HARRAH'S SURVEY | 2006

PROFILE OF THE AMERICAN CASINO GAMBLER

TRENDSETTERS

HARRAH'S ENTERTAINMENT

Foreword

Casino gambling is a popular and exciting leisure time activity for adults, and last year more than 52 million Americans enjoyed a visit to a casino. According to a 10-year U.S. trend survey conducted by Scripps Survey Research Center at Ohio University earlier this year, 58 percent of adults have gambled in a casino at least once. Most striking of all is the finding that, for the first time, a majority of U.S. adults now favor licensed casinos in their own states.

Today, the enthusiasm for casinos stems from much more than the excitement of slots and table games. It's common for gaming venues to be multifaceted entertainment complexes. While there, adults eat great meals in some of the finest restaurants in the world, take in amazing performances in our showrooms, and dance the night away in our lounges and clubs. They find pleasure in a night out with friends, or relax for a few days in the comfort and opulence of our resorts.

Since 1993, when the first Harrah's Survey was published, we've learned a lot about the American gambler, and we've dispelled a few myths as well. We've learned that gamblers as a group are financially responsible, save more than non-gamblers and are better prepared for their future needs. We've seen that they enjoy great service, wonderful amenities, and sharing time with their friends. Compared with non-gamblers, they are more active and enjoy a wider variety of experiences in travel, dining and community involvement.

In the 2006 Harrah's Survey, we explore the notion that gamblers are trendsetters. As we examined the attitudes of gamblers, we discovered that they are often asked by friends and neighbors for advice on food, travel, new technology – even home decorating and automotive choices. Just as gamblers like to try new activities, they also tend to be the first to buy new products, and to tell their families and friends about the experience. And no doubt, they have shared the news about the great times that they have enjoyed in casinos.

We hope you gain new insight from this report into the American casino gambler, and we welcome your comments or questions about our survey.

Gary W. Loveman
Chairman of the Board, Chief Executive Officer and President
Harrah's Entertainment, Inc.

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Methodology

Profile of the American Casino Gambler: Harrah's Survey 2006 is based on two studies: the National Profile Study and the U.S. Gaming Panel, conducted by Roper Reports GfK NOP and TNS respectively. Both studies used nationwide samples. U.S. Census population data was also used in this report.

National Profile Study

Roper Reports from GfK NOP administered face-to-face interviews to a nationwide sample of 2,000 adult men and women in the respondents' homes. The interviews were conducted in four waves between February and December 2005. "Casino gamblers" were defined as respondents who indicated that they had gambled in a casino during the 12 months prior to being interviewed.

The margin of error for a question in the Roper Reports from GfK NOP survey answered by all respondents at a 95% confidence level is approximately +/- 2.2%. The results of the National Profile Study are reflected on pages 3 through 15 of this report.

Roper Reports from GfK NOP is a global research firm specializing in marketing, public opinion and advertising research and consulting. Roper Reports from GfK NOP serves many of the world's leading companies, brands and institutions.

U.S. Gaming Panel

TNS mailed a survey questionnaire in 2005 to a panel of 100,000 adults (25,000 adults per quarter) 21 years of age or older within the continental United States. The survey generated 57,205 respondents, from which TNS identified the U.S. Gaming Panel, a nationally representative sample of 14,437 casino players. "Casino gamblers" were defined as respondents who indicated that they had gambled in a casino during the 12 months prior to being surveyed.

The margin of error for a question asked of all casino players is +/- 1.3% to 1.7%, depending on the confidence level. Where numbers fell outside of this confidence range, they are not reported and a small sample size is indicated. Findings from the U.S. Gaming Panel are reflected on pages 16 through 21 of this report.

TNS is the leading provider of insight into the needs, behaviors and attitudes of the American consumer. TNS offers clients a full range of marketing information services as well as the 6th Dimension, the world's largest pre-recruited managed consumer panel.

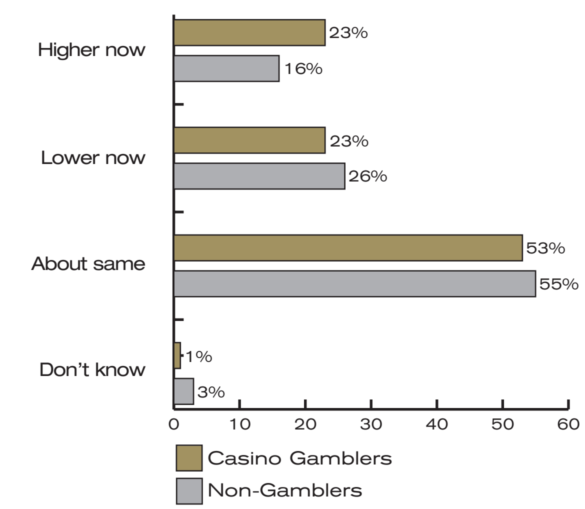
Personal Finances

Percent who agreed that they were "in control of spending and borrow only when necessary"

GAMBLERS	NON-GAMBLERS
57%	44%

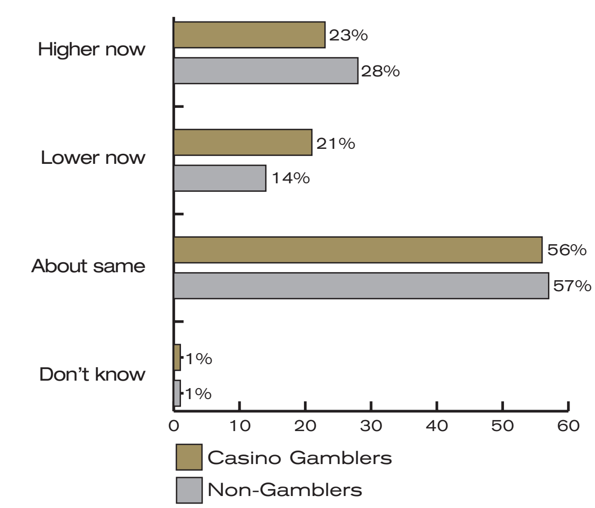
Casino gamblers are more likely than non-gamblers to have increased their savings and decreased their debt over the past year. Majorities of both groups, however, indicate that their personal financial situations remained about the same in 2005 as compared to 2004. When asked about statements that best describe their current situation, non-gamblers are more likely to report that they are just living from one day to the next, while gamblers are more likely to report that they are putting away money for the future.

What amount do you have in savings compared to one year ago?



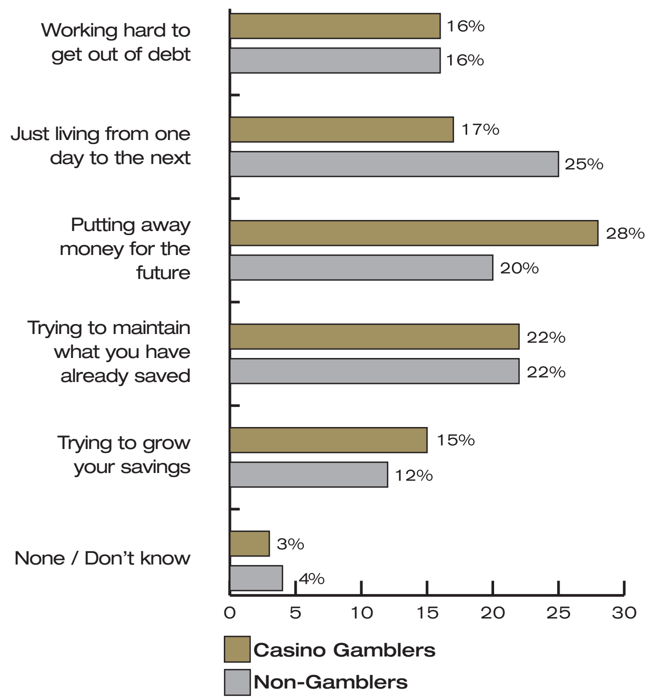
Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

What are your current personal debts and financial obligations compared to one year ago?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

What statement best describes your current financial situation?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

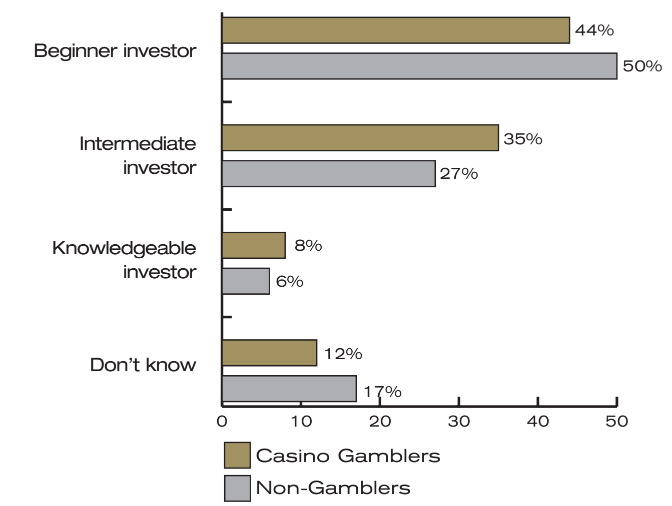
Financial Planning

Non-gamblers are more likely to rate themselves as "Beginners" when it comes to investment decisions, while casino gamblers are more likely to indicate that they have intermediate or advanced investment skills. More non-gamblers than gamblers are interested in putting their money into the safest place, while gamblers show more interest in increasing the value of their holdings. Across the board, gamblers have more confidence than non-gamblers in their financial planning and decisions.

