



SMARTCENTRES REAL ESTATE INVESTMENT TRUST RELEASES FIRST QUARTER RESULTS FOR 2026

TORONTO, ONTARIO - (May 6, 2026) 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, 2026.

We are pleased to report a solid start to 2026. Retail demand remains strong resulting in exceptional retention of maturing tenancies which has led to lease extensions with a compelling average rent growth of 11.5% (excluding Anchors). Our focus on value-oriented retail, alongside the ongoing enhancement of tenant quality is further strengthening the positioning of our centres in each market we operate; including increased consumer traffic; enhancing the long-term value of our portfolio. On the development front, a program of new retail development is gaining momentum at SmartCentres. We are excited to bring, in the near future, new SmartCentres to Kingston, Ontario, Lindsay, Ontario and Winnipeg, Manitoba, to name a few as part of an ambitious growth program fueled by consumer demand for our core large format retailers in the categories of grocery, general merchandise, fair price apparel and others. We expect construction to begin later this year in Kingston and Winnipeg.

2026 First Quarter Highlights

Retail Operations

- In-place and committed occupancy rate of 97.6% as of March 31, 2026 or 98.0% as of today.
- Strong tenant base and customer traffic continued to drive Same Properties NOI⁽¹⁾ growth for the three months ended March 31, 2026, which increased by 1.4% (3.4% excluding Anchors) compared to the same period in 2025. This represents 3.0% growth over the trailing 12 months (4.8% excluding Anchors), reflecting leasing and renewal activity across the retail portfolio and improved occupancy in self-storage, partially offset by tenant turnover and higher expected credit loss (“ECL”) provisions this quarter.
- Extended approximately 80% of leases maturing in 2026, with strong rent growth of 11.5% (excluding Anchors) and 5.8% (including Anchors).
- Leasing momentum remained resilient, with approximately 56,000 square feet of vacant space leased during the quarter. In addition, growing demand for new retail space continues, with approximately 52,000 square feet executed during the quarter.

Development

- Construction of the 200,000 square foot retail building pre-leased to Canadian Tire on Laird Drive in Toronto continues on schedule, with possession expected in Q3 2026.
- Acquired an 18.8-acre land parcel in Kingston, Ontario, for approximately \$7.1 million, as part of the retail development growth program.
- Construction of self-storage facilities is progressing well at Montreal (Notre Dame St. W) and Laval E, Quebec, and at Burnaby and Victoria, British Columbia. The Montreal and Laval E facilities are expected to open in Q2 2026. Both projects in British Columbia are expected to open in 2027. The Trust is also in the process of obtaining municipal approval for four additional sites across Ontario, British Columbia and Alberta.
- Construction of the ArtWalk condo Tower A in the Vaughan Metropolitan Centre continues to advance as planned, with approximately 93% of the 340 units pre-sold. The underground parking structure is completed, and the formwork reached the second floor of Tower A during the quarter.

Financial

- Net operating income for the three months ended March 31, 2026 was \$137.7 million, representing an increase of \$0.9 million, or 0.7%, as compared to the same period in 2025. The increase was primarily attributable to higher base rent driven by lease-up and renewal activities across the retail portfolio, partially offset by an increase in ECL provision.
- FFO per Unit⁽¹⁾ and FFO with adjustments per Unit⁽¹⁾ for the three months ended March 31, 2026, were \$0.54 and \$0.52, respectively, compared to \$0.56 and \$0.54 for the same period in 2025. The decreases were primarily attributable to higher interest and general and administrative expenses, partially offset by higher NOI.
- Net income and comprehensive income for the three months ended March 31, 2026 increased by \$139.5 million as compared to the same period in 2025. The increase was primarily attributable to a \$50.3 million fair value gain on investment properties, representing a \$130.4 million increase from the prior year period, reflecting improved valuation parameters and leasing activity, as well as a \$10.5 million improvement in the fair value loss on financial instruments to \$4.0 million in the current period, primarily due to mark-to-market adjustments on interest rate swaps.

Subsequent Event

- On April 1, 2026, the Trust entered into agreements with Penguin, effective January 1, 2026, establishing a simplified framework, continued leadership of its Executive Chairman and CEO through December 31, 2030 and allowing management to focus on execution of the Trust's long-term growth strategy. The new and renegotiated agreements materially reduce related-party complexity and cash flow variability by settling all legacy earn-out arrangements, terminating all mezzanine loans, simplifying and consolidating certain fees paid to Penguin, and renew the non-competition arrangements. The previously outstanding voting top-up right also expired as of December 31, 2025 and will not be reinstated. The framework provides improved cash flow visibility, enhanced governance oversight, and clearer alignment between management, the Trust, and its unitholders.
- On April 10, 2026, the Trust settled \$42.4 million of TRS debt and the corresponding TRS receivable. On a pro forma basis, giving effect to the TRS settlement, the Adjusted Debt to Adjusted EBITDA⁽¹⁾ ratio remains at 9.7x, unchanged from the previous quarter.

