

GLOBAL CASH ACCESS HOLDINGS, INC.

FORM 8-K (Current report filing)

Filed 11/02/06 for the Period Ending 11/02/06

Address	7250 S. TENAYA WAY SUITE 100 LAS VEGAS, NV 89113
Telephone	702-855-3000
CIK	0001318568
Symbol	GCA
SIC Code	6199 - Finance Services
Industry	Business Services
Sector	Services
Fiscal Year	12/31

GLOBAL CASH ACCESS HOLDINGS, INC.

FORM 8-K (Current report filing)

Filed 11/2/2006 For Period Ending 11/2/2006

Address	3525 EAST POST ROAD SUITE 120 LAS VEGAS, Nevada 89120
Telephone	705-855-3000
CIK	0001318568
Industry	Misc. Financial Services
Sector	Financial
Fiscal Year	12/31

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

November 2, 2006
(Date of Earliest Event Reported)

GLOBAL CASH ACCESS HOLDINGS, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware (State or Other Jurisdiction of Incorporation)	001-32622 (Commission File Number)	20-0723270 (IRS Employer Identification No.)
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3525 East Post Road, Suite 120

Las Vegas, Nevada (Address of Principal Executive Offices)	89120 (Zip Code)
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(800) 833-7110
(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results Of Operations And Financial Condition.

On November 2, 2006, Global Cash Access Holdings, Inc. issued a press release announcing its results of operations for the third quarter ended September 30, 2006. A copy of the press release is attached hereto as Exhibit 99.1. This Form 8-K and the attached exhibit are furnished to, but not filed with, the Securities and Exchange Commission. The information contained herein and in the accompanying exhibit shall not be incorporated by reference into any filing of the registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference into such filing.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

Exhibit No.	Document
99.1	Press Release announcing results of operations for the third quarter ended September 30, 2006.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GLOBAL CASH ACCESS HOLDINGS, INC.

Date: November 2, 2006

By: /s/ Harry C. Hagerty

*-----
Harry C. Hagerty, Chief Financial Officer*

Global Cash Access Announces Third Quarter 2006 Financial Results

Revenue of \$142.9 million and Adjusted Diluted Cash EPS of \$0.17

LAS VEGAS--(BUSINESS WIRE)--Nov. 2, 2006--Global Cash Access Holdings, Inc. ("GCA" or the "Company") (NYSE:GCA) today announced financial results for the quarter and nine months ended September 30, 2006.

Summary Non-GAAP Results

For the quarter ended September 30, 2006, revenues were \$142.9 million, an increase of 21.3% over the \$117.8 million in adjusted revenues recorded in the same quarter last year. Adjusted Cash Earnings were \$13.6 million in Q3 2006 as compared to \$11.0 million in Q3 2005, an increase of 23.7%. Adjusted Cash Earnings per diluted share were \$0.17 in Q3 2006 (on 82.2 million shares) as compared to \$0.15 in Q3 2005 (on 72.5 million shares). Adjusted EBITDA was \$27.0 million in Q3 2006, an increase of 7.3% from Adjusted EBITDA of \$25.1 million in the same period in 2005.

"The third quarter of 2006 was a terrific quarter from both a financial and a strategic perspective," commented Kirk Sanford, President and Chief Executive Officer of GCA. "On the financial side, we had record revenues, better-than-expected earnings, and significant cash generation. At the same time, our strategic initiatives gained clear momentum. Redemption kiosk deployments are growing rapidly, our EDITH platform was installed in a Native American casino, and the launch of the Arriva Card has surpassed our expectations. More recently, we signed our Sponsorship Agreement with Banco Weng Hang, allowing us to pursue the many attractive opportunities we see in Macau."

