

For immediate release

GENDIS INC. ANNOUNCES FIRST QUARTER RESULTS

Winnipeg, Manitoba (June 6, 2008) - Gendis Inc. (TSX:GDS) today announced its financial results for the 1st quarter ended April 30, 2008 of the fiscal year ending January 31, 2009.

Revenue for the 1st quarter was \$975,000 compared to \$381,000 last year. The net earnings from operations for the 1st quarter was \$1,160,000 (\$0.08 per share) compared to a net loss of \$781,000 (\$0.05 per share) last year. Comprehensive income was \$2,346,000 compared to \$106,000 last year.

The increase in revenue quarter over quarter is primarily attributable to the increase share of investment income from Fort Chicago and the cessation of the share of investment loss from Thunder as that investment was disposed of in the 2nd quarter last year. The increase in net earnings from operations quarter over quarter is primarily attributable to the increase in revenue and the increase in the fair value of investments that are held-for-trading. The increase in comprehensive income over quarter is primarily attributable to the increase in net earnings from operations and the increase in the fair value of investments that are available-for-sale.

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Gendis Inc.
Consolidated Balance Sheet

	Apr. 30	Jan. 31
(unaudited - in thousands of dollars)	2008	2008
Assets		
Cash	472	203
Receivables	298	259
Taxes recoverable	3	—
Prepaid expenses	461	270
	<u>1,234</u>	<u>732</u>
Investments (note 2)		
at fair value	37,056	34,028
at carrying value	4,821	4,821
Property and equipment	10,806	10,658
Future tax asset	2,597	2,597
	<u>56,514</u>	<u>52,836</u>
Commitments and Contingencies (note 5)		
Liabilities		
Credit facilities	19,958	18,778
Payables and accrued liabilities	1,375	970
Taxes payable	—	67
	<u>21,333</u>	<u>19,815</u>
Shareholders' equity	<u>35,181</u>	<u>33,021</u>
	<u>56,514</u>	<u>52,836</u>

Gendis Inc.
Consolidated Statement of Operations

(unaudited - in thousands of dollars, except per share)	quarter ended	
	Apr. 30 2008	Apr. 30 2007
Revenue		
Investment	594	(5)
Real estate rental	381	386
	<u>975</u>	<u>381</u>
Expenses		
Property and administrative expenses	794	757
Amortization of property and equipment	88	88
Interest and finance expenses	249	206
	<u>1,131</u>	<u>1,051</u>
Loss before the undernoted	(156)	(670)
Provision for loss on investments	-	(328)
Change in fair value of investments held-for-trading	1,064	(45)
Gain on sale of investments	237	280
Gain on sale of real estate properties	98	-
Earnings (loss) before taxes	1,243	(763)
Provision for income taxes	83	18
<u>Net earnings (loss) from operations for the period</u>	<u>1,160</u>	<u>(781)</u>
<u>Earnings (loss) from operations per share</u>	<u>0.08</u>	<u>(0.05)</u>

Gendis Inc.

Consolidated Statement of Comprehensive Income (Loss)

(unaudited - in thousands of dollars)	quarter ended	
	Apr. 30 2008	Apr. 30 2007
Other comprehensive income		
Change in fair value of investments available-for-sale	1,186	559
Provision for loss on investments	—	328
Other comprehensive income	1,186	887
Net earnings (loss) from operations	1,160	(781)
<u>Comprehensive income</u>	<u>2,346</u>	<u>106</u>

Consolidated Statement of Shareholders' Equity

For the Quarters Ended

(unaudited - in thousands of dollars)	Share Capital (note 3)	Retained Earnings	AOCI	Total
Balance -February 1, 2008	14,995	15,809	2,217	33,021
Net earnings for the period	—	1,160	1,186	2,346
Shares purchased for cancellation	(100)	(86)	—	(186)
<u>Balance - April 30, 2008</u>	<u>14,895</u>	<u>16,883</u>	<u>3,403</u>	<u>35,181</u>
Balance - February 1, 2007	15,736	21,740	3,008	40,484
Net earnings (loss) for the period	—	(781)	887	106
Shares purchased for cancellation	(180)	(172)	—	(352)
<u>Balance - April 30, 2007</u>	<u>15,556</u>	<u>20,787</u>	<u>3,895</u>	<u>40,238</u>

