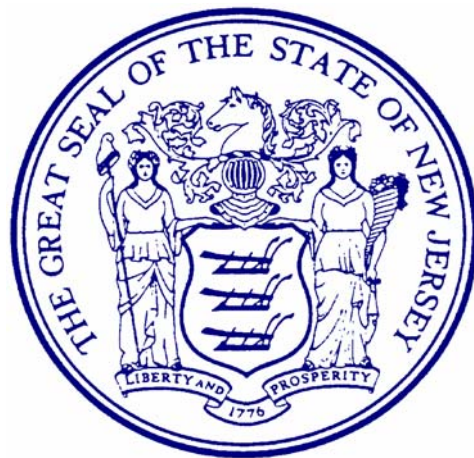


**TRUMP PLAZA ASSOCIATES  
QUARTERLY REPORT  
FOR THE QUARTER ENDED MARCH 31, 2008**

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



**DIVISION OF FINANCIAL EVALUATION  
REPORTING MANUAL**

# TRUMP PLAZA ASSOCIATES 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.....		\$17,704	\$18,379
2	Short-Term Investments.....			
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2008, \$4,268 ; 2007, \$5,144).....		13,070	12,968
4	Inventories .....		3,326	3,600
5	Other Current Assets.....		2,881	2,809
6	Total Current Assets.....		36,981	37,756
7	Investments, Advances, and Receivables.....	8	17,285	15,627
8	Property and Equipment - Gross.....		429,565	411,067
9	Less: Accumulated Depreciation and Amortization.....		(51,715)	(34,575)
10	Property and Equipment - Net.....		377,850	376,492
11	Other Assets.....	3	37,572	91,928
12	Total Assets.....		\$469,688	\$521,803
	<u>LIABILITIES AND EQUITY:</u>			
	Current Liabilities:			
13	Accounts Payable.....		\$5,847	\$4,751
14	Notes Payable.....			
	Current Portion of Long-Term Debt:			
15	Due to Affiliates.....		0	0
16	External.....	4	0	999
17	Income Taxes Payable and Accrued.....	5	2,284	2,284
18	Other Accrued Expenses.....		12,743	17,011
19	Other Current Liabilities.....	7	16,246	23,618
20	Total Current Liabilities.....		37,120	48,663
	Long-Term Debt:			
21	Due to Affiliates.....	4	325,174	313,153
22	External.....	4	0	0
23	Deferred Credits .....	5	3,082	6,434
24	Other Liabilities.....		18,342	19,365
25	Commitments and Contingencies.....	8		
26	Total Liabilities.....		383,718	387,615
27	Stockholders', Partners', or Proprietor's Equity.....		85,970	134,188
28	Total Liabilities and Equity.....		\$469,688	\$521,803

\* Certain reclassifications have been made 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.

# TRUMP PLAZA ASSOCIATES

## 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.....		\$66,700	\$64,197
2	Rooms.....		6,030	5,650
3	Food and Beverage.....		6,697	6,331
4	Other.....		2,094	1,787
5	Total Revenue.....		81,521	77,965
6	Less: Promotional Allowances.....	2	18,224	16,463
7	Net Revenue.....		63,297	61,502
	Costs and Expenses:			
8	Cost of Goods and Services.....		41,749	40,894 *
9	Selling, General, and Administrative.....	2	11,633	11,519 *
10	Provision for Doubtful Accounts.....		305	595
11	Total Costs and Expenses.....		53,687	53,008 *
12	Gross Operating Profit.....		9,610	8,494 *
13	Depreciation and Amortization.....		4,831	4,745
	Charges from Affiliates Other than Interest:			
14	Management Fees.....		0	0
15	Other.....	7	2,174	1,352 *
16	Income (Loss) from Operations.....		2,605	2,397
	Other Income (Expenses):			
17	Interest Expense - Affiliates.....	4	(6,919)	(6,602)
18	Interest Expense - External.....	4	(485)	(457)
19	CRDA Related Income (Expense) - Net.....	8	(312)	(305)
20	Nonoperating Income (Expense) - Net.....		385	308
21	Total Other Income (Expenses).....		(7,331)	(7,056)
22	Income (Loss) Before Taxes and Extraordinary Items.....		(4,726)	(4,659)
23	Provision (Credit) for Income Taxes.....	5	0	0
24	Income (Loss) Before Extraordinary Items.....		(4,726)	(4,659)
25	Extraordinary Items (Net of Income Taxes - 2007, \$0; 2006, \$0 ).....		0	0
26	Net Income (Loss).....		(\$4,726)	(\$4,659)

\* Certain reclassifications have been made 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.

