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PRESENTATION

Operator

Good morning, and welcome to the International Speedway Corporation 2018 First Quarter Earnings Conference Call. (Operator Instructions) As a reminder, this conference is being recorded on Tuesday, April 3, 2018.

With us on this morning's call are Lesa France Kennedy, CEO; John Saunders, President; and Greg Motto, Executive Vice President and Chief Financial Officer. After formal remarks, John Saunders and Greg Motto will conduct a question-and-answer period. (Operator Instructions)

Before we start, the company would like to address forward-looking statements that may be addressed on the call. Forward-looking statements involve risks, uncertainties and assumptions. Actual future performance, outcomes and results may differ materially from those expressed in these forward-looking statements. Please refer to the documents filed by International Speedway Corporation with the SEC, specifically the most recent reports on Form 10-K and 10-Q, which identify important risk factors which could cause actual results to differ from those contained in those forward-looking statements.

So with these formalities out of the way, I will turn the call over to Lesa France Kennedy. Ms. Kennedy?

Lesa France Kennedy - *International Speedway Corporation - CEO & Vice Chairman of the Board*

Good morning, everyone, and thanks for joining us today on our first quarter call. We're pleased with our financial results for the first quarter. Our revenue and earnings increased for comparable events, and our investment in the DAYTONA International Speedway continues to deliver expected results.

During the quarter, we announced the third consecutive sellout for the DAYTONA 500. The development projects at ISM Raceway and Richmond Raceway are progressing nicely. These projects will immerse fans into modernized infield and garage areas while providing innovative technology and social engaging opportunities for our fans. Additionally, ISM Raceway will feature revitalized grandstands and corporate hospitality areas as well as relocating the start-finish line. Both projects will be completed in the fourth quarter of 2018.

We're also thrilled with our performance at ONE DAYTONA. Construction continues on The DAYTONA, the Marriott Autograph Collection hotel, along with the additional retail and entertainment brands such as Hy's Toggery and GameTime, among others. We eagerly anticipate the opening of these and additional tenants throughout 2018, followed by The DAYTONA towards the end of this year. We believe these projects will continue to position ISC for long-term growth and deliver shareholder value.

I'll now turn the call over to John Saunders, and he's going to tell you a little bit more about the first quarter and our 2018 outlook. John?

John R. Saunders - *International Speedway Corporation - President*

Thank you, Lesa, and good morning, everyone. The results of the first quarter demonstrate our commitment and progress toward continued growth in the business. Our non-GAAP earnings improved to $0.60 per share from $0.47 per share in the first quarter of 2017. Key to this improved performance was a lower tax rate due to the recently enacted Tax Act, which Greg will discuss later; increases from the Hollywood Casino; and contributions from ONE DAYTONA for those portions of the project that are now online. Significantly impacting our results for the quarter was the Ferrari event held in the first quarter of 2017 that did not return in 2018. We are hopeful to see the event return in the coming years.

During the quarter, we hosted the Rolex 24 of Daytona, which continues to see strong corporate participation and revenue growth. We also hosted another successful Speedweeks. And while some NASCAR events experienced softness in attendance, we were thrilled to announce the third consecutive sellout for the 60th running of the DAYTONA 500.

As Lesa mentioned, we continue to be pleased with our investment in Daytona International Speedway and the returns we have realized from the property. For the quarter, the average ticket price of grandstand seating for Cup events increased to approximately $170, just over 1% compared to 2017.

Looking into the second quarter. Attendance is down for events at ISM Raceway, primarily due to lower capacity during the construction period of the modernization of the track and more recently, Martinsville Speedway. Advanced sales for Martinsville were trending well until severe weather entered the forecast 2 weeks prior to the event and ultimately resulted in the event being postponed until Monday due to accumulation of snow. We will continue monitoring advanced sales for the remaining events and provide an update on our second quarter call.

We remain confident our consumer-focused marketing sales strategies are working to bring ticket sales in line to deliver stronger admission and admission-related results. Our initiatives will continue to target new and lapsed customers through traditional media, social and digital channels. The overall objective here is to spark interest and demand and to drive growth in fan engagement. Our strategies are focused on value-added options that enhance the live motorsports experience, including exclusive VIP hospitality experiences and driver appearances. We have included ticket packages aimed at youth and younger demographics with kid pricing and family-targeted promotions. We remain sharply focused on facility optimization. Matching supply and demand improves yield. And as importantly, compromised or outdated inventory is removed, allowing our tracks to repurpose such areas that elevate the guest experience with innovative offerings that generate more revenue.

Our financial position is strengthened by our contracted corporate sales and broadcast agreements to provide long-term visibility. From a corporate sales perspective, we have agreements in place for approximately 87% of our gross marketing partnership revenue target for 2018. We currently have one open entitlement for our Monster Energy NASCAR Series event. This compared to the same time last year when we had approximately 89% of our targeted revenues sold and open entitlements for 3 Monster Energy NASCAR Cup Series events. We are projecting a year-over-year mid-single-digit increase in gross marketing partnership revenue in 2018. Contributing to this increase are sponsorships that accompany our projects at ISM Raceway and Richmond as well as other innovative sponsorship platforms.

TV viewership for the historic 20th running of the DAYTONA 500 proved once again why it is the premier and most significant motorsports event in the world. Despite a decline in rating, the event captured significant viewership peaking at 11.5 million average viewers per minute and outperforming head-to-head competition with the Olympics.

The first 5 events through Auto Club Speedway, viewership for Cup events is down, consistent with trends at other sports properties. We believe the year-over-year trends mirror the changing consumption patterns seen in broader sports media landscape as TV viewership in general has seen a decline in HUT levels. However, as we have discussed previously, augmenting the television broadcast were strong gains in digital and social consumption metrics. To date, NASCAR digital platforms have seen approximately 2.1 million average unique visitors per race day, a 6% increase versus 2017. Additionally, NASCAR social metrics have generated approximately 23 million race day impressions per event for the 2018 season. We are encouraged by these trends, which we believe are a direct result of our industry's strategic media initiatives. We expect further growth in these trends as fans continue to consume content in nontraditional ways.

Domestic broadcast rights fees, which include digital streaming, continue to provide significant cash flow visibility to us, race teams and NASCAR over the contract term through 2024.

Our Hollywood Casino at Kansas Speedway joint venture continues to be a strong contributor to earnings and cash flow. Cash distributions to ISC for the first quarter of fiscal 2018 totaled $5.3 million. For 2018, we expect cash distributions from the casino to be between $25 million and $26 million.

ONE DAYTONA, our mixed-use retail, dining and entertainment development across from Daytona International Speedway, has seen several tenants open with great success. We expect to have more tenants commence operations throughout 2018 as they complete build-out of their leased areas. GameTime and Oklahoma Joe's will shortly join a great list of first-to-market brands already open to The DAYTONA Beach area. Leasing activity is ongoing, seeking to add to a lengthy list of previously announced tenants. And construction continues on The DAYTONA, the Marriott Autograph Collection hotel, with an expected opening in late 2018.

Construction for The Shoppes at ONE DAYTONA, the retail dining adjacent to ONE DAYTONA, is well underway. Completion of the Shoppes is targeted for 2018. Upon completion and stabilization of operations for ONE DAYTONA and the Shoppes, which we target to be fiscal 2020, we expect the combined projects to contribute approximately $10 million of incremental EBITDA.

Construction at ISM Raceway is progressing. Fans who attended the event in March saw firsthand the many improvements included in the modernization of the facility. The redevelopment will focus on new and upgraded seating areas, vertical transportation options, new concourses, enhanced hospitality offerings and an intimate infield fan experience with greater accessibility to prerace activities.

The previously announced partnerships with ISM Connect and DC Solar have positioned the project well to achieve the desired results. The cost of the project will be approximately $178 million, which includes approximately $60 million of critical maintenance. The project will be complete in time for the playoff race at ISM Raceway in November of 2018.

As mentioned in our earnings release, the redevelopment of Richmond Raceway infield is well underway. The scope of the project will offer a variety of enhanced amenities for our fans, sponsors, teams and other stakeholders. As we previously communicated on our last quarter call, the cost of the project are -- the costs of the project are fully covered in the fiscal 2017 capital expenditure guidance and our 5-year capital allocation plan.

ISC maintains strong visibility of future cash flow, with over half of its revenue secured to the industry's 10-year broadcast agreement and multi-year partnership agreements. We will continue our strategic focus on consumer marketing initiatives to deliver growth through our core business. We will seek opportunities for increased utilization of our facility through ancillary events. And investments in qualified developments, like the casino and ONE DAYTONA, will provide further growth and shareholder value.

