SMARTCENTRES REAL ESTATE INVESTMENT TRUST RELEASES FIRST QUARTER RESULTS FOR 2025

TORONTO, ONTARIO - (May 7, 2025) SmartCentres Real Estate Investment Trust ("SmartCentres", the "Trust" or the "REIT") (TSX: SRU.UN) is pleased to report its financial and operating results for the quarter ended March 31, 2025.

"We are pleased to report a strong start to 2025," said Mitchell Goldhar, CEO of SmartCentres. "We continue to outperform the current market, resulting in a $7.4 million increase in net operating income(1) and a 4.1% increase in Same Properties NOI(1) compared to the first quarter of last year. Walmart took possession of its 110,000 square foot supercentre in our South Oakville Centre during the quarter with a planned opening in a few months. In addition, exceptional retention of maturing tenancies has led to lease extensions with a compelling average rent growth of 8.4% (excluding anchors). Our relentless focus on value-oriented retail reinforces our strong relationships and delivers a more attractive place to shop for consumers. On the development front, we are continuing to make significant progress on projects under construction. In addition, we delivered and closed four additional units during the quarter in Phase I of our Vaughan NW Townhomes project, bringing the total closed to approximately 90% of the pre-sold units and to-date profit of $12.4 million, resulting in a cumulative margin of approximately 21%."

2025 First Quarter Highlights

Retail Operations

- With growing demand for existing space and strong retention, Same Properties NOI(1) for the three months ended March 31, 2025 increased by 4.1% (6.7% excluding Anchors) compared to the same period in 2024.
- 178,408 square feet of existing space leased during the quarter, resulting in an in-place and committed occupancy rate of 98.4% as at March 31, 2025. In addition, growing demand for new-build retail continues with approximately 28,620 square feet executed during the quarter.
- Renewed and extended over 68% of leases maturing in 2025 at strong rental growth of 8.4% (excluding Anchors).
- In March 2025, Walmart took possession at the South Oakville Centre property filling the 110,000 square foot space, and has commenced fixturing with an opening planned for later this year.

Development

- Our significant stock of municipal approvals is expected to provide long-term portfolio expansion and profitable growth from the approximately 59.1 million square feet (at the Trust's share) of zoned mixed-use development permissions, including 1.0 million square feet of sites currently under construction.
- Construction of self-storage facilities in Toronto (Gilbert Ave.), Toronto (Jane St.), and Dorval (St-Regis Blvd.) is progressing, with all three facilities on schedule to open during the second quarter of 2025. Site preparation and demolition works have been completed for three additional self-storage facilities in Montreal (Notre Dame St. W), Laval E, Quebec, and Burnaby, British Columbia, with facilities expected to open in 2026.
- Construction of Phase I of the Vaughan NW townhomes is progressing well, with four units completed and closed in Q1 2025, bringing the total to approximately 90% of the pre-sold units now closed with to-date profit of $12.4 million resulting in a cumulative margin of approximately 21%.
- Construction of the ArtWalk condo Tower A in the Vaughan Metropolitan Centre is continuing with siteworks and below-grade work nearing completion. Approximately 93% of the 340 units in Tower A have been pre-sold.
- Construction of the Trust's flagship 224,000 square foot Canadian Tire store on Laird Drive in Toronto continues on schedule, with possession expected in Q2 2026.

Financial

- Net rental income and other for the three months ended March 31, 2025 was $136.8 million, representing an increase $6.1 million or 4.6% compared to the same period in 2024. This increase was primarily due to lease-up and renewal activities.
- FFO per Unit[(1)] for the three months ended March 31, 2025, was $0.56 (+17%) compared to $0.48 for the same period in 2024. This increase was primarily due to an increase in NOI mainly due to lease-up activities and changes in the fair value adjustment on the TRS resulting from fluctuations in the Trust's Unit price, partially offset by a non-recurring severance cost related to reduced staffing from deferred development activities and by higher net interest expense compared to the prior year period. FFO with adjustments per Unit[(1)] for the three months ended March 31, 2025, was $0.54 compared to $0.52 for the same period in 2024.
- Net loss and comprehensive loss improved by $11.6 million for the three months ended March 31, 2025, compared to the same period in 2024. This improvement was driven by stronger operating performance, including a $7.4 million increase in NOI from lease-up activity, and a $42.0 million reduction in fair value losses on investment properties due to changes in market conditions. These gains were partially offset by a $34.9 million lower fair value adjustment on financial instruments and higher G&A expenses related to non-recurring severance costs. Net loss and comprehensive loss per Unit was $0.05, compared to $0.12 in the prior year.

