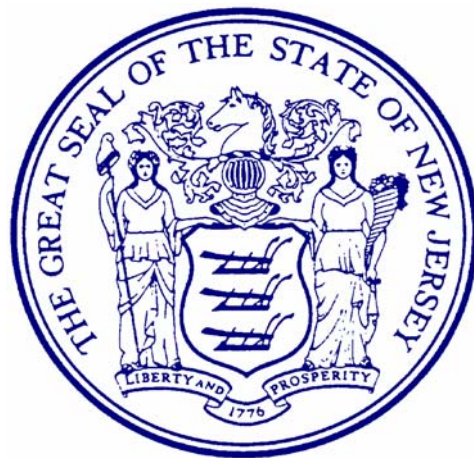


**RESORTS INTERNATIONAL HOTEL, INC.
QUARTERLY REPORT**

FOR THE QUARTER ENDED MARCH 31, 2008

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



**DIVISION OF FINANCIAL EVALUATION
REPORTING MANUAL**

RESORTS INTERNATIONAL HOTEL, INC.

BALANCE SHEETS

AS OF MARCH 31, 2008 AND 2007

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2008 (c)	2007 (d)
	<u>ASSETS:</u>			
	Current Assets:			
1	Cash and Cash Equivalents.....		\$26,057	\$15,429
2	Short-Term Investments.....		0	0
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2008, \$3,640; 2007, \$2,203).....	3	25,679	44,303
4	Inventories		2,191	1,714
5	Other Current Assets.....	4	2,429	3,325
6	Total Current Assets.....		56,356	64,771
7	Investments, Advances, and Receivables.....	5	53,840	52,319
8	Property and Equipment - Gross.....		337,164	320,603
9	Less: Accumulated Depreciation and Amortization.....		(90,608)	(75,074)
10	Property and Equipment - Net.....		246,556	245,529
11	Other Assets.....		5,685	11,853
12	Total Assets.....		\$362,437	\$374,472
	<u>LIABILITIES AND EQUITY:</u>			
	Current Liabilities:			
13	Accounts Payable.....		\$10,626	\$10,251
14	Notes Payable.....		0	0
	Current Portion of Long-Term Debt:			
15	Due to Affiliates.....		0	0
16	External.....		337	313
17	Income Taxes Payable and Accrued.....		329	385
18	Other Accrued Expenses.....	6	17,875	18,384
19	Other Current Liabilities.....	7	3,447	4,657
20	Total Current Liabilities.....		32,614	33,990
	Long-Term Debt:			
21	Due to Affiliates.....	8	350,000	350,000
22	External.....	8	5,101	5,441
23	Deferred Credits		0	0
24	Other Liabilities.....		0	0
25	Commitments and Contingencies.....	10	0	0
26	Total Liabilities.....		387,715	389,431
27	Stockholders', Partners', or Proprietor's Equity.....		(25,278)	(14,959)
28	Total Liabilities and Equity.....		\$362,437	\$374,472

* 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.

RESORTS INTERNATIONAL HOTEL, INC.

