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Forward-Looking Statements

This document contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: ["anticipate,"] ["intend,"] ["plan,"] ["goal,"] ["seek,"] ["believe,"] ["project,"] ["estimate,"] ["expect,"] ["strategy,"] ["future,"] ["likely,"] ["may,"] ["should,"] ["will"] and similar references to future periods. Forward-looking statements are statements that include guidance relating to net income and net income per share, expected operating results, our belief that we have sufficient liquidity to fund our business operations, expectations of the effect on our financial condition of claims, litigation, environmental costs, contingent liabilities and governmental and regulatory investigations and proceedings, strategy for customer retention, growth, product development, market position, financial results and reserves, and strategy for risk management.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, investors should not rely on any of these forward-looking statements, but instead should refer to statements included in reports filed by the Company with the Securities and Exchange Commission.

Any forward-looking statement made by us in this document is based only on information currently available to us and speaks only as of the date on which it is made. Churchill Downs Incorporated undertakes no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

Churchill Downs Incorporated operates in three distinct segments

We are a diversified Racing, Gaming, & Online Entertainment Company



1	Racing	
(\$millions)	2011A	2012A
Revenue	\$299	\$302
EBITDA	(a- \$44.4	\$50.3
EBITDA Margin	15%	17%

- Consist of 4 race tracks that conducted ~380 days of live racing in 2012
- Includes longest continuously held sporting event in the U.S., the “Kentucky Derby”
- Growth driven by Oaks & Derby innovations, Night Racing and productivity initiatives

(a – excludes \$19.3 mil. of IL Horse Racing Equity Trust Fund proceeds & \$0.6 mil. net insurance gains in 2011 and excludes \$0.5 mil. in net insurance gains in 2012

2	Gaming	
(\$millions)	2011A	2012A
Revenue	\$213	\$223
EBITDA	(b- \$56.6	(c- \$61.3
EBITDA Margin	27%	27%

- Consist of 5 existing operations with ~3,400 slots, 33 tables, 36 poker tables, 185 hotel rooms, & ~775 video poker machines
- Acquired Riverwalk Casino in mid-Oct 2012 which will add ~\$19 mil. in annual EBITDA
- Developing a \$285 mil. Racing & Gaming facility as part of 50/50 JV with Delaware North near Lebanon, OH (includes licenses fess & acquisition costs)

(b – excludes \$0.4mil. net Insurance gains
(c – excludes \$6.5 mil. net insurance gains

3	Online Business	
(\$millions)	2011A	2012A
Revenue	\$165	\$183
EBITDA	\$37.7	\$40.3
EBITDA Margin	23%	22%

- Consist of Twinspires.com, the largest legal Online gaming platform in the U.S. (pari-mutuel wagering “ADW” company)
- \$860 mil. in wagering “handle” in 2012; up +11% Y/Y over 2011 of \$775 mil.
- Launched “Luckity.com” in 4Q12, a mobile and online platform that offers fun games with the opportunity to win real cash
- Positioned to participate in Online Poker if legalized with the Bluff brand

Racing Operations: We own 4 premier Thoroughbred Racetracks

Our debt and equity is back-stopped with valuable real estate

Arlington International Racecourse



- 336 acres in western Chicago suburb, Arlington Heights
- Operates 9 OTB's
- 20 minutes from O'Hare airport
- Rich history with the "Arlington Million"

Churchill Downs Racetrack



- Home of the Kentucky Oaks and Kentucky Derby
- 147 acres in Louisville, KY
- National historic landmark
- 138 consecutive years of international event
- Night racing series beginning in 2009

Calder Race Course



- 231 acres in Miami Gardens, FL with convenient access off Florida Turnpike
- Sits adjacent to Sun Life Stadium – home of the NFL's Miami Dolphins

Fair Grounds Race Course

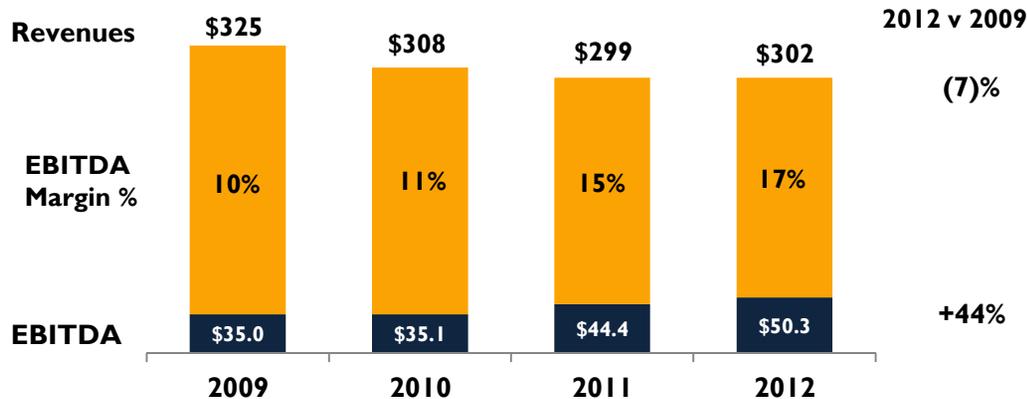


- 145 acres in New Orleans, LA
- Network of 12 OTB's
- Video poker machines in 10 of the OTB's
- Home of the "Louisiana Derby"
- New Orleans Jazz Festival host since 1972

