



STEVEN GROSSMAN  
*Treasurer and Receiver General*

BETH BRESNAHAN  
*Executive Director*

February 19, 2014

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 January 2014.

Lottery sales were down \$8 million for the month of January as compared to January 2013 sales. The decline in sales for the month was primarily due to poor weather conditions. Cold and snowy weather has continued to negatively impact store traffic, reducing overall retail sales, including Lottery.

Additionally, the cash prize payout for the month of January was 75.5 percent, far above the 72.3 percent budgeted payout. This caused the year-to-date prize payout percentage to jump from 70.5 percent to 71.4 percent in just one month. Despite this increase, the fiscal year 2014 year-to-date prize payout percentage remains well below last year's rate which was 72.9 percent through January of 2013. Consequently, our net profit remains \$34 million ahead of last year's pace despite sales lagging by \$21 million through the first seven months of the year.

The Lottery experienced small increases in Mass Cash and Mega Millions sales in January, in addition to benefitting from nearly \$500,000 in new sales from Jackpot Poker, which was not in operation last January. Sales of Instant Tickets and Powerball were down \$2 million in January, while Lucky for Life and KENO sales declined by \$1 million. The Numbers Game, Megabucks, and the Super 50-50 Raffle also experienced minor sales drops. The Daily Race Game did not generate any sales last month because the game officially ended on June of 2013; the game generated over \$2 million in sales in January 2013.

I would also like to take this opportunity to introduce myself as the newly-appointed Lottery Executive Director, named to the position by Treasurer Grossman on February 12<sup>th</sup>. I have led the marketing and communications strategies at the Lottery for the better part of the past decade. Prior to my appointment, I served as the Lottery's Assistant Executive Director and Director of Marketing and Communications, a role in which I was

charged with developing engaging games, promotional programs and outreach strategies that resonated with the Lottery's players in order to produce record-breaking profits.

I am very excited to take on this new leadership role and look forward to guiding the Lottery on a continued path of growth and success. In addition to our sales and marketing programs currently underway, we are exploring several initiatives that will ensure an impressive finish to FY14 and will put us in a position of strength for FY15, which



include: expansion of the regional Lucky for Life draw game beyond its current six state footprint; exploring a new price point (\$30) within our Instant Ticket portfolio; diversifying our distribution channels and maximizing sales at our existing retailers by rolling out additional Player Activated Terminals and redeploying our fleet of Instant Ticket Vending Machines at new locations.

I look forward to working with you and am happy to answer any questions you may have about the aforementioned figures or concerning Lottery initiatives. I can be reached directly at 781-849-5600.

Sincerely,

*Beth Bresnahan*

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Executive Director



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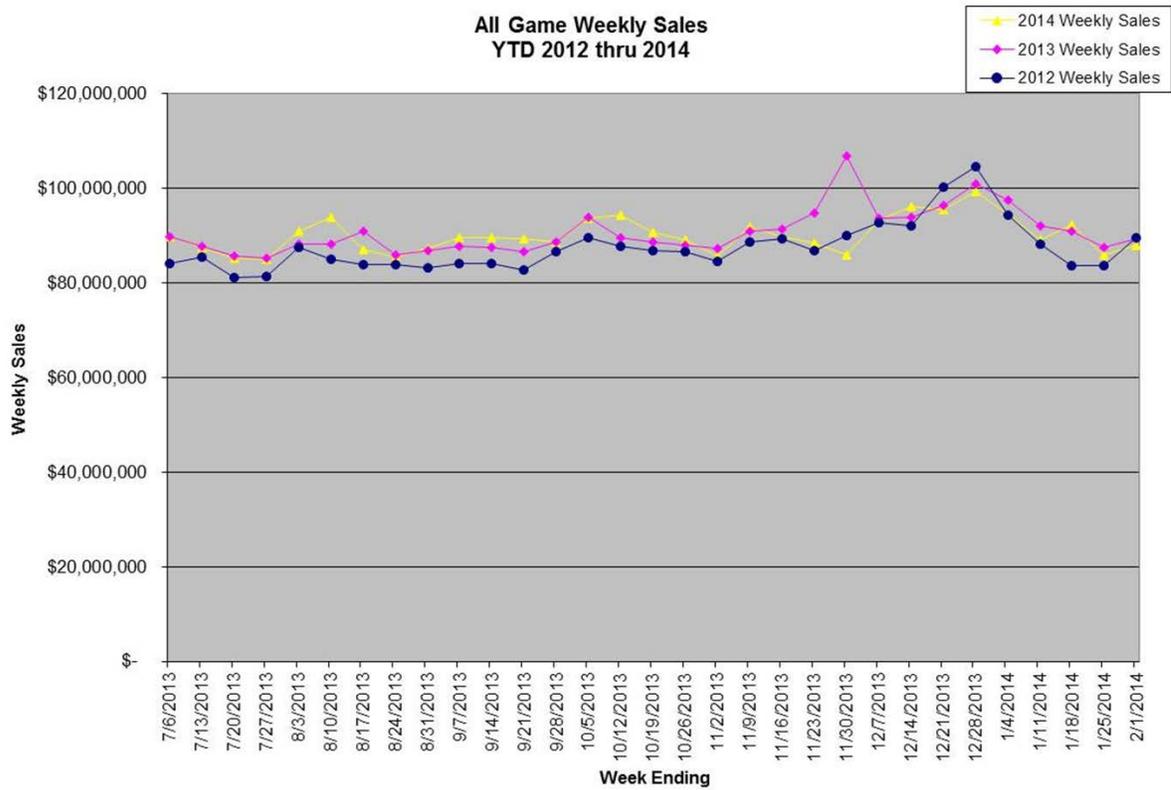


