



CHURCHILL DOWNS

INCORPORATED

Investor Presentation

June 11, 2026

Forward-Looking Statements

Certain statements made in this presentation 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," "scheduled," and similar words or similar expressions (or negative versions of such words or expressions), 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 occurrence of extraordinary events, such as terrorist attacks, public health threats, civil unrest, and inclement weather, including as a result of climate change;
- The effect of economic conditions on our consumers' confidence and discretionary spending or our access to credit, including the impact of inflation;
- Changes in, or new interpretations of, applicable tax laws or rulings that could result in additional tax liabilities;
- The impact of any pandemics, epidemics, or outbreaks of infectious diseases, and related economic matters on our results of operations, financial conditions, and prospects;
- Lack of confidence in the integrity of our core businesses or any deterioration in our reputation;
- Negative shifts in public opinion regarding gambling that could result in increased regulation of, or new restrictions on, the gaming industry;
- Loss of key or highly skilled personnel, as well as general disruptions in the general labor market;
- The impact of significant competition, and the expectation that competition levels will increase;
- Changes in consumer preferences, attendance, wagering, and sponsorships;
- Risks associated with equity investments, strategic alliances and other third-party agreements;
- Inability to respond to rapid technological changes in a timely manner;
- Concentration and evolution of slot machine and historical racing machine ("HRM") manufacturing and other technology conditions that could impose additional costs;
- Failure to enter into or maintain agreements with industry constituents, including horsemen and other racetracks;
- Cybersecurity risk, including cyber-security breaches, or loss or misuse of our confidential information as a result of a breach including customers' personal information, or IT system operational disruptions, could lead to government enforcement actions or other litigation;
- Costs of compliance with increasingly complex laws and regulations regarding data privacy and protection of personal information;
- Reliance on our technology services and catastrophic events, system failures, errors or defects disrupting our operations;
- Inability to identify, complete, or fully realize the benefits of our proposed acquisitions, divestitures, development of new venues or the expansion of existing facilities on time, on budget, or as planned;
- Difficulty in integrating recent or future acquisitions into our operations;
- Cost overruns and other uncertainties associated with the development of new venues and the expansion of existing facilities;
- General risks related to real estate ownership and significant expenditures, including risks related to environmental liabilities;
- Personal injury litigation related to injuries occurring at our racetracks;
- Compliance with the Foreign Corrupt Practices Act or other similar laws and regulations, or applicable anti-money laundering regulations;
- Payment-related risks, such as risk associated with fraudulent credit card or debit card use;
- Work stoppages and labor problems;
- Risks related to pending or future legal proceedings and other actions;
- Highly regulated operations and changes in the regulatory environment could adversely affect our business;
- Restrictions in our debt facilities limiting our flexibility to operate our business;
- Failure to comply with the financial ratios and other covenants in our debt facilities and other indebtedness;
- Increases to interest rates, disruption in the credit markets or changes to our credit ratings may adversely affect our business;
- Increase in our insurance costs, or inability to obtain similar insurance coverage in the future, and any inability to recover under our insurance policies for damages sustained at our properties in the event of inclement weather and casualty events; and
- Other factors described under the heading "Risk Factors" in our most recent Annual Report on Form 10-K and in other filings we make with the Securities and Exchange Commission.

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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Business Overview and Case for Investing

Case for Investing



-  **Industry-Leading, Diversified Businesses**
-  **Clearly Defined Pathway for Growth**
-  **Iconic Asset – Kentucky Derby**
-  **Highly Profitable Financial Profile with Disciplined Capital Management**
-  **Proven Management Team**

Industry-Leading, Diversified Businesses

Live & Historical Racing

- **Churchill Downs Racetrack:** Home of the Kentucky Derby & live horse racing meets
- **Kentucky:** Eight entertainment venues with ~5,355 HRMs and HHR electronic tables games
- **Virginia:** Eight entertainment venues with ~4,835 HRMs
- **New Hampshire:** Rockingham Grand Casino under construction with HRMs and table games (mid-2027)

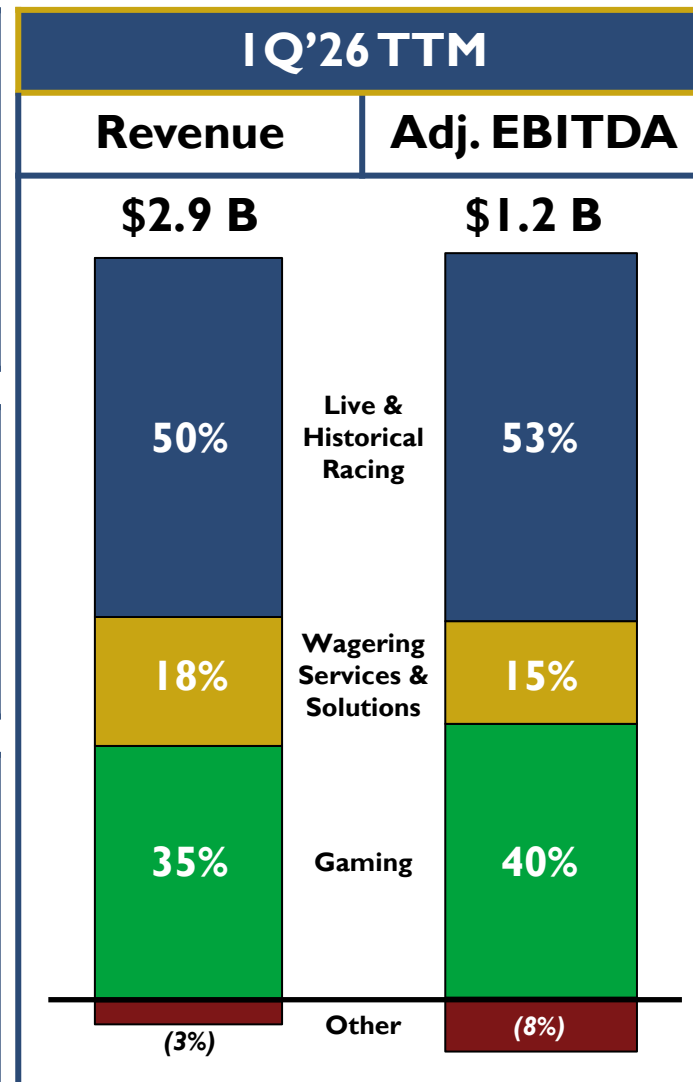
Wagering Services & Solutions

- TwinSpires is one of the largest and most profitable U.S. online wagering platforms for horse racing
- Expanding pari-mutuel content and technology services to B2C sports betting platforms
- Exacta provides HRM technology in our Virginia and Kentucky venues and to third parties in the U.S. and globally

