RESORTS INTERNATIONAL HOTEL, INC.

QUARTERLY REPORT

FOR THE QUARTER ENDED DECEMBER 31, 2007 AMENDED

**SUBMITTED TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY**

**DIVISION OF FINANCIAL EVALUATION
REPORTING MANUAL**

AMENDED 4/30/2008

RESORTS INTERNATIONAL HOTEL, INC.
BALANCE SHEETS

AS OF DECEMBER 31, 2007 (AMENDED) AND 2006

(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	Notes	2007 (c)	2006 (d)
	ASSETS:			
	Current Assets:			
1	Cash and Cash Equivalents	2	$36,272	$17,954
2	Short-Term Investments		0	0
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2007, $3,230; 2006, $2,165)	3	26,621	8,650
4	Inventories		1,901	1,489
5	Other Current Assets	4	3,167	4,026
6	Total Current Assets		67,961	32,119
7	Investments, Advances, and Receivables	5	53,273	12,224
8	Property and Equipment - Gross		335,083	320,254
9	Less: Accumulated Depreciation and Amortization		(86,759)	(70,985)
10	Property and Equipment - Net	2	248,324	249,269
11	Other Assets		6,037	5,568
12	Total Assets		$375,595	$299,180
	LIABILITIES AND EQUITY:			
	Current Liabilities:			
13	Accounts Payable		$11,291	$16,171
14	Notes Payable		0	0
	Current Portion of Long-Term Debt:			
15	Due to Affiliates		0	0
16	External		331	15,742
17	Income Taxes Payable and Accrued		351	384
18	Other Accrued Expenses	6	19,944	20,124
19	Other Current Liabilities	7	4,584	11,954
20	Total Current Liabilities		36,501	64,375
	Long-Term Debt:			
21	Due to Affiliates	8	350,000	178,306
22	External	8	5,185	10,809
23	Deferred Credits		0	0
24	Other Liabilities		0	0
25	Commitments and Contingencies	13	0	0
26	Total Liabilities		391,686	253,490
27	Stockholders', Partners', or Proprietor's Equity		(16,091)	45,690
28	Total Liabilities and Equity		$375,595	$299,180

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

RESORTS INTERNATIONAL HOTEL, INC.
STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007 (amended) and 2006

(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	Notes	2007 (c)	2006 (d)	
	Revenue:				
1	Casino		$276,384	$279,816	
2	Rooms		18,787	21,360	
3	Food and Beverage		33,799	32,889	
4	Other		6,678	7,670	
5	Total Revenue		335,648	341,735	
6	Less: Promotional Allowances	2	86,638	89,454	
7	Net Revenue	2	249,010	252,281	
	Costs and Expenses:				
8	Cost of Goods and Services		174,814	177,340	
9	Selling, General, and Administrative		48,173	47,258	*
10	Provision for Doubtful Accounts		1,600	1,048	
11	Total Costs and Expenses		224,587	225,646	
12	Gross Operating Profit		24,423	26,635	
13	Depreciation and Amortization		16,438	19,754	
	Charges from Affiliates Other than Interest:				
14	Management Fees	9	4,197	4,637	*
15	Other	9	3,180	0	
16	Income (Loss) from Operations		608	2,244	
	Other Income (Expenses):				
17	Interest Expense - Affiliates	9	(26,652)	(21,336)	
18	Interest Expense - External		(927)	(3,755)	
19	CRDA Related Income (Expense) - Net	5	(1,434)	(1,041)	
20	Nonoperating Income (Expense) - Net	10	4,625	881	
21	Total Other Income (Expenses)		(24,388)	(25,251)	
22	Income (Loss) Before Taxes and Extraordinary Items		(23,780)	(23,007)	
23	Provision (Credit) for Income Taxes	12	0	3,090	
24	Income (Loss) Before Extraordinary Items		(23,780)	(26,097)	
25	Extraordinary Items (Net of Income Taxes - 2007, $0; 2006, $0)		0	0	
26	Net Income (Loss)		($23,780)	($26,097)	

* Restated to conform to current year presentation.

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

AMENDED 4/30/2008

RESORTS INTERNATIONAL HOTEL, INC.
STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 2007 (amended) and 2006

(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	Notes	2007 (c)	2006 (d)	
	Revenue:				
1	Casino		$64,348	$68,268	
2	Rooms		4,687	5,194	
3	Food and Beverage		8,370	8,393	
4	Other		1,313	2,774	
5	Total Revenue		78,718	84,629	
6	Less: Promotional Allowances	2	20,300	23,560	
7	Net Revenue	2	58,418	61,069	
	Costs and Expenses:				
8	Cost of Goods and Services		43,744	45,096	
9	Selling, General, and Administrative		10,676	12,179	*
10	Provision for Doubtful Accounts		715	414	
11	Total Costs and Expenses		55,135	57,689	
12	Gross Operating Profit		3,283	3,380	
13	Depreciation and Amortization		3,604	4,377	
	Charges from Affiliates Other than Interest:				
14	Management Fees	9	1,049	1,936	*
15	Other	9	829	0	
16	Income (Loss) from Operations		(2,199)	(2,933)	
	Other Income (Expenses):				
17	Interest Expense - Affiliates	9	(6,617)	(5,342)	
18	Interest Expense - External		(198)	(1,049)	
19	CRDA Related Income (Expense) - Net	5	(561)	(152)	
20	Nonoperating Income (Expense) - Net	10	19,442	270	
21	Total Other Income (Expenses)		12,066	(6,273)	
22	Income (Loss) Before Taxes and Extraordinary Items		9,867	(9,206)	
23	Provision (Credit) for Income Taxes		(20)	258	
24	Income (Loss) Before Extraordinary Items		9,887	(9,464)	
25	Extraordinary Items (Net of Income Taxes - 2007, $0 ; 2006, $0)		0	0	
26	Net Income (Loss)		$9,887	($9,464)	

* Restated to conform to current year presentation.

