

QUARTERLY REPORT

LICENSEE Bally's Park Place, Inc., New Jersey

FOR THE QUARTER ENDED MARCH 31, 2000

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

TRADING NAME OF LICENSEE: BALLY'S PARK PLACE CASINO RESORT

LIST OF FORMS - QUARTERLY REPORT

FOR THE QUARTER ENDED MARCH 31, 2000

<u>TITLE</u>	<u>FORM NO.</u>
Balance Sheets	CCC-205
Statements of Income (Three Months)	CCC-210
Statements of Changes in Stockholder's Equity	CCC-220
Statements of Changes in Partners' or Proprietor's Equity	CCC-225
Statements of Cash Flows	CCC-235
Schedule of Promotional Expenses and Allowances	CCC-245
Notes to Financial Statements	---
Statement of Conformity, Accuracy, and Compliance	CCC-249

4/97

CCC-201

BALANCE SHEETS

MARCH 31, 2000 AND 1999
(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2000 (c)	1999 (d)
	ASSETS		
	Current Assets:		
1	Cash and cash equivalents	\$ 23,885	\$ 26,309
2	Short-term investments	-	-
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 2000, \$ 4,304 ; 1999, \$ 2,576) NOTE 2	37,080	18,029
4	Inventories	2,801	2,940
5	Prepaid expenses and other current assets	2,794	2,464
6	Total current assets	66,560	49,742
7	Investments, Advances, and Receivables NOTES 1 and 3	109,952	104,689
8	Property and Equipment - Gross NOTES 1 and 4	1,017,016	996,609
9	Less: Accumulated Depreciation/Amortization NOTES 1 and 4	(468,733)	(433,350)
10	Other Assets	17,921	17,582
11	Total Assets	\$ 742,716	\$ 735,272
	LIABILITIES AND EQUITY		
	Current Liabilities:		
12	Accounts payable	\$ 6,257	\$ 5,702
13	Notes payable	-	-
	Current portion of long-term debt		
14	Due to affiliates	-	-
15	Other	63	64
16	Income taxes payable and accrued	-	-
17	Other accrued expenses NOTE 5	31,099	29,532
18	Other current liabilities NOTE 6	6,923	44,212
19	Total current liabilities	44,342	79,510
	Long-Term Debt:		
20	Due to affiliates NOTE 7	500,000	500,000
21	Other NOTE 7	2,218	2,279
22	Deferred Credits	-	-
23	Other Liabilities NOTE 8	18,855	18,624
24	Commitments And Contingencies NOTE 1	-	-
25	Total Liabilities	565,415	600,413
26	Stockholders', Partners', Or Proprietor's Equity	177,301	134,859
27	Total Liabilities And Equity	\$ 742,716	\$ 735,272

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2000 AND 1999

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (A)	DESCRIPTION (b)	2000 (c)	1999 (d)
	REVENUE:		
1	Casino	\$ 121,571	\$ 110,741
2	Rooms	8,286	7,490
3	Food and Beverage	16,712	15,254
4	Other	2,963	3,068
5	Total Revenue	149,532	136,553
6	Less: Promotional allowances	15,926	14,939
7	Net Revenue	133,606	121,614
	COSTS AND EXPENSES:		
8	Costs of Goods and Services	70,413	65,399
9	Selling, General, and Administrative	24,907	22,364
10	Provision for Doubtful Accounts	525	353
11	Total costs and expenses	95,845	88,116
12	Gross Operating Profit	37,761	33,498
13	Depreciation and amortization	9,463	9,554
	Charges from affiliates other than interest:		
14	Management fees NOTE 9...	4,006	—
15	Other	—	—
16	Income (Loss) from Operations	24,292	23,944
	Other Income (Expenses):		
17	Interest (expense) - affiliates NOTE 7...	(10,599)	(10,491)
18	Interest (expense) - external	(67)	(55)
19	Investment alternative tax and related income (expense) - net	(940)	(456)
20	Non-operating income (expense) - net NOTE 10..	1,215	(1,970)
21	Total other income (expenses)	(10,391)	(12,972)
22	Income (Loss) Before Income Taxes and Extraordinary Items	13,901	10,972
23	Provision (credit) for income taxes	5,428	5,493
24	Income (Loss) Before Extraordinary Items	8,473	5,479
25	Extraordinary items (net of income taxes)	—	—
26	Net Income (Loss)	\$ 8,473	\$ 5,479

