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TRUMP HOTELS & CASINO RESORTS INC
Form 10-Q
August 14, 2001

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: June 30, 2001

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 1-13794

TRUMP HOTELS & CASINO RESORTS, INC.
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

13-3818402
(I.R.S. Employer
Identification No.)

Huron Ave. & Brigantine Blvd.
Atlantic City, New Jersey
(Address of principal executive offices)

08401
(Zip Code)

(609) 441-8406
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last
report)

Commission file number: 33-90786

TRUMP HOTELS & CASINO RESORTS HOLDINGS, L.P.
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

13-3818407
(I.R.S. Employer
Identification No.)

Huron Ave. & Brigantine Blvd.
Atlantic City, New Jersey
(Address of principal executive offices)

08401
(Zip Code)

(609) 441-8406
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last
report)

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report)

Commission file number: 33-90786

TRUMP HOTELS & CASINO RESORTS FUNDING, INC.
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

13-3818405
(I.R.S. Employer
Identification No.)

Huron Ave. & Brigantine Blvd.
Atlantic City, New Jersey
(Address of principal executive offices)

08401
(Zip Code)

(609) 441-8406
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last
report)

Indicate by check mark whether the registrants (1) have filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrants were required to file such reports), and (2) have been subject to
such filing requirements for the past 90 days. Yes X No ____

The number of outstanding shares of Common Stock, par value \$.01 per share, of
Trump Hotels & Casino Resorts, Inc. as of August 14, 2001 was 22,010,027.

The number of outstanding shares of Class B Common Stock, par value \$.01 per
share, of Trump Hotels & Casino Resorts, Inc. as of August 14, 2001 was 1,000.

The number of outstanding shares of Common Stock, par value \$.01 per share, of
Trump Hotels & Casino Resorts Funding, Inc. as of August 14, 2001 was 100.

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TRUMP HOTELS & CASINO RESORTS, INC.,
TRUMP HOTELS & CASINO RESORTS HOLDINGS, L.P.
AND
TRUMP HOTELS & CASINO RESORTS FUNDING, INC.

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TRUMP HOTELS & CASINO RESORTS, INC.
TRUMP HOTELS & CASINO RESORTS HOLDINGS, L.P.
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PART I - FINANCIAL INFORMATION

ITEM 1 - FINANCIAL STATEMENTS

TRUMP HOTELS & CASINO RESORTS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except share data)

ASSETS	December 31, 2000	June 30, 2001
	-----	-----
		(unaudited)
CURRENT ASSETS:		
Cash and cash equivalents.....	\$ 95,429	\$ 105,920
Receivables, net.....	52,715	45,054
Inventories.....	12,324	11,850
Due from affiliates, net.....	2,525	902
Prepaid expenses and other current assets.....	9,941	15,113
	-----	-----
Total Current Assets.....	172,934	178,839
INVESTMENT IN BUFFINGTON HARBOR, L.L.C.....	36,585	36,345
INVESTMENT IN TRUMP'S CASTLE PIK NOTES.....	90,101	97,755
PROPERTY AND EQUIPMENT, NET.....	1,815,068	1,802,936
DEFERRED BOND AND LOAN ISSUANCE COSTS, NET.....	23,273	22,165
OTHER ASSETS (Note 3).....	61,190	65,518
	-----	-----
Total Assets.....	\$ 2,199,151	\$ 2,203,558
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current maturities of long-term debt (Note 6).....	\$ 27,021	\$ 16,709
Accounts payable and accrued expenses.....	147,639	160,929
Accrued interest payable.....	29,967	29,986
	-----	-----
Total Current Liabilities.....	204,627	207,624
LONG-TERM DEBT, net of current maturities (Note 6)...	1,827,023	1,866,685
OTHER LONG-TERM LIABILITIES.....	25,455	26,008
	-----	-----
Total Liabilities.....	2,057,105	2,100,317
	-----	-----
MINORITY INTEREST.....	26,897	12,706
STOCKHOLDERS' EQUITY:		
Common Stock, \$.01 par value, 75,000,000 shares authorized, 24,206,756 issued; 22,010,027 outstanding.....	242	242
Class B Common Stock, \$.01 par value, 1,000 shares authorized, issued and outstanding.....	-	-
Additional Paid in Capital.....	455,645	455,645
Accumulated Deficit.....	(320,538)	(345,152)

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Less treasury stock at cost, 2,196,729 shares.....	(20,200)	(20,200)
Total Stockholders' Equity.....	115,149	90,535
Total Liabilities and Stockholders' Equity.....	\$ 2,199,151	\$2,203,558

The accompanying notes are an integral part of these condensed consolidated balance sheets

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TRUMP HOTELS & CASINO RESORTS, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2000 AND 2001
 (unaudited)
 (dollars in thousands, except share data)

	Three Months Ended June 30		Six Months Ended June 30	
	2000	2001	2000	2001
REVENUES:				
Gaming.....	\$ 312,545	\$ 309,168	\$ 607,566	\$ 602,1
Rooms.....	20,036	20,871	38,031	38,9
Food and Beverage.....	33,259	32,404	64,092	63,3
Other.....	10,200	9,399	18,258	16,9
Gross Revenues.....	376,040	371,842	727,947	721,4
Less -- Promotional allowances (Note 5).....	43,832	41,364	82,293	80,1
Net Revenues.....	332,208	330,478	645,654	641,3
COSTS AND EXPENSES:				
Gaming (Note 5).....	184,039	184,323	365,882	365,9
Rooms.....	8,211	8,017	15,643	15,3
Food and Beverage.....	11,905	11,289	22,039	21,1
General and Administrative.....	72,420	66,020	139,918	131,7
Depreciation and Amortization.....	18,633	18,645	38,355	37,5
Trump World's Fair Closing (Note 4).....	254	-	736	
Income from operations.....	36,746	42,184	63,081	69,5
NON-OPERATING INCOME AND (EXPENSES):				
Interest income.....	1,494	1,017	3,258	2,0
Interest expense.....	(54,987)	(54,934)	(111,019)	(109,2
Other non-operating income (expense).....	(38)	296	(508)	4
Loss before equity in loss of Buffington	(53,531)	(53,621)	(108,269)	(106,7

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Harbor, L.L.C., and minority interest.....	(16,785)	(11,437)	(45,188)	(37,2
Equity in loss of Buffington Harbor, L.L.C..	(812)	(800)	(1,532)	(1,5
Minority Interest.....	6,436	4,475	17,086	14,1
	-----	-----	-----	-----
Loss before extraordinary item.....	(11,161)	(7,762)	(29,634)	(24,6
Extraordinary gain (\$13,067) net of minority interest (\$4,779) (Note 2).....	8,288	-	8,288	
	-----	-----	-----	-----
NET LOSS.....	\$ (2,873)	\$ (7,762)	\$ (21,346)	\$ (24,6
	=====	=====	=====	=====
Basic and diluted loss per share before extraordinary item.....	\$ (.51)	\$ (.35)	\$ (1.34)	\$ (1.
Extraordinary item.....	.38	-	.38	
	-----	-----	-----	-----
Basic and diluted loss per share.....	\$ (.13)	\$ (.35)	\$ (.97)	\$ (1.
	=====	=====	=====	=====
Average number of shares outstanding.....	22,065,562	22,010,027	22,072,409	22,010,0
	=====	=====	=====	=====

The accompanying notes are an integral part of these condensed consolidated financial statements.

