



# Galaxy Gaming



## 2012 EARNINGS CALL

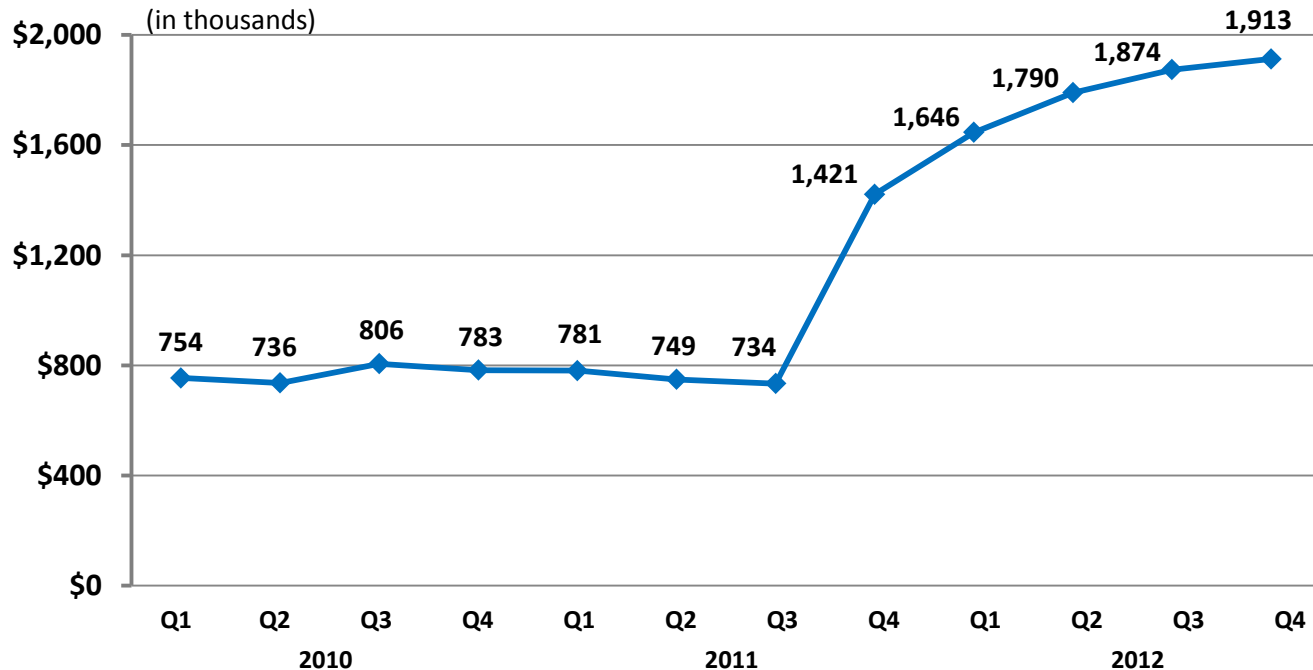
Robert Saucier, CEO

Gary Vecchiarelli, CFO

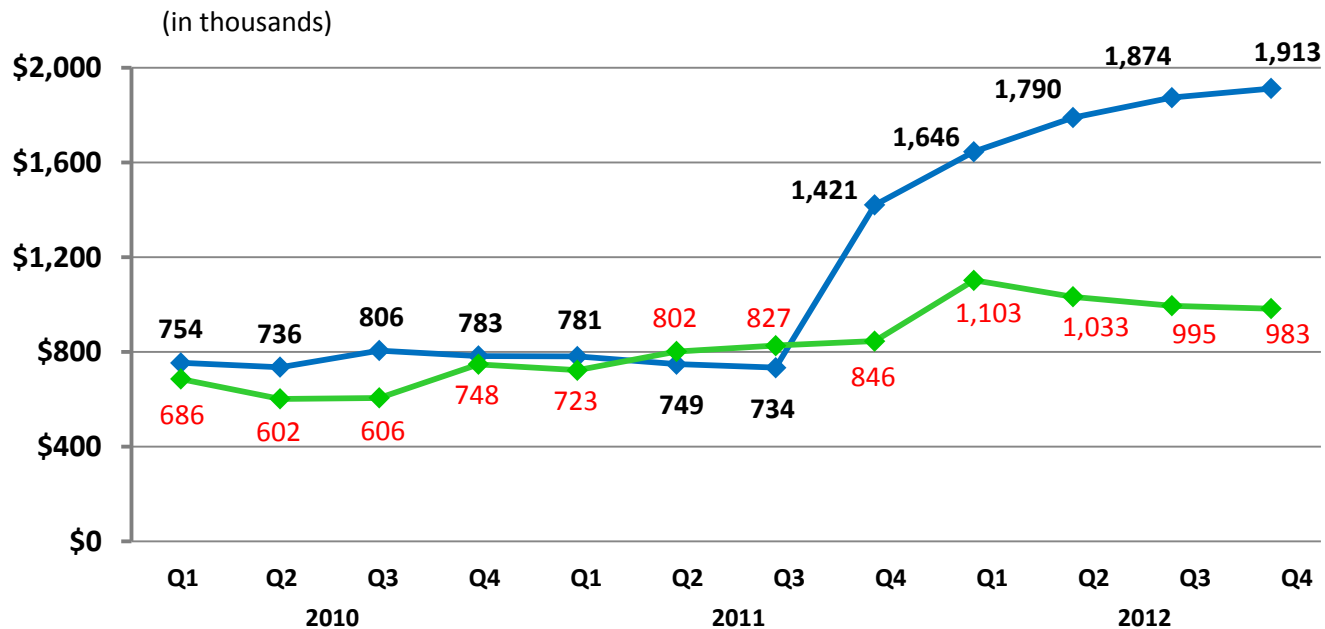
**Safe Harbor Statement:** The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by us or on our behalf. Except for the historical information, this offering contains various forward-looking statements which represent our expectations or beliefs concerning future events, including the future levels of cash flow from operations. Management believes that all statements that express expectations and projections with respect to future matters; our ability to negotiate contracts having favorable terms; and the availability of capital resources; are forward-looking statements within the meaning of the Private Securities Litigation Reform Act. We caution that these forward-looking statements involve a number of risks and uncertainties and are subject to many variables which could impact our financial performance. These statements are made on the basis of management's views and assumptions, as of the time the statements are made, regarding future events and business performance. There can be no assurance, however, that management's expectations will necessarily come to pass. We will also be discussing certain financial measures such as adjusted EBITDA, which represents a non-GAAP financial measure.