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2008 AND 2007

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2008 (c)	2007 (d)
	Revenue:			
1	Casino.....		\$60,749	\$69,335
2	Rooms.....		4,391	4,279
3	Food and Beverage.....		8,069	7,648
4	Other.....		1,543	1,290
5	Total Revenue.....		74,752	82,552
6	Less: Promotional Allowances.....		18,882	20,997
7	Net Revenue.....		55,870	61,555
	Costs and Expenses:			
8	Cost of Goods and Services.....		41,542	43,800
9	Selling, General, and Administrative.....		12,369	11,010
10	Provision for Doubtful Accounts.....		514	296
11	Total Costs and Expenses.....		54,425	55,106
12	Gross Operating Profit.....		1,445	6,449
13	Depreciation and Amortization.....		3,849	4,411
	Charges from Affiliates Other than Interest:			
14	Management Fees.....	9	813	1,049
15	Other.....	9	0	575
16	Income (Loss) from Operations.....		(3,217)	414
	Other Income (Expenses):			
17	Interest Expense - Affiliates.....	9	(5,661)	(7,345)
18	Interest Expense - External.....		(498)	(856)
19	CRDA Related Income (Expense) - Net.....		(191)	(297)
20	Nonoperating Income (Expense) - Net.....		380	(14,565)
21	Total Other Income (Expenses).....		(5,970)	(23,063)
22	Income (Loss) Before Taxes and Extraordinary Items.....		(9,187)	(22,649)
23	Provision (Credit) for Income Taxes.....		0	0
24	Income (Loss) Before Extraordinary Items.....		(9,187)	(22,649)
25	Extraordinary Items (Net of Income Taxes - 2007, \$0; 2006, \$0).....		0	0
26	Net Income (Loss).....		(\$9,187)	(\$22,649)

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 CHANGES IN STOCKHOLDERS' EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007 AND THE THREE MONTHS ENDED MARCH 31, 2008

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	Common Stock		Preferred Stock		Additional Paid-In Capital (g)	(h)	Retained Earnings (Accumulated Deficit) (i)	Total Stockholders' Equity (Deficit) (j)
			Shares (c)	Amount (d)	Shares (e)	Amount (f)				
1	Balance, December 31, 2006.....		100	\$0			\$77,673		(\$31,983)	\$45,690
2	Net Income (Loss) - 2007.....								(23,780)	(23,780)
3	Contribution to Paid-in-Capital.....									0
4	Dividends.....									0
5	Prior Period Adjustments.....								(1)	(1)
6	Return of Paid-in Capital						(38,000)			(38,000)
7										0
8										0
9										0
10	Balance, December 31, 2007.....		100	0	0	0	39,673	0	(55,764)	(16,091)
11	Net Income (Loss) - 2008.....								(9,187)	(9,187)
12	Contribution to Paid-in-Capital.....									0
13	Dividends.....									0
14	Prior Period Adjustments.....									0
15										0
16										0
17										0
18										0
19	Balance, March 31, 2008.....		100	\$0	0	\$0	\$39,673	\$0	(\$64,951)	(\$25,278)

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 THREE MONTHS ENDED MARCH 31, 2008 AND 2007

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	#REF! (c)	#REF! (d)
1	CASH PROVIDED (USED) BY OPERATING ACTIVITIES..		(\$7,589)	(\$54,854)
	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.....		(2,081)	(351)
5	Proceeds from Disposition of Property and Equipment.....		0	13
6	CRDA Obligations		(818)	0
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	CRDA Reimbursement		0	0
11				
12	Net Cash Provided (Used) By Investing Activities.....		(2,899)	(338)
	CASH FLOWS FROM FINANCING ACTIVITIES:			
13	Proceeds from Short-Term Debt		0	0
14	Payments to Settle Short-Term Debt.....		(79)	(199,104)
15	Proceeds from Long-Term Debt		0	310,125
16	Costs of Issuing Debt.....		352	(20,354)
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.....		0	(38,000)
21				
22				
23	Net Cash Provided (Used) By Financing Activities.....		273	52,667
24	Net Increase (Decrease) in Cash and Cash Equivalents.....		(10,215)	(2,525)
25	Cash and Cash Equivalents at Beginning of Period.....		36,272	17,954
26	Cash and Cash Equivalents at End of Period.....		\$26,057	\$15,429
	CASH PAID DURING PERIOD FOR:			
27	Interest (Net of Amount Capitalized).....		\$5,725	\$11,014
28	Income Taxes.....		\$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.

RESORTS INTERNATIONAL HOTEL, INC.