Racing Operations EBITDA has grown despite industry declines

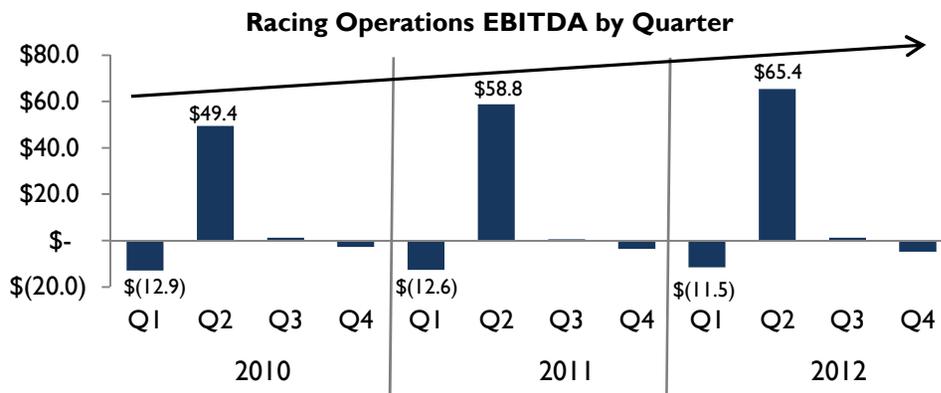
Derby Week, Night Racing & Productivity have increased margin rates

(\$ in millions)



- Wagering on U.S. Thoroughbreds in 2012 was up 1% Y/Y, first total year increase since 2006
 - 2012 U.S. Industry still down 20% from 2008 according to *The Jockey Club Online Fact Book*
- Despite Industry weakness, Racing Operations EBITDA has grown consistently driven by the strength of The Kentucky Derby, innovations like Night Racing, and a focus on cost productivity

Racing Operations profitability is driven by The Kentucky Oaks & Derby



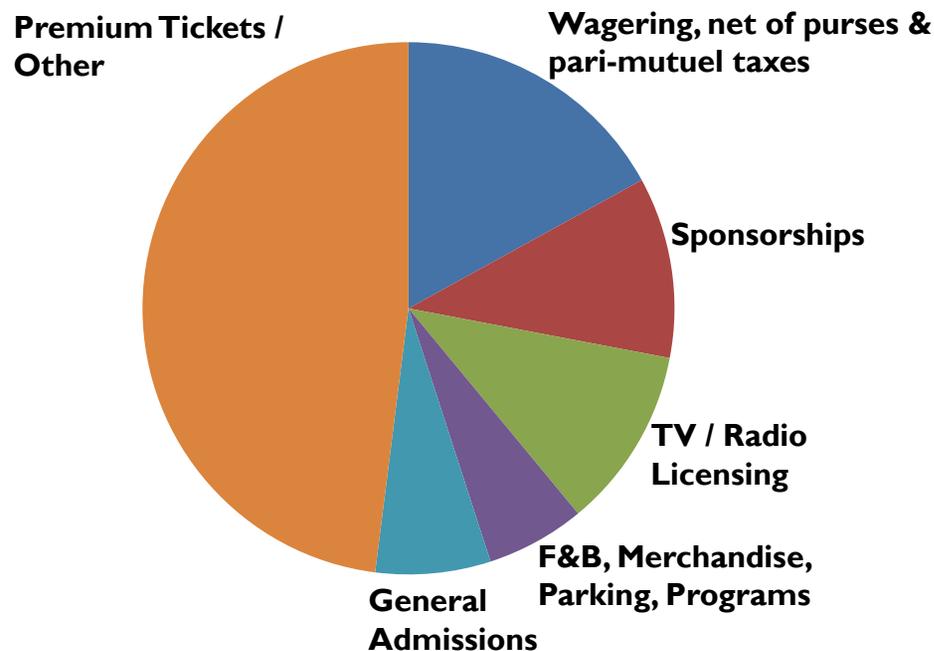
- The Kentucky Derby always occurs on “The First Saturday of May” (our 2nd quarter)
- Derby Week Profitability has proven resilient through economic cycles, up \$15.2 mil. over the last three years
 - 2010 EBITDA up \$3.4 mil. Y/Y
 - 2011 EBITDA up \$6.4 mil. Y/Y
 - 2012 EBITDA up \$5.4 mil. Y/Y

Note: EBITDA excludes net insurance recoveries and IL Horse Racing Equity Trust Fund proceeds in both charts

The Kentucky Oaks & Derby profits come from many sources

A significant portion of Derby Week Profits happen before the event takes place

Sources of Derby Week Profitability
(Illustrative Approximations)



- Premium tickets is the largest EBITDA contributor to profitability
 - ~55,000 reserved seats sold in advance, typically sold out in the early part of the year
 - Includes 77 permanent suites which are under 3 to 7 year contracts with staggered expirations
 - A large % of seats are committed under long term personal seat licenses (PSLs)
 - Demand for premium tickets exceeds supply
 - Attendance set all-time records in both 2011 & 2012

