

For immediate release

GENDIS INC. ANNOUNCES FOURTH QUARTER EARNINGS AND ANNUAL RESULTS

Winnipeg, Manitoba (April 11, 2013) - Gendis Inc. (TSX:GDS) today announced its financial results for the 4th quarter ended January 31, 2013 and for the fiscal year ended January 31, 2013.

Revenue for the 4th quarter was \$1,416,000 compared to \$1,421,000 for last year's 4th quarter. Net earnings for the 4th quarter were \$4,082,000 (\$0.30 per share) compared to earnings of \$17,759,000 (\$1.28 per share) for last year's 4th quarter.

Revenue for the year was \$5,887,000 compared to \$5,938,000 last year. Net loss for the year was \$4,218,000 (\$0.30 per share) compared to net earnings of \$17,088,000 (\$1.23 per share) for last year.

The volatility in net earnings quarter over quarter and for the year over year is primarily due to the change in fair value of equity investments and investment properties with the attendant effect on deferred income taxes. Also, the 4th quarter last year included the settlement with the Canada Revenue Agency of a long outstanding tax claim, while the 2nd quarter this year included the settlement with our insurer on legal claims in a prior year. Revenue less expense for the 4th quarter was \$557,000 compared to \$350,000 for last year's 4th quarter. Revenue less expense for the year was \$2,275,000 compared to \$1,982,000 last year.

Condensed summarized information is as follows:

in millions of Canadian dollars except per share	quarter ended		year ended	
	Jan 31 2013	Jan 31 2012	Jan 31 2013	Jan 31 2012
Revenue				
Lease rental revenue	0.9	0.9	3.9	3.9
Investment income	0.5	0.5	2.0	2.0
Total revenue	1.4	1.4	5.9	5.9
Expense				
Property	0.4	0.4	1.8	1.8
Administration & finance	0.4	0.6	1.8	2.1
Total expense	0.8	1.0	3.6	3.9
Revenue less expense	0.6	0.4	2.3	2.0
Fair value change:				
Veresen	(0.1)	1.3	(4.5)	4.1
OSUM	—	6.2	(8.2)	(2.2)
Other equity investments	—	—	(0.9)	(0.2)
Investment properties	1.8	0.7	1.7	2.5
Total fair value change	1.7	8.2	(11.9)	4.2
Settlement of legal claims	—	—	1.5	—
Income tax recovery	1.8	9.2	3.9	10.9
Net earnings (loss)	4.1	17.8	(4.2)	17.1
Earnings (loss) per share	\$0.30	\$1.28	\$(0.30)	\$1.23

in millions of Canadian dollars except per share	quarter ended		year-to-date	
	Jan 31 2013	Jan 31 2012	Jan 31 2013	Jan 31 2012
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Fair value of investments:				
Veresen			25.7	30.1
OSUM			14.5	25.6
Other equity investments			3.0	0.1
Investment properties			29.8	27.6
Other assets			2.0	1.6
Debt & payables			5.2	5.1
Deferred tax payable			0.6	4.7
Shareholders' equity			69.3	75.2
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Cash flow from:				
Operations				
Cash receipts	1.4	1.3	6.1	5.8
Cash disbursements & finance expense	(0.8)	(0.8)	(3.8)	(4.0)
Settlement of legal claims	–	–	1.5	(1.3)
Income taxes recovered	–	11.2	0.7	11.1
Investing				
Proceeds on sales of investments	1.9	–	2.0	–
Purchase of investments	(1.3)	–	(4.1)	–
Expenditures on investment properties	(0.1)	–	(0.6)	–
Financing				
Debt reduction	(0.4)	(7.8)	(0.1)	(7.4)
Purchase of share capital for cancellation	(0.2)	–	(0.4)	–
Dividends	(0.3)	(3.8)	(1.4)	(4.2)

