
GENDIS INC.

NEWS RELEASE

For immediate release

GENDIS INC. ANNOUNCES FOURTH QUARTER RESULTS FOR FISCAL 2006

Winnipeg, Manitoba (April 7, 2006) - Gendis Inc. (TSX:GDS) today announced its financial results for the 4th quarter of the fiscal year ended January 28, 2006.

Consolidated net earnings from continuing operations for the 4th quarter was \$27,000 (nil per share) compared to a net loss of \$331,000 (\$0.02 per share) last year. For the year, consolidated net earnings from continuing operations were \$4.7-million (\$0.31 per share) compared to a net loss of \$0.7-million (\$0.04 per share) last year.

In the 4th quarter last year, the Company sold its retail segment, Saan Stores. For the year last year, the net loss on operations of the retail segment was \$16.5-million (\$1.08 per share) and the net loss on disposal of the retail segment was \$34.5-million (\$2.25 per share). Consolidated loss for the year last year after discontinued operations was \$44.9-million (\$2.93 per share).

The Company's investments continue to appreciate in value. At January 28, 2006, the Company's investments in marketable securities had a fair market value of approximately \$41.1-million, which is \$7.8-million in excess of the carrying value. This represents an unrealized appreciation of approximately \$0.51 per share before income taxes.

For more information, please contact:

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Gendis Inc.
Consolidated Balance Sheet

	Jan. 28, 2006	Jan. 29, 2005
(unaudited - in thousands of dollars)		
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Assets		
Cash and equivalents	95	3,235
Receivables	265	530
Note receivable - current portion	382	-
Advance held in escrow	-	2,000
Prepaid expenses	203	109
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	945	5,874
Investments	33,306	18,844
Note receivable	1,693	-
Deposit on income tax reassessment	28,361	28,361
Property and equipment	11,066	11,431
Future tax asset	2,847	1,200
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	78,218	65,710
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Liabilities and Shareholders' Equity		
Credit facilities	7,985	-
Payables and accrued liabilities	1,039	1,113
Income & capital taxes payable	333	106
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	9,357	1,219
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Shareholders' equity		
Capital stock	16,100	16,100
Retained earnings	52,761	48,391
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	68,861	64,491
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	78,218	65,710
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Gendis Inc.

Consolidated Statement of Loss

(unaudited - in thousands of dollars)	quarter ended		year ended	
	Jan. 28, 2006	Jan. 29, 2005	Jan. 28, 2006	Jan. 29, 2005
Revenue				
Investment income	1,570	170	4,454	1,629
Real estate rental	155	249	897	352
	<u>1,725</u>	<u>419</u>	<u>5,351</u>	<u>1,981</u>
Expenses				
Property and administrative expenses	987	1,014	3,017	2,416
Amortization of property and equipment	86	85	332	352
Interest & other finance cost	55	24	106	214
	<u>1,127</u>	<u>1,123</u>	<u>3,455</u>	<u>2,982</u>
Earnings (loss) before the undernoted	597	(704)	1,896	(1,001)
Gain on sale of investments	743	-	1,241	-
Restructuring credits	-	761	-	761
Impairment of real estate	(87)	(767)	(87)	(767)
Earnings (loss) before taxes	1,253	(710)	3,050	(1,007)
Recovery of (provision for) income taxes	(1,226)	379	1,656	342
Earnings (loss) from continuing operations	27	(331)	4,706	(665)
Discontinued operations:				
Real estate held for sale	-	(28)	-	116
Gain on sale of real estate	-	(1,485)	-	6,679
Retail segment	-	(871)	-	(16,546)
Loss on sale of the retail segment	-	3,573	-	(34,476)
Net earnings (loss)	<u>27</u>	<u>858</u>	<u>4,706</u>	<u>(44,892)</u>
Earnings (loss) per share - basic and diluted				
Continuing operations	-	(0.02)	0.31	(0.04)
Discontinued operations:				
Real estate	-	(0.10)	-	0.44
Retail segment	-	0.18	-	(3.33)
	<u>-</u>	<u>0.06</u>	<u>0.31</u>	<u>(2.93)</u>

Gendis Inc.
Consolidated Statement of Cash Flows

(unaudited - in thousands of dollars)	quarter ended		year ended	
	Jan. 28, 2006	Jan. 29, 2005	Jan. 28, 2006	Jan. 29, 2005
By operations:				
Earnings (loss) from continuing operations	27	(331)	4,706	(665)
add (deduct) items not affecting cash:				
Amortization of property & equipment	86	86	332	352
Gain on sales of investments	(742)	-	(1,241)	-
Impairment of real estate	87	767	87	767
Future income taxes	1,353	(366)	(1,647)	(366)
Restructuring credit	-	(130)	-	(130)
Cash flow from earnings	811	26	2,237	(42)
Changes in working capital	415	(2,609)	249	(1,028)
Operating activities from:				
Continuing operations	1,226	(2,583)	2,486	(1,070)
Discontinued operations				
- real estate	-	16,060	-	1,656
- retail	-	5,541	-	(13,013)
	1,226	19,018	2,486	(12,427)
By investing activities:				
Acquisition of equipment	(2)	-	(54)	-
Distributions in excess of investment income	(762)	361	(1,772)	361
Proceeds from sale of investments	2,653	-	4,425	-
Investments acquired	(5,043)	(284)	(15,874)	(3,081)
Investing activities from:				
Continuing operations	(3,154)	77	(13,275)	(2,720)
Discontinued operations				
- real estate	-	(118)	-	14,032
- retail	-	(3,349)	-	(5,941)
	(3,154)	(3,390)	(13,275)	5,371
By financing activities:				
Net increased (decrease) in credit facilities	2,038	(8,500)	7,985	-
Refundable dividend tax	(336)	-	(336)	-
Financing activities from:				
Continuing operations	1,702	(8,500)	7,649	-
Discontinued operations				
- retail	-	(7,390)	-	5,320
	1,702	(15,890)	7,649	5,320
Increase (decrease) in cash	(226)	(262)	(3,140)	(1,736)
Cash - beginning of period	321	3,497	3,235	4,971
Cash - end of period	95	3,235	95	3,235

Gendis Inc.

Basis of Presentation of unaudited interim financial statements

These unaudited interim financial statements are prepared in accordance with accounting principles generally accepted in Canada and follow the same accounting policies and methods of application as the audited annual financial statements at January 28, 2006. 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 28, 2006

Certain comparative figures have been restated to conform to the presentation adopted for the current period.