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

AMENDED 4/30/2008

RESORTS INTERNATIONAL HOTEL, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

for the TWELVE MONTHS ENDED DECEMBER 31, 2006 and the TWELVE MONTHS ENDED DECEMBER 31, 2007 (amended)

(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	Notes	Common Stock Shares (c)	Common Stock Amount (d)	Preferred Stock Shares (e)	Preferred Stock Amount (f)	Additional Paid-In Capital (g)	(h)	Retained Earnings (Accumulated Deficit) (i)	Total Stockholders' Equity (Deficit) (j)
1	**Balance, December 31, 2005..........**		100	$0			$77,673		($5,886)	$71,787
2	Net Income (Loss) - 2006.............								(26,097)	(26,097)
3	Contribution to Paid-in-Capital.....									0
4	Dividends.....................................									0
5	Prior Period Adjustments.............									0
6										0
7										0
8										0
9										0
10	**Balance, December 31, 2006..........**		100	0	0	0	77,673	0	(31,983)	45,690
11	Net Income (Loss) - 2007.............								(23,780)	(23,780)
12	Contribution to Paid-in-Capital.....									0
13	Dividends.....................................									0
14	Prior Period Adjustments.............								(1)	(1)
15	Return of Paid-in Capital						(38,000)			(38,000)
16										0
17										0
18										0
19	**Balance, December 31, 2007 ....**		100	$0	0	$0	$39,673	$0	($55,764)	($16,091)

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

AMENDED 4/30/2008

RESORTS INTERNATIONAL HOTEL, INC.
STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007 (amended) and 2006

(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	Notes	2007 (c)	2006 (d)
1	CASH PROVIDED (USED) BY OPERATING ACTIVITIES..		($70,279)	$186
	CASH FLOWS FROM INVESTING ACTIVITIES:			
2	Purchase of Short-Term Investments		0	0
3	Proceeds from the Sale of Short-Term Investments		0	0
4	Cash Outflows for Property and Equipment		(14,009)	(9,815)
5	Proceeds from Disposition of Property and Equipment		38	102
6	CRDA Obligations		(3,533)	(3,478)
7	Other Investments, Loans and Advances made		0	0
8	Proceeds from Other Investments, Loans, and Advances		0	0
9	Cash Outflows to Acquire Business Entities		0	0
10	Proceeds from Releases of Restricted Cash		103	0
11				
12	Net Cash Provided (Used) By Investing Activities		(17,401)	(13,191)
	CASH FLOWS FROM FINANCING ACTIVITIES:			
13	Proceeds from Short-Term Debt		0	0
14	Payments to Settle Short-Term Debt		(199,341)	(5,617)
15	Proceeds from Long-Term Debt		350,000	9,996
16	Costs of Issuing Debt		(6,661)	1,249
17	Payments to Settle Long-Term Debt		0	0
18	Cash Proceeds from Issuing Stock or Capital Contributions		0	0
19	Purchases of Treasury Stock		0	0
20	Payments of Dividends or Capital Withdrawals		(38,000)	0
21				
22				
23	Net Cash Provided (Used) By Financing Activities		105,998	5,628
24	Net Increase (Decrease) in Cash and Cash Equivalents		18,318	(7,377)
25	Cash and Cash Equivalents at Beginning of Period		17,954	25,331
26	Cash and Cash Equivalents at End of Period		$36,272	$17,954

	CASH PAID DURING PERIOD FOR:			
27	Interest (Net of Amount Capitalized)		$33,231	$22,674
28	Income Taxes		$33	$1,197

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

RESORTS INTERNATIONAL HOTEL, INC.
STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007 (amended) and 2006

(UNAUDITED)

($ IN THOUSANDS)

Line (a)	Description (b)	Notes	2007 (c)	2006 (d)
	CASH FLOWS FROM OPERATING ACTIVITIES:			
29	Net Income (Loss)......		($23,780)	($26,097)
30	Depreciation and Amortization of Property and Equipment...		15,776	18,368
31	Amortization of Other Assets......		662	1,386
32	Amortization of Debt Discount or Premium......		0	637
33	Deferred Income Taxes - Current		0	0
34	Deferred Income Taxes - Noncurrent		0	1,890
35	(Gain) Loss on Disposition of Property and Equipment......		(38)	(66)
36	(Gain) Loss on CRDA-Related Obligations......		1,434	1,041
37	(Gain) Loss from Other Investment Activities......		0	0
38	(Increase) Decrease in Receivables and Patrons' Checks		(17,971)	994
39	(Increase) Decrease in Inventories		(412)	(138)
40	(Increase) Decrease in Other Current Assets......		859	(1,277)
41	(Increase) Decrease in Other Assets......		(51,223)	(1,605)
42	Increase (Decrease) in Accounts Payable......		(4,879)	8,161
43	Increase (Decrease) in Other Current Liabilities		(7,532)	(3,108)
44	Increase (Decrease) in Other Liabilities		0	0
45	Loss on Extinguishment of Debt		16,825	0
46	......		0	0
47	Net Cash Provided (Used) By Operating Activities......		($70,279)	$186

