PARTICIPANTS

Corporate Participants

David B. Lopez – President, Chief Executive Officer & Director, Global Cash Access Holdings, Inc.
Mary Elizabeth Higgins – Chief Financial Officer & Executive Vice President, Global Cash Access Holdings, Inc.

Other Participants

David Bain – Analyst, Sterne, Agee & Leach, Inc.
George F. Sutton – Analyst, Craig-Hallum Capital Group LLC
Daniel J. Moses – Co-Founder & Partner, Seawolf Capital LLC
Matthew J. Kempler – Analyst, Sidoti & Co. LLC
Jason M. Goins – Analyst, Wellington Management Co. LLP

MANAGEMENT DISCUSSION SECTION

Operator: Good afternoon, ladies and gentlemen. Thank you for standing by. Welcome to the Global Cash Access Holdings Inc. 2013 Third Quarter Earnings Conference Call. During today's presentation, all parties will be in a listen-only mode. Following the presentation, the conference will be opened for questions. This conference is being recorded today, Tuesday, November 5, 2013. I would now like to turn the conference over to [ph] Julie Yusgart, Treasury Director (0:00:23). Please go ahead ma'am.

Unverified Participant

Thank you, and welcome everyone to GCA's 2013 third quarter earnings conference call. Joining me on today's call is President and Chief Executive Officer, David Lopez, and Executive Vice President and Chief Financial Officer, Mary Beth Higgins.

On today's call, David will be giving an overview on the company's progress and then Mary Beth will provide a brief update on our financial performance for the third quarter and review our guidance for 2013. Following these comments, we will be happy to take questions. A few important items before I turn it over to David.

First, we have posted our earnings release to the Investor Relations section of our website at www.gcainc.com for anyone who needs access to that information. Also, during this call, if we use any non-GAAP financial measures for references, we will put up the appropriate GAAP financial reconciliation on our website. Finally, a replay of today's call will be posted on our website around 5:00 PM Pacific Time.

As we begin, let me remind everyone that today's discussion contains forward-looking statements based on the environment as we currently see it, and are subject to a number of risks and uncertainties. These include, without limitation, statements regarding market and segment trends and conditions in the cash access, kiosk and gaming industry for the remainder of 2013 and future periods; the anticipated impact of less favorable pricing terms associated with several customer contract renewals in 2013; the anticipated impact of certain customers not renewing their contracts; flat-to-low industry growth; limited significant or projected casino openings in 2013; significant projected increases in our kiosk sales and services business in 2013; continued investment with

respect to the company's technology infrastructure and personnel; our product pipeline and ability to introduce new products and services; our current perspective on the Internet and social gaming landscape; our current perspective and belief about our strategic alliances and partnership; the implemented changes to rules and regulations regarding the interchange reimbursement structure for ATM transactions and other uncertainties regarding changes in network fees on our business; our projections and guidance regarding cash EPS, adjusted EBITDA and other financial metrics; regulatory approvals for new products; and our competitive position. For factors that could cause actual results to differ materially from those described in our forward-looking statements, we refer you to our SEC filings and the Risk Factors set forth therein.

With that, let me now hand it over to David.

David B. Lopez, President, Chief Executive Officer & Director

Thank you, [ph] Julie (0:02:59), and good afternoon, everyone. Thanks for joining us today to discuss Q3 2013 financial results and progress on our overall business. On today's call, we'll spend time discussing the following topics. First, we will go over third quarter results and provide more focused guidance for the full year. I'll briefly discuss two meaningful customer contracts that we were recently awarded, those being ARIA and Alberta Gaming. We'll discuss go-live in Minnesota iLottery with Sci Games, and our final topic, investing in GCA's future.

Let's start at a high level where in the quarter we delivered revenue of $146.1 million, adjusted EBITDA of $17 million and cash EPS of $0.19. In reviewing our year-to-date performance and the shift in some of our kiosk sales to the fourth quarter, we remain comfortable with our full-year guidance figures of adjusted EBITDA between $70 million and $74 million. And due to the savings we achieved by reducing our borrowing rates in Q2, we are narrowing our cash EPS estimates from between $0.74 and $0.83 to between $0.77 and $0.83.

As a reminder, our planned kiosk sales will be the significant variable in that range. In Q3, our top contributors were, once again, cash access segment and other, which was primarily driven by kiosk sales. The cash access segment revenue and contribution were ahead of plan for the quarter, which was bolstered by our international locations, in particular our European operations. All the cash access metrics are growing in the right direction with the same stores transaction volume, size of transactions, and cash to the floor all continue to increase year-over-year.

