

SPEEDWAY MOTORSPORTS INC

FORM 8-K (Unscheduled Material Events)

Filed 11/12/2003 For Period Ending 11/11/2003

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

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): November 11, 2003

SPEEDWAY MOTORSPORTS, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware	1-13582	51-0363307
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(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

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

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

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

Item 12. Results of Operations and Financial Conditions.

On November 11, 2003, Speedway Motorsports, Inc. issued a press release, which is attached as Exhibit 99.1 to this report on Form 8-K.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits.

Exhibit Number -----	Description -----
99.1	Press Release dated November 11, 2003

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: *November 11, 2003*

By: /s/ Marylaurel E. Wilks

Marylaurel E. Wilks
Vice President and General Counsel

Speedway Motorsports Reports Record Revenues and Earnings for the Third Quarter of 2003

CONCORD, N.C.--(BUSINESS WIRE)--Nov. 11, 2003--Speedway Motorsports, Inc. (NYSE: TRK) today announced record revenues and earnings for the third quarter ended September 30, 2003.

For third quarter 2003 as compared to 2002:

- total revenues increased 9% or \$5.1 million to \$64.0 million;
- third quarter 2003 net income increased 113% or \$1.0 million to \$1.9 million; and
- third quarter 2003 diluted earnings per share increased 100% or \$0.02 to \$0.04.

During the third quarter, Bristol Motor Speedway hosted sold-out capacity crowds at its Sharpie 500 NASCAR Winston Cup Series and record attendance at its Food City 250 NASCAR Busch Series racing events. Other third quarter highlights include Las Vegas Motor Speedway achieving record attendance at its NASCAR Craftsman Truck Series Las Vegas 350 racing event, and finalization of the exchange offer and registration of the Company's \$230 million 6 3/4% senior subordinated notes due 2013 issued in a private placement on May 16, 2003. The direct comparability of third quarter 2003 results to 2002 was impacted by Texas Motor Speedway hosting NASCAR Craftsman Truck and Indy Racing League Series racing events in the third quarter 2002 which are being held in the fourth quarter 2003, and to a lesser extent, by Las Vegas Motor Speedway hosting its NASCAR Craftsman Truck Series racing event in the third quarter 2003 which was held in the fourth quarter 2002. Changes in racing schedules can lessen the comparability of operating results between quarterly financial statements of successive years.

For the 2003 nine-month period as compared to 2002:

- total revenues increased 5% or \$16.5 million to \$319.9 million;
- nine-month 2003 net income decreased \$245,000 to \$47.5 million, which was primarily attributable to debt refinancing and the FTC refund claims settlement after tax charges aggregating \$9.4 million in 2003 compared to an accounting change and debt redemption after tax charges of \$5.0 million in 2002; and
- nine-month 2003 and 2002 GAAP diluted earnings per share were \$1.11, which included debt refinancing and the FTC settlement after tax charges aggregating \$0.22 per share in 2003 compared to an accounting change and debt redemption after tax charges aggregating \$0.12 per share in 2002. However,
- nine-month 2003 non-GAAP diluted earnings per share, as defined and reconciled below, which exclude charges for debt refinancing and the FTC settlement in 2003 and the accounting change and debt redemption in 2002, increased 7% or \$0.09 to \$1.33 compared to \$1.24 last year.

The following financial information is presented below using other than generally accepted accounting principles ("non-GAAP"), and is reconciled to comparable information presented using GAAP. Non-GAAP net income and diluted earnings per share below are derived by adjusting GAAP basis amounts for certain items presented in the accompanying selected income statement data net of income taxes. Because the adjustments relate to charges for refinancing essentially all of the Company's long-term debt and the FTC settlement, management believes such non-GAAP information is useful and meaningful to investors, and is used by management, to assess the Company's core operations. 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 operating income, net income or diluted earnings per share, which are determined in accordance with GAAP.