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2008 AND 2007

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	#REF! (c)	#REF! (d)
	CASH FLOWS FROM OPERATING ACTIVITIES:			
29	Net Income (Loss).....		(\$9,187)	(\$22,649)
30	Depreciation and Amortization of Property and Equipment.....		3,849	4,091
31	Amortization of Other Assets.....		0	320
32	Amortization of Debt Discount or Premium.....		0	0
33	Deferred Income Taxes - Current		0	0
34	Deferred Income Taxes - Noncurrent		0	0
35	(Gain) Loss on Disposition of Property and Equipment.....		0	(13)
36	(Gain) Loss on CRDA-Related Obligations.....		191	320
37	(Gain) Loss from Other Investment Activities.....		0	0
38	(Increase) Decrease in Receivables and Patrons' Checks		942	(35,653)
39	(Increase) Decrease in Inventories		(290)	(225)
40	(Increase) Decrease in Other Current Assets.....		738	701
41	(Increase) Decrease in Other Assets.....		13	(3,231)
42	Increase (Decrease) in Accounts Payable.....		(665)	(5,919)
43	Increase (Decrease) in Other Current Liabilities		(3,180)	(9,043)
44	Increase (Decrease) in Other Liabilities		0	0
45	Loss on Extinguishment of Debt		0	16,447
46			0	0
47	Net Cash Provided (Used) By Operating Activities.....		(\$7,589)	(\$54,854)

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	ACQUISITION OF PROPERTY AND EQUIPMENT:			
48	Additions to Property and Equipment.....		(\$2,081)	(\$351)
49	Less: Capital Lease Obligations Incurred.....		0	0
50	Cash Outflows for Property and Equipment.....		(\$2,081)	(\$351)
	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.

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

FOR THE THREE MONTHS ENDED MARCH 31, 2008-AMENDED

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	61,317	\$3,619	0	\$0
2	Food	301,856	4,168	21,782	762
3	Beverage	699,644	2,175	0	0
4	Travel	0	0	7,396	378
5	Bus Program Cash	216,578	2,761	0	0
6	Other Cash Complimentaries	126,037	5,417	0	0
7	Entertainment	21,692	712	697	87
8	Retail & Non-Cash Gifts	0	0	29,991	3,449
9	Parking	0	0	0	0
10	Other	2,130	30	59,725	1,493 *
11	Total	1,429,254	\$18,882	119,591	\$6,169

* Included in Other Promotional Expenses for the three months ended March 31, 2008 is direct marketing postage in the amount of \$976. No other single item or service included in other exceeds 5% of the column total

FOR THE THREE MONTHS ENDED MARCH 31, 2008

Line (a)	Description (b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	61,317	\$3,619	0	\$0
2	Food	301,856	4,168	21,782	762
3	Beverage	699,644	2,175	0	0
4	Travel	0	0	7,396	378
5	Bus Program Cash	216,578	2,761	0	0
6	Other Cash Complimentaries	126,037	5,417	0	0
7	Entertainment	21,692	712	697	87
8	Retail & Non-Cash Gifts	0	0	29,991	3,449
9	Parking	0	0	0	0
10	Other	2,130	30	59,725	1,493 *
11	Total	1,429,254	\$18,882	119,591	\$6,169

* Included in Other Promotional Expenses for the three months ended March 31, 2008 is direct marketing postage in the amount of \$976. 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 MARCH 31, 2008

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.

5/15/2008

Date

Lawrence J. McCabe

Lawrence J. McCabe

Director - Finance

Title

3392-11

License Number

On Behalf of:

RESORTS INTERNATIONAL HOTEL, INC.

Casino Licensee

RESORTS INTERNATIONAL HOTEL, INC.
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)

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.

These financial statements are unaudited. In the opinion of management, all adjustments, consisting of normal recurring accruals considered necessary for fair presentation have been included. The Atlantic City casino industry is seasonal in nature; accordingly, operating results for the three months ended March 31, 2008, are not necessarily indicative of the results that may be expected for the entire year ending December 31, 2008.