Generally optimistic about the future of their personal financial situation

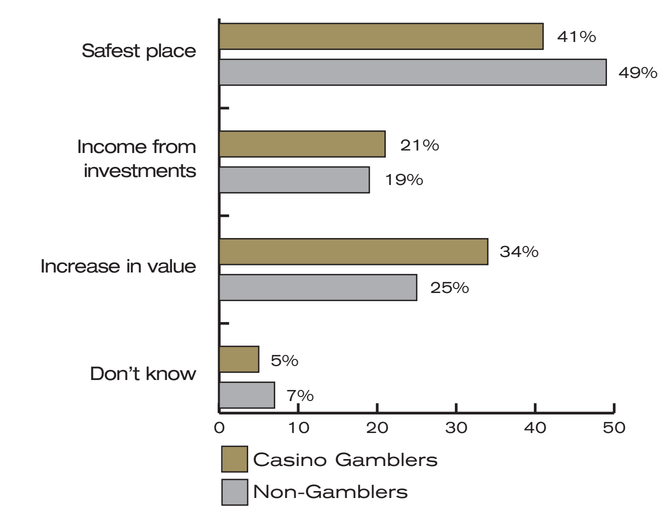
GAMBLERS	NON-GAMBLERS
78%	68%

What level of investor do you consider yourself?



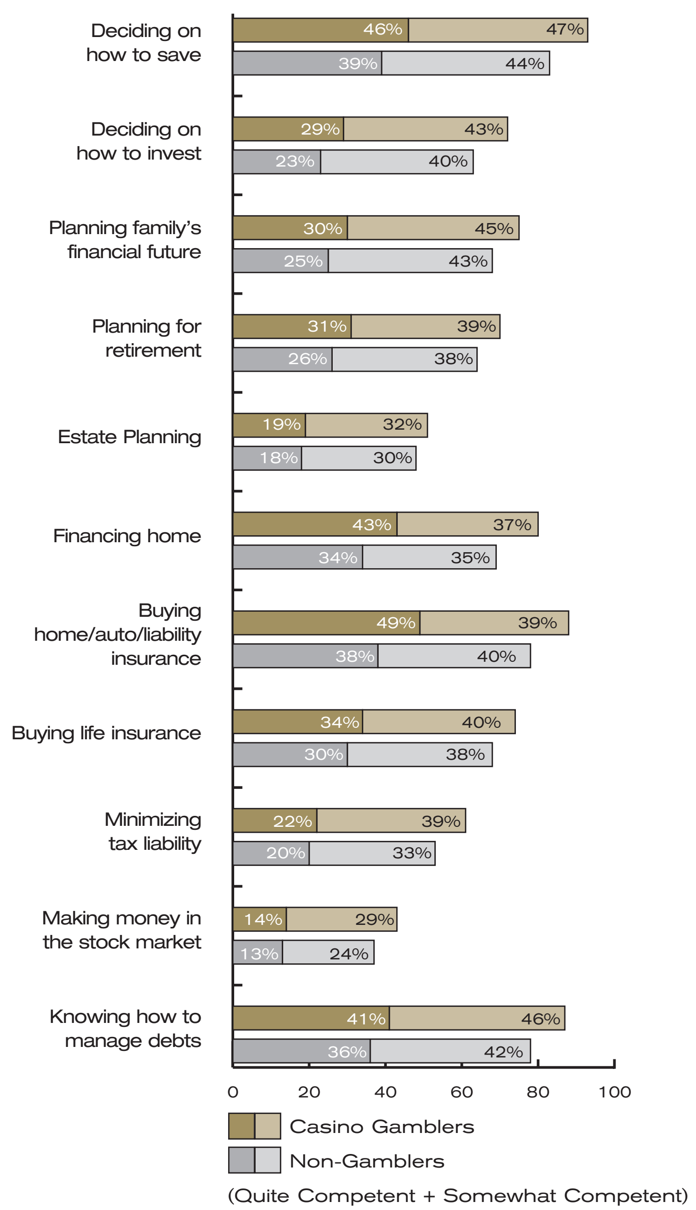
Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

When you consider the best places to have money, what are you thinking most in terms of?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

What is your confidence in decisions concerning financial products and financial activities?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

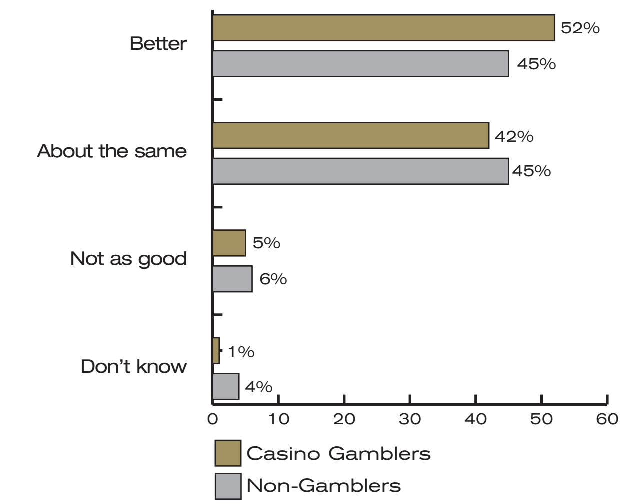
Money Management Attitudes

Asked by others for their opinion on how to invest

GAMBLERS	NON-GAMBLERS
20%	12%

Gamblers have higher expectations for their immediate economic prospects than non-gamblers. When queried about whether this is a good time to make major purchases, non-gamblers are slightly more pessimistic. In most investment matters, casino gamblers more frequently turn to professional advisors even though they rate themselves as more experienced and have more confidence in their decisions. Each group reports that they look most often to friends and relatives when seeking financial advice, but gamblers are more often asked by others for advice regarding investments.

What are your personal expectations for the coming year?



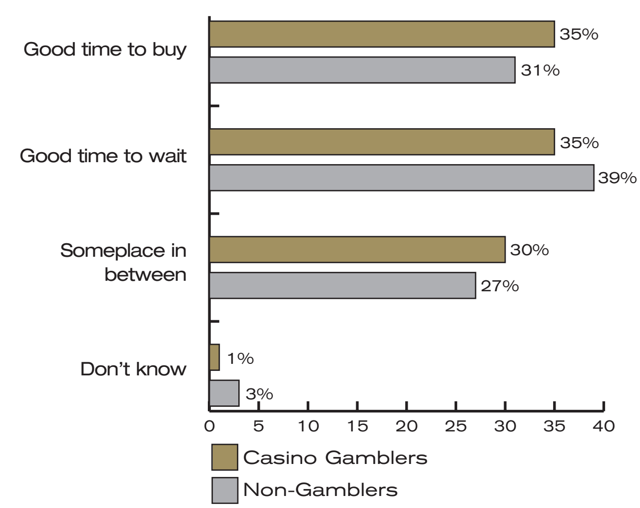
Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

What sources do you turn to for advice on financial matters?

	Gamblers	Non-Gamblers
Friends / relatives	37%	37%
Bank officer	24%	20%
Financial planner	25%	17%
Accountant / CPA	23%	17%
Lawyer	13%	12%
Full-service stock broker	10%	8%
Other professional financial advisor	12%	8%
Insurance agent or representative	8%	5%
Employer	5%	5%
Credit counselor	4%	3%
Finance company	5%	3%
Real estate broker	3%	4%
Discount stock broker	5%	1%
Radio / TV financial commentators	3%	2%
None / Rely on yourself	17%	25%
Don't know	< 1%	1%

Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Is now a good time to buy, or a good time to wait to make purchases?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

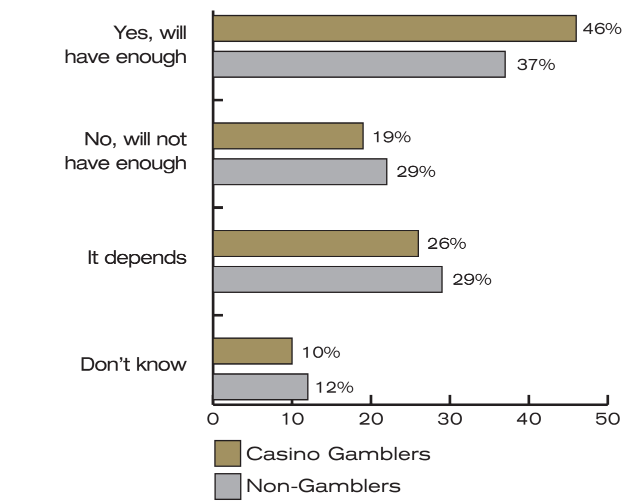
Planning for Retirement

During their working years, gamblers have higher expectations than non-gamblers that they will have sufficient resources to live comfortably during retirement, and are more likely to be looking forward to their retirement years. They are also more frequently putting aside money regularly for their retirement. Only a small percentage of each group has taken the time to acquire the most common estate planning tools before retirement.

