FORM 10-K

INTERNATIONAL SPEEDWAY CORP - ISCA

Exhibit:

Filed: February 28, 2000 (period: November 30, 1999)

Annual report which provides a comprehensive overview of the company for the past year

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FORM 10-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

(Mark One)
[x] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended November 30, 1999
OR
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission file number 0-2384

INTERNATIONAL SPEEDWAY CORPORATION
(Exact name of registrant as specified in its charter)

FLORIDA	59-0709342
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1801 WEST INTERNATIONAL SPEEDWAY BOULEVARD, DAYTONA BEACH, FLORIDA	32114
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code 904-254-2700

Securities registered pursuant to Section 12 (b) of the Act:

Title of each class	Name of each exchange on which registered
Class A Common Stock - $.01 par value	NASDAQ/National Market System

Securities registered pursuant to Section 12 (g) of the Act:

Common Stock - $.10 par value
Class B Common Stock - $.01 par value
(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. [x] Yes [ ] No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Section 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

The aggregate market value of the voting stock held by nonaffiliates of the registrant as of January 31, 2000 was $1,342,375,015 based upon the last reported sale price of the Class A Common Stock on the NASDAQ National Market System on that date and the assumption that all directors and executive officers of the Company, and their families, are affiliates.
At January 31, 2000, there were outstanding:
no shares of Common Stock, $.10 par value per share,
23,136,011 shares of Class A Common Stock, $.01 par value per share, and
29,965,142 shares of Class B Common Stock, $.01 par value per share.

DOCUMENTS INCORPORATED BY REFERENCE. Certain of the exhibits listed in Part IV are incorporated by reference from the Joint Proxy Statement/Prospectus included in the Company's Registration Statement on Form S-4 File No. 333-81165 and the Company's Registration Statement filed on Form S-4 File No. 333-94085.

Source: INTERNATIONAL SPEEDW, 10-K, February 28, 2000

UNLESS OTHERWISE INDICATED OR THE CONTEXT OTHERWISE REQUIRES:

(I) ALL SHARE AND PER SHARE DATA FOR PERIODS PRIOR TO NOVEMBER 4, 1996 HAS BEEN RETROACTIVELY ADJUSTED TO GIVE EFFECT TO A RECAPITALIZATION AND RELATED 15-1 STOCK SPLIT WHICH BECAME EFFECTIVE ON NOVEMBER 4, 1996.

(II) A REFERENCE TO A "FISCAL" YEAR FOR PERIODS PRIOR TO AND INCLUDING AUGUST 31, 1996 MEANS THE TWELVE MONTHS ENDED AUGUST 31 OF SUCH YEAR AND FOR PERIODS SUBSEQUENT TO AUGUST 31, 1996 MEANS THE TWELVE MONTHS ENDED NOVEMBER 30 OF SUCH YEAR. THE COMPANY CHANGED ITS FISCAL YEAR EFFECTIVE DECEMBER 1, 1996.

(III) ALL INFORMATION CONTAINED IN THIS REPORT GIVES EFFECT TO THE ACQUISITION OF PENSKE MOTORSPORTS, INC. ("PMI"), CONSUMMATED ON JULY 26, 1999 (THE "PMI ACQUISITION"). AND

(IV) ALL REFERENCES TO THE "COMPANY" OR "INTERNATIONAL SPEEDWAY" INTERNATIONAL SPEEDWAY CORPORATION AND CONSOLIDATED SUBSIDIARIES AFTER GIVING EFFECT TO THE PMI ACQUISITION.

PART I

ITEM 1. BUSINESS

GENERAL

International Speedway Corporation, a leading promoter of motorsports activities in the United States, at November 30, 1999, owned and/or operated ten of the nation's premier motorsports facilities:

- Daytona International Speedway in Florida;
- Michigan Speedway in Michigan;
- Talladega Superspeedway in Alabama;
- California Speedway in California;
- Phoenix International Raceway in Arizona;
- North Carolina Speedway in North Carolina;
- Darlington Raceway in South Carolina;
- Homestead-Miami Speedway in Florida;
- Nazareth Speedway in Pennsylvania; and
- Watkins Glen International road course facility in upstate New York.

In 1999 motorsports facilities now owned by the Company (including Richmond International Raceway - see Recent Developments below) promoted well over 100 stock car, sports car, truck, motorcycle and other racing events, including:

- 18 NASCAR Winston Cup Series events;
- 14 NASCAR Busch Series, Grand National Division ("Busch Grand National Series") events;
- 7 NASCAR Craftsman Truck Series events;
- 4 CART FedEx Championship Series events;
- the premier sports car endurance event in the United States (the Rolex 24 at Daytona); and
- a number of prestigious motorcycle races.

In addition to events sanctioned by NASCAR, in fiscal 1999 the Company promoted other stock car, sports car, motorcycle and go-kart racing events sanctioned by Championship Auto Racing Teams, Inc. ("CART"), the United States Road Racing Championship ("USRRC"), the Automobile Racing Club of America ("ARCA"), the Indy Racing League ("IRL"), the United States Auto Club ("USAC"), the Sports Car Club of America ("SCCA"), the American Motorcyclist Association ("AMA"), the World Karting Association ("WKA"), the Championship Cup Series ("CCS"), the American Historic Racing Motorcycle Association ("AHRMA"), Historic Sportscar Racing ("HSR"), and the Sportscar Vintage Racing Association ("SVRA").

The Company's operations consist principally of racing events at the Company's ten premier motorsports facilities, which generate revenue primarily through sales of admissions to racing events, television broadcast rights fees, sponsorship fees, hospitality rentals (including luxury suites, chalets and the hospitality portion of club seating), royalties from licenses of trademarks and provides catering, souvenir and food concession services at certain facilities. The Company also distributes and sells Goodyear brand racing tires, owns and operates MRN Radio and the DAYTONA USA entertainment complex and produces and markets collectibles and other motorsports merchandise.

THE PMI ACQUISITION

On July 26, 1999, the Company consummated the PMI Acquisition, in which the Company acquired the approximately 88% of PMI it did not already own for approximately $129.8 million in cash and approximately 10.0 million shares of the Company's Class A Common Stock. PMI, a leading promoter and marketer of professional motorsports in the United States, owned and operated Michigan Speedway, California Speedway, North Carolina Speedway and Nazareth Speedway. Other motorsports interests included a 45% interest in the Homestead-Miami Speedway near Miami, Florida. Through its subsidiaries, PMI also produced and marketed motorsports-related merchandise, including apparel, souvenirs and

collectibles, and distributed and sold Goodyear brand racing tires in the midwestern and southern regions of the United States. In connection with the PMI Acquisition, the Company obtained a new $300 million senior credit facility ("Credit Facility") to finance a portion of the PMI Acquisition and refinance PMI's debt. On October 6, 1999 the Company sold $225 million principal amount of Senior Notes due 2004 in a private placement. The unsecured Senior Notes bear interest at 7.875%. The Company used approximately $176 million of the net proceeds from the Senior Notes transaction to repay the outstanding borrowings under the Credit Facility, which were related to a portion of the cash consideration paid in the PMI Acquisition. Pursuant to the Credit Facility agreement, the size of the Credit Facility was automatically reduced from $300 million to $200 million upon the Company's receipt of the proceeds from the Senior Notes private placement. In December 1999, the Company increased the maximum availability under its Credit Facility from $200 million to $250 million. On January 24, 2000 the Company commenced an offer to exchange the Senior Notes issued in the private placement for registered Senior Notes with substantially identical terms. The exchange offer will expire on February 28, 2000.

RECENT DEVELOPMENTS

On December 1, 1999, the Company acquired Richmond International Raceway ("Richmond"), a 3/4-mile intermediate speedway located approximately 10 miles from downtown Richmond, Virginia, for approximately $215 million in cash. Richmond seats over 94,000 grandstand spectators and offers luxury accommodations in its 34 suites. Richmond hosts several major NASCAR events annually, including two NASCAR Winston Cup Series events, two NASCAR Busch Series, Grand National events and one NASCAR Craftsman Truck Series event. The Company financed the acquisition through approximately $160 million in borrowings under its Credit Facility. The Company utilized cash resources for the remaining $55 million.

The Company was incorporated in 1953 under the laws of the State of Florida under the name "Bill France Racing, Inc." and changed its name to "International Speedway Corporation" in 1968. Principal executive offices are located at 1801 West International Speedway Boulevard, Daytona Beach, Florida 32114, and its telephone number is (904) 254-2700.

OPERATIONS

The Company's operations consist principally of racing events at its ten premier motorsports facilities which generate revenue primarily through sales of admissions to racing events, television broadcast rights fees, sponsorship fees, hospitality rentals (including luxury suites, chalets and the hospitality portion of club seating) and royalties from licenses of trademarks. The Company also conducts, either through operations of the facility or through its wholly-owned subsidiaries Americrown Service Corporation and Motorsports International Corp., souvenir merchandising operations at its Daytona, Talladega, California, North Carolina, Darlington, Miami, Nazareth and Watkins Glen facilities, food and beverage concession operations at its Daytona, Talladega, North Carolina, Darlington, Nazareth, and Watkins Glen facilities and provides catering services to corporate customers both in suites and chalets at its Daytona, Talladega, Darlington, Miami and Watkins Glen facilities.

Motorsports International Corp. also produces and markets motorsports-related merchandise such as apparel, souvenirs and collectibles to retail customers through catalogue sales and trackside operations (unrelated to the souvenir merchandising operations described above) at certain motorsports facilities, including many of those owned and/or operated by the Company, as well as through direct sales to dealers.

The Company's proprietary MRN radio network produces and syndicates NASCAR Winston Cup Series, NASCAR Busch Series, Grand National Division, NASCAR Craftsman Truck Series and other races promoted by the Company and others. MRN Radio also produces daily and weekly NASCAR racing programs.

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

Competition Tire, one of the Company's wholly-owned subsidiaries, engages in the wholesale and retail sale and distribution of Goodyear brand racing tires for certain types of racing events.

Approximately $234.8 million, or 79%, of the Company's fiscal 1999 revenues were attributable to NASCAR-sanctioned races at the Company's facilities, including applicable admissions, luxury suite rentals, sponsorship, television and MRN Radio broadcast rights fees, food and beverage concession and catering, souvenir, advertising and other revenues.

The Company's fiscal 1999 revenues that were not attributable to NASCAR-sanctioned races at the Company's facilities were derived from a number of sources, including (i) admission and luxury suite rental revenue from racing events sanctioned by bodies other than NASCAR, (ii) admissions and sponsorship fees attributable to DAYTONA USA, (iii) MRN Radio's revenues from the sale of advertising and rights fees paid by broadcast affiliates with respect to events other than NASCAR-sanctioned races at the Company's

facilities, (iv) Americrown's catering, merchandising and concession revenues for the Company's non-NASCAR racing events,(v) merchandising, food and beverage revenues from the gift shop and snackbar adjacent to DAYTONA USA, (vi) sale of Goodyear racing tires with respect to events other than NASCAR-sanctioned races at the Company's facilities, (vii) broadcast and sponsorship fees for such non-NASCAR racing events, and (viii) other revenues unrelated to racing events such as hangar rentals and gas sales at the Talladega Municipal Airport. None of the foregoing non-NASCAR revenue sources accounted for over 5% of the Company's fiscal 1999 revenues.

Racing events compete not only with other sports and other recreational events scheduled at the same dates, but with other racing events sanctioned by various racing bodies such as NASCAR, IRL, CART, USAC, SCCA, USRRC, ARCA and others. Racing events sanctioned by different organizations are often held on the same dates at separate tracks. Management believes that the type and caliber of promoted racing events, facility location, sight lines, pricing and level of customer conveniences are the principal factors that distinguish competing motorsports facilities.

OTHER ACTIVITIES

The Company from time to time uses its track facilities for car shows, auto fairs, vehicle testing and settings for television commercials, print advertisements and motion pictures. For example, Harley Davidson uses Talladega Superspeedway as a test facility for its motorcycles. The Company also rents "show cars" for promotional events. Other motorsports interests include the operation of Tucson Raceway Park in Arizona. The Company also operates Talladega Municipal Airport, which is located adjacent to the Talladega Superspeedway.

As of November 30, 1999, the Company had approximately 760 full-time employees. The Company also engages a significant number of temporary personnel to assist during periods of peak attendance at its events. For example, the Daytona International Speedway engages over 2,800 persons during Speedweeks, some of whom are volunteers. None of the Company's employees are represented by a labor union. Management believes that the Company enjoys a good relationship with its employees.

ITEM 2. PROPERTIES

MOTORSPORTS FACILITIES

The following table sets forth certain information relating to each of the Company's principal motorsports facilities as of November 30, 1999:

TRACK NAME	LOCATION	APPROXIMATE NUMBER OF GRANDSTAND SEATS	APPROXIMATE ACREAGE	TRACK LENGTH
Daytona International Speedway	Daytona Beach, Florida	157,000	440	2.5 miles
Michigan Speedway	Brooklyn, Michigan	125,000	1,000	2.0 miles
Talladega Superspeedway	Talladega, Alabama	131,000	1,365	2.6 miles
California Speedway	Fontana, California	86,000	529	2.0 miles
Phoenix International Raceway	Phoenix, Arizona	79,000	598	1.0 miles
North Carolina Speedway	Rockingham, North Carolina	60,000	300	1.0 miles
Darlington Raceway	Darlington, South Carolina	59,000	230	1.3 miles
Homestead-Miami Speedway	Homestead, Florida	72,000	344	1.5 miles
Nazareth Speedway	Nazareth, Pennsylvania	44,000	230	1.0 miles
Watkins Glen International	Watkins Glen, New York	39,000	1,377	3.4 miles

DAYTONA INTERNATIONAL SPEEDWAY. The Daytona International Speedway is a high banked, lighted, asphalt tri-oval superspeedway which also includes a 3.6 mile road course. Daytona International Speedway is located on approximately 440 acres of leased land in Daytona Beach, Florida. The Company's lease with the Daytona Beach Racing and Recreational Authority expires in 2032, including renewal options. The Company also owns various parcels of real property aggregating approximately 250 acres near the Daytona International Speedway which are used for parking and other ancillary purposes.

MICHIGAN SPEEDWAY. The Michigan Speedway is a moderately banked asphalt tri-oval superspeedway located in Brooklyn, Michigan, approximately 70 miles southwest of Detroit and 18 miles southeast of Jackson.

TALLADEGA SUPERSPEEDWAY. The Talladega Superspeedway is a high banked, asphalt, tri-oval superspeedway with an infield road course. The facility is located about 90 minutes from Atlanta, Georgia and 45 minutes from Birmingham, Alabama.

THE CALIFORNIA SPEEDWAY. The California Speedway is a moderately banked asphalt tri-oval superspeedway located 40 miles east of Los Angeles in San Bernadino County.

PHOENIX INTERNATIONAL RACEWAY. The Phoenix International Raceway is an asphalt oval superspeedway which also includes a 1.5 mile road course located near Phoenix, Arizona.

NORTH CAROLINA SPEEDWAY. The North Carolina Speedway is a moderately banked asphalt oval superspeedway located in Rockingham, North Carolina, approximately 90 miles south of Raleigh, North Carolina.

DARLINGTON RACEWAY. The Darlington Raceway is a high banked egg-shaped asphalt oval superspeedway located in Darlington, South Carolina.

HOMESTEAD-MIAMI SPEEDWAY. The Homestead-Miami Speedway is a low banked asphalt oval superspeedway located in Homestead, Florida

WATKINS GLEN INTERNATIONAL. Watkins Glen International facility includes 3.4 mile and 2.4 mile road course tracks and is located near Watkins Glen, New York.

TUCSON RACEWAY PARK. Tucson Raceway Park includes a progressively banked, 3/8 mile asphalt oval track, grandstands providing seating for approximately 5,000 spectators, a luxury suite and other spectator facilities located on part of the Pima County Fairgrounds. The Company's sublease with the fairground manager expires in 2013, including renewals.

OTHER FACILITIES. The Company owns approximately 42 acres of real property across International Speedway Boulevard from Daytona International Speedway Boulevard on which is located a total of 5 buildings containing an aggregate of approximately 300,000 square feet. The Company's corporate headquarters and other offices and facilities are located in a portion of these facilities. The Company also owns concession facilities in Daytona Beach and in Talladega. The Company leases real estate and office space in Talladega, and the property and premises at the Talladega Municipal Airport. The lease for the Company's Talladega business offices, located within the International Motorsports Hall of Fame, expires in 2002, including renewals. The Company's lease for the Talladega Municipal Airport expires in 2022, including renewals. The Company's wholly-owned subsidiaries Phoenix Speedway Corporation, ISC Properties and Kansas International Speedway Corporation lease office space in Phoenix, Arizona, Charlotte, North Carolina and Kansas City, Kansas, respectively.

TRADEMARKS. The Company has various registered and common law trademark rights, including "DAYTONA USA", the "Daytona 500", "Daytona International Speedway", "California Speedway", "Talladega Superspeedway", "Darlington", "World Center of Racing", "Watkins Glen International", "Phoenix International Raceway", "Grand Prix of Miami", "Michigan Speedway", "Nazareth Speedway", "North Carolina Motor Speedway", "The Rock", "RIR", "The Action Track" and related logos. The Company also has licenses from NASCAR, various drivers and other businesses to use names and logos for merchandising programs and product sales. Management's policy is to protect its intellectual property rights vigorously, through litigation if necessary, chiefly because of their proprietary value in merchandise and promotional sales.

ITEM 3. LEGAL PROCEEDINGS

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 is likely to 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 faces exposure from other legal proceedings as described below.

As described below, the Company and certain subsidiaries are parties to legal proceedings alleging price-fixing activities in connection with the sale of souvenirs and merchandise. These matters are collectively referred to as the Souvenir Litigation. While the Company disputes the allegations, neither the cost of defending the suits nor the potential damages or other remedies for which the Company might be liable is insured.

The Company's indirect corporate subsidiary, Americrown Service Corporation ("Americrown"), is the sole defendant in a class action proceeding in the Circuit Court of Talladega County, Alabama which was filed in October 1996. A class consisting of persons who purchased racing souvenirs at Talladega Superspeedway since September 1992 was certified by the court on July 30, 1998. The suit seeks to recover at least $500 for each member of the class but does not otherwise seek to recover compensatory or punitive damages or statutory attorneys' fees. Americrown has moved for reconsideration of the class certification decision. Americrown has disputed the allegations and has defended the action fully and vigorously.

In March 1997, two purported class action companion lawsuits were filed in the United States District Court, Northern District of Georgia, against the Company, Americrown, and a number of other persons (including Motorsports International Corp., previously a subsidiary of PMI which was acquired by the Company in the Penske acquisition). Both suits sought damages and injunctive relief on behalf of all persons who purchased souvenirs or merchandise from certain vendors at any NASCAR Winston Cup race or supporting event in the

United States during the period 1991 to present. The two suits have been consolidated and class certification has not yet been decided by the court. Discovery has been concluded. The Company, Americrown and Motorsports International Corp. have disputed the allegations and have defended the actions fully and vigorously.

Recently Americrown, Motorsports International Corp. and the Company have entered into Confidential Memoranda of Understanding ("MOU") to completely settle the Souvenir Litigation, without any admission of wrongdoing on their part. Under the terms of the MOU's (which have been filed under seal with the respective courts) the Company, Americrown and Motorsports International Corp. have agreed to pay approximately $4.6 million in cash and to distribute souvenir merchandise discount coupons to settle with classes which would encompass all purchasers of souvenirs and merchandise at NASCAR Winston Cup events during the period from January 1, 1991 to the present. The parties are in the process of attempting to agree on the terms of formal Settlement Agreements, including the terms of the coupon program. Such Settlement Agreements will then be subject to review and approval by both the state and federal courts. If the Settlement Agreements are not successfully finalized, the Company, Americrown and Motorsports International Corp. intend to resume the vigorous defense of the actions.

The financial statements for fiscal 1999 include an accrual of approximately $2.8 million representing Americrown's cash portion of the proposed Souvenir Litigation settlement. The remaining $1.8 million is attributable to Motorsports International Corp. and was recorded as a part of the PMI acquisition purchase price. The effects of the discount coupon program will be recognized in future periods as coupons are redeemed.

In connection with PMI's acquisition of North Carolina Speedway in 1997, certain North Carolina Speedway stockholders (constituting more than 5% of the North Carolina Speedway shares outstanding prior to the acquisition) exercised their right under North Carolina law to dissent to the price paid for the common stock of North Carolina Speedway. These dissenting shareholders were paid $16.77 per share. These dissenters have requested $55.00 per share and have sued PMI, Penske Acquisition, Inc. and North Carolina Speedway in North Carolina Superior Court, Mecklenburg County, North Carolina. Under PMI's agreement with Mrs. DeWitt (the former majority stockholder of North Carolina Speedway), if a dissenting stockholder, which represents more than five percent of the North Carolina Speedway stock, receives more consideration in a dissenters' action than PMI paid in connection with the acquisition of North Carolina Speedway, all stockholders of North Carolina Speedway at the time of the acquisition, other than PMI and its affiliates, would receive a per share amount equal to the award in dissenter's court less the per share amount paid in the acquisition ($19.61 per share to stockholders other than the dissenting shareholders). Because PMI acquired Mrs. DeWitt's shares prior to the completion of this acquisition, Mrs. DeWitt would not be entitled to receive additional consideration for her shares. A negative decision with respect to the dissenters' proceeding could materially increase the purchase price paid for North Carolina Speedway by PMI, which the Company would have to pay.

Management is presently unable to predict or quantify the outcome of these matters

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted during the fourth quarter of the fiscal year covered by this report to vote of security holders.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

At November 30, 1999 International Speedway Corporation had two issued classes of capital stock: Class A Common Stock, $.01 par value per share and Class B Common Stock, $.01 par value per share. The Class A Common Stock is traded on the NASDAQ National Market System under the symbol "ISCA". The Class B Common Stock is traded on NASDAQ's Over-The-Counter Bulletin Board under the symbol "ISCB" and, at the option of the holder, is convertible to Class A Common Stock at any time. As of November 30, 1999 there were approximately 3,600 record holders of both classes of stock.

The reported high and low sales prices or high and low bid information as applicable for each quarter indicated are as follows:

	ISCA		ISCB(1)	
QUARTER ENDING:	HIGH	LOW	HIGH	LOW
February 1998	$29.75	$21.25	$29.13	$21.50

May 1998	37.75	27.13	37.50	27.38
August 1998	36.63	27.00	36.38	27.50
November 1998	36.00	23.94	35.50	23.75
February 1999	45.88	34.00	45.38	34.00
May 1999	56.38	44.00	56.00	44.00
August 1999	52.88	46.00	52.00	46.75
November 1999	71.13	47.38	69.00	47.25

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(1) ISCB quotations were obtained from the OTC Bulletin Board and represent prices between dealers and do not include mark-up, mark-down or commission. Such quotations do not necessarily represent actual transactions.

DIVIDENDS

Annual dividends of 6 cents per share were declared in the quarter ending in May and paid in June in fiscal years 1998 and 1999 on all classes of common stock which existed at the time.

ITEM 6. SELECTED FINANCIAL DATA

For comparability, certain prior period results have been reclassified to conform to the presentation adopted in fiscal 1999. The following selected financial data should be read in conjunction with the Company's Consolidated Financial Statements, including the notes thereto, and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this Report.

