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Uruguay lottery triumphs over illegal betting operations



Sports Performance: Four Years into the Game, Sports Betting in Turkey Scores Big with USD 4 Billion in Annual GGR

In one of the biggest state-sponsored fixed odds sports betting markets in the world outside of China, sports fans continue to roar.



Şans Girişim, Scientific Games' joint venture with Şans Dijital, won a competitive tender and went on to launch their Turkish national sports betting program in 2019. Four years into the exclusive deal, the turn-key sports betting program is an undisputed champion, generating USD 13 billion in handle and USD 4 billion in gross gaming revenue (GGR) over the last 52 weeks.

The program is operated by the Şans Girişim joint venture and powered by Scientific Games' software and retail technology. The major beneficiaries of the proceeds are the state and Turkish Sports. A substantial amount of funds

goes to good causes, new construction and renovation of hundreds of sports facilities throughout the country, as well as retailer employment, supporting the livelihood of more than 20,000 people.

"When Şans Girişim took over the operation from Inteltek, a joint venture between Intralot and Cukurova Group, the combination of Şans Dijital's operational expertise and Scientific Games' product development and technology increased the handle 14 times (in Turkish Lira) by year four compared to the predecessor's system," says Steve Beason, President of Digital and Sports for Scientific Games.

Managing and offering live markets was one of the biggest game changers for the program. In four years, live markets grew to represent 67% of the total turnover.

"With the introduction of live markets in 2019, astute retail management, an experienced and talented trading operation, and a comprehensive range of betting propositions for online and retail players, we are proud to share that this program in Turkey contributes more money to the government than any other single license contributes to government anywhere in the world outside of China," shares Beason.

Turkey Sports Stats

- **Population:** 85 million
- **Annual Handle:** USD 13 billion
- **Annual Gross Gaming Revenue (GGR):** USD 4 billion
- **Bet transactions per year:** 1.7 billion (2023), 1.5 billion (2022), 1.2 billion (2021), 635 million (2019)
- **Number of monthly bettors:** 16.6 million
- **Retail betting terminals:** 6,150 (including self-service betting terminals)
- **Pre-match events per month:** 15,000
- **Live events per month:** 5,500
- **Licensed virtual agents:** 6 + 1 retailer-focused platform
- **Highest number of confirmed transactions per second:** 1,903 (May 2, 2022)
- **Type of markets offered:** ~160 with over 1,000 outcomes
- **Sports offered:** 10 (Soccer, Basketball, Tennis, Ice Hockey, Volleyball, Handball, Mixed Martial Arts, Table Tennis, Snooker, Formula 1 Racing)

These betting propositions are managed via Scientific Games Event and Market Management module by Şans Girişim's Risk Management Team. One virtual agent is managed by the joint venture with a focus on retailers, and the other six virtual live betting sites are licensed to independent, third-party operators for digital betting connected to Scientific Games' platform to consolidate all wagers.

Since its establishment, Şans Dijital – a subsidiary of Demirören Holding, one of Turkey's largest companies with significant business interests in media, energy, games of chance and real estate – has been striving to surpass the expectations of Turkish sports betting players with an immersive and

engaging gaming style while creating responsible gaming environment.

"Through our long-standing partnership with Scientific Games, we have found an excellent opportunity to effectively implement our experiences in the Turkish Sports Betting industry," says Sinan Oktay, Executive Board Member of Şans Dijital. "We look forward to continuing to create value and drive growth through Scientific Games' state-of-the-art technology and our advanced quality of services."

Winning Game Plan

The business model used in Turkey is credited for the program's success.

"The results achieved in Turkey are the perfect example of what a competitive, well-planned lottery-style sports betting program can achieve," explains Mike Conforti, President of International, for Scientific Games who works on similar programs around the world.

The concession is exclusive, which allows the government to set the GGR target higher than what is typically seen in a competitive sports betting environment where numerous competitors are pushing up the return to players, spending vast amounts on player acquisition and retention, and leaving less for the beneficiary's coffers.

The Turkish government set the return to player at 70% with the majority of resulting GGR going to the state for reinvestment. In 2022, the joint venture managed USD 10.6 billion in handle with the state receiving USD 3.2 billion. By way of comparison, the sports betting market in the State of New York, with nine licensed providers, generated USD 16.2 billion in handle and returned USD 693 million to the government.

In line with global trends, the majority of sports bets are placed in the digital channel, but it is a mistake to discount traditional retail. In Turkey, retail betting accounts for just under 15% of wagers; however, the retail contribution to the state in 2022 was approximately USD 400 million—more than half of the total amount received by New York. Based on retail alone, Turkey is still among the largest sports betting jurisdictions in the world."

