

CHURCHILL DOWNS INC
Form S-4/A
January 29, 2010
Table of Contents

As filed with the Securities and Exchange Commission on January 29, 2010

Registration No. 333-164008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1
to
Form S-4
REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933

Churchill Downs Incorporated

(Exact name of registrant as specified in its charter)

Kentucky
*(State or other jurisdiction of
incorporation or organization)*

7948
*(Primary Standard Industrial
Classification Code Number)*

61-0156015
*(I.R.S. Employer
Identification Number)*

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700 Central Avenue, Louisville, Kentucky 40208

(502) 636-4400

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Robert L. Evans

President and Chief Executive Officer

Churchill Downs Incorporated

700 Central Avenue

Louisville, Kentucky 40208

(502) 636-4400

(Name, address, including zip code, and telephone number, including area code, of agent for service)

with copies to:

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(818) 668-2100

Chicago, Illinois 60654

New York, New York 10022

(312) 862-2000

(212) 451-2222

Approximate date of commencement of proposed sale of the securities to the public: As soon as reasonably practicable after the effectiveness of this Registration Statement and the completion of the merger described in the enclosed proxy statement/prospectus.

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If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information contained in this proxy statement/prospectus is not complete and may be changed. Churchill Downs Incorporated may not sell these securities until the registration statement relating to these securities filed with the Securities and Exchange Commission, of which this document is a part, is declared effective. This proxy statement/prospectus shall not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Any representation to the contrary is a criminal offense.

PRELIMINARY SUBJECT TO COMPLETION DATED January 29, 2010

MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

To the Stockholders of Youbet.com, Inc.:

Youbet.com, Inc. (Youbet) and Churchill Downs Incorporated (CDI) have entered into a merger agreement for CDI to acquire Youbet. In the proposed transaction, a wholly owned subsidiary of CDI will merge with and into Youbet, with Youbet continuing after the merger as the surviving corporation. Following completion of the merger, the surviving corporation will merge with and into Tomahawk Merger LLC, a wholly owned subsidiary of CDI, with Tomahawk Merger LLC surviving the subsequent merger.

Pursuant to the proposed merger, Youbet stockholders will be entitled to receive a combination of 0.0598 of a share of CDI common stock and \$0.97 in cash, subject to adjustment to ensure that the merger does not require CDI to issue more than 19.6% of the outstanding CDI common stock outstanding as of immediately prior to the effective time of the merger.

The amount of cash and the value and amount of the CDI common stock into which each share of Youbet common stock will be converted will not be known at the time of the special meeting, because the merger will not be consummated until after the special meeting. Beginning at 9:00 a.m. on [], 2010, MacKenzie Partners, Inc., Youbet's proxy solicitor, will make current merger consideration information available at the following toll-free number: (888) 407-8968.

Youbet common stock is traded on the NASDAQ Capital Market under the trading symbol UBET and CDI common stock is traded on the NASDAQ Global Select Market under the trading symbol CHDN. On [], 2010, Youbet common stock closed at \$[] per share and CDI common stock closed at \$[] per share. More detailed information about Youbet, CDI, the proposed merger and the special meeting is contained in this proxy statement/prospectus. **We encourage you to read this proxy statement/prospectus carefully and in its entirety before voting, including the section entitled Risk Factors beginning on page 27 of this proxy statement/prospectus.**

We are asking you to vote to adopt the merger agreement at the special meeting. The Youbet board of directors has unanimously determined that the merger and the merger agreement are advisable and fair to, and in the best interests of, Youbet and its stockholders, has unanimously approved the merger agreement and unanimously recommends that Youbet stockholders vote FOR the proposal to adopt the merger agreement.

The date, time and place of the special meeting of stockholders is as follows:

[]

Your vote is very important. The merger cannot be completed unless Youbet stockholders adopt the merger agreement at a special meeting of Youbet stockholders. Whether or not you plan to attend the special meeting, please take the time to vote by completing and mailing to us the enclosed proxy card or grant your proxy by telephone or through the Internet. You may also cast your vote in person at the special meeting. If your shares are held in street name, you must instruct your broker, bank or other nominee in order to vote. Failing to vote at the Youbet special meeting, in person or by proxy, will have the effect of a vote against the proposal to adopt the merger agreement.

Sincerely,

David Goldberg
President & Chief Executive Officer

Youbet.com, Inc.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THIS TRANSACTION OR THE SECURITIES OF CDI TO BE ISSUED PURSUANT TO THE MERGER, OR DETERMINED IF THIS PROXY STATEMENT/PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This proxy statement/prospectus is dated [], 2010 and is first being mailed to stockholders of Youbet on or about [], 2010.

Table of Contents

YOBET.COM, INC.

2600 West Olive Avenue, 5th floor

Burbank, CA 91505

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON [], 2010

Dear Stockholders of Yobet.com, Inc.:

You are cordially invited to a special meeting of stockholders of Yobet.com, Inc. (Yobet) on [], 2010, promptly at [] []m. local time at [], located at []. Only stockholders who hold shares of Yobet common stock at the close of business on [], 2010, the record date for the special meeting, are entitled to vote at the special meeting and any adjournments or postponements of the special meeting.

At the special meeting, you will be asked to consider and vote upon and approve the following proposals:

1. The adoption of the Agreement and Plan of Merger, dated as of November 11, 2009, among Yobet, Churchill Downs Incorporated (CDI), Tomahawk Merger Corp., a wholly owned subsidiary of CDI (Merger Sub), and Tomahawk Merger LLC, a wholly owned subsidiary of CDI (Merger LLC), pursuant to which Merger Sub will merge with and into Yobet and the surviving corporation will merge with and into Merger LLC, with Merger LLC surviving the subsequent merger, which we refer to as the proposal to adopt the merger agreement.
2. The adjournment of the Yobet special meeting, if necessary, if a quorum is present, to solicit additional proxies if there are not sufficient votes in favor of the proposal to adopt the merger agreement, which we refer to as the Yobet special meeting adjournment proposal.
3. The transaction of such other business as may properly come before the special meeting or any adjournment or postponement thereof.

No other business will be conducted at the special meeting. The proposals are described more fully in this proxy statement/prospectus. Please give your careful attention to all of the information in this proxy statement/prospectus.

The proposal to adopt the merger agreement requires the affirmative vote of at least a majority of the outstanding shares of Yobet common stock.

Under Delaware law, holders of record of Yobet common stock who do not vote in favor of the proposal to adopt the merger agreement have the right to seek appraisal of the fair value of their shares of Yobet common stock if the merger is completed. To exercise your appraisal rights, you must strictly follow the procedures prescribed by Delaware law, including, among other things, submitting a written demand for appraisal to Yobet before the vote is taken on the proposal to adopt the merger agreement, and you must not vote in favor of the proposal to adopt the merger agreement. These procedures are summarized in the accompanying proxy statement/prospectus in the section titled The Merger Yobet Stockholder Appraisal Rights beginning on page 95 (the text of the applicable provisions of Delaware law is included as Annex C to the accompanying proxy statement/prospectus).

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The Youbet board of directors has unanimously determined that the merger and the merger agreement are advisable and fair to, and in the best interests of, Youbet and its stockholders, has unanimously approved the merger and the merger agreement and unanimously recommends that the stockholders of Youbet vote FOR the proposal to adopt the merger agreement and FOR the Youbet special meeting adjournment proposal, if necessary.

This proxy statement/prospectus contains detailed information about Youbet, CDI, the proposed merger and the special meeting of Youbet stockholders. We urge you to read this proxy statement/prospectus carefully and in its entirety. In particular, see the section entitled Risk Factors beginning on page 27 of this proxy statement/prospectus for a discussion of the risks related to the merger and owning CDI common stock. For specific instructions on how to vote your shares, please refer to the section entitled The Special Meeting of Youbet Stockholders beginning on page 53 of this proxy statement/prospectus.

Whether or not you plan to attend the special meeting, please vote as soon as possible so that your shares are represented at the meeting. If you do not vote, it will have the same effect as a vote against the proposal to adopt the merger agreement. Only stockholders of record at the close of business on [], 2010 are entitled to notice of and to vote at the special meeting and any adjournments or postponements thereof. To vote your shares, please complete and return the enclosed proxy card to us or grant your proxy by telephone or through the Internet. You may also cast your vote in person at the special meeting.

By Order of the Board of Directors,

David Goldberg
President & Chief Executive Officer

Youbet.com, Inc.

Burbank, California

[], 2010

Table of Contents

ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates by reference important business and financial information about Churchill Downs Incorporated, which we refer to as CDI, and Youbet.com, Inc., which we refer to as Youbet, from documents that are not included in or delivered with this proxy statement/prospectus. For a more detailed description of the information incorporated by reference into this proxy statement/prospectus and how you may obtain it, see [Additional Information Where You Can Find More Information](#) beginning on page 153 of this proxy statement/prospectus.

You can obtain any of the documents incorporated by reference into this proxy statement/prospectus without charge from CDI or Youbet, as applicable, or from the Securities and Exchange Commission, which we refer to as the SEC, through the SEC's website at www.sec.gov. CDI shareholders and Youbet stockholders may request a copy of such documents in writing or by telephone by contacting:

Churchill Downs Incorporated
700 Central Avenue
Louisville, Kentucky 40208
Attn: Investor Relations
(502) 636-4492

Youbet.com, Inc.
5901 De Soto Avenue
Woodland Hills, California 91367
Attn: Investor Relations
(818) 668-2384

In addition, you may obtain copies of some of this information by accessing CDI's website at www.churchilldowns.com under the heading [About CDI](#), under the link [Investors](#), and then under the link [SEC Filings](#).

You may also obtain copies of some of this information by accessing Youbet's website at www.youbet.com under the heading [About Us](#), under the link [Investor Relations](#), and then under the link [SEC Filings](#).

We are not incorporating the contents of the websites of the SEC, CDI, Youbet or any other entity into this proxy statement/prospectus. We are providing the information about how you can obtain certain documents that are incorporated by reference into this proxy statement/prospectus at these websites only for your convenience.

In order for you to receive timely delivery of the documents in advance of the Youbet special meeting, Youbet or CDI, as applicable, must receive your request no later than [], 2010.

ABOUT THIS PROXY STATEMENT/PROSPECTUS

This proxy statement/prospectus, which forms a part of a registration statement on Form S-4 filed with the Securities and Exchange Commission by CDI, constitutes a prospectus of CDI under Section 5 of the Securities Act of 1933, as amended, which we refer to as the Securities Act, with respect to the shares of CDI common stock to be issued to Youbet stockholders in connection with the merger. This document also constitutes a proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act, and a notice of meeting with respect to the meeting of Youbet stockholders to consider and vote upon, among other matters, the proposal to adopt the merger agreement.

Table of Contents

TABLE OF CONTENTS

<u>QUESTIONS AND ANSWERS REGARDING THE SPECIAL MEETING OF YUBET STOCKHOLDERS</u>	1
<u>SUMMARY</u>	5
<u>The Companies</u>	5
<u>The Merger</u>	6
<u>Risk Factors</u>	10
<u>The Special Meeting: Youbet Stockholders Entitled to Vote; Required Vote</u>	10
<u>Recommendation of the Youbet Board of Directors and Its Reasons for the Merger</u>	10
<u>Opinion of Youbet’s Financial Advisor</u>	11
<u>Ownership of CDI After the Merger</u>	11
<u>Share Ownership of Directors and Executive Officers</u>	11
<u>Interests of Youbet’s Directors and Executive Officers in the Merger</u>	11
<u>Management and Board of Directors of CDI After the Merger</u>	12
<u>Listing of CDI Common Stock and Delisting and Deregistration of Youbet Common Stock</u>	13
<u>Youbet Stockholder Appraisal Rights</u>	13
<u>Conditions to Completion of the Merger</u>	13
<u>Regulatory Approvals</u>	14
<u>Litigation</u>	15
<u>No Solicitation by Youbet</u>	15
<u>Termination of the Merger Agreement</u>	15
<u>Termination Fees</u>	17
<u>Certain Material United States Federal Income Tax Consequences</u>	17
<u>Accounting Treatment</u>	18
<u>Dividend Policies</u>	18
<u>Comparison of Stockholder and Shareholder Rights and Corporate Governance Matters</u>	18
<u>Fees and Expenses</u>	18
<u>Selected Summary Historical Financial Data of CDI</u>	19
<u>Selected Summary Historical Financial Data of Youbet</u>	21
<u>Selected Unaudited Pro Forma Condensed Combined Financial Data</u>	23
<u>Unaudited Pro Forma Combined Per Share Data</u>	24
<u>Comparative Per Share Market Price Data</u>	25
<u>RISK FACTORS</u>	27
<u>Risks Relating to the Merger</u>	27
<u>Risks Relating to CDI</u>	34
<u>Risks Relating to Youbet</u>	44
<u>CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS</u>	51
<u>THE SPECIAL MEETING OF YUBET STOCKHOLDERS</u>	53
<u>General</u>	53
<u>Date, Time and Place of the Youbet Special Meeting</u>	53
<u>Purpose of the Youbet Special Meeting</u>	53
<u>Recommendation of the Youbet Board of Directors</u>	53
<u>Admission to the Youbet Special Meeting</u>	54
<u>Record Date and Stockholders Entitled to Vote</u>	54
<u>How You Can Vote</u>	54
<u>Adjournment</u>	55
<u>Required Vote, Quorum, Abstentions and Broker Non-Votes</u>	55
<u>Voting by Youbet Directors and Executive Officers</u>	55
<u>Revoking Your Proxy</u>	56
<u>Other Matters</u>	56

Table of Contents

<u>Solicitation of Proxies and Expenses</u>	56
<u>Stockholders Sharing an Address</u>	57
<u>THE MERGER</u>	58
<u>General</u>	58
<u>Background of the Merger</u>	58
<u>Recommendation of the Youbet Board of Directors and Its Reasons for the Merger</u>	76
<u>Opinion of Youbet’s Financial Advisor</u>	78
<u>Management Projections</u>	87
<u>CDI’s Reasons for the Merger</u>	89
<u>CDI’s Financing of the Merger</u>	90
<u>Regulatory Approvals</u>	91
<u>Litigation</u>	91
<u>Certain Material United States Federal Income Tax Consequences</u>	92
<u>Accounting Treatment</u>	94
<u>Listing of CDI Common Stock</u>	95
<u>Delisting and Deregistration of Youbet Common Stock</u>	95
<u>Youbet Stockholder Appraisal Rights</u>	95
<u>Restrictions on Sales of Shares of CDI Common Stock Received in the Merger</u>	97
<u>Management and Board of Directors of CDI After the Merger</u>	97
<u>Interests of Youbet’s Directors and Executive Officers in the Merger</u>	97
<u>THE MERGER AGREEMENT</u>	101
<u>Structure and Completion of the Merger</u>	101
<u>Merger Consideration</u>	101
<u>Fractional Shares</u>	102
<u>Exchange of Youbet Stock Certificates for CDI Stock Certificates</u>	102
<u>Distributions with Respect to Unexchanged Shares</u>	103
<u>Termination of Exchange Fund</u>	103
<u>No Liability</u>	103
<u>Youbet Stockholder Appraisal Rights</u>	103
<u>Conditions to Completion of the Merger</u>	104
<u>Definition of Company Material Adverse Effect</u>	106
<u>Definition of Parent Material Adverse Effect</u>	107
<u>Non-Solicitation of Alternative Transactions</u>	107
<u>Special Meeting of Youbet Stockholders; Board Recommendation of Youbet Board of Directors</u>	109
<u>Efforts to Complete the Merger</u>	110
<u>Conduct of Business Pending the Merger</u>	111
<u>Employee Matters</u>	115
<u>Management and Board of Directors of CDI After the Merger</u>	115
<u>Other Covenants and Agreements</u>	115
<u>Termination of the Merger Agreement</u>	117
<u>Representations and Warranties</u>	120
<u>Fees and Expenses</u>	122
<u>Governing Law; Jurisdiction; Specific Enforcement</u>	122
<u>Amendments, Extensions and Waivers</u>	122
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION</u>	123
<u>DESCRIPTION OF CDI CAPITAL STOCK</u>	137
<u>COMPARISON OF STOCKHOLDER AND SHAREHOLDER RIGHTS AND CORPORATE GOVERNANCE MATTERS</u>	139
<u>ADDITIONAL INFORMATION</u>	152
<u>Stockholder Proposals</u>	152
<u>Legal Matters</u>	152
<u>Experts</u>	153

Table of Contents

<u>Where You Can Find More Information</u>	153
<u>ANNEX A Agreement and Plan of Merger</u>	A-1
<u>ANNEX B Opinion of Moelis & Company LLC</u>	B-1
<u>ANNEX C Section 262 of the General Corporation Law of the State of Delaware</u>	C-1

Table of Contents

**QUESTIONS AND ANSWERS REGARDING
THE SPECIAL MEETING OF YUBET STOCKHOLDERS**

Q: When and where is the Youbet special meeting?

A: The special meeting of Youbet stockholders will take place on [], 2010, promptly at [] [] .m. local time at [], located at []. Check-in will begin at [] [] .m. Please allow ample time for the check-in procedures.

Q: Can I attend and vote at the Youbet special meeting?

A: You are entitled to attend the special meeting only if you were a Youbet stockholder as of the close of business on [], 2010, which we refer to as the record date for the Youbet special meeting, or you hold a valid proxy for the special meeting. You should be prepared to present valid government-issued photo identification for admittance. In addition, if you are a record holder, your name will be verified against the list of record holders on the record date prior to being admitted to the special meeting. If you are not a record holder but hold shares through a broker, bank or other nominee (i.e., in street name), you should provide proof of beneficial ownership on the record date, such as your most recent account statement prior to [], 20[], or other similar evidence of ownership. If you do not provide valid government-issued photo identification or comply with the other procedures outlined above upon request, you may not be admitted to the special meeting.

Q: What am I being asked to vote upon?

A: The Youbet special meeting is being called to consider and vote upon and approve the following proposals:

1. The adoption of the Agreement and Plan of Merger, dated as of November 11, 2009, among Youbet, CDI, Merger Sub, a wholly owned subsidiary of CDI, and Merger LLC, a wholly owned subsidiary of CDI, which we refer to as the merger agreement, pursuant to which Merger Sub will merge with and into Youbet, which we refer to as the merger, and the surviving corporation will merge with and into Merger LLC, which we refer to as the subsequent merger, with Merger LLC surviving the subsequent merger, which we refer to as the proposal to adopt the merger agreement.
2. The adjournment of the Youbet special meeting, if necessary, if a quorum is present, to solicit additional proxies if there are not sufficient votes in favor of the proposal to adopt the merger agreement, which we refer to as the Youbet special meeting adjournment proposal.
3. The transaction of such other business as may properly come before the special meeting or any adjournment or postponement thereof.

Q: How does the Youbet board of directors recommend that I vote?

A: After careful consideration, the Youbet board of directors unanimously recommends that Youbet stockholders vote **FOR** the proposal to adopt the merger agreement and **FOR** the Youbet special meeting adjournment proposal, if necessary. The Youbet board of directors has

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unanimously determined that the merger and the merger agreement are advisable and fair to, and in the best interests of, Youbet and its stockholders, has unanimously approved the merger agreement and unanimously recommends that Youbet stockholders vote **FOR** the proposal to adopt the merger agreement.

For a description of the reasons underlying the recommendation of the Youbet board of directors, see the section entitled **The Merger Recommendation of the Youbet Board of Directors and Its Reasons for the Merger** beginning on page 76 of this proxy statement/prospectus.

Q: What do I need to do now?

A: If you are a Youbet stockholder, after you carefully read this proxy statement/prospectus, you are encouraged to mail your signed proxy card in the enclosed return envelope, or submit your proxy by telephone or on the Internet in accordance with the instructions on the proxy card. In order to assure that your vote is recorded,

Table of Contents

please vote your proxy as soon as possible even if you currently plan to attend the special meeting in person. If you own your shares in street name through a broker, bank or other nominee, you must instruct your broker, bank or other nominee how to vote your shares using the enclosed voting instruction card. Internet and telephone voting is available in accordance with the instructions on the voting instruction card.

Q: How can I vote?

A: Registered stockholders of Youbet as of the record date may vote in person at the special meeting or by one of the following methods:

complete, sign and date the enclosed proxy card and return it in the prepaid envelope provided;

call the toll-free telephone number on the proxy card and follow the recorded instructions; or

visit an Internet website established for that purpose listed on your proxy card and follow the instructions.

Stockholders who hold shares of Youbet common stock in street name may vote by following the instructions provided by their broker, bank or other nominee, including by one of the following methods:

complete, sign, date and return your voting instruction card in the enclosed pre-addressed envelope;

other methods listed on your voting instruction card or other information forwarded by your bank, broker or other nominee regarding whether you may vote by telephone or electronically on the Internet; or

in person at the special meeting with a legal proxy from your bank, broker or other nominee. Please consult the voting instruction card sent to you by your bank, broker or other nominee to determine how to obtain a legal proxy in order to vote in person at the special meeting.

For a more detailed explanation of the voting procedures, please see the section entitled "The Special Meeting of Youbet Stockholders How You Can Vote" beginning on page 54 of this proxy statement/prospectus.

Q: Why is my vote important?

A: If you do not return your proxy card or submit your proxy by telephone or through the Internet or vote in person at the special meeting, your failure to vote will have the same effect as a vote against the proposal to adopt the merger agreement but will not similarly affect the Youbet special meeting adjournment proposal.

Q: How do I instruct my broker, bank or other nominee to vote in connection with the proposal to adopt the merger agreement?

A: If your shares are held by a broker, bank or other nominee, you must follow the instructions on the form you receive from your broker, bank or other nominee in order for your shares to be voted. Please follow their instructions carefully. Also, please note that if the holder of record of your shares is a broker, bank or other nominee and you wish to vote at the special meeting, you must request a legal proxy from

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the bank, broker or other nominee that holds your shares and present that proxy and proof of identification at the special meeting to vote your shares. Based on the instructions provided by the broker, bank or other nominee, street name stockholders may generally vote by mail, by methods listed on the voting instruction card or in person with a proxy from the record holder.

Q: If my shares are held in street name, will my broker, bank or other nominee vote my shares for me?

A: If you do not provide your broker, bank or other nominee with instructions on how to vote your street name shares, your broker, bank or other nominee will not be permitted to vote them, and it will have the same effect as voting against the proposal to adopt the merger agreement but will not similarly affect the Youbet special meeting adjournment proposal.

Table of Contents

Q: If my shares are held in street name, what if I fail to instruct my broker, bank or other nominee?

A: If you fail to instruct your broker, bank or other nominee to vote your shares and the broker, bank or other nominee submits an unvoted proxy, the resulting broker non-votes will be counted toward a quorum at the respective special meeting, but they will not be voted and they will have the consequences set forth above under Why is my vote important?

Q: Can I change my vote after I have mailed my proxy card?

A: You can change your vote at any time before your proxy card is voted at the Youbet special meeting. You can do this in one of four ways:

delivering a valid, later-dated proxy by mail, or a later-dated proxy by telephone or Internet;

delivering a signed written notice to the person to whom you submitted your proxy stating that you would like to revoke your proxy;

voting at a later date by telephone or by using the Internet; or

voting by ballot at the Youbet special meeting.

Your attendance at the special meeting alone will not revoke your proxy. If you have instructed a broker, bank or other nominee to vote your shares by executing a voting instruction card or by using the telephone or Internet, you must follow directions from your broker, bank or other nominee to change those instructions.

Q: What happens if the merger is not consummated?

A: If the merger agreement is not adopted by Youbet stockholders or if the merger is not completed for any other reason, Youbet stockholders will not receive any payment for their shares of Youbet common stock in connection with the merger. Instead, Youbet will remain an independent publicly-traded company and its common stock will continue to be listed and traded on The NASDAQ Stock Market LLC, which we refer to as NASDAQ. If the merger agreement is terminated, Youbet may be required in specified circumstances to pay a termination fee of approximately \$4.3 million to CDI (and in certain circumstances, reimburse transaction expenses of CDI up to \$500,000), and CDI may be required in specified circumstances to pay a termination fee of \$5 million to Youbet and agree to use commercially reasonable efforts to secure for Youbet a content license agreement for all advance deposit wagering rights controlled by CDI and/or TrackNet Media Group, LLC, in each case as more fully described under The Merger Agreement Termination of the Merger Agreement Youbet Termination Fee and Expenses and The Merger Agreement Termination of the Merger Agreement CDI Termination Fee beginning on page 119.

Q: Should I send in my stock certificates now?

A: No. If Youbet stockholders approve the proposal to adopt the merger agreement, after the merger is completed, CDI's exchange agent will send Youbet stockholders written instructions for exchanging their stock certificates.

Q: Who is paying for this proxy solicitation?

- A:** CDI and Youbet will each bear their own respective expenses incurred in connection with the filing, printing and mailing of this proxy statement/prospectus. Youbet will be responsible for any fees incurred in connection with the solicitation of proxies for the Youbet special meeting. Youbet may also reimburse brokerage houses and other custodians, nominees and fiduciaries for their costs of forwarding proxy and solicitation materials to beneficial owners.

Table of Contents

Q: What is the vote of Yobet stockholders required to adopt the merger agreement?

A: Yobet cannot complete the merger unless the merger agreement is adopted by the affirmative vote of the holders of a majority of the outstanding shares of Yobet common stock entitled to vote at the special meeting. Approval of the Yobet special meeting adjournment proposal, if necessary to solicit additional proxies if there are insufficient votes to adopt the merger agreement at the time of the special meeting, requires the affirmative vote of a majority of the shares of Yobet common stock present in person or represented by proxy at the special meeting and entitled to vote at the special meeting.

Q: What happens if I do not indicate how to vote on my proxy card?

A: If you sign and send in your proxy card and do not indicate how you want to vote, your proxy will be counted as a vote **FOR** the proposal to adopt the merger agreement and **FOR** the Yobet special meeting adjournment proposal, if necessary.

Q: What should Yobet stockholders do if they receive more than one set of voting materials?

A: You may receive more than one set of voting materials, including multiple copies of this proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, stockholders who hold shares in more than one brokerage account may receive a separate voting instruction card for each brokerage account in which shares are held. Stockholders of record whose shares are registered in more than one name will receive more than one proxy card. The Yobet board of directors urges Yobet stockholders to complete, sign, date and return each proxy card and voting instruction card they receive for the Yobet special meeting.

Q: Who can help answer my questions?

A: If you would like additional copies of this proxy statement/prospectus, or if you have questions about the merger, including the procedures for voting your shares, you should contact by letter, phone or email:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, NY 10016

proxy@mackenziepartners.com

(800) 322-2885

Table of Contents

SUMMARY

*The following is a summary that highlights information contained in this proxy statement/prospectus. This summary may not contain all of the information that may be important to you. For a more complete description of the merger agreement and the transactions contemplated by the merger agreement, including the merger, Churchill Downs Incorporated, which we refer to as CDI, and Yobet.com, Inc., which we refer to as Yobet, we encourage you to read carefully this entire proxy statement/prospectus, including the attached annexes. In addition, we encourage you to read the information incorporated by reference into this proxy statement/prospectus, which includes important business and financial information about CDI and Yobet that has been filed with the Securities and Exchange Commission. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions in the section entitled *Additional Information Where You Can Find More Information* beginning on page 153 of this proxy statement/prospectus.*

The Companies

Churchill Downs Incorporated

700 Central Avenue

Louisville, Kentucky 40208

CDI is a leading multi-jurisdictional owner and operator of pari-mutuel wagering properties and businesses. Pari-mutuel wagering is a system of betting in which all bets are aggregated and the final payout for winning bets, determined after the pool is closed, is paid in proportion to their wager. Additionally, CDI offers gaming products through its slot and video poker operations in Louisiana. CDI was organized as a Kentucky corporation in 1928. CDI common stock is traded on NASDAQ, under the symbol CHDN.

CDI manages its operations through four operating segments as follows:

1. Racing Operations, which includes:

Churchill Downs Racetrack in Louisville, Kentucky, an internationally known thoroughbred racing operation and home of the Kentucky Derby since 1875;

Arlington Park Racecourse, a thoroughbred racing operation in Arlington Heights along with ten off-track betting facilities, which we refer to as OTBs, in Illinois;

Calder Race Course, a thoroughbred racing operation in Miami Gardens, Florida; and

Fair Grounds Race Course, a thoroughbred racing operation in New Orleans along with ten OTBs in Louisiana.

2. On-Line Business, which includes:

TwinSpires, an advance deposit wagering, which is a system of wagering in which an individual deposits money into an account prior to making a wager, in order to fund future wagers made in person, by telephone, over the internet or through other means of communication and which we refer to as ADW, business that conducts pari-mutuel wagering in 36 states;

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Bloodstock Research Information Services, a data service provider for the equine industry; and

CDI's equity investment in HRTV, LLC, a horseracing television channel, which we refer to as HRTV.

3. Gaming, which includes:

Video Services, Inc., the owner and operator of more than 800 video poker machines in Louisiana;

Fair Grounds Slots, a slot facility in Louisiana, which operates approximately 600 slot machines; and

Calder Casino and Race Course, a slot facility in Florida, which opened on January 22, 2010.

Table of Contents

4. Other Investments, which includes:

Churchill Downs Simulcast Productions, LLC, a provider of television production to the racing industry; and

CDI's other minor investments.

Churchill Downs Investment Company, a wholly owned subsidiary of CDI, oversees CDI's other industry related investments.

Tomahawk Merger Corp.

700 Central Avenue

Louisville, Kentucky 40208

Tomahawk Merger Corp., which we refer to as Merger Sub, is a direct wholly owned subsidiary of CDI and was formed solely for the purpose of completing the merger. Tomahawk Merger Corp. has not carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the merger.

Tomahawk Merger LLC

700 Central Avenue

Louisville, Kentucky 40208

Tomahawk Merger LLC, which we refer to as Merger LLC, is a direct wholly owned subsidiary of CDI and was formed solely for the purpose of completing the subsequent merger. Tomahawk Merger LLC has not carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the merger.

Youbet.com, Inc.

2600 West Olive Avenue, 5th Floor

Burbank, California 91505

(818) 668-2100

www.youbet.com

Youbet is a diversified provider of technology and pari-mutuel horse racing content for consumers through Internet and telephone platforms, and a leading supplier of totalizator systems, terminals and other pari-mutuel wagering services and systems to the pari-mutuel industry. A totalizator is an automated system used to calculate and display the number and amounts of bets and the current payout odds in pari-mutuel betting. Youbet Express is a leading online ADW company focused on horse racing primarily in the United States. Youbet's website, www.youbet.com, enables customers to securely wager on horse races at over 150 racetracks worldwide from the convenience of their homes or other locations. Youbet's customers receive the same odds and expected payouts they would receive if they were wagering directly at the host track and their wagers are commingled with the host track betting pools.

The Merger (see page 58)

CDI has agreed to acquire Youbet under the terms and conditions set forth in the merger agreement, which we describe in this proxy statement/prospectus. Pursuant to the merger agreement, Merger Sub will merge with and into Youbet, with Youbet continuing as the surviving corporation and a wholly owned subsidiary of CDI. We refer to this as the merger. Immediately following the completion of the merger, the surviving corporation from the merger will merge with and into Merger LLC, with Merger LLC surviving the second merger. We refer to this as the subsequent merger. It is intended that the subsequent merger will be effected immediately after the effective time of the merger, which we

refer to as the effective time, without further approval, authorization or direction from or by any of the parties to the merger agreement. Under certain limited circumstances, the

Table of Contents

subsequent merger will not occur. We have attached the merger agreement as Annex A to this proxy statement/prospectus. We encourage you to carefully read the merger agreement in its entirety. We currently expect that the merger and subsequent merger will be completed during the first half of 2010. However, we cannot predict the actual timing of the completion of the merger and subsequent merger.

Effects of the Merger; Merger Consideration

If you are a Youbet stockholder, upon completion of the merger, each of your shares of Youbet common stock will be converted into the right to receive (i) 0.0598 of a share, which we refer to as the exchange ratio, of CDI common stock, no par value, which we refer to as CDI common stock, and (ii) \$0.97 in cash, subject to adjustment to ensure that the merger does not require CDI to issue more than 19.6% of the outstanding CDI common stock outstanding as of immediately prior to the effective time. The exchange ratio is fixed and will not be adjusted for changes in the stock prices of either company before the merger is completed, other than any adjustment that may occur as described below. No fractional shares of CDI common stock will be issued in the merger, and Youbet's stockholders will receive cash in lieu of fractional shares, if any, of CDI common stock. We refer to the total consideration per share of Youbet common stock to be paid to the Youbet stockholders by CDI as the merger consideration. The merger will have no effect on the number of shares of CDI common stock owned by existing CDI shareholders. The amount of cash and the value and amount of the CDI common stock into which each share of Youbet common stock will be converted will not be known at the time of the special meeting, because the merger will not be consummated until after the special meeting. Beginning at 9:00 a.m. on [], 2010, MacKenzie Partners, Inc., Youbet's proxy solicitor, will make current merger consideration information available at the following toll-free number: (888) 407-8968.

CDI expects to fund the cash portion of the acquisition and the repayment of Youbet debt with borrowings under its amended and restated revolving credit facility and cash on hand. See *The Merger* CDI's Financing of the Merger on page 90.

Under the merger agreement, the maximum aggregate number of shares of CDI common stock that can be issued as consideration in the contemplated transaction is limited to 19.6% of CDI's outstanding common stock. Based upon 13,683,959 shares of CDI common stock outstanding as of January 22, 2010, CDI can issue up to 2,682,055 shares of CDI common stock as part of the merger consideration without any adjustment to the exchange ratio and without any adjustment to the \$0.97 per share cash consideration. To the extent that the total number of shares that would be issued as part of the transaction is greater than 19.6% of CDI's outstanding common stock, then the exchange ratio shall be decreased to reduce the total amount of CDI common stock provided as consideration to Youbet stockholders to 19.60% of CDI's outstanding common stock, and the per share cash consideration of \$0.97 shall be increased by an amount equal to the product of (x) the amount of such reduction in the stock consideration per share multiplied by (y) \$30.71.

General Assumptions for All Illustrations

Number of shares of CDI common stock outstanding as of closing	13,683,959(1)
Number of shares of Youbet common stock outstanding as of closing	41,730,038(2)
Exchange ratio (assuming no adjustment)	0.0598
Per share cash consideration	\$0.97

(1) Equals the number of shares of CDI common stock outstanding on January 22, 2010.

(2) Equals the number of shares of Youbet common stock outstanding on January 22, 2010.

Table of Contents**Illustration #1: Adjustment to Per Share Merger Consideration***Additional Assumptions for Illustration #1*

CDI stock price at closing	\$40.00 per share
Per share stock consideration (assuming no adjustment)	\$2.39(1)
Total per share merger consideration (assuming no adjustment)	\$3.36(2)
Additional shares of Youbet common stock to be issued in respect of in-the-money Youbet stock options based on the \$3.36 per share merger consideration	3,504,689(3)
Total shares of Youbet common stock outstanding (including shares issued in respect of in-the-money options)	45,234,727
Total number of shares of CDI common stock to be issued to Youbet stockholders at closing (assuming no adjustment)	2,705,037(4)

- (1) Calculated as \$40.00 multiplied by the 0.0598 exchange ratio.
- (2) Calculated as the \$2.39 per share stock consideration plus the \$0.97 per share cash consideration.
- (3) Based on Youbet stock options outstanding as of January 22, 2010.
- (4) Calculated as 45,234,727 shares of Youbet common stock multiplied by the 0.0598 exchange ratio.

Merger Consideration Adjustment Calculations for Illustration #1

As noted above, based upon 13,683,959 shares of CDI common stock outstanding as of January 22, 2010, CDI can issue up to 2,682,055 shares of CDI common stock as part of the merger consideration without any adjustment to the exchange ratio and without any adjustment to the \$0.97 per share cash consideration. Given the assumptions for this illustration, if the CDI stock price at closing is \$40.00 per share, the total number of shares of CDI common stock to be issued to Youbet stockholders at closing would equal 2,705,037, which exceeds the number of shares of CDI common stock permitted to be issued without adjustment to the merger consideration by 22,982 shares of CDI common stock. The exchange ratio, per share stock consideration and per share cash consideration would thus be adjusted as follows:

Downward adjustment to exchange ratio	0.0005(1)
Adjusted exchange ratio	0.0593
Aggregate increase in cash consideration	\$705,777(2)
Upward adjustment to per share cash consideration	\$0.02(3)
Adjusted per share cash consideration	\$0.99

- (1) Calculated as the 22,982 excess shares of CDI common stock divided by 45,234,727, which represents the fully-diluted number of outstanding shares of Youbet common stock.
- (2) Calculated as 22,982 excess shares of CDI common stock multiplied by \$30.71. \$30.71 represents the CDI closing stock price on the date that CDI and Youbet agreed to the exchange ratio.
- (3) Calculated as the aggregate increase in the cash consideration divided by the fully-diluted number of outstanding shares of Youbet common stock.

Table of Contents

Illustration #2: No Adjustment to Per Share Merger Consideration (illustrates maximum CDI stock price at which no adjustment to merger consideration would be required given general assumptions noted above)

Additional Assumptions for Illustration #2

CDI stock price at closing	\$33.07 per share
Per share stock consideration (assuming no adjustment)	\$1.98(1)
Total per share merger consideration (assuming no adjustment)	\$2.95(2)
Additional shares of Youbet common stock to be issued in respect of in-the-money Youbet stock options based on the \$2.95 per share merger consideration	3,119,777(3)
Total shares of Youbet common stock outstanding (including shares issued in respect of in-the-money options)	44,849,815
Total number of shares of CDI common stock to be issued to Youbet stockholders at closing	2,682,019(4)

- (1) Calculated as \$33.07 multiplied by the 0.0598 exchange ratio.
- (2) Calculated as the \$1.98 per share stock consideration plus the \$0.97 per share cash consideration.
- (3) Based on Youbet stock options outstanding as of January 22, 2010.
- (4) Calculated as 44,849,815 shares of Youbet common stock multiplied by the 0.0598 exchange ratio.

Merger Consideration Adjustment Calculations for Illustration #2

As noted above, based upon 13,683,959 shares of CDI common stock outstanding as of January 22, 2010, CDI can issue up to 2,682,055 shares of CDI common stock as part of the merger consideration without any adjustment to the exchange ratio and without any adjustment to the \$0.97 per share cash consideration. Given the assumptions for this illustration, if the CDI stock price at closing is \$33.07 per share, the total number of shares of CDI common stock to be issued to Youbet stockholders at closing would equal 2,682,019, which is equal to the maximum number of shares of CDI common stock permitted to be issued without adjustment to the merger consideration. As a result, the exchange ratio, per share stock consideration and per share cash consideration would not be adjusted.

Illustration #3: No Adjustment to Per Share Merger Consideration

Additional Assumptions for Illustration #3

CDI stock price at closing	\$30.00 per share
Per share stock consideration (assuming no adjustment)	\$1.79(1)
Total per share merger consideration (assuming no adjustment)	\$2.76(2)
Additional shares of Youbet common stock to be issued in respect of in-the-money Youbet stock options based on the \$2.76 per share merger consideration	2,916,447(3)
Total shares of Youbet common stock outstanding (including shares issued in respect of in-the-money options)	44,646,485
Total number of shares of CDI common stock to be issued to Youbet stockholders at closing	2,669,860(4)

- (1) Calculated as \$30.00 multiplied by the 0.0598 exchange ratio.
- (2) Calculated as the \$1.79 per share stock consideration plus the \$0.97 per share cash consideration.
- (3) Based on Youbet stock options outstanding as of January 22, 2010.
- (4) Calculated as 44,646,485 shares of Youbet common stock multiplied by the 0.0598 exchange ratio.

Table of Contents

Merger Consideration Adjustment Calculations for Illustration #3

As noted above, based upon 13,683,959 shares of CDI common stock outstanding as of January 22, 2010, CDI can issue up to 2,682,055 shares of CDI common stock as part of the merger consideration without any adjustment to the exchange ratio and without any adjustment to the \$0.97 per share cash consideration. Given the assumptions for this illustration, if the CDI stock price at closing is \$30.00 per share, the total number of shares of CDI common stock to be issued to Youbet stockholders at closing would equal 2,669,860, which is less than the number of shares of CDI common stock permitted to be issued without adjustment to the merger consideration. As a result, the exchange ratio, per share stock consideration and per share cash consideration would not be adjusted.

Treatment of Youbet Stock Options

Upon completion of the merger, each outstanding vested and unvested Youbet stock option will be canceled at the effective time and the holders of such options that are in the money will receive a mix of cash and CDI stock, in the same proportion that each such optionholder would have received if such optionholder was a Youbet stockholder, based upon the amount by which \$0.97 plus the product of (i) 0.0598 and (ii) the closing price of CDI's common stock on The NASDAQ Capital Market on the day immediately prior to the date of the effective time exceeds the exercise price of each such Youbet stock option.

Risk Factors (see page 27)

In evaluating the merger and the merger agreement, you should carefully read this proxy statement/prospectus and especially consider the factors discussed in the section entitled "Risk Factors" beginning on page 27 of this proxy statement/prospectus.

The Special Meeting; Youbet Stockholders Entitled to Vote; Required Vote

The special meeting of Youbet stockholders will take place on [], 2010, promptly at [] [] .m. local time at [], located at []. The Youbet board of directors has fixed the close of business on [], 2010 as the record date for the Youbet special meeting. Accordingly, only holders of record of Youbet common stock as of the close of business on the record date will be entitled to notice of, and to vote at, the Youbet special meeting or any adjournment or postponement thereof. Youbet cannot complete the merger unless the proposal to adopt the merger agreement is approved by the affirmative vote of the holders of a majority of the outstanding shares of Youbet common stock entitled to vote at the special meeting. The Youbet special meeting adjournment proposal, if necessary to solicit additional proxies if there are insufficient votes to approve the proposal to adopt the merger agreement at the time of the special meeting, must be approved by the affirmative vote of the holders of a majority of the shares of Youbet common stock present in person or represented by proxy at the special meeting.

Recommendation of the Youbet Board of Directors and Its Reasons for the Merger (see page 76)

After careful consideration, the Youbet board of directors unanimously adopted the merger agreement and approved the completion of the transactions contemplated by the merger agreement, including the merger, upon the terms and subject to the conditions set forth in the merger agreement on November 10, 2009. **The Youbet board of directors unanimously recommends that Youbet's stockholders vote FOR the proposal to adopt the merger agreement and FOR the Youbet special meeting adjournment proposal at the Youbet special meeting.**

For the factors considered by the Youbet board of directors in reaching its decision to adopt the merger agreement and approve the completion of the transactions contemplated by the merger agreement, including the merger, as well as the Youbet board of directors' reasons for, and certain risks related to, the merger, see "The

Table of Contents

Merger Recommendation of the Youbet Board of Directors and Its Reasons for the Merger beginning on page 76 of this proxy statement/prospectus.

Opinion of Youbet's Financial Advisor (see page 78 and Annex B)

Moelis & Company LLC, which we refer to as Moelis, rendered its opinion to Youbet's board of directors that, based upon and subject to the limitations and qualifications set forth in the opinion, as of the date of the opinion, the merger consideration to be received by the Youbet stockholders, other than CDI and its affiliates, pursuant to the terms and subject to the conditions set forth in the merger agreement, is fair, from a financial point of view, to such holders.

The full text of the written opinion of Moelis, dated November 10, 2009, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached to this proxy statement/prospectus as Annex B. Moelis provided its opinion only for the information and assistance of Youbet's board of directors in connection with its consideration of the transaction. The Moelis opinion is not a recommendation as to how any holder of Youbet common stock should vote with respect to the transaction or any other matter. Pursuant to an engagement letter between Youbet and Moelis, Youbet has agreed to pay Moelis a transaction fee, the principal portion of which is contingent upon completion of the transaction.

Ownership of CDI After the Merger

In the merger, CDI expects to issue approximately [] million shares of CDI common stock to Youbet stockholders, based on Youbet's shares of common stock and in the money stock options outstanding as of the Youbet record date, and assuming that all of the in the money stock options outstanding as of such date remain outstanding as of the date on which the merger is completed. Immediately following the completion of the merger, Youbet stockholders are expected to own approximately []% of the shares of CDI common stock outstanding. The merger will have no effect on the number of shares of CDI common stock owned by existing CDI shareholders.

Share Ownership of Directors and Executive Officers

At the close of business on the Youbet record date, directors and executive officers of Youbet and their affiliates owned and were entitled to vote approximately [] shares of Youbet common stock, collectively representing []% of the shares of Youbet common stock outstanding on that date. The directors of Youbet entered into voting agreements pursuant to which they have agreed to vote their shares of Youbet in support of the proposals to be considered at the Youbet special meeting.

Interests of Youbet's Directors and Executive Officers in the Merger (see page 97)

Youbet's executive officers and directors have interests in the merger that are different from, or in addition to, your interests. All optionholders, including the directors and officers of Youbet that are optionholders, will be entitled to acceleration of vesting of all of their stock options immediately prior to the closing of the merger. In addition, pursuant to her employment offer letter, Susan Bracey, Youbet's Chief Financial Officer, is entitled to receive a bonus in connection with the merger at the discretion of Youbet's Compensation Committee.

The following table summarizes with respect to each of Youbet's executive officers and directors:

the number of shares of Youbet common stock beneficially owned, as of the record date (column (a));

the estimated value of the merger consideration expected to be received for shares of Youbet common stock owned as of the record date, based on the \$[] closing price of CDI common stock on [], 2010 (column (b)); the actual amount of merger consideration that the executive officers and directors of Youbet will receive may vary and cannot be determined until the closing date of the merger;

Table of Contents

the estimated aggregate amount of benefits that could be received as a result of the merger (column (c)), consisting of:

the estimated value of the merger consideration expected to be received for stock options (based on the difference between an assumed merger consideration of \$[], which is based in part on the closing price of CDI common stock on [], 2010 of \$[] per share, and the exercise price of those options multiplied by the number of shares of Youbet common stock subject to the options); the actual amount of merger consideration that the executive officers and directors of Youbet will receive for their stock options may vary and cannot be determined until the closing date of the merger; and

a special bonus payable to Susan Bracey pursuant to her employment offer letter, as determined by Youbet's Compensation Committee in its discretion, of \$[]; and

the total of column (b) and column (c) (column (d)).

Name	(a) Number of shares of Youbet common stock owned	(b) Estimated consideration for Youbet common stock owned	(c) Accelerated option awards and bonus payments	(d) Total
David Goldberg		\$	\$	\$
Susan Bracey				
Daniel Perini				
Michael Nelson				
Michael Brodsky				
F. Jack Liebau				
Gary Adelson				
Raymond C. Anderson				
James Edgar				
Michael D. Sands				
Michael J. Soenen				
Total		\$	\$	\$

See The Merger Interests of Youbet's Directors and Executive Officers in the Merger beginning on page 97 for a discussion of each of these interests and arrangements with Youbet's directors and executive officers.

Youbet's executive officers and directors will also receive indemnification and liability insurance benefits in connection with the merger and certain of Youbet's executive officers may be offered employment with CDI, although no agreements have been entered into and no terms, conditions or understandings have been finalized. Additionally, CDI has agreed to appoint one current director of Youbet designated by Youbet to the CDI board of directors at the effective time.

Management and Board of Directors of CDI After the Merger (see page 97)

CDI has agreed to take all actions as may be necessary to cause its board of directors upon the completion of the merger to be comprised of 14 members, consisting of the 13 current CDI directors and one current director of Youbet designated by Youbet, who we refer to as the Youbet designee. Prior to the appointment of the Youbet designee to the CDI board of directors, the Youbet designee must have satisfied all suitability requirements to serve on the CDI board of directors as required by applicable law. CDI has also agreed to appoint the Youbet designee to CDI's Executive Committee and Strategic Planning Committee upon the completion of the merger, to nominate the Youbet designee at the first annual meeting of CDI shareholders, and to use reasonable best efforts to cause the Youbet designee to be reelected to the CDI board of directors for a term expiring at the third annual meeting of CDI shareholders after the effective time.

Table of Contents

No change to the executive officers of CDI is expected to occur immediately following the completion of the merger.

Listing of CDI Common Stock (see page 95) and Delisting and Deregistration of Youbet Common Stock (see page 95)

Application will be made to have the shares of CDI common stock to be issued in the merger approved for listing on NASDAQ, where CDI common stock currently is traded under the symbol CHDN. If the merger is completed, Youbet common stock will no longer be listed on NASDAQ and will be deregistered under the Exchange Act, and Youbet will no longer file periodic reports with the SEC.

Youbet Stockholder Appraisal Rights (see page 95)

Under Delaware law, Youbet stockholders of record who do not vote in favor of the proposal to adopt the merger agreement will be entitled to seek appraisal rights and obtain payment in cash for the judicially determined fair value of their shares of Youbet common stock in connection with the merger, if the merger is completed. This value could be more than, less than or the same as the implied value of the merger consideration for Youbet common stock. The relevant provisions of the General Corporation Law of the State of Delaware, which we refer to as the DGCL, are included as Annex C to this proxy statement/prospectus. We encourage you to read these provisions carefully and in their entirety. Moreover, due to the complexity of the procedures for exercising the right to seek appraisal, Youbet stockholders who are considering exercising such rights are encouraged to seek the advice of legal counsel. Failure to strictly comply with these provisions will result in a loss of the right of appraisal.

Merely not voting for the merger will not preserve the right of Youbet stockholders to appraisal of their shares of Youbet common stock under Delaware law. Also, because a submitted proxy not marked against or abstain will be voted FOR the proposal to adopt the merger agreement and FOR the Youbet special meeting adjournment proposal, the submission of a proxy not marked against or abstain will result in the waiver of appraisal rights. Youbet stockholders who wish to exercise their appraisal rights and hold shares in the name of a broker or other nominee must instruct their nominees to take the steps necessary to enable them to demand appraisal for their shares.

