

May 11, 2009

## Churchill Downs to Request Reduced Racing Dates, Stakes Purses for 2009 Spring Meet

Due to a reduced number of entries and a decline in purse money earned from all wagering sources during its ongoing 2009 Spring Meet, Churchill Downs Racetrack ("Churchill") will request permission from the Kentucky Horse Racing Commission ("KHRC") to eliminate seven race days from its 2009 Spring Meet, which had been scheduled for 52 racing days between Saturday, April 25, and Sunday, July 5. The request, which will be made at the KHRC's regularly scheduled meeting on Tuesday, May 12, comes on the heels of four consecutive race days in which at least one race was canceled due to small field sizes.

"With this announcement, we are now clearly seeing the impact of competing with Thoroughbred racetracks that supplement their purses with revenue from additional gaming options, such as slots and video lottery terminals," said Bill Carstanjen, chief operating officer of Churchill Downs Incorporated. "Our analysis shows that tracks with these enhanced purses are attracting more horses to their races. Meanwhile, Kentucky, the cradle of our industry, is seeing a decline in field size. Until we address this inequity, Kentucky's horse industry will continue to suffer."

Churchill will request that six Wednesdays (May 20; June 3, 10, 17 and 24; and July 1) and one Thursday (May 28) be eliminated from its 2009 Spring Meet schedule.

"We are disappointed that we have to make this request after a successful Kentucky Derby week," said Carstanjen. "The crowds we enjoyed for the Kentucky Derby and Kentucky Oaks, as well as Mother's Day, illustrate clearly the passion and appreciation that Louisville has for us, and leave no doubt that Louisville is a major-league city that supports this track. Unfortunately, we have not been able to draw enough horses to fill our race cards and remain competitive in the national wagering market, which accounts for almost 90 percent of our handle. As a result, our wagering handle, which funds purses, has been down 20 percent outside of Oaks and Derby Days."

Churchill will also reduce purses by \$425,000 on six stakes races to help offset the lower than expected wagering levels. Those races, including their original and revised purses, are the June 6 Early Times Mint Julep Handicap (Grade III), from \$150,000 to \$100,000; the June 13 Jefferson Cup (GII), from \$200,000 to \$150,000; the June 13 Northern Dancer (GIII), from \$150,000 to \$100,000; the June 13 Fleur de Lis Handicap (GII), from \$300,000 to \$200,000; the June 13 Stephen Foster Handicap (GI), from \$750,000 to \$600,000; and the July 4 Firecracker Handicap (GII), from \$175,000 to \$150,000. The reductions in purses will not affect the grade of any of the races listed.

"Although we regret that current business conditions have forced the reduction of purses for six of our most popular and historic stakes events, we took care to avoid cutting overnight purses in an effort to soften the impact upon our Kentucky horsemen," Carstanjen added. "We have worked with Kentucky's horsemen and they understand the need for these unfortunate changes. We hope that this will assist their stables and we appreciate their continued support of Churchill Downs and Kentucky racing."

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, the flagship racetrack of Churchill Downs Incorporated (NASDAQ Global Select Market: CHDN) also operates Trackside at Churchill Downs, which offers year-round simulcast wagering at the historic track. Churchill Downs will conduct the 136th running of the Kentucky Derby on May 1, 2010. The track's 2009 Spring Meet is underway and continues through July 5. Churchill Downs is scheduled to host the Breeders' Cup World Championships for a record seventh time on November 5 and 6, 2010. Information about Churchill Downs can be found on the Internet at [www.churchilldowns.com](http://www.churchilldowns.com).

*Information set forth in this news release contains various "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The Private Securities Litigation Reform Act of 1995 (the "Act") provides certain "safe harbor" provisions for forward-looking statements. All forward-looking statements made in this Quarterly Report on Form 10-Q are made pursuant to the Act. The reader is cautioned that such forward-looking statements are based on information available at the time and/or management's good faith belief with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statements. Forward-looking statements speak only as of the date the statement was made. We assume no obligation to update forward-looking information to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information. Forward-looking statements are typically identified by the use of terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "might," "plan," "predict," "project," "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 effect of global economic*

*conditions, including any disruptions in the credit markets; the effect (including possible increases in the cost of doing business) resulting from future war and terrorist activities or political uncertainties; the overall economic environment; the impact of increasing insurance costs; the impact of interest rate fluctuations; the effect of any change in our accounting policies or practices; the financial performance of our racing operations; the impact of gaming competition (including lotteries and riverboat, cruise ship and land-based casinos) and other sports and entertainment options in those markets in which we operate; the impact of live racing day competition with other Florida and Louisiana racetracks within those respective markets; costs associated with our efforts in support of alternative gaming initiatives; costs associated with customer relationship management initiatives; a substantial change in law or regulations affecting pari-mutuel and gaming activities; a substantial change in allocation of live racing days; changes in Illinois law that impact revenues of racing operations in Illinois; the presence of wagering facilities of Indiana racetracks near our operations; our continued ability to effectively compete for the country's top horses and trainers necessary to field high-quality horse racing; our continued ability to grow our share of the interstate simulcast market and obtain the consents of horsemen's groups to interstate simulcasting; our ability to execute our acquisition strategy and to complete or successfully operate planned expansion projects; our ability to successfully complete any divestiture transaction; our ability to execute on our permanent slot facility in Florida; market reaction to our expansion projects; the loss of our totalisator companies or their inability to provide us assurance of the reliability of their internal control processes through Statement on Auditing Standards No. 70 audits or to keep their technology current; the need for various alternative gaming approvals in Louisiana; our accountability for environmental contamination; the loss of key personnel; the impact of natural disasters on our operations and our ability to adjust the casualty losses through our property and business interruption insurance coverage; any business disruption associated with a natural disaster and/or its aftermath; our ability to integrate businesses we acquire, including our ability to maintain revenues at historic levels and achieve anticipated cost savings; the impact of wagering laws, including changes in laws or enforcement of those laws by regulatory agencies; the outcome of pending or threatened litigation, including the outcome of any counter-suits or claims arising in connection with a pending lawsuit in federal court in the Western District of Kentucky styled Churchill Downs Incorporated, et al v. Thoroughbred Horsemen's Group, LLC, Case #08-CV-225-S; changes in our relationships with horsemen's groups and their memberships; our ability to reach agreement with horsemen's groups on future purse and other agreements (including, without limiting, agreements on sharing of revenues from gaming and advance deposit wagering); the effect of claims of third parties to intellectual property rights; and the volatility of our stock price.*