SMARTCENTRES
REAL ESTATE INVESTMENT TRUST

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SMARTCENTRES REAL ESTATE INVESTMENT TRUST RELEASES FIRST QUARTER RESULTS FOR 2020

TORONTO, ONTARIO - (May 6, 2020) SmartCentres Real Estate Investment Trust ("SmartCentres" or the "Trust") (TSX: SRU.UN) is pleased to report its financial and operating results for the three months ended March 31, 2020.

"We had a strong 1st quarter with FFO increasing by $7.7 million and ACFO by $10.7 million compared to a year ago," said Peter Forde, President and CEO of SmartCentres. "Our occupancy level remained at 98% and importantly we have continued our focus on maintaining a strong balance sheet. Our debt to aggregate assets is at 43% and interest coverage is 3.5 times. We have ample liquidity with $5.6 billion of unencumbered assets and availability of funds from drawing on our $500 million revolving operating facility in addition to the remaining $250 million accordion feature."

"We are continuing our transition to a fully diversified REIT with important mixed use development and intensification advances in the quarter. We have some 256 projects in our pipeline, 196 of which will provide recurring income. Note that the first income from this initiative will impact our FFO in the 3rd quarter of this year," said Mitchell Goldhar, Executive Chairman of SmartCentres.

Economic Impact of COVID-19

The Trust has formed a Business Continuity Leadership Team which reviews the Trust's businesses and tenants on a daily basis. On April 21, the Trust released a business update related to COVID-19 detailing the assessed impact of the virus on its shopping centres. It should be noted that SmartCentres' focus has always been on value/essential services-oriented retail; not fashion, recreational, entertainment or experimental retail. This weekly-needs centric retail portfolio is the result of a long-standing relationship with the Trust's major tenant Walmart, which anchors approximately 75% of its centres. As a result, its outdoor centres enable customers to practice social distancing while completing their purchases.

Approximately 60% of the Trust's tenants are essential businesses that remain open under varying emergency orders in the places where SmartCentres shopping centres are located. SmartCentres is methodically securing and maintaining all exterior space, and is working closely with retailers to set up curbside pickup and stimulate additional onsite economic activity. 98% of the Trust's revenues are sourced from its office buildings, self-storage facilities, and shopping centres which are open-format, outdoor centres, enabling customers to practice physical distancing while completing their shopping for everyday needs.

For April of 2020, the Trust experienced an approximate 70% rent collection level, putting in-place rent collection and similar deferral programs where warranted. May rent collection is following a similar trend. The majority of the Trust's rent comes from strong well financed national retailers.

"Providing an absolutely safe environment for our shoppers remains an absolute priority. In particular we very much appreciate the hard work of our employees in providing essential services and will continue to focus on supporting them and ensuring their safety," said Mitchell Goldhar.

Key business development highlights

The Trust's estimates and judgments could be affected by various risks and uncertainties, including but not limited to the effects of the COVID-19 pandemic, which in turn could have a significant effect on the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the unaudited interim condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period and could potentially result in a material adjustment to the unaudited interim condensed consolidated financial statements in a subsequent period.

Key business development highlights for the three months ended March 31, 2020 included the following:

- In February 2020, the Trust and Greenwin entered into a joint venture and acquired 1.15 acres on Balliol Street in Toronto's Yonge and Davisville neighbourhood. This urban infill development site represents a strategic opportunity to jointly develop, construct, own, and manage a newly built rental apartment building in an established urban neighbourhood.

- In February, 2020, the Trust announced that it has executed agreements for three additional self-storage locations in its joint venture arrangement with SmartStop. The three new locations are Wellington Street East and Highway 404 in Aurora, Donald Cousens Parkway and Highway 407 in Markham, and Baldwin Street and Taunton Road in north Whitby. The current number of self-storage facilities that are either operated or presently under contract to be operated under the SmartStop brand pursuant to this joint venture arrangement is now ten, comprising over 9,100 units (approximately 1.2 million square feet).

- In February 2020, the Trust and Revera Inc. announced that they have executed three more conditional site-specific joint venture agreements to develop and own retirement living residences in strategic urban locations. The three new locations are on Revera-owned properties in Barrie (Collier and Owen), Markham (Main and Wilson) and Oakville (Garden Drive and Lakeshore Blvd.) This is in addition to the previously announced three retirement residences' joint venture projects between SmartCentres and Revera in Vaughan (2 projects) and Oakville.

Mixed-use Development and Intensification at SmartVMC

- Construction progress for the three 55-storey Transit City 1, 2 and 3 condo towers, representing 1,741 pre-sold residential units, continues ahead of budget. Construction of each of the first and second towers has now reached the 55th floor and the third tower has now reached the 35th floor.

- Construction is underway on Transit City 4 and 5 condo towers, representing 1,026 residential units, sold out earlier in 2019.

- Commenced construction of a 35-storey, 451-unit purpose-built residential rental building at SmartVMC.

Operational

- Both committed and in-place occupancy rates have maintained industry leading levels of 98.0% and 97.8%, respectively, as at March 31, 2020, which are consistent with the prior comparable quarter.

- Prior to their closure related to the COVID-19 pandemic, both the Toronto and Montreal Premium Outlets, co-owned with Simon Properties, continued to experience high sales levels with industry-leading sales per square foot, which ranks both outlets as top tier retail centres in Canada.

- Same Properties NOI for the three months ended March 31, 2020 increased by $0.3 million or 0.3% as compared to the same period in 2019.(2)

Financial

- Rentals from investment properties and other was $206.7 million, as compared to $206.4 million in the same period in 2019, representing an increase of $0.3 million or 0.1%.(1)

- The Trust's unencumbered pool of high-quality assets of $5.6 billion, which will allow the Trust to maintain the same level of financing potential as compared to December 31, 2019.

- Debt metrics continue to demonstrate the Trust's commitment to its balance sheet, including Debt to Aggregate Assets of 43.3%, Interest Coverage multiple of 3.5X, Interest Coverage net of capitalized interest multiple of 4.1X, and Adjusted Debt to Adjusted EBITDA multiple of 8.2X.

- Net income and comprehensive income was $64.2 million as compared to $80.0 million in the same period in 2019, representing a decrease of $15.8 million or 19.7%. This decrease is primarily due to the fair value measurement loss on revaluation of investment properties of $63.4 million. This fair value measurement loss was partially offset by the fair value adjustment on financial instruments that increased by $50.5 million as compared to the same period in 2019, which was attributed to the significant decline in the Trust's unit price following the market volatility caused by the COVID-19 pandemic during the three months ended March 31, 2020.(1)

- FFO increased by $7.7 million or 8.7% to $96.0 million as compared to the same period in 2019.(2)

- FFO per Unit (diluted) increased $0.04 per Unit or 7.7% to $0.56 as compared to $0.52 in the same period in 2019.(2)

- ACFO increased by $10.7 million or 13.5% to $90.2 million as compared to the same period in 2019.(2)

- ACFO exceeded both distributions declared and distributions paid by $10.3 million and $27.7 million, respectively, as compared to the same period in 2019 of $2.8 million and $19.7 million, respectively. The increase is primarily due to improved cash flow from operating activities during the period.(2)

- The Trust has suspended its Distribution Reