UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re Indianapolis Downs, LLC

Case No. 11-11046
Reporting Period: January 31, 2012

MONTHLY OPERATING REPORT
File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a			X
Bank Account Information	MOR-1a	X		
Schedule of Professional Fees Paid	MOR-1b	X		
Copies of bank statements (see Notes to MOR-1)			X	
Cash disbursements journals (see Notes to MOR-1)			X	
Statement of Operations	MOR-2	X		
Balance Sheet	MOR-3	X		
Status of Postpetition Taxes	MOR-4			X
Copies of IRS Form 6123 or payment receipt			X	
Copies of tax returns filed during reporting period			X	
Summary of Unpaid Postpetition Debts	MOR-4	X		
Listing of aged accounts payable			X	
Accounts Receivable Reconciliation and Aging			X	
Debtor Questionnaire	MOR-5	X		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor — Date

Signature of Joint Debtor — Date

Michael M. Regan
Signature of Authorized Individual* — Date 2/29/12

Michael N. Regan
Printed Name of Authorized Individual — Title of Authorized Individual: CFO

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company

In re Indianapolis Downs, LLC **Case No. 11-11046**
Reporting Period: January 31, 2012

Notes to the Monthly Operating Report

Notes to MOR-1:

Cash Receipts are shown on a book cash basis.

As Indianapolis Downs, LLC has numerous bank accounts, the bank reconciliations and statements will be provided upon request.

Notes to MOR-2:

Any changes to prior period balances will be reflected in the current month MOR.

Notes to MOR-3:

The amounts displayed on this balance sheet were prepared on an accrual basis and reflect the Debtor's unaudited books and records as of January 31, 2012.

Notes to MOR-4:

Indianapolis Downs, LLC received authority pursuant to a first-day order for the payment of pre-petition taxes.

Indianapolis Downs, LLC files tax returns and make tax payments weekly and monthly. Due to the volume of transactions, the tax returns and related payments will be made available on request.

Indianapolis Downs, LLC is current on all tax payments due other than disputes that arise in the ordinary course of business transactions.

In re: Indianapolis Downs, LLC **Case No. 11-11046**
Reporting Period: January 31, 2012

Schedule of Cash Receipts

Reason for Receipt		
Casino - net of payouts and not including free play / cash redemptions / coupons / comps	$	15,955,293
Racing - net of payouts and not including free play / cash redemptions / coupons / comps	$	992,814
Food / Beverage / Retail	$	616,098
ATM fees, other operating receipts	$	-
Credit Card Deposits - if receipt to deposit delay is significant	$	-
DIP Facility Proceeds	$	-
Interest Payments	$	-
Total Receipts	**$**	**17,564,205**

Specific Notes:
(1) Receipt period is January 2, 2012 - January 29, 2012.

In re: Indianapolis Downs, LLC

Case No. 11-11046
Reporting Period: January 31, 2012

Schedule of Cash Disbursements

Reason for Disbursement		
Gaming Expenses		
Casino General	$	185,928
Slot Lease Fees	$	345,871
Total Gaming Expenses	**$**	**531,799**
Racing Expenses		
Racing Expenses	$	801,992
Payments to other tracks	$	241,940
Simulcast Host Fees	$	83,295
Transfers to Purse accounts from pari-mutuel revenue	$	241,702
Total Racing Expenses	**$**	**1,368,929**
Other Operating Expenses		
Food / Beverage / Retail	$	422,628
All Payroll and Benefits	$	1,375,789
Marketing	$	363,970
Total Other Operating Expenses	**$**	**2,162,387**
General and Administrative		
General and Administrative	$	460,547
Insurance Installment	$	-
Property Tax Payments	$	-
Utilities / Utility Deposits	$	155,465
US Trustee Fees	$	-
Professional Fees	$	920,051
Total General and Administrative Expenses	**$**	**1,536,063**
Other Non-Operating Expenses		
Interest Expense	$	-
Capital Expenditures	$	-
Other Non-operating Cash Disbursements - Equipment Financing	$	-
Other Non-operating Cash Disbursements - DIP Fees	$	-
Excess Cash Sweep	$	-
Total Other Non-Operating Expenses	**$**	**-**
Taxes		
Gaming Taxes	$	5,411,869
Pari-mutuel Taxes	$	101,577
Payment of 19% Statutory Allocation	$	3,762,880
Total Taxes	**$**	**9,276,326**
Impact of Filing Expenses		
Cancelled Checks Impact of Filing	$	-
First Day Motion Payments	$	-
Total Impact of Filing Expenses	**$**	**-**
Adjusted Total Cash Disbursements	**$**	**14,875,504**

Specific Notes:
(1) Disbursement period is January 2, 2012 - January 29, 2012

In re Indianapolis Downs, LLC

Case No. 11-11046
Reporting Period: January 31, 2012

Bank Reconciliation

I attest that each of the Debtor's bank accounts is reconciled monthly to bank statements. Debtor's reconciliation policy is such that each bank account is reconciled and reviewed by the 25th day of each month after closing.

