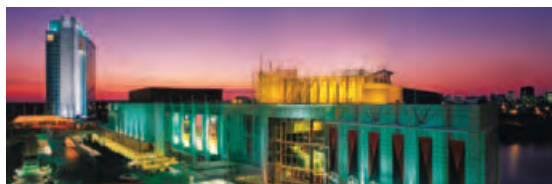
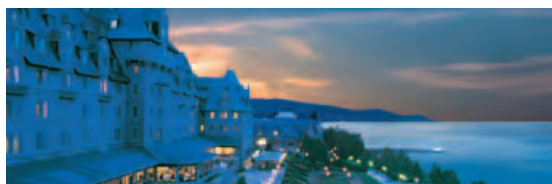


FOCUS ON QUÉBEC CASINOS



M O N T R É A L

C H A R L E V O I X

L A C - L E A M Y

FOCUS ON QUÉBEC CASINOS

Québec's casinos have rapidly earned an enviable reputation within the gaming industry around the world.

Since the opening of the first gaming house in 1993, operating practices have evolved under the direction of teams of highly qualified and professional personnel who recognize the value and importance of these types of establishments to the tourism industry and the province's economy as a whole.

This document has been designed to provide an accurate and up-to-date picture of Québec's casinos today, including the related food and beverage and hotel sectors. Inside, you will find information pertaining to the measures in place by Loto-Québec to ensure the responsible operation of games of chance.

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1. CASINO CLIENTELE AT A GLANCE

(Note: Combined data for all three casinos)

- 54% of casino patrons are female and 46% are male.
- 80% of these patrons frequent a casino one to three times a year.
- 74% of players are between the ages of 25 and 64.
- 57% of patrons work and 33% are retired.
- 51% of players have a technical, college or university education.
- 50% of casino clientele have an annual household income of \$35,000 to \$80,000.
- 35% of visitors originate from outside Québec.
- Casino patrons spend an average of \$69 during a visit, primarily playing the 25¢ slot machines.

Male	45.7%
Female	54.3%

Age Group	
18-24	6.4%
24-44	24.8%
45-64	49.2%
65 +	19.6%

Education Level	
Primary	8.8%
Secondary	39.8%
CEGEP/Technical	27.4%
University	24.0%

Status	
Employed	57.2%
Student	5.6%
Retired	32.7%
Unemployed/ Looking for work	0.6%
At home	3.9%

Annual Household Income (CAD\$)	
- \$20,000	11.5%
\$20,000-\$39,999	28.4%
\$40,000-\$59,999	27.2%
\$60,000-\$79,999	15.0%
\$80,000-\$99,999	8.5%
\$100,000 +	9.4%

Place of Origin	
Québec	65.4%
Ontario	13.1%
Rest of Canada	3.2%
United States	11.5%
Outside North America	6.8%

Frequency of Visits Per Year	
1 visit	53.8%
2-3 visits	26.0%
4-9 visits	12.0%
10-49 visits	7.9%
50 + visits	0.3%

Source: 2004-2005 *Place of Origin Study*. Société des casinos du Québec.

2. INTERNATIONALLY RECOGNIZED INTEGRITY AND SECURITY MEASURES

More than 400 employees are assigned to security duties at Québec's three casinos.

Integrity and security are two fundamental values at the heart of all of Loto-Québec's gaming activities, including lotteries, video lotteries, bingo and casino games. In fact, Québec's casinos currently rank among the most secure in the world thanks to a comprehensive series of measures that have been put into place:

- Control and surveillance systems manage all movement of cash in gaming equipment, as well as the tokens held by croupiers after their game sessions.
- A central information file developed by Loto-Québec keeps track of all security-related incidents at the casinos.
- Hundreds of cameras constantly monitor the public areas in the three gaming houses, both inside and outside of the establishments.
- All electronic component-based gaming equipment is certified by the *ministère de la Sécurité publique's* (Ministry of Public Security's) *Laboratoire de sciences judiciaires et de médecine légale* ("laboratory of forensic sciences and forensic pathology") before being put into service.
- All slot machine gaming software is sealed in each unit upon verification of its payout rate.
- Every casino employee and supplier is subject to a security check conducted by the *Sûreté du Québec*.
- There is strict surveillance in place at the casino entrance and in other areas in order to ensure minors do not gain access. These measures have resulted in access being denied to or the expulsion of some 2,000 individuals during the first half of 2005.

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... Money Laundering

- A patron who wishes to carry out a cash transaction involving \$10,000 or more is required to identify himself. As stipulated by law, the casino then produces an advisory that is forwarded to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), a federal organization responsible for applying the law governing the recycling of assets derived from criminal activity.

- There are approximately 300 transactions of this type each month at the three casinos.
- All transactions that appear questionable in any way are also made known, and personnel are trained to be able to identify these.
- Some 1,200 casino employees who are in contact with patrons have received appropriate training. This training is offered on an ongoing basis.

