

GENDIS INC. ANNOUNCES FOURTH QUARTER EARNINGS AND ANNUAL EARNINGS

Winnipeg, Manitoba (April 11, 2014) - Gendis Inc. (TSX:GDS) today announced its financial results for the 4th quarter and fiscal year ended January 31, 2014.

Revenue for the 4th quarter was \$1,513,000 compared to \$1,416,000 for last year's 4th quarter. Revenue less expense for the 4th quarter was \$807,000 compared to \$557,000 for last year's 4th quarter. Net earnings for the 4th quarter were \$5,640,000 (\$0.41 per share) compared to earnings of \$4,082,000 (\$0.30 per share) for last year's 4th quarter.

Revenue for the year was \$6,072,000 compared to \$5,887,000 last year. Revenue less expense for the year was \$2,845,000 compared to \$2,275,000 last year. Net earnings for the year was \$5,092,000 (\$0.37 per share) compared to a net loss of \$4,218,000 (\$0.30 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 2nd quarter last year included the settlement with our insurer on legal claims in a prior year.

Condensed summarized information is as follows:

in millions of Canadian dollars except per share	quarter ended		year ended	
	Jan 31 2014	Jan 31 2013	Jan 31 2014	Jan 31 2013
Revenue				
Lease rental revenue	1.0	0.9	4.1	3.9
Dividends	0.5	0.5	2.0	2.0
Total revenue	1.5	1.4	6.1	5.9
Expense				
Property	0.4	0.4	1.8	1.8
Administration & finance	0.3	0.4	1.4	1.8
Total expense	0.7	0.8	3.2	3.6
Total revenue less total expense	0.8	0.6	2.9	2.3
Fair value change:				
Veresen	4.0	(0.1)	4.1	(4.5)
Osum	—	—	(2.0)	(8.2)
Other equity investments	0.3	—	0.6	(0.9)
Investment properties	1.4	1.8	0.4	1.7
Total fair value change	5.7	1.7	3.1	(11.9)
Settlement of legal claims	—	—	—	1.5
Income tax recovery (expense)	(0.9)	1.8	(0.9)	3.9
Net earnings (loss)	5.6	4.1	5.1	(4.2)
Earnings (loss) per share	0.41	\$0.30	0.37	\$(0.30)

in millions of Canadian dollars	Jan 31 2014	Jan 31 2013
Fair value of investments:		
Veresen	29.7	25.7
Osum	11.5	14.5
Other equity investments	3.7	3.0
Investment properties	30.4	29.8
Other assets	1.0	2.0
Debt & payables	3.3	5.2
Deferred tax payable	1.2	0.6
Shareholders' equity	71.8	69.3

in millions of Canadian dollars	quarter ended		year-to-date	
	Jan 31 2014	Jan 31 2013	Jan 31 2014	Jan 31 2013
Cash flow from:				
Operations				
Cash receipts	1.2	1.4	6.0	6.1
Cash disbursements & finance expense	(0.6)	(0.8)	(3.4)	(3.8)
Settlement of legal claims	-	-	-	1.5
Income taxes recovered (paid)	-	-	(0.2)	0.7
Investing				
Proceeds on sales of investments	-	1.9	2.1	2.0
Purchase of investments	-	(1.3)	-	(4.1)
Expenditures on investment properties	-	(0.1)	(0.2)	(0.6)
Financing				
Debt reduction	-	(0.4)	(1.9)	(0.1)
Purchase of share capital for cancellation	(0.3)	(0.2)	(1.1)	(0.4)
Dividends paid	(0.3)	(0.3)	(1.4)	(1.4)

For more information, please contact:

James E. Cohen

President & Chief Executive Officer

Telephone: (204) 474-5200

Fax: (204) 474-5201

E-mail:

finance@gendis.ca

Web site:

www.gendis.ca

Gendis Inc. holds a portfolio of commercial and industrial real estate properties in Canada, investments in exchange-traded equity securities and investments in the equity of private enterprises. Equity investments are primarily in companies involved in pipelines and power plants, oil and gas development, canola crop marketing, fertilizer production and waste management solutions.. The investments are held for income generation and long-term capital growth.

