Harrah’s Philadelphia
A Winning Public/Private Community Partnership
Presenting Today

Ron Baumann, Senior Vice President & General Manager

Barry Brown, Director of Racing

Logan Gaskill, Director of Human Resources

Randy Conroy, Vice President & Assistant General Manager
Introducing Our Leadership Team

Ron Baumann, Senior Vice President & General Manager

Randy Conroy, Vice President & Assistant General Manager

Barry Brown, Director of Racing

Nicholas Capriotti, Director of Slots

Susan Foster, Director of Table Games

Logan Gaskill, Director of Human Resources

Mary Harper, Director of Surveillance

Cain Myers, Director of Casino Marketing

Charles O’Hala, Director of Security

Leslie Parker, Director of Finance

Scott Simon, Director of Food & Beverage

Bruce Dixon, Manager of Poker

Lacey Scheeper, Senior Internal Auditor
Testimonials to Harrah’s Community Impact

Here Today

Community Partners
- Kwinn Tucker, Executive Director, CITYTEAM
- Doreen Storey, Executive Director, Delaware County United Way
- Kate Hyzer, Executive Director, Delaware County Literacy Council
- Neilda Mott, Director Communities That Care Network of Chester Education Foundation
- Joann Simone, Crozer Library
- Joe Saunders, Crozer Hospital

Government Officials
- Councilman Nasir Nichols, Chester City
- Councilman Tom McGarrigle, Delaware County

Vendor Partners
- Joe Slaine, Wyndham Garden Inn
- Andy Parker, Vice President Sales, T. Frank McCall’s
- Ed Collison, Executive Vice President, Hobbs Electric

Team Members
- Wade Sutton, Security
- Linda Fareed, Security
- Jahmael Witherspoon, Surveillance

Written Testimonials
- Jamee Nowell, Director, Chester Senior Center
- John Antonius, Area Sales Manager, Gretz Beer
- Louis A. Esposito Esq., Attilio Esposito, Inc.
- Andy Eng, President, Luen Fong Food & Produce, Inc.
- Felice R. Bunch, CEO, Bry-Lex, LLC
- Cheryl Cunningham, Executive Director, Chester Education Foundation
- Amy McDowell, Vice President, Advanced Enviro Services
A Promise Made......
A Promise Kept……..

Overview
- Conversion of a 64 acre brownfield site
- 200,000 sq. ft multi-level casino, racing, convention center & restaurant complex
- World class harness track
- $461M invested capital

Major Accomplishments
- $1.9B in GGR since opening
- Over 13 million visitors!
- 1,700 jobs created
- $1.6M charitable contributions

Generated Over $1 Billion In Taxes

$233M funneled to the PA Harness Racing industry

Broad Based Economic Driver of the Chester Community
We Offer State of the Art Gaming

106,000 sq. ft. of gaming space offering the best slots, table games, poker and racing action

2,800 Slots
90 Unit High Limit / VIP Area
$0.01 to $100 denominations
1,900+ Penny Games

96 Tables
- Three Card Poker
- Four Card Poker
- Ult. Texas Hold ‘Em
- Let It Ride
- Blackjack
- Craps
- Roulette
- Baccarat
- Pai Gow Poker
- Pai Gow Tiles

35 Poker Tables
- Texas Hold ‘Em
- Seven Card Stud
- Omaha
- Bad Beat Jackpot
- Daily Poker Tournaments

5/8 Mile Track
- Live racing March thru December
- Simulcasting year-round from all major tracks

World Series of Poker

Credit/Cash Services
Along with Superior Hospitality Amenities

To complement our gaming action, we offer 8 restaurants and bars, a private VIP Lounge, over 18,000 sq ft of convention space, and a 2,935 space enclosed parking garage.

**Casual Asian Fusion**

**MIEN**
Mien is a sleek new Harrah's Philadelphia casual dining eatery featuring a wide array of classic Asian cuisine.

**Quick Bites Italian**

**CAFFÉ NAPOLI**
Caffé Napoli combines the experience of both a pizzeria and 24-hour cafe, offering Harrah's Philadelphia diners traditional, regional Italian fare and late-night breakfast.

**Quick Bites American**

**TONY LUKES**
More than just your typical Philadelphia cheesesteak joint, Tony Luke's redefined the Philly sandwich experience with specialty favorites like our Roast Pork Italian.

**Upscale**

**THE COVE**
Enjoy stunning views of the racetrack and river from The Cove while savoring this Harrah's Philadelphia fine dining restaurant's Tuscan inspired menu.

