

Caesars quarterly losses continue to grow

By Michelle Rindels, AP

LAS VEGAS – Caesars Entertainment on Wednesday reported a wider first-quarter loss as gambling revenue fell and the company's casinos outside of Las Vegas faced stiffer competition and bad weather.

The Las Vegas-based company, which runs the Caesars, Harrah's, and Horseshoe brands, as well as Harveys at Lake Tahoe, has struggled since the recession, and has not posted a profit since 2009. It's hobbled by its lack of a presence in the Chinese gambling enclave of Macau, which has been the center of the gambling world for years.

The Las Vegas-based company lost \$386.4 million, or \$2.82 cents per share in the period ending March 31. A year earlier it lost \$217.6 million, or \$1.74 cent per share.

Revenue fell 2 percent to \$2.1 billion.

Rivals Wynn Resorts Ltd., MGM Resorts and Las Vegas Sands all posted big quarterly gains, helped by their lucrative Macau resorts.

Caesars announced late Tuesday that it was restructuring its \$23 billion in long-term debt to eliminate more than \$1 billion in obligations that were coming due in 2015. Its shares jumped more than 14 percent Wednesday.

In Las Vegas, Caesars is in the final stages of transforming Bill's Gamblin' Hall & Saloon into a boutique hotel dubbed The Cromwell. It saw visitor numbers grow this spring after opening its \$550 million LINQ development, an entertainment district featuring the world's tallest Ferris wheel.

That attraction, named the High Roller, is welcoming thousands of visitors each day and has attracted steady special-event and banquet business, according to Caesars Chief Financial Officer Donald Colvin.

“As additional assets come on line later this year and into 2015, we are excited about Caesars’ prospects in Las Vegas,” Caesars President and CEO Gary Loveman said in a statement. “We are also looking forward to developing an integrated resort in South Korea with our partners there, a promising market given its proximity to China.”

Still, the company’s casinos in the East and Gulf Coast returned lackluster first-quarter results. In addition to the rough winter, Caesars executives said customers are coming to gamble at regional casinos less frequently, and it’s been difficult to increase their visits.

The company’s earnings report was released after the close of trading on Wall Street. Its shares slipped 18 cents to \$21 in after-hours trading.