



National Gambling Board
South Africa
a member of the dti group

National Gambling Statistics

Casinos, Bingo, Limited Pay-out Machines and Betting on Horse Racing and Sport
offered by Bookmakers and Totalisators
[Based on audited data]

2017/2018 Financial Year (FY2018)

1 April 2017 – 31 March 2018

Introduction

- ❑ The National Gambling Board (NGB) is mandated by the National Gambling Act (NGA), 2004 (Act 7 of 2004), Section 65(2)(e) to monitor market conduct and market share.

- ❑ NGB monitors market conduct (number of gambling positions and outlets in the South African gambling sector) and also gathers and analyses national gambling statistics in terms of turnover (TO), Gross Gambling Revenue (GGR) and the collection of taxes/levies.

- ❑ The scope of this presentation covers audited information (national gambling statistics) related to the following legalised gambling modes in South Africa (as regulated by the NGB) of the Financial Year (FY) 2018:
 - Casinos (tables and slots);
 - Betting on horse racing and sport (offered by bookmakers and totalisators, on and off course);
 - Limited Payout Machines (LPMs); and
 - Bingo (traditional and Electronic Bingo Terminals (EBTs)).

Introduction

- ❑ Quarterly statistics were sourced from Provincial Licensing Authorities (PLAs).
- ❑ FY2018 information in this report is based on audited data.
- ❑ The information in this report is applicable to the period of 1 April 2017 to 31 March 2018 of FY2018, whereas quarters are representative of the following specific periods:
 - Quarter 1: 1 April 2017 – 30 June 2017;
 - Quarter 2: 1 July 2017 – 30 September 2017;
 - Quarter 3: 1 October 2017 – 31 December 2017; and
 - Quarter 4: 1 January 2018 – 31 March 2018.
- ❑ The purpose of this presentation is to provide an overview regarding the status and performance of the South African gambling sector in terms of casinos, bingo, LPMs and betting on horse racing and sport with specific reference to statistics relative to turnover, GGR, generated, taxes/levies collected and Return To Player (RTP).

Definitions

- ❑ **TO** = Turnover (the rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion)
- ❑ **GGR** = Gross Gambling Revenue (the rand value of the gross revenue of an operator i.e. turnover less winnings paid to players)
- ❑ **Tax** = Gambling tax (gambling tax levied and collected by Provincial Licensing Authorities)
- ❑ **RTP** = Return To Player is an average achieved over a significant number of game plays and not each time the gaming machine is played (Total amount returned to players / Total amount wagered by players x 100)

Source of data

Statistics are based on provincial statistics and raw data received from all the Provincial Licensing Authorities quarterly:

- Eastern Cape Gambling and Betting Board
- Free State Gambling and Liquor Authority
- Gauteng Gambling Board
- KwaZulu-Natal Gaming and Betting Board
- Limpopo Gambling Board
- Mpumalanga Economic Regulator
- Northern Cape Gambling Board
- North West Gambling Board
- Western Cape Gambling and Racing Board

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EXECUTIVE SUMMARY

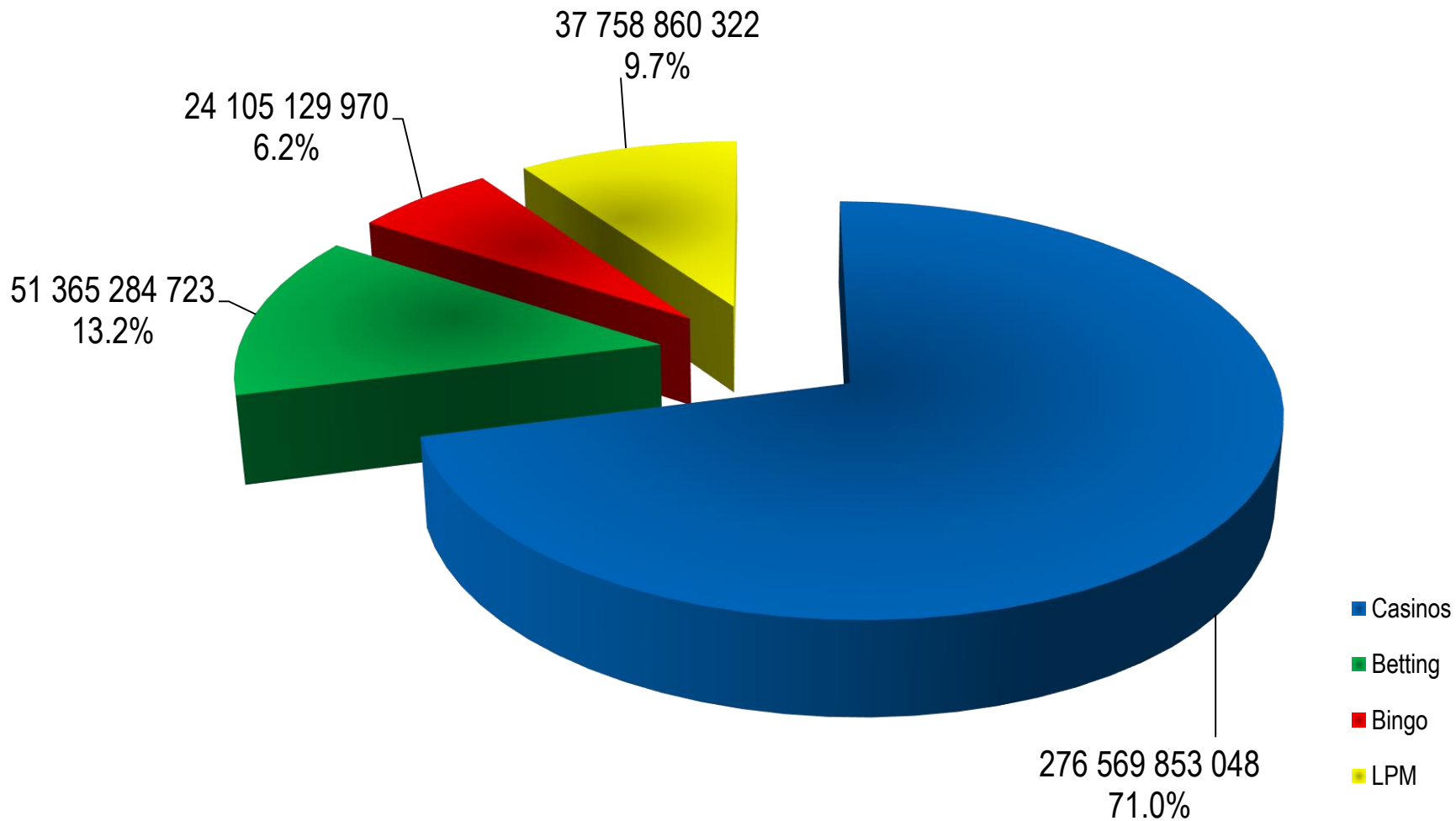
- ✓ The casino sector continued to dominate other gambling modes or sectors in terms of monies wagered, GGR generated and taxes/levies collected. GGR generated in the casino sector represented 64.0% of the total amount of GGR generated in all modes in FY2018. GGR generated by the casino sector has decreased by 1.8% from R18 236 685 695 in FY2016 to R 17 900 747 071 in FY2017, and increased by 2.9% to R18 417 094 967 in FY2018. The amount of taxes/levies collected by the casino sector in FY2018 was R 1 877 683 303.
- ✓ GGR generated in the betting on horse racing and sport sector during FY2018 was R 6 136 832 908 and represented 21.3% of the total amount of GGR generated compared to the other legalised gambling sectors. The highest percentage growth (compared to all other modes of gambling) in GGR generated was noted in the betting sector, i.e. GGR increased by 28.5% from FY2015 to FY2016, by 14.3% to FY2017 and by 20.7% to FY2018. Since FY2015 to FY2018, betting on sport offered by bookmakers has become the mode generating the highest GGR in the betting on horse racing and sport industry. The amount of taxes/levies collected from the betting sector during FY2018 was R 499 817 351. Less taxes/levies were collected from bookmakers offering sports betting compared to other modes in the betting industry.
- ✓ The total Rand value of GGR generated in the LPM sector during FY2018 was R2 960 822 948. This amount represents 10.3% of the total amount of GGR generated by all gambling modes. GGR in the LPM sector increased by 14.1% from FY2016 to FY2017, and by 9.8% to FY2018. The total Rand value of taxes/levies collected by PLAs from the LPM sector during FY2018 was R 392 262 823.

EXECUTIVE SUMMARY (continued)

- ✓ The total Rand value of GGR generated by the bingo sector during FY2018 was R 1 248 509 057. This amount represents 4.3% of the total amount of GGR generated by all licensed gambling modes. An increase by 36.6% was recorded in the generation of GGR from FY2016 to FY2017, however a decrease by 2.4% noted to FY2018. The total Rand value of taxes/levies collected from the bingo sector by PLAs during FY2018 was R 129 221 043.
- ✓ Overall, GGR increased by 8.8% from R 23,9 billion in FY2015 to R 26,0 billion in FY2016, by 3.8% to R 27,0 billion in FY2017, and by 6.7% to R 28,8 billion in FY2018. A total amount of R 28 763 259 881 in GGR was generated during FY2018.
- ✓ In general, the collection of taxes/levies decreased by 1.0% from R 2,8 billion in FY2016 to R 2,7 billion in FY2017, however increased by 5.7% to R2,9 billion in FY2018. The amount of R 2 898 984 519 in taxes/levies was collected during FY2018.
- ✓ During the financial year FY2018 from the 1st Quarter to the 4th Quarter, there was robust growth in GGR (quarter-on-quarter) from all modes of gambling although this growth shrunk from 11% in FY2018 Qtr 3 to 8% in FY2018 Qtr 4. After recording four consecutive quarters of robust growth in 2017, Statistics South Africa reported that the South African economy wobbled in the first quarter of 2018, shrinking by 2,2%.

Turnover per gambling mode – FY2018

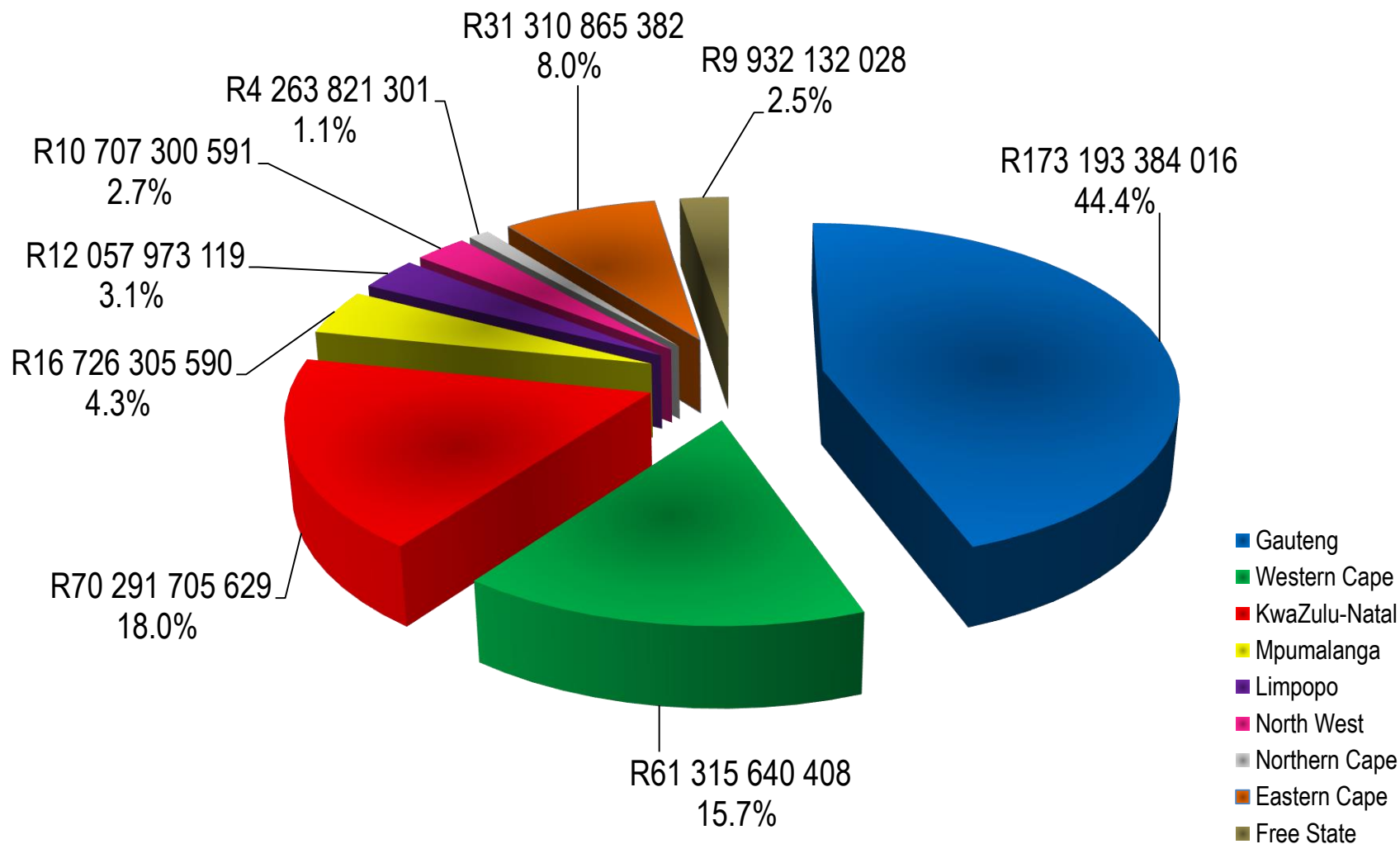
The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion.



Total turnover: R 389 799 128 064

Turnover per province – FY2018

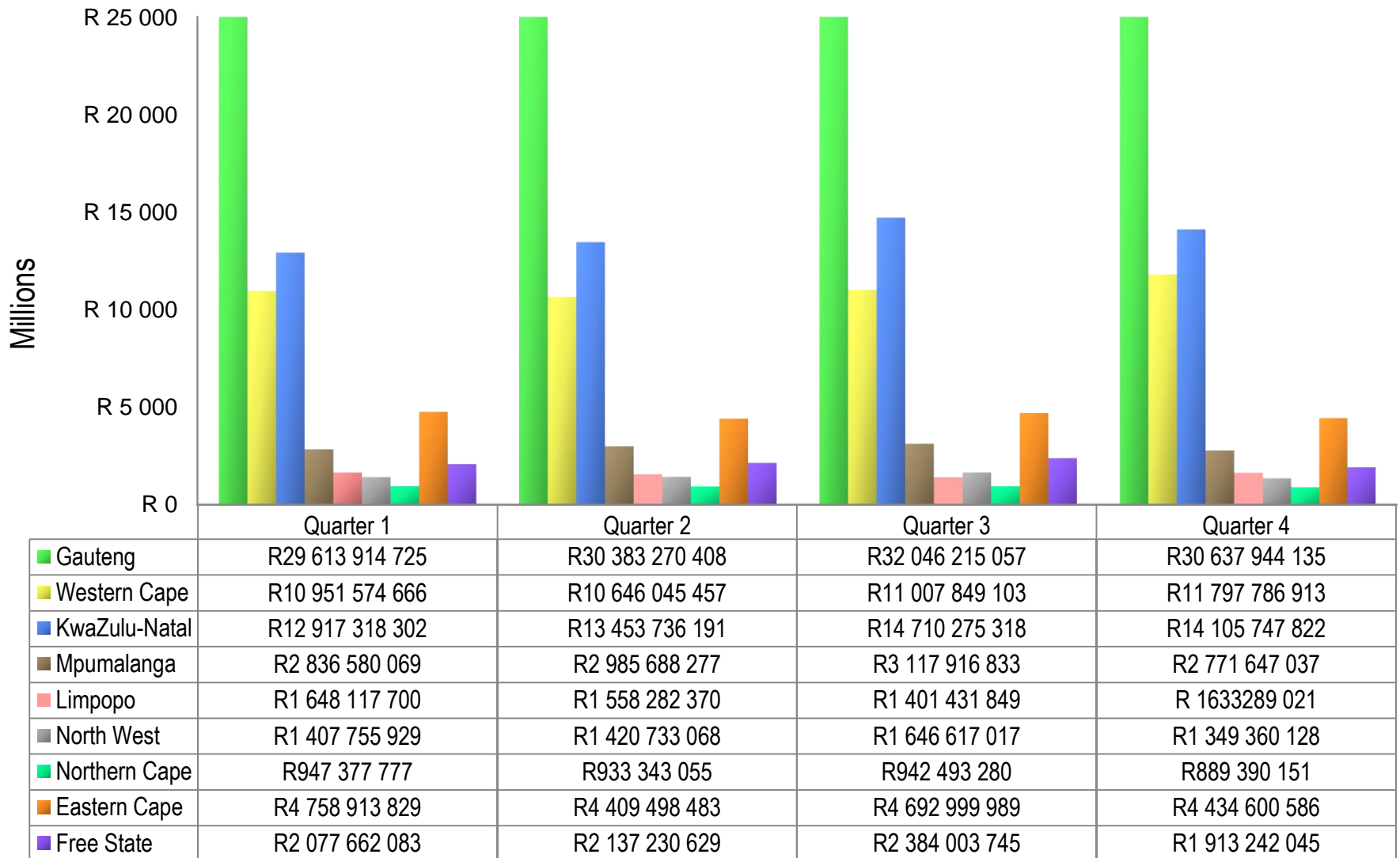
The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion.



Total turnover: R 389 799 128 064

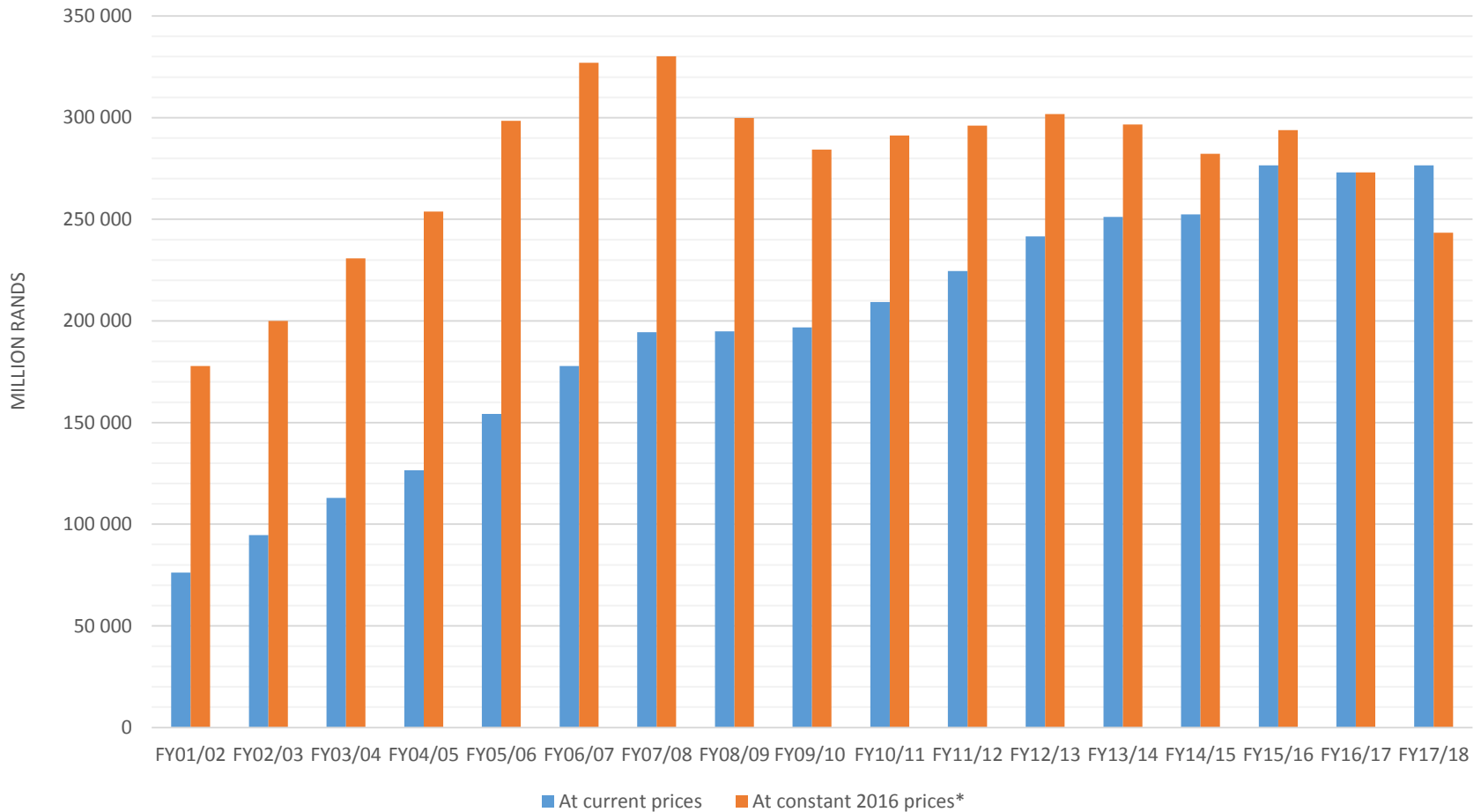
Quarterly casino turnover - FY2018

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



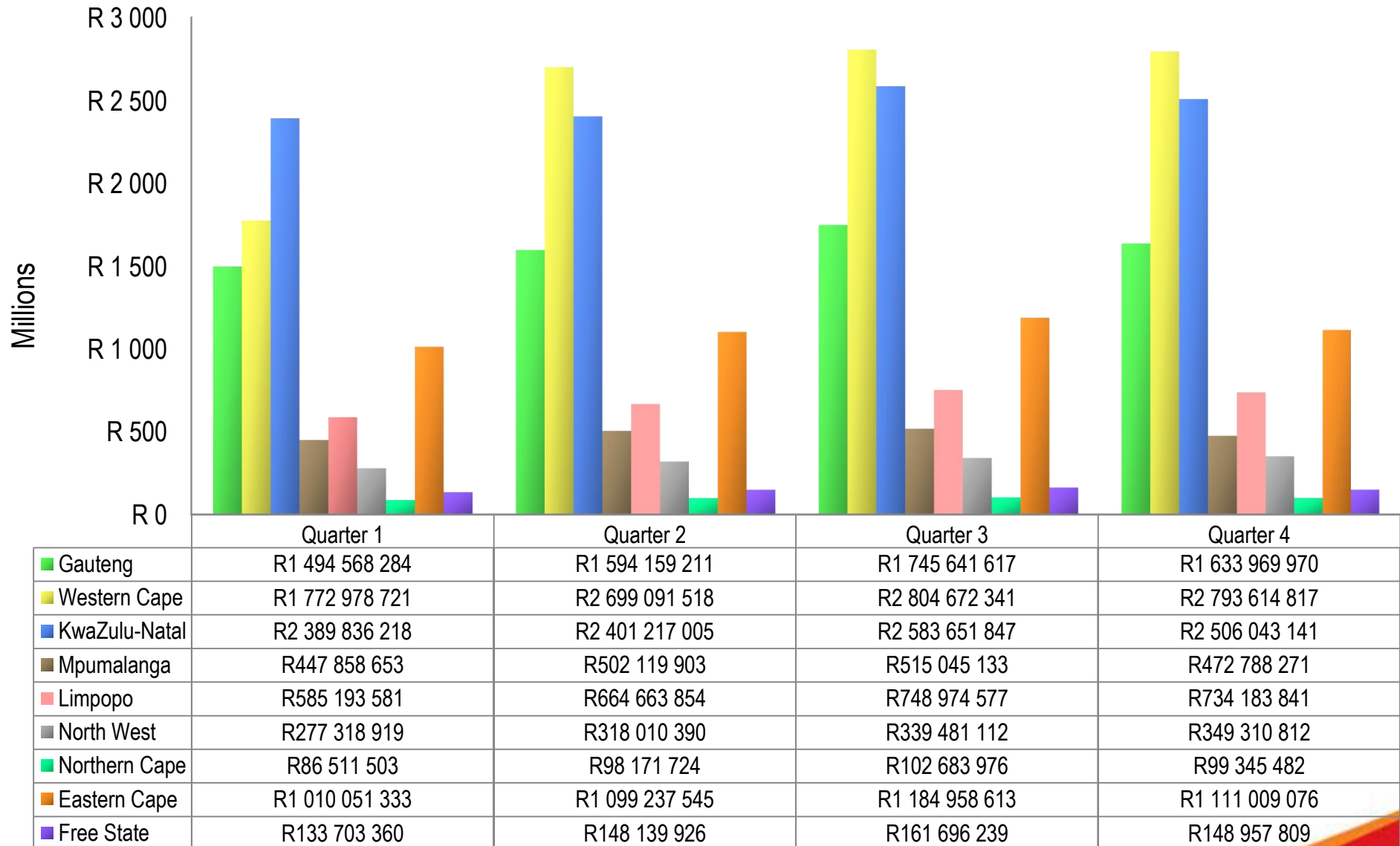
Trend in turnover casinos – FY2001/02 to FY2017/18

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



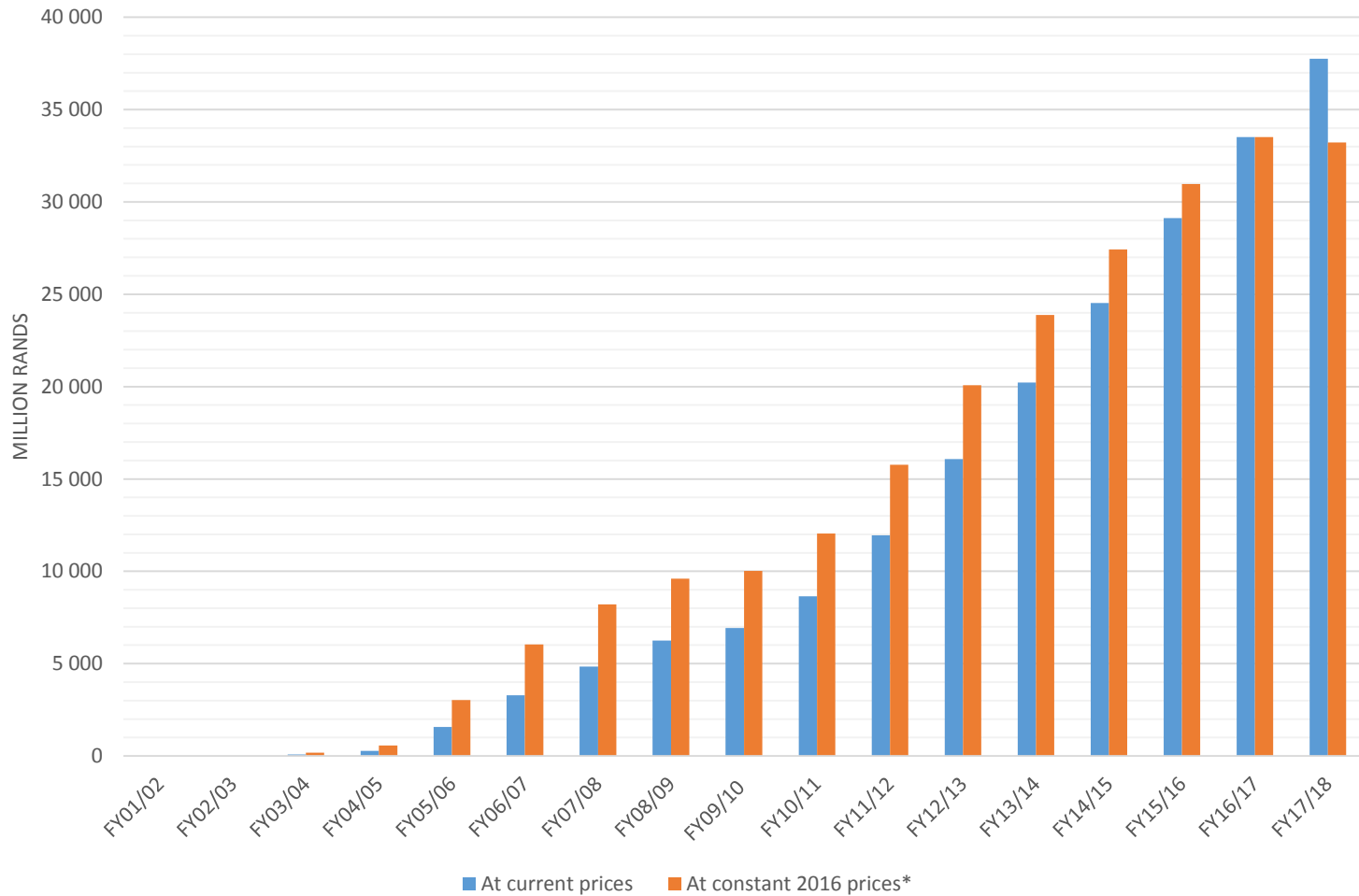
Quarterly LPM turnover - FY2018

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



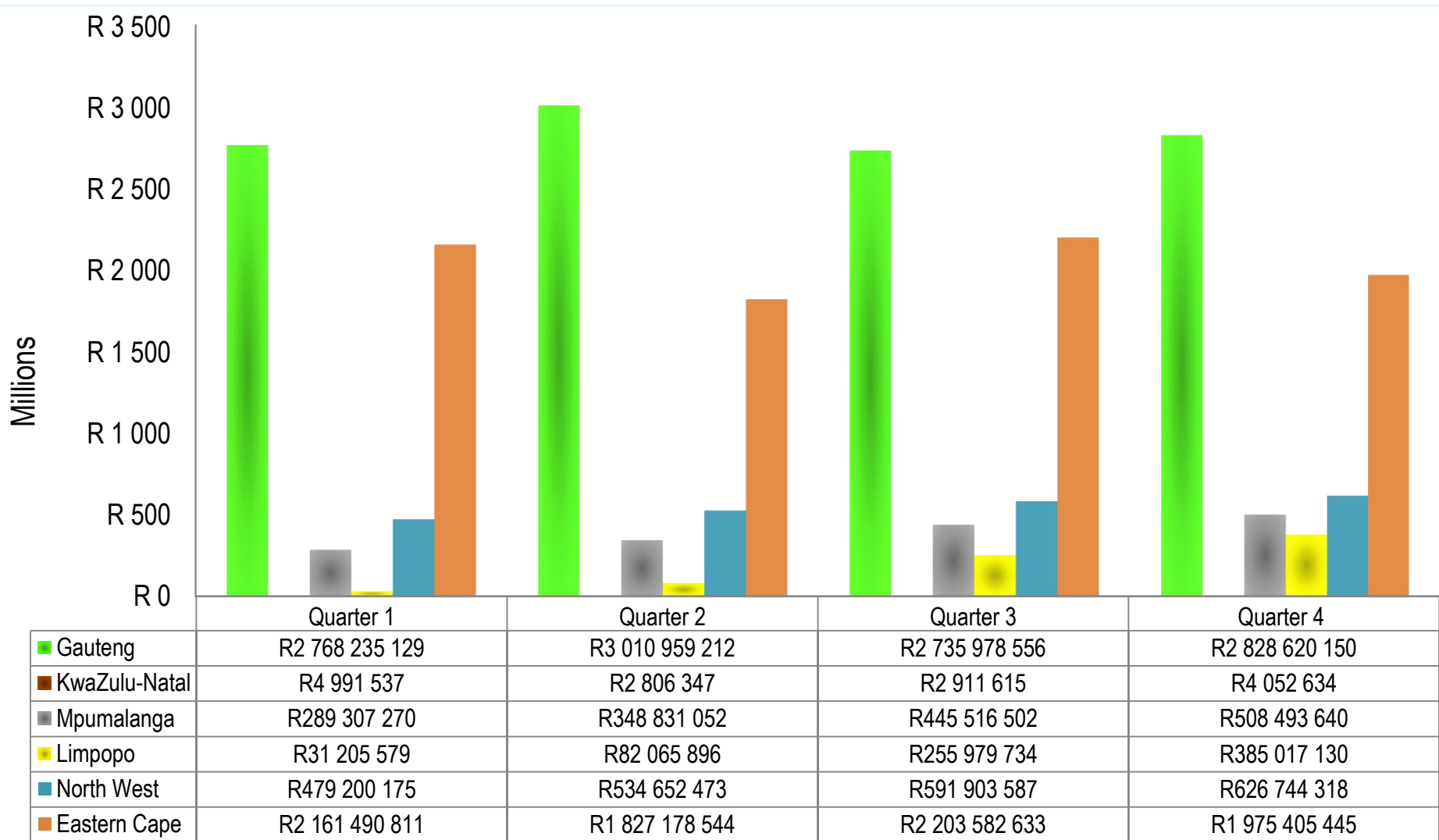
Trend in turnover LPMs – FY2001/02 to FY2017/18