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Line (a)	Description (b)	Notes	2007 (c)	2006 (d)
	ACQUISITION OF PROPERTY AND EQUIPMENT:			
48	Additions to Property and Equipment......		($14,009)	($9,815)
49	Less: Capital Lease Obligations Incurred......		0	0
50	Cash Outflows for Property and Equipment......		($14,009)	($9,815)
	ACQUISITION OF BUSINESS ENTITIES:			
51	Property and Equipment Acquired......		$0	$0
52	Goodwill Acquired......		0	0
53	Other Assets Acquired - net		0	0
54	Long-Term Debt Assumed......		0	0
55	Issuance of Stock or Capital Invested......		0	0
56	Cash Outflows to Acquire Business Entities......		$0	$0
	STOCK ISSUED OR CAPITAL CONTRIBUTIONS:			
57	Total Issuances of Stock or Capital Contributions......		$0	$0
58	Less: Issuances to Settle Long-Term Debt......		0	0
59	Consideration in Acquisition of Business Entities......		0	0
60	Cash Proceeds from Issuing Stock or Capital Contributions......		$0	$0

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

AMENDED 4/30/2008

RESORTS INTERNATIONAL HOTEL, INC.
SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007 (amended)

(UNAUDITED)
($ IN THOUSANDS)

		Promotional Allowances		Promotional Expenses		
Line (a)	Description (b)	Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)	
1	Rooms	260,076	$15,516	108	$18	
2	Food	1,104,428	17,344	79,424	3,061	
3	Beverage	2,705,086	8,618	0	0	
4	Travel	0	0	36,263	2,381	
5	Bus Program Cash	580,250	12,996	0	0	
6	Other Cash Complimentaries	801,623	29,907	0	0	
7	Entertainment	60,381	2,124	2,682	609	
8	Retail & Non-Cash Gifts	1,425	21	106,814	12,284	
9	Parking	0	0	0	0	
10	Other	7,466	112	228,887	5,722	*
11	Total	5,520,735	$86,638	454,178	$24,075	

* Included in Other Promotional Expenses for the twelve months ended December 31, 2007 is direct marketing postage in the amount of $2,929. No other single item or service included in other exceeds 5% of the column total

FOR THE THREE MONTHS ENDED DECEMBER 31, 2007 (amended)

		Promotional Allowances		Promotional Expenses		
Line (a)	Description (b)	Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)	
1	Rooms	62,532	$3,739	12	$2	
2	Food	323,081	4,523	18,443	738	
3	Beverage	654,884	2,079	0	0	
4	Travel	0	0	10,065	612	
5	Bus Program Cash	149,045	3,294	0	0	
6	Other Cash Complimentaries	89,672	6,209	0	0	
7	Entertainment	14,837	427	555	343	
8	Retail & Non-Cash Gifts	0	0	28,424	3,269	
9	Parking	0	0	0	0	
10	Other	1,940	29	56,608	1,415	*
11	Total	1,295,991	$20,300	114,107	$6,379	

* Included in Other Promotional Expenses for the three months ended December 31, 2007 is direct marketing postage in the amount of $825. No other single item or service included in other exceeds 5% of the column total

RESORTS INTERNATIONAL HOTEL, INC.
STATEMENT OF CONFORMITY, ACCURACY, AND COMPLIANCE

FOR THE QUARTER ENDED DECEMBER 31, 2007 AMENDED

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.

Lawrence J. McCabe

4/30/2008
Date

Lawrence J. McCabe

Director - Finance
Title

3392-11
License Number

On Behalf of:

RESORTS INTERNATIONAL HOTEL, INC.
Casino Licensee

1. Basis of Presentation

Colony RIH Holdings, Inc., a Delaware corporation ("CRH"), owns 100% of the outstanding common stock of Resorts International Hotel and Casino, Inc. ("RIHC"). RIHC, through its subsidiary, Resorts International Hotel, Inc., a New Jersey corporation ("RIH" or the "Company"), owns and operates Resorts Atlantic City, a casino/hotel located in Atlantic City, NJ.

CRH was formed at the direction of Colony Investors IV, L.P. ("Colony IV"), an affiliate of Colony Capital, LLC ("Colony Capital") of Los Angeles, California, on March 7, 2001. RIHC was formed at the direction of Colony IV on October 24, 2000.

RIHC, Kerzner International North America, Inc., a Delaware corporation ("KINA"), formerly Sun International North America, Inc., and GGRI, Inc., a Delaware corporation ("GGRI"), entered into a purchase agreement, dated October 30, 2000, as amended (the "Purchase Agreement"). Pursuant to the Purchase Agreement, RIHC acquired all of the capital stock of RIH, the Warehouse Assets (as defined in the Purchase Agreement) and all of the capital stock of New Pier Operating Company, Inc. ("New Pier"), a New Jersey corporation (collectively, the "Acquisition") on April 25, 2001 for approximately $144.8 million.

The accompanying financial statements have been prepared in accordance with the rules and regulations of the New Jersey Casino Control Commission (the "Commission") for Quarterly Reports. Accordingly, they do not include the information and footnotes required by generally accepted accounting principles for complete financial statements.

