



May 1, 2008

Wagering on the Kentucky Derby, Kentucky Oaks and Woodford Reserve to be Allowed on TwinSpires.com and Xpressbet.com

Officials with Churchill Downs Racetrack announced today that TwinSpires.com, the official advanced-deposit wagering ("ADW") site for Churchill Downs Incorporated (the "Company"), and Xpressbet.com would be accepting wagers on the Kentucky Derby Presented by Yum! Brands, the Kentucky Oaks and The Woodford Reserve. All Churchill Downs Racetrack races will continue to be available through other off-track betting and simulcast wagering facilities, except for the off-track betting ("OTB") facilities located in Clarksville and Evansville, Ind., and Calder Race Course.

Kentucky Horsemen's Benevolent and Protective Association ("KYHBPA") and the Kentucky Thoroughbred Association ("KTA") have blocked distribution of the remaining Churchill Downs signal to ADW providers, including TwinSpires.com and Xpressbet.com.

"We are disappointed that the Kentucky horsemen have chosen to prevent horse racing fans from wagering on Churchill Downs Racetrack races during the most important weekend for the horse racing industry," said Churchill Downs President Steve Sexton. "Wagering on the Kentucky Oaks and Kentucky Derby race day cards helps to supplement purses throughout the year at Churchill Downs Racetrack. The action of the horsemen's representatives today will have a negative impact on purses for the entire year."

"We are perplexed that the horsemen would seek to penalize the ADW distribution channel. Since the Company's entry into the ADW business, we have successfully negotiated higher host fees paid by ADW businesses to our racetracks and horsemen partners. Both groups have benefited," said Sexton. "Fortunately, wagering on the Kentucky Derby, Kentucky Oaks and Woodford Reserve will be allowed under prior agreements."

KYHBPA representatives have rejected all offers from Churchill Downs and instructed that any further discussions be conducted with the Thoroughbred Horsemen's Group ("THG"), an alliance of horsemen's groups from around the country. The THG is led by Bob Reeves who also serves on the board of the Ohio Horsemen's Benevolent and Protective Association.

"Kentucky takes great pride in billing itself as the horse capital of the world," said Sexton. "On Tuesday, we were encouraged by the discussions with KYHBPA representatives. On Wednesday, our offer was rejected, but neither the KYHBPA nor the KTA could tell us what was needed to resolve this issue. Today, the Kentucky horsemen have told us that if we want to send our ADW signal to the rest of the country, then we have to negotiate with and get permission from horsemen representing them in Ohio."

The 134th Kentucky Derby and Kentucky Oaks anchor this weekend's race card at Churchill Downs. Pre-race festivities, including a celebrity filled red carpet, will be aired nationally on NBC beginning at 4 p.m. on May 3, 2008, followed by an hour and a half of racing coverage beginning at 5 p.m.

"At a time when Churchill Downs is working diligently to bring new customers to the sport, the actions of the horsemen will serve to block these potential fans from participating and alienate loyal patrons who look forward to this weekend all year," said Sexton.

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 134th running of the Kentucky Derby on May 3, 2008. The track's 2008 Spring Meet runs from April 26 through July 6. Churchill Downs has hosted the Breeders' Cup World Championships a record six times. Information about Churchill Downs can be found on the Internet at 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 news 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: the effect of global economic conditions; the effect (including possible increases in the cost of doing business) resulting from future war and terrorist activities or political uncertainties; the 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; 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 temporary and permanent slot facilities in Louisiana; 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, including Hurricanes Katrina, Rita and Wilma 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 effect of claims of third parties to intellectual property rights; and the volatility of our stock price.