

*Massachusetts State Lottery Commission
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*STEVEN GROSSMAN
Treasurer and Receiver General*

*PAUL R. STERNBURG
Executive Director*

February 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 January 2012

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.

I would also like to note that weather can substantially impact sales performance. We have been fortunate to have very little snowfall this season, especially compared to last January when there were several large storms across the state which negatively impacted sales.

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 a \$1 million 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.

We will be releasing several exciting new Instant Tickets this spring and also introducing a New England regional draw game, "Lucky for Life," in mid-March which will help make for a strong second half of the fiscal year.

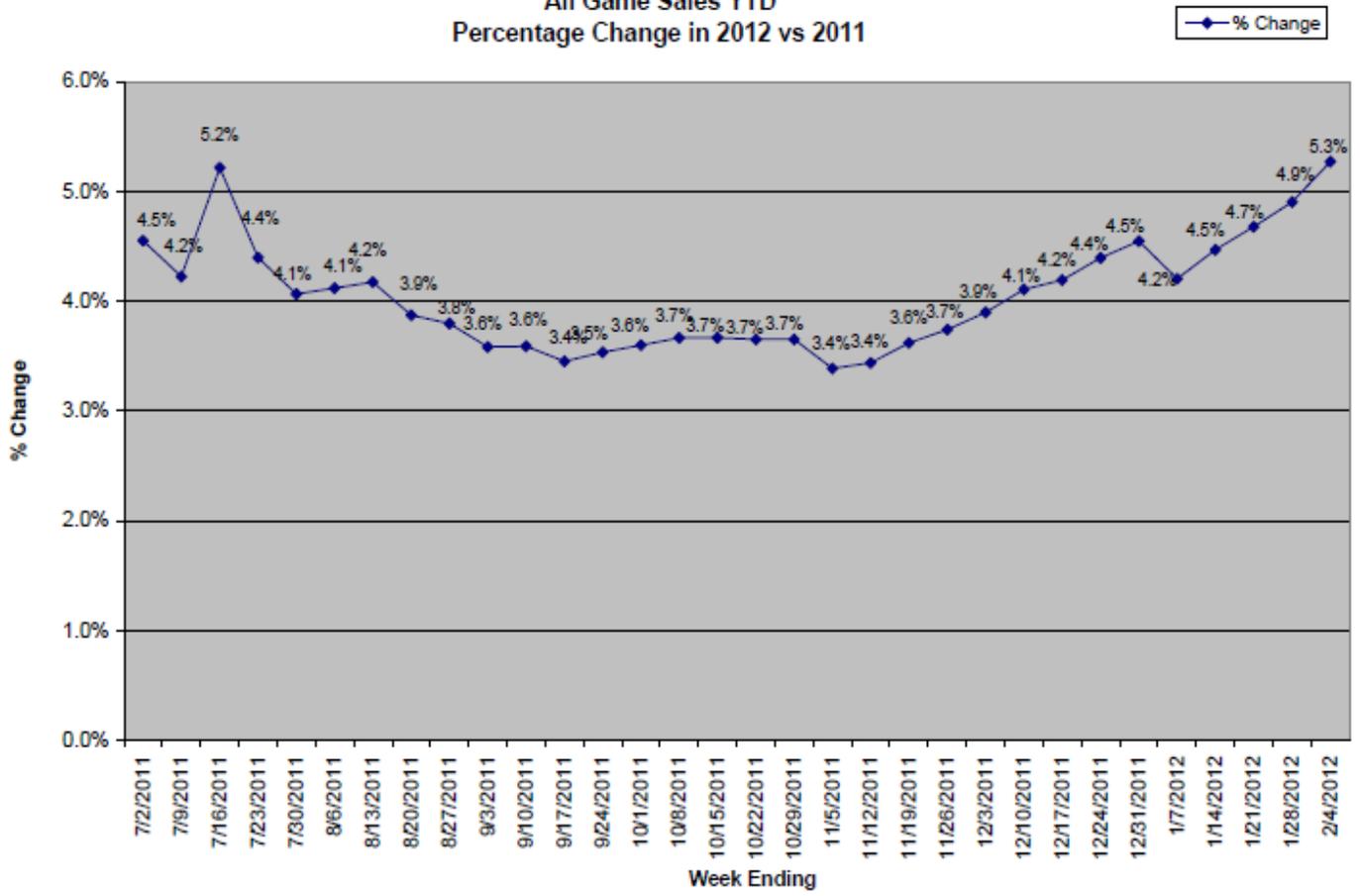
As always I am happy to answer any questions you may have about the above mentioned figures or concerning the Lottery's overall fiscal performance. I can be reached directly at 781-849-5500.

Sincerely,



Paul R. Sternburg
Executive Director

All Game Sales YTD Percentage Change in 2012 vs 2011



MSLC Revenue Results

FY12 vs. FY11

(\$ millions)

Through Feb. 4, 2012

	Payout %	FY12	% of Total	FY11	% of Total	\$ Change	% Change
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%

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	1.6%
Total		\$440	100.0%	\$402	100.0%	\$38	9.3%