

DOVER MOTORSPORTS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
In Thousands, Except Per Share Amounts
(Unaudited)

	Three Months Ended March 31,	
	<u>2007</u>	<u>2006</u>
Revenues:		
Admissions	\$ 87	\$ 85
Event-related	784	690
Broadcasting	-	-
Other	<u>11</u>	<u>26</u>
	<u>882</u>	<u>801</u>
Expenses:		
Operating and marketing	2,394	2,218
General and administrative	3,171	3,019
Depreciation and amortization	<u>1,529</u>	<u>2,383</u>
	<u>7,094</u>	<u>7,620</u>
Operating loss	(6,212)	(6,819)
Interest income	43	12
Interest expense	<u>(929)</u>	<u>(1,126)</u>
Loss before income tax benefit	(7,098)	(7,933)
Income tax benefit	<u>3,538</u>	<u>3,540</u>
Net loss	<u>\$ (3,560)</u>	<u>\$ (4,393)</u>
Net loss per common share:		
Basic	<u>\$ (0.10)</u>	<u>\$ (0.12)</u>
Diluted	<u>\$ (0.10)</u>	<u>\$ (0.12)</u>
Weighted average shares outstanding:		
Basic	35,866	36,099
Diluted	35,866	36,099

DOVER MOTORSPORTS, INC.
CONSOLIDATED BALANCE SHEETS
In Thousands
(Unaudited)

	March 31, 2007	March 31, 2006	December 31, 2006
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,312	\$ 1,175	\$ 298
Accounts receivable	5,209	6,512	2,935
Inventories	289	249	244
Prepaid expenses and other	4,550	3,045	1,808
Receivable from Dover Downs Gaming & Entertainment, Inc.	55	-	9
Income taxes receivable	-	98	-
Deferred income taxes	203	563	193
Total current assets	11,618	11,642	5,487
Property and equipment, net	153,986	219,419	152,502
Restricted cash	2,590	2,070	3,684
Other assets, net	1,175	1,139	1,261
Goodwill	-	2,487	-
Total assets	\$ 169,369	\$ 236,757	\$ 162,934
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 838	\$ 984	\$ 1,938
Accrued liabilities	2,635	3,456	3,400
Payable to Dover Downs Gaming & Entertainment, Inc.	-	11	-
Income taxes payable	108	-	478
Current portion of long-term debt	-	695	695
Deferred revenue	24,340	26,274	10,008
Current liabilities of discontinued operation	-	103	-
Total current liabilities	27,921	31,523	16,519
Revolving line of credit	41,100	48,100	39,000
Bonds payable	4,207	4,209	4,211
Liability for pension benefits	865	-	771
Other liabilities	-	21	-
Noncurrent income taxes payable	9,109	-	-
Deferred income taxes	15,957	45,375	28,173
Total liabilities	99,159	129,228	88,674
Stockholders' equity:			
Common stock	1,647	1,640	1,635
Class A common stock	1,977	1,992	1,977
Additional paid-in capital	99,496	99,946	99,412
(Accumulated deficit) retained earnings	(32,175)	4,512	(28,071)
Accumulated other comprehensive loss	(735)	(561)	(693)
Total stockholders' equity	70,210	107,529	74,260
Total liabilities and stockholders' equity	\$ 169,369	\$ 236,757	\$ 162,934

DOVER MOTORSPORTS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
In Thousands
(Unaudited)

	Three Months Ended March 31,	
	2007	2006
Operating activities:		
Net loss	\$ (3,560)	\$ (4,393)
Adjustments to reconcile net loss to net cash provided by operating activities of continuing operations:		
Depreciation and amortization	1,529	2,383
Amortization of credit facility fees	45	63
Stock-based compensation	124	139
Deferred income taxes	(3,088)	(3,151)
Changes in assets and liabilities:		
Accounts receivable	(2,274)	(4,146)
Inventories	(45)	(19)
Prepaid expenses and other	(2,781)	(1,293)
Receivable from/payable to Dover Downs Gaming & Entertainment, Inc.	(46)	(4)
Accounts payable	(1,100)	(493)
Accrued liabilities	(765)	(1,965)
Income taxes payable/receivable	(370)	(388)
Deferred revenue	14,332	16,752
Other liabilities	94	(21)
Net cash provided by operating activities of continuing operations	2,095	3,464
Net cash used in operating activities of discontinued operation	-	(41)
Investing activities:		
Capital expenditures	(3,004)	(787)
Restricted cash	1,094	1,130
Net cash (used in) provided by investing activities	(1,910)	343
Financing activities:		
Borrowings from (repayments on) revolving line of credit, net	2,100	(1,000)
Repayments of bonds payable	(699)	(874)
Dividends paid	(544)	(548)
Repurchase of common stock	(25)	(1,112)
Excess tax expense on stock awards	(3)	-
Other	-	(10)
Net cash provided by (used in) financing activities	829	(3,544)
Net increase in cash and cash equivalents	1,014	222
Cash and cash equivalents, beginning of period	298	953
Cash and cash equivalents, end of period	\$ 1,312	\$ 1,175