



Disclosure Policy

CHURCHILL DOWNS INCORPORATED DISCLOSURE POLICY

Churchill Downs Incorporated is committed to providing timely, orderly, consistent and credible information, consistent with legal and regulatory requirements, to enable orderly trading in our publicly held securities.

This disclosure policy affirms the Company's existing policy. Its purpose is to develop and maintain realistic investor expectations by making all required disclosures on a broadly disseminated basis, without being unduly optimistic or pessimistic on prospects for future Company performance, in a manner that provides to all investors the opportunity for equal access to such information consistent with the Securities Exchange Commission's (SEC) Regulation FD and other legal and regulatory requirements. It is also the Company's policy that when the Company or "a person acting on its behalf," as defined by Regulation FD, makes disclosure of non-public, material information, such disclosure shall not be made selectively but shall be made in a manner that provides broad, non-exclusionary distribution of the information to the public.

Disclosure Policy Committee

The Company hereby establishes a Disclosure Policy Committee (the "Committee"). The Committee's purpose is to set insider-trading policies, oversee issues management and message consistency, assure compliance with applicable disclosure laws and regulations and coordinate ongoing disclosure practices (including development, implementation and execution of disclosure guidelines as defined below). All members of the committee must refer to Regulation FD and this policy in order to comply with the guidelines set forth by these documents.

The Committee shall consist of the executive officer overseeing operations for the Company; executive vice president and chief financial officer (or principal financial officer at the time); chief compliance officer/corporate secretary; vice president of finance and treasurer; corporate controller; director of internal audit; and vice president of communications. The chief financial officer will chair the committee. The Company's assistant general counsel will serve as an alternate member of the Committee. The Disclosure Committee will report any disclosure items or relevant issues to the president and chief executive officer. The Disclosure Committee will keep minutes of all of its meetings. Committee member attendance at Disclosure Committee meetings is considered mandatory.

The Disclosure Committee will be responsible for considering the materiality of information and determining disclosure on a timely basis. The Disclosure Committee, in conjunction with the Finance Department, is responsible for supervising the Company's disclosure process.

The chief executive officer, working with the vice president of communications, chief compliance officer/corporate secretary, will inform the Board of Directors and the Audit Committee of all material developments and significant information disseminated to the public. The Committee may consult with the Executive Committee of the Board before making a recommendation about any corporate disclosure.

Review of Disclosure Communications

The Committee or its designees, in the capacity of their respective job responsibilities, shall review all SEC filings (including 1934 filings and all registration statements), material corporate press releases, annual report copy, speeches, written statements, written or slide presentations to securities analysts and institutional investors (including conference calls), and other external communications prior to their use to ensure the goals established by this policy are met. The Disclosure Committee will coordinate the review of the periodic reports with the chief executive officer, chief financial officer, outside auditors, internal auditors and the Audit Committee. The Committee will work with the authors of all disclosure communications to ensure accuracy and message consistency as well as review the method of communication being used to disclose any non-public, material information to assure that all such information is communicated in the most appropriate manner.

Notwithstanding the foregoing, the senior officers on the Disclosure Committee (chief financial officer or principal financial officer, executive officer overseeing operations and chief compliance officer/corporate secretary) at their option may at any time assume any or all of the responsibilities of the Disclosure Committee identified in this Policy, including for example, approving Disclosure Communications when time or circumstance does not permit the full Disclosure Committee to meet. The Committee may designate and delegate its authority to two or more Committee members, at least one of whom shall be an attorney knowledgeable about SEC rules and regulations with respect to disclosure and at least one of whom shall be knowledgeable about financial reporting, who can, acting together, approve Disclosure Communications (other than periodic

reports) when time or circumstance does not permit the full Committee to meet. (i.e. news releases announcing racetrack meet-end results or purse adjustments).

The Committee should also be informed of material regulatory or litigation responses in order to ensure that any disclosure is accurate and complete. The Committee must react quickly to material developments and make decisions regarding the Company's response and/or actions. The chief compliance officer/corporate secretary and the vice president of finance or corporate controller shall make sure that all committee members are provided with sufficient information about the SEC's reporting requirements in order to fulfill their responsibilities.

The Committee will meet at least quarterly or more often as conditions may dictate, and it will systematically compare the Company's current operations and outlook with prior disclosures, SEC filings and other public information to determine whether any updating or correcting is appropriate.

The corporate controller will serve as the Disclosure Controls Monitor. The Disclosure Controls Monitor is responsible for ensuring that the Company's disclosure procedures are properly documented, communicated, implemented and enforced.

The Disclosure Controls Monitor will develop Disclosure Guidelines addressing such matters as the process for continuous disclosure responsibilities, requisite qualifications of the Disclosure Controls Monitor, a model disclosure timeline, the list of officers responsible for different sections of the various reports, the Company's forms of checklists and Company's values in preparing corporate disclosure. The Disclosure Guidelines must be reviewed and approved by the Disclosure Committee and the Audit Committee.

The Disclosure Committee shall assess the quality of the Disclosure Guidelines over time through ongoing monitoring and separate evaluations through audits by the Internal Audit Department with reports of deficiencies provided to the Audit Committee and the Disclosure Committee.

If the Company releases information that it has not previously reported, the Disclosure Committee, working with the chief compliance officer/corporate secretary, will determine the materiality of that information and the necessity or advisability of filing a Form 8-K with the SEC. One such instance when such a filing should occur is when the Company discloses its quarterly earnings. Any time the Company files an 8-K, it should do so as soon as practicable and within 48 hours of the original announcement.

Responsibilities of the Company's Authorized Spokesperson(s)

One of the following officers shall be designated as the Company's spokesperson in situations that require a Company response: chief executive officer; vice president of communications; chief financial officer or principal financial officer; executive officer overseeing operations; or vice president of finance, treasurer. Others within the Company or its operating units may be designated by the spokesperson or the chief executive officer to respond to specific inquiries as necessary or appropriate. However, until that determination is made, inquiries shall be directed as described below.

The office of the vice president of communications shall be the initial contact for all media inquiries and shall be informed if media representatives contact any Company employee regarding any issues that could have a material effect on the performance of the Company or of any of its business units. The vice president of communications then may designate an appropriate spokesperson with the advice and approval of the chief financial officer.

General inquiries from the media, public, shareholders and the investment community regarding the Company's stock or information about the Company shall be directed to the vice president of finance, treasurer, who will redirect requests, as necessary, to the appropriate Committee members or other corporate executive.

Inquiries from buy-side or sell-side analysts, institutional investors or any inquiries regarding Company financial information shall be directed to the vice president of finance, treasurer, who will, in turn, coordinate the appropriate response with the chief financial officer or principal financial officer. The chief financial officer or principal financial officer will document and maintain records of all such discussions he/she has with analysts or institutional investors in a way that is accessible for review by the Committee. Conversations with analysts must be limited in their content as described in "Policy on Reviewing Analysts' Reports" and "Policy on Commenting on Analysts' Earnings Estimates" in this document.

It is essential that the spokesperson(s) continue to be fully apprised of all material Company developments so that they are able to evaluate and discuss those events that may impact the disclosure process, i.e. the status of any merger activities, material operational developments, extraordinary transactions, anticipated financings or major management changes. The officers of the Company shall keep such persons fully apprised.

Authorized spokespersons are cautioned to disclose only approved information when speaking on behalf of the Company. The overriding goal of this policy is to ensure the uniform and broad dissemination of material information about the Company.

Policy Regarding Employees Who Are Not Authorized Spokespersons

Under no circumstances should non-authorized employees provide non-public information about the Company or its plans to third parties. Employees who are not authorized spokespersons shall refer all calls from the financial community, shareholders and media to the person(s) authorized to speak on behalf of the Company. For local issues, management and public relations staff at the business units may respond to media inquiries as noted in the Company's Communications Standards and Practices manual. However, they are instructed to refer all calls related to sensitive and material issues to the vice president of communications.

Company directors, officers and employees MAY NOT, under any circumstances, disclose Company information of a confidential, sensitive or proprietary nature to anyone inside or outside of the Company - including Internet forums such as chat rooms, message boards and e-mail - unless the comments are approved in advance by the Committee as official statements for public disclosure and appropriately disseminated to the public.

Policy on Non-Intentional Disclosure

It is the policy of the Company that as soon as reasonably practicable (but in any event within 24 hours or, if later, by commencement of the next day's trading on NASDAQ) after a director, executive officer or a member of the Committee learns that there has been a non-intentional disclosure of non-public material information in violation of this Disclosure Policy, the Company will make public disclosure of the information in a manner consistent with Regulation FD. Directors and executive officers must immediately advise a Committee member upon learning such a disclosure has occurred. The Committee will monitor unusual market price movements or activity and information generally circulating in the marketplace to determine if such movements or activity can be traced directly or indirectly to selectively disclosed non-public material information by the Company or anyone acting on its behalf.