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TRUMP HOTELS & CASINO RESORTS, INC.
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2001
(unaudited)
(dollars in thousands)

	Number of Shares					
	Common	Class B Common	Common Stock Amount	Additional Paid in Capital	Accumulated Deficit	Tr
	-----	-----	-----	-----	-----	-----
Balance, December 31, 2000..	24,206,756	1,000	\$ 242	\$ 455,645	\$ (320,538)	\$ (
Net Loss.....	-	-	-	-	(24,614)	
	-----	-----	-----	-----	-----	-----
Balance, June 30, 2001.....	24,206,756	1,000	\$ 242	\$ 455,645	\$ (345,152)	\$ (
	=====	=====	=====	=====	=====	=====

The accompanying notes are an integral part of this condensed consolidated financial statement.

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TRUMP HOTELS & CASINO RESORTS, INC.

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2000 AND 2001
(unaudited)
(dollars in thousands)

	2000

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net Loss.....	\$ (21,346)
Adjustments to reconcile net loss to net cash flows from operating activities:	
Extraordinary gain, net of minority interest.....	(8,288)
Issuance of debt in exchange for accrued interest.....	7,339
Non-cash increase in Trump's Castle PIK Notes.....	(6,693)
Equity in loss of Buffington Harbor, L.L.C.....	1,532
Depreciation and amortization.....	38,355
Minority interest in net loss.....	(17,086)
Accretion of discounts on mortgage notes.....	2,774
Amortization of deferred loan costs.....	3,284
Provision for losses on receivables.....	2,947
Valuation allowance of CRDA investments and amortization of Indiana gaming costs.....	4,439
Loss (gain) on disposition of property.....	464
(Increase) decrease in receivables.....	(2,445)
(Increase) decrease in inventories.....	(17)
Increase in other current assets.....	(3,349)
Decrease in due from affiliates.....	25,022
Increase in other assets.....	(1,207)
Increase in accounts payable and accrued expenses.....	14,575
(Decrease) increase in accrued interest payable.....	(93)
Increase (decrease) in other long-term liabilities.....	118
Net cash flows provided by operating activities.....	----- 40,325
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of property and equipment, net.....	(10,205)
Investment in Buffington Harbor, L.L.C.....	(249)
CRDA Investments.....	(6,602)
Net cash flows used in investing activities.....	----- (17,056)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from additional borrowings.....	-
Payment of long-term debt.....	(20,591)
Loan costs from additional borrowing.....	-
Net cash flows used in financing activities.....	----- (20,591)
Net increase in cash and cash equivalents.....	2,678
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD.....	104,026
CASH AND CASH EQUIVALENTS AT END OF PERIOD.....	=====
	\$ 106,704
CASH INTEREST PAID.....	\$ 104,930

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SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES:

Purchase of property and equipment under capital lease obligations.....	\$	7,328
Exchange of THCR Common Stock to treasury stock.....	\$	203

The accompanying notes are an integral part of these condensed consolidated financial statements.

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TRUMP HOTELS & CASINO RESORTS HOLDINGS, L.P.
CONDENSED CONSOLIDATED BALANCE SHEETS
(dollars in thousands)

ASSETS	December 31, 2000	June 30, 2001
	-----	----- (unaudited)
CURRENT ASSETS:		
Cash and cash equivalents.....	\$ 95,425	\$ 105,916
Receivables, net.....	52,715	45,054
Inventories.....	12,324	11,850
Due from affiliates, net.....	2,525	902
Prepaid expenses and other current assets.....	9,941	15,113
	-----	-----
Total Current Assets.....	172,930	178,835
INVESTMENT IN BUFFINGTON HARBOR, L.L.C.....	36,585	36,345
INVESTMENT IN TRUMP'S CASTLE PIK NOTES.....	90,101	97,755
PROPERTY AND EQUIPMENT, NET.....	1,815,068	1,802,936
DEFERRED BOND AND LOAN ISSUANCE COSTS, NET.....	23,273	22,165
OTHER ASSETS (Note 3).....	61,190	65,518
	-----	-----
Total Assets.....	\$2,199,147	\$2,203,554
	=====	=====
LIABILITIES AND PARTNERS' CAPITAL		
CURRENT LIABILITIES:		
Current maturities of long-term debt (Note 6).....	\$ 27,021	\$ 16,709
Accounts payable and accrued expenses.....	147,639	160,929
Accrued interest payable.....	29,967	29,986
	-----	-----
Total Current Liabilities.....	204,627	207,624
LONG-TERM DEBT, net of current maturities (Note 6)..	1,827,023	1,866,685
OTHER LONG-TERM LIABILITIES.....	25,455	26,008
	-----	-----
Total Liabilities.....	2,057,105	2,100,317
	-----	-----
PARTNERS' CAPITAL:		

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Partners' capital.....	652,503	652,503
Accumulated deficit.....	(490,261)	(529,066)
Less stock of THCR.....	(20,200)	(20,200)
	-----	-----
Total Partners' Capital.....	142,042	103,237
	-----	-----
Total Liabilities and Partners' Capital.....	\$2,199,147	\$2,203,554
	=====	=====

The accompanying notes are an integral part of these condensed consolidated balance sheets.

