

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported): April 20, 2021**

**Churchill Downs Incorporated**

(Exact name of registrant as specified in its charter)

**Kentucky**  
(State or other jurisdiction of incorporation)  
**600 North Hurstbourne Parkway, Suite 400**  
**Louisville , Kentucky**  
(Address of Principal Executive Offices)

**001-33998**  
(Commission File Number)

**61-0156015**  
(I.R.S. Employer Identification No.)

**40222**  
(Zip Code)

**(502) 636-4400**  
(Registrant's telephone number, including area code)

**N/A**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, No Par Value	CHDN	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

### Item 8.01. Other Events.

During the first quarter of 2021, we updated our operating segments to reflect the internal management reporting used by our chief operating decision maker to evaluate results of operations and to assess performance and allocate resources. Our internal management reporting changed primarily due to the continued growth from Oak Grove Racing, Gaming & Hotel ("Oak Grove") and Turfway Park, which opened its annex historical racing machine facility, Newport Racing & Gaming ("Newport"), in October 2020, which resulted in our chief operating decision maker's decision to include Oak Grove, Turfway Park and Newport in the new Live and Historical Racing segment. The Live and Historical Racing segment now includes Churchill Downs Racetrack, Derby City Gaming, Oak Grove, Turfway Park, and Newport. We also realigned our retail sports betting results at our wholly-owned casinos from our Gaming segment to our TwinSpires segment. As a result of this realignment, our operating segments that meet the requirements to be disclosed separately as reportable segments are: Live and Historical Racing, TwinSpires, and Gaming. We conduct our business through these reportable segments and report net revenue and operating expense associated with these reportable segments in our consolidated statements of comprehensive income.

This Current Report on Form 8-K provides a summary of the Company's 2020 and 2019 annual and 2020 quarterly segment operating results as if the segments had been reported under this new reportable segment structure. Consolidated results remain unchanged. Beginning with the quarter ended March 31, 2021, our consolidated financial statements will reflect the new reportable segment structure with prior periods adjusted accordingly. The recast segment information is included as Exhibit 99.1.

We utilize non-GAAP measures, including EBITDA (earnings before interest, taxes, depreciation and amortization) and Adjusted EBITDA. Our chief operating decision maker utilizes Adjusted EBITDA to evaluate segment performance, develop strategy and allocate resources. Adjusted EBITDA includes the following adjustments:

Adjusted EBITDA includes our portion of EBITDA from our equity investments.

Adjusted EBITDA excludes:

- Transaction expense, net which includes:
  - Acquisition and disposition related charges; and
  - Other transaction expense, including legal, accounting, and other deal-related expense;
- Stock-based compensation expense;
- Rivers Des Plaines' impact on our investments in unconsolidated affiliates from:
  - The impact of changes in fair value of interest rate swaps; and
  - Legal reserves and transaction costs;
- Asset impairments;
- Legal reserves;
- Pre-opening expense; and
- Other charges, recoveries and expenses

The changes in the reportable segment structure discussed above affect only the manner in which the results of the Company's reportable segments were previously reported. This Current Report on Form 8-K does not restate the Company's previously reported consolidated statements for any period. Nor does it reflect any subsequent information or events, other than as required to reflect the change in segments as described above. This Current Report on Form 8-K, including Exhibit 99.1, should be read in conjunction with the Company's Annual Reports on Form 10-K for the years ended December 31, 2020 and 2019 and the Company's interim filings for such years with the Securities and Exchange Commission.

### Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following is being furnished as an exhibit to the Current Report on Form 8-K.

<b>Exhibit Number</b>	<b>Description</b>
99.1	Recast Segment Information of Churchill Downs Incorporated
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto, duly authorized.

April 20, 2021

**CHURCHILL DOWNS INCORPORATED**

/s/ Marcia A. Dall

By: Marcia A. Dall

Title: Executive Vice President and Chief Financial Officer  
(Principal Financial and Accounting Officer)

