



Fiscal Year 2007–2008 Annual Report Summary

In fiscal year 2007-08 the Lottery contributed nearly \$2.6 billion to help support education in New York State on incoming revenues of \$7.549 billion - - a profit margin of 34%.

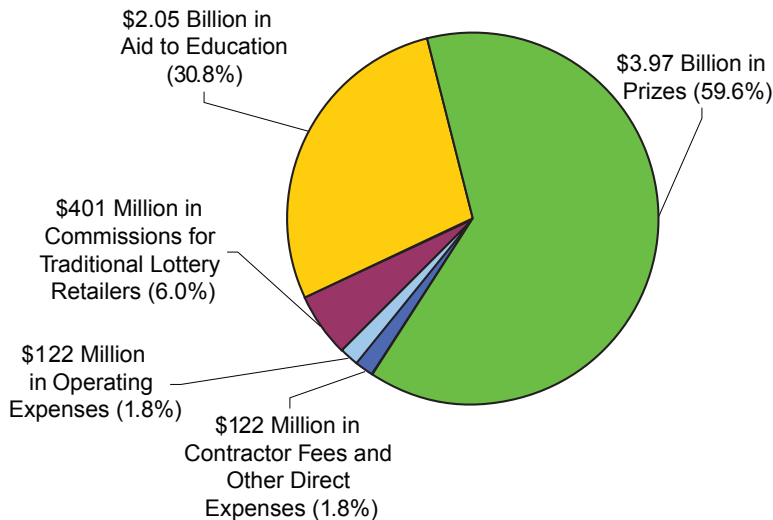
This \$2.6 billion Lottery Aid-to-Education funding represents over 13% of total state aid to local school districts, which was \$19.65 billion in 2007-08.

The New York Lottery continues to be North America's largest and most profitable Lottery, earning over \$34.2 billion in education support statewide since its founding over 40 years ago.

Where Do Lottery Dollars Go?

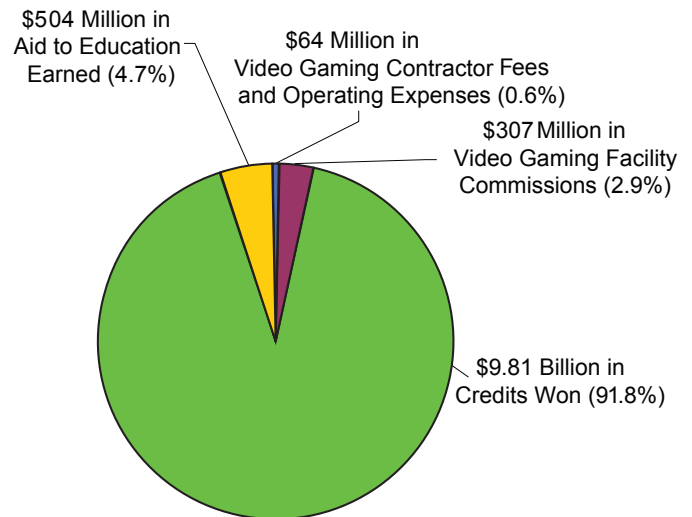
TRADITIONAL LOTTERY SALES DOLLARS

FY 2007–08
TOTAL \$6.67 BILLION



VIDEO LOTTERY GAMING CREDITS PLAYED

FY 2007–08
TOTAL \$10.68 BILLION



Record Lottery sales and growth in fiscal year 2007-08 was due in large measure to the first full year of Video Lottery Terminals in all eight racinos statewide. Traditional Lottery games, such as Lotto, Mega Millions, Numbers and Instant Game Scratch-Off tickets, while the largest part of the Lottery product line, experienced almost no growth.

New York Lottery Statistics at a Glance:

- 96% of the \$7.5 billion in sales paid out in prizes, aid to education and retailer commissions.
- \$2.6 billion earned for education, representing 34% of total sales.
- 5% increase in total sales from fiscal year 2006-07.
- \$401 million in commissions to over 16,000 Lottery retailers.
- \$307 million in commissions to video gaming facilities.
- 4% of total sales funded operating costs.

The State Education Department distributes revenue earned by the Lottery for education based on a statutory formula.