



# CHURCHILL DOWNS

INCORPORATED

Virtual Non-Deal Roadshow

May 28, 2020

# Forward-Looking Statements

Certain statements made in this presentation and discussed in our investor meetings which this presentation accompanies contain various “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by the use of terms such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “predict,” “project,” “seek,” “should,” “will,” and similar words or similar expressions (or negative versions of such words or expressions).

Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Important factors, among others, that may affect actual results or outcomes include the following:

- the impact of the novel coronavirus (COVID-19) pandemic and related economic matters on our results of operations, financial conditions and prospects
- the effect of economic conditions on our consumers' confidence and discretionary spending or our access to credit
- additional or increased taxes and fees
- public perceptions or lack of confidence in the integrity of our business or any deterioration in our reputation
- loss of key or highly skilled personnel
- restrictions in our debt facilities limiting our flexibility to operate our business
- general risks related to real estate ownership, including fluctuations in market values and environmental regulations
- catastrophic events and system failures disrupting our operations
- online security risk, including cyber-security breaches; inability to recover under our insurance policies for damages sustained at our properties in the event of inclement weather and casualty events
- increases in insurance costs and inability to obtain similar insurance coverage in the future
- inability to identify and complete acquisition, expansion or divestiture projects, on time, on budget or as planned
- difficulty in integrating recent or future acquisitions into our operations
- costs and uncertainties relating to the development of new venues and expansion of existing facilities
- risks associated with equity investments, strategic alliances and other third-party agreements
- inability to respond to rapid technological changes in a timely manner
- inadvertent infringement of the intellectual property of others
- inability to protect our own intellectual property rights
- payment-related risks, such as risk associated with fraudulent credit card and debit card use
- compliance with the Foreign Corrupt Practices Act or applicable money-laundering regulations
- risks related to pending or future legal proceedings and other actions
- inability to negotiate agreements with industry constituents, including horsemen and other racetracks
- work stoppages and labor issues
- changes in consumer preferences, attendance, wagering and sponsorship with respect to Churchill Downs Racetrack and the Kentucky Derby
- personal injury litigation related to injuries occurring at our racetracks
- weather and other conditions affecting our ability to conduct live racing
- the occurrence of extraordinary events, such as terrorist attacks and public health threats
- changes in the regulatory environment of our racing operations
- increased competition in the horse racing business
- difficulty in attracting a sufficient number of horses and trainers for full field horse races
- our inability to utilize and provide totalizator services
- changes in regulatory environment of our online horse wagering business
- A reduction in the number of people wagering on live horse races
- increase in competition in our online horse racing wagering business
- uncertainty and changes in the legal landscape relating to our online horse racing wagering business
- continued legalization of online sports betting and iGaming in the United States and our ability to predict and capitalize on any such legalization
- inability to expand our sports betting operations and effectively compete
- failure to manage risks associated with sports betting
- failure to comply with laws requiring us to block access to certain individuals could result in penalties or impairment with respect to our mobile and online wagering products
- increased competition in our casino business
- changes in regulatory environment of our casino business
- concentration and evolution of slot machine manufacturing and other technology conditions that could impose additional costs
- and inability to collect gaming receivables from the customers to whom we extend credit.

We do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.



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# **COVID-19 Update and Financial Results**

## Supporting Employees and Communities

### Our Employees

- Provided two weeks of disaster pay to furloughed employees
- Continue to provide health, dental, vision and life insurance benefits to furloughed employees
- CDI's Helping Others Receive Support in Emergencies (HORSE) Program has assisted employees affected by COVID-19

### Our Communities

- Supplied perishable food items to local organizations in communities in which we operate
- Culinary staff at Churchill Downs Racetrack prepared daily meals for front line workers and recently unemployed restaurant workers through the Restaurant Workers Relief Program
- Made donations through the Churchill Downs Foundation to assist in the COVID-Relief effort:
  - Team Kentucky Fund
  - Direct Relief
  - R.E.I.N. (Relief for Equine Industry Needs)

### Virtual Kentucky Derby at Home supporting COVID-19 Relief Efforts

- A full day broadcast showcasing the tradition of *The Kentucky Derby* leading up to Churchill Downs' first ever virtual horse race featuring all 13 past Triple Crown winners

### CDI matched donations made by fans to raise funds for COVID-19 emergency relief efforts

- Fans were encouraged to choose their favorite horse to win the virtual race and join CDI in making a charitable donation to COVID-19 emergency relief efforts
- \$672,000 was raised in total

**The NBC broadcast drew 1.7 million viewers and over 12 million impressions across Churchill Downs' social media accounts**



## Status of Operations

Segment		Status
<b>Churchill Downs Segment</b>		
Kentucky	Churchill Downs Racetrack	Spring Meet began spectator-free on May 16 <sup>th</sup> The Kentucky Derby and Oaks rescheduled to September 4 <sup>th</sup> and 5 <sup>th</sup>
Kentucky	Derby City Gaming	TBD
<b>Online Wagering Segment</b>		
	TwinSpires	Operational
	iGaming and Sports Wagering	Operational
<b>Gaming Segment</b>		
Louisiana	Fair Grounds Slots and Video Services, LLC	Fair Grounds' 12 OTBs reopened May 18 <sup>th</sup> ; Fair Grounds Slots reopening is TBD
Mississippi	Harlow's Casino Resort and Spa	Reopened May 21 <sup>st</sup>
Mississippi	Riverwalk Casino Hotel	Reopened May 21 <sup>st</sup>
Florida	Calder Casino and Racing	TBD
Illinois	Rivers Casino Des Plaines	TBD
Maine	Oxford Casino and Hotel	TBD
Maryland	Ocean Downs Casino and Racetrack	TBD
Ohio	Miami Valley Gaming and Racing	TBD
Pennsylvania	Presque Isle Downs and Casino	TBD
Pennsylvania	Lady Luck Nemacolin	TBD

**All CDI properties are implementing procedures and initiatives to facilitate social distancing, personal protection and enhanced cleaning**

## CDI's Diverse Portfolio

### Ongoing revenue streams

- Generating revenue despite casino property closures via our TwinSpires horse racing wagering platform
  - Limited number of racetracks conducting spectator-free horse racing
- Horse racing is producing live entertainment for consumers and is a source of revenue
  - Spectator-free racing began at Churchill Downs Racetrack on May 16<sup>th</sup>

### Unique opportunity to convert traditional brick and mortar bettors and sports bettors into TwinSpires customers

- TwinSpires handle has benefited significantly from the shift of horse wagering from brick and mortar OTBs to online
- Increased wagering from sports bettors due to the cancellation of most global sporting events

### Regional Gaming and Historical Racing Portfolio

- Smaller regional properties with core customer bases that typically do not travel long distances to visit
- Long-term relationships with VIP guests
- Diligent cost management including expense reductions for both short and long term benefit

## Churchill Downs Incorporated Liquidity and Financial Profile

### Strong Liquidity Profile

- \$700.9 million available cash as of March 31, 2020
- Total monthly cash burn rate, including interest expense, of \$16 million (~\$7 million Interest Expense, ~\$9 million Operating Expense) in a “near zero” revenue scenario
- Low leverage and well positioned with net leverage of 3.4x at March 31, 2020
- No debt maturities prior to 2024 except for quarterly amortization on our Term Loan B
- Focusing project capital spend on projects with 2020 opening dates

### Negotiated Financial Covenant Amendment in April 2020

- Due to the rescheduling of *The Kentucky Derby* to the third quarter of this year, our second quarter trailing twelve months Adjusted EBITDA used in our financial covenant compliance will be lower than usual
- Received waiver of our existing consolidated total secured net leverage ratio financial covenant and our interest coverage ratio financial covenant through June 30, 2021
  - Modified covenant calculations through December 31, 2021
- Required to maintain liquidity of at least \$150 million during the relief period

### 2020 Financial Outlook

- The shift of Derby Week from 2Q'20 to 3Q'20 will impact comparability of our quarterly financials in 2Q and 3Q of 2020 and 2021



