

AGEM Index

Association of Gaming Equipment Manufacturers

April 2012

The AGEM index declined slightly in April, falling from 134.52 to 133.39. The 1.13-point decline (-0.8 percent) was the first downturn in the index witnessed since November 2011, when the index fell 7.96 points to 115.84. Since then, the composite index has increased steadily for four consecutive months. April's performance can be attributed to five of the 16 global gaming suppliers witnessing declines in stock price during the month, with two falling more than 10 percent. Of the 11 suppliers that witnessed positive growth in their month-to-month stock price, compared to 14 last month, only one reported an increase greater than 10 percent. Ainsworth Game Technology (AGI) posted an 11.25-percent jump as it continues to consider a public offering.

month at 1,398, down 0.7 percent when compared to a month ago. Other indicators, such as employment, personal income and consumer confidence are showing signs of improvement as recovery continues.

Positive contributors to the index during April 2012 included:

- Bally Technologies (BYI) contributed 0.52 points to the index, with a 3.85-percent increase in its stock price to \$48.55.
- With a stock price of \$29.03 at month's end, Konami (KNM) contributed 0.47 points to the index.

Selected negative contributors to the index included:

- International Game Technology (IGT) contributed negative 2.15 points to the index, with a decline in stock price of 7.21 percent.
- Scientific Games Corporation (SGMS) had a stock price of \$10.16 at the end of the month, down 12.86 percent and resulting in a negative contribution of 0.78 points.

For comparison purposes, the broader stock markets witnessed slight declines in April. The Dow Jones Industrial Average closed the month at 13,214, representing little change (+0.01 percent) since the end of March. The NASDAQ ended the month at 3,046. Although it reported closing prices above 3,000 for the majority of the month, it declined 1.5 percent since the end of March. Meanwhile, the S&P 500 closed the

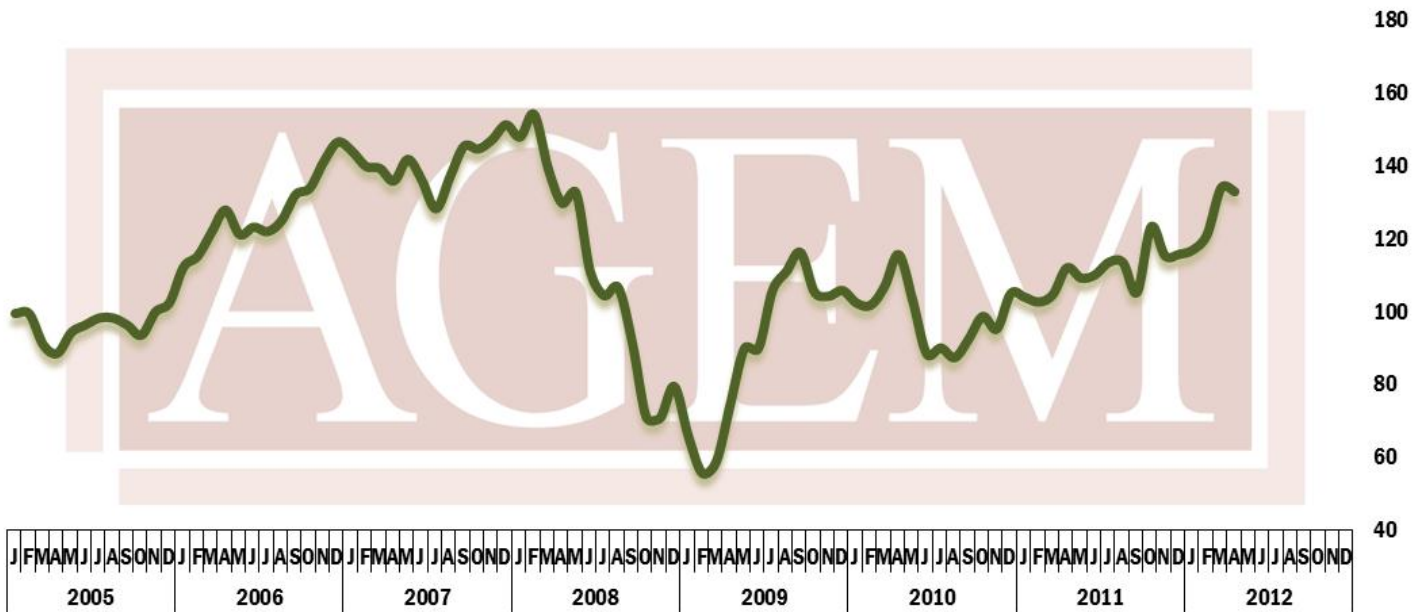
AGEM	Exchange: Symbol (Currency)	Stock Price At Month End			Percent Change		Index Contribution
		Apr-12	Mar-12	Apr-11	Prior Period	Prior Year	
Ainsworth Game Technology	ASX: AGI (AU\$)	1.78	1.60	0.25	11.25	612.00	0.39
Aristocrat Technologies	ASX: ALL (AU\$)	3.05	3.02	2.62	0.99	16.41	0.14
Astro Corp.	Taiwan: 3064 (NT\$)	50.60	51.40	66.90	(1.56)	(24.36)	(0.00)
Bally Technologies	NYSE: BYI (US\$)	48.55	46.75	38.99	3.85	24.52	0.52
Gaming Partners International	Nasdaq: GPIC (US\$)	6.75	6.33	7.08	6.64	(4.66)	0.02
Global Cash Access	NYSE: GCA (US\$)	8.45	7.80	3.30	8.33	156.06	0.30
IGT	NYSE: IGT (US\$)	15.58	16.79	17.69	(7.21)	(11.93)	(2.15)
INTRALOT S.A.	ATHEX: INLOT (€)	0.77	0.71	2.41	7.75	(68.26)	0.06
Konami	NYSE: KNM (US\$)	29.03	28.53	19.70	1.75	47.36	0.47
Lottomatica (GTECH)	MILAN: LTO.MI (€)	13.98	14.24	15.08	(1.83)	(7.29)	(0.53)
Multimedia Games	Nasdaq: MGAM (US\$)	11.36	10.96	5.87	3.65	93.53	0.07
Scientific Games Corporation	Nasdaq: SGMS (US\$)	10.16	11.66	10.53	(12.86)	(3.51)	(0.78)
Shuffle Master	Nasdaq: SHFL (US\$)	17.67	17.60	10.93	0.40	61.67	0.02
Transact Technologies	Nasdaq: TACT (US\$)	8.56	7.85	11.58	9.04	(26.08)	0.05
Wells-Gardner Electronics	AMEX: WGA (US\$)	2.05	2.29	1.99	(10.48)	3.02	(0.02)
WMS Industries	NYSE: WMS (US\$)	24.51	23.73	32.80	3.29	(25.27)	0.29
Change in Index Value							(1.13)
AGEM Index Value: March 2012							134.52
AGEM Index Value: April 2012							133.39

