



TRANSACT TECHNOLOGIES SIGNS AGREEMENT WITH MAJOR OFFICE SUPPLY COMPANY

-- TransAct Services Group Secures Significant Amount of Incremental Inkjet Cartridge Business --

WALLINGFORD, CT, August 15, 2006 - TransAct Technologies Incorporated (Nasdaq: TACT), a global leader in market-specific printers for transaction-based industries, today announced that it has signed an agreement with a leading national office supply chain to supply inkjet cartridges for use in the existing and growing installed base of TransAct's line of inkjet printers in the marketplace. The Company expects to ship approximately \$1.4 million of inkjet cartridges per year under the agreement.

Bart C. Shuldman, Chairman, President and Chief Executive Officer of TransAct Technologies, said, "We are pleased to have added one of the premier office supply companies to our portfolio of customers. We have learned that many customers in the banking market prefer to purchase their consumables through the large office supply and services providers. This is a new opportunity for TransAct, as we had not previously focused on this sales channel for our consumable products. We are committed to delivering consumables to our growing customer base in the manner they prefer, either through direct sales or through contracts like the one we have just signed. With this contract, our TransAct Services Group has now secured a significant amount of incremental inkjet cartridge business."

About TransAct Technologies Incorporated

TransAct Technologies Incorporated (Nasdaq:TACT) is a 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 is not 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 also 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.

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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; risks associated with potential future acquisitions; 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.