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1999 AND THE THREE MONTHS ENDED MARCH 31, 2000

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Common Stock		Preferred Stock		Additional Paid - in Capital (g)	----- ----- ----- (h)	Retained Earnings (Accumulated Deficit) (i)	Total Stockholder's Equity (Deficit) (j)
		Shares (c)	Amount (d)	Shares (e)	Amount (f)				
1	Balance, December 31, 1998	100	\$ 1			\$ 755,711		\$ 73,668	\$ 829,380
2	Net Income - 1999							39,448	39,448
3	Contribution to Paid - In Capital								
4	Dividends							(73,487)	(73,487)
5	Prior Period Adjustments								
6	Distribution to PPE					(626,513)			(626,513)
7									
8									
9									
10	Balance, December 31, 1999	100	1			129,198		39,629	168,828
11	Net Income - 2000							8,473	8,473
12	Contribution to Paid - In Capital								
13	Dividends								
14	Prior Period Adjustments								
15	Distribution to PPE								
16									
17									
18									
19	Balance, March 31, 2000	100	\$ 1			\$ 129,198		\$ 48,102	\$ 177,301

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

**STATEMENT OF CHANGES IN PARTNERS'
OR PROPRIETOR'S EQUITY**

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1999 AND THE THREE MONTHS ENDED MARCH 31, 2000

(UNAUDITED)
(\$ IN THOUSANDS)

NOT APPLICABLE

Line (a)	Description (b)	Contributed Capital (c)	Accumulated Earnings (Deficit) (d)	(e)	Total Equity (Deficit) (f)
1	Balance, December 31, 1998.				
2	Net Income (Loss) - 1999.				
3	Capital Contributions.				
4	Capital Withdrawals.				
5	Partnership Distributions.				
6	Prior Period Adjustments.				
7					
8					
9					
10	Balance, December 31, 1999.				
11	Net Income (Loss) - 2000.				
12	Capital Contributions.				
13	Capital Withdrawals.				
14	Partnership Distributions.				
15	Prior Period Adjustments.				
16					
17					
18					
19	Balance, March 31, 2000.				

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2000 AND 1999

Amended

(UNAUDITED)
(\$ IN THOUSANDS)

8/10/00

REVISED 7/31/00

LIN (a)	Description (b)	2000 (c)	1999 (d)
1	Net Cash Provided (Used) By Operating Activities	\$ 18,519	\$ 15,318
	Cash Flows From Investing Activities:		
2	Purchase of short-term investment securities	—	—
3	Proceeds from the sale of short-term investment securities	—	—
4	Purchase outflows for property and equipment	(8,253)	(7,669)
5	Proceeds from disposition of property and equipment	37	—
6	Purchase of casino reinvestment obligations	(1,717)	(1,379)
7	Purchase of other investments and loans/advances made	—	—
8	Proceeds from disposal of investments and collection of advances and long-term receivables	341	9
9	Cash outflows to acquire business entities	—	(5)
10	—	—
11	Net book values of disposals	—	4
12	Net Cash Provided (Used) By Investing Activities	(9,592)	(9,040)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt	—	—
14	Payments to settle short-term debt	—	—
15	Cash proceeds from issuance of long-term debt	—	—
16	Costs of issuing debt	—	—
17	Payments to settle long-term debt	(16)	(15)
18	Cash proceeds from issuing stock or capital contributions	—	—
19	Purchases of treasury stock	—	—
20	Payments of dividends or capital withdrawals	—	—
21	Change in payable to affiliate	(18,343)	(37,007) *
22	—	—
23	Net Cash Provided (Used) By Financing Activities	(18,359)	(37,022)
24	Net Increase (Decrease) In Cash And Cash Equivalents	(9,432)	(30,744)
25	Cash And Cash Equivalents At Beginning Of Period	33,317	57,053
26	Cash And Cash Equivalents At End Of Period	\$ 23,885	\$ 26,309

