

# SPEEDWAY MOTORSPORTS INC

## FORM 8-K/A (Unscheduled Material Events)

Filed 2/16/1999 For Period Ending 12/1/1998

Address	US HIGHWAY 29 NORTH PO BOX 600 CONCORD, North Carolina 28026
Telephone	704-455-3239
CIK	0000934648
Industry	Recreational Activities
Sector	Services
Fiscal Year	12/31

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

**FORM 8-K/A**

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

Date of Report (Date of earliest event reported): December 1, 1998

**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.)
U.S. Highway 29 North, Concord, North Carolina ----- (Address of principal executive offices)		28026 ----- (Zip Code)

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

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(Former name of former address, if changed since last report)

This report is an amendment to the Registrant's report on Form 8-K dated December 1, 1998 that was filed with the Securities and Exchange Commission on December 15, 1998 (the "Initial Form 8-K Report"). This amending report contains the required audited financial statements and unaudited pro forma financial information referenced previously in the Initial Form 8-K Report.

**ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS**

(A) FINANCIAL STATEMENTS OF BUSINESS ACQUIRED. Attached as an exhibit to this amending report on Form 8-K/A are the following:

**LAS VEGAS MOTOR SPEEDWAY, INC.:**

Independent Auditors' Report

Financial Statements:

Balance sheet at September 30, 1998

Statement of income and stockholders' equity for the nine months ended September 30, 1998

Statement of cash flows for the nine months ended September 30, 1998 Notes to financial statements

(B) PRO FORMA FINANCIAL INFORMATION. Attached as an exhibit to this amending report on Form 8-K/A are the following:

**UNAUDITED PRO FORMA FINANCIAL STATEMENTS REFLECTING THE ACQUISITION OF LAS VEGAS MOTOR SPEEDWAY**

Description of unaudited pro forma financial statements Unaudited pro forma balance sheet at September 30, 1998 and notes Unaudited pro forma statement of income for the nine months ended

September 30, 1998 and notes

Unaudited pro forma statement of income for the year ended December 31, 1997 and notes

(C) EXHIBITS

Exhibit No.	Description
99.1(*)	Asset Purchase Agreement and Escrow Instructions dated November 17, 1998 between Speedway Motorsports, Inc., as buyer, and Las Vegas Motor Speedway, Inc., as seller.
99.2(*)	First Amendment to Amended and Restated Credit Agreement dated as of November 18, 1998 among Speedway Motorsports, Inc. and Speedway Funding Corp., as borrowers, certain subsidiaries of Speedway Motorsports, Inc., as guarantors, and NationsBank, N.A., as the lender.
99.3(*)	Second Amended and Restated Credit Agreement dated as of November 23, 1998 among Speedway Motorsports, Inc. and Speedway Funding Corp., as borrowers, certain subsidiaries of Speedway Motorsports, Inc., as guarantors, and NationsBank, N.A., as agent for the lenders and a lender.

- 99.4(\*)            Press Release dated December 10, 1998.
- 99.5(\*)            Press Release dated December 14, 1998.
- 99.6              Financial Statements of Las Vegas Motor Speedway, Inc. for the  
                    nine months ended September 30, 1998, including Independent  
                    Auditors' Report.
- 99.7              Unaudited Pro Forma Financial Statements for the nine months ended  
                    September 30, 1998 reflecting the acquisition of Las Vegas Motor  
                    Speedway.
- 99.8              Unaudited Pro Forma Income Statement for the year ended December  
                    31, 1997 reflecting the acquisition of Las Vegas Motor Speedway.

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\* Previously filed.

**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.**  
(REGISTRANT)

Date: *February 12, 1999*  
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By: */s/ William R. Brooks*  
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*William R. Brooks*  
*Vice President, Chief Financial*  
*Officer, Treasurer and Director*

**EXHIBIT LIST**

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99.4(*)	Press Release dated December 10, 1998.
99.5(*)	Press Release dated December 14, 1998.
99.6	Financial Statements of Las Vegas Motor Speedway, Inc. for the nine months ended September 30, 1998, including Independent Auditors' Report.
99.7	Unaudited Pro Forma Financial Statements for the nine months ended September 30, 1998 reflecting the Acquisition of Las Vegas Motor Speedway.
99.8	Unaudited Pro Forma Income Statement for the year ended December 31, 1997 reflecting the Acquisition of Las Vegas Motor Speedway.