I will now turn the call over to Greg to give you the financial review for the first quarter and an outlook for 2018. Greg?

Gregory S. Motto - *International Speedway Corporation - Executive VP, CFO & Treasurer*

Thanks, John, and good morning, everyone. Before reviewing the financial results, it's important to note several items impacting fiscal year-over-year first quarter comparability. These include: we hosted the Ferrari World Finals at Daytona International Speedway in the first quarter of 2017; we received rents and incurred operating expenses related to ONE DAYTONA as a result of certain tenants commencing operations in the first quarter of 2018; certain marketing and consulting costs recognized in general and administrative expense that were not capitalized associated with the redevelopment project at ISM Raceway; accelerated depreciation and removal of assets not fully depreciated related to the redevelopment project at ISM Raceway and facility optimization projects at certain tracks and to a lesser extent, ONE DAYTONA; capitalized interest associated with ISM Raceway and ONE DAYTONA; and the nonrecurring noncash tax benefit related to the recently enacted Tax Cuts and Jobs Act. All of these are outlined in the earnings news release and are included in the GAAP to non-GAAP reconciliation, where appropriate.

Now looking at the income statement. Admissions revenue for the first quarter was $30.6 million, a decrease of approximately $800,000 compared to the same period in 2017. The approximate 2.5% decrease is primarily related to the aforementioned Ferrari World Finals and lower attendance

for certain NASCAR events held during Speedweeks, partially offset by increased admissions revenue for the Rolex 24 at Daytona, to a lesser extent, the third consecutive sellout of the 60th running of the DAYTONA 500. The increase in motorsports and other event-related revenues to $105.8 million is primarily due to increased TV broadcast rights and other event-related revenues associated with Speedweeks at Daytona, partially offset by the previously discussed Ferrari event. ISC's domestic television broadcast and ancillary revenues were $65.1 million for the quarter. The decrease in food, beverage and merchandise revenue to $8 million is primarily related to the aforementioned Ferrari event. And the increase in other income to $4.6 million is primarily due to rents received from tenants in ONE DAYTONA.

NASCAR event management fees increased to $29.9 million. The increase is due to variable costs, driven by higher television broadcast rights fees for the NASCAR Monster Energy Cup, Xfinity and Camping World Truck Series events and contracted increases in non-TV NASCAR event management fees.

Motorsports and other event-related expense of $26 million was comparable to the prior year. Food, beverage and merchandise expense decreased to $5.6 million. The decrease is related to the previously discussed Ferrari event. Other operating expense increased to $1.2 million, primarily related to operating costs associated with ONE DAYTONA.

General and administrative expense decreased to $25.7 million. The decrease is primarily due to certain employee-related and other administrative cost as well as certain rents and taxes. Depreciation and amortization expense increased to $26.7 million for the quarter, largely due to new assets placed in service associated with ONE DAYTONA. Losses on asset retirements increased to $1.2 million, primarily related to the removal of assets not fully depreciated in connection with facility optimization initiatives and to a lesser extent, certain noncapitalized costs related to the construction at ONE DAYTONA.

Interest income increased approximately $400,000 for the quarter, primarily related to higher yield on short-term investments. Interest expense decreased to $2.9 million, primarily related to higher capitalized interest for the ISM Raceway project, partially offset by lower capitalized interest related to ONE DAYTONA. Equity and net income from equity investments of approximately $4.3 million represents our 50% interest in the Hollywood Casino at Kansas Speedway. This compares to approximately $3.6 million in the first quarter of 2017. The increase is primarily due to lower depreciation expense related to certain assets that are fully depreciated.

Income taxes reflect a benefit of $143.9 million related to the reduction of our deferred tax liability as a result of the lower federal income tax rate from 35% to 21% associated with the recently enacted Tax Cuts and Jobs Act. Excluding this tax benefit, the effective tax rate for the first quarter of fiscal 2018 was 26.1% compared to 38% in the first quarter of 2017.

Net income for the 3 months ended February 28, 2018, was $169.3 million or $3.83 per diluted share on approximately 44.2 million shares outstanding. However, when you exclude certain nonrecurring costs, removal of assets and accelerated depreciation incurred in connection with the ISM Raceway and Richmond projects and facility optimization initiatives, capitalized interests related to ISM Raceway and ONE DAYTONA and the nonrecurring income tax benefit related to the Tax Cuts and Jobs Act, we posted earnings of $0.60 per diluted share for the first quarter of fiscal 2018 compared to non-GAAP net income for the first quarter of 2017 of $0.47 per diluted share and adjusted EBITDA of $65.8 million for the first quarter of fiscal 2018 compared to $64.8 million in the first quarter of 2017.

