

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): April 26, 2017

SPEEDWAY MOTORSPORTS, INC.  
(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or other jurisdiction  
of incorporation)

1-13582  
(Commission  
File Number)

51-0363307  
(IRS Employer  
Identification No.)

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

28027  
(Zip Code)

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

Not Applicable  
(Former Name or Former Address, if Changed Since Last Report)

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

- Written communications 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 or Rule 12b-2 of the Securities Exchange Act of 1934.

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 2.02 Results of Operations and Financial Condition.

On April 26, 2017, we issued a press release announcing our financial results for our fiscal quarter ended March 31, 2017, and reaffirming guidance for fiscal year 2017. A copy of the press release is attached to this Form 8-K as Exhibit 99.1.

Item 9.01 Financial Statement and Exhibits.

(d) Exhibits.

| <u>Exhibit Number</u> | <u>Description</u>                 |
|-----------------------|------------------------------------|
| 99.1                  | Press Release dated April 26, 2017 |

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 hereunto duly authorized.

SPEEDWAY MOTORSPORTS, INC.

Date: April 26, 2017

By: /s/ William R. Brooks  
William R. Brooks  
Vice Chairman, Chief Financial Officer  
and Treasurer



Contact: Janet Kirkley,  
704-532-3318

—For Immediate Release—

***Speedway Motorsports Reports Results for First Quarter 2017 and  
Reaffirms Full Year 2017 Guidance***

**CONCORD, NC (April 26, 2017)** – Speedway Motorsports, Inc. (SMI) (NYSE: TRK) today reported first quarter 2017 total revenues of \$80.3 million, a net loss of \$1.9 million or \$0.05 per diluted share, and adjusted non-GAAP net income of \$962,000 or \$0.02 per diluted share. These results were within management’s expectations, and SMI reaffirmed its full year 2017 non-GAAP earnings guidance of \$0.90 to \$1.10 per diluted share as further described below. Non-GAAP items are further discussed and reconciled with comparable GAAP amounts below.

Management believes many of the Company’s revenue categories continue to be negatively impacted by economic conditions, including underemployment and the absence of a stronger middle class economic recovery, and changing demographics and media entertainment consumption.

First Quarter Comparison:

- Total revenues of \$80.3 million in 2017 compared to \$83.2 million in 2016
- Accelerated depreciation and removal costs on retired assets aggregating \$4.6 million pre-tax, \$2.9 million after tax or \$0.07 per diluted share in 2017
- Net loss of \$1.9 million or \$0.05 per diluted share in 2017 compared to net income of \$861,000 or \$0.02 per diluted share in 2016
- Adjusted non-GAAP net income of \$962,000 or \$0.02 per diluted share in 2017 compared to \$861,000 or \$0.02 per diluted share in 2016

Non-GAAP Financial Information and Reconciliation

Net income and diluted earnings per share as adjusted and set forth below are non-GAAP (other than generally accepted accounting principles) financial measures presented as supplemental disclosures to their individual corresponding GAAP basis amounts. The following schedule reconciles those non-GAAP financial measures to their most directly comparable information presented using GAAP. Management believes such non-GAAP information is useful and meaningful to investors and helps in understanding, using and comparing the Company’s operating results.

We have not reconciled non-GAAP forward-looking earnings per diluted share to its most directly comparable GAAP measure, as permitted by Item 10(e)(1)(i)(B) of Regulation S-K. Such reconciliations would require unreasonable efforts to estimate and quantify various necessary GAAP components largely because, as indicated by our relatively wide range of earnings guidance, forecasting or predicting our future operating results is subject to many factors out of our control or not readily predictable. Such factors include weather conditions surrounding our events, the seasonal popularity or success of NASCAR racing in general, the impact of geopolitical factors on travel plans and spending sentiment, and fluctuating costs of food, gas, health-care and other basic necessities, any or all of which can significantly impact our future results. These components and other factors could significantly impact the amount of the future directly comparable GAAP measures, which may differ significantly from their non-GAAP counterparts.