(1) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.

Selected Consolidated Operational, Mixed-Use Development and Financial Information

(in thousands of dollars, except per Unit and other non-financial data)

As at	March 31, 2025	December 31, 2024	March 31, 2024
Portfolio Information (Number of properties)			
Retail properties	**155**	155	155
Office properties	**4**	4	4
Self-storage properties	**11**	11	9
Residential properties	**3**	3	3
Industrial properties	**1**	1	1
Properties under development	**22**	21	21
Total number of properties with an ownership interest	**196**	195	193
Leasing and Operational Information[1]			
Gross leasable retail, office and industrial area (in thousands of sq. ft.)	**35,425**	35,300	35,109
In-place and committed occupancy rate	**98.4 %**	98.7 %	97.7 %
Average lease term to maturity (in years)	**4.3**	4.2	4.3
In-place net retail rental rate excluding Anchors (per occupied sq. ft.)	**$23.89**	$23.48	$23.07
Financial Information			
Investment properties[2]	**10,617,787**	10,659,783	10,491,638
Total unencumbered assets[3]	**9,592,521**	9,464,521	9,176,421
NAV per Unit - diluted[3]	**$35.51**	$36.03	$35.71
Debt to Aggregate Assets[3][4][5]	**44.1 %**	43.7 %	43.8 %
Adjusted Debt to Adjusted EBITDA[3][4][5]	**9.6X**	9.6X	9.8X
Weighted average interest rate[3][4]	**3.93 %**	3.92 %	4.17 %
Weighted average term of debt (in years)	**3.3**	3.1	3.4
Interest coverage ratio[3][4]	**2.5X**	2.5X	2.6X

	Three Months Ended March 31	
	2025	2024
Financial Information		
Rentals from investment properties and other[2]	**229,338**	217,239
Net loss and comprehensive loss[2]	**(9,581)**	(21,175)
FFO[3][4][6]	**101,919**	86,812
AFFO[3][4][6]	**98,426**	81,242
Cash flows provided by operating activities[2]	**81,737**	69,719
Net rental income and other[2]	**136,786**	130,728
NOI[3][4]	**143,524**	136,075
Change in SPNOI[3][4]	**4.1 %**	3.0 %
Change in SPNOI excluding anchors[3][4]	**6.7 %**	5.3 %
Weighted average number of units outstanding – diluted[7]	**181,412,769**	180,265,745
Net loss and comprehensive loss per Unit[2]	**$(0.05)/$(0.05)**	$(0.12)/$(0.12)
FFO per Unit[3][4][6]	**$0.57/$0.56**	$0.49/$0.48
FFO with adjustments per Unit[3][4]	**$0.54/$0.54**	$0.52/$0.52
AFFO per Unit[3][4][6]	**$0.55/$0.54**	$0.46/$0.45
AFFO with adjustments per Unit[3][4]	**$0.53/$0.52**	$0.49/$0.48
Payout Ratio to AFFO[3][4][6]	**83.8 %**	101.4 %
Payout Ratio to AFFO with adjustments[3][4]	**88.1 %**	94.5 %
Payout Ratio to cash flows provided by operating activities	**100.9 %**	118.2 %

(1) Excluding residential and self-storage area.
(2) Represents a Generally Accepted Accounting Principles ("GAAP") measure.
(3) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.
(4) Includes the Trust's proportionate share of equity accounted investments.
(5) As at March 31, 2025, cash-on-hand of $25.6 million was excluded for the purposes of calculating the applicable ratios (December 31, 2024 – $34.9 million, March 31, 2024 – $33.3 million).
(6) The calculation of the Trust's FFO and AFFO and related payout ratios, including comparative amounts, are financial metrics that were determined based on the REALPAC White Paper on FFO and AFFO issued in January 2022 ("REALPAC White Paper"). Comparison with other reporting issuers may not be appropriate. The payout ratio to AFFO is calculated as declared distributions divided by AFFO.
(7) The diluted weighted average includes the vested portion of the deferred units issued pursuant to the deferred unit plan and vested EIPs granted pursuant to the equity incentive plan.

