
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Sections 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 23, 2019

SPEEDWAY MOTORSPORTS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-13582
(Commission File Number)

51-0363307
(I.R.S. Employer
Identification No.)

5555 Concord Parkway South
Concord, North Carolina 28027
(Address of principal executive offices)

Registrant's telephone number, including area code: **(704) 455-3239**

Not Applicable
(Former name or address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the obligation of the registrant under any of the following provisions:

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter)

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01. Other Events.

On April 24, 2019, Speedway Motorsports, Inc. (the “Company”) issued a press release that announced that on April 23, 2019, the Company received a non-binding proposal letter from Sonic Financial Corporation (“Sonic Financial”), which proposal letter is attached as Exhibit 99.1 hereto, to acquire all of the outstanding shares of the Company’s common stock, par value \$0.01 per share, not already owned by Sonic Financial, O. Bruton Smith, his family and entities controlled by Mr. Smith and his family.

The press release also announced the formation of a special committee, comprised of Mr. Mark M. Gambill, Mr. James P. Holden and Mr. Tom E. Smith, each of whom is an independent director of the Company, to consider the proposal by Sonic Financial.

A copy of the press release is being filed as Exhibit 99.2 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Proposal Letter dated April 23, 2019
99.2	Press Release dated April 24, 2019

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SPEEDWAY MOTORSPORTS, INC.
(Registrant)

Date: April 24, 2019

By: /s/ J. Cary Tharrington IV
J. Cary Tharrington IV

Senior Vice President, Secretary and General Counsel

SONIC FINANCIAL CORPORATION

Post Office Box 18747
Charlotte, NC 28218
704-532-3306; 704-532-3312 (Fax)

April 23, 2019

Board of Directors
Speedway Motorsports, Inc.
5555 Concord Parkway South
Concord, North Carolina 28027

Dear Members of the Board of Directors:

Sonic Financial Corporation (“SFC”) is pleased to submit this non-binding proposal to acquire all of the outstanding shares of stock of Speedway Motorsports, Inc. (the “Company” or “TRK”) that are not owned by SFC, O. Bruton Smith, his family and entities controlled by Mr. Smith and his family (collectively with SFC, the “Smith Group”), for cash consideration of \$18.00 per share (our “Proposal”). As you know, the Smith Group beneficially owns, directly or indirectly, approximately 29 million shares of TRK, and controls over 70% of the voting power of TRK.

We believe that our Proposal reflects an extremely attractive value to the Company’s public stockholders. Specifically, \$18.00 per share represents a significant premium of 31% to yesterday’s closing price and 26% to the 30-day volume-weighted average price per share of \$14.27 as of April 22, 2019.

As you know, NASCAR racing has faced several challenges in recent years, and the Company has been impacted by these challenges. NASCAR has indicated the sport would benefit from structural change. We believe TRK would be more able to compete in this challenging and changing environment as a private company.

SFC and members of the Smith Group are best-positioned to continue to manage and oversee the Company as a private company. Mr. Bruton Smith, Executive Chairman and founder of the Company, has been a pioneer in the motorsports business since the sport’s beginning. His ingenuity and vision for the sport have been highly instrumental in the motorsports business for decades, and the sport has recognized his contributions by inducting him into the NASCAR Hall of Fame. Additionally, Mr. Marcus Smith, the current Chief Executive Officer of the Company, has played a key role in the motorsports industry and has also been an important figure in the evolution of the sport and the Company over the past several years. Given the Smith Group’s role in the sport and involvement in the Company, we believe we are the best party to lead the Company through the challenges ahead.

Our Proposal is subject to the approval of the Company's Board of Directors and the negotiation and execution of mutually acceptable definitive transaction documentation. It is our expectation that a special committee of independent directors appointed by the Company's Board of Directors will consider our Proposal and make a recommendation to the Company's Board of Directors. We will not move forward with the Proposal unless it is approved by such a special committee, as advised by independent legal and financial advisors. In addition, our Proposal will be subject to a non-waivable condition requiring the approval of a majority of the aggregate voting power represented by the shares of common stock that are not owned by the Smith Group. Definitive transaction documents related to our Proposal would not be subject to any financing conditions. Finally, given the Smith Group's existing controlling stake in and history with the Company, we will need to perform only very limited due diligence prior to executing definitive documentation.

Our Proposal should not be construed as indicating an interest in participating in any alternative change of control transaction involving the Company. The Smith Group, in their capacities as shareholders, have no interest in selling control of TRK.

We emphasize that neither the failure of a special committee to recommend a transaction nor the failure of TRK's public stockholders to approve a transaction would adversely affect the Smith Group's on-going relationship with the Company. All members of the Smith Group intend to remain as long-term stockholders of the Company if a transaction cannot be completed under our Proposal.

