



FOR IMMEDIATE RELEASE

PRESS RELEASE

**GENESIS WORLDWIDE INC. ANNOUNCES
FOURTH QUARTER AND FISCAL YEAR 2008 RESULTS**

Licensing Division Achieves Fourth Consecutive Year of Revenue Growth

Mississauga, Ontario, March 5, 2009 – Genesis Worldwide Inc. (“Genesis” or the “Company”), (TSX/AIM: GWI), a leading provider of ‘green’ building products and technology, announces its financial results for the fourth quarter and fiscal year ended December 31, 2008. All dollar amounts are in Canadian dollars unless otherwise stated.

Overall Performance

The following are the Company’s key business highlights -

- Grew licensing division revenue for the fourth consecutive year to \$8,852,474, achieving a four year compounded growth rate of 172%, and achieved second consecutive year of operating profit.
- Reduced operating costs by 25% in the fourth quarter, compared to the previous three quarters, and is in the process of delisting from its AIM listing, thus lowering public company costs.
- Reduced headcount by 36%, from 131 employees at December 31, 2007, to 84 employees at December 31, 2008.
- Continued sales momentum in government related projects for both schools and affordable housing by signing two new school projects, and one affordable housing project during the quarter.
- Grew backlog of signed contracts by 28%, to \$47.0 million on December 31, 2008, compared to \$36.7 million at December 31, 2007.
- Developed a new Solution Provider Program for 2009, enabling the licensing division to target a broader range of customers at a lower cost entry point, and drive revenue opportunities to licensees.
- Continues to develop its production and installation process to find ways to reduce costs, both from a material and efficiency perspective, and developed six new SMART parts in the quarter, which is expected to result in considerable savings in 2009 for the KML division.
- Released GEM Version 4.0 as a fully hosted application model enabling it to reduce support costs for its licensees.
- On February 23, 2009, completed a financing with proceeds of \$1,534,742 from a secured convertible debenture.
- Previously announced the appointment of two new Board members, Bradley Baker and Richard Pope, as well as the appointment of Bradley Baker as Chairman of the Board and, the resignation of John Gardner as a member of the Board. Today announces the promotion of Maged Mostafa, formerly the Vice-President of Business Development of the GenesisTP division, to the Chief Operating Officer of the GenesisTP division, and, the departure of Jack Scivoletto as the President of the KML division.

Financial Highlights

Fiscal Year Ended December 31, 2008

- Total revenue for the fiscal year ended December 31, 2008 decreased 13.0% to \$21,261,550, compared to \$24,443,499 for the same period in 2007.
- Revenue for the licensing division for the fiscal year ended December 31, 2008 increased 3.9% to \$8,852,474, compared to \$8,523,405 for the same period in 2007.
- Revenue for the structural products division for the fiscal year ended December 31, 2008 decreased 22.1% to \$12,409,076, compared to \$15,920,094 for the same period in 2007.
- Total contribution margin for the fiscal year ended December 31, 2008 decreased 23.1% to \$6,361,929, compared to \$8,276,003 recorded in the same period in 2007.
- Operating expenses, excluding corporate re-organization costs and recovery of scientific research and experimental development costs, for the fiscal year ended December 31, 2008 increased 3.3% to \$11,755,269, compared to \$11,375,398 for the same period in 2007.
- Net loss for the fiscal year ended December 31, 2008 was \$7,228,964, or (\$0.23) per common share, compared to a net loss of \$4,507,862, or (\$0.17) per common share, for the same period in 2007.

Three Months Ended December 31, 2008

- Total revenue for the fourth quarter ended December 31, 2008 decreased 47.0% to \$4,451,806, compared to \$8,398,114 for the fourth quarter of 2007.
- Revenue for the licensing division for the fourth quarter ended December 31, 2008 decreased 6.4% to \$1,541,465, compared to \$1,647,716 for the same period in 2007. Comparative quarterly results will vary for this division depending primarily on the timing of shipments of its industrial products.
- Revenue for the structural products division for the fourth quarter ended December 31, 2008 decreased 56.9% to \$2,910,341, compared to \$6,750,398 recorded in the fourth quarter of 2007.
- Operating expenses, excluding corporate re-organization costs and recovery of scientific research and experimental development costs, for the fourth quarter ended December 31, 2008 decreased 11.7% to \$2,509,943, compared to \$2,842,165 for the fourth quarter of 2007.
- Total contribution margin decreased by 57.4% in the fourth quarter ended December 31, 2008 to \$1,244,069, compared to \$2,917,020 for the same quarter last year.
- Net loss for the fourth quarter ended December 31, 2008 decreased to \$1,692,975, or (\$0.05) per common share, compared to net income of \$190,833, or \$0.01 per common share for the fourth quarter of 2007.

