



Amistar Reports Unaudited Financial Results for Fourth Quarter 2009

SAN MARCOS, CALIFORNIA, February __, 2010 /GlobeNewswire/ -- Amistar Corporation (Pink Sheets-AMTA.PK) today reported sales and net income for the three and twelve months ended December 31, 2009.

Net sales for the fourth quarter of 2009 decreased \$70,000, or 90%, to \$8,000, compared to 78,000 for the comparable quarter in the prior year. Net sales for the year ended December 31, 2008 decreased \$1,167,000, or 71%, to \$92,000, compared to \$1,259,000 for 2008. The decrease in net sales for the three and twelve months of 2009, compared to the same periods in 2008 was due primarily to lower sales of products sold to the Company's exclusive distributor. The Company recorded revenue of \$1,000 from earn-out on two pharmacy kiosk units during the fourth quarter of 2009, compared to earn-out of \$1,500 on three units during the fourth quarter of 2008. The Company recorded revenue of \$3,000 from earn-out on six pharmacy kiosk units during 2009 compared to \$6,500 from earn-out on 13 units during the prior year.

Net loss for the fourth quarter of 2009 was \$6,000 or \$0.00 per share compared to a net loss of \$14,000 or \$0.00 per share for the comparable quarter in 2008. The reduction in net loss was due primarily to lower operating expenses resulting from restructuring that began in the first quarter of 2008.

Net loss for the year ended December 31, 2009 was \$332,000 or \$0.10 per share compared to a net income of \$393,000 or \$0.12 per share for 2008. Net loss for the year ended December 31, 2009 was primarily the result of a \$306,000 write down of the value of inventory during the second quarter of 2009 in recognition of adverse economic conditions experienced by the Company's exclusive distributor.

As announced in its press release on February 5, 2008, the Company committed to a plan of restructuring that involved a sale of substantially all its operating assets and the execution of an agreement to sell its remaining inventory through a distributor. The Company has been executing its plans and as of December 31, 2009, completed its restructuring, including having fulfilled all its outstanding sales contracts, reduced the number of employees to zero, secured continuing support for its existing customers, sold tangible operating assets and satisfied its obligations to suppliers and employees, other than those related to lease abandonment costs and to ongoing operations. Current market conditions do not make it likely that the Company can accumulate significant cash from operations.

Unaudited Condensed Consolidated Statements of Income (In thousands)

	Three Months Ended December 31,		Years Ended December 31,	
	2009	2008	2009	2008
Net sales	\$ 8	\$ 78	\$ 92	\$ 1,259
Cost of sales	6	42	365	1,085
Gross profit (loss)	2	36	(273)	174
Operating expenses	7	54	59	657
Operating profit (loss)	(5)	(18)	(332)	(483)
Other income (expense)	-	(3)	-	871
Income (loss) before income taxes	(5)	(21)	(332)	388
Income taxes (benefit)	-	(7)	-	(5)
Net income (loss)	\$ (5)	\$ (14)	\$ (332)	\$ 393
Income (loss) per share	\$ (0.00)	\$ -	\$ (0.10)	\$ 0.12
Shares used in per share calculation- basic and diluted	3,308	3,308	3,308	3,308

Unaudited Condensed Balance Sheets
(In thousands)

	December 31,	
	2,009	2,008
Cash	\$ 42	\$ 10
Accounts receivable	23	26
Inventory, net of reserves	72	437
Other assets	5	6
Current assets	142	479
Property and equipment, net	-	-
Total assets	\$ 142	\$ 479
Accounts payable	\$ 5	\$ 5
Accrued liabilities	191	195
Accrued wages and related	-	-
Deferred gain on property	-	-
Current liabilities	196	200
Common stock	33	33
Additional paid in capital	5,185	5,185
Retained deficit	(4,939)	(4,939)
Stockholders equity (deficit)	(54)	279
Total liabilities and equity	\$ 142	\$ 479

Financial Statement Information

This report contains condensed financial statements that have not been audited or reviewed by an auditor and are subject to change.

Forward Looking Statements

This report contains forward-looking statements within the meaning of the Private Securities Reform Act of 1995, including statements regarding market opportunities, customer acceptance of products, sales growth, and gross margin. These forward-looking statements involve risks and uncertainties, and the cautionary statements set forth below identify important factors that could cause actual results to differ materially from those in any such forward-looking statements. Such factors include, but are not limited to, adverse changes in general economic conditions, including changes in the specific markets for the Company's products, decreased or lack of growth in the electronics industry, adverse changes in end customer order patterns, increased competition, pricing pressures, fluctuations in the price of the Company's stock, ability of the Company and its distributor AAI to be financially viable or continue as a going concern for the long term.

About the Company

The Company has developed, manufactured, distributed and marketed assembly machinery primarily for the electronics industries, and provided engineering design and manufacturing services to customers seeking enhanced factory automation for a variety of industries. Beginning March 3, 2008, the Company has provided machinery, accessories and spare parts through its exclusive distributor Amistar Automation, Inc. In addition, the Company receives earn-out payments based on sales of a pharmacy kiosk originally developed by the Company and later sold along with a business unit during 2007.

Additional information about Amistar including its financial statements for the three months and year ending December 31, 2009 is available at www.amistar.com.

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