



J.P. Morgan
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Marcia Dall, Executive Vice President and Chief Financial Officer
Mike Anderson, VP Treasury, IR and Risk Management

Forward-Looking Statements

Information set forth in this investor presentation contains various "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The Private Securities Litigation Reform Act of 1995 (the Act) provides certain "safe harbor" provisions for forward-looking statements. All forward-looking statements made in this investor presentation are made pursuant to the Act.

The reader is cautioned that such forward-looking statements are based on information available at the time and/or management's good faith belief with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statements. Forward-looking statements speak only as of the date the statement was made. We assume no obligation to update forward-looking information to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information. 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, although some forward-looking statements are expressed differently.

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 that could cause actual results to differ materially from expectations include the following: the effect of global economic conditions, a decrease in consumers' discretionary income; additional or increased taxes and fees; public perceptions of integrity or other lack of confidence in our business; 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, including the impact of natural and other disasters on our operations and our ability to obtain insurance recoveries in respect of such losses; 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; legalization of online real money gaming in the United States, and our ability to capitalize on and predict such legalization; inability to respond to rapid technological changes in a timely manner; adverse infringement of the intellectual property of others; inability to protect our own intellectual property rights; security breaches and other security risks related to our technology, personal information, source code and other proprietary information, including failure to comply with regulations and other legal obligations relating to receiving, processing, storing and using person information; payment-related risks, such as chargebacks for fraudulent credit card use; compliance with Foreign Corrupt Practices Act or applicable money-laundering regulations; work stoppages and labor issues; difficulty in attracting sufficient number of horses and trainers for full field horseraces; inability to negotiate agreements with industry constituents, including horsemen and other racetracks; personal injury litigation related to injuries occurring at our racetracks; the inability of our totalisator company, United Tote, to maintain its processes accurately, keep its technology current or maintain its significant customers; weather conditions affecting our ability to conduct live racing; increased competition in the horseracing business; changes in the regulatory environment of our racing operations; declining popularity in horseracing; seasonal fluctuations in our horseracing business due to geographic concentration of our operations; increased competition in our casino business; changes in regulatory environment of our casino business; development and expansion of casinos is costly and susceptible to delays, cost overruns and other uncertainties; concentration and evolution of slot machine manufacturing and other technology conditions that could impose additional costs; impact of further legislation prohibiting tobacco smoking; geographic concentration of our casino business; changes in regulatory environment for our advanced deposit wagering business; increase in competition in the advanced deposit wagering business; inability to retain current customers or attract new customers to our advanced deposit wagering business; uncertainty and changes in the legal landscape relating to our advanced deposit wagering business; failing to comply with laws requiring us to block access to certain individuals could result in penalties or impairment in our ability to offer advanced deposit wagering; operating in an evolving and highly competitive market related to our Big Fish Games; inability to maintain relationships with third party mobile platforms related to our Big Fish Games; failure to develop and publish mobile games that achieve market acceptance; inability to secure new or ongoing content from third party development partners on favorable terms; programming errors or flaws or other technical difficulties, diminishing our customers' experience; "cheating" programs, scam offers, black-markets and other actions by third parties that seek to exploit our games and players may affect our reputation and harm our operating results; slower than expected growth in use of smartphone and tablet devices to facilitate game platforms; and financial volatility quarter-to-quarter relating to our Big Fish Games.

Today's presenters



Bill Carstanjen, Chief Executive Officer



Marcia Dall, EVP & Chief Financial Officer



Mike Anderson, VP Finance & IR / Treasurer

Key investment highlights

1

Diversified and industry-leading business model with iconic assets

- ❑ Iconic Kentucky Derby brand continues to set all-time records
- ❑ ~10,000 gaming positions in eight states¹ and 10 off-track betting facilities (OTBs)
- ❑ TwinSpires is the largest² legal online wagering platform for horseracing in the U.S.
- ❑ Big Fish Games positions us at forefront of a rapidly growing mobile games industry

2

Organic growth opportunities with disciplined investment spending

- ❑ Kentucky Derby – new premium seating, sponsors, long-term 10-yr TV contract thru 2025, presenting sponsor contract thru 2020 and reserved seat pricing drive growth
- ❑ Seasoned gaming management team that continues to drive cost efficiencies in our regional gaming portfolio while selectively looking to execute incremental acquisitions and / or investments
- ❑ Further expansion into other forms of social and I-gaming through tuck-in acquisitions and / or as states liberalize laws
- ❑ Option on gaming expansion at existing property in Illinois and instant racing machines in Kentucky

3

Strong balance sheet and financial performance

- ❑ Strong balance sheet backstopped with valuable real estate in Illinois and Florida
- ❑ Disciplined maintenance capital spending combined with strong free cash flow generation
- ❑ Modest gross leverage of ~2.8x³, net leverage of ~2.6x³
- ❑ Borrowing capacity of \$345³ million under our revolving credit facility

4

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, revenue and earnings growth

¹ Includes Miami Valley Gaming (“MVG”), 50% owned Ohio joint venture, Saratoga Casino Hotel New York and Saratoga Casino Black Hawk, 25% owned New York and Colorado equity investments, respectively and The Casino at Ocean Downs (“Ocean Downs”) in Berlin MD, a 62.5% owned equity investment

² Based on annual / quarterly figures released by Oregon Racing Commission for last twelve months (“LTM”) 9/30/16

³ As of 12/31/16

2016 Highlights

- **CDI delivered record financial results in 2016**
 - ✓ Record net revenue of \$1.3 billion, up 8% over prior year
 - ✓ Record \$335 million Adj. EBITDA, up 11% over prior year
 - ✓ Record \$108 million Net Income, up 66% over prior year
 - ✓ Record \$6.42 diluted EPS, up \$2.71 or 73% over prior year
- **Iconic Kentucky Derby continued to set all-time records**
 - ✓ \$5.2 million increase in Adjusted EBITDA over prior year
 - ✓ Averaged \$5-6 million increase year over year in Adjusted EBITDA since 2009
 - ✓ Announced \$16 million capital improvement project to modernize 2nd floor clubhouse at Churchill Downs Racetrack for 2017 Derby & Oaks and \$37 million capital expansion project which will add 1,800 new seats for 2018 Derby & Oaks
- **Productivity initiatives, Oxford top line growth and Saratoga and MVG equity investment performance drove 9% increase in Casinos Adj. EBITDA**
 - ✓ Announced \$25 million hotel investment at Oxford Maine casino
 - ✓ Closed on sale of 61 acres of excess land at Calder for \$26.5 million
- **Strong topline growth drove 14% increase in TwinSpires Adj. EBITDA**
- **Big Fish revenue and bookings up 18% and 7%, respectively**
- **Approved annual cash dividend of \$1.32 per share, 15% increase over prior year and sixth consecutive year of increase**
- **CDI strengthened its financial position**
 - ✓ Repurchased 217,013 shares at a total cost of \$28.4 million based on trade date
 - ✓ Total leverage at 2.8X, net leverage of 2.6X reflecting strength of free cash flow



Agenda



Company Overview and Growth

Financial Profile

Churchill is an industry-leading entertainment company with iconic, high growth assets



Racing ... namesake, Churchill Downs hosts the longest continuously held annual sporting event in the U.S., **The Kentucky Derby**



Casinos ... nine casinos¹ & three hotels with nearly 10,000 gaming positions² located in eight different states



TwinSpires ... the largest³, legal online wagering platform for horseracing in the U.S., **TwinSpires.com**



Big Fish Games ... one of the world's largest producers and distributors of mobile casual games

¹ Includes MVG, 50% owned Ohio joint venture, Saratoga Casino Hotel New York and Saratoga Casino Black Hawk, 25% owned New York and Colorado equity investments, respectively and Ocean Downs in Berlin MD, a 62.5% owned equity investment

² Includes MVG, Saratoga NY and Ocean Downs video lottery terminals. Includes slots, video poker and table games at other properties

