

GENDIS INC. ANNOUNCES FOURTH QUARTER RESULTS AND ANNUAL RESULTS

Winnipeg, Manitoba (April 8, 2016) - Gendis Inc. (TSX:GDS) today announced its financial results for the 4th quarter and fiscal year ended January 31, 2016.

Revenue for the 4th quarter was \$1,285,000 compared to \$1,528,000 for last year's 4th quarter. Revenue less expense for the 4th quarter was \$531,000 compared to \$188,000 for last year's 4th quarter. The net loss for the 4th quarter was \$6,586,000 (\$0.52 per share) compared to a net loss of \$7,423,000 (\$0.57 per share) for last year's 4th quarter.

Revenue for the year was \$5,429,000 compared to \$5,849,000 last year. Revenue less expense for the year was \$1,620,000 compared to \$2,203,000 last year. The net loss for the year was \$16,977,000 (\$1.32 per share) compared to a net loss of \$1,481,000 (\$0.11 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 security investments, primarily the Company's investments in Veresen, Osum and Input Capital, and the investment properties with the attendant effect on deferred income taxes. The decline in revenue and in revenue less expense was primarily due to a significant vacancy in the Company's industrial property that occurred in the 2nd quarter of the year.

Condensed summarized information is as follows:

in millions of Canadian dollars except per share in dollars	quarter ended		year ended	
	Jan 31 2016	Jan 31 2015	Jan 31 2016	Jan 31 2015
Revenue				
Lease rental	0.8	1.0	3.3	3.8
Dividends	0.5	0.5	2.1	2.0
Total revenue	1.3	1.5	5.4	5.8
Expense				
Property	0.4	0.9	2.3	2.1
Administration & finance	0.4	0.4	1.5	1.5
Total expense	0.8	1.3	3.8	3.6
Total revenue less total expense	0.5	0.2	1.6	2.2
Fair value change:				
Veresen	(6.8)	(3.2)	(16.2)	2.4
Osum	(0.8)	(4.1)	(1.4)	(5.3)
Other security investments	(1.1)	—	(1.5)	(0.6)
Investment properties	0.9	(1.5)	(0.9)	(0.3)
Total fair value change	(7.8)	(8.8)	(20.0)	(3.8)
Income tax recovery	0.7	1.2	1.4	0.1
Net loss	(6.6)	(7.4)	(17.0)	(1.5)
Net loss per share	(0.52)	(0.56)	(1.32)	(0.11)

in millions of Canadian dollars	Jan 31 2016	Jan 31 2015
Fair value of investments:		
Veresen	16.0	32.1
Osum	4.8	6.2
Input capital	1.7	2.7
Other security investments	1.0	1.4
Investment properties	30.1	30.6
Other assets	1.8	1.0
Debt & payables	7.2	5.7
Deferred tax payable	–	0.9
Shareholders' equity	48.2	67.4

in millions of Canadian dollars	quarter ended		year-to-date	
	Jan 31	Jan 31	Jan 31	Jan 31
in millions of Canadian dollars	2016	2015	2016	2015
Cash flow from:				
Operations				
Cash receipts	1.3	1.2	5.8	6.4
Cash disbursements & finance expense	(0.9)	(1.1)	(4.2)	(3.7)
Income taxes recovered (paid)	–	–	(0.2)	(0.2)
Investing				
Proceeds on sales of investments	–	–	0.1	–
Purchase of investments	–	–	(0.3)	(0.9)
Expenditures on investment properties	–	(0.1)	(0.4)	(0.6)
Financing				
Debt advance	0.1	0.4	1.5	2.0
Purchase of share capital for cancellation	(0.1)	(0.1)	(0.9)	(1.7)
Dividends paid	(0.3)	(0.3)	(1.3)	(1.3)

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The Company holds a portfolio of commercial and industrial real estate properties in Canada, investments in exchange-traded securities and investments in the securities of private enterprises. Security investments are primarily in companies involved in pipelines and power plants, oil and gas development, canola crop marketing, agricultural crop protection & fertilizer delivery solutions and fertilizer production. The investments are held for income generation and long-term capital growth. The Company's business is organized in two operating segments, the Corporate operations and the Realty operations.