Those not retired who have given any thought to their retirement years

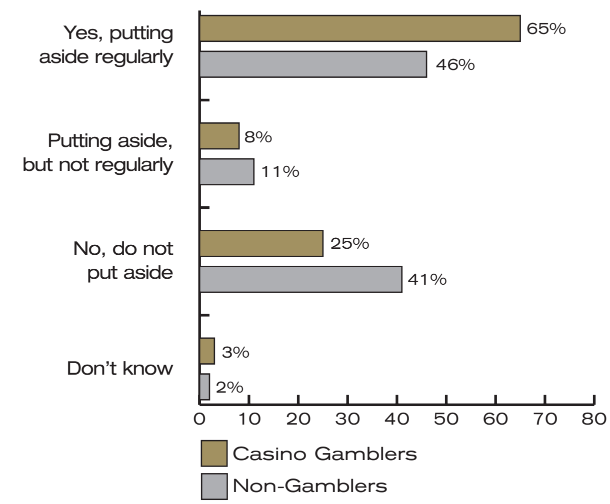
GAMBLERS	NON-GAMBLERS
74%	60%

Asked of those not retired: Do you expect to have enough money to live comfortably during your retirement?



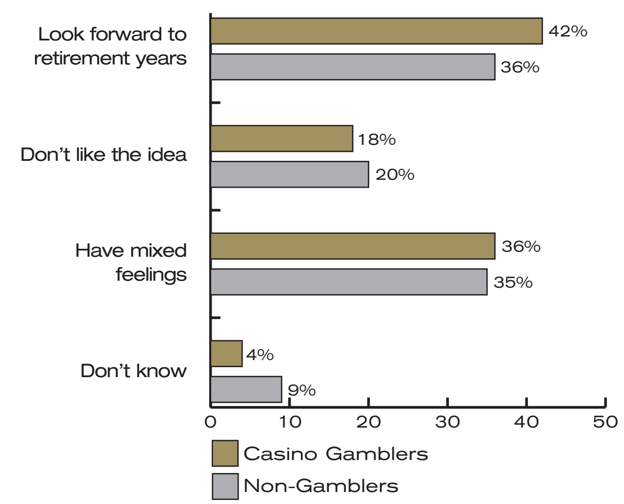
Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Asked of those not retired: Aside from pensions, are you regularly putting money away for retirement?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Asked of those not retired: What are your feelings toward your retirement years?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Asked of those not retired: What legal documents or estate planning tools do you currently have?

	Gamblers	Non-Gamblers
A will	29%	27%
A trust	9%	6%
Durable power of attorney	11%	9%
Healthcare power of attorney	11%	8%
A living will	13%	14%
None of these	60%	63%
Don't know	< 1%	2%

Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

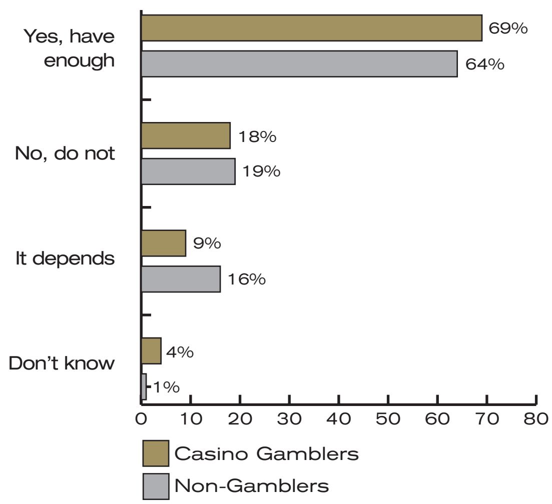
Retirement Finances

Retirees who are able to count on income from their savings and investments

GAMBLERS	NON-GAMBLERS
50%	33%

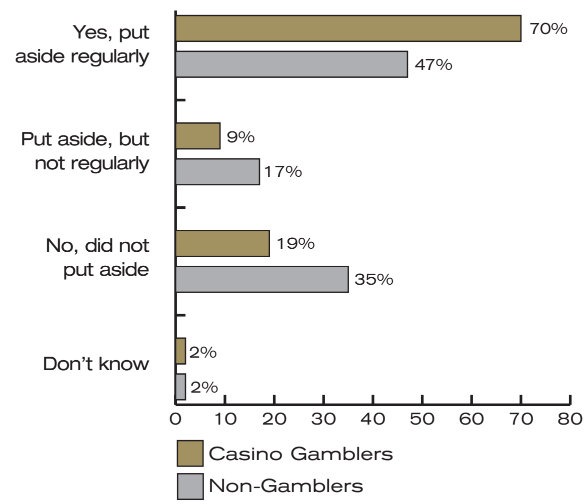
Retirees who are non-gamblers report enjoying their retirement less than those who are gamblers, and although a clear majority of both groups report having sufficient resources to live comfortably, gamblers indicate they are slightly better off. Most retirees have a will, but a higher percentage of gamblers than non-gamblers have obtained legal and estate planning tools.

Asked of those retired: Do you have enough money to live comfortably during your retirement?



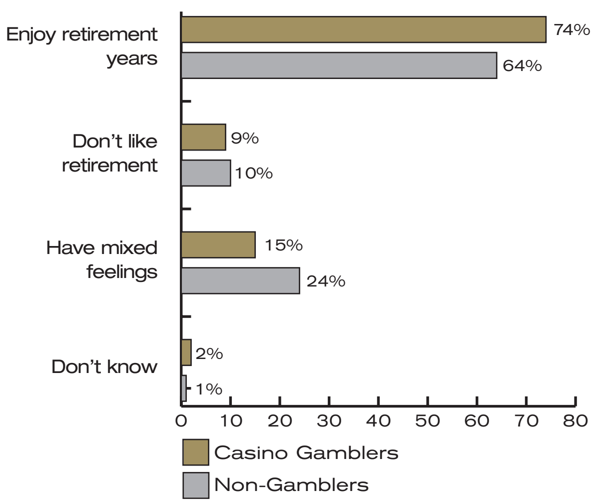
Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Asked of those retired: Aside from pensions, did you regularly put money away for retirement?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Asked of those retired: What are your feelings about retirement?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Asked of those retired: What legal documents or estate planning tools do you currently have?

	Gamblers	Non-Gamblers
A will	76%	63%
A trust	23%	14%
Durable power of attorney	26%	22%
Healthcare power of attorney	32%	23%
A living will	42%	35%
None of these	15%	28%
Don't know	2%	1%

Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Using New Technologies

The enthusiasm of casino gamblers for new consumer technologies is reflected in both their attitudes and their purchases. While gamblers and non-gamblers use the Internet for similar purposes, gamblers use the Internet more frequently in their daily lives. Gamblers are also much more likely to own the latest consumer electronics and lead non-gamblers in ownership of every new technology mentioned in the survey except VOIP (Internet phone service).

Asked by acquaintances for their opinion on new technology

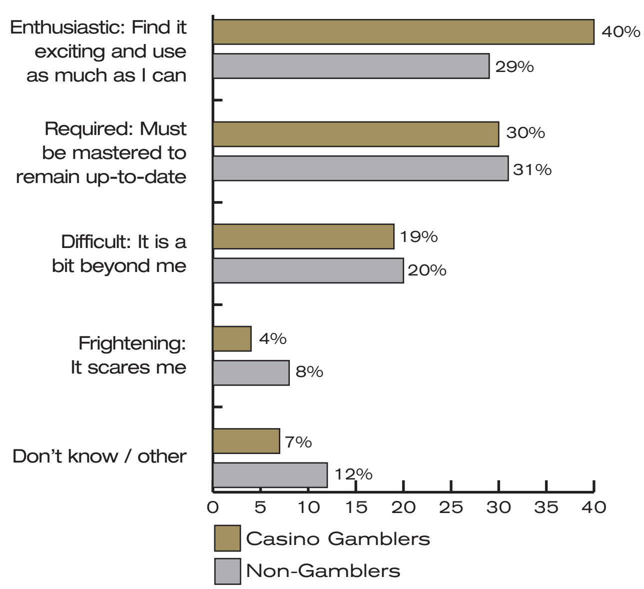
GAMBLERS	NON-GAMBLERS
21%	7%

For what have you used the Internet in the past 30 days?

	Gamblers	Non-Gamblers
Stay in touch by e-mail	51%	44%
Education for myself or my children, such as doing homework	37%	29%
Access news	40%	28%
Find out product information	36%	29%
Find out travel information	41%	25%
Play games alone or with others	28%	19%
Get information related to health care	25%	19%
Make bank transactions or pay bills	25%	17%
Share photos or video clips with others	20%	12%
Do office-related work at home	16%	12%
Haven't used Internet in past 30 days	23%	31%

Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

What is your attitude about new technology?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Which of these products do you own?

