

Massachusetts State Lottery Commission Meeting

Executive Director's Report

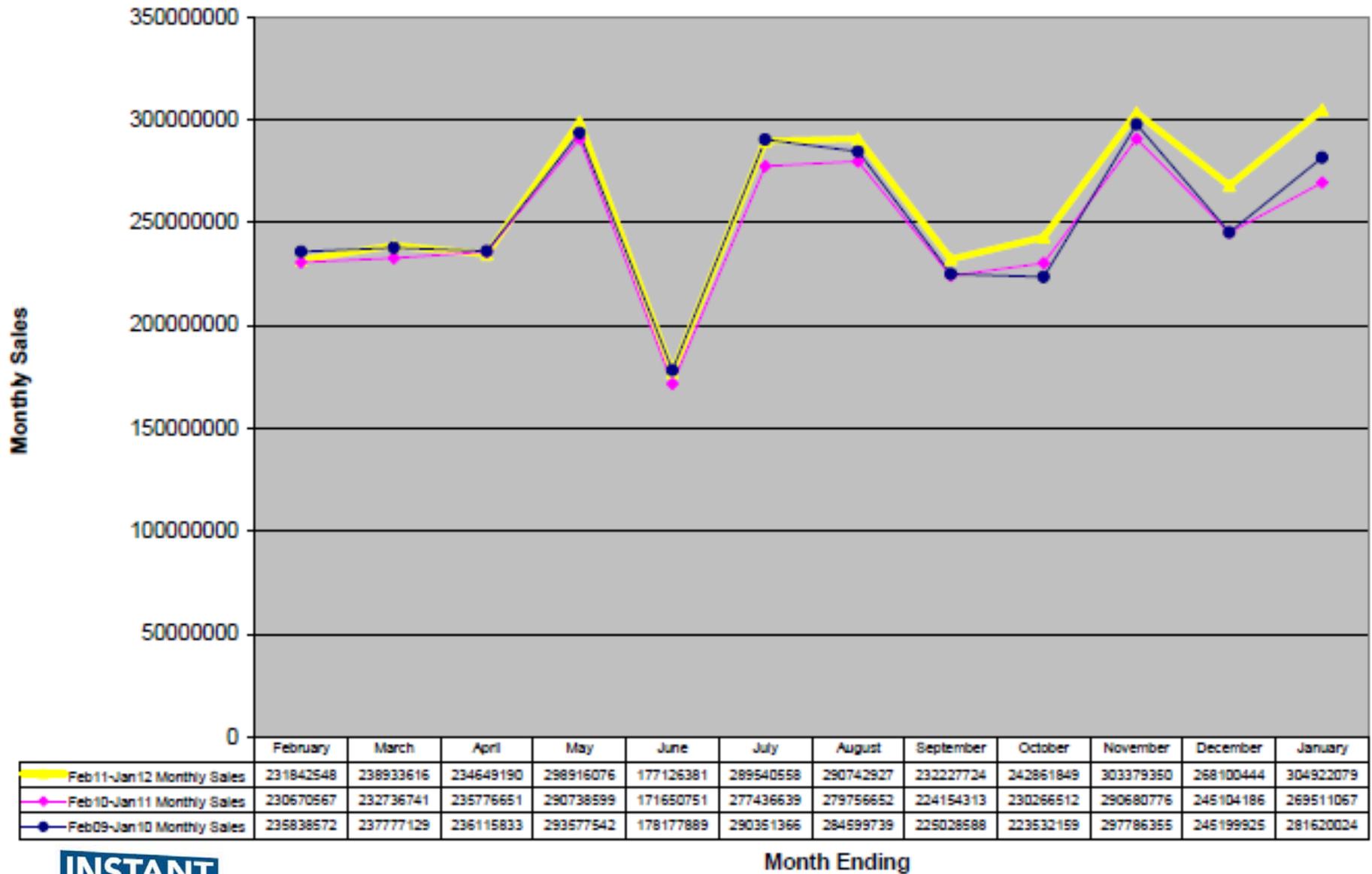
**Delivered by Paul R. Sternburg
February 28, 2012**



Lottery Sales Update

- Lottery sales continue to soar with January's overall sales ringing in \$38 million higher than the previous year's sales.
- These robust sales, coupled with a 1.9 percent decrease in the monthly prize payout from 75.7 percent in January 2011 to 73.8 percent in January 2012, raised the Lottery's net profit for the month to \$40.8 million higher than last year, a \$12 million increase over last month's net profit.
- Last month's strong performance was driven by a \$35 million bump in the **Instant Ticket** portfolio; a \$3 million increase in Powerball sales due to a higher jackpot offering this year; a \$5 million dollar increase in **KENO** sales; and, a \$3 million increase in **Mass Cash** sales.
- Additionally, there was an increase in **Cash WinFall** sales thanks to the game's final jackpot roll down and a \$1 million increase in **Megabucks Doubler** sales due to a higher jackpot offering this year.
- **Mega Millions** was the only game that experienced a sales decrease in January. Sales for the multi-state game were down \$10 million for the month because last year at this time, the jackpot was a whopping \$380 million as compared to this year's \$15 million.