## Financial Results

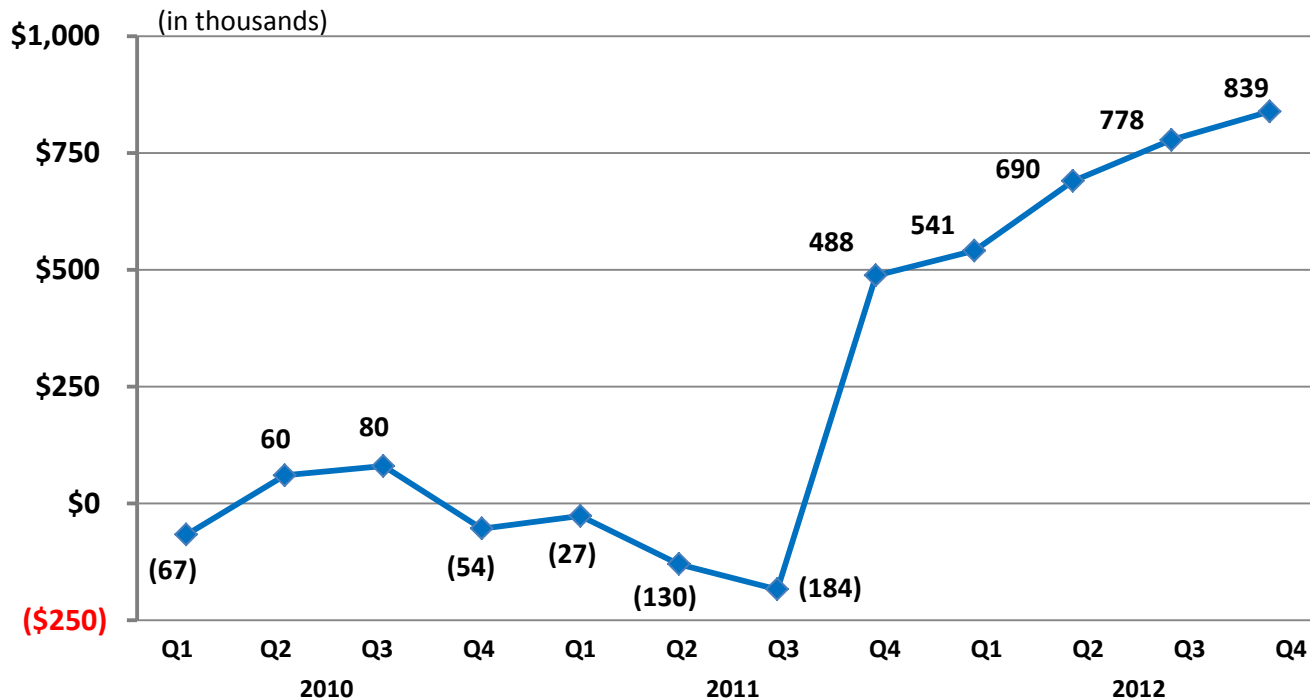
## Quarterly Revenues



## Revenues vs. SG&A Expenses

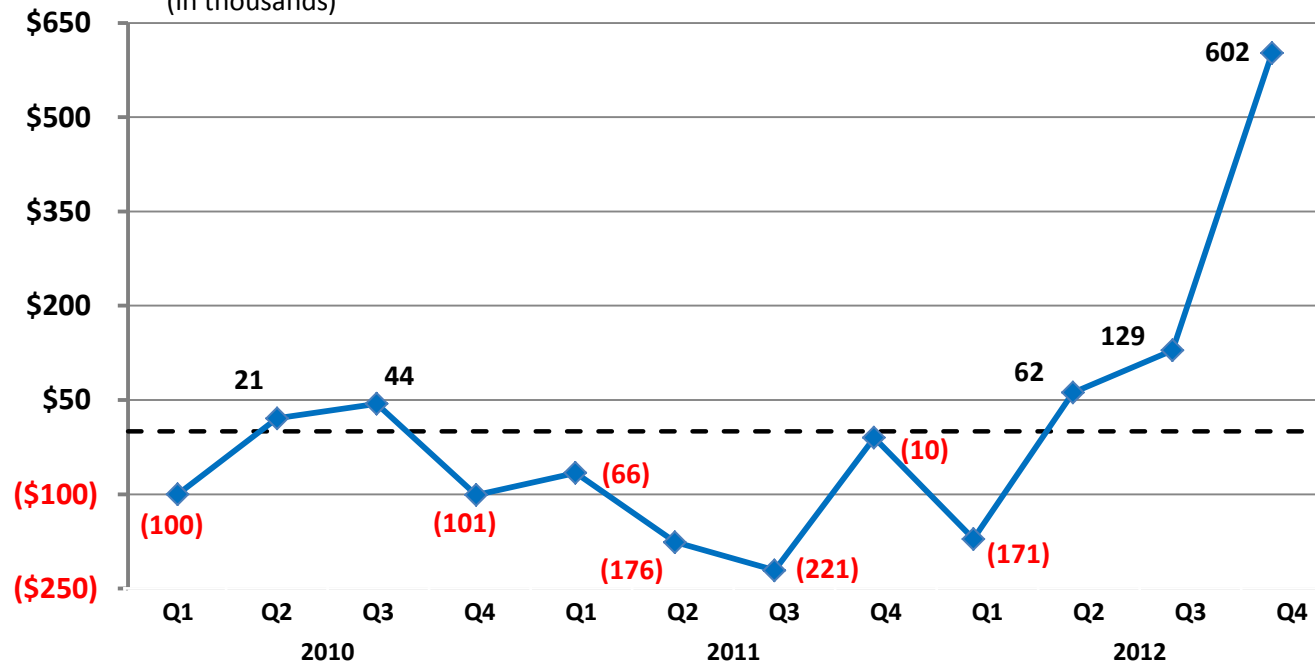


