To: Lottery, Video Gaming & Racino Executives Interested in Growth, Expansion & Added Success



Your weekly supplement to Public GAMING International Magazine November 28, 2005



WYNN, LAS VEGAS FEBRUARY 27TH - MARCH 2ND

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COMPANY ANNOUNCEMENTS

SCIENTIFIC GAMES UPGRADES DELAWARE LOTTERY TO AEGIS-VIDEO. Scientific Games will upgrade the Delaware Lottery's lottery control and monitoring system to the new AEGIS-Video(TM) system with the industry standard and most widely used communication protocol SAS 6.01 under terms of a recently announced contract. Set for implementation in early 2006, the new AEGIS-Video(TM) system is valued at \$3.8 million over the remainder of the contract, bringing the total value of the contract to \$18 million. It will run for 45 months, starting May 1, 2006, with five single-year extension options that could extend it into early 2015.



GTECH TEAMS UP WITH DRESSER WAYNE FOR POS PLATFORM. GTECH Holdings Corporation and Dresser Wayne, a business unit of Dresser Inc., announced the successful integration of GTECH's Lottery Inside technology into Dresser Wayne's Nucleus Point of Sale platform. Dresser Wayne and GTECH have combined efforts to offer the speed, security, and cost efficiency of lottery ticket sales and services on Dresser Wayne retail petroleum equipment. Wayne and GTECH jointly demonstrated the technology at the National Association of Convenience Stores (NACS) show Nov. 15-18 in Las Vegas.



Lottery Inside enables the sale of lottery tickets without a dedicated lottery terminal. With Lottery Inside, a retailer's PC-based POS device connects to a Lottery Inside software application on a network to conveniently perform lottery ticket functions. This will equip the modern retail environment with the necessary middleware applications and open technology solutions required to connect with lottery central system processing.

ORANGE COUNTY CHOPPERS[™] DRIVES SALES IN

BC. Lottery players in British Columbia motored through Orange County Choppers™ ("OCC") lottery tickets making the *OCC* ticket one of British Columbia Lottery Corporation's ("BCLC") strongest \$5 games. BCLC launched *OCC* − an Oberthur Gaming licensed game − in July and it has done 20% better than BCLC's other \$5 games after only 11 weeks of sales. Through its partnership with OGT, who has exclusive worldwide rights to the popular brand, BCLC is able to give away 200 authentic *OCC* prize packs and two custom *OCC* bikes. In addition to giving away fantastic prizes, BCLC geared up with a promotional tour showcasing an *OCC* bike and giving away free *OCC* lottery tickets.



PHOENIX LAUNCHES BETTY. Phoenix Interests, Inc. announced that its wholly owned subsidiary, Online Enterprises, Inc., has exclusive marketing rights to its new patent-pending pari-mutuel wagering device, a state-of-the-art wagering kiosk known as BETTY. This device has the potential to dramatically extend the reach of pari-mutuel wagering in the United States, in that Phoenix claims it uses technology to deliver horse racing and pari-mutuel wagering directly to consumers in locations that do not have a gaming license. BETTY kiosks can be placed in restaurants, bars, retail locations, and other establishments. According to a survey conducted by ESPN, interest in horseracing among sports fans grew by nearly 20% between 1999 and 2004.

OGT AWARD GOES TO NE. Oberthur Gaming is pleased to announce that the Nebraska Lottery won OGT's prestigious Winning Partnership Award, which recognizes OGT's U.S. lottery client that has achieved the highest growth in instant ticket sales. For the second time since 2002, the Nebraska Lottery has received this recognition, with instant sales that increased by 21% in FY 2005.

VLT/RACINO

SECOND OKLAHOMA RACINO OPENS. (AP)

Oklahoma's second racino is now open at Remington Park in Oklahoma City. The combination horse-racing track and casino opened with 650 gaming machines on the second floor at the track. The first "racino" opened at Blue Ribbon Downs in Sallisaw in October. The third is expected to open in December at Will Rogers Downs in Claremore.

