Consolidated Balance Sheets

	November 30, 2003	November 30, 2004
	(In Thousands)	
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 223,973	$ 275,778
Short-term investments	201	200
Receivables, less allowance of $1,500 in 2003 and 2004	37,996	52,798
Inventories	5,496	7,267
Prepaid expenses and other current assets	4,078	5,032
Total Current Assets	271,744	341,075
Property and Equipment, net	884,623	969,095
Other Assets:		
Equity investments	33,706	38,468
Intangible assets, net	1,033	148,989
Goodwill	92,542	99,265
Other	20,144	22,618
	147,425	309,340
Total Assets	$ 1,303,792	$ 1,619,510
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Current portion of long-term debt	$ 232,963	$ 7,505
Accounts payable	15,739	28,854
Deferred income	106,998	114,518
Income taxes payable	6,877	25,241
Other current liabilities	13,928	15,078
Total Current Liabilities	376,505	191,196
Long-Term Debt	75,168	369,315
Deferred Income Taxes	113,414	165,617
Long-Term Deferred Income	11,894	11,503
Other Long-Term Liabilities	346	141
Commitments and Contingencies	-	-
Shareholders' Equity:		
Class A Common Stock, $.01 par value, 80,000,000 shares authorized; 28,359,173 and 28,858,934 issued and outstanding in 2003 and 2004, respectively	283	289
Class B Common Stock, $.01 par value, 40,000,000 shares authorized; 24,858,610 and 24,409,903 issued and outstanding in 2003 and 2004, respectively	249	244
Additional paid-in capital	694,719	696,882
Retained earnings	34,602	187,689
Accumulated other comprehensive loss	(333)	(22)
	729,520	885,082
Less unearned compensation-restricted stock	3,055	3,344
Total Shareholders' Equity	726,465	881,738
Total Liabilities and Shareholders' Equity	$ 1,303,792	$ 1,619,510

See accompanying notes

Consolidated Statements of Operations

	Year Ended November 30,		
	2002	2003	2004
	(In Thousands, Except Per Share Amounts)		
REVENUES:			
Admissions, net	$ 205,754	$ 203,699	$ 222,545
Motorsports related income	241,666	265,209	334,943
Food, beverage and merchandise income	69,516	74,075	83,236
Other income	7,230	6,072	7,124
	524,166	549,055	647,848
EXPENSES:			
Direct expenses:			
Prize and point fund monies and NASCAR sanction fees	87,388	96,882	119,322
Motorsports related expenses	94,375	97,988	113,098
Food, beverage and merchandise expenses	37,614	41,250	52,260
General and administrative expenses	76,266	82,403	90,307
Depreciation and amortization	38,184	40,860	44,443
Homestead-Miami Speedway track reconfiguration	-	2,829	-
	333,827	362,212	419,430
Operating income	190,339	186,843	228,418
Interest income	1,187	1,789	4,053
Interest expense	(24,276)	(23,179)	(21,723)
Loss on early redemption of debt	-	-	(4,988)
Equity in net income from equity investments	1,907	2,553	2,754
Income from continuing operations before income taxes and cumulative effect of accounting change	169,157	168,006	208,514
Income taxes	65,945	66,041	82,218
Income from continuing operations before cumulative effect of accounting change	103,212	101,965	126,296
(Loss) income from discontinued operations, net of income taxes of $858,000, $1.4 million and ($3.7) million	(60,962)	3,483	(6,315)
Gain on sale of discontinued operations, net of income taxes of $27.6 million	-	-	36,337
Cumulative effect of accounting change – company operations	(449,806)	-	-
Cumulative effect of accounting change – equity investment	(3,422)	-	-
Net (loss) income	$ (410,978)	$ 105,448	$ 156,318
Basic earnings per share:			
Income from continuing operations	$ 1.95	$ 1.92	$ 2.38
(Loss) income from discontinued operations	(1.15)	0.07	(0.12)
Gain on sale of discontinued operations	-	-	0.68
Cumulative effect of accounting change	(8.55)	-	-
Net (loss) income	$ (7.75)	$ 1.99	$ 2.94
Diluted earnings per share:			
Income from continuing operations	$ 1.94	$ 1.92	$ 2.37
(Loss) income from discontinued operations	(1.14)	0.06	(0.11)
Gain on sale of discontinued operations	-	-	0.68
Cumulative effect of accounting change	(8.54)	-	-
Net (loss) income	$ (7.74)	$ 1.98	$ 2.94
Dividends per share	$ 0.06	$ 0.06	$ 0.06
Basic weighted average shares outstanding	53,036,552	53,057,077	53,084,437
Diluted weighted average shares outstanding	53,101,535	53,133,282	53,182,776

See accompanying notes

Consolidated Statements of Changes in Shareholders' Equity

	Class A Common Stock $.01 Par Value	Class B Common Stock $.01 Par Value	Additional Paid-in Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive (Loss) Income	Unearned Compensation-Restricted Stock	Total Shareholders' Equity
				(In Thousands)			
Balance at November 30, 2001	$ 245	$ 287	$ 691,670	$ 346,844	$ (961)	$ (2,663)	$ 1,035,422
Comprehensive loss							
Net loss	-	-	-	(410,978)	-	-	(410,978)
Interest rate swap	-	-	-	-	87	-	87
Total comprehensive loss							(410,891)
Cash dividends ($.06 per share)	-	-	-	(3,191)	-	-	(3,191)
Restricted stock grant	-	-	1,977	-	-	(1,977)	-
Reacquisition of previously issued common stock	-	-	(515)	(316)	-	-	(831)
Conversion of Class B Common Stock to Class A Common Stock	8	(8)	-	-	-	-	-
Income tax benefit related to restricted stock plan	-	-	331	-	-	-	331
Amortization of unearned compensation	-	-	-	-	-	1,485	1,485
Balance at November 30, 2002	253	279	693,463	(67,641)	(874)	(3,155)	622,325
Comprehensive income							
Net income	-	-	-	105,448	-	-	105,448
Interest rate swap	-	-	-	-	541	-	541
Total comprehensive income							105,989
Cash dividends ($.06 per share)	-	-	-	(3,193)	-	-	(3,193)
Restricted stock grant	-	-	1,595	-	-	(1,595)	-
Reacquisition of previously issued common stock	-	-	(340)	(12)	-	-	(352)
Conversion of Class B Common Stock to Class A Common Stock	30	(30)	-	-	-	-	-
Income tax benefit related to restricted stock plan	-	-	1	-	-	-	1
Amortization of unearned compensation	-	-	-	-	-	1,695	1,695
Balance at November 30, 2003	283	249	694,719	34,602	(333)	(3,055)	726,465
Comprehensive income							
Net income	-	-	-	156,318	-	-	156,318
Interest rate swap	-	-	-	-	311	-	311
Total comprehensive income							156,629
Cash dividends ($.06 per share)	-	-	-	(3,196)	-	-	(3,196)
Exercise of stock options	-	-	442	-	-	-	442
Restricted stock grant	1	-	2,022	-	-	(2,023)	-
Reacquisition of previously issued common stock	-	-	(361)	(35)	-	-	(396)
Conversion of Class B Common Stock to Class A Common Stock	5	(5)	-	-	-	-	-
Income tax benefit related to restricted stock plan	-	-	60	-	-	-	60
Amortization of unearned compensation	-	-	-	-	-	1,734	1,734
Balance at November 30, 2004	$ 289	$ 244	$ 696,882	$ 187,689	$ (22)	$ (3,344)	$ 881,738

See accompanying notes

Consolidated Statements of Cash Flows

	Year Ended November 30, 2002	2003	2004
	(In Thousands)		
OPERATING ACTIVITIES			
Net (loss) income	$ (410,978)	$ 105,448	$ 156,318
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Depreciation and amortization	41,154	44,171	45,687
Amortization of financing costs	1,332	294	250
Amortization of unearned compensation	1,485	1,695	1,734
Deferred income taxes	29,461	38,471	52,146
Undistributed income from equity investments	(1,907)	(2,553)	(2,754)
Impairment of long-lived assets	-	-	13,217
Gain on sale of discontinued operations	-	-	(63,926)
Loss on early redemption of debt	-	-	4,988
Homestead-Miami Speedway track reconfiguration	-	2,829	-
Cumulative effect of accounting change	517,249	-	-
Other, net	(1,634)	(37)	1,028
Changes in operating assets and liabilities:			
Receivables, net	(5,415)	(7,439)	(10,959)
Inventories, prepaid expenses and other assets	2,209	(990)	(2,569)
Accounts payable and other liabilities	2,873	1,040	9,215
Deferred income	(1,759)	8,868	3,187
Income taxes payable	4,544	2,939	18,424
Net cash provided by operating activities	178,614	194,736	225,986
INVESTING ACTIVITIES			
Capital expenditures	(53,521)	(72,587)	(135,218)
Proceeds from asset disposals	3,836	178	86
Acquisition of businesses	-	-	(195,325)
Proceeds from sale of discontinued operations	-	-	100,391
Equity investment	-	-	(2,008)
Proceeds from short-term investments	400	400	400
Purchases of short-term investments	(400)	(400)	(400)
Proceeds from affiliate	4,045	4,075	-
Proceeds from STAR bonds	5,589	-	-
Proceeds from restricted investments	1,263	-	-
Other, net	(1,533)	(1,552)	(1,442)
Net cash used in investing activities	(40,321)	(69,886)	(233,516)
FINANCING ACTIVITIES			
Proceeds from long-term debt	-	-	299,570
Payment of long-term debt	(9,225)	(5,775)	(231,890)
Payment of long-term debt redemption premium	-	-	(5,340)
Deferred financing fees	-	(820)	(2,626)
Proceeds from interest rate swap	3,213	-	2,771
Cash dividends paid	(3,191)	(3,193)	(3,196)
Reacquisition of previously issued common stock	(831)	(352)	(396)
Exercise of Class A common stock options	-	-	442
Payments under credit facilities	(90,000)	-	-
Net cash (used in) provided by financing activities	(100,034)	(10,140)	59,335
Net increase in cash and cash equivalents	38,259	114,710	51,805
Cash and cash equivalents at beginning of period	71,004	109,263	223,973
Cash and cash equivalents at end of period	$ 109,263	$ 223,973	$ 275,778

