

## NEW JERSEY CASINO CONTROL COMMISSION

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Tennessee Avenue and Boardwalk  
Atlantic City, NJ 08401

# ***CCC Announces 2nd Quarter 2008 Results***

### **For Immediate Release**

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**ATLANTIC CITY** – The 11 casinos here reported a 16.5 percent decline in gross operating profits in the second quarter of 2008, according to figures released Tuesday by the New Jersey Casino Control Commission.

Gross operating profits for the 11 properties totaled \$247.3 million for the three-month period compared to \$296 million for the same 11 casinos in the second quarter of 2007. Net revenues fell by 3.3 percent for the period to \$1.15 billion.

Harrah's was the only casino to report an increase in gross operating profits. It earned \$43.2 million in the second quarter, an 18.7 percent increase over the same period last year. The Borgata reported the highest gross operating profit for the industry in the quarter at \$46.2 million. That represents a decrease of 16.6 percent over the same period a year ago.

Caesars reported \$36.1 million in gross operating profits in the second quarter, down 22.7 percent and Bally's Atlantic City reported gross operating profits of \$35 million, down 5.2 percent.

Trump Taj Mahal earned \$26.4 million in gross operating profits in the quarter, down 1.4 percent from the same period a year ago; Showboat reported a 30.8 percent decline in gross operating profits to \$20.4 million, and Tropicana reported gross operating profits of \$16.1 million, a decline of 47.6 percent.

Trump Plaza earned \$9.2 million in gross operating profits in the three-month period, a decline of 7.2 percent and Trump Marina earned \$6.7 million, a decline of 25.8 percent. Gross operating profits for the Atlantic City Hilton fell 51.3 percent to \$4.2 million and Resorts gross operating profits fell 39.3 percent to \$3.6 million.

Gross operating profit represents earnings before interest, taxes, depreciation, amortization and charges from affiliates. After all of those other charges, the industry reported a net loss of \$39.4 million for the three-month period.

The opening of two new hotel towers this year cut the hotel occupancy rate to 91.3 percent in the quarter compared to 94.1 percent in the same period last year. But the number of occupied room nights increased by 3.2 percent to 1.28 million. Casino operators reduced their promotional allowances and expenses by 11 percent in the quarter to \$375 million.

For the first half of the year, gross operating profits for the 11 casinos were down 17.1 percent to \$491.1 million and net revenues were down 4 percent to \$2.26 billion. Casinos reported a net loss \$72 million for the first half of this year.

*(Anyone interested in obtaining detailed financial data about each individual casino may download them from the commission's web site at <http://www.state.nj.us/casinos/financia/qtrincome> . For more information contact the Office of Communications.)*

**ATLANTIC CITY CASINO INDUSTRY  
STATEMENT OF INCOME STATISTICS  
FOR THE QUARTER ENDED JUNE 30, 2008 AND 2007**  
(\$ in Thousands)

	<u>Net Revenue</u>		Fav (Unfav) Var %	<u>Gross Operating Profit</u>		Fav (Unfav) Var %	<u>Net Income</u>		Fav (Unfav) Var %
	<u>2008</u>	<u>2007</u>		<u>2008</u>	<u>2007</u>		<u>2008</u>	<u>2007</u>	
AC Hilton	\$ 60,500	\$ 66,045	(8.4)	\$ 4,234	\$ 8,698	(51.3)	\$ (5,568)	\$ (5,423)	(2.7)
Bally's AC	143,930	155,509	(7.4)	35,034	36,957	(5.2)	2,100	387	N/A
Borgata	205,061	202,099	1.5	46,210	55,378	(16.6)	16,007	28,928	(44.7)
Caesars	130,408	138,813	(6.1)	36,140	46,740	(22.7)	3,336	8,428	(60.4)
Harrah's Marina	138,374	119,615	15.7	43,248	36,432	18.7	(1,382)	(331)	N/A
Resorts	57,592	60,443	(4.7)	3,593	5,917	(39.3)	(6,563)	(6,463)	(1.5)
Showboat	87,363	93,983	(7.0)	20,383	29,465	(30.8)	2,316	(2,696)	N/A
Tropicana	96,244	109,736	(12.3)	16,056	30,651	(47.6)	(22,580)	12,156	N/A
Trump Marina	53,744	57,401	(6.4)	6,747	9,091	(25.8)	(22,343)	(1,593)	N/A
Trump Plaza	64,880	67,667	(4.1)	9,170	9,885	(7.2)	(5,349)	(3,509)	(52.4)
Trump Taj Mahal	113,011	119,173	(5.2)	26,446	26,830	(1.4)	628	4,902	(87.2)
Industry	<u>\$ 1,151,107</u>	<u>\$ 1,190,484</u>	(3.3)	<u>\$ 247,261</u>	<u>\$ 296,044</u>	(16.5)	<u>\$ (39,398)</u>	<u>\$ 34,786</u>	N/A