Instant Game Monthly Sales, Feb '09 – Jan '12



Recent Releases (Feb. 21)

\$500 A Week For Life

Price Point: \$1

4 Day Sales:

\$278,434

\$1,000 A Week For Life

Price Point: \$2

4 Day Sales:

\$1,067,550

\$2,500 A Week For Life

Price Point: \$5

4 Day Sales:

\$2,286,130

\$5,000 A Week For Life

Price Point: \$10

4 Day Sales:

\$2,366,050

**INSTANT
GAMES**

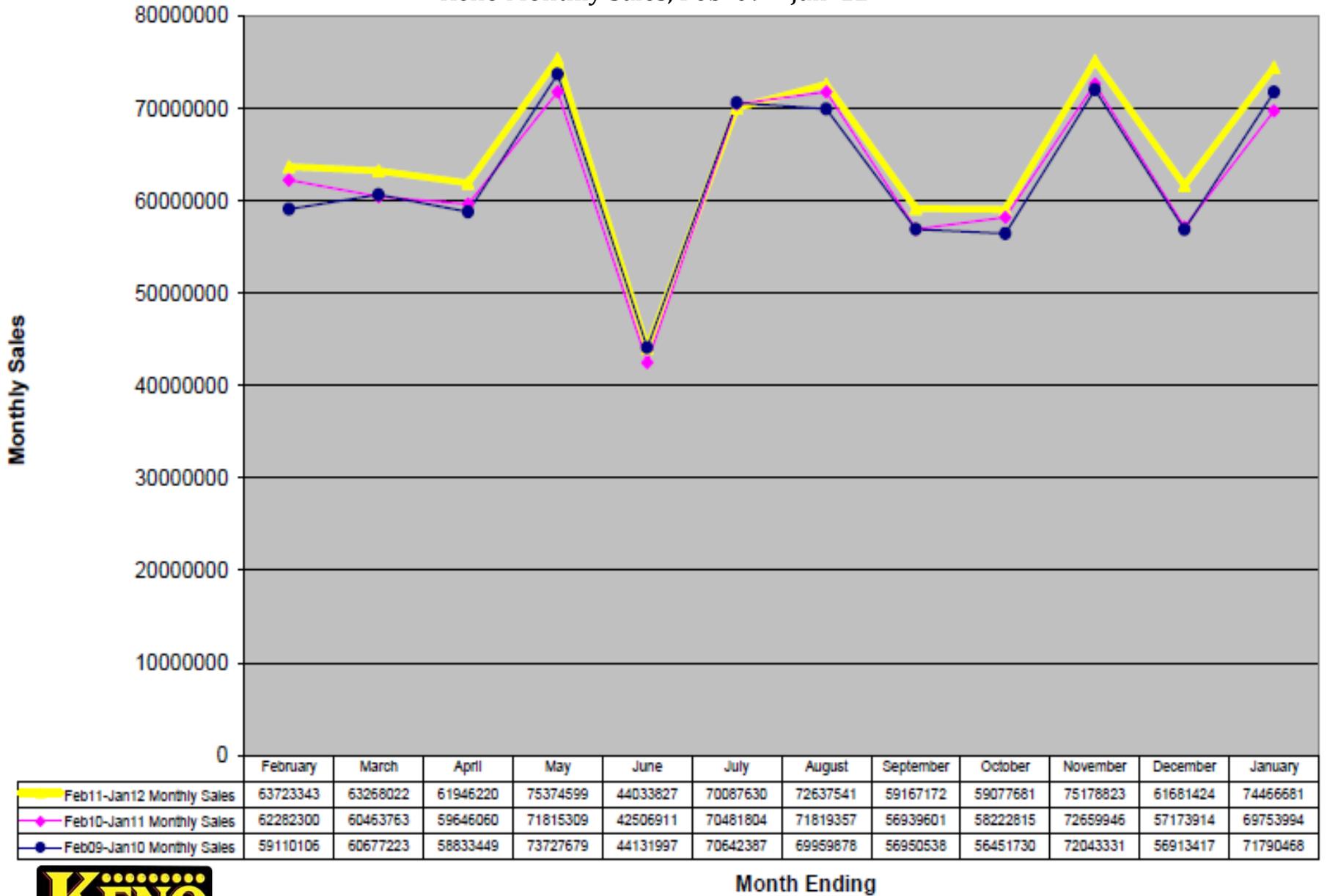
Just think what you could do with ...

