



AGENT INFORMATION SOFTWARE, INC.

Quarterly Reports
Quarter Ended March 31, 2015
Trading Symbol: AIFS

AGENT INFORMATION SOFTWARE, INC.
Quarterly Report
March 31, 2015 and 2014

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AGENT INFORMATION SOFTWARE, INC.
Quarterly Report

Unaudited Consolidated Balance Sheets

March 31, 2015 and 2014

	March 31 2015	March 31 2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 757,675	\$ 379,227
Restricted cash	265,001	275,102
Accounts receivable, trade	46,428	206,471
Deferred income taxes, current	96,000	105,000
Other current assets	194,685	136,517
Total current assets	1,359,789	1,102,317
Capitalized software, net	2,076,992	1,873,842
Equipment, net	191,498	286,745
Total assets	\$ 3,628,279	\$ 3,262,904
LIABILITIES & STOCKHOLDERS' EQUITY		
Current liabilities:		
Current maturities on long-term debt	\$ 26,926	\$ 26,352
Accounts payable, trade	80,612	101,994
Deferred revenue	1,198,097	1,006,258
Accrued payroll and related liabilities	149,933	167,429
Other accrued liabilities	116,062	171,092
Total current liabilities	1,571,630	1,473,125
Long-term debt	52,151	79,187
Deferred income taxes	67,000	105,000
Total liabilities	1,690,781	1,657,312
Stockholders' equity:		
Common stock, \$0.001 par value, 12,000,000 shares authorized, 4,269,610 and 4,272,610 shares issued and outstanding, respectively	3,278,784	3,276,767
Accumulated other comprehensive income (loss)	(50,863)	(43,234)
Accumulated deficit	(1,290,423)	(1,627,941)
Total stockholders' equity	1,937,498	1,605,592
Total liabilities and stockholders' equity	\$ 3,628,279	\$ 3,262,904

See accompanying notes to Unaudited Consolidated Financial Statements

AGENT INFORMATION SOFTWARE, INC.
Quarterly Report

Unaudited Consolidated Statements of Operations

For the Three Months Ended March 31, 2015 and 2014

	<u>March 31</u> 2015	<u>March 31</u> 2014
Sales:		
Recurring sales	\$ 1,148,326	\$ 1,023,229
Non-recurring sales	58,773	25,700
Total net sales	<u>1,207,099</u>	<u>1,048,929</u>
Cost and expenses:		
Cost of sales	401,827	329,518
Research and development	69,932	113,881
Sales, marketing and customer service	389,744	428,931
General and administrative	255,982	252,339
Total costs and expenses	<u>1,117,485</u>	<u>1,124,669</u>
Income from operations	89,614	(75,740)
Other income (expense):		
Other income (expense), net	<u>(213)</u>	<u>(240)</u>
Total other income (expense):	(213)	(240)
Income before provision for income taxes	89,401	(75,980)
Provision for income taxes	<u>4,000</u>	<u>4,000</u>
Net income (loss)	<u>\$ 85,401</u>	<u>\$ (79,980)</u>
Earnings per share - Basic	\$ 0.02	\$ (0.02)
Weighted average shares outstanding - Basic	4,269,610	4,269,610
Earnings per share - Diluted	\$ 0.02	\$ (0.02)
Weighted average shares outstanding - Diluted	4,542,610	4,512,610

See accompanying notes to Unaudited Consolidated Financial Statements

AGENT INFORMATION SOFTWARE, INC.

Unaudited Consolidated Statements of Changes in Stockholders' Equity

For the Three Months Ended March 31, 2015 and 2014

	Common Stock		Retained Earnings/ (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Shares	Amount			
Balance, December 31, 2013	4,269,610	\$ 3,276,162	\$ (1,547,961)	\$ (20,682)	\$ 1,707,519
Net loss			(79,980)		(79,980)
Foreign currency translation Comprehensive loss				(22,552)	(22,552)
					(102,532)
Stock option expense		605			605
Balance, March 31, 2014	4,269,610	\$ 3,276,767	\$ (1,627,941)	\$ (43,234)	\$ 1,605,592
Net income			172,137		172,137
Foreign currency translation Comprehensive loss				(31,777)	(31,777)
					140,360
Stock option expense		2,255			2,255
Balance, December 31, 2014	4,269,610	\$ 3,278,417	\$ (1,375,824)	\$ (52,459)	\$ 1,850,134
Net income			85,401		85,401
Foreign currency translation Comprehensive loss				1,596	1,596
					86,997
Stock option expense		367			367
Balance, March 31, 2015	4,269,610	\$ 3,278,784	\$ (1,290,423)	\$ (50,863)	\$ 1,937,498

See accompanying notes to Unaudited Consolidated Financial Statements

AGENT INFORMATION SOFTWARE, INC.**Quarterly Report****Unaudited Consolidated Statements of Cash Flows****For the Three Months Ended March 31, 2015 and 2014**

	March 31 2015	March 31 2014
Cash flows from operating activities:		
Net income (loss)	\$ 85,401	\$ (79,980)
Adjustments to reconcile net income (loss) to net cash provided by operations:		
Depreciation and amortization	171,169	147,038
Stock option expense	367	605
Changes in operating assets and liabilities:	187,529	(46,198)
Net cash provided by operating activities	<u>444,466</u>	<u>21,465</u>
Cash flows from investing activities:		
Acquisitions of property and equipment	-	(5,150)
Capitalized software development	(125,000)	(175,000)
Net cash used in investing activities	<u>(125,000)</u>	<u>(180,150)</u>
Cash flows from financing activities:		
Payments of long-term debt	(6,679)	(6,533)
Common stock redemption	-	-
Net cash used in financing activities	<u>(6,679)</u>	<u>(6,533)</u>
Effect of exchange rate changes on cash	<u>1,596</u>	<u>(22,552)</u>
Net increase (decrease) in cash	314,383	(187,770)
Cash and cash equivalents, beginning of year	443,292	566,997
Cash and cash equivalents, March 31, 2015 and 2014	<u>\$ 757,675</u>	<u>\$ 379,227</u>

See accompanying notes to Unaudited Consolidated Financial Statements