REVEL ENTERTAINMENT GROUP, LLC
QUARTERLY REPORT

FOR THE QUARTER ENDED SEPTEMBER 30, 2014

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

OFFICE OF FINANCIAL INVESTIGATIONS
REPORTING MANUAL

REVEL ENTERTAINMENT GROUP, LLC
BALANCE SHEETS

AS OF SEPTEMBER 1, 2014 AND SEPTEMBER 30, 2013

(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	ASSETS:			
	Current Assets:			
1	Cash and Cash Equivalents		$22,624	$15,371
2	Short-Term Investments		0	0
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2014, $4,779 ; 2013, $2,765)	4	13,455	14,543
4	Inventories	3	691	1,043
5	Other Current Assets	5	7,873	6,742
6	Total Current Assets		44,643	37,699
7	Investments, Advances, and Receivables		3,004	2,997
8	Property and Equipment - Gross	6	513,489	516,971
9	Less: Accumulated Depreciation and Amortization	6	(34,621)	(9,250)
10	Property and Equipment - Net	6	478,868	507,721
11	Other Assets	7	20,232	23,414
12	Total Assets		$546,747	$571,831
	LIABILITIES AND EQUITY:			
	Current Liabilities:			
13	Accounts Payable		$21,290	$41,409
14	Notes Payable		0	0
	Current Portion of Long-Term Debt:			
15	Due to Affiliates		0	0
16	External	9	100,622	16,631
17	Income Taxes Payable and Accrued	13	0	0
18	Other Accrued Expenses	8	22,558	25,400
19	Other Current Liabilities		6,112	8,835
20	Total Current Liabilities		150,582	92,275
	Long-Term Debt:			
21	Due to Affiliates		0	0
22	External	9	9	334,648
23	Deferred Credits		0	0
24	Other Liabilities	10	451,963	46,610
25	Commitments and Contingencies	12		
26	Total Liabilities		602,554	473,533
27	Stockholders', Partners', or Proprietor's Equity		(55,807)	98,298
28	Total Liabilities and Equity		$546,747	$571,831

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

REVEL ENTERTAINMENT GROUP, LLC
STATEMENTS OF INCOME

EIGHT MONTHS ENDED SEPT 1, 2014/NINE MONTHS ENDED SEPT 30, 2013

(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	Revenue:			
1	Casino		$96,229	$114,661
2	Rooms		33,246	37,649
3	Food and Beverage		18,161	20,567
4	Other		18,301	18,459
5	Total Revenue		165,937	191,336
6	Less: Promotional Allowances	3	34,798	44,637
7	Net Revenue		131,139	146,699
	Costs and Expenses:			
8	Casino		29,301	42,626
9	Rooms, Food and Beverage		24,355	31,702
10	General, Administrative and Other		126,005	180,410
11	Total Costs and Expenses		179,661	254,738
12	Gross Operating Profit		(48,522)	(108,039)
13	Depreciation and Amortization		19,052	47,969
	Charges from Affiliates Other than Interest:			
14	Management Fees		0	0
15	Other		0	0
16	Income (Loss) from Operations		(67,574)	(156,008)
	Other Income (Expenses):			
17	Interest Expense - Affiliates		0	0
18	Interest Expense - External		(31,654)	(60,192)
19	CRDA Related Income (Expense) - Net	12	(1,225)	(705)
20	Nonoperating Income (Expense) - Net	11	(10,230)	678,996
21	Total Other Income (Expenses)		(43,109)	618,099
22	Income (Loss) Before Taxes and Extraordinary Items		(110,683)	462,091
23	Provision (Credit) for Income Taxes	13	0	12,759
24	Income (Loss) Before Extraordinary Items		(110,683)	449,332
	Extraordinary Items (Net of Income Taxes -			
25	20__, $0; 20__, $0)		0	0
26	Net Income (Loss)		($110,683)	$449,332

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

REVEL ENTERTAINMENT GROUP, LLC
STATEMENTS OF INCOME

TWO MONTHS ENDED SEPTEMBER 1, 2014 AND THREE MONTHS ENDED SEPTEMBER 30, 2013

(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	Revenue:			
1	Casino		$26,516	$57,829
2	Rooms		10,348	13,631
3	Food and Beverage		4,688	8,268
4	Other		6,398	10,213
5	Total Revenue		47,950	89,941
6	Less: Promotional Allowances	3	10,048	23,240
7	Net Revenue		37,902	66,701
	Costs and Expenses:			
8	Casino		7,821	14,804
9	Rooms, Food and Beverage		6,094	10,902
10	General, Administrative and Other		26,415	64,508
11	Total Costs and Expenses		40,330	90,214
12	Gross Operating Profit		(2,428)	(23,513)
13	Depreciation and Amortization		4,582	7,239
	Charges from Affiliates Other than Interest:			
14	Management Fees		0	0
15	Other		0	0
16	Income (Loss) from Operations		(7,010)	(30,752)
	Other Income (Expenses):			
17	Interest Expense - Affiliates		0	0
18	Interest Expense - External		(2,758)	(12,321)
19	CRDA Related Income (Expense) - Net	12	(338)	(734)
20	Nonoperating Income (Expense) - Net	11	(4,851)	93
21	Total Other Income (Expenses)		(7,947)	(12,962)
22	Income (Loss) Before Taxes and Extraordinary Items		(14,957)	(43,714)
23	Provision (Credit) for Income Taxes	13	0	0
24	Income (Loss) Before Extraordinary Items		(14,957)	(43,714)
	Extraordinary Items (Net of Income Taxes -			
25	20__, $_____; 20__, $________)		0	0
26	Net Income (Loss)		($14,957)	($43,714)

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

REVEL ENTERTAINMENT GROUP, LLC
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2013 AND THE EIGHT MONTHS ENDED SEPTEMBER 1, 2014