PICK ONE UP FOR A CHANCE OF A LIFETIME

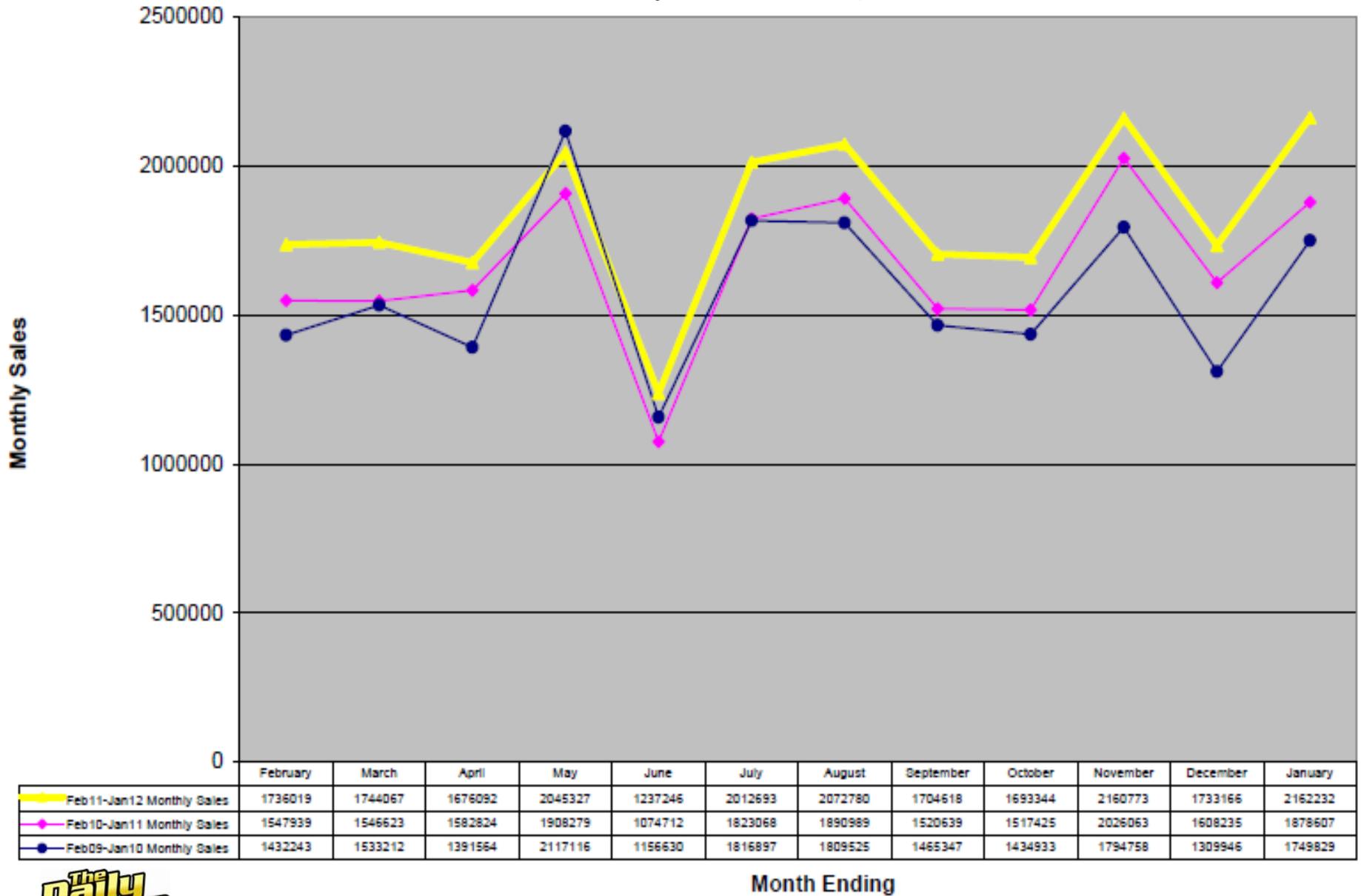
Total Cash Prizes of \$564,708,660!

