

September 17, 2012



## Third Quarter Results

Coda Octopus Group, Inc. (OTC: CDOC.PK) announced last Friday its unaudited financial results for the third quarter of fiscal year 2012. For the nine months ending July 31, 2012 the Group achieved revenues of \$15.5m, up from \$10.3m for the same period in the previous year, and Net Income of \$3.5m up from \$300k for the same period in the previous year. The Group recorded positive cash flow of \$2.1m over the same period against \$722k the previous year. The full Quarterly Report is available at [www.otcmarkets.com](http://www.otcmarkets.com) (symbol – CDOC).

Annmarie Gayle, Group CEO said “Our third quarter results are a testament to the rigorous program of restructuring that the current management embarked upon in 2009. We have managed to contain Selling, General and Administrative expenses to the current level of \$3.5m down from \$3.8m last year while focussing on increasing revenues throughout the Group, which are up by fifty per cent. Whilst we expect quarterly revenues to be lumpy and therefore expect variation in our revenues in each quarter, we are confident of good sustainable year on year progress.

In the second quarter of this year we launched our TAP™ (Technology Access Program) rental offering around our patented Echoscope® product and we are already upgrading the rental pool to satisfy above plan demand. This together with our planned new product, (the Dimension™, an ROV application), which we intend to launch later this calendar year and our F170 positioning range gives us confidence that will see new revenue streams added to our business in 2013.”

### **About Coda Octopus Group, Inc.**

Originally founded in 1994 as Coda Technologies, the Coda Octopus Group is now headquartered in Lakeland, Florida.

The Group consists of a Marine Products business located in Lakeland, Florida, Edinburgh, Scotland, Perth, Australia, and Bergen, Norway, and engineering businesses, Coda Octopus Colmek in Salt Lake City, Utah and Coda Octopus Martech in Weymouth, England. Each of the Group companies are technology innovators with a particularly high level of sonar expertise. The Group has facilities in Florida, Utah, the UK, Australia, and Norway.

Alongside providing bespoke engineering and development for defense applications one of the Group's key products is the patented Coda Echoscope® - the first real time 3D sub-sea sonar which is used in oil and gas, underwater construction, search and rescue operations and port and harbor security and constructions. The top end software which runs on the Echoscope® (Underwater Survey Explorer) is also proprietary to Coda Octopus. The Echoscope® is also at the heart of the Underwater Inspection System which is being adopted for port and harbor security, and other applications globally. We have a number of products which are based on our real time 3D technology (Echoscope®, Underwater

Inspection System and Dimension® (the latter being a forward looking real time sonar targeted at ROV applications)).

With this patented revolutionizing sub-sea visualization capability, and the existing systems integration skills within Coda Octopus Colmek, Inc. and Coda Octopus Martech Ltd., the Coda Octopus Group believes it can become a world leading integrated sonar technology supplier.

For further information, please visit <http://www.codaoctopusgroup.com> or contact Coda Octopus at [info@codaoctopusgroup.com](mailto:info@codaoctopusgroup.com).

## **Safe Harbor Statement**

This press release contains certain forward-looking statements. These forward-looking statements can generally be identified as such because the context of the statement will include words such as Coda Octopus Group plans, expects, should, believes, anticipates or words of similar import but all statements other than of historical fact could be deemed forward-looking statements. Stockholders, potential investors and other readers are cautioned not to place undue reliance on these forward-looking statements that are predictions and opinions based only on current information as of the date of this press release that are inherently subject to risks and uncertainties that could cause future events or results to differ materially from those set forth or implied by the forward-looking statements. Certain of those risks and uncertainties are discussed in registration statement on Form SB-2 and include, but are not limited to, market acceptance of CodaOctopus' planned products and their level of sales, access to the capital necessary to finance and grow the business, a highly competitive environment in the security field that includes numerous large and well established companies much larger than ours, and our ability successfully to deploy our technologies and products to meet the technical demands and market requirements of our customers. These forward-looking statements are only made as of the date of this press release and Coda Octopus Group does not undertake any obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.