

# CHURCHILL DOWNS

INCORPORATED

## Churchill Downs Incorporated to Invest \$5.6 Million in New Synthetic Track Surface at Turfway Park

February 18, 2020

### Tapeta is One of the World's Leading Surfaces for Racing and Training

FLORENCE, Ky., Feb. 18, 2020 (GLOBE NEWSWIRE) -- Churchill Downs Incorporated ("CDI") (Nasdaq: CHDN) announced today plans to invest \$5.6 million to replace the existing track at Turfway Park ("Turfway") with a new Tapeta synthetic track, one of the world's leading surfaces for racing and training, through an agreement with Tapeta Footings, Inc. ("Tapeta"). The removal of Turfway's existing Polytrack and installation of the new Tapeta synthetic track will take place immediately following the close of Turfway's Winter/Spring Meet on March 28 and is expected to be ready for the 2020 Holiday Meet beginning on Dec. 2.

CDI owns and operates three of the four synthetic tracks in the United States while Turfway will become only the third track in America to use the state-of-the-art Tapeta synthetic surface, joining CDI-owned Presque Isle Downs in Pennsylvania. The product is specifically designed as an all-weather surface for the safety of horses and riders in Thoroughbred racing. Tapeta is comprised of a carefully selected mixture of the finest silica sand, wax and fibres that simulate the root structure of turf and has been proven to perform exceptionally well in heavy rainfall and winter weather consistent with Turfway's racing conditions.

"The Tapeta team are all delighted to have been chosen to install a Tapeta surface at Turfway Park," said Jan Wakefield, Vice President of Tapeta Footings, Inc. "We look forward to working with CDI and can only applaud them for a huge commitment in upgrading the entire facility. It is a huge boost for Northern Kentucky and comes at a welcome time for the racing industry."

The Tapeta track installation is one component of CDI's investment that will make way for development of Turfway Park Racing & Gaming, an up to \$150 million state-of-the-art live and historical Thoroughbred racing facility.

"The agreement with Tapeta is the first of many exciting initiatives to come for Turfway," said Kevin Flanery, President of Churchill Downs Racetrack and Turfway Park. "By partnering with Tapeta to provide the safest racing conditions for Turfway's winter meets, we will be able to deliver one of the key elements supporting our goal of bringing a first-class racing product to Northern Kentucky."

The redevelopment of Turfway is anticipated to support up to 400 direct full and part-time equivalent positions and create an estimated 800 direct construction jobs. The project will include a historical racing machine facility featuring up to 1,500 machines, a state-of-the-art clubhouse as well as food/beverage venues.

#### 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 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; continued 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.*

**FOR IMMEDIATE RELEASE**

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