THE LOTTERY

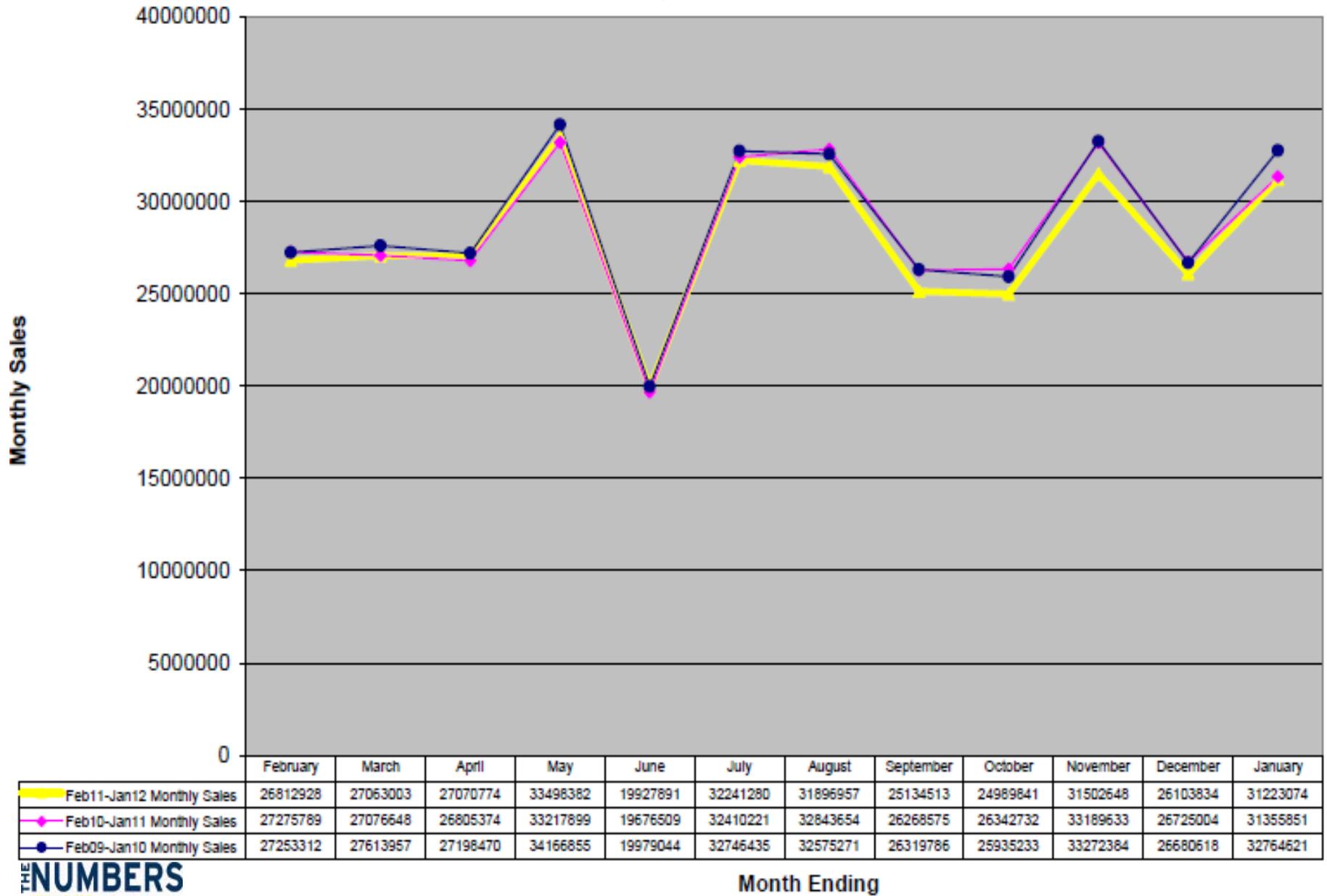
Keno Monthly Sales, Feb '09 – Jan '12



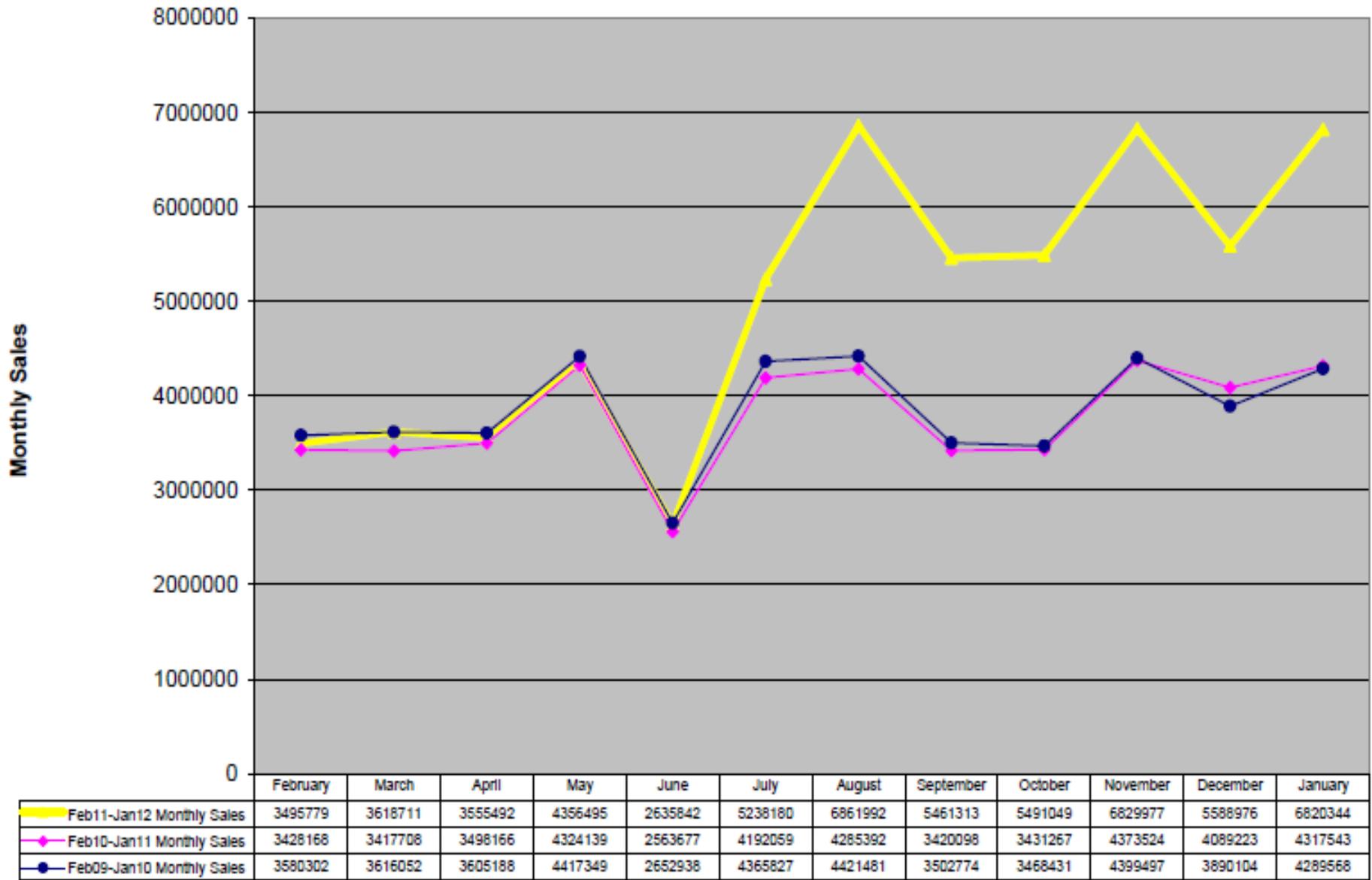
Race Game Monthly Sales, Feb '09 – Jan '12



