

For immediate release

GENDIS INC. ANNOUNCES FIRST QUARTER RESULTS

Winnipeg, Manitoba (June 5, 2009) - Gendis Inc. (TSX:GDS) today announced its financial results for the 1st quarter ended April 30, 2009 of the fiscal year ending January 31, 2010.

Revenue for the 1st quarter was \$945,000 compared to \$975,000 last year. The decrease in revenue quarter over quarter is primarily attributable to the decline in the share of investment income from Fort Chicago, partially offset by an increase in rent revenue from a new tenancy in the Sony Place Facility that occurred in the 2nd quarter last year.

Net earnings from operations for the 1st quarter was \$108,000 (\$0.01 per share) compared to \$1,160,000 (\$0.08 per share) last year. Other comprehensive income was a \$369,000 loss compared to income of \$1,186,000 last year. The decrease in net earnings from operations and other comprehensive income quarter over quarter is primarily attributable to the substantial increase in the market value of investments that occurred in the 1st quarter last year with no counterpart for the current year 1st quarter. Subsequent to the 1st quarter last year, the Company's investments experienced a precipitous decline in market values to the extent that the Company substantially exited the equities market for its held-for-trading investments by the end of the 3rd quarter last year. Accordingly, current quarter market value changes in investments held-for-trading were nominal. Other comprehensive income is the change in market value of the Company's investments that are available-for-sale, primarily its flow-through entity investment in Fort Chicago.

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Gendis Inc.
Consolidated Balance Sheet

	Apr. 30	Jan. 31
(unaudited - in thousands of dollars)	2009	2009
Assets		
Cash	125	199
Receivables	261	291
Prepaid expenses	16	71
	402	561
Investments (note 2)		
at fair value	14,759	15,979
at cost	4,946	4,946
Property and equipment	12,496	12,881
Future tax asset	2,732	2,732
	35,335	37,099
Commitments and Contingencies (note 6)		
Liabilities		
Credit facilities (note 3)	12,891	14,491
Payables and accrued liabilities	1,244	1,119
Taxes payable	12	20
	14,147	15,630
Post employment benefit obligations	706	706
Shareholders' equity	20,482	20,763
	35,335	37,099

Gendis Inc.
Consolidated Statement of Operations

(unaudited - in thousands of dollars, except per share)	quarter ended	
	Apr. 30 2009	Apr. 30 2008
Revenue		
Investment	181	594
Real estate rental	764	381
	<u>945</u>	<u>975</u>
Expenses		
Property and administrative expenses	730	794
Amortization of property and equipment	131	88
Interest and finance expenses	65	249
	<u>926</u>	<u>1,131</u>
Earnings (loss) before the undernoted	19	(156)
Gain (loss) on sale of investments:		
Held-for-trading	—	237
Available-for-sale	(25)	—
Change in fair value of investments held-for-trading	53	1,064
Gain on sale of real estate properties	79	98
	<u>126</u>	<u>1,243</u>
Earnings before taxes	126	1,243
Provision for income taxes	18	83
	<u>108</u>	<u>1,160</u>
Net earnings from operations for the period	<u>108</u>	<u>1,160</u>
Earnings from operations per share	<u>0.01</u>	<u>0.08</u>

Gendis Inc.

Consolidated Statement of Comprehensive Income (Loss)

(unaudited - in thousands of dollars)	quarter ended	
	Apr. 30 2009	Apr. 30 2008
Other comprehensive income (loss)		
Investments available-for-sale:		
Change in fair value	(369)	1,186
Loss on sale	(25)	-
Transfer loss on sale to the Statement of Operations	25	-
Other comprehensive income (loss)	(369)	1,186
Net earnings from operations	108	1,160
<u>Comprehensive income (loss)</u>	<u>(261)</u>	<u>2,346</u>

Consolidated Statement of Shareholders' Equity

For the Quarters Ended

(unaudited - in thousands of dollars)	Share			
	Capital (note 5)	Retained Earnings	AOCI	Total
Balance - January 31, 2009	14,796	8,414	(2,447)	20,763
Net earnings (loss) for the period	-	108	(369)	(261)
Shares purchased for cancellation	(28)	8	-	(20)
<u>Balance - April 30, 2009</u>	<u>14,768</u>	<u>8,530</u>	<u>(2,816)</u>	<u>20,482</u>
Balance - January 31, 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>