Our Other segment increased primarily due to kiosk sales and services. As we have discussed on prior calls, we are encouraged by our robust kiosk pipeline and how the product completes our payments ecosystem. This single point of accountability or one-stop shopping, along with a clear picture of our replacement cycle, gives us a good visibility of the run rate we have for our hardware platform. With this in mind, I need to remind our shareholders that the delivery of sold products will occasionally be lumpy, which can push or pull revenue from one fiscal period to another.

Our other operating segments, ATM and Check, had very similar results to the first and second quarters, both of which will be covered by Mary Beth in her remarks.

Now, I'd like to take – now I'd like to talk about two meaningful customer announcements. First is the contract we recently awarded with ARIA, which is an MGM Resorts property. Although it is an MGM property, we were not previously providing cash access or kiosks to ARIA under our existing MGM corporate contracts.

In this latest development, we were awarded the contract for both cash access and kiosk sales and services. This is an exciting moment for us, as the ARIA account has been a target of ours since the property first opened and is a step in the right direction for us to expand our relationship with

MGM Resorts International who is currently a top customer of ours. My last point here is that we are actively engaged with MGM Resorts to potentially renew the services at the remainder of its properties.

Our second announcement is the signing of a sizable kiosk deal with the Alberta Liquor and Gaming Commission. This is the largest international kiosk sale in our history and, much like the ARIA transaction, the Alberta contract has been a top target for our sales teams since we acquired Western Money Systems three years ago. With these two contracts, we continue to demonstrate further momentum in the kiosk base, as well as execute and deliver on our thesis that single point of accountability is of great importance and is resonating with our existing and our new customers.

On the last call, we announced our partnership with Scientific Games. We indicated the first iLottery launch was imminent. We're happy to announcement on September 10, we processed the first live transactions on our iGaming platform for the Minnesota Lottery.

With this, it's safe to say that our partnership with Sci Games is in full swing, the integration of the Every Wallet with the Sci Play platform facilitates the management of the lottery's complex multi-currency wallet, as well as payment processing. So yes, we now have revenue dollars in the interactive space. We expect to add an additional state lottery this quarter and we will continue to support Scientific Games' efforts as they expand their Internet offerings.

Let's talk about investing in GCAs future. Over the past 18 months, when we've been focusing your attention on various strategic initiatives, we've been internally focused on technology refresh for a large part of our delivery platform. In the next 12 months, GCA will be rolling out its upgraded core payment processing platform, point-of-purchase terminals, and cage applications.

This is a necessary investment in our future and we believe it is our responsibility, as the market leader, to deliver the best and most current user experience possible. This new platform will allow for tighter integration with our product peripherals and give us the flexibility to add upgrades, new products and services, as well as deliver faster transaction times and efficiencies for our customers.

Once again, the importance of this work should not be overlooked, as the industry takes on evolving technologies and feature sets. It is not just imperative that GCA be capable of integrating those, but we must providing the roadmap in initiating the change. Finally, we should comment briefly on M&A activities, as this is a critical time for the business strategy of GCA.

Over the next several quarters we'll be refining and communicating our long-term strategy in both of our business disciplines, gaming and payments. We want to be clear in our communication that just as it's important that we invest in our current products and technology, it is equally as important for us to examine M&A landscape for expansion opportunities, bet it through new products or new markets. These two topics: technology investment and M&A are an absolute focus for the team and we'll provide further updates at the appropriate time.

With that I will turn over to Marybeth before I'll return with some final thoughts.

Mary Elizabeth Higgins, Chief Financial Officer & Executive Vice President

Thanks, David. Good afternoon, everyone. Our cash EPS, which is defined as net income, plus equity compensation expense, plus deferred income tax spent, plus amortization, divided by diluted shares outstanding with $0.19 and $0.59 for the three and nine months ended September 30, 2013. Average diluted shares totaling $56 million and $67.2 million for the three and nine months ended September 30, 2013. Adjusted EBITDA, which excludes non-cash stock compensation expense for

the third quarter of 2013 was $17 million, a decrease of 18% from $20.8 million for the same period in 2012.

Same-store cash to floor, our best indicator of industry trend, showed overall growth, increasing approximately 1.6% for the third quarter of 2013 over the same period in 2012. This same-store cash to the floor is driven by both cash access credit and debit transaction, as transaction volume was up in those areas 4.5%. ATM same store cash to floor was down slightly at 0.9% compared to the same quarter last year and same store transaction volume was down 4.2%.

