

For immediate release

GENDIS INC. ANNOUNCES FOURTH QUARTER AND YEAR END PROFIT

Winnipeg, Manitoba (April 8, 2011) - Gendis Inc. (TSX:GDS) today announced its financial results for the 4th quarter ended January 31, 2011.

Revenue for the quarter was \$1.4-million compared to \$0.5-million last year, primarily from an increase in investment income.

The net earnings for the 4th quarter were \$2.6-million (\$0.18 per share) compared to a net loss of \$0.2-million (\$0.02 per share) last year. The increase in earnings quarter over quarter is primarily due to:

- increased future tax recoveries of \$1.2-million from the change in the valuation allowance,
- increased revenue of \$0.9-million,
- reduced operating expenses of \$0.6-million,

Revenue for the year was \$4.9-million compared to \$3.9-million last year. The increase in revenue year over year is primarily due to:

- increased revenue from participating rents of \$0.3-million,
- increased revenue from investments of \$0.6-million,

The net earnings for the year were \$0.5-million (\$0.03 per share) compared to net earnings of \$0.9-million (\$0.06 per share) last year. The decrease in earnings year over year is primarily due to:

- settlement of legal claims of \$2.8-million;
- reduction in the fair value changes of investments of \$0.4-million

offset by:

- increased future tax recoveries of \$1.2-million from the change in the valuation allowance,
- increased revenue of \$1.0-million,
- reduced operating expenses of \$0.6-million.

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Gendis Inc.
Consolidated Balance Sheet
At January 31

(unaudited - \$,000's)	2011	2010
Assets		
Cash	39	261
Receivables	404	263
Income and capital taxes recoverable	—	2
Prepaid expenses	50	40
	493	566
Investments (note 2)		
at fair value	26,282	20,542
at carrying value	4,946	4,946
Property and equipment	11,700	12,125
Future tax asset	4,849	3,172
	48,270	41,351
Liabilities and Shareholders' Equity		
Credit facilities	10,995	11,398
Payables and accrued liabilities	1,791	879
Income and capital taxes payable	69	—
	12,855	12,277
Post employment benefit obligations	890	872
Shareholders' equity	34,525	28,202
	48,270	41,351

Gendis Inc.
Consolidated Statement of Operations
For the periods ended January 31

(unaudited - \$,000's, except per share)	quarter ended		year ended	
	2011	2010	2011	2010
Revenue				
Real estate rental	1,114	857	3,739	3,333
Investment	252	(382)	1,157	602
	<u>1,366</u>	<u>475</u>	<u>4,896</u>	<u>3,935</u>
Expenses				
Property and administrative expenses	218	623	2,416	2,951
Amortization of property & equipment	131	123	522	514
Interest and finance expenses	96	82	333	272
	<u>445</u>	<u>828</u>	<u>3,271</u>	<u>3,737</u>
Earnings (loss) before the undernoted	921	(353)	1,625	198
Provision for settlement of legal claims	(61)	—	(2,811)	—
Provision for post employment benefit obligations	(58)	(191)	(58)	(191)
Change in fair value of investments held for trading	104	(68)	16	388
Gain (loss) on sale of investments available for sale	—	3	(8)	12
Gain on sale of property & equipment	—	—	9	82
Earnings (loss) before taxes	<u>906</u>	<u>(609)</u>	<u>(1,227)</u>	<u>489</u>
Income taxes provision (recovery):				
Current	—	11	—	57
Future	1,677	(440)	1,677	(440)
	<u>1,677</u>	<u>429</u>	<u>1,677</u>	<u>(383)</u>
Net earnings (loss) from operations	<u>2,583</u>	<u>(180)</u>	<u>450</u>	<u>872</u>
Earnings (loss) per share -				
basic and diluted	<u>0.18</u>	<u>(0.02)</u>	<u>0.03</u>	<u>0.06</u>

Gendis Inc.

