# Director's Update

November 2026 Commission Meeting

Director's Update

# BENEFICIARY STORY

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Dr. Juan Salas, Superintendent

Williams Unified School District

# BENEFICIARY STORY

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# CALIFORNIA LOTTERY AS A LEADER IN THE INDUSTRY










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# CURRENT YEAR UPDATE

# Total sales exceed $3 billion so far.

| Sales Update | | | |
|---|---|---|---|
| | F.Y. Sales thru 11-7-26 (in millions) | % of Goal | Change vs. Last Year |
| **TOTAL SALES** | **$3,164.68** | **96%** | **-7%** |
| **Scratchers (Consumer Sales)** | *$2,371.93* | *96%* | *-3%* |
| **Multi-Jurisdictional Games** | *$399.00* | *93%* | *-32%* |
| *Powerball* | *$242.24* | *120%* | *-38%* |
| *MEGA Millions* | *$156.76* | *69%* | *-18%* |
| **SuperLotto Plus** | *$95.11* | *111%* | *2%* |
| **Daily Games** | *$142.12* | *96%* | *0%* |
| **Hot Spot** | *$156.52* | *101%* | *4%* |

# $660 million in supplemental funding for CA public education so far.

| Contributions Update | |
|---|---|
| *As of October 31, 2026* | |
| **Estimate Dollars** | **$660 million** |
| **Percent of Goal** | **103%** |

Director's Update

# GAMING INDUSTRY RESEARCH

# Lottery still competing for the player dollar

- Research in August 2026 shows 62% of U.S. adults are aware of prediction markets; 11% have used them in past year.
- 81% of current users say they plan to bet on prediction markets again
- Men and $100K+ households over-index in usage and intent – a demographic that also make up a greater share of frequent Scratchers players
- Americans spent $40 billion on legal sportsbooks in 2026Q1; prediction market trading volume estimated to be similar

*Source: Ipsos U.S. National Study (Early 2026), Leger U.S. Study (Fall 2026); PEW Research*

