

Progress Report

2016

financial highlights

In the fiscal year 2016, the West Virginia Lottery

- exceeded the \$1 billion mark in sales for the 14th consecutive year with sales of more than \$1.14 billion.
- transferred more than \$501.3 million to the State of West Virginia.
- transferred \$79 million for senior citizens, \$84.2 million for education, \$58.7 million for tourism, \$94.1 million to the State's General Fund, \$43.3 million to the Infrastructure Council, and \$101.7 million to other state agencies.
- transferred \$29 million to the PROMISE Scholarship Fund.
- paid a total of \$29.8 million to county and local municipalities across the State from gaming revenue.
- awarded players a total of \$88.9 million in traditional lottery prizes.
- saw an increase in Facebook fans of 21,665 people.
- kept operating costs under 2.9 percent.

table of contents

Our Commission 1

Our Leadership 2

State Parks and Tourism 3-4

Schools And Education 5-6

Senior Citizens 7-8

Traditional Games 9-10

Promotions and Advertising 11

Traditional Sales By County 12

Traditional Retailers 13-14

Video, Racetrack And
Table Games 15-16

Limited Video County Sales 17

Fiscal Year Revue 18

Sales By Product 19

Ten Year Revenue 20



commission



Left to Right: Douglas Bicksler, CPA, David McCormick, Jr, Roy Shrewsbury, II, Michael Adams, Esq., William Clayton, Vice Chairman and Kenneth Greear, Chairman

The Commission was created in 1985 to assist and advise the Director of the Lottery, and to carry on a continuous study of West Virginia Lottery operations throughout the state. Members are appointed by the Governor with the approval of the Senate. In accordance with state law, the Lottery Commission is required to have seven members comprised of a lawyer, a certified public accountant, a computer expert, a marketing specialist, and one member with not less than five years experience in law enforcement. An additional two members represent the “public at large.” No more than four members may be from the same political party. Unless filling an unexpired appointment, members serve overlapping terms of five years and are eligible for successive appointments to the Commission.

leadership



I am humbled by the opportunity to serve the people of West Virginia as Lottery Director, and honored to be able to present the West Virginia Lottery’s 2016 Progress Report.

The West Virginia Lottery’s mission to operate responsibly with the highest standards of integrity have helped to provide an important revenue stream for programs that benefit the citizens of West Virginia for more than 30 years.

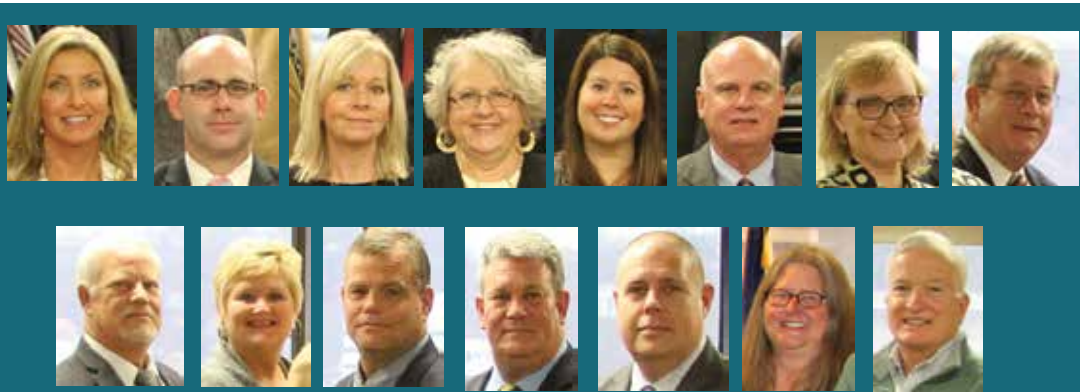
Since inception, the Lottery has generated more than \$9 billion in gaming revenue for the State of West Virginia with the majority of proceeds going to education, seniors and tourism. Education has received more than \$3 billion in net lottery profits, more than \$1.1 billion has been invested in senior services, and more than \$979.3 million has helped the state’s tourism industry.

Despite the challenges that come with an ever-changing gaming industry, West Virginia Lottery sales exceeded the \$1 billion mark, for the 14th consecutive year in fiscal year 2016, with sales totaling more than \$1.14 billion. This resulted in a cash transfer of more than \$501.3 million to the State of West Virginia for the year ending on June 30, 2016.

The Lottery’s fiscal year-end performance is a direct result of the diligence and hard work of our Lottery employees, licensed retailers and operators, casinos, and the Lottery players who collectively make all of our accomplishments possible.

Alan H. Larrick
Director

senior management



June Somerville, Attorney; Patrick Clark, Compliance Officer; Kim Lamb, Legal Assistant; Terri Martin, Human Resources Manager; Danielle Boyd, Managing General Counsel; Dean Patrick, Lottery Chief Accountant; Tacy Donovan, Deputy Director of Video; Keith Morgan, Deputy Director of Internet Technology.

Ray Moore, Deputy Director, Security; Robin Graley, Administrative Secretary; David Bradley, Deputy Director of Table Games; Tommy Young, Deputy Director of Marketing; James Cox, Deputy Director of Licensing; Sandy Bale, Senior Analyst; David Oliverio, Facility Manager.

state parks and tourism



West Virginia's scenic natural beauty, and wide-range of outdoor activities, attracts visitors from around the world. Since 1994, more than \$209 million in revenue generated by Racetrack Video Lottery has been directed to advertising funds for the state tourism industry through a matching grants program established with the West Virginia Division of Tourism. In addition, Lottery revenue appropriated from other gaming sources is used to help the Division of Tourism, the Division of Natural Resources and the State Park Improvement Fund. In FY 2016, \$16.2 million in lottery proceeds were directed to tourism related areas, bringing the total amount of Lottery proceeds invested into the state's tourism industry to \$979 million.



More than \$979 Million to State Parks and Tourism Since 1986.



Proceeds

SUCCESS
STORY

Adventures on the Gorge

There is no question that West Virginia's natural beauty, and the variety of outdoor activities offered here, make West Virginia a great tourist destination. Whitewater rafting, skiing and snow activities, mountain biking, hunting and fishing, bus tours, dinner cruises, and sightseeing tours all draw tourists to our beautiful state, but it takes advertising to get the word out.

"Thanks to proceeds from the West Virginia Lottery, we have the marketing dollars we need to reach potential visitors with our marketing message," says Dave Arnold of Adventures on the Gorge. "Our business has grown by leaps and bounds over the last few years. That success is due in no small part to our ability to advertise and the Lottery proceeds make it possible for us to advertise, and draw more visitors to our state."

Proceeds from the West Virginia Lottery are used to fund an innovative matching advertising grants program for West Virginia tourism destinations, attractions, fairs and festivals, and outfitters like Adventures on the Gorge. Lottery proceeds help showcase West Virginia to the world, and bring millions of tourists to our State. These visitors make a significant economic impact, and studies show that for every \$1 spent on tourism marketing more than \$7 is returned to the state in the form of increased tax revenue.

"Without the Lottery proceeds to help fund our advertising efforts, we might not be in business," Arnold said. "We certainly would not be making the investments in our business that we are, like our new conference center, without them. Tourism in West Virginia owes it's success, in no small part, to proceeds from the West Virginia Lottery."



Dave Arnold
Senior VP of Public Relations & Strategic Partnerships
Adventures on the Gorge



education

West Virginia Lottery proceeds improve the educational experience of West Virginia students from pre-school through their college years. Since 1986, West Virginia has invested more than \$3 billion from Lottery proceeds into education. These proceeds have significantly improved West Virginia's public education system by allowing for new school construction, and renovations, through the State School Building Authority. Lottery proceeds also help support Higher Education, and Community and Technical College bonds. Lottery generated dollars have placed computers and upgraded technology in classrooms across the State through the West Virginia Department of Education, and have helped provide higher education opportunities to our best and brightest students through the PROMISE Scholarship Program.



PROMISE Scholarships

West Virginia's high school seniors entering colleges and universities across the State benefit from lottery dollars through the PROMISE Scholarship Fund. In FY 2016, approximately \$29 million from Limited Video Lottery revenue was directed to help the PROMISE program reward West Virginia's best and brightest students with the opportunity to attend an in-state college or university. Since 2002, the West Virginia Lottery has provided \$370.5 million to the PROMISE Scholarship Program and in turn given thousands of West Virginians a college education.



50,000 PROMISE Scholarships awarded since 2002.

More than \$3 Billion to Schools and Education since 1986



Proceeds

SUCCESS
STORY

edgewood elementary



"Wow! They couldn't have done anything better," exclaimed the students according to Ashley Grogg, Assistant Principal of Edgewood Elementary School, as they walked through the doors on the first day in their new, state-of-the-art school. "Our custom-made mosaic art piece with tiles designed by students and teachers, along with a kaleidoscope effect from sky lights and ribbon, offer a breathtaking experience that makes everyone say wow as they enter the building".

The modern Edgewood Elementary came about from the consolidation of Watts Elementary and J.E. Robins Elementary, two historic schools in Kanawha County. Edgewood Elementary is not only visually stunning, but designed so that even the structure provides a unique learning experience. The students learn and participate in managing the innovative systems that have been utilized throughout this eco-friendly building. Students learn about natural lighting and ventilation systems, while also recycling, and monitoring CO2 levels and solar energy processes. Students have access to 1:1 technology, high quality teachers, and a blended learning experience.

