

CHURCHILL DOWNS INCORPORATED

Rivers Casino Waukegan Proposed by State's Most Successful Casino Owners

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Over 1600-gaming-seat casino to create thousands of jobs and millions in tax revenue

WAUKEGAN, Ill., Aug. 22, 2019 (GLOBE NEWSWIRE) -- The developer, operator and owners of the state's most successful casino, Rivers Casino Des Plaines, which earns more than twice as much gaming revenue as any other casino in the state, are teaming up to propose building a 1,625-gaming-seat Rivers Casino Waukegan. Rivers Casino Waukegan expects to create over 1,200 permanent jobs; 900 union construction jobs and pump over \$150 million annually into the local Waukegan and Lake County economy.

Churchill Downs Incorporated ("CDI") (Nasdaq: CHDN) and Rush Street Gaming, which jointly own Rivers Casino Des Plaines, would bring their combined expertise as developers and operators of some of the most successful gambling and entertainment venues in the country to Waukegan at the Fountain Square site at Lakehurst and Northpoint Boulevard. The companies say their proven marketing and customer service approach will attract high-end patrons to Waukegan.

Rush Street, the creator of the Rivers Casino brand, is the leading developer of world-class regional casinos in Des Plaines, New York state, Philadelphia and Pittsburgh. In addition to its premier position in Illinois, Rivers is the market leader in the Capital Region of New York state as well as in Pittsburgh.

CDI is an industry-leading racing, online wagering and gaming entertainment company anchored by its flagship event - *The Kentucky Derby*. The company owns and operates 10 regional gaming facilities in eight states, as well as Arlington International Racecourse in Arlington Heights.

Opening a second Rivers-branded casino in Waukegan creates a synergy in the market. Rivers, with a premier reputation among its customers, would bring Illinois' leading gaming brand and proven record to Waukegan, delivering a tremendous benefit to the city that no other applicant can offer.

Other benefits and highlights of the proposal to bring Rivers Casino to Waukegan are:

- Rivers Casino Des Plaines is the most successful casino in Illinois and hosted 2.9 million admissions in 2018. Its extensive patron database will help to attract players from throughout the region to Rivers Casino Waukegan, complementing—rather than cannibalizing—current local video gaming operators.
- Rush Street Interactive, recognized by industry publisher EGR (e-gaming review) as Mobile Operator of the Year for North America, will operate in-casino and online sports betting for the proposed showplace. Affiliates of Rush Street operate the most successful sports books in Pennsylvania and New York.
- The casino would feature Luxbar, an upscale gastropub, the first Gibsons Restaurant Group restaurant in Lake County.
- The casino would have 1,625 proposed gaming seats, including a poker room, at the opening with the flexibility to add more.
- CDI and Rush Street are offering to purchase or lease the city-owned Fountain Square property.
- Rivers Casino Waukegan will make annual contributions to charities in Waukegan, Park City and North Chicago.
- Rivers Casino Des Plaines is the first and only casino in Illinois to comply with a statutory minority- and women-ownership requirement. Rivers Casino Waukegan will use that experience to build strong minority- and women-ownership participation for the new venture. Rush Street also encourages diversity in its ranks, with 46 percent of employees and 28 percent of executives being persons of color.

"We're happy to be considered to develop and operate what we know will be a leading entertainment destination for the City of Waukegan, Lake County and the State of Illinois," said Rush Street Gaming CEO Greg Carlin. "It would be an honor to bring the Rivers brand and experience to Waukegan."

"We are especially proud of our long history of hiring local people and vendors in every market where we have invested. Rush Street spends more

than \$23 million dollars annually on firms owned by women and minorities,” said Rush Street Gaming Chairman Neil Bluhm. “We’re especially proud of our diverse workforce and the career opportunities we have provided our associates.”

“Waukegan and Lake County deserve a world-class facility and together, with our partner Churchill Downs Incorporated, that is exactly what we will develop,” said Bluhm. “We look forward to sharing more about our proposal with city leaders.”

