

South Dakota Lottery Commission Meeting December 12, 2024



A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE

Secretary of Revenue Comments



Executive Director Comments



Executive Director Comments

- FY24 Audited Sales
 - Instant Sales - \$48.6 million – 0.77% Increase
 - Lotto Sales - \$38.1 million – 3.05% Increase
 - Video Lottery - \$163.61 million – 0.37% Increase
- FY24 Transfers
 - Instant - \$7.26 million – 2.65% Increase
 - Lotto - \$12.53 million – 8.18% Increase
 - Video Lottery - \$163.9 million – 0.37% Increase
- Commissions - \$4.73 million



Executive Director Comments

- FY24 Audit
- IGT Presentation
- 2025 Lottery Commission Meeting Dates
 - Thursday, March 27
 - Wednesday, June 19
 - Thursday, September 25
 - Thursday, December 11



South Dakota Lottery

December Commission Meeting

December 2024



AGENDA

- IGT Overview
- Economic Factors
- Industry Sales Review
- South Dakota Lottery Sales Review

IGT Overview



LOTTERY

- Primary technology partner to world's largest lotteries
- World's only lottery operator on three continents
- Best-in-class omnichannel lottery and iLottery content
- Innovative instants product portfolio with patented digital printing technology



GAMING

- Robust content library
- Widely deployed casino management system and cashless modules
- Industry-leading Video Poker
- Diverse hardware portfolio high-performing Video Lottery Terminals
- Market-attuned content
- Proven VLT management systems technologies



PLAYDIGITAL

- High-performing, premium content
- World-class game aggregation platform
- Powerful player engagement and data analytics tools
- Widely adopted B2B sports betting platform in the U.S.
- Award-winning self-service betting technologies
- Expert in-house trading advisory services
- Comprehensive training and support programs



QUALITY



ENVIRONMENTAL AND SAFETY



INFORMATION SECURITY



WLA Security Control Standard
Level 2



International Organization for Standardization

- ISO/IEC 9001: 2015 Quality Management Systems
- ISO/IEC 17025: 2017 Quality Management Systems
- ISO/IEC 2700 (Information Security Management Systems)
- WLA SCS 2020 Level 2 (Security Control Standard)
- ISO/IEC 14001: 2004 Environmental Management Systems
- NASPL NSI QA Conformance Certifications for Requirements Definition and Development Process
- ISO/IEC 20000-1: 2011 Service Management Systems
- CMMI-Dev v.1.3 Staged Maturity Level 3

Dedicated to market research

NORTH AMERICA RESEARCH STUDIES

220
STUDIES

419
MARKETS / CITIES

151,621
SAMPLES

INTERNATIONAL RESEARCH STUDIES

114
STUDIES

147
MARKETS / CITIES

101,887
SAMPLES



Global Lottery

FACILITY MANAGEMENT

36	Facility management contracts, 26 in the U.S.
~428K	Terminals deployed globally
58	lottery central systems currently deployed worldwide
8/10	Primary technology provider of 8 of the 10 world's largest lotteries*
~77%	U.S. market share

LOTTERY OPERATIONS

5	Operator / Private Manager Contracts
90+%	Italy Market Share

INSTANT TICKET SERVICES (Printing)

49	long-term instant ticket services contracts
~12%	global market share (and growing)

iLOTTERY

30	Digital solutions worldwide
18	Global eInstant customers
1st	Global end-to-end 100% Native Cloud Platform

Data effective as of December 31, 2023; *Primarily based on the LaFleur's 2024 Almanac (2023 sales)

Licensed Properties, Turnkey Second Chance Promotions & Omnichannel Game Offerings



IGT's Gaming and Digital Business

Sale to Apollo Funds



Key Dates

June 8, 2023

- IGT announces that its Board of Directors is evaluating potential strategic alternatives for IGT's Global Gaming and PlayDigital segments in order to unlock the full value of IGT's portfolio.

February 9, 2024

- IGT and Everi announce their entry into definitive agreements whereby IGT will separate its Global Gaming and PlayDigital businesses by way of a taxable spin-off to IGT shareholders and then immediately combine those businesses with Everi.

July 26, 2024

- IGT announces they have entered into definitive agreements whereby IGT's Gaming & Digital business and Everi will be simultaneously acquired by a newly formed holding company owned by funds managed by affiliates of Apollo Global Management in an all-cash transaction that values the acquired businesses at approximately \$6.3 billion.



LOTTERY

GAMING

PLAYDIGITAL



Post-Closing Q3 2025

LOTTERY

Lottery becomes standalone enterprise on NYSE with new name and stock ticker

Funds Managed by Affiliates of Apollo Global Management, Inc.



GAMING

PLAYDIGITAL



Economic Factors



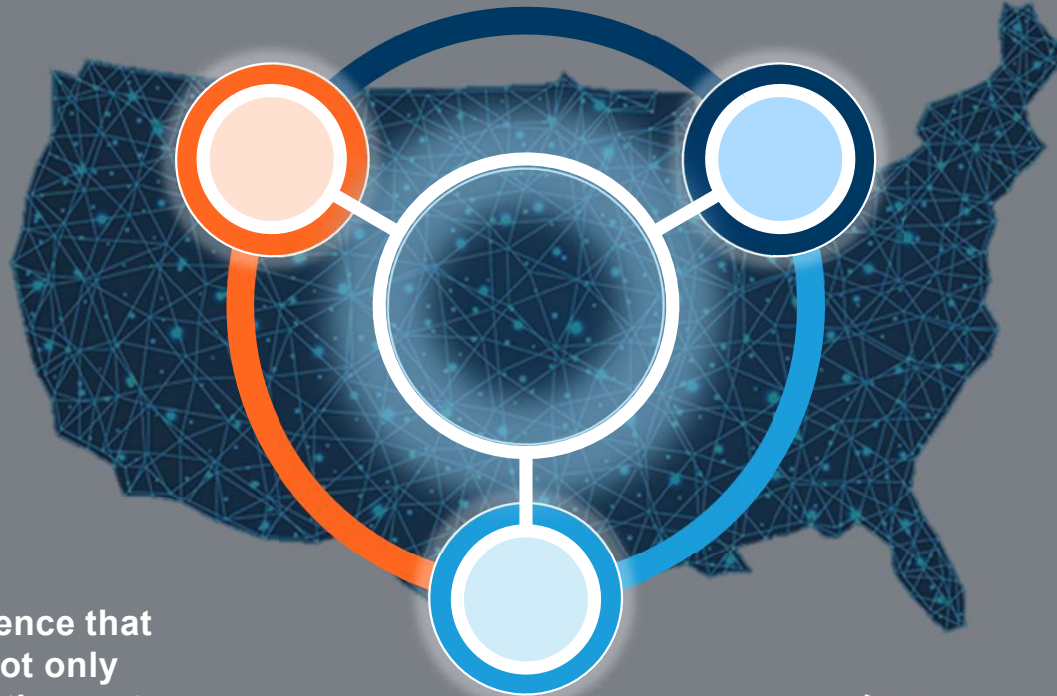
Macro Trends in the U.S.



**INCREASING
PRICES**



**DECREASING
INCOME**



There is substantial evidence that disposable income has not only fallen below the highs of the past few years but has begun falling to record lows due to inflation.

**INCREASING DEBT
DECREASING SAVINGS**

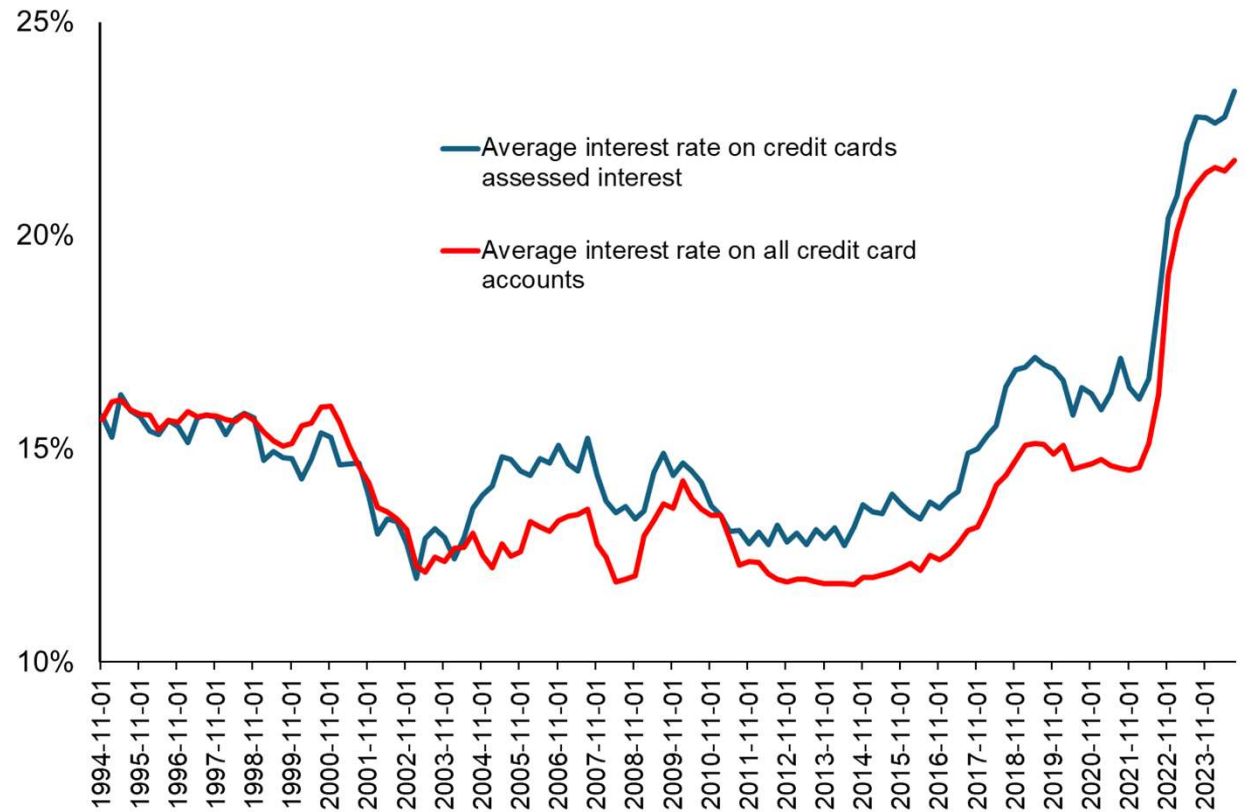


<https://www.cspdailynews.com/technologyservices/higher-prices-lift-store-revenue-while-baskets-shrink-skupos>

Average Interest Rate for Credit Card Accounts



Credit card interest rates have been climbing significantly since Q2 2022 to their highest rates ever, consuming more and more of the consumers disposable income



Source: <https://fred.stlouisfed.org/series/TERMCBCCINTNS> & <https://fred.stlouisfed.org/series/TERMCBCCALLNS>

Slide 20

NW0 [@Papadopoulos, Stavros] please update the credit card interest rate chart
Worley, Nathanael, 2024-11-27T16:39:46.770

PS0 0 Sure, will do.
Papadopoulos, Stavros, 2024-11-27T16:48:20.900

Personal Savings Rate

Personal savings rates began decreasing in Q3 2021 have been at or below 5% since Jan 2022, well below pre-pandemic levels

PERSONAL SAVINGS AS A PERCENTAGE OF DISPOSABLE INCOME (%)



Source: FRED Economic Data

Slide 21

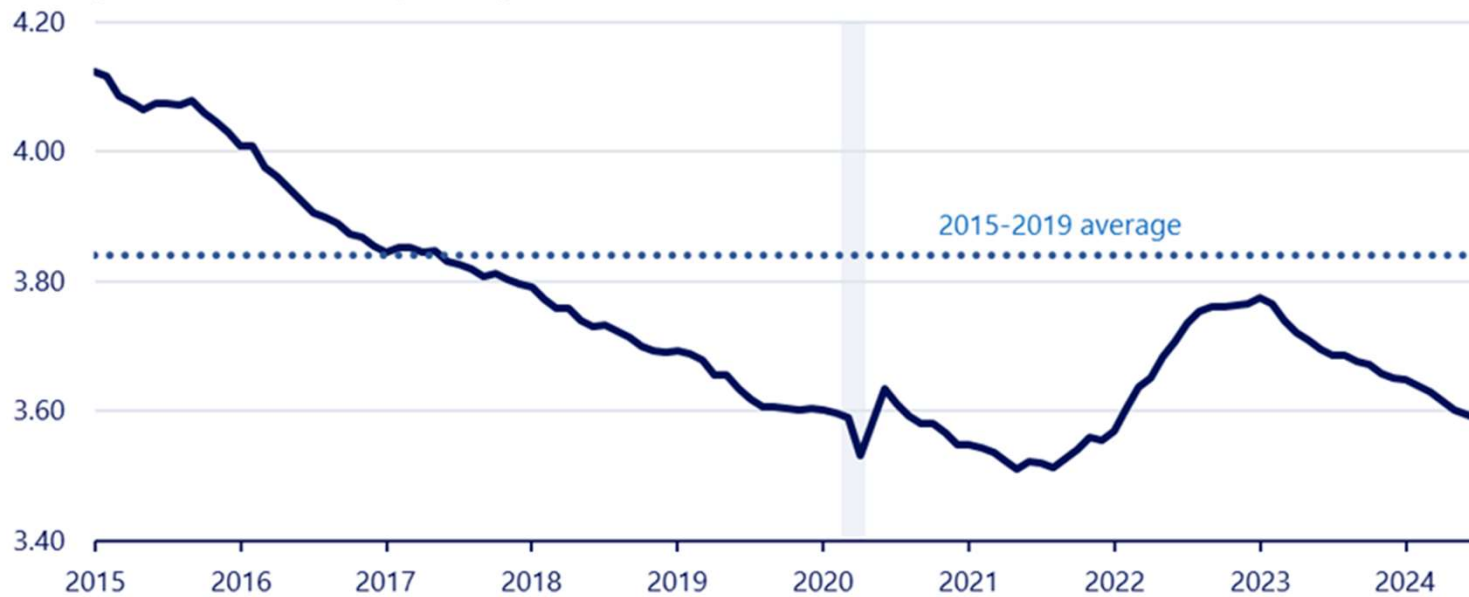
NW0 [@Papadopoulos, Stavros] please update this one too if available
Worley, Nathanael, 2024-11-27T16:42:03.815

PS0 0 Sure, will do.
Papadopoulos, Stavros, 2024-11-27T17:13:02.568

Disposable Income May be Back to Pre-Pandemic Levels

Figure 3. Hours of Work Needed to Purchase A Week's Worth of Groceries

Hours, production and nonsupervisory workers



Council of Economic Advisers

Sources: Bureau of Labor Statistics, CEA calculations.

Note: Shaded region indicates recession. Nominal groceries expenditures for non-managers in 2022 are adjusted using CPI: food at home, then divided by average hourly earnings for production/nonsupervisory workers.

As of August 14, 2024 at 8:30am.

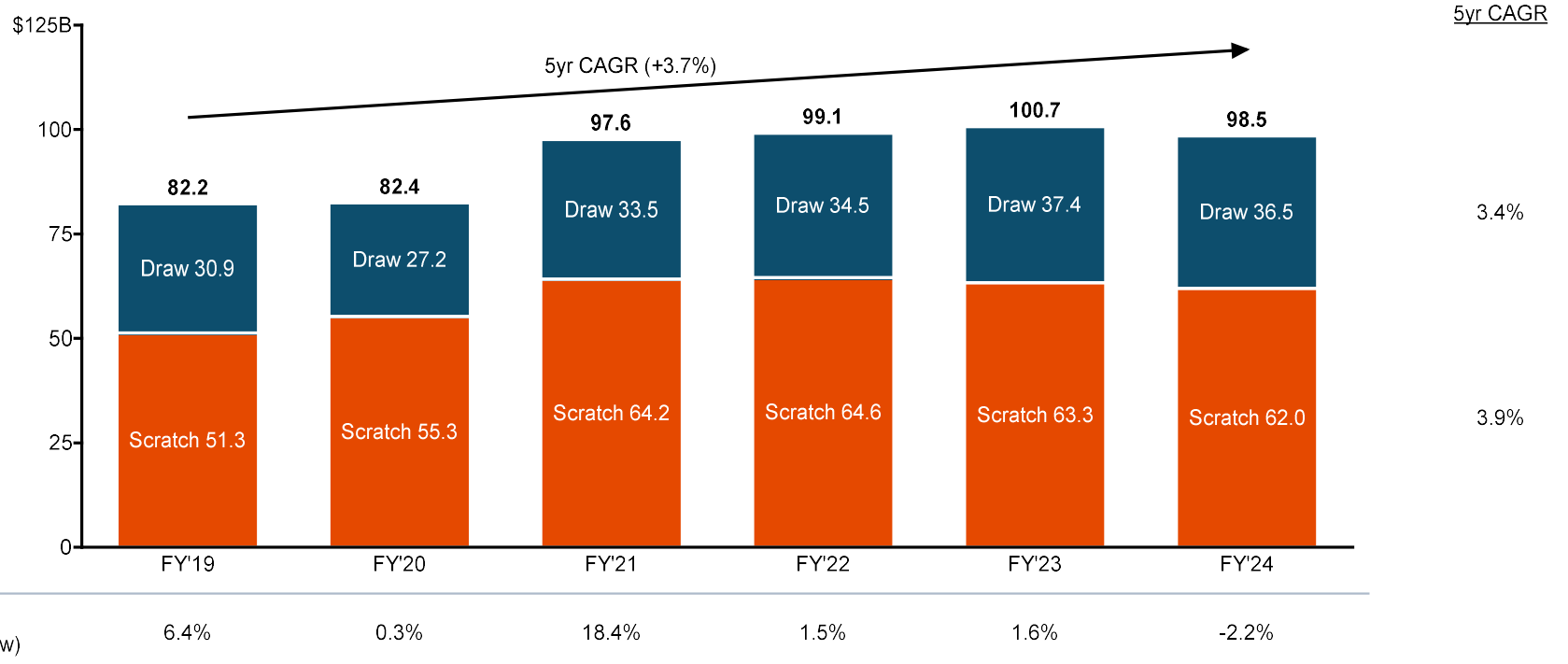
US Lottery Sales Trends



US Total Sales by Fiscal Year



Scratch-off and Draw sales experience a positive 5-year CAGR. Two-thirds of Total Sales contribution is from Scratch-off games. Covid-19 Pandemic boosted sales into FY'21 and stabilized into FY'22.

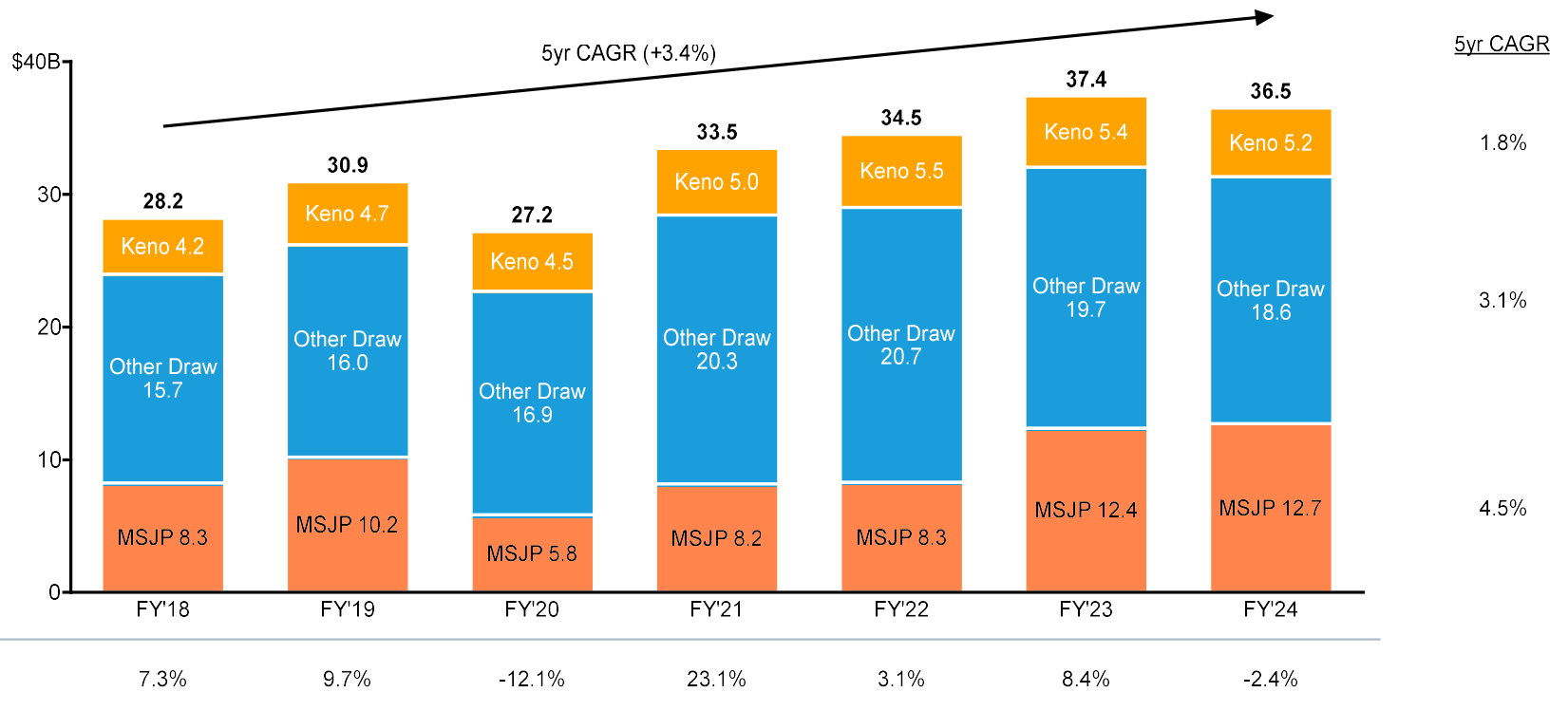


Source: La Fleur's Fiscal Year Reports (Scratch incl. Pull Tab; Draw incl. 3-Digit, 4-Digit, In State Lotto, S. Bloc Lotto, Powerball, Mega Millions, For Life, ITG, Monitor Games, and Other), FY'23 & 24 excludes Tennessee

US Total Draw Sales by Fiscal Year

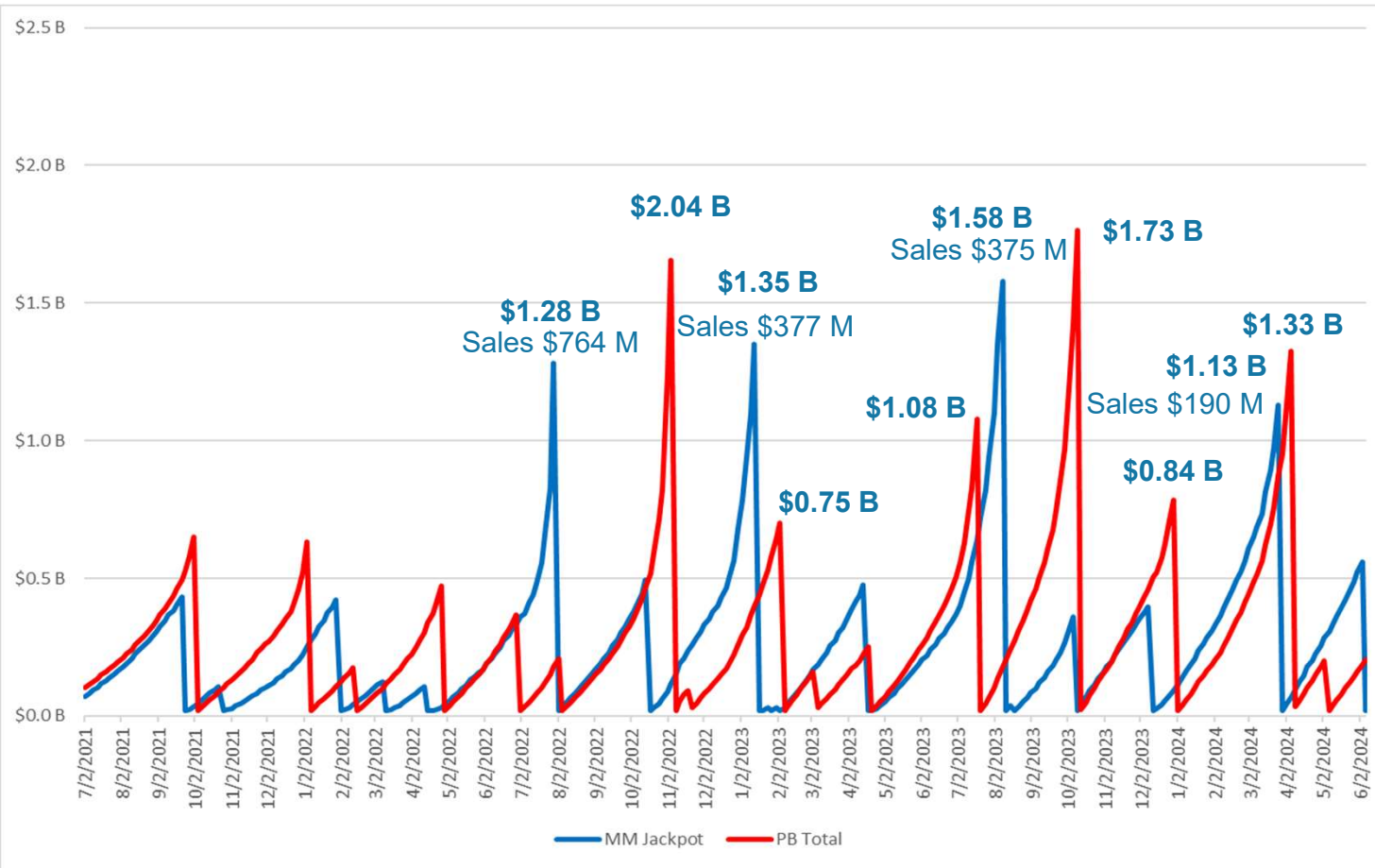


On average, Powerball and Mega Millions contribute quarter of overall Draw games. Player interest in All Other Draw-based games have gradually been increasing over the years.