Regional Gaming

- Ten wholly-owned gaming properties and underlying real estate in nine states
- Two equity investments in best-in-class gaming properties¹
- ~14,340 slot machines and video lottery terminals and ~360 table games

1. Rivers Casino Des Plaines, 61% owned Illinois joint venture and Miami Valley Gaming, 50% owned Ohio joint venture.



Industry-Leading, Diversified Businesses

Live and Historical Racing

Gaming



Notes:

1. Rockingham Grand Casino is expected to open in mid-2027.

Clearly Defined Pathway for Growth

The Kentucky Derby

- Delivery of luxury live sports & entertainment experiences supports long-term pricing expansion
- Incremental sponsorships
- Record-setting wagering from world class horse racing and expanding Derby Week race days
- Harvest benefits from capital investments
- Realize benefits from NBC contract renewal for broadcast rights and Kentucky Oaks on primetime

Historical Racing Machines

- Harvest benefits from recent capital investments
 - Virginia – The Rose (4Q'24), Richmond Expansion (3Q'25)
 - Western Kentucky – Owensboro Racing & Gaming (1Q'25)
 - Virginia – Henrico – Roseshire (3Q'25)
 - Southwestern Kentucky – Marshall Yards Racing & Gaming (1Q'26)
- Realize benefits of new capital investments
 - Kentucky – Roulette electronic table games (1Q'26)
 - Rockingham Grand Casino (mid-2027)

Wagering Services & Solutions

- TwinSpires – B2C and B2B partnership growth
- Exacta – Ongoing expansion in existing and new states; international expansion

Regional Gaming

- Harvest benefits from recent capital investments
 - Indiana – Terre Haute (2Q'24)
 - Slot Capital – < 2-year payback
- Targeted marketing to attract new players and grow existing players

Iconic Asset – Kentucky Derby

One of kind & irreplaceable asset

- The longest continually held annual sporting event in the U.S.
- Most prestigious event in racing surrounded by a week-long celebration of fashion, entertainment, and horse racing
- Setting all-time record-breaking viewership and social media impressions

Focused on growing a premier international sporting & entertainment event

- Premium entertainment experiences
- Sponsorship & licensing
- Broadcast rights
- Wagering
- Strategic capital investment

Provides high margin growth & significant free cash flow

- Realizing benefit of increased consumer focus on live sporting events and luxury entertainment experiences
- Harvesting the value created by recent capital investments
- Strategically investing for long-term value creation



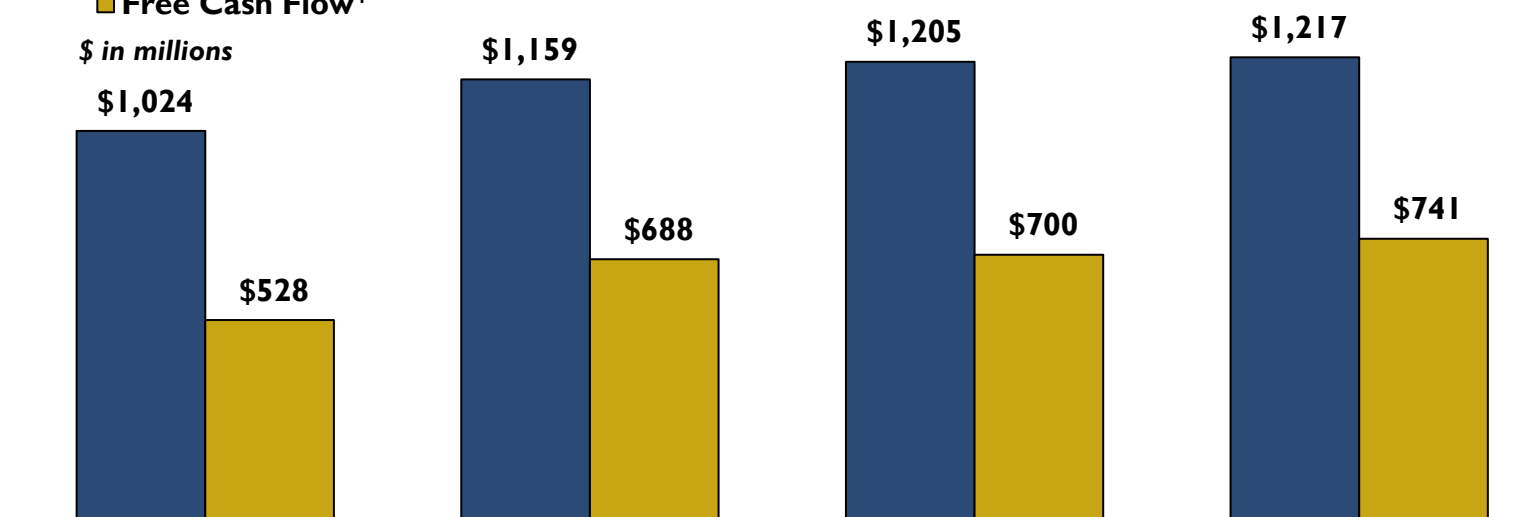
Highly Profitable Financial Profile

Consistent growth in Adjusted EBITDA & free cash flow

■ Adjusted EBITDA

■ Free Cash Flow¹

\$ in millions



<u>Free Cash Flow</u>	2023	2024	2025	1Q'26 TTM
Conversion:	52%	59%	58%	61%
Yield ² :	8%	10%	11%	12%

With High Free Cash Flow Conversion & Free Cash Flow Yield

1. Free cash flow includes maintenance capital spend and excludes project capital spend.

2. Free cash flow yield is calculated using a closing stock price of \$88.82 as of June 9, 2026.

Disciplined Capital Management

Investments focused on creating long-term shareholder value

- Organic investments to expand offerings in high growth areas with returns above cost of capital
- Strategic acquisitions and dispositions
- Annual dividends with 15 years of consecutive increase in dividend per share
- Opportunistic share repurchases dependent upon free cash flow generation, leverage levels, and other investment opportunities to grow the business

