

*International Speedway Corporation*  
*Investor Presentation – November 2017*

*Reported as of Third Quarter 2017*

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Additional information concerning factors that could cause actual results to differ materially from those in the forward-looking statements is contained from time to time in the Company's SEC filings including, but not limited to, the 10-K and subsequent 10-Qs. Copies of those filings are available from the Company and the SEC.

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# Forward Progress – Recent Accomplishments

## Continuing Improvement in ISC Risk Profile

### 2017 Financial Guidance

- ❑ Annual revenue and earnings growth
- ❑ Sustainable Revenue & EBITDA lift from Daytona Rising
- ❑ Strong, stable cash flows
- ❑ Full year EPS guidance from \$1.50 to \$1.65

### Strong Financial Position

- ❑ Strong Balance Sheet with Low Leverage and staggered Debt Maturities
- ❑ Investment Grade Rating
- ❑ \$74MM total Return of Capital in 2016
- ❑ ~5% annual growth in 2017 dividend per share
- ❑ Balanced Capital Allocation Plan

### Long-term Contracted Income

- ❑ Largest Broadcast Rights Deal in NASCAR's history with visibility for ISC's largest revenue segment through 2024
- ❑ TV Rights Fees ~4% CAGR over 10 Year Term
- ❑ Founding Sponsorships for Daytona Rising contracted 10 years or longer

### Growth Initiatives

- ❑ NASCAR's format updates and new driver star power generating excitement for the Sport
- ❑ Improve facility utilization and yield
- ❑ Executing Real Estate Development Strategy and Leveraging Existing Facilities with Ancillary Business Opportunities



## *Company Overview*

# The Undisputed Leader in Motorsports Entertainment

- ❖ **Largest Promoter of NASCAR**
  - Most Prominent Motorsports Sanctioning Body
- ❖ **Premier Motorsports Facilities and Events**
  - ***DAYTONA 500 ranks 9<sup>th</sup> on Forbes Most Valuable Sports Brands***
  - 13 Major Motorsports Facilities
  - Approximately 763,500 Grandstand Seats and 548 Luxury Suites
  - National Footprint -- 6 in the Top-12 Media Markets
- ❖ **Highly Predictable and Recurring Revenue Base**
  - Broadcast Television Media Rights and Corporate Partnerships
- ❖ **Strong Balance Sheet**
  - Providing Significant Financial Flexibility





*Everything else is just a game®*

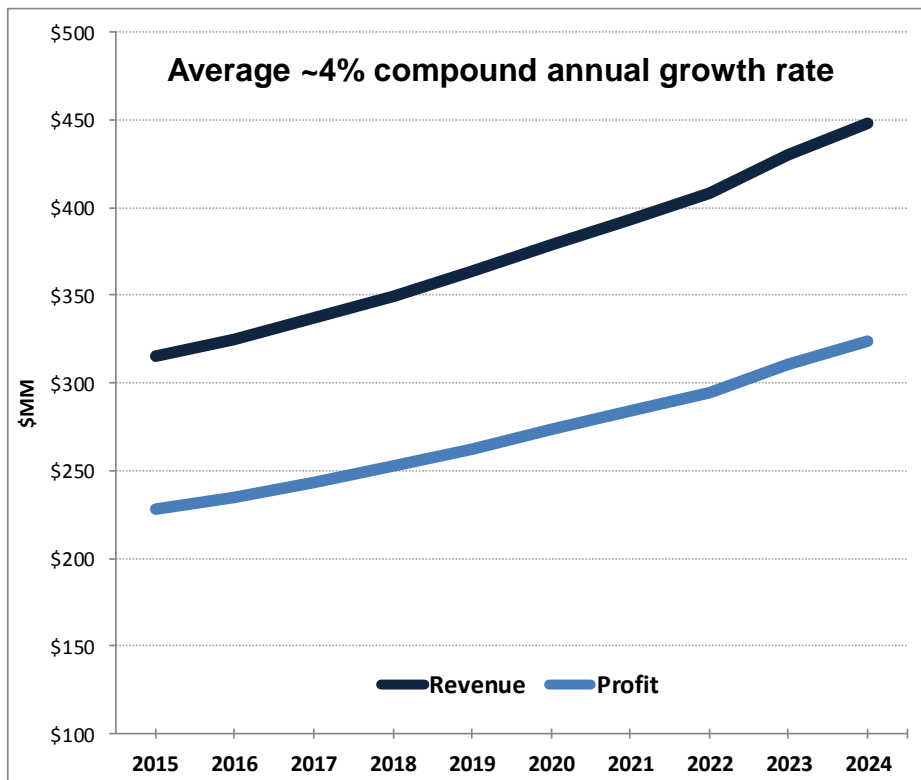
- ❖ ~90% of ISC Revenues
- ❖ **Stable, Growth-Oriented Business Model**
  - NASCAR Industry Strategic Plan – Stakeholder Initiative to Grow the Business
- ❖ **Leading Sports Entertainment**
  - Second Highest-Rated Regular Season Sport on Television
  - Outstanding Event Attendance and Fan Avidity
  - Most Brand Loyal Fan Base in All of Sports
  - More Fortune 500 companies in NASCAR than any other sport
- ❖ **Valuable Sports Media Rights Fees**
  - NASCAR Broadcast Rights Secured Through 2024