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\* Previously filed.

**LAS VEGAS MOTOR SPEEDWAY, INC.**  
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## INDEPENDENT AUDITORS' REPORT

We have audited the balance sheet of Las Vegas Motor Speedway, Inc. (the Company) as of September 30, 1998, and the related statements of income and stockholders' equity and of cash flows for the nine months then ended. These financial statements are the responsibility of management of Speedway Motorsports, Inc. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. 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 audit provides a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Company at September 30, 1998, and the results of its operations and its cash flows for the nine months then ended in conformity with generally accepted accounting principles.

**DELOITTE & TOUCHE LLP**

Charlotte, North Carolina

February 12, 1999



**LAS VEGAS MOTOR SPEEDWAY, INC.**  
**BALANCE SHEET**  
 SEPTEMBER 30, 1998

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**ASSETS**  
**CURRENT ASSETS:**

Cash and cash equivalents (Notes 2 and 6).....	\$ 14,523,000
Accounts receivable (Note 2).....	673,000
Due from affiliate (Note 6).....	96,000
Inventories (Note 3).....	223,000
Prepaid expenses .....	21,000
	-----
Total current assets .....	15,536,000
PROPERTY AND EQUIPMENT, NET (Notes 4, 5 and 6).....	163,499,000
	-----
TOTAL ASSETS.....	\$179,035,000
	=====

**LIABILITIES AND STOCKHOLDERS' EQUITY**  
**CURRENT LIABILITIES:**

Notes payable (Note 5).....	\$ 401,000
Accounts payable .....	212,000
Deferred event income, net (Note 2).....	7,929,000
Accrued expenses and other liabilities .....	460,000
Payable to affiliates (Note 6).....	1,886,000
	-----
Total current liabilities .....	10,888,000
	-----
CONTINGENCIES and COMMITMENTS (Notes 4 and 7)	
STOCKHOLDERS' EQUITY.....	168,147,000
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY.....	\$179,035,000
	=====

See notes to financial statements.

**LAS VEGAS MOTOR SPEEDWAY, INC.**  
**STATEMENT OF INCOME AND STOCKHOLDERS' EQUITY**  
**NINE MONTHS ENDED SEPTEMBER 30, 1998**

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**REVENUES (Note 2):**

Admissions .....	\$10,483,000
Event related revenue .....	17,766,000
Other operating revenue .....	14,000
	-----
Total revenues .....	28,263,000
	-----
OPERATING EXPENSES:	
Direct expense of events .....	10,949,000
General and administrative (Note 6).....	5,493,000
Depreciation .....	3,039,000
	-----
Total operating expenses .....	19,481,000
	-----
OPERATING INCOME .....	8,782,000
Interest income .....	360,000
Interest expense (Note 5) .....	(21,000)
Other income, net .....	6,000
	-----
NET INCOME (Note 2) .....	9,127,000
	-----
STOCKHOLDERS' EQUITY, JANUARY 1, 1998 .....	135,020,000
Capital Contributions .....	24,000,000
	-----
STOCKHOLDERS' EQUITY, SEPTEMBER 30, 1998 .....	\$168,147,000
	=====

See notes to financial statements.

**LAS VEGAS MOTOR SPEEDWAY, INC.**  
**STATEMENT OF CASH FLOWS**  
**NINE MONTHS ENDED SEPTEMBER 30, 1998**

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**CASH FLOWS FROM OPERATING ACTIVITIES:**

Net income .....	\$ 9,127,000
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation .....	3,039,000
Changes in operating assets and liabilities:	
Accounts receivable.....	5,017,000
Inventories .....	(49,000)
Prepaid expenses .....	(19,000)
Accounts payable .....	(181,000)
Deferred event income.....	(5,144,000)
Accrued expenses and other liabilities .....	295,000
	-----
Net cash provided by operating activities. ....	12,085,000
	-----
 CASH FLOWS FROM FINANCING ACTIVITIES:	
Principal payments on notes payable.....	(335,000)
Capital contributions .....	24,000,000
	-----
Net cash provided by financing activities.....	23,665,000
	-----
 CASH FLOWS FROM INVESTING ACTIVITIES - Capital expenditures (Note 6).....	(25,834,000)
	-----
 NET INCREASE IN CASH AND CASH EQUIVALENTS.....	9,916,000
CASH AND CASH EQUIVALENTS AT JANUARY 1, 1998 .....	4,607,000
	-----
CASH AND CASH EQUIVALENTS AT SEPTEMBER 30, 1998 ....	\$14,523,000
	=====

See notes to financial statements.