³ Based on annual / quarterly figures released by Oregon Racing Commission for LTM 9/30/16

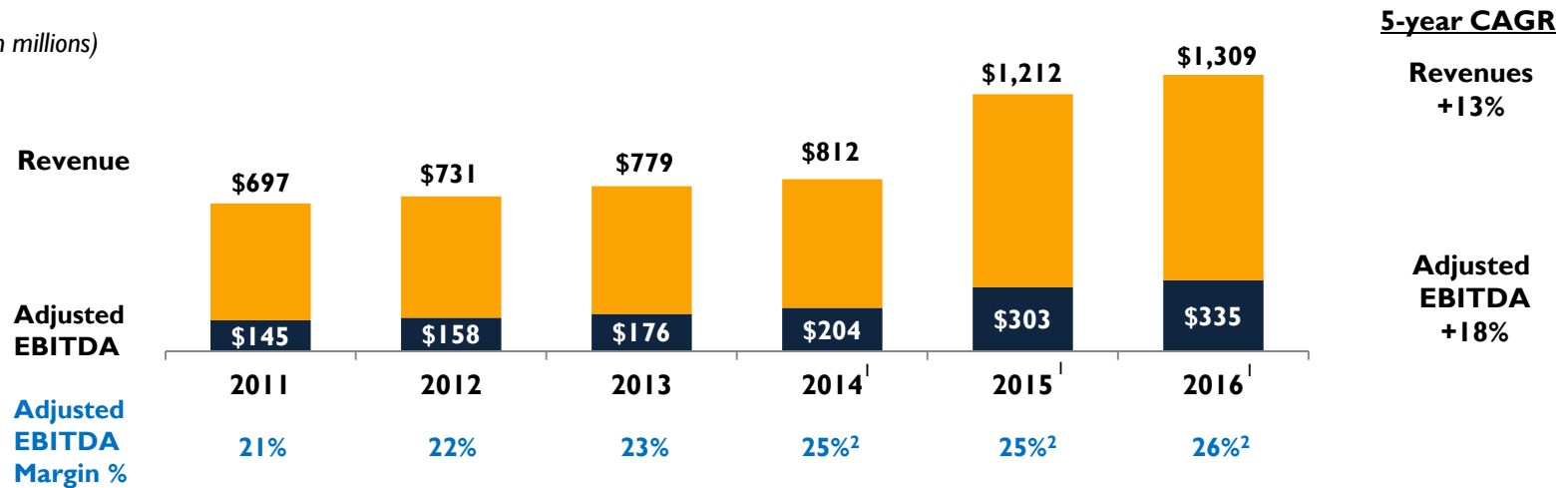
Churchill Downs has established a national footprint and growing global online platform



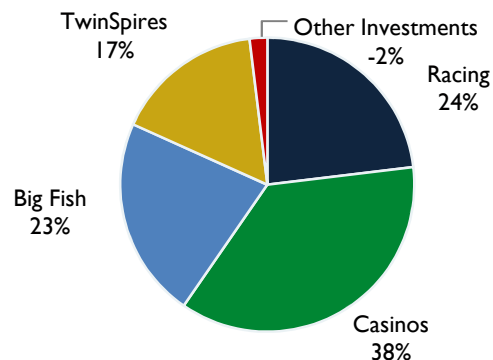
Note: TwinSpires allows residents of 40 states to register and place online horseracing bets

Evolving combination of industry-leading business segments drives growth and margin expansion

(\$ in millions)



2016 Adj. EBITDA by business unit



CDI has consistently grown top-line revenues over the past 5 years through

- ✓ Kentucky Derby and TwinSpires organic growth
- ✓ The Big Fish Games acquisition
- ✓ Regional gaming acquisitions and greenfield developments

Adj. EBITDA and Adj. EBITDA margins have expanded over the same timeframe

¹ Our equity investments, MVGR, Saratoga New York and Saratoga Black Hawk's net revenues are not consolidated. Adj. EBITDA includes our percentage share of ownership in our equity investments

² Our Adjusted EBITDA margins are 23% for each 2014, 2015 and 2016, when our equity investments share is excluded from the Adj. EBITDA figure

Churchill Downs Racetrack is an iconic and irreplaceable asset

Churchill Downs Racetrack is a national historic landmark

- 147 acres in Louisville, Kentucky
- Home of the Kentucky Derby and Kentucky Oaks since 1875
- 142 consecutive years of iconic KY Derby, the longest consecutive annual sporting event in U.S. history and first leg of Triple Crown series

Kentucky Derby Week continues to set records

- Derby Week in 2016 delivered a 7th consecutive year of record Adjusted EBITDA
- Derby Week attendance of 376,980 represented the 2nd consecutive record year
- Derby Week all sources wagering of \$267 million represented the 2nd consecutive all-time high

NBC ratings for the Kentucky Derby continue to hit high marks.

- The NBC Kentucky Derby telecast posted a 9.0 or better overnight rating for 10 consecutive years
- 2016 was the 4th consecutive year that coverage averaged more than 15 million viewers
- In 2016 Kentucky Derby International NBC coverage expanded to 248 territories, a 28% increase

Long-term Contracts with flagship partners increase Derby economics

- 10 year Television Rights contract with NBC through 2025
- 5 year agreement with Yum! brands as Presenting Sponsor through 2020
- Other top sponsors include Longines (Kentucky Oaks Presenter), Woodford Reserve, Dodge Ram, Stella Artois and I4 Hands Vineyards



RAM

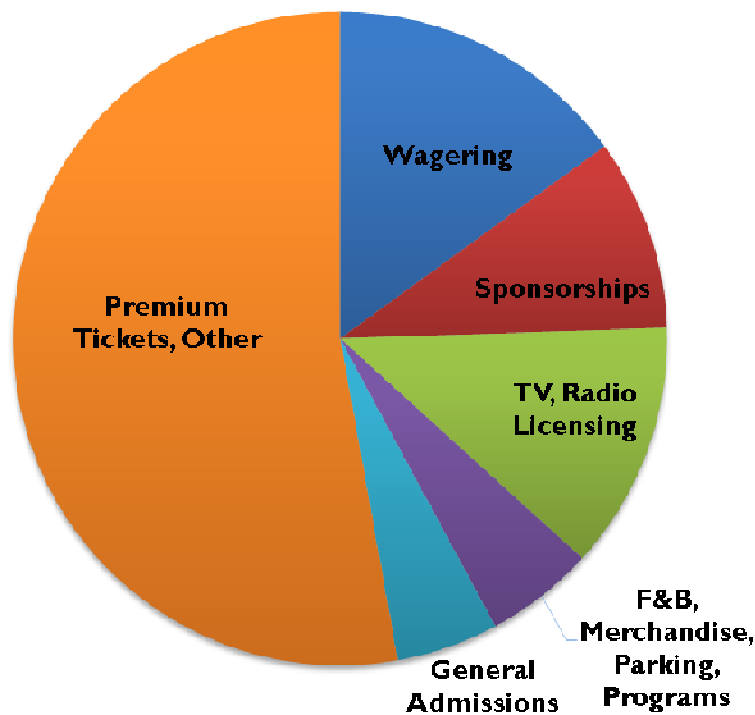


CHURCHILL DOWNS
KENTUCKY

Diversified sources of profitability creates long-term growth trajectory

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

Sources of Derby Week Profitability
(Illustrative Approximations)



Illustrative approximations of profitability based on actual 2016 results

- ❑ Premium tickets are the largest contributor to profitability with ~ 59,000 reserved seats
 - Over a third of reserved seats are under multi-year contracts with staggered expirations of typically 3-7 years through personal seat licenses, a partnership with Quint Experiences, Permanent Suites and Mansion seating
 - Remaining reserved seats are sold in advance of the event, typically early in the year
 - ROI cap-ex spending adds improvements, new premium areas and seats
 - Demand for premium tickets continues to exceed supply
- ❑ Wagering profits can be impacted by the weather and the strength of the field
- ❑ Derby Week handle has increased at a 2% CAGR since 2013 compared to a -0.2% industry CAGR over the same period