Source: La Fleur's Fiscal Year Reports (Keno incl. Monitor Games; MSJP incl. Powerball & Mega Millions; Other Draw incl. 3-Digit, 4-Digit, In State Lotto, S. Bloc Lotto), FY'23 & 24 excludes Tennessee

Mega Millions and Powerball Performance

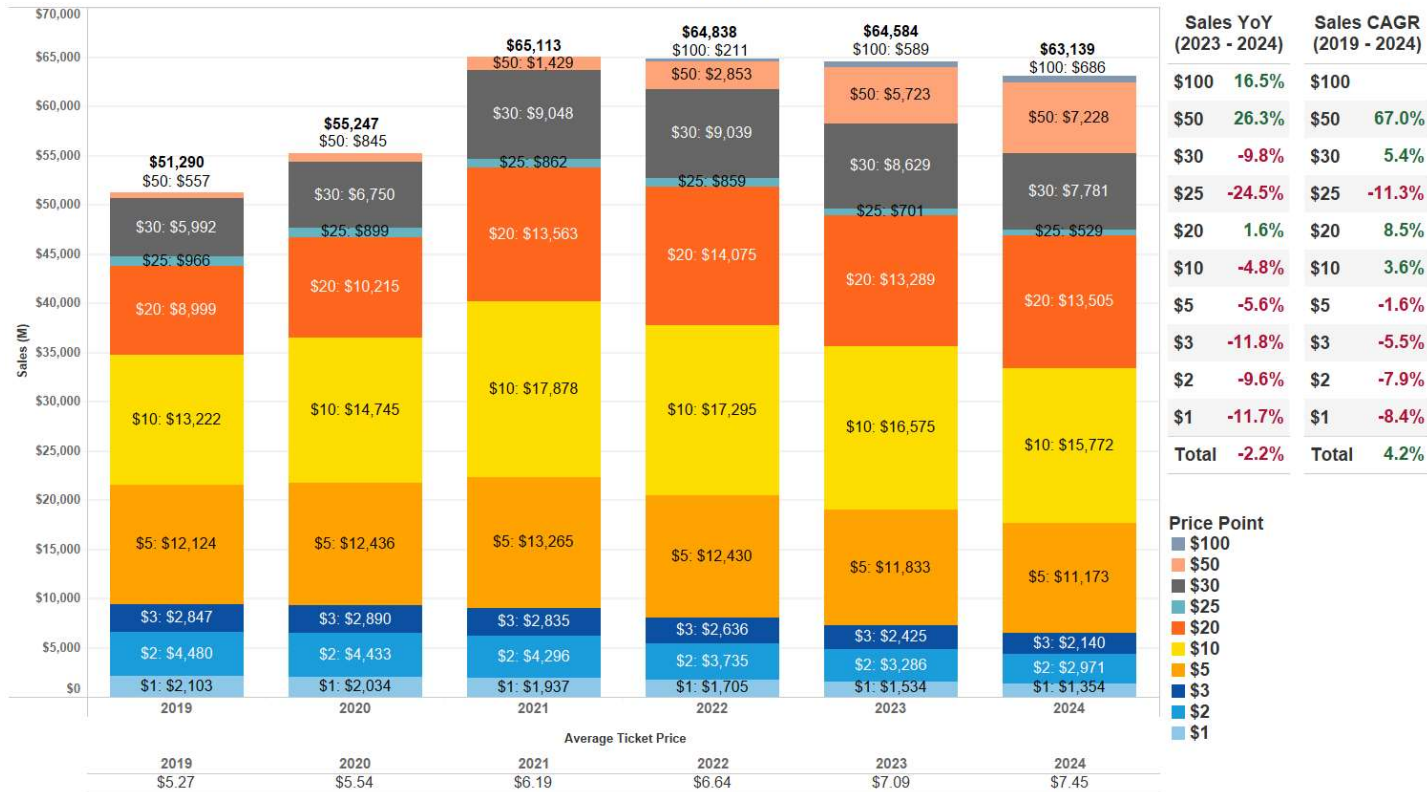


US Instant Sales Trends

FY24 sales continue muted growth since FY21, declining 2.2%.

5 year CAGR remains strong for high price points and total sales.

US Sales Dashboard
FY19 - FY24



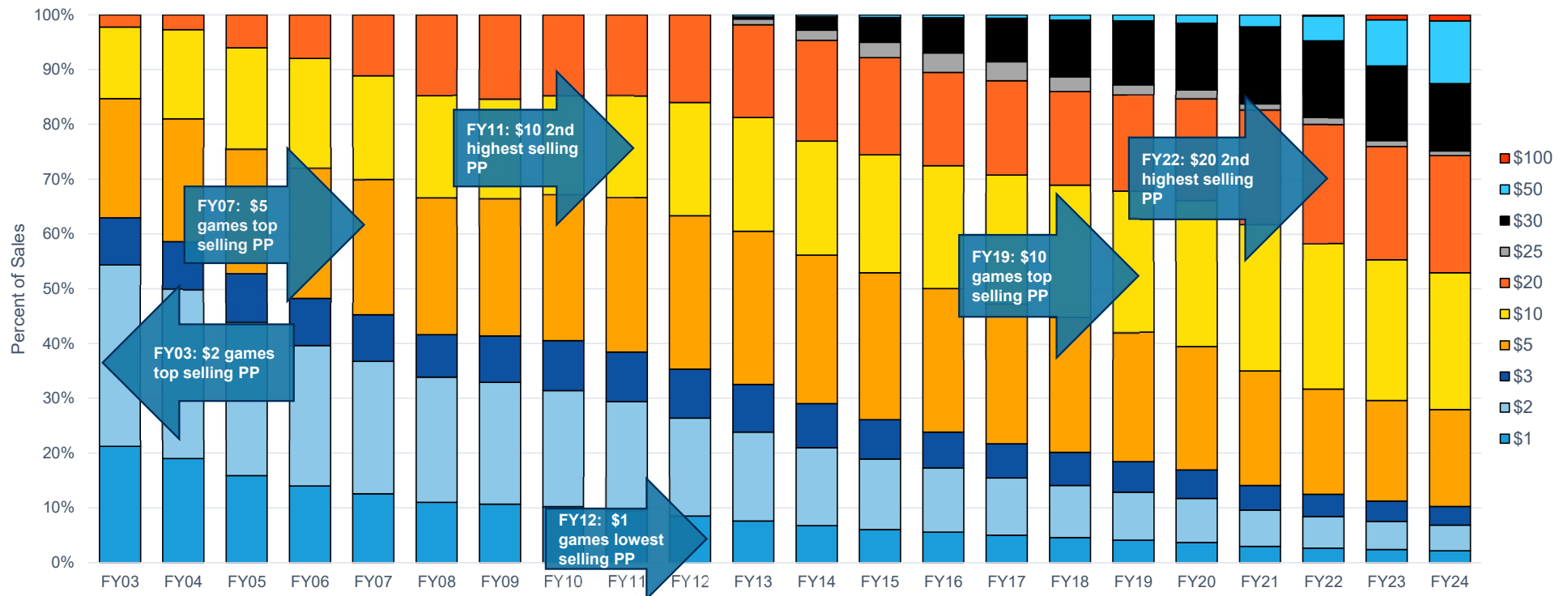
The Evolution of Instant Price Point Value in the U.S.

90% of US instant sales are from \$5 price points and up

\$10 price point is highest revenue-generating price point (since FY19)

\$20+ as a category continue to grow rapidly (FY24 = 47% total sales. In FY20, \$20+ PPs = 34% total sales)

\$1 games account for only 2.1% of industry sales



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Source: La Fleur's; excludes Delaware

\$50 Price point has seen exponential adoption



QUICK FACTS

(Since Jan 2021)

22 US lotteries
now facing \$50 tickets

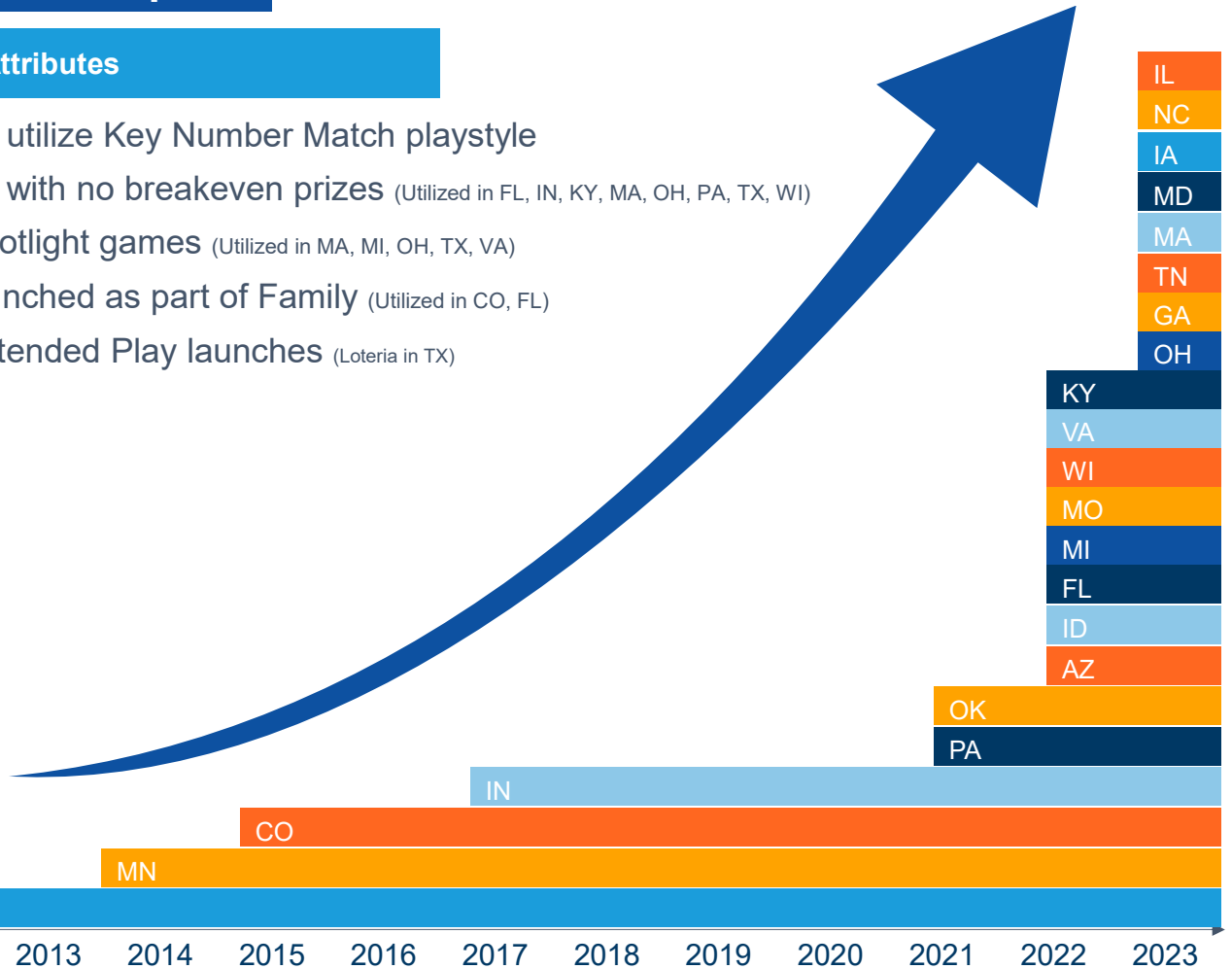
55 Games
launched at \$50

13 by Texas



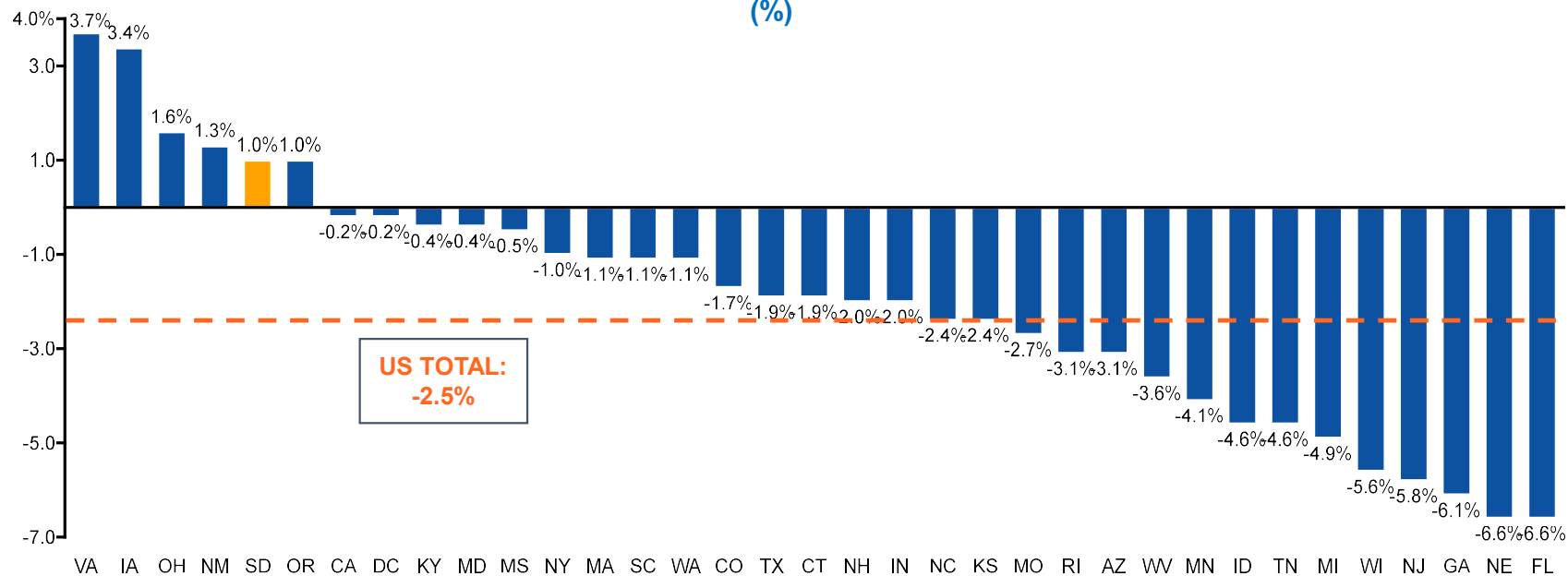
Key Attributes

- **91%** utilize Key Number Match playstyle
- **32%** with no breakeven prizes (Utilized in FL, IN, KY, MA, OH, PA, TX, WI)
- **5** Spotlight games (Utilized in MA, MI, OH, TX, VA)
- **4** launched as part of Family (Utilized in CO, FL)
- **4** Extended Play launches (Loteria in TX)



Overall, a challenging year for instant sales, particularly at lower price points

RETAIL INSTANT TICKET SALES FY24 VS FY23 (%)



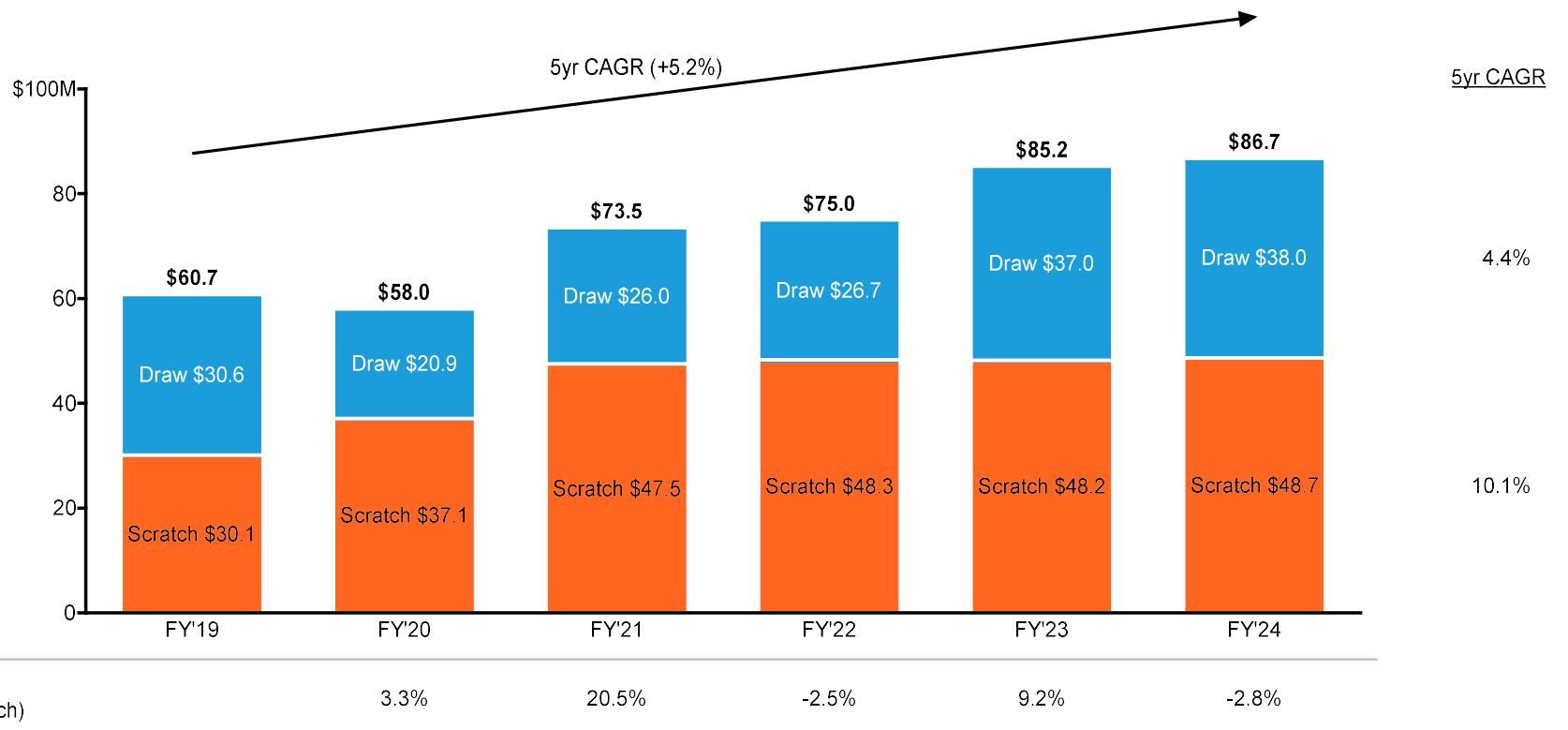
Low (\$1-\$3)	-2%	-15%	-15%	-9%	-11%	-7%	-10%	-19%	-7%	-5%	-15%	-9%	-3%	-16%	-12%	-8%	-13%	-6%	-9%	-18%	-17%	-22%	-15%	-10%	-15%	-14%	-19%	-12%	-8%	-15%	-12%	-7%	-10%	-6%	-14%
Mid (\$5-\$10)	1%	-2%	1%	-6%	1%	4%	-7%	-10%	4%	-9%	-3%	1%	-4%	-15%	-9%	-10%	-7%	-5%	-3%	-1%	-9%	-3%	3%	-6%	-2%	-6%	5%	-8%	-4%	-5%	-4%	-6%	-5%	-5%	-9%
High (\$20+)	7%	22%	7%	26%	10%	6%	8%	30%	-4%	13%	15%	0%	2%	18%	17%	8%	4%	3%	1%	0%	5%	10%	-3%	5%	-2%	6%	-10%	2%	-5%	2%	-4%	-5%	-5%	-10%	-3%

South Dakota Lottery Draw Games

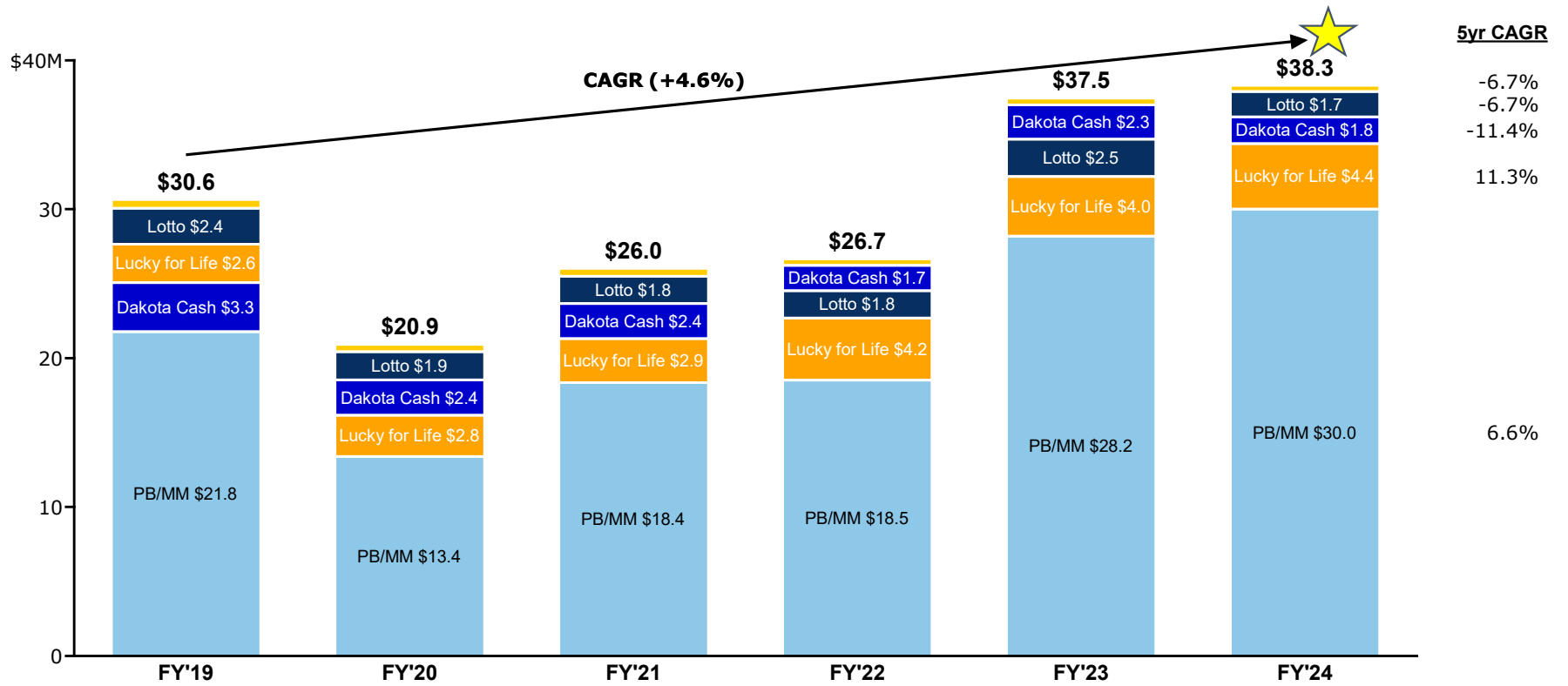


SD Lottery Historical Scratch-offs and Draw Game Sales (FY'19 – FY'24)

Positive 5-year CAGR, Scratch contributing strongly to overall sales. Covid-19 Pandemic has positively boosted sales for FY21 and FY22, growth has been maintained by players continuing to play after pandemic restrictions being lifted.



