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FOR IMMEDIATE RELEASE

THE MARKETING ALLIANCE ANNOUNCES 2004 SECOND QUARTER RESULTS

Q2 2004 Highlights

- Net income of \$67,000, or \$0.03 per share
- TMA Marketing opens Annuity Service Center
- Relocation of Business Service Center to Omaha, NE
- Company increases number of distributors to 158 in 43 states

Pittsburgh, PA – September 8, 2004 – The Marketing Alliance, Inc. (MAAL.PK) (“TMA”), a consortium of independent life insurance brokerage general agencies located throughout the United States, today announced financial results for the second quarter and six month period ended June 30, 2004 (see attached tables).

Revenues for the 2nd quarter of 2004 decreased 6% to \$4.0 million from \$4.3 million last year. The decrease was primarily due to a slowdown in general economic conditions impacting TMA's existing distributors. Revenues for the six-month period ended June 30, 2004 were \$7.7 million, a 1% decrease from \$7.8 million reported in the comparable period in 2003. Gross profit for the 2nd quarter decreased 7% to \$1.1 million compared to \$1.2 million in the same period last year. Gross profit for the six-month period ended June 30, 2004 was \$2.9 million, a 6% increase over 2003.

Operating expenses for the 2nd quarter of 2004 rose 44% to \$674,000 from the same period in 2003. The increase in operating expenses is related primarily to startup costs incurred in connection with the opening of both the Company's TMA Marketing (“TMAM”) subsidiary and the Omaha processing center, and additional expenses associated with being a publicly-traded company incurred during the quarter. Operating income for the 2nd quarter of 2004 decreased 39% to \$469,000 compared to \$767,000 in the comparable prior year period. Operating income for the six months ended June 30, 2004 was \$1.5 million as compared to \$1.8 million for the six months ended June 30, 2003.

Net income for the 2nd quarter of 2004 was \$67,000 or \$.03 per share, versus net income of \$808,000 or \$.40 per share, for the same period last year. The decrease in net income for the quarter was a result of the aforementioned increased operating expenses and a realized and unrealized loss on investments of \$267,000. The majority of the Company's equity investments are in regional banks, which under-performed throughout the quarter. Net income for the six-months ended June 30, 2004 was \$788,000 as compared to net income of \$1.5 million for the comparable period last year.

TMA BUSINESS SERVICE CENTER INCREASES PRODUCTIVITY

TMA recently announced that it relocated its business service center to a Company-controlled facility in Omaha, NE from Shawnee Mission, KS. Since it opened in May 2004, 102 TMA distributors have submitted business through the service center. The center offers increased efficiency levels for the processing of transactions, as all aspects of the processing cycle are controlled internally. The Company's decision to relocate the business center was the result of a thorough internal review undertaken by management and feedback received from TMA members during this review.

TMA MARKETING, INC. OPENS ANNUITY SERVICE CENTER

TMA Marketing, Inc., which represents TMA members in offering non-traditional products to both existing and new customers, opened its annuity service center on August 2, 2004 after five months of testing with a select group of agencies. This center will allow those distributors that don't presently market annuity products to enter a new profit center for their agency without incurring significant start-up costs. In the first four weeks since opening, 22 agencies have utilized the center offering a line of annuity products to their customers.

CREATING OPPORTUNITIES FOR TMA MEMBERS

Timothy P. McKenna, CLU, President of TMA, commented, "We continue to aggressively address potential areas of growth for the Company, including the expansion of TMA's network of distributors. During the 2nd quarter, TMA added four new distributors, bringing the Company's membership to 158 in 43 states as of June 30, 2004. Our focus is to continue introducing new agencies to the competitive benefits that TMA provides, which include leveraging pooled production, shared services and outsourcing. We are optimistic that we will continue to attract new agencies to our network, as well as help our existing agencies grow with our core carriers."

Mr. McKenna continued, "The recent initiatives taken by the Company provides our members with additional means to compete while still retaining their independence. We are ramping up programs to drive member business through the new, Company-controlled business service center in Omaha. We feel that the expansion of our case management capabilities and superior IT infrastructure will create significant competitive advantages for our members within their respective markets, in addition to offering them the highest level of service. We are also very pleased with the initial reaction to the opening of TMAM's annuity service center. The market for annuity products is a natural progression for many of our life-insurance distributors, and the response has exceeded our expectations. Though the center only opened a month ago, we are excited by the growth potential it offers our members and the Company."