Conditions to Completion of the Merger

The obligations of CDI, Merger Sub and Youbet to effect the merger are subject to the fulfillment, or waiver by CDI, Merger Sub and Youbet, of the following conditions at or prior to the completion of the merger:

the approval of the proposal to adopt the merger agreement by the holders of a majority of the outstanding shares of Youbet common stock;

the absence of any temporary restraining order, preliminary or permanent injunction or other judgment, order or decree issued by a court or agency of competent jurisdiction located in the United States that prohibits the completion of the merger or the subsequent merger; and the absence of any law being enacted, issued, enforced, entered, or promulgated that prohibits or makes illegal the completion of the merger or the subsequent merger;

the expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, which we refer to as the HSR Act;

the absence of any pending material action by any governmental entity seeking to prohibit the completion of the merger or any other material transactions contemplated by the merger agreement that is reasonably likely to succeed; and

Table of Contents

the effectiveness under the Securities Act of the registration statement on Form S-4 of which this proxy statement/prospectus forms a part and the absence of any stop order or proceedings initiated by the SEC for that purpose.

The obligations of CDI and Merger Sub to effect the merger are subject to the fulfillment, or waiver by CDI, of the following conditions at or prior to completion of the merger:

the accuracy and correctness of representations and warranties of Youbet, subject to certain qualifications described in the merger agreement, and the receipt of a certificate from an executive officer of Youbet to that effect;

Youbet having performed and complied with its covenants in the merger agreement in all material respects prior to the completion of the merger, and the receipt of a certificate from an executive officer of Youbet to that effect;

the absence of a Company Material Adverse Effect, and the receipt of a certificate from an executive officer of Youbet to that effect; and

the receipt by CDI and Merger Sub of a tax opinion from its counsel that the merger and the subsequent merger, taken together, will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which we refer to as the Code, subject to certain limited exceptions.

The obligations of Youbet to effect the merger are subject to the fulfillment, or waiver by Youbet, of the following conditions at or prior to completion of the merger:

the accuracy and correctness of representations and warranties of CDI, subject to certain qualifications described in the merger agreement, and the receipt of a certificate from an executive officer of CDI to that effect;

CDI having performed and complied with its covenants in the merger agreement in all material respects prior to the completion of the merger, and the receipt of a certificate from an executive officer of CDI to that effect;

the absence of a Parent Material Adverse Effect, and the receipt of a certificate from an executive officer of CDI to that effect;

the receipt by Youbet of a tax opinion from its counsel that the merger and the subsequent merger, taken together, will be treated as a reorganization within the meaning of Section 368(a) of the Code, subject to certain limited exceptions; and

the authorization for listing on NASDAQ of the shares of CDI common stock to be issued in the merger.

Some of the conditions set forth in the merger agreement may be waived by CDI or Youbet, subject to the agreement of the other party in specific cases. For a more detailed discussion of these matters, see *The Merger Agreement Conditions to Completion of the Merger* beginning on page 104 of this proxy statement/prospectus.

Regulatory Approvals (see page 91)

The merger is subject to review by the United States Federal Trade Commission, which we refer to as the FTC, and the Antitrust Division of the United States Department of Justice, which we refer to as the DOJ, under the HSR Act. The notifications required under the HSR Act to the FTC and DOJ were filed on November 25, 2009 by CDI and Youbet. The statutory waiting period under the HSR Act was initially scheduled to expire on December 28, 2009 at 11:59 p.m., Eastern time, unless terminated earlier by the DOJ or extended if the DOJ

Table of Contents

requested additional information and documentary material. On December 24, 2009, CDI voluntarily withdrew and re-filed its HSR Act notification in order to provide the DOJ additional time beyond the initial 30-day HSR Act waiting period to complete its review. This restarted the statutory waiting period under the HSR Act, which was then scheduled to expire on January 25, 2010, at 11:59 p.m., Eastern time, unless terminated earlier by the DOJ or extended if the DOJ requested additional information and documentary material. On January 25, 2010, the DOJ issued to CDI and Youbet formal requests for additional information and documentary material. These requests had the effect of extending the HSR Act waiting period until 30 days after both parties have substantially complied with the requests, subject to any modifications of the requests to which the DOJ may agree. CDI and Youbet are in the process of gathering information to respond to the second requests and are working cooperatively with the DOJ as it reviews the merger. No other regulatory approvals are a condition to the completion of the merger.

Litigation (see page 91)

Youbet, its directors and CDI are parties to multiple lawsuits filed by third parties seeking monetary damages or injunctive relief, or both, in connection with the merger agreement. The defendants intend to defend themselves vigorously against the claims.

No Solicitation by Youbet (see page 107)

Subject to certain exceptions, the merger agreement precludes Youbet from soliciting or engaging in discussions or negotiations with a third party with respect to a proposal to acquire a significant interest in Youbet's equity or assets. Notwithstanding such restrictions, the merger agreement provides that, under specified circumstances occurring before Youbet's stockholders approve the proposal to adopt the merger agreement, if Youbet receives an unsolicited proposal from a third party to acquire a significant interest in Youbet that its board of directors determines in good faith is reasonably likely to lead to a proposal that is superior to the merger with CDI, Youbet may furnish nonpublic information to that third party and engage in negotiations regarding an acquisition proposal with that third party.

Termination of the Merger Agreement (see page 117)

The merger agreement may be terminated at any time prior to the completion of the merger by the mutual written consent of CDI and Youbet. Also, either CDI or Youbet may terminate the merger agreement at any time prior to the completion of the merger if:

the merger is not completed on or before May 11, 2010, subject to a potential extension of nine months of such deadline pursuant to the terms of the merger agreement;

a governmental entity permanently enjoins or otherwise prohibits the completion of the merger; or

the Youbet special meeting or any adjournment or postponement thereof concludes without the approval of the proposal to adopt the merger agreement by Youbet's stockholders.

Youbet may terminate the merger agreement at any time prior to the approval of the proposal to adopt the merger agreement by Youbet's stockholders in light of a superior proposal if:

Youbet's board of directors authorizes Youbet to enter into a definitive agreement concerning a transaction that constitutes a superior proposal and Youbet enters into such definitive agreement concurrently with such termination;

Youbet has complied in all material respects with, and the superior proposal did not otherwise result from a breach of, the section of the merger agreement imposing restrictions on the solicitation of alternative proposals, including its obligation to notify CDI of the superior proposal, see *The Merger Agreement Non-Solicitation of Alternative Transactions* beginning on page 107 of this proxy statement/prospectus;

Table of Contents

the superior proposal has not been withdrawn and continues to constitute a superior proposal at the conclusion of a three business day period that begins with notification to CDI of the superior proposal, subject to any extensions as contemplated by the merger agreement, and to the extent requested by CDI, Youbet engages in good faith negotiations with CDI to amend the merger agreement in such a manner that the transaction contemplated by the definitive agreement with respect to the superior proposal ceases to constitute a superior proposal; and

Youbet pays all fees and expenses required to be paid under the merger agreement as a result of such termination. See *The Merger Agreement Termination of the Merger Agreement Youbet Termination Fee and Expenses* beginning on page 119 of this proxy statement/prospectus.

In addition, Youbet may terminate the merger agreement at any time prior to the completion of the merger if:

CDI breaches or fails to perform in any material respect any of its representations, warranties, covenants or other agreements, which breach or failure to perform would result in a failure of any of the conditions to Youbet's obligation to complete the merger and which breach is not curable or, if curable, is not cured within 30 days after written notice is given by Youbet to CDI stating its intention to terminate the merger agreement and the basis for such termination; or

there has been a *Parent Material Adverse Effect* that is not curable or, if curable, is not cured within 30 days after written notice is given by Youbet to CDI stating its intention to terminate the merger agreement and the basis for such termination.

CDI may terminate the merger agreement at any time prior to the completion of the merger if:

Youbet breaches or fails to perform in any material respect any of its representations, warranties, covenants or other agreements, which breach or failure to perform would result in a failure of any of the conditions to CDI's obligation to complete the merger and which breach is not curable or, if curable, is not cured within 30 days after written notice is given by CDI to Youbet stating its intention to terminate the merger agreement and the basis for such termination;

the Youbet board of directors or any committee thereof (i) subject to certain restrictions on CDI's ability to terminate the merger agreement, shall not have recommended, or the Youbet board of directors or a committee thereof shall have resolved not to recommend approval of the proposal to adopt the merger agreement, shall have made a change in recommendation or shall have failed to include its recommendation of the approval of the proposal to adopt the merger agreement by Youbet's stockholders in the proxy statement relating to the Youbet special meeting, (ii) in response to a publicly announced or publicly disclosed alternative proposal from a third party, shall not have publicly reconfirmed its recommendation in favor of the adoption and approval of the merger agreement within five business days after CDI requests in writing that such recommendation be publicly reconfirmed (subject to certain limitations on the number of such requests that CDI may make), or (iii) subject to certain restrictions on CDI's ability to terminate the merger agreement, shall have resolved or publicly proposed to do any of the foregoing;

Youbet has breached in any material respect its obligations under the section of the merger agreement imposing restrictions on the solicitation of alternative proposals, including its obligation to notify CDI of the superior proposal, see *The Merger Agreement Non-Solicitation of Alternative Transactions* beginning on page 107 of this proxy statement/prospectus (except for any inadvertent or unintentional breaches that have no impact on CDI's ability to complete the merger on the terms set forth in the merger agreement);

Table of Contents

within 10 business days after a tender or exchange offer relating to securities of Youbet involving a person or group unaffiliated with CDI has first been published or announced, Youbet shall not have published, sent or given to its stockholders pursuant to Rule 14e-2 promulgated under the Securities Act a statement disclosing that the Youbet board of directors recommends rejection of such tender or exchange offer (including by taking no position with respect to such tender offer or exchange offer);

the Youbet board of directors or any committee thereof shall have recommended to its stockholders or approved any alternative proposal or any definitive agreement with respect to an alternative proposal or shall have resolved to do so; or

there has been a Company Material Adverse Effect that is not curable or, if curable, is not cured within 30 days after written notice is given by CDI to Youbet stating its intention to terminate the merger agreement and the basis for such termination.

Termination Fees (see page 119)

If the merger agreement is terminated, Youbet may be required in specified circumstances to pay a termination fee of approximately \$4.3 million to CDI (and, in certain circumstances, transaction expenses of CDI up to \$500,000), and CDI may be required in specified circumstances to pay a termination fee of \$5 million to Youbet.

Certain Material United States Federal Income Tax Consequences (see page 92)

Youbet and CDI intend the merger and subsequent merger, taken together, to qualify as a reorganization within the meaning of Section 368(a) of the Code. Subject to the limited exception described below, it is a condition to the completion of the merger that CDI and Youbet each receives a written opinion from its counsel, dated the effective time, substantially to the effect that on the basis of facts, representations and assumptions set forth in such opinion which are consistent with the state of facts existing as of the effective time, for federal income tax purposes (i) the merger and the subsequent merger, taken together, will constitute a reorganization within the meaning of Section 368(a) of the Code and (ii) Youbet and CDI will each be a party to that reorganization within the meaning of Section 368(b) of the Code. Assuming that treatment is proper, a holder of Youbet common stock whose shares are exchanged in the merger for shares of CDI common stock and cash generally will recognize gain (but not loss) realized on the exchange in an amount not exceeding the amount of cash received.

Notwithstanding the foregoing, the receipt of such opinions will not be a condition to the completion of the merger, the subsequent merger will not occur, and the merger will not constitute a reorganization within the meaning of Section 368(a) of the Code, if the value of the portion of the merger consideration to be paid in CDI common stock does not equal 40% or more of the value of the merger consideration. That circumstance would generally exist only if as of the effective time there has been a significant decline in the per share value of CDI common stock to approximately \$10.82 or less, assuming no adjustment to the exchange ratio. In such a case, a holder of Youbet common stock generally will recognize capital gain or loss equal to the difference between the fair market value of the CDI common stock and the amount of cash received, and the stockholder's adjusted tax basis in the shares of Youbet common stock given in exchange therefor.

Tax matters are complicated, and the tax consequences of the merger and subsequent merger to each Youbet stockholder will depend on such stockholder's particular facts and circumstances.

Youbet stockholders should consult their tax advisors with respect to the federal, state and other tax consequences to them of the merger and subsequent merger.

Table of Contents

Accounting Treatment (see page 94)

In accordance with accounting principles generally accepted in the United States, which we refer to as GAAP, CDI will account for the acquisition of shares of Youbet common stock through the merger under the acquisition method of accounting for business combinations. In determining the acquirer for accounting purposes, CDI considered the factors required under the business combination accounting guidance, and determined that CDI will be considered the acquirer of Youbet for accounting purposes.

Dividend Policies

CDI

The holders of CDI common stock receive dividends if and when declared by the CDI board of directors. Pursuant to the merger agreement, CDI has agreed that, except for annual aggregate cash dividends by CDI to its stockholders not in excess of \$0.50 per share or dividends or distributions paid or made by any wholly owned subsidiary of CDI, it will not authorize or declare any dividend on or make any distribution with respect to any shares of its capital stock, or any of its subsidiaries' capital stock, prior to the completion of the merger.

Youbet

The holders of Youbet common stock receive dividends if and when declared by the Youbet board of directors. Pursuant to the merger agreement, Youbet has agreed that it will not authorize or declare any dividend on or make any distribution with respect to any shares of its capital stock, other than dividends or distributions from any of Youbet's wholly owned subsidiaries to Youbet or to Youbet's other wholly owned subsidiaries, prior to the completion of the merger.

Comparison of Stockholder and Shareholder Rights and Corporate Governance Matters (see page 139)

As a result of the merger, the holders of Youbet common stock will become holders of CDI common stock. Following the completion of the merger, Youbet stockholders will have the same rights as holders of CDI common stock; however, due to differences between the laws of the states of incorporation of CDI and Youbet (which states are Kentucky and Delaware, respectively) and the different provisions of the governing documents of CDI and Youbet, the rights of former Youbet stockholders as CDI shareholders will be different from the rights they had as stockholders of Youbet.

Fees and Expenses (see page 122)

Generally, all fees and expenses incurred in connection with the merger agreement and the transactions contemplated by the merger agreement will be paid by the party incurring those expenses, subject to the specific exceptions discussed in this proxy statement/prospectus.

Table of Contents**Selected Summary Historical Financial Data of CDI**

The following tables set forth the selected historical consolidated financial data for CDI. The selected consolidated financial data as of and for the fiscal years ended December 31, 2008, 2007, 2006, 2005 and 2004 have been derived from CDI's audited consolidated financial statements. The selected consolidated financial and operating data as of and for the nine months ended September 30, 2009 and 2008 have been derived from CDI's unaudited interim condensed consolidated financial statements. The results for the nine months ended September 30, 2009 and 2008 are not necessarily indicative of the results that may be expected for the entire fiscal year. CDI's unaudited interim condensed consolidated financial statements reflect all adjustments that management of CDI considers necessary for a fair statement of the financial position and results of operations for such periods in accordance with United States generally accepted accounting principles, which we refer to as GAAP. Historical results are not necessarily indicative of the results that may be expected for any future period.

This selected historical consolidated financial data should be read in conjunction with CDI's Annual Report on Form 10-K for the fiscal year ended December 31, 2008 and CDI's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2009, all of which are incorporated into this proxy statement/prospectus. See **Additional Information Where You Can Find More Information** beginning on page 153 of this proxy statement/prospectus.

(In thousands, except per common share data)	Nine Months Ended September 30,		Years Ended December 31,				
	2009(1)	2008(2)	2008(2)	2007(3)	2006(4)(5)	2005(6)	2004(7)
Selected Statement of Net Earnings Data:							
Net revenues	\$ 354,670	\$ 344,261	\$ 430,566	\$ 410,735	\$ 376,671	\$ 356,342	\$ 304,888
Operating income	\$ 44,587	\$ 57,958	\$ 52,779	\$ 33,636	\$ 49,582	\$ 23,950	\$ 30,994
Net earnings from continuing operations	\$ 24,573	\$ 32,614	\$ 29,148	\$ 17,038	\$ 30,217	\$ 13,848	\$ 14,274
Discontinued operations, net of income taxes	\$ (863)	\$ 8	\$ (599)	\$ (1,307)	\$ (406)	\$ 65,060	\$ (5,359)
Net earnings	\$ 23,710	\$ 32,622	\$ 28,549	\$ 15,731	\$ 29,811	\$ 78,908	\$ 8,915
Basic net earnings from continuing operations per common share	\$ 1.75	\$ 2.33	\$ 2.10	\$ 1.24	\$ 2.24	\$ 1.05	\$ 1.08
Basic net earnings per common share	\$ 1.69	\$ 2.33	\$ 2.06	\$ 1.15	\$ 2.21	\$ 5.92	\$ 0.67
Diluted net earnings from continuing operations per common share	\$ 1.75	\$ 2.33	\$ 2.09	\$ 1.23	\$ 2.22	\$ 1.04	\$ 1.07
Diluted net earnings per common share	\$ 1.69	\$ 2.33	\$ 2.05	\$ 1.14	\$ 2.19	\$ 5.86	\$ 0.67
Dividends paid per common share	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50
Selected Balance Sheet Data:							
Total assets	\$ 622,955	\$ 609,146	\$ 637,667	\$ 624,816	\$ 546,328	\$ 517,844	\$ 642,594
Working capital (deficiency) surplus	\$ (63,442)	\$ (26,582)	\$ (29,915)	\$ (17,979)	\$ 1,650	\$ (15,269)	\$ 135,640
Long-term debt	\$ 33,000	\$ 36,000	\$ 43,140	\$ 67,989		\$ 15,602	\$ 225,000
Convertible note payable, related party	\$ 14,550	\$ 14,129	\$ 14,234	\$ 13,814	\$ 13,393	\$ 12,973	\$ 12,552
Shareholders' equity	\$ 420,311	\$ 403,910	\$ 393,891	\$ 367,558	\$ 350,079	\$ 316,231	\$ 238,428
Shareholders' equity per common share	\$ 30.65	\$ 29.52	\$ 28.77	\$ 26.88	\$ 26.09	\$ 24.08	\$ 18.48
Selected Cash Flow Data:							
Additions to property and equipment, exclusive of business acquisitions, net	\$ 32,305	\$ 28,562	\$ 40,150	\$ 45,632	\$ 46,599	\$ 43,238	\$ 77,172

The selected financial data presented above is subject to the following information:

(1) During 2009, CDI recognized incremental income tax expense from continuing operations of \$2.3 million as well as income tax expense from discontinued operations of \$1.1 million related to proposed adjustments resulting from an audit of prior year income tax returns by the Internal Revenue Service.

(2)

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During 2008, CDI recognized a gain of \$17.2 million from insurance recoveries, net of losses, related to damages sustained by Fair Grounds from Hurricane Katrina.

Table of Contents

- (3) On January 1, 2007, CDI adopted required GAAP related to accounting for uncertainty in income taxes, under which CDI may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The cumulative effect of adopting this GAAP was an increase of \$0.3 million to unrecognized tax benefits and a corresponding decrease to retained earnings. In addition, during 2007, CDI recognized a gain of \$0.8 million from insurance recoveries, net of losses, related to damages from Hurricane Wilma.
- (4) During 2006, CDI recognized a gain of \$20.6 million from insurance recoveries, net of losses, related to damages sustained by Fair Grounds, Calder and Ellis Park, from Hurricane Katrina, Hurricane Wilma and a tornado, respectively (\$1.4 million is included in discontinued operations). Also, during 2006, CDI recognized an asset impairment of \$7.9 million to write down the long-lived assets of Hoosier Park to their estimated fair value. Finally, during 2006, CDI recognized a gain of \$4.3 million, net of income taxes, on the sale of Ellis Park.
- (5) On January 1, 2006, CDI adopted required GAAP related to accounting for share-based payments using the modified prospective application method and therefore began to expense the fair value of all outstanding options related to an employee stock purchase plan over their remaining vesting periods to the extent the options were not fully vested as of the adoption date and began to expense the fair value of all options granted subsequent to December 31, 2005 over their requisite service periods. During the year ended December 31, 2006, CDI recorded \$0.1 million of additional share-based compensation expense as a result of adopting this GAAP.
- (6) During 2005, CDI recognized a gain of \$69.9 million, net of income taxes, on the sale of the assets of Hollywood Park.
- (7) During 2004, CDI recognized a \$4.3 million loss representing an unrealized loss on derivative instruments embedded in a convertible promissory note, a \$1.6 million gain on the sale of our 19% interest in Kentucky Downs and a \$6.2 million asset impairment loss recorded to write down the assets of Ellis Park (part of discontinued operations) to their estimated fair value.

Table of Contents

Selected Summary Historical Financial Data of Youbet

The following tables set forth the selected historical consolidated financial data for Youbet. The selected consolidated financial data as of and for the fiscal years ended December 31, 2008, 2007, 2006, 2005 and 2004 have been derived from Youbet's audited consolidated financial statements. The selected consolidated financial and operating data as of and for the nine months ended September 30, 2009 and 2008 have been derived from Youbet's unaudited interim condensed consolidated financial statements. The results for the nine months ended September 30, 2009 and 2008 are not necessarily indicative of the results that may be expected for the entire fiscal year. Youbet's unaudited interim condensed consolidated financial statements reflect all adjustments that management of Youbet considers necessary for a fair statement of the financial position and results of operations for such periods in accordance with GAAP. Historical results are not necessarily indicative of the results that may be expected for any future period.

This selected consolidated financial data should be read in conjunction with Amendment No. 1 to Youbet's Annual Report on Form 10-K/A for the fiscal year ended December 31, 2008 and Youbet's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2009, all of which are incorporated into this proxy statement/prospectus. See **Additional Information** **Where You Can Find More Information** beginning on page 153 of this proxy statement/prospectus.

Table of Contents

	Nine Months Ended		Year Ended December 31,					2004
	2009 (unaudited)	2008 (unaudited)	2008(1)	2007(2)	2006(3)	2005(4)		
(in thousands, except per share data)								
Statement of Income Data								
Revenues	\$ 86,107	\$ 83,068	\$ 109,028	\$ 122,494	\$ 114,594	\$ 82,366	\$ 65,249	
Operating costs	82,459	76,491	114,193	133,867	118,161	78,601	63,868	
Income (loss) from continuing operations before income tax (benefit)	3,648	6,577	(5,165)	(11,373)	(3,567)	3,765	1,381	
Income tax (benefit)	480	362	658	2,814	734	(1,854)	(3,250)	
Income (loss) from continuing operations	3,168	6,215	(5,823)	(14,187)	(4,301)	5,619	4,631	
Income (loss) from discontinued operations(5)	(18)	(743)	1,372	(14,231)	2,270	72		
Net income (loss)	3,150	5,472	\$ (4,451)	\$ (28,418)	\$ (2,031)	\$ 5,691	\$ 4,631	
Earnings (loss) per share:								
Basic								
Income (loss) from continuing operations	\$ 0.08	\$ 0.15	\$ (0.14)	\$ (0.34)	\$ (0.12)	\$ 0.18	\$ 0.16	
Income (loss) from discontinued operations(5)	0.00	(0.02)	0.03	(0.34)	0.06	0.00	0.00	
Net income (loss)	0.08	0.13	(0.11)	(0.68)	(0.06)	0.18	0.16	
Diluted								
Income (loss) from continuing operations	\$ 0.07	\$ 0.15	\$ (0.14)	\$ (0.34)	\$ (0.12)	\$ 0.16	\$ 0.14	
Income (loss) from discontinued operations(5)	0.00	(0.02)	0.03	(0.34)	0.06	0.00	0.00	
Net income (loss)	0.07	0.13	(0.11)	(0.68)	(0.06)	0.16	0.14	
Selected Balance Sheet Data								
Cash and cash equivalents	\$ 16,895	\$ 12,532	\$ 16,538	\$ 6,551	\$ 21,051	\$ 16,686	\$ 13,287	
Working capital (deficit)	2,963	(7,881)	(771)	(14,300)	5,019	12,015	8,876	
Total assets	46,124	58,327	48,880	65,050	105,605	40,829	25,442	
Current portion of long-term debt	8,484	9,561	8,704	10,390	8,311	620	391	
Long-term debt, net of current portion	37	262	3,996	4,767	12,054	178	158	
Stockholders' equity	21,143	26,308	16,843	19,981	52,774	22,884	14,098	

- (1) In connection with Youbet's evaluation of strategic alternatives for United Tote, in February 2009, Youbet concluded that the carrying value of United Tote was impaired and recorded a non-cash impairment charge of \$11.2 million as of December 31, 2008, which includes the elimination of \$6.9 million in goodwill and reductions in the carrying value of computer equipment and intangible assets of \$3.1 million and \$1.2 million, respectively.
- (2) In connection with its evaluation of strategic alternatives for United Tote, in March 2008, Youbet concluded that United Tote goodwill was impaired and recorded a non-cash impairment charge of \$8.0 million as of December 31, 2007.
- (3) In February 2006, Youbet acquired United Tote, and in October 2006, Youbet acquired Bruen Productions. In 2006, Youbet paid amounts and incurred associated legal fees totaling \$2.7 million in connection with an arbitration award related to an audit of amounts paid to TVG under its license agreement with TVG for the period April 2002 through March 2005.
- (4) In June 2005, Youbet acquired International Racing Group.
- (5) In December 2007, Youbet sold Bruen Productions and in February 2008, its ceased operations at IRG. The results of both Bruen Productions and IRG have been accounted for as discontinued operations.

Table of Contents**Selected Unaudited Pro Forma Condensed Combined Financial Data**

The following selected unaudited pro forma condensed combined statement of net earnings data for the nine months ended September 30, 2009 and year ended December 31, 2008 reflect the merger and related transactions as if they had occurred on January 1, 2008. The following unaudited pro forma condensed combined balance sheet data as of September 30, 2009 reflect the merger and related transactions as if they had occurred on September 30, 2009.

Such unaudited pro forma condensed combined financial data is based on the historical financial statements of CDI and Youbet and on publicly available information and certain assumptions and adjustments as discussed in the section entitled "Unaudited Pro Forma Condensed Combined Financial Information" beginning on page 123 of this proxy statement/prospectus, including assumptions relating to the allocation of the consideration paid for the assets and liabilities of Youbet based on preliminary estimates of their fair value. This unaudited pro forma condensed combined financial information is provided for illustrative purposes only and is not necessarily indicative of what the operating results or financial position of CDI or Youbet would have been had the merger and related transactions been completed at the beginning of the periods or on the dates indicated, nor are they necessarily indicative of any future operating results or financial position. CDI and Youbet may have performed differently had they been combined during the periods presented. The following should be read in connection with the section of this proxy statement/prospectus entitled "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 123 of this proxy statement/prospectus and other information included in or incorporated by reference into this proxy statement/prospectus.

(In thousands, except per common share data)	For the Nine Months Ended September 30, 2009	For the Year Ended December 31, 2008
Selected Pro Forma Statement of Net Earnings Data:		
Net revenues	\$ 440,777	\$ 539,594
Operating income	\$ 44,018	\$ 42,526
Income tax provision	\$ 18,469	\$ 18,417
Net earnings from continuing operations	\$ 24,090	\$ 18,986
Basic net earnings from continuing operations per common share	\$ 1.44	\$ 1.15
Diluted net earnings from continuing operations per common share	\$ 1.44	\$ 1.15
Basic weighted average common shares outstanding	16,264	16,227
Diluted weighted average common shares outstanding	16,726	16,703
Selected Pro Forma Balance Sheet Data:		
Total assets	\$ 801,298	
Working capital (deficiency) surplus	\$ (15,006)	
Long-term debt	\$ 80,781	
Convertible note payable, related party	\$ 14,550	
Shareholders' equity	\$ 510,512	
Shareholders' equity per common share	\$ 31.13	

Table of Contents**Unaudited Pro Forma Combined Per Share Data**

The following tables set forth certain historical, pro forma and pro forma equivalent per share financial data for CDI and Youbet common stock. The pro forma and pro forma equivalent per common share data gives effect to the merger as if the merger had occurred on September 30, 2009, in the case of book value per common share data, and January 1, 2008, in the case of net earnings per common share information.

The pro forma per common share balance sheet data combines CDI's September 30, 2009 unaudited condensed consolidated balance sheet with Youbet's September 30, 2009 unaudited condensed consolidated balance sheet. The pro forma per common share statement of net earnings data for the year ended December 31, 2008 combines CDI's audited consolidated statement of net earnings for the year ended December 31, 2008 with Youbet's audited consolidated statement of net earnings for the year ended December 31, 2008. The pro forma per common share statement of net earnings data for the nine months ended September 30, 2009 combines CDI's unaudited interim condensed consolidated statement of net earnings for the nine months ended September 30, 2009 with Youbet's unaudited interim condensed consolidated statement of net earnings for the nine months ended September 30, 2009. The Youbet pro forma equivalent per common share financial data is calculated by multiplying the unaudited CDI pro forma combined per common share amounts by the exchange ratio (0.0598 shares of CDI common stock for each share of Youbet common stock). The exchange ratio does not include the \$0.97 cash portion of the merger consideration.

The following information should be read in conjunction with the audited consolidated financial statements of CDI and Youbet, which are incorporated by reference in this proxy statement/prospectus, and the financial information contained in the section entitled "Unaudited Pro Forma Condensed Combined Financial Information" beginning on page 123 of this proxy statement/prospectus. The unaudited pro forma combined per common share data below is presented for informational purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the merger had been completed as of the periods presented, nor is it necessarily indicative of the future operating results or financial position of the combined company. In addition, the unaudited pro forma combined per common share data does not purport to indicate balance sheet data or results of operations data as of any future date or for any future period.

	For the Nine Months Ended September 30, 2009	For the Year Ended December 31, 2008
CDI HISTORICAL PER COMMON SHARE DATA		
Net earnings from continuing operations per common share	\$ 1.75	\$ 2.09
Dividends declared per common share	\$	\$ 0.50
Book value per common share	\$ 30.65	\$ 28.77
YOUBET HISTORICAL PER COMMON SHARE DATA		
Net earnings (loss) from continuing operations per common share	\$ 0.07	\$ (0.14)
Dividends declared per common share	\$	\$
Book value per common share	\$ 0.51	\$ 0.41
CDI UNAUDITED DILUTED PRO FORMA PER COMMON SHARE DATA		
Net earnings from continuing operations per common share	\$ 1.44	\$ 1.15
Dividends declared per common share	\$	\$ 0.50
Book value per common share (1)	\$ 31.13	N/A
YOUBET UNAUDITED DILUTED PRO FORMA EQUIVALENT PER COMMON SHARE DATA		
Net earnings from continuing operations per common share	\$ 0.09	\$ 0.07
Dividends declared per common share	\$	\$ 0.03
Book value per common share (2)	\$ 1.86	N/A

(1) Amount is calculated by dividing CDI's shareholders' equity by common shares outstanding. Pro forma book value per common share as of December 31, 2008 is not meaningful as purchase accounting adjustments were calculated as of September 30, 2009.

(2) Pro forma equivalent book value per common share as of December 31, 2008 is not meaningful as purchase accounting adjustments were calculated as of September 30, 2009.

Table of Contents**Comparative Per Share Market Price Data**

CDI common stock trades on NASDAQ under the symbol CHDN. Yobet common stock trades on NASDAQ under the symbol UBET. The table below sets forth, for the periods indicated, cash dividends paid per share of CDI and Yobet common stock and the range of high and low per share sales prices for CDI and Yobet common stock as reported on NASDAQ. For current price information, you should consult publicly available sources. For more information on CDI and Yobet payment of dividends, see Comparison of Stockholder and Shareholder Rights and Corporate Governance Matters Dividends beginning on page 141 of this proxy statement/prospectus.

	CDI Common Stock		
	High	Low	Dividends Declared
Calendar Year 2007			
First quarter	\$ 45.45	\$ 39.09	\$ 0
Second quarter	\$ 54.64	\$ 43.66	\$ 0
Third quarter	\$ 54.87	\$ 45.38	\$ 0
Fourth quarter	\$ 57.55	\$ 48.22	\$ 0.50
Calendar Year 2008			
First quarter	\$ 55.21	\$ 40.22	\$ 0
Second quarter	\$ 52.98	\$ 34.85	\$ 0
Third quarter	\$ 51.85	\$ 32.35	\$ 0
Fourth quarter	\$ 49.67	\$ 24.11	\$ 0.50
Calendar Year 2009			
First quarter	\$ 41.84	\$ 20.71	\$ 0
Second quarter	\$ 40.68	\$ 28.20	\$ 0
Third quarter	\$ 39.92	\$ 30.94	\$ 0
Fourth quarter	\$ 38.88	\$ 30.00	\$ 0.50
Calendar Year 2010			
First quarter (through January 27, 2010)	\$ 38.68	\$ 36.52	\$ 0
	Yobet Common Stock		
	High	Low	Dividends Declared
Calendar Year 2007			
First quarter	\$ 3.83	\$ 2.32	\$ 0
Second quarter	\$ 3.40	\$ 2.42	\$ 0
Third quarter	\$ 2.50	\$ 1.56	\$ 0
Fourth quarter	\$ 2.42	\$ 0.74	\$ 0
Calendar Year 2008			
First quarter	\$ 1.28	\$ 0.65	\$ 0
Second quarter	\$ 1.72	\$ 0.67	\$ 0
Third quarter	\$ 2.09	\$ 1.04	\$ 0
Fourth quarter	\$ 1.54	\$ 0.66	\$ 0
Calendar Year 2009			
First quarter	\$ 1.70	\$ 0.85	\$ 0
Second quarter	\$ 3.59	\$ 1.59	\$ 0
Third quarter	\$ 3.91	\$ 1.93	\$ 0
Fourth quarter	\$ 3.03	\$ 2.05	\$ 0
Calendar Year 2010			
First quarter (through January 27, 2010)	\$ 2.99	\$ 2.78	\$ 0

Table of Contents

The following table presents the last reported sale price of a share of CDI common stock, as reported on NASDAQ, the last reported sale price of a share of Youbet common stock, as reported on NASDAQ, and the equivalent value of the merger consideration per share of Youbet common stock, in each case, on November 11, 2009, the last full trading day prior to the public announcement of the proposed merger, and on [], 2010, the last trading day prior to the printing of this proxy statement/prospectus for which it was practicable to include this information.

Date	CDI Common Stock	Youbet Common Stock	Value of Merger Consideration Per Share of Youbet Common Stock(1)
November 11, 2009	\$ 31.57	\$ 2.41	\$ 2.86
[], 2010	\$ []	\$ []	\$ []

(1) Calculated by multiplying the last reported sale price of CDI common stock by the 0.0598 per share exchange ratio plus \$0.97. The market value of the shares of CDI common stock to be issued in exchange for shares of Youbet common stock upon the completion of the merger will not be known at the time Youbet stockholders vote on the proposal to adopt the merger agreement. Subject to an exception to ensure that the merger does not require CDI to issue more than 19.6% of the outstanding CDI common stock outstanding as of immediately prior to the effective time, the exchange ratio is fixed and will not be adjusted for changes in the stock prices of either company before the merger is completed.

The above tables show historical stock price comparisons and the equivalent value of the merger consideration per share of Youbet common stock. Because the market prices of CDI common stock and Youbet common stock will likely fluctuate prior to the merger, these comparisons may not provide meaningful information to Youbet stockholders in determining whether to approve the proposal to adopt the merger agreement. CDI shareholders and Youbet stockholders are encouraged to obtain current market quotations for CDI and Youbet common stock and to review carefully the other information contained in this proxy statement/prospectus or incorporated by reference into this proxy statement/prospectus in considering whether to approve the proposals before them. See [Additional Information Where You Can Find More Information](#) beginning on page 153 of this proxy statement/prospectus.

Table of Contents

RISK FACTORS

*The merger involves risks for CDI shareholders and Youbet stockholders. Youbet stockholders will be choosing to invest in CDI common stock by voting in favor of the proposal to adopt the merger agreement. In addition to the other information included in this proxy statement/prospectus, including the matters addressed in *Cautionary Statement Concerning Forward-Looking Statements* beginning on page 51 of this proxy statement/prospectus, Youbet stockholders should carefully consider the following risks before deciding whether to vote for approval of the proposal to adopt the merger agreement.*

Risks Relating to the Merger

CDI may not realize all of the anticipated benefits of the transaction.

The combined company's ability to realize the anticipated benefits of the merger will depend, to a large extent, on the ability of CDI to integrate the businesses of Youbet with CDI. The combination of two independent companies is a complex, costly and time-consuming process. As a result, the combined company will be required to devote significant management attention and resources to integrating the business practices and operations of CDI and Youbet. The integration process may disrupt the business of either or both of the companies and, if implemented ineffectively, would preclude realization of the full benefits expected by CDI and Youbet. The failure of the combined company to meet the challenges involved in integrating successfully the operations of CDI and Youbet or otherwise to realize the anticipated benefits of the transaction could cause an interruption of, or a loss of momentum in, the activities of the combined company and could seriously harm its results of operations. In addition, the overall integration of the two companies may result in unanticipated problems, expenses, liabilities, competitive responses, loss of customer and supplier relationships, and diversion of management's attention, and may cause the combined company's stock price to decline. The difficulties of combining the operations of the companies include, among others:

consolidating corporate and administrative infrastructures and eliminating duplicative operations;

maintaining employee morale and retaining key employees;

the diversion of management's attention from ongoing business concerns;

coordinating geographically separate organizations;

unanticipated issues in integrating information technology, communications and other systems;

managing tax costs or inefficiencies associated with integrating the operations of the combined company; and

making any necessary modifications to operating control standards to comply with the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

In addition, even if the operations of CDI and Youbet are integrated successfully, the combined company may not realize the full benefits of the transaction, including the synergies, cost savings or growth opportunities that CDI and Youbet expect. These benefits may not be achieved within the anticipated time frame, or at all. As a result, CDI and Youbet cannot assure you that the combination of Youbet with CDI will result in the realization of the full benefits anticipated from the transaction.

The price of CDI common stock might decline prior to the completion of the merger, which would decrease the value of the merger consideration to be received by Youbet stockholders in the merger. Further, at the Youbet special meeting, Youbet stockholders will not know the exact value of CDI common stock that will be issued in the merger.

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The market price of CDI common stock at the time the merger is completed may vary significantly from the price on the date of the merger agreement or from the price on the date of the Youbet special meeting. CDI common stock has historically experienced volatility. On November 11, 2009, the last full trading day prior to

Table of Contents

the public announcement of the proposed merger, CDI common stock closed at \$31.57 per share as reported on NASDAQ. From November 12, 2009, through [], 2010, the trading price of CDI common stock ranged from a closing high of \$[] per share to a closing low of \$[] per share.

Under the merger agreement, each outstanding share of Youbet common stock (other than those shares held by CDI, Merger Sub or Merger LLC, and other than treasury shares) will be converted into the right to receive, upon completion of the merger, the merger consideration. Subject to an exception to ensure that the merger does not require CDI to issue more than 19.6% of the outstanding CDI common stock outstanding as of immediately prior to the effective time, the exchange ratio is fixed and will not be adjusted for changes in the stock prices of either company before the merger is completed. As a result, any changes in the market price of CDI common stock will have a corresponding effect on the market value of the merger consideration. Neither party, however, has a right to terminate the merger agreement based upon changes in the market price of CDI or Youbet common stock.

CDI and Youbet are working to complete the transaction as quickly as possible. Although no assurances can be given as to the timing for the closing of the merger, CDI and Youbet currently expect the merger to close in the first half of 2010. Because the date when the transaction is completed may be later than the date of the Youbet special meeting, Youbet stockholders may not know the exact value of the CDI common stock that will be issued in the merger at the time the Youbet stockholders vote on the proposal to adopt the merger agreement. As a result, if the market price of CDI common stock upon the completion of the merger is lower than the market price on the date of the Youbet special meeting, the market value of the merger consideration received by Youbet stockholders in the merger will be lower than the market value of the merger consideration at the time of vote by the Youbet stockholders. Moreover, during this interim period, events, conditions or circumstances could arise that could have a material impact or effect on CDI, Youbet or the industries in which they operate. CDI and Youbet encourage you to obtain current market quotations for CDI common stock before you vote your shares. Beginning at 9:00 a.m. on [], 2010, MacKenzie Partners, Inc., Youbet's proxy solicitor, will make current merger consideration information available at the following toll-free number: (888) 407-8968.

CDI and Youbet may be unable to obtain the regulatory approvals required to complete the merger.

The merger is subject to antitrust laws. CDI and Youbet have made their respective filings under applicable U.S. antitrust laws with the DOJ and the FTC. On January 25, 2010, the DOJ issued to CDI and Youbet formal requests for additional information and documentary material, thereby extending the statutory waiting period under the HSR Act. CDI and Youbet are in the process of gathering information to respond to the second requests and are working cooperatively with the DOJ as it reviews the merger.

Under the terms of the merger agreement, if any objections are asserted by any governmental entity with respect to the merger or if any litigation or proceedings are instituted by a governmental entity challenging the merger under applicable antitrust laws, or if any order is issued enjoining the merger under applicable antitrust laws, CDI has agreed to use its best efforts to resolve the objections, litigation or proceedings, or to have the order vacated in order to enable the merger agreement to close by May 11, 2010 (or February 11, 2011 if extended as described under "The Merger Agreement - Termination of the Merger Agreement"), and Youbet has agreed to use its best efforts to assist in those efforts.

CDI is not obligated to agree to take any action or accept any condition or requirement with respect to CDI or Youbet, and Youbet is not permitted to agree to that action without CDI's consent, if that action or requirement would reasonably be expected to require CDI or Youbet to sell, license, transfer, assign, lease, dispose of or hold separate any material businesses or assets; result in any material limitations on CDI or Youbet to own, retain, conduct or operate all or a material portion of their respective businesses or assets; or require CDI or Youbet to grant any material right or commercial or other accommodation to, or enter into any material commercial contractual or other commercial relationship with, any third party.

Table of Contents

At any time before or after completion of the merger, either the DOJ, the FTC or any state attorneys general could challenge or seek to block the merger under applicable federal or state antitrust laws, as such regulatory authority deems necessary or desirable in the public interest. In addition, in some jurisdictions, a private party could initiate legal action under the antitrust laws challenging or seeking to enjoin the merger, before or after it is completed. CDI and Youbet cannot be sure that a challenge to the merger will not be made or that, if a challenge is made, CDI and Youbet will prevail.

The merger may result in substantial goodwill and indefinite-lived intangible assets for the combined company. If the combined company's goodwill and indefinite-lived intangible assets become impaired, the earnings of the combined company may be significantly reduced or eliminated, and shareholders' equity may be reduced.

The unaudited pro forma condensed combined financial information reflects preliminary estimates of goodwill and indefinite-lived intangible assets of approximately \$130.6 million as a result of the merger. This approximate amount of goodwill and indefinite-lived intangible assets assumes that the CDI common stock received by the Youbet stockholders and optionholders in the merger has a market value of \$37.05 per share (the closing price of CDI common stock on NASDAQ on January 22, 2010). The actual amount of goodwill and indefinite-lived intangible assets recorded may be materially different and will depend in part on the market value of CDI common stock as of the date on which the merger is completed and the appropriate allocation of purchase price, which may be impacted by a number of factors, including changes in the net assets acquired and changes in the fair values of the net assets acquired. On at least an annual basis, CDI assesses whether there has been an impairment in the value of goodwill and indefinite-lived intangible assets. If the carrying value of goodwill and indefinite-lived intangible assets exceeds their estimated fair values, a non-cash impairment loss equal to such excess is recognized. Accordingly, any determination requiring the recognition of a non-cash impairment loss of a significant portion of goodwill and indefinite-lived intangible assets recorded in connection with the merger would negatively affect the combined company's results of operations.

The issuance of shares of CDI common stock to Youbet stockholders in the merger will initially have a negative impact on the earnings per share of the combined company and will decrease the aggregate voting power of current CDI shareholders.

If the merger is completed, based on the number of fully diluted shares of Youbet common stock outstanding as of [], 2010, CDI expects (assuming there is no adjustment to the exchange ratio) that approximately [] million shares of CDI common stock will be issued for the outstanding shares and in the money stock options of common stock of Youbet. CDI expects that the merger will initially result in lower earnings per share than would have been earned by CDI in the absence of the merger. In addition, the issuance of shares in connection with the merger will decrease the aggregate voting power of current CDI shareholders. CDI expects that over time the merger will yield benefits to the combined company such that the merger will ultimately be accretive to earnings per share. However, there can be no assurance that the increase in earnings per share expected in the long term will be achieved. In order to achieve increases in earnings per share as a result of the merger, the combined company will, among other things, need to effectively continue the successful operations of Youbet after the merger.

CDI will incur additional indebtedness in order to fund the cash portion of the merger consideration and the repayment of assumed Youbet indebtedness.

CDI expects to fund the cash portion of the acquisition and the repayment of Youbet debt with borrowings under its amended and restated revolving credit facility and cash on hand. The credit facility, which CDI and certain of its subsidiaries entered into on December 22, 2009, has a term of four years. The interest rate under the credit facility for floating rate advances is equal to the sum of (i) the highest of (x) the bank agent's prime rate, (y) the federal funds rate plus 0.50% or (z) an amount equal to the sum of (A) the Eurodollar base rate for a one-month interest period divided by one minus the maximum reserve requirement imposed on Eurodollar liabilities

Table of Contents

plus (B) 1%, plus (ii) an applicable margin of between 1.00% and 2.50% determined by reference to CDI's leverage ratio. The interest rate under the credit facility for Eurodollar advances is the Eurodollar base rate for the applicable interest period plus an applicable margin of between 2.00% and 3.50%, determined by reference to CDI's leverage ratio. Under the credit facility, CDI pays a commitment fee, payable on the last day of each calendar quarter, at rates that range from 0.30% to 0.50% of the available aggregate commitment, depending on CDI's leverage ratio. The maximum aggregate commitment under the credit facility is \$275 million, and amounts available for borrowing as of December 31, 2009 totaled \$197 million. As of December 31, 2009, CDI had \$71.1 million in outstanding borrowings and \$6.9 million in outstanding letters of credit, resulting in a net \$197.0 million available for future borrowings under the credit facility. Subject to certain conditions, CDI may at any time increase the aggregate commitment under the credit facility up to an amount not to exceed \$375 million. CDI currently anticipates borrowing an additional \$47.8 million under the credit facility to finance the cash portion of the consideration to be paid in connection with the merger. See Note 6 (H) of the Unaudited Pro Forma Condensed Combined Financial Information for further details regarding the anticipated financing of consideration to be paid in connection with the merger.

The credit facility is collateralized by substantially all of the assets of CDI. The credit facility contains customary affirmative and negative covenants for credit facilities of the type, including limitations on CDI and its subsidiaries with respect to indebtedness, restricted payments, liens, investments, mergers and acquisitions (provided that the transactions contemplated by the merger agreement are specifically excluded from this covenant), disposition of assets, sale-leaseback transactions, and transactions with affiliates. The covenants permit CDI to use proceeds of the credit extended under the credit facility for general corporate purposes and acquisition needs. The credit agreement also contains financial covenants that require CDI (i) to maintain an interest coverage ratio (i.e., consolidated adjusted EBITDA to consolidated interest expense) that is greater than 3.5 to 1.0; (ii) not to permit the leverage ratio (i.e., consolidated funded indebtedness to consolidated adjusted EBITDA) to be greater than 3.25 to 1.0; and (iii) to maintain consolidated net worth (with certain exceptions) of not less than the sum of (x) \$350,000,000, (y) 50% of consolidated net income earned in each fiscal year beginning with CDI's fiscal year ending December 31, 2009 and (z) 100% of the net proceeds of any future debt and equity offerings.

Although CDI currently expects that cash flows from operations will be sufficient to satisfy obligations under the credit facility, there can be no certainty that CDI will have adequate cash flows in the future to satisfy current or future obligations under the credit facility.

The unaudited pro forma condensed combined financial information is presented for illustrative purposes only and may not be an indication of the combined company's financial condition or results of operations following the transaction.

The unaudited pro forma condensed combined financial information contained in this proxy statement/prospectus are presented for illustrative purposes only and may not be an indication of the combined company's financial condition or results of operations following the merger for several reasons. The unaudited pro forma condensed combined financial information has been derived from the historical financial statements of CDI and Youbet, and adjustments and assumptions have been made regarding the combined company after giving effect to the transaction. The information upon which these adjustments and assumptions have been made is preliminary, and these kinds of adjustments and assumptions are difficult to make with accuracy. Moreover, the unaudited pro forma condensed combined financial information does not reflect all costs that are expected to be incurred by the combined company in connection with the transaction. For example, the impact of any incremental costs incurred in integrating the two companies is not reflected in the unaudited pro forma condensed combined financial information. As a result, the actual financial condition and results of operations of the combined company following the merger may not be consistent with, or evident from, this unaudited pro forma condensed combined financial information.

The assumptions used in preparing the unaudited pro forma condensed combined financial information may not prove to be accurate, and other factors may affect the combined company's financial condition or results of

Table of Contents

operations following the transaction. Any decline or potential decline in the combined company's financial condition or results of operations may cause significant variations in the stock price of the combined company. See Unaudited Pro Forma Condensed Combined Financial Information beginning on page 123 of this proxy statement/prospectus.

Some of the conditions to the merger may be waived by CDI or Youbet without resoliciting stockholder approval of the proposals approved by Youbet's stockholders.

Some of the conditions set forth in the merger agreement may be waived by CDI or Youbet, subject to the agreement of the other party in specific cases. See The Merger Agreement Conditions to Completion of the Merger beginning on page 104 of this proxy statement/prospectus. If any conditions are waived, CDI and Youbet will evaluate whether amendment of this proxy statement/prospectus and resolicitation of proxies are warranted. If the board of directors of Youbet determines that resolicitation of its stockholders is not warranted, Youbet will have the discretion to complete the merger without seeking further stockholder approval.

To be successful, the combined company must retain and motivate key employees, and failure to do so could seriously harm the combined company.