“Churchill Downs Incorporated has a 145-year track record of offering unmatched premium entertainment experiences for horse racing fans and significant expertise developing premier casino venues for our patrons throughout the United States,” said Bill Carstanjen, Chief Executive Officer of CDI. “We are proud to partner with Rush Street Gaming to bring our shared vision for a world-class entertainment destination to Waukegan.”

About Rush Street Gaming

Founded by Neil Bluhm and Greg Carlin, Rush Street Gaming and its affiliates, headquartered in Chicago, Illinois, have developed and operate successful casinos in Niagara Falls, Ontario, Pittsburgh and Philadelphia, Pennsylvania, Des Plaines, Illinois (Chicago area) and Schenectady, New York. Rush Street Gaming and its affiliates has become one of the leading casino developers in the United States and operators of online casinos and sports books. Additional information at: www.rushstreetgaming.com

About Churchill Downs Incorporated

Churchill Downs Incorporated (“CDI”) (Nasdaq: CHDN), headquartered in Louisville, Ky., is an industry-leading racing, online wagering and gaming entertainment company anchored by our iconic flagship event - *The Kentucky Derby*. We own and operate Derby City Gaming, a historical racing machine facility in Louisville. We also own and operate the largest online horseracing wagering platform in the U.S., TwinSpires.com, and are a leader in brick-and-mortar casino gaming with approximately 11,000 slot machines / video lottery terminals and 200 table games in eight states. We also operate sports wagering and iGaming through our BetAmerica platform in multiple states. Additional information about CDI can be found online at www.churchilldownsincorporated.com.

Information set forth in this news release contains various “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Act”), which provides certain “safe harbor” provisions. All forward-looking statements made in this presentation are made pursuant to the Act. Forward-looking statements are typically identified by the use of terms such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “predict,” “project,” “seek,” “should,” “will,” and similar words, although some forward-looking statements are expressed differently.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Important factors that could cause actual results to differ materially from expectations include the following: the effect of economic conditions on our consumers’ confidence and discretionary spending or our access to credit; additional or increased taxes and fees; public perceptions or lack of confidence in the integrity of our business; loss of key or highly skilled personnel; restrictions in our debt facilities limiting our flexibility to operate our business; general risks related to real estate ownership, including fluctuations in market values and environmental regulations; catastrophic events and system failures disrupting our operations; online security risk, including cyber-security breaches; inability to recover under our insurance policies for damages sustained at our properties in the event of inclement weather and casualty events; increases in insurance costs and inability to obtain similar insurance coverage in the future; inability to identify and complete acquisition, expansion or divestiture projects, on time, on budget or as planned; difficulty in integrating recent or future acquisitions into our operations; number of people attending and wagering on live horse races; inability to respond to rapid technological changes in a timely manner; inadvertent infringement of the intellectual property of others; inability to protect our own intellectual property rights; payment-related risks, such as risk associated with fraudulent credit card and debit card use; compliance with the Foreign Corrupt Practices Act or applicable money-laundering regulations; work stoppages and labor issues; difficulty in attracting a sufficient number of horses and trainers for full field horseraces; inability to negotiate agreements with industry constituents, including horsemen and other racetracks; personal injury litigation related to injuries occurring at our racetracks; our inability to utilize and provide totalisator services; weather conditions affecting our ability to conduct live racing; increased competition in the horseracing business; changes in the regulatory environment of our racing operations; changes in regulatory environment of our online horseracing business; increase in competition in our online horseracing; uncertainty and changes in the legal landscape relating to our online wagering business; legalization of online sports betting and iGaming in the United States and our ability to predict and capitalize on any such legalization; inability to expand our sports betting operations and effectively compete; failure to comply with laws requiring us to block access to certain individuals could result in penalties or impairment with respect to our mobile and online wagering products; increased competition in our casino business; changes in regulatory environment of our casino business; costs, delays, and other uncertainties relating to the development and expansion of casinos; and concentration and evolution of slot machine manufacturing and other technology conditions that could impose additional costs.

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