

To run with the hare and hold with the hands





Multi-states games and Lotos'health ?



Is it so wild ?



Some evidences

- ◆ How to grow without new offers ?
- ◆ Markets evolve towards segmentation
- ◆ Classic long life cycle products reach maturity, decline
- ◆ Average player's gaming budget has some limits
- ◆ New coming players are not driven by oldies

No dilemma  Need for growth
without damaging too much the core games





Thank you to those who showed the way





Positioning the games : differenciate

LOTO

basic number game



- ◆ access price/grid
1,2€ for 2 grids (2 draws)
- ◆ experienced chance of winning
1/56 since 30 years
- ◆ lowest tier
average 2,4 €
(twice access price)



premium game



- premium price/grid
2 € for 1 grid (1 draw)
- more global frequency
1/24
- higher last tier
9 to 10 €
(5 times grid price)



Limits : cycles, jackpot growth, amounts

- ◆ a game matrix for **average cycles of 4/5 draws** :
1 chance out of 76 millions to win Jackpot for population of 200M
Powerball is 1 out of 145 for population 105M
- ◆ a starting jackpot at 15M€ : equal to Super Loto
- ◆ a **maximum number of draws for rolling Jackpot : 12**
and Rolldown on following winning tier rank on week 12
+
a more socially responsible policy
Too huge jackpots for a lone winner = social concern
- ◆ **an additionnal drawing day**