Consolidated Statement of Comprehensive Income (Loss)
For the periods ended January 31

(unaudited - \$,000's)	quarter ended		year ended	
	2011	2010	2011	2010
Other comprehensive income				
Change in the fair value of investments	1,058	4,028	5,947	6,703
Gain (loss) on sale of investments	-	3	(8)	12
Transfers to net loss from operations:				
Gain (loss) on sale of investments	-	(3)	8	(12)
Other comprehensive income	1,058	4,028	5,947	6,703
Net earnings (loss)	2,583	(180)	450	872
Comprehensive income	3,641	3,848	6,397	7,575

Gendis Inc.

Consolidated Statement of Shareholders' Equity
For the periods ended

(unaudited - \$,000's)	Share		AOCI	Total
	Capital	Retained		
	(note 3)	Earnings		
Balance - January 31, 2009	14,796	8,414	(2,447)	20,763
Net earnings for the period	-	1,052	2,675	3,727
Shares purchased for cancellation	(108)	17	-	(91)
Balance - October 31, 2009	14,688	9,483	228	24,399
Net earnings (loss) for the quarter	-	(180)	4,028	3,848
Shares purchased for cancellation	(38)	(7)	-	(45)
Balance - January 31, 2010	14,650	9,296	4,256	28,202
Net gain (loss) for the period	-	(2,133)	4,889	2,756
Balance - October 31, 2010	14,650	7,163	9,145	30,958
Net earnings for the quarter	-	2,583	1,058	3,641
Refundable dividend tax on hand	-	(74)	-	(74)
Balance - January 31, 2011	14,650	9,672	10,203	34,525

AOCI refers to Accumulated Other Comprehensive Income

Gendis Inc.
Consolidated Statement of Cash Flows
For the periods ended January 31

(unaudited - \$,000's)	quarter ended		year ended	
	2011	2010	2011	2010
By operations:				
Net earnings (loss)	2,583	(180)	450	872
add (deduct) items not affecting cash:				
Amortization of property and equipment	131	123	522	514
(Gain) loss on sale of property & equipment	—	—	(9)	(82)
(Gain) loss on sale of investments	—	6	8	(3)
Change in fair value of investments	(103)	59	(16)	(397)
Provision for settlement of legal claims	61	—	2,811	—
Provision for post employment benefit obligations	58	191	58	191
Future income tax	(1,677)	(440)	(1,677)	(440)
Cash flow from earnings	1,053	(241)	2,147	655
Payments for settlement of legal claims	(150)	—	(1,650)	—
Change in working capital	(573)	(366)	(403)	(183)
	330	(607)	94	472
By investing activities:				
Investments acquired	—	—	(967)	—
Proceeds on sale of investments	—	74	345	1,161
Reduction to the cost of investments from a return of capital	257	871	837	1,379
Proceeds on sale of property and equipment	—	2	—	346
Expenditure on property and equipment	(1)	(1)	(88)	(22)
	256	946	127	2,864
By financing activities:				
Net repayment credit facilities	(600)	(200)	(403)	(3,093)
Purchase for cancellation of share capital	—	(45)	—	(136)
Payments for post employment benefit obligations	(10)	—	(40)	(25)
Refundable dividend tax	—	—	—	(20)
	(610)	(245)	(443)	(3,274)
Increase (decrease) in cash	(24)	94	(222)	62
Cash - beginning of period	63	167	261	199
Cash - end of period	39	261	39	261
Supplementary information:				
Interest paid	97	83	336	267
Taxes paid	—	11	—	77

Gendis Inc.