... Shylocking

- Since a network operating at the Casino de Montréal was uncovered in February 2003, measures have been reinforced in order to eliminate and prevent any shylocking activity. Surveillance, in particular, has been significantly increased with cameras monitoring public areas and specially trained security personnel so as to be able to readily detect individuals attempting to engage in this activity.
- Anyone caught shylocking is immediately expelled from the casino for a period of three years.
- The three gaming houses apply a zero-tolerance policy with respect to corruption and collusion between patrons and casino personnel. Any irregularities or sign of such activity will result in the dismissal of the employee(s) involved.

... Incidents

- Of the 67.2 million people who visited the three casinos between September 1998 and March 2005, a total of 1,252 ambulance interventions were recorded involving such circumstances as illness, sudden weakness, fainting, falls or other types of injury.
- Despite the large number of visitors to the casinos (11,000,000 visits annually), there have been relatively few incidents of a criminal nature recorded. Between 2000 and 2005, there was a combined total of 913 cash thefts, 732 thefts of personal property, and 19 auto thefts at the three casinos.

Regrettably, since the gaming houses opened their doors, there has been one suicide that took place in 2001 in the Casino de Montréal's parking lot. This is the only such incident to have occurred on Québec casino property.

3. PREVENTIVE MEASURES TO PROMOTE HEALTHY GAMING BEHAVIOUR

Loto-Québec has been concerned with the social consequences of gaming for over 20 years.

Today, the Corporation is leading the way in implementing effective initiatives and in the level of its investments in combating excessive gaming. During fiscal 2004-2005, for example, it allocated over \$26 million toward preventive measures that include the following:

- Access is restricted to individuals aged 18 or over.
- No alcohol is served in gaming areas.
- Unlike other casinos in North America, Québec's gaming houses do not offer credit to patrons.
- Messages promoting moderation and the 1 866 SOS-JEUX help hotline are prominently displayed on slot machines.
- There is no advertising produced about gaming.
- A self-exclusion program is in place, including professional support services for players throughout the duration of their exclusion, as well as the obligation to meet with a counsellor for the purposes of evaluation and for information at the end of the self-exclusion period.
- A crisis intervention service is also in place at each of the three casinos designed to provide timely assistance to individuals showing signs of distress arising from excessive gaming.
- A gaming information centre known as *Au Centre du hasard* was established at the beginning of 2006.
- Over 4,000 casino employees were the target of a compulsive gambling awareness campaign organized by the *Fondation Mise sur toi*. The campaign was aimed at enhancing their understanding of the phenomenon and helping them be better able to detect individuals in a state of distress.

FOCUS ON...

... Self-Exclusion

- Each year, approximately 1,500 players take advantage of the casinos' self-exclusion program, with some 3,000 files currently active.
- Every year, approximately 11,000 instances are recorded of self-excluded players being detected at the casinos.
- According to a study conducted by Université Laval's *Centre québécois d'excellence pour la prévention et le traitement du jeu*, 30% of individuals denied access to the Casino de Montréal have stopped playing definitively.

... Assistance and Support

- Thanks to the support network of casino employees, more than 150 individuals in need of assistance have been detected and directed to specialized support and treatment centres to date.

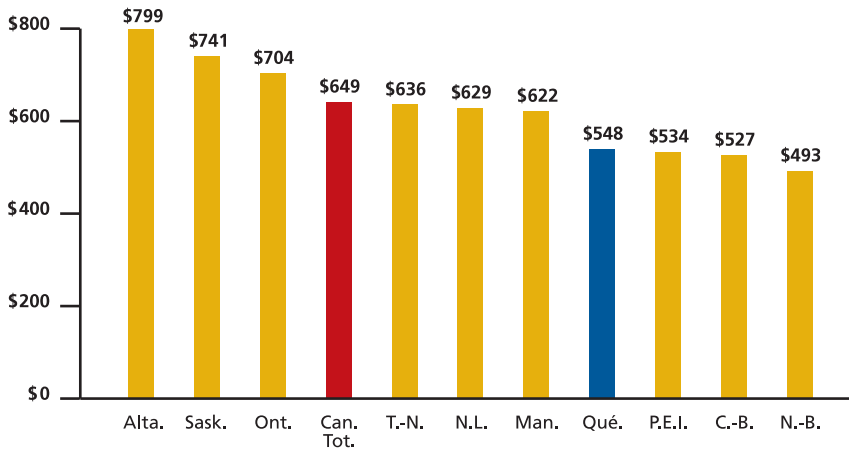
... Public Awareness

- Over the past few years, interactive information terminals at the gaming houses have served to sensitize players to the risks of dependence on gaming. More than 260,000 people have consulted these terminals since they were installed in 2000.
- In 2006, interactive consoles known as *8/8 – The Winning Combination*, will be installed in order to allow players to determine their gaming profile. An online version will also be available on the casinos' respective Web sites.