(asked only of those who had heard of the product)

	Gamblers	Non-Gamblers
DVD player	71%	54%
CD burner / recording CD player	44%	31%
Digital camera (still photos)	37%	26%
Video gaming system	27%	22%
Video camera (camcorder)	24%	21%
Digital cable	23%	19%
Broadband modem	27%	16%
DVD burner	23%	15%
Satellite TV system	20%	15%
Digital video camera (digital camcorder)	15%	13%
Laptop computer	14%	13%
MP3 player	18%	10%
Digital video recorder (such as TiVo)	15%	8%
High definition TV	11%	8%
PDA or electronic organizer	10%	7%
Wireless computer modem	8%	6%
Projection TV (40 inches or more)	9%	6%
Wireless computer network	5%	4%
GPS (global positioning system)	4%	4%
Flat panel TV, plasma TV	6%	3%
Satellite radio	6%	2%
VOIP (phone calls over Internet)	< 1%	1%

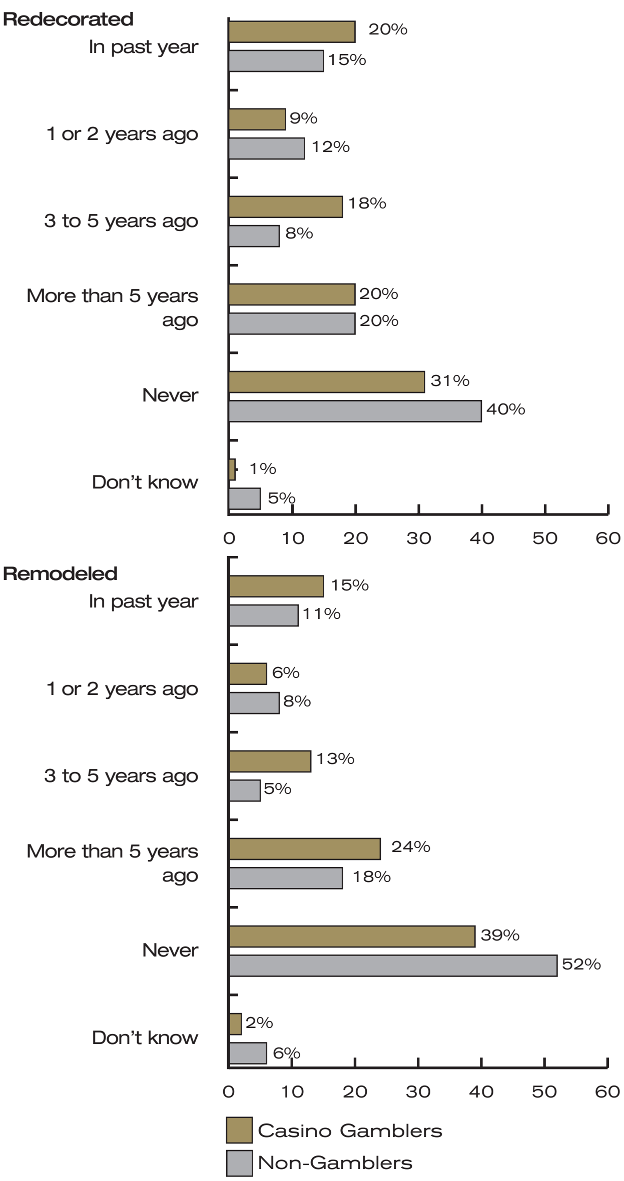
Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Home Environment

Homeownership Rate	
GAMBLERS	NON-GAMBLERS
78%	72%

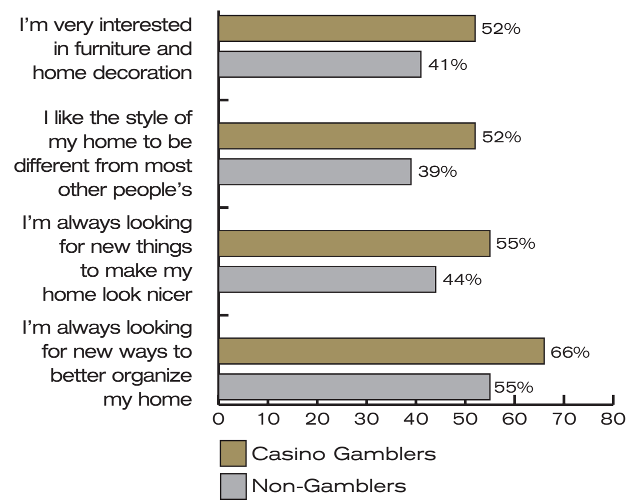
Casino gamblers take great interest in improving their homes and living environments and redecorate or remodel their homes more often than non-gamblers. They also prefer to have a distinct style to their décor and furnishings. Gamblers are also more likely than non-gamblers to anticipate purchases in the near future to renovate their homes.

When have you had major redecorating or remodeling to your home?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Do you agree with the following statements about your choices in home furniture and home decorating?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

What things do you expect to buy for your home in the next year or two?

	Gamblers	Non-Gamblers
New furniture	19%	15%
New wall-to-wall carpeting	13%	8%
New rugs	7%	6%
Interior painting	27%	17%
Enclosed porch, finished basement or finished attic	5%	3%
New kitchen cabinets, appliances or fixtures	14%	7%
New bathroom cabinets or fixtures	9%	8%
New flooring	11%	8%

Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

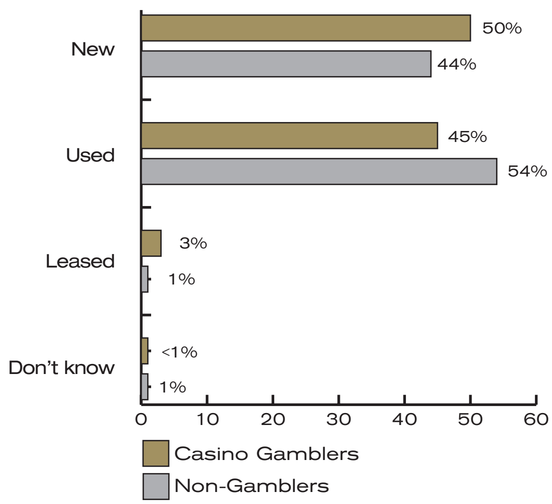
Automotive

Casino gamblers are more likely than non-gamblers to have bought a car new and they also indicate that they are slightly more likely to buy a new car in the next year or two. Gamblers are more likely to have two or three cars in their household. More non-gamblers' households have only one car, and non-gamblers are more likely to have purchased a used automobile. Non-gamblers are far more likely to drive a car that is five or more years old.

Asked advice about automobiles

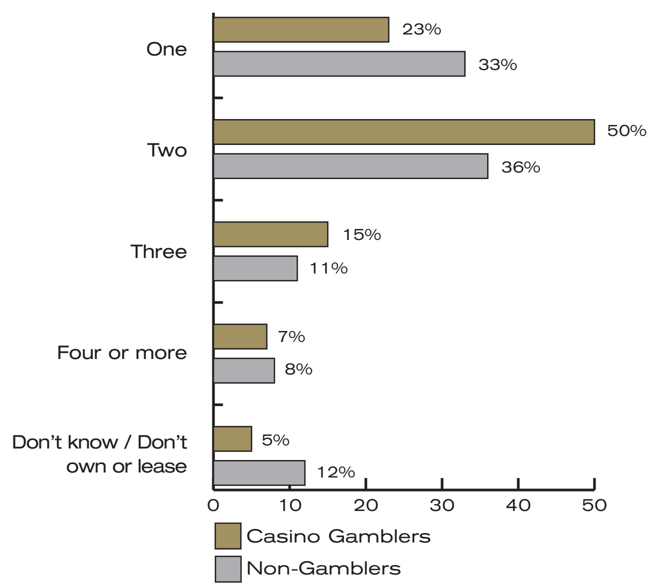
GAMBLERS	NON-GAMBLERS
28%	19%

How did you purchase the vehicle you drive most often?



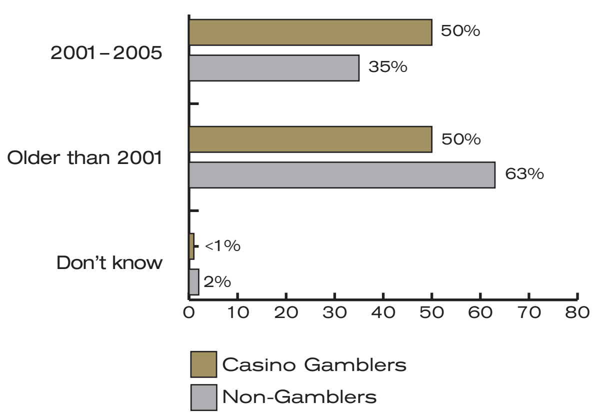
Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

What is the number of vehicles owned/leased in your household?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

What is the year of the vehicle you drive most often?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Do you plan to buy a new car in the next year or two?

	Gamblers	Non-Gamblers
Yes, plan to buy new	11%	9%
Probably, yes	9%	8%
Probably not	9%	8%
No, do not plan to buy new	67%	70%
Don't know	4%	5%

Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

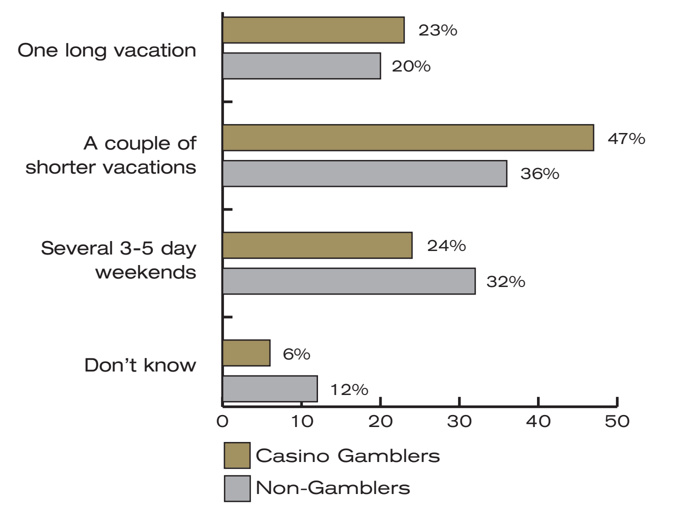
Food & Travel

Like to be the first to try new restaurants

GAMBLERS	NON-GAMBLERS
21%	12%

Casino gamblers like to take longer vacations than non-gamblers, and when traveling within the U.S. are more likely to have traveled more than 500 miles from their home for both their last vacation and their last business trip. Non-gamblers prefer to take briefer vacations, either as long weekends or as shorter breaks. They are also more likely than gamblers not to take vacations at all. For business travel, however, non-gamblers are more likely than gamblers to have traveled outside of the country. When it comes to enjoying food from a variety of cultures and regions, both gamblers and non-gamblers expressed similar preferences.