Development and Intensification Summary

The following table provides additional details on the Trust's 10 development initiatives that are currently under construction or where initial siteworks have begun (in order of estimated initial occupancy/closing date):

Projects under construction (Location/Project Name)	Type	Trust's share	Actual / estimated initial occupancy / closing date	% of capital spend	GFA[1] (sq. ft.)	No. of residential units
Mixed-use Developments						
Vaughan NW	Townhomes	50 %	Q1 2024	66 %	366,000	174
Gilbert Self-storage	Self-storage	50 %	Q2 2025	88 %	177,000	N/A
St-Regis Self-storage	Self-storage	50 %	Q2 2025	84 %	164,000	N/A
Jane Self-storage	Self-storage	50 %	Q2 2025	85 %	143,000	N/A
Notre-Dame Self-storage	Self-storage	50 %	Q2 2026	30 %	177,000	N/A
Laval East Self-storage	Self-storage	50 %	Q3 2026	19 %	178,000	N/A
Regent Self-storage	Self-storage	50 %	Q4 2026	32 %	133,000	N/A
Vaughan / ArtWalk	Condo	50 %	Q2 2027	38 %	295,000	340
Ottawa SW	Residential Apartments	50 %	Q3 2027	30 %	361,000	425
Total Mixed-use Developments					**1,994,000**	**939**
Retail Development						
Toronto (Laird)	Retail	50 %	Q2 2026	46 %	224,000	N/A

(1) GFA represents Gross Floor Area.

Reconciliations of Non-GAAP Measures

The following tables reconcile the non-GAAP measures to the most comparable GAAP measures for the three months ended March 31, 2025, and the comparable period in 2024. Such measures do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures disclosed by other issuers.

Net Operating Income (including the Trust's Interests in Equity Accounted Investments)

(in thousands of dollars)	**Three Months Ended March 31, 2025**			Three Months Ended March 31, 2024		
	GAAP Basis	**Proportionate Share Reconciliation**	**Total Proportionate Share[1]**	GAAP Basis	Proportionate Share Reconciliation	Total Proportionate Share[1]
Net rental income and other						
Rentals from investment properties and other	**$227,324**	**$12,977**	**$240,301**	$215,637	$10,922	$226,559
Property operating costs and other	**(91,089)**	**(6,246)**	**(97,335)**	(85,153)	(5,458)	(90,611)
	$136,235	**$6,731**	**$142,966**	$130,484	$5,464	$135,948
Residential sales revenue and other[2]	**2,014**	**9**	**2,023**	1,602	29	1,631
Residential cost of sales and other	**(1,463)**	**(2)**	**(1,465)**	(1,358)	(146)	(1,504)
	$551	**$7**	**$558**	$244	$(117)	$127
NOI	**$136,786**	**$6,738**	**$143,524**	$130,728	$5,347	$136,075

(1) This column contains non-GAAP measures because it includes figures that are recorded in equity accounted investments. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.
(2) Includes additional partnership profit and other revenues.

Same Properties NOI

	Three Months Ended	
(in thousands of dollars)	**March 31, 2025**	March 31, 2024
Net rental income and other	**$136,786**	$130,728
NOI from equity accounted investments[1]	**6,738**	5,347
Total portfolio NOI before adjustments[1]	**$143,524**	$136,075
Adjustments:		
Lease termination	**(327)**	—
Net profit on condo and townhome closings	**(558)**	(127)
Other adjustments[2]	**1,907**	1,175
Total portfolio NOI after adjustments[1]	**$144,546**	$137,123
NOI sourced from acquisitions, dispositions, Earnouts and developments	**(2,056)**	(315)
Same Properties NOI[1]	**$142,490**	$136,808

(1) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.
(2) Includes items such as adjustments relating to royalties, straight-line rent and amortization of tenant incentives.