GENDIS INC.
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

	Jan 31	Jan 31
(unaudited - thousands of Canadian dollars)	2014	2013
ASSETS		
Current assets		
Cash	47	77
Receivables	995	1,929
Total current assets	1,042	2,006
Non-current assets		
Equity investments (note 2)	44,927	43,167
Investment property	30,385	29,775
Furnishings and equipment	61	48
Total non-current assets	75,373	72,990
Total assets	76,415	74,996
LIABILITIES		
Current liabilities		
Credit facilities (note 3)	1,599	3,500
Payables	806	763
Total current liabilities	2,405	4,263
Non-current liabilities		
Post employment benefit obligation	937	972
Deferred income tax payable	1,231	578
Total non-current liabilities	2,168	1,550
Total liabilities	4,573	5,813
SHAREHOLDERS' EQUITY	71,842	69,183
Total liabilities and shareholders' equity	76,415	74,996

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

(unaudited - thousands of Canadian dollars except for share data)	quarter ended		year-to-date	
	2014	2013	2014	2013
Revenue				
Lease rentals	1,013	914	4,059	3,874
Dividends	500	502	2,013	2,013
Total revenue	1,513	1,416	6,072	5,887
Expense				
Property	382	404	1,833	1,817
Administration	305	421	1,323	1,627
Finance	19	34	71	168
Total expense	706	859	3,227	3,612
Total revenue less total expense	807	557	2,845	2,275
Fair value change				
Investment property	1,416	1,779	378	1,648
Equity investments	4,317	(63)	2,733	(13,566)
Total fair value change	5,733	1,716	3,111	(11,918)
Settlement of legal claims	—	—	—	1,483
Earnings (loss) before income tax	6,540	2,273	5,956	(8,160)
Income tax (expense) recovery	(900)	1,809	(864)	3,942
Net earnings (loss) from operations and comprehensive income (loss)	5,640	4,082	5,092	(4,218)
Net earnings (loss) from operations per share	0.41	0.30	0.37	\$(0.30)

GENDIS INC.

INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(unaudited - thousands - shares & Canadian dollars as applicable)	Share Capital		Retained	Total
	#	\$	earnings	\$
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)
Dividends paid			(346)	(346)
Balance - January 31, 2013	13,816	14,523	54,660	69,183
Comprehensive loss to October 31, 2013			(548)	(548)
Purchase of share capital for cancellation	(244)	(257)	(510)	(767)
Dividends paid			(1,030)	(1,030)
Balance - October 31, 2013	13,572	14,266	52,572	66,838
Comprehensive income for the quarter ended January 31, 2014			5,640	5,640
Purchase of share capital for cancellation	(91)	(96)	(202)	(298)
Dividends paid			(338)	(338)
Balance - January 31, 2014	13,481	14,170	57,672	71,842

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

(unaudited - thousands of Canadian dollars)	quarter ended		year to date	
	2014	2013	2014	2013
Changes in cash position				
By operations				
Cash receipts	1,192	1,409	6,029	6,074
Cash disbursements	(580)	(756)	(3,331)	(3,624)
Settlement of legal claims	-	-	-	1,483
Income taxes recovered (paid)	-	-	(203)	706
Finance expense paid	(18)	(34)	(73)	(169)
Total by operations	594	619	2,422	4,470
By investing activities				
Proceeds from sale of equity investments	-	1,879	2,144	1,997
Acquisition of equity investments	-	(1,350)	-	(4,088)
Expenditures on investment property	(4)	(96)	(232)	(567)
Expenditures on furnishings and equipment	(6)	(12)	(30)	(13)
Total by investing activities	(10)	421	1,882	(2,671)
By financing activities				
Net repayment of credit facilities	-	(397)	(1,901)	(100)
Purchase of share capital for cancellation	(298)	(230)	(1,065)	(373)
Dividends paid	(338)	(346)	(1,368)	(1,391)
Total by financing activities	(636)	(973)	(4,334)	(1,864)
Increase (decrease) in cash	(52)	67	(30)	(65)
Cash - beginning of period	99	10	77	142
Cash - end of period	47	77	47	77

Gendis Inc.