# Increasing Sports Media Rights Fees



## ISC Broadcast Rights Income Forecast Recognized Revenue / Profit per Year (\$ in Millions)



## FOX Sports Media Group and NBC Sports Group Television Broadcast Rights Agreement

- 10-Year Terms
- 65% / 25% / 10% - Distribution Remains (Promoter / Teams / NASCAR)
- Over-the-Top and Direct to Consumer rights
- 2017 season thru Martinsville (33<sup>rd</sup> Cup event) averaging > 4 million viewers per weekend
- 2017 DAYTONA 500 drove 5% increase in viewership; 16% growth in 18-34 demographics

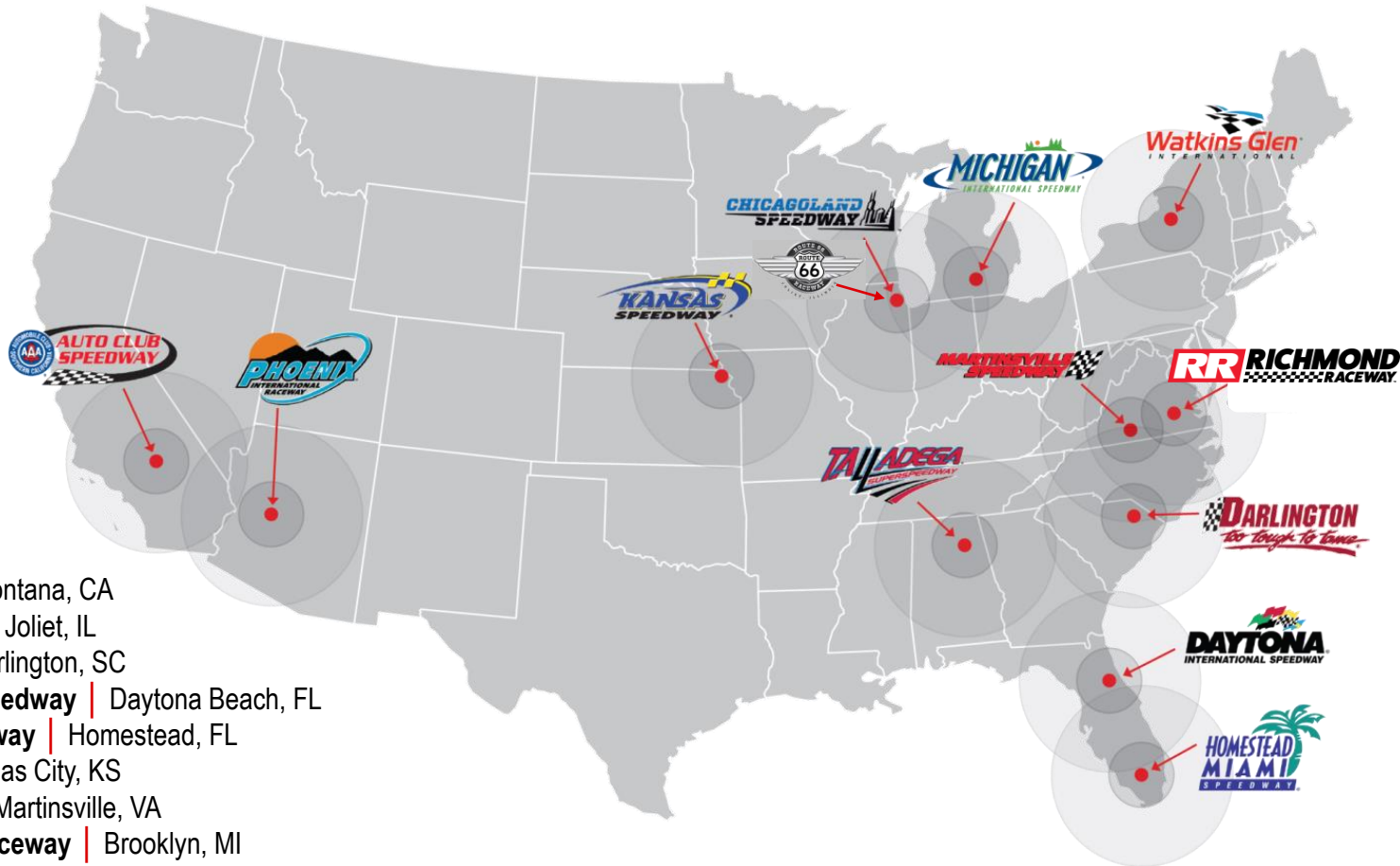
### Digital and Social Media

- Strong digital consumption with higher engagement among core audience<sup>(1)</sup>
- All NASCAR social platforms have grown in followers year over year

(1) Through 16 NBC races in 2017, number of unique devices and live minutes streamed up 35% and 34% respectively versus same events in 2016