Maintain broad and expedient access to the capital markets

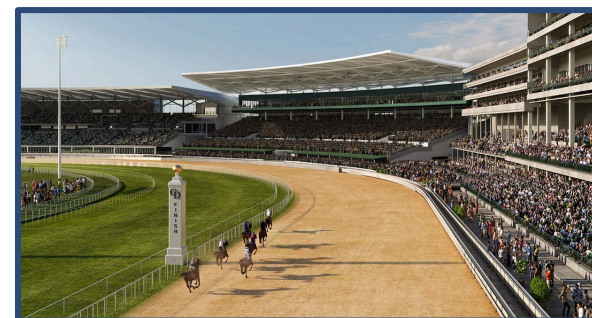
- Ideal target is 3.0x-4.0x bank covenant net leverage
- 3.8x bank covenant net leverage as of March 31, 2026
- Significant balance sheet flexibility
- Demonstrated ability to access debt markets with attractive rates / terms

Disciplined Capital Management

Ongoing capital investments are expected to deliver high returns on invested capital

<i>\$ millions</i>	Project Capital Investments	Target Completion	2026 Planned Spend
The Kentucky Derby	CDRT Victory Run	April 2028	\$25-30
Historical Racing Machines	New Hampshire Rockingham Grand Casino	Mid-2027	\$70-80
All Other	All Other		\$85-110 ¹

2026 Capital Forecast:
 Project \$180-220 million¹
 Maintenance \$90-110 million



1. Includes completed capital projects.

Churchill Downs Racetrack and The Kentucky Derby

Churchill Downs Racetrack (“Churchill Downs”)

Churchill Downs is CDI’s flagship asset

- Home of The Kentucky Derby and Derby Week
- Conducts ~80 days of live racing throughout the year
- Platform to showcase global brand partnerships across all media

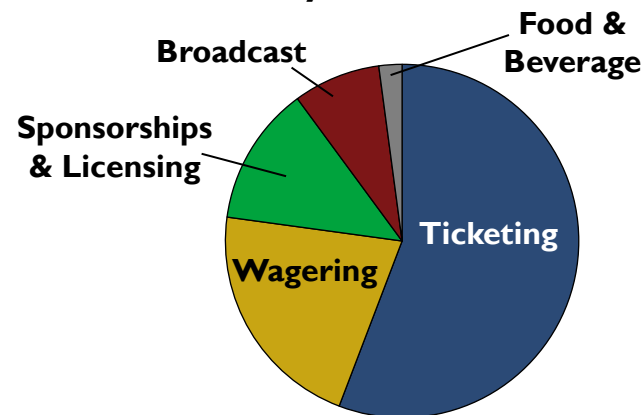
Derby Week



The Kentucky Derby

- The longest continuous held major sporting event in the U.S. held annually since 1875
- High margin performance track record with significant growth potential over the long-term

Derby Week Revenue



The Kentucky Derby Overview

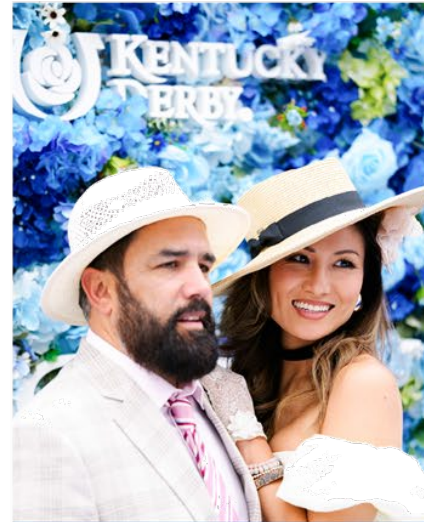
The Kentucky Derby utilizes the magic and mystique of Churchill Downs to create unique experiences for our guests



Historic
Americana



Contagious
Excitement



Sophisticated
Luxury



Living
Traditions

The Kentucky Derby Growth Catalysts



The 152nd Kentucky Derby and the Kentucky Oaks – Viewership & Wagering

Significant media interest creates long-term support for iconic entertainment event

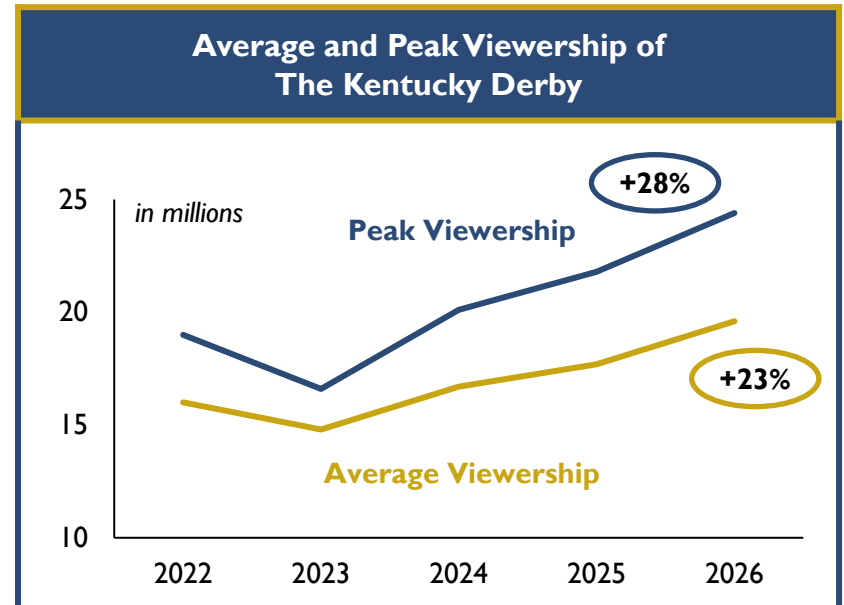
- 24.4 million peak viewership¹ (+12%)
- 19.6 million average viewership¹ (+11%)
- Over 523 million social media impressions (+59%)
- Over 386,000 attendees during Derby Week, (+3%)



Record-breaking Derby Week all sources wagering of \$487 million (+3%)

Comparable Viewership	2026 Date	Network	Avg. Viewers ²
152nd Kentucky Derby	May 2	NBC	19.6
NBA Finals, Game 7 ³	June 22 ³	ABC	16.4 ³
Masters Final Round	Apr 12	CBS	14.0
Indy 500	May 24	Fox	6.6
152nd Kentucky Oaks	May 1	NBC	2.4
FI Miami Grand Prix	May 3	Apple TV	2.2 ³