SD's draw game growth has been strong post-COVID driven by multi-state games while in state games lose ground



5yr CAGR

- 6.7%
- 6.7%
- 11.4%
- 11.3%

6.6%

Draws +\$500M	11	0	9	8	27	67
Jackpots +\$500M	5	0	3	2	3	7
YoY %	8.6%	-31.7%	24.3%	2.5%	40.5%	2.3%

Mega Millions \$5 Game

NEW Mega Millions: 5/70 + 1/24 – \$5 w/ Built-in Multiplier April 2025

		\$2 Game	NEW \$5 Game	
Match 1st Set	Match 2nd Set	Current Prize	Average Prize	Range of Prize Win
5	1	Jackpot ~\$456M	Jackpot ~\$803M	Jackpot ~\$803M
5	0	\$1M	\$3M	\$2M - \$10M
4	1	\$10,000	\$30,000	\$20K - \$100K
4	0	\$500	\$1,500	\$1K - \$5K
3	1	\$200	\$600	\$400 - \$2K
3	0	\$10	\$30	\$20 - \$100
2	1	\$10	\$30	\$20 - \$100
1	1	\$4	\$21	\$14 - \$70
0	1	\$2	\$15	\$10 - \$50

- ✓ Average Jackpot win increased from \$456M to \$803M
- ✓ Higher minimum prize wins
- ✓ No breakeven prize
- ✓ Bigger prizes locally at all prize levels

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Why are we excited?



Success of the move to \$2 price point, despite hesitation across the industry



Something to talk about at retail!



Differentiation from Powerball



MASSIVE Jackpots



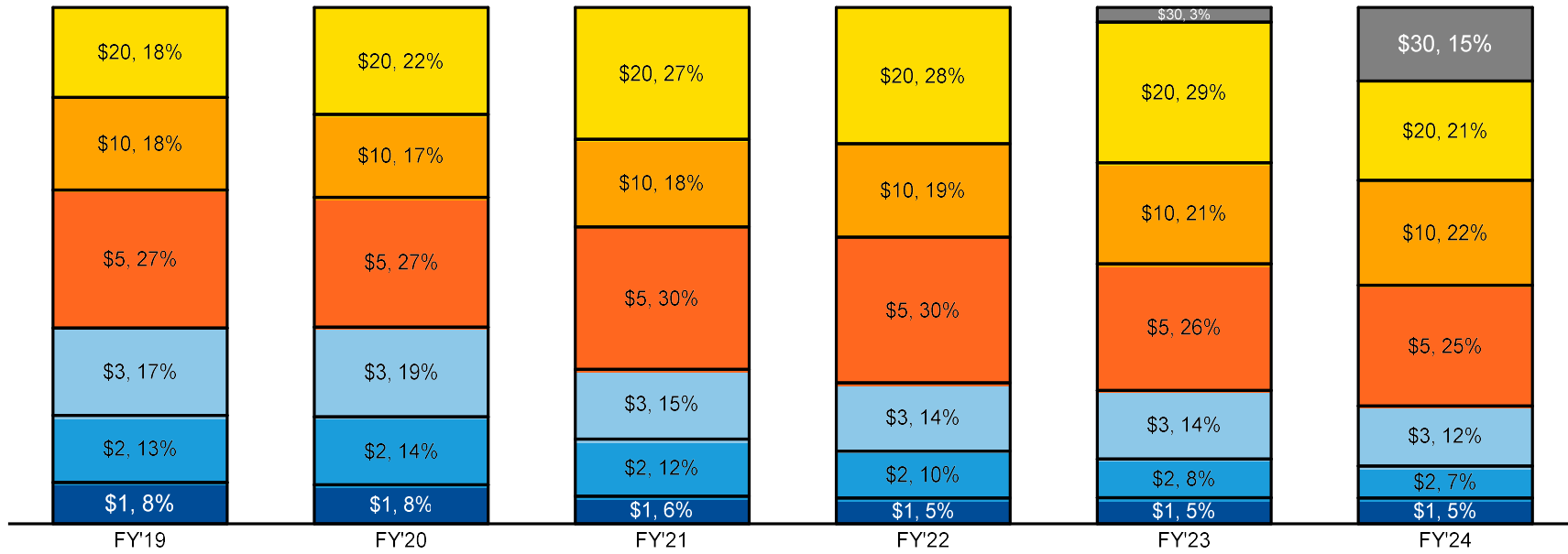
Increased value for players

South Dakota Lottery Scratch-off Portfolio



SD Lottery Scratch-offs % of Sales (FY'19 – FY'24)

As players shift to higher price points, % of Sales from \$10+ price points have rapidly increased from FY'19, from about a quarter to half of sales. Main contributions are from the \$10 PP and \$30 PP expansion.

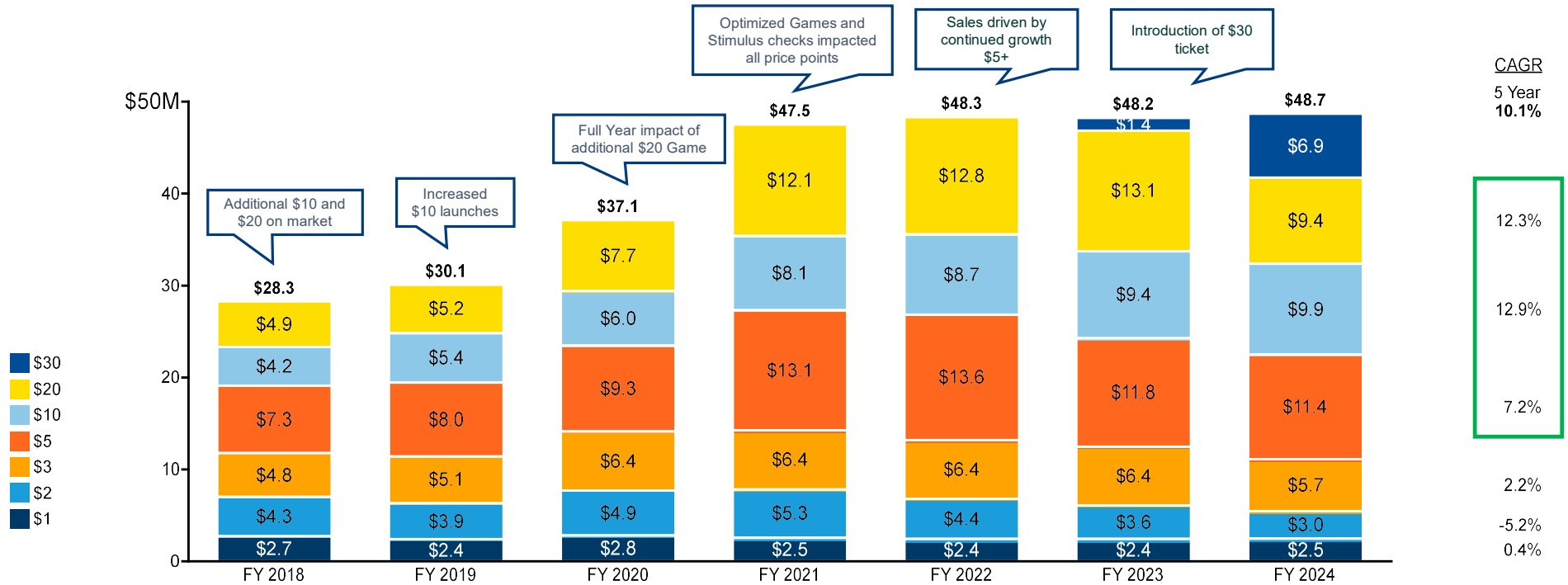


\$1-\$3	38%	41%	32%	29%	27%	24%
\$10+	36%	40%	46%	47%	52%	58%

Source: Validation Based Sales

SD Lottery Historical Scratch-offs Sales (FY'18 – FY'24)

Low price points down, in-line with industry trends. Strong five-year growth at \$10+ price points.

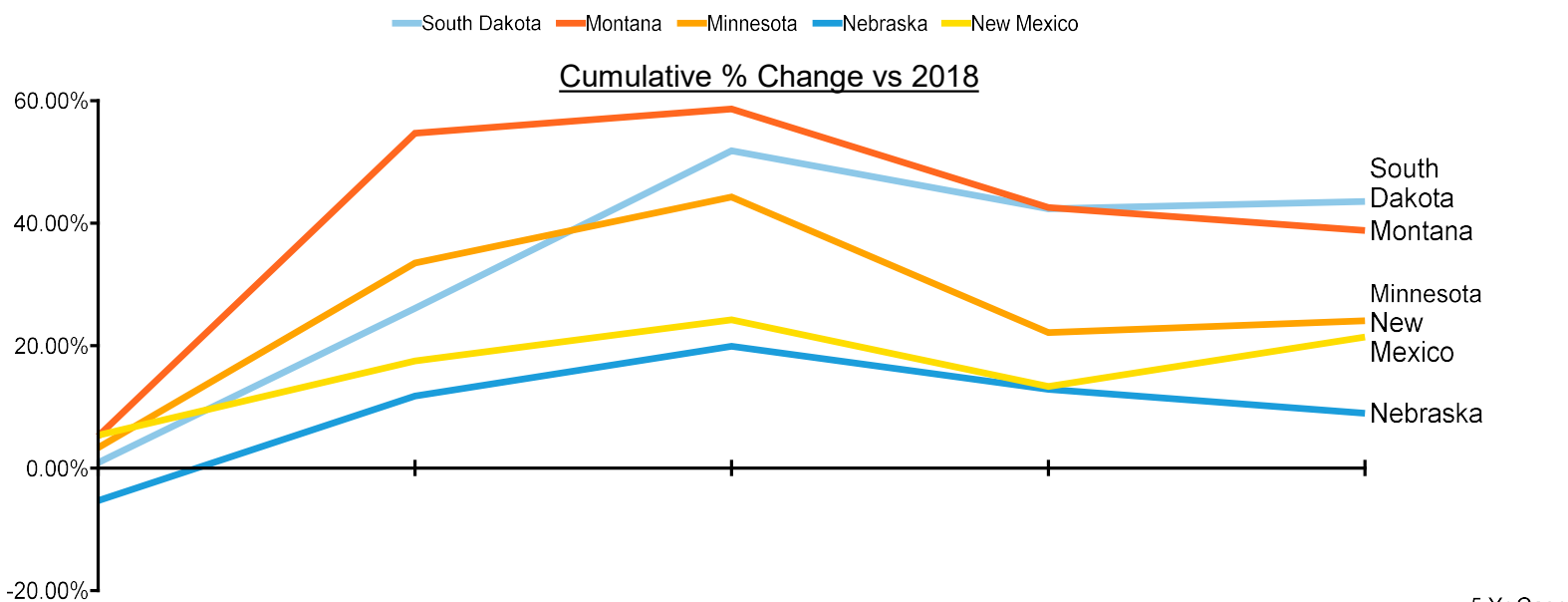


	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
YoY % Sales Growth	15.0%	6.4%	23.4%	28.1%	1.7%	-0.2%	0.9%
Average Ticket Price (\$)	\$3.29	\$3.55	\$3.62	\$4.19	\$4.40	\$4.64	\$4.97
Average Payout	68.7%	68.8%	68.9%	69.3%	69.4%	69.7%	70.0%
# of Tickets Sold (M)	8.6	8.5	10.2	11.3	11.0	10.4	9.8

Source: Validation Based Sales

Instant Per Capita vs Comparable Lotteries

From 2018 to 2023, the South Dakota Lottery's 5-yr CAGR outperformed their comparable lotteries and had the 9th highest instant growth nationwide.



% Change	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	5 Yr Cagr
South Dakota	0.9%	24.9%	20.4%	-6.3%	0.8%	7.5%
Montana	5.2%	47.1%	2.5%	-10.1%	-2.6%	6.8%
Minnesota	3.3%	29.2%	8.1%	-15.3%	1.6%	4.4%
Nebraska	-9.8%	8.8%	13.5%	0.0%	0.7%	2.4%
New Mexico	5.3%	11.6%	5.7%	-8.8%	7.1%	4.0%

Source: Validation Based Sales

Slide 40

FBO [@Sumpter, Jason] are these the correct comp states for WV?

Fresh, Bill, 2024-07-25T14:36:14.401

WNO 0 [@Sumpter, Jason] Since SD 5-year CAGR was 3rd highest of US lotteries, may we just show a table of the Top 10 US lotteries by 5-year CAGR?

Worley, Nathanael, 2024-12-02T15:45:09.372

Total Per Capita vs Other Lotteries

The South Dakota Lottery's 5-yr total per capita CAGR was 3rd among all lotteries.

Rank CAGR (2018-2023)	Jurisdiction	2018 Per Cap	2023 Per Cap	CAGR (2018 - 2023)
1	North Carolina	\$5.01	\$7.61	8.7%
2	West Virginia	\$2.03	\$2.86	7.1%
3	South Dakota	\$1.37	\$1.91	6.9%
4	Ohio	\$5.41	\$7.47	6.7%
5	Arizona	\$2.86	\$3.91	6.5%
6	New Hampshire	\$5.13	\$7.02	6.5%
7	Oklahoma	\$1.16	\$1.57	6.3%
8	Kentucky	\$4.60	\$6.21	6.2%
9	Wisconsin	\$2.33	\$3.14	6.1%
10	Texas	\$4.06	\$5.43	6.0%

Thank You!



Fiscal Year 2026 Budget Approval



FY 26 Budget

- Lottery Operates Under Two Budget Centers
 - Instant and On-Line
 - Video Lottery
- Six Budget Categories
 - Personal Services
 - Travel
 - Contractual Services
 - Supplies & Materials
 - Capital Assets
 - Other

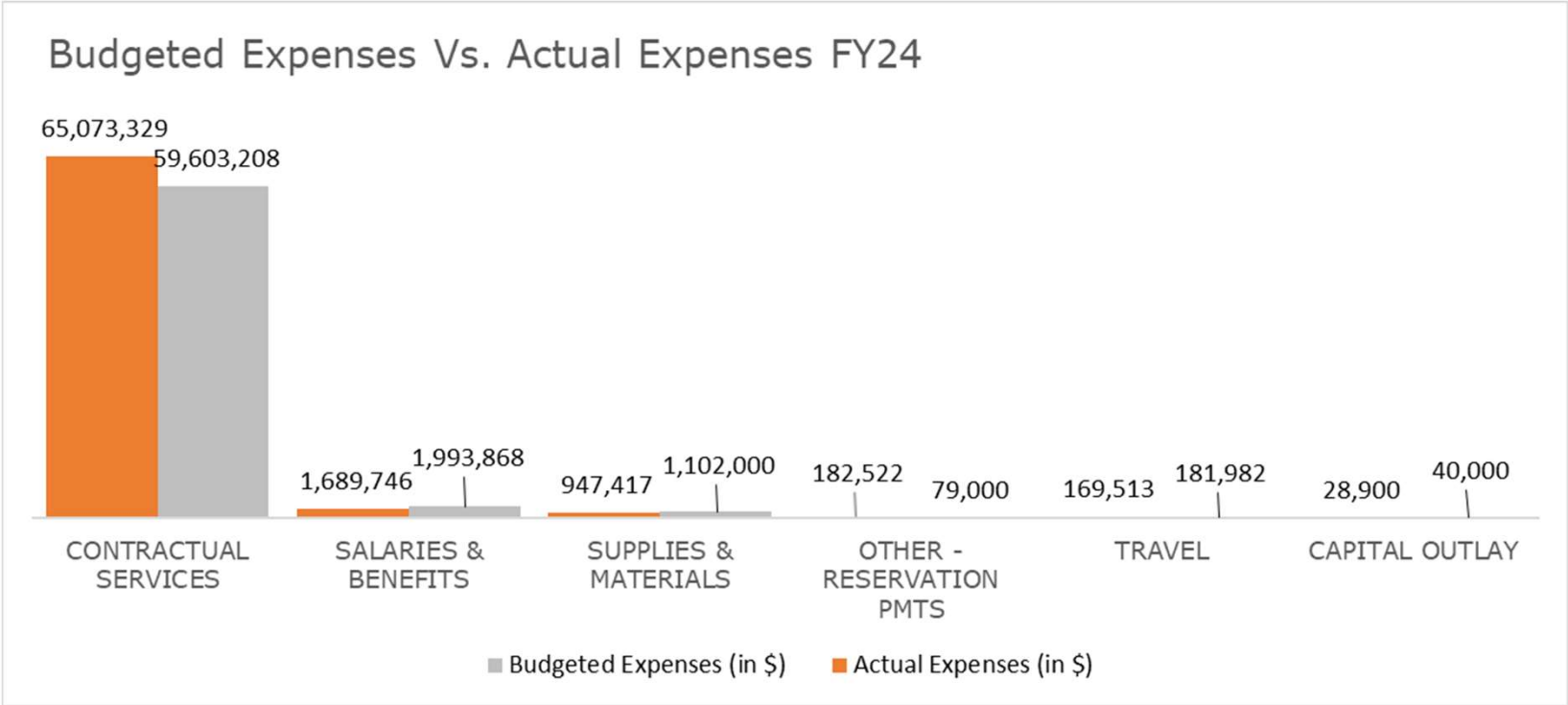


Instant/Online Budget –Informational Only

- Approved by the Commission and reported through the State’s Budget Process as an informational only budget.
- Informational Only budget is a financial plan that focuses on tracking and presenting spending data without necessarily imposing specific limits or goals. It provides insights into financial habits, aiding awareness and informed decision-making without strict budget constraints.