Michael N. Regan

Chief Financial Officer, Indiana Live! Casino

In re Indianapolis Downs, LLC

Case No. 11-11046
Reporting Period: January 31, 2012

Bank Account Information

Bank	Bank Account	Specific Notes	Book Balance
Fifth Third Bank	[redacted]	Zero Balance Account	$ (729,423)
Fifth Third Bank	[redacted]		$ (118,105)
Fifth Third Bank	[redacted]	Zero Balance Account	$ (38,198)
Fifth Third Bank	[redacted]		$ 6,202,541
Fifth Third Bank	[redacted]		$ 48,755
Fifth Third Bank	[redacted]		$ 830
Fifth Third Bank	[redacted]		$ 150,058
Fifth Third Bank	[redacted]		$ 8,757,659
Fifth Third Bank	[redacted]		$ 2,390,440
Bank of America	[redacted]		$ 3,341,125
Fifth Third Bank	[redacted]		$ 607,913
Fifth Third Bank	[redacted]		$ 12,632
Fifth Third Bank	[redacted]		$ 1
US Bank	[redacted]		$ 98,339
Fifth Third Bank	[redacted]	Zero Balance Account	$ (147,355)
Fifth Third Bank	[redacted]		$ (69,633)
Wells Fargo	[redacted]		$ 1,947,980
Wells Fargo	[redacted]	Restricted - Horse Purse Account	$ 6,761,633
Wells Fargo	[redacted]	Restricted - Horse Purse Account	$ 3,172,383
Wells Fargo	[redacted]	Restricted - Horse Purse Account	$ 1,032,650
			$ 33,422,225

Specific Notes:

(1) The restricted horse purse accounts are not shown on the balance sheet in cash as they are offset against a purse payable account that rolls up into Accounts Payable - Post-Petition.

(2) For confidentiality reasons, bank account numbers and descriptions will be provided to the US Trustee upon request.

In re Indianapolis Downs, LLC

Case No. 11-11046
Reporting Period: January 31, 2012

Schedule of Professional Fees and Expenses Paid

This schedule is to include all retained professional payments from case inception to current month.

			Check		Amount Paid					Ch 11 Filing-To-Date		
Payee	Period Covered	Amount Approved	Number	Date	Fees	Expenses	Total Amounts Paid	Less: Retainer Applied	Amount Disbursed during Current Period (1)	Fees	Expenses	Total Amounts Paid
Greenberg Traurig, LLP										See below	See below	See below
	10/1/11 - 10/31/11	$ 332,798.00	Wire	1/20/2012	$ 266,238.40	$ 5,482.49	$ 271,720.89	$ -	$ 271,720.89	$ 2,844,215.62	$ 102,162.05	$ 2,946,377.67
Polsinelli Shughart, PC										See below	See below	See below
	9/1/11 - 9/30/11	$ 13,346.00	Wire	1/20/2012	$ 10,676.80	$ 3,075.07	$ 13,751.87	$ -	$ 13,751.87	$ 152,190.08	$ 9,545.82	$ 161,735.90
FD US Communications										$ 37,579.00	$ 710.29	See below
Robert Nieman, P.C.										See below	See below	See below
	11/1/11 - 11/30/11	$ 57,120.00	Wire	1/20/2012	$ 45,696.00	$ 691.99	$ 46,387.99		$ 46,387.99	$ 319,095.00	$ 7,020.58	$ 326,115.58
Epiq Bankruptcy Solutions, LLC										See below	See below	See below
	12/1/11 - 12/31/11	$ 10,031.39	Wire	1/27/2012	$ 10,031.39	$ -	$ 10,031.39		$ 10,031.39	$ 155,426.04	$ -	$ 155,426.04
Lazard Freres & Co., LLC										See below	See below	See below
	9/1/11 - 9/30/11	$ 150,000.00	Wire	1/20/2012	$ 120,000.00	$ 2,991.66	$ 122,991.66		$ 122,991.66	See below	See below	See below
	10/1/11 - 10/31/11	$ 150,000.00	Wire	1/20/2012	$ 120,000.00	$ 1,041.67	$ 121,041.67		$ 121,041.67	$ 874,597.75	$ 28,960.83	$ 903,558.58
Bose McKinney & Evans, LLP										See below	See below	See below
	11/1/11 - 11/30/11	$ 69,890.50	Wire	1/20/2012	$ 55,912.40	$ 286.20	$ 56,198.60		$ 56,198.60	$ 270,543.00	$ 844.48	$ 271,387.48
Warren H. Smith & Associates										$ 23,377.00	$ 578.61	See below
Somerset CPAs, P.C.										$ 51,830.30	$ 54.19	See below
Total Payments to Professionals					$ 1,352,221.11	$ 34,470.65	$ 1,386,691.76	$ 120,000.00	$ 1,266,691.76	$ 4,728,853.79	$ 149,876.85	$ 4,764,601.25

Specific Notes:
(1) "Amount Disbursed in Current Period" reflects total amounts paid net of any retainer offsets applied during the respective period.
(2) The fees and expenses listed above relate exclusively to payments made to non-ordinary course professionals.

