

Allison Wesley D
 Form 4
 February 01, 2005

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Allison Wesley D

2. Issuer Name and Ticker or Trading Symbol
 CAESARS ENTERTAINMENT INC [CZR]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)
 ___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 SVP & INTERIM CFO

(Last) (First) (Middle)
 CAESARS
 ENTERTAINMENT, 3930
 HOWARD HUGHES PARKWAY
 (Street)

3. Date of Earliest Transaction
 (Month/Day/Year)
 01/28/2005

LAS VEGAS, NV 89109
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount or (D) Price		
Restricted Stock Units	01/28/2005		A		10,600 <u>(1)</u>	A	\$ 0 19,273 D
Common Stock SRU					20,000		D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Underlying Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title
Non-Qualified Stock Option (right to buy)	\$ 19.11	01/28/2005		A	26,600	01/28/2006 ⁽²⁾ 01/28/2015	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 6.5					01/15/2000 01/15/2009	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 7.555					01/28/2004 01/28/2013	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 9.935					01/30/2003 01/30/2012	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 11.1875					01/13/2001 01/13/2010	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 11.22					01/29/2002 01/29/2011	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 14.935					01/20/2005 01/20/2014	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Allison Wesley D CAESARS ENTERTAINMENT 3930 HOWARD HUGHES PARKWAY LAS VEGAS, NV 89109			SVP & INTERIM CFO	

Signatures

WES ALLISON

01/31/2005

**Signature of
Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Award of restricted stock units which vest 25% per year.
 - (2) Options vest 25% per year, commencing one year from the date of grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.