



Genesis Reports 2012 Fourth Quarter Annual Results

For Immediate Release

CALGARY, March 20, 2013 – Genesis Land Development Corp. (TSX: GDC) (the "Corporation" or "Genesis") is pleased to report its financial and operating results for the year ended December 31, 2012.

Summary of achievements

- Genesis realized a 48% increase in revenues to \$141,582,000.
- Adjusted net earnings per share (adding back after-tax write-down) increased to \$0.51 in 2012 from \$0.29 in 2011.
- A major sale of 34.35 acres in the Sage Hill Crossing property amounting to \$32,526,000.

Summary of Results

	Three Months Ended		Year Ended	
	December 31,		December 31,	
<i>(\$000s, except as noted)</i>	2012	2011	2012	2011
Financial				
Total revenues	57,706	25,668	141,582	95,760
Cost of sales excluding impairment losses	43,092	16,109	94,265	63,494
Impairment (recovery) of real estate held for development and sale	34,216	3,603	33,146	2,474
Gross margin	(19,602)	5,956	14,171	29,792
Gross margin, before write-downs	14,614	9,559	47,317	32,266
Gross margin, before write-downs (%)	25%	37%	33%	34%
Net earnings ⁽¹⁾ attributable to shareholders	(7,126)	2,057	8,861	11,060
Net earnings ⁽¹⁾ per share – basic and diluted	(0.16)	0.05	0.20	0.25
Adjusted earnings per share (adding back after-tax write-down – basic and diluted)	0.15	0.09	0.51	0.29

⁽¹⁾ Net of income tax expense

(\$000s, except as noted)

<i>As at</i>	Dec. 31, 2012	Dec. 31, 2011
Cash and cash equivalents	10,005	10,850
Total assets	383,317	378,018
Loans and credit facilities	102,242	88,231
Total equity	226,309	236,619
Net Asset Value (“NAV”) per share	6.61	7.44
Common shares outstanding (weighted average number for the year)		
Basic	44,664,086	44,462,869
Fully diluted	44,774,623	44,764,783

Fourth Quarter and 2012 Achievements

General economic conditions were positive in 2012 in Alberta and in the land development/housing industry, resulting in an improved market over 2011. Genesis realized a 48% increase in revenues to \$141,582,000, largely due to a major sale of 34.35 acres in the Sage Hill Crossing property (amounting to \$32,526,000), and higher lot and residential home sales. The Corporation participated in multiple active projects during the year ended December 31, 2012. Approximately 13 phases/sites were under development, 15 phases/sites were in the process of being sold and the following sales were achieved:

<i>(number of units)</i>	Three months ended December 31,		Year ended December 31,	
	2012	2011	2012	2011
Single-family residential lots	46	93	287	255
Development land parcels (acres)	37	5	53	26
Single-family homes	34	11	90	65
Multi-family homes	-	-	1	3

The 2012 gross margin percentage before write-downs decreased slightly by 1% (from 34% in 2011 to 33% in 2012) due to a different mix of properties sold during 2012, including a sales mix of single-family homes that included a higher number of lower margin entry level homes. Genesis expects single-family home gross margins to improve as the volume of home sales increases and sites continue development in 2013.

Management of the Corporation believes the Corporation holds some of the best located development lands in the Calgary region that provide many years of inventory and development potential. This is supported by the NAV. This is important since it is becoming increasingly difficult to bring new developments on stream in a timely manner. Primarily as a result of these conditions, impairment losses have been recorded on certain real estate (not yet under development) including Delacour, Rocky View County; Acheson, Parkland County; and Spur Valley, Regional District of East Kootenay. The impairment resulted from specific market conditions, geographical locations and estimated monetization horizons of each of the properties. The Corporation’s portion of the impairment (net of non-controlling interest) was \$18,268,000 of the \$33,146,000 write-down. The impairment impacted overall results for the Corporation, including gross margin and net earnings. However, net earnings attributable to shareholders, before impairment charges and net of related income tax affects, were \$22,562,000, which is a substantial improvement over 2011 for which the comparable amount was \$13,010,000.

