GOLDEN NUGGET ATLANTIC CITY, LLC
QUARTERLY REPORT

FOR THE QUARTER ENDED DECEMBER 31, 2011

SUBMITTED TO THE
DIVISION OF GAMING ENFORCEMENT
OF THE
STATE OF NEW JERSEY

OFFICE OF FINANCIAL INVESTIGATIONS
REPORTING MANUAL

GOLDEN NUGGET ATLANTIC CITY, LLC
BALANCE SHEETS

AS OF DECEMBER 31, 2011 *

(UNAUDITED)
($ IN THOUSANDS)

AMENDED JULY 25, 2012

Line (a)	Description (b)	Notes	2011 (c)	2010 (d)
	ASSETS:			
	Current Assets:			
1	Cash and Cash Equivalents	2	$6,433	
2	Short-Term Investments			
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2011 $672 ; 2010, $0)	2,4	2,760	
4	Inventories	2	1,477	
5	Other Current Assets	5	1,287	
6	Total Current Assets		11,957	0
7	Investments, Advances, and Receivables	2	642	
8	Property and Equipment - Gross	2,7	100,374	
9	Less: Accumulated Depreciation and Amortization	7	(1,173)	
10	Property and Equipment - Net	7	99,201	0
11	Other Assets	2, 6	10,981	
12	Total Assets		$122,781	$0
	LIABILITIES AND EQUITY:			
	Current Liabilities:			
13	Accounts Payable		$27,966	
14	Notes Payable			
	Current Portion of Long-Term Debt:			
15	Due to Affiliates			
16	External	9	1,953	
17	Income Taxes Payable and Accrued			
18	Other Accrued Expenses	2,8	11,281	
19	Other Current Liabilities		279	
20	Total Current Liabilities		41,479	0
	Long-Term Debt:			
21	Due to Affiliates			
22	External	9	49,082	
23	Deferred Credits			
24	Other Liabilities			
25	Commitments and Contingencies			
26	Total Liabilities		90,561	0
27	Stockholders', Partners', or Proprietor's Equity		32,220	
28	Total Liabilities and Equity		$122,781	$0

* Golden Nugget Atlantic City, LLC began operations on May 24, 2011

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

GOLDEN NUGGET ATLANTIC CITY, LLC
STATEMENTS OF INCOME

FOR THE PERIOD MAY 24 THROUGH DECEMBER 31, 2011 *

(UNAUDITED)
($ IN THOUSANDS)

AMENDED JULY 25, 2012

Line (a)	Description (b)	Notes	2011 (c)	2010 (d)
	Revenue:			
1	Casino		$76,585	
2	Rooms		10,523	
3	Food and Beverage		9,235	
4	Other		5,160	
5	Total Revenue	2	101,503	0
6	Less: Promotional Allowances	2	28,493	
7	Net Revenue		73,010	0
	Costs and Expenses:			
8	Cost of Goods and Services		68,328	
9	Selling, General, and Administrative	2	6,273	
10	Provision for Doubtful Accounts		672	
11	Total Costs and Expenses		75,273	0
12	Gross Operating Profit		(2,263)	0
13	Depreciation and Amortization		1,341	
	Charges from Affiliates Other than Interest:			
14	Management Fees		0	
15	Other		0	
16	Income (Loss) from Operations		(3,604)	0
	Other Income (Expenses):			
17	Interest Expense - Affiliates		0	
18	Interest Expense - External	2,9	(1,858)	
19	CRDA Related Income (Expense) - Net	2	(332)	
20	Nonoperating Income (Expense) - Net		1,714	
21	Total Other Income (Expenses)		(476)	0
22	Income (Loss) Before Taxes and Extraordinary Items		(4,080)	0
23	Provision (Credit) for Income Taxes		0	
24	Income (Loss) Before Extraordinary Items		(4,080)	0
25	Extraordinary Items (Net of Income Taxes - 2011, $0; 2010, $0)		0	
26	Net Income (Loss)		($4,080)	$0

* Golden Nugget Atlantic City, LLC began operations on May 24, 2011

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

GOLDEN NUGGET ATLANTIC CITY, LLC
STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 2011 *

(UNAUDITED)
($ IN THOUSANDS)