To be successful, the combined company must retain and motivate executives and other key employees. Employees of CDI and Youbet may experience uncertainty about their future roles with the combined company until or after strategies for the combined company are announced or executed. These circumstances may adversely affect the combined company's ability to retain key personnel. The combined company also must continue to motivate employees and keep them focused on the strategies and goals of the combined company, which effort may be adversely affected as a result of the uncertainty and difficulties with integrating CDI and Youbet. If the combined company is unable to retain executives and other key employees, the roles and responsibilities of such executive officers and employees will need to be filled either by existing or new officers and employees, which may require the combined company to devote time and resources to identifying, hiring and integrating replacements for the departed executives that could otherwise be used to integrate the businesses of CDI and Youbet or otherwise pursue business opportunities.

If the combined company is unable to manage its growth, its business and financial results could suffer.

The combined company's future financial results will depend in part on its ability to profitably manage its core businesses, including any growth that the combined company may be able to achieve. Over the past several years, each of CDI and Youbet has engaged in the identification of, and competition for, growth and expansion opportunities. In order to achieve those initiatives, the combined company will need to, among other things, recruit, train, retain and effectively manage employees and expand its operations and financial control systems. If the combined company is unable to manage its businesses effectively and profitably, its business and financial results could suffer.

The market price of CDI common stock after the merger may be affected by factors different from those currently affecting the shares of CDI or Youbet.

Upon completion of the merger, holders of Youbet common stock will become holders of CDI common stock. The businesses of CDI differ from those of Youbet in important respects and, accordingly, the results of operations of the combined company and the market price of shares of CDI common stock following the merger may be affected by factors different from those currently affecting the independent results of operations of CDI and Youbet. For a discussion of the businesses of CDI and Youbet and of certain factors to consider in connection with those businesses, see the documents incorporated by reference into this proxy statement/prospectus referred to under Additional Information Where You Can Find Additional Information beginning on page 153 of this proxy statement/prospectus.

Table of Contents

Provisions of the merger agreement may deter alternative business combinations and could negatively impact the stock prices of CDI and Youbet if the merger agreement is terminated in certain circumstances.

Restrictions in the merger agreement prohibit Youbet from soliciting any acquisition proposal or offer for a merger or business combination with any other party, including a proposal that might be advantageous to the stockholders of Youbet when compared to the terms and conditions of the merger with CDI.

In addition, if the merger agreement is terminated, Youbet may be required in specified circumstances to pay a termination fee of approximately \$4.3 million to CDI (and, in certain circumstances, transaction expenses of to \$500,000 to CDI), and CDI may be required in specified circumstances to pay a termination fee of \$5 million to Youbet. In the event the merger is terminated by CDI or Youbet in circumstances that obligate either party to pay the termination fee or termination expenses to the other party, the trading price of CDI's and/or Youbet's stock may decline.

These provisions may deter third parties from proposing or pursuing alternative business combinations that might result in greater value to Youbet stockholders than the merger with CDI.

Directors and executive officers of Youbet have interests in the transaction that are different from, or in addition to, the interests of Youbet stockholders.

Youbet's executive officers and directors have financial interests in the merger that are different from, or in addition to, their interests as Youbet stockholders. Stock options held by Youbet's executive officers and directors will vest in connection with the merger. In addition, pursuant to her employment offer letter, Susan Bracey, Youbet's Chief Financial Officer, is entitled to receive a bonus in connection with the merger at the discretion of Youbet's Compensation Committee. As disclosed in the table in the section titled "Interests of Youbet's Directors and Executive Officers in the Merger" beginning on page 97 and subject to the assumptions referenced in the text accompanying that table, Youbet's executive officers and directors collectively may receive up to \$[] as a result of the merger, which includes (i) an estimated payment of approximately \$[] of merger consideration for shares of Youbet common stock that they own, (ii) an estimated payment of approximately \$[] of merger consideration for stock options to purchase Youbet common stock that they hold and (iii) bonus payments of approximately \$[].

Youbet's executive officers and directors will also receive indemnification and liability insurance benefits in connection with the merger and certain of Youbet's executive officers may be offered employment with CDI, although no agreements have been entered into and no terms, conditions or understandings have been finalized. Additionally, CDI has agreed to appoint one current director of Youbet designated by Youbet to the CDI board of directors at the effective time.

CDI and Youbet will incur significant transaction and merger-related integration costs in connection with the merger.

CDI and Youbet expect to incur costs associated with completing the merger and integrating the operations of the two companies. CDI and Youbet estimate that their transaction costs for the merger will be approximately \$4.0 million and \$5.0 million, respectively, which include fees for investment banking, legal, accounting, due diligence, tax, valuation, printing and other various services in connection with the transaction. The substantial majority of additional non-recurring expenses resulting from the merger will be comprised of non-cash asset impairment losses and severance costs. Additional unanticipated costs may be incurred in the integration of the businesses of CDI and Youbet. Although CDI and Youbet expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, may offset incremental transaction and merger-related costs over time, CDI and Youbet cannot give any assurance that this net benefit will be achieved in the near term, or at all.

Table of Contents

The combined company may not be able to realize Youbet's deferred income tax assets.

As of September 30, 2009, Youbet had net deferred tax assets of \$25.0 million for which a \$25.0 million valuation allowance was recorded. The ultimate realization of the deferred tax assets is dependent on a variety of factors, including taxable income in prior carryback years, future taxable income, tax planning strategies, potential legislative changes and reversals of existing taxable temporary differences.

Included in Youbet's net deferred tax assets are net operating losses, which we refer to as NOLs, and tax credit carryforwards. The ability to utilize these NOLs and tax credit carryforwards to offset further taxable income would be limited following an ownership change of Youbet within the meaning of Section 382 of the Code, which we refer to as a Section 382 ownership change.

In general, a Section 382 ownership change occurs whenever the percentage of the stock of a corporation owned by 5-percent shareholders (within the meaning of Section 382 of the Code) increases by more than 50 percentage points over the lowest percentage of the stock of the corporation owned by such 5-percent shareholders at any time over a specified period, generally three years. If a Section 382 ownership change occurs, the corporation's ability to utilize NOLs and other tax benefits is subject to an annual limitation.

As a result of the merger, Youbet will experience a Section 382 ownership change within the meaning of Section 382 of the Code. As a consequence, in any taxable year ending after the date of the merger, the amount of taxable income that can be offset by Youbet's existing NOLs will be subject to an annual limitation under Section 382 of the Code equal to the fair market value of Youbet's stock immediately before the merger multiplied by the long-term tax-exempt rate in effect at the time of the merger (as published monthly by the Internal Revenue Service, 4.16% for December 2009), adjusted to reflect any unused limitation for prior years and certain recognized built-in gains for the year, as determined under the Code. Under Section 383 of the Code, the amount of tax liability in any such year that can be reduced by Youbet's existing tax credit carryforwards will also be limited.

Failure to complete the merger could negatively impact the stock price and the future business and financial results of Youbet.

If the merger is not completed, the ongoing businesses of Youbet may be adversely affected and, without realizing any of the benefits of having completed the merger, Youbet will be subject to a number of risks, including the following:

Youbet may be required to pay CDI a termination fee of approximately \$4.3 million if the merger is terminated under certain circumstances (and in certain circumstances, Youbet would be obligated to reimburse CDI up to \$500,000 of actual expenses incurred in connection with the merger), as described in the merger agreement and summarized in this proxy statement/prospectus;

Youbet will be required to pay certain costs relating to the merger, whether or not the merger is completed;

under the merger agreement, Youbet is subject to certain restrictions on the conduct of its business prior to completing the merger which may affect its ability to execute certain of its business strategies; and

matters relating to the merger (including integration planning) may require substantial commitments of time and resources by Youbet management, which could otherwise have been devoted to other opportunities that may have been beneficial to Youbet as an independent company.

Several lawsuits have been filed against Youbet, the members of the Youbet board of directors, CDI and certain subsidiaries of CDI challenging the merger, and an adverse judgment in such lawsuits may prevent the merger from becoming effective or from becoming effective within the expected timeframe.

Youbet, the members of the Youbet board of directors, CDI and, in certain instances, two CDI subsidiaries, Merger Sub and Merger LLC, are named as defendants in purported class action lawsuits brought by Youbet

Table of Contents

stockholders challenging the proposed merger, seeking, among other things, to enjoin the defendants from completing the merger on the agreed-upon terms. If the plaintiffs are successful in obtaining an injunction prohibiting the parties from completing the merger on the agreed-upon terms, the injunction may prevent the completion of the merger in the expected timeframe (or altogether). See *The Merger Litigation* beginning on page 91 of this proxy statement/prospectus for more information about the class action lawsuits related to the merger that have been filed.

Risks Relating to CDI

In addition to risks and uncertainties in the ordinary course of business that are common to all businesses, important factors that are specific to CDI's industry and company could materially impact CDI's future performance and results. The factors described below are significant risks that could materially impact CDI's business, financial condition and results of operations.

General economic trends are unfavorable.

The recent disruption in the global credit markets, the re-pricing of credit risk and the deterioration of the financial and real estate markets generally have all contributed to a reduction in consumer spending and a contraction in global economic growth. Although initially impacting the housing, financial and insurance sectors, this deterioration further expanded into a significant recession affecting the general economy. Although there is a growing confidence that the global economies have resumed growth, there remains risk that the recovery will be short-lived, such recovery may not include the industries or markets in which CDI conducts our businesses, or the downturn may resume. There is a strong likelihood that the recent significant economic downturn has had, and for the foreseeable future will continue to have, a negative impact on CDI's financial performance. The recent, severe economic downturn and adverse conditions in local, regional, national and global markets has negatively impacted CDI's operations and will likely continue to do so in the near future. During periods of economic contraction like that currently being experienced, certain costs remain fixed or even increase, while revenues decline.

Economic trends specific to the horseracing industry are unfavorable.

Horseracing and related activities, as well as the gaming services we provide, are similar to other leisure activities in that they represent discretionary expenditures likely to decline during economic downturns. In some cases, even the perception of an impending economic downturn or the continuation of a recessionary climate can be enough to discourage consumers from spending on leisure activities. For example, one major horseracing company, Magna Entertainment Corp., which we refer to as MEC, filed for bankruptcy in the United States Bankruptcy Court for the District of Delaware on March 5, 2009. MEC owns several racetracks, including, among others, Santa Anita, Gulfstream Park, Lone Star Park, Laurel and Pimlico. It also owns Xpressbet, an ADW business. As such, it provides racing signals for wagering at CDI's racetracks and through TwinSpire.com for import simulcast purposes and markets for export simulcast purposes. In addition, it is the co-owner with CDI of TrackNet and HRTV. MEC also owns AmTote International, Inc., a totalizator company that provides totalizator services to Arlington Park, Calder, Fair Grounds and TwinSpire. CDI cannot predict at this time what the effect will be of such bankruptcy on CDI's business, financial condition or results of operations. However, as of the date of the filing of this proxy statement/prospectus, all amounts due to CDI from MEC related to activity prior to the date MEC filed for bankruptcy have been collected in full. CDI will continue to closely monitor the bankruptcy proceedings for potential development opportunities and the bankruptcy's potential impact on CDI's business, financial condition or results of operations.

CDI faces significant competition.

CDI operates in a highly competitive industry with a large number of participants, some of which have financial and other resources that are greater than those of CDI. The industry faces competition from a variety of sources for discretionary consumer spending including spectator sports and other entertainment and gaming

Table of Contents

options. Competitive gaming activities include traditional and Native American casinos, video lottery terminals, state-sponsored lotteries and other forms of legalized gaming in the U.S. and other jurisdictions. CDI does not enjoy the same access to the gaming public or possess the advertising resources that are available to state-sponsored lotteries as well as some of CDI's other non-racetrack competitors, which may adversely affect CDI's ability to compete effectively with them. Additionally, web-based interactive gaming and wagering is growing rapidly and affecting competition in CDI's industry. CDI anticipates that competition will continue to grow in the web-based interactive gaming and wagering channels because of ease of entry.

Legalized gaming is currently permitted in various forms in many U.S. states and Canada. Other jurisdictions could legalize gaming in the future, and established gaming jurisdictions could award additional gaming licenses or permit the expansion of existing gaming operations. If additional gaming opportunities become available near CDI's racing operations, such gaming opportunities could have a material, adverse impact on CDI's business, financial condition, and results of operations.

All of CDI's racetracks face competition in the simulcast market. Approximately 50,000 horse races are conducted annually in the U.S. Of these races, CDI hosts approximately 4,100 races each year, or around eight percent of the total. As a content provider, CDI competes for wagering dollars in the simulcast market with other racetracks conducting races at or near the same times as CDI's races. As a racetrack operator, CDI also competes with other racetracks running live meets at or near the same time as CDI's races for horses. In recent years, this competition has increased as more states legalize gaming allowing slot machines at racetracks with mandatory purse contributions. Over 85 percent of pari-mutuel handle (handle is the total amount of money wagered) is bet at off-track locations, either at other racetracks, OTBs, casinos, or via the internet. As a content distributor, CDI competes for these dollars to be wagered at CDI's racetracks, OTBs and via CDI's ADW business.

Calder, CDI's thoroughbred racetrack in Miami, Florida faces direct competition from another thoroughbred racetrack in Miami, Florida. The two racetracks are located approximately 6.5 miles apart. Under Florida law, racetracks are permitted to race throughout the year, subject to an annual notification filed with the state of Florida on March 31 of each year. As a result, Calder and the other racetrack, respectively, may independently elect to host live races on the same days. CDI believes that hosting live races on the same days could materially and adversely impact CDI's business, financial condition and results of operations.

Web-based businesses may offer consumers a wide variety of events to wager on, including other racetracks and other sporting events. Unlike most on-line and web-based gaming companies, CDI's racetracks require significant and ongoing capital expenditures for both their continued operations and expansion. CDI could also face significantly greater costs in operating CDI's business compared to these gaming companies. CDI cannot offer the same number of gaming options as on-line and Internet-based gaming companies, and CDI may face significantly greater costs in operating its business. Many on-line and web-based gaming companies are based off-shore and avoid regulation under U.S. state and federal laws. These companies may divert wagering dollars from pari-mutuel wagering venues, such as CDI's racetracks. CDI's inability to compete successfully with these competitors could have a material, adverse impact on CDI's business, financial condition, and results of operations.

The ADW business is sensitive to changes and improvements to technology and new products. CDI's ability to develop, implement and react to new technology and products for CDI's ADW business is a key factor in its ability to compete with other ADW businesses. In addition, CDI believes that new competitors may enter the ADW business with relative ease because of the low cost of entry. As a result, CDI anticipates increased competition in its ADW business. It is difficult to predict the impact of increased competition on CDI's ADW business.

The popularity of horse racing is declining.

There has been a general decline in the number of people attending and wagering on live horse races at North American racetracks due to a number of factors, including increased competition from other wagering and entertainment alternatives as discussed above and unwillingness of customers to travel a significant distance to

Table of Contents

racetracks. According to The Jockey Club, pari-mutuel handle in the U.S. was down 7.3% between 2008 and 2007. According to Equibase, pari-mutuel handle in the U.S. was down 9.28% in 2009 compared to 2008. In addition, racetracks and other outlets may be unable to pay amounts owed to CDI as a result of business difficulties. CDI's business plan anticipates CDI attracting new customers to its racetracks, OTBs and ADW operations. A continued decrease in attendance at live events and in on-track wagering could materially, adversely impact CDI's business, financial condition, and results of operations.

CDI faces extensive regulation from various authorities.

The operation of pari-mutuel wagering and gaming facilities is subject to extensive state and local regulation. CDI depends on continued state approval of legalized gaming in states where it operates. CDI's wagering and racing facilities must meet the licensing requirements of various regulatory authorities, including authorities in Kentucky, Illinois, Louisiana and Florida. CDI's ADW business must meet the licensing requirements of the ORC as well as those of certain states in which it operates. To date, CDI has obtained all governmental licenses, registrations, permits and approvals necessary for the operation of CDI's racetracks and gaming facilities. However, CDI may be unable to maintain its existing licenses. The failure to attain, loss of or material change in CDI's licenses, registrations, permits or approvals may materially limit the number of races CDI conducts as well as CDI's ability to operate slot machines, and/or video poker devices, and could have a material, adverse impact on CDI's business, financial condition and results of operations. The high degree of regulation in the gaming industry is a significant obstacle to CDI's growth strategy. CDI's expansion into ADW operations will likely require, in some cases, amendments to current laws governing such activities.

Changes in legislation and regulation of CDI's operations could affect CDI's Racing business.

In Illinois, the IRB has the authority to designate racetracks as host track for the purpose of receiving host track revenues generated during periods when no racetrack is conducting live races. Racetracks that are designated as host track obtain and distribute out of state simulcast signals for the State of Illinois. Under Illinois law, the host track is entitled to a larger portion of commissions on the related pari-mutuel wagering. Failure to designate Arlington Park as host track during this period could have a material, adverse impact on CDI's business, financial condition and results of operations. In addition, Arlington Park is statutorily entitled to recapture as revenues monies that are otherwise payable to Arlington Park's purse account. The right to recapture these revenues is subject to change every legislative session.

These statutory or regulatory established revenue sources are subject to change every legislative session. The reduction or elimination of any one of them could have a material, adverse impact on CDI's business, financial condition and results of operations. In addition, certain revenue sources are dedicated by legislation or regulation and may be subject to change. State legislators may also decide to legislate the amounts of certain sources of revenue. For example, certain states mandate a fixed source market fee or require a negotiated source market fee as a condition to obtain a license. The Virginia legislature recently mandated that 11.5% of all wagers from Virginia residents be paid to various interests in Virginia. While the legality of such statutes are questionable and may be challenged, legislative and regulatory changes to sources of revenue could have a material, adverse impact in CDI's business, financial condition and results of operations.

Changes in legislation and regulation of CDI's operations could affect CDI's Gaming business.

CDI's gaming operations exist at the discretion of the states where CDI conducts business. Certain aspects of CDI's gaming operations are also subject to federal statutes or regulations. All of CDI's pari-mutuel wagering operations are contingent upon continued governmental approval of those operations as forms of legalized gaming. Legislation to limit or prohibit gaming (pari-mutuel or non-pari-mutuel) may be introduced in the future. Any restriction on or prohibition of gaming operations could have a material, adverse impact on CDI's business, financial condition and results of operations. In addition, any expansion of CDI's gaming operations into gaming, such as slot machines, video lottery terminals and other forms of non-pari-mutuel gaming, will likely require various additional licenses, registrations, permits and approvals. CDI has and continues to seek legal authority to offer gaming at its racetracks where gaming is not currently permitted.

Table of Contents

The approval process can be time-consuming and costly, and there is no assurance of success. In addition, the passage of legislation permitting gaming at racetracks can be a long and uncertain process. As a result, there can be no assurance that (i) jurisdictions in which CDI owns or operates racetracks will pass legislation permitting gaming, (ii) if jurisdictions pass such legislation, it will be permitted at CDI's racetracks, and (iii) if gaming is permitted at CDI's racetracks, it will be on economically viable terms. If gaming legislation is enacted in any jurisdiction where CDI owns or operates a racetrack and CDI proceeds to conduct gaming, there may be significant costs and other resources to be expended, and there will be significant risks involved, including the risk of changes in the enabling legislation (such as a decision to prohibit, delay or remove gaming rights at racetracks by legislation, regulatory act of the citizens, or other act) that could have a material, adverse impact on CDI's business, financial condition and results of operations. CDI currently operates video poker devices and slot machines in Louisiana, and CDI is constructing a facility to operate slot machines adjacent to Calder in Miami Gardens, Florida.

Some jurisdictions view gaming operations as an attractive revenue source, and therefore companies with operations such as CDI's are particularly vulnerable to additional or increased taxes and fees.

CDI believes that the prospect of raising significant additional revenue through taxes and fees is one of the primary reasons that certain jurisdictions permit legalized gaming. As a result, gaming companies are typically subject to significant taxes and fees in addition to the normal federal, state, provincial and local income taxes, and such taxes and fees may be increased at any time. From time to time, legislators and officials have proposed changes in tax laws, or in the administration of such laws, affecting the gaming industry. For instance, U.S. legislators have proposed the imposition of a U.S. federal tax on gross gaming revenues. It is not possible to determine with certainty the likelihood of any such changes in tax laws or their administration; however, if enacted, such changes could have a material adverse effect on CDI's business.

The U.S. Federal Government's response to a recent ruling by the World Trade Organization on the U.S.'s Internet gambling policy could adversely affect CDI's financial performance.

In the spring of 2005, the World Trade Organization Appellate Body ruled that a claim from the island country of Antigua regarding U.S. Federal policy on international gambling may have merit due to an apparent inconsistency in how the U.S. treats interstate pari-mutuel wagers under the Interstate Horseracing Act of 1978, which we refer to as the IHA, and all other sports wagers, both on an interstate and international basis. The WTO Appellate Body ruled that the IHA raised questions regarding whether the U.S. has taken a consistently negative position regarding Internet wagering across state and international boundaries. As a part of its ruling, the WTO Appellate Body ordered the U.S. to clarify its position on interstate pari-mutuel wagering on or before April 3, 2006. The Federal government elected to file no response, preferring to rely, instead on its historical position that interstate account wagering violates the U.S. Federal Wire Act. The U.S. has subsequently pursued eliminating gambling from the list of permitted services that are among the permitted services contained in the treaty that was the subject of Antigua's complaint to the World Trade Organization. However, there are no assurances that such approach will ultimately result in establishing a consensus. If a consensus is not established, or if Congress prohibits or restricts substantially the conduct of interstate wagering or ADW wagering, the extent to which Federal authorities successfully prosecute account wagering operators based in the United States or that take wagers from United States residents could have a material adverse effect on our revenues, business, financial condition, operating results and financial performance. Alternatively, if, as a result of the U.S.'s position, offshore wagering is permitted into the United States, that also could have a material adverse effect on our revenues and financial performance by increasing the competition CDI faces from offshore ADW companies.

Any future expansion of CDI's ADW operations may require us to obtain additional governmental approvals or, in some cases, amendments to current laws governing such activities.

During 2007, CDI launched TwinSpires, an ADW business that accepts advance deposit wagers from customers of certain states who set up and fund an account from which they may place wagers via telephone, mobile device or through the internet at www.twinspires.com. The ADW business is heavily regulated, and laws

Table of Contents

governing advance deposit wagering vary from state to state. CDI may accept advance deposit wagers from residents of states where the law does not expressly address advance deposit wagering. Some states have expressly authorized advance deposit wagering by their own residents, some states have expressly prohibited pari-mutuel wagering and/or advance deposit wagering and other states have expressly authorized pari-mutuel wagering but have neither expressly authorized nor expressly prohibited their residents from placing wagers through advance deposit wagering hubs located in different states. CDI believes that an ADW business may open accounts on behalf of and accept wagering instructions from residents of states where pari-mutuel wagering is legal and where providing wagering instructions to ADW businesses in other states is not expressly prohibited by statute, regulations, or other governmental restrictions. However, state attorneys general, regulators, and other law enforcement officials may interpret state gaming laws, federal statutes, constitutional principles, and doctrines, and the related regulations in a different manner than CDI does. In the past, certain state attorneys general and other law enforcement officials have expressed concern over the legality of interstate advance deposit wagering. In December 2000, legislation was enacted in the United States that amends the IHA. CDI believes that this amendment clarifies that inter-track simulcast wagering, off-track betting and advance deposit wagering, as currently conducted by the U.S. horse racing industry, are authorized under U.S. federal law. The amendment may not be interpreted in this manner by all concerned, however, and there may be challenges to these activities by both state and federal law enforcement authorities, which could have a material, adverse impact on CDI's business, financial condition and results of operations, including the licenses CDI holds to conduct horse racing and pari-mutuel wagering in the United States.

CDI's expansion opportunities with respect to advance deposit wagering may be limited unless more states amend their laws or regulations to permit advance deposit wagering. Conversely, if states take affirmative action to make advance deposit wagering expressly unlawful, this could have a material, adverse impact on CDI's business, financial condition and results of operations. In addition, the regulatory and legislative processes can be lengthy, costly and uncertain. CDI may not be successful in lobbying state legislatures or regulatory bodies to obtain or renew required legislation, licenses, registrations, permits and approvals necessary to facilitate the operation or expansion of CDI's ADW business.

From time to time, the United States Congress has considered legislation that would either inhibit or restrict Internet gambling in general or inhibit or restrict the use of certain financial instruments, including credit cards, to provide funds for advance deposit wagering.

On October 13, 2006, President Bush signed into law the Unlawful Internet Gambling Enforcement Act, which we refer to as the UIGEA. The UIGEA prohibits those involved in the business of betting or wagering from knowingly accepting any financial instrument, electronic or otherwise, for deposit that is intended to be utilized for unlawful Internet gambling. The UIGEA also required the Department of Treasury and the Federal Reserve Board to develop a joint rule that would require U.S. financial firms participating in designated payment systems to establish policies and procedures reasonably designed to prevent payments being made to gambling businesses in connection with unlawful internet gambling.

On November 12, 2008, the Department of Treasury and the Federal Reserve Board issued final rules and regulations to implement the UIGEA which required compliance by December 1, 2009, and which we refer to as the UIGEA rule. Unfortunately, these rules and regulations did not prevent financial firms from blocking all internet gambling transactions even if such activity was legal and, in fact, at least one financial institution issued a policy that blocked all internet gambling transactions. On November 28, 2009, the effective date of such rules and regulations were delayed until June 1, 2010. Representatives on behalf of CDI and the horse racing industry are working to distinguish the ADW segment and the IHA from unlawful internet gambling, however, the UIGEA could have a material, adverse impact on CDI's businesses.

Furthermore, many states have considered and are considering interactive and Internet gaming legislation and regulations, which may inhibit CDI's ability to do business in such states, and anti-gaming conclusions and recommendations of other governmental or quasi-governmental bodies could form the basis for new laws, regulations, and enforcement policies that could have a material, adverse impact on CDI's business, financial

Table of Contents

condition and results of operations. The extensive regulation by both state and federal authorities of gaming activities also can be significantly affected by changes in the political climate and changes in economic and regulatory policies. Such effects could be materially adverse to the success of CDI's advance deposit wagering operation.

If credit card companies, banks or third party processing companies, as a policy, refuse to process account wagering transactions as a result of perceived legal uncertainty surrounding online live event wagering, CDI's business and results of operations could be adversely affected.

Credit card companies, banks and third party processing companies may in the future become hesitant to process deposits, fees and online transactions by CDI's customers as a result of perceived legal uncertainty, including perceived uncertainty under the UIGEA and the UIGEA rule, which prohibit the acceptance of credit cards, electronic funds transfers, checks, or the proceeds of other financial transactions by persons engaged in unlawful betting or wagering businesses, even though the UIGEA contains a specific exemption for activities that are permitted under the IHA. The refusal by credit card companies, banks and third party processing companies to process such transactions would limit the methods of payment available to CDI's subscribers, reducing the convenience of CDI's services, and may make competitive services more attractive. This may adversely affect CDI's business.

Compliance with new requirements mandated by regulators can represent a significant cost and, in the event those requirements must be met quickly, could lead to operational difficulties.

From time to time, CDI is required to make changes to its facilities, business practices and operations by legal or regulatory changes or by mandate of regulators. Compliance with these changes can represent a significant cost to CDI and, in the event that these changes must be implemented quickly, could lead to difficulties or interruptions in CDI's operations, which could have an adverse effect on CDI's businesses.

CDI may experience resistance to certain of its business strategies.

CDI has entered into a reciprocal content swap agreement with MEC to exchange CDI's respective horseracing signals with each other. MEC and CDI have also formed a venture, TrackNet, which serves as agent to MEC and CDI to sell CDI's wagering and video rights to third parties, including racetracks, OTBs, casinos and other ADW providers. TrackNet also acts as agent to MEC and CDI to purchase horseracing wagering and video rights from third parties to make available through CDI's respective outlets including CDI's ADW platform. Other industry participants may not agree to sell and decline to purchase CDI's wagering and video rights from the venture and/or to sell their wagering and video rights to CDI through the venture. This resistance may reduce the distribution of CDI's wagering and video rights and/or CDI's ability to purchase wagering and video rights for CDI's outlets, including CDI's ADW platform, potentially having a material, adverse impact on CDI's business, financial condition and results of operations. In addition, in the event that TVG, a major competitor of TwinSpires.com, is able to sign other horseracing wagering and video rights owners to exclusive agreements as has been its past business practices, those wagering and video rights owners will not be able to make available their wagering and video rights to TwinSpires.com through TrackNet, which could, in turn, negatively impact CDI's ability to retain and attract customers. TVG was recently acquired by Betfair Group, Ltd., an e-gaming betting platform based in Great Britain, which we refer to as Betfair. The effect of this acquisition on CDI's business is not known at this time.

CDI also owns a fifty percent interest in a venture that owns and operates a horseracing television channel, HRTV. HRTV serves as CDI's primary distribution channel to homes that rely on certain cable or satellite services for television delivery of horse races. This investment has historically generated operating losses, and CDI expects that to continue. In addition, HRTV may be unable to negotiate new distribution agreements with cable companies and/or satellite companies, resulting in a reduction in distribution. In addition, CDI's customers may not subscribe to the services needed to access CDI's horse races or may be confused about where to view CDI's horse races. Any of these risks could have a material, adverse impact on CDI's business, financial condition and results of operations.

Table of Contents

CDI may not be able to attract quality horses and trainers.

To provide high quality horse racing, CDI must attract the country's top horses and trainers. CDI's success in attracting the top horses and trainers largely depends on the overall horse population available for racing and CDI's ability to offer and fund competitive purses. Various factors have led to declines in the horse population in certain areas of the country, including competition from racetracks in other areas, increased costs and changing economic returns for owners and breeders, and the spread of various debilitating and contagious equine diseases such as the neurologic form of Equine Herpes Virus-1 and Strangles, which is caused by the organism *streptococcus equine*. If any of CDI's racetracks is faced with a sustained outbreak of a contagious equine disease, or if CDI is unable to attract horse owners to stable and race their horses at CDI's racetracks by offering a competitive environment, including improved facilities, well-maintained racetracks, better conditions for backstretch personnel involved in the care and training of horses stabled at CDI's racetracks and a competitive purse structure, CDI's profitability could decrease. CDI also faces increased competition for horses and trainers from racetracks that are licensed to operate slot machines and other electronic gaming machines that provide these racetracks an advantage in generating new additional revenues for race purses and capital improvements.

Any decline in the number of suitable race horses could make it more difficult for CDI to attract top horses and trainers. This, in turn, could force CDI to decrease the size of CDI's purses or other benefits CDI offers, to conduct fewer races or to accept horses of a lower quality.

CDI experiences significant seasonal fluctuations in operating results.

CDI experiences significant fluctuations in quarterly and annual operating results due to seasonality and other factors. CDI has a limited number of live racing days at its racetracks, and the number of live racing days varies from year to year. The number of live racing days CDI can offer directly affects its results of operations. A significant decrease in the number of live racing days and/or live races could have a material, adverse impact on CDI's business, financial condition and results of operations. CDI's live racing schedule dictates that CDI earn a substantial portion of CDI's net earnings in the second quarter of each year when the Kentucky Derby and the Kentucky Oaks races are run during the first weekend in May. Business interruption, such as weather conditions, could affect CDI's ability to conduct CDI's most popular races. Any adverse impact on CDI's races, including the Kentucky Derby, the Kentucky Oaks and key races at CDI's other racetracks could have a material, adverse impact on CDI's business, financial condition and results of operations.

CDI's business depends on providers of Totalizator services.

In purchasing and selling CDI's pari-mutuel wagering products, CDI's customers depend on information provided by United Tote Company, which we refer to as United Tote, and AmTote International, Inc, which we refer to as AmTote. These totalizator companies provide the computer systems that accumulate wagers, record sales, calculate payoffs and display wagering data in a secure manner. There are only three major vendors that provide this service in North America. The loss of any one of these vendors as a provider of this critical service would decrease competition and could result in an increase in the cost to obtain these services. Because of the highly specialized nature of these services, replicating these totalizator services would be expensive and could result in a disruption of service. One vendor, AmTote, is owned by MEC. AmTote provides totalizator services to Arlington Park, Calder, Fair Grounds and TwinSpires. MEC has filed bankruptcy and announced that it intends to sell AmTote as part of its disposition of certain assets.

In addition, CDI relies upon the totalizator companies' computer systems to ensure the integrity of CDI's wagering process. A perceived lack of integrity in the wagering systems could result in a decline in bettor confidence and could lead to a decline in the amount wagered on horse racing. The failure of totalizator companies to keep their technology current could limit CDI's ability to serve patrons effectively or develop new forms of wagering and/or affect the security of the wagering process, thus affecting patron confidence in CDI's product.

Table of Contents

Inclement weather and other conditions may affect CDI's ability to conduct live racing.

Since horseracing, festivals and certain other entertainment events are conducted outdoors, unfavorable weather conditions, including extremely high and low temperatures, storms, tornadoes and hurricanes, could cause events to be cancelled and/or wagering to suffer. CDI's operations are subject to reduced patronage, disruptions or complete cessation of operations due to severe weather conditions, natural disasters and other casualties. If a business interruption were to occur and continue for a significant length of time, at any of CDI's racetracks, it could materially, and adversely affect CDI's business, financial condition and results of operations.

CDI may not be able to complete acquisition or expansion projects on time, on budget or as planned.

CDI expects to pursue expansion and acquisition opportunities, and CDI regularly evaluates opportunities for development, including acquisitions or other strategic corporate transactions which may expand CDI's business operations.

CDI could face challenges in identifying development projects that fit its strategic objectives, identifying potential acquisition candidates and/or development partners, negotiating projects on acceptable terms, and managing and integrating the acquisition or development projects. The integration of new operations and any other properties CDI may acquire or develop will require the dedication of management resources that may temporarily divert attention from CDI's day-to-day business. The process of integrating new projects or acquired businesses may also interrupt the activities of those businesses or CDI's pre-existing businesses, which could have a material, adverse impact on CDI's business, financial condition and results of operations. CDI cannot assure that any new projects or acquired businesses will be completed or integrated successfully.

Management of new properties or business operations, especially in new geographic areas, may require that CDI increase CDI's managerial resources. CDI cannot assure that it will be able to manage the combined operations effectively or realize any of the anticipated benefits of CDI's acquisitions or developments.

CDI depends on agreements with its horsemen.

The IHA, as well as various state racing laws, require that CDI have written agreements with the horsemen at CDI's racetracks in order to simulcast races, and, in some cases, conduct live racing. Certain industry groups negotiate these agreements on behalf of the horsemen, which we refer to as the horsemen's groups. These agreements provide that CDI must receive the consent of the horsemen's groups at the racetrack conducting live races before CDI may allow third parties to accept wagers on those races. In addition, the agreements between other racetracks and their horsemen's groups typically provide that those racetracks must receive consent from the horsemen's groups before CDI can accept wagers on their races. Further, the IHA and various state laws require that CDI have written agreements with horsemen's groups at CDI's racetracks in order to simulcast races on an export basis. If CDI fails to maintain these agreements, then CDI may not be permitted to simulcast races on an export basis. In addition, CDI's simulcasting agreements are generally subject to the consent of these horsemen's groups. Failure to receive the consent of these horsemen's groups for new and renewing simulcast agreements could materially and adversely impact CDI's business, financial condition and results of operations.

CDI also has written agreements with the horsemen's groups with regards to the proceeds of gaming machines in Louisiana and Florida. Florida law requires Calder to have an agreement with the Florida Horsemen's Benevolent and Protective Association, Inc., which we refer to as the FHBPA, governing the contribution of a portion of revenues from slot machine gaming to purses on live thoroughbred races conducted at Calder and an agreement with the Florida Thoroughbred Breeders and Owners Association, which we refer to as the FTBOA, governing the contribution of a portion of revenues from slot machines gaming to breeders, stallion, and special racing awards on live thoroughbred races conducted at Calder before Calder can receive a license to conduct slot machine gaming. CDI has entered into the Calder Slots Agreement with the FHBPA and reached an agreement with the FTBOA for the sharing of slot revenue at Calder.

Table of Contents

It is not certain that CDI will be able to maintain agreements with, or to obtain required consent from, CDI's horsemen's groups. CDI and the applicable horsemen's groups at Fair Grounds, Calder and Arlington Park are in the process of negotiating formal agreements but are currently operating without formal agreements in place. The failure to maintain or enter into agreements with, or obtain consents from, CDI's horsemen on satisfactory terms or the refusal by a Horsemen's Group to consent to third parties accepting wagers on CDI's races or CDI's accepting wagers on third parties' races could have a material, adverse impact on CDI's business, financial condition and results of operations.

CDI depends on agreements with other constituents in the industry.

Various state laws require that an ADW business, like TwinSpires, must have an agreement in place with a racetrack located in a state before it can accept wagers from residents of that state. For example, California law requires that an ADW business must have an agreement with a racetrack and/or horsemen in California as a condition to accepting wagers from residents of California. There is no assurance that CDI will be able to enter into agreements on acceptable terms in those states where such agreements are required. Failure to enter into such agreements could preclude TwinSpires from accepting wagers from residents of those states, and could have a material, adverse impact on CDI's business, financial condition and results of operations.

CDI depends on key personnel.

CDI's future success will depend largely on the skills, efforts and motivation of Robert L. Evans, CDI's President and Chief Executive Officer, and CDI's other executive officers and key personnel, on whom CDI is highly dependent. CDI's inability to retain key personnel could have a material, adverse impact on CDI's business, financial condition and results of operations.

CDI may not be able to adequately insure its properties.

CDI's property insurance coverage is predicated on the ability to obtain adequate and affordable coverage for all of CDI's properties. The property insurance market and its pricing models are impacted by their global claims experience which may impact the pricing CDI obtains on its property coverage. The significant damage and resulting insurance claims in 2005 caused by (i) Hurricane Katrina to the New Orleans, Louisiana area and CDI's Fair Grounds facility and OTBs; and (ii) Hurricane Wilma to South Florida and CDI's Calder facility are significant factors in the increased costs of obtaining property coverage for CDI's facilities and significantly impacted CDI's ability to obtain and maintain adequate property coverage at its facilities. CDI's inability to obtain and maintain adequate property coverage at reasonable prices could have a material, adverse impact on CDI's business, financial condition and results of operations.

CDI's ownership and development of real estate is subject to risks and may involve significant ongoing expenditures or losses that could adversely affect its operating results.

All real estate investments are subject to risks including: general economic conditions, such as the availability and cost of financing; local real estate conditions, such as an oversupply of residential, office, retail or warehousing space, or a reduction in demand for real estate in the area; governmental regulation, including taxation of property and environmental legislation; and the attractiveness of properties to potential purchasers or tenants. The real estate industry is also capital intensive and sensitive to interest rates. Further, significant expenditures, including property taxes, mortgage payments, maintenance costs, insurance costs and related charges, must be made throughout the period of ownership of real property, which expenditures may negatively impact CDI's operating results.

CDI may be held responsible for contamination caused by hazardous materials, even if CDI did not cause the contamination.

CDI's business is subject to a variety of federal, state and local governmental laws and regulations relating to the use, storage, discharge, emission and disposal of hazardous materials. In addition, environmental laws and regulations could hold CDI responsible for the cost of cleaning up hazardous materials contaminating real

Table of Contents

property that CDI owns or operates (or previously owned or operated) or properties at which CDI has disposed of hazardous materials, even if CDI did not cause the contamination. If CDI fails to comply with environmental laws or if contamination is discovered, a court or government agency could impose severe penalties or restrictions on CDI's operations or assess CDI with the costs of taking remedial actions.

CDI may experience difficulty in integrating recent or future acquisitions into its operations.

CDI may pursue acquisitions from time to time in the future. The successful integration of newly acquired businesses into CDI's operations will require the expenditure of substantial managerial, operating, financial and other resources and may also lead to a diversion of CDI's attention from CDI's ongoing business concerns. CDI may not be able to successfully integrate these businesses or realize projected revenue gains, cost savings and synergies in connection with those acquisitions on the timetable contemplated, if at all. Furthermore, the costs of integrating businesses CDI acquires could significantly impact CDI's short-term operating results. These costs could include:

restructuring charges associated with the acquisitions;

non-recurring acquisition costs, including accounting and legal fees, investment banking fees and recognition of transaction-related costs or liabilities; and

costs of imposing financial and management controls (such as compliance with Section 404 of the Sarbanes-Oxley Act of 2002) and operating, administrative and information systems.

Although CDI performs financial, operational and legal diligence on the businesses CDI purchases, in light of the circumstances of each transaction, an unavoidable level of risk remains regarding the actual condition of these businesses and CDI's ability to continue to operate them successfully and integrate them into CDI's existing operations. In any acquisition CDI makes, CDI faces risks which include:

the risk that the acquired business may not further CDI's business strategy or that CDI paid more than the business was worth;

the potential adverse impact on CDI's relationships with partner companies or third-party providers of technology or products;

the possibility that CDI has acquired substantial undisclosed liabilities;

costs and complications in maintaining required regulatory approvals or obtaining further regulatory approvals necessary to implement the acquisition in accordance with CDI's strategy;

the risks of acquiring businesses and/or entering markets in which CDI have limited or no prior experience;

the potential loss of key employees or customers;

the possibility that CDI may be unable to recruit additional managers with the necessary skills to supplement the management of the acquired businesses; and

changes to legal and regulatory guidelines, which may negatively affect acquisitions.

If CDI is unsuccessful in overcoming these risks, CDI's business, financial condition or results of operations could be adversely affected.

Any infringement by CDI on intellectual property rights of others could adversely affect CDI's business, financial condition and results of operations or result in litigation

In the course of CDI's business, CDI becomes aware of potentially relevant patents or other intellectual property rights held by other parties. Many of CDI's competitors as well as other companies and individuals have obtained, and may be expected to obtain in the future, patents or other intellectual property rights that concern

Table of Contents

products or services related to the types of products and services CDI currently offers or may plan to offer in the future. CDI evaluates the validity and applicability of these intellectual property rights and determines in each case whether CDI must negotiate licenses to incorporate or use the proprietary technologies in CDI's products. Claims of intellectual property infringement may also require CDI to enter into costly royalty or license agreements. However, CDI may not be able to obtain royalty or license agreements on terms acceptable to CDI or at all. CDI also may be subject to significant damages or injunctions against the development and sale of CDI's products and services.

CDI's results may be affected by the outcome of litigation within CDI's industry and the protection and validity of CDI's intellectual property rights. For example, on May 17, 2007, ODS Technologies, L.P., d/b/a TVG Network filed a patent infringement lawsuit related to account wagering platforms against MEC and Xpressbet, Inc. Any litigation regarding patents or other intellectual property could be costly and time consuming and could divert CDI's management and key personnel from CDI's business operations. The complexity of the technology involved and the uncertainty of litigation surrounding it has the effect of increasing the risks associated with certain of CDI's product offerings, particularly in the area of advance deposit wagering. There can be no assurance that CDI would not become a party to litigation surrounding CDI's ADW business or that such litigation would not cause CDI to suffer losses or disruption in CDI's business strategy.

Risks Relating to Youbet

If it is determined that Youbet's business practices violate state gaming laws or regulations, Youbet could be subject to claims for damages, fines or other penalties and may be prohibited from accepting pari-mutuel wagers from these states in the future.

Youbet currently has licenses in the states of California, Idaho, Oregon, Virginia and Washington to operate an ADW multi-jurisdictional wagering hub and/or to accept wagers from residents of such states. Youbet also accepts pari-mutuel wagers from subscribers in other states where, it believes, accepting such wagers is permitted pursuant to the IHA, as amended, state laws, and certain other laws and legal principles, including those contained in the U.S. Constitution. However, state attorneys general and gaming regulators may interpret state gaming laws, the federal statutes and constitutional principles and doctrines in a narrower manner than Youbet does. If a federal or state court were to adopt such a narrow interpretation of these laws, Youbet may face criminal or civil damages, fines or other penalties and may be prohibited from accepting pari-mutuel wagers in one or more states in the future, which may adversely affect Youbet's business and results of operations.

In addition, if any proceedings were brought by governmental or private litigants who disagree with Youbet's interpretation of the applicable laws, the adverse publicity and cost of such litigation and diversion of management's focus and time away from Youbet's business operations may have a materially adverse effect on its financial condition and results of operations. From time to time, Youbet has received correspondence from various state governmental agencies inquiring into the legality of its business activities and, in certain circumstances, alleging its non-compliance with state gaming laws. To date, Youbet has responded in a timely manner to all of these inquiries outlining its legal position, which Youbet believe permits its business operations in such states. Youbet cannot assure you that any of these state governmental agencies agree with its legal position or that proceedings intended to prohibit or restrict its business will not be brought against Youbet by one or more of these state governmental agencies in the future.

Furthermore, a number of states have considered, enacted or are considering interactive and Internet gaming legislation and regulations which may inhibit Youbet's ability to do business in such states or reduce the profitability of doing business in such states, and anti-gaming conclusions and recommendations of other governmental or quasi-governmental bodies could form the basis for new laws, regulations and enforcement policies that could have a material adverse impact on Youbet's business. The extensive regulation by both state and federal authorities of gaming activities also can be significantly affected by changes in the political climate and changes in economic and regulatory policies. Such effects could be materially adverse to Youbet.

Table of Contents

Laws and regulations proposed by Congress and various state legislatures or federal or state authorities that are directly applicable to online and Internet gambling could have a material adverse effect on Youbet's business.

The Unlawful Internet Gambling Enforcement Act of 2006, which we refer to as the UIGEA, was signed into law on October 13, 2006. On November 12, 2008, the Department of Treasury and Federal Reserve Board jointly published the UIGEA rule.

The UIGEA includes certain racing protective provisions by maintaining the status quo with respect to wagering activities under the IHA. Certain versions of this legislation and other bills introduced in prior years have not included exemptions applicable to Youbet's business, and Youbet cannot be certain legislation will not be introduced in the future that could threaten to materially and adversely affect its business.

A number of states have enacted, considered or are considering interactive and Internet gaming legislation and regulations which may or may not be worded so as to permit Youbet's business to continue in such states; and anti-gaming conclusions and recommendations of other governmental or quasi-governmental bodies could form the basis for new laws, regulations, or enforcement policies that could have a material adverse effect on Youbet's business. International expansion of Youbet's business could result in its business being subject to laws and regulations of additional foreign jurisdictions, and changes in such laws and regulations or enforcement policies could have a material adverse effect on its business.

If credit card companies, banks or third party processing companies, as a policy, refuse to process account wagering transactions as a result of perceived legal uncertainty surrounding online live event wagering, Youbet's business and results of operations could be adversely affected.

Credit card companies, banks and third party processing companies may in the future become hesitant to process deposits, fees and online transactions by Youbet's customers as a result of perceived legal uncertainty, including perceived uncertainty under the UIGEA and the UIGEA rule, which prohibit the acceptance of credit cards, electronic funds transfers, checks, or the proceeds of other financial transactions by persons engaged in unlawful betting or wagering businesses, even though the UIGEA contains a specific exemption for activities that are permitted under the IHA. The refusal by credit card companies, banks and third party processing companies to process such transactions would limit the methods of payment available to Youbet's subscribers, reducing the convenience of Youbet's services, and may make competitive services more attractive. This may adversely affect Youbet's business.

If the federal government or state governments impose taxes on wagers or increase fees on wagers, Youbet's business could be adversely affected.

If one or more governmental authorities successfully assert that Youbet should collect taxes on wagers, it could adversely affect Youbet's business. Youbet does not currently collect taxes on wagers. However, one or more local, state or foreign jurisdictions may seek to tax Internet wagering when a subscriber is physically within their jurisdiction at the time the wager is placed. Such taxes, if imposed, could have a material adverse effect on Youbet's business. Youbet currently pays all applicable fees on wagers in accordance with the applicable rules and regulations of the jurisdictions where it is licensed and regulated. If the regulatory authorities in such jurisdictions increase the fees required to be paid on wagers, it would have a material adverse effect on Youbet's business.

If any of Youbet's significant license and content agreements are terminated or are not renewed, its business and results of operations may be adversely affected.

TV Games Network, which we refer to as TVG, has formed purported exclusive relationships with a number of major U.S. horse racetracks. In May 2001, Youbet entered into a license and content agreement with TVG. Pursuant to this agreement, Youbet has a non-exclusive license to access the simulcast audio, video and data

Table of Contents

content, as well as the wagering pools, of certain racing content at these racetracks. If Youbet's agreement with TVG is terminated or if such relationships between TVG and such racetracks are terminated or not renewed, and if, following any such termination or non-renewal, Youbet is not able to license such content directly from the track operators, its business and results of operations may be adversely affected. Youbet also has content agreements with TrackNet Media Group LLC, which we refer to as TrackNet, NYRA and Hollywood Park which allow it to access the video and data content, as well as the wagering pools, of certain racing content controlled by them or their affiliates. If any of these content agreements are terminated or Youbet is not able to renew such agreements, its business and results of operations may be adversely affected.

Youbet faces strong competition, and it expects competition to increase.

TVG, which operates an ADW website and the Television Games Network, is a direct competitor in the interactive, pari-mutuel wagering market. The Television Games Network is a 24-hour national racing channel for distribution over cable, Dish Network and DIRECTV®, along with an in-home pari-mutuel wagering system that requires a dedicated television set-top box. TVG currently operates in 16 states. Expansion by TVG into states where TVG does not currently operate would increase competition for Youbet.

In January 2009, Betfair completed its purchase of TVG. Changes by Betfair in the operation of TVG, including investment of significant resources into the operation of TVG or expansion into states where TVG currently does not operate, would increase competition for Youbet.

MEC and its affiliated ADW website XpressBet, and CDI and its affiliated ADW website Twinspires.com, are also direct competitors in the domestic interactive, pari-mutuel wagering market. In March 2007, MEC and CDI announced that they had formed a joint venture called TrackNet through which the companies' horse racing content would be available to each other's various distribution platforms, including XpressBet and Churchill Downs Technology Initiatives Company, doing business as TwinSpire, which we refer to as TwinSpire, and to third parties, including racetracks, casinos and other ADW providers. MEC and CDI also jointly own Horse Racing Television.