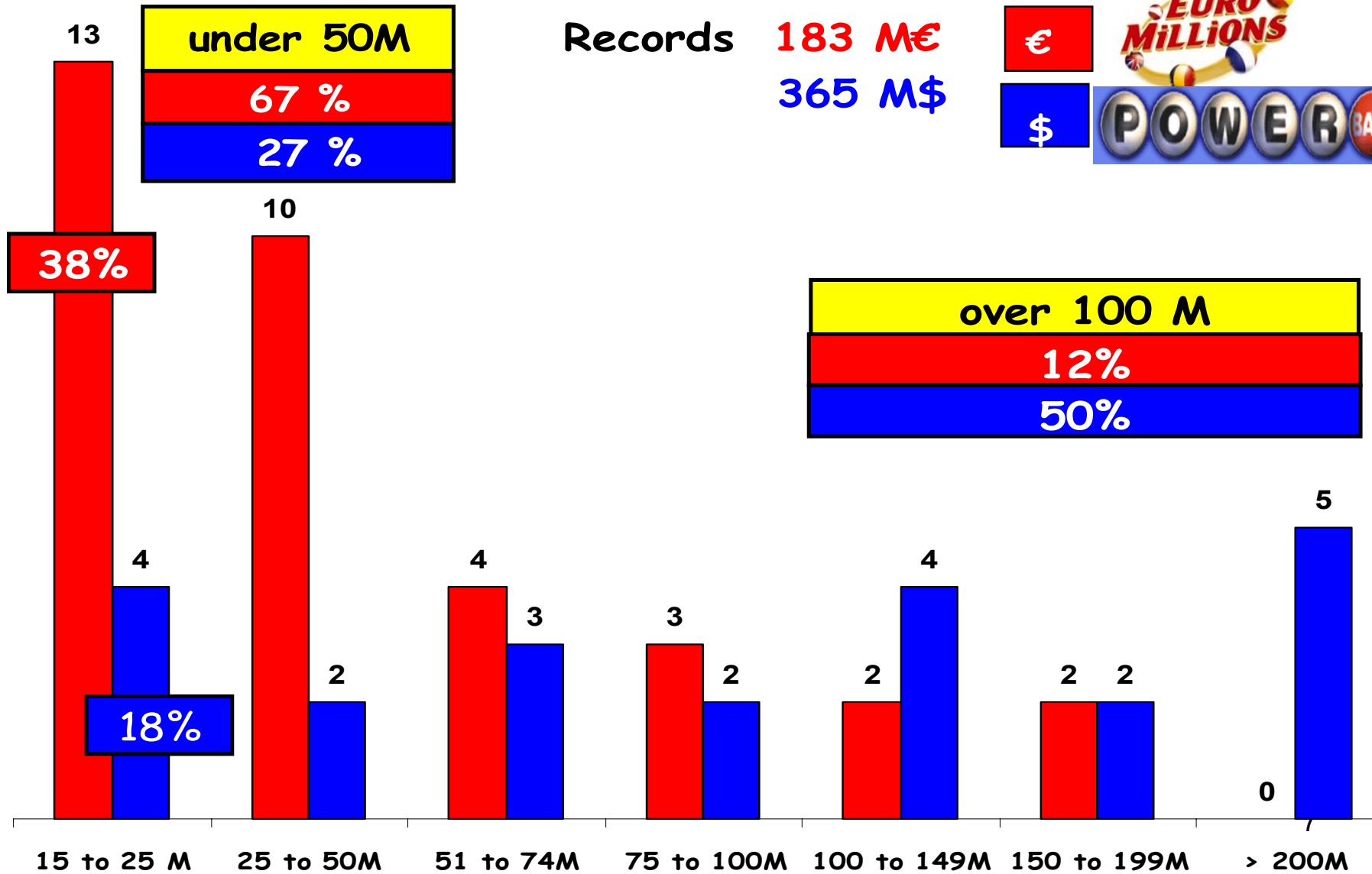


Jackpots : levels, amounts, frequency

Number of Jackpots per level in millions

period of 2 years from mid 2005 to mid 2007

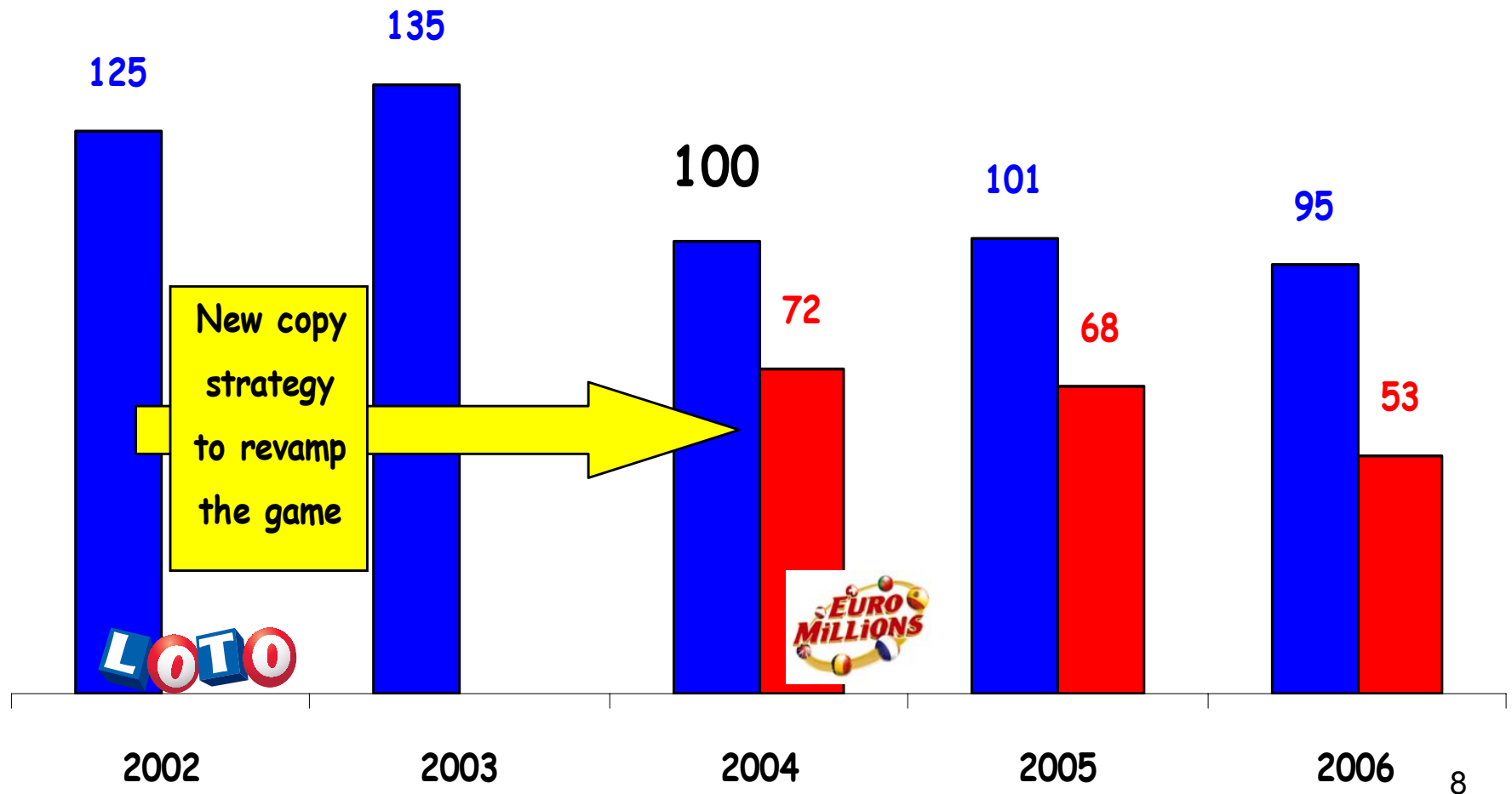
Records **183 M€**
365 M\$





Ad spendings : Keep on sustaining Loto

Advertising expenditures
in index based on Loto spendings 2004





A policy for retailers to defend Loto

- ◆ incentive at launch on EuroMillions sales + Loto sales

Prizes = Rajasthan Travels



- ◆ priority Loto at Vending counter and Euromillions door posters





Major impacts of EuroMillions on Loto

- ◆ decrease in sales performance :
 - limited** for Loto Total sales: less than expected
 - significant** for Loto Jackpots (at 4M€)
 - significant** for Super Lotos at 15 M€