What type of vacation do you prefer?



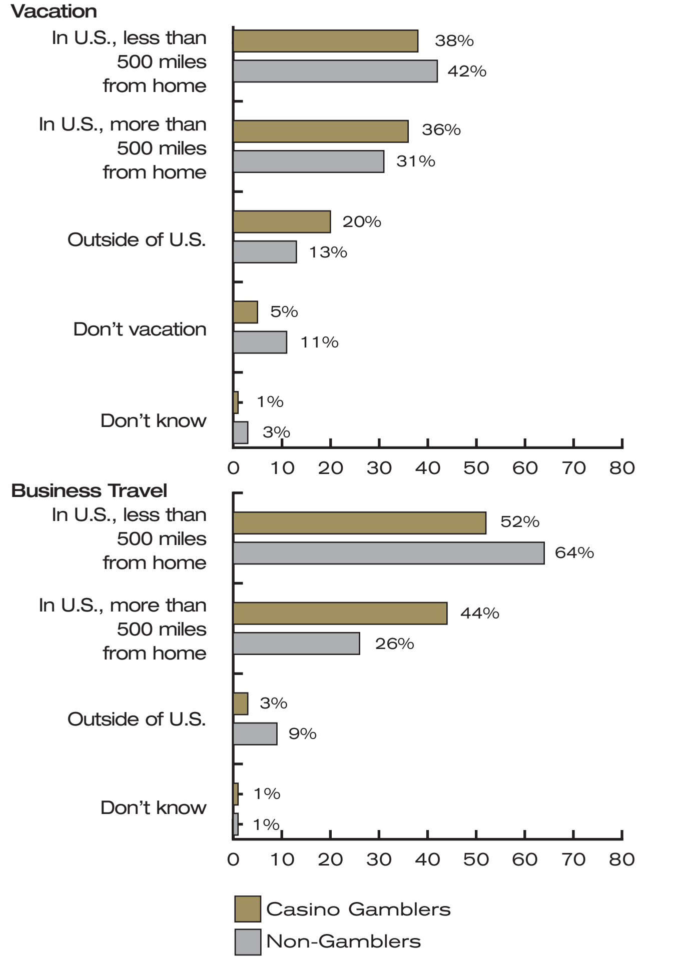
Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

What regional/national types of food do you enjoy?

	Gamblers	Non-Gamblers
Californian	24%	14%
Chinese	65%	54%
French	21%	15%
German	16%	9%
Greek/Middle Eastern	25%	17%
Indian/Pakistani	12%	9%
Italian	72%	61%
Japanese	24%	20%
Mexican/Tex-Mex	58%	54%
New England	15%	9%
Plain American	65%	68%
Southern (U.S.)	40%	39%
Spanish	25%	20%
Thai	26%	14%

Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

What are the destinations of your last vacations and business travel trips?*



*Business travel destinations asked only of those who indicated that they travel for business reasons.

Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Values

Gamblers and non-gamblers share many of the same ideas about what makes their lives successful, and both groups are generally quite satisfied with the lives they have – their homes and communities, their families, their jobs, their education and their friends. Gamblers are more likely to see their job as a career and are more likely to donate money to charitable causes, while non-gamblers are more likely to see their work as just a job. Religion plays a larger role in the lives of non-gamblers.

JOB AND CAREER

View work as a career

GAMBLERS	NON-GAMBLERS
58%	48%

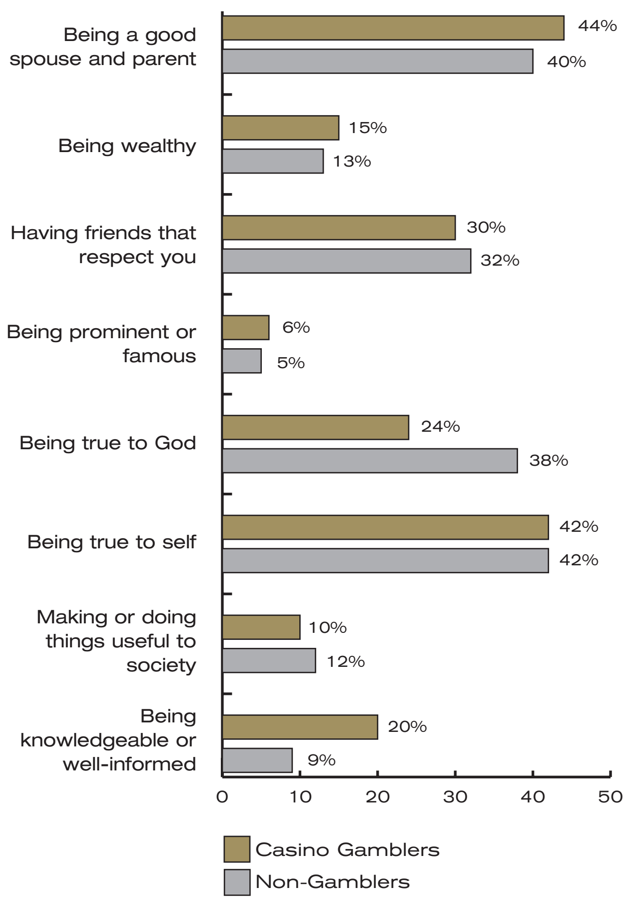
View work as just a job

GAMBLERS	NON-GAMBLERS
42%	51%

View owning own business as an ideal work situation

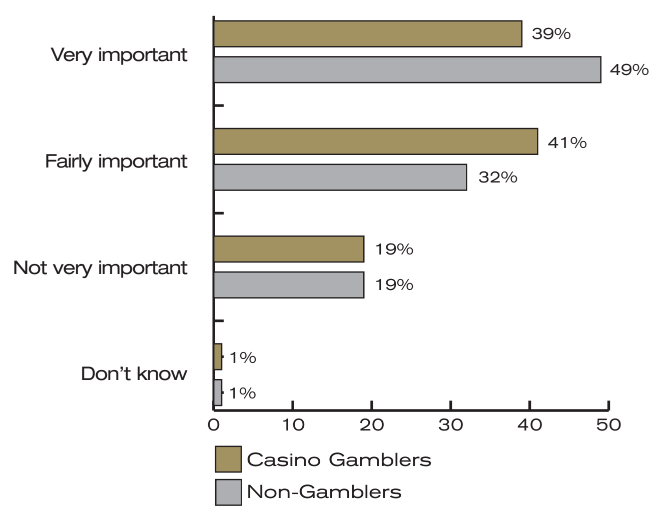
GAMBLERS	NON-GAMBLERS
50%	43%

What statements coincide with your personal expression of success?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

What is the degree of importance of religion in your own life?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Values

VOLUNTEERING

Donated time to a social issue in the past twelve months

GAMBLERS	NON-GAMBLERS
4%	4%

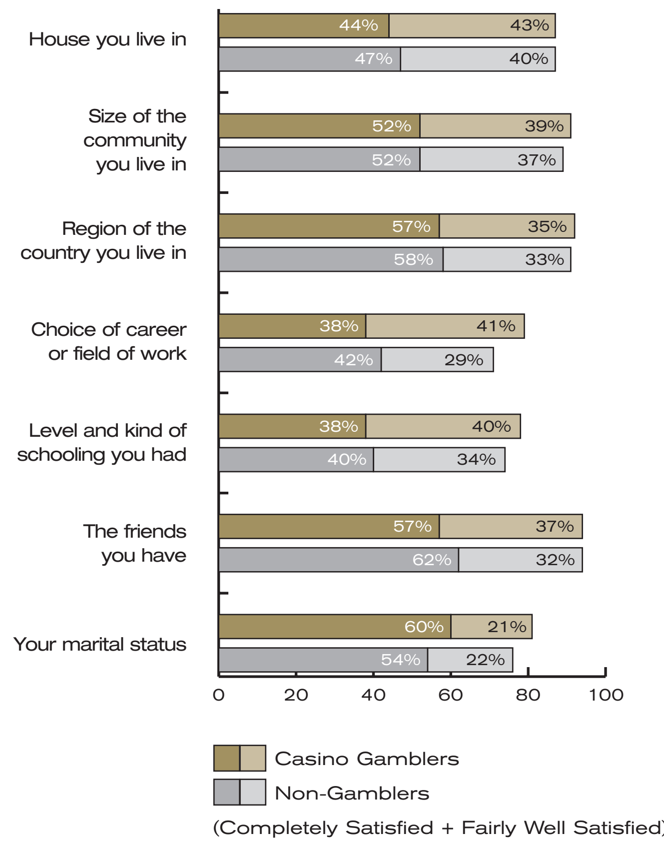
Donated money to a social issue in the past twelve months

GAMBLERS	NON-GAMBLERS
33%	20%

Donated both time and money to a social issue in the past twelve months

GAMBLERS	NON-GAMBLERS
15%	15%

What is your level of satisfaction with various aspects of your life?



Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

What causes would you like to see companies more involved with?