(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	Notes	Common Stock Shares (c)	Common Stock Amount (d)	Preferred Stock Shares (e)	Preferred Stock Amount (f)	Additional Paid-In Capital (g)	Accum Other Comp Loss (h)	Retained Earnings (Accumulated Deficit) (i)	Total Stockholders' Equity (Deficit) (j)
1	**Balance, December 31, 2012...........**		26,858,824				$104,438	($3,870)	($455,532)	($354,964)
2	Net Income (Loss) - 2013.............								405,910	405,910
3	Contribution to Paid-in-Capital.....									0
4	Dividends.....................................									0
5	Prior Period Adjustments..............									0
6	Stock Based Compensation						60			60
7	Other Comprehensive Loss							3,870		3,870
8	Elimination of deficit- Fresh start		(26,858,824)				(104,498)		(63,243)	(167,741)
9	Capitalization 5/21/13		7,894,740	1			167,740			167,741
10	**Balance, December 31, 2013...........**		7,894,740	1	0	0	167,740	0	(112,865)	54,876
11	Net Income (Loss) - 2014.............								(110,683)	(110,683)
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, September 1, 2014 ....**		7,894,740	$1	0	$0	$167,740	$0	($223,548)	($55,807)

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

REVEL ENTERTAINMENT GROUP, LLC
STATEMENTS OF CASH FLOWS

EIGHT MONTHS ENDED SEPT 1, 2014/NINE MONTHS ENDED SEPT 30, 2013

(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
1	CASH PROVIDED (USED) BY OPERATING ACTIVITIES...		($62,611)	($179,723)
	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........		(170)	(20,144)
5	Proceeds from Disposition of Property and Equipment........			
6	CRDA Obligations			
7	Other Investments, Loans and Advances made........			
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........		(170)	(20,144)
	CASH FLOWS FROM FINANCING ACTIVITIES:			
13	Proceeds from Short-Term Debt		41,141	93,946
14	Payments to Settle Short-Term Debt........		(33,901)	(257,982)
15	Proceeds from Long-Term Debt		51,868	332,500
16	Costs of Issuing Debt........		0	(1,488)
17	Payments to Settle Long-Term Debt........		(14,615)	(17,771)
18	Cash Proceeds from Issuing Stock or Capital Contributions...		0	0
19	Purchases of Treasury Stock........			
20	Payments of Dividends or Capital Withdrawals........			
21	Non-cash interest expense (PIK)		24,495	25,340
22	....			
23	Net Cash Provided (Used) By Financing Activities........		68,988	174,545
24	Net Increase (Decrease) in Cash and Cash Equivalents........		6,207	(25,322)
25	Cash and Cash Equivalents at Beginning of Period........		16,417	40,693
26	Cash and Cash Equivalents at End of Period........		$22,624	$15,371

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	CASH PAID DURING PERIOD FOR:			
27	Interest (Net of Amount Capitalized)........		$4,317	$9,327
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.

REVEL ENTERTAINMENT GROUP, LLC
STATEMENTS OF CASH FLOWS

EIGHT MONTHS ENDED SEPT 1, 2014/NINE MONTHS ENDED SEPT 30, 2013

(UNAUDITED)

($ IN THOUSANDS)

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	CASH FLOWS FROM OPERATING ACTIVITIES:			
29	Net Income (Loss)...		($110,683)	$449,332
30	Depreciation and Amortization of Property and Equipment...		18,406	47,645
31	Amortization of Other Assets...		646	324
32	Amortization of Debt Discount or Premium..........................		512	3,043
33	Deferred Income Taxes - Current			
34	Deferred Income Taxes - Noncurrent		0	12,759
35	(Gain) Loss on Disposition of Property and Equipment.........			
36	(Gain) Loss on CRDA-Related Obligations...........................		1,225	705
37	(Gain) Loss from Other Investment Activities.......................			
38	(Increase) Decrease in Receivables and Patrons' Checks		949	(1,293)
39	(Increase) Decrease in Inventories		479	30
40	(Increase) Decrease in Other Current Assets.........................		(539)	(3,446)
41	(Increase) Decrease in Other Assets......................................		(982)	6,994
42	Increase (Decrease) in Accounts Payable..............................		25,929	(36,413)
43	Increase (Decrease) in Other Current Liabilities		(3,570)	16,900
44	Increase (Decrease) in Other Liabilities		(389)	12,903
45	Stock based compensation		0	60
46	Non-cash reorg expense/fresh start adjustments		5,406	(689,266)
47	Net Cash Provided (Used) By Operating Activities...................		($62,611)	($179,723)

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	ACQUISITION OF PROPERTY AND EQUIPMENT:			
48	Additions to Property and Equipment..................................		($170)	($20,144)
49	Less: Capital Lease Obligations Incurred..............................			
50	Cash Outflows for Property and Equipment.............................		($170)	($20,144)
	ACQUISITION OF BUSINESS ENTITIES:			
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
	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.

REVEL ENTERTAINMENT GROUP, LLC
SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

FOR THE EIGHT MONTHS ENDED SEPTEMBER 1, 2014
(UNAUDITED)
($ IN THOUSANDS)

		Promotional Allowances		Promotional Expenses	
Line (a)	Description (b)	Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	146,572	$10,589	28	$14
2	Food	141,764	2,522	126,801	3,802
3	Beverage	1,389,465	3,263	21,484	687
4	Travel	1,864	463	404	164
5	Bus Program Cash				
6	Promotional Gaming Credits	433,965	12,807	147,093	(73)
7	Complimentary Cash Gifts	200	3,702		
8	Entertainment	17,374	912	334	52
9	Retail & Non-Cash Gifts			28,718	1,880
10	Parking			242,590	727
11	Other *	55,621	540	13,303	796
12	Total	2,186,825	$34,798	580,755	$8,049

FOR THE TWO MONTHS ENDED SEPTEMBER 1, 2014

		Promotional Allowances		Promotional Expenses	
Line (a)	Description (b)	Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	43,484	$3,222	6	$1
2	Food	40,762	756	41,845	1,065
3	Beverage	347,400	871	9,557	240
4	Travel	486	118	8	7
5	Bus Program Cash				
6	Promotional Gaming Credits	108,538	4,315	57,671	(26)
7	Complimentary Cash Gifts	30	164		
8	Entertainment	5,628	396	109	34
9	Retail & Non-Cash Gifts			8,661	492
10	Parking			87,442	262
11	Other *	19,142	206	3,790	207
12	Total	565,470	$10,048	209,089	$2,282

*No item in this category (Other) exceeds 5%.