**CHURCHILL DOWNS INCORPORATED**  
**Recast Segment Operating Results**  
**(unaudited)**

<i>(in millions)</i>	Three Months Ended				Year Ended December 31,	
	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	2020	2019
<b>Net revenue:</b>						
Live and Historical Racing	\$ 28.1	\$ 23.3	\$ 63.8	\$ 54.4	\$ 169.6	\$ 276.7
TwinSpires	69.1	121.3	127.1	97.0	414.5	295.6
Gaming	145.9	37.3	133.5	118.6	435.3	687.3
All Other	9.8	3.2	13.4	8.2	34.6	70.1
<b>Total net revenue</b>	252.9	185.1	337.8	278.2	1,054.0	1,329.7
<b>Operating expense:</b>						
Live and Historical Racing	33.1	33.1	55.7	57.1	179.0	178.8
TwinSpires	50.8	74.7	84.0	66.3	275.8	207.9
Gaming	124.1	45.5	96.2	92.1	357.9	526.0
All Other	14.6	9.6	13.1	10.5	47.8	74.0
Selling, general and administrative expense	24.1	22.4	38.8	29.5	114.8	122.0
Impairment of intangible assets	17.5	—	—	—	17.5	—
Transaction expense, net	0.3	0.2	0.5	—	1.0	5.3
<b>Total operating expense</b>	264.5	185.5	288.3	255.5	993.8	1,114.0
<b>Operating (loss) income</b>	\$ (11.6)	\$ (0.4)	\$ 49.5	\$ 22.7	\$ 60.2	\$ 215.7

NOTE: There were no changes to line items in our consolidated statements of comprehensive income (loss) below operating income for any annual or interim period.



**CHURCHILL DOWNS INCORPORATED**  
**Recast Adjusted EBITDA by Segment**  
**(unaudited)**

**Year Ended December 31, 2020**

<i>(in millions)</i>	<b>Live and Historical Racing</b>	<b>TwinSpires</b>	<b>Gaming</b>	<b>All Other</b>	<b>Eliminations</b>	<b>Total</b>
Net revenue	\$ 188.8	\$ 416.0	\$ 437.8	\$ 46.4	\$ (35.0)	\$ 1,054.0
Taxes and purses	(64.1)	(25.1)	(171.6)	(7.5)	—	(268.3)
Marketing and advertising	(6.2)	(16.5)	(7.5)	(0.2)	0.2	(30.2)
Salaries and benefits	(32.5)	(13.0)	(75.9)	(17.4)	—	(138.8)
Content expense	(1.5)	(202.7)	(3.5)	(3.7)	33.0	(178.4)
Selling, general and administrative expense	(8.7)	(8.8)	(25.4)	(43.9)	1.5	(85.3)
Other operating expense	(36.8)	(37.1)	(59.7)	(12.3)	0.3	(145.6)
Other income	0.1	0.1	78.9	—	—	79.1
Adjusted EBITDA	<u>\$ 39.1</u>	<u>\$ 112.9</u>	<u>\$ 173.1</u>	<u>\$ (38.6)</u>	<u>\$ —</u>	<u>\$ 286.5</u>

**Year Ended December 31, 2019**

<i>(in millions)</i>	<b>Live and Historical Racing</b>	<b>TwinSpires</b>	<b>Gaming</b>	<b>All Other</b>	<b>Eliminations</b>	<b>Total</b>
Net revenue	\$ 292.2	\$ 296.7	\$ 689.7	\$ 81.4	\$ (30.3)	\$ 1,329.7
Taxes and purses	(68.7)	(16.2)	(269.4)	(15.4)	—	(369.7)
Marketing and advertising	(7.1)	(12.3)	(21.4)	(1.3)	0.4	(41.7)
Salaries and benefits	(32.8)	(11.4)	(103.3)	(23.7)	—	(171.2)
Content expense	(2.6)	(152.2)	(5.3)	(7.9)	28.6	(139.4)
Selling, general and administrative expense	(8.3)	(7.1)	(29.1)	(46.7)	1.0	(90.2)
Other operating expense	(37.3)	(28.2)	(83.6)	(18.3)	0.3	(167.1)
Other income	0.2	—	100.3	0.5	—	101.0
Adjusted EBITDA	<u>\$ 135.6</u>	<u>\$ 69.3</u>	<u>\$ 277.9</u>	<u>\$ (31.4)</u>	<u>\$ —</u>	<u>\$ 451.4</u>