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TRUMP HOTELS & CASINO RESORTS HOLDINGS, L.P.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2000 AND 2001
(unaudited)
(dollars in thousands)

	Three Months Ended June 30,		Six
	2000	2001	200
	----	----	----
REVENUES:			
Gaming.....	\$ 312,545	\$ 309,168	\$ 607,5
Rooms.....	20,036	20,871	38,0
Food and Beverage.....	33,259	32,404	64,0
Other.....	10,200	9,399	18,2
	-----	-----	-----
Gross Revenues.....	376,040	371,842	727,9
Less -- Promotional allowances (Note 5).....	43,832	41,364	82,2
	-----	-----	-----
Net Revenues.....	332,208	330,478	645,6
	-----	-----	-----
COSTS AND EXPENSES:			
Gaming (Note 5).....	184,039	184,323	365,8
Rooms.....	8,211	8,017	15,6
Food and Beverage.....	11,905	11,289	22,0
General and Administrative.....	72,420	66,020	139,9
Depreciation and Amortization.....	18,633	18,645	38,3
Trump World's Fair Closing (Note 4).....	254	-	7
	-----	-----	-----
	295,462	288,294	582,5
	-----	-----	-----
Income from operations.....	36,746	42,184	63,0
	-----	-----	-----
NON-OPERATING INCOME AND (EXPENSES):			
Interest income.....	1,494	1,017	3,2
Interest expense.....	(54,987)	(54,934)	(111,0
Other non-operating income (expense).....	(38)	296	(5
	-----	-----	-----
	(53,531)	(53,621)	(108,2

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Loss before equity in loss of Buffington Harbor, L.L.C...	(16,785)	(11,437)	(45,1
Equity in loss of Buffington Harbor, L.L.C.....	(812)	(800)	(1,5
Loss before extraordinary item.....	(17,597)	(12,237)	(46,7
Extraordinary gain (Note 2).....	13,067	-	13,0
NET LOSS.....	\$ (4,530)	\$ (12,237)	\$ (33,6

The accompanying notes are an integral part of these condensed consolidated financial statements.

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TRUMP HOTELS & CASINO RESORTS HOLDINGS, L.P.
CONDENSED CONSOLIDATED STATEMENT OF PARTNERS' CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2001
(unaudited)
(dollars in thousands)

	Partners' Capital	Accumulated Deficit	THCR Common Stock	Total
Balance, December 31, 2000..	\$ 652,503	\$ (490,261)	\$ (20,200)	\$ 142,042
Net Loss.....	-	(38,805)	-	(38,805)
Balance, June 30, 2001.....	\$ 652,503	\$ (529,066)	\$ (20,200)	\$ 103,237

The accompanying notes are an integral part of this condensed consolidated financial statement.

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TRUMP HOTELS & CASINO RESORTS HOLDINGS, L.P.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2000 AND 2001
(unaudited)
(dollars in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:		2000
Net Loss.....	\$ (33,65	----
Adjustments to reconcile net loss to net cash flows from operating activities:		
Extraordinary gain, net of minority interest.....	(13,06	
Issuance of debt in exchange for accrued interest.....	7,33	

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Non-cash increase in Trump's Castle PIK Notes.....	(6,69
Equity in loss of Buffington Harbor, L.L.C.....	1,53
Depreciation and amortization.....	38,35
Accretion of discounts on mortgage notes.....	2,77
Amortization of deferred loan costs.....	3,28
Provision for losses on receivables.....	2,94
Valuation allowance of CRDA investments and amortization of Indiana gaming costs.....	4,43
Loss(gain) on disposition of property.....	46
(Increase) decrease in receivables.....	(2,44
(Increase) decrease in inventories.....	(1
Increase in other current assets.....	(3,34
Decrease in due from affiliates.....	25,02
Increase in other assets.....	(1,20
Increase in accounts payable and accrued expenses.....	14,57
(Decrease) increase in accrued interest payable.....	(9
Increase (decrease) in other long-term liabilities.....	11

Net cash flows provided by operating activities.....	40,32

CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of property and equipment, net.....	(10,20
Investment in Buffington Harbor, L.L.C.....	(24
CRDA Investments.....	(6,60

Net cash flows used in investing activities.....	(17,05

CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from additional borrowings.....	
Payment of long-term debt.....	(20,59
Loan costs from additional borrowing.....	

Net cash flows used in financing activities.....	(20,59

Net increase in cash and cash equivalents.....	2,67
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD.....	104,02

CASH AND CASH EQUIVALENTS AT END OF PERIOD.....	\$ 106,70
	=====
CASH INTEREST PAID.....	\$ 104,93
	=====
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES	
Purchase of property and equipment under capital lease obligations.....	\$ 7,32
	=====
Exchange of THCR Common Stock to treasury stock.....	\$ 20
	=====

The accompanying notes are an integral part of these condensed consolidated financial statements.

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TRUMP HOTELS & CASINO RESORTS HOLDINGS, L.P.
AND
TRUMP HOTELS & CASINO RESORTS FUNDING, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

(1) Organization and Operations

The accompanying condensed consolidated financial statements include those of Trump Hotels & Casino Resorts, Inc., a Delaware corporation ("THCR"), Trump Hotels & Casino Resorts Holdings, L.P., a Delaware limited partnership ("THCR Holdings"), and Subsidiaries (as defined). THCR Holdings is currently owned approximately 63.4% by THCR, as both a general and limited partner, and approximately 36.6% by Donald J. Trump ("Trump"), as a limited partner. Trump's limited partnership interest in THCR Holdings represents his economic interests in the assets and operations of THCR Holdings. Such limited partnership interest is convertible at Trump's option into 13,918,723 shares of THCR's common stock, par value \$.01 per share (the "THCR Common Stock") (subject to certain adjustments), and if converted, would give Trump ownership of 42.3% of the THCR Common Stock (including his current personal share ownership) or 43.8% (assuming currently exercisable options held by Trump were exercised). Accordingly, the accompanying condensed consolidated financial statements include those of (i) THCR and its 63.4% owned subsidiary, THCR Holdings, and (ii) THCR Holdings and its wholly owned subsidiaries.

All significant intercompany balances and transactions have been eliminated in the accompanying condensed consolidated financial statements.

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

The accompanying condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, certain information and note disclosures normally included in financial statements prepared in conformity with accounting principles generally accepted in the United States have been condensed or omitted.

These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the annual report on Form 10-K for the year ended December 31, 2000 filed with the SEC.

The casino industry in Atlantic City and Indiana is seasonal in nature. Accordingly, results of operations for the period ended June 30, 2001 are not necessarily indicative of the operating results for a full year.

THCR, THCR Holdings and Trump Hotels & Casino Resorts Funding, Inc., a Delaware corporation ("THCR Funding"), have no operations and their ability to service their debt is dependent on the successful operations of the following subsidiaries of THCR Holdings (the "Subsidiaries"): (i) Trump Atlantic City Associates, a New Jersey general partnership ("Trump AC"), which is comprised of Trump Taj Mahal Associates, a New Jersey general partnership ("Taj Associates"), and Trump Plaza Associates, a New Jersey general partnership ("Plaza Associates"); (ii) Trump Indiana, Inc., a Delaware corporation ("Trump Indiana"); and (iii) Trump's Castle Associates, L.P., a New Jersey limited partnership ("Castle Associates") d/b/a Trump Marina Hotel Casino ("Trump Marina"). THCR, through THCR Holdings and its subsidiaries, is the exclusive vehicle through which Trump engages in new gaming activities in emerging and

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established gaming jurisdictions.

