



TransAct Technologies Receives Notice Of Allowance For Pending Patent Application

Wallingford, CT - August 19, 2004 - TransAct Technologies Incorporated (Nasdaq: TACT), a leading producer of transaction-based printers for customers worldwide, today announced that it has received a notice of allowance from the U.S. Patent and Trademark Office for the Company's pending patent application entitled "Stacker for a Printer." The patent application covers TransAct's proprietary design for an automatic stacking function for high-speed printers that dispense quantities of tickets, vouchers, receipts, coupons and other printed materials.

Bart C. Shuldman, Chairman, President and CEO of TransAct Technologies, said, "Our printer stacker technology is a breakthrough for applications such as lotteries where multiple receipts or tickets must be printed one after another. We expect the printer stacker to be well received for wagering and lottery terminals, as well as other point-of-sale terminals where sales personnel are typically required to compile multiple tickets for a single transaction by hand. This is a time consuming procedure that can lead to errors and long delays in ticket sales. TransAct's 'stacker for a printer' prevents such problems with its automatic stacking function for printers."

The "Stacker for a Printer" uses a kicker element in the cutting station of a transaction-based printer to coordinate with the rotary cutter so that the severed sheet is automatically stacked in a bin located in the top cover of the printer. The stacker can be used with inkjet, dot matrix, dye sublimation or thermal printers used to print tickets, vouchers or coupons.

Mr. Shuldman concluded, "We work hard to be on top of the latest market needs and are actively developing effective technologies to fulfill those needs. Our innovations, such as the printer stacker, help TransAct maintain its leadership position in the industry."

About TransAct Technologies Incorporated

TransAct (Nasdaq: TACT) designs, develops, manufactures and markets transaction-based printers under the ITHACA® and MAGNETEC® names. 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 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 Ting Mei Chong, 646-536-7026 both with The Ruth Group

Forward-Looking Statements:

The Company's forward-looking statements in this press release are subject to a number of risks and uncertainties. Risks and uncertainties include, 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 third parties for sales outside the United States, including Australia and New Zealand; 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.