If the Committee determines that such a disclosure has occurred, the Company shall issue a news release and/or file a Form 8-K with the SEC in order to ensure that the information has been publicly disclosed in an appropriate and thorough manner.

Policy on Reviewing Analysts' Reports

With regard to responding to financial models or drafts of analysts' research reports, it is the Company's policy to review for historical factual content and to give guidance only when factual data is incorrect or assumptions have been made on the basis of incorrect factual data that render unrealistic conclusions. Such guidance should only be offered, however, when that factual data is either public or non-material.

This policy must be clearly communicated to analysts whose reports are being reviewed, and the analysts should understand that the Company's communications are not intended in any way to endorse or refute the analyst's own conclusions included in the report. In these discussions, the Company representative may refer to the Company's previously released estimates or other widely available information. It is important that when referring to the Company's public estimates, that the Company representative give the date when the estimate was released and state that it has not been updated since that reference. The Company representative may only give qualitative oral guidance related to the Company's strategy and industry developments if that information has previously been publicly disclosed.

Finally, the Company representative should not give any written comments on any analyst's report, and the draft report will not be retained if provided to the Company. It is imperative that control of this process continue to be centralized through the chief financial officer or principal financial officer with coordination on the part of the vice president of finance, treasurer as the designated analyst contact for the Company. These individuals will apprise the Committee of any developments regarding the Company's analyst coverage and advise them of any unusual circumstances or discussions with any of the analysts.

Policy on Distributing Analysts' Reports

To avoid the appearance that the Company may be endorsing a particular report, the Company shall not directly or indirectly (e.g., Web page hyperlink) distribute analyst reports. The Company may identify those analysts who currently cover the Company.

Brokers may call requesting analyst reports when they are unable to obtain copies from the analyst directly. In these limited circumstances, the Company may distribute the analyst reports subject to the following requirements: the latest reports from all analysts tracking the Company must be sent, and the following statement must be included in a cover letter with the distribution: "The Company is providing the enclosed analysts' reports as a service to persons interested in obtaining information about the Company. The statements made and the views expressed in such reports (including any financial projections) should not be regarded as having been made or endorsed by the Company." The person to whom the analyst reports are sent and the reason for sending them should be documented, preferably in the same fashion as described in "Responsibilities of the Company's Authorized Spokesperson(s)" in this document.

Policy on Commenting on Analysts' Earnings Estimates

It shall be the Company's policy that when analysts request comments on their own or other published earnings estimates for the Company: (1) not to comment on any estimates; (2) to remind analysts that the Company's current policy is to not offer earnings per share guidance for any reporting period; and/or (3) to pose only general questions regarding an analyst's assumptions that are related to previously disclosed facts about the Company or the industry or other widely available information.

Policy on Assisting New Analysts

When working with analysts who are initiating coverage of the Company, the chief financial officer or principal financial officer, as the primary analyst contact for the Company, may discuss background information about the Company's operations, its growth strategy and the overall racing industry. All information provided in those discussions, however, will adhere to the policies set forth in this document.

Policy on Responding to Rumors

Only the Company's designated spokesperson(s) may publicly respond to rumors, and those spokespersons must use only the statements listed below.

It shall continue to be the Company's policy to respond consistently to questions about inquiries related to rumors on possible acquisitions or other business activity in the following manner: "We have said we review acquisitions and other business arrangements that fit into our strategic plan. Beyond that, our disclosure policy is not to comment on any potential acquisitions or other business arrangements unless and until we reach a point of substantial completion."

If the rumor is not related to an acquisition, the response shall be: "It is our policy not to comment about rumors or speculation that cannot be linked directly to a source within the Company."

NASDAQ guidelines and securities law requirements may require the Company to make a more definitive statement when it is clear that the Company is the source for the rumors that are causing unusual trading activity in the stock. The decision to disclose shall be made by the chief compliance officer/corporate secretary, and the chief financial officer or principal financial officer in consultation with the Committee, the chief executive officer and outside counsel when necessary. When the Company has nothing material to disclose, it may endorse NASDAQ's issuance of a release affirming the Company's policy stated above.