Backlog

Backlog for the licensing division is defined as undelivered contractual commitments, other than minimum royalty obligations, and assumes that in cases of multi-year/multi-facility commitments by licensees, subsequent facilities match the industrial technology configured for the first facility. Backlog for the structural products division is defined as the undelivered portion of signed construction contracts. The timing of these contractual commitments into revenue is uncertain and the possibility exists that contractual commitments can be de-booked.

A breakdown of the Company's backlog is as follows:

- Total backlog as at December 31, 2008 was approximately \$47.0 million, representing a 28.1% increase over backlog of approximately \$36.7 million as at December 31, 2007.
- Backlog for the licensing division as at December 31, 2008 was approximately \$19.0 million. This excludes minimum royalty obligations.
- Backlog for the structural products division as at December 31, 2008 was approximately \$28.0 million.

Further information regarding the Company, and its business and operations, may be obtained from the Company's continuous disclosure documents filed from time-to-time with the Canadian securities regulatory authorities. These continuous disclosure documents are available through the Company's web site at www.genesisworldwide.com, or through the SEDAR website maintained by the Canadian securities regulatory authorities, which can be accessed at www.sedar.com.

Conference Call/Webcast

The Genesis management team will discuss its fourth quarter and fiscal 2008 financial results on a conference call to be held on Thursday, March 5, 2009 at 8:30 a.m. Eastern time (1:30 p.m. BST). As well, a webcast link (audio only) will be made available from the Investor Relations portal of Genesis' website at <http://www.genesisworldwide.com/financial-reports.aspx>. There will be a short presentation followed by a question and answer period lasting for approximately one (1) hour.

Conference Call Details

Date: Thursday, March 5, 2009

Time: 8:30 a.m. Eastern time (1:30 p.m. BST)

Local dial-in: 416-641-6123

North America toll-free: 866-300-7687

Global toll-free: 800-6578-9898 (dial the international access code of the country you are calling from, i.e. a call from the United Kingdom would be dialed 00-800-6578-9898)

A replay of the call will be made available through the Genesis' Investor Relations website portal at <http://www.genesisworldwide.com/financial-reports.aspx>, or by dialing 416-695-5800 (local callers only), or toll-free at 1-800-408-3053 (passcode 3274156#), from approximately 12:00 p.m. Eastern time on the date of the call through to Thursday, March 12, 2009.

About Genesis Worldwide Inc.

Genesis develops and licenses 'green' building products and technology. Genesis offers licensees a turn-key solution which includes software applications, industrial technologies, and a wide range of services. The Genesis Solution encompasses engineered processes and materials that are environmentally sustainable or 'green'. Genesis is headquartered in Mississauga, Ontario, Canada, and has licensees in the United States, Canada, Europe and the Middle East. For additional information about the Company, visit www.genesisworldwide.com.

Caution Regarding Forward Looking Information

Certain statements in this press release which are not historical facts constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws ("forward-looking statements") and are made pursuant to the "safe harbour" provisions of such laws. Statements related to the Company's projected revenues, earnings, growth rates, performance, business prospects and opportunities are forward-looking statements, as are any statements relating to future events, conditions or circumstances. The use of terms such as "may", "will", "should", "plan", "believes", "predict", "potential" "anticipate", "expect", "project", "target", "estimate", "continue", and similar terms are intended to assist in identification of these forward-looking statements. These statements are based on certain factors and assumptions including expected growth, results of operations, performance and business prospects, and opportunities. These assumptions, although considered reasonable by the Company at the time of preparation, may prove to be incorrect.

Readers are cautioned not to place undue reliance upon any such forward-looking statements. Such forward-looking statements are not promises or guarantees of future performance and involve both known and unknown risks and uncertainties that may cause the actual results, performance or achievements of the

Company to differ materially from the results, performance, achievements or developments expressed or implied by such forward-looking statements.

Many factors could cause the actual results of the Company to differ materially from the results, performance, achievements or developments expressed or implied by such forward-looking statements, including, without limitation, those factors discussed under the heading "Risk Factors" in the Company's most recent Annual Information Form ("AIF"), a copy of which is available on SEDAR at www.sedar.com. Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions, and the Company does not undertake any obligation to update forward-looking statements, except required by law, should assumptions related to these plans, estimates, projections, beliefs and opinions change.