# California study conducted in October

**Timing:** Late October 2026

**Sample:** 300 California adults

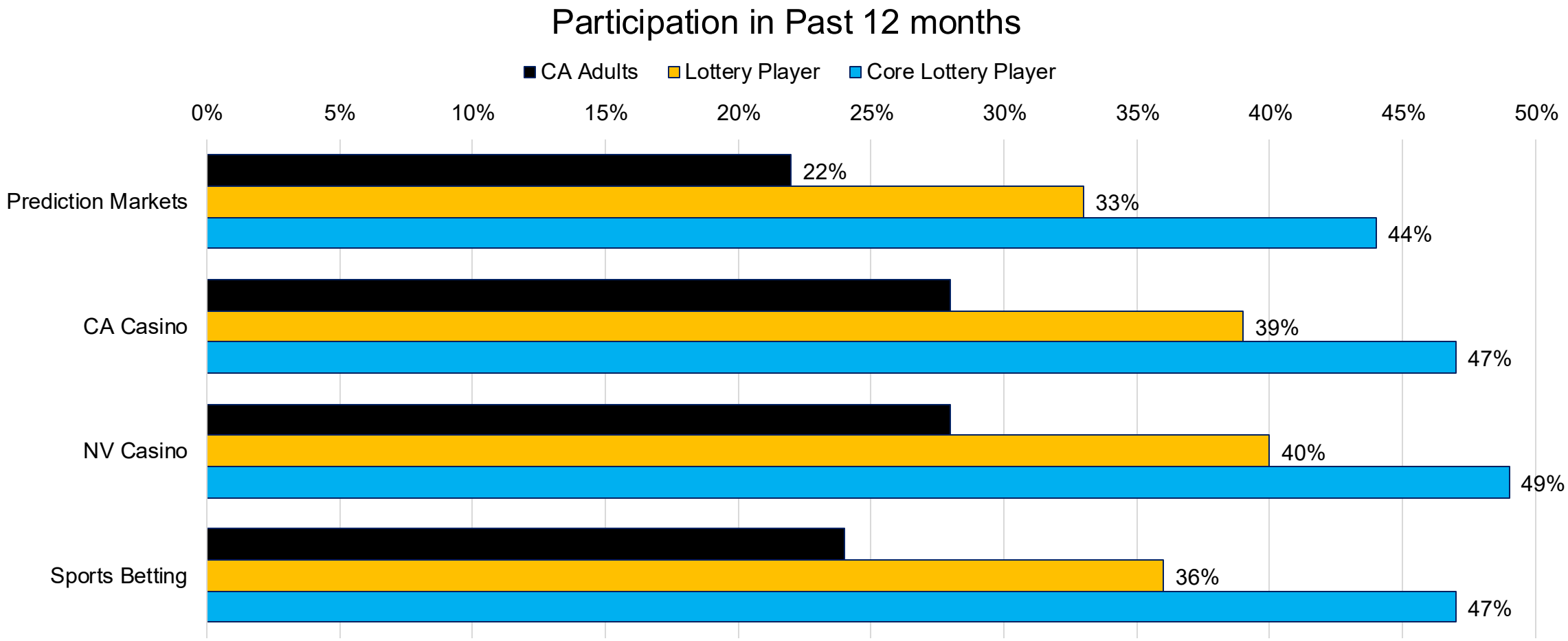
**Objectives:**




- Better understand California awareness and participation in prediction markets, sports gambling, and other forms of gaming.
- Understand if CA lottery players have greater participation than the state average.

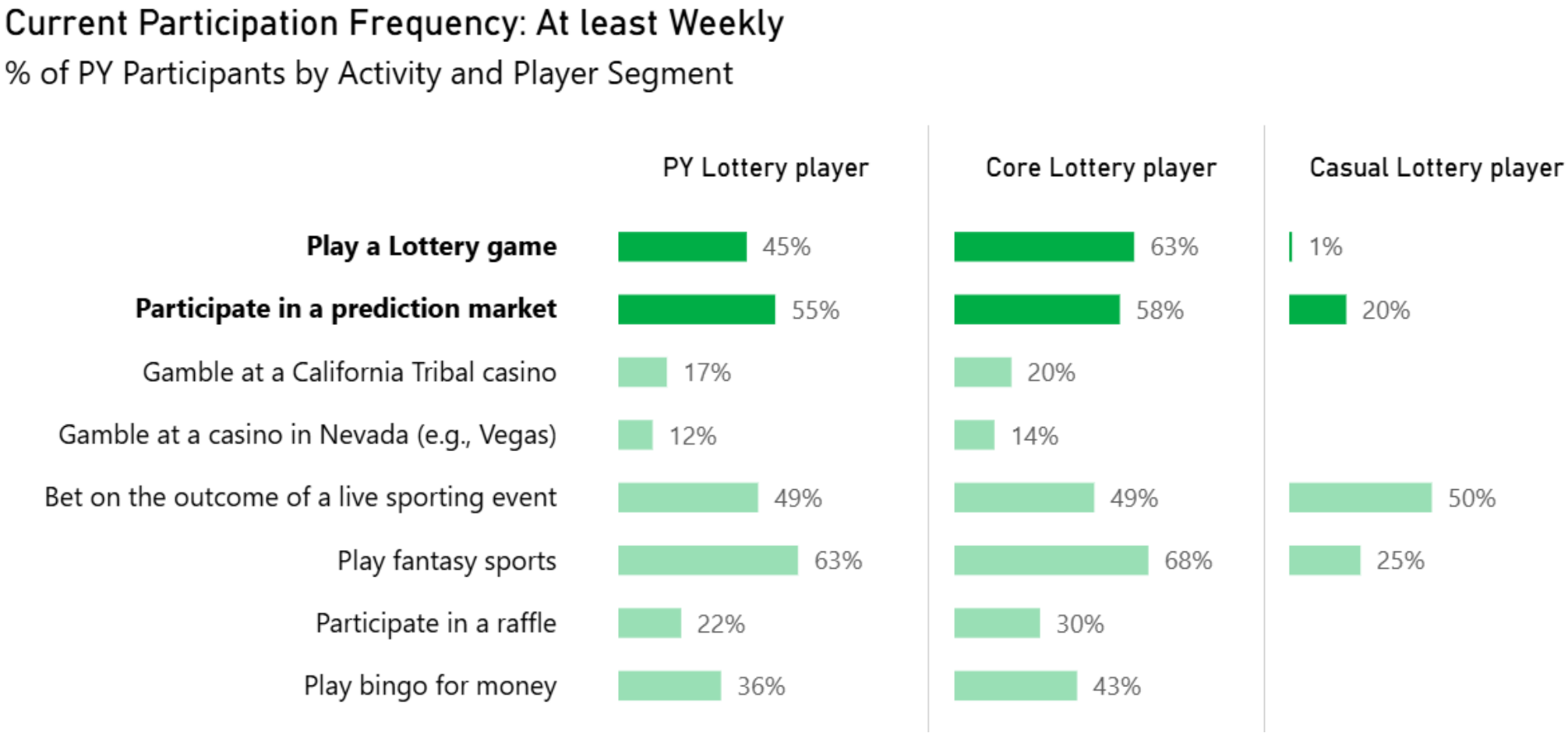
*Source: CA Lottery Prediction Market Study (October 2026)*