The Company recognizes the presence on the Internet of a broad range of information sources for investors, including sites that may include earnings estimates, opinions or other subjective comments about the Company. When advised of any inaccurate historical information on an outside database, the Company may contact that source and request a correction. Additionally, if an unsanctioned group or individual issues a false news release about the Company's operations, the Company may respond with a statement to identify the hoax. The Company will not attempt to make any comprehensive, ongoing review of information on the Internet and will assume no responsibility for any opinions expressed by outside individuals.

Policy on Responding to Market Activity

It is the Company's policy not to speculate on the cause of trading activity in the Company's stock unless that activity coincides with a public announcement made by the Company or a rumor that can be traced to Company representatives.

The Company should respond to inquiries related to stock activity by saying: "Management's role is to concentrate on developing and implementing business plans that create value in the Company, and we hope that the market responds in a favorable manner. Beyond that, our policy is not to comment on market activity in our publicly traded securities."

The general counsel may also consult with NASDAQ's Market Watch Department concerning any other disclosures it deems required under NASDAQ's rules.

Policy on Material Developments

The Disclosure Policy Committee will be advised of all material developments relating to mergers and acquisitions. Because of the uncertainties inherent in the negotiations for a business combination, the Company believes that public disclosure should most appropriately be made only when an agreement is substantially complete. This point will generally be defined as when a definitive contract has been signed by all parties but will be evaluated based upon each transaction's specific facts and circumstances. The general counsel, upon consultation with the Committee and outside counsel when necessary, will determine whether disclosure is required. The Company recognizes that other factors, such as the financial size of the transaction, may have an impact on the decision to disclose information about a proposed acquisition other than at a point of substantial completion. Unless a proposed transaction has been publicly disclosed, the Company will respond to any rumors

about a possible business transaction by referencing this disclosure policy.

As they need to know, board members and other insiders will be apprised of material developments that the Company is not ready to announce publicly in order to avoid premature or selective disclosure or inadvertent insider trading. Any insider who is in possession of inside information shall not trade in the Company's stock, and no insiders may trade during a "no comment" period, which is defined as a period in time during which a material development becomes a reasonable, likely occurrence and before the Company has made a public disclosure of that development. For the purposes of this Disclosure Policy "material information" shall be defined as any information that a reasonable investor would consider important in making a decision to buy, hold, or sell securities. Any information that could be expected to affect the Company's stock price, whether it is positive or negative, should be considered material. Some examples of information that ordinarily would be regarded as material are:

- Information regarding the Company's quarterly business results prior to their public release;
- Projections of future earnings or losses, or other earnings guidance;
- Earnings that are inconsistent with the consensus expectations of the investment community;
- A significant business interruption that could have a material financial impact on earnings;
- A pending or proposed merger, acquisition or tender offer;
- A pending or proposed acquisition or disposition of a significant asset;
- A proposed sponsorship agreement;
- A regulatory change that could have a material financial impact on the Company or its operations;
- A change in dividend policy, the declaration of a stock split or the offering, purchase or redemption of Company securities;
- A change in management;
- Development of a significant new product or process;
- Impending bankruptcy or the existence of severe liquidity problems;
- The gain or loss of a significant customer or supplier;
- The gain or loss of a material revenue stream;
- Significant litigation; and
- Changes in pricing.

The Board will be counseled on the Company's disclosure policy but should refer inquiries from media and analysts to the chief financial officer, director of communications or director of investor relations.

Policy on Memoranda of Understanding

The Disclosure Committee and/or its designees will be apprised of memoranda of understanding ("MOU") the Company may enter into prior to reaching a definitive agreement. The Committee or its designees shall weigh the materiality of the MOU in order to determine whether there is an obligation to publicly disclose the MOU prior to reaching a definitive agreement - or whether there is a legitimate business reason for early disclosure. When considering whether to disclose an MOU, the Committee may follow the rules of disclosure established for the SEC's Form 8-K. Additionally, the Committee or its designees will determine whether, as developments warrant, there is a duty to update the public prior to reaching a definitive agreement.

Policy on Forward-Looking Statements

It is the Company's policy to provide forward-looking information, as appropriate, to enable investors to fairly evaluate the Company and its prospects. The Committee will discuss what specific information will be released and determine whether updated information is material and should be subsequently released.

All disclosures that contain any forward-looking statements will include an appropriate disclaimer identifying that such statements are forward looking and that results could differ materially from those projected in the forward-looking statements. The disclaimer should also include the caveat that the Company expressly disclaims from offering any updates or revisions to these forward-looking statements. Written documents should clearly identify the specific material risks that could impact the outcome of any forward-looking statement. Oral statements, including investor presentations and conference calls, should refer the audience to the material risks identified in public filings by the Company.