Management uses the non-GAAP information to assess the Company’s operations for the periods presented, analyze performance trends and make decisions regarding future operations because it believes this separate information better reflects ongoing operating results. This non-GAAP financial information is not intended to be considered independent of or a substitute for results prepared in accordance with GAAP. This non-GAAP financial information may not be comparable to similarly titled measures used by other entities and should not be considered as alternatives to net income or loss, or diluted earnings or loss per share, determined in accordance with GAAP. Individual quarterly per share amounts may not be additive due to rounding. Amounts below are in thousands except per share amounts.

|  | Three Months Ended<br>March 31: |         |
|--|---------------------------------|---------|
|  | 2017                            | 2016    |
| Net (loss) income using GAAP   | \$ (1,935)                      | \$ 861  |
| Accelerated depreciation on retired assets and costs of removal, pre-tax | 4,597                           | --      |
| Income tax effect of non-GAAP adjustment                                 | (1,700)                         | --      |
| Adjusted non-GAAP net income   | \$ 962                          | \$ 861  |
| Consolidated diluted (loss) earnings per share using GAAP                | \$ (0.05)                       | \$ 0.02 |
| Accelerated depreciation on retired assets and costs of removal, pre-tax | 0.11                            | --      |
| Income tax effect of non-GAAP adjustment                                 | (0.04)                          | --      |
| Adjusted non-GAAP diluted earnings per share                             | \$ 0.02                         | \$ 0.02 |

To modernize our facilities for fan enhancements and alternative marketing purposes, the Company is renovating select seating areas at Charlotte, Kentucky and New Hampshire Motor Speedways. The Company recorded non-cash, pre-tax charges for accelerated depreciation and costs of removal aggregating approximately \$4.6 million in the first quarter 2017.

As recently announced, we obtained approval from NASCAR to realign one Monster Energy Cup Series and one Camping World Truck Series race from New Hampshire Motor Speedway, and one Xfinity Series race from Kentucky Speedway, to Las Vegas Motor Speedway beginning in 2018.

#### Significant 2017 First Quarter Racing Events

- Atlanta Motor Speedway - NASCAR Folds of Honor QuikTrip 500 Monster Energy Cup, Rinnai 250 Xfinity and Active Pest Control 200 Camping World Truck Series racing events
- Las Vegas Motor Speedway - NASCAR Kobalt 400 Monster Energy Cup and Boyd Gaming 300 Xfinity Series racing events

#### 2017 Earnings Guidance

The Company reaffirmed that first quarter 2017 results are consistent with its previous full year 2017 non-GAAP earnings guidance of \$0.90-\$1.10 per diluted share, excluding non-recurring and other special items. The range of earnings guidance reflects the continuing negative impact of uncertain economic conditions and underemployment, among other factors. Inclement weather can significantly impact our future results.

#### Dividends and Stock Repurchase Program

On February 15, 2017, the Company's Board of Directors declared a quarterly cash dividend of \$0.15 per share of common stock aggregating approximately \$6.2 million, which was paid on March 17, 2017 to shareholders of record as of March 1, 2017. On April 19, 2017, the Company's Board of Directors declared a quarterly cash dividend of \$0.15 per share of common stock aggregating approximately \$6.2 million payable on June 5, 2017 to shareholders of record as of May 15, 2017. The Board of Directors plans to continue to evaluate cash dividends on a quarterly basis in the future.

During the first quarter 2017, the Company repurchased 62,000 shares of common stock for approximately \$1.3 million under its stock repurchase program. As of March 31, 2017, the Company has repurchased 4,620,000 shares since adoption of the program in April 2005, and the total number of shares available for future repurchase as currently authorized is 380,000.

#### Comments

"SMI's 2017 racing season is off to a solid start with first quarter results within our expectations," stated Speedway Motorsports Chief Executive Officer and President, Marcus G. Smith. "The new, more exciting 'stage-based' racing format and championship point structure for all three of NASCAR's national series are being well received by fans and drivers. NASCAR's continuing focus on improving our sport is clearly paying off with increased racing competition, fan entertainment and appeal. Our long-term strategic initiatives of debt reduction, capital spending, dividends and share repurchases remain a primary focus. With substantial long-term contracted revenue streams such as the ten-year NASCAR broadcasting agreements through 2024, our long-term business model remains solid."

“ Most of our 2017 NASCAR event sponsorships, and many for 2018 and beyond, are already sold. However, the improving economy has yet to reach many of our core and targeted fans. Many struggle with underemployment and paying for basic necessities, including high health-care costs. SMI has maintained many prices, lowered ticket pricing for families and children, and offers extended payment terms for many of our 2017 NASCAR events. While facing changing demographics and media entertainment consumption, the trends in television ratings for our NASCAR racing are relatively better than most other sports and sporting venues.”

