



CHURCHILL DOWNS

INCORPORATED

2011 Shareholders' Meeting

June 16, 2011

Churchill Downs Racetrack

Louisville, KY



Forward-Looking Statements

In addition to historical facts or statements of current conditions, this document contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that include projections, estimates, expectations or beliefs about future events, results or outcomes, or otherwise are not statements of historical fact. The actual performance of the Company may differ materially from what is expressed in such forward-looking statements.

Investors should refer to statements included in reports filed by the Company with the Securities and Exchange Commission for discussion of additional information concerning factors that could cause the Company's actual results of operations to differ materially from the forward-looking statements made in this document and related presentation.

The information being provided today is as of this date only and Churchill Downs Incorporated expressly disclaims any obligation to release publicly any updates or revisions to these forward-looking statements to reflect any changes in expectations.

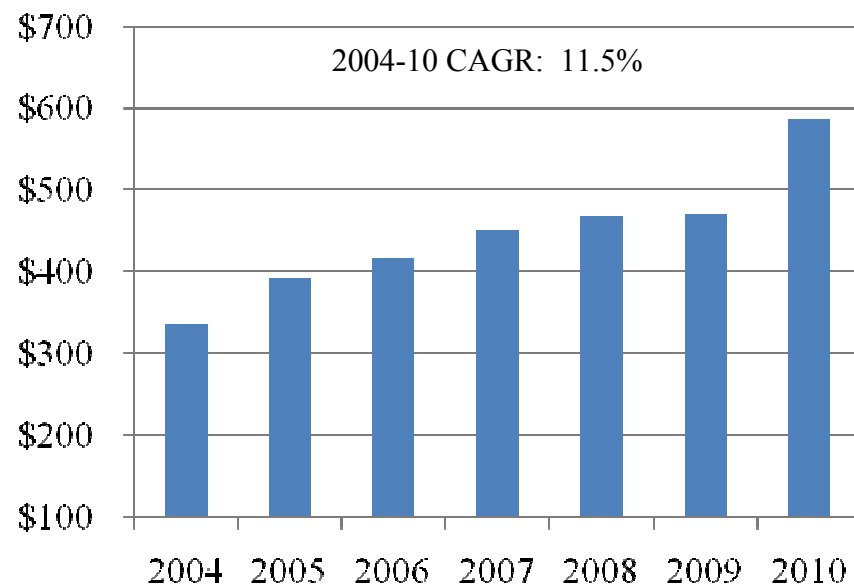
During the so-called Great Recession of 2008-2009, and the Thoroughbred industry depression of 2006-2011, we have focused on one thing ...



... profitable growth.

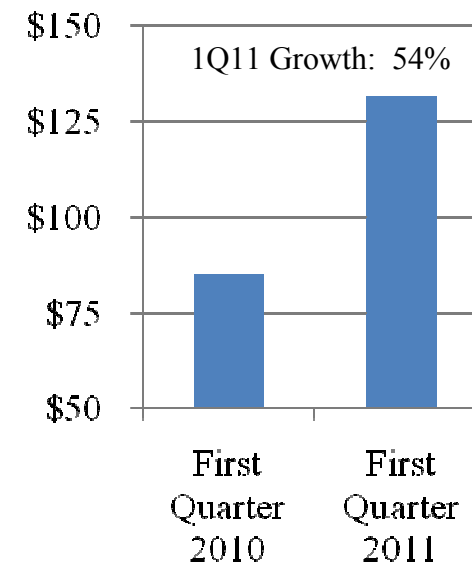
Net revenues have grown every year since 2004.

Net Revenues
(Millions of Dollars)



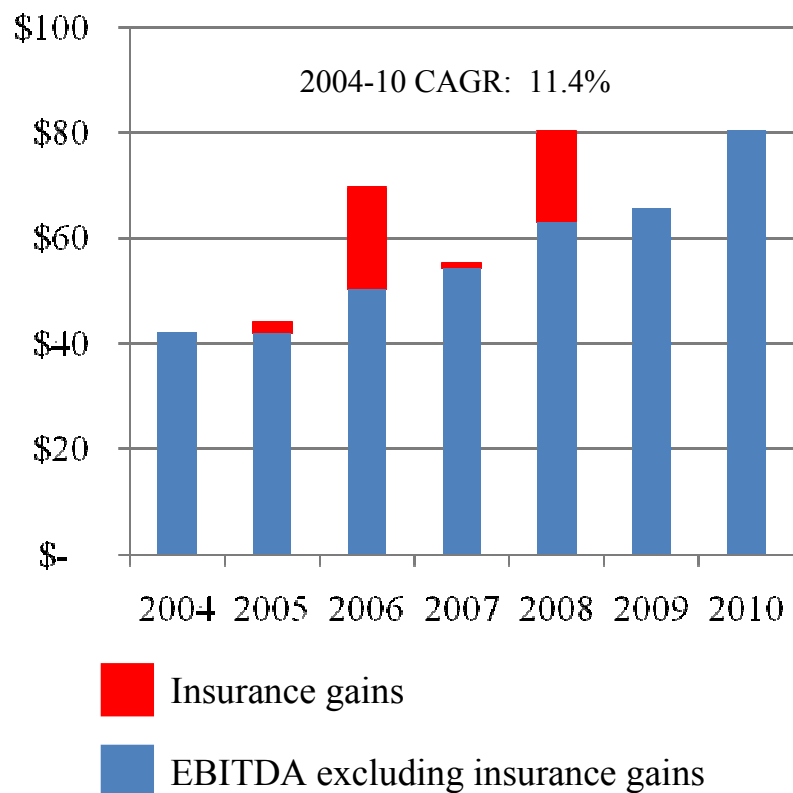
CAGR is compound annual growth rate.

