



April 19, 2011

To all Shareholders:

For Agent Information Software, 2010 was an extremely important year for the company in terms of product refinement and development. The company took the opportunity to strategically invest in new initiatives in order to better position the company for future growth.

Agent Information Software continued to invest in software development for Auto-Graphics, Inc's integrated product line. The goal of development has been to upgrade software, add and refine modules and to position the AGent VERSO™ integrated library system to meet the needs of larger, more complex public library systems. In 2010, the continued investment paid off and the company saw widespread interest in and adoption of its AGent VERSO system with several large complex public library systems. Most library customers selected AGent VERSO via the Software as a Service (SaaS) hosted model which provides libraries with lower operating costs while also ensuring that they have the latest upgrades, accompanied by full system support and maintenance.

AgentLegal, Inc. continued with market research and product refinements throughout 2010. Key initiatives included a webinar and survey program, continuance of the multi-site pilot program as well as participation in a range of strategic industry events. The goal of each of these initiatives was to develop a clear understanding of the needs of the target market and to develop the AgentLegal Electronic Resource and Research Management Suite to meet those needs better than competitive alternatives. AgentLegal has worked closely with several key law firms in the Los Angeles area and expects to announce initial sales in the second quarter of 2011.

On behalf of the Board of Directors, management and the entire team, we are looking forward to continuing to develop cutting-edge products and applications across a range of industries including the library and legal markets. With the current economic conditions, the team understands that there may be delays in achieving positive results. However, the management is committed to funding these new technology initiatives to ensure a thriving future for the company.

The annual meeting will be held at 9:00 am (PDT), Thursday, May 26, 2011 at Company's offices in Pomona CA. If you have questions, please do not hesitate to call me directly at 909-569-1520 or Cathy Harting, Controller, at 909-569-1535.

Best regards,

A handwritten signature in black ink, appearing to read 'P. Cope', written in a cursive style.

Paul R. Cope
President
Agent Information Software, Inc.