

AGEM Index

Association of Gaming Equipment Manufacturers

March 2012

Sailing past the broader equities markets during the month of March, the AGEM Index posted its largest percentage-point gain since October of last year. The latest increase marks the fourth consecutive month of positive movement, a milestone not reached since September 2009. With 14 global gaming suppliers posting gains in their stock price for the month, the AGEM Index reached 134.52, advancing 12.81 points, or 10.5 percent, since February. While the overall index has witnessed a 27.8-percent increase over the prior 12 months, it is important to note that the Index is approaching a nearly four-year high.

For comparison purposes, the stock markets overall witnessed their own rallies in March. The Dow Jones Industrial Average rose 2.0 percent with a few days within the month closing above 13,200. The NASDAQ has stayed above the 3,000 mark in the second-half of the month with a more aggressive gain of 4.2 percent by month-end. The S&P 500 posted a 3.1-percent increase during the month, but also recorded 10 days above 1,400, a level it last reached in June 2008. With stocks rallying, positive movements in labor-force indicators, and spending patterns trending upwards, the

first three months of 2012 have shown signs of a recovery taking hold and investor expectations of increased stability.

Selected positive contributors to the index during March 2012 included the following:

- International Game Technology (IGT) recorded a stock price increase of 11.78 percent, adding 3.39 points to the index.
- Lottomatica (LTO) contributed 2.07 points to the index from an 11.77-percent gain in its stock valuation.

Selected negative contributors to the index included:

- Gaming Partners International (GPIC) posted a stock price decline of 8.53 percent, edging the index down 0.03 points.
- Astro Corp. (3064) witnessed its stock price fall by 1.72 percent resulting in a negative contribution of 0.01 points to the index.

AGEM	Exchange: Symbol (Currency)	Stock Price At Month End			Percent Change		Index Contribution
		Mar-12	Feb-12	Mar-11	Prior Period	Prior Year	
Ainsworth Game Technology	ASX: AGI (AU\$)	1.60	1.09	0.25	46.79	540.00	1.11
Aristocrat Technologies	ASX: ALL (AU\$)	3.02	2.76	3.25	9.42	(7.08)	0.55
Astro Corp.	Taiwan: 3064 (NT\$)	51.40	52.30	61.90	(1.72)	(16.96)	(0.01)
Bally Technologies	NYSE: BYI (US\$)	46.75	42.94	37.85	8.87	23.51	1.04
Gaming Partners International	Nasdaq: GPIC (US\$)	6.33	6.92	6.90	(8.53)	(8.26)	(0.03)
Global Cash Access	NYSE: GCA (US\$)	7.80	5.56	3.27	40.29	138.53	1.18
IGT	NYSE: IGT (US\$)	16.79	15.02	16.23	11.78	3.45	3.39
INTRALOT S.A.	ATHEX: INLOT (€)	0.71	0.67	2.45	6.77	(71.02)	0.06
Konami	NYSE: KNM (US\$)	28.53	27.54	18.46	3.59	54.55	0.85
Lottomatica (GTECH)	MILAN: LTO.MI (€)	14.24	12.74	12.71	11.77	12.04	2.07
Multimedia Games	Nasdaq: MGAM (US\$)	10.96	10.23	5.73	7.14	91.27	0.12
Scientific Games Corporation	Nasdaq: SGMS (US\$)	11.66	10.51	8.74	10.94	33.41	0.68
Shuffle Master	Nasdaq: SHFL (US\$)	17.60	14.60	10.68	20.55	64.79	1.14
Transact Technologies	Nasdaq: TACT (US\$)	7.85	6.74	11.89	16.47	(33.98)	0.07
Wells-Gardner Electronics	AMEX: WGA (US\$)	2.29	2.16	2.10	6.02	9.05	0.01
WMS Industries	NYSE: WMS (US\$)	23.73	22.03	35.35	7.72	(32.87)	0.58
Change in Index Value							12.81
AGEM Index Value: February 2012							121.71
AGEM Index Value: March 2012							134.52

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Blends of old and new continue to blur the line between gaming in a traditional space and cyberspace. While no major changes to online wagering have emerged from state houses and certainly not Congress, it is still widely accepted that online gaming is the future, even if timing remains elusive. That said, innovation and partnerships continue to thrive in hopes of securing a foothold in this future marketplace.

Even with more than 600,000 applications in Apple's app store and after more than 25 billion downloads, American Wagering Inc. still crossed a significant hurdle in March by becoming the first to have a sports betting application for iPad approved by Apple and the Nevada Gaming Commission. The approval still limits online bettors to Nevada residents or in-state visitors, but it reflects another of many steps towards enacting more broad-based online gaming.

Having been around for more than 2,000 years and a staple of the convenience store counters for the better part of 30 years, traditional lotteries have entered the realm of the World Wide Web. Illinois recently started selling individual lottery tickets to residents online, largely from last year's Department of Justice ruling that declared the Wire Act of 1961 applying to only sports betting. The performance of online sales will likely dictate whether or not the remaining 42 states with lotteries move in this direction. If so, it could potentially relieve some hesitation of state lawmakers to approve more comprehensive online gaming. That is exactly

what operators and online game developers are planning for.