Net Revenue growth continued in 2011's first quarter
(Millions of Dollars)

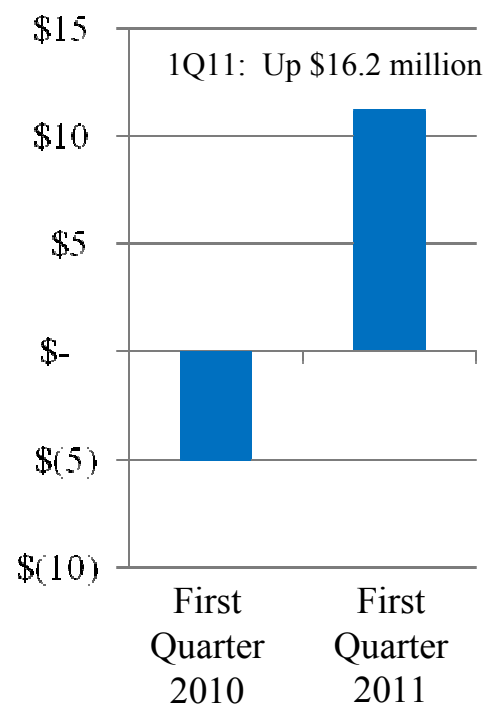


Profits, measured by EBITDA (excluding insurance gains), have grown every year since 2004.

EBITDA (excluding insurance gains)
(Millions of Dollars)



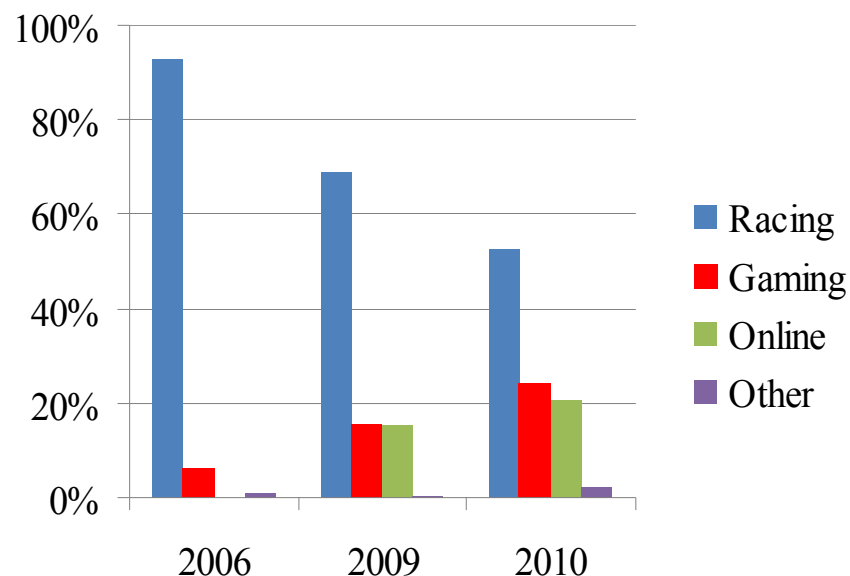
EBITDA growth continued in 2011's first quarter
(Millions of Dollars)



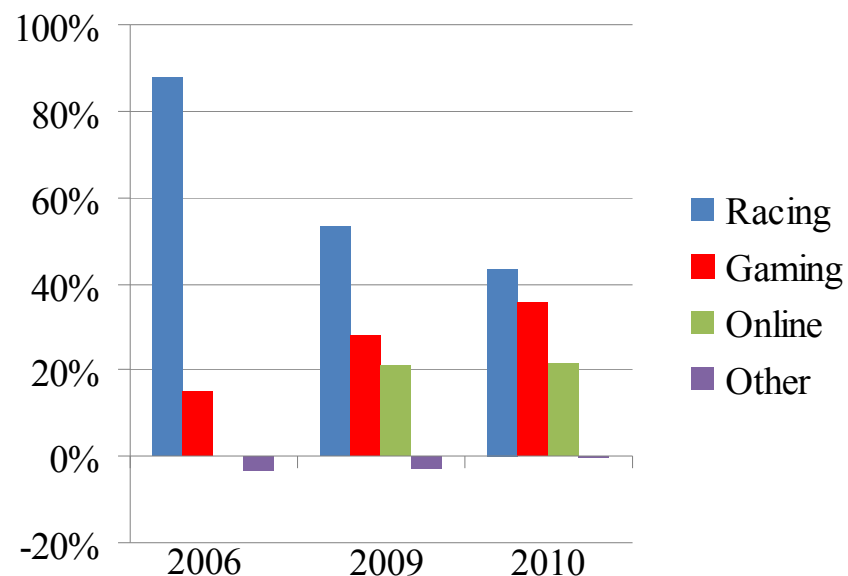
EBITDA is earnings before interest, taxes, depreciation and amortization, a measure of profitability used by many of the investment banks that follow CDI in determining the value of CHDN common stock.

Net Revenues and EBITDA have grown because we diversified our business.

Percent of Total Net Revenues
(from Continuing Operations)



Percent of Total EBITDA
(from Continuing Operations)



These trends should continue in 2011 as our Gaming business will have the full-year effect of the Calder Casino (opened in late January 2010) and the full-year effect of Harlow's Casino Resort & Hotel (closed acquisition in mid-December 2010), and our Online business will have the full-year effect of Youbet.com (closed acquisition in early June 2010).

