NIS HOLDINGS CORP. (NISC)

(A Development Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2011

(Unaudited, expressed in US Dollars)

NIS Holdings Corp.
460 Park Avenue, 10th Floor
New York, NY 10022

NIS Holdings, Corp.
(Formerly Associated Media Holdings Inc)
(A Development Stage Company)
Consolidated Balance Sheets
(Unaudited)

		December 31, 2011		December 31, 2010
ASSETS				
Current assets				
Cash and cash equivalents	$	2,355	$	328
Accounts receivable	$	4,550	$	4,550
Prepaid expenses	$	2,500	$	-
Total current assets	$	9,405	$	4,878
Goodwill	$	1,504,504	$	-
Software development costs	$	225,000	$	-
Intangible assets, net	$	10,437	$	94,037
	$	1,749,346	$	98,915
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Accounts payable and accrued expenses	$	1,311,109	$	1,090,661
Total current liabilities	$	1,311,109	$	1,090,661
Noncurrent liabilities				
Long-term debt, net of current maturities	$	636,097	$	486,397
Total liabilities	$	1,947,206	$	1,577,058
Shareholders' equity				
Preferred Stock, $0.00025 par value; authorized 90,000,000 Preferred shares, authorized 10,000,000 Class A Preferred shares issued and outstanding, 199,115 Class A	$	50	$	60
Common Stock, $0.00025 par value; authorized 100,000,000 shares, issued and outstanding 55,611,940 shares	$	13,903	$	14,279
Additional paid-in capital	$	8,125,876	$	3,625,490
Subscription notes receivable	$	(3,000,000)	$	-
Accumulated deficit	$	(5,337,689)	$	(5,117,972)
Total shareholders' equity	$	(197,860)	$	(1,478,143)
	$	1,749,346	$	98,915

The accompanying notes are an integral part of these financial statements.

NIS Holdings, Corp.
(Formerly Associated Media Holdings Inc.)
(A Development Stage Company)
Consolidated Income Statements
(Unaudited)

	Year Ended December 31, 2011	Year Ended December 31, 2010	Cumulative during the development stages (June 21, 2004 to December 31, 2011)
Revenues	$ -	$ 4,829	$ 133,319
Operating Expenses			
Amortization	$ 83,600	$ 83,600	$ 478,130
Consulting expense	$ 21,400	$ 255,000	$ 2,345,259
General and administrative	$ 38,214	$ 5,504	$ 708,242
Marketing	$ 25,309	$ -	$ 198,050
Professional fees	$ 61,916	$ -	$ 527,708
Compensation expense	$ -	$ -	$ 1,129,755
Website development	$ -	$ -	$ 206,187
Total operating expenses	$ 230,439	$ 344,104	$ 5,593,331
Operating loss	$ (230,439)	$ (339,275)	$ (5,460,012)
Other income/expense			
Other income			
Finance charge (income)	$ 55	$ -	$ 55
Other income	$ 10,995	$ -	$ 10,995
Other expense	$ (328)	$ -	$ 111,273
Total other income/expense	10,722	$ -	$ 122,323
Net loss	$ (219,717)	$ (339,275)	$ (5,337,689)
Net loss per common share:			
- Basic and diluted	$ (0.37)	$ (0.01)	
Weighted average number of common shares oustanding:	591,815	29,555,747	

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NIS Holdings, Corp.
(Formerly Associated Media Holdings Inc.)
(A Development Stage Company)
Consolidated Statements of Cash Flows
(Unaudited)

	Year Ended December 31, 2011	Year Ended December 31, 2010	Cumulative during the development stages (June 21, 2004 to December 31, 2011)
INCREASE (DECREASE) IN CASH			
Cash flows from operating activities:			
Net loss	$ (219,717)	$ (339,275)	$ (5,337,689)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization	$ 83,600	$ 83,600	$ 478,140
Common stock issued for service	$ -	$ 90,000	$ 1,640,000
Increase (decrease) in cash attributable to changes in			
Accounts receivable	$ -	$ (4,550)	$ (4,550)
Prepaid expenses	$ (2,500)	$ -	$ (2,500)
Accounts payable and accrued expenses	$ 220,448	$ 168,840	$ 1,313,689
Net cash used in operating activities	$ 81,831	$ (1,385)	$ (1,912,910)
Cash flows from investing activities:			
Goodwill	$ (1,504,504)	$ -	$ (1,927,504)
Acquisition of software development	$ (225,000)	$ -	$ (225,000)
Sale and write off of equipment and furniture	$ -	$ -	$ 10,350
Purchase of property and equipment	$ -	$ -	$ (69,281)
Net cash provided (used) in investing activities	$ (1,729,504)	$ -	$ (2,211,435)
Cash flows from financing activities:			
Proceeds from issuance of notes payable	$ 149,700	$ -	$ 911,700
Repayment of note payable	$ -	$ -	$ (225,000)
Proceeds from issuance of common stock	$ 1,500,000	$ -	$ 3,440,000
Net cash provided by financing activities	$ 1,649,700	$ -	$ 4,126,700
Net increase (decrease) in cash	$ 2,027	$ (1,385)	$ 2,355
Cash at beginning of period	$ 328	$ 1,713	$ -
Cash at end of period	$ 2,355	$ 328	$ 2,355
Supplemental disclosures of cash flow information			
Noncash financing and investing activities:			
Issuance of stock in connection with debt settlement	$ -	$ 50,603	$ 50,603
Cash paid during the period for:			
Interest	$ -	$ -	$ 37,201
Taxes	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements.

