

# Galaxy Gaming Reports Record Third Quarter Results

## Quarterly Revenues Increase 155%; Record EBITDA and Profits

LAS VEGAS, Nov. 13, 2012 (GLOBE NEWSWIRE) -- Galaxy Gaming, Inc. (OTCBB:GLXZ), the world's second largest developer, manufacturer and distributor of casino table games and enhanced systems, announced today its results for the quarter and nine months ended September 30, 2012.

### *Financial Highlights*

#### **Q-3 2012 vs. Q-3 2011**

- Revenue of \$1,874K increased 155% or \$1,140K from \$734K.
- EBITDA of \$777K improved \$969K from a loss of (\$192K).
- Net profit of \$129K improved \$350K from a loss of (\$221K).

#### **Q-3 2012 vs. Q-2 2012**

- Revenue of \$1,874K increased 4.7% or \$83K from \$1,790K.
- EBITDA of \$777K increased 22.9% or \$145K from \$632K.
- Net profit increased 108% to \$129K from \$62K.

#### **9 Months 2012 vs. 9 Months 2011**

- Revenue of \$5,309K increased 135% or \$3,045K from \$2,264K.
- EBITDA of \$1,897K improved \$2,271K from a loss of (\$374K).
- Net profit of \$20K improved \$483K from a loss of (\$463K).

### **Executive Comments**

"We are pleased to report yet another unprecedented milestone in our history, posting record revenues, EBITDA and profit," announced Robert Saucier, Galaxy Gaming's CEO. "At 2012's commencement, our stated financial goals were to achieve approximately \$7 million in revenues, \$2 million in EBITDA and a break-even net profit. At the nine-month checkpoint, we are clearly on course to meet or exceed those targets. We continue to capitalize on the high demand for our products, as was demonstrated by the positive response we received at the Global Gaming Exhibition in October. Subsequently, we accumulated a backlog of orders which could propel our upward momentum into 2013."

Gary A. Vecchiarelli, Galaxy's CFO commented, "The increase in our recurring revenues and a prudent approach to expenses continue to be major factors contributing to our profitability. This quarter also marks an all-time high of recording our prosperous combination of 99% recurring revenue with 99% gross margins. The importance of this

combination is highlighted by the fact that 81% of the additional revenue we obtained over last quarter dropped to our bottom line. Additionally, the significant gains achieved in EBITDA have allowed us to internally fund our strategic initiatives for future growth, while simultaneously reducing debt."

"In just one year, quarterly revenues rose over \$1.1 million, EBITDA rose nearly a million and profits are up \$350 thousand," continued Mr. Saucier. "However, we recognize our mission is not complete, but rather just beginning. Our team's demonstrated devotion has spawned this positive momentum, which now provides a catalyst for continued growth of recurring revenues, cash flow and profits; thus supporting increased shareholder value. While our primary strategy remains the exploitation of our impressive inventory of products, technologies and intellectual property, we intend to add to that portfolio through our internal development efforts as well as evaluating potential intelligent, synergistic and accretive acquisitions; thereby sowing the seeds for future growth opportunities."

### ***Conference Call***

The Company will host an investor conference call to discuss its financial and operating results.

**When:** Wednesday, November 14<sup>th</sup> at 8:00am Pacific Time (11:00am Eastern)

**US/Canada:** (866) 538-3621

**International:** (908) 982-4689

**Passcode:** 69791128

**Web Presentation:** [www.galaxygaming.com/investor-relations](http://www.galaxygaming.com/investor-relations)

### ***About Galaxy Gaming***

Headquartered in Las Vegas, Galaxy Gaming ([www.galaxygaming.com](http://www.galaxygaming.com)) is the world's second largest developer, manufacturer and distributor of casino table games including Lucky Ladies, Texas Shootout, Emperor's Challenge, Deuces Wild, 21+3, Three Card Poker and Bonus Craps. Galaxy also develops innovative electronic wagering platforms and systems such as its Bonus Jackpot System, its Inter-Casino Jackpot System, MEGA-Share and the TableMAX e-Table Gaming System. Galaxy Gaming distributes its products to casinos worldwide.

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Source: Galaxy Gaming, Inc.