**Quick Bites Dessert**

**KRISPY KREME**
America's Favorite Doughnuts are now right here at Harrah's.

**Casual American**

**PHILLY TAP AND TAVERN**
Come to Philly Tap and Tavern to watch the game on our 82" plasma or just enjoy Bites, Drinks & Rockin' Nights overlooking the Delaware.
Harrah’s Philadelphia - An Economic Engine
Over $1.2 Billion In Taxes And Fees Generated

SLOT MACHINES ECONOMIC IMPACT

- Commonwealth of Pennsylvania $632M
- Pennsylvania Race Horse Development Fund $218M
- Economic Development Fund $93M
- Section 1401 Assessment to the Commonwealth $32M
- Local Share Assessment – City & County $74M
- Land Lease Agreement – City & County $74M
- Initial Slot License Fee $50M

TOTAL SLOTS FINANCIAL IMPACT $1,173M
Over $1.2 Billion In Taxes And Fees Generated

**TABLE GAMES ECONOMIC IMPACT**

- Commonwealth of Pennsylvania $30M
- Section 1401 Assessment to the Commonwealth $3M
- Local Share Assessment – City & County $4M
- Land Lease Agreement – City & County $9M
- Initial Table Games License Fee $16M

**TOTAL TABLE GAMES FINANCIAL IMPACT** $64M
Supporting Our Neighborhood Partners

Large Purchaser of Local and PA Products

- $38M total vendor purchases (2012)
- $14M with Pennsylvania-based vendors (2012)
- $8M with Delaware County-based vendors (2012)

Examples of our vendors partners:
- Origlio Beverage (Philadelphia)
- T Frank McCalls Inc (Chester)
- Samuels and Son Seafood Company (Philadelphia)
- Daily Racing Form Inc. (Harrisburg)
- Wyndham Garden Inn (Eddystone)
- Hobbs Electric (Boothwyn)
Harness Racing – Instant Success
World Class Harness Racing Action

- 150 Live Racing days per year with 11 World Records since Opening
- Home to several major Stakes races including PA Sire Stake Championship
- Average of $200,000 in daily purses
- Dedicated races for PA sired & owned horses
- Implemented Account Wagering System to grow handle to new customers
- Racing Operations - 70+ Jobs including affiliated Vendors
- Non-Racing events utilizing racetrack & 1,500 seat outdoor grandstand
Harness Racing – A Big Business

Racing Handle Statistics (since opening)

- Live and Import Simulcast $170M
- Export Simulcast and Internet $400M

Total Racing Handle $570M

Taxes and Fees Contributed (since opening):

- PHRDF Purse Funding from Slots $218M
- PA Harness Horsemens Assc $15M
- Parimutuel PA Tax $4M

Total Taxes and Fees Contributed $237M

Year to Date 2013 Update: Handle up 15%!!
Dedication To Our Local Community
How We Make A Difference

$1.6M In Charitable Contributions since opening
- Workforce Investment board
- Delaware County Community College Education Fund
- Alzheimer's Association
- United Way of Delaware Co (Scholarship Fund)
- Chester Resident Scholarship Fund
- DCCC Stem Center
- YWCA Computer Lab
- College Resource Center at Chester High School
- Chester Education Foundation
- Walk to Work program

20% Of Our Employees Are Community Volunteers
- Harrah’s Employees Reaching Out (HERO) Program
- In 2012 over 1200 hours volunteered
- 4 Blood drives were hosted and over 300 volunteers participated

Leadership Team Serves on Many Local Community Organizations
- City Team/Crozer Library/Chester Education Foundation / Delaware County Chamber of Commerce / Institute of Economic Development / Boys & Girls Club of Chester / Delaware County Youth Council
How We Make A Difference

In addition we have supported:

- ADOPT-A-SCHOLAR FOUNDATION
- ALEKS LEMONADE STAND FOUNDATION
- ALZHEIMERS ASSOCIATION
- AMERICAN CANCER SOCIETY
- AMERICAN RED CROSS CORP
- AOH
- BERNARDINE CENTER
- BRANDYWINE CONFERENCE
- BRENDAN J RUSH GOLF OUTING
- BRIARCLIFFE AMERICAN LEGION
- CHESTER BRANCH NAACP
- CHESTER EDUCATION FOUNDATION
- CHESTER HIGH SCHOOL
- CHESTER PENN HEALTH SERVICES
- CHESTER TOWNSHIP VOLUNTEER
- CHILDREN'S MIRACLE NETWORK
- CITY OF CHESTER
- CITY TEAM MINISTRIES
- COUNCIL ON COMPULSIVE GAMBLING
- DCIU HEAD START PROGRAM
- DCRCC
- DELAWARE VALLEY REGIONAL
- DELAWARE CO LITERACY COUNCIL
- DELAWARE COUNTY CHAMBER OF COMMERCE
- DELAWARE COUNTY SPCA
- DELAWARE COUNTY TRANSPORTATION
- CHESTER SENIOR CENTER
- DREXEL NEUMANN ACADEMY
- EAGLES FLY FOR LEUKEMIA
- EASTER SEALS
- EDDYSTONE FIRE COMPANY
- ELWYN
- FAMILY & COMMUNITY SERVICES
- FILITALIA DELCO CHAPTER
- FIREMAN'S ASSOC OF PA
- FRATERNAL ORDER OF POLICE
- FRIENDS OF DELAWARE COUNTY
- GIRARD COLLEGE
- GREATER PHILADELPHIA FILM
- GREEN TREE SCHOOL
How We Make A Difference