# Unparalleled National Reach

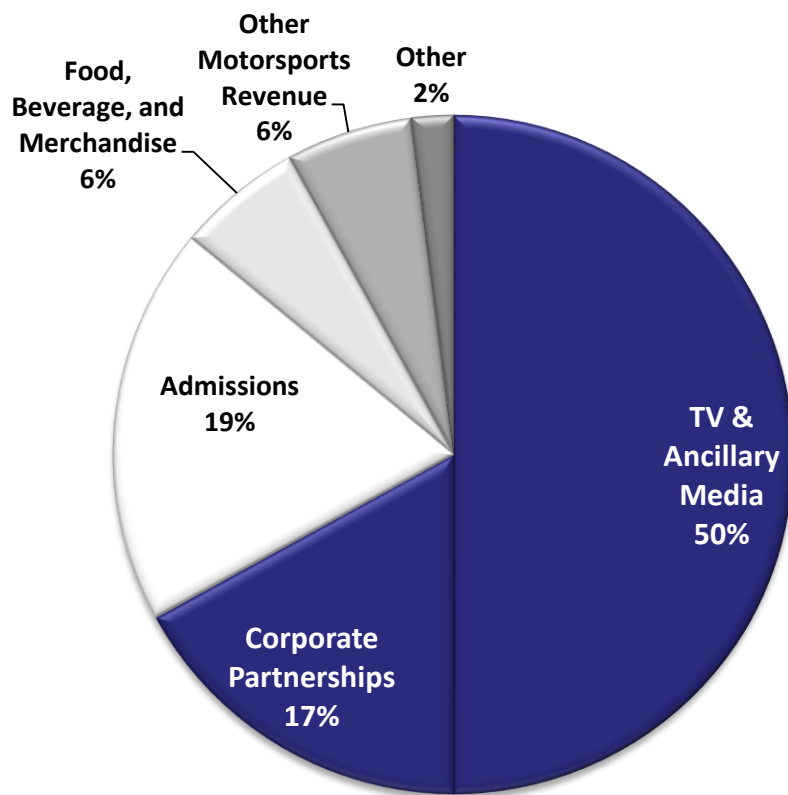
## NATIONAL Footprint



- + Auto Club Speedway | Fontana, CA
- + Chicagoland Speedway | Joliet, IL
- + Darlington Raceway | Darlington, SC
- + Daytona International Speedway | Daytona Beach, FL
- + Homestead-Miami Speedway | Homestead, FL
- + Kansas Speedway | Kansas City, KS
- + Martinsville Speedway | Martinsville, VA
- + Michigan International Raceway | Brooklyn, MI
- + Phoenix Raceway | Avondale, AZ
- + Richmond Raceway | Richmond, VA
- + Route 66 Raceway | Joliet, IL
- + Talladega Superspeedway | Talladega, AL
- + Watkins Glen International | Watkins Glen, NY

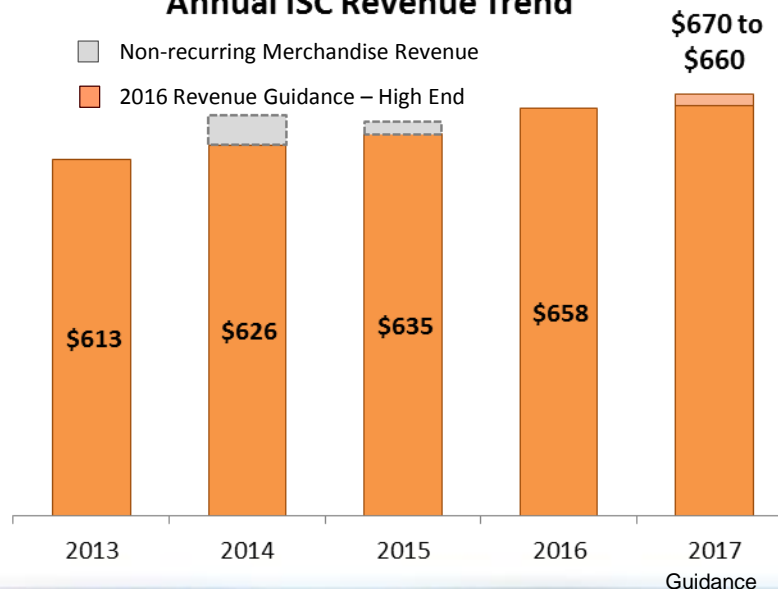
# Predictable and Recurring Revenue<sup>(1)</sup>

**2016<sup>(1)</sup>**



- Contracted Revenue = TV & Ancillary Media and Corporate Partnerships <sup>(2)</sup>
- In 2016, ISC Contracted Revenue makes up approximately 67% of ISC total Revenue
- Industry NASCAR Broadcast Agreement ('15 to '24) and ISC Strategic Initiatives provide even greater future Contracted Revenues