West Virginia Lottery proceeds are used to support West Virginia School Building Authority bonds and make new schools, like Edgewood Elementary, a reality.



Ashley Grogg
Assistant Principal
Edgewood Elementary School

The School Building Authority is funded annually by the West Virginia Legislature using a portion of the General State Revenue, Lottery Funds, and Excess Lottery Funds.

The West Virginia Lottery partners with the School Building Authority to provide over \$3,200,000,000 (billion) in funding for construction projects across all 55 counties in West Virginia.



senior citizens

West Virginia Lottery proceeds improve the quality of life of our seniors. Since 1986, the Lottery has generated more than \$1.1 Billion in proceeds that have helped the West Virginia Bureau of Senior Services meet the nutritional, health, and long-term care needs of tens of thousands of West Virginia senior citizens. Lottery dollars are used to help provide more than two million meals annually at county nutrition sites and homes statewide. The funding also is used for senior centers, transportation needs, care giving, matching Medicaid funding for senior services, and to fund a property tax credit for seniors. Overall, West Virginia senior citizens benefited from an estimated \$79 million in Lottery revenue in FY 2016.

More than \$1.1 Billion in proceeds to senior citizens since 1986.



Proceeds

SUCCESS
STORY

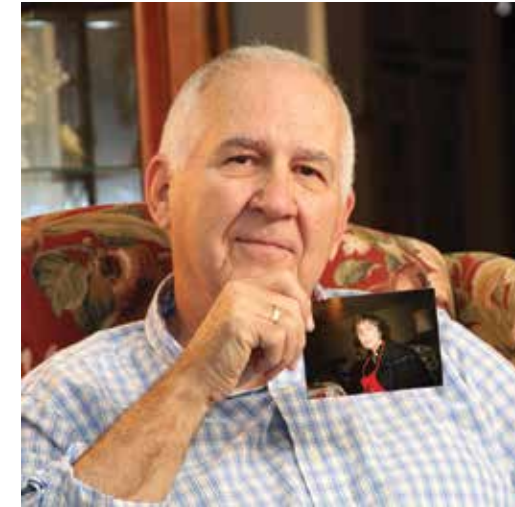
Lincoln County Senior Citizens

FAIR Program

"I am dedicated to her," said David Burch about his wife Paula.
"She is the love of my life."

The two were high school sweethearts that built their lives together. Unfortunately, Paula now suffers from Alzheimer's Disease and needs around-the-clock care.

"I am Paula's sole care giver, except for when Rose comes to the house for five hours a day, three days a week, so I can go to the grocery store or go exercise." Rose works for the FAIR Program offered through the West Virginia Bureau of Senior Services. The FAIR (Family Alzheimer's In-Home Respite) Program is funded by Lottery proceeds, and is available in every county of West Virginia. The program gives family caregivers the time to do things most of us take for granted—run errands, keep appointments, visit family and friends, shop for groceries, or even take a nap. "Paula needs constant care. Rose has been a godsend".



Lighthouse Program

"Lianne is the sunshine in my day," said Gilda Hall Robinson, known as Ms. Gilda to her friends. Lianne is a caregiver for, Lighthouse, a program provided by the West Virginia Bureau of Senior Services. The Lighthouse Program, available in each county, is funded by West Virginia Lottery proceeds, and provides support in four areas: personal care, mobility, nutrition, and housekeeping. "My mind is still sharp, but my mobility has gone out the window. If not for Lianne, I would not be able to stay in my home where my 10 grandchildren can visit, and we can all feel comfortable. Thank goodness for Lighthouse and my sunshine Lianne."



traditional games



\$50,000*
DIAMONDS



The West Virginia Lottery offers an array of instant and on-line games that are available for sale at more than 1,496 retail locations across the State.

The West Virginia Lottery introduced 55 new instant games during fiscal year 2016 and those games were responsible for approximately nine percent of total fiscal year sales, bringing in \$102.5 million in sales.

On-line games include the in-state drawing games of Daily 3, Daily 4 and Cash 25. They also include the popular multi-state games of Powerball®, Mega Millions® and Hot Lotto® as well as West Virginia's Travel Keno product that is restricted to lottery retailers with specific types of ABCA licenses. The most popular of these games is Powerball® which accounted for \$46.5 million in sales in FY 2016.

Scratchoffs
INSTANT GAMES

Instant Game sales for FY 2016 totaled more than \$102.5 million which was 54.5% of traditional Lottery sales.

MEGA MILLIONS

Mega Millions® sales for FY 2016 was more than \$12.0 million which accounted for 6.4% of traditional Lottery sales.

Cash 25

Cash 25 sales for FY 2016 totaled more than \$5.1million which was 2.7% of traditional Lottery sales.

HOT LOTTO SIZZLER

HOT LOTTO SIZZLER® sales for FY 2016 was \$4.8 million which accounted for 2.5% of traditional Lottery sales.

WEST VIRGINIA
POWERBALL
POWERPLAY

POWERBALL® sales for FY 2016 totaled \$46.5 million which represented 24.7% of total traditional Lottery sales.

Daily 3

Daily 3 sales for FY 2016 totaled \$8.2 million which accounted for 4.3% of traditional Lottery sales.

Daily 4

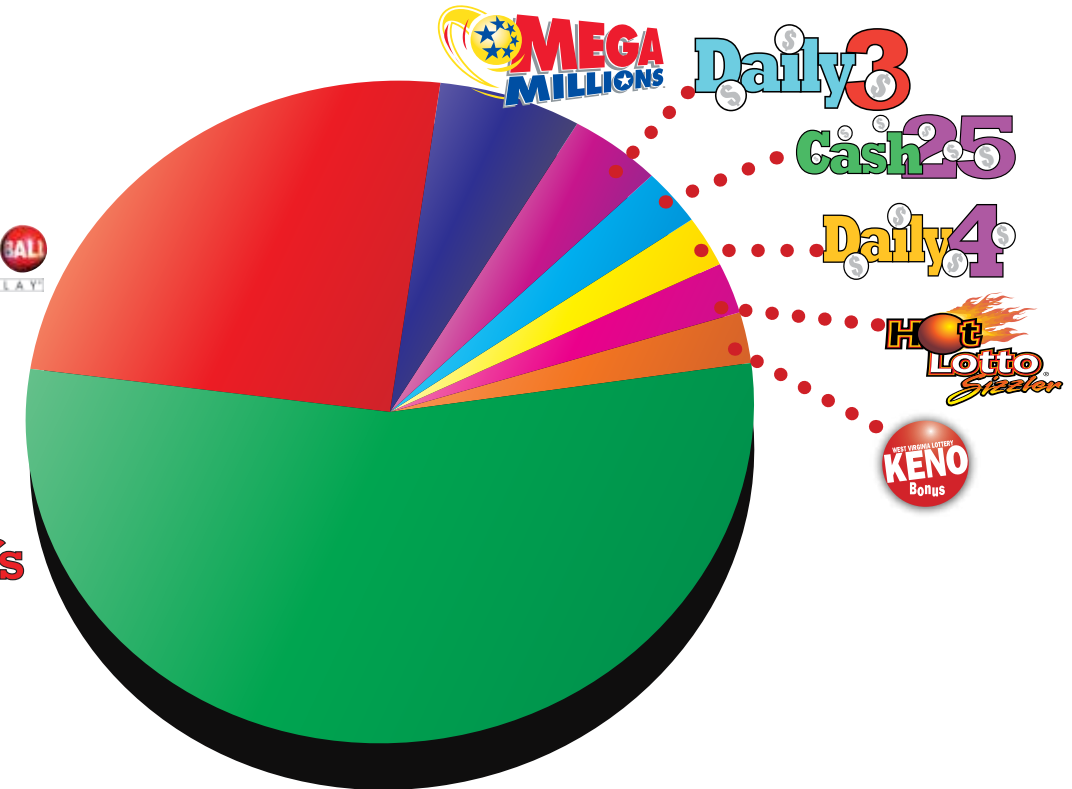
Daily 4 sales for FY 2016 totaled more than \$4.9 million which was 2.6% of traditional Lottery sales.

KENO Bonus

Travel Keno sales for FY 2016 totaled more than \$4.1 million was 2.2% of traditional Lottery sales.

WEST VIRGINIA
POWERBALL
POWERPLAY

Scratchoffs
INSTANT GAMES





Promotions

The West Virginia Lottery marketing team plans and executes a wide range of special promotions at events across the state each year to increase awareness and support our local communities.

The Lottery sponsors the Upper Ohio Valley Italian Festival in Wheeling, the West Virginia Italian Heritage Festival in Clarksburg, the Apple Butter Festival in Berkeley Springs, the Forest Festival in Elkins, Chili Fest and Dawg Dazzle in Huntington, the West Virginia International Auto Show in Charleston, the State Fair in Fairlea, and multiple other events around the state.

The Lottery also sponsors and conducts special promotions at sporting events and concerts across the State. The Lottery is a proud sponsor of WVU and Marshall University Athletics, West Virginia Power and West Virginia Black Bears Baseball, the Wheeling Nailers Hockey, multiple in-state road races and walks, the West Virginia Symphony Orchestra, and other special events.

In addition, the Lottery works with retailers all over the state to offer special retailer promotions year-round that further increases top of mind awareness about the Lottery and the products we offer.