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Cash Paid During Period For:			
27	Interest (net of amount capitalized)	\$ 10,666	\$ 10,546
28	Income taxes	\$ 5,428	5,493

* Restated to conform to 2000 presentation

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2000 AND 1999

Amended

(UNAUDITED)
(\$ IN THOUSANDS)

8/10/00

LINE (a)	Description (b)	2000 (c)	1999 (d)
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	\$ 8,473	\$ 5,479
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment	9,463	9,554
31	Amortization of other assets	---	---
32	Amortization of Debt Discount or Premium	---	---
33	Deferred Income taxes - current	---	---
34	Deferred income taxes - noncurrent	---	---
35	(Gain) loss on disposition of property and equipment	(31)	(54)
36	(Gain) loss on casino reinvestment obligations	940	456
37	(Gain) loss from other investment activities	(635)	2,511
38	Net (increase) decrease in receivables and patrons' checks	(1,286)	563
39	Net (increase) decrease in inventories	(64)	204
40	Net (increase) decrease in other current assets	(421)	22
41	Net increase in other assets	(701)	(564)
42	Net increase (decrease) in accounts payables	910	(2,561)
43	Net increase (decrease) in other current liabilities excluding debt	1,056	(1,032) *
44	Net increase in other noncurrent liabilities excluding debt	815	740
45	Loss on extinguishment of debt, net of income tax benefit	---	---
46	Amortization of CRDA assets	---	---
47	Net Cash Provided (Used) By Operating Activities	\$ 18,519	\$ 15,318

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment	\$ 8,253	\$ 7,669
49	Less: Capital lease obligations incurred	---	---
50	Cash Outflows For Property And Equipment	\$ 8,253	\$ 7,669
	Acquisition Of Business Entities:		
51	Property and equipment acquired	\$ ---	\$ 5
52	Goodwill acquired	---	---
53	Net assets acquired other than cash, goodwill, and property and equipment	---	---
54	Long-term debt assumed	---	---
55	Issuance of stock or capital invested	---	---
56	Cash Outflows To Acquire Business Entities	\$ ---	\$ 5
	Stock Issued Or Capital Contributions:		
57	Total issuances of stock or capital contributions	\$ ---	\$ ---
58	Less: Issuances to settle long-term debt	---	---
59	Consideration in acquisition of business entities	---	---
60	Cash Proceeds From Issuing Stock Or Capital Contributions	\$ ---	\$ ---

* Restated to conform to 2000 presentation

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

(\$ IN THOUSANDS)

FOR THE THREE MONTHS ENDED MARCH 31, 2000

Line (a)	(b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	141,032	\$ 5,022		\$
2	Food	603,146	6,573		
3	Beverage	1,912,957	3,826		
4	Travel			17,108	1,239
5	Bus Program Cash			207,760	3,371
6	Other Cash Complimentaries			565,762	9,366
7	Entertainment	17,292	296	1,008	126
8	Retail & Non-Cash Gifts	2,627	156	2,461	231
9	Parking				
10	Other *	1,773	53	43,311	527
11	Total	2,678,827	\$ 15,926	837,410	\$ 14,860

* No item in this category exceeds 5%.

