



Genesis Reports 2016 First Quarter Results

For Immediate Release

CALGARY, May 12, 2016 – Genesis Land Development Corp. (TSX: GDC) (the “Corporation” or “Genesis”) is pleased to report its financial and operating results for the three months ended March 31, 2016.

SUMMARY CORPORATE HIGHLIGHTS

Our key financial results and operating data are as follows:

	Three months ended March 31,	
	2016	2015
<i>(\$000s, except for per share items or unless otherwise noted)</i>		
Key Financial Data		
Total revenues	32,424	15,773
Gross margin	8,234	4,691
Net earnings attributable to equity shareholders	2,110	60
Net earnings per share – basic and diluted	0.05	0.00
Cash flows from (used in) operating activities	12,269	(18,727)
Cash flows from (used in) operating activities per share ⁽¹⁾	0.28	(0.42)
Key Operating Data		
Residential lots sold to third parties (units)	-	3
Residential lots sold through home building business segment (units)	36	15
Average revenue per lot sold	194	179
Homes sold (units)	42	32
Average revenue per home sold	529	478
New home orders (units)	28	19

	As at March 31,	
	2016	2015
Homes with firm sale contracts (units)	49	124

	As at March 31, 2016	As at December 31, 2015
	Key Balance Sheet Data <i>(\$000s, except for per share items or unless otherwise noted)</i>	
Cash and cash equivalents	9,708	11,399
Total assets	312,115	331,045
Loans and credit facilities	48,108	63,819
Total liabilities	85,436	106,054
Shareholders' equity	213,698	212,125
Total equity	226,679	224,991

⁽¹⁾ Basic and diluted amounts per share

Highlights

Volumes and Revenue:

- Genesis sold 42 homes in Q1 2016 with revenues of \$22,209,000 (Q1 2015 – 32 and \$15,301,000 respectively). Of the 42 homes, 36 were built on residential lots supplied by Genesis' land development segment, generating residential lot revenues of \$6,969,000 (Q1 2015 – 18 and \$3,230,000 respectively).
- Sales of homes, delivered on a quick possession basis, were higher at 21 during Q1 2016 compared to 9 during Q1 2015.
- New homes orders were 28 during Q1 2016 compared to 19 in Q1 2015.
- The Q1 2016 closing order book of 49 firm home sales contracts compared to 124 at the close of Q1 2015. This year over year decline is believed to be due to home buyers preferring homes that can be delivered on a quick possession basis, Genesis has been successful in delivering quick possession homes in sufficient volumes to offset the decline in pre-sales orders.
- A 14 acre development land parcel was sold in Q1 2016 with revenues of \$10,250,000 (Q1 2015 – Nil).

Net Earnings:

- Net earnings were \$2,110,000 for Q1 2016 compared to \$60,000 for Q1 2015.

Cash Flows from Operating Activities

- Cash inflows from operating activities were \$12,269,000 (inflows of \$0.28 per share) at Q1 2016 compared to cash outflows of \$18,727,000 (outflows of \$0.42 per share) at Q1 2015.

Restructuring:

- Genesis is reviewing and restructuring its business to deal with the continuing challenging economic environment with various initiatives already complete or substantially under way.

Additional Information

The information contained in this press release should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2016 and 2015 and the related Management's Discussion and Analysis ("MD&A") dated May 12, 2016 which have been filed with Canadian securities regulatory authorities. Copies of these documents may be obtained via www.sedar.com or our website at www.genesisland.com.

About Genesis

Genesis Land Development Corp. is a land developer and residential home builder in the Calgary Metropolitan Area. The Corporation's common shares are listed on the Toronto Stock Exchange (TSX: GDC).

Contact Information

Stephen J. Griggs, interim Chief Executive Officer
Kirsten Richter, CPA, CA, interim Chief Financial Officer
7315 – 8 Street NE Calgary AB T2E 8A2
P: 403-265-8079 TF: 800-341-7211 F: 403-266-0746
Email: genesis@genesisland.com
Website: www.genesisland.com

ADVISORIES

Forward-Looking Statements

This news release may contain certain statements which constitute forward-looking statements or information ("forward-looking statements") within the meaning of applicable securities legislation, including Canadian Securities Administrators' National Instrument 51-102 'Continuous Disclosure Obligations', concerning the business, operations and financial performance and condition of Genesis. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements in this news release include statements with respect to the economic environment and restructuring initiatives by Genesis. Although Genesis believes that the anticipated future results, performance or achievements expressed or implied by forward-looking statements are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements because they involve assumptions, known and unknown risks, uncertainties and other factors many of which are beyond the Corporation's control, which may cause the actual results, performance or achievements of Genesis to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements. Accordingly, Genesis cannot give any assurance that its expectations will in fact occur and cautions that actual results may differ materially from those in the forward-looking statements.

Factors that could cause actual results to differ materially from those set forth in the forward-looking statements include, but are not limited to: the impact or unanticipated impact of general economic conditions in Canada, the United States and globally; the impact of election of governments in Alberta and Canada and the direction of policy which could impact the overall pace of economic growth; local real estate conditions, including the development of properties in close proximity to Genesis' properties; the uncertainties of real estate development and acquisition activity; fluctuations in interest rates; labour matters, governmental regulations, stock market volatility and other risks and factors described from time to time in the documents filed by Genesis with the securities regulators in Canada available at www.sedar.com, including the Corporation's MD&A under the heading "Risks and Uncertainties" and the AIF under the heading "Risk Factors". Furthermore, any forward-looking statements contained in the news release are made as of the date of this news release and, except as required by applicable law, Genesis does not undertake any obligation to publicly update or to revise any of the forward-looking statements, whether as a result of new information, future events or otherwise.