Advertising

Advertising is key in getting the word out about our Lottery games. The Lottery utilizes TV, radio, newspaper, internet and outdoor ads to promote our games.

“We Love to Play” was the theme of one of our campaigns this past year, and it emphasized the love the people of West Virginia have for fun activities, including playing the Lottery. The “We Love to Play” commercials were produced by an in-state production company, used West Virginia talent, and were shot at various locations in West Virginia.



Facebook Community

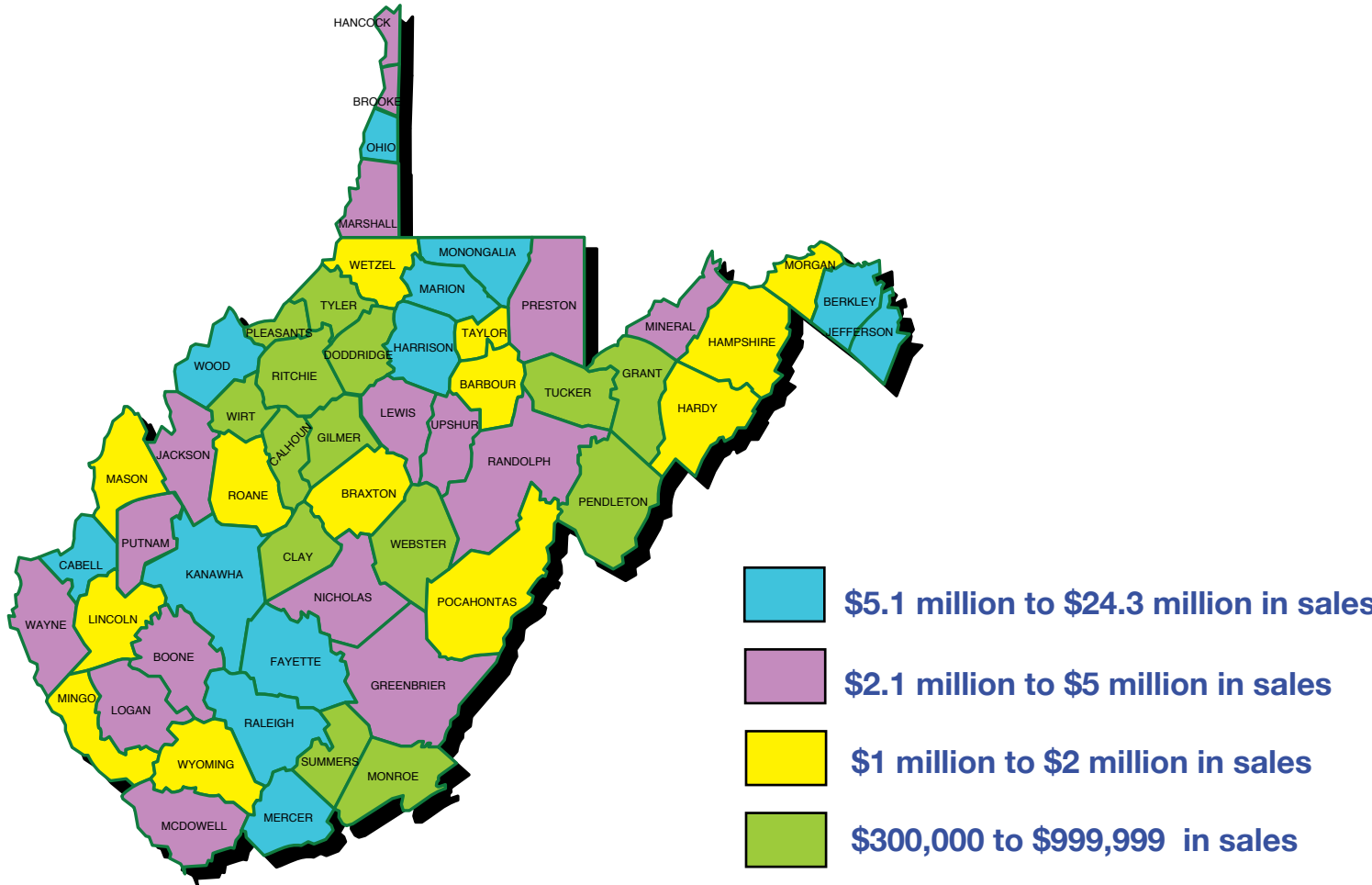


The West Virginia Lottery saw significant growth in its Facebook presence in FY 2016 and ranks among the fastest growing U.S. Lottery Fan pages.

More than 21,600 West Virginians joined the West Virginia Lottery Facebook Community in FY 2016, and the West Virginia Lottery’s enjoyed the largest percentage increase in fans of any U.S. Lottery on Facebook for the year. The Lottery’s Facebook reach now exceeds more than 100,000 people each month. A total of more than 46,000 West Virginians are fans of the West Virginia Lottery through the medium, and the West Virginia Lottery’s total number of fans ranks 28th among the 44 U.S. Lotteries presently on Facebook.

The Lottery uses this social media channel to not only deliver news and information directly to its players, but to answer questions, promote new games, raise awareness of the good causes that lottery proceeds support, and receive valuable feedback.

counties ranked by traditional lottery sales 2016



| | | | | | | | | |
|----|----------------|-----------------|----|----------------|----------------|----|--------------|----------------|
| 1 | Kanawha(168) | \$24,330,951.29 | 21 | Upshur(25) | \$2,738,698.30 | 41 | Lincoln(12) | \$1,033,604.43 |
| 2 | Berkeley(69) | \$10,640,534.38 | 22 | Mineral(25) | \$2,664,706.48 | 42 | Monroe(7) | \$985,841.21 |
| 3 | Raleigh(62) | \$9,807,235.32 | 23 | Lewis(23) | \$2,643,121.37 | 43 | Ritchie(7) | \$935,622.05 |
| 4 | Monongalia(75) | \$9,047,919.09 | 24 | Boone(30) | \$2,383,043.99 | 44 | Summers(7) | \$849,103.68 |
| 5 | Cabell(85) | \$8,607,574.62 | 25 | Marshall(18) | \$2,335,936.48 | 45 | Tyler(7) | \$825,080.13 |
| 6 | Wood(82) | \$8,307,751.53 | 26 | Mcdowell(13) | \$2,310,850.89 | 46 | Tucker(7) | \$812,945.91 |
| 7 | Harrison(74) | \$7,747,493.71 | 27 | Wayne(26) | \$2,271,005.72 | 47 | Clay(5) | \$790,649.61 |
| 8 | Marion(56) | \$6,578,403.21 | 28 | Brooke(20) | \$2,000,091.06 | 48 | Grant(7) | \$780,615.97 |
| 9 | Fayette(55) | \$5,935,678.27 | 29 | Barbour(13) | \$1,817,465.99 | 49 | Webster(4) | \$759,549.63 |
| 10 | Jefferson(41) | \$5,909,111.82 | 30 | Hampshire(13) | \$1,786,067.65 | 50 | Gilmer(6) | \$655,213.01 |
| 11 | Ohio(55) | \$5,872,985.53 | 31 | Hardy(11) | \$1,757,753.96 | 51 | Pleasants(6) | \$511,155.67 |
| 12 | Mercer(54) | \$5,816,967.40 | 32 | Braxton(14) | \$1,740,032.17 | 52 | Pendleton(7) | \$508,051.52 |
| 13 | Hancock(48) | \$4,991,167.58 | 33 | Wyoming(18) | \$1,709,343.52 | 53 | Calhoun(3) | \$411,403.56 |
| 14 | Greenbrier(44) | \$4,707,627.91 | 34 | Mason(21) | \$1,705,213.31 | 54 | Doddridge(3) | \$293,740.74 |
| 15 | Putnam(35) | \$4,540,570.57 | 35 | Wetzel(16) | \$1,583,878.09 | 55 | Wirt(2) | \$258,794.94 |
| 16 | Randolph(32) | \$4,214,001.61 | 36 | Mingo(17) | 1,331,723.26 | | | |
| 17 | Logan(44) | \$4,007,258.54 | 37 | Pocahontas(10) | \$1,313,576.16 | | | |
| 18 | Jackson(24) | \$3,248,630.50 | 38 | Morgan(9) | \$1,278,052.11 | | | |
| 19 | Preston(30) | \$3,022,698.77 | 39 | Roane(6) | \$1,107,009.00 | | | |
| 20 | Nicholas(26) | \$2,882,035.45 | 40 | Taylor(8) | \$1,095,946.32 | | | |

* Number in parenthesis () represents the number of retailers per county

traditional retailers



The West Virginia Lottery has nearly 1,500 retailers who are vital to the Lottery's success, and serve as the “face” of the Lottery to our players.

When a customer walks into a store to buy a lottery ticket, they are not greeted by Lottery employees, but by store clerks who are at the point of sale. Those contacts and the resulting sales are pivotal to the Lottery meeting its obligations to the State.

The Lottery, through our vendor IGT, uses a network of sales representatives that visit every retailer in the state on a regular basis and works to train and assist retailers in regards to lottery products and sales. Just like all products in the retail environment, lottery tickets require good placement and support in order to sell.