- MARCH OF DIMES
- MAZZONI CENTER
- MOUNT PLEASANT CDC
- NEUMANN COLLEGE
- OPERATION FIRST RESPONSE INC
- PA POLICE OFFICERS ASSOC
- PATHWAYS PA
- PCVB
- PENNSYLVANIA DEPT OF AGRICULTURE
- PENNSYLVANIA FFA ALUMNI
- PENNSYLVANIA RESTAURANT
- PHILADELPHIA CHINATOWN
- PHILADELPHIA IRISH CHARITY
- PHILADELPHIA YOUTH NETWORK
- PHILLY PRIDE PRESENTS

- SALAVATION ARMY
- SPEAKERS BALL PROJECT
- STANDARDBRED RETIREMENT
- SUSAN G KOMEN FOR THE CURE
- TFEC
- THE DARBY FIRE COMPANY NO.1
- THE GREATER PHILADELPHIA ASIAN ASSOC
- THE MEDIA THEATRE
- THE MSDC
- UNIFORM EXPRESS
- UNITED WAY OF SE DELAWARE COUNTY
- USA SEvens LLC
- UWSEPA UDPF
- WELCOMING CENTER FOR NEW PHILADELIANS
- WIDENER UNIVERSITY
- WOMENS RESOURCE CENTER
- YWCA

- DELBERT WALLS
- DELWARE COUNTY COMMUNITY COLLEGE
- HABITAT FOR HUMANITY
- HEADSRONG FOUNDATION
- HUMAN RIGHTS CAMPAIGN FOUNDATION
- INDIAN LANE PTG
- J. LEWIS CROZER LIBRARY
- JOHN A WATTS LODGE
- KHMER BUDDHIST HUMANITARIAN AS
- MAIN LINE TODAY
- RAISE THE ROOF CRUSADE
- RANCH HOPE WRANGLERS AUXILARY
- ROTARY CLUB OF CHESTER
Partnering with Delaware County Community College

In the fall of 2010 Chester became a sponsoring City for DCCC through dedicated table game funding

Chester residents receive a 50% discount on DCCC Tuition

Since becoming a sponsoring city enrollment of Chester Residents has increased:

- 286% for High School grads
- 77% increase for recent grads and adults
Our Most Valued Assets – Our Team Members
Creator Of Family-Sustaining Jobs

• Opened with 1,123 employees → grown to 1,692 employees
  • 700 employees promoted since opening, with 163 promoted in 2012 alone

• Total Salaries & Wages Paid since opening: $199M
  • ~17% of population is salaried with an average annual salary of $56,000
  • ~83% of the population is hourly employees with an average hourly rate of $11.85

• Total Employee Benefits Paid: $91M
  • Full Time and Part Time employees are eligible for comprehensive preventative insurance coverage
  • Average amount paid in benefits per employee is $15,000
  • On site Wellness Nurse

• Additional Benefits Extended
  • One free meal per shift
  • Payment of licensing fees on license renewals
  • Paid Time Off

• Employee Satisfaction at an all time high
## Commitment to Development

<table>
<thead>
<tr>
<th>Training Program</th>
<th>Description</th>
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<tbody>
<tr>
<td>Dealer Training Academy</td>
<td>● Free training for all employees to increase their skill set and create advancement opportunities within Table Games</td>
</tr>
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</table>
| Future Leaders                    | ● A program for hourly employees to advance their careers into management positions  
                                | ● 25 participants in 2013, 30% have already been promoted                      |
| Legendary Leadership Essentials   | ● A series of training courses for supervisor and management staff to improve their leadership skills and prepare them for advancement opportunities  
                                | ● Main topics include Employee Engagement and Coaching                         |
| Tuition Reimbursement             | ● All full time employees are eligible to receive Tuition Assistance for up to $1,500 per semester when pursuing college and/or advanced degrees |
| Online & Classroom Training       | ● Microsoft Office  
                                | ● How to Lead a Team  
                                | ● Stress Management  
                                | ● Affording College  
                                | ● Personal Financial Counseling  
                                | ● Performance Evaluation |
Diversity – Celebrating Our Differences
Celebrating Who We Are

