



Fiscal Year 2007–2008 Annual Report Summary

In fiscal year 2007-08 the Lottery contributed nearly \$2.6 billion to help support education in New York State on incoming revenues of \$7.549 billion - - a profit margin of 34%.

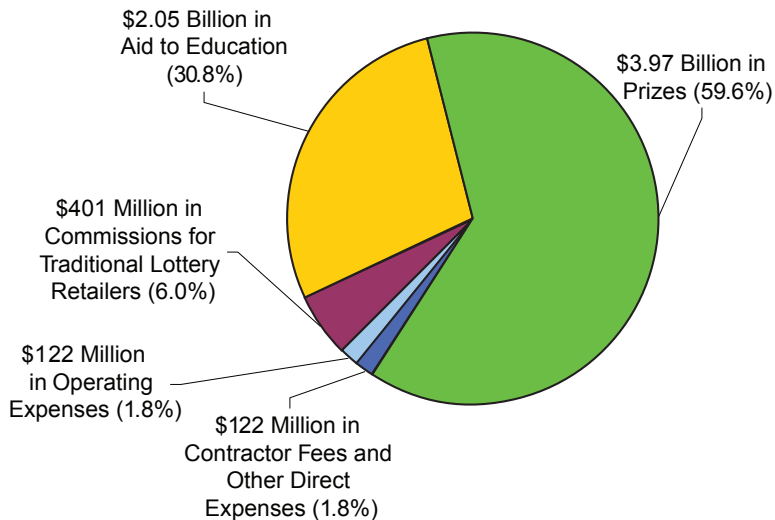
This \$2.6 billion Lottery Aid-to-Education funding represents over 13% of total state aid to local school districts, which was \$19.65 billion in 2007-08.

The New York Lottery continues to be North America's largest and most profitable Lottery, earning over \$34.2 billion in education support statewide since its founding over 40 years ago.

Where Do Lottery Dollars Go?

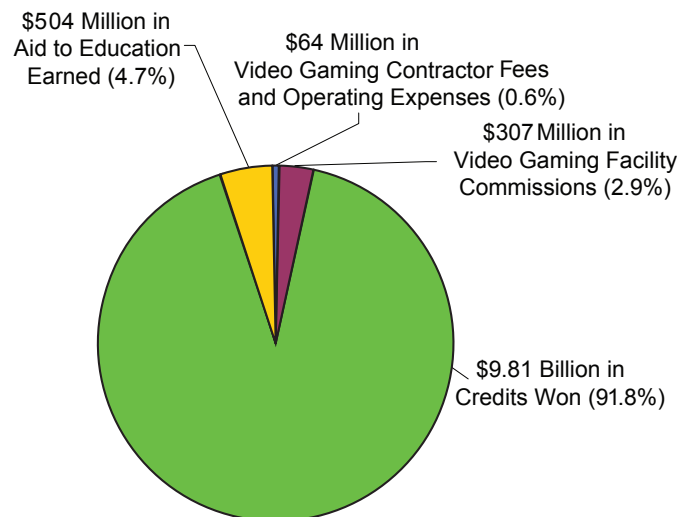
TRADITIONAL LOTTERY SALES DOLLARS

FY 2007–08
TOTAL \$6.67 BILLION



VIDEO LOTTERY GAMING CREDITS PLAYED

FY 2007–08
TOTAL \$10.68 BILLION



Record Lottery sales and growth in fiscal year 2007-08 was due in large measure to the first full year of Video Lottery Terminals in all eight racinos statewide. Traditional Lottery games, such as Lotto, Mega Millions, Numbers and Instant Game Scratch-Off tickets, while the largest part of the Lottery product line, experienced almost no growth.

New York Lottery Statistics at a Glance:

- 96% of the \$7.5 billion in sales paid out in prizes, aid to education and retailer commissions.
- \$2.6 billion earned for education, representing 34% of total sales.
- 5% increase in total sales from fiscal year 2006-07.
- \$401 million in commissions to over 16,000 Lottery retailers.
- \$307 million in commissions to video gaming facilities.
- 4% of total sales funded operating costs.

The State Education Department distributes revenue earned by the Lottery for education based on a statutory formula.



