



July 7, 2025

The Honorable Glenn Youngkin  
 Governor  
 Commonwealth of Virginia  
 Patrick Henry Building, 3<sup>rd</sup> floor  
 1111 E. Broad Street  
 Richmond, VA 23219

**Re: May 2025 Lottery Results**

Dear Governor Youngkin:

I am very pleased to provide our report of monthly activities and financial update for the month of May 2025, as required in §58.1-4006 of the *Code of Virginia*. Comparisons to forecast are based on the estimates as included in Chapter 725, 2025 Session for fiscal year 2025.

**May Monthly Update:**

	Monthly Actuals May FY25	% of Total	Monthly Actuals May FY24	Current Month FY25 vs FY24		Monthly Forecast May FY25	Current Month Actuals vs Forecast	
<b><u>Sales</u></b>				<u>\$ Change</u>	<u>% Change</u>		<u>\$ Change</u>	<u>% Change</u>
Scratchers	\$ 105,027,690	20.0%	\$ 125,944,598	\$ (20,916,908)	-16.6%	\$ 122,056,677	\$ (17,028,987)	-14.0%
Draw Games	\$ 88,716,232	16.9%	\$ 99,022,109	\$ (10,305,877)	-10.4%	\$ 102,949,328	\$ (14,233,096)	-13.8%
iLottery Instant	\$ 331,628,152	63.1%	\$ 262,758,694	\$ 68,869,458	26.2%	\$ 295,206,649	\$ 36,421,503	12.3%
Total	\$ 525,372,074	100.0%	\$ 487,725,401	\$ 37,646,673	7.7%	\$ 520,212,654	\$ 5,159,420	1.0%
<b><u>Prize Expense</u></b>				<u>FY25 Rates</u>	<u>FY24 Rates</u>		<u>Forecast Rates</u>	
Scratchers	\$ 78,037,415	18.6%	\$ 93,219,309	74.3%	74.0%	\$ 90,321,941	74.0%	
Draw Games	\$ 43,858,538	10.5%	\$ 46,279,075	49.4%	46.7%	\$ 56,638,242	55.0%	
iLottery Instant	\$ 296,730,961	70.9%	\$ 234,444,593	89.5%	89.2%	\$ 263,914,744	89.4%	
Total	\$ 418,626,914	100.0%	\$ 373,942,977	79.7%	76.7%	\$ 410,874,927	79.0%	
<u>Retailer Earnings</u>	\$ 10,509,194		\$ 11,886,543	5.8%	5.6%	\$ 12,808,376	5.7%	
<u>Admin Expenses</u>	\$ 19,947,569		\$ 19,396,370	3.8%	4.0%	\$ 21,346,706	4.1%	
<u>Other Income</u>	\$ 497,536		\$ 637,549			\$ 833,333		
<b><u>Profits</u></b>	<b><u>\$ 76,785,933</u></b>		<b><u>\$ 83,137,060</u></b>	<b><u>\$ (6,351,127)</u></b>	<b><u>-7.6%</u></b>	<b><u>\$ 76,015,978</u></b>	<b><u>\$ 769,955</u></b>	<b><u>1.0%</u></b>

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Fiscal Year to Date Update:

	YTD FY25 May	% of Total	YTD FY24 May	Year to Date FY25 vs FY24		Forecast FY25 YTD May	Year to Date FY25 vs FY25 Forecast	
<b><u>Sales</u></b>				<b><u>\$ Change</u></b>	<b><u>% Change</u></b>		<b><u>\$ Change</u></b>	<b><u>% Change</u></b>
Scratchers	\$ 1,181,835,020	22.4%	\$ 1,200,634,444	\$ (18,799,424)	-1.6%	\$ 1,249,459,005	\$ (67,623,985)	-5.4%
Draw Games	\$ 1,022,952,377	19.4%	\$ 1,209,730,392	\$ (186,778,015)	-15.4%	\$ 1,092,880,918	\$ (69,928,541)	-6.4%
iLottery Instants	<u>\$ 3,078,944,873</u>	<u>58.3%</u>	<u>\$ 2,660,965,834</u>	<u>\$ 417,979,039</u>	<u>15.7%</u>	<u>\$ 2,974,615,467</u>	<u>\$104,329,406</u>	<u>3.5%</u>
Total	\$ 5,283,732,270	100.0%	\$ 5,071,330,670	\$ 212,401,600	4.2%	\$ 5,316,955,390	\$ (33,223,120)	-0.6%
<b><u>Prize Expense</u></b>				<b><u>FY25 Rates</u></b>	<b><u>FY24 Rates</u></b>		<b><u>Forecast Rates</u></b>	
Scratchers	\$ 868,773,710	21.1%	\$ 873,034,190	73.5%	72.7%	\$ 922,084,360	73.8%	
Draw Games	\$ 504,654,264	12.2%	\$ 640,703,510	49.3%	53.0%	\$ 588,020,720	53.8%	
iLottery Instants	<u>\$ 2,752,348,378</u>	<u>66.7%</u>	<u>\$ 2,378,395,365</u>	<u>89.4%</u>	<u>89.4%</u>	<u>\$ 2,659,306,228</u>	<u>89.4%</u>	
Total	\$ 4,125,776,352	100.0%	\$ 3,892,133,065	78.1%	76.7%	\$ 4,169,411,308	78.4%	
<u>Retailer Earnings</u>	\$ 118,578,560		\$ 129,323,564	5.7%	5.7%	\$ 133,125,096	5.7%	
<u>Admin Expenses</u>	\$ 205,401,216		\$ 189,990,795	3.9%	3.7%	\$ 226,189,468	4.3%	
<u>Other Income</u>	\$ 9,666,477		\$ 9,740,154			\$ 9,166,663		
				<b><u>\$ Change</u></b>	<b><u>% Change</u></b>		<b><u>\$ Change</u></b>	<b><u>% Change</u></b>
<b><u>Profits</u></b>	<b><u>\$ 843,642,619</u></b>		<b><u>\$ 869,623,400</u></b>	<b><u>\$ (25,980,781)</u></b>	<b><u>-3.0%</u></b>	<b><u>\$ 797,396,181</u></b>	<b><u>\$ 46,246,438</u></b>	<b><u>5.8%</u></b>

### Monthly Sales Highlights

May sales matched recent trends by coming very close to forecast, in large part due to strong iLottery performance which increased by 26% compared to last May. Retail sales for the month were less than forecast due to a continuing lack of major national jackpots and increased competition for gaming dollars. Retail sales declined over \$32M compared to last May, with the largest decline in the scratcher category.

### Year to Date Sales Highlights

Overall sales are up 4% year-to-date but are 0.6% below forecast through May. Retail sales are down nearly 9% for the year through May, with both draw game and scratcher sales now posting declines from last year. iLottery growth in the eInstants category continues to remain strong at nearly 16%.

### Profit Highlights

Although overall sales are slightly below forecast, profits for FY 2025 through May total \$843.6 million, which is more than \$46 million ahead of the year-to-date forecast included in the final budget. The higher profitability is attributed to lower-than-expected prize payouts in daily draw games, and better-than-expected administrative spending efficiency. Despite the weaker performance of our two core retail products (Powerball and Mega Millions), retailer compensation is approaching \$119 million, with retailers continuing to earn nearly 6% of sales in commissions and incentives.

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Other Highlights

Recently the Lottery's leadership team gathered to review our FY25 strategic plan and begin the pivot to finalizing our FY26 strategy. Each year we start with a broad lens on three main areas: traditional lottery business, employees and our gaming compliance regulatory role. We then sharpen the focus to establish goals and objectives to support a growing and diverse product portfolio, improve the customer experience, leverage our valuable retail partnerships and ensure that we are fairly and responsibly creating and regulating games and experiences to benefit both our K-12 public schools and other Virginia initiatives. I am proud to lead a team of employees who share in the Lottery's mission and vision which is built on a solid foundation of core values: Integrity, Innovation, Collaboration, Empowerment and Customer Focus.

Please let me know if you have any questions, or if you would like more information.

Respectfully,

A handwritten signature in black ink, appearing to read 'Khalid R. Jones', with a stylized flourish at the end.

Khalid R. Jones

c: The Honorable L. Louise Lucas, Chairwoman, Senate Finance & Appropriations Committee  
The Honorable Luke E. Torian, Chairman, House Appropriations Committee  
The Honorable Vivian E. Watts, Chairwoman, House Finance Committee  
The Honorable John Littel, Chief of Staff, Office of the Governor  
The Honorable Stephen E. Cummings, Secretary of Finance  
Michael Maul, Director, Department of Planning & Budget  
Scott Adams, State Comptroller  
April Kees, Director, Senate Finance & Appropriations Committee  
Anne E. Oman, Staff Director, House Appropriations Committee  
Ferhan Hamid, Chairman, Virginia Lottery Board