

Information Systems Associates Reports Results for Its Third Quarter Ended September 30, 2010

Gross Revenues of \$305,933 and \$797,573 for the Three Months and Nine Months Ended September 30, 2010, Respectively; Sequential Revenue Growth of Over 30% Quarter-to-Quarter

STUART, Fla., Nov. 15, 2010 (GLOBE NEWSWIRE) -- Information Systems Associates, Inc. (OTCQB:IOSA) today announces its financial results for the period ended September 30, 2010. In the 10-Q filed on November 12, 2010, the Company reported gross revenues of \$305,933 for the quarter ended September 30, 2010, and \$797,573 for the nine months ended September 30th, 2010.

Third Quarter 2010 Highlights

- Gross revenue for the third quarter ended September 30, 2010, was \$305,933, an increase of 12.7% from \$271,533 for the quarter ended September 30, 2009.
- Sequentially, third quarter 2010 revenues were up over 30% compared to second quarter 2010.
- Gross profit for the third quarter ended September 30, 2010, was \$295,235, an increase of 9.0% from \$270,908 for the quarter ended September 30, 2009.
- Sequentially, third quarter 2010 gross profit was \$295,235, up 33.9% compared to second quarter 2010 gross profit of \$220,546.
- The Company's operating expenses for the three months ended September 30, 2010, were \$407,256 representing a decrease of 2.2% compared to \$416,606 in operating expenses for the three months ended September 30, 2009. Sequentially, third quarter 2010 operating expenses were down over 7% compared to second quarter 2010.
- Net loss remained relatively flat at \$143,215 compared with a net loss of \$145,696 for the quarter ended September 30, 2009. The loss for the three month period ended September 30th, 2010 included non-cash depreciation and amortization charges of \$42,451 and common stock issued for services of \$111,770.
- Sequentially, the net loss of \$143,215 reported for the third quarter 2010 was over 47% lower than the reported loss of \$233,970 during the second quarter 2010.

Joe Coschera, Information Systems Associates' CEO, said, "I'm very pleased with the growth of the Company since the completion of our patented On Site Physical Inventory (OSPI) data center optimization tool earlier this year. Its effectiveness has now been validated by numerous customers and increased the demand for our services from our channel partners. This demand has driven revenue for the nine months ended September 30, 2010 to \$797,573, which now exceeds our twelve months revenue of \$780,244 for all of 2009."

Revenues:

Gross revenues were \$305,933 and \$797,573 for the three and nine months ended September 30th, 2010, respectively, compared to gross revenues of \$271,533 and \$606,865 for the three and nine months ended September 30th, 2009. The increase in 2010 revenues is due primarily to the increased sale of professional services, maintenance contracts and time and materials arrangements primarily to new customers. Sequentially, third quarter 2010 revenues were up over 30% compared to second quarter 2010.

Gross Profit:

Gross profit for the three months ended September 30, 2010, increased by \$24,327, or 9.0%, to \$295,235, compared with gross profit of \$270,908 for the three months ended September 30, 2009. Gross profit for the nine months ended September 30, 2010, increased by \$201,240, or 35%, to \$772,435, compared to \$571,195 for the nine months ended September 30, 2009. Sequentially, third quarter 2010 gross profit was up 33.9% compared to second quarter 2010.

Operating Expenses:

Operating expenses for the three months ended September 30, 2010, were \$407,256 compared with \$416,606 for the three months ended September 30, 2009. Operating expenses for the nine months ended September 30, 2010, were \$1,305,188 compared with \$1,228,614 for the nine months ended September 30, 2009. The increase in Administrative and General expenses is primarily due to the increase in travel and entertainment of \$85,868 and the increase in amortization of software of \$121,760. Sequentially, third quarter 2010 operating expenses were down over 7% compared to second quarter 2010.

Net Loss

The Company reported a net loss of \$143,215 and \$566,671 for the three months and nine months ended September 2010. This represents a 1.7% decrease and a 11.7% decrease for the three months and nine months ended September 2009. Sequentially, the net loss reported for the third quarter 2010 was over 47% lower than the loss reported during the second quarter 2010. The Company began the amortization of the software development costs in 2010 and took on additional consulting expense. The Company also took on additional administrative costs in order to position sales growth for the balance of 2010. The three and nine month losses for the period ended September 30th, 2010 included non-cash depreciation and amortization charges of \$42,451 and \$127,353 respectively and common stock issued for services of \$111,770 and \$314,624 respectively.

Liquidity and Capital Resources

The Company had cash of \$57,811 and net working capital of \$241,303 as of September 30, 2010. This compares very favorably to the Company's cash and working capital position as of September 30, 2009 of \$21,047 and \$140,729 respectively.

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About Information Systems Associates

Information Systems Associates, Inc. (OTCQB:IOSA) based in Palm City, FL. is a leading provider of turnkey data center management solutions with a suite of services including: data center inventory management, data center management software and data center optimization. Its core service utilizes its proprietary technology "OSPI software" (On Site Physical Inventory(R)) which provides a tool set allowing customers to create a highly accurate data set of their current IT inventory and assets. This accurate information is then imported into software that enables businesses to make meaningful decisions on Data Center Management that leads to optimization of resources, cost reductions and significant ROI.

For more information visit our website <http://www.isa-inc.net>

Safe Harbor Statement

Certain statements in this press release that are not historical, but are forward-looking, are subject to known and unknown risks and uncertainties which may cause the Company's actual results in future periods to be materially different from any future performance that may be suggested in this press release. Such risks and uncertainties may include, but are not limited to, the Company's need to raise equity capital and its ability to obtain equity financing on acceptable terms, if at all, regulatory limitations on the medical industry in general, working capital constraints, fluctuations in customer demand and commitments, fluctuation in quarterly results, introduction of new services and products, commercial acceptance and viability of new services and products, pricing and competition, reliance upon subcontractors and vendors, the timing of new technology and product introductions, the risk of early obsolescence of our products and the other factors listed under "Risks and Uncertainties" in our annual report on Form 10-K for the fiscal year ended December 31, 2009, and our other filings with the Securities and Exchange Commission. We assume no obligation to update the information contained in this news release.

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