## Quarterly EBITDAS (Non-GAAP)



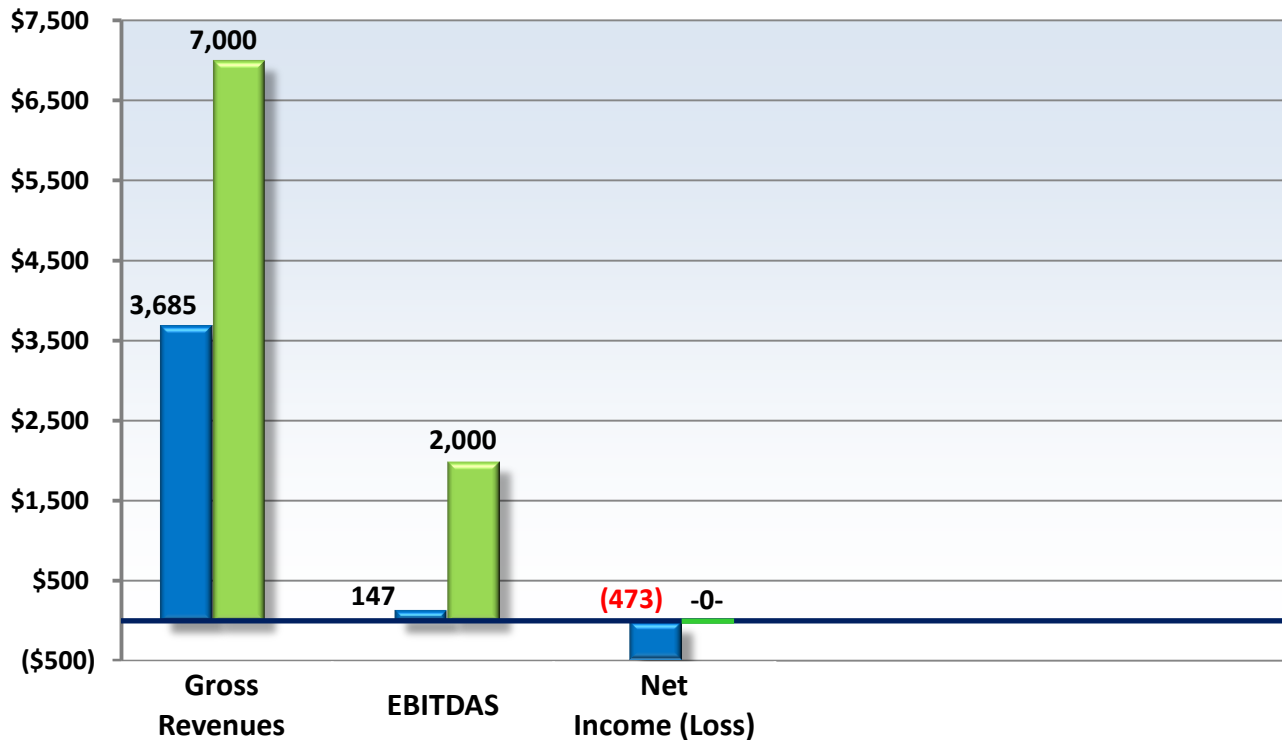
## Quarterly Net Income (Loss)

(in thousands)