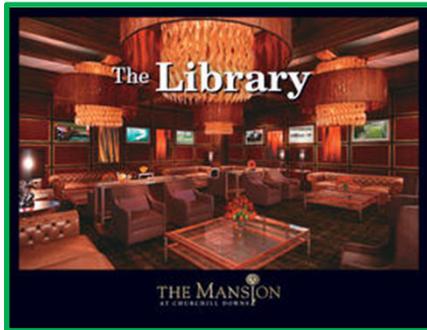
- Wagering profits are impacted by the weather and the strength of the field (a strong favorite hurts wagering)

- NBC Sports TV agreement was renewed in 2011
 - 5 year agreement expires after the 2015 Derby
 - Increased economics compared to the prior deal
 - 2012 was the 3rd most watched Derby in 23 years
 - Only annual sporting event that draws more female viewers than male

- Yum! Brands presenting sponsor agreement renewed in 2011
 - 5 year agreement expires after the 2015 Derby
 - Increased economics compared to the prior deal

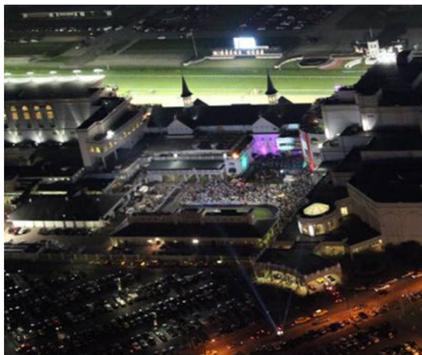
Racing EBITDA growth focused on Derby Week & efficiencies

Derby Week growth driven by new high-end seating



- ❑ “The Mansion” is a lush new venue with panoramic views and unprecedented levels of personalized service
 - Partnered with “Legends Sales & Marketing”
 - ~296 new high-end seats, indoor and outdoor viewing
 - Average ticket price is \$8,700
 - Nearly sold out .. only a few tables remain
- ❑ New “Plaza Balcony” opens in 2013
 - 218 new outside covered seats over-looking the Paddock, already sold out

Night Racing is a huge success



- ❑ Debuted in Spring 2009
- ❑ Typical crowds of ~25,000, over the last 4 years attendance (453,484 in total) equals
 - 5 Breeders’ Cups
 - 4 Kentucky Oaks
 - 3 Kentucky Derbys
- ❑ Provides value for our
 - Season box holders
 - Sponsors
 - Turf Club Members
 - Suite holders

Innovation reduces costs, improves service



FastBet Mobile



Account Management Kiosk

- ❑ Leveraging our United Tote business technology to improve cost
 - FastBet mobile allows customers to place bets on their own device
 - Reduces pari-mutuel clerk labor
- ❑ New simulcast wagering area at Churchill Downs opened Jan, 2013
 - Designed to drive self-service and FastBet Mobile usage
 - More efficient to heating & cooling
 - Focusing simulcast in one area allows for a more efficient F&B operation

What is The Kentucky Oaks & Derby worth?

Based on other professional sports valuations, The Kentucky Derby is under-valued at Regional Gaming multiples

Sports League	Number of Teams	Enterprise Value (\$B)	EBITDA (\$ millions)	EV / EBITDA (multiple)
	30	\$18.2	\$432 (\$14.4 Avg./Team)	42.0x
	32	\$33.2	\$979 (\$30.6 Avg./Team)	33.9x
	30	\$11.8	\$175 (\$5.8 Avg./Team)	67.4x
	30	\$7.2	\$127 (\$4.2 Avg./Team)	56.9x
	9	\$1.3	\$58 (\$6.4 Avg./Team)	22.0x
Total	131	\$71.6	\$1,770 (\$13.5 Avg. / Team)	40.4x

Source: Forbes.com

Date: Various – Late 2011 to Mid 2012

Enterprise Value: Based on current arena deal, unless new arena deal is pending

Gaming: Our properties are relatively new and in mature markets

Growing our Gaming Business thru development and acquisitions

Calder Casino



- Located in Miami Gardens Florida, near Sun Life Stadium
- Greenfield construction, opened January 2010
- 1,207 Slot Machines
- 29 Poker Tables

Harlow's Casino & Resort & Spa



- Acquired in December 2010 for \$138 million
- 821 Slot Machines
- 15 table games & poker room
- 105-room attached hotel (50% rooms renovated in 2012)
- \$15 million in renovations grand opening of new amenities in January 2013

Fair Grounds Slots & Video Poker



- Greenfield construction at the racetrack, opened November 2008
- Located in New Orleans, LA
- 625 slot machines
- 12 Off Track Betting facilities operate ~775 Video Poker Machines