See accompanying notes

Notes to Consolidated Financial Statements, November 30, 2004

NOTE 1 - DESCRIPTION OF BUSINESS, BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF BUSINESS: International Speedway Corporation, including its wholly-owned subsidiaries (collectively the "Company"), is a leading promoter of motorsports entertainment activities in the United States. As of November 30, 2004, the Company owned and/or operated eleven of the nation's major motorsports facilities as follows:

Track Name	Location	Track Length
Daytona International Speedway	Daytona Beach, Florida	2.5 Miles
Talladega Superspeedway	Talladega, Alabama	2.6 Miles
Michigan International Speedway	Brooklyn, Michigan	2.0 Miles
Richmond International Raceway	Richmond, Virginia	0.8 Miles
California Speedway	Fontana, California	2.0 Miles
Kansas Speedway	Kansas City, Kansas	1.5 Miles
Phoenix International Raceway	Phoenix, Arizona	1.0 Mile
Homestead-Miami Speedway	Homestead, Florida	1.5 Miles
Martinsville Speedway	Martinsville, Virginia	0.5 Miles
Darlington Raceway	Darlington, South Carolina	1.3 Miles
Watkins Glen International	Watkins Glen, New York	3.4 Miles

In addition, Raceway Associates, LLC ("Raceway Associates"), in which the Company holds a 37.5% indirect equity interest, owns and operates Chicagoland Speedway and Route 66 Raceway, two nationally recognized major motorsports facilities in Joliet, Illinois.

In fiscal 2004, these motorsports facilities promoted well over 100 stock car, open wheel, sports car, truck, motorcycle and other racing events, including 20 National Association for Stock Car Auto Racing ("NASCAR") NEXTEL Cup Series events, 14 NASCAR Busch Series events, nine NASCAR Craftsman Truck Series events, seven Indy Racing League ("IRL") IndyCar Series events, two National Hot Rod Association ("NHRA") POWERade drag racing series events, the premier sports car endurance event in the United States (the Rolex 24 at Daytona sanctioned by the Grand American Road Racing Association ("Grand American")) and a number of prestigious motorcycle events.

The general nature of the Company's business is a motorsports themed amusement enterprise, furnishing amusement to the public in the form of motorsports themed entertainment. The Company's motorsports event operations consist principally of racing events at these major motorsports facilities, which, in total, currently have more than one million grandstand seats. The Company also conducts, either through operations of the particular facility or through certain wholly-owned subsidiaries operating under the name "Americrown," souvenir merchandising operations, and food and beverage concession operations for customers at all of its motorsports facilities. In addition, the Company conducts catering services to customers both in suites and chalets at substantially all of its motorsports facilities. Americrown also produces and markets motorsports-related merchandise such as apparel, souvenirs and collectibles to retail customers, through internet and catalog sales and directly to dealers.

MRN Radio, the Company's proprietary radio network, produces and syndicates to radio stations the NASCAR NEXTEL Cup, NASCAR Busch and NASCAR Craftsman Truck series races and certain other races conducted at the Company's tracks, as well as some races from tracks the Company does not own. In addition, MRN Radio provides production services for NEXTEL Vision, the trackside large screen video display units, at all NASCAR NEXTEL Cup Series event weekends except at Indianapolis Motor Speedway, which is a track not owned by the Company. MRN Radio also produces and syndicates daily and weekly NASCAR racing-themed programs.

The Company owns and operates DAYTONA USA - The Ultimate Motorsports Attraction, a motorsports-themed entertainment complex and the Official Attraction of NASCAR that includes interactive media, theaters, historical memorabilia and exhibits, tours, as well as riding and driving experiences of Daytona International Speedway.

SIGNIFICANT ACCOUNTING POLICIES:

PRINCIPLES OF CONSOLIDATION: The accompanying consolidated financial statements include the accounts of International Speedway Corporation and its wholly-owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

CASH AND CASH EQUIVALENTS: For purposes of reporting cash flows, cash and cash equivalents include cash on hand, bank demand deposit accounts, overnight sweep accounts and highly liquid variable rate instruments used in the Company's cash management programs.

The Company maintained its cash and cash equivalents primarily with two financial institutions at November 30, 2004. The Company believes that it is not exposed to any significant credit risk on its cash balances due to the strength of the financial institutions.

RECEIVABLES: Receivables are stated at their estimated collectible amounts. The allowance for doubtful accounts is estimated based on historical experience of write offs and future expectations of conditions that might impact the collectibility of accounts.

INVENTORIES: Inventories of items for resale are stated at the lower of cost, determined on the first-in, first-out basis, or market.

NOTE 1 - DESCRIPTION OF BUSINESS, BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

PROPERTY AND EQUIPMENT: Property and equipment, including improvements to existing facilities, are stated at cost. Depreciation is provided for financial reporting purposes using the straight-line method over the estimated useful lives as follows:

Buildings, grandstands and tracks	10-30 years
Furniture and equipment	3-8 years

The carrying values of property and equipment are evaluated for impairment based upon expected future undiscounted cash flows. If events or circumstances indicate that the carrying value of an asset may not be recoverable, an impairment loss would be recognized equal to the difference between the carrying value of the asset and its fair value.

EQUITY INVESTMENTS: Equity investments are accounted for using the equity method of accounting. The Company's equity in the net income from equity investments is recorded as income with a corresponding increase in the investment. Dividends received reduce the investment. The Company recognizes the effects of transactions involving the sale or distribution by an equity investee of its common stock as capital transactions.

Equity investments consist of the Company's interests in Motorsports Alliance, LLC ("Motorsports Alliance") and Proximities, Inc ("Proximities").

Motorsports Alliance (owned 50% by the Company and 50% by Indianapolis Motor Speedway Corp.) owns a 75% interest in Raceway Associates. Raceway Associates owns and operates Chicagoland Speedway and Route 66 Raceway.

Proximities is developing products which are to be marketed as secure radio frequency identification (RFID) cashless payment, access control and age verification systems. These products allow customers to purchase concessions and merchandise quickly and easily using the fast, secure payment station which is linked to a pre-authorized credit card. The Company acquired an approximately 24.5% interest in Proximities in November 2004 through the purchase of Series B Preferred Stock for approximately $2.0 million. Proximities is a variable interest entity as determined in accordance with Financial Accounting Standards Board "FASB" Interpretation No. 46, "Consolidation of Variable Interest Entities." The Company does not consolidate the operations of Proximities as it is not the primary beneficiary. The company's maximum exposure to loss as a result of its involvement with Proximities consists of its equity investment at November 30, 2004 of approximately $2.0 million.

The Company's share of undistributed equity in the earnings from equity investments included in retained earnings at November 30, 2003 and 2004 was approximately $2.6 million and $5.3 million, respectively.

GOODWILL AND INTANGIBLE ASSETS: On December 1, 2001, the Company adopted Statement of Financial Accounting Standard ("SFAS") No. 142, "Goodwill and Other Intangible Assets." Under SFAS No. 142 the Company's goodwill and other intangible assets are evaluated annually for impairment, in its fiscal fourth quarter, based upon expected future discounted cash flows at the reporting unit level.

DEFERRED FINANCING FEES: Deferred financing fees are amortized over the term of the related debt and are included in other non-current assets.

DERIVATIVE FINANCIAL INSTRUMENTS: From time to time the Company utilizes interest rate swap agreements to minimize the impact of interest rate fluctuations on certain long-term borrowings with fixed and floating interest rates. All of the Company's interest rate swap agreements qualify, or have qualified, for the use of the "short-cut" method of accounting to assess hedge effectiveness in accordance with SFAS No. 133, as amended and are recognized in its consolidated balance sheet at their fair value. The differential paid or received on interest rate swap agreements is recognized as an adjustment to interest expense. The change in the fair value of the interest rate swap, which is established as an effective hedge, is included in other comprehensive income.

INCOME TAXES: Income taxes have been provided using the liability method. Under this method, deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse.

REVENUE RECOGNITION/DEFERRED INCOME: Admission income and all race-related revenue is earned upon completion of an event and is stated net of admission and sales taxes collected. Advance ticket sales and all race-related revenue on future events are deferred until earned. Revenues from the sale of merchandise to retail customers, catalog and internet sales, and direct sales to dealers are recognized at the time of the sale.

Kansas Speedway Corporation ("KSC") offers Preferred Access Speedway Seating ("PASS") agreements, which give purchasers the exclusive right and obligation to purchase KSC season-ticket packages for certain sanctioned racing events annually through fiscal year 2030, under specified terms and conditions. Among the conditions, licensees are required to purchase all season-ticket packages when and as offered each year. PASS agreements automatically terminate without refund should owners not purchase any offered season tickets.