REVEL ENTERTAINMENT GROUP, LLC
STATEMENT OF CONFORMITY, ACCURACY, AND COMPLIANCE

FOR THE TWO MONTHS ENDED SEPTEMBER 1, 2014

1. I have examined this Quarterly Report.

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

10/22/2014
Date

Theresa Glebocki

CFO
Title

4954-11
License Number

On Behalf of:

REVEL ENTERTAINMENT GROUP, LLC
Casino Licensee

Revel Entertainment Group, LLC
Notes to Financial Statements
(unaudited)

($ in thousands)

1. Organization and Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States and include the accounts of Revel Entertainment Group LLC ("Revel Entertainment") referred to herein as the "Company." The Company is currently wholly-owned by Revel AC, Inc. On May 21, 2013 (the "Effective Date"), the Debtors (as defined below) emerged from Chapter 11 by consummating their restructuring through a series of transactions contemplated by the Plan (as defined below) and the Plan became effective pursuant to its terms. On the Effective Date each holder of a Term Loan Credit Agreement Claim (as defined below) received its pro rata share of 100% of the new equity interests of reorganized Revel AC, Inc. in exchange for the full and final satisfaction, settlement, release, and discharge of the Term Loan Credit Agreement Claims.

The Company owns and operates a beachfront casino and entertainment resort in Atlantic City, New Jersey ("Revel"). The Company is not currently involved in internet gaming operations.

On March 26, 2012, the Company was granted its gaming license by the New Jersey Casino Control Commission ("CCC") and on April 2, 2012 Revel opened to the public.

The accompanying unaudited financial statements are prepared in accordance with the financial reporting regulations of the New Jersey Division of Gaming Enforcement ("DGE"), and as such, certain information and disclosures have been omitted for items that have not changed significantly from the filing of the Quarterly Report for the fourth quarter. These financial statements should be read in conjunction with the financial statements and notes included in the Company's December 31, 2013 Quarterly Report, as filed with the DGE.

2. Proceedings under Chapter 11 of the Bankruptcy Code

On March 25, 2013 (the "2013 Petition Date"), the Company, together with Revel AC, Inc., Revel AC, LLC, Revel Atlantic City, LLC and NB Acquisition, LLC (collectively, the "2013 Debtors") commenced cases (collectively, the "2013 Cases") in the United States Bankruptcy Court for the District of New Jersey (the "Bankruptcy Court") seeking relief under the provisions of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). As part of the 2013 Cases, the Debtors also filed with the Bankruptcy Court a chapter 11 plan (the "2013 Plan") and accompanying disclosure statement (the "2013 Disclosure Statement").

On May 13, 2013, the Bankruptcy Court confirmed the 2013 Debtors' 2013 Plan, subject to satisfaction of the conditions of effectiveness, including approval of the CCC and DGE. On May 15, 2013 the CCC and DGE approved the 2013 Plan, including the issuance of new equity interests, the extinguishment of any rights in connection with the previous equity interests and the approval of a material debt transaction. On May 21, 2013 ("Effective Date") the 2013 Plan became effective, the transactions contemplated by the 2013 Plan were consummated, and the Debtors officially emerged from bankruptcy.

On June 19, 2014 (the "2014 Petition Date"), the 2013 Debtors and SI LLC (collectively, the "2014 Debtors") commenced cases (the "2014 Cases") in the Bankruptcy Court seeking relief under chapter 11 of the Bankruptcy Code. In connection with the 2014 Cases, the 2014 Debtors are seeking to consummate a sale of all or substantially all of their assets.

From the 2013 Petition Date through the Effective Date, the Company operated as a debtor-in possession under the jurisdiction of the Bankruptcy Court. From the 2014 Petition Date through the present, the Company has operated as a debtor-in-possession under the jurisdiction of the Bankruptcy Court. Accordingly, the financial statements for such periods were prepared in accordance with Topic 852 – "Reorganizations" of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") ("ASC 852"), which requires the reporting of pre-petition liabilities subject to compromise on the balance sheet at an estimate of the amount ultimately allowable by the Bankruptcy Court. ASC 852 also requires separate reporting of certain expenses relating to the 2013 Cases and 2014 Cases as reorganization items.

($ in thousands)

2. Proceedings under Chapter 11 of the Bankruptcy Code (continued)

In August 2014, the Company determined that it would not be possible to consummate a sale of the property as a going concern; as a result, the Company ceased operations as of the end of the gaming day Monday, September 1, 2014 and commenced an orderly wind down of the business. The accompanying unaudited financial statements have been prepared as of and for the periods ended September 1, 2014 to coincide with the cessation of operations.

3. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries, all of which are wholly owned. All significant intercompany balances and transactions have been eliminated in consolidation.

Receivables

Accounts receivable primarily consist of casino, hotel and other receivables which arise in the normal course of business. The Company issues credit in the form of "markers" to approved casino customers who are investigated as to their credit worthiness. An estimated allowance for doubtful accounts is maintained to reduce the receivables to their carrying amount, which approximates fair value. The allowance is estimated based on the specific review of customer accounts, and taking into account factors such as trends and economic and business conditions. The allowance for doubtful accounts was $4,779 and $2,765 at September 1, 2014 and September 30, 2013, respectively.

Inventory

Inventory consists primarily of food, beverage and operating supplies, which are valued at the lower of average cost or market values. Cost is determined using the first in, first out method.

Property and Equipment

Property and equipment are initially stated at cost. As discussed below in Fresh Start Accounting, the Company adopted fresh-start reporting upon its emergence from chapter 11 on the Consummation Date. In connection with fresh-start reporting in 2013, the Company decreased the carrying value of its property and equipment to record property and equipment at its fair value as of the Consummation Date in accordance with ASC 852. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, as follows:

Building and improvements	10 through 40 years
Land improvements	5 through 15 years
Furniture, fixtures and equipment	3 through 7 years

Costs related to improvements are capitalized, while costs of repairs and maintenance are charged to expense as incurred. The cost and accumulated depreciation of property and equipment retired or otherwise disposed of are eliminated from the respective accounts and any resulting gain or loss is included in operations.