Now as for the balance sheet and future liquidity. At quarter end, our combined cash and cash equivalents totaled $283.7 million, and shareholders' equity was $1.6 billion. Our deferred income was approximately $97.8 million, up approximately $2.7 million from the same period in the prior year.

At the end of the quarter, total principal outstanding on debt was approximately $261.1 million, which includes $165 million in senior notes, $49.4 million in TIF bonds associated with Kansas Speedway and $46.7 million of our term loan on our headquarter's office building. We currently have no borrowings drawn on our $300 million revolving credit facility.

As it relates to capital spending for the 3 months ended February 28, 2018, we spent approximately $8.3 million, including capitalized interest and labor. We have established a long-term capital allocation plan to ensure we generate sufficient cash flow from operations to fund our working capital needs, capital expenditures at existing facilities, return of capital through payments of an annual cash dividend and the repurchase of our

shares under our stock purchase plan. We operate under a 5-year capital allocation plan adopted by our Board of Directors covering years 2017 through 2021. Components of this plan include capital expenditures at existing facilities, the ONE DAYTONA development project and return of capital to shareholders. Our plan anticipates capital expenditures for existing facilities up to $500 million from fiscal 2017 through 2021. This allocation will fund an estimated $178 million reinvestment in ISM Raceway, the previously discussed infield project at Richmond as well as other maintenance and guest experience capital expenditures for the remaining existing facilities. While many components of these expected projects will exceed our weighted average cost of capital, considerable maintenance capital expenditures estimated at approximately $40 million to $60 million annually will likely result in a blended return of invested capital in the low to mid-single digits.

As discussed previously, in 2017, we began the redevelopment of ISM Raceway, with completion targeted in the fall of fiscal 2018. Upon completion, the ISM Raceway project is expected to provide a full fiscal year incremental EBITDA lift of approximately $8.5 million to $9 million. However, as accounting rules dictate, we began recognizing revenue and expense related to components of the project placed in service or benefits provided to partners beginning in late fiscal 2017 prior to full completion in November 2018.

In addition to the $500 million in capital expenditures for existing facilities, we expect we will have an additional $107 million of capital expenditures related to ONE DAYTONA, including the Shoppes at ONE DAYTONA. Since commencement of construction for ONE DAYTONA from fiscal 2016 through February 28, 2018, capital expenditures totaled $87.2 million. At stabilization, we expect this phase of ONE DAYTONA and the Shoppes to deliver incremental annual EBITDA of approximately $10 million and an unlevered return above our weighted average cost of capital.

Now for fiscal 2018, we expect total capital expenditures associated with our capital allocation plan to range between $140 million and $150 million. This includes $120 million to $130 million for existing facilities, including the ISM Raceway and Richmond projects and an additional approximate $20 million in capital expenditures related to construction for ONE DAYTONA.

Based on our current plans for ISM Raceway, we have identified existing seats that are expected to be impacted by the redevelopment and will require accelerated depreciation totaling between $6 million and $6.5 million in noncash charges over the 22-month project time span. Despite not issuing specific debt to fund our projects, accounting rules dictate the company capitalize a portion of the interest on existing outstanding debt during the construction period. For ONE DAYTONA, since inception in 2016 through the first quarter of 2018, we have capitalized interest totaling $3.6 million. And for ISM Raceway, since inception in 2017 through the first quarter of 2018, we have capitalized interest of approximately $2 million.

As for return of capital to shareholders through our dividends and share repurchases, this is a significant pillar of our capital allocation plan. We expect dividends to increase in 2018 and beyond by approximately 4% to 5% annually. We did not repurchase any shares of ISCA on the open market during the first quarter of fiscal 2018. As of February 28, 2018, we had approximately $171.6 million remaining purchase authority under the current $530 million stock purchase plan. For 2017 through 2021, we expect our return of capital program to be approximately $280 million comprised of close to $100 million in total annual dividends and $180 million open-market repurchase of ISCA shares over the 5-year period. At this time, we expect this spending to be evenly allocated per year, although we will scale the repurchase program to buy opportunistically.