Net fees received under PASS agreements are deferred and are amortized into income over the term of the agreements which expire in fiscal 2030. Long-term deferred income under the PASS agreements total approximately $11.1 million and $10.8 million at November 30, 2003 and 2004, respectively.

ADVERTISING EXPENSE: Advertising costs are expensed as incurred or, as in the case of race-related advertising, upon the completion of the event. Race-related advertising included in prepaid expenses and other current assets at November 30, 2003 and 2004 was approximately $419,000 and $749,000, respectively. Advertising expense from continuing operations was approximately $10.2 million, $10.7 million and $12.1 million for the years ended November 30, 2002, 2003 and 2004, respectively.

LOSS CONTINGENCIES: Legal and other costs incurred in conjunction with loss contingencies are expensed as incurred.

STOCK-BASED COMPENSATION: The Company has a long-term incentive stock plan, which is described more fully in Note 15. The Company accounts for its long-term incentive stock plan under the recognition and measurement principles of Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations. The Company recognizes stock-based employee compensation cost on its restricted shares awarded over their vesting periods in an amount equal to the fair market value of these shares on the date of award. No stock-based employee compensation cost is reflected in net income (loss) relating to stock options as all options granted under the plan have an exercise price equal to the market value of the underlying common stock on the date of grant.

Notes to Consolidated Financial Statements, November 30, 2004

NOTE 1 - DESCRIPTION OF BUSINESS, BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The following table illustrates the effect on net (loss) income and (loss) earnings per share if the Company had applied the fair value recognition provisions of SFAS No. 123, "Accounting for Stock-Based Compensation," to stock based employee compensation for the years ended November 30 (in thousands, except per share amounts):

	2002	2003	2004
Net (loss) income, as reported	$ (410,978)	$ 105,448	$ 156,318
Add: Stock-based employee compensation expense included in reported net (loss) income, net of related tax effects	912	1,034	1,051
Deduct: Stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	(1,133)	(1,256)	(1,251)
Pro forma net (loss) income	$ (411,199)	$ 105,226	$ 156,118
(Loss) earnings per share:			
Basic–as reported	$ (7.75)	$ 1.99	$ 2.94
Basic–pro forma	$ (7.75)	$ 1.98	$ 2.94
Diluted–as reported	$ (7.74)	$ 1.98	$ 2.94
Diluted–pro forma	$ (7.74)	$ 1.98	$ 2.94

USE OF ESTIMATES: The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NEW ACCOUNTING PRONOUNCEMENTS: In January 2003 and as revised in December 2003, the Financial Accounting Standards Board ("FASB") issued FASB Interpretation No. 46, "Consolidation of Variable Interest Entities." This interpretation of Accounting Research Bulletin No. 51, "Consolidated Financial Statements," addresses consolidation by business enterprises of variable interest entities. Prior to this interpretation, two enterprises generally had been included in consolidated financial statements because one enterprise controls the other through voting interests. This interpretation defines the concept of "variable interests" and requires existing unconsolidated variable interest entities to be consolidated by their primary beneficiaries if the entities do not effectively disperse the risks among the parties involved. The Company's adoption of this interpretation in fiscal 2004 did not have an impact on its financial position or results of operations.

In December 2004, the FASB issued revised SFAS No. 123R, "Share-Based Payment." SFAS No. 123R sets accounting requirements for "share-based" compensation to employees and requires companies to recognize in the income statement the grant-date fair value of stock options and other equity-based compensation. SFAS No. 123R is effective in interim or annual periods beginning after June 15, 2005. The Company will be required to adopt SFAS No. 123R in its third quarter of fiscal 2005 and currently discloses the effect on net (loss) income and (loss) earnings per share of the fair value recognition provisions of SFAS No. 123, "Accounting for Stock-Based Compensation." The Company is currently evaluating the impact of the adoption of SFAS 123R on its financial position and results of operations, including the valuation methods and support for the assumptions that underlie the valuation of the awards.

In December 2004, the FASB issued SFAS No. 153 "Exchanges of Nonmonetary Assets - An Amendment of APB Opinion No. 29." SFAS No. 153 amends APB Opinion No. 29 to eliminate the exception for nonmonetary exchanges of similar productive assets and replaces it with a general exception for exchanges of nonmonetary assets that do not have commercial substance. SFAS No. 153 is to be applied prospectively for nonmonetary exchanges occurring in fiscal periods beginning after June 15, 2005. The Company's adoption of SFAS No. 153 is not expected to have a material impact on its financial position or results of operations.

COMPARABILITY: For comparability, certain 2002 and 2003 amounts have been reclassified where appropriate to conform with the presentation in 2004.

NOTE 2 - ACCOUNTING CHANGE

The Company adopted SFAS No. 142, "Goodwill and Other Intangible Assets," in the first quarter of 2002. Based on an independent appraisal firm's valuation of the reporting unit level fair value using discounted cash flows, which reflect changes in certain assumptions after the date of the acquisitions and the identification of qualifying intangibles, the Company recorded a non-cash after tax charge of $449.8 million as a cumulative effect of accounting change for the write-off of goodwill attributable to its continuing operations in the first quarter of 2002.

Raceway Associates, which owns and operates Chicagoland Speedway and Route 66 Raceway and in which the Company holds a 37.5% indirect equity interest, also adopted SFAS No. 142 in the first quarter of 2002. During the second quarter of fiscal 2002, Raceway Associates completed the valuation of its Route 66 Raceway reporting unit using discounted cash flows, which reflect changes in certain assumptions since the date of Raceway Associates' formation, that indicated impairment of the goodwill associated with Route 66 Raceway. The Company's proportionate share of Raceway Associates' cumulative effect of accounting change related to the write-off of goodwill totaled approximately $3.4 million after-tax. In accordance with SFAS No. 3 "Reporting Accounting Changes in Interim Financial Statements" the Company recognized this impairment in the first quarter of 2002.

As a result of the adoption of SFAS No. 142 at the beginning of fiscal 2002, the accounting for goodwill and other intangible assets has been presented on a consistent basis for all periods presented in these consolidated financial statements.

NOTE 3 - EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share for the years ended November 30 (in thousands, except per share amounts):

	2002	2003	2004
Basic and diluted:			
Income from continuing operations before cumulative effect of accounting change	$ 103,212	$ 101,965	$ 126,296
(Loss) income from discontinued operations	(60,962)	3,483	(6,315)
Gain on sale of discontinued operations	-	-	36,337
Cumulative effect of accounting change	(453,228)	-	-
Net (loss) income	$ (410,978)	$ 105,448	$ 156,318
Basic earnings per share denominator:			
Weighted average shares outstanding	53,036,552	53,057,077	53,084,437
Basic earnings per share:			
Income from continuing operations before cumulative effect of accounting change	$ 1.95	$ 1.92	$ 2.38
(Loss) income from discontinued operations	(1.15)	0.07	(0.12)
Gain on sale of discontinued operations	-	-	0.68
Cumulative effect of accounting change	(8.55)	-	-
Net (loss) income	$ (7.75)	$ 1.99	$ 2.94
Diluted earnings per share denominator:			
Weighted average shares outstanding	53,036,552	53,057,077	53,084,437
Common stock options	1,763	1,650	12,123
Contingently issuable shares	63,220	74,555	86,216
Diluted weighted average shares outstanding	53,101,535	53,133,282	53,182,776
Diluted earnings per share:			
Income from continuing operations before cumulative effect of accounting change	$ 1.94	$ 1.92	$ 2.37
(Loss) income from discontinued operations	(1.14)	0.06	(0.11)
Gain on sale of discontinued operations	-	-	0.68
Cumulative effect of accounting change	(8.54)	-	-
Net (loss) income	$ (7.74)	$ 1.98	$ 2.94
Anti-dilutive shares excluded in the computation of diluted (loss) earnings per share	36,534	52,082	817

Notes to Consolidated Financial Statements, November 30, 2004

NOTE 4 - ACQUISITION OF BUSINESS

On July 13, 2004, the Company acquired the assets of Martinsville Speedway ("Martinsville") and assumed the operations as well as certain liabilities of Martinsville for approximately $194.7 million, including acquisition costs. Martinsville was privately owned, with certain members of the France Family Group, which controls in excess of 60% of the combined voting interest of the Company, owning 50% of Martinsville. The acquisition was funded by $100.4 million in proceeds from the sale of the assets of North Carolina Speedway ("North Carolina") (see Note 5) and approximately $94.3 million in cash. Martinsville's operations are included in the Company's consolidated operations subsequent to the date of acquisition.

Located in Virginia near Greensboro and Winston-Salem, Martinsville is one of only two one-half mile tracks on the NASCAR NEXTEL Cup Series circuit. It seats approximately 64,000 grandstand spectators and offers premium accommodations in the facility's 25 suites. Martinsville annually conducts two NASCAR NEXTEL Cup and NASCAR Craftsman Truck series event weekends, including one during the Chase for the NASCAR NEXTEL Cup, which is included in the Company's fiscal 2004 fourth quarter operations. In addition, Martinsville hosts a NASCAR Late Model Stock Car event annually.

These events strengthen the Company's presence in the motorsports industry and afford the Company further expansion opportunities in terms of seat and suite additions, as well as increased fan amenities.