Basic and Diluted Loss Per Share

Basic loss per share is based on the weighted average number of shares of THCR Common Stock outstanding. Diluted earnings per share are the same as basic earnings per share as common stock equivalents have not been included as they would be anti-dilutive. The shares of THCR's Class B common stock, par value \$.01 per share (the "THCR Class B Common Stock"), owned by Trump have no economic interest and therefore are not considered in the calculation of weighted average shares outstanding.

Reclassifications

Certain reclassifications have been made to prior year financial statements to conform to the current year presentation.

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TRUMP HOTELS & CASINO RESORTS, INC.,
 TRUMP HOTELS & CASINO RESORTS HOLDINGS, L.P.
 AND
 TRUMP HOTELS & CASINO RESORTS FUNDING, INC.
 NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 (unaudited)

(2) Financial Information

Financial information relating to THCR Funding is as follows:

	December 31, 2000 -----	June 20 ----- (unaud
Total Assets (including THCR Holdings' 15 1/2% Senior Secured Notes due 2005 ("the Senior Notes") receivable of \$145,000,000 at December 31, 2000 and June 30, 2001) (a).....	\$145,936,000 =====	\$145,9 =====
Total Liabilities and Capital (including \$145,000,000 of Senior Notes).....	\$145,936,000 =====	\$145,9 =====
	Six Months Ended June 2000 ----	20 ----
Interest Income from THCR Holdings.....	\$ 11,238,000	\$11,23
Interest Expense.....	\$ 11,238,000 -----	\$11,23 -----
Net Income.....	\$ - =====	\$ =====

(a) During 2000, THCR Enterprises, L.L.C., a New Jersey limited liability

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company ("THCR Enterprises") and wholly-owned subsidiary of THCR Holdings, purchased \$35,500,000 of these Senior Notes. For the three and six months ended June 30, 2000, an extraordinary gain of \$13,067,000 was recorded, net of a writetown of deferred loan costs of \$1,403,000 which was adjusted to \$8,288,000 after minority interest of \$4,779,000.

(3) Other Assets

Plaza Associates is appealing a real estate tax assessment by the City of Atlantic City. At December 31, 2000 and June 30, 2001, other assets include \$8,014,000, which Plaza Associates estimates will be recoverable on the settlement of the appeal.

(4) Trump World's Fair Closing

On October 4, 1999, THCR closed Trump World's Fair. In addition to closing costs recorded at December 31, 1999, costs of \$736,000 were recorded during the six months ended June 30, 2000.

(5) Volume Based Cash Rebates

In January 2001, the Emerging Issues Task Force (EITF) reached a consensus on certain issues within Issue No. 00-22, "Accounting for 'Points' and Certain Other Time-Based or Volume-Based Sales Incentive Offers, and Offers for Free Products or Services to Be Delivered in the Future," (EITF 00-22). Application of EITF 00-22 is required for interim and annual periods ending after February 15, 2001. EITF 00-22 requires volume-based cash rebates to be classified as a reduction of revenue. Accordingly, such rebates have been classified as promotional allowances. THCR previously classified these expenditures as a gaming expense. Prior period amounts have been reclassified to conform with the current presentation.

(6) Trump Indiana Note Payable

On April 27, 2001, Trump Indiana entered into a loan agreement with a bank group for \$27,500,000. Proceeds from the loan were used to pay off maturing debt for the vessel, the hotel, the \$5,000,000 bridge loan and provide working capital. The new debt will bear a fixed rate of interest of 8.85% for the first \$10,000,000 of the loan, and a floating rate will apply to the balance of the loan. The initial rate on the floating portion will be a blended 7.86%. The loan will amortize over 84 months at a fixed amount per month and will mature with a balloon payment payable at the end of 60 months.

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(7) Recent Accounting Pronouncement

In July 2001, the FASB issued Statement No. 141 "Business Combinations" ("SFAS 141") and Statement No. 142 "Goodwill and Other Intangible Assets" ("SFAS 142"). SFAS 141 is effective as follows: a) use of the pooling-of-interest method is prohibited for business combinations initiated after June 30, 2001; and b) the provisions of SFAS 141 also apply to all business combinations accounted for by the purchase method that are complete after June 30, 2001. There are also transition provisions that apply to business combinations completed before July 1, 2001 that were accounted for by the purchase method. SFAS 142 is effective for fiscal years beginning after December 15, 2001 and applies to all goodwill and other intangible assets recognized in an entity's statement of financial position at that date, regardless of when those assets were initially recognized. THCR is currently evaluating the provisions of SFAS 141 and SFAS 142 and has not yet determined the effects of these changes on THCR's financial position or results of operations.

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ITEM 2--MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Capital Resources and Liquidity

Cash flows from operating activities are THCR's principal source of liquidity. THCR and its subsidiaries anticipate having sufficient liquidity to meet their obligations during 2001. Cash flow is managed based upon the seasonality of the operations. Any excess cash flow achieved from operations during peak periods is utilized to subsidize non-peak periods when necessary.

Capital expenditures for THCR were \$10,205,000 and \$6,807,000 for the six months ended June 30, 2000 and 2001, respectively.

On April 27, 2001, Trump Indiana entered into a loan agreement with a bank group for \$27,500,000. Proceeds from the loan were used to pay off maturing debt for the vessel, the hotel, the \$5,000,000 bridge loan and provide working capital. The new debt will bear a fixed rate of interest of 8.85% for the first \$10,000,000 of the loan, and a floating rate will apply to the balance of the loan. The initial rate on the floating portion will be a blended 7.86%. The loan will amortize over 84 months at a fixed amount per month and will mature at the end of 60 months.

On June 19, 2001, the joint venture set up to construct a covered parking garage to be used by Trump Indiana and The Majestic Star Casino, LLC ("Majestic") consummated its financing to construct a 2,000 space covered parking facility and related infrastructure on a 10.6 acre parcel of land adjacent to Buffington Harbor in Gary, Indiana. The parking facility, including the land acquisition, has an estimated cost of \$37,900,000 of which Trump Indiana and Majestic have invested \$17,000,000 in advanced lease payments and \$20,900,000 has been funded through a loan obtained by the parking garage joint venture.

The indenture governing the Senior Notes (the "Senior Note Indenture") restricts the ability of THCR Holdings and its subsidiaries to make distributions to partners or pay dividends, as the case may be, unless certain financial ratios are achieved. Further, given the rapidly changing competitive environment, THCR's future operating results are uncertain and could fluctuate significantly.

The indentures of Trump AC and Castle Associates restrict their ability to make distributions to THCR Holdings. Therefore, the ability of THCR Holdings to service its debt is dependent on the successful operations of Trump Indiana, other future operations and the permitted distributions from Trump AC and Castle Associates.

