

August 10, 2010



Galaxy Gaming Reports Record Second Quarter Results

Company Posts Its First Profitable Quarter

LAS VEGAS, Aug. 10, 2010 (GLOBE NEWSWIRE) -- Galaxy Gaming, Inc. (OTCBB:GLXZ) announced today its results for the second quarter ended June 30, 2010:

Q-2 2010 vs. Q-2 2009 Financial Highlights

- Total Revenue of \$736K increased by 9% or \$61K from \$674K a year ago.
- Recurring Revenue of \$723K increased by 18% or \$111K from \$611K.
- Gross Profit of \$725 increased by 19% or \$121K from \$610K.
- Gross Margins of 99% compared to 90%.
- Positive EBITDA of \$56K increased from negative EBITDA of (\$22K).
- Net Profit of \$21K compared to a Net Loss of (\$155K).

Q-2 2010 vs. Q-1 2010 Financial Highlights

- Recurring Revenue increased 2%. This marks the ninth consecutive quarter of increased recurring revenues.
- Gross Profit increased 3%.
- Gross Margins increased to 99% compared to 94%.
- Positive EBITDA of 56K compared to negative EBITDA of (\$71K).
- Net Profit of \$21K compared to a Net Loss of (\$100K).

Balance Sheet Highlights

- Cash balance of \$579K increased compared to \$117K at 6/30/09.
- Current Liabilities have been reduced to \$967K from \$1,397K at 6/30/09.
- Positive Working Capital position of \$242K versus Negative Working Capital of (\$519K) at 6/30/09.

Andrew Zimmerman, Galaxy Gaming's CFO, commented, "Near the end of the first quarter, our entire team committed to taking the necessary steps to achieve profitability. Recurring revenues and gross profit margins increased, and conversely, expenses decreased, thereby contributing to our improved results in the second quarter."

"We recognize the primary objective of any company is to make a profit," stated Robert Saucier, CEO of Galaxy Gaming. "Now our attention turns to implementing some of the growth initiatives we previously identified and to continue to build our recurring revenues. We remain particularly excited about the potential of our Inter-Casino Jackpot Network and believe that it could significantly drive future revenues and profits."

Today's Conference Call

The Company will hold a conference call to discuss its results today at 2:30 p.m. PT (5:30 p.m. ET). The call will be accessible by calling (877) 852-6580. The conference call ID is 3094295.

About Galaxy Gaming

Headquartered in Las Vegas, Nevada, Galaxy Gaming (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 and Triple Attack Blackjack. In addition, it develops innovative and enhanced electronic wagering platforms and systems such as its Bonus Jackpot System and its Inter-Casino Jackpot Network. Galaxy Gaming distributes its products to casinos throughout North America and on cruise ships worldwide.

Safe Harbor

This release may contain certain "forward-looking statements" relating to the Company's business which may be subject to various factors that may cause actual results to be materially different from those described herein as anticipated, estimated, or expected. The Company disclaims any obligation to update or alter its forward-looking statements.

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