As the result, CDI's business mix has changed significantly.

	2004	2009	2010	2011
Race Tracks <i>(At End of Year)</i>	Arlington Park Calder Churchill Downs Ellis Park Fair Grounds Hollywood Park Hoosier Park	Arlington Park Calder Churchill Downs Fair Grounds	Arlington Park Calder Churchill Downs Fair Grounds	Arlington Park Calder Churchill Downs Fair Grounds
Approved Race Days	643	407	384	381
Kentucky Oaks & Derby				
- Combined Attendance	238,499	258,430	271,850	274,980
- Combined Handle	\$174 mil	\$186 mil.	\$199 mil	\$203 mil
- % of U.S. Thoroughbred Industry Handle	1.2%	1.5%	1.7%	1.9%
TwinSpires.com Handle <i>(Youbet.com acquired June 2, 2010)</i>	\$0 mil	\$330 mil	\$588 mil	Up 115% in 1Q11
Gaming Properties	Fair Grounds Video Poker	Fair Grounds Video Poker & Slots	Calder Fair Grounds Harlow's	Calder Fair Grounds Harlow's
Number of Slot & Video Poker Machines	758	1,346	3,409	3,532

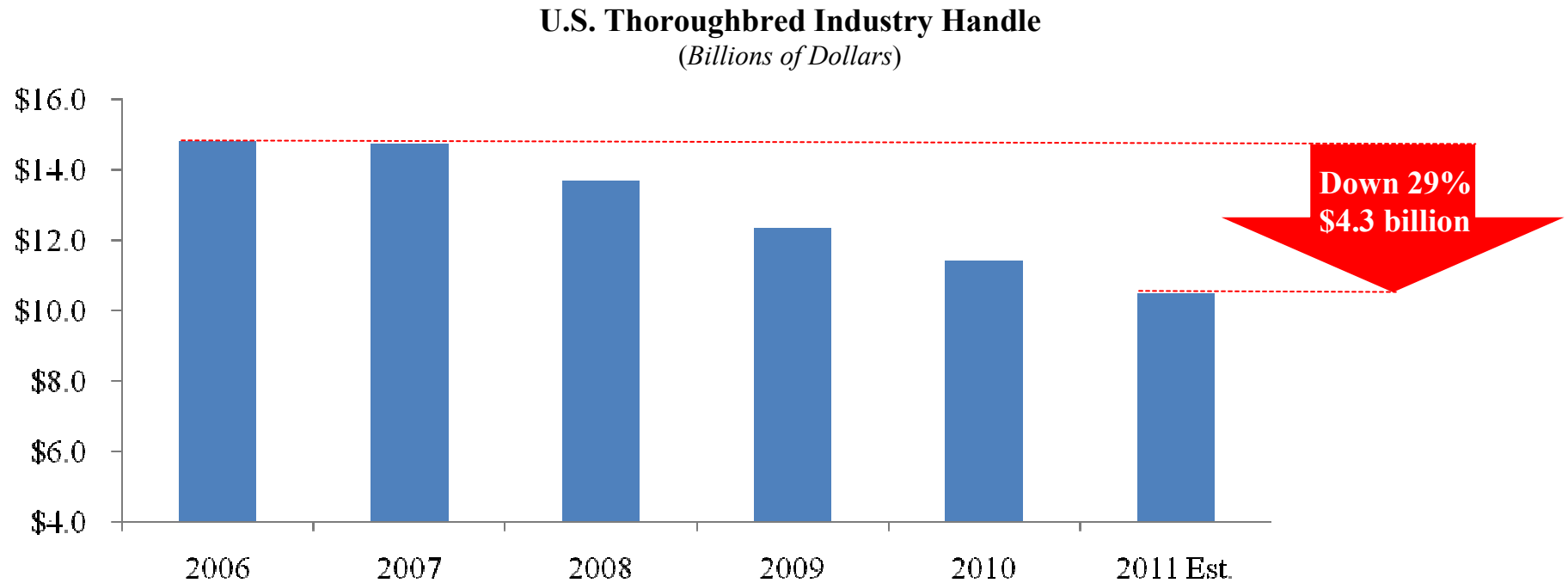
Even the most successful companies must change to continue to succeed.

Of the 30 companies in the 1970 Dow Jones Industrial Average (DJIA) index ...

... Only eight are still in the DJIA index today.



Consider where we'd be if we still depended on Racing for over 85 percent of our Net Revenues and EBITDA, as we did in 2006.