On a segment basis cash advance revenues, operating income, and operating margin were $58.3 million, $15.2 million, and 26% for the third quarter and a $174.3 million, 46.5 million and 27% for the nine months ended September 30, 2013. This is a 1% revenue increase from the prior year in both the quarter and year-to-date period.

On a segment basis, ATM revenues, operating income, and operating margin were $71.6 million, $6.1 million and 9% for the quarter and $219.9 million, $19.3 million and 9% for the nine months ended September 30, 2013. Revenue was down approximately $4.8 million, or 6%, from the third quarter of 2012 and $13.5 million, or 6%, for the nine months ended 2012. Of note $3.1 million of the year-to-date decrease was anticipated and was a result of the card association rules changes and the amount of reverse interchange that we receive on ATM transactions, which began in April of 2012. The remaining decrease in revenue was the result of lower transaction volumes at our same-store locations, combined with previously disclosed lost business.

As a result of the revenue decrease, the ATM margin also decreased in Q3 and year-to-date 2013. This decrease in margin was the result of both the increases in surcharges, enacted by casino customers, to offset that reverse interchange pass-through from Q2 2012, as well as transaction volumes decreases. On a segment basis, Check Services revenue, operating income, and operating margin were $5.4 million, $3.1 million and 57% and $16.8 million, $9.9 million, and 59% respectively for the three and nine months ended September 30, 2013.

Revenue was down 19% and 15% respectively from Q3 and year-to-date 2012 due to declining transactions, which includes previously disclosed lost business. Our other segment includes primarily the result of kiosk sales and services and central credit operations. On a segment basis, other revenues, operating income and operating margin were $10.8 million $4.4 million, and 41% for the third quarter of 2013, and $31 million, $14 million and 45% for the nine months ended September 30, 2013.

Revenues were up approximately 16% and 37% respectively from the same period in 2012, primarily due to higher kiosk sales. Operating income was up 21% for the year-to-date 2013 period compared to the same period in 2012. Segment operating margin was lower, in part, due to some large lower margin sales, including a large international dealer sale in the kiosk business during the third quarter of 2013. Corporate operating expenses were $17.4 million and $51.8 million respectively for the three and nine months ended September 30, 2013, as compared to $17.6 million and $50.3 million respectively for the same period in 2012.

The quarter-to-date decrease was primarily due to lower payroll and related and non-cash stock comp expenses, which were partially offset by higher occupancy, travel and marketing related expenses for the three months ended September 30, 2013. The year-to-date increase was primarily due to higher payroll and related occupancy travel and marketing expenses, which were partially offset by non-cash stock compensation expense.

Looking to our guidance for 2013, the company is progressing in line with our budgets to the nine months ended September 30, 2013 and, as David suggested earlier, we're firming up our guidance range primarily due to the decrease in our cash interest costs, which were a result of the credit

amendment in the last quarter. Our tightened guidance on cash earnings per share will be approximately $0.77 to $0.83 on diluted shares of approximately 67.2 million and adjusted EBITDA guidance will remain between $70 million and $74 million.

As we indicated in our press release earlier this year, this outlook is based upon margin degradation from our customer renewals in both 2012 and 2013, the anticipated impact from the loss of customers, a stable but low single-digit growth in the US casino industry with limited casino openings in 2013, and the anticipated growth in our kiosk sales and services businesses. On an operating expense basis, we anticipate a slight increase to SG&A due to the relocation of our corporate headquarters, as well as continued investment with respect to the company's technology infrastructure and personnel.

Looking briefly to the balance sheet, as of September 30, 2013, our total borrowings outstanding were $106.5 million and our leverage ratio was approximately 1.5 times. As of September 30, 2013, cash was at $143 million, again a high cash level at the end of the quarter was based on the calendar. Our capital expenditures were $11.5 million for the nine months ended September 30, 2012 and are still estimated to be between $14 million and $15 million for the year. This is primarily due to costs associated with the development of our iGaming product, continued spending on the improvement of our base platform and base products, as well as capital required in connection with our new corporate headquarters.

We have repurchased approximately 400,000 and 2.1 million shares of common stock for cash of $2.8 million and $14.5 million respectively under our share repurchase program during the three months and nine months ended September 30, 2013. We remain focused on both debt reduction and our stock repurchase plan for the remainder of the year.

Now I'd like to turn the call back over to David for some closing remarks.