	Year Ended August 31, (1)		Three Months Ended Nov. 30,	Twelve Months Ended Nov. 30, (1) (Unaudited)	Year Ended Nov. 30,		
	1995	1996	1996	1996	1997	1998	1999
	(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)						
INCOME STATEMENT DATA:							
Revenues:							
Admissions, net	$ 43,274	$ 50,140	$ 4,191	$ 50,705	$ 69,487	$ 86,946	$ 134,174
Motorsports related income	24,033	27,433	3,972	28,376	46,650	71,793	116,241
Food, beverage and merchandise income	14,442	17,505	1,943	17,723	23,408	28,597	46,453
Other income	423	964	390	1,192	1,829	1,632	1,854
Total revenues	82,172	96,042	10,496	97,996	141,374	188,968	298,722
Expenses:							
Direct expenses:							
Prize and point fund monies and NASCAR sanction fees	11,765	13,865	1,301	13,724	20,567	28,767	45,615
Motorsports related expenses	11,604	15,336	2,814	16,384	23,075	33,283	51,031
Food, beverage and merchandise expenses	8,107	10,278	1,536	10,559	13,435	15,025	23,988
General and administrative expenses.	18,202	20,930	5,057	21,721	29,486	37,842	57,066
Depreciation and amortization	4,798	6,302	2,353	7,368	9,910	13,137	25,066
Total expenses	54,476	66,711	13,061	69,756	96,473	128,054	202,766
Operating income (loss).............	27,696	29,331	(2,565)	28,240	44,901	60,914	95,956
Interest income	1,436	872	330	912	3,196	4,414	8,780
Interest expense	--	--	(69)	(69)	(509)	(582)	(6,839)
Equity in net income (loss) from equity investments	285	1,441	(304)	1,291	366	(905)	(1,819)
Gain on sale of equity investment ...	--	--	--	--	--	1,245	--
Minority interest	--	--	--	--	--	--	(796)
Income (loss) before income taxes ...	29,417	31,644	(2,608)	30,374	47,954	65,086	95,282
Income taxes (benefit)	11,054	11,963	(741)	11,540	18,158	24,894	38,669
Net income (loss)	$ 18,363	$ 19,681	$ (1,867)	$ 18,834	$ 29,796	$ 40,192	$ 56,613
Basic earnings (loss) per share (2)..	$ .54	$ .58	$ (.05)	$ .55	$ .78	$ 1.00	$ 1.22
Diluted earnings (loss) per share (2)	$ .54	$ .57	$ (.05)	$ .54	$ .78	$ 1.00	$ 1.22
Dividends per share	$ .05	$ .05	$ --	$ .05	$ .06	$ .06	$ .06

Source: INTERNATIONAL SPEEDW, 10-K, February 28, 2000

BALANCE SHEET DATA (END OF PERIOD):							
Working capital (deficit)	$ 20,821	$ (6,751)	$ 52,922	$ 52,922	$ (24,976)	$ 25,514	$ (51,897)
Total assets	119,571	152,791	234,069	234,069	302,823	476,818	1,599,127
Long-term debt	--	--	--	--	1,007	2,775	496,067
Total shareholders' equity	85,247	106,667	179,289	179,289	209,907	366,855	902,470

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(1) The Company changed its fiscal year end to November 30 effective December 1, 1996. This resulted in a three-month transition period commencing September 1, 1996 and ending November 30, 1996. The unaudited results of the 12-month period ended November 30, 1996 are presented for the purpose of comparison to the fiscal year ended November 30, 1997.

(2) Earnings per share amounts prior to 1998 have been restated as required to comply with Statement of Financial Accounting Standards No. 128. See Note 1 of Notes to the Company's audited financial statements.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

The Company derives revenues primarily from (i) admissions to racing events and motorsports activities held at its facilities, (ii) revenue generated in conjunction with or as a result of motorsports events conducted at its facilities, and (iii) catering, concession and merchandise services during or as a result of such events and activities.

"Admissions" revenue includes ticket sales from all of the Company's events and activities at DAYTONA USA. Admissions revenue for racing events is recorded upon completion of the related motorsports event.

"Motorsports related income" primarily includes television and radio broadcast rights fees, promotion and sponsorship fees, hospitality rentals (including luxury suites, chalets and the hospitality portion of club seating), advertising revenues, royalties from licenses of the Company's trademarks, and track rentals. The Company's revenues from corporate sponsorships are paid in accordance with negotiated contracts, with the identities of sponsors and the terms of sponsorship changing from time to time. The Company has historically negotiated directly with television and cable networks for coverage of substantially all of its NASCAR televised motorsports events. NASCAR retained these television and ancillary media rights in sanction agreements beginning with the 2000 racing season, but agreed to allow existing agreements with television and cable networks to be honored. NASCAR recently announced agreement with all of the television broadcasters of these events to release their contractual rights beginning with the 2001 racing season. Then, in November 1999, NASCAR announced that it had reached an agreement on a six-year television contract with NBC Sports and Turner Sports, with the two media companies combining to develop a joint venture. In addition, NASCAR announced that it had reached an agreement on an eight-year television contract with FOX and its FX cable network. Both agreements relate solely to the domestic broadcast television rights to NASCAR's Winston Cup Series and Busch Grand National Series events, and are effective beginning with the 2001 racing season. In January 2000, NASCAR announced that the total current estimate for net television revenue in the year 2001 is approximately $244 million with increases, on average, of approximately 17% per year through the 2006 season. This net television revenue estimate for 2001 is based on the entire 2000 NASCAR Winston Cup Series and NASCAR Busch Series, Grand National Division schedules. The percentage of television broadcast rights fees that the Company currently retains from each contract will be the same under the future arrangement.

"Food, beverage and merchandise income" includes revenues from concession stands, hospitality catering and direct sales of souvenirs, programs and other merchandise, fees paid by third party vendors for the right to sell souvenirs and concessions at the Company's facilities, and the wholesale and retail sale of Goodyear brand racing tires for various types of racing events.

Expenses include (i) prize and point fund monies and NASCAR sanction fees, (ii) motorsports related expenses, which include costs of competition paid to sanctioning bodies other than NASCAR, labor, advertising and other expenses associated with the Company's promotion of its racing events, and (iii) food, beverage and merchandise expenses, consisting primarily of labor and costs of goods sold.

The following table sets forth, for each of the indicated periods, certain selected income statement data as a percentage of total revenues:

	Year Ended Nov. 30, 1997	Year Ended Nov. 30. 1998	Year Ended Nov. 30 1999
Revenues:			
Admissions, net	49.1%	46.0%	44.9%
Motorsports related income	33.0	38.0	38.9
Food, beverage and merchandise income	16.6	15.1	15.6
Other income	1.3	0.9	0.6
Total revenues	100.0%	100.0%	100.0%
Expenses:			
Direct expenses:			
Prize and point fund monies and NASCAR sanction fees	14.5	15.2	15.3
Motorsports related expenses	16.3	17.6	17.1
Food, beverage and merchandise expenses	9.5	8.0	8.0
General and administrative expenses	20.9	20.0	19.1
Depreciation and amortization	7.0	7.0	8.4
Total expenses	68.2	67.8	67.9
Operating income	31.8	32.2	32.1
Interest income	2.3	2.3	3.0

Interest expense	(0.4)	(0.3)	(2.3)
Equity in net income (loss)from equity investments	0.2	(0.5)	(0.6)
Gain on sale of equity investment	--	0.7	--
Minority interest	--	--	(0.3)
Income before income taxes	33.9	34.4	31.9
Income taxes	12.8	13.1	12.9
Net income	21.1%	21.3%	19.0%

<?TABLE>

COMPARISON OF FISCAL 1999 TO FISCAL 1998

On July 26, 1999, the Company acquired the approximately 88% interest it did not already own in Penske Motorsports, Inc. ("PMI"). Motorsports facilities acquired in the transaction include Michigan Speedway in Brooklyn, Michigan ("Michigan"); Nazareth Speedway in Nazareth, Pennsylvania; California Speedway in San Bernardino County, California ("California"); and North Carolina Speedway in Rockingham, North Carolina. The Company also acquired PMI's 45% interest in Homestead-Miami Speedway, LLC ("Miami"), bringing the Company's ownership in the operations of that facility to 90%, as well as other wholly-owned PMI merchandising subsidiaries. As a result of the transaction at the end of fiscal 1999, the Company operated 10 major motorsports facilities across the United States with more than 800,000 seats and 400 suites (See "Acquisition"). The Company has recognized revenues and expenses associated with the acquired operations on a consolidated basis subsequent to July, 26, 1999, including three NASCAR Winston Cup Series events, three NASCAR Busch Series, Grand National Division events, one NASCAR Craftsman Truck Series event, and one CART FedEx Championship Series event. As a result of the acquisition of PMI and the addition of a Busch Series, Grand National Division event to the race schedule at Phoenix International Raceway ("Phoenix") in fiscal 1999, the Company conducted thirteen NASCAR Winston Cup Series events, nine NASCAR Busch Series, Grand National Division events, three NASCAR Craftsman Truck Series events, and one CART FedEx Championship Series event in fiscal 1999 compared to ten NASCAR Winston Cup Series events, five NASCAR Busch Series, Grand National Division events, three NASCAR Craftsman Truck Series events, and no CART FedEx Championship Series events in fiscal 1998. Accordingly, the Company's results of operations, as well as the margins of certain expenses in relation to certain revenues, are not necessarily comparable on a period-to-period basis.

Admissions revenue increased approximately $47.2 million, or 54.3%, in fiscal 1999 as compared to fiscal 1998. The increase was primarily attributable to the events conducted subsequent to July 26, 1999 at the facilities acquired in the PMI acquisition and at Miami, as well as the increase in the weighted average price of tickets sold and increased seating capacity and attendance at events held at Daytona International Speedway ("Daytona") and, to a lesser extent, events conducted at Talladega Superspeedway ("Talladega"), Phoenix and Darlington Raceway ("Darlington").

Motorsports related income increased approximately $44.4 million, or 61.9%, in fiscal 1999 as compared to fiscal 1998. Over one-half of the increase was attributable to the events conducted subsequent to July 26, 1999 at the facilities acquired in the PMI acquisition and at Miami. The remaining increase was primarily related to increased television broadcast rights, luxury suite and hospitality rentals associated with events held at Daytona and, to a lesser extent, events conducted at the Company's other facilities.

Food, beverage and merchandise revenue increased approximately $17.9 million, or 62.4%, in fiscal 1999 as compared to fiscal 1998. Events conducted subsequent to July 26, 1999 at the facilities acquired in the PMI acquisition and at Miami, combined with the activities of certain merchandising subsidiaries acquired from PMI (which included sales of Goodyear brand racing tires), accounted for over three-quarters of the increase. The remaining increase was primarily attributable to catering revenues from expanded luxury suite and hospitality facilities and increased attendance and seating capacity for events conducted at the Company's other facilities.

Prize and point fund monies and NASCAR sanction fees increased by approximately $16.8 million, or 58.6%, in fiscal 1999 as compared to fiscal 1998. Over one-half of the increase was attributable to the events conducted subsequent to July 26, 1999 at the facilities acquired in the PMI acquisition and at Miami. The remaining increase is related to growth in the Company's television broadcast rights revenues for the Company's other facilities, as standard NASCAR sanctioning agreements require that a specified percentage of broadcast rights fees be paid as part of prize money, and, to a lesser extent, the addition of a Busch Series, Grand National Division event at Phoenix in 1999. Over three-quarters of the increase in fiscal 1999 as compared to fiscal 1998 was due to increased prize and point fund monies paid by NASCAR to participants in NASCAR events.

Motorsports related expenses increased approximately $17.7 million, or 53.3%, in fiscal 1999 as compared to fiscal 1998. Over one-half of the increase was attributable to the operating expenses for events conducted subsequent to July 26, 1999 at the facilities acquired in the PMI acquisition and the consolidation of Miami. The remaining increase was primarily related to hospitality services and supplies, personnel costs and a variety of other fan amenities and operating costs for events at Daytona and, to a lesser extent, the Company's other facilities. Motorsports related expenses as a percentage of combined admissions and motorsports related income remained relatively constant for fiscal 1999 as compared to fiscal 1998.

Food, beverage and merchandise expenses increased approximately $9.0 million, or 59.7%, in fiscal 1999 as compared to fiscal 1998 primarily due to expenses

associated with merchandising operations acquired in the PMI acquisition and product and personnel costs associated with increased revenues at the Company's other facilities. Food, beverage and merchandise expenses as a percentage of food, beverage and merchandise revenue decreased from 52.5% in fiscal 1998 to 51.6% in fiscal 1999 due to economies of scale and cost containment as well as fees from third party vendors at Michigan, Miami and California for which there are no associated costs, partially offset by lower margin activities of certain merchandising subsidiaries acquired in the PMI merger.

General and administrative expenses increased approximately $19.2 million, or 50.8%, in fiscal 1999 as compared to fiscal 1998. Over one-half of the increase was due to the general and administrative expenses associated with operations acquired in the PMI acquisition and the consolidation of Miami subsequent to July 26, 1999. The remaining increase was primarily attributable to increased personnel costs associated with the ongoing expansion of the Company's business, exclusive of the personnel costs associated with operations acquired in the PMI acquisition and the consolidation of Miami, and a charge of approximately $2.8 million related to the cash portion of a proposed settlement in the souvenir litigation (See "Legal Proceedings"). General and administrative expenses as a percentage of total revenues decreased from 20.0% in fiscal 1998 to 19.1% in fiscal 1999 primarily as a result of the growth in the Company's revenues exceeding the growth in general and administrative expenses, partially offset by the charge related to the souvenir litigation.

Depreciation and amortization expense increased $11.9 million, or 90.8%, in fiscal 1999 as compared to fiscal 1998. The depreciation of assets acquired and amortization of goodwill recorded as a result of the PMI acquisition accounted for over three-quarters of the increase. The remaining increase was a result of the ongoing expansion of the Company's facilities.

Interest income for fiscal 1999 increased approximately $4.4 million as compared to fiscal 1998. This increase was primarily due to the investment of the remaining proceeds of the July 1998 Class A Common Stock Offering, including the Company's investments restricted to the funding of the speedway in Kansas, and investment of the proceeds from the sale of taxable special obligation revenue ("TIF") bonds issued in January 1999 by the Unified Government of Wyandotte County/Kansas City, Kansas ("Unified Government"), to partially fund the Kansas project (See "Future Liquidity").

Interest expense for fiscal 1999 increased approximately $6.3 million as compared to fiscal 1998. Interest expense in fiscal 1999 was primarily attributable to interest on the $225 million principal amount of Senior Notes issued in October 1999, borrowings under the Company's five-year revolving Credit Facility and interest expense related to the TIF bond debt service funding commitment, net of capitalized interest (See "Acquisition" and "Future Liquidity"). Interest expense in fiscal 1998 was primarily related to the note payable associated with the acquisition of Phoenix.

Equity in net income (loss) from equity investments represents the Company's pro rata share of the current income and losses from its equity investments and the amortization of the Company's investment in excess of its share of the investee's underlying net assets. During fiscal 1999, this included the Company's approximately 12% indirect investment in PMI and its 45% investment in Miami through July 26, 1999, and its 50% investment in Motorsports Alliance, LLC, which is pursuing development of a major motorsports facility in the Chicago area (See "Future Liquidity"). For fiscal 1998, this included the Company's approximately 12% indirect investment in PMI, its 40% investment in Miami, which increased to 45% in March of 1998, and its approximately 7% investment in Grand Prix Association of Long Beach ("Long Beach"), which was sold in March of 1998.

In March of 1998 the Company recorded an approximately $1.2 million gain on the sale of its equity investment in Long Beach. The Company sold its investment in conjunction with Dover Downs Entertainment, Inc.'s announced plans to merge with Long Beach. The after tax impact of this transaction was a gain of approximately $850,000.

Minority interest consists of the 10% interest in Miami that is not owned by the Company. This interest resulted in an approximately $796,000 reduction of pre-tax income in fiscal 1999.

Income taxes increased approximately $13.8 million in fiscal 1999 as compared to fiscal 1998. The Company's effective tax rate has increased compared to historical levels, and is expected to remain above historical levels, primarily due to the amortization of non-deductible goodwill created in the PMI acquisition.

As a result of the foregoing, the Company's net income increased approximately $16.4 million, or 40.9%, in fiscal 1999 as compared to fiscal 1998.

COMPARISON OF FISCAL 1998 TO FISCAL 1997

During the year ended November 30, 1997, the Company acquired the 50% interest it did not already own in Watkins Glen International ("Watkins Glen") and purchased Phoenix. The consolidation of Watkins Glen, effective April 1, 1997, and the July 14, 1997 purchase of Phoenix resulted in increases in both revenues and expenses when comparing fiscal 1998 with fiscal 1997. Accordingly, the Company's results of operations are not necessarily comparable on a period to period basis.

Admissions revenue increased approximately $17.5 million, or 25.1%, for fiscal 1998 as compared to fiscal 1997. This increase was primarily attributable to increased seating capacity and attendance, and an increase in the weighted

average price of tickets sold for the events conducted at Daytona, Talladega, Phoenix, Darlington and Watkins Glen.

Motorsports related income increased approximately $25.1 million, or 53.9%, during fiscal 1998 as compared to fiscal 1997. Approximately one-half of this increase was a result of increases in television broadcast rights fees. The remaining increase was primarily attributable to promotion and sponsorship fees, luxury suite and hospitality rentals, and to a lesser extent, events conducted at Phoenix for which there were no comparable events in fiscal 1997.

Food, beverage and merchandise income increased approximately $5.2 million, or 22.2%, during fiscal 1998 as compared to fiscal 1997. This increase was primarily attributable to increased attendance and hospitality at the Company's racing events, as well as strong sales of souvenirs at the gift shop adjacent to DAYTONA USA

Prize and point fund monies and NASCAR sanction fees increased by approximately $8.2 million, or 39.9%, during fiscal 1998 as compared to fiscal 1997. Approximately three-quarters of this increase was the result of increases in the prize and point fund monies paid by NASCAR to participants in the Company's events. This increase was primarily related to increased television broadcast rights fees because standard NASCAR sanctioning agreements require that a specified percentage of television broadcast rights fees be paid as part of the prize money.

Motorsports related expenses increased approximately $10.2 million, or 44.2%, during fiscal 1998 as compared to fiscal 1997. Approximately two-thirds of the increase was primarily attributable to increases in personnel costs, advertising, hospitality and other operating costs. The remaining increase was attributable to expenses for Phoenix and Watkins Glen for which there were no comparable expenses in fiscal 1997 due to the timing of the acquisitions. Motorsports related expenses as a percentage of combined admissions and motorsports related income increased from approximately 19.9% to 21.0%, when comparing fiscal 1997 with fiscal 1998. This increase was primarily due to lower margin events conducted at Phoenix for which there were no comparable events in fiscal 1997.

Food, beverage and merchandise expense increased approximately $1.6 million, or 11.8%, during fiscal 1998, as compared to fiscal 1997. These increased expenses were primarily related to increased product and personnel costs. Food, beverage and merchandise expenses as a percentage of food, beverage and merchandise income decreased from 57.4% to 52.5% for fiscal 1998 as compared to fiscal 1997. This decrease was due to economies of scale and cost containment, fees from third party vendors at Phoenix for which there are no associated costs, discontinuation of lower margin events conducted at facilities not operated by the Company and the impact of additional expense associated with the rain out and rescheduling of a NASCAR Winston Cup Series event at Talladega in the prior year.

General and administrative expenses increased $8.4 million, or 28.3%, for fiscal 1998 as compared to fiscal 1997. The increase was primarily attributable to personnel costs and professional fees, with over one-quarter of the increase related to the timing of the acquisitions of Phoenix and Watkins Glen in the prior year. General and administrative expenses as a percentage of total revenues remained relatively constant for fiscal 1998 as compared to fiscal 1997.

Depreciation and amortization expense increased approximately $3.2 million, or 32.6%, for fiscal 1998 as compared to fiscal 1997. Approximately 45% of this increase was attributable to Phoenix, including the amortization of goodwill, and to Watkins Glen for which there was no comparable expense in fiscal 1997. The remaining increase was attributable to ongoing improvements at the Company's other facilities.

The approximately $1.1 million increase in the Company's net interest income for fiscal 1998 as compared to fiscal 1997, is attributable primarily to the investment of the proceeds of the Class A Common Stock Offering in July 1998.

Equity in net income (loss) from equity investments represents the Company's pro rata share of the current income and losses from its equity investments and the amortization of the Company's investment in excess of its share of the investee's underlying net assets. During fiscal 1998 this included the Company's approximately 12% indirect investment in PMI, its 40% investment in Miami which was increased to 45% in March 1998, and its approximately 7% investment in Long Beach, which was sold in March 1998. Fiscal 1997 included the Company's approximately 11% indirect investment in PMI, its 40% investment in Miami acquired in July of 1997, its approximately 7% investment in Long Beach acquired in August of 1997, and the Company's 50% investment in Watkins Glen through March 31, 1997.

The gain on sale of equity investments of approximately $1.2 million was a result of the sale of the Company's equity investment in Long Beach in March of 1998. The Company sold its investment in conjunction with Dover Downs Entertainment, Inc.'s announced plans to merge with Long Beach. The after tax impact of this transaction was a gain of approximately $850,000.

As a result of the foregoing, the Company's net income increased approximately $10.4 million, or 34.9%, for fiscal 1998 as compared to fiscal 1997.

LIQUIDITY AND CAPITAL RESOURCES

GENERAL

The Company has historically generated sufficient cash flow from operations to fund its working capital needs and capital expenditures at existing

facilities, as well as to pay an annual cash dividend. In addition, the Company has used the proceeds from offerings of its Class A Common Stock and, more recently, the net proceeds from the issuance of Senior Notes, borrowings under its Credit Facility and state and local mechanisms to fund acquisitions and development projects. The Company had $225 million principal amount of Senior Notes outstanding, total borrowings of approximately $200 million under its credit facility and term loan arrangements, a debt service funding commitment of approximately $69 million, net of discount, related to the TIF bonds issued by the Unified Government and a working capital deficit of $51.9 million at November 30, 1999, compared to working capital of approximately $25.5 million at November 30, 1998. This is primarily due to the acquisition of the approximately 88% interest the Company did not already own in PMI in July of 1999 and funds restricted at November 30, 1999 for the purchase of Richmond International Raceway ("Richmond") and the development of the speedway in Kansas. (See "Acquisition" and "Future Liquidity")

CASH FLOWS

Net cash provided by operating activities was approximately $99 million in fiscal 1999. The difference between the Company's net income of $56.6 million and the $99 million of operating cash flow is primarily attributable to $25.1 million in depreciation and amortization, as well as a $14.5 million increase in deferred income taxes, net of the increase in deferred income taxes recorded as a result of the PMI acquisition and consolidation of Miami.

Net cash used in investing activities for fiscal 1999 was approximately $468.5 million. The Company's use of cash in investing activities reflects a $242.4 million increase in investments restricted to the purchase of Richmond and the development of the speedway in Kansas, $133.4 million for the cash portion of the purchase price of PMI, $126.6 million in capital expenditures and $17.7 million mainly for the Company's investment in the Chicago project, partially offset by the net proceeds from the sale of short-term investments of $53.9 million.

Net cash provided by financing activities for fiscal 1999 of approximately $368.7 million is related primarily to the net proceeds of the issuance of $225 million principal amount of Senior Notes, borrowings under the Company's five-year revolving Credit Facility (See "Acquisition") and the issuance of the TIF bonds related to the Kansas project, partially offset by repayment of a portion of the Company's borrowings under the Credit Facility and, to a lesser extent, the debt service funding commitment associated with the TIF bonds.

CAPITAL EXPENDITURES

Capital expenditures totaled approximately $126.6 million for fiscal 1999 as compared to $71.9 million for fiscal 1998. Approximately 66% of these expenditures were related to expenditures at the Company's existing facilities, including increased seating capacity at Daytona, Talladega, Phoenix, Darlington, Michigan and Miami, land purchased for expansion of parking capacity and a variety of other improvements. The remaining capital expenditures were primarily related to the construction of the speedway in Kansas.

The Company expects to make approximately $55.1 million of additional capital expenditures for approved projects at existing facilities, including Richmond, within the next 24 months to increase grandstand seating capacity, acquire land for expansion of parking capacity and for a variety of additional improvements. The Company also expects to spend an additional $10.1 million for 36 additional luxury suites at the Kansas facility, which is currently under construction. The balance of the Company's capital expenditures related to the construction of the Kansas facility will be funded from restricted investments, as discussed below.

ACQUISITION

On July 26, 1999, the Company, 88 Corp.(a merger subsidiary wholly-owned by the Company), and PMI consummated an Agreement and Plan of Merger. Pursuant to the PMI Merger Agreement, PMI merged into 88 Corp. ("the PMI Merger") and became a wholly-owned subsidiary of the Company.

In connection with and immediately preceding the PMI Merger, the Company, Penske Performance, Inc., Penske Corporation, (the sole shareholder of Penske Performance, Inc.), and PSH Corp., (which owned approximately 56% of the issued and outstanding shares of PMI), consummated a separate Agreement and Plan of Merger which resulted in the merger of PSH Corp. into the Company.