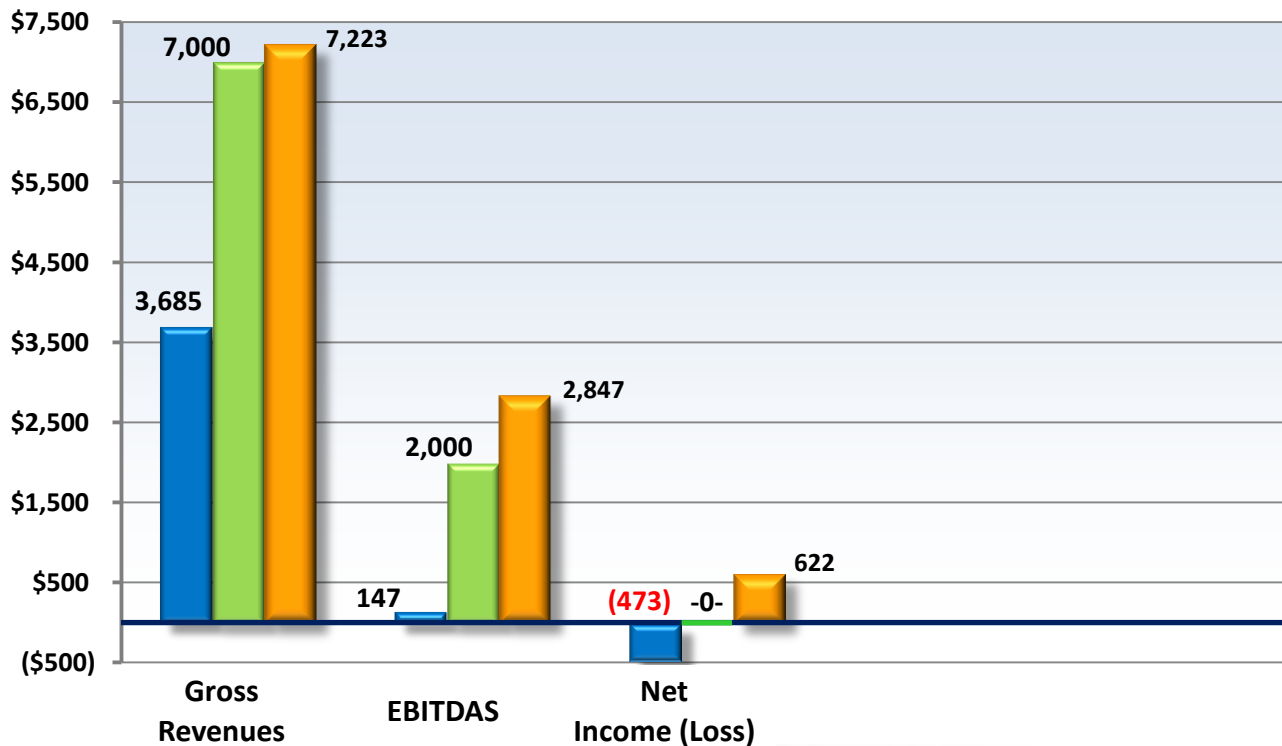
## Annual – 2011 vs 2012 Budget

(in thousands)





## Annual – 2011 vs 2012 Budget vs 2012 Actual (in thousands)





## Performance Metrics

		As of December 31,			
		2011		2012	
		Units in Service	Average Quarterly Revenue	Units in Service	Average Quarterly Revenue
<b>Proprietary Table Games</b>					
	Premium Games	401	\$889	417	\$1,444
	Side Bets	2,182	\$219	2,638	\$391
	Sub-Total	2,583	\$324	3,055	\$535
<b>Enhanced Table Systems</b>					
	Bonus Jackpot System	115	\$679	85	\$813
	MEGA-Share	11	\$29	22	\$224
	Sub-Total	126	\$621	107	\$692
<b>e-Tables (Seats)</b>		35	\$1,560	50	\$1,561
	<b>TOTAL</b>	<b>2,744</b>	<b>\$333</b>	<b>3,212</b>	<b>\$556</b>

## Organic Growth

### Annual Run Rate of Recurring Revenues:

At December 31, 2011 <sup>1</sup>	\$5.7m
At December 31, 2012 <sup>2</sup>	\$7.5m
Increase year-over-year	\$1.8m
Organic growth	31.6%