# One-third of CA Lottery players participated in prediction markets in the past 12 months.




*Source: CA Lottery Prediction Market Study (October 2026)*

# Prediction market and sports bettors are more active users than seen for Lottery.




*Source: CA Lottery Prediction Market Study (October 2026)*

# Prediction market and sports bettors report higher spending per occasion than Lottery players.

Last Time Spend Estimates (Median)

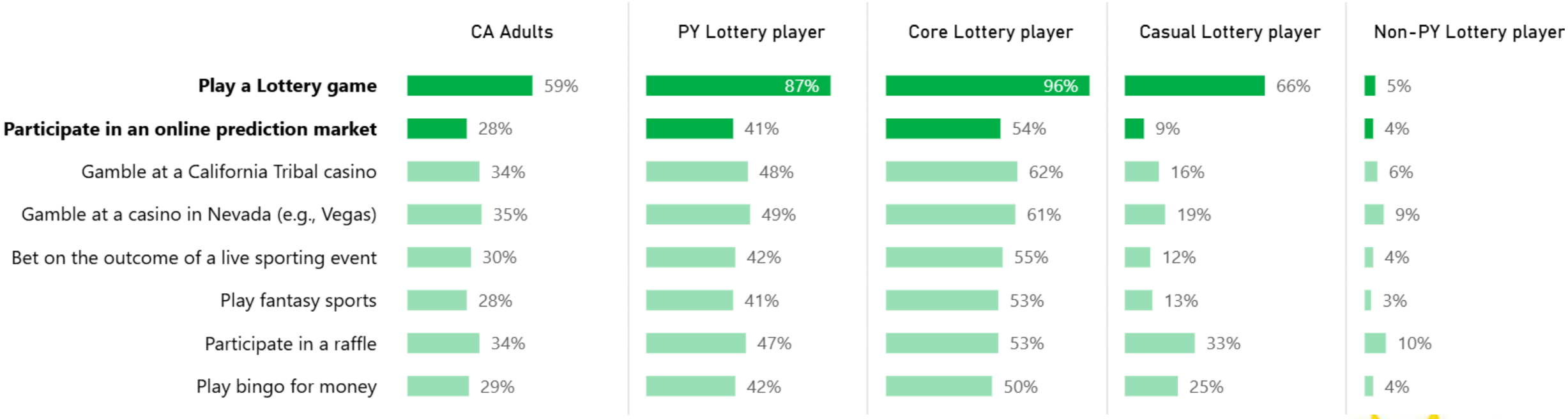
| Activity | CA Adults | PY Lottery player | Core Lottery player | Casual Lottery player |
|---|---|---|---|---|
| Played a Lottery game | $20 | $20 | $20 | $5 |
| Participated in a prediction market | $50 | $50 | $78 | $20 |
| Gambled at a California Tribal casino | $110 | $120 | $190 | $50 |
| Gambled at a casino in Nevada (e.g., Vegas) | $212 | $206 | $250 | $100 |
| Bet on the outcome of a live sporting event | $50 | $50 | $50 | $10 |
| Played fantasy sports | $50 | $50 | $70 | $50 |
| Participated in a raffle | $15 | $20 | $20 | $5 |
| Played bingo for money | $37 | $50 | $50 | $20 |