1. Includes viewership on NBC and Peacock streaming
 2. Viewership in millions
 3. 2025 data



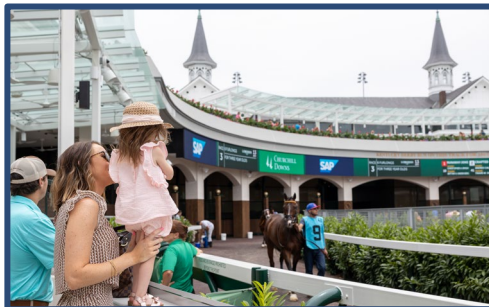
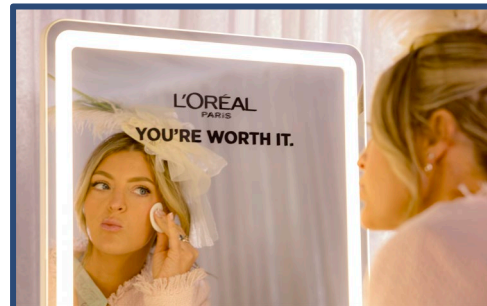
Attracting New Sponsorship Growth Opportunities

Building relationships with sponsors targeting luxury, lifestyle, and technology categories for both onsite experiences and Derby parties around the globe

Partnership landscape:

- Presenting partner for The Kentucky Derby: Woodford Reserve
- Signature partners: SAP, Longines, Ford, FanDuel, Accenture, Sports Illustrated, and L'Oréal Paris

Opportunities for sponsor naming rights and sponsor activation areas



Churchill Downs Racetrack Capital Investments

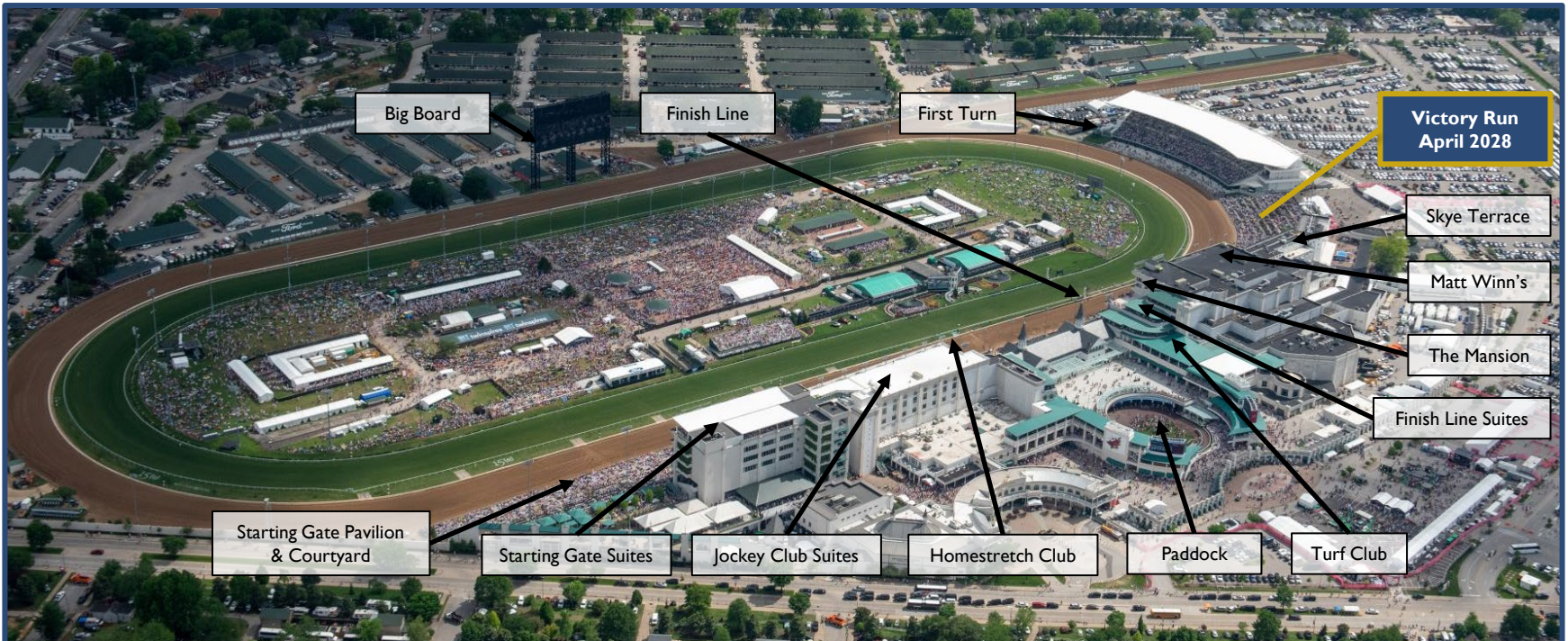
Significant opportunity remains to grow our iconic asset

Create unique, once-in-a-lifetime experiences for guests

Create new experiences for guests at all ticketing price points

Remain focused on time-honored traditions through celebration of the history of Churchill Downs and the Kentucky Derby

Ensure timing of capital projects provide guests with a bucket list experience every year



Creating Premium Entertainment Experiences

Creating unique entertainment experiences

- Design and curate prestigious high-demand spaces and luxury entertainment experiences that command top-tier pricing
- Attract corporations for premium and suite experiences to drive business synergies
- Strategically invest capital to create new bespoke seating experiences and renovate existing spaces to offer guests exclusive experiences each year

Expanding international growth opportunities

- Three unique Roads to the Derby for a horse to qualify in one of 20 coveted Derby starting positions
 - **United States:** Horses compete for a Derby starting position through 36 races from September through April
 - **Japan:** Horses compete for one Derby starting position through four Japanese races from November to March
 - **Euro / Mideast:** Horses compete for two Derby starting positions through ten European and UAE races from September to March
- Growth potential
 - New international customers for the Derby
 - Additional wagering
 - Provides extended marketing opportunity for sponsors



Historical Racing Entertainment

Historical Racing Entertainment

HRM entertainment venues

- Venues include historical racing machines (“HRMs”), food and beverage offerings, retail sports betting, simulcast, and entertainment
- HRMs are based on a parimutuel wagering system designed to use historical horse racing information to determine wagering outcomes
 - Designed with top rated Class III game titles and cabinets

HRM venues support horse racing and agriculture industries

- Provide a portion of taxes to associated racetrack for “purses” for live horse racing
 - Paid to owners of winning horses and horses that participate in races during live race meets
- Provides horse racing content for TwinSpires online wagering

CDI has created and acquired HRM venues since 2018

- Kentucky – 8 venues with ~5,355 HRMs
- Virginia – 8 venues with ~4,835 HRMs
- New Hampshire – building Rockingham Grand Casino (mid-2027 opening)

