

Operational Highlights

- Nova Scotia had a \$333,000 Lotto Max MAXMILLION winner.
- Ten new Scratch’N Win tickets and eight new Digital Instants games were launched.
- There were seven Lotto Max \$50+ million plus MAXMILLION draws and two Lotto 6/49 jackpots over \$20 million.
- Eight new video lottery games were launched.
- Casino Nova Scotia promotions included a “Festive Buffet” and the continuation of the “Beat the Boss” contest and the gifting program. Entertainment included Roger Hodgson of Supertramp and Platinum Blonde who played the New Year’s Eve show.

Community Highlights

- *Support4Sport* provided \$1.0 million in dedicated profits for amateur sports in Nova Scotia and supported the Nova Scotia Sport Hall of Fame Induction Night, in addition to partnering with Recreation Nova Scotia to support its annual conference.
- *Support4Culture* provided \$0.4 million for initiatives such as the Association of Nova Scotia Museum’s annual conference.
- The 2019 Responsible Gambling Awareness Week included activities aimed at reaching Nova Scotians with important educational messages about responsible gambling.
- NSGC supported four Monte Carlo nights as part of the *Support4Communities* Casino Nights program, helping to raise more than \$100,000 for organizations in the host communities.

For more information visit: www.gamingns.ca



\$39.1 million was paid to the Province in the third quarter.

This is \$1.6 million lower than the same quarter last year, primarily due to lower profits in Ticket Lottery.

Overall, revenue from gaming is higher than the same quarter last year due to increases at both casinos.

Contributions and expenditures for responsible gambling and prevention programming initiatives totalled \$1.5 million.

Consolidated Statement of Financial Position

As at December 31, 2019 (unaudited) [in thousands]

ASSETS	2019	2018
Current assets		
Cash and cash equivalents	\$ 11,885	\$ 11,415
Cash – restricted	6,427	6,026
Cash – casino capital replacement reserve	6,299	7,519
Trade and other receivables	10,903	10,584
Prepaid expenses	908	725
Inventories	<u>2,614</u>	<u>2,960</u>
	<u>39,036</u>	<u>39,229</u>
Non-current assets		
Property, plant and equipment	78,559	71,403
Disputed HST assessments	75,357	67,460
Investment in Atlantic Lottery Corporation	3,404	4,741
Investment in Interprovincial Lottery Corporation	<u>1</u>	<u>1</u>
	<u>157,321</u>	<u>143,605</u>
	<u>\$ 196,357</u>	<u>\$ 182,834</u>
LIABILITIES and EQUITY		
Current liabilities		
Trade and other payables	22,804	23,786
Deferred revenue	670	638
Liabilities for unclaimed prizes	6,427	6,026
Due to Atlantic Gaming Equipment Limited	6,297	6,970
Other liabilities	1,771	1,309
Due to Province of Nova Scotia	<u>118,508</u>	<u>111,525</u>
	<u>156,477</u>	<u>150,254</u>
Non-current liabilities		
Due to Atlantic Gaming Equipment Limited	13,444	7,190
Other long term liabilities	<u>1,513</u>	<u>250</u>
	<u>14,957</u>	<u>7,440</u>
EQUITY		
Casino capital replacement reserve	21,519	20,399
Accumulated other comprehensive income	<u>3,404</u>	<u>4,741</u>
	<u>24,923</u>	<u>25,140</u>
	<u>\$ 196,357</u>	<u>\$ 182,834</u>

**DID YOU
KNOW?**

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

Consolidated Statement of Net and Comprehensive Income

For the third quarter ended December 31, 2019 (unaudited) [in thousands]



	2019						2018							
	Casinos	Ticket Lottery	Video Lottery	RG	Other	3rd Quarter	Year to date	Casinos	Ticket Lottery	Video Lottery	RG	Other	3rd Quarter	Year to date
Revenues	\$ 22,623	\$ 66,740	\$ 32,705	\$ -	\$ -	\$ 122,068	\$ 344,569	\$ 21,272	\$ 66,889	\$ 32,246	\$ -	\$ -	\$ 120,407	\$ 351,658
Expenses	18,925	53,359	9,919	424	1,070	83,697	236,820	17,862	50,481	10,451	395	905	80,094	237,813
Net Profit	3,698	13,381	22,786	(424)	(1,070)	38,371	107,749	3,410	16,408	21,795	(395)	(905)	40,313	113,845
Contributions	-	-	-	(1,120)	(2,108)	(3,228)	(11,751)	-	-	-	(1,120)	(2,139)	(3,259)	(11,570)
Net Income before win tax	3,698	13,381	22,786	(1,544)	(3,178)	35,143	95,998	3,410	16,408	21,795	(1,515)	(3,044)	37,054	102,275
Win Tax	4,006	-	-	-	-	4,006	12,234	3,707	-	-	-	-	3,707	11,901
Net Income	<u>\$ 7,704</u>	<u>\$ 13,381</u>	<u>\$ 22,786</u>	<u>\$ (1,544)</u>	<u>\$ (3,178)</u>	<u>\$ 39,149</u>	<u>\$ 108,232</u>	<u>\$ 7,117</u>	<u>\$ 16,408</u>	<u>\$ 21,795</u>	<u>\$ (1,515)</u>	<u>\$ (3,044)</u>	<u>\$ 40,761</u>	<u>\$ 114,176</u>

Consolidated Statement of Changes in Equity

For the third quarter ended December 31, 2019
(unaudited) [in thousands]

	2019		2018	
	3rd Quarter	Year to date	3rd Quarter	Year to date
Casino Capital Replacement Reserve, beginning of period	\$ 20,230	\$ 17,655	\$ 19,218	\$ 16,723
Change in reserve	1,289	3,864	1,181	3,676
Casino Capital Replacement Reserve, end of period	21,519	21,519	20,399	20,399
Accum. Other Comprehensive Income, beginning of period	3,404	3,404	4,741	4,741
Other comprehensive income (loss)	-	-	-	-
Accum. Other Comprehensive Income, end of period	3,404	3,404	4,741	4,741
Retained Earnings, beginning of period	-	-	-	-
Net Income	39,149	108,232	40,761	114,176
Payment to Province	(39,149)	(108,232)	(40,761)	(114,176)
Retained Earnings, end of period	-	-	-	-
Equity, end of period	<u>\$ 24,923</u>	<u>\$ 24,923</u>	<u>\$ 25,140</u>	<u>\$ 25,140</u>

Consolidated Statement of Cash Flows

For the third quarter ended December 31, 2019 (unaudited) [in thousands]

	<u>2019</u>	<u>2018</u>
Operating		
Net and comprehensive income	\$ 35,143	\$ 37,054
Depreciation	2,005	2,122
Loss on disposal of capital assets	5	22
Net transfers of property, plant and equipment	293	53
Net changes in non-cash working capital	215	(6,155)
	<u>37,661</u>	<u>33,096</u>
Financing		
Allocation of income to Province	(35,143)	(37,054)
Net changes in obligation to Atlantic Gaming Equipment Limited	3,051	(1,736)
	<u>(32,092)</u>	<u>(38,790)</u>
Investing		
Purchases of capital assets, net additions	(7,679)	(457)
Increase in Casino Capital Replacement Reserve, net of cash	2,552	424
	<u>(5,127)</u>	<u>(33)</u>
Net increase / (decrease) in cash & cash equivalents	442	(5,727)
Cash & cash equivalents, beginning of quarter	<u>11,443</u>	<u>17,142</u>
Cash & cash equivalents, end of quarter	<u>\$ 11,885</u>	<u>\$ 11,415</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.