

# Harrah's gamble keeps it out of bankruptcy

By Liz Bentson, Las Vegas Sun

About a year ago, investors were so convinced that Harrah's Entertainment would file for bankruptcy protection that the company's bonds — its promises to pay back billions of dollars — traded for 10 cents on the dollar.

Since then, the world's largest gaming company — one of the country's biggest buyout targets during the real estate bubble — has surprised naysayers by carving out a foothold of three years during which it can afford to make interest payments on its debt. The hope is that by 2013, its earnings will be high again. They will need to be because that year a \$6 billion debt payment will be due. Another \$9 billion in debt, by analysts' estimates, comes due between 2015 and 2019.

The 2008 leveraged buyout that took Harrah's private doubled its debt — it has more debt than any other gaming company.

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