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GENDIS INC.
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Jan 31	Jan 31
(unaudited - thousands of Canadian dollars)	2013	2012
ASSETS		
Current assets		
Cash	77	142
Receivables	1,929	1,464
Total current assets	2,006	1,606
Non current assets		
Equity investments (note 2)	43,167	55,813
Investment property	29,775	27,560
Furnishings and equipment	48	52
Total non current assets	72,990	83,425
Total assets	74,996	85,031
LIABILITIES		
Current liabilities		
Credit facilities (note 3)	3,500	3,600
Payables	763	582
Total current liabilities	4,263	4,182
Non current liabilities		
Post employment benefit obligation	972	961
Deferred income tax payable	578	4,723
Total non current liabilities	1,550	5,684
Total liabilities	5,813	9,866
SHAREHOLDERS' EQUITY	69,183	75,165
Total liabilities and shareholders' equity	74,996	85,031

GENDIS INC.
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIODS ENDED JANUARY 31

(unaudited - thousands of Canadian dollars except for share data)	quarter ended		year-to-date	
	2013	2012	2013	2012
Revenue				
Lease rentals	914	915	3,874	3,905
Investment income	502	506	2,013	2,033
Total revenue	1,416	1,421	5,887	5,938
Expense				
Property	404	404	1,817	1,860
Administration	421	605	1,627	1,745
Finance	34	62	168	351
Total expense	859	1,071	3,612	3,956
Revenue less expense	557	350	2,275	1,982
Fair value change				
Equity investments	(63)	681	(13,566)	1,663
Investment property	1,779	7,532	1,648	2,508
Total fair value change	1,716	8,213	(11,918)	4,171
Settlement of legal claims	-	-	1,483	-
Earnings (loss) before income tax	2,273	8,563	(8,160)	6,153
Income tax (expense) recovery				
Current	(51)	11,939	(203)	11,939
Deferred	1,860	(2,743)	4,145	(1,004)
Total income tax recovery	1,809	9,196	3,942	10,935
Net earnings (loss) from operations and comprehensive income (loss)	4,082	17,759	(4,218)	17,088
Net earnings (loss) from operations per share	0.30	\$1.28	\$(0.30)	\$1.23

GENDIS INC.

CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(unaudited - thousands - shares & Canadian dollars as applicable)	Share Capital		Retained	Total
	#	\$	earnings	\$
Balance - January 31, 2011	13,937	14,650	47,608	62,258
Comprehensive loss to October 31, 2011			(671)	(671)
Dividend paid			(348)	(348)
Balance - October 31, 2011	13,937	14,650	46,589	61,239
Comprehensive income for the quarter ended January 31, 2012			17,759	17,759
Dividends paid			(3,833)	(3,833)
Balance - January 31, 2012	13,937	14,650	60,515	75,165
Comprehensive loss to October 31, 2012			(8,300)	(8,300)
Purchase of share capital for cancellation	(46)	(48)	(95)	(143)
Dividends paid			(1,045)	(1,045)
Balance - October 31, 2012	13,891	14,602	51,075	65,677
Comprehensive income for the quarter ended January 31, 2013			4,082	4,082
Purchase of share capital for cancellation	(75)	(79)	(151)	(230)
Dividend paid			(346)	(346)
Balance - January 31, 2013	13,816	14,523	54,660	69,183

GENDIS INC.
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIODS ENDED JANUARY 31

(unaudited - thousands of Canadian dollars)	quarter ended		year to date	
	2013	2012	2013	2012
Changes in cash position				
By operations				
Cash receipts	1,409	1,284	6,074	5,830
Cash disbursements	(756)	(767)	(3,624)	(3,666)
Receipt (payment) on settlement of legal claims	-	-	1,483	(1,250)
Income taxes recovered	-	11,235	706	11,161
Finance expense paid	(34)	(58)	(169)	(349)
Total by operations	619	11,694	4,470	11,726
By investing activities				
Proceeds from sale of equity investments	1,879	-	1,997	-
Acquisition of equity investments	(1,350)	-	(4,088)	-
Expenditures on investment property	(96)	(7)	(567)	(32)
Proceeds on sale of equipment	-	-	-	3
Expenditures on furnishings and equipment	(12)	-	(13)	(17)
Total by investing activities	421	(7)	(2,671)	(46)
By financing activities				
Net advance (repayment) of credit facilities	(397)	(7,795)	(100)	(7,396)
Purchase of share capital for cancellation	(230)	-	(373)	-
Dividends paid	(346)	(3,833)	(1,391)	(4,181)
Total by financing activities	(973)	(11,628)	(1,864)	(11,577)
Increase (decrease) in cash	67	59	(65)	103
Cash - beginning of period	10	83	142	39
Cash - end of period	77	142	77	142

Gendis Inc.