AMENDED JULY 25, 2012

Line (a)	Description (b)	Notes	2011 (c)	2010 (d)
	Revenue:			
1	Casino		$27,670	
2	Rooms		3,216	
3	Food and Beverage		2,715	
4	Other		1,746	
5	Total Revenue	2	35,347	0
6	Less: Promotional Allowances	2	12,134	
7	Net Revenue		23,213	0
	Costs and Expenses:			
8	Cost of Goods and Services		26,358	
9	Selling, General, and Administrative	2	2,080	
10	Provision for Doubtful Accounts		336	
11	Total Costs and Expenses		28,774	0
12	Gross Operating Profit		(5,561)	0
13	Depreciation and Amortization		745	
	Charges from Affiliates Other than Interest:			
14	Management Fees		0	
15	Other		0	
16	Income (Loss) from Operations		(6,306)	0
	Other Income (Expenses):			
17	Interest Expense - Affiliates		0	
18	Interest Expense - External	2,9	(418)	
19	CRDA Related Income (Expense) - Net	2	(124)	
20	Nonoperating Income (Expense) - Net		239	
21	Total Other Income (Expenses)		(303)	0
22	Income (Loss) Before Taxes and Extraordinary Items		(6,609)	0
23	Provision (Credit) for Income Taxes		0	
24	Income (Loss) Before Extraordinary Items		(6,609)	0
	Extraordinary Items (Net of Income Taxes -			
25	2011, $ 0 ; 2010, $ 0)		0	
26	Net Income (Loss)		($6,609)	$0

* Golden Nugget Atlantic City, LLC began operations on May 24, 2011

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

GOLDEN NUGGET ATLANTIC CITY, LLC
STATEMENTS OF CHANGES IN PARTNERS', PROPRIETOR'S OR MEMBERS' EQUITY

FOR THE PERIOD MAY 24 THROUGH DECEMBER 31, 2011 *

(UNAUDITED)
($ IN THOUSANDS)

AMENDED JULY 25, 2012

Line (a)	Description (b)	Notes	Contributed Capital (c)	Accumulated Earnings (Deficit) (d)	__________ (e)	Total Equity (Deficit) (f)
1	**Balance, December 31, 2009..........**					$0
2	Net Income (Loss) - 20__..........					0
3	Capital Contributions................					0
4	Capital Withdrawals..................					0
5	Partnership Distributions..........					0
6	Prior Period Adjustments..........					0
7	______________________					0
8	______________________					0
9	______________________					0
10	**Balance, December 31, 2010..........**		0	0	0	0
11	Net Income (Loss) - 5/24 - 12/3			(4,080)		(4,080)
12	Capital Contributions................		36,300			36,300
13	Capital Withdrawals..................					0
14	Partnership Distributions..........					0
15	Prior Period Adjustments..........					0
16	______________________					0
17	______________________					0
18	______________________					0
19	**Balance, December 31, 2011..........**		$36,300	($4,080)	$0	$32,220

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

GOLDEN NUGGET ATLANTIC CITY, LLC
STATEMENTS OF CASH FLOWS

FOR THE PERIOD MAY 24 THROUGH DECEMBER 31, 2011 *

(UNAUDITED)
($ IN THOUSANDS)

AMENDED JULY 25, 2012

Line (a)	Description (b)	Notes	2011 (c)	2010 (d)
1	CASH PROVIDED (USED) BY OPERATING ACTIVITIES..		$20,713	$0
	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...........................		(57,243)	0
5	Proceeds from Disposition of Property and Equipment..........			
6	CRDA Obligations		(974)	
7	Other Investments, Loans and Advances made......................			
8	Proceeds from Other Investments, Loans, and Advances			
9	Cash Outflows to Acquire Business Entities..........................		(33,544)	0
10	....			
11	....			
12	Net Cash Provided (Used) By Investing Activities....................		(91,761)	0
	CASH FLOWS FROM FINANCING ACTIVITIES:			
13	Proceeds from Short-Term Debt			
14	Payments to Settle Short-Term Debt.....................................			
15	Proceeds from Long-Term Debt		81,847	
16	Costs of Issuing Debt...		(4,723)	
17	Payments to Settle Long-Term Debt......................................		(35,943)	
18	Cash Proceeds from Issuing Stock or Capital Contributions...		36,300	0
19	Purchases of Treasury Stock..			
20	Payments of Dividends or Capital Withdrawals......................			
21	....			
22	....			
23	Net Cash Provided (Used) By Financing Activities..................		77,481	0
24	Net Increase (Decrease) in Cash and Cash Equivalents.............		6,433	0
25	Cash and Cash Equivalents at Beginning of Period...................			
26	Cash and Cash Equivalents at End of Period............................		$6,433	$0