**Annual ISC Revenue Trend**

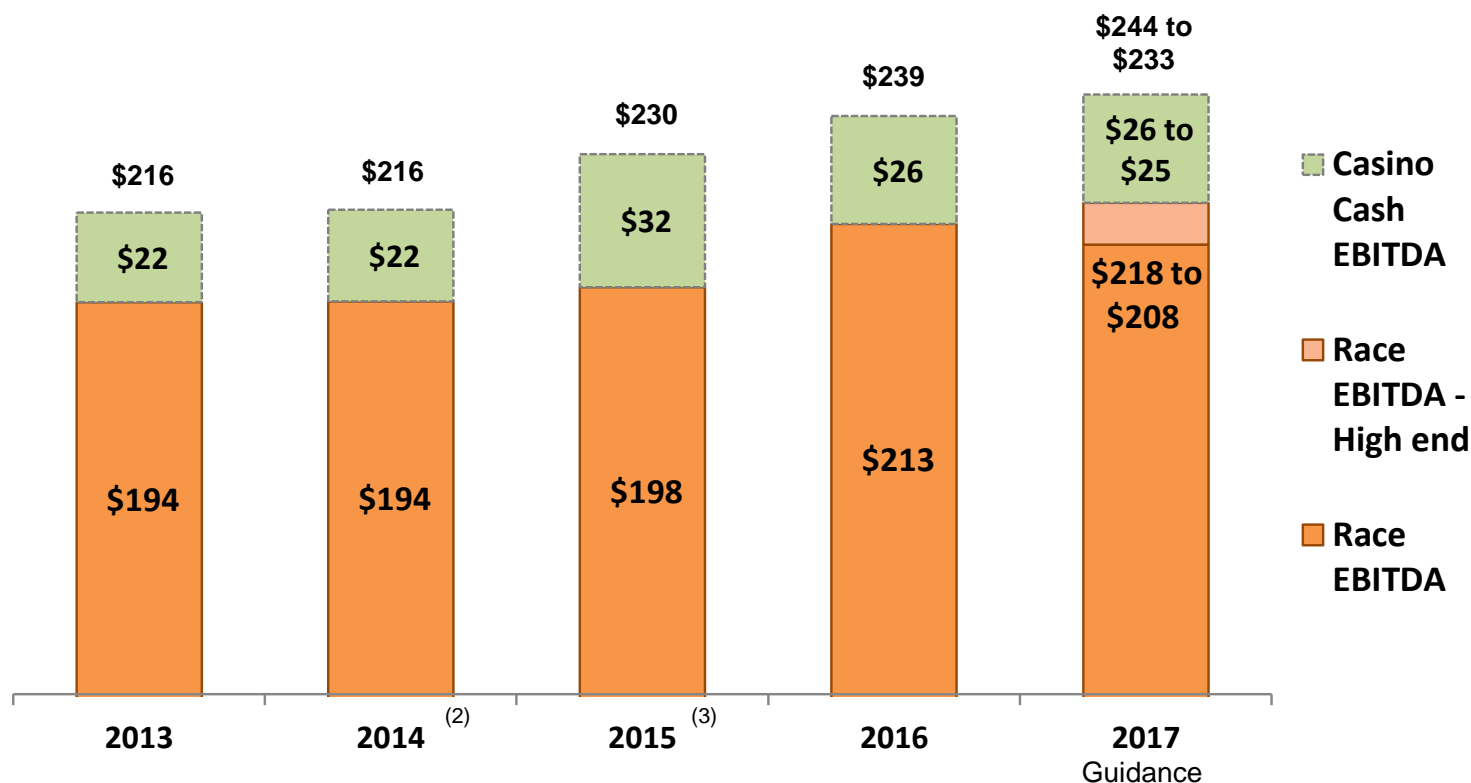


(1) Percent of Total Revenue as of the fiscal year ended November 30, 2016; presented using other than generally accepted accounting principles ("Non-GAAP"). Refer to documents filed by International Speedway Corporation with the SEC, specifically the most recent reports on Form 10-K/Q for the GAAP to Non-GAAP reconciliation.

(2) The major components of Motorsports Related Revenue

# Business Growth<sup>(1)</sup>

Increased EBITDA in 2016 & 2017 from DAYTONA Rising



ISC EBITDA / Share	\$4.65	\$4.64	\$4.93	\$5.19	\$5.21 to \$5.46
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(1) Excludes discontinued operations. Certain financial information is presented using other than generally accepted accounting principals ("Non-GAAP"). Please refer to documents filed by International Speedway Corporation with the SEC, specifically the most recent reports on Form 10-K/Q for the GAAP to Non-GAAP reconciliation.

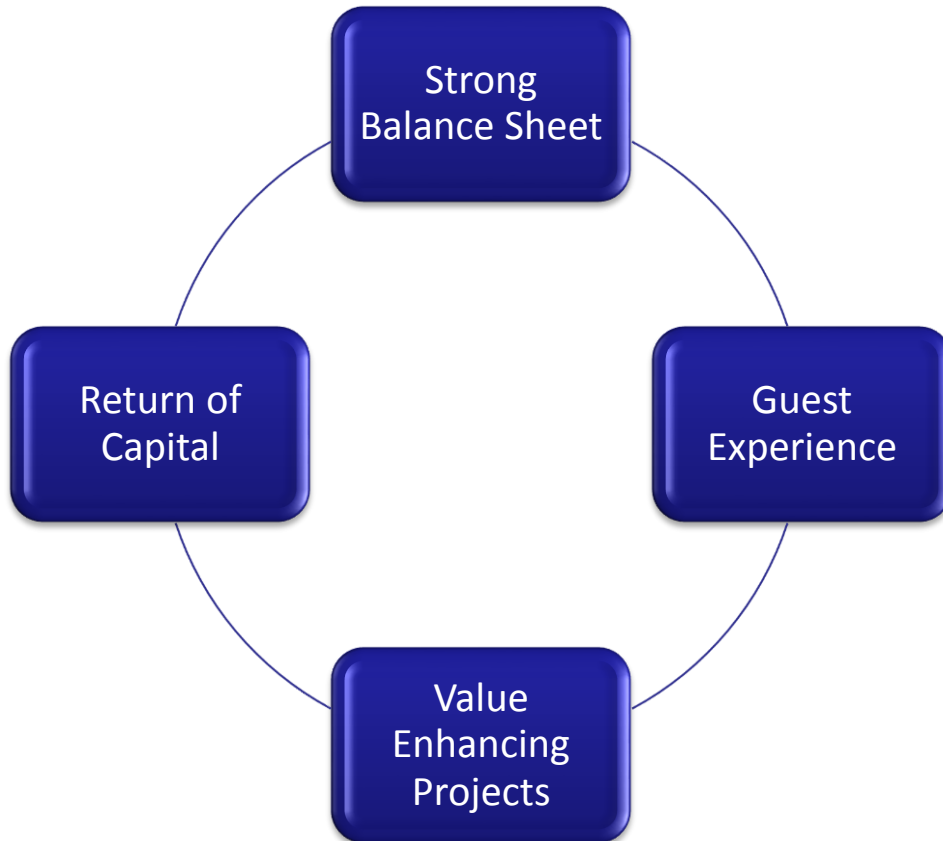
(2) 2014 includes partial year consolidation of Motorsports Authentics in the following amounts: Revenue = +\$26 MM, EBITDA = +\$2 MM, and EPS = +\$0.02

(3) 2015 includes one-time, non-recurring impacts as a result of the transition of Merchandise to Fanatics in the following amounts: Revenue +\$10 million for merchandise inventory sales, \$2 million EBITDA loss from inventory sales net of costs, and \$0.03 EPS loss.