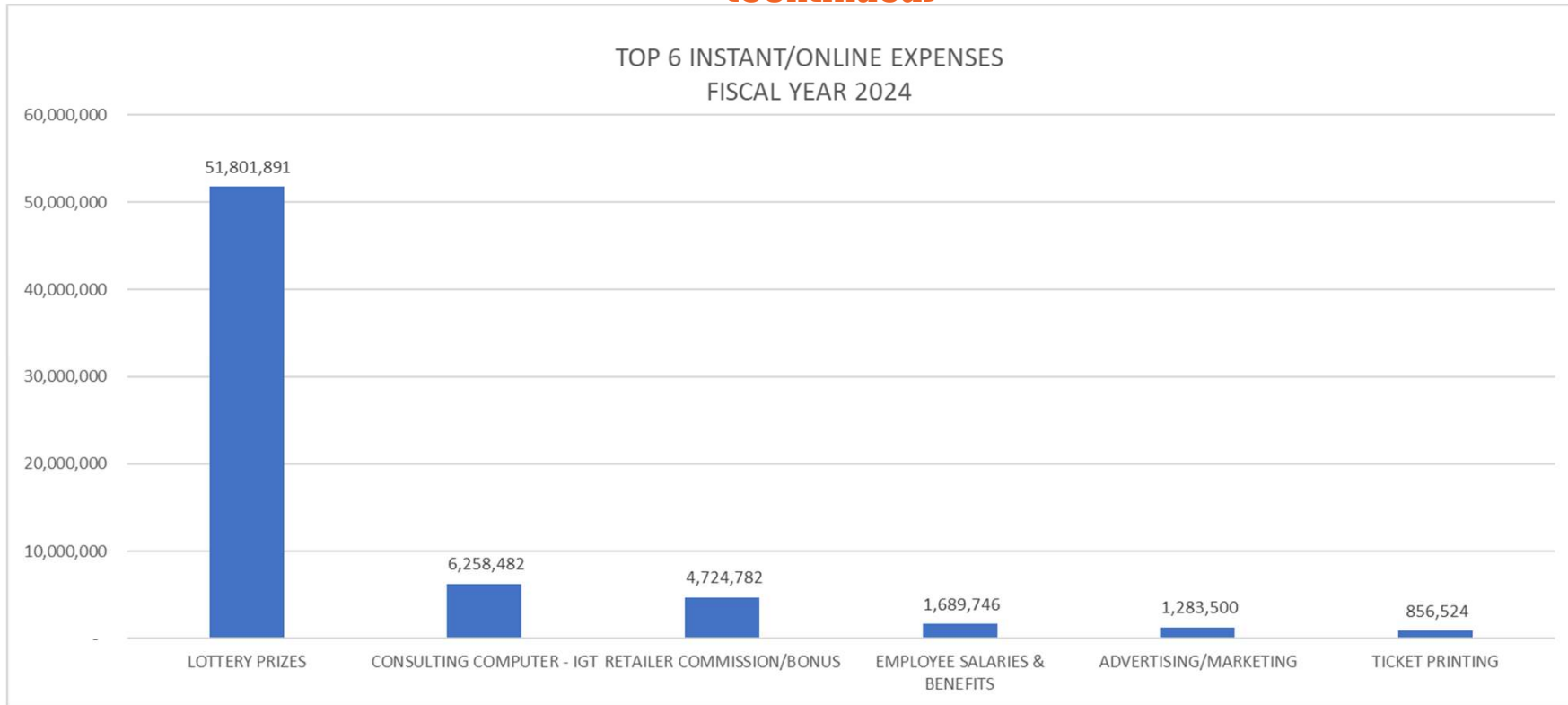


Budget Highlights – FY24 Instant/Online

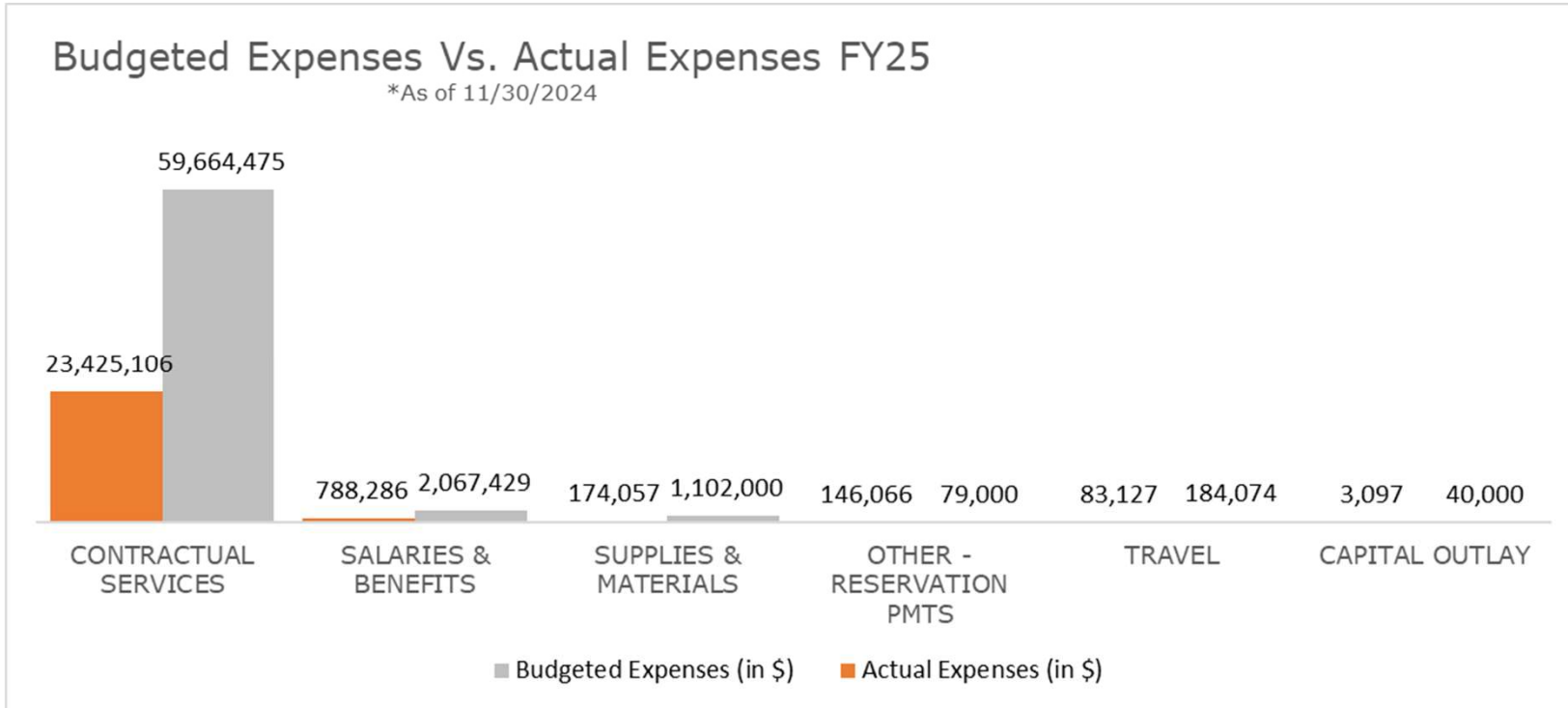


Budget Highlights – FY24 Instant/Online (Continued)

TOP 6 INSTANT/ONLINE EXPENSES
FISCAL YEAR 2024



Budget Highlights – FY25 Instant/Online (Continued)



**FY 2026 Instant/Online Budget
(Informational)**

PERSONAL SERVICES	2,067,429
TRAVEL	184,074
CONTRACTUAL SERVICES	59,664,475
SUPPLIES & MATERIALS	1,102,000
CAPITAL OUTLAY	40,000
OTHER - RESERVATION PMTS	79,000
REQUEST AMOUNT	63,136,978



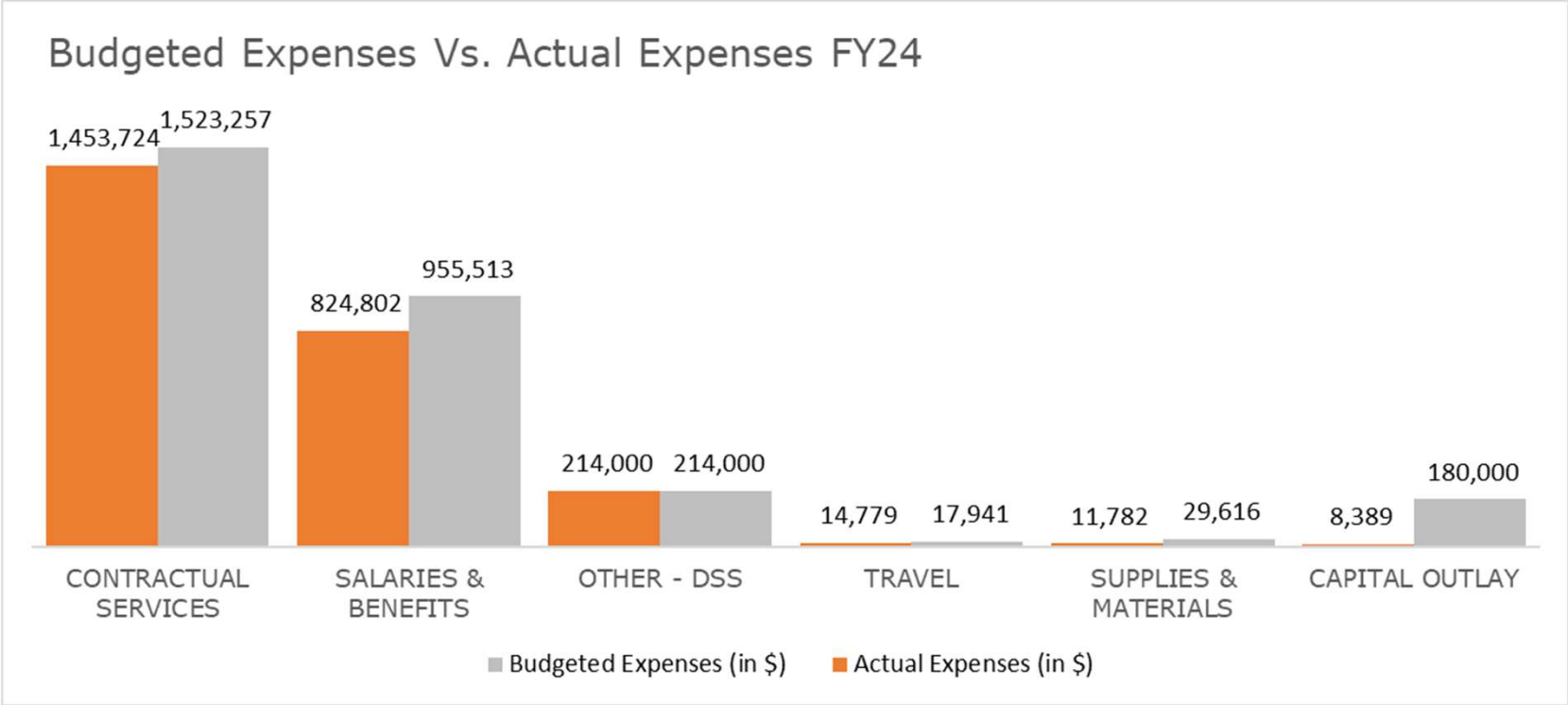
Video Lottery Budget

- Part of the overall Department of Revenue Budget, which is approved by the Legislature.

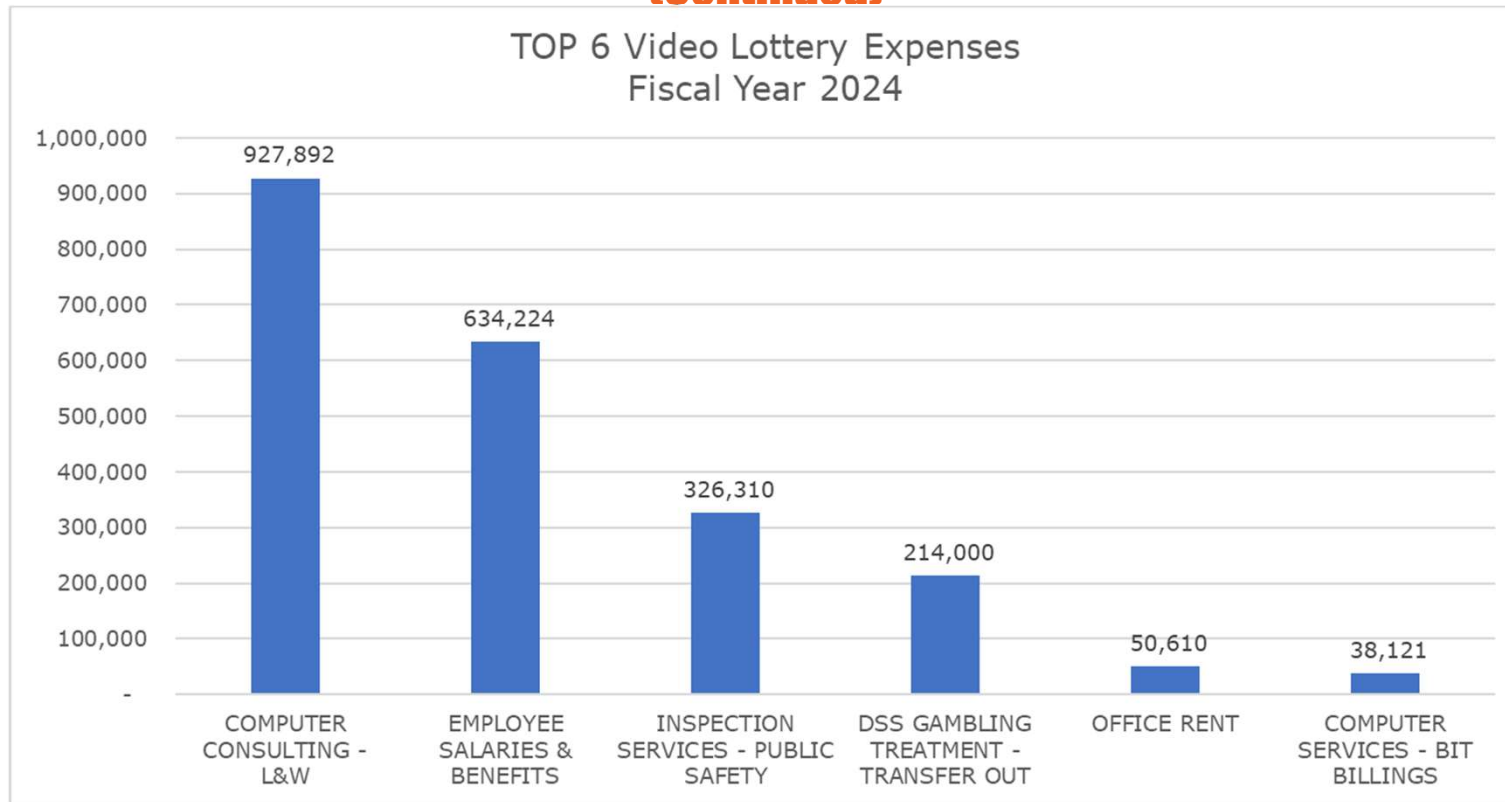


Budget Highlights – FY24

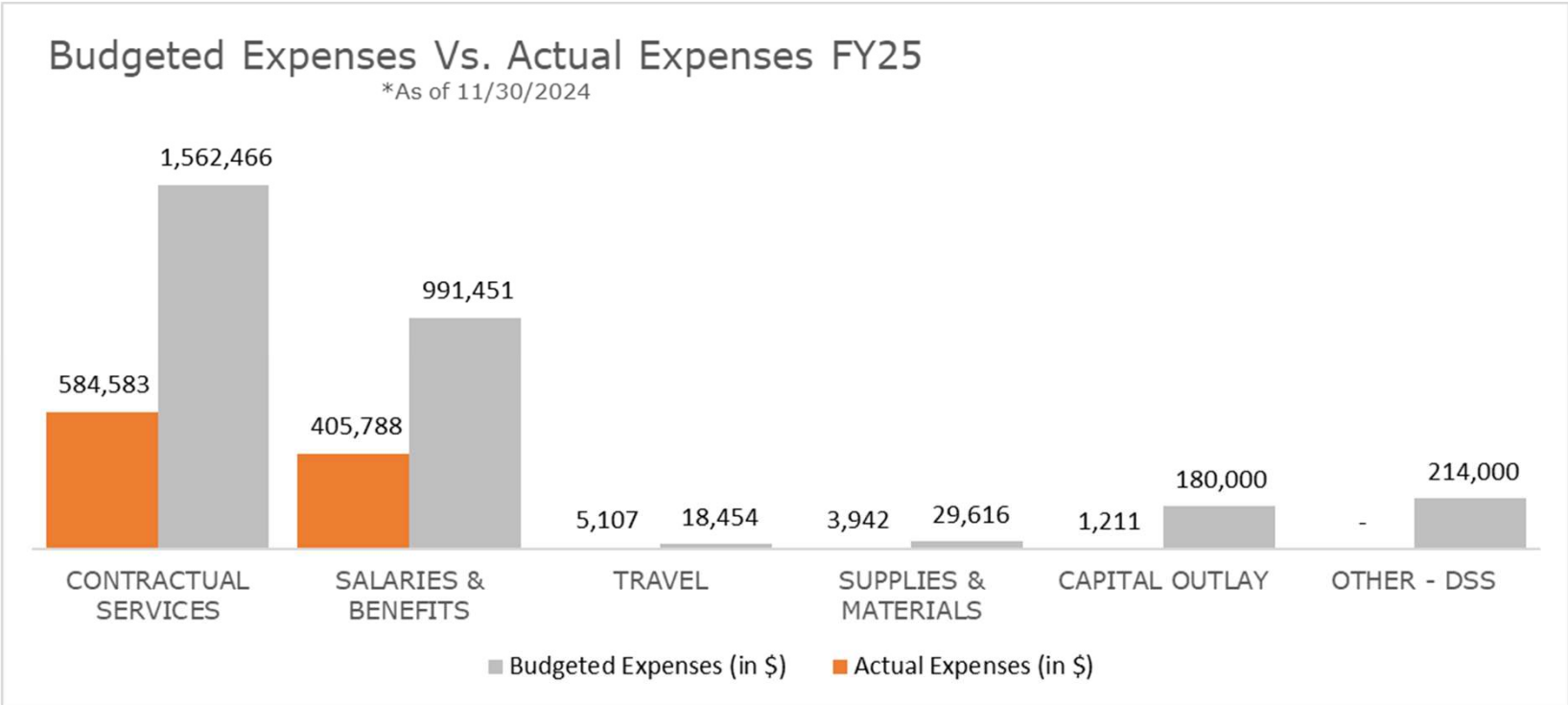
Video Lottery



Budget Highlights – FY24 Video Lottery (Continued)



Budget Highlights – FY25 Video Lottery (Continued)



FY 2026 Video Lottery Budget

PERSONAL SERVICES	991,451
TRAVEL	18,454
CONTRACTUAL SERVICES	1,562,466
SUPPLIES & MATERIALS	29,616
CAPITAL OUTLAY	180,000
OTHER - DSS	214,000
REQUEST AMOUNT	2,995,987



Commission Approval Budget Summary

CATEGORY	INSTANT/ONLINE	VIDEO LOTTERY	TOTAL
PERSONAL SERVICES	2,067,429	991,451	3,058,880
TRAVEL	184,074	18,454	202,528
CONTRACTUAL SERVICES	59,664,475	1,562,466	61,226,941
SUPPLIES & MATERIALS	1,102,000	29,616	1,131,616
CAPITAL OUTLAY	40,000	180,000	220,000
OTHER	79,000	214,000	293,000
TOTAL REQUEST	63,136,978	2,995,987	66,132,965



Mobile Cashing Update



A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE

Marketing Mobile Cashing

- Phase One (January – April 2025)
 - Rack Card
 - Redemption Posters
 - Claim Forms
 - Instant Ticket back
 - Landing Page (Website)
 - Social Media
 - Players Club Website
 - Tutorial Video
 - Press Release
- Spring Campaign
 - Paid digital media
 - Digital Display ads
 - Billboards
 - Social Media



Mobile Cashing



Check your ticket

- Open ticket scanner.
- Scan a winning ticket from \$101 - \$5,000.
- Select Mobile Claim.



Complete Claim Form

- Have your bank routing and account numbers ready.
- Review your information and submit.
- You must be a Player's Club member to complete a mobile prize claim.



Enjoy!

- Your prize should be in your bank account within 4 days.
- Your first transaction may take up to 8 business days to validate bank information.
- Sign the back of your ticket and keep it until your payment is complete.

Learn more



<https://lottery.sd.gov/claim-your-prize/>

Mobile Cashing

with the South Dakota Lottery



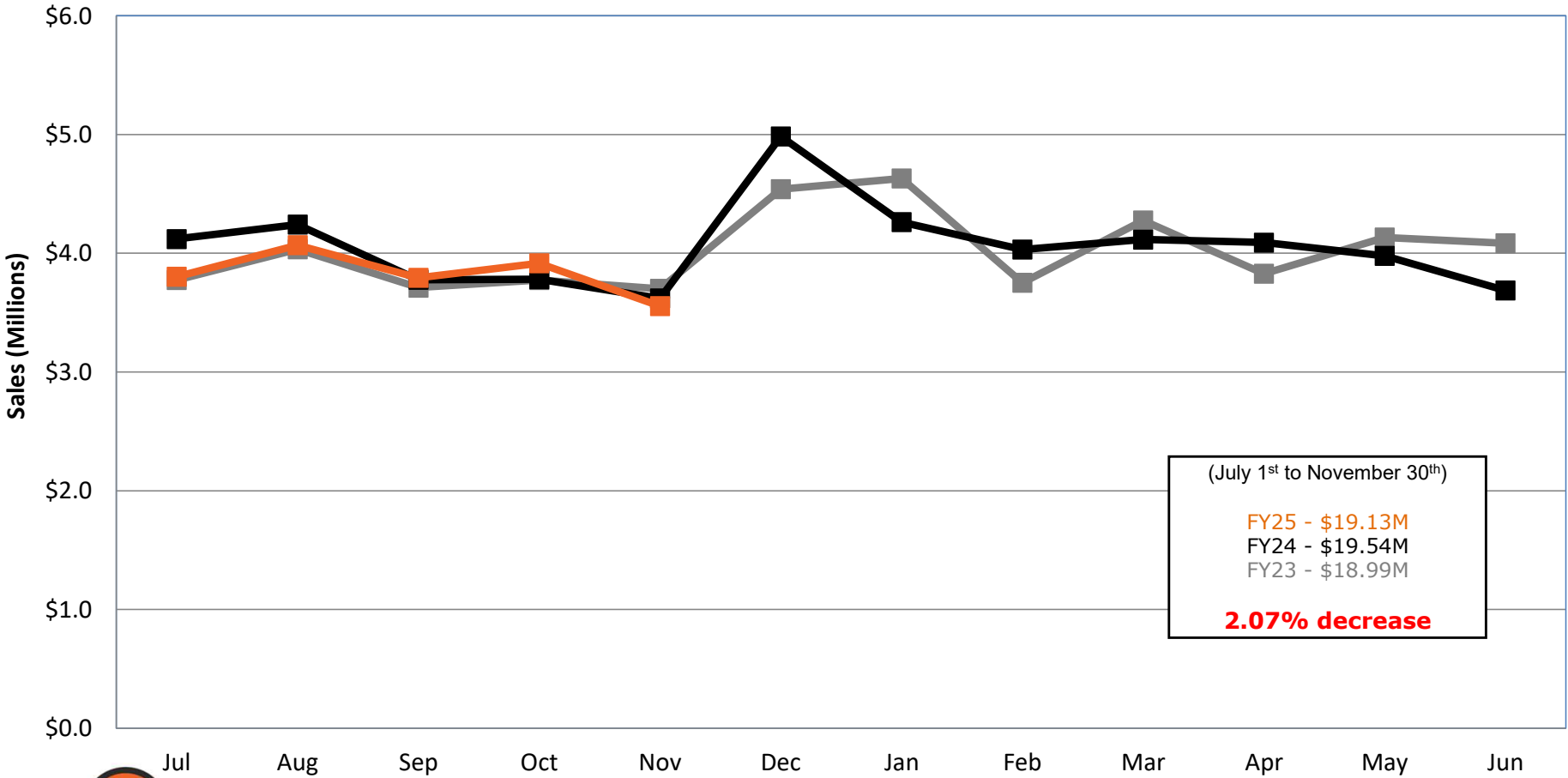
Sales Report



A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE

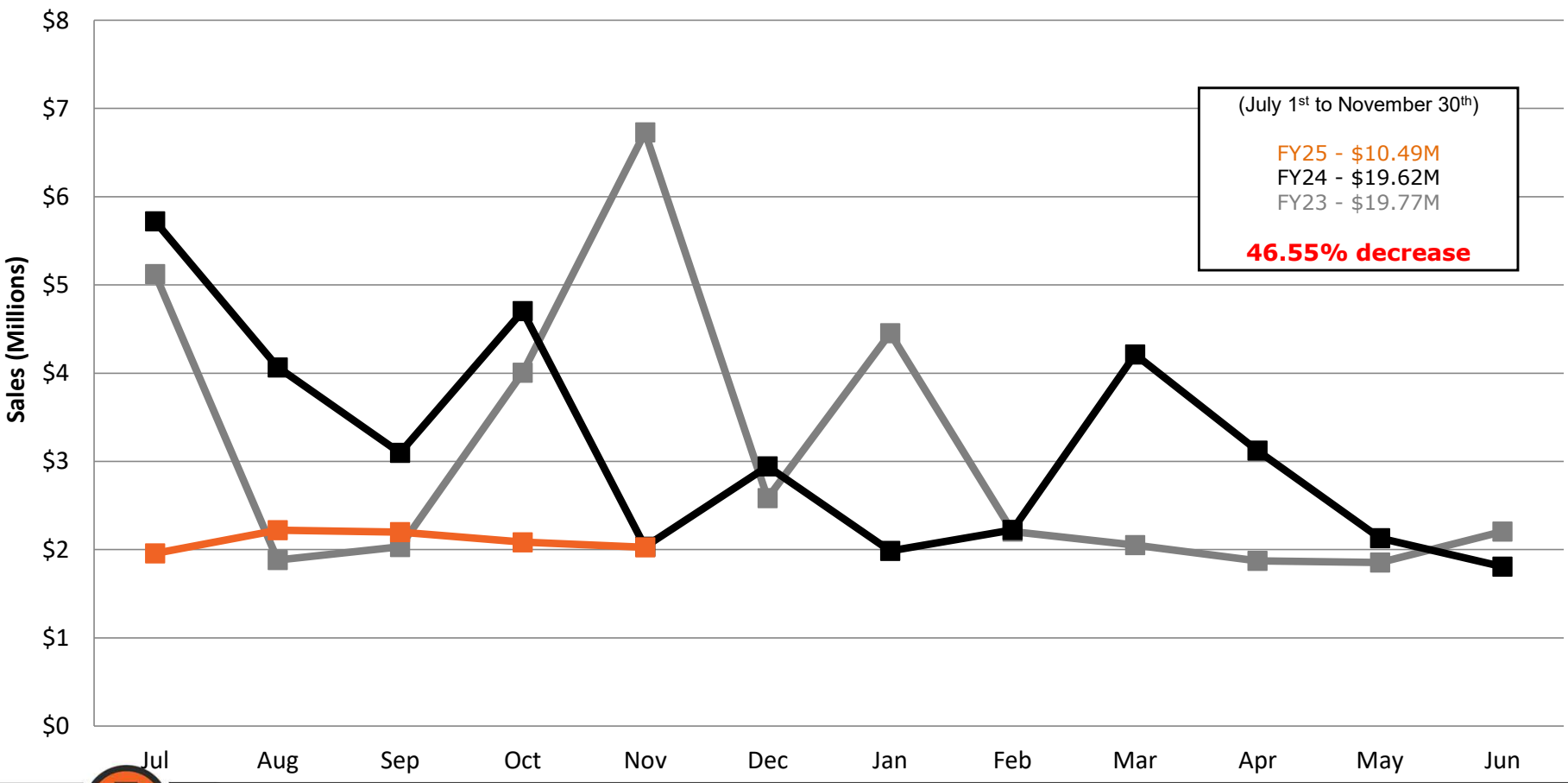
Instant Sales

FY23 FY24 FY25



Lotto Sales

FY23 FY24 FY25



\$3

CASH WHEEL

WIN UP TO \$25,000!