	Gamblers	Non-Gamblers
Improving education	32%	29%
Quality of environment	25%	20%
Drug and alcohol abuse	10%	16%
Human rights	16%	14%
Domestic violence	12%	16%
Child abuse	18%	23%
Homelessness	28%	23%
Animal rights	8%	9%
Illiteracy	10%	13%
Medical research and disease treatment	35%	26%
Providing housing	13%	18%
Hunger	23%	26%
Disaster relief	26%	22%

Source: Harrah's Entertainment, Inc. / Roper Reports from GfK NOP

Trendsetters

OPTIMISTIC

Gamblers are more optimistic, with 52% expecting the year to be better, while non-gamblers had lower expectations with only 45% anticipating a better year.

RETIREMENT EXPECTATIONS

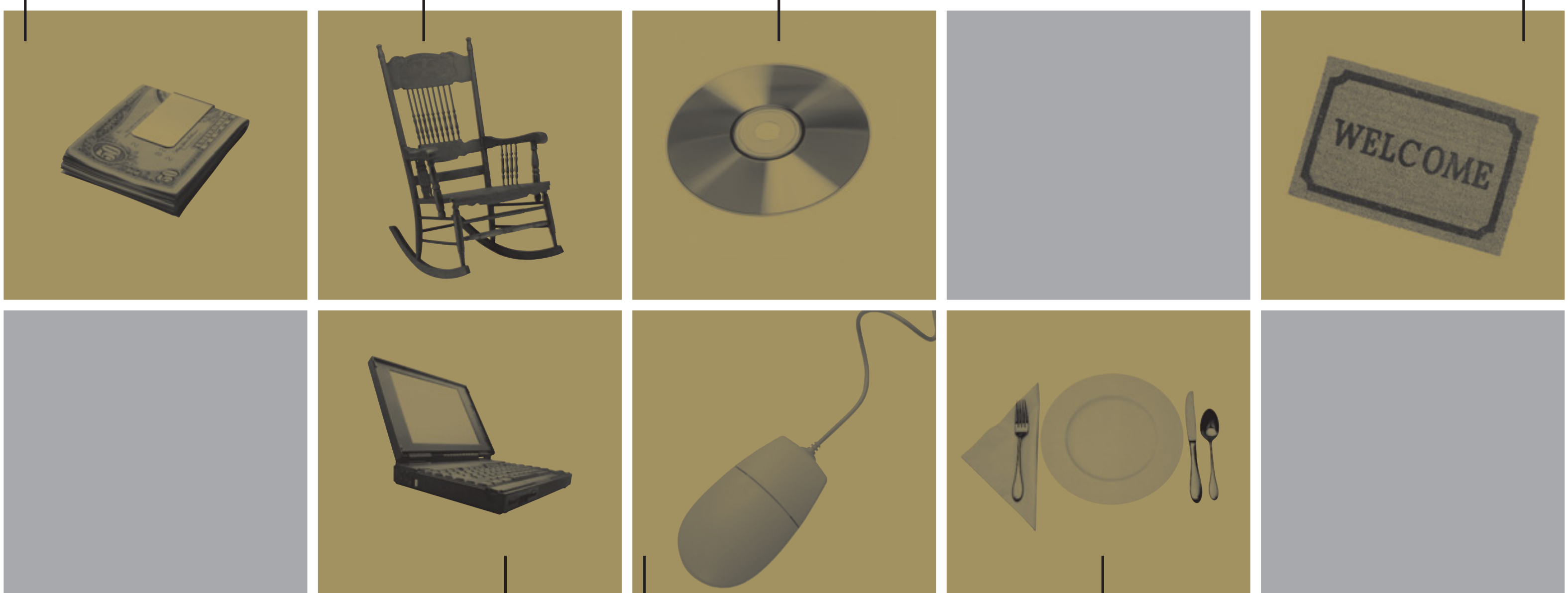
More gamblers (17%) than non-gamblers (11%) expect to start their own business in retirement.

TECHNOLOGY IN THE HOME

In 2001, 13% of survey respondents owned a DVD player. In 2005, that number had increased to 59% overall, and 71% for gamblers.

IMPROVING THE HOME

Gamblers are consulted more frequently by friends and neighbors on ideas for the home (25% vs. 19% for non-gamblers).



TECHNOLOGY IN THE HOME

More gamblers (79%) than non-gamblers (65%) have a home computer (PC or laptop). Gamblers are also more likely to have more than one computer in the home (21%) than non-gamblers (16%).

RESEARCHING PURCHASES

Gamblers tend to spend time researching brands before a major purchase (38% vs. 24% for non-gamblers), and are more likely to use the Internet as a source of information (gamblers 36%, non-gamblers 29%).

EATING OUT

Gamblers are more likely (21%) to try new restaurants than non-gamblers (12%).

Source: Harrah's Entertainment, Inc./Roper Reports from GfK NOP

FOOD AND BEVERAGE

Gamblers like to try trendy new foods and beverages (25% vs. 16% for non-gamblers).

EXPERIENCING MUSIC

More gamblers are owners of MP3 players (18%) than non-gamblers (10%).

PLANNING TRAVEL

Gamblers are more likely to view the Internet as a good source for travel planning and information (32%) than non-gamblers (17%).

SHOPPING FOR CLOTHES

When deciding on clothing, the "latest fashion" is more important to gamblers than non-gamblers (22% vs. 15%).

CHOOSING A HOTEL OR RESORT

Gamblers are more often asked for advice on where to go on vacation (29%) than non-gamblers (21%).

COOKING NEW RECIPES

Gamblers like to experiment with cooking (42% vs. 32% for non-gamblers).

PURCHASING CARS

When cars first come on the market, casino gamblers are more likely to be buyers (24%) than non-gamblers (18%).

U.S. Casino Visitation

Casino gambling is a very popular entertainment for U.S. adults. More than 25% of Americans age 21 and older gambled at a casino at least once during 2005, and Americans made more than 320 million total visits to casinos. Adults with annual household incomes exceeding $95,000 are the most likely to visit a casino. This group has a casino gambling participation rate that is 55% higher than that of the lowest income bracket. The national casino gambling participation rate has remained statistically unchanged since 2002.

Residents of the West continue to be the most likely to include gambling in their leisure activities, although participation rates in the North Central and North East, where almost every state has some form of commercial or Indian gaming, are not far behind. Casino entertainment is a popular social activity across all adult age groups, and those whose lifestages allow more time for activities outside the home, such as empty nesters, are more likely to participate in casino gambling.

U.S. Adults who gambled in a casino in the last 12 months

U.S. Adult Population (Age 21+)	209.2 million
Casino Gamblers	52.8 million
Casino Participation Rate*	25%
Average Trip Frequency	6.1 trips per year
Total Casino Visits	322.1 million

*The percentage of U.S. adults who gambled at least once in a casino in the last 12 months.

Source: Harrah's Entertainment, Inc. / TNS / U.S. Census Bureau

Casino Participation Rate by Income

Income Level	
Under $35,000	20%
$35,001 - $55,000	25%
$55,001 - $75,000	27%
$75,001 - $95,000	29%
Over $95,000	31%

Source: Harrah's Entertainment, Inc. / TNS / U.S. Census Bureau

Lifestage

Lifestage*	Gamblers	Non-Gamblers
Young Singles (21-35)	3%	2%
Middle Singles (35-65)	6%	7%
Older Singles (66+)	5%	6%
Young Couples (21-44)	10%	8%
Working Older Couples (45+)	19%	14%
Retired Older Couples (45+)	9%	7%
Parents of Young Children (21-44)	12%	15%
Parents of Older Children (21-44)	11%	14%
Older Parents (45+)	23%	26%
Roommates (21+)	2%	1%

*Age ranges are for the head of household. Singles, couples and roommates have no children living at home. Parents of young children have at least one child under 6 in the household. Parents of older children have at least one child in the household, but none under age 6. Older parents have children of any age in the household.

Source: Harrah's Entertainment, Inc. / TNS / U.S. Census Bureau

Casino Participation by Geographic Region

Geographic Region	
West	33%
North Central	27%
North East	28%
South	18%

Source: Harrah's Entertainment, Inc. / TNS / U.S. Census Bureau

Favorite Casino Games

Slot machines and electronic gaming devices like video poker are the most popular casino games among Americans. Across all demographics – age, gender, and geographic location – quarter and 50-cent slots are a distinct favorite. Table games are more than twice as popular among men than women, and are also more than twice as popular with younger adults compared to the oldest player group. Although the ranking of favorite games is consistent across all regions, casino players in the North Central states have the greatest preference for slots over table games. Quarter and 50-cent slots, the top games of every region, find the greatest margin of popularity in the North East states. Blackjack, the table game played most often, is by far the favorite table game of young adults and is slightly more popular in the West than in other regions.

