

# AGEM Index

Association of Gaming Equipment Manufacturers

September 2012

**D**uring the month of September 2012, the AGEM Index reported a composite score of 128.84, representing an increase of 6.14 points, or 5.0 percent. The latest month represents the second consecutive month in which the index reported a gain. Notably, the majority of the gaming equipment manufacturers (13 of 17) reported gains in stock price in September. Meanwhile, of the four that reported declines, none fell by more than five percent.

For comparison, the broader stock markets trended in a similar direction, also increasing in September. The Dow Jones Industrial Average (DJIA) reported a closing price of 13,437 at the end of the month. Compared to the prior period, the DJIA reported the greatest increase, rising 2.6 percent. The S&P 500 ended the month at 1,441, up 2.4 percent compared to the 1,407 reported in August 2012. Meanwhile, NASDAQ reported the lowest increase, rising 1.6 percent from 3,067 to 3,116.

Selected positive contributors to the September 2012 AGEM Index included the following:

- Lottomatica (LTO) reported a 3.4-percent increase in stock price to €17.12 and contributed 1.7 points to the index.
- Bally Technologies was the second-largest contributor to the overall index with 1.50 points driven by a stock price increase of 11.5 percent, ending the month at \$49.39 per share.

Selected negative contributors included the following:

- Konami (KNM) reported a stock price of \$22.64, down 1.8 percent and contributed negative 0.38 points to the index.
- With a stock price of AUD\$2.26, which represents a 3.8-percent decline, Ainsworth Game Technology (AGI) reported a negative contribution of 0.22 points.

AGEM	Exchange: Symbol (Currency)	Stock Price At Month End			Percent Change		Index Contribution
		Sep-12	Aug-12	Sep-11	Prior Period	Prior Year	
Ainsworth Game Technology	ASX: AGI (AU\$)	2.26	2.35	0.37	(3.83)	510.81	(0.22)
Aristocrat Technologies	ASX: ALL (AU\$)	2.69	2.66	2.10	1.13	28.10	0.03
Astro Corp.	Taiwan: 3064 (NT\$)	37.70	38.50	49.00	(2.08)	(23.06)	(0.00)
Bally Technologies	NYSE: BYI (US\$)	49.39	44.29	26.98	11.52	83.06	1.50
Daktronics, Inc.	Nasdaq: DAKT (US\$)	9.51	9.56	8.58	(0.52)	10.84	(0.01)
Gaming Partners International	Nasdaq: GPIC (US\$)	6.35	6.07	6.62	4.61	(4.08)	0.02
Global Cash Access	NYSE: GCA (US\$)	8.05	7.67	2.56	4.95	214.45	0.17
IGT	NYSE: IGT (US\$)	13.09	12.29	14.53	6.51	(9.91)	1.45
INTRALOT S.A.	ATHEX: INLOT (€)	1.32	0.93	0.87	42.70	51.72	0.83
Konami	NYSE: KNM (US\$)	22.64	23.06	33.71	(1.82)	(32.84)	(0.38)
Lottomatica (GTECH)	MILAN: LTO.MI (€)	17.12	16.56	11.77	3.38	45.45	1.71
Multimedia Games	Nasdaq: MGAM (US\$)	15.73	15.67	4.04	0.38	289.36	0.01
Scientific Games Corporation	Nasdaq: SGMS (US\$)	8.28	7.33	7.12	12.96	16.29	0.62
SHFL Entertainment	Nasdaq: SHFL (US\$)	15.81	15.17	8.41	4.22	87.99	0.24
Transact Technologies	Nasdaq: TACT (US\$)	7.45	7.17	8.11	3.91	(8.14)	0.02
Wells-Gardner Electronics	AMEX: WGA (US\$)	2.25	2.19	2.37	2.74	(5.06)	0.00
WMS Industries	NYSE: WMS (US\$)	16.38	15.93	17.59	2.82	(6.88)	0.16
Change in Index Value							6.14
AGEM Index Value: August 2012							122.70
<b>AGEM Index Value: September 2012</b>							<b>128.84</b>

www.AGEM.org

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The selection process for casino operators in Massachusetts is moving forward. In November 2011, legislation was signed allowing for the development of three resort casinos and one slots facility located in different regions throughout Massachusetts. The expanded gaming legislation also created a Massachusetts Gaming Commission responsible for overseeing the licensing process.

Five casino operators are currently competing for the single license that will be awarded for a property in western Massachusetts. MGM Resorts International recently announced plans for an \$800-million casino in Springfield. The property would be located on a 10-acre site in the south end of downtown Springfield near Interstate-91. In addition to a 250-room hotel, MGM's proposed casino would include an 89,000-square-foot casino floor, 70,000 square feet of retail and dining and 40,000 square feet of apartments. The company says development would result in 2,000 construction jobs, thousands of permanent jobs and millions of dollars in tax revenues paid to the city.

Ameristar Casinos also unveiled plans for a resort casino in Springfield located on a 41-acre site purchased by the company for \$16 million on Page Boulevard and Interstate-291. The \$500-million property would include a 650-room hotel, restaurants,

bars, 100 table games and 4,000 slot machines. The company says development would result in 2,000 construction jobs, 2,800 permanent jobs and \$20 million in tax revenue.

Penn National Gaming and Hard Rock International are also competing for a casino license in Springfield; although, specific details have not yet been released. Penn National's property would be located in the north end of downtown Springfield. The company is currently finalizing an agreement to purchase The Republican newspaper's Main Street building in addition to eight vacant acres along the Connecticut River.

Mohegan Sun is the final operator currently in the running for the western Massachusetts casino license with plans to build a \$600-million property in Palmer.

The city plans to negotiate agreements with potential casino developers by mid-January. If voters approve those agreements in June, they will be sent to the commission for final selection. The commission hopes to have the first casino licensed by February 2014.



## The AGEM Index

The Association of Gaming Equipment Manufacturers (AGEM) produces the monthly AGEM Index that comprises 17 global gaming suppliers throughout the world. A total of 12 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
- Lottomatica/ GTECH / Spielo International
- International Game Technology (IGT)
- Intralot S.A.
- Konami Gaming
- SHFL Entertainment
- Scientific Games
- Video Gaming Technologies (VGT)
- WMS Gaming

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

**AGEM Bronze Members:** Abbiati Casino Equipment, AC Slots (ACS), Acres 4.0, Ainsworth Game Technology, Alfastreet, Astro Corp., Bingotimes Digital Technology, Cadillac Jack, Cammegh Limited, Cantor Gaming, CastNET, Cole Kepro International, Crane Payment Solutions/ CashCode/ Money Controls, Diamond Game, DigiDeal, Euro Games Technology (EGT), Galaxy Gaming, 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., Reel Games and Table Trac

**AGEM Associate Members:** 3M Touch Systems, Advantech-Innocore, Assurance Ltd., BBIN, Carmanah Signs, Casino Enterprise Management, 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 Inc., Global Cash Access, Global Gaming Group (G3), Grand Products Nevada, Greenberg Traurig, Hanco Technologies, Howard & Howard, IDX, Impact LCD, Intel, IPS, James Industries, KEY-BAK, Kontron, Leap Forward Gaming, Lewis & Roca, Lincoln Industries, Litemax Technology, Outpost Creative, Phelps Dunbar, Portwell, Proforma GPS, Rainmaker, Reel TV, Regulatory Management Counselors (RMC), Rye Park Gaming, SCA Gaming, Southwest Fabricators, Spin Games, Strategy9, StylGame USA, Talent Associates, The Bright Group, Tournament One, TransAct Technologies, Veridocs, Wrex Products and Young Electric Sign Company (YESCO).