

AGEM Index

Association of Gaming Equipment Manufacturers

June 2014

After reporting month-to-month declines for three consecutive months, the AGEM Index reported a gain in June of 2014 when compared to May 2014. The composite index ended the month at 185.34, which is up 6.41 points (+3.6 percent) from the prior period. Compared to a year ago, the AGEM Index has increased by 26.69 points (+16.8 percent). During June, six of the 17 global gaming equipment manufacturers reported month-to-month gains in stock price, with two up by more than 20 percent. Of the 10 manufacturers that reported declines in stock price, four were down by more than five percent. One manufacturer, Global Cash Access (GCA), reported no change when compared to May 2014. Note, Galaxy Gaming, Inc. (GLXZ) was added to the index this month.

The broader stock markets also reported positive performances in June 2014. The Dow Jones Industrial Average ended the month at 16,826.60, up 0.7 percent from May 2014. Meanwhile, the S&P 500 reported a month-to-month gain of 1.9 percent, rising to 1,960.23. NASDAQ witnessed the greatest monthly increase of the three, rising 3.9 percent to 4,408.18.

Selected positive contributors to the June 2014 AGEM Index included the following:

- With a stock price of \$15.91 (+26.8 percent), International Game Technology (IGT) contributed 7.30 points.
- Bally Technologies (BYI) contributed 2.04 points, due to an 11.4-percent increase in stock price to \$65.72.
- Due to a stock price of \$11.12 (+24.3 percent), Scientific Games Corporation (SGMS) contributed 1.58 points.

Selected negative contributors included the following:

- GTECH S.p.A. (GTK) reported a stock price of €17.85 (-11.6 percent) and contributed negative 3.53 points.
- Konami (KNM) contributed negative 0.53 points, due to its 2.4-percent decline in stock price to \$22.18.