America's Favorite Casino Games

Casino Games Played	
Slots / Video Poker (Net)	**71%**
$.01 - .02	7%
$.05 - .10	19%
$.25 - .50	38%
$1.00 – 4.00	7%
$5.00 +	1%
Table Games	**14%**
Blackjack/21	9%
Roulette	2%
Craps	2%
Live Poker	2%
Other	**5%**
Don't know	**9%**

Source: Harrah's Entertainment, Inc. / TNS

Favorite Games by Age

Age Range	21-35	36-50	51-65	66+
Slots / Video Poker (Net)	**65%**	**73%**	**75%**	**74%**
$.01 - .02	6%	6%	7%	7%
$.05 - .10	20%	19%	17%	19%
$.25 - .50	31%	39%	42%	40%
$1.00 – 4.00	7%	8%	8%	7%
$5.00 +	1%	1%	1%	1%
Table Games	**21%**	**14%**	**10%**	**9%**
Blackjack/21	14%	9%	6%	5%
Roulette	3%	2%	1%	1%
Craps	2%	2%	1%	1%
Live Poker	2%	1%	1%	2%
Other	**6%**	**5%**	**5%**	**5%**
Don't know	**8%**	**8%**	**9%**	**12%**

Source: Harrah's Entertainment, Inc. / TNS

Favorite Games by Geographic Region

Geographic Region	North East	North Central	South	West
Slots / Video Poker (Net)	**71%**	**74%**	**71%**	**70%**
$.01 - .02	3%	8%	5%	10%
$.05 - .10	14%	22%	17%	21%
$.25 - .50	45%	37%	40%	31%
$1.00 – 4.00	7%	7%	9%	7%
$5.00 +	1%	1%	1%	1%
Table Games	**16%**	**11%**	**15%**	**14%**
Blackjack/21	8%	7%	9%	10%
Roulette	3%	1%	2%	1%
Craps	2%	2%	2%	2%
Live Poker	2%	1%	2%	1%
Other	**6%**	**6%**	**5%**	**6%**
Don't know	**8%**	**9%**	**9%**	**10%**

Source: Harrah's Entertainment, Inc. / TNS

Favorite Games by Gender

Gender	Male	Female
Slots / Video Poker (Net)	**63%**	**79%**
$.01 - .02	5%	8%
$.05 - .10	15%	22%
$.25 - .50	34%	41%
$1.00 – 4.00	8%	7%
$5.00 +	1%	1%
Table Games	**21%**	**9%**
Blackjack/21	13%	5%
Roulette	2%	1%
Craps	3%	1%
Live Poker	3%	1%
Other	**5%**	**5%**
Don't know	**10%**	**7%**

Source: Harrah's Entertainment, Inc. / TNS

Demographics

The median household income of casino gamblers is almost $8,000 higher than the national median. Casino players are more likely than non-gamblers to have pursued education beyond high school, and to hold a white collar job. The median age and gender profile of gamblers is almost identical to the national adult population.

Median Age & Income	U.S. Population	U.S. Casino Gamblers
Median Age (Adults, 21+)	45	46
Household Income	$48,997	$56,663

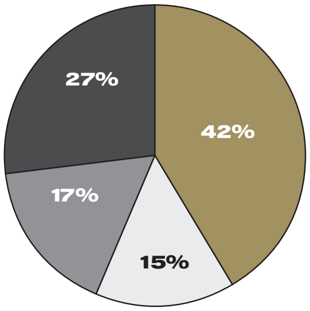
Source: Harrah's Entertainment, Inc. / TNS / U.S. Census Bureau

Gender Ratios	U.S. Population	U.S. Casino Gamblers
Female	52%	52%
Male	48%	48%

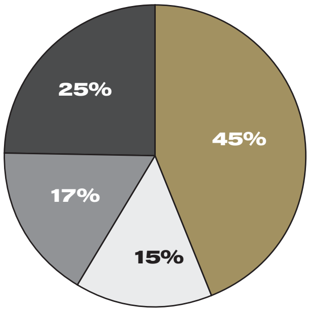
Source: Harrah's Entertainment, Inc. / TNS / U.S. Census Bureau

Occupation of Casino Gamblers vs. National Average

Employment: U.S. Population



Employment: U.S. Casino Gamblers

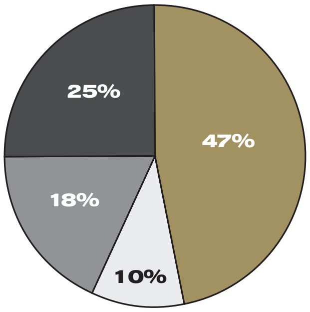


White Collar
Blue Collar
Other (Military and Homemakers)
Retired

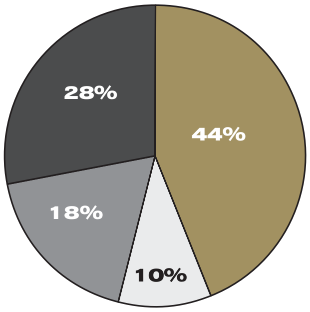
Source: Harrah's Entertainment, Inc. / TNS / U.S. Census Bureau

Education Level of Casino Gamblers vs. National Average

Education: U.S. Population



Education: U.S. Casino Gamblers



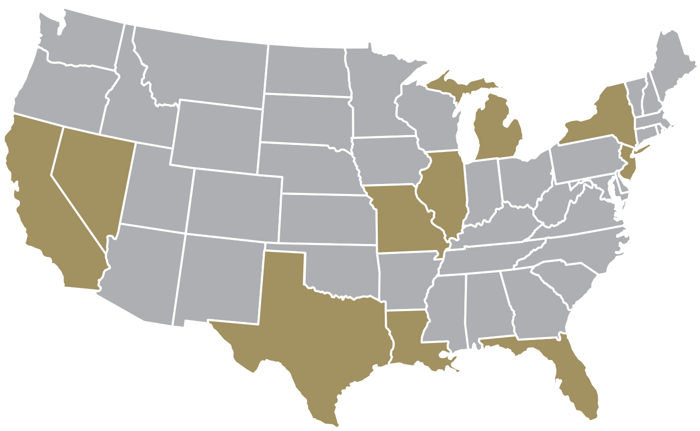
Post Graduate
College Graduate
Some College
No College

Source: Harrah's Entertainment, Inc. / TNS / U.S. Census Bureau

Place of Residence

The 10 states generating the most casino gambling trips accounted for more than half of all casino trips in 2005. California alone produced more than 50 million trips – 16% of the U.S. total. Florida moved back into the top 10, generating more than 12 million trips. The top eight states each generated more than 10 million visits, and 31 states produced more than 2 million visits in 2005. An additional five states – Arkansas, Kentucky, North Carolina, Rhode Island, and Virginia – generated between 1.5 and 2 million visits each.

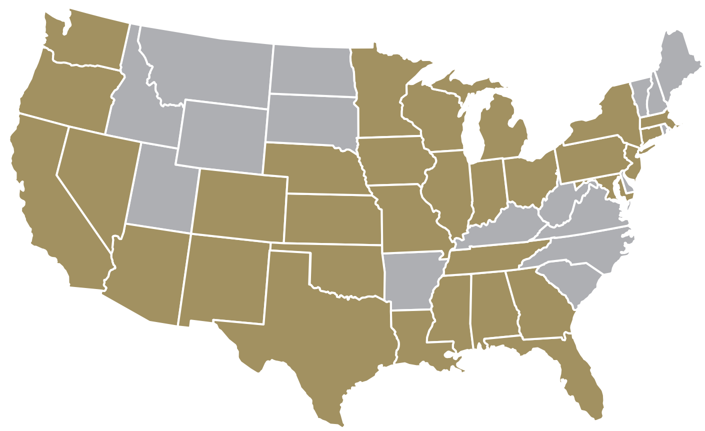
States Generating the Most 2005 Casino Trips



2005 Rank	2003 Rank
1. California	1
2. New York	3
3. Illinois	4
4. Nevada	2
5. Florida	11
6. New Jersey	5
7. Texas	7
8. Michigan	6
9. Missouri	9
10. Louisiana	8

Source: Harrah's Entertainment, Inc. / TNS

States Generating Over 2 Million 2005 Casino Trips



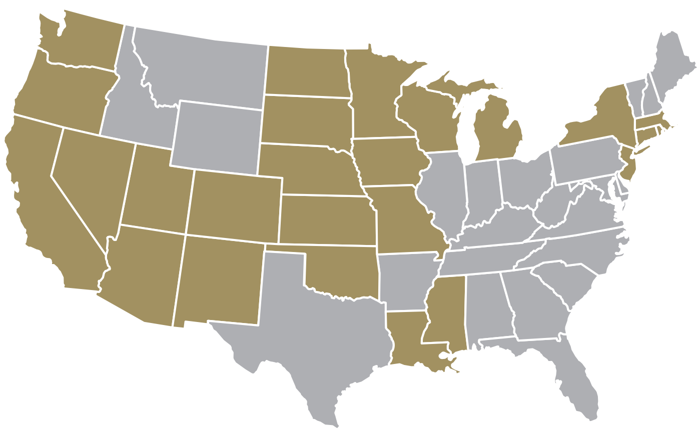
Alabama
Arizona
California
Colorado
Connecticut
Florida
Georgia
Illinois
Indiana
Iowa
Kansas
Louisiana
Maryland
Massachusetts
Michigan
Minnesota
Mississippi
Missouri
Nebraska
Nevada
New Jersey
New Mexico
New York
Ohio
Oklahoma
Oregon
Pennsylvania
Tennessee
Texas
Washington
Wisconsin

Source: Harrah's Entertainment, Inc. / TNS

Casino Participation Rates

The percentage of adults who gambled at least once in a casino in the last 12 months was higher than the national average of 25% in just over half of the continental United States. All but five of the states in the West and North Central regions of the country had participation rates exceeding the national average, while only six states in the North East and South were above that average. In 2005, Illinois had a casino participation rate that matched the national average. In the nation's 20 most populous Designated Market Areas (DMAs), 13 feeder markets had casino participation rates above the national average. The nation's five largest markets all had higher-than-average participation rates. Six of the seven largest DMAs with lower-than-average casino participation rates were in the South (Orlando, Tampa, Dallas-Ft. Worth, Houston, Atlanta and Washington, D.C.) and had few nearby casino options. The largest DMA outside of the South with a lower-than-average casino participation rate was Cleveland.