**ATLANTIC CITY CASINO INDUSTRY  
STATEMENT OF INCOME STATISTICS  
FOR THE SIX MONTHS ENDED JUNE 30, 2008 AND 2007**  
(\$ in Thousands)

	Net Revenue		Fav (Unfav) Var %	Gross Operating Profit		Fav (Unfav) Var %	Net Income		Fav (Unfav) Var %
	2008	2007		2008	2007		2008	2007	
AC Hilton	\$ 119,893	\$ 131,319	(8.7)	\$ 8,433	\$ 16,769	(49.7)	\$ (12,540)	\$ (13,079)	4.1
Bally's AC	280,623	303,171	(7.4)	66,785	73,437	(9.1)	2,028	834	N/A
Borgata	407,085	405,829	0.3	102,604	116,938	(12.3)	43,851	64,196	(31.7)
Caesars	257,435	268,670	(4.2)	74,707	87,526	(14.6)	5,368	13,720	(60.9)
Harrah's Marina	259,672	235,280	10.4	82,083	74,696	9.9	412	5,755	(92.8)
Resorts	113,462	121,998	(7.0)	5,038	12,366	(59.3)	(15,750)	(29,112)	45.9
Showboat	172,335	184,453	(6.6)	41,709	56,292	(25.9)	(3,867)	(6,357)	39.2
Tropicana	185,902	221,311	(16.0)	27,827	60,971	(54.4)	(52,631)	10,777	N/A
Trump Marina	104,026	111,741	(6.9)	11,564	18,390	(37.1)	(28,859)	(2,372)	N/A
Trump Plaza	128,177	129,169	(0.8)	18,780	18,379	2.2	(10,075)	(8,168)	(23.3)
Trump Taj Mahal	227,061	237,609	(4.4)	51,528	56,456	(8.7)	101	13,571	N/A
Industry	<u>\$ 2,255,671</u>	<u>\$ 2,350,550</u>	(4.0)	<u>\$ 491,058</u>	<u>\$ 592,220</u>	(17.1)	<u>\$ (71,962)</u>	<u>\$ 49,765</u>	N/A