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



Quarterly bingo turnover - FY2018*

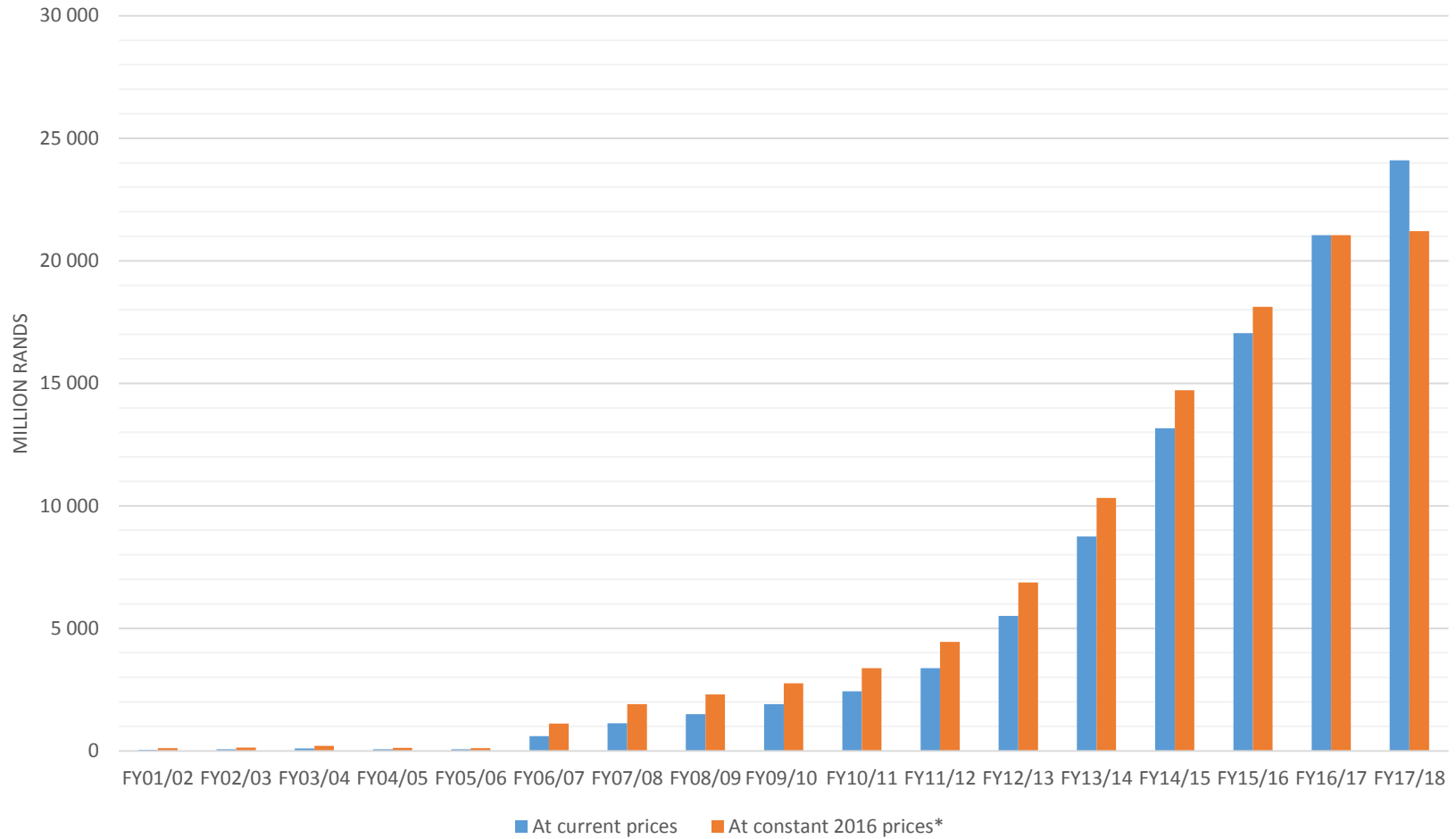
The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



- Bingo offered for play in Gauteng, Mpumalanga, North West, Limpopo, KwaZulu-Natal and Eastern Cape only
- Figures for KZN too low to be visible on the graph

Trend in turnover bingo – FY2001/02 to FY2017/18

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



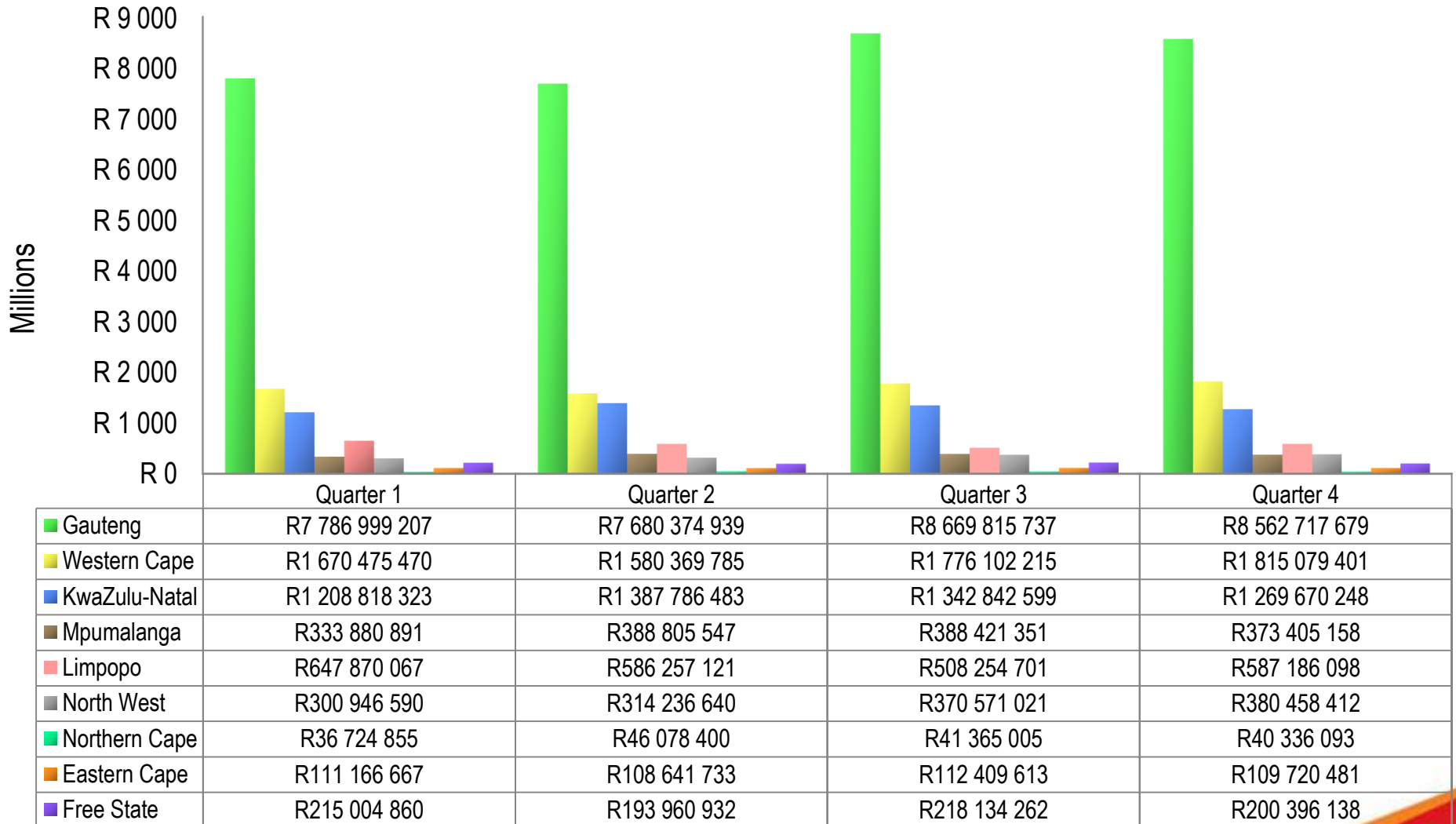
2016 constant prices, Reserve Bank

* Bingo statistics represents bingo offered for play in Gauteng, Mpumalanga, North West, KwaZulu-Natal and Eastern Cape only

Quarterly betting turnover – FY2018

Bookmakers & Totalisators

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

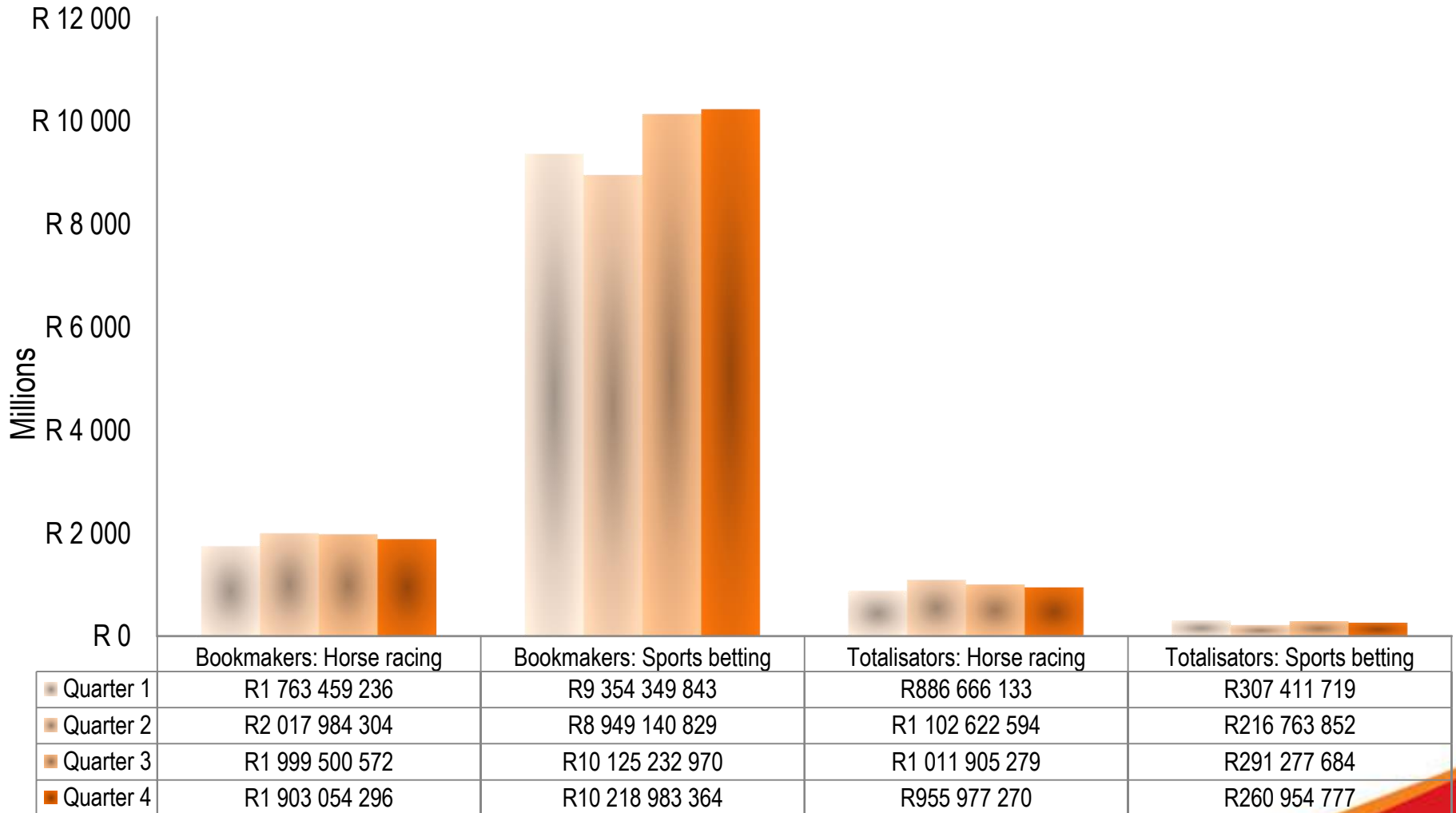


Quarterly betting turnover – FY2018

Split between Bookmakers & Totalisators

Betting on horse racing & sport

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

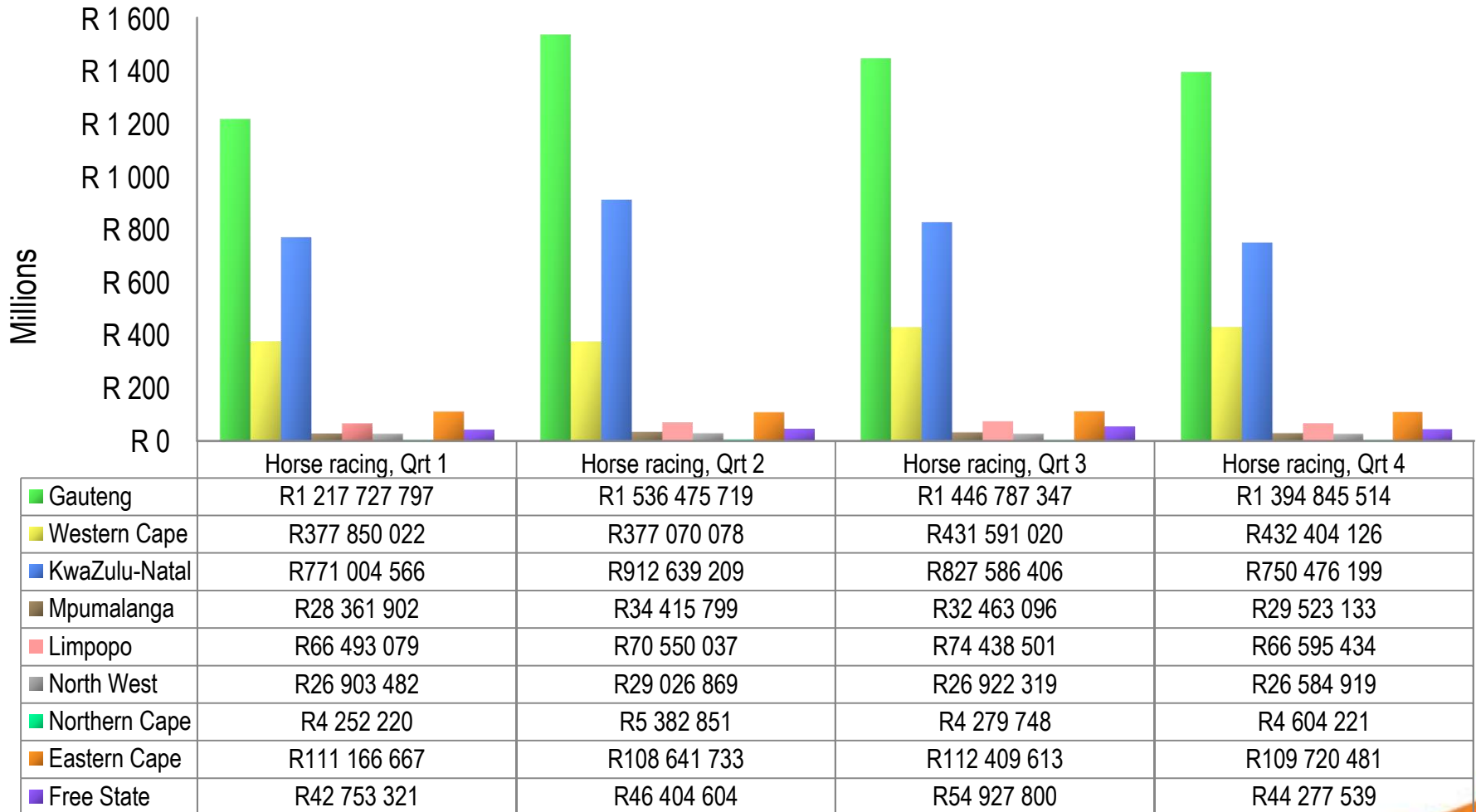


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting turnover – FY2018

Betting on horse racing*

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

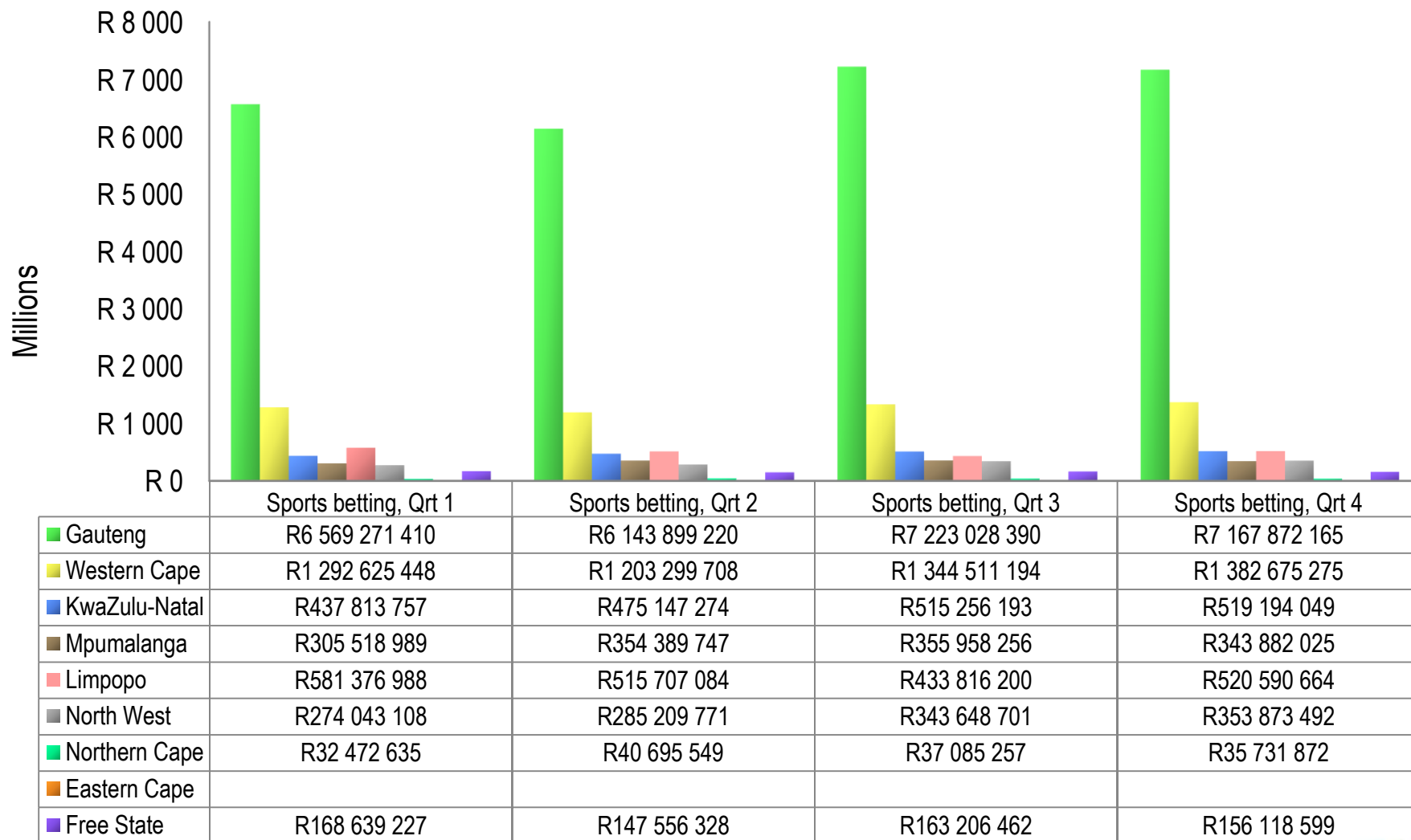


* Eastern Cape: Statistics includes sports betting

Quarterly betting turnover – FY2018

Betting on sport*

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

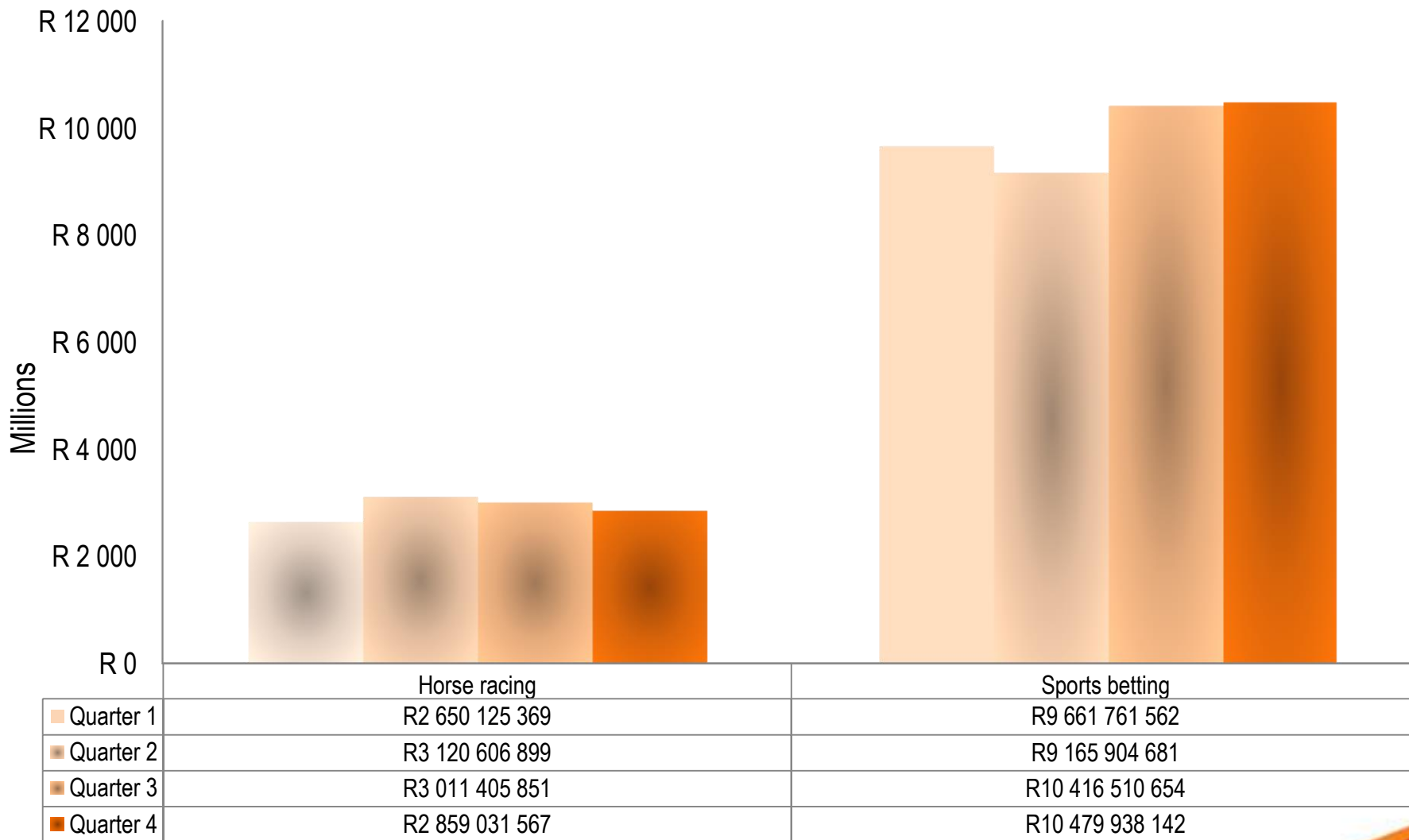


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting turnover – FY2018

Split between betting on horse racing & sport

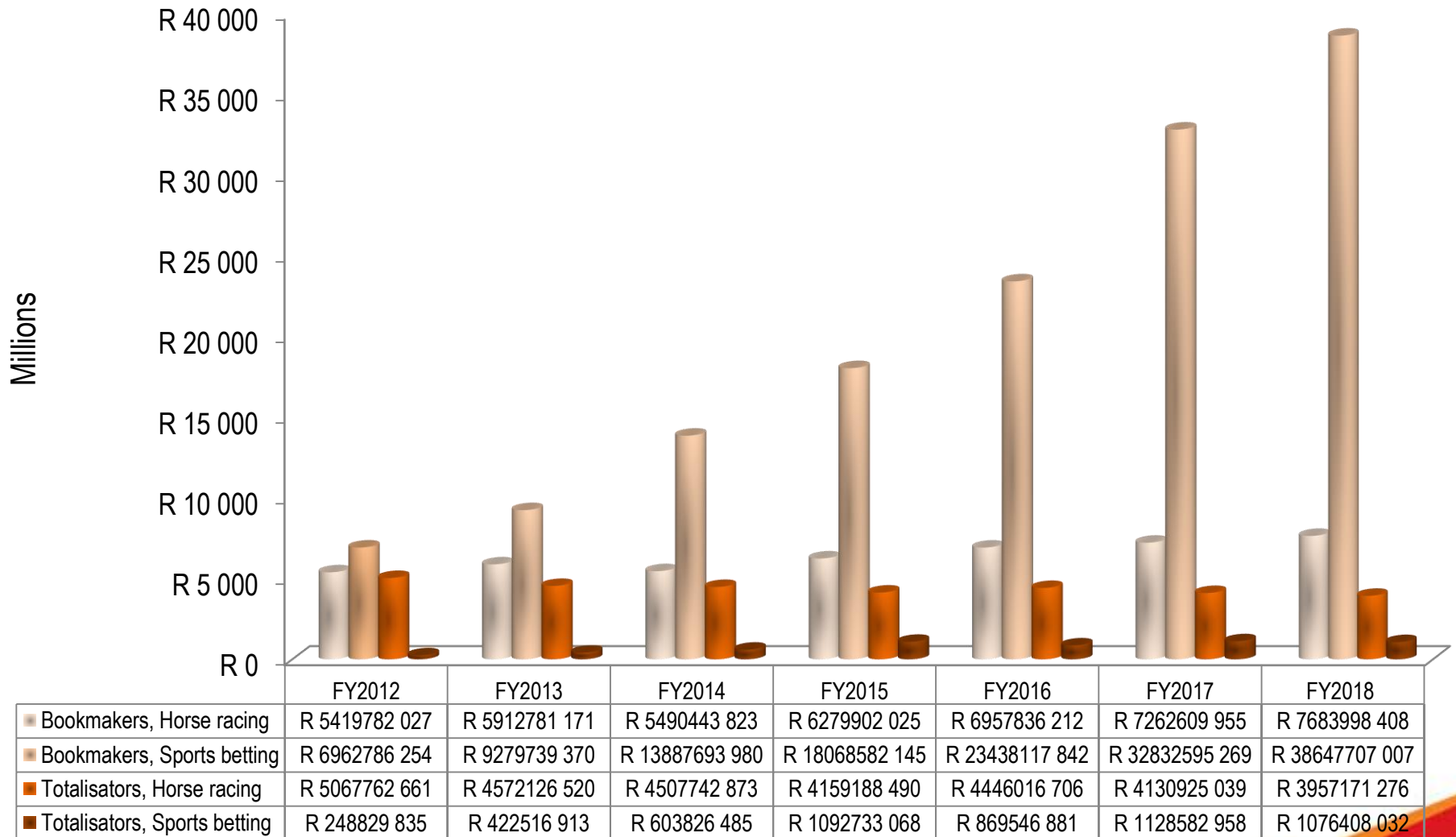
The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

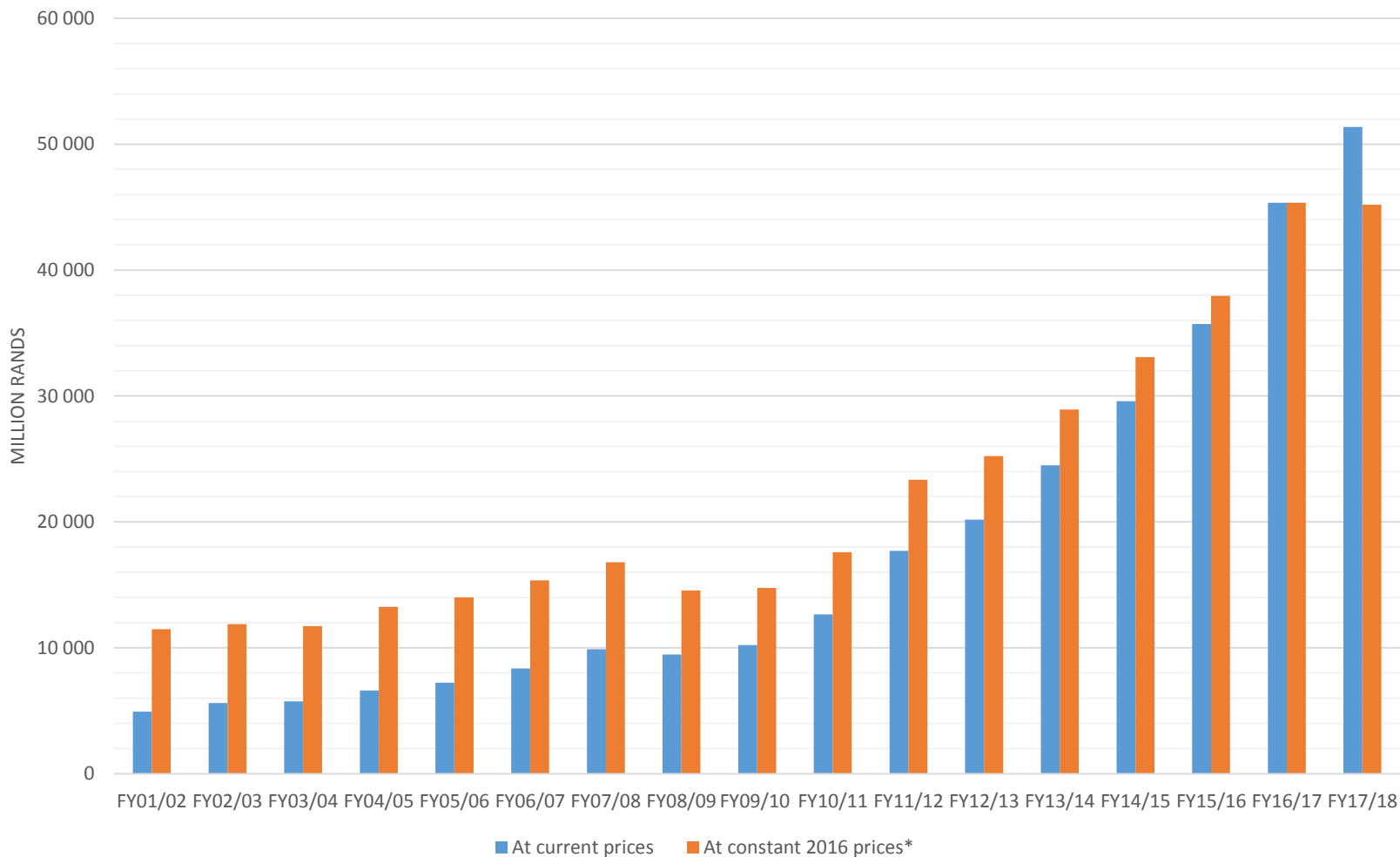
Trend in turnover, bookmakers & totalisators, FY2012 to FY2018

