

Bally to buy SHFL Entertainment for \$1.31B

July 16 2013

Bally Technologies Inc. said Tuesday that it has agreed to buy fellow gambling equipment maker SHFL entertainment Inc. for about \$1.31 billion in cash.

Bally says the addition of SHFL will complement its existing product portfolio, while also providing new access to land-based and online table games markets around the world.

Under the terms of the agreement, Bally will pay \$23.25 per share for the company, which represents a 20 percent premium over SHFL's Monday closing [stock price](#).

In premarket trading, SHFL shares jumped \$3.95, or 21 percent, to \$22.65. Bally shares rose \$2.67, or 4 percent, to \$63.58.

Bally, originally founded as a pinball machine maker in Chicago, started making slot machines in 1936. It now designs, manufactures, and distributes technology-based gambling devices and systems. The company also provides casinos with a variety of marketing, [data management](#), accounting, player tracking, security and other [software applications](#) and tools.

SHFL, known for its automatic card shufflers, makes a variety of casino equipment, along with proprietary table, electronic table and [online games](#).

Both companies are based in Las Vegas.

Tuesday's deal also includes debt of \$8 million and cash of \$41 million as of April 30. Bally said it expects the acquisition to eventually result cost savings of at least \$30 million.

The deal, which remains subject to SHFL shareholders approval, is expected to close by the [second quarter](#) of calendar year 2014.

© 2013 The Associated Press. All rights reserved.

Citation: Bally to buy SHFL Entertainment for \$1.31B (2013, July 16) retrieved 26 April 2024 from <https://phys.org/news/2013-07-bally-shfl-131b.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.