Other competitors include, but are not limited to, Elite Turf Club, Racing & Gaming Services, Premier Turf Club, The Racing Channel, doing business as Oneclickbetting.com, Lien Games, AmWest Entertainment, New Jersey Account Wagering, The New York Racing Association, Connecticut OTB, Sol Mutuel Limited, Royal River Racing, Penn National Gaming, Inc., Day at the Track, Inc., and Racing2Day LLC. Youbet expects to compete with these entities, as well as new domestic and international competitors which may enter the interactive, pari-mutuel gaming market, including tracks themselves, off-track betting parlors, large established interactive and online software companies and domestic and international gaming companies. It is possible that Youbet's current and potential competitors may have greater resources than Youbet.

The refusal by horsemen's groups to approve content agreements could have a material adverse effect on Youbet's business.

In 2008, the Thoroughbred Horsemen's Group, which we refer to as the THG, a collection of horsemen's groups from several states, refused to approve agreements for the distribution of certain content by ADW operators pursuant to the IHA. Such refusal by the THG did not significantly limit the content Youbet could provide to its customers or have any material effect on Youbet's operations for 2008 since Youbet did not have agreements to carry most of the content that was subject to such refusal by the THG. However, it is possible that the THG, other collections of horsemen groups, or individual horsemen groups, could refuse to approve content agreements to which Youbet is a party in the future and such refusal may limit the content Youbet could provide to its customers and therefore have a material adverse effect on Youbet's business.

Table of Contents

Youbet's inability to retain its relationships with its content providers would have a material adverse effect on its business.

Youbet depends upon a limited number of suppliers for the majority of its premier content, and the cancellation or non-renewal of its license agreements with any one of those suppliers, such as TrackNet, NYRA, Del Mar or Hollywood Park, would have a material adverse effect on its business.

Youbet's inability to retain its core customer base or its failure to attract new customers would have a material adverse effect on its business.

Youbet's data mining software generates detailed customer segmentation analyses based on variables such as wagering propensities and preferences, which allows it to personalize its product offerings through targeted special offers tailored to specific customer segments. Youbet believes that these techniques help it to retain its best customers. In addition, Youbet's marketing relationships with the Daily Racing Form and others help it attract new customers. If Youbet were unable to retain its core customer base through robust content offerings and other popular features, if it loses customers to its competitors, or if it fails to attract new customers, Youbet's businesses would fail to grow or would be adversely affected.

Current economic climate may adversely impact customers wager frequency and amounts.

The continuing credit crisis, increasing unemployment and the stock market declines may impact Youbet's customers' ability to wager with the same frequency and maintain their wagering level profiles. A significant loss of customers or a considerable decline in wagering would adversely affect Youbet's business and results of operations. In addition, the current economic climate could adversely impact wagering levels and profitability at racetracks from which Youbet carries racing content, which may cause certain racetracks to cancel races or cease operations and therefore reduce the content Youbet could provide to its customers. A reduction in the content Youbet provides to its customers could reduce its revenue and have an adverse impact on its profitability.

System failures or damage from earthquakes, fires, floods, power loss, telecommunications failures, break-ins or other unforeseen events could harm Youbet's business.

Youbet's business depends upon its communications hardware and computer hardware. Currently, Youbet's hardware is stored in two different locations. Its web services and internet connection hardware are located in a Tier IV co-location facility in Miami, Florida. Its AV distribution systems are stored at a co-location facility in Denver, Colorado. Youbet has built certain redundancies into its systems to avoid downtime in the event of outages, system failures or damage; however, it does not have duplicate geographic locations for its site of operations. Thus, Youbet's systems remain vulnerable to damage or interruption from floods, fires, power loss, telecommunication failures, terrorist attacks, hardware or software error, computer viruses, computer denial-of-service attacks and similar events. Despite any precautions it may take, the occurrence of a natural disaster or other unanticipated problems could result in lengthy interruptions in Youbet's services. Any unscheduled interruption in the availability of Youbet's website and services results in an immediate, and possibly substantial, loss of revenue. Frequent or persistent interruptions in Youbet's services could cause current or potential users to believe that its systems are unreliable, leading them to switch to its competitors or to avoid its site, and could permanently harm Youbet's reputation and brand. These interruptions also increase the burden on Youbet's engineering staff, which, in turn, could delay its introduction of new features and services on its website. Youbet has property and business interruption insurance covering damage or interruption of its systems. However, this insurance might not be sufficient to compensate Youbet for all losses that may occur.

Youbet may not be able to respond to rapid technological changes in a timely manner or without service interruptions, which may cause customer dissatisfaction.

The gaming sector is characterized by the rapid development of new technologies and continuous introduction of new products. Youbet's main technological advantage versus potential competitors is its software lead-time in the market and its experience in operating an Internet-based wagering network. However, Youbet

Table of Contents

may not be able to maintain its competitive technological position against current and potential competitors, especially those with greater financial resources. Youbet's success depends upon new product development and technological advancements, including the development of new wagering platforms. While it expends a significant amount of resources on research and development and product enhancement, Youbet may not be able to continue to improve and market its existing products or technologies or develop and market new products in a timely manner. Further technological developments may cause Youbet's products or technologies to become obsolete or noncompetitive.

If Youbet were to lose the services of key personnel, it may not be able to execute its business strategy.

Youbet's future success depends in a large part upon the continued service of key members of its senior management team. They are critical to Youbet's overall management, as well as the development of Youbet's technology, culture and strategic direction. Youbet's future success depends on its ability to identify, attract, hire, train, retain and motivate highly skilled technical, managerial, marketing, finance/accounting and customer service personnel. Competition for such personnel is intense, and Youbet may not be able to retain and attract such employees.

Youbet's operating results fluctuate seasonally and may be adversely impacted by a reduction in live racing dates as a result of regulatory factors.

Youbet experiences significant fluctuations in quarterly operating results as a result of the seasonality associated with the racing schedules. Generally, revenue is greater in the second and third quarters of the calendar year. Youbet carries a limited number of live racing dates and the number of live racing dates varies somewhat from year to year. The allocation of live racing dates in most of the jurisdictions is subject to regulatory approval from year to year and, in any given year, there may not be the same or more racing dates than in prior years. A significant decrease in the number of live racing dates would reduce Youbet's revenue and cause its businesses to suffer.

If the horse racing tracks that Youbet carries experience unfavorable weather, it may cause races to be cancelled which would reduce its revenue and have an adverse impact on its profitability.

Because horse racing is conducted outdoors, unfavorable weather conditions, including extremely high or low temperatures, excessive precipitation, storms or hurricanes, may cause races to be cancelled. Because a substantial portion of Youbet's operating expenses are fixed, a reduction in the number of races held or in the number of horses racing due to unfavorable weather would reduce its revenue and have an adverse impact on its profitability.

A horse racing industry controversy could cause a decline in bettor confidence and result in changes to legislation, regulation or industry practices, which could materially reduce the amount wagered on horse racing and increase Youbet's costs, and therefore, adversely affect its revenue and operating results.

A horse racing industry controversy could cause a decline in bettor confidence and result in changes to legislation, regulation or industry practices. For example, on October 26, 2002, in connection with the Breeders' Cup World Thoroughbred Championships held at Arlington Park in Chicago, Illinois, only one person placed winning bets on the Pick 6, a bet to pick the winning horse in six consecutive races. The bettor purchased all six winning tickets, valued at more than \$2.5 million, through an off-track betting telephone system. Payment of the winnings was withheld when an examination of the winning bets revealed an unusual betting pattern. Scientific Games Corporation, the parent company of Autotote Systems, Inc., later announced that it had fired an employee who had allegedly accessed the totalizator system operated by Autotote Systems, altered the winning Pick 6 tickets, and erased the record of his access. The Federal Bureau of Investigation conducted an investigation, and three individuals pled guilty in federal court to conspiring to commit fraud and money laundering. Industry controversy, like the Pick 6 matter, could result in a perceived lack of integrity or security, a decline in bettor confidence, and could lead to a decline in the amount wagered on horse racing. Any such controversy could lead

Table of Contents

to changes in legislation, regulation or industry practices, which could result in a material reduction in the amount wagered on horse racing and in the revenue and earnings of companies in the horse racing industry, including Youbet.

The inability of Youbet's systems and controls to handle online security risks would have a material adverse effect on its business.

Youbet uses packet filters, fire walls and proxy servers which are all designed to control and filter the data allowed to enter its data centers. However, advances in computer capabilities, new discoveries in the field of cryptography or other events or developments may make it easier for someone to compromise or breach the technology Youbet uses to protect its subscribers' transaction data. If such a breach of security were to occur, it could cause interruptions in service and loss of data or cessation in service to Youbet subscribers. This may also allow someone to introduce a virus or other harmful component to Youbet causing an interruption or malfunction.

To the extent Youbet's activities involve the storage and transmission of information such as credit card numbers, security breaches could damage Youbet's reputation and expose it to a risk of loss or litigation and possible liability, as well as costs of complying with laws governing disclosure and remediation following such breaches. Youbet's insurance policies might not be sufficient to reimburse it for losses caused by such security breaches.

The U.S. government's investigation into the wagering activities of certain International Racing Group customers may adversely affect Youbet's financial condition and results of operations.

The U.S. government's investigation into the wagering activities of certain International Racing Group, which we refer to as IRG, customers resulted in the seizure of approximately \$1.5 million held in IRG bank accounts on October 11, 2007, among other things. On March 14, 2008, Youbet entered into agreements with the U.S. Attorney's Office in Las Vegas. Pursuant to one agreement, the U.S. Attorney's Office agreed not to pursue any charges against Youbet or IRG in exchange for Youbet's continued cooperation with the government's ongoing investigation. In separate agreements, Youbet agreed to forfeit approximately \$1.5 million previously seized by the government as part of its investigation.

While these agreements resolve the matter for Youbet, the U.S. government's ongoing investigation creates other ancillary risks. Youbet's continued cooperation with the U.S. government's investigation may continue to divert management's attention from managing its day-to-day operations and expenses arising from cooperating and responding to the U.S. government's investigation may be significant. In addition, current and former employees, officers and directors may seek indemnification, advancement or reimbursement of expenses from Youbet, including attorneys' fees, with respect to current or future proceedings related to this matter. These events could adversely affect Youbet's financial condition, results of operations and the price of its common stock.

Youbet's credit facility imposes significant restrictions on its business.

Youbet's credit facility, which consists of a \$5.0 million revolving line of credit and a \$10.0 million term loan and matures on November 30, 2010, contains customary covenants under the loan and security agreement, including restrictions on Youbet's ability to incur indebtedness, make investments, pay dividends or engage in mergers and acquisitions. The loan and security agreement also contains certain financial covenants, including (i) a requirement to maintain a specified debt service coverage ratio, (ii) a requirement to maintain a leverage ratio not to exceed 2:1, (iii) a requirement to maintain a certain minimum specified adjusted EBITDA and (iv) limitations on capital expenditures. Youbet's indebtedness under the loan and security agreement is guaranteed by UT Gaming, Inc., which we refer to as UT Gaming, the direct parent of United Tote, and secured by substantially all of Youbet's assets, including its intellectual property, and UT Gaming's equity in United Tote. The covenants contained in the loan and security agreement may limit Youbet's ability to expand, pursue its business strategies and obtain additional funds. Youbet's ability to meet the financial covenants in the loan

Table of Contents

and security agreement may be adversely affected by deterioration in business conditions or Youbet's results of operations, adverse regulatory developments and other events beyond its control. As of September 30, 2009, Youbet was in compliance with financial covenants under the loan and security agreement. Failure to comply with these covenants may result in the occurrence of an event of default. Upon the occurrence of an event of default, the lender may terminate Youbet's credit facility and demand immediate payment of all amounts borrowed by Youbet, which would have adverse consequences on Youbet's business and results of operations and may adversely affect the trading price of its common stock. The merger will result in a change of control under Youbet's credit facility, which constitutes an event of default. As a result, the lenders on the credit facility may accelerate Youbet's obligations under the credit facility.

Youbet's totalizator business depends on its relationships with its track and other partners for a substantial portion of its revenue. The loss of all or a portion of these relationships could result in the failure to realize the expected level of revenue from Youbet's totalizator business.

United Tote, Youbet's subsidiary through which it conducts its totalizator business, has contracts to provide totalizator services to more than 100 tracks and other facilities that accept pari-mutuel wagers, such as off-track betting parlors, casinos, and jai alai frontons. As a result, the success of United Tote depends, in part, on Youbet's ability to maintain successful relationships with United Tote's contract partners. Should these contract partners discontinue purchasing totalizator services from United Tote, Youbet will fail to realize its expected level of revenue from Youbet's totalizator business.

Youbet's totalizator business depends on the total amount of wagers placed with its track partners.

Many of United Tote's contracts provide that it will receive a percentage of the pari-mutuel wagers for which it provides totalizator services. As the amount of pari-mutuel wagering increase, United Tote's revenue increases. Accordingly, a decrease in wagers placed at one or more of United Tote's contract partners could cause a decline in United Tote's revenue and, in turn, Youbet's consolidated revenue as the owner of United Tote. Further, any material reduction by any one of United Tote's contract partners in its level of commitment of resources, funding, personnel, and interest in continued development of horse racing or other wagering-based businesses could cause a decline in wagering and United Tote's and Youbet's consolidated revenue.

Youbet's totalizator business depends upon leading with and responding to technological changes.

United Tote's success depends upon new product development and technological advancements, including the development of more advanced wagering terminals. While United Tote devotes resources to research and development and product enhancement, it may not be able to continue to improve and market existing products or technologies or successfully develop and market new products in a timely manner. Further technological developments by competitors may cause United Tote products or technologies to become obsolete or noncompetitive.

Technological or human errors could have a material adverse effect on Youbet's totalizator business.

Errors by United Tote technology or personnel may subject United Tote to liabilities, including financial penalties under its totalizator service contracts, which could have a material adverse effect on Youbet's tote business.

Current economic conditions may lead to a cessation or reduction of operations by Youbet's tote contract partners that could have a material adverse effect on United Tote's totalizator business.

The continuing credit crisis, increasing unemployment and the stock market declines may impact the ability of United Tote's contract partners to continue operations at current levels. A cessation or reduction of operations by United Tote's contract partners could cause them to discontinue or limit the totalizator services they purchase from United Tote, which could adversely affect Youbet's business and results of operations.

Table of Contents

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus and the other documents incorporated by reference into this proxy statement/prospectus contain or may contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Such statements may include, but are not limited to, statements about the benefits of the proposed transaction, including future financial and operating results, the combined company's plans, objectives, expectations and intentions. These statements are subject to a number of risks, uncertainties and other factors that could cause CDI's, Youbet's or the combined company's actual results, performance, prospects or opportunities, as well as those of the markets CDI, Youbet or the combined company serve or intend to serve, to differ materially from those expressed in, or implied by, these statements. You can identify these statements by the fact that they do not relate to matters of a strictly factual or historical nature and generally discuss or relate to forecasts, estimates or other expectations regarding future events. Generally, the words believe, expect, intend, estimate, anticipate, project, may, can, could, might, will and similar expressions identify forward-looking statements, including statements relating to expected operating and performing results, planned transactions, planned objectives of management, future developments or conditions in the industries in which CDI and Youbet participate and other trends, developments and uncertainties that may affect CDI's or Youbet's business in the future. In addition to the risk factors identified elsewhere in this proxy statement/prospectus, risks, uncertainties and other factors that could cause actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these statements include, among other things:

the possibility that the expected efficiencies and cost savings from the proposed transaction will not be realized, or will not be realized within the expected time period;

the ability to obtain governmental approvals of the merger on the proposed terms and schedule contemplated by the parties;

the failure of Youbet's stockholders to approve the proposed merger;

the risk that CDI and Youbet businesses will not be integrated successfully;

disruption from the proposed transaction making it more difficult to maintain business and operational relationships;

the risk that significant licensing agreements may be terminated or not renewed;

rising prices for content;

the possibility that the proposed transaction does not close, including, but not limited to, due to the failure to satisfy the closing conditions;

the effect of global economic conditions, including any disruptions in the credit markets;

the effect of UIGEA regulations and/or the resulting policies adopted by credit card companies and other financial institutions;

the effect (including possible increases in the cost of doing business) resulting from future war and terrorist activities or political uncertainties;

the overall economic environment;

the impact of increasing insurance costs;

the impact of interest rate fluctuations;

the effect of any change in CDI's or Yobet's accounting policies or practices;

the financial performance of CDI's racing operations;

the impact of live racing day and other gaming competition (including lotteries and riverboat, cruise ship and land-based casinos) and other sports and entertainment options in those markets in which CDI and Yobet operate or are in close proximity;

Table of Contents

costs associated with CDI s or Youbet s efforts in support of alternative gaming initiatives;

costs associated with customer relationship management initiatives;

a substantial change in law or regulations affecting racing, pari-mutuel or gaming activities;

CDI s continued ability to effectively compete for the country s top horses and trainers necessary to field high-quality horse racing;

CDI s continued ability to grow its share of the interstate simulcast market and obtain the consents of horsemen s groups to interstate simulcasting;

CDI s ability to execute its acquisition strategy and to complete or successfully operate planned expansion projects;

CDI s ability to successfully complete any divestiture transaction;

market reaction to CDI s expansion projects;

the loss of CDI s or Youbet s totalizator companies or their inability to provide us assurance of the reliability of their internal control processes through Statement on Auditing Standards No. 70 audits or to keep their technology current;

CDI s accountability for environmental contamination;

the loss of key personnel;

the impact of natural disasters on CDI s or Youbet s operations and their ability to adjust the casualty losses through CDI s or Youbet s property and business interruption insurance coverage;

any business disruption associated with a natural disaster and/or its aftermath;

the impact of wagering or other federal or state laws, including changes in any such laws or enforcement of those laws by regulatory agencies;

the outcome of pending or threatened litigation;

changes in CDI s relationships with horsemen s groups and their memberships, including with respect to its ability to reach agreement with horsemen s groups on future purse and other agreements (including, without limitation, agreements on sharing of revenues from gaming and advance deposit wagering);

the effect of claims of third parties to intellectual property rights;

the volatility of CDI's and Youbet's stock price;

a substantial change in allocation of live racing days;

CDI's ability to execute on its permanent slot facility in Florida;

CDI's ability to integrate businesses it acquires, including CDI's ability to maintain revenues at historic levels and achieve anticipated cost savings; and

the outcome of any claims arising in connection with a pending lawsuit in federal court in the Western District of Kentucky styled Churchill Downs Incorporated, et al v. Thoroughbred Horsemen's Group, LLC, Case #08-CV-225-S.

See CDI's and Youbet's Annual Reports on Form 10-K for the fiscal year ended December 31, 2008 and other public filings with the SEC for a further discussion of these and other risks and uncertainties applicable to our businesses. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this proxy statement/prospectus or, in the case of documents incorporated by reference into this proxy statement/prospectus, as of the dates of those documents. Neither CDI nor Youbet undertakes any duty to update any forward-looking statement whether as a result of new information, future events or changes in our respective expectations.

Table of Contents

THE SPECIAL MEETING OF YUBET STOCKHOLDERS

General

This proxy statement/prospectus is being provided to Youbet stockholders as part of a solicitation of proxies by the Youbet board of directors for use at the Youbet special meeting, including any adjournment or postponement of the special meeting. This proxy statement/prospectus provides Youbet stockholders with important information they need to know to be able to vote, or instruct their brokers or other nominees to vote, at the Youbet special meeting.

Date, Time and Place of the Youbet Special Meeting

Youbet will hold a special meeting of its stockholders on [], 2010, promptly at [] [] .m. local time at [], located at [].

Purpose of the Youbet Special Meeting

At the Youbet special meeting, including any adjournment or postponement thereof, Youbet stockholders will be asked to consider and vote upon and approve the following proposals:

1. the proposal to adopt the merger agreement;
 2. the Youbet special meeting adjournment proposal; and
 3. the transaction of such other business as may properly come before the special meeting or any adjournment or postponement thereof.
- A copy of the merger agreement is attached to this proxy statement/prospectus as Annex A. Youbet stockholders are encouraged to read the merger agreement in its entirety.

THE MATTERS TO BE CONSIDERED AT THE YUBET SPECIAL MEETING ARE OF GREAT IMPORTANCE TO YUBET STOCKHOLDERS. ACCORDINGLY, YUBET STOCKHOLDERS ARE URGED TO READ AND CAREFULLY CONSIDER THE INFORMATION PRESENTED IN THIS PROXY STATEMENT/PROSPECTUS AND THE OTHER INFORMATION INCORPORATED BY REFERENCE HEREIN, AND TO COMPLETE, DATE, SIGN AND PROMPTLY RETURN THE ENCLOSED PROXY CARD IN THE ENCLOSED PRE-ADDRESSED POSTAGE-PAID ENVELOPE.

Recommendation of the Youbet Board of Directors

After careful consideration, the Youbet board of directors unanimously determined that the merger and the merger agreement are advisable and fair to, and in the best interests of, Youbet and its stockholders, and unanimously approved the merger and the merger agreement.

The Youbet board of directors unanimously recommends that the Youbet stockholders vote FOR the proposal to adopt the merger agreement and FOR the Youbet special meeting adjournment proposal, if necessary.

In considering such recommendation, Youbet stockholders should be aware that some Youbet directors and executive officers have interests in the merger that are different from, or in addition to, those of Youbet stockholders generally. See the section entitled "The Merger Interests of Youbet's Directors and Executive Officers in the Merger" beginning on page 97 of this proxy statement/prospectus.

If your submitted proxy card does not specify how you want to vote your shares, your shares will be voted FOR the proposal to adopt the merger agreement and FOR the Youbet special meeting adjournment proposal, if necessary.

Table of Contents

Admission to the Youbet Special Meeting

Only Youbet stockholders as of the close of business on the record date, [], 2010, and other persons holding valid proxies for the special meeting are entitled to attend the Youbet special meeting. Youbet stockholders and their proxies should be prepared to present valid government-issued photo identification. Youbet stockholders who are not record holders but hold shares through a broker, bank or other nominee (i.e., in street name) should provide proof of beneficial ownership on the record date for the Youbet special meeting, such as their most recent account statement prior to [], 2010, or other similar evidence of ownership. Anyone who does not provide valid government-issued photo identification or comply with the other procedures outlined above upon request may not be admitted to the Youbet special meeting.

Record Date and Stockholders Entitled to Vote

Record Date. The Youbet board of directors has fixed the close of business on [], 2010, as the record date for the Youbet special meeting. Accordingly, only holders of record of Youbet common stock as of the close of business on the record date will be entitled to notice of, and to vote at, the Youbet special meeting or any adjournment or postponement thereof. As of the Youbet record date, an aggregate of [] shares of Youbet common stock were issued and outstanding. The holders of Youbet common stock are entitled to one vote per share on any proposal presented at the Youbet special meeting.

Street Name Stockholder. If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in street name. These proxy materials are being forwarded to you by your broker, bank or other nominee, who is considered, with respect to those shares, the record holder. As the beneficial owner, you have the right to direct your broker, bank or other nominee how to vote, and you are also invited to attend the special meeting. However, since you are not the record holder, you may not vote these shares in person at the special meeting unless you follow the applicable procedures for obtaining a legal proxy from your broker, bank or other nominee. Your broker, bank or nominee has enclosed a voting instruction card for you to use.

A complete list of the stockholders entitled to vote at the special meeting will be available for examination by any stockholder for any purpose germane to the special meeting, during ordinary business hours for a period of at least 10 days prior to the special meeting, at the offices of Youbet.com, Inc., 5901 De Soto Avenue, Woodland Hills, California 91367. Such list will also be available for examination at the special meeting.

How You Can Vote

You can only vote your shares if you are either represented by proxy or eligible to vote your shares in person at the special meeting. You can submit your proxy by:

the Internet, as described on the proxy card;

telephone, as described on the proxy card; or

mail, by completing and returning the enclosed proxy card.

If you hold shares through a bank, broker or other nominee, please provide your voting instructions by Internet, telephone or mail in accordance with the instructions contained on your voting instruction card. If you return a properly signed proxy card, we will vote your shares as you direct.

Stockholders may receive more than one set of voting materials, including multiple copies of this proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, stockholders who hold shares in more than one brokerage account may receive a separate voting instruction card for each brokerage account in which shares are held. Stockholders of record whose shares are registered in more than one name will receive more than one proxy card. The Youbet board of directors urges Youbet stockholders to complete, sign, date and return each proxy card and voting instruction card they receive for the Youbet special meeting.

Table of Contents

Adjournment

Youbet's bylaws provide that a special meeting of the stockholders may be adjourned from time to time either by the chairman of the meeting or by the vote of the majority of shares casting votes, excluding abstentions. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, Youbet may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days or if after the adjournment a new record date is fixed for the adjourned special meeting, a notice of the adjourned special meeting shall be given to each stockholder of record entitled to vote at the special meeting.

Required Vote, Quorum, Abstentions and Broker Non-Votes

Each share of Youbet common stock receives one vote on all matters properly brought before the special meeting. In order to conduct business at the special meeting, a quorum of a majority of the total number of votes entitled to be cast must be present in person or represented by proxy.

Youbet cannot complete the merger unless the proposal to adopt the merger agreement is approved by the affirmative vote of the holders of a majority of the outstanding shares of Youbet common stock entitled to vote at the special meeting. Approval of the Youbet special meeting adjournment proposal, if necessary to solicit additional proxies if there are insufficient votes to approve the proposal to adopt the merger agreement at the time of the special meeting, requires the affirmative vote of a majority of the shares of Youbet common stock present in person or represented by proxy at the special meeting and entitled to vote at the special meeting.

All abstentions (shares of Youbet common stock for which proxies have been received but for which the holders have abstained from voting) and broker non-votes (shares of Youbet common stock for which proxies have been returned by a broker indicating that the broker has not received voting instructions from the beneficial owner of the shares and does not have discretionary authority to vote the shares) will be included as shares that are present and entitled to vote for purposes of determining the presence of a quorum at the special meeting. However, New York Stock Exchange member brokers who hold shares of Youbet common stock in street name for their customers but do not have discretionary authority to vote the shares may not exercise their voting discretion with respect to the proposal to adopt the merger agreement. Accordingly, if such brokers do not receive specific voting instructions from the beneficial owner of such shares, they may not vote such shares with respect to the proposal to adopt the merger agreement.

For the approval of the proposal to adopt the merger agreement, abstentions and broker non-votes will have the effect of a vote against the proposal.

For the approval of the Youbet special meeting adjournment proposal, abstentions and broker non-votes will have no effect.

Voting by Youbet Directors and Executive Officers

As of the record date for the Youbet special meeting, Youbet's directors, executive officers and their affiliates, as a group, beneficially owned and were entitled to vote an aggregate of [] shares of Youbet common stock, or approximately []% of the total outstanding shares of Youbet common stock.

In connection with the merger agreement, CDI entered into voting agreements, which we refer to as the voting agreements, with Lloyd I. Miller, III, a significant stockholder of Youbet who we refer to as Miller, New World Opportunity Partners I, L.P., a significant stockholder of Youbet who we refer to as New World, and each of the directors of Youbet in their capacity as stockholders of Youbet. Shares of Youbet common stock owned by the Youbet stockholders subject to the voting agreements constituted approximately 24% of the total issued and outstanding shares of Youbet common stock as of November 11, 2009, the date the voting agreements were

Table of Contents

entered into. Pursuant to the terms of the applicable voting agreements, New World and each of the directors of Youbet have agreed to vote all of the shares of Youbet common stock owned or held by them in favor of the proposal to adopt the merger agreement. Pursuant to his voting agreement, Miller has agreed to vote the shares of Youbet common stock over which he has voting and dispositive power in favor of the proposal to adopt the merger agreement and, with respect to the shares of Youbet common stock that he has shared voting and dispositive power, to recommend to the trustee for such shares that the trustee vote the shares of Youbet common stock for which Miller acts as an investment adviser in favor of the proposal to adopt the merger agreement.

Revoking Your Proxy

You can change your vote or revoke your proxy at any time before the final vote at the special meeting. To do so, if you are the record holder, you may:

send a written, dated notice to the person to whom you submitted your proxy stating that you would like to revoke your proxy;

complete, date and submit a new later-dated proxy card;

vote at a later date by telephone or by using the Internet; or

vote in person at the special meeting. Your attendance alone at the Youbet special meeting will not revoke your proxy.

If you hold shares through a bank, broker or other nominee, you must contact your financial institution, broker or nominee for information on how to revoke your proxy or change your vote. Attendance at the special meeting will not cause your previously granted proxy to be revoked unless you specifically so request.

If you hold your shares in street name, you must give new instructions to your bank, broker or other nominee prior to the special meeting or obtain a signed legal proxy from the bank, broker or other nominee to revoke your prior instructions and vote in person at the special meeting.

Any Youbet stockholder who has a question about the merger or the proposal to adopt the merger agreement, or how to vote or revoke a proxy, or who wishes to obtain additional copies of this proxy statement/prospectus, should contact:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, NY 10016

proxy@mackenziepartners.com

(800) 322-2885

Other Matters

Other than the proposals described in this proxy statement/prospectus, the Youbet board of directors knows of no other matters to be acted upon at the Youbet special meeting. If any other matter should be duly presented at the special meeting upon which a vote properly may be taken, shares represented by all proxies received by Youbet will be voted with respect thereto in accordance with the judgment of the persons named as attorneys in the proxies.

Solicitation of Proxies and Expenses

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CDI and Youbet will each bear their own respective expenses incurred in connection with the filing, printing and mailing of this proxy statement/prospectus. Youbet will be responsible for any fees incurred in connection with the solicitation of proxies for the Youbet special meeting. In addition to solicitation by mail, the directors,

Table of Contents

officers, employees and agents of Youbet may solicit proxies from Youbet stockholders by telephone, email, facsimile or in person. Some of these individuals may have interests in the merger that are different from, or in addition to, the interests of Youbet stockholders generally. See the section entitled "The Merger Interests of Youbet's Directors and Executive Officers in the Merger" beginning on page 97 of this proxy statement/prospectus. Brokerage houses and other custodians, nominees and fiduciaries will be requested to forward soliciting materials to the beneficial owners of shares held of record by these persons, and Youbet will reimburse them for their reasonable out-of-pocket expenses in sending proxy materials to beneficial owners. To assist in the solicitation of proxies, Youbet has retained MacKenzie Partners, Inc. Youbet anticipates that MacKenzie's fees will be approximately \$7,500 plus reimbursement of expenses.

Stockholders Sharing an Address

Youbet stockholders sharing an address with another stockholder may receive only one set of proxy materials at that address unless they have provided contrary instructions. Any such stockholder who wishes to receive a separate set of proxy materials now or in the future may write or call Youbet to request a separate copy of these materials as follows:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, NY 10016

proxy@mackenziepartners.com

(800) 322-2885

Table of Contents

THE MERGER

The following is a description of the material aspects of the merger. While we believe that the following description covers the material terms of the merger, the description may not contain all of the information that is important to you. We encourage you to read carefully this entire proxy statement/prospectus, including the merger agreement attached to this proxy statement/prospectus as Annex A, for a more complete understanding of the merger.

General

Each of the CDI and Youbet boards of directors has unanimously approved the merger agreement and the transactions contemplated by the merger agreement, including the merger. Upon completion of the merger, Merger Sub will merge with and into Youbet, with Youbet continuing as the surviving corporation and a wholly owned subsidiary of CDI. Following completion of the merger, the surviving corporation from the merger will merge with and into Merger LLC, with Merger LLC surviving the subsequent merger. Each share of Youbet common stock, other than those shares held by CDI, Merger Sub or Merger LLC and other than treasury shares, will be converted into the right to receive the merger consideration, upon the terms provided in the merger agreement and as described below under "The Merger Agreement" Merger Consideration beginning on page 101 of this proxy statement/prospectus.

Background of the Merger

As discussed in further detail below, Youbet's board of directors, which we refer to as the Youbet board, unanimously determined on November 10, 2009, after exploring and evaluating Youbet's potential strategic alternatives for over two years, that entering into the merger agreement with CDI was advisable and fair to, and in the best interests of, Youbet and its stockholders. As discussed in detail below, the Youbet board's determination was a culmination of an over two-year evaluation of potential strategic alternatives, and was made for several reasons, including, among others, (i) the lack of an opportunity for Youbet to acquire an ADW competitor and/or dispose of its totalizator business, in each case on terms which the Youbet board believed would be advisable and in the best interests of Youbet and its stockholders when compared to the merger agreement with CDI, (ii) the risks associated with continuing as a stand-alone business given increasing competition and other challenges facing the gaming and horse racing industry and the ADW channel and (iii) the Youbet board's belief that the terms of the merger agreement between Youbet and CDI, including the consideration to be received by Youbet's stockholders, were advisable and fair to, and in the best interests of, Youbet and its stockholders. Additional factors considered by the Youbet board and the Alternatives Committee (as defined below) of the Youbet board are discussed below in this section and under "Recommendation of the Youbet Board of Directors and Its Reasons for the Merger" beginning on page 76 of this proxy statement/prospectus.

During the course of 2007, members of the Youbet board frequently considered and discussed the challenges facing the gaming and horse racing industry and the ADW channel, including increased competition within the ADW channel, the aging demographics of the horse racing industry and the ADW channel's (including Youbet's) dependence on horse racing content sourced from third parties. In addition, the Youbet board discussed the lagging performance in certain of Youbet's operations, including Youbet's totalizator business.

On July 17, 2007, at a meeting of the Youbet board, the Youbet board determined, for purposes of efficiency and expediency, to form its Strategic Planning Committee, which was later renamed the Strategic Alternatives Committee, which we refer to as the Alternatives Committee, to take the lead role in the Youbet board's investigation and assessment of potential strategic alternatives, including, among other alternatives, (i) the acquisition of an ADW competitor, (ii) the sale of all or a portion of Youbet's totalizator business, which would allow Youbet to focus on its ADW platform, (iii) a potential sale of Youbet's business to a third party and/or (iv) remaining a stand-alone company without selling Youbet's totalizator business or acquiring an ADW

Table of Contents

competitor. The Alternatives Committee initially consisted of Michael Brodsky, Charles F. Champion (Youbet's former Chief Executive Officer), and David M. Marshall, Joseph F. Barletta and Steven C. Good, each of whom was then serving as a member of the Youbet board. In addition, the Youbet board and Alternatives Committee would from time to time explore additional strategic alternatives with third parties, although nothing formal developed.

On August 7, 2007, Youbet announced its second quarter results, including declines in total handle and revenues for the three months ended June 30, 2007 when compared to the three months ended June 30, 2006. On August 7, 2007, the closing price of Youbet's common stock was \$1.73 per share, a 56.5% decline from the closing price of Youbet's common stock on August 7, 2006.

On September 19, 2007, Colonial Downs, L.P. and the Virginia Horsemen's Benevolent and Protective Association filed a lawsuit against Youbet seeking, among other things, injunctive relief prohibiting Youbet from conducting ADW operations in Virginia until it entered into a contract with the plaintiffs and obtained a license under the applicable Virginia statute and regulations. In addition, on October 4, 2007, a search warrant was served on Youbet at its headquarters by federal agents for various records including, among other things, business records of its International Racing Group subsidiaries (IRG) related to the wagering activities of certain IRG customers. Youbet was advised that the federal investigation involved a potentially wide net of activities of certain individuals who may have used telephone rebate wagering services, including those offered by IRG, in an allegedly illegal manner. These matters required substantial attention from the Youbet board during the fourth quarter of 2007 and until these matters were resolved in the first quarter of 2008.

On November 7, 2007, Youbet announced its third quarter results, including approximately flat earnings for the third quarter of 2007 and a 5.0% decline in total handle for the three months ended September 30, 2007 when compared to the three months ended September 30, 2006. On November 7, 2007, the closing price of Youbet's common stock was \$1.15 per share, a 72.6% decline from the closing price of Youbet's common stock on November 7, 2006.

During this period, changes were made to the Youbet board and Youbet's management. Mr. Marshall and Mr. Barletta resigned from the Youbet board on October 26, 2007 and November 5, 2007, respectively. On November 28, 2007, Mr. Champion stepped down from the positions of President, Chief Executive Officer and Chairman of the Youbet board. Also on November 28, 2007, the Youbet board appointed Gary W. Sproule as Youbet's interim Chief Executive Officer. Finally, on November 29, 2007, the Youbet board appointed Michael D. Sands to fill one of the Youbet board positions vacated by Messrs. Marshall and Barletta.

On December 2, 2007, as part of its continuing exploration of potential strategic alternatives, Youbet sent a letter to the parent company of a certain ADW competitor, which we refer to as ADW Target 1, expressing Youbet's interest in expanding its ADW platform by potentially acquiring ADW Target 1.

At a meeting on December 17, 2007, the Youbet board further discussed the exploration of strategic alternatives, including a potential sale of the totalizator business. Following this discussion, Youbet's management was instructed to begin discussing the potential sale of its totalizator business with third parties, and on January 8, 2008, Youbet and a third party, which we refer to as Potential Tote Purchaser 1, executed a non-disclosure agreement regarding a potential sale of Youbet's totalizator business. In addition, on February 4, 2008, Youbet and an entity participating in and representing a consortium of purchasers, including CDI, which we collectively refer to as Potential Tote Purchaser 2, executed a non-disclosure agreement regarding a potential sale of approximately 75% of Youbet's totalizator business to Potential Tote Purchaser 2. During the first half of 2008, Youbet executed five additional non-disclosure agreements with parties potentially interested in pursuing an acquisition of Youbet's totalizator business, but ultimately determined that the terms presented in connection with the potential sale of its totalizator business were not advisable and in the best interests of Youbet's stockholders.

Table of Contents

On March 31, 2008, Youbet announced its fourth quarter 2007 results, including a decline in total revenue of approximately 12.3% and a decline in handle of approximately 8.9% for the three months ended December 31, 2007 when compared to the three months ended December 31, 2006. However, Youbet did report that total revenue for 2007 improved 1.3% to \$138.2 million from \$136.4 million in 2006. On March 31, 2008, the closing price of Youbet's common stock was \$0.81 per share, a 74.4% decline from the closing price of Youbet's common stock on April 2, 2007.

On April 18, 2008, in an effort to respond to the challenges facing Youbet and to better position Youbet in a dynamic industry environment, the Youbet board determined it would be advisable and in the best interests of Youbet and its stockholders to appoint Mr. Brodsky, then a member of the Youbet board, as Chief Executive Officer of Youbet, and to remove Mr. Sproule as the interim Chief Executive Officer. In addition, at this time, Youbet's Nominating and Corporate Governance Committee recommended that Michael Soenen join the Youbet board and the Youbet board nominated Mr. Soenen for election at Youbet's next annual meeting of its stockholders scheduled for June 12, 2008. Further, on April 22, 2008, Mr. Good informed the Youbet board that he did not intend to stand for reelection to the Youbet board.

On April 24, 2008, the closing price of Youbet's common stock was \$0.69 per share, the lowest closing price for Youbet's common stock during 2008.

On May 6, 2008, Youbet announced its first quarter results, including a decline in total revenue of approximately 14.3% and a decline in handle of approximately 16.4% for the three months ended March 31, 2008 when compared to the three months ended March 31, 2007. The decline in handle was attributable to the loss of certain ADW content as well as Youbet's decision to cease accepting wagers from customers in Arizona, Kansas and Washington, D.C. Same-track handle increased \$3.4 million, or 3.7%, over first quarter 2007 results. On May 6, 2008, the closing price of Youbet's common stock was \$0.91 per share, a 68.4% decline from the closing price of Youbet's common stock on May 7, 2007.

On June 5, 2008, Youbet contacted ADW Target 1 to reiterate its interest in expanding its ADW platform by potentially acquiring ADW Target 1. At this time, no price range was identified regarding the potential acquisition.

On June 12, 2008, at the annual meeting of Youbet's stockholders, Mr. Soenen was elected to the Youbet board. In addition, at a June 12, 2008 meeting, the Youbet board approved a resolution to increase its size to eight persons and appointed Raymond Anderson to the Youbet board. Following this meeting, the Youbet board consisted of Gary Adelson, Mr. Anderson, Mr. Brodsky, Governor James Edgar, Mr. Liebau, J.B. Pritzker, Mr. Sands and Mr. Soenen. In addition, in connection with various changes to the Youbet board that occurred in the fourth quarter of 2007 and the first half of 2008, on June 12, 2008, the Youbet board reconstituted the Alternatives Committee to include Messrs. Soenen, Liebau and Pritzker.

In 2008, members of the Youbet board and the Alternatives Committee continued to discuss the challenges facing the gaming and horse racing industry and the ADW channel, including the adverse impact of the economic recession on the gaming and horse racing industry and Youbet's operations. During this time, the Youbet board and the Alternatives Committee also continued to investigate potential strategic alternatives and assess the risks and opportunities associated with Youbet's business.

On July 28, 2008, Youbet and ADW Target 1 executed a non-disclosure agreement regarding Youbet's potential acquisition of ADW Target 1, and on August 5, 2008, members of Youbet's senior management attended a management presentation by ADW Target 1 regarding the potential acquisition. At this time, no price range was identified regarding the potential acquisition.

On August 4, 2008, Youbet announced its second quarter results, including a decline in total revenue of approximately 12.1% and a decline in handle of approximately 12.6% for the three months ended June 30, 2008

Table of Contents

when compared to the three months ended June 30, 2007. The decline in handle was attributable to the loss of certain ADW content as well as Youbet's decision to cease accepting wagers from customers in Arizona, Kansas and Washington, D.C. Same-track handle increased \$0.8 million, or 0.8%, over second quarter 2007 results. On August 4, 2008, the closing price of Youbet's common stock was \$1.24 per share, a 27.1% decline from the closing price of Youbet's common stock on August 6, 2007.

While Messrs. Liebau and Brodsky were visiting Lexington, Kentucky in early September 2008 on business unrelated to CDI, Mr. Liebau suggested that they meet with Robert Evans (the Chief Executive Officer of CDI) and William Carstanjen (the Chief Operating Officer of CDI), with whom Mr. Liebau and Youbet had an existing relationship. During the meeting that subsequently took place, the possibility of a potential combination of CDI's and Youbet's businesses was discussed. Following such meeting, on September 11, 2008, in connection with the parties' evaluation of a potential transaction, CDI and Youbet executed a confidentiality agreement pursuant to which Youbet provided CDI with a limited amount of documentation regarding certain prior litigation matters. Subsequently, in the fall of 2008, Mr. Pritzker informally communicated on behalf of Youbet with Mr. Evans regarding CDI's potential interest in a combination of CDI's and Youbet's businesses. The parties discussed the potential benefits to their respective businesses that might result from a potential transaction, and Mr. Pritzker identified a potential transaction value of approximately \$135 million, which represented an approximate 120.0% premium over Youbet's common stock as of September 30, 2008.

The CDI board, together with CDI management, has in the ordinary course regularly evaluated business development strategies and reviewed CDI's strategic alternatives, including from time to time potential business combinations and other strategic alliances, in pursuing its objective of enhancing shareholder value. In the fall of 2008, CDI conducted a strategic review process with its board of directors. On September 25, 2008, CDI management discussed with the CDI board potential acquisition opportunities, including opportunities within the ADW channel. On October 21, 2008, also in conjunction with the strategic review process, CDI management discussed with the CDI board the strategic rationale for a potential acquisition of Youbet, as well as the possible risks associated with such a transaction. The board directed the management team to continue its evaluation of possible merger and acquisition opportunities in the ADW channel, including a potential transaction with Youbet.

On October 28, 2008, at a meeting of the Youbet board attended by members of Youbet's senior management, the Youbet board discussed the informal discussions with CDI, and considered a potential transaction in light of the risks and opportunities facing Youbet, as well as Youbet's existing relationship with TrackNet Media Group LLC, which we refer to as TrackNet, a joint venture owned by Magna Entertainment Corporation, which we refer to as Magna, and CDI, through which Youbet purchased horse racing content. At the meeting, the Youbet board authorized its members, including Mr. Brodsky, then Youbet's Chief Executive Officer, to maintain contact with CDI and report to the Youbet board any further developments.

Meanwhile, Youbet continued to explore other potential strategic alternatives. On October 29, 2008, as a result of Youbet's due diligence and continued discussions with ADW Target 1, Youbet submitted a non-binding proposal to acquire ADW Target 1. During this time, the Youbet board and the Alternatives Committee informally discussed with Mr. Pritzker, an affiliate of New World Opportunities Partners I, L.P., which we refer to as New World, the possibility of New World or one of its affiliates financing Youbet's potential acquisition of ADW Target 1.

On November 3, 2008, in light of New World or one of its affiliates potentially financing a transaction between Youbet and ADW Target 1, out of an abundance of caution, Mr. Pritzker resigned from the Alternatives Committee and was replaced by Mr. Anderson. Following Mr. Pritzker's resignation, the Alternatives Committee continued to discuss CDI's potential interest in a strategic transaction with Youbet. In light of Youbet's review of strategic alternatives, the Alternatives Committee also discussed the possible engagement of a financial advisor, including the qualifications, experience and reputation of Moelis & Company LLC, which we refer to as Moelis. Moelis had not previously represented Youbet, any entity affiliated with New World, or CDI.

On November 5, 2008, Youbet announced its third quarter results, including a decline in total revenue of approximately 12.2% and a decline in handle of approximately 8.7% for the three months ended September 30,

Table of Contents

2008 when compared to the three months ended September 30, 2007. ADW gross profit for the three months ended September 30, 2008 was 6.9% higher when compared to the three months ended September 30, 2007, and yield for the three months ended September 30, 2008 was 7.8% compared to 6.7% during the three months ended September 30, 2007. On November 5, 2008, the closing price of Youbet's common stock was \$1.24 per share, an 11.6% increase from the closing price of Youbet's common stock on November 5, 2007.

In November of 2008, Mr. Liebau, Chairman of the Youbet board, Mr. Brodsky and Mr. Pritzker, then a member of the Youbet board, met with Messrs. Evans and Carstanjen to discuss a potential strategic transaction between Youbet and CDI. The parties discussed the potential benefits to the respective businesses that might result from a potential transaction and, based on preliminary and limited information, CDI indicated that a potential value for Youbet's business would be approximately \$120 million in an all cash transaction.

On November 12, 2008, at meetings of the Youbet board and the Alternatives Committee, Mr. Liebau reported on the November 9, 2008 meeting between Messrs. Liebau, Pritzker, Brodsky, Evans and Carstanjen. Members of Youbet's senior management also attended these board and Alternatives Committee meetings, and a representative of Youbet's special transaction counsel, Kirkland & Ellis LLP, which we refer to as Kirkland & Ellis, attended the Youbet board meeting. Additionally, at the Youbet board meeting, the Youbet board authorized the Alternatives Committee to engage a financial adviser to assist Youbet in its ongoing discussions with CDI and in connection with other potential strategic alternatives. Further, Kirkland & Ellis advised the Youbet board with respect to its fiduciary duties with respect to various types of potential strategic alternatives, and Kirkland & Ellis answered questions from members of the Youbet board.

On November 13, 2008, as part of its continuing exploration of potential strategic alternatives, Youbet received a preliminary proposal from Potential Tote Purchaser 2, under which Youbet would sell 75% of its totalizator business to Potential Tote Purchaser 2. Following this preliminary proposal, Youbet, Potential Tote Purchaser 2 and their respective legal advisors began to negotiate the terms of a potential sale.

On November 19, 2008 and November 20, 2008, at meetings of the Alternatives Committee attended by members of Youbet's senior management and representatives of Kirkland & Ellis, the parties considered Mr. Pritzker's prior discussions with Mr. Evans regarding a potential strategic merger transaction between Youbet and CDI, and the Alternatives Committee agreed that Mr. Pritzker should continue to communicate with Mr. Evans regarding a potential transaction. Additionally, on November 20, 2008, after considering the qualifications, experience and reputation of a number of potential financial advisors, the Alternatives Committee determined to engage Moelis subject to negotiation of an acceptable engagement letter, and the Alternatives Committee instructed Youbet's management, together with Kirkland & Ellis, to negotiate the terms of an engagement letter with Moelis. The Alternatives Committee determined to engage Moelis based upon, among other reasons, Moelis and its representatives' reputation and experience advising companies in the gaming industry.

On November 24, 2008, Youbet and Moelis agreed to the terms of, and executed, an engagement letter regarding Moelis' appointment as Youbet's financial advisor in connection with potential strategic transactions. The engagement letter provided that Moelis would be entitled to a fee in the event of a sale of Youbet. However, the engagement letter did not impede Youbet from exploring other strategic alternatives, and following Moelis' engagement, members of the Youbet board and the Alternatives Committee continued to explore and assess other potential strategic alternatives, including, among others, (i) the sale of all or part of Youbet's totalizator business, which would allow Youbet to focus on its ADW platform, (ii) the acquisition of an ADW competitor, (iii) remaining a stand-alone company without selling its totalizator business or acquiring an ADW competitor and/or (iv) responding to other potential transactions to which Youbet would from time to time become aware through the Youbet board's and Youbet's management's industry contacts.

Also on November 24, 2008, members of Youbet's senior management attended a due diligence session with respect to ADW Target 1 at the offices of ADW Target 1's financial advisors. After this due diligence

Table of Contents

session, Youbet's management continued to attempt to communicate with ADW Target 1, but eventually discovered in January 2009 that ADW Target 1 was acquired by another buyer.

On December 12, 2008, at a meeting of the Alternatives Committee attended by members of Youbet's senior management, representatives of Kirkland & Ellis and representatives of Moelis, the Alternatives Committee continued to discuss a potential strategic transaction between Youbet and CDI. In addition, Moelis presented its preliminary assessment of potential strategic alternatives. Following this meeting, on December 15, 2008, Moelis delivered certain follow-up materials to the Alternatives Committee regarding the potential transaction with CDI. The presentation included information regarding further updates to CDI's proposal in which CDI indicated it may be interested in a transaction valued at approximately \$135 million, with \$85 million to be paid in the form of CDI common stock and \$50 million to be paid in cash.

