K
- § Chester Resident Scholarship Fund → \$400K
- § DCCC Stem Center → \$250K
- § YWCA Computer Lab → \$28K
- § College Resource Center at Chester High School → \$16K
- § Chester Education Foundation Project Transition → \$120K
- § Walk to Work program 2010 Launch



Adopt a highway 2011

15% of our employees are HERO volunteers in 2011

- § Over 759 hours volunteered this year
- § 251 pints of blood and 318 volunteers for the Red Cross Blood Drive
- § 70 volunteers for Relay for Life

Executive Committee serve on 18 local community organizations

- § Chester Education Foundation / Delaware County Chamber of Commerce / Philadelphia Chamber of Commerce / Institute of Economic Development / Boys & Girls Club of Chester / Delaware County Youth Council



Committed to Diversity

46% of Harrah's Chester employees are minorities and 43% are women

§ Our recruitment team hosted over 20 diversified service companies and 10 local colleges for a Community Partner Breakfast in Q2

Hosted supplier workshop with PA/DE/NJ Minority Supplier Dev. Council

§ 04.06.2011

Focused on PA vendors

§ 23.5% or 2.7M of Goods and Services are Purchased from PA businesses

Focused on local vendors

§ 3% or \$356K of Goods and Services are Purchased from local Chester businesses