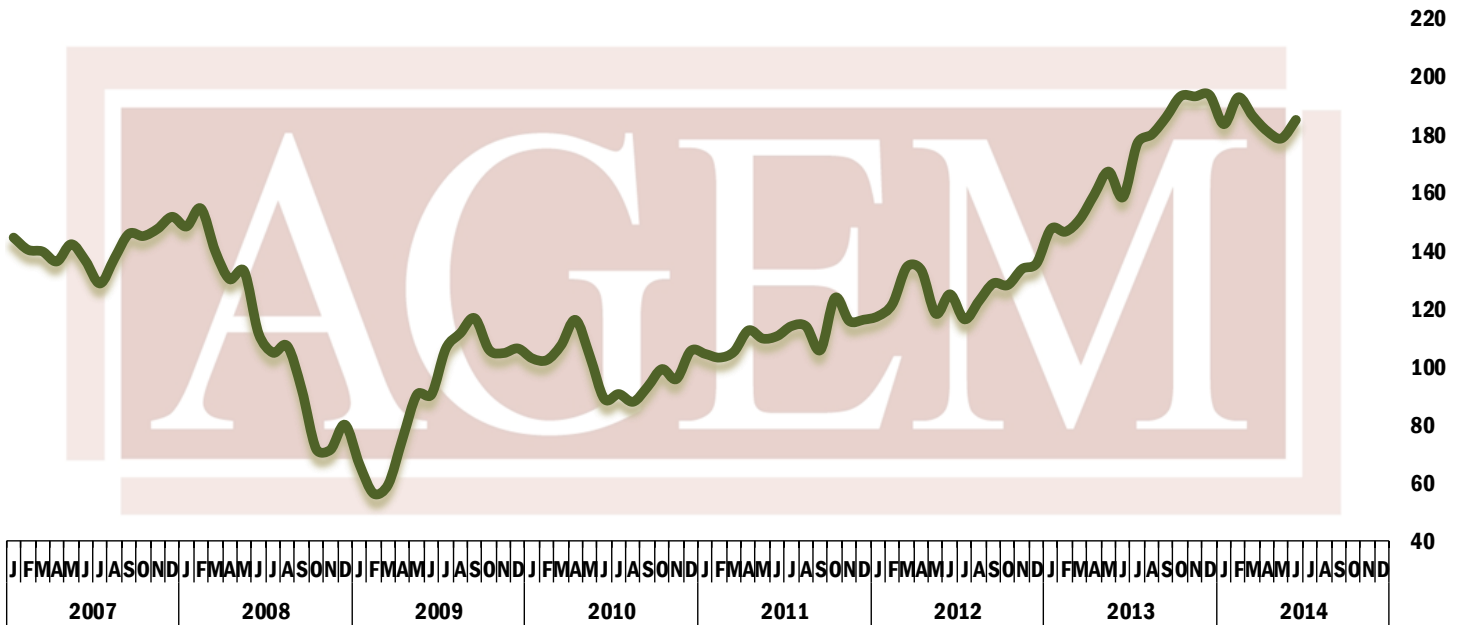
AGEM	Exchange: Symbol (Currency)	Stock Price At Month End			Percent Change		Index Contribution
		Jun-14	May-14	Jun-13	Prior Period	Prior Year	
Ainsworth Game Technology	ASX: AGI (AU\$)	3.74	3.94	4.03	(5.08)	(7.20)	(0.36)
Aristocrat Technologies	ASX: ALL (AU\$)	5.26	5.31	4.28	(0.94)	22.90	(0.07)
Astro Corp.	Taiwan: 3064 (NT\$)	39.45	40.20	35.90	(1.87)	9.89	(0.01)
Bally Technologies	NYSE: BYI (US\$)	65.72	59.00	56.42	11.39	16.48	2.04
Crane Co.	NYSE: CR (US\$)	74.36	74.11	59.92	0.34	24.10	0.10
Daktronics, Inc.	Nasdaq: DAKT (US\$)	11.92	12.41	10.26	(3.95)	16.18	(0.14)
Galaxy Gaming Inc.	OTCMKTS: GLXZ (US\$)	0.45	0.48	0.29	(6.25)	55.17	-
Gaming Partners International	Nasdaq: GPIC (US\$)	8.16	8.35	7.90	(2.28)	3.29	(0.01)
Global Cash Access	NYSE: GCA (US\$)	8.90	8.90	6.26	-	42.17	-
GTECH S.p.A.	MILAN: GTK.MI (€)	17.85	20.19	19.23	(11.59)	(7.18)	(3.53)
IGT	NYSE: IGT (US\$)	15.91	12.55	16.71	26.77	(4.79)	7.30
INTRALOT S.A.	ATHEX: INLOT (€)	2.02	2.09	1.80	(3.35)	12.22	(0.12)
Konami	NYSE: KNM (US\$)	22.18	22.73	21.15	(2.42)	4.87	(0.53)
Multimedia Games	Nasdaq: MGAM (US\$)	29.64	28.75	26.07	3.10	13.69	0.19
Scientific Games Corporation	Nasdaq: SGMS (US\$)	11.12	8.95	11.25	24.25	(1.16)	1.58
Transact Technologies	Nasdaq: TACT (US\$)	10.36	10.28	8.17	0.78	26.81	0.00
Wells-Gardner Electronics	AMEX: WGA (US\$)	1.38	1.70	1.81	(18.82)	(23.76)	(0.02)
Change in Index Value							6.41
AGEM Index Value: May 2014							178.92
AGEM Index Value: June 2014							185.34

www.AGEM.org

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The equipment manufacturing sector continues to monitor shifting market dynamics on the East Coast. The casino industry in Atlantic City, New Jersey has been facing challenges as the gaming market in the northeast continues to expand generally. Gaming revenue for commercial casinos in the Garden State has reported year-over-year declines for 10 of the past 12 months, and in the latest period, revenues fell 8.2 percent to \$232.4 million. For the 12 months ending May 2014 (latest available data), the region reported \$2.8 billion in gaming revenue, which was down 4.5 percent from the prior year.

