

# FRONSAC REAL ESTATE INVESTMENT TRUST RELEASES ANNUAL FINANCIAL STATEMENTS

TSX VENTURE EXCHANGE: GAZ.UN

FOR IMMEDIATE RELEASE

**MONTREAL, QUEBEC – APRIL 3, 2012** – Fronsac real estate investment trust (“Fronsac REIT”) today released its audited consolidated financial statements for the year ended December 31, 2011.

On July 1<sup>st</sup> 2011, Fronsac Capital Inc. (“Fronsac”) was converted into a real estate investment trust by exchanging its common shares for trust units of Fronsac REIT. On that date, Fronsac REIT issued 13,790,000 units exchanged for 13,790,000 shares of Fronsac. Fronsac REIT has then inherited the real estate portfolio of Fronsac and continued its operations.

The net loss of the year was (\$102,391) or \$(0.007) per unit [2010: gain of \$75,542 or \$0.006]. The 2011 net loss includes expenses of \$106,813 related to the conversion of Fronsac into a real estate investment trust and to acquisitions of properties.

Since January 1<sup>st</sup> 2011, as required by the Canadian Accounting Standards Board, Fronsac REIT presents its financial statements under the International Financial Reporting Standards (“IFRS”). The comparative quarter of 2010 of Fronsac has also been adjusted to IFRS.

## **SUMMARY OF INCOME STATEMENT INFORMATION**

<b>Income</b>	<b>December 31, 2011</b>	<b>December 31, 2010</b>
Revenue	\$512,242	\$476,946
Net Income (loss)	(\$102,391)	\$75,542
Per unit – basic and diluted	(\$0.007)	\$0.006
Weighted average units outstanding – basic and diluted	13,974,219	12,598,904

### **SUMMARY OF CASH FLOWS INFORMATION**

<b>Cash Flows</b>	<b>December 31, 2011</b>	<b>December 31, 2010</b>
Cash from operating activities	\$51,407	\$164,621
Cash from investing activities	(\$361,215)	(\$24,704)
Cash from financing activities	\$1,408,560	\$358,573
Increase (decrease) in cash	\$1,098,752	\$498,490
Cash – beginning of year	\$886,968	\$388,478
Cash – end of year	\$1,985,720	\$886,968

### **SUMMARY OF BALANCE SHEET INFORMATION**

<b>Balance Sheets</b>	<b>December 31, 2011</b>	<b>December 31, 2010</b>
Cash	\$1,985,720	\$886,968
Investment Properties	\$7,111,919	\$6,084,704
Total Assets	\$9,335,868	\$7,141,147
Total Liabilities	\$4,527,216	\$3,892,141
Total Equity	\$4,808,652	\$3,249,006
Book value per unit	\$0.23	\$0.24

The Trust's December 31, 2011 financial statements may be viewed on SEDAR at [www.sedar.com](http://www.sedar.com)

For further information please contact Michel Lassonde, President at (450) 536-5328.

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