CHURCHILL DOWNS
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Churchill Downs Incorporated Enters into Multi-Year Agreement with FanDuel

September 8, 2022

Agreement Includes Wagering Rights to Horse Racing Content, Totalizator Services, Certain Television and Media Rights and a Kentucky Derby Sponsorship

LOUISVILLE, Ky., Sept. 08, 2022 (GLOBE NEWSWIRE) -- Churchill Downs Incorporated ("CDI") (Nasdaq: CHDN) announced today a multi-year agreement (the "Agreement") with FanDuel Group ("FanDuel") involving multiple facets of FanDuel's sports wagering, advance deposit wagering ("ADW") and television businesses.

Under the Agreement, CDI will provide certain technology and services to enable FanDuel's customers to place pari-mutuel wagers on horse racing via FanDuel's sports wagering and ADW platforms. CDI will also authorize wagering on CDI's owned or controlled horse racing content via FanDuel's platforms in the United States and grant FanDuel certain television and media rights to broadcast CDI-owned racing content on FanDuel's television network(s). In addition, the Agreement provides FanDuel non-exclusive Kentucky Derby sponsorship rights within the sports wagering category.

Beginning in January 2023, FanDuel will pay for CDI technology and services provided by United Tote Company ("United Tote") to facilitate pari-mutuel wagering on FanDuel's platforms in the United States, including FanDuel Sportsbook and TVG. As previously announced, CDI has entered into an agreement to sell 49% of United Tote to New York Racing Association, Inc. in a transaction that is expected to close by the end of 2022.

CDI will provide FanDuel wagering rights to horse racing content owned or controlled by CDI, including the Kentucky Derby, and will receive customary content fees when FanDuel accepts wagers on CDI-owned content. FanDuel will also receive exclusive television rights to the racing content of all CDI thoroughbred racetracks, including Churchill Downs Racetrack, once its existing non-Derby media rights deal expires in 2023. The Agreement excludes certain specified racing content, including Kentucky Derby Week.

As part of the Agreement, FanDuel will also receive a non-exclusive sponsorship of the Kentucky Derby in the sports wagering category beginning in 2023 in exchange for an annual sponsorship fee.

"With the launch of FanDuel TV last week and the upcoming integration of premier racing content into our market-leading sports book, we believe this is an inflection point in our ability to offer our customers a seamless wagering experience with a single wallet," said Amy Howe, CEO of FanDuel. "We are especially pleased that we will be able to offer wagering on the most exciting two minutes in sports, the Kentucky Derby, and that we will have exclusive broadcast rights to the Churchill Downs Incorporated family of tracks on FanDuel TV. We look forward to creating new audiences for horse racing."

"We look forward to working with FanDuel to deliver premium horse racing content to their expansive base of sports wagering customers," said Bill Carstanjen, CEO of CDI. "We are confident that FanDuel's market approach teamed with our expertise and technology will seamlessly deliver horse racing content and pari-mutuel wagering solutions to a significant number of new fans."

About Churchill Downs Incorporated

Churchill Downs Incorporated is an industry-leading racing, online wagering and gaming entertainment company anchored by our iconic flagship event, the Kentucky Derby. We own and operate four gaming entertainment venues with approximately 3,900 historical racing machines in Kentucky. We also own and operate TwinSpires, one of the largest and most profitable online wagering platforms for horse racing in the U.S. and we have eight retail sportsbooks. We are a leader in brick-and-mortar casino gaming in eight states with approximately 11,800 slot machines and video lottery terminals and 250 table games. www.churchilldownsincorporated.com

About FanDuel Group

FanDuel Group is an innovative sports-tech entertainment company that is changing the way consumers engage with their favorite sports, teams, and leagues. The premier gaming destination in the United States, FanDuel Group consists of a portfolio of leading brands across gaming, sports betting, daily fantasy sports, advance-deposit wagering, and TV/media. FanDuel Group has a presence across all 50 states with approximately 17 million customers and nearly 30 retail locations. The company is based in New York with offices in California, New Jersey, Florida, Oregon, Georgia, Portugal, Romania and Scotland. It's network FanDuel TV and FanDuel+ are broadly distributed on linear cable television and through its relationships with leading direct-to-consumer OTT platforms. FanDuel Group is a subsidiary of Flutter Entertainment plc, the world's largest sports betting and gaming operator with a portfolio of globally recognized brands and a constituent of the FTSE 100 index of the London Stock Exchange.

This news release contains various "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. 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 or similar expressions (or negative versions of such words or expressions).

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, among others, that may materially affect actual results or outcomes include the following: the receipt of regulatory approvals on terms desired or anticipated, unanticipated difficulties or expenditures relating to the proposed transaction, including, without limitation, difficulties that result in the failure to realize expected synergies, efficiencies and cost savings from the proposed transaction within the expected time period (if at all), our ability to obtain financing on the anticipated terms and schedule, disruptions of our or P2E's current plans, operations and relationships with customers and suppliers caused by the announcement and pendency of the proposed transaction, our and P2E's ability to consummate a sale-leaseback transaction with respect to the Hard Rock Sioux City on terms desired or anticipated, the impact of the novel coronavirus (COVID-19) pandemic, including the emergence of variant strains, and related economic matters on our results of operations, financial conditions and prospects; the occurrence of extraordinary events, such as terrorist attacks, public health threats, civil unrest, and inclement weather; the effect of economic conditions on our consumers' confidence and discretionary spending or our access to credit, including the impact of inflation; additional or increased taxes and fees; the impact of significant competition, and the expectation the competition levels will increase; changes in consumer preferences, attendance, wagering, and sponsorships; loss of key or highly skilled personnel; lack of confidence in the integrity of our core businesses or any deterioration in our reputation; risks associated with equity investments, strategic alliances and other third-party agreements; inability to respond to rapid technological changes in a timely manner; concentration and evolution of slot machine and HRM manufacturing and other technology conditions that could impose additional costs; inability to negotiate agreements with industry constituents, including horsemen and other racetracks; inability to successfully focus on market access and retail operations for our TwinSpires Sports and Casino business and effectively compete; inability to identify and / or complete, or fully realize the benefits of acquisitions, divestitures, development of new venues or the expansion of existing facilities on time, on budget, or as planned; general risks related to real estate ownership and significant expenditures, including fluctuations in market values and environmental regulations; reliance on our technology services and catastrophic events and system failures disrupting our operations; online security risk, including cyber-security breaches, or loss or misuse of our stored information as a result of a breach, including customers' personal information, could lead to government enforcement actions or other litigation; personal injury litigation related to injuries occurring at our racetracks; compliance with the Foreign Corrupt Practices Act or applicable money-laundering regulations; payment-related risks, such as risk associated with fraudulent credit card and debit card use; work stoppages and labor issues; risks related to pending or future legal proceedings and other actions; highly regulated operations and changes in the regulatory environment could adversely affect our business; restrictions in our debt facilities limiting our flexibility to operate our business; failure to comply with the financial ratios and other covenants in our debt facilities and other indebtedness; increase in our insurance costs, or obtain similar insurance coverage in the future, and inability to recover under our insurance policies for damages sustained at our properties in the event of inclement weather and casualty events; and risks in connection with Internal Revenue Code Section 1031 exchanges.

We do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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