Recent Highlights

- Recorded revenue of \$142.9 million, the highest quarterly total ever recorded by the Company.
- Significant increases in key metrics:
 - Same store surcharge revenue up 13.3% -- Cash advance dollars disbursed up 28.2% -- ATM transaction volume up 20.0%.
 - 3-in-1 Enabled QuickJack(TM) Plus Redemption Kiosk installations reached 325 as of October 29, 2006.
 - Installed seven EDITH kiosks at Casino Pauma.
 - Signed Sponsorship Agreement with Banco Weng Hang for cash access service in Asia/Pacific markets including Macau.
 - Launched Arriva Card to customers, with very good acceptance and utilization:
 - 1,551 accounts as of October 29, 2006 -- \$5.8 million in Arriva Card transaction volume through October 29, 2006
 - Average cash advance transaction amount of \$1,006 (vs. \$629 on non-Arriva cards)
 - \$4.7 million in customer receivables held by our financing partner at October 29, 2006, with only \$45 thousand more than 30 days past due
 - Signed an agreement with First Data Merchant Services ("FDMS") to offer its services to GCA customers and prospects.
 - Entered into new senior secured credit facilities in order to reduce interest costs, relax financial covenants and provide ability for share repurchases and dividends.

GAAP and Nine Month Results

For the third quarter of 2006, total revenues were \$142.9 million, an increase of 22.5% over the third quarter of 2005. Operating Income (including non-cash compensation expense) in the third quarter of 2006 was \$22.2 million, an increase of 22.0% from the same period in 2005. Net income in the third quarter of 2006 was \$7.8 million, up 74.2% from \$4.5 million in the third quarter of 2005. Diluted earnings per share were \$0.10 in the third quarter of 2006 (on 82.2 million shares) as compared to \$0.06 in the third quarter of 2005 (on 72.5 million shares).

For the first nine months of 2006, total revenues were \$406.3 million, an increase of 19.9% over the first nine months of 2005. Operating Income (including non-cash compensation expense) in the 2006 nine months was \$63.0 million, an increase of 3.3% from the same period in 2005. Net income in the first nine months of 2006 was \$21.1 million, up 14.0% from \$18.5 million in the first nine months of 2005. Diluted earnings per share were \$0.26 in the first nine months of 2006 (on 82.1 million shares) as compared to \$0.26 in the first nine months of 2005 (on 72.0 million shares).

Third Quarter Results of Operations

Total revenues in the third quarter of 2006 were \$142.9 million, an increase of 21.3% from adjusted revenues of \$117.8 million in the third quarter of 2005. Same store revenues for Cash Advance and ATM surcharge increased 13.3% in the third quarter of 2006.

The following is a comparison of selected revenue components for the third quarter of 2006 to the same period in 2005 (2005 figures are not adjusted except where noted):

-- Cash advance revenues were up 25.8%, from \$60.3 million to \$75.9 million. Cash disbursed increased 28.2%, from \$1.18 billion to \$1.51 billion. The number of transactions increased 21.9%, from 2.2 million to 2.7 million. The average transaction amount increased from \$524.15 to \$551.18. The average fee declined from 5.13% to 5.03%. Average revenue per transaction increased 3.2% from \$26.86 to \$27.72.

-- ATM revenues increased 23.5%, from \$46.6 million to \$57.5 million. The number of transactions increased 20.0% from 14.9 million to 17.9 million. Cash disbursed was \$3.20 billion compared to \$2.54 billion, an increase of 26.0%. Average revenue per transaction increased 2.9% from \$3.12 to \$3.21.

-- Check services revenues were \$7.2 million, an increase of 1.2%. The face amount of checks warranted increased by 12.5%, from \$302.8 million to \$340.6 million. The number of check warranty transactions grew 5.4%, from 1.22 million to 1.29 million. The average face amount per check warranted grew from \$247.62 to \$264.18, an increase of 6.7%. The average check warranty fee declined from 2.19% to 2.01%. Average check warranty revenue per transaction declined from \$5.42 to \$5.31.

-- Central Credit and other revenues declined 12.7%, from \$2.6 million to \$2.3 million.

Cost of revenues increased 26.5% in the third quarter of 2006 to \$102.8 million from \$81.3 million in the third quarter of 2005. Commissions, the largest component of cost of revenues, increased 25.8%. Interchange increased 31.1%, driven largely by the increase in cash advance volumes.