Mr. McKenna concluded, "We feel that TMA has carved out a clear-cut industry niche within the marketing and insurance industries. We offer our independent insurance agency members extensive back office support, access to a greater product matrix, bonuses for business channeled through TMA and reimbursement for qualified technology and marketing expenditures. By enhancing the business capabilities of our distributors, we are in effect fueling the Company's growth. We are confident that TMA is well positioned for the future."

SOLID FINANCIAL POSITION WITH NO LONG-TERM DEBT

Shareholders' equity at June 30, 2004 was \$3 million, up from \$2.3 million at December 31, 2003. TMA had no long-term debt at June 30, 2004. Receivables at June 30, 2004 include deferred first year commissions initially recorded in December 2003 of approximately \$2.2 million. These receivables are based upon management's estimate of amounts to be received for policies with effective dates in 2003. Estimated amounts due to brokers relative to the deferred first year commissions are included in total current liabilities at June 30, 2004 and approximate \$1.7 million. Operations for the six months ended June 30, 2004 and 2003 do not include any revenues or expenses relating to the deferred first year commissions.

ABOUT THE MARKETING ALLIANCE, INC.

Headquartered in Pittsburgh, PA, TMA is one the largest organizations providing support to independent insurance brokerage agencies, with a goal of providing members value-added services on a more efficient basis than they can achieve individually. TMA's network is comprised of approximately 158 independent life brokerage and general agencies in 43 states. TMA recently launched a new shareholder section of its website, incorporating recent share price information, management biographical information, financial results, news items and contact information. The site can be accessed through TMA's home page, or directly at http://www.themarketingalliance.com/si_who.cfm.

FORWARD LOOKING STATEMENT

Investors are cautioned that forward-looking statements involve risks and uncertainties that may affect the Company's business and prospects. Any forward-looking statements contained in this press release represent our estimates only as of the date hereof, or as of such earlier dates as are indicated, and should not be relied upon as representing our estimates as of any subsequent date. These statements involve a number of risks and uncertainties, including, but not limited to, general changes in economic conditions. While we may elect to update forward-looking statements at some point in the future, we specifically disclaim any obligation to do so.

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Consolidated Statement of Operations

	Quarter Ended		6 Months Ended	
	6/30/04	6/30/03	6/30/04	6/30/03
Revenues	\$ 4,053,530	\$ 4,291,523	\$ 7,743,084	\$ 7,812,950
Distributor Costs				
Distributor bonus	2,130,742	2,555,124	3,260,080	3,816,360
Distributor benefits	779,361	501,404	1,551,741	1,229,474
Total	2,910,103	3,056,528	4,811,821	5,045,834
Gross Profit	1,143,427	1,234,995	2,931,263	2,767,116
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Operating Expenses	674,793	467,584	1,417,237	922,885
Operating Income	468,634	767,411	1,514,026	1,844,231
Other Income (Expense)				
Interest & dividend Income (net)	11,452	13,934	17,263	32,191
Realized & unrealized gains [losses] on investments (net)	(266,700)	338,565	(60,873)	444,235
Interest expense	(6,463)	(3,336)	(13,388)	(11,533)
Other	(49,247)	695	(67,701)	(39,564)
Income Before Provision for Income Tax	157,676	1,117,269	1,389,327	2,269,560
Provision for income taxes	(91,000)	(309,640)	(601,558)	(738,640)
Net Income	66,676	807,629	\$ 787,769	\$ 1,530,920
Shares Outstanding	2,036,747	2,036,747	2,036,747	2,036,747
Operating Income per Share	\$ 0.23	\$ 0.38	\$ 0.74	\$ 0.91
Net Income per Share	\$ 0.03	\$ 0.40	\$ 0.39	\$ 0.75

The Marketing Alliance, Inc.
Selected Consolidated Balance Sheet Data

	June 30, <u>2004</u>	<u>As of</u> December 31, <u>2003</u>
ASSETS		
Cash	\$ 640,604	\$ 252,486
Receivables	4,677,433	4,272,802
Investments	1,942,872	5,265,467
Other	<u>256,214</u>	<u>207,298</u>
Total current assets	7,517,123	9,998,053
Other non-current assets	<u>460,141</u>	<u>288,110</u>
Total assets	<u><u>7,977,264</u></u>	<u><u>10,331,798</u></u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Total current liabilities	\$ <u>4,927,848</u>	\$ <u>8,070,152</u>
Total liabilities	4,927,848	8,070,152
Total shareholders' equity	<u>3,049,416</u>	<u>2,261,646</u>
Total liabilities and shareholders' equity	<u><u>7,977,264</u></u>	<u><u>10,331,798</u></u>