In summary, we have built a capital allocation plan based on conservative estimates that will maintain a strong financial position, prudently and disciplined reinvestment in the business and provide stable and growing return to our shareholders. And this includes the $500 million of capital expenditures for reinvestment in our existing facilities, $107 million for the development of ONE DAYTONA and the Shoppes and $280 million in dividends and share repurchases.

As for our financial and liquidity position, this has been enhanced by the tax benefit recognized in fiscal 2017 related to the worthlessness of our investment in Motorsports Authentics. Additionally, in 2017, Congress passed the Tax Cut and Jobs Act. We expect this Tax Act to favorably impact our future liquidity, primarily a result of the lower single corporate tax rate from 35% to 21%. Further, we will continue to explore development of our acquisition opportunities beyond the previously discussed initiatives that build shareholder value and exceed our weighted average cost of capital. Should such initiatives be pursued, we will provide discrete information on the timing, the scope, the cost, financing and expected returns of such opportunities.

And now for our outlook for 2018. In an effort to enhance the comparability and understandability of our forward-looking financial guidance, we adjust for certain nonrecurring items that will be included in our future GAAP reporting. We believe this adjusted information best represents our expectations for our 2018 core business performance. Please refer to our earnings release for the detailed list of items excluded from our fiscal 2018 non-GAAP guidance.

For fiscal 2018, we are reiterating our previous guidance. Our full year fiscal 2018 guidance includes total revenues to range between $680 million and $695 million. Adjusted EBITDA will range between $241 million and $252 million. Included in adjusted EBITDA is approximately $25 million to $26 million in pretax cash distributions from the Hollywood Casino. Operating margin is estimated between 15.5% and 16.5%. Our non-GAAP effective tax rate is forecasted at 26% to 27% and non-GAAP earnings of $1.90 to $2.10 per diluted share.

In closing, we maintain a solid financial position developed over many years that affords us the ability to follow our disciplined capital allocation strategy and maintain our leadership position in motorsports industry. We have a long-term capital allocation plan that extends through fiscal 2021, demonstrating our ongoing commitment to building long-term value. For the future, we are well positioned to balance the strategic capital needs of our business with returning capital to shareholders.

We look forward to speaking with you on our next earnings conference call in July. And with that, I'll turn it back over to the operator, who will lead us through the Q&A portion of the call. Operator?

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) And your first question comes from the line of Jaime Katz with Morningstar.

Jaime M. Katz - *Morningstar Inc., Research Division - Equity Analyst*

I have a couple questions. First, on CapEx. I'm curious, there was this incremental $12 million of CapEx that was approved for the -- developing the property around ONE DAYTONA. And I'm curious where, like, the risk of cost overrun is at this point. It seems like we're closer to the finish line than the beginning here. And so do you think we are sort of past these small incremental hikes in CapEx? Or could we maybe see a few more as this project progresses with cost overruns?

Gregory S. Motto - *International Speedway Corporation - Executive VP, CFO & Treasurer*

Yes, Jaime. So the $12 million was actually an extension onto the ONE DAYTONA project. So that extension is in a property, which formerly was known as Volusia Point, which was adjacent -- or is adjacent to the ONE DAYTONA development. Our management and our board approved the $12 million to revitalize that property and make it more congruent with the ONE DAYTONA property. So it wasn't a cost overrun. It was an extension onto the ONE DAYTONA property, and it was also an incremental EBITDA contribution to the ONE DAYTONA. So -- and then concerning cost overruns, our development group is very astute in negotiating these contracts. And quite often, in these projects as well, just like the DAYTONA Rising project and with the ISM Raceway project, we have negotiated in there maximum prices for the contract. So the risk is really on the general contractor, unless we do some kind of scope enhancement to the project.

Jaime M. Katz - *Morningstar Inc., Research Division - Equity Analyst*

Okay. And then just to be clear, I know it's a small amount, but it is outside of the $500 million over the 5-year plan. Correct?

Gregory S. Motto - *International Speedway Corporation - Executive VP, CFO & Treasurer*

That is correct. It's -- the entire $107 million is outside of the $500 million, which is for our existing facilities.

Jaime M. Katz - *Morningstar Inc., Research Division - Equity Analyst*

Okay. And then last quarter, you guys had a similar commentary on facility optimization. And at the time, you had said we'll have more to say about this next quarter, and that was sort of moved past pretty quickly. So I'm curious if maybe something has changed in how you guys are seeing opportunities or if maybe you're just not ready to share that with us yet.

