



TRANSACT TECHNOLOGIES RECEIVES PATENT FOR ITS STANDARD CONFIGURABLE USB DEVICE IDENTIFIER

Patented Technology Allows for Quick Interchange of Printers on Live Systems

Wallingford, CT – August 23, 2005 – TransAct Technologies Incorporated (Nasdaq: TACT), a leading producer of transaction-based printers for customers worldwide, today announced that it was awarded U.S. patent no. 6,931,456 for its standard configurable Universal Serial Bus (USB) device identifier. The technology covered by the newly allowed patent enables a printer to be interchanged with another printer from the same printer model line, without requiring reinstallation of the device driver or reconfiguration of the communication port by the host driver.

Bart C. Shuldman, Chairman, President and CEO said, "We are extremely pleased to receive our latest patent, as it adds to our growing portfolio of patents and further strengthens our competitive advantage in the marketplace. USB interfaces are gaining increasing attention in all our markets because they are quicker and more efficient than traditional interfaces and we believe they will be the future interface for most printers. One of the benefits of our patented technology is for manufacturers looking to use USB interfaces inside their systems or games as it allows printers or other devices to be easily replaced without the time consuming reinstallation of the device driver from the host or game controller to the printer or other devices that must occur with standard USB interfaces. Customers across all of our markets want to avoid having to either shut down terminals or games or wait until the download from the host or gaming machine occurs when a printer is being replaced for maintenance, repair or other reasons. TransAct's technology leverages the USB interface to provide a "hot-swappable" solution. Customers will be able to swap printers even when the system is live thereby reducing downtime that can lead to lost revenue. This feature is critical in our target markets of POS, Banking, Gaming and Lottery."

About TransAct Technologies Incorporated TransAct (Nasdaq: TACT) designs, develops, manufactures and markets transaction-based printers under the ithaca® name. In addition, the Company markets related consumables, spare parts and service. The Company's printers are used worldwide to provide receipts, tickets, coupons, register journals and other documents. TransAct focuses on two core markets: point-of-sale (POS) and banking, and gaming and lottery. TransAct sells its products to original equipment manufacturers, value-added resellers and selected distributors, as well as directly to end-users. The Company's product distribution spans across the Americas, Europe, the Middle East, Africa, the Caribbean Islands and the South Pacific. For further information, visit TransAct's web site located at www.transact-tech.com.

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Forward-Looking Statements: Certain statements in this press release include forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology, such as "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "project" or "continue" or the negative thereof or other similar words. All forward-looking statements involve risks and uncertainties, including, but are not limited to, customer acceptance and market share gains, both domestically and internationally, in the face of substantial competition from competitors that have broader lines of products and greater financial resources; introduction of new products into the marketplace by competitors; successful product development; dependence on significant customers; dependence on significant vendors; the ability to recruit and retain quality employees as the Company grows; dependence on third parties for sales outside the United States, including Australia, New Zealand, Europe and Latin America; economic and political conditions in the United States, Australia, New Zealand, Europe and Latin America; marketplace acceptance of new products; risks associated with foreign operations; availability of third-party components at reasonable prices; price wars or other significant pricing pressures affecting the Company's products in the United States or abroad; and the outcome of lawsuits between TransAct and FutureLogic, Inc. Actual results may differ materially from those discussed in, or implied by, the forward-looking statements. The forward-looking statements speak only as of the date of this release and the Company assumes no duty to update them to reflect new, changing or unanticipated events or circumstances.