These accompanying financial statements are unaudited. In the opinion of management, all adjustments, consisting of normal recurring accruals considered necessary for fair presentation, have been included.

Certain prior year balances have been reclassified to conform to the current year's presentation.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Allowances for doubtful accounts arising from casino, hotel and other services, are based upon a specific review of certain outstanding receivables. In determining the amounts of the allowances, certain estimates and assumptions are made, and actual results may differ from those assumptions.

Cash Equivalents

Short-term money market securities purchased with original maturities of three months or less are considered to be cash equivalents. The carrying value of cash equivalents approximates fair value due to the short-term maturity of these instruments.

Inventories

Inventories of provisions, supplies and spare parts are valued at the lower of cost (first-in, first-out) or market.

Property and Equipment

Property and equipment are stated at cost and are depreciated over their estimated useful lives reported below using the straight-line method. Charges to income resulting from amortization of assets recorded under capital leases are included with depreciation and amortization expense in the Statement of Operations.

Hotels and other buildings	35 – 40	years
Furniture fixtures and equipment	2 – 5	years

2. Summary of Significant Accounting Policies (continued)

The provisions of Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" ("SFAS No. 144"), requires, among other things, that an entity review its long-lived assets and certain intangibles for impairment whenever changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. SFAS No. 144 requires an impairment loss to be recognized only if the carrying amounts of long-lived assets to be held and used are not recoverable from their expected undiscounted future cash flows.

Income Taxes

The Company follows the provisions of SFAS No. 109, "Accounting for Income Taxes." Accordingly, deferred tax assets and liabilities are calculated as the difference between the financial statement carrying amounts and tax bases of assets and liabilities. These differences are affected by the tax rate for the year in which they are expected to be recovered or settled. A valuation allowance is recognized, if necessary, to account for the likelihood that these differences will not be realized in the future**. Note 12** further addresses the components of the deferred tax assets and liabilities.

In June 2006, the Financial Accounting Standards Board ("FASB") issued Interpretation No. 48, "Accounting for Uncertainty in Income Taxes, an interpretation of SFAS No. 109, Accounting for Income Taxes" ("FIN 48"). FIN 48 creates a single model to address accounting for uncertainty in tax positions, by prescribing a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. FIN 48 also provides guidance on derecognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. FIN 48 is effective for annual periods beginning after December 15, 2007 and the Company will adopt FIN 48 as of January 1, 2008, as required. The cumulative effect, if any, of adopting FIN 48 will be recorded to accumulated deficit. The Company does not expect the adoption of FIN 48 to have a material effect, if any, on its financial statements.

Revenue Recognition

Gaming revenue is recorded as the net win from gaming activities, which represents the difference between amounts wagered and amounts won by patrons. Revenues from hotel and related services and from theater ticket sales are recognized at the time the related service is performed.

Promotional Allowances

The retail value of hotel accommodations, food, beverage and other services provided to customers without charge is included in gross revenues and deducted as promotional allowances.

Cash discounts based upon a negotiated amount with each customer are recognized as a promotional allowance on the date the related revenues are recorded.

The Company offers other incentive programs. These are gifts and other promotional items, the type and distribution of which is determined by management. Since these awards are not cash awards, the Company records them as Selling, General and Administrative expenses in the Statement of Income. Such amounts are expensed on the date the award can be utilized by the customer.

Cashback Liability

The Company awards incentives to its casino customers, based on their levels of gaming activity, through its "Cashback" marketing program. The incentives awarded are in the form of points which may be redeemed for coin to wager on slot machines. The Company records a liability for outstanding Cashback incentives (those incentives which have been earned, but not yet redeemed by the customer), adjusted for an estimated redemption factor based on historical results. The amount of expense resulting from this marketing program could vary from the liability recorded based on actual redemption rates; however, management believes the historical actual redemptions have been materially consistent with the original estimates. The amount is recorded as a promotional allowance in the Statement of Income.

2. Summary of Significant Accounting Policies (continued)

Bankable Complimentaries

During the summer of 2006 the Company implemented a new customer loyalty program, Destination Club, which offers incentives to customers who gamble at Resorts and its affiliated casinos. Under the program, customers are able to accumulate, or bank, comp dollars over time that they may redeem at their discretion under the terms of the program. The comp dollars balance will be forfeited if the customer does not redeem them over an eight-month period from the time they were first earned. As a result of the ability of the customer to bank the comp dollars, the Company accrues the expense of the comp dollars, after consideration of estimated breakage, as they are earned. The estimated cost to provide comp dollars is expensed as the comp dollars are earned and is included in casino expense on the Company's Statement of Income. To arrive at the estimated cost associated with comp dollars, estimates and assumptions are made regarding incremental marginal costs of the benefits, breakage rates and the mix of goods and services for which comp dollars will be redeemed. We use historical data to assist in the determination of estimated accruals.

Self-insured Health Insurance

Non-union employees are covered under a self-insured medical plan for each insured person. Amounts in excess of $225,000 per claim are covered by the Company's insurance programs subject to customary policy limits.

Advertising

The Company expenses advertising costs as incurred. These costs are included in Selling, General and Administrative costs on the Company's Statement of Income. For the years ended December 31, 2007 and 2006 these costs amounted to $4.7 million and $6.3 million, respectively.

