

## **Exhibit 99.1**

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For release:  
May 21, 2008 at 9:00 a.m.

### **Information Analysis, Inc. Reports First Quarter Results**

FAIRFAX, VIRGINIA – Information Analysis, Inc. (IAIC:OTCBB) today reported results for the first fiscal quarter ended March 31, 2008. Revenues were \$1,749,000, from the \$2,606,000 reported in 2007's first quarter. The Company reported a net loss of \$118,000, or \$(0.01) per share, compared to net income of \$95,000, or \$0.01 per share, in the first quarter 2007.

“The Company's revenue and profits were down in the first quarter in comparison to the first quarter of 2007,” Sandor Rosenberg, Chairman and Chief Executive Officer of IAI said. “Some of our contracts ended and our new tasks that we expected to work on in the first quarter have not started yet. In addition, we have been adding resources to our sales staff to increase our order pipeline, which we expect will improve during the latter part of the year.

“We are actively pursuing the conversion and system modernization business in addition to Adobe and Web applications. We are working with some new partners in pursuit of additional business opportunities.

“We continue to pursue merger and acquisition opportunities.”

### **About Information Analysis Incorporated**

Information Analysis Incorporated ([www.infoa.com](http://www.infoa.com)), headquartered in Fairfax, Virginia, is an information technology services company. The Company is a web solution provider and software conversion specialist, modernizing legacy systems and extending their reach to the Internet world.

### **Additional information for investors**

This release may contain forward-looking statements regarding the Company's business, customer prospects, or other factors that may affect future earnings or financial results. Such statements involve risks and uncertainties which could cause actual results to vary materially from those expressed in the forward-looking statements. Investors should read and understand the risk factors detailed in the Company's 10-KSB for the fiscal year ended December 31, 2007 and in other filings with the Securities and Exchange Commission.

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### Information Analysis Incorporated Condensed Income Statements

<i>(in thousands, except per share data; unaudited)</i>	Three months ended March 31,	
	<u>2008</u>	<u>2007</u>
Sales:		
Professional fees	\$ 1,487	\$ 1,901
Software sales	<u>262</u>	<u>705</u>
Total revenue	<u>1,749</u>	<u>2,606</u>
Cost of goods sold and services provided:		
Cost of professional fees	1,122	1,458
Cost of software sales	<u>183</u>	<u>542</u>
Total cost of sales	<u>1,305</u>	<u>2,000</u>
Gross margin	444	606
Operating expenses:		
Selling general & administrative	<u>568</u>	<u>517</u>
Operating (loss) income	(124)	89
Other income	<u>6</u>	<u>6</u>
(Loss) income before income taxes	(118)	95
Provision for income taxes	--	--
Net (loss) income	\$ <u>(118)</u>	\$ <u>95</u>
Net (loss) income per share:		
Basic	\$ <u>(0.01)</u>	\$ <u>0.01</u>
Diluted	\$ <u>(0.01)</u>	\$ <u>0.01</u>
Shares used in calculating earnings per share:		
Basic	11,196,760	11,196,760
Diluted	11,196,760	11,421,394

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### Information Analysis Incorporated Balance Sheets

<i>(in thousands)</i>	As of <u>March 31, 2008</u>	As of <u>December 31, 2007</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,245	\$ 1,223
Accounts receivable, net	1,441	1,560
Prepaid expenses	471	462
Other assets	4	4
Other receivables	<u>3</u>	<u>3</u>
Total current assets	3,164	3,252
Fixed assets, net	76	79
Other assets	<u>9</u>	<u>9</u>
Total assets	\$ <u>3,249</u>	\$ <u>3,340</u>
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 556	\$ 721
Deferred revenue	614	394
Accrued payroll and related liabilities	235	258
Other accrued liabilities	39	45
Income taxes payable	<u>3</u>	<u>3</u>
Total liabilities	<u>1,447</u>	<u>1,421</u>
Common stock, par value \$0.01, 30,000,000 shares authorized; 12,839,376 shares issued, 11,196,760 outstanding	128	128
Additional paid in capital	14,547	14,546
Accumulated deficit	(11,943)	(11,825)
Less treasury stock; 1,642,616 shares at cost	<u>(930)</u>	<u>(930)</u>
Total stockholders' equity	<u>1,802</u>	<u>1,919</u>
Total liabilities and stockholders' equity	\$ <u>3,249</u>	\$ <u>3,340</u>