On January 8, 2009, at a meeting of the Youbet board attended by members of Youbet's senior management, the Youbet board considered the continuing discussion between Youbet and CDI, including the potential benefits to the businesses as a result of a potential transaction.

On January 22, 2009, CDI management discussed with CDI's Executive Committee potential acquisitions within the ADW channel, including a potential transaction with Youbet.

On January 27, 2009, Youbet learned that a third party had acquired ADW Target 1. As a result of this acquisition, ADW Target 1 became a wholly owned subsidiary of a well-capitalized international gaming company. Based on publicly available information, ADW Target 1 had a larger handle (i.e., total dollars wagered) within the ADW channel than Youbet in 2008 and sold for an amount less than Youbet's then-current market capitalization.

On February 5, 2009, at a meeting of the Youbet board attended by members of Youbet's senior management and representatives of Olshan Grundman Frome Rosenzweig & Wolosky LLP, Youbet's general corporate counsel and which we refer to as Olshan, Mr. Brodsky updated the Youbet board on his discussion with Potential Tote Purchaser 1 regarding a potential sale of Youbet's totalizator business, including that Potential Tote Purchaser 1's ability to purchase Youbet's totalizator business might be limited by its difficulties with negotiating an appropriate structure for the transaction. In addition, Mr. Brodsky updated the Youbet board on his discussions with Potential Tote Purchaser 2 regarding a potential sale of 75% Youbet's totalizator business to Potential Tote Purchaser 2.

During the first quarter of 2009, Mr. Pritzker informally informed members of Youbet's Nominating and Corporate Governance Committee that, in light of the changes to Youbet's management that occurred during the fourth quarter of 2007 and 2008, which changes Mr. Pritzker supported and encouraged, he intended to not seek reelection to Youbet's board. On February 6, 2009, the Nominating and Corporate Governance Committee considered David Goldberg, then Youbet's Chief Operating Officer, as a potential nominee to serve on the Youbet board, and approved recommending him to the Youbet board as a potential nominee to serve on the Youbet board to fill the prospective vacancy resulting from Mr. Pritzker not seeking reelection.

On March 4, 2009, at a meeting of the Youbet board attended by members of Youbet's senior management and representatives of Olshan, Mr. Brodsky informed the Youbet board that Mr. Evans had recently contacted Mr. Liebau to request a meeting regarding a potential transaction between Youbet and CDI. Mr. Liebau informed the Youbet board that the meeting with Mr. Evans had been scheduled for March 16, 2009 and that Mr. Brodsky and Mr. Carstanjen, the Chief Operating Officer of CDI, would also attend the meeting.

On March 5, 2009, Youbet announced its fourth quarter 2008 results, including a decline in total revenue of approximately 4.7% and an increase in handle of approximately 0.8% for the three months ended December 31, 2008 when compared to the three months ended December 31, 2007. During the three months ended December 31, 2008, operating expenses for Youbet's ADW business were \$2.4 million lower than they were for

Table of Contents

the three months ended December 31, 2007, while revenue was only \$800,000 lower than in the fourth quarter of 2007. On March 5, 2009, the closing price of Youbet's common stock was \$1.21 per share, a 23.5% increase from the closing price of Youbet's common stock on March 5, 2008.

Also on March 5, 2009, Magna and certain of its subsidiaries filed voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code. Members of the Youbet board considered the possibility that this petition could lead to enhanced competition within the ADW channel as the Magna ADW business would likely emerge on an improved basis.

On March 16, 2009, Messrs. Brodsky, Liebau, Evans and Carstanjen met to discuss the potential merger transaction between Youbet and CDI. The parties discussed the potential benefits of a transaction and the terms generally, but no specific transaction value was identified.

After the March 16th meeting, discussions between Youbet and CDI regarding a potential strategic transaction stopped. During the second quarter of 2009, following CDI and Youbet's March 16th meeting, Youbet's stock price generally continued to climb and closed at \$3.72 on July 23, 2009 (the highest closing price of Youbet's common stock since January 2007). At this time, the parties did not believe they could negotiate a transaction on mutually agreeable terms.

On March 31, 2009, at a meeting of the Youbet board attended by members of Youbet's senior management and representatives of Olshan, the Youbet board approved the adoption of a stockholders rights plan, which we refer to as the Youbet rights plan, and Youbet adopted, subject to stockholder approval, the Youbet rights plan. The Youbet rights plan was primarily adopted in an effort by the Youbet board to protect stockholder value by attempting to protect against a possible limitation on Youbet's ability to use certain of its net operating loss carryforwards in the event of a change of control of Youbet. Youbet had net operating loss carryforwards that in certain circumstances might be used to reduce Youbet's income taxes in subsequent periods. In an attempt to preserve Youbet's ability to use such net operating loss carryforwards, the Youbet rights plan was intended to act as a deterrent to any person or group acquiring 4.9% or more of Youbet's common stock without the approval of the Youbet board. Given the anti-takeover effects of the Youbet rights plan, the Youbet board understood that the Youbet rights plan would also provide the Youbet board with the ability to influence the timing and nature of any strategic transaction consistent with its fiduciary duties.

In addition, at the March 31, 2009 meeting of the Youbet board, the Youbet board continued to discuss potential strategic opportunities regarding the potential sale of its totalizator business to a third party, including the potential sale to Potential Tote Purchaser 2.

As discussions between Youbet and CDI had stopped, conditions in the horse racing industry continued to deteriorate, Youbet's totalizator business continued to struggle and competition within the ADW channel and from other forms of gaming continued to increase. In addition, through its industry relationships, Youbet's management informally learned through discussions with various international gaming companies that Youbet may present a platform for expansion into the United States for those international gaming companies, which we refer to as the Potentially Interested International Gaming Companies. Members of Youbet's management had in-person meetings with four of these Potentially Interested International Gaming Companies regarding a potential strategic transaction, but no formal developments occurred and no potential transaction values were identified during these meetings. Given the continued deterioration of the gaming and horse racing industry, the increased competition in the ADW channel and new information about potential transactions with the Potentially Interested International Gaming Companies, during the second quarter of 2009, while the Youbet board had not determined to pursue a sale of Youbet or any other specific strategic alternative, it determined that it would be an appropriate time to further explore potential strategic transactions, including a sale of Youbet. Accordingly, the Youbet board instructed Moelis, with the assistance of Youbet's management, to prepare an executive summary describing Youbet to be distributed to third parties who might have an interest in a potential merger or sale transaction with Youbet.

Table of Contents

On April 28, 2009, at a meeting of the Youbet board, Messrs. Brodsky and Liebau reported that Youbet's discussions with Potential Tote Purchaser 2 were unlikely to continue given certain fundamental disagreements on the terms of the sale, including Potential Tote Purchaser 2's proposed terms regarding Potential Tote Purchaser 2's continuing provision of totalizator services to Youbet and Youbet's re-payment of its term loan prior to closing. As a result of these disagreements, Messrs. Brodsky and Liebau and the other members of the Youbet board did not believe it was advisable and in the best interests of Youbet and its stockholders to continue to pursue the sale of Youbet's totalizator business to Potential Tote Purchaser 2.

At its April 28, 2009 meeting, the Youbet board also reviewed and discussed a presentation prepared by Youbet's management. The presentation noted 30% growth in Youbet's first quarter 2009 ADW handle over its first quarter 2008 handle, plus a 22% increase in ADW earnings before interest, taxes, depreciation and amortization, which we refer to as EBITDA, and a 62% increase in earnings per share over the same period. The presentation further described generally positive data regarding Youbet's consumer segmentation marketing from 2007 through 2009 year to date, including relatively steady numbers of unique wagerers, steady increases in new customer handles and handle per monthly unique user. But the presentation also showed a 13% decline in the yield ratio between handle and net revenue from the first quarter of 2008 through the first quarter of 2009, along with a 73% decline in EBITDA from Youbet's totalizator operations over the same period, with that business segment recognizing only \$160,000 in EBITDA during the first quarter of 2009.

On May 12, 2009 and May 20, 2009, at meetings of the Alternatives Committee and the Youbet board, respectively, which meetings were attended by members of Youbet's senior management, representatives of Kirkland & Ellis and representatives of Moelis, the Youbet board and Alternatives Committee received an update from Moelis on Youbet and the horse racing industry, and discussed considerations regarding potential strategic transactions, including the merits of a potential process for soliciting indications of interest regarding Youbet.

Moelis' presentation reported, among other things, that Youbet had maintained strong momentum in a difficult economic and industry environment, with handle up 30% in the first quarter of 2009 and ADW revenue growth of 25% driven by added content, but at lower yields (7.4% vs. 8.4%). The presentation also observed that Youbet had completed a successful repositioning of its business in 2008, achieving \$18.5 million of adjusted EBITDA versus \$9.6 million in 2007, and noted that the Company was poised for growth through its ability to leverage a highly scalable platform. Regarding industry-wide trends, Moelis noted that industry-wide handle was under pressure with declines of 7% in 2008 and a further 9% in the first quarter of 2009 but that the share of the handle in the ADW channel was on the rise, particularly as disputes with horsemen were being resolved and handicappers migrated online. Moelis also noted that the recent bankruptcy of Magna and the sale of TVG to Betfair Group, Ltd., had altered the competitive landscape of the ADW channel. Going forward, of the top four ADW operators, Youbet would remain the only company not part of a diversified racing or gaming company.

Based on these considerations, among others, Moelis concluded that it was an opportune time for Youbet to consider potential strategic alternatives, including a sale or strategic combination. In its presentation and during the May 12, 2009 meeting of the Alternatives Committee and the May 20, 2009 meeting of the Youbet board, Moelis discussed work it had done to preliminarily identify potentially interested parties, including U.S. gaming companies, international gaming operators (including the Potentially Interested International Gaming Companies), interactive/e-commerce companies and financial sponsors. On May 20, 2009, the Youbet board instructed Moelis to evaluate and respond to third-party inquiries regarding potential strategic transactions.

On May 13, 2009, Youbet announced its first quarter results, including an increase in total revenue of approximately 16.0% and an increase in handle of approximately 29.9% for the three months ended March 31, 2009 when compared to the three months ended March 31, 2008. The increase in handle was attributable to the return of certain ADW content, the addition of new ADW content and increased handle from existing tracks. Same-track and same-state handle increased 5% for the three months ended March 31, 2009 when compared to the three months ended March 31, 2008. On May 13, 2009, the closing price of Youbet's common stock was \$2.47 per share, a 79.0% increase from the closing price of Youbet's common stock on May 13, 2008.

Table of Contents

On June 1, 2009, at a meeting of the Youbet board attended by members of Youbet's senior management and representatives of Olshan, the Youbet board determined that it would be advisable and in the best interests of Youbet and its stockholders for Mr. Goldberg to replace Mr. Brodsky as Youbet's Chief Executive Officer. In addition, in light of Mr. Brodsky's knowledge of Youbet's risks and opportunities along with his experience with commercial transactions, the Youbet board determined that it would be advisable and in the best interests of Youbet and its stockholders for Mr. Brodsky to join the Alternatives Committee and to be appointed as the Executive Chairman of the Youbet board. Also, on June 1, 2009, Mr. Goldberg was elected to the Youbet board at a meeting of the Youbet stockholders. Finally, on June 1, 2009, Youbet's stockholders approved the Youbet rights plan. On June 19, 2009, at a meeting of the Youbet board attended by members of Youbet's senior management, representatives of Olshan and representatives of Moelis, members of the Youbet board discussed with Moelis an executive summary that Moelis had prepared with the assistance of Youbet's management. The executive summary described Youbet for potential distribution to third parties. The Youbet board also discussed the process for contacting potentially interested third parties and evaluating potential strategic transactions involving Youbet.

On June 23, 2009, at a meeting of the Alternatives Committee attended by members of Youbet's senior management, representatives of Olshan and representatives of Moelis, Moelis provided an updated version of the executive summary describing Youbet, a list of proposed third party recipients of the executive summary and a sample timeline regarding a potential sale transaction. The Alternatives Committee discussed these materials and determined that, while Youbet had not made a decision whether to enter into a strategic transaction, it was appropriate to continue to evaluate the possibility of a sale of Youbet. Accordingly, the Alternatives Committee instructed Moelis to contact the proposed list of third-party recipients and distribute solicitation materials, including the executive summary, to those recipients.

In addition, on June 23, 2009, Youbet sent an initial indication of interest to a company within the ADW channel, which we refer to as ADW Target 2, regarding Youbet's potential acquisition of ADW Target 2.

In late June and July of 2009, in accordance with the Alternatives Committee's instructions, Moelis and Youbet's management engaged in discussions with third parties and Youbet hosted meetings with potentially interested third parties, including U.S. gaming companies, international gaming operators, interactive/e-commerce companies and financial sponsors who had executed non-disclosure agreements, in order to provide a more detailed overview of Youbet. One of the third parties with whom Moelis and Youbet's management met and which executed a non-disclosure agreement was a financial sponsor, which we refer to as Bidder B. During this time, Bidder B did not identify a potential value for a transaction, but Bidder B communicated to Moelis and Youbet's management that there may be synergies between Youbet and a portfolio company of one of Bidder B's affiliated funds. CDI was also contacted by Moelis at this time, but did not participate in the process conducted by Moelis.

On July 23, 2009, Youbet's common stock closed at \$3.72 per share, its highest closing price during 2009.

On August 3, 2009, at a meeting of the Youbet board attended by members of Youbet's senior management, representatives of Olshan and representatives of Moelis, the Youbet board received an update from Moelis regarding discussions that had occurred among Moelis, Youbet's management and third parties during late June and July of 2009. Moelis informed the Youbet board that management presentations had been scheduled with four third parties for August and September 2009, and that Moelis was continuing to try to schedule additional meetings.

On August 12, 2009, Youbet announced its second quarter results, including an increase in total revenue of approximately 3.2% and an increase in handle of approximately 12.9% for the three months ended June 30, 2009 when compared to the three months ended June 30, 2008. The increase in handle was attributable to the return of certain ADW content and the addition of new ADW content. Same-track and same-state handle decreased approximately 9% for the three months ended June 30, 2009 when compared to the three month period ended June 30, 2008. The decline in same-track and same-state handle was due to the poor overall economy and fewer

Table of Contents

racing days at several racetracks. On August 12, 2009, the closing price of Youbet s common stock was \$2.75 per share, a 74.1% increase from the closing price of Youbet s common stock on August 12, 2008.

On August 21, 2009, at a meeting of the Alternatives Committee attended by members of Youbet s senior management, representatives of Olshan and representatives of Moelis, Moelis provided a further update on its and Youbet s management s discussions with third parties regarding a potential strategic transaction. In addition, the Alternatives Committee discussed Youbet s potential acquisition of ADW Target 2. Following this meeting, Youbet continued to conduct due diligence on ADW Target 2 with the assistance of Moelis and, on September 11, 2009, Youbet engaged Moelis to act as its financial advisor in connection with the potential acquisition of ADW Target 2.

On August 26, 2009, during a special meeting of CDI s board to discuss capital allocation decisions, CDI management again discussed a potential acquisition of Youbet. During the meeting, members of CDI management presented the strategic reasons to pursue a transaction with Youbet. CDI s board authorized the members of CDI management to continue discussions with representatives of Youbet management regarding a potential acquisition of Youbet by CDI.

In late August of 2009, while Youbet and its advisors continued to evaluate various potential strategic alternatives for Youbet, Mr. Carstanjen communicated to Mr. Brodsky CDI s renewed interest in a potential merger transaction involving Youbet comprised of a mix of cash and CDI stock in a transaction valued at approximately \$135 million. The parties agreed to schedule a meeting to discuss a potential combination of CDI and Youbet in mid-September, including the discussion of due diligence items CDI would require from Youbet.

On September 3, 2009, at a meeting of the Youbet board, representatives of Greenberg Traurig, LLP, Youbet s ADW transaction counsel, discussed with the Youbet board the various risks involved with the acquisition of ADW Target 2, including certain legal risks related to ADW Target 2 s business. The Youbet board also considered the risks associated with integrating the businesses. In addition, representatives of Moelis and management discussed with the Youbet board the potential strategic benefits and risks of the potential acquisition, the business and financial profile of ADW Target 2 and preliminary transaction structuring and valuation considerations. Moelis also presented certain financial information regarding Youbet, which presentation incorporated draft projections provided by Youbet management. These draft projections assumed North American industry handle growth from 2011 to 2013. Following several weeks of due diligence, on September 11, 2009, Youbet submitted a letter to ADW Target 2 s financial advisor expressing an interest in a potential acquisition of ADW Target 2, subject to receiving certain requested due diligence information that had not yet been provided. The expression of interest did not include any indication of value. ADW Target 2 s financial advisor subsequently informed Moelis that Youbet would not receive the requested due diligence information unless Youbet indicated the value it would be willing to pay for ADW Target 2. However, Youbet was not able to indicate a potential value without receiving the diligence it had previously requested.

On September 14, 2009, at a meeting of the Alternatives Committee attended by members of Youbet s senior management, representatives of Kirkland & Ellis, representatives of Olshan and representatives of Moelis, the Alternatives Committee discussed CDI s renewed interest. Additionally, the Alternatives Committee discussed potential structures for a merger transaction between Youbet and CDI, as well as the potential benefits, risks and uncertainties related to alternative transaction structures. The Alternatives Committee further discussed a proposed presentation that was being prepared by Youbet s management for a meeting with certain members of CDI s senior management team, including its Chief Executive Officer and Chief Operating Officer, scheduled for September 17, 2009, relating to a potential combination of Youbet and CDI. Moelis also presented a report on the various third parties that had been contacted, including (i) 25 financial sponsors, six of which executed nondisclosure agreements with Youbet and attended a management presentation or otherwise met with management to discuss the opportunity and (ii) 14 strategic parties (including the Potentially Interested International Gaming Companies), five of which executed non-disclosure agreements with Youbet and attended

Table of Contents

management presentations or otherwise met with management to discuss the opportunity. Further, the Alternatives Committee reviewed and discussed with legal and financial advisors a draft of a letter from Moelis, which we refer to as the Bid Letter, to be sent on Youbet's behalf, seeking non-binding written indications of interest from third parties regarding a potential strategic transaction involving Youbet. The Bid Letter was sent to three financial sponsors and four potential strategic acquirers on September 15, 2009 and September 16, 2009, and indicated that the deadline to receive indications of interest was September 30, 2009.

On September 15, 2009, CDI sent Youbet a list of due diligence items to be discussed during the September 17 meeting between the parties. On September 16, 2009, CDI and Youbet executed a confidentiality agreement relating to the potential merger transaction, which amended and restated the confidentiality agreement previously executed by the parties on September 11, 2008.

On September 17, 2009, Messrs. Evans and Carstanjen and Mr. Ted Gay (Senior Vice President, Business Development of CDI), and Mr. Brodsky, Mr. Goldberg, Daniel Perini (Youbet's General Counsel), Susan Bracey (Youbet's Chief Financial Officer), Mark Midland (Youbet's Vice President of Racing and Business Development) and Tim Eastman (Youbet's Chief Technology Officer), from Youbet, and representatives of Moelis attended a meeting at which Youbet provided a management presentation to CDI and during which CDI conducted due diligence on Youbet. The presentation provided by Youbet's management to CDI included a range of potential valuations of Youbet of \$3.13 to \$4.00 per share.

On September 24, 2009, at a regularly scheduled meeting of CDI's board of directors, representatives of CDI management reported on their discussions with representatives of Youbet management with respect to a possible acquisition of Youbet by CDI. Members of CDI management briefed CDI's board on the status of negotiations with Youbet's management representatives, the proposed valuation and structure of the proposed transaction, the strategic rationale of the proposed transaction, the critical risks associated with the proposed transaction, the status of CDI's due diligence on Youbet, and the potential synergies that could result from the proposed transaction.

On September 25, 2009, CDI sent to Youbet a summary of principal terms, which we refer to as the initial CDI proposal, with respect to a potential merger transaction between Youbet and CDI in which CDI would acquire all of the common stock of Youbet in exchange for 0.0595 shares of CDI common stock and \$0.73 in cash per share of Youbet common stock (representing an implied value of approximately \$3.01 per share in aggregate consideration based upon the 30-trading-day volume weighted average price of CDI's common stock as of September 24, 2009), in a two-step structure (i.e., a tender/exchange offer followed by a merger). In addition, under the initial CDI proposal, Youbet's optionholders would receive \$3.01 in cash minus the exercise price of each of their options. CDI proposed the transaction be a mix of stock and cash, as opposed to just stock, for a variety of factors, including an attempt to minimize dilution to the stockholders of CDI and issue less than 20% of its outstanding shares in light of certain listing rules under NASDAQ, the exchange on which CDI's common stock is listed, which would prohibit CDI from issuing shares representing 20% or more of its outstanding shares in certain circumstances without obtaining approval from CDI's stockholders. Among other things, the initial CDI proposal also provided that, in the event the agreement and plan of merger was terminated in certain customary circumstances, Youbet would pay CDI a break-up fee equal to 4% of the equity value of the transaction.

On September 28, 2009, Moelis informed ADW Target 2's financial advisor that Youbet would be willing to pay \$40 million in cash for ADW Target 2, subject to satisfactory completion of due diligence and negotiation of a definitive agreement. ADW Target 2 agreed to proceed with discussions with Youbet on this basis, however, important due diligence information continued to not be provided by ADW Target 2.

On September 29, 2009, at a meeting of the Alternatives Committee attended by members of Youbet's senior management, representatives of Kirkland & Ellis, representatives of Olshan and representatives of Moelis, the Alternatives Committee reviewed and discussed the initial CDI proposal, as well as a summary of the initial

Table of Contents

CDI proposal prepared by Moelis. Among other terms of the initial CDI proposal, the Alternatives Committee considered the fixed exchange ratio for the stock portion of the consideration in the initial CDI proposal and discussed the relative advantages and disadvantages of a fixed exchange ratio versus other potential alternatives. In addition, the Alternatives Committee discussed the relative advantages and disadvantages of alternatives that would set a cap on the upside and a floor on the downside for the stock portion of the consideration. The Alternatives Committee considered that a fixed exchange ratio provides the opportunity for Youbet stockholders to benefit from any increase in the trading price of CDI common stock between announcement of the merger and closing of the merger. In addition, the Alternatives Committee considered that any decrease in the trading price of CDI common stock between announcement of the merger and closing of the merger would be detrimental to Youbet stockholders. Furthermore, the Alternatives Committee considered the proportion of the merger consideration that was offered in the form of cash, which, unlike stock prices, does not fluctuate. After extensive discussions, the Alternatives Committee indicated its willingness to accept a fixed exchange ratio structure. The Alternatives Committee also discussed strategies as to how to respond to various aspects of the initial CDI proposal, including the amount of the proposed consideration, the proposed no-shop provision and break-up fee, the proposed two-step transaction structure and the proposed tender and support agreements to be signed by significant Youbet stockholders and directors and officers of Youbet. Further, the Alternatives Committee discussed the timing of and appropriate persons for responding to the initial CDI proposal, and determined that (i) Mr. Brodsky should contact CDI to inform CDI that Youbet's response would be forthcoming and (ii) that Moelis should respond on behalf of Youbet, but only after reviewing with the Youbet board any competing bids that Youbet received by the September 30, 2009 bid deadline. At this meeting the Alternatives Committee also discussed the potential acquisition of the ADW Target 2, and the continued refusal of ADW Target 2 to provide certain due diligence information that had been requested by Youbet.

On September 30, 2009, the bid deadline, Bidder B, submitted a non-binding preliminary proposal, which we refer to as the Bidder B proposal, for the acquisition of Youbet in exchange for cash consideration ranging from \$2.70 to \$3.24 per share of Youbet common stock. In its proposal and in subsequent discussions with Moelis, Bidder B indicated that its ultimate valuation would depend on Bidder B being comfortable with potential synergies that it expected would result from a proposed economic arrangement to be negotiated between Youbet and a portfolio company of one of Bidder B's affiliated funds. In addition, the Bidder B proposal was subject to further due diligence, which Bidder B indicated that it could complete within approximately 45 days of being granted the opportunity to conduct due diligence on an exclusive basis. The Bidder B proposal also noted that it would seek to finance a portion of the purchase price with debt from a third party and that Bidder B expected to retain Youbet's existing management. Finally, the Bidder B proposal indicated that it was open to discussing structures allowing for existing Youbet stockholders to reinvest a portion of their proceeds from the transaction in the proposed acquisition vehicle (as opposed to being cashed out).

The Bidder B proposal was the only indication of interest received by the September 30, 2009 bid deadline. Other than the Bidder B proposal, since September 30, 2009, Youbet has not received any indication of interest from any other party (except for CDI as discussed in this section).

On September 30, 2009, Kirkland & Ellis sent to Sidley Austin LLP, counsel to CDI and which we refer to as Sidley, comments on the initial CDI proposal. The comments reflected, among other matters, Youbet's counterproposal to increase the consideration offered in the transaction to 0.0657 shares of CDI common stock and \$0.74 in cash per share of Youbet common stock (representing an implied value of approximately \$3.25 per share in aggregate consideration based upon the 30-trading-day volume weighted average price of CDI's common stock as of September 24, 2009). Under Youbet's counterproposal, Youbet's optionholders would receive \$3.25 in cash minus the exercise price of each of their options. Further, Youbet's response reflected, among other things, its counterproposal to reduce the break-up fee to 2% in the initial CDI proposal.

On October 3, 2009, Sidley contacted Kirkland & Ellis to discuss Youbet's September 30, 2009 comments on the initial CDI proposal.

Between October 3, 2009 and October 7, 2009, Kirkland & Ellis and Sidley discussed various regulatory matters associated with a potential transaction between CDI and Youbet.

Table of Contents

On October 7, 2009, Sidley sent to Kirkland & Ellis a revised summary of principal proposed terms, which we refer to as the revised CDI proposal, with respect to a potential strategic transaction between Youbet and CDI in which CDI would acquire all of the common stock of Youbet in exchange for 0.0595 shares of CDI common stock and \$0.73 in cash per share of Youbet common stock (i.e., the same consideration originally offered in the initial CDI proposal, which represented an implied value of approximately \$3.01 per share in aggregate consideration based upon the 30-trading-day volume weighted average price of CDI's common stock as of September 24, 2009), in a one-step merger (instead of the two-step structure proposed in the initial CDI proposal) and with a break-up fee of 3% (compared to the 2% break-up fee proposed by Youbet and the 4% break-up fee in the initial CDI proposal). Youbet's optionholders would receive \$3.01 in cash minus the exercise price of each of their options under the revised CDI proposal. In addition, the revised CDI proposal included a \$5 million reverse break-up fee in the event the agreement and plan of merger was terminated due to the failure to receive antitrust clearance or following the entry of an order prohibiting the merger on antitrust grounds.

On October 8, 2009, Messrs. Brodsky, Goldberg and Perini and representatives of Kirkland & Ellis and Moelis met with Messrs. Carstanjen and Gay and William Mudd, Chief Financial Officer of CDI, and representatives of Sidley at Sidley's Chicago offices to discuss the revised CDI proposal. During this meeting Messrs. Brodsky and Goldberg communicated that the terms of the revised CDI proposal, including the consideration, were not acceptable to Youbet and the parties proceeded to engage in lengthy negotiations regarding the terms of a potential merger transaction. Among other things, these negotiations resulted in the parties agreeing in principle to a one-step merger structure and CDI increasing the merger consideration to 0.0639 shares of CDI common stock and \$0.78 in cash per share of Youbet common stock, which consideration, based on the 30-trading-day volume weighted average price of CDI's common stock as of October 8, 2009, reflected an implied value of \$3.20 per share of Youbet common stock (Youbet's optionholders would receive \$3.20 in cash minus the exercise price of each of their options under this agreement). Following these discussions, CDI requested that Youbet agree to a 15-day exclusivity period during which Youbet and its representatives could not solicit competing bids or engage in discussions or negotiations with other parties. Upon receiving this request, Messrs. Brodsky and Goldberg called the members of the Alternatives Committee to discuss CDI's request for exclusivity. The members of the Alternatives Committee, which had been updated on the status of the negotiations, determined that a 15-day exclusivity period was reasonable under the circumstances given the substantial perceived advantages of the revised CDI proposal over the Bidder B proposal, the lack of any perceived sense of urgency expressed by Bidder B with respect to its proposal and the lack of any other indications of interest being received from any other parties. In consideration of the foregoing, the members of the Strategic Alternatives Committee agreed to CDI's request for a 15-day exclusivity period, and on October 8, 2009, Youbet and CDI executed a letter agreement, which we refer to as the exclusivity letter, under which Youbet agreed to an exclusivity period ending on October 23, 2009. The exclusivity letter also contained as an exhibit a non-binding summary of principal proposed terms, which we refer to as the CDI term sheet, of the potential strategic transaction between Youbet and CDI. The CDI term sheet reflected the results of negotiations between CDI and Youbet since the initial CDI proposal was received by Youbet, including an increase in the consideration to be received by Youbet's stockholders (increased from 0.0595 shares of CDI common stock and \$0.73 per share of Youbet common stock to 0.0639 shares of CDI common stock and \$0.78 in cash per share of Youbet common stock), the 3% break-up fee (reduced from 4% in the initial CDI proposal), a no-shop provision allowing the Youbet board to respond to unsolicited proposals that would be reasonably likely to lead to a superior proposal and the addition of a reverse termination fee equal to \$5 million that would be payable to Youbet if the agreement and plan of merger was terminated as a result of the failure to obtain antitrust clearance or following the entry of an order prohibiting the merger on antitrust grounds.

On October 8, 2009, Youbet's common stock closed at \$2.23 per share.

On October 9, 2009, CDI sent to Moelis a list of due diligence items requested from Youbet in connection with CDI's evaluation of the proposed transaction. In addition, on October 9, 2009, Sidley distributed to Kirkland & Ellis a draft voting agreement pursuant to which CDI requested that New World and Lloyd I. Miller, III, Youbet's two largest stockholders, and Youbet's directors agree to vote all of their shares of Youbet common stock in support of the proposed merger.

Table of Contents

On October 11, 2009, Kirkland & Ellis sent to Sidley a list of due diligence items requested from CDI in connection with Youbet's evaluation of the proposed transaction.

On October 12, 2009, at a meeting of the Youbet board attended by members of Youbet's senior management, representatives of Kirkland & Ellis, representatives of Olshan and representatives of Moelis, the Youbet board reviewed summaries of the CDI term sheet and the Bidder B proposal. The Youbet board discussed details of the CDI term sheet and the Bidder B proposal as well as the various uncertainties and timing concerns related to the Bidder B proposal, including (i) the uncertain amount of consideration that would ultimately be offered in light of the wide range of values indicated and its reliance on potential synergies through a proposed agreement to be negotiated between Youbet and a portfolio company of one of Bidder B's affiliated funds in connection with the transaction, (ii) the relatively extensive remaining due diligence required by Bidder B and (iii) the fact that Bidder B indicated it intended to finance at least a portion of the purchase price from an external financing source. The Youbet board also discussed the progress of discussions and negotiations between Youbet and CDI, and Moelis discussed with the Youbet board the per-share consideration and valuation multiples implied by the CDI term sheet and the Bidder B proposal. Additionally, Kirkland & Ellis reviewed with the Youbet board certain other material aspects of the CDI term sheet, including, among other things, the transaction structure, post-transaction board representation, deal protections, voting agreements, the 3% break-up fee, regulatory approvals and the reverse break-up fee and the closing conditions specified in the CDI term sheet. Moelis also presented to the Youbet board a review of the strategic transaction process to date, reporting that 14 strategic parties had been contacted, five of which executed non-disclosure agreements with Youbet and attended management presentations or otherwise met with management to discuss the opportunity, and that no strategic bidders other than CDI submitted a proposal. Moelis also reported that 25 financial sponsors had been contacted, six of which executed non-disclosure agreements with Youbet and attended a management presentation or otherwise met with management to discuss the opportunity, and that, other than Bidder B, all of the financial sponsors indicated that they were not interested in a transaction with Youbet at that time. The Youbet board then discussed CDI's proposal and directed Youbet's management and advisors to pursue the transaction.

At the October 12, 2009 meeting, the Youbet board also discussed the potential acquisition of ADW Target 2. By this time, Youbet had received some, but not all, of the requested due diligence information and had therefore not yet completed its due diligence. Also, the Youbet board was aware of the fact that Youbet likely would not be able to pursue both the acquisition of ADW Target 2 and the merger transaction with CDI. In light of these considerations and the substantial dilutive effect a transaction with ADW Target 2 would likely have on Youbet's stockholders and given the fact Youbet had executed the exclusivity letter with CDI on terms that the Youbet board believed were advisable and in the best interests of Youbet and its stockholders, the Youbet board determined to suspend consideration of the potential strategic transaction with the ADW Target 2 until further notice.

On October 13, 2009, Sidley sent an initial draft agreement and plan of merger to Kirkland & Ellis.

On October 14, 2009, Moelis discussed with CDI, among other things, CDI's historical and projected financial performance.

On October 18, 2009, Kirkland & Ellis sent a revised draft agreement and plan of merger to Sidley. The revised draft reflected, among other things, Youbet's perspective that the agreement and plan of merger should provide the Youbet board the ability to change its recommendation to its stockholders with respect to the transaction if failure to do so would be inconsistent with their fiduciary duties under applicable law.

On October 19, 2009, Kirkland & Ellis participated in a teleconference with Sidley, regarding outstanding issues with and negotiations of the draft agreement and plan of merger. During the call Kirkland & Ellis reiterated to Sidley Youbet's proposal that the agreement and plan of merger should provide the Youbet board the ability to change its recommendation to its stockholders with respect to the transaction if failure to do so would be inconsistent with their fiduciary duties under applicable law.

Table of Contents

On October 22, 2009, Sidley sent a revised draft of the agreement and plan of merger to Kirkland & Ellis. Among other matters, the revised agreement and plan of merger included a provision allowing the Youbet board to change its recommendation with respect to the transaction in light of certain intervening events if the failure to do so would be inconsistent with their fiduciary duties under applicable law.

Also on October 22, 2009, at a meeting of the Youbet board attended by members of Youbet's senior management, representatives of Kirkland & Ellis, representatives of Olshan and representatives of Moelis, the Youbet board further discussed the proposed merger with CDI. In addition, Moelis presented a summary of CDI's expected third quarter financial results scheduled to be publicly disclosed by CDI on October 28, 2009. The Youbet board noted that CDI's anticipated third quarter results were below analysts' estimates. The Youbet board also discussed CDI's historical financial performance compared to consensus historical estimates at the time its results were publicly disclosed for previous quarters (and the performance of CDI's stock price at the time its results were publicly disclosed for previous quarters). In addition, Moelis and the Youbet board discussed the implied per-share merger consideration based on a range of potential CDI stock prices. The Youbet board discussed the ramifications on the proposed merger with CDI of a potential significant decline in CDI's stock price following CDI's third-quarter earnings announcement. Based upon these potential ramifications, the Youbet board determined it would be in the best interests of Youbet's stockholders for Youbet to wait to make any determination with respect to the proposed transaction with CDI until after CDI announced its third-quarter earnings so that any impact on CDI's stock price due to such announcement could be adequately assessed. Additionally, the Youbet board determined that Messrs. Brodsky and Goldberg should arrange for an in-person meeting with CDI as soon as possible to communicate Youbet's request for a delay. This in-person meeting took place later in the day on October 22, 2009, and CDI acquiesced to Youbet's request for a delay in exchange for an agreement to extend the exclusivity letter period. Finally, at the October 22, 2009 meeting, Kirkland & Ellis provided an update on the status of the draft agreement and plan of merger, explaining that there were only a limited number of material open items remaining in the agreement and plan of merger. Kirkland & Ellis also noted that Kirkland & Ellis representatives were onsite at CDI's headquarters in Louisville, Kentucky, conducting an on-site legal due diligence review to supplement the legal due diligence review that had already been conducted. In October 2009, Kirkland & Ellis and Youbet's in-house counsel continued to conduct a legal due diligence review of CDI, including, among other things, interviews of CDI's senior management. Also during this time period and during the beginning of November, Moelis and Youbet's management continued to perform business and financial due diligence, including a review of CDI's financial projections for 2009 and 2010 and estimated synergies expected to result from the transaction.

In October 2009, Sidley and CDI continued to conduct a legal due diligence review of Youbet, including, among other things, interviews of Youbet's senior management. Also during this time period and during the beginning of November 2009, CDI continued to perform business and financial due diligence, including a review of estimated synergies expected to result from the transaction.

On October 27, 2009, in light of the substantial progress made towards finalizing the agreement and plan of merger, Youbet, at the request of CDI, agreed to extend the period in which it would exclusively negotiate with CDI to November 5, 2009.

On October 28, 2009, Kirkland & Ellis sent to Sidley a revised draft of the agreement and plan of merger. Also on October 28, 2009, CDI announced its 2009 third-quarter earnings, which reflected that results were lower than analysts' expectations.

On November 3, 2009, at a meeting of the Alternatives Committee attended by members of Youbet's senior management, representatives of Kirkland & Ellis and representatives of Moelis, the Alternatives Committee discussed the approximately 17% decline in CDI's stock price relative to the 30-trading-day volume weighted average stock price at the date on which the fixed exchange ratio had been set in the CDI term sheet and the approximately 9% decline in CDI's stock price since the date on which CDI announced its third-quarter earnings. During the meeting, the Alternatives Committee considered, among other things, CDI's historical stock price

Table of Contents

performance and the implied per-share merger consideration based on a range of potential CDI stock prices. Also, the Alternatives Committee discussed the results of Kirkland & Ellis' and Moelis' due diligence on CDI to date, including CDI's projections for the remainder of 2009 and 2010, including the risks relating to CDI's achievement of the projections, and the potential synergies estimated by CDI's management. Further, at the request of the Alternatives Committee, Kirkland & Ellis provided an update on the remaining open issues in the agreement and plan of merger.

Based on the decline in CDI's stock price, however, the Alternatives Committee determined that Messrs. Brodsky and Goldberg would contact CDI to request an increase in the proposed merger consideration.

On November 5, 2009, in accordance with the Alternatives Committee's instructions, Messrs. Brodsky and Goldberg requested from Mr. Carstanjen that CDI increase the merger consideration in light of the recent decline in CDI's stock price. In addition, on November 5, 2009, with the knowledge and approval of the Alternatives Committee, Mr. Pritzker, an affiliate of New World (which was being asked to sign a voting agreement in connection with the proposed merger, and who consequently was aware of the discussions between Youbet and CDI), also requested an increase in the merger consideration from Mr. Evans. On November 5, 2009, at a meeting of the Alternatives Committee, Messrs. Brodsky, Goldberg and Pritzker each reported that CDI's management was unwilling to increase the merger consideration. After discussing (i) the continuing challenges facing Youbet's business and the gaming and horse racing industry, including increasing competition in the ADW channel and Youbet's relatively small size within the industry and the lagging performance of Youbet's totalizator business, (ii) the lack of a more compelling strategic alternative, (iii) the realization that Youbet only received one indication of interest other than that from CDI, and (iv) the fact that the then-current implied merger consideration, which, based upon the closing price of CDI's common stock on November 4, 2009 was equal to approximately \$2.76 per share and still represented a significant premium over Youbet's then-current stock price, the Alternatives Committee determined that Youbet should continue its discussions with CDI, despite the recent decline in CDI's stock price. After Kirkland & Ellis provided an update on the limited number of open items in the agreement and plan of merger, the Alternatives Committee discussed the open items and directed Kirkland & Ellis to continue to negotiate the agreement and plan of merger based on such discussions.

On November 6, 2009, Sidley sent a revised draft of the agreement and plan of merger to Kirkland & Ellis.

On November 7, 2009, negotiations of the terms and conditions of the merger were substantially concluded and near-final drafts of the agreement and plan of merger, along with other supporting documentation, were distributed to the members of the Youbet board.

The recent decline in CDI's stock price caused the implied value per share of Youbet common stock in connection with the merger to drop from \$3.20 per share on October 8, 2009, to \$2.81 per share on November 9, 2009 (based on 0.0639 shares of CDI common stock and \$0.78 in cash per share of Youbet common stock). This decline caused an inequality in the merger consideration paid to stockholders and optionholders, who were to receive \$3.20 in cash minus the exercise price of their options. The Youbet board sought to remedy this inequality, and members of the Youbet board instructed Kirkland & Ellis and Moelis to explore methods for achieving that goal. On November 7, 2009, Kirkland & Ellis contacted Sidley and proposed that Youbet optionholders be given the same mix of consideration as Youbet's stockholders, and CDI agreed to this proposal. However, in light of NASDAQ's listing rules which would prohibit CDI from issuing shares representing 20% or more of its outstanding shares in certain circumstances without obtaining the approval of CDI's stockholders, the parties agreed to modify the mix of cash and stock consideration to be received by the Youbet stockholders to 0.0598 shares of CDI common stock and \$0.97 in cash per share of Youbet common stock in order to not exceed this 20% threshold. Based upon the modified mix of cash and common stock and the change in consideration to Youbet optionholders, as of November 9, 2009, the implied value to be received by Youbet's stockholders in the merger was \$2.87 (vs. \$2.81 under the previous structure).

On November 10, 2009, the Youbet board convened a meeting to consider the proposed merger with CDI. The meeting was attended by members of Youbet's senior management, representatives of Kirkland & Ellis,

Table of Contents

representatives of Olshan and representatives of Moelis. The meeting began with Kirkland & Ellis first summarizing the Youbet board's fiduciary duties in connection with the proposed merger with CDI. At the meeting, the Youbet board analyzed, among other things, Youbet's financial performance and its management's projections, both for the base ADW and totalizator segments. Youbet's adjusted ADW EBITDA was estimated in this presentation to be \$13.4 million in 2009, and projected to be \$17.4, \$24.0, \$30.0, and \$37.8 million from 2010 through 2013. Youbet's adjusted EBITDA for totalizator operations was estimated at \$1.5 million in 2009 and \$900,000 for 2010 through 2013. The Moelis presentation also included projections prepared by Youbet management for a potential online poker business in the United States should such an offering be legalized, but noted that such projections were speculative in nature. Please refer to Management Projections beginning on page 87 for further details.

Moelis next reviewed with the Youbet board that 39 parties had been contacted in the process it conducted beginning in late June of 2009, only one of which (Bidder B) went on to submit a non-binding indication of interest. Moelis also reviewed the CDI proposal and course of negotiations with CDI. Kirkland & Ellis and Moelis reported that negotiations with CDI were near completion. Kirkland & Ellis then led a discussion with the Youbet board regarding certain provisions of the proposed agreement and plan of merger with CDI, including the proposed merger consideration, the closing conditions, the pre-closing covenants, the termination rights, the break-up fee and reverse break-up fee provisions, the scope of the representations and warranties and various definitions, including the definitions of company material adverse effect and parent material adverse effect. The Youbet board then asked about and discussed the process, filings, deliveries and approvals required for closing. Kirkland & Ellis also summarized for the Youbet board the results of its legal due diligence.

The Youbet board also reviewed Moelis' financial analysis of the proposed transaction with CDI, including a discussion of Youbet's and CDI's projections, Moelis' valuation analyses and potential synergies that may be realized. Moelis then delivered to the Youbet board its oral opinion, which was subsequently confirmed by delivery of a written opinion dated November 10, 2009, that, based upon and subject to the various considerations, assumptions and limitations set forth in Moelis' written opinion (the form of which had been reviewed and negotiated by Kirkland & Ellis on behalf of Youbet), the consideration of 0.0598 shares of CDI common stock and \$0.97 in cash per share of Youbet common stock (reflecting an implied value of approximately \$2.87 based upon the closing price of CDI common stock on November 9, 2009) to be received by holders of Youbet common stock in accordance with the agreement and plan of merger was fair, from a financial point of view, to such stockholders. For more information on Moelis' opinion, see Opinion of Youbet's Financial Advisor beginning on page 78 of this proxy statement/prospectus.

Following these presentations, the Youbet board discussed at length the proposed transaction with CDI, including the implied value of the per-share merger consideration under the draft agreement and plan of merger equal to approximately \$2.87 based upon the closing price of CDI common stock on November 9, 2009. The Youbet board also discussed at length the timing and risks of consummating the merger, as well as the alternatives to a transaction, including, among other things, continuing to operate Youbet on a stand-alone basis, acquiring a competitor within the totalizator business or the ADW channel and/or selling part or all of its totalizator business, including the risks and uncertainties associated with these alternatives.

The Youbet board unanimously determined that the agreement and plan of merger and the transactions contemplated thereby, including the merger, on the terms discussed at the meeting, were advisable and fair to, and in the best interests of, Youbet and its stockholders. The Youbet board unanimously approved the agreement and plan of merger, the voting agreements pursuant to which the New World, Lloyd I. Miller, III and the members of the Youbet board would agree to vote all of their shares of Youbet common stock in support of the proposed merger, and an amendment to Youbet's Youbet rights plan that would exempt CDI's actions in connection with the merger from the provisions of the Youbet rights plan, and resolved to recommend that the Youbet stockholders adopt the agreement and plan of merger, and directed that the agreement and plan of merger be submitted to the Youbet stockholders for approval.

On November 11, 2009, the CDI board met, together with members of CDI's management, Sidley and CDI's financial advisors. CDI management updated the CDI board on the course of negotiations with Youbet and

Table of Contents

summarized the strategic rationale for consummating the proposed merger transaction with Youbet. CDI management also updated the CDI board on the due diligence investigation of Youbet conducted by CDI and its advisors. Representatives of Sidley also reviewed the fiduciary duties of the members of the CDI board with respect to the evaluation of the proposed transaction.

CDI's financial advisor reviewed with the CDI board its financial analysis of the proposed transaction, including the consideration of 0.0598 shares of CDI common stock and \$0.97 in cash per share of Youbet common stock to be received by holders of Youbet common stock in accordance with the terms of the merger agreement.

Representatives of Sidley reviewed with the CDI board both a summary of the terms of the proposed merger agreement, including the proposed merger consideration, the closing conditions, the pre closing covenants, the termination rights, the break up fee and reverse break up fee provisions, the scope of the representations and warranties and various definitions, including the definitions of company material adverse effect and parent material adverse effect, as well as a summary of the terms of the voting agreements to be entered into by CDI and each of New World, Lloyd I. Miller, III and each of the directors of Youbet, pursuant to which New World, Lloyd I. Miller, III and the members of the Youbet board would each agree to vote all of their shares of Youbet common stock over which they exercised sole voting power in support of the proposed merger. Representatives of Sidley also summarized the process, filings, deliveries and regulatory approvals required for closing the proposed merger transaction with Youbet, including the expected timing of obtaining such approvals. Both during and following these presentations by CDI's management and its financial and legal advisors, members of CDI's board asked questions and engaged in discussion with respect to the proposed transaction with Youbet.

CDI management recommended that the CDI board approve the proposed merger with Youbet and authorize CDI's entry into the merger agreement and voting agreements. After further consideration and deliberation, and taking into account the factors described under CDI's Reasons for the Merger beginning on page 89, the CDI board unanimously determined that it was advisable and in the best interests of CDI and its shareholders to enter into a merger transaction with Youbet and voted to approve and for CDI to enter into the proposed merger agreement and voting agreements.

On November 11, 2009, following the closing of trading on NASDAQ, CDI and Youbet executed the merger agreement. In addition, CDI and each of New World, Lloyd I. Miller, III and the members of the Youbet board executed voting agreements pursuant to which each of New World, Lloyd I. Miller, III and the members of the Youbet board agreed to vote all of their shares of Youbet common stock over which they exercised sole voting power in support of the proposed merger. Further, Youbet and American Stock Transfer & Trust Company LLC executed an amendment to Youbet's rights plan, which exempted CDI's actions in connection with the merger from the provisions of the Youbet rights plan. For a discussion of the merger agreement, the voting agreements and the amendment to the Youbet rights plan, see The Merger Agreement beginning on page 101 of this proxy statement/prospectus, The Special Meeting of Youbet Stockholders Voting by Youbet Directors and Executive Officers beginning on page 55 of this proxy statement/prospectus and Comparison of Stockholder and Shareholder Rights and Corporate Governance Matters Youbet Shareholder Rights Plans beginning on page 149 of this proxy statement/prospectus, respectively.

On November 11, 2009, Youbet announced results for the three and nine month periods ended September 30, 2009. Total revenues for the three month period ended September 30, 2009 were approximately \$27.9 million, an approximately 4.9% decrease of total revenues from the total revenues of approximately \$29.3 million for the three month period ended September 30, 2008. In addition, on November 11, 2009, CDI and Youbet issued a joint press release announcing the execution of the merger agreement.

Table of Contents

Recommendation of the Youbet Board of Directors and Its Reasons for the Merger

In evaluating the merger, the Youbet board consulted with the members of Alternatives Committee and Youbet's management, as well as with Youbet's financial and legal advisors. In reaching its conclusion to approve and adopt the merger agreement and the transactions it contemplates, the Youbet board considered a variety of factors that the Youbet board viewed as generally supporting its decision to approve and adopt the merger agreement and the transactions it contemplates, including, without limitation, the following:

The financial performance and condition, assets, liabilities, business operations and prospects of Youbet.

The Youbet board's assessment of challenges to Youbet's business, including increased competition, general adverse economic conditions and the state of the North American horse racing industry.

The strategic alternatives reasonably available to Youbet, including remaining a stand-alone entity and pursuing potential alternative acquisition candidates within the gaming and horse racing industry and ADW channel or a possible sale of Youbet's totalizator business, and the risks and uncertainties related to such strategic alternatives.

The fact that after the solicitation effort conducted by Moelis during 2009, only CDI and Bidder B submitted indications of interest regarding an acquisition of Youbet.

The fact that the Bidder B proposal was much more conditional and uncertain than the proposal from CDI, and required a longer due diligence and exclusivity period than the proposal from CDI.