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. For assets to be held and used, the Company reviews these assets for impairment whenever indicators of impairment exist. If an indicator of impairment exists, the Company compares the estimated future cash flows of the asset, on an undiscounted basis, to the carrying value of the asset. If the undiscounted cash flows exceed the carrying value, no impairment is indicated. If the undiscounted cash flows do not exceed the carrying value, then impairment is measured as the difference between fair value and carrying value, with fair value typically based on a

3. Summary of Significant Accounting Policies (continued)

discounted cash flow model. If an asset is still under development, future cash flows include remaining construction costs. The Company's impairment assessment at December 31, 2013 is currently under review.

Intangible Assets

The Company amortizes intangible assets over their estimated useful lives, estimated to be nine years. The Company does not have any intangible assets with indefinite lives. Amortization expense for the two and eight months ended September 1, 2014 was $165 and $646, respectively, and for the three and nine months ended September 30, 2013 was $245 and $324, respectively.

Revenue and Promotional Allowances

Gaming revenues are measured by the aggregate net difference between gaming wins and losses, with liabilities recognized for funds deposited by customers before gaming play occurs and for chips in the customers' possession. Hotel, food and beverage, entertainment and other operating revenues are recognized when services are performed. Advance deposits for hotel and convention bookings and advance ticket sales are recorded as customer deposits until services are provided to the customer, at which point revenue is recognized.

The retail value of accommodations, food, beverage, admissions and other services provided to guests on a complimentary basis are included in gross revenues and then deducted as promotional allowances. Promotional allowances also include incentives provided to guests in the form of free slot play.

Tenant Income

The majority of Revel's restaurant and retail venues are operated by third party tenants. Lease agreements with these tenants generally require contingent rental income based on a percentage of the tenant's sales, as well as reimbursement of the tenant's proportional share of common area, real estate taxes, and other operating expenses. For the two and eight months ended September 1, 2014, total contingent rental income was $3,889 and $7,070, respectively, and for the three and nine months ended September 30, 2013 was $3,546, and $6,255, respectively. Additional rental income for the common area costs for the two and eight months ended September 1, 2014 was $392 and $1,665, respectively, and for the three and nine months ended September 30, 2013 was $767 and $1,982 respectively. Deferred rent liabilities related to tenant allowances received for construction costs are included in other long-term liabilities on the accompanying consolidated balance sheet and are amortized over the related lease terms as an addition to rental income.

Gaming Taxes

The Company is subject to taxes based on gross gaming revenues in New Jersey. The gaming taxes are assessed at eight percent, and are included in casino expense in the accompanying statements of income.

Revel Card Liability

Our player's program allows customers to accumulate certain point-based rewards based on the volume of both their gaming and non-gaming activity. Revel guests may earn "resort dollars" redeemable for complimentary rooms, food, beverage, retail, parking, spa and nightlife. Resort dollars accumulate over time and may be redeemed at the customer's discretion under the terms of the program. Resort dollars are forfeited if a customer does not redeem earned rewards over a specified period of time. As a result of the ability of the customer to accumulate resort dollars, we accrue the associated expense, after giving effect to estimated forfeitures, as they are earned. The liability for resort dollars, which is included in other current liabilities on the accompanying balance sheets, was $-0- and $3,354 at September 1, 2014 and September 30, 2013, respectively.

3. Summary of Significant Accounting Policies (continued)

Advertising Expenses

Advertising costs are expensed as incurred. For the two and eight months ended September 1, 2014, total advertising costs, which are included in general, administrative and other costs in the accompanying statements of income, totaled $572 and $7,276, respectively, and for the three and nine months ended September 30, 2013 were $6,370 and $10,921, respectively.

Income Taxes

Income taxes are recorded under the asset and liability method, whereby deferred tax assets and liabilities are recognized based on the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, and attributable to operating loss and tax credit carryforwards.

Accounting standards regarding income taxes requires a reduction of the carrying amounts of deferred tax assets by a valuation allowance, if, based on the available evidence, it is more likely than not that such assets will not be realized. Accordingly, the need to establish valuation allowances for deferred tax assets is assessed at each reporting period based on a more-than-likely-than-not realization threshold. This assessment considers, among other matters, the nature, frequency and severity of current and cumulative losses, forecasts of future profitability, the duration of statutory carryforward periods, experience with operating loss and tax credit carryforwards not expiring unused, and tax planning alternatives.

Deferred Financing Costs

Costs incurred in connection with the debt financings were capitalized and were being amortized over the expected life of the loan. Total amortization of deferred financing fees in the amount of $118 and $579, respectively, for the two and eight months ended September 1, 2014 and $81 and $2,293, respectively, for the three and nine months ended September 30, 2013, is included in interest expense on the accompanying statement of income.

As a result of the 2013 Cases, the balance of deferred financing costs related to the 2012 Credit Agreements, totaling $42,076 as of March 25, 2013, was written off as reorganization expense in accordance with the applicable accounting guidance provided in ASC Topic 852; this expense is included in other nonoperating expense on the accompanying Statement of Income for the three months ended March 31, 2013 (see note 11). As a result of the 2014 Cases, the balance of deferred financing costs related to the Second Lien Term Loan, totaling $1,096 as of June 19, 2014, was written off as reorganization expense (see note 11).

Derivative Instruments and Hedging Activities

In August 2011, the Company executed an interest rate cap to hedge its interest rate risk. The Company accounted for this interest rate cap as required by ASC 815, *Derivatives and Hedging*. The interest rate cap agreement was terminated in March 2013; the proceeds from the termination of the interest rate cap of $550 were returned to the Company. The termination of the agreement resulted in the reclassification of $3,772 that had previously been recognized in accumulated other comprehensive income (loss) in accordance with ASC 815 to current period expense, which is included in other non-operating income on the accompanying statement of income for the nine months ended September 30, 2013.