Facebook YouTube

MUST BE 18 YEARS OLD TO PLAY. PLEASE PLAY RESPONSIBLY.

\$5

Ruby Red 7's

WIN UP TO \$27,777!

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win PRIZE shown for that number. Reveal a BLACK "7" symbol, win PRIZE shown for that symbol. Reveal a RED "7" symbol, win DOUBLE that PRIZE shown for that symbol. Reveal a RED "7" symbol, win ALL 12 PRIZES!

\$5

RED

WIN UP TO \$20,000!

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win PRIZE shown for that number. Reveal a "7" symbol, win PRIZE shown for that symbol. Reveal a "7" symbol, win 5 TIMES the PRIZE shown for that symbol. Reveal a "7" symbol, win ALL 15 PRIZES!

\$30

HIGHEST INSTANT TICKET TOP PRIZE EVER!

\$600,000 CASH SPECTACULAR

WIN UP TO \$600,000! OVER \$9 MILLION IN CASH PRIZES!

Reveal a "5" symbol, win \$50 automatically! Reveal a "10" symbol, win \$100 automatically! Reveal a "50" symbol, win \$500 automatically!

INSTANT \$50 BONUS SPOT! INSTANT \$100 BONUS SPOT! INSTANT \$500 BONUS SPOT!

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win prize shown. Reveal a "5" symbol, win 5 TIMES the prize shown for that symbol. Reveal a "10" symbol, win 10 TIMES the prize shown for that symbol. Reveal a "50" symbol, win all 25 PRIZES below!

\$1

Gift Tag Cash

WIN UP TO \$500!

Match any of YOUR NUMBERS to the WINNING NUMBER, win PRIZE shown for that number. Reveal a "5" symbol, win DOUBLE the PRIZE shown. Reveal a "5" symbol, win 5 TIMES that prize!

\$5

Lady Luck

WIN UP TO \$20,000!

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win PRIZE shown for that number. Reveal a "5" symbol, win PRIZE shown for that symbol. Reveal a "5" symbol, win 5 TIMES the PRIZE shown for that symbol. Reveal a "5" symbol, win ALL 15 PRIZES!

\$30

EVERY DOLLAR

WIN UP TO \$15,000!

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win PRIZE shown for that number. Reveal a "5" symbol, win PRIZE shown for that symbol. Reveal a "5" symbol, win 5 TIMES the PRIZE shown for that symbol. Reveal a "5" symbol, win ALL 15 PRIZES!

\$1

MOOLA

WIN UP TO \$500!

Reveal 3 like prizes, win that prize. Reveal 2 like prizes and a "5" symbol, win 5 TIMES that prize!

\$5

EVERY DOLLAR

WIN UP TO \$15,000!

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win PRIZE shown for that number. Reveal a "5" symbol, win PRIZE shown for that symbol. Reveal a "5" symbol, win 5 TIMES the PRIZE shown for that symbol. Reveal a "5" symbol, win ALL 15 PRIZES!

Paid Out Over \$14.6 Million Year To Date

Paid Out Over \$2.3 Million in Lotto Prizes To Date



\$30 **HIGHEST INSTANT TICKET TOP PRIZE EVER!**

\$600,000 CASH SPECTACULAR

WIN UP TO \$600,000! OVER \$9 MILLION IN CASH PRIZES!

Reveal a "50" symbol, win \$50 automatically!
 Reveal a "100" symbol, win \$100 automatically!
 Reveal a "500" symbol, win \$500 automatically!

INSTANT \$50 BONUS SPOT **INSTANT \$100 BONUS SPOT** **INSTANT \$500 BONUS SPOT**

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win prize shown. Reveal a "5X" symbol, win 5 TIMES the prize shown for that symbol. Reveal a "10X" symbol, win 10 TIMES the prize shown for that symbol. Reveal a "CASHT" symbol, win all 25 PRIZES below!

WINNING NUMBERS
 YOUR NUMBERS

WIN UP TO 28 TIMES!

\$1

To: _____
 From: _____

Gift Tag Cash!

Match any of YOUR NUMBERS to the WINNING NUMBER, win PRIZE shown for that number. Reveal a "50" symbol, win DOUBLE the PRIZE shown. Reveal a "100" symbol in the BONUS BOX and INSTANTLY win PRIZE SHOWN!

BONUS BOX **WIN UP TO \$1,000!**

\$2

PEPPERMINT RED

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win PRIZE shown. Reveal a "CASHT" symbol, win all 10 PRIZES below!

WINNING NUMBERS
 YOUR NUMBERS

PRIZE
PRIZE
PRIZE
PRIZE
PRIZE
PRIZE
PRIZE
PRIZE

\$5

MERRY MONEY

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win PRIZE shown for that number. Reveal a "100" symbol, win that PRIZE instantly!

WINNING NUMBERS
 YOUR NUMBERS

WIN UP TO \$15,000!

\$5

20X The Cash

WIN UP TO \$40,000!

Reveal a "500" symbol, win \$20 instantly!
 Reveal a "1000" symbol, win \$50 instantly!

BONUS **BONUS**

WINNING NUMBERS
 YOUR NUMBERS

WIN UP TO 17 TIMES!

\$20

100X The Cash

WIN UP TO \$300,000!

Reveal a "500" symbol, win \$50 instantly!
 Reveal a "1000" symbol, win \$100 instantly!
 Reveal a "2500" symbol, win \$250 instantly!
 Reveal a "10000" symbol, win \$500 instantly!

BONUS **BONUS** **BONUS** **BONUS**

WINNING NUMBERS
 YOUR NUMBERS

WIN UP TO 24 TIMES!

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win PRIZE shown for that number. Reveal a "5X", "10X", "20X", "50X" or "100X" symbol and multiply that PRIZE by 5, 10, 20, 50 or 100 respectively.



New Game Designed For The
New Mobile Cashing App

\$10

L LOTTERY

**\$50, \$150
OR \$250!**

**OVER \$2.3 MILLION
IN PRIZES!**

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win the PRIZE shown for that number. Reveal a [50 symbol] symbol, win \$50. Reveal a [150 symbol] symbol, win \$150. Reveal a [250 symbol] symbol, win \$250.

WINNING NUMBERS

YOUR NUMBERS

PRIZE PRIZE PRIZE PRIZE PRIZE
PRIZE PRIZE PRIZE PRIZE PRIZE
PRIZE PRIZE PRIZE PRIZE PRIZE
PRIZE PRIZE PRIZE PRIZE PRIZE

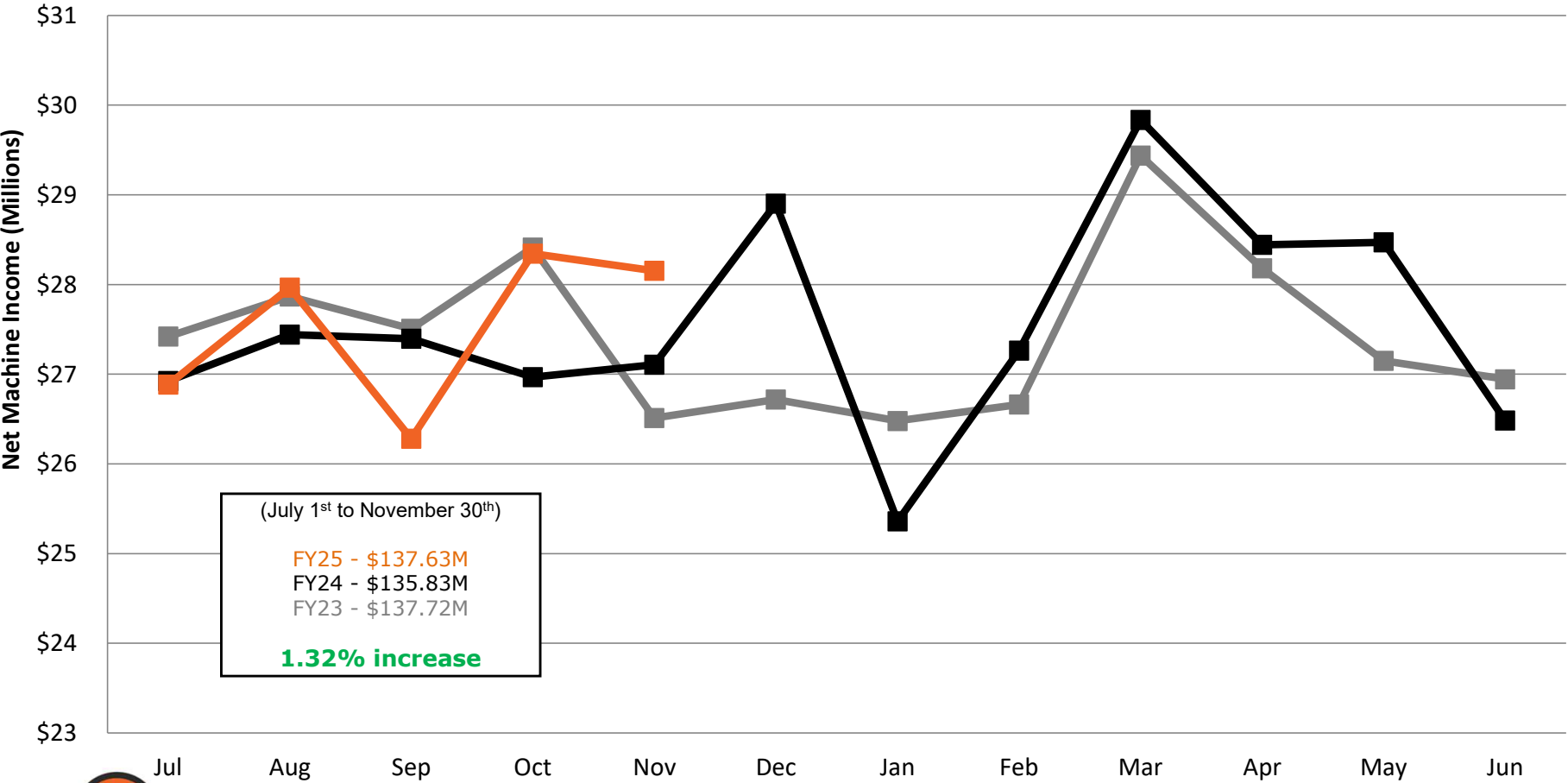
LOADED EXCLUSIVELY WITH \$50,
\$150 AND \$250 PRIZES!

000



Video Lottery NMI

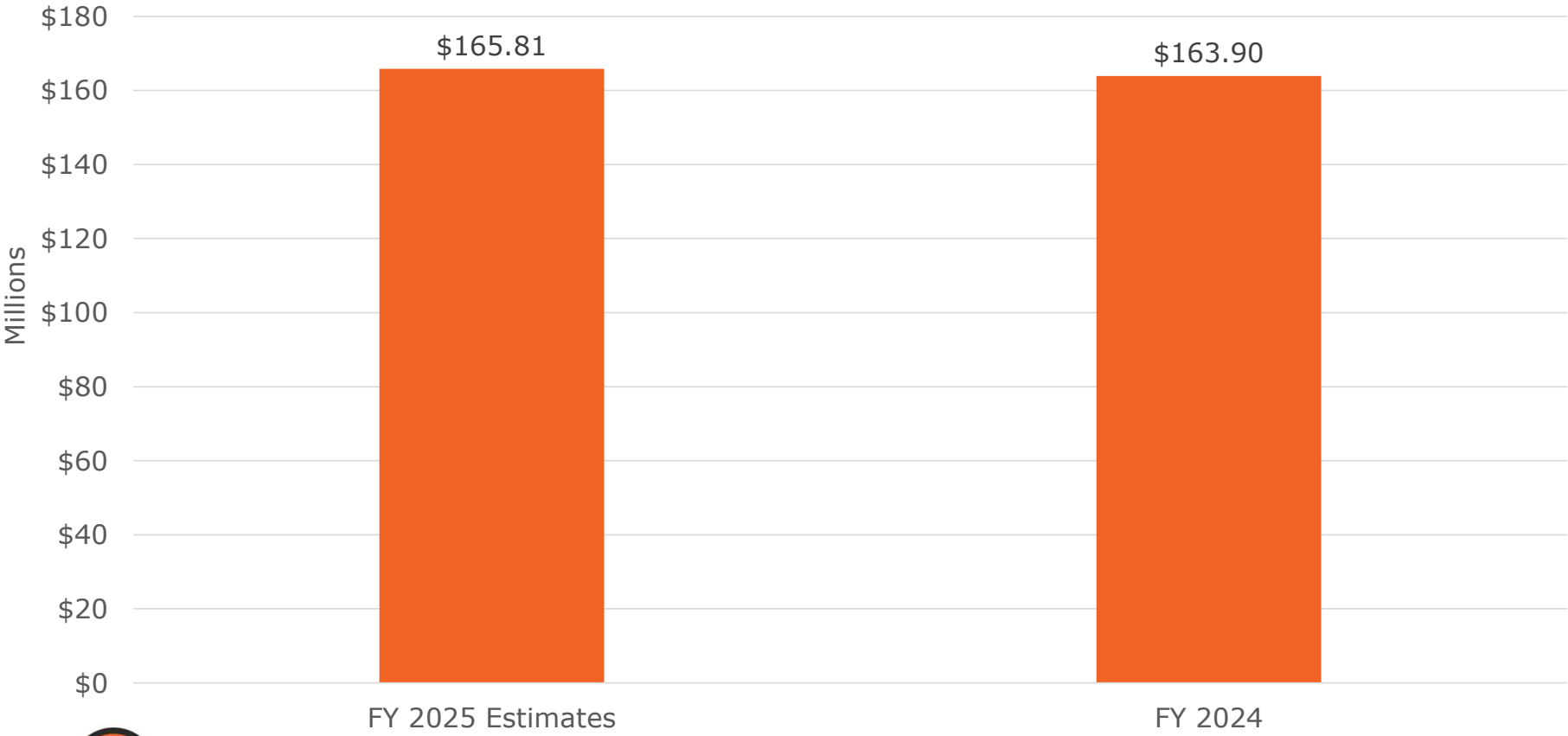
FY23 FY24 FY25



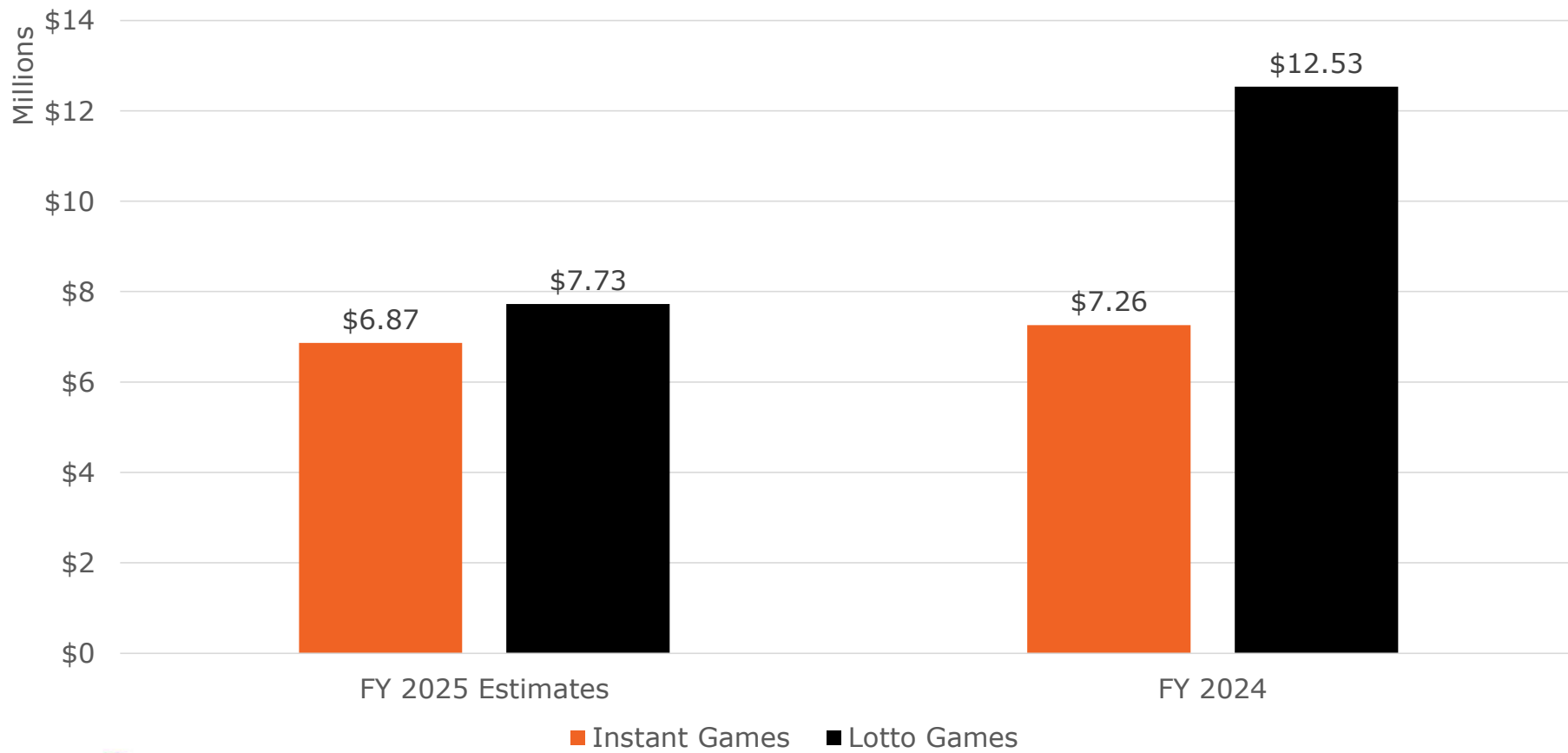
(July 1st to November 30th)
FY25 - \$137.63M
FY24 - \$135.83M
FY23 - \$137.72M
1.32% increase



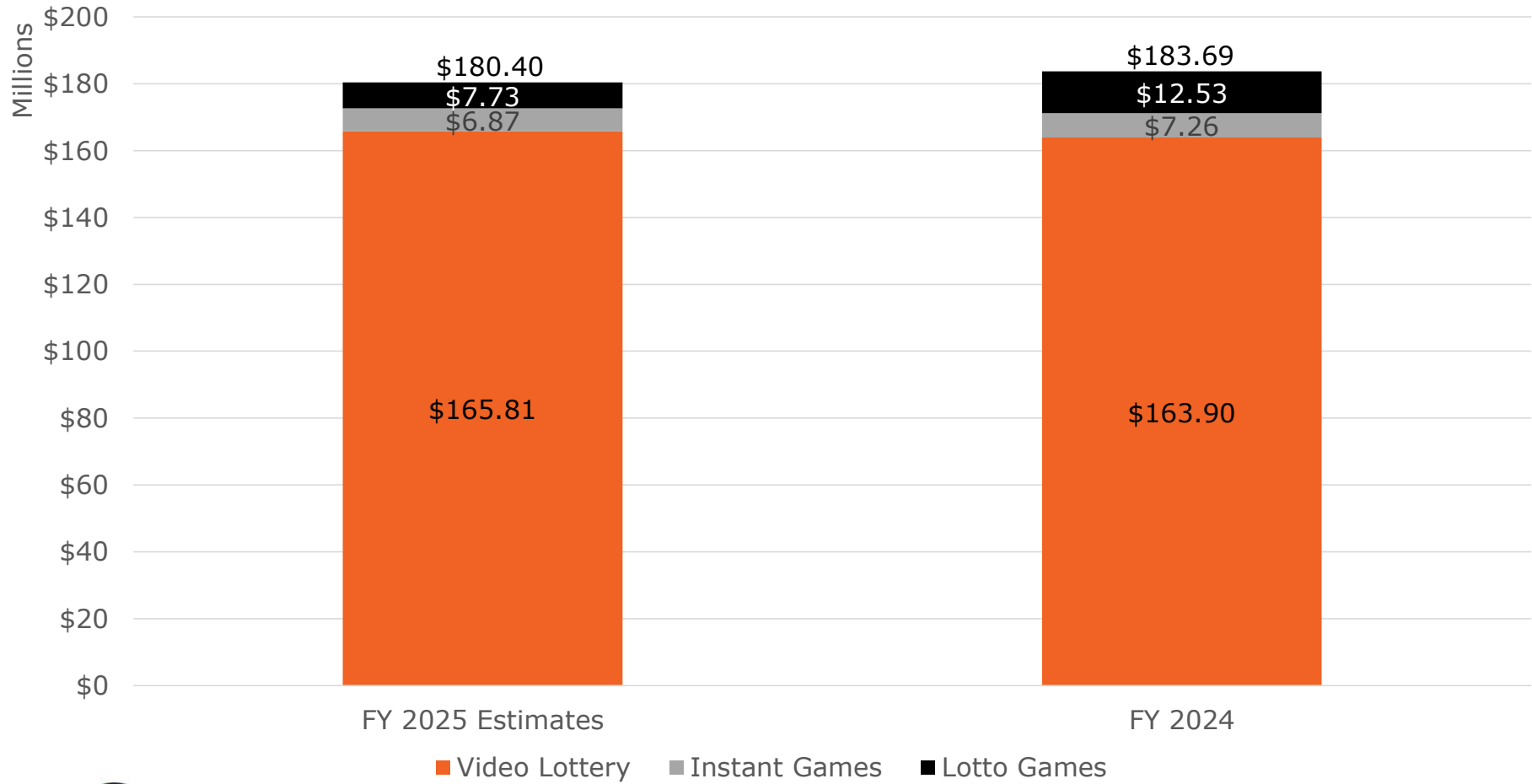
Video Lottery FY25 State Share Revenue Projection as of November 30, 2024