The purchase price for the Martinsville acquisition was allocated to the assets acquired and liabilities assumed based upon their fair market values at the acquisition date, as determined by an independent appraisal. Included in this acquisition were certain indefinite-lived intangible assets attributable to the NASCAR sanction agreements in place at the time of acquisition and goodwill. The intangible assets and goodwill are included in the Motorsports Event segment. All of the goodwill attributable to the acquisition is expected to be deductible for income tax purposes. As this acquisition is not considered significant, pro forma financial information is not presented. The purchase price allocation to the significant assets acquired is as follows (in thousands):

Property and equipment	$ 34,278
Intangible assets	148,000
Goodwill	12,442

NOTE 5 – DISCONTINUED OPERATIONS AND IMPAIRMENT OF LONG-LIVED ASSETS

As required by the settlement agreement in the Ferko/Vaughn litigation ("Settlement Agreement") (see Note 11 - Terminated Litigation) dated April 8, 2004, the Company's North Carolina Speedway, Inc. subsidiary entered into an Asset Purchase Agreement with Speedway Motorsports, Inc. ("SMI") for the sale of the tangible and intangible assets and operations of North Carolina. Under the terms of the Settlement Agreement, SMI's subsidiary purchased North Carolina's assets and assumed its operations for approximately $100.4 million in cash. The sale of North Carolina's assets closed on July 1, 2004 and the Company recorded an after-tax gain in the third quarter of fiscal 2004 of approximately $36.3 million.

SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," requires impairment losses equal to the difference between the carrying value of the asset and its fair value to be recognized for long-lived assets, if events or circumstances indicate that the carrying value of an asset may not be recoverable. In May 2004, the Company announced its intention to request realignment of the NASCAR Busch Series and Indy Racing League IndyCar Series events, currently conducted at Nazareth Speedway ("Nazareth"), to other motorsports facilities within its portfolio starting in fiscal 2005 and its intention to suspend indefinitely major motorsports event operations at the facility after completion of its fiscal 2004 events. The Company believes that it can more successfully grow these events over the long term at a facility other than Nazareth. For the 2005 event season, the aforementioned events have been realigned to the Company's Watkins Glen facility.

The realignment of the events conducted at Nazareth and the indefinite suspension of major motorsports event operations at the facility are expected to have a significant adverse effect on Nazareth's future revenues and cash flows. As a result of these changes in Nazareth's operations, in the second quarter of fiscal 2004, a detailed analysis of Nazareth's long-lived assets and their estimated future undiscounted cash flows was completed. The projected undiscounted cash flows were not sufficient to recover the carrying amount of Nazareth's property and equipment. The Company evaluated Nazareth's long-lived assets' estimated fair value using a discounted cash flow assessment as well as comparable prices for similar property, which resulted in the identification and measurement of an impairment loss of approximately $13.2 million, or $0.16 per diluted share. During the fourth quarter of fiscal 2004, the Company decided to pursue the sale of its Nazareth property.

The operations of North Carolina and Nazareth were included in the Motorsports Event segment. In accordance with SFAS No. 144, the results of operations of North Carolina and Nazareth, including the gain on sale of North Carolina and the impairment loss at Nazareth described above, are presented as discontinued operations in all periods presented. During the years ended November 30, 2002, 2003 and 2004, total revenues recognized by North Carolina and Nazareth were approximately $26.4 million, $26.9 million and $17.0 million, respectively, and pre-tax income (loss) was approximately $3.9 million, $4.9 million and ($10.0) million, respectively. North Carolina's and Nazareth's assets held for sale included in property and equipment, net of accumulated depreciation, totaled approximately $53.0 million and $8.3 million at November 30, 2003 and 2004, respectively. In addition, goodwill attributable to North Carolina totaled approximately $6.2 million at November 30, 2003. Unless indicated otherwise, all disclosures in the notes to the consolidated financial statements relate to continuing operations.

NOTE 6 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of November 30 (in thousands):

	2003	2004
Land and leasehold improvements	$ 230,773	$ 244,186
Buildings, grandstands and tracks	766,353	797,944
Furniture and equipment	103,120	110,310
Construction in progress	20,049	82,144
	1,120,295	1,234,584
Less accumulated depreciation	235,672	265,489
	$ 884,623	$ 969,095

Depreciation expense from continuing operations was approximately $38.1 million, $40.8 million and $44.4 million for the years ended November 30, 2002, 2003 and 2004, respectively.

NOTE 7 - GOODWILL AND INTANGIBLE ASSETS

The gross carrying value and accumulated amortization of the major classes of intangible assets relating to the Motorsports Event segment as of November 30 are as follows (in thousands):

		2003	
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortized intangible assets:			
Food, beverage and merchandise contracts	$ 276	$ 44	$ 232
Total amortized intangible assets	276	44	232
Non-amortized intangible assets:			
Water rights	535	-	535
Liquor licenses	266	-	266
Total non-amortized intangible assets	801	-	801
Total intangible assets	$ 1,077	$ 44	$ 1,033

		2004	
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortized intangible assets:			
Food, beverage and merchandise contracts	$ 276	$ 88	$ 188
Total amortized intangible assets	276	88	188
Non-amortized intangible assets:			
NASCAR sanction agreements	148,000	-	148,000
Water rights	535	-	535
Liquor licenses	266	-	266
Total non-amortized intangible assets	148,801	-	148,801
Total intangible assets	$149,077	$ 88	$148,989

Notes to Consolidated Financial Statements, November 30, 2004

NOTE 7 - GOODWILL AND INTANGIBLE ASSETS (continued)

The following table presents current and expected amortization expense of the existing intangible assets as of November 30, for each of the following periods (in thousands):

Aggregate amortization expense:	
For the year ended November 30, 2004	$ 44
Estimated amortization expense for the year ending November 30:	
2005	55
2006	43
2007	43
2008	43
2009	1

The changes in the carrying value of goodwill are as follows (in thousands):

Balance at November 30, 2003	$ 92,542
Acquisition of businesses	12,902
Sale of discontinued operations	(6,179)
Balance at November 30, 2004	$ 99,265

NOTE 8 - LONG-TERM DEBT

Long-term debt consists of the following as of November 30 (in thousands):

	2003	2004
7.875% Senior Notes	$ 226,226	$ -
7.875% Senior Notes, interest rate swap	(153)	-
4.20% Senior Notes due 2009	-	151,679
5.40% Senior Notes due 2014	-	149,894
TIF bond debt service funding commitment	68,558	68,247
Term Loan	13,500	7,000
	308,131	376,820
Less: current portion	232,963	7,505
	$ 75,168	$ 369,315

Schedule of Payments (in thousands)

For the year ending November 30:	
2005	$ 7,505
2006	635
2007	770
2008	915
2009	151,075
Thereafter	215,595
	376,495
Net premium	325
Total	$ 376,820

NOTE 8 - LONG-TERM DEBT (continued)

On April 23, 2004, the Company completed an offering of $300.0 million principal amount of unsecured senior notes in a private placement. On September 27, 2004, the Company completed an offer to exchange these unsecured senior notes for registered senior notes with substantially identical terms (“2004 Senior Notes”). At November 30, 2004, outstanding 2004 Senior Notes totaled approximately $301.6 million, net of unamortized discounts and premium, which is comprised of $150.0 million principal amount unsecured senior notes, which bear interest at 4.2% and are due April 2009 (“4.2% Senior Notes”), and $150.0 million principal amount unsecured senior notes, which bear interest at 5.4% and are due April 2014. The 2004 Senior Notes require semi-annual interest payments beginning October 15, 2004 through their maturity. The 2004 Senior Notes may be redeemed in whole or in part, at the option of the Company, at any time or from time to time at redemption prices as defined in the indenture. The Company’s subsidiaries are guarantors of the 2004 Senior Notes. The 2004 Senior Notes also contain various restrictive covenants. Total gross proceeds from the sale of the 2004 Senior Notes were $300.0 million, net of discounts of approximately $431,000 and approximately $2.6 million of deferred financing fees. The deferred financing fees will be treated as additional interest expense and amortized over the life of the 2004 Senior Notes on a straight line method, which approximates the effective yield method. In March 2004, the Company entered into interest rate swap agreements to effectively lock in the interest rate on approximately $150.0 million of the 4.2% Senior Notes. The Company terminated these interest rate swap agreements on April 23, 2004 and received approximately $2.2 million, which is being amortized over the life of the 4.2% Senior Notes.

In January 2004, the Company terminated the interest rate swap agreement on the 7.875% senior notes (“1999 Senior Notes”) and received approximately $544,000, which was being amortized over the remaining life of the 1999 Senior Notes. On May 28, 2004, the Company used the net proceeds from the 2004 Senior Notes to redeem and retire all outstanding $225.0 million principal amount of the 1999 Senior Notes, which were due October 15, 2004, including the payment of a redemption premium in the amount of approximately $5.3 million and accrued interest. The net redemption premium, associated unamortized net deferred financing costs, unamortized original issuance discount and unamortized deferred gain related to previously deferred interest rate swap terminations, associated with the 1999 Senior Notes were recorded as a net loss on early redemption of debt totaling approximately $5.0 million in May 2004.

