

AGEM Index

Association of Gaming Equipment Manufacturers

November 2013

After reporting four consecutive monthly increases, the AGEM Index reported relatively no change in November 2013 when compared to October 2013. During the month, the index posted a composite score of 193.47, which was down a modest 0.04 points from the prior month. Compared to a year ago (November 2012), the AGEM Index increased 59.66 points (+44.6 percent). In November, six of the 16 global gaming suppliers reported month-to-month increases in stock price, with three up by more than five percent. Meanwhile, of the nine manufacturers that reported declines, four were down by more than five percent. One company, Wells-Gardner Electronics (WGA), posted a flat stock performance month-to-month. Also during the month, Bally Technologies (BYI) completed its acquisition of SHFL Entertainment (SHFL); SHFL was removed from the AGEM Index accordingly.

The broader stock markets outperformed the AGEM Index in the latest month. The S&P 500 ended the month at 1,805.81, up 2.8 percent from the prior period. The Dow Jones Industrial Average reported slightly more growth, rising 3.5 percent month-to-month

to 16,086.41. Meanwhile, NASDAQ was up 3.6 percent from October, rising to 4,059.89.

Selected positive contributors to the November 2013 AGEM Index included the following:

- With a stock price of \$25.90 (+7.1 percent), Konami Gaming (KNM) contributed 1.81 points.
- Daktronics (DAKT) contributed 1.27 points, due to a 27.9-percent rise in stock price to \$15.30.
- GTECH S.p.A. (GTK.MI) reported a stock price of €22.65 (+1.2 percent) and contributed 0.92 points.

Selected negative contributors included the following:

- International Game Technology (IGT) posted a month-end stock price of \$17.49 (-7.0 percent) and contributed negative 2.09 points.
- Due to a 6.5-percent decline in stock price to AU\$4.72, Aristocrat Technologies (ALL) contributed negative 1.61 points.