PGCB APPROVES REGULATIONS. The Pennsylvania Gaming Control Board unanimously approved a series of regulations governing the movement and possession of slot machines; ownership of gaming licenses; and "junkets," a gaming industry promotional practice. The regulations will be available in their entirety on the Board's Web site, http://www.pgcb.state.pa.us.



MLC EMPLOYEES SEEK UNION CHANGE.

Unionized workers at the Manitoba Lotteries Corporation have voted to become members of the Teamsters Union. Approximately 70 percent of MLC unionized workers, currently represented by the Manitoba Government Employees' Union were in favor of the change.

SUNGOLD SIGNS WITH CLINTON PHIPPS. Sungold announced that Clinton Phipps Racetrack has signed a Letter of Intent to become an Authorized Racetrack Affiliate with a five year exclusive license agreement for the Horsepower(R) World Pool pari-mutuel product at their U.S. Virgin Island facility in St. Thomas. The proprietary "Quick 6(R) World Pool" and Horsepower(R) Pick 1 bets give the Clinton Phipps facility two exciting new wagering opportunities and the ability to sell advertising space to sponsors on the screens between virtual races.



LOTTERY NEWS

MULTIPLE FISCAL RECORDS FOR MI. For the second consecutive year, the Michigan Lottery has contributed a record amount to the state School Aid Fund, with a fiscal year 2005 deposit of \$667.6 million. The contribution represents the largest net profit in the 33-year history of the Michigan Lottery, surpassing last year's \$644.8 million. The growth is expected to continue as the Lottery develops new games and options designed to increase player interest. For example, the Lottery recently launched Kicker, an option that allows a player to multiply Club Keno winnings by up to 10 times. In addition to

setting a record for its School Aid contribution, the Lottery also set a record in FY 2005 for sales, passing the \$2 billion mark for the first time ever. Total ticket sales for 2005 were \$2.07 billion. The Lottery also set a record in prize payments at \$1.16 billion.



MD TO END LOTTO, BEGIN MULTI-MATCH. The

Maryland Lottery announced that the final drawing for its Lotto game will take place on February 1, 2006. Since it began in 1983, Lotto has generated over \$1 billion in cash prizes and has produced a total of 622 millionaires over a 23-year span. To replace the current Lotto game, the Lottery will launch Multi-Match. Drawings will still be held on Wednesdays and Saturdays at 11:07 pm. The odds of winning a prize will be 1 in 8.5. For more information, log onto mdlottery.com.

KS EXTENDS KENO HOURS. Kansas Lottery players are now be able to play Keno an hour later every day. Starting on Monday, November 21, the last Keno drawing will be held at 1:52 a.m. Previously, the last Keno drawing was held at 12:52 a.m. The extended Keno play time also means that players have an extra hour to purchase or claim instant tickets and pull tabs, as well as Powerball, Super Kansas Cash, Pick 3, 2by2 and eScratch tickets. Lottery terminals are now be operational from 5:00 a.m. to 2:00 a.m. every day.



MILLIONAIRE RAFFLE. Millionaire Raffle, a groundbreaking new game developed by the Pennsylvania Lottery, will create four new millionaires on New Year's Eve. Millionaire Raffle tickets went on sale Tuesday, Nov. 22, at more than 8,000 Lottery retailers throughout the state. Each of the game's \$20 tickets offer a 1-in-125,000 chance of winning \$1 million. Those are the best odds ever offered by the Pennsylvania Lottery for winning a \$1 million prize. Only 500,000 tickets will be sold. Because Millionaire Raffle tickets will be sold over a five-week period, the Lottery is urging players to sign their tickets and keep them in safe place until the New Year's Eve drawing. Millionaire Raffle will also offer five \$100,000 cash prizes and 500 \$1,000 cash prizes, for a total of 509 prizes worth \$5 million. The winning raffle numbers will be randomly selected at 7 p.m. on Dec. 31.

