



FOR IMMEDIATE RELEASE

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For further information, call:

Timothy R. Horne – Sr. Vice President - Finance
(302) 883-6530

**DOVER MOTORSPORTS, INC.
REPORTS RESULTS FOR THE SECOND QUARTER**

Dover Motorsports, Inc. (NYSE: DVD) today reported its results for the second quarter ended June 30, 2008.

The Company promoted six major events over four weekends in the second quarter of 2008 compared with seven major events in 2007. The first NASCAR Nationwide Series event at Nashville Superspeedway was held in the first quarter of 2008 compared with the second quarter of 2007.

For the quarter ended June 30, 2008 revenues were \$39,415,000 compared with \$40,806,000 in the second quarter of 2007. The decrease in revenues is due to the fact that one fewer race was promoted in 2008 and was partially offset by small increases in revenue for most other major events promoted during the quarter.

The Company's NASCAR triple-header in Dover saw results similar to last year's event. Lower attendance resulting from weak overall economic conditions and rain for the Company's NASCAR Nationwide event were offset by increased sponsorship, broadcasting and concession revenues.

Operating and marketing expenses were \$22,108,000 in the second quarter of 2008 as compared to \$23,780,000 in the second quarter of 2007. The decrease primarily related to the change in our motorsports event calendar discussed above, partially offset by higher operating and marketing expenses for our June NASCAR Sprint Cup Series weekend at Dover International Speedway and additional events run at our other facilities.

General and administrative expenses of \$3,122,000 in the second quarter of 2008 were consistent with \$3,135,000 for the same quarter last year.

Depreciation and amortization expense was \$1,704,000 in the quarter ended June 30, 2008 compared to \$1,565,000 for the comparable 2007 period. The increase is primarily due to the Monster Makeover project at Dover International Speedway. Net interest expense was \$1,032,000 for the quarter ended June 30, 2008 compared to \$1,041,000 in the second quarter of 2007. The decrease was due to lower average interest rates offset by higher average outstanding borrowings on the credit facility.

Earnings before income taxes increased to \$11,449,000 in the second quarter of 2008 compared with \$11,285,000 in the comparable quarter of the prior year.

The effective tax rate for the second quarter of 2008 was 48.9% compared to 50.4% in the prior year. The decrease in the effective tax rate was primarily the result of a reduction in our combined effective state income tax rate.

Net earnings for the quarter ended June 30, 2008 were \$5,847,000 or \$0.16 per diluted share compared with \$5,593,000 or \$0.16 per diluted share for the same period last year.

For six months ended June 30, 2008, revenues were \$41,927,000 compared with \$41,688,000 in the prior year. The Company promoted seven major events in the first half of both years. Net earnings were \$1,699,000 or \$0.05 per diluted share compared with \$2,033,000 or \$0.06 per diluted share in the comparable period of the prior year.

For the first half of 2008 cash provided by operations was \$4,644,000 compared with \$4,801,000 in the prior year. Capital spending, primarily related to the Monster Makeover project at Dover International Speedway, was \$6,082,000 in the first half of 2008 compared with \$8,745,000 in the comparable period in prior year.

The Company announced yesterday that its Board of Directors declared a regular quarterly dividend of \$.015 per share. The dividend is payable on September 10, 2008 to shareholders of record at the close of business on August 10, 2008.

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This release contains or may contain forward-looking statements based on management's beliefs and assumptions. Such statements are subject to various risks and uncertainties which could cause results to vary materially. Please refer to the Company's SEC filings for a discussion of such factors.

Dover Motorsports, Inc. is a leading promoter of motorsports events in the United States. Its motorsports subsidiaries operate four motorsports tracks in three states and promote motorsports events under the auspices of three of the premier sanctioning bodies in motorsports – NASCAR, IRL, and NHRA. The Company owns and operates Dover International Speedway in Dover, Delaware; Nashville Superspeedway near Nashville, Tennessee; Gateway International Raceway near St. Louis, Missouri; and Memphis Motorsports Park near Memphis, Tennessee.

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

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--------------------------------------|--------------------------------|-----------------|------------------------------|-----------------|
| | <u>2008</u> | <u>2007</u> | <u>2008</u> | <u>2007</u> |
| Revenues: | | | | |
| Admissions | \$ 13,936 | \$ 15,760 | \$ 14,736 | \$ 15,847 |
| Event-related | 11,387 | 10,494 | 12,352 | 11,278 |
| Broadcasting | 14,077 | 14,512 | 14,786 | 14,512 |
| Other | 15 | 40 | 53 | 51 |
| | <u>39,415</u> | <u>40,806</u> | <u>41,927</u> | <u>41,688</u> |
| Expenses: | | | | |
| Operating and marketing | 22,108 | 23,780 | 26,718 | 26,174 |
| General and administrative | 3,122 | 3,135 | 6,289 | 6,306 |
| Depreciation and amortization | 1,704 | 1,565 | 3,366 | 3,094 |
| | <u>26,934</u> | <u>28,480</u> | <u>36,373</u> | <u>35,574</u> |
| Operating earnings | 12,481 | 12,326 | 5,554 | 6,114 |
| Interest income | 19 | 32 | 50 | 75 |
| Interest expense | <u>(1,051)</u> | <u>(1,073)</u> | <u>(2,152)</u> | <u>(2,002)</u> |
| Earnings before income taxes | 11,449 | 11,285 | 3,452 | 4,187 |
| Income taxes | <u>5,602</u> | <u>5,692</u> | <u>1,753</u> | <u>2,154</u> |
| Net earnings | <u>\$ 5,847</u> | <u>\$ 5,593</u> | <u>\$ 1,699</u> | <u>\$ 2,033</u> |
| Net earnings per common share: | | | | |
| Basic | <u>\$ 0.16</u> | <u>\$ 0.16</u> | <u>\$ 0.05</u> | <u>\$ 0.06</u> |
| Diluted | <u>\$ 0.16</u> | <u>\$ 0.16</u> | <u>\$ 0.05</u> | <u>\$ 0.06</u> |
| Weighted average shares outstanding: | | | | |
| Basic | 35,940 | 35,876 | 35,922 | 35,871 |
| Diluted | 36,131 | 35,991 | 36,131 | 35,963 |

