



Ontario's
Lottery &
Gaming

Ontario Horse Racing Industry Performance Results

[Fiscal Year 2024-25 Q1:
April 1, 2024 to June 29, 2024]

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PMEG

Performance Management Excellence Group



PERFORMANCE MANAGEMENT EXCELLENCE GROUP (PMEG)



BACKGROUND

The Performance Management Excellence Group or “PMEG” is a horse racing industry working group, established and led by the Ontario Lottery and Gaming Corporation (OLG) with representation from government agencies, that is committed to building a sustainable horse racing industry by providing up-to-date facts and information related to the horse racing sector in Ontario.

OVERARCHING GOAL

Contributing to the efficient and effective management of funding through a systematic and integrated approach to performance reporting.

- Vision: To enable and grow a prosperous, dynamic horse racing sector positioned for long-term viability and success in Ontario
- Mission: Building a sustainable horse racing industry in Ontario through fact-based decision making
- Values: Accountability, Integrity, Respect, Transparency

Members:

Ontario Lottery & Gaming Corporation (OLG)

Ministry of Finance (MOF)

Alcohol and Gaming Commission of Ontario (AGCO)

KPIs (KEY PERFORMANCE INDICATORS) DEFINED



KPI #	Metric Name	Definition	Measure
More self-sufficient sector that sustains jobs			
1	Gross Bet on Ontario Races	Total gross wagering on races held at Ontario racetracks	M\$
2	Gross Wagering Commissions to Racetracks	Total commission revenues received by Ontario racetracks via all sources <i>Note: includes commissions from Ontarians wagering on Ontario races, Ontarians wagering on races outside Ontario, and bettors outside Ontario wagering on Ontario races</i>	M\$
3	Total Count of Tickets Sold at Racetracks	Total number of wagering tickets sold live at all racetracks across Ontario	Count
4	Total # of Unique Starters	Total # of unique horses starting a race in Ontario	Count
5	Total Number of Registered Foals	# of foals registered with Ontario breeding associations	Count
6	Average Ontario-foaled Yearling Sales Price	Average sales price of Ontario-foaled yearlings sold at all Thoroughbred and Standardbred yearling auction sales in Canada and the US <i>Note: Quarter Horse yearling sales are conducted privately and are therefore excluded from this metric</i>	\$/yearling
7	Average Field Size	Average number of starters (not unique) per race in Ontario	Starters/ Race
8	Wager to Purse	Total gross wagering on races held at Ontario racetracks, divided by money won by racehorses on races held at Ontario racetracks	Ratio
Appropriate return on investment to taxpayers			
9	Total Other Racetrack Revenue	All non-wagering-related revenue generated by Ontario racetracks	M\$
10	Total FTEs Employed	FTEs associated with the Ontario horse racing industry	Count
11	Racetrack Capital Reinvestment Rate	Amount of capital invested by racetracks divided by total government funding received from all sources	Percentage

Note: All metrics supplied by Ontario Racing Management, in accordance with the [Funding Agreement](#).

KEY PERFORMANCE INDICATORS:

Year over Year Colour Status Legend



More self-sufficient sector that sustains jobs

Metric Name	Change vs. Previous Year Colour Status Legend				
Gross Bet on Ontario Races (M\$)	<-5%	≥-5% to <+1.2%	≥+1.2% to <+5%	≥+5%	Not Available
Gross Wagering Commissions to Racetracks (M\$)	<-2.5%	≥-2.5% to <0%	≥0% to <+2.5%	≥+2.5%	Not Available
Total Count of Tickets Sold at Racetracks (Count)	<-5%	≥-5% to <+1.2%	≥+1.2% to <+5%	≥+5%	Not Available
Total # of Unique Starters (Count)	<-2.5%	≥-2.5% to <0%	≥0% to <+2.5%	≥+2.5%	Not Available
Total Number of Registered Foals (Count)	<-2.5%	≥-2.5% to <0%	≥0% to <+2.5%	≥+2.5%	Not Available
Average Ontario-foaled Yearling Sales Price (\$/Yearling)	<-10%	≥-10% to <0%	≥0% to <+10%	≥+10%	Not Available