"Jurisdictions that manage sports betting like other lottery products can leverage existing lottery infrastructure because retail is an important channel for players and bettors," explains Conforti. "It's a disservice to the government in terms of returns if bets don't flow through both retail and digital. In other words, you're limiting the size of your market."

Competitive Solution

"True excellence lies in creating a best-in-breed solution that combines cutting-edge technology, unmatched user experience and a deep understanding of the ever-evolving dynamics of sports and sports betting. The spirit of innovation in this joint venture empowers enthusiasts to indulge in the thrill of sports betting like never before," says Sinan Oktay, Executive Board Member of Şans Dijital. "Our successful partnership with Scientific Games has greatly encouraged us to continue our ventures in different countries and continue creating value. With the strength we derive from this venture, we have entered the Azerbaijan market and achieved successful results."



In 2022, Scientific Games and Şans Dijital partnered in a joint venture to launch large-scale retail and digital sports betting in Azerbaijan, growing the market from the ground up to USD 280 million in handle in just 12 months.

"Government-authorized exclusivity for a sports betting concession is substantially more beneficial to government coffers than the current trend of opening up the market to many companies through a licensing regime that floods the market with options and provides the government with a fraction of the returns it would otherwise realize in a lottery-style regime," shares Conforti.

What's Next in Turkey

The joint venture's exclusive concession in Turkey runs for 10 years. Managing growth is top on the priority list. Scientific Games is leveraging the company's 50 years of global lottery experience by continuously advancing its technology systems' efficiency and capacity. The product portfolio will also be continuously improved. Plans are in discussion to expand the retail network

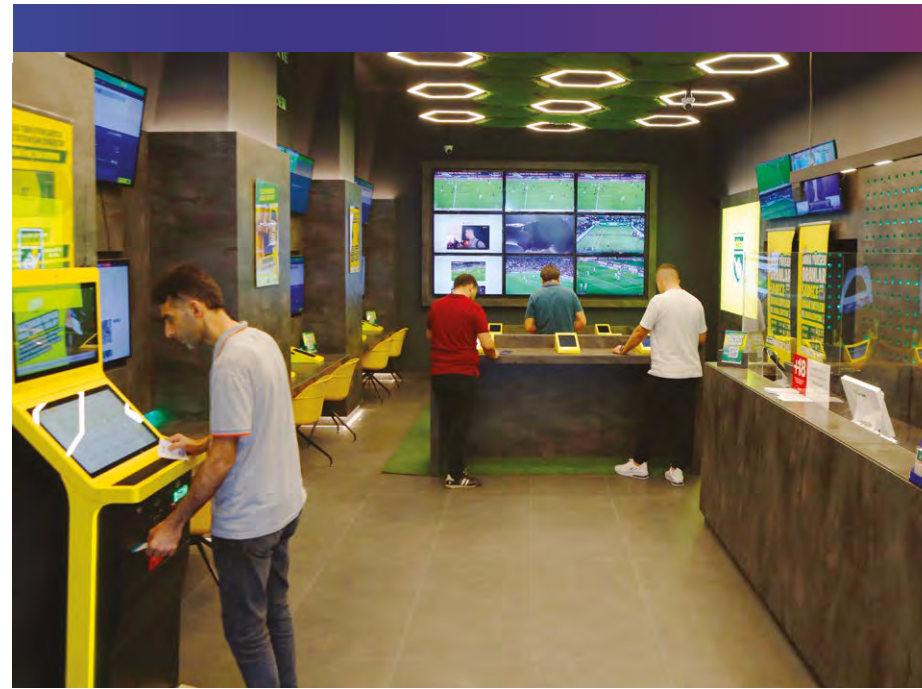
with mobile points-of-sale. And as in all markets, fighting the black market remains a constant.

"While we began this joint venture with 100% focus on driving maximum returns to the Turkish state, growth has been beyond our wildest expectations," says Beason. "As with our lottery customers worldwide, we will not waver in that focus to drive more contributions year-over-year."

No pun intended, so far, it's been a match for the record books.

Scientific Games is a member of United Lotteries for Integrity in Sports and is among the first companies globally certified by the World Lottery Association as a responsible gaming provider.

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The Science Inside the Success



130
lottery customers in
50 COUNTRIES

5
INSTANT GAME
production facilities on
4 CONTINENTS

3,000+
employees

40+
locations
worldwide

With 70% of global instant scratch game retail sales, 30+ iLottery customers, 40+ systems customers, and partner to the largest government sports betting program in the world, Scientific Games brings 50 years of innovation and experience to responsibly drive lottery performance.