CDI continues to invest in the iconic home of The Kentucky Derby

Capital investment at Churchill Downs Racetrack has led to an enhanced experience and improved economics

- Over \$70 million in major capital improvements over the last 7 years
 - 2016 – Turf Club, Stakes room and other premium / high-end seating areas modernization, new premium seats
 - 2015 – New Winners Circle & Courtyard Suites
 - 2014 – World’s Largest 4K Ultra-High Definition Video Board, New Grandstand Terrace and Rooftop Garden
 - 2013 – The Mansion, Parlay and Media Center
 - 2012 – Plaza Balcony and Plaza Courtyard
 - 2010 – Permanent Lighting System for Main Track & Turf Course
- CD Racetrack recently announced two major capital improvement projects
 - \$16 million capital improvement project to modernize / upgrade 2nd floor clubhouse scheduled to be complete before 2017 Derby & Oaks
 - \$37 million capital expansion project to add more than 1,800 new seats scheduled to be complete before 2018 Derby & Oaks



Racing business includes 3 additional Thoroughbred Racetracks

Each CDI racetrack has history and importance in their respective communities

Arlington is located on valuable land and is an attractive potential gaming option

Calder leases racing operations to a third party and operates gaming facilities in an attractive location. Recently sold 61 acres of excess land for \$26.5 million reducing overall racing footprint

Fair Grounds is a central part of New Orleans city life, hosting the Jazz Festival and operating an on-site slot facility

Arlington International Racecourse



- 336 acres in western Chicago suburb, Arlington Heights
- Operates 10 OTB's
- 20 minutes from O'Hare airport
- Metra commuter train stop on property - easy access to other suburbs & Chicago
- Rich history with the "Arlington Million"

Calder Race Course



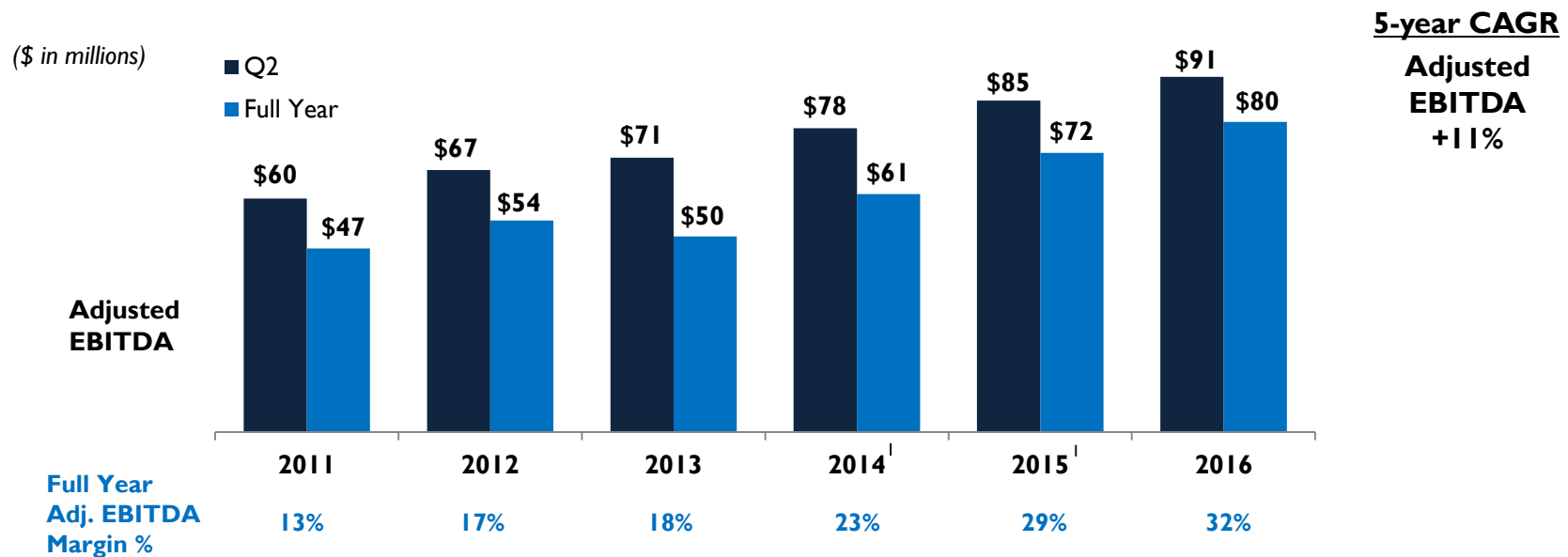
- 170 acres in Miami Gardens, FL with convenient access off FL Turnpike
- Recent sale of 61 acres previously used for racing
- Sits adjacent to Hard Rock Stadium – home of the NFL's Miami Dolphins
- The Stronach Group leases racing operations through 2020, driving improved Racing Ops profitability

Fair Grounds Race Course



- 145 acres in New Orleans
- Network of 12 Off-Track Betting (OTB's) facilities
- Video poker machines (VSI) in 10 of the OTB's
- Home of the "Louisiana Derby"
- Also runs a quarter horse race meet
- New Orleans Jazz Festival host since 1972

Adjusted EBITDA continues to grow, with margins improving on the back of Kentucky Derby strength



- Our racetracks produced handle of nearly \$1.26 billion in 2016, ~12% of total U.S. industry handle
- Adjusted EBITDA and Adjusted EBITDA margins have improved as a result of Derby week growth and cost reductions
- In July 2014, we began leasing our Florida racing operations to The Stronach Group (“TSG”). TSG operates the required number of live racing events, bears all the costs of the racing operations and provides Calder with rental income through December 2020

¹ Beginning in July 2014, Adj. EBITDA was impacted by the leasing of Racing Ops at Calder (FL)

We own and operate five of our nine casinos

Consists of ~4,000 slots, 58 tables, 2 hotels with 185 hotel total rooms and 790 video poker machines in four states

Calder Casino

- Facility opened in Jan 2010
- Located in Miami Gardens, FL, near Hard Rock Stadium
- Convenient location off FL Turnpike
- 1,090 slot machines
- Among top 3 in slots market share for South FL pari-mutuel gaming facilities



Oxford Casino

- Purchased in Jul 2013
- Located in Oxford, ME
- 870 slot machines, 28 table games
- Announced plans for new \$25 million, 100+ room hotel, expanded gaming floor to be complete summer / fall 2017



Fair Grounds Slots & Video Poker

- Slots facility opened in Oct 2008
- Located in New Orleans, LA
- 620 slot machines at FG Slots
- VSI operates ~790 Video Poker Machines in 10 Off-Track Betting facilities across southeast LA (12 OTB's in total)



Harlow's Casino Resort & Spa

- Purchased in Dec 2010
- Located in Greenville, MS
- 740 slot Machines, 15 table games
- 105-room attached hotel
- #1 in gaming market share in Greenville



Riverwalk Casino Hotel

- Purchased in Oct 2012
- Located in Vicksburg, MS
- 640 slot machines, 15 table games
- Five-story, 80-room attached hotel
- Consistently #2 in gaming market share in Vicksburg and newest property in market



Four of our casinos are equity investments or joint ventures

Consists of ~4,700 slots / video lottery terminals, 9 tables in four states

Miami Valley Gaming (50% Equity Investment)



- Opened in Dec 2013
- Located in Lebanon, OH (North of Cincinnati, south of Dayton)
- 1,710 video lottery terminals
- Joint venture (50/50) with Delaware North
- Consistently top 3 in OH market for VLT gross win, #1 in Cincinnati market



Saratoga Casino & Raceway (25% Equity Investment)



- Purchased 25% stake in Oct 2015
- Located in Saratoga Springs, NY
- 1,700 video lottery terminals
- Casino operations managed by CDI
- New \$40 million hotel, multi-purpose facility and Morton's Steakhouse opened in 2016