**LAS VEGAS MOTOR SPEEDWAY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**NINE MONTHS ENDED SEPTEMBER 30, 1998**

**1. DESCRIPTION OF BUSINESS AND CHANGE IN OWNERSHIP**

Las Vegas Motor Speedway, Inc. ("the Company") owns and operates a business known as Las Vegas Motor Speedway ("LVMS") which consists of a 1.5 mile, lighted, superspeedway, several other on-site race tracks and a 1.4 million square foot on-site industrial park, located on approximately 1,300 acres in Las Vegas, Nevada. The other race tracks include a 1/4 mile dragstrip, 1/8 mile dragstrip, 2.5 mile road course, 1/2 mile clay oval, 3/8 mile paved oval and several other race courses, including motocross and other off-road race courses. At September 30, 1998, LVMS had permanent seating capacity of approximately 107,000, including 102 luxury suites. LVMS currently hosts several annual NASCAR-sanctioned racing events, including a Winston Cup Series, Busch Grand National Series, Craftsman Truck Series, two Winston West Series, and two Winston Southwest Series racing events. Additional major events held annually include Indy Racing League ("IRL"), American Motorcycle Association, and drag racing events, among others. The racetrack is also rented throughout the year for non-racing activities such as driving schools and automobile testing.

Construction of LVMS was substantially completed in 1997 and its first major NASCAR Winston Cup race was held in March 1998 (see Note 4). As of September 30, 1998, construction of the 1.4 million square foot industrial park was nearing completion and is expected to commence operations in early 1999.

On December 1, 1998, Speedway Motorsports, Inc. ("SMI"), a publicly-held company, acquired certain tangible and intangible operating assets, including the real and personal property and operations of LVMS, the industrial park, and certain adjacent unimproved land, and assumed deferred revenue, for approximately \$215.0 million. SMI will operate the facilities as Las Vegas Motor Speedway.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**REVENUE RECOGNITION** -- Admissions revenue consists of ticket sales. Event related revenues consist of amounts received from sponsorships, broadcasting rights, concessions, luxury suite rentals, commissions and souvenir sales. Other operating revenue consists of miscellaneous real property rental income.

The Company recognizes admissions and other event related revenues when the events are held. Advance revenues and certain related direct expenses pertaining to a specific event are deferred until such time as the event is held. Deferred expenses typically include race purses, sanctioning fees and concessionaire advances for upcoming scheduled events. Deferred race event income as of September 30, 1998 relates primarily to sponsorship fees, advance ticket sales and luxury suite rentals for upcoming scheduled events. If circumstances prevent a race from being held at any time during the racing season, all advance revenue must be refunded and all direct event expenses deferred would be recognized immediately except for race purses which would be refundable from NASCAR, IRL or other sanctioning bodies.

**CASH AND CASH EQUIVALENTS** -- The Company classifies as cash equivalents all highly liquid investments with original maturities at date of purchase of three

months or less. Cash equivalents principally consist of money market funds.

ACCOUNTS RECEIVABLE -- Accounts receivable are shown net of allowance for doubtful accounts of \$78,000 as of September 30, 1998.

INVENTORIES -- Inventories consist of souvenirs, accessories and racing fuel which are stated at the lower of cost, determined on a first-in, first-out basis, or market.

PROPERTY AND EQUIPMENT -- Property and equipment is recorded at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets which range from 5 to 40 years. Expenditures for repairs and maintenance are charged to expense when incurred. Construction in progress includes all direct costs on fixed assets under construction. Management periodically evaluates long-lived assets for possible impairment based on expected future undiscounted operating cash flows attributable to such assets.

ADVERTISING EXPENSES -- Advertising costs are expensed as incurred. Advertising expenses amounted to \$552,000 for the nine months ended September 30, 1998.

INCOME TAXES -- The Company had elected to be treated as an S Corporation for federal income tax purposes. Also, the Company has not been subject to state income tax. Accordingly, no provision for federal or state income taxes has been reflected in the accompanying September 30, 1998 financial statements.

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 future results could differ from those estimates.

