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## **Churchill Downs Announces 10 Percent Increase in Overnight Race Purses for Balance of Spring Meet**

LOUISVILLE, Ky., June 8, 2010 (GLOBE NEWSWIRE) -- Despite continuing declines in wagering across the industry and escalating competition from tracks that boost their purses with revenues from alternative gaming, strong wagering on the 136<sup>th</sup> renewals of the Kentucky Derby Presented by Yum! Brands (Grade I) and the Kentucky Oaks (GI) has enabled Churchill Downs to announce a 10 percent increase in overnight race purses that will be offered during the final three weeks of the track's 42-day Spring Meet.

The announcement marks the first in-meet increase in purses at Churchill Downs since a similar 10 percent purse hike was announced by the historic home of the Kentucky Derby in June, 2003.

Purses for overnight races – which include overnight stakes, allowance, maiden special weight, claiming and maiden claiming events – will rise by approximately \$3,000 per race. The purse increase, which will have no impact on purses for stakes races, will be effective starting Saturday, June 12. The Spring Meet concludes on Sunday, July 4.

The 10 percent increase in overnight purses that goes into place on Saturday comes on the heels of a 2009 Spring Meet at Churchill Downs during which concerns over purse levels led track officials to reduce seven days from the spring racing schedule and cut stakes purses by \$425,000. The eliminated racing dates were not restored for the 2010 season.

"This 10-percent increase in our overnight purses is good news for owners and trainers who have continued to race their horses at Churchill Downs despite intensifying competitive pressures from racing states with purses boosted by additional gaming revenues," said Kevin Flanery, president of Churchill Downs. "This purse hike underscores the enormous value and importance of the Kentucky Derby and Kentucky Oaks to our track, our horsemen and the entire racing industry. While we are very pleased that our horsemen will be competing for larger-than-anticipated purses over the final three weeks of the Spring Meet, our long-term concern for Churchill Downs racing and Kentucky's horse industry has not changed. Despite this increase, our purses remain well shy of their highest levels of recent years, and struggle to compete with purses fueled by slot machine and casino revenues offered at tracks in racing states on Kentucky's borders and beyond."

The 10 percent increase in overnight race purses at Churchill Downs is projected to raise the daily average for 2010 Spring Meet purses to approximately \$279,000 per day – which is basically flat with the 2009 daily average of \$271,000. Spring Meet overnight purses peaked with a daily average of \$297,000 in 2006.

"We would like to be able to say we found a way to offset ongoing industry-wide handle declines and the competitive pressure from the growing number of states that have authorized slots at their racetracks – but we haven't," said Flanery. "This purse increase stems from a stronger than anticipated wagering on our two biggest events, and from our commitment made last fall to provide a \$1.5 million supplement to Churchill Downs Race Track purses over three years with the intent of keeping as many horsemen as possible in Kentucky. These aren't long-term solutions to the problems facing Kentucky's signature industry, but at the very least they could ease the growing pressure on our horse industry as we wait for the Kentucky legislature to authorize slots at our state's tracks, allow us to invest in Kentucky jobs and take on those out-of-state tracks that now possess a huge competitive advantage."

Wagering on the 2010 renewal of the Kentucky Derby race totaled \$112.7 million, a 7.8 percent gain on all-sources betting from the 104.6 million wagered on the 2009 Derby. Total betting on the 13-race Kentucky Derby Day card rose to \$162.7 million, a 4.3 percent increase from the \$158.0 million wagered on all Kentucky Derby Day races in 2009.

The 136<sup>th</sup> renewal of the Kentucky Oaks, America's premier race for 3-year-old fillies, was the most successful in history. A record crowd of 116,046 watched the race and all-sources wagering on the Kentucky Oaks race was \$10.6 million, an increase of 55 percent over 2009. Total wagering on the entire 12-race Kentucky Oaks Day racing program reached a record \$36.0 million, an increase of 20 percent over the previous year.

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:CHDN) also operates Trackside at Churchill Downs, which offers year-round simulcast wagering at the historic track. Churchill Downs will conduct the 137<sup>th</sup> running of the Kentucky Derby on May 7, 2011. The track's Spring Meet continues through Sunday, July 4. 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).

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