Lottomatica, one of the world's largest global gaming suppliers, applied for Nevada's interactive gaming service provider license, allowing them to expand similarly existing services provided in various European jurisdictions. Additionally, Beneficial Holdings, an operator of several online casino and sports book sites in Nicaragua, is seeking a gaming license in the State of Nevada to move operations to the states and begin taking advantage of intrastate online poker and potential partnerships with existing casino operators.

Movements from traditional gaming suppliers into the online market continue to rise. The latest interactive gaming license application from WMS Industries only further solidifies that global gaming suppliers have a new market of opportunity, but one that also comes with increased competition as virtual slot machines and its content can be developed by a single developer in a relatively short timeframe. This increased competition and reduced barriers to entry will inevitably cause additional acquisitions, partnerships and strategic alliances. Shuffle Master's recent purchase of Ogame Network Ltd., an existing provider of online poker and casino platforms, reflect just another example of where the global gaming supplier industry is trending - new technologies to remain ahead of the curve.



www.AGEM.org

The AGEM Index

The Association of Gaming Equipment Manufacturers (AGEM) produces the monthly AGEM Index that comprises 16 global gaming suppliers throughout the world. A total of 11 suppliers are based in the United States and are listed on the NYSE, Nasdaq, or AMEX, while two trade on the Australian exchange, one supplier trades on the Athens exchange, one trades on the Milan exchange, and another trades on the Taiwan OTC exchange. The index is computed based on the month-end stock price (adjusted for dividends and splits) of each company and weighted based on approximation of market capitalization. Market capitalizations for manufacturers trading on foreign exchanges have been converted to US dollar-equivalents as of month-end for comparability purposes. The AGEM Index is based on a 100-point value as of January 2005.

About AGEM

AGEM is an international trade association representing manufacturers of electronic gaming devices, systems, and components for the gaming industry. The Association works to further the interests of gaming equipment manufacturers throughout the world. Through political action, tradeshow partnerships, information dissemination and good corporate citizenship, the members of AGEM work together to create benefits for every company within the organization. Together, AGEM and its member organizations have assisted regulatory commissions and participated in the legislative process to solve problems and create a positive business environment.

AGEM Index

The AGEM index and overview is prepared by Applied Analysis (AA). AA is a Nevada-based advisory services firm providing consultation services for public and private entities. The company utilizes extensive experience in economics, information technology and finance to provide a wide range of services, including urban economic consulting, financial advisory services, market analysis, public policy analysis, hospitality industry and gaming consulting, and information system and technology consulting.



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AGEM Membership Roster

AGEM Gold Members:

- Aristocrat Technologies
- Aruze Gaming America
- Austrian Gaming Industries
- Bally Technologies
- GTECH / Spielo International
- International Game Technology (IGT)
- Intralot S.A.
- Konami Gaming
- Scientific Games
- Video Gaming Technologies (VGT)
- WMS Gaming

AGEM Silver Members: Action Gaming, American Gaming Systems (AGS), Casino Technology, JCM Global, MEI, Multimedia Games, Shuffle Master, Suzo-Happ Group, TCSJohnHuxley and Wells-Gardner Electronics.

AGEM Bronze Members: Abbiati Casino Equipment, AC Slots (ACS), Acres 4.0, Ainsworth Game Technology, Alfastreet, Astro Corp., Bingotimes Technology, Cadillac Jack, Cammegh Limited, Cantor Gaming, Crane Payment Solutions / CashCode / Money Controls, Diamond Game, DigiDeal, Digital Display Group, Euro Games Technology (EGT), Galaxy Gaming, Gaming Partners International, Gaming Support, Glory (U.S.A) Inc., Incredible Technologies, Inspired Gaming, Interblock USA, Iverson Gaming Systems, JPM International, Jumbo Technology, Matsui Gaming Machine Co., Modern Gaming, Patriot Gaming & Electronics, Quixant Ltd., Rocket Gaming Systems, Table Trac, Tech Results, Warrior Gaming Associates and Winning Asia Technology

AGEM Associate Members: 3M Touch Systems, Advantech-Innocore, Assurance Ltd., Carmanah Signs, Casino Enterprise Management, Cole Kepro International, Cooper Levenson, Cybertec Gaming Systems, DiTronics Financial Services, DynaGraphic Printing, Elite Casino Products, Esterline Advanced Input Systems, Eurocoin, Flextronics, Fox Rothschild, FutureLogic, Gaming Capital Group, Gary Platt Manufacturing, Gemaco, Global Cash Access, Global Gaming Group (G3), Grand Products, Grand Products Nevada, Greenberg Traurig, Hanco Technologies, Heber Ltd., Howard & Howard, IDX, Intel, IPS, James Industries, KEY-BAK, Kontron, Kreller Group, Leap Forward Gaming, Lewis & Roca, Lincoln Industries, Litemax Technology, Masterpiece Advertising, Nanoptix, Outpost Creative, Phelps Dunbar, Portwell, Proforma GPS, Rainmaker, Regulatory Management Counselors (RMC), Rye Park Gaming, Sanmina-SCI, SCA Gaming, Strategy9, StylGame USA, Talent Associates, The Bright Group, Tournament One, Trade Show Fabrications, TransAct Technologies, Trans-Lux, Veridocs, Wrex Products and Young Electric Sign Company (YESCO).