### 3. INVENTORIES

Inventories as of September 30, 1998 consist of the following components:

Souvenirs and accessories.....	\$ 199,000
Racing fuel .....	24,000
	-----
Total .....	\$ 223,000
	=====

### 4. PROPERTY AND EQUIPMENT

Property and equipment as of September 30, 1998 is summarized as follows:

Land and land improvements .....	\$ 32,569,000
Racetracks, grandstands, buildings and luxury suites ...	86,933,000
Machinery and equipment .....	14,522,000
Furniture and fixtures .....	1,125,000
Autos, trucks and trailers .....	347,000
Construction in progress - Industrial Park and other.....	37,095,000
	-----
Total (Note 6) .....	172,591,000
Less accumulated depreciation .....	(9,092,000)
	-----
Net .....	\$163,499,000
	=====

CONSTRUCTION IN PROGRESS -- In late 1997, the Company began constructing a 1.4 million square foot industrial park on site at LVMS (see Note 6). As of September 30, 1998, construction was nearing completion and commencement of operations was expected in early 1999. As of September 30, 1998, remaining construction costs of the Industrial Park and other projects, which consist principally of an on-site dragstrip and facility amenities, approximate \$5,000,000. The industrial park is expected to be leased under triple net operating leases primarily to businesses and individuals involved in racing and related industries.

5. NOTES PAYABLE

Notes payable as of September 30, 1998 consist of the following:

Note payable to individual, interest at 7.5%, final scheduled payment due January 1999. Land costing approximately \$10,000,000 pledged as collateral. .... \$377,000

Note payable to individual, non-interest bearing, remaining balance scheduled due December 1998..... 24,000 \$401,000

6. RELATED PARTY TRANSACTIONS

DUE FROM STOCKHOLDER AND AFFILIATE -- At September 30, 1998, due from affiliate represents amounts due from a Company stockholder and an affiliate which is commonly owned and controlled by the stockholder. The amount was non-interest bearing and payable upon demand.

PAYABLE TO AFFILIATES -- At September 30, 1998, payable to affiliates represents amounts payable to two affiliates which are commonly owned and controlled by a Company stockholder. The amounts payable principally pertain to construction costs paid on behalf of the Company. The amounts were non-interest bearing and payable upon demand.

These amounts due from, and payable to, affiliates were settled by payment prior to the December 1, 1998 acquisition (see Note 1).

CONSTRUCTION OF LVMS AND INDUSTRIAL PARK (NOTE 4) -- The LVMS and Industrial Park ("LVMS complex") was constructed principally by a construction company commonly owned and controlled by a Company stockholder. Substantially all real and personal property development, acquisition, construction, and improvement costs of the LVMS complex were billed by and paid to the affiliated construction company. These construction and other related costs were principally funded with capital contributions by the Company's stockholders from 1995 through 1998.

DIVIDENDS AND OTHER PAYMENTS SUBSEQUENT TO SEPTEMBER 30, 1998 -- In October 1998, cash dividends aggregating \$10,000,000 were declared and paid to the Company's stockholders. The dividends are not reflected in the accompanying September 30, 1998 financial statements.

In November 30, 1998, the Company paid approximately \$1,031,000 to an affiliate and a Company stockholder. These payments are not reflected in the accompanying September 30, 1998 financial statements.

## 7. CONTINGENCIES

The Company is party to certain disputes and legal actions in the normal course of business. In management's opinion, the resolution of these matters should not have a material adverse impact on the Company's financial condition or results of operations.

**DESCRIPTION OF UNAUDITED PRO FORMA FINANCIAL STATEMENTS  
REFLECTING THE ACQUISITION OF LAS VEGAS MOTOR SPEEDWAY**

The following unaudited pro forma financial statements have been prepared giving effect to Speedway Motorsports, Inc.'s (SMI) acquisition of Las Vegas Motor Speedway (LVMS) as if the transaction had taken place as of September 30, 1998 for the pro forma balance sheet, and as of January 1, 1997 for the statements of income for the year ended December 31, 1997 and the nine months ended September 30, 1998. Interim financial statements included in SMI's Report on Form 10-Q for the nine months ended September 30, 1998 represent the latest filed with the Securities and Exchange Commission.