Key Metrics		
<i>\$ in millions</i>	2025	1Q'26
Revenue	\$1,442	\$301
VPY	+14%	+9%
Adjusted EBITDA	\$637	\$113
VPY	+11%	+11%



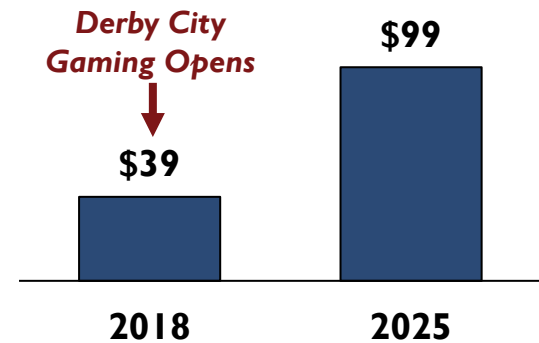
HRM Entertainment Venues - Kentucky

CDI has eight HRM entertainment venues in Kentucky

- CDI has four racetracks with two HRM entertainment venues associated with each racetrack
 - The Kentucky Horse Racing and Gaming Corporation permits each of the state's nine racetracks to operate HRMs at their main facility and at one annex facility
 - Each HRM annex facility must be within a 60-mile radius of the licensed racetrack, and no other competitors are permitted to operate within this zone
- CDI has ~5,355 HRMs with approval for up to 9,000 HRMs



Purses Paid at Churchill Downs Racetrack
17% Average Annual Growth Rate
 \$ in millions



Support Purses & Economics for Horse Racing and Agriculture Industries

HRM Entertainment Venues – Kentucky

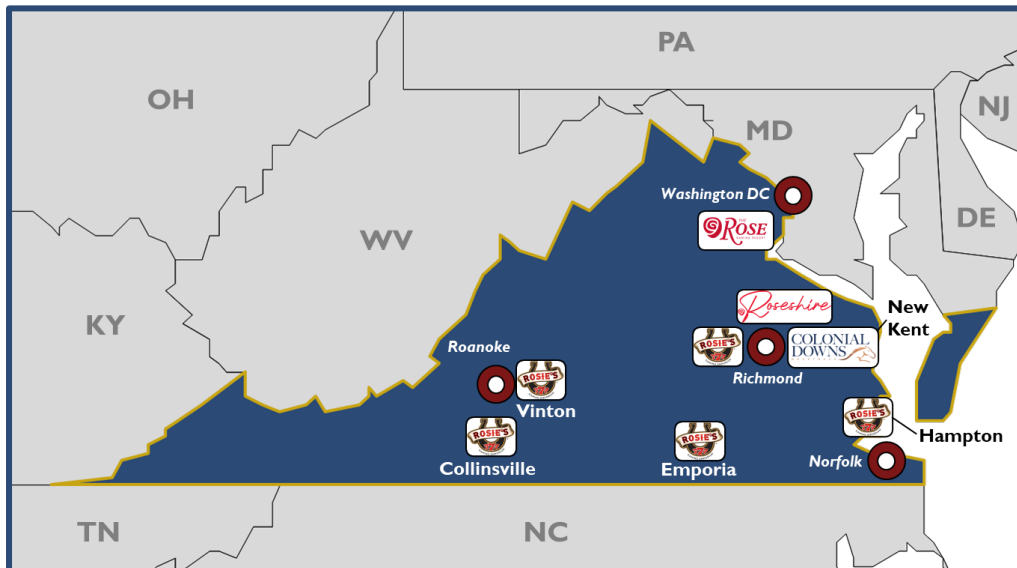
Region	Louisville		Northern Kentucky		Southwestern Kentucky		Western Kentucky	
Location								
Opened	Sept. 2018	Dec. 2023	Sept. 2022	Oct. 2020	Sept. 2020	Feb. 2026	Sept. 2022 (CDI Acquired)	Feb. 2025
May 2026 Win/Unit/Day ¹	\$520	\$123	\$297	\$247	\$427	\$217	\$249	\$267
TTM Win/Unit/Day ¹	\$488	\$115	\$265	\$245	\$402	\$273 ²	\$245	\$253
HRMs ³	1,270	450	800	460	1,170	160	300	600

1. Based on the pari-mutuel wagering data from the Kentucky Horse Racing and Gaming Corporation (KHRGC) through April 30, 2026 and internal data through May 31, 2026. Win/Unit/Day reflects the average number of operational HRMs at each facility for the twelve months ended May 31, 2026.
2. Marshall Yards Racing & Gaming opened February 25, 2026; Win/Unit/Day reflects the average of 209 operational HRMs for February 25, 2026 through May 31, 2026.
3. HRM counts are based on currently installed machines as of May 31, 2026 and does not adjust for any temporary maintenance or downtime.

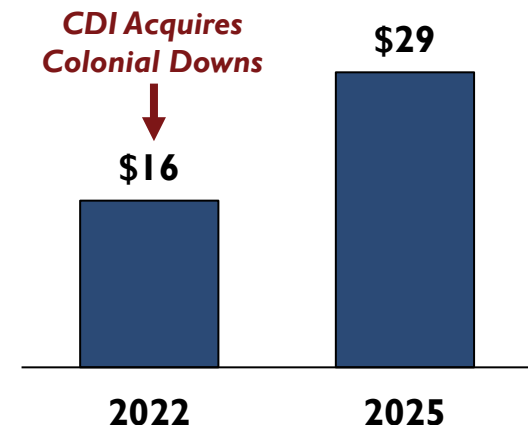
HRM Entertainment Venues - Virginia

CDI has eight HRM entertainment venues and the only horse racetrack in Virginia









- Virginia statute permits 5,000 HRMs through CDI's ownership of Colonial Downs Racetrack
 - CDI currently has ~4,835 HRMs across eight properties in Virginia
- Colonial Downs will host 45 race days in 2026
 - Colonial Downs is required to host one race day per 100 HRM machines deployed in Virginia with the number of race days increasing as the number of HRMs deployed increases
 - Colonial Downs hosts The Virginia Derby in March as a Kentucky Derby qualifying race



Purses Paid at Colonial Downs
29% Average Annual Growth Rate
 \$ in millions



HRM Entertainment Venues – Virginia

Region	Northern Virginia	Central Virginia			Southern Virginia			Western Virginia
Location	 Dumfries	 Richmond	 New Kent	 Henrico County	 Hampton	 Emporia	 Collinsville	 Vinton
Opened	Nov. 2024	Jun. 2019	Apr. 2019	Sept. 2025	Oct. 2019	Sept. 2023	Jul. 2021	May 2019
May 2026 Win/Unit/Day ¹	\$323	\$302	\$273	\$490	\$459	\$406	\$328	\$366
TTM Win/Unit/Day ¹	\$278	\$350	\$283	\$459 ²	\$418	\$432	\$288	\$335
HRMs ³	1,610	1,200	460	175	700	150	40	470

1. Based on the historical horse racing reports from the Virginia Racing Commission through May 31, 2026. Win/Unit/Day reflects the average number of operational HRMs at each facility for the twelve months ended May 31, 2026.