**ATLANTIC CITY CASINO INDUSTRY  
STATEMENTS OF INCOME  
FOR THE QUARTER ENDED JUNE 30, 2008  
(\$ in Thousands)**

	AC Hilton	Bally's AC	Borgata	Caesars	Harrah's Marina	Resorts	Showboat	Tropicana	Trump Marina	Trump Plaza	Trump Taj Mahal	Industry
<b>REVENUE:</b>												
Casino	\$ 67,447	\$ 144,624	\$ 178,522	\$ 134,496	\$ 132,411	\$ 62,810	\$ 89,022	\$ 92,964	\$ 53,834	\$ 66,283	\$ 112,007	\$ 1,134,420
Rooms	5,462	13,813	25,425	8,973	16,935	4,653	10,167	18,038	4,993	7,026	10,051	125,536
Food and Beverage	9,721	18,777	35,471	14,795	20,628	7,565	14,068	13,570	6,440	7,688	14,769	163,492
Other	2,640	4,443	13,390	4,170	6,577	1,827	3,283	4,465	3,314	2,257	6,011	52,377
Total Revenue	85,270	181,657	252,808	162,434	176,551	76,855	116,540	129,037	68,581	83,254	142,838	1,475,825
Less: Promotional Allowances	24,770	37,727	47,747	32,026	38,177	19,263	29,177	32,793	14,837	18,374	29,827	324,718
<b>NET REVENUE</b>	<b>60,500</b>	<b>143,930</b>	<b>205,061</b>	<b>130,408</b>	<b>138,374</b>	<b>57,592</b>	<b>87,363</b>	<b>96,244</b>	<b>53,744</b>	<b>64,880</b>	<b>113,011</b>	<b>1,151,107</b>
<b>COSTS AND EXPENSES:</b>												
Cost of Goods and Services	41,683	94,875	129,163	76,532	77,995	41,193	55,782	63,295	36,469	43,947	69,479	730,413
Selling, General, and Administrative	13,788	13,416	27,902	16,759	16,452	12,242	10,477	16,565	10,137	11,382	15,854	164,974
Provision for Doubtful Accounts	795	605	1,786	977	679	564	721	328	391	381	1,232	8,459
Total Costs & Expenses	56,266	108,896	158,851	94,268	95,126	53,999	66,980	80,188	46,997	55,710	86,565	903,846
<b>GROSS OPERATING PROFIT</b>	<b>4,234</b>	<b>35,034</b>	<b>46,210</b>	<b>36,140</b>	<b>43,248</b>	<b>3,593</b>	<b>20,383</b>	<b>16,056</b>	<b>6,747</b>	<b>9,170</b>	<b>26,446</b>	<b>247,261</b>
Depreciation and Amortization	3,845	11,384	18,685	14,868	16,767	3,848	7,576	16,562	4,267	4,969	8,758	111,529
Charges from Affiliates Other than Interest:												
Management Fees	-	-	-	-	-	813	-	-	-	-	-	813
Other	805	6,276	-	5,245	6,600	-	4,931	-	1,860	2,140	3,614	31,471
<b>INCOME (LOSS) FROM OPERATIONS</b>	<b>(416)</b>	<b>17,374</b>	<b>27,525</b>	<b>16,027</b>	<b>19,881</b>	<b>(1,068)</b>	<b>7,876</b>	<b>(506)</b>	<b>620</b>	<b>2,061</b>	<b>14,074</b>	<b>103,448</b>
<b>OTHER INCOME (EXPENSES):</b>												
Interest (Expense) - Affiliates	(4,999)	(12,410)	-	(11,133)	-	(4,925)	-	(19,388)	(5,683)	(6,950)	(12,593)	(78,081)
Interest (Expense) - External	(3)	(22)	(5,730)	(25)	(18,759)	(461)	(3,574)	(5)	(235)	(487)	(612)	(29,913)
Invest. Alt. Tax & Related Income (Exp.)-Net	(284)	(894)	(1,401)	(672)	(471)	(265)	(861)	(199)	(205)	(281)	(487)	(6,020)
Nonoperating Income (Expense) - Net	134	(475)	(3,857)	(616)	(648)	156	293	(2,482)	(18,518)	308	246	(25,459)
Total Other Income (Expenses)	(5,152)	(13,801)	(10,988)	(12,446)	(19,878)	(5,495)	(4,142)	(22,074)	(24,641)	(7,410)	(13,446)	(139,473)
<b>Income(Loss) Before Taxes&amp;Extraordinary Items</b>	<b>(5,568)</b>	<b>3,573</b>	<b>16,537</b>	<b>3,581</b>	<b>3</b>	<b>(6,563)</b>	<b>3,734</b>	<b>(22,580)</b>	<b>(24,021)</b>	<b>(5,349)</b>	<b>628</b>	<b>(36,025)</b>
Provision (Credit) for Income Taxes	-	1,473	530	245	1,385	-	1,418	-	(1,678)	-	-	3,373
Income (Loss) Before Extraordinary Items	(5,568)	2,100	16,007	3,336	(1,382)	(6,563)	2,316	(22,580)	(22,343)	(5,349)	628	(39,398)
Extraordinary Items (Net of Income Taxes)	-	-	-	-	-	-	-	-	-	-	-	-
<b>NET INCOME (LOSS)</b>	<b>\$ (5,568)</b>	<b>\$ 2,100</b>	<b>\$ 16,007</b>	<b>\$ 3,336</b>	<b>\$ (1,382)</b>	<b>\$ (6,563)</b>	<b>\$ 2,316</b>	<b>\$ (22,580)</b>	<b>\$ (22,343)</b>	<b>\$ (5,349)</b>	<b>\$ 628</b>	<b>\$ (39,398)</b>