The ability of THCR to repay its long-term debt when due will depend on the ability of Plaza Associates, Taj Associates, Castle Associates and Trump Indiana to generate cash from operations sufficient for such purposes or on the ability of THCR to refinance such indebtedness. Cash flow from operations may not be sufficient to repay a substantial portion of the principal amount of the indebtedness upon maturity. The future operating performance and the ability to refinance such indebtedness will be subject to the then prevailing economic conditions, industry conditions and numerous other financial, business and other factors, many of which are unforeseeable and/or beyond the control of THCR. There can be no assurance that the future operating performance of Plaza Associates, Taj Associates, Castle Associates or Trump Indiana will be sufficient to meet these repayment obligations or that the general state of the economy, the status of the capital markets generally, or the receptiveness of the capital markets to the gaming industry will be conducive to refinancing or other attempts to raise capital on favorable terms, or at all.

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In addition, the ability of (i) Plaza Associates and Taj Associates (through Trump AC) and (ii) Castle Associates to make payments of dividends or distributions to THCR Holdings may be restricted by the rules and regulations promulgated by the New Jersey Casino Control Commission. Similarly, the ability of Trump Indiana to make payments of dividends or distributions to THCR Holdings may be restricted by the rules and regulations promulgated by the Indiana Gaming Commission.

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Results of Operations: Operating Revenues and Expenses

All business activities of THCR and THCR Holdings are conducted by Plaza Associates, Taj Associates, Castle Associates (d/b/a Trump Marina) and Trump Indiana.

Comparison of Three-Month Periods Ended June 30, 2000 and 2001. The following tables include selected data of Plaza Associates, Taj Associates, Trump Indiana and Trump Marina.

	Three Months Ended June 30, 2000			
	Plaza Associates	Taj Associates	Trump Indiana	Trump Marina
Revenues:	(dollars in millions)			
Gaming.....	\$ 81.5	\$ 134.2	\$ 29.7	\$ 67.1
Other.....	18.3	27.6	2.2	15.4
	99.8	161.8	31.9	82.5
Gross Revenues.....				
Less: Promotional Allowances.....	13.3	19.7	0.9	9.9
	86.5	142.1	31.0	72.6
Net Revenues.....				
Costs and Expenses:				
Gaming.....	52.2	73.4	19.1	39.3
Other.....	5.7	9.0	1.5	4.3
General & Administrative.....	19.1	27.2	7.5	16.8
Depreciation & Amortization.....	3.3	9.2	1.8	4.3
	80.3	118.8	29.9	64.7
Total Costs and Expenses.....				
Income from Operations.....	6.2	23.3	1.1	7.9
	0.1	0.3	0.1	0.3
Non-operating Income.....				
Interest Expense.....	(11.8)	(23.3)	(1.4)	(14.1)
	(11.7)	(23.0)	(1.3)	(13.8)
Total Non-operating Expense, Net.....				
Loss in Joint Venture.....	-	-	(0.8)	-
Extraordinary gain, net.....	-	-	-	-
	\$ (5.5)	\$ 0.3	\$ (1.0)	\$ (5.9)
Income (Loss) Before Minority Interest.....	=====	=====	=====	=====
Minority Interest.....				
Net Loss.....				

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*Intercompany eliminations and expenses of THCR and THCR Holdings are not separately shown.

	Three Months Ended June 30, 2001			
	Plaza Associates	Taj Associates	Trump Indiana	Trump Marina
	(dollars in millions)			
Revenues:				
Gaming.....	\$ 80.7	\$ 132.5	\$ 31.5	\$ 64.4
Other.....	18.3	27.0	2.3	15.2
Gross Revenues.....	99.0	159.5	33.8	79.6
Less: Promotional Allowances.....	12.9	17.7	0.8	10.0
Net Revenues.....	86.1	141.8	33.0	69.6
Costs and Expenses:				
Gaming.....	51.9	74.0	19.1	39.4
Other.....	4.9	9.3	1.6	3.5
General & Administrative.....	17.1	24.7	6.9	16.5
Depreciation & Amortization.....	4.2	8.3	1.9	4.2
Total Costs and Expenses.....	78.1	116.3	29.5	63.6
Income from Operations.....	8.0	25.5	3.5	6.0
Non-operating Income.....	0.5	0.3	0.2	0.2
Interest Expense.....	(12.2)	(23.3)	(1.3)	(14.8)
Total Non-operating Expense, Net.....	(11.7)	(23.0)	(1.1)	(14.6)
Loss in Joint Venture.....	-	-	(0.8)	-
Income(Loss) Before Minority Interest.....	\$ (3.7)	\$ 2.5	\$ 1.6	\$ (8.6)
Minority Interest.....				
Net Loss.....				

* Intercompany eliminations and expenses of THCR and THCR Holdings are not separately shown.

	Three Months Ended June 3		
	Plaza Associates	Taj Associates	Trump Indiana

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Revenues:	(dollars in millions)		
Table Game Revenues.....	\$ 24.3	\$ 46.2	\$ 6.9
Table Game Drop.....	\$ 161.1	\$ 269.3	\$ 40.7
Table Win Percentage.....	15.1%	17.2%	17.0%
Number of Table Games.....	96	143	50
Slot Revenues.....	\$ 57.2	\$ 82.7	\$ 22.8
Slot Handle.....	\$ 721.4	\$ 1,069.1	\$ 359.7
Slot Win Percentage.....	7.9%	7.7%	6.3%
Number of Slot Machines.....	2,851	4,572	1,250
Other Gaming Revenues.....	-	\$ 5.3	-
Total Gaming Revenues.....	\$ 81.5	\$ 134.2	\$ 29.7

Revenues:	Three Months Ended June 30		
	Plaza Associates	Taj Associates	Trump Indiana
	(dollars in million)		
Table Game Revenues.....	\$ 22.2	\$ 42.7	\$ 6.3
Incr (Decr) over prior period.....	\$ (2.1)	\$ (3.5)	\$ (0.6)
Table Game Drop.....	\$ 141.3	\$ 245.3	\$ 37.4
Incr (Decr) over prior period.....	\$ (19.8)	\$ (24.0)	\$ (3.3)
Table Win Percentage.....	15.7%	17.4%	16.9%
Incr (Decr) over prior period.....	0.6 pts.	0.2 pts.	(0.1) pts.
Number of Table Games.....	99	143	52
Incr (Decr) over prior period.....	3	-	2
Slot Revenues.....	\$ 58.5	\$ 84.3	\$ 25.2
Incr (Decr) over prior period.....	\$ 1.3	\$ 1.6	\$ 2.4
Slot Handle.....	\$ 768.8	\$ 1,100.9	\$ 341.6
Incr (Decr) over prior period.....	\$ 47.4	\$ 31.8	\$ (18.1)
Slot Win Percentage.....	7.6%	7.7%	7.4%
Incr (Decr) over prior period.....	(0.3) pts.	0.0 pts.	1.1 pts.
Number of Slot Machines.....	2,839	4,597	1,281
Incr (Decr) over prior period.....	(12)	25	31
Other Gaming Revenues.....	-	\$ 5.5	-
Incr (Decr) over prior period.....	-	\$ 0.2	-
Total Gaming Revenues.....	\$ 80.7	\$ 132.5	\$ 31.5
Incr (Decr) over prior period.....	\$ (0.8)	\$ (1.7)	\$ 1.8