2. Roseshire opened September 29, 2025; Win/Unit/Day reflects 175 operational HRMs for September 29, 2025 through May 31, 2026.

3. HRM counts are based on currently installed machines as of May 31, 2026 and does not adjust for any temporary maintenance or downtime.





Wagering Services & Solutions Segment

Wagering Services & Solutions Overview

TwinSpires Horse Racing

- The largest and most profitable legal online horse racing platforms in the US¹
 - Business to consumer offering through TwinSpires
 - Business to business offering for sports betting platforms
- 24/7/365 online wagering on ~165,000 races at 360 racetracks around the world
- Provides horse racing statistical data, live streaming of racing, and handicapping information
- Provides wagering settlement services for CDI owned properties and third parties through United Tote

Exacta

- Provides central determinant system technology (“HRM technology”) for HRMs at CDI properties
- Provides HRM technology for third parties in Kentucky, New Hampshire, Wyoming, Kansas, Alabama & internationally
- Opportunity to expand HRM technology for ETGs & internationally

Retail & Online Sport Betting

- Provide retail sports betting services to customers at wholly-owned CDI properties
- Monetize online sports betting market access in select states (e.g., Indiana, Kentucky, and Pennsylvania) with third parties



KENTUCKY DERBY

PREAKNESS



BELMONT STAKES

Key Metrics

<i>\$ in millions</i>	2025	1Q'26
Revenue	\$526	\$118
VPY	+5%	+2%
Adjusted EBITDA	\$177	\$45
VPY	+7%	+10%

CDI is the premier pari-mutuel content and technology provider

1. Based on U.S. Online Wagering as reported by the Oregon Racing Commission for 2025.

TwinSpires Horse Racing Growth Strategy

TwinSpires Horse Racing Growth Strategy

Grow core TwinSpires horse racing customers

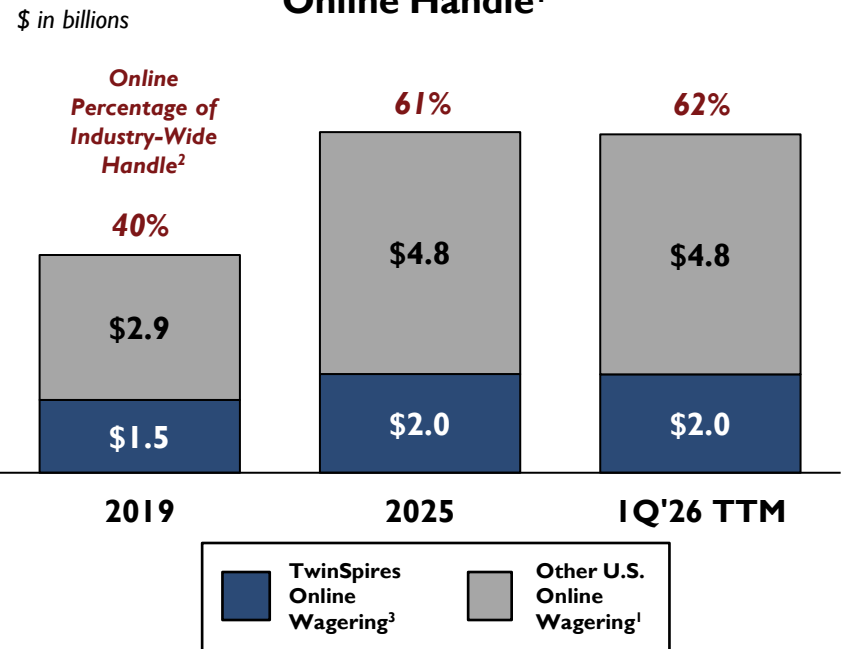
- Leverage linkage to Kentucky Derby to efficiently acquire customers
- Utilize in-house development team to continue to enhance superior technology platform
- Utilize analytics on customer behavior to drive efficient customer acquisition, retention, and activation

Grow B2B horse racing relationships

- Provide technology including, settlement services, and analytics for sports betting platforms (e.g., FanDuel and DraftKings)
- Seamless delivery of a casual betting pari-mutuel platform with single wallet integration

TwinSpires Horse Racing and U.S. Online Wagering have grown significantly since 2019

U.S. Thoroughbred Horse Racing Online Handle¹



1. U.S. Online Wagering as reported by the Oregon Racing Commission less TwinSpires Handle as reported in corresponding quarterly earnings releases.
2. Online percentage of industry-wide handle represents the ratio of U.S. Online Wagering as reported by the Oregon Racing Commission to U.S. Thoroughbred Horse Racing wagering data as reported by Equibase.
3. TwinSpires handle excludes Velocity.





Gaming Segment

Regional Gaming Properties

Diverse portfolio of 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 and beverage offerings

Leverage corporate gaming expertise

- Return on invested capital focused
- Gaming floor layout and game mix optimization focus
- Centralized slot purchasing to leverage size
- Centralized business intelligence analytics and slot purchasing

Regional property gaming leaders

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

Key Metrics		
<i>\$ in millions</i>	2025	1Q'26
Revenue¹	\$1,049	\$262
VPY	0%	(2%)
Adjusted EBITDA²	\$483	\$123
VPY	(5%)	(1%)

1. Revenue does not include revenue from our equity investments.

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

Wholly-Owned Gaming Properties

Ten wholly-owned regional gaming properties

State	Property	Acres	Slots ¹ & Video Poker / VLTs ¹	Tables ¹	Racetrack	Hotel Rooms	Retail Sportsbook
FL	Calder Casino	54	1,070	6	-	-	-
IA	Hard Rock Iowa	15	680	16	-	54	✓
IN	Terre Haute Casino Resort	48	1,040	38	-	122	✓
LA	Fair Grounds Race Course and Slots & Video Services ²	145	1,540	-	✓	-	✓
ME	Oxford Casino & Hotel	97	955	22	-	107	✓
MD	Ocean Downs Casino & Racetrack	167	900	19	✓	-	✓
MS	Harlow's Casino Resort & Spa	85 ³	660	13	-	105	✓
MS	Riverwalk Casino Hotel	22	560	11	-	76	✓
NY	del Lago Resort & Casino	83	1,665	80	-	205	✓
PA	Presque Isle Downs & Casino	270	1,525	31	✓	-	✓