	Three Months Ended Sept 30:		Nine Months Ended Sept 30:	
	2003	2002	2003	2002

	(in thousands, except per share amounts)			
Net income	\$1,854	\$869	\$47,485	\$47,730
Cumulative effect of accounting change for goodwill impairment, net of taxes	--	--	--	4,273
Loss from operations and disposal of discontinued business, net of taxes	--	--	--	686

Income from continuing operations	1,854	869	47,485	52,689
Adjustments (net of taxes):				
Interim interest expense on debt redeemed	--	--	902	--
Loss on early debt redemption and refinancing	--	--	7,770	751
FTC refund claims settlement	--	--	693	--

Non-GAAP net income	\$1,854	\$869	\$56,850	\$53,440
Diluted earnings per share	\$0.04	\$0.02	\$1.11	\$1.11
Accounting change	--	--	--	0.10
Discontinued operations	--	--	--	0.01
Diluted earnings per share from continuing operations	0.04	0.02	1.11	1.22
Adjustments (net of taxes):				
Interim interest expense on debt redeemed	--	--	0.02	--
Loss on early debt redemption and refinancing	--	--	0.18	0.02
FTC refund claims settlement	--	--	0.02	--
Non-GAAP diluted earnings per share	\$0.04	\$0.02	\$1.33	\$1.24

"Our nine-month record revenues and results demonstrate SMI's proven ability to consistently grow revenues by focusing on our core business despite challenging economic conditions, geopolitical concerns and poor weather," stated H.A. Wheeler, chief operating officer and president of Speedway Motorsports. "These results also demonstrate SMI's increasing financial and operating strength from expanding sources of longer-term contracted revenues." "The record attendance at our NASCAR events held at Bristol and Las Vegas Motor Speedways in 2003 demonstrates the increasing market appeal and long-term growth opportunities these first-class venues offer to fans, broadcasters and sponsors," stated O. Bruton Smith, chairman and chief executive officer of Speedway Motorsports. "At this time, advance ticket and other sales for our upcoming 2004 racing season appear fairly strong. The strong resilience of our core racing fans continues. We are encouraged by these and other positive economic factors."

The nine-month 2003 results reflect charges for: (1) loss on debt refinancing of \$12.8 million pre-tax, \$7.8 million after taxes or \$0.18 per diluted share, related to replacement of the Company's bank credit facility, issuance of \$230.0 million of 6 3/4% senior subordinated notes, and early redemption of \$250.0 million of 8 1/2% senior subordinated notes; (2) additional net interest expense of \$1.5 million pre-tax, \$902,000 after taxes or \$0.02 per diluted share, from issuing the 6 3/4% senior subordinated notes on May 16, 2003 and redeeming the 8 1/2% senior subordinated notes on June 15, 2003; and

(3) FTC refund claims settlement of \$1.1 million pre-tax, \$693,000 after taxes or \$0.02 per diluted share, reached with Oil-Chem Research Corp. The nine-month 2002 results reflect: (1) a charge for loss on early debt redemption of \$1.2 million pre-tax, \$751,000 after taxes or \$0.02 per diluted share, related to the early redemption of \$53.7 million of convertible subordinated debentures in April 2002; (2) the cumulative effect of an accounting change for goodwill impairment of \$4.3 million or \$0.10 per diluted share associated with certain non-motorsports related reporting units upon adoption of Statement of Financial Accounting Standards No. 142 "Goodwill and Other Intangible Assets" as of January 1, 2002; and (3) the Company's disposal of SoldUSA in the second quarter 2002 that resulted in net losses from discontinued operations and disposal of \$686,000 or \$0.01 per diluted share. There were no charges associated with SoldUSA's disposal in the three months ended September 30, 2003 or 2002 or nine months ended September 30, 2003.

Speedway Motorsports is a leading marketer and promoter of motorsports entertainment in the United States. The Company owns and operates the following premier facilities: Atlanta Motor Speedway, Bristol Motor Speedway, Infineon Raceway, Las Vegas Motor Speedway, Lowe's Motor Speedway and Texas Motor Speedway. The Company provides souvenir merchandising services through its SMI Properties subsidiary, and manufactures and distributes smaller-scale, modified racing cars through its 600 Racing subsidiary. The Company also owns Performance Racing Network which broadcasts syndicated motorsports programming to over 725 radio stations nationwide. For more information, visit the Company's website at www.gospeedway.com.