Reconciliation of FFO

(in thousands of dollars)	Three Months Ended March 31 2025	2024
Net loss and comprehensive loss	**$(9,581)**	$(21,175)
Add (Deduct):		
Fair value adjustment on investment properties and financial instruments(1)	**94,659**	98,502
Gain (Loss) on derivative – TRS	**4,323**	(6,150)
Gain (Loss) on sale of investment properties	**(7)**	142
Amortization of intangible assets and tenant improvement allowance	**2,490**	2,180
Distributions on Units classified as liabilities and vested deferred units and EIP	**5,071**	4,596
Salaries and related costs attributed to leasing activities(2)	**2,383**	2,407
Adjustments relating to equity accounted investments(3)	**2,581**	6,310
FFO(4)	**$101,919**	$86,812
Add (Deduct) non-recurring adjustments:		
Gain (Loss) on derivative – TRS	**(4,323)**	6,150
FFO sourced from condo and townhome closings	**(551)**	(200)
Transactional FFO – sale of land(4)	**42**	—
FFO with adjustments(4)	**$97,087**	$92,762

(1) Includes fair value adjustments on investment properties and financial instruments. Fair value adjustment on investment properties is described in "Investment Properties" in the Trust's MD&A. Fair value adjustment on financial instruments comprises the following financial instruments: units classified as liabilities, Deferred Unit Plan ("DUP"), Equity Incentive Plan ("EIP"), TRS, and interest rate swap agreements. The significant assumptions made in determining the fair value are more thoroughly described in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2025. For details, please see discussion in "Results of Operations" section in the MD&A.

(2) Salaries and related costs attributed to leasing activities of $2.4 million were incurred in the three months ended March 31, 2025 (three months ended March 31, 2024 – $2.4 million) and were eligible to be added back to FFO based on the definition of FFO, in the REALPAC White Paper, which provided for an adjustment to incremental leasing expenses for the cost of salaried staff. This adjustment to FFO results in more comparability between Canadian publicly traded real estate entities that expensed their internal leasing departments and those that capitalized external leasing expenses.

(3) Includes tenant improvement amortization, indirect interest with respect to the development portion, fair value adjustment on investment properties, loss (gain) on sale of investment properties, and adjustment for supplemental costs.

(4) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in the MD&A.

Reconciliation of AFFO

(in thousands of dollars)	Three Months Ended March 31 2025	2024
FFO[(1)]	**$101,919**	$86,812
Add (Deduct):		
Straight-line rents	**(431)**	(737)
Adjusted salaries and related costs attributed to leasing	**(2,383)**	(2,407)
Capital expenditures, leasing commissions, and tenant improvements	**(679)**	(2,426)
AFFO[(1)]	**$98,426**	$81,242
Add (Deduct) non-recurring adjustments:		
Gain (Loss) on derivative – TRS	**(4,323)**	6,150
FFO sourced from condo and townhome closings	**(551)**	(200)
Transactional FFO – sale of land[(1)]	**42**	—
AFFO with adjustments[(1)]	**$93,594**	$87,192

(1) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.

Adjusted EBITDA

The following table presents a reconciliation of net income and comprehensive income to Adjusted EBITDA:

(in thousands of dollars)	Rolling 12 Months Ended March 31, 2025	March 31, 2024
Net income and comprehensive income	**$303,663**	$376,068
Add (Deduct) the following items:		
Net interest expense	**194,196**	166,958
Amortization of equipment, intangible assets and tenant improvements	**12,367**	11,500
Fair value adjustments on investment properties and financial instruments	**39,993**	(24,114)
Adjustment for supplemental costs	**4,107**	3,853
Gain (Loss) on sale of investment properties	**(25)**	120
Adjusted EBITDA[(1)]	**$554,301**	$534,385

(1) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.

Net Asset Value

(in thousands of dollars, except per Unit information)	March 31, 2025	December 31, 2024
Total equity	**$6,250,888**	$6,337,581
LP Units classified as liabilities	**198,169**	191,665
NAV[(1)]	**$6,449,057**	$6,529,246
Units outstanding - diluted[(2)]	**181,595,454**	181,205,536
NAV per Unit - diluted[(1)]	**$35.51**	$36.03

(1) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.

(2) Total diluted Units outstanding include Trust Units and LP Units, including Units classified as liabilities, vested portion of the deferred units issued pursuant to the deferred unit plan and vested EIPs granted pursuant to the equity incentive plan.