## *Capital Allocation Strategy*

# Focused Capital Allocation Strategy



## Key Tenets of Strategy

- Sustain Investment Grade Credit Rating
- Adequate liquidity for business needs
- Sustainable capital structure
- Leverage for long-term value building opportunities
- Strategies to return capital to shareholders

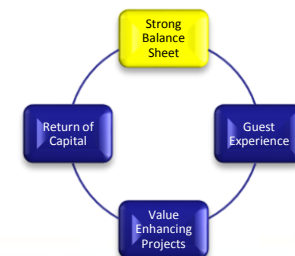
# Maintaining a Strong Balance Sheet

(\$ in millions)

Capitalization	Maturity	Rate	08/31/2017
Senior Notes	2021	4.63%	65.0
Senior Notes	2024	3.95%	100.0
TIF Bonds (Kansas Speedway)	2027	6.64%	52.2
Term Loan (HQ Term Loan)	2034	6.25%	47.2
Credit Facility (\$300 @ L+100-162.5)	2017	1.43%	0.0
<b>Total Debt</b>			<b>\$264.4</b>
Less: <b>Cash</b>			<b>(268.9)</b>
<b>Net Debt</b>			<b>(4.5)</b>
 <b>Shareholders Equity</b>			 <b>\$1,383.5</b>
<b>Total Capitalization</b>			<b>\$1,647.9</b>
<b>Total Debt to Capitalization</b>			<b>16.0%</b>

## Key Metrics

- BBB Corporate Credit Rating
- Prudent Cash Reserves
- Staggered Debt Maturities
- Untapped \$300 MM Credit Facility<sup>(1)</sup>



(1) Credit Facility amended and extended in September 2016

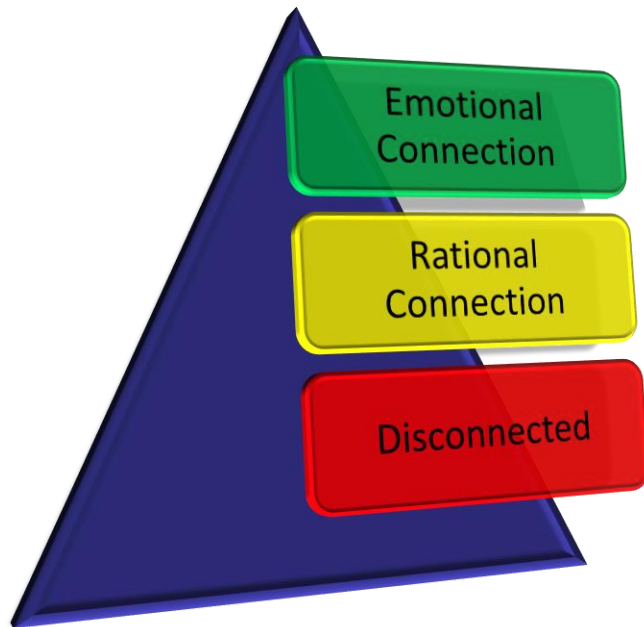
# Balanced Capital Allocation Plan

- ❖ **Strategic Investment in Capital-Intensive Business to meet expectations of modern leisure and sports entertainment audience**
- ❖ **Balanced Business Investment with Return of Capital to Maximize Value Creation**
- ❖ **Successful execution**
  - DAYTONA Rising
  - Hollywood Casino at Kansas Speedway
  - Return of Capital



# Investing in the Guest Experience

## Emotional Connection Model



### ❖ Targeted Capital Improvement Program

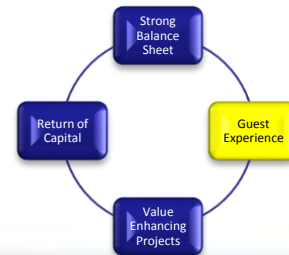
- Upgrading Facilities to Meet Changing Consumer Expectations
- Investing in the Fan Drives Direct / Indirect Financial Returns

### ❖ ISC Guest Experience Improving

- All Key Measures, Nearly All Touch-points and Most Attributes are Trending Higher
- Stronger Competitive Position Relative To Other Tracks

### ❖ Emotionally Connected Fans

- Buy More Tickets
- More Likely to Recommend
- More Likely to Become NASCAR Enthusiasts
- More Likely to Return



# Daytona International Speedway Reimagining an American Icon

## ❖ \$400MM Reimagining of Daytona International Speedway

- The 'finest' Motorsports Facility in existence
- Modernized and expanded seating/site-lines, entrances ('injectors'), fan transportation (escalators and elevators), restrooms, food/beverage and merchandise stands, digital technology and social zones
- Opened January 2016

