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## Armada Releases Annual Results

Mississauga, Ontario, September 28, 2017 - Armada Data Corporation (TSV.V:ARD) reports that its annual financial results for the year ended May 31, 2017 have now been filed on SEDAR and are available to view on SEDAR at [www.sedar.com](http://www.sedar.com) and the company's web site [www.armadadata.com](http://www.armadadata.com).

### Selected Annual Information

Fiscal Year Ended	May 31, 2017	May 31, 2016	May 31, 2015	May 31, 2014
Total Revenue	\$2,391,186	\$2,249,620	\$2,210,932	\$2,606,924
Income before undernoted	275,821	272,545	\$2,167	\$403,398
Income from discontinued operations (Mister Beer Inc.)	NIL	86,470	\$(642,601)	\$(541,251)
Income (Loss) before taxes	\$275,821	\$359,015	\$(640,434)	\$(137,853)
Income Taxes	\$79,957	75,468	NIL	\$(102,289)
Comprehensive Income (Loss) after Taxes	\$195,864	\$283,547	\$(640,434)	\$(240,142)
Comprehensive Income (Loss) per share	\$0.01	\$0.02	\$(0.04)	\$(0.01)
Total Assets	\$875,175	\$953,751	\$730,565	\$1,256,286
Total Liabilities	\$325,053	\$599,493	\$659,854	\$545,141
Shareholder's Equity, including Non-controlling interests	\$550,122	\$354,258	\$70,711	\$711,145
Dividends	NIL	NIL	NIL	NIL

The prior periods' comparative figures have been reclassified, where necessary, to conform to the current year's presentation.

The Company's total revenue increased by 6% in 2017 to \$2,391,186 from \$2,249,620 in 2016.

The Company reported comprehensive income of \$275,821, due to the following factors:

- A sub-tenant was found for the brewing facility on November 1, 2015, to offset the rent expense of the lease obligation for these premises, and the Company is no longer responsible for utility, insurance and maintenance expenses for the same premises.
- Insurance claims increased in fiscal 2017, by 15% over fiscal 2016
- Expansion of carcostcanada.com and dealer services program into the province of Quebec
- The Company retained a new digital advertising network

### **Selected Quarterly Information**

Fiscal Year	2017	2017	2017	2017	2016	2016	2016	2016
Quarter Ended	May-31 2017	Feb-28 2017	Nov-30 2016	Aug-31 2016	May-31 2016	Feb-29 2016	Nov-30 2015	Aug-31 2015
<b>Total Revenue</b>	594,625	568,029	633,385	595,147	611,939	534,779	558,736	544,166
<b>Comprehensive (Loss) Income before taxes</b>	(38,395)	51,733	117,740	144,743	175,057	79,419	34,364	70,175
<b>Comprehensive Income per share</b>	\$0.00	\$0.00	\$0.01	\$0.01	\$0.01	\$0.00	\$0.00	\$0.00

The prior periods' comparative figures have been reclassified, where necessary, to conform to the current year's presentation

No dividends were paid out to shareholders in fiscal 2017 or fiscal 2016. Management does not plan on issuing any dividends until further notice.

### **Operations**

The Insurance Services division experienced an increase in revenue, from \$1,108,745 in 2016 to \$1,279,067 in 2017, or by 15%. The increase in revenue was the result of the concerted effort by the Insurance Division to process more claims faster.

The Retail Services division revenue was down 20% to \$182,476 from \$227,038. The new CarCostCanada.com website and a new French-language site devoted to the Quebec market were not effective enough to stop the steady decline of membership revenues due to a competitor providing a similar service. Membership overall remained steady as a result of regular promotions and management decided to uphold a discounted membership fee to not lose further market share.

The Dealer Services division revenue increased from \$660,540 in 2016 to \$676,225 in 2017. Despite the decrease in membership sales, which drive the dealer lead generation program, and some manufacturer intervention on the part of an automaker that discourages their dealer-body from participating in any type of third-party lead generation program, this division managed to increase its revenue by 2%, accounted by an expansion into Quebec.

The Advertising/Marketing Services division, which derives its revenue from the sale of online third party advertising on CarCostCanada.com and TheCarMagazine.com increased from \$74,624 to \$94,492. Management was successful in their efforts to search out additional sources of revenue in this division.

The Information Technology division revenue decreased by 11% to \$158,926 in 2017, from \$178,673 in 2016. IT continues to offer technical support and web site hosting to hundreds of customers, and is developing new customer relationships on a regular basis, as well as offering new services for sale.

The Mister Beer division ceased operations on December 31, 2014, and its assets disposed of in fiscal 2016. There was no activity in this division in fiscal 2017.

Armada's consolidated statement reflects income this year, before corporation income taxes, of \$275,821, compared to the income before corporation income taxes of \$359,015 in 2016. Corporation income tax expense is \$79,957 in 2017, compared to \$75,468 in 2016.

Total expenses before amortization increased to \$2,075,093 compared to \$1,935,704, a 7% increase over last year. After the many cost-cutting measures to reduce expenses in 2015 and 2016, the largest increase is in salaries and wages, which is up 24% over last year. Advertising expense has increased 55%, due to new radio advertising campaigns.

As a result of the income reported by the Company in 2017, the Company's deficit decreased to \$(1,207,374) as at May 31, 2017 compared to \$(1,406,561) the prior year. Earnings per share at May 31, 2017 are \$0.01 versus \$0.02 per share at May 31, 2016.

### **Liquidity**

Based on a year-end cash position of \$296,200, accounts receivable of \$312,129, and accounts payable of \$293,756, the company is in a positive cash position. By closing the Mister Beer division, management has reduced overall expenses and commitments. The other divisions of Armada are poised for revenue gains this fiscal year as a result of new project and feature launches as well as more than one significant partnership that the Insurance and Retail Service teams are working on. Management believes that the data divisions will not only remain very stable and profitable but begin to make significant inroads in new verticals that will result from our partnerships, project releases and new revenue streams.

### **Outlook**

The Company's outlook is to continue to increase sales, update and improve our data services products and services, and deliver significantly better results to our shareholders by way of the following:

1. Build on the historical success of the Company's ongoing sales and marketing efforts focused on increasing sales at Retail Services, Dealer Services and Insurance Services.
2. Exploit market awareness and demand for new vehicle pricing information and dealer referrals that result from the additional competition within that market space; by putting more emphasis on outside partners, data outsourcing and our underutilized online magazine TheCarMagazine.com
3. Continue to improve our relationships with some of the largest insurance companies in Canada and partner with some of these organizations to produce new products and services for their vast client base.
4. Maintain operating expenses and achieve the economies of scales of an Internet based business.
5. Expand third-party fee-based online advertising by developing improved and more secure advertising

### **About Armada Data Corp.**

Armada Data is a Canadian publicly traded Information & Marketing Services Company providing accurate and real-time data to institutional and retail customers, through developing, owning and operating automotive pricing-related web sites and providing information technology and marketing services to its clients.

Armada Data shares are listed on the TSX Venture exchange under the trading Symbol ARD. Armada currently has a total of 17,670,265 shares outstanding.

Additional information relating to Armada Data Corporation is filed on SEDAR, and can be viewed at [www.sedar.com](http://www.sedar.com).

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