Notes to the unaudited Condensed Interim Financial Statements

January 31, 2013

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

1. General information

General information on Gendis Inc. is the same as disclosed in Note 1 to the complete audited annual financial report for the year ended January 31, 2013. The principal accounting policies applied in the preparation of these condensed interim financial statements are the same as set out in Note 2 to the complete audited annual financial report for the year ended January 31, 2013. These policies have been consistently applied to all periods presented.

2. Investments

	Jan 31 2013	Jan 31 2012
Veresen	25,660	30,120
Osum	14,487	25,595
Other equity investments	3,020	98
	43,167	55,813

3. Credit facilities

	Borrowing Balance		Remaining borrowing availability		Carrying value of collateral	
	Jan 31 2013	Jan 31 2012	Jan 31 2013	Jan 31 2012	Jan 31 2013	Jan 31 2012
Banker's acceptances	3,000	3,000				
Bank demand loan	500	600				
	3,500	3,600	6,500	8,400	23,760	27,890
Broker's margin account	–	–	1,205	1,115	2,920	2,328
	3,500	3,600	7,705	9,515	26,680	30,218

4. Settlement of legal claims

During the 2nd quarter of the year ended January 31, 2013, the Company reached a settlement with its insurer concerning the settlement of legal claims against the Company and some of its Directors by two suppliers and a buying agent and importer to a former subsidiary of the Company. The Company received \$1.5-million.

During the 4th quarter of the year 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. Subsequent Event

On March 7, 2013, the Company declared a regular dividend of 2.5¢ per share to shareholders of record March 22, 2013, payable April 5, 2013.

6. Operating segments

	Quarter	Realty	Corporate	Inter-	Total
	Ended Jan 31				
Revenue	2013	931	719	(234)	1,416
	2012	930	645	(154)	1,421
Property & administration expense	2013	457	439	(71)	825
	2012	434	619	(44)	1,009
Finance expense	2013	163	34	(163)	34
	2012	110	62	(110)	62
Fair value change	2013	1,779	(63)	—	1,716
	2012	680	7,533	—	8,213
Income tax recovery (expense)	2013	(432)	2,241	—	1,809
	2012	(134)	9,330	—	9,196
Net earnings from operations & Comprehensive income	2013	1,658	2,424	—	4,082
	2012	932	16,827	—	17,759

	Year	Realty	Corporate	Inter-	Total
	Ended Jan 31				
Revenue	2013	3,943	2,879	(935)	5,887
	2012	3,965	2,603	(630)	5,938
Property & administration expense	2013	2,033	1,696	(285)	3,444
	2012	1,980	1,805	(180)	3,605
Finance expense	2013	650	168	(650)	168
	2012	450	351	(450)	351
Fair value change	2013	1,648	(13,566)	—	(11,918)
	2012	2,508	1,663	—	4,171
Settlement of legal claims	2013	—	1,483	—	1,483
	2012	—	—	—	—
Income tax recovery (expense)	2013	(653)	4,595	—	3,942
	2012	(477)	11,412	—	10,935
Net earnings (loss) from operations & Comprehensive income (loss)	2013	2,255	(6,473)	—	(4,218)
	2012	3,566	13,522	—	17,088
Total assets	2013	30,167	65,710	(20,882)	74,996
	2012	28,149	69,234	(12,352)	85,031
Total liabilities	2013	22,377	4,318	(20,882)	5,813
	2012	15,813	6,405	(12,352)	9,866