

November 24, 2015



# The Alkaline Water Company Reports First Six Months Fiscal Year 2016 Financial Results

## **Sales for Six Months up 202% Over Prior Year**

SCOTTSDALE, AZ -- (Marketwired) -- 11/24/15 -- *The Alkaline Water Company Inc.* (OTCQB: WTER) (the "Company"), developers of an innovative state of the art and proprietary electrolysis beverage process that is packaged and sold in 500ml, 700ml, 1-liter, 3-liter and 1-gallon sizes under the trade name Alkaline88, has announced financial results for the period ended September 30, 2015.

### ***First Six Months Financial Results and Highlights***

Revenue from sales of our product for the six months ended September 30, 2015 were \$3,232,864, as compared to \$1,594,872 for the six months ended September 30, 2014, an increase of 202%. The increase in revenue is due to increased product distribution to retailers and continued strong sell-through to consumers.

The Company's gross profit as a percentage of revenue for the quarter was 36%, as compared to 34 % for the same period in 2014, an increase of 5%. The increase in gross profit is a result of reduced raw material cost through greater volume purchases from our suppliers.

During the for the six months ended September 30, 2015, our total operating expenses were \$3,425,327, as compared to \$5,123,658 for the six months ended September 30, 2014 a decrease of 49%.

For the six months ended September 30, 2015, the total included \$1,394,736 of sales and marketing expenses and \$1,888,462 of general and administrative expenses, consisting primarily of approximately \$892,760 of stock option compensation expense, and \$203,540 of professional fees. Our stock compensation expense was incurred as a part of our issuance of stock grants to key consultants to develop our business. Although a non-cash expense, the value of such issuances had a material impact on our general and administrative expenses for the six months ending September 30, 2015.

For the six months ended September 30, 2014 the total included \$642,733 of sales and marketing expenses and \$4,422,837 of general and administrative expenses, consisting primarily of approximately \$2,198,838 of shares stock option compensation expense, and \$272,040 of professional fees

Net loss for the six months ending September 30, 2015 was \$(2,549,307), as compared to

a loss of \$(4,714,269) for the same period ended September 30, 2014 a decrease of 85%.

### ***Management Comment***

"The Company again saw record sales during the first six months of our fiscal year. For the first 6 months our sales were in excess of \$3.2 million dollars with purchase orders over \$4.2 million dollars," stated Mr. Steven Nickolas, President and CEO of the Company.

"Recent sales data released by Nielsen and our retailer customers indicate that we are the now the fastest growing *national* alkaline water company in the country. We are anticipating significant growth for the remainder of our current fiscal year. Our fourth quarter has been very strong and we expect more of the same this fiscal year. As with any high growth company we continue to face capital constraints which has hampered some of our delivery efforts in this and the current quarter. However, we still feel confident that we will be able to meet our fiscal 2016 sales goals of \$10,000,000. " Nickolas further stated.

Additional details of the Company's business, finances, appointments and agreements can be found as part of the Company's continuous public disclosure as a reporting issuer with the Securities and Exchange Commission ("SEC") available at [www.sec.gov](http://www.sec.gov). For more information, visit our website at [www.thealkalinewaterco.com](http://www.thealkalinewaterco.com).

***The Alkaline Water Company, Inc.*** (OTCQB: WTER) has developed an innovative, state of the art, proprietary electrolysis process that produces healthy alkaline water for a balanced lifestyle. The Company is focused on the business of distributing and marketing for retail sale of its cost-effectively packaged Alkaline88 water beverage products. Visit us at: [www.thealkalinewaterco.com](http://www.thealkalinewaterco.com).

### ***About Alkaline Water Products***

Alkaline88's premier alkaline water is an 8.8 pH balanced bottled alkaline drinking water enhanced with trace minerals and electrolytes. The product offers consumers the unique opportunity to purchase alkaline water in conveniently packaged 500ml, 700ml, 1-liter, 3-liter and 1-gallon sizes. The Alkaline Water Company Inc. is currently in the midst of a national mass-market expansion program, where the product is already available for consumer sales at a growing number of major retail locations across many parts of the United States. Learn more about the science behind alkaline water by visiting [www.thealkalinewaterco.com](http://www.thealkalinewaterco.com).

### ***Notice Regarding Forward-Looking Statements***

This news release contains "forward-looking statements." Statements in this press release that are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, expectations or intentions regarding the future. Such forward-looking statements include, among other things,; and that the Company is extremely excited about its growth potential for 2016; the Company's belief that sales data released by Nielsen and our retailer customers indicate that The Company is now the fastest growing *national* alkaline water company in the country ; the Company's expectation of revenue of \$10,000,000 for fiscal year ending March 31, 2016; The material assumptions supporting these forward-looking statements include, among other things that the demand for the Company's products will continue to significantly grow; the Company will be able to

continue to expand into new retailers; and the Company will be able to obtain additional capital to meet the Company's growing demand and purchase new pieces of equipment. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others, the inherent uncertainties associated with developing new products and operating as a development stage company, changes in customer demand, the extent to which we are successful in gaining new long-term relationships with retailers or retaining existing ones, our ability to raise the additional funding we will need to continue to pursue our business and product development plans, competition in the industry in which we operate and market conditions. These forward-looking statements are made as of the date of this news release, and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements, except as required by applicable law, including the securities laws of the United States. Although we believe that any beliefs, plans, expectations and intentions contained in this press release are reasonable, there can be no assurance that any such beliefs, plans, expectations or intentions will prove to be accurate. Investors should consult all of the information set forth herein and should also refer to the risk factors disclosure outlined in the reports and other documents we file with the SEC, available at [www.sec.gov](http://www.sec.gov).

Contact:

***WTER Investor Relations***

Phone: (480) 656-2423

Email: [investors@thealkalinewaterco.com](mailto:investors@thealkalinewaterco.com)

Website: [www.thealkalinewaterco.com](http://www.thealkalinewaterco.com)

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