STATEMENT OF CONFORMITY, ACCURACY AND COMPLIANCE

STATE OF New Jersey :
COUNTY OF Atlantic : ss.
:

Clifford R. Martin, being duly sworn according to law upon my oath
Name

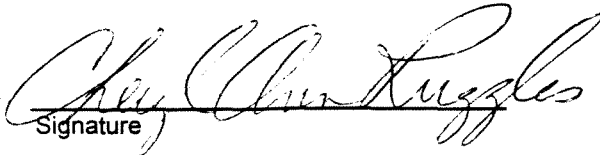
deposes and says:

1. I have examined this Quarterly Report.
2. All the information contained in this Quarterly Report has been prepared in conformity with the Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.
3. To the best of my knowledge and belief, the information contained in this report is accurate.
4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in N.J.A.C. 19:43-4.2(b)1-5 during the quarter.

Subscribed and sworn to
before me this 15th day
of May, 2000



Signature



Signature

Controller
Title

CHERYL ANN RUGGLES
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb. 16, 2004

#06243-11
License Number

Basis of Authority
to Take Oaths

On Behalf Of:
Bally's Park Place, Inc. NJ
Casino Licensee

**BALLY'S PARK PLACE CASINO RESORT
NOTES TO FINANCIAL STATEMENTS**

(Unaudited)

(All dollar amounts in thousands)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and basis of presentation

The accompanying financial statements include the accounts of Bally's Park Place, Inc., a New Jersey corporation (the "Company"), a wholly owned subsidiary of Park Place Entertainment Corporation ("PPE"). The Company owns and operates the casino hotel resort in Atlantic City, New Jersey known as "Bally's Park Place Casino Resort". The Company operates in one industry segment and all significant revenues arise from its casino and supporting hotel operations. The accompanying financial statements should be read in conjunction with the Company's Casino Control Commission Quarterly Report for the year ended December 31, 1999.

All adjustments have been recorded which are, in the opinion of management, necessary for a fair presentation of the balance sheets of the Company at March 31, 2000 and 1999, and its statements of income for the three months ended March 31, 2000 and 1999 and its statements of cash flows for the three months ended March 31, 2000 and 1999. All such adjustments were of a normal recurring nature.

Seasonal factors

The Company's operations are subject to seasonal factors and, therefore, the results of operations for the three months ended March 31, 2000 and 1999 are not necessarily indicative of the results of operations for the full year.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenue and expenses reported during the period. Actual results could differ from such estimates.

Reclassifications

The financial statements for the prior year reflect certain reclassifications to conform with classifications adopted in 2000. These reclassifications had no impact on previously reported net income.

Cash and equivalents

Cash and equivalents include investments purchased with initial maturities of three months or less.

Inventories

Inventories are stated at the lower of cost (weighted average cost method) or market, which approximates replacement cost.

BALLY'S PARK PLACE CASINO RESORT
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(All dollar amounts in thousands)

Property and equipment

Depreciation of property and equipment is provided on the straight-line method over the estimated economic lives of the related assets. Depreciation expense was \$9,463 and \$9,554 for the three months ended March 31, 2000 and 1999, respectively.

Long-lived assets

The provisions of Statement of Financial Accounting Standard No. 121 "Accounting for the Impairment of Long-Lived Assets," require, among other things, that an entity review its long-lived assets and certain related intangibles for impairment whenever changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. The Company does not believe that any such changes have occurred.

Fair value of financial instruments

The fair values of the Company's financial instruments approximate their recorded book values at March 31, 2000 and 1999. The fair values are not necessarily indicative of the amounts the Company could realize in a current market exchange.

Investments in subsidiaries

The Company has an investment in GNOC, Corp. (which owns and operates the casino hotel resort in Atlantic City known as the "Atlantic City Hilton"). The Company also has investments in five other subsidiaries, Atlantic City Country Club, Inc., Bally's Park Place Realty Co., B.W. Realty, Inc., Bally Warwick, Inc. and Bally's Land Ventures, Inc. The investments in all subsidiaries are reflected in the accompanying financial statements using the equity method.

Allocations and transactions with related parties

The Company transfers cash in excess of its operating needs to PPE on a daily basis. PPE provides the Company with cash advances for capital expenditures and working capital needs.