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

| | June 30, 2008 | June 30, 2007 | December 31, 2007 |
|--|-------------------|-------------------|----------------------|
| | <u> </u> | <u> </u> | <u> </u> |
| ASSETS | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 1,118 | \$ 1,330 | \$ 327 |
| Accounts receivable | 13,172 | 14,766 | 1,722 |
| Inventories | 421 | 334 | 185 |
| Prepaid expenses and other | 3,771 | 4,653 | 1,773 |
| Receivable from Dover Downs Gaming & Entertainment, Inc. | - | - | 18 |
| Prepaid income taxes | 346 | 101 | - |
| Deferred income taxes | 203 | 217 | 186 |
| Total current assets | <u>19,031</u> | <u>21,401</u> | <u>4,211</u> |
| Property and equipment, net | 160,387 | 158,187 | 157,748 |
| Restricted cash | 3,894 | 2,673 | 4,169 |
| Other assets, net | 1,548 | 1,278 | 1,578 |
| Deferred income taxes | 83 | - | - |
| Total assets | <u>\$ 184,943</u> | <u>\$ 183,539</u> | <u>\$ 167,706</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 3,086 | \$ 4,065 | \$ 945 |
| Accrued liabilities | 4,525 | 4,768 | 3,464 |
| Payable to Dover Downs Gaming & Entertainment, Inc. | 1 | 38 | - |
| Income taxes payable | - | - | 257 |
| Current portion of bonds payable | 1,130 | - | 111 |
| Deferred revenue | 17,213 | 19,755 | 8,689 |
| Total current liabilities | <u>25,955</u> | <u>28,626</u> | <u>13,466</u> |
| Revolving line of credit | 45,400 | 44,800 | 42,300 |
| Bonds payable | 2,969 | 4,207 | 4,098 |
| Liability for pension benefits | 774 | 664 | 736 |
| Other liabilities | 1,620 | 578 | 1,202 |
| Non current income taxes payable | 9,737 | 8,718 | 9,687 |
| Deferred income taxes | 21,386 | 20,493 | 20,101 |
| Total liabilities | <u>107,841</u> | <u>108,086</u> | <u>91,590</u> |
| Stockholders' equity: | | | |
| Common stock | 1,698 | 1,657 | 1,672 |
| Class A common stock | 1,942 | 1,967 | 1,952 |
| Additional paid-in capital | 100,256 | 99,599 | 99,849 |
| Accumulated deficit | (25,896) | (27,126) | (26,503) |
| Accumulated other comprehensive loss | (898) | (644) | (854) |
| Total stockholders' equity | <u>77,102</u> | <u>75,453</u> | <u>76,116</u> |
| Total liabilities and stockholders' equity | <u>\$ 184,943</u> | <u>\$ 183,539</u> | <u>\$ 167,706</u> |

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

| | Six Months Ended June 30, | |
|--|---------------------------|----------|
| | 2008 | 2007 |
| Operating activities: | | |
| Net earnings | \$ 1,699 | \$ 2,033 |
| Adjustments to reconcile net earnings to net cash provided by operating activities: | | |
| Depreciation and amortization | 3,366 | 3,094 |
| Amortization of credit facility fees | 94 | 91 |
| Stock-based compensation | 317 | 247 |
| Deferred income taxes | 1,262 | 1,285 |
| Changes in assets and liabilities: | | |
| Accounts receivable | (11,450) | (11,831) |
| Inventories | (236) | (90) |
| Prepaid expenses and other | (2,081) | (2,949) |
| Receivable from/payable to Dover Downs Gaming & Entertainment, Inc. | 19 | 47 |
| Prepaid income taxes/income taxes payable | (603) | (579) |
| Accounts payable | 2,252 | 2,127 |
| Accrued liabilities | 1,061 | 1,368 |
| Deferred revenue | 8,524 | 9,747 |
| Other liabilities | 420 | 211 |
| Net cash provided by operating activities | 4,644 | 4,801 |
| Investing activities: | | |
| Capital expenditures | (6,082) | (8,745) |
| Restricted cash | 275 | 1,011 |
| Purchase of available-for-sale securities | (50) | - |
| Net cash used in investing activities | (5,857) | (7,734) |
| Financing activities: | | |
| Borrowings from revolving line of credit | 18,600 | 20,300 |
| Repayments on revolving line of credit | (15,500) | (14,500) |
| Repayments of bonds payable | (110) | (699) |
| Dividends paid | (1,092) | (1,088) |
| Repurchase of common stock | (137) | (54) |
| Proceeds from stock options exercised | 216 | - |
| Excess tax benefit on stock awards | 27 | 6 |
| Net cash provided by financing activities | 2,004 | 3,965 |
| Net increase in cash and cash equivalents | 791 | 1,032 |
| Cash and cash equivalents, beginning of period | 327 | 298 |
| Cash and cash equivalents, end of period | \$ 1,118 | \$ 1,330 |