The Corporation incurred a loss of \$0.16 per share and achieved net earnings \$0.05 per share for the three months ended December 31, 2012 and 2011, respectively and net earnings of \$0.20 and \$0.25 per share for the years ended December 31, 2012 and 2011, respectively. Setting aside these impairment charges, Genesis achieved solid results in 2012 with earnings per share attributable to shareholders (before impairment charges and net of related income tax affects) of \$0.51, as compared with \$0.29 in 2011.

The decrease in NAV to \$6.61 in 2012 from \$7.44 in 2011 is mainly attributable to a decline in value of real estate (primarily raw and partially approved lands outside of the cities of Airdrie and Calgary), net of non-controlling interest. In addition it is attributable to the payments of interest on financings, taxes and other general and administrative expenses during the year ended December 31, 2012.

Loans and credit facilities increased in 2012 due to seven new credit facilities secured for servicing of land in Sage Hill Crossing, Saddlestone phase 6, Canals phase 6 and for the home building division. The proceeds from the sale of sites 1 and 2 in Sage Hill Crossing, received on January 10, 2013, were used to repay credit facilities subsequent to year end, reducing the balance of loans and credit facilities by \$31,411,000. This reduced the loans and credit facilities outstanding to \$70,831,000 and the debt to equity ratio to 0.55.

Outlook

The positive trend in general economic conditions and the industry is expected through 2013 with solid economic fundamentals, including low unemployment and interest rates, low and stable inflation rates, positive net in-migration and above average earnings, among other factors. The combination of these factors provides Genesis with a healthy environment for its core development and homebuilding activities in the coming year. During this time, Genesis will continue to pursue a strategy of positioning itself for future growth, focusing its activities in Alberta and, more particularly, the greater Calgary area.

Subsequent to the end of the year, Genesis announced the appointment of a new President and Chief Executive Officer, Bruce Rudichuk, as well as Executive Vice-President and Chief Financial Officer, Mark Scott. These appointments are intended to build the Corporation's capacity to organically grow its operations in the future as well as drive improved financial results through operational efficiencies and fiscal discipline. In that regard, management will dedicate a substantial amount of its efforts for 2013 in the following areas:

1. Growing the Corporation's approved and well-located core land positions and expand its development activities, primarily within the City of Calgary and Airdrie;
2. Building a stronger and more profitable homebuilding operation that measures its success in terms of brand recognition, customer satisfaction, and volume in addition to improved financial performance;
3. Assessing the Corporation's long-term land holdings, specifically its long term land development and homebuilding requirements, and implementing the appropriate strategic acquisition and /or divestiture plans to increase management's focus on adding shareholder value; and
4. Strengthening the Corporation's relationships within the lending and investment community with a view to maximizing access to competitively priced capital.

With a diversified and substantial land base, the Corporation is well positioned to focus on developing those projects that offer the best return in the market going forward.

Additional Information

The information contained in this release should be read in conjunction with the Consolidated Financial Statements for the year ended December 31, 2012, related Management's Discussion and Analysis and its Annual Information Form, which have been filed with Canadian securities regulatory authorities. Copies of these documents may be obtained via www.sedar.com or the Corporation's website, www.genesisland.com.

Cautionary Statement Regarding Forward-Looking Information

This news release contains 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.

Forward-looking statements include, but are not limited to, statements with respect to the nature of development lands held and the anticipated inventory and development potential of such lands, ability to bring new developments to market, anticipated general economic and industry conditions in 2013 and the anticipated impact on Genesis' development and homebuilding activities, Genesis' business strategy, including the geographic focus of its activities in 2013, the anticipated impact of executive appointments on Genesis' operational growth and financial results, anticipated areas of focus for Genesis in 2013; and the ability of Genesis to develop projects (and the nature of such projects). 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, many of which are beyond our 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; 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; fluctuation in interest rates; availability of equity and debt financing; the impact of newly-adopted accounting policies 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 transactions 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., including the Annual Information Form under the heading "Risk Factors". Furthermore, the forward-looking statements contained in this news release are made as of the date of this 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.

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 Calgary Municipal Area.

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