NIS Holdings, Corp.

(Formerly Associated Media Holdings Inc)

(A Development Stage Company)

Statement of Stockholders' Equity (deficit)

(Unaudited)

	Preferred Stock		Common Stock		Additional Paid-in Capital	Deferred Stock-based Compensation/ Subs. Notes Receivable	Accum. Deficit	Total Stockholders' Equity (Deficiency)
	Shares	Amount	Shares	Amount				
Bal, June 21, 2004			-	-	-	-	-	-
Shares issued for cash at $0.01 per share			20	-	2,000			2,000
Shares issued for cash at $2.00 per share			1	-	20,000			20,000
Shares issued for cash at $5.00 per share			1	-	50,000			50,000
Net loss for the year							(72,000)	(72,000)
Bal, Dec 31 2004			22	-	72,000	-	(72,000)	-
Shares issued for asset at par value per share			4,000	1	9,999			10,000
Shares issued in a private placement at $1.00 per share			30	-	300,000			300,000
Net loss for the year							(178,031)	(178,031)
Bal, Dec 31 2005			4,052	1	381,999	-	(250,031)	131,969
Issuance of additional shares to existing investor pursuant								

to an anti dilution agreement	30	-	-			-
Shares issued in a private placement at $0.50 per share	244	-	1,218,000			1,218,000
Shares issued for service at $0.50 per share	110	-	550,000			550,000
Shares issued for prepaid services at $0.50 per share	200	-	1,000,000	(1,000,000)		-
Cancellation of shares	(310)	-	(774)			(774)
Amortization of stock based compensation				1,000,000		1,000,000
Net loss for the year					(3,268,149)	(3,268,149)
Bal, Dec 31 2006	4,326	1	3,149,225	-	(3,518,180)	(368,954)
Shares issued for acquisition of the tangible personal property of Icelounge.com, Inc. at $0.50 per share	70	-	350,000			350,000
Net loss for the year					(994,584)	(994,584)
Bal, Dec 31 2007	4,396	1	3,499,225	-	(4,512,764)	(1,013,538)
Net loss for the year					(170,722)	(170,722)
Bal, Dec 31 2008	4,396	1	3,499,225	-	(4,683,486)	(1,184,260)
Net loss for the year					(95,211)	(95,211)

Bal, Dec 31, 2009			4,396	1	3,499,224	-	(4,778,697)	(1,279,472)
Shares issued for service Jan 5, 2010 at $0.01			600	0	60,000			60,000
Shares issued for service April 16, 2010 at $0.001			300,000	75	29,925			30,000
Shares issued for debt June 16, 2010 at $0.001			81,500	20	8,130			8,150
Series A Convertible Preferred Stock issued for debt June 16, 2010	424,532	106			42,347			42,453
Conversion of Series A Preferred Stock July 15, 2010	(119,667)	(30)	119,667	30	(0)			-
Conversion of Series A Preferred Stock December 20, 2010	(65,000)	(16)	65,000	16	0			-
Net loss for the year							(339,275)	(339,275)
Bal, December 31, 2010	239,865	60	571,163	143	3,639,626	-	(5,117,972)	(1,478,143)
Conversion of Series A Preferred Stock February 28, 2011	(750)	-	750	-				-
Conversion of Series A Preferred Stock June 9, 2011	(40,000)	(10)	40,000	10				-
Shares issued for acquisition of Alpha Dynamic December 12, 2011 at $0.2 per share			5,000,000	1,250	998,750			1,000,000
Shares issued for acquisition of Alpha Card December 12, 2011 at $0.05 per share			10,000,000	2,500	497,500			500,000
Shares issued for funding December 12, 2011 at $0.075 per share			40,000,000	10,000	2,990,000	(3,000,000)		-
Net loss for the period							(219,717)	(219,717)
Bal, December 31, 2011	199,115	50	55,611,913	13,903	8,125,876	(3,000,000)	(5,337,689)	(197,860)

The number of shares issued and outstanding have been restated to give retroactive effect for reverse stock splits effective on October 28, 2005, on March 16, 2010 and on October 28, 2011 on a one for 100 basis. The par value and additional paid-in capital were adjusted during the year ended December 31, 2005 to adjust the par value amount in conformity with the number of shares issued.