Metric Name	Actual Value Colour Status Legend				
Average Field Size (# of Starters per Race)	<7.5	≥7.5 to <8.0	≥8.0 to <8.4	≥8.4	Not Available
Wager to Purse (Ratio)	<0.5	≥0.5 to <1.0	≥1.0 to <4.0	≥4.0	Not Available

Appropriate return on investment to taxpayers

Metric Name	Change vs. Previous Year Colour Status Legend				
Total Other Racetrack Revenue (M\$)	<-2.5%	≥-2.5% to <0%	≥0% to <+2.5%	≥+2.5%	Not Available
Total FTEs Employed (Count)	Data collected periodically.				

Metric Name	Actual Value Colour Status Legend				
Racetrack Capital Reinvestment Rate (%)	<+3%	≥3% to <+10%	≥+10% to <+20%	≥+20%	Not Available

4/4/5 REPORTING SCHEDULE: FY 2024-25



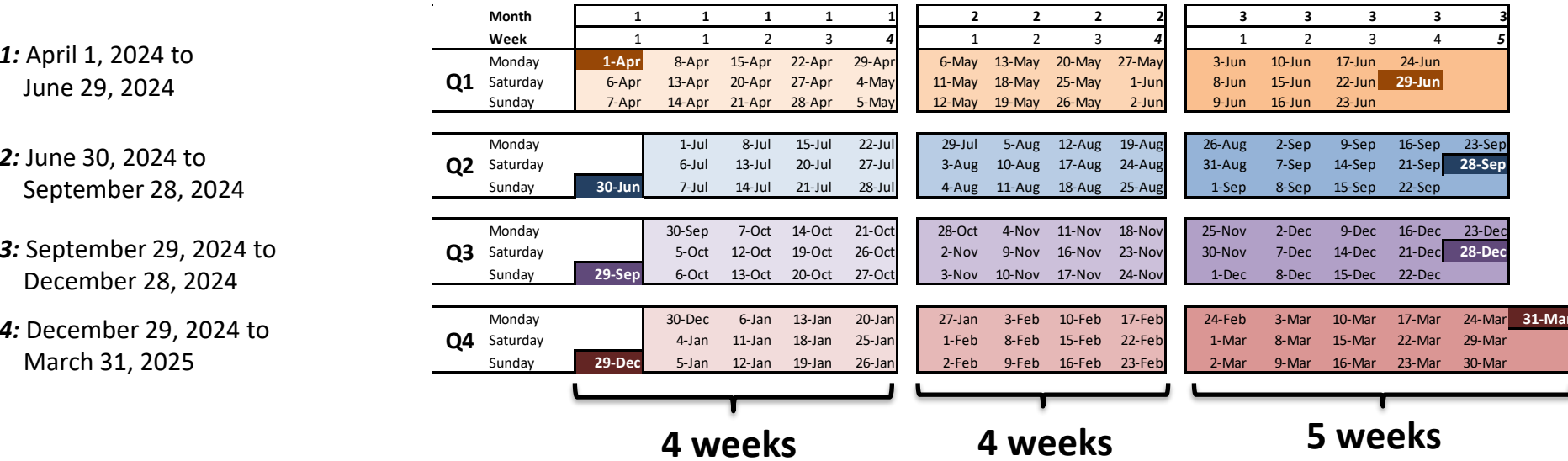
This report uses 4/4/5 (or '445') quarterly reporting periods, rather than fiscal quarter reporting:

- Fiscal periods are broken out by weeks, with each week starting/ending on the same day of the week
- Each fiscal quarter has a total of 13 weeks (1st and 2nd months have 4 weeks, 3rd month has 5 weeks)

Why 4/4/5?