FY 2016 Traditional Retailer Commissions and Bonuses By County



**\$14,079,620 Paid to
“Traditonal” Lottery Retailers
In Commissions
and Bonuses
in FY 2016!**

| | | | |
|------------|--------------|------------|------------|
| Barbour | 136,565.36 | Mineral | 197,506.57 |
| Berkeley | 789,882.20 | Mingo | 100,530.22 |
| Boone | 180,006.05 | Monongalia | 672,028.54 |
| Braxton | 131,577.06 | Monroe | 73,682.63 |
| Brooke | 148,818.44 | Morgan | 96,250.30 |
| Cabell | 643,608.26 | Nicholas | 213,891.84 |
| Calhoun | 30,865.01 | Ohio | 433,381.95 |
| Clay | 59,965.83 | Pendleton | 38,550.90 |
| Doddridge | 22,329.09 | Pleasants | 37,886.05 |
| Fayette | 449,033.88 | Pocahontas | 97,885.56 |
| Gilmer | 48,414.77 | Preston | 226,812.16 |
| Grant | 58,590.59 | Putnam | 334,887.02 |
| Greenbrier | 355,523.95 | Raleigh | 738,474.23 |
| Hampshire | 133,574.46 | Randolph | 320,478.79 |
| Hancock | 381,710.41 | Ritchie | 70,694.45 |
| Hardy | 131,160.90 | Roane | 83,498.10 |
| Harrison | 583,317.02 | Summers | 64,487.90 |
| Jackson | 239,857.58 | Taylor | 82,890.96 |
| Jefferson | 439,807.49 | Tucker | 60,835.60 |
| Kanawha | 1,809,720.68 | Tyler | 62,085.62 |
| Lewis | 197,201.84 | Upshur | 206,355.43 |
| Lincoln | 77,751.05 | Wayne | 168,059.80 |
| Logan | 300,002.88 | Webster | 57,277.78 |
| Marion | 493,821.68 | Wetzel | 117,814.56 |
| Marshall | 173,857.83 | Wirt | 18,967.42 |
| Mason | 127,371.12 | Wood | 620,857.14 |
| McDowell | 173,513.03 | Wyoming | 128,569.59 |
| Mercer | 437,131.16 | | |

Retailer commissions and bonuses paid to Traditional Lottery Retailers for selling and cashing prizes of Instant tickets and On-line games including Powerball, Mega Millions, Hot Lotto, Cash 25, Daily 3 and Daily 4. *Sales weighted based on Lottery audited figures.

top 100 traditional retailers fy 2016

| Retailer | City | Lottery Sales | Retailer | City | Lottery Sales |
|---------------------------|------------------|---------------|------------------------------|------------------|---------------|
| 1 Welch Bantam Market | Welch | \$885,212 | 51 Little General #2075 | Beckley | \$313,661 |
| 2 Go Mart #90 | Elkins | \$646,950 | 52 Little General #2390 | Beckley | \$313,137 |
| 3 Lynn's Self Serv | Elkins | \$612,526 | 53 7-Eleven #28316A | Charles Town | \$310,847 |
| 4 Charleston Town Center | Charleston | \$598,270 | 54 Sheetz #425 | Martinsburg | \$308,087 |
| 5 Giant Eagle #59 | Morgantown | \$564,251 | 55 Circle K #4000 | Morgantown | \$307,176 |
| 6 Cheaper Cigs #4 | Huntington | \$483,902 | 56 Sheetz #220 | Martinsburg | \$307,002 |
| 7 One Stop #101 | South Charleston | \$466,726 | 57 Go Mart #98 | Lewisburg | \$306,247 |
| 8 Neely's Grocery | Wheeling | \$446,611 | 58 Go Mart #82 | Fairmont | \$302,618 |
| 9 Kroger #803 | Weirton | \$427,697 | 59 Go Mart #40 | Sophia | \$301,423 |
| 10 Co Mac #1 | Beckley | \$424,475 | 60 Sheetz #137 | Kearneysville | \$300,605 |
| 11 Mountaineer Rocs | Martinsburg | \$423,382 | 61 Go Mart #93 | Hinton | \$300,341 |
| 12 7-Eleven #17109H | Keyser | \$419,723 | 62 Go Mart #02 | Webster Springs | \$300,223 |
| 13 Kimble's Bp | Moorefield | \$419,056 | 63 Par Mar #16 | Saint Albans | \$299,861 |
| 14 7-Eleven #2531/28310B | Hedgesville | \$404,939 | 64 Inwood Bp2 | Inwood | \$299,623 |
| 15 Shop & Go #2 | Charleston | \$386,352 | 65 7-Eleven #35904H | Charleston | \$299,089 |
| 16 Giant Eagle #58 | Morgantown | \$384,005 | 66 Speedway #9222 | South Charleston | \$298,569 |
| 17 Curt's | Peterstown | \$380,875 | 67 Co Mac #2 | Oak Hill | \$298,089 |
| 18 Go Mart #67 | Princeton | \$377,742 | 68 7-Eleven #17704H | Inwood | \$295,919 |
| 19 Cargo Oil #1 | Powhatan | \$370,201 | 69 Go Mart #52 | Grafton | \$295,277 |
| 20 Little General #2480 | Beckley | \$368,975 | 70 Little General #2360 | Glen Daniel | \$293,584 |
| 21 Little General #4120 | Sissonville | \$365,605 | 71 Sheetz #241 | Martinsburg | \$293,574 |
| 22 Go Mart #32 | Saint Albans | \$362,190 | 72 Go Mart #92 | Gassaway | \$293,470 |
| 23 Go Mart #04 | Weston | \$361,362 | 73 Go Mart #24 | Charleston | \$292,672 |
| 24 Berkeley Springs Shell | Berkeley Springs | \$360,557 | 74 Par Mar #21 | Harrisville | \$291,102 |
| 25 State Fair Of Wv | Lewisburg | \$358,466 | 75 Shop Rite | Shady Spring | \$290,200 |
| 26 Little General #2240 | Princeton | \$356,388 | 76 Sheetz #275 | Morgantown | \$289,680 |
| 27 7-Eleven #10663A | Charles Town | \$353,861 | 77 Go Mart #79 | Sissonville | \$287,119 |
| 28 Kroger #755 | Morgantown | \$353,510 | 78 D J Rentals | Montgomery | \$285,511 |
| 29 Go Mart #20 | Nitro | \$349,621 | 79 Kroger #778 | Charleston | \$284,484 |
| 30 7-Eleven #35933H | Charleston | \$347,230 | 80 Go Mart #81 | Nutter Fort | \$284,383 |
| 31 Dave's Self Service | Gilbert | \$342,269 | 81 Go Mart #84 | Bridgeport | \$283,633 |
| 32 King Street Bp | Martinsburg | \$342,119 | 82 Go Mart #44 | Flatwoods | \$281,197 |
| 33 Fast Stop Food Mart #2 | Buckhannon | \$340,868 | 83 Sheetz #174 | Belington | \$280,537 |
| 34 Go Mart #77 | Rainelle | \$338,346 | 84 Sheetz #155 | Martinsburg | \$280,479 |
| 35 Go Mart #50 | Beckley | \$338,265 | 85 Little General #4200 | Spencer | \$279,666 |
| 36 Bourbon Street Cafe | Weirton | \$336,106 | 86 Old Berkeley News | Martinsburg | \$279,047 |
| 37 Speedway #3960 | Cross Lanes | \$334,110 | 87 Inwood Bp | Inwood | \$278,462 |
| 38 One Stop #111 | Charleston | \$333,275 | 88 Little General #2435 | Bradley | \$273,402 |
| 39 Charles Town Races | Charles Town | \$329,362 | 89 Falling Waters Exxon | Falling Waters | \$273,316 |
| 40 Moler Avenue Rocs | Martinsburg | \$326,575 | 90 Go Mart #61 | Saint Albans | \$273,259 |
| 41 Go Mart #73 | Parkersburg | \$323,670 | 91 Hage's Market | Ridgeley | \$272,521 |
| 42 Go Mart #37 | Grafton | \$321,890 | 92 Circle K #4001 | Morgantown | \$272,295 |
| 43 Quick Check | Oak Hill | \$321,340 | 93 Bigley Market | Charleston | \$272,093 |
| 44 Kroger #813 | Morgantown | \$319,894 | 94 Par Mar #23 | Fairmont | \$271,849 |
| 45 Go Mart #106 | Elkins | \$318,860 | 95 Rollins Market | Clarksburg | \$270,188 |
| 46 Go Mart #63 | Beaver | \$317,896 | 96 7-Eleven #2531/17703B | Martinsburg | \$269,215 |
| 47 Bob's Mini Mart | Mill Creek | \$317,334 | 97 Fast Break Marlinton | Marlinton | \$269,206 |
| 48 Spring Mills Bp | Falling Waters | \$315,657 | 98 Go Mart #107 | Mineral Wells | \$268,794 |
| 49 7-Eleven #2531/10670B | Martinsburg | \$314,922 | 99 Sheetz #144 | Moorefield | \$268,632 |
| 50 Go Mart #101 | Parkersburg | \$314,175 | 100 Ruff Creek Markets #1715 | Moundsville | \$268,610 |

Top Ten Chain Retailers

- | | |
|-----------------------------|-----------------------|
| 1 Go Mart 103 Stores | 6 One Stop 40 Stores |
| 2 Little General 106 Stores | 7 Par Mar 32 Stores |
| 3 7-Eleven 93 Stores | 8 Kroger 36 Stores |
| 4 Speedway 63 Stores | 9 ROCS 14 Store |
| 5 Sheetz 53 Stores | 10 Circle K 17 Stores |



video, racetrack and table games



HOLLYWOOD
Casino
AT CHARLES TOWN RACES



RACETRACK VIDEO LOTTERY games were implemented in 1994 when the West Virginia Legislature passed the Racetrack Video Lottery Act, making video lottery terminals available to the four racetracks in the state subject to passage of local referendums. In September 1994, three racetracks (Mountaineer Casino Racetrack & Resort, Wheeling Island Hotel, Casino & Racetrack, and Mardi Gras Casino & Resort) began operating with 1,200 video lottery machines. A fourth racetrack (Hollywood Casino at Charles Town Races) began video gaming in September 1997. Games offered are poker, blackjack, keno, and spinning reel types. Effective June 1999, legislative action has allowed mechanical reel coin drop machines. As of June 30, 2016, the West Virginia Lottery Commission had an average of 6,055 terminals available for play at the four racetracks in the state. Racetrack Video Lottery sales were 47.3 percent of total fiscal year 2016 sales.