4. GAMING IN QUÉBEC – SOME FACTS AND FIGURES

Of all Canadian consumers, Quebecers are among those who spend the least on games of chance.

When combining all games of chance, Québec ranks seventh in Canada with respect to gross per capita spending. According to 2003-2004* data, Québecers spend an average of \$548 annually on games of chance, while Canadians from coast to coast spend \$649.



* The most recent year for which complete data is available.

Source: *Gross Spending On Legalized Gambling Per Resident of Canada and the Provinces in 2003-2004*. Data collected from the annual reports of Canadian lottery corporations.

According to the latest studies, compulsive gambling is not on the rise in Québec:

- The number of probable compulsive gamblers within the adult population declined from 1% in 1996 to 0.8% in 2002. Québec is home to an estimated 35,000-56,000 probable compulsive gamblers.
- The number of players at risk dropped from 1.4% in 1996 to 0.9% in 2002¹.
- A Statistics Canada study published in 2002 found that, at 0.3% of its adult population, Québec has the lowest percentage of compulsive gamblers in the country. At 1.3%, the province also has one of the lowest percentages of players at risk.

¹ Source: Prevalence of Gaming Habits and Compulsive Gambling in Québec in 2002. Université Laval and Institut national de santé publique du Québec. Université Laval et Institut national de santé publique du Québec.

5. SPIN-OFFS FOR TOURISM AND THE ECONOMY

The casinos' activities generate significant benefits for all of Québec society.

Veritable engines fuelling the province's tourism industry, Québec's casinos record close to 11,000,000 visits each year.

In 2004, the Casino de Montréal ranked as the most popular tourist attraction in the city, logging more than 6,250,000 visits.

FOCUS ON...

... Economic Spin-Offs

- Tens of millions of dollars are paid out each year in salaries and benefits to the casinos' and Resto-Casino's 6,000 employees.
- Casino and related food and beverage and hotel operations posted total earnings of \$848.1 million in fiscal 2004-2005, of which \$256 million was contributed to the Québec Government's General Fund used to finance a variety of different programs (health, education, transportation, etc.).
- Over \$120 million was spent in 2004-2005 on the purchase of goods and services from Québec suppliers.
- More than 44 productions featuring a total of 700 performances were presented at the Montréal and Lac-Leamy gaming houses in 2004-2005, ranking their respective theatres at the forefront of the province's entertainment industry.

... Benefits for Tourism

- The three casinos' annual contribution to the tourism industry is estimated to be in the order of \$150 million, with their total impact since opening their doors assessed at over \$1 billion.
- Tourist spending related to the presence of the casinos supports close to 2,000 direct and indirect jobs in the province.

Tourist Spending and Jobs Per Region in 2003		
Montréal	\$63 million	800 jobs
Gatineau	\$51.6 million	654 jobs
Charlevoix	\$35.3 million	500 jobs

Source: *Université du Québec à Montréal study on the evolution of the economic spin-offs generated by the Société des casinos du Québec's activities.*

- The eventual relocation of the Casino de Montréal at the heart of a world-class integrated entertainment complex would create more than 6,450 new jobs – 3,150 direct and indirect jobs generated by the activities of the complex and exhibition centre, and 3,300 additional direct and indirect jobs through its tourist drawing power. More information about this project is available on the Internet at www.bassinpeel.com.

6. SOCIAL CONTRIBUTIONS IN BRIEF

- A total of \$13.2 million (5% of the Société des casinos du Québec's and Resto-Casino's net income) was contributed in fiscal 2004-2005 to the *Fonds d'aide à l'action communautaire autonome*, a special fund administered by the *ministère de l'Emploi, de la Solidarité sociale et de la Famille* (Ministry of Employment, Social Solidarity and the Family) and used to support the activities of hundreds of community organizations.
- Another \$2.6 million (1% of the Société des casinos du Québec's and Resto-Casino's net earnings) was awarded during 2004-2005 to the *Fonds d'aide à l'action humanitaire internationale* in support of international humanitarian initiatives.
- The casinos also contribute significantly to the tourism sector and the province's overall economic vitality through the sponsorship of major local, regional and international events under the banner of *Sorties signées Casinos*.

Please note that the Corporation's Social Responsibility Review published on October 2005 and its Web site at www.loto-quebec.com offer a wealth of information about the casinos' activities and the comprehensive measures in place to combat excessive gaming.

To obtain additional copies of this document, do not hesitate to contact the Department of Corporate Communications and Public Relations at (514) 499-7111, ext. 3355.

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RESTO-CASINO INC.

HÔTELLERIE ET RESTAURATION