- Year over year comparisons (by week, month or quarter) are easier, with the same number of Fridays, Saturdays and Sundays in each reporting period
- This approach will increase reporting consistency and year over year variance analysis

FY 22-23: 4/4/5 Reporting Calendar



EXECUTIVE SUMMARY

FY 2024-25 Q1 (April 1, 2024, to June 29, 2024)



- **Wagering:** Industry Gross Bet on Ontario races dropped (-5.3%) and ended at \$300.7 Million in Q1'F25. This was largely driven by a contraction Race Days and Races. Wager/Race dropped by 1.6%.
- **Horse Supply:** Unique Starters decreased (-2.4% overall) across all 3 breeds. Thoroughbreds had a decrease of 5.9%, while Standardbred decreased marginally by 0.5% and Quarter Horse decreased by 6.3%.
- **Financial:** Gross Wagering Commissions declined versus last year (-3.7%). Tickets sold at the racetracks decreased for the first time (since Covid time) by 22.7% while racetrack revenue increased by 23.1%.

** NOTE: This report is using a 4/4/5 quarterly reporting format, which consists of 4 weeks, 4 weeks and 5 weeks versus 3 calendar months. This format allows for better year over year reporting, as the same number of weekends will appear in a fiscal quarter. The first quarter covers the period from April 1, 2024, to June 29, 2024.*

PERFORMANCE DASHBOARD (INDUSTRY)

Year to Date View: FY 2024-25 Q1 (April 1, 2024, to June 29, 2024)

Key Points:

- After the major growth for the last few quarters post COVID, Industry Gross Bet continued to decrease on Q-o-Q basis (-5.3%). The drop is primarily driven by lower wagering by both Ontarians and Foreign Customers on Thoroughbred and Standardbred racing.
- Further, Race Days (235 vs. 241, -2.5%) and Races (2,279 vs 2,367,-3.7%) decreased in Q1'F25.
- Unique Starters were down (-2.4%) while Average Field Size and Wager to Purse ratio remained flat.
- Gross Wagering commissions were down by 3.7% while Other Racetrack Revenue improved by 23.1%.

Metric Name	Year to Date Actual	Year to Date Prior Year	Change (%) ²
More self-sufficient sector that sustains jobs			
Gross Bet on Ontario Races (M\$)	300.7	317.5	-5.3%
Gross Wagering Commissions to Racetracks (M\$)	49.6	51.5	-3.7%
Total Count of Tickets Sold at Racetracks (Count)	6,497,119	8,410,385	-22.7%
Total # of Unique Starters (Count)	3,823	3,918	-2.4%
Total Number of Registered Foals (Count)	Data collected annually.		
Average Ontario-foaled Yearling Sales Price (\$/Yearling) ¹	Data collected annually.		
Average Field Size (Ratio: # of Starters per Race) ²	7.5	7.6	-1.2%
Wager to Purse (Ratio) ²	7.0	7.0	0.7%
Appropriate return on investment to taxpayers			
Total Other Racetrack Revenue (M\$)	38.4	31.2	23.1%
Total FTEs Employed (Count)	Please view the Economic Impact Study at: https://about.olg.ca/horse-racing-landing/		
Racetrack Capital Reinvestment Rate (%) ²	8.8%	2.9%	207.5%

¹ Average Ontario Yearling Sales Price is for Thoroughbred & Standardbred only. Quarter Horse yearling sales are conducted privately and, therefore, excluded from this metric.

² Year over year change colour status compares the performance results for each quarter to the same quarter the previous year using threshold ranges to allocate colours. The Average Field Size, Wager to Purse ratios and Racetrack Capital Reinvestment Rates are coloured based on "Actual Value". Please refer to the colour legend on Slide 4.

PERFORMANCE DASHBOARD (THOROUGHBRED)

Year to Date View: FY 2024-25 Q1 (April 1, 2024, to June 29, 2024)

Key Points:

- Races(320 vs. 363) and Race Days(37 vs. 42) decreased compared to last year (-11.8%,-11.9%) which contributed to the overall Gross Bet decline versus the previous fiscal year (-8.6%).
- Unique Starters count dropped (-5.9%) while Average Field Size remained flat.
- Gross Wagering Commission revenues dropped by 4.0% inline with the drop in Gross Wagering. Other Racetrack Revenues improved by 55.3% driven by the increase in foot traffic at the sites.