## Capital Projects

### Projected Capital Investments

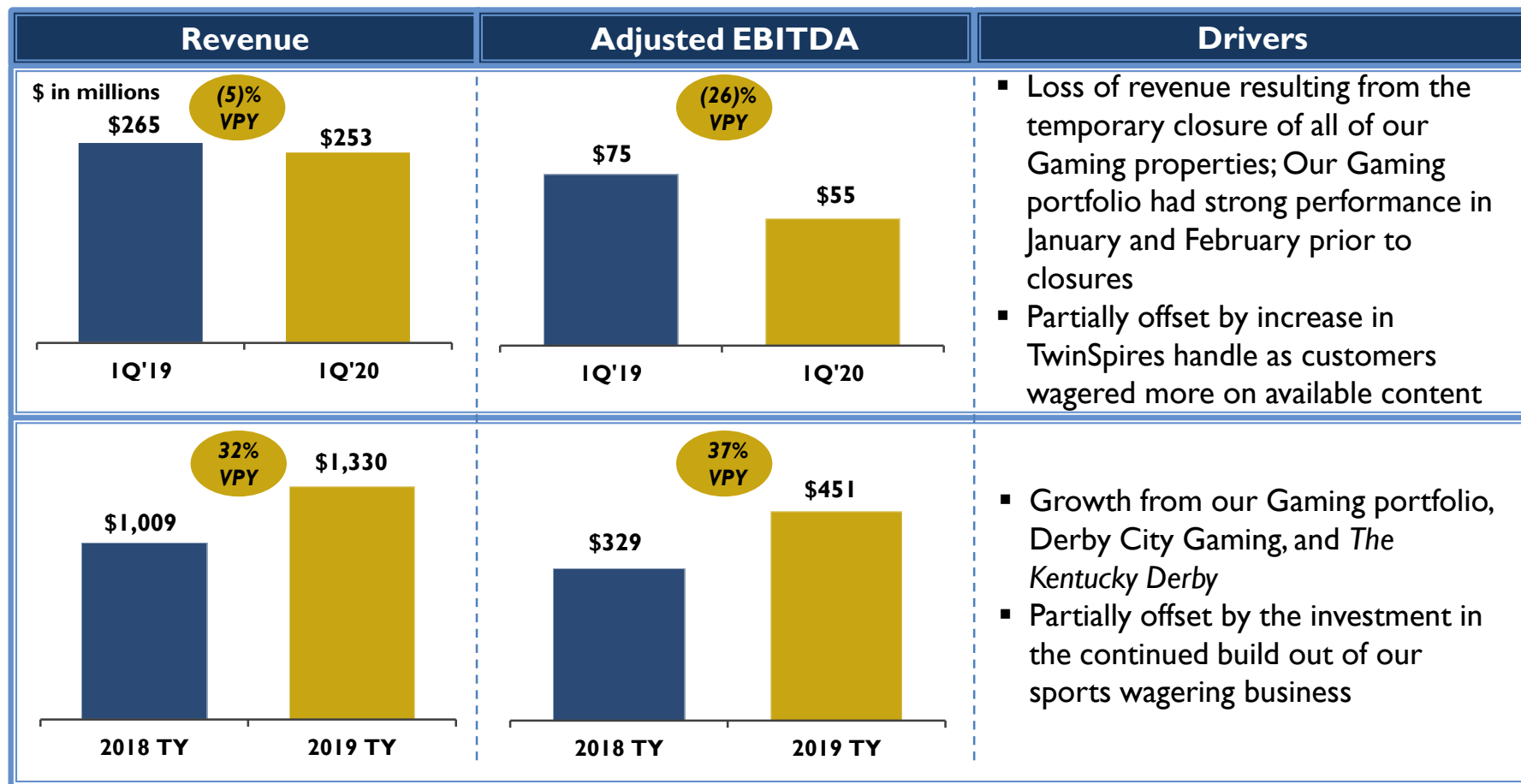
	<u>2019 Actuals</u>	<u>1Q'20 Actuals</u>	<u>2020 Forecast as of 3/31/20</u>
<b>Maintenance Capital</b>	<b>\$48 million</b>	<b>\$9 million</b>	<b>N/A</b>
<b>Project Capital</b>	<b>\$83 million</b> <ul style="list-style-type: none"> <li>▪ Oak Grove</li> <li>▪ CDRT</li> <li>▪ Calder Jai Alai</li> </ul>	<b>\$39 million</b> <ul style="list-style-type: none"> <li>▪ Oak Grove</li> <li>▪ CDRT</li> </ul>	<b>\$180 – \$220 million</b> <ul style="list-style-type: none"> <li>▪ Oak Grove</li> <li>▪ Turfway Park</li> <li>▪ CDRT</li> <li>▪ DCG</li> </ul>

**We have elected to temporarily pause the following capital projects:**

- Churchill Downs Racetrack Hotel and HRM Facility
- Turfway Park Grandstand and HRM Facility
- Rivers Des Plaines Casino Gaming Position Expansion (~670 positions)
- Miami Valley Gaming Garage, Hotel, and Gaming Floor Expansion

**These projects remain long-term growth opportunities for CDI**

## First Quarter 2020 and Full Year 2019 Results





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# **Company Overview and the Case for Investing**

## CDI is an industry-leading entertainment company with iconic, diversified assets

\$ in millions	TTM Adjusted EBITDA				Description
	December 31, 2019		March 31, 2020		
Segment	\$	% of total	\$	% of total	
Churchill Downs	\$138	31%	\$138	32%	Churchill Downs Racetrack (“CDRT”) <ul style="list-style-type: none"> <li>Home of <i>The Kentucky Derby</i></li> </ul> Derby City Gaming (“DCG”)
Online Wagering	\$66	15%	\$64	15%	TwinSpires <ul style="list-style-type: none"> <li>Largest<sup>1</sup> online wagering platform for horseracing in U.S.</li> </ul> Online Sports Betting and iGaming
Gaming	\$281	62%	\$265	61%	7 owned casinos with 3 hotels 2 casino joint ventures Located in 8 states ~11,000 slot machines/MLTs ~200 table games
All Other	\$(34)	(7)%	\$(36)	(9)%	Arlington, Oak Grove, Turfway Park, United Tote, Corporate
<b>Total</b>	<b>\$451</b>	<b>100%</b>	<b>\$432</b>	<b>100%</b>	

<sup>1</sup> Based on an annual and quarterly basis per figures released by Oregon Racing Commission for 3/31/20 12

## Case for Investing

### *The Kentucky Derby*

- An iconic and irreplaceable asset delivering consistent high margin growth and generating significant free cash flow over the long-term
- Unique and evolving guest experiences and expanded offerings provide consistent organic growth
- Future capital investments provide significant ongoing growth of our marquee asset
- Growing international engagement through our Japan and European Roads to the Derby

### Diverse organic growth opportunities with disciplined investment spending

- *The Kentucky Derby* – capital investments enhance already unparalleled guest experience
- Online Wagering / TwinSpires – organic growth driven by best-in-class racing content access and data driven marketing strategy that capitalizes on major race dates including *The Kentucky Derby*
- Gaming – multiple, smaller bets in various geographies provide for solid growth
- Expansion into historical racing machines provides new organic growth
- Potential Sports Betting / iGaming expansion as states pass new laws

### Strong balance sheet and financial performance

- Strong free cash flow generation with disciplined maintenance capital spending
- Conservatively levered with capacity to pursue strategic options including reinvestment in organic growth, M&A activity, dividends, and share repurchases over the long-term

### Proven management team

- Diverse backgrounds with multi-industry, technology and international experience
- Successful track record of integrating new businesses
- Proven record of disciplined capital allocation and earnings growth



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# **Churchill Downs Segment**

Overview

## Churchill Downs Racetrack



- Home of *The Kentucky Derby*
- Longest continuously held annual sporting event in the **United States**



- Historical racing machine (“HRM”) facility
- 1,015 machines
- Operates under CDRT’s pari-mutuel racing license at its ancillary training facility in **Louisville, KY**

**The Kentucky Derby utilizes the mystique and magic of Churchill Downs to create unique experiences for our guests**

**Historic Americana**



**Sophisticated Luxury**



**Contagious Excitement**



**The Kentucky Derby - By The Numbers**

- The economic impact made on the Louisville area over Derby Weekend ➡ \$356 million<sup>1</sup>
- Mint Juleps served over Derby Weekend ➡ 127,000
- Traditionally the first leg of the Triple Crown ➡ only 13 Triple Crown winners since inception

<sup>1</sup> From the Destination International and Tourism Economics Event Impact Calculator (EEI) 16



## The Lead Up to *The Kentucky Derby*

### Month Long Celebration Leading Up to Derby Week

Through various non-affiliated organizations, spring kicks off with a month of events celebrating *The Kentucky Derby*

#### Thunder Over Louisville

The largest annual fireworks display in North America



#### Kentucky Derby Festival Marathon

A Boston Marathon qualifying race which runs through CDRT



#### Great Balloon Race

A beloved family tradition, color fills the Louisville sky to signal that Derby is near



#### Kentucky Museum of Art & Craft Couture

The fashion kickoff attracts worldwide artist participation

#### The Fillies Derby Ball

The spin of a wheel determines who will preside as Queen among the festivities



#### Derby Divas

The Kentucky Oaks charitable partner event has raised over \$1.5 million for breast health



## Unique Derby Week Experiences

### Experiences at CDRT



**Derby attendees have the opportunity to include unique experiences at CDRT with their ticket packages, such as:**

- Tours of the Paddock area
- Backstretch Tour at Dawn at Churchill Downs

### Derby Week Nightlife

#### Taste of Derby

An evening of fine cuisine served by chefs from stops along the Road to the Kentucky Derby; the event raises funds for Dare to Care Food Bank

#### Official Derby Events

Celebrities and other notable guests attend the many charitable nightlife events Derby Week has to offer; these events benefit local charities and feature performances by top artists

- The Trifecta Gala
- Barnstable Brown Gala
- Unbridled Eve
- Fillies & Lillies



### 3<sup>rd</sup> Party Experiences



**Guests have the opportunity to package other 3<sup>rd</sup> party tours with their official Derby ticket packages, including:**