Numbers Game Monthly Sales, Feb '09 – Jan '12

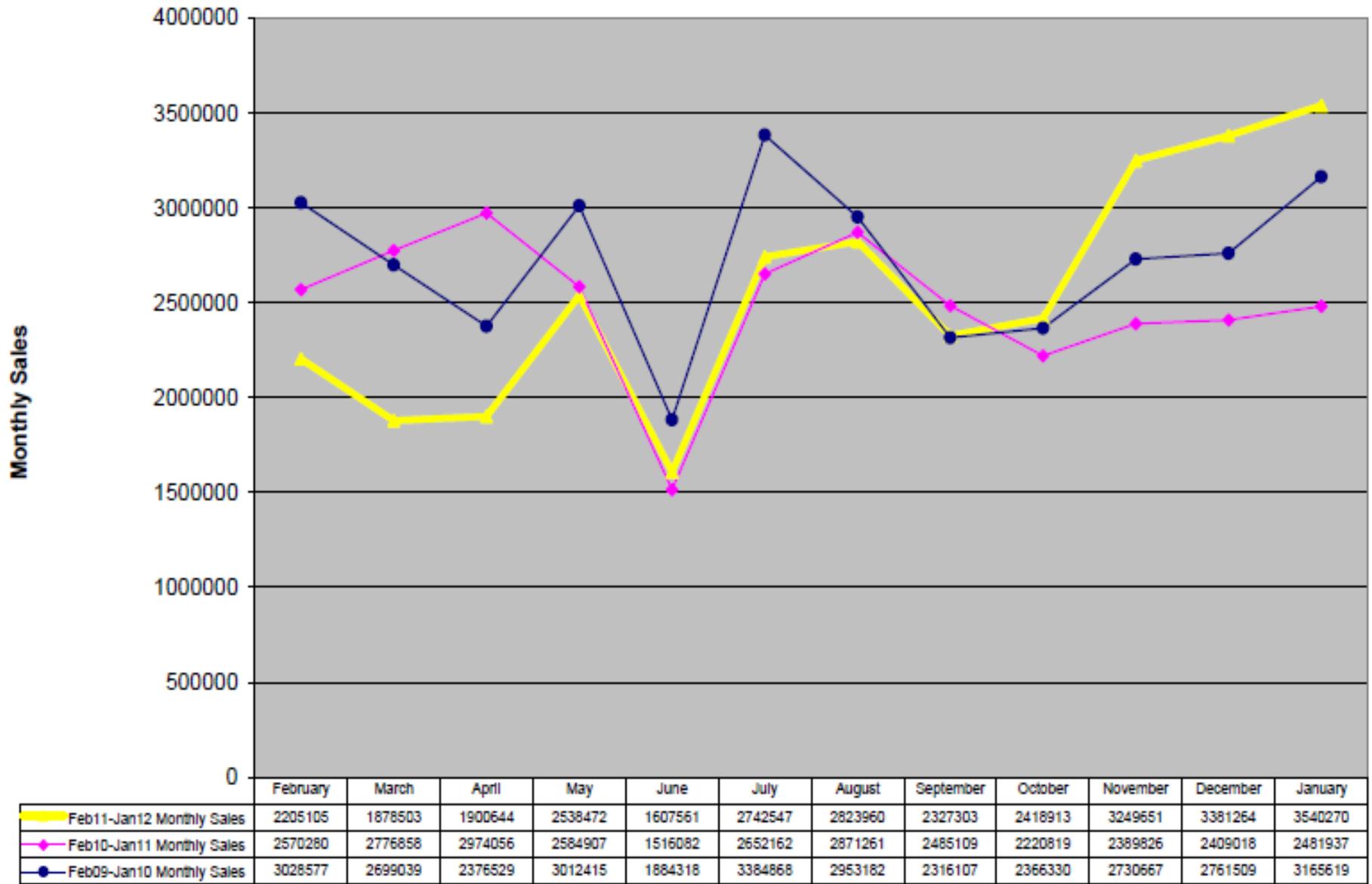


Mass Cash Monthly Sales, Feb '09 – Jan '12



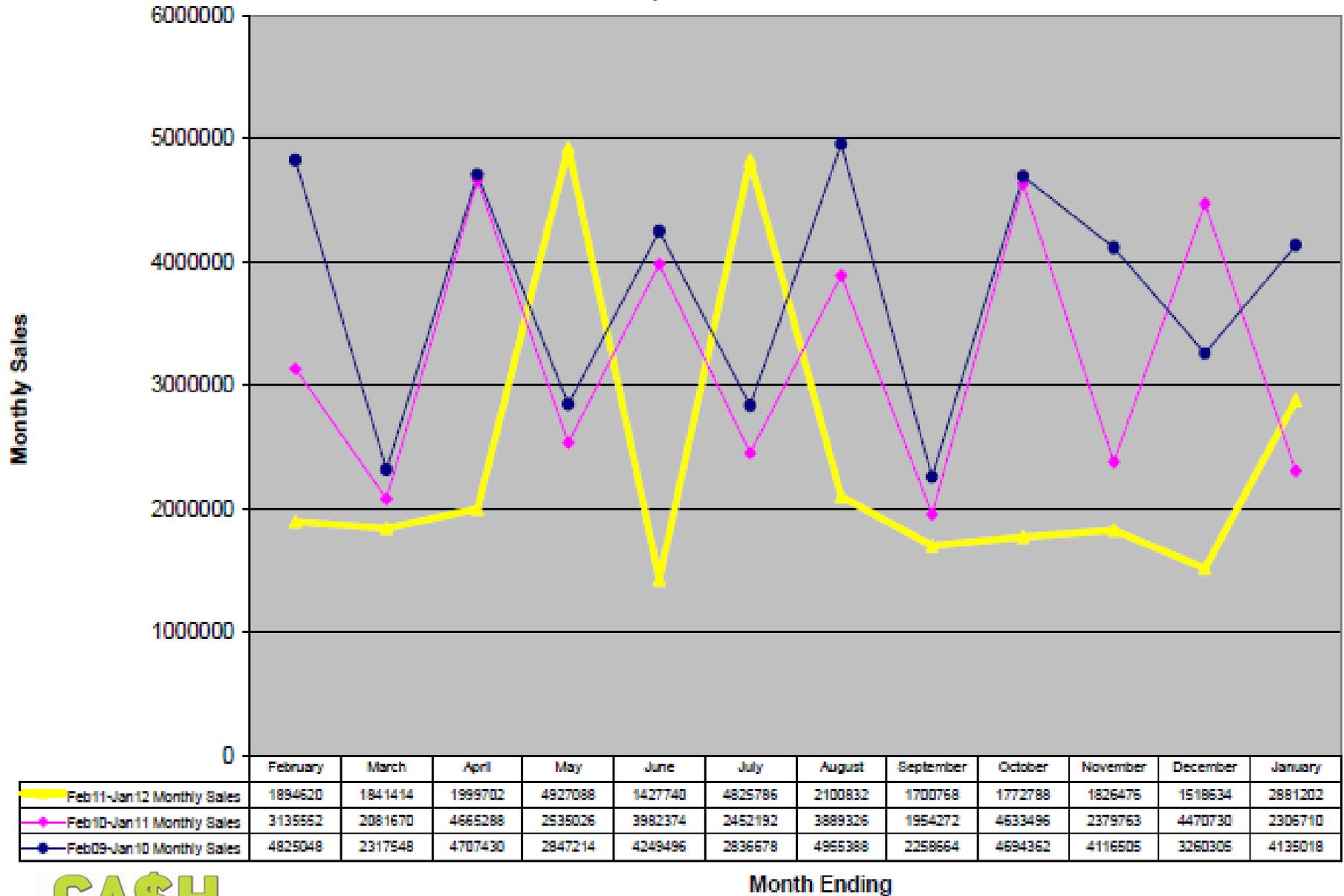
