



August 2, 2016

Churchill Downs Incorporated and Saratoga Casino Holdings, LLC Announce Purchase of Casino at Ocean Downs and Ocean Downs Racetrack

LOUISVILLE, Ky. and SARATOGA SPRINGS, N.Y., Aug. 02, 2016 (GLOBE NEWSWIRE) -- Churchill Downs Incorporated ("CDI") (NASDAQ:CHDN) and Saratoga Casino Holdings, LLC ("SCH") today announced their joint venture to purchase all of the equity interests of Ocean Enterprise 589 LLC, Ocean Downs LLC and Racing Services LLC (collectively, the "Companies"), which entities own and operate the Casino at Ocean Downs and Ocean Downs Racetrack (collectively, "Ocean Downs") from a private ownership group led by Mr. William M. Rickman, Jr. CDI and SCH have formed a new company to execute the definitive agreement to acquire these equity interests, Old Bay Gaming & Racing, LLC ("Buyer"), which is fifty percent (50%) owned by CDI and fifty percent (50%) owned by SCH. By virtue of its twenty five percent (25%) ownership of SCH, CDI will indirectly own an additional twelve and one-half percent (12.5%) of Buyer for a total interest in Buyer of sixty-two and one-half percent (62.5%). The economic terms of the transaction are confidential.

William M. Rickman, Jr. has agreed to remain as a senior advisor to the new owners in his capacity as Executive Vice President of Maryland Gaming LLC to ensure that this strategic partnership is successful. Long-term Government Relations Director, Denise Hill and General Manager, Joseph Cavilla will also continue in their respective roles post-closing. The casino and harness racetrack are located in Berlin, Maryland and encompass approximately 168 acres of land. Mr. Rickman first purchased the property in 2000 and later built the casino in 2010, which now hosts 800 video lottery terminals and electronic table games, as well as live seasonal harness racing.

The closing is subject to the satisfaction or waiver of specified closing conditions, including, without limitation, the approval of all relevant governmental authorities, including the Maryland Lottery and Gaming Control Agency and Maryland Racing Commission, and receipt of all necessary licenses and permits for Buyer to operate the Companies. The transaction is expected to close later this year, subject to receipt of all necessary approvals.

About Churchill Downs Incorporated

Churchill Downs Incorporated, (CDI) (NASDAQ:CHDN), headquartered in Louisville, Ky., is an industry-leading racing, gaming and online entertainment company anchored by our iconic flagship event - The Kentucky Derby. We are a leader in brick-and mortar casino gaming with gaming positions in six states, and we are the largest legal online account wagering platform for horseracing in the U.S., through our ownership of TwinSpires.com. We are also one of the world's largest producers and distributors of mobile games through Big Fish Games, Inc. Additional information about CDI can be found online at www.churchilldownsincorporated.com.

About Saratoga Casino Holdings LLC

Saratoga Casino Holdings LLC, located in historic Saratoga Springs, New York offers 1,700 slot machines, electronic table games, live harness racing, simulcast wagering, live entertainment and a hotel.

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 press release 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, but are not limited to: the effect of global economic conditions, including any disruptions in the credit markets; the loss of key personnel; the violation of the Foreign Corrupt Practices Act or applicable anti-money laundering regulations; a lack of confidence in the integrity of our core businesses could affect our ability to retain our customers and engage with new customers; a decrease in consumers' discretionary income; additional or