## ❖ Enhanced Fan and Business Partner amenities drive immediate financial returns

- 2016 incremental EBITDA of more than \$15MM to ISC
- Benefits include long-term (10+ years) corporate partnership agreements with Fortune 500 brands
- Protects, sustains, and grows core sources of company income for the next 50 years

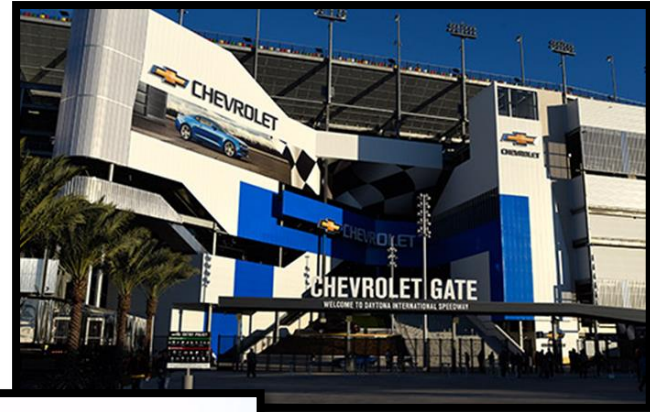


# Founding Partners

**Injector 1:  
Florida Hospital**



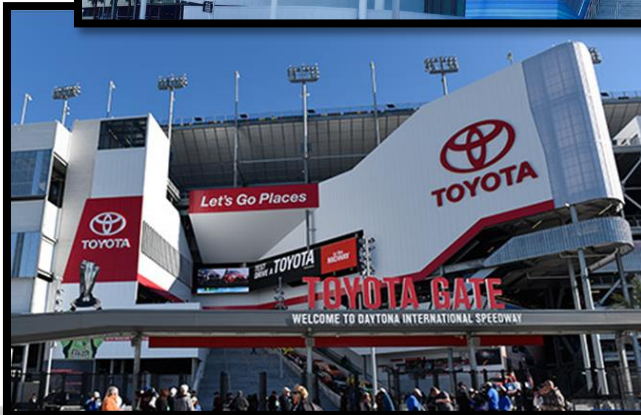
**Injector 2:  
Chevrolet**



**Injector 3 – Axalta**  
**New in 2017!**



**Injector 4:  
Toyota**



**Injector 5:  
Sunoco**



# Value Enhancing Projects – Kansas Casino



- ❖ ISC 50/50 joint venture with regional gaming operator Penn National Gaming

- ❖ Pre-tax earnings recognized in Equity Income:

2014 = \$8.9MM    2015<sup>(1)</sup> = \$14.1MM    2016 = \$14.9MM    2017<sup>(2)</sup> = ~\$18.5MM to \$19.5MM

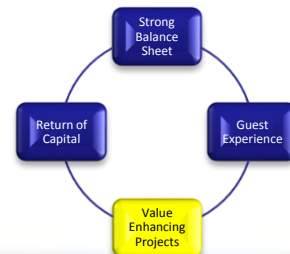
- ❖ Capturing greater market share; improving margins

- ❖ Generating Solid Cash Flow

2014 = \$22.0MM    2015<sup>(1)</sup> = \$32.0MM    2016 = \$25.9MM    2017 = ~\$25MM to \$26MM

(1) 2015 cash distributions included non-recurring one-time transition from quarterly to monthly distributions.

(2) 2017 equity income increase compared to 2016 is primarily due to lower depreciation expenses associated with fully depreciated assets.



# Returning Capital to Shareholders in 2017

## ❖ Dividend

- Annual Cash Dividend of \$0.43 Per Share, \$19.3 million, in 2017 <sup>(1)</sup>
- Increased 12 consecutive years, 616% since 2005
- NASDAQ US Broad Dividend Achievers™ Index

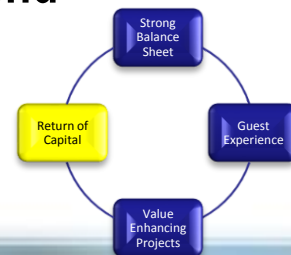
## ❖ Share Repurchase Plan

- Open-market repurchases of ISCA shares
  - \$55.1 million, 1.7 million shares, in fiscal 2016
  - ~\$19 million in the third quarter of fiscal 2017 (~\$35 million fiscal YTD) <sup>(2)</sup>
- 9.7 Million Shares of Class A Common Shares Purchased Since Inception <sup>(2)</sup>
- \$171.5 million authorized to be repurchased under existing plan <sup>(2)</sup>

## ❖ Fiscal 2016 ~\$74 million total return of capital through combined Dividend and Share Repurchase

(1) Dividend announced 4/13/17

(2) As of August 31, 2017



# Capital Expenditures Plan – Looking Forward

Fiscal Years 2017 to 2021

## ❖ Up to \$500 million capex investment for existing facilities

- Funds Phoenix redevelopment and Richmond improvements
- Factors approximately \$40 to \$60 million per year maintenance 'capex' for existing facilities

## ❖ \$107 million 'capex' to complete ONE DAYTONA

- Timing of cash flows: \$22MM in 2016; estimated \$55MM in 2017, and the balance in 2018
- Project expected to exceed ISC weighted average cost of capital
- Ultimately financed upon stabilization

## ❖ \$280 million Return of Capital

- Increased 2016 dividend 58% (to \$0.41) versus 2015; plan to grow by 4 to 5% annually
- Approximately \$180 million planned open market share repurchases