States with Casino Gambling Participation Rates Higher than the National Average



Arizona	Nevada
California	New Jersey
Colorado	New Mexico
Connecticut	New York
Iowa	North Dakota
Kansas	Oklahoma
Louisiana	Oregon
Massachusetts	Rhode Island
Michigan	South Dakota
Minnesota	Utah
Mississippi	Washington
Missouri	Wisconsin
Nebraska	

Source: Harrah's Entertainment, Inc. / TNS / U.S. Census Bureau

Casino Participation Rates in the Largest Feeder Markets

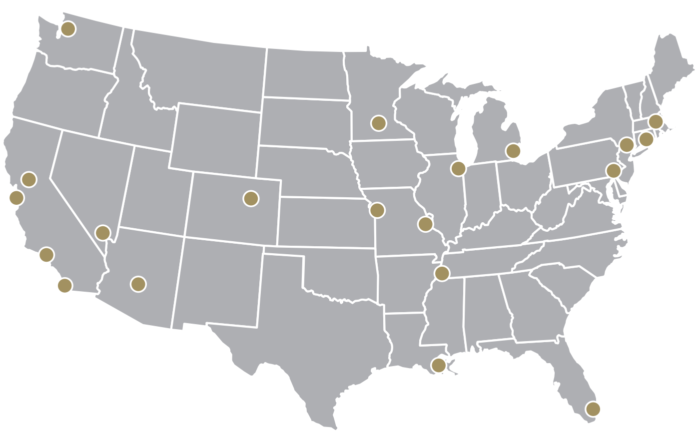
DMA	Population (21+)	Participation Rate
New York City	14,806,436	33%
Los Angeles	10,527,065	37%
Chicago	6,716,969	29%
Philadelphia	5,499,873	33%
San Francisco-Oakland-Santa Rosa	4,939,763	30%
Boston	4,506,221	26%
Dallas-Ft. Worth	4,408,663	20%
Washington, D.C.	4,311,750	17%
Phoenix	4,291,254	38%
Atlanta	4,076,401	15%
Houston	3,767,890	22%
Detroit	3,572,338	31%
Seattle-Tacoma-Bellingham	3,175,758	32%
Miami-Ft. Lauderdale	3,073,237	30%
Minneapolis-St. Paul	3,091,439	36%
Tampa-St. Petersburg-Sarasota	3,047,370	17%
Cleveland	2,788,484	23%
Sacramento-Stockton	2,731,976	40%
Denver	2,693,721	33%
Orlando-Daytona Beach-Melbourne	2,451,383	22%

Source: Harrah's Entertainment, Inc. / TNS / U.S. Census Bureau

Feeder Markets

Sixty-two U.S. Designated Market Areas (DMAs) each generated more than 1 million casino visits in 2005. The top 20 feeder markets accounted for 164 million visits, just over half of the national total. Due in part to the opening of new Indian casinos in South Florida, the Miami-Ft. Lauderdale DMA showed a dramatic increase in visits, jumping from the 31st ranking in 2003 into the top 20 in 2005. Three markets have slipped below the million-trip mark: Tucson-Nogales, Baton Rouge, and Duluth-Superior. Ten other markets increased their visits in 2005 to more than 1 million. New to the list were Beaumont-Port Arthur, Birmingham, and Charlotte. Returning to the list after previously slipping below the 1 million mark were Davenport-Rock Island-Moline, Indianapolis, Lafayette, Green Bay-Appleton, and Cedar Rapids-Waterloo-Dubuque. New Indian casinos in Oklahoma generated significantly increased activity in Tulsa, which debuted on the list ranked number 30 with more than 2.4 million visits, and in Oklahoma City, which joined the list with almost 2 million casino visits.

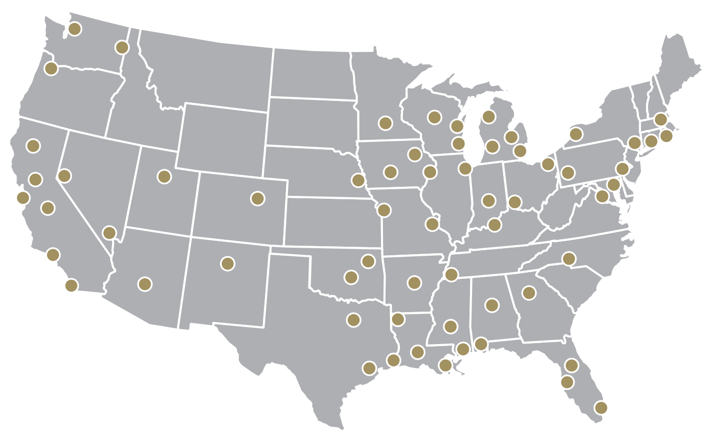
Feeder Markets Generating the Most Casino Trips



2005 rank		2003 rank
1.	New York City	1
2.	Los Angeles	2
3.	Chicago	4
4.	Las Vegas	3
5.	Phoenix	6
6.	Philadelphia	5
7.	Minneapolis-St. Paul	7
8.	San Diego	8
9.	Seattle-Tacoma-Bellingham	12
10.	Sacramento-Stockton	17
11.	San Francisco-Oakland-Santa Rosa	9
12.	Kansas City	18
13.	St. Louis	14
14.	Hartford-New Haven	11
15.	Detroit	10
16.	Boston	16
17.	New Orleans	15
18.	Denver	13
19.	Miami-Ft. Lauderdale	31
20.	Memphis	19

Source: Harrah's Entertainment / TNS / U.S. Census Bureau

Feeder Markets Generating Over 1 Million Casino Trips*



New York City
Los Angeles
Chicago
Las Vegas
Phoenix
Philadelphia
Minneapolis-St. Paul
San Diego
Seattle-Tacoma-Bellingham
Sacramento-Stockton
San Francisco-Oakland-Santa Rosa
Kansas City
St. Louis
Hartford-New Haven
Detroit
Boston
New Orleans
Denver
Miami-Ft. Lauderdale
Memphis
Dallas-Ft. Worth
Reno
Biloxi-Gulfport
Fresno-Visalia
Washington, D.C.
Houston
Providence-New Bedford
Albuquerque-Santa Fe
Tulsa
Buffalo
Portland (OR)
Oklahoma City
Cincinnati
Cleveland
Shreveport
Flint-Saginaw-Bay City
Atlanta
Orlando-Daytona Beach-Melbourne
Milwaukee
Tampa-St. Petersburg-Sarasota
Baltimore
Charlotte
Cedar Rapids-Waterloo-Dubuque
Salt Lake City
Spokane
Omaha
Mobile-Pensacola
Des Moines-Ames
Pittsburgh
Traverse City-Cadillac
Green Bay-Appleton
Wausau-Rhinelander
Grand Rapids-Kalamazoo-Battle Creek
Lafayette (LA)
Jackson (MS)
Chico-Redding
Little Rock-Pine Bluff
Indianapolis
Davenport-Rock Island-Moline
Louisville
Birmingham
Beaumont-Port Arthur

*Listed in order of total casino trips generated

Source: Harrah's Entertainment, Inc. / TNS / U.S. Census Bureau

About Harrah's Entertainment, Inc.

Harrah's Entertainment, Inc. is the world's largest provider of branded casino entertainment through operating subsidiaries. Since its beginning in Reno, Nevada, 68 years ago, Harrah's has grown through development of new properties, expansions and acquisitions. Harrah's Entertainment is focused on building loyalty and value with its customers through a unique combination of great service, excellent products, unsurpassed distribution, operational excellence and technology leadership.

Promoting responsible gaming is also part of Harrah's culture. Our position is simple and unequivocal: If a customer plays at a Harrah's casino for any reason other than for the fun of it, that customer is playing for the wrong reason.

In the 1980s, Harrah's became the first casino company to recognize and operationally address problem gaming. This early leadership led to company initiatives to educate employees, guests and the public about this issue. Harrah's has continued to demonstrate its ongoing commitment to responsible gaming by:

- Helping to create the first national toll-free helpline for people who experience gambling problems (1-800-522-4700).
- Placing a responsible gaming message and the helpline number on all of our print advertising.
- Restricting the placement and content of our ads and other marketing materials.
- Maintaining a policy that supplements certain state-mandated programs permitting individuals to request to be taken off mailing lists, to be denied check-cashing privileges, and to be denied casino play privileges at company casinos nationwide.
- Providing responsible gaming training for employees.
- Supporting the work of the National Council on Problem Gambling and its many state affiliates.
- Supporting and funding independent scientific research on pathological and youth gambling through the National Center for Responsible Gaming.
- Launching the casino industry's first nationwide broadcast advertising campaign to promote responsible gaming and increase awareness of toll-free helpline numbers.

We continue to look for meaningful ways to promote responsible gaming everywhere we do business.

Harrah's Entertainment brands include Harrah's, Caesars, Horseshoe, The World Series of Poker, and Total Rewards. The company also operates casino resorts under the Bally's (Las Vegas and Atlantic City), Showboat, Grand Casinos, Harveys, Rio, Flamingo Las Vegas and Paris Las Vegas flags. More information about Harrah's is available at our web site: www.harrahs.com.

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