Policy on Forward-Looking Statements Related to Earnings

The Company will make forward-looking statements related to earnings in accordance with this policy only. In conjunction with each earnings release for the just-ended quarter, the Company may disclose its expectations for future periods, which may or may not include a specific earnings projection or general market trends. As the quarter progresses, the Company may express comfort in its own forecast, through the issuance of a news release and other appropriate disclosures. As always, any forward-looking statement must be accompanied by "safe harbor" language, as described in the "Policy on Forward-Looking Statements" in this document and must contain risk factors specifically related to the earnings projection. At no time will a Company spokesperson comment on any pending quarter or annual earnings estimates that have not been publicly released.

Additionally, the guidelines established in the "Policy on Reviewing Analysts' Reports" and the "Policy on Commenting on Analysts' Earnings Estimates" in this document must be followed.

Policy on Drafting and Disseminating News Releases

The Company has developed and intends to maintain a routine procedure for all material corporate communications. The procedure consists of drafting a news release, circulating it for review to the members of the Committee - or a subcommittee of the Committee as designated by the members - and other officers and experts as appropriate and then presenting it to the chief executive officer for final approval. Then, the Company will alert the market surveillance unit of NASDAQ or another appropriate stock exchange (at least 10 minutes prior to release) and disseminate the document through a national wire service and other distribution channels and post the news release to the Company's corporate Web site, www.churchilldownsincorporated.com, as well as other Company Web sites as appropriate so as to effect broad dissemination to all public entities. The news release will include notice of any scheduled conference call to discuss the announced results, giving both the time and date of the conference call and instructions on how to access the call.

The Company shall endeavor to include in its news releases and other disclosure documents: (1) appropriate cautionary information, (2) specific time references such as "as of (specific time and date rather than indefinite time references such as "currently") we expect our earnings to be ____." to minimize the duty to update, and (3) information sufficient to answer likely questions to minimize further inquiry.

As a matter of policy, the Company will issue news releases in conjunction with the following business events:

- Periodic business results, including race meet results;
- Purse adjustments;
- Projected quarterly results that are inconsistent with the consensus expectations of the investment community;
- Restatement of quarterly earnings/loss;
- A significant business interruption, including but not limited to natural disasters that impact our facilities;
- A proposed merger, acquisition, disposition of a significant asset, tender offer or other material or strategic development activities once the transaction(s) has reached a point of substantial completion;
- A change in dividend policy, the declaration of a stock split or the offering, purchase or redemption of Company securities;
- A change in management;
- Development of a significant new product or process;
- Impending bankruptcy or the existence of severe liquidity problems;
- The gain or loss of a significant customer, supplier, sponsor or broadcast partner;
- Significant litigation; and
- Changes in pricing.

Policy on Conference Calls

Conference calls held in conjunction with any material news releases will be accessible to the public. The Company will issue a public release, as soon as practicable in advance of the original announcement, including the information about how the public can obtain access to the call on a real-time basis either through a telephone number and/or Internet simulcast. The Company may reserve the ability for two-way participation to certain analysts and other investors who are accustomed to asking for additional information. The Company will follow a policy of making these calls, including the question/answer session, available on an archived basis for two weeks via telephone and two weeks via the Internet.

Policy on Disclosing Presentation Materials

It is the Company's policy to make available materials from management presentations that are publicly accessible. Such materials may include paper copies or electronic versions of any presentation slides or handouts, and/or transcripts or video or audio recordings of the presentations if practicable. In a reasonable amount of time prior to the presentation, the Company will issue a news release with notification of the presentation and information stating how and what materials will be available. Any materials accessible on the Company's Web site will be archived for a minimum of two weeks. The Company will not be obligated to keep these materials on file for an indefinite period of time nor will the Company be obligated to provide speakers' notes from the oral presentation. Speakers should always read an oral version of the safe harbor language as described in "Policy on Forward-Looking Statements" at the beginning of their presentation, and a written version of the safe harbor language should appear on a slide during electronic slide presentations and be inserted into any transcripts of the oral presentation.

Summary

The execution of this disclosure policy will help to ensure compliance with the rules and regulations applicable to public

companies and will help reduce volatility, improve market valuation, increase liquidity, strengthen the Company's credibility and enhance shareholder value.