*Source: CA Lottery Prediction Market Study (October 2026)*

# Roughly half of Lottery players likely to participate in prediction markets in the future.

## Future Participation Intent

% who said they "Definitely/Probably will" do these activities in the next 12 months

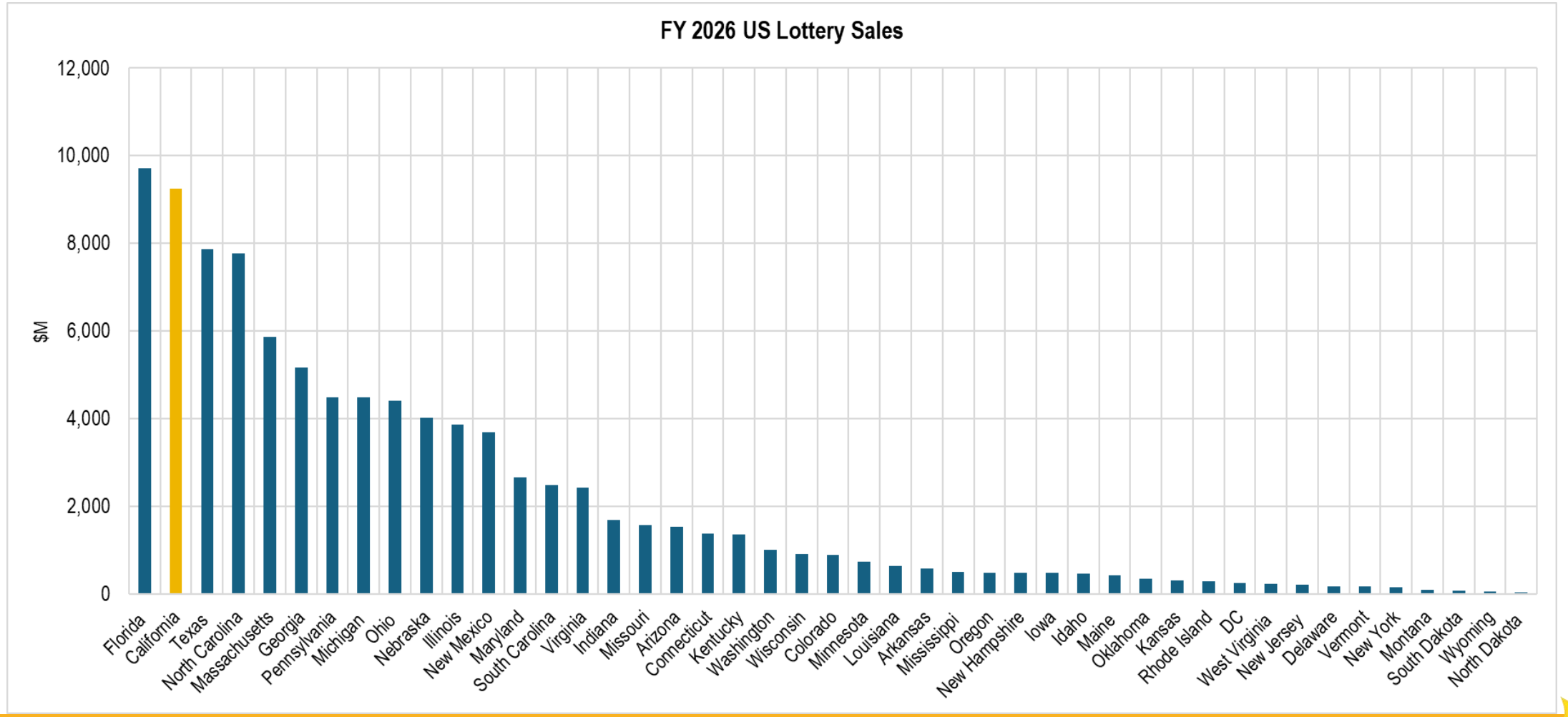



*Source: CA Lottery Prediction Market Study (October 2026)*

Director’s Update

# FISCAL YEAR 2025-26 UPDATE & INDUSTRY COMPARISONS

# California was 2nd highest selling lottery in the nation




*Source: All Industry Sales data is from LaFleur's Magazine Sept/Oct 2026 edition; Traditional Sales excludes VLT's, sports betting, and eInstants.*
*Unaudited figures, October 2026*