GENDIS INC.
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
At JANUARY 31

unaudited - in thousands of Canadian dollars	2016	2015
ASSETS		
Current assets		
Cash	110	36
Receivables	1,438	818
Total current assets	1,548	854
Non-current assets		
Investment in securities (note 2)	23,461	42,358
Investment properties (note 3)	30,130	30,577
Other non-current assets	306	159
Total non-current assets	53,897	73,094
Total assets	55,445	73,948
LIABILITIES		
Current liabilities		
Credit facilities (note 4)	5,098	3,597
Payables	1,151	1,099
Total current liabilities	6,249	4,696
Non-current liabilities		
Post employment benefit obligation	951	1,012
Deferred income tax payable	-	860
Total non-current liabilities	951	1,872
Total liabilities	7,200	6,568
Shareholders' equity	48,245	67,380
Total liabilities and shareholders' equity	55,445	73,948

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

unaudited - in thousands of Canadian dollars except share data	quarter ended		year-to-date	
	2016	2015	2016	2015
Revenue				
Lease rentals	765	1,002	3,344	3,800
Dividends & other income	520	526	2,085	2,049
Total revenue	1,285	1,528	5,429	5,849
Expense				
Property	444	898	2,299	2,073
Administration	270	411	1,374	1,472
Finance	40	31	136	101
Total expense	754	1,340	3,809	3,646
Total revenue less total expense	531	188	1,620	2,203
Fair value change				
Investment properties	851	(1,517)	(880)	(314)
Investment in securities	(8,678)	(7,313)	(19,112)	(3,517)
Total fair value change	(7,827)	(8,830)	(19,992)	(3,831)
Loss before income tax	(7,296)	(8,642)	(18,372)	(1,628)
Income tax recovery	710	1,219	1,395	147
Net loss from operations and comprehensive loss	(6,586)	(7,423)	(16,977)	(1,481)
Net loss from operations per share	(0.52)	(0.56)	(1.32)	(0.11)

GENDIS INC.

INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

unaudited - in thousands - shares & Canadian dollars as applicable	Share Capital		Retained	Total
	#	\$	earnings	\$
Balance - January 31, 2014	13,481	14,170	57,672	71,842
Comprehensive income to October 31, 2014			5,942	5,942
Purchase of share capital for cancellation	(396)	(415)	(1,090)	(1,505)
Dividends			(1,000)	(1,000)
Balance - October 31, 2014	13,085	13,755	61,524	75,279
Comprehensive loss for the quarter ended January 31, 2015			(7,423)	(7,423)
Purchase of share capital for cancellation	(39)	(42)	(108)	(150)
Dividend			(326)	(326)
Balance - January 31, 2015	13,046	13,713	53,667	67,380
Comprehensive loss to October 31, 2015			(10,391)	(10,391)
Purchase of share capital for cancellation	(220)	(230)	(558)	(788)
Dividends			(971)	(971)
Balance - October 31, 2015	12,826	13,483	41,747	55,230
Comprehensive loss for the quarter ended January 31, 2016			(6,586)	(6,586)
Purchase of share capital for cancellation	(25)	(26)	(54)	(80)
Dividend			(319)	(319)
Balance - January 31, 2016	12,801	13,457	34,788	48,245