Use of Estimates

The preparation of 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 and assumptions.

3. Summary of Significant Accounting Policies (continued)

Commitments and Contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties and other sources are recorded when it is probably that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated.

Self Insurance Reserves

Self-insurance reserves represent the estimated amounts of claims related to employee health medical costs, workers' compensation and personal injury claims that have occurred in the normal course of business. These reserves are established by management based upon specific review of open claims, with consideration of incurred but not reported claims as of the balance sheet date. The costs of the ultimate disposition of these claims may differ from these reserve amounts.

Fresh Start Accounting

In accordance with ASC 852, the Company adopted fresh start accounting upon emergence from Chapter 11 in 2013. ASC 852 requires the provisions of fresh start accounting to be applied when the following criteria: (i) the reorganization value of the assets of the emerging entity immediately before the date of confirmation was less than the total of all post-petition liabilities and allowed claims, and (ii) the holders of the voting shares of the Company's stock which existed immediately prior to the confirmation received less than 50 percent of the voting shares of the emerging entity. Under ASC 852, application of fresh start accounting is required on the date on which a plan of reorganization is confirmed by a bankruptcy court, but provides that fresh start accounting should not be applied until all material conditions to the plan of reorganization are satisfied. All material conditions to the 2013 Plan were satisfied as of May 21, 2013.

As a result of the adoption of fresh-start reporting, the Reorganized Company's post-emergence financial statements are generally not comparable with the financial statements of the Predecessor Company prior to its emergence from bankruptcy, including the historical financial statements included in this report. Due to the adoption of fresh-start reporting in May 2013, the Predecessor Company and the Reorganized Company financial statements are prepared on different bases of accounting.

Under fresh start accounting, an emerging entity must allocate its reorganization value to its assets, in conformity with procedures specified by FASB ASC 805, "Business Combinations." The Company's reorganization value, as set forth in the Plan which was approved by the Bankruptcy Court, was estimated to be between $400 million and $500 million, using a variety of financial analyses, including selected publicly traded companies' analyses, selected transaction analyses and a discounted cash flow analysis. The Company used a reorganization value of $438 million for financial reporting purposes. The Company engaged an independent appraiser to assist in the allocation of reorganization value to our assets and liabilities as of the Consummation Date.

($ in thousands)

4. Receivables and Patrons' Checks

Receivable and patrons' checks consist of the following:

	September 1, 2014	September 30, 2013
Casino receivables (net of allowance for doubtful accounts of $3,306 and $1,454)	$ 4,618	$ 7,680
Non-gaming receivables (net of allowance for doubtful accounts of $306 and $216)	6,818	4,783
Other receivables (net of allowance for doubtful accounts of $1,167 and $1,095)	2,019	2,080
Receivables and patrons' checks	$ 13,455	$ 14,543

5. Other Current Assets

Other current assets consist of the following:

	September 1, 2014	September 30, 2013
Prepaid insurance	$ 3,554	$ 2,608
Prepaid slot license fees	930	863
Other prepaid expenses	3,389	3,271
Other current assets	$ 7,873	$ 6,742

6. Property and Equipment

Property and equipment consist of the following:

	September 1, 2014	September 30, 2013
Land and improvements	$37,193	$ 37,193
Building and improvements	386,829	391,245
Furniture, fixtures, and equipment	89,467	88,533
Total	513,489	516,971
Less accumulated depreciation	34,621	9,250
Property and equipment, net	$478,868	$ 507,721

For the two and eight months ended September 1, 2014, depreciation expense related to property and equipment was $4,417 and $18,406, respectively, and for the three and nine months ended September 30, 2013 was $6,995 and $47,645, respectively.

($ in thousands)

7. Intangible Assets

As of September 1, 2014 and September 30, 2013, intangible assets, which are included in other assets on the accompanying balance sheet, consist of the following:

	September 1, 2014	September 30, 2013
Lease related intangibles	$ 5,640	$ 5,640
Customer relationships	3,100	3,100
	8,740	8,740
Less: accumulated amortization	(1,215)	(324)
Total intangible assets, net	$ 7,525	$ 8,416

8. Other Accrued Expenses

Other accrued expenses consist of the following:

	September 1, 2014	September 30, 2013
Accrued payroll and related expenses	$ 5,868	$ 6,796
Accrued interest	1,223	10
Accrued insurance reserves	7,227	7,660
Other accrued expenses	8,240	10,934
Total accrued expenses	$ 22,558	$ 25,400

9. Debt

Debt consisted of the following:

	September 1, 2014	September 30, 2013
2014 DIP Revolving Facility	$ 37,141	$ -
Second Lien Term Loan Facility, net of discount of $5,099	-	284,110
2013 Revolving Credit Facility	55,673	46,500
Other borrowings	7,817	20,669
	100,631	351,279
Less current portion	100,622	16,631
Long term debt, net of current portion	$ 9	$334,648

2014 Chapter 11 Proceeding

As discussed in note 2, on the 2014 Petition Date, the Debtors commenced the 2014 Cases in Bankruptcy Court seeking reorganization under the Bankruptcy Code. The filing of the 2014 Cases created an event of default under the Amended and Restated First Lien Credit Agreement (as defined below), and the Second Lien Credit Agreement (as defined below). The ability of the creditors of the Debtors to seek remedies to enforce their rights under the credit facilities was stayed as a result

9. Debt (continued)

of the filing of the 2014 Cases, and the creditors' rights of enforcement were subject to the applicable provisions of the Bankruptcy Code.