Stock-based Compensation

In December 2004, the FASB issued SFAS No. 123 (revised 2004), "Share-Based Payment" ("SFAS 123(R)"), which requires stock-based employee compensation to be measured based on the grant-date fair value of the award and the cost to be recognized over the period during which, an employee is required to provide service in exchange for the award. SFAS 123(R) eliminates the alternative use of the intrinsic value method of accounting for stock options granted to employees under Accounting Principles Board Opinion Number 25, "Accounting for Stock Issued to Employees". The Company adopted SFAS 123(R) on January 1, 2006 and the effect of adoption was not material.

Equity instruments issued to non-employees in exchange for goods or services are accounted for using the fair value method and expense is recorded based on the value determined.

Litigation Settlement

The Company records proceeds from litigation settlements, net of associated legal fees and related expenses, within Nonoperating Income (Expense), net on the accompanying Statements of Income.

Trade Receivables and Allowance for Accounts Receivable

Trade receivables are initially recorded at cost. Accounts are written off when the Company deems the account to be uncollectible. Allowances for doubtful accounts arising from casino, hotel and other services, are based upon a specific review of certain outstanding receivables and historical trends. In determining the amounts of the allowances, certain estimates and assumptions are made, and actual results may differ from those assumptions.

Fair Value of Financial Instruments

The carrying values of cash and cash equivalents are reasonable estimates of fair values because of the short-term maturities of these investments. CRDA deposits, bonds, and other investments are stated net of a valuation allowance reflecting the below-market interest rates associated with these investments; therefore, the carrying values approximate their fair values. The carrying value of long-term debt approximates its fair value.

3. Receivables

Components of receivables were as follows at December 31 (in thousands):

	2007	2006
Gaming	$ 10,277	$ 8,514
Less: allowance for doubtful accounts	(3,219)	(2,133)
	7,058	6,381
Non-gaming:		
Due from affiliates, net	17,233	-
Hotel and related	375	615
Other	1,966	1,686
	19,574	2,301
Less: allowance for doubtful accounts	(11)	(32)
	19,563	2,269
Receivables, net	$ 26,621	$ 8,650

4. Prepaid Expenses and Other Current Assets

Components of prepaid expenses and other current assets were as follows at December 31 (in thousands):

	2007	2006
Prepaid insurance	$ 953	$ 2,050
Prepaid casino licenses	701	746
Other prepaid expenses and current assets	1,513	1,230
	$ 3,167	$ 4,026

5. Investments, Advances and Receivables

Components of investments, advances and receivables were as follows at December 31 (in thousands):

	2007	2006
CRDA bonds and direct investments	$ 6,151	$ 10,555
CRDA deposits	15,778	11,695
Other long-term receivable	39,875	-
Valuation allowance	(8,531)	(10,026)
	$ 53,273	$ 12,224

The New Jersey Casino Control Act, as amended, requires RIH to purchase bonds issued by the Casino Reinvestment Development Authority (the "CRDA") or make other investments authorized by the CRDA, in an amount equal to 1.25% of RIH's gross gaming revenue, as defined.

The CRDA bonds have interest rates ranging from 3.5% to 7.0% and have repayment terms of between 20 and 50 years. The Company records charges to expense to reflect the below-market interest rate payable on the bonds it may have to purchase to fulfill its investment obligation at the date the obligation arises. The charges for the twelve months ended December 31, 2007 and 2006 for discounts on obligations were $1,434,000 and $1,000,000 respectively.

From time to time RIH has donated certain funds it has had on deposit with the CRDA in return for either relief from its obligation to purchase CRDA bonds or credits against future CRDA deposits. The majority of the Company's deposits have been pledged for specific projects.

The Other long-term receivable is due from Resorts Real Estate Holdings ("RREH") as a result of the debt refinancing during 2007.

6. Other Accrued Expenses

Components of other accrued expenses were as follows at December 31 (in thousands):

	2007	2006
Insurance and related costs	$ 1,010	$ 650
Payroll and related liabilities	9,609	9,484
Gaming taxes and fees	658	1,930
Construction payable	2,098	--
Other	6,569	8,060
	$ 19,944	$ 20,124

7. Other Current Liabilities

Components of other current liabilities were as follows at December 31 (in thousands):

	2007	2006
Interest Payable	$ 1,766	$ 6,197
Payable to affiliates, net	-	2,773
Other	2,818	2,984
	$ 4,584	$ 11,954

8. Long-Term Debt

On March 14, 2007, subsidiaries of CRH and RIHC entered into a Loan Agreement with Column Financial, Inc., as Lender (the "Term Loan" or "New Notes"). The Term Loan is for an initial principal amount of $350 million and is for an initial term of two (2) years. Interest on the Term Loan accrues at a rate of one month LIBOR plus 3.0%. The Term Loan is secured by a first priority deed of trust on the Resorts Hotel and Casino, Atlantic City, New Jersey, and certain other property owned by subsidiaries of CRH and RIHC, including RIH.