LIMITED VIDEO LOTTERY games were approved by the Legislature in April 2001. The legislation provides up to 9,000 video lottery terminals to be placed in retailer locations with specific types of West Virginia Alcohol Beverage Control Administration licenses. The first terminals were enabled for play on December 17, 2001. A total of 6,306 terminals were operating at licensed retail locations throughout the state as of June 30, 2016. Limited Video Lottery sales were 31.7 percent of total fiscal year 2016 sales at 1,374 operating retailer locations.

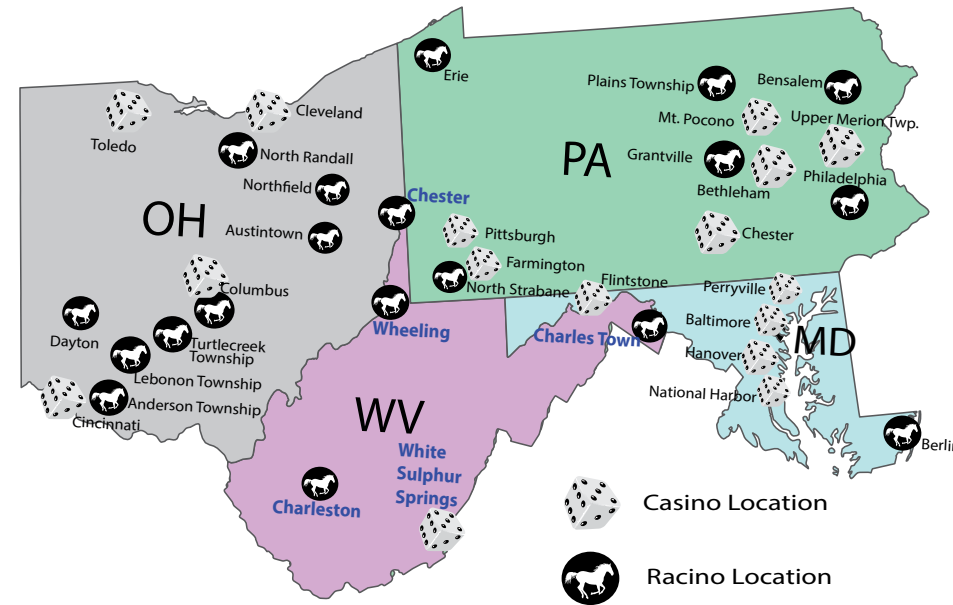


TABLE GAMES were implemented in fiscal year 2008 when the West Virginia Legislature passed the Racetrack Table Games Act, making table games available to the four racetracks in the state subject to passage of local referendums. In October 2007, two racetracks (Mountaineer Casino Racetrack & Resort and Wheeling Island Hotel, Casino & Racetrack) began operating with poker tables only and added full table games in December 2007. In August 2008, a third racetrack (Mardi Gras Casino & Resort) began operating with poker tables only and added full table games in October 2008. The fourth racetrack (Hollywood Casino at Charles Town Races) began operating full table games on July 1, 2010. Games offered are Poker, Blackjack, Caribbean Stud, Craps, Roulette, Three and Four Card Poker, and other miscellaneous games. Racetrack Table Games sales were 3.8 percent of total fiscal year 2016 sales.

HISTORIC RESORT implemented video lottery and table games in fiscal year 2010 when the West Virginia Legislature passed the Casino Act, which also required the passage of local referendum. In October 2009, The Greenbrier began operating both video lottery and table games. Table Games offered are Blackjack, Roulette and Three Card Poker.



Casino and Racino Locations in West Virginia and Bordering States



Competition From Bordering States

Ohio

Hollywood Columbus
Hollywood Toledo
Horseshoe Cincinnati
Scioto Downs
Thistle Down

Hard Rock Rocksino (Northfield Park)
Miami Valley Gaming (Lebanon)
Belterra Park
Hollywood Gaming Dayton
Hollywood Mahoning Valley

Pennsylvania

Mohegan Sun
Parx
Harrah's Philadelphia
Presque Isle
The Meadows
Mount Airy

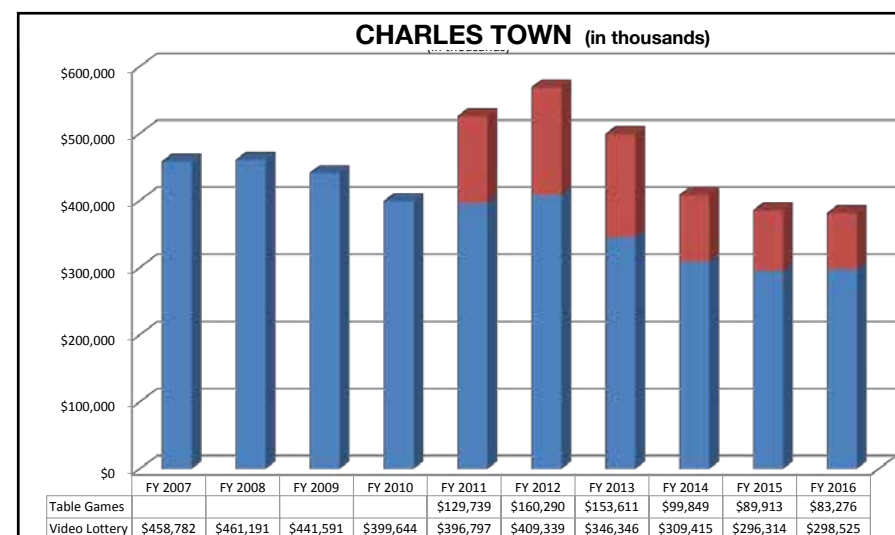
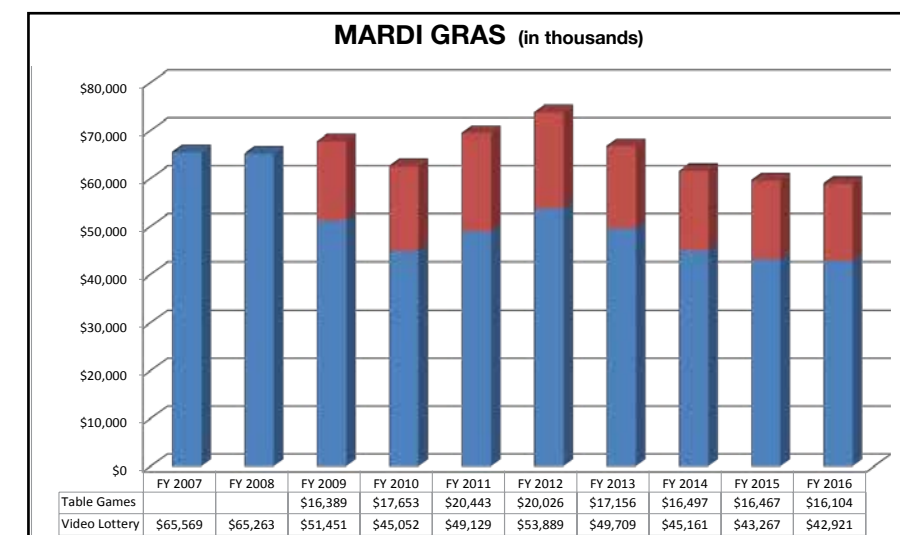
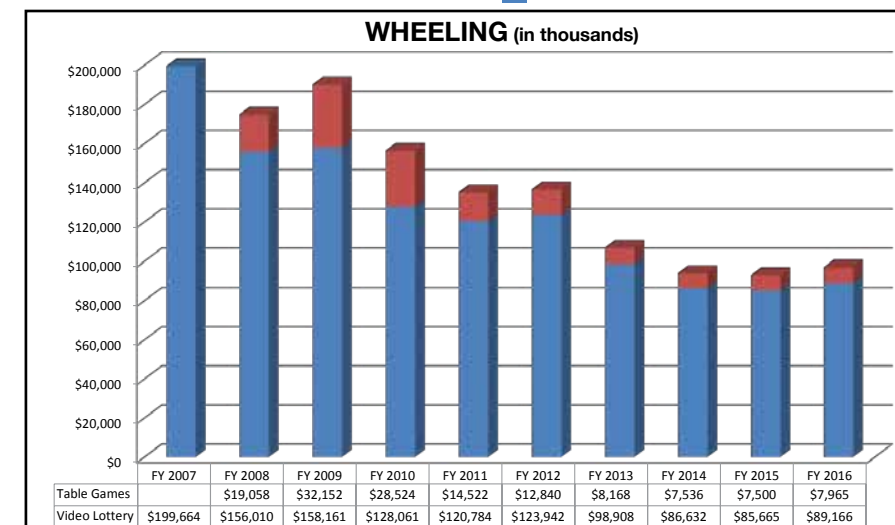
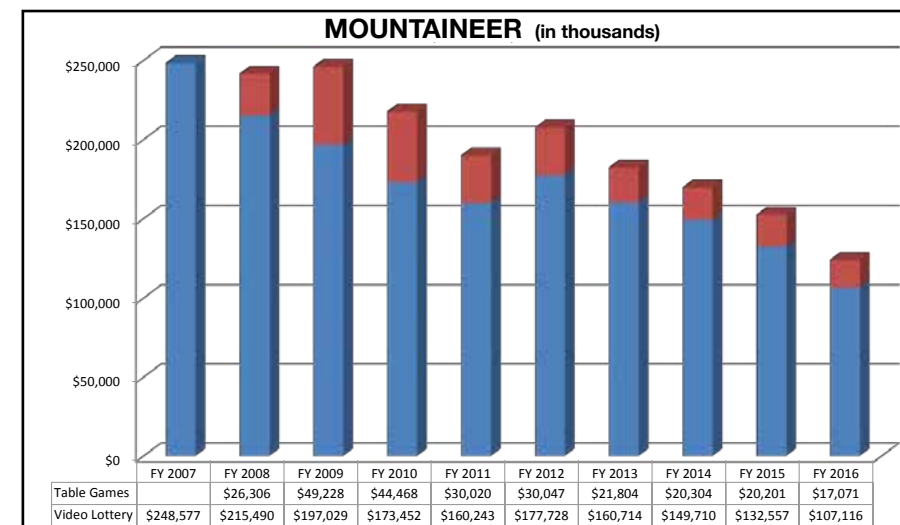
Penn National
Sands Bethlehem
The Rivers
SugarHouse
Valley Forge
Nemacolin