Saratoga Black Hawk (25% Equity Investment)



- Purchased 25% stake in Nov 2016
- Located in Black Hawk, Colorado
- 450 slots, 9 tables



The Casino at Ocean Downs (62.5% Equity Investment)

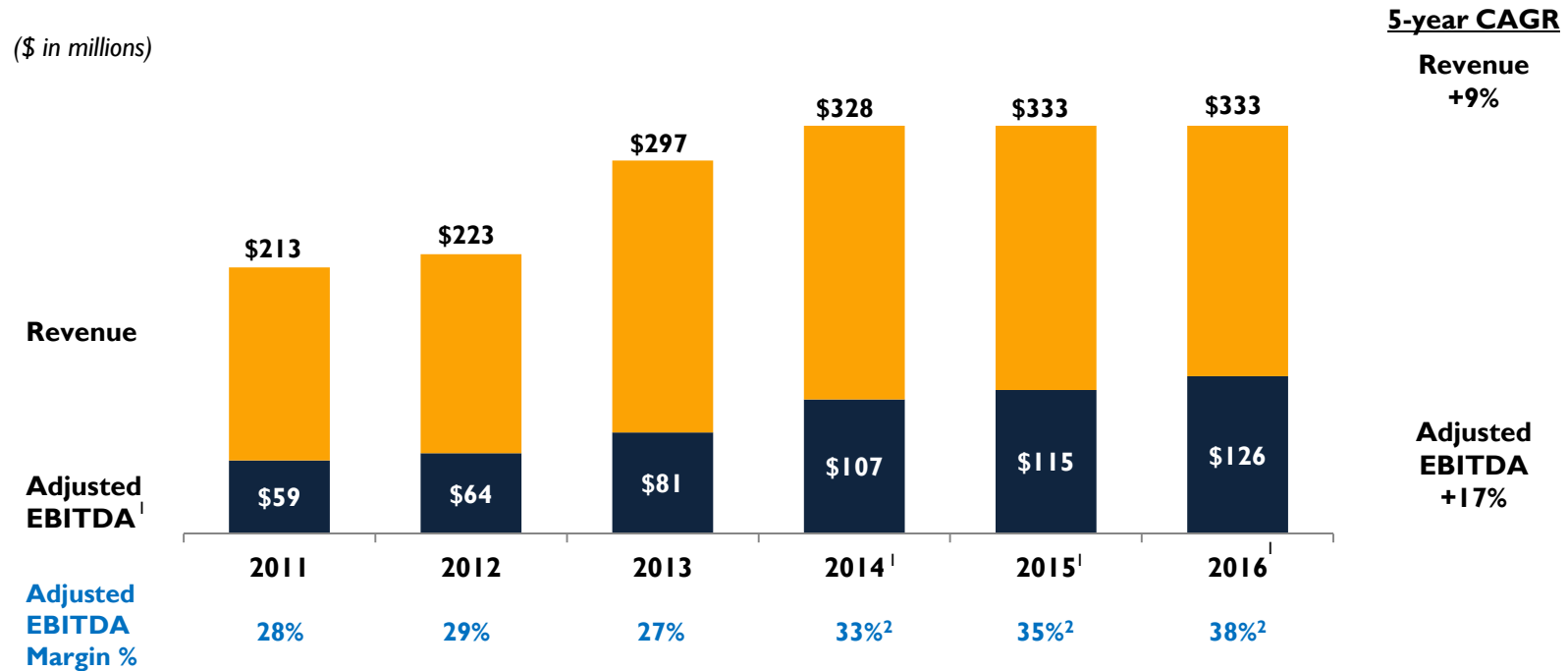
Jan 3, 2017 acquisition



- Purchased 50% equity stake in Jan 2017, coupled with 25% ownership of Saratoga partner that owns the other 50% stake, results in overall 62.5% equity ownership
- Located in Berlin, MD, near Ocean City
- Harness racetrack opened in 1949, Casino opened in 2010
- 800 video lottery terminals and electronic table games
- \$18 million capital expansion project underway to add table games



Casinos have performed well, growing through development and acquisition



CDI has been a very selective acquirer of gaming assets over the past 6 years

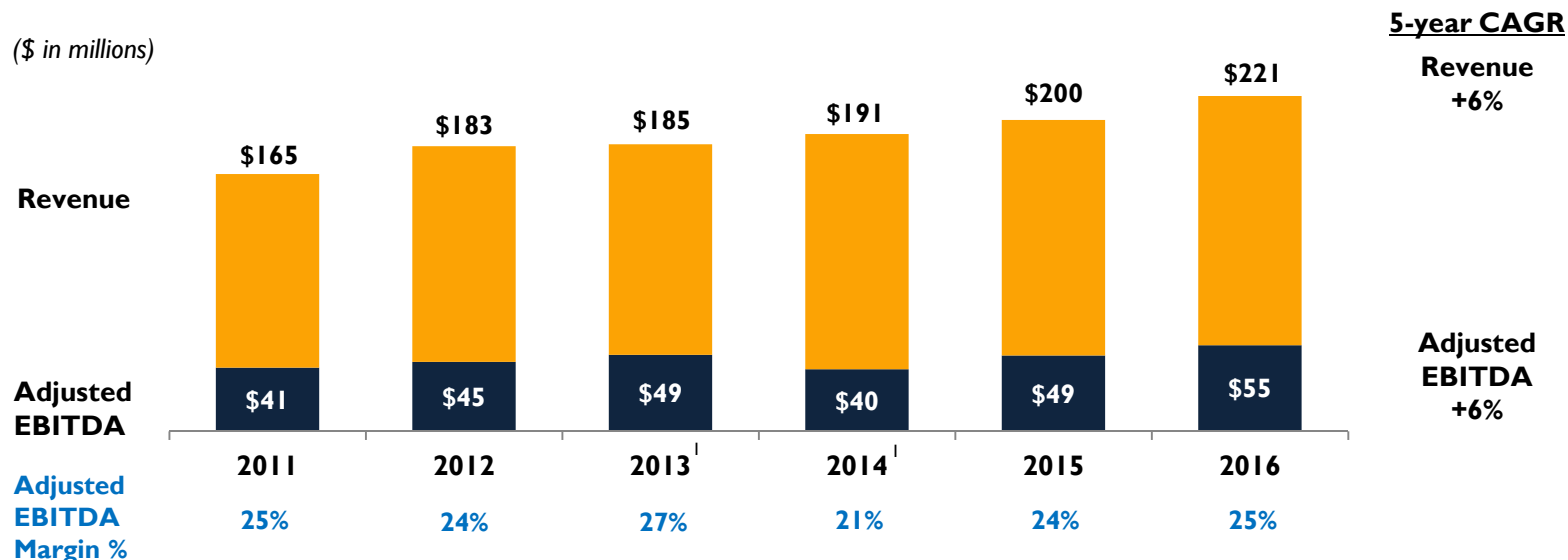
- These acquisitions have more than doubled our revenue from this segment
- Equity investments and cost efficiencies have resulted in significant margin expansion over this period

¹ Our equity investments, MVGR, Saratoga New York and Saratoga Black Hawk's net revenues are not consolidated. Adj. EBITDA includes our percentage share of ownership in our equity investments

² Our Adjusted EBITDA margins are 27%, 29% and 29% for 2014, 2015 and 2016, respectively, when our equity investments share is excluded from the Adj. EBITDA figure

TwinSpires is the premier mobile & online wagering business for U.S. horseracing

- TwinSpires accepts mobile and online wagers from residents of 40 U.S. states on races from over 250 racetracks globally 365 days a year
- Originally launched in 2007, TwinSpires has grown to be the leading legal betting company in the U.S. having processed ~\$1.2 billion of wagers on an LTM² basis
- TwinSpires is the official betting partner of the Kentucky Derby and the Breeders Cup World Championships