50% of our team are minorities

42% of our team are women
Celebrating Who We Are

45% of our team are Delaware County residents

76% of our team are Pennsylvania residents
Supporting Diverse Suppliers

19.4% of Diversity Eligible Spend is going to Minority Business Enterprise (as of Q1 2013), Women Business Enterprise, Disabled Persons Business Enterprise & Disabled Veteran Business Enterprise owned businesses

Caesars recognizes a number of certifying agencies, including, but not limited to:

- The National Minority Supplier Development Council (NMSDC) and its Regional affiliate councils.
- The Small Business Administration (SBA)
- HUBZone program
- Small Business Enterprise (SBE)
- Small Disadvantaged Business (SDB)
- Women Business Owners Corporation (WBOC)
- Women and Minority Business Enterprise Clearinghouse (WMBE)
- Women Business Enterprise National Council (WBENC)
Our Regulatory Commitment
Focused on Compulsive & Problem Gaming

- Responsible Gaming is the **foundation** of Caesars Entertainment’s Code of Commitment

- Developed the industry’s first-ever broadcast advertising campaign

- Responsible Gaming collateral is displayed at over 60 locations throughout the facility

- Over 30 supervisory or management level employees serve as Responsible Gaming Ambassadors
Focused on Compulsive & Problem Gaming

Procedures designed to prevent underage gaming:

- Signage at each entrance stating “No one under the age of 21 is permitted”
- Traffic flow directs patrons through two main points of entry with Security Officers present
- Each point of entry is equipped with electronic ID verification systems to scan and determine the validity of a patron’s identification
- Identification is requested from all persons who appear to be younger than the age of 30
- 2,500 - 3,000 patrons are turned away each year for failure to produce proper identification
- Wristbands are used to identify patrons who have been “carded” and provided adequate identification
## Unbridled Commitment to Compliance

<table>
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</table>
| **Alcohol Awareness**                                 | • Caesars Entertainment provides alcohol awareness training to educate our staff about their role in preventing underage drinking and overconsumption  
• CARE is effective for 2 years and is refreshed bi-annually |
| **Responsible Alcohol Management Program (RAMP)**     | • Harrah’s Philadelphia also complies with Pennsylvania’s state mandated alcohol training required for employees that directly service alcohol and their leaders  
• RAMP is effective for 2 years and is refreshed bi-annually |
| **Responsible Gaming**                                | • All New Hires receive Responsible Gaming training covering topics like preventing underage gaming, handling unattended children, and the basic steps to assist a compulsive gambler  
• Employees complete a refresher on Responsible Gaming annually using our online learning partner |
| **Title 31 or Currency Transaction Reports (CTR) & Suspicious Activity Reports for Casinos (SARC)** | • All New Hires from specific departments, as determined by compliance, complete CTR/SARC training and are refreshed annually  
• Both programs keep us in compliance with the PGCB & IRS |
| **Harassment & Diversity**                            | • All New Hires receive Anti-Harassment and Diversity/Inclusion training  
• Annually, Supervisors and Managers complete Preventing Workplace Harassment Training |
| **Compliance & Ethics**                               | • All Supervisors and above complete annually |
The Future
The Future – Continuing Our Partnership

Harrah’s Philadelphia Partners With Local Art Gallery For Community Enrichment

Harrah’s Philadelphia, located in Chester, PA, has partnered with Art on the Avenue of the States to launch a new and exciting art gallery featuring local artists, proving, once again, that it’s not just a local gaming parlor. Harrah’s Philadelphia is committed to and heavily invested in local community enrichment. The art gallery will make its debut on June 28.

J. Lewis Crozer Library Reading Garden

Another of the many community enrichment projects Harrah’s Philadelphia is involved in is the development of a brand new Reading Garden at the J. Lewis Crozer Public Library. This space will feature beautifully landscaped gardens as well plenty of seating and new energy efficient lighting for an enjoyable outdoor reading experience.
The Future – Continuing to Engage Our Team

Casino Olympics

The Casino Olympics will take place here at Harrah’s Philadelphia in August and the championship will be held in Atlantic City this September.

Harrah’s Philadelphia Free Dealer Academy

We recently started a new Dealer Training Academy on May 28. There are currently 37 Students in the DTA with an expected graduation date of July 30th.
The Future – Continuing To Invest

High Limits Expansion
Harrah’s Philadelphia - A Promise Kept

Over $1.2B paid to the Commonwealth, the PA Horse Industry, Delaware County and our home city of Chester

Catalyst for Broad Based Economic Impact
- $162M contributed to Chester and Delaware County
- $14M annually in PA vendor purchases
- 1,700 good paying jobs and careers
- Area’s largest attraction

Commitment to Racing
- Built a World Class Harness Track
- $233M directed to the PA Harness Racing Industry

Strong Community Partner
- Over $1.6M charitable contributions
- Culture of “HEROS”

Continued Capital Investment
THANK YOU