- ◆ **slight** decrease in average stake/ player/ draw

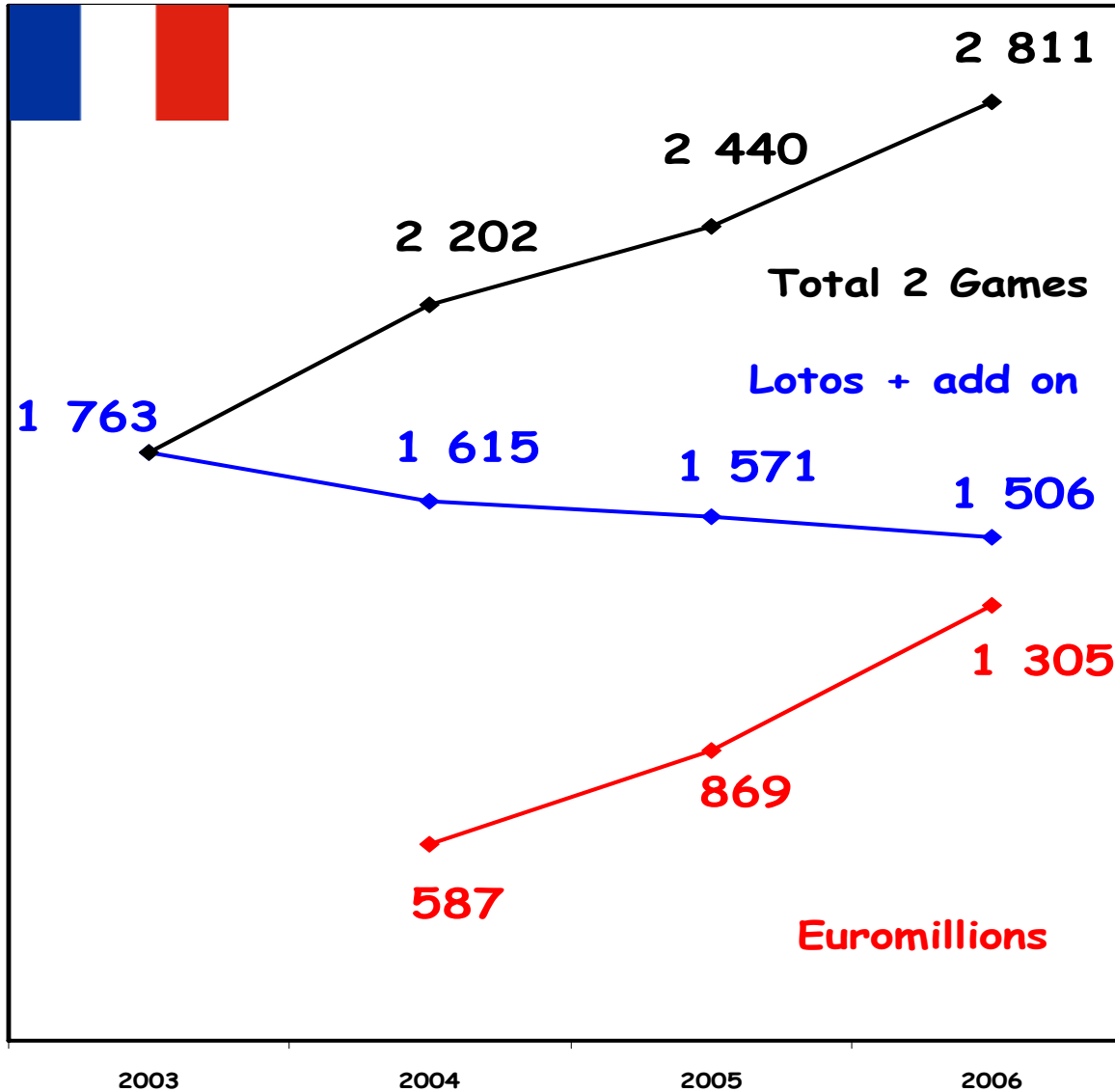
- ◆ **slight** decrease in number of players & regulars