	CASH PAID DURING PERIOD FOR:			
27	Interest (Net of Amount Capitalized)......................................		$2,302	
28	Income Taxes..		$0	

The accompanying notes are an integral part of the financial statements.
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GOLDEN NUGGET ATLANTIC CITY, LLC
STATEMENTS OF CASH FLOWS

FOR THE PERIOD MAY 24 THROUGH DECEMBER 31, 2011 *

(UNAUDITED)

($ IN THOUSANDS)

AMENDED JULY 25, 2012

Line (a)	Description (b)	Notes	2011 (c)	2010 (d)
	CASH FLOWS FROM OPERATING ACTIVITIES:			
29	Net Income (Loss)........		($4,080)	
30	Depreciation and Amortization of Property and Equipment...		1,341	
31	Amortization of Other Assets........			
32	Amortization of Debt Discount or Premium........		565	
33	Deferred Income Taxes - Current			
34	Deferred Income Taxes - Noncurrent			
35	(Gain) Loss on Disposition of Property and Equipment........			
36	(Gain) Loss on CRDA-Related Obligations........		332	
37	(Gain) Loss from Other Investment Activities........		(1,453)	
38	(Increase) Decrease in Receivables and Patrons' Checks		(2,760)	
39	(Increase) Decrease in Inventories		(1,182)	
40	(Increase) Decrease in Other Current Assets........		(53)	
41	(Increase) Decrease in Other Assets........		(6,777)	
42	Increase (Decrease) in Accounts Payable........		27,966	
43	Increase (Decrease) in Other Current Liabilities		6,814	
44	Increase (Decrease) in Other Liabilities			
45	....			
46	....			
47	Net Cash Provided (Used) By Operating Activities........		$20,713	$0

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Line (a)	Description (b)	Notes	2011 (c)	2010 (d)
	ACQUISITION OF PROPERTY AND EQUIPMENT:			
48	Additions to Property and Equipment........		($62,374)	
49	Less: Capital Lease Obligations Incurred........		5,131	
50	Cash Outflows for Property and Equipment........		($57,243)	$0
	ACQUISITION OF BUSINESS ENTITIES:			
51	Property and Equipment Acquired........		($38,000)	
52	Goodwill Acquired........			
53	Other Assets Acquired - net		4,456	
54	Long-Term Debt Assumed........			
55	Issuance of Stock or Capital Invested........			
56	Cash Outflows to Acquire Business Entities........		($33,544)	$0
	STOCK ISSUED OR CAPITAL CONTRIBUTIONS:			
57	Total Issuances of Stock or Capital Contributions........		$36,300	$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......		$36,300	$0

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

GOLDEN NUGGET ATLANTIC CITY, LLC
STATEMENT OF CONFORMITY, ACCURACY, AND COMPLIANCE

FOR THE QUARTER ENDED DECEMBER 31, 2011

1. I have examined this Quarterly Report.

2. All the information contained in this Quarterly Report has been prepared in conformity with the Division of Gaming Enforcement'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 requirements contained in N.J.S.A. 5:12-84(a)1-5 during the quarter.

Keith Crede

July 25, 2012
Date

Keith Crede

Vice President Finance
Title

6939-11
License Number

On Behalf of:

GOLDEN NUGGET ATLANTIC CITY, LLC
Casino Licensee

AMENDED JULY 25, 2012

1. NATURE OF BUSINESS AND BASIS OF PRESENTATION

Nature of Business

Golden Nugget Atlantic City, LLC (GNAC) operates the Golden Nugget Atlantic City hotel and casino in Atlantic City, NJ. We are wholly owned by Fertitta Entertainment Holdings, LLC and are an affiliate of Landry's, Inc, which also owns the Golden Nugget hotels and casinos in Las Vegas and Laughlin, NV. On May 24, 2011, GNAC purchased the assets of Trump Marina Associates, LLC for approximately $38.0 million. Unless otherwise stated, all dollars are in thousands.

We had no operations prior to May 24, 2011.

Use of Estimates

The consolidated financial statements have been prepared without audit and pursuant to the rules and regulations of the New Jersey Division of Gaming Enforcement. US GAAP principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used for, but not limited to the assessment of recoverability of long-lived assets; costs to settle unpaid claims and the redemptions of cash back points. Actual results could differ from those estimates.

2. SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

We consider investments with original maturities of ninety days or less to be cash or cash equivalents. We place our cash primarily in checking and money market accounts with financial institutions, which, at times, have exceeded federally insured limits.

Accounts Receivable

Trade receivables consist primarily of casino and hotel receivables, net of an allowance for doubtful accounts. Accounts are written off when management deems the account to be uncollectible. The allowance is estimated based on specific review of customer accounts as well as historical collection experience and current economic and business conditions.

Financial Instruments

Generally Accepted Accounting Principles (GAAP) establishes a hierarchy for fair value measurements, such that Level 1 measurements include unadjusted quoted market prices for identical assets or liabilities in an active market, Level 2 measurements include quoted market prices for identical assets or liabilities in an active market which have been adjusted for items such as effects of restrictions for transferability and those that are not quoted but are observable through corroboration with observable market data, including quoted market prices for similar assets, and Level 3 measurements include those that are unobservable and of a highly subjective measure.

The fair values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate the carrying amounts due to their short maturities. The fair value of our long-term debt instruments are estimated based on quoted market prices, where available, or on the amount of future cash flows associated with each instrument, discounted using our current borrowing rate for comparable debt instruments. The estimated fair values of our significant long-term debt, including the current portions, are as follows:

	December 31, 2011	
	Carrying Value	Fair Value
Libor + 8.5% (floor 1.5%) Revolving credit facility due November 2015	$ 10,000	$ 9,600
4.8% - 8.0% Various equipment loans due May 2013 through July 2014	4,535	4,535
Libor + 8.5% (floor 1.5%) First Lien Term Loan due May 2016	36,500	35,040
	$ 51,035	$ 49,175

Inventories

Inventories consisting of principally food and beverage, operating supplies and retail items are stated at the lower of cost or market value.

Property and Equipment

Property and equipment are recorded at cost. Depreciation expense is computed utilizing the straight-line method over the estimated useful lives of the depreciable assets, as follows: buildings and improvements — 40 years; equipment — 5 to 10 years; furniture, fixtures and leasehold improvements — 5 to 20 years; and automobiles and limousines — 4 to 5 years.

Costs of major improvements are capitalized; costs of normal repairs and maintenance are charged to expense as incurred. Gains or losses on dispositions of property and equipment are recognized in the consolidated statements of operations when incurred.

Interest is capitalized in connection with construction and development activities, and other real estate development projects. The capitalized interest is recorded as part of the asset to which it relates and is amortized over the asset's estimated useful life. During 2011, we capitalized interest expense of approximately $1.5 million.

Debt Issuance Costs

Debt issuance costs represent fees, commissions and other closing costs incurred in connection with the issuance of our $66.5 million credit facility. Deferred financing costs are amortized over the term of the credit facility.

Progressive Liability

We maintain a number of progressive slot machines and table games. As wagers are made on the respective progressive games, the amount available to win (to be paid out when the appropriate jackpots are hit) increases. In April 2010, the FASB issued ASU No. 2010-16, "*Accruals for Casino Jackpot Liabilities*", which clarifies when a casino entity is required to accrue a jackpot liability. ASU No. 2010-16 clarifies that jackpot liabilities should not be accrued before the jackpot is won, if payment of the jackpot may be avoided. Based on this guidance, we do not record a liability for the progressive jackpots.

Slot Player Club Liability

We have established a promotional slot club to encourage repeat business from frequent and active slot machine customers and table games patrons. Members earn points based on gaming activity and such points can be redeemed for cash or complimentary amenities. We have established a liability, and reduced revenue, for unredeemed cash-back points based upon historical redemption experience.

Self-Insurance Liability

We maintain large deductible insurance policies related to workers compensation, general liability and certain employee medical claims. Predetermined loss limits have been arranged with insurance companies to limit our per occurrence cash outlay. Accrued liabilities include estimated costs to settle unpaid claims and estimated incurred but not reported claims using actuarial methodologies.

Revenue Recognition and Promotional Allowances

Casino revenue is the aggregate net difference between gaming wins and losses, with liabilities recognized for funds deposited by customers before gaming play occurs ("casino front money") and for chips in the customer's possession ("outstanding chip liability"). Casino revenues are recognized net of certain sales incentives. We record sales incentives as a reduction of revenue. In addition, accruals for the cost of cash-back points in point-loyalty programs, such as points earned in slot players clubs, are recorded as a reduction of revenue.

