

For immediate release

GENDIS INC. ANNOUNCES ANNUAL PROFIT

Winnipeg, Manitoba (April 13, 2012) - Gendis Inc. (TSX:GDS) today announced its financial results for the 4<sup>th</sup> quarter and fiscal year ended January 31, 2012.

Revenue for the 4<sup>th</sup> quarter was \$1.4-million compared to \$1.6-million for last year's 4<sup>th</sup> quarter. Revenue for the year was \$5.9-million compared to \$5.7-million last year.

Net earnings for the 4<sup>th</sup> quarter were \$17.8-million compared to \$1.3-million for last year's 4<sup>th</sup> quarter. The increase in earnings is due to the settlement with the Canada Revenue Agency on a long outstanding tax matter and the fair value increase in the investment in OSUM based on OSUM's recent equity financing.

Net earnings for the year were \$17.1-million compared to \$10.7-million last year. The increase in earnings is primarily due to the settlement with the Canada Revenue Agency.

"As we move forward into fiscal 2013, we do so with much confidence in our solid and growing investment portfolio, which is designed to capitalize on the continuing rise in global living standards and the ever-increasing demands for energy and improving nutrition and diet," commented Gendis President & Chief Executive Officer, James E. Cohen. "Already during this first quarter, we have strengthened our investment portfolio and enhanced our position in the Western Canadian energy sector with a new \$2 million investment (for 1 million shares), in Calgary-based Oak Point Energy Ltd.

"Oak Point is the only junior oil sands developer with a project in the 'majors-dominated' Northern Athabasca oil sands region of Northeast Alberta," he added.

A private company, Oak Point Energy has secured rights to over 63,000 gross acres (99 sections) of Tier 1 oil sands land in the Athabasca region of northeast Alberta. Their lands include the Lewis Steepbank, Lewis Southwest, Chelsea River, Great Divide and Duncan.

Oak Point Energy has several proprietary designs and patents pending on modular facilities related to more environmentally sensitive and cost efficient means of extracting oil resources.

"We are delighted to have secured a strong investment position in a company that combines access to exceptional oil resources with a unique, proprietary, highly efficient modular, portable Steam Assisted Gravity Drainage (SAGD) technology," Mr. Cohen stated.

Oak Point's SAGD facility design will be deployed throughout its operations, with the first installation at Lewis Steepbank in operation by summer of 2013.

"This new investment complements Gendis' energy, infrastructure and pipeline investments held through our ownership of shares in Veresen Inc. and OSUM Oilsands Corp.," Mr. Cohen added. "Gendis also has a 100% leased commercial real estate portfolio and we have recently made, and will continue to make, investments in the global agri-foods sector through purchases in publicly traded marketable securities as buying opportunities are identified."

"We are confident that our focus on energy and agri-foods, along with the commercial real estate sector will serve us well both now, and well into the future," he concluded.

Condensed summarized information is as follows:

in millions of Canadian dollars except per share	quarter ended		year-to-date	
	Jan 31 2012	Jan 31 2011	Jan 31 2012	Jan 31 2011
Lease rental revenue	0.9	1.1	3.9	3.7
Investment income	0.5	0.5	2.0	2.0
Fair value change:				
Veresen	1.3	0.8	4.1	5.1
OSUM	6.2	0.2	(2.2)	7.0
Other investments	—	0.1	(0.2)	0.1
Real estate	0.7	(0.6)	2.5	0.4
Expenses	1.0	0.3	3.9	2.8
Settlement of legal claims	—	0.1	—	2.8
Current tax recovery	11.9	—	11.9	0.1
Deferred tax recovery (expense)	(2.7)	(0.4)	(1.0)	(1.9)
Net earnings	17.8	1.3	17.1	10.7
Earnings per share	\$1.28	\$0.09	\$1.23	\$0.77
Fair value of investments:				
Veresen			30.1	26.0
OSUM			25.6	27.9
Other investments			0.1	0.3
Real estate			27.6	25.0
Other assets			1.6	0.5
Debt & payables			5.1	13.7
Deferred tax payable			4.7	3.7
Shareholders' equity			75.2	62.3

in millions of Canadian dollars	quarter ended		year-to-date	
	Jan 31	Jan 31	Jan 31	Jan 31
	2012	2011	2012	2011
<b>Cash flow from:</b>				
<b>Operations</b>				
Cash receipts	1.3	1.7	5.8	5.8
Cash disbursements & interest	0.8	0.9	4.0	3.2
Settlement of legal claims	–	0.2	1.3	1.7
Income taxes recovered, net	11.2	–	11.1	–
<b>Investing</b>				
Proceeds on sales of investments	–	–	–	0.4
Purchase of investments	–	–	–	1.1
<b>Financing</b>				
Debt reduction	7.8	0.6	7.4	0.4
Dividends	3.8	–	4.2	–

Gendis Inc. has applied International Financial Reporting Standards ('IFRS') for the quarters ended January 31, 2012 and 2011, and has retrospectively applied those standards to all prior year periods. Applying those standards has resulted in an increase in volatility to reported earnings, primarily from fair value changes to the Company's investments in equity securities and real estate. The Company reported net earnings of \$2.6-million (\$0.18 per share) in the prior year 4<sup>th</sup> quarter and has restated net earnings to \$1.3-million (\$0.09 per share) under IFRS for the prior year 4<sup>th</sup> quarter. Similarly, The Company reported annual net earnings of \$0.5-million (\$0.03 per share) for the prior year and has restated net earnings to \$10.7-million (\$0.77 per share) under IFRS for the prior year.