Gaming revenues are the primary source of THCR's revenues. Table games revenues represent the amount retained by THCR from amounts wagered at table games (table game drop). The table win percentage tends to be fairly constant over the long term, but may vary significantly in the short term, due to large wagers by "high rollers". The Atlantic City industry table win percentages were 16.3% and 15.4% for the quarters ended June 30, 2000 and June 30, 2001, respectively.

Table games revenues decreased \$10.4 million or 10.9% to \$85.3 million for the three months ended June 30, 2001 from \$95.7 million in the comparable period in 2000. Decreased table drop at all four properties primarily contributed to the decrease in revenues. Trump Taj Mahal Casino Resort (the "Taj Mahal") and the Trump Plaza Hotel and Casino ("Trump Plaza") had increased win percentage in 2001 which primarily offset their respective decreases in table drop. Trump Marina's and Trump Indiana's decreases are due to declines in both table drop and win percentage.

Slot revenue increased \$7.1 million or 3.4% to \$218.2 million for the three months ended June 30, 2000 from \$211.1 million in the comparable period in 2000.

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Increased slot handle of \$109.5 million at the three Atlantic City casinos primarily contributed to the increase in revenues. Trump Indiana's slot revenues in 2001 increased \$2.4 million or 10.5% from the comparable period in 2000 due to a 1.1% increase in hold percentage which totally offset an \$18.1 million or 5.0% decrease in slot handle from the comparable period in 2000.

General and administrative expenses were \$66.0 million for the three months ended June 30, 2001, a \$6.4 million or 8.8% decrease from \$72.4 million in the comparable period in 2000. The decrease is primarily attributed to reductions in entertainment and regulatory expenses at the Taj Mahal; entertainment, regulatory and advertising expenses at Trump Plaza and approximately \$1,000,000 in corporate overhead.

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Results of Operations: Operating Revenues and Expenses for Six Months

All business activities of THCR and THCR Holdings are conducted by Plaza Associates, Taj Associates, Castle Associates (d/b/a Trump Marina) and Trump Indiana.

Comparison of Six-Month Periods Ended June 30, 2000 and 2001. The following tables include selected data of Plaza Associates, Taj Associates, Trump Indiana and Trump Marina.

	Six Months Ended June 30, 2000			
	Plaza Associates	Taj Associates	Trump Indiana	Trump Marina
Revenues:				(dollars in millions)
Gaming.....	\$ 159.1	\$ 259.3	\$ 62.7	\$ 126.5
Other.....	36.1	52.2	4.4	27.8
Gross Revenues.....	195.2	311.5	67.1	154.3
Less: Promotional Allowances.....	25.9	36.6	2.0	17.9
Net Revenues.....	169.3	274.9	65.1	136.4
Costs and Expenses:				
Gaming.....	102.6	147.0	41.4	74.8
Other.....	10.7	17.0	3.1	7.4
General & Administrative.....	35.2	50.2	16.0	33.2
Depreciation & Amortization.....	7.8	18.2	3.7	8.7
Total Costs and Expenses.....	156.3	232.4	64.2	124.1
Income from Operations.....	13.0	42.5	0.9	12.3
Non-operating Income.....	0.3	0.5	0.2	0.5
Interest Expense.....	(23.8)	(46.8)	(3.0)	(28.1)
Total Non-operating Expense, Net.....	(23.5)	(46.3)	(2.8)	(27.6)
Loss in Joint Venture.....	-	-	(1.5)	-
Extraordinary gain, net.....	-	-	-	-
Loss Before Minority Interest.....	\$ (10.5)	\$ (3.8)	\$ (3.4)	\$ (15.3)

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Minority Interest.....	=====	=====	=====	=====
Net Loss.....				

*Intercompany eliminations and expenses of THCR and THCR Holdings are not separately shown.

	Six Months Ended June 30, 2001			
	Plaza Associates	Taj Associates	Trump Indiana	Trump Marina
	-----	-----	-----	-----
Revenues:				
			(dollars in millions)	
Gaming.....	\$ 161.1	\$ 251.9	\$ 62.6	\$ 126.5
Other.....	35.7	51.3	4.6	27.8
	-----	-----	-----	-----
Gross Revenues.....	196.8	303.2	67.2	154.3
Less: Promotional Allowances.....	26.0	33.6	1.7	18.9
	-----	-----	-----	-----
Net Revenues.....	170.8	269.6	65.5	135.4
	-----	-----	-----	-----
Costs and Expenses:				
Gaming.....	104.0	146.7	37.3	77.9
Other.....	9.5	17.7	3.3	6.1
General & Administrative.....	33.7	49.2	14.6	33.0
Depreciation & Amortization.....	8.3	16.9	3.7	8.5
	-----	-----	-----	-----
Total Costs and Expenses.....	155.5	230.5	58.9	125.5
	-----	-----	-----	-----
Income from Operations.....	15.3	39.1	6.6	9.9
	-----	-----	-----	-----
Non-operating Income.....	0.6	0.5	0.4	0.4
Interest Expense.....	(24.0)	(46.5)	(2.5)	(29.5)
	-----	-----	-----	-----
Total Non-operating Expense, Net.....	(23.4)	(46.0)	(2.1)	(29.1)
	-----	-----	-----	-----
Loss in Joint Venture.....	-	-	(1.6)	-
	-----	-----	-----	-----
Income(Loss) Before Minority Interest.....	\$ (8.1)	\$ (6.9)	\$ 2.9	\$ (19.2)
	=====	=====	=====	=====
Minority Interest.....				
Net Loss.....				

* Intercompany eliminations and expenses of THCR and THCR Holdings are not separately shown.