<sup>1</sup>Based on Q4 2011 revenues of \$1,429k

<sup>2</sup>Based on Q4 2012 revenues of \$1,884k

## Long-Term Debt

- Paid down over \$1.4m in 2012
- Expect to pay down an additional \$2.1m in 2013
- At 12/31/13 balance will be almost \$17m
- Annual Run Rate from PTG Assets = \$3.7m
- Favorable terms & interest rates going forward

## The Transformation

### ≤ 2011

- Product Introductions / Deployment – Static
- Revenues – Low Growth / Flat
- Net Losses
- Negative Cash Flow

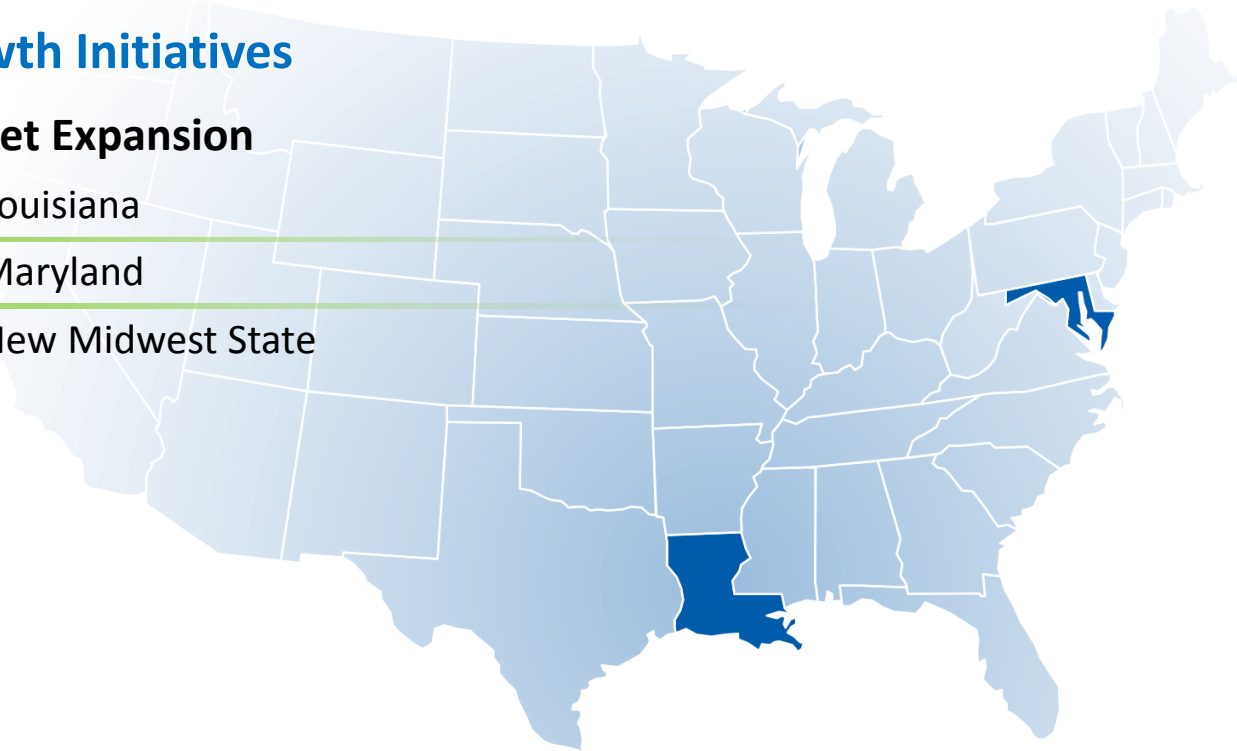
### ≥ 2012

- Increased Product Introductions / Deployment
- Revenues – Increasing
- Net Income
- Positive Cash Flow

## Growth Initiatives

### Market Expansion

- Louisiana
- Maryland
- New Midwest State



## Growth Initiatives

### Increased Foreign Market Share

- United Kingdom
- Ireland
- Europe



## Growth Initiatives

### Leverage “Bonus Jackpot System”

- “MEGA-Share” & “Share The Wealth”
- Inter Casino jackpot System / Galaxy Jackpot Promotions





## Growth Initiatives

### Product Development and Deployment

- Emperor's Challenge Upgrade
- New "Texas Hold'em" Game
- "High Card Flush"



**FEEL THE RUSH!**  
With...  
**HIGH CARD FLUSH**

LEARN TO PLAY OUR NEWEST TABLE GAME AT THE...

