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As part of the continuing effort to uphold State Treasurer Steve Grossman's commitment to transparent and open operations at the Lottery, enclosed are fiscal performance documents accounting for results through December 2011.

The Lottery's Fiscal 2012 sales continue to rise with December's overall sales ringing in \$28.7 million, or 8 percent, higher than December 2010. As a result of the Lottery's strong sales during the first half of the year, Treasurer Grossman raised the Lottery's estimated net profit to \$905 million, and shared the news of this projected \$11 million increase in his testimony at last month's Consensus Revenue hearing.

December's sales increase was fueled by a \$23 million spike in the Instant Ticket portfolio, thanks largely to the robust offering of holiday-themed games. Other games that performed well for the month were Keno, which experienced a \$5 million bump due to the holidays falling on Sundays and a second chance promotional offer; the multi-state Powerball game was up \$1 million due to higher jackpot levels than last year; Megabucks Doubler also saw a \$1 million increase because of higher jackpot levels; and, Mass Cash sales were up \$1 million following the move to a nightly draw schedule. Additionally, the \$10 Million Raffle, a limited-time game offering, contributed \$7 million in new sales for the month.

Two games that saw sales decreases in December due to lower jackpot levels are the multi-state Mega Millions game and Cash WinFall. Mega Millions sales were down \$6 million for the month. Last year at this time, the Mega Millions jackpot was on the rise and grew to a whopping \$380 million before it was won on January 4, 2011. As such, we will again see a sales decrease in this game when reporting sales figures next month. Cash WinFall sales were decreased by \$3 million because there was a jackpot roll down last December. The Cash WinFall game officially ended on January 23rd making way for a regional draw game that will be offered in all six New England states. The new game, Lucky for Life, will launch in mid-March.

We look forward to a strong second half of the year and as always I am happy to answer any questions you may have about the above mentioned figures or concerning the Lottery's overall fiscal performance. I can be reached directly at 781-849-5500.