These financial statements should be read in conjunction with the financial statements and notes thereto included in RIH’s Quarterly Report for the quarter ended December 31, 2007, as filed with the New Jersey Casino Control Commission (the “Commission” or “CCC”). In accordance with the Financial Reporting guidelines provided by the Commission, the Company has elected not to include certain disclosures which have not significantly changed since the most recent Quarterly Report for the quarter ended December 31, 2007. Accordingly the following disclosures have been omitted: Retirement Plans, Future Minimum Lease Obligations, Common Stock and Stock Based Compensation and certain Income Taxes disclosure.

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.

RESORTS INTERNATIONAL HOTEL, INC.
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)

2. Summary of Significant Accounting Policies (continued)

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 Statements of Income.

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

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 consolidated 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 gaming expenses in the Statements 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 Statements of Income.

RESORTS INTERNATIONAL HOTEL, INC.
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)

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 Statements 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 \$250,000 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 Statements of Income.

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.

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.

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.

RESORTS INTERNATIONAL HOTEL, INC.
NOTES TO FINANCIAL STATEMENTS
(UnAUDITED)

3. Receivables

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

	2008	2007
Gaming	\$ 10,321	\$ 8,302
Less: allowance for doubtful accounts	(3,629)	(2,192)
	6,692	6,110
Non-gaming:		
Due from affiliates, net	16,351	35,555
Hotel and related	1,065	583
Other	1,582	2,067
	18,998	38,205
Less: allowance for doubtful accounts	(11)	(12)
	18,987	38,193
Receivables, net	\$ 25,679	\$ 44,303

4. Prepaid Expenses and Other Current Assets

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

	2008	2007
Prepaid insurance	\$ 452	\$ 1,023
Prepaid casino licenses	331	397
Other prepaid expenses and current assets	1,646	1,905
	\$ 2,429	\$ 3,325

5. Investments, Advances and Receivables

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

	2008	2007
CRDA bonds and direct investments	\$ 6,189	\$ 10,227
CRDA deposits	16,404	12,534
Other long-term receivable	39,875	39,875
Valuation allowance	(8,628)	(10,317)
	\$ 53,840	\$ 52,319

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 three months ended March 31, 2008 and 2007 for discounts on obligations were \$191,000 and \$297,000 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.

RESORTS INTERNATIONAL HOTEL, INC.
NOTES TO FINANCIAL STATEMENTS
(UNAUDITED)

6. Other Accrued Expenses

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

	2008	2007
Insurance and related costs	\$ 774	\$ 2,478
Payroll and related liabilities	10,326	7,126
Gaming taxes and fees	484	795
Construction payable	1,648	2,098
Other	4,643	5,887
	\$ 17,875	\$ 18,384

7. Other Current Liabilities

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

	2008	2007
Interest Payable.....	\$ 1,100	\$ 1,453
Other.....	2,347	3,204
	\$ 3,447	\$ 4,657

8. Long-Term Debt

Long-term debt is summarized as follows at March 31 (in thousands):

	2008	2007
First Mortgage Term Loan - New Notes	\$ 350,000	\$ 350,000
Thermal Energy capital lease	5,356	5,635
Other notes payable	82	119
	355,438	355,754
Less: current portion	337	313
	\$ 355,101	\$ 355,441

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.

RESORTS INTERNATIONAL HOTEL, INC.
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8. Long-Term Debt (continued)

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 dollars, \$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% (5.8% at March 31, 2008). 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.

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.

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 March 31, 2008.

9. Related Party Transactions

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

	2008	2007
Interest and amortization of discounts on First Mortgage Notes.....	\$ 5,661	\$ 7,345
Monthly corporate expenses	813	1,049
Land rent expenses payable to RREH.....	0	575
	\$ 6,474	\$ 8,969

10. 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.

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10. Commitments and Contingencies (continued)

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. The eleven Atlantic City casinos presently operating are currently negotiating with representatives of New Jersey state government to obtain a further moratorium on the conduct of casino gaming at New Jersey race tracks in exchange for further subsidy payments to the NJSEA.