 **AGUA CALIENTE**  
Casino • Resort • Spa  
RANCHO MIRAGE

FRIDAY, April 5th from 3 to 11 PM.  
Play 5 FREE hands of High Card Flush  
and be entered into a drawing  
for a chance to WIN \$50!

**5 FOR \$50**

\$50 Winner picked each hour from 6 to 10  
(Details at High Card Flush Promotional Tat)

 **Galaxy Gaming** | GLXZ  
Las Vegas, NV | [www.galaxygaming.com](http://www.galaxygaming.com) | [fb: galaxygaminglv](https://twitter.com/galaxygaminglv)



**FEEL THE RUSH!**  
With...  
**HIGH CARD FLUSH**

If you've entered in one of our hourly drawings,  
then stick around until the final drawing for our...

**5 FOR \$50**

**\$250 BONUS DRAWING!**



**FEEL THE RUSH!**  
With...  
**HIGH CARD FLUSH**

**HOW TO PLAY**

- ANTE WAGER** - Only mandatory wagers. Win when your Flush is higher than the Dealer, or if the Dealer doesn't qualify.
- RAISE WAGER** - Raise wager or fold. Made it to 10th your Ante wager, doubling more you can wager! (Dealer must qualify to win)
- FLUSH WAGER** - Calculate your Flush to the pottable for great odds.
- STRAIGHT FLUSH WAGER** - Win big with a Straight Flush. The bigger the Straight Flush, the more you win! (Flushed and Straight Flush wagers automatically pay even if the Dealer has a higher hand.)

[www.galaxygaming.com](http://www.galaxygaming.com) | [www.highcardflush.com](http://www.highcardflush.com)



**FEEL THE RUSH!**  
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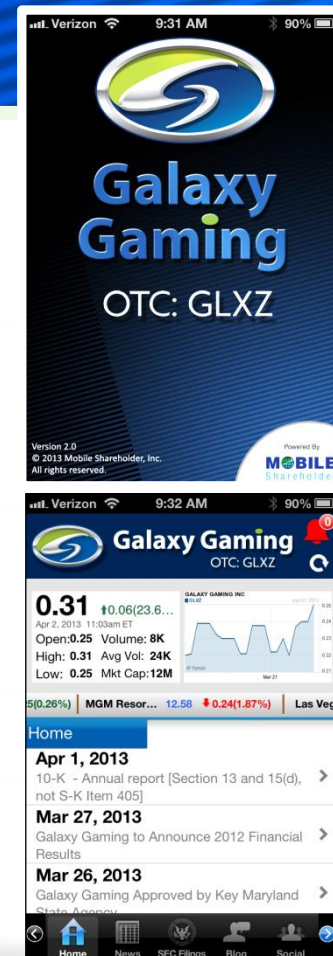
WINNER PICKED EACH HOUR!  
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Plus...  
**LIKE US ON FACEBOOK**  
and WIN AN IPOD!!!

 **Galaxy Gaming** | GLXZ

## Investor Visibility and Liquidity

- Updated Galaxy Branding
- Upgrade Web Presence
  - Investor Information on Web Site
  - Social Media
- Galaxy Gaming Mobile App
  - iPhone / iPad: “Galaxy Gaming”
  - Android: “Galaxy Gaming Finance”
- Expand Presence at Investor Conferences
- Merriman Capital Advisors



# Closing Remarks

Robert Saucier, CEO

## Q & A