(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 Operational, Development and Financial Information

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

As at	March 31, 2026	December 31, 2025	March 31, 2025
Portfolio Information (Number of properties)			
Retail properties	155	155	155
Office properties	4	4	4
Self-storage properties	14	14	11
Residential properties	3	3	3
Industrial properties	1	1	1
Properties under development	23	21	22
Total number of properties with an ownership interest	200	198	196
Leasing and Operational Information⁽¹⁾			
Gross leasable retail, office and industrial area (in thousands of sq. ft.)	35,543	35,585	35,425
In-place and committed occupancy rate	97.6 %	98.6 %	98.4 %
Average lease term to maturity (in years)	4.3	4.3	4.3
In-place net retail rental rate excluding Anchors (per occupied sq. ft.)	\$24.54	\$24.23	\$23.89
Financial Information			
Investment properties ⁽²⁾	10,964,730	10,852,939	10,617,787
Total unencumbered assets ⁽³⁾	10,175,221	10,030,521	9,592,521
NAV per Unit - diluted ⁽³⁾	\$36.19	\$35.93	\$35.51
Debt to Aggregate Assets ⁽³⁾⁽⁴⁾⁽⁵⁾	44.4 %	44.4 %	44.1 %
Adjusted Debt to Adjusted EBITDA ⁽³⁾⁽⁴⁾⁽⁵⁾	9.8X	9.7X	9.6X
Weighted average interest rate ⁽³⁾⁽⁴⁾	4.01 %	4.00 %	3.93 %
Weighted average term of debt (in years)	3.1	3.4	3.3
Interest coverage ratio ⁽³⁾⁽⁴⁾	2.6X	2.6X	2.5X

	Three Months Ended March 31	
	2026	2025
Financial Information		
Rentals from investment properties and other ⁽²⁾	231,835	229,338
Net income and comprehensive income ⁽²⁾	129,897	(9,581)
FFO ⁽³⁾⁽⁴⁾⁽⁶⁾	98,595	101,919
AFFO ⁽³⁾⁽⁴⁾⁽⁶⁾	95,503	98,426
Cash flows provided by operating activities ⁽²⁾	76,445	81,737
Net rental income and other ⁽²⁾	137,687	136,786
NOI ⁽³⁾⁽⁴⁾	144,823	143,524
Change in SPNOI ⁽³⁾⁽⁴⁾	1.4 %	4.1 %
Change in SPNOI excluding Anchors ⁽³⁾⁽⁴⁾	3.4 %	6.7 %
Weighted average number of units outstanding - diluted ⁽⁷⁾	182,366,409	181,412,769
Net income and comprehensive income per Unit ⁽²⁾	\$0.73/\$0.71	\$(0.05)/\$(0.05)
FFO per Unit ⁽³⁾⁽⁴⁾⁽⁶⁾	\$0.55/\$0.54	\$0.57/\$0.56
FFO with adjustments per Unit ⁽³⁾⁽⁴⁾	\$0.53/\$0.52	\$0.54/\$0.54
AFFO per Unit ⁽³⁾⁽⁴⁾⁽⁶⁾	\$0.54/\$0.52	\$0.55/\$0.54
AFFO with adjustments per Unit ⁽³⁾⁽⁴⁾	\$0.51/\$0.50	\$0.53/\$0.52
Payout Ratio to AFFO ⁽³⁾⁽⁴⁾⁽⁶⁾	86.4 %	83.8 %
Payout Ratio to AFFO with adjustments ⁽³⁾⁽⁴⁾	90.6 %	88.1 %
Payout Ratio to cash flows provided by operating activities	107.9 %	100.9 %

(1) Excluding residential and self-storage areas.

(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, 2026, cash-on-hand of \$31.2 million was excluded for the purposes of calculating the applicable ratios (December 31, 2025 – \$44.6 million, March 31, 2024 – \$25.6 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 units outstanding includes the vested portion of the deferred units issued pursuant to the DUP, and vested EIP units granted pursuant to the EIP.

Development and Intensification Summary

The following table provides additional details on the Trust's eight 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 (Phase I & II)	Townhomes	50%	Q1 2024	68%	366,000	174
Montreal (Notre-Dame)	Self-storage	50%	Q2 2026	78%	184,000	—
Laval East	Self-storage	50%	Q2 2026	61%	176,000	—
Burnaby	Self-storage	50%	Q2 2027	31%	137,000	—
Victoria	Self-storage	50%	Q3 2027	36%	164,000	—
Vaughan / ArtWalk	Condo	50%	Q4 2027	41%	300,000	340
Ottawa SW	Residential Apartments	50%	Q2 2028	30%	361,000	425
Total Mixed-use Developments					1,688,000	939
Retail Development						
Toronto (Laird)	Retail	50%	Q3 2026	72%	225,000	—

(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, 2026, and the comparable period in 2025. Such measures do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures disclosed by other issuers.