AOCI refers to Accumulated Other Comprehensive Income

Gendis Inc.
Consolidated Statement of Cash Flows

(unaudited - in thousands of dollars)	quarter ended	
	Apr. 30 2009	Apr. 30 2008
By operations:		
Net earnings (loss) from operations for the period	108	1,160
add (deduct) items not affecting cash:		
Amortization of property and equipment	131	88
Gain on sale of properties	(79)	(98)
Loss (gain) on sale of investments	25	(237)
Change in fair value of investments held-for-trading	(53)	(1,064)
Cash flow from earnings	132	(151)
Change in working capital	221	183
	353	32
By investing activities:		
Proceeds on sale of investments	559	1,327
Reduction to the cost of investments from a return of capital	320	22
Investments acquired	-	(1,890)
Proceeds from property sales	339	347
Expenditure for property and equipment	(5)	(485)
	1,213	(679)
By financing activities:		
Advance from (reduction in) credit facilities	(1,600)	1,180
Purchase and cancellation of share capital	(20)	(186)
Refundable dividend tax	(20)	(78)
	(1,640)	916
Increase (decrease) in cash	(74)	269
Cash - beginning of period	199	203
Cash - end of period	125	472
Supplementary information:		
Taxes paid	38	161
Interest paid	60	250

Gendis Inc.

Notes to Consolidated Interim Financial Statements - unaudited

April 30, 2009

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, 2009. 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, 2009. 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 the Corporation's fiscal periods commencing on or after February 1, 2011. The Corporation is in the process of identifying and assessing the impact of the convergence of Canadian Generally Accepted Accounting Standards with the required and optional changes of IFRS on its results of operations, financial position and disclosures.

2. Investments

	Shares/units		Fair value	
	#		\$	
(in thousands)	Apr. 30 2009	Jan. 31 2009	Apr. 30 2009	Jan. 31 2009
Exchange-traded investments:				
Available-for-sale:				
Flow-through entities:				
Fort Chicago	1,982	2,057	14,408	15,674
Yellow Pages	10	10	56	64
Held-for-trading:				
Other equity investments			295	241
			14,759	15,979

	Shares		Cost	
	#		\$	
(in thousands)	Apr. 30 2009	Jan. 31 2009	Apr. 30 2009	Jan. 31 2009
Private investments, available-for-sale:				
OSUM - shares	2,047	2,047	4,946	4,946

3. CREDIT FACILITIES

(in thousands of dollars)	Borrowing balance		Remaining borrowing availability		Carrying value of collateral	
	Apr. 30 2009	Jan. 31 2009	Apr. 30 2009	Jan. 31 2009	Apr. 30 2009	Jan. 31 2009
Banker's acceptances	10,897	12,291				
Bank demand loan	100	100				
Total for bank borrowing	10,997	12,391	2,285	1,627	13,827	15,025
Broker's margin account	94	—	269	369	932	954
Brosco Fund Limited	1,800	2,100	300	—	—	—
	12,891	14,491	2,854	1,996	14,759	15,979

The available borrowing capacity is determined by 70% of the market value of marketable securities, namely Fort Chicago, lodged as collateral and a \$3.5-million guarantee that a related party has provided to Gendis Inc.'s banker.

4. Segment Information

(in thousands of dollars)	quarter ended April 30	Realty	Corporate	Inter- segment	Total
Revenue	2009	779	283	(117)	945
	2008	396	746	(167)	975
Expenses	2009	360	415	(45)	730
	2008	411	428	(45)	794
Amortization	2009	127	4	—	131
	2008	83	5	—	88
Interest	2009	72	65	(72)	65
	2008	122	249	(122)	249
Gain (loss) & fair value change	2009	79	28	—	107
	2008	98	1,301	—	1,399
Provision for (recovery of) income taxes	2009	105	(87)	—	18
	2008	(43)	126	—	83
Net earnings (loss) from operations	2009	194	(86)	—	108
	2008	(79)	1,239	—	1,160
Total Assets	2009	13,224	31,378	(9,267)	35,335
	2008	12,478	52,547	(8,511)	56,514

"Gain (loss) and fair value change" is gain (loss) on sale of investments, changes in fair value of investments held-for-trading and gain on sale of properties.

5. Capital Stock

(in thousands)	Number of shares	
	quarter ended	
	2009	2008
Balance - beginning of period	14,075	14,265
Shares purchased for cancellation	27	96
<u>Balance - end of period</u>	<u>14,048</u>	<u>14,169</u>

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, 2009.