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



Trend in turnover, betting – FY2001/02 to FY2017/18

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

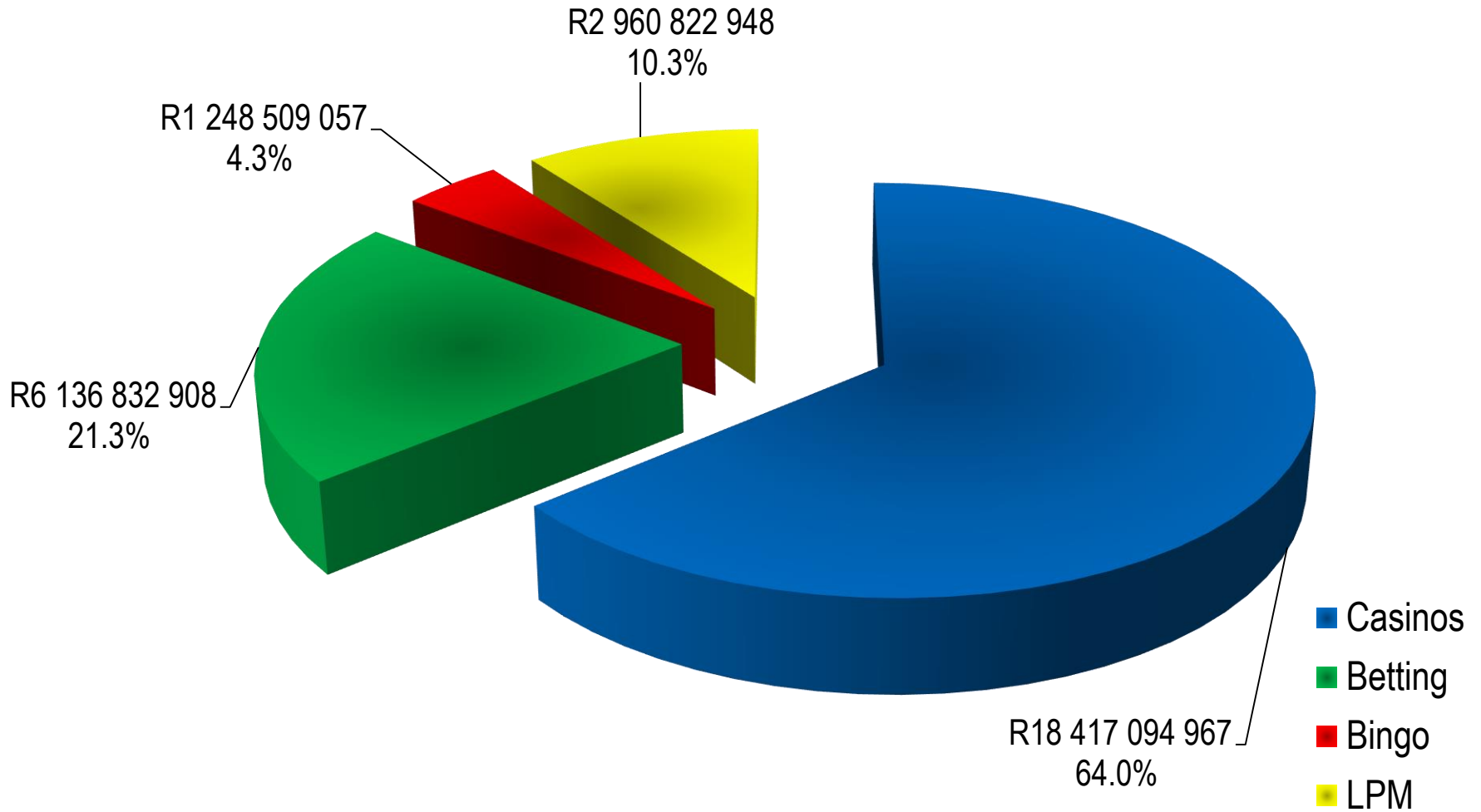


Summary : Turnover

- ❑ A total amount of R 389 799 128 064 was wagered in FY2018.
- ❑ Casinos accounted for the highest TO at 71.0% by comparison with all other gambling modes in FY2018.
- ❑ Gauteng accounted for the highest amount of TO in respect of all gambling modes, the total percentage being 44.4% as compared to other provinces in FY2018.
- ❑ Although Gauteng represented the highest amount of turnover relative to casinos (44.4%), betting on horse racing and sport (63.7%), and bingo (47.1%) compared to other provinces, the highest amount of money in the LPM sector was wagered in Western Cape (26.7%) in FY2018.

GGR per gambling mode – FY2018

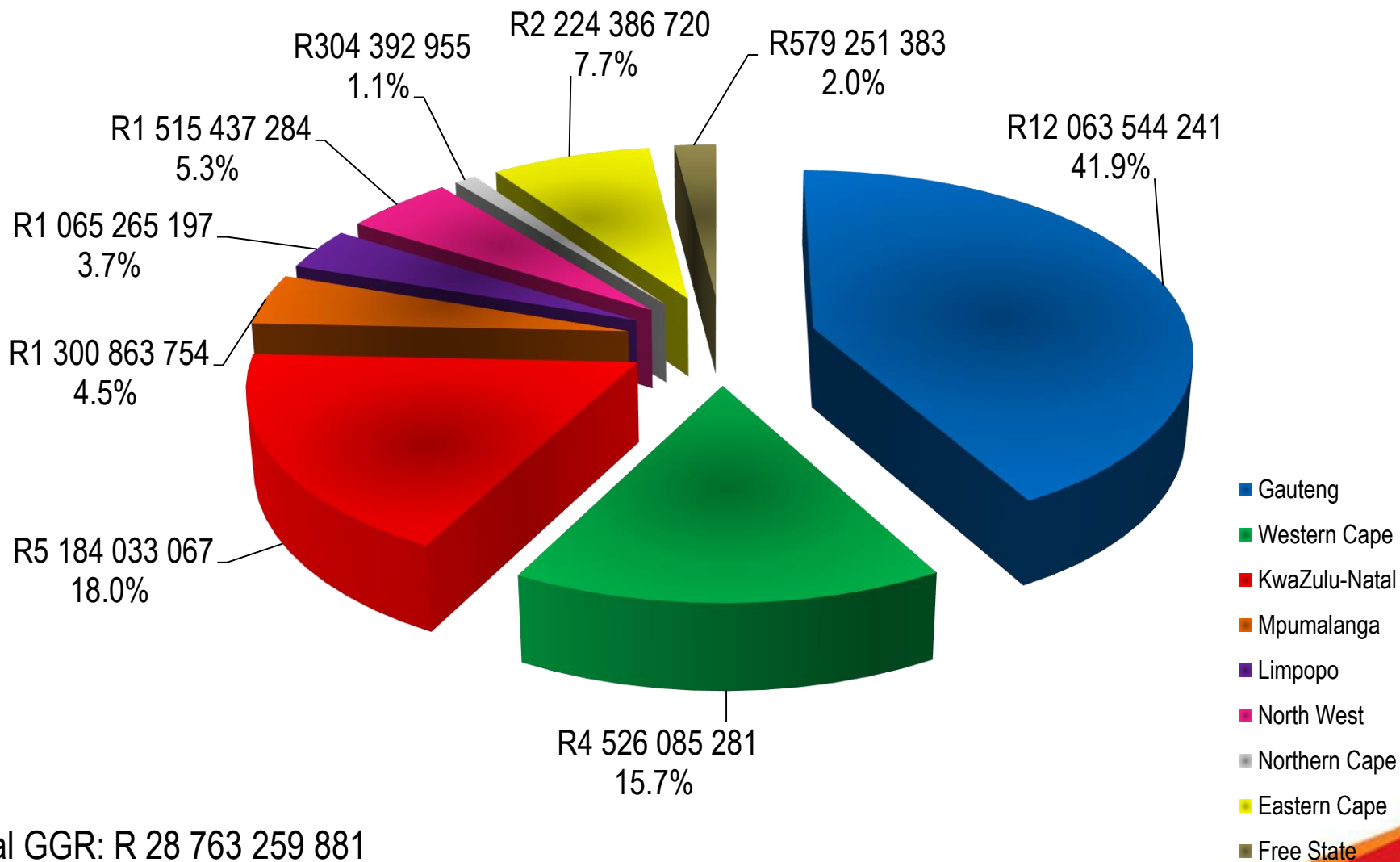
Rand value of the gross revenue of an operator



Total GGR: R 28 763 259 881

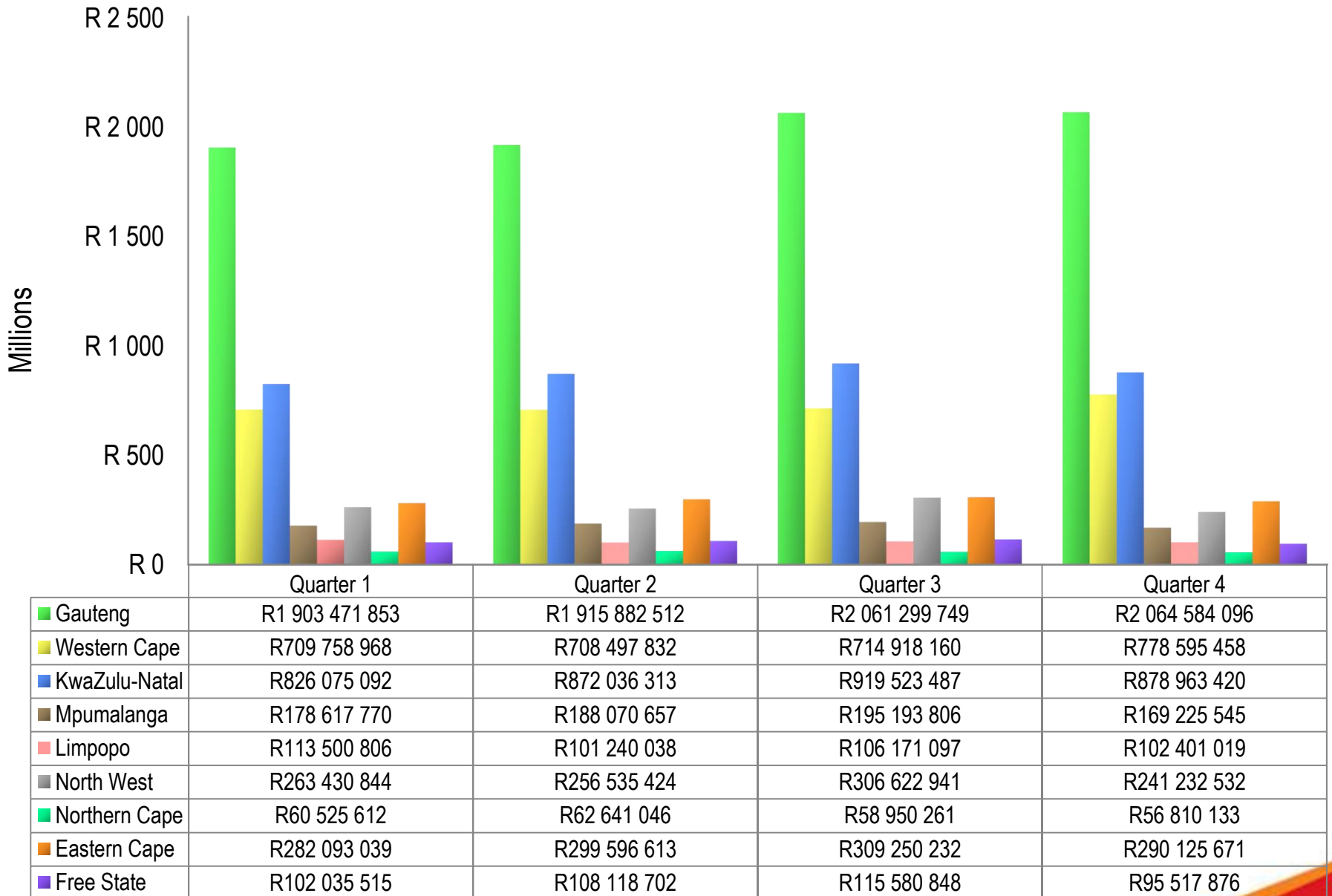
GGR per province - FY2018

Rand value of the gross revenue of an operator



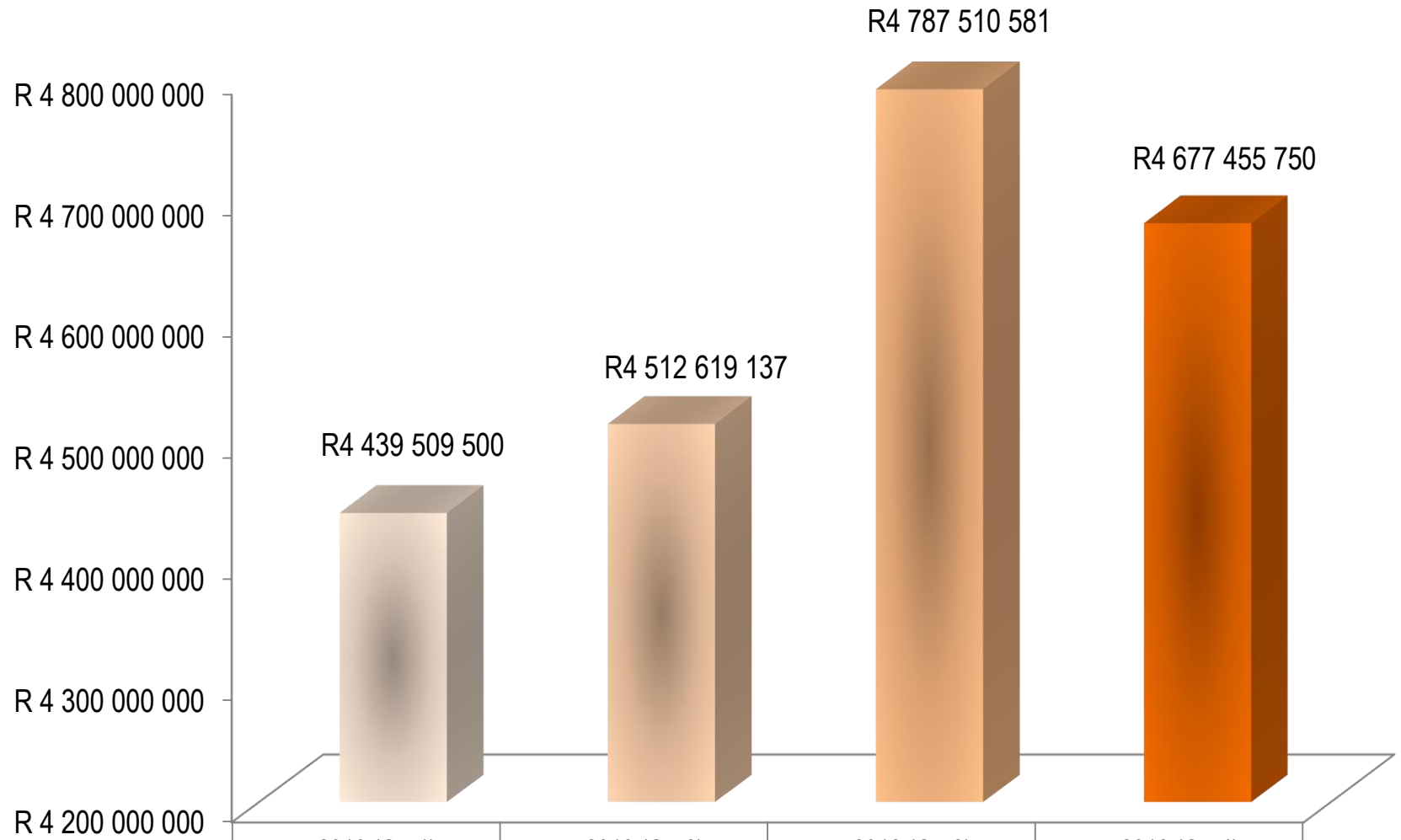
Quarterly casino GGR - FY2018

Rand value of the gross revenue of an operator



Trend in GGR casinos – FY2018

Rand value of the gross revenue of an operator



■ Total GGR, casinos, all provinces

FY2018 (Qrt 1)

R 4 439 509 500

FY2018 (Qrt 2)

R 4 512 619 137

FY2018 (Qrt 3)

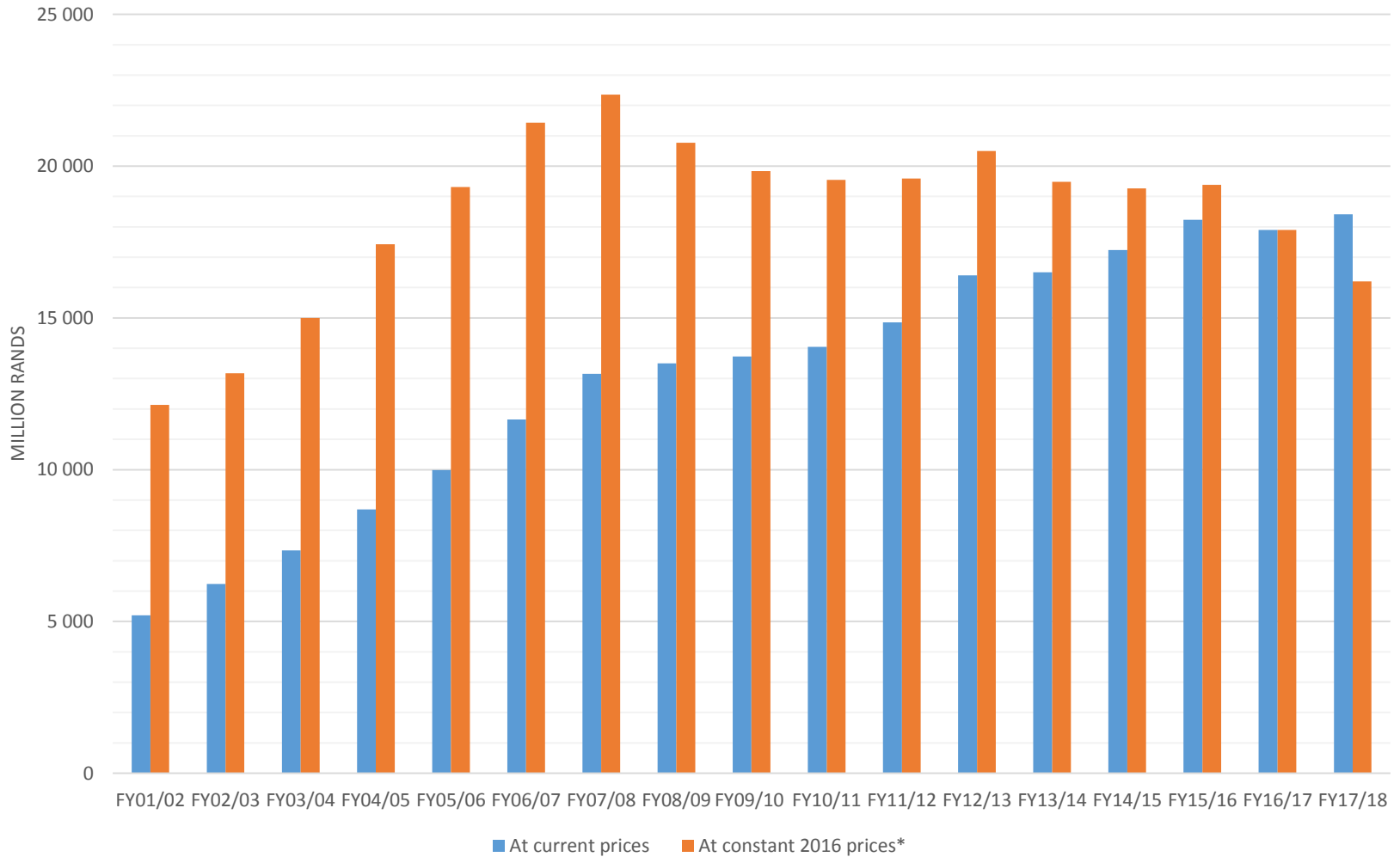
R 4 787 510 581

FY2018 (Qrt 4)

R 4 677 455 750

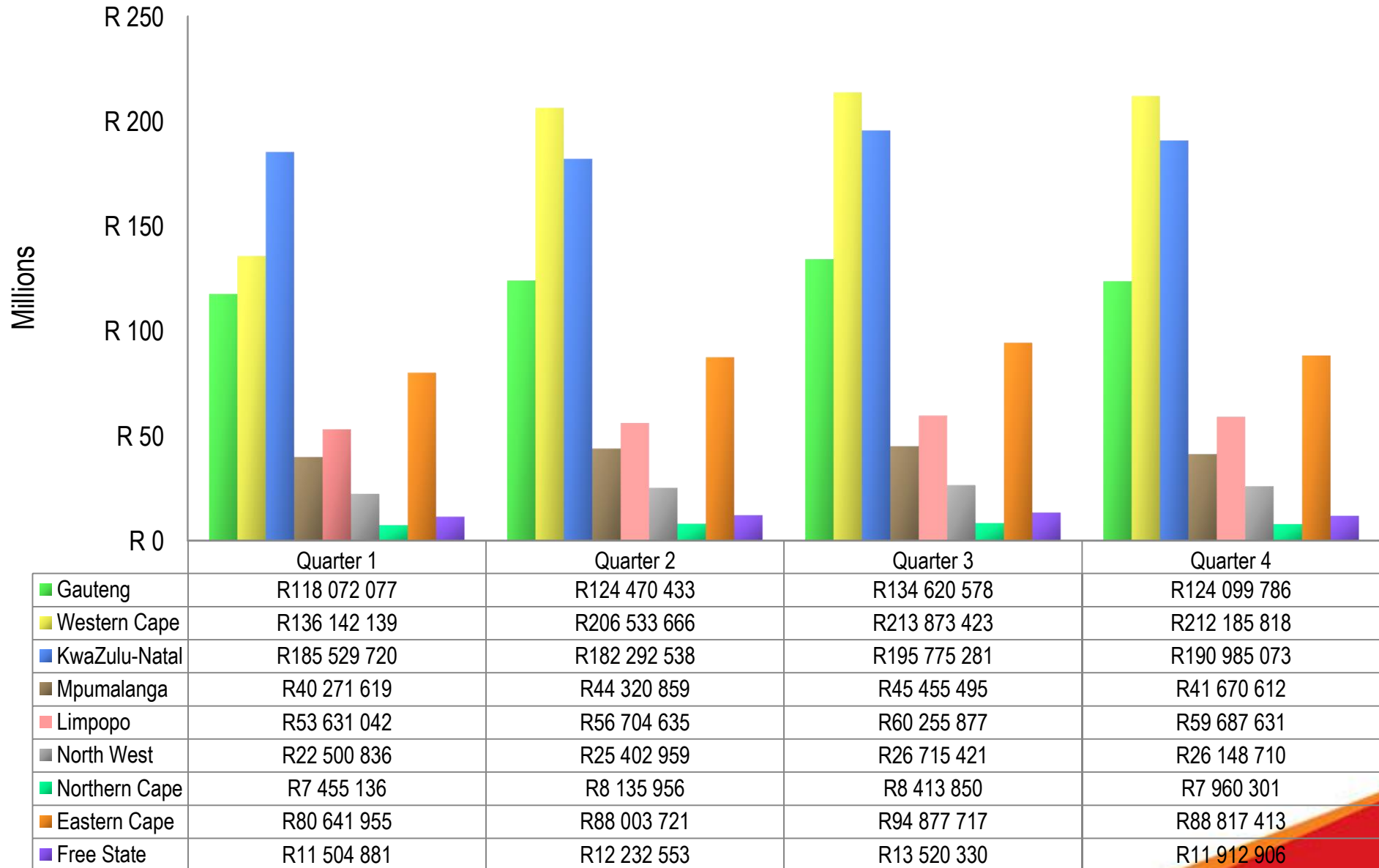
Trend in GGR casinos – FY2001/02 to FY2017/18

Rand value of the gross revenue of an operator



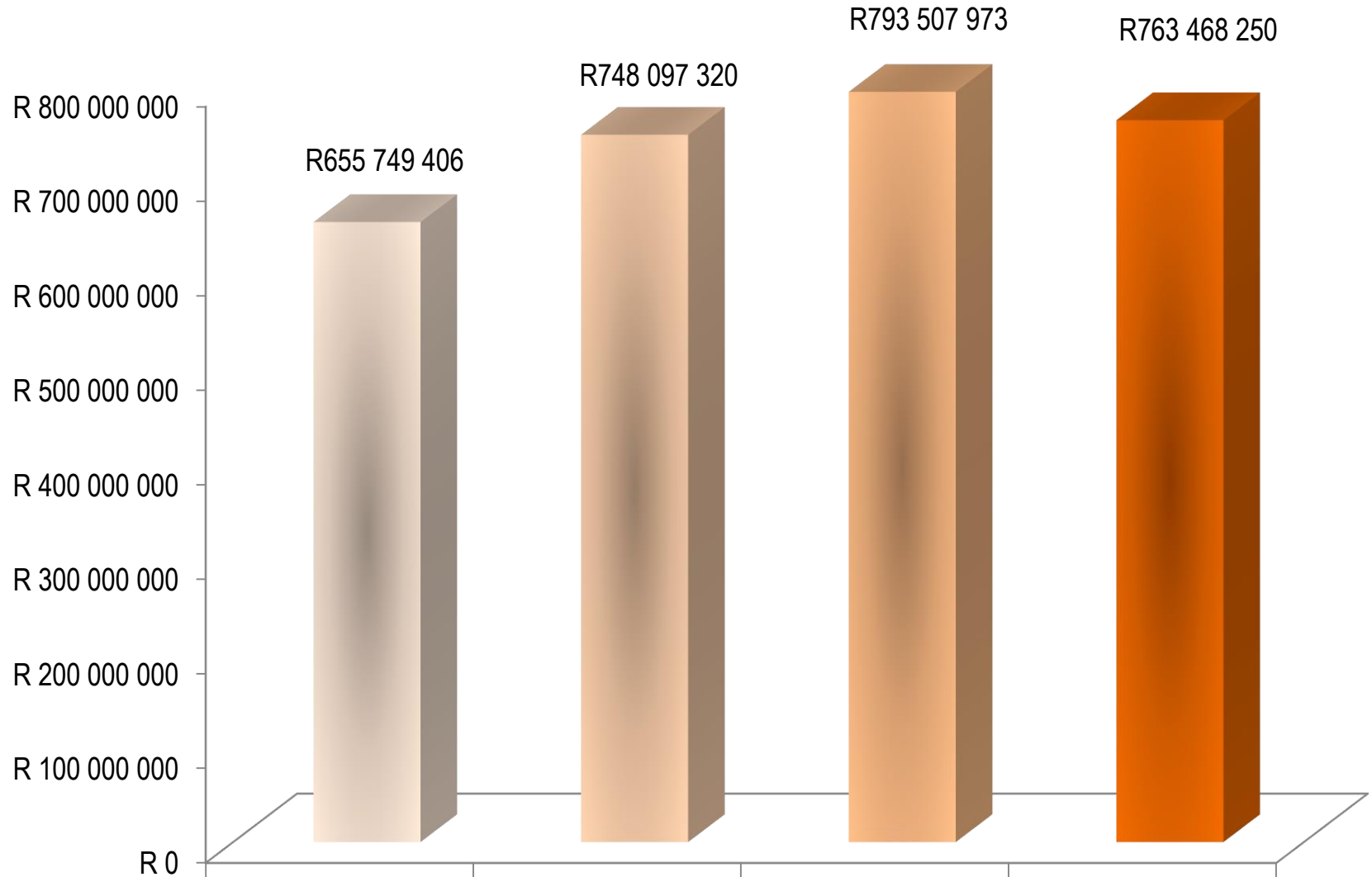
Quarterly LPM GGR - FY2018

Rand value of the gross revenue of an operator



Trend in GGR LPMs – FY2018

Rand value of the gross revenue of an operator



■ Total GGR, LPMs, all provinces

FY2018 (Qrt 1)

R655 749 406

FY2018 (Qrt 2)

R748 097 320

FY2018 (Qrt 3)