# CA in the middle for per capita sales

- Per capita sales in CA (defined as: sales / total population) were $235
- 23rd best per capita sales – roughly in the middle of all U. S. lotteries.
- Massachusetts is #1 in per capita sales – selling 3.5 times the rate in CA
- FL has stronger PC sales than CA; if our PC were equal to FL, our total sales would be over $16 billion

| State | FY 2025-26 Total Traditional Lottery Sales | Rank | Per Capita Sales | Rank in Per Capita Sales |
|---|---|---|---|---|
| Florida | $ 7,144.6 | #1 | $ 414 | #6 |
| California | $ 6,835.7 | #2 | $ 235 | #23 |
| Texas | $ 6,242.6 | #3 | $ 248 | #21 |
| New York | $ 4,268.0 | #4 | $ 389 | #7 |
| Massachusetts | $ 3,808.2 | #5 | $ 821 | #1 |
| Georgia | $ 3,253.2 | #6 | $ 457 | #2 |
| Pennsylvania | $ 2,880.1 | #7 | $ 344 | #12 |
| North Carolina | $ 2,762.4 | #8 | $ 359 | #11 |
| Ohio | $ 2,357.1 | #9 | $ 370 | #10 |
| Michigan | $ 2,217.3 | #10 | $ 442 | #4 |

*Source: All Industry Sales data is from LaFleur's Magazine Sept/Oct 2026 edition; Traditional Sales excludes VLT's, sports betting, and eInstants. Unaudited figures, October 2026*

# California's growth slightly better than national average

| Year over Year Growth | FY 2024-25 Sales | FY 2025-26 Sales* | % Change | National Average |
|---|---|---|---|---|
| *Scratchers* | *$6,892,391,897* | *$6,835,696,929* | *-0.8%* | *-0.9%* |
| *Mega Millions* | *$551,017,293* | *$481,358,038* | *-13%* | *-13%* |
| *Powerball* | *$408,083,638* | *$826,870,652* | *103%* | *81%* |
| *Super Lotto Plus* | *$230,724,285* | *$233,229,978* | *1%* | *1%* |
| *Hot Spot* | *$424,355,620* | *$458,814,642* | *8%* | *-0.6%* |
| *Daily Games* | *$426,139,390* | *$413,514,065* | *-3%* | |
| **Total Lottery Sales** | **$8,932,712,123** | **$9,249,484,303** | **3.5%** | **2%** |
| **Profits to Education** | **$1,931,575,925** | **$2,147,764,831** | **11%** | **-2%**** |