# ***Future Track Reinvestment Opportunities***

## **Phoenix & Richmond**

- ❖ **Long history of racing**
  - PIR built in 1964
  - RIR from 1946, reconfigured 1988
- ❖ **Unique track configurations that are fan and industry favorites**
- ❖ **Serve major population centers and large media markets**
  - Washington DC = 7, Phoenix = 12
- ❖ **Key races in NASCAR schedule**



# ***Phoenix Redevelopment Plan***



## ❖ **Announced Grandstand and Infield Redevelopment**

- Upgraded seating, vertical transportation, new concourses, enhanced hospitality offerings and new infield experience
- Opens November 2018 for Fall NASCAR race weekend

## ❖ **Approved project cost approximately \$178 million**

- Included in \$500 million capital allocation plan
- Cost includes maintenance capex

## ❖ **Contributes an incremental \$8.5 to \$9.0 million EBITDA**

- 2019 is first full year of operation
- Approximately 50% of EBITDA lift in 2018

# Market Based Real Estate Strategies

- ❖ ISC Owns/Manages ~13,000 Acres
- ❖ Monetizing Value of Real Estate Through Complementary Ancillary Development
  - Enhance and Extend the Guest Experience
  - Leverage Existing Assets to Drive Year-Round Destination Developments
  - Diversify Income Streams Through New Business Opportunities
- ❖ Current / Proposed and Future Potential Locations
  - Hollywood Casino at Kansas Speedway
  - ONE DAYTONA

**HOLLYWOOD**  
*Casino*  
AT KANSAS SPEEDWAY®

ONE **DAYTONA**

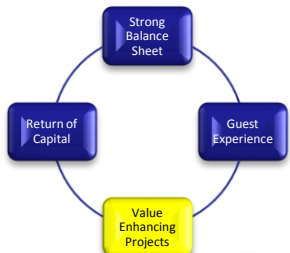


# Value Enhancing Projects – ONE DAYTONA

ONE **DAYTONA**



- ❖ Mixed-Use and Entertainment Destination Located Across From Daytona International Speedway
- ❖ Enhance and extend guest experience; monetize valuable real estate
- ❖ Phase I includes the following mixed-uses:
  - Retail, dining and entertainment
  - Full-service and Select-service hotels
  - Residential
- ❖ Bass Pro Shops® and Cobb Theatres are anchor tenants
- ❖ Shaner Hotels and Prime Hospitality Group to develop hotels and residential including a Marriott Autograph® series Hotel



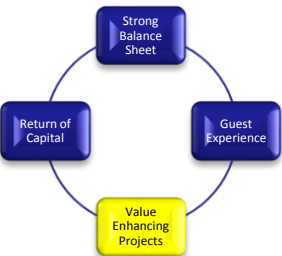
# Value Enhancing Projects – ONE DAYTONA

- ❖ Development cost approximately \$140 million; sources include public incentives, ISC revolving credit facility borrowings, and land. Cash contribution will be approximately \$95 million
- ❖ Phased opening, beginning with Cobb Theaters in December 2016, Bass Pro in February 2017, and ramping up through late 2017 / early 2018
- ❖ Pro-forma includes stabilized revenue and EBITDA of approximately \$12 million and \$9 million <sup>(1)</sup>, respectively, beginning in 2018, ramping up through 2019
- ❖ ISC returns meet or exceed its cost of capital

ONE **DAYTONA**



(1) EBITDA includes share of cash distributions from hotel and residential joint ventures





## *Key Initiatives*



# Improved Competition = Greater On-Track Excitement

## Announced Improvements through the 2017 season

- ❖ All three major NASCAR series implemented three-stage race format with playoff points incentives awarded throughout the race
- ❖ Sanction agreements with Track Promoters contracted for five years
- ❖ NASCAR Team Owner Charter agreements
- ❖ Championship 'Playoff' format for the NASCAR Cup, Xfinity and Camping World Truck Series
- ❖ NASCAR overtime rules; Green-White-Checkered for more exciting finishes
- ❖ Improved aerodynamics and low-downforce for more competitive racing
- ❖ Technology Investment: cameras/sensors replace pit officials; in-car digital dashboards



# NASCAR Media Consumption Metrics

## Strong Broadcast and Digital Distribution



### MARTINSVILLE SPEEDWAY

First Data 500 | October 29, 2017 | Aired on NBCSN



#### TELEVISION

**5.4M**

UNIQUE  
VIEWERS

#### DIGITAL

**1.8M**

RACE DAY  
VISITS

#### SOCIAL

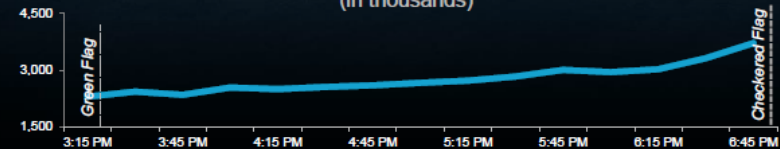
**21M**

RACE DAY  
IMPRESSIONS

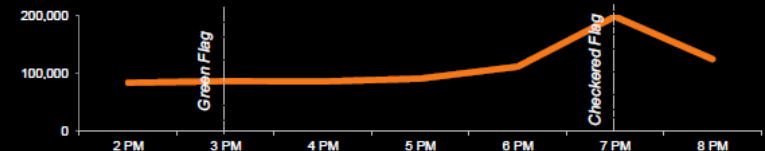
#### KEY HIGHLIGHTS

- The 2017 Monster Energy NASCAR Cup Series First Data 500 earned a 1.7 national rating on NBCSN, with an average of 2.8 million viewers tuned in per minute.
- Viewership peaked from 6:45PM-7:00PM with an average of 3.7 million viewers tuned in per minute.
- The 2017 event ranks as the most-viewed event for the 2017 Monster Energy NASCAR Cup Series on NBCSN since September's Darlington race.
- NASCAR's digital platforms generated 1.8 million visits and 8.1 million page views on race day.
- The Playoff Standings page on NASCAR.com was a top 5 most-consumed page on race day.
- 1 out of 2 visitors to NASCAR.com during the race were consuming a live product, primarily led by Race Center and Fantasy.
- NASCAR social content generated more than 21 million impressions and more than 2 million engagements. Compared to last year's Martinsville race, this is a 20% increase in impressions and a 50% increase in engagements.
- More than 1.4 million video views on race day led to a 110% increase in video views year over year.