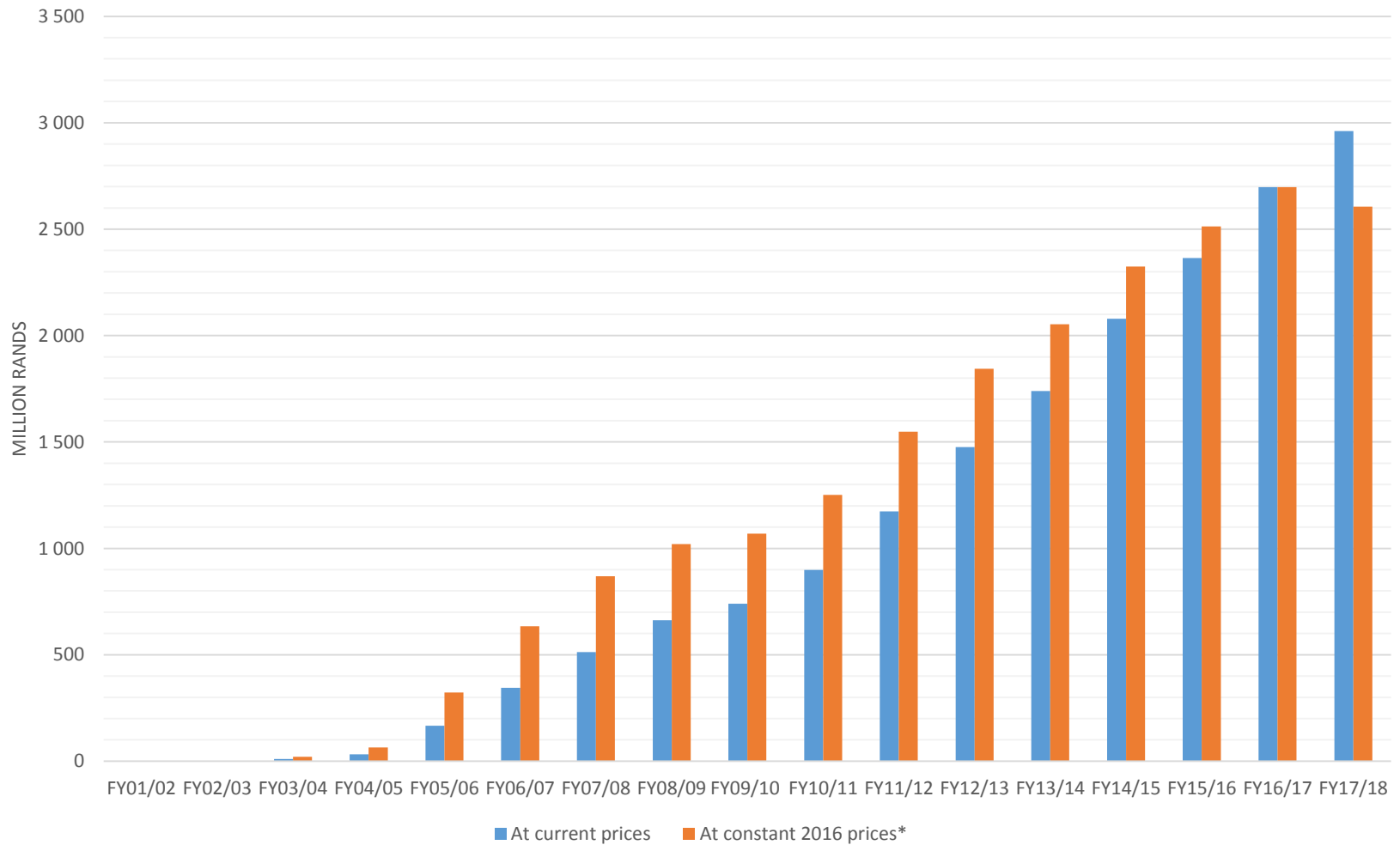
R793 507 973

FY2018 (Qrt 4)

R763 468 250

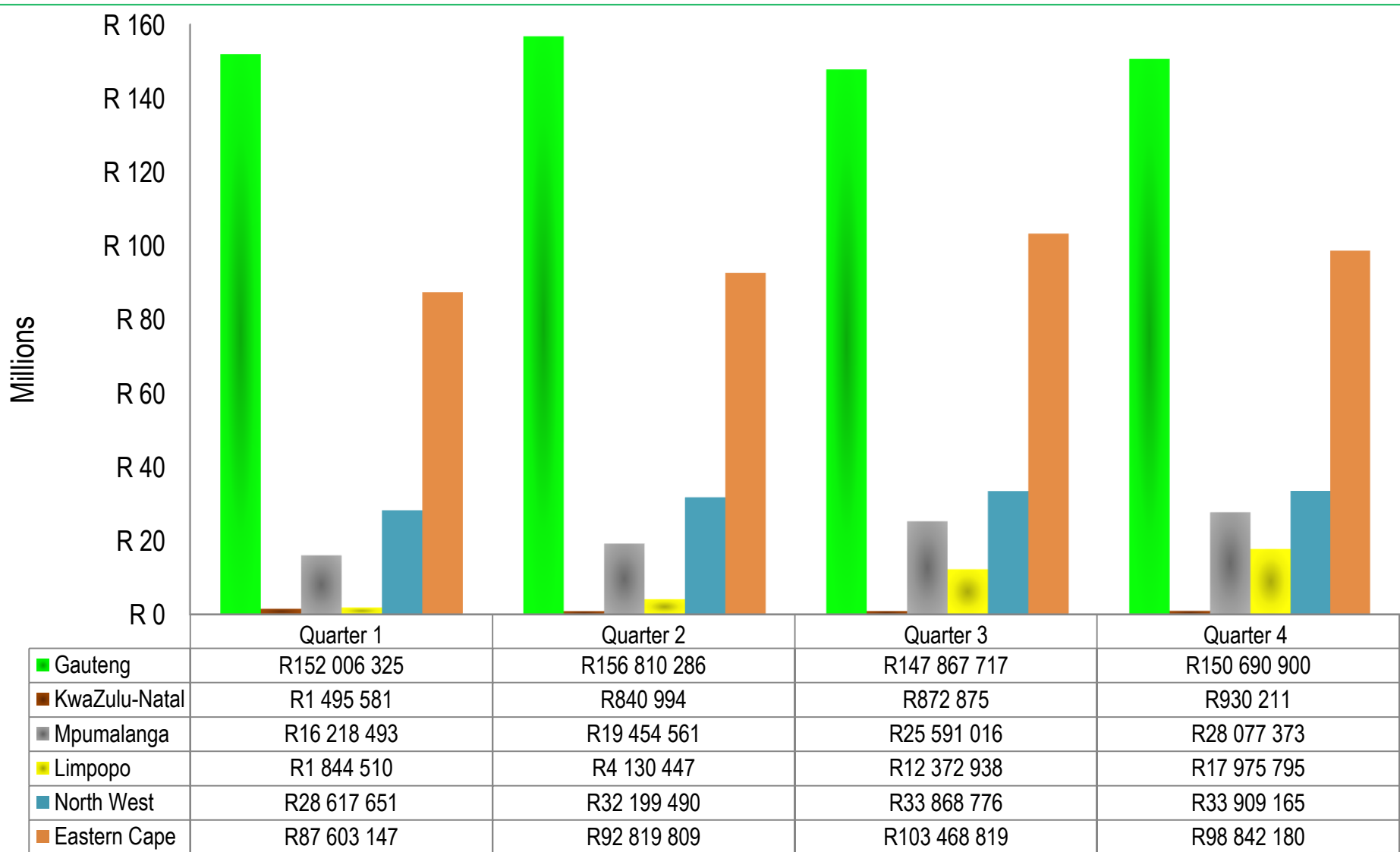
Trend in GGR LPMs – FY2001/02 to FY2017/18

Rand value of the gross revenue of an operator



Quarterly bingo GGR - FY2018*

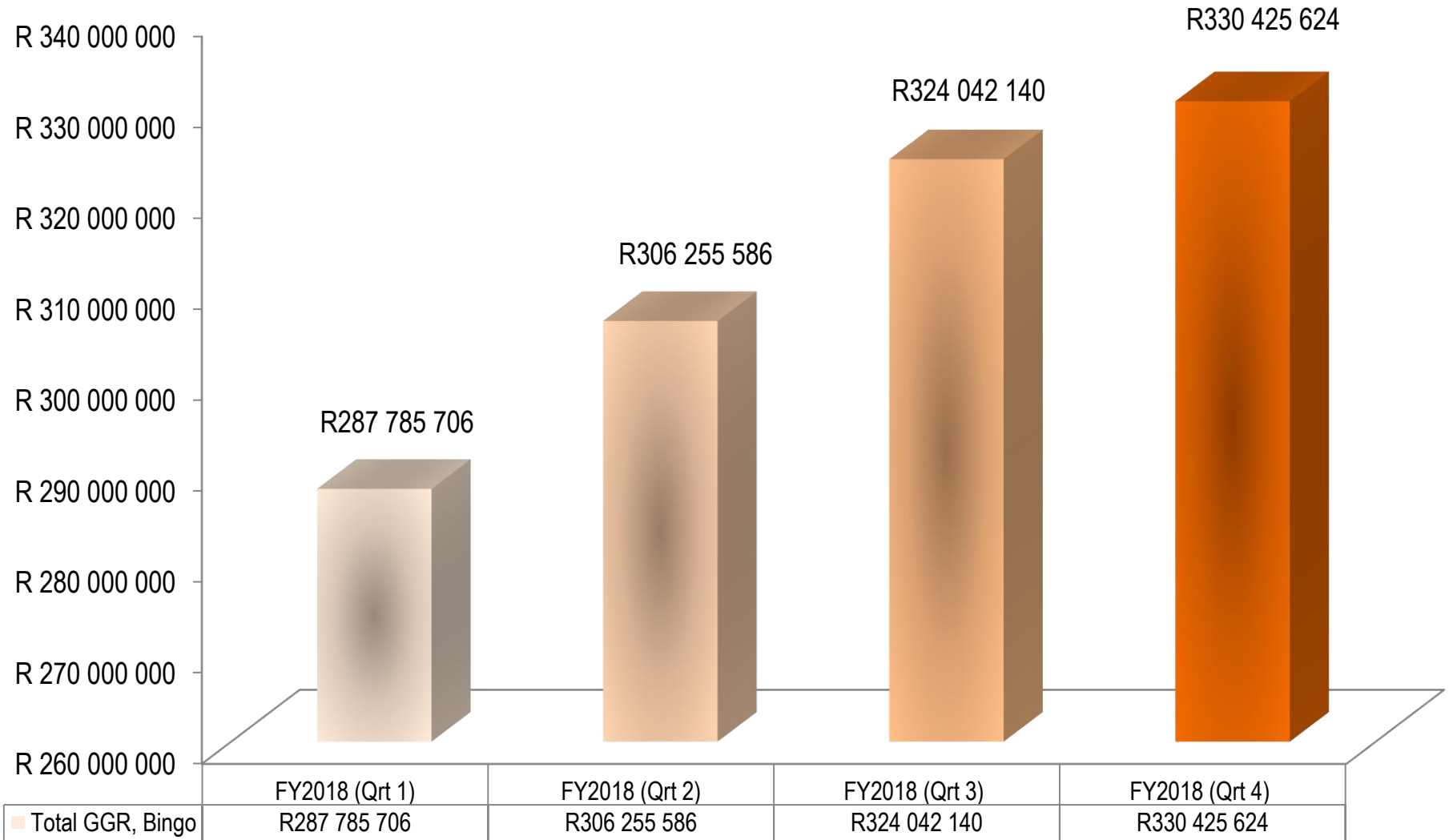
Rand value of the gross revenue of an operator



- Bingo offered for play in Gauteng, Mpumalanga, Limpopo, North West, KwaZulu-Natal and Eastern Cape only

Trend in GGR Bingo – FY2018*

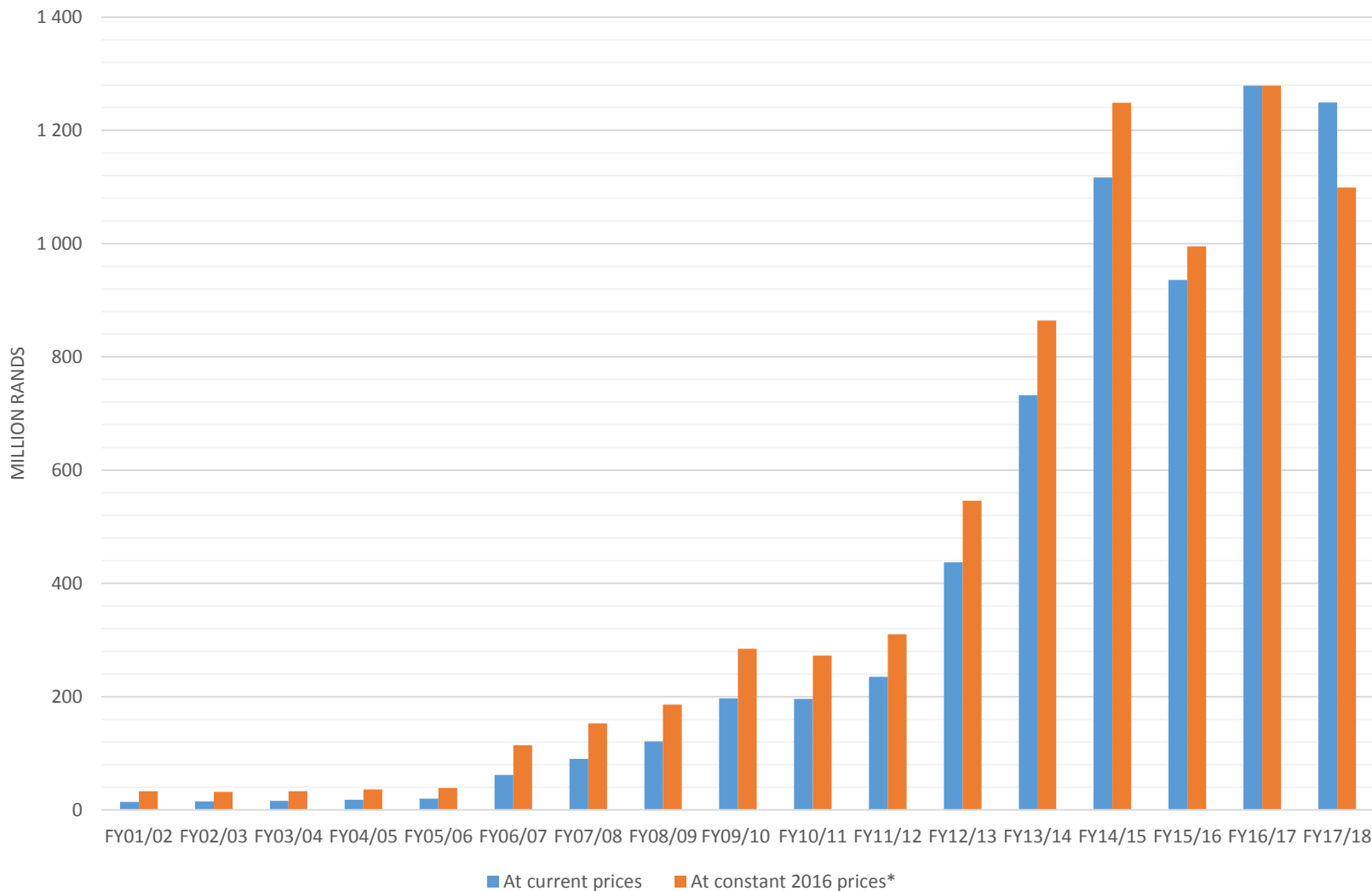
Rand value of the gross revenue of an operator



* Bingo offered for play in Gauteng, Mpumalanga, Limpopo, North West, Eastern Cape and KwaZulu-Natal only

Trend in GGR bingo – FY2001/02 to FY2017/18

Rand value of the gross revenue of an operator



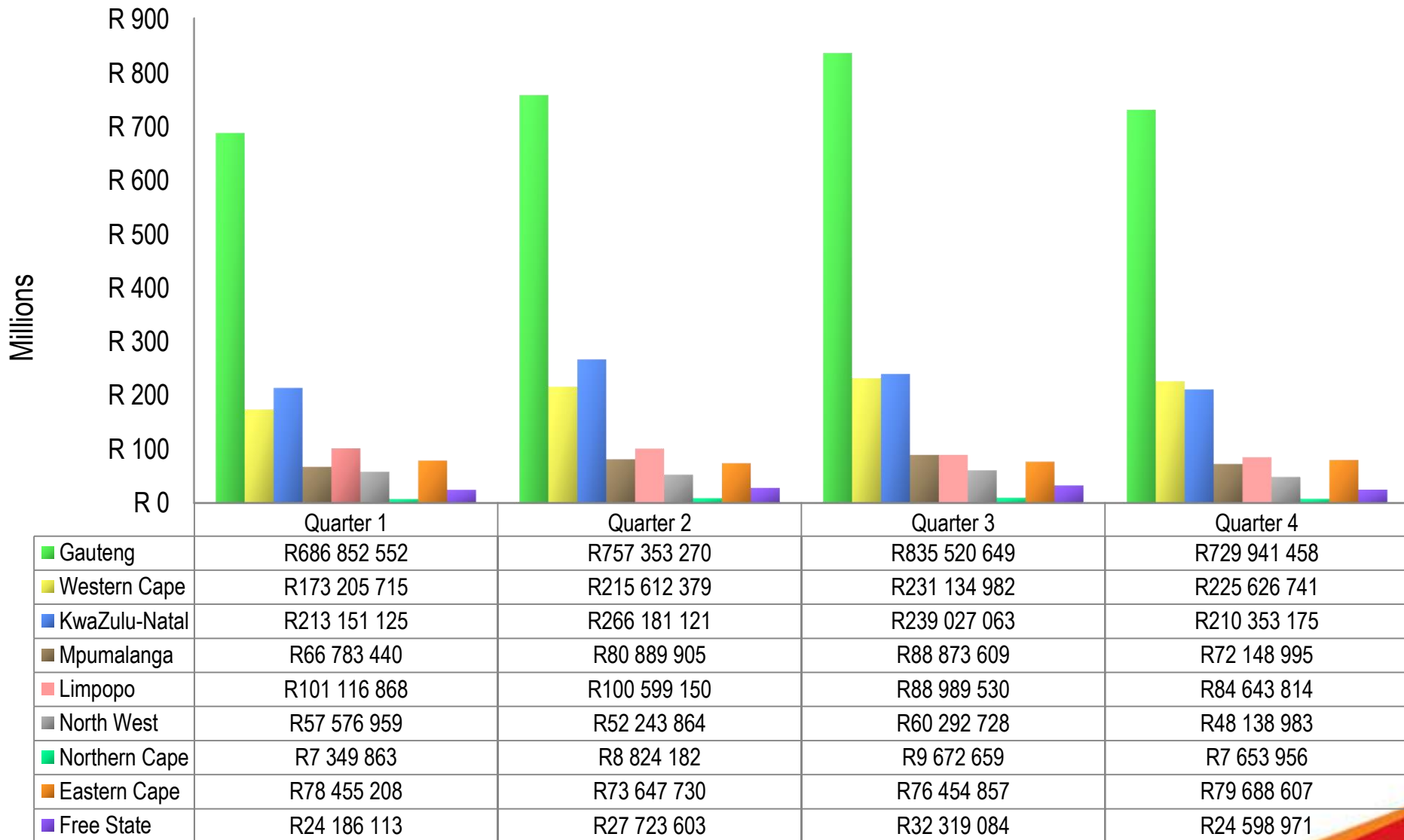
2016 constant prices, Reserve Bank

* Bingo statistics represents bingo offered for play in Gauteng, Mpumalanga, North West, Eastern Cape and KwaZulu-Natal only