**ATLANTIC CITY CASINO INDUSTRY  
STATEMENTS OF INCOME  
FOR THE QUARTER ENDED JUNE 30, 2007  
(\$ in Thousands)**

	AC Hilton	Bally's AC	Borgata	Caesars	Harrah's Marina	Resorts	Showboat	Tropicana	Trump Marina	Trump Plaza	Trump Taj Mahal	Industry
<b>REVENUE:</b>												
Casino	\$ 75,896	\$ 163,403	\$ 177,966	\$ 148,991	\$ 128,944	\$ 67,574	\$ 104,837	\$ 100,119	\$ 58,910	\$ 68,206	\$ 122,025	\$ 1,216,871
Rooms	5,494	16,071	25,363	9,740	14,101	4,657	10,930	19,775	4,888	7,230	9,495	127,744
Food and Beverage	10,790	21,518	35,018	15,528	15,947	8,373	14,528	14,748	7,227	7,947	14,392	166,016
Other	2,534	5,844	11,305	4,193	4,858	1,354	3,206	5,172	3,168	2,472	4,112	48,218
Total Revenue	94,714	206,836	249,652	178,452	163,850	81,958	133,501	139,814	74,193	85,855	150,024	1,558,849
Less: Promotional Allowances	28,669	51,327	47,553	39,639	44,235	21,515	39,518	30,078	16,792	18,188	30,851	368,365
<b>NET REVENUE</b>	<b>66,045</b>	<b>155,509</b>	<b>202,099</b>	<b>138,813</b>	<b>119,615</b>	<b>60,443</b>	<b>93,983</b>	<b>109,736</b>	<b>57,401</b>	<b>67,667</b>	<b>119,173</b>	<b>1,190,484</b>
<b>COSTS AND EXPENSES:</b>												
Cost of Goods and Services	46,096	97,563	119,642	73,194	66,869	41,127	53,652	64,187	36,110	43,257	70,043	711,740
Selling, General, and Administrative	10,596	20,384	25,870	18,109	15,939	13,044	10,443	14,564	11,978	13,875	21,231	176,033
Provision for Doubtful Accounts	655	605	1,209	770	375	355	423	334	222	650	1,069	6,667
Total Costs & Expenses	57,347	118,552	146,721	92,073	83,183	54,526	64,518	79,085	48,310	57,782	92,343	894,440
<b>GROSS OPERATING PROFIT</b>	<b>8,698</b>	<b>36,957</b>	<b>55,378</b>	<b>46,740</b>	<b>36,432</b>	<b>5,917</b>	<b>29,465</b>	<b>30,651</b>	<b>9,091</b>	<b>9,885</b>	<b>26,830</b>	<b>296,044</b>
Depreciation and Amortization	4,657	13,521	16,905	14,475	12,214	4,376	10,245	9,926	4,045	4,826	7,359	102,549
Charges from Affiliates Other than Interest:												
Management Fees	-	-	-	-	-	1,050	-	-	-	-	-	1,050
Other	1,020	6,858	-	5,591	4,732	880	7,017	-	1,262	1,277	2,296	30,933
<b>INCOME (LOSS) FROM OPERATIONS</b>	<b>3,021</b>	<b>16,578</b>	<b>38,473</b>	<b>26,674</b>	<b>19,486</b>	<b>(389)</b>	<b>12,203</b>	<b>20,725</b>	<b>3,784</b>	<b>3,782</b>	<b>17,175</b>	<b>161,512</b>
<b>OTHER INCOME (EXPENSES):</b>												
Interest (Expense) - Affiliates	(8,356)	(12,384)	-	(11,014)	(13,000)	(6,341)	(14,432)	(22,768)	(5,099)	(6,676)	(11,606)	(111,676)
Interest (Expense) - External	(5)	(100)	(7,823)	(135)	-	(573)	-	(6)	(194)	(382)	(494)	(9,712)
Invest. Alt. Tax & Related Income (Exp.)-Net	(320)	(1,486)	(1,405)	(893)	(1,398)	(262)	(697)	(403)	(280)	(398)	(602)	(8,144)
Nonoperating Income (Expense) - Net	237	1	(993)	(9)	(4,083)	1,102	(301)	14,608	196	165	429	11,352
Total Other Income (Expenses)	(8,444)	(13,969)	(10,221)	(12,051)	(18,481)	(6,074)	(15,430)	(8,569)	(5,377)	(7,291)	(12,273)	(118,180)
<b>Income(Loss) Before Taxes&amp;Extraordinary Items</b>	<b>(5,423)</b>	<b>2,609</b>	<b>28,252</b>	<b>14,623</b>	<b>1,005</b>	<b>(6,463)</b>	<b>(3,227)</b>	<b>12,156</b>	<b>(1,593)</b>	<b>(3,509)</b>	<b>4,902</b>	<b>43,332</b>
Provision (Credit) for Income Taxes	-	2,222	(676)	6,195	1,336	-	(531)	-	-	-	-	8,546
Income (Loss) Before Extraordinary Items	(5,423)	387	28,928	8,428	(331)	(6,463)	(2,696)	12,156	(1,593)	(3,509)	4,902	34,786
Extraordinary Items (Net of Income Taxes)	-	-	-	-	-	-	-	-	-	-	-	-
<b>NET INCOME (LOSS)</b>	<b>\$ (5,423)</b>	<b>\$ 387</b>	<b>\$ 28,928</b>	<b>\$ 8,428</b>	<b>\$ (331)</b>	<b>\$ (6,463)</b>	<b>\$ (2,696)</b>	<b>\$ 12,156</b>	<b>\$ (1,593)</b>	<b>\$ (3,509)</b>	<b>\$ 4,902</b>	<b>\$ 34,786</b>

