

*Massachusetts State Lottery Commission
60 Columbian Street
Braintree, Massachusetts 02184-1738*

Tel: 781-849-5555 Fax: 781-849-5554 TTY: 781-849-5678

*STEVEN GROSSMAN
Treasurer and Receiver General*

*PAUL R. STERNBURG
Executive Director*

March 2012

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 February 2012.

Lottery sales continue to soar thanks to another strong monthly performance in February. Sales for the month were up \$35 million – a 10 percent increase over February 2011. This sales spike, coupled with a 0.7 % decrease in the prize payout for the year to date from 72.3 % in FY11 to 71.6 % in FY12, raised the Lottery's net profit for the first eight months of the year to \$53.3 million higher than the same eight month period in FY11. This figure is \$11.5 million higher than last month. Additionally, it is important to note that the Lottery continues to produce its projections using the historical average prize payout percentage of 72.3%.

February's sales increase was driven by a \$27 million bump in the Instant Ticket portfolio following the release of four exciting tickets in January and a suite of "For Life" prize-themed tickets in the third week of February; a \$6 million increase in Powerball sales due to a larger jackpot this year compared to last, and also the ticket price increasing from \$1 to \$2 in mid-January; a \$1 million increase in Keno sales; a \$2 million increase in Mass Cash sales; and, a \$1 million dollar increase in Megabucks Doubler due to a higher jackpot offering this year.

Two games, Mega Millions and Cash WinFall, experienced sales decreases in sales last month. We attribute the \$1 million drop in Mega Millions sales to competition from a higher Powerball jackpot. Cash WinFall sales were down \$2 million dollars because the game officially ended on January 23, hence there were no game sales for the month. We are looking forward to the added revenue from the new regional game "Lucky For Life" which launched on March 11, replacing Cash WinFall in our draw game portfolio on Monday and Thursday evenings.

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.