Quarterly betting GGR – FY2018

Bookmakers & Totalisators

Rand value of the gross revenue of an operator

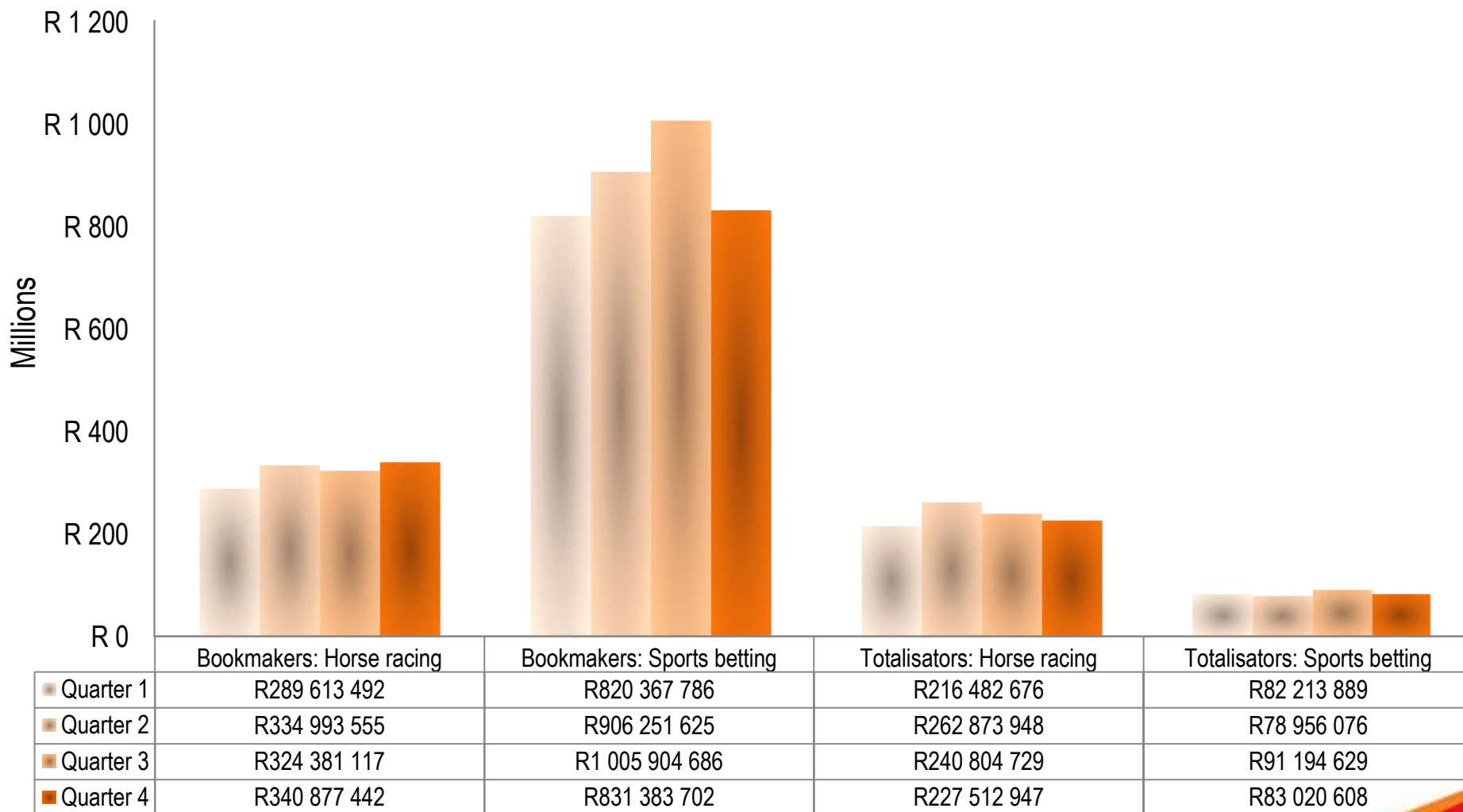


Quarterly betting GGR – FY2018

Split between Bookmakers & Totalisators

Betting on horse racing & sport

Rand value of the gross revenue of an operator

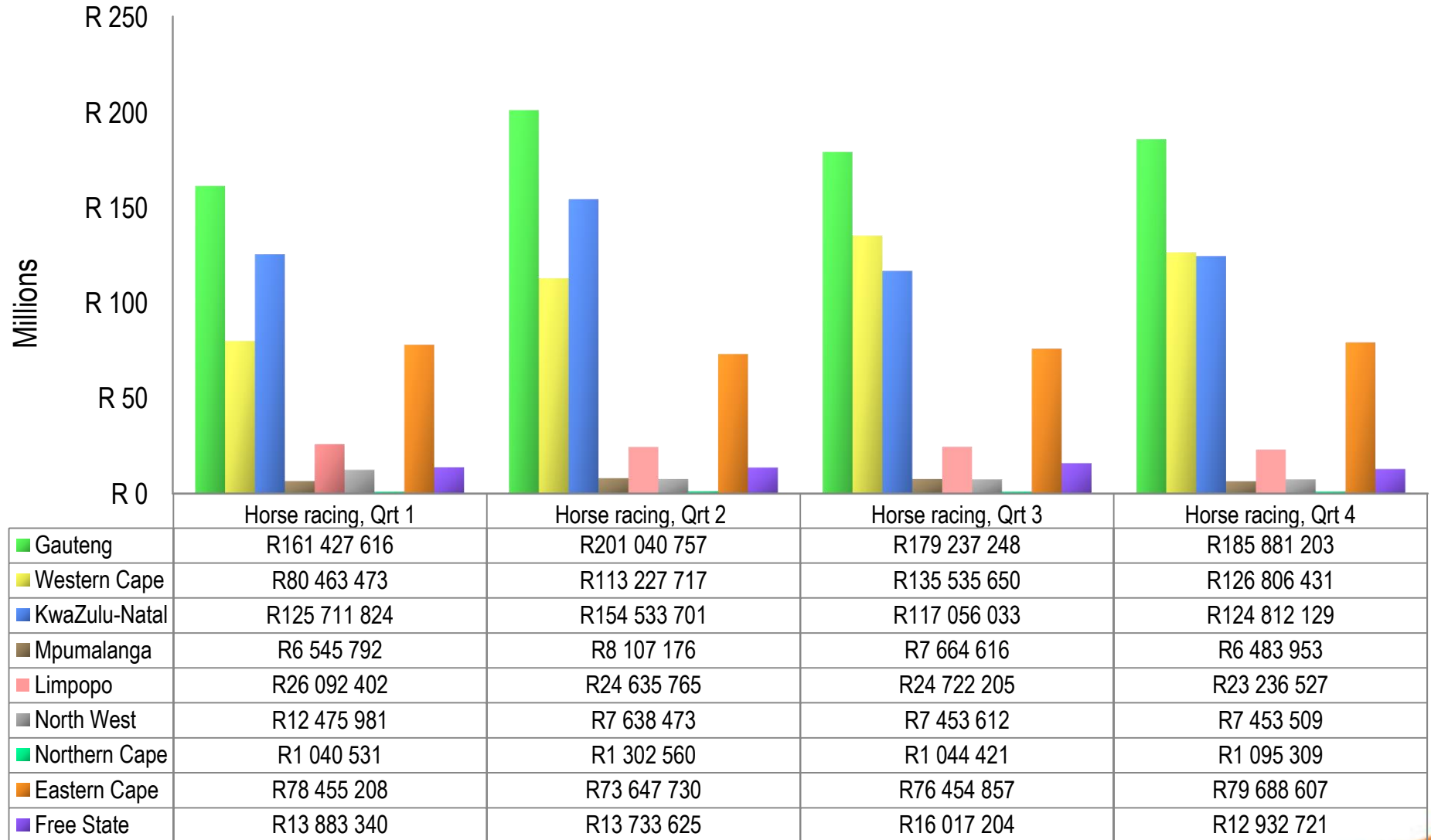


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting GGR – FY2018

Betting on horse racing*

Rand value of the gross revenue by an operator

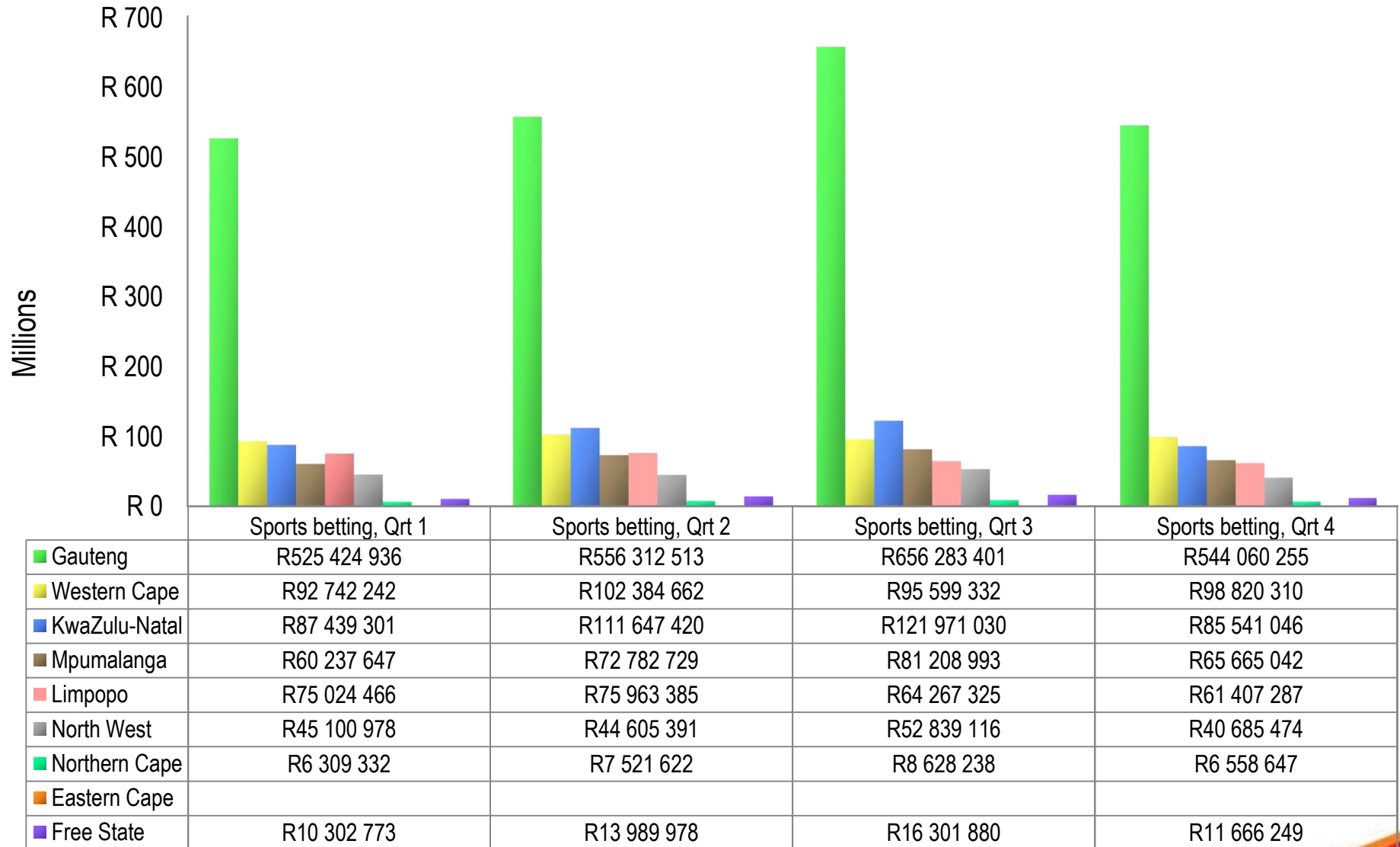


* Eastern Cape: Statistics includes sports betting

Quarterly betting GGR – FY2018*

Betting on sport*

Rand value of the gross revenue by an operator

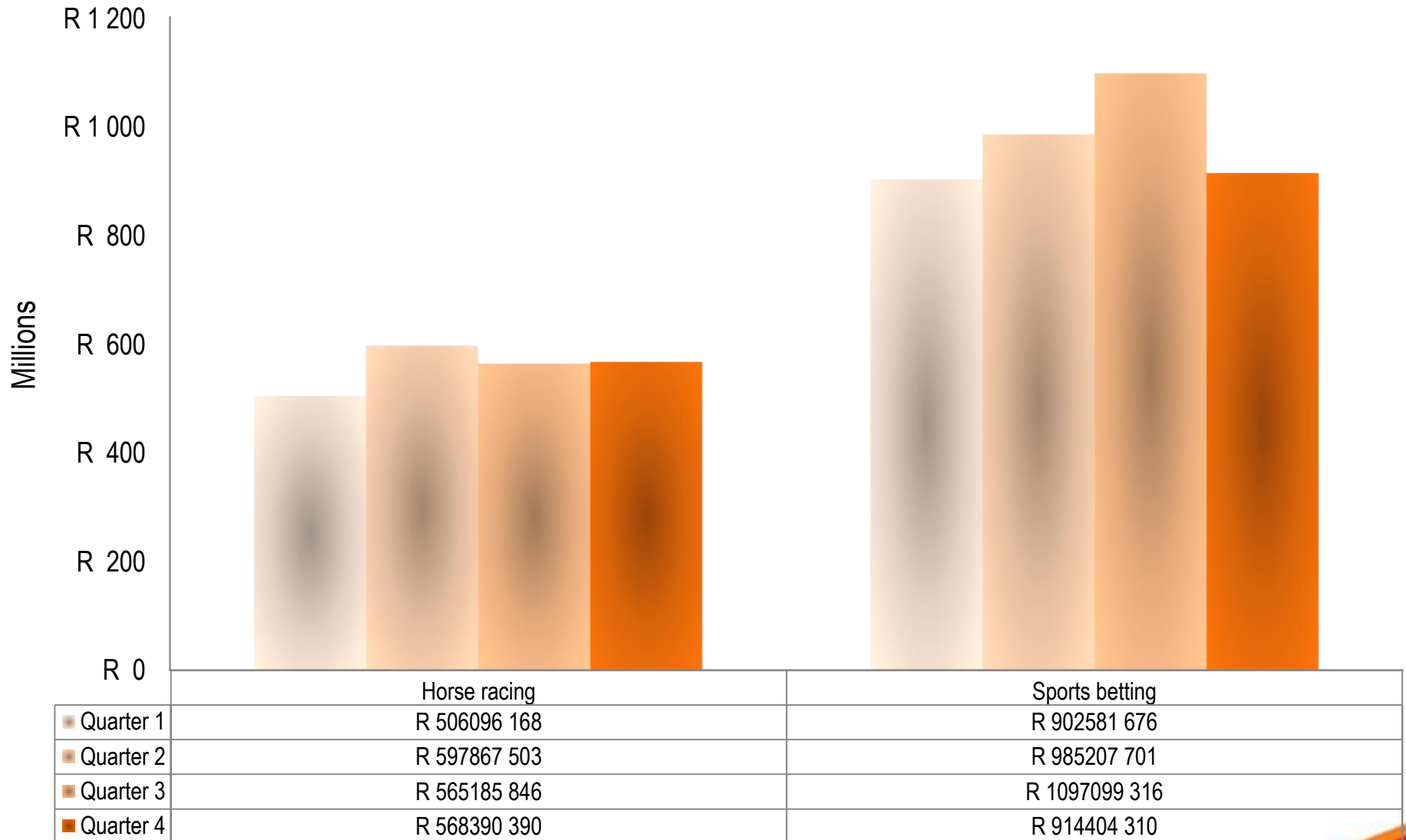


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting GGR – FY2018*

Split between betting on horse racing & sport*

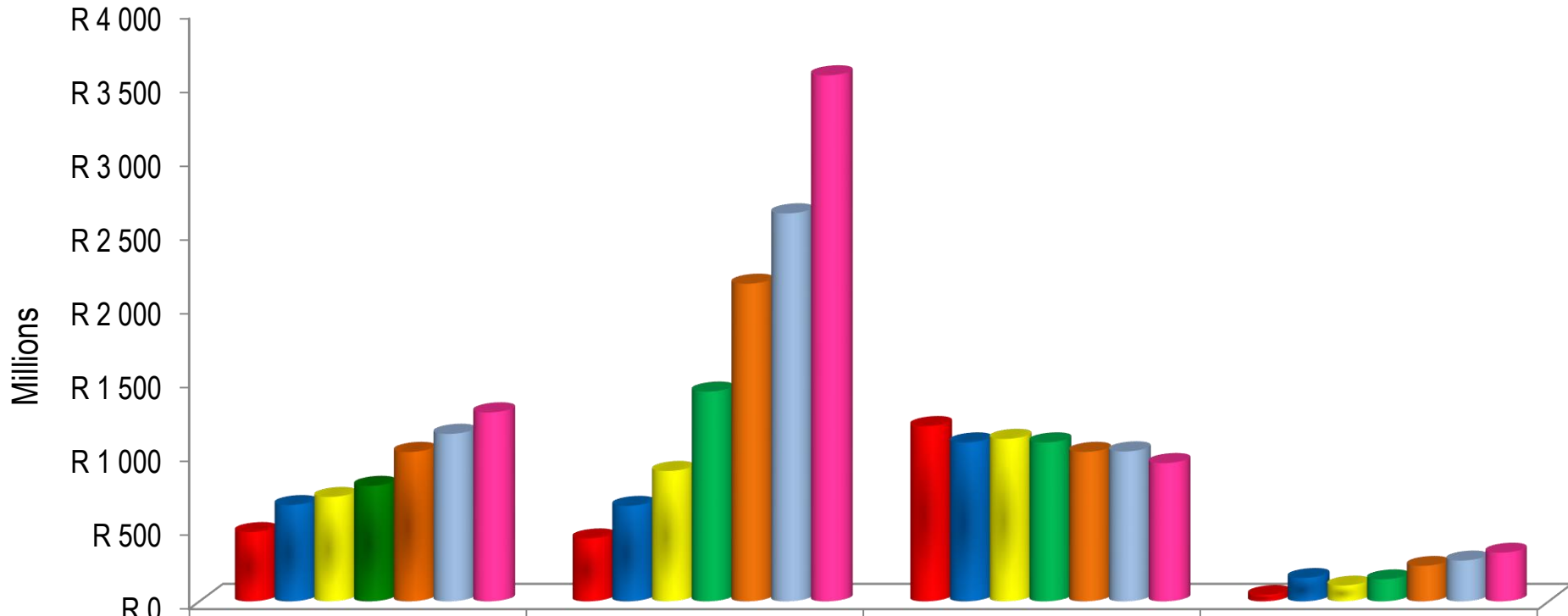
Rand value of the gross revenue by an operator



* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Trend in GGR, bookmakers & totalisators FY2012 to FY2018

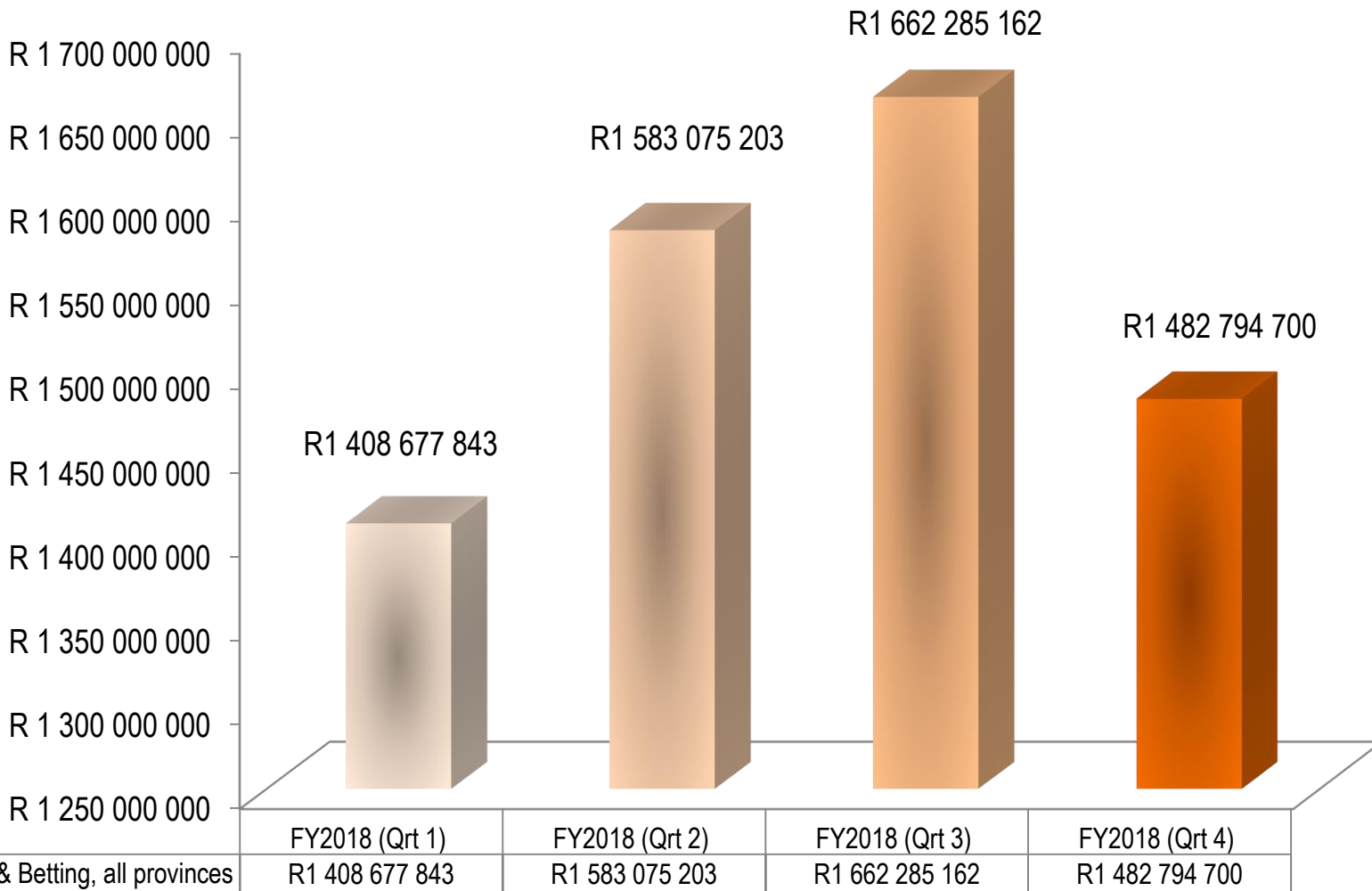
Rand value of the gross revenue by an operator



	Bookmakers, Horse racing	Bookmakers, Sports betting	Totalisators, Horse racing	Totalisators, Sports betting
■ FY2012	R 477583 160	R 433650 582	R 1197266 316	R 44078 515
■ FY2013	R 663367 356	R 657721 132	R 1087051 664	R 161294 882
■ FY2014	R 718915 378	R 894571 335	R 1111365 062	R 109251 620
■ FY2015	R 793930 124	R 1430026 112	R 1087285 775	R 151752 708
■ FY2016	R 1023035 305	R 2157995 813	R 1023264 197	R 244470 444
■ FY2017	R 1145152 334	R 2632669 149	R 1026450 253	R 281358 927
■ FY2018	R 1289865 606	R 3563907 799	R 947674 300	R 335385 203

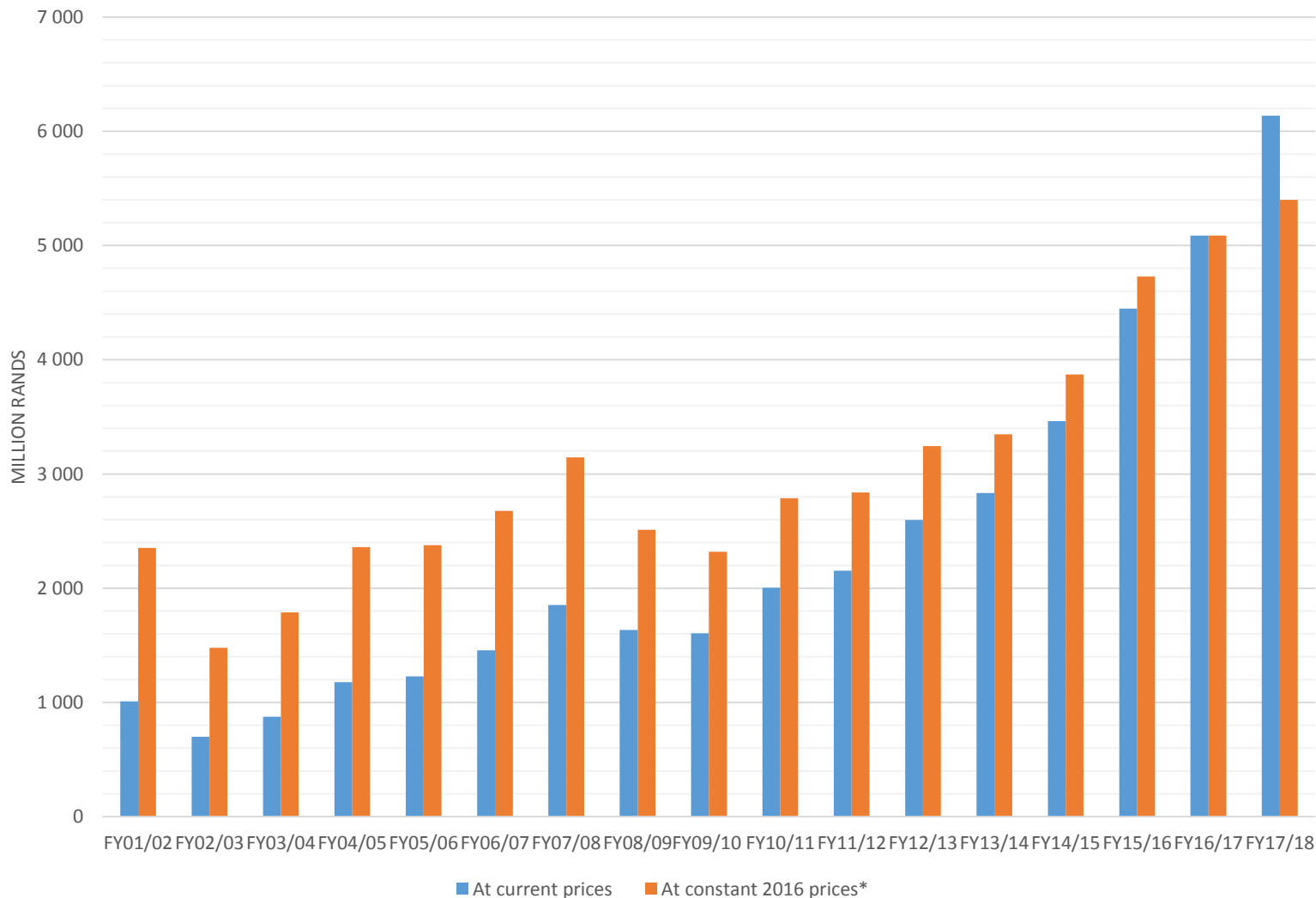
Trend in GGR betting on horse racing & sport – FY2018

Rand value of the gross revenue of an operator



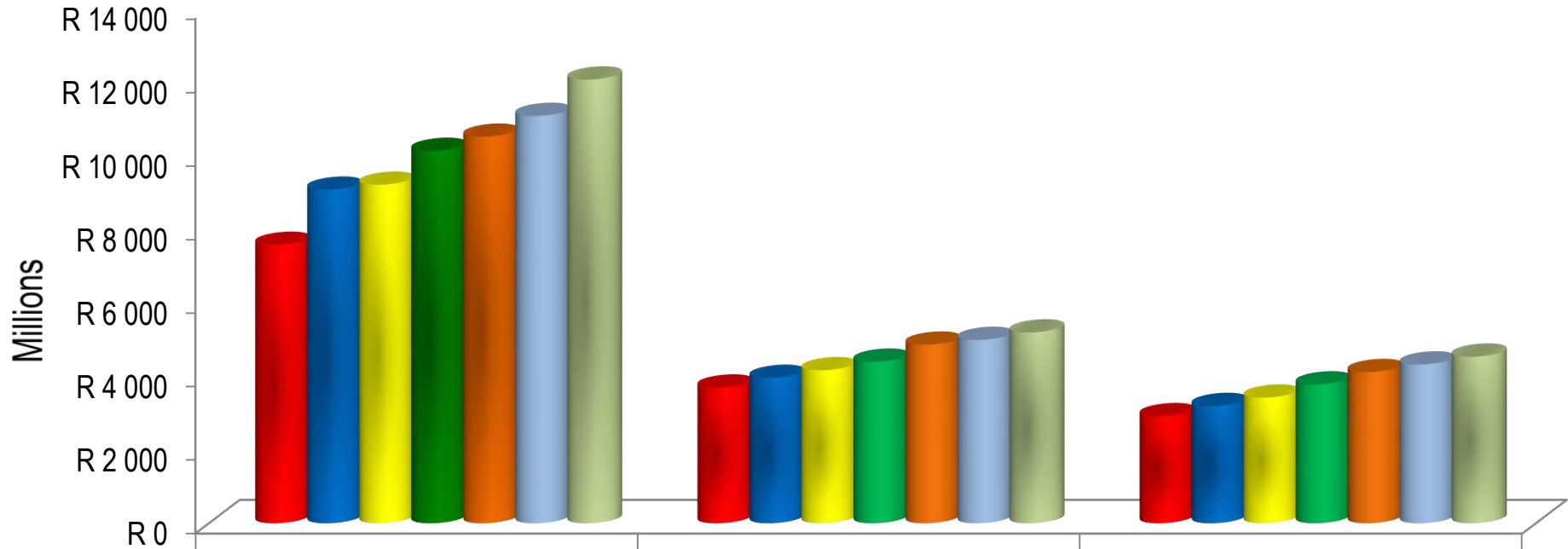
Trend in GGR betting on horse racing & sport – FY2001/02 to FY2017/18

Rand value of the gross revenue by an operator



Trend in GGR, provinces (Gauteng, Western Cape & KwaZulu-Natal) FY2012 to F2018

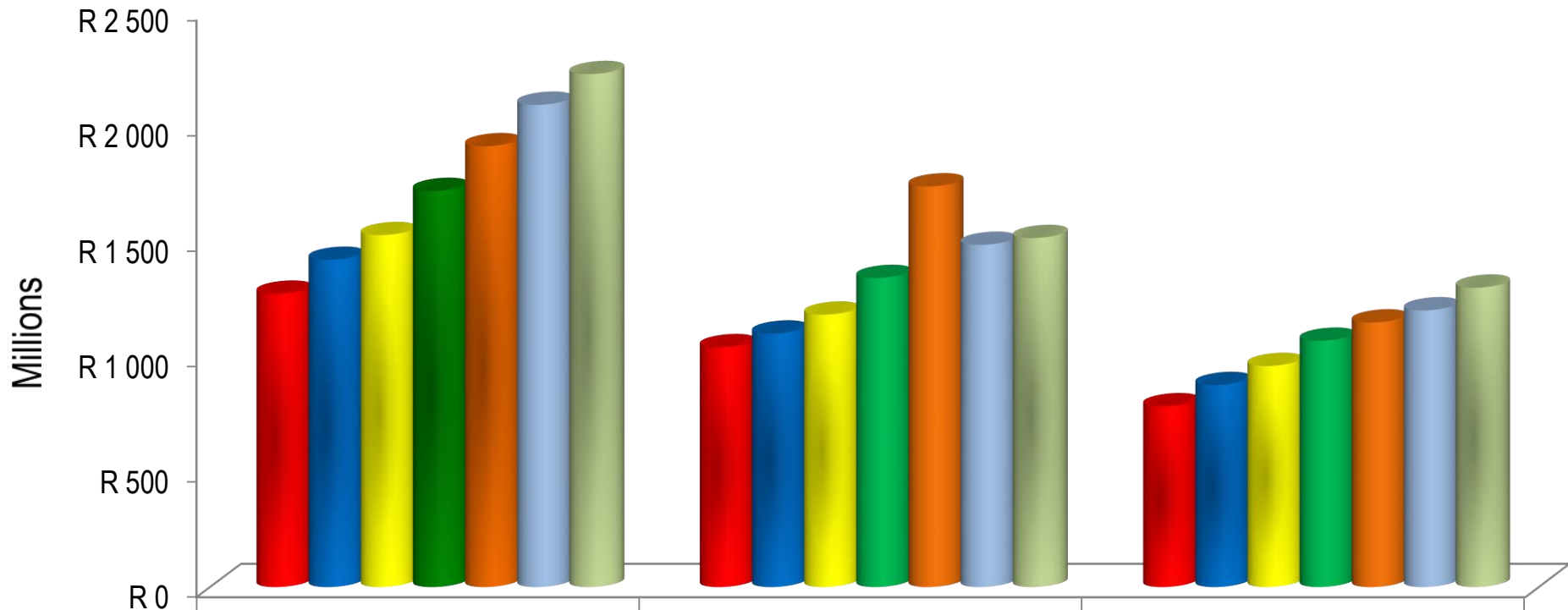
Rand value of the gross revenue by an operator



	Gauteng	KwaZulu-Natal	Western Cape
■ FY2012	R7 567 711 371	R3 686 097 917	R2 907 215 535
■ FY2013	R9 066 664 048	R3 948 654 707	R3 184 485 271
■ FY2014	R9 202 134 387	R4 157 196 966	R3 412 669 836
■ FY2015	R10 123 160 214	R4 388 844 044	R3 770 074 264
■ FY2016	R10 507 666 088	R4 851 818 256	R4 107 502 338
■ FY2017	R11 074 148 279	R4 981 041 968	R4 312 441 585
■ FY2018	R12 063 544 241	R5 184 033 067	R4 526 085 281

Trend in GGR, provinces (Eastern Cape, North West & Mpumalanga) FY2012 to F2018

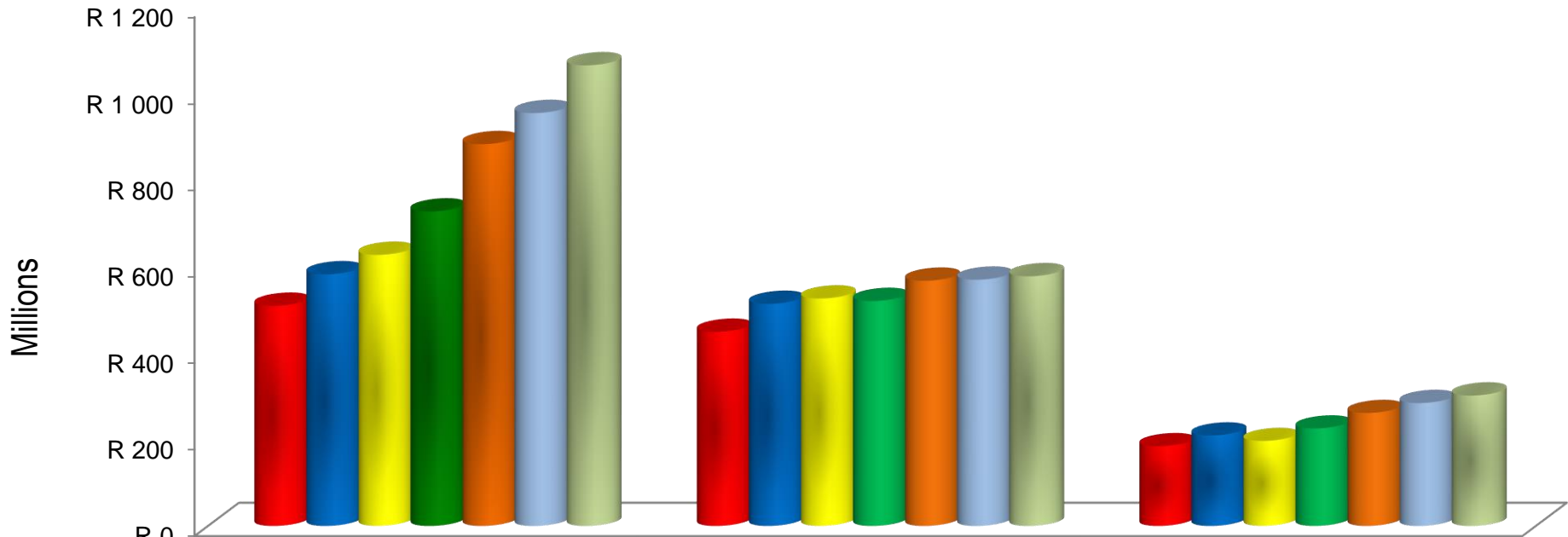
Rand value of the gross revenue by an operator



	Eastern Cape	North West	Mpumalanga
■ FY2012	R1 274 855 763	R1 043 562 540	R788 130 624
■ FY2013	R1 421 297 898	R1 102 412 569	R879 851 038
■ FY2014	R1 528 261 511	R1 184 482 349	R962 527 586
■ FY2015	R1 719 125 892	R1 342 862 301	R1 071 347 869
■ FY2016	R1 912 406 423	R1 738 804 648	R1 150 415 279
■ FY2017	R2 091 579 565	R1 486 090 205	R1 202 795 496
■ FY2018	R2 224 386 720	R1 515 437 284	R1 300 863 754

Trend in GGR, provinces (Limpopo, Free State & Northern Cape) FY2012 to F2018

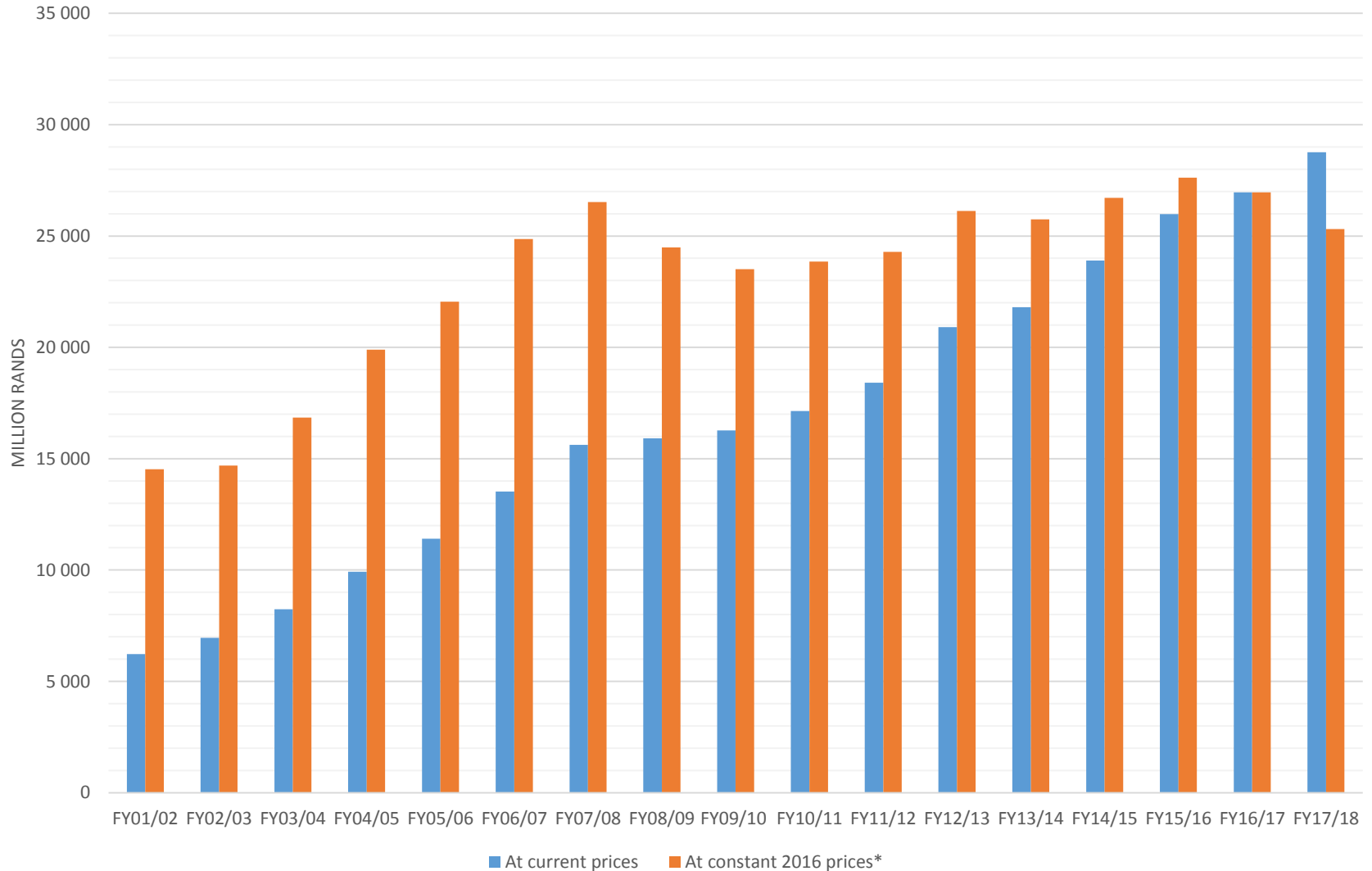
Rand value of the gross revenue by an operator



	Limpopo	Free State	Northern Cape
■ FY2012	R511 218 432	R451 313 156	R186 473 253
■ FY2013	R583 756 508	R515 560 127	R211 461 155
■ FY2014	R628 657 070	R528 029 708	R198 709 419
■ FY2015	R728 438 960	R522 271 456	R227 809 270
■ FY2016	R883 599 182	R568 893 266	R264 014 108
■ FY2017	R955 363 219	R571 329 455	R287 098 788
■ FY2018	R1 065 265 197	R579 251 383	R304 392 955

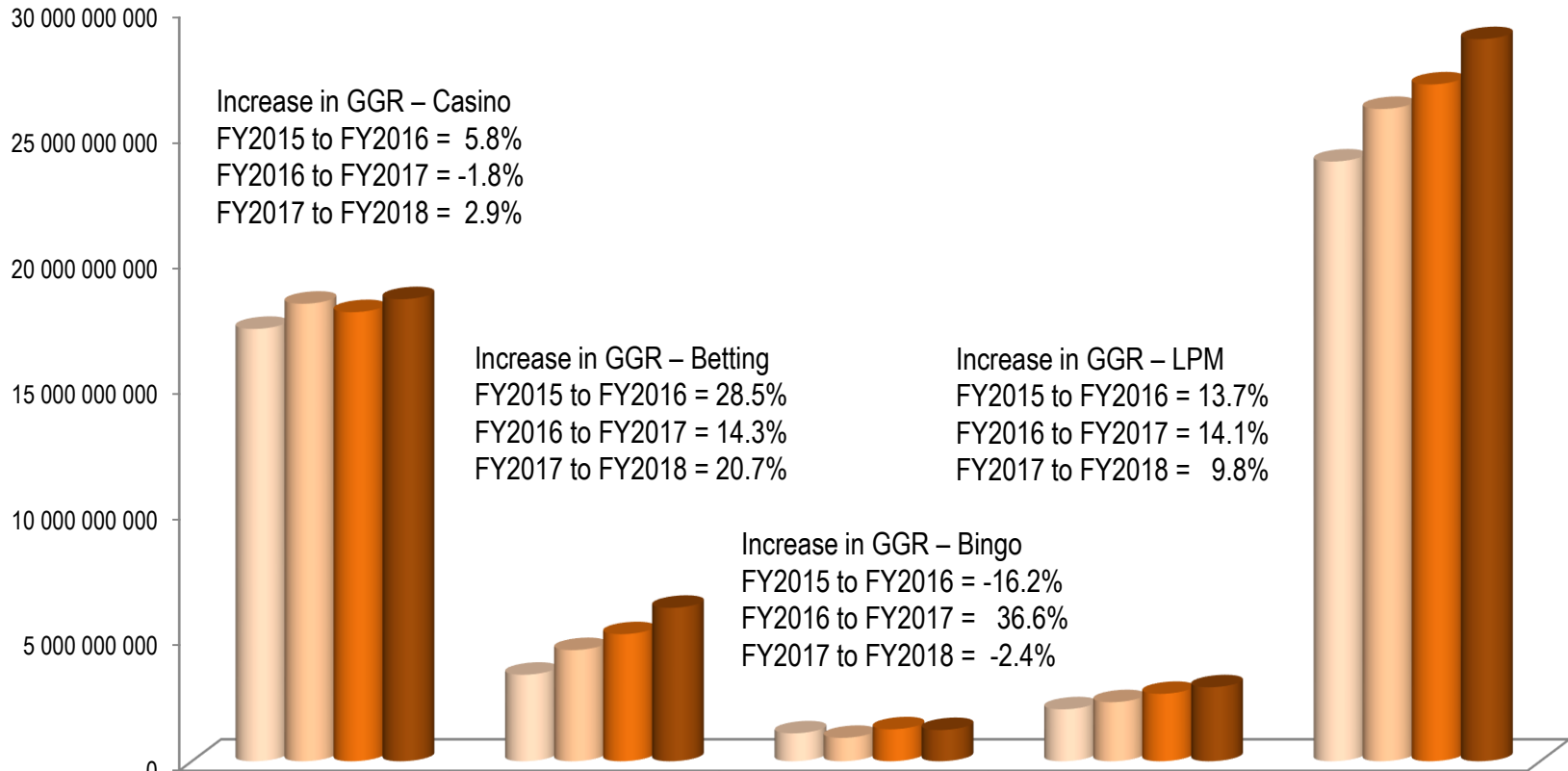
Trend in GGR – FY2001/02 to FY2017/18 (all modes and provinces)