**ATLANTIC CITY CASINO INDUSTRY  
STATEMENTS OF INCOME  
FOR THE SIX MONTHS ENDED JUNE 30, 2008  
(\$ in Thousands)**

	AC Hilton	Bally's AC	Borgata	Caesars	Harrah's Marina	Resorts	Showboat	Tropicana	Trump Marina	Trump Plaza	Trump Taj Mahal	Industry
<b>REVENUE:</b>												
Casino	\$ 134,390	\$ 286,364	\$ 357,158	\$ 268,213	\$ 255,485	\$ 123,559	\$ 180,541	\$ 180,704	\$ 107,279	\$ 132,983	\$ 229,929	\$ 2,256,605
Rooms	9,874	25,864	49,440	15,958	28,970	9,044	19,249	33,903	9,564	13,056	19,259	234,181
Food and Beverage	18,971	36,151	69,641	28,570	37,512	15,634	25,889	26,050	12,776	14,385	28,975	314,554
Other	4,846	9,371	23,311	7,402	12,093	3,370	6,018	8,617	5,883	4,351	11,563	96,825
Total Revenue	168,081	357,750	499,550	320,143	334,060	151,607	231,697	249,274	135,502	164,775	289,726	2,902,165
Less: Promotional Allowances	48,188	77,127	92,465	62,708	74,388	38,145	59,362	63,372	31,476	36,598	62,665	646,494
<b>NET REVENUE</b>	<b>119,893</b>	<b>280,623</b>	<b>407,085</b>	<b>257,435</b>	<b>259,672</b>	<b>113,462</b>	<b>172,335</b>	<b>185,902</b>	<b>104,026</b>	<b>128,177</b>	<b>227,061</b>	<b>2,255,671</b>
<b>COSTS AND EXPENSES:</b>												
Cost of Goods and Services	82,622	185,503	246,810	147,994	147,429	82,735	108,604	123,495	71,633	85,696	139,592	1,422,113
Selling, General, and Administrative	27,568	26,978	54,122	32,488	28,916	24,611	20,680	33,921	20,062	23,015	33,777	326,138
Provision for Doubtful Accounts	1,270	1,357	3,549	2,246	1,244	1,078	1,342	659	767	686	2,164	16,362
Total Costs & Expenses	111,460	213,838	304,481	182,728	177,589	108,424	130,626	158,075	92,462	109,397	175,533	1,764,613
<b>GROSS OPERATING PROFIT</b>	<b>8,433</b>	<b>66,785</b>	<b>102,604</b>	<b>74,707</b>	<b>82,083</b>	<b>5,038</b>	<b>41,709</b>	<b>27,827</b>	<b>11,564</b>	<b>18,780</b>	<b>51,528</b>	<b>491,058</b>
Depreciation and Amortization	7,957	22,057	36,140	29,097	30,770	7,697	16,314	33,190	7,788	9,800	17,376	218,186
Charges from Affiliates Other than Interest:												
Management Fees	-	-	-	-	-	1,626	-	-	-	-	-	1,626
Other	1,599	12,608	-	10,500	13,223	-	11,161	-	3,775	4,314	7,216	64,396
<b>INCOME (LOSS) FROM OPERATIONS</b>	<b>(1,123)</b>	<b>32,120</b>	<b>66,464</b>	<b>35,110</b>	<b>38,090</b>	<b>(4,285)</b>	<b>14,234</b>	<b>(5,363)</b>	<b>1</b>	<b>4,666</b>	<b>26,936</b>	<b>206,850</b>
<b>OTHER INCOME (EXPENSES):</b>												
Interest (Expense) - Affiliates	(11,043)	(24,820)	-	(22,029)	(3,914)	(10,586)	(4,319)	(42,858)	(11,334)	(13,869)	(25,123)	(169,895)
Interest (Expense) - External	(6)	(47)	(12,187)	(317)	(37,348)	(959)	(14,472)	(10)	(467)	(972)	(1,296)	(68,081)
Invest. Alt. Tax & Related Income (Exp.)-Net	(566)	(1,707)	(2,800)	(1,228)	5,143	(456)	(1,872)	(617)	(410)	(593)	(982)	(6,088)
Nonoperating Income (Expense) - Net	198	(857)	(4,342)	(1,401)	(873)	536	625	(3,781)	(18,327)	693	566	(26,963)
Total Other Income (Expenses)	(11,417)	(27,431)	(19,329)	(24,975)	(36,992)	(11,465)	(20,038)	(47,266)	(30,538)	(14,741)	(26,835)	(271,027)
<b>Income(Loss) Before Taxes&amp;Extraordinary Items</b>	<b>(12,540)</b>	<b>4,689</b>	<b>47,135</b>	<b>10,135</b>	<b>1,098</b>	<b>(15,750)</b>	<b>(5,804)</b>	<b>(52,629)</b>	<b>(30,537)</b>	<b>(10,075)</b>	<b>101</b>	<b>(64,177)</b>
Provision (Credit) for Income Taxes	-	2,661	3,284	4,767	686	-	(1,937)	2	(1,678)	-	-	7,785
<b>Income (Loss) Before Extraordinary Items</b>	<b>(12,540)</b>	<b>2,028</b>	<b>43,851</b>	<b>5,368</b>	<b>412</b>	<b>(15,750)</b>	<b>(3,867)</b>	<b>(52,631)</b>	<b>(28,859)</b>	<b>(10,075)</b>	<b>101</b>	<b>(71,962)</b>
Extraordinary Items (Net of Income Taxes)	-	-	-	-	-	-	-	-	-	-	-	-
<b>NET INCOME (LOSS)</b>	<b>\$ (12,540)</b>	<b>\$ 2,028</b>	<b>\$ 43,851</b>	<b>\$ 5,368</b>	<b>\$ 412</b>	<b>\$ (15,750)</b>	<b>\$ (3,867)</b>	<b>\$ (52,631)</b>	<b>\$ (28,859)</b>	<b>\$ (10,075)</b>	<b>\$ 101</b>	<b>\$ (71,962)</b>