2014 DIP Credit Agreement

In connection with the 2014 Cases, the Debtors received interim approval on June 20, 2014 from the Bankruptcy Court for authority to enter into a $125 million senior secured superpriority debtor in possession credit agreement (as amended, restated, supplemented, or otherwise modified from time to time, the "2014 DIP Credit Agreement") among Revel AC, as the borrower, the other Debtors, as guarantors, the lenders party thereto (the "2014 DIP Facility Lenders") and Wells Fargo Bank, N.A., in its capacities as administrative agent, collateral agent and issuing bank. The 2014 DIP Credit Agreement provides for (i) a $41.9 million revolving credit facility (the "2014 DIP NM Revolving Facility"), (ii) a $10 million facility (the "JPM Rollup Facility") and (iii) and a $73.1 million facility (the "WFB Rollup facility"). On June 20, 2014, the Debtors entered into the 2014 DIP Credit Agreement. The proceeds of the 2014 DIP NM Revolving Facility are to be used by Revel AC to (a) pay certain reasonable fees and expenses associated with the transactions contemplated by the 2014 DIP Credit Agreement, (b) pay certain professional fees in connection with the 2014 Cases; and (c) provide ongoing working capital requirements and pay other fees, costs and expenses relating to the 2014 Cases, in accordance with certain 2014 DIP Credit Agreement documents. A portion of the 2014 DIP NM Revolving Facility is available for the issuance of letters of credit. Upon each funding under the 2014 DIP NM Revolving Facility (except as agreed to by the 2014 DIP Facility Lenders after entering into the 2014 DIP Credit Agreement), (i) first, proceeds of the JPM Rollup Facility are automatically to be used exclusively to repay Tranche A-1 Revolving Loans (as such term is defined in the Amended and Restated First Lien Credit Agreement) and (ii) second, after fully drawing down on the JPM Rollup Facility, proceeds of the WFB Rollup Facility are automatically to be used exclusively to repay Tranche A-2 Revolving Loans (as such term is defined in the Amended and Restated First Lien Credit Agreement), in each case based upon a ratio of rollup facility proceeds to nm revolving credit facility proceeds provided for in the 2014 DIP Credit Agreement.

Borrowings under the 2014 DIP Revolving Facility accrue interest at the Adjusted LIBOR Rate (as defined in the 2014 DIP Credit Agreement) plus a margin of 6.00% per annum. In addition, Revel AC is obligated to pay a commitment fee of 4.00% per annum on the average daily unused amount of the 2014 DIP NM Revolving Facility, and a letter of credit fronting fee of 0.25% per annum on the average daily amount of outstanding letters of credit and any letter of credit disbursements that have not yet been reimbursed.

The Debtors' obligations under the 2014 DIP Credit Agreement are secured by (i) a first priority lien on all of the assets of the Debtors, including a pledge of all of the equity interests of each of its domestic subsidiaries, and (ii) a superpriority administrative claim in each of the Cases, in each case subject to certain agreed upon exceptions. As of September 1, 2014, $37,141 was outstanding under the 2014 DIP Credit Agreement.

2013 First Lien Revolving Credit Facility and Second Lien Term Loan Facility

On May 21, 2013, the Company entered into a first lien credit agreement (the "Original First Lien Credit Agreement") providing for a $75 million first lien revolving credit facility (the "Original Revolving Credit Facility"). On November 8, 2013, the Company amended and restated the Original First Lien Credit Agreement (as further amended from time to time, the "Amended and Restated First Lien Credit Agreement") to provide for, in lieu of the Original Revolving Credit Facility, (i) a $25 million first lien revolving credit facility (the "Tranche 1 Revolving Credit Facility"), (ii) a $75 million first lien revolving credit facility (the "Tranche 2 Revolving Credit Facility" and, together with the Tranche 1 Revolving Credit Facility, the "Revolving Credit Facility") and (iii) a $50 million first lien term loan facility (the "First Lien Term Loan Facility" and, together with the Revolving Credit Facility, the "First Lien Credit Facilities"). The First Lien Credit Facilities were scheduled to mature on June 15, 2015. As of September 1, 2014, $55,673 was outstanding under the Revolving Credit Facility.

9. Debt (continued)

On May 21, 2013, the Company also entered into a second lien credit agreement (as amended from time to time, the "Second Lien Credit Agreement" and together with the Amended and Restated First Lien Credit Agreement, the "Credit Agreements") providing for a $275 million second lien term loan facility (the "Second Lien Term Loan Facility" and together with the First Lien Credit Facilities, the "Credit Facilities"). The Second Lien Term Loan Facility was scheduled to mature on May 21, 2018.

Proceeds under the Original First Lien Credit Agreement and the Second Lien Credit Agreement were used to enable the Company, among other things, to consummate the transactions contemplated by the bankruptcy reorganization plan (including repaying in full all borrowings under, and to terminate, the 2013 DIP Credit Agreement), and to pay related fees and expenses. Thereafter, proceeds under the Credit Facilities were used to provide for ongoing working capital requirements of the Company and its subsidiaries (subject to the terms thereof).

The loans under the First Lien Credit Facilities accrued interest at a rate per annum which, at the Company's option, were either: (i) in the case of the Tranche 1 Revolving Credit Facility (and, prior to the amendment and restatement, the Original Revolving Credit Facility), (A) an adjusted base rate (not to be less than 2.00% per annum) plus a margin of 5.00%; or (B) the Eurodollar rate (not to be less than 1.00% per annum) plus a margin of 6.00%, (ii) in the case of the Tranche 2 Revolving Credit Facility, (A) an adjusted base rate (not to be less than 2.00% per annum) plus a margin of 5.50%; or (B) the Eurodollar rate (not to be less than 1.00% per annum) plus a margin of 6.50% and (iii) in the case of the First Lien Term Loan Facility, (A) an adjusted base rate (not to be less than 2.00% per annum) plus a margin of 8.00%; or (B) the Eurodollar rate (not to be less than 1.00% per annum) plus a margin of 9.00% (upon and after the 2014 Petition Date, the Company was no longer permitted to select the Eurodollar rate option for any loans). Accrued interest on Revolving Credit Facility loans are payable in cash. Accrued interest on First Lien Term Loan Facility loans are payable by increasing the outstanding principal amount of the First Lien Term Loan Facility. In addition, the Company was obligated to pay (i) a commitment fee of 3.50% per annum on the average daily unused amount of the Tranche 1 Revolving Credit Facility (and, prior to the amendment and restatement, the Original Revolving Credit Facility), (ii) a commitment fee of 3.75% per annum on the average daily unused amount of the Tranche 2 Revolving Credit Facility and (iii) a letter of credit fronting fee of 0.25% per annum on the average daily amount of outstanding letters of credit and any letter of credit disbursements that have not yet been reimbursed.