1. Units as of December 31, 2025.

2. Fair Grounds operates 13 OTBs across southeast Louisiana as of December 31, 2025.

3. Leased land.

Equity Investments

Rivers Casino Des Plaines (61% Ownership)

- Premier location on 21 acres in Des Plaines, IL (~17 mi. from Chicago)
- ~2,000 positions^{1,2} (1,510 slot machines and 120 table games)
- Eight food and beverage outlets plus a VIP lounge
- Retail and online BetRivers sportsbook



Miami Valley Gaming (50% Ownership)

- Located on 120 acres in Lebanon, OH (North of Cincinnati, south of Dayton)
- ~2,230 video lottery terminals¹ and four dining facilities
- Joint venture (50/50) with Delaware North



1. Units as of December 31, 2025.

2. 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).





Capital Management

Over \$2.4 billion of capital returned to shareholders since 2015

Dividends

- **January 2026 was the 15th consecutive increase in dividend per share**
- **Over \$290 million paid to shareholders in dividends since 2015¹**

Share Repurchases

- **Returned over \$2.1 billion to shareholders through share repurchases since 2015²**
 - Repurchased ~38.8 million shares at an average price of ~\$55 per share^{2,3}
- **Approximately \$429.5 million of repurchase authority remaining under the July 2025 Stock Repurchase Program as of March 31, 2026**

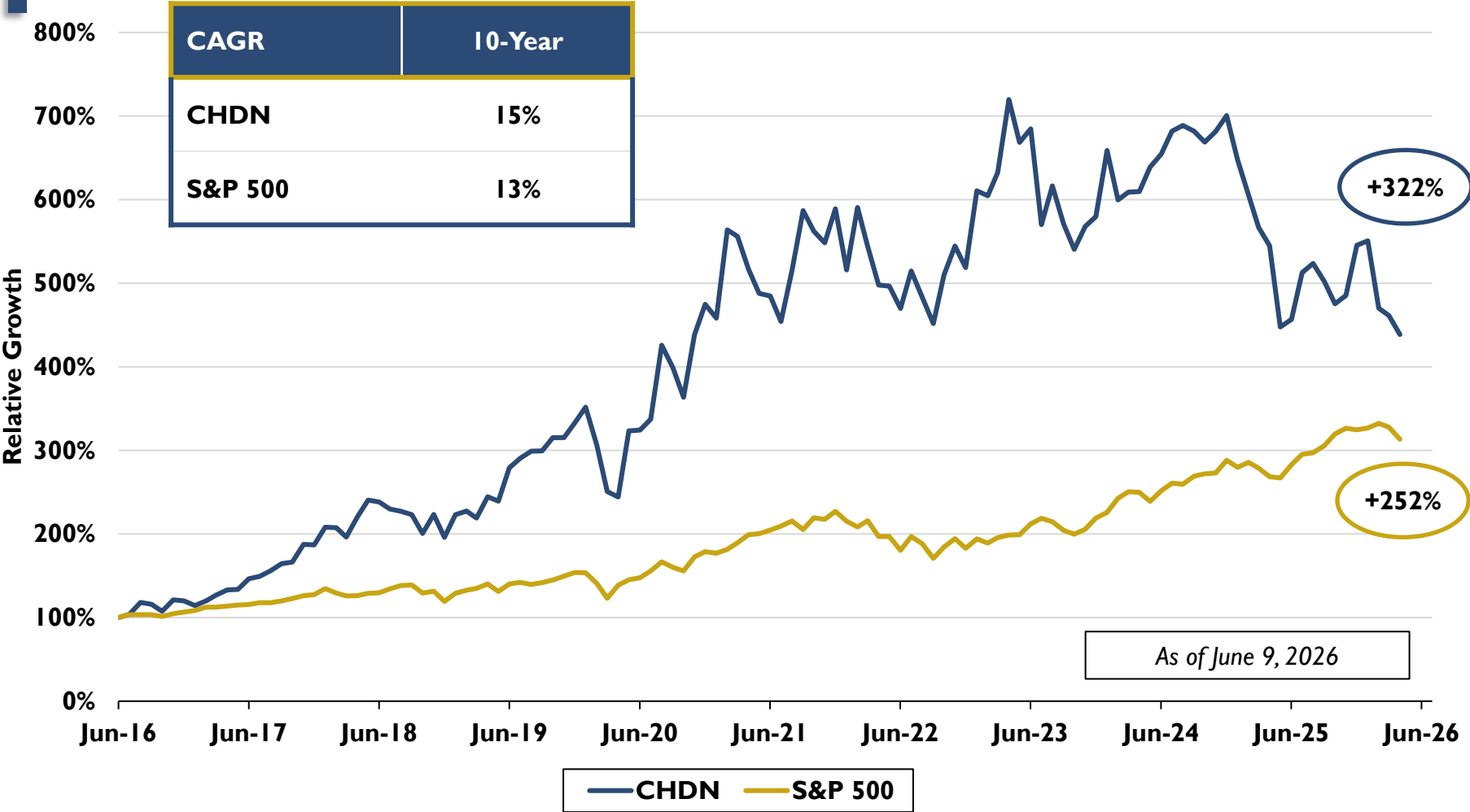
Reflects our long-term commitment to effectively return capital to shareholders unless there are more attractive growth opportunities

1. Through January 6, 2026.

2. Through March 31, 2026, based on trade date.

3. Split adjusted shares.

Long-Term Track Record of Creating Shareholder Value



1. The graph above reflects 3:1 stock split on January 28, 2019 and a 2:1 stock split on May 22, 2023.





Appendix

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 and 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
Executive Vice President and 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

Disciplined Capital Management

Our capital investments have provided strong returns and long-term shareholder value

Property ¹	Initial Year of Investment	Cumulative Investment (\$ millions) ²	Projected Unlevered IRR
Derby City Gaming (HRM)	2018	\$154	> 65%
Newport Racing & Gaming (HRM)	2020	\$36	> 30%
Oak Grove (HRM)	2020	\$196	> 30%
Turfway Park (HRM)	2022	\$179	Mid-teens
Homestretch Club at CDRT	2022	\$37	> 30%
First Turn at CDRT	2023	\$87	> 20%
Paddock at CDRT	2024	\$178	> 20%

1. Properties with greater than 2 years of actual performance included using an unlevered DCF analysis.

2. Investment represents capital spend and acquisition costs.

Disciplined Capital Management

Disciplined acquirer & seller of strategic assets

Disciplined Acquisitions			
<i>\$ in millions</i> Asset	Initial Year of Investment	Purchase Price	Implied Multiple ¹
Rivers Casino Des Plaines	2019	\$407	< 5x
P2E ² & Exacta	2022 & 2023	\$3,000	7-8x

1. Based on purchase price and 2025 Adjusted EBITDA.

2. Acquisition of Virginia HRMs and Iowa and New York casinos. Excludes the investment in and Adjusted EBITDA from Emporia, The Rose, Richmond expansion, and Henrico County.