Proceeds of the Term Loan were used to pay in full the existing indebtedness of CRH, RIHC and their subsidiaries, with Commerce Bank, CIT Group/Equipment Financing, Inc., and Kerzner International North America, Inc. ("KINA"), and to redeem all of the outstanding 11 ½% First Mortgage Notes due 2009 (the "Notes") issued by RIHC. In connection with the redemption of the Notes by RIHC, the covenants under the indenture governing the Notes were defeased and a cash deposit in the amount of $192,410,000 was deposited in trust with the Deutsche Bank Trust Company Americas, as Trustee to satisfy payment upon redemption of the Notes on April 13, 2007. The redemption price is equal to 106% of the outstanding principal amount of $180,000,000 plus accrued interest to the redemption date of April 13, 2007.

The subsidiaries of CRH and RIHC also entered into a Credit Agreement with Column Financial, Inc., as Lender (the "Revolving Loan") which provides for a $10 million revolving credit facility. The proceeds of the Revolving Loan shall be used to provide the subsidiaries a line of credit to support working capital and/or letter of credit needs. Of the $10 million, $3.1 million is currently available for use and $6.9 million is restricted to support existing letters of credit. The Revolving Loan is for an initial term of two (2) years. Interest on the Revolving Loan accrues at a rate of one month LIBOR plus 3.0% (8.0% at December 31, 2007). The Revolving Loan is secured by a first priority mortgage on Resorts Atlantic City, and certain other property owned by subsidiaries of CRH and RIHC, including RIH.

The Company incurred $6.7 million of costs associated with entering into the Term Loan and Revolving Loan. The Company recorded a non-cash loss on early extinguishment of debt of $16.8 million during the year ended December 31, 2007.

Pursuant to the terms of the Term Loan and the Revolving Loan, the principal amount of the loans including all accrued and unpaid interest on the principal must be prepaid upon acceleration of the loans following an event of default including: failure to pay any portion of the debt when due; failure to pay taxes prior to the date they become delinquent; failure to keep insurance policies in full force and effect; violation of the change in control restriction; breach of representations and warranties; bankruptcy of the Company; violation of the restrictions on assignment; breach of negative covenants; default under related loan and credit line documents; certain material defaults under any ground lease agreements, interest rate cap agreements, letters of credit or other material agreements; or if the gaming license for Resorts Atlantic City is materially impaired, lost or suspended for any period of time or terminated.

8. Long-Term Debt (continued)

In June 2002, RIH entered into a Thermal Energy Services Agreement (the "Thermal Agreement"). The initial term of the Thermal Agreement is 20 years, renewable at RIH's option for two additional five year terms. The Agreement has three components: a monthly charge for operation and maintenance of the thermal energy facilities; a capital lease component for capital improvements whose value was estimated at $6.5 million on the date the Thermal Agreement was executed and; a usage fee for steam and chilled water, whose usage and rate will vary by month of the year. The outstanding balance of the capital lease was $5.4 million at December 31, 2007.

In June 2002, RIH entered into a Restated Loan and Security Agreement with CIT Group/Equipment Financing, Inc ("CIT Facility"). The CIT Facility permitted RIH to borrow up to $20 million for the purchase of machinery, furniture, or equipment. Loans pursuant to the CIT Facility were repayable in up to a sixty- month amortization period from the date the loan was made. The outstanding loans associated with the CIT Facility bore interest at the rate of LIBOR plus seven and one-quarter percent. RIH was required to pay an annual fee equal to one-half percent of the unused portion of the CIT Facility. The outstanding balance due to CIT at December 31, 2006 was $10.9 million. The CIT Facility contained a fixed charge coverage ratio and a senior leverage financial covenant as defined in the Credit Facility. On March 29, 2006, the CIT Facility was amended to modify the required covenant calculations at December 31, 2005 and on a prospective basis. As a part of the amendment, the Company was required to pay $1 million of the outstanding principal prior to March 31, 2006 and a fee of $80,000. The amendment also redefined the interest rate on the facility based on a sliding scale on operating results (as defined).

Other long-term debt is summarized as follows at December 31 (in thousands):

	2007	2006
Thermal Agreement	$ 5,426	$ 5,702
CIT Facility	-	10,853
Other	90	9,996
	5,516	26,551
Less: current portion	331	15,742
	$ 5,185	$ 10,809

In November 2002, RIH entered into a Loan and Security Agreement with Commerce Bank, N.A ("Commerce Facility"). The Commerce Facility agreement was amended in June 2006 to provide for working capital borrowings and letters of credit in an aggregate amount of up to $15 million, with the letter of credit portion of the Commerce Facility not to exceed $7.5 million and working capital borrowings not to exceed $10.0 million. The Commerce Facility was extended through March 31, 2007. The outstanding balance on the Commerce Facility at December 31, 2006 was $10.0 million. The Commerce Facility contained an interest coverage ratio and a minimum net worth requirement as defined in the Commerce Facility. On March 29, 2006, the CIT Facility was amended to modify the required covenant calculations at December 31, 2005 and on a prospective basis.

