

HARRAHS ENTERTAINMENT INC  
 Form 3  
 February 26, 2007

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Â Payne John W R		(Month/Day/Year)	HARRAHS ENTERTAINMENT INC [HET]	
(Last)	(First)	(Middle)	02/15/2007	
ONE CAESARS PALACE DRIVE			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
LAS VEGAS,Â NVÂ 89109			<input type="checkbox"/> Director	<input type="checkbox"/> 10% Owner
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Officer	<input type="checkbox"/> Other
			(give title below)	(specify below)
			Central Division President	6. Individual or Joint/Group Filing(Check Applicable Line)
				<input checked="" type="checkbox"/> Form filed by One Reporting Person
				<input type="checkbox"/> Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	19,659	D	Â

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

SEC 1473 (7-02)

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**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Title			

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		Expiration Date		Amount or Number of Shares		or Indirect (I) (Instr. 5)	
Employee Stock Option (Right to Buy)	01/01/2004 <sup>(1)</sup>	06/18/2010	Common Stock	10,121	\$ 43.495	D	Â
Employee Stock Option (Right to Buy)	01/01/2005 <sup>(2)</sup>	06/16/2011	Common Stock	20,183	\$ 52.585	D	Â
Employee Stock Option (Right to Buy)	01/01/2006 <sup>(3)</sup>	06/17/2012	Common Stock	35,000	\$ 73.95	D	Â
Stock Appreciation Right	06/30/2007 <sup>(4)</sup>	07/18/2013	Common Stock	30,476	\$ 64.97	D	Â

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Payne John W R ONE CAESARS PALACE DRIVE LAS VEGAS, NV 89109	Â	Â	Â Central Division President	Â

## Signatures

John W. R.  
Payne  
02/26/2007

\*\*Signature of Reporting Person                      Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(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) Exercisable in three equal installments on 1/1/04, 1/1/05, and 1/1/06.
- (2) Exercisable in three equal installments on 1/1/2005, 1/1/2006, and 1/1/2007.
- (3) Exercisable in three equal installments on 1/1/2006, 1/1/2007, 1/1/2008.
- (4) Exercisable in three equal installments on 6/30/2007, 6/30/2008 and 6/30/2009.

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.