The belief that the merger with CDI is likely to provide greater security for Youbet stockholders than continuing as a stand-alone business given increasing competition and Youbet's relatively small size within the gaming and horse racing industry, while at the same time providing greater opportunities for Youbet to develop its ADW and totalizator businesses within CDI.

The belief that Youbet stockholders (who will receive a majority of the merger consideration in the form of CDI common stock) will have an opportunity to participate in the future success of the combined business of Youbet and CDI, a much larger company with more diversified earnings than Youbet.

The belief that the combined businesses are likely to realize material synergies from the integration of the businesses.

The opportunity for Youbet stockholders to benefit from any increase in the trading price of CDI common stock between announcement of the merger and closing of the merger based on the fixed exchange ratio of 0.0598 shares of CDI common stock and \$0.97 for each share of Youbet common stock, subject to certain limitations described under "The Merger Agreement" beginning on page 101 of this proxy statement/prospectus.

The historical and current market prices of Youbet common stock and CDI common stock, as well as comparative valuation analyses for the two companies.

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The fact that the per-share value of approximately \$2.87 implied by the fixed exchange ratio of 0.0598 shares of CDI common stock and \$0.97 for each share of Youbet common stock, based upon the closing price of CDI common stock on November 9, 2009, the last trading day prior to approving the proposed transaction with CDI, represented:

an approximately 19.5% premium over the closing price of Youbet common stock on November 9, 2009, the last trading day prior to approving the proposed transaction with CDI;

an approximately 18.6% premium over the average closing price of Youbet common stock over the last 30 calendar days prior to approving the proposed transaction with CDI;

an approximately 24.4% premium over the average closing price of Youbet common stock over the last 90 calendar days prior to approving the proposed transaction with CDI; and

an approximately 7.0% premium over the average closing price of Youbet common stock over the last 180 calendar days prior to approving the proposed transaction with CDI.

Table of Contents

Youbet's relatively small market capitalization, even smaller public float (due to a number of large stockholders) and low trading volume when compared to other NASDAQ-listed companies and the fact that there is minimal research analyst coverage of Youbet's common stock.

The fact that New World and Lloyd I. Miller, III, Youbet's two largest stockholders, who collectively held approximately 27.1% of Youbet's issued and outstanding common stock, were willing to enter into voting agreements and agree to vote in favor of the merger.

The Youbet board's judgment that achieving a price per share in the future as a stand alone business higher than the price per share implied by the merger consideration as of the date of signing the merger agreement would necessitate a consistently high level of operating performance, and the recognition that success in achieving such performance is subject to various risks and uncertainties, including with respect to various laws and regulations which have been or are being considered by Congress and other federal and state authorities.

The prices paid in comparable transactions, as well as the trading performance for comparable companies in Youbet's industry.

The limited number and nature of the conditions to each party's obligation to consummate the merger (including the lack of a condition related to financing).

The Youbet board's belief that the terms of the merger agreement, including the parties' representations and warranties, covenants and closing conditions, are fair and reasonable to Youbet.

The analyses of Youbet's management, financial advisors and legal advisors, including information relating to the due diligence review that was conducted regarding CDI's business.

The extensive negotiations undertaken with CDI, and the resulting benefits of these negotiations.

The opinion of Moelis as to the fairness, from a financial point of view, of the consideration to be received by holders of Youbet common stock under the merger agreement, as more fully described below in the section titled "Opinion of Youbet's Financial Advisor" beginning on page 78 of this proxy statement/prospectus.

The structure of the transaction as a merger and not a tender offer, which would result in a period of time prior to consummation of the merger for an alternative acquisition proposal for Youbet to be brought forth.

The fact that the agreement and plan of merger specifically permits Youbet to engage in negotiations with, and provide information to, a third party that makes an unsolicited proposal if the Youbet board determines in good faith, after consultation with its independent financial and legal advisors, that such proposal would reasonably be likely to lead to a superior proposal for the acquisition of Youbet, than the proposed merger with CDI.

The fact that the merger agreement allows the Youbet board to terminate the agreement and plan of merger if a superior proposal is received from a third party and to change or withdraw its recommendation upon the occurrence of certain intervening events if the Youbet board determines that the failure to change its recommendation would be inconsistent with its fiduciary duties under applicable law, subject in each case to compliance with certain procedural requirements and payment of a \$4,326,000 termination fee and the reimbursement of CDI for up to \$500,000 of expenses under certain circumstances, which termination fee and expense

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reimbursement, in the view of the Youbet board, would not preclude an alternative acquisition proposal for Youbet.

The fact that the voting agreements with Youbet's two largest stockholders will terminate if the Youbet board terminates the agreement and plan of merger to accept a superior proposal.

The active and direct role of certain members of the Youbet board in the negotiations with respect to the proposed merger, the experience of such members with Youbet and the past general business experience of such members.

The fact that Youbet stockholders will be entitled to exercise their appraisal rights under the General Corporation Law of Delaware to receive the fair value of their shares if they dissent from the merger, as more fully described under The Merger Youbet Stockholder Appraisal Rights beginning on

Table of Contents

page 95 of this proxy statement/prospectus (the text of the applicable provisions of Delaware law is included as Annex C to this proxy statement/prospectus).

The expected tax consequences of the merger to Youbet stockholders, as more fully described below in the section titled "Certain Material United States Federal Income Tax Consequences" beginning on page 92 of this proxy statement/prospectus.

The fact that the 14-member board of directors of CDI following the merger will include one designee from the Youbet board, and such designee will be included in CDI's Executive Committee and Strategic Planning Committee.

The Youbet board also considered a number of potentially negative factors in its deliberations concerning the merger, including:

The potential for Youbet stockholders to be adversely affected by a decrease in the trading price of CDI common stock between announcement of the merger and closing of the merger based on the fixed exchange ratio of 0.0598 shares of CDI common stock and \$0.97 for each share of Youbet common stock, as more fully described in "The Merger Agreement" beginning on page 101 of this proxy statement/prospectus.

The general risks associated with successfully integrating the businesses of separate companies.

CDI's relatively low trading volume when compared to other NASDAQ-listed companies.

The risk that conditions to the merger will not be satisfied and may not be completed in a timely manner, if at all, and the potential harm to Youbet's business in that event.

The recent decline in CDI's stock price and its impact on the value of the merger consideration.

The other risks described above under "Risk Factors" beginning on page 27 of this proxy statement/prospectus.

This discussion of information and factors considered by the Youbet board is not intended to be exhaustive but is intended to summarize all material factors considered by the Youbet board. In view of the wide variety of factors considered in connection with its evaluation of the merger and the complexity of these matters, the Youbet board did not find it useful, and did not attempt, to quantify, rank or otherwise assign any relative or specific weights to the factors that it considered in reaching its determination to approve the merger and the merger agreement. In addition, individual members of the Youbet board may have given differing weights to different factors.

Based on the factors outlined above, the Youbet board determined that the merger agreement and the transactions it contemplates, including the merger, are advisable, fair to, and in the best interests of, Youbet and its stockholders. The Youbet board unanimously recommends that Youbet's stockholders vote **FOR** the proposal to adopt the merger agreement.

Opinion of Youbet's Financial Advisor

Pursuant to a letter agreement dated November 24, 2008, Youbet engaged Moelis to act as its financial advisor in connection with an evaluation of strategic alternatives. Subsequently, the Youbet board of directors asked Moelis to provide it with an opinion as to whether the per share consideration to be received in the transactions contemplated pursuant to the merger agreement was fair, from a financial point of view, to Youbet's stockholders.

On November 10, 2009, at a meeting of the Youbet board of directors held to evaluate the merger agreement and the transactions contemplated thereby, Moelis delivered to the Youbet board its oral opinion, subsequently confirmed by delivery of a written opinion dated November 10, 2009, that, based upon and subject to the limitations and qualifications set forth in the opinion, as of the date of the opinion, the merger

consideration to be received by the Yobet stockholders, other than CDI and its affiliates, pursuant to the terms and subject to the conditions set forth in the merger agreement, is fair, from a financial point of view, to such holders.

Table of Contents

The Moelis opinion is attached as Annex B to this proxy statement/prospectus. This summary is qualified in its entirety by reference to the full text of the opinion. The full text of the opinion describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken by Moelis in connection with such opinion. Stockholders are encouraged to read the opinion carefully in its entirety. Moelis opinion is directed to the Youbet board of directors and addresses only the fairness from a financial point of view of the consideration to be received by holders of Youbet common stock. The Youbet board has not asked Moelis to address, and its opinion does not address, the fairness to, or any other consideration of, the holders of any class of securities, creditors or other constituencies of Youbet, other than the stockholders (aside from CDI and its affiliates). Moelis opinion does not constitute a recommendation on how any stockholder of Youbet should vote at any stockholders meetings held in connection with the merger. In addition, Moelis did not express any opinion as to the fairness of the amount or nature of any compensation to be received by any of Youbet's officers, directors or employees, or any class of such persons, relative to the merger consideration.

Moelis opinion does not address Youbet's underlying business decision to effect the merger or the relative merits of the merger as compared to any alternative business strategies or transactions that might be available to Youbet and does not constitute a recommendation to any Youbet stockholder as to how such Youbet stockholder should vote with respect to the merger. At the direction of the Youbet board of directors, Moelis was not asked to, nor did it, offer any opinion as to the material terms of the merger agreement or the form of the merger. Moelis expressed no opinion as to what the value of CDI's common stock will be when it is issued pursuant to the merger agreement or the prices at which CDI's or Youbet's common stock will trade at any time.

Moelis opinion is necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to Moelis as of, the date of Moelis opinion. Moelis has also assumed, with the consent of the Youbet board of directors, that all governmental, regulatory or other consents and approvals necessary for the consummation of the merger will be obtained without the imposition of any material delay, limitation, restriction, divestiture or condition that would have an adverse effect on Youbet or CDI or on the expected benefits of the merger. Moelis has also assumed, with the consent of the Youbet board of directors, that the final executed form of the merger agreement does not differ in any material respect from the draft that Moelis has examined, that the representations and warranties of all parties to the merger agreement are true and correct, that each party to the merger agreement will perform all of the covenants and agreements required to be performed by such party, that all conditions to the consummation of the merger will be satisfied without material waiver thereof, and that the merger will be consummated in a timely manner in accordance with the terms described in the merger agreement, without any material modifications or amendments thereto or any adjustment to the merger consideration (through indemnification claims, offset, purchase price adjustments or otherwise, except with respect to the mix of consideration as contemplated by the merger agreement). Moelis considered that the adjustment mechanism may result in an increase in the cash consideration to be received by Youbet's stockholders in lieu of CDI stock in an amount equal to the reduction in the implied stock consideration based upon the closing price of CDI's common stock on November 6, 2009. However, given that Moelis opinion was based on the consideration to be received as of the date of the opinion, at which time the adjustment mechanism in the merger agreement was not triggered (and there was no basis for determining if, or to what extent, the mechanism would be triggered in the future), Moelis did not find it necessary to separately evaluate the fairness of the consideration to be received by Youbet stockholders in the event that the adjustment mechanism was triggered. The Moelis opinion was approved by Moelis Fairness Opinion and Valuation Review Committee.

In arriving at the conclusions reached in its opinion, Moelis has, among other things:

reviewed certain publicly available business and financial information relating to Youbet and CDI that Moelis deemed relevant;

reviewed certain internal information relating to Youbet, including financial forecasts, earnings, cash flow, assets, liabilities and prospects of Youbet, furnished to Moelis by Youbet;

reviewed certain internal information relating to CDI, including financial forecasts, earnings, cash flow, assets, liabilities and prospects of CDI and information relating to anticipated cost savings from the merger, all furnished to Moelis by CDI;

Table of Contents

conducted discussions with members of senior management and representatives of Youbet and CDI concerning the matters described above, as well as their respective businesses and prospects before and after giving effect to the merger;

reviewed publicly available financial and stock market data, including valuation multiples, for Youbet and CDI and compared them with those of certain other companies in lines of business that Moelis deemed relevant;

contacted third parties to solicit indications of interest in a possible transaction with Youbet and held discussions with certain of these parties;

compared the proposed financial terms of the merger with the financial terms of certain other transactions that Moelis deemed relevant;

considered certain potential pro forma effects of the merger;

reviewed a draft of the merger agreement, dated November 10, 2009;

participated in certain discussions and negotiations among representatives of Youbet and CDI and their financial and legal advisors; and

conducted such other financial studies and analyses and took into account such other information as Moelis deemed appropriate. In connection with its review, Moelis did not assume any responsibility for independent verification of any of the information supplied to, discussed with, or reviewed by it for the purpose of its opinion and, with the consent of the Youbet board of directors, relied on such information being complete and accurate in all material respects. In addition, at the direction of the Youbet board of directors, Moelis has not made any independent evaluation or appraisal of any of the assets or liabilities (contingent, derivative, off-balance-sheet, or otherwise) of Youbet or CDI, nor has Moelis been furnished with any such evaluation or appraisal. With respect to the forecasted financial information referred to above, Moelis has assumed, with the consent of the Youbet board of directors, that such information has been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the respective management of Youbet or CDI as to the respective future performance of Youbet or CDI. Any estimates or forecasts contained in Moelis' analyses are not necessarily indicative of future results or actual values, which may be significantly more or less favorable than those suggested by such estimates or forecasts. Moelis is not a legal, tax or regulatory advisor. Moelis is a financial advisor only and relied upon, without independent verification, the assessment of Youbet and CDI and, with respect to legal, tax or regulatory matters, the legal, tax or regulatory advisors of Youbet.

Financial Analyses

The following is a summary of the financial analyses presented by Moelis to the Youbet board of directors at its meeting held on November 10, 2009 in connection with the delivery of the oral opinion of Moelis at such meeting and its subsequent written opinion, dated November 10, 2009.

The summary set forth below does not purport to be a complete description of the analyses performed and factors considered by Moelis in arriving at its opinion. The fact that any specific analysis has been referred to in the summary below or in this statement is not meant to indicate that such analysis was given more weight than any other analysis. The preparation of a fairness opinion is a complex process involving various determinations and subjective judgments as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Therefore, such an opinion is not readily susceptible to partial analysis or summary description. With respect to the comparable public companies analysis and the precedent transactions analysis summarized below, no company, business or transaction used in such analyses as a comparison is either identical or directly comparable to Youbet or the merger, nor is an evaluation of such analyses entirely mathematical. These analyses necessarily involve complex considerations and judgments concerning financial and operating characteristics and other factors. Moelis did not draw, in isolation, conclusions from or with regard to any one factor or method of analysis for purposes of its opinion, but rather arrived at its ultimate opinion based on the results of all analyses undertaken by it and assessed as a whole, and

Table of Contents

believes that the totality of the factors considered and analyses it performed in connection with its opinion operated collectively to support its determination as to the fairness from a financial point of view as of the date of its opinion of the merger consideration to be received by the Youbet stockholders, other than CDI and its affiliates.

Some of the summaries of the financial analyses below include information presented in tabular format. In order to fully understand Moelis analyses, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the analyses. Considering the data described below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of Moelis analyses. Moelis believes that the analyses and the summary below must be considered as a whole and that selecting portions of the analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying Moelis analyses and its opinion. Moelis did not in isolation draw conclusions from or with regard to any one factor or method of analysis for purposes of its opinion, but rather Moelis arrived at its opinion based on the results of all analyses undertaken by it and assessed as a whole.

The analyses performed by Moelis include analyses based upon forecasts of future results, which results might be significantly more or less favorable than those upon which Moelis analyses were based. The analyses do not purport to be appraisals or to reflect the prices at which Youbet's or CDI's shares of common stock might trade at any time following the announcement of the merger. Because the analyses are inherently subject to uncertainty, being based upon numerous factors and events, including, without limitation, factors relating to general economic and competitive conditions beyond the control of the parties or their respective advisors, neither Moelis nor any other person assumes responsibility if future results or actual values are materially different from those contemplated below.

Youbet Analyses

In its evaluation of the proposed transaction, Moelis selected three principal valuation methodologies (specifically, a comparable public companies analysis, a precedent transactions analysis and a discounted cash flow analysis), each of which is summarized on the following pages.

Set forth in the table immediately below are the derived per share valuation ranges resulting from the application, subject to certain assumptions, of the three valuation methodologies that Moelis selected. The discounted cash flow analysis was conducted based upon projections prepared by Youbet management under two scenarios: (i) online gaming in the U.S. (beyond horseracing) is not legalized during the course of the projections, which we refer to as the base business scenario, and (ii) online gaming is legalized and Youbet is licensed to offer online poker on its website, which we refer to as the base business plus U.S. poker scenario. The two scenarios are more fully described under Discounted Cash Flow Analysis below. The derived per share valuation ranges are presented next to the implied per share values for Youbet based on the merger consideration to be received, calculated at three different prices per share of CDI's common stock: (i) CDI's closing price per share of \$31.72 as of November 9, 2009 (the last trading day prior to the delivery of the opinion), (ii) CDI's volume-weighted average closing price per share of \$31.60 for the eight trading days ended on November 9, 2009 and beginning on the first trading day following the announcement of CDI's third quarter earnings, which we refer to as the 8-Day VWAP, and (iii) CDI's implied theoretical share price of \$39.37, calculated on a pro forma basis to give effect to the merger, including cost savings as estimated by CDI's management, which we refer to as the Pro Forma Share Price (as more fully described under CDI Analyses Theoretical Pro Forma CDI Stock Price Analysis).

Valuation Methodology	Implied Per Share Value of Consideration Based on Churchill's:		
Comparable public companies analysis	\$ 2.53-\$3.11	November 9, 2009 Closing Price (\$31.72)	\$ 2.87
Precedent transactions analysis	\$ 2.48-\$3.09	8-Day VWAP (\$31.60)	\$ 2.86
Discounted cash flow analysis base business	\$ 2.69-\$3.19	Pro Forma Share Price (\$39.37)	\$ 3.32
Discounted cash flow analysis base business plus U.S. poker	\$ 2.75-\$3.62		

Table of Contents

Comparable Public Companies Analysis

Moelis performed a comparable public companies analysis, which is intended to provide an implied value of a company by comparing certain financial information of the company with corresponding financial information of similar public companies.

Moelis selected publicly traded companies that shared similar characteristics with Youbet's business, operations and size, and for which relevant financial information was publicly available. Emphasis was placed on companies with market capitalizations below approximately \$1 billion (given Youbet's market capitalization of \$106 million based on its closing stock price on November 9, 2009) and with significant operations in North America, with the exception of the selected online gaming companies, which were primarily based in Europe and included companies with market capitalizations greater than \$1 billion. Moelis identified the four groups of comparable public companies listed below, and noted that none of the selected comparable companies were directly comparable to Youbet, as Youbet is the only pure-play online horserace wagering company in the U.S. Moelis noted that CDI was deemed the most relevant comparable company given its focus on the horseracing industry in North America and its operation of a similar online horserace wagering business. Moelis also noted that Youbet was among the smallest of the selected comparable companies, based on revenues.

Online gaming companies: 888 Holdings plc, bwin Interactive Entertainment AG, Ladbrokes plc, Paddy Power plc, PartyGaming plc and William Hill plc

Consumer-focused e-commerce companies which primarily function as a broker in facilitating transactions: 1-800-Flowers.com Inc., BIDZ.com, Inc., Orbitz Worldwide, Inc. and Ticketmaster Entertainment, Inc.

Horseracing track operators: Canterbury Park Holding Corporation, Churchill Downs Inc., Dover Downs Gaming & Entertainment, Inc. and MTR Gaming Group, Inc.

North American casino companies: Ameristar Casinos Inc., Boyd Gaming Corp., Great Canadian Gaming Corp., Isle of Capri Casinos Inc., Monarch Casino & Resort Inc., Penn National Gaming Inc. and Pinnacle Entertainment Inc.

The set of comparable public companies analyzed by Moelis included all of the companies within these four groups which Moelis deemed to share similar characteristics with Youbet based on the business and market capitalization criteria described above.

Moelis evaluated Youbet relative to the comparable companies based on financial metrics including profitability, revenue and earnings growth, and return on invested capital. As part of its comparable public companies analysis, Moelis calculated and analyzed each selected company's ratio of its enterprise value (calculated as fully diluted equity value based on closing stock prices as of November 9, 2009, including in-the-money stock options and in-the-money convertible preferred stock or debt, plus debt, minority interest, preferred stock and out-of-the-money convertibles, less cash as of each company's most recently reported quarter end) to its Adjusted EBITDA (calculated as earnings before interest, taxes, depreciation, amortization, stock-based compensation and other non-cash and non-recurring expenses or gains) for the most recent publicly reported last twelve month period, which we refer to as LTM, and calendar year, which we refer to as CY, 2010 based on Wall Street research analysts' estimates. In addition, Moelis calculated and analyzed each selected company's ratio of its stock price as of November 9, 2009 to its earnings per share as estimated for CY 2010 based on Wall Street research analysts' estimates, which we refer to as CY 2010 P/E.

Table of Contents

	Enterprise Value / LTM Adjusted EBITDA		Enterprise Value / CY 2010 Adjusted EBITDA		Price / CY 2010 EPS	
	Mean	Median	Mean	Median	Mean	Median
All selected comparable companies	7.7x	7.5x	7.0x	6.8x	14.8x	14.7x
Online gaming companies	9.8x	10.3x	8.3x	8.7x	12.9x	14.2x
Consumer-focused e-commerce companies	6.1x	5.6x	5.7x	5.8x	14.1x	12.1x
Horseracing track operators	6.6x	6.4x	5.8x	5.9x	13.1x	13.1x
North American casino companies	7.5x	7.5x	7.0x	7.0x	17.7x	18.1x

**Implied Transaction Multiple Based on Per
Share Value of Consideration at CDI s:**

November 9, 2009 Closing Price (\$31.72)	8.3x	6.5x	14.9x
8-Day VWAP (\$31.60)	8.2x	6.5x	14.9x
Pro Forma Share Price (\$39.37)	9.8x	7.7x	17.3x

Based on the foregoing, Moelis selected multiple ranges for each metric and applied them to the relevant statistic for Youbet (using Youbet management's projections for CY 2010) and calculated an implied range of Youbet stock prices. Moelis then calculated the mean of the stock price ranges derived by the three metrics, which resulted in a valuation range for Youbet of \$2.53 to \$3.11 per share, which compares to the merger consideration of \$2.87, \$2.86 and \$3.32 based on CDI's closing stock price as of November 9, 2009 of \$31.72, its 8-Day VWAP of \$31.60 and its Pro Forma Share Price of \$39.37.

Precedent Transactions Analysis

Moelis compared selected financial and transaction metrics of Youbet and the merger with similar data involving targets in the online gaming and e-commerce sectors. In particular, Moelis considered companies that act as facilitators of e-commerce transactions given the lack of transactions involving businesses directly comparable to Youbet. Moelis considered transactions with implied enterprise values of approximately \$1 billion or less, dating back approximately six years. Market conditions at the time a given transaction was announced were also considered when analyzing the precedent transactions.

For each of the precedent transactions, Moelis calculated valuation multiples based on information that was publicly available, focusing on the ratio of enterprise value to Adjusted EBITDA for the identified target company for the last reported LTM period as of the announcement date of the transaction.

The precedent transactions considered were:

Date Announced	Target	Acquiror
7/22/2009	Bankrate	Apax Partners
2/10/2009	Ticketmaster	Live Nation
1/27/2009	TVG Network	Betfair Group Ltd.
1/08/2009	thinkorswim	TD Ameritrade
4/30/2008	FTD Group	United Online
6/11/2007	AmericaTab/ BRIS/TSN	Churchill Downs
7/7/2006	Interflora UK	FTD Group
12/4/2005	Provide Commerce	Liberty Media
10/5/2003	FTD, Inc.	Leonard Green & Partners

Table of Contents

	Enterprise Value/ Adjusted LTM EBITDA
Precedent Transactions:	
Mean (1)	7.0x
Median	8.4x
Implied Transaction Multiple Based on Per Share Value of Consideration	
Based on CDI s:	
November 9, 2009 Price (\$31.72)	8.3x
8-Day VWAP (\$31.60)	8.2x
Pro Forma Share Price (\$39.37)	9.8x

(1) Excludes Provide Commerce transaction, which was deemed to be an outlier.

Based on the precedent transactions analysis and the foregoing considerations, Moelis derived a valuation range for Youbet of \$2.48 to \$3.09 per share.

Discounted Cash Flow Analysis (DCF)

Youbet management provided Moelis with financial projections for the fiscal years ending December 2009 through 2013. Projections were provided for Youbet's existing Youbet Express (ADW) and United Tote businesses, which we refer to as the base business, as well as for a proposed joint-venture involving online poker in the U.S., which we refer to as U.S. poker. Using the projections, Moelis performed a discounted cash flow analysis utilizing the after-tax unlevered free cash flows for the fiscal years 2010 to 2013, applying the mid-year convention. Moelis derived valuation ranges for Youbet's base business and for the base business plus U.S. poker.

In deriving a valuation range for the base business plus U.S. poker, given the speculative nature of the U.S. poker opportunity, including the high degree of uncertainty with respect to the legalization of online poker wagering in the U.S., the timing thereof and Youbet's participation in any such newly created regulatory framework, Moelis applied probability weightings as provided by management to management's forecasted free cash flows for this potential opportunity, and added the probability-weighted, discounted values of the U.S. poker joint venture to the discounted values derived for the base business (based on Youbet's contemplated 60% stake in the joint venture).

Base Business DCF. For the base business, after-tax unlevered free cash flows and terminal values were discounted to present value as of December 31, 2009 using discount rates ranging from 17.25% to 19.25%, which range of discount rates was derived taking into account the estimated weighted average cost of capital, which we refer to as WACC, of Youbet. Moelis computed a terminal value based on the perpetuity growth methodology, and selected a perpetuity growth rate range of 1.0%-3.0%. In calculating the terminal value, Moelis assumed capital expenditures were equal to FY 2013P depreciation and amortization expense. Using the projections and the selected ranges of discount rates and perpetuity growth rates, Moelis calculated valuations for Youbet's base business of \$2.69 to \$3.19 per share, including the Youbet NOL value (as defined and discussed below).

Youbet NOL Value. Youbet has approximately \$54 million in federal NOLs that expire at various dates through 2028 based on information provided by Youbet management. Moelis calculated the value of the NOLs based on two methodologies: (i) the value to Youbet on a stand-alone basis assuming no Section 382 limitation, with usage based on management's projections and discounted at Youbet's WACC, which we refer to as the Youbet NOL value; and (ii) the value of the NOLs to CDI assuming an annual Section 382 limitation, discounted at CDI's estimated cost of debt, which we refer to as the NOL value to CDI. Moelis calculated the Youbet NOL value to be approximately \$0.30 per share and the NOL value to CDI to be approximately \$0.32 per share.

U.S. Poker DCF. For U.S. poker, after-tax unlevered free cash flows were discounted using discount rates ranging from 19.0%-21.0%, reflecting the calculated WACC for this business. Moelis computed terminal values

Table of Contents

based on the perpetuity growth methodology, and selected a perpetuity growth rate range of 4.0%-6.0%, reflecting the potential for growth in what would be a newly legalized industry, which would be expected to normalize over time. In calculating the terminal value, Moelis assumed capital expenditures were equal to FY 2013P depreciation and amortization expense. Based on input from Youbet management, Moelis probability-weighted the projected free cash flows using a 15%-40% range for the probability of legalization occurring on the assumed timeframe, and a 40%-60% range for the probability Youbet would obtain a license to operate in whatever regulatory framework is created. Using the projections and the above discussed ranges of discount rates, perpetuity growth rates, probability weightings and Youbet's contemplated 60% share of the joint venture, Moelis calculated a valuation range for U.S. poker of \$0.07 to \$0.46 per share.

Summary of DCF Valuation Ranges. The derived valuation of the base business (including the Youbet NOL value) of \$2.69 to \$3.19 and the base business (including the Youbet NOL value) plus U.S. poker of \$2.75 to \$3.62 per share, compare to the merger consideration of \$2.87, \$2.86 and \$3.32 based on CDI's closing stock price as of November 9, 2009 of \$31.72, its 8-Day VWAP of \$31.60 and its Pro Forma Share Price of \$39.37.

CDI Analyses*Comparable Public Companies Analysis*

To assess the fairness of the stock portion of the merger consideration offered in connection with the proposed transaction, Moelis derived a valuation range for CDI using a comparable public company analysis. Moelis was unable to conduct a discounted cash flow analysis due to the lack of long-term projections. CDI's management provided a forecast for 2009E and 2010P.

Moelis's comparable company analysis of CDI evaluated the same sets of comparable companies as in the Youbet comparable public company analysis. Moelis valued CDI's Racing and Gaming segments separately from the Online segment, and aggregated results in a sum-of-the-parts analysis.

CDI's Racing segment and Gaming segment were valued together based on comparable racetrack operators, many of which also operate racinos, similar to CDI's business model. Moelis also considered the North American regional casino operators included in the Youbet comparable public company analysis.

The Online segment valuation considered the selected online gaming operators and other e-commerce companies included in the Youbet comparable public company analysis, and also included Youbet among the online gaming universe.

The analysis focused on multiples of enterprise value to CY 2010 Adjusted EBITDA (projected CDI EBITDA as provided by CDI management) in order to reflect the projected financial contribution to CDI of a new slots facility scheduled to open in January 2010 adjacent to CDI's racetrack in Miami.

	Enterprise Value / CY 2010 Adjusted EBITDA	
	Mean	Median
Horseracing track operators	5.8x	5.8x
Online gaming companies	7.9x	8.5x
Consumer-focused e-commerce companies	5.7x	5.8x
North American casino companies	7.0x	7.0x

Based on a review of the comparable companies, Moelis derived enterprise valuation ranges for CDI's Racing and Gaming segments on a combined basis, and its Online segment. To derive a range of equity values for CDI, from the implied sum of the segment enterprise value ranges, Moelis deducted CDI's estimated net debt as of March 31, 2010, per CDI management's forecast, in order to reflect the estimated capital expenditures required to complete the new slots facility.

Table of Contents

The derived range of equity values implied values per share for CDI of \$31.01 to \$42.27. These values compare to CDI's closing stock price of \$31.72 on November 9, 2009 and the 8-Day VWAP of \$31.60.

Theoretical Pro Forma CDI Stock Price Analysis

Using earnings per share, which we refer to as EPS, and EBITDA accretion analyses, Moelis calculated potential theoretical CDI share prices, pro forma for the consummation of the merger. The analyses were based on the terms of the merger, CDI's management projections for CDI and the estimated cost savings expected to result from the merger, and Youbet's management projections for Youbet. CDI's management provided estimates of expected cost savings totaling approximately \$10 million on an annualized basis, before any one-time integration or merger costs.

Based on the foregoing assumptions and assuming \$10 million of annualized synergies, Moelis calculated that the merger could be 19.5% accretive to CDI's stand-alone CY 2010 EPS based upon the CY 2010 EPS number provided by CDI management, or 27.6% accretive as compared to Wall Street research analysts' consensus CDI stand-alone EPS estimates of \$2.00 for CY 2010. Assuming CDI would trade at the CY 2010 P/E multiple implied by its November 9, 2009 closing share price, the EPS accretion analysis implies a theoretical pro forma share price for CDI of \$37.90.

Based on the foregoing assumptions and assuming \$10 million of annualized synergies, and that CDI would trade at its enterprise value/CY 2010 Adjusted EBITDA multiple implied by its November 9, 2009 closing share price (based on Wall Street research analyst consensus estimates), the pro forma EBITDA valuation analysis implies a theoretical pro forma share price for CDI of \$40.84. The mean of the theoretical pro forma share prices derived from the EPS and EBITDA analyses equals the Pro Forma Share Price of \$39.37 illustrated throughout the Moelis analysis. Based on the Pro Forma Share Price, and including the cash consideration, the merger implies per share merger consideration of \$3.32.

Other Information

Moelis conducted the analyses described above solely as part of its analysis of the fairness of the consideration to be received by holders of shares of Youbet common stock pursuant to the merger agreement from a financial point of view to such holders and in connection with the delivery of its opinion to Youbet's board of directors. These analyses do not purport to be appraisals or to reflect the prices at which shares of CDI common stock might actually trade.

The consideration to be paid pursuant to the merger agreement was determined through arm's-length negotiations between Youbet and CDI and was approved by each company's board of directors. Moelis provided advice to Youbet during these negotiations, however, Moelis did not recommend any specific consideration to Youbet's board of directors or suggest that any specific consideration constituted the only appropriate consideration for a transaction.

The merger consideration was determined through negotiations among Youbet and its representatives, on the one hand, and CDI and its representatives, on the other hand, and the decision by the Youbet board of directors to approve, adopt and authorize the merger agreement was solely that of the Youbet board of directors. The Moelis opinion and financial analyses, taken together, represented only one of many factors considered by the Youbet board of directors in its evaluation of the merger and should not be determinative of the views of the Youbet board of directors or Youbet management with respect to the merger or the merger consideration or whether the Youbet board of directors would have been willing to agree to different merger consideration.

Youbet retained Moelis based upon Moelis' experience and expertise. Moelis is an investment banking enterprise with substantial experience in transactions similar to the merger. Moelis, as part of its investment banking business, is continually engaged in the valuation of businesses and securities in connection with business combinations and acquisitions and for other purposes. Moelis has consented to the inclusion in this proxy statement/prospectus of its written opinion delivered to the Youbet board, dated November 10, 2009.

Table of Contents

Under the terms of the engagement letter between Moelis and Youbet, Moelis agreed to act as Youbet's financial advisor in connection with the merger and received a retainer fee of \$100,000 in connection with its retention. In accordance with the terms of such engagement letter, (i) Moelis received a fee of \$500,000 upon the delivery of its opinion, which was not contingent upon the consummation of the merger and (ii) Moelis will receive a transaction fee contingent upon the consummation of the merger equal to \$1.25 million plus 2.0% of transaction value (as defined in the engagement letter) in excess of \$135.0 million. The retainer fee and opinion fee are creditable against the fee payable upon consummation of the merger. In addition, Youbet has agreed to reimburse Moelis for certain expenses and indemnify Moelis for certain liabilities arising out of its engagement. In addition, in connection with an engagement letter related to the potential acquisition by Youbet of ADW Target 2, which was executed by the parties in September of 2009, Moelis received a fee of \$150,000, which is creditable against the success fee of the merger. In the past, Moelis has provided investment banking and other services to Youbet and received the compensation specified in the preceding sentence for the rendering of such services including, within the past two years, acting as financial advisor in connection with the potential acquisition by Youbet of entities unaffiliated with CDI (including ADW Target 2), which transaction was not consummated, and Moelis has received fees for such services. Prior to Moelis' engagement in connection with the merger transaction in November of 2008, Moelis had not provided any investment banking or other services to Youbet. Other than its engagement for the potential acquisition by Youbet of entities unaffiliated with CDI (including ADW Target 2), Moelis has no agreement, arrangement or understanding for the provision of investment banking or other related services to either CDI or Youbet.

Management Projections

Youbet does not as a matter of course make public long-term projections as to future revenues, earnings or other results due to, among other reasons, the uncertainty of the underlying assumptions and estimates. However, in connection with the review of the proposed merger between Youbet and CDI, Youbet's management prepared unaudited prospective financial information on a stand-alone, pre-merger basis. Youbet is electing to provide the unaudited prospective financial information in this proxy statement/prospectus to provide the stockholders of Youbet and shareholders of CDI access to certain non-public unaudited prospective financial information that was made available to the Youbet board of directors, the Alternatives Committee, the CDI board of directors and Youbet's and CDI's financial advisors in connection with the merger. The unaudited prospective financial information was not prepared with a view toward public disclosure and the inclusion of this information should not be regarded as an indication that any of Youbet, CDI or any other recipient of this information considered, or now considers, it to be necessarily predictive of actual future results.

The unaudited prospective financial information was, in general, prepared solely for internal use and is subjective in many respects and thus subject to interpretation. While presented with numeric specificity, the unaudited prospective financial information reflects numerous estimates and assumptions made by the management of Youbet with respect to industry performance and competition, general business, economic, market and financial conditions and matters specific to Youbet's business, all of which are difficult to predict and many of which are beyond Youbet's control. As a result, there can be no assurance that the unaudited prospective financial information will be realized or that actual results will not be significantly higher or lower than estimated. Since the unaudited prospective financial information covers multiple years, such information by its nature becomes less predictive with each successive year. Youbet stockholders and CDI shareholders are urged to review Risk Factors beginning on page 27 of this proxy statement/prospectus as well as Youbet's most recent SEC filings for a description of risk factors with respect to Youbet's business. See also Cautionary Statement Concerning Forward-Looking Statements beginning on page 51 of this proxy statement/prospectus and Additional Information Where You Can Find More Information beginning on page 153 of this proxy statement/prospectus. The projections below have been prepared by, and are the responsibility of Youbet management. The projections were prepared on a basis consistent with the historical accounting policies included in the section titled Management's Discussion and Analysis of Financial Condition and Results of Operations in Amendment No. 1 to Youbet's Annual Report on Form 10-K/A for the year ended December 31, 2008, filed with the SEC on January 28, 2010. The unaudited prospective financial information was not prepared with a view toward complying with the published guidelines of the SEC regarding projections or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective

Table of Contents

financial information. Neither Youbet's independent registered public accounting firm, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the unaudited prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for the unaudited prospective financial information. The report on the historical financial statements incorporated by reference in this proxy statement/prospectus relates to Youbet's historical financial information. It does not extend to the prospective financial information and should not be read to do so. Furthermore, the unaudited prospective financial information does not take into account any circumstance or event occurring after the date it was prepared.

The following table presents summary selected unaudited prospective financial information for the fiscal years ending 2009 through 2013, which is referred to in this proxy statement/prospectus (including in The Merger Opinion of Youbet's Financial Advisor beginning on page 78 this proxy statement/prospectus) as the Youbet management projections:

SUMMARY OF YOBET MANAGEMENT PROJECTIONS: BASE BUSINESS (\$ MILLIONS)

	Fiscal Year Ending December 31,				
	2009E	2010P	2011P	2012P	2013P
Gross Revenue					
ADW	\$ 92.9	\$ 111.2	\$ 136.1	\$ 160.3	\$ 190.2
Totalizator	21.0	19.9	19.9	19.9	19.9
Total Revenue	\$ 113.9	\$ 131.1	\$ 156.0	\$ 180.3	\$ 210.2
Adj. EBITDA(1)					
ADW	\$ 13.4(2)	\$ 17.4	\$ 24.0	\$ 30.0	\$ 37.8
Totalizator	1.5	0.9	0.9	0.9	0.9
Total Adj. EBITDA	\$ 14.9	\$ 18.4	\$ 25.0	\$ 30.9	\$ 38.7
Adj. EBITDA Margin					
ADW	14.4%	15.7%	17.7%	18.7%	19.9%
Totalizator	7.2%	4.7%	4.7%	4.7%	4.7%
Total Margin	13.1%	14.0%	16.0%	17.2%	18.4%
Diluted EPS	\$ 0.09	\$ 0.19	\$ 0.32	\$ 0.45	\$ 0.44
Capital Expenditures	\$ 2.5	\$ 5.6	\$ 3.1	\$ 3.4	\$ 4.1
Potential U.S. Online Poker Opportunity(3)					
Gross Revenue			\$ 33.6	\$ 77.7	\$ 96.6
Adj. EBITDA			4.5	21.8	29.3

- (1) Adjusted EBITDA is calculated as gain/loss from continuing operations plus income taxes, net interest expense, impairment charges, depreciation and amortization and other adjustments to exclude certain non-cash and/or non-recurring items. Youbet management believes that the presentation of EBITDA from continuing operations provides useful information to investors regarding Youbet's results of operations because this non-GAAP financial measure is among the primary metrics by which management evaluates operating performance of Youbet's business, on which internal budgets are based, by which management and other employees within Youbet are compensated, and on which Youbet's debt covenants are based.
- (2) Excludes \$1.6 million of adjustments for expenses relating to new growth initiatives and certain legal expenses.
- (3) Reflects Youbet's projected participation in a potential U.S. Online Poker opportunity.

No assurances can be given that these assumptions will accurately reflect future conditions. In addition, although presented with numerical specificity, the above unaudited prospective financial information reflects numerous assumptions and estimates as to future events made by Youbet's management that Youbet's

Table of Contents

management believed were reasonable at the time the unaudited prospective financial information was prepared. The above unaudited prospective financial information does not give effect to the merger. Youbet's stockholders and CDI's shareholders are urged to review Youbet's most recent SEC filings for a description of Youbet's reported results of operations, financial condition and capital resources during 2009.

Readers of this proxy statement/prospectus are cautioned not to place undue reliance on the unaudited prospective financial information set forth above. No representation is made by Youbet, CDI, or any other person to any stockholder of Youbet or any shareholder of CDI regarding the ultimate performance of Youbet or, following the merger, CDI, compared to the information included in the above prospective financial information. The inclusion of unaudited prospective financial information in this proxy statement/prospectus should not be regarded as an indication that such prospective financial information will be an accurate prediction of future events nor construed as financial guidance, and they should not be relied on as such.

YOUBET DOES NOT INTEND TO UPDATE OR OTHERWISE REVISE THE ABOVE PROSPECTIVE FINANCIAL INFORMATION TO REFLECT CIRCUMSTANCES EXISTING AFTER THE DATE WHEN MADE OR TO REFLECT THE OCCURRENCE OF FUTURE EVENTS, EVEN IN THE EVENT THAT ANY OR ALL OF THE ASSUMPTIONS UNDERLYING SUCH PROSPECTIVE FINANCIAL INFORMATION ARE NO LONGER APPROPRIATE.

CDI's Reasons for the Merger

CDI believes that the proposed transaction will bring significant value and opportunity to both the customers of the combined business and to CDI shareholders and Youbet stockholders who will become CDI stockholders due to:

Anticipated Revenue Opportunities CDI believes the two most economically successful channels for wagering on thoroughbred racing in the future will be on-track wagering on live racing at a specific track, and advance deposit wagering. According to recent statistics, less than 14% of all wagering on U.S. thoroughbred racing is estimated to be placed online. CDI believes, however, that this percentage will continue to grow, consistent with recent trends toward online transactions in other consumer industries. In fact, the level of ADW activity has already increased significantly in recent years, while overall wagering activity has been relatively flat and, in recent years, has declined. If these recent trends continue as CDI anticipates, CDI believes the combined business will be well positioned to compete for additional handle and revenue opportunities.

Cost Reduction Synergies CDI has identified a projected \$10 million in annualized cost savings that may be realized by combining CDI and Youbet. These cost synergies fall into three categories: (i) elimination of the duplicate costs of operating two public companies; (ii) elimination of duplicate sales, general and administrative costs; and (iii) elimination of the duplicate costs of developing and operating two ADW technology stacks and websites. The first \$5 million in annualized cost reduction is currently expected to be realized within the first few months following completion of the merger, and the second \$5 million in annualized cost reduction is currently expected to be realized by the end of the first 12 months following the completion of the merger. During the first 12 months following completion of the merger, CDI also expects these cost reductions will be reduced by approximately \$7 million resulting from transaction fees, restructuring charges and asset impairment charges, the precise amounts and timing of which cannot be predicted at this time.

Enhanced Capability to Pursue Other Online Business Opportunities CDI believes that the resources of the combined business will provide a platform to enable it to pursue other online business opportunities beyond pari-mutuel wagering, should such opportunities develop. Such opportunities might include various types of internet gaming or an internet lottery business should such activities become legalized in the United States.

Secures Access to a Stable, Established Tote System CDI believes that the proposed transaction enables CDI to acquire and maintain a stable, established tote system, which has been recognized as the

Table of Contents

industry's leading tote system. CDI also believes that the proposed transaction has the potential to address industry-wide concerns about the financial viability and stability of tote system providers and the need to improve the integrity of tote system wagering. By acquiring United Tote, CDI hopes to be able to directly address those concerns and utilize the United Tote technology to improve tote system stability, performance and integrity both online and at CDI's racetracks and off-track betting venues.

Greater Ability to Develop and Introduce New Technology-Enabled Features and Services CDI believes that the combined business should be able to develop and introduce innovative new technology-enabled features and services that ADW customers want and that can bring new customers to racing. The combined business would be a publicly-traded, U.S.-licensed, U.S.-operated and U.S.-owned ADW operator backed by the financial resources of CDI. As the ADW channel grows, CDI believes the combined business will be able to offer customers a superior level of trust, confidence and service delivering an unparalleled customer experience.

In view of the wide variety of factors considered in connection with its evaluation of the merger and the complexity of these matters, the CDI board of directors did not find it useful, and did not attempt, to quantify, rank or otherwise assign any relative or specific weights to the factors that it considered in reaching its determination to approve the merger and the merger agreement. In addition, individual members of the CDI board of directors may have given differing weights to different factors. The CDI board of directors conducted an overall analysis of the factors described above, including through discussions with, and inquiry of, CDI's management and outside legal and financial advisors regarding certain of the matters described above.

CDI's Financing of the Merger

CDI expects to fund the cash portion of the acquisition and the repayment of Youbet debt with borrowings under its amended and restated revolving credit facility and cash on hand. The credit facility, which CDI and certain of its subsidiaries entered into on December 22, 2009, has a term of four years. The interest rate under the credit facility for floating rate advances is equal to the sum of (i) the highest of (x) the bank agent's prime rate, (y) the federal funds rate plus 0.50% or (z) an amount equal to the sum of (A) the Eurodollar base rate for a one-month interest period divided by one minus the maximum reserve requirement imposed on Eurodollar liabilities plus (B) 1%, plus (ii) an applicable margin of between 1.00% and 2.50% determined by reference to CDI's leverage ratio. The interest rate under the credit facility for Eurodollar advances is the Eurodollar base rate for the applicable interest period plus an applicable margin of between 2.00% and 3.50%, determined by reference to CDI's leverage ratio. Under the credit facility, CDI pays a commitment fee, payable on the last day of each calendar quarter, at rates that range from 0.30% to 0.50% of the available aggregate commitment, depending on CDI's leverage ratio. The maximum aggregate commitment under the credit facility is \$275 million, and amounts available for borrowing as of December 31, 2009 totaled \$197 million. As of December 31, 2009, CDI had \$71.1 million in outstanding borrowings and \$6.9 million in outstanding letters of credit, resulting in a net \$197.0 million available for future borrowings under the credit facility. Subject to certain conditions, CDI may at any time increase the aggregate commitment under the credit facility up to an amount not to exceed \$375 million. CDI currently anticipates borrowing an additional \$47.8 million under the credit facility to finance the cash portion of the consideration to be paid in connection with the merger. See Note 6 (H) of the Unaudited Pro Forma Condensed Combined Financial Information for further details regarding the anticipated financing of consideration to be paid in connection with the merger.

The credit facility is collateralized by substantially all of the assets of CDI. The credit facility contains customary affirmative and negative covenants for credit facilities of the type, including limitations on CDI and its subsidiaries with respect to indebtedness, restricted payments, liens, investments, mergers and acquisitions (provided that the transactions contemplated by the merger agreement are specifically excluded from this covenant), disposition of assets, sale-leaseback transactions, and transactions with affiliates. The covenants permit CDI to use proceeds of the credit extended under the credit facility for general corporate purposes and acquisition needs. The credit agreement also contains financial covenants that require CDI (i) to maintain an interest coverage ratio (i.e., consolidated adjusted EBITDA to consolidated interest expense) that is greater than

Table of Contents

3.5 to 1.0; (ii) not to permit the leverage ratio (i.e., consolidated funded indebtedness to consolidated adjusted EBITDA) to be greater than 3.25 to 1.0; and (iii) to maintain consolidated net worth (with certain exceptions) of not less than the sum of (x) \$350,000,000, (y) 50% of consolidated net income earned in each fiscal year beginning with CDI's fiscal year ending December 31, 2009 and (z) 100% of the net proceeds of any future debt and equity offerings.

Regulatory Approvals

The merger is subject to review by the DOJ and FTC under the HSR Act. Under the HSR Act, CDI and Youbet were required to make pre-merger notification filings and to await the expiration or early termination of the statutory waiting period prior to completing the merger. The notifications required under the HSR Act were filed on November 25, 2009 by CDI and Youbet. The statutory waiting period under the HSR Act was initially scheduled to expire on December 28, 2009 at 11:59 p.m., Eastern time, unless terminated earlier by the DOJ or extended if the DOJ requested additional information and documentary material. On December 24, 2009, CDI voluntarily withdrew and re-filed its HSR Act notification to provide the DOJ additional time beyond the initial 30-day HSR Act waiting period to complete its review. This restarted the statutory waiting period under the HSR Act, which was then scheduled to expire on January 25, 2010, at 11:59 p.m., Eastern time, unless terminated earlier by the DOJ or extended if the DOJ requested additional information and documentary material. On January 25, 2010, the DOJ issued to CDI and Youbet formal requests for additional information and documentary material. These requests had the effect of extending the HSR Act waiting period until 30 days after both parties have substantially complied with the requests, subject to any modifications of the requests to which the DOJ may agree. CDI and Youbet are in the process of gathering information to respond to the second requests and are working cooperatively with the DOJ as it reviews the merger. No other regulatory approvals are a condition to the completion of the merger.

At any time before or after completion of the merger, either the DOJ, the FTC or any state attorneys general could challenge or seek to block the merger under applicable federal or state antitrust laws, as such regulatory authority deems necessary or desirable in the public interest. In addition, in some jurisdictions, a private party could initiate legal action under the antitrust laws challenging or seeking to enjoin the merger, before or after it is completed. CDI and Youbet cannot be sure that a challenge to the merger will not be made or that, if a challenge is made, CDI and Youbet will prevail.

Litigation

On November 17, 2009, a putative class action lawsuit, *Wayne Witkowski v. Youbet.com, Inc., et al.*, was filed in the Superior Court of Los Angeles, California against Youbet, various of its directors, CDI, Merger Sub and Merger LLC. Subsequently, five additional lawsuits were also filed in the Los Angeles Superior Court, two of which name Youbet and its directors as defendants and three of which also name CDI as a defendant. All six lawsuits, which we refer to collectively as the Los Angeles litigation, are putative class actions brought on behalf of Youbet's stockholders. Plaintiffs in the Los Angeles litigation have since moved to consolidate the Los Angeles litigation, to file a single consolidated complaint and to appoint lead counsel. That motion was granted on January 22, 2010.

