



TRANSACT TECHNOLOGIES SIGNS \$1.5 MILLION SERVICES RENEWAL CONTRACT

-- Company Extends Services Agreement To Support the U.K. Postal Service Through Fujitsu Services --

Wallingford, CT - May 4, 2006 - TransAct Technologies Incorporated (Nasdaq: TACT), a leading producer of market specific printers for transaction-based industries worldwide, today announced that it has signed a 12-month renewal agreement with Fujitsu Services to provide repair and technical services to support the U.K. Postal Service's installed base of TransAct's Ithaca® brand dot matrix printers. The contract extends through April 2007 and is valued at \$1.5 million.

Bart C. Shuldman, Chairman, President and Chief Executive Officer of TransAct Technologies, said, "During the last two years TransAct has placed significant emphasis and dedicated resources on expanding and growing our TransAct Services Group. This global sales unit is now a significant revenue driver for the Company. This contract renewal is another major win for our services group and extends our long-term relationship with Fujitsu."

About TransAct

TransAct Technologies Incorporated (Nasdaq:TACT) is the leader in developing and manufacturing market-specific printers for transaction-based industries. These industries include gaming, lottery, banking and hospitality. Each individual market has distinct, critical requirements for printing and the transaction isn't complete until the receipt and/or ticket is produced. TransAct printers are designed from the ground up based on market specific requirements and are sold under the Ithaca® and Epic product brands. TransAct distributes its products through OEMs, value-added resellers, selected distributors, and direct to end-users. TransAct has over two million printers installed around the world. TransAct has a strong focus on the after-market side of the business, with a high commitment to printer service, supplies and spare parts. TransAct is headquartered in Wallingford, CT. For more information on TransAct, visit www.transact-tech.com or call 203.859.6800.

Contacts

Steven DeMartino, Chief Financial Officer, 203-859-6810 or David Pasquale, 646-536-7006, or Denise Roche, 646-536-7008, both with The Ruth Group

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.