David B. Lopez, President, Chief Executive Officer & Director

Thank you, Mary Beth. In September, we participated in the Annual Global Gaming Expo here in Las Vegas. Much like last year, I was amazed with the foot traffic and quantity of decision-makers in the GCA booth for the duration of the show. Without overstating it, we had another great showing this year. Although we remain in a highly competitive environment, our strategy of being the most complete provider in payment and cash management products is gaining momentum and interest with our customers.

As is usually the case, G2E is an opportunity for our customers to see where we are investing in the business and gives them a glimpse into the future of their cage with Cash Club, the future of cash management with the recycler and on the heels of the successful launch of the CXC 4.0 kiosks, we introduced a slim line version, the CXC-Lite.

To add a little color, the recycler offers standard multifunction capabilities but adds the ability of recycled cash from bill breaks to reduce total cash needs on the floor. The CXC-Lite, which is a new full functionality kiosk, has a smaller footprint and a lower price point, which meets the needs of our customers who have floor space and/or budget limitations. These kiosks generated great new product interest and offered an excellent segue to discussing our online or Everi product solutions, which, along with our kiosk products, will bridge online gaming with the brick and mortars operation. As a reminder, Everi is the brand name we announced last quarter for our interactive product line.

Our ability to demonstrate these products, along with the news that we were live with the iLottery with our Sci Games relationship, gave us significantly more interest than we had experienced for

iGaming at last year's show. It was clear that our customers can now see the visions becoming a reality.

Earlier, I mentioned our ongoing investment in our core platform, we also commented on our M&A focus and now we have closed the discussion today with what was another exciting and productive G2E. We believe these previous and ongoing investments in our core cash services, new products, such as QuickTicket and TableXchange and potentially in additional products or markets via acquisitions should prove to our customers and our investors that we are committed to the future, creating value for our customers and producing future returns for our shareholders.

With that, I'll turn it over to the operator for some questions.

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QUESTION AND ANSWER SECTION

Operator: Thank you, sir. [Operator Instructions] Our first question is from the line of David Bain with Sterne, Agee. Please go ahead.

<Q – Dave Bain – Sterne, Agee & Leach, Inc.>: Great, thanks. First, guys congrats on ARIA. I'm wondering if you believe that MGM's displacement thought process included maybe having all their properties with one cash access vendor or/and there were some other elements maybe they favored that your competition didn't have? Any color there would be great. And then, I guess, we can make our own read-through, but the renewal with the remaining MGM properties, is that something that you would press release when complete or if complete?

<A – David Lopez – Global Cash Access Holdings, Inc.>: All good questions, David. We're excited, obviously, about the ARIA contract win. I think this all points to – if it points to one thing certainly it would be what we referenced in the remarks. And that's that our customers are seeing the value of the one-stop shopping, or the single point of accountability, to be able to get their kiosks and cash access and their services from one vendor in the space. So I think that's one thing we're looking at there.

As far as it pointing to, you know, the larger MGM corporate deal, what we said there is we're in active discussions with them. So we're no longer in the preliminary process. We're in active discussions and we, obviously, hope and believe positive. We were positive that we can have something good happen there. And I believe that MGM is big enough that if it did not coincide specifically with a conference call, we would probably do a release.

<Q – Dave Bain – Sterne, Agee & Leach, Inc.>: Okay, great. And then, did any new data points from the beta launch of QuickTicket in Callie. I think the QuickTicket adoption rate was tracking pretty well, like low double-digits. And that was pre-marketing, and I'm wondering if your partner is looking to market the tack and then any detail you may have received from them on coin-in impact.

<A – David Lopez – Global Cash Access Holdings, Inc.>: Well, we haven't commented yet on the adoption rate. It sounds like we might do in some channel checking. But we're happy with where it's at, Dave. We're happy with this early in the game and getting it out in the environment to see what the customer's response is. I think what's important is we're moving forward to our next installation here and within Q4, we hope to have it done. And once we get that second installation and, obviously, we'll roll to a third and really volume and the number of accounts and the number of participants from a management perspective and is really going to speak volumes to us as far as how we managed the product going forward. But we're clearly excited and, yeah, I think that what we're seeing is positive so far. And we'll give updates and, hopefully, metrics in the future when we can get a more than a handful of accounts, we'll share exactly what it's doing for our customers.

