

Halkyard Jonathan S
Form 4
March 21, 2007

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 *
Halkyard Jonathan S

2. Issuer Name and Ticker or Trading Symbol
HARRAHS ENTERTAINMENT INC [HET]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
ONE CAESARS PALACE DRIVE
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
03/20/2007

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr. VP, CFO and Treasurer

LAS VEGAS, NV 89109

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

(City) (State) (Zip)

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 Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	03/20/2007	03/20/2007	M	3,000 A	\$ 43.495	3,365	D
Common Stock	03/20/2007	03/20/2007	M	3,458 A	\$ 47.025	6,823	D
Common Stock	03/20/2007	03/20/2007	S	6,458 D	\$ 83.62	365	D
Common Stock						2,424	I 401(k) ⁽¹⁾

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

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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 Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 47.025	03/20/2007	03/20/2007	M	3,458	<u>(2)</u> 06/20/2009	Common Stock	3,458
Employee Stock Option (Right to Buy)	\$ 43.495	03/20/2007	03/20/2007	M	3,000	<u>(3)</u> 06/18/2010	Common Stock	3,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Halkyard Jonathan S ONE CAESARS PALACE DRIVE LAS VEGAS, NV 89109			Sr. VP, CFO and Treasurer	

Signatures

Jonathan S. Halkyard, by Angela P. Winter,
attorney-in-fact

03/21/2007

 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) Held by the Trustees of the Harrah's Entertainment, Inc. Savings and Retirement Plan. Holdings reported as of February 6, 2007 and rounded to nearest share.
- (2) Exercisable in three equal installments on 1/1/03, 1/1/04, and 1/1/05.
- (3) Exercisable in three equal installments on 1/1/2004; 1/1/2005; and 1/1/2006.

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.