

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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FILER

CAESARS WORLD INC

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SIC: **7990** Miscellaneous amusement & recreation

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

May 17, 1994

CAESARS WORLD, INC.

(Exact name of issuer as specified in its charter)

Florida (State or Other Jurisdiction Incorporation or Organization)	1-5979 (Commission File Number)	59-0773674 (IRS Employer of Identification Number)
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1801 Century Park East Suite 2600 Los Angeles, California (Address of Principal Executive Offices)	90067 (Zip Code)
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(310) 552-2711

Registrant's telephone number, including area code

Item 5. Other Events

On May 17, 1994, Registrant issued the following press release:

LOS ANGELES, CALIFORNIA -- Caesars World, Inc. (NYSE/CAW) today announced net income for the fiscal 1994 third quarter was \$11,648,000, or 47 cents per share, compared with \$17,035,000, or 69 cents per share, in the

fiscal 1993 third quarter.

Revenue for the fiscal 1994 quarter ended April 30, 1994, was \$237,244,000, compared with \$224,409,000 in the same fiscal 1993 quarter.

Caesars World's net income for the fiscal 1994 nine-month period amounted to \$61,456,000, or \$2.51 per share, compared with \$57,529,000, or \$2.36 per share, in the fiscal 1993 nine months. Revenue for the nine months of fiscal 1994 totaled \$764,308,000, compared with \$721,444,000 in the same prior-year period.

The company said both table-game and slots activity in its Nevada operations established records for any third quarter in Caesars World's history. As previously announced, the lower earnings, when comparing the fiscal third quarters, principally resulted from increased marketing expenses related to the higher volume of business in Nevada, including a larger provision for bad debts reflecting increased marketing costs and a world heavyweight championship fight at Caesars Palace. The table-game win percentages in Nevada were lower than the five-year average but about the same as the year-earlier quarter.

For the fiscal 1994 nine months in Nevada, the company also realized record table-game and slots activity as well as slots win. Table-game win percentages were about average but higher than the comparable percentages in the year-earlier nine months.

In New Jersey, Caesars Atlantic City revenue increased during the fiscal 1994 third quarter, primarily due to slots activity and the impact from the Simulcast Casino which opened in October 1993 and features high-tech horse race betting, a poker section and additional casino table games. The contribution to earnings from New Jersey declined slightly during both the fiscal 1994 third quarter and nine months due to higher operating costs, principally reflecting higher payroll for additional employees in the expanded casino.

During both fiscal 1994 reporting periods, when compared with the fiscal 1993 periods, Caesars World's net interest expenses decreased due to lower outstanding debt and a debt refinancing which was substantially completed during the fiscal 1993 first quarter.

<TABLE>

CAESARS WORLD, INC
SUMMARY OF EARNINGS - Unaudited
(In thousands, except net income per share)

<CAPTION>

For the periods ended April 30	Three Months		Nine Months	
	1994	1993	1994	1993
<S>	<C>	<C>	<C>	<C>
Revenue				
Nevada	\$142,157	\$133,153	\$465,429	\$423,334
New Jersey	80,389	76,526	250,473	251,141
Casino/hotel operations	222,546	209,679	715,902	674,475
Pocono Resorts	9,798	9,734	33,172	31,644
Other (a)	4,900	4,996	15,234	15,325
Total revenue	\$237,244	\$224,409	\$764,308	\$721,444
Contributions to operating income				
Nevada	\$ 14,686	\$ 22,893	\$ 80,489	\$ 78,590

New Jersey	11,014	12,400	40,796	41,168
Casino/hotel operations	25,700	35,293	121,285	119,758
Pocono Resorts	1,002	1,133	6,450	6,150
Other expenses (a)	(3,826)	(3,852)	(14,601)	(12,782)
Operating income	22,876	32,574	113,134	113,126
Interest income	756	272	2,403	1,258
Interest expense	(4,693)	(5,371)	(14,471)	(21,596)
Income before income taxes	18,939	27,475	101,066	92,788
Income taxes (b)	7,291	10,440	39,610	35,259
Net income	\$ 11,648	\$ 17,035	\$ 61,456	\$ 57,529
Net income per share	\$.47	\$.69	\$ 2.51	\$ 2.36
Average number of common and common equivalent shares outstanding	24,620	24,588	24,532	24,418

(a) Other revenue is primarily from merchandising operations. Other expenses include the contribution from merchandising operations and corporate expenses.

(b) The effective income tax rate during the nine months ended April 30, 1994, was 1.2 percentage points higher than the same period in 1993. The higher tax rate reflects the impact of two non-recurring tax charges. In August 1993, the Federal tax rate increased, retroactive to January 1, 1993, from 34 to 35 percent. The company also changed its method for income tax accounting by adopting FASB 109 effective August 1, 1993. The impact of this cumulative change in accounting and the retroactive change in the corporate tax rate aggregated a net charge of approximately \$750,000 in the first quarter of fiscal 1994.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CAESARS WORLD, INC.

By /s/Philip L. Ball
Philip L. Ball
Senior Vice President,
Secretary & General Counsel

May 17, 1994