Rand value of the gross revenue by an operator



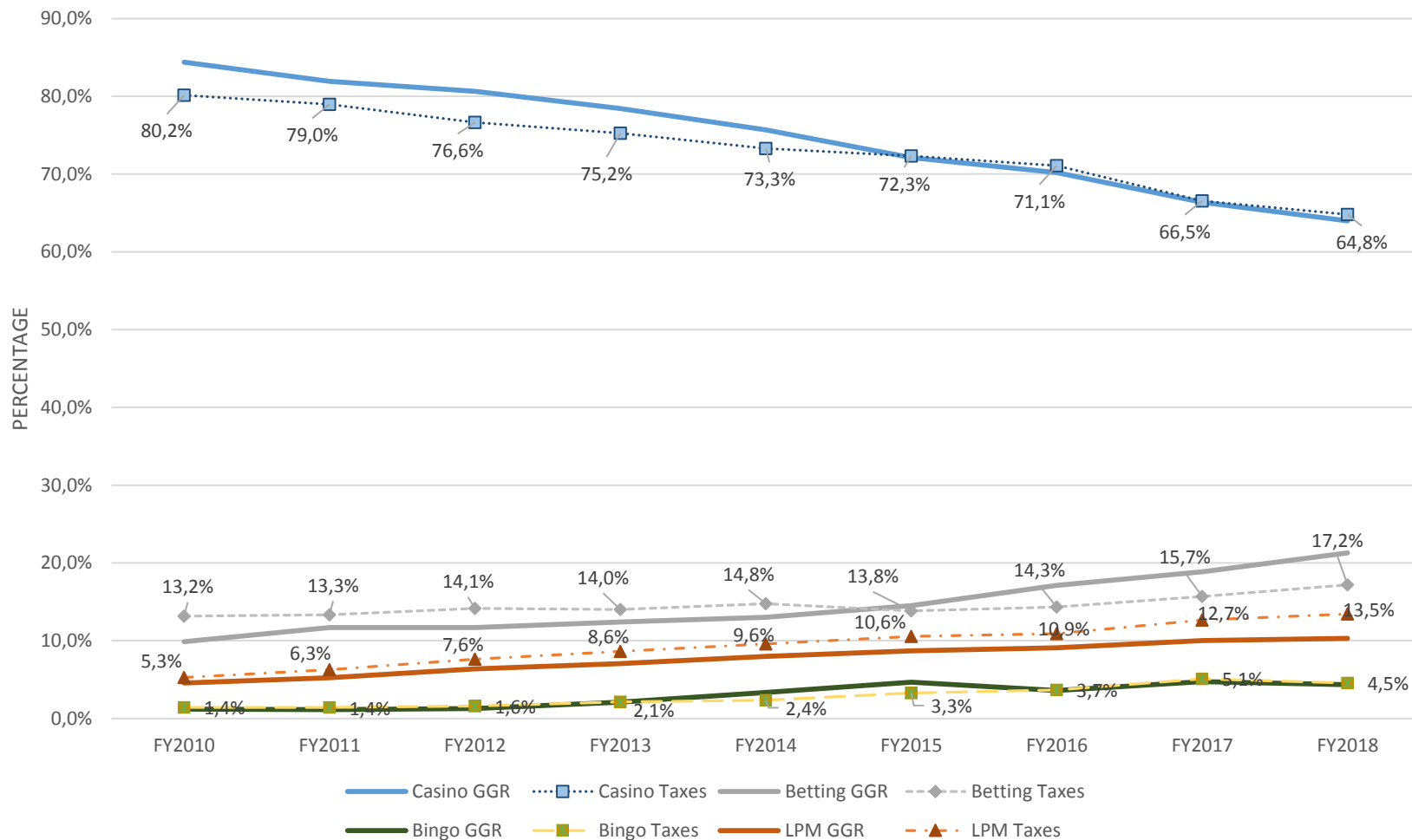
Increase in GGR (all modes): FY2015 – FY2018

Increase in GGR – Total
 FY2015 to FY2016 = 8.8%
 FY2016 to FY2017 = 3.8%
 FY2017 to FY2018 = 6.7%

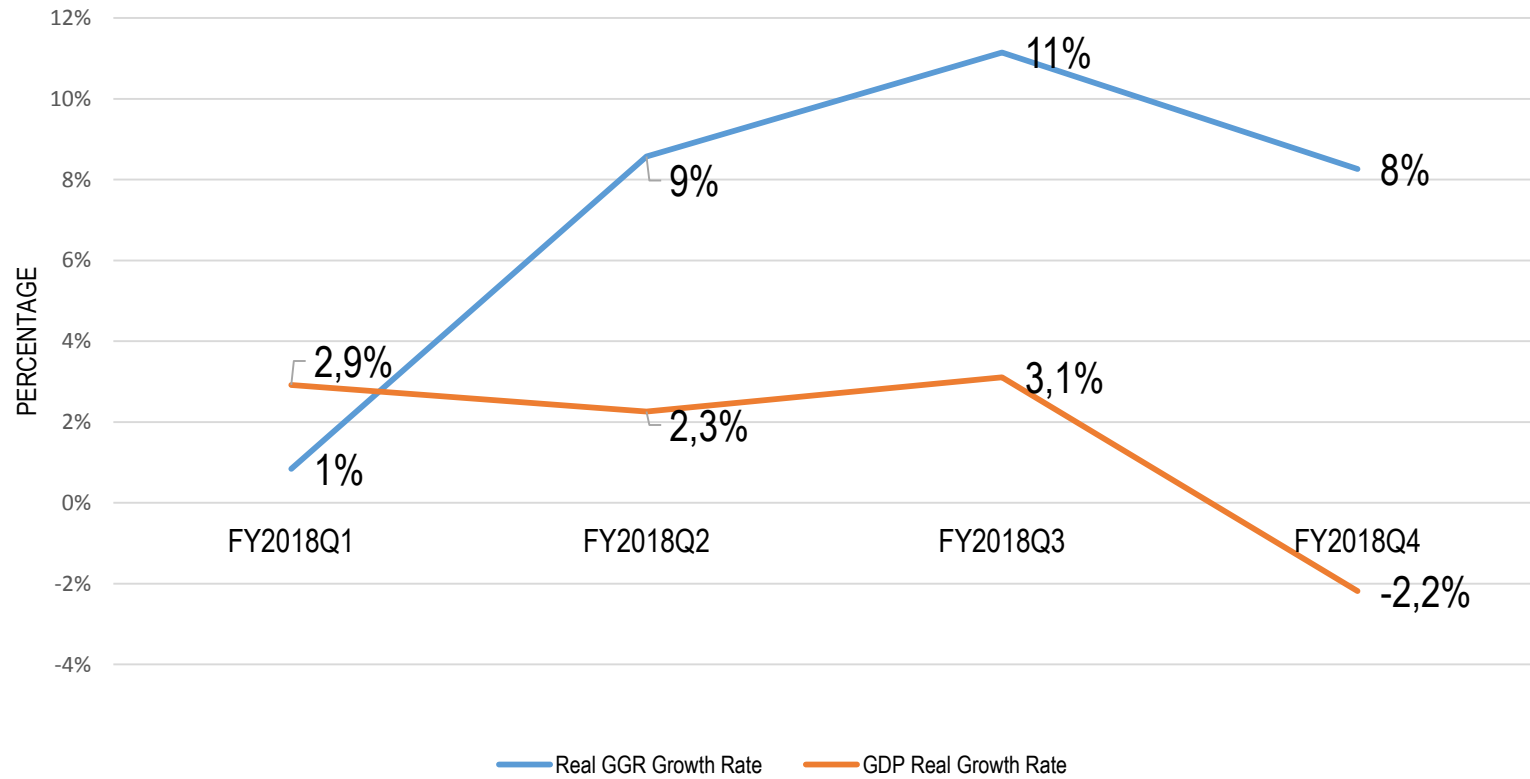


	GGR Casino	GGR Betting	GGR Bingo	GGR LPM	TOTAL
GGR, FY2015	17 234 928 081	3 462 994 717	1 116 673 081	2 079 338 389	23 893 934 269
GGR, FY2016	18 236 685 695	4 448 765 756	936 166 348	2 363 501 788	25 985 119 588
GGR, FY2017	17 900 747 071	5 085 630 664	1 278 664 383	2 696 846 443	26 961 888 560
GGR, FY2018	18 417 094 967	6 136 832 908	1 248 509 057	2 960 822 948	28 763 259 881

Trend in share of total GGR and share of total taxes and levies collected, comparison all modes (FY2010 – FY2018)



Real GGR Growth Rate and GDP Growth Rate FY2018Q1- FY2018Q4

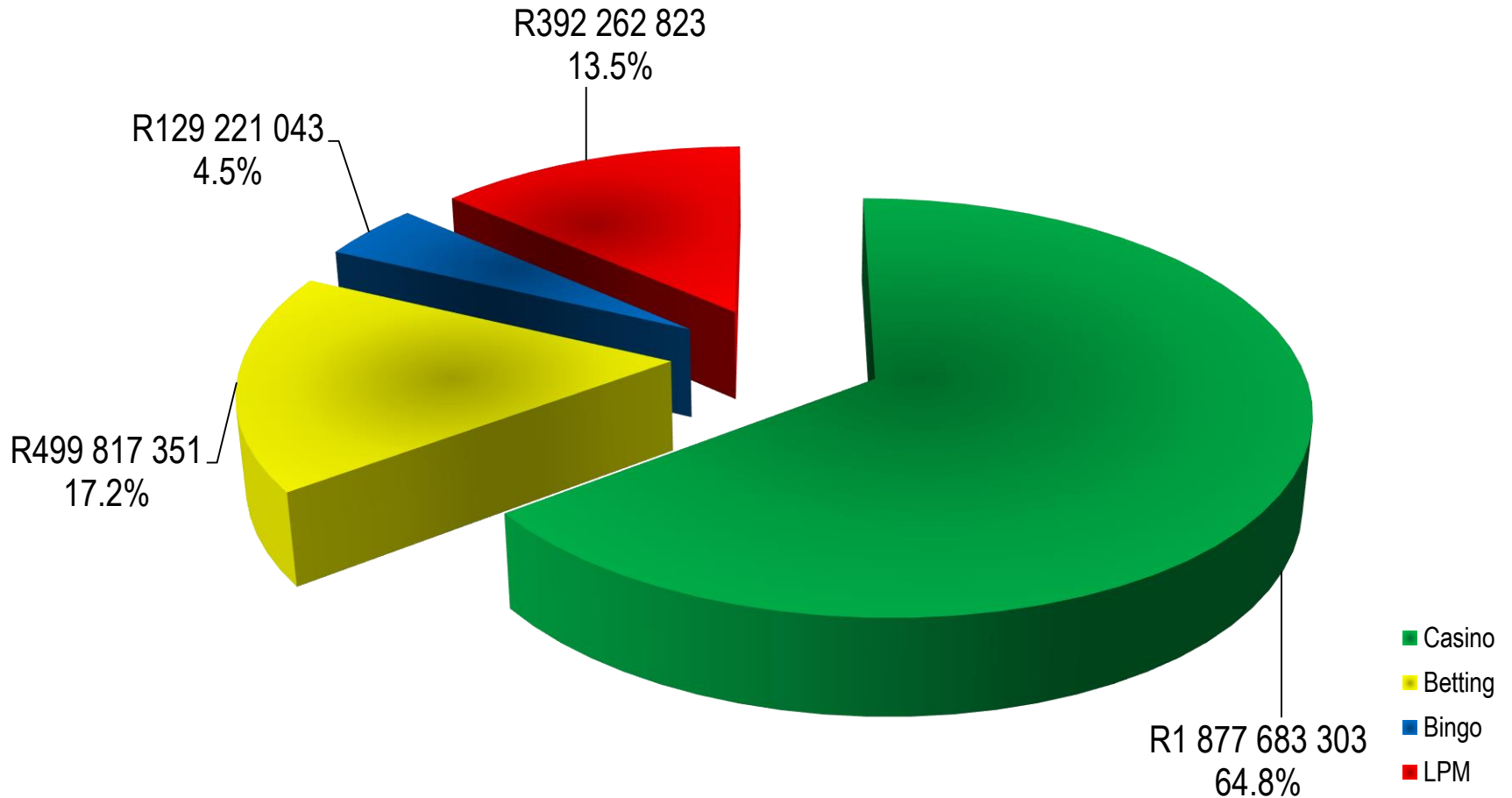


Summary : GGR

- ❑ GGR increased by 8.8% from 23,9 billion in FY2015 to R26.0 billion in FY2016, by 3.8% to R27,0 billion in FY2017, and by 6.7% to R28,8 billion in FY2018. A total amount of R 28 763 259 881 referred to as GGR was generated during FY2018.
- ❑ In real terms however, the GGR increased by 3.8% from FY2014 to FY2015, by 3.4% FY2015 to FY2016 but decreased by 2.4% from FY2016 to FY2017 and further fell by 6,1% from FY2017 to FY2018.
- ❑ During FY2018, casinos accounted for the highest GGR being 64.0% as compared to other gambling modes. The percentage GGR generated by casinos (compared to other sectors) showed a declining trend from FY2010 (84.4%) to FY2018 (64.0%), as a result of growth in other gambling sectors.
- ❑ Compared to all other provinces, Gauteng at a 41.9% share, accounted for the highest amount of GGR generated in FY2018, compared to KwaZulu-Natal (18.0%) and the Western Cape (15.7%).
- ❑ Although Gauteng, compared to other provinces, generated the highest amount of GGR in FY2018 relative to casinos (43.1%), betting on horse racing and sport (49.0%), and bingo (48.6%), the highest amount of GGR in the LPM sector was generated in Western Cape (26.0%) and KwaZulu-Natal (25.5%) FY2018, compared to Gauteng (16.9%).

Taxes/levies contribution per gambling mode – FY2018

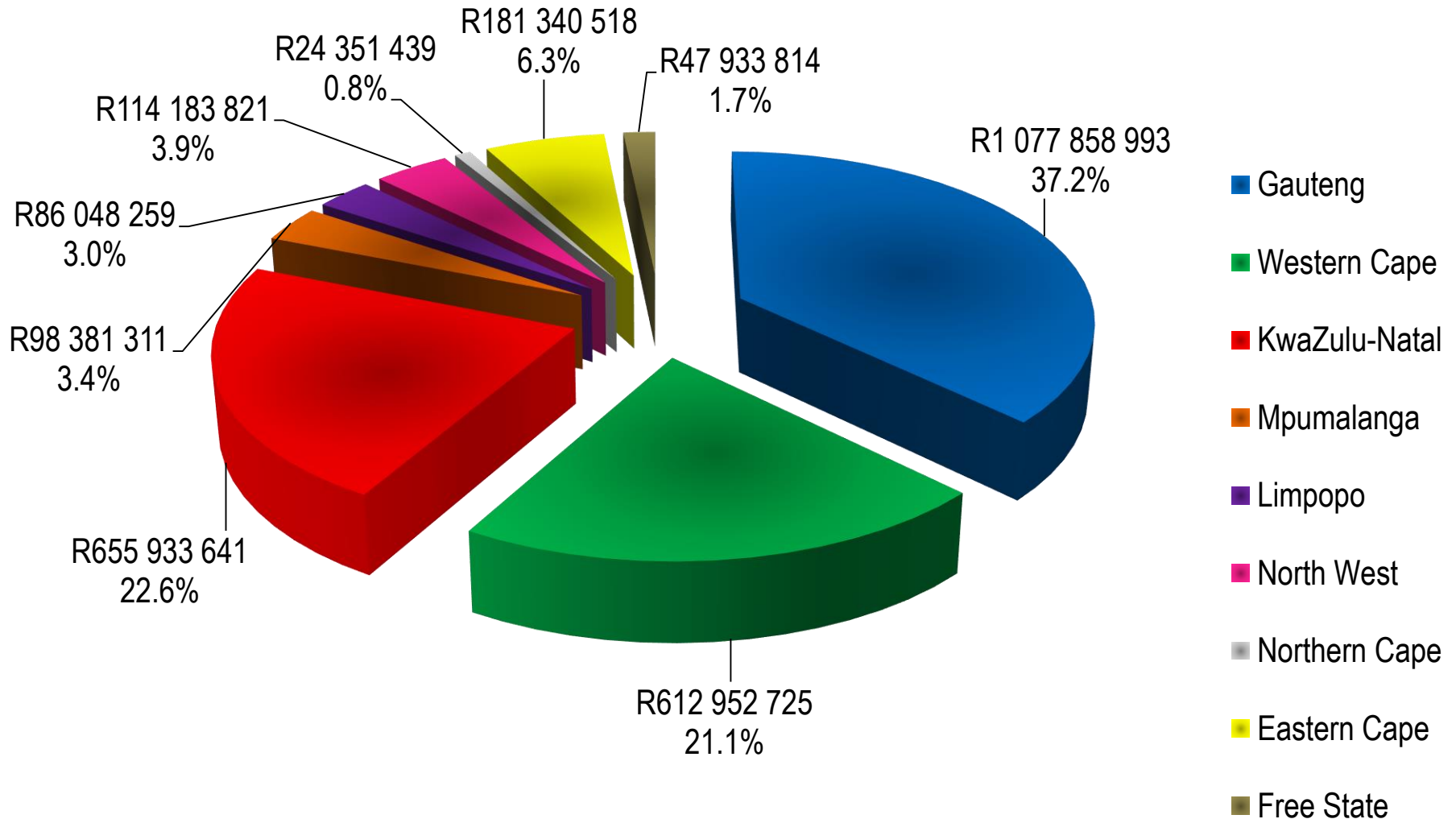
Gambling tax levied and collected by PLAs



Total taxes/levies: R 2 898 984 519

Taxes/levies contribution per province – FY2018

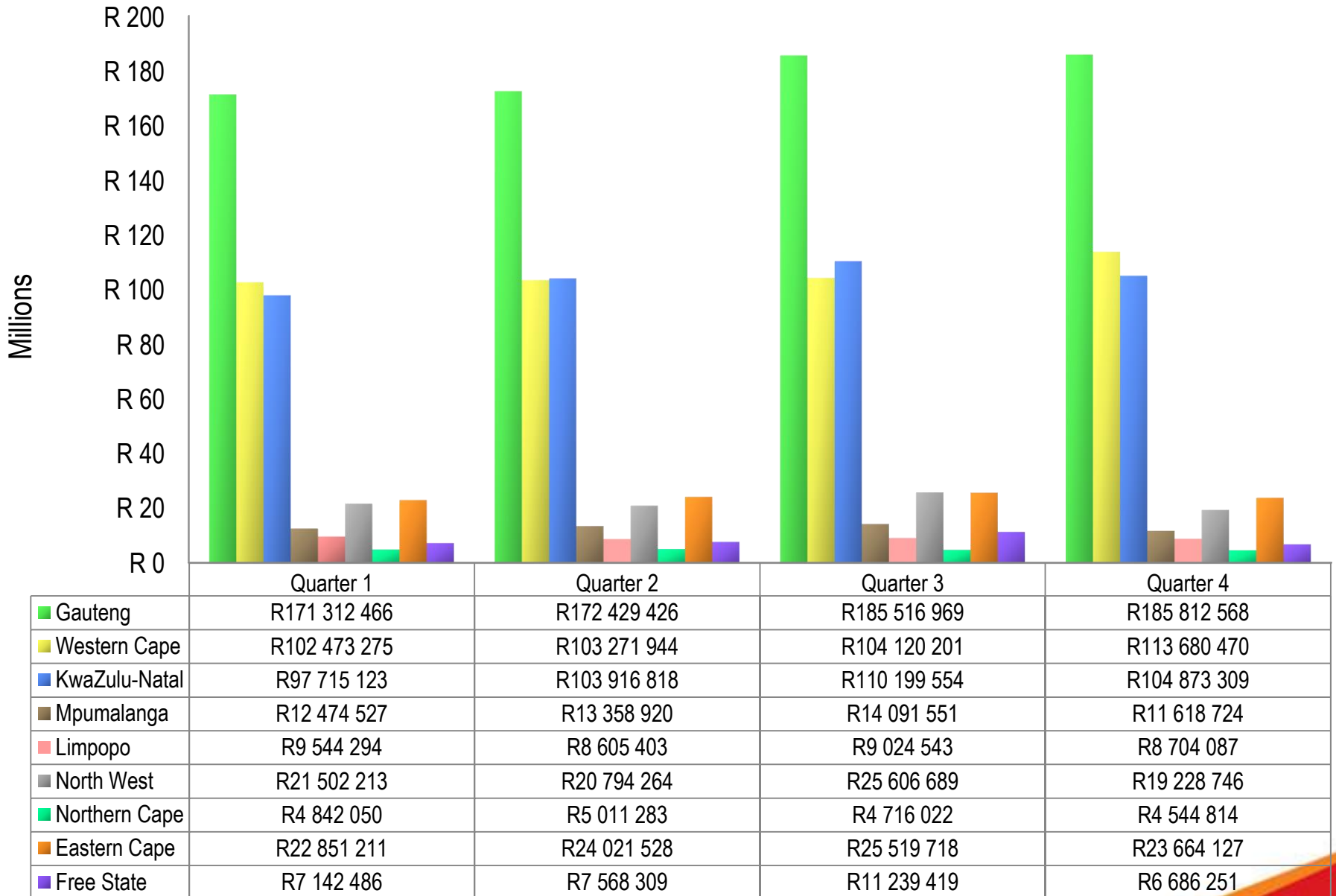
Gambling tax levied and collected by PLAs



Total taxes/levies: R 2 898 984 519

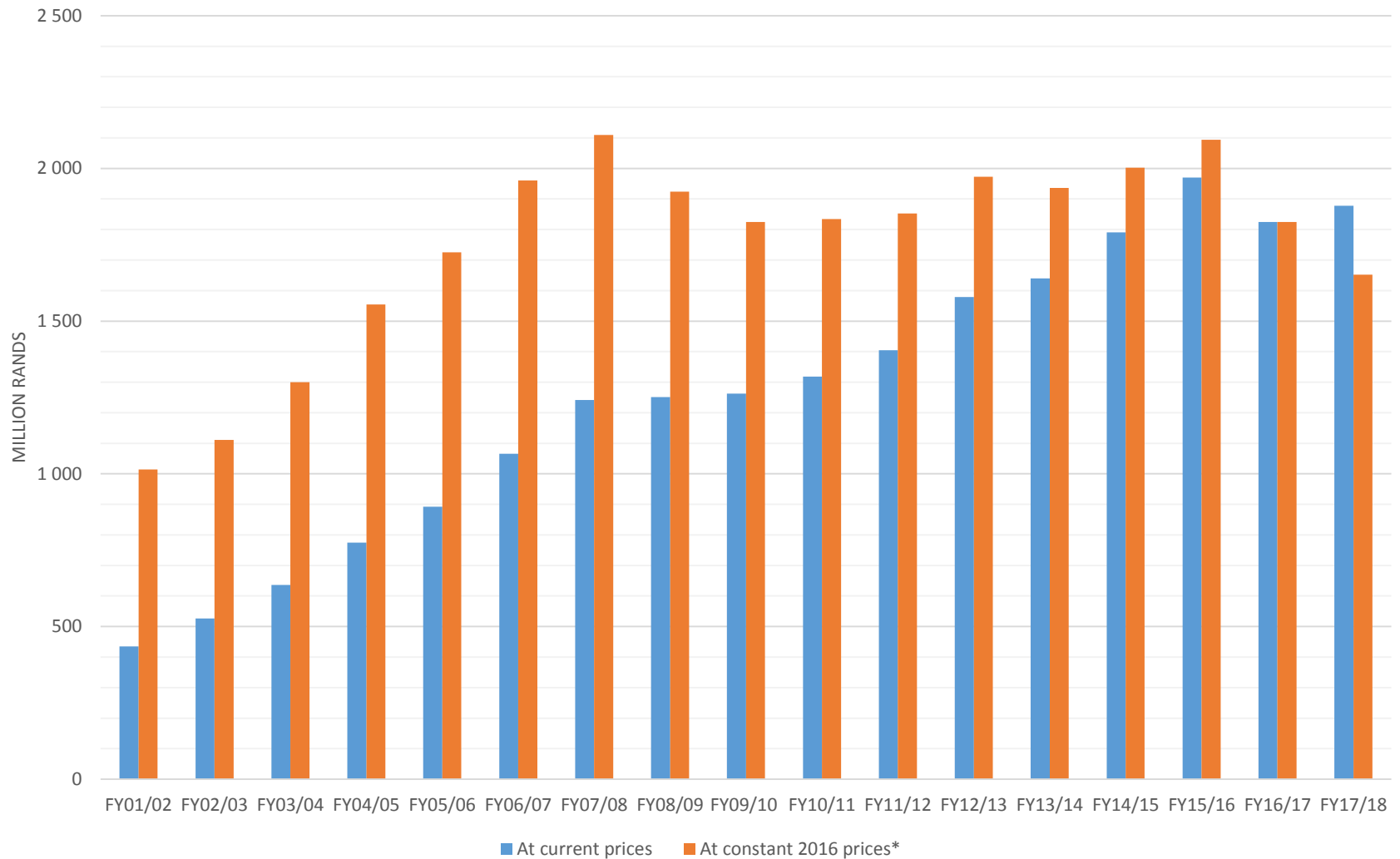
Quarterly casino taxes/levies - FY2018

Gambling tax levied and collected by PLAs



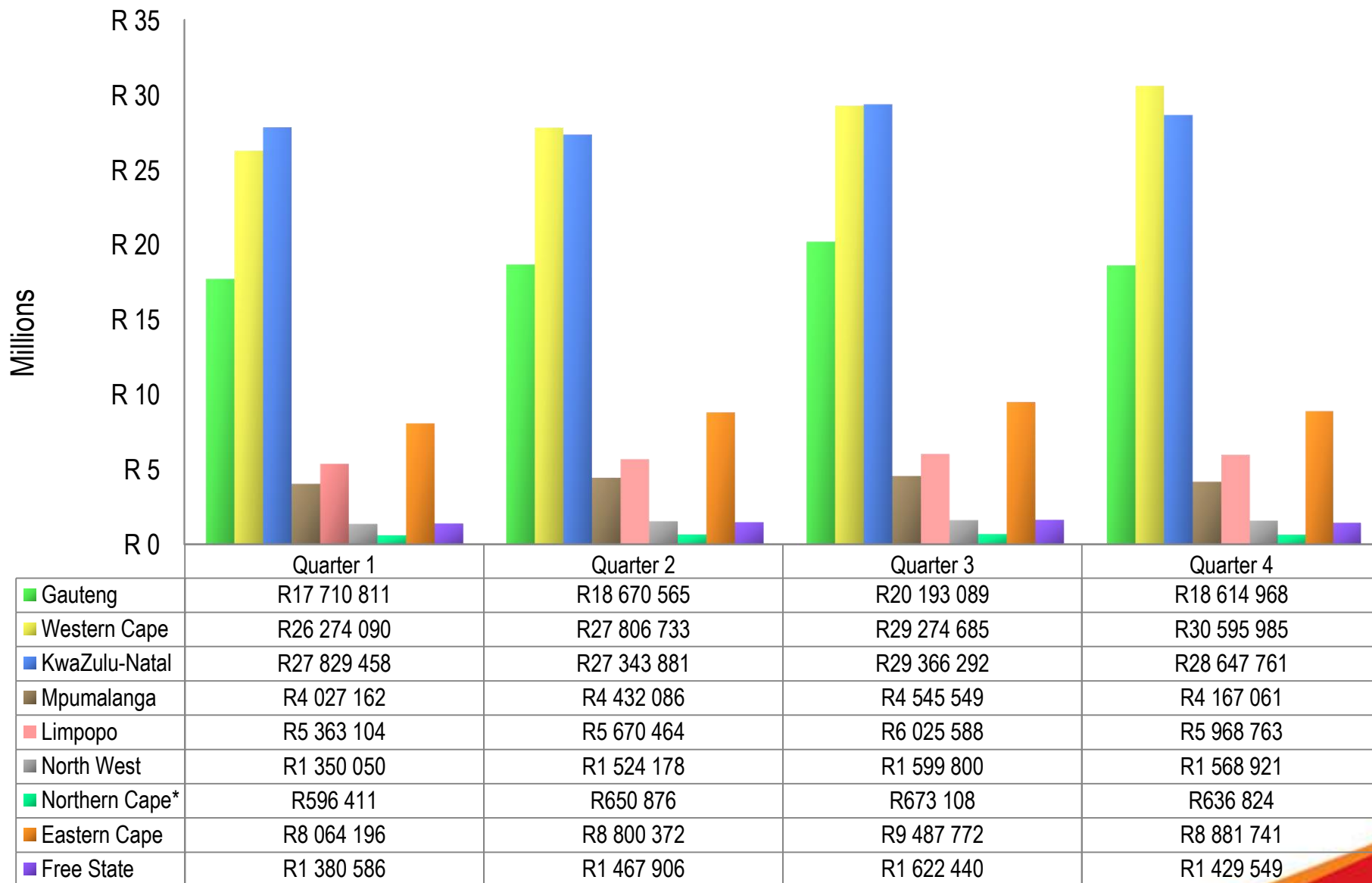
Trend in casino, taxes/levies – FY2001/02 to FY2017/18