Notes to Condensed Consolidated Interim Financial Statements - unaudited
January 31, 2011

1. Significant Accounting Policies and Basis of Presentation

These unaudited consolidated interim financial statements are prepared in accordance with accounting principles generally accepted in Canada. However, these interim financial statements do not contain all the disclosures that would be required under generally accepted accounting principles for annual financial statements. These interim financial statements follow the same accounting policies and methods of application as the audited annual consolidated financial statements at January 31, 2010. Certain disclosures required for annual financial statements have been condensed or omitted in these interim financial statements. Accordingly, these interim financial statements should be read in conjunction with the annual consolidated financial statements and notes thereto as presented in the Company's Annual Report for the fiscal year ended January 31, 2010. The following notes to the interim financial statements are supplemental to the notes to the annual consolidated financial statements.

2. INVESTMENTS

Fair Value \$		
	2011	2010
(,000's)		
Available-for-sale:		
Flow-through entities:		
Veresen 1,915 shares	25,980	—
Fort Chicago (2009 - 1,915 units)	—	19,915
Other equity investments	—	53
Held-for-trading:		
Other equity investments	302	574
<u>Total exchange-traded investments</u>	<u>26,282</u>	<u>20,542</u>
		Cost
		\$
(,000's)	2011	2010
Private placement - Equity investment, available-for-sale:		
<u>OSUM 2,047 shares (2009-2,047 shares)</u>	<u>4,946</u>	<u>4,946</u>

3. CAPITAL STOCK

Common shares issued (,000's)	Number of Shares	
	2011	2010
Beginning of year	13,937	14,075
less shares purchased for cancellation under a Normal Issuer Course Bid	—	138
End of year	13,937	13,937

The Normal Course Issuer Bid expired on January 15, 2010.

4. Segment Information

(\$,000's)	4 th quarter ended	Realty	Corporate	Inter- segment	Total
Revenue	2011	1,129	344	(107)	1,366
	2010	872	(294)	(103)	475
Expenses	2011	394	(131)	(45)	218
	2010	284	384	(45)	623
Amortization	2011	129	2	—	131
	2010	126	(3)	—	123
Interest	2011	62	96	(62)	96
	2010	58	82	(58)	82
Post employment benefit obligation cost	2011	—	58	—	58
	2010	—	191	—	191
Provision for settlement of legal claims	2011	—	61	—	61
	2010	—	—	—	—
Gain (loss) on sale of investments and property & equipment	2011	—	—	—	—
	2010	—	3	—	3
Change in fair value of investments held-for-trading	2011	—	104	—	104
	2010	—	(68)	—	(68)
Income tax recovery (provision)	2011	314	1,363	—	1,677
	2010	173	256	—	429
Net earnings (loss) from operations	2011	858	1,725	—	2,583
	2010	577	(757)	—	(180)
Expenditures on property & equipment	2011	—	1	—	1
	2010	—	1	—	1

(\$,000's)	year ended	Realty	Corporate	Inter- segment	Total
Revenue	2011	3,800	1,516	(420)	4,896
	2010	3,394	974	(433)	3,935
Expenses	2011	1,558	1,039	(181)	2,416
	2010	1,635	1,497	(181)	2,951
Amortization	2011	510	12	-	522
	2010	505	9	-	514
Interest & other finance expense	2011	239	333	(239)	333
	2010	252	272	(252)	272
Post employment benefit obligation cost	2011	-	58	-	58
	2010	-	191	-	191
Gain (loss) on sale of investments and property & equipment	2011	6	(5)	-	1
	2010	82	12	-	94
Provision for settlement of legal claims	2011	-	2,811	-	2,811
	2010	-	-	-	-
Change in fair value of investments held-for-trading	2011	-	16	-	16
	2010	-	388	-	388
Income tax recovery (provision)	2011	(20)	1,697	-	1,677
	2010	(65)	448	-	383
Net earnings (loss) from operations	2011	1,479	(1,029)	-	450
	2010	1,019	(147)	-	872
Expenditures on property and equipment	2011	77	11	-	88
	2010	21	1	-	22
Total Assets	2011	12,406	42,694	(6,830)	48,270
	2010	12,770	37,464	(8,883)	41,351