

Genesis Reports Strong 2017 Results

For Immediate Release

CALGARY, March 14, 2018 – Genesis Land Development Corp. (TSX: GDC) (the “Corporation” or “Genesis”) reported strong financial and operating results for the three months (“Q4”) and year ended December 31, 2017 (“YE 2017”):

Key financial results and operating data for Genesis were as follows:

(\$000s, except for per share items or unless otherwise noted)	Three months ended December 31,		Year ended December 31,	
	2017	2016	2017	2016
Key Financial Data				
Total revenues	65,644	28,145	150,933	115,957
Direct cost of sales	(36,833)	(24,203)	(97,704)	(89,339)
Gross margin	28,811	3,942	53,229	26,618
Gross margin (%)	43.9%	14.0%	35.3%	23.0%
Net earnings attributable to equity shareholders	8,713	(1,216)	16,998	5,906
Net earnings per share – basic and diluted	0.20	(0.03)	0.39	0.13
Cash flows from operating activities	27,298	6,229	46,908	42,952
Cash flows from operating activities per share – basic and diluted	0.62	0.14	1.08	0.98
Key Operating Data				
Land Development				
Total residential lots sold (units)	78	65	266	204
Residential lot sales	12,203	10,961	49,206	36,966
Gross margin on residential lot sales	6,432	4,681	22,782	16,831
Gross margin (%) on residential lot sales	52.7%	42.7%	46.3%	45.5%
Average revenue per lot sold	156	169	185	181
Revenue - Development land sold	41,000	-	55,234	21,237
Home Building				
Homes sold (units)	44	56	148	166
Revenues	18,463	24,456	67,707	83,249
Gross margin on homes sold	2,656	4,633	11,257	13,833
Gross margin (%) on homes sold	14.4%	18.9%	16.6%	16.6%
Average revenue per home sold	420	437	457	501
Homes subject to firm sale contracts (units)	31	39	31	39

(\$000s, except for per share items or unless otherwise noted)		As at December 31,	
Key Balance Sheet Data		2017	2016
Cash and cash equivalents		23,585	14,318
Total assets		301,425	288,995
Loans and credit facilities		30,135	43,295
Total liabilities		81,884	77,330
Shareholders' equity		201,397	205,751
Total equity		219,541	211,665
Loans and credit facilities (debt) to total assets		10%	15%

Strong Cash Flows from Operating Activities

In 2017, Genesis generated strong cash flows from operating activities of \$46.9 million (\$1.08 per share), an increase of \$ 4.0 million (\$0.10 per share) from the \$42.9 million (\$0.98 per share) in cash flows from operating activities in 2016.

Cash flows from operating activities were mainly used for the following:

- Reduce Genesis' loans and credit facilities by \$13.2 million, from \$43.3 million at December 31, 2016 to \$30.1 million at December 31, 2017. A significant portion of the loans and credit facilities outstanding at December 31, 2017 was made up of \$22.2 million related to a vendor-take-back loan (the "VTB") on Genesis' southeast Calgary lands.
- Pay a \$8.0 million installment on the VTB in January 2017.
- Declared two dividends totalling \$19.9 million (\$0.46 per share) to shareholders.
- \$1.5 million (since 2015 - \$ 4.8 million) was used to repurchase 493,085 common shares (since 2015 - 1,673,479) through Genesis' normal course issuer bid ("NCIB").

Genesis' cash on hand increased by \$9.3 million as at December 31, 2017 to \$23.6 million in comparison to \$14.3 million as at December 31, 2016. A further \$8.0 million payment on the VTB was made in January 2018.

\$17 million Net Earnings Attributable to Equity Shareholders in 2017

Net earnings for YE 2017 were \$17 million (\$0.39 per share), a \$11.1 million increase compared to \$5.9 million (\$0.13 per share) for the year ended December 31, 2016.

Cash Dividends of \$19.9 million and Continued Share Buybacks

Since 2014 when it paid its first dividend, Genesis has returned over \$41.5 million to shareholders by way of dividends and bought back nearly 1.7 million common shares for over \$4.7 million. The total repurchases under the NCIB represents 3.7% of the common shares outstanding at the commencement of the program in 2015.

<i>(\$000s, except for number of shares and per share items)</i>	Dividend per share	Total dividends paid	Shares repurchased and cancelled	Cost of repurchases
2017	0.46	19,896	493,085	1,456
2016	0.25	10,936	551,796	1,420
2015	0.12	5,331	628,598	1,887
2014	0.12	5,386	-	-
Total	\$0.95	\$41,549	1,673,479	\$4,763

Residential Lot Revenues up by 33%

Total residential lot sales in 2017 were \$49.2 million (266 lots), up 33% from \$37.0 million (204 lots) in 2016. During 2017, 132 lots were sold to third-party builders, more than twice the 58 lots sold to third-party builders in 2016. 34 of the lots sold to third-party builders in 2017 were premium lots in the Calgary community of Sage Meadows and 98 were in the City of Airdrie (2016 - 10 and 48 lots, respectively). In 2017, Genesis' home building business sold 134 homes on Genesis lots, down from 146 homes sold in 2016.

Development Land Revenues of \$55.2 million

Total development land sales in 2017 was \$55.2 million including the sales by a limited partnership for \$46.2 million from which third party debt of \$9.1 million and debt owed to Genesis of \$15.5 million was repaid.

Additional Information

The information contained in this press release should be read in conjunction with the consolidated financial statements for the year ended December 31, 2017 and 2016 and the related Management's Discussion and Analysis ("MD&A") dated March 14, 2018 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).

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