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

unaudited - in thousands of Canadian Dollars	quarter ended		year to date	
	2016	2015	2016	2015
Changes in cash position				
By operations				
Cash receipts				
Lease rentals	693	658	3,506	4,158
Dividends & other income	568	574	2,341	2,308
Cash disbursements				
Property	(444)	(798)	(2,389)	(1,968)
Administration	(380)	(324)	(1,726)	(1,653)
Income taxes paid	-	-	(224)	(211)
Finance expense paid	(37)	(31)	(138)	(99)
Total by operations	400	79	1,370	2,535
By investing activities				
Proceeds from sale of investment in securities	-	-	125	-
Acquisition of investment in securities	-	-	(300)	(927)
Expenditures on investment properties	(30)	(120)	(433)	(506)
Net expenditures on furnishings and equipment	-	(4)	(31)	(130)
Total by investing activities	(30)	(124)	(639)	(1,563)
By financing activities				
Net advance of credit facilities	100	400	1,501	1,998
Purchase of share capital for cancellation	(79)	(149)	(867)	(1,655)
Dividends paid	(320)	(326)	(1,291)	(1,326)
Total by financing activities	(299)	(75)	(652)	(983)
Increase (decrease) in cash	71	(120)	74	(11)
Cash - beginning of period	39	156	36	47
Cash - end of period	110	36	110	36

Gendis Inc.

Notes to the unaudited Interim condensed Financial Statements

For the periods ended January 31

(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, 2016, 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, 2016. These policies have been consistently applied to all periods presented.

2. Investment in securities

	fair value change		fair value	
	2016	2015	2016	2015
Veresen	(16,160)	2,380	15,960	32,120
Osum	(1,374)	(5,315)	4,759	6,187
Input Capital	(950)	310	1,700	2,650
Other security investments	(628)	(892)	1,042	1,401
	(19,112)	(3,517)	23,461	42,358

3. Investment properties

	fair value change		fair value	
	2016	2015	2016	2015
Industrial	(997)	(190)	23,480	24,045
Commercial	117	(124)	6,650	6,532
	(880)	(314)	30,130	30,577

4. Credit facilities

	Borrowing Balance		Remaining borrowing availability		Carrying value of collateral	
	2016	2015	2016	2015	2016	2015
Banker's credit facility	5,098	3,597	2,289	6,400	14,778	29,742
Broker's margin account	—	—	591	1,189	1,199	2,457
	5,098	3,597	2,890	7,589	15,977	32,199

5. Subsequent Event

On March 3, 2016, the Company declared a regular dividend of 2.5¢ per share to shareholders of record March 18, 2016, payable April 8, 2016.

6. Operating segments

	Quarter	Realty	Corporate	Inter- segment	Total
	Ended Jan 31				
Revenue	2016	782	728	(225)	1,285
	2015	1,019	755	(246)	1,528
Property & administration expense	2016	507	287	(80)	714
	2015	952	428	(71)	1,309
Finance expense	2016	145	40	(145)	40
	2015	175	31	(175)	31
Total revenue less total expense	2016	130	401	—	531
	2015	(108)	296	—	188
Fair value change	2016	851	(8,678)	—	(7,827)
	2015	(1,517)	(7,313)	—	(8,830)
Income tax recovery (expense)	2016	(197)	907	—	710
	2015	192	1,027	—	1,219
Net earnings (loss) & Comprehensive income (loss)	2016	784	(7,370)	—	(6,586)
	2015	(1,433)	(5,990)	—	(7,423)

		Realty	Corporate	Inter- segment	Total
Revenue	2016	3,413	2,918	(902)	5,429
	2015	3,869	2,960	(980)	5,849
Property & administration expense	2016	2,551	1,443	(321)	3,673
	2015	2,289	1,541	(285)	3,545
Finance expense	2016	581	136	(581)	136
	2015	695	101	(695)	101
Total revenue less total expense	2016	281	1,339	—	1,620
	2015	885	1,318	—	2,203
Fair value change	2016	(880)	(19,112)	—	(19,992)
	2015	(314)	(3,517)	—	(3,831)
Income tax recovery (expense)	2016	(4)	1,399	—	1,395
	2015	(238)	385	—	147
Net earnings (loss) & Comprehensive income (loss)	2016	(603)	(16,374)	—	(16,977)
	2015	333	(1,814)	—	(1,481)
Total assets	2016	30,870	46,030	21,455)	55,445
	2015	31,181	65,825	23,058)	73,948
Total liabilities	2016	22,441	6,214	21,455)	7,200
	2015	24,550	5,076	23,058)	6,568