Metric Name	Year to Date Actual	Year to Date Prior Year	Change (%) ²
More self-sufficient sector that sustains jobs			
Gross Bet on Ontario Races (M\$)	144.3	158.0	-8.6%
Gross Wagering Commissions to Racetracks (M\$)	38.2	39.8	-4.0%
Total Count of Tickets Sold at Racetracks (Count)	2,636,615	3,582,827	-26.4%
Total # of Unique Starters (Count)	1,329	1,413	-5.9%
Total Number of Registered Foals (Count)	Data collected annually.		
Average Ontario-foaled Yearling Sales Price (\$/Yearling) ¹	Data collected annually.		
Average Field Size (Ratio: # of Starters per Race) ²	7.6	7.6	-0.6%
Wager to Purse (Ratio) ²	8.3	8.4	-1.3%
Appropriate return on investment to taxpayers			
Total Other Racetrack Revenue (M\$)	36.8	23.7	55.3%
Total FTEs Employed (Count)	Please view the Economic Impact Study at: https://about.olg.ca/horse-racing-landing/		
Racetrack Capital Reinvestment Rate (%) ²	3.3%	3.4%	-3.5%

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PERFORMANCE DASHBOARD (STANDARD BRED)

Year to Date View: FY 2024-25 Q1 (April 1, 2024, to June 29, 2024)



Key Points:

- Races(1,908 vs. 1,954) and Race Days(190 vs. 191) decreased compared to last year (-2.4%,-0.5%) which contributed to the overall Gross Bet decline versus the previous fiscal year (-2.1%).
- Unique Starters count remained flat contributing to the flat Average Field Size while Wager to Purse Ratio increased.
- Gross Wagering Commissions dropped versus Q1'F24 by -2.4% while Other Racetrack Revenue also dropped by 84.5%.

Metric Name	Year to Date Actual	Year to Date Prior Year	Change (%) ²
More self-sufficient sector that sustains jobs			
Gross Bet on Ontario Races (M\$)	155.4	158.7	-2.1%
Gross Wagering Commissions to Racetracks (M\$)	11.0	11.3	-2.4%
Total Count of Tickets Sold at Racetracks (Count)	3,825,824	4,776,100	-19.9%
Total # of Unique Starters (Count)	2,375	2,378	-0.5%
Total Number of Registered Foals (Count)	Data collected annually.		
Average Ontario-foaled Yearling Sales Price (\$/Yearling) ¹	Data collected annually.		
Average Field Size (Ratio: # of Starters per Race) ²	7.6	7.6	-1.1%
Wager to Purse (Ratio) ²	6.3	6.1	2.6%
Appropriate return on investment to taxpayers			
Total Other Racetrack Revenue (M\$)	1.1	7.0	-84.5%
Total FTEs Employed (Count)	Please view the Economic Impact Study at: https://about.olg.ca/horse-racing-landing/		
Racetrack Capital Reinvestment Rate (%) ²	12.4%	2.7%	358.4%

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PERFORMANCE DASHBOARD (QUARTER HORSE)

Year to Date View: FY 2024-25 Q1 (April 1, 2024, to June 29, 2024)

Key Points:

- Races and Race Days remained flat in Q1'F24. However, Gross Bet was up versus the prior year (+7.9%).
- Unique Starters declined by 6.3% impacting the Average Field Size (-8.0%).
- Gross Wagering Commissions dropped by 9.5% while Other Racetrack Revenue remained flat.

Metric Name	Year to Date Actual	Year to Date Prior Year	Change (%) ²
More self-sufficient sector that sustains jobs			
Gross Bet on Ontario Races (M\$)	0.9	0.9	7.9%
Gross Wagering Commissions to Racetracks (M\$)	0.4	0.4	-9.5%
Total Count of Tickets Sold at Racetracks (Count)	34,680	51,458	-32.6%
Total # of Unique Starters (Count)	119	127	-6.3%
Total Number of Registered Foals (Count)	Data collected annually.		
Average Ontario-foaled Yearling Sales Price (\$/Yearling) ¹	Data collected annually.		
Average Field Size (Ratio: # of Starters per Race) ²	5.7	6.2	-8.0%
Wager to Purse (Ratio) ²	1.2	0.9	30.1%
Appropriate return on investment to taxpayers			
Total Other Racetrack Revenue (M\$)	0.5	0.5	-0.5%
Total FTEs Employed (Count)	Please view the Economic Impact Study at: https://about.olg.ca/horse-racing-landing/		
Racetrack Capital Reinvestment Rate (%) ²	6.0%	0.0%	N/A

