



FOR IMMEDIATE RELEASE

PRESS RELEASE

GENESIS WORLDWIDE INC. ANNOUNCES FIRST QUARTER 2010 FINANCIAL RESULTS

Continues Joint Venture and Divestiture Strategies Shareholder Purchases Term Loan

Vaughan, Ontario, May 14, 2010 – Genesis Worldwide Inc. (“Genesis” or the “Company”), (TSX: GWI), today announces its financial results for the first quarter ended March 31, 2010. All dollar amounts are in Canadian dollars unless otherwise stated.

Business Update

The following is an update of the transactions discussed in the Company’s press release dated April 28, 2010 -

- As part of the Company's new business strategy, the joint venture negotiations with Alexandria Steel Forming Co. (“Alexandria”) in Egypt, and Manazil Steel Framing Co. (“Manazil”) in Abu Dhabi, are nearing completion. Both of these markets are showing buoyancy and continued economic improvement. As part of the Manazil joint venture, the Company recently transferred four employees to Abu Dhabi. This included the transfer of Maged Mostafa; the former Chief Operating Officer of the Company's licensing division.
- The special committees that were formed to negotiate a joint venture with Coddling Enterprises L.P., the Company’s largest shareholder, as well as the divestiture of KML Engineered Homes Ltd., a subsidiary of the Company, are continuing their negotiations. These two initiatives further demonstrate the Company’s commitment to pursue its new strategic direction. Although the Company believes it is likely that it will consummate the contemplated joint venture and divestiture transactions, there can be no assurance that any or all of the transactions will ultimately be finalized, or that, if finalized, they will be under the same terms and conditions as currently contemplated.
- The Company recently received a demand letter from its lender requesting payment of all amounts owing as of the date of the demand letter. Subsequent to receiving the demand letter, and prior to the expiration of the ten day cure period, Coddling Enterprises L.P., a current shareholder of the Company (the “Potential Buyer”), initiated discussions with the lender to potentially purchase the term loan. As a result, the Potential Buyer has agreed, subject to customary closing conditions, to purchase the term loan. The parties are in the process of completing final documentation. The Potential Buyer has expressed its desire to modify the term loan in several ways, including a reduction in the monthly loan payments, and removal of certain restrictive covenants.

Financial Highlights

- Total revenue for the first quarter ended March 31, 2010 decreased 80.2% to \$965,085, compared to \$4,878,637 for the same period in 2009. Revenue for the licensing division for the first quarter of 2010 decreased 91.4% to \$191,097, compared to \$2,225,533 for the first quarter in 2009. Revenue for the structural products division for the first quarter of 2010 decreased 70.8% to \$773,988, compared to \$2,653,104 for the same quarter in 2009. Revenue for the first quarter of 2010 was impacted by the Company’s inability to maintain consistent sustained production from manufacturing as it continued to manage working capital.

- Operating expenses for the first quarter of 2010 decreased 4.6% to \$1,677,267, compared to \$1,758,425 for the same period in 2009. On November 16, 2009, each of the Company's operating divisions implemented short-term layoffs of personnel in order to preserve cash. A total of 47 personnel were laid-off (36 in the structural products division, 9 in the licensing division and 2 in the corporate head office). During the quarter ended March 31, 2010, the Company recalled 2 employees (1 in the structural products division and 1 in the licensing division), and the Company continued with intermittent short-term layoffs of 17 employees (in the structural products division). All remaining employees that were not recalled, or not part of the current short-term layoffs, have either resigned from the Company, or their employment with the Company was terminated during the quarter ended March 31, 2010. The Company continues to evaluate operating costs in an effort to reduce costs.
- Net loss for the first quarter of 2010 was \$1,798,402, or (\$0.03) per common share, compared to a net loss of \$944,925, or (\$0.03) per common share, for the first quarter of 2009.

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.

About Genesis Worldwide Inc.

Genesis is a provider of green light steel building systems and solutions targeted at the global commercial, residential and institutional building sectors. Genesis delivers customized turnkey structural solutions including innovative light steel products, and provides software packages, industrial equipment, training programs, professional services and support ("Genesis Solution") to its customers and partners globally. Headquartered in the Greater Toronto Area in Ontario, Canada, Genesis has established a network of partners with engineering, manufacturing and distribution operations in Canada, the United States, the Middle East, Eastern Europe and Russia. 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 each 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, except required by law, the Company does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change.

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For further information contact:

Genesis Worldwide Inc.
Catherine Smyth
Manager, Investor Relations
Tel: (905) 832-9286

Genesis Worldwide Inc.