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## GENDIS INC.

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

(thousands of Canadian dollars)	Jan 31 2012	Jan 31 2011	Feb 01 2010
<b>ASSETS</b>			
Cash	142	39	261
Receivables	762	454	305
Income tax recovery	702	—	—
Equity investments (note 2)	55,813	54,150	41,366
Investment property	27,560	25,020	24,550
Furnishings and equipment	52	59	43
<b>Total assets</b>	<b>85,031</b>	<b>79,722</b>	<b>66,525</b>
<b>LIABILITIES</b>			
Credit facilities (note 3)	3,600	10,995	11,398
Payables	582	1,791	790
Provisions	—	—	89
Current income tax payable	—	69	—
Post employment benefit obligation	961	890	872
Deferred income tax payable	4,723	3,719	1,811
<b>Total liabilities</b>	<b>9,866</b>	<b>17,464</b>	<b>14,960</b>
<b>Shareholders' equity</b>	<b>75,165</b>	<b>62,258</b>	<b>51,565</b>
<b>Total liabilities and shareholders' equity</b>	<b>85,031</b>	<b>79,722</b>	<b>66,525</b>

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(thousands - shares & Canadian dollars as applicable)	Share Capital #	Retained Earnings \$	Total \$
Balance - January 31, 2010	13,937	14,650	36,915
Comprehensive income for the period ended October 31, 2010			9,439
Balance - October 31, 2010	13,937	14,650	46,354
Comprehensive income for the remainder of the year			1,254
Balance - January 31, 2011	13,937	14,650	47,608
Comprehensive income for the period ended October 31, 2011			(671)
Dividend			(348)
Balance - October 31, 2011	13,937	14,650	46,589
Comprehensive income for the remainder of the year			17,759
Dividends			(3,833)
<b>Balance - January 31, 2012</b>	<b>13,937</b>	<b>14,650</b>	<b>60,515</b>

## GENDIS INC.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIODS ENDED JANUARY 31

(thousands of Canadian dollars except for share data)	quarter		year-to-date	
	2012	2011	2012	2011
<b>Revenue</b>				
Lease rentals	915	1,114	3,905	3,739
Dividends & distributions	506	510	2,033	1,994
<b>Total revenue</b>	<b>1,421</b>	<b>1,624</b>	<b>5,938</b>	<b>5,733</b>
<b>Expenses</b>				
Property	404	368	1,860	1,443
Administration	605	(86)	1,745	1,045
Provision for settlement of legal claims	—	61	—	2,811
Finance expense	62	96	351	333
<b>Total expenses</b>	<b>1,071</b>	<b>439</b>	<b>3,956</b>	<b>5,632</b>
<b>Fair value change</b>				
Equity investments	681	1,067	2,508	413
Investment property	7,532	(572)	1,663	12,161
<b>Total fair value change</b>	<b>8,213</b>	<b>495</b>	<b>4,171</b>	<b>12,574</b>
<b>Earnings before income tax</b>	<b>8,563</b>	<b>1,680</b>	<b>6,153</b>	<b>12,675</b>
<b>Income tax expense (recovery)</b>				
Current income tax recovery (note 4)	(11,939)	74	(11,939)	74
Deferred income tax expense	2,763	352	1,004	1,908
<b>Income tax expense (recovery)</b>	<b>(9,196)</b>	<b>426</b>	<b>(10,935)</b>	<b>1,982</b>
<b>Net earnings from operations and comprehensive earnings</b>	<b>17,759</b>	<b>1,254</b>	<b>17,088</b>	<b>10,693</b>
<b>Net earnings from operations per share</b>	<b>\$1.28</b>	<b>\$0.09</b>	<b>\$1.23</b>	<b>\$0.77</b>