Maryland

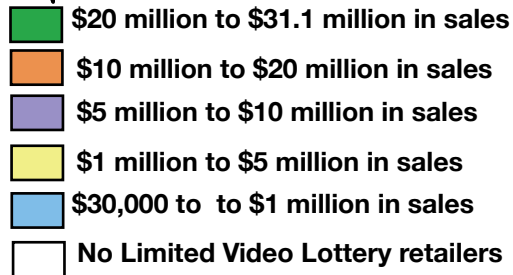
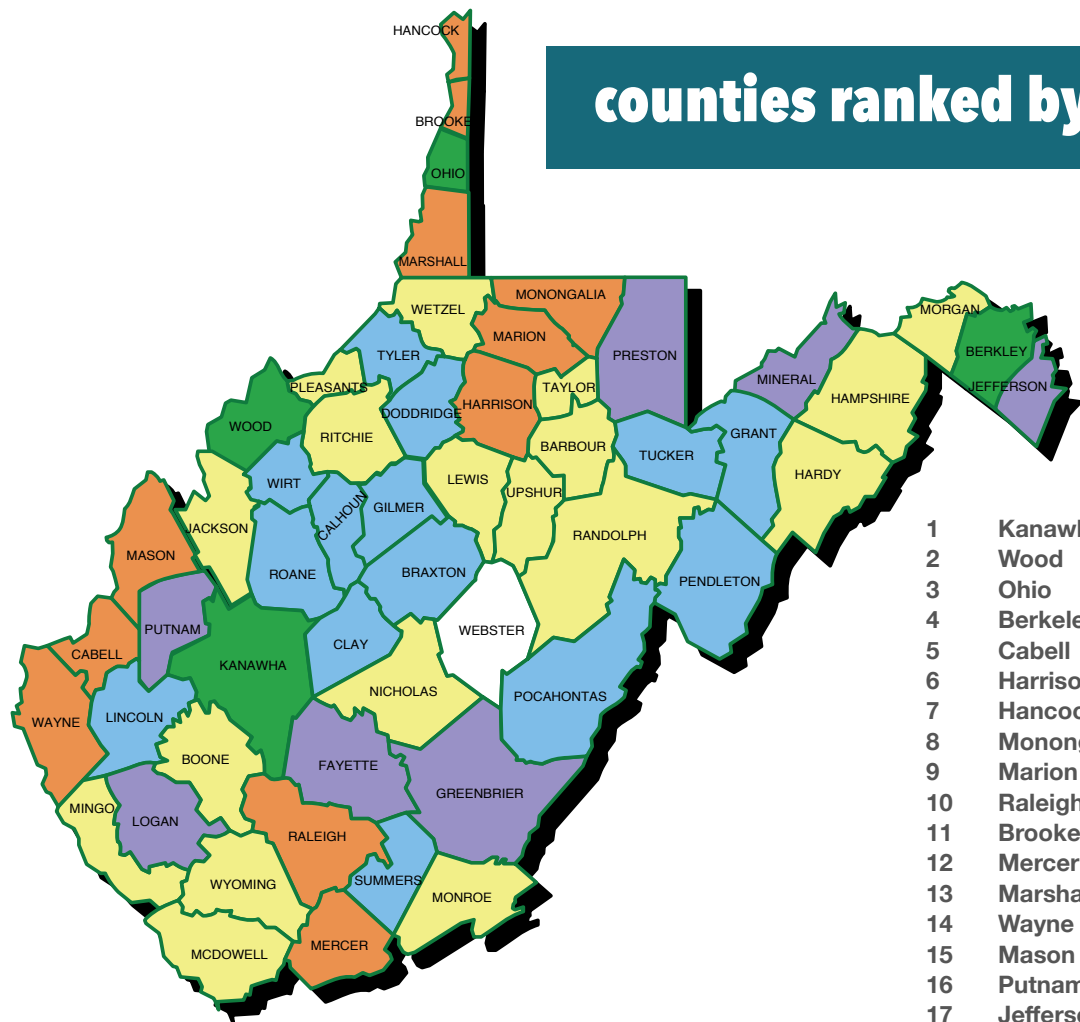
Hollywood Casino Perryville
Ocean Downs
Maryland Live

Rocky Gap
Horshoe Casino Baltimore
National Harbour

Ten Year Sales History For West Virginia Racetracks



counties ranked by limited video lottery sales



Fiscal Year 2016

| | | | | | |
|-------|------------|--------------|----|------------|---------------|
| 1 | Kanawha | \$30,880,187 | 29 | Nicholas | \$2,632,493 |
| 2 | Wood | \$28,296,163 | 30 | Hampshire | \$2,059,930 |
| 3 | Ohio | \$24,442,611 | 31 | Morgan | \$1,981,781 |
| 4 | Berkeley | \$22,483,759 | 32 | Taylor | \$1,751,684 |
| 5 | Cabell | \$19,544,011 | 33 | Hardy | \$1,626,865 |
| 6 | Harrison | \$17,794,591 | 34 | Mingo | \$1,364,531 |
| 7 | Hancock | \$16,728,539 | 35 | Monroe | \$1,363,083 |
| 8 | Monongalia | \$16,227,387 | 36 | McDowell | \$1,222,775 |
| 9 | Marion | \$15,000,748 | 37 | Wyoming | \$1,206,749 |
| 10 | Raleigh | \$14,672,417 | 38 | Pleasants | \$1,184,294 |
| 11 | Brooke | \$14,450,322 | 39 | Barbour | \$1,079,300 |
| 12 | Mercer | \$14,263,109 | 40 | Ritchie | \$1,055,133 |
| 13 | Marshall | \$11,434,781 | 41 | Tyler | \$832,578 |
| 14 | Wayne | \$11,053,709 | 42 | Lincoln | \$795,261 |
| 15 | Mason | \$10,025,200 | 43 | Braxton | \$681,651 |
| 16 | Putnam | \$9,196,631 | 44 | Clay | \$496,730 |
| 17 | Jefferson | \$6,675,839 | 45 | Summers | \$474,309 |
| 18 | Mineral | \$6,518,747 | 46 | Roane | \$417,113 |
| 19 | Preston | \$6,442,976 | 47 | Grant | \$322,548 |
| 20 | Greenbrier | \$6,277,967 | 48 | Wirt | \$213,261 |
| 21 | Logan | \$6,244,999 | 49 | Pendleton | \$199,541 |
| 22 | Fayette | \$5,436,357 | 50 | Doddridge | \$196,305 |
| 23 | Wetzel | \$4,937,068 | 51 | Gilmer | \$102,942 |
| 24 | Randolph | \$4,362,066 | 52 | Pocahontas | \$72,422 |
| 25 | Upshur | \$3,869,076 | 53 | Calhoun | \$44,431 |
| 26 | Jackson | \$3,748,822 | 54 | Tucker | \$22,745 |
| 27 | Lewis | \$3,413,458 | 55 | Webster | \$- |
| 28 | Boone | \$2,992,343 | | | |
| TOTAL | | | | | \$360,814,338 |