<Q – Dave Bain – Sterne, Agee & Leach, Inc.>: Great. And then just final one and I'll leave it somewhat open-ended. New Jersey doing a soft launch online wagering at the end of November and possible discussions if you're having any of those with operators, and then maybe even a broader picture, if you can help us understand where these and the like are in terms of perhaps offering a more benign coating of transactions for a state to go online.

<A – David Lopez – Global Cash Access Holdings, Inc.>: I'll start with your last one first, which is Visa. And we don't have anything certain and they haven't done what their counterpart, Mastercard, has done with any sort of friendly online transaction coding yet. Obviously, we'd like to see them go down that path as soon as possible.

Yeah, New Jersey, if and when that time comes -- we've had discussions with operators, but if and when the time comes that we were to sign someone, clearly we would announce then on our call.

Our strategy really right now, David, is to just maintain focus on our Sci Games relationship and as they roll out into new jurisdictions, really follow their lead. We are looking at the iLottery business. We certainly talked to vendor – or we talked to our casino customers about it and we've got some good leads and we have some people that – we have some casinos that are sort of not live yet that we are in active discussions with. But when we – when they go live and when we sign those agreements, we will announce such news.

<Q – Dave Bain – Sterne, Agee & Leach, Inc.>: Okay, great, thanks.

<A – David Lopez – Global Cash Access Holdings, Inc.>: Good job. Thanks, David.

Operator: Thank you. Our next question comes from the line of George Sutton with Craig-Hallum. Please go ahead.

<Q – George Sutton – Craig-Hallum Capital Group LLC>: Thank you. David, I'm wondering if you could just walk through with us sort of the thought process you're getting back from customers, given the Graton and, now the, ARIA wins. Certainly relative to what we had heard earlier in the year with The Mohegan loss, it would certainly seem that you are getting the high profile properties and competitively continue to kind of sharpen your lead. Is that a fair summary?

<A – David Lopez – Global Cash Access Holdings, Inc.>: Yeah, I mean, I think there's couple of things here. First of all, Graton, they actually went live today and congratulations to them. Our feet on the ground are telling us that they had – they were so busy, they closed the doors. And I want to make sure I'm clear here [indiscernible] (0:24:23) closed the casino, they had to stop admitting people into the casino [indiscernible] (0:24:27) busy Graton is today.

So today, they opened up. They had their VIP opening over the weekend, and today was their official opening. And so Graton is officially knocking the cover off the ball. They're doing a great job up there. And I think, so, Graton and ARIA together, they probably had a similar thought process. I don't want to lose sight of the fact and not give credit to our sales team, because I can promise you even though our strategy is right, and I think the products are excellent and then our customers are seeing the value, our sales people worked very hard to get these done.

We're not just answering the phone call. So, we're in a competitive environment. Our sales people work hard to get things done. But I do believe that the thought process was similar and I think that we're starting to get some good references in the marketplace, George, where they can call a customer of ours that has that single point of accountability, or has all of our product lines under one roof, and perhaps that customer, that's the reference, didn't have that previous. And now that they have single-point-accountability, now that they're, with GCA, been working so hard on, you know, everything from the platform to the kiosks, the every – basically area of our game, so it's becoming more clear, that they don't want to separate those pieces of the business.

So, I think that it is similar thinking. I think it's hard work on the development side, and I think it's hard work by our salespeople, relationship managers across the board that's sort of getting this done.

<Q – George Sutton – Craig-Hallum Capital Group LLC>: David, you laid out, for the first time, that I've heard a fairly obvious M&A strategy ahead. I wondered if you could just give us what has caused the more aggressive M&A tone. Is it just that you've now learnt where some of the product opportunities might be and have talked through the market a little bit more?

<A – David Lopez – Global Cash Access Holdings, Inc.>: You know, I think part of it is that, you know, I believe it is – where we see the opportunity is obviously driving the interest for us. We're obviously not going to force opportunity. We're not going to go and force any acquisitions. I think

that we've have had the opportunity now. I've been with the company, I think, around a year and a half and probably just shy of a year and a half here. And I've learned a lot about our business. I've learned a lot about where our strengths are with GCA and we have a number of them, obviously. It goes beyond single point of accountability and our product lines but a lot of our infrastructure and our sales team, our relationships in gaming, are quite valuable, our licenses are quite valuable.

So, with that behind me, and now sitting in the marketplace and looking at payment and gaming opportunities, we're really able to sharpen our sword and get more finite and precise with what we're targeting.