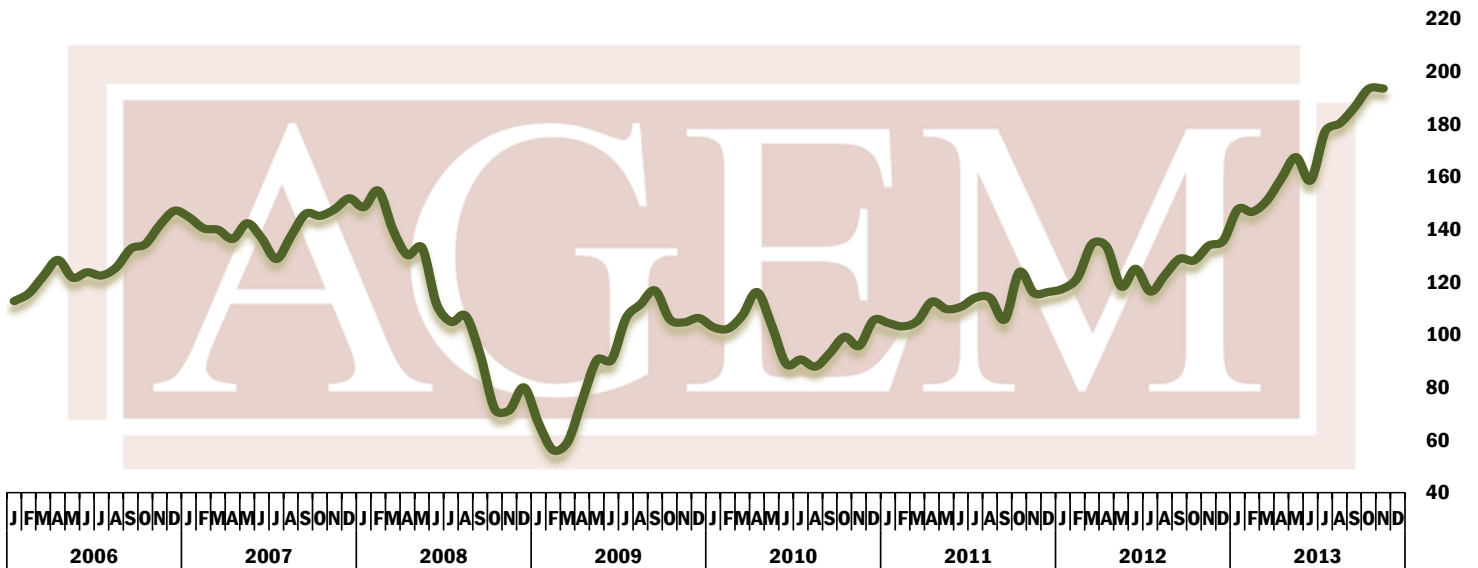
AGEM	Exchange: Symbol (Currency)	Stock Price At Month End			Percent Change		Index Contribution
		Nov-13	Oct-13	Nov-12	Prior Period	Prior Year	
Ainsworth Game Technology	ASX: AGI (AU\$)	4.50	4.36	2.42	3.21	85.95	(0.04)
Aristocrat Technologies	ASX: ALL (AU\$)	4.72	5.05	3.26	(6.53)	44.79	(1.61)
Astro Corp.	Taiwan: 3064 (NT\$)	41.55	43.45	31.20	(4.37)	33.17	(0.03)
Bally Technologies	NYSE: BYI (US\$)	74.57	73.14	45.14	1.96	65.20	0.39
Crane Co.	NYSE: CR (US\$)	62.31	63.50	42.44	(1.87)	46.82	(0.47)
Daktronics, Inc.	Nasdaq: DAKT (US\$)	15.30	11.96	10.46	27.93	46.27	1.27
Gaming Partners International	Nasdaq: GPIC (US\$)	8.20	8.30	6.99	(1.20)	17.31	(0.01)
Global Cash Access	NYSE: GCA (US\$)	9.75	8.30	7.87	17.47	23.89	0.77
GTECH S.p.A.	MILAN: GTK.MI (€)	22.65	22.39	16.93	1.16	33.79	0.92
IGT	NYSE: IGT (US\$)	17.49	18.80	13.87	(6.97)	26.10	(2.09)
INTRALOT S.A.	ATHEX: INLOT (€)	1.89	1.95	1.54	(3.08)	22.73	(0.05)
Konami	NYSE: KNM (US\$)	25.90	24.19	24.20	7.07	7.02	1.81
Multimedia Games	Nasdaq: MGAM (US\$)	29.00	32.51	14.78	(10.80)	96.21	(0.64)
Scientific Games Corporation	Nasdaq: SGMS (US\$)	17.95	18.28	8.33	(1.81)	115.49	(0.19)
Transact Technologies	Nasdaq: TACT (US\$)	12.71	13.79	7.69	(7.83)	65.28	(0.06)
Wells-Gardner Electronics	AMEX: WGA (US\$)	1.68	1.68	1.80	-	(6.67)	-
Change in Index Value							(0.04)
AGEM Index Value: October 2013							193.51
AGEM Index Value: November 2013							193.47

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On November 26, 2013, online gambling was launched in New Jersey, which is the biggest expansion of gambling in the state since the first commercial casino opened in Atlantic City in 1978 and gives AGEM-member suppliers a new market for their technology and game content. New Jersey is the third state to launch online gambling. Nevada was first in April with Ultimate Gaming's poker-only site, UltimatePoker.com, and in September, Caesars Interactive launched its WSOP.com website. In October, Delaware joined the online gaming market with a variety of online casino games.

On November 21, New Jersey had a soft-launch of its online gaming sites, allowing gamblers to test the systems by invitation only. The soft-launch was meant to test a number of factors, including geo-location technology that checks whether a player is located within New Jersey's borders, identity-verification systems, anti-money laundering systems, payment processing systems and customer service functions.

During the trial period and in line with expectations, there were minor 'bugs' and 'fixes' required. Anecdotal reports suggested that gamblers ran into some challenges associated with location and identity verification.