This Proposal is a non-binding expression of interest only and does not constitute an offer subject to binding acceptance, and we reserve the right to withdraw or modify our Proposal at any time. No legal obligation with respect to the Proposal or any other transaction shall arise unless and until we have executed definitive transaction documentation between us and the Company.

We and our advisors look forward to working with the special committee and its advisors to expeditiously negotiate and consummate a mutually acceptable transaction. We are available at your convenience to discuss any aspects of our Proposal and this important transaction.

Sincerely,

Sonic Financial Corporation

/s/ Marcus G. Smith
Marcus G. Smith, Executive Vice President

cc: Cary Tharrington, General Counsel, Speedway Motorsports, Inc.



Contact: Janet Kirkley, 704-532-3318
—For Immediate Release—

Sonic Financial Corporation Submits Non-Binding Proposal to Acquire Speedway Motorsports, Inc.

CONCORD, NC (April 24, 2019) – Speedway Motorsports, Inc. (“SMI” or the “Company”) (NYSE: TRK) announced that on April 23, 2019, its Board of Directors (the “Board”) received a non-binding proposal from Sonic Financial Corporation (a company owned and controlled by O. Bruton Smith and his family) (“Sonic Financial”), to acquire all of the outstanding shares of common stock of the Company, other than the shares held by Sonic Financial, O. Bruton Smith, his family and entities controlled by Mr. Smith and his family (collectively, the “Smith Group”), for cash consideration of \$18.00 per share. A copy of Sonic Financial’s non-binding proposal letter is attached as Exhibit 99.1 to the Company’s Current Report on Form 8-K, which will be filed with the Securities and Exchange Commission today.

The proposal letter indicates that the proposal by Sonic Financial is expressly subject to (i) a non-waivable condition requiring the approval of the holders of a majority of the shares of common stock that are not owned by the Smith Group and (ii) the approval of any transaction by a special committee consisting of independent and disinterested directors. Unless and until the transactions contemplated thereby have been consummated, SMI will continue to operate in the same manner as it operated prior to the receipt of the proposal letter.

The Board has formed a special committee (the “Special Committee”) comprised of Mr. Mark M. Gambill, Mr. James P. Holden and Mr. Tom E. Smith, each of whom is an independent director of the Company, to act on behalf of the Company to consider the proposal by Sonic Financial. Mr. Tom E. Smith is not related to Messrs. O. Bruton Smith, Marcus G. Smith (Chief Executive Officer and director of SMI) or B. Scott Smith (director of SMI and co-founder of Sonic Automotive, Inc.). Mr. Holden, the Company’s lead independent director, has been appointed as Chairman of the Special Committee. The Special Committee will be advised by independent legal and financial advisors.

Nothing in this communication shall constitute a solicitation to buy or an offer to sell shares of SMI’s common stock. The Company cautions stockholders and others considering trading in its securities that the Board has only received the non-binding proposal letter from Sonic Financial and no decisions have been made by the Special Committee with respect to the Company’s response to the proposal. There can be no assurance that any definitive offer will be made, that any agreement will be executed or that this or any other transaction will be approved or consummated.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements, including statements relating to the proposed acquisition of SMI by Sonic Financial and the expected benefits of the acquisition and other matters that are not historical facts. There are many factors that affect future events and trends of our business including, but not limited to, the ability of the parties to successfully negotiate a proposed acquisition on the terms proposed or at all. These factors and other factors, including those contained in our Annual Report on Form 10-K and subsequently filed Quarterly Reports on Form 10-Q, involve certain risks and uncertainties that could cause actual results or events to differ materially from those expressed or implied by such statements. Inclusion of any information or statement in this news release does not necessarily imply that such information or statement is material. The Company does not undertake any obligation to release publicly revised or updated forward-looking information, and such information included in this news release is based on information currently available and may not be reliable after this date.

About Speedway Motorsports, Inc.

Speedway Motorsports is a leading marketer and promoter of motorsports entertainment in the United States. The Company, through its subsidiaries, owns and operates the following premier facilities: Atlanta Motor Speedway, Bristol Motor Speedway, Charlotte Motor Speedway, Kentucky Speedway, Las Vegas Motor Speedway, New Hampshire Motor Speedway, Sonoma Raceway and Texas Motor Speedway. The Company provides souvenir merchandising services through its SMI Properties subsidiaries; manufactures and distributes smaller-scale, modified racing cars and parts through its US Legend Cars International subsidiary; and produces and broadcasts syndicated motorsports programming to radio stations nationwide through its Performance Racing Network subsidiary. For more information, visit the Company’s website at www.speedwaymotorsports.com.

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