The complaints in the Los Angeles litigation all allege that Youbet's directors have breached their fiduciary duties, including alleged duties of loyalty, due care and candor, in connection with the proposed merger transaction. In that regard, the various complaints include, among other things, allegations that the proposed transaction is the result of an inadequate sales process which has not been designed to maximize stockholder value; that the consideration to be received by Youbet shareholders is unfair and inadequate; that the merger agreement includes inappropriate no solicitation, matching rights, no standstill waiver, and termination fee provisions; that the combined effect of these provisions, together with Youbet's waiver of the Youbet stockholder rights agreement with respect to CDI and the entry of voting agreements by defendants and certain others pursuant to which they have agreed to vote in favor of the proposed merger, is to lock up the proposed

Table of Contents

merger transaction, foreclose potential alternative bidders and illegally restrain Youbet's ability to solicit or engage in negotiations with a third party; that various defendants acted for their own benefit in approving the proposed merger, including for the purpose of obtaining positions or pursuing opportunities at CDI; and that material information has not been provided in connection with the proposed transaction and was not provided at the time that Youbet submitted the Youbet stockholder rights agreement to a stockholder vote. Those lawsuits which name CDI or its affiliates as defendants also allege that CDI has aided and abetted the alleged breaches of fiduciary duty by Youbet's directors. Youbet is also alleged to have aided and abetted the alleged breaches of fiduciary duty by its directors. Among the relief sought by the complaints is an enjoining of the proposed merger transaction, or unspecified damages if the transaction is consummated, together with payment of attorneys' fees and costs.

On December 23, 2009, a putative class action lawsuit, *Raymond Balch v. Youbet.com, Inc., et al.*, was filed in the Delaware Court of Chancery against Youbet, various of its directors, CDI, Merger Sub and Merger LLC. The initial *Balch* complaint contained allegations similar to those made in the Los Angeles litigation, including a claim that CDI aided and abetted alleged breaches of fiduciary duty by Youbet's directors. On January 8, 2010, an amended complaint was filed in *Balch*, adding a claim against Youbet's directors for an alleged breach of the fiduciary duty of disclosure, and adding allegations that the draft Registration Statement filed by CDI with the Securities and Exchange Commission in connection with the proposed merger transaction omits material information and is materially misleading in various respects. Among the relief sought by the *Balch* amended complaint is an enjoining of the proposed merger transaction, or unspecified damages if the transaction is consummated, together with payment of attorneys' fees and costs.

Certain Material United States Federal Income Tax Consequences

The following discussion is a summary of certain material U.S. federal income tax consequences of the merger and the subsequent merger to holders of Youbet common stock and represents the opinion of Sidley Austin LLP, counsel to CDI, and Kirkland & Ellis LLP, counsel to Youbet. This discussion is based on the Code, applicable Treasury regulations promulgated thereunder, administrative rulings and judicial authorities, each as in effect as of the date of this document and all of which are subject to change at any time, possibly with retroactive effect. In addition, this discussion does not address any state, local or foreign tax consequences of the merger and subsequent merger.

This discussion addresses only Youbet stockholders who hold Youbet common stock as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment). It does not address all aspects of U.S. federal income taxation that might be relevant to a particular Youbet stockholder in light of that stockholder's individual circumstances or to a Youbet stockholder that is subject to special treatment under U.S. federal income tax law, including, without limitation a stockholder that is:

a bank, insurance company or other financial institution;

a tax-exempt organization;

a mutual fund;

a holder that, for U.S. federal income tax purposes, is not a United States person within the meaning of Section 7701(a)(30) of the Code;

a U.S. expatriate;

an entity or arrangement treated as a partnership for U.S. federal income tax purposes or an investor in such partnership;

a dealer in securities;

a holder who has a functional currency other than the United States dollar;

a holder liable for the alternative minimum tax;

a trader in securities who elects to apply a mark-to-market method of accounting;

Table of Contents

This discussion does not address other U.S. federal tax consequences (such as gift or estate taxes or alternative minimum taxes), or consequences under state, local or foreign tax laws, nor does it address certain tax reporting requirements that may be applicable with respect to the transaction.

If a partnership (or any other entity treated as a partnership for U.S. federal income tax purposes) holds Youbet common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A partner in a partnership holding Youbet common stock should consult its own tax advisors with respect to the consequences of the merger and subsequent merger.

Holders should consult their tax advisors as to the specific tax consequences to them of the merger and subsequent merger in light of their particular circumstances, including the applicability and effect of U.S. federal, state, local and foreign income and other tax laws.

In the opinion of Sidley Austin LLP, counsel to CDI, and Kirkland & Ellis LLP, counsel to Youbet, (i) the merger and subsequent merger, taken together, will qualify as a reorganization within the meaning of Section 368(a) of the Code, and (ii) Youbet and CDI will each be a party to the reorganization within the meaning of Section 368(b) of the Code. Subject to a limited exception described below, it is a condition to the completion of the merger that CDI and Youbet each receives an additional written opinion from its counsel, dated the effective time, substantially to the same effect.

The opinions described above have been (or will be) based, in part, on the accuracy of certain assumptions and representations. If any such assumptions or representations are inaccurate as of the effective time of the merger, the tax consequences to holders of Youbet common stock of the merger and subsequent merger could differ materially from those described below. No ruling has been or will be sought from the Internal Revenue Service as to the U.S. federal income tax consequences of the merger and subsequent merger and an opinion of counsel is not binding on the Internal Revenue Service or any court. Accordingly, there can be no assurances that the Internal Revenue Service or a court would not disagree with or challenge any of the conclusions described herein.

Assuming such treatment is proper, the material U.S. federal income tax consequences to a holder of Youbet common stock whose shares are exchanged in the merger for shares of CDI common stock and cash generally will be as follows:

a holder generally will recognize capital gain (but not loss) realized on the exchange in an amount not exceeding the amount of cash received. Any gain recognized will be long-term capital gain if, as of the effective time, the shares of Youbet common stock exchanged were held for more than one year unless the holder's receipt of cash has the effect of a dividend distribution, as described below;

a holder will have an aggregate tax basis in the shares of CDI common stock received in the exchange (including a fractional share of CDI common stock for which cash is received) equal to the stockholder's aggregate tax basis in its shares of Youbet common stock surrendered, reduced by the amount of cash received and increased by the amount of any gain recognized by the holder in the exchange;

the holding period of the shares of CDI common stock received in the exchange will include the holding period of the shares of Youbet common stock surrendered in exchange therefor; and

a holder generally will recognize capital gain or loss with respect to cash received in lieu of a fractional share of CDI common stock equal to the difference, if any, between the amount of cash received and the tax basis in the fractional share (determined as described above). Any gain or loss recognized will be long-term capital gain or loss if, as of the effective time, the shares of Youbet common stock exchanged were held for more than one year.

If a holder acquired different blocks of Youbet common stock at different times or different prices, the foregoing rules generally will be applied separately with reference to each block of Youbet common stock. In particular, in computing the amount of gain recognized, if any, a holder of Youbet common stock may not offset a loss realized on one block of shares against the gain realized on another block of shares.

Table of Contents

If the receipt of cash has the effect of a distribution of a dividend under the provisions of the Code, then, notwithstanding the foregoing, any gain recognized will be treated as a dividend to the extent of such stockholder's ratable share of the undistributed earnings and profits of Youbet. Holders should consult their tax advisors as to the possibility that all or a portion of any cash received in exchange for their shares of Youbet common stock will be treated as a dividend.

Notwithstanding the foregoing, the receipt of the written opinions of counsel referenced above regarding the U.S. federal income tax treatment of the merger and subsequent merger will not be a condition to the completion of the merger, the subsequent merger will not occur, and the merger will not constitute a reorganization within the meaning of Section 368(a) of the Code, if the value of the portion of the merger consideration to be paid in CDI common stock does not equal 40% or more of the value of the merger consideration (which is referred to in the merger agreement as the "Continuity Requirement"). That circumstance will generally exist only if, as of the effective time, there has been a significant decline in the value of CDI common stock to approximately \$10.82 or less, assuming no adjustment to the exchange ratio. In such a case, a holder of Youbet common stock whose shares are exchanged in the merger for shares of CDI common stock and cash generally will recognize gain or loss equal to the difference between the fair market value of the CDI common stock and the amount of cash received, and the stockholder's adjusted tax basis in the shares of Youbet common stock given in exchange therefor. Such capital gain or loss will be long-term capital gain or loss if the holder held the Youbet common stock for more than one year as of the effective time. The opinions which counsels to CDI and Youbet have rendered assume the Continuity Requirement will be met, although if, as of the effective time of the merger, the Continuity Requirement is not met, the conclusions reached in such opinions will be invalid.

Information Reporting and Backup Withholding. A holder may be subject to information reporting and backup withholding at a rate of 28% on any cash payment received (including any cash received in lieu of a fractional share of CDI common stock), unless such stockholder properly establishes an exemption or provides a correct taxpayer identification number, and otherwise complies with backup withholding rules. Any amounts withheld under the backup withholding rules are not an additional tax and may be allowed as a refund or credit against such holder's United States federal income tax liability, provided the required information is timely furnished to the Internal Revenue Service.

Accounting Treatment

Existing GAAP requires the use of the acquisition method of accounting for business combinations. In applying the acquisition method, it is necessary to identify the acquirer and the acquiree for accounting purposes. In a business combination effected through an exchange of equity interests, the entity that issues the equity interests is generally considered the acquirer, but there are other factors that must also be considered. CDI management considered these other factors and determined that CDI will be considered the acquirer of Youbet for accounting purposes. The total purchase price will be allocated to the identifiable assets acquired and liabilities assumed from Youbet based on their fair values as of the date of the completion of the transaction, with any excess allocated to goodwill. Reports of financial condition and results of operations of CDI issued after completion of the merger will reflect Youbet's balances and results after completion of the merger, but will not be restated retroactively to reflect the historical financial position or results of operations of Youbet. Following the completion of the merger, the earnings of the combined company will reflect acquisition accounting adjustments; for example, additional depreciation of property, plant and equipment, amortization of identified intangible assets or other impacts from the purchase price allocation will be recognized.

In accordance with existing GAAP, goodwill and indefinite-lived intangible assets resulting from the purchase business combination will not be amortized but instead will be tested for impairment at least annually (more frequently if certain indicators are present). If CDI management determines that the value of goodwill and indefinite-lived intangible assets have become impaired, the combined company will incur an impairment loss during the fiscal quarter in which the determination is made.

Table of Contents

Listing of CDI Common Stock

It is a condition to the completion of the merger that the shares of CDI common stock to be issued in connection with the merger be approved for listing on NASDAQ, subject to official notice of issuance.

Delisting and Deregistration of Youbet Common Stock

If the merger is completed, Youbet common stock will be delisted from NASDAQ and deregistered under the Exchange Act and Youbet will no longer file periodic reports with the SEC.

Youbet Stockholder Appraisal Rights

In connection with the merger, record holders of Youbet common stock who comply with the procedures summarized below will be entitled to appraisal rights if the merger is completed. Under Section 262 of the DGCL, which we refer to as Section 262, holders of shares of Youbet common stock with respect to which appraisal rights are properly demanded and perfected and not withdrawn or lost are entitled, in lieu of receiving the merger consideration, to have the fair value of their shares at the effective time (exclusive of any element of value arising from the accomplishment or expectation of the merger) judicially determined and paid to them in cash. Youbet is required to send a notice to that effect to each stockholder not less than 20 days prior to the special meeting. This proxy statement/prospectus constitutes that notice to you.

The following is a brief summary of Section 262, which sets forth the procedures for demanding statutory appraisal rights. This summary is qualified in its entirety by reference to Section 262, the text of which is attached to this proxy statement/prospectus as Annex C.

Stockholders of record who desire to exercise their appraisal rights must satisfy all of the following conditions:

A stockholder who desires to exercise appraisal rights must (a) not vote in favor of the merger and (b) deliver a written demand for appraisal of the stockholder's shares to the Corporate Secretary of Youbet before the vote on the merger at the special meeting. The failure to vote against the merger will not operate as a waiver of appraisal rights.

A demand for appraisal must be executed by or for the stockholder of record, fully and correctly, as the stockholder's name appears on the certificates representing shares. If shares are owned of record in a fiduciary capacity, such as by a trustee, guardian or custodian, such demand must be executed by the fiduciary. If shares are owned of record by more than one person, as in a joint tenancy or tenancy in common, the demand must be executed by all joint owners. An authorized agent, including an agent of two or more joint owners, may execute the demand for appraisal for a stockholder of record; however, the agent must identify the record owner and expressly disclose that, in exercising the demand, the agent is acting as agent for the record owner. In addition, the stockholder must continuously hold the shares of record from the date of making the demand through the effective time.

A record owner, such as a broker, who holds shares as a nominee for others may exercise appraisal rights with respect to the shares held for all or less than all beneficial owners of shares as to which the holder is the record owner. In that case, the written demand must set forth the number of shares covered by the demand. Where the number of shares is not expressly stated, the demand will be presumed to cover all shares outstanding in the name of the record owner.

Beneficial owners who are not record owners and who intend to exercise appraisal rights should instruct the record owner to comply strictly with the statutory requirements with respect to the exercise of appraisal rights before the vote on the proposal to adopt the merger agreement at the special meeting. A beneficial owner of shares held in street name who desires appraisal rights with respect to those shares should take such actions as may be necessary to ensure that a timely and proper demand for appraisal is made by the record owner of the

Table of Contents

shares. Shares held through brokerage firms, banks and other financial institutions are frequently deposited with and held of record in the name of a nominee of a central security depository, such as Cede & Co., The Depository Trust Company's nominee. Any beneficial owner of shares desiring appraisal rights with respect to such shares should instruct such firm, bank or institution that the demand for appraisal must be made by the record holder of the shares, which might be the nominee of a central security depository if the shares have been so deposited.

As required by Section 262, a demand for appraisal must be in writing and must reasonably inform Youbet of the identity of the record holder (which might be a nominee as described above) and of such holder's intention to seek appraisal of such shares.

Stockholders of record who elect to demand appraisal of their shares must mail or deliver their written demand to: Youbet.com, Inc., 5901 De Soto Avenue, Woodland Hills, California 91367, Attention: Corporate Secretary or by facsimile at (818) 668-2101. The written demand for appraisal should specify the stockholder's name and mailing address, the number of shares owned, and that the stockholder is demanding appraisal of his, her or its shares. The written demand must be received by Youbet prior to the special meeting. Neither voting (in person or by proxy) against, abstaining from voting on or failing to vote on the proposal to adopt the merger agreement will alone suffice to constitute a written demand for appraisal within the meaning of Section 262.

In addition, a stockholder demanding appraisal must not vote its shares of common stock in favor of the proposal to adopt the merger agreement. Because a signed proxy card that does not contain voting instructions will, unless revoked, be voted in favor of the proposal to adopt the merger agreement, a stockholder who votes by proxy and who wishes to exercise appraisal rights must vote against the merger agreement or abstain from voting on the merger agreement.

Within 120 days after the effective time of the merger, either the surviving corporation in the merger or any stockholder who has timely and properly demanded appraisal of such stockholder's shares and who has complied with the required conditions of Section 262 and is otherwise entitled to appraisal rights may file a petition in the Delaware Court of Chancery demanding a determination of the fair value of the shares of all stockholders who have properly demanded appraisal. If a petition for an appraisal is timely filed, after a hearing on such petition, the Delaware Court of Chancery will determine which stockholders are entitled to appraisal rights and thereafter will appraise the shares owned by those stockholders, determining the fair value of the shares exclusive of any element of value arising from the accomplishment or expectation of the merger, together with a fair rate of interest to be paid, if any, upon the amount determined to be the fair value. In determining fair value, the Delaware Court of Chancery is to take into account all relevant factors. In *Weinberger v. UOP, Inc., et al.*, the Delaware Supreme Court discussed the considerations that could be considered in determining fair value in an appraisal proceeding, stating that "proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court should be considered and that

[f]air price obviously requires consideration of all relevant factors involving the value of a company. The Delaware Supreme Court stated that in making this determination of fair value, the court must consider "market value, asset value, dividends, earnings prospects, the nature of the enterprise and any other facts which were known or which could be ascertained as of the date of merger which throw any light on future prospects of the merged corporation. The Delaware Supreme Court construed Section 262 to mean that "elements of future value, including the nature of the enterprise, which are known or susceptible of proof as of the date of the merger and not the product of speculation, may be considered. However, the Delaware Supreme Court noted that Section 262 provides that fair value is to be determined "exclusive of any element of value arising from the accomplishment or expectation of the merger.

Stockholders considering seeking appraisal should bear in mind that the fair value of their shares determined under Section 262 could be more than, the same as, or less than the merger consideration they are entitled to receive pursuant to the merger agreement if they do not seek appraisal of their shares, and that opinions of investment banking firms as to fairness from a financial point of view are not necessarily opinions as to fair value under Section 262.

Table of Contents

The cost of the appraisal proceeding may be determined by the Delaware Court of Chancery and taxed upon the parties as the Delaware Court of Chancery deems equitable in the circumstances. Upon application of a stockholder seeking appraisal rights, the Delaware Court of Chancery may order that all or a portion of the expenses incurred by such stockholder in connection with the appraisal proceeding, including, without limitation, reasonable attorneys' fees and the fees and expenses of experts, be charged pro rata against the value of all shares entitled to appraisal. In the absence of such a determination of assessment, each party bears its own expenses.

Except as explained in the last sentence of this paragraph, at any time within 60 days after the effective time of the merger, any stockholder who has demanded appraisal shall have the right to withdraw such stockholder's demand for appraisal and to accept the cash and shares of CDI common stock to which the stockholder is entitled pursuant to the merger. After this period, the stockholder may withdraw such stockholder's demand for appraisal only with the consent of the surviving corporation in the merger. If no petition for appraisal is filed with the Delaware Court of Chancery within 120 days after the effective time of the merger, stockholders' rights to appraisal shall cease and all stockholders shall be entitled only to receive the cash and shares of CDI common stock as provided for in the merger agreement. Inasmuch as the parties to the merger agreement have no obligation to file such a petition, and have no present intention to do so, any stockholder who desires that such petition be filed is advised to file it on a timely basis. No petition timely filed in the Delaware Court of Chancery demanding appraisal shall be dismissed as to any stockholders without the approval of the Delaware Court of Chancery, and that approval may be conditioned upon such terms as the Delaware Court of Chancery deems just.

The foregoing is a brief summary of Section 262 that sets forth the procedures for demanding statutory appraisal rights. This summary is qualified in its entirety by reference to Section 262, the text of which is attached hereto as Annex C. Failure to comply with all the procedures set forth in Section 262 will result in the loss of a stockholder's statutory appraisal rights.

Restrictions on Sales of Shares of CDI Common Stock Received in the Merger

The shares of CDI common stock to be issued in connection with the merger will be registered under the Securities Act and will be freely transferable, except for shares issued to any Youbet stockholder who may be deemed to be an affiliate of CDI for purposes of Rule 144 under the Securities Act. Persons who may be deemed to be affiliates of CDI include individuals or entities that control, are controlled by, or are under common control with, CDI and may include the executive officers, directors and significant stockholders of CDI.

Management and Board of Directors of CDI After the Merger

CDI has agreed to take all actions as may be necessary to cause its board of directors upon the completion of the merger to be comprised of 14 members, consisting of the 13 current CDI directors and the Youbet designee. Prior to the appointment of the Youbet designee to the CDI board of directors, the Youbet designee must have satisfied all suitability requirements to serve on the CDI board of directors as required by applicable law. CDI has also agreed to appoint the Youbet designee to CDI's Executive Committee and Strategic Planning Committee upon the completion of the merger, to nominate the Youbet designee at the first annual meeting of CDI shareholders, and to use reasonable best efforts to cause the Youbet designee to be reelected to the CDI board of directors for a term expiring at the third annual meeting of CDI shareholders after the effective time.

No change to the executive officers of CDI is expected to occur immediately following the completion of the merger.

Interests of Youbet's Directors and Executive Officers in the Merger

In considering the recommendation of the Youbet board of directors in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby, you should be aware that the directors and executive officers of Youbet have interests in the merger that may be different from, or in addition to, your interest as a Youbet stockholder. The Youbet board of directors was aware of these potential interests and considered them. These potential interests, to the extent material, include the following:

Table of Contents

Indemnification of Directors and Officers; Directors and Officers Insurance

For a period of six years after the effective time, CDI has agreed to honor and fulfill the obligations of Youbet under the organizational documents of Youbet and any indemnification agreements in effect immediately prior to the effective time for the benefit of any of Youbet's current or former directors and officers and any person who becomes a director or officer of Youbet prior to the effective time. In addition, for a period of six years following the effective time, CDI has agreed to cause the organizational documents of the surviving corporation to contain provisions with respect to indemnification, advancement of expenses and exculpation that are at least as favorable, in the aggregate, as the indemnification, advancement of expenses and exculpation provisions contained in the organizational documents of Youbet immediately prior to the effective time.

CDI has also agreed to purchase directors' and officers' liability insurance which has an effective term of not less than six years from the effective time that provides coverage for events occurring prior to the effective time for those persons who are covered by Youbet's directors' and officers' insurance policy in effect immediately prior to the effective time and contains terms and conditions, including coverage amounts, which are no less advantageous than those contained in the terms and conditions of Youbet's directors' and officers' insurance policies in effect immediately prior to the effective time.

Post-Merger Board Membership

In connection with the merger, CDI has agreed to cause the Youbet designee to be appointed as a director of CDI. CDI has also agreed to appoint the Youbet designee to CDI's Executive Committee and Strategic Planning Committee upon the completion of the merger, to nominate the Youbet designee at the first annual meeting of CDI shareholders, and to use reasonable best efforts to cause the Youbet designee to be reelected to the CDI board of directors for a term expiring at the third annual meeting of CDI shareholders after the effective time.

Bonuses to Be Paid in Connection with the Merger

Pursuant to her employment offer letter, Susan Bracey, Youbet's Chief Financial Officer, is entitled to receive a bonus in connection with the merger at the discretion of Youbet's Compensation Committee, which determined that the amount of such bonus will be \$[].

Retention and Other Benefits from CDI

Certain of Youbet's executive officers may be offered employment with CDI, although no agreements have been entered into and no terms, conditions or understandings have been finalized.

Acceleration of Executive Officer and Director Options

Under the terms of the merger agreement, the vesting of all unvested portions of stock options will be accelerated in full, effective immediately prior to the effective time. Stock options that are in the money, as measured against the value of the merger consideration (which is based in part on the closing price of a share of CDI common stock on the trading day immediately prior to the effective time), will be automatically converted into the right to receive the merger consideration payable in respect of the number of shares of Youbet common stock underlying such stock option, less the exercise price of such stock option. Stock options that are out of the money, as measured against the value of the portion of the merger consideration to be paid in CDI common stock, will be cancelled without any payment made in respect thereof.

Table of Contents

The following table summarizes the vested and unvested stock options held by Youbet's directors and executive officers as of January 1, 2010 and the estimated value of these options based on the difference between an assumed merger consideration of \$[], which is based in part on the closing price of CDI common stock on [], 2010 of \$[] per share, and the exercise price of those options multiplied by the number of shares of Youbet common stock subject to the options. The actual amount of merger consideration that the executive officers and directors of Youbet will receive for their stock options may vary and cannot be determined until the closing date of the merger. Stock options that are out of the money are considered to have no value.

Name	Relationship to Youbet	Shares Subject to Vested Options	Shares Subject to Unvested Options	Estimated Value of Vested Options	Estimated Value of Unvested Options	Estimated Value of All Stock Options
David Goldberg	President and Chief Executive Officer	62,500	987,500			
Susan Bracey	Chief Financial Officer		30,000			
Daniel Perini	General Counsel and Secretary	50,000	125,000			
Michael Nelson	Chief Accounting Officer and Controller	37,500	137,500			
Michael Brodsky	Director, Executive Chairman	626,500	400,000			
F. Jack Liebau	Director, Chairman of the Board	414,314	206,250			
Gary Adelson	Director	190,314	6,250			
Raymond C. Anderson	Director	58,814	6,250			
James Edgar	Director	240,314	6,250			
Michael D. Sands	Director	93,814	6,250			
Michael J. Soenen	Director	58,814	6,250			

As of January 1, 2010, Youbet's directors and executive officers listed in the table above held options to purchase, in the aggregate, approximately 3,750,384 shares of Youbet common stock. The aggregate estimated value of these options is approximately \$[] million based on an assumed merger consideration of \$[], which is based in part on the closing price of CDI common stock on [], 2010 of \$[] per share. The actual amount of merger consideration that the executive officers and directors of Youbet will receive for their stock options may vary and cannot be determined until the closing date of the merger.

Summary of Youbet's Directors and Executive Officers' Interests in the Merger

The following table summarizes with respect to each of Youbet's executive officers and directors:

the number of shares of Youbet common stock beneficially owned, as of the record date (column (a));

the estimated value of the merger consideration expected to be received for shares of Youbet common stock owned as of the record date, based on the \$[] closing price of CDI common stock on [], 2010 (column (b)); the actual amount of merger consideration that the executive officers and directors of Youbet will receive may vary and cannot be determined until the closing date of the merger; and

the estimated aggregate amount of benefits that could be received as a result of the merger (column (c)), consisting of:

the estimated value of the merger consideration expected to be received for stock options based on the difference between an assumed merger consideration of \$[], which is based in part on the closing price of CDI common stock on [], 2010 of \$[] per share, and the exercise price of those options multiplied by the number of shares of Youbet common stock subject to the options; the actual amount of merger consideration that the executive officers and directors of Youbet will receive for their stock options may vary and cannot be determined until the closing date of the merger; and

Table of Contents

a special bonus payable to Susan Bracey pursuant to her employment offer letter, as determined by Yobet's Compensation Committee in its discretion, of \$[]; and

the total of column (b) and column (c) (column (d)).

	(a)	(b)	(c)	(d)
Name	Number of shares of Yobet common stock owned	Estimated consideration for Yobet common stock owned	Accelerated option awards and bonus payments	Total
David Goldberg		\$	\$	\$
Susan Bracey				
Daniel Perini				
Michael Nelson				
Michael Brodsky				
F. Jack Liebau				
Gary Adelson				
Raymond C. Anderson				
James Edgar				
Michael D. Sands				
Michael J. Soenen				
Total		\$	\$	\$

Table of Contents

THE MERGER AGREEMENT

The following summary describes the material provisions of the merger agreement. The summary is qualified in its entirety by reference to the merger agreement, a copy of which is attached as Annex A to this proxy statement/prospectus and is incorporated into this proxy statement/prospectus by reference. You should read the merger agreement carefully in its entirety, as it is the legal document governing the transaction.

*The merger agreement and the following summary have been included to provide you with information regarding the terms of the merger agreement and the transaction described in this proxy statement/prospectus. We do not intend for the text of the merger agreement to be a source of factual, business or operational information about CDI or Youbet. That information can be found elsewhere in this proxy statement/prospectus and in the other public documents that CDI and Youbet file with the SEC. See *Additional Information Where You Can Find More Information* beginning on page 153 of this proxy statement/prospectus.*

The merger agreement contains representations, warranties, covenants and other agreements that the parties made to each other as of specific dates. Representations and warranties are used as a tool to allocate risks between the respective parties to the merger agreement, including where the parties do not have complete knowledge of all facts, and not necessarily to establish such matters as facts. Furthermore, the representations and warranties in the merger agreement may be modified or qualified by information contained in disclosure schedules that the parties exchanged in connection with the execution of the merger agreement. Some of these representations and warranties may not be accurate or complete as of a specific date because they are subject to a contractual standard of materiality that may be different from the standard generally applied under the federal securities laws. Finally, information concerning the subject matter of the representations and warranties in the merger agreement may have changed since the date of the merger agreement, which may or may not be fully reflected in CDI's and Youbet's public disclosures. CDI and Youbet will provide additional disclosure in their public reports to the extent that they are aware of the existence of any material facts that are required to be disclosed under federal securities laws and that might otherwise contradict the terms and information contained in the merger agreement and will update such disclosure as required by federal securities laws.

Structure and Completion of the Merger

Pursuant to the merger agreement, Merger Sub, a wholly owned subsidiary of CDI, will merge with and into Youbet, with Youbet surviving the merger as a wholly owned subsidiary of CDI.

The merger will occur as soon as possible but no later than the second business day after the date upon which all of the conditions to completion of the merger contained in the merger agreement (other than those conditions that are waived or by their nature are to be satisfied at the closing of the merger) are satisfied or at such other date as CDI and Youbet may agree (see *Conditions to Completion of the Merger* beginning on page 104 of this proxy statement/prospectus). The merger will become effective at the time that Youbet and Merger Sub file the certificate of merger with the Secretary of State of the State of Delaware, or at such later time agreed to by the parties and specified in the certificate of merger.

Immediately following the completion of the merger, the surviving corporation from the merger will merge with and into Merger LLC, a wholly owned subsidiary of CDI, with Merger LLC surviving the subsequent merger.

We currently expect that the merger and the subsequent merger will be completed during the first or second quarter of 2010.

Merger Consideration

Youbet Common Stock

At the effective time, each share of Youbet common stock (including the preferred share purchase rights granted under Youbet's stockholder rights agreement), issued and outstanding immediately prior to the effective

Table of Contents

time (other than treasury shares of Youbet, shares of Youbet common stock held by a wholly owned subsidiary of Youbet or shares of Youbet common stock held by CDI or any of CDI's subsidiaries) will be converted into the right to receive (i) 0.0598 of a share of CDI common stock and (ii) \$0.97 in cash, which we refer to as the per share cash consideration, subject to adjustment to ensure that the merger does not require CDI to issue more than 19.6% of the outstanding CDI common stock outstanding as of immediately prior to the effective time. Except for any adjustment that may occur as described in the immediately preceding sentence, the 0.0598 exchange ratio is fixed and will not be adjusted for changes in the stock prices of either company before the merger is completed. Shares of Youbet common stock held by CDI, Merger Sub or Merger LLC or held by Youbet in its treasury immediately prior to the completion of the merger will be cancelled, and will not be converted into the right to receive the merger consideration.

Youbet Stock Options

The merger agreement provides that each outstanding vested and unvested Youbet stock option will be cancelled at the effective time and the holders of such options that are in the money will receive a mix of cash and CDI stock, in the same proportion that each such optionholder would have received if such optionholder was a Youbet stockholder, based upon the amount by which \$0.97 plus the product of (i) 0.0598 and (ii) the closing price of CDI's common stock on The NASDAQ Stock Market on the day immediately prior to the date of the effective time exceeds the exercise price of each such Youbet stock option.

Fractional Shares

CDI will not issue fractional shares in the merger. Instead, each holder of shares of Youbet common stock who would otherwise be entitled to a fractional share of CDI common stock will be entitled to receive a cash payment, without interest, from the exchange agent in lieu of such fractional shares in an amount equal to the product of:

the per share value of one share of CDI common stock calculated as the average of the closing sale prices of CDI common stock over the five trading days immediately preceding the date on which the completion of the merger occurs; multiplied by

the fractional share interest to which such holder would otherwise be entitled.

Exchange of Youbet Stock Certificates for CDI Stock Certificates

CDI has retained American Stock Transfer & Trust Company, LLC, which we refer to as the exchange agent, as the exchange agent for the merger to handle the exchange of shares of Youbet common stock for the merger consideration, including the payment of cash for fractional shares.

Only those holders of Youbet common stock who properly surrender their Youbet stock certificates in accordance with the exchange agent's instructions will receive:

a statement indicating book-entry ownership of CDI common stock or, if requested, a certificate representing CDI common stock;

the per share cash consideration;

cash in lieu of any fractional share of CDI common stock; and

dividends or other distributions, if any, on CDI common stock to which they are entitled under the terms of the merger agreement. After the completion of the merger, each certificate representing shares of Youbet common stock that has not been surrendered will represent only the right to receive upon surrender of that certificate each of the items listed in the preceding sentence. Following the completion of the merger, Youbet will not register any transfers of Youbet common stock outstanding on its stock transfer books prior to the merger.

Table of Contents

As soon as reasonably practicable after the completion of the merger, the exchange agent will mail to each holder of shares of Youbet common stock a letter of transmittal (which will specify that the delivery will be effected, and risk of loss and title with respect to certificates representing shares of Youbet common stock will pass, only upon actual delivery of such holder's certificates representing shares of Youbet common stock) and instructions for surrendering the certificates representing shares of Youbet common stock or book-entry shares in exchange for the merger consideration. Upon surrender of certificates representing shares of Youbet common stock or book-entry shares, together with an executed letter of transmittal, to the exchange agent, the holder of those certificates or book-entry shares will be entitled to receive the merger consideration. The surrendered certificates representing Youbet common stock and the book-entry shares will be cancelled. If any Youbet stockholder's certificates have been lost, stolen or destroyed, CDI may require the stockholder to provide a customary affidavit of loss in lieu of the actual certificates, and to deliver a bond in a reasonable amount as indemnity against any claim that may be made against the exchange agent, CDI or Merger Sub with respect to the certificates.

Distributions with Respect to Unexchanged Shares

Holders of Youbet common stock are not entitled to receive any dividends or other distributions on CDI common stock until the merger is completed and such holders surrender the certificates representing shares of Youbet common stock or book-entry shares pursuant to the terms of the merger agreement. After the merger is completed, holders of Youbet common stock certificates will be entitled to (i) all dividends and other distributions payable in respect of such shares of CDI common stock with a record date after the completion of the merger and a payment date on or prior to the date of such surrender and not previously paid, (ii) at the appropriate payment date, an amount equal to the dividends or other distributions payable with respect to such shares of CDI common stock with a record date on or after the date of the completion of the merger but with a payment date on or subsequent to such surrender and (iii) the amount of any cash payable with respect to a fractional share of CDI common stock to which the holder is entitled.

Termination of Exchange Fund

One year after the completion of the merger, CDI may require the exchange agent to deliver to CDI any cash remaining in the exchange fund. Thereafter, Youbet stockholders must look only to CDI for payment of the merger consideration on their shares of Youbet common stock, subject to applicable law. Any shares of CDI common stock or cash remaining unclaimed by holders of shares of Youbet common stock five years following the completion of the merger (or immediately prior to such time as such amounts would otherwise escheat to or become property of any governmental authority) will, to the extent permitted by applicable law, become the property of CDI free and clear of any claims or interest of any person previously entitled to such shares of CDI common stock or cash.

No Liability

None of CDI, Youbet, Merger Sub, Merger LLC, the exchange agent or any other person will be liable to any holder of a certificate representing shares of Youbet common stock for any merger consideration delivered to a public official pursuant to any abandoned property, escheat or similar law.

Youbet Stockholder Appraisal Rights

Under Delaware law, Youbet stockholders of record who do not vote in favor of the merger will be entitled to seek appraisal rights and obtain payment in cash for the judicially determined fair value of their shares of Youbet common stock in connection with the merger, if the merger is completed. This value could be more than, less than or the same as the merger consideration for Youbet common stock. The relevant provisions of the DGCL are included as Annex C to this proxy statement/prospectus. We encourage you to read these provisions carefully and in their entirety. Moreover, due to the complexity of the procedures for exercising the right to seek appraisal, Youbet stockholders who are considering exercising such rights are encouraged to seek the advice of legal counsel. Failure to strictly comply with these provisions will result in a loss of the right of appraisal.

Table of Contents

Merely not voting for the merger will not preserve the right of Youbet stockholders to appraisal of their shares of Youbet common stock under Delaware law. Also, because a submitted proxy not marked against or abstain will be voted FOR the proposal to adopt the merger agreement and FOR the Youbet special meeting adjournment proposal at the Youbet special meeting, the submission of a proxy not marked against or abstain will result in the waiver of appraisal rights. Youbet stockholders who wish to exercise their appraisal rights and hold shares in the name of a broker or other nominee must instruct their nominees to take the steps necessary to enable them to demand appraisal for their shares. See The Merger Youbet Stockholder Appraisal Rights beginning on page 95 of this proxy statement/prospectus.

Conditions to Completion of the Merger

The obligations of CDI, Merger Sub and Youbet to effect the merger are subject to the fulfillment, or waiver by CDI, Merger Sub and Youbet, of the following conditions at or prior to the completion of the merger:

the approval of the merger agreement by the holders of a majority of the outstanding shares of Youbet common stock;

the absence of any temporary restraining order, preliminary or permanent injunction or other judgment, order or decree issued by a court or agency of competent jurisdiction located in the United States that prohibits the completion of the merger or the subsequent merger, and no law shall have been enacted, issued, enforced, entered, or promulgated that prohibits or makes illegal the completion of the merger or the subsequent merger;

the expiration or termination of any applicable waiting period under the HSR Act;

the absence of any pending material action by any governmental entity seeking to prohibit the completion of the merger or any other material transactions contemplated by the merger agreement that is reasonably likely to succeed; and

the effectiveness under the Securities Act of the registration statement on Form S-4 of which this proxy statement/prospectus forms a part and the absence of any stop order or proceedings initiated by the SEC for that purpose.

The obligations of CDI and Merger Sub to effect the merger are subject to the fulfillment, or waiver by CDI of the following conditions at or prior to completion of the merger:

(i) the representations and warranties of Youbet in the merger agreement regarding its capital structure and the absence of a Company Material Adverse Effect must be true and correct in all respects, except for any deviation in the capital structure representation and warranty which does not result in an increase of more than \$320,000 in the aggregate amount payable to Youbet stockholders and optionholders in the merger, (ii) the representations and warranties of Youbet in the merger agreement concerning authority, state takeover statutes and certain charter provisions, required vote of Youbet stockholders and brokers must be true and correct in all material respects and (iii) all other representations and warranties of Youbet in the merger agreement must be true and correct, in each case, as of the date of the merger agreement and as of the date of the completion of the merger as though made on and as of such date (other than those representations or warranties that speak as of an earlier date, in which case, such representations or warranties must be true and correct in all respects or all material respects, as applicable, as of that date), except in the case of representations and warranties described in clause (iii) above, where all failures to be true and correct (without giving effect to any materiality or material adverse effect qualifications) have not had, or would not reasonably be expected to have, a Company Material Adverse Effect and the receipt of a certificate from an executive officer of Youbet to that effect;

Youbet having performed and complied in all material respects with its covenants in the merger agreement required to be performed on or prior to the effective time (except for any breaches of

Table of Contents

Youbet's covenants regarding the operations of its business prior to the effective time which were unintentional and which resulted in less than \$250,000 in damages in the aggregate to CDI as a result thereof), and the receipt of a certificate from an executive officer of Youbet to that effect;

the absence of any event, occurrence, fact, condition, effect, change or development that, individually or in the aggregate, has had or would reasonably be likely to have a Company Material Adverse Effect, and the receipt of a certificate from an executive officer of Youbet to that effect; and

the receipt by CDI of an opinion from its counsel that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Code, and that Youbet and CDI will each be a party to that reorganization within the meaning of Section 368(a) of the Code, except that such opinions shall not be conditions to completion of the merger if the value of the per share stock consideration does not equal 40% or more of the value of the per share merger consideration, as determined based on the closing sale price of one share of CDI common stock as of the close of the last full trading day immediately prior to the effective time that CDI's common stock has traded on NASDAQ.

The obligations of Youbet to effect the merger are subject to the fulfillment, or waiver by Youbet, of the following conditions at or prior to completion of the merger:

(i) the representations and warranties of CDI in the merger agreement regarding its capital structure and the absence of a Parent Material Adverse Effect must be true and correct in all respects, except for any deviation of up to 100,000 shares in the aggregate with respect to the capital structure representation and warranty, (ii) the representations and warranties of CDI in the merger agreement concerning authority and brokers must be true and correct in all material respects and (iii) all other representations and warranties of CDI, Merger Sub and Merger LLC in the merger agreement must be true and correct, in each case, as of the date of the merger agreement and as of the date of the completion of the merger as though made on and as of such date (other than those representations or warranties that speak as of an earlier date, in which case, such representations or warranties must be true and correct in all respects or all material respects, as applicable, as of that date), except in the case of representations and warranties described in clause (iii) above, where all failures to be true and correct (without giving effect to any materiality or material adverse effect qualifications) have not had, or would not reasonably be expected to have, a Parent Material Adverse Effect and the receipt of a certificate from an executive officer of CDI to that effect;

CDI having performed and complied in all material respects with its covenants in the merger agreement required to be performed on or prior to the effective time, and the receipt of a certificate from an executive officer of CDI to that effect;

the absence of any event, occurrence, fact, condition, effect, change or development that, individually or in the aggregate, has had or would reasonably be likely to have a Parent Material Adverse Effect, and the receipt of a certificate from an executive officer of CDI to that effect;

the receipt by Youbet of an opinion from its counsel that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Code, and that Youbet and CDI will each be a party to that reorganization within the meaning of Section 368(a) of the Code, except that such opinions shall not be conditions to completion of the merger if the value of the per share stock consideration does not equal 40% or more of the value of the per share merger consideration, as determined based on the closing sale price of one share of CDI common stock as of the close of the last full trading day immediately prior to the effective time that CDI's common stock has traded on NASDAQ; and

the authorization for listing on NASDAQ of the shares of CDI common stock to be issued in the merger. CDI, Youbet, Merger Sub or Merger LLC may elect to waive certain of the foregoing conditions in accordance with the terms of the merger agreement and applicable law. However, despite their ability to do so,

Table of Contents

none of CDI, Youbet or Merger Sub currently expects to do so. The conditions to completion of the merger relating to the approval of the merger agreement by Youbet stockholders, the prohibition or prevention of the merger by a governmental authority and the effectiveness under the Securities Act of the registration statement on Form S-4 may not be waived by any party to the merger agreement. If any condition to completion of the merger is waived, Youbet will evaluate the materiality of such waiver to determine whether amendment of this proxy statement/prospectus and resolicitation of proxies is necessary under applicable law or the rules of NASDAQ. If Youbet determines that any such waiver is not significant enough to require resolicitation of proxies, it will have the discretion to complete the merger without seeking further stockholder approval. Neither CDI nor Youbet will waive the receipt of the opinion from its respective counsel that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Code as a condition to its obligation to complete the merger without the approval of Youbet stockholders.

Definition of Company Material Adverse Effect

Company Material Adverse Effect, when used in the merger agreement in reference to Youbet, means (i) any event, occurrence, fact, condition, effect, change or development that is materially adverse to the business, financial condition or results of operations of Youbet and its subsidiaries, taken as a whole or (ii) a decrease in Youbet's EBITDA of 15% or more for the 2008 fiscal year or a decrease in Youbet's EBITDA of 15% or more for the first nine months of the 2009 fiscal year, in either case due to any restatement of Youbet's financial statements in response to the comment letter dated October 13, 2009 addressed to Youbet from the SEC with respect to Youbet's Form 10-K for the year ended December 31, 2008 and Form 8-K furnished August 13, 2009, and any subsequent letters from the SEC addressed to Youbet relating to the subject matter thereof. However, for purposes of (i) above, none of the following events, occurrences, facts, conditions, effects, changes or developments will be deemed by themselves to constitute, and none of the following will be taken into account in determining whether there has been or will be, a Company Material Adverse Effect:

any change generally affecting the economy, financial, credit or capital markets (including changes in interest rates or exchange rates) or political or economic conditions in the United States, except to the extent that Youbet and its subsidiaries are adversely affected in a disproportionate manner relative to other participants in the industries in which Youbet and its subsidiaries operate;

conditions (or changes therein) generally affecting the industries in which Youbet or its subsidiaries operate, except to the extent that Youbet and its subsidiaries are adversely affected in a disproportionate manner relative to other participants in the industries in which Youbet and its subsidiaries operate;

changes in applicable law or GAAP, except to the extent that Youbet and its subsidiaries are adversely affected in a disproportionate manner relative to other participants in the industries in which Youbet and its subsidiaries operate;

compliance by Youbet or its subsidiaries with the terms of the merger agreement;

any change attributable to the negotiation, execution, announcement, pendency or pursuit of the transactions contemplated by the merger agreement, including the merger;

acts of war (whether or not declared), the commencement, continuation or escalation of a war, acts of armed hostility, sabotage or terrorism or other international or national calamity or any material worsening of such conditions threatened or existing as of the date of the merger agreement;

any hurricane, earthquake, flood, natural disaster, or other force majeure event; or

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any failure by Youbet to meet analysts revenue or earnings projections, in and of itself, or the trading price of Youbet's common stock or CDI's common stock, as the case may be, in and of itself (although the events, occurrences, facts, conditions, effects, changes or developments underlying such change are not excluded to the extent they would otherwise constitute a Company Material Adverse Effect).

Table of Contents

Notwithstanding any of the immediately preceding bullet points above, any changes in applicable federal law (including any regulations thereunder) in the United States that are first enacted after the date of the merger agreement and that materially restrict or prohibit on a national basis the operation of Youbet's and its subsidiaries' (taken as a whole) ADW business will be deemed to constitute a Company Material Adverse Effect (and, for purposes of clarity, any law under the UIGEA will not be considered as being first enacted after the date of the merger agreement for purposes of the definition of Company Material Adverse Effect).

Definition of Parent Material Adverse Effect

Parent Material Adverse Effect, when used in the merger agreement in reference to CDI, means any event, occurrence, fact, condition, effect, change or development that is materially adverse to the business, financial condition or results of operations of Youbet and its subsidiaries, taken as a whole. However, none of the following events, occurrences, facts, conditions, effects, changes or developments will be deemed by themselves to constitute, and none of the following will be taken into account in determining whether there has been or will be, a Parent Material Adverse Effect:

any change generally affecting the economy, financial, credit or capital markets (including changes in interest rates or exchange rates) or political or economic conditions in the United States, except to the extent that CDI and its subsidiaries are adversely affected in a disproportionate manner relative to other participants in the industries in which CDI and its subsidiaries operate;

conditions (or changes therein) generally affecting the industries in which CDI or its subsidiaries operate, except to the extent that CDI and its subsidiaries are adversely affected in a disproportionate manner relative to other participants in the industries in which CDI and its subsidiaries operate;

changes in applicable law or GAAP, except to the extent that CDI and its subsidiaries are adversely affected in a disproportionate manner relative to other participants in the industries in which CDI and its subsidiaries operate;

compliance by CDI or its subsidiaries with the terms of the merger agreement;

any change attributable to the negotiation, execution, announcement, pendency or pursuit of the transactions contemplated by the merger agreement, including the merger;

acts of war (whether or not declared), the commencement, continuation or escalation of a war, acts of armed hostility, sabotage or terrorism or other international or national calamity or any material worsening of such conditions threatened or existing as of the date of the merger agreement;

any hurricane, earthquake, flood, natural disaster, or other force majeure event; or

any failure by CDI to meet analysts revenue or earnings projections, in and of itself, or the trading price of Youbet's common stock or CDI's common stock, as the case may be, in and of itself (although the events, occurrences, facts, conditions, effects, changes or developments underlying such change are not excluded to the extent they would otherwise constitute a Parent Material Adverse Effect).

Non-Solicitation of Alternative Transactions

The merger agreement provides that, except as described further below, Youbet and its subsidiaries may not and may not publicly announce any intention to, and will not authorize or knowingly permit their respective representatives to:

solicit, initiate or knowingly facilitate, induce or encourage the submission of, any alternative proposal;

enter into any letter of intent or agreement in principle or any agreement providing for, relating to or in connection with, any alternative proposal;

approve, endorse or recommend any alternative proposal; or

Table of Contents

enter into, continue or otherwise participate in any discussions or negotiations regarding, or furnish to any third party any information with respect to, or take any other action to knowingly facilitate any inquiries or the making of any proposal that constitutes any alternative proposal.

Youbet is also required to promptly (and in any event within one business day) notify CDI if it receives any alternative proposal, any request for nonpublic information or inquiry relating in any way to, or that would reasonably be expected to lead to an alternative proposal, including in each case the material terms and conditions of the alternative proposal, request or inquiry, and the identity of the person making any such alternative proposal, request or inquiry. Youbet is also required to promptly provide CDI with all information as is reasonably necessary to keep CDI reasonably informed of all material oral or written communications regarding, and the status and changes to the economic or other material terms of, any such alternative proposal, request or inquiry.

Youbet may, however, before the Youbet stockholders' approval of the proposal to adopt the merger agreement, in response to an unsolicited, bona fide alternative proposal which its board of directors determines, in good faith (after consultation with its outside counsel and a financial advisor), would or would reasonably be expected to result in a superior proposal (i) furnish nonpublic information to the third party making such alternative proposal and (ii) engage in discussions or negotiations with such third party with respect to the alternative proposal, if, and only if, prior to so furnishing such information or engaging in discussions or negotiations, it receives from such third party an executed confidentiality agreement with confidentiality provisions not materially less favorable to it than the confidentiality agreement entered into by CDI and Youbet.

Youbet has also agreed to terminate any discussions or negotiations relating to an alternative proposal that occurred prior to the date of the merger agreement. It has further agreed to not terminate, materially amend, modify or waive any confidentiality agreement relating to an alternative proposal or standstill agreement to which Youbet or any of its subsidiaries is a party and to use commercially reasonable efforts to enforce any existing confidentiality agreements or standstill agreements with third parties, unless the Youbet board of directors determines in good faith, after consultation with Youbet's outside counsel, that such action or inaction would violate the Youbet directors' fiduciary duties to Youbet stockholders.