# TRUMP PLAZA ASSOCIATES

## STATEMENTS OF CHANGES IN PARTNERS', PROPRIETOR'S OR MEMBERS' 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	Contributed Capital (c)	Accumulated Earnings (Deficit) (d)	(e)	Total Equity (Deficit) (f)
1	Balance, December 31, 2006.....		\$154,293	(\$15,464)		\$138,829
2	Net Income (Loss) - 2007.....			(40,016)		(40,016)
3	Capital Contributions.....					0
4	Capital Withdrawals.....					0
5	Partnership Distributions.....					0
6	Prior Period Adjustments.....					0
7	Restrictive Stock Awards		63			63
8	Non Cash Transaction with					0
9	TER Holding Company		(8,210)			(8,210)
10	Balance, December 31, 2007.....		146,146	(55,480)	0	90,666
11	Net Income (Loss) - 2008.....			(4,726)		(4,726)
12	Capital Contributions.....					0
13	Capital Withdrawals.....					0
14	Partnership Distributions.....					0
15	Prior Period Adjustments.....					0
16	Restrictive Stock Awards	7	30			30
17						0
18						0
19	Balance, March 31, 2008.....		\$146,176	(\$60,206)	\$0	\$85,970

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

# TRUMP PLAZA ASSOCIATES

## STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2008 AND 2007

(UNAUDITED)  
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2008 (c)	2007 (d)
1	CASH PROVIDED (USED) BY OPERATING ACTIVITIES..		(\$513)	(\$4,620)
	CASH FLOWS FROM INVESTING ACTIVITIES:			
2	Purchase of Short-Term Investments .....			
3	Proceeds from the Sale of Short-Term Investments .....			
4	Cash Outflows for Property and Equipment.....		(1,912)	(5,736)
5	Proceeds from Disposition of Property and Equipment.....			
6	CRDA Obligations .....	8	(844)	(910)
7	Other Investments, Loans and Advances made.....		85	186
8	Proceeds from Other Investments, Loans, and Advances .....			
9	Cash Outflows to Acquire Business Entities.....		0	0
10				
11				
12	Net Cash Provided (Used) By Investing Activities.....		(2,671)	(6,460)
	CASH FLOWS FROM FINANCING ACTIVITIES:			
13	Proceeds from Short-Term Debt .....			
14	Payments to Settle Short-Term Debt.....		0	(1,417)
15	Proceeds from Long-Term Debt .....			
16	Costs of Issuing Debt.....			
17	Payments to Settle Long-Term Debt.....			
18	Cash Proceeds from Issuing Stock or Capital Contributions...		0	0
19	Purchases of Treasury Stock.....			
20	Payments of Dividends or Capital Withdrawals.....			
21	Intercompany Advances .....		0	5,000
22				
23	Net Cash Provided (Used) By Financing Activities.....		0	3,583
24	Net Increase (Decrease) in Cash and Cash Equivalents.....		(3,184)	(7,497)
25	Cash and Cash Equivalents at Beginning of Period.....		20,888	25,876
26	Cash and Cash Equivalents at End of Period.....		\$17,704	\$18,379
	CASH PAID DURING PERIOD FOR:			
27	Interest (Net of Amount Capitalized).....		\$5,706	\$7,004
28	Income Taxes.....		\$0	\$0

\*Certain reclassifications have been made 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.

# TRUMP PLAZA ASSOCIATES

## STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2008 AND 2007

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2008 (c)	2007 (d)
	<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
29	Net Income (Loss).....		(\$4,726)	(\$4,659)
30	Depreciation and Amortization of Property and Equipment.....		4,831	4,745
31	Amortization of Other Assets.....		92	92 *
32	Amortization of Debt Discount or Premium.....			
33	Deferred Income Taxes - Current .....			
34	Deferred Income Taxes - Noncurrent .....		0	20
35	(Gain) Loss on Disposition of Property and Equipment.....			
36	(Gain) Loss on CRDA-Related Obligations.....	8	312	305
37	(Gain) Loss from Other Investment Activities.....			
38	(Increase) Decrease in Receivables and Patrons' Checks .....		1,240	(249)
39	(Increase) Decrease in Inventories .....		(141)	241
40	(Increase) Decrease in Other Current Assets.....		622	924
41	(Increase) Decrease in Other Assets.....		(175)	302 *
42	Increase (Decrease) in Accounts Payable.....		(574)	(1,189)
43	Increase (Decrease) in Other Current Liabilities .....		(2,024)	(5,170)
44	Increase (Decrease) in Other Liabilities .....			
45	Stock Compensation .....	7	30	18
46				
47	Net Cash Provided (Used) By Operating Activities.....		(\$513)	(\$4,620)

### SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	<b>ACQUISITION OF PROPERTY AND EQUIPMENT:</b>			
48	Additions to Property and Equipment.....		(\$1,912)	(\$5,736)
49	Less: Capital Lease Obligations Incurred.....		0	0
50	Cash Outflows for Property and Equipment.....		(\$1,912)	(\$5,736)
	<b>ACQUISITION OF BUSINESS ENTITIES:</b>			
51	Property and Equipment Acquired.....			
52	Goodwill Acquired.....			
53	Other Assets Acquired - net .....			
54	Long-Term Debt Assumed.....			
55	Issuance of Stock or Capital Invested.....			
56	Cash Outflows to Acquire Business Entities.....		\$0	\$0
	<b>STOCK ISSUED OR CAPITAL CONTRIBUTIONS:</b>			
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

\*Certain reclassifications have been made 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.

**TRUMP PLAZA ASSOCIATES**  
**SCHEDULE OF PROMOTIONAL**  
**EXPENSES AND ALLOWANCES**  
FOR THE THREE MONTHS ENDED MARCH 31, 2008

(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	47,703	\$3,668	212	\$21
2	Food	164,879	2,878		
3	Beverage	282,878	1,697		
4	Travel			4,900	735
5	Bus Program Cash	85,050	1,926		
6	Other Cash Complimentaries	334,510	7,518		
7	Entertainment	1,962	72	5,567	223
8	Retail & Non-Cash Gifts	8,238	412	72,591	3,215
9	Parking			59,363	178
10	Other	2,126	53	2,706	(16) *
11	Total	927,346	\$18,224	145,339	\$4,356

\*Promotional Expense-Other includes the change in the outstanding comp dollar liability from 12/31/07 to 03/31/08.

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	47,703	\$3,668	212	\$21
2	Food	164,879	2,878		
3	Beverage	282,878	1,697		
4	Travel			4,900	735
5	Bus Program Cash	85,050	1,926		
6	Other Cash Complimentaries	334,510	7,518		
7	Entertainment	1,962	72	5,567	223
8	Retail & Non-Cash Gifts	8,238	412	72,591	3,215
9	Parking			59,363	178
10	Other	2,126	53	2,706	(16) *
11	Total	927,346	\$18,224	145,339	\$4,356

\*Promotional Expense-Other includes the change in the outstanding comp dollar liability from 12/31/07 to 03/31/08.

# TRUMP PLAZA ASSOCIATES 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



Dan McFadden

Vice President of Finance

Title

7167-11

License Number

On Behalf of:

TRUMP PLAZA ASSOCIATES

Casino Licensee



**TRUMP PLAZA ASSOCIATES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2008**  
(Unaudited)  
(in thousands)

**NOTE 1 - GENERAL**

*Organization and Operations*

Trump Plaza Associates, LLC (“Plaza Associates” or the “Company”), a New Jersey Limited Liability Corporation, is 100% beneficially owned by Trump Entertainment Resorts Holdings, LP (“TER Holdings,” formerly known as Trump Hotels & Casino Resorts Holdings, LP (“THCR”)), a Delaware Limited Partnership. Trump Entertainment Resorts, Inc. (“TER,” formerly known as Trump Hotels & Casino Resorts, Inc.), a Delaware corporation, currently beneficially owns an approximate 76.5% profits interest in TER Holdings, as both general and limited partner, and Donald J. Trump (“Mr. Trump”) owns directly and indirectly an approximate 23.5% profits interest in TER Holdings, as a limited partner.

Plaza Associates owns and operates the Trump Plaza Hotel and Casino (“Trump Plaza”), an Atlantic City, New Jersey hotel and casino. Plaza Associates derives its revenue primarily from casino operations, room rental, food and beverage sales, and entertainment. The casino industry in Atlantic City is seasonal in nature with the peak season being the spring and summer months.