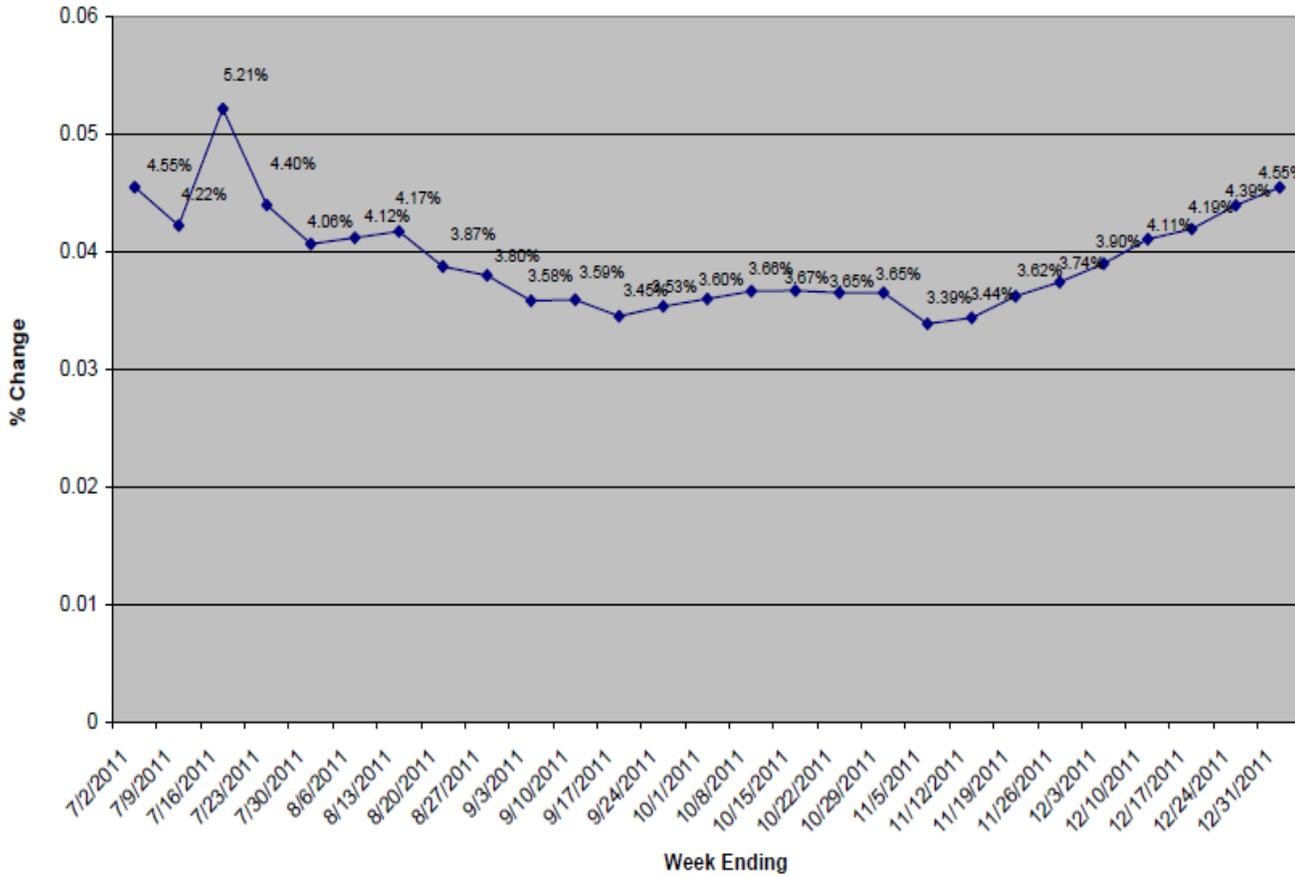
Sincerely,



Paul R. Sternburg
Executive Director

**All Game Sales YTD
Percentage Change in 2012 vs 2011**

◆ % Change



MSLC Revenue Results

December FY12 vs. December FY11

(\$ millions)

	Payout %	FY12	% of Total	FY11	% of Total	\$ Change	% Change
Instant Tickets	69.9% to 80.4%	\$268	68.8%	\$245	67.8%	\$23	9.4%
MegaMillions	50%	10	2.5%	16	4.4%	-6	-38.1%
Powerball	50%	5	1.2%	3	0.9%	1	32.4%
Keno	70%	62	15.8%	57	15.8%	5	7.9%
Mass Cash	55%	6	1.4%	4	1.2%	1	27.3%
Race Game	70%	2	0.4%	2	0.6%	0	-15.0%
Cash WinFall	60%	1	0.3%	4	1.1%	-3	-67.3%
Numbers Game	63%	26	6.7%	27	7.4%	-1	-2.2%
Megabucks	55%	4	0.9%	3	0.7%	1	38.5%
Raffle Game	50%	7	1.9%	0	0.0%	7	100.0%
Total		\$390	100.0%	\$361	100.0%	28	7.9%
Instant Tickets		\$268	68.8%	\$245	67.8%	\$23	9.4%
Online Games		122	31.2%	116	32.2%	5	4.7%
Total		\$390	100.0%	\$361	100.0%	28	7.9%

MSLC Revenue Results

FY12 vs. FY11

(\$ millions)

	Payout %	FY12	% of Total	FY11	% of Total	\$ Change	% Change
Instant Tickets	69.9% to 80.4%	\$1,583	68.8%	\$1,514	68.5%	\$69	4.6%
MegaMillions	50%	39	1.7%	48	2.2%	-9	-18.0%
Powerball	50%	36	1.6%	28	1.2%	8	29.8%
Keno	70%	389	16.9%	381	17.2%	8	2.2%
Mass Cash	55%	35	1.5%	24	1.1%	11	44.2%
Race Game	70%	11	0.5%	10	0.5%	1	8.8%
Cash WinFall	60%	11	0.5%	17	0.8%	-6	-33.3%
Numbers Game	63%	167	7.3%	174	7.9%	-7	-4.0%
Megabucks	55%	18	0.8%	16	0.7%	2	11.9%
Raffle Game	50%	10	0.4%	0	0.0%	10	100.0%
Total		\$2,300	100.0%	\$2,211	100.0%	\$88	4.0%
Instant Tickets		\$1,583	68.8%	\$1,514	68.5%	\$69	4.6%
Online Games		717	31.2%	698	31.5%	19	2.7%
Total		\$2,300	100.0%	\$2,211	100.0%	\$88	4.0%