Instant and Online FY25 Revenue Projections as of November 30, 2024



Total FY25 Revenue Projections as of November 30, 2024

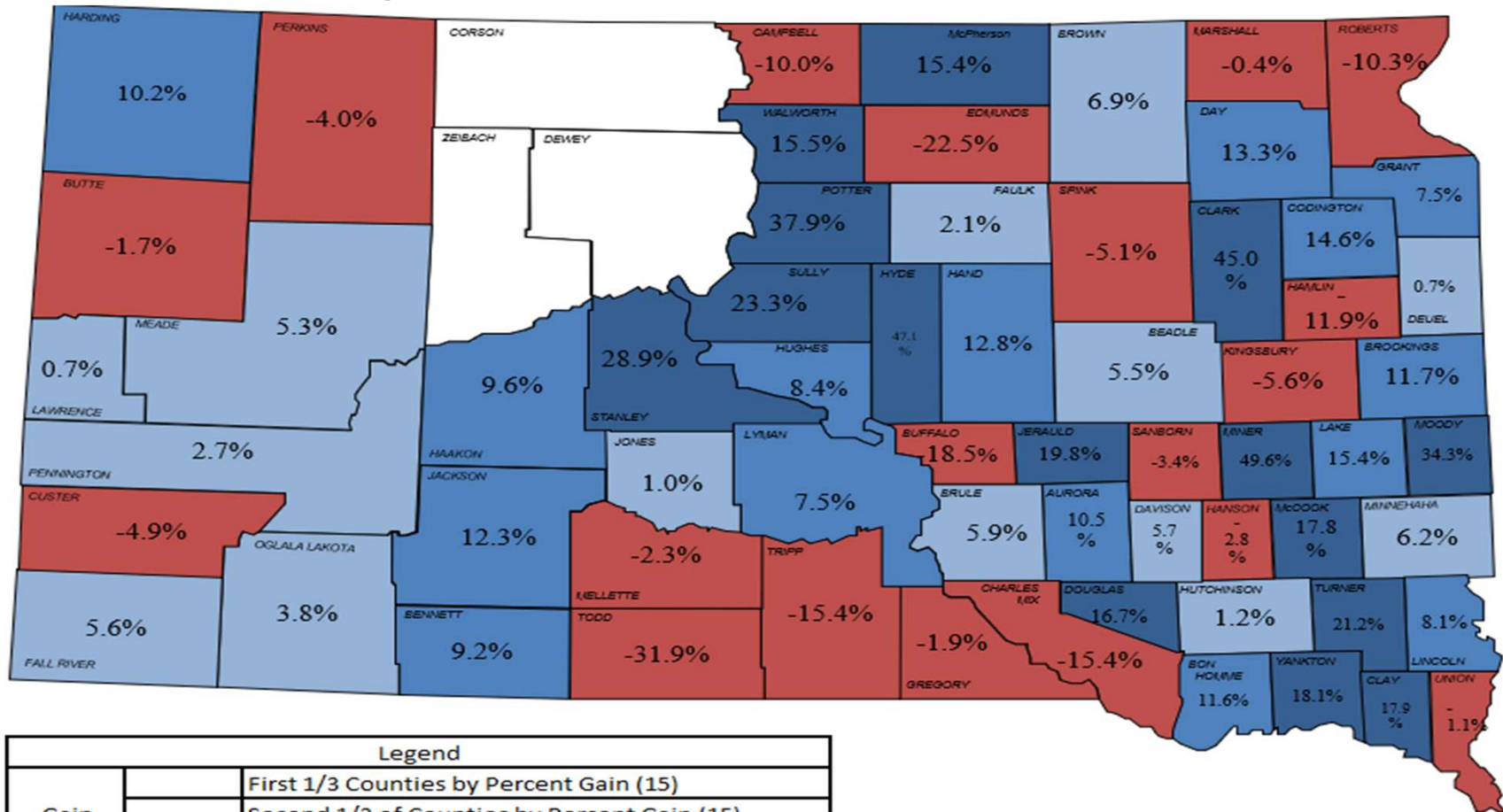


FY2024 Instant Review



A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE

Percent Change of Instant Sales YOY FY2024 over FY2023



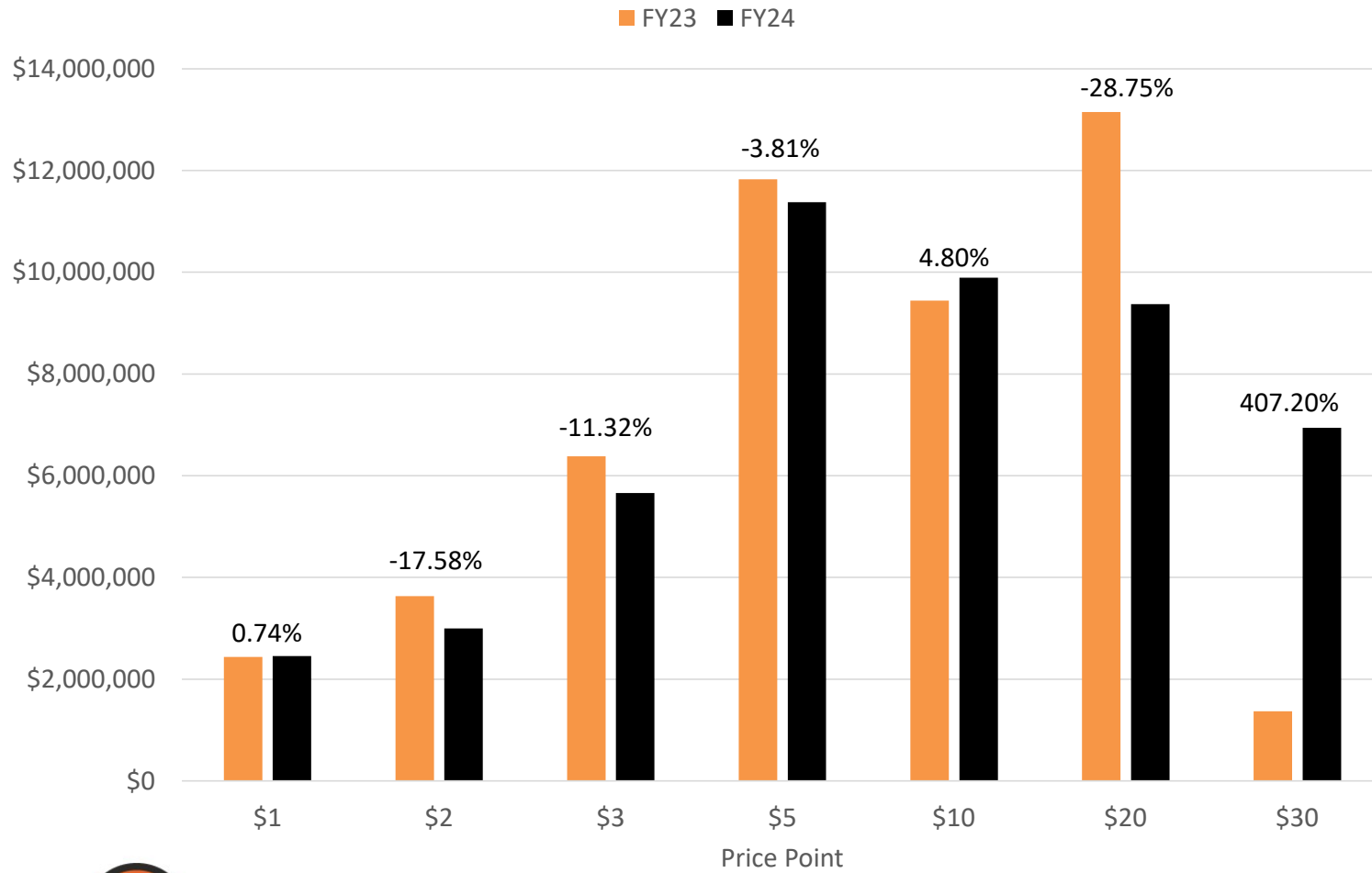
County	Percent Change
HARDING	10.2%
FERKINS	-4.0%
CORSON	N/A
CAMPBELL	-10.0%
McPHERSON	15.4%
BROWN	6.9%
MARSHALL	-0.4%
ROBERTS	-10.3%
WALWORTH	15.5%
EDWARDS	-22.5%
DAY	13.3%
GRANT	7.5%
BUTTE	-1.7%
POTTER	37.9%
FAULK	2.1%
SPRING	-5.1%
CLARK	45.0%
COOINGTON	14.6%
HAMLIN	-
DEVEL	0.7%
MEADE	5.3%
SULLY	23.3%
HYDE	47.1%
HAND	12.8%
HUGHES	8.4%
BEADLE	5.5%
KINGSBURY	-5.6%
BROOKINGS	11.7%
LAWRENCE	0.7%
STANLEY	28.9%
LYMAN	7.5%
SUFFALO	18.5%
JERALD	19.8%
SANBORN	-3.4%
EMER	49.6%
LAKE	15.4%
MOODY	34.3%
PENNINGTON	2.7%
JONES	1.0%
BRULE	5.9%
AURORA	10.5%
DAVISON	5.7%
HANSON	-2.8%
MCCOOK	17.8%
MINNEHAHA	6.2%
CUSTER	-4.9%
OGLALA LAKOTA	3.8%
HAAKON	12.3%
JACKSON	9.6%
TRIPP	-15.4%
MELLETTE	-2.3%
CHARLES MIX	-1.9%
DOUGLAS	16.7%
HUTCHINSON	1.2%
TURNER	21.2%
FALL RIVER	5.6%
BENNETT	9.2%
TODD	-31.9%
GREGORY	-15.4%
BOYD	11.6%
HOMER	18.1%
YANKTON	17.9%
CLAY	17.9%
LINCOLN	8.1%
UNION	-1.1%

Top Instant Ticket Markets

City	FY23	FY24	\$ Change	% Change
Sioux Falls	\$11,736,666	\$11,980,738	\$244,072	2.08%
Rapid City	\$7,263,138	\$7,140,265	-\$122,873	-1.69%
Aberdeen	\$2,043,742	\$2,126,361	\$82,619	4.04%
Watertown	\$1,660,875	\$1,841,655	\$180,780	10.88%
Brookings	\$1,192,336	\$1,330,240	\$137,904	11.57%
Yankton	\$1,123,413	\$1,270,003	\$146,590	13.05%
Spearfish	\$1,026,201	\$1,001,289	-\$24,912	-2.43%
Mitchell	\$1,172,116	\$1,186,625	\$14,509	1.24%
Pierre	\$1,146,576	\$1,166,919	\$20,343	1.77%
Huron	\$934,344	\$906,440	-\$27,904	-2.99%
Other	\$18,934,797	\$18,735,513	-\$199,284	-1.05%
Total	\$48,234,204	\$48,686,048	\$451,844	0.94%



Instant Sales by Price Point

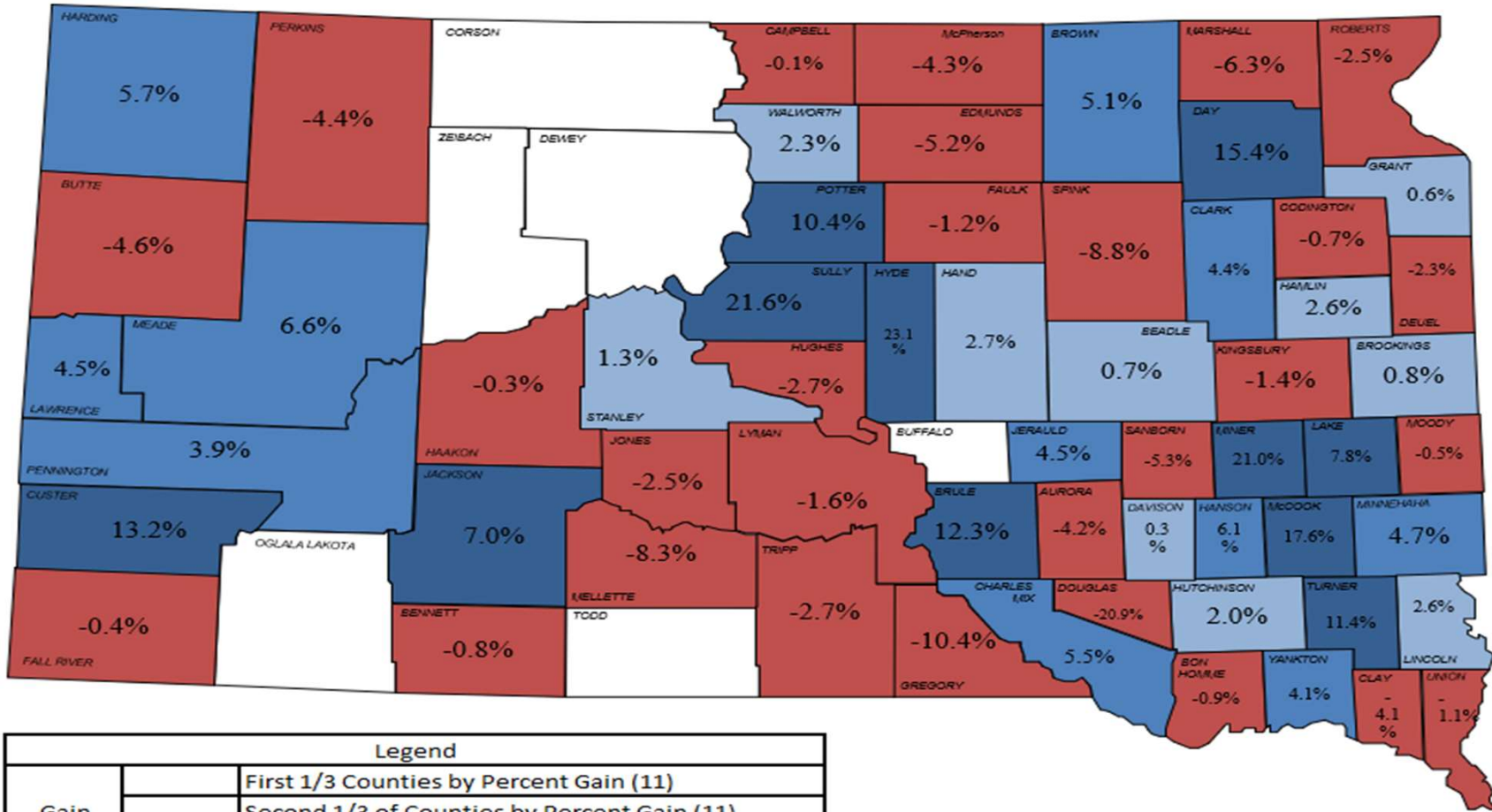
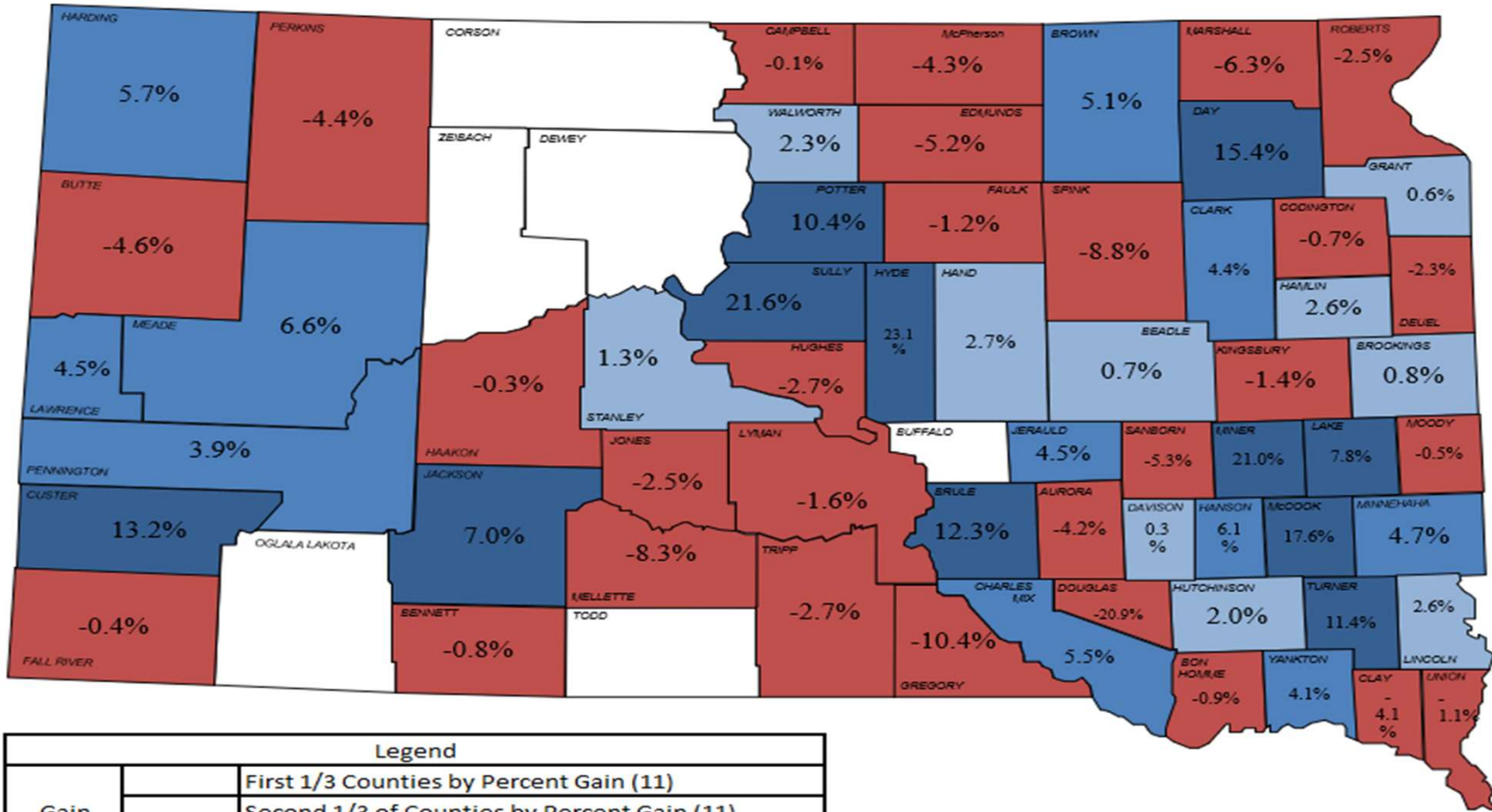


FY2024 Online Review



A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE

Percent Change of Lotto Sales YOY FY2024 over FY2023

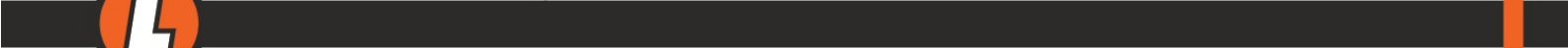
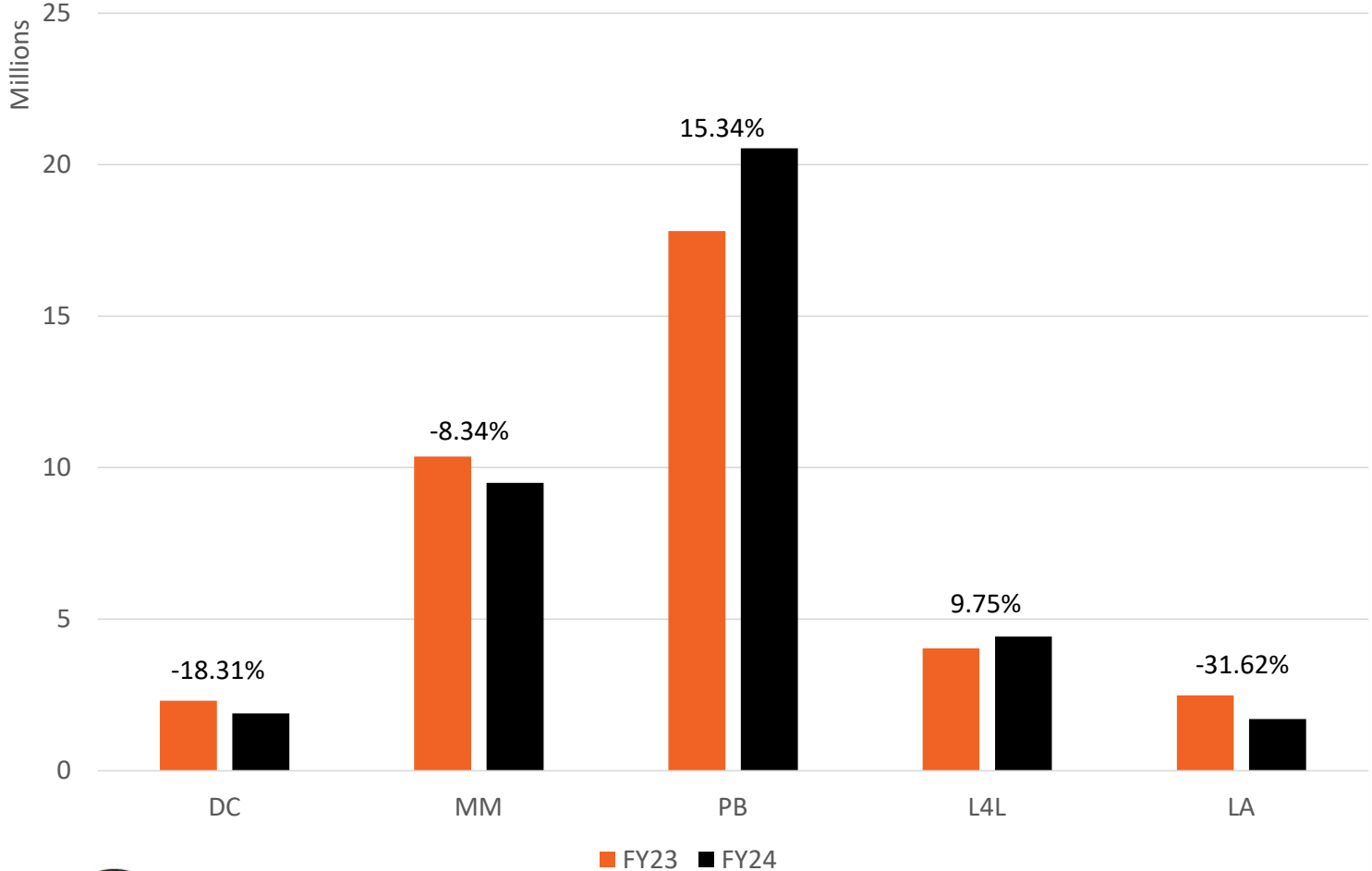