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	Plaza Associates	Taj Associates	Trump Indiana	Trump Marina	C
	(dollars in millions)				
Table Game Revenues.....	\$ 47.6	\$ 88.3	\$ 14.3	\$ 31.8	
Table Game Drop.....	\$ 313.4	\$ 521.4	\$ 83.9	\$ 199.7	
Table Win Percentage.....	15.2%	16.9%	17.0%	15.9%	
Number of Table Games.....	96	143	50	76	
Slot Revenues.....	\$ 111.5	\$ 160.5	\$ 48.4	\$ 94.1	
Slot Handle.....	\$1,416.6	\$ 2,078.2	\$ 759.8	\$1,194.8	
Slot Win Percentage.....	7.9%	7.7%	6.4%	7.9%	
Number of Slot Machines.....	2,809	4,547	1,252	2,303	
Other Gaming Revenues.....	-	\$ 10.5	-	\$ 0.6	
Total Gaming Revenues.....	\$ 159.1	\$ 259.3	\$ 62.7	\$ 126.5	

Six Months Ended June 30, 2001

	Plaza Associates	Taj Associates	Trump Indiana	Trump Marina	C
	(dollars in millions)				
Table Game Revenues.....	\$ 48.4	\$ 77.5	\$ 12.8	\$ 29.1	
Incr (Decr) over prior period.....	\$ 0.8	\$ (10.8)	\$ (1.5)	\$ (2.7)	
Table Game Drop.....	\$ 282.2	\$ 485.2	\$ 75.1	\$ 184.7	
Incr (Decr) over prior period.....	\$ (31.2)	\$ (36.2)	\$ (8.8)	\$ (15.0)	
Table Win Percentage.....	17.1%	16.0%	17.1%	15.8%	
Incr (Decr) over prior period.....	1.9 pts.	(0.9)pts.	0.1 pts.	(0.1)pts.	
Number of Table Games.....	99	143	52	78	
Incr (Decr) over prior period.....	3	0	2	2	
Slot Revenues.....	\$ 112.7	\$ 163.4	\$ 49.8	\$ 97.1	
Incr (Decr) over prior period.....	\$ 1.2	\$ 2.9	\$ 1.4	\$ 3.0	
Slot Handle.....	\$1,475.9	\$ 2,138.1	\$ 692.7	\$ 1,255.5	
Incr (Decr) over prior period.....	\$ 59.3	\$ 59.9	\$ (67.1)	\$ 60.7	
Slot Win Percentage.....	7.6%	7.6%	7.2%	7.7%	
Incr (Decr) over prior period.....	(0.3) pts.	(0.1)pts.	0.8pts.	(0.2)pts.	
Number of Slot Machines.....	2,842	4,631	1,273	2,527	
Incr (Decr) over prior period.....	33	84	21	224	
Other Gaming Revenues.....	-	\$ 11.0	-	\$ 0.3	
Incr (Decr) over prior period.....	-	\$ 0.5	-	\$ (0.3)	
Total Gaming Revenues.....	\$ 161.1	\$ 251.9	\$ 62.6	\$ 126.5	
Incr (Decr) over prior period.....	\$ 2.0	\$ (7.4)	\$ (0.1)	\$ 0.0	

Gaming revenues are the primary source of THCR's revenues. Table games revenues represent the amount retained by THCR from amounts wagered at table games (table game drop). The table win percentage tends to be fairly constant over the long term, but may vary significantly in the short term, due to large wagers by "high rollers". The Atlantic City industry table win percentages were 15.9% and 15.3% for the six months ended June 30, 2000 and June 30, 2001, respectively.

Table games revenues decreased \$14.3 million or 7.9% to \$167.8 million for the six months ended June 30, 2001 from \$182.1 million in the comparable period in 2000. Decreased table drop at all four properties primarily contributed to the decrease in revenues. Trump Plaza had increased win percentages in 2001 which primarily offset its decrease in table drop. The Taj Mahal's lower table win percentage also contributed to its lower table win.

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Slot revenues increased \$8.6 million or 2.1% to \$423.0 million for the six months ended June 30, 2001 from \$414.4 million in the comparable period in 2000. Increased slot handle of \$179.9 million at the three Atlantic City casinos primarily contributed to the increase in revenues. Trump Indiana's slot revenues in 2001 increased \$1.4 million or 2.9% from the comparable period in 2000 due to a 0.8% increase in hold percentage which totally offset a \$67.1 million or 8.8% decrease in slot handle from the comparable period in 2000.

General and administrative expenses were \$131.8 million for the six months ended June 30, 2001, an \$8.1 million or 5.8% decrease from \$139.9 million in the comparable period in 2000. The decrease is primarily attributed to reductions in insurance, litigation and entertainment expenses at the Taj Mahal; entertainment, regulatory and advertising costs at Trump Plaza and a \$4.2 million decrease in corporate expenses. The decrease in corporate general and administrative expenses is due to the downsizing of the New York corporate office and an aircraft lease termination in 2000, as well as decreased legal and lobbying costs in 2001.

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During 2000, THCR Enterprises purchased an aggregate principal amount of \$35.5 million of the Senior Notes, in consideration for an aggregate purchase price of \$19.0 million, plus accrued and unpaid interest. The decrease in interest expense is primarily due to the elimination of interest expense associated with these notes.

Seasonality

The casino industry in Atlantic City and Indiana is seasonal in nature. Accordingly, the results of operations for the period ending June 30, 2001 are not necessarily indicative of the operating results for a full year.

Important Factors Relating to Forward-Looking Statements

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements so long as those statements are identified as forward-looking and are accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those projected in such statements. All statements, trend analysis and other information contained in this Quarterly Report on Form 10-Q relative to THCR's performance, trends in THCR's operations or financial results, plans, expectations, estimates and beliefs, as well as other statements including words such as "anticipate," "believe," "plan," "estimate," "expect," "intend" and other similar expressions, constitute forward-looking statements under the Private Securities Litigation Reform Act of 1995. In connection with certain forward-looking statements contained in this Quarterly Report on Form 10-Q and those that may be made in the future by or on behalf of the Registrants, the Registrants note that there are various factors that could cause actual results to differ materially from those set forth in any such forward-looking statements. The forward-looking statements contained in this Quarterly Report were prepared by management and are qualified by, and subject to, significant business, economic, competitive, regulatory and other uncertainties and contingencies, all of which are difficult or impossible to predict and many of which are beyond the control of the Registrants. Accordingly, there can be no assurance that the forward-looking statements contained in this Quarterly Report will be realized or that actual results will not be significantly higher or lower. Readers of this Quarterly Report should consider these facts in evaluating the information contained herein. In addition, the business and operations of the Registrants are subject to substantial risks which increase the uncertainty inherent in the forward-looking statements contained in this Quarterly Report. The inclusion of the forward-

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looking statements contained in this Quarterly Report should not be regarded as a representation by the Registrants or any other person that the forward-looking statements contained in the Quarterly Report will be achieved. In light of the foregoing, readers of this Quarterly Report are cautioned not to place undue reliance on the forward-looking statements contained herein.