**CHURCHILL DOWNS INCORPORATED**  
**Recast Adjusted EBITDA by Segment**  
**(unaudited)**

**Three Months Ended March 31, 2020**

<i>(in millions)</i>	<b>Live and Historical Racing</b>	<b>TwinSpires</b>	<b>Gaming</b>	<b>All Other</b>	<b>Eliminations</b>	<b>Total</b>
Net revenue	\$ 29.1	\$ 69.4	\$ 147.4	\$ 12.2	\$ (5.2)	\$ 252.9
Taxes and purses	(9.5)	(4.3)	(58.7)	(3.2)	—	(75.7)
Marketing and advertising	(1.2)	(3.5)	(5.3)	(0.1)	0.2	(9.9)
Salaries and benefits	(7.2)	(3.5)	(29.5)	(5.1)	—	(45.3)
Content expense	(0.7)	(32.6)	(1.0)	(1.3)	4.7	(30.9)
Selling, general and administrative expense	(1.7)	(1.4)	(6.7)	(8.7)	0.2	(18.3)
Other operating expense	(7.8)	(8.1)	(19.5)	(3.4)	0.1	(38.7)
Other income	—	—	21.2	—	—	21.2
Adjusted EBITDA	<u>\$ 1.0</u>	<u>\$ 16.0</u>	<u>\$ 47.9</u>	<u>\$ (9.6)</u>	<u>\$ —</u>	<u>\$ 55.3</u>

**Three Months Ended June 30, 2020**

<i>(in millions)</i>	<b>Live and Historical Racing</b>	<b>TwinSpires</b>	<b>Gaming</b>	<b>All Other</b>	<b>Eliminations</b>	<b>Total</b>
Net revenue	\$ 30.3	\$ 121.7	\$ 37.3	\$ 6.0	\$ (10.2)	\$ 185.1
Taxes and purses	(14.0)	(6.7)	(14.3)	(1.6)	—	(36.6)
Marketing and advertising	(0.3)	(2.9)	(0.4)	—	—	(3.6)
Salaries and benefits	(5.3)	(3.0)	(9.0)	(3.0)	—	(20.3)
Content expense	(0.1)	(59.1)	(0.4)	(0.1)	9.7	(50.0)
Selling, general and administrative expense	(1.2)	(1.7)	(3.9)	(9.0)	0.5	(15.3)
Other operating expense	(5.8)	(9.7)	(11.0)	(2.9)	—	(29.4)
Other income	—	0.1	(0.1)	0.2	—	0.2
Adjusted EBITDA	<u>\$ 3.6</u>	<u>\$ 38.7</u>	<u>\$ (1.8)</u>	<u>\$ (10.4)</u>	<u>\$ —</u>	<u>\$ 30.1</u>

**CHURCHILL DOWNS INCORPORATED**  
**Recast Adjusted EBITDA by Segment**  
**(unaudited)**

**Three Months Ended September 30, 2020**

<i>(in millions)</i>	<b>Live and Historical Racing</b>	<b>TwinSpires</b>	<b>Gaming</b>	<b>All Other</b>	<b>Eliminations</b>	<b>Total</b>
Net revenue	\$ 71.1	\$ 127.6	\$ 133.7	\$ 17.2	\$ (11.8)	\$ 337.8
Taxes and purses	(20.4)	(8.2)	(51.5)	(1.0)	—	(81.1)
Marketing and advertising	(2.7)	(6.9)	(0.6)	(0.1)	—	(10.3)
Salaries and benefits	(8.8)	(3.1)	(19.1)	(5.2)	—	(36.2)
Content expense	(0.2)	(62.7)	(1.2)	(0.9)	11.2	(53.8)
Selling, general and administrative expense	(2.8)	(3.9)	(8.2)	(14.8)	0.5	(29.2)
Other operating expense	(12.1)	(10.2)	(14.3)	(4.3)	0.1	(40.8)
Other income	—	—	35.9	(0.4)	—	35.5
Adjusted EBITDA	<u>\$ 24.1</u>	<u>\$ 32.6</u>	<u>\$ 74.7</u>	<u>\$ (9.5)</u>	<u>\$ —</u>	<u>\$ 121.9</u>