Operating expenses in the third quarter of 2006 were \$15.4 million. Operating expenses, excluding non-cash compensation expense, were \$13.0 million in the current quarter, an increase of 7.0% from adjusted operating expenses of \$12.2 million in the third quarter of 2005.

Depreciation and amortization expense declined 17.6% from \$3.0 million in the third quarter of 2005 to \$2.5 million in the third quarter of 2006.

Interest income was \$1.2 million in the third quarter of 2006, an increase of 213.9% from the comparable 2005 period.

Interest expense in the third quarter of 2006 was \$10.9 million as compared to \$11.7 million in the third quarter of 2005. Interest expense on the Company's borrowings declined \$1.7 million due to the lower level of outstanding indebtedness in the third quarter of 2006, offset by higher interest rates on the floating rate portion of that indebtedness. Interest expense on the Company's ATM funds increased 44.4% from \$2.8 million in Q3 2005 to \$4.1 million in Q3 2006, due primarily to increases in the LIBOR rate on which those funds are priced.

Income tax expense in the third quarter of 2006 was \$4.7 million as compared to adjusted income tax expense of \$3.9 million in the comparable quarter of 2005. The Company's provision in the third quarter of 2006 is based on an expected effective rate for all of 2006 of 37.9%. The increase in expected effective tax rate for the year from earlier estimates is principally a result of the non-deductibility of the secondary offering expenses incurred in the second quarter of 2006.

Arriva Card

Arriva Card revenues in the third quarter of 2006 were \$62 thousand. Cost of revenues and operating expenses for Arriva Card in the quarter were \$634 thousand. Operating loss from Arriva operations was \$572 thousand.

Receivables held by the Company's financing partner were \$3.3 million at September 30, 2006. No receivables had been sold by the financing partner to the Company's Arriva Card subsidiary as of that date.

Balance Sheet

At September 30, 2006, the Company had cash and cash equivalents of \$69.2 million. Settlement receivables were \$60.6 million and settlement liabilities were \$60.5 million.

Total borrowings at September 30, 2006 were \$314.5 million, consisting of \$161.7 million of borrowings under the Company's senior secured credit facilities and \$152.8 million face amount of 8 3/4% senior subordinated notes. During the third quarter of 2006, the Company made a \$2.3 million mandatory repayment on the term loan component of its senior secured credit facilities.

The Company made investments in property, equipment and intangible assets of \$2.2 million during the three months ended September 30, 2006, which include ATM and other casino floor equipment as well as purchases of computer and communications hardware and software. The Company made investments in property, equipment and intangible assets of \$11.9 million during the three months ended September 30, 2005,

which include the \$10 million purchase of the "3-in-1 Rollover" patent, as well as purchases of equipment, computer and communications hardware and software.

Financial Guidance

The Company currently expects fourth quarter 2006 revenue to be in a range of \$138 million to \$142 million and Adjusted Diluted Cash Earnings per Share in a range of \$0.15 to \$0.16.

Excluded from the Adjusted Diluted Cash Earnings per Share figures presented above are anticipated non-cash stock compensation expenses of \$2.4 million for the fourth quarter. Also excluded is any loss on early retirement of indebtedness caused by the write-off of deferred financing costs associated with the refinancing of the Company's senior secured credit facilities in the fourth quarter of 2006.

This financial guidance is given as of the date hereof and is based on factors and circumstances known to the Company at this time. Such factors and circumstances may change, and such changes may have an impact on the Company's financial outlook. The Company is under no obligation to update its financial guidance.

Non-GAAP Financial Information

In order to enhance investor understanding of the underlying trends in our business and to provide for better comparability between periods in different years, the Company is providing adjusted results on a supplemental basis. Adjusted results in the third quarter of 2006 exclude \$2.4 million of stock-based compensation expense. Adjusted results in last year's third quarter include \$1.2 million of estimated revenue and \$0.8 million in related cost of revenues that were lost due to Hurricanes Katrina and Rita, and exclude \$1.6 million of non-recurring commission expense and \$2.0 million of casualty loss expenses and other non-recurring receivable write-off expenses. In addition, the Company uses certain non-GAAP measures of financial performance. Reconciliations between GAAP measures and non-GAAP measures and between actual results and adjusted results are provided at the end of this press release.