Certain executive, administrative and support operations of the Company and other PPE affiliates are consolidated, including limousine services, legal services, marketing services, purchasing and certain other administrative departments. Costs of these operations are allocated to or from the Company either directly or using various formulas based on estimates of utilization of such services. Management believes the methods used to allocate these costs are reasonable.

BALLY'S PARK PLACE CASINO RESORT
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(All dollar amounts in thousands)

Income taxes

Taxable income or loss of the Company is included in the consolidated federal income tax return of PPE. The Company provides for income taxes by applying the respective state and federal statutory rates to the results of operations. The corresponding liability or receivable is credited or charged to PPE. Deferred income tax assets and liabilities for temporary differences between the carrying amounts for financial reporting and income tax purposes, if any, are accounted for by PPE.

Casino Reinvestment Development Authority

The New Jersey Casino Control Act provides, among other things, for an assessment of licensees equal to 1.25% of their gross gaming revenues in lieu of an investment alternative tax equal to 2.5% of gross gaming revenues. The Company has satisfied this investment obligation by investing in qualified eligible direct investments, by making qualified contributions or by depositing funds with the Casino Reinvestment Development Authority (the "CRDA"). Funds deposited with the CRDA may be used to purchase bonds designated by the CRDA or, under certain circumstances, may be donated to the CRDA in exchange for credits against future CRDA investment obligations. CRDA bonds have terms up to fifty years and bear interest at below market rates. The Company records a charge to reflect the estimated realizable value of its CRDA investments.

NOTE 2 – RECEIVABLES AND PATRONS' CHECKS

Receivables and patrons' checks as of March 31 consist of the following:

	<u>2000</u>	<u>1999</u>
Casino receivables (net of allowance for doubtful accounts – \$4,239 in 2000 and \$2,511 in 1999)	\$ 8,346	\$ 5,012
Receivable from CRDA	567	2,795
Other (net of allowance for doubtful accounts – \$65 in 2000 and 1999)	3,304	3,351
Due from PPE	10,183	-
Due from Atlantic City Country Club, Inc.	11,805	3,673
Due from affiliates	<u>2,875</u>	<u>3,198</u>
	<u>\$ 37,080</u>	<u>\$ 18,029</u>

**BALLY'S PARK PLACE CASINO RESORT
NOTES TO FINANCIAL STATEMENTS**

(Unaudited)

(All dollar amounts in thousands)

NOTE 3 - INVESTMENTS, ADVANCES AND RECEIVABLES

Investments, advances and receivables as of March 31 consist of the following:

	<u>2000</u>	<u>1999</u>
Investment in wholly owned subsidiaries:		
Atlantic City Country Club, Inc.	\$ 18,635	\$ 18,503
Bally's Park Place Realty Company	15,625	15,625
B.W. Realty, Inc.	5,221	5,136
Bally Warwick, Inc.	4,166	4,166
Bally's Land Ventures Realty, Inc.	6,626	5,690
GNOC, Corp.	<u>33,540</u>	<u>32,006</u>
Total investment in subsidiaries	83,813	81,126
 Casino Reinvestment Development Authority		
Investment obligations (less valuation reserves of \$9,561 in 2000 and \$9,035 in 1999)	22,089	18,082 -
 Jacobs Family Terrace mortgage receivable		
(less reserve of \$250 in 2000 and 1999)	1,973	2,027
Less current portion	<u>(79)</u>	<u>(29)</u>
Total Jacobs Family Terrace receivable	1,894	1,998
 Long-term receivable from GNOC, Corp.		
	<u>2,156</u>	<u>3,483</u>
	<u>\$109,952</u>	<u>\$104,689</u>

The Company, GNOC, Corp. and the CRDA entered into a credit exchange agreement and an investment agreement in 1998. The credit exchange agreement permits the exchange of certain current and future CRDA obligations between the Company and GNOC, Corp. resulting in the long-term receivable from GNOC, Corp. The investment agreement provides an investment plan for use of certain current and future CRDA funds.