- Private Horse Farm Tours
- Bourbon Distillery Tours
- Mint Julep Sunset Social



## The Lead Up to The Kentucky Derby

### Derby Week

#### Saturday: Opening Night

Derby Week kicks off with artistic displays and performances during the first night of racing



#### Tuesday: Champions Day

Fans can meet legendary jockeys and trainers, gain industry expert insights into Derby Week betting, and support thoroughbred aftercare

#### Thursday: Thurby

A day celebrating the best of Kentucky including culture, fare, and racing with attendance of ~40,000



#### Friday: Kentucky Oaks

America's premier race for 3-year old fillies and the fourth highest attended horse race in the United States at ~115,000

#### Saturday: The Kentucky Derby

The most prestigious event in racing draws attendance of ~150,000-170,000 and crowns a new Triple Crown hopeful each year

### Corporate Engagement

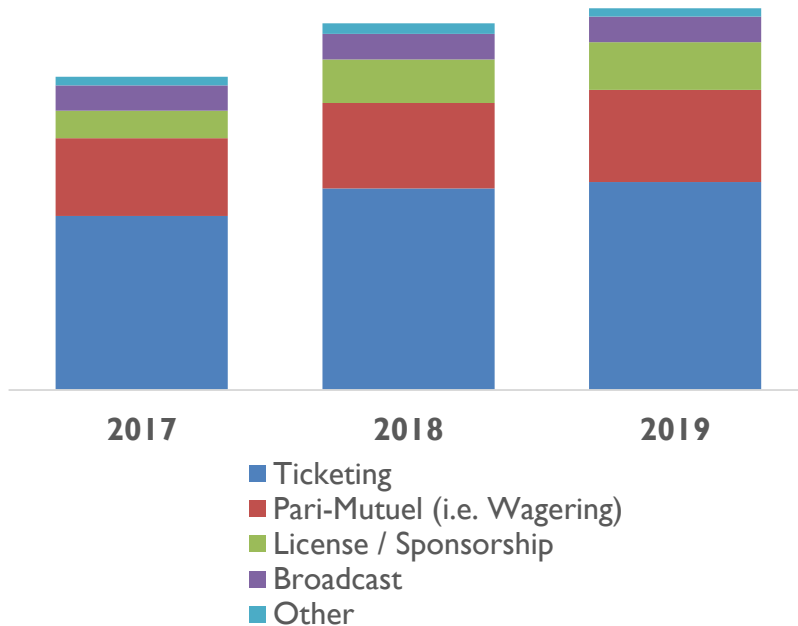
**CDI has partnered with the Derby Diversity & Business Summit (DDBS) for Derby Week 2020**

- The goal is to connect diverse owned businesses and promote diversity within the executive workforce and supply chain
- Elite business leaders will participate in executive development seminars, panel discussions, and networking opportunities while enjoying Derby Week

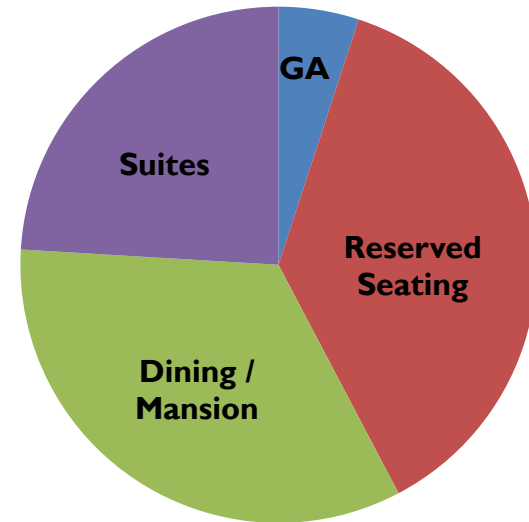


## The Kentucky Derby - Sources of Growth and Profitability

**Derby Week Revenue**  
5-year CAGR for Revenue Growth → 10.4%



**Ticketing Revenue**



### Premium seats (~60,000) are largest contributor to revenue

- Over a third of reserved seats are under non-cancellable contracts with staggered expirations of typically 3-7 years through personal seat licenses, suite contracts, and other agreements
- Remaining reserved seats are sold in advance of the event, typically early in the year
- Demand for premium tickets continues to exceed supply

# ***The Kentucky Derby Growth Strategy***

## ***A Premier International Sporting / Entertainment Event***

### **Leverage unique experiences and make strategic capital investments**

- Enhance guest experience to enable pricing differentiation for ~60,000 reserved seats
- Expand Derby Week offerings and attractions
- Execute capital investments to enable segmentation of ~110,000 guests who do not have a reserved seat

### **Attract additional sponsorships**

### **Expand European Road to Derby and Japan Road to Derby**

## Future Build-Out of Facility Supports Long-Term Growth

### Completed Projects



### Projects on Hold

- Hotel & HRM Facility
- Replace temporary seating with permanent seating

### Potential Future Projects

- Additional 1<sup>st</sup> Turn seating
- Premium renovations
- Improved paddock
- Grandstand amenities
- Infield seating

## Matt Winn's Steakhouse

### \$11 million project to create a premium upscale experience on the 6<sup>th</sup> floor next to The Mansion

- Will create another one-of-a-kind experience for ~350 guests including tiered balcony views of the finish line
  - Replacing the existing Millionaire's Row on level 6
- Project will be ready for the 2020 Kentucky Derby
- Upscale offerings will include an exclusive, finely-curated culinary menu and an extensive bourbon, wine and champagne service



## Three unique Roads to the Derby for a horse to qualify in one of 20 coveted Derby starting positions

United States	Japan	European
<p>Horses compete for a Derby starting position through 35 races from September through April<sup>1</sup></p>	<p>Started in 2016 Horses compete for one Derby starting position through four Japanese races starting in November<sup>1</sup></p>	<p>Started in 2018 Horses compete for one Derby starting position through seven European races from September to April<sup>1</sup></p>
<h3>Growth Potential</h3>		
<p><b>New customers for the Derby</b> <b>Additional wagering</b> <b>Provides extended marketing opportunity for sponsors</b></p>		

<sup>1</sup> Due to the rescheduling of the 2020 Kentucky Derby, the 2020 Roads to the Derby timeline has been extended



**In 2010, Kentucky’s Horse Racing Commission (“KHRC”) enacted regulations to permit wagering on historical horse races on HRM terminals in Kentucky**

- Permitted to have an HRM facility if awarded one of 9 horseracing licenses in Kentucky

**A historical horse racing machine is a gaming device that uses a pari-mutuel math model to approximate the gaming experience of Class II and Class III machines**

**Current Kentucky HRM Facilities:**

Kentucky Historical Racing Machine Facilities	Year Opened	Gross Commission / Day / Machine <sup>1</sup>			Avg. # of Machines as of March '20
		TTM March 2019	TTM March 2020	% Change	
CDI / Derby City Gaming	2018	\$ 210 <sup>2</sup>	\$ 299	42.5%	1,006
Ellis Park	2012	\$ 113	\$ 131	16.3%	300
Red Mile	2015	\$ 69	\$ 100	44.9%	938
Kentucky Downs	2011	\$ 254	\$ 306	20.7%	753

**Nearest casino to Derby City Gaming is Caesars Southern Indiana**

- ~ 30 to 40 minutes away from Derby City Gaming
- ~1,200 Class III slot machines with TTM March 2020 Gross Win / Day / Machine<sup>3</sup> of \$346

<sup>1</sup> Based on Kentucky Horse Racing Commission Monthly Wagering Report for March 2020

<sup>2</sup> Derby City Gaming opened in September 2018; Amount shown is average Gross / Commission / Day for the seven months beginning September 2018

<sup>3</sup> Based on Indiana Gaming Commission Monthly Gaming Revenue Report for March 2020

## Derby City Gaming

**HRM Facility that operates under the CDRT pari-mutual racing license at its ancillary training facility in Louisville, Kentucky**

**\$65 million investment opened in September 2018**

- Décor pays homage to Churchill Downs Racetrack's deep history in horse racing
- Center bar with large format televisions, two food venues, and outdoor smoking patio on the north side of the facility

**1,015<sup>1</sup> HRMs**

- Initially partnered with Ainsworth Game Technology
- Added Scientific Games themes and cabinets in 1Q and 2Q'20
- Will be adding International Game Technology ("IGT") themes and cabinets in the second half of 2020



<sup>1</sup> CDI has approval for 3,000 machines under the CDRT license to be used between CDRT and Derby City Gaming

## New Derby City Smoking Patio

### Building new \$13.5 million outdoor smoking patio on the south side of Derby City Gaming

- Additional space will result in a net addition of 195 HRMs
- Will compliment the current smoking patio on the north side of the facility
- Opening anticipated by early 4Q'20



### Oak Grove Racing & Gaming

#### Building \$200 million HRM facility, Hotel, Racetrack, and Equestrian Center

- Joint venture – 95% CDI / 5% Keeneland Association Inc.
- Racetrack built for annual harness racing in October / November
  - Ran 11 days in October / November 2019
- HRM facility planned to open with ~1,300 machines by September 1, 2020
  - Have approval to increase to 1,500 machines
  - Floor mix will include existing Ainsworth machines and new Scientific Games and IGT machines
- 128-room hotel with event center and dining options planned to open by September 1, 2020
- Future Development:
  - 3,000 person capacity amphitheater and state-of-the-art equestrian center including indoor arena