***Audit in progress*
***Not all states reporting yet.*

***FY 2025-26 Audit in progress for California*
*National averages from La Fleurs October 2026 data*

# Scratchers sales back to #2 in nation

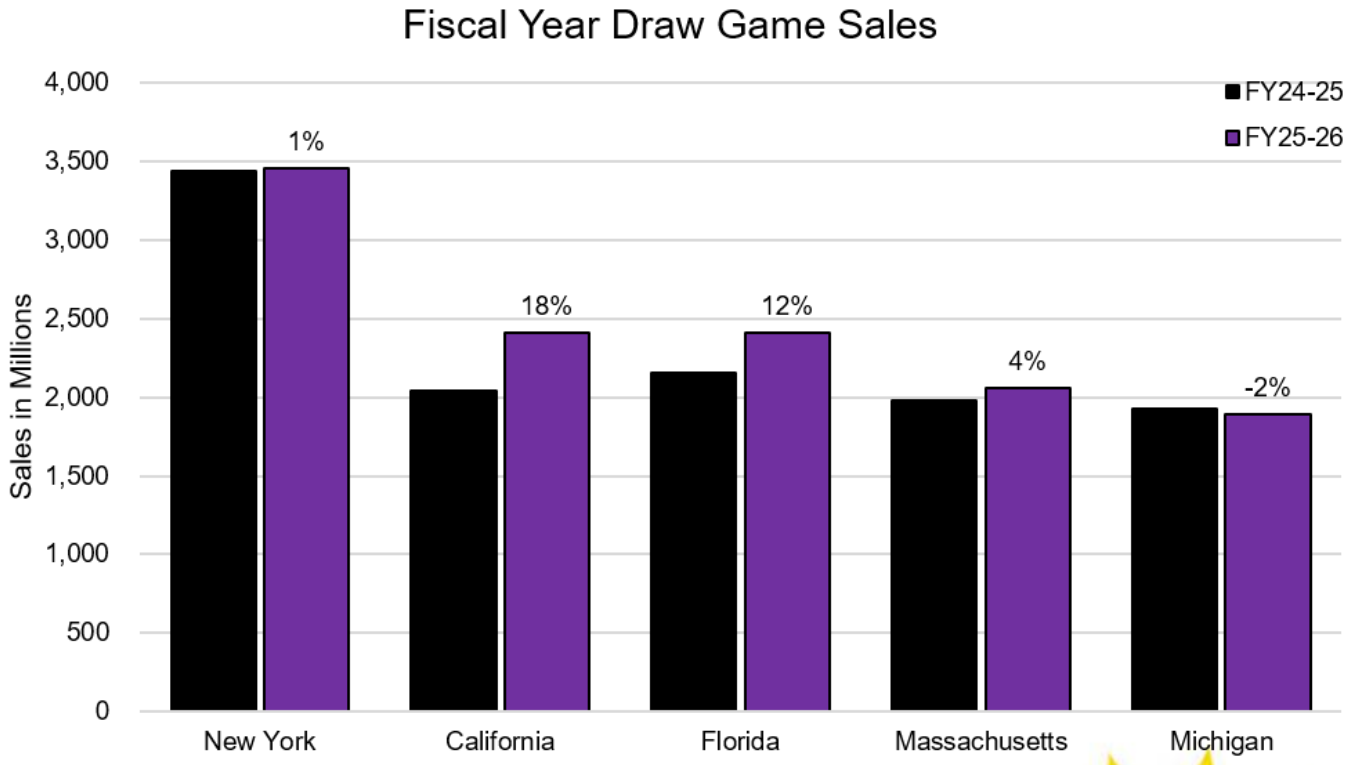
| State | FY 2025-26 Instant Ticket Sales | % Change from Prior FY | Highest Price Point | Rank in PC Instant Sales |
|---|---|---|---|---|
| Florida | $ 7,144.6 | 4.5% | $50 | *#2* |
| California | $ 6,835.7 | -0.8% | $40 | *#19* |
| Texas | $ 6,242.6 | -3.0% | $100 | *#13* |
| New York | $ 4,268.0 | -1.7% | $30 | *#10* |
| Massachusetts | $ 3,808.2 | -3.7% | $50 | *#1* |
| Georgia | $ 3,253.2 | -3.6% | $50 | *#4* |
| Pennsylvania | $ 2,880.1 | -1.1% | $50 | *#7* |
| North Carolina | $ 2,762.4 | -2.8% | $50 | *#5* |
| Ohio | $ 2,357.1 | -3.0% | $50 | *#12* |
| Michigan | $ 2,217.3 | -2.8% | $50 | *#8* |

- Florida was only state in the top 10 to see year-over-year gains in Scratchers
- $50 games in FL were highest selling pp
- CA had #1 sales for the $3, $10, $20, and $30pp

*Source: All Industry Sales data is from LaFleur's Magazine Sept/Oct 2026 edition; Traditional Sales excludes VLT's, sports betting, and eInstants. Unaudited figures, October 2026*

# CA had greater sales growth from draw games

- CA was #2 in the U. S. industry for Draw Game sales during FY25-26; NY was #1
- However, CA's Draw Game sales growth was highest among the top selling states
- Powerball was primary driver for growth across the nation




*Source: All Industry Sales data is from LaFleur's Magazine Sept/Oct 2026 edition; Traditional Sales excludes VLT's, sports betting, and eInstants.*
*Unaudited figures, October 2026*