The acquisition has been accounted for using the purchase method in accordance with Accounting Principles Board Opinion ("APB") No. 16. The purchase price has been allocated to the assets and liabilities acquired at their estimated fair market values at acquisition date. SMI has obtained an independent appraisal of the LVMS property and equipment, the fair values of which have been used in the accompanying pro forma financial statements. In the near future, SMI plans to obtain an independent appraisal of the fair value of other net assets acquired, including identifiable intangibles, if any. Accordingly, the purchase price allocation is preliminary. However, based on current information, SMI management does not expect the final allocation of the purchase price to be materially different from that used in the following pro forma balance sheets and statements of income.

The unaudited pro forma financial information is not necessarily indicative of the results of operations or the financial position which would have been attained had the acquisition been consummated at either of the foregoing dates or which may be attained in the future. The pro forma financial information should be read in conjunction with the historical financial statements of SMI and LVMS.



**PRO FORMA BALANCE SHEET**  
**SPEEDWAY MOTORSPORTS, INC.**  
**SEPTEMBER 30, 1998**  
**(UNAUDITED)**  
**(In thousands)**

Exhibit No. 99.7	12/31/97	9/30/98		Pro Forma Adjustments	Pro Forma Adjustments Notes	9/30/98 Pro Forma
	Historical(1)	Historical				
	LVMS	SMI	LVMS			
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	\$4,607	\$23,580	\$14,523	(\$13,530)	J	\$24,573
Restricted cash	--	1,267	--	--		1,267
Accounts and notes receivable	5,786	19,759	769	(769)	C	19,759
Inventories	174	10,636	223	--		10,859
Speedway condominiums held for sale	--	8,308	--	--		8,308
Prepaid expenses	2	2,120	21	(21)	D	2,120
<b>Total current assets</b>	<b>10,569</b>	<b>65,670</b>	<b>15,536</b>	<b>(14,320)</b>		<b>66,886</b>
<b>PROPERTY AND EQUIPMENT, NET</b>	<b>139,309</b>	<b>498,118</b>	<b>163,499</b>	<b>48,112</b>	A	<b>709,729</b>
<b>GOODWILL AND OTHER INTANGIBLE ASSETS, NET</b>	<b>--</b>	<b>49,008</b>	<b>--</b>	<b>7,593</b>	B	<b>56,601</b>
<b>OTHER ASSETS</b>						
Marketable equity securities	--	929	--	--		929
Notes receivable	--	10,927	--	--		10,927
Other assets	--	9,020	--	--		9,020
<b>Total other assets</b>	<b>--</b>	<b>20,876</b>	<b>--</b>	<b>--</b>		<b>20,876</b>
<b>TOTAL</b>	<b>\$149,878</b>	<b>\$633,672</b>	<b>\$179,035</b>	<b>\$41,385</b>		<b>\$854,092</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Current maturities of long-term debt	\$736	\$481	\$401	(\$401)	E	\$481
Revolving bank credit facility borrowings	--	--	--	210,680	E	210,680
Accounts payable	393	11,465	212	(212)	F	11,465
Deferred race event income, net	13,073	51,076	7,929	--		59,005
Accrued income taxes	--	6,433	--	--		6,433
Accrued expenses and other liabilities	656	12,662	2,346	(2,099)	G	12,909
<b>Total current liabilities</b>	<b>14,858</b>	<b>82,117</b>	<b>10,888</b>	<b>207,968</b>		<b>300,973</b>
<b>LONG-TERM DEBT</b>	<b>--</b>	<b>234,312</b>	<b>--</b>	<b>--</b>		<b>234,312</b>
<b>PAYABLE TO AFFILIATED COMPANIES</b>	<b>--</b>	<b>2,603</b>	<b>--</b>	<b>--</b>		<b>2,603</b>
<b>DEFERRED INCOME, NET</b>	<b>--</b>	<b>15,579</b>	<b>--</b>	<b>--</b>		<b>15,579</b>
<b>DEFERRED INCOME TAXES</b>	<b>--</b>	<b>18,695</b>	<b>--</b>	<b>--</b>		<b>18,695</b>
<b>OTHER LIABILITIES</b>	<b>--</b>	<b>2,279</b>	<b>--</b>	<b>1,564</b>	H	<b>3,843</b>
<b>Total liabilities</b>	<b>14,858</b>	<b>355,585</b>	<b>10,888</b>	<b>209,532</b>		<b>576,005</b>
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>135,020</b>	<b>278,087</b>	<b>168,147</b>	<b>(168,147)</b>	I	<b>278,087</b>
<b>TOTAL</b>	<b>\$149,878</b>	<b>\$633,672</b>	<b>\$179,035</b>	<b>\$41,385</b>		<b>\$854,092</b>

See notes to pro forma financial statements.