The accompanying notes are an integral part of these financial statements

N I S Holdings, Corp.

(Formerly: Associated Media Holdings Inc.)

(A Development Stage Company)

Notes to Financial Statements

December 31, 2011

Unaudited

Note 1. General Organization and Business

N I S Holdings, Corp. (formerly Associated Media Holdings Inc.) (hereinafter, the "Company") was incorporated under the laws of the state of Nevada on June 21, 2004.

On October 21, 2005, the Company changed its name to Associated Media Holdings Inc. and on March 16, 2010 the name was changed to N I S Holdings, Corp. to further develop and promote the Ignition Website and Trademarks (hereinafter, the "Intangibles") which focus on multi content for mobile and portable cellular devices. On this same day, the board of directors approved an increase in the authorized number of common shares of the Company from 25,000,000 to 100,000,000 and changed its par value from $0.001 to $0.00025. This change is reflected in these financial statements.

On June 15, 2010, the directors approved to change the authorized Preferred Shares of 100,000,000 into 90,000,000 Preferred Shares at $0.00025 par value and 10,000,000 Class A Preferred Shares at $0.00025 par value. Each class A Preferred Shares is convertible at the Holder's option to Common Shares at a ratio of one hundred shares of Common Stock for each share of Class A Preferred Stock.

On February 4, 2011, the Company acquired Alpha Dynamic Group, Inc. ("Alpha Dynamic"). Alpha Dynamic was incorporated in the State of New York on December 2, 2010 to engage mainly in the development and launch of an innovative loyalty card solution for small businesses. NIS Holdings acquired one hundred percent (100%) of the total issued shares of Alpha Dynamic's stock in exchange for the issuance of one promissory note in the principal amount of $1 million to the sole shareholder of Alpha Dynamic. On December 12, 2011 this promissory note was converted into 5,000,000 restricted shares of NIS Holdings' common stock. As a result of this transaction, Alpha Dynamic became a wholly-owned subsidiary of the Company.

On June 22, 2011, the Company acquired Alpha Card Technology Inc. ("Alpha Card"). Alpha Card was incorporated in the State of New York on December 9, 2010 to engage in the development of gift card processing solutions. NIS Holdings acquired one hundred percent (100%) of the total issued shares of Alpha Card's stock in exchange for the issuance of one promissory note in the principal amount of $500,000 to the sole shareholder of Alpha Card. On December 12, 2011 this promissory note was converted into 10,000,000 restricted shares of NIS Holdings' common stock. As a result of this transaction, Alpha Card Technology became a wholly-owned subsidiary of the Company.

The Company has yet to fully develop any material income from its stated primary objective and it is classified as a development stage company. All income, expenses, cash flows and stock transactions are reported since the beginning of development stage.

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At December 31, 2011, the Company has not yet achieved profitable operations, has accumulated losses of $5,337,689 since inception and expects to incur further losses in the development of its business, of which cast substantial doubt about the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon future profitable operations and/or the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management has obtained funds by related party's advances and will receive additional funds from Global Stock Investments Ltd. as soon as it meets its first agreed goal.

Note 2. Significant Accounting Policies

These financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America and are stated in US dollars. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgment. Actual results may differ from these estimates.

The financial statements have, in management's opinion, been properly prepared within the framework of the significant accounting policies summarized below:

(a) Development Stage Company

The Company is a development stage company. The Company is devoting substantially all of its present efforts to establish a new business and none of its planned principal operations have commenced. All losses accumulated since inception has been considered as part of the Company's development stage activities.

(b) Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of Alpha Dynamic Group Inc. and of Alpha Card Technology Inc., the Company's wholly-owned subsidiaries. All significant inter-company transactions have been eliminated.

(c) Financial Instruments

The carrying values of cash, accounts receivable, accounts payable, promissory notes payable and due to related parties approximate fair value because of the short-term nature of these instruments. Management is of the opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

(d) Stock Issued in Exchange for Services

The valuation of common stock issued in exchange for services is valued at an estimated fair market value as determined by officers and directors of the Company based upon other sales and issuances of the Company's common stock within the same general time period.

