

TRANSACT TECHNOLOGIES INTRODUCES NEW LINE OF ITHACA® PRINTERS AVAILABLE EXCLUSIVELY THROUGH ITS DISTRIBUTION PARTNERS

-- Launches Three New Printer Models To Meet the Needs of the Reseller Channel --

Wallingford, CT, May 24, 2005- TransAct Technologies Incorporated (Nasdaq: TACT), a leading producer of transaction-based printers for customers worldwide, today announced the introduction of a new dedicated line of Ithaca printers that will be sold exclusively through its distribution partners. This new distributor line, launching initially with three models: the Ithaca 500, 510, and 610 printers, combines the quality and performance of TransAct's Ithaca® brand printers at a price point that meets the needs of the reseller channel. The printers will be available solely through the Company's U.S. distribution partners: BlueStar, Inc. (www.bluestarinc.com), Metropolitan Sales (www.metsales.com), or ScanSource, Inc. (www.scansource.com), and its international distributors.

The new Ithaca printer line for distributors is being introduced at the National Restaurant Association Show (booth # 5773), May 21-24 in Chicago and at the Retail Systems Show (booth # 1924), May 24-26 in Chicago.

Scott Carter, Senior Vice President of Global POS and Banking for TransAct Technologies, said, "Our channel partners have asked for Ithaca's uncompromising design attributes to be incorporated into economical thermal and inkjet receipt printers. We listened and are delivering. All three printers designed specifically for our reseller channel offer the features, robust construction and durability for which Ithaca is known, at attractive prices that can help the channel grow their business."

Bart C. Shuldman, Chairman, President and Chief Executive Officer of TransAct Technologies, said, "The launch of our new Ithaca printer line was a direct response to requests from our distributors. We are committed to building long-term, mutually beneficial relationships with our channel partners and we believe this will further strengthen our relationship with them. The new line marries price and performance to deliver speed, reliability and tremendous functionality critical for high volume printing environments. We have already received a positive response on the new line from our distribution partners and expect it to be an integral part our POS product offerings."

The Ithaca® 610 thermal printer has a vertically mounted PC board and internal protected power supply for a robust, spill-resistant design. Its extra-large, drop-in paper roll maximizes uptime, while a fast 6-inches per second speed will keep transactions moving. Designed with a small footprint, the Ithaca 610 can be conveniently tucked away or wall mounted.

The Ithaca® 500 and 510 printers offer monochrome inkjet printing at a price point that will drive current impact printer users to upgrade to the improved technology that inkjet offers. Both printers are loaded with the real-world features required in the most demanding retail or hospitality environments, such as proven Hewlett-Packard inkjet technology, fast 12 lps printing, 4-inch paper roll capacity, and automatic paper loading to reduce downtime.

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.

CONTACTS: Steven DeMartino, Chief Financial Officer, 203-269-1198 Ext. 6059 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 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; and the absence of price wars or other significant pricing pressures affecting the Company's products in the United States or abroad. 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.