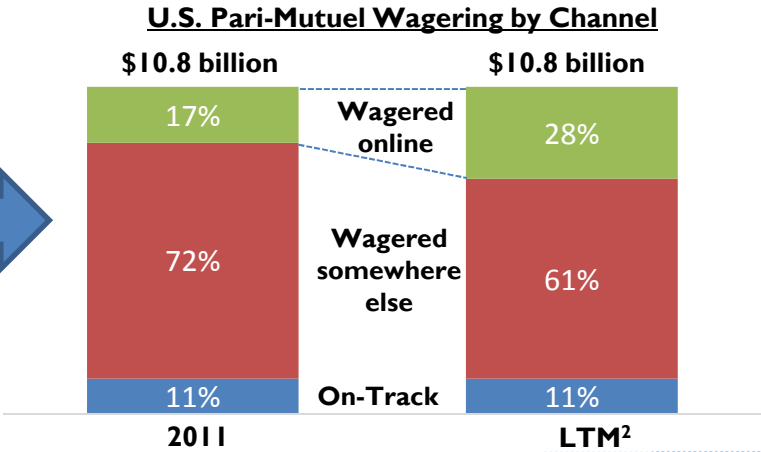
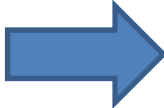


¹ In 1H 2013, TwinSpires stopped taking wagers from Illinois residents until June 2013 when Illinois resident wagering resumed with passage of new law. In September 2013, TwinSpires stopped taking wagers from Texas residents after court ruling upheld a Texas law requiring all wagering to take place at racetracks

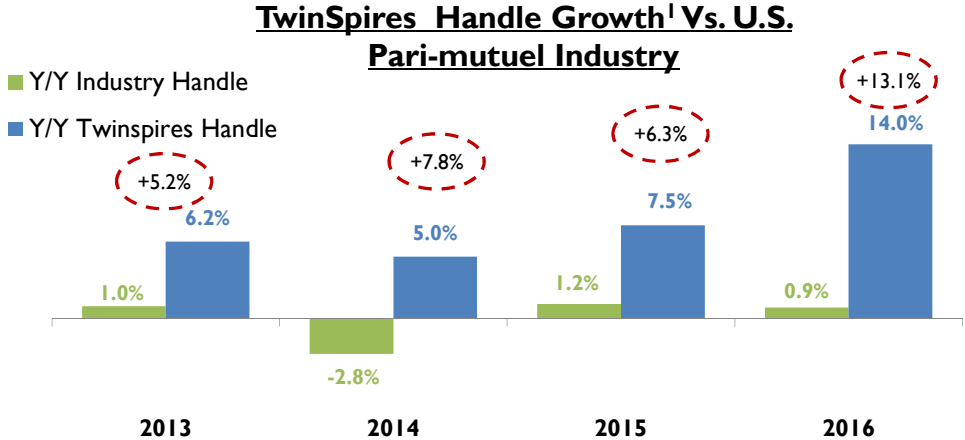
TwinSpires growth drivers create strong catalyst for future growth

Organic growth coupled with shift in wagering channel leads to growth that outpaces industry trends

- ☐ Shift to mobile and online wagering
 - Customer wagering behavior shifting
 - Online wagering channel continues to grow shifting away from “off-track”



- ☐ Effective customer acquisition
 - Acquiring new pari-mutuel players
- ☐ Increased retention efforts
- ☐ Reactivating inactive players



Source: Online (ADW) handle from Oregon Racing Commission (ORC) and SEC filings, Industry: The Jockey Club, equibase.com, TwinSpires growth from SEC Filings
¹ Excludes impact of Illinois and Texas handle loss, actual reported results show 1.0% increase Y/Y in 2013 and 3.3% in 2014
² For LTM period ended 9/30/16. Fourth quarter 2016 handle results from ORC not yet available

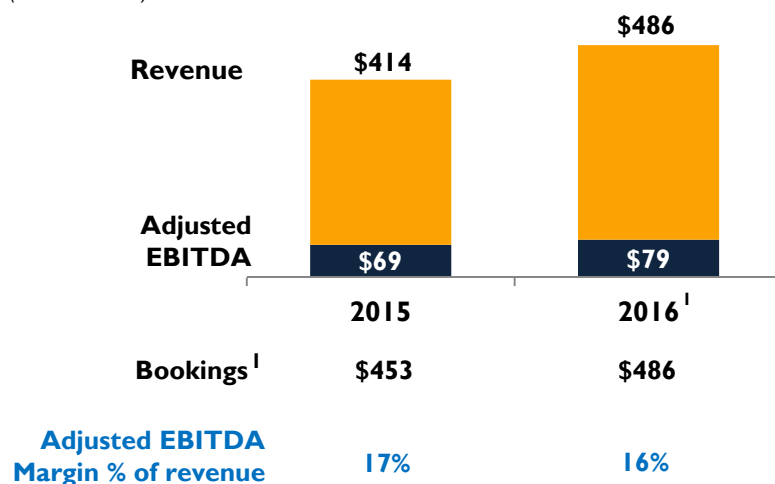
Big Fish Games is part of growing mobile and online gaming market

One of the world's largest producers and distributors of mobile casual games

- ❑ Big Fish Games is a diversified mobile / online gaming company with game titles across multiple genres and three main segments
- ❑ Big Fish delivers a steady flow of new games through six in-house studios and a large, high quality, lower cost third party developer network
- ❑ Big Fish Games has distributed more than 2.8 billion games from a growing library of unique games to customers in 150 countries



(\$ in millions)



Strategic growth focus ...

- Remain leader in social casino genre
 - New slot app development
 - Leverage customer base to lower cost per install
- Create portfolio of F2P casual game annuities
 - More measured UA spend in early stages
- Leverage analytics to lower user acquisition cost
- Sustain premium game portfolio
- Selectively utilize ad revenue to enhance profitability
- Strategic investments in mid-core and virtual reality games

¹ Bookings is an operational metric that reflects the amount of virtual currency, virtual goods and premium games that consumers have purchased through third party app stores or on the Big Fish Games website.

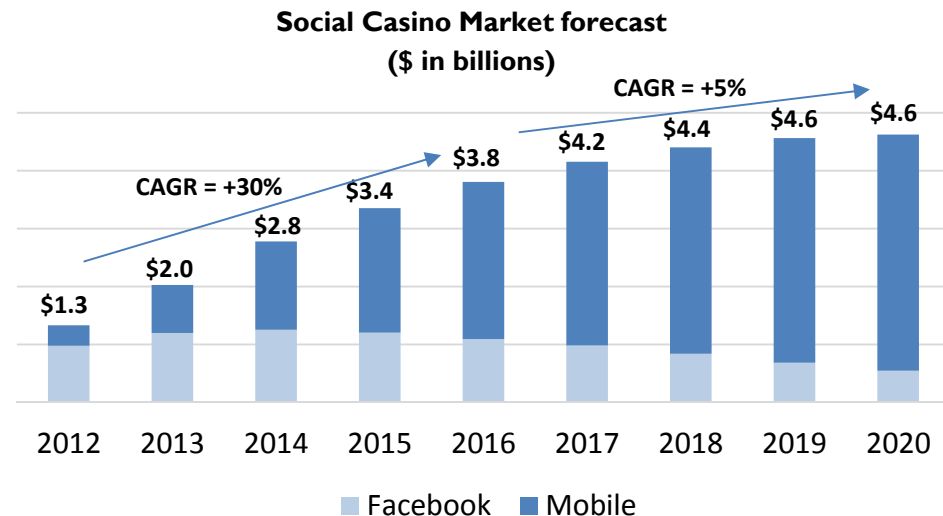
Mobile gaming market continues to grow

- ❑ Global mobile and online gaming market is expected to grow to over **\$17 billion in 2019**
- ❑ Social casino is one of the largest genres of mobile and online games
 - Social Eilers & Krejcik Gaming, an independent research firm covering the market for free-to-play gaming, forecasts worldwide social casino revenues at **\$4.6 billion in 2019**
- ❑ Big Fish Games...