An alternative proposal means any offer or proposal by a third party, other than the merger, involving any of the following:

any acquisition or purchase from Youbet by any third party of more than a 15% interest in the total outstanding voting securities of Youbet or any of its subsidiaries or any tender or exchange offer that if consummated would result in any third party beneficially owning 15% or more of the total outstanding voting securities of Youbet or any of its subsidiaries;

any merger, consolidation, business combination or similar transaction involving Youbet pursuant to which Youbet's stockholders immediately preceding such transaction hold less than 85% of the equity interests in the surviving or resulting entity of such transaction;

any sale, lease exchange, transfer, license, acquisition or disposition of more than 15% of the assets of Youbet or any of its subsidiaries; or

any liquidation, dissolution, recapitalization or other significant corporate reorganization of Youbet.

A superior proposal means a bona fide written proposal made by a third party to acquire, directly or indirectly, pursuant to a tender offer, exchange offer, merger, consolidation or other business combination, in excess of 50% of all of the assets of Youbet and its subsidiaries, taken as a whole, or in excess of 50% of the outstanding voting securities of Youbet and as a result of which the Youbet stockholders immediately preceding such transaction would cease to hold at least 50% of the equity interests in the surviving or resulting entity of such transaction, on terms that in the reasonable good faith judgment of the Youbet board of directors, after consultation with its outside financial advisors, are more favorable to Youbet's stockholders from a financial

Table of Contents

point of view than the transactions contemplated by the merger agreement, and which transaction is reasonably likely to be completed on a timely basis after taking into account all the terms and conditions of such proposal and the merger agreement (including any proposal by either party to amend the terms of the merger agreement).

Special Meeting of Youbet Stockholders; Board Recommendation of Youbet Board of Directors

Youbet is required to hold a meeting of its stockholders to consider the approval of the proposal to adopt the merger agreement. Youbet has agreed to use reasonable best efforts to solicit the approval and the proposal to adopt the merger agreement, and its board of directors has agreed to recommend that Youbet's stockholders approve the proposal to adopt the merger agreement, unless, in each case, it has made a change of recommendation as described below.

The merger agreement provides that, at any time prior to, but not after, the Youbet stockholders' approval of the proposal to adopt the merger agreement, Youbet's board of directors may change its recommendation that Youbet's stockholders approve the proposal to adopt the merger agreement if:

Youbet provides CDI with written notice at least three business days prior to making a change of recommendation that it has received a superior proposal and specifying the material terms and conditions of such superior proposal (including the per share value of the consideration offered by the superior proposal and the identity of the person making such proposal), which notice period would be extended by three business days to the extent any material revisions are made to such superior proposal;

following Youbet's compliance with the advance notice period described above, such proposal continues to constitute a superior proposal; and

prior to terminating the merger agreement, to the extent requested by CDI, Youbet engages in good faith negotiations with CDI to amend the merger agreement in such a manner that the transaction contemplated by the definitive agreement with respect to the superior proposal ceases to constitute a superior proposal.

The merger agreement also provides that the Youbet board of directors may make a change of recommendation other than in circumstances involving or relating to a superior proposal, but only in response to an intervening event and provided that Youbet and its subsidiaries have complied in all material respects with the provisions of the merger agreement relating to non-solicitation of alternative transactions, if the Youbet board of directors determines in good faith (after consultation with its outside legal counsel) that, in light of such intervening event, failure to take such action would reasonably be expected to constitute a breach of the Youbet directors' fiduciary obligations to the Youbet stockholders under applicable law. Prior to making any change of recommendation in response to an intervening event, Youbet must also engage in good faith negotiations with CDI to amend the merger agreement in such a manner that, in light of the intervening event, failure to make a change of recommendation would no longer constitute a breach of the Youbet directors' fiduciary obligations to Youbet's stockholders under applicable law.

An intervening event means, with respect to CDI or Youbet, as applicable, a material event, occurrence, fact, condition, effect, change or development that was not known or reasonably foreseeable to the Youbet board of directors on the date of the merger agreement, which event, occurrence, fact, condition, effect, change or development becomes known to the Youbet board of directors before receipt of the approval of the merger agreement by Youbet's stockholders. However, none of the following constitutes an intervening event for purposes of the merger agreement: (i) any action taken by either party pursuant to and in compliance with the terms of the merger agreement, (ii) the receipt, existence of or terms of an alternative proposal or a superior proposal or any inquiry relating thereto or the consequences thereof and (iii) any event, occurrence, fact, condition, effect, change or development that has an adverse effect on the business, financial condition or results of operations of CDI or any of its subsidiaries, unless such event, occurrence, fact, condition, effect, change or development has had or would reasonably be expected to have a Parent Material Adverse Effect.

Table of Contents

Under the terms of the merger agreement, CDI has the option, exercisable within five business days after a change of recommendation by the Youbet board of directors, to cause the Youbet board of directors to submit the merger agreement to the Youbet stockholders for the purpose of approving and adopting the merger agreement. If CDI exercises this option, it is not entitled to terminate the merger agreement under certain circumstances and will not be entitled to the payment by Youbet of a termination fee or reimbursement of termination expenses. See

Termination of the Merger Agreement beginning on page 117 of this proxy statement/prospectus.

Nothing in the merger agreement prohibits Youbet or its board of directors from complying with Rules 14d-9 and 14e-2 under the Exchange Act or from publicly disclosing the existence of an alternative proposal to the extent the Youbet board of directors determines in good faith (after consultation with its outside counsel) that the failure to make such disclosure would reasonably be expected to constitute a breach of its fiduciary duties under applicable law.

Youbet's board of directors may not recommend any acquisition proposal (other than the merger agreement and the transactions contemplated by the merger agreement), except as specifically contemplated by, and in accordance with the restrictions and obligations described above under

Non-Solicitation of Alternative Transactions beginning on page 107 of this proxy statement/prospectus.

Efforts to Complete the Merger

Reasonable Best Efforts. Except with respect to filings under the HSR Act and matters involving antitrust laws which are described below under Antitrust Approvals below, CDI and Youbet have agreed to use their reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable law to complete the transactions contemplated by the merger agreement.

Antitrust Approvals. CDI and Youbet have agreed to use their best efforts to obtain prompt termination of the waiting period under the HSR Act. If any objections are asserted by any governmental entity with respect to the merger or if any litigation or proceedings are instituted by a governmental entity challenging the merger under applicable antitrust laws, or if any order is issued enjoining the merger under applicable antitrust laws, CDI has agreed to use its best efforts to resolve the objections, litigation or proceedings, or to have the order vacated in order to enable the merger agreement to close by May 11, 2010 (or February 11, 2011 if extended as described below under Termination of the Merger Agreement) and Youbet has agreed to use its best efforts to assist in those efforts.

CDI is not obligated to agree to take any action or accept any condition or requirement with respect to CDI or Youbet, and Youbet is not permitted to agree to that action without CDI's consent, if that action or requirement would reasonably be expected to:

require CDI or Youbet to sell, license, transfer, assign, lease, dispose of or hold separate any material businesses or assets;

result in any material limitations on CDI or Youbet to own, retain, conduct or operate all or a material portion of their respective businesses or assets; or

require CDI or Youbet to grant any material right or commercial or other accommodation to, or enter into any material commercial contractual or other commercial relationship with, any third party.

CDI is entitled under the merger agreement, after reasonable consultation with Youbet as to strategy, to lead all proceedings and coordinate all activities with respect to seeking any actions, consents, approvals or waivers of any governmental entity, and Youbet is obligated to take actions reasonably requested by CDI in connection with such efforts, as long as the actions would not bind Youbet irrespective of the completion of the merger.

Table of Contents

Conduct of Business Pending the Merger

Restrictions on Youbet's Interim Operations

Youbet has agreed that, prior to the completion of the merger, it will, and will cause each of its subsidiaries to, conduct, in all material respects, its business in the ordinary course of business consistent with past practice and, to the extent consistent therewith, use commercially reasonable efforts to:

preserve its current business organization;

keep available the services of its current officers and employees; and

preserve its relationships with customers, suppliers and others having business dealings with it, in each case to the end that its goodwill and ongoing business will be materially unimpaired at the effective time.

Youbet has further agreed to not take certain actions prior to the completion of the merger unless the actions are contemplated by the merger agreement, reasonably contemplated to comply with Youbet's or the Youbet board of directors' fiduciary obligations with respect to the restriction on solicitation by Youbet, required by certain contracts of Youbet in place on the date of the merger agreement or consented to by CDI (which consent will not be unreasonably withheld, conditioned or delayed by CDI). In particular, subject to the above exceptions, Youbet may not, and may not permit any of its subsidiaries to:

declare, set aside or pay any dividends on, or make any other actual, constructive or deemed distributions in respect of, any of its capital stock, or otherwise make any payments to its stockholders in their capacity as such other than dividends or distributions from wholly owned subsidiaries of Youbet to Youbet or other wholly owned subsidiaries of Youbet, subject to certain exceptions;

split, combine or reclassify any of its capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, subject to certain exceptions;

purchase, redeem or otherwise acquire, or modify or amend, any shares of capital stock of Youbet or any of its subsidiary or any other securities thereof or any rights, warrants or options to acquire, any such shares or other securities, subject to certain exceptions;

redeem the rights issued under Youbet's stockholder rights agreement or amend or terminate Youbet's stockholder rights agreement prior to the effective time, subject to certain exceptions;

except for transactions among Youbet and its wholly owned subsidiaries or among Youbet's wholly owned subsidiaries, authorize for issuance, issue, deliver, sell, pledge, dispose of, grant, transfer or otherwise encumber or agree or commit to issue, deliver, sell, pledge, dispose of, grant, transfer or encumber any shares of its capital stock, any other voting securities or equity equivalent or any securities convertible into or exchangeable for, or any rights, warrants or options of any kind to acquire, any such shares, voting securities, equity equivalent or convertible or exchangeable securities, other than the issuance of shares of Youbet common stock (and the associated stockholder rights in accordance with Youbet's stockholder rights agreement) upon the exercise of Youbet stock options outstanding on the date of the merger agreement, in each case, in accordance with their terms;

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except for transactions among Youbet and its wholly owned subsidiaries or among Youbet's wholly owned subsidiaries, enter into any amendment of any term of any of its outstanding securities or accelerate the vesting of any options, warrants or other rights of any kind to acquire any shares of capital stock to the extent that such acceleration of vesting does not occur automatically under the terms of any such interests or plans governing such interests;

amend or publicly propose to amend its certificate of incorporation or bylaws or other comparable organizational documents;

acquire or agree to acquire by merging or consolidating with, by purchasing a substantial portion of the assets of or equity in or by any other manner, any business or any corporation, limited liability

Table of Contents

company, partnership, joint venture, association or other business organization or division thereof or otherwise acquire or agree to acquire any assets, other than assets acquired in the ordinary course of business consistent with past practice and not material to Youbet and its subsidiaries, taken as a whole;

sell, transfer, lease, license (as licensor of intellectual property rights of Youbet), mortgage, pledge, encumber or otherwise dispose of any of its properties or assets, other than sales, leases, licenses or disposals of products or services in the ordinary course of business consistent with past practice and not material to Youbet and its subsidiaries, taken as a whole;

incur, assume or modify any indebtedness for borrowed money, guarantee, endorse or otherwise become liable or responsible for (whether directly, contingently or otherwise), any such indebtedness for borrowed money of another person or make any loans, advances or capital contributions to, or other investments in, any other person, other than (i) indebtedness, obligations, loans, advances, capital contributions and investments between Youbet and any of its wholly owned subsidiaries or between Youbet's wholly owned subsidiaries, (ii) letters of credit required under applicable law to be issued in connection with Youbet's advance deposit wagering business or otherwise not exceeding \$100,000 in the aggregate, (iii) indebtedness incurred under Youbet's revolving credit facility or other indebtedness incurred in the ordinary course not to exceed \$100,000 in the aggregate (excluding any drawn letters of credit), (iv) refinancings of indebtedness outstanding on the date of the merger agreement (so long as the outstanding principal amount is not materially increased) and (v) indemnification advances to Youbet's directors and officers pursuant to applicable law or Youbet's organizational documents;

issue or sell any debt securities or warrants or other rights to acquire any debt securities of Youbet or any of its subsidiaries;

enter into any keep well or other agreement to maintain any financial statement condition of another person other than any of the wholly owned subsidiaries of Youbet;

alter (including through merger, liquidation, dissolution, reorganization, restructuring or recapitalization) the corporate structure or ownership of Youbet or any of its subsidiaries;

enter into, adopt or amend (i) any Youbet employee benefit plans for the purpose of increasing benefits to Youbet's or its subsidiaries employees, where as a result of such amendment or adoption, as applicable, the cost to Youbet of providing such increased benefits will exceed \$250,000 in the aggregate during the twelve months immediately following such amendment or adoption or (ii) any Youbet employment or consulting contracts other than in the ordinary course of business, except, in each case, as required by applicable law or the terms of the merger agreement;

increase the compensation or benefits payable or to become payable to its directors, officers or employees (except for increases in the ordinary course of business consistent with past practice in salaries or wages of employees of Youbet or any of its subsidiaries who are not officers of Youbet or any of its subsidiaries) or grant any severance or termination pay to, or enter into or amend any employment or severance contract with, any current or former director or officer of Youbet or any of its subsidiaries other than as required by law, certain contracts to which Youbet is a party or certain employee benefit plans of Youbet in existence on the date of the merger agreement;

establish, adopt, enter into or, except as may be required to comply with applicable law, amend or take action to enhance or accelerate any rights or benefits under, any labor, bonus, profit sharing, thrift, compensation, stock option, restricted stock, pension, retirement, deferred compensation, employment, termination, severance or other plan, certain contracts to which Youbet is a party, trust, fund, policy or arrangement for the benefit of any current or former director, officer or employee (without prohibiting Youbet or its subsidiaries from paying and/or accruing bonuses to, or with respect to, their respective employees in the ordinary course of business);

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knowingly violate or knowingly fail to perform in any material respect any obligation or duty imposed upon it or any subsidiary by any applicable material federal, state or local law, rule, regulation, guideline or ordinance;

Table of Contents

make or adopt any change to its accounting methods, practices or policies (other than actions required to be taken by GAAP or under applicable law as communicated to Youbet by its independent auditors);

except as required by applicable law, prepare or file any tax return in a manner that is materially inconsistent with past practice or, on any such tax return, take any position, make or change any election or adopt any method that is materially inconsistent with positions taken, elections made or methods used in preparing or filing similar tax returns in prior periods;

enter into, materially amend, cancel, terminate, extend or request any material change in, or agree to any material change in, certain material contracts to which Youbet is a party, other than in the ordinary course of business consistent with past practice;

from January 1, 2010 through December 31, 2010, authorize, or enter into any commitment for, capital expenditures exceeding \$2,650,000 in the aggregate;

waive, release or assign any material right or claim or pay, discharge or satisfy any material claims, liabilities or obligations (absolute, accrued, asserted or unasserted, contingent or otherwise), other than the payment, discharge or satisfaction, in the ordinary course of business consistent with past practice or in accordance with their terms, of liabilities reflected or reserved against in the most recent documents filed by Youbet under the Securities Act or the Exchange Act prior to the date of the merger agreement, or incurred in the ordinary course of business consistent with past practice;

initiate any material litigation or arbitration proceeding or settle or compromise any material litigation or arbitration proceeding;

enter into any agreement or arrangement that would be required to be reported by Youbet pursuant to Item 404 of Regulation S-K promulgated by the SEC (other than compensation arrangements with Youbet's and its subsidiaries' employees, officers and directors or other agreements or arrangements in the ordinary course of business consistent with past practice);

enter into any material line of business (i) in the United States other than the line of business in the United States in which Youbet and its subsidiaries is currently engaged or (ii) any line of business outside of the United States other than the line of business outside of the United States in which Youbet and its subsidiaries is currently engaged, in each case as of the date of the merger agreement;

distribute products or services (i) in the United States other than the products and services that Youbet and its subsidiaries are currently distributing in the United States or (ii) to any country outside the United States other than the products and services that Youbet and its subsidiaries are currently distributing outside the United States, in each case as of the date of the merger agreement;
or

authorize, recommend, publicly propose or announce an intention to do any of the above or enter into any contract to do any of the above.

Restrictions on CDI's Interim Operations

CDI has agreed to not take certain actions prior to the completion of the merger unless the actions are contemplated by the merger agreement, required by certain contracts of CDI in place on the date of the merger agreement or consented to by Youbet (which consent will not be unreasonably withheld, conditioned or delayed by Youbet). In particular, subject to the above exceptions, CDI may not, and may not permit any of its subsidiaries to:

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declare, set aside or pay any dividends on, or make any other actual, constructive or deemed distributions in respect of, any of its capital stock, or otherwise make any payments to its shareholders in their capacity as such, other than annual aggregate cash dividends by CDI to its shareholders with respect to CDI's common stock of up to \$0.50 per share or dividends or distributions paid or made by any wholly owned subsidiary of CDI;

Table of Contents

split, combine or reclassify any of its capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, except with respect to any transaction by a wholly owned subsidiary of CDI which remains a wholly owned subsidiary of CDI after consummation of such transaction;

purchase, redeem or otherwise acquire, or modify or amend, any shares of capital stock of CDI or any of its subsidiaries or any other securities thereof or any rights, warrants or options to acquire, any such shares or other securities, other than in the ordinary course of business consistent with past practice in connection with any net share settlement or tax withholding pursuant to certain employee benefit plans of CDI or repurchases, redemptions or other acquisitions of the capital stock of CDI or any of its subsidiaries pursuant to any plans, arrangements or contracts between CDI or any of its subsidiaries existing on the date of the merger agreement in an amount not to exceed 5% of the fully diluted number of shares of CDI capital stock outstanding after giving effect to the merger;

redeem the rights issued under CDI's shareholders rights agreement or amend or CDI's shareholders rights agreement prior to the effective time other than as required to do so by a court of competent jurisdiction, as required to comply with the CDI board of directors' fiduciary obligations or in response to a shareholder proposal or in response to a request or recommendation from an institutional shareholder or institutional shareholder service if, in each case, such action would not adversely affect the completion of the merger, in any material respect, or affect the holders of Youbet common stock whose shares are converted into CDI common stock at the effective time in a manner different, in any material respect, than holders of CDI common stock prior to the effective time;

amend, modify or waive any material provision of CDI's shareholders agreement in a manner that would adversely affect the completion of the merger or affect the holders of Youbet's common stock whose shares are converted into CDI common stock at the effective time in a manner different than holders of CDI's common stock prior to the effective time;

except for transactions among CDI and its wholly owned subsidiaries or among the CDI's wholly owned subsidiaries, authorize for issuance, issue, deliver, sell, pledge, dispose of, grant, transfer or otherwise encumber or agree or commit to issue, deliver, sell, pledge, dispose of, grant, transfer or encumber any shares of its capital stock, any other voting securities or equity equivalent or any securities convertible into or exchangeable for, or any rights, warrants or options of any kind to acquire, any such shares, voting securities, equity equivalent or convertible or exchangeable securities, other than (i) the issuance of shares of CDI common stock upon the exercise of options to purchase CDI stock options or the issuance of shares of CDI common stock in settlement of, or upon exercise or conversion of, any other equity-based compensation award of CDI under certain employee benefit plans of CDI, (ii) the issuance of any securities of CDI pursuant to certain employee benefit plans of CDI, (iii) the issuance of shares of CDI common stock or other securities of CDI in connection with bona fide acquisitions, mergers, strategic partnership transactions or similar transactions not prohibited by certain provisions of the merger agreement or (iv) the issuance of shares of CDI common stock or other securities of CDI in connection with CDI's general capital raising efforts;

except for transactions among CDI and its wholly owned subsidiaries or among the CDI's wholly owned subsidiaries, enter into any amendment of any material term of any of its outstanding securities;

amend its articles of incorporation or bylaws in a manner that would adversely affect the completion of the merger or affect the holders of Youbet common stock whose shares are converted into CDI common stock at the effective time in a manner different than holders of CDI common stock prior to the effective time;

acquire or agree to acquire by merging or consolidating with, by purchasing a substantial portion of the assets of or equity in or by any other manner, any totalizator business or any advance deposit wagering business; or

authorize, recommend, publicly propose or announce an intention to do any of the foregoing or enter into any contract to do any of the above.

Table of Contents

Employee Matters

Under the merger agreement, CDI has agreed:

unless CDI amends or terminates any Youbet employee benefit plan, to cause the surviving company of the merger to honor all Youbet employee benefit plans in accordance with their respective terms; and

to cause each CDI employee benefit plan covering employees of Youbet to recognize prior service of such employees with Youbet as service with CDI (i) for purposes of any waiting period, eligibility requirements, vesting, and determination of benefits under any CDI employee benefit plan that is not a pension plan and (ii) for purposes of eligibility (including eligibility for early retirement benefits) and vesting (but not benefit accrual) under any CDI employee benefit plan that is a pension plan.

Youbet has also agreed under the merger agreement, prior to the completion of the merger, to adopt resolutions providing that no additional contributions will be made to the Youbet.com, Inc. 401(k) Retirement Savings Plan or the United Tote Company, Inc. 401(k) Plan on and after the date of completion of the merger and that such plans will be terminated effective as of the business day immediately prior to the date of completion of the merger (but contingent on completion of the merger).

Management and Board of Directors of CDI After the Merger

CDI has agreed to take all actions as may be necessary to cause its board of directors upon the completion of the merger to be comprised of 14 members, consisting of the 13 current CDI directors and the Youbet designee. Prior to the appointment of the Youbet designee to the CDI board of directors, the Youbet designee must have satisfied all suitability requirements to serve on the CDI board of directors as required by applicable law. CDI has also agreed to appoint the Youbet designee to CDI's Executive Committee and Strategic Planning Committee upon the completion of the merger, to nominate the Youbet designee at the first annual meeting of CDI shareholders, and to use reasonable best efforts to cause the Youbet designee to be reelected to the CDI board of directors for a term expiring at the third annual meeting of CDI shareholders after the effective time.

No change to the executive officers of CDI is expected to occur immediately following the completion of the merger.

Other Covenants and Agreements

CDI and Youbet have agreed to take certain additional actions pursuant to the merger agreement. In particular, CDI and Youbet have agreed to:

take certain actions under federal and state securities laws necessary to complete the transactions contemplated by the merger agreement, including the filing by Youbet of this proxy statement/prospectus and the filing by CDI of a registration statement on Form S-4 with the SEC, of which this proxy statement/prospectus is a part, and the taking of all action by Youbet as is necessary to resolve in all material respects the matters set forth in a comment letter received by Youbet from the SEC with respect to Youbet's Form 10-K for the year ended December 31, 2008 and Form 8-K furnished August 13, 2009;

upon reasonable notice, afford the other party and its representatives reasonable access during normal business hours throughout the period following the date of the merger agreement and the date of completion of the merger to all of its employees, customers, properties, books, contracts, commitments and records and to furnish promptly to the other party a copy of each report, schedule, registration statement or other document filed by such party during the period pursuant to the requirements of the securities laws and all other information concerning such party's business, properties and personnel as the other party may reasonably request, but only to the extent that such access would not unreasonably disrupt the operations of the party granting such access, cause a violation of an agreement to which such party granting access is a party or would cause a risk of a loss of privilege to the disclosing party or any of their subsidiaries or would constitute a violation of any applicable law;

Table of Contents

cause the shares of CDI common stock to be issued in the merger to be approved for listing on NASDAQ;

not issue any press release or any written public statements with respect to the transactions contemplated by the merger agreement without prior consultation of the other party, except as may be required by applicable law, by obligations of any listing agreement with NASDAQ or with respect to any change of recommendation by the Youbet board of directors;

use their reasonable best efforts to grant such approvals and take such actions as are necessary to complete the transactions contemplated by the merger agreement as promptly as practicable on the terms contemplated by the merger agreement if any takeover statute becomes applicable;

use their reasonable best efforts to provide prompt notice to the other party of (i) the occurrence or non-occurrence of any event, the occurrence or non-occurrence of which it is aware and which would be reasonably likely to cause any representation or warranty of the notifying party to be untrue or inaccurate at the effective time or would be reasonably likely to cause any covenant, condition or agreement of the notifying party not to be complied with or satisfied, (ii) any failure of the notifying party to comply in a timely manner with or satisfy any covenant, condition or agreement to be complied with or satisfied by it or (iii) any change, event or effect which would be reasonably likely to, individually or in the aggregate, have a Company Material Adverse Effect or Parent Material Adverse Effect, as the case may be, on the notifying party.

not take any action that would prevent the merger and subsequent merger, taken together, from qualifying as a reorganization within the meaning of Section 368(a) of the Code;

take all steps required to cause dispositions of Youbet common stock or acquisitions of CDI common stock resulting from the transactions contemplated by the merger agreement by each individual subject to the reporting requirements of Section 16(a) of the Exchange Act to be exempt under Rule 16b-3 of the Exchange Act;

with respect to Youbet, promptly advise CDI of any action commenced after the date of the merger agreement against Youbet or any of its directors by any stockholder of Youbet relating to the merger agreement, the merger and the transactions contemplated by the merger agreement and to keep CDI reasonably informed regarding any such litigation; and

with respect to CDI, effective at or prior to the effective time, reserve, for the purposes of effecting the conversion of the issued and outstanding shares of Youbet common stock, sufficient shares of CDI common stock to provide for such conversion.

Subject to applicable law, CDI has also agreed that for six years after completion of the merger, it will or will cause its subsidiary surviving the merger to:

honor all obligations of Youbet for indemnification and advance payment of expenses in favor of past and present officers and directors of Youbet under Youbet's certificate of incorporation or by-laws or under indemnification agreements in effect on the date of the merger agreement with Youbet's past and present directors and officers;

for a period of six years following the effective time, cause the certificate of incorporation, certificate of formation and bylaws and operating agreement, as applicable, of the surviving corporation of the merger and the surviving limited liability company of the subsequent merger and their respective subsidiaries to contain provisions with respect to indemnification, advancement of expenses and exculpation that are at least as favorable, in the aggregate, as the indemnification, advancement of expenses and exculpation provisions contained in the certificate of incorporation and bylaws of Youbet and its subsidiaries immediately prior to the effective time; and

for a period of six years following the effective time, provide officers and directors liability insurance and indemnification at least as favorable as Youbet's existing insurance so long as the annual premium

Table of Contents

for the insurance does not exceed 300% of the last annual premium that Youbet paid prior to the date of the merger agreement. If the annual premium of Youbet's existing insurance policy exceeds the 300% limitation, CDI will maintain policies of insurance providing the maximum amount of coverage available with an annual premium equal to 300% of Youbet's current annual premium.

Termination of the Merger Agreement

General

The merger agreement may be terminated at any time prior to the completion of the merger by the mutual written consent of CDI and Youbet. Also, either CDI or Youbet may terminate the merger agreement at any time prior to the completion of the merger if:

the merger is not completed on or before the May 11, 2010, unless the party seeking to terminate the merger agreement has materially breached any representation, warranty or covenant in the merger agreement and such breach has been a principal cause of the failure of the merger to be completed on or before such date (which date will be automatically extended until February 11, 2011 if all of the conditions to completion of the merger have been satisfied on or prior to the date that is six months after the date of the merger agreement other than those conditions relating to antitrust matters);

a governmental entity has issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the merger that has become final and nonappealable, except that this right of termination is not available to any party whose material breach of a representation, warranty or covenant in the merger agreement has been the principal cause of such action; or

the Youbet special meeting or any adjournment or postponement thereof concludes without the approval of the proposal to adopt the merger agreement by Youbet's stockholders.

Youbet may terminate the merger agreement at any time prior to the approval of the proposal to adopt the merger agreement by Youbet's stockholders in light of a superior proposal if:

Youbet's board of directors authorizes Youbet to enter into a definitive agreement concerning a transaction that constitutes a superior proposal and Youbet enters into such definitive agreement concurrently with such termination;

Youbet has complied in all material respects with, and the superior proposal did not otherwise result from a breach of, the section of the merger agreement imposing restrictions on the solicitation of alternative proposals, including its obligation to notify CDI of the superior proposal, see *Non-Solicitation of Alternative Transactions* beginning on page 107 of this proxy statement/prospectus;

the superior proposal has not been withdrawn and continues to constitute a superior proposal at the conclusion of a three business day period that begins with notification to CDI of the superior proposal, subject to any extensions as contemplated by the merger agreement, and to the extent requested by CDI, Youbet engages in good faith negotiations with CDI to amend the merger agreement in such a manner that the transaction contemplated by the definitive agreement with respect to the superior proposal ceases to constitute a superior proposal; and

Youbet pays all fees and expenses required to be paid under the merger agreement as a result of such termination. See *Youbet Termination Fee and Expenses* beginning on page 119 of this proxy statement/prospectus.

In addition, Youbet may terminate the merger agreement at any time prior to the completion of the merger if:

there is any continuing inaccuracy in the representations of CDI, Merger Sub or Merger LLC or CDI or Merger Sub are then failing to perform any of their covenants or other agreements set forth in the

Table of Contents

merger agreement, such that the conditions to Youbet's obligation to complete the merger, see "Conditions to Completion of the Merger" beginning on page 104 of this proxy statement/prospectus, would not be satisfied as of the time of such termination and such breach or condition is not curable or, if curable is not cured within 30 days after written notice is given by Youbet to CDI stating its intention to terminate the merger agreement and the basis for such determination; or

there has been a Parent Material Adverse Effect that is not curable or, if curable, is not cured within 30 days after written notice is given by Youbet to CDI stating its intention to terminate the merger agreement and the basis for such termination. CDI may terminate the merger agreement at any time prior to the completion of the merger if:

there is any continuing inaccuracy in the representations of Youbet or Youbet is then failing to perform any of their covenants or other agreements set forth in the merger agreement, such that the conditions to CDI's obligation to complete the merger, see "Conditions to Completion of the Merger" beginning on page 104 of this proxy statement/prospectus, would not be satisfied as of the time of such termination and such breach or condition is not curable or, if curable is not cured within 30 days after written notice is given by CDI to Youbet stating its intention to terminate the merger agreement and the basis for such determination;

the Youbet board of directors or any committee thereof (i) subject to certain restrictions on CDI's ability to terminate the merger agreement, shall not have recommended, or the Youbet board of directors or a committee thereof shall have resolved not to recommend approval and the proposal to adopt the merger agreement, shall have made a change in recommendation or shall have failed to include its recommendation of the approval and the proposal to adopt the merger agreement by Youbet's stockholders in the proxy statement relating to the Youbet special meeting of stockholders, (ii) in response to a publicly announced or publicly disclosed alternative proposal from a third party, shall not have publicly reconfirmed its recommendation in favor of the adoption and approval of the merger agreement within five business days after CDI requests in writing that such recommendation be publicly reconfirmed (subject to certain limitations on the number of such requests that CDI may make), or (iii) subject to certain restrictions on CDI's ability to terminate the merger agreement, shall have resolved or publicly proposed to do any of the foregoing;

Youbet has breached in any material respect its obligations under the section of the merger agreement imposing restrictions on the solicitation of alternative proposals, including its obligation to notify CDI of the superior proposal, see "Non-Solicitation of Alternative Transactions" beginning on page 107 of this proxy statement/prospectus (except for any inadvertent or unintentional breaches that have no impact on CDI's ability to complete the merger on the terms set forth in the merger agreement);

within 10 business days after a tender or exchange offer relating to securities of Youbet involving a person or group unaffiliated with CDI has first been published or announced, Youbet shall not have published, sent or given to its stockholders pursuant to Rule 14e-2 promulgated under the Securities Act a statement disclosing that the Youbet board of directors recommends rejection of such tender or exchange offer (including by taking no position with respect to such tender offer or exchange offer);

the Youbet board of directors or any committee thereof shall have recommended to its stockholders or approved any alternative proposal or any definitive agreement with respect to an alternative proposal or shall have resolved to do so; or

there has been a Company Material Adverse Effect that is not curable or, if curable, is not cured within 30 days after written notice is given by CDI to Youbet stating its intention to terminate the merger agreement and the basis for such termination.

Table of Contents

Youbet Termination Fee and Expenses

Youbet would be required to pay CDI a termination fee of approximately \$4.3 million within three business days of the termination of the merger agreement and reimburse CDI's transaction expenses up to \$500,000 within three business days of receipt of documentation supporting such expenses if:

CDI terminates the merger agreement following a failure of the Youbet board of directors to recommend approval of the proposal to adopt the merger agreement to the Youbet stockholders, a change in recommendation by the Youbet board of directors or the failure of the Youbet board of directors to reconfirm its prior recommendation;

Youbet has breached in any material respect its obligations under the section of the merger agreement imposing restrictions on the solicitation of alternative proposals, including its obligation to notify CDI of the superior proposal, see *Non-Solicitation of Alternative Transactions* beginning on page 107 of this proxy statement/prospectus (except for any inadvertent or unintentional breaches that have no impact on CDI's ability to complete the merger on the terms set forth in the merger agreement);

within 10 business days after a tender or exchange offer relating to securities of Youbet involving a person or group unaffiliated with CDI has first been published or announced, Youbet shall not have published, sent or given to its stockholders pursuant to Rule 14e-2 promulgated under the Securities Act a statement disclosing that the Youbet board of directors recommends rejection of such tender or exchange offer (including by taking no position with respect to such tender offer or exchange offer); or

the Youbet board of directors recommends or approves an alternative proposal.

Youbet would be required to pay CDI a termination fee of approximately \$4.3 million concurrently with termination of the merger agreement and reimburse CDI's transaction expenses up to \$500,000 within three business days of receipt of documentation supporting such expenses if the merger agreement is terminated by Youbet after Youbet enters into a definitive agreement for a superior proposal.

If, prior to the approval of the merger agreement by the Youbet stockholders an alternative proposal shall have been made to Youbet or shall have been made directly to Youbet's stockholders or otherwise become publicly known or any person shall have announced an intention to make an alternative proposal and the merger agreement is terminated by CDI or Youbet for failure to obtain the approval of the proposal to adopt the merger agreement by the Youbet stockholders or by CDI due to an inaccuracy or breach of Youbet's representations or warranties or failure by Youbet to perform its covenants or agreements that is not capable of being cured within 30 days, then Youbet would be required to reimburse CDI's transaction expenses up to \$500,000 within three business days of receipt of documentation supporting such expenses. If concurrently with or within twelve months of such termination, Youbet enters into a definitive agreement with respect to or consummates such an acquisition proposal, then Youbet would be required to pay CDI a termination fee of approximately \$4.3 million within three business days following the entry into such definitive agreement or consummation of such alternative proposal.

CDI Termination Fee

A non-clearance termination fee of \$5,000,000 will be paid by CDI to Youbet on the first business day following termination if CDI or Youbet terminates the merger agreement due to the failure of the merger to be completed by the merger is not completed on or before May 11, 2010, subject to an extension of such deadline pursuant to the terms of the merger agreement, or due to the issuance of a final non-appealable order prohibiting the merger under antitrust laws, and at the time of termination the following conditions are satisfied:

the closing conditions are satisfied or waived (other than the antitrust conditions, the delivery of certificates and opinions which in light of the facts at the time of termination and any waiver of the condition relating to the compliance by CDI with its covenants described under *Conditions to the Completion of the Merger and Termination of the Merger Agreement*) would be capable of being delivered but are to be delivered on the closing date and any conditions the failure of which is principally caused by a material breach by CDI of the merger agreement or the facts underlying that

Table of Contents

breach), or in the case of termination due to an antitrust order prohibiting the merger, are reasonably likely to be satisfied by the outside date; and

neither CDI nor Youbet has the right to terminate the merger agreement due to the issuance of an order prohibiting the merger relating to matters other than antitrust laws (regardless of whether such order has become final and non-appealable at the time of termination and so long as such order was not principally caused by a material breach by CDI of the merger agreement or the facts underlying that breach).

In addition to the payment by CDI to Youbet of the non-clearance termination fee, upon any such termination, CDI would also agree to use commercially reasonable efforts to secure for Youbet a content license agreement for all advance deposit wagering rights controlled by CDI and/or TrackNet Media Group, LLC.

Effect of Termination

If the merger agreement is terminated as described above, the merger agreement will terminate (except for provisions relating to confidentiality, payment of termination fees and expenses and certain other miscellaneous provisions), and neither CDI nor Youbet will be liable to the other except for liability arising out of a willful breach of a representation or warranty contained in the merger agreement or the breach of any covenant contained in the merger agreement, or as provided for in the confidentiality agreement between CDI and Youbet.

Representations and Warranties

The merger agreement contains customary representations and warranties of Youbet and certain representations and warranties of CDI, Merger Sub and Merger LLC relating to their respective businesses. These representations and warranties have been made solely for the benefit of the other party or parties, and such representations and warranties should not be relied on by any other person. In addition, such representations and warranties:

are qualified in their entirety by the information disclosed by the applicable party in documents filed with the SEC since January 1, 2007 and prior to the date of the merger agreement, excluding any risk factor disclosure, disclosure of risks in any forward-looking statements disclaimer and any other statements that are similarly predictive or forward-looking in nature;

have been further qualified by information contained in disclosure schedules that the parties exchanged in connection with the execution of the merger agreement;

will not survive completion of the merger or the termination of the merger agreement;

are in certain cases subject to a materiality standard described in the merger agreement which may differ from what may be viewed as material by you; and

are in certain cases, qualified by the knowledge of the parties making such representations and warranties.

Youbet has made representations and warranties relating to, among other things:

organization, standing and power;

capital structure;

authority;

consents and approvals and no violation;

SEC filings and internal controls and procedures;

information supplied;

the absence of any undisclosed liabilities;

Table of Contents

the absence of certain changes or events;

litigation;

compliance with laws and the possession of necessary permits;

real property;

tax matters;

the amendment of Youbet's rights agreement to render it inapplicable to the merger and the transactions contemplated by the merger agreement and to render certain provisions in Youbet's rights agreement inapplicable to CDI;

certain material agreements and contracts;

employee benefit plans;

compliance with worker safety and environmental laws;

labor matters;

intellectual property;

information technology and security and privacy;

customer verification procedures;

advance deposits;

insurance;

opinion of Youbet's financial advisor;

the inapplicability of state anti-takeover laws to the merger agreement;

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the required vote of Youbet's stockholders to approve and adopt the merger agreement and that no other vote of the securityholders of Youbet is required by law, Youbet's certificate of incorporation, bylaws or otherwise in order for Youbet to complete the merger and the transactions contemplated thereby;

tax treatment of the merger; and

brokerage and finders' fees and expenses.

CDI, Merger Sub and Merger LLC have made representations and warranties relating to, among other things:

organization, standing and power;

capital structure;

authority;

consents and approvals and no violation;

SEC filings and internal controls and procedures;

information supplied;

the absence of any undisclosed liabilities;

the absence of certain changes or events;

litigation;

compliance with laws and the possession of necessary permits;

tax matters;

Table of Contents

lack of ownership of Youbet's common stock by CDI, Merger Sub or Merger LLC;

employee benefit plans;

opinion of CDI's financial advisor;

that no vote of CDI's common shareholders or any other securityholders of CDI is required in order for CDI to complete the merger, the subsequent merger and the transactions contemplated by the merger agreement, the merger and the subsequent merger;

brokerage and finders' fees and expenses;

financing required to complete the transactions contemplated by the merger agreement;

operations of Merger Sub; and

operations of Merger LLC.

Fees and Expenses

Except as provided above under "Termination of the Merger Agreement" beginning on page 117 of this proxy statement/prospectus, each party is required to pay its own fees and expenses incurred in connection with the merger, the merger agreement and the transactions contemplated thereby.

Governing Law; Jurisdiction; Specific Enforcement

The merger agreement is governed by, and is to be construed in accordance with, the laws of Delaware. All legal actions or proceedings with respect to the merger agreement are to be brought and determined in the Delaware Court of Chancery or, if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any state and federal courts within the State of Delaware. The parties to the merger agreement are entitled to seek injunctions to prevent breaches of the merger agreement and to seek to enforce specifically the terms and provisions of the merger agreement exclusively in the Delaware Court of Chancery or, if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any state and federal courts within the State of Delaware.

Amendments, Extensions and Waivers

Amendments

The merger agreement may be amended by the parties at any time prior to the completion of the merger, except that any amendment after the Youbet special meeting which requires approval by stockholders may not be made without such approval. All amendments to the merger agreement must be in writing signed by each party.

Extensions and Waivers

At any time prior to the completion of the merger, any party to the merger agreement may:

extend the time for the performance of any of the obligations or other acts of any other party to the merger agreement;

waive any inaccuracies in the representations and warranties of any other party contained in the merger agreement or in any document delivered pursuant to the merger agreement; or

waive compliance by any other party with any of the agreements or conditions contained in the merger agreement. However, any waiver that is made following the Yobet special meeting will be subject to approval by Yobet stockholders if further approval is required by applicable law or the rules or regulations of NASDAQ. All extensions and waivers must be in writing and signed by the party against whom the extension or waiver is to be effective. All extensions and waivers must be in writing and signed by the party against whom the extension or waiver is to be effective.

Table of Contents

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The unaudited pro forma condensed combined balance sheet assumes that the merger, as well as the amendment and restatement of our revolving credit facility to finance the merger, took place on September 30, 2009 and combines the consolidated balance sheet of CDI as of September 30, 2009 with the unaudited consolidated balance sheet of Youbet as of September 30, 2009.

The unaudited pro forma condensed combined statement of net earnings for the year ended December 31, 2008 assumes that the merger, as well as the amendment and restatement of our revolving credit facility to finance the merger, took place on January 1, 2008. The audited consolidated statement of net earnings of CDI for the year ended December 31, 2008 has been combined with the audited consolidated statement of net earnings of Youbet for the year ended December 31, 2008.

The unaudited pro forma condensed combined statement of net earnings for the nine months ended September 30, 2009 also assumes that the merger, as well as the amendment and restatement of our revolving credit facility to finance the merger, took place on January 1, 2008. The unaudited condensed consolidated statement of net earnings of CDI for the nine months ended September 30, 2009 has been combined with the unaudited condensed consolidated statement of net earnings of Youbet for the nine months ended September 30, 2009.

The historical consolidated financial information has been adjusted in the unaudited pro forma condensed combined financial information to give effect to pro forma events that are (i) directly attributable to the merger, (ii) factually supportable, and (iii) with respect to the statement of net earnings, expect to have a continuing impact on the combined results. The unaudited pro forma condensed combined financial information should be read in conjunction with the accompanying notes to the unaudited pro forma condensed combined financial information. In addition, the unaudited pro forma condensed combined financial information were based on and should be read in conjunction with the following historical consolidated financial statements and accompanying notes of CDI and Youbet for the applicable periods, which are incorporated by reference in this joint proxy statement/prospectus:

Separate audited historical financial statements of CDI as of and for the year ended December 31, 2008 and the related notes included in CDI's Annual Report on Form 10-K for the year ended December 31, 2008;

Separate audited historical financial statements of Youbet as of and for the year ended December 31, 2008 and the related notes included in Amendment No. 1 to Youbet's Annual Report on Form 10-K/A for the year ended December 31, 2008;

Separate unaudited historical financial statements of CDI as of and for the three and nine months ended September 30, 2009 and the related notes included in CDI's Quarterly Report on Form 10-Q for the period ended September 30, 2009; and

Separate unaudited historical financial statements of Youbet as of and for the three and nine months ended September 30, 2009 and the related notes included in Youbet's Quarterly Report on Form 10-Q for the period ended September 30, 2009.

The unaudited pro forma condensed combined financial information has been presented for informational purposes only. The pro forma information is not necessarily indicative of what the combined company's financial position or results of operations actually would have been had the merger been completed as of the dates indicated. In addition, the unaudited pro forma condensed combined financial information does not purport to project the future financial position or results of operations of the combined company.

The unaudited pro forma condensed combined financial information has been prepared using the acquisition method of accounting under GAAP, which is subject to change and interpretation. CDI has been treated as the

Table of Contents

acquirer in the merger for accounting purposes. For purposes of calculating consideration expected to be paid to Youbet stockholders and Youbet optionholders in connection with the merger, the closing price of CDI common stock on January 22, 2010 was used since it is the most recent date that could practically be used prior to the filing of this proxy statement/prospectus. The acquisition accounting is dependent upon certain valuations and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. Accordingly, the pro forma adjustments are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed combined financial information. Differences between preliminary estimates (for example estimates as to value of acquired intangible assets) and the final acquisition accounting will occur, and these differences could have a material impact on the accompanying unaudited pro forma condensed combined financial information and the combined company's future results of operations and financial position.

CDI expects to fund the cash portion of the acquisition and the repayment of Youbet debt with borrowings under its amended and restated revolving credit facility and cash on hand. The credit facility, which CDI and certain of its subsidiaries entered into on December 22, 2009, has a term of four years. The interest rate under the credit facility for floating rate advances is equal to the sum of (i) the highest of (x) the bank agent's prime rate, (y) the federal funds rate plus 0.50% or (z) an amount equal to the sum of (A) the Eurodollar base rate for a one-month interest period divided by one minus the maximum reserve requirement imposed on Eurodollar liabilities plus (B) 1%, plus (ii) an applicable margin of between 1.00% and 2.50% determined by reference to CDI's leverage ratio. The interest rate under the credit facility for Eurodollar advances is the Eurodollar base rate for the applicable interest period plus an applicable margin of between 2.00% and 3.50%, determined by reference to CDI's leverage ratio. Under the credit facility, CDI pays a commitment fee, payable on the last day of each calendar quarter, at rates that range from 0.30% to 0.50% of the available aggregate commitment, depending on CDI's leverage ratio. The maximum aggregate commitment under the credit facility is \$275 million. Subject to certain conditions, CDI may at any time increase the aggregate commitment up to an amount not to exceed \$375 million.

Under the revolving credit facility in place as of September 30, 2009, the maximum aggregate commitment was \$120 million, and amounts outstanding as of September 30, 2009 totaled \$33.0 million. Subject to certain conditions, CDI could at any time have increased the aggregate commitment up to an amount not to exceed \$170 million. Generally, borrowings made pursuant to the prior revolving credit facility bore interest at a LIBOR-based rate per annum plus an applicable percentage ranging from 0.50% to 1.50% depending on certain of CDI's financial ratios. The revolving credit facility in place as of September 30, 2009 had an expiration date of September 23, 2010. As noted above, the aggregate commitment under the amended and restated revolving credit facility, the terms of which were taken into account for purposes of the preparation of the unaudited pro forma condensed combined financial information, increased the maximum amount available for borrowing from up to \$170 million to up to \$375 million. For purposes of financing the cash portion of the consideration to be made in connection with the merger, CDI currently anticipates borrowing from its amended and restated credit facility the amount disclosed in Note 6 (A).

The unaudited pro forma condensed combined financial information does not reflect the expected realization within one year following the close of the merger of annual pre-tax cost reductions of \$10.0 million. Although CDI management expects that cost reductions will result from the merger, there can be no assurance that these cost reductions will be achieved. The unaudited pro forma condensed combined financial information does not reflect estimated restructuring charges and asset impairment charges associated with the expected cost reductions, which could approximate \$7.0 million and will be expensed as incurred. The unaudited pro forma condensed combined financial information does not reflect the payment of a bonus to Youbet's Chief Financial Officer to be made in connection with the merger. The determination whether to make such a bonus payment is solely at the discretion of Youbet's Compensation Committee.

Table of Contents**Churchill Downs Incorporated and Youbet.com, Inc.****Unaudited Pro Forma Condensed Combined Balance Sheet****September 30, 2009**

(in thousands)	CDI	Youbet	Pro Forma Adjustments	Pro Forma Combined
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 16,552	\$ 16,895	\$ (16,895)(A)	\$ 16,552
Restricted cash	13,453	4,770		18,223
Accounts receivable, net	23,401	3,121		26,522
Deferred income taxes	6,180		20,000(B)	26,180
Other current assets	15,443	3,121	340(C)	18,904
Total current assets	75,029	27,907	3,445	\$ 106,381
Property and equipment, net	386,876	13,674		400,550
Goodwill	115,349		60,632(D)	175,981
Other intangible assets, net	34,847	4,108	65,892(E)	104,847
Other assets	10,854	435	2,250(F)	13,539
Total assets	\$ 622,955	\$ 46,124	\$ 132,219	\$ 801,298
LIABILITIES AND SHAREHOLDERS EQUITY				
Current liabilities:				
Accounts payable	\$ 32,742	\$ 9,786	\$	\$ 42,528
Purses payable	15,472			15,472
Accrued expenses	44,734	6,504	(544)(G)	50,694
Income taxes payable	6,378			6,378
Deferred revenue	6,145	170		6,315
Current portion of long-term debt	33,000	8,484	(41,484)(H)	
Total current liabilities	138,471	24,944	(42,028)	121,387
Long-term debt		37	80,744(H)	80,781
Convertible note payable, related party	14,550			14,550
Other liabilities	21,141			21,141
Deferred revenue	16,912			16,912
Deferred income taxes	11,570		24,445(I)	36,015
Total liabilities	202,644	24,981	63,161	290,786
Commitments and contingencies				
Shareholders' equity:				
Preferred stock				
Common stock	145,037	43	99,332(J)	244,412
Additional paid-in capital		136,915	(136,915)(K)	
Treasury stock		(2,379)	2,379(L)	
Accumulated other comprehensive loss		(162)	162(M)	
Retained earnings (deficit)	275,274	(113,274)	104,100(N)	266,100
Total shareholders' equity	420,311	21,143	69,058	510,512
Total liabilities and shareholders' equity	\$ 622,955	\$ 46,124	\$ 132,219	\$ 801,298

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See the accompanying notes to the unaudited pro forma condensed combined financial information, which are an integral part of the unaudited pro forma combined financial information. The pro forma adjustments are explained in Note 6 Adjustments to Unaudited Pro Forma Condensed Combined Balance Sheets.

Table of Contents

Churchill Downs Incorporated and Youbet.com, Inc.

Unaudited Pro Forma Condensed Combined Statement of Net Earnings

Nine Months Ended September 30, 2009

(in thousands, except per share amounts)	CDI	Youbet	Pro Forma Adjustments	Pro Forma Combined
Net revenues	\$ 354,670	\$ 86,107	\$	\$ 440,777
Operating expenses	272,556	62,678	4,520(A)	339,754
Selling, general and administrative expenses	37,527	19,614	(136)(B)	57,005