France : impact on Loto sales

Sales Loto & Euromillions

in millions €



annual sales
2007/2003

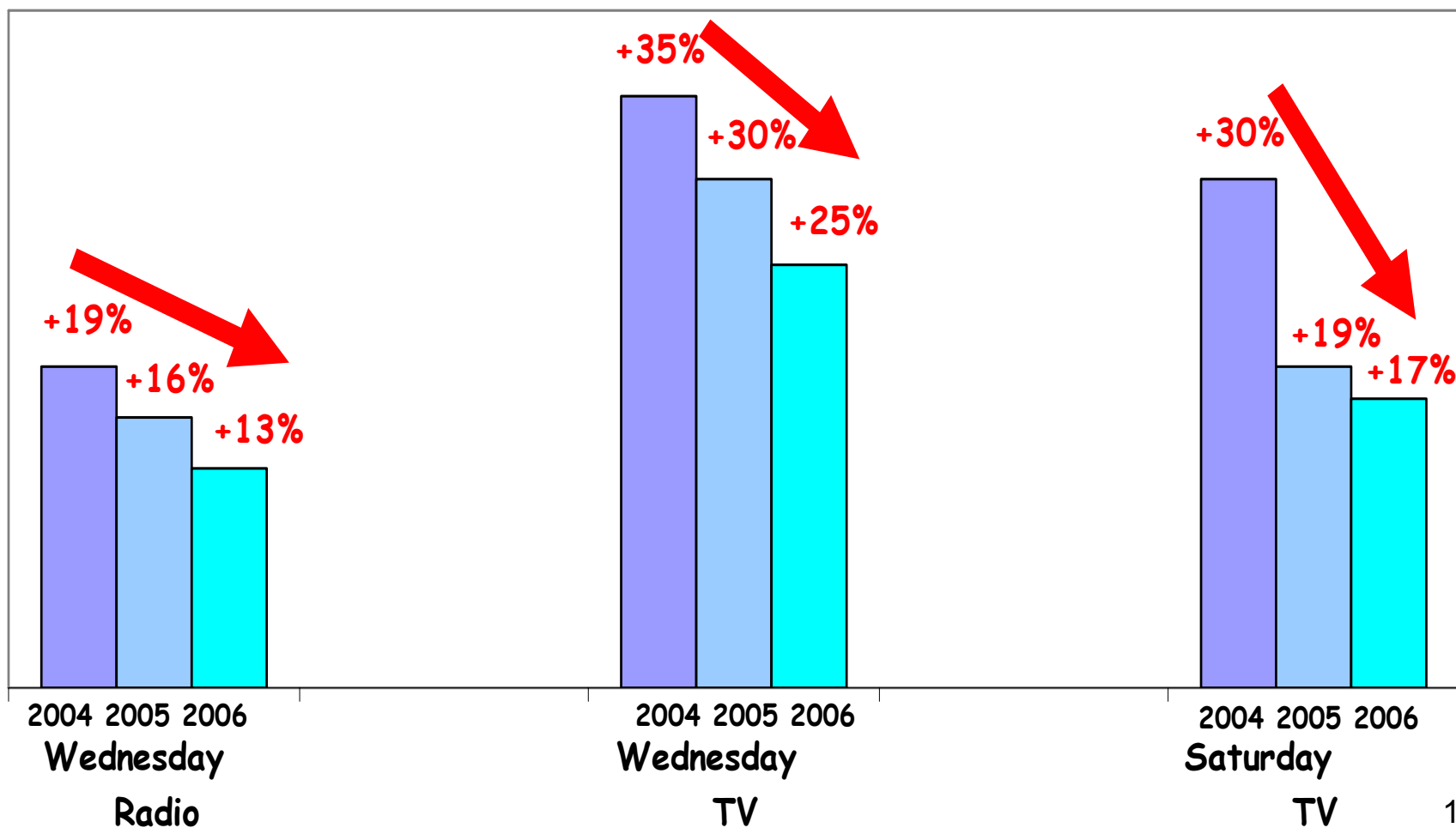
Loto + add on
- 15%

Total 2 games
+60%



Impact on Uplifts of Loto Jackpots

Impact on Uplift effect of Loto Jackpots sales with Media support

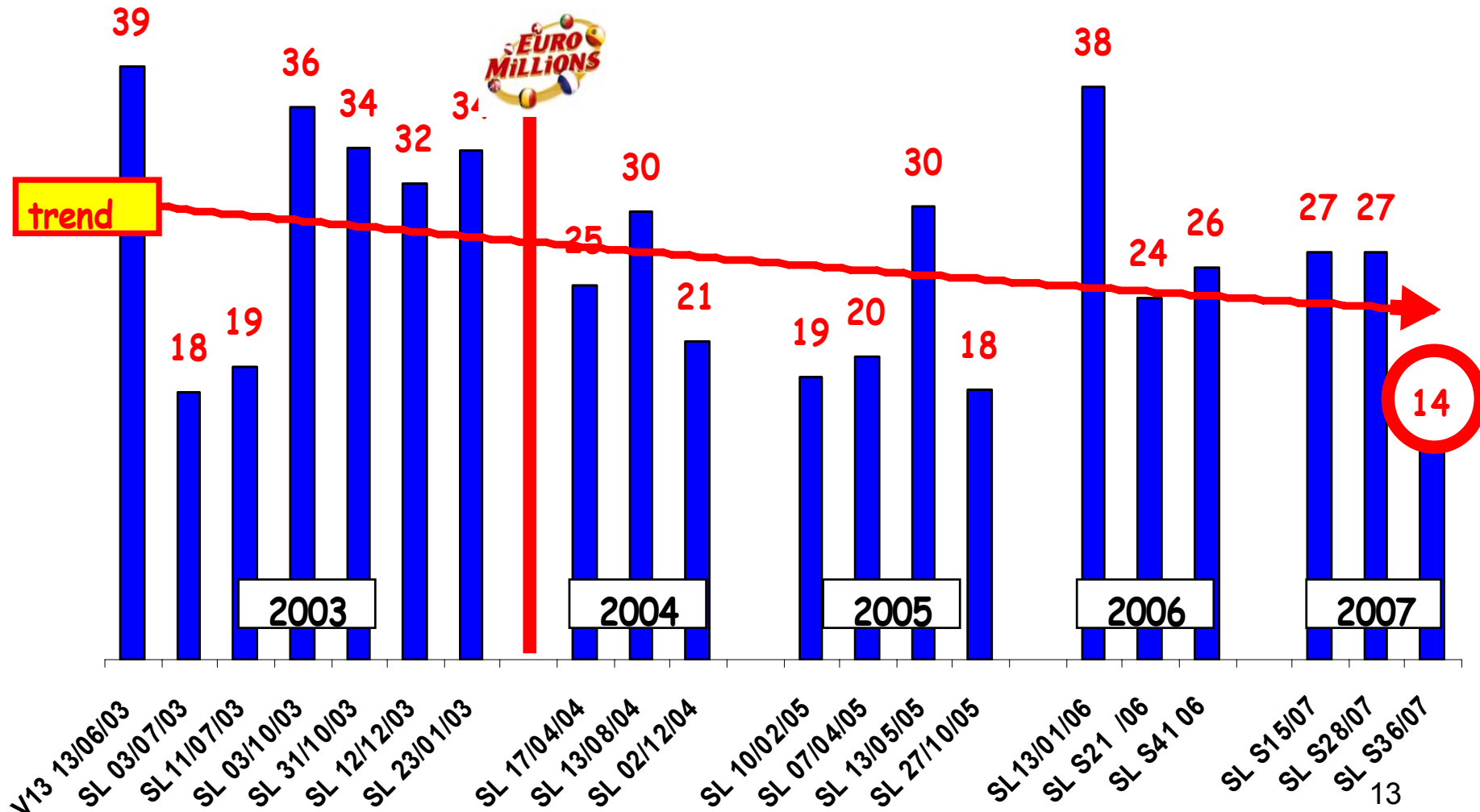




Impact on Super Lotos events (3 to 4/year)