**ATLANTIC CITY CASINO INDUSTRY  
STATEMENTS OF INCOME  
FOR THE SIX MONTHS ENDED JUNE 30, 2007  
(\$ in Thousands)**

	AC Hilton	Bally's AC	Borgata	Caesars	Harrah's Marina	Resorts	Showboat	Tropicana	Trump Marina	Trump Plaza	Trump Taj Mahal	Industry
<b>REVENUE:</b>												
Casino	\$ 149,768	\$ 319,715	\$ 365,235	\$ 288,144	\$ 254,320	\$ 136,909	\$ 203,885	\$ 204,767	\$ 116,919	\$ 132,403	\$ 243,939	\$ 2,416,004
Rooms	9,947	28,960	49,256	18,361	26,541	8,936	20,999	36,536	9,177	12,880	17,832	239,425
Food and Beverage	20,107	40,654	68,128	29,746	31,166	16,021	28,312	28,991	13,904	14,278	26,853	318,160
Other	4,696	11,071	21,039	7,507	8,504	2,644	6,295	10,621	5,124	4,259	7,787	89,547
Total Revenue	184,518	400,400	503,658	343,758	320,531	164,510	259,491	280,915	145,124	163,820	296,411	3,063,136
Less: Promotional Allowances	53,199	97,229	97,829	75,088	85,251	42,512	75,038	59,604	33,383	34,651	58,802	712,586
<b>NET REVENUE</b>	<b>131,319</b>	<b>303,171</b>	<b>405,829</b>	<b>268,670</b>	<b>235,280</b>	<b>121,998</b>	<b>184,453</b>	<b>221,311</b>	<b>111,741</b>	<b>129,169</b>	<b>237,609</b>	<b>2,350,550</b>
<b>COSTS AND EXPENSES:</b>												
Cost of Goods and Services	91,140	191,916	234,576	145,740	129,914	84,927	106,589	128,818	71,246	84,151	138,071	1,407,088
Selling, General, and Administrative	21,962	36,841	51,549	33,767	30,036	24,054	20,541	30,901	21,676	25,394	41,172	337,893
Provision for Doubtful Accounts	1,448	977	2,766	1,637	634	651	1,031	621	429	1,245	1,910	13,349
Total Costs & Expenses	114,550	229,734	288,891	181,144	160,584	109,632	128,161	160,340	93,351	110,790	181,153	1,758,330
<b>GROSS OPERATING PROFIT</b>	<b>16,769</b>	<b>73,437</b>	<b>116,938</b>	<b>87,526</b>	<b>74,696</b>	<b>12,366</b>	<b>56,292</b>	<b>60,971</b>	<b>18,390</b>	<b>18,379</b>	<b>56,456</b>	<b>592,220</b>
Depreciation and Amortization	10,254	26,307	33,732	27,940	23,299	8,787	20,068	16,046	7,722	9,571	14,136	197,862
Charges from Affiliates Other than Interest:												
Management Fees	-	-	-	-	-	2,099	-	-	-	-	-	2,099
Other	2,039	13,603	-	11,504	9,561	1,455	14,038	-	2,314	2,629	4,325	61,468
<b>INCOME (LOSS) FROM OPERATIONS</b>	<b>4,476</b>	<b>33,527</b>	<b>83,206</b>	<b>48,082</b>	<b>41,836</b>	<b>25</b>	<b>22,186</b>	<b>44,925</b>	<b>8,354</b>	<b>6,179</b>	<b>37,995</b>	<b>330,791</b>
<b>OTHER INCOME (EXPENSES):</b>												