Hotel, food and beverage, entertainment and other operating revenues are recognized as services are performed. The retail value of accommodations, food and beverage, and other services furnished to hotel-casino guests without charge is included in gross revenue and then deducted as promotional allowances.

The estimated cost of providing such promotional allowances is primarily included in casino expenses for the period from May 24, 2011 (inception) through December 31, 2011 as follows:

Rooms	$	3,691
Food & Beverage		6,250
Other		834
	$	10,775

Sales Taxes

Our policy is to present sales taxes on a net basis.

Advertising Costs

Costs for advertising are expensed as incurred during such year. Advertising costs, included in general and administrative expense, were $0.7 million for the period from May 24, 2011 (inception) through December 31, 2011.

Casino License Renewal

We are subject to regulation and licensing by the New Jersey Division of Gaming Enforcement ("DGE") and as of December 31, 2011 was operating under a temporary license issued by the DGE on May 24, 2011. During the formal licensing process, our license was held in trust to be in compliance with the DGE regulations. On February 15, 2012, we received full licensure approval.

Income Taxes

We are a single member Limited Liability Corporation and as such, our tax results are filed in consolidation with our owner.

Recently Issued and Adopted Accounting Pronouncements

In January 2010, the FASB issued ASU No. 2010-06, *Improving Disclosures about Fair Value Measurements* ("ASU No. 2010-06"). The new standard addresses, among other things, guidance regarding activity in Level 3 fair value measurements. Portions of ASU No. 2010-06 that relate to the Level 3 activity disclosures are effective for the annual reporting period beginning after December 15, 2010. We are currently evaluating the potential impact this guidance may have on our consolidated financial statements.

In December 2010, the FASB issued ASU 2010-29, "Business Combinations (Topic 805)." This ASU specifies that if a company presents comparative financial statements, the company should disclose revenue and earnings of the combined entity as though the business combination that occurred during the year had occurred as of the beginning of the comparable prior annual reporting period only. The ASU also expands the supplemental pro forma disclosures under Topic 805 to include a description of the nature and amount of material, nonrecurring pro forma adjustments directly attributable to the business combination included in the pro forma revenue and earnings. This ASU is effective prospectively for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010. We have adopted this ASU and included all required disclosures in the notes to the financial statements.

In May 2011, the FASB issued ASU 2011-04, "Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs." This ASU clarifies the application of certain existing fair value measurement guidance and expands the disclosures for fair value measurements that are estimated using significant unobservable (Level 3) inputs. This guidance is effective for interim and annual periods beginning on or after December 15, 2011, applied prospectively. The adoption of this guidance is not expected to have a material impact on our consolidated financial statements.

In September 2011, the FASB issued ASU 2011-08, "Testing Goodwill for Impairment". The ASU provides the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If the results of the qualitative analysis indicate it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, the quantitative two-step impairment test, which is required under current U.S. GAAP, would not be necessary. The ASU is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. The adoption of this guidance is not expected to have an impact on our consolidated financial statements.

In September, 2011, the FASB issued ASU No. 2011-09, "Compensation – Retirement Benefits – Multiemployer Plans (Subtopic 715-80)." The amendments in this ASU require that employers provide, on an annual basis, additional separate disclosures for all individually significant multiemployer pension plans and multiemployer other postretirement benefit plans. The revisions do not change the current recognition and measurement guidance for an employer's participation in a multiemployer plan. The ASU is effective for fiscal years ending after December 15, 2012 for nonpublic entities. Early adoption is permitted and retrospective application is required. We are currently reviewing the effects of ASU No. 2011-9. The adoption of this guidance will likely require us to provide additional disclosures, but will not have an impact on our consolidated financial statements.

Segment Reporting

GNAC owns and operates the Golden Nugget Atlantic City hotel and casino which consists of one property in Atlantic City, New Jersey. This property includes gaming, hotel, dining, entertainment, retail and other related amenities. Management believes that this property meets all of the criteria for aggregating operating segments with similar economic characteristics, products and services, production processes, class of customers, distribution methods, and regulatory environment. As such GNAC is comprised of one reportable segment.

3. ACQUISITION OF THE ASSETS OF TRUMP MARINA ASSOCIATES, LLC

On May 24, 2011, GNAC purchased the assets of Trump Marina Associates, LLC for approximately $38.0 million in cash, plus the assumption of certain additional working capital liabilities to expand the Golden Nugget name into the second largest gaming market in America. The purchase price and planned capital improvements were funded by a $36.5 million first lien term loan due in 2016, a $20.0 million delayed draw term loan due in 2016, a $10.0 million revolving credit facility due in 2015 and a $35.0 million capital contribution.