BALLY'S PARK PLACE CASINO RESORT
NOTES TO FINANCIAL STATEMENTS

(Unaudited)

(All dollar amounts in thousands)

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment as of March 31 consist of the following:

	<u>2000</u>	<u>1999</u>
Land	\$ 77,486	\$ 77,486
Buildings and improvements	721,898	699,170
Furniture, fixtures and equipment	211,812	200,544
Construction in progress	<u>5,820</u>	<u>19,409</u>
	1,017,016	996,609
Less accumulated depreciation and amortization	<u>(468,733)</u>	<u>(433,350)</u>
	<u>\$ 548,283</u>	<u>\$ 563,259</u>

NOTE 5 - OTHER ACCRUED EXPENSES

Other accrued expenses as of March 31 consist of the following:

	<u>2000</u>	<u>1999</u>
Accrued payroll and benefits	\$ 15,021	\$ 12,322
Insurance claims	4,983	5,298
Other	<u>11,095</u>	<u>11,912</u>
	<u>\$ 31,099</u>	<u>\$ 29,532</u>

NOTE 6 - OTHER CURRENT LIABILITIES

Other current liabilities as of March 31 consist of the following:

	<u>2000</u>	<u>1999</u>
Due to PPE	\$ -	\$ 37,274
Chip and token liability	1,212	880
Other	<u>5,711</u>	<u>6,058</u>
	<u>\$ 6,923</u>	<u>\$ 44,212</u>

BALLY'S PARK PLACE CASINO RESORT
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(All dollar amounts in thousands)

NOTE 7 - LONG-TERM DEBT-DUE TO AFFILIATES AND OTHER

Long-term debt-due to affiliates and other as of March 31 consist of the following:

	<u>2000</u>	<u>1999</u>
Long-term debt due to affiliates:		
8.5% Note payable to PPE due January 1, 2009	<u>\$ 500,000</u>	<u>\$ 500,000</u>
Long-term debt-other:		
Other secured and unsecured debt	<u>\$ 2,218</u>	<u>\$ 2,279</u>

In January 1999, GNOC, Corp. declared a \$200,000 distribution payable in the form of a note payable to the Company. The Company then immediately declared a \$700,000 distribution payable to PPE, assigned the \$200,000 note from GNOC, Corp. to PPE, and executed a \$500,000 note payable to PPE with interest at a rate of 8.5% per annum, payable on the last business day of each quarter.

NOTE 8 - OTHER LIABILITIES

Other liabilities as of March 31 consist of the following:

	<u>2000</u>	<u>1999</u>
Retirement and other employee benefit plans	\$ 18,429	\$ 18,243
Other	<u>426</u>	<u>381</u>
	<u>\$ 18,855</u>	<u>\$ 18,624</u>

NOTE 9 - CHARGES FROM AFFILIATES-MANAGEMENT FEE

During 1999, the Company and PPE entered into an administrative services and management agreement. Under the agreement, PPE provides certain services to the Company in the conduct of its business including, but not limited to operations, marketing, banking, accounting, insurance, tax, regulatory and public company reporting, human resource and benefit administration and other administrative functions. In consideration of the performance of these duties, the Company pays PPE a monthly management fee, equal to three percent of revenues (net of complimentary services).

BALLY'S PARK PLACE CASINO RESORT
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(All dollar amounts in thousands)

NOTE 10 - NONOPERATING INCOME (EXPENSE) - NET

Nonoperating income (expense) for the three months ended March 31 consist of the following:

	<u>2000</u>	<u>1999</u>
Interest income	\$ 349	\$ 313
Gain on sale of assets	31	54
Equity in income (loss) of unconsolidated subsidiaries	635	(2,511)
Other	<u>200</u>	<u>174</u>
	<u>\$ 1,215</u>	<u>\$ (1,970)</u>