Effect on Sales of Super Lotos Special Events

sales in millions €

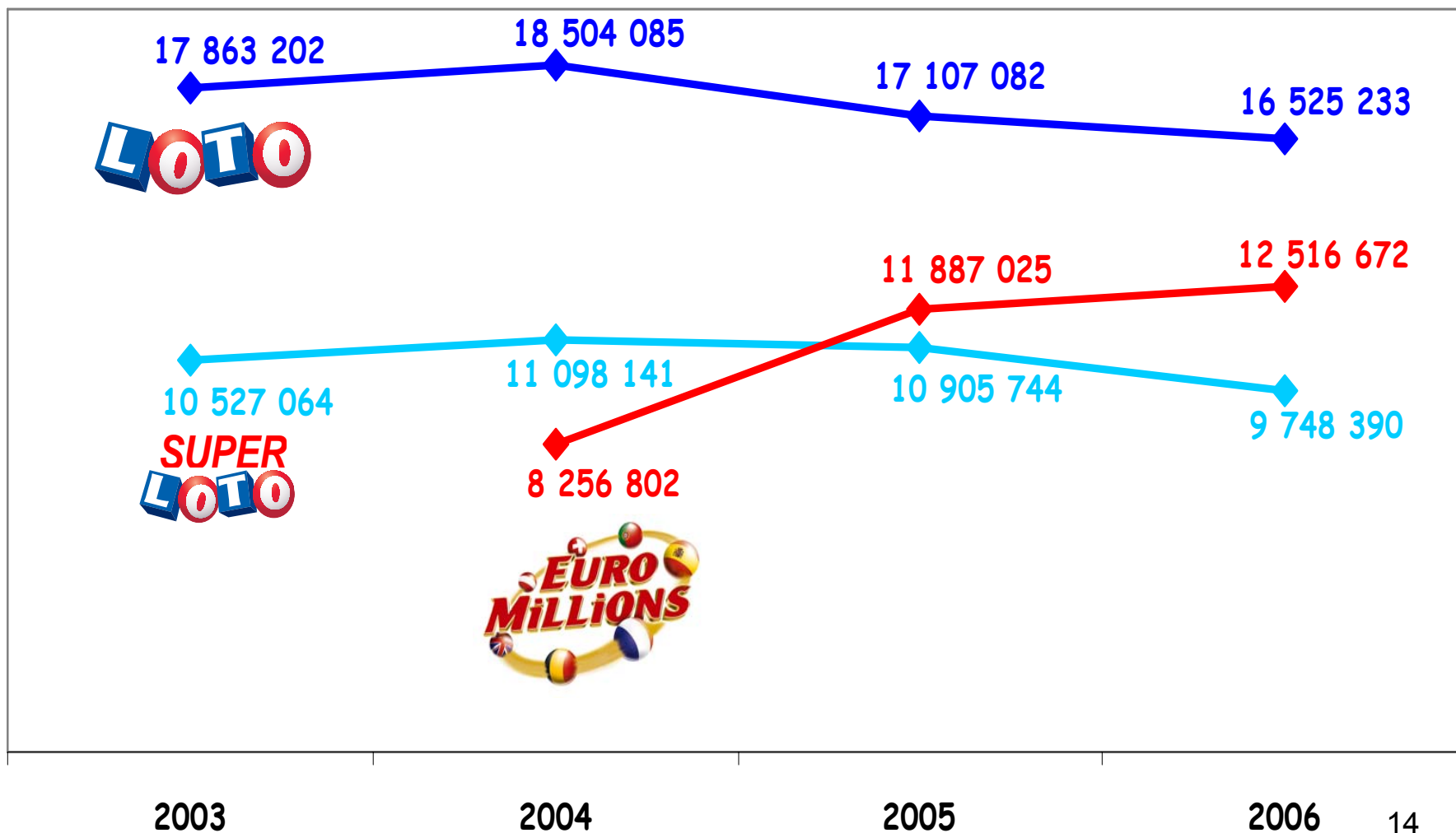




Impact on number of Loto players

Evolution of Number of players

at least once during the year

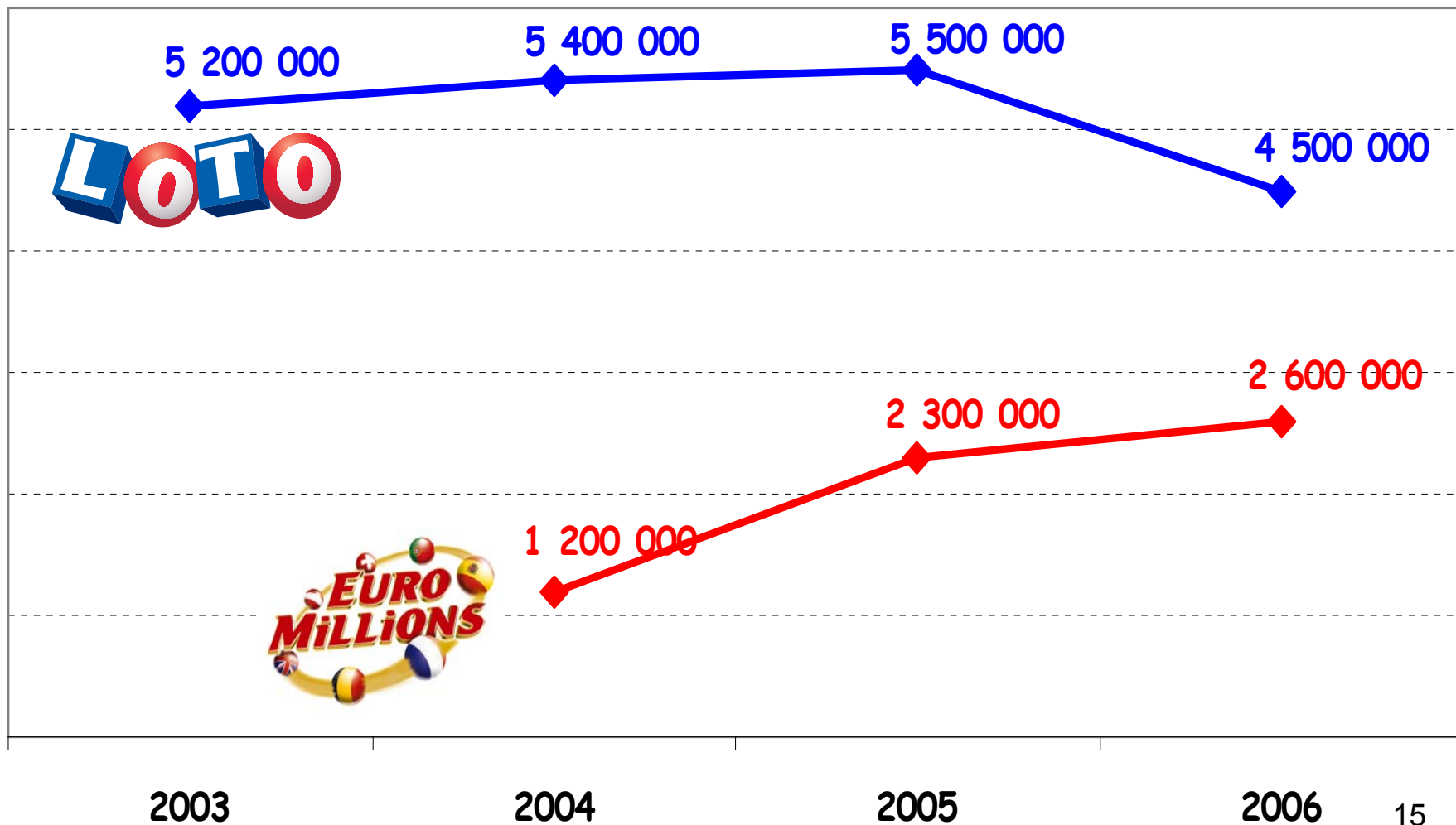