John R. Saunders - *International Speedway Corporation - President*

Jaime, we're still working through that plan, the scope of that plan. We are on schedule, and we expect the impacted facilities to be ready for their first Cup event. And we will -- we'll talk more specifically. We're not ready to talk specifically about those facilities and capacity at this point. But it's progressing, and it's on schedule.

Jaime M. Katz - *Morningstar Inc., Research Division - Equity Analyst*

Okay. And then lastly, can you -- if you have any sort of instinct on the seasonality you expect to see in rents received from tenants, obviously, in that other category, it grew quite a bit year-over-year. Can you give us any insight into that, that you might have?

Gregory S. Motto - *International Speedway Corporation - Executive VP, CFO & Treasurer*

Yes, Jaime. So the increase is as we've had more tenants complete their build-outs and commence operations, and so the rents started increasing. And we'll see that as we go through this year as more tenants commence their operations. We still have a number that will start between now and the end of the year. The seasonality of it will be straight-lined throughout the year. The rents are even payments throughout the year, with the exception of maybe some percentage sales rents if certain sales exceed the operations or exceed the minimums.

Operator

And your next question is from Tim Conder with Wells Fargo Securities.

Timothy Andrew Conder - *Wells Fargo Securities, LLC, Research Division - MD and Senior Leisure Analyst*

I wanted to circle back on some of the digital rights that you have. And is there anything under the contract whereby you can increase -- or we can see a ramp in the ability of you to monetize the increased digital viewership or other digital initiatives?

John R. Saunders - *International Speedway Corporation - President*

Not in this current broadcast agreement. You may recall that when the current agreement was negotiated, all the digital rights with respect to Fox and NBC went to those broadcast partners. So they currently have those rights and don't -- we don't have a line of sight at this point what NASCAR's view or their view will be in the next renegotiation. But clearly, we're seeing great consumption metrics on all of the digital and social platforms. So that's where the consumption is swinging, and it's a positive trend. And -- but as I said, we don't have a line of sight as to what NASCAR or the broadcast partners' positions are going to be in that renegotiation.

Timothy Andrew Conder - *Wells Fargo Securities, LLC, Research Division - MD and Senior Leisure Analyst*

Okay. And then, John or Greg, I can't remember who mentioned this part, but you commented about potential acquisitions. Can you -- any commentary, any color that you can share with us about what opportunities you're seeing and any -- from a pipeline perspective or just maybe things that potentially could come up here and come to fruition here in the balance of this year or next year?

John R. Saunders - *International Speedway Corporation - President*

Well, 2 points of view -- or 2 comments with regard to that. Our track operators are very, very focused on facility utilization. We've talked on prior calls about the very successful Faster Horses concert in partnership with Live Nation at Michigan. We have the Country 500 here at Daytona on Memorial Day weekend. So we're looking at opportunities and strategic partnerships to increase the utilization of the facilities. The second part is, and we've said this repeatedly on calls through the years, that we will always look at acquisition opportunities but at the right price. And when we talk about that, we talk about essentially the core business. But there is nothing contemplated right now, nothing in the pipeline. But as demonstrated by our balance sheet, we're always prepared should an opportunity come along.

Operator

Your next question is from the line of Matthew Brooks with Macquarie.

Matthew John Brooks - *Macquarie Research - Securities Analyst*

John, I think you mentioned advance ticket sales. Did you say a number with that one? Or that's one way you're giving the update in Q2?

John R. Saunders - *International Speedway Corporation - President*

No, we did not have a number associated with the advance ticket sales. We'll have more to say on the second quarter. As I've mentioned, we had reduced capacity in ISM Raceway, and the weather got us -- really got us at Martinsville. We have 3 remaining events for the Q. We're encouraged with the trends but would be hesitant to comment on the advanced sales at this point.

Matthew John Brooks - *Macquarie Research - Securities Analyst*

Okay, no worries. And is -- I think the deferred revenue looked like it was up a couple of percent. Are you able to say whether that was ticket sales or whether that was advanced payments from corporates that was driving that growth?

Gregory S. Motto - *International Speedway Corporation - Executive VP, CFO & Treasurer*

Sure, Matt. This is Greg. It mostly related to our corporate partnerships.

Matthew John Brooks - *Macquarie Research - Securities Analyst*

Right. And lastly, you've had a couple of drivers that are retired at the end of last season and weren't in the DAYTONA 500 this year. Are you seeing any impact from that? Or are you finding that's had an impact? Or is the push to increase the brand of younger drivers starting to work more?

