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Galaxy Gaming Reports Q2 2017 Financial Results

LAS VEGAS, Aug. 14, 2017 (GLOBE NEWSWIRE) -- Galaxy Gaming, Inc. (OTCQB:GLXZ), the world's largest independent developer, manufacturer and distributor of casino table games and enhanced systems, announced today its results for the quarter ending June 30, 2017.

Financial Highlights

Q2 2017 vs. Q2 2016 (restated)

- Revenue of \$3,659K increased 19%
- Adjusted EBITDA of \$1,110K decreased 15%
- Pre-tax loss of \$93K vs. pretax income of \$846K
- Net loss of \$80K vs net income of \$563K

Balance Sheet Improvements (vs. December 31, 2016)

- Cash increased to \$2,935K (+27%)
- Total debt (gross) reduced to \$10,600K (-5%)
- Stockholders' equity increased to \$4,912K (+6%)

Q2 2016 Restatement

On April 2, 2017, the Company reported on Form 8-K that its financial statements for 2015 and for the three quarters of 2016 would be restated due to two issues. These issues were further detailed in the Company's 2016 annual report filed with the US Securities and Exchange Commission on Form 10-K. The effects of the restatement on the income statement are as follows:

Item	Q2 2016 Original	Q2 2016 Restated
Revenue	\$3,064K	\$3,064K
Adjusted EBITDA	\$1,311K	\$1,300K
Pre-tax Income	\$609K	\$846K
Net income	\$378K	\$563K

Executive Comments

"Our year-over-year revenue growth of 19.4% was very strong," stated Todd Cravens, Galaxy's newly-appointed CEO. "Consistent with statements made in our Q1 2017 earnings press release, near-term investments in our sales, marketing and compliance resources are negatively affecting our profits. However, we continue to believe that those investments are necessary to position us for sustained growth over the long-term."

“We had a small net loss in Q2 and a small net income for the first half of 2017,” said Harry Hagerty, the Company’s Chief Financial Officer. “But cash flow remains strong. We generated nearly \$1.3MM in cash from operations in the first half and paid down over \$600K in debt. In addition, in August, we paid down another \$460K in debt. Our pro forma leverage ratio, at 2.0x, is very manageable.”

About Galaxy Gaming

Headquartered in Las Vegas, Nevada, Galaxy Gaming (galaxygaming.com) develops, manufactures and distributes innovative proprietary table games, state-of-the-art electronic wagering platforms and enhanced bonusing systems to land-based, riverboat, cruise ships and online casinos worldwide. Through its iGaming partner Games Marketing Ltd., Galaxy Gaming licenses its proprietary table games to the online gaming industry. The Company is also expanding its global presence through its partnership with WPT Enterprises, Inc., owner of the World Poker Tour. Galaxy’s games can be played online at FeelTheRush.com. Connect with Galaxy on [Facebook](#), [YouTube](#) and [Twitter](#).

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Source: Galaxy Gaming, Inc.