## GENDIS INC.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS  
FOR THE PERIODS ENDED JANUARY 31

(thousands of Canadian dollars)	quarter		year-to-date	
	2012	2011	2012	2011
<b>Changes in cash position</b>				
By operations				
Cash receipts	1,284	1,705	5,830	5,768
Cash disbursements	(767)	(882)	(3,666)	(2,891)
Payment on settlement of legal claims	—	(150)	(1,250)	(1,650)
Income taxes recovered	11,235	—	11,235	—
Income taxes paid	—	—	(74)	—
Finance expense paid	(58)	(96)	(349)	(336)
<b>Total</b>	<b>11,694</b>	<b>577</b>	<b>11,726</b>	<b>891</b>
By investing activities				
Proceeds from sale of equity investments	—	—	—	345
Purchase of equity investments	—	—	—	(967)
Expenditures on investment property	(7)	(1)	(32)	(57)
Proceeds from sale of furnishings and equipment	—	—	3	—
Expenditures on furnishings and equipment	—	—	(17)	(31)
<b>Total</b>	<b>(7)</b>	<b>(1)</b>	<b>(46)</b>	<b>(710)</b>
By financing activities				
Net advance (repayment) of credit facilities	(7,795)	(600)	(7,396)	(403)
Dividends paid	(3,833)	—	(4,181)	—
<b>Total</b>	<b>(11,628)</b>	<b>(600)</b>	<b>(11,577)</b>	<b>(403)</b>
Increase (decrease) in cash	59	(24)	103	(222)
Cash - beginning of period	83	63	39	261
<b>Cash - end of period</b>	<b>142</b>	<b>39</b>	<b>142</b>	<b>39</b>

Gendis Inc.

Notes to the unaudited Condensed Consolidated Interim Financial Statements  
January 31, 2012

(All tabular amounts in thousands of Canadian dollars unless otherwise stated)

1. Significant Accounting Policies and Basis of Presentation

These unaudited condensed interim financial statements are prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board using the accounting standards expected to be effective at January 31, 2012. These condensed interim financial statements do not contain all the disclosures that would be required under generally accepted accounting principles for a comprehensive set of financial statements.

These condensed interim financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency.

The condensed consolidated interim financial statements for the quarter ended January 31, 2012 have been reviewed by the Company's Audit Committee on April 13, 2012. The condensed consolidated interim financial statements for the quarter ended January 31, 2012 have not been audited or reviewed by the Company's independent Auditors.

2. Investments

	Jan 31 2012	Jan 31 2011
Veresen	30,120	25,980
OSUM	25,595	27,869
Other equity investments	98	301
<b>Total</b>	<b>55,813</b>	<b>54,150</b>

3. Credit facilities

	Borrowing Balance		Remaining borrowing availability		Carrying value of collateral	
	Jan 31 2012	Jan 31 2011	Jan 31 2012	Jan 31 2011	Jan 31 2012	Jan 31 2011
Banker's acceptances	3,000	10,995				
Bank demand loan	600	-				
	3,600	10,995	8,400	1,000	27,890	24,056
Broker's margin account	-	-	1,115	1,113	2,328	2,225
<b>Total</b>	<b>3,600</b>	<b>10,995</b>	<b>9,515</b>	<b>2,113</b>	<b>30,218</b>	<b>26,281</b>

4. Recovery of Income Tax

During the 4<sup>th</sup> quarter ended January 31, 2012, the Company reached a settlement with the Canada Revenue Agency of its tax case involving the sale of the Company's shares in Sony of Canada Ltd in 1995. The Company received \$11.2-million. The settlement represents a refund of 25% of the tax and arrears interest paid in 2001 on re assessment, plus interest from 2001 to the refund date.

## 5. Operating segments

The segment information provided to the CEO for the reportable segments is as follows:

	Quarter ended			Inter- segment	Total
	Jan 31	Realty	Corporate		
External revenue	2012	915	506	—	1,421
	2011	1,114	510	—	1,624
Fair values changes	2012	681	7,532	—	8,213
	2011	(572)	1,067	—	495
Intersegment revenue	2012	15	139	(154)	—
	2011	15	150	(165)	—
Operating expenses	2012	434	619	(44)	1,009
	2011	398	(10)	(45)	343
Finance expense	2012	110	62	(110)	62
	2011	120	96	(120)	96
Income tax expense	2012	134	(9,330)	—	(9,196)
	2011	(68)	494	—	426
Net earnings from operations & Comprehensive income	2012	933	16,826	—	17,759
	2011	107	1,147	—	1,254
	Year-to-date ended			Inter- segment	Total
	Jan 31	Realty	Corporate		
External revenue	2012	3,905	2,033	—	5,938
	2011	3,739	1,994	—	5,733
Fair values changes	2012	2,508	1,663	—	4,171
	2011	413	12,161	—	12,574
Intersegment revenue	2012	60	570	(630)	—
	2011	61	570	(631)	—
Operating expenses	2012	1,980	1,805	(180)	3,605
	2011	1,563	1,106	(181)	2,488
Finance expense	2012	450	351	(450)	351
	2011	450	333	(450)	333
Provision for lawsuit settlement	2012	—	—	—	—
	2011	—	2,811	—	2,811
Income tax (expense) recovery	2012	(477)	11,412	—	10,935
	2011	(240)	(1,742)	—	(1,982)
Net earnings from operations & Comprehensive income	2012	3,566	13,522	—	17,088
	2011	1,960	8,733	—	10,693
Total assets	2012	28,149	69,234	(12,352)	85,031
	2011	25,261	69,141	(14,680)	79,722
Total liabilities	2012	15,813	6,405	(12,352)	9,866
	2011	16,628	15,516	(14,680)	17,464