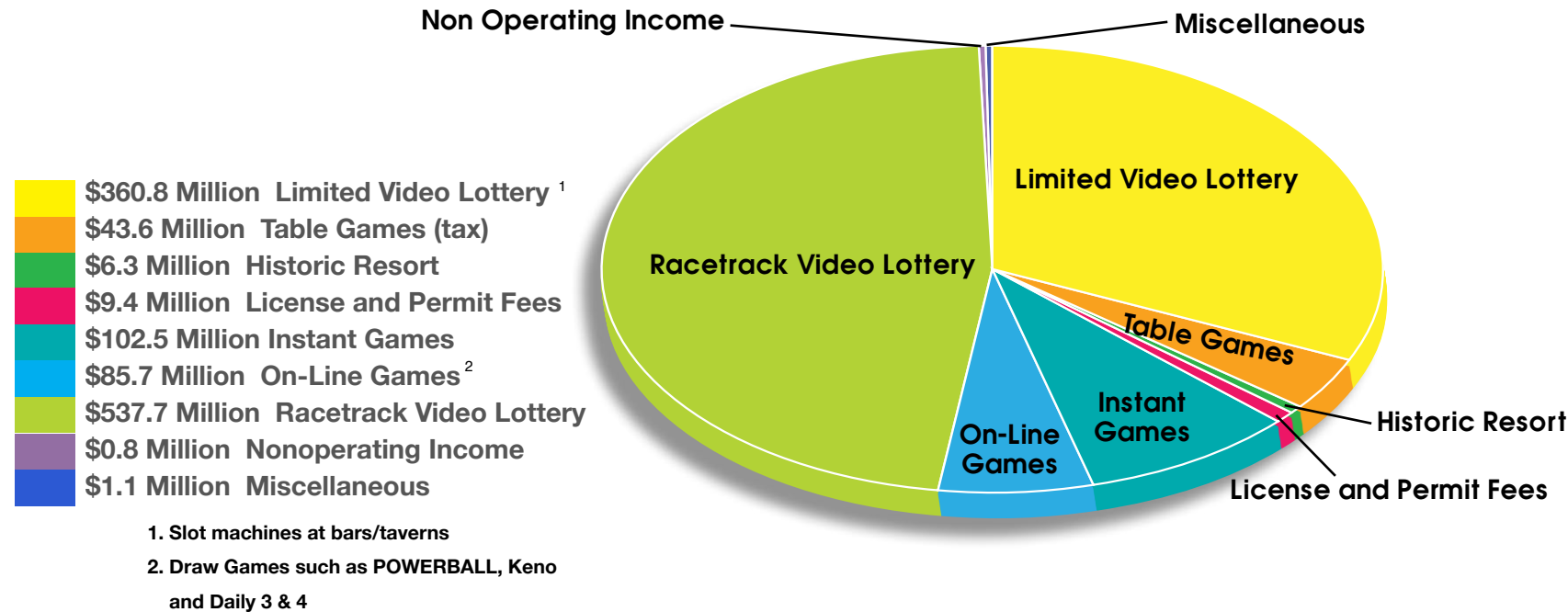
Video Lottery FY 2016 Proceeds To Counties/Municipalities

| | | | | | | | |
|----------------|-----------|---------------|-----------|----------------|-----------|------------|-----------|
| Barbour(7) | \$21,154 | Hancock(73) | \$327,879 | Mineral(26) | \$127,767 | Ritchie(4) | \$20,681 |
| Berkeley (79) | \$440,682 | Hardy(9) | \$31,887 | Mingo(10) | \$26,745 | Roane(3) | \$8,175 |
| Boone (10) | \$58,650 | Harrison(65) | \$348,774 | Monongalia(74) | \$318,057 | Summers(2) | \$9,296 |
| Braxton(6) | \$13,360 | Jackson(16) | \$73,477 | Monroe(3) | \$26,716 | Taylor(8) | \$34,333 |
| Brooke(52) | \$283,226 | Jefferson(25) | \$130,846 | Morgan(11) | \$38,843 | Tucker(1) | \$446 |
| Cabell(82) | \$383,063 | Kanawha(111) | \$605,252 | Nicholas(10) | \$51,597 | Tyler(6) | \$16,318 |
| Calhoun(1) | \$871 | Lewis(13) | \$66,904 | Ohio(87) | \$479,075 | Upshur(15) | \$75,834 |
| Clay(4) | \$9,736 | Lincoln(5) | \$15,587 | Pendleton(1) | \$3,911 | Wayne(27) | \$216,653 |
| Doddridge(2) | \$3,848 | Logan(21) | \$122,402 | Pleasants(3) | \$23,212 | Webster(0) | \$- |
| Fayette(21) | \$106,553 | Marion(56) | \$294,015 | Pocahontas(1) | \$1,419 | Wetzel(18) | \$96,767 |
| Gilmer(1) | \$2,018 | Marshall(55) | \$224,122 | Preston(27) | \$126,282 | Wirt(1) | \$4,180 |
| Grant(3) | \$6,322 | Mason(32) | \$196,494 | Putnam(23) | \$180,254 | Wood(100) | \$554,605 |
| Greenbrier(24) | \$123,048 | McDowell(4) | \$23,966 | Raleigh(45) | \$287,579 | Wyoming(8) | \$23,652 |
| Hampshire(13) | \$40,375 | Mercer(44) | \$279,557 | Randolph(15) | \$85,496 | | |

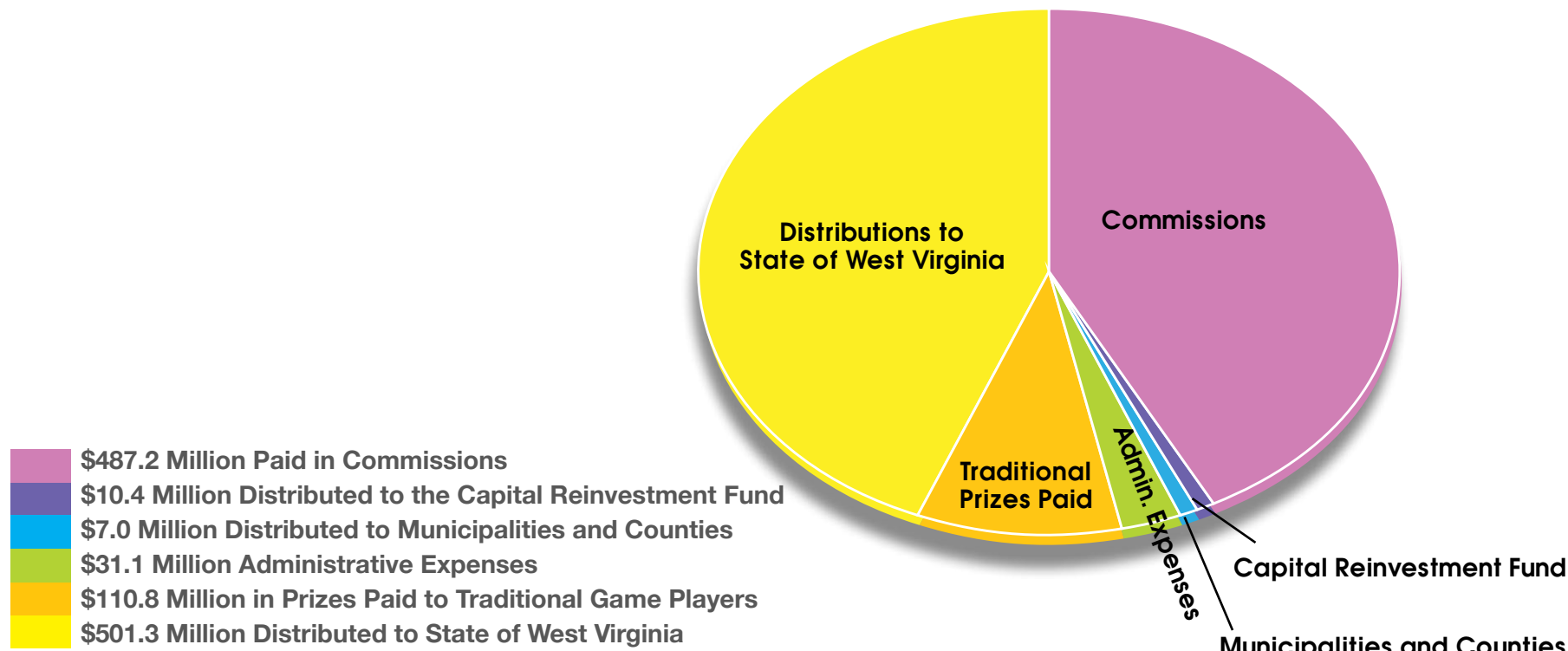
TOTAL RETAILERS 1,363
TOTAL PROCEEDS \$7,071,961

* Number in parenthesis () represents the number of video lottery retailers per county
* Two percent of gross profit is distributed to counties and incorporated municipalities in the manner prescribed by statute.