Month Ending

Megabucks Monthly Sales, Feb '09 – Jan '12

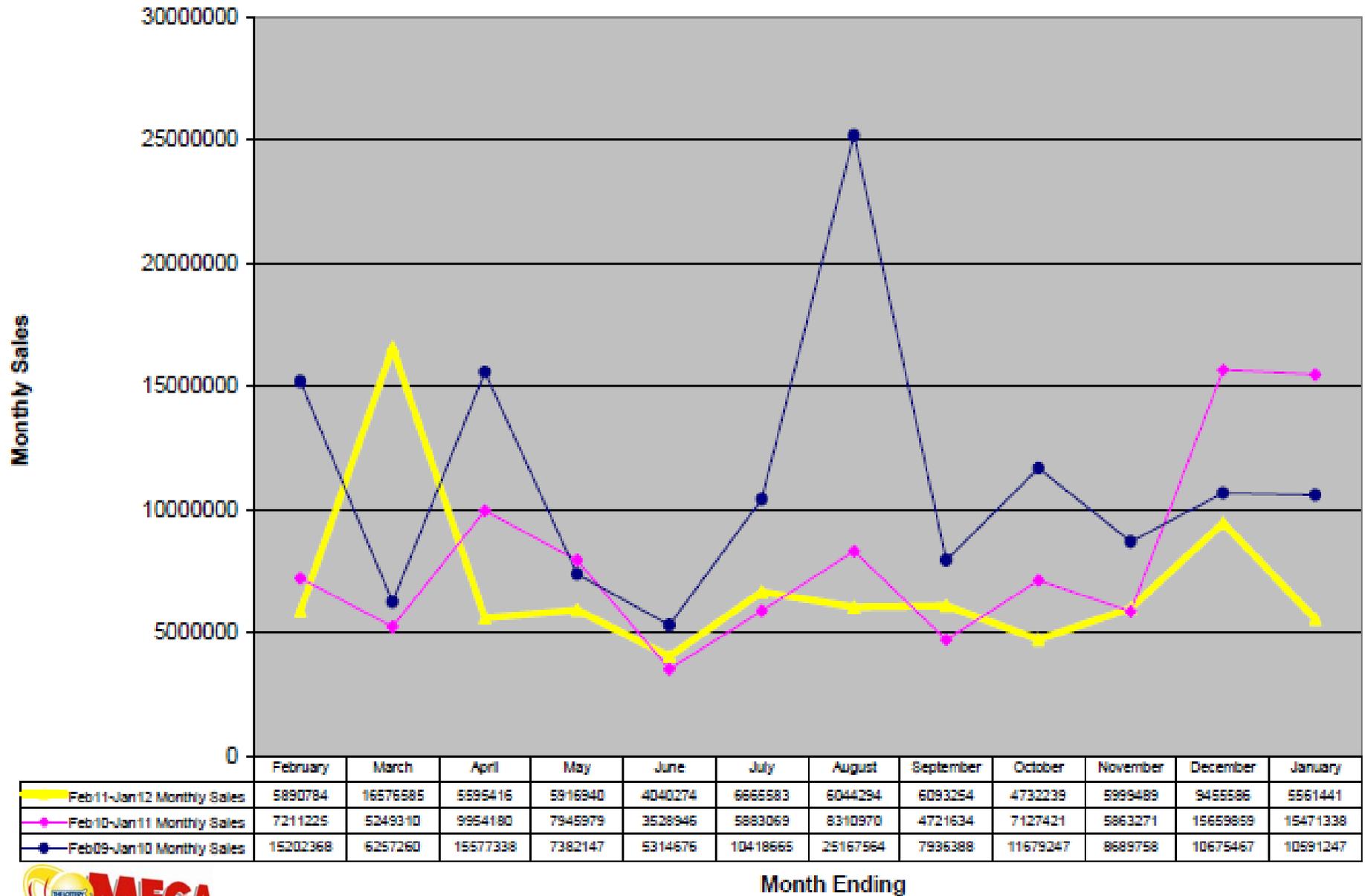


Month Ending

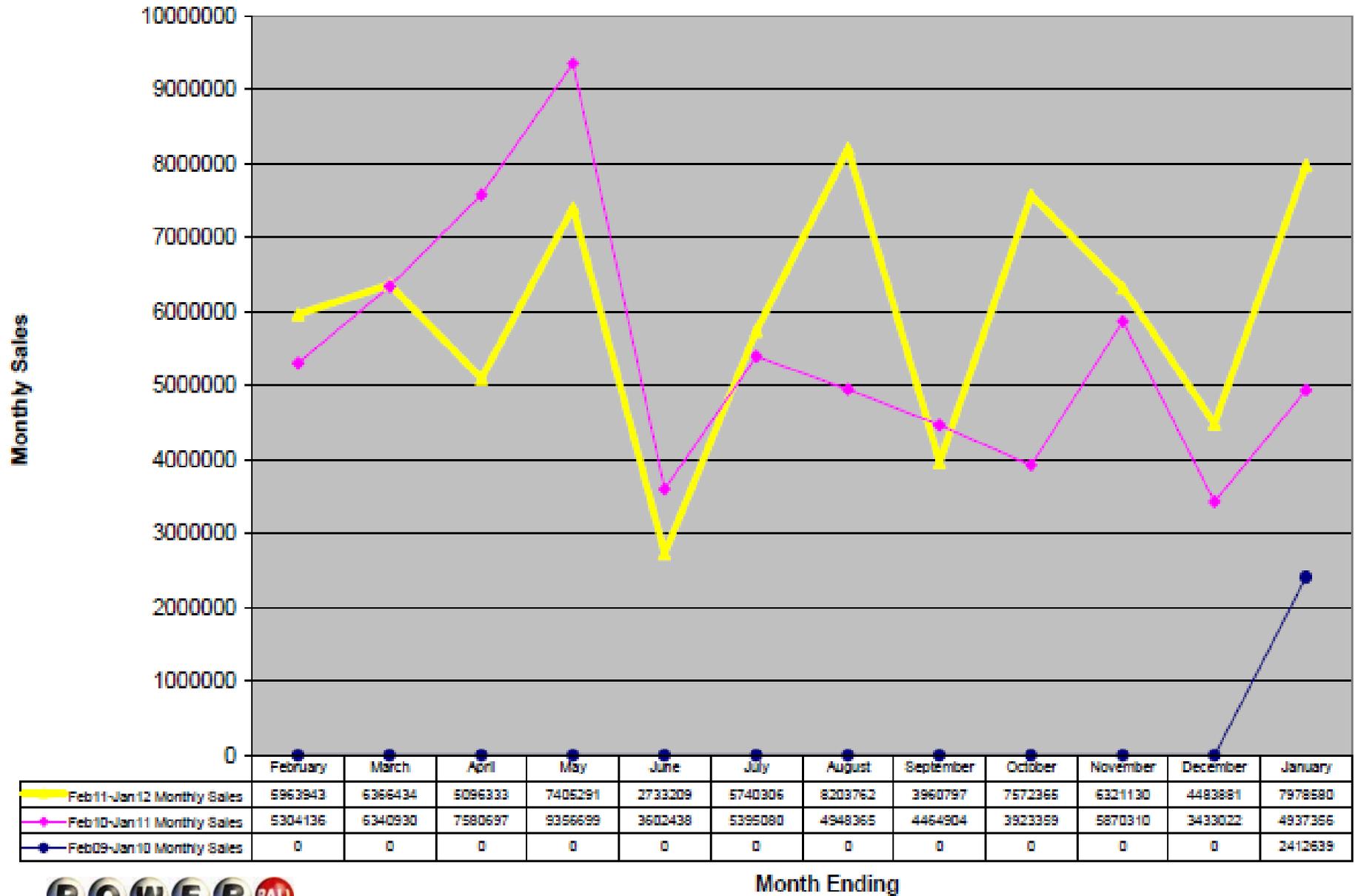
Cash WinFall Monthly Sales, Feb '09 – Jan '12



Mega Millions Monthly Sales, Feb '09 – Jan '12



Powerball Monthly Sales, Feb '09 - Jan '12





**\$1,000
A Day For LiFE!**

Imagine \$7,000 A Week!