Riverwalk Casino Hotel

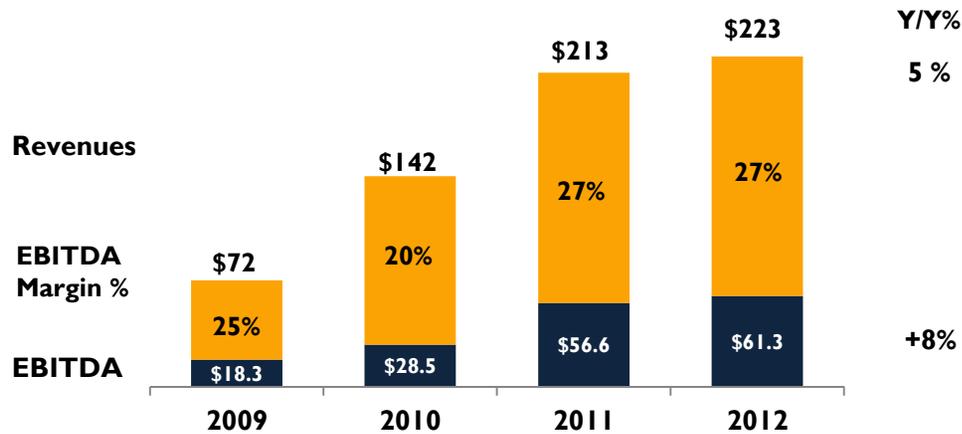


- Acquired in October 2012 for \$141 million
- Located in Vicksburg, MS
- 736 slot machines
- 18 table games
- 80-room attached hotel

Gaming EBITDA growth driven by greenfield development & acquisitions

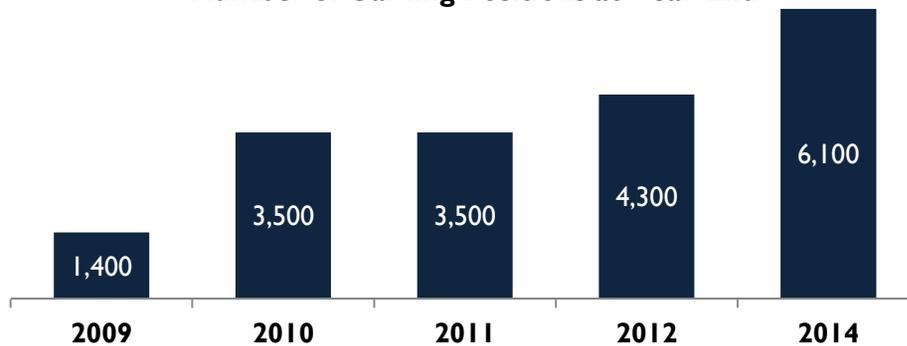
Acquisition & development focused on ROI

(\$ in millions)



Note: EBITDA excludes net insurance gains

Number of Gaming Positions at Year-End



Note: positions as indicated in the 10-K for 2009-2012; 2014 assumes our OH property opens with 1,800 machines

- ❑ Fair Grounds permanent gaming facility opened October 2008 with ~600 machines
- ❑ Calder Casino opened in January 2010 with ~1,200 machines and 29 poker tables
- ❑ Acquired Harlow's Resort & Casino in December 2010
 - Our first non-racing casino
 - ~900 slots & 15 table games, 105-room hotel
- ❑ Ohio joint venture with DNC announced in 1Q '12.....developing a \$285 million racing & gaming facility between Cincinnati & Dayton OH
- ❑ Acquired Riverwalk Casino Hotel in October 2012
 - 736 machines, 18 tables, 80-room hotel
- ❑ Ohio JV completed purchase of Lebanon OH harness racing facility and licenses in December 2012 – construction began in Jan 2013, expected Q1 2014 opening
- ❑ “Young” Gaming assets require less maintenance-related cap-ex

2013 Gaming EBITDA growth driven by Riverwalk acquisition

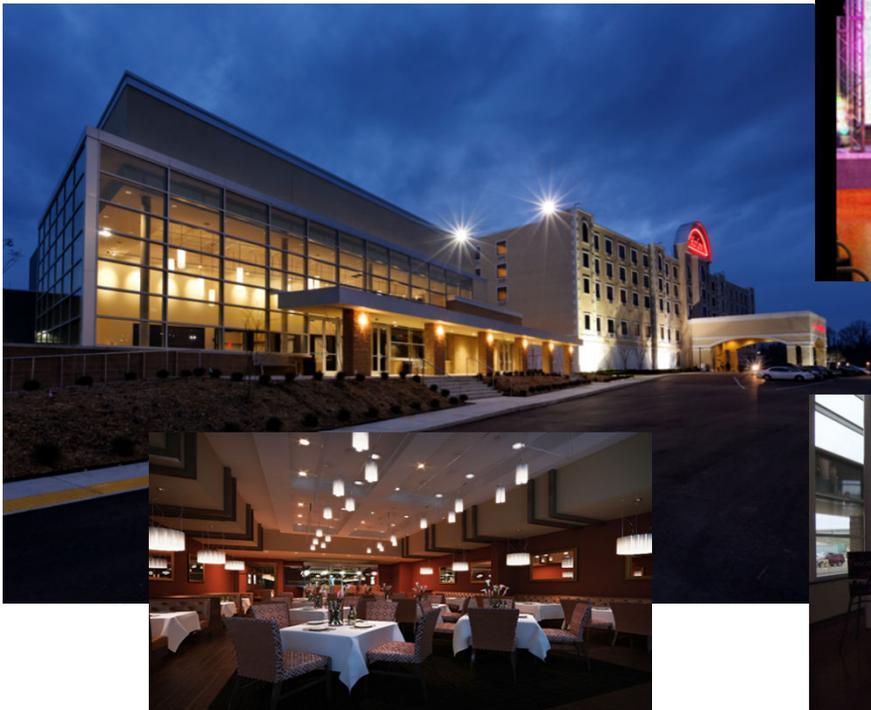
Newest property in Vicksburg with a superior design and high quality amenities