(e) Stock-based Compensation

Financial Accounting Standards Board ("FASB"), Accounting Standards Codification ("ASC") 718 "Stock Compensation" requires public companies to recognize the cost of employee services received in exchange for equity instruments, based on the grant-date fair value of those instruments, with limited exceptions. FASB ASC 718 "Stock Compensation" also affects the pattern in which compensation cost is recognized, the accounting for employee share purchase plans, and the accounting for income tax effects of share-based payment transactions. For small business filers, FASB ASC 718 "Stock Compensation" is effective for interim or annual periods beginning after December 15, 2005. The Company adopted the guidance in FASB ASC 718 "Stock Compensation" on October 1, 2007.

(f) Basic and Diluted Loss Per Share

The Company presents of both basic and diluted earnings per share ("EPS") on the face of the income statement. Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of common shares outstanding during the year. Diluted EPS gives effect to all dilative potential common shares outstanding during the year including stock options, using the treasury stock method, and convertible preferred stock, using the if-converted method. In computing diluted EPS, the average stock price for the year is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential common shares if their effect is anti-dilutive. As of December 31, 2011 there were 199,115 potentially dilutive shares relating to the outstanding convertible preferred stock.

(g) Income Taxes

The Company uses the assets and liability method of accounting for income taxes pursuant to FASB ASC 740 “Income Taxes”. Under the asset and liability method of FASB ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

(h) Recently Issued Accounting Pronouncements

Management does not believe that any other recently issued, but not yet effective, accounting standard if currently adopted would have a material effect on the accompanying financial statements.

Note 3. Common Stock

On February 28, 2011 the Company converted 750 Class A Preference Shares into 75,000 common shares at a rate of $0.00025 each.

On June 9, 2011 the Company converted 40,000 Class A Preference Shares into 4,000,000 common shares at a rate of $0.00025 each.

Effective October 28, 2011, the Company effectuated a 1 for 100 reverse stock split, thereby reducing the issued and outstanding shares of Common Stock from 61,191,322 prior to the reverse split to 611,940 following the reverse split. The financial statements have been retroactively adjusted to reflect this reverse stock split.

On December 12, 2011 the Company issued 5,000,000 restricted common shares at a rate of $0.20 each, after the conversion of a promissory note.

On December 12, 2011 the Company issued 10,000,000 restricted common shares at a rate of $0.05 each, after the conversion of a promissory note.

On December 12, 2011 the Company issued 40,000,000 restricted common shares at a rate of $0.075 each, according to an equity line financing agreement.

Note 4. Intangible Assets

Intangible assets consist of patent and trademark costs. Patent costs are costs incurred to develop and file patent application. Trademark costs are costs incurred to develop and file trademark applications. If the patents or trademarks are approved, the costs are amortized using the straight-line method over the estimated lives of 7 years for patents, 5 years and 10 years for trademarks.

Amortization expense for the year ended December 31, 2011 and 2010 was $83,600 in each period. Unsuccessful patent and trademark application costs are expense at the time the application is denied.

Through the issuance of 40,000,000 restricted common shares valued at $10,000, the Company acquired exclusive license rights to the Intangibles which consist of a website and the Ignition trademarks, and these are amortized over a period of 10 years. Through the issuance of 700,000 restricted common shares valued at $350,000 and $63,000 cash, the Company acquired the Intangibles of icelounge.com, Inc. which consist of a website, databases and proprietary software, and these are amortized over a period of 5 years. In accordance with FASB ASC 350, "Intangibles - Goodwill and Other" purchased intangibles with finite lives are amortized and reviewed for impairment on an annual basis, which is completed during the fourth quarters of 2011 and 2010 and no impairment was recognized. The useful lives of the Intangibles have been determined by management based upon the expected use of the asset by the Company which is determined to be 5 years and 10 years. The Company recognizes amortization of the Intangibles on a monthly basis. Management assesses the carrying values of long-lived assets for impairment when circumstances warrant such a review. In performing this assessment, management considers current market analysis and appraisal of the technology, along with estimates of future cash flows. The Company recognizes impairment losses when undiscounted cash flows estimated to be generated from long-lived assets are less than the amount of unamortized assets. There were no unsuccessful and abandoned patents and trademarks expensed in 2011 and 2010.

Note 5. Subsequent Events

On January 4, 2012 the Company converted 55,000 Class A Preference Shares into 5,500,000 common shares at a rate of $0.00025 each.

On January 20, 2012 the Company converted 60,500 Class A Preference Shares into 6,050,000 common shares at a rate of $0.00025 each.

The Company has evaluated subsequent events through March 30, 2011 and has determined that there were no additional subsequent events to recognize or disclose in these financial statements.