www.AGEM.org

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Agendas, talking points, and Political Action Committees are not only reserved for campaign staff. As the United States Presidential election gears up for the summer campaign season, many states are also seeking ballot initiatives to be brought to the voters in November. This is a fertile time to put gambling measures in front of voters and several initiatives being pushed forward can have significant implications for both gaming operators and global gaming suppliers.

Like clockwork in Nevada, raising taxes on gambling, which is currently capped at 6.75 percent of gross gaming win, was back on the table this month as a local businessman wanted to force casino operators to pay upwards of 9 percent in taxes through a ballot initiative. While earlier efforts have been dismissed by the courts, speculation of a new petition looms, but publicly the initiative has been dropped. The latest efforts may have dissolved but such initiatives may cause casinos and their operators to remain cautious with regard to their investments in their human resources and capital expenditure requirements, including purchasing replacement gaming products.

In the late stages of a budget session in Maryland, lawmakers tried to adjust their net cash flows by raising revenue after \$512 million in cuts were enacted in the prior session. Retracting budget cuts with additional revenue was never finalized. However, a representative from Prince George County, which borders the northeast and southeast quadrants of the District of Columbia, is

using this angle to get a gambling bill passed so the referendum can go before voters in November. What could potentially be the sixth casino in Maryland, would also be on steps away from the nation's capital and potentially compete with the Arundel Mills casino opening in June between the District and Baltimore.

A group in Michigan is once again working on a constitutional amendment to permit the development of eight additional casinos in select regions around the state. In April, petition language for the amendment was approved by the Michigan Board of Canvassers, moving the process of collecting more than 322,000 signatures by July 9th forward. It is important to note that a similar measure was filed in 2010 but failed to gather sufficient signatures to qualify for the statewide ballot.

In November, Rhode Island voters and residents of Newport will get the chance to approve a bill signed by the Governor allowing table games at Newport Grand. Currently, casino patrons can only play video slots.

These measures, and what will likely be a few more, especially in Massachusetts where voter referendums in communities near potential casino sites need to be approved, will continue to lift the tide of global gaming suppliers as demand for additional product rises.



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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.

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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

AGEM Associate Members: 3M Touch Systems, Advantech-Innocore, Assurance Ltd., Carmanah Signs, Casino Enterprise Management, Cole Kepro International, Cooper Levenson, Cybertec Gaming Systems, Daktronics, 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, Howard & Howard, IDX, Intel, IPS, James Industries, KEY-BAK, Kontron, 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, Spin Games, 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).