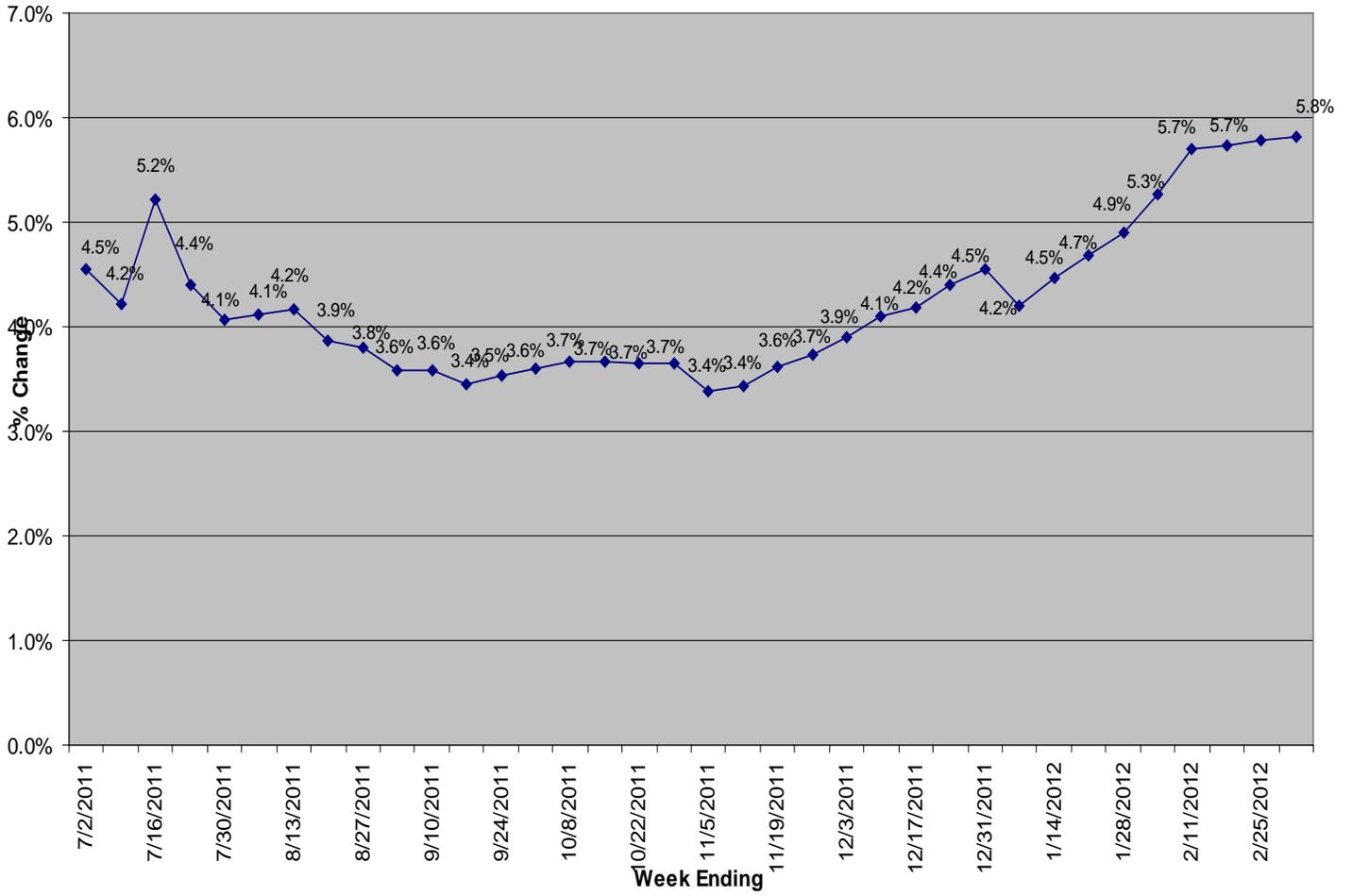
Sincerely,



Paul R. Sternburg
Executive Director

All Game Sales YTD Percentage Change in 2012 vs 2011

◆ % Change



MSLC Revenue Results
February FY12 vs. February FY11
(\$ millions)

	<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	\$259	68.4%	\$232	67.4%	\$27	11.6%
MegaMillions	50%	5	1.4%	6	1.7%	-1	-8.5%
Powerball	50%	12	3.3%	6	1.8%	6	95.2%
Keno	70%	65	17.1%	64	18.5%	1	1.6%
Mass Cash	55%	6	1.5%	4	1.0%	2	65.7%
Race Game	70%	2	0.5%	2	0.5%	0	11.8%
Cash WinFall	60%	0	0.0%	2	0.6%	-2	-100.0%
Numbers Game	63%	26	7.0%	27	7.8%	0	-1.5%
Megabucks	55%	3	0.8%	2	0.6%	1	31.8%
Raffle Game	50%	0	0.0%	0	0.0%	0	100.0%
Total		\$378	100.0%	\$344	100.0%	34	10.0%
Instant Tickets		\$259	68.4%	\$232	67.4%	\$27	11.6%
Online Games		119	31.6%	112	32.6%	7	6.6%
Total		\$378	100.0%	\$344	100.0%	34	10.0%

MSLC Revenue Results

FY12 vs. FY11

(\$ millions)

	<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%	\$2,191	68.9%	\$2,049	68.2%	\$142	6.9%
MegaMillions	50%	50	1.6%	69	2.3%	-19	-27.6%
Powerball	50%	57	1.8%	39	1.3%	18	45.2%
Keno	70%	537	16.9%	521	17.3%	16	3.1%
Mass Cash	55%	48	1.5%	32	1.1%	17	52.2%
Race Game	70%	16	0.5%	14	0.5%	2	10.7%
Cash WinFall	60%	17	0.5%	24	0.8%	-7	-30.8%
Numbers Game	63%	230	7.2%	236	7.9%	-6	-2.7%
Megabucks	55%	23	0.7%	20	0.7%	4	18.8%
Raffle Game	50%	10	0.3%	0	0.0%	10	100.0%
Total		\$3,177	100.0%	\$3,003	100.0%	\$175	5.8%
Instant Tickets		\$2,191	68.9%	\$2,049	68.2%	\$142	6.9%
Online Games		987	31.1%	954	31.8%	33	3.5%
Total		\$3,177	100.0%	\$3,003	100.0%	\$175	5.8%