<Q – George Sutton – Craig-Hallum Capital Group LLC>: Got you. Lastly, if I could, Mary Beth, you mentioned Q3 and Q4 being lumpy quarters relative to the kiosk business. And I'm wondering if you'd just give us a sense of what might have moved from Q3 into Q4, just so we have a sense from that perspective.

<A – Mary Beth – Global Cash Access Holdings, Inc.>: Well, we don't give quarterly guidance. So we just have a pipeline and from our perspective, what we think the pipeline is it's a delivery gap for them for the most part. I mean, it's coordinating the sale with not only our team in installation but with the IT team at the location, or, in the case of Graton they moved opening up. So that's shifted things around. So the lumpiness of those things really have more to do with the delivery dates than the pipeline. And I think that's what we're trying to make sure people know when they're trying to forecast out quarters, one of the difficult things about those quarters is they say, could you guys come Wednesday, which, for us, is like no. Could we please come Thursday? No, but they're fairly significant installs. It's not like you're just buying a new car. You take down a floor, you include their whole IT team. So, these are fairly big events. So they can move around from quarter-to-quarter but, as you can tell from our guidance, it's not anything from our perspective at this juncture [indiscernible] (0:28:49).

<A – David Lopez – Global Cash Access Holdings, Inc.>: Safe to say George that there is plenty of time where we're ready and we're willing and our kiosks are ready to ship and install, but it is quite a coordination on the customer's end, and sometimes they're just not ready. Clearly, we're here to serve the customers. So, their date is our date.

<Q – George Sutton – Craig-Hallum Capital Group LLC>: I understand. Thanks you for the clarification.

<A – David Lopez – Global Cash Access Holdings, Inc.>: Yeah.

Operator: Thank you our next question comes from the line of Daniel Moses with Seawolf Capital. Please go ahead.

<Q – Danny Moses – Seawolf Capital LLC>: Hey, guys.

<A – David Lopez – Global Cash Access Holdings, Inc.>: Hey Danny.

<Q – Danny Moses – Seawolf Capital LLC>: Just a couple of quick questions, one follow-up on the M&A. Just as far as when you're looking at bolt-on acquisitions, is it more – or is it more to enhance your technology capability in your product, or to potentially get an inroad with a certain customer who may already do business with that specific technology?

And my second question is, as far as the same-store sales, kind of, for regional gamers, we know they're pretty weak but there is a lot of new casino openings, obviously, there's ballots out today across the country. When you look at the landscape for the opening of a new project and what it looks like as far as what products you would want to put in them and, then maybe take it to the next

level, what the next generation floor will look like and how do you – or is it possible to leverage, let's say, a Caesars or an MGM were to open up a new casino in New York or whatever, to take that blueprint and then back-fill it, kind of, into your existing floor space with them, if that makes sense. Does that give you leverage because you've the best new product out there as far as kiosks, QuikTicket, et cetera? Thanks.

<A – David Lopez – Global Cash Access Holdings, Inc.>: I'm going to answer the first part of your question, and Danny, I'm going to have you clarify the second part. I'll start with the first part, which is, when we look at M&A opportunities, I think that there is, from a technology point of view, or from a product point of view, we want to make sure that it fits our strengths. We want to make sure that it fits our strengths. We want to make sure that whatever it is serves our customer and has a purpose. Right? So if there is purpose, there is utility, or something to that effect. And it fits our company, our distribution channel, our strengths, and it serves a great purpose for our customers strategically, then I think that's really key and then, of course, a big part of M&A is that it's got to provide returns to our shareholders like yourself. So, that's really where our focus is on right now. And then Mary Beth, I don't know if you're going to grab it, or Danny if you could actually clarify the second part of your question.

<Q – Danny Moses – Seawolf Capital LLC>: Yeah. So as a blank slate floor right now, if someone opened up a new casino, and they came to you for product, obviously, the traditional floor has ATMs, antiquated check cashing machines, etc. Kiosks does a lot that, but I'm saying, as you go into, let's say, bid on a new project, and that becomes the prototype, let's say, for a Caesars or an MGM or someone that's opening up a new casino in New York upstate, right? Like I mentioned before, same-store sales look poor across the country, but there is expansion going on within the country. So – and within the world actually. So my point is that, does that help you get – if you put those new products on the new floors help you kind of be able to convert the existing product and customers to the new product? You see what I'm saying, because you have a leg up in order to kind of show what the new product can do. Is it somewhat of a free advertisement?