### Turfway Park Annex – Newport Racing & Gaming

#### CDI is investing \$38.4 million in a Turfway Park annex for HRM and simulcasting

- Leasing existing retail space in Newport, Kentucky
- Will support the purse funding for future Turfway Park live race meets while Turfway Park is under renovation
- The KHRC approved this facility based on recently enacted changes to the definition of a licensed premise<sup>1</sup>
- Plan to open in 4Q'20 with a simulcast area including a separate VIP simulcast room, a 17,000 sq. ft. gaming floor with 500 machines and a feature bar



<sup>1</sup> KHRC has changed the definition of a Licensed Premise to include a facility by a licensed association within a 60 mile radius of the association's track, but not contiguous to track premises; The facility must also not be within a 60 mile radius of another licensed track premise where live racing is conducted and not within a 40 mile radius of a simulcast facility



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# **Online Wagering Segment**

Overview

# TwinSpires



- Largest<sup>1</sup>, online horseracing wagering platform in the U.S.
- Linkage to *The Kentucky Derby* is a key advantage

## Online Sports Betting and iGaming



- Active in New Jersey, Pennsylvania, and Indiana
- Strong geographic footprint in key states for expansion

<sup>1</sup> Based on an annual and quarterly basis per figures released by Oregon Racing Commission for 3/31/20

# TwinSpires.com



**EARN CASH**  
Earn cash bonuses to bet on the races



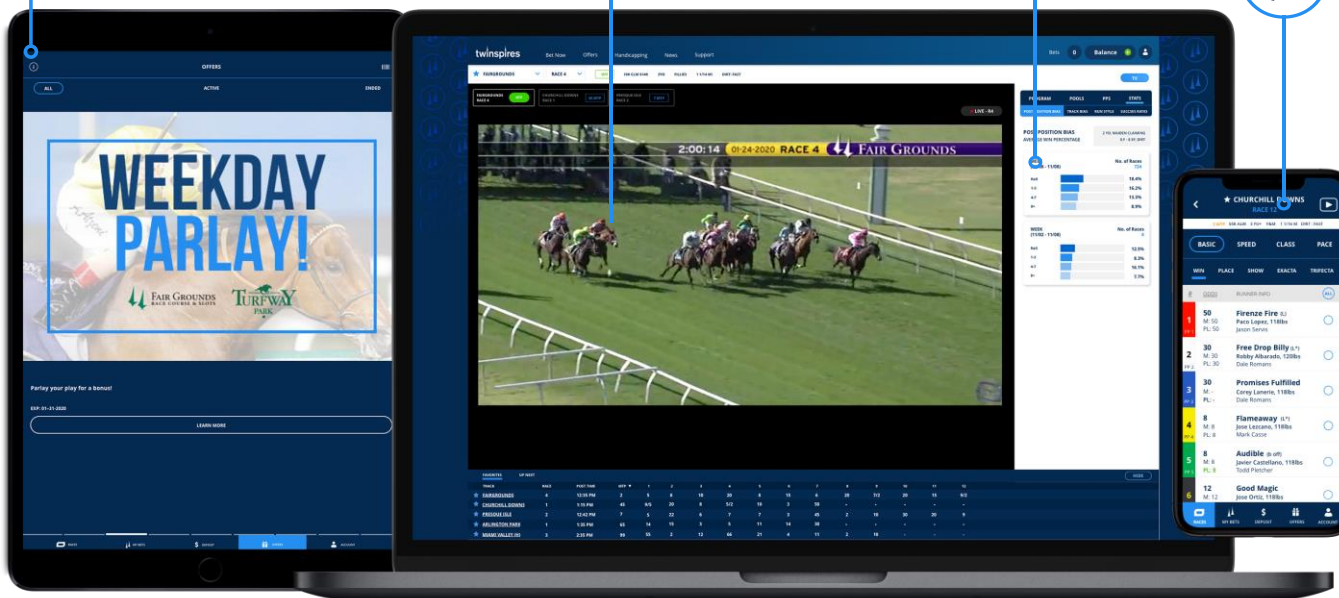
**LIVE STREAMING**



**TOP RACING DATA**  
Leading source of online data



**BET ANYWHERE, ANYTIME**  
Bet on racetracks all around the world.





## TwinSpires delivers handicapping data, live race video, and best in class betting

### Overview

Launched in 2007

Official mobile betting partner of:

- *The Kentucky Derby*
- Churchill Downs Racetrack

Benefits from CDI ownership of:

- United Tote - provides totalisator services
- Brisnet - provides historical handicapping data



### 2019 Key metrics

\$ in millions	2019	VPY %
Twin Spires Handle <sup>1</sup>	\$1,456	5%
Revenue	\$290	0%
Adjusted EBITDA	\$78	(1)%

<sup>1</sup> TwinSpires handle excludes Velocity

### Multiple brands leverage infrastructure



## TwinSpires' strategic advantages

### Linkage to *The Kentucky Derby*



- Inexpensively acquire new customers each year with an affinity for horseracing
- Access to premier content because of ownership of *The Kentucky Derby*

### Business intelligence analytics



- Utilize analytics on customer behavior to drive efficient customer acquisition, retention and activation

### Customer relationships



- Differentiate VIP relationships to build loyalty and retention
- Unique ability to create once in a lifetime experiences at *The Kentucky Derby*

### Management team

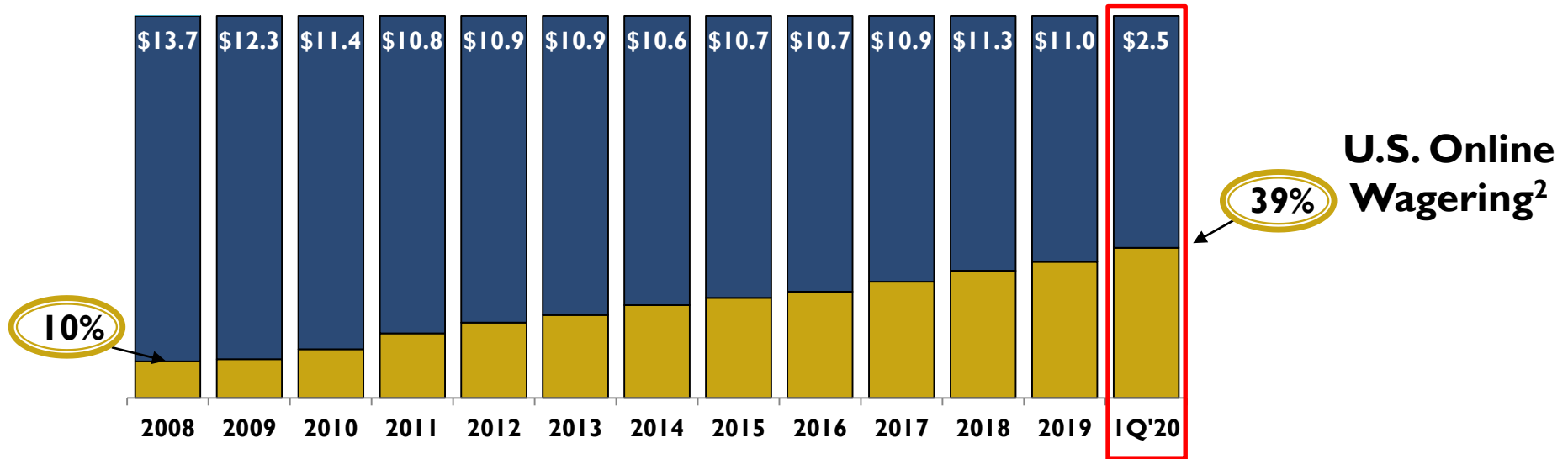


- Significant online wagering experience in Europe and U.S.
- Deep technology expertise throughout core team
- Team's experience positions us well for growth in online sports betting and iGaming markets

# Online horseracing wagering has potential for additional market penetration

U.S Horseracing	CAGR	
	2008-16	2017-19
Total Wagering <sup>1</sup>	(3.0)%	0.6%
U.S. Online Wagering <sup>2</sup>	10.8%	8.9%