Pursuant to the Merger Agreements, the Company acquired the approximately 88%, or 12.2 million outstanding common shares, of PMI stock that it did not already own for approximately $129.8 million and 10,029,861 shares of the Company's Class A Common Stock. Transaction costs, net of cash acquired in the transaction, totaled approximately $3.6 million. The total cash and stock consideration issued in the transaction was approximately $611.1 million.

The acquisition has been accounted for under the purchase method of accounting and, accordingly, the results of operations of the former PMI, as well as Miami, have been included in the Company's consolidated statements of income since the date of acquisition.

The transaction purchase price has been allocated to the assets and liabilities of PMI and Miami based upon preliminary estimates of their fair market value. Management does not believe the final valuation will differ materially from the preliminary valuation. The excess of the purchase price over the fair value of the net assets acquired of approximately $108.2 million has been allocated, based upon the preliminary valuation, as goodwill of

approximately $507.4 million and assembled workforce of approximately $900,000, which are being amortized on a straight line basis over 40 years and five years, respectively. The amount amortized during fiscal 1999 was approximately $4.4 million.

The Company financed a portion of the aforementioned mergers and refinanced PMI's outstanding indebtedness through a new $250 million fully-underwritten five-year revolving Credit Facility ("Credit Facility") syndicated to a select group of lenders (See "Future Liquidity"). This Credit Facility replaced the Company's existing $100 million facility. Borrowings under the Credit Facility bear interest at the applicable LIBOR rate plus 50-100 basis points depending on certain financial criteria. At November 30, 1999, the Company's outstanding borrowings on this Credit Facility were $160 million related to the December 1, 1999 purchase of Richmond (See "Future Liquidity").

FUTURE LIQUIDITY

On October 6, 1999, the Company sold $225 million principal amount of Senior Notes due 2004 in a private placement. The unsecured Senior Notes will bear interest at 7.875%. The Company used approximately $176 million of the net proceeds from the transaction to repay the outstanding borrowings under the Credit Facility, which were related to a portion of the cash consideration paid in the PMI acquisition (See "Acquisition"). The Company intends to use the remaining net proceeds of approximately $47 million to partially fund the completion of certain additions and improvements to the Company's motorsports facilities and for working capital and other general corporate purposes. Pending such uses, the Company invested the remaining proceeds in money market funds and other interest-bearing obligations. Pursuant to the Credit Facility agreement, the size of the Credit Facility was automatically reduced from $300 million to $200 million upon the Company's receipt of the proceeds from the private placement. In December 1999, the Company increased the maximum availability under its Credit Facility from $200 million to $250 million. On January 19, 2000 the Company commenced an offer to exchange the Senior Notes issued in the private placement for registered Senior Notes with substantially identical terms. The exchange offer will expire on February 28, 2000.

In addition to the Credit Facility described above, at November 30, 1999 the Company had a $20 million credit facility, with outstanding borrowings of $9.5 million, and a $30 million term loan outstanding. Both the $20 million credit facility and $30 million term loan are collateralized by the assets of the Company's Miami subsidiary.

During the first quarter of 1999, the financing for the first phase of the development of the Kansas facility, which is currently estimated to cost in excess of $224 million, was substantially completed. In January 1999, the Unified Government issued approximately $71.3 million in TIF bonds and approximately $24.3 million in sales tax special obligation revenue ("STAR") bonds. The STAR bonds are retired with state and local taxes generated within the project's boundaries, and are not an obligation of the Company. The TIF bonds will be serviced through payments by the Unified Government escalating from an annual rate of approximately $4.8 million to $7.7 million, including interest at 6.15% to 6.75%, which are funded by payments made by the Company to the Unified Government in lieu of property taxes. In addition, the Company initially committed equity of approximately $77.9 million of which $24.4 million was funded during fiscal 1998, with the remaining $53.5 million funded in the first quarter of fiscal 1999. The net TIF and STAR bond proceeds and the Company's initial equity contribution were deposited into trustee administered accounts for the benefit of the construction of the Kansas facility which will be owned and operated by the Company. At November 30, 1999, the Company's restricted investments include $80.7 million of the funds remaining from the Company's equity contribution and the TIF bond proceeds.

On May 5, 1999, the Motorsports Alliance, LLC ("MSA") (owned 50% by the Company and 50% by Indianapolis Motor Speedway Corp.) and the owners of Route 66 Raceway, LLC ("Route 66"), formed a new company, Raceway Associates, LLC, ("Raceway Associates") which is owned 75% by MSA and 25% by the former owners of Route 66. As a result of this transaction, Raceway Associates owns the 240 acre Route 66 Raceway motorsports complex located in Joliet, Illinois, approximately 35 miles from downtown Chicago. Raceway Associates also purchased 930 acres adjacent to the existing Route 66 complex on which it has commenced construction of a 1.5 mile oval motor speedway, which will initially accommodate approximately 75,000 spectators. The current estimate for the new superspeedway development is $125 to $130 million, $100 million of which will be financed through equity of approximately $50 million from MSA and approximately $50 million in future borrowings by Raceway Associates. The members of MSA will guarantee up to $50 million of these borrowings of Raceway Associates on a pro rata basis until such time as the operations of Raceway Associates meet certain financial criteria. Further, in December 1999 the City of Joliet, Illinois sold approximately $9 million in 6.75% municipal bonds (which are to be repaid by Raceway Associates through property tax assessments over twelve years) to help fund a portion of the project costs that relate to public infrastructure for the speedway development project. In addition, the Company (through MSA) may commit additional equity to fund a portion of additional project costs in excess of $109 million. During fiscal 1999, the Company contributed approximately $17.2 million to MSA, approximately $14.6 million of which has been applied towards the Company's portion of MSA's $50 million equity commitment.

On December 1, 1999, the Company acquired the Richmond facility, a 3/4 mile intermediate speedway located approximately 10 miles from downtown Richmond, Virginia, for approximately $215 million in cash. Richmond seats over 94,000 grandstand spectators and offers luxury accommodations in 34 suites. Richmond hosts several major NASCAR events annually, including two NASCAR Winston Cup Series events, two NASCAR Busch Series, Grand National Division events and one NASCAR Craftsman Truck Series event. The Company financed the acquisition

through $160 million in borrowings under its Credit Facility and approximately $55 million of its existing cash resources.

During fiscal 1999, the Company announced its intention to search for a site for a major motorsports facility in the New York metro area. In January 2000, the Company announced that, through its wholly-owned subsidiary New York International Speedway Corporation, it had entered into an agreement with the New Jersey Sports and Exposition Authority to conduct a feasibility study on the development of a motorsports facility at the Meadowlands Sports Complex in New Jersey. The feasibility study covers a twelve month period. The Meadowlands Sports Complex, located five miles west of the Lincoln Tunnel, is the site of Giants Stadium, Continental Airlines Arena and Meadowlands Racetrack and is the home of several professional sports franchises, horse racing, college athletics, concerts and family shows. The Company has not yet determined the feasibility of the Meadowlands (or any other) site, formulated an estimate of the costs to construct a major motorsports facility in the New York metropolitan area, nor established a timetable for completion, or even commencement, of such a project.

The Company believes that cash flow from operations, along with existing cash and short-term investment balances, proceeds from the Senior Notes and available borrowings under the Company's credit facilities, will be sufficient to fund 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 other currently existing debt service requirements, and iv) the Company's expected equity funding requirements for the Chicago project. The Company intends to pursue further development and/or acquisition opportunities (including the possible development of new motorsports facilities in Denver and the New York metropolitan area) the timing, size and success as well as associated potential capital commitments of which are unpredictable. Accordingly, a material acceleration in our growth strategy could require the Company to obtain additional capital through debt and/or equity financings. Although there can be no assurance, the Company believes that adequate debt and equity financing will be available on satisfactory terms.

SEASONALITY AND QUARTERLY RESULTS

The Company's business has been, and is expected to remain, highly seasonal based on the timing of major events. For example, one of Darlington Raceway's Winston 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. Further, in July 1998 the Company announced the postponement of the NASCAR Winston Cup Series Pepsi 400 at Daytona, historically conducted in the Company's third quarter, from July 4, 1998 to October 17, 1998 as a result of the nationally publicized forest fire emergency throughout the state of Florida. The rescheduling of the Pepsi 400 at Daytona resulted in event-related revenues and expenses being recognized in the quarter ending November 30, 1998, while corresponding revenues and expenses were recognized in the quarter ended August 31 in fiscal 1999.

On July 26, 1999, the Company acquired the 88% interest it did not already own in PMI. As a result of the transaction, the Company also acquired PMI's 45% interest in Miami, bringing the Company's ownership in that facility to 90%. The Company has recognized revenues and expenses associated with acquired operations on a consolidated basis subsequent to July 26, 1999, including three NASCAR Winston Cup Series events and three NASCAR Busch Series, Grand National Division events, one NASCAR Craftsman Truck Series event and one CART FedEx Championship Series event.

Accordingly, the Company's results of operations are not necessarily comparable on a period-to-period basis.

The following table presents certain unaudited financial data for each fiscal quarter of fiscal 1998 and fiscal 1999 (in thousands, except per share amounts):

	FISCAL QUARTER ENDED			
	FEBRUARY 28, 1998	MAY 31, 1998	AUGUST 31, 1998	NOVEMBER 30, 1998
Total Revenues	$ 68,284	$ 38,191	$ 17,822	$ 64,671
Operating Income (loss)	33,000	7,784	(4,687)	24,817
Net Income (loss)	20,149	6,046	(1,944)	15,941
Basic earnings (loss) per share	0.53	0.16	(0.05)	0.37
Diluted earnings (loss) per share	0.53	0.16	(0.05)	0.37

FISCAL QUARTER ENDED

	FEBRUARY 28, 1999	MAY 31, 1999	AUGUST 31, 1999	NOVEMBER 30, 1999
Total Revenues	$83,236	$44,635	$66,226	$104,625
Operating Income	40,233	9,587	16,822	29,314
Net Income	25,939	6,844	9,635	14,195
Basic earnings per share	0.61	0.16	0.21	0.27
Diluted earnings per share	0.60	0.16	0.20	0.27

IMPACT OF THE YEAR 2000

The Year 2000 issue is the result of computer programs and other business systems being written using two digits rather than four to represent the year. Many of the time sensitive applications and business systems of the Company and its business partners could recognize a date using "00" as the year 1900 rather than the year 2000, which potentially could result in system failure or disruption of operations.

The Company diligently addressed the potential Year 2000 issue through remediation projects relating to its information technology systems, non-information technology systems and material third party relationships. The Company completed these initiatives at an estimated cost of $600,000. Previously disclosed as such, most of the Company's major information technology systems were updated or replaced with Year 2000 compliant applications in the normal course of business.

As of this date, the Company has not experienced any significant business disruptions or system failures as a result of the Year 2000 issue. There have been no substantial Year 2000 related issues reported from our major business partners.

Although the Year 2000 event has occurred, and while there can be no assurance that there will be no problems related to the Year 2000 for a period of time after January 1, 2000, the Company believes it will not be adversely impacted by the Year 2000 issue.

FACTORS THAT MAY AFFECT OPERATING RESULTS

Statements contained in this document that state the Company's or Management's anticipations, beliefs, expectations, hopes, intentions, predictions and/or strategies which are not purely historical fact or which apply prospectively are "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21 of the Securities Exchange Act of 1934. All forward-looking statements contained in this document are based on information available to the Company on the date hereof, and the Company assumes no obligation to update any such forward-looking statements. It is important to note that the Company's actual results could differ materially from those contained or projected in, or even implied by, such forward-looking statements. Some of the factors that could cause the actual results to differ materially are set forth below. Additional information concerning these, or other, factors which could cause actual results to differ materially from those in the forward-looking statements is contained from time to time in the Company's other SEC filings. Copies of those filings are available from the Company and/or the SEC.

DEPENDENCY UPON NASCAR

The Company's success has been and will remain dependent upon maintaining a good working relationship with NASCAR, the sanctioning body for NASCAR's Winston Cup Series, the Busch Series - Grand National Division and certain other races promoted by the Company. The Company has sanctioning agreements to promote and market eleven NASCAR Winston Cup Series championship point races, two NASCAR Winston Cup Series non-championship point races, nine NASCAR Busch Series - Grand National Division races and a number of other NASCAR races for the 1999 racing season. Each NASCAR event sanctioning agreement is awarded on an annual basis. In fiscal 1999, NASCAR-sanctioned races at the Company's facilities accounted for approximately 79% of the Company's total revenues. Although William C. France and James C. France presently control both the Company and NASCAR and management believes that the Company will continue to maintain an excellent relationship with NASCAR for the foreseeable future, NASCAR is under no obligation to continue to enter into sanctioning agreements with the Company to promote any event. Failure to obtain a sanctioning agreement for a major NASCAR event would have a material adverse effect on the Company's financial condition and results of operations. Moreover, although the Company's general growth strategy includes the possible development and/or acquisition of additional motorsports facilities, there can be no assurance that NASCAR will enter into sanctioning agreements with the Company to promote races at such facilities.

DEPENDENCE ON KEY PERSONNEL

The Company's continued success will depend upon the availability and performance of its senior management team, particularly William C. France, the Company's Chairman of the Board and Chief Executive Officer, James C. France,

its President and Chief Operating Officer, and Lesa D. Kennedy, its Executive Vice President (collectively the "France Family Executives"), each of whom possesses unique and extensive industry knowledge and experience. While the Company believes that its senior management team has significant depth, the loss of any of the Company's key personnel or its inability to attract and retain key employees in the future could have a material adverse effect on the Company's operations and business plans.

UNCERTAIN PROSPECTS OF NEW MOTORSPORTS FACILITIES

The Company's growth strategy includes the potential acquisition and/or development of new motorsports facilities, including the Kansas International Speedway and the development of a motorsports facility near Chicago, Illinois. The Company's ability to implement successfully this element of its growth strategy will depend on a number of factors, including (i) the Company's ability to obtain one or more additional sanctioning agreements to promote NASCAR Winston Cup, NASCAR Busch Series - Grand National Division or other major events at these new facilities, (ii) the cooperation of local government officials, (iii) the Company's capital resources, (iv) the Company's ability to control construction and operating costs, (v) the Company's ability to hire and retain qualified personnel and (vi) with respect to the proposed Kansas International Speedway, the resolution of certain pending litigation. The Company's inability to implement its expansion plans for any reason could adversely affect its business prospects. In addition, expenses associated with developing, constructing and opening a new facility may have a negative effect on the Company's financial condition and results of operations in one or more future reporting periods. The cost of any such transaction will depend on a number of factors, including the facility's location, the extent of the Company's ownership interest and the degree of any municipal or other public support. Moreover, although management believes that it will be able to obtain financing to fund the acquisition, development and/or construction of additional motorsports facilities should the Company implement this element of its growth strategy, there can be no assurance that adequate debt or equity financing will be available on satisfactory terms.

INDUSTRY SPONSORSHIPS AND GOVERNMENT REGULATION

The motorsports industry generates significant recurring revenue from the promotion, sponsorship and advertising of various companies and their products. Actual or proposed government regulation can adversely impact the availability to motorsports of this promotion, sponsorship and advertising revenue. Advertising by the tobacco and alcoholic beverage industries is generally subject to greater governmental regulation than advertising by other sponsors of the Corporations's events. Since August of 1996 there have been several thus far unsuccessful governmental attempts to impose restrictions on the advertising and promotion of cigarettes and smokeless tobacco, including sponsorship of motorsports activities. These regulatory efforts if successfully implemented would have prohibited the present practice of tobacco brand name sponsorship of, or identification with, motorsports events, entries and teams. At this point the ultimate outcome of these or future government regulatory and legislative efforts to regulate the advertising and promotion of cigarettes and smokeless tobacco is uncertain and the impact, if any, on the motorsports industry is unclear. Recently major United States companies engaged in the manufacture of cigarettes and smokeless tobacco (collectively the "tobacco industry") entered into various agreements with the Attorneys General of all 50 states to settle certain state initiated litigation against the tobacco industry. These settlement agreements will, among other things, place limits upon the sponsorship of motorsports activities by the tobacco industry. The actual impact of these settlement agreements upon the Company's future revenues has not yet been determined. Even more recently the executive branch of the United States government has publicly stated its intention to initiate certain litigation against the tobacco industry which would be similar to that initiated by the states which was recently settled. The exact parameters of the proposed litigation and the impact, if any, of this proposed litigation upon the Company's future revenues is presently unclear.

The Company is not aware of any proposed governmental regulation which would materially limit the availability to motorsports of promotion, sponsorship or advertising revenue from the alcoholic beverage industry. The combined advertising and sponsorship revenue from the tobacco and alcoholic beverage industries accounted for approximately 1.6% and 1.5% of the Company's total revenues in fiscal 1998 and fiscal 1999, respectively. In addition, the tobacco and alcoholic beverage industries provide financial support to the motorsports industry through, among other things, their purchase of advertising time, their sponsorship of racing teams and their sponsorship of racing series such as NASCAR's Winston Cup Series and Busch Series - Grand National Division.

LEGAL PROCEEDINGS

The Company and its indirect subsidiary, Americrown Service Corporation, are parties to certain legal proceedings alleging price-fixing activities in connection with the sale of racing souvenirs and merchandise as described in "Part II - Other Information". While the Company and Americrown dispute the allegations and intend to defend the actions fully and vigorously, neither the cost of defending the suits nor the potential damages or other remedies for which the Company and Americrown might be liable is insured. Management is presently unable to predict or quantify the outcome of these matters. But,

there can be no assurance the defense of the suits, or a possible adverse resolution, will not require material expenditures by the Company.

POTENTIAL CONFLICTS OF INTEREST

William C. France and James C. France beneficially own all of NASCAR's capital stock, and each of the France Family Executives, the Company's Vice President--Administration, the Company's General Counsel and certain other non-officer employees (collectively the "Shared Employees") devote portions of their time to NASCAR's affairs. Each of the Shared Employees devotes substantial time to the Company's affairs and all of the Company's other executive officers are available to the Company on a full-time basis. In addition, the Company strives to ensure, and management believes, that the terms of the Company's transactions with NASCAR are no less favorable to the Company than those which could be obtained in arms'-length negotiations. Nevertheless, certain potential conflicts of interest between the Company and NASCAR exist with respect to, among other things, (i) the terms of any sanctioning agreements that may be awarded to the Company by NASCAR, (ii) the amount of time devoted by the Shared Employees and certain other Company employees to NASCAR's affairs, and (iii) the amounts charged or paid to NASCAR for office rental, transportation costs, shared executives, administrative expenses and similar items.

COMPETITION

The Company's racing events face competition from other spectator-oriented sporting events and other leisure and recreational activities, including professional football, basketball and baseball. As a result, the Company's revenues will be affected by the general popularity of motorsports, the availability of alternative forms of recreation and changing consumer preferences. The Company's racing events also compete with other racing events sanctioned by various racing bodies such as NASCAR, Championship Auto Racing Teams, Inc. ("CART"), Indy Racing League ("IRL"), the United States Auto Club ("USAC"), the National Hot Rod Association ("NHRA"), the Sports Car Club of America ("SCCA"), the United States Road Racing Championship ("USRRC"), the Automobile Racing Club of America ("ARCA") and others. Management believes that the primary elements of competition in attracting motorsports spectators and corporate sponsors to a racing event and facility are the type and caliber of promoted racing events, facility location, sight lines, pricing and customer conveniences that contribute to a total entertainment experience.

Many sports and entertainment businesses have resources that exceed those of the Company.

IMPACT OF CONSUMER SPENDING ON RESULTS

The success of the Company's operations depends to a significant extent upon a number of factors relating to discretionary consumer spending, including economic conditions affecting disposable consumer income such as employment, business conditions, interest rates and taxation. These factors can impact both attendance at the Company's events and the financial results of the motorsports industry's principal sponsors. There can be no assurance that consumer spending will not be adversely affected by economic conditions, thereby impacting the Company's growth, revenue and profitability.

FINANCIAL IMPACT OF BAD WEATHER

The Company promotes outdoor motorsports events. Weather conditions affect sales of, among other things, tickets, concessions and souvenirs at these events. Although the Company sells tickets well in advance of its most popular events, poor weather conditions could have a material adverse effect on the Company's results of operations, particularly any interruption of the Company's February "Speedweeks" events.

LIABILITY FOR PERSONAL INJURIES

Motorsports can be dangerous to participants and to spectators. The Company maintains insurance policies that provide coverage within limits that management believes should generally be sufficient to protect the Company from material financial loss due to liability for personal injuries sustained by persons on the Company's premises in the ordinary course of Company business. Nevertheless, there can be no assurance that such insurance will be adequate or available at all times and in all circumstances. The Company's financial condition and results of operations would be adversely affected to the extent claims and associated expenses exceed insurance recoveries.

OTHER REGULATORY MATTERS

Management believes that the Company's operations are in substantial compliance with all applicable federal, state and local environmental laws and regulations. Nonetheless, if damage to persons or property or contamination of the environment is determined to have been caused or exacerbated by the conduct of the Company's business or by pollutants, substances, contaminants or wastes used, generated or disposed of by the Company, or which may be found on the property of the Company, the Company may be held liable for such damage and may be required to pay the cost of investigation and/or remediation of such contamination or any related damage. The amount of such liability as to which the Company is self-insured could be material. State and local laws

relating to the protection of the environment also include noise abatement laws that may be applicable to the Company's racing events. Changes in the provisions or application of federal, state or local environmental laws, regulations or requirements, or the discovery of theretofore unknown conditions, could also require additional material expenditures by the Company.

In addition, the development of new motorsports facilities (and, to a lesser extent, the expansion of existing facilities) requires compliance with applicable federal, state and local land use planning, zoning and environmental regulations. Regulations governing the use and development of real estate may prevent the Company from acquiring or developing prime locations for motorsports facilities, substantially delay or complicate the process of improving existing facilities, and/or materially increase the costs of any of such activities.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The Company's interest income and expense are most sensitive to changes in the general level of U.S. interest rates. In this regard, changes in U. S. interest rates affect the interest earned on the Company's cash equivalents, short term investments and restricted investments, as well as interest paid on its debt.

The objective of the Company's asset management activities is to provide an adequate level of interest income and liquidity to fund operations and capital expansion, while minimizing market risk. The Company utilizes short term investments consisting of certificates of deposit and obligations of U.S. Government agencies and municipal securities to minimize the interest rate risk. The Company does not believe that its interest rate risk related to its cash equivalents and short term investments is material due to the short term nature of the investments.

Additionally, the Company maintained a significant certificate of deposit with one financial institution at November 30, 1998, and a significant amount in a repurchase agreement with one financial institution at November 30, 1999 related to the December 1, 1999 purchase of Richmond (See "Future Liquidity"). The Company believes that it was not exposed to any significant credit risk on these investments due to the strength of the financial institutions and the short term nature of the investments.

In January 1999, the Unified Government issued approximately $71.3 million in TIF bonds in connection with the financing of the construction of the speedway in Kansas (See "Future Liquidity"). The TIF bonds are serviced through payments by the Unified Government, which are funded through payments made by the Company to the Unified Government in lieu of property taxes. The TIF bonds are comprised of a $21.6 million, fixed rate (6.15%) term bond due December 1, 2017 and a $49.7 million fixed rate (6.75%) term bond due December 1, 2027. The proceeds from the TIF bonds, along with the Company's initial equity commitment to the Kansas City track, were deposited in a trust account and are classified as restricted investments on the Company's balance sheet. The trust account has invested the funds in a guaranteed investment contract earning an interest rate of approximately 4.75%.

On October 6, 1999, the Company completed an offering of $225 million principal amount of Senior Notes due October 15, 2004 in a private placement. The unsecured Senior Notes bear interest at 7.875% and rank equally with all of the Company's other senior unsecured and unsubordinated indebtedness. The Senior Notes require semi-annual interest payments beginning on April 15, 2000 through maturity on October 15, 2004. The 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 a redemption price as defined in the indenture. Certain of the Company's subsidiaries are guarantors of the Senior Notes. The Senior Notes also contain various restrictive covenants. On January 19, 2000, the Company commenced an offer to exchange the Senior Notes issued in the private placement for registered Senior Notes with substantially identical terms. The exchange offer will expire on February 28, 2000.

