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Armada Releases Q2 2019 Results

Mississauga, Ontario, January 29, 2019 - Armada Data Corporation (TSV.V:ARD) reports its interim financial results for the quarter ended November 30, 2018 have now been filed on SEDAR and are available to view on SEDAR at www.sedar.com and the company's web site www.armadadata.com.

Selected Quarterly Information

Fiscal Year	2019	2019	2018	2018	2018	2018	2017	2017
Quarter Ended	Nov-30 2018	Aug-31 2018	May-31 2018	Feb-28 2018	Nov-30 2017	Aug-31 2017	May-31 2017	Feb-28 2017
Total Revenue	704,521	748,287	684,745	738,577	758,242	777,838	594,625	569,029
Comprehensive Income(Loss) before taxes	(30,407)	91,679	(144,518)	51,456	166,941	199,064	(118,352)	51,733
Comprehensive Income per share	\$0.00	\$0.01	\$(0.01)	\$0.00	\$0.01	\$0.01	\$(0.01)	\$0.00

Operations

The Company's total revenue decreased by 7% in the period ended November 30, 2018 to \$704,521 from \$758,242 in the same period a year earlier. Comprehensive income decreased to comprehensive loss of \$(30,407) in this quarter, down 118% from \$166,941 at November 30, 2017. Stock-based compensation expenses, and an increase in personnel account for this decrease. The increase in personnel has not yet had the desired effect of increasing revenue because of some missed deadlines for new and ongoing projects.

The Insurance Services division experienced a 4% decrease in revenue, from \$382,744 in the three months ended November 30, 2017 to \$369,721 in 2018.

The Company has combined the Retail, Dealer and Advertising/Marketing divisions into one segment, known as CarCostCanada, due to the fact that the revenues earned by these divisions comes directly or indirectly from the carcostcanada.com website, and as the Company has moved into free trial memberships, the business model for the former Retail Services Division has changed. CarCostCanada revenue was down 13% to \$270,820 from \$311,960 in 2017.

The Information Technology division revenue increased by 1% to \$64,410 in the second quarter of fiscal 2019 ended November 30, 2018, from \$63,538 in the same quarter in fiscal 2018. 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.

Expenses in this second quarter of fiscal 2019 before amortization and stock-based compensation increased to \$712,286, compared to \$581,435, an 23% increase over the same period last year. After the many cost-cutting measures to reduce expenses in 2015 and 2016, the largest increase is in salaries and wages, and employee benefits. Management is disappointed with these results, which are due to missed deadlines for new projects that are designed to generate more memberships and dealer agreements. Also, the Company has retained the services of a Payroll provider, and as a result, all payroll is paid biweekly, including management. The result of this change means that there are 26 pay periods in a year, rather than 24. Therefore pay periods are not over at the end of each month.

Accounts receivable decreased 14% to \$491,406 as at November 30, 2018, compared to \$568,554 as at November 30, 2017. Related party accounts receivable increased from \$2,416 to \$6,048.

Accounts payable decreased 9%, to \$236,899 as at November 30, 2018 from \$261,389 a year earlier. Related parties accounts payable decreased to nil as at November 30, 2018, from \$1,569 last year.

As a result of the loss reported by the Company in this quarter ended November 30, 2018, the Company's deficit increased to \$(872,128) compared to \$(839,709) at the quarter ended November 30, 2017. Earnings per share at November 30, 2018 are \$0.00, down from \$0.01 per share at November 30, 2017.

Management does not plan on issuing any dividends until further notice.

Segmented Quarterly Information

Revenues earned by divisions are as follows:

	3 months ended November 30, 2018	3 months ended November 30, 2017
Insurance Services	\$ 369,291	\$ 382,744
CarCost Canada	270,820	311,960
Information Technology	64,410	63,538
Total revenue - Armada Data Corp	<u>\$ 704,521</u>	<u>\$ 758,242</u>

Outlook

The company's outlook is to focus on our main two revenue producing business lines while, at the same time, monitoring and managing the performance of our human resources. The company is confident that with the timely delivery of new and innovative features and services that we will not sustain another disappointing quarter. We plan on taking the following steps to ensure better results and shareholder value:

1. Improving the productivity of our web-development team in order to publish innovative features, services and applications on or ahead of the internal timelines.
2. Concentrate on more member development initiatives at CarCostCanada; enhancing the user experience to supply our new car dealership partners with quality buyer leads and better educated members.
3. Focus on additional partnership and marketing agreements to increase the member-base of CarCostCanada while at the same time, training and servicing our dealership customers to improve their results.
4. Continue to demonstrate to the Canadian insurance company claims community that Armada Insurance Services offers more beneficial attributes in terms of claims settlement valuations, replacement vehicle fulfillment and settlement consultation.



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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.

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