Strategic Seller of Assets			
<i>\$ in millions</i> Asset	Year of Sale	Sale Price	After-Tax Gain on Sale
Big Fish Games	2018	\$990	\$168
Calder Land Sales	2016 & 2022	\$318	\$298
Arlington Property Sale	2023	\$197	\$86

CDI Racetrack Overview

Racetrack	Churchill Downs	Ellis Park	Colonial Downs	Presque Isle Downs	Turfway Park	Fair Grounds	Miami Valley Gaming	Oak Grove	Ocean Downs
Location	Louisville, Kentucky	Western Kentucky	New Kent, Virginia	Erie, Pennsylvania	Northern Kentucky	New Orleans, Louisiana	Lebanon, Ohio	Southwestern Kentucky	Berlin, Maryland
2026 Race Season	Apr.-Jun. & Sept.-Nov.	Jul.-Aug.	Mar. & Jun.-Sept.	May-Oct.	Jan.-Mar. & Dec	Jan.-Mar. & Nov.-Dec.	Jan.-May	Mar.-Jul.	May-Sept.
2026 Scheduled Race Days (Optional Race Days)	82	25 (8)	45	76	66	72	85	34 (7)	48
Type of Racing	Thoroughbred	Thoroughbred	Thoroughbred	Thoroughbred	Thoroughbred	Thoroughbred	Standardbred (Harness)	Standardbred (Harness)	Standardbred (Harness)

Definition of Non-GAAP Financial Measures

Churchill Downs Incorporated (the “Company,” “we,” “our”) management monitors a variety of key indicators to evaluate our business results and financial condition. These indicators include changes in net revenue, operating expense, operating income, earnings per share, outstanding debt balance, operating cash flow and capital spend.

Our consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles (“GAAP”). We also use non-GAAP measures, including EBITDA (earnings before interest, taxes, depreciation and amortization) and Adjusted EBITDA. We believe that the use of Adjusted EBITDA as a key performance measure of results of operations enables management and investors to evaluate and compare from period to period our operating performance in a meaningful and consistent manner. Our chief operating decision maker utilizes Adjusted EBITDA to evaluate segment performance, develop strategy, and allocate resources. Adjusted EBITDA is a supplemental measure of our performance that is not required by, or presented in accordance with, GAAP. Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, net income (as determined in accordance with GAAP) as a measure of our operating results.

Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, adjusted for the following:

Adjusted EBITDA includes our portion of EBITDA from our equity investments and the portion of EBITDA attributable to a noncontrolling interest.

Adjusted EBITDA excludes:

- Transaction expense, net which includes:
 - Acquisition, disposition, and property sale 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 legal reserves and transaction costs;
- Asset impairments, net;
- Gain on property sales;
- Legal reserves;
- Pre-opening expense; and
- Other charges, recoveries and expenses.

For segment reporting, Adjusted EBITDA includes intercompany revenue and expense totals that are eliminated in accordance with GAAP in the Consolidated Statements of Comprehensive Income.

Further information relevant to the interpretation of non-GAAP financial measures and reconciliations of these non-GAAP financial measures to the most comparable GAAP measures, including reconciliations for the periods other than the three months ended March 31, 2026 and 2025 and the twelve months ended December 31, 2025, is available on the reports we file from time to time with the SEC, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. Copies of reports we file with the SEC are posted on our website.

Reconciliation of Comprehensive Income to Adjusted EBITDA

	Three Months Ended March 31,		Years Ended December 31,	
	2026	2025	2025	2024
<i>(in millions)</i>				
Net income and comprehensive income attributable to Churchill Downs Incorporated	\$ 83	\$ 77	\$ 383	\$ 427
Net income attributable to noncontrolling interest	\$ -	\$ -	\$ 3	\$ 2
Net income	\$ 83	\$ 77	\$ 386	\$ 429
Adjustments:				
Depreciation and amortization	\$ 56	\$ 59	\$ 233	\$ 199
Interest expense	\$ 72	\$ 72	\$ 298	\$ 290
Income tax provision	\$ 30	\$ 19	\$ 147	\$ 144
Stock-based compensation expense	\$ 5	\$ 4	\$ 30	\$ 36
Pre-opening expense	\$ 3	\$ 4	\$ 12	\$ 30
Other expenses, net	\$ 2	\$ -	\$ 10	\$ 4
Transaction (benefit) expense, net	\$ 1	\$ -	\$ 5	\$ (12)
Asset impairments, net	\$ -	\$ -	\$ 48	\$ 4
Other income, expense:				
Interest, depreciation and amortization expense related to equity investments	\$ 9	\$ 10	\$ 39	\$ 42
Rivers Des Plaines' legal reserves and transaction costs	\$ -	\$ -	\$ -	\$ 0
Other charges and recoveries, net	\$ (4)	\$ -	\$ (1)	\$ (7)
Total adjustments	\$ 174	\$ 168	\$ 820	\$ 730
Adjusted EBITDA	\$ 257	\$ 245	\$ 1,205	\$ 1,159
Adjusted EBITDA by segment:				
Live and Historical Racing	\$ 113	\$ 102	\$ 637	\$ 575
Wagering Services and Solutions	\$ 45	\$ 41	\$ 177	\$ 166
Gaming	\$ 123	\$ 124	\$ 483	\$ 507
Total segment Adjusted EBITDA	\$ 281	\$ 267	\$ 1,297	\$ 1,247
All Other	\$ (24)	\$ (22)	\$ (92)	\$ (88)
Total Adjusted EBITDA	\$ 257	\$ 245	\$ 1,205	\$ 1,159