The Company is exposed to market risks related to fluctuations in interest rates on its variable rate debt, which consists of borrowings of $199.5 million at November 30, 1999 under the Company's $250 million Credit Facility, $20 million credit facility and $30 million term debt. The Company has an interest swap agreement covering the $20 million credit facility and the $30 million term loan to fix the interest rate through the remainder of the agreement.

Generally, fixed rate debt changes in interest rates affect the fair market value, but not earnings or cash flows. Conversely, for variable rate debt, changes in interest rates generally do not influence fair market value, but do affect future earnings and cash flows. The Company manages its interest exposure by using a combination of fixed and variable rate debt. The Company does not expect changes in interest rates to have a material effect on the Company's results of operations or cash flows, although there can be no assurances that interest rates will not significantly change.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors and Shareholders
International Speedway Corporation

We have audited the accompanying consolidated balance sheets of International Speedway Corporation and subsidiaries as of November 30, 1998 and 1999, and the related consolidated statements of income, shareholders' equity and cash flows for the years ended November 30, 1997, 1998 and 1999. Our audits also included the financial statement schedule listed in the index at Item 14(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of International Speedway Corporation and subsidiaries at November 30, 1998 and 1999, and the consolidated results of their operations and their cash flows for the years ended November 30, 1997, 1998 and 1999, in conformity with accounting principles generally accepted in the United States. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

Ernst & Young LLP

Jacksonville, Florida
January 21, 2000

INTERNATIONAL SPEEDWAY CORPORATION

CONSOLIDATED BALANCE SHEETS

	NOVEMBER 30, 1998	NOVEMBER 30, 1999
	(IN THOUSANDS)	
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 38,676	$ 37,811
Short-term investments (Note 5)	54,127	690
Receivables, less allowance of $100 and $1,000, respectively	9,445	15,312
Inventories	953	3,466
Prepaid expenses and other current assets	3,267	7,696
Total Current Assets	106,468	64,975
Property and Equipment, net (Note 2)	225,831	657,682
Other Assets:		
Equity investments (Note 3)	44,087	17,423
Goodwill, less accumulated amortization of $1,386 and $6,753, respectively (Note 1)	38,927	542,583
Restricted investments (Note 1)	53,500	295,929
Other	8,005	20,535
	144,519	876,470
Total Assets	$ 476,818	$ 1,599,127
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 10,367	$ 17,655
Deferred income (Note 1)	62,253	77,119
Current portion of long-term debt (Note 6)	598	2,655
Other current liabilities	7,736	19,443
Total Current Liabilities	80,954	116,872
Long-Term Debt (Note 6)	2,775	496,067
Deferred Income Taxes (Note 7)	26,234	72,291
Long Term Deferred Income (Note 1)	--	8,376
Minority Interest (Note 1)	--	3,051
Commitments and Contingencies (Note 9)	--	--
Shareholders' Equity (Notes 1 and 8):		
Class A Common Stock, $.01 par value, 80,000,000 shares authorized; 11,529,590 and 22,876,075 issued and outstanding in 1998 and 1999, respectively	115	229
Class B Common Stock, $.01 par value, 40,000,000 shares authorized; 31,573,043 and 30,248,639 issued and outstanding in 1998 and 1999, respectively	316	302
Additional paid-in capital	205,089	687,321
Retained earnings	163,201	216,432
	368,721	904,284
Less unearned compensation--restricted stock (Note 12)	1,866	1,814
Total Shareholders' Equity	366,855	902,470
Total Liabilities and Shareholders' Equity	$476,818	$ 1,599,127

See accompanying notes.

INTERNATIONAL SPEEDWAY CORPORATION
CONSOLIDATED STATEMENTS OF INCOME

	YEAR ENDED NOVEMBER 30, 1997	1998	1999
	(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)		
Revenues:			
Admissions, net	$ 69,487	$ 86,946	$ 134,174
Motorsports related income	46,650	71,793	116,241
Food, beverage and merchandise income	23,408	28,597	46,453
Other income	1,829	1,632	1,854
	141,374	188,968	298,722
Expenses:			

Direct expenses:			
Prize and point fund monies and NASCAR sanction fees	20,567	28,767	45,615
Motorsports related expenses	23,075	33,283	51,031
Food, beverage and merchandise expenses	13,435	15,025	23,988
General and administrative expenses	29,486	37,842	57,066
Depreciation and amortization	9,910	13,137	25,066
	96,473	128,054	202,766
Operating income	44,901	60,914	95,956
Interest income	3,196	4,414	8,780
Interest expense	(509)	(582)	(6,839)
Equity in net income (loss) from equity investments	366	(905)	(1,819)
Gain on sale of equity investment	-	1,245	--
Minority interest	-	-	(796)
Income before income taxes	47,954	65,086	95,282
Income taxes (Note 7)	18,158	24,894	38,669
Net income	$ 29,796	$ 40,192	$ 56,613
Basic earnings per share (Note 1)	$ 0.78	$ 1.00	$ 1.22
Diluted earnings per share (Note 1)	$ 0.78	$ 1.00	$ 1.22
Dividends per share (Note 1)	$ 0.06	$ 0.06	$ 0.06
Basic weighted average shares outstanding (Note 1).	38,185,473	40,025,643	46,394,614
Diluted weighted average shares outstanding (Note 1)	38,339,978	40,188,800	46,518,977

See accompanying notes.

INTERNATIONAL SPEEDWAY CORPORATION

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	CLASS A COMMON STOCK $.01 PAR VALUE	CLASS B COMMON STOCK $.01 PAR VALUE	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	UNEARNED COMPENSATION--RESTRICTED STOCK	TOTAL SHAREHOLDERS' EQUITY
			(IN THOUSANDS)			
BALANCE AT NOVEMBER 30, 1996	$ 40	$344	$ 82,236	$ 98,119	$(1,450)	$179,289
Net income	--	--	--	29,796	--	29,796
Cash dividends ($.06 per share)	--	--	--	(2,310)	--	(2,310)
Change in equity investments (Note 3)	--	--	2,263	--	--	2,263
Additional expense of Class A Common Stock Offering	--	--	(46)	--	--	(46)
Restricted stock granted (Note 12)	--	1	1,984	--	(1,985)	--
Reacquisition of previously issued common stock	--	--	--	(148)	--	(148)
Conversion of Class B Common Stock to Class A Common Stock	13	(13)	--	--	--	--
Amortization of unearned compensation (Note 12)	--	--	--	--	1,063	1,063
BALANCE AT NOVEMBER 30, 1997	53	332	86,437	125,457	(2,372)	209,907
Net income	--	--	--	40,192	-	40,192
Public offering - Class A Common Stock (Note 8)	46	-	117,654	--	--	117,700
Cash dividends ($.06 per share)	-	--	--	(2,310)	--	(2,310)
Change in equity investment (Note 3)	-	--	(7)	--	--	(7)
Restricted stock granted (Note 12)	--	--	680	--	(680)	--
Reacquisition of previously issued common stock	--	--	(57)	(138)	--	(195)
Conversion of Class B Common Stock to Class A Common Stock	16	(16)	--	--	--	--
Forfeiture of restricted shares	--	--	(110)	--	110	--
Income tax benefit related to restricted stock plan (Note 12)	--	--	492	--	--	492
Amortization of unearned compensation (Note 12)	--	--	--	--	1,076	1,076
BALANCE AT NOVEMBER 30, 1998	115	316	205,089	163,201	(1,866)	366,855
Net income	--	--	--	56,613	--	56,613
Issuance of Common Stock for PMI acquisition	100	-	480,472	--	--	480,572
Cash dividends ($.06 per share)	--	--	--	(2,586)	--	(2,586)
Change in equity investment (Note 3)	--	--	(90)		--	(90)
Restricted stock granted (Note 12)	--	--	1,035	--	(1,035)	--
Reacquisition of previously issued common stock	--	--	(314)	(796)	--	(1,110)
Conversion of Class B Common Stock to Class A Common Stock	14	(14)	--	--	--	--
Income tax benefit related to restricted stock plan (Note 12).....................	--	--	1,129	--	--	1,129
Amortization of unearned compensation (Note 12)	--	--	--	--	1,087	1,087
BALANCE AT NOVEMBER 30, 1999	$229	$302	$687,321	$216,432	$(1,814)	$902,470

See accompanying notes.

Source: INTERNATIONAL SPEEDW, 10-K, February 28, 2000

CONSOLIDATED STATEMENTS OF CASH FLOWS

	YEAR ENDED NOVEMBER 30,		
	1997	1998	1999
		(IN THOUSANDS)	
OPERATING ACTIVITIES			
Net income	$ 29,796	$ 40,192	$ 56,613
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	9,910	13,137	25,066
Amortization of unearned compensation	1,063	1,076	1,087
Deferred income taxes	4,425	5,545	14,458
Undistributed (income) loss from equity investments.	(366)	905	1,819
Minority interest	--	--	796
Gain on sale of equity investment	-	(1,245)	--
Changes in Operating Assets and Liabilities:			
Receivables	(667)	(2,020)	6,413
Inventories, prepaid expenses and other current assets	(204)	723	3,549
Other assets	(204)	(2,152)	(1,000)
Accounts payable	2,278	4,471	593
Deferred income	6,791	12,915	(16,789)
Other current liabilities	2,112	5,965	6,358
Net Cash Provided by Operating Activities	54,934	79,512	98,963
INVESTING ACTIVITIES			
Change in short-term investments	51,956	(84,026)	53,937
Capital expenditures	(38,627)	(71,858)	(126,596)
Other, net	(1,253)	(1,323)	(2,245)
Equity investments	(17,725)	(410)	(17,723)
Increase in restricted investments, net	--	-	(242,429)
Proceeds from sale of equity investment	-	5,270	--
Acquisition of Penske Motorsports, Inc., net of cash acquired	--	--	(133,440)
Acquisition of Watkins Glen International interest, net of cash acquired	(996)	--	--
Acquisition of Phoenix International Raceway, net of cash acquired	(43,868)	--	--
Net Cash Used in Investing Activities	(50,513)	(152,347)	(468,496)
FINANCING ACTIVITIES			
Proceeds from long-term debt	--	--	638,786
Payment of long-term debt	-	(13,658)	(254,560)
Deferred financing costs, net	--	--	(11,862)
Reacquisition of previously issued common stock	(148)	(195)	(1,110)
Additional expense of Class A Common Stock Offering	(46)	--	--
Cash dividends paid	(2,310)	(2,310)	(2,586)
Issuance of Class A Common Stock	--	117,700	--
Net Cash Provided by (Used in) Financing Activities	(2,504)	101,537	368,668
Net Increase (Decrease) in Cash and Cash Equivalents	1,917	28,702	(865)
Cash and Cash Equivalents at Beginning of Period	8,057	9,974	38,676
Cash and Cash Equivalents at End of Period	$ 9,974	$ 38,676	$ 37,811

See accompanying notes.

INTERNATIONAL SPEEDWAY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
NOVEMBER 30, 1999

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

DESCRIPTION OF BUSINESS: International Speedway Corporation and its majority-owned subsidiaries (the "Company") is a leading promoter of motorsports activities in the United States. As of November 30, 1999, the Company owned and/or operated ten premier motorsports facilities as follows:

Track Name	Location	Track Length
Daytona International Speedway	Daytona Beach, Florida	2.5 Miles
Michigan Speedway	Brooklyn, Michigan	2.0 Miles
Talladega Superspeedway	Talladega, Alabama	2.6 Miles
California Speedway	Fontana, California	2.0 Miles
Phoenix International Raceway	Phoenix, Arizona	1.0 Miles
North Carolina Speedway	Rockingham, North Carolina	1.0 Miles
Darlington Raceway	Darlington, South Carolina	1.3 Miles
Homestead-Miami Speedway	Homestead, Florida	1.5 Miles
Nazareth Speedway	Nazareth, Pennsylvania	1.0 Miles
Watkins Glen International	Watkins Glen, New York	3.4 Miles

The Company also operates Tucson Raceway Park in Pima County Arizona.

At these facilities the Company promoted over one hundred stock car, sports car, truck, motorcycle and other racing events in 1999, including eleven NASCAR Winston Cup Series championship point races, two NASCAR Winston Cup Series non-championship point races, nine NASCAR Busch Series, Grand National Division races, three NASCAR Craftsman Truck Series races, one CART FedEx Championship Series race, one Indy Racing League Series race, and a number of prestigious sports car and motorcycle races. The Company also conducts, either through operations of the facility or through its wholly-owned subsidiaries Americrown Service Corporation and Motorsports International Corp. (See Note 4), souvenir merchandising operations at its Daytona, Talladega, California, North Carolina, Darlington, Miami, Nazareth and Watkins Glen facilities, food and beverage concession operations at its Daytona, Talladega, North Carolina, Darlington, Nazareth, and Watkins Glen facilities and provides catering services to corporate customers both in suites and chalets at its Daytona, Talladega, Darlington, Miami and Watkins Glen facilities.

Motorsports International Corp. also produces and markets motorsports-related merchandise such as apparel, souvenirs and collectibles to retail customers through catalogue sales and trackside operations (unrelated to the souvenir merchandising operations described above) at certain motorsports facilities, including many of those owned and/or operated by the Company, as well as through direct sales to dealers.

The Company's proprietary MRN radio network produces and syndicates NASCAR Winston Cup Series, NASCAR Busch Series, Grand National Division, NASCAR Craftsman Truck Series and other races promoted by the Company and others. MRN Radio also produces daily and weekly NASCAR racing programs.

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

Competition Tire (See Note 4), one of the Company's wholly-owned subsidiaries, engages in the wholesale and retail sale and distribution of Goodyear brand racing tires for certain types of racing events.

The Company has a 50% equity investment in the Motorsports Alliance, LLC ("MSA"), which is owned 50% by the Company and 50% by Indianapolis Motor Speedway Corp. MSA owns a 75% interest in Raceway Associates, LLC, ("Raceway Associates") which owns the 240 acre Route 66 Raceway motorsports complex located in Joliet, Illinois, approximately 35 miles from downtown Chicago and 930 acres adjacent to the existing Route 66 Raceway motorsports complex (See Note 3).

SIGNIFICANT ACCOUNTING POLICIES:

PRINCIPLES OF CONSOLIDATION: The accompanying consolidated financial statements include the accounts of International Speedway Corporation, its wholly-owned subsidiaries, and Homestead-Miami Speedway, LLC, ("Miami"), a 90% owned subsidiary. 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, repurchase agreements and money market accounts at investment firms. Cash and cash equivalents exclude certificates of deposit, obligations of U.S. Government Agencies, U.S. Treasury Notes and U.S. Treasury Bills, regardless of original maturity.

INVESTMENTS (NOTE 5): The Company accounts for investments in accordance with Statement of Financial Accounting Standard (SFAS) No. 115, "Accounting for Certain Investments in Debt and Equity Securities."

The Company determines the appropriate classification of investments at the time of purchase and reevaluates such designation as of each balance sheet date. Debt securities are classified as held-to-maturity based on the Company's positive intent and ability to hold the securities to maturity. These securities are stated at cost. Interest and dividends are included in interest income.

Short-term investments consist of certificates of deposit and securities held-to-maturity which are due in one year or less. Certificates of deposit are readily convertible to cash and are stated at cost.

Long-term investments consist of securities held-to-maturity which are due after one year and are stated at cost.

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

PROPERTY AND EQUIPMENT (NOTE 2): 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	5-34 years
Furniture and equipment	3-20 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 (NOTE 3): 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 and amortization of the Company's investment in excess of its pro rata share of the underlying assets reduce the investment. The Company's investment in excess of its pro rata share of the underlying assets is amortized by the straight-line method over 20-40 years. The Company recognizes the effects of transactions involving the sale or distribution by an equity investee of its common stock as capital transactions.

GOODWILL (NOTE 4): Goodwill resulting from acquisitions is being amortized by the straight-line method over 40 years. Recoverability of intangibles is assessed using estimated undiscounted cash flows of related operations. Annual amortization expense for the years ended November 30, 1997, 1998 and 1999 was approximately $382,000, $1.0 million and $5.4 million, respectively. In fiscal 1999, approximately $4.3 million of this amortization is related to the acquisition of Penske Motorsports, Inc. ("PMI"), approximately $4.0 million of which is not deductible for tax purposes.

MINORITY INTEREST: Minority interest consists of the 10% interest in Miami that is not owned by the Company.

RESTRICTED INVESTMENTS: Restricted investments at November 30, 1999 included approximately $ 80.7 million deposited in trustee administered accounts for the benefit of the Kansas speedway project (See Note 6) and approximately $215.2 million in cash held in escrow for the Company's purchase of Richmond International Raceway (See Note 16). The funds held in trust for the Kansas speedway project have been invested in a guaranteed investment contract with a maturity date of April 2001 accruing interest at a rate of approximately 4.75%.

Restricted investments at November 30, 1998 included approximately $53.5 million in short-term investments designated for the Company's equity commitment to the Kansas speedway project (See Note 6).

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: The Company uses interest rate swap agreements to minimize the impact of interest rate fluctuations on certain floating interest rate long-term borrowings. The differential paid or received on interest rate swap agreements is recognized as an adjustment to interest expense.

INCOME TAXES (NOTE 7): Income taxes have been provided using the liability method in accordance with SFAS No. 109, "Accounting for Income Taxes." 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 tires and merchandise to retail customers, catalogue sales and direct sales to dealers are recognized at the time of the sale.

In 1999, Kansas Speedway Corporation ("KSC") began offering Founding Fan Preferred Access Speedway Seating ("PASS") agreements whereby purchasers are provided the exclusive right and obligation to purchase annual KSC season-ticket packages for sanctioned racing events for a period of thirty years under specified terms and conditions. Among other items, licensees are required to purchase all season-ticket packages when and as offered each year. Founding Fan PASS agreements automatically terminate without refund should owners not purchase any offered season tickets. KSC Founding Fan PASS fee deposits of $8.4 million at November 30, 1999 are included in long-term deferred income in the consolidated balance sheet.

Fees received under PASS agreements are being deferred prior to KSC hosting its first major motorsports event for the 2001 season. The Company will amortize net PASS fee revenues into income over the life of the PASS.

ADVERTISING EXPENSE: Advertising costs are expensed as incurred or, as in the case of race-related advertising, upon the completion of the event. Advertising expense was approximately $2.4 million, $3.8 million and $5.8 million for the years ended November 30, 1997, 1998 and 1999, respectively.

AMORTIZATION OF UNEARNED COMPENSATION (NOTE 12): The Company accounts for its long-term incentive stock plans in accordance with APB 25.

EARNINGS PER SHARE: Basic and diluted earnings per share are calculated in accordance with Statement of Financial Accounting Standards No. 128, "Earnings Per Share". The difference between basic weighted average shares and diluted weighted average shares is related to shares issued under the Company's long-term incentive stock plans, using the treasury stock method as prescribed by the standard.

USE OF ESTIMATES: The preparation of financial statements in conformity with generally accepted accounting principles 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: During 1999, the Company adopted SFAS No. 130, "Reporting Comprehensive Income". SFAS No. 130 establishes standards for the reporting and display of comprehensive income and its components in a full set of general-purpose financial statements. The Company has no items of other comprehensive income and therefore no additional disclosure requirements.

The Company also adopted SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information", in 1999. SFAS No. 131 establishes standards for the way that public business enterprises report information about operating segments in annual financial statements and reporting selected information about operating segments in interim financial reports. (See Note 15)

COMPARABILITY: For comparability, certain 1997 and 1998 amounts have been reclassified where appropriate to conform with the presentation adopted in 1999.

NOTE 2 -- PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of November 30:

	1998	1999
	(In Thousands)	
Land and leasehold improvements	$ 32,651	$192,136
Buildings, grandstands and tracks	198,636	418,157
Furniture and equipment	36,726	67,875
Construction in progress	23,347	64,423
	291,360	742,591
Less accumulated depreciation	65,529	84,909
	$225,831	$657,682

Depreciation expense was approximately $9.5 million, $12.1 million and $19.7 million for the years ended November 30, 1997, 1998 and 1999, respectively.

NOTE 3--EQUITY INVESTMENTS

Equity investments includes the following:

	1998	% OWNERSHIP	1999	% OWNERSHIP
	(IN THOUSANDS)		(IN THOUSANDS)	
PSH Corp.	$31,470	20%	$ --	--%
Homestead-Miami Speedway, LLC	12,617	45	--	--
Motorsports Alliance, Inc.	--		17,364	50
Competition Tire Canada	--		59	50
	$44,087		$17,423	

As a result of the PMI acquisition on July 26, 1999, the Company's investments in PSH Corp. (which held a 56% interest in PMI) and Miami are no longer included in equity investments. Subsequent to July 26, 1999, PMI and Miami are included in consolidated operations. (See Note 4)

On May 5, 1999, MSA and the owners of Route 66 Raceway, LLC, formed a new company, Raceway Associates, which is owned 75% by MSA and 25% by the former owners of the Route 66 Raceway, LLC. As a result of this transaction, Raceway Associates owns the 240 acre Route 66 Raceway motorsports complex located in Joliet, Illinois, approximately 35 miles from downtown Chicago. Raceway Associates has also purchased 930 acres adjacent to the existing Route 66 complex on which it has commenced construction of a 1.5 mile oval motor speedway, which will initially accommodate approximately 75,000 spectators. The current estimate for the new superspeedway development is $125 to $130 million, $100 million of which will be financed through equity of approximately $50 million from MSA and approximately $50 million in future borrowings by Raceway Associates. The members of MSA will guarantee up to $50 million of these borrowings of Raceway Associates on a pro rata basis until such time as the operations of Raceway Associates meet certain financial criteria. Further, in December 1999, the City of Joliet, Illinois sold approximately $9 million in 6.75% municipal bonds (which are to be repaid by Raceway Associates through property tax assessments over twelve years) to help fund a portion of the project costs that relate to public infrastructure for the speedway development project. In addition, the Company (through MSA) may commit additional equity to fund a portion of additional project costs in excess of $109 million. During fiscal 1999, the Company contributed approximately $17.2 million to MSA, approximately $14.6 million of which has been applied towards the Company's portion of MSA's $50 million equity commitment.

The Company's investment in excess of its share of underlying net assets in equity investments, net of amortization, amounted to $8.0 million in 1998. There was no investment in excess of its share of underlying net assets in equity investments at November 30, 1999 due to the acquisition of PMI and the consolidation of Miami's operating activities. Amortization of the excess over the Company's share of the underlying net assets for the years ended November 30, 1997, 1998 and 1999, was approximately $416,000, $444,000 and $316,000, respectively.

The Company's share of undistributed equity in the earnings from equity investments included in retained earnings at November 30, 1998 and 1999 was approximately $2.1 million and $736,000, respectively.

Summarized financial information for the Company's affiliated companies accounted for by the equity method is as follows (in thousands):

	YEAR ENDED NOVEMBER 30, 1997	YEAR ENDED NOVEMBER 30, 1998
	(IN THOUSANDS)	
Current assets	$ 22,400	$ 14,907
Noncurrent assets	379,900	359,213
Current liabilities	44,100	33,516
Noncurrent liabilities	116,200	117,785
Minority interests	84,900	86,812
Net revenues	126,800	119,007
Operating income	29,200	18,281
Net income	8,900	739

NOTE 4--ACQUISITIONS

On April 1, 1997, the Company exercised its contractual option to acquire

the 50% interest it did not already own in Watkins Glen International, Inc. ("Watkins Glen") from Corning, Inc. for approximately $3.1 million. The transaction price represented the stock's book value at December 31, 1996.

The Company's equity in Watkins Glen's net loss through March 31, 1997 is included in equity in net income from equity investments at November 30, 1997. The acquisition of the additional 50% interest was accounted for under the purchase method. Subsequent to the acquisition on April 1, 1997, Watkins Glen is accounted for on a consolidated basis.

On July 14, 1997, Phoenix Speedway Corporation, a newly formed wholly-owned subsidiary of the Company, acquired substantially all of the assets comprising the business and motorsports complex known as "Phoenix International Raceway" for consideration consisting of $46.4 million in cash, notes payable of $13.8 million, and related acquisition costs. Interest was accrued on the note payable to the former principal and shareholder at an annual rate of 9%. The note payable was paid in full as of December 1998.