CONSOLIDATED BALANCE SHEET
(unaudited)

	As at March 31 2010 \$	As at December 31 2009 \$
ASSETS		
Current		
Cash	24,126	72,247
Cash held in trust	—	100,000
Restricted cash	500,000	500,000
Accounts receivable	1,734,761	2,818,204
Inventory	277,834	346,219
Prepaid expenses	206,080	255,719
Total current assets	2,742,801	4,092,389
Mortgage receivable	432,908	432,908
Property, plant and equipment	2,060,936	2,232,604
Intangible assets	19,133	1,015,101
	5,255,778	7,773,002
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	6,338,109	6,505,840
Term loan - current portion	894,177	991,587
Deferred revenue	840,594	847,964
Minimum royalty payment obligations	266,190	682,548
Total current liabilities	8,339,070	9,027,939
Long-term		
Minimum royalty payment obligations	—	578,058
Total long-term liabilities	—	578,058
Shareholders' equity		
Capital stock	61,690,108	61,114,911
Contributed surplus	1,815,400	1,842,492
Deficit	(66,588,800)	(64,790,398)
Total shareholders' equity	(3,083,292)	(1,832,995)
	5,255,778	7,773,002

Genesis Worldwide Inc.

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

(unaudited)

	Three months ended	
	March 31 2010	March 31 2009
	\$	\$
Revenues		
Licensing	191,097	2,225,533
Structural products	773,988	2,653,104
Total revenues	965,085	4,878,637
Direct cost of revenues		
Licensing	14,418	1,475,668
Structural products	872,066	2,098,291
Total direct cost of revenues	886,484	3,573,959
	78,601	1,304,678
Expenses (other income)		
Research and development	62,718	199,544
SR&ED tax credit	—	(50,000)
Selling and marketing	291,548	301,554
Engineering and project management	220,060	263,427
General and administrative	782,169	693,206
Occupancy	320,772	350,694
	1,677,267	1,758,425
Loss before other expenses	(1,598,666)	(453,747)
Amortization of property, plant and equipment	171,668	233,106
Amortization of intangible assets	1,551	69,956
Foreign exchange gain	(26,738)	27,591
Loss on disposal of property, plant and equipment	—	4,543
Bank interest expense and penalty charges	37,845	32,731
Minimum royalty accretion	—	66,141
Term loan and debenture interest expense	15,410	57,110
	199,736	491,178
Net loss and comprehensive loss for the period	(1,798,402)	(944,925)
Deficit, beginning of period	(64,790,398)	(53,271,129)
Deficit, end of period	(66,588,800)	(54,216,054)
Loss per share		
Basic and diluted	\$ (0.03)	\$ (0.03)
Weighted average number of shares outstanding	51,575,009	30,982,858

Genesis Worldwide Inc.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

	Three months ended	
	March 31 2010	March 31 2009
	\$	\$
OPERATING ACTIVITIES		
Net loss for the year	(1,798,402)	(944,925)
Adjustments for non-cash items		
Amortization of property, plant and equipment and intangible assets	173,219	303,062
Loss on disposal of property, plant and equipment	—	4,543
Stock-based compensation expense (recovery)	(27,092)	36,423
Unrealized foreign exchange loss	—	742
Minimum royalty accretion	—	66,141
	<u>(1,652,275)</u>	<u>(534,014)</u>
Changes in non-cash working capital balances related to operations		
Accounts receivable	1,083,443	502,579
Inventory	68,385	649,975
Prepaid expenses	49,639	15,455
Accounts payable and accrued liabilities	(167,730)	31,970
Deferred revenue	(7,370)	(1,676,770)
Cash held in trust	100,000	—
Cash used in operating activities	<u>(525,908)</u>	<u>(1,010,805)</u>
FINANCING ACTIVITIES		
Debt proceeds	—	1,497,165
Repayment on term loan	(97,410)	(136,726)
Changes in long-term liability	—	76,937
Common stock issued	575,197	—
Cash provided by financing activities	<u>477,787</u>	<u>1,437,376</u>
INVESTING ACTIVITIES		
Additions to property, plant and equipment	—	(34,491)
Disposals of property, plant and equipment	—	33,515
Additions to intangible assets	—	(19,866)
Minimum royalties paid	—	(150,000)
Cash used in investing activities	<u>—</u>	<u>(170,842)</u>
Net increase (decrease) in cash during the period	<u>(48,121)</u>	<u>255,729</u>
Cash, beginning of period	72,247	167,064
Cash, end of period	<u>24,126</u>	<u>422,793</u>
Supplemental cash flow information		
Interest paid	15,410	28,853