**Three Months Ended December 31, 2020**

<i>(in millions)</i>	<b>Live and Historical Racing</b>	<b>TwinSpires</b>	<b>Gaming</b>	<b>All Other</b>	<b>Eliminations</b>	<b>Total</b>
Net revenue	\$ 58.3	\$ 97.3	\$ 119.4	\$ 11.0	\$ (7.8)	\$ 278.2
Taxes and purses	(20.2)	(5.9)	(47.1)	(1.7)	—	(74.9)
Marketing and advertising	(2.0)	(3.2)	(1.2)	—	—	(6.4)
Salaries and benefits	(11.2)	(3.4)	(18.3)	(4.1)	—	(37.0)
Content expense	(0.5)	(48.3)	(0.9)	(1.4)	7.4	(43.7)
Selling, general and administrative expense	(3.0)	(1.8)	(6.6)	(11.4)	0.3	(22.5)
Other operating expense	(11.1)	(9.1)	(14.9)	(1.7)	0.1	(36.7)
Other income	0.1	—	21.9	0.2	—	22.2
Adjusted EBITDA	<u>\$ 10.4</u>	<u>\$ 25.6</u>	<u>\$ 52.3</u>	<u>\$ (9.1)</u>	<u>\$ —</u>	<u>\$ 79.2</u>



**CHURCHILL DOWNS INCORPORATED**  
**Reconciliation of Comprehensive (Loss) Income to Adjusted EBITDA**  
**(unaudited)**

	Three Months Ended				Year Ended December 31,	
	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	2020	2019
<i>(in millions)</i>						
<b>Comprehensive (loss) income</b>	\$ (23.4)	\$ (118.8)	\$ 43.2	\$ 17.1	\$ (81.9)	\$ 137.5
<b>Net income (loss) and comprehensive income (loss) attributable to CDI</b>						
Net loss attributable to noncontrolling interest	0.1	—	0.1	—	0.2	0.3
Net (loss) income before noncontrolling interest	(23.5)	(118.8)	43.1	17.1	(82.1)	137.2
Loss (income) from discontinued operations, net of tax	0.9	95.2	—	(0.7)	95.4	2.4
(Loss) income from continuing operations, net of tax	(22.6)	(23.6)	43.1	16.4	13.3	139.6
Additions:						
Depreciation and amortization	22.0	22.1	22.4	26.4	92.9	96.4
Interest expense	19.3	20.3	19.7	20.7	80.0	70.9
Income tax (benefit) provision	(11.6)	(7.9)	13.9	0.3	(5.3)	56.8
EBITDA	<u>\$ 7.1</u>	<u>\$ 10.9</u>	<u>\$ 99.1</u>	<u>\$ 63.8</u>	<u>\$ 180.9</u>	<u>\$ 363.7</u>
Adjustments to EBITDA:						
Selling, general and administrative:						
Stock-based compensation expense	\$ 4.3	\$ 6.1	\$ 6.9	\$ 6.4	\$ 23.7	23.8
Legal reserves	—	—	—	—	—	3.6
Other charges	—	(0.1)	0.8	0.1	0.8	0.4
Pre-opening expense and other expense	1.7	1.9	6.2	1.4	11.2	5.1
Other income, expense:						
Interest, depreciation and amortization expense related to equity investments	9.5	9.8	9.9	9.3	38.5	32.6
Changes in fair value of Rivers Des Plaines' interest rate swaps	14.9	1.3	(1.5)	(1.8)	12.9	12.4
Rivers Des Plaines' legal reserves and transaction costs	—	—	—	—	—	4.7
Other	—	—	—	—	—	(0.2)
Transaction expense, net	0.3	0.2	0.5	—	1.0	5.3
Impairment of tangible and other intangible assets	17.5	—	—	—	17.5	—
Total adjustments to EBITDA	<u>48.2</u>	<u>19.2</u>	<u>22.8</u>	<u>15.4</u>	<u>105.6</u>	<u>87.7</u>
<b>Adjusted EBITDA</b>	<u>\$ 55.3</u>	<u>\$ 30.1</u>	<u>\$ 121.9</u>	<u>\$ 79.2</u>	<u>\$ 286.5</u>	<u>\$ 451.4</u>
<b>Adjusted EBITDA by segment:</b>						
Live and Historical Racing	\$ 1.0	\$ 3.6	\$ 24.1	\$ 10.4	\$ 39.1	\$ 135.6
TwinSpires	16.0	38.7	32.6	25.6	112.9	69.3
Gaming	47.9	(1.8)	74.7	52.3	173.1	277.9
Total segment Adjusted EBITDA	64.9	40.5	131.4	88.3	325.1	482.8
All Other	(9.6)	(10.4)	(9.5)	(9.1)	(38.6)	(31.4)
<b>Total Adjusted EBITDA</b>	<u>\$ 55.3</u>	<u>\$ 30.1</u>	<u>\$ 121.9</u>	<u>\$ 79.2</u>	<u>\$ 286.5</u>	<u>\$ 451.4</u>