The Phoenix acquisition has been accounted for under the purchase method of accounting, and accordingly, the results of operations have been included in the Company's consolidated statements of income since the date of acquisition. The purchase price was allocated to the assets and liabilities acquired based on estimated fair values at the acquisition date. The excess of the purchase price over the fair value of the net assets acquired was approximately $40.8 million and was recorded as goodwill. During fiscal 1998, a reduction of the purchase price in accordance with the original purchase agreement resulted in an approximately $469,000 adjustment to goodwill and notes payable. In fiscal 1999 an adjustment to the purchase price in accordance with the original purchase agreement resulted in an increase to goodwill of approximately $867,000, with a corresponding payment to the principal and shareholder.

On July 26, 1999, the Company, 88 Corp., (a merger subsidiary wholly-owned by the Company), and PMI consummated an Agreement and Plan of Merger (the "PMI Merger Agreement"). Pursuant to the PMI Merger Agreement, PMI merged into 88 Corp. ("the PMI Merger") and became a wholly-owned subsidiary of the Company.

In connection with and immediately preceding the PMI Merger, the Company, Penske Performance, Inc., Penske Corporation, (the sole shareholder of Penske Performance, Inc.), and PSH Corp., (which owned approximately 56% of the issued and outstanding shares of PMI), consummated a separate Agreement and Plan of Merger which resulted in the merger of PSH Corp. into the Company.

Pursuant to the merger agreements, the Company acquired the approximately 88%, or 12.2 million outstanding common shares, of PMI stock that it did not already own for approximately $129.8 million and 10,029,861 shares of the Company's Class A Common Stock. Transaction costs, net of cash acquired in the transaction, totaled approximately $3.6 million. The total cash and stock consideration issued in the transaction was approximately $611.1 million.

Motorsports facilities acquired in the transaction include Michigan Speedway in Brooklyn, Michigan; Nazareth Speedway in Nazareth, Pennsylvania; California Speedway in San Bernardino County, California; and North Carolina Speedway in Rockingham, North Carolina. The Company also acquired PMI's 45% interest in Homestead-Miami Speedway, LLC ("Miami"), bringing the Company's ownership in that facility to 90%, as well as other PMI merchandising subsidiaries. As a result of the transaction, the Company operates 10 major motorsports facilities across the United States at November 30, 1999.

The acquisition has been accounted for under the purchase method of accounting and, accordingly, the results of operations of the former PMI, as well as Miami, have been included in the Company's consolidated statements of income as of the date of acquisition.

The transaction purchase price has been allocated to the assets and liabilities of PMI and Miami based upon preliminary estimates of their fair market value. Management does not believe the final valuation will differ materially from the preliminary valuation. The excess of the purchase price over the fair value of the net assets acquired of approximately $108.2 million has been allocated, based upon the preliminary valuation, as goodwill of approximately $507.4 million and assembled workforce of approximately $900,000 which are being amortized on a straight line basis over 40 years and five years, respectively.

The following unaudited pro forma financial information presents a summary of consolidated results of operations as if the PMI acquisition had occurred as of the beginning of the year for each period presented, after giving effect to certain adjustments, including depreciation, amortization of goodwill, interest income, interest expense, equity earnings, minority interest and the related income tax effects. The pro forma results have been prepared for comparative purposes only and do not purport to be indicative of what would have occurred had the acquisition been made on that date, nor are they necessarily indicative of results which may occur in the future.

	PRO FORMA	
	YEAR ENDED NOVEMBER 30, 1998	YEAR ENDED NOVEMBER 30, 1999
	(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)	
Total revenues	$ 320,181	$ 382,807
Net income	35,596	48,460
Basic earnings per share	0.71	0.92
Diluted earnings per share	0.71	0.91

NOTE 5--INVESTMENTS

The following is a summary of investments:

	NOVEMBER 30, 1998			
	COST	GROSS UNREALIZED GAINS	GROSS UNREALIZED LOSSES	ESTIMATED MARKET VALUE
	(IN THOUSANDS)			
Held-to-maturity securities				
Obligations of U.S. Government agencies	$ 5,978	$--	$ --	$ 5,978
Municipal securities	1,149	4	--	1,153
	7,127	4	--	7,131
Certificates of deposit	101,000	--	--	101,000
	$108,127	$ 4	$ --	$108,131

	NOVEMBER 30, 1999			
	COST	GROSS UNREALIZED GAINS	GROSS UNREALIZED LOSSES	ESTIMATED MARKET VALUE
	(IN THOUSANDS)			
Held-to-maturity securities				
Municipal securities	$ 690	$ --	$ --	$ 690

At November 30, 1998, approximately $53.5 million of $101 million invested in certificates of deposit were designated for the Company's investment in the Kansas speedway project. (See Note 6)

The cost and market values of held-to-maturity securities include accrued investment income of approximately $25,000 and $10,000 at November 30, 1998 and 1999, respectively.

The cost and estimated market value of the held-to-maturity securities at November 30, 1999, by contractual maturity, are shown below. Expected maturities may differ from contractual maturities because the issuers of certain securities have the right to prepay obligations.

NOVEMBER 30, 1999

	COST	ESTIMATED MARKET VALUE
	(IN THOUSANDS)	
Held-to-maturity securities		
Due in one year or less	$ 690	$ 690

NOTE 6 -- LONG-TERM DEBT
Long-term debt consists of the following (in thousands):

	November 30, 1998	November 30, 1999
Senior Notes, net of discount of $338	$ --	$ 224,662
Credit facilities	--	169,500
TIF bond debt service funding commitment, net of discount of $1,645	--	69,010
Term debt	--	30,000
Notes payable	3,373	5,550
	3,373	498,722
Less current portion	598	2,655
	$ 2,775	$ 496,067

Schedule of Payments:

2000	$ 2,655
2001	5,165
2002	9,225
2003	5,775
2004	391,890
Thereafter	85,995
	500,705
Discount	1,983
	$ 498,722

On October 6, 1999, the Company completed an offering of $225 million principal amount of Senior Notes due October 15, 2004 in a private placement. The unsecured Senior Notes bear interest at 7.875% and rank equally with all of the Company's other senior unsecured and unsubordinated indebtedness. The Senior Notes require semi-annual interest payments beginning on April 15, 2000 through maturity on October 15, 2004. The 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 a redemption price as defined in the indenture. Certain of the Company's subsidiaries are guarantors of the Senior Notes. The Senior Notes also contain various restrictive covenants. On January 19, 2000, the Company commenced an offer to exchange the Senior Notes issued in the private placement for registered Senior Notes with substantially identical terms. The exchange offer will expire on February 28, 2000.

The total gross proceeds from the sale of the Senior Notes were $225 million, net of $349,000 discount and approximately $4.7 million of deferred financing fees. The deferred financing fees will be treated as additional interest related to the Senior Notes and amortized over the life of the Senior Notes on an effective yield method. The Company used approximately $176 million of the net proceeds from the transaction to repay outstanding borrowings under its $250 million Credit Facility

In July 1999, the Company entered into a $300 million fully-underwritten five-year revolving credit facility ("Credit Facility") in order to finance a portion of the cash consideration in the PMI acquisition (Note 4) and to refinance PMI's outstanding indebtedness. Pursuant to the Credit Facility agreement, the size of the Credit Facility was automatically reduced from $300 million to $200 million upon the Company's receipt of the proceeds from the Senior Notes. In December, 1999, the Credit Facility was increased from $200 million to $250 million. The Credit Facility matures on March 31, 2004, and pays interest at LIBOR plus 50 to 100 basis points. At November 30, 1999, the Company had borrowings of $160 million under this Credit Facility, all of which related to the financing of the Company's December 1999 purchase of Richmond International Raceway (See Note 16). The Credit Facility contains various restrictive covenants.

In addition, the Company's Miami subsidiary also has an agreement with a

group of banks for a $20 million credit facility, letter of credit and a $30 million term loan. The credit facility and term loan are collateralized by all of the assets of the Company's Miami subsidiary. The $20 million credit facility, which is automatically reduced to $15 million on December 31, 2002, matures on December 31, 2004. At November 30, 1999, the Company had $10.5 million available under this credit facility. The term loan is payable in six annual installments, which range from $2.5 million on December 31, 1999 to $7.0 million on December 31, 2004. Interest on this credit facility and term loan is paid based on calendar quarters and accrues interest at LIBOR plus 150 basis points. The Company has entered into an interest rate swap agreement that effectively fixes the floating rate on the outstanding balances under the term loan at 6.0% through December 31, 1999, 6.6% through December 31, 2000 and 7.1% for the remainder of the loan period. This credit facility and the term loan contain various restrictive covenants.

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 and approximately $24.3 million in sales tax special obligation revenue ("STAR") bonds, in connection with the financing of phase I construction of the speedway in Kansas. The net proceeds were deposited into separate interest-bearing trust accounts. The STAR bonds will be retired with state and local taxes generated within the project's boundaries and are not an obligation of the Company. The TIF bonds are comprised of a $21.6 million, 6.15% term bond due December 1, 2017 and a $49.7 million, 6.75% term bond due December 1, 2027. The TIF bonds are serviced through payments by the Unified Government, which are funded through payments made by the Company to the Unified Government in lieu of property taxes ("Funding Commitment"). Principal (mandatory redemption) payments per the Funding Commitment are payable by the Company on October 1 of each year beginning in 1999. The semi-annual interest component of the Funding Commitment is payable annually on April 1 and October 1, beginning on April 1, 1999. The Company has granted a mortgage and security interest in the Kansas project for its Funding Commitment obligation.

Simultaneous with the issuance of the STAR and TIF bonds in January 1999, the Company deposited into a trust account the unexpended portion of its initial $77.9 million equity commitment to the Kansas project. Prior to the issuance of the STAR and TIF bonds, the Company had spent approximately $29.9 million related to the construction of the speedway in Kansas. The unexpended portion of the TIF bond proceeds and the Company's equity contribution remaining in the trust accounts are classified as restricted investments on the Company's balance sheet. The funds held in trust have been invested in a guaranteed investment contract earning an interest rate of approximately 4.75% with a maturity date of April 2001.

Total interest incurred by the Company was approximately $500,000, $600,000 and $6.8 million for the years ended November 30, 1997, 1998 and 1999, respectively. Total interest capitalized for the year ended November 30, 1999 was approximately $3.3 million. No interest was capitalized for the years ended November 30, 1997 and 1998.

Financing costs of approximately $11.9 million, net of accumulated amortization, have been deferred and are included in other assets at November 30, 1999. These costs are being amortized on an effective yield method over the life of the related financing.

NOTE 7--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. Substantially all of the deferred tax liability results from the excess of tax accelerated depreciation over depreciation for financial reporting purposes and from different bases in the equity investments for tax and financial reporting purposes.

Significant components of the provision for income taxes are as follows:

	YEAR ENDED NOVEMBER 30, 1997	YEAR ENDED NOVEMBER 30, 1998	YEAR ENDED NOVEMBER 30, 1999
		(IN THOUSANDS)	
Current tax expense:			
Federal	$ 12,973	$ 15,864	$ 20,921
State	2,042	1,869	3,030
Deferred tax expense (benefit):			
Federal	2,181	6,158	14,843
State	962	1,003	(125)
Provision for income taxes	$ 18,158	$ 24,894	$ 38,669

The reconciliation of income tax computed at the federal statutory tax rates to income tax expense is as follows:

	YEAR ENDED NOVEMBER 30, 1997		YEAR ENDED NOVEMBER 30, 1998		YEAR ENDED NOVEMBER 30, 1999	
	AMOUNT	% OF PRE-TAX INCOME	AMOUNT	% OF PRE-TAX INCOME	AMOUNT	% OF PRE-TAX INCOME
			(IN THOUSANDS)			
Income tax computed at federal statutory rates	$ 16,784	35.0%	$ 22,780	35.0%	$ 33,349	35.0%
State income taxes, net of federal tax benefit	2,053	4.3	2,010	3.1	3,420	3.6
Nondeductible goodwill	--	--	--	--	1,387	1.5
Non-taxable share of (income) loss from unconsolidated affiliates...	(238)	(0.5)	(212)	(0.3)	58	0.1
Officers' life insurance expense	23	--	(20)	-	(99)	(0.1)
Other, net	(464)	(0.9)	336	0.4	554	0.5
	$ 18,158	37.9%	$ 24,894	38.2%	$ 38,669	40.6%

NOTE 8--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 one million shares of Preferred Stock, par value $.01 (the "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.

During July of 1998, the Company sold an additional 4,600,000 shares of Class A Common Stock in a primary offering, including the Underwriters' over-allotment, at a price to the public of $27.00. The net proceeds to the Company were approximately $117.7 million, after deduction of underwriting discounts and commissions and expenses of the offering. As of November 30, 1998, the Company had used approximately $24.4 million of the net proceeds for the acquisition of land and preliminary construction related to the Kansas speedway and designated an additional $53.5 million for the further funding of its investment in that facility. The Company used the remaining proceeds to partially fund completion of additions and improvements to the Company's existing motorsports facilities, and for working capital and other corporate purposes, including the pursuit of further expansion opportunities.

NOTE 9--COMMITMENTS AND CONTINGENCIES

A. In 1985, International Speedway Corporation ("ISC") established a salary incentive plan designed to qualify under Section 401(k) of the Internal Revenue Code. Employees of ISC and certain participating subsidiaries who have completed 1,000 hours and 12 months continuous service are eligible to participate in the plan. 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 plan.

The contribution expense for the plan was approximately $376,000, $523,000 and $580,000, for the years ended November 30, 1997, 1998, and 1999, respectively.

As a result of the PMI acquisition, the Company assumed the PMI non-contributory profit-sharing plan, which covers employees who meet certain length of service requirements and the PMI defined contribution plan under Section 401(k) of the Internal Revenue Code. Contributions of approximately $158,000 were made to the plans for the fiscal year ended November 30, 1999.

B. The estimated cost to complete construction in progress at November 30, 1999 for existing facilities is approximately $52.0 million. At November 30, 1999, approximately $296 million is restricted for the Company's development of the Kansas speedway (See Note 6) and the purchase of Richmond International Raceway (See Note 16).

The Company is a member of MSA which is owned 50% by the Company and 50% by Indianapolis Motor Speedway Corp. MSA owns a 75% interest in Raceway Associates which is constructing a major motorsports facility in Joliet, Illinois. Financing of the speedway development will include equity of approximately $50 million from the members of MSA on a pro rata basis, of which approximately $20.8 million remains to be committed at November 30, 1999, and borrowings of approximately $50 million by Raceway Associates. The members of MSA will guarantee up to $50 million in borrowings of Raceway Associates on a pro rata basis until such time as the operations of Raceway Associates meet certain financial criteria. At November 30, 1999, Raceway Associates had no outstanding borrowings under which the members of MSA were subject to the aforementioned guarantee. In addition, the Company, through MSA, may commit additional equity to fund a portion of additional speedway development project costs. (See Note 3)

C. The Company leases its Homestead-Miami facility under an operating lease which expires December 31, 2032 and provides for subsequent renewal terms through December 31, 2075. The future minimum rental payments under such lease are as follows:

Fiscal Year Ending November 30,	Amount
2000	$ 2,215,000
2001	2,215,000
2002	2,215,000
2003	2,215,000
2004	2,215,000
Thereafter	42,215,000
Total	$53,290,000

Rental expense for the Homestead-Miami facility for the year ended November 30, 1999 totaled $2,215,000.

D. 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 is likely to 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 faces exposure from other legal proceedings as described below.

As described below, the Company and certain subsidiaries are parties to legal proceedings alleging price-fixing activities in connection with the sale of souvenirs and merchandise. These matters are collectively referred to as the Souvenir Litigation. While the Company disputes the allegations, neither the cost of defending the suits nor the potential damages or other remedies for which the Company might be liable is insured.

The Company's indirect corporate subsidiary, Americrown Service Corporation ("Americrown"), is the sole defendant in a class action proceeding in the Circuit Court of Talladega County, Alabama which was filed in October 1996. A class consisting of persons who purchased racing souvenirs at Talladega Superspeedway since September 1992 was certified by the court on July 30, 1998. The suit seeks to recover at least $500 for each member of the class but does not otherwise seek to recover compensatory or punitive damages or statutory attorneys' fees. Americrown has moved for reconsideration of the class certification decision. Americrown has disputed the allegations and has defended the action fully and vigorously.

In March 1997, two purported class action companion lawsuits were filed in the United States District Court, Northern District of Georgia, against the Company, Americrown, and a number of other persons (including Motorsports International Corp., previously a subsidiary of PMI which was acquired by the Company in the PMI acquisition). Both suits sought damages and injunctive relief on behalf of all persons who purchased souvenirs or merchandise from certain vendors at any NASCAR Winston Cup race or supporting event in the United States during the period 1991 to present. The two suits have been

consolidated and class certification has not yet been decided by the court. Discovery has been concluded. The Company, Americrown and Motorsports International Corp. have disputed the allegations and have defended the actions fully and vigorously.

Recently Americrown, Motorsports International Corp. and the Company have entered into Confidential Memoranda of Understanding ("MOU") to completely settle the Souvenir Litigation, without any admission of wrongdoing on their part. Under the terms of the MOU's (which have been filed under seal with the respective courts) the Company, Americrown and Motorsports International Corp. have agreed to pay approximately $4.6 million in cash and to distribute souvenir merchandise discount coupons to settle with classes which would encompass all purchasers of souvenirs and merchandise at NASCAR Winston Cup events during the period from January 1, 1991 to the present. The parties are in the process of attempting to agree on the terms of formal Settlement Agreements, including the terms of the coupon program. Such Settlement Agreements will then be subject to review and approval by both the state and federal courts. If the Settlement Agreements are not successfully finalized, the Company, Americrown and Motorsports International Corp. intend to resume the vigorous defense of the actions.

The financial statements for fiscal 1999 include an accrual of approximately $2.8 million representing Americrown's cash portion of the proposed Souvenir Litigation settlement. The remaining $1.8 million is attributable to Motorsports International Corp. and was recorded as a part of the PMI acquisition purchase price. The effects of the discount coupon program will be recognized in future periods as coupons are redeemed.

In connection with PMI's acquisition of North Carolina Speedway in 1997, certain North Carolina Speedway stockholders (constituting more than 5% of the North Carolina Speedway shares outstanding prior to the acquisition) exercised their right under North Carolina law to dissent to the price paid for the common stock of North Carolina Speedway. These dissenting shareholders were paid $16.77 per share. These dissenters have requested $55.00 per share and have sued PMI, Penske Acquisition, Inc. and North Carolina Speedway in North Carolina Superior Court, Mecklenburg County, North Carolina. Under PMI's agreement with Mrs. DeWitt (the former majority stockholder of North Carolina Speedway), if a dissenting stockholder, which represents more than five percent of the North Carolina Speedway stock, receives more consideration in a dissenters' action than PMI paid in connection with the acquisition of North Carolina Speedway, all stockholders of North Carolina Speedway at the time of the acquisition, other than PMI and its affiliates, would receive a per share amount equal to the award in dissenter's court less the per share amount paid in the acquisition ($19.61 per share to stockholders other than the dissenting shareholders). Because PMI acquired Mrs. DeWitt's shares prior to the completion of this acquisition, Mrs. DeWitt would not be entitled to receive additional consideration for her shares. A negative decision with respect to the dissenters' proceeding could materially increase the purchase price paid for North Carolina Speedway by PMI, which the Company would have to pay.

Management is presently unable to predict or quantify the outcome of these matters

NOTE 10--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 Championship Auto Racing Teams ("CART"), the Championship Cup Series ("CCS"), the Federation Internationale de l'Automobile ("FIA"), the Federation Internationale Motocycliste ("FIM"), Historic Sportscar Racing ("HSR"), the International Race of Champions ("IROC"), the Indy Racing League ("IRL"), the National Association for Stock Car Auto Racing, Inc. ("NASCAR"), the Sports Car Club of America ("SCCA"), the Sportscar Vintage Racing Association ("SVRA"), the United States Auto Club ("USAC"), the United States Road Racing Championship ("USRRC"), 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. 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 for disbursement to competitors totaled approximately $17 million, $23.1 million and $36.2 million for the years ended November 30, 1997, 1998 and 1999, respectively.

The Company entered into collateral assignment split-dollar insurance agreements covering the lives of William C. France and James C. France and their respective spouses in October 1995. Pursuant to the agreements, the Company will advance the annual premiums of approximately $1,205,000 each year for a period of eight years. 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 records a net insurance expense representing the excess of the premiums paid over the increase in cash

surrender value of the policies associated with these agreements.

Brown & Brown, Inc., the servicing agent for the split-dollar insurance agreements, received a commission from an insurance company for its participation in the transactions. J. Hyatt Brown, President and Chief Executive Officer of Brown & Brown, Inc., is a Director of the Company.

On May 5, 1999, MSA and the former owners of Route 66 Raceway, LLC formed a new company, Raceway Associates, which is owned 75% by MSA and 25% by the former owners of the Route 66 Raceway, LLC (See Note 3 - - Equity Investments). Route 66 Raceway, LLC owns the 240 acre Route 66 Raceway motorsports complex located in Joliet, Illinois, approximately 35 miles from downtown Chicago. As a result of this transaction the new Raceway Associates now owns the Route 66 Raceway, LLC and the Route 66 Raceway motorsports complex. Edward H. Rensi, a director of the Company, was one of the former owners of the Route 66 Raceway, LLC. Mr. Rensi owned approximately 5.13% of the Route 66 Raceway, LLC and as a result of the transaction now owns approximately 1.28% of Raceway Associates.

Pursuant to the merger agreement for the PMI acquisition (See Note 4) the Company is currently obligated to place 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. Messrs. Roger S. Penske, Gregory W. Penske and Walter P. Czarnecki are presently the designees of Penske Performance, Inc. serving on the Company's board of directors. Penske Performance, Inc. is wholly-owned by Penske Corporation which beneficially owns more than five percent of the outstanding stock of the Company. Messrs. Penske, Penske and Czarnecki are also officers and directors of Penske Performance, Inc. and other Penske Corporation affiliates. Roger S. Penske beneficially owns a majority of the voting stock of and controls Penske Corporation and its affiliates. During fiscal 1999 subsequent to the PMI acquisition, Penske Corporation provided the Company with certain executive and legal services at a cost of approximately $313,000. Also, the Company, through certain subsidiaries acquired in the PMI acquisition, sold admissions to the Company's events, hospitality suite occupancy and related services, merchandise, apparel and racing tires and accessories to Penske Corporation and its affiliates. In fiscal 1999 subsequent to the PMI acquisition, Penske Corporation and its affiliates paid approximately $759,000 for the aforementioned goods and services. The Company has outstanding receivables and payables/accrued expenses related to Penske Corporation and its affiliates of approximately $186,000 and $433,000, respectively, at November 30, 1999.

NOTE 11--SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid for income taxes and interest for respective periods is summarized as follows:

	YEARS ENDED NOVEMBER 30,		
	1997	1998	1999
	(IN THOUSANDS)		
Income taxes paid	$13,652	$13,618	$28,645
Interest paid	$ 31	$ 982	$ 7,005

See Note 3 for discussion of non-cash equity investment transactions.

NOTE 12--LONG-TERM INCENTIVE STOCK PLANS

In November 1993, the Company's Board of Directors and a majority of the Company shareholders approved the "International Speedway Corporation 1994 Long-Term Incentive Plan" (the "1994 Plan") for certain officers and managers of the Company. Under the 1994 Plan, up to 750,000 shares of the Company's Class B Common Stock were authorized to be granted as restricted stock at no cost to 1994 Plan participants. Awards were granted under the 1994 Plan based upon the Company's performance in fiscal years 1994, 1995 and 1996. The ability to issue additional shares under the 1994 Plan expired with the grants based on fiscal 1996 results, which were granted January 1, 1997.