KING KONG MILLIONS. The New York Lottery announced the launch of King Kong Millions, the big jackpot game guaranteed to create the most millionaires ever

on one drawing. Tickets for the King Kong Millions game officially went on sale Thursday, Nov. 17 at 5:30 am. This exciting new promotional game will only be offered until the Dec. 5 draw at approximately 10:45pm and will have a starting jackpot of \$50 million which will grow based on sales. In addition to the large starting jackpot, King Kong Millions will also award a minimum of 5 \$1 million second prizes and a minimum of 10 third prizes of \$100,000.

EXPO/ILAC WYNN - LAS VEGAS JULY 16TH - 19TH click here to register

MLC SUPPORTS 2006 SPECIAL OLYMPICS

SUMMER GAMES. The Special Olympics Canada (SOC) 2006 Summer Games organizing committee and Manitoba Lotteries Corporation (MLC) are pleased to announce their partnership for the upcoming Special Olympics Canada 2006 Summer Games in Brandon, Manitoba. MLC has been a long standing supporter of Special Olympics Manitoba and is pleased for the opportunity to extend its' support to the 2006 Summer Games as the Official Sponsor of the Volunteers and one of the six major Gold Sponsors of the Games. MLC's contribution of \$50,000 will assist Special Olympics Canada and the Brandon Games Organizing Committee in providing a memorable, once-in-a-lifetime experience to over 2000 Special Olympic athletes, coaches, and volunteers from across Canada.

EU PARLIAMENT FAVORS LOTTERY

MONOPOLIES. The European Parliament voted in favor of a law that would allow countries to maintain lottery monopolies and block online gambling. If it clears all hurdles the new rules are expected to come into force in 2009 or 2010.



VEIKKAUS SEEING MODERATE GROWTH. In the period January - September, Veikkaus attained a financial result of EUR 2017 million, which was EUR 6.2 million.

result of EUR 291.7 million, which was EUR 6.3 million (2.2%) more than during the comparable period last year. However, during the period under review, the company sold stocks that were in its possession with a sales profit of EUR 4.7 million, and this is included in the figures. The comparable result grew by EUR 1.6 million (0.6%) over the respective period last year. Veikkaus' turnover went up to EUR 956.2 million (5.1%). The biggest growth factor was the increased popularity of Fixed Odds Betting and Keno. The turnover of Lotto games amounted to EUR 366.8 million (+3.8%) during the period between January and September, whereas Instant games showed a turnover of EUR 95.4 million (-7.7%), and other draw games EUR 231.1 million (+7.3%). Players were paid a total of EUR 494.4 million (+8.5%) of different prizes. Retailer commissions amounted to EUR 58.9 million (+0.7%).

CHANNEL ISLANDS LAUNCHES CHRISTMAS

TICKETS. The Channel Islands Lottery printed more than a million Christmas tickets in anticipation of an expected rush for this year's draw. The tickets went on sale Wednesday, November 16. Last year, 825,000 Christmas tickets were sold across the Islands. The draw will be held on Tuesday December 20 with a minimum top prize of £150,000.

PICK 3 LAUNCHED IN GUATEMALA. The G Gaming Group of Guatemala City, an affiliated company of Gigante S.A. of Colombia launched its new online lottery when sales began on Tuesday, November 15th. The first drawing of the Pick3 game PISTO3 was conducted on TV channel 7 at 8:30 P.M. and the winning number 317 was drawn with GEMTM drawing machines purchased from Smartplay International.



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VEIKKAUS CUSTOMER MAGAZINE. Veikkaus

launched its first customer magazine in November. The magazine is targeted principally at the Lottery's active customers, most of whom are players registered in its internet gaming service. In the beginning, the circulation of the magazine will be around 150,000 - 200,000 copies. The name of the magazine is X, i.e. the cross players make on their entry form while participating in a game. The objective of the magazine is to strengthen Lottery customer relations by offering information on Veikkaus as a company, its products, and its total offerings.