*Basis of Presentation*

The accompanying financial statements have been prepared pursuant to the rules and regulations of the Casino Control Commission of the State of New Jersey (the “CCC”). Accordingly, certain information and note disclosures normally included in the financial statements prepared in conformity with accounting principles generally accepted in the United States have been condensed or omitted. These financial statements should be read in conjunction with the financial statements and notes thereto included in the Company’s December 31, 2007 Quarterly Report as filed with the CCC.

Subject to the foregoing, the accompanying financial statements have been prepared without audit. In the opinion of management, all adjustments, consisting of only normal recurring adjustments necessary to present fairly the financial position, the results of operations, and cash flows for the periods presented, have been made.

Certain reclassifications and disclosures have been made to prior year financial statements in order to conform to the current year presentation.

**NOTE 2 - TRUMP ONE UNIFIED PLAYER’S PROGRAM**

In June 2007, TER implemented the Trump ONE unified player’s program (“Trump One”), our new, tri-property customer loyalty program. Under Trump ONE, our customers are able to accumulate complimentary dollars (“comp dollars”) based upon their slot machine and table games play which may be redeemed at their discretion for complimentary food, beverage and retail items. Unredeemed comp dollars are subject to the terms of the Trump ONE program including forfeiture based upon the lapsing of time. The Company records the cost of comp dollars as a selling, general and administrative expense when earned by our customers. The retail value of the complimentary food, beverage and other retail items is recorded as revenue with an offset to promotional allowances at the time our customers redeem comp dollars. As of March 31, 2008, the Company had \$1,431 accrued for the estimated cost of the outstanding comp dollar liability.

In addition to comp dollars, our customers have the ability to earn points based on slot machine or table games play that are redeemable in cash (“cash-back points”). The Company historically has accrued the cost of cash-back points, after consideration of estimated forfeitures, as they are earned. This cost is recorded in promotional allowances. Customers may also receive discretionary complimentary rooms, food and beverage and other services which are expensed as incurred.

**TRUMP PLAZA ASSOCIATES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2008**  
(Unaudited)  
(in thousands)

**NOTE 3 - INTANGIBLE ASSETS AND GOODWILL**

In accordance with SFAS 142, the Company performed its annual goodwill and other intangible asset impairment test as of October 1, 2007. With the assistance of an independent valuation firm, the Company used discounted cash flow, market capitalization, and market multiple methodologies in the determination of the estimated fair value of the Company. Estimated future cash flows assumed under the discounted cash flow approach were negatively impacted by the recent increase in regional competition, the partial smoking ban in Atlantic City and a general weakening of the economy.

Based upon the results of the impairment testing, the Company determined that its goodwill, trademarks and customer lists were impaired. As a result, the Company recorded a goodwill impairment charge of \$16,859 and other intangible asset impairment charges totaling \$39,843 relating to its trademarks and customer lists. Such charges were included in other assets on the December 31, 2007 balance sheet and non-operating expense in the statements of income for the quarter and year ended December 31, 2007.

The impairment test procedures performed in accordance with SFAS 142 require comprehensive estimates of the future cash flows of the Company. Due to uncertainties associated with such estimates, actual results could differ from such estimates. A continuation of the previously mentioned conditions may result in the determination that some or all of the Company's remaining intangible assets have become impaired, which could result in additional impairment charges.

A rollforward of trademarks and goodwill is as follows:

	<u>Trademarks</u>	<u>Goodwill</u>
Balance December 31, 2006	\$ 62,000	\$ 25,069
Non-cash charge in lieu of income taxes		
Non-cash transactions with TER Holdings		(8,210)
Trademarks/goodwill impairment charge	(39,843)	(16,859)
Balance December 31, 2007 and March 31, 2008	<u>\$ 22,157</u>	<u>\$ 0</u>

**NOTE 4 - LONG-TERM DEBT**

Long-term debt consists of:

	<u>March 31,</u>	
	<u>2008</u>	<u>2007</u>
8.5% Note payable - TER and TER Funding, due June 1, 2015, interest payable semi-annually due June and December	\$ 287,153	\$ 287,153
8.5% Grid Note Payable - TER Holdings, due January 1, 2013 interest due and payable monthly	38,021	-
Intercompany borrowings-TER Holdings		26,000
Capital lease obligations - interest rates at 9.0% to 9.59%, secured by equipment financed	-	999
Total long-term debt	<u>325,174</u>	<u>314,152</u>
Less: current maturities	-	(999)
Long-term debt, net of current maturities	<u>\$ 325,174</u>	<u>\$ 313,153</u>