This news release contains forward-looking statements, particularly statements with regard to the Company's future operations and financial results. There are many factors that affect future events and trends of the Company's business including, but not limited to, consumer and corporate spending sentiment, air travel, governmental regulations, military actions, national or local catastrophic events, the success of and weather surrounding NASCAR, IRL, NHRA and other racing events, our relationship with NASCAR and other sanctioning bodies, the success of expense reduction efforts, litigation, insurance, and economic conditions. These factors and other factors, including those contained in Exhibit 99.1 to the Company's Annual Report on Form 10-K, 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 web-cast today at 11:00 a.m. ET which are open to all participants. To participate in the conference call, you may dial 877-616-4485 for US and Canadian calls or 706-643-3796 for International calls. The reference number is 2759116. A webcast of the call by CCBN can be accessed at the Company's website www.gospeedway.com. To listen to a playback of the call, you may dial 800-642-1687 (US or Canada) or 706-645-9291 (International) beginning after 12:00 noon (ET) November 11th through November 25th. The reference number is 2759116. Participating in the call will be H.A. Wheeler, Chief Operating Officer and President; William R. Brooks, Chief Financial Officer; and Marylaurel E. Wilks, Vice President, Communications and General Counsel.

(In thousands except per share amounts)

Three Months Ended Nine Months Ended

INCOME STATEMENT DATA 9/30/2003 9/30/2002 9/30/2003 9/30/2002

REVENUES:

Admissions	\$24,070	\$24,309	\$121,597	\$119,307
Event related revenue	20,742	19,683	98,425	93,895
NASCAR broadcasting revenue	9,570	8,180	73,198	62,966
Other operating revenue	9,615	6,710	26,678	27,223
Total Revenues	63,997	58,882	319,898	303,391
EXPENSES AND OTHER:				
Direct expense of events	15,829	15,420	60,091	58,002
NASCAR purse and sanction fees	8,129	6,919	55,889	48,894
Other direct operating expense	8,191	5,689	22,927	22,435
General and administrative	14,832	14,663	46,082	44,940
Depreciation and amortization	8,890	7,943	25,816	23,750
Interest expense, net	4,838	5,349	16,416	16,141
Loss on early debt redemption and refinancing	---	---	12,800	1,237
FTC refund claims settlement	---	---	1,141	---
Other expense, net	233	1,468	486	1,191
Total Expenses and Other	60,942	57,451	241,648	216,590
Income From Continuing Operations Before Income Taxes and Cumulative Effect of Accounting Change	3,055	1,431	78,250	86,801
Income Tax Provision	1,201	562	30,765	34,112
Income From Continuing Operations Before Cumulative Effect of Accounting Change	1,854	869	47,485	52,689
Loss From Operations and Disposal of Discontinued Business	---	---	---	(686)
Income Before Cumulative Effect of Accounting Change	1,854	869	47,485	52,003
Cumulative Effect of Accounting Change for Goodwill Impairment	---	---	---	(4,273)
NET INCOME	\$1,854	\$869	\$47,485	\$47,730

BASIC EARNINGS PER SHARE:

Continuing Operations Before Accounting Change	\$0.04	\$0.02	\$1.12	\$1.24
Discontinued Operations Accounting Change	---	---	---	(0.01)
	---	---	---	(0.10)
BASIC EARNINGS PER SHARE	\$0.04	\$0.02	\$1.12	\$1.13
Weighted average shares outstanding	42,528	42,213	42,422	42,071
DILUTED EARNINGS PER SHARE:				
Continuing Operations Before Accounting Change	\$0.04	\$0.02	\$1.11	\$1.22
Discontinued Operations Accounting Change	---	---	---	(0.01)
	---	---	---	(0.10)
DILUTED EARNINGS PER SHARE	\$0.04	\$0.02	\$1.11	\$1.11