The loans under the Second Lien Term Loan Facility bear interest at a rate equal to 14.5% per annum, payable by increasing the outstanding principal amount of the Second Lien Term Loan Facility.

All borrowings under each Credit Facility were required to be repaid on the final maturity date of such facility. The Credit Facilities were subject to mandatory prepayments in the event of certain asset sales, debt issuances, casualty events (subject to a reinvestment option so long as certain conditions are met), special events and extraordinary events. The Credit Facilities were also subject to annual mandatory prepayments in the amount of 75% of excess cash flow (as defined therein) from the prior year. Prepayment amounts under the Revolving Credit Facility are applied to the prepayment of loans thereunder or, if no loans are then outstanding, are deposited into a collateral account (and the revolving commitment is reduced by such amount). Certain prepayments under the Second Lien Term Loan Facility are subject to prepayment premiums.

Obligations under the Credit Facilities are guaranteed by the subsidiaries of Company. The obligations and guarantees under the Credit Facilities are secured by security interests in substantially all of the assets of the Company and the subsidiary guarantors, subject to certain exceptions set forth in the definitive documentation for the Credit Facilities.

Other Borrowings

The Company acquired approximately 2,100 slot machines and other equipment under financing arrangements, for use in the casino operation. These financing arrangements, with various manufacturers, are payable in installments over varying time periods through 2015.

($ in thousands)

10. Other Liabilities

	September 1, 2014	September 30, 2013
Liabilities subject to compromise:		
First Lien Term Loan	$ 53,179	$ -
Second Lien Term Loan	319,417	-
Pre-petition accounts payable	33,404	-
Accrued interest payable	1,085	-
Other long term liabilities	44,878	46,610
Total Other Liabilities	$ 451,963	$ 46,610

Liabilities Subject to Compromise

As a result of the 2014 Cases as discussed in note 2, the outstanding balances under the Company's 2013 First Lien Term Loan Facility (including accrued interest payable) and Second Lien Term Loan Facility was reclassified to liabilities subject to compromise. The unamortized original issue discounts on the Second Lien Term Loan was also written off as a result of the 2014 Cases.

11. Other Non-operating Income (Expense)

Other non-operating income (expense) for the two and eight months ended September 1, 2014 and the three and nine months ended September 30, 2013 consists of the following:

	Two Months ended September 1, 2014	Three Months Ended September 30, 2013	Eight Months ended September 1, 2014	Nine Months Ended September 30, 2013
Fresh start adjustments	$ -	$ -	$ -	$ (482,920)
Reorganization expense:				
Debt subject to compromise	-	-	-	1,312,839
Write off original issue discount on debt	-	-	(4,310)	(98,021)
Write off deferred financing costs	-	-	(1,096)	(42,076)
Other reorganization income (expense)	(6,901)	-	(9,111)	(7,951)
Termination of interest rate cap	-	-	-	(3,772)
Other non-operating income	2,050	93	4,287	897
Total other non-operating income (expense)	$ (4,851)	$ 93	$ (10,230)	$ 678,996

12. Commitments and Contingencies

In February 2011, the Company entered into an Energy Services Agreement (the "ESA") with ACR Energy Partners, LLC ("ACR") pursuant to which ACR designed and constructed a central utility plan (the "CUP") on land leased from the Company that supplies the Company with all of its thermal energy (hot and chilled water) and electricity needs for Revel. The term of the ESA is for a period of 20 years commencing on the date that Revel was commercially open to the public (or April 2, 2012). Obligations under the ESA contain both fixed fees and variable fees based upon usage rates. The fixed fee components under the ESA are currently estimated at approximately $20,200 per annum. The variable fee component under the ESA is based upon pre-negotiated rates.

12. Commitments and Contingencies (continued)

The Company is party to a ground lease (the "Ground Lease") under which ACR leases the land on which the CUP is located. The initial term of the Ground Lease commenced on April 8, 2011 and expires with the expiration of the ESA (April 1, 2032). Fixed rent under the Ground Lease is $198 annually, payable to the Company in equal monthly installments.

The New Jersey Casino Control Act provides, among other things, for an assessment of licensee equal to 1.25% of their gross gaming revenues in lieu of an investment alternative tax equal to 2.5% of gross gaming revenues. The Company may satisfy this investment obligation by investing in qualified eligible direct investments, by making qualified contributions or by depositing funds with the Casino Reinvestment Development Authority ("CRDA"). Under the terms of an agreement with the CRDA, the Company has agreed to donate the first four years of deposits to the CRDA. As a result, the Company has recorded a full reserve for its CRDA obligations as of September 1, 2014 and September 30, 2013. The amount of expense recorded for this reserve for the two and eight months ended September 1, 2014 was $338 and $1,225, respectively, and for the three and nine months ended September 30, 2013 was $734 and $1,454, respectively.

On March 13, 2013, the Company entered into an executive transition agreement (as amended on March 19, 2013, the "Executive Transition Agreement") with Kevin DeSanctis, the former President and Chief Executive Officer of the Company, and Michael Garrity, the former Chief Investment Officer of the Company. The Executive Transition Agreement provided for ongoing development and consulting arrangements with and payments to the Executives through June 20, 2013, who resigned from their positions with the Company on March 22, 2013. The total expense associated with the Executive Transition Agreement is approximately $7,140, which was recorded during the nine months ending September 30, 2013, and is included in general, administrative and other costs on the accompanying statement of income.

Included in long-term liabilities as of September 1, 2014 is approximately $11.7 million of a tax credit received during 2013. As all conditions to retain the credit are not reasonably assured as of the balance sheet date, the recognition of this credit has been deferred.