At December 31, 2007, the aggregate amount of principal payments on all long-term indebtedness by year is as follows (in thousands):

2008	$ 331
2009	350,344
2010	310
2011	322
2012	335
2013 and thereafter	3,874
Total	$ 355,516

9. Related Party Transactions

RIH recorded the following expenses from affiliates for the twelve months ended December 31 (in thousands):

	2007	2006
Interest and amortization of discounts on First Mortgage Notes	$ 26,652	$ 21,336
Monthly corporate expenses	4,197	4,637
Land rent expenses payable to RREH	3,180	-
	$ 34,029	$ 25,973

10. Non-Operating Income (Expense) - Net

Components of non-operating income (expense) – net were as follows at December 31 (in thousands):

	2007	2006
Interest Income	$ 2,264	$ 815
Gain/Loss of Sale of Assets	38	66
Loss on Extinguishment of Debt (See Note 7)	(16,825)	--
Litigation Settlement, net of Legal Fees and expenses	19,148	--
	$ 4,625	$ 881

11. Retirement Plans

RIH has a defined contribution plan in which substantially all non-union employees are eligible to participate. Employees of certain other affiliated companies are also eligible to participate in this plan. Contributions are made to the plan based on a percentage of eligible employee contributions. Contribution expense for this plan was $805,000 and $970,000 for the years ended December 31, 2007 and 2006, respectively.

Union employees are covered by various multi-employer pension plans to which contributions are made by RIH and other unrelated employers. RIH's pension expense for these plans was $3.0 million and $3.3 million for the years ended December 31, 2007 and 2006, respectively.

12. Income Taxes

Income tax benefit is comprised of the following for the year ended December 31 (in thousands):

	2007	2006
Current:		
Federal	$ -	$ -
State	-	1,200
	-	1,200
Deferred:		
Federal	-	-
State	-	1,890
	-	1,890
	$ -	$ 3,090

12. Income Taxes (continued)

The components of the deferred tax assets and liabilities were as follows at December 31 (in thousands):

	2007	2006
Deferred tax assets (liabilities):		
Basis differences on property and equipment	$ (9,400)	$ (10,495)
Other	(1,769)	(1,909)
Total deferred tax liabilities	(11,169)	(12,404)
Deferred tax assets:		
NOL and capital loss carryforwards	46,800	24,941
Book reserves not yet deductible for tax	4,267	3,257
Tax credit carryforwards	4,819	2,550
Other	3,991	4,335
Total deferred tax assets	59,877	35,083
Valuation allowance for deferred tax assets	(48,708)	(22,679)
Deferred tax assets, net of valuation allowance	11,169	12,404
Net deferred tax assets (liabilities)	$ -	$ -

The effective income tax rate varies from the statutory Federal income tax rate as a result of the following factors:

	Year ended December 31,	
	2007	2006
Statutory Federal income tax rate	(34.0%)	(34.0%)
Change in valuation allowance	33.6%	31.8%
State taxes, net of Federal benefit	0.0%	8.9%
Non-deductible provisions and expenses	0.4%	6.9%
Other	0.0%	(0.1%)
Effective tax rate	0.0%	(13.5%)

On June 30, 2003, the State of New Jersey amended the New Jersey Casino Control Act, effective July 1, 2003, to impose or increase certain taxes and fees, including a tax at the rate of 7.5% on the adjusted net income of casino licensees in calendar year 2002, payable in the state's fiscal years 2004 through 2006. This tax expired June 30, 2006, the state's fiscal year end. The amount of this tax for each licensee is limited to a maximum of $10.0 million annually and a minimum of $350,000 annually. For the year ended December 31, 2006, the Company recorded a provision of $175,000.

At December 31, 2007, the Company has a net operating loss carryforward for Federal purposes of $64.8 million, which will begin expiring in the year 2024. A valuation allowance has been provided against the Company's net Federal deferred tax asset, including the net operating loss carryforwards.

At December 31, 2007, the Company has a state net operating loss carryforward of approximately $127.7 million. The carryforward will begin expiring in 2008. The Company has reported a full valuation allowance against the carryforward because it does not expect to realize the tax benefit, primarily due to the limited expiration period.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Management has determined that the realization of certain of the Company's deferred tax assets is not more likely than not and, as such, has provided a valuation allowance against those deferred tax assets at December 31, 2007 and 2006. Increases (decreases) in the valuation allowance totaled $26.0 million and $1.9 for the years ended December 31, 2007 and 2006, respectively.

13. Commitments and Contingencies

Litigation

The Company is a defendant in certain litigation. In the opinion of management, based upon advice of counsel, the aggregate liability, if any, arising from such litigation will not have a material adverse effect on the financial position, results of operations, or liquidity of the Company.

License Renewal

On January 30, 2008, the New Jersey Casino Control Commission (the "NJCCC") renewed RIH's license to operate its casino hotel complex in Atlantic City for the five-year period beginning January 31, 2008 and ending January 31, 2013. The license period for a casino license renewed after April 30, 2004, shall be up to five years, but the NJCCC may reopen licensing hearings at any time. The NJCCC shall act upon any such application prior to the date of expiration of the current license. A casino license is not transferable.

New Jersey Sports & Exposition Authority

The twelve Atlantic City casino properties operating in 2004 (the "AC Industry") and the Casino Reinvestment and Development Authority ("CRDA") entered into an agreement with the New Jersey Sports & Exposition Authority (the "NJSEA") to provide funding to subsidize New Jersey's horseracing industry. In exchange for this funding, the NJSEA and the three active New Jersey racetracks will not conduct any casino gaming at the racetracks prior to January 1, 2009. As part of the agreement, the AC Industry will provide $34 million over a four-year period to the NJSEA and must deposit another $62 million into the Casino Expansion Fund (managed by the CRDA). The $62 million will be derived from funds either currently on deposit or to be deposited with the CRDA pursuant to each casino property's investment obligation. The Company's obligation was equal to its fair share of AC Industry casino revenues. The Company had met its deposit obligation related to its fair share of the $62 million in prior years; as such, the Company is eligible to receive funds from the Casino Expansion Fund for qualified construction expenditures. The Company has until December 31, 2014 to submit an application to exhaust its share of the Casino Expansion Fund. Any funds not transferred out of the Casino Expansion Fund by the required date will be transferred to funds on deposit with the CRDA pursuant to its ongoing investment obligations. In October 2007, The Company met its deposit obligation related to its fair share of the $34 million. The total commitment is charged to operations on a straight-line basis through December 31, 2008. Currently, there is proposed legislation to extend the agreement between the AC Industry, the CRDA, and the NJSEA.