**8.5% Note Payable - TER and TER Funding**

In May 2005, TER Holdings and Trump Entertainment Resorts Funding, Inc., a wholly owned subsidiary of TER Holdings, (collectively, "the Issuers"), issued \$1,250,000 principal amount of 8.5% Senior Secured Notes due June 1, 2015 (the "TER Notes"). From the proceeds of the issuance of the TER Notes, TER Holdings loaned \$287,500 to Plaza Associates.

**TRUMP PLAZA ASSOCIATES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2008**  
(Unaudited)  
(in thousands)

8.5% Revolving Grid Note – TER Holdings

In July 2007, the Company entered into a Revolving Grid Note (“Grid Note”) with TER Holdings. Pursuant to the Grid Note, the Company agreed to repay up to \$75,000 of advances made by TER Holdings, including any accrued unpaid interest on outstanding advances thereon. Upon execution of the Grid Note, outstanding amounts due to TER Holdings (\$26,000 at March 31, 2007) relating to inter-company borrowings and unpaid interest due on the 8.5% Note Payable were refinanced through the Grid Note. Interest accrued at a rate of 8.5% and is payable monthly beginning August 2007.

Guarantees

The Company, along with Trump Taj Mahal Associates, LLC (“Taj Associates”) and Trump Marina Associates, LLC (“Marina Associates”), guarantees TER Holdings’ and TER Funding’s \$493,250 Credit Facility and TER Notes on a joint and several basis. The Credit Facility is secured by substantially all of the assets of the Issuers and Plaza Associates on a priority basis. Therefore, the TER Notes and the guarantee thereof are effectively subordinated to amounts borrowed by TER under the Credit Facility. At March 31, 2008, TER had outstanding borrowings of \$392,266 and \$1,248,969 under the Credit Facility and the TER Notes, respectively.

**NOTE 5 – INCOME TAXES**

Federal Income Taxes

The accompanying financial statements do not include a provision for federal income taxes since the Company is a division of TER Holdings, which is taxed as a partnership for federal income tax purposes. Therefore, the Company’s income and losses are allocated and reported for federal income tax purposes by TER Holdings’ partners.

State Income Taxes

Under the New Jersey Casino Control Act, the Company is required to file New Jersey corporation business tax returns.

The Predecessor Company’s net operating losses utilized to offset taxable income of the Reorganized Company will be recorded in the provision for income taxes as a non-cash charge in lieu of taxes and additional paid-in-capital.

There was no state income tax provision during the three months ended March 31, 2008 and 2007.

At March 31, 2008, the Company had unrecognized tax benefits of approximately \$8,092 (including interest) of which \$1,798 would affect its effective tax rate, if recognized. The application of FIN 48 did not have an impact on partners’ capital on the date of adoption. It is reasonably possible that certain unrecognized tax benefits related to income tax examinations totaling \$2,284 could be settled during the next twelve months.

The Company recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties as a component of income tax expense. During the three months ended March 31, 2008 and 2007, the Company recognized approximately \$175 and \$165, respectively, in potential interest associated with uncertain tax positions. At March 31, 2008, the Company had approximately \$1,964 accrued for the payment of interest on uncertain tax positions. To the extent interest is not assessed with respect to uncertain tax positions of the Reorganized Company, amounts accrued will be reduced and reflected as a reduction of interest expense. To the extent interest is not assessed with respect to uncertain tax positions of the Predecessor Company, amounts accrued prior to the reorganization date will be reduced and the impact will reduce certain intangible assets related to the reorganization in accordance with Emerging Issues Task Force Issue 93-7, “Uncertainties Related to Income Taxes in a Purchase Business Combination” (“EITF 93-7”)

**TRUMP PLAZA ASSOCIATES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2008**  
(Unaudited)  
(in thousands)

*Federal and State Income Tax Audits*

Tax years 2005 through 2007 remain subject to examination by the federal tax authority. Tax years 1995 through 2007 remain subject to examination by state tax jurisdictions.

