

Progressive Gaming Streamlines Operating Structure with a Focus on Customer Service and Cash Flow

2008-09-29

Effects Annualized Expense Reductions of \$13 - \$15 Million, Positions Company to Improve Cash Flow and EBITDA

Progressive Gaming International Corporation (NASDAQ: PGICD) ('the Company'), a provider of diversified products and services used in the gaming industry worldwide, announced today that it has taken action to reduce annual aggregate selling, general and administrative, research and development and operating expenses by approximately \$13 - \$15 million, or approximately 25% - 29%.

Progressive Gaming International Corporation's President and Chief Executive Officer, Terrance W. Oliver, commented, 'The \$13 - \$15 million reduction in annual operating expenses positions the Company to achieve improving EBITDA and cash flows at a time when worldwide economic challenges have slowed the adoption rate for gaming industry system placements. Accordingly, while we believe our cost reductions and continued focus on sales addresses this near-term uncertainty, we have, as disclosed last week, suspended our full year guidance for revenue and systems installed base metrics and EBITDA.

'Progressive Gaming possesses deep domain knowledge in important gaming industry technologies such as RFID systems applications and distributed open software architecture for mission critical regulated industries. Elements of our advanced systems solutions are installed at nearly all major gaming companies, including the most prominent gaming operators worldwide. Notwithstanding the cost reduction announced today, we remain ready to meet all of the current and future installation needs of our global customers who have committed to Progressive Gaming's products, systems and solutions.

'We are focused on delivering consistent EBITDA and cash flows based on our system technology expertise, strategic partnership and leaner operating structure. In addition, the Board of Directors continues to evaluate alternative measures to enhance the Company's financial performance and / or increase shareholder value.'

The Company has streamlined certain sales, marketing and service functions by leveraging distribution channels and through the planned consolidation of regional offices. Additionally, the Company will not participate in trade shows and instead will focus on direct customer meetings and focus groups. The Company's executive management has agreed to a reduction of their salaries along with foregoing other fringe benefits.

The Company has carefully considered its customer service commitments and engineering commitments when developing its restructuring plan and will remain focused on these key priorities.

Progressive Gaming is a trusted leader of enterprise gaming solutions and supplier of integrated casino and jackpot management systems for the gaming industry worldwide.

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