<A – Mary Beth – Global Cash Access Holdings, Inc.>: It's interesting, but probably over the last year, year and a half, maybe two, one of our main theses that we've seen is that almost to an account, and I can think of only one over the past three years opening that we did not win. So from our perspective, we knew that if you were starting a floor from scratch, you would choose us. Sometimes incumbents get locked in, or they've got hardware choices that would require them to move the entire floor out to convert to our product, but where you have a choice of starting from scratch, we're winning 99% of the time. And that gives [indiscernible] (0:32:5)

<Q – Danny Moses – Seawolf Capital LLC>: Right. I guess what I'm saying is -- yeah, no, sorry. What I'm asking is, any new floor now will have the next generation of product. This is the first time in a long time there's been a new cycle of products coming through. And my question is, as you go bid on those and win those, obviously, that should help you re-up existing contracts and/or be able to cross-sell those to the existing floors, that's...

<A – David Lopez – Global Cash Access Holdings, Inc.>: I understand where you're coming from now. I apologize, Danny. So absolutely when a new floor opens up, or a new casino opens up, I'd like to say that when we win those new accounts, because it's new and they have time to plan and they're sort of – they've got the CAD drawing out on their floor, we become more of an advisor than just somebody responding to an RFP or trying to win the business. So our sales team, our relationship managers, our executives, there's a lot of collaboration that goes on there. And I think smart companies do this, and I'd like to think that we're a smart company. And so as that collaboration happens we end up, what I would say is, with a premier product mix on the floor, right, between ATM, kiosks, cage products, check, et cetera.

And so -- and I think what you're saying is that becomes not a virtual, but an actual live showroom for us and not only can we use it to win other companies across the board and sort other business and use them as a reference but, let's say, that is an expansion property for like a station or an MGM or Caesars, whoever, of course, when they see what it can do on the floor at the new casino, yes, it always is helpful sort of – you're sort of back-channeling the sale of that point to the older and more in the existing properties.

If I'm following correctly, that's our point of view, and I think that good companies on the vendor space do this and when they do it, they do it well and it ends up paying dividends over time. And I think, echoing with what Mary Beth said, the good news is that we win very high percentages in new accounts, right, and we have the opportunity to create these sort of live showrooms out there and reference points for our other customers to look at.

<Q – Danny Moses – Seawolf Capital LLC>: Great, thanks guys.

<A – David Lopez – Global Cash Access Holdings, Inc.>: Yeah.

Operator: Thank you. [Operator Instructions] Our next question is from the line of Matthew Kempler with Sidoti & Company. Please go ahead.

<Q – Matt Kempler – Sidoti & Co. LLC>: Thank you. You spoke earlier to focusing on improving the core platform to deliver the new products. So, I'm wondering if you could change your thoughts, versus a year or two ago, to what degree do you think we move the needle in erecting barriers-to-entry and establishing differentiation versus kind of the price-driven competitors, and how much work is left at this point?

<A – David Lopez – Global Cash Access Holdings, Inc.>: Well, echoing back on the comments from the script, so we said over the next 12 months, we'll be rolling these things out. So I think over the next 12 months, we'll see a lot of needle moving, right, and we'll see a lot of improvements in our product in the live gaming space. But I think what's not to be lost, though, Mathew is that there has been a lot of work done on just stability and providing great service to our customers. So to take the existing products on the floor and making sure that uptime and stability, and essentially our servicing of those products, is as first class. So I think that there is some needle moving there. I think that we've made some improvements just in our blocking and tackling out in the casino environment and, now, over the next 12 months, and really beyond, I mean – you want just say 12 months but 12 months and beyond, we'll start to see improvements as we roll out these new software platforms and some new hardware into the cage. And I think that that will really help, along with our overall strategy of single point of accountability, to help hold-off the competitors.

Does it still remain competitive? Of course, it remains competitive. There still remains some irrational sort of players in this space out there. So all these things that we're doing, I think are necessary. If we want to be a great company, we've got to do them. I think that it's good news that we've been working on them. The investment has been there. And as I said, that'll – and again, over the next 12 months, we'll start to see those products roll out and how it really works well for our customers.

<Q – Matt Kempler – Sidoti & Co. LLC>: Okay. And then just touching on the kiosk upgrade cycle, is this in the conversations that you guys are having, is this cycle likely to be concentrated across a few quarters? Do you think it's going to extend out over a long period, and where do you think we are? Like what inning are we in in terms of the upgrades?