Despite the modest glitches, regulators were satisfied with the trial period and allowed sites to be launched to the public statewide on November 26. Six Atlantic City casinos are now operating their Internet gambling sites

for gamblers within New Jersey. The casinos include Boyd Gaming's Borgata, the Taj Mahal, Trump Plaza, the Tropicana, and Caesars Entertainment's Bally's Atlantic City and Caesars Atlantic City. The Golden Nugget Atlantic City is currently working to fix some issues with its site and expects to go live in the coming days.

Although New Jersey was the third state to launch its online gambling sites, Internet gaming in New Jersey has the potential to be larger than Nevada and Delaware. The state has a population of nearly 9 million people, which is three times larger than that of Nevada. Meanwhile, experts believe Delaware's market will be relatively small, due to its population of just 918,000.

Analysts have differing estimates regarding how much revenue Internet gaming in New Jersey will generate. Governor Christie expects revenue will reach around \$1 billion by July. However, many analysts expect an estimated \$300 million by this time next year. For comparison, Atlantic City's 12 brick-and-mortar casinos reported \$3 billion in revenue in 2012. Borgata accounted for the largest share with \$613 million.

Approximately 51,000 online gambling accounts have been created since the trial period began. In January, the first report reflecting online gaming revenues is expected to be released, which should provide some insight into the size and scope of the market, along with its revenue potential for operators and the government.



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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.

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:

- Ainsworth Game Technology
- Aristocrat Technologies
- Aruze Gaming America
- Austrian Gaming Industries
- Bally Technologies / SHFL Entertainment
- Global Cash Access (GCA)
- GTECH S.p.A.
- International Game Technology (IGT)
- Intralot S.A.
- Konami Gaming
- Multimedia Games
- Scientific Games / WMS
- Video Gaming Technologies (VGT)

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

AGEM Bronze Members: Abbiati Casino Equipment, Alfastreet, Astro Corp., Bingotimes Digital Technology, Cadillac Jack, Cammegh Limited, Cantor Gaming, CastNET, Cole Kepro International, Crane Payment Solutions/ CashCode/ Money Controls, Euro Games Technology (EGT), Galaxy Gaming, Gaming Support, Glory Global Solutions, Incredible Technologies, Inspired Gaming, Interblock USA, ISMS, Iverson Gaming Systems, Jumbo Technology, Matsui Gaming Machine Co., Modern Gaming, Patriot Gaming & Electronics, Quixant Ltd., Reel Games and Table Trac.

AGEM Associate Members: 3M Touch Systems, Advanced Micro Devices (AMD), Advantech-Innocore, Arrow International, Atrient, British Group Interactive (BGI), Brown & Brown Insurance of Nevada, Camryn Industries, Carmanah Signs, Casino Enterprise Management, Cooper Levenson, Cybertec Gaming Systems, Daktronics, Digital Instinct, DigiTech Systems, DiTronics Financial Services, DynaGraphic Printing, Eastsign International Limited, Eiler Research, Elite Gaming Technology, Esterline Interface Technologies, Eurocoin, Flextronics, Fox Rothschild, FutureLogic, Gaming Capital Group, Gary Platt Manufacturing, Gasser Chair Company, Gemaco Inc., Genesis Interactive Technologies, GeoComply USA Inc, Global Experience Specialists (GES), Global Gaming Group (G3), Grand Products Nevada, Greenberg Traurig, Hanco Technologies, Howard & Howard, Impact Display Solutions, Intel, International Network in Advance Gaming (INAG), IPS, James Industries, JCS Technologies, Jones Walker, KEY-BAK, Kontron, Leap Forward Gaming, Lewis Brisbois Bisgaard & Smith, Lewis Roca Rothgerber, Litemax Technology, Metalcraft, Outpost Creative, Portwell, Proforma GPS, Rainmaker, Regulatory Management Counselors (RMC), Renewable Creative, Rye Park Gaming, SCA Gaming, Sightline Payments, Southwest Manufacturing Solutions, Spin Games, Strategy9, StylGame USA, Talent Associates, The Bright Group, Tournament One, TOVIS, TransAct Technologies, Union Gaming Group, Vantiv Gaming Solutions, Veridocs, Wrex Products and Young Electric Sign Company (YESCO).