From 2002 through 2006, state income taxes for the Company's New Jersey operations were computed under the alternative minimum assessment method. The Company has asserted its position that New Jersey partnerships were exempt from these taxes and, as such, have not remitted payments of the amounts provided. The New Jersey Division of Taxation has issued an assessment to collect the unpaid taxes for the tax years 2002 through 2003. At March 31, 2008, the Company has accrued \$7,605 for taxes and interest relating to this alternative minimum tax assessment for 2002 and 2003, as well as the open years 2004 through 2006. The Company is currently in discussions with the New Jersey Division of Taxation regarding settlement of these assessments.

**NOTE 6 – RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS**

In December 2007, the FASB issued SFAS No. 141 (Revised 2007), "Business Combinations" ("SFAS 141(R)"). This Statement retained the fundamental requirements in SFAS 141 that the acquisition method of accounting (which SFAS 141 called the purchase method) be used for all business combinations and for an acquirer to be identified for each business combination. SFAS 141(R), which is broader in scope than that of SFAS 141, which applied only to business combinations in which control was obtained by transferring consideration, applies the same method of accounting (the purchase method) to all transactions and other events in which one entity obtains control over one or more other businesses. SFAS 141(R) also makes certain other modifications to SFAS 141. The Company is required to apply the provisions of SFAS 141(R) to business combinations for which the acquisition date is on or after January 1, 2009. Earlier application is prohibited. The Company does not expect the adoption of SFAS 141(R) to have a material effect on our financial statements.

In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities" ("SFAS 159"). SFAS 159 permits companies to choose to measure many financial instruments and certain other items at fair value. The fair value option established by SFAS 159 permits all companies to choose to measure eligible items at fair value at specified election dates. At each subsequent reporting date, companies shall report in earnings any unrealized gains and losses on items for which the fair value option has been elected. The Company adopted SFAS 159 effective January 1, 2008 and did not elect the fair value measurement option for any financial assets or liabilities.

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements" ("SFAS 157") which defines fair value, establishes a framework for measuring fair value in GAAP, and expands disclosures about fair value measurements. SFAS 157 applies under other accounting pronouncements that require or permit fair value measurements and, accordingly, does not require any new fair value measurements. On February 12, 2008, the FASB issued FASB Staff Position No. FAS 157-2, Effective Date of FASB Statement No. 157 ("FSP 157-2"), delaying the effective date of SFAS 157 to fiscal years beginning after November 15, 2008, for non-financial assets and non-financial liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis. Non-financial assets and non-financial liabilities for which we are not yet required to apply the provisions of SFAS 157 include our goodwill and intangible assets and long-lived assets measured at fair value under the provisions of SFAS 142, "Goodwill and Other Intangible Assets" and SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," respectively. The Company adopted SFAS 157 effective January 1, 2008 for financial assets and liabilities. The adoption of SFAS 157 did not impact our financial statements. The Company does not expect that the adoption of the deferment provisions of FSP 157-2 will have a material effect on our financial statements.

**TRUMP PLAZA ASSOCIATES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2008**  
(Unaudited)  
(in thousands)

**NOTE 7– TRANSACTIONS WITH AFFILIATES**

The Company has engaged in limited intercompany transactions with TER, Trump Taj Mahal Associates Administration (“Trump Administration”), Marina Associates and Taj Associates, all of which are affiliates of Trump.

Amounts due to/(from) affiliates are as follows:

	<b>March 31,</b>	
	<b>2008</b>	<b>2007</b>
TER	\$ –	\$ (534)
Trump Administration	(777)	(2,719)
Marina Associates	73	1
Taj Associates	(351)	(20)
	\$ (1,055)	\$ (3,272)

Trump Administration, which is a separate division of Taj Associates, provides certain shared services to Plaza Associates. These transactions are charged at cost or normal selling price in the case of retail items and include certain shared professional fees, insurance, advertising and payroll costs as well as complimentary services offered to customers. Trump Administration allocated expenses associated with such services to Plaza Associates totaling \$2,174 and \$ 1,352 for the three months ended March 31, 2008 and 2007. Plaza Associates reimburses Taj Administration for these allocated expenses.

Plaza Associates engages in various transactions with the other Atlantic City hotel/casinos and related casino entities that are affiliates of Mr. Trump. These transactions are charged at cost or normal selling price in the case of retail items and include certain shared professional fees, insurance, advertising and payroll costs as well as complimentary services offered to customers.