<A – David Lopez – Global Cash Access Holdings, Inc.>: I always get the inning question, it's a tough one right now. I really – I hesitate -- I'm going to say we're still in the pretty early innings, but it's so -- yeah -- it's so hard to pick a particular inning, let's say early innings though. And I think that

there's the lumpiness. So we talked about Alberta. So when that comes into a quarter that's a – it's a lumpy piece of business, right. And so that will -- sort of will show the ups and downs as we get Alberta and another contracts like that. But I believe that this replacement cycle – the replacement of all these legacy kiosks, both ours and competitive in the marketplace, will happen over a number of quarters. It's not going to – not going to be focused over one or two or three quarters. It'll happen over several years.

<Q – Matt Kempler – Sidoti & Co. LLC>: Okay, thank you.

<A – David Lopez – Global Cash Access Holdings, Inc.>: Thanks, Mathew.

Operator: Thank you. Our next question comes from the line of Jason Goins with Wellington Management. Please go ahead.

<Q – Jason Goins – Wellington Management Co. LLP>: Great, thank you. Hi, Mary Beth, hi, David. Quick question. The cash on the balance sheet, I know that there was a calendar shift. Mary Beth talked about that in her comments. Can you tell us what is sort of core to the business and what is sort of cash for the company?

<A – Mary Beth – Global Cash Access Holdings, Inc.>: Well, I think that on any given day, probably somewhere, I would say south of $40 million is what I would call working cash, sort of resting heart rate depending on CapEx spend or settlement day. But clearly we are – we manage our debt payments and our CapEx and all of our cash needs based on, as you might imagine, Jason, a much smaller number. Then the cash gets exaggerated based on the calendar.

<Q – Jason Goins – Wellington Management Co. LLP>: So does that mean that it's something like $90 million or $100 million sort of cash on the company balance sheet at this point.

<A – Mary Beth – Global Cash Access Holdings, Inc.>: No, no. it's just the reverse of that.

<Q – Jason Goins – Wellington Management Co. LLP>: $40 million, okay. And then you guys paid down about $5.5 million of debt quarter-over-quarter. Is that a run rate that we should continue to sort of think about going forward?

<A – Mary Beth – Global Cash Access Holdings, Inc.>: Yeah, I mean, when we first discussed the stock repurchase, what we basically said the strategy was a third of third of third of third. Let's say roughing it out, free cash flow $60 plus million. A third of it was going to go to stock repurchase, so effectively somewhere in the neighborhood of $20 million, and a third somewhere in the neighborhood of $20 million is debt buyback. And then the remainder was for CapEx and retention. So, depending on what our cash uses are that quarter, we may deviate little bit here and there, but generally might be $6 million one quarter and $4.5 million another but, generally, that's our aim.

<Q – Jason Goins – Wellington Management Co. LLP>: Got you. And then one question for David. Your conversation about M&A, certainly somebody earlier asked – earlier said is more specific than you guys have been in the past. Can you give us a sense of the scope of the size of what you guys might be looking at? Obviously Western Money was important to you guys, but it was only $15 million. So can you give us a sense of what you might be looking to do?

<A – David Lopez – Global Cash Access Holdings, Inc.>: I don't want to narrow the conversation just yet Jason, because we're definitely in early innings of this discussion of M&A, but we are focused on it. It would not be unlikely to see transactions in that range, of course, and we think that those are nice sort of tuck-in numbers there when you're talking in that $10 million to $20 million range. Those are good tuck-in numbers usually, pretty easy to integrate into the company. As we get into larger acquisitions, obviously, and we're not going to really talk in any detail about it

today. As we get into larger ones, it takes a little longer to integrate, there is a lot more to consider in the M&A process. So, I think it will be a range. I don't want to offer a range today, because I do think that we're just in the early innings here.

<Q – Jason Goins – Wellington Management Co. LLP>: Great. Thank you.

<A – David Lopez – Global Cash Access Holdings, Inc.>: Thanks Jason

Operator: Thank you, once again [Operator Instructions] And I'm showing no further questions at this time. I'd like to turn the conference back to management for any closing remarks.

David B. Lopez, President, Chief Executive Officer & Director

Well, thanks everyone for joining today and we look forward to our next call, which will be our year-end call and it will happen in 2014. Thanks again.

Mary Elizabeth Higgins, Chief Financial Officer & Executive Vice President

Thanks, everyone.

Operator: Thank you. Ladies and gentlemen, this does conclude the Global Cash Access Holdings, Inc. 2013 third quarter earnings conference call. We'd like to thank you very much for your participation. You may now disconnect.

corrected transcript

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