Top Lotto Ticket Markets

City	FY23	FY24	\$ Change	% Change
Sioux Falls	\$8,633,273	\$8,971,124	\$337,851	3.91%
Rapid City	\$4,950,402	\$5,128,851	\$178,449	3.60%
Aberdeen	\$1,477,440	\$1,550,170	\$72,730	4.92%
Watertown	\$1,629,988	\$1,623,674	-\$6,314	-0.39%
Pierre	\$1,024,951	\$1,000,163	-\$24,788	-2.42%
Yankton	\$1,073,356	\$1,117,598	\$44,242	4.12%
Mitchell	\$1,039,499	\$1,043,030	\$3,531	0.34%
Spearfish	\$836,242	\$846,767	\$10,525	1.26%
Brookings	\$835,669	\$844,254	\$8,585	1.03%
Huron	\$701,104	\$702,787	\$1,683	0.24%
Other	\$14,793,602	\$15,217,215	\$423,613	2.86%
Total	\$36,995,526	\$38,045,633	\$1,050,107	2.84%



Sales by Lotto Game

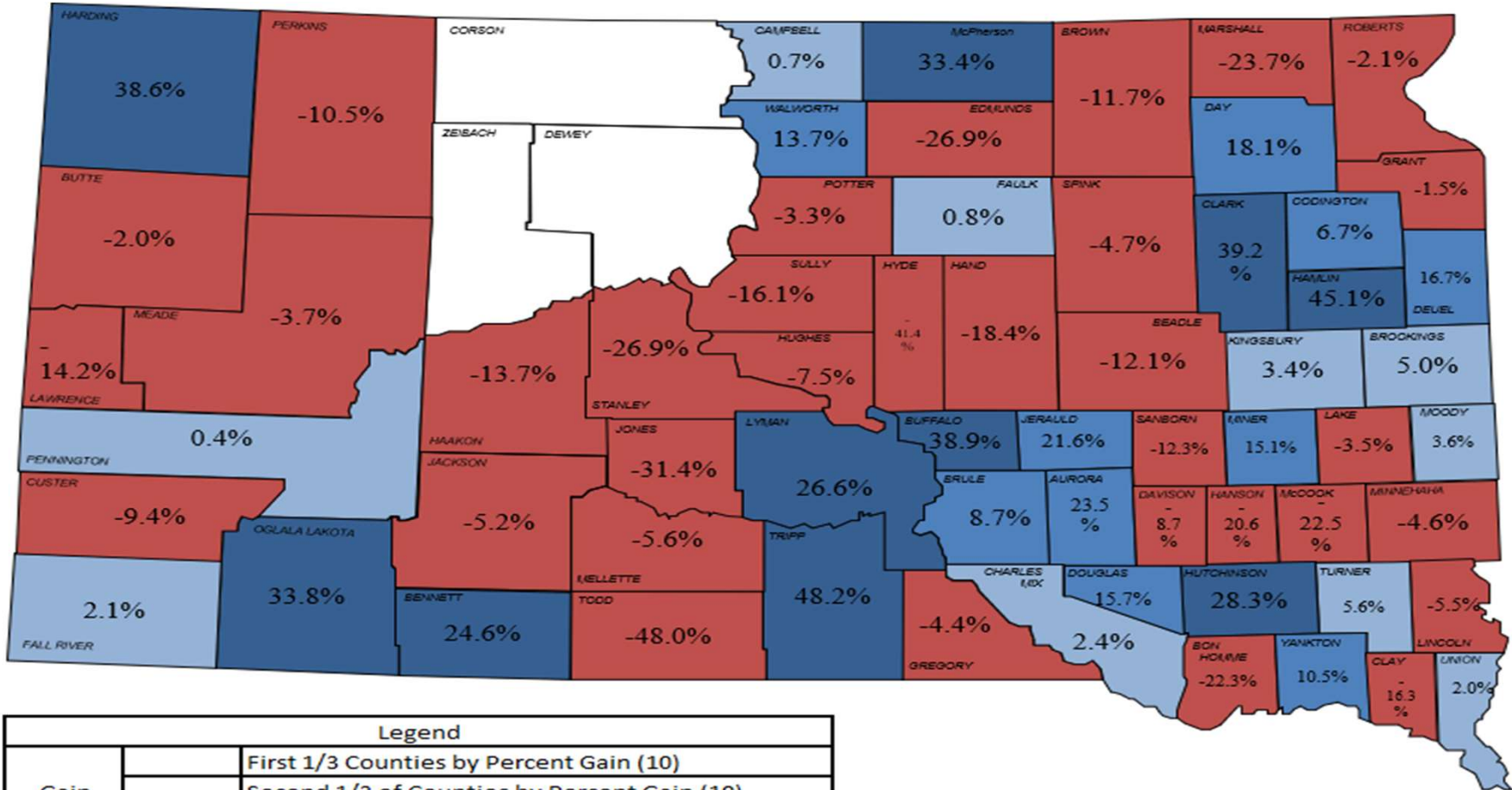


FY2025 Instant Review



A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE

Percent Change of Instant Sales YOY FY2025 over FY2024



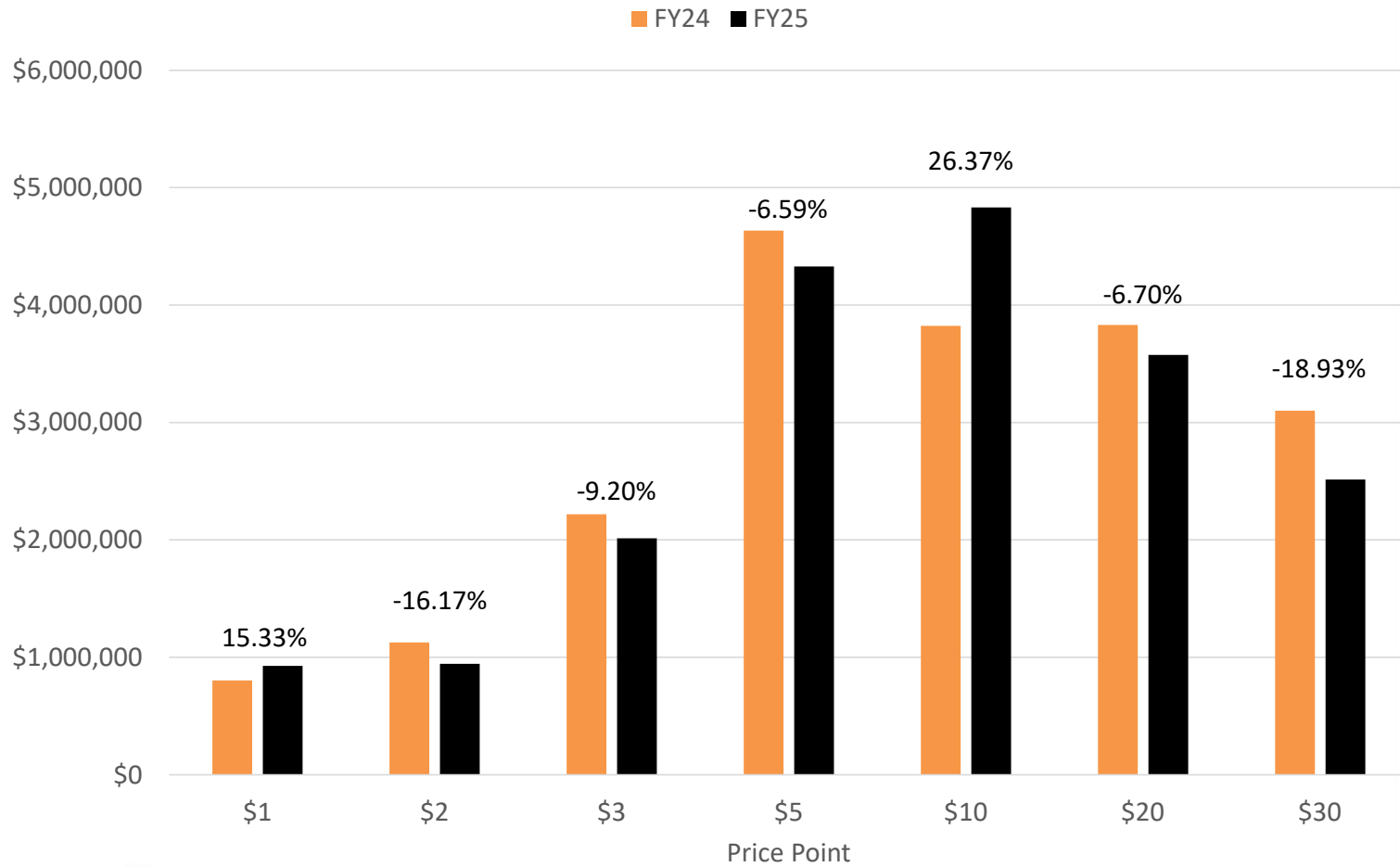
Legend	
Gain	First 1/3 Counties by Percent Gain (10)
	Second 1/3 of Counties by Percent Gain (10)
	Last 1/3 of Counties by Percent Gain (10)
N/A	No Instant Sales
Loss	Counties by Percent Loss (33)

Top Instant Ticket Markets

City	FY24	FY25	\$ Change	% Change
Sioux Falls	\$4,860,464	\$4,659,279	-\$201,185	-4.14%
Rapid City	\$2,912,416	\$2,874,911	-\$37,505	-1.29%
Aberdeen	\$836,614	\$751,414	-\$85,200	-10.18%
Watertown	\$680,388	\$726,166	\$45,778	6.73%
Brookings	\$501,215	\$546,412	\$45,197	9.02%
Yankton	\$491,325	\$543,059	\$51,734	10.53%
Spearfish	\$449,258	\$348,157	-\$101,101	-22.50%
Mitchell	\$480,631	\$451,404	-\$29,227	-6.08%
Pierre	\$463,768	\$424,756	-\$39,012	-8.41%
Huron	\$347,298	\$313,635	-\$33,663	-9.69%
Other	\$7,515,355	\$7,495,564	-\$19,791	-0.26%
Total	\$19,538,732	\$19,134,757	-\$403,975	-2.07%



Instant Sales by Price Point

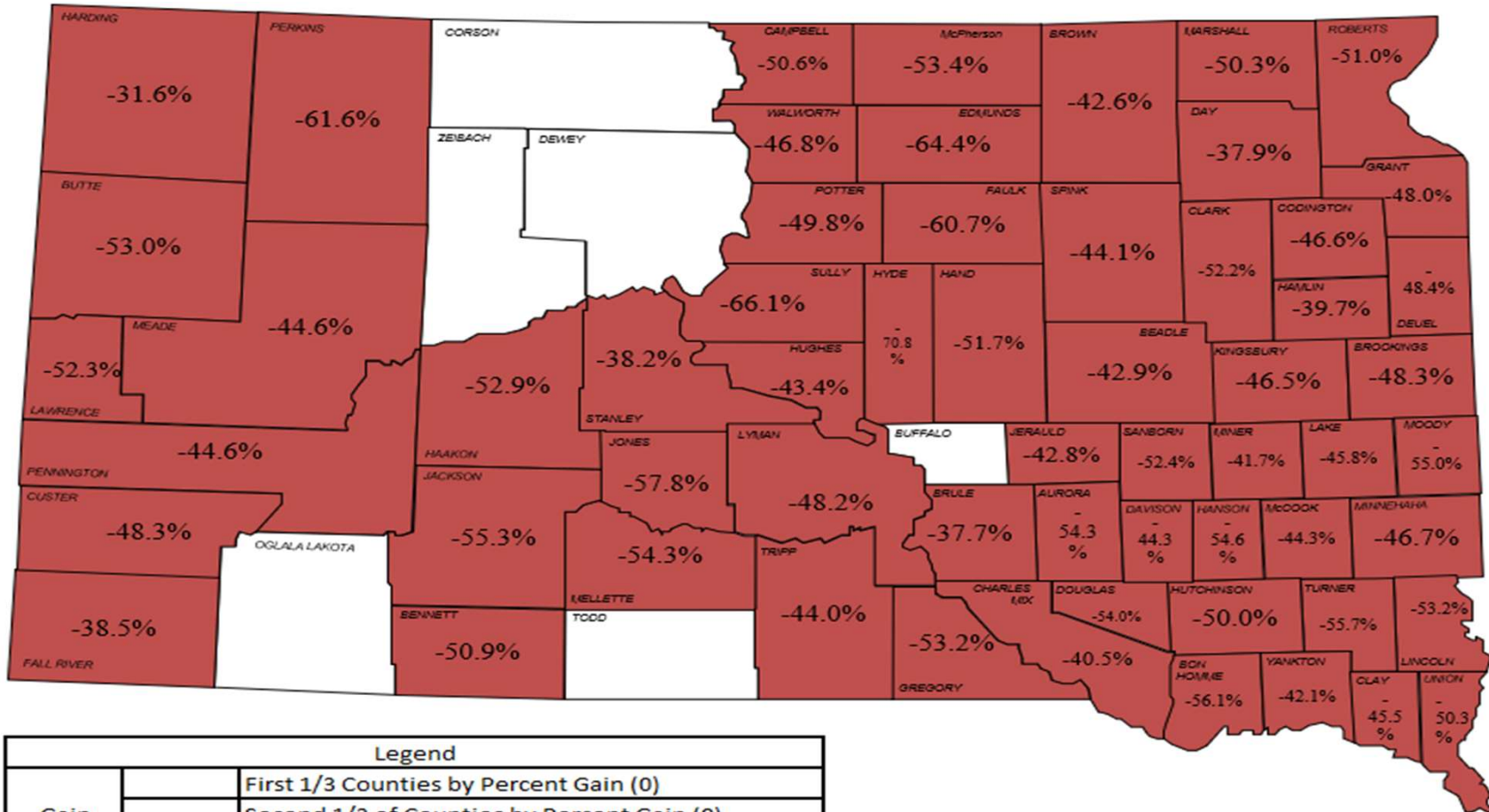


FY2025 Online Review



A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE

Percent Change of Lotto Sales YOY FY2025 over FY2024



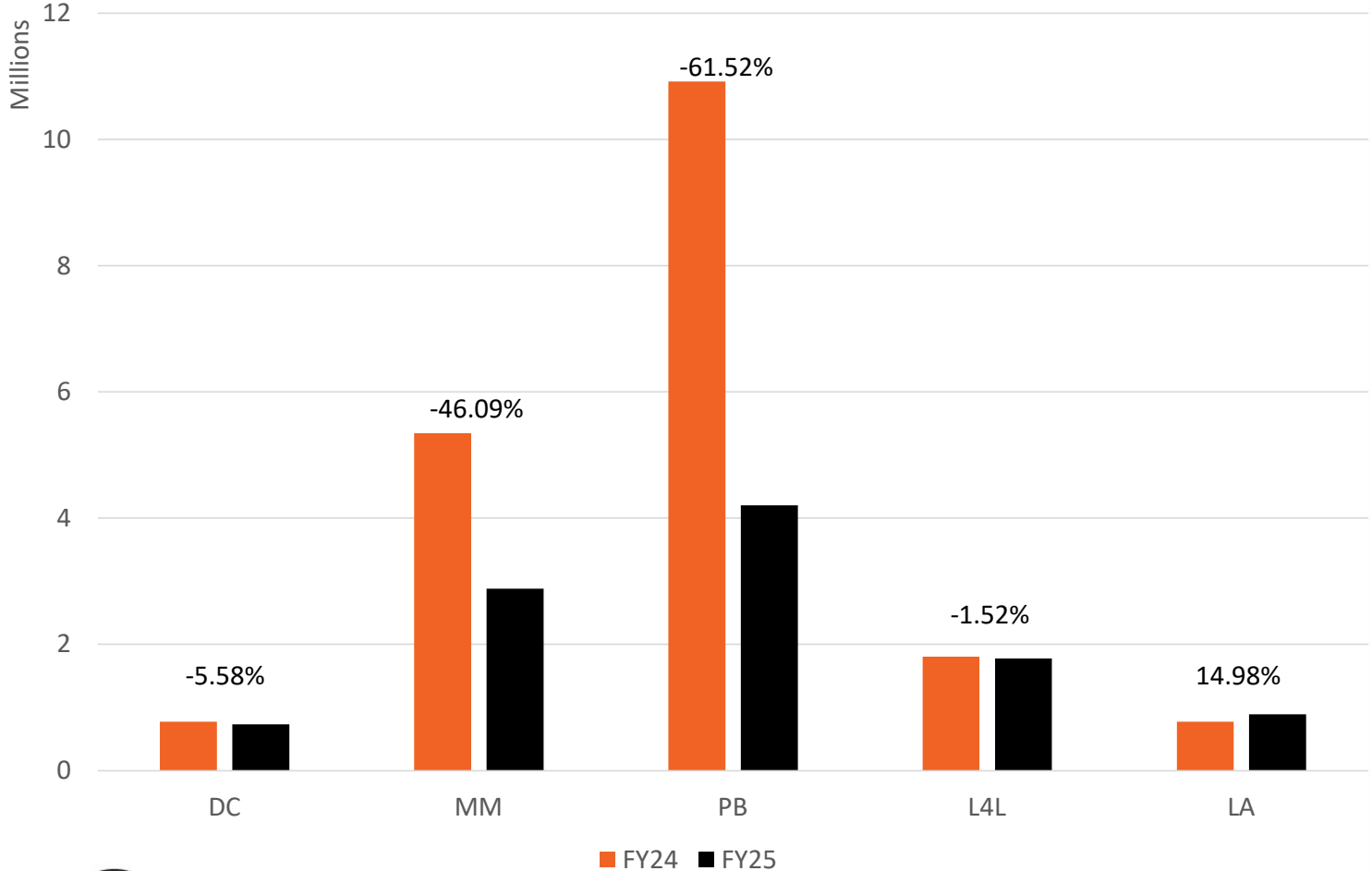
Legend	
Gain	First 1/3 Counties by Percent Gain (0)
	Second 1/3 of Counties by Percent Gain (0)
	Last 1/3 of Counties by Percent Gain (0)
N/A	No Lotto Sales
Loss	Counties by Percent Loss (60)

Top Lotto Ticket Markets

City	FY24	FY25	\$ Change	% Change
Sioux Falls	\$4,610,463	\$2,455,682	-\$2,154,781	-46.74%
Rapid City	\$2,598,736	\$1,452,295	-\$1,146,441	-44.12%
Aberdeen	\$778,770	\$446,868	-\$331,902	-42.62%
Watertown	\$830,328	\$443,367	-\$386,961	-46.60%
Pierre	\$503,555	\$286,006	-\$217,549	-43.20%
Yankton	\$568,279	\$328,776	-\$239,503	-42.15%
Mitchell	\$525,835	\$295,643	-\$230,192	-43.78%
Spearfish	\$445,359	\$238,546	-\$206,813	-46.44%
Brookings	\$430,753	\$234,731	-\$196,022	-45.51%
Huron	\$341,088	\$195,242	-\$145,846	-42.76%
Other	\$7,987,957	\$4,109,765	-\$3,878,192	-48.55%
Total	\$19,621,123	\$10,486,921	-\$9,134,202	-46.55%



Sales by Lotto Game



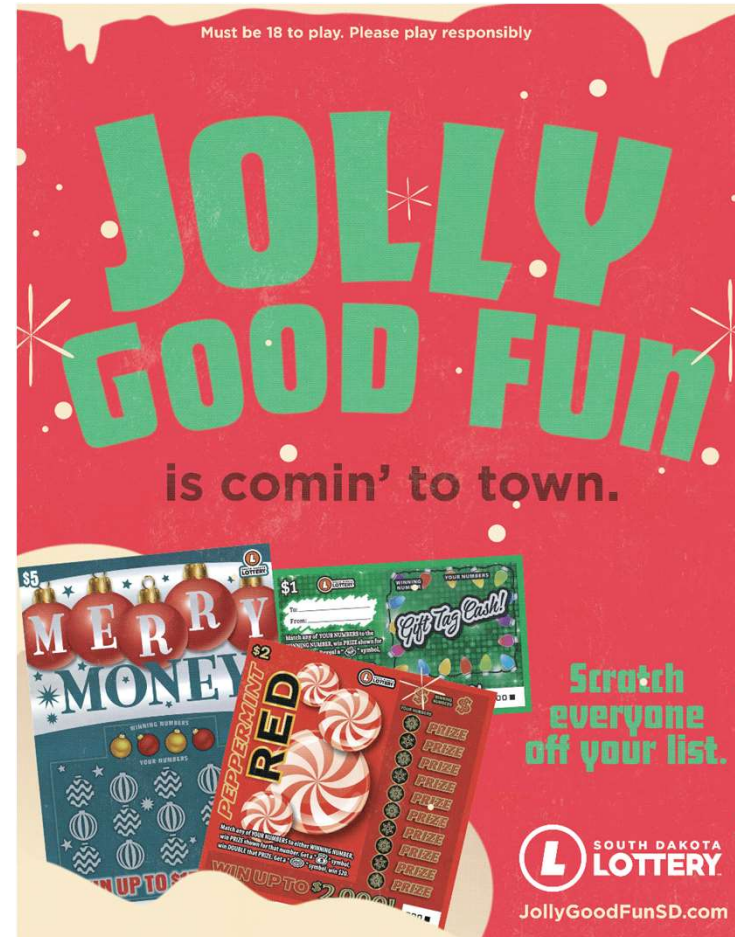
Marketing Report



A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE

Holiday Scratch Tickets

- Campaign centered on our \$5, \$2 and \$1 holiday tickets.
- This is our largest marketing campaign of the year.
- The campaign features new television and radio production.





Holiday Campaign

- The holiday campaign will once again feature some disruptive advertising efforts.
- Our Good Fun Santa will be visiting retailers throughout Rapid City.



Gift Responsibly

- We are once again taking part in the nationwide Gift Responsibly campaign.
- The campaign reminds players that scratch tickets aren't suitable gifts for minors.
- Campaign elements include retailer messaging, social media, players club emails and more.



60 Days of WINTER

- In January, our marketing efforts will shift to a new 60 Days of WINTER promotion.
- The promotion will feature weekly drawings for prizes.
- Players can win Lottery swag, gift cards, concert tickets and more!



The graphic features a central theme of winter fun. At the top, it says "Winter? No fun." in orange text, accompanied by a blue snow hat and a stack of blue cash. Below this, the word "WINTER?" is written in large, bold, blue letters with an orange outline. Underneath, "GOOD FUN!" is written in orange. The South Dakota Lottery logo, a white 'L' in a blue circle, is positioned at the bottom left. To its right is a blue gift card. The text "We're putting the WIN in WINTER with 60 days of giveaways. Play and enter daily from **January 20-March 20** for your chance at weekly prizes including cash, swag, gift cards, concert tickets and more." is centered. At the bottom right, it says "Enter daily at [60DaysofWINTER.com](https://www.southdakotalottery.com/60DaysofWINTER.com)". A small disclaimer at the very bottom reads "Must be 18 to play. Please play responsibly." The background is white with scattered blue snowflakes.

Winter? No fun.

WINTER?

GOOD FUN!

