

# Genesis Land Development Corp. TSE Stock Symbol: GDC

2<sup>nd</sup> Floor, 3115 – 12<sup>th</sup> St. N.E., Calgary, Alberta, T2E 7J2

Phone: (403) 265-8079 Fax (403) 266-0746

---

**Press Release:** For Immediate Release May 8, 2012

**Released on:** Canada Newswire

**Contact:** Jeff Blair, Interim C.E.O., Genesis Land Development Corp.

Simon Fletcher, C.F.O, Genesis Land Development Corp.

Tel: (403) 265-8079, Toll Free: 1-800-341-7211, Fax: (403) 266-0746

E-Mail: genesis@genesisland.com Internet: www.genesisland.com

## **Genesis Reports Earnings of \$0.14 for the three months ended March 31, 2012:**

### Results of Operations

Calgary, AB - May 8, 2012 - Genesis Land Development Corp. (“Genesis” or the “Corporation”) reports net earnings of \$6.2 million or \$0.14 (basic and fully diluted) earnings per share on total revenues of \$22.1 million for the three months ended March 31, 2012 (2011 - \$3.5 million, \$0.08, and \$27.9 million, respectively).

The Corporation achieved the following sales in number of units sold:

	<b>Three months ended March 31,</b>	
	<b>2012</b>	<b>2011</b>
	<small>(Number of units)</small>	
Single-family residential lots	75	82
Single-family homes	7	9
Multi-family homes	1	2

The single-family residential lots were primarily sold in phases 3 and 4 of the Calgary community of Saddlestone. In addition to the above, there were two multi-family land parcels sold by a joint venture in phase 1 of the Calgary community of Kinwood.

### Repayment of debt

During the quarter, the Corporation reduced its debt by \$6.3 million (7.1%), debt at March 31, 2012 was \$81.9 million.

### Outlook

With the projected improvement in economic conditions in the Calgary metropolitan area, Genesis is well positioned with an inventory of fully serviced lots, 9 professionally staged showhomes and an inventory of approved lands within the Calgary Metropolitan Area (“CMA”). The focus of the Corporation’s management in 2012 is the growth and optimization of operations and the reduction of non-project debt. Additionally, Genesis is working on the following initiatives:

- 1) Disposition of certain non-core lands.
- 2) Pursue a planning program to advance approvals on over 3,000 acres of land within the CMA. With approvals, the value of these lands should increase significantly.
- 3) Accelerate the sale and closing of the 425 serviced lots in inventory.
- 4) Complete the servicing of the Sage Hill Crossing Commercial development triggering the \$31.7 million sale to RioCan Real Estate Investment Trust by the end of 2012.

## FINANCIAL SUMMARY

As at and for the three months ended March 31, 2012 and 2011

(all tabular amounts are in thousands of dollars except per share amounts and number of outstanding shares)

	Three months ended	
	March 31,	
	2012	2011
Revenue	22,138	27,871
Cost of Sales and Expenses, net of finance income and gains	14,298	22,994
Earnings before taxes	7,840	4,877
Earnings attributable to equity holders	6,192	3,523
Earnings per share - basic and fully diluted	0.14	0.08

  

	March 31,	December 31,
	2012	2011
Assets	370,708	378,018
Liabilities	128,135	141,399
Total equity	242,573	236,619
Common Shares Outstanding	44,659,912	44,484,287

### About Genesis:

Genesis is a Calgary based land development company and residential home builder with land holdings in Alberta and British Columbia. Its active operations are located primarily in the CMA.

This press release should be read in conjunction with the Condensed Consolidated Interim Financial Statements and Management Discussion & Analysis of the Corporation for the three months ended March 31, 2012, which have been filed on the System for Electronic Document Analysis and Retrieval (SEDAR). Copies of these documents may be obtained via SEDAR at [www.sedar.com](http://www.sedar.com)

### Cautionary Statement Regarding Forward-Looking Information

This press release contains certain statements which constitute forward-looking statements or information ("forward-looking statements") within the meaning of applicable securities legislation concerning the business, operations and financial performance and condition of Genesis. Forward-looking statements include, but are not limited to, statements with respect to the estimated corporate tax rate and the number of dwelling sites that Genesis will actually develop and sell. 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". Although Genesis believes that the anticipated future results, performance or achievements expressed or implied by the 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 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, general economic conditions; local real estate conditions, including the development of properties in close proximity to Genesis' properties; timely leasing of newly-developed properties and re-leasing of occupied square footage upon expiration; dependence on tenants' financial condition; the uncertainties of real estate development and acquisition activity; the ability to effectively integrate acquisitions; interest rates; availability of equity and debt financing; the impact of newly-adopted accounting principles on Genesis' accounting policies and on period-to-period comparisons of financial results; economic conditions in Western Canada, not realizing on the anticipated benefits from the transaction or not realizing on such anticipated benefits within the expected time frame 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](http://www.sedar.com)., including the Annual Information Form under the heading "Risk Factors" and in Genesis' most recent interim report under the heading "Management's Discussion and Analysis."

Furthermore, the forward-looking statements contained in this press release are made as of the date of this press 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.

Caution should be exercised in the evaluation and use of the appraisal results. The appraisal is an estimate of market value at specific dates and not a precise measure of value, being based on subjective comparison of related activity taking place in the real estate market. The appraisal is based on various assumptions of future expectations and while the appraiser's assumptions are considered to be reasonable at the current time, some of the assumptions may not materialize or may differ materially from actual experience in the future.