

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

	Three Months Ended March 31,	
	2008	2007
Revenues:		
Admissions	\$ 800	\$ 87
Event-related	965	784
Broadcasting	709	-
Other	38	11
	2,512	882
Expenses:		
Operating and marketing	4,610	2,394
General and administrative	3,167	3,171
Depreciation and amortization	1,662	1,529
	9,439	7,094
Operating loss	(6,927)	(6,212)
Interest income	31	43
Interest expense	(1,101)	(929)
Loss before income tax benefit	(7,997)	(7,098)
Income tax benefit	3,849	3,538
Net loss	\$ (4,148)	\$ (3,560)
Net loss per common share:		
Basic	\$ (0.12)	\$ (0.10)
Diluted	\$ (0.12)	\$ (0.10)
Weighted average shares outstanding:		
Basic	35,903	35,866
Diluted	35,903	35,866

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

	March 31, 2008	March 31, 2007	December 31, 2007
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 956	\$ 1,312	\$ 327
Accounts receivable	5,127	5,209	1,722
Inventories	305	289	185
Prepaid expenses and other	3,142	4,550	1,773
Receivable from Dover Downs Gaming & Entertainment, Inc.	-	55	18
Income taxes receivable	177	-	-
Deferred income taxes	196	203	186
Total current assets	<u>9,903</u>	<u>11,618</u>	<u>4,211</u>
Property and equipment, net	159,142	153,986	157,748
Restricted cash	3,823	2,590	4,169
Other assets, net	1,531	1,175	1,578
Deferred income taxes	97	-	-
Total assets	<u>\$ 174,496</u>	<u>\$ 169,369</u>	<u>\$ 167,706</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 2,938	\$ 838	\$ 945
Accrued liabilities	2,690	2,635	3,464
Payable to Dover Downs Gaming & Entertainment, Inc.	40	-	-
Income taxes payable	-	108	257
Current portion of bonds payable	1,130	-	111
Deferred revenue	22,294	24,340	8,689
Total current liabilities	<u>29,092</u>	<u>27,921</u>	<u>13,466</u>
Revolving line of credit	42,300	41,100	42,300
Bonds payable	2,968	4,207	4,098
Liability for pension benefits	805	865	736
Other liabilities	1,693	391	1,202
Non current income taxes payable	9,686	8,718	9,687
Deferred income taxes	16,651	15,957	20,101
Total liabilities	<u>103,195</u>	<u>99,159</u>	<u>91,590</u>
Stockholders' equity:			
Common stock	1,684	1,647	1,672
Class A common stock	1,952	1,977	1,952
Additional paid-in capital	99,911	99,496	99,849
Accumulated deficit	(31,197)	(32,175)	(26,503)
Accumulated other comprehensive loss	(1,049)	(735)	(854)
Total stockholders' equity	<u>71,301</u>	<u>70,210</u>	<u>76,116</u>
Total liabilities and stockholders' equity	<u>\$ 174,496</u>	<u>\$ 169,369</u>	<u>\$ 167,706</u>

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

	Three Months Ended March 31,	
	2008	2007
Operating activities:		
Net loss	\$ (4,148)	\$ (3,560)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	1,662	1,529
Amortization of credit facility fees	48	45
Stock-based compensation	160	124
Deferred income taxes	(3,426)	(3,088)
Changes in assets and liabilities:		
Accounts receivable	(3,405)	(2,274)
Inventories	(120)	(45)
Prepaid expenses and other	(1,416)	(2,781)
Receivable from/payable to Dover Downs Gaming & Entertainment, Inc.	58	(46)
Income taxes receivable/payable	(434)	(370)
Accounts payable	552	(1,100)
Accrued liabilities	(774)	(765)
Deferred revenue	13,605	14,332
Other liabilities	<u>262</u>	<u>94</u>
Net cash provided by operating activities	<u>2,624</u>	<u>2,095</u>
Investing activities:		
Capital expenditures	(1,598)	(3,004)
Restricted cash	<u>346</u>	<u>1,094</u>
Net cash used in investing activities	<u>(1,252)</u>	<u>(1,910)</u>
Financing activities:		
Borrowings from revolving line of credit	3,500	6,300
Repayments on revolving line of credit	(3,500)	(4,200)
Repayments of bonds payable	(111)	(699)
Dividends paid	(546)	(544)
Repurchase of common stock	(95)	(25)
Excess tax benefit (expense) on stock awards	<u>9</u>	<u>(3)</u>
Net cash (used in) provided by financing activities	<u>(743)</u>	<u>829</u>
Net increase in cash and cash equivalents	629	1,014
Cash and cash equivalents, beginning of period	<u>327</u>	<u>298</u>
Cash and cash equivalents, end of period	<u>\$ 956</u>	<u>\$ 1,312</u>