We're putting the WIN in WINTER with 60 days of giveaways. Play and enter daily from **January 20-March 20** for your chance at weekly prizes including cash, swag, gift cards, concert tickets and more.

Enter daily at [60DaysofWINTER.com](https://www.southdakotalottery.com/60DaysofWINTER.com)

Must be 18 to play. Please play responsibly.



Other Winter Initiatives

- \$600,000 Cash Spectacular
- Responsible Gambling
- Mega Millions

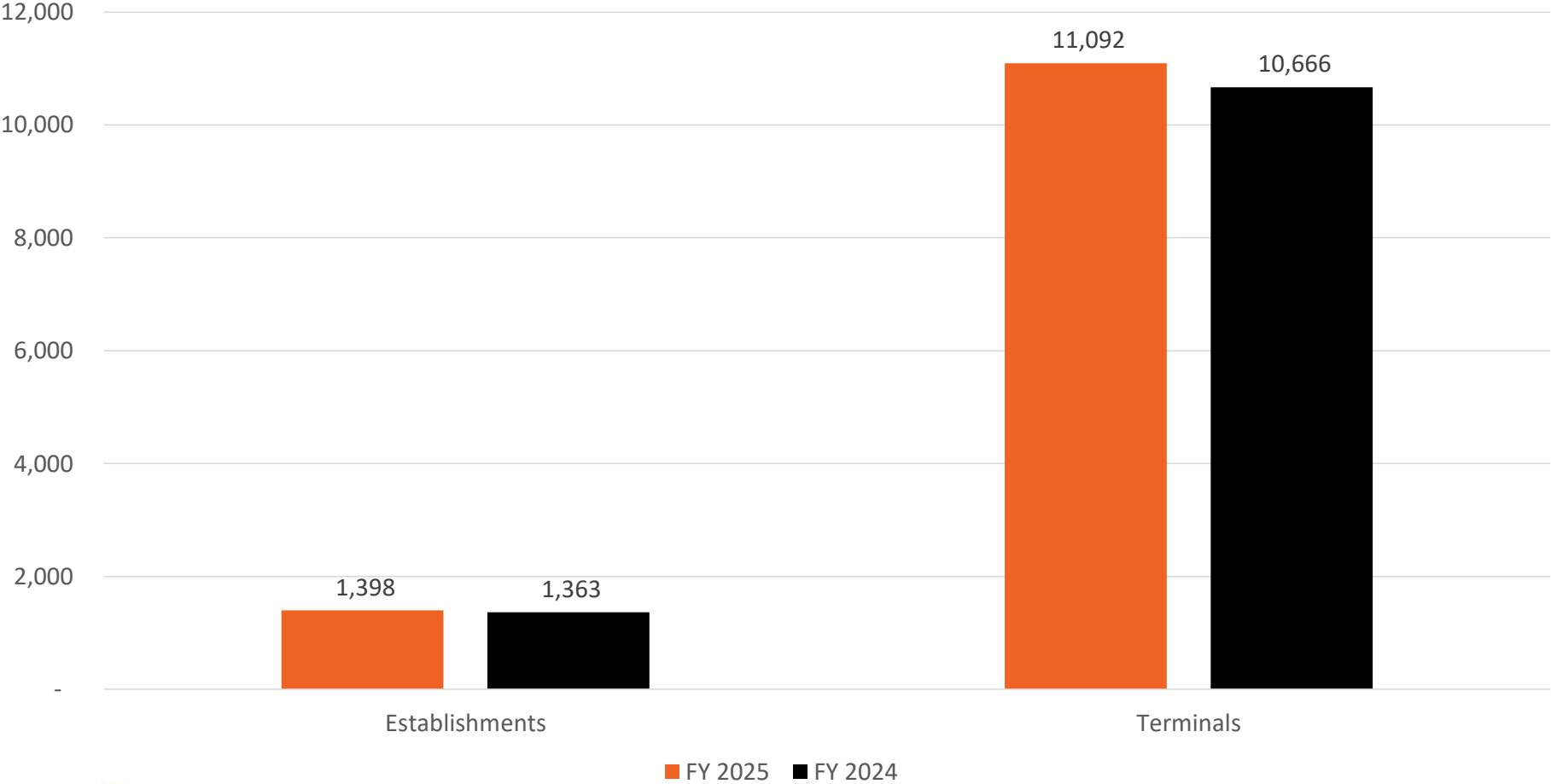


Video Lottery Report



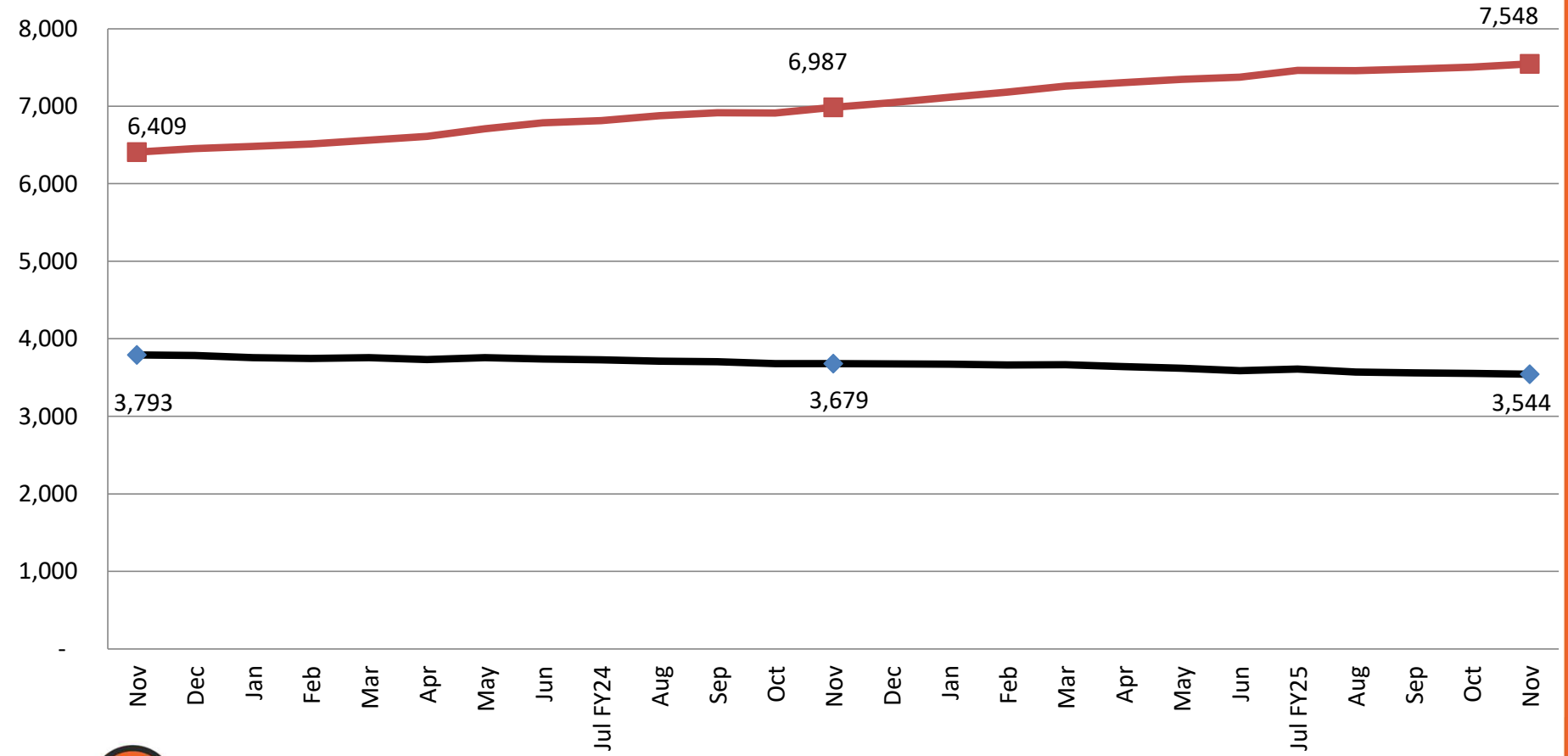
A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE

Number of Terminals and Establishments as of December 30, 2024



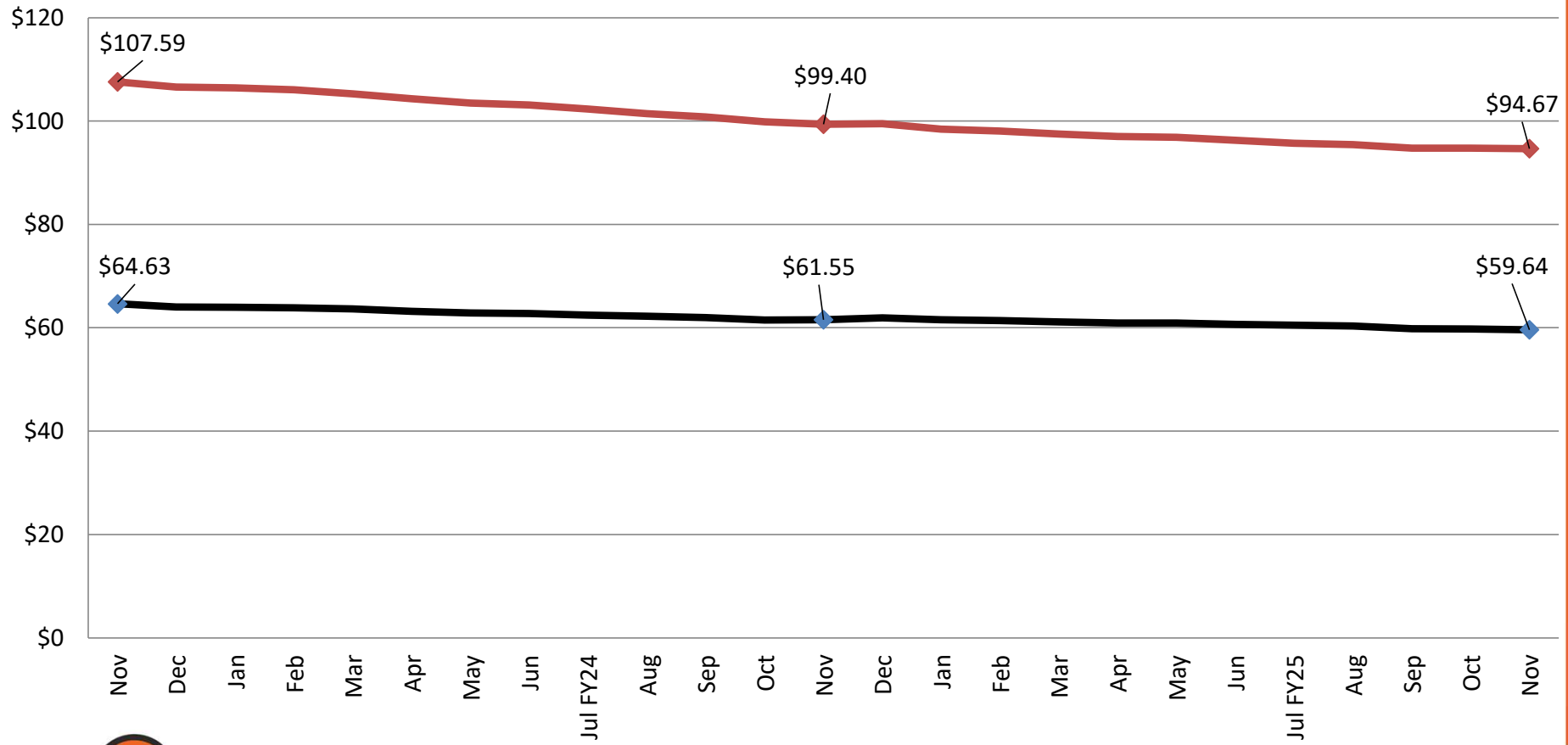
Terminal Counts - Legacy vs. Line

Legacy Machines Line Machines



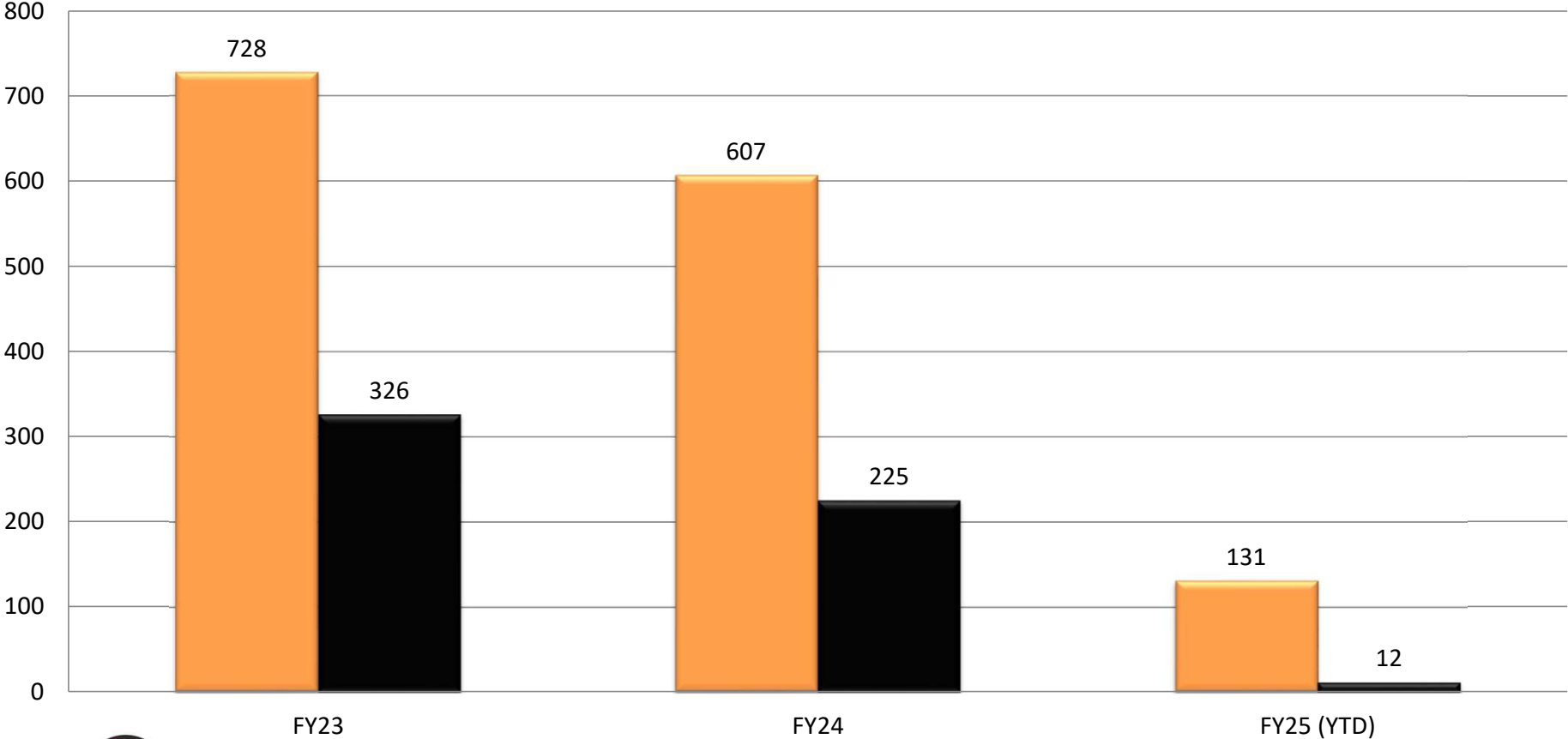
NMI/Terminal/Day - Legacy vs. Line

— Legacy NMI per Machine per Day — Line NMI per Machine per Day

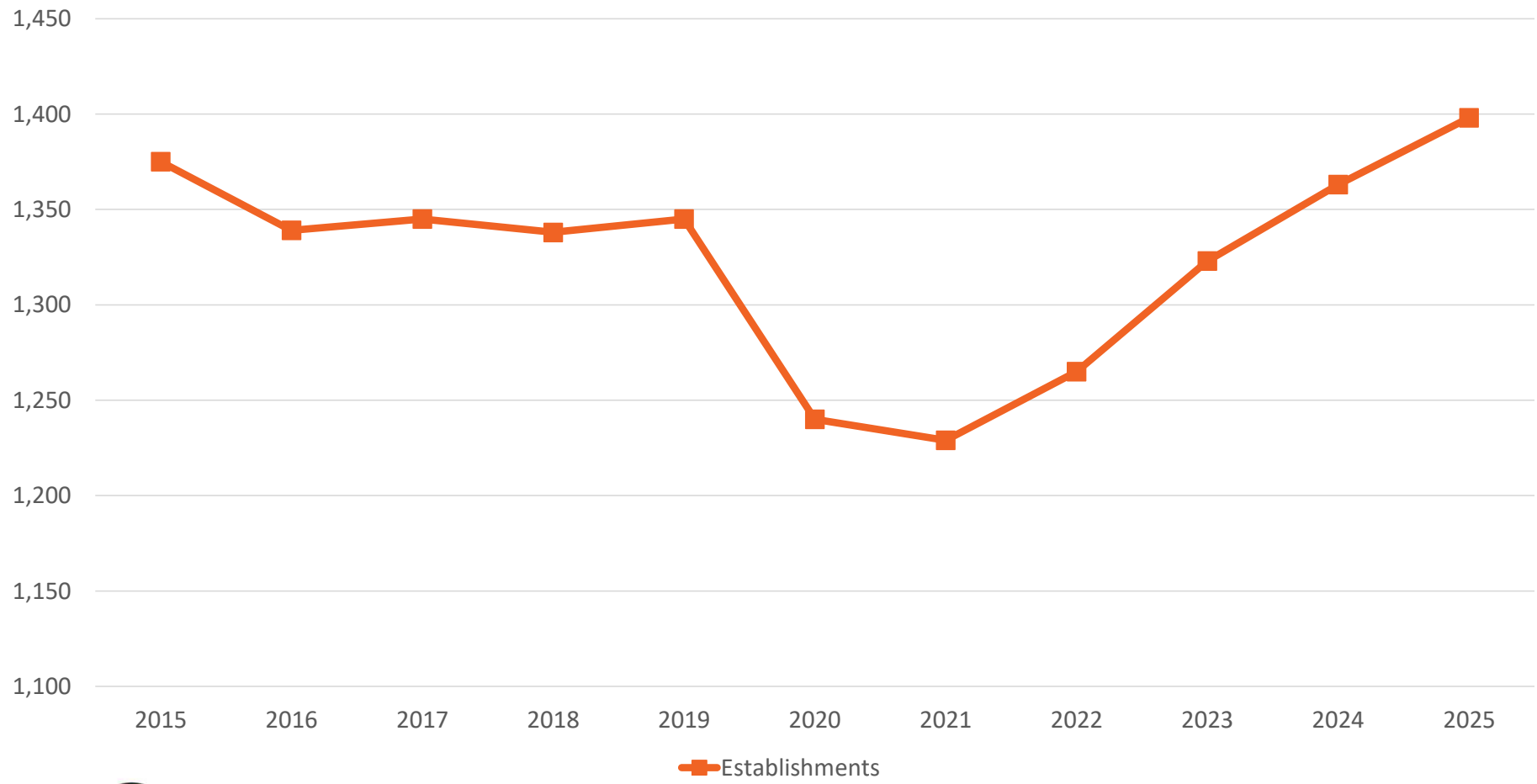


New & Destroyed Terminals

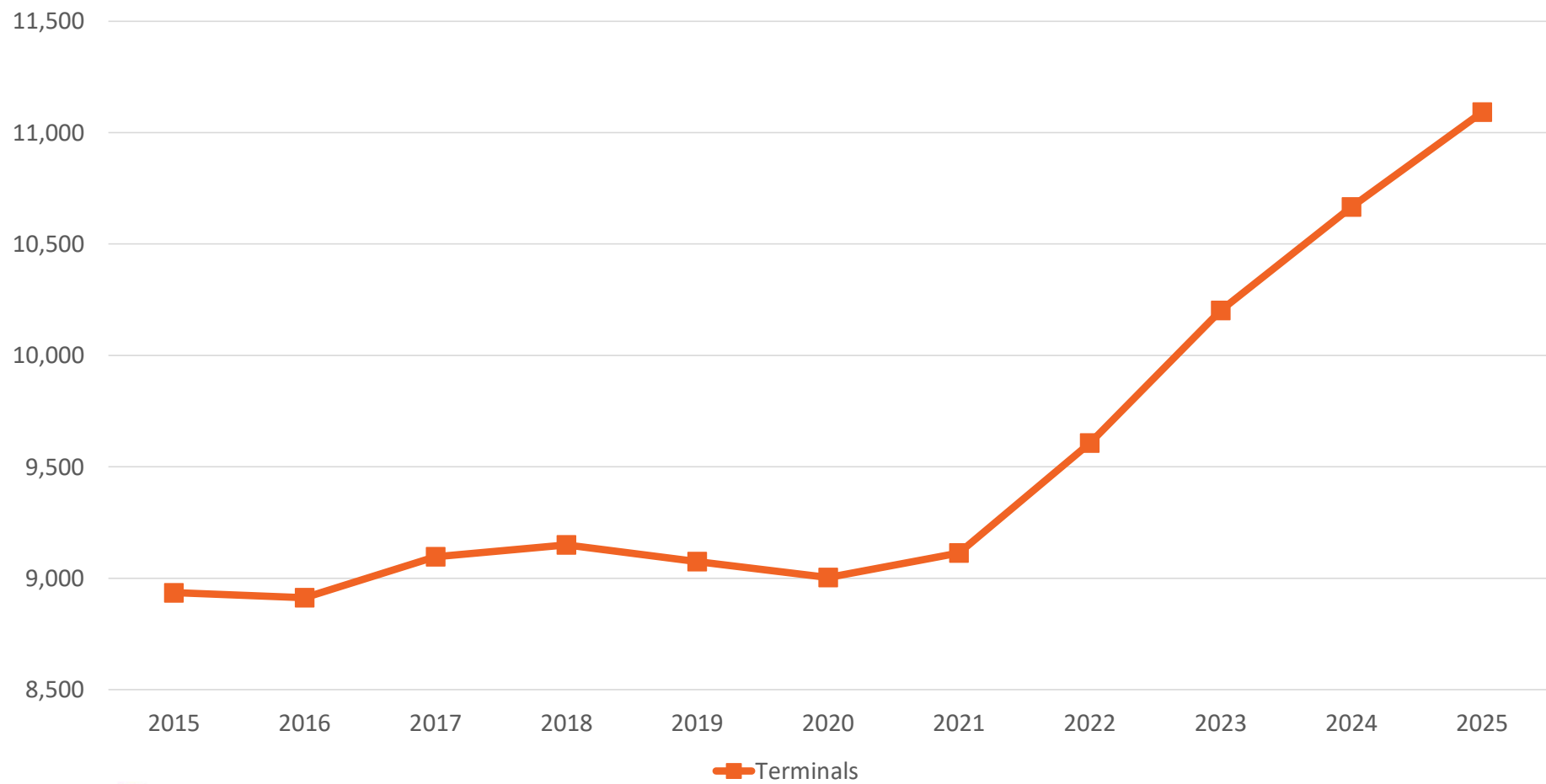
■ New ■ Destroyed



Establishments



Terminals





SOUTH DAKOTA
LOTTERY™