RESORTS INTERNATIONAL HOTEL, INC.

ANNUAL FILINGS

FOR THE YEAR ENDED DECEMBER 31, 2007

SUBMITTED TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

DIVISION OF FINANCIAL EVALUATION
REPORTING MANUAL

Amended 5/30/2008

RESORTS INTERNATIONAL HOTEL, INC.
SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS
FOR THE YEAR ENDED DECEMBER 31, 2007

(UNAUDITED)
($ IN THOUSANDS)

ACCOUNTS RECEIVABLE BALANCES				
Line (a)	**Description (b)**	**Account Balance (c)**	**Allowance (d)**	**Accounts Receivable (Net of Allowance) (e)**
	Patrons' Checks:			
1	Undeposited Patrons' Checks	$5,390		
2	Returned Patrons' Checks	4,828		
3	Total Patrons' Checks	10,218	$3,219	$6,999
4	Hotel Receivables	434	11	$423
	Other Receivables:			
5	Receivables Due from Officers and Employees			
6	Receivables Due from Affiliates	17,233		
7	Other Accounts and Notes Receivables	1,966		
8	Total Other Receivables	19,199		$19,199
9	Totals (Form CCC-205)	$29,851	$3,230	$26,621

UNDEPOSITED PATRONS' CHECKS ACTIVITY		
Line (f)	**Description (g)**	**Amount (h)**
10	Beginning Balance (January 1)	$5,340
11	Counter Checks Issued	157,511
12	Checks Redeemed Prior to Deposit	(121,909)
13	Checks Collected Through Deposits	(28,758)
14	Checks Transferred to Returned Checks	(6,246)
15	Other Adjustments	(548)
16	Ending Balance	$5,390
17	"Hold" Checks Included in Balance on Line 16	0
18	Provision for Uncollectible Patrons' Checks	$3,219
19	Provision as a Percent of Counter Checks Issued	2.0%

RESORTS INTERNATIONAL HOTEL, INC.
EMPLOYMENT AND PAYROLL REPORT

AT DECEMBER 31, 2007

($ IN THOUSANDS)

Line (a)	Department (b)	Number of Employees (c)	Salaries and Wages: Other Employees (d)	Salaries and Wages: Officers & Owners (e)	Salaries and Wages: Totals (f)
	CASINO:				
1	Table and Other Games	749			
2	Slot Machines	83			
3	Administration	0			
4	Casino Accounting	14			
5	Simulcasting	0			
6	Other	51			
7	Total - Casino	897	$21,305	$25	$21,330
8	ROOMS	369	5,535	0	5,535
9	FOOD AND BEVERAGE	650	13,727	0	13,727
10	GUEST ENTERTAINMENT	186	1,117	0	1,117
11	MARKETING	122	5,255	220	5,475
12	OPERATION AND MAINTENANCE	114	7,985	152	8,137
	ADMINISTRATIVE AND GENERAL:				
13	Executive Office	17	384	1,024	1,408
14	Accounting and Auditing	50	1,681	0	1,681
15	Security	185	5,048	0	5,048
16	Other Administrative and General	93	1,867	64	1,931
	OTHER OPERATED DEPARTMENTS:				
17	Health Club/Spa	7	178	0	178
18	Parking Operations	49	844	0	844
19	Coat Check	2	16	0	16
20					0
21				0	0
22					0
23	TOTALS - ALL DEPARTMENTS	2,741	$64,942	$1,484	$66,426

Resorts Atlantic City

ANNUAL GROSS REVENUE TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 2007

Line		
	GROSS REVENUE:	
1.	Table and Other Games……	$ 70,719,206
2.	Slot Machines ……	208,011,470
3.	Total Gross Revenue……	278,730,676
4.	Adjustments……	17,960
5.	Taxable Gross Revenue (line 3 plus line 4)……	278,748,636
6.	Tax on Gross Revenue - Reporting Year (8% of line 5)……	22,299,891
7.	Audit or Other Adjustments to Tax on Gross Revenues in Prior Years ……	46,718
8.	Total Taxes on Gross Revenue (the sum of lines 6 and 7)……	22,346,609
9.	Total Deposits Made for Tax on Reporting Year's Gross Revenue……	(22,299,891)
10.	Settlement of Prior Years' Tax on Gross Revenue Resulting from Audit or Other Adjustments - (Deposits) Credits ……	(46,718)
11.	Gross Revenue Taxes Payable (the net of lines 8, 9 and 10) ……	$ (0)

Under penalties of perjury, I declare that I have examined this Annual Gross Revenue Tax Return and to the best of my knowledge and belief, the information contained in this return is accurate.

Lawrence J. McCabe

3/28/2008
Date

Lawrence J. McCabe

Director of Finance 003392-11
Title (License Number)