Conference Call

Management will hold a conference call on Thursday, May 8, 2025 at 3:00 p.m. (ET).

Interested parties are invited to access the call by dialing 1-855-353-9183 and then keying in the participant access code 74304#.

A recording of this call will be made available Thursday, May 8, 2025 through to Thursday, May 15, 2025. To access the recording, please call 1-855-201-2300, enter the conference access code 74304# and then key in the playback access code 74304#.

About SmartCentres

SmartCentres is one of Canada's largest fully integrated REITs, with a best-in-class and growing mixed-use portfolio featuring 196 strategically located properties in communities across the country. SmartCentres has approximately $11.9 billion in assets and owns 35.4 million square feet of income producing value-oriented retail and first-class office properties with 98.4% in place and committed occupancy, on 3,500 acres of owned land across Canada.

Non-GAAP Measures

The non-GAAP measures used in this Press Release, including but not limited to, AFFO, AFFO with adjustments, AFFO per Unit, AFFO with adjustments per Unit, Payout Ratio to AFFO, Payout Ratio to AFFO with adjustments, Unencumbered Assets, NOI, Debt to Aggregate Assets, Interest Coverage Ratio, Adjusted Debt to Adjusted EBITDA, Unsecured/Secured Debt Ratio, FFO, FFO with adjustments, FFO per Unit, FFO with adjustments per Unit, Net Asset Value ("NAV"), Same Properties NOI, Same Properties NOI excluding Anchors, Debt to Gross Book Value, Weighted Average Interest Rate, Transactional FFO, and Total Proportionate Share, do not have any standardized meaning prescribed by International Financial Reporting Standards ("IFRS") and are therefore unlikely to be comparable to similar measures presented by other issuers. Additional information regarding these non-GAAP measures is available in the Management's Discussion and Analysis of the Trust for the three months ended March 31, 2025, dated May 7, 2025 (the "MD&A), and is incorporated by reference. The information is found in the "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" sections of the MD&A, which is available on SEDAR+ at www.sedarplus.ca. Reconciliations of non-GAAP financial measures to the most directly comparable IFRS measures are found in "Reconciliations of Non-GAAP Measures" of this Press Release.

Full reports of the financial results of the Trust for the three months ended March 31, 2025 are outlined in the unaudited interim condensed consolidated financial statements and the related MD&A of the Trust for the three months ended March 31, 2025, which are available on SEDAR+ at www.sedarplus.ca.

Cautionary Statements Regarding Forward-looking Statements

Certain statements in this Press Release are "forward-looking statements" that reflect management's expectations regarding the Trust's future growth, results of operations, performance and business prospects and opportunities. More specifically, certain statements including, but not limited to, statements related to SmartCentres' expectations relating to cash collections, SmartCentres' expected or planned development plans and joint venture projects, including the described type, scope, costs and other financial metrics and the expected timing of construction and condo closings and statements that contain words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may" and similar expressions and statements relating to matters that are not historical facts, constitute "forward-looking statements". These forward-looking statements are presented for the purpose of assisting the Trust's Unitholders and financial analysts in understanding the Trust's operating environment and may not be appropriate for other purposes. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management.

However, such forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including risks associated with potential acquisitions not being completed or not being completed on the contemplated terms, public health crises, real property ownership and development, debt and equity financing for development, interest and financing costs, construction and development risks, and the ability to obtain commercial and municipal consents for development. These risks and others are more fully discussed under the heading "Risks and Uncertainties" and elsewhere in SmartCentres' most recent Management's Discussion and Analysis, as well as under the heading "Risk Factors" in SmartCentres' most recent annual information form. Although the forward-looking statements contained in this Press Release are based on what management believes to be reasonable assumptions, SmartCentres cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. These forward-looking statements are made as at the date of this Press Release and SmartCentres assumes no obligation to update or revise them to reflect new events or circumstances unless otherwise required by applicable securities legislation.

Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking information may include, but are not limited to: a stable retail environment; a continuing trend toward land use intensification, including residential development in urban markets and continued growth along transportation nodes; access to equity and debt capital markets to fund, at acceptable costs, future capital requirements and to enable our refinancing of debts as they mature; that requisite consents for development will be obtained in the ordinary course, construction and permitting costs consistent with the past year and recent inflation trends.

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