



Massachusetts State Lottery Commission

STEVEN GROSSMAN
Treasurer and Receiver General

PAUL STERNBURG
Executive Director

June 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 May 2012.

May 2012 Lottery sales rang in \$32 million higher than sales for May 2011. While there was significant year over year sales growth, there was also a minor increase in the prize payout percentage for the month, which as explained in previous correspondence fluctuates based on the schedule or rate at which players cash in prizes.

This .53 percent increase in payout from 70.8 percent in May 2011 to 71.33 percent in May 2012, slightly reduced the Lottery's net profit increase over last year from \$92.5 million through April to \$92.2 million through May. It also raised our overall prize payout for the year from 71.3 percent to 71.45 percent; however, it is important to note that the Lottery's historical average prize payout percentage, which we continue to base projections for budget purposes on, is 72.3 percent.

The sales increase in May was due largely to a \$30 million bump in the Instant Ticket portfolio, combined with a \$2 million increase in KENO sales and a \$3 million increase in Mass Cash sales. Lucky For Life, the New England regional draw game, brought in \$5 million in new sales for the month.

Two games in the portfolio experienced sales decreases in May. The Numbers Game saw a \$2 million drop in sales due to continued cannibalization following Mass Cash's expansion to a from three to seven nights-a-week. There was also a \$5 million decrease in Cash WinFall as compared to last year because there have been no ticket sales since the game officially ended on January 23rd.

With only one month remaining in Fiscal Year 2012, we anticipate a record-setting year in terms of profit, surpassing the past record of \$951 million returned to the Commonwealth in 2006. As always I am happy to answer any questions you may have about the above mentioned figures or concerning the Lottery's overall performance. I can be reached directly at 781-849-5500.

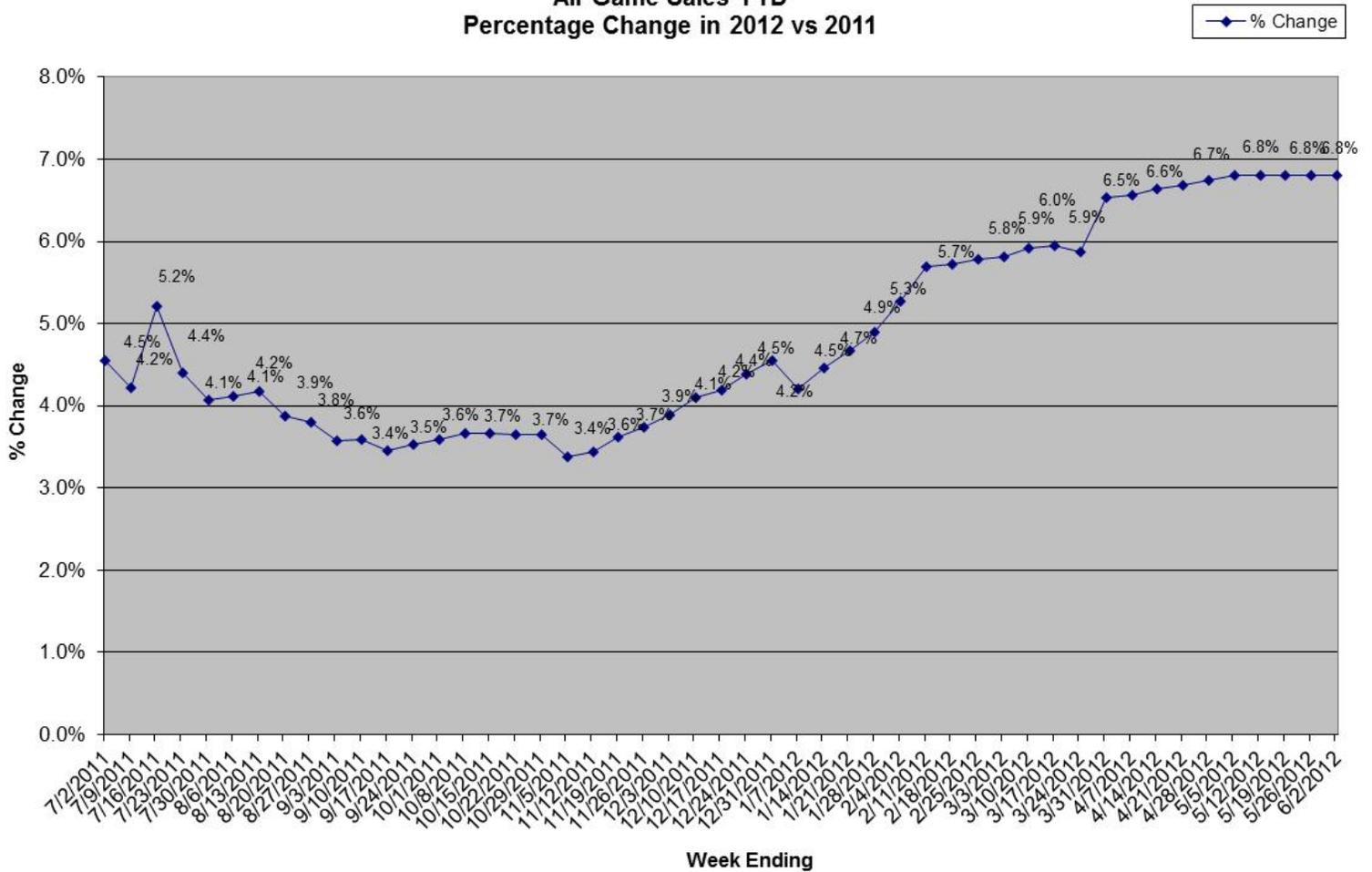
Sincerely,

Paul R. Sternburg
Executive Director



Supporting the 351 Cities and Towns of Massachusetts

All Game Sales YTD Percentage Change in 2012 vs 2011



Supporting the 351 Cities and Towns of Massachusetts



Massachusetts State Lottery Commission

MSLC Revenue Results

May FY12 vs. May FY11

(\$ millions)

	Payout %	FY12	% of Total	FY11	% of Total	\$ Change	% Change
Instant Tickets	69.9% to 80.4%	\$328	70.4%	\$299	68.7%	\$30	9.9%
MegaMillions	50%	6	1.3%	6	1.4%	0	-0.8%
Powerball	50%	7	1.5%	7	1.7%	0	-2.4%
Keno	70%	77	16.5%	75	17.3%	2	2.3%
Mass Cash	55%	7	1.5%	4	1.0%	3	58.5%
Race Game	70%	2	0.5%	2	0.5%	0	17.6%
Cash WinFall	60%	0	0.0%	5	1.1%	-5	-100.0%
Numbers Game	63%	32	6.8%	34	7.7%	-2	-4.6%
Megabucks	55%	2	0.5%	3	0.6%	0	-13.8%
Raffle Game	50%	0	0.0%	0	0.0%	0	100.0%
Lucky For Life	60%	5		0		5	
Total		\$467	100.0%	\$435	100.0%	\$32	7.3%
Instant Tickets		\$328	70.4%	\$299	68.7%	\$30	9.9%
Online Games		138	29.6%	136	31.3%	2	1.7%
Total		\$467	100.0%	\$435	100.0%	\$32	7.3%

MSLC Revenue Results

FY12 vs. FY11

(\$ millions)

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