POKER

BCLC TEAMS WITH RIVER ROCK CASINO FOR

POKER CHAMPIONSHIP. The British Columbia Lottery Corporation, in partnership with River Rock Casino Resort, proudly hosted the biggest poker tournament in Canadian history from November 17 to 20, 2005. The B.C. Poker Championship consisted of three Texas Hold'Em events, Pot Limit, Limit and No Limit, over a four-day period. Attendance reached 74% of the maximum capacity, resulting in a total prize pool of just over \$2,000,000. The Pot Limit game on November 17 had a total prize pool of approximately \$379,000 while the Limit game on November 18 netted a total prize pool of approximately \$348,000. The No Limit game on November 19 was sold out, with a total prize pool of \$1,275,000. The top 50 players from this game moved onto the finals on November 20, with each player going home with prize money ranging from approximately

\$3,000 up to the top prize win of \$382,000. The excitement didn't end when the game ended though, as prize disbursement included \$375,000 in cash being brought out to the final table.



WPT, CHIPLEADERS CREATE ONLINE SOCIAL

NETWORK. WPT Enterprises, Inc. has entered into a strategic partnership with Chipleaders Inc. (www.chipleaders.com). The two will host an interactive global network of poker players and enthusiasts, combining the latest social networking technology with unique pokerrelated features, powered by Chipleaders' software. The site, accessible from the WORLD POKER TOUR® website, www.worldpokertour.com, will enable users to find other poker players, share their experiences, and to interact in a wide variety of ways. Chipleaders' technology allows users to create profiles, upload photos, communicate with friends, make new friends, e-mail, blog, organize activities, share information, participate in forums, rank profiles, and schedule events. WPT fans can join for free, and will be eligible to participate in regular promotions offered by the WORLD POKER TOUR and its affiliate site,

EGET, STREAM TO DELIVER TO POKER

CHANNEL. EGET announced the first results of its global mobile gaming alliance with Stream Group plc, the leading UK mobile content and applications provider. Stream has announced the signing of an exclusive agreement with The Poker Channel to provide and promote mobile poker and other mobile gaming products. The first product, launched last week, will be a mobile poker game developed by EGET, which will be promoted by The Poker Channel under the online brand 'Poker Heaven'.



WINNERS

wptonline.com.

CA INTRODUCES FIRST MEGA MILLIONS

WINNERS. California State Lottery officials are excited to announce that California's \$315 million jackpot winners are a lucky group of seven: Jennifer Habib, Kate Lynn Juergens, Joyce Onori, Brenda Heller, Mariza Cuya, Kathy Jones & Bob Guerzon. The winning numbers were 2, 4, 5, 40, 48 and the MEGA number was 7. The winners chose the cash option and will each receive a lump sum payment of approximately \$25 million (before federal tax withholding). Rainbow Water, the retailer who sold the winning ticket will

receive the maximum bonus of \$1,000,000 for selling the winning ticket.

FORMER VIRGINIA LOTTERY BOARD MEMBER

WINS TOP PRIZE. Virginia Hall knows a few things about the Virginia Lottery since she served on the lottery board for 10 years. Now she knows what it feels like to be a lottery winner. Mrs. Hall, who served on the board from 1994 to 2004, won the top prize of \$100,000 in the Virginia Lottery's *Extreme Cash* scratch game last month. While serving on the board, she was barred from playing Virginia Lottery games but was able to resume playing once her term expired. Mrs. Hall is believed to be the first former member of a state lottery board who has won a major prize.

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Starting Janauary, 2006 PGRI's Morning Report will be subscription only. By subscribing now you will have no disruption in service.

This offer is good through November 30th.



Dr. Erich Kolmann Passes. Montreal, Canada - November 25, 2005 • It is with much regret and deep sadness that OGT informs the lottery industry that Erich Kolmann, Director of International Sales for OGT-Europe, died on Wednesday, November 16, 2005. Dr. Kolmann's funeral will take place on November 28 at 14h in Pitten, Austria. Dr. Kolmann worked with OGT for 15 years, and was responsible for servicing the Eastern and Central Europe markets where he successfully contributed to the development and the introduction of instant lotteries, namely in Russia, the former Soviet Union, where he introduced the first series of instant lottery tickets in 1989.