

Operational Highlights

- Nova Scotia had a \$1.0 million Lotto Max MAXMILLION winner.
- Lotto Max launched twice weekly draws on Tuesdays and Fridays. There were six Lotto Max \$50+ million plus MAXMILLION draws and four Lotto 6/49 jackpots over \$20 million.
- Four new Scratch’N Win tickets and four new Digital Instant games were launched.
- Three new video lottery games were launched, and 200 replacement terminals were rolled out across the province.
- Casino Nova Scotia promotions included a “Big Vegas Buffet” and contests “Dare to Deal” and “Spring into Summer”. Entertainment included concerts by Uncle Kracker and a Songwriter’s Circle, Psychic Medium Angela MacLellan, and darts tournaments.

Community Highlights

- *Support4Sport* provided \$1.0 million in dedicated profits for amateur sports in Nova Scotia and sponsored the *Support4Sport* Awards, in addition to supporting the Future Hall of Famers dinner.
- *Support4Culture* provided \$0.3 million for initiatives such as KitchenFest, a celebration of Gaelic culture, arts and heritage in Cape Breton.
- The Responsible Gambling Resource Centres in the casinos distributed approximately 1,200 pieces of responsible gambling information to patrons, and yourbestbet.ca had over 9,180 unique visitors.
- NSGC supported six Monte Carlo nights as part of the *Support4Communities* Casino Nights program, helping raise more than \$100,000 for organizations in the host communities.

For more information visit: www.gamingns.ca



\$32.8 million was paid to the Province in the first quarter.

This is \$2.9 million lower than the same quarter last year, primarily due to lower profits in Ticket Lottery.

Overall, revenue from gaming is lower than the same quarter last year due to decreased ticket lottery sales, primarily in Lotto Max.

Contributions and expenditures for responsible gambling and prevention programming initiatives totalled \$2.1 million.

Consolidated Statement of Financial Position

As at June 30, 2019 (unaudited) (in thousands)

	<u>2019</u>	<u>2018</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 12,589	\$ 11,435
Cash – restricted	5,370	5,605
Cash – casino capital replacement reserve	7,104	6,629
Trade and other receivables	8,557	10,067
Prepaid expenses	1,207	1,099
Inventories	<u>2,995</u>	<u>2,093</u>
	<u>37,822</u>	<u>36,928</u>
Non-current assets		
Property, plant and equipment	71,518	74,043
Disputed HST assessments	71,384	63,557
Investment in Atlantic Lottery Corporation	3,404	4,741
Investment in Interprovincial Lottery Corporation	<u>1</u>	<u>1</u>
	<u>146,307</u>	<u>142,342</u>
	<u>\$ 184,129</u>	<u>\$ 179,270</u>
LIABILITIES and EQUITY		
Current liabilities		
Trade and other payables	23,620	22,101
Deferred revenue	518	432
Liabilities for unclaimed prizes	5,370	5,605
Due to Atlantic Gaming Equipment Limited	6,297	6,970
Other liabilities	1,633	1,282
Due to Province of Nova Scotia	<u>114,871</u>	<u>109,362</u>
	<u>152,309</u>	<u>145,752</u>
Non-current liabilities		
Due to Atlantic Gaming Equipment Limited	9,258	10,632
Other long term liabilities	<u>264</u>	<u>253</u>
	<u>9,522</u>	<u>10,885</u>
EQUITY		
Casino capital replacement reserve	18,894	17,892
Accumulated other comprehensive income	<u>3,404</u>	<u>4,741</u>
	<u>22,298</u>	<u>22,633</u>
	<u>\$ 184,129</u>	<u>\$ 179,270</u>



**DID YOU
KNOW?**

Nova Scotia Gaming Corporation is the Crown Corporation responsible for managing the business of gaming in the province. We help make Nova Scotia a better place by returning 100% of the profits to government programs and good causes that are important to Nova Scotians.

Consolidated Statement of Net and Comprehensive Income

For the first quarter ended June 30, 2019 (unaudited) (in thousands)



	2019					2018						
	Casinos	Ticket Lottery	Video Lottery	RG	Other	1st Quarter and Year to date	Casinos	Ticket Lottery	Video Lottery	RG	Other	1st Quarter and Year to date
Revenues	\$ 22,036	\$ 57,046	\$ 33,222	\$ -	\$ -	\$ 112,304	\$ 21,510	\$ 61,194	\$ 33,785	\$ -	\$ -	\$ 116,489
Expenses	18,227	46,807	12,153	208	832	78,227	17,757	47,950	12,908	200	709	79,524
Net profit	3,809	10,239	21,069	(208)	(832)	34,077	3,753	13,244	20,877	(200)	(709)	36,965
Contributions	-	-	-	(1,858)	(3,409)	(5,267)	-	-	-	(1,861)	(3,306)	(5,168)
Net Income	3,809	10,239	21,069	(2,066)	(4,241)	28,810	3,753	13,244	20,877	(2,061)	(4,015)	31,797
Win Tax	3,968	-	-	-	-	3,968	3,859	-	-	-	-	3,860
Payment to Province	\$ 7,777	\$ 10,239	\$ 21,069	\$ (2,066)	\$ (4,241)	\$ 32,778	\$ 7,612	\$ 13,244	\$ 20,877	\$ (2,061)	\$ (4,015)	\$ 35,657

Consolidated Statement of Changes in Equity

For the first quarter ended June 30, 2019
(unaudited) (in thousands)

	2019	2018
	First Quarter & Year to date	First Quarter & Year to date
Casino capital replacement reserve balance, beginning of period	\$ 17,655	\$ 16,723
Change in reserve	1,239	1,169
Casino capital replacement reserve, end of period	18,894	17,892
Accum. Other Comprehensive Income, beginning of period	3,404	4,741
Other comprehensive income (loss)	-	-
Accum. Other Comprehensive Income, end of period	3,404	4,741
Retained Earnings, beginning of period	-	-
Net Income	32,778	35,657
Payment to province	(32,778)	(35,657)
Retained Earnings, end of period	-	-
Equity, end of period	\$ 22,298	\$ 22,633

Consolidated Statement of Cash Flows

For the first quarter ended June 30, 2019 (unaudited) [in thousands]

	<u>2019</u>	<u>2018</u>
Operating		
Net and comprehensive income	\$ 32,778	\$ 35,657
Depreciation	1,869	2,193
Loss on disposal of capital assets	5	24
Net transfers of property, plant and equipment	(293)	18
Net changes in non-cash working capital	4,134	3,220
	<u>38,493</u>	<u>41,112</u>
Financing		
Allocation of income to Province	(32,778)	(35,657)
Net changes in obligation to Atlantic Gaming Equipment Limited	1,785	(1,744)
	<u>(30,993)</u>	<u>(37,401)</u>
Investing		
Purchases of capital assets, net additions	(5,875)	(614)
Increase in Casino Capital Replacement Reserve, net of cash	2,589	1,062
	<u>(3,286)</u>	<u>448</u>
Net increase in cash & cash equivalents	4,214	4,159
Cash & cash equivalents, beginning of quarter	<u>8,375</u>	<u>7,276</u>
Cash & cash equivalents, end of quarter	<u>\$ 12,589</u>	<u>\$ 11,435</u>

**DID YOU
KNOW?**

Proceeds from the sale of designated lottery products fund the *Support4Sport* program. *Support4Sport* is the largest source of funding for amateur sports in the province and has helped raise over \$42 million since it was introduced in 2006.