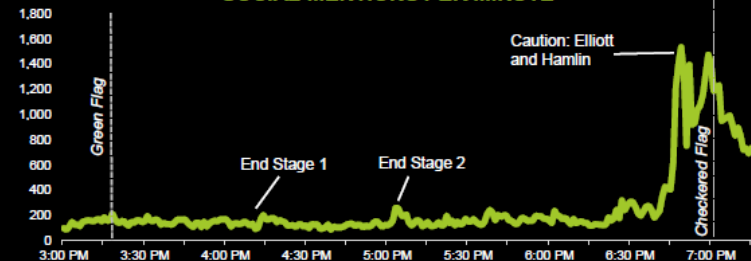
#### AVG. TV VIEWERS PER MINUTE (in thousands)



#### NASCAR.COM HOURLY VISITS



#### SOCIAL MENTIONS PER MINUTE



Sources: The Nielsen Company (Live + Same Day data stream), Adobe Analytics, NASCAR Fan & Media Engagement Center, Facebook Insights, Twitter Analytics and Nielsen Social. Social impressions on NASCAR-owned content across Facebook, Twitter and Snapchat.

Produced by NASCAR Analytics & Insights

Sprint

**MARTINSVILLE**



## *Appendix*

# Recent Financial Results<sup>(1)</sup>

(\$ in thousands except per share amounts)

	Fiscal Year Ended, November 30 <sup>th</sup>			
	<u>2015 A</u>	<u>2016 A</u>	<u>2017 Guidance</u>	
<b>Revenues</b>	\$645,370	\$658,024	\$660,000	\$670,000
<b>Operating Income</b>	\$109,815	\$110,767	\$102,300	\$113,900
<b>EBITDA before Casino</b>	\$197,712	\$212,923	\$208,000	\$218,000
<b>Net Income</b>	\$67,273	\$68,082	\$65,100	\$73,079
<b>EPS (\$)</b>	\$1.44	\$1.48	\$1.50	\$1.65
<b>Major NASCAR Events:</b>				
Monster Energy	21	21	21	
Xfinity	15	14	14	
Camping World	9	9	9	

(1) Operating Income, EBITDA, Net Income and EPS are presented using other than generally accepted accounting principals ("Non-GAAP"). Please refer to the documents filed by International Speedway Corporation with the SEC, specifically the most recent reports on Form 10-K for the GAAP to Non-GAAP reconciliation.

# NASCAR Fan Demographics<sup>(1)</sup>

## **GENDER DISTRIBUTION**

The NASCAR fan base is 62% male, 38% female

## **AGE DISTRIBUTION**

NASCAR fans are just as likely as the U.S. population to be 18-44; 40% of NASCAR fans fall in this age range

## **INCOME DISTRIBUTION**

NASCAR fans are middle class and just as affluent as the U.S. population: the average household income for NASCAR fan ~\$71,000 per year

## **PRESENCE OF CHILDREN**

NASCAR is a sport the whole family can enjoy: 1 out of 3 NASCAR households have children under the age of 18

## **GEOGRAPHIC DISTRIBUTION**

NASCAR fans live in regions that mirror the U.S. population.

## **MULTICULTURAL**

1 out of 5 NASCAR fans is multicultural

(1) Source: Nielsen Scarborough Research (USA+ Release 1, 2015)

# NASCAR Broadcast Media Performance – 2016 Season



## ❖ Monster Energy NASCAR Cup

- Ranked #1 or #2 sport of the weekend on television 17 out of 36 regular season event weekends
- Average ~4.6 million viewers tuned in per event for the season to date
- NASCAR.com had 55 million unique visitors and growth in mobile app usage / visits from key 18-34 & Hispanic demographic vs. prior year
- 11 million followers on Facebook and Twitter social media platforms generated 4.0 billion social impressions



- ❖ **NASCAR Xfinity** series is #2 Motorsport on television with ~1.4 million viewers per event for the 2016 season



- ❖ **NASCAR Camping World Truck** series is the #3 Motorsport on cable after Sprint Cup and Xfinity series with ~1 million viewers per event for the 2016 season

# 'First Family' of NASCAR



- ❖ Founded ISC in 1953
- ❖ 42% Economic Interest / 74% Voting Control
- ❖ 7 of 11 Board Members are Independent Directors

- ❖ Founded NASCAR in 1948
- ❖ 100% owned by France Family



**Lesa France Kennedy**  
ISC: CEO and Board Member  
NASCAR: Vice Chair/EVP



**James C. France**  
ISC: Chairman  
NASCAR: Vice Chair/EVP



**Brian Z. France**  
ISC: Board Member  
NASCAR: Chairman / CEO

# THE LEADER IN MOTORSPORTS ENTERTAINMENT