**U.S. Horseracing Wagering<sup>1</sup>**  
\$ in Billions

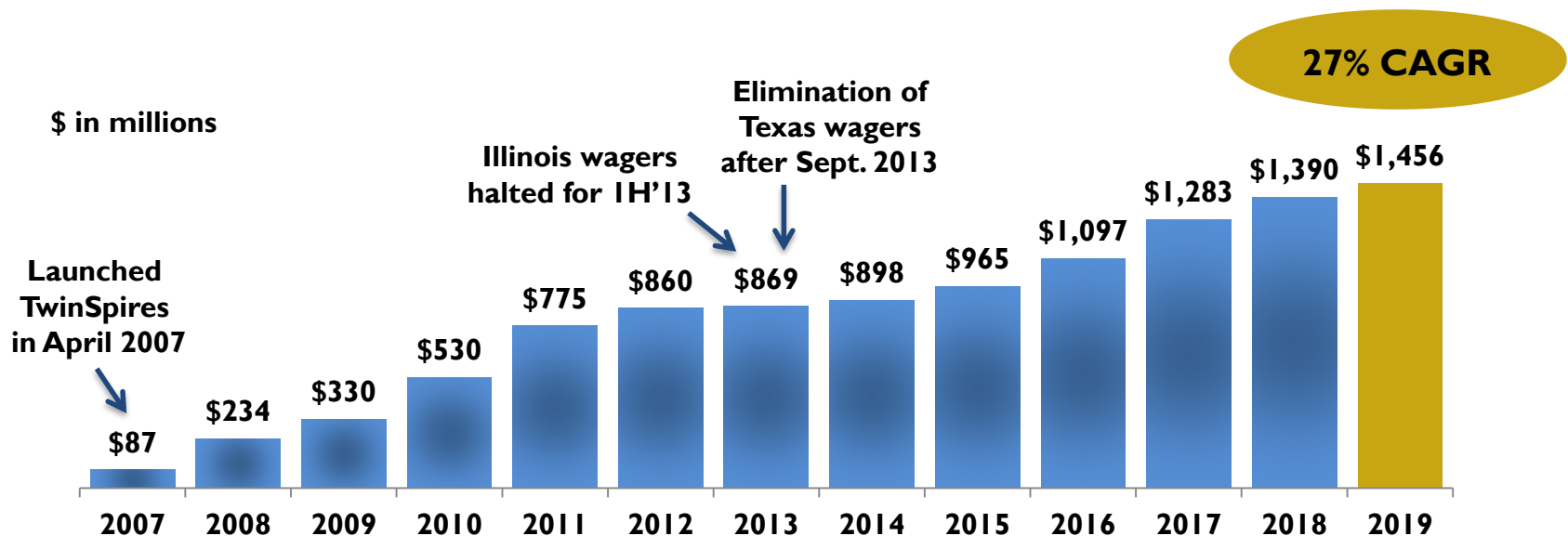


**Online wagering market penetration increasing**

<sup>1</sup> Total wagering represents wagering on U.S. Thoroughbred Horseracing as reported by Equibase 35

<sup>2</sup> All U.S. Online Wagering as reported by the Oregon Racing Commission excluding Velocity

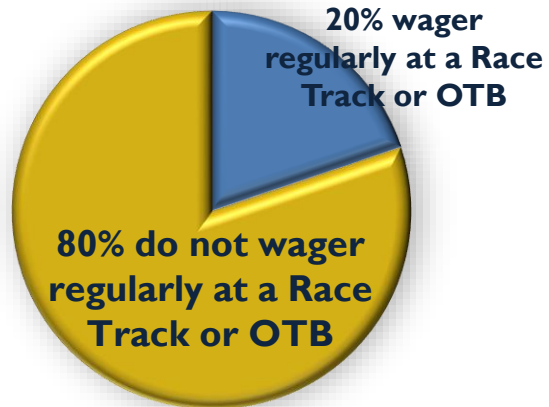
# TwinSpires handle<sup>1</sup> has grown significantly over the past decade



<sup>1</sup> All TwinSpires handle except for Velocity

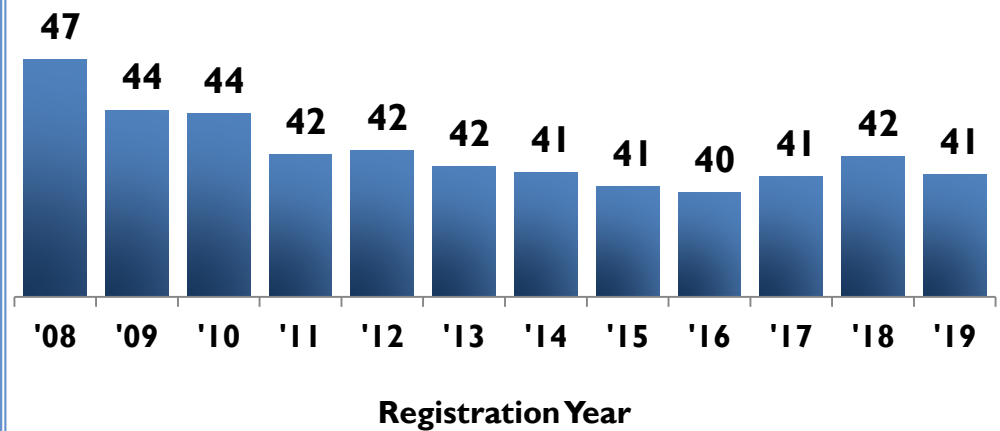
## We are attracting new fans and younger fans to horseracing

### New Fans

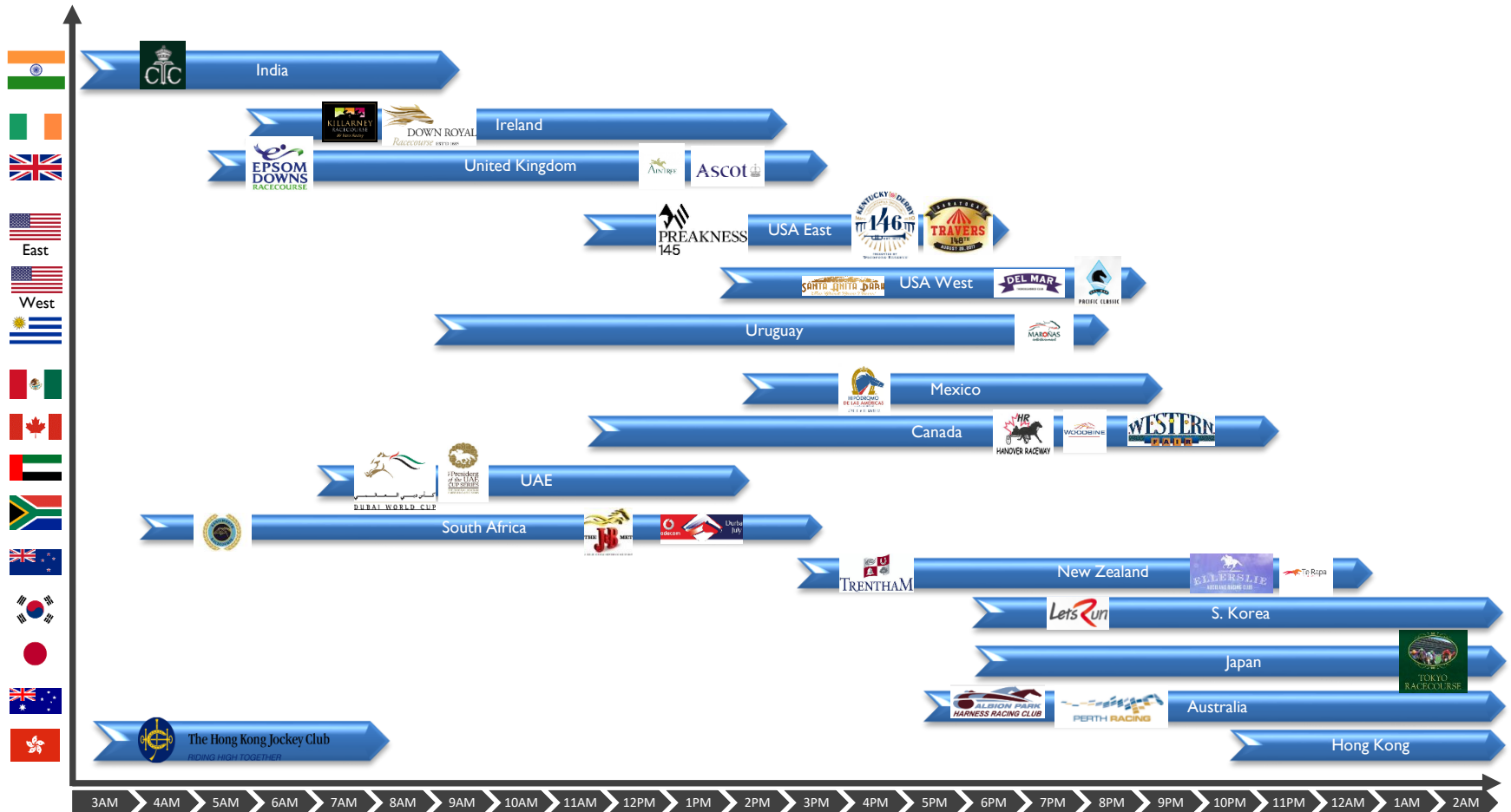


Based on survey of August 2017 new customers

### Median New Player Age



# TwinSpires typically offers betting 24/7 from 14 countries



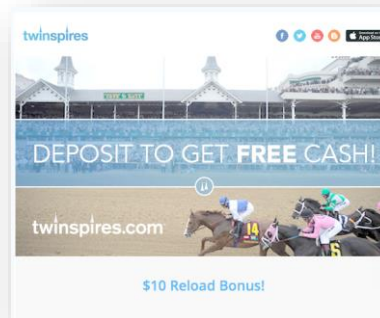
Hours in EST

**We leverage data to drive user acquisition, retention, and activation**

User Acquisition



User Retention



User Activation



**We have the unique ability to create once in a lifetime experiences at *The Kentucky Derby***

Winner's Toasts



Trophy Presentations



VIP Events



Behind-the-Scene Tours



## Sports Betting / iGaming Opportunity

**In May 2018, the Supreme Court repealed the Professional and Amateur Sports Protection Act of 1992 (“PASPA”) – effectively allowing sports betting in the U.S. on professional and amateur sports, subject to state regulation**