A summary of assets acquired and liabilities assumed in the acquisition is set forth below:

Estimated fair value of assets acquired		
Current assets…………	$	5,716
Property and equipment…………		38,000
Other long term assets…………		214
Total assets acquired…………		43,930
Estimated fair value of liabilities assumed		
Current liabilities…………		(4,746)
Other long term liabilities…………		(591)
Total liabilites assumed…………		(5,337)
Gain on purchase…………		(862)
Allocated purchase price…………		37,731
Less: Cash acquired…………		(3,633)
Net cash paid…………	$	34,098

Based on the purchase price allocation it was determined that the fair values of the net assets acquired exceeded the purchase price by $0.9 million, which we have recorded as a bargain purchase gain included in other, net within our consolidated statement of income for the period ended December 31, 2011.

The acquisition was accounted for in accordance with ASC Topic 805, Business Combinations ("ASC 805"). Accordingly, the purchase price was preliminarily allocated to the assets acquired and liabilities assumed based on their estimated fair value at the acquisition date. The allocations reflect various provisional estimates that were available at the time and are subject to change during the purchase price allocation period as valuations are finalized.

Under ASC 805, acquisition related costs (i.e., advisory, legal, valuation and other professional fees) are not included as a component of consideration transferred, but are accounted for as expenses in the periods in which the costs are incurred. As of December 31, 2011, we have incurred approximately $0.2 million in acquisition related costs. These amounts are included in general and administrative expense in our consolidated financial statements.

4. ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

	2011
Gaming	$2,298
Allowance	(591)
Non-Gaming	1,134
Allowance	(81)
Total	$2,760

5. OTHER CURRENT ASSETS

Other current assets consisted of the following:

	2011
Prepaid Insurance	$268
Prepaid taxes	351
Other prepaid	668
Total	$1,287

6. OTHER ASSETS

Other assets consisted of the following:

	2011
Deferred Cost	$6,169
Software	4,219
Other	593
Total	$10,981

7. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2011
Land	$17,649
Buildings and Improvements	51,369
Furniture, Fixtures, Equipment	19,114
Construction in Progress	12,242
Property and Equipment, Gross	100,374
Accumulated Depreciation	(1,173)
Property and Equipment, Net	$99,201

8. OTHER ACCRUED EXPENSES

Other accrued expenses consisted of the following:

	2011
Floating Deposits	$4,720
Payroll & related	5,859
Other	702
Total	$11,281

9. LONG TERM DEBT

In May 2011, we completed a $66.5 million credit facility consisting of a $10.0 million revolving credit facility, a $36.5 million first lien term loan, and a $20.0 million delayed draw term loan. The $20.0 million delayed draw term loan will be used as needed to finance the remodeling of the hotel and casino. The revolving credit facility expires on November 30, 2015 and the first lien term loan and delayed draw term loan mature on May 31, 2016 and November 30, 2016, respectively. Both the term loans and the revolving credit facility bear interest at Libor or the bank's base rate, plus a financing spread of 8.5% at December 31, 2011. In addition, the credit facility requires a commitment fee on the unfunded portion of the $10.0 million revolving credit facility. The first lien term loan requires one percent of the outstanding principal balance due annually to be paid in equal quarterly installments commencing on June 30, 2012, with the balance due on maturity. Principal of the delayed draw term loan is due at maturity. We have granted liens on substantially all real property and personal property as collateral under the credit facility and guarantee the credit facility.

The delayed draw term loan will be funded by our parent and bears interest identical to the first lien term loan, may not be repaid until the first lien term loan and revolver have been repaid in full and is subordinated to the first lien term loan and revolver with respect to collateral. The loan is guaranteed by our parent and one of our affiliates. In addition, our parent has committed to provide up to $21.0 million by January 15, 2012, which commitment is also guaranteed by the affiliate, in additional funds in return for unsecured subordinated payment in kind (PIK) indebtedness. The funds will be used as needed to complete the renovations.

In addition to the credit facility, we have entered into a number of equipment loans for the purchase of gaming hardware and software. These loans have maturities ranging from May 2013 to July 2014 and bear interest at rates ranging from 4.8% to 8.0%. Principal and interest payments are due monthly.