(in thousands of dollars)	Three Months Ended March 31, 2026			Three Months Ended March 31, 2025		
	GAAP Basis	Proportionate Share Reconciliation	Total Proportionate Share ⁽¹⁾	GAAP Basis	Proportionate Share Reconciliation	Total Proportionate Share ⁽¹⁾
Net operating income						
Rentals from investment properties and other	\$231,414	\$13,740	\$245,154	\$227,324	\$12,977	\$240,301
Property operating costs and other	(93,680)	(6,610)	(100,290)	(91,089)	(6,246)	(97,335)
	\$137,734	\$7,130	\$144,864	\$136,235	\$6,731	\$142,966
Residential sales revenue and other ⁽²⁾	421	7	428	2,014	9	2,023
Residential cost of sales and other	(468)	(1)	(469)	(1,463)	(2)	(1,465)
	\$(47)	\$6	\$(41)	\$551	\$7	\$558
NOI	\$137,687	\$7,136	\$144,823	\$136,786	\$6,738	\$143,524

(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

(in thousands of dollars)	Three Months Ended March 31	
	2026	2025
NOI	\$137,687	\$136,786
NOI from equity accounted investments ⁽¹⁾	7,136	6,738
Total portfolio NOI before adjustments ⁽¹⁾	\$144,823	\$143,524
Adjustments:		
Lease termination	(576)	(327)
Net profit (loss) on residential closings	41	(558)
Other adjustments ⁽²⁾	2,347	1,908
Total portfolio NOI after adjustments ⁽¹⁾	\$146,635	\$144,547
NOI sourced from acquisitions, dispositions, Earnouts and developments	(1,742)	(1,688)
Same Properties NOI⁽¹⁾	\$144,893	\$142,859

(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	
	2026	2025
Net income (loss) and comprehensive income (loss)	\$129,897	\$(9,581)
Add (Deduct):		
Fair value adjustment on investment properties and financial instruments ⁽¹⁾	(46,293)	94,659
Gain on derivative – TRS	4,524	4,323
Gain on sale of investment properties	(6)	(7)
Amortization of intangible assets and tenant improvement allowance	2,398	2,490
Distributions on Units classified as liabilities and vested deferred units and EIP units	5,472	5,071
Salaries and related costs attributed to leasing activities ⁽²⁾	2,363	2,383
Adjustments relating to equity accounted investments ⁽³⁾	240	2,581
FFO⁽⁴⁾	\$98,595	\$101,919
Add (Deduct) non-recurring adjustments:		
Gain on derivative – TRS	(4,524)	(4,323)
FFO sourced from condo and townhome closings	41	(551)
Transactional FFO – sale of land ⁽⁴⁾	14	42
FFO with adjustments⁽⁴⁾	\$94,126	\$97,087

- (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, DUP, 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, 2026. 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, 2026 (three months ended March 31, 2025 – \$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	
	2026	2025
FFO⁽¹⁾	\$98,595	\$101,919
Add (Deduct):		
Straight-line rents	(244)	(431)
Adjusted salaries and related costs attributed to leasing	(2,363)	(2,383)
Capital expenditures, leasing commissions, and tenant improvements	(485)	(679)
AFFO⁽¹⁾	\$95,503	\$98,426
Add (Deduct) non-recurring adjustments:		
Gain on derivative - TRS	(4,524)	(4,323)
FFO sourced from condo and townhome closings	41	(551)
Transactional FFO - sale of land ⁽¹⁾	14	42
AFFO with adjustments⁽¹⁾	\$91,034	\$93,594

(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, 2026	March 31, 2025
Net income and comprehensive income	\$450,232	\$303,663
Add (Deduct) the following items:		
Net interest expense	200,062	194,196
Amortization of equipment, intangible assets and tenant improvements	12,359	12,367
Fair value adjustments on investment properties and financial instruments	(98,568)	39,993
Adjustment for supplemental costs	2,413	4,107
Gain on sale of investment properties	(1,094)	(25)
Adjusted EBITDA⁽¹⁾	\$565,404	\$554,301

(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, 2026	December 31, 2025
Total equity	\$6,397,338	\$6,346,305
LP Units classified as liabilities	208,184	201,229
NAV⁽¹⁾	\$6,605,522	\$6,547,534
Units outstanding - diluted ⁽²⁾	182,520,891	182,242,010
NAV per Unit - diluted⁽¹⁾	\$36.19	\$35.93

(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 7, 2026 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 72512#.

A recording of this call will be made available Thursday, May 7, 2026 through to Thursday, May 14, 2026. To access the recording, please call 1-855-201-2300, enter the conference access code 72512# and then key in the playback access code 72512#.

About SmartCentres

SmartCentres is one of Canada's largest fully integrated REITs, with a best-in-class and growing mixed-use portfolio featuring 200 strategically located properties in communities across the country. SmartCentres has approximately \$12.3 billion in assets and owns 35.5 million square feet of income producing value-oriented retail and first-class office properties with 97.6% 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, 2026, dated May 6, 2026 (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, 2026 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, 2026, 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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