(1) Presented for informational purposes only.

**SPEEDWAY MOTORSPORTS, INC.**  
**NOTES TO UNAUDITED PRO FORMA BALANCE SHEET**  
**AT SEPTEMBER 30, 1998**  
(IN THOUSANDS)

A. Increase in property and equipment acquired to fair value at acquisition date based on independent appraisal:	
- Non-depreciable land and construction in progress not placed into service.....	44,401
- Depreciable property and equipment .....	3,711
	-----
	\$ 48,112
	=====
B. Increase in excess of cost over fair values assigned to net assets acquired (goodwill)(amortized on straight-line basis over 40 years).....	7,593
	=====
C. Decrease in accounts receivable to eliminate amounts not acquired in purchase .....	(769)
	=====
D. To eliminate prepaid expenses not acquired in purchase.....	(21)
	=====
E. Net increase in debt:	
- To eliminate LVMS debt not assumed in purchase .....	(401)
- Increase in SMI revolving bank credit facility borrowings for pro forma purposes (see Note L below).....	210,680
	-----
	(210,279)
	=====
F. To eliminate accounts payable not assumed in purchase.....	(212)
	=====
G. Decrease in accrued expenses and other liabilities:	
- To record accrued expenses for direct acquisition costs..	247
- To eliminate accrued expenses and other liabilities not assumed in purchase.....	( 2,346)
	-----
	( 2,099)
	=====
H. Increase in non-current other liabilities for obligation issued to former LVMS stockholder .....	1,564
	=====
I. To eliminate historical equity of LVMS.....	(168,147)
	=====
J. Cash retained by seller.....	(13,530)
	=====
K. Purchase price summary:	
- Cash paid at closing .....	210,779
- Direct costs of acquisition .....	889
	-----
- Total purchase price .....	211,668
	=====
Allocation of purchase price:	
- Book value of net assets acquired .....	155,963
- Step-up in fair value of property and equipment .....	48,112
- Excess of cost over fair values assigned (goodwill) .....	7,593
	-----
- Total purchase price .....	\$211,668
	=====

L. Increase in revolving bank credit facility borrowings for pro forma purposes:

For pro forma presentation purposes, as set forth in Note E above, SMI borrowed an aggregate of \$210,680 under its revolving bank credit facility to effect the December 1, 1998 acquisition. Cash disbursed was assumed to be funded with credit facility borrowings at 7.75% interest. The additional pro forma interest, net of amounts retroactively capitalized for construction in progress, has been reflected in the pro forma statements of income. Interest costs of \$1,570 for the nine months ended September 30, 1998, and \$2,793 for the year ended December 31, 1997, were assumed capitalizable for pro forma presentation purposes.

**PRO FORMA STATEMENT OF INCOME**  
**SPEEDWAY MOTORSPORTS, INC.**  
**NINE MONTHS ENDED SEPTEMBER 30, 1998**

(Unaudited)

(In thousands except per share amounts)

Exhibit No. 99.7

	Historical		Pro Forma Adjustments	Pro Forma Adjustments Notes	Pro Forma
	SMI	LVMS			
REVENUES:					
Admissions	\$82,157	\$10,483	--		\$92,640
Event related revenue	82,674	17,766	--		100,440
Other operating revenue	12,616	14	--		12,630
Total revenues	177,447	28,263	--		205,710
OPERATING EXPENSES:					
Direct expenses of events	66,132	10,949	--		77,081
Other direct operating expenses	8,138	0	--		8,138
General and administrative	25,486	5,493	--		30,979
Depreciation and amortization	14,847	3,039	421	A	18,307
Total operating expenses	114,603	19,481	421		134,505
OPERATING INCOME	62,844	8,782	(421)		71,205
Interest Income (Expense), Net	(8,483)	339	(10,723)	B	(18,867)
Other Income, Net	1,626	6	--		1,632
INCOME BEFORE INCOME TAXES	55,987	9,127	(11,144)		53,970
Income Tax Provision (Benefit)	22,401	--	(807)	C	21,594
NET INCOME	\$33,586	\$9,127	(\$10,337)		\$32,376
BASIC EARNINGS PER SHARE	\$0.81				\$0.78
Weighted Average Shares Outstanding	41,479				41,479
DILUTED EARNINGS PER SHARE	\$0.79				\$0.76
Weighted Average Shares Outstanding	44,599				44,599

See notes to pro forma financial statements.