Our debt agreements contain various restrictive covenants including maximum capital expenditures, limitations on dividend payments and other restricted payments as defined in the agreements. Commencing June 2012, we are also subject to restrictive covenants including maximum leverage and interest coverage. As of December 31, 2011, the delayed draw term loan was undrawn and we had no available borrowing capacity under the revolving credit facility.

Principal payments for all long-term debt aggregate $1.7 million in 2012, $2.1 million in 2013, $1.5 million in 2014, $10.4 million in 2015 and $35.4 million in 2016, when all debt instruments will have matured.

Long-term debt is comprised of the following:

	December 31, 2011
$10.0 million revolving credit facility, Libor + 8.5% (floor 1.5%) due November 2015	$ 10,000
Various equipment loans, 4.8% - 8.0% principal and interest paid monthly, due May 2013 - July 2014	4,535
$36.5 million First Lien Term Loan, Libor + 8.5% (floor 1.5%) $91,000 principal paid quarterly beginning June 30, 2012, due May 2016	36,500
Total debt	51,035
Less current portion	(1,953)
Long-term debt	$ 49,082

10. COMMITMENTS AND CONTINGENCIES

Leases

We have a non-cancelable operating lease with a non-affiliate that covers the land, building and marina adjacent to our property, which expires in 2014. Other lease commitments also include operating equipment used in daily operations. The aggregate amounts of future minimum lease payments for operating leases with initial terms in excess of one year as of December 31, 2011 are as follows (in thousands):

Years ending December, 31:	
2012	$ 500
2013	500
2014	500
Total minimum rentals	$ 1,500

Rent expense was $1.5 million for the period ended December 31, 2011.

Employee Benefits

Certain of our employees are covered by union-sponsored, collective bargained, multi-employer health and welfare and defined benefit pension plans. We recorded expenses of $3.8 million for the period from May 24, 2011 (inception) through December 31, 2011. The plans' sponsors have not provided sufficient information to permit us to determine our share of unfunded vested benefits, if any. However, based on available information, we do not believe that unfunded amounts attributable to our casino operations are material.

We are self-insured up to certain limits for most health care benefits for our non-union employees. The liability for claims filed and estimates of claims incurred but not reported is included in the accrued liabilities caption in the accompanying consolidated balance sheets.

We sponsor a retirement savings plan under Section 401(k) of the Internal Revenue Code covering our non-union employees. The plan is available to certain employees with at least six months of service. For those employees who were previously employed by Trump Marina Associates, LLC, for at least six months, participation in the plan was made available beginning June 1, 2011. The plan allows eligible employees to defer, within prescribed limits, a percentage of their income on a pre-tax basis through contributions to the plan. We match on a discretionary basis, subject to a vesting schedule. We recorded no charges for matching contributions for the period ended December 31, 2011.

Casino Reinvestment Development Authority Obligation

As required by the provisions of the New Jersey Casino Control Act (the “Act”), a casino licensee must pay an investment alternative tax of 2.5% of its gross casino revenues as defined in the Act. However, pursuant to contracts with the Casino Reinvestment Development Authority (“CRDA”), the company pays 1.25% of its gross casino revenues to the CRDA (the “CRDA Payment”) to fund qualified investments as defined in the Act and such CRDA Payment entitles the Company to an investment tax credit in an amount equal to twice the amount of the CRDA Payment against the 2.5% investment alternative tax. Qualified investments may include the purchase of bonds issued by the CRDA at a below market rate of interest, direct investment in projects or donation of funds to projects as determined by CRDA. Pursuant to the contract with CRDA, the Company is required to make quarterly deposits with the CRDA to satisfy its investment obligations.

For the period ended December 31, 2011, the Company charged to other expense $332,000 to give effect to the below market interest rates associated with CRDA deposits.

CRDA deposits, net of allowances of $332,000, reflected on the accompanying balance sheet as of December 31, 2011 are $642,044.

Building Commitments

As of December 31, 2011, we estimate aggregate capital expenditures for the next twelve months to be approximately $14.5 million.

General Litigation

We are subject to legal proceedings and claims that arise in the ordinary course of business. We do not believe that the outcome of any of these matters will have a material adverse effect on our financial position, results of operations or cash flows.