In January 1999, the Unified Government of Wyandotte County/Kansas City, Kansas (“Unified Government”), issued approximately $71.3 million in taxable special obligation revenue (“TIF”) bonds in connection with the financing of construction of Kansas Speedway. At November 30, 2004, outstanding TIF bonds totaled approximately $68.2 million, net of the unamortized discount, which is comprised of a $19.8 million principal amount, 6.15% term bond due December 1, 2017 and $49.7 million principal amount, 6.75% term bond due December 1, 2027. The TIF bonds are repaid by the Unified Government with payments made in lieu of property taxes (“Funding Commitment”) by the Company’s wholly-owned subsidiary, KSC. Principal (mandatory redemption) payments per the Funding Commitment are payable by KSC on October 1 of each year. The semi-annual interest component of the Funding Commitment is payable on April 1 and October 1 of each year. KSC granted a mortgage and security interest in the Kansas project for its Funding Commitment obligation. The bond financing documents contain various restrictive covenants. The Company has agreed to guarantee KSC’s Funding Commitment until certain financial conditions have been met.

The Company has a $300.0 million revolving credit facility (“Credit Facility”), which is scheduled to mature in September 2008 and accrues interest at LIBOR plus 62.5–150 basis points, based on the Company’s highest debt rating as determined by specified rating agencies. At November 30, 2004, the Company did not have any borrowings outstanding under the Credit Facility. The Credit Facility contains various restrictive covenants.

The Company’s wholly-owned subsidiary, Homestead-Miami Speedway (“Miami”), has a $7.0 million term loan (“Term Loan”), which is guaranteed by the Company and has the same restrictive covenants as the Credit Facility. The final payment under the Term Loan was paid on December 31, 2004. The Company’s Miami subsidiary had an interest rate swap agreement that effectively fixed the floating rate on the outstanding balance under the Term Loan at 5.6% plus 50–100 basis points, based on certain consolidated financial criteria of the Company. This interest rate swap expired on December 31, 2004.

Total interest from continuing operations incurred by the Company was approximately $24.3 million, $23.2 million and $21.7 million for the years ended November 30, 2002, 2003 and 2004, respectively. Total interest capitalized from continuing operations for the years ended November 30, 2002, 2003 and 2004 was approximately $415,000 and $794,000 and $1.6 million, respectively.

Financing costs of approximately $6.8 million and $7.8 million, net of accumulated amortization, have been deferred and are included in other assets at November 30, 2003 and 2004, respectively. These costs are being amortized on a straight line method, which approximates the effective yield method, over the life of the related financing.

Notes to Consolidated Financial Statements, November 30, 2004

NOTE 9 - FEDERAL AND STATE INCOME TAXES

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of the provision for income taxes from continuing operations for the years ended November 30, are as follows (in thousands):

	2002	2003	2004
Current tax expense:			
Federal	$ 28,940	$ 23,833	$ 46,839
State	7,510	4,054	6,311
Deferred tax expense:			
Federal	29,134	36,029	26,327
State	361	2,125	2,741
Provision for income taxes	$ 65,945	$ 66,041	$ 82,218

The reconciliation of income tax computed at the federal statutory tax rates to income tax expense from continuing operations for the years ended November 30, is as follows (percent of pre-tax income):

	2002	2003	2004
Income tax computed at federal statutory rates	35.0%	35.0%	35.0%
State income taxes, net of federal tax benefit	3.5	3.1	3.4
Other, net	0.5	1.2	1.0
	39.0%	39.3%	39.4%

The components of the net deferred tax assets (liabilities) at November 30, are as follows (in thousands):

	2003	2004
Amortization and depreciation	$ 38,527	$ 32,911
Deferred revenues	4,315	4,240
Deferred expenses	2,454	2,795
Compensation related	1,759	2,247
Loss carryforwards	2,840	1,995
Accruals	1,808	1,854
Other	199	142
Deferred tax assets	51,902	46,184
Amortization and depreciation	(157,664)	(202,057)
Equity investment	(7,322)	(9,263)
Other	(330)	(481)
Deferred tax liabilities	(165,316)	(211,801)
Net deferred tax liabilities	$ (113,414)	$ (165,617)

The Company has recorded deferred tax assets related to various state net operating loss carryforwards totaling approximately $54.6 million that expire in varying amounts beginning in fiscal 2019.

NOTE 10 - CAPITAL STOCK

The Company's authorized capital includes 80 million shares of Class A Common Stock, par value $.01 ("Class A Common Stock"), 40 million shares of Class B Common Stock, par value $.01 ("Class B Common Stock"), and 1 million shares of Preferred Stock, par value $.01 ("Preferred Stock"). The shares of Class A Common Stock and Class B Common Stock are identical in all respects, except for voting rights and certain dividend and conversion rights as described below. Each share of Class A Common Stock entitles the holder to one-fifth (1/5) vote on each matter submitted to a vote of the Company's shareholders and each share of Class B Common Stock entitles the holder to one (1) vote on each such matter, in each case including the election of directors. Holders of Class A Common Stock and Class B Common Stock are entitled to receive dividends at the same rate if and when declared by the Board of Directors out of funds legally available therefrom, subject to the dividend and liquidation rights of any Preferred Stock that may be issued and outstanding. Class A Common Stock has no conversion rights. Class B Common Stock is convertible into Class A Common Stock, in whole or in part, at any time at the option of the holder on the basis of one share of Class A Common Stock for each share of Class B Common Stock converted. Each share of Class B Common Stock will also automatically convert into one share of Class A Common Stock if, on the record date of any meeting of the shareholders, the number of shares of Class B Common Stock then outstanding is less than 10% of the aggregate number of shares of Class A Common Stock and Class B Common Stock then outstanding.

The Board of Directors of the Company is authorized, without further shareholder action, to divide any or all shares of the authorized Preferred Stock into series and fix and determine the designations, preferences and relative rights and qualifications, limitations or restrictions thereon of any series so established, including voting powers, dividend rights, liquidation preferences, redemption rights and conversion privileges. No shares of Preferred Stock are outstanding. The Board of Directors has not authorized any series of Preferred Stock, and there are no plans, agreements or understandings for the authorization or issuance of any shares of Preferred Stock.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

International Speedway Corporation has a salary incentive plan (the "ISC Plan") designed to qualify under Section 401(k) of the Internal Revenue Code. Employees of International Speedway Corporation and certain participating subsidiaries who have completed one month of continuous service are eligible to participate in the ISC Plan. After twelve months of continuous service, matching contributions are made to a savings trust (subject to certain limits) concurrent with employees' contributions. The level of the matching contribution depends upon the amount of the employee contribution. Employees become 100% vested upon entrance to the ISC Plan. The contribution expense from continuing operations for the ISC Plan was approximately $1.2 million, $1.2 million and $1.3 million, for the years ended November 30, 2002, 2003 and 2004, respectively.

The estimated cost to complete approved projects and current construction in progress at November 30, 2004 at the Company's existing facilities is approximately $110.7 million.

In October 2002, the Unified Government issued additional subordinate sales tax special obligation revenue bonds ("2002 STAR Bonds") totaling approximately $6.3 million to reimburse the Company for certain construction already completed on the second phase of the Kansas Speedway project and to fund certain additional construction. The 2002 STAR Bonds will be retired with state and local taxes generated within the speedway's boundaries and are not the Company's obligation. KSC has agreed to guarantee the payment of principal, any required premium and interest on the 2002 STAR Bonds. At November 30, 2004, the Unified Government had $5.8 million outstanding on 2002 STAR Bonds. Under a keepwell agreement, the Company has agreed to provide financial assistance to KSC, if necessary, to support KSC's guarantee of the 2002 STAR Bonds.

The Company is a member of Motorsports Alliance (owned 50% by the Company and 50% by Indianapolis Motor Speedway Corp.), which owns 75% of Raceway Associates. Raceway Associates owns and operates Chicagoland Speedway and Route 66 Raceway. Raceway Associates has a term loan arrangement, which requires quarterly principal and interest payments and matures November 15, 2012, and a $15 million secured revolving credit facility, which matures September 15, 2005. At November 30, 2004, Raceway Associates had approximately $38.0 million outstanding under its term loan and no borrowings outstanding under its credit facility. Under a keepwell agreement, the members of Motorsports Alliance have agreed to provide financial assistance to Raceway Associates, if necessary, on a pro rata basis to support performance under its term loan and credit facility.

The Company operates Miami under an operating agreement which expires December 31, 2032 and provides for subsequent renewal terms through December 31, 2075. The Company also has various operating leases for office space and equipment. The future minimum payments under the operating agreement and leases utilized by the Company having initial or remaining noncancellable terms in excess of one year at November 30, 2004, are as follows (in thousands):

For the year ending November 30:	Track Operating Agreement	Operating Leases
2005	$ 2,220	$ 2,878
2006	2,220	2,094
2007	2,220	990
2008	2,220	577
2009	2,220	435
Thereafter	31,440	2,932
Total	$ 42,540	$ 9,906

Notes to Consolidated Financial Statements, November 30, 2004

NOTE 11 - COMMITMENTS AND CONTINGENCIES (continued)

Total expenses incurred from continuing operations under the track operating agreement, these operating leases and all other rentals during the years ended November 30, 2002, 2003 and 2004 were $11.3 million, $12.2 million and $14.9 million, respectively.

In connection with the Company's automobile and workers' compensation insurance coverages and certain construction contracts, the Company has standby letter of credit agreements in favor of third parties. The letters of credit, which expire on December 15, 2005, increase to a maximum of approximately $1.8 million and are automatically renewed on an annual basis. At November 30, 2004, there were no amounts drawn on the standby letters of credit.