- is currently the #7 top-grossing mobile publisher (both iOS and Android combined) **in the U.S.**¹
- is the #3 top-grossing casino app on iOS **in the U.S.**¹

¹ According to App Annie as of February 2017



Source: Eilers & Krejcik Gaming, LLC

Big Fish is a diversified games company offering multiple game products

Social Casino F2P



Big Fish Casino



Jackpot City Slots



Vegas Party Slots

Casual & Mid-Core F2P



Gummy Drop!



Fairway Solitaire



Sir Match-a-Lot



Dungeon Boss



Sunken Secrets



Cascade



Fairway Solitaire Blast

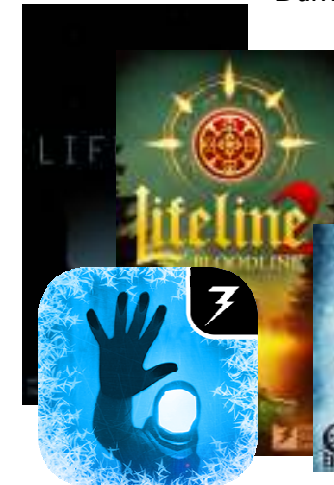
Premium Paid



Mystery Case Files



Dark Parables



Lifeline series



CHURCHILL DOWNS

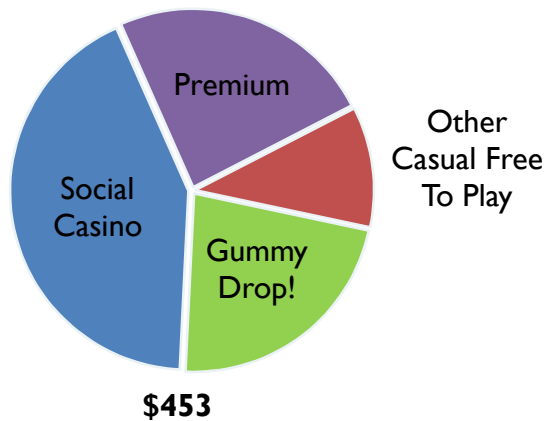
Bookings growth has continued

Rapid increase in Casual and Mid-Core Free-to-Play outpaces Premium and Social Casino declines

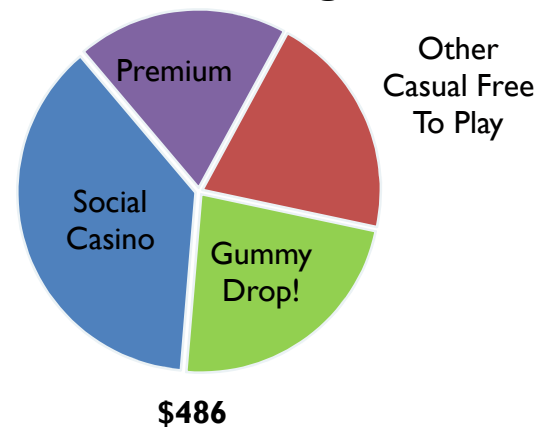
For Fiscal Year Ended December, 31

	2015	2016	% Change
Bookings			
Social Casino	\$ 193	\$ 182	(6%)
Casual and Mid-Core Free-to-Play	151	211	40%
Premium	109	93	(15%)
Total Bookings	\$ 453	\$ 486	7%

2015 Bookings¹



2016 Bookings¹



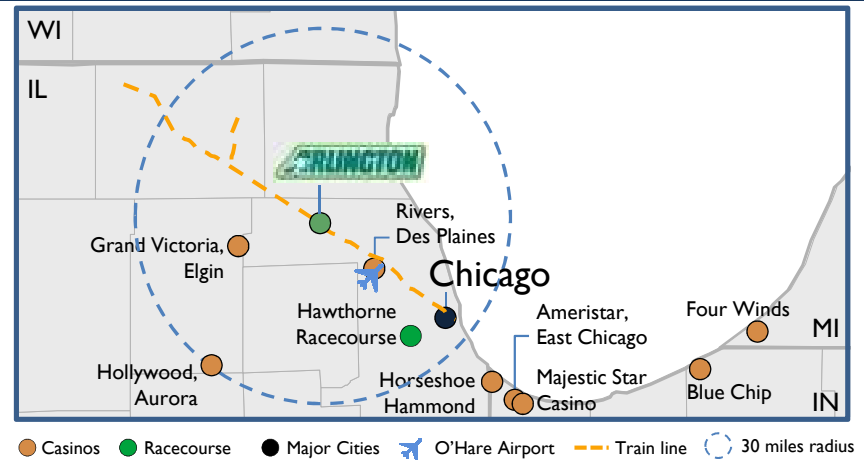
Bookings is an operational metric that reflects the amount of virtual currency, virtual goods and premium games that consumers have purchased through third party app stores or on the BFG website.

¹Charts are illustrative approximations of breakdown of annual bookings by segment, including a breakout of Gummy Drop!.

Expansion in IL or KY could provide significant upside opportunity

Illinois

- Attractive location – Arlington Heights is a suburb of Chicago, the commercial hub of the Midwest and 3rd largest metro area in U.S. (population of 2.7 million)
- Senate Bill #7 for gaming expansion (including slots at racetracks) was introduced into Illinois legislature in January 2017
- Legislature is expected to continue to discuss expanded gaming as a solution to their large state budget and pension deficits



Kentucky

- In 2010, Kentucky's Horse Racing Commission enacted regulations to permit "instant racing" machines ("IRM")— wagering on historical horse races on electronic terminals – in the state
- In 2011, Kentucky Downs opened the state's first IRM facility
- Ellis Park followed in 2012 and a facility jointly owned by Keeneland and Red Mile opened in 2015
- Closely monitoring regulatory environment and legal challenge
- The current governor is not supportive of gaming expansion to include casinos or slots at racetracks





Agenda



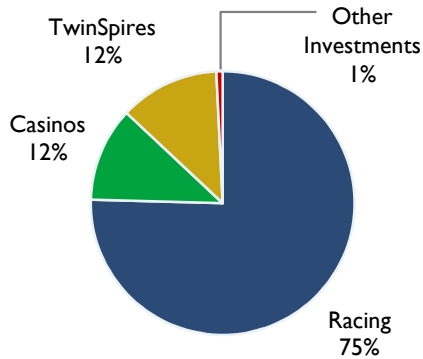
Company Overview and Growth

Financial Profile

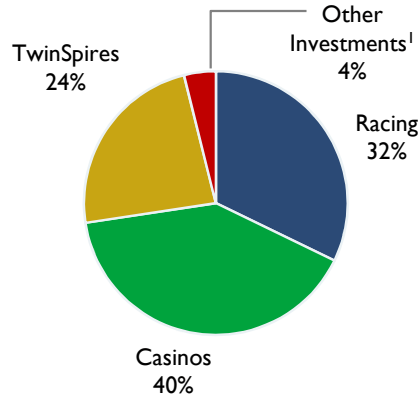


Our business portfolio has evolved over time...