11. TRANSACTIONS WITH AFFILIATES

Trademark Licensing Agreement

We license the Golden Nugget trademark pursuant to a five-year Trademark License Agreement (the “Agreement”) from an affiliate, GNLV, Corp., which commenced on May 24, 2011. Under the Agreement, we are granted a nonexclusive license to use the Golden Nugget trademarks and other marks in connection with the marketing and operation of our hotel and casino property. Fees payable under the agreement include license fees of $0.25 million per year and royalty fees equal to 3% of certain non-gaming revenues above $55.0 million during each year of the license term.

Shared Services Agreement

We have entered into a Shared Services Agreement (SSA) with an affiliate, Landry’s, Inc. (“Landry’s”). Pursuant to the SSA, the parties agree to cooperatively develop and implement joint programs for the procurement and implementation of certain products and services including insurance and risk management, legal, information technology, entertainment, general purchasing, financial planning and accounting, human resources and employee benefit administration, marketing, strategic and tactical business planning, retail and executive management. The SSA provides for the reimbursement of expenses if either party incurs costs in excess of its proportional share.

Tenant Agreement

We have entered into certain lease agreements with wholly owned subsidiaries of Landry's wherein they operate restaurants in our casino property and we receive rental payments. Moreover, we routinely enter into certain transactions with affiliated companies. These transactions have been entered into between related parties and are not the result of arm's-length negotiations. Accordingly, the terms of the transactions may have been more or less favorable to us than might have been obtained from unaffiliated third parties. Rental revenue from the Landry's subsidiaries totaled $204,000 for the period from May 24, 2011 (inception) through December 31, 2011.

12. SUBSEQUENT EVENTS

We have evaluated subsequent events through March 30, 2012, which is the date our financial statements were issued.

GOLDEN NUGGET ATLANTIC CITY, LLC
ANNUAL FILINGS

FOR THE PERIOD MAY 24 THROUGH DECEMBER 31,2011

SUBMITTED TO THE
DIVISION OF GAMING ENFORCEMENT
OF THE
STATE OF NEW JERSEY

OFFICE OF FINANCIAL INVESTIGATIONS
REPORTING MANUAL

GOLDEN NUGGET ATLANTIC CITY, LLC
ANNUAL SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS
FOR THE PERIOD MAY 24 THROUGH DECEMBER 31,2011

(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................................	$1,954		
2	Returned Patrons' Checks....................................	344		
3	Total Patrons' Checks..	2,298	$591	$1,707
4	Hotel Receivables...	821	81	$740
	Other Receivables:			
5	Receivables Due from Officers and Employees....	-		
6	Receivables Due from Affiliates...........................	-		
7	Other Accounts and Notes Receivables................	313		
8	Total Other Receivables....................................	313	-	$313
9	Totals (Form DGE-205)...	$3,432	$672	$2,760

UNDEPOSITED PATRONS' CHECKS ACTIVITY		
Line (f)	**Description (g)**	**Amount (h)**
10	Beginning Balance (January 1)..	$0
11	Counter Checks Issued..	36,591
12	Checks Redeemed Prior to Deposit...	(27,333)
13	Checks Collected Through Deposits..	(6,566)
14	Checks Transferred to Returned Checks...	(738)
15	Other Adjustments..	0
16	Ending Balance..	$1,954
17	"Hold" Checks Included in Balance on Line 16..	0
18	Provision for Uncollectible Patrons' Checks...	$591
19	Provision as a Percent of Counter Checks Issued...	1.6%

GOLDEN NUGGET ATLANTIC CITY, LLC
ANNUAL EMPLOYMENT AND PAYROLL REPORT

AT DECEMBER 31, 2011 *

($ 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	413			
2	Slot Machines	45			
3	Administration	0			
4	Casino Accounting	18			
5	Simulcasting	0			
6	Other	52			
7	Total - Casino	528	$8,381	$0	$8,381
8	ROOMS	275	3,950	0	3,950
9	FOOD AND BEVERAGE	493	5,614	0	5,614
10	GUEST ENTERTAINMENT	100	228	0	228
11	MARKETING	48	888	0	888
12	OPERATION AND MAINTENANCE	69	1,832	0	1,832
	ADMINISTRATIVE AND GENERAL:				0
13	Executive Office	3	121	0	121
14	Accounting and Auditing	20	532	0	532
15	Security	71	1,361	0	1,361
16	Other Administrative and General	28	710	0	710
	OTHER OPERATED DEPARTMENTS:				
17					0
18	Retail	24	179	0	179
19					0
20					0
21					0
22					0
23	TOTALS - ALL DEPARTMENTS	1,659	$23,796	$0	$23,796