Notes to the unaudited Interim condensed Financial Statements

January 31, 2014

(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 statements for the year ended January 31, 2013, which have been prepared in accordance with International Financial Reporting Standards. These interim condensed financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency. The principal accounting policies applied in the preparation of these interim condensed financial statements are the same as set out in Note 2 to the complete audited annual financial statements for the year ended January 31, 2013. These policies have been consistently applied to all periods presented.

2. Investments

	Jan 31 2014	Jan 31 2013
Veresen	29,740	25,660
Osum	11,502	14,487
Other equity investments	3,685	3,020
	<u>44,927</u>	<u>43,167</u>

3. Credit facilities

	Borrowing Balance		Remaining borrowing availability		Carrying value of collateral	
	Jan 31 2014	Jan 31 2013	Jan 31 2014	Jan 31 2013	Jan 31 2014	Jan 31 2013
Banker's acceptances	1,499	3,000				
Bank demand loan	100	500				
	<u>1,599</u>	<u>3,500</u>	<u>8,400</u>	<u>6,500</u>	<u>27,538</u>	<u>23,760</u>
Broker's margin account	—	—	1,101	1,205	2,547	2,920
	<u>1,599</u>	<u>3,500</u>	<u>9,501</u>	<u>7,705</u>	<u>30,085</u>	<u>26,680</u>

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.

5. Subsequent Event

On March 6, 2014, the Company declared a regular dividend of 2.5¢ per share to shareholders of record March 21, 2014, payable April 4, 2014.

6. Operating segments

	Quarter	Realty	Corporate	Inter- segment	Total
	Ended Jan 31				
Revenue	2014	1,030	708	(225)	1,513
	2013	931	719	(234)	1,416
Property & administration Expense	2014	436	322	(71)	687
	2013	457	439	(71)	825
Finance expense	2014	154	19	(154)	19
	2013	163	34	(163)	34
Total revenue less total Expense	2014	440	367	—	807
	2013	311	246	—	557
Fair value change	2014	1,416	4,317	—	5,733
	2013	1,779	(63)	—	1,716
Income tax recovery (expense)	2014	(597)	(303)	—	(900)
	2013	(432)	2,241	—	1,809
Net earnings from operations & Comprehensive income	2014	1,259	4,381	—	5,640
	2013	1,658	2,424	—	4,082

	Year	Realty	Corporate	Inter- segment	Total
	Ended Jan 31				
Revenue	2014	4,128	2,852	(908)	6,072
	2013	3,943	2,879	(935)	5,887
Property & administration Expense	2014	2,049	1,392	(285)	3,156
	2013	2,033	1,696	(285)	3,444
Finance expense	2014	623	71	(623)	71
	2013	650	168	(650)	168
Total revenue less total expense	2014	1,456	1,389	—	2,845
	2013	1,260	1,015	—	2,275
Fair value change	2014	378	2,733	—	3,111
	2013	1,648	(13,566)	—	(11,918)
Settlement of legal claims	2014	—	—	—	—
	2013	—	1,483	—	1,483
Income tax recovery (expense)	2014	(592)	(272)	—	(864)
	2013	(653)	4,595	—	3,942
Net earnings (loss) from operations & Comprehensive income (loss)	2014	1,242	3,850	—	5,092
	2013	2,255	(6,473)	—	(4,218)
Total assets	2014	30,975	68,354	(22,914)	76,415
	2013	30,167	65,710	(20,882)	74,996
Total liabilities	2014	24,677	2,810	(22,914)	4,573
	2013	22,377	4,318	(20,882)	5,813