Impact on Loto regular players

Number of Regular players

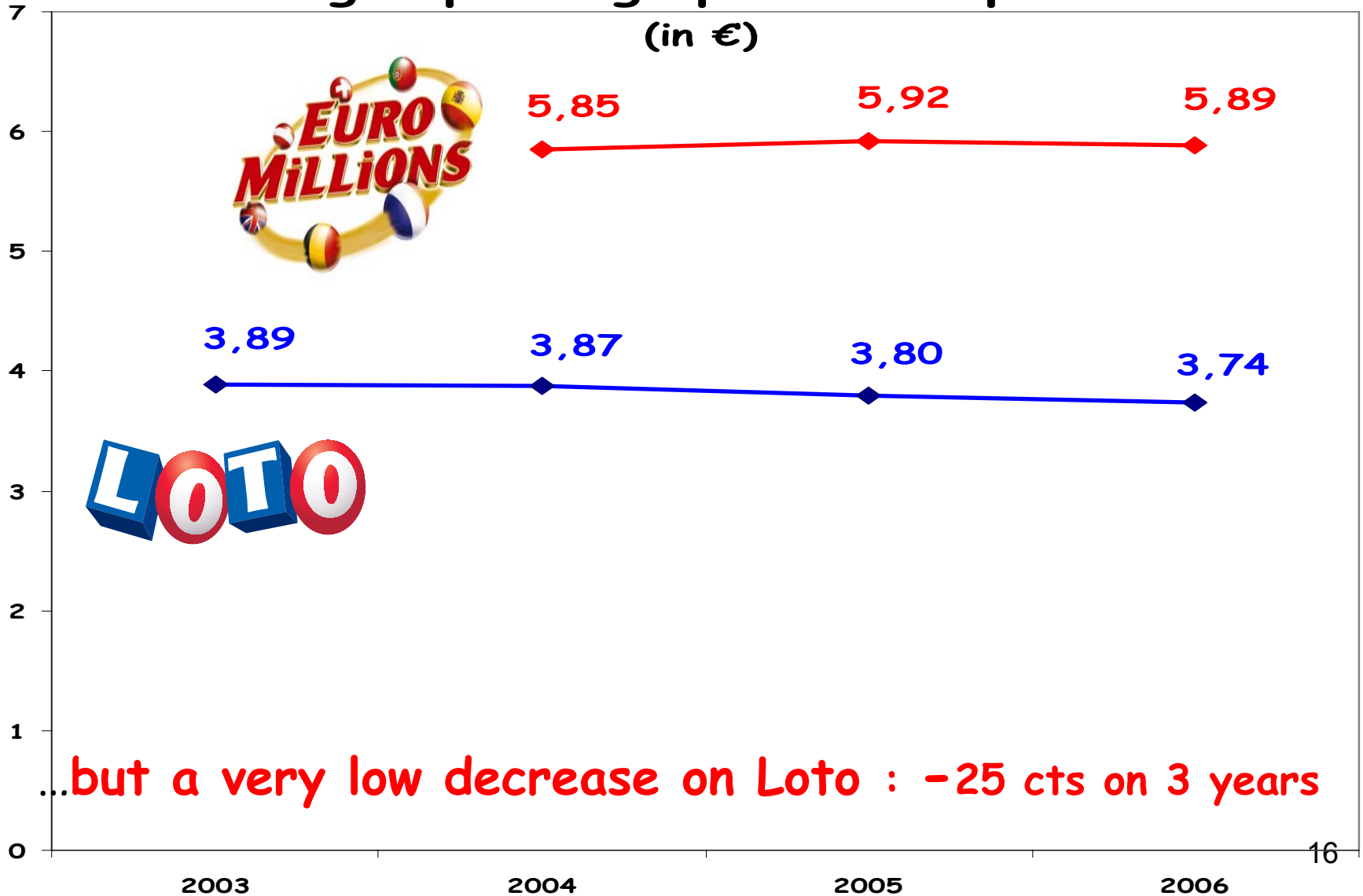
(once a week at least)





Impact on Loto average stake per draw

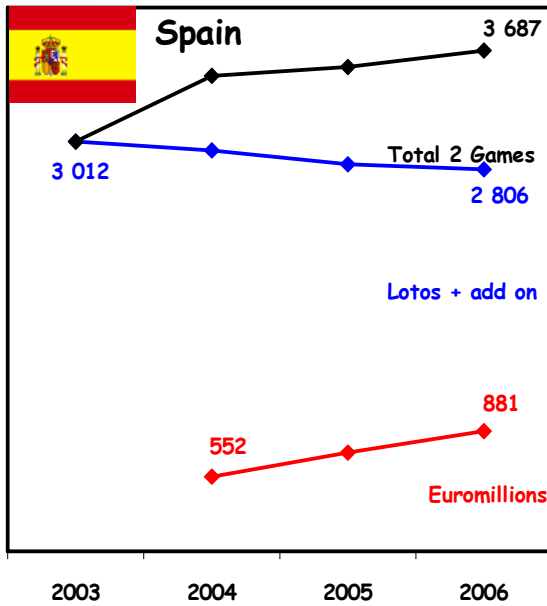
Average spendings per stake per draw
(in €)