- ❑ **Acquired Riverwalk Casino Hotel in Vicksburg, MS in October 2012 for \$141 million**
 - Expected to add approximately \$55 million in revenue, \$19 million in EBITDA, and \$10 million in free cash flow annually
 - Transaction price was ~7.4x trailing twelve months EBITDA; including tax benefits the multiple is approximately 6.4x
- ❑ **Constructed on 22 acres of land and opened in October 2009 with the following amenities:**
 - 25,000 Square foot gaming floor with 736 slots & 18 table games
 - 80-room, 5-story hotel attached to the gaming floor
 - 220-seat Magnolia Hill Buffet, 102-seat Rocky's casual grill as well as casino bar and a private VIP Lounge
 - 750 parking spots including a 325-space covered parking garage
 - One of only two Mississippi River Casino properties that did not close during the 2011 record flooding
- ❑ **Consistently grown market share since opening due to its easy-to-navigate single-level gaming floor, superior design aesthetic and marketing programs**
- ❑ **Positioned less than 1 mile from Interstate 20, a major thoroughfare across Mississippi and Louisiana**



Harlow's will benefit from new amenities during 2013

Updated amenities should allow Harlow's to pull customers from a farther distance and return property to pre-flood performance levels



- ❑ Renovations include the following amenities:
 - Buffet area
 - Steakhouse
 - Business center
 - Spa facility
 - Fitness center
 - Outdoor Pool
 - Multi-purpose event center

- ❑ New event center focuses on attracting meeting groups, local VIP entertainment, family reunions, weddings and attracting new gaming guests
- ❑ \$15 million construction project complete, multi-purpose event center and buffet opened in December 2012, Official Grand Opening for all other areas was January 25, 2013

2014 Gaming EBITDA growth driven by new Ohio Gaming & Racing Facility

Partnering with Delaware North on a \$285 million development in an attractive gaming market

- ❑ Q1 2012 – announced a Joint Venture (“JV”) with Delaware North Companies to purchase Lebanon Raceway license in Ohio to develop a new Video Lottery Terminal (“VLT”) facility and harness racetrack
- ❑ JV’s applications to Ohio Lottery Commission and Ohio State Racing Commission were approved in December 2012 (Lottery license remains subject to completion of corporate and individual suitability reviews)
- ❑ JV Closed on the purchase of Lebanon Raceway on December 21, 2012; Construction began in early 2013 on a new gaming & racing facility located near exit 29 off I-75 between Cincinnati and Dayton
- ❑ \$60 million purchase price (\$10M cash and \$50M note) with \$10M contingent payment to sellers based on performance
- ❑ \$225 million project cost (\$50M license fee + \$175M development including VLT cost)
- ❑ Estimated completion scheduled for 1st quarter of 2014



Illinois & Kentucky provide future gaming growth options

Gaming expansion is currently a major topic of political discussions in both states

Arlington Park

- ❑ Attractive location
 - Approximately 25 miles from downtown Chicago
 - Train station on property
 - ~9 miles from Des Plaines Casino (\$759 win per unit in 2011 according to Wells Fargo research)
- ❑ General Assembly passed gaming expansion, SB 1849, in May 2012 sponsored by Rep. Lou Lang
- ❑ SB 1849 would have allowed 5 new casinos, including one in Chicago and permit slot machines at racetracks
- ❑ Bill would have allowed for Class III gaming at racetracks including 1,200 at Arlington Park
- ❑ Governor Quinn vetoed the bill in August 2012 over the absence of strict ethical standards and comprehensive regulatory oversight including a ban on campaign contributions from licensees
- ❑ Compromise legislation that addresses the majority of Gov. Quinn's concerns, SB 1739, was introduced in the IL Senate on March 6, 2013. This legislation closely resembles SB 1849, with the addition of the legalization of internet gaming. Conversations between House, Senate and Gov. are ongoing and we are optimistic that this legislation will pass this session