In 1996, the Company's Board of Directors and a majority of the Company shareholders approved the "1996 Long-Term Incentive Plan" (the "1996 Plan") for certain officers, employees and consultants of the Company. The 1996 Plan authorizes the grant of stock options (incentive and nonstatutory), stock appreciation rights ("SARs") 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. In April 1998 and 1999, awards of restricted stock under the 1996 Plan were made at no cost to Plan participants based upon fiscal 1997 and 1998 results. There have been no grants of stock options or SARs under the 1996 Plan.

Shares of restricted stock awarded under the 1994 and 1996 Plans 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. Shares awarded under the 1994 and 1996 Plans generally are subject to forfeiture in the event of termination of employment prior to the vesting dates. Prior to vesting, the 1994 and 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 1994 and 1996 Plans which are offered for sale subsequent to vesting.

On January 1, 1997 a total of 98,010 restricted shares of the Company's Class B Common Stock was awarded to certain officers and managers under the 1994 Plan. On April 1, 1998 and 1999, 22,236 and 19,633 restricted shares of the Company's Class A Common Stock, respectively, were awarded to certain officers and managers under the 1996 Plan. The market value of shares awarded on January 1, 1997 and April 1, 1998 and 1999 amounted to approximately $2.0 million, $680,000 and $1.0 million, respectively, and 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 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 expense measured under SFAS No. 123 does not differ from that measured under APB25.

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

NOTE 13 -- FINANCIAL INSTRUMENTS

The carrying values of cash and cash equivalents, accounts receivable, short- and long-term investments, restricted 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, 1999, the fair value of the remaining long-term debt, which includes the Senior Notes, TIF bond debt service funding commitment and the term loan, as determined by quotes from financial institutions, was $311.9 million compared to the carrying amount of $323.7 million.

The Company entered into an interest rate swap agreement to limit the impact of the variable interest rate of certain long-term debt. The Company periodically utilizes interest rate swap agreements to limit the impact of the variable interest rate of certain long-term debt. 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. The Company's interest rate swap agreement was entered into with a major financial institution which is expected to fully perform under the terms of the agreement. This agreement, with a principal notional amount of $30 million and an estimated fair value of $985,700, expires at December 31, 2004.

The Company maintained its certificates of deposit with one financial institution at November 30, 1998, and a significant amount in a repurchase agreement with one financial institution at November 30, 1999 related to the December 1, 1999 purchase of Richmond International Raceway (Note 16). The Company believes that it was not exposed to any significant credit risk on its investments due to the strength of the financial institutions and the short-term nature of the investments.

NOTE 14--QUARTERLY DATA (UNAUDITED)

The Company derives most of its income from event admissions and related revenue 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 Darlington Raceway's Winston 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. Further, in July 1998 the Company announced the postponement of the NASCAR Winston Cup Series Pepsi 400 at Daytona, historically conducted in the Company's third quarter, from July 4, 1998 to October 17, 1998 as a result of the nationally publicized forest fire emergency throughout the state of Florida. The rescheduling of the Pepsi 400 at Daytona resulted in event-related revenues and expenses being recognized in the quarter ending November 30, 1998, while corresponding revenues and expenses were recognized in the quarter ended August 31 in fiscal 1999.

On July 26, 1999, the Company acquired the approximately 88% interest it did not already own in PMI. As a result of the transaction, the Company also acquired PMI's 45% interest in Miami, bringing the Company's ownership in that facility to 90%. The Company has recognized revenues and expenses associated with acquired operations on a consolidated basis subsequent to July 26, 1999, including three NASCAR Winston Cup Series events, three NASCAR Busch Series, Grand National Division events, one NASCAR Craftsman Truck Series event and one CART FedEx Championship Series event. (See Note 4)

Accordingly, the Company's results of operations are not necessarily comparable on a period-to-period basis.

The following table presents certain unaudited financial data for each fiscal quarter of fiscal 1998 and fiscal 1999 (in thousands, except per share amounts):

	FISCAL QUARTER ENDED			
	FEBRUARY 28, 1998	MAY 31, 1998	AUGUST 31, 1998	NOVEMBER 30, 1998
Total Revenues	$ 68,284	$ 38,191	$ 17,822	$ 64,671
Operating Income (loss)	33,000	7,784	(4,687)	24,817
Net Income (loss)	20,149	6,046	(1,944)	15,941
Basic earnings (loss) per share	0.53	0.16	(.05)	0.37
Diluted earnings (loss) per share	0.53	0.16	(.05)	0.37

	FISCAL QUARTER ENDED			
	FEBRUARY 28, 1999	MAY 31, 1999	AUGUST 31, 1999	NOVEMBER 30, 1999
Total Revenues	$83,236	$44,635	$66,226	$104,625
Operating Income	40,233	9,587	16,822	29,314
Net Income	25,939	6,844	9,635	14,195
Basic earnings per share	0.61	0.16	0.21	0.27
Diluted earnings per share	0.60	0.16	0.20	0.27

NOTE 15 -- SEGMENT REPORTING

Effective November 30, 1999, the Company adopted Statement of Financial Accounting Standards No. 131, Disclosures about Segments of an Enterprise and Related Information. This statement establishes standards for the way public business enterprises report information about operating segments in annual financial statements.

The Company's primary business is the promotion of motorsports events at its race facilities. The Company's remaining business units, which are comprised of the radio network production and syndication of numerous NASCAR sanctioned events and daily and weekly NASCAR racing programs, the operation of a motorsports-themed entertainment complex, the wholesale and retail distribution of Goodyear brand racing tires and other auto accessories, certain souvenir merchandising operations not associated with the promotion of motorsports events at the Company's facilities, construction management services and leasing operations are included in the "All Other" segment. The Company evaluates financial performance of the business units on operating profit after allocation of corporate selling, general and administrative (SG&A) expenses. Corporate SG&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 revenues were approximately $1.0 million, $1.6 million and $3.9 million for the years ended November 30, 1997, 1998 and 1999, respectively.

	Year Ended November 30,		
	1997	1998	1999
	(In thousands)		
Net Revenues:			
Motorsports Events	$121,393	$166,737	$ 267,130
All Other	20,995	23,805	35,494

Total	$142,388	$190,542	$ 302,624
Operating Income:			
Motorsports Events	$ 43,430	$ 57,833	$ 91,913
All Other	1,471	3,081	4,043
Total	$ 44,901	$ 60,914	$ 95,956
Total Assets			
Motorsports Events	$283,007	$459,401	$1,547,510
All Other	19,816	17,417	51,617
Total	$302,823	$476,818	$1,599,127

NOTE 16 -- SUBSEQUENT EVENTS

On December 1, 1999, the Company acquired Richmond International Raceway ("Richmond"). Located ten miles from downtown Richmond, Virginia, the mile intermediate speedway seats over 94,000 grandstand spectators and offers luxury accommodations in the facility's thirty-four suites. Richmond hosts several major NASCAR events annually including two Winston Cup Series points events, two Busch Series, Grand National Division events, and one NASCAR Craftsman Truck Series event.

The Company financed the $215 million transaction through $160 million in borrowings under its $250 million Credit Facility. Immediately following the transaction, the Company had $90 million available under the $250 million Credit Facility. The Company utilized its cash resources for the remaining $55 million. The Company will account for the transaction under the purchase method of accounting in its first quarter of fiscal 2000.

NOTE 17 - - CONDENSED CONSOLIDATING FINANCIAL STATEMENTS

In connection with the sale of the Senior Notes (Note 6), the Company has entered into a registration rights agreement pursuant to which the Company has agreed to exchange the outstanding Senior Notes for registered Senior Notes in a registered exchange offer. Pursuant to the registered exchange offer, the Company is required to provide condensed consolidating financial information for its subsidiary guarantors. The Company has not presented separate financial statements for each of the guarantors, because it has deemed that such financial statements would not provide the investors with any material additional information.

Included are condensed consolidating balance sheets as of November 30, 1998 and 1999 and the consolidated statements of income and cash flows for the years ended November 30, 1997, 1998 and 1999, respectively, of: (a) the Parent; (b) the guarantor subsidiaries; (c) the non-guarantor subsidiaries; (d) elimination entries necessary to consolidate Parent with guarantor and non-guarantor subsidiaries; and (e) the Company on a consolidated basis. In the 1997 condensed consolidated financial statements all subsidiaries were guarantors.

INTERNATIONAL SPEEDWAY CORPORATION
CONDENSED CONSOLIDATING BALANCE SHEET
November 30, 1999
(Audited)

	PARENT COMPANY	COMBINED GUARANTOR SUBSIDIARIES	COMBINED NON-GUARANTOR SUBSIDIARIES	ELIMINATIONS	CONSOLIDATED
			(in thousands)		
ASSETS					
Current Assets:					
Cash and cash equivalents	$ 11,768	$ 25,120	$ 923	$ -	$ 37,811
Short-term investments	690	-	--	-	690
Receivables, net..................................	17,747	8,075	1,718	(12,228)	15,312
Other current assets	8,258	857	2,047	-	11,162
Total Current Assets	38,463	34,052	4,688	(12,228)	64,975
Property and Equipment, net.........................	174,726	377,107	105,849	-	657,682
Other Assets:					
Investment in Subsidiaries........................	925,834	2,662	-	(928,496)	-
Equity investments.........	-	17,423	-	-	17,423
Goodwill..	-	510,635	31,948	-	542,583
Restricted investments............................	215,250	-	80,679	-	295,929
Other	13,172	1,132	6,231	-	20,535
	1,154,256	531,852	118,858	(928,496)	876,470
Total Assets	$ 1,367,445	$ 943,011	$ 229,395	$ (940,724)	$ 1,599,127
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities:					
Accounts payable and other current liabilities.....	$ 14,102	$ 31,317	$ 6,634	$ (12,300)	$ 39,753
Deferred income	66,068	9,504	1,547	-	77,119

Total Current Liabilities	80,170	40,821	8,181	(12,300)	116,872
Long Term Debt	384,662	90,300	157,784	(136,679)	496,067
Deferred Income Taxes	34,743	38,320	(772)	-	72,291
Other Long Term Liabilities	-	-	8,376	-	8,376
Minority Interest	-	-	3,051	-	3,051
Shareholders' Equity:					
Class A Common Stock	229	-	-	-	229
Class B Common Stock	302	-	-	-	302
Additional paid-in capital	687,321	-	-	-	687,321
Intercompany capital	-	737,971	46,196	(784,167)	-
Retained earnings	181,832	35,599	6,579	(7,578)	216,432
	869,684	773,570	52,775	(791,745)	904,284
Less unearned compensation	(1,814)	-	-	-	(1,814)
Total Shareholders' Equity	867,870	773,570	52,775	(791,745)	902,470
Total Liabilities and Shareholders' Equity	$ 1,367,445	$ 943,011	$ 229,395	$ (940,724)	$ 1,599,127

INTERNATIONAL SPEEDWAY CORPORATION
CONDENSED CONSOLIDATING BALANCE SHEET
November 30, 1998
(Audited)

	PARENT COMPANY	COMBINED GUARANTOR SUBSIDIARIES	COMBINED NON-GUARANTOR SUBSIDIARIES	ELIMINATIONS	CONSOLIDATED
			(in thousands)		
ASSETS					
Current Assets:					
Cash and cash equivalents	$ 27,000	$ 11,543	$ 133	$ -	$ 38,676
Short-term investments	54,127	-	-	-	54,127
Receivables, net	8,469	1,998	-	(1,022)	9,445
Other current assets	5,561	1,272	(637)	-	6,196
Total Current Assets	95,157	14,813	(504)	(1,022)	108,444
Property and Equipment, net	144,006	60,311	21,514	-	225,831
Other Assets:					
Investment in Subsidiaries	128,544	2,661	-	(131,205)	-
Equity investments	-	44,087	-	-	44,087
Goodwill	-	38,927	-	-	38,927
Restricted investments	53,500	-	-	-	53,500
Other	5,937	92	-	-	6,029
	187,981	85,767	-	(131,205)	142,543
Total Assets	$ 427,144	$ 160,891	$ 21,010	$ (132,227)	$ 476,818
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities:					
Accounts payable and other current liabilities	$ 14,400	$ 5,246	$ 77	$ (1,022)	$ 18,701
Deferred income	56,742	5,511	-	-	62,253
Total Current Liabilities	71,142	10,757	77	(1,022)	80,954
Long Term Debt	-	71,696	13	(68,934)	2,775
Deferred Income Taxes	21,251	5,013	(30)	-	26,234
Shareholders' Equity:					
Class A Common Stock	115	-	-	-	115
Class B Common Stock	316	-	-	-	316
Additional paid-in capital	198,156	6,933	-	-	205,089
Intercompany capital	-	40,109	21,284	(61,393)	-
Retained earnings	138,030	26,383	(334)	(878)	163,201
	336,617	73,425	20,950	(62,271)	368,721
Less unearned compensation	(1,866)	-	-	-	(1,866)
Total Shareholders' Equity	334,751	73,425	20,950	(62,271)	366,855
Total Liabilities and Shareholders' Equity	$ 427,144	$ 160,891	$ 21,010	$ (132,227)	$ 476,818

INTERNATIONAL SPEEDWAY CORPORATION
CONDENSED CONSOLIDATING STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 1999
(Audited)

	PARENT COMPANY	COMBINED GUARANTOR SUBSIDIARIES	COMBINED NON-GUARANTOR SUBSIDIARIES	ELIMINATIONS	CONSOLIDATED
			(in thousands)		
Revenues:					
Admissions, net	$ 79,841	$ 46,602	$ 7,745	$ (14)	$ 134,174
Motorsports related income	65,912	41,899	10,803	(2,373)	116,241
Food, beverage and merchandise income	9,601	43,971	1,129	(8,248)	46,453
Other income	1,545	6,857	4	(6,552)	1,854
Total Revenues	156,899	139,329	19,681	(17,187)	298,722
Expenses:					
Direct Expenses:					
Prize and point fund monies and NASCAR sanction fees	21,333	19,775	4,507	-	45,615

Motorsports related expenses......................	31,559	20,774	3,163	(4,465)	51,031
Food, beverage and merchandise expenses...........	2,642	32,275	-	(10,929)	23,988
General and administrative expenses.................	30,300	24,798	3,761	(1,793)	57,066
Depreciation and amortization.......................	10,297	13,817	952	-	25,066
Total Expenses.................................	96,131	111,439	12,383	(17,187)	202,766
Operating Income...................................	60,768	27,890	7,298	-	95,956
Interest Income....................................	17,554	716	4,120	(13,610)	8,780
Interest Expense...................................	(4,674)	(4,716)	(4,359)	6,910	(6,839)
Equity in net income (loss) from equity investments.	-	(1,819)	-	-	(1,819)
Minority interest..................................	-	-	(796)	-	(796)
Income (loss) before income taxes	73,648	22,071	6,263	(6,700)	95,282
Income taxes (benefit)	26,716	12,602	(649)	-	38,669
Net income (loss)..................................	$ 46,932	$ 9,469	$ 6,912	$ (6,700)	$ 56,613

INTERNATIONAL SPEEDWAY CORPORATION
CONDENSED CONSOLIDATING STATEMENT OF INCOME
FOR THE YEAR ENDED NOVEMBER 30, 1998
(Audited)

	PARENT COMPANY	COMBINED GUARANTOR SUBSIDIARIES	COMBINED NON-GUARANTOR SUBSIDIARIES	ELIMINATIONS	CONSOLIDATED
			(in thousands)		
Revenues:					
Admissions, net..................................	$ 66,653	$ 20,295	$ -	$ (2)	$ 86,946
Motorsports related income........................	52,348	20,412	-	(967)	71,793
Food, beverage and merchandise income.............	8,727	27,058	-	(7,188)	28,597
Other income......................................	1,174	5,369	-	(4,911)	1,632
Total Revenues.................................	128,902	73,134	-	(13,068)	188,968
Expenses:					
Direct Expenses:					
Prize and point fund monies and NASCAR sanction fees	18,289	10,478	-	-	28,767
Motorsports related expenses......................	24,283	12,019	25	(3,044)	33,283
Food, beverage and merchandise expenses...........	2,393	21,434	-	(8,802)	15,025
General and administrative expenses.................	26,415	12,312	337	(1,222)	37,842
Depreciation and amortization.......................	8,342	4,795	-	-	13,137
Total Expenses.................................	79,722	61,038	362	(13,068)	128,054
Operating Income...................................	49,180	12,096	(362)	-	60,914
Interest Income....................................	15,758	565	-	(11,909)	4,414
Interest Expense...................................	-	(4,304)	(1)	3,723	(582)
Equity in net income (loss) from equity investments.	-	(905)	-	-	(905)
Gain on sale of equity investments..................	-	1,245	-	-	1,245
Income (loss) before income taxes	64,938	8,697	(363)	(8,186)	65,086
Income taxes (benefit)	24,472	452	(30)	-	24,894
Net income (loss)..................................	$ 40,466	$ 8,245	$ (333)	$ (8,186)	$ 40,192

INTERNATIONAL SPEEDWAY CORPORATION
CONDENSED CONSOLIDATING STATEMENT OF INCOME
FOR THE YEAR ENDED NOVEMBER 30, 1997
(Audited)

	PARENT COMPANY	COMBINED GUARANTOR SUBSIDIARIES	ELIMINATIONS	CONSOLIDATED
		(in thousands)		
Revenues:				
Admissions, net..................................	$ 53,245	$ 16,244	$ (2)	$ 69,487
Motorsports related income........................	35,911	11,490	(751)	46,650
Food, beverage and merchandise income.............	6,915	22,774	(6,281)	23,408
Other income......................................	1,030	4,772	(3,973)	1,829
Total Revenues.................................	97,101	55,280	(11,007)	141,374
Expenses:				
Direct Expenses:				
Prize and point fund monies and NASCAR sanction fees	12,388	8,179	-	20,567
Motorsports related expenses......................	18,373	6,745	(2,043)	23,075
Food, beverage and merchandise expenses...........	2,124	19,189	(7,878)	13,435
General and administrative expenses.................	21,623	8,949	(1,086)	29,486
Depreciation and amortization.......................	6,912	2,998	-	9,910
Total Expenses.................................	61,420	46,060	(11,007)	96,473
Operating Income...................................	35,681	9,220	-	44,901
Interest Income....................................	4,873	448	(2,125)	3,196
Interest Expense...................................	(28)	(2,056)	1,575	(509)
Equity in net income (loss) from equity investments.	-	366	-	366

Income (loss) before income taxes	40,526	7,978	(550)	47,954
Income taxes (benefit)	17,472	686	-	18,158
Net income (loss)	$ 23,054	$ 7,292	$ (550)	$ 29,796

INTERNATIONAL SPEEDWAY CORPORATION
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 1999
(Audited)

	PARENT COMPANY	COMBINED GUARANTOR SUBSIDIARIES	COMBINED NON-GUARANTOR SUBSIDIARIES	ELIMINATIONS	CONSOLIDATED
			(in thousands)		
OPERATING ACTIVITIES					
Net income	$ 46,932	$ 9,469	$ 6,912	$ (6,700)	$ 56,613
Adjustments to reconcile net income to cash provided by operating activities:					
Depreciation and amortization	10,297	13,817	952	-	25,066
Amortization of unearned compensation	1,087	-	-	-	1,087
Deferred income taxes	13,493	1,707	(742)	-	14,458
Undistributed (income) loss from equity investment	-	1,819	-	-	1,819
Minority interest	-	-	796	-	796
Changes in Operating Assets and Liabilities:					
Receivables, net	(9,278)	4,905	(421)	11,207	6,413
Other current assets	4,648	1,585	(2,684)	-	3,549
Other assets	320	(1,040)	(280)	-	(1,000)
Accounts payable and other current liabilities	831	14,224	3,175	(11,279)	6,951
Deferred income	9,326	(25,072)	(1,043)	-	(16,789)
Net Cash Provided by (Used in) Operating Activities	77,656	21,414	6,665	(6,772)	98,963
INVESTING ACTIVITIES					
Change in short term investments, net	53,437	500	-	-	53,937
Capital expenditures	(40,932)	(31,381)	(54,283)	-	(126,596)
Equity investments	-	(17,723)	-	-	(17,723)
Increase in restricted investments, net	(161,750)	-	(80,679)	-	(242,429)
Acquisition net of cash acquired	-	(133,440)	-	-	(133,440)
Intercompany investing, net	(243,669)	182,527	61,070	72	-
Other, net	(1,518)	(727)	-	-	(2,245)
Net Cash Used in Investing Activities	(394,432)	(244)	(73,892)	72	(468,496)
FINANCING ACTIVITIES					
Payment of long term debt	(249,480)	(1,395)	(3,685)	-	(254,560)
Proceeds from long term debt	560,661	-	78,125	-	638,786
Deferred financing costs, net	(5,941)	-	(5,921)	-	(11,862)
Reacquisition of previously issued common stock	(1,110)	-	-	-	(1,110)
Cash dividends paid	(2,586)	(6,700)	-	6,700	(2,586)
Net Cash Provided by (Used in) Financing Activities	301,544	(8,095)	68,519	6,700	368,668
Net Increase in Cash and Cash Equivalents	(15,232)	13,075	1,292	-	(865)
Cash and Cash Equivalents at Beginning of Period	27,000	11,543	133	-	38,676
Cash and Cash Equivalents at End of Period	$ 11,768	$ 24,618	$ 1,425	$ -	$ 37,811

INTERNATIONAL SPEEDWAY CORPORATION
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED NOVEMBER 30, 1998
(Audited)

	PARENT COMPANY	COMBINED GUARANTOR SUBSIDIARIES	COMBINED NON-GUARANTOR SUBSIDIARIES	ELIMINATIONS	CONSOLIDATED
			(in thousands)		
OPERATING ACTIVITIES					
Net income	$ 40,466	$ 8,245	$ (333)	$ (8,186)	$ 40,192
Adjustments to reconcile net income to cash provided by operating activities:					
Depreciation and amortization	8,342	4,795	-	-	13,137
Amortization of unearned compensation	1,076	-	-	-	1,076
Deferred income taxes	5,746	(171)	(30)	-	5,545
Undistributed (income) loss from equity investment	-	905	-	-	905
Gain on sale of equity investment	-	(1,245)	-	-	(1,245)
Changes in Operating Assets and Liabilities:					
Receivables, net	(2,453)	(180)	-	613	(2,020)
Other current assets	(2,010)	120	637	-	(1,253)
Other assets	(376)	200	-	-	(176)
Accounts payable and other current liabilities	8,504	2,468	77	(613)	10,436
Deferred income	12,308	607	-	-	12,915
Net Cash Provided by (Used in) Operating Activities	71,603	15,744	351	(8,186)	79,512
INVESTING ACTIVITIES					
Change in short term investments, net	(86,021)	7,265	-	-	(78,756)
Capital expenditures	(38,220)	(12,124)	(21,514)	-	(71,858)
Equity investments	-	(410)	-	-	(410)
Intercompany investing, net	(37,628)	16,332	21,296	-	-

Other, net	(1,323)	-	-	-	(1,323)
Net Cash Provided by (Used in) Investing Activities	(163,192)	11,063	(218)	-	(152,347)
FINANCING ACTIVITIES					
Payment of long term debt		(13,658)	-	-	(13,658)
Reacquisition of previously issued common stock	(195)	-	-	-	(195)
Cash dividends paid	(2,310)	(8,186)	-	8,186	(2,310)
Issuance of Class A Common Stock	117,700	-	-	-	117,700
Net Cash Provided by (Used in) Financing Activities	115,195	(21,844)	-	8,186	101,537
Net Increase in Cash and Cash Equivalents	23,606	4,963	133	-	28,702
Cash and Cash Equivalents at Beginning of Period	3,394	6,580	-	-	9,974
Cash and Cash Equivalents at End of Period	$ 27,000	$ 11,543	$ 133	$ -	$ 38,676

INTERNATIONAL SPEEDWAY CORPORATION
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED NOVEMBER 30, 1997
(Audited)

	PARENT COMPANY	COMBINED GUARANTOR SUBSIDIARIES	ELIMINATIONS	CONSOLIDATED
		(in thousands)		
OPERATING ACTIVITIES				
Net income	$ 23,054	$ 7,292	$ (550)	$ 29,796
Adjustments to reconcile net income to cash provided by operating activities:				
Depreciation and amortization	6,912	2,998	-	9,910
Amortization of unearned compensation	1,063	-	-	1,063
Deferred income taxes	1,138	3,287	-	4,425
Undistributed (income) loss from equity investment	3,290	(3,656)	-	(366)
Changes in Operating Assets and Liabilities:				
Receivables, net	(1,357)	367	323	(667)
Other current assets	(609)	530	(125)	(204)
Other assets	(3)	(201)	-	(204)
Accounts payable and other current liabilities	2,370	2,218	(198)	4,390
Deferred income	10,809	(4,018)	-	6,791
Net Cash Provided by (Used in) Operating Activities	46,667	8,817	(550)	54,934
INVESTING ACTIVITIES				
Change in short term investments, net	52,836	(880)	-	51,956
Capital expenditures	(30,194)	(8,433)	-	(38,627)
Equity investments	(112)	(17,613)	-	(17,725)
Acquisition of PIR, net of cash acquired	-	(43,868)	-	(43,868)
Acquisition of WGI, net of cash acquired	-	(996)	-	(996)
Intercompany investing, net	(66,667)	66,667	-	-
Other, net	(1,253)	-	-	(1,253)
Net Cash Used in Investing Activities	(45,390)	(5,123)	-	(50,513)
FINANCING ACTIVITIES				
Reacquisition of previously issued common stock	(148)	-	-	(148)
Additional expense of Class A Common Stock offering	(46)	-	-	(46)
Cash dividends paid	(2,310)	(550)	550	(2,310)
Net Cash Provided by (Used in) Financing Activities	(2,504)	(550)	550	(2,504)
Net Increase (Decrease) in Cash and Cash Equivalents	(1,227)	3,144	-	1,917
Cash and Cash Equivalents at Beginning of Period	4,621	3,436	-	8,057
Cash and Cash Equivalents at End of Period	$ 3,394	$ 6,580	-	9,974

Schedule II Valuation and Qualifying Accounts

Description	Balance Beginning of Period	Additions Charged to Costs and Expenses	Deductions (A)	Balance at End Period
	(Thousands of Dollars)			
For the year ended November 30, 1999				
Allowance for doubtful accounts	$ 100	$ 950 (B)	$ 50	$ 1,000
For the year ended November 30, 1998				
Allowance for doubtful accounts	$ 100	$ 79	$ 79	$ 100
For the year ended November 30, 1997				
Allowance for doubtful accounts	$ 35	$ 170	$ 105	$ 100

(A) Uncollectible accounts written off, net of recoveries.