- PASPA had effectively outlawed sports betting in the U.S. except for in Nevada, Oregon, Delaware, and Montana
- New Jersey was the leader in challenging PASPA

### Typical State process to enable sports wagering:

- Enact state legislation
- State governing body implements regulations
- Eligible companies and key suppliers obtain state gaming licenses and technology certifications, as required

Current Jurisdictions	# of jurisdictions <sup>1</sup>	
	Sports Betting <sup>2,3</sup>	iGaming <sup>4,5</sup>
Authorized But Not Yet Operational	5	1
Operational	18	5

<sup>1</sup>Per Eilers & Krejcik Gaming U.S Online Casino Tracker for April 2020

<sup>2</sup>Authorized but not yet operational: North Carolina, Tennessee, Virginia, Washington, Washington D.C.

<sup>3</sup>Operational: Arkansas, Colorado, Delaware, Illinois, Indiana, Iowa, Michigan, Mississippi, Montana, Nevada, New Hampshire, New Mexico, New Jersey, New York, Oregon, Pennsylvania, Rhode Island, West Virginia

<sup>4</sup>Authorized but not yet operational: Michigan

<sup>5</sup>Operational: Delaware, Nevada, New Jersey, Pennsylvania, West Virginia



## Sports Betting / iGaming Opportunity

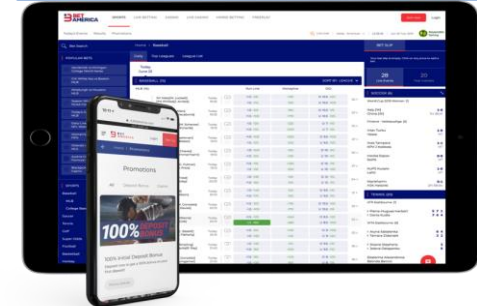
### CDI leveraging BetAmerica brand for sports betting and iGaming



Retail<sup>1</sup>



Online



- Leverage our expertise as the largest online horse race wagering business in the U.S.
- Integrated sports betting and iGaming products
- Potential for single sign in between TwinSpire and BetAmerica

<sup>1</sup> Results for Retail Sports Betting are included in the Gaming Segment

## Sports Betting and iGaming – Near-term Opportunities

<b>Near-term retail and online BetAmerica sports betting and iGaming operations</b>					
Jurisdiction	% of U.S. Adult Population <sup>1</sup>	CDI Property or 3 <sup>rd</sup> Party Agreement	CDI Retail Sports Betting	CDI Online Sports Betting	CDI iGaming
Mississippi	0.9%	Harlow's and Riverwalk Casinos <sup>2</sup>	Aug. 2018	N/A	N/A
New Jersey	2.7%	Agreement with Golden Nugget Atlantic City for Sports Betting & iGaming skin	N/A	Launched 1Q'19	Launched 1Q'19
Pennsylvania	4.0%	Presque Isle Downs & Casino in Erie, PA	Launched 3Q'19	Launched 4Q'19	Launched 1Q'20
Indiana	2.0%	Agreement with Rising Star Casino Resort for Sports Betting	Launched 4Q'19	Launched 4Q'19	N/A
Illinois	3.9%	Rivers Joint Venture <sup>3</sup>	Launched 1Q'20	TBD	TBD
Tennessee	2.1%	Open market access	N/A	TBD	TBD
Colorado	1.7%	Agreement with Full House Resorts for Sports Betting	TBD	TBD	TBD
Total	17.3%				

<sup>1</sup> Adult population per July 2018 U.S. Census data (253.8 million total persons over the age of 18 in the U.S.)

<sup>2</sup> Retail betting results at Harlow's and Riverwalk Casinos are reported in the Gaming Segment

<sup>3</sup> Rivers Des Plaines will operate sports betting under their brand BetRivers

## Future Expansion of Sports Betting and iGaming

### CDI is well positioned in key jurisdictions if sports betting and iGaming are approved

Jurisdiction	% of U.S. Adult Population <sup>1</sup>	CDI Property or 3 <sup>rd</sup> Party Agreement
California	12.0%	Card room agreement to offer internet real money gaming if legislation is approved
Florida	6.7%	Calder Casino
New York	6.1%	Agreement with Saratoga Casino Holdings for rights to online sports betting & iGaming until 2033
Ohio	3.6%	Miami Valley Gaming Joint Venture
Maryland	1.9%	The Casino at Ocean Downs
Louisiana	1.4%	Fair Grounds Slots and VSI and Fair Grounds Race Course
Kentucky	1.4%	Churchill Downs Racetrack and Derby City Gaming, Turfway Park, Turfway Park annex, and Oak Grove
Maine	0.4%	Oxford Casino
Total	33.5%	

<sup>1</sup> Adult population per July 2018 U.S. Census data (253.8 million total persons over the age of 18 in the U.S.)



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# **Gaming Segment**

## Regional Gaming Properties



**We are a leader in brick-and-mortar casino gaming with ~11,000 slot machines and VLTs and ~200 table games in eight states**

## Diverse portfolio of gaming properties

### Overview

#### Ten casinos and three hotels in eight states

- Seven wholly owned, two joint ventures, and one management contract
- Local brands and community connection
- Smaller bets in diverse geographic and economic environments

**Retail self service BetAmerica Sportbooks opened at two Mississippi properties in August 2018 as well as Presque Isle Downs & Casino in July 2019**

### 2019 Key metrics

\$ in millions	<u>2019</u>	<u>VPY %</u>
<b>Revenue</b>	<b>\$695</b>	<b>54%</b>
<b>Adjusted EBITDA</b>	<b>\$281</b>	<b>61%</b>
<b>Wholly owned casino margin<sup>1</sup></b>	<b>33.9%</b>	<b>70 pts</b>

**Industry leading margins for wholly owned casinos**

<sup>1</sup> Excludes corporate overhead, Ocean Downs, Presque Isle, Lady Luck Nemacolin, joint ventures, and racetracks

## Our gaming properties' strategic advantages

### Local approach



- Unique brands and marketing strategies
- Menus and offerings reflect local tastes
- Promotions catered to local customer base
- Loyal player base

### Business intelligence analytics



- Utilize analytics on customer behavior to optimize customer trips and casino / food & beverage offerings

### Leverage corporate gaming expertise



- Gaming floor layout and game mix optimized
- Central slot purchasing to leverage size
- Disciplined reporting and communication strategy
- Central marketing resource facilitates shared best practices

### Regional property gaming leaders



- Significant overall gaming experience
- Stable executive leadership maintains local market focus

## Florida and Louisiana Casinos & Video Poker

### Calder Casino – Miami Gardens, Florida

- Property:
  - Located on 170 acres with casino and racetrack in Miami Gardens, FL, near Hard Rock Stadium (home of the Miami Dolphins)
  - Gaming facility opened in Jan. 2010
  - ~1,150 slot machines<sup>1</sup>
- Agreement with The Stronach Group to operate and manage Calder’s racetrack and live horseracing under Calder’s racing permits until Apr. 15, 2021
- In Nov. 2016, we sold 61 acres of excess real estate at Calder for \$434k per acre<sup>2</sup>
- Jai Alai permit received in Feb. 2018 and began play in May 2019



### Fair Grounds Slots & Video Poker - Louisiana

- Property:
  - Located on 145 acres with racetrack and slots facility located in New Orleans, LA
  - Slots facility opened in Oct. 2008
  - ~600 slot machines<sup>3</sup>
- Fair Grounds operates 12 OTB’s across southeast LA of which 12 have ~1,000 video poker machines<sup>3</sup>



<sup>1</sup> Units as of 3/31/20

<sup>2</sup> Excluding real estate commissions paid

<sup>3</sup> Units as of 12/31/19



## Maine and Maryland Casinos

### Oxford Casino – Oxford, Maine

- Property:
  - Located on 97 acres in Oxford, Maine
  - Casino opened in 2012
  - ~950 slot machines, 30 table games and 3 dining facilities<sup>1</sup>
  - Attached 107-room hotel opened in 2017
  - Expanded gaming floor with additional 100 slot machines in 2017
- Purchased in July 2013