Gambling tax levied and collected by PLAs



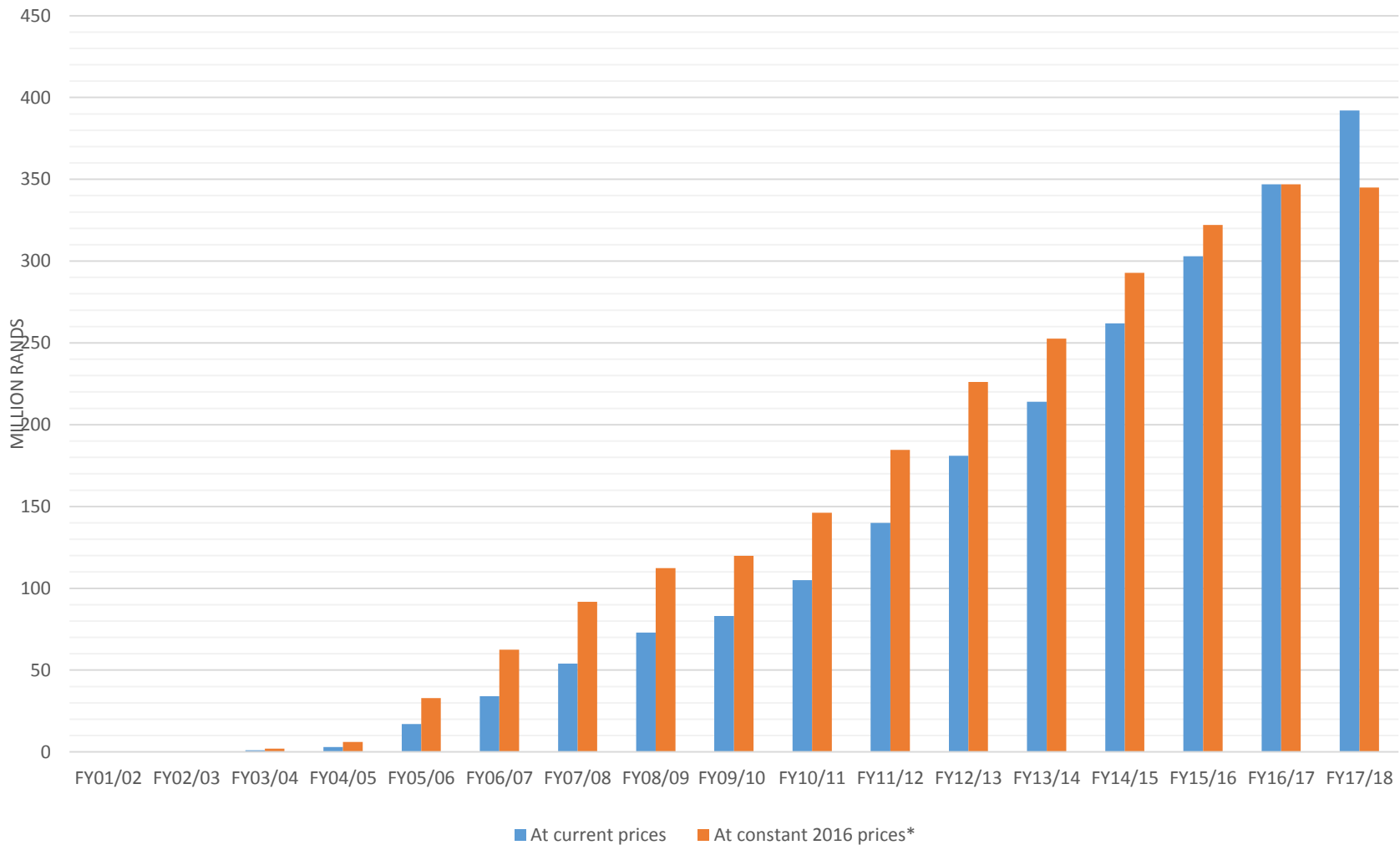
Quarterly LPM taxes/levies - FY2018

Gambling tax levied and collected by PLAs



Trend in LPM taxes/levies – FY2001/02 to FY2017/18

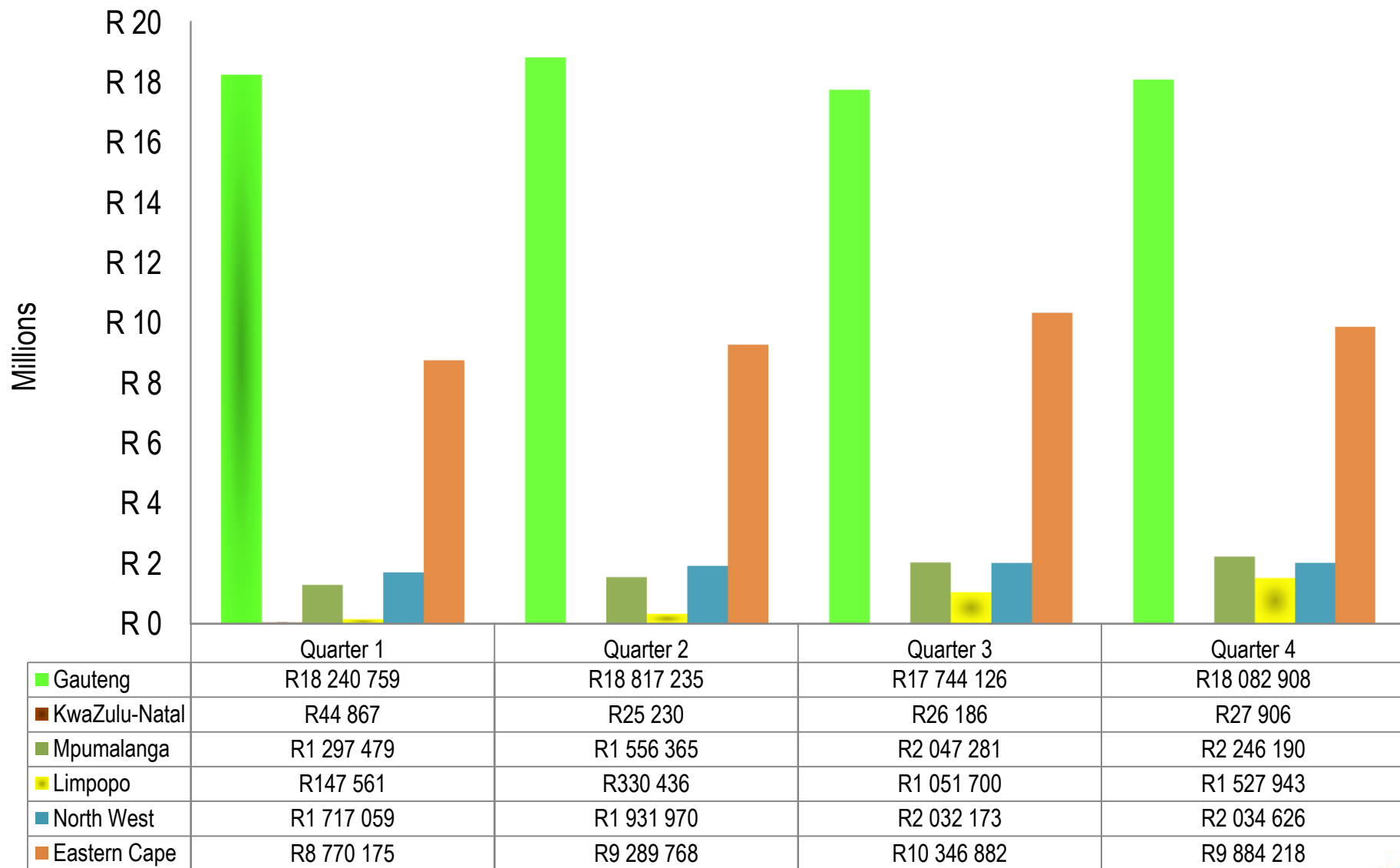
Gambling tax levied and collected by PLAs



2016 constant prices, Reserve Bank

Quarterly bingo taxes/levies - FY2018*

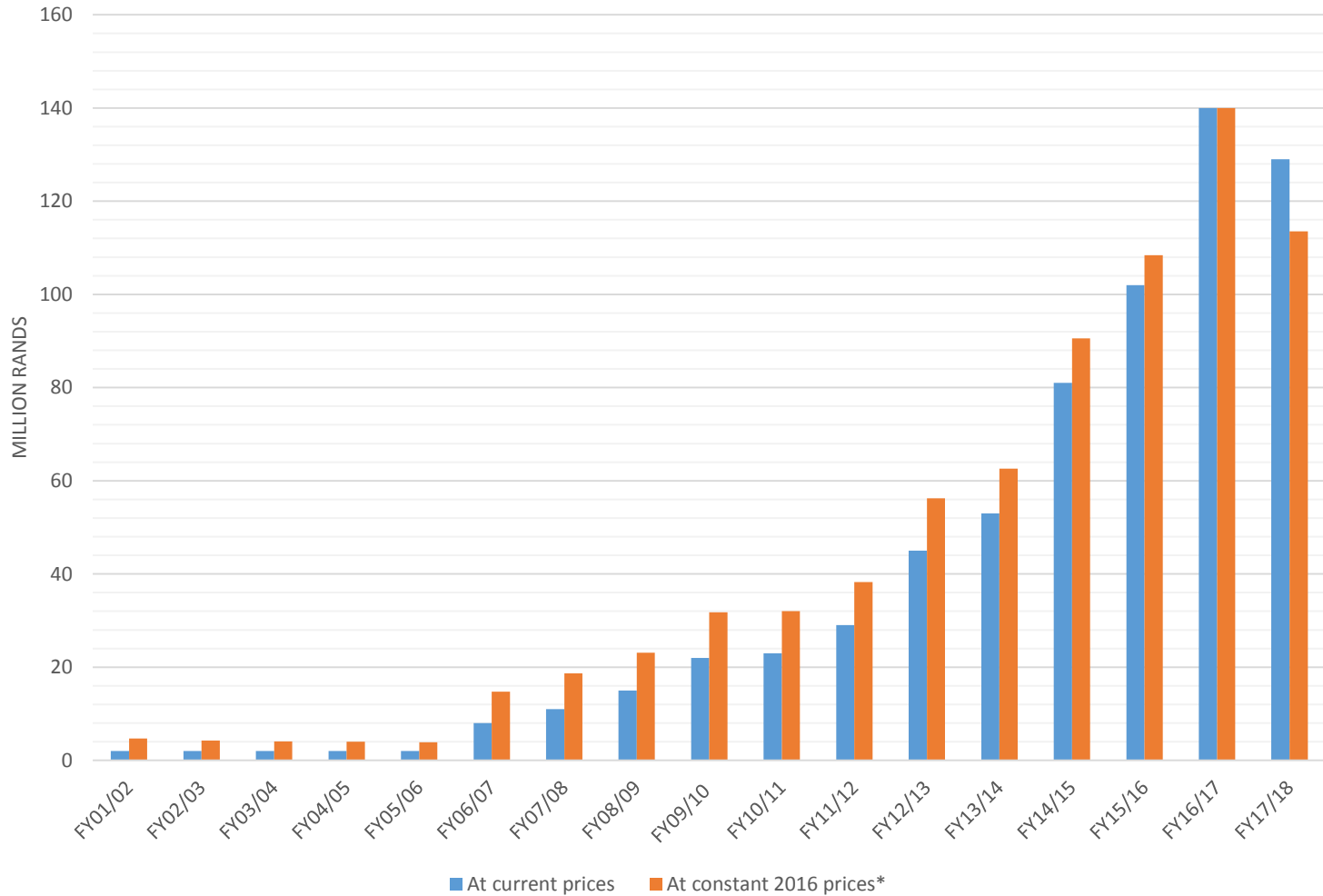
Gambling tax levied by and collected by PLAs



- Bingo offered for play in Gauteng, Mpumalanga, North West, Eastern Cape and KwaZulu-Natal only
- KZN statistics too low to be visible in graph

Trend in bingo taxes/levies – FY2001/02 to FY2017/18

Gambling tax levied by and collected by PLAs



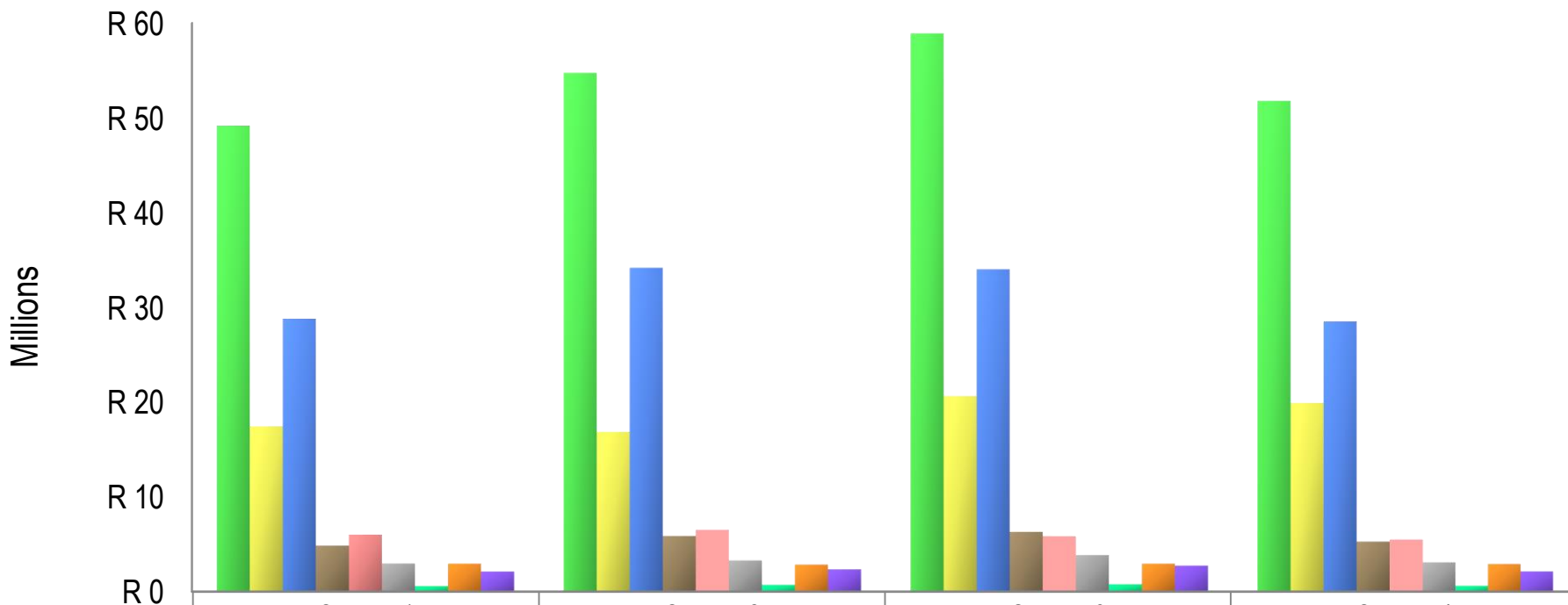
2016 constant prices, Reserve Bank

* Bingo statistics represents bingo offered for play in Gauteng, Mpumalanga, North West, KwaZulu-Natal and Eastern Cape only

Quarterly betting taxes/levies – FY2018

Bookmakers & Totalisators

Gambling tax levied and collected by PLAs



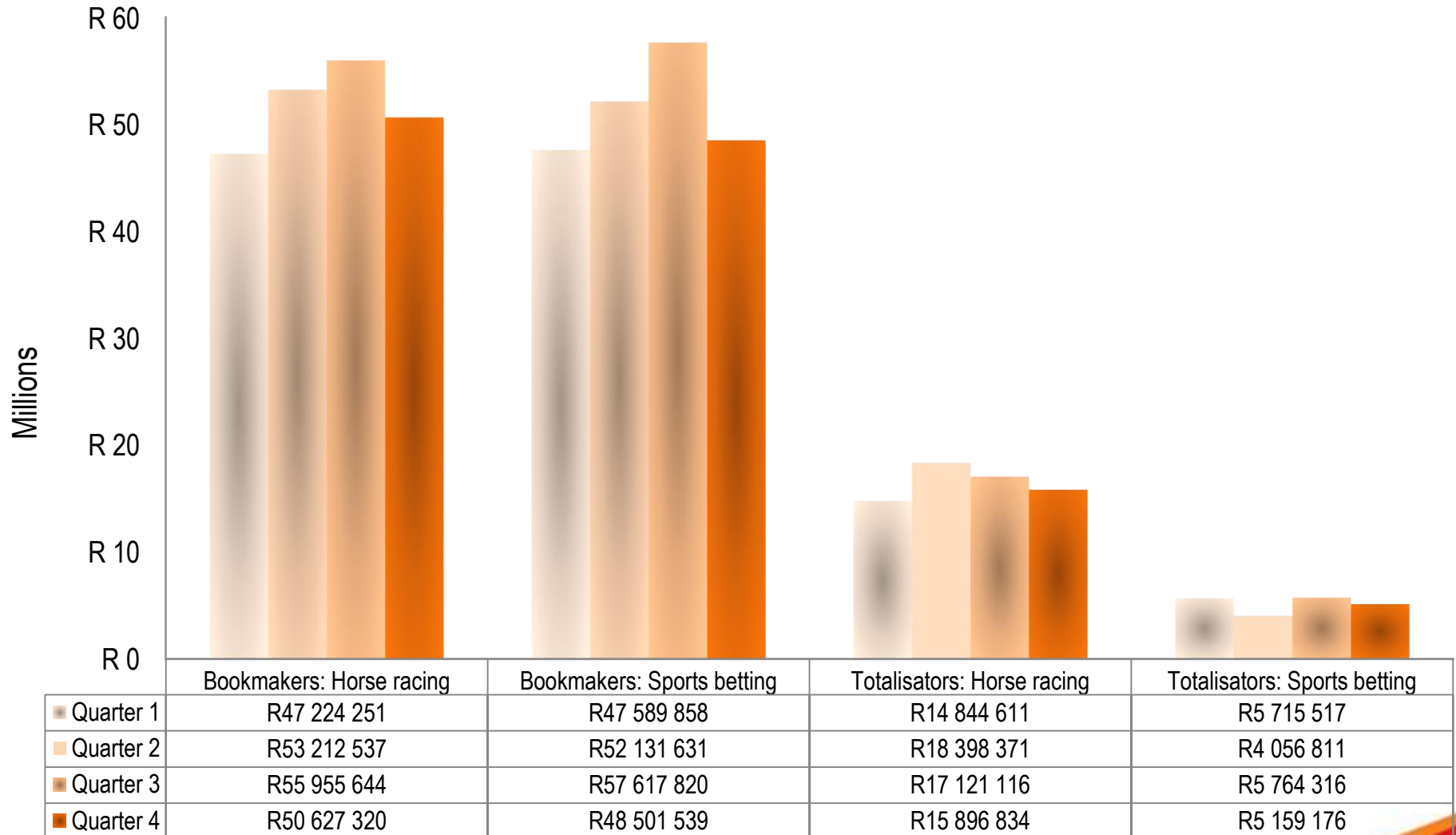
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
■ Gauteng	R49 221 843	R54 764 850	R58 907 366	R51 819 043
■ Western Cape	R17 605 030	R17 015 544	R20 777 657	R20 057 112
■ KwaZulu-Natal	R28 910 245	R34 264 229	R34 114 853	R28 627 928
■ Mpumalanga	R4 897 916	R5 928 304	R6 361 981	R5 330 213
■ Limpopo	R6 065 220	R6 573 914	R5 900 472	R5 544 769
■ North West	R2 979 325	R3 314 764	R3 890 110	R3 108 934
■ Northern Cape	R587 990	R705 933	R773 812	R612 316
■ Eastern Cape	R2 973 835	R2 870 888	R2 971 917	R2 942 171
■ Free State	R2 132 836	R2 360 924	R2 760 727	R2 142 380

Quarterly betting taxes/levies – FY2018

Split between Bookmakers & Totalisators

Betting on horse racing & sport

Gambling tax levied and collected by PLAs

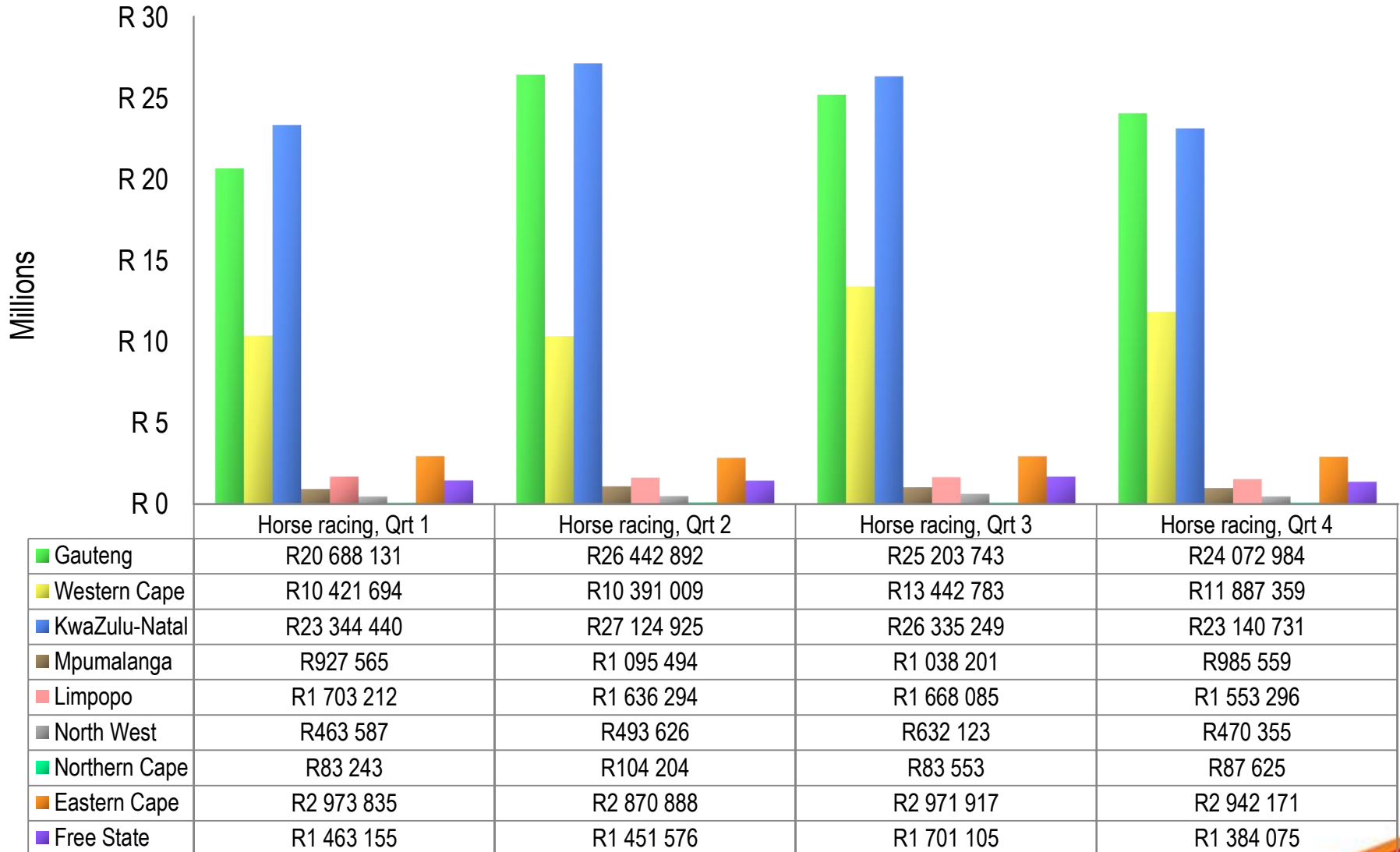


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting taxes/levies – FY2018

Betting on horse racing*

Gambling tax levied by and collected by PLAs

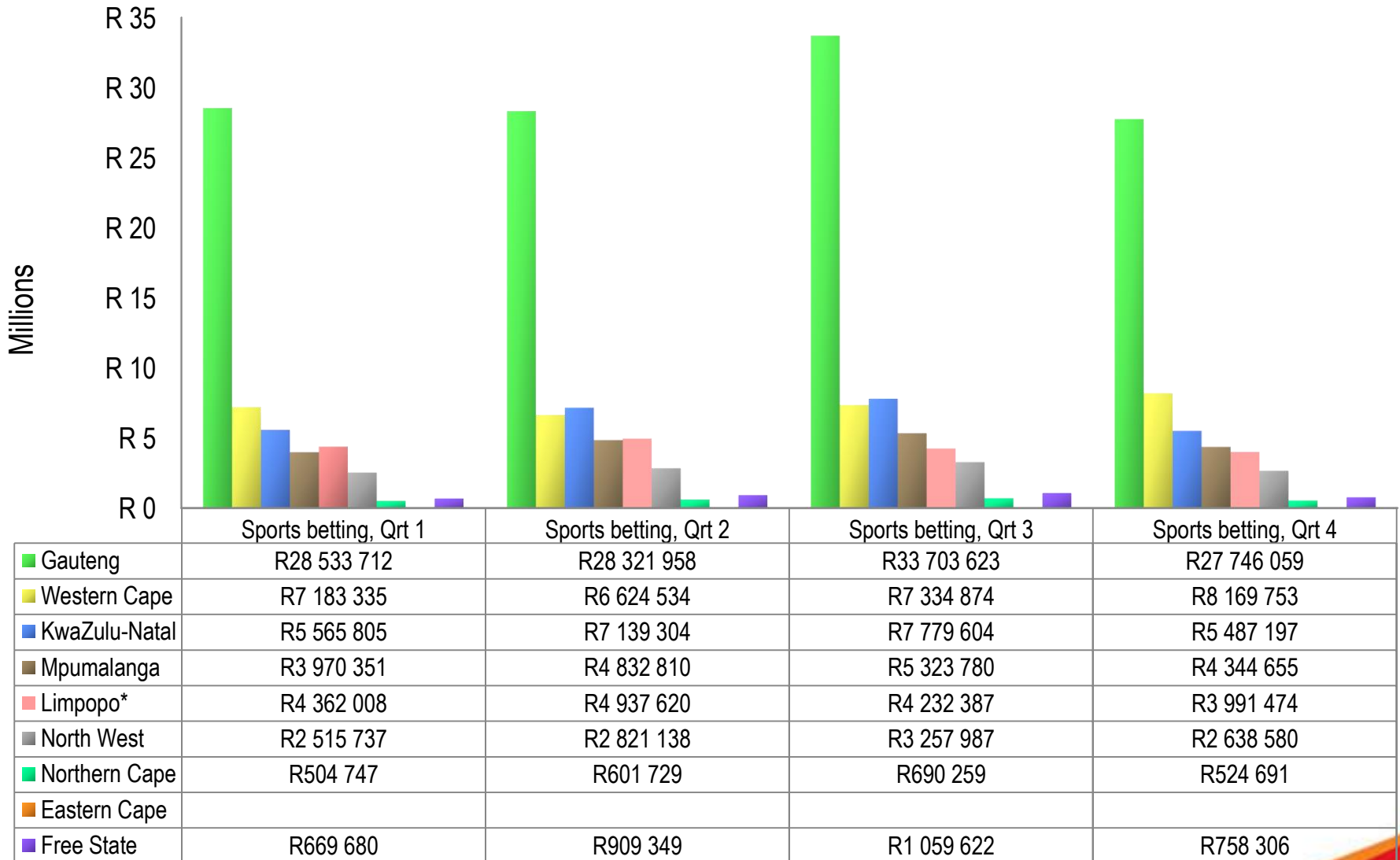


* Eastern Cape: Statistics includes sports betting

Quarterly betting taxes/levies – FY2018

Betting on sport*

Gambling tax levied and collected by PLAs

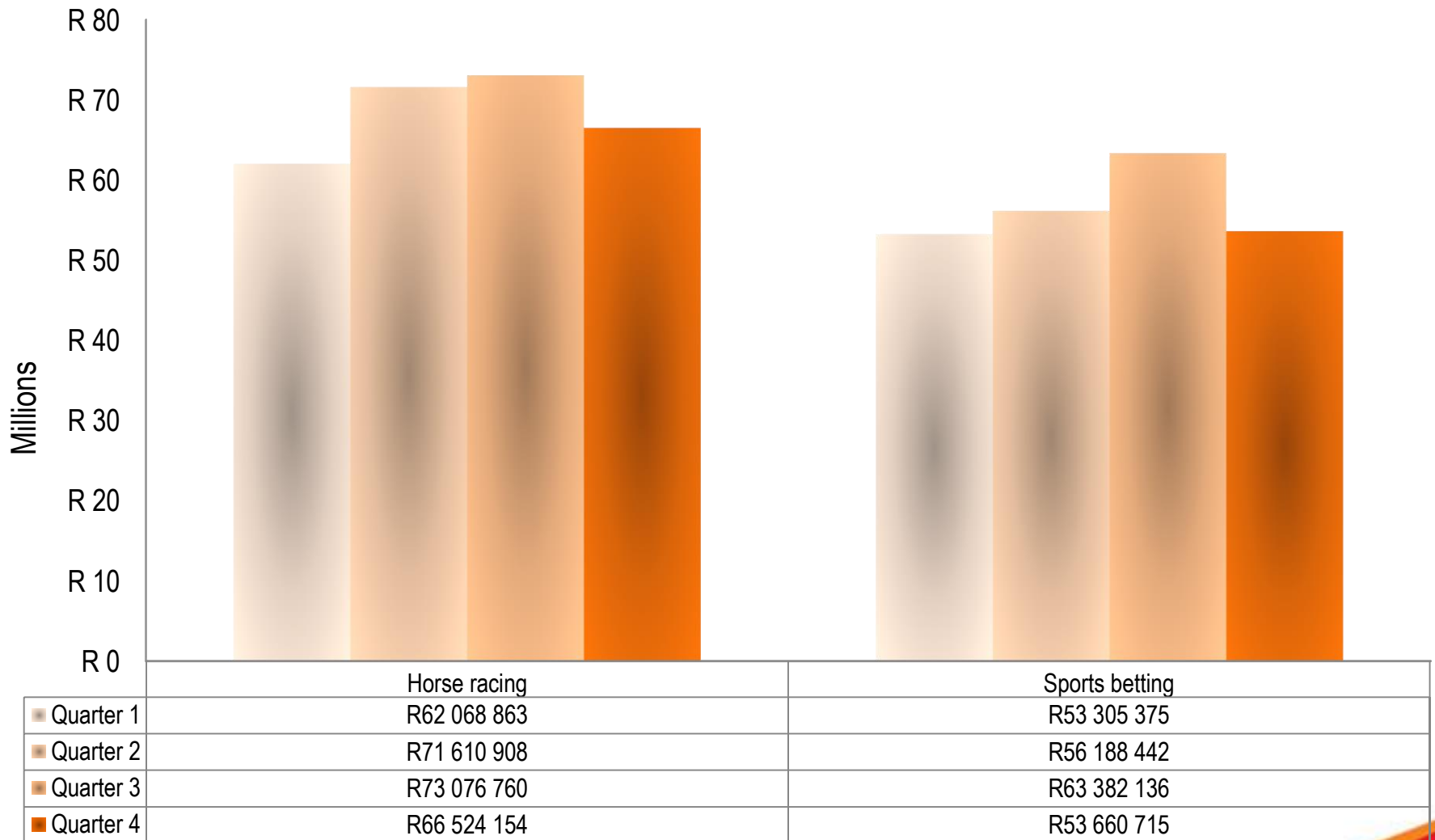


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting taxes/levies – FY2018

Split between betting on horse racing & sport

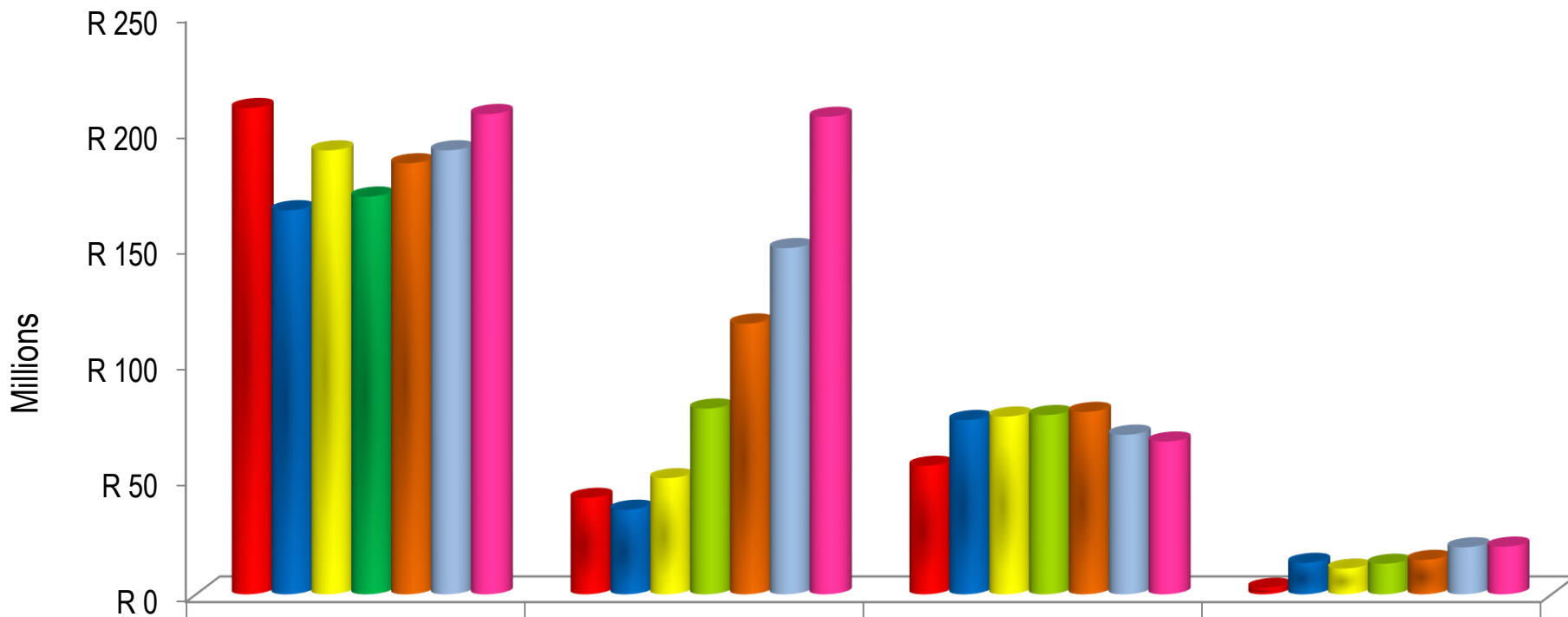
Gambling tax levied and collected by PLAs



* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Trend in taxes/levies, bookmakers & totalisators, FY2012 to FY2018

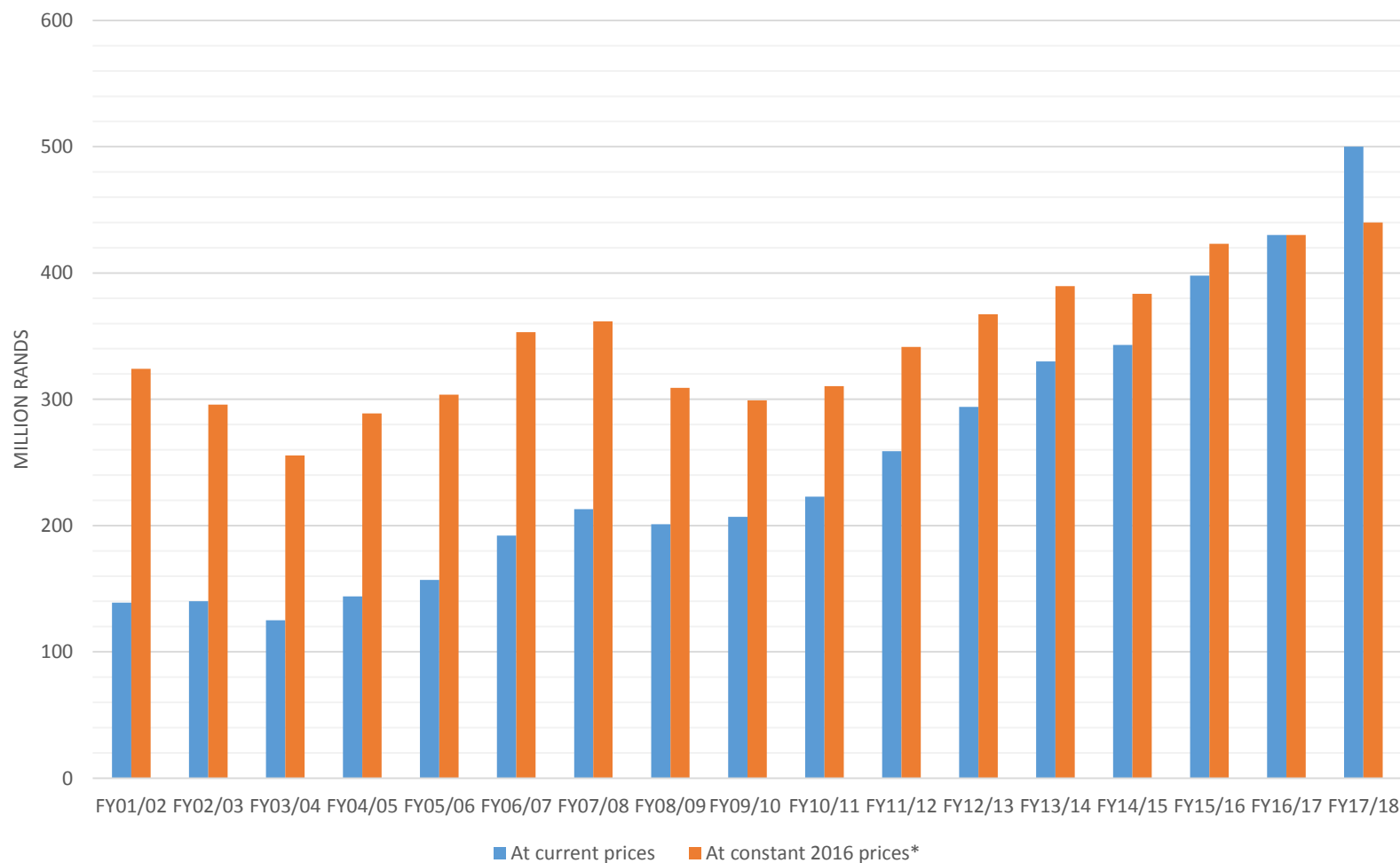
Gambling tax levied and collected by PLAs



	Bookmakers, Horse racing	Bookmakers, Sports betting	Totalisators, Horse racing	Totalisators, Sports betting
■ FY2012	R209 605 256	R41 900 245	R55 833 557	R2 803 829
■ FY2013	R165 681 993	R36 730 060	R75 524 452	R13 654 952
■ FY2014	R191 426 209	R50 436 312	R77 014 901	R11 153 955
■ FY2015	R171 539 696	R80 477 317	R77 654 988	R13 256 731
■ FY2016	R185 853 671	R116 983 455	R78 996 242	R14 942 372
■ FY2017	R191 457 705	R149 433 682	R69 202 264	R20 403 459
■ FY2018	R207 019 752	R205 840 847	R66 260 932	R20 695 820

Trend in betting taxes/levies – FY2001/02 to FY2017/18

Gambling tax levied and collected by PLAs

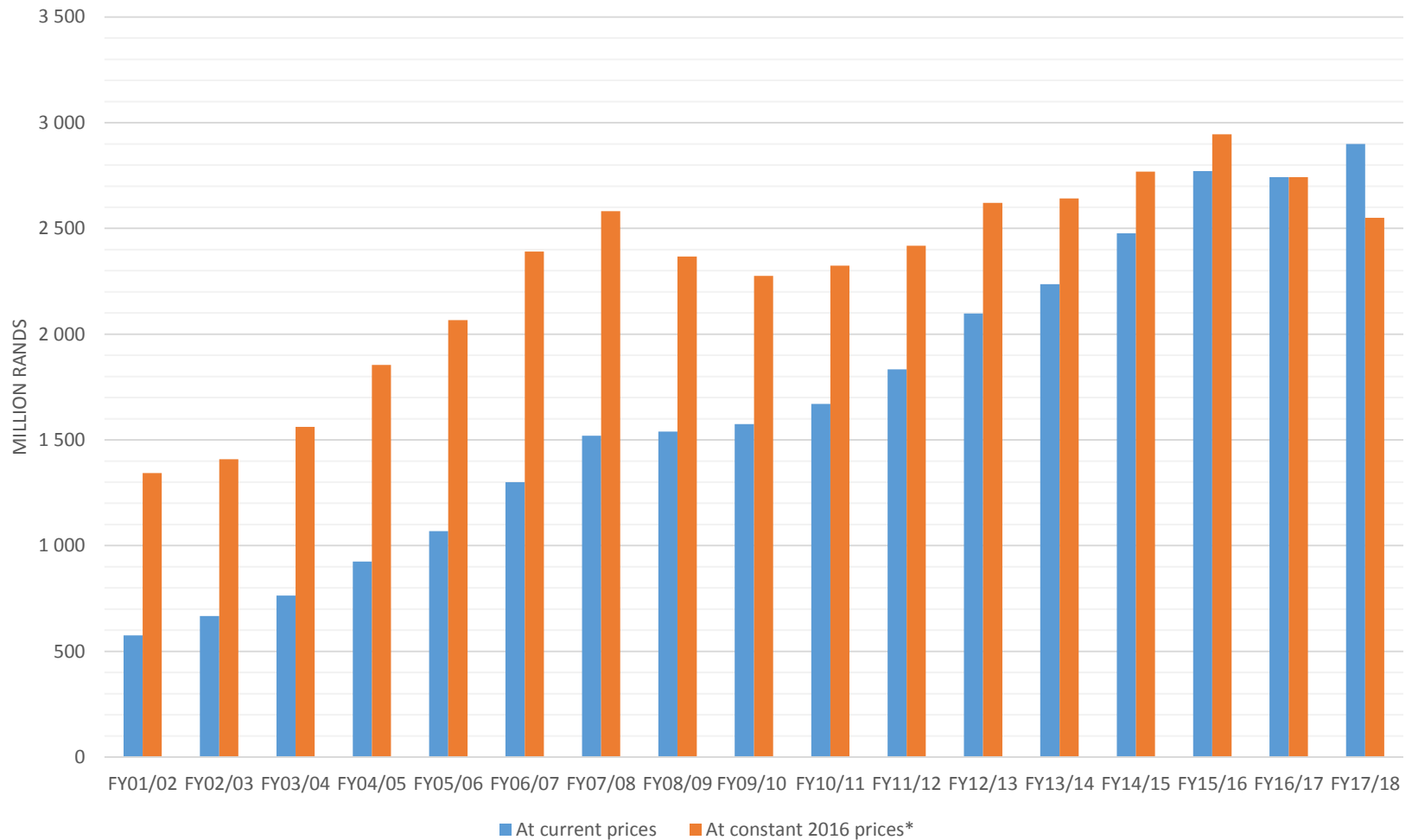


2016 constant prices, Reserve Bank

Trend in taxes/levies – FY2001/02 to FY2017/18

(all modes and provinces)

Gambling tax levied and collected by PLAs

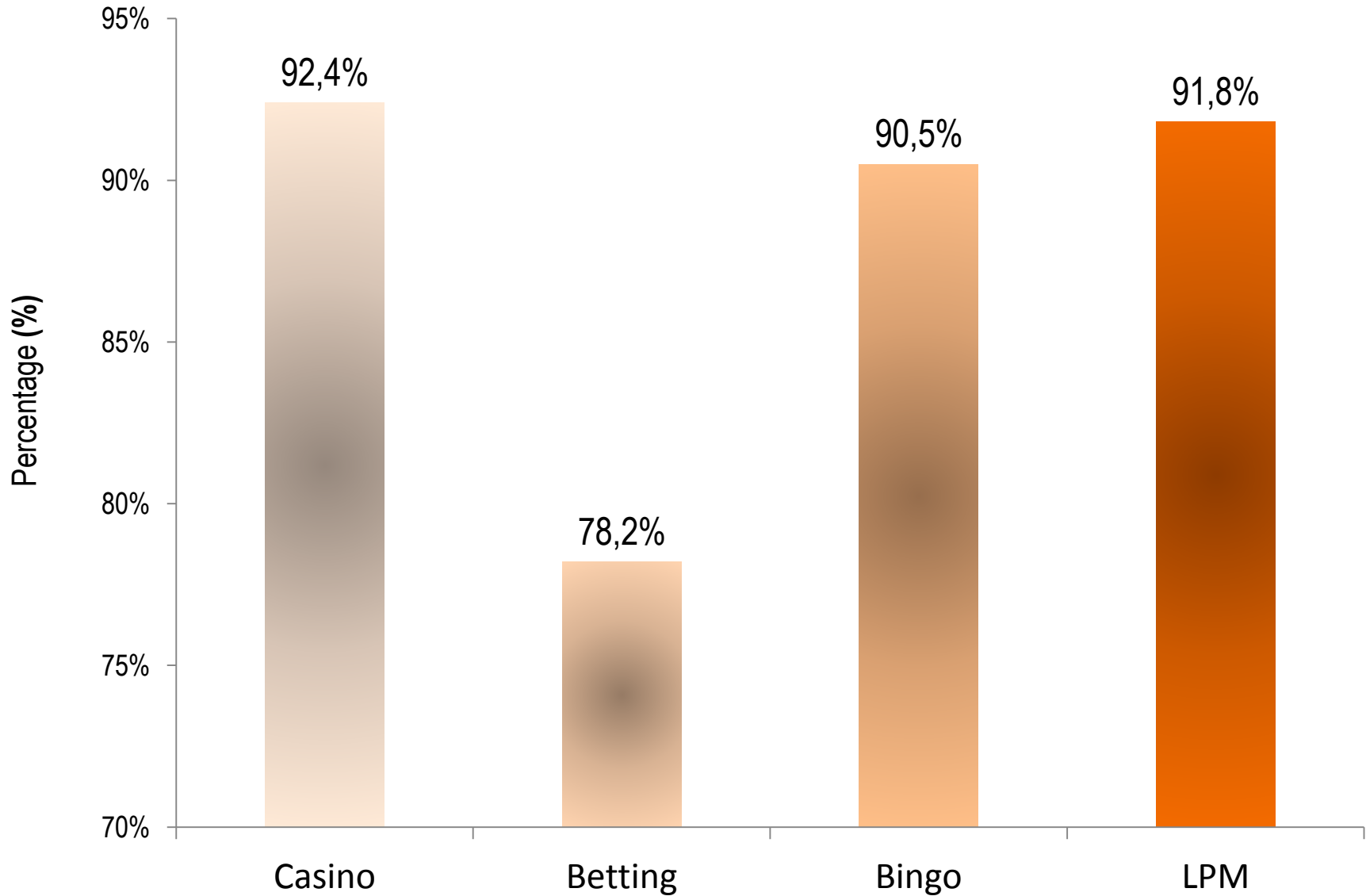


Summary : Taxes/Levies

- ❑ Taxes/levies increased by 11.9% from R2,5 billion in FY2015 to R2,8 billion in FY2016, decreased by 1.0% to R2,7 billion in FY2017, and increased by 5.7% to R2,9 billion in FY2018.
- ❑ A total amount of R 2 898 984 519 taxes/levies was collected during FY2018.
- ❑ During FY2018 at 64.8%, casinos contributed the highest amount of taxes/levies paid by comparison with other gambling modes.
- ❑ Although Gauteng collected the highest amount of taxes/levies in FY2018 relative to casinos (38.1%), betting on horse racing and sport (43.0%), and bingo (56.4%), compared to other provinces, the highest amount of taxes/levies in the bingo sector was collected in Western Cape (29.0%) and KwaZulu-Natal (28.9%) compared to Gauteng (19.2%).

Average RTP % per gambling mode – FY2018

Return to Player is an average achieved over a significant number of game plays* and not each time the gaming machine is played



Quarterly casino RTP % - FY2018

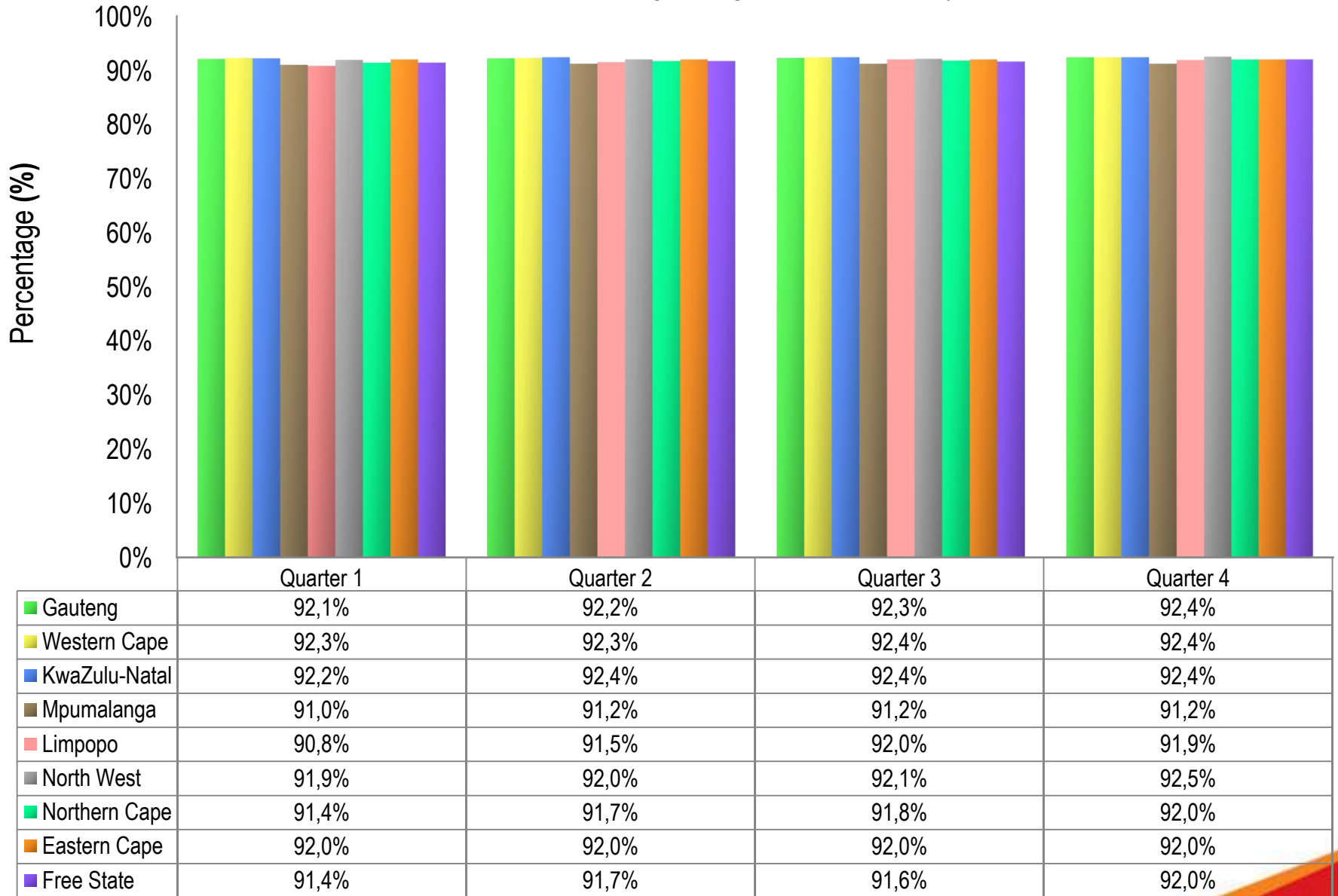
Return to Player is an average achieved over a significant number of game plays*
and not each time the gaming machine is played



	Quarter 1	Quarter 2	Quarter 3	Quarter 4
■ Gauteng	93,6%	93,7%	93,6%	93,3%
■ Western Cape	93,5%	93,3%	93,5%	93,4%
■ KwaZulu-Natal	93,6%	93,5%	93,7%	93,8%
■ Mpumalanga	93,7%	93,7%	93,7%	93,9%
■ Limpopo	93,1%	93,5%	92,4%	93,7%
■ North West	81,3%	81,9%	81,4%	82,1%
■ Northern Cape	93,6%	93,3%	93,7%	93,6%
■ Eastern Cape	94,1%	93,2%	93,4%	93,5%
■ Free State	95,1%	94,9%	95,2%	95,0%

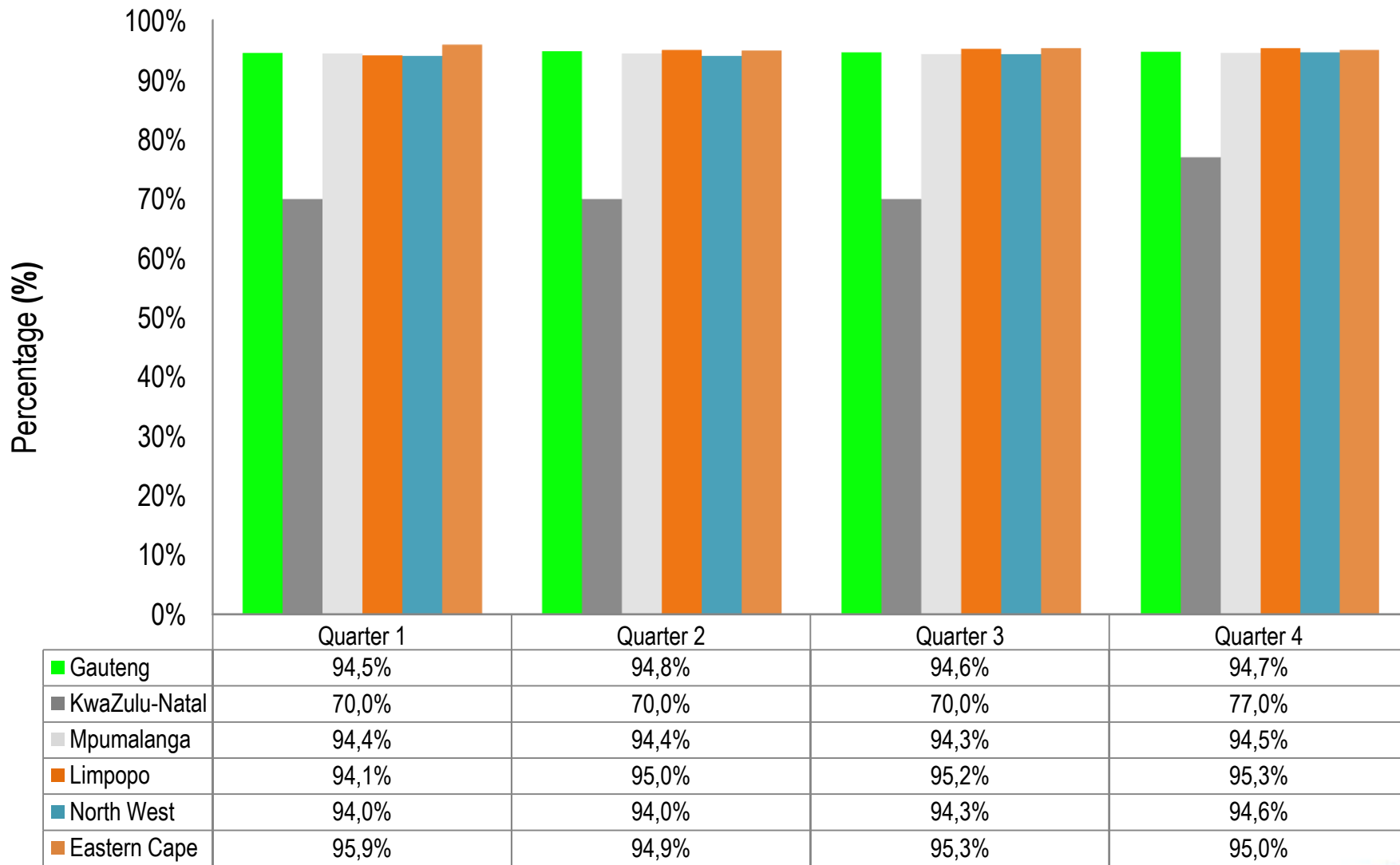
Quarterly LPM RTP % - FY2018

Return to Player is an average achieved over a significant number of game plays*
and not each time the gaming machine is played



Quarterly bingo RTP % - FY2018*

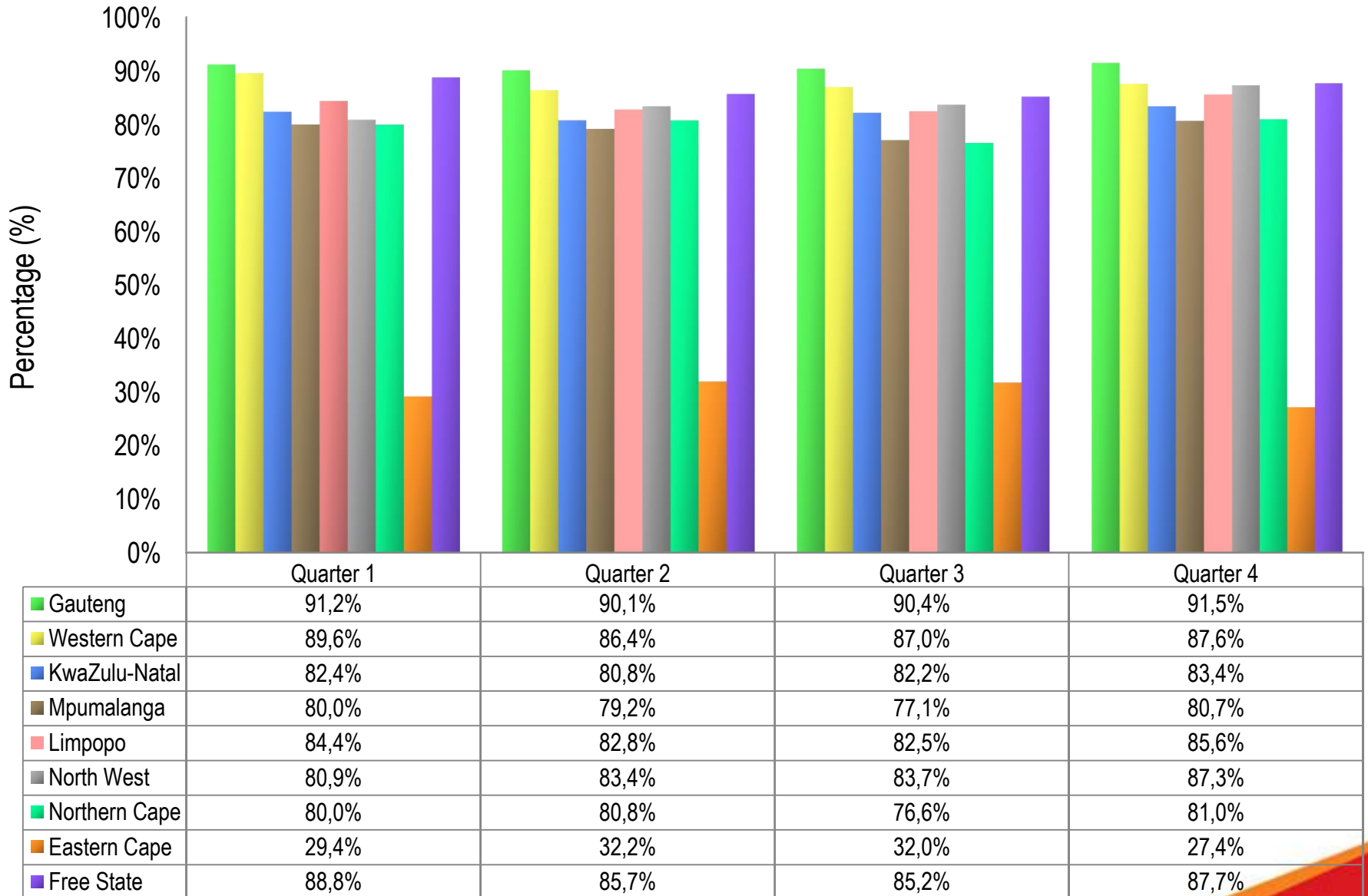
Return to Player is an average achieved over a significant number of game plays*
and not each time the gaming machine is played



* Bingo offered for play in Gauteng, Mpumalanga, Limpopo, North West, Eastern Cape and KwaZulu-Natal only

Quarterly betting RTP % - FY2018

Return to Player is an average achieved over a significant number of game plays*
and not each time the gaming machine is played



Conclusion

- ❑ Overall, growth was recorded in terms of GGR generated in the gambling industry – by 8.8% from FY2015 to FY2016, by 3.8% from FY2016 to FY2017, and by 6.7% from FY2017 to FY2018.
- ❑ The highest percentage growth in GGR between FY2017 and FY2018 was recorded in the betting (increased by 20.7%) and LPM (increased by 9.8%) sectors, compared by 2.9% growth in GGR in the casino sector. Negative growth (GGR) was recorded in the bingo sector from FY2017 to FY2018.
- ❑ Growth is expected in LPM and bookmakers offering betting on sport sectors.
- ❑ Overall, real growth in GGR fell by 6,1% from FY2017 to FY2018. Betting GGR however grew by 6,2% between FY2017 and FY2018 whilst Bingo GGR fell by 14.1%, Casino GGR by 9.5% and 3.4% for LPM GGR for the same period. Growth in gambling revenues has generally followed slow trends due to decrease in incidence of gambling over the years and increase in illegal gambling participation which impacts on the legal fraternity.

Contact details:

National Gambling Board

Direct switchboard: 0100033475

Website: www.ngb.org.za

E-mail: info@ngb.org.za

Address: 420 Witch-Hazel Avenue, Eco-Glades 2, Block C, Eco-Park,
Centurion, 0144



National Gambling Board

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