2ND Prize \$25,000

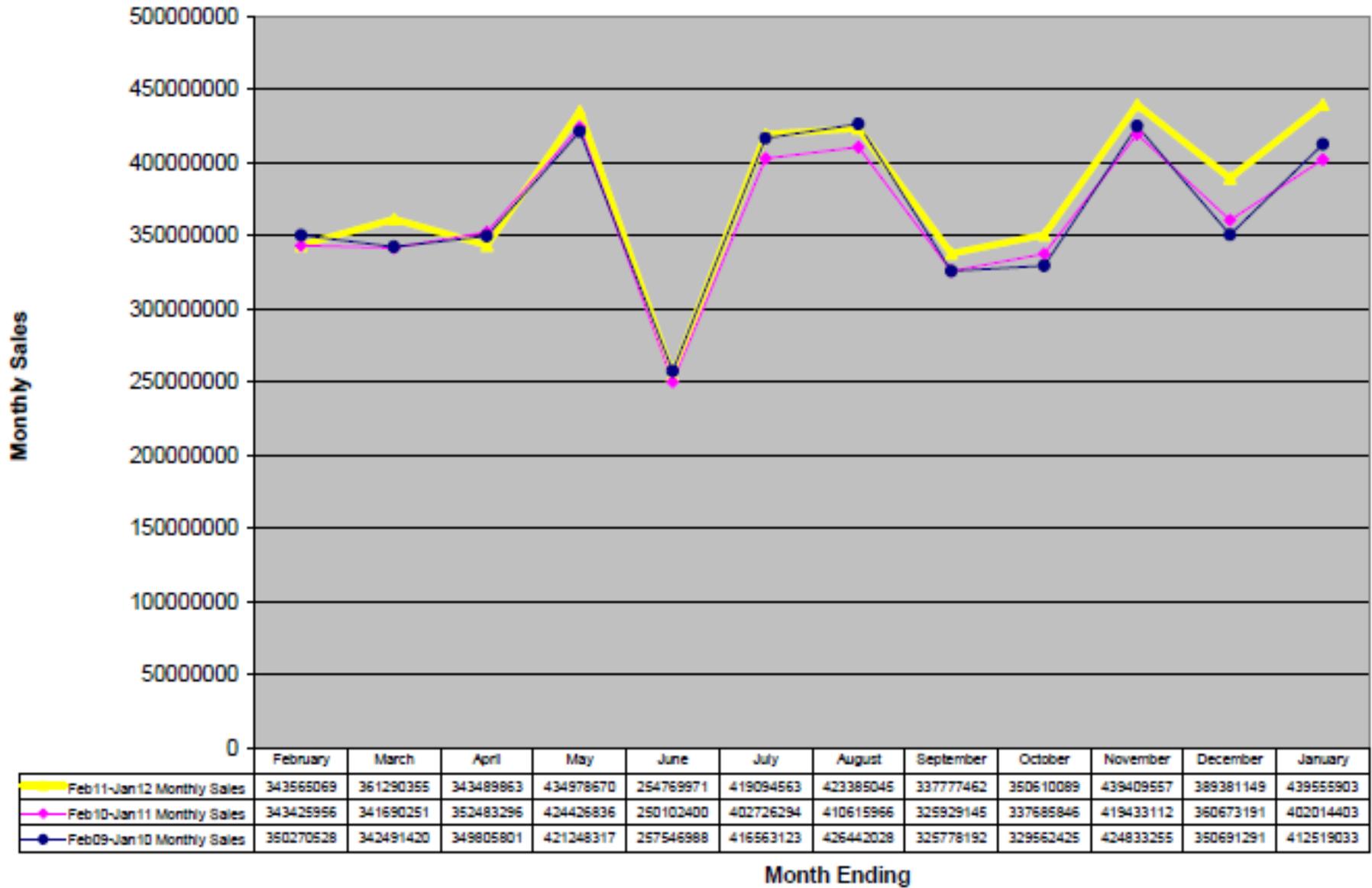
Drawings Monday & Thursday

Introducing Lucky for Life (March 11)

- New England's six state lotteries are introducing a multi-state draw game that offers players the opportunity to win a prize of a lifetime -- \$1,000 a day, every day, for their entire life.
- ***Lucky for Life*** will launch next week in Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont. It will be the first lottery game to be played in all six New England states and is the result of nearly a year of planning and concerted efforts from the staff at each of the lotteries.
- The game will be drawn twice a week – Mondays & Thursdays – replacing Cash WinFall in Massachusetts.
- Each ***Lucky for Life*** ticket will cost \$2 and sales begin on Sunday, March 11th with the first drawing taking place on Thursday, March 15th.
- Drawings will be held every Monday and Thursday at 10:38pm in Connecticut and aired live on FOX CT/Channel 61 in Hartford. Game results and the drawing video will be posted on masslottery.com.



All Game Monthly Sales, Feb '09 – Jan '12



MSLC Revenue Results

January FY12 vs. January FY11

(\$ millions)

Through Feb. 4, 2012

	<u>Payout %</u>	<u>FY12</u>	<u>% of Total</u>	<u>FY11</u>	<u>% of Total</u>	<u>\$ Change</u>	<u>% Change</u>
Instant Tickets	69.9% to 80.4%	\$305	69.4%	\$270	67.0%	\$35	13.1%
MegaMillions	50%	6	1.3%	15	3.8%	-10	-64.1%
Powerball	50%	8	1.8%	5	1.2%	3	61.3%
Keno	70%	74	16.9%	70	17.3%	5	6.8%
Mass Cash	55%	7	1.6%	4	1.1%	3	57.9%
Race Game	70%	2	0.5%	2	0.5%	0	14.9%
Cash WinFall	60%	3	0.7%	2	0.6%	1	24.7%
Numbers Game	63%	31	7.1%	31	7.8%	0	-0.4%
Megabucks	55%	4	0.8%	2	0.6%	1	42.7%
Raffle Game	50%	0	0.0%	0	0.0%	0	100.0%
Total		\$440	100.0%	\$402	100.0%	\$38	9.3%
Instant Tickets		\$305	69.4%	\$270	67.0%	\$35	13.1%
Online Games		135	30.6%	133	33.0%	2	1.5%
Total		\$440	100.0%	\$402	100.0%	\$38	9.3%

MSLC Revenue Results

FY12 vs. FY11

(\$ millions)

Through Feb. 4, 2012

	<u>Payout %</u>	<u>FY12</u>	<u>% of Total</u>	<u>FY11</u>	<u>% of Total</u>	<u>\$</u> <u>Change</u>	<u>%</u> <u>Change</u>
Instant Tickets	69.9% to 80.4%	\$1,932	69.0%	\$1,817	68.3%	\$115	6.3%
MegaMillions	50%	45	1.6%	63	2.4%	-18	-29.3%
Powerball	50%	44	1.6%	33	1.2%	11	34.2%
Keno	70%	472	16.9%	457	17.2%	15	3.3%
Mass Cash	55%	42	1.5%	28	1.1%	14	50.4%
Race Game	70%	14	0.5%	12	0.5%	1	10.4%
Cash WinFall	60%	17	0.6%	22	0.8%	-5	-24.7%
Numbers Game	63%	203	7.3%	209	7.9%	-6	-2.9%
Megabucks	55%	20	0.7%	18	0.7%	3	17.0%
Raffle Game	50%	10	0.4%	0	0.0%	10	100.0%
Total		\$2,799	100.0%	\$2,659	100.0%	\$140	5.3%
Instant Tickets		\$1,932	69.0%	\$1,817	68.3%	\$115	6.3%
Online Games		867	31.0%	842	31.7%	25	3.0%
Total		\$2,799	100.0%	\$2,659	100.0%	\$140	5.3%

Lottery Reform Scorecard

- Policy Development:
 - The Executive Director executed this month a new Wireless Device Policy. The Policy is intended to provide Lottery employees guidance regarding proper usage of wireless devices issued to conduct Lottery-related business, while ensuring transparent documentation of such usage, accountability and cost-savings.

Thank you for the opportunity to share this information. We look forward to your feedback and to further discussion on these figures, as well as other Lottery initiatives.

