ABIGAIL D. SPANBERGER, GOVERNOR | KEVIN HALL, EXECUTIVE DIRECTOR
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August 24, 2026

The Honorable Abigail Spanberger
Governor
Commonwealth of Virginia
Patrick Henry Building, 3rd floor
1111 E. Broad Street
Richmond, VA 23219

Re: June 2026 Lottery Results – FY26 Year-End Report

Dear Governor Spanberger:

I am very pleased to provide our report of monthly activities and financial results for June 2026, as required in §58.1-4006 of the *Code of Virginia*. With the close of June, this report also provides the Lottery's final sales and profit results for FY26, including comparisons to FY25 and the FY26 forecast. While the Lottery's annual financial audit is not yet complete, the Auditor of Public Accounts certified the FY26 profits on August 12, 2026; that certified profit figure is included in these results.

June Monthly Update:

	Monthly Actuals June FY26	% of Total	Monthly Actuals June FY25	Current Month FY26 vs FY25		Monthly Forecast June FY26	Current Month Actuals vs Forecast	
Sales				$ Change	% Change		$ Change	% Change
Scratchers	$ 94,560,923	19.2%	$ 95,696,918	$ (1,135,995)	-1.2%	$ 95,704,528	$ (1,143,605)	-1.2%
Draw Games	$ 91,622,857	18.6%	$ 86,723,420	$ 4,899,437	5.6%	$ 97,091,112	$ (5,468,255)	-5.6%
iLottery Instants	$ 305,871,758	62.2%	$ 304,487,284	$ 1,384,474	0.5%	$ 340,405,032	$ (34,533,274)	-10.1%
Total	$ 492,055,538	100.0%	$ 486,907,623	$ 5,147,916	1.1%	$ 533,200,672	$ (41,145,134)	-7.7%
Prize Expense				FY26 Rates	FY25 Rates		Forecast Rates	
Scratchers	$ 70,394,649	18.2%	$ 70,824,587	74.4%	74.0%	$ 70,821,351	74.0%	
Draw Games	$ 42,654,958	11.0%	$ 54,818,129	46.6%	63.2%	$ 52,985,763	54.6%	
iLottery Instants	$ 274,539,663	70.8%	$ 270,419,393	89.8%	88.8%	$ 305,513,516	89.7%	
Total	$ 387,589,270	100.0%	$ 396,062,110	78.8%	81.3%	$ 429,320,630	80.5%	
Retailer Earnings	$ 9,709,588		$ 9,331,799	5.7%	5.5%	$ 10,546,202	5.7%	
Admin Expenses	$ 21,725,696		$ 24,037,170	4.4%	4.9%	$ 23,081,068	4.3%	
Other Income	$ 486,818		$ 408,919			$ 750,000		
				$ Change	% Change		$ Change	% Change
Profits	**$ 73,517,803**		**$ 57,885,463**	**$ 15,632,340**	**27.0%**	**$ 71,002,772**	**$ 2,515,031**	**3.5%**

FY26 Final Sales and Profit Results:

	YTD FY26 June	% of Total	YTD FY25 June	Year to Date FY26 vs FY25		Forecast FY26 YTD June	Year to Date Forecast	
Sales				$ Change	% Change		$ Change	% Change
Scratchers	$ 1,179,932,325	18.6%	$ 1,277,531,938	$ (97,599,613)	-7.6%	$ 1,247,408,739	$ (67,476,414)	-5.4%
Draw Games	$ 1,233,790,915	19.4%	$ 1,109,675,797	$ 124,115,118	11.2%	$ 1,227,948,579	$ 5,842,336	0.5%
iLottery Instants	$ 3,945,209,178	62.0%	$ 3,383,432,158	$ 561,777,020	16.6%	$ 4,000,305,786	$ (55,096,608)	-1.4%
Total	$ 6,358,932,418	100.0%	$ 5,770,639,893	$ 588,292,525	10.2%	$ 6,475,663,104	$ (116,730,686)	-1.8%
Prize Expense				FY26 Rates	FY25 Rates		Forecast Rates	
Scratchers	$ 868,582,319	17.1%	$ 939,598,297	73.6%	73.5%	$ 921,977,631	73.9%	
Draw Games	$ 682,451,918	13.4%	$ 559,472,393	55.3%	50.4%	$ 680,107,000	55.4%	
iLottery Instants	$ 3,526,118,066	69.5%	$ 3,022,767,771	89.4%	89.3%	$ 3,574,854,115	89.4%	
Total	$ 5,077,152,304	100.0%	$ 4,521,838,461	79.8%	78.4%	$ 5,176,938,746	79.9%	
Retailer Earnings	$ 128,180,977		$ 127,910,358	5.8%	5.7%	$ 135,657,169	5.7%	
Admin Expenses	$ 249,077,915		$ 229,438,387	3.9%	4.0%	$ 281,745,564	4.4%	
Other Income	$ 9,815,670		$ 10,075,396			$ 9,000,000		
				$ Change	% Change		$ Change	% Change
Profits	**$ 914,336,897**		**$ 901,528,082**	**$ 12,808,815**	**1.4%**	**$ 890,321,625**	**$ 24,015,272**	**2.7%**