During October 2005, TER awarded 15,000 restricted shares of TER common stock to an employee of Plaza Associates with a grant date fair value of \$266. The restricted shares vest in 5,000 share increments on September 30, 2006, 2007 and 2008. As of March 31, 2008, the remaining unrecognized compensation expense for the nonvested restricted stock to be recognized over the remaining contractual life was \$22.

**NOTE 8 – COMMITMENTS & CONTINGENCIES**

Legal Proceedings

Plaza Associates and certain of its employees are involved from time to time in various legal proceedings incidental to the Company’s business. While any proceeding or litigation contains an element of uncertainty, management believes that the final outcomes of these matters are not likely to have a material adverse effect on the Company’s results of operations or financial condition. In general, the Company has agreed to indemnify such persons, and its directors, against any and all losses, claims, damages, expenses (including reasonable costs, disbursements and counsel fees) and liabilities (including amounts paid or incurred in satisfaction of settlements, judgments, fines and penalties) incurred by them in said legal proceedings absent a showing of such persons’ gross negligence or malfeasance.

**TRUMP PLAZA ASSOCIATES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2008**  
(Unaudited)  
(in thousands)

Casino License Renewal

The Company is subject to regulation and licensing by the CCC. The Company's casino license must be renewed periodically, is not transferable, is dependent upon the financial stability of the Company and can be revoked at any time. Due to the uncertainty of any license renewal application, there can be no assurance that the license will be renewed.

In June 2007, the CCC renewed the Company's license to operate Trump Plaza for the next five year period through June 2012. Upon revocation, suspension for more than 120 days, or failure to renew the casino license, the Casino Control Act provides for the mandatory appointment of a conservator to take possession of the hotel and casino's business and property, subject to all valid liens, claims and encumbrances.

Casino Reinvestment Development Authority Obligations

Pursuant to the provisions of the Casino Control Act, the Company must either obtain investment tax credits, as defined in the Casino Control Act, in an amount equivalent to 1.25% of its gross casino revenues, as defined in the Casino Control Act, or pay an alternative tax of 2.5% of its gross casino revenues. Investment tax credits may be obtained by making qualified investments, as defined, or by depositing funds which may be converted to bonds by the Casino Reinvestment Development Authority (the "CRDA"), both of which bear interest at two-thirds of market rates resulting in a fair value lower than cost. The Company is required to make quarterly deposits with the CRDA to satisfy its investment obligations.

NJSEA Subsidy Agreement

In April 2004, the casinos located in Atlantic City ("Casinos"), executed an agreement ("NJSEA Subsidy Agreement") with the New Jersey Sports and Exposition Authority ("NJSEA") and the CRDA. The NJSEA Subsidy Agreement provides that the Casinos, on a pro rata basis according to their gross revenues, shall pay in cash and donate from the regular payment of their CRDA obligations a total of \$86,000 in four annual installments in October of each of 2004 through 2007 to the NJSEA. It required that the funds be used by the NJSEA through December 31, 2008 to enhance purses, fund breeders awards and establish account wagering at New Jersey horse racing tracks. During this four year period, the Company's portion of this industry obligation was approximately 6.1%.

The NJSEA Subsidy Agreement further provided for a moratorium until January 2009 on the conduct of casino gaming at any New Jersey racetrack and conditioned the donation of the CRDA funds upon the enactment and funding of the Casino Expansion Fund Act which made funds available, on a pro rata basis, to each of the Casinos for investment in eligible projects in Atlantic City approved by the CRDA. In September 2006, the CRDA approved the new hotel tower presently under construction at the Trump Taj Mahal as an eligible project and, pursuant to October 2006 agreements, authorized grants to the Trump Atlantic City casinos in aggregate amounts of approximately \$13,800 from the Atlantic City Expansion Fund and \$1,575 from a separate Casino Capital Construction Fund, both administered by the CRDA.

The New Jersey Legislature amended the Casino Control Act effective April 18, 2008 to permit the Casinos to deduct the amount of certain promotional gaming credits wagered at their slot machines in calculating the tax on gross gaming revenue. The amendment, however, is inoperative until the Casinos execute a new subsidy agreement with the NJSEA for the benefit of the horse racing industry for \$30 million annually for a three-year period. Presently, the Casinos are negotiating the terms of a new subsidy agreement with the NJSEA and the New Jersey Casino Control Commission is considering regulations to establish procedures by which the Casinos may implement the tax deduction.