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Maryland Lottery Sets All-Time Record for Sales and Profits

Growing Casino Business Also Sets All-Time Record

Baltimore – Maryland Lottery and Gaming (ML&G) today announced more than a half-dozen record-breaking figures for Fiscal Year 2016. The Lottery's record sales of \$1.908 billion bested the previous record set in FY2012 and powered all-time highs for prizes to players, retailer commissions and profit to the State of Maryland.

ML&G contributed an unprecedented \$1.079 billion to the State of Maryland – \$569.8 million from traditional lottery and \$510 million from casinos. The total represents a 6.7 % increase from the previous combined record of \$1.012 billion set in FY2015. ML&G is the fourth-largest contributor to the state, and profits support Maryland's good causes, including the Maryland Education Trust Fund; public health and safety; small, minority and women- owned business; horse-racing, veterans' organizations and more.

"The many milestones that we reached clearly reflect the good year we had, not just for the lottery but for everyone – more prizes for our players, stronger commissions for our retailers, and most importantly, an all-time record contribution to the State," said Maryland Lottery and Gaming Director Gordon Medenica. "We're optimistic that the coming year, which will bring the opening of the state's sixth casino, will be another record-setter."

Lottery

Lottery retailers and players benefited from the record-breaking year. The Lottery's network of 4,539 retailers earned an all-time high of \$141.2 million from sales commissions, a \$12.6 million (9.8 %) increase from the previous mark of \$128.6 million set in FY2015. Average commission per retailer rose 9.7 % to \$31,099.

Lottery players won \$1.135 billion in prizes, a 6.5 % increase from the previous record of \$1.066 billion in FY2012, and an 8.2 % increase year-over-year. The Lottery paid an average of \$3.1 million a day in prizes during FY2016. Twenty-four players won at least \$1 million on instant (scratch-off) tickets or draw games.

The Lottery ticket sales record of \$1.908 billion surpassed the previous mark of \$1.795 billion in FY2012 by 6.3 %. Sales increased by \$146.0 million (8.2 %) year over year.

For the second consecutive year, sales of instant tickets (scratch-offs) set an all-time record, totaling \$611.3 million, an increase of \$65.2 million (12.0 %) over FY2015.

Among the Maryland Lottery's 10 draw games, *Powerball* was a standout, fueled by the \$1.6 billion jackpot in January 2016. *Powerball* sales totaled \$143.5 million for the fiscal year, an increase of \$54.0 million (60.3 %) over FY2015 and \$12.2 million more than the previous record set in FY2013. *Powerball* tickets first went on sale in Maryland in 2010.

FY2016 also saw the Maryland Lottery add to its lineup of draw games for the first time since 2012 with the *Cash4Life* game, which went on sale in January 2016. Maryland became the sixth state to join the multi-state game, which is drawn twice a week and features a top prize of \$1,000 a day for life. Sales of Maryland's newest game totaled \$12 million, and the state saw its first top-prize winner, with a Frederick resident winning in the May 2 drawing.

Casino Gaming

The growth of the state's casino gaming industry continued during FY2016, which marked the first time that five casinos were operating in Maryland for a full fiscal year. Gross gaming revenue totaled \$1.144 billion, beating last year's figure by \$105 million (10.2 %).

Casino revenue contributed \$402.5 million to the Maryland Education Trust Fund (ETF), an increase of \$14.7 million (3.8 %) from FY2015. The ETF supports early childhood education, public elementary and secondary education, public school construction and capital improvement projects. Since the State's first casino opened in 2010, more than \$1.5 billion has gone to the ETF.

FY2016 casino revenue was also divided among the following:

- Maryland's horse racing industry: \$57.1 million, a 7.4 % increase from FY2015, divided between the Racetrack Facility Renewal and Horse Racing Purse Dedication accounts.
- Local impact grants: \$39.7 million, an 8.8 % increase from FY2015.
- Small-, minority- and women-owned businesses: \$10.8 million, an 8.8 % increase from FY2015.
- Responsible gaming: \$3.8 million.

More than 5,200 people worked at Maryland's five casinos during FY2016, including more than 4,200 full-time employees. In addition, there are approximately 1,100 construction workers on site daily at MGM National Harbor, the state's sixth casino, which is anticipated to open in December. When it is open and fully staffed, MGM National Harbor is expected to employ approximately 3,600.

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Since its inception in 1973, Maryland Lottery and Gaming has contributed more than \$15 billion to the State of Maryland and paid more than \$23.3 billion in prizes to players. The casino program, which began in September 2010, has generated nearly \$3.92 billion in revenue. Details by game and by casino are available on the attached FY2016 review.

To keep Marylanders informed and maintain integrity and transparency in its regulation of the state's casinos, Maryland Lottery and Gaming posts monthly financial reports on casino revenue on its website, qaming.mdlottery.com. For more information on all Lottery products, promotions and news, go to mdlottery.com.