increased taxes and fees; limited flexibility in operating our business due to restrictions contained in our debt facility; the impact of natural and other disasters on our operations and our ability to obtain insurance recoveries in respect of such losses (including losses related to business interruption); our ability to execute our acquisition strategy and to complete or successfully operate acquisitions and planned expansion projects including the effect of required payments in the event we are unable to complete acquisitions; our ability to successfully complete any divestiture transaction; our ability to integrate any businesses we acquire into our existing operations, including our ability to maintain revenue at historic or anticipated levels and achieve anticipated cost savings; actual or perceived failure to comply with governmental regulation and legal obligations to maintain security of personal information and other data collected from our customers; customer payment related risks associated with the fraudulent use of credit or debit cards; the effect of claims of third parties to intellectual property rights, particularly in the areas of advance deposit wagering (ADW) and casual gaming; business interruption at any one of our seven principal casino locations expose us to material adverse impact due to the geographic concentration of those casinos; the costly development of new or expanded casino facilities and the risk of delays, cost overruns and other uncertainties; the concentration and evolution of the slot machine manufacturing industry could impose additional costs to us; the significant expenditures related to ownership and development of real estate holdings necessary for racing operations; the financial performance of our racing operations; the impact of casino competition (including lotteries, online gaming and riverboat, cruise ship and land-based casinos) and other sports and entertainment options in the markets in which we operate; our ability to maintain racing and gaming licenses to conduct our businesses; work stoppages related to both union and non-union activity; the impact of live racing day competition with other Kentucky, Illinois, Louisiana and Ohio racetracks within those respective markets; the impact of higher purses and other incentives in states that compete with our racetracks; inclement weather conditions may affect our ability to conduct live racing at all locations with specific significance to the Kentucky Oaks and Kentucky Derby and could have material adverse impact on our business; costs associated with our efforts in support of alternative gaming initiatives; a substantial change in law or regulations affecting pari-mutuel or casino activities; a substantial change in allocation of live racing days; changes in Kentucky, Illinois, Louisiana or Ohio law or regulations that impact revenue or costs of racing in those states; the presence of wagering and casino operations at other states' racetracks and casinos near our operations; our continued ability to effectively compete for the country's horses and trainers necessary to achieve full field horse races; our continued ability to grow our share of the interstate simulcast market and obtain the consents of horsemen's groups to interstate simulcasting; the continued decline of the popularity of horseracing, including the continued decrease in attendance at live events could have negative impact on revenue and profitability in our racing business as well as our ADW business; our ability to enter into agreements with other industry constituents for the purchase and sale of racing content for wagering purposes; 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 limitation, agreements on sharing of revenue from casinos and advance deposit wagering); the inherent danger in Horseracing subjects our racetracks to personal injury litigation; the inability of our totalisator company, United Tote, to maintain its processes accurately, keep its technology current or maintain its significant customers; the ability of Big Fish Games or TwinSpires to prevent security breaches within their online technologies; the unauthorized disclosure of our source code which could risk the loss of our trade secrets and increase security risks; our inability to respond to rapid changes in technology, resulting in customer dissatisfaction with our products; changes in the regulatory environment for our ADW business could adversely affect our business through excessive costs and may inhibit our ability to do business in certain states; failure to comply with regulations related to ADW business could result in legal penalties or our ability to offer our products, in general; our inability to retain our core customer base or our failure to attract new customers; strong and increasing competition in our ADW business; an evolving and highly competitive market segment related to Big Fish Games; maintaining favorable relationships we have with third-party mobile platforms; the inability to secure new content from third-party developers on favorable terms; keeping our games free from programming errors or flaws; the effect if smart phone and tablet usage does not continue to increase; the quarter-to-quarter variability of Big Fish Games financial results vary significantly and are difficult to predict; the failure to develop and publish mobile games that achieve market acceptance, or the continued enhancement of our existing games may cause revenue to suffer; the inability to adequately protect our intellectual property could harm the value of our brand and our business; "cheating" programs, scam offers, black-markets and other actions by third parties that seek to exploit our games and our players may affect our reputation and harm our operating results; and, other risks and uncertainties in the ordinary course of business that are common to all businesses and not specifically named herein.

CDI Contact: Lauren DePaso
(502) 636-4506
Lauren.DePaso@kyderby.com

Saratoga Contact: Rita Cox
(518) 584-2110
RCox@saratogagaming.com

Sellers' Contact: Dan Tipton
(302) 454-7901
Dan@tiptoncommunications.com