



AGENT INFORMATION SOFTWARE, INC.

Quarterly Reports

Quarter Ended September 30, 2018

Trading Symbol: AIFS

AGENT INFORMATION SOFTWARE, INC.
Quarterly Report
September 30, 2018 and 2017

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AGENT INFORMATION SOFTWARE, INC.**Quarterly Report****Unaudited Consolidated Balance Sheets****September 30, 2018 and 2017**

	Sept 30 2018	Sept 30 2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,226,471	\$ 1,728,980
Restricted cash	-	-
Accounts receivable, trade	36,270	63,017
Deferred income taxes, current	113,006	147,006
Other current assets	128,183	132,174
Total current assets	<u>2,503,930</u>	<u>2,071,177</u>
Capitalized software, net	2,613,992	2,553,779
Equipment, net	84,885	141,783
Total assets	<u>\$ 5,202,807</u>	<u>\$ 4,766,739</u>
LIABILITIES & STOCKHOLDERS' EQUITY		
Current liabilities:		
Current maturities on long-term debt	\$ 4,071	\$ 4,109
Accounts payable, trade	40,917	10,725
Deferred revenue	1,794,512	1,821,542
Accrued payroll and related liabilities	194,090	175,313
Other accrued liabilities	186,773	207,080
Total current liabilities	<u>2,220,363</u>	<u>2,218,769</u>
Long-term debt	12,420	28,717
Deferred income taxes	152,000	170,000
Total liabilities	2,384,783	2,417,486
Stockholders' equity:		
Common stock, \$0.001 par value, 12,000,000 shares authorized, 4,270,910 shares issued and outstanding	3,288,426	3,283,869
Accumulated other comprehensive income (loss)	(114,566)	(117,267)
Accumulated deficit	(355,836)	(817,349)
Total stockholders' equity	<u>2,818,024</u>	<u>2,349,253</u>
Total liabilities and stockholders' equity	<u>\$ 5,202,807</u>	<u>\$ 4,766,739</u>

AGENT INFORMATION SOFTWARE, INC.
Quarterly Report

Unaudited Consolidated Statements of Operations

For the Nine Months Ended Sept 30, 2018 and 2017

	<u>Sept 30</u> <u>2018</u>	<u>Sept 30</u> <u>2017</u>
Revenues:		
Recurring Revenue	\$ 3,709,699	\$ 3,546,216
Non-recurring Revenue	99,539	138,263
Total Net Revenue	<u>3,809,238</u>	<u>3,684,479</u>
Cost and expenses:		
Cost of sales	982,175	982,873
Research and development	196,863	273,352
Sales, marketing and customer service	1,487,611	1,490,470
General and administrative	758,181	728,576
Total costs and expenses	<u>3,424,830</u>	<u>3,475,271</u>
Income from operations	384,408	209,208
Other income (expense):		
Other income (expense), net	3,293	(866)
Total other income (expense):	<u>3,293</u>	<u>(866)</u>
Income before provision for income taxes	387,701	208,342
Provision for income taxes	<u>44,994</u>	<u>44,994</u>
Net income (loss)	<u>\$ 342,707</u>	<u>\$ 163,348</u>
Earnings per share - Basic	\$ 0.08	\$ 0.04
Weighted average shares outstanding - Basic	4,280,910	4,269,610
Earnings per share - Diluted	\$ 0.07	\$ 0.03
Weighted average shares outstanding - Diluted	5,061,243	4,764,527

AGENT INFORMATION SOFTWARE, INC.**Quarterly Report****Unaudited Consolidated Statements of Cash Flow****For the Nine Months Ended Sept 30, 2018 and 2017**

	Sept 30 2018	Sept 30 2017
Cash Flows from Operating Activities:		
Net Income (Loss)	\$ 342,707	\$ 163,348
Adjustments to reconcile net income (loss) to net cash provided by operations:	-	-
Depreciation and Amortization	483,329	444,613
Stock Option Expense	1,692	2,055
Gain on Sales of Assets	-	-
Deferred Income Tax Benefit	(75,006)	(75,006)
Changes in operating assets & liabilities	486,875	513,371
Net Cash Provided by Operating Activities	<u>1,239,597</u>	<u>1,048,381</u>
Cash Flows from Investing Activities:		
Proceeds from Sale of Assets	-	-
Acquisition of Property & Eqpt	(5,876)	(2,590)
Capitalized Software Development	(482,100)	(475,000)
Net Cash Used in Investing Activities	<u>\$ (487,976)</u>	<u>\$ (477,590)</u>
Cash Flows from Financing Activities:		
Proceeds (Payments) from (of) Long-Term Debt	1,521	93
Net Cash Used in Financing Activities	<u>1,521</u>	<u>93</u>
Effect of exchange rate changes on cash	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash	753,142	570,884
Cash and Cash Equivalents, Beginning of Year	<u>1,473,329</u>	<u>1,158,096</u>
Cash and Cash Equivalents, Sept 30, 2018 and 2017	<u><u>2,226,471</u></u>	<u><u>\$ 1,728,980</u></u>