Interest (Expense) - Affiliates	(17,266)	(24,820)	-	(22,029)	(26,000)	(13,686)	(28,864)	(45,535)	(10,172)	(13,278)	(23,141)	(224,791)
Interest (Expense) - External	(11)	(100)	(15,516)	(270)	-	(1,429)	-	(11)	(456)	(839)	(1,093)	(19,725)
Invest. Alt. Tax & Related Income (Exp.)-Net	(632)	(2,951)	(2,894)	(2,093)	(2,741)	(559)	(1,513)	(878)	(467)	(703)	(781)	(16,212)
Nonoperating Income (Expense) - Net	394	286	(1,366)	449	(4,668)	(13,463)	(118)	12,276	369	473	791	(4,577)
Total Other Income (Expenses)	(17,515)	(27,585)	(19,776)	(23,943)	(33,409)	(29,137)	(30,495)	(34,148)	(10,726)	(14,347)	(24,224)	(265,305)
<b>Income(Loss) Before Taxes&amp;Extraordinary Items</b>	<b>(13,039)</b>	<b>5,942</b>	<b>63,430</b>	<b>24,139</b>	<b>8,427</b>	<b>(29,112)</b>	<b>(8,309)</b>	<b>10,777</b>	<b>(2,372)</b>	<b>(8,168)</b>	<b>13,771</b>	<b>65,486</b>
Provision (Credit) for Income Taxes	40	5,108	(766)	10,419	2,672	-	(1,952)	-	-	-	200	15,721
<b>Income (Loss) Before Extraordinary Items</b>	<b>(13,079)</b>	<b>834</b>	<b>64,196</b>	<b>13,720</b>	<b>5,755</b>	<b>(29,112)</b>	<b>(6,357)</b>	<b>10,777</b>	<b>(2,372)</b>	<b>(8,168)</b>	<b>13,571</b>	<b>49,765</b>
Extraordinary Items (Net of Income Taxes)	-	-	-	-	-	-	-	-	-	-	-	-
<b>NET INCOME (LOSS)</b>	<b>\$ (13,079)</b>	<b>\$ 834</b>	<b>\$ 64,196</b>	<b>\$ 13,720</b>	<b>\$ 5,755</b>	<b>\$ (29,112)</b>	<b>\$ (6,357)</b>	<b>\$ 10,777</b>	<b>\$ (2,372)</b>	<b>\$ (8,168)</b>	<b>\$ 13,571</b>	<b>\$ 49,765</b>

**ATLANTIC CITY CASINO INDUSTRY  
PROMOTIONAL ALLOWANCES AND EXPENSES  
FOR THE QUARTER AND YEAR-TO-DATE ENDED JUNE 30, 2008**  
(\$ in Thousands)

	QUARTER			YEAR-TO-DATE		
	Allowances	Expenses	Total	Allowances	Expenses	Total
AC Hilton	\$ 24,770	\$ 4,764	\$ 29,534	\$ 48,188	\$ 9,342	\$ 57,530
Bally's AC	37,727	1,826	39,553	77,127	3,242	80,369
Borgata	47,747	9,069	56,816	92,465	17,826	110,291
Caesars	32,026	6,392	38,418	62,708	11,663	74,371
Harrah's Marina	38,177	4,911	43,088	74,388	8,103	82,491
Resorts	19,263	6,137	25,400	38,145	12,306	50,451
Showboat	29,177	808	29,985	59,362	1,527	60,889
Tropicana	32,793	3,010	35,803	63,372	7,004	70,376
Trump Marina	14,837	4,116	18,953	31,476	7,579	39,055
Trump Plaza	18,374	4,007	22,381	36,598	8,364	44,962
Trump Taj Mahal	29,827	5,211	35,038	62,665	11,390	74,055
Industry	\$ 324,718	\$ 50,251	\$ 374,969	\$ 646,494	\$ 98,346	\$ 744,840
Incr (Decr) vs. Prior Period	-12.0%	-3.6%	-11.0%	-9.4%	1.1%	-8.2%