The Internal Revenue Service (the "Service") is currently performing a periodic examination of the Company's federal income tax returns for the years ended November 30, 1999 through 2003 and is examining the tax depreciation treatment for a significant portion of its motorsports entertainment facility assets. In accordance with SFAS No. 109 "Accounting for Income Taxes" the Company has accrued a deferred tax liability based on the difference between its financial reporting and tax bases of such assets (See Note 8). The Company believes that its application of the federal income tax regulations in question, which have been applied consistently since being adopted in 1986 and have been subjected to previous Service audits, is appropriate, and intends to vigorously defend the merits of its position, if necessary. While an adverse resolution of these matters could result in a material negative impact on cash flow, the Company believes that it has provided adequate reserves in its consolidated financial statements as of November 30, 2004 and, as a result, does not expect that such an outcome would have a material adverse impact on results of operations. The Company believes that its existing cash, cash equivalents and short-term investments, combined with the cash provided by current operations and available borrowings under its Credit Facility will be sufficient to fund its: (i) operations and approved capital projects at existing facilities for the foreseeable future; (ii) payments required in connection with the funding of the Unified Government's debt service requirements related to the TIF bonds; (iii) payments related to its existing debt service commitments; (iv) any potential payments associated with its keepwell agreements; and (v) any adjustment that may ultimately occur as a result of the examination by the Service.

The Company is from time to time a party to routine litigation incidental to its business. Management does not believe that the resolution of any or all of such litigation will have a material adverse effect on the Company's financial condition or results of operations.

In addition to such routine litigation incident to its business, the Company was a party to the legal proceedings described below.

Terminated Litigation

In February 2002, the Company was served in a proceeding filed in the United States District Court for the Eastern District of Texas. The case was styled *Francis Ferko, and Russell Vaughn as Shareholders of Speedway Motorsports, Inc. vs. National Association of [sic] Stock Car Auto Racing, Inc., International Speedway Corporation, and Speedway Motorsports, Inc.* The overall gist of the allegations contained in the complaint was that Texas Motor Speedway should have a second NASCAR Winston Cup Series date annually and that NASCAR should be required by the court to grant Texas Motor Speedway a second NASCAR Winston Cup Series date annually. The portion of the complaint that included the Company alleged that it conspired with NASCAR and members of the France Family to "refuse to offer a new Winston Cup race date to any non-ISC owned track whenever ISC has desired to host an additional Winston Cup race." The complaint sought unspecified monetary damages from the Company, which were claimed to have resulted to Speedway Motorsports from the alleged conspiracy as well as treble damages under the anti-trust laws. Through the Company's participation in court ordered mediation, the terms of the Settlement Agreement were reached in April 2004. Upon the satisfaction of certain preconditions to the Settlement Agreement becoming effective it was filed with the court in May 2004. The Settlement Agreement was approved by the court on July 1, 2004. Pursuant to the terms of the Settlement Agreement, the Company's North Carolina Speedway, Inc. subsidiary sold North Carolina's tangible and intangible assets and operations to a subsidiary of Speedway Motorsports for $100.4 million on July 1, 2004. The Settlement Agreement approved by the Court releases ISC and NASCAR from all claims related to the litigation. The released claims include, but are not limited to, allegations or assertions with respect to the awarding and/or sanctioning of races, the effect of the common control of NASCAR and ISC residing in the France Family Group and the market power either individually or jointly of NASCAR and ISC.

NOTE 12 - RELATED PARTY DISCLOSURES AND TRANSACTIONS

All of the racing events that take place during the Company's fiscal year are sanctioned by various racing organizations such as the American Historic Racing Motorcycle Association ("AHRMA"), the American Motorcyclist Association ("AMA"), the Automobile Racing Club of America ("ARCA"), the Clear Channel - Championship Cup Series ("CCS"), the Federation Internationale de l'Automobile ("FIA"), the Federation Internationale Motocycliste ("FIM"), Grand American, Historic Sportscar Racing ("HSR"), the International Race of Champions ("IROC"), IPOWERacing, IRL, NASCAR, the National Hot Rod Association ("NHRA"), the Sports Car Club of America ("SCCA"), the Sportscar Vintage Racing Association ("SVRA"), the United States Auto Club ("USAC") and the World Karting Association ("WKA"). NASCAR, which sanctions some of the Company's principal racing events, is a member of the France Family Group, which controls in excess of 60% of the combined voting power of the outstanding stock of the Company, and some members of which serve as directors and officers of the Company. Standard NASCAR sanction agreements require racetrack operators to pay sanction fees and prize and point fund monies for each sanctioned event conducted. The prize and point fund monies are distributed by NASCAR to participants in the events. Prize and point fund monies paid by the Company to NASCAR from continuing operations for disbursement to competitors, which are exclusive of NASCAR sanction fees, totaled approximately $75.1 million, $83.1 million and $102.5 million for the years ended November 30, 2002, 2003 and 2004, respectively. Prize and point fund monies paid by the Company to NASCAR for disbursement to competitors for events at North Carolina and Nazareth included in discontinued operations totaled approximately $8.2 million, $9.0 million and $5.4 million for the years ended November 30, 2002, 2003 and 2004, respectively.

NOTE 12 - RELATED PARTY DISCLOSURES AND TRANSACTIONS (continued)

NASCAR contracts directly with certain network providers for television rights to the entire NASCAR NEXTEL Cup and NASCAR Busch series schedules. Event promoters share in the television rights fees in accordance with the provision of the sanction agreement for each NASCAR NEXTEL Cup and NASCAR Busch series event. Under the terms of this arrangement, NASCAR retains 10% of the gross broadcast rights fees allocated to each NASCAR NEXTEL Cup or NASCAR Busch series event as a component of its sanction fees and remits the remaining 90% to the event promoter. The event promoter pays 25% of the gross broadcast rights fees allocated to the event as part of the previously discussed prize money paid to NASCAR for disbursement to competitors. The Company's television broadcast and ancillary rights fees from continuing operations received from NASCAR for the NASCAR NEXTEL Cup and NASCAR Busch series events conducted at its wholly-owned facilities were $120.5 million, $140.8 million and $188.9 million in fiscal years 2002, 2003 and 2004, respectively. Television broadcast and ancillary rights fees received from NASCAR for the NASCAR NEXTEL Cup and NASCAR Busch series events held at North Carolina and the NASCAR Busch Series event held at Nazareth and included in discontinued operations totaled approximately $12.7 million, $14.9 million and $9.3 million for the years ended November 30, 2002, 2003 and 2004, respectively.

In addition, NASCAR and the Company share a variety of expenses in the ordinary course of business. NASCAR pays rent, as well as a related maintenance fee (allocated based on square footage), to the Company for office space in the Company's corporate office complex in Daytona Beach, Florida. The Company paid rent to NASCAR for office space in Charlotte, North Carolina and New York, New York through mid-fiscal 2002. These rents are based upon estimated fair market lease rates for comparable facilities. NASCAR pays the Company for various tickets and credentials, program advertising, catering services, suites, participation in a NASCAR racing event banquet, exhibit and display space, track and other equipment rentals based on similar prices paid by unrelated, third party purchasers of similar items. The Company pays NASCAR for certain advertising, participation in NASCAR racing series banquets and the use of NASCAR trademarks and intellectual images and rents production space for NEXTEL Vision based on similar prices paid by unrelated, third party purchasers of similar items. NASCAR also reimburses the Company for 50% of the compensation paid to certain personnel working in the Company's legal, risk management and transportation departments, as well as 50% of the compensation expense associated with certain receptionists. The Company reimburses NASCAR for 50% of the compensation paid to two of the personnel working in NASCAR's legal department. The Company's payments to NASCAR for MRN Radio's broadcast rights to NASCAR Craftsman Truck races represents an agreed-upon percentage of the Company's advertising revenues attributable to such race broadcasts. NASCAR's reimbursement for use of the Company's telephone system, mailroom, janitorial services, security services, catering, graphic arts, photo and publishing services, and the Company's reimbursement of NASCAR for use of corporate aircraft, is based on actual usage or an allocation of total actual usage. The aggregate amount received from NASCAR by the Company for shared expenses, net of amounts paid by the Company for shared expenses, totaled approximately $1.8 million, $2.4 million and $1.2 million during fiscal 2002, 2003 and 2004, respectively.

Grand American sanctions various events at certain of the Company's facilities. While certain officers and directors of the Company are equity investors in Grand American, no officer or director has more than a 10% equity interest. In addition, certain officers and directors of the Company, representing a non-controlling interest, serve on Grand American's Board of Managers. Standard Grand American sanction agreements require racetrack operators to pay sanction fees and prize and point fund monies for each sanctioned event conducted. The prize and point fund monies are distributed by Grand American to participants in the events. Sanction fees paid by the Company to Grand American totaled approximately $1.3 million, $1.3 million and $924,000 for the years ended November 30, 2002, 2003 and 2004, respectively.

In addition, Grand American and the Company share a variety of expenses in the ordinary course of business. Grand American pays rent to the Company for office space in the Company's corporate office complex in Daytona Beach, Florida. These rents are based upon estimated fair market lease rates for comparable facilities. Grand American purchases various program advertising, sponsorship, catering services, hospitality and track and equipment rentals from the Company based on similar prices paid by unrelated, third party purchasers of similar items. The Company pays Grand American for the use of Grand American's trademarks based on similar prices paid by unrelated, third party purchasers of similar items. Grand American's reimbursement for use of the Company's telephone system, mailroom, security, graphic arts, photo and publishing services is based on actual usage or an allocation of total actual usage. The aggregate amount received from Grand American by the Company for shared expenses, net of amounts paid by the Company for shared expenses, totaled approximately $237,000, $205,000 and $226,000 during fiscal 2002, 2003 and 2004, respectively.