# Massachusetts State Lottery Commission

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**All Game Weekly Sales  
YTD 2012 thru 2014**



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<b>MSLC Revenue Results</b>							
<b>January FY14 vs. FY13</b>							
(\$ millions)							
Through February 1, 2014							
	<b>FY14</b>	<b>% of Total</b>	<b>FY13</b>	<b>% of Total</b>	<b>\$ Change</b>	<b>% Change</b>	
<b>Instant Tickets</b>	\$320	71.0%	\$321	70.2%	-\$2	-0.5%	
<b>MegaMillions</b>	5	1.0%	5	1.0%	0	0.0%	
<b>Powerball</b>	7	1.6%	9	2.1%	-2	-21.3%	
<b>Keno</b>	76	16.8%	76	16.7%	-1	-1.1%	
<b>Mass Cash</b>	7	1.5%	7	1.5%	0	1.5%	
<b>Race Game</b>	0	0.0%	2	0.5%	-2	-100.0%	
<b>Lucky For Life</b>	3	0.6%	4	0.8%	-1	-21.6%	
<b>Numbers Game</b>	30	6.7%	31	6.7%	0	-1.3%	
<b>Super 50-50 Raffle</b>	0	0.1%	0	0.1%	0	-33.3%	
<b>Megabucks</b>	2	0.4%	2	0.4%	0	-5.3%	
<b>Jackpot Poker</b>	0	0.1%	0	0.0%	0	0.0%	
<b>Total</b>	<b>\$450</b>	<b>100.0%</b>	<b>\$458</b>	<b>100.0%</b>	<b>-\$8</b>	<b>-1.7%</b>	
<b>Instant Tickets</b>	\$320	71.0%	\$321	70.2%	-\$2	-0.5%	
<b>Online Games</b>	130	29.0%	136	29.8%	-6	-4.5%	
<b>Total</b>	<b>\$450</b>	<b>100.0%</b>	<b>\$458</b>	<b>100.0%</b>	<b>-\$8</b>	<b>-1.7%</b>	



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<b>MSLC Revenue Results</b>							
<b>Year-to-Date FY14 vs. FY13</b>							
(\$ millions)							
Through February 1, 2014							
	<b>FY14</b>	<b>% of Total</b>	<b>FY13</b>	<b>% of Total</b>	<b>\$ Change</b>	<b>% Change</b>	
<b>Instant Tickets</b>	\$1,931	69.1%	\$1,942	69.0%	-\$11	-0.6%	
<b>MegaMillions</b>	51	1.8%	31	1.1%	20	62.6%	
<b>Powerball</b>	70	2.5%	83	3.0%	-14	-16.2%	
<b>Keno</b>	471	16.9%	468	16.6%	3	0.7%	
<b>Mass Cash</b>	42	1.5%	41	1.5%	1	1.9%	
<b>Race Game</b>	0	0.0%	15	0.5%	-15	-100.0%	
<b>Lucky For Life</b>	20	0.7%	25	0.9%	-5	-21.7%	
<b>Numbers Game</b>	190	6.8%	192	6.8%	-2	-1.2%	
<b>Super 50-50 Raffle</b>	1	0.0%	2	0.1%	-1	-43.5%	
<b>Megabucks</b>	12	0.4%	13	0.5%	-1	-6.2%	
<b>Jackpot Poker</b>	5	0.2%	0	0.0%	5	100.0%	
<b>Total</b>	<b>\$2,793</b>	<b>100.0%</b>	<b>\$2,813</b>	<b>100.0%</b>	<b>-\$21</b>	<b>-0.7%</b>	
<b>Instant Tickets</b>	\$1,931	69.1%	\$1,942	69.0%	-\$11	-0.6%	
<b>Online Games</b>	862	30.9%	871	31.0%	-9	-1.1%	
<b>Total</b>	<b>\$2,793</b>	<b>100.0%</b>	<b>\$2,813</b>	<b>100.0%</b>	<b>-\$21</b>	<b>-0.7%</b>	



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