**ATLANTIC CITY CASINO INDUSTRY  
PROMOTIONAL ALLOWANCES AND EXPENSES  
FOR THE QUARTER AND YEAR-TO-DATE ENDED JUNE 30, 2007**  
(\$ in Thousands)

	QUARTER			YEAR-TO-DATE		
	Allowances	Expenses	Total	Allowances	Expenses	Total
AC Hilton	\$ 28,669	\$ 2,204	\$ 30,873	\$ 53,199	\$ 4,510	\$ 57,709
Bally's AC	51,327	2,148	53,475	97,229	3,854	101,083
Borgata	47,553	9,870	57,423	97,829	19,505	117,334
Caesars	40,263	5,976	46,239	76,256	11,401	87,657
Harrah's Marina	44,235	4,160	48,395	85,251	7,278	92,529
Resorts	21,515	5,071	26,586	42,512	11,330	53,842
Showboat	39,518	915	40,433	75,038	1,646	76,684
Tropicana	30,078	3,398	33,476	59,604	6,069	65,673
Trump Marina	16,792	4,559	21,351	33,383	7,462	40,845
Trump Plaza	18,188	6,374	24,562	34,651	10,205	44,856
Trump Taj Mahal	30,851	7,477	38,328	58,802	14,028	72,830
Industry	\$ 368,989	\$ 52,152	\$ 421,141	\$ 713,754	\$ 97,288	\$ 811,042

**ATLANTIC CITY CASINO INDUSTRY  
HOTEL STATISTICS  
FOR THE QUARTER ENDED JUNE 30, 2008**

CASINO	NUMBER OF GUEST ROOMS IN PROPERTY*	NUMBER OF AVAILABLE ROOM NIGHTS	NUMBER OF OCCUPIED ROOM NIGHTS	OCCUPANCY RATE	AVERAGE RATE PER OCCUPIED ROOM
AC Hilton	809	73,619	70,155	95.3%	\$ 77.85
Bally's AC	1,745	158,517	154,968	97.8%	84.42
Borgata	2,703	191,484	174,096	90.9%	142.84
Caesars	1,139	103,739	89,889	86.6%	95.12
Harrah's Marina	2,570	212,605	190,394	89.6%	88.95
Resorts	942	85,722	76,956	89.8%	60.43
Showboat	1,331	121,121	115,661	95.5%	87.91
Tropicana	2,129	193,739	173,172	89.4%	104.16
Trump Marina	728	66,248	57,382	86.6%	87.01
Trump Plaza	906	82,446	73,901	89.6%	95.07
Trump Taj Mahal	1,245	113,295	104,582	92.3%	96.46
<b>INDUSTRY TOTAL</b>	<b>16,247</b>	<b>1,402,535</b>	<b>1,281,156</b>		
<b>INDUSTRY AVERAGE</b>				<b>91.3%</b>	<b>\$96.68</b>

\* Number of guest rooms at end of quarter

**ATLANTIC CITY CASINO INDUSTRY  
HOTEL STATISTICS  
FOR THE SIX MONTHS ENDED JUNE 30, 2008**

CASINO	NUMBER OF GUEST ROOMS IN PROPERTY*	NUMBER OF AVAILABLE ROOM NIGHTS	NUMBER OF OCCUPIED ROOM NIGHTS	OCCUPANCY RATE	AVERAGE RATE PER OCCUPIED ROOM
AC Hilton	809	147,238	136,892	93.0%	\$ 72.13
Bally's AC	1,745	312,184	296,337	94.9%	82.75
Borgata	2,703	370,140	341,209	92.2%	141.64
Caesars	1,139	207,388	164,590	79.4%	92.25
Harrah's Marina	2,570	375,729	329,057	87.6%	88.04
Resorts	942	171,402	148,732	86.8%	60.79
Showboat	1,331	242,242	218,114	90.0%	88.25
Tropicana	2,129	387,478	336,058	86.7%	100.88
Trump Marina	728	132,496	112,120	84.6%	85.30
Trump Plaza	906	164,892	142,423	86.4%	91.67
Trump Taj Mahal	1,245	226,590	207,273	91.5%	93.17
<b>INDUSTRY TOTAL</b>	<b>16,247</b>	<b>2,737,779</b>	<b>2,432,805</b>		
<b>INDUSTRY AVERAGE</b>				<b>88.9%</b>	<b>\$94.95</b>

\* Number of guest rooms at end of quarter