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PERFORMANCE DASHBOARD (INDUSTRY)

Year to Date View: FY 2024-25 Q1 (April 1, 2024, to June 29, 2024)

Key Points:

- After the major growth for the last few quarters post COVID, Industry Gross Bet continued to decrease on Q-o-Q basis (-5.3%). The drop is primarily driven by lower wagering by both Ontarians and Foreign Customers on Thoroughbred and Standardbred racing.
- Further, Race Days (235 vs. 241, -2.5%) and Races (2,279 vs 2,367,-3.7%) decreased in Q1'F25.
- Unique Starters were down (-2.4%) while Average Field Size and Wager to Purse ratio remained flat.
- Gross Wagering commissions were down by 3.7% while Other Racetrack Revenue improved by 23.1%.

Metric Name	Q1	Q2	Q3	Q4	YTD ²
More self-sufficient sector that sustains jobs					
Gross Bet on Ontario Races (M\$)	300.7	N/A	N/A	N/A	300.7
Gross Wagering Commissions to Racetracks (M\$)	49.6	N/A	N/A	N/A	49.6
Total Count of Tickets Sold at Racetracks (Count)	6,497,119	N/A	N/A	N/A	6,497,119
Total # of Unique Starters (Count)	3,823	N/A	N/A	N/A	3,823
Total Number of Registered Foals (Count)	Data collected annually.				
Average Ontario-foaled Yearling Sales Price (\$/Yearling) ¹	Data collected annually.				
Average Field Size (Ratio: # of Starters per Race) ²	7.5	N/A	N/A	N/A	7.5
Wager to Purse (Ratio) ²	7.0	N/A	N/A	N/A	7.0
Appropriate return on investment to taxpayers					
Total Other Racetrack Revenue (M\$)	38.4	N/A	N/A	N/A	38.4
Total FTEs Employed (Count)	Data collected annually.				
Racetrack Capital Reinvestment Rate (%) ²	8.8 %	N/A	N/A	N/A	8.8 %

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PERFORMANCE DASHBOARD (THOROUGHBRED)

Year to Date View: FY 2024-25 Q1 (April 1, 2024, to June 29, 2024)



Key Points:

- Races(320 vs. 363) and Race Days(37 vs. 42) decreased compared to last year (-11.8%,-11.9%) which contributed to the overall Gross Bet decline versus the previous fiscal year (-8.6%).
- Unique Starters count dropped (-5.9%) while Average Field Size remained flat.
- Gross Wagering Commission revenues dropped by 4.0% inline with the drop in Gross Wagering. Other Racetrack Revenues improved by 55.3% driven by the increase in foot traffic at the sites.

Metric Name	Q1	Q2	Q3	Q4	YTD ²
More self-sufficient sector that sustains jobs					
Gross Bet on Ontario Races (M\$)	144.3	N/A	N/A	N/A	144.3
Gross Wagering Commissions to Racetracks (M\$)	38.2	N/A	N/A	N/A	38.2
Total Count of Tickets Sold at Racetracks (Count)	2,636,615	N/A	N/A	N/A	2,636,615
Total # of Unique Starters (Count)	1,329	N/A	N/A	N/A	1,329
Total Number of Registered Foals (Count)	Data collected annually.				
Average Ontario-foaled Yearling Sales Price (\$/Yearling) ¹	Data collected annually.				
Average Field Size (Ratio: # of Starters per Race) ²	7.6	N/A	N/A	N/A	7.6
Wager to Purse (Ratio) ²	8.3	N/A	N/A	N/A	8.3
Appropriate return on investment to taxpayers					
Total Other Racetrack Revenue (M\$)	36.8	N/A	N/A	N/A	36.8
Total FTEs Employed (Count)	Data collected annually.				
Racetrack Capital Reinvestment Rate (%) ²	3.3 %	N/A	N/A	N/A	3.3 %