None of EBITDA, Adjusted EBITDA, Adjusted Net Income or Adjusted Cash Earnings is a measure of financial performance under United States generally accepted accounting principles ("GAAP"). Accordingly, none of them should be considered a substitute for net income, operating income or other income or cash flow data prepared in accordance with GAAP. The Company believes that EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted Cash Earnings are widely-referenced financial measures in the financial markets. In addition, the Company has identified certain adjustments to its financial results that address income or expenses that the Company believes are unusual or non-recurring in nature. The Company believes that referencing EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted Cash Earnings and identifying unusual or non-recurring items is helpful to investors. Reconciliations between GAAP and non-GAAP measures and between actual and adjusted financial results are presented elsewhere in this press release.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements within the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. All statements included in this press release, other than statements that are purely historical, are forward-looking statements. Words such as "going forward," "believes," "intends," "expects," "forecasts," "anticipate," "plan," "seek," "estimate" and similar expressions also identify forward-looking statements. Forward-looking statements in this press release include, without limitation all of the assumptions and forecasts given in the section of this release entitled "Financial Guidance."

Our beliefs, expectations, forecasts, objectives, anticipations, intentions and strategies regarding the future, including without limitation those concerning expected operating results, revenues and earnings are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from results contemplated by the forward-looking statements, including but not limited to:

- our failure to correctly predict increases in revenue due to inaccuracies in our assumptions, our inability to execute on business opportunities or other reasons;
- our failure to correctly predict future gross margins and operating expenses due to inaccuracies in our assumptions, our inability to control expenses or other reasons;
- our failure to correctly anticipate our capital spending in 2006, which would affect the level of depreciation expense and the level of cash available for debt repayment;
- our failure to anticipate other uses of our cash which could prevent us from repaying debt as anticipated;
- our inability to correctly predict the future levels of interest rates;
- changes in income tax rates in the jurisdictions in which we operate;
- challenges by the Internal Revenue Service to the tax step-ups that contribute to the bulk of our deferred tax asset;

-- unanticipated changes in the amount of our diluted common shares outstanding; and

-- unanticipated expenses or other contingencies incurred in connection with our compliance with Section 404 of the Sarbanes-Oxley Act of 2002.

The forward-looking statements in this press release are subject to additional risks and uncertainties set forth under the heading "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our filings with the Securities and Exchange Commission, including, without limitation, our registration statement on Form S-1 (No. 333-133996), our Annual Report filed on Form 10-K (No. 001-32622) and our quarterly reports on Form 10-Q, and are based on information available to us on the date hereof. We do not intend, and assume no obligation, to update any forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this press release.

About Global Cash Access Holdings, Inc.

Las Vegas-based Global Cash Access Holdings, Inc. is a holding company whose principal asset is the stock of Global Cash Access, Inc., a leading provider of cash access systems and related marketing services to the gaming industry. For more information, please visit the Company's Web site at www.globalcashaccess.com.

GLOBAL CASH ACCESS HOLDINGS, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(amounts in thousands, except per share)

	(unaudited)			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2005	2006	2005
REVENUES:				
Cash advance	\$ 75,877	\$ 60,298	\$ 212,075	\$ 175,009
ATM	57,498	46,572	165,243	135,561
Check services	7,174	7,088	21,878	20,131
Central Credit and other revenues	2,303	2,637	7,067	8,020
Total revenues	142,852	116,595	406,263	338,721
Cost of revenues	(102,830)	(81,305)	(288,473)	(230,014)
Operating expenses	(15,384)	(14,118)	(47,310)	(38,162)
Amortization	(1,297)	(1,267)	(4,183)	(3,926)
Depreciation	(1,178)	(1,735)	(3,292)	(5,619)
OPERATING INCOME	22,163	18,170	63,005	61,000
INTEREST INCOME (EXPENSE), NET				
Interest income	1,155	368	2,579	1,001
Interest expense	(10,914)	(11,651)	(31,863)	(33,411)
Total interest income (expense), net	(9,759)	(11,283)	(29,284)	(32,410)
INCOME BEFORE INCOME TAX PROVISION AND MINORITY OWNERSHIP LOSS	12,404	6,887	33,721	28,590
INCOME TAX PROVISION	(4,643)	(2,464)	(12,791)	(10,277)
INCOME BEFORE MINORITY OWNERSHIP LOSS	7,761	4,423	20,930	18,313
MINORITY OWNERSHIP LOSS, net of tax	54	63	128	156
NET INCOME	\$ 7,815	\$ 4,486	\$ 21,058	\$ 18,469