### The Casino at Ocean Downs – Berlin, Maryland

- Property:
  - Located on 167 acres near Ocean City
  - Casino opened in 2010
  - Harness racetrack opened in 1949
  - ~900 VLTs and 18 table games<sup>2</sup>
- Ownership history
  - Purchased 50% equity stake in Jan. 2017
  - Acquired remaining 50% equity stake in Aug. 2018 through swap of 25% ownership interest in Saratoga New York and Colorado with Saratoga Casino Holdings
- Realized an effective 10 percentage point tax reduction starting Aug. 2017 by purchasing VLTs from the State of Maryland
- Added 10 table games and 100 VLTs in Dec. 2017 and an additional 8 tables in July 2018



<sup>1</sup> Units as of 3/31/20

<sup>2</sup> Units as of 12/31/19

## Mississippi Casinos

### Harlow's Casino Resort & Spa

#### Property:

- Located on 85 acres of leased land in Greenville, Mississippi
- Facility opened in 2007
- ~750 slot machines, 15 table games<sup>1</sup>
- 4 dining facilities
- 105-room attached hotel

#### Purchased in Dec. 2010

#### Opened retail BetAmerica Sportsbook in Aug. 2018

- 39 self-service betting terminals
- 21 big screen displays broadcasting over 100 different HD channels of sporting events and information

*Harlow's*  
Casino Resort & Spa



### Riverwalk Casino Hotel

#### Property:

- Located on 22 acres in Vicksburg, Mississippi
- Facility opened in 2008
- ~650 slot machines, 15 table games<sup>1</sup>
- 2 dining areas
- 80-room attached hotel

#### Purchased in Oct. 2012

#### Opened retail BetAmerica Sportsbook in Aug. 2018

- 38 self-service betting terminals
- 55 big screen displays broadcasting over 100 different HD channels of sporting events and information

**RIVERWALK**  
CASINO • HOTEL



## Pennsylvania Casinos

### Presque Isle Casino

- Property:
  - Located on 270 acres in Erie, Pennsylvania
  - Casino opened in 2007
  - ~1,550 slot machines, 34 table games and a 7 table poker room in 153,000 sq. ft. facility<sup>1</sup>
  - ~100 live thoroughbred race dates each year
- Purchased in January 2019 for \$179 million
- Opened retail BetAmerica Sportsbook in July 2019
  - 50 state-of-the-art self-service betting terminals located throughout the casino floor



### Lady Luck Nemaconlin

- Property:
  - Located in Farmington, PA  
~1 mile from Nemaconlin Woodlands Resort's main entrance
  - Casino opened in 2013
  - ~ 600 slot machines, 27 table games and a casual dining restaurant and lounge<sup>1</sup>
- Paid \$100,000 in March 2019 for:
  - Management agreement to operate casino until July 2023
  - All fixed assets (e.g. slot machines and table games)
  - Paid a \$1 million payment in 2Q'19 to the PA Gaming Control Board to lift the \$10 per visit access fee for customers



<sup>1</sup> Units as of 3/31/20

## Casino Joint Ventures

### Two of our casinos are joint ventures

#### Miami Valley Gaming (50% Equity Investment)

- Located on 120 acres in Lebanon, OH (North of Cincinnati, south of Dayton)
- Opened in December 2013
- ~2,000 video lottery terminals<sup>1</sup>
- Joint venture (50/50) with Delaware North



#### Rivers Casino Des Plaines (61% Equity Investment)

- Located on 21 acres in Des Plaines, IL
- Opened in July 2011
- ~1,050 slot machines and 66 table games<sup>2,3</sup>
- CDI invested \$407 million for 61% equity investment on March 5, 2019
- Joint venture with High Plains Gaming, LLC, an affiliate of Rush Street Gaming, LLC
- Favorably positioned for expanded gaming and online sports betting



<sup>1</sup> Units as of 3/31/20

<sup>2</sup> Units as of 1/31/20

<sup>3</sup> For purposes of statutory requirements, slot machines are counted as 0.9 positions and table games are determined based on type of game (Craps tables have 10 positions, all others have 5 positions).

### Illinois Gaming Expansion and Sports Betting Legalization

#### Rivers Casino Des Plaines

- Received regulatory approval to become the first land-based casino in IL and to begin the addition of 800 new positions (increase from 1,200 to 2,000)
- Opened new 4,840 square foot state-of-the-art BetRivers Sportsbook in December 2019 and received a temporary sports betting license
  - Launched live retail sports betting on March 9, 2020
- In 1Q'20 increased hours of operation to 24 hours from 22 hours per day
- Privilege tax rate on table games will be reduced from a maximum of 50% down to 15% for the first \$25 million annual adjusted gross receipts received on table games, and 20% of annual adjusted gross receipts in excess of \$25 million
  - The new rates will go into effect on July 1, 2020

#### Rush Street Gaming and CDI have jointly submitted a bid for the new Waukegan casino

- Proposed 1,625-gaming-seat facility that will also operate retail and online sports betting
- Bid was one of 3 bids submitted by the City of Waukegan to the Illinois Gaming Board (“IGB”) for consideration
  - According to the gaming bill, the IGB has 12 months from the application deadline date (October 28, 2019) to award the gaming license to one of the bids submitted by the City of Waukegan

#### CDI has announced that Arlington Racecourse has declined to apply for gaming license

- Will explore longer-term alternatives, including moving the racing license to another community in the Chicagoland area or elsewhere in the state



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# Capital Management

## **Capital management philosophy based on creating long-term shareholder value**

### **Maintain broad and expedient access to the capital markets**

- Ideal target is 3.0x-4.0x net leverage ... willing to go higher for a strategic investment

### **Engage in open and active dialogue with rating agencies and institutional investors**

### **Investments focused on creating long-term shareholder value**

- Invest in organic investments to expand offerings in high growth areas with returns above cost of capital
- Pursue strategic acquisitions
- Dividends are considered annually by the Board of Directors based on the health of the Company
- Opportunistic share repurchases dependent upon free cash flow generation, leverage levels and other investment opportunities to grow the business

## Churchill Downs investments provide strong returns creating long-term shareholder value

### The Mansion



#### Return Profile

**Built in 2013**  
**\$4.6 million investment**  
**< 3 year payback**

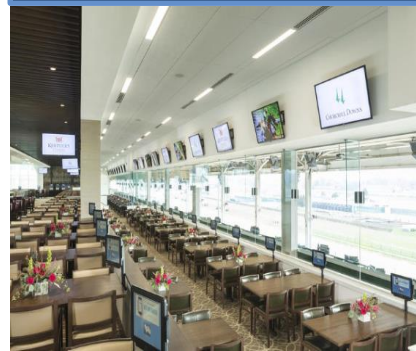
### Winner's Circle Suites and Courtyard



#### Return Profile

**Built in 2015**  
**\$4.3 million investment**  
**< 5 year payback**

### Turf Club / Stakes Room



#### Return Profile

**Renovated in 2016**  
**\$18.4 million investment**  
**< 5 year payback**

### Derby City Gaming



#### Return Profile

**Opened Sep. 2018**  
**\$65 million investment**  
**< 3 year payback**



## Targeted casino investments enhance existing properties and provide favorable returns

### Ocean Downs Expansion



#### Return Profile

Opened Dec. 2017  
 \$18 million investment  
 < 3 year payback

### Ocean Downs Slot Floor Purchase



#### Return Profile

Purchased Aug. 2017  
 \$13 million investment  
 < 2 year payback

### Oxford Hotel & Floor Expansion



#### Return Profile

Opened Nov. 2017  
 \$27 million investment  
 < 6 year payback

### Miami Valley Gaming Expansion



#### Return Profile

Opened Oct. 2017  
 \$5 million investment  
 < 2 year payback

**We have demonstrated M&A is a core discipline of our team**

**Typical M&A Target Screen**

**Regional casino assets with future growth potential**  
**Well positioned competitively – existing gaming and future gaming expansion**  
**Strategic growth potential into sports betting and iGaming**  
**Accretive to free cash flow and earnings per share with returns above cost of capital**

**And, we have shown our ability to be a disciplined seller of assets**

**Calder Race Course  
Land Sale**

**Sold 61 acres of excess land for \$26.5 million or \$434k per acre<sup>1</sup>**  
**Used like-kind-exchange to permanently defer \$14 million of gain on sale through purchase of property at Churchill Downs**

**Big Fish Games**

**Purchased for \$835 million<sup>2</sup> Dec. 2014**  
**Sold for \$990 million<sup>2</sup> Jan. 2018**  
**> 50% levered IRR**

**Saratoga – New York  
and Colorado**

**Swapped 25% equity ownership in Saratoga – New York and Colorado for remaining 50% equity ownership in Ocean Downs Casino**  
**Retained rights to online sports betting and iGaming if regulation allows in the future**

<sup>1</sup> Excluding real estate commissions paid

<sup>2</sup> Gross, prior to settlement of working capital adjustments and transaction costs

## CDI has returned over \$1 billion of capital to shareholders over the last 5 years

### Dividends

- 2020 was the 9<sup>th</sup> consecutive increase in the dividend per share
- \$104 million paid to shareholders in dividends over the last 5 years

### Share Repurchases

- **Returned \$956 million to shareholders through share repurchases over the last 5 years**
  - Includes \$500 million repurchased with a portion of the Big Fish Games sale proceeds through a Dutch Auction in February 2018
- **\$300 million share repurchase program authorized on October 30, 2018**
  - \$93 million repurchased in 2019
  - \$147 million of capacity remaining at March 31, 2020