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PERFORMANCE DASHBOARD (STANDARD BRED)

Year to Date View: FY 2024-25 Q1 (April 1, 2024, to June 29, 2024)



Key Points:

- Races(1,908 vs. 1,954) and Race Days(190 vs. 191) decreased compared to last year (-2.4%,-0.5%) which contributed to the overall Gross Bet decline versus the previous fiscal year (-2.1%).
- Unique Starters count remained flat contributing to the flat Average Field Size while Wager to Purse Ratio increased.
- Gross Wagering Commissions dropped versus Q1'F24 by -2.4% while Other Racetrack Revenue also dropped by 84.5%.

Metric Name	Q1	Q2	Q3	Q4	YTD ²
More self-sufficient sector that sustains jobs					
Gross Bet on Ontario Races (M\$)	155.4	N/A	N/A	N/A	155.4
Gross Wagering Commissions to Racetracks (M\$)	11.0	N/A	N/A	N/A	11.0
Total Count of Tickets Sold at Racetracks (Count)	3,825,824	N/A	N/A	N/A	3,825,824
Total # of Unique Starters (Count)	2,375	N/A	N/A	N/A	2,375
Total Number of Registered Foals (Count)	Data collected annually.				
Average Ontario-foaled Yearling Sales Price (\$/Yearling) ¹	Data collected annually.				
Average Field Size (Ratio: # of Starters per Race) ²	7.6	N/A	N/A	N/A	7.6
Wager to Purse (Ratio) ²	6.3	N/A	N/A	N/A	6.3
Appropriate return on investment to taxpayers					
Total Other Racetrack Revenue (M\$)	1.1	N/A	N/A	N/A	1.1
Total FTEs Employed (Count)	Data collected annually.				
Racetrack Capital Reinvestment Rate (%) ²	12.4 %	N/A	N/A	N/A	12.4 %

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PERFORMANCE DASHBOARD (QUARTER HORSE)

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Key Points:

- Races and Race Days remained flat in Q1'F24. However, Gross Bet was up versus the prior year (+7.9%).
- Unique Starters declined by 6.3% impacting the Average Field Size (-8.0%).
- Gross Wagering Commissions dropped by 9.5% while Other Racetrack Revenue remained flat.

Metric Name	Q1	Q2	Q3	Q4	YTD ²
More self-sufficient sector that sustains jobs					
Gross Bet on Ontario Races (M\$)	0.9	N/A	N/A	N/A	0.9
Gross Wagering Commissions to Racetracks (M\$)	0.4	N/A	N/A	N/A	0.4
Total Count of Tickets Sold at Racetracks (Count)	34,680	N/A	N/A	N/A	34,680
Total # of Unique Starters (Count)	119	N/A	N/A	N/A	119
Total Number of Registered Foals (Count)	Data collected annually.				
Average Ontario-foaled Yearling Sales Price (\$/Yearling) ¹	Data collected annually.				
Average Field Size (Ratio: # of Starters per Race) ²	5.7	N/A	N/A	N/A	5.7
Wager to Purse (Ratio) ²	1.2	N/A	N/A	N/A	1.2
Appropriate return on investment to taxpayers					
Total Other Racetrack Revenue (M\$)	0.5	N/A	N/A	N/A	0.5
Total FTEs Employed (Count)	Data collected annually.				
Racetrack Capital Reinvestment Rate (%) ²	6.0 %	N/A	N/A	N/A	6.0 %

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RESTRICTIONS & LIMITATIONS



This report was prepared by a Performance Management Excellence Group (PMEG) led by the Ontario Lottery and Gaming Corporation (OLG), using reports and assessments provided by Ontario Racing Management, based on information received from third party sources.

Readers are cautioned that past performance may not be indicative of future results. Any conclusion, forecast, projection or other forward-looking information is inherently subject to change and uncertainty, and actual results may differ materially.

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THANKS