Earnings per share				
Basic	\$ 0.10	\$ 0.12	\$ 0.26	\$ 0.55
	=====	=====	=====	=====
Diluted	\$ 0.10	\$ 0.06	\$ 0.26	\$ 0.26
	=====	=====	=====	=====
Weighted average number of common shares outstanding				
Basic	81,690	36,377	81,622	33,591
Diluted	82,212	72,500	82,061	71,980

GLOBAL CASH ACCESS HOLDINGS, INC. AND SUBSIDIARIES

Reconciliation of Adjusted Cash Earnings and Adjusted Net Income to Net Income, and Adjusted EBITDA and EBITDA to Net Income

(amounts in thousands)

(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2005	2006	2005
	-----	-----	-----	-----
Adjusted EBITDA	\$ 26,981	\$ 25,136	\$ 78,037	\$ 75,231
Minus:				
Estimated revenue lost from hurricanes	-	(1,198)	-	(1,198)
Additional commissions paid to customers	-	(1,621)	-	(1,621)
Write-off of check services receivable	-	(1,100)	-	(1,100)
Legal expense associated with patent infringement litigation	-	(815)	-	(1,537)
Casualty loss from hurricanes	-	(45)	-	(45)
Non-cash compensation expense	(2,373)	-	(6,697)	-
Secondary offering costs	30	-	(660)	-
Litigation settlement costs	-	-	(200)	-
Plus:				
Estimated cost of revenues associated with lost revenue from hurricanes	-	815	-	815
EBITDA	\$ 24,638	\$ 21,172	\$ 70,480	\$ 70,545
	=====	=====	=====	=====
Minus:				
Depreciation	(1,178)	(1,735)	(3,292)	(5,619)
Amortization	(1,297)	(1,267)	(4,183)	(3,926)
Interest expense	(10,914)	(11,651)	(31,863)	(33,411)
Income tax provision	(4,643)	(2,464)	(12,791)	(10,277)
Plus:				
Interest income	1,155	368	2,579	1,001
Minority ownership loss, net of tax	54	63	128	156
Net Income	\$ 7,815	\$ 4,486	\$ 21,058	\$ 18,469
	=====	=====	=====	=====
Plus:				
Non-cash compensation expense, net of tax	1,473	-	4,157	-
Secondary offering costs, net of tax	(30)	-	660	-
Litigation settlement costs, net of tax	-	-	124	-
Adjusted Net Income	\$ 9,258	\$ 4,486	\$ 25,999	\$ 18,469
	-----	-----	-----	-----

	2006	2005	2004	2003
Plus:				
Deferred tax amortization related to acquired goodwill	4,336	3,970	13,008	11,910
Adjusted Cash Earnings	\$ 13,594	\$ 8,456	\$ 39,007	\$ 30,379
Weighted average number of common shares outstanding				
Basic	81,690	36,377	81,622	33,591
Diluted	82,212	72,500	82,061	71,980
Adjusted Cash Earnings per Share				
Diluted	0.17	0.12	0.48	0.42

GLOBAL CASH ACCESS HOLDINGS, INC. AND SUBSIDIARIES
Reconciliation of Actual to Adjusted Income Statement Items
(amounts in thousands, except per share)

(unaudited)