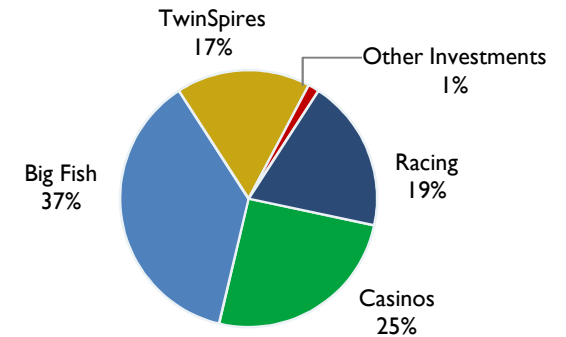
Revenue by business unit (2008)



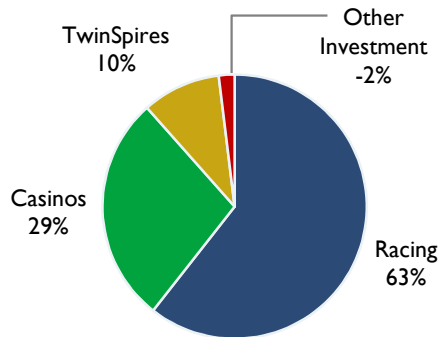
Revenue by business unit (2014)



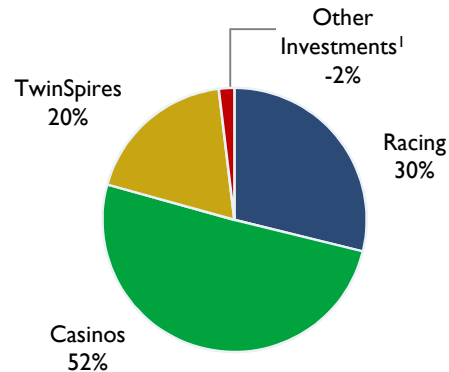
Revenue by business unit (2016)



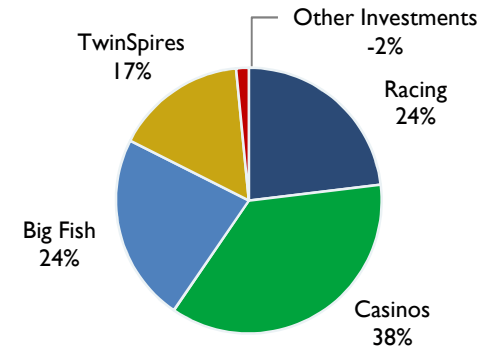
Adj. EBITDA by business unit (2008)



Adj. EBITDA by business unit (2014)



Adj. EBITDA by business unit (2016)

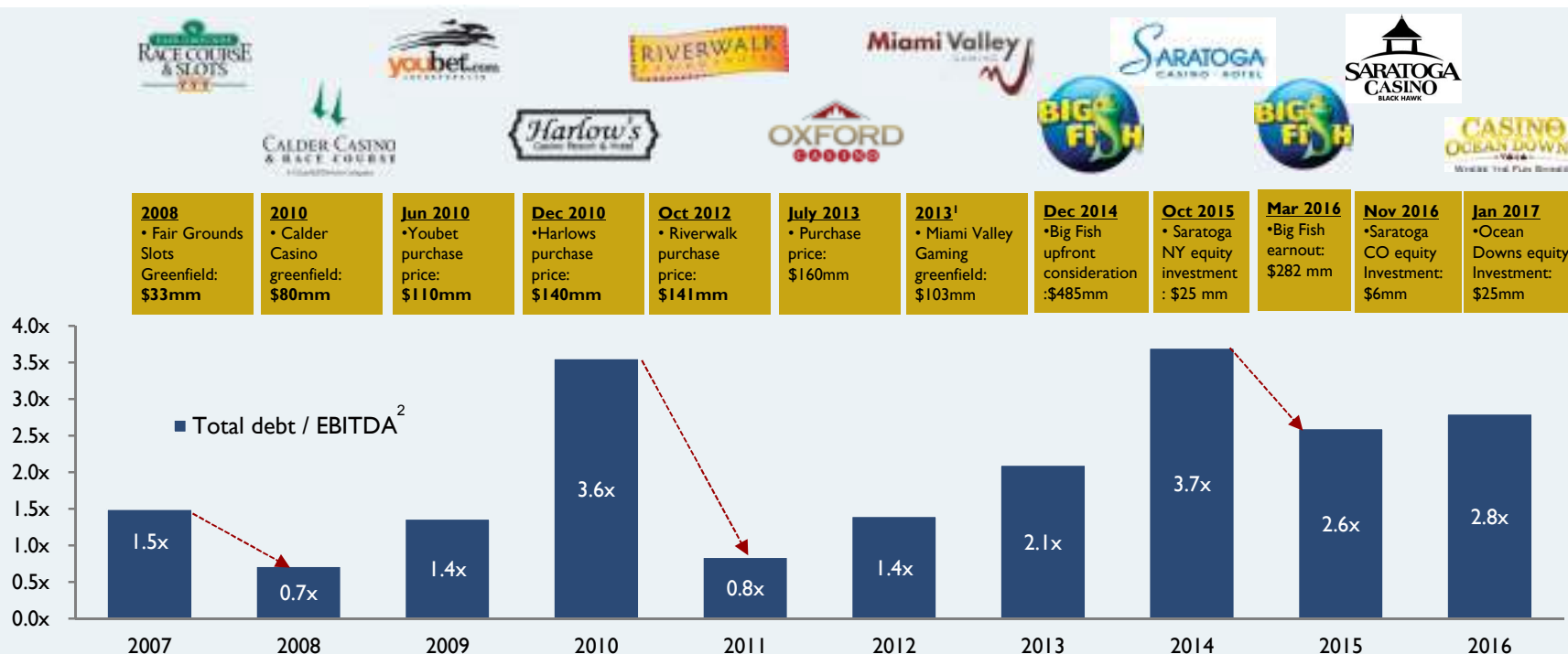


Source: Company filings

¹ Other Investments Include Big Fish Games results from 12/16/14 acquisition.

... through a series of successful acquisitions followed by rapid deleveraging

Total Leverage and acquisition history



Source: Company filings

¹ MVG investment reflects 50% of the joint venture cost of \$205 million with Delaware North Companies

² Gross Leverage calculated using Adjusted EBITDA; excludes Big Fish earnout and deferred payment obligations

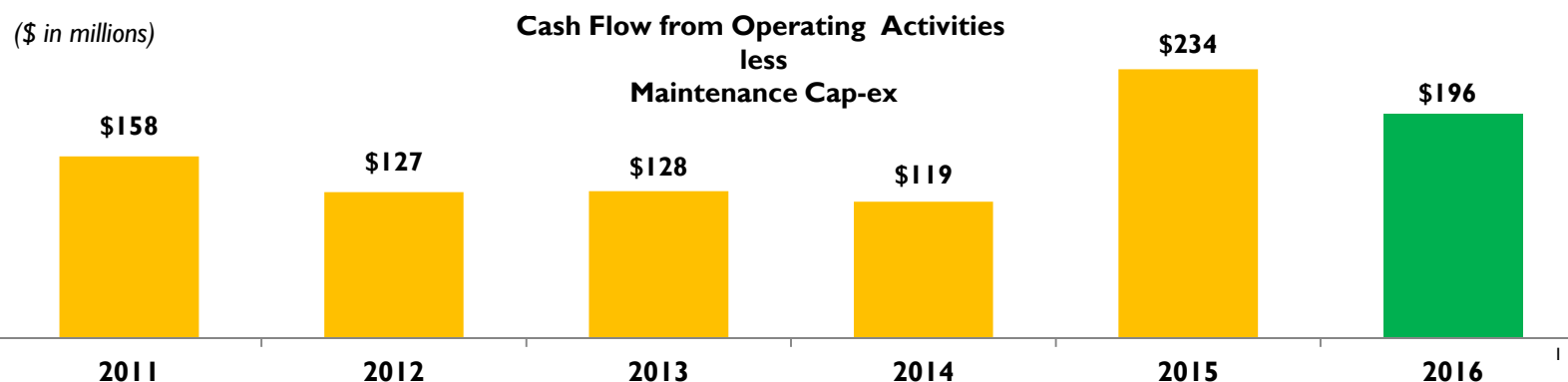
- ❑ Churchill has built one of the most diversified entertainment and wagering platforms in the U.S. through strategic acquisitions and entered into a rapidly growing mobile games industry through its Big Fish Games acquisition
- ❑ Its track record of quickly deleveraging following transactions speaks to the Company's conservative capital allocation and leverage strategy