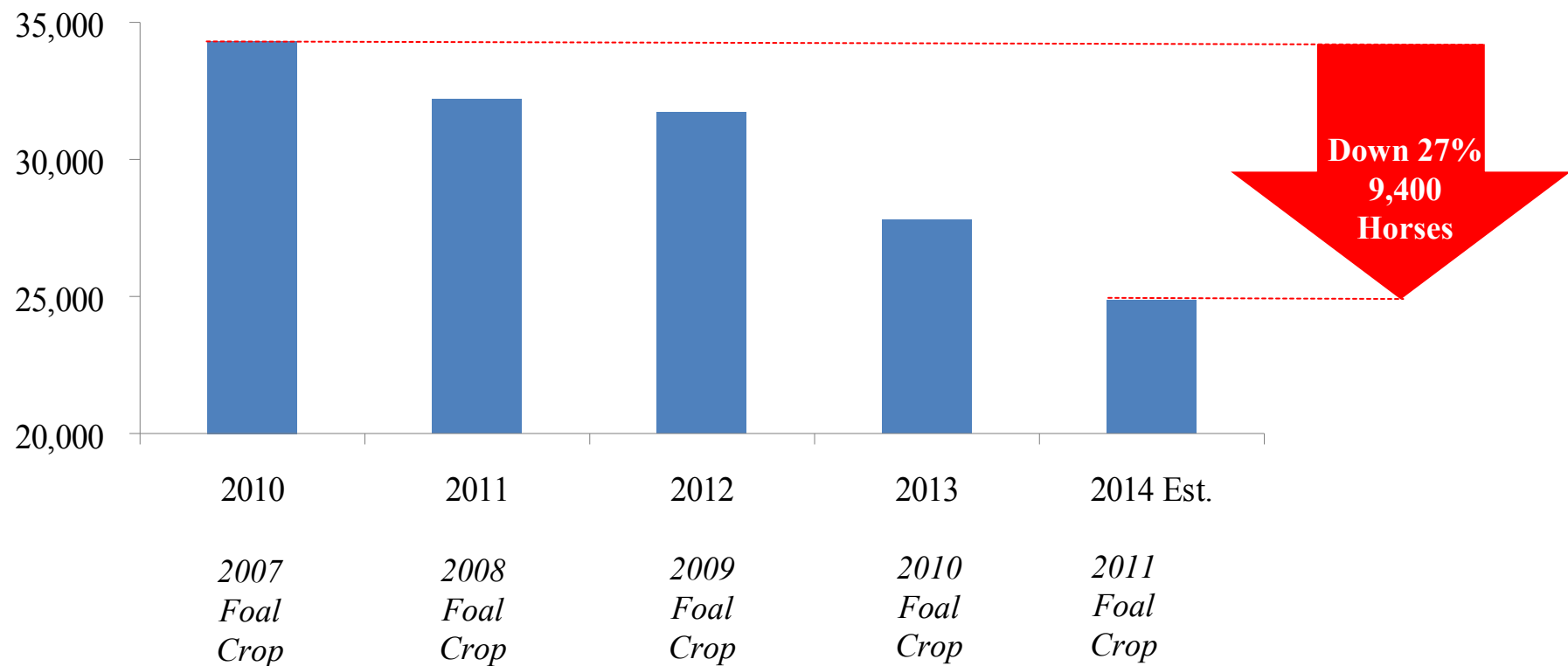


The estimate of 2011 U.S. Thoroughbred industry handle was determined by extrapolating the actual 8.12-percent decline in handle through May 2011 (source: Equibase.com) for the full year of 2011.

Source: The Jockey Club *Online Fact Book*

With the “supply” side of Racing continuing to decline, any significant recovery in Racing is still several years away.

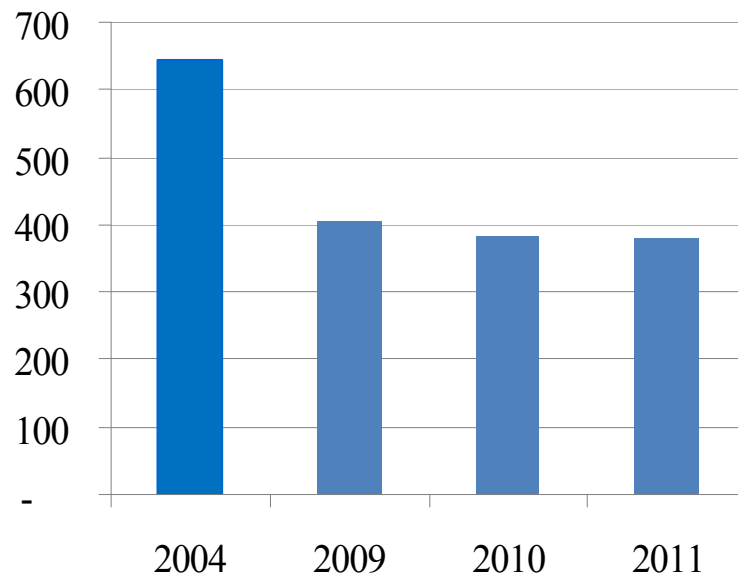
Number of U.S.-Bred 3-Year-Old Thoroughbreds
(Based on Number of Foals Born Three Years Prior)



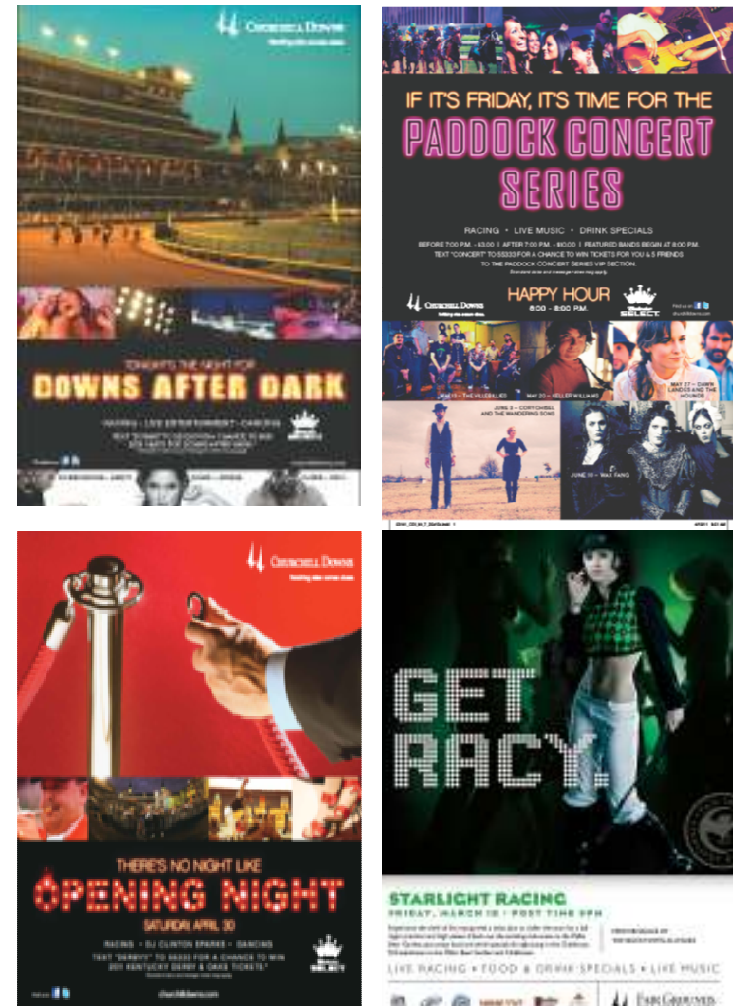
Source: The Jockey Club *Online Fact Book*