...but a very low decrease on Loto : -25 cts on 3 years



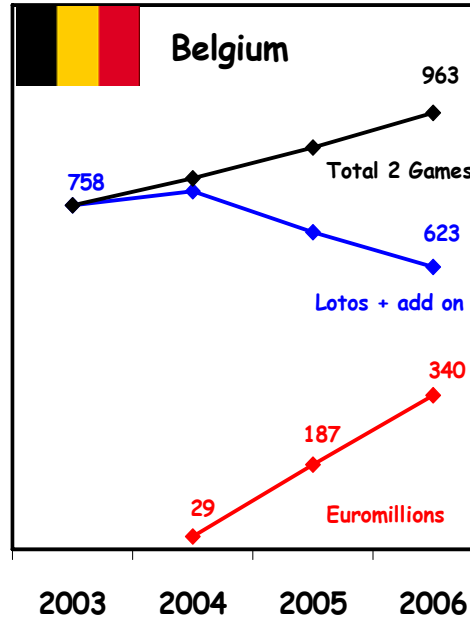
Other examples of Euromillions impact



annual sales
2007/2003

Lotos + add on
-7%

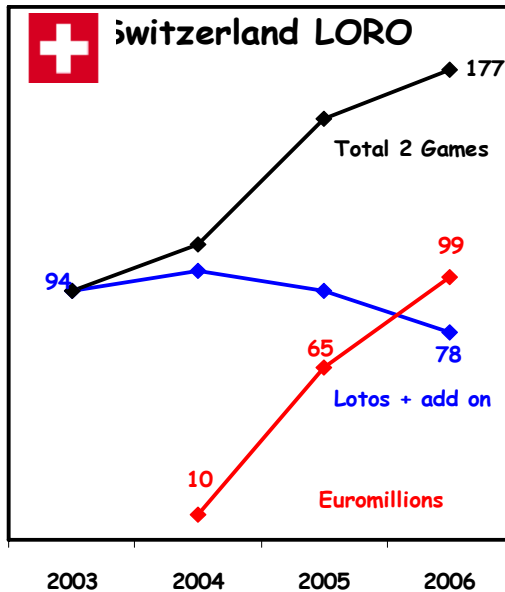
Total 2 games
+22%



annual sales
2007/2003

Lotos + add on
-18%

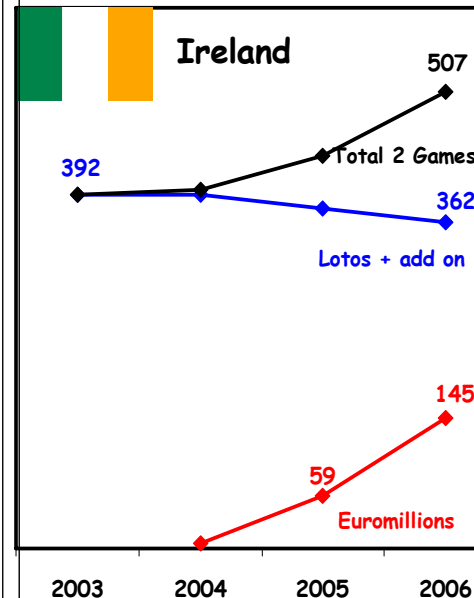
Total 2 games
+27%



annual sales
2007/2003

Lotos + add on
-17%

Total 2 games
+89%



annual sales
2007/2003

Lotos + add on
-8%

Total 2 games
+29%



But we won...

- ◆ strong increase in Total sales on number games
- ◆ significant increase in per capita spendings
- ◆ new players on number type games, youngsters
- ◆ a new date on Friday for players & retailers
- ◆ an additionnal TV draw on Channel 1
- ◆ new opportunities for sales when long cycles
- ◆ renewed involvement of the network in games
- ◆ strong coopération with Euromillions partners
- ◆ internally: skills and knowledge at operational staff levels