In re: Indianapolis Downs, LLC **Case No. 11-11046**
Reporting Period: January 31, 2012

Statement of Operations (Income Statement)
UNAUDITED

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

REVENUES		
Casino Income	$	19,178,461
Racing Income		770,162
Food & Beverage Income		1,262,463
Promotional Allowances		(2,521,608)
Interest Income		462
Other Income		243,617
Total Revenues	**$**	**18,933,557**
OPERATING EXPENSES		
Casino Expenses		1,190,798
Gaming Taxes and Supplemental Fees		9,255,766
Racing Expenses (Pari-mutuel Commissions and Fees)		679,419
Food & Beverage Expense		1,371,241
General & Administrative Expense		2,511,396
Restructuring Fees		1,315,889
Depreciation & Amortization Expense		1,917,126
Marketing Expense		496,123
Interest Expense		552,727
Other Expenses		183,333
Total Operating Expenses	**$**	**19,473,818**
NET INCOME (LOSS)	**$**	**(540,261)**

In re Indianapolis Downs, LLC **Case No. 11-11046**
Reporting Period: January 31, 2012

Balance Sheet
UNAUDITED

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations.

ASSETS		
Current Assets		
Cash and Cash Equivalents	$	33,667,600
Accounts Receivable, net		1,690,903
Inventories		793,311
Prepaid Expenses		1,963,999
Total Current Assets	**$**	**38,115,813**
Property & Equipment		
Land, Building and Improvements	$	171,788,722
Furnishings, Fixtures, Equipment and Supplies		69,262,312
Less Accumulated Depreciation		(69,209,047)
Total Property and Equipment	**$**	**171,841,987**
Other Assets		
Gaming license, net	$	200,130,641
Loan financing costs, net		2,516,876
Racing license		940,728
Other long-term assets		111,434
Total Other Assets	**$**	**203,699,679**
TOTAL ASSETS	**$**	**413,657,479**
LIABILITIES AND OWNER EQUITY		
Subject to Compromise		
Current Liabilities		
Accounts Payable - Pre-Petition	$	298,786
Short-term notes payable - Related Party		1,736,000
Current portion of notes payable, equipment leases and capital leases		186,144
Acceleration of senior secured note obligation due to default		375,000,000
Acceleration of senior subordinated secured note obligation due to default		72,649,048
Accrued Interest		47,848,394
Management fees payable		8,320,571
Total Current Liabilities	**$**	**506,038,943**
Long-Term Liabilities		
Long-term debt - Related Party	$	37,575,000
Long-term portion of equipment and capital leases		104,741
Total Long-Term Liabilities	**$**	**37,679,741**
Owners' Equity		
Member Equity	$	(259,211,410)
Net Income (Loss)		(540,261)
Total Owners' Equity	**$**	**(259,751,671)**
Not Subject to Compromise		
Accounts Payable - Post-Petition		2,306,885
Short-term notes payable - Debtor in Possession		102,830,726
Accrued Liabilities		24,552,855
TOTAL LIABILITIES AND OWNERS' EQUITY	**$**	**413,657,479**

In re Indianapolis Downs, LLC

Case No. 11-11046
Reporting Period: January 31, 2012

Status of Post-Petition Taxes

I attest that each of Debtor's sales, use, payroll, and property tax returns have been filed in accordance with state, county and city requirements and in accordance with Debtor's tax payment schedule.

Michael N. Regan

Chief Financial Officer, Indiana Live! Casino

In re Indianapolis Downs, LLC

Case No. 11-11046
Reporting Period: January 31, 2012

Summary of Unpaid Postpetition Debts

Trade Payables

	Number of Days Past Due					
	Current	0-30	31-60	61-90	Over 90	Total
Indianapolis Downs, LLC	$ 283,316	$ 73,799	$ 880	$ (937)	$ (3,462)	$ 353,596

Explain how and when the Debtor intends to pay any past-due postpetition debts.

Specific Notes:
(1) The amounts listed above only represent post-petition trade payables. The post-petition payables listed on the balance sheet include non-trade liabilities relating to non-trade accruals, purse payables, settlement payables and balance due Horsemen; these non-trade liabilities have been excluded in the above. Additional detail regarding these liabilities is available upon request.

(2) Balances over 60 days are credit balances.

In re Indianapolis Downs, LLC

Case No. 11-11046
Reporting Period: January 31, 2012

Debtor Questionnaire

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business?		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If so, provide an explanation below.		X
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X