Our response has been to reduce the quantity and increase the quality of our Racing and to add entertainment elements.

Less Racing: Number of Approved CDI Race Days

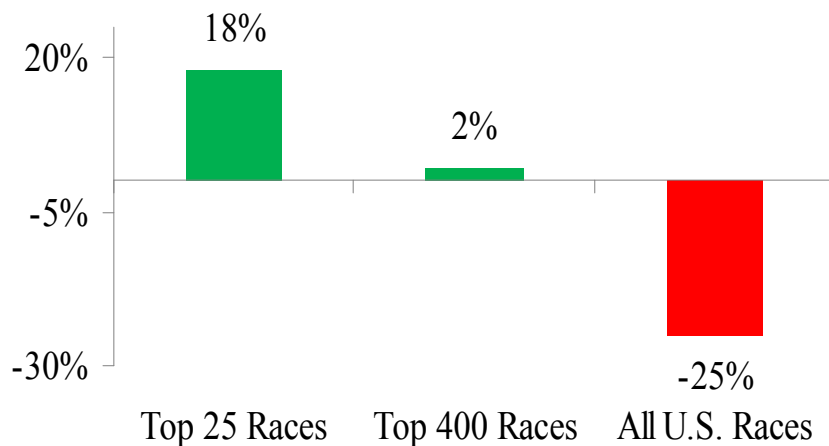


More Entertainment

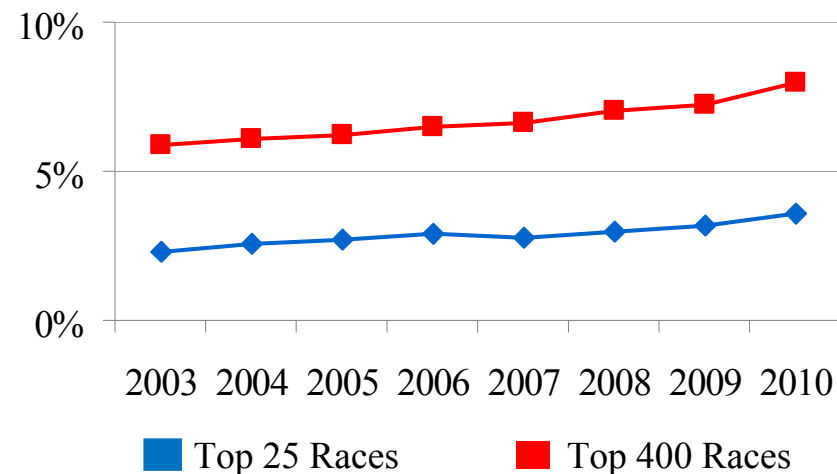


Top-quality Racing is a growing and profitable business.

2003-2010 Percent Change in Total U.S. Handle



Percent of Total U.S. Handle



Source: CDI Analysis

Even “everyday” Racing can grow profitably.

(Handle in Millions of Dollars)	2009 Temporary Lights				2010 Permanent Lights				2011	Total	Downs After Dark	Equivalent Day
	June 19	June 26	July 2	June 11	June 18	June 25	July 2	Nov. 9	April 30 Opening Night	2009-11 To Date	Average	Average
Attendance	28,011	27,623	33,481	25,012	24,645	26,330	30,092	15,583	38,142	247,919	27,547	7,100
On-Track Handle	\$1.6	\$1.5	\$1.8	\$1.4	\$1.2	\$1.3	\$1.5	\$1.0	\$2.0	\$13.3	\$1.5	\$0.7
All Sources Handle	\$6.5	\$6.3	\$6.2	\$4.9	\$5.5	\$5.6	\$6.0	\$6.2	\$8.9	\$56.1	\$6.2	\$5.8

Source: Churchill Downs Racetrack Results from *Downs After Dark* events (2009-2011 to date)

The pinnacle of quality Racing are the Kentucky Oaks & Kentucky Derby.