The Company strives to ensure, and management believes that, the terms of the Company's transactions with NASCAR and Grand American are no less favorable to the Company than could be obtained in arms-length negotiations. White River Investment Limited Partnership and Western Opportunity Limited Partnership, both members of the France Family Group, were among the selling shareholders in the Company's secondary offering of Class A Common Stock, which closed in May 2003. In connection with that secondary offering all of the selling shareholders had agreed to fully reimburse the Company for all expenses in excess of approximately $75,000, which were associated with the offering. Following the closing of that secondary offering, in accordance with an allocation agreed among all the selling shareholders, and as a result of the reimbursement arrangement, the Company invoiced and White River Investment Limited Partnership and Western Opportunity Limited Partnership reimbursed the Company approximately $295,000 and $85,000, respectively, for expenses incurred by the Company as a result of that secondary offering. In addition, certain members of the France Family Group paid the Company for the utilization of security services, purchase of catering services, event tickets, maintenance services, event planning and certain equipment. In fiscal 2003, the Company purchased a vehicle from a France Family Group member. During fiscal 2004, the Company provided publishing and distribution services for Game Change Marketing, LLC and tickets to Brand Sense Marketing, which are companies owned by a France Family Group member and leased certain parcels of land from WCF and JCF, LLC, which is owned by France Family Group members. The land parcels are used primarily for parking during the events held at Martinsville Speedway. The amounts paid for these items were based on actual costs incurred, similar prices paid by unrelated third party purchasers of similar items or estimated fair market values. The aggregate amount received by the Company for these items, net of amounts paid, totaled approximately $23,000, $77,000 and $266,000 during fiscal 2002, 2003 and 2004, respectively.

Notes to Consolidated Financial Statements, November 30, 2004

NOTE 12 - RELATED PARTY DISCLOSURES AND TRANSACTIONS (continued)

The Company has collateral assignment split-dollar insurance agreements covering the lives of William C. France and James C. France and their respective spouses. Pursuant to the agreements, the Company advanced the annual premiums of approximately $1.2 million each year for a period of eight years which ended in fiscal 2002. Upon surrender of the policies or payment of the death benefits thereunder, the Company is entitled to repayment of an amount equal to the cumulative premiums previously paid by the Company. The Company may cause the agreements to be terminated and the policies surrendered at any time after the cash surrender value of the policies equals the cumulative premiums advanced under the agreements. The Company recorded the insurance expense net of the increase in cash surrender value of the policies associated with these agreements.

Crotty & Bartlett, P.A., a law firm controlled by siblings of W. Garrett Crotty, one of the Company's executive officers, leases office space located in the Company's corporate office complex in Daytona Beach, Florida. The Company engages Crotty & Bartlett for certain legal and consulting services. The aggregate amount paid to Crotty & Bartlett by the Company for legal and consulting services, net of amounts received by the Company for leased office space, totaled approximately $73,000, $96,000 and $119,000 during fiscal 2002, 2003 and 2004, respectively.

J. Hyatt Brown, one of the Company's directors, serves as President and Chief Executive Officer of Brown & Brown, Inc. ("Brown"). Brown has received commissions for serving as the Company's insurance broker for several of the Company's insurance policies, including the Company's property and casualty policy, certain employee benefit programs and the split-dollar arrangements established for the benefit of William C. France, James C. France and their respective spouses. The aggregate commissions received by Brown in connection with the Company's policies were approximately $475,000, $443,000 and $390,000 during fiscal 2002, 2003 and 2004, respectively.

Kinsey, Vincent Pyle, L.C., a law firm that Christy F. Harris, one of the Company's directors, joined in fiscal 2004, provided legal services to the Company during fiscal 2004. The Company paid approximately $301,000 for these services, which were charged to the Company on the same basis as those provided other clients.

Chapman J. Root, II, one of the Company's directors until June 15, 2003, was a control person and affiliate of the Root Company, Inc., Root Communications Group and various other entities, including the operations of various radio stations which purchase broadcasting rights to certain programs and live events produced by MRN Radio. The price paid by these radio stations for the broadcast rights are established on the same basis as the price paid by other radio stations for similar broadcasts and in similar markets. The amounts paid by these entities to MRN Radio for the broadcast rights were approximately $8,000 during fiscal 2002. There were no amounts paid by these entities to MRN Radio for the broadcast rights during fiscal 2003 prior to the end of Mr. Root's directorship.

Walter P. Czarnecki, one of the Company's directors until April 9, 2003, owns Raceway Services, which purchases tickets and hospitality suite occupancy to events at many of the Company's facilities. The price paid by Raceway Services for these items is established on the same basis as the price paid by other purchasers to the same events without regard to Mr. Czarnecki's previous status as a director. The amounts paid by Raceway Services to the Company totaled approximately $376,000 and $120,000, during fiscal 2002 and 2003 (prior to the end of Mr. Czarnecki's directorship), respectively.

Raceway Associates is owned 75% by Motorsports Alliance and 25% by the former owners of the Route 66 Raceway, LLC. Edward H. Rensi, a director of the Company, owns approximately 1.28% of Raceway Associates. The Company owns an indirect equity investment in Chicagoland Speedway through the Company's equity investment in Motorsports Alliance. The Company pays Chicagoland Speedway a rights fee to sell programs and radio broadcasts and in fiscal 2003 and 2004, additional rights fees to sell merchandise as well as in fiscal 2004 rights fees for advertising related to the events held at the facility. Chicagoland pays the Company for the purchase of programs and for costs related to the use of the Company's jet dryers at its events. The net amounts paid by the Company were approximately $57,000, $629,000 and $621,000 during fiscal 2002, 2003 and 2004, respectively.

Pursuant to the merger agreement for the PMI acquisition, the Company originally was obligated to place up to three individuals designated by Penske Performance, Inc., on its board of directors and to include such designees as nominees recommended by the Company's Board of Directors at future elections of directors by shareholders, based upon the amount of Company stock held by Penske Performance, Inc. As the holdings of Penske Performance, Inc. have fallen to less than 2% percent of the aggregate shares of the Company's outstanding Class A and Class B Common Stock, the Company is no longer obligated to include any individuals designated by Penske Performance, Inc. as nominees for the Company's board of directors. Until April 2003, Messrs. *Roger S. Penske, Gregory W. Penske and Walter P. Czarnecki* were the designees of Penske Performance, Inc. serving on the Company's Board of Directors. Mr. Gregory W. Penske remains on the Company's Board of Directors. Penske Performance, Inc. is wholly-owned by Penske Corporation. Messrs. Roger S. Penske and Czarnecki were also officers and directors of Penske Performance, Inc. and other Penske Corporation affiliates. Mr. Gregory W. Penske is also an officer and director of Penske Performance, Inc. and other Penske Corporation affiliates, as well as the son of Roger S. Penske. Roger S. Penske beneficially owns a majority of

NOTE 12 - RELATED PARTY DISCLOSURES AND TRANSACTIONS (continued)

the voting stock of and controls Penske Corporation and its affiliates. The Company rented Penske Corporation and its affiliates certain facilities for a driving school and sold hospitality suite occupancy and related services, merchandise and accessories to Penske Corporation, its affiliates and other related companies. In a special promotional arrangement designed to grow demand while maintaining price integrity, the Company sold approximately 8,000 tickets for certain events at discounts greater than those afforded any other ticket purchaser to Penske Automotive Group, one of the largest automobile retailers in Southern California, which effected distribution of those tickets. Also, Penske Truck Leasing rented certain vehicles and sold related supplies and services to the Company. In fiscal 2002, 2003 and 2004, the aggregate amount received from Penske Corporation, its affiliates and other related companies, net of amounts paid by the Company, totaled approximately $1.2 million, $887,000 and $2.4 million, respectively, for the aforementioned goods and services.

NOTE 13 - HOMESTEAD-MIAMI SPEEDWAY TRACK RECONFIGURATION

During the second quarter of fiscal 2003, the Company recorded a non-cash before-tax charge of approximately $2.8 million for the net book value of certain undepreciated assets removed in connection with a major track reconfiguration project at Miami. The project increased the track banking to a maximum of 20 degrees in the turns through an innovative variable-degree banking system, which enhanced the quality of the racing entertainment at this facility. The reconfiguration was completed prior to Miami's fiscal 2003 fourth quarter NASCAR NEXTEL Cup, NASCAR Busch and NASCAR Craftsman Truck series events.

NOTE 14 - SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid for income taxes and interest for the years ended November 30, is summarized as follows (in thousands):

	2002	2003	2004
Income taxes paid	$ 32,290	$ 26,070	$ 35,962
Interest paid	$ 25,146	$ 23,796	$ 23,414

Notes to Consolidated Financial Statements, November 30, 2004

NOTE 15 - LONG-TERM STOCK INCENTIVE PLAN

The Company's 1996 Long-Term Stock Incentive Plan (the "1996 Plan") authorizes the grant of stock options (incentive and nonstatutory), stock appreciation rights and restricted stock. The Company has reserved an aggregate of 1,000,000 shares (subject to adjustment for stock splits and similar capital changes) of the Company's Class A Common Stock for grants under the 1996 Plan.

