Churchill Downs Incorporated Unveils Multi-Year Series of Capital Projects for Churchill Downs Racetrack

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The Skye, Conservatory and Infield General Admission Projects Will Create World-Class Premium Hospitality for Kentucky Derby Guests

LOUISVILLE, Ky., Feb. 19, 2025 (GLOBE NEWSWIRE) -- Churchill Downs Incorporated ("CDI" or "the Company") (Nasdaq: CHDN) announced today a multi-year series of capital projects that will enhance and expand the Kentucky Derby experience across three key areas of Churchill Downs Racetrack ("Churchill Downs"). The series of transformational projects are, collectively, the largest expansion and renovation undertaken in the 150-year history of CDI. The three projects are:

- The Skye Reconstruction and Expansion Project ("The Skye Project"),
- Conservatory Project, and
- Infield General Admission Project.

"These projects as well as key infrastructure improvements, reflect the Company's commitment to providing world-class hospitality and premium seating options for guests for many decades to come," said Bill Carstanjen, Chief Executive Officer of CDI. "We have a proven track record of prudently investing capital in the Kentucky Derby to create once-in-a lifetime experiences for our guests while also creating significant long-term value for our shareholders."

The Skye Project



Track view rendering of The Skye



Exterior view rendering of The Skye

The Skye Project will focus on the section of Churchill Downs that starts just past the finish line and extends to the First Turn Club. This project will replace 11,500 existing seats that currently consist of uncovered box seats and dated dining areas with 13,300 seats providing a variety of premium hospitality experiences that include improved track views and upgraded amenities. The existing Skye Terrace structure will be replaced with a new 5-story structure that will transform the iconic Clubhouse turn. The first three floors of The Skye are expected to be operational for the 153rd Kentucky Derby in May 2027 and the remaining areas are expected to be completed for the 154th Kentucky Derby in May 2028. For the 152nd Kentucky Derby in May 2026 and throughout the project transition, Churchill Downs will provide ticketed guests in the existing Skye Terrace areas with the opportunity for alternative premium seating to ensure the same extraordinary bucket list experience.

Conservatory Project



Aerial view rendering of the Conservatory

The **Conservatory Project** will replace the temporary suites in the infield which line the homestretch of the racetrack. This project will replace 2,100 temporary seats with new permanent structures providing over 7,000 premium experiences for guests including 36 suites. Phase One will feature: the Pagoda Club and Terrace that will capture sweeping views of the grandstand and offer unprecedented visibility to the Kentucky Derby Winner's Circle; the first Conservatory building with 9 upgraded suites as well as covered rooftop dining presenting unparalleled views of the racetrack, frontside, and infield; and the Stargazer Lounge on the first turn of the infield that will provide VIP guests a unique and private area to enjoy all the sights and spectacle. Phase One of the Conservatory Project is expected to be operational for the 152nd Kentucky Derby in May 2026. Phase Two and Phase Three of the Conservatory Project will involve further construction of Conservatory structures down the homestretch towards the starting gate and are anticipated to be operational for the 153rd Kentucky Derby in 2027 and the 154th Kentucky Derby in 2028, respectively.

Infield General Admission Project

The **Infield General Admission Project** will introduce three new permanent buildings within the infield that will provide guests with enhanced amenities for the Kentucky Derby. This development will improve the overall experience for general admission guests and will also create ticket upgrade opportunities with additional entertainment and rooftop viewing options. The first building will be open for the 152nd Kentucky Derby in 2026, followed by the second building for the 153rd Kentucky Derby in 2027, and the third building for the 154th Kentucky Derby in 2028.



Aerial rendering of the three buildings (labeled 1, 2, 3) that make up the Infield General Admission Project

Infrastructure Projects

CDI is also planning to invest in several infrastructure improvements at Churchill Downs anticipated to include backside improvements for horsemen and trainers as well as a new tunnel to the infield that will facilitate seamless access to and from the front side. The tunnel will serve as an immersive underground journey for guests delivering 150 years of Kentucky Derby storytelling magic and building excitement for the day ahead.

Investment Summary

CDI plans to invest the following capital in each of the projects between 2025 and 2028:

- Skye Terrace Renovation and Expansion Project - $455 to $465 million
- Conservatory Project - $320 to $330 million
- Infield General Admission Project - $60 to $70 million
- Infrastructure Projects - $45 to $55 million

Pending approval of incentives that must be approved first by the City of Louisville and then by the appropriate state agencies including the Kentucky Cabinet for Economic Development, CDI anticipates spending $120 to $130 million of this project capital in 2025 and expects to have all three projects as well as the necessary infrastructure improvements completed by the 154th Kentucky Derby in May 2028. CDI believes that these investments will lay the foundation for growth over the next decade and create significant shareholder value over the long term.

About Churchill Downs Incorporated

Churchill Downs Incorporated (“CDI”) (Nasdaq: CHDN) has been creating extraordinary entertainment experiences for over 150 years, beginning with the company’s most iconic and enduring asset, the Kentucky Derby. Headquartered in Louisville, Kentucky, CDI has expanded through the acquisition, development, and operation of live and historical racing entertainment venues, the growth of online wagering businesses, and the acquisition, development, and operation of regional casino gaming properties. www.churchilldownsincorporated.com

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,” “scheduled,” and similar words or similar expressions (or negative versions of such words or expressions), 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 occurrence of extraordinary events, such as terrorist attacks, public health threats, civil unrest, and inclement weather, including as a result of climate change; the effect of economic conditions on our consumers' confidence and discretionary spending or our access to credit, including the impact of inflation; changes in, or new interpretations of, applicable tax laws or rulings that could result in additional tax liabilities; the impact of any pandemics, epidemics, or outbreaks of infectious diseases, and related economic matters on our results of operations, financial conditions and prospects; lack of confidence in the integrity of our core businesses or any deterioration in our reputation; negative shifts in public opinion regarding gambling that could result in increased regulation of, or new restrictions on, the gaming industry; loss of key or highly skilled personnel, as well as general disruptions in the general labor market; the impact of significant competition, and the expectation that competition levels will increase; changes in consumer preferences, attendance, wagering, and sponsorships; 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 historical racing machine (HRM) manufacturing and other technology conditions that could impose additional costs; failure to enter into or maintain agreements with industry constituents, including horsemen and other racetracks; inability to successfully focus on market access and retail operations for our sports betting business and effectively compete; 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; costs of compliance with increasingly complex laws and regulations regarding data privacy and protection of personal information; reliance on our technology services and catastrophic events and system failures disrupting our operations; inability to identify, complete, or fully realize the benefits of our proposed

acquisitions, divestitures, development of new venues or the expansion of existing facilities on time, on budget, or as planned; difficulty in integrating recent or future acquisitions into our operations; cost overruns and other uncertainties associated with the development of new venues and the expansion of existing facilities; general risks related to real estate ownership and significant expenditures, including risks related to environmental liabilities; personal injury litigation related to injuries occurring at our racetracks; compliance with the Foreign Corrupt Practices Act or other similar laws and regulations, or applicable anti-money laundering regulations; payment-related risks, such as risk associated with fraudulent credit card or debit card use; work stoppages and labor problems; 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; increases to interest rates (due to inflation or otherwise), disruption in the credit markets or changes to our credit ratings may adversely affect our business; increase in our insurance costs, or inability to obtain similar insurance coverage in the future, and any inability to recover under our insurance policies for damages sustained at our properties in the event of inclement weather and casualty events; and other factors described under the heading "Risk Factors" in our most recent Annual Report on Form 10-K and in other filings we make with the Securities and Exchange Commission.

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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