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Genesis Worldwide Inc.**CONSOLIDATED BALANCE SHEETS**

Unaudited
As at December 31

	2008	2007
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	167,064	5,987,862
Accounts receivable	7,780,771	10,455,380
Inventories and deposits on equipment	1,626,187	895,686
Prepaid expenses	310,964	342,515
Total current assets	9,884,986	17,681,443
Restricted cash	500,000	—
Long-term accounts receivable	—	287,500
Property, plant and equipment	4,848,059	4,530,567
Intangible assets	2,105,862	2,243,518
	17,338,907	24,743,028
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	6,916,928	7,566,970
Term loan - current portion	570,943	—
Deferred revenue - current portion	2,779,266	3,567,478
Minimum royalty payment obligations	376,792	173,330
Total current liabilities	10,643,929	11,307,778
Long-term		
Deferred revenue	—	287,500
Term loan	983,253	—
Minimum royalty payment obligations	1,002,923	1,377,869
Total long-term liabilities	1,986,176	1,665,369
Shareholders' equity		
Capital stock	56,733,075	56,733,075
Contributed surplus	1,246,358	1,078,474
Deficit	(53,270,631)	(46,041,668)
Total shareholders' equity	4,708,802	11,769,881
	17,338,907	24,743,028

Genesis Worldwide Inc.

**CONSOLIDATED STATEMENTS OF LOSS,
COMPREHENSIVE LOSS AND DEFICIT**

Unaudited
Year ended December 31

	2008	2007
	\$	\$
Revenues		
Licensing	8,852,474	8,523,405
Structural products	12,409,076	15,920,094
Total revenues	21,261,550	24,443,499
Direct cost of revenues		
Licensing	3,980,339	4,048,674
Structural products	10,919,282	12,118,822
Total direct cost of revenues	14,899,621	16,167,496
Expenses		
Research and development	1,293,589	1,077,313
Scientific research & experimental development tax credit	(100,906)	(770,995)
Selling and marketing	2,521,819	1,924,268
Engineering and project management	1,744,973	1,740,989
General and administrative	4,559,130	4,338,800
Occupancy	1,635,758	1,517,610
Corporate reorganization costs	464,448	—
Plant commissioning and restructuring costs	—	776,418
	12,118,811	10,604,403
Loss before other expenses	(5,756,882)	(2,328,400)
Amortization of property, plant and equipment	877,326	715,846
Amortization of intangible asset	269,651	269,651
Foreign exchange gain	(60,460)	(19,117)
Bank interest expense (income), net	24,206	(248,048)
Minimum royalty accretion	288,515	298,897
Term loan and debenture interest expense	72,843	1,162,233
	1,472,081	2,179,462
Net loss and comprehensive loss for the year	(7,228,963)	(4,507,862)
Deficit, beginning of year	(46,041,668)	(41,533,806)
Deficit, end of year	(53,270,631)	(46,041,668)
Loss per share		
Basic and diluted	\$ (0.23)	\$ (0.17)
Weighted average number of shares outstanding	30,982,858	25,969,159

Genesis Worldwide Inc.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Unaudited
Year ended December 31

	2008	2007
	\$	\$
OPERATING ACTIVITIES		
Net loss for the year	(7,228,963)	(4,507,862)
Adjustments for non-cash items		
Amortization of property, plant and equipment and intangible asset	1,146,977	985,497
Stock-based compensation expense	167,884	159,581
Unrealized foreign exchange loss	(15,231)	—
Debenture interest expense accretion	—	815,965
Minimum royalty accretion	288,515	298,897
	<u>(5,640,818)</u>	<u>(2,247,922)</u>
Changes in non-cash working capital balances related to operations		
Accounts receivable, net	2,674,609	(5,568,815)
Inventories and deposits on equipment	(730,501)	(126,245)
Prepaid expenses	31,552	127,837
Accounts payable and accrued liabilities	(650,041)	1,839,767
Deferred revenue	(788,212)	2,317,915
Cash used in operating activities	<u>(5,103,411)</u>	<u>(3,657,463)</u>
FINANCING ACTIVITIES		
Loan proceeds	1,800,000	—
Repayment on term loan	(245,804)	—
Restricted cash	(500,000)	—
Debenture repayment	—	(4,120,000)
Capital stock issued, net of issue costs paid	—	15,642,765
Cash provided by financing activities	<u>1,054,196</u>	<u>11,522,765</u>
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(1,329,177)	(2,375,856)
Disposals to property, plant and equipment	149,590	—
Deferred patent costs	(131,996)	(192,970)
Minimum royalties paid	(460,000)	(320,000)
Cash used in investing activities	<u>(1,771,583)</u>	<u>(2,888,826)</u>
Net increase (decrease) in cash and cash equivalents during the year	(5,820,798)	4,976,476
Cash and cash equivalents, beginning of year	5,987,862	1,011,386
Cash and cash equivalents, end of year	<u>167,064</u>	<u>5,987,862</u>
Supplemental cash flow information		
Interest paid	85,630	346,268
Initial public offering costs not yet paid	—	831,010