2011 Taste of Derby attendance up 64%

2011 Kentucky Oaks & Kentucky Derby At a Glance	
Derby Attendance	164,858 (all-time record)
Oaks Attendance	110,122 (3 rd highest all-time)
Derby Handle	\$165.2 mil. (3 rd highest all-time)
Oaks Handle	\$37.5 mil. (all-time record)
New TwinSpires.com Accounts	+53%
Oaks & Derby Week EBITDA	+\$5-\$6 million



146,000 fans downloaded the iPhone/Android Derby App



Kentucky Derby Doings

LOUISVILLE, Ky. — Animal Kingdom may have been its most recent winner of the 137th annual Kentucky Derby but it was the fanatics that took center stage here last weekend. The recent crowd of 164,858 was deemed to be the most in the event's history, a testament to the event's popularity and the excitement of the race. The event was held at Churchill Downs, a historic venue that has been the home of the Kentucky Derby since 1875. The race is one of the most prestigious in the world, attracting millions of fans and millions of dollars in betting. The 137th running of the Kentucky Derby was held on Saturday, May 6, 2011, at Churchill Downs in Louisville, Kentucky. The race was won by American Pharoah, trained by Zayat Stables and ridden by Victor Espinoza. American Pharoah became the 12th horse in history to win the Derby, and the first since 1919. The race was a thrilling contest, with American Pharoah leading from the start and winning by a comfortable margin. The victory was a historic moment for the horse and his owners, and it was celebrated by fans around the world. The Kentucky Derby is a major event in the horse racing world, and it is one of the most watched races in the United States. The race is held annually at Churchill Downs, and it is a tradition that has been passed down for generations. The Kentucky Derby is a celebration of the sport of horse racing, and it is a testament to the skill and talent of the horses and their trainers. The race is a thrilling event, and it is one that fans of the sport will never forget. The Kentucky Derby is a special day in Louisville, and it is a day that is celebrated by the entire city. The race is a source of pride for the city, and it is a tradition that will continue for many years to come. The Kentucky Derby is a testament to the power of tradition and the love of the sport. It is a day of celebration and excitement, and it is a day that will be remembered for years to come.



Over 160,00 fans follow Derby Nation on Facebook



ESPN's Erin Andrews' profile picture on Twitter



Building the Kentucky Oaks & Kentucky Derby Brands

We continue to expand our Gaming business.