Strong financial policies & pristine balance sheet

- ✓ Free cash flow and leverage
 - Ideal target is 3.0x-4.0x leverage
 - Willing to go slightly higher during a greenfield development
 - Continue disciplined maintenance capital spending
 - Cash from operations used for debt repayment, accretive acquisitions, dividends and share repurchases
 - \$121.6 million¹ of share repurchase authority remaining under our repurchase program
- ✓ Balance sheet
 - Maintain appropriate levels of operating cash on hand to run brick-and-mortar casino gaming and racing operations plus significant availability under secured revolving credit facility
- ✓ M&A and investment criteria
 - Modest spending on existing businesses to expand offerings in higher margin segments
 - Greenfield development spending based on “incremental ROI” philosophy
 - Pursue strategically important opportunities that generate significantly accretive free cash flow per share
- ✓ Distribution policy
 - Dividends are considered annually by the Board based on the health of the Company and are expected to remain at nominal levels for the foreseeable future
 - Raised annual dividend by 15% to \$1.32 per share in 2016 (paid in Jan 2017)
- ✓ General
 - Maintain broad and expedient access to the capital markets
 - Engage in open and active dialogue with rating agencies and high yield investors

CDI generates significant cash flow

Big Fish Games acquisition added significant operating cash flow



Other Key Financial Metrics

(\$ in Millions)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Operating Cash Flow	\$ 173	\$ 144	\$ 145	\$ 142	\$ 265	\$ 227
Maintenance Cap-ex	\$ 15	\$ 17	\$ 17	\$ 23	\$ 31	\$ 31
Dividends Declared (per share)	\$0.60	\$0.72	\$0.87	\$1.00	\$1.15	\$1.32
Shares Repurchased (based on trade date)	-	-	-	\$ 62	\$ 138	\$ 28

Experienced, proven management team

Bill Carstanjen, Chief Executive Officer



- ❑ Named CDI's 12th CEO in Aug 2014
- ❑ Served as COO since 2009, President & COO since March 2011, with CDI for ~12 years total
- ❑ Formerly with GE Capital
- ❑ M&A background with Cravath, Swaine & Moore LLP and GE
- ❑ Previously led legal and development teams
- ❑ Columbia Law School

Paul Thelen, President of Big Fish Games



- ❑ Big Fish Games Founder and CEO, 2002
- ❑ Technology-focused background with IBM, MarketWare, Mercer Management Consulting and RealNetworks
- ❑ Led numerous internet-related new product development and analytic-based marketing teams
- ❑ B.S. in Electrical Engineering and Stanford MBA

Bill Mudd, President & COO



- ❑ Named Chief Operating Officer in Sept 2015, named President in Aug 2014
- ❑ Previously served as CFO since 2007
- ❑ Leads operations and IT teams
- ❑ 15 year multi-industry, multi-business background with GE
- ❑ International experience
- ❑ Former Captain in the U.S. Army Reserves
- ❑ B.A. in Mathematics; M.B.A

Marcia Dall, EVP & CFO



- ❑ Named Chief Financial Officer effective Oct 2015
- ❑ Leads finance, accounting, FP&A, treasury, risk management, IR and capital management
- ❑ 30+ year multi-industry background
- ❑ Formerly with GE in various finance and operations positions over 20+ year tenure
- ❑ B.S. in Accounting; Masters of Management; CPA



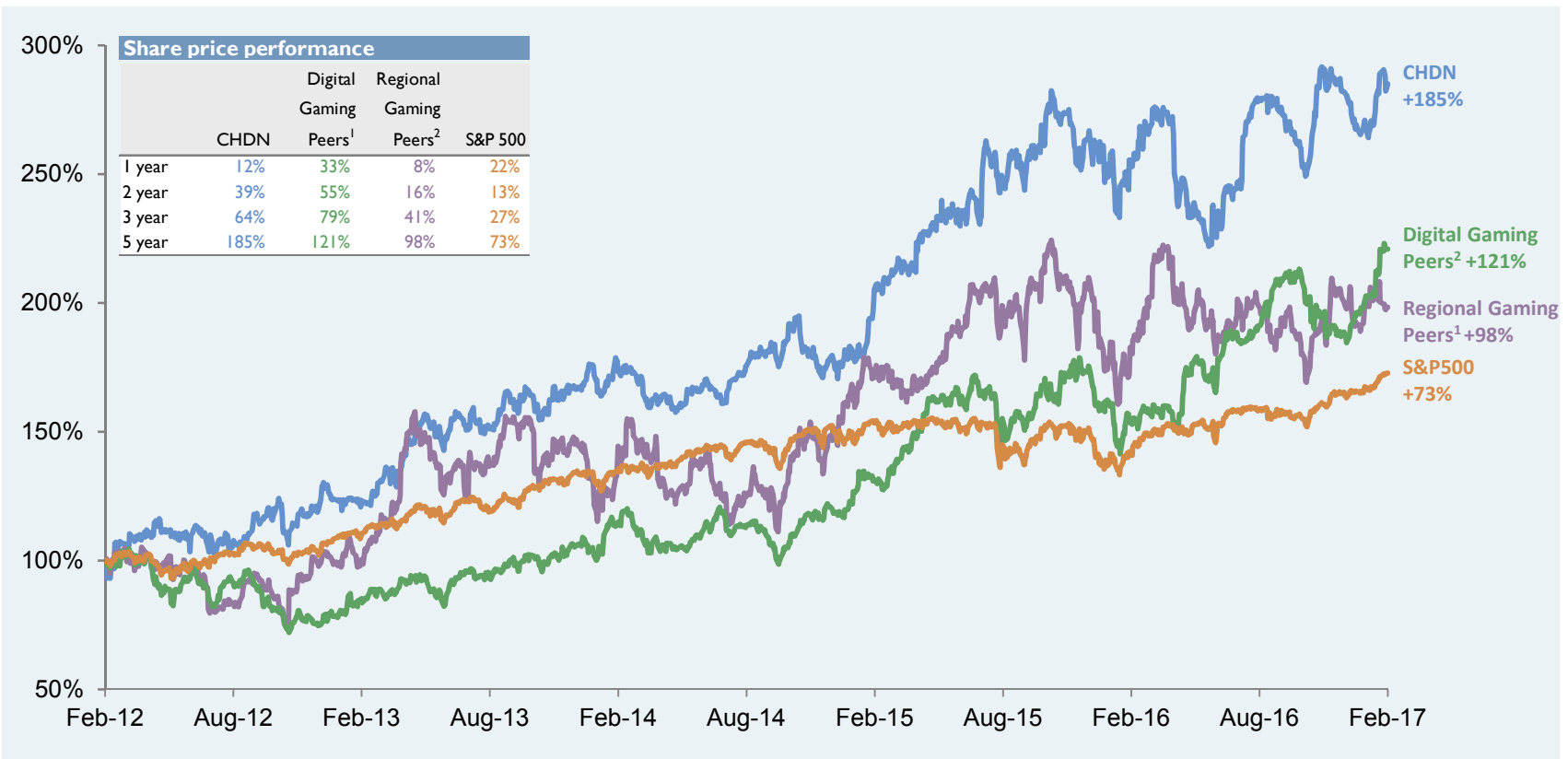


Appendix

Outsized shareholder return over time

Churchill Downs has outperformed both gaming peers and the broader market over the past 5 years

Churchill Downs share price performance versus peers



Source: Factset market data as of 2/27/2017

¹Digital gaming peers include Activision (ATVI), DeNA (2432-JP), Electronic Arts (EA), Gree (3632-JP), Glu Mobile (GLUU), NCsoft (036570-KR), NetEase (NTES), Nexon (3659-JP), Zynga (ZNGA); data is calculated as a straight average of the group

²Regional gaming peers include Boyd Gaming (BYD) and Penn National Gaming (PENN); data is calculated as a straight average of the group

Big Fish: Schedule of remaining deferred payment and earnout obligations

Big Fish obligation schedule (\$mm)

■ Deferred payment of upfront consideration ■ Earnout obligations

2017 final Big Fish obligations	
Deferred payment	\$28
Earnout	68
Total	\$96



Source: Company figures

Note: Undiscounted and excludes accrued interest on deferred payment and earnout