O. Bruton Smith, Executive Chairman of Speedway Motorsports stated, “SMI recently announced our Las Vegas Motor Speedway will host new Monster Energy NASCAR Cup, Xfinity and Camping World Truck Series races annually starting in 2018. We are extremely proud to be the only NASCAR venue hosting all three national racing series twice each year, particularly in the world-renowned travel destination of Las Vegas. Another exciting recent announcement is that our Charlotte Motor Speedway’s Monster Energy NASCAR Cup Saturday night race is returning to traditional Sunday afternoons beginning this October. Sunday afternoon races should be easier for families and travelers to attend, and drivers are already excited about afternoons making for great racing at Charlotte this fall.”

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](http://www.speedwaymotorsports.com).

This news release contains forward-looking statements, particularly statements with regard to our future operations and financial results. There are many factors that affect future events and trends of our business including, but not limited to, economic factors, weather, the success of NASCAR and others as sanctioning bodies, hosting of races, capital projects, expansion, facility reductions, financing needs, income taxes and a host of other factors both within and outside of management control. 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 management's views and expectations. 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.

Note: Speedway Motorsports will host a conference call and webcast today at 10:00 AM (ET) open to the public. To participate in the conference call, you may dial 877-201-0168 (US / Canada / toll-free) or 647-788-4901 (international). The reference number is 10130671. A webcast of the call can be accessed at the Company's website at [www.speedwaymotorsports.com](http://www.speedwaymotorsports.com) under “Investors”. Participating in the call will be Marcus G. Smith, Chief Executive Officer and President, and William R. Brooks, Vice Chairman, Chief Financial Officer and Treasurer.

Speedway Motorsports, Inc. and Subsidiaries  
 Selected Financial Data - Unaudited  
 For The Three Months Ended March 31, 2017 and 2016  
 (In thousands except per share amounts)

| STATEMENT OF OPERATIONS DATA                              | Three Months Ended |                  |
|---|--------------------|------------------|
|   | 3/31/2017          | 3/31/2016        |
| <b>Revenues:</b>  |                    |                  |
| Admissions  | \$ 14,750          | \$ 15,439        |
| Event related revenue                                     | 18,959             | 21,730           |
| NASCAR broadcasting revenue                               | 38,811             | 37,447           |
| Other operating revenue                                   | 7,805              | 8,560            |
| <b>Total Revenues</b>                                     | <b>80,325</b>      | <b>83,176</b>    |
| <b>Expenses and Other:</b>                                |                    |                  |
| Direct expense of events                                  | 12,457             | 13,060           |
| NASCAR event management fees                              | 23,060             | 22,298           |
| Other direct operating expense                            | 5,140              | 5,589            |
| General and administrative                                | 22,586             | 24,074           |
| Depreciation and amortization                             | 17,505             | 13,371           |
| Interest expense, net                                     | 3,005              | 3,339            |
| Other expense, net  | 578                | 68               |
| <b>Total Expenses and Other</b>                           | <b>84,331</b>      | <b>81,799</b>    |
| (Loss) Income Before Income Taxes                         | (4,006)            | 1,377            |
| Benefit (Provision) for Income Taxes                      | 2,071              | (516)            |
| <b>Net (Loss) Income</b>                                  | <b>\$ (1,935)</b>  | <b>\$ 861</b>    |
| <b>Basic (Loss) Earnings Per Share</b>                    |                    |                  |
| Basic (Loss) Earnings Per Share                           | \$ (0.05)          | \$ 0.02          |
| Weighted average shares outstanding                       | 41,087             | 41,227           |
| <b>Diluted (Loss) Earnings Per Share</b>                  |                    |                  |
| Diluted (Loss) Earnings Per Share                         | \$ (0.05)          | \$ 0.02          |
| Weighted average shares outstanding                       | 41,108             | 41,244           |
| Major NASCAR-sanctioned Events Held During Period         | 4                  | 4                |
| <b>BALANCE SHEET DATA</b>                                 |                    |                  |
|   | 3/31/2017          | 12/31/2016       |
| Cash and cash equivalents                                 | \$ 53,585          | \$ 79,342        |
| Total current assets                                      | 140,947            | 127,909          |
| Property and equipment, net                               | 992,253            | 1,000,230        |
| Goodwill and other intangible assets, net                 | 345,725            | 345,725          |
| <b>Total assets</b>                                       | <b>1,503,408</b>   | <b>1,498,149</b> |
| Deferred race event and other income, net                 | 69,548             | 44,782           |
| Total current liabilities                                 | 112,250            | 94,671           |
| Credit facility borrowings (all term loan)                | 63,000             | 66,000           |
| Total long-term debt (excluding deferred financing costs) | 264,049            | 267,206          |
| <b>Total liabilities</b>                                  | <b>714,891</b>     | <b>700,366</b>   |
| Total stockholders' equity                                | 788,517            | 797,783          |