From time to time, the Company is a party to various claims and lawsuits arising in the normal course of business, including the construction and development of Revel. Legal proceedings of this nature are inherently unpredictable and substantial losses sometimes result. As a consequence, the Company may in the future incur judgments or enter into settlements of claims that could have a material adverse effect on its financial position, results of operations, or cash flows. The Company is of the opinion that these litigations or claims will not have a material negative effect on its consolidated financial position, results of operations, or cash flows.

13. Income Taxes

Deferred tax assets and liabilities are provided for the effects of temporary differences between the tax basis of assets and liabilities and their reported amounts in the balance sheet. These temporary differences result in taxable or deductible amounts in future years.

A valuation allowance is recorded if it is more likely than not that a net deferred tax asset will not be realized. In assessing its need for a valuation allowance, the Company considered all available positive and negative evidence including its status as a start-up entity with historical operating losses and forecasted operating losses. Based on this analysis, the Company has recorded a full valuation allowance against its net deferred tax assets as of September 1, 2014 and September 30, 2013. The Company will continue to reassess its valuation allowance on a quarterly basis and if future evidence allows for a partial or full release of the valuation allowance a tax benefit will be recorded accordingly in the subsequent period.

For income tax reporting, the Company has federal and state net operating loss carryforwards of approximately $628,000 at December 31, 2013, which are available to reduce future federal and state taxable income, subject to potential Internal Revenue Code ("IRS") Section 108 attribute reduction and IRC Section 382 limitations discussed below. Such net operating loss carryforwards begin to expire in 2031.

13. Income Taxes (continued)

The Company anticipates that it will realize discharge of indebtedness income for tax purposes as a result of the restructuring of its debt in the Chapter 11 Cases. The Company is currently evaluating the impact of this discharge of indebtedness income, which could require the reduction of certain tax attributes such as net operating losses (NOL's) and the tax basis of its assets. We have not finalized our assessment of the tax effects of the bankruptcy emergence and this estimate, as well as the Plan's effect on all tax attributes, is subject to revision, which could be significant. Any such reductions could result in increased future tax liabilities for the Company. Additionally, the future utilization of its NOL carryforwards, if any, may be limited under Section 382.

Uncertain tax positions not deemed to meet the more-likely-than-not threshold are recorded as a tax benefit or expense in the appropriate year such tax positions are claimed, including any related interest or penalties. The Company did not have any recorded uncertain tax positions as of September 1, 2014.

The Company files federal and New Jersey income tax returns and the tax years 2013, 2012 and 2011 remain open subject to examination by the tax authorities.

14. Subsequent Events

On October 7, 2014, the United States Bankruptcy Court for the District of New Jersey (the "Bankruptcy Court") approved the sale of substantially all of the assets of Revel Entertainment Group, LLC and its affiliates (collectively, "Revel") to Brookfield US Holdings LLC ("Brookfield"). With a cash bid of $110 million plus certain assumed liabilities and additional consideration, Brookfield was the winning bidder at an auction conducted by Revel on September 24 and 30, 2014 in accordance with procedures approved by the Bankruptcy Court.

REVEL ENTERTAINMENT GROUP, LLC

ANNUAL FILINGS

FOR THE PERIOD JANUARY 1 THROUGH SEPTEMBER 1, 2014

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

OFFICE OF FINANCIAL INVESTIGATIONS
REPORTING MANUAL

REVEL ENTERTAINMENT GROUP, LLC
ANNUAL SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS
FOR THE PERIOD JANUARY 1 THROUGH SEPTEMBER 1, 2014

(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................................	$1,871		
2	Returned Patrons' Checks...................................	6,050		
3	Total Patrons' Checks.......................................	7,921	$3,306	$4,615
4	Hotel Receivables..	7,731	306	$7,425
	Other Receivables:			
5	Receivables Due from Officers and Employees....	-		
6	Receivables Due from Affiliates..........................	-		
7	Other Accounts and Notes Receivables................	2,582		
8	Total Other Receivables....................................	2,582	1,167	$1,415
9	Totals (Form DGE-205)..	$18,234	$4,779	$13,455

UNDEPOSITED PATRONS' CHECKS ACTIVITY		
Line (f)	**Description (g)**	**Amount (h)**
10	Beginning Balance (January 1)..	$7,067
11	Counter Checks Issued...	81,853
12	Checks Redeemed Prior to Deposit...	(64,819)
13	Checks Collected Through Deposits...	(16,825)
14	Checks Transferred to Returned Checks..	(5,405)
15	Other Adjustments..	
16	Ending Balance..	$1,871
17	"Hold" Checks Included in Balance on Line 16..	0
18	Provision for Uncollectible Patrons' Checks..	$1,010
19	Provision as a Percent of Counter Checks Issued..	1.2%

REVEL ENTERTAINMENT GROUP, LLC
ANNUAL EMPLOYMENT AND PAYROLL REPORT

AT SEPTEMBER 1, 2014
($ IN THOUSANDS)

Line (a)	Department (b)	Number of Employees (c)	Salaries and Wages		
			Other Employees (d)	Officers & Owners (e)	Totals (f)
	CASINO:				
1	Table and Other Games	322			
2	Slot Machines	35			
3	Administration				
4	Casino Accounting	55			
5	Simulcasting				
6	Other	8			
7	Total - Casino	420	$11,127	$0	$11,127
8	ROOMS	308	7,119		7,119
9	FOOD AND BEVERAGE	325	7,179		7,179
10	GUEST ENTERTAINMENT	10	1,072		1,072
11	MARKETING	122	5,213		5,213
12	OPERATION AND MAINTENANCE	123	4,483		4,483
	ADMINISTRATIVE AND GENERAL:				
13	Executive Office	4	14	1,065	1,079
14	Accounting and Auditing	38	1,374	298	1,672
15	Security	152	4,244		4,244
16	Other Administrative and General	33	2,336	222	2,558
	OTHER OPERATED DEPARTMENTS:				
17					0
18					0
19					0
20					0
21					0
22					0
23	TOTALS - ALL DEPARTMENTS	1,535	$44,161	$1,585	$45,746