**SPEEDWAY MOTORSPORTS, INC.**  
**NOTES TO UNAUDITED PRO FORMA STATEMENT OF INCOME**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1998**  
(IN THOUSANDS)

A. Increase in depreciation and amortization:

- Depreciation of step-up in fair value of property and equipment using straight-line basis ..... 278
  - Amortization of goodwill (amortized on straight-line basis over 40 years) ..... 143 \$421
- 

B. Change in interest income (expense), net:

- Interest expense on increase in revolving bank credit facility borrowings for pro forma purposes using assumed 7.75% interest (see Note L of September 30, 1998 pro forma balance sheet)..... (10,675)
- Interest expense on SMI obligation issued to former LVMS stockholder - imputed interest at 6.4%..... (69)
- Elimination of interest expense on notes payable not assumed in purchase ..... 21

(10,723)

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C. Decrease in income tax provision:

- Income tax benefit of pro forma adjustments and income before income taxes of LVMS on consolidated income tax provision using SMI effective income tax rate of 40%..... \$ (807)
-

**PRO FORMA STATEMENT OF INCOME**  
**SPEEDWAY MOTORSPORTS, INC.**  
**YEAR ENDED DECEMBER 31, 1997**  
**(UNAUDITED)**

(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

EXHIBIT NO. 99.8

	HISTORICAL		PRO FORMA ADJUSTMENTS	ADJUSTMENTS NOTES	PRO FORMA
	SMI	LVMS (1)			
REVENUES:					
Admissions	\$94,032	\$3,789	--		\$97,821
Event related revenue	83,177	10,355	--		93,532
Other operating revenue	14,917	34	--		14,951
Total revenues	192,126	14,178	--		206,304
OPERATING EXPENSES:					
Direct expenses of events	65,347	9,093	--		74,440
Other direct operating expenses	9,181	0	--		9,181
General and administrative	31,623	6,166	--		37,789
Depreciation and amortization	15,742	4,250	363	A	20,355
Preoperating expenses of new speedway	1,850	--	--		1,850
Total operating expenses	123,743	19,509	363		143,615
OPERATING INCOME	68,383	(5,331)	(363)		62,689
Interest Expense, Net	(5,313)	(7)	(13,570)	B	(18,890)
Other Income (Expense), Net	991	(107)	--		884
INCOME BEFORE INCOME TAXES	64,061	(5,445)	(13,933)		44,683
Income Tax Provision (Benefit)	25,883	--	(7,751)	C	18,132
NET INCOME (LOSS)	\$38,178	(\$5,445)	(\$6,182)		\$26,551
BASIC EARNINGS PER SHARE	\$0.92				\$0.64
Weighted Average Shares Outstanding	41,338				41,338
DILUTED EARNINGS PER SHARE	\$0.89				\$0.62
Weighted Average Shares Outstanding	44,491				44,491

(1) LVMS held its first NASCAR-sanctioned Winston Cup race in March 1998.

See notes to pro forma financial statements.

**SPEEDWAY MOTORSPORTS, INC.**  
**NOTES TO UNAUDITED PRO FORMA STATEMENT OF INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**  
(IN THOUSANDS)

A. Increase in depreciation and amortization:

- Depreciation of step-up in fair value of property and equipment using straight-line basis ..... 173
- Amortization of goodwill (amortized on straight-line basis over 40 years) ..... 190 \$363

B. Change in interest expense, net:

- Interest expense on increase in revolving bank credit facility borrowings for pro forma purposes using assumed 7.75% interest (see Note L of September 30, 1998 pro forma balance sheet)..... (13,535)
- Interest expense on SMI obligation issued to former LVMS stockholder - imputed interest at 6.4%..... (91)
- Elimination of interest expense on notes payable not assumed in purchase ..... 56

(13,570)

C. Decrease in income tax provision:

- Income tax benefit of loss before income taxes and pro forma adjustments of LVMS on consolidated income tax provision using SMI effective income tax rate of 40%..... \$(7,751)

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**End of Filing**

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