EDUCATION FUNDING

WHERE SCHOOLS GET THEIR MONEY

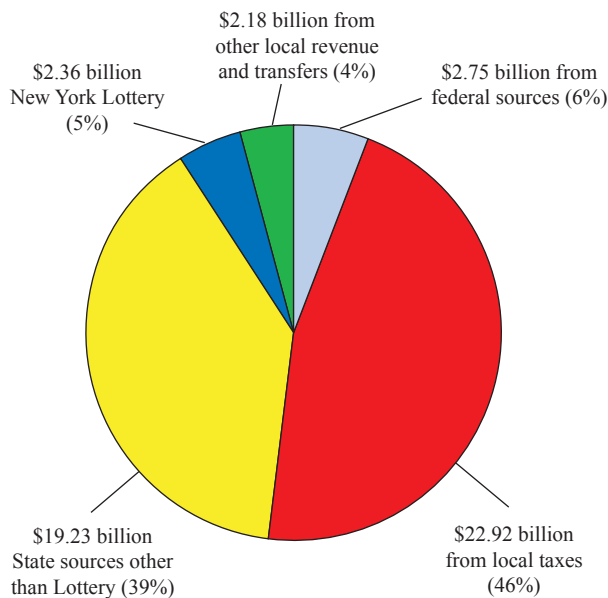
AS OF JULY 2008 FOR 2007 SCHOOL YEAR

Local School Taxes	46%	\$22.92 Billion
State Sources (Other than Lottery)	39%	\$19.23 Billion
New York Lottery	5%	\$2.36 Billion*
Federal Sources	6%	\$2.7 Billion
Other Local Revenue and Transfers	4%	\$2.18 Billion

Based on data provided by the State Education Department in 2008.

WHERE SCHOOLS GET THEIR MONEY

School Year Ended 2007
(Total \$49.44 billion)



The above data is from the State Education Department's Revenue Table 60

*Since 1967, the New York Lottery has earned \$34.2 billion to support education statewide, including \$2.6 billion in fiscal year 2007-2008. The amount of funds disbursed by the education department, under the state budget process, is based upon the estimated Lottery earnings at the time of budget passage. In the event Lottery earnings exceed budget estimates, those additional funds become part of the next year's Lottery aid distribution.

LOTTERY AID TO EDUCATION BY COUNTY

FISCAL YEAR 2007-2008

Albany County	\$39,560,737.15
Allegany County	\$11,595,744.47
Broome County	\$40,972,988.40
Cattaraugus County	\$20,181,125.67
Cayuga County	\$14,570,861.67
Chautauqua County	\$30,390,633.45
Chemung County	\$17,369,045.39
Chenango County	\$13,892,577.11
Clinton County	\$16,803,064.30
Columbia County	\$8,134,291.08
Cortland County	\$10,130,821.86
Delaware County	\$7,483,289.70
Dutchess County	\$38,934,592.32
Erie County	\$171,387,406.41
Essex County	\$3,216,446.43
Franklin County	\$10,822,273.28
Fulton County	\$12,625,783.23
Genesee County	\$13,640,128.31
Greene County	\$7,722,072.60
Hamilton County	\$82,062.42
Herkimer County	\$14,658,215.04
Jefferson County	\$25,436,692.66
Lewis County	\$6,517,105.93
Livingston County	\$12,122,212.31
Madison County	\$15,568,155.20
Monroe County	\$144,587,514.65
Montgomery County	\$11,073,069.15
Nassau County	\$85,358,713.36
Niagara County	\$43,772,534.37
NEW YORK CITY*	\$1,109,154,054.85
Oneida County	\$49,465,178.89
Onondaga County	\$97,101,484.73
Ontario County	\$20,521,798.05
Orange County	\$72,322,022.48
Orleans County	\$10,875,359.57
Oswego County	\$31,888,363.72
Otsego County	\$11,119,413.67
Putnam County	\$9,271,436.28
Rensselaer County	\$28,453,624.05
Rockland County	\$19,421,045.05
Saratoga County	\$35,985,864.00
Schenectady County	\$28,586,181.33
Schoharie County	\$6,721,333.14
Schuyler County	\$2,882,212.22
Seneca County	\$6,572,435.48
St Lawrence County	\$22,928,227.33
Steuben County	\$24,580,563.51
Suffolk County	\$184,278,310.07
Sullivan County	\$11,081,057.0
Tioga County	\$12,060,101.92
Tompkins County	\$12,766,210.14
Ulster County	\$23,918,919.66
Warren County	\$10,038,842.41
Washington County	\$14,282,833.80
Wayne County	\$22,543,921.45
Westchester County	\$49,673,688.41
Wyoming County	\$6,910,681.33
Yates County	\$3,003,143.48

The above amounts are based on the New York State Education Department's Division of Aid to Localities for Education from the State Lottery Fund as stated in the New York State Budget. For a complete listing visit us on the web: www.nylottery.org.

*Includes Bronx, Queens, Kings, New York and Richmond Counties.