As gaming revenue in Atlantic City continues to erode, some of the region's casinos have found it difficult to continue operations. Revel recently filed for chapter 11 bankruptcy for the second time since the casino opened in April 2012. The property faces potential closure if a suitable buyer is not identified or if it is unable to effectively reorganize; 3,200 jobs are potentially on the line. Revel could be the third casino in Atlantic City to close this year. In January, the Atlantic Club Casino Hotel closed after filing for bankruptcy in November 2013. The closure left 1,600 people unemployed. Meanwhile, Caesars Entertainment recently announced it will be closing one of its casinos, Showboat Atlantic City, on August 31. The casino employs 2,100 workers.

Despite the closures in Atlantic City, expanded gaming in the northeast continues to provide business opportunities for gaming equipment makers. Roughly 26

casinos have opened in the region since 2004 with new developments expected soon.

Two casinos are expected to be opening in Maryland in the next few years, bringing the state's total to six casinos employing roughly 9,200 workers. In Baltimore, Caesars Entertainment is nearing completion of its new property, Horseshoe Casino. The casino is expected to open in August and will include 2,500 slot machines and 100 table games and will employ 1,900 workers.

MGM Resorts International is also planning a casino in Maryland. MGM National Harbor is expected to open in 2016 and will include 3,600 slot machines, 140 table games, a 300-room hotel and a 1,200-seat theater. The property will reportedly employ about 4,000 workers.

A number of casino operators recently submitted applications for one of the four commercial casino licenses currently being offered in upstate New York. Applicants include Caesars Entertainment, Hard Rock International and the Genting Group. Meanwhile, four operators are competing for a casino license in Philadelphia, including Goldenberg Group, Greenwood Gaming, Cordish Cos. and PHL Local Gaming LLC. Penn National also submitted an application but recently dropped out of the bidding process.



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, AMEX or OTC market, 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
- Austrian Gaming Industries
- Bally Technologies
- 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), Aruze Gaming America, Casino Technology, Crane Payment Innovations (CPI), Gaming Partners International (GPI), JCM Global, Merkur Gaming, Ortiz Gaming, Suzo-Happ Group, TCSJohnHuxley, Wells-Gardner Electronics and Zitro.

AGEM Bronze Members: Abbiati Casino Equipment, Alfastreet, Amatic Industries, Astro Corp., Bingotimes Digital Technology, Boss Gaming, Cadillac Jack, Cammegh Limited, CG Technology (CGT), Cole Kepro International, Euro Games Technology (EGT), Galaxy Gaming, Gaming Support, Glory Global Solutions, Gold Club, Grand Vision Gaming, Incredible Technologies, Inspired Gaming, Interblock USA, Intervision Gaming, ISMS, Iverson Gaming Systems, Jumbo Technology, Matsui Gaming Machine Co., Metronia, Modern Gaming, NYX Gaming Group, Patriot Gaming & Electronics, Quixant Ltd., Reel Games, Table Trac, U1 Gaming and Win Systems.

AGEM Associate Members: 3M Touch Systems, Adlink Technology, Advantech-Innocore, A-Game Marketing, AMD, 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, DiTronics Financial Services, DynaGraphic Printing, Eastsign International Limited, Eilers Research, Elite Gaming Technology, Esterline Interface Technologies, Eurocoin, Fantini Research, Fox Rothschild, FutureLogic, GameAccount Network, Gaming Capital Group, Gary Platt Manufacturing, Gasser Chair Company, Gemaco Inc., Genesis Interactive Technologies, GeoComply USA, Global Experience Specialists (GES), Global Gaming Group (G3), Greenberg Traurig, Hanco Technologies, Howard & Howard, Impact Display Solutions, Intel, IPS, Ipsos, James Industries, JCS Technologies, Joingo, Jones Walker, KEY-BAK, Kontron, Lazcano Sámano, Leap Forward Gaming, Lewis Brisbois Bisgaard & Smith, Lewis Roca Rothgerber, Lightstone Solutions, Litemax Technology, McGladrey LLP, Metalcraft, Outpost Creative, Portilla, Ruy-Díaz y Aguilar, 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, Vantiv Gaming Solutions, Veridocs, Wells Fargo, Wrex Products and Young Electric Sign Company (YESCO).