ITEM 3-- QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Management has reviewed the disclosure requirements for Item 3 and, based upon THCR, THCR Funding and THCR Holdings' current capital structure, scope of operations and financial statement structure, management believes that such disclosure is not warranted at this time. Since conditions may change, THCR, THCR Holdings and THCR Funding will periodically review their compliance with this disclosure requirement to the extent applicable.

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PART II -- OTHER INFORMATION

ITEM 1 -- LEGAL PROCEEDINGS

Metelman Action, Proposed Settlement. On or about March 20, 2000, Mark Metelman, a stockholder of THCR, filed a proposed class action on behalf of all THCR stockholders in the Superior Court of New Jersey, Chancery Division, Atlantic County (Civil Action No. Atl-C43-00) against THCR and each member of the Board of Directors of THCR. The plaintiff claimed that a third party made an offer to purchase THCR, and that one or more members of the Board of Directors wrongly failed to consider the supposed offer. The defendants filed a motion to dismiss in lieu of an answer. On July 21, 2000, the Court dismissed the plaintiff's Complaint, without prejudice. The Court granted the plaintiff ten weeks during which to file an Amended Complaint, pleading a stockholder derivative action, and effective October 12, 2000, plaintiff filed an Amended Complaint, pleading a stockholder derivative action.

In March 2001, without admitting any wrongdoing or liability, the parties reached an agreement to settle the case and on May 15, 2001, entered into a stipulation of Settlement (the "Stipulation"). On May 17, 2001, the Court preliminarily approved the Stipulation, pending a Settlement Hearing to determine the fairness and adequacy of the proposed settlement. Pursuant to the Stipulation, THCR sent to holders of THCR Common Stock of record as of May 15, 2001 a notice of Settlement outlining the terms of the proposed settlement, including such stockholders' right to object in writing to the terms of the proposed settlement on or before July 20, 2001. The Settlement Hearing is scheduled to be held by the Court on August 17, 2001.

General. THCR and certain of its employees have been involved in various legal proceedings. Such persons are vigorously defending the allegations against them and intend to contest vigorously any future proceedings. In general, THCR has agreed to indemnify such persons against any and all losses, claims, damages, expenses (including reasonable costs, disbursements and counsel fees) and liabilities (including amounts paid or incurred in satisfaction of settlements, judgments, fines and penalties) incurred by them in said legal proceedings.

Various other legal proceedings are now pending against THCR. Except as set forth herein and in THCR's Annual Report on Form 10-K for the year ended December 31, 2000, THCR considers all such proceedings to be ordinary litigation incident to the character of its business and not material to its business or financial condition. THCR believes that the resolution of these claims, to the extent not covered by insurance, will not, individually or in the aggregate, have a material adverse effect on its financial condition or results of

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operations of THCR.

From time to time, Plaza Associates, Taj Associates, Castle Associates and Trump Indiana may be involved in routine administrative proceedings involving alleged violations of certain provisions of the New Jersey Casino Control Act (the "Casino Control Act") and the Indiana Riverboat Gambling Act, (the "Indiana Riverboat Act"), as the case may be. However, management believes that the final outcome of these proceedings will not, either individually or in the aggregate, have a material adverse effect on THCR or on the ability of Plaza Associates, Taj Associates, Castle Associates or Trump Indiana to otherwise retain or renew any casino or other licenses required under the Casino Control Act or the Indiana Riverboat Act, as the case may be, for the operation of Trump Plaza, the Taj Mahal, Trump Marina and the Trump Indiana Riverboat, respectively.

ITEM 2 -- CHANGES IN SECURITIES AND USE OF PROCEEDS

None.

ITEM 3 -- DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4 -- SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

At the 2001 Annual Meeting of stockholders held on June 12, 2001 at the Trump Taj Mahal Casino Resort in Atlantic City, New Jersey, the stockholders of THCR of record as of April 13, 2001 voted in person or by proxy on the following two proposals:

Proposal 1. The stockholders of THCR re-elected the following Directors of THCR. The number of votes cast for each of the director-nominees were as follows:

	Common Stock			
	For	Withheld	Abstentions	Broker Nonvotes
Donald J. Trump....	33,396,969	849,612	Not Applicable	None
Wallace B. Askins..	33,668,816	577,765	Not Applicable	None
Don M. Thomas.....	33,672,516	574,065	Not Applicable	None
Peter M. Ryan.....	33,654,216	592,365	Not Applicable	None

All 1,000 shares of Class B Common Stock having the voting equivalency of 13,918,723 shares of THCR Common Stock were voted for the election of each of the director-nominees, as reflected in the above table.

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Proposal 2. The appointment of Arthur Andersen LLP as the independent public accounts of THCR for the fiscal year ending December 31, 2001 was ratified by a vote of 33,821,717 shares of THCR Common Stock for, and 380,825 shares against, with 44,039 shares abstaining. Included in the vote for ratification were all 1,000 shares of THCR's Class B Common Stock, having the voting equivalency of 13,918,723 shares of THCR Common Stock.

ITEM 5 -- OTHER INFORMATION

None

ITEM 6 -- EXHIBITS AND REPORTS ON FORM 8-K

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a. Exhibits:

Exhibit No.	Description of Exhibit
10.77	Term Loan Agreement, dated March 30, 2001, between Trump Indiana, Inc. and Firststar Bank, N.A.
10.78	First Preferred Ship Mortgage, dated April 18, 2001, by Trump Indiana, Inc. and Firststar Bank, N.A.
10.79	Parking lease, dated June 19, 2001, between Buffinton Harbor Parking Associates, LLC, as lessor, and Trump Indiana, Inc. as lessee

b. Current Reports on Form 8-K:

The Registrants did not file any Current Reports on Form 8-K during the period beginning April 1, 2001 ending June 30, 2001.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRUMP HOTELS & CASINO RESORTS, INC.
(Registrant)

Date: August 14, 2001

By: /s/ Francis X. McCarthy, Jr.

Francis X. McCarthy, Jr.
Executive Vice President of Finance and
Chief Financial Officer
(Duly Authorized Officer and Principal
Financial Officer)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRUMP HOTELS & CASINO RESORTS HOLDINGS, L.P.
(Registrant)

Date: August 14, 2001

By: Trump Hotels & Casino Resorts, Inc.,
its general partner

By: /s/ Francis X. McCarthy, Jr.

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Francis X. McCarthy, Jr.
Executive Vice President of Finance and
Chief Financial Officer
(Duly Authorized Officer and
Principal Financial Officer)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRUMP HOTELS & CASINO RESORTS FUNDING, INC.
(Registrant)

Date: August 14, 2001

By: /s/ Francis X. McCarthy, Jr.

Francis X. McCarthy, Jr.
Executive Vice President of Finance and
Chief Financial Officer
(Duly Authorized Officer and Principal
Financial Officer)

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