(B) $57 was acquired as part of the PMI acquisition.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The executive officers, directors and nominees for directors of the Company are as follows:

NAME	AGE	POSITION WITH THE COMPANY
William C. France	66	Chairman of the Board, Chief Executive Officer and Director
Roger S. Penske	63	Vice-Chairman and Director
James C. France	55	President, Chief Operating Officer and Director
Lesa D. Kennedy	38	Executive Vice President and Director
H. Lee Combs	46	Senior Vice President -Corporate Development and Director
John R. Saunders	43	Senior Vice President -Operations
Gregory W. Penske	37	Senior Vice President -Western Operations
Susan G. Schandel	36	Vice President, Chief Financial Officer, and Treasurer
W. Garrett Crotty	36	Vice President, Secretary and General Counsel
Gregory J. Sullivan	44	Vice President--Marketing
Robert E. Smith	67	Vice President--Administration
John E. Graham, Jr.	51	Vice President
W. Grant Lynch, Jr.	46	Vice President
James H. Hunter	60	Vice President
Les Richter	69	Vice President Special Projects
J. Hyatt Brown	62	Director
John R. Cooper	67	Director
Walter P. Czarnecki	56	Director
Robert R. Dyson	53	Director
James H. Foster	73	Director
Brian Z. France	37	Director
Christy F. Harris	54	Director
Raymond K. Mason, Jr.	44	Director
Edward H. Rensi	55	Director
Lloyd E. Reuss	63	Director
Chapman Root, II	50	Director
Thomas W. Staed	68	Director

The Company's Articles provide that the Board of Directors be divided into three classes, with regular three year staggered terms. Ms. Kennedy and Messrs. Brown, Czarnecki, Dyson, Rensi and Staed will hold office until the annual meeting of shareholders to be held in 2000, Messrs. William C. France, Combs, Foster, Harris, Gregory W. Penske and Root will hold office until the annual meeting of shareholders to be held in 2001, and Messrs. James C. France, Cooper, Brian Z. France, Mason, Roger S. Penske and Reuss will hold office until the annual meeting of shareholders to be held in 2002. Pursuant to the merger agreement for the PMI Acquisition the Company is currently obligated to place 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. Messrs. Roger S. Penske, Gregory W. Penske and Walter P. Czarnecki are presently the designees of Penske Performance, Inc. serving on the Company's board of directors.

William C. France and James C. France are brothers. Lesa D. Kennedy and Brian Z. France are the children of William C. France. Gregory W. Penske is the son of Roger S. Penske. There are no other family relationships among the Company's executive officers and directors.

Mr. William C. France, a director since 1958, has served as Chairman of the Board of the Company since 1987 and as Chief Executive Officer since 1981.

Mr. Roger S. Penske, has served as a director and Vice Chairman since July 1999. Mr. Penske was Chairman of the Board of PMI from March of 1996 until its acquisition by the Company in 1999. Prior to March 1996, Mr. Penske was Chairman of the Board of Michigan International Speedway, Inc. ("Michigan Speedway") since 1973, Chairman of the Board and President of Pennsylvania International Raceway, Inc. ("Nazareth Speedway") since 1986, and Chairman of

the Board of California Speedway Corporation ("California Speedway") since 1994. Mr. Penske is also Chairman of the Board and Chief Executive Officer of Penske Corporation. Penske Corporation is a privately-owned diversified transportation services company which (among other things) holds, through its subsidiaries, interests in a number of businesses, including the Company. Mr. Penske is also a member of the Boards of Directors of General Electric Company, Detroit Diesel Corporation, United Auto Group, Inc., and Delphi Automotive Systems, Inc. Mr. Penske is also a founder of Penske Racing, Inc. and Penske Racing South, Inc.

Mr. James C. France, a director since 1970, has served as President and Chief Operating Officer of the Company since 1987.

Ms. Lesa D. Kennedy, a director since 1984, was appointed Executive Vice President of the Company in January 1996. Ms. Kennedy served as the Company's Secretary from 1987 until January 1996 and served as its Treasurer from 1989 until January 1996.

Mr. H. Lee Combs, a director since 1987, was appointed the Company's Senior Vice President-Corporate Development in July 1999. He served as Senior Vice President-Operations since January 1996 until that date. Mr. Combs served as a Vice President and the Company's Chief Financial Officer from 1987 until January 1996.

Mr. John R. Saunders has served as Senior Vice President-Operations, since July 1999. He had served as a Vice President since 1997 and was President of Watkins Glen International from 1983 until 1997.

Mr. Gregory W. Penske has served as Senior Vice President-Western Operations and a director since July 1999. Mr. Penske had been a director of PMI since its formation and President and Chief Executive Officer since July 1, 1997. Prior to July 1, 1997, Mr. Penske served as an Executive Vice President of PMI since February 1996. In addition, Mr. Penske served as President of the California Speedway Corporation from January 1997 to January 1999. Mr. Penske is also the President of Penske Automotive Group, Inc., which owns and operates five automobile dealerships in Southern California, and has served in that position since December 1993. From July 1992 to the present, Mr. Penske served as the President of D. Longo, Inc., which owns and operates a Toyota dealership in El Monte, California and is a subsidiary of Penske Automotive Group, Inc.

Ms. Susan G. Schandel became a Vice President in July 1999 and since January 1996 has continued to serve as the Company's Treasurer and Chief Financial Officer. From November 1992 until January 1996, Ms. Schandel served as the Company's Controller.

Mr. W. Garrett Crotty became a Vice President in July 1999 and since 1996 has served as Secretary and General Counsel. Prior to that time he had been in the private practice of law for more than five years.

Mr. Gregory J. Sullivan, has served as the Company's Vice President-Marketing since November 1994.

Mr. Robert E. Smith has served as Vice President--Administration of the Company for more than five years.

Mr. John E. Graham, Jr., has served as a Vice President and as President of Daytona International Speedway since November 1994.

Mr. W. Grant Lynch, Jr. has served as a Vice President and as President of Talladega Superspeedway since joining the Company in November 1993.

Mr. James H. Hunter has served as a Vice President and as President of Darlington Raceway since joining the Company in November 1993.

Mr. Les Richter has served as Vice President of the Company since February 2000. Mr. Richter has served as the Executive Vice President of the California Speedway since November 1994.

Mr. J. Hyatt Brown, a director since 1987, serves as the President and Chief Executive Officer of Brown & Brown, Inc. and has been in the insurance business since 1959. Mr. Brown also serves as a director of Rock Tenn Co., SunTrust Banks, Inc., BellSouth Corporation, and FPL Group, Inc.

Mr. John R. Cooper, a director since 1987, served as Vice President - Corporate Development of the Company from December 1987 until July 1994. Beginning January 1996 Mr. Cooper rejoined the Company staff.

Mr. Walter P. Czarnecki has been a director since July 1999. Mr. Czarnecki had served as Vice Chairman of the Board of PMI since January 1996, and, prior thereto, served as PMI's President. Mr. Czarnecki had also served as a senior executive of the Penske Speedway Group since 1979. Mr. Czarnecki is the Executive Vice President of Penske Corporation, has been a member of the Board of Directors of Penske Corporation since 1979 and serves as a director of Penske Truck Leasing Corporation, which is the general partner of Penske Truck Leasing Co., L.P.

Mr. Robert R. Dyson, a director since January 1997, has served as Chairman and Chief Executive Officer of the Dyson-Kissner-Moran Corporation

(DKM) since November 1992.

Mr. James H. Foster, a director since 1968, served as the Company's Senior Vice President - Special Projects from January 1994 until his retirement in 1997. Mr. Foster served as President of Daytona International Speedway from 1988 until 1994.

Mr. Brian Z. France, a director since 1994, has served as NASCAR's Vice President of Marketing and Corporate Communications since December 1992 and as the Company's Manager--Group Projects since February 1994.

Mr. Christy F. Harris, a director since 1984, has been engaged in the private practice of business and commercial law with Harris, Midyette & Darby P.A. for more than twenty years.

Mr. Raymond K. Mason, Jr., a director since 1981, had served as Chairman and President of American Banks of Florida, Inc., Jacksonville, Florida, from 1978 until its sale in 1998.

Mr. Edward H. Rensi, a director since January 1997, is currently Chairman & CEO of Team Rensi Motorsports. Mr Rensi was an executive consultant with McDonald's Corporation from 1997 to 1998. He served as President and Chief Executive Officer of McDonald's USA from 1991 until his retirement in 1997. He is also a director of Snap-On Tools.

Mr. Lloyd E. Reuss, a director since January 1996, served as President of General Motors Corporation from 1990 until his retirement in January 1993. Mr. Reuss also serves as a director of Handleman Co., Detroit Mortgage and Realty, Co. and United States Sugar Company.

Mr. Chapman Root, II, a director since 1992, has served as Chairman of the Root Company, a private investment company, since 1989. Mr. Root also serves as a director of First Financial Corp., and Terre Haute First National Bank.

Mr. Thomas W. Staed, a director since 1987, is currently Chairman of Staed Family Associates and had served as President of Oceans Eleven Resorts, Inc., a hotel/motel business, from 1968 to 1999.

DIRECTOR COMPENSATION

In 1999 the Company paid each non-employee director a monthly retainer of $750, a $1,500 fee for each meeting of the Board of Directors attended and a $750 fee for each Board committee meeting attended. The aggregate retainers and fees paid to directors with respect to fiscal 1999 services totaled approximately $192,000. The Company also reimburses directors for all expenses incurred in connection with their activities as directors.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Based upon a review of Forms 3 and 4 and amendments thereto furnished to the Company during the fiscal year ended November 30, 1999, Forms 5 and amendments thereto furnished to the Company with respect to the fiscal year ended November 30, 1999, and written representations furnished to the Company, John R. Cooper, Christy F. Harris, Chapman J. Root, II, and Thomas W. Staed have been identified as failing to file on a timely basis reports required by section 16(a) of the Exchange Act during the fiscal year ended November 30, 1999. Each had one or more transactions reported on a single Form 4 for which the Form 4 was filed late. Based solely on the review, there is no other person who, at any time during the fiscal year, was a director, officer, beneficial owner of more than ten percent of any class of the Company's securities that failed to file on a timely basis reports required by section 16(a) of the Exchange Act during the fiscal year ended November 30, 1999.

ITEM 11. EXECUTIVE COMPENSATION

The following table sets forth the total compensation paid by the Company, for services rendered during the last three fiscal years, to the Company's Chief Executive Officer and the Company's other four most highly compensated executive officers during fiscal 1999 (collectively the "Named Officers").

Summary Compensation Table

	Annual Compensation			Long Term Compensation	
Name and Principal Position	Fiscal Year	Salary	Bonus (3)	Restricted Stock Awards(1)	All Other Compensation(2)
William C. France	1999	$423,485	$204,625	$ 0	$768,920

Chairman and Chief	1998	$380,513	$153,622	$ 0	$774,441
Executive Officer	1997	$330,538	$150,282	$ 0	$769,351
James C. France	1999	$383,025	$150,390	$ 0	$472,183
President and Chief	1998	$341,342	$111,168	$ 0	$477,319
Operating Officer	1997	$264,644	$ 96,231	$ 0	$474,575
Lesa D. Kennedy	1999	$232,940	$197,634	$174,972	$ 11,122
Executive Vice	1998	$222,977	$ 71,295	$121,000	$ 9,559
President	1997	$213,488	$ 75,837	$372,398	$ 8,355
H. Lee Combs	1999	$227,967	$179,727	$174,972	$ 14,377
Sr Vice President	1998	$218,161	$ 70,018	$121,000	$ 13,156
Corporate Development	1997	$208,335	$ 69,672	$372,398	$ 12,373
John R. Saunders	1999	$191,178	$153,958	$ 93,157	$ 13,470
Sr Vice President	1998	$158,336	$ 40,320	$ 64,406	$ 12,675
Operations	1997	$ 93,392	$ 14,009	$ 77,152	$ 5,880

(1) For fiscal year 1997, reflects the aggregate market value of shares awarded under the Company's 1994 Long-Term Incentive Plan (calculated as of the date of the award). The indicated awards were made in January 1997 with respect to services rendered in fiscal year 1996. For fiscal years after 1997, reflects the aggregate market value of shares awarded under the Company's 1996 Long-Term Incentive Plan (calculated as of the date of the award). The indicated awards were made in April with respect to services rendered in the prior fiscal year. See Note 12 of Notes to the Company's Consolidated Financial Statements.

(2) The compensation reported in this column consists of (i) payments for insurance, including premium payments and related expense for split-dollar and other life insurance, accidental death and dismemberment insurance, group health insurance, and long and short term disability insurance, (ii) medical expense reimbursements, and (iii) contributions to the Company's 401(k) plan. The amounts applicable to each Named Officer for each category for fiscal 1999 are as follows: William C. France ($764,966, $3,954 and $0, respectively); James C. France ($464,293, $1,490 and $6,400, respectively); Lesa D. Kennedy ($4,722, $0 and $6,400, respectively); H. Lee Combs ($4,693, $3,284 and $6,400, respectively); and John R. Saunders ($4,362, $2,708 and $6,400, respectively). Pursuant to the Company's split-dollar life insurance arrangements, the premiums will be repaid to the Company in future periods. See Note 10 of Notes to the Company's Consolidated Financial Statements.

(3) The bonus for the Chairman/CEO and President COO are the Company's estimates for fiscal 1999, which have not yet been approved by the Board of Directors of the Company.

COMMITTEE REPORT ON EXECUTIVE OFFICER COMPENSATION

The Company's Executive Officer Compensation is overseen by the Compensation Committee of the Board of Directors which is composed entirely of independent directors.

PHILOSOPHY AND POLICIES. Executive Officer Compensation is structured and administered to offer competitive compensation based on the Executive Officer's contribution and personal performance in support of the Company's strategic plan and business mission.

In 1989, based upon recommendation of the Compensation Committee, the Company retained TPF&C to perform a salary study to determine benchmark salary ranges. TPF&C made recommendations to the Company concerning salary ranges and a bonus structure. The recommendations were followed in establishing the corporate compensation plan which is reviewed and reevaluated every year. As part of the overall compensation plan the Company's Executive Officers are grouped in structured pay grades based upon job responsibility and description. Each grade has an established range for annual salary. The salary ranges for each grade were originally established based upon the TPF&C salary study and have been reevaluated and adjusted annually by the Compensation Committee based upon changes in market conditions and Company performance factors.

CORPORATE PERFORMANCE MEASURES USED TO DETERMINE EXECUTIVE OFFICER COMPENSATION. Based on Company performance (determined subjectively by the Committee in accordance with the sound business judgment of its members after consideration of earnings per share, revenue growth and established salary ranges), the Committee established a total pool of dollars which was used to provide for increases in annual salary compensation to all employees including

Source: INTERNATIONAL SPEEDW, 10-K, February 28, 2000

the Executive Officers other than the Chairman/CEO and President/COO. The Compensation Committee recommended a proposed salary for the Chairman/CEO and President/COO to the entire Board of Directors (other than the Chairman/CEO and President/COO) which approved the salaries as recommended.

SALARY COMPENSATION. All other Executive Officers' annual salaries were set by the Chairman/CEO and President/COO who were given the authority to set all salaries other than their own so long as (1) the total pool of available dollars allocated for annual salary compensation for Executive Officers was not exceeded and (2) provided each Executive Officer's annual salary was within the established range for the salary grade. In setting Executive Officer salaries the Chairman/CEO and President/COO considered (1) Company performance as measured against management goals approved by the Board of Directors, (2) personal performance in support of Company goals as measured by annual evaluation criteria, and (3) intangible factors and criteria such as payments by competitors for similar positions although no particular weighting of the factors or formula was used.

In recommending the annual salaries of the Chairman/CEO and President/COO, the Committee considered similar criteria as well as the Committee members' assessment of the Company's financial size and condition.

INCENTIVE COMPENSATION. The Company has an Annual Incentive Compensation Plan for Management in which the Executive Officers participate. As a result Executive Officer Compensation is significantly at risk. Planned incentive compensation for Executive Officers can be as high as 55% of total annual compensation.

Each Executive Officer is assigned a target bonus opportunity based on corporate and personal goals for the year. The actual bonus for each Executive Officer will range from 0% to more than 150% of the target depending upon results of corporate and personal performance during the year. The current corporate financial measurements are earnings per share, revenue growth and operating margin. These may vary from year to year as established by the Compensation Committee. Personal performance factors are based on individual (functional) objectives and are tailored for each Executive Officer. A portion of each Executive Officer's incentive award will be based upon the Chairman/CEO and President/COO's discretionary judgment of the individual's overall performance during the plan year.

The incentive compensation for the Chairman/CEO and President/COO is, again, proposed by the Compensation Committee and presented to the full Board of Directors for ratification.

LONG TERM INCENTIVE PLAN COMPENSATION

1994 LONG-TERM INCENTIVE PLAN. In 1993, based upon recommendation of the Compensation Committee, the Company retained the HayGroup to assist in the design of a long term incentive compensation plan for specified key employees, which is known as the "International Speedway Corporation 1994 Long-Term Incentive Plan" (the "1994 Plan"). The 1994 Plan was recommended by the Compensation Committee of the Board of Directors, unanimously approved by all outside directors and ratified by the entire Board of Directors on November 17, 1993. It was approved by the written consent of the holders of a majority of the outstanding shares of the Company on the same date. The purpose of the 1994 Plan was to attract and retain qualified and competent executives by providing significant opportunities for capital accumulation and to enhance the growth and profitability of International Speedway Corporation (the "Company") by focusing on long-term goals and creation of increases in shareholder value. The 1994 Plan set aside restricted stock in the amount of 50,000 old pre 15-1 split shares of common stock for its implementation, which were converted, on the 15-1 basis, into 750,000 shares of Class B Common Stock. Awards of restricted shares of stock were assigned to officers and key employees who were capable of having a significant impact on the performance of the Company. The amount of shares for each initial participant was based primarily on an analysis and recommendations by compensation specialists of the HayGroup. Awards were granted based upon Company performance in fiscal years 1994, 1995 and 1996. The ability to issue additional shares under the 1994 Plan expired after the grants based on fiscal 1996 results. The restricted shares were granted to participants each year based upon the Company's performance as measured against annual financial goals established in advance by the Board of Directors. Several aspects of the 1994 Plan and its implementation are subject to the discretion of the Compensation Committee.

The shares which were granted under the 1994 Plan are initially restricted and do not immediately vest to the participant, but, instead carry a continued employment restriction of 3 years on 50% of the grant and 5 years on the other 50% of the grant. If employment ends prior to the expiration of the vesting period for reasons acceptable to the Compensation Committee (death, disability, retirement, etc.) the Company may determine to vest all or a portion of the unvested and unearned restricted shares. Termination of employment for any other reason will result in forfeiture of all unvested and unearned shares.

Prior to vesting the participant may vote the shares and receive dividends on the restricted shares as granted. Prior to vesting the certificates for the restricted shares are held in escrow by the Company. After vesting the certificates for the restricted shares are delivered to the

participant. The Company has the right of first refusal to buy any stock issued (and vested) under the 1994 Plan which any participant wishes to sell.

1996 LONG-TERM INCENTIVE PLAN. The Company's 1996 Long-term Incentive Plan (the "1996 Plan") was adopted by the Board of Directors in September 1996. It was approved by the written consent of the holders of a majority of the outstanding shares of the Company in November 1996. The purpose of the 1996 Plan is to attract and retain key employees and consultants of the Company, to provide an incentive for them to achieve long-range performance goals, and to enable them to participate in the long-term growth of the Company.

The 1996 Plan authorizes the grant of stock options (incentive and nonstatutory), stock appreciation rights ("SARs") and restricted stock to employees and consultants of the Company capable of contributing to the Company's performance. The Company has reserved an aggregate of 1,000,000 shares (subject to adjustment for stock splits and similar capital changes) of Class A Common Stock for grants under the 1996 Plan. Incentive Stock Options may be granted only to employees eligible to receive them under the Internal Revenue Code of 1996, as amended.

The Board of Directors has designated the Compensation Committee (the "Committee") to administer the 1996 Plan. Awards under the 1996 Plan will contain such terms and conditions consistent with the 1996 Plan as the Committee in its discretion approves.

The Committee has discretion to administer the 1996 Plan in the manner which it determines, from time to time, is in the best interest of the Company. For example, the Committee will fix the terms of stock options, SARs and restricted stock grants and determine whether, in the case of options and SARs, they may be exercised immediately or at a later date or dates. Awards may also be granted subject to conditions relating to continued employment and restrictions on transfer. In addition, the Committee may provide, at the time an award is made or at any time thereafter, for the acceleration of a participant's rights or cash settlement upon a change in control of the Company. The terms and conditions of awards need not be the same for each participant. The foregoing examples illustrate, but do not limit, the manner in which the Committee may exercise its authority in administering the 1996 Plan. In addition, all questions of interpretation of the 1996 Plan will be determined by the Committee. Awards under the 1996 Plan were made in April 1998 and 1999, based upon fiscal 1997 and 1998 results. The amount of the awards was based upon the Company's performance as measured against annual financial goals established in advance by the Board of Directors. These awards were restricted shares of Class A Common Stock and are initially restricted and will not immediately vest to the participant, but, instead carry a continued employment restriction of 3 years on 50% of the grant and 5 years on the other 50% of the grant. If employment ends prior to the expiration of the vesting period for reasons acceptable to the Compensation Committee (death, disability, retirement, etc.) the Company may determine to vest all or a portion of the unvested and unearned restricted shares. Termination of employment for any other reason will result in forfeiture of all unvested and unearned shares. Awards under the 1996 Plan are to be made in April 2000, based upon fiscal 1999 results and will carry restrictions equivalent to those imposed on the awards in 1998 and 1999.

Prior to vesting the participant may vote the shares and receive dividends on the restricted shares as granted. Prior to vesting the certificates for the restricted shares will be held in escrow by the Company. After vesting the certificates for the restricted shares will be delivered to the participant. The Company has the right of first refusal to buy any stock issued (and vested) under the 1996 Plan which any participant wishes to sell.

