

# CHURCHILL DOWNS

INCORPORATED

## Churchill Downs to Invest \$300 Million in New Stadium Seating, a Hotel and HRM Facility

October 30, 2019

LOUISVILLE, Ky., Oct. 30, 2019 (GLOBE NEWSWIRE) -- Churchill Downs Incorporated ("CDI") (Nasdaq: CHDN) announced plans to invest \$300 million to build a hotel and historical racing machine ("HRM") facility and permanent stadium seating at Churchill Downs Racetrack ("Churchill Downs"), the home of *The Kentucky Derby*. Pending final approval of a Kentucky Tourism Development Act incentive, construction would begin in December 2019 and is targeted to be completed in November 2021.

A Media Snippet accompanying this announcement is available by clicking on the image or link below:

[Churchill Downs Incorporated - Oct. 30: Media Snippet](#)

The development will transform the area alongside the track at the first turn providing unparalleled VIP guest experiences. The new 156-room 7-story one-of-a-kind hotel will provide a spectacular new opportunity to celebrate with a variety of once-in-a-lifetime guest experiences. Features include:

- 1<sup>st</sup> floor grand entry into the hotel and a 900-machine state-of-the-art HRM gaming floor, sports bar, VIP lounge and multiple year-round dining venues that will also provide new hospitality for 3,400 guests in existing Section 111 of the racetrack for Kentucky Derby and Oaks
- 2<sup>nd</sup> floor 27,000-square-foot ballroom and adjacent party deck with a tiered covered balcony facing the track with collective capacity for more than 1,700 guests
- 2<sup>nd</sup> floor meeting rooms providing desirable event space throughout the year, including a track-facing dining room for 150 guests
- 3<sup>rd</sup> floor balcony for 250 guests
- 3<sup>rd</sup> – 6<sup>th</sup> Floors to include 156 total hotel rooms of the following types:
  - 92 trackside suites with private balconies, covered panoramic views and 12 access passes per suite for entertaining guests during the race day
  - 60 suites that will offer 8 access passes to the 2<sup>nd</sup> floor party deck
  - 4 track-facing presidential suites with private balconies for entertaining up to 20 guests at the Derby that will offer the ultimate and most exclusive guest experience
- 7<sup>th</sup> floor penthouse banquet area for 320 guests with balconies that stretch the length of the building
- Permanent outdoor stadium seating for 4,700 guests as well as all-inclusive hospitality that will replace 3,300 temporary grandstand seats.

In total, the project will provide approximately 5,500 new reserved seating options for the Kentucky Derby and Oaks. Additionally, 6,700 existing customers will have access to upgraded amenities.

"Derby Week guests can wake up to the sun rising as horses breeze around the track and then have their Kentucky Derby party in their suite," said Kevin Flanery, President of Churchill Downs Racetrack. "Our goal is to create a one-of-a-kind experience that will honor the history of the Derby and provide a venue for our guests, the community and visitors of Louisville to enjoy throughout the year."

The combined project will provide for an estimated 600 construction jobs while it is being built and ultimately create approximately 300 new permanent jobs upon completion. CDI has received preliminary approval for Tourism Development Act incentives that will enable this project to move forward and is awaiting final approval from the Kentucky Tourism Development Finance Authority in November.

### About Churchill Downs Racetrack

Churchill Downs, the world's most legendary racetrack, has conducted Thoroughbred racing and presented America's greatest race, *The Kentucky Derby*, continuously since 1875. Located in Louisville, Ky., the flagship racetrack of Churchill Downs Incorporated (Nasdaq: CHDN) offers year-round simulcast wagering at the historic track. Churchill Downs will conduct the 146th running of the Kentucky Derby Presented by Woodford Reserve on May 2, 2020. The track's 2019 Fall Meet will run from Oct. 27-Dec. 1. Information is available at [www.ChurchillDowns.com](http://www.ChurchillDowns.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](http://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; continuing 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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