**Reflects our long-term commitment to effectively return capital to shareholders unless there are more attractive growth opportunities**



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# *Appendix*

## Proven Management Team

### **Bill Carstanjen** **Chief Executive** **Officer**

- Chief Executive Officer since Aug. 2014; Director since 2015
- President and COO, Mar. 2011 – Aug. 2014; COO, Jan. 2009 – Mar. 2011
- EVP, General Counsel & Chief Development Officer, July 2005 – Dec. 2008
- Former Executive of GE
- Began career as attorney with Cravath, Swaine, & Moore LLP in NYC
- Columbia Law School

### **Bill Mudd** **President & Chief** **Operating Officer**

- Chief Operating Officer since Oct. 2015
- President and Chief Financial Officer, Aug. 2014 – Oct. 2015
- Chief Financial Officer from Oct. 2007 to Aug. 2014
- 15 year multi-industry, multi-business background with GE
- Former Captain in the U.S. Army Reserves
- B.A. in Mathematics from Bellarmine University; MBA

### **Marcia Dall** **EVP & Chief** **Financial Officer**

- Chief Financial Officer since Oct. 2015
- Public company Chief Financial Officer for Erie Insurance Group / Erie Indemnity (Nasdaq: ERIE), Mar. 2009 to Oct. 2015
- 20+ year tenure with GE / GE Capital in finance / operational / executive roles
- B.S. in Accounting – Indiana University; MBA – Kellogg School of Management at Northwestern University; CPA

## Strong Board of Directors

### Churchill Downs Incorporated Board of Directors

#### Alex Rankin

- Chairman, Independent since 2018
- Director since 2008
- Chairman of the Board of Sterling G. Thompson Company, LLC
- President of Upson Downs Farm, Inc.
- Chairman of James Graham Brown Foundation

#### Bill Carstanjen

- CEO since 2014; Director since 2015
- CDI President and COO, 2011 – 2014; COO, 2009 - 2011
- CDI EVP, General Counsel & Chief Development Officer, 2005 - 2008
- Former Executive of GE
- Began career as attorney with Cravath, Swaine, & Moore LLP in NYC

#### Ulysses Bridgeman, Jr.

- Director since 2012
- Owner and CEO of Heartland Coca-Cola Bottling Company
- Previously owner & CEO of various companies operating over 450 restaurants in 20 states

#### Robert Fealy

- Director since 2000
- Chair of Nominating and Governance Committee
- Managing Director of Limerick Investments, LLC
- Previously President, COO, and Director of The Duchossois Group

#### Doug Grissom

- Director since 2017
- Managing Director and Head of Madison Dearborn Partners' Business & Government Software and Services team
- Previously with Bain Capital, McKinsey & Company and Goldman Sachs

#### Daniel Harrington

- Director since 1998
- Chair of Compensation Committee
- President and CEO of HTV Industries, Inc.
- Extensive financial, accounting, and Chief Executive experience

#### Karole Lloyd

- Director since 2018
- Chair of Audit Committee
- Retired Vice Chair and Southeast Regional Managing Partner for Ernst & Young LLP
- Handled mergers, IPOs, acquisitions, and divestures for EY

#### Paul Varga

- Appointed Director in 2020
- Former Chairman and CEO of Brown-Forman Corporation
- Serves on the Board of Directors of Macy's Inc.
- Considerable experience and expertise in corporate finance, building brand awareness, product development, marketing, and sales

## Amendments to our Credit Agreement

**On March 16, 2020, CDI announced the extension and reduction in funding costs for its \$700 million revolving credit facility**

### **Extension of Maturity**

- From December 2022 to March 2025<sup>1</sup>

### **Reduction in Funding Costs**

- Lowered the upper limit of the applied spreads for loans under the Revolving Credit Facility from 2.25% to 1.75% and for the commitment fees from 0.35% to 0.30%
- The amendment also offers a reduced pricing schedule for outstanding borrowings and commitment fees across all leverage pricing levels

### **Borrowing Capacity remains at \$700 million following extension**

**On April 28, we entered into an amendment to our Credit Agreement:**

- Provides for a financial covenant relief period through June 30, 2021
- During the relief period, will not have to comply with existing consolidated total secured net leverage ratio financial covenant and the interest coverage ratio financial covenant
- Required to maintain liquidity of at least \$150 million during the relief period
- No share repurchases during the relief period

<sup>1</sup> Maturity is five years from closing (March 2025), springing 91 days inside CDI's Term Loan B if not refinanced

## Definition of Non-GAAP Financial Measures

The Company uses non-GAAP measures as a key performance measure of the results of operations for purposes of evaluating performance internally. These measures facilitate comparison of operating performance between periods and help investors to better understand the operating results of the Company by excluding certain items that may not be indicative of the Company's core business or operating results. The Company believes the use of these measures enables management and investors to evaluate and compare, from period to period, the Company's operating performance in a meaningful and consistent manner. The non-GAAP measures are a supplemental measure of our performance that is not required by, or presented in accordance with, GAAP, and should not be considered as an alternative to, or more meaningful than, net income or diluted EPS (as determined in accordance with GAAP) as a measure of our operating results. We use Adjusted EBITDA to evaluate segment performance, develop strategy and allocate resources. We utilize the Adjusted EBITDA metric to provide a more accurate measure of our core operating results and enable management and investors to evaluate and compare from period to period our operating performance in a meaningful and consistent manner. Adjusted EBITDA should not be considered as an alternative to operating income as an indicator of performance, as an alternative to cash flows from operating activities as a measure of liquidity, or as an alternative to any other measure provided in accordance with GAAP. Our calculation of Adjusted EBITDA may be different from the calculation used by other companies and, therefore, comparability may be limited.

**Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, adjusted for the following:  
Adjusted EBITDA includes our portion of the EBITDA from our equity investments.**

**Adjusted EBITDA excludes:**

- Transaction expense, net which includes:
  - Acquisition and disposition related charges;
  - Calder Racing exit costs; and
  - Other transaction expense, including legal, accounting and other deal-related expense;
- Stock-based compensation expense;
- Midwest Gaming's impact on our investments in unconsolidated affiliates from:
  - The impact of changes in fair value of interest rate swaps; and
  - Recapitalization and transaction costs;
- Asset impairments;
- Gain on Ocean Downs/Saratoga Transaction;
- Legal reserves;
- Pre-opening expense; and
- Other charges, recoveries and expenses



## Reconciliation from GAAP to Non-GAAP Financial Measures

### Reconciliation of Comprehensive Income to Adjusted EBITDA

	Year Ended December 31,	3 Months Ended March 31,	
	2019	2020	2019
(in millions)			
<b>Net (loss) income attributable to CDI</b>	\$ 137.5	(23.4)	11.6
Net loss attributable to noncontrolling interest	0.3	0.1	-
<b>Net Income before noncontrolling interest</b>	<u>137.2</u>	<u>(23.5)</u>	<u>11.6</u>
Loss from discontinued operations, net of tax	2.4	0.9	0.3
<b>(Loss) income from continuing operations, net of tax</b>	<u>139.6</u>	<u>(22.6)</u>	<u>11.9</u>
<b>Additions:</b>			
Depreciation and amortization	96.4	22.0	20.8
Interest expense	70.9	19.3	13.7
Income tax provision (benefit)	56.8	(11.6)	6.5
<b>EBITDA</b>	<u>\$ 363.7</u>	<u>\$ 7.1</u>	<u>\$ 52.9</u>
<b>Adjustments to EBITDA:</b>			
Selling, general and administrative:			
Stock-based compensation expense	\$ 23.8	\$ 4.3	\$ 4.7
Legal reserves	3.6	-	-
Other charges	0.4	-	0.5
Pre-opening expense	5.1	1.7	1.3
Impairment of intangible assets	-	17.5	-
Transaction expense, net	5.3	0.3	3.5
Other income, expense:			
Interest, depreciation and amortization expense related to equity investments	32.6	9.5	3.5
Changes in fair value of Midwest Gaming's interest rate swaps	12.4	14.9	4.3
Midwest Gaming's recapitalization and transactions costs	4.7	-	3.9
Other	(0.2)	-	-
<b>Total adjustments to EBITDA</b>	<u>87.7</u>	<u>48.2</u>	<u>21.7</u>
<b>Adjusted EBITDA</b>	<u>\$ 451.4</u>	<u>\$ 55.3</u>	<u>\$ 74.6</u>
<b>Adjusted EBITDA by segment:</b>			
Churchill Downs	\$ 137.7	\$ 1.9	\$ 1.4
Online Wagering	66.3	15.0	16.9
Gaming	280.9	49.0	64.8
<b>Total segment Adjusted EBITDA</b>	<u>484.9</u>	<u>65.9</u>	<u>83.1</u>
All Other	(33.5)	(10.6)	(8.5)
<b>Total Adjusted EBITDA</b>	<u>\$ 451.4</u>	<u>\$ 55.3</u>	<u>\$ 74.6</u>