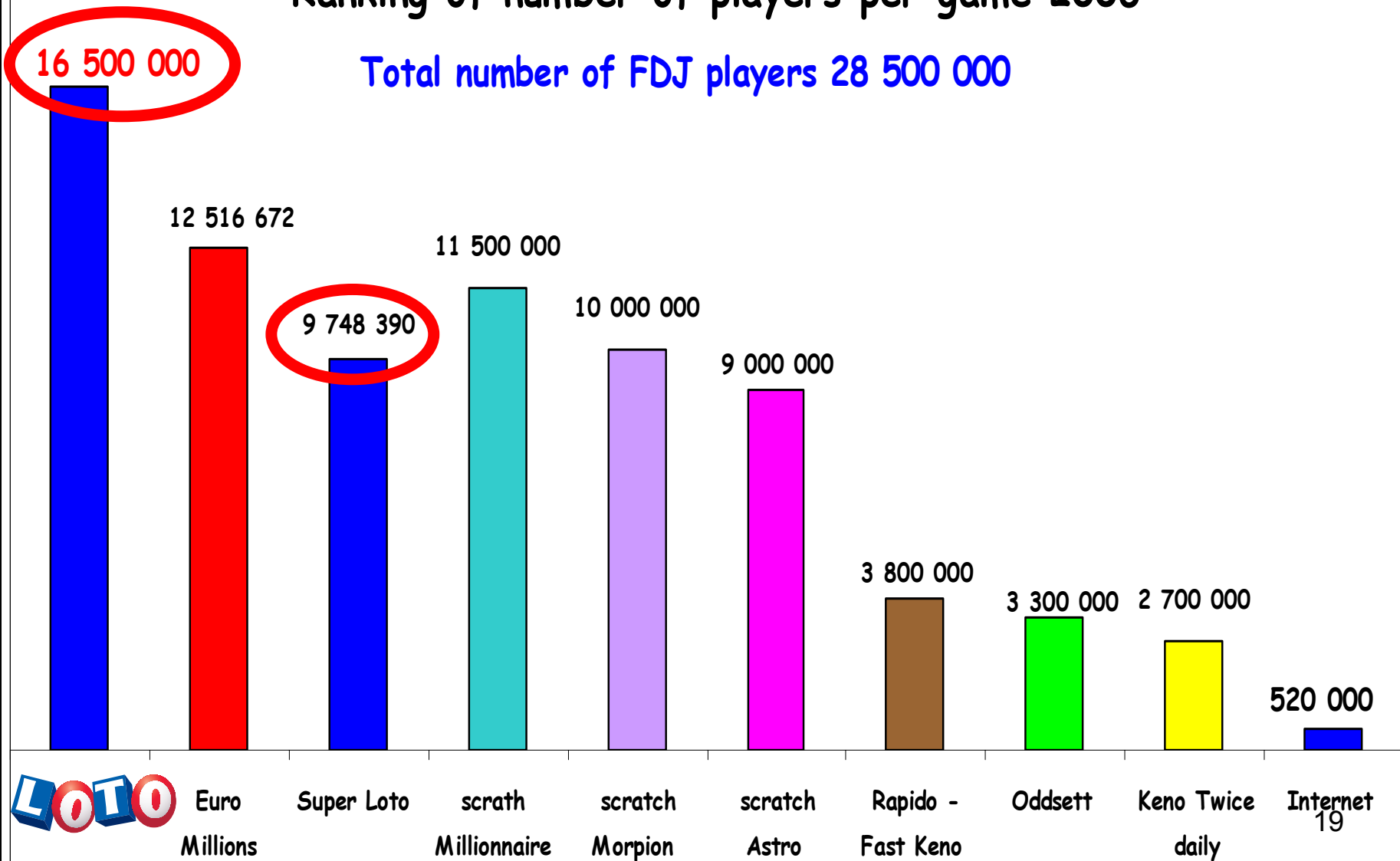




Loto still the most played game

Ranking of number of players per game 2006

Total number of FDJ players 28 500 000



Euro
Millions

Super Loto

scratch
Millionaire

scratch
Morpion

scratch
Astro

Rapido -
Fast Keno

Oddsett

Keno Twice
daily

Internet
19

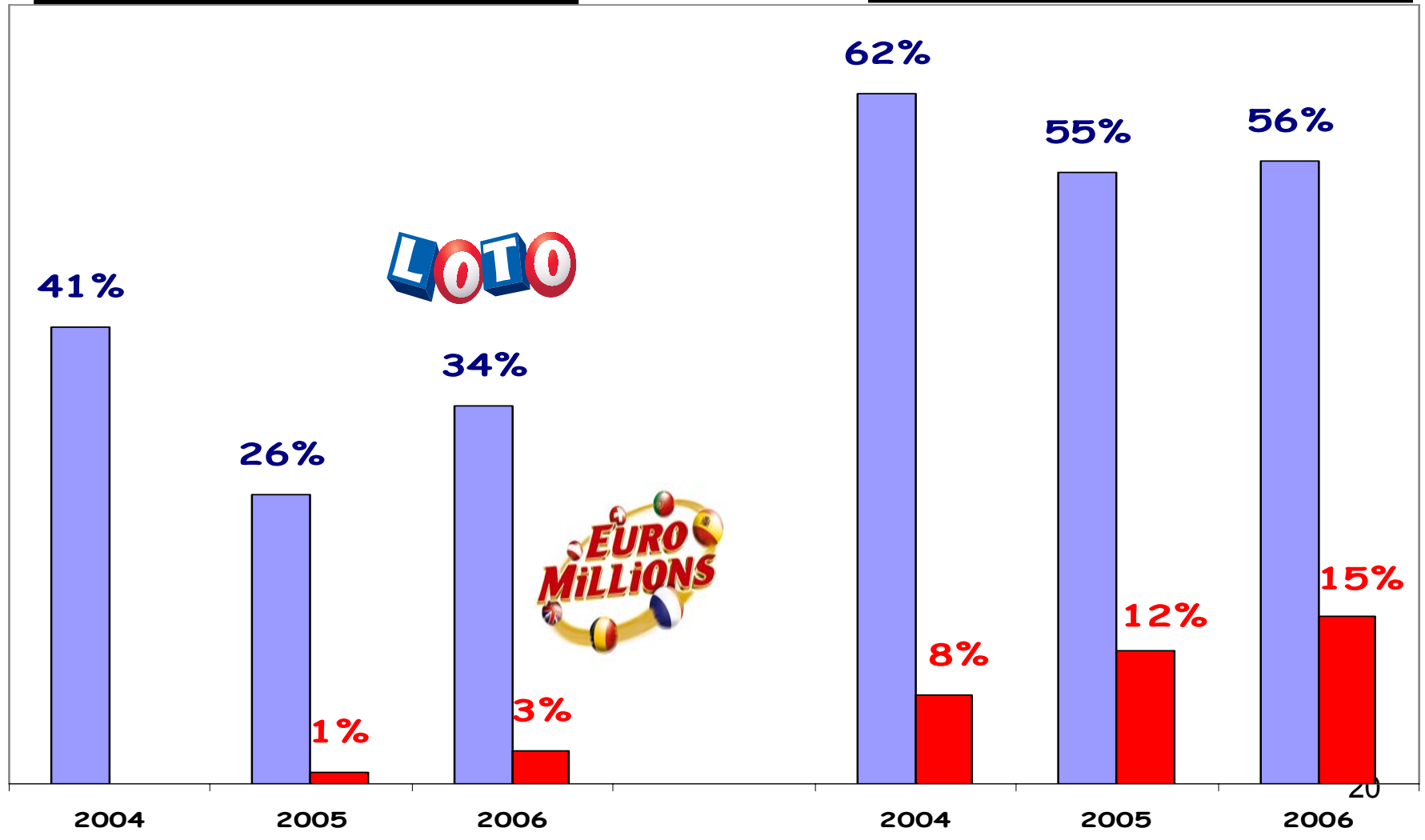


Loto still the strong leader in awareness

Awareness of games : Loto & Euromillions
among adult population 16 and over

Top of Mind

Unaided awareness





Next steps

- ◆ an opportunity to revamp the Loto:oct 08



- ◆ work on 2nd draw Euromillions

- ◆ New game at larger scale





Conclusion



We feared this !



Conclusion

We got that.....



.....till now !

THANK YOU