Restricted Stock Awards

Restricted shares awarded under the 1996 Plan generally are subject to forfeiture in the event of termination of employment prior to vesting dates. Prior to vesting, the 1996 Plan participants own the shares and may vote and receive dividends, but are subject to certain restrictions. Restrictions include the prohibition of the sale or transfer of the shares during the period prior to vesting of the shares. The Company also has the right of first refusal to purchase any shares of stock issued under the 1996 Plan, which are offered for sale subsequent to vesting.

The Company awarded and issued 43,400, 37,726 and 47,068 restricted shares of the Company's Class A Common Stock during the years ended November 30, 2002, 2003 and 2004, respectively, to certain officers and managers under the 1996 Plan. These shares of restricted stock vest at the rate of 50% of each award on the third anniversary of the award date and the remaining 50% on the fifth anniversary of the award date.

In January and April 2003 and May 2004, the Company awarded and issued 683, 1,468 and 764, respectively, restricted shares of the Company's Class A Common Stock to certain managers and officers under the 1996 Plan. These shares of restricted stock vested on July 3, 2003, October 1, 2003 and November 1, 2004, respectively.

The weighted average grant date fair value of restricted shares granted during the years ended November 30, 2002, 2003 and 2004 was $45.55, $40.03 and $42.28, respectively.

The market value of the shares at the date of award has been recorded as "Unearned compensation – restricted stock," which is shown as a separate component of shareholders' equity in the accompanying consolidated balance sheets. The unearned compensation is being amortized over the vesting periods of the shares. In accordance with APB Opinion 25, the Company will recognize a compensation charge over the vesting periods equal to the fair market value of these shares on the date of the award. The total compensation charge from continuing operations recognized as expense during the years ended November 30, 2002, 2003 and 2004, totaled approximately $1.5 million, $1.7 million and $1.7 million, respectively.

Nonqualified and Incentive Stock Options

The Company applies the measurement provisions of APB Opinion 25 and related interpretations in accounting for its stock option plans. A portion of each non-employee director's compensation for their service as a director is through awards of options to acquire shares of the Company's Class A Common Stock under the 1996 Plan. These options become exercisable one year after the date of grant and expire on the tenth anniversary of the date of grant. The Company also grants options to certain non-officer managers to purchase the Company's Class A Common Stock under the 1996 Plan. These options vest over a two and one-half year period and expire on the tenth anniversary of the date of grant.

The fair value of each option granted is estimated on the grant date using the Black-Scholes option-pricing model with the following weighted average assumptions:

	2002	2003	2004
Expected life (years)	5	5	5
Dividend yield	0.14%	0.15%	0.14%
Expected volatility	34.4%	31.9%	30.4%
Risk-free interest rate	4.6%	2.9%	3.5%
Weighted average fair value of options granted	$ 16.51	$ 13.02	$ 14.30

NOTE 15 - LONG-TERM STOCK INCENTIVE PLAN (continued)

The following table summarizes the activity for options to purchase shares of Class A Common Stock issued and outstanding:

	Weighted Average Exercise Price	Number of Shares
Outstanding at November 30, 2001	$ 40.58	46,195
Granted	43.94	25,224
Forfeited	37.06	(2,000)
Outstanding at November 30, 2002	41.90	69,419
Granted	39.89	12,929
Outstanding at November 30, 2003	41.58	82,348
Granted	43.75	38,025
Exercised	37.94	(11,666)
Outstanding at November 30, 2004	$ 42.73	108,707
Exercisable at:		
November 30, 2002	$ 41.65	41,176
November 30, 2003	41.81	65,077
November 30, 2004	42.19	80,006

The following table summarizes information about stock options outstanding and exercisable at November 30, 2004:

	Outstanding			Exercisable	
Exercise Price Range	Options	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
$ 37.06–$ 47.99	108,707	7.8	$ 42.73	80,006	$ 42.19

The tax effect of income tax deductions that differ from expense for financial reporting purposes under these plans is credited or charged to additional paid-in capital.

NOTE 16 - FINANCIAL INSTRUMENTS

The carrying values of cash and cash equivalents, accounts receivable, short-term investments, accounts payable and accrued liabilities approximate fair value due to the short-term maturities of these assets and liabilities.

Fair values of long-term debt and interest rate swaps are based on quoted market prices at the date of measurement. The Company’s credit facilities approximate fair value as they bear interest rates that approximate market. At November 30, 2004, the fair value of the remaining long-term debt, which includes the 2004 Senior Notes, TIF bond Funding Commitment and Term Loan, as determined by quotes from financial institutions, was $383.5 million compared to the carrying amount of $376.8 million.

From time to time the Company utilizes interest rate swap agreements to manage the fixed and floating interest rate mix of its total debt portfolio and related overall costs of borrowing. The differential between fixed and variable rates to be paid or received on swaps is accrued as interest rates change in accordance with the agreements and is included in current interest expense. Credit risk arises from the possible inability of counterparties to meet the terms of their contracts on a net basis. At November 30, 2004, the Company had an interest swap agreement related to its Term Loan. This agreement, with principal notional amount of approximately $7.0 million, had an estimated fair value of a liability totaling approximately $22,000 at November 30, 2004. The Term Loan interest rate swap agreement expired December 31, 2004.

Notes to Consolidated Financial Statements, November 30, 2004

NOTE 17 - QUARTERLY DATA (UNAUDITED)

The Company derives most of its income from a limited number of NASCAR-sanctioned races. As a result, the Company's business has been, and is expected to remain, highly seasonal based on the timing of major events. For example, one of the Company's NASCAR NEXTEL Cup Series events is traditionally held on the Sunday preceding Labor Day. Accordingly, the revenue and expenses for that race and/or the related supporting events may be recognized in either the fiscal quarter ending August 31 or the fiscal quarter ending November 30.

The following table presents certain unaudited financial data for each quarter of fiscal 2003 and 2004 (in thousands, except per share amounts):

	Fiscal Quarter Ended			
	February 28, 2003	May 31, 2003	August 31, 2003	November 30, 2003
Total revenue	$ 119,866	$ 118,080	$ 159,041	$ 152,068
Operating income	45,487	28,934	60,589	51,833
Income from continuing operations	23,116	13,159	36,877	28,813
Net income	25,364	12,492	35,953	31,639
Basic earnings per share	0.48	0.24	0.68	0.60
Diluted earnings per share	0.48	0.24	0.68	0.60

	Fiscal Quarter Ended			
	February 29, 2004	May 31, 2004	August 31, 2004	November 30, 2004
Total revenue	$ 130,625	$ 131,125	$ 154,844	$ 231,254
Operating income	47,068	37,720	51,048	92,582
Income from continuing operations	24,450	15,595	31,810	54,441
Net income	27,793	6,059	68,090	54,376
Basic earnings per share	0.52	0.11	1.28	1.02
Diluted earnings per share	0.52	0.11	1.28	1.02

NOTE 18 - SEGMENT REPORTING

The general nature of the Company’s business is a motorsports themed amusement enterprise, furnishing amusement to the public in the form of motorsports themed entertainment. The Company’s motorsports event operations consist principally of racing events at its major motorsports facilities. The Company’s remaining business units, which are comprised of the radio network production and syndication of numerous racing events and programs, the operation of a motorsports-themed amusement and entertainment complex, certain souvenir merchandising operations not associated with the promotion of motorsports events at the Company's facilities, construction management services, leasing operations, financing and licensing operations and agricultural operations are included in the “All Other” segment. The Company evaluates financial performance of the business units on operating profit after allocation of corporate general and administrative (“G&A”) expenses. Corporate G&A expenses are allocated to business units based on each business unit's net revenues to total net revenues.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. Intersegment sales are accounted for at prices comparable to unaffiliated customers. Intersegment revenues were approximately $9.2 million, $10.4 million and $9.0 million for the years ended November 30, 2002, 2003 and 2004, respectively (in thousands).

	For The Year Ended November 30, 2002		
	Motorsports Event	All Other	Total
Revenues	$ 494,796	$ 38,538	$ 533,334
Depreciation and amortization	33,051	5,133	38,184
Operating income	180,351	9,988	190,339
Capital expenditures	45,752	7,769	53,521
Total assets	1,036,611	119,360	1,155,971
Equity investments	31,152	-	31,152

	For The Year Ended November 30, 2003		
	Motorsports Event	All Other	Total
Revenues	$ 520,441	$ 39,058	$ 559,499
Depreciation and amortization	35,270	5,590	40,860
Operating income	177,133	9,710	186,843
Capital expenditures	67,957	4,630	72,587
Total assets	1,106,644	197,148	1,303,792
Equity investments	33,706	-	33,706

	For The Year Ended November 30, 2004		
	Motorsports Event	All Other	Total
Revenues	$ 609,086	$ 47,774	$ 656,860
Depreciation and amortization	38,788	5,655	44,443
Operating income	217,067	11,351	228,418
Capital expenditures	113,098	22,120	135,218
Total assets	1,343,303	276,207	1,619,510
Equity investments	36,489	1,979	38,468

As a result of the adoption of SFAS No. 142, the Motorsports Event segment recorded a non-cash after-tax charge of $453.2 million as a cumulative effect of accounting change for the write-off of goodwill in the first quarter of fiscal 2002.