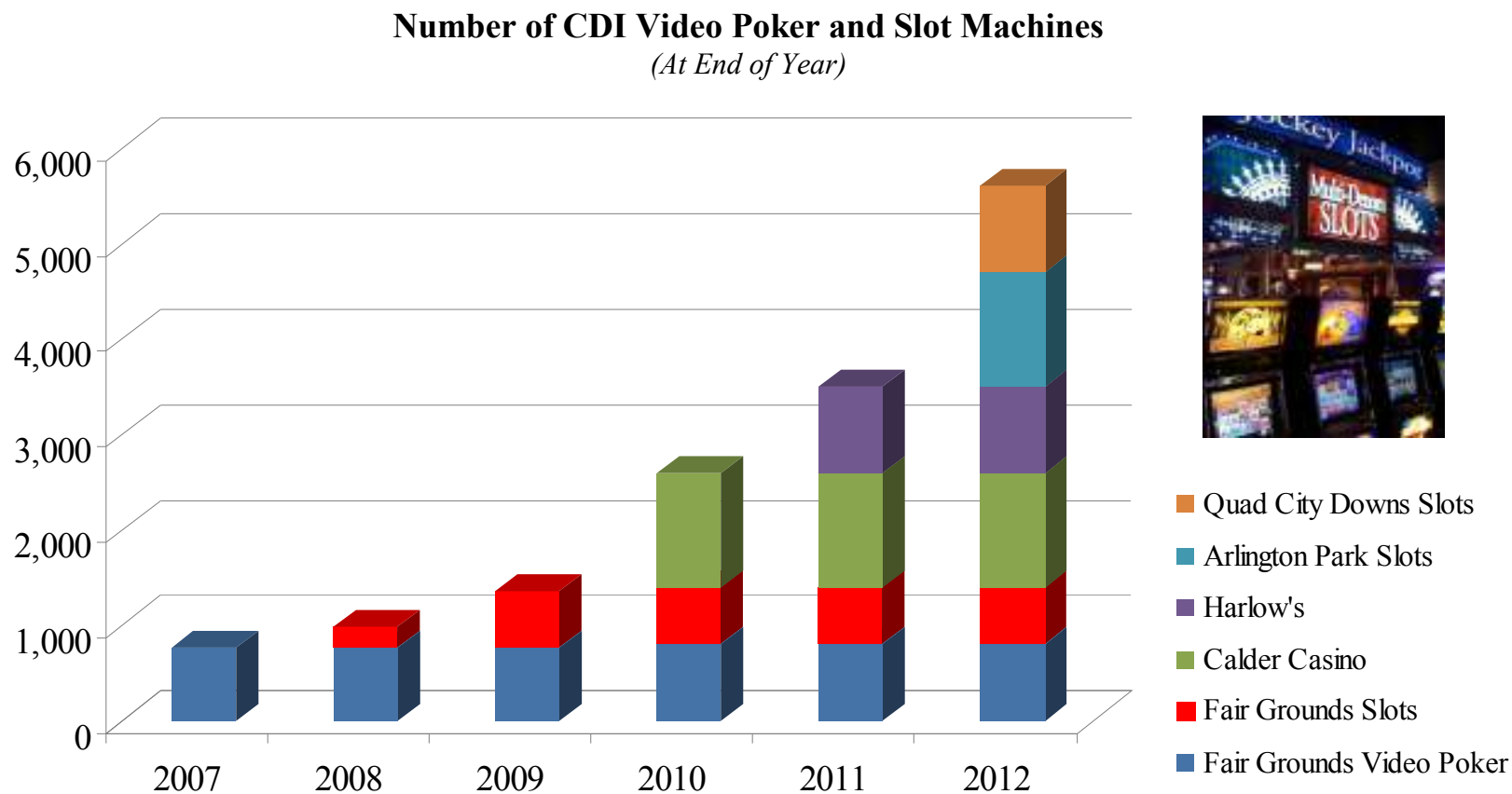
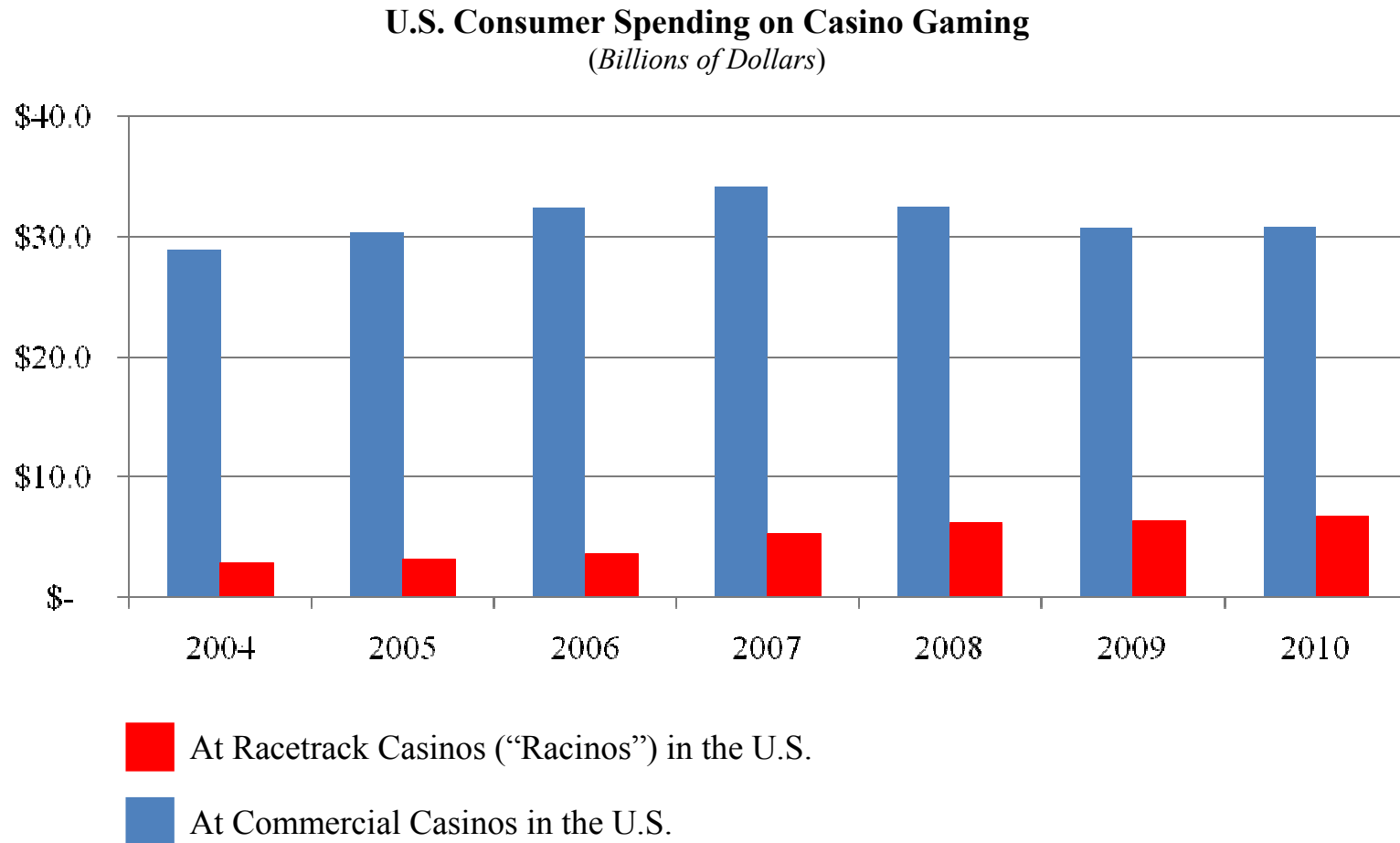


Chart assumes Illinois legislation (SB744) which provides for up to 1,200 slot machines at Arlington Park and up to 900 slot machines at Quad City Downs is signed by the Illinois Governor and that these facilities become fully operational during 2012.

The U.S. Gaming industry was also affected by the 2008-2009 Great Recession.



Source: American Gaming Association *2011 State of the States* report

We acquired our newest gaming property, Harlow's, on Dec. 16, 2010.



- 33,000 sq. ft. gaming floor (800 slots)
- 105-room hotel
- 2,600-seat entertainment arena
- 3 dining areas

Harlow's has suffered storm and flood damage.