COLLATERAL ASSIGNMENT SPLIT-DOLLAR INSURANCE

In October 1995, based upon evaluation and recommendation of the Compensation Committee, the Company entered into collateral assignment split-dollar insurance agreements covering the lives of the Chairman/CEO, the President/COO and their respective spouses. Pursuant to the agreements, the Company will advance annual premiums of approximately $1,205,000 each year for a period of eight years. Upon surrender of the policies or payment of the death benefits thereunder, the Company is entitled to the repayment of an amount equal to the cumulative premiums paid by the Company. Although Securities and Exchange Commission (SEC) rules require disclosure of the entire premium advanced by the Company in the Summary Compensation Table, the Compensation Committee determined the compensation aspect of the plan was actually less than the total premium because of the repayment requirement and represented reasonable and appropriate compensation to the covered executives, when considered in light of their total compensation package.

CHAIRMAN/CEO COMPENSATION BASES. The Compensation Committee determined a 11% increase in Chairman/CEO compensation was appropriate in light of the continued growth in earnings per share in 1998.

Thomas W. Staed
Chapman J. Root, II
Lloyd E. Reuss

PERFORMANCE GRAPH

The rules of the Securities and Exchange Commission ("SEC") require the Company to provide a line graph covering at least the last five fiscal years and comparing the yearly percentage change in the Company's total shareholder return on common stock with the cumulative total return of a broad equity index assuming reinvestment of dividends and the cumulative total return, assuming reinvestment of dividends, of a published industry or line-of-business index; peer issuers selected in good faith; or issuers with similar market capitalization. The graph below compares the cumulative total five year return of the Company's common stock (upon the assumption that an original $100 investment was made in pre-split common stock which automatically converted to Class B Common Stock on November 4, 1996) with that of the NASDAQ Stock Market Index (U.S. Companies) and with the 40 NASDAQ issues (U.S. companies) listed in SIC codes 7900-7999, which encompasses service businesses in the amusement, sports and recreation industry, which includes indoor operations which are not subject to the impact of weather on operations and pari-mutual and other wagering operations. The Company conducts large outdoor sporting and entertainment events which are subject to the impact of weather, and is not involved in pari-mutual or other wagering. The stock price shown has been estimated from the high and low prices for each quarter for which the close is not available. Because of the unique nature of the Company's business and the fact that only short-term public information is available concerning a limited number of companies involved in the same line of business, and no public information is available concerning other companies in that line of business, the Company does not believe that the information presented below is meaningful.

COMPARISON OF FIVE YEAR CUMULATIVE RETURN AMONG
INTERNATIONAL SPEEDWAY CORP., NASDAQ Market Index and NASDAQ SIC 7900 Index
[The line graph on the information statement furnished to shareholders depicts the plotting of the following information.]

Measurement Period (Fiscal Year Covered)	ISC	NASDAQ Market Index	NASDAQ SIC 7900 Index
Measurement Pt - 11/30/94	$100.00	$100.00	$100.00
FYE* 11/30/95	$239.42	$142.53	$ 80.68
FYE* 11/30/96	$300.07	$174.58	$ 72.04
FYE 11/30/97	$308.36	$216.34	$ 92.24
FYE 11/30/98	$518.73	$266.60	$ 81.42
FYE 11/30/99	$960.42	$447.56	$126.55

* Adjusted to reflect current fiscal year end for comparability purposes.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

As of January 31, 2000, the Company had 23,136,011 shares of Class A Common Stock and 29,965,142 shares of Class B Common Stock issued and outstanding. Each share of the Class A Common Stock is entitled to one-fifth of one vote on matters submitted to shareholder approval or a vote of shareholders. Each share of the Class B Common Stock is entitled to one vote on matters submitted to shareholder approval or a vote of shareholders. The following table sets forth certain information as of January 31, 2000 with respect to the beneficial ownership of each class of the Company's common stock by: (i) each person known by the Company to be the beneficial owner of more than 5% of the outstanding shares of each class of common stock, (ii) each director of the Company who beneficially owns any such shares, (iii) each of the Company's executive officers who beneficially owns any such shares, and (iv) all directors and executive officers of the Company as a group. As described in the notes to the table, voting and/or investment power with respect to certain shares of common stock is shared by the named individuals. Consequently, such shares may be shown as beneficially owned by more than one person.

NAME OF BENEFICIAL OWNER (1)	NUMBER OF SHARES OF COMMON STOCK BENEFICIALLY OWNED (2)			PERCENTAGE OF COMMON STOCK BENEFICIALLY OWNED			PERCENTAGE OF COMBINED VOTING POWER OF ALL CLASSES OF COMMON STOCK
	CLASS A	CLASS B	TOTAL	CLASS A	CLASS B	TOTAL	
France Family Group(3)	23,352	21,158,081	21,181,433	*	70.61%	39.89%	61.18%
James C. France(4)	4,042	15,352,721	15,356,763	*	51.24%	28.92%	44.38%
William C. France(5)	2,642	15,340,501	15,343,143	*	51.19%	28.89%	44.35%
Roger S. Penske(6)..........	4,577,663	0	4,577,663	19.91%	*	8.62%	2.65%
Penske Corp(7)..............	4,552,621	0	4,552,621	19.80%	*	8.57%	2.63%
Penske Performance Inc(8)....	4,552,621	0	4,552,621	19.80%	*	8.57%	2.63%
Putnam Investments, Inc.(9)..	2,059,145	0	2,059,145	8.95%	*	3.88%	1.19%
Lesa D. Kennedy (10).........	1,979	634,568	636,547	*	2.12%	1.20%	1.84%
Brian Z. France.............	1,500	495,711	497,211	*	1.65%	*	1.43%
Raymond K. Mason, Jr.(11)....	1,042	196,740	197,782	*	*	*	*
James H. Foster(12).	20,277	165,372	185,649	*	*	*	*
H. Lee Combs................	9,418	42,070	51,488	*	*	*	*
Thomas W. Staed(13)..........	5,992	44,000	49,992	*	*	*	*
Robert R. Dyson(14)..........	19,500	29,500	49,000	*	*	*	*
John E. Graham, Jr...........	6,135	23,934	30,069	*	*	*	*
James H. Hunter.............	3,977	25,205	29,182	*	*	*	*

W. Grant Lynch, Jr..........	3,827	19,529	23,356	*	*	*	*
John R. Saunders............	5,108	16,895	22,003	*	*	*	*
Chapman J. Root, II	3,542	13,500	17,042	*	*	*	*
Susan G. Schandel...........	3,823	10,692	14,515	*	*	*	*
Robert E. Smith(15)	4,432	8,939	13,371	*	*	*	*
Gregory J. Sullivan.........	5,282	7,388	12,670	*	*	*	*
J. Hyatt Brown(16)	2,400	9,000	11,400	*	*	*	*
Walter P. Czarnecki.........	8,230	0	8,230	*	*	*	*
W. Garrett Crotty(17).......	4,027	3,653	7,680	*	*	*	*
John R. Cooper	6,042	1,500	7,542	*	*	*	*
Gregory W. Penske...........	6,210	0	6,210	*	*	*	*
Lloyd E. Reuss..............	5,000	0	5,000	*	*	*	*
Christy F. Harris(18).......	4,842	150	4,992	*	*	*	*
Edward H. Rensi.............	0	1,500	1,500	*	*	*	*
All directors and executive officers as a group (26 persons)(19)	4,716,932	20,902,945	25,619,877	20.39%	69.76%	48.25%	63.16%

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* Less than 1%.

(1) Unless otherwise indicated the address of each of the beneficial owners identified is c/o the Company, 1801 West International Speedway Boulevard, Daytona Beach, Florida 32114.

(2) Unless otherwise indicated, each person has sole voting and investment power with respect to all such shares.

(3) Reflects the aggregate of 18,852 Class A and 20,325,448 Class B shares indicated in the table as beneficially owned by James C. France, William C. France, Lesa D. Kennedy and Brian Z. France, as well as 4,500 Class A shares held of record and 832,633 Class B shares held beneficially by the adult children of James C. France. See footnotes (4), (5) and (9).

(4) Includes (i) 1,500 Class A shares held of record and 304,725 Class B shares held beneficially by Sharon M. France, his spouse, (ii) 9,115,125 Class B shares held of record by Western Opportunity Limited Partnership ("Western Opportunity"), (iii) 4,052,369 Class B shares held of record by Carl Investment Limited Partnership ("Carl"), and (iv) 1,880,502 Class B shares held of record by White River Investment Limited Partnership ("White River"). James C. France is the sole shareholder and director of (x) Principal Investment Company, one of the two general partners of Western Opportunity, (y) Quaternary Investment Company, the general partner of Carl, and (z) Secondary Investment Company, one of the two general partners of White River. Also see footnote (5). Does not include shares held of record by the adult children of James C. France.

(5) Includes (i) 1,121 Class A shares held of record by Betty Jane France, his spouse, (ii) 9,115,125 Class B shares held of record by Western Opportunity, (iii) 4,344,874 Class B shares held of record by Polk City Limited Partnership ("Polk City"), and (iv) 1,880,502 Class B shares held of record by White River. William C. France is the sole shareholder and director of each of (x) Sierra Central Corp., one of the two general partners of Western Opportunity, (y) Boone County Corporation, the general partner of Polk City, and (z) Cen Rock Corp., one of the two general partners of White River. Also see footnote (4). Does not include the shares shown in the table as beneficially owned by Lesa D. Kennedy and Brian Z. France, adult children of William C. France.

(6) This owner's address is 13400 West Outer Drive, Detroit, MI 48239-4001. Includes 4,552,621 Class A shares shown in the table as beneficially owned by Penske Corp. and Penske Performance, Inc.

(7) This owner's address is 13400 West Outer Drive, Detroit, MI 48239-4001. Shares shown are also beneficially owned by Roger S. Penske and Penske Performance, Inc.

(8) This owner's address is 1100 North Market Street, Suite 780, Wilmington, DE 19801. Shares shown are also beneficially owned by Roger S. Penske and Penske Corp.

(9) This owner's address is One Post Office Square, Boston, Massachusetts 02109. Shares reported are also included in those reported for Putnam Investments, Inc.

(10) Includes (i) 1,500 Class A shares held of record by Ms. Kennedy as custodian for her minor son, Benjamin, (ii) 1,500 Class A shares held jointly with her spouse, and (iii) 343,950 Class B shares held of record by BBL Limited Partnership. Mrs. Kennedy is the sole shareholder and a director of BBL Company, the sole general partner of BBL Limited Partnership.

(11) Includes 75 Class B shares owned by The Raymond K. Mason, III Trust, as to which Mr. Mason disclaims beneficial ownership.

(12) Includes (i) 16,682 Class B shares held of record by BEEJA Limited Partnership and (ii) 140,000 Class B shares held of record by Mountain-Ocean Limited Partnership.

(13) Owned jointly with Barbara Staed, his spouse.

(14) Includes 5,000 Class A shares held in the Robert R. Dyson 1987 Family Trust and 9,500 Class A Shares held as Trustee of the Charles H. Dyson Trust No. 2, U/A dated 4/15/76.

(15) Includes 1,837 Class A shares held of record as joint tenants with his spouse.

(16) Held of record as joint tenants with Cynthia R. Brown, his spouse.

(17) Includes 100 Class B shares held by Mr. Crotty as Trustee for his son and 1,500 shares held by Bellows Falls Investment, Inc. Also includes 208 Class A shares held by the Black, Sims & Hubka profit sharing plan as to which Mr. Crotty disclaims beneficial ownership.

(18) Includes 500 Class A shares held by M. Dale Harris, his spouse, and

1,500 Class A shares held by Mr. Harris as trustee of The Harris, Midyette, Geary, & Darby P.A. Profit Sharing Plan and Trust.

(19) See footnotes (4) through (8), and (10) through (18).

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

NASCAR, which sanctions most of the Company's major racing events, is controlled by William C. France and James C. France. Standard NASCAR sanction agreements require racetrack operators to pay various monies to NASCAR for each sanction event conducted. Included are sanction fees and prize and point fund monies. The prize and point fund monies are distributed by NASCAR to participants in the events. The aggregate NASCAR sanction fees and prize and point fund monies paid by the Company with respect to fiscal 1997, 1998 and 1999 were $20.6 million, $28.8 million and $45.6 million, respectively.

In addition, NASCAR and the Company share a variety of expenses in the ordinary course of business. NASCAR pays rent to the Company for office space based upon estimated fair market lease rates for comparable facilities. NASCAR also reimburses the Company for 50% of the compensation paid to personnel working in the Company's legal and risk management departments, as well as 50% of the compensation expense associated with receptionists and the Company's archive departments. The Company's payments to NASCAR for MRN Radio's broadcast rights to Craftsman Truck Series 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 mail room, graphics and publications departments, and the Company's reimbursement of NASCAR for use of corporate aircraft, is based on actual usage. The aggregate amount paid by the Company to NASCAR for shared expenses, net of the amounts received from NASCAR for shared expenses, totaled approximately $720,000, $160,000 and $356,000 during fiscal 1997, 1998 and 1999, respectively. The Company strives to ensure, and management believes that, the terms of the Company's transactions with NASCAR are no less favorable to the Company than could be obtained in arms'-length negotiations.

J. Hyatt Brown, a director of the Company, 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 its 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 Company policies were approximately $166,000, $240,000 and $185,000 during fiscal 1997, 1998 and 1999, respectively.

Pursuant to the merger agreement for the PMI acquisition the Company is currently obligated to place 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. Messrs. Roger S. Penske, Gregory W. Penske and Walter P. Czarnecki are presently the designees of Penske Performance, Inc. serving on the Company's board of directors. Penske Performance, Inc. is wholly-owned by Penske Corporation which beneficially owns more than five percent of the outstanding stock of the Company. Messrs. Penske, Penske and Czarnecki are also officers and directors of Penske Performance, Inc. and other Penske Corporation affiliates. Roger S. Penske beneficially owns a majority of the voting stock of and controls Penske Corporation and its affiliates. During fiscal 1999 subsequent to the PMI acquisition, Penske Corporation provided the Company with certain executive and legal services at a cost of approximately $313,000. Also, the Company, through certain subsidiaries acquired in the PMI acquisition, sold admissions to the Company's events, hospitality suite occupancy and related services, merchandise, apparel and racing tires and accessories to Penske Corporation and its affiliates. In fiscal 1999 subsequent to the PMI acquisition, Penske Corporation and its affiliates paid approximately $759,000 for the aforementioned goods and services. The Company has outstanding receivables and payables/accrued expenses related to Penske Corporation and its affiliates of approximately $186,000 and $433,000, respectively, at November 30, 1999.

All of the above transactions, payments and exchanges are considered normal in the ordinary course of business. Transactions, payments and exchanges similar to all of the above are planned during the Company's current fiscal year.

On May 5, 1999, MSA and the former owners of Route 66 Raceway, LLC formed a new company, Raceway Associates, which is owned 75% by MSA and 25% by the former owners of the Route 66 Raceway, LLC (See Note 3 - - Equity Investments). Route 66 Raceway, LLC owns the 240 acre Route 66 Raceway motorsports complex located in Joliet, Illinois, approximately 35 miles from downtown Chicago. As a result of this transaction the new Raceway Associates now owns the Route 66 Raceway, LLC and the Route 66 Raceway motorsports complex. Edward H. Rensi, a director of the Company, was one of the former owners of the Route 66 Raceway, LLC. Mr. Rensi owned approximately 5.13% of the Route 66 Raceway, LLC and as a result of the transaction now owns approximately 1.28% of Raceway Associates.

PART IV

ITEM 14. EXHIBITS, CONSOLIDATED FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) Documents filed as a part of this report

1. Consolidated Financial Statements listed below:

Consolidated Balance Sheets
- November 30, 1998 and 1999

Consolidated Statements of Income
- Years ended November 30, 1997, 1998, and 1999

Consolidated Statements of Shareholders' Equity
- Years ended November 30, 1997, 1998, and 1999

Consolidated Statements of Cash Flows
- Years ended November 30, 1997, 1998, and 1999

Notes to Consolidated Financial Statements

2. Consolidated Financial Statement Schedules listed below:

II - Valuation and qualifying accounts

All other schedules are omitted since the required information is not present or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the financial statements and notes thereto.

3. Exhibits:

Exhibit Number	Description of Exhibit
2.1	- Agreement and Plan of Merger, dated as of May 10, 1999, among the Company, 88 Corp. and PMI, as amended by Amendment No. 1 thereto dated as of June 21, 1999 (A)**
2.2	- Agreement and Plan of Merger, dated as of May 10, 1999, among the Company, Penske Performance, Inc., PSH Corp. and Penske Corporation (B)**
3.1	- Articles of Amendment of the Restated and Amended Articles of Incorporation of the Company, as filed with the Florida Department of State on July 26, 1999 (3.1)***
3.2	- Conformed Copy of Amended and Restated Articles of Incorporation of the Company, as amended as of July 26, 1999 (3.2)***
3.3	- Conformed Copy of Amended and Restated By-Laws of the Company. (3)(ii)****
4.1	- Indenture, dated October 6, 1999, between the Company, its subsidiaries, and First Union National Bank, as Trustee. (2)*****
4.2	- Registration Rights Agreement, dated October 6, 1999, among Salomon Smith Barney and First Union Securities, Inc. and the Company (4.3)******
4.3	- Form of Registered Note (included in Exhibit 4.1). (2)*****
4.4	- $300,000,000 Credit Agreement, dated as of July 21, 1999, as amended, among the Company, certain subsidiaries and the lenders party thereto. (1)*****
10.1	- Daytona Property Lease (3)****
10.2	- 1994 Long-Term Incentive Plan (4)****
10.3	- 1996 Long-Term Incentive Plan (5)****
10.4	- Split-Dollar Agreement (WCF)* (6)****
10.5	- Split-Dollar Agreement (JCF)* (7)****
22	- Subsidiaries of the Registrant - filed herewith
23	- Consent of Ernst & Young LLP relating to the Company's Registration Statement on Form S-4

(Commission File No. 333-94085) - filed herewith

27 - Financial Data Schedule - filed herewith

*Compensatory Plan required to be filed as an exhibit pursuant to Item 14(c).

**Incorporated by reference to the Annex shown in parentheses and filed with the Joint Proxy Statement/Prospectus included in the Company's Registration Statement on Form S-4 File No. 333-81165

***Incorporated by reference to the exhibit shown in parentheses and filed with the Company's Report on Form 8-K dated July 26, 1999

****Incorporated by reference to the exhibit shown in parentheses and filed with the Company's Report on Form 10-K for the year ended November 30, 1998.

*****Incorporated by reference to the exhibit shown in parentheses and filed with the Company's report on Form 10-Q for the quarter ended August 31, 1999.

******Incorporated by reference to the exhibit shown in parentheses and filed with the Company's Registration Statement filed on Form S-4 File No. 333-94085.

(b) Reports on Form 8-K

During the fourth quarter of the period covered by this report the Company filed the following reports on Form 8-K:

The Company filed a report on Form 8-K dated September 24, 1999 which reported under Item 5. the issuance of a press release announcing the Company's intention to offer in a private placement up to $200 million principal amount of intermediate term Senior Notes.

The Company filed a report on Form 8-K dated October 1, 1999 which reported under Item 5, the issuance of a press release on October 1, 1999 announcing the pricing of $225 million principal amount of Senior Notes due 2004 and the issuance of a press release on October 5, 1999 announcing the financial results for the third quarter and nine months ended August 31, 1999.

The Company filed a report on Form 8-K dated October 8, 1999 which reported under Item 5, the issuance of a press release on October 8, 1999 announcing the completion of the previously announced sale of $225 million principal amount of Senior Notes due 2004 in a private placement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

INTERNATIONAL SPEEDWAY CORPORATION

DATE: February 23, 2000 — /s/ William C. France
William C. France, Chairman,
Chief Executive Officer & Director

DATE: February 23, 2000 — /s/ Susan G. Schandel
Susan G. Schandel
Chief Financial Officer

DATE: February 23, 2000 — /s/ James C. France
James C. France
Director

DATE: February 23, 2000 — /s/ Lesa D. Kennedy
Lesa D. Kennedy
Director

DATE: February 23, 2000 — /s/ H. Lee Combs
H. Lee Combs
Director

DATE: February 23, 2000 — /s/ James H. Foster
James H. Foster
Director

DATE: February 23, 2000 — /s/ J. Hyatt Brown
J. Hyatt Brown
Director

DATE: February 23, 2000 — /s/ Brian Z. France
Brian Z. France
Director

DATE: February 23, 2000 — /s/ Raymond K. Mason, Jr.
Raymond K. Mason, Jr.

Director

DATE:	February 23, 2000	/s/ Thomas W. Staed Thomas W. Staed Director
DATE:	February 23, 2000	/s/ Chapman J. Root, II Chapman J. Root, II Director
DATE:	February 23, 2000	/s/ Daniel W. Houser Daniel W. Houser Controller

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SUBSIDIARIES OF THE REGISTRANT

Americrown Service Corporation,
a South Carolina Corporation

The California Speedway Corporation,
a Delaware Corporation
d/b/a California Speedway

Chicago Holdings, Inc.,
a Nevada Corporation

Competition Tire South, Inc.,
a Delaware Corporation

Competition Tire West, Inc.
a Michigan Corporation

Event Equipment Leasing, Inc.,
a Florida Corporation

Event Support Corporation,
a Florida Corporation

Great Western Sports, Inc.,
an Arizona Corporation,
d/b/a Tucson Raceway Park

Homestead-Miami Speedway, LLC
a Delaware LLC
d/b/a Homestead-Miami Speedway

ISC Properties, Inc.
a Florida Corporation

ISC Publications, Inc.
a Florida Corporation

Kansas Speedway Corporation,
a Kansas Corporation

Kansas Speedway Development Corp.
a Kansas Corporation

Miami Speedway Corp.,
a Nevada Corporation

Michigan International Speedway, Inc.
a Michigan Corporation
d/b/a Michigan Speedway

Motor Racing Network, Inc.,
a Florida Corporation

Motorsports Alliance, LLC
a Delaware LLC

Motorsports International Corp.
a Pennsylvania Corporation

New York International Speedway Corporation
a Delaware Corporation

North American Testing Company,
a Florida Corporation

North Carolina Speedway, Inc.,
a North Carolina Corporation
d/b/a North Carolina Speedway

Pennsylvania International Raceway, Inc.
a Pennsylvania Corporation
d/b/a Nazareth Speedway

Phoenix Speedway Corp.,
a Delaware Corporation
d/b/a/ Phoenix International Raceway

Regiment, Inc.
a North Carolina Corporation

Richmond International Raceway, Inc.
a Delaware Corporation

Rocky Mountain Speedway Corporation

a Colorado Corporation

Seasonal Services, Inc.,
a Florida Corporation

South Carolina International Speedway Corporation,
a South Carolina Corporation,
d/b/a Darlington International Raceway

Watkins Glen International, Inc.,
a New York Corporation
d/b/a Watkins Glen International

88 Corp.
a Delaware Corporation

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Consent of Independent Certified Public Accounts

We consent to the reference to our firm under the caption "Experts" in Amendment No. 1 to the Registration Statement (Form S-4 No. 333-94085) and related Prospectus of International Speedway Corporation for the registration of $225 million in 7.875% Senior Notes due 2004 and to the inclusion of our report dated [January 19, 2000] with respect to the consolidated financial statements and schedules of International Speedway Corporation included in its Annual Report (Form 10-K) for the year ended November 30, 1999, filed with the Securities and Exchange Commission.

ERNST & YOUNG LLP
- - - - - - - - - - - - - -
Jacksonville, Florida
February __, 2000

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM CONSOLIDATED
BALANCE SHEETS OF INTERNATIONAL SPEEDWAY CORPORATION AS OF NOVEMBER 30, 1999 AND
THE RELATED CONSOLIDATED STATEMENTS OF INCOME, SHAREHOLDERS' EQUITY AND CASH
FLOWS FOR THE YEAR ENDED NOVEMBER 30, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY
REFERENCE TO SUCH FINANCIAL STATEMENTS.
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Source: INTERNATIONAL SPEEDW, 10-K, February 28, 2000