AOCI refers to Accumulated Other Comprehensive Income

Gendis Inc.
Consolidated Statement of Cash Flows

(unaudited - in thousands of dollars)	quarter ended	
	Apr. 30 2008	Apr. 30 2007
By operations:		
Net earnings (loss) from operations for the period	1,160	(781)
add (deduct) items not affecting cash:		
Amortization of property and equipment	88	88
Gain on sale of properties	(98)	-
Gain on sale of investments	(237)	(280)
Provision for loss on investments	-	328
Change in fair value of investments held-for-trading	(1,064)	373
Cash flow from earnings	(151)	(600)
Change in working capital	183	225
	32	(375)
By investing activities:		
Proceeds on sale of investments	1,327	1,762
Return of capital	22	760
Investments acquired	(1,890)	(707)
Proceeds from property sales	347	-
Additions to property and equipment	(485)	(21)
	(679)	1,794
By financing activities:		
Advance from (reduction in) credit facilities	1,180	(803)
Purchase and cancellation of share capital	(186)	(352)
Refundable dividend tax	(78)	(195)
	916	(1,350)
Increase in cash	269	69
Cash - beginning of period	203	195
Cash - end of period	472	264
Supplementary information:		
Taxes paid	161	213
Interest paid	250	209

Gendis Inc.

Notes to Consolidated Interim Financial Statements - unaudited

April 30, 2008

1. Significant Accounting Policies and Basis of Presentation

- (a) 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, 2008. 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, 2008. The following notes to the interim financial statements are supplemental to the notes to the annual consolidated financial statements.
- b) The Accounting Standards Board of Canada plans to converge Canadian Generally Accepted Accounting Principals for publicly accountable enterprises with International Financial Reporting Standards effective for fiscal periods commencing on or after January 1, 2011. The Company is currently assessing the impact of these new standards on its future consolidated financial statements.

2. Investments

(in thousands)	Number of shares/units		Fair value	
	# \$		# \$	
	Apr. 30 2008	Jan. 31 2008	Apr. 30 2008	Jan. 31 2008
Exchange-traded investments:				
Available-for-sale:				
Flow-through entities:				
Fort Chicago	2,190	2,190	23,805	22,644
Yellow Pages	100	-	1,097	-
Held-for-trading:				
Flow-through entities:				
Fort Chicago	79	154	860	1,595
Other equity investments:				
Alberta Clipper	700	700	1,974	1,540
Ember Resources	653	673	1,188	941
FNX Mining	100	110	2,847	2,920
INV	500	500	450	435
Opti Canada	98	105	2,049	1,722
Royal Bank	20	15	960	760
Scotiabank	20	15	956	723
Starbucks	25	25	409	474
Other equity investments			461	274
			37,056	34,028

(in thousands of dollars)	Face value		Carrying value	
	Apr. 30 2008	Jan. 31 2008	Apr. 30 2008	Jan. 31 2008
Private investments, available-for-sale:				
<u>OSUM - shares</u>	<u>1,948</u>	<u>1,948</u>	<u>4,821</u>	<u>4,821</u>

3. Capital Stock

(in thousands)	quarter ended	
	Apr. 30 2008	Apr. 30 2007
Number of shares		
Balance - beginning of period	14,265	14,970
Shares purchased for cancellation	(96)	(171)
<u>Balance - end of period</u>	<u>14,169</u>	<u>14,799</u>

4. Segment Information

(in thousands of dollars)	quarter ended April 30	Realty	Corporate	Inter- segment	Total
Revenue	2008	396	746	(167)	975
	2007	401	37	(57)	381
Expenses	2008	411	428	(45)	794
	2007	380	422	(45)	757
Amortization	2008	83	5	-	88
	2007	82	6	-	88
Interest	2008	122	249	(122)	249
	2007	12	206	(12)	206
Investment - gain (loss) on sale, provision for loss and changes in fair value held-for-trading	2008	-	1,301	-	1,301
	2007	-	(93)	-	(93)
Gain on sale of properties	2008	98	-	-	98
	2007	-	-	-	-
Provision for (recovery of) income taxes	2008	(43)	126	-	83
	2007	(25)	43	-	18
Net earnings (loss) from operations	2008	(79)	1,239	-	1,160
	2007	(48)	(733)	-	(781)
Total Assets	2008	12,478	52,547	(8,511)	56,514
	2007	12,263	43,751	(663)	55,351

5. Commitments & Contingencies

There have been no material developments in the lawsuits that were disclosed in the annual financial statements for the year ended January 31, 2008.

The Company is a participant in Saan's employee benefit program that includes participating in a group life insurance policy for retired employees of the Company and retired employees of the Company's former subsidiaries who retired prior to December 10, 2004. On December 28, 2007, Saan was placed under creditor protection under the Companies' Creditor Arrangements Act. On May 21, 2008, Saan's proceedings moved to a "Sales Process" mode causing uncertainty on whether Saan could emerge from the proceedings as a going concern. These escalating events have elevated the possibility, that is other than remote, that the Company's participation in Saan's employee benefit program could cease. There is uncertainty whether the Company has an obligation to provide death benefit coverage in the absence of a group life insurance policy. The volume of the death benefit obligation is estimated at \$1.5-million, \$5,000 per retired employee. The present value of this volume of benefit after applying mortality factors and a 5.4% discount interest rate is estimated at \$0.8 million.