February 24: Storm Damage to Hotel Roof



Status

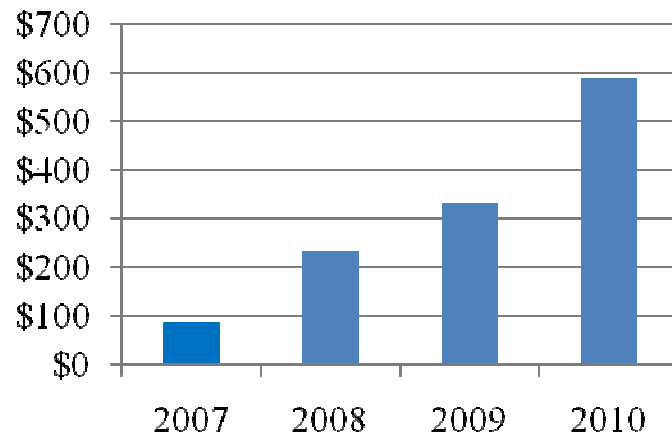
- Hotel closed since Feb. 24 due to roof damage caused by storm's high winds
- Flood damage to Arena, and to Buffet and Steak House restaurants; all still closed
- Gaming floor essentially undamaged; reopened Wed., Jun. 1
- Engineering assessment and insurance coverage discussions underway

May 6-31: Flood Damage to Property

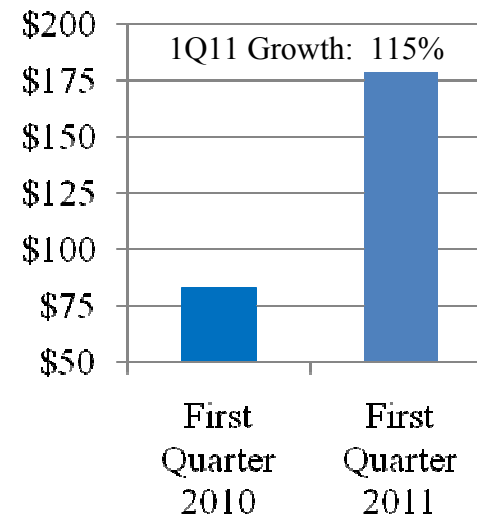


Our Online business, TwinSpires.com, continues to grow.

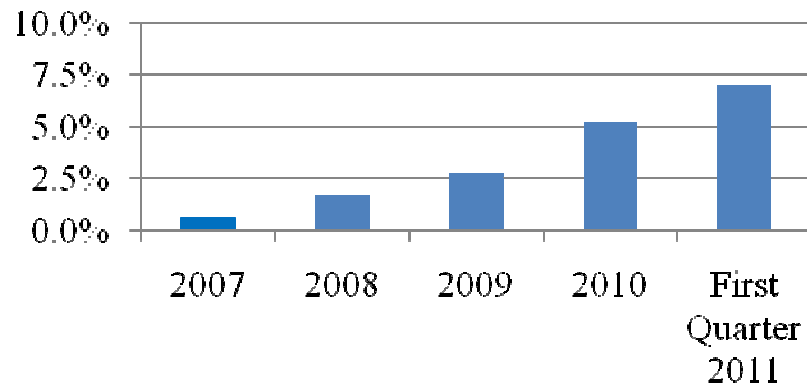
TwinSpires.com Handle
(Millions of Dollars)



Handle growth continued in 2011's first quarter
(Millions of Dollars)



TwinSpires.com Handle as % of Total U.S. Handle



We are using TwinSpires.com and technology to market Racing.

We control the editorial content on NBCSports.com's and ESPN.com's Horse Racing pages



We also provide free racing video via TwinSpires.TV to partners, including:



We make it easy to watch and wager from mobile devices.

twinspires mobile beta



TwinSpires.com Racing Video Partners

- ESPN.com
- Philly.com
- Detnews.com
- Dailynews.com
- PasadenaStarNews.com
- WhittierDailyNews.com
- DailyBreeze.com
- More coming ...

Churchill Downs Incorporated and the CDI Foundation donated more than \$2.3 million to charities in 2010.

Supporting Our Communities



Churchill Downs Incorporated Stock Price (NASDAQ: CHDN)

	2007	2008	2009	2010	2011 (thru June 10)
Annual Performance Rank: Average Annual Share Price Change					
Top	CHDN +22.3%	CHDN -13.5%	CHDN -16.1%	Russell 2000 +28.9%	Russell 2000 +21.6%
Middle	S&P 500 +12.7%	S&P 500 -17.4%	Russell 2000 -20.4%	S&P 500 +20.2%	S&P 500 +15.2%
Bottom	Russell 2000 +9.4%	Russell 2000 -18.5%	S&P 500 -22.3%	CHDN +3.9%	CHDN +14.2%
Cumulative Performance Rank: Average Annual Share Price Index (2006 = 100)					
CHDN	122	106	89	92	105
Russell 2000	109	89	71	91	111
S&P 500	113	93	72	87	100



Notes



SPRING MEET

2011 Spring Meet Schedule of Events

Opening Night
presented by Budweiser Select
SATURDAY, APRIL 30

Dawn at the Downs
presented by
john conti® Gourmet Coffee
TUESDAY, MAY 3 – THURSDAY, MAY 5

Taste of Derby
THURSDAY, MAY 5

Kentucky Oaks 137
FRIDAY, MAY 6

Kentucky Derby 137
presented by Yum! Brands
SATURDAY, MAY 7

Who's the Champ?
Handicapping Tournament
SUNDAYS, MAY 15 – JUNE 12

Happy Hour Paddock Concert Series
presented by Budweiser Select
The Villebillies – MAY 13
Keller Williams – MAY 20
Dawn Landes and the Hounds – MAY 27
Cory Chisel and the Wandering Sons – JUNE 3
Wax Fang – JUNE 10

Preakness Stakes Day
SATURDAY, MAY 21

Belmont Stakes Day
SATURDAY, JUNE 11

Downs After Dark
presented by Budweiser Select
featuring Bet or No Bet presented by Thorntons
FRIDAYS, JUNE 17 – JULY 1

Stephen Foster Day
SATURDAY, JUNE 18



CHURCHILL DOWNS

Nothing else comes close.

churchilldowns.com

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**CDI: Racing, Gaming & Entertainment
Delivered Onsite & Online**