# Industry Ranking Summary

In FY 2025-26 CA was …

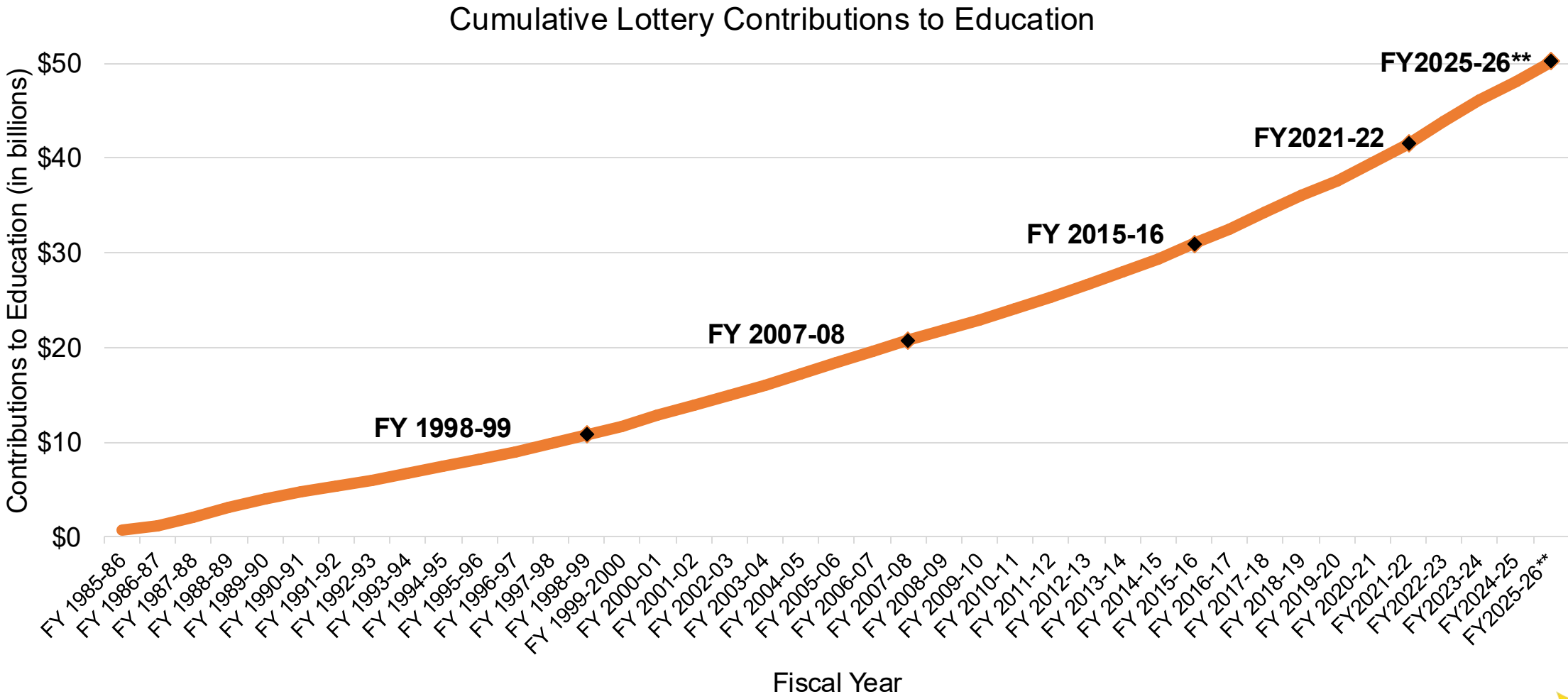
- **#2 highest selling lottery**
- **#2** state for Scratchers sales
- **#1** state for Mega Millions sales
- **#1** state for Powerball sales
- **#2** state for in-state lotto sales
- **#6** state for monitor games sales

CA once again **3rd** in the nation in terms of estimated contributions to its beneficiary

- NY #1: $3.6 billion (includes revenue from VLTs)
- FL #2: $2.4 billion

*Source: All Industry Sales data is from LaFleur's Magazine Sept/Oct 2026 edition; Traditional Sales excludes VLT's, sports betting, and eInstants. Unaudited figures, October 2026*

# CA Lottery has provided over $50 billion to California education since inception




***Unaudited financials as of October 2026*