Sales Highlights

FY26 was a strong year for the Virginia Lottery. Total Lottery sales for the fiscal year were $6.358 billion, an increase of $588.3 million, or 10.2%, over FY25. Sales finished less than 2% below the FY26 forecast. For the fiscal year, online iLottery Instants sales approached $4 billion and experienced strong double-digit percentage growth (16.6%) in its sixth year of operations. Draw game sales grew by $124 million (11.2%) primarily due to large multistate jackpots, while scratchers finished the year down $98 million (-7.6%) from the prior year.

June sales totaled $492.1 million, up more than $5.1 million, or 1.1%, from June 2025, although sales were 7.7% below the monthly forecast. Despite the June results, overall FY26 Lottery sales remained strong.

Profit Highlights

FY26 profit exceeded $914 million, an increase of $12.8 million over FY25 and $24 million, or 2.7%, above the FY26 forecast. This was the Lottery's second highest profit year on record and the third consecutive year in which profits exceeded $900 million.

This strong performance reflects disciplined financial management and several favorable factors, including prize expense rates that remained consistent with forecast assumptions, higher than anticipated interest income, and continued restraint in administrative spending. The Lottery's administrative expenses remained below 4% of revenue, well under the statutory cap of 10%, allowing more proceeds to be returned to support Virginia's public schools. Additionally, retailer earnings increased slightly to 5.8%.

The $24 million in excess profits has been transferred to the Lottery Proceeds Fund and is available for use in FY27. The residual profit transfer will be included in the overall updated forecast of Lottery Proceeds Funds as part of the state revenue forecast, discussed with the Lottery Board for their recommendation this fall, and forwarded to you for inclusion in your revised budget.

Other Highlights

We were pleased to welcome Newport News Sheriff Gabe Morgan to the Lottery Board at our July quarterly meeting held in Danville. Following the close of business, our Board and agency leadership team had the opportunity to tour Caesars Virginia. Ensuring Virginia's casino operations are conducted fairly, responsibly and in accordance with the law is a priority for the Lottery and an important part of the Board's regulatory oversight role. The tour provided a valuable opportunity to see firsthand the operations we regulate and to reinforce our commitment to maintaining public trust, protecting consumers and supporting a safe, well-regulated gaming environment in the Commonwealth.

Finally, thank you for joining us on Aug. 10 to celebrate a remarkable year for the Virginia Lottery. We were honored to have you and members of your administration join our leadership team and Lottery Board members as we announced our FY26 contribution of $914 million to the Lottery Proceeds Fund. This achievement reflects the dedication of our 400 employees, the partnership of our 5,300 licensed retailers, the continued trust of our players, and the Lottery's enduring commitment to serving the Commonwealth. As we look ahead, we are energized by the opportunity to build on this momentum and to continue delivering strong results for Virginians - especially the students, educators, and public schools that benefit from Lottery proceeds.

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

Respectfully,

Kevin Hall

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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 Bonnie Krenz-Schnurman, Chief of Staff, Office of the Governor
The Honorable Mark D. Sickles, Secretary of Finance
Michael Maul, Director, Department of Planning & Budget
Sharon Lawrence, State Comptroller
April Kees, Director, Senate Finance & Appropriations Committee
Anne E. Oman, Staff Director, House Appropriations Committee
Ferhan Hamid, Chairman, Virginia Lottery Board