John R. Saunders - *International Speedway Corporation - President*

A couple of things. First of all, NASCAR, in partnership with the racetracks, we're very strategically aligned on elevating our young drivers, our up and coming star power and -- which we've got 4 or 5 coming along. And they're competitive, and they're racing against the future Hall of Famers. With regard to retirements, we haven't seen any quantifiable data at this point that suggests that there's a contraction, particularly with Dale Jr. The good news is he's still going to run some races. He has a race team. He's going to be at the racetracks. He's very engaged in the sport. And so he's not left us, and he'll be around for a long time to come. So it's kind of early. There are -- our only events were in the Q, the DAYTONA 500, which we sent -- said sold-out. There may be an impact down the road. We just don't know at this point.

Matthew John Brooks - *Macquarie Research - Securities Analyst*

All right. And sorry, just one more. I think Monster Energy might be renegotiating with NASCAR and maybe announcement coming on that soon. Is there anything you can comment on that? Like how long was the initial deal that Monster Energy had?

John R. Saunders - *International Speedway Corporation - President*

The initial term was 2017 through 2018. It's our understanding that NASCAR is still engaged in negotiations for an extension. Don't have a line of sight to how long that extension will be, but initial indications from NASCAR leave us feeling optimistic that there will be an extension. It's been a great brand for our sport. It speaks to a younger demographic. And by all metrics, from their perspective, we think it's been successful. And this is ISC's position that we think has been a successful entitlement for them. So we're optimistic.

Operator

(Operator Instructions) Your next question is from Barry Lucas with Gabelli & Company.

Barry Lewis Lucas - *G. Research, LLC - Senior Analyst*

John, if you're sort of reluctant to look forward in terms of advance ticket sales, maybe you could touch base a little bit on how Daytona looked as well as Speedweeks in price/mix. Was -- did you see a change there? And if so, can you do that and strip out the Ferrari race as well?

Gregory S. Motto - *International Speedway Corporation - Executive VP, CFO & Treasurer*

Yes, Barry. Well, as you know, we don't provide any specific guidance on events that have run. But what we can say is the Ferrari race definitely had a pretty big impact to our year-over-year comparability. The -- to a lesser extent, the other events in -- during Speedweeks, leading up to the DAYTONA 500, we saw some softness in those. But again, we're pleased to announce the third consecutive sellout of the 500, and we're also pleased with -- that the Rolex 24 continues to grow.

Barry Lewis Lucas - *G. Research, LLC - Senior Analyst*

Okay. So -- and as I look at the P&L, and you mentioned before the increase in rents as well as rent expense. So those figures are going to be seen primarily in the other revenue line and the other operating expense line. Is that fair?

Gregory S. Motto - *International Speedway Corporation - Executive VP, CFO & Treasurer*

Yes, Barry, that's correct. We'll be recording our rents in the other revenue, and other expense will reflect the operating costs. That's for ONE DAYTONA and the Shoppes.

Barry Lewis Lucas - *G. Research, LLC - Senior Analyst*

Right. And is there a way to size how much of the expected facility or square footage was in service in the quarter? Or I guess, what I'm trying to get at is how those line items ramped during the year.

Gregory S. Motto - *International Speedway Corporation - Executive VP, CFO & Treasurer*

Well, they will ramp up throughout the year. In our fourth quarter earnings release, we provided some guidance to the expected total revenues and operating expenses for ONE DAYTONA with about $8 million in revenues and $4.5 million roughly in operating expenses. I think we're, at this point, reiterating our guidance.

Operator

And we have no further questions.

Gregory S. Motto - *International Speedway Corporation - Executive VP, CFO & Treasurer*

Well, great. First, we want to say we're pleased with our first quarter results. We saw growth in all areas. We continue to execute our well-defined capital allocation plan, which demonstrates the commitment that we have to our shareholders. We've reiterated our guidance that also demonstrates growth and continued growth in our EBITDA. We thank you all for joining us on our call, and we look forward to speaking with you in July. John?

John R. Saunders - *International Speedway Corporation - President*

Thanks. Thanks, everybody, for joining us on our first quarter call, and we'll see you on the second quarter call.

Operator

This does conclude the International Speedway Corporation 2018 First Quarter Earnings Conference Call. You may now disconnect.