fiscal year 2016 revenue

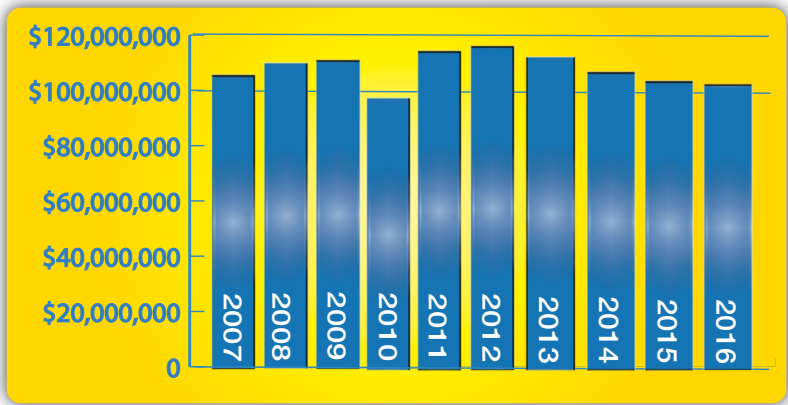


fiscal year 2016 expenses, distributions & net income

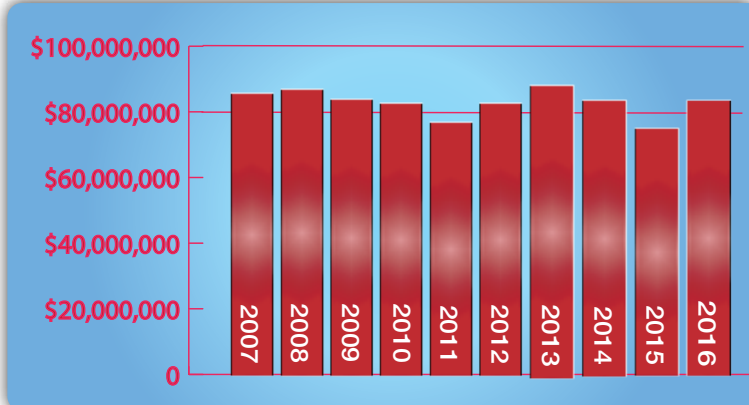


lottery sales by product last ten years

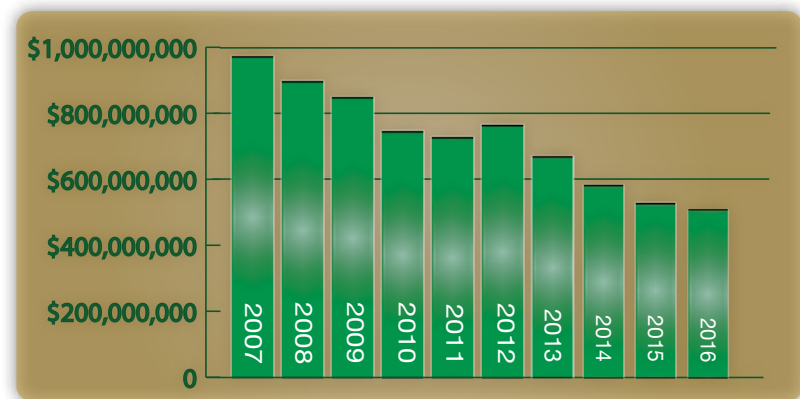
Instant Sales



On-Line Sales



Racetrack Video Sales



Limited Video Lottery Sales

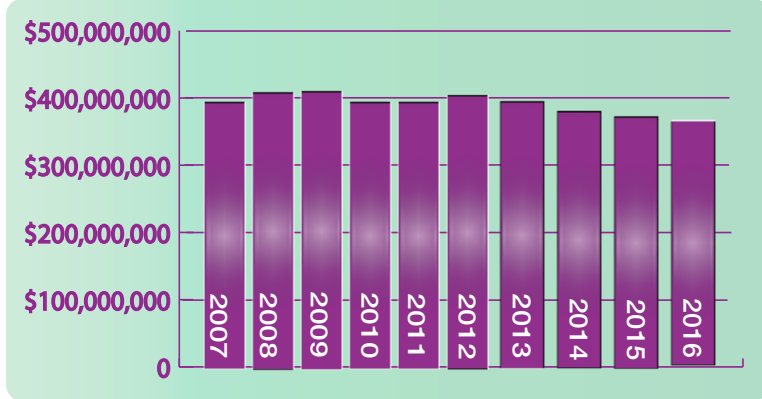
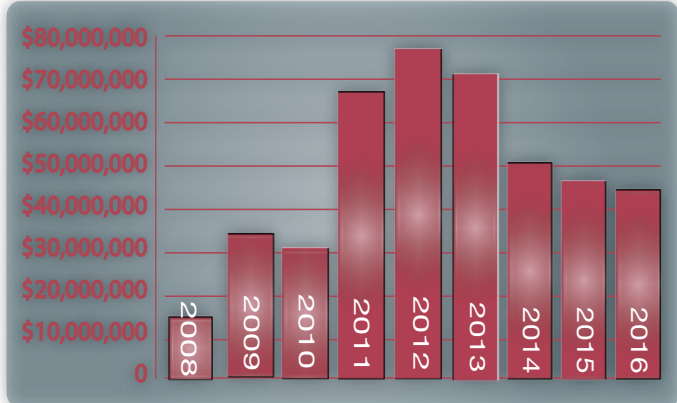
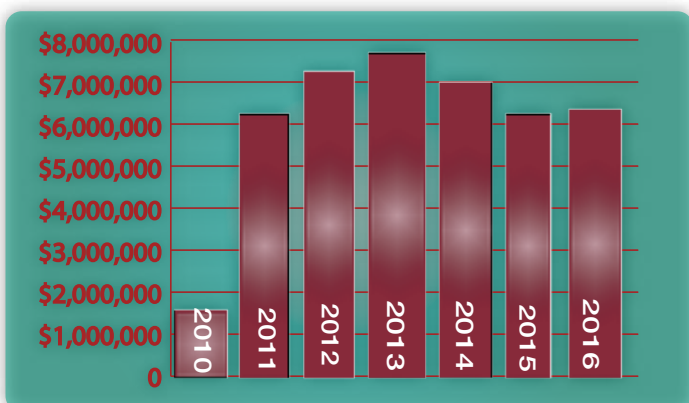


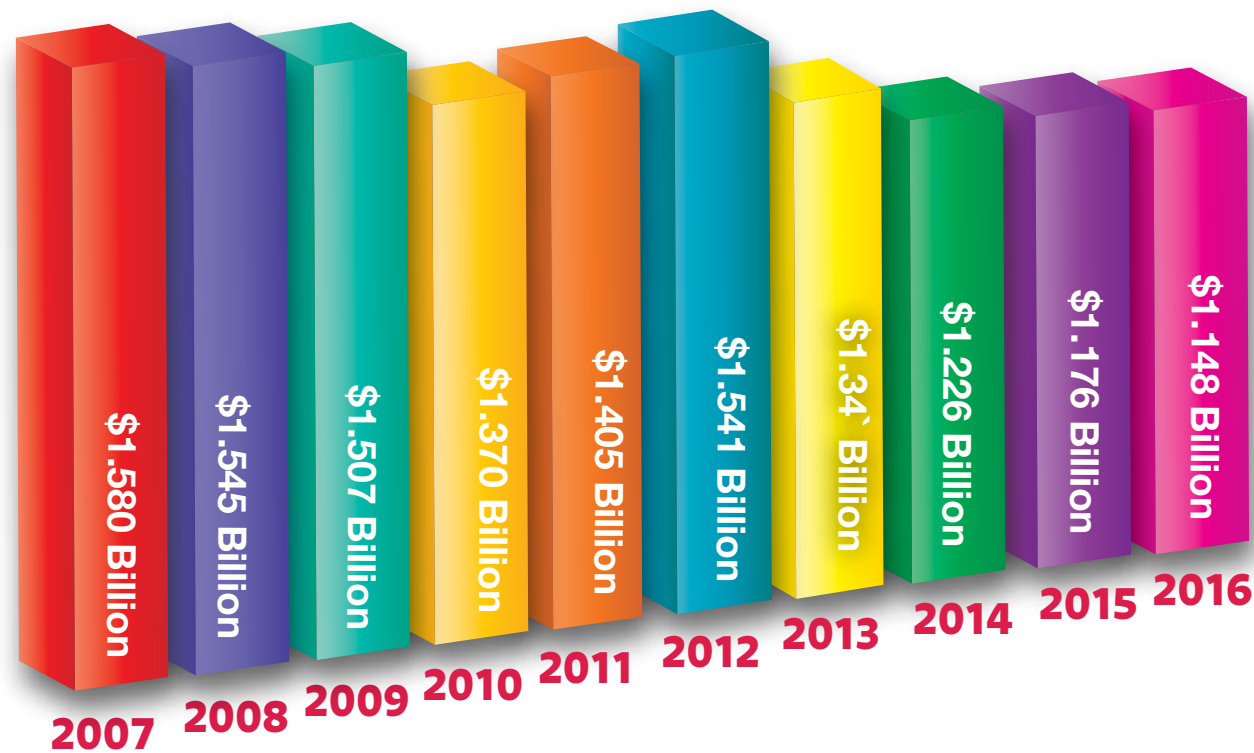
Table Game Sales



Historic Resort Sales



total revenue for last ten years



Ten Year Revenue

Detailed Revenue Numbers

| | | | |
|------|-----------------|------|-----------------|
| 2007 | \$1,580,212,381 | 2012 | \$1,540,708,011 |
| 2008 | \$1,545,423,630 | 2013 | \$1,340,489,489 |
| 2009 | \$1,507,156,589 | 2014 | \$1,226,465,658 |
| 2010 | \$1,369,544,143 | 2015 | \$1,175,723,567 |
| 2011 | \$1,404,552,377 | 2016 | \$1,147,951,706 |

West Virginia Lottery
2016 Progress Report

Produced in-house by
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