Three Months Ended September 30,

	2006			Notes
	Actual	Adjustment	Adjusted	
REVENUES:				
Cash advance	\$ 75,877	\$ 0	\$ 75,877	
ATM	57,498	0	57,498	
Check services	7,174	0	7,174	
Central Credit and other revenues	2,303	0	2,303	
Total revenues	142,852	0	142,852	
Cost of revenues	(102,830)	0	(102,830)	
Operating expenses	(15,384)	0	(15,384)	
Amortization	(1,297)	0	(1,297)	
Depreciation	(1,178)	0	(1,178)	
OPERATING INCOME	22,163	0	22,163	
INTEREST INCOME (EXPENSE), NET				
Interest income	1,155	0	1,155	
Interest expense	(10,914)	0	(10,914)	
Total interest income (expense), net	(9,759)	0	(9,759)	
INCOME BEFORE INCOME TAX PROVISION AND MINORITY OWNERSHIP LOSS	12,404	0	12,404	
INCOME TAX PROVISION	(4,643)	0	(4,643)	
INCOME BEFORE MINORITY OWNERSHIP LOSS	7,761	0	7,761	
MINORITY OWNERSHIP LOSS	54	0	54	
NET INCOME	7,815	0	7,815	
Secondary offering expenses	(30)	0	(30)	(e)

Non-cash compensation costs	1,473	0	1,473	(f)
Deferred tax amortization	4,336	0	4,336	

ADJUSTED CASH EARNINGS	\$ 13,594	\$ 0	\$ 13,594	
=====				
Diluted Earnings per Share	\$ 0.10		\$ 0.10	
=====				
Diluted Cash Earnings per Share	\$ 0.17		\$ 0.17	
=====				
Weighted average number of common shares outstanding -				

Diluted 82,212 82,212

Three Months Ended September 30,

	2005			Notes
	Actual	Adjustment	Adjusted	

REVENUES:				
Cash advance	\$ 60,298	\$ 774	\$ 61,072	(a)
ATM	46,572	266	46,838	(a)
Check services	7,088	138	7,226	(a)
Central Credit and other revenues	2,637	20	2,657	(a)

Total revenues	116,595	1,198	117,793	
Cost of revenues	(81,305)	806	(80,499)	(b)(c)
Operating expenses	(14,118)	1,960	(12,158)	(d)
Amortization	(1,267)	0	(1,267)	
Depreciation	(1,735)	0	(1,735)	

OPERATING INCOME	18,170	3,964	22,134	

INTEREST INCOME (EXPENSE), NET				
Interest income	368	0	368	
Interest expense	(11,651)	0	(11,651)	

Total interest income (expense), net	(11,283)	0	(11,283)	

INCOME BEFORE INCOME TAX PROVISION AND MINORITY OWNERSHIP LOSS				
	6,887	3,964	10,851	
INCOME TAX PROVISION	(2,464)	(1,427)	(3,891)	

INCOME BEFORE MINORITY OWNERSHIP LOSS	4,423	2,537	6,960	
MINORITY OWNERSHIP LOSS	63	0	63	

NET INCOME	4,486	2,537	7,023	

Secondary offering expenses	0	0	0	
Non-cash compensation costs	0	0	0	
Deferred tax amortization	3,970	0	3,970	

ADJUSTED CASH EARNINGS	\$ 8,456	\$ 2,537	\$ 10,993
	=====	=====	=====
Diluted Earnings per Share	\$ 0.06		\$ 0.10
	=====		=====
Diluted Cash Earnings per Share	\$ 0.12		\$ 0.15
	=====		=====
Weighted average number of common shares outstanding - Diluted	72,500		72,500

(a) Estimated revenue loss from hurricanes (total \$1,198)

- (b) Estimated increased cost of revenue associated with hurricane loss (\$815)
- (c) Additional commission payments (\$1,621)
- (d) Write-off of check services receivable (\$1,100), legal expenses (\$815) and hurricane casualty loss (\$45)
- (e) Secondary offering costs paid by Company (\$30), non-deductible for tax purposes
- (f) Non-cash stock based compensation expense (\$2,373), net of tax

CONTACT: Global Cash Access Holdings, Inc. Harry Hagerty, CFO, 702-262-5003 (Investor Contact) or Katcher Vaughn & Bailey Communications Eric Davis, 615-248-8202 (Media Contact)