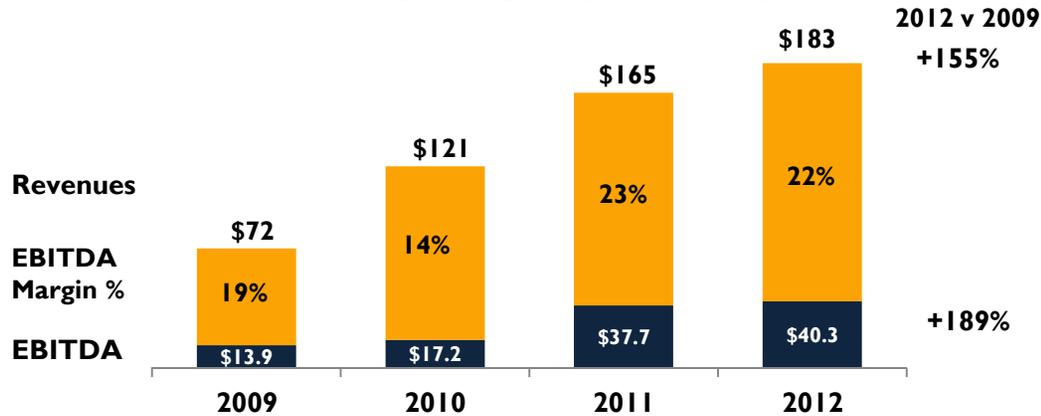
Churchill Downs

- ❑ Historic location, huge visitor destination and an iconic brand
 - Approximately 5 miles from downtown Louisville
 - ~20 miles from Caesar's Horseshoe Southern Indiana property (~\$270 million of gaming win per Wells Fargo Research)
- ❑ Senate President David Williams accepted a judicial appointment on October 26th, removing the long time opponent of gaming from the political process
- ❑ Polling in early 2012 indicated 87% favor a public vote on expanded gaming with 64% saying they would vote in favor
- ❑ Spectrum gaming released a study dated January 17, 2012 showing Churchill Downs location annual revenues could exceed \$250 million
- ❑ The Kentucky Constitution requires that the Kentucky General Assembly pass a Constitutional Amendment with 60% approval in both the House & Senate
- ❑ Should an amendment pass the assembly in 2013, it would be voted on by the public in November 2014

Online Business has grown organically as customers shift wagering behavior

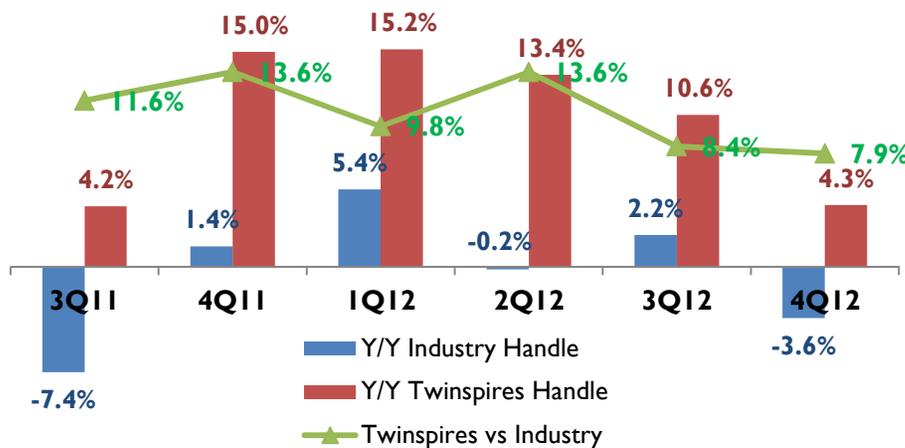
The Online channel is growing despite industry declines

(\$ in millions)



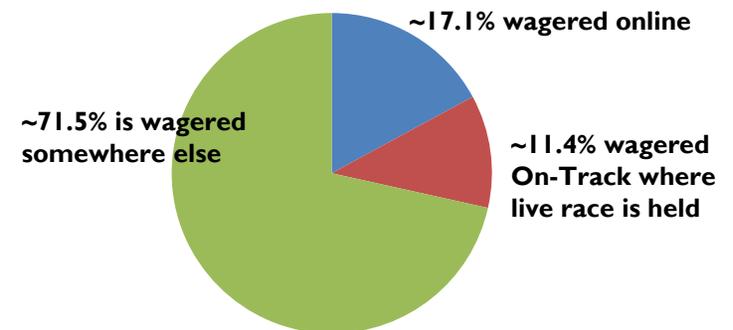
- ❑ Youbet.com acquired in June 2010 drove majority of revenue growth thru 2011
- ❑ Online wagering has grown 8% to 14% faster than the industry as customers shift wagering channels due to convenience, accessibility and ease of use
- ❑ CDI well positioned to continue growing & gaining market share:
 - Best technology, best innovation
 - Ability to offer integrated data
- ❑ Ability to continue growing as customers continue to shift habits

Twinspires.com Handle Growth compared to U.S. Industry Growth



Sources: Twinspires.com growth 10-Q/10-K; Industry: equibase.com

2011 Wagering by Location



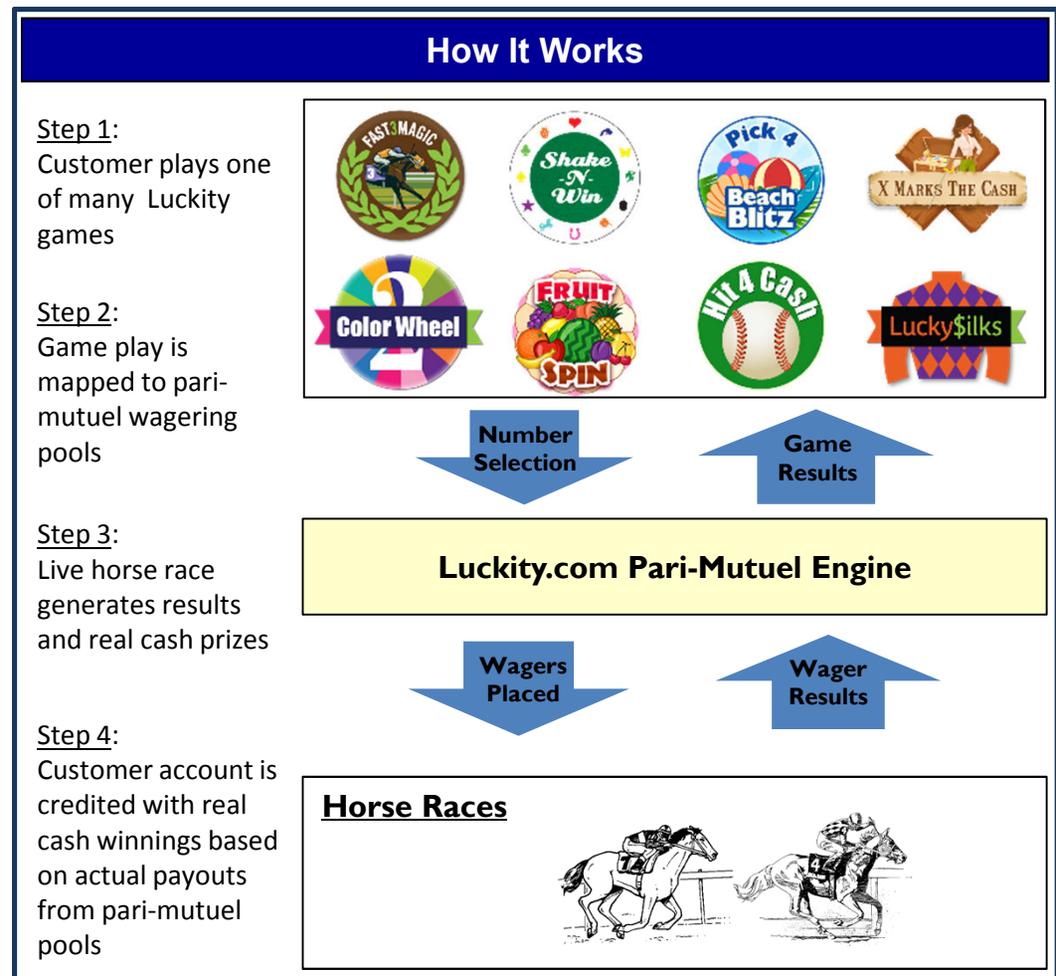
Source: Online (ADW) handle from Oregon Racing Commission and SEC filings, Industry: The Jockey Club

Luckity leverages our Twinspires platform to attract new customers

Luckity is like nothing else in the U.S. legal online gaming market today



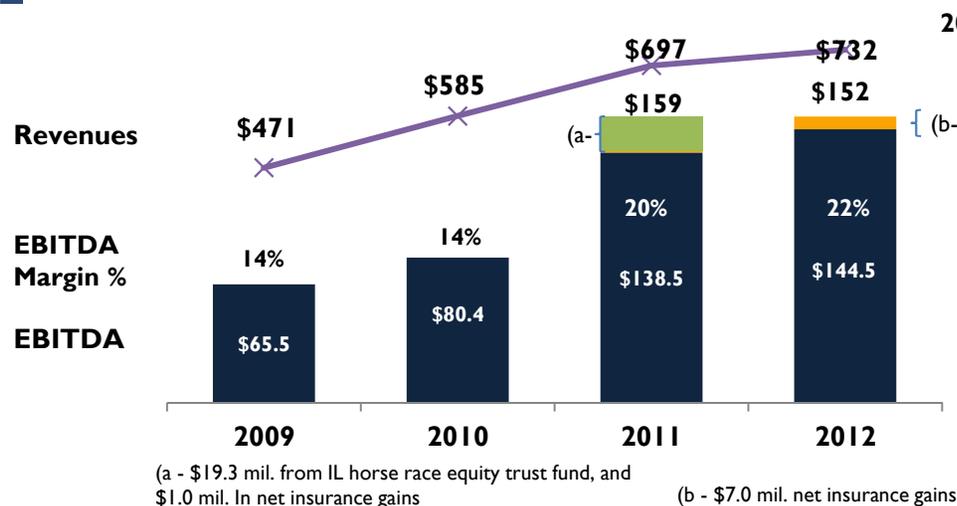
- ❑ Luckity is a mobile and online gaming platform that offers fun games with the opportunity to win real money
 - Outcomes of games are based on and determined by live horse races
 - Technology is based on Twinspires advanced deposit wagering platform
 - Patent protected (pending)
- ❑ Luckity is permissible under the Interstate Horseracing Act and is licensed by the Oregon Racing Commission
- ❑ Launched November 1, 2012 with 25 unique games
- ❑ Targeting social, casino and lottery game players
- ❑ Focused on product quality initially with our customers, looking to make games more interactive and appealing while filling the time gap between customer plays and game results
- ❑ Significant marketing of product will occur after further product enhancements are achieved



Proven ability to grow Revenues & EBITDA

Strong earnings & cash performance allows for future growth investments

(\$ in millions)



2012 v 2009

55%

121%

- 11% Online revenue growth coupled with record Derby attendance & handle and Riverwalk acquisition drive revenue growth of 5%
- All three segments showed EBITDA growth in 2012 (excluding net insurance gains & IL Horse Racing Equity Trust Fund proceeds):
 - Racing Operations up 13%
 - Derby sets another record, +\$5.4 million
 - Gaming up 8%
 - Online Businesses up 7%

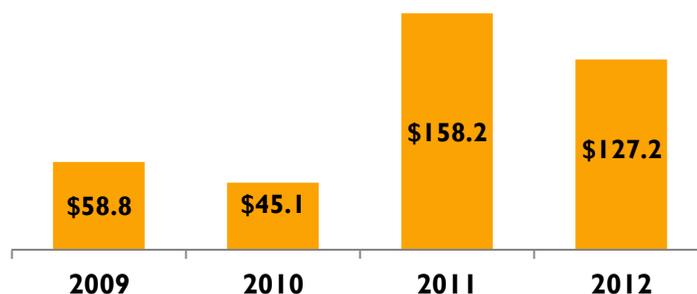
- ~\$400 million in cash spent on acquisitions (net of acquired cash) and greenfield developments since 2009:

- \$80 mil. on Calder Casino
- \$32 mil. on Youbet.com acquisition
- \$136 mil. on Harlow's acquisition
- \$7 mil. on Bluff Media acquisition
- \$7 mil. on Lebanon Raceway JV
- \$141 mil. on Riverwalk Casino Hotel

- Strong free cash flow generation allows for rapid debt reduction following acquisitions
 - Maint cap-ex has been limited to <\$20 mil. last several years
 - Leverage and coverage ratios among industry best

We generate significant Free Cash Flow ("FCF")

Cash Flows from Operating Activities less Maintenance Cap-ex



	2009	2010	2011	2012
Total Debt	\$71	\$265	\$128	\$210
Total Debt/EBITDA	0.9x	3.0x	0.7x	1.3x

Note: Debt/EBITDA metrics shown do not include pro-forma credit for acquisitions

Investment Rationale Summary

- ❑ **Disciplined, Shareholder-Focused Management Team**
 - Diverse backgrounds with multi-industry, technology and international experience
 - Proven record of capital allocation, revenue & earnings growth

- ❑ **Diversified portfolio of Racing, Gaming, Online Entertainment Businesses**
 - Largest legal Online gaming platform in the U.S. (Twinspires.com), showing organic growth
 - Iconic Kentucky Oaks & Derby Brands continue to set all-time records
 - Four premier Thoroughbred Race Tracks
 - ~4,300 gaming positions at four casinos and 10 OTBs, Ohio JV adds ~1,800 more in 2014

- ❑ **Significant Growth Opportunities / Pipeline**
 - Organic growth in our Online business as customers shift wagering behavior
 - Organic growth with the Kentucky Oaks & Derby as we develop new high-end seating
 - ~\$285 million JV racing & gaming development near Lebanon, Ohio
 - Luckity.com a mobile and online social game that pays real money
 - Options on gaming expansion in Illinois and Kentucky
 - Positioned to participate in U.S. online poker upon legalization

- ❑ **Strong Financial Position**
 - Strong balance sheet, backstopped with valuable real estate
 - Disciplined maintenance capital spending
 - Derby and Online businesses, in particular, deliver strong free cash flow



Appendix



Reconciliations

Reconciliation to reported results

(\$ in millions)

	Racing Operations		Gaming		Total Churchill Downs Inc.	
	2011 Actual	2012 Actual	2011 Actual	2012 Actual	2011 Actual	2012 Actual
EBITDA as reported in 10-K	\$ 64.3	\$ 50.8	\$ 57.0	\$ 67.8	\$ 158.7	\$ 151.5
Less: Illinois Horse Racing Equity Trust proceeds recognized in 3Q11	19.3				19.3	
Less: net insurance gains for tornado damage at Churchill Downs in 3Q11	0.6				0.6	
Less: net insurance gains for windstorm damage at Harlow's in 2Q11			0.4		0.4	
Less: net insurance gains for flood damage at Harlow's in 1Q12				1.5		1.5
Less: net insurance gains for flood damage at Harlow's in 2Q12				5.0		5.0
Less: net insurance gains for hail storm damage at Churchill Downs in Q412	-	0.5	-	-	-	0.5
EBITDA as presented	\$ 44.4	\$ 50.3	\$ 56.6	\$ 61.3	\$ 138.4	\$ 144.5

Shareholder-Focused Management Team

Bob Evans, Chairman & CEO



- ❑ CEO since 2006
- ❑ Diverse background – strategy consulting, software, private equity
- ❑ Technology-focused
- ❑ Led CDI's diversified growth strategy

Bill Mudd, EVP & CFO



- ❑ CFO since 2007
- ❑ 15 year multi-industry, multi-business background with GE
- ❑ International experience
- ❑ Leads strategic, finance and development teams

Bill Carstanjen, President & COO



- ❑ President and COO, 7 years with CDI
- ❑ M&A background with Cravath, Swaine & Moore LLP and GE
- ❑ Previously led legal and development teams
- ❑ Formerly GE Capital
- ❑ Columbia Law School

Alan Tse, EVP & General Counsel



- ❑ General Counsel since 2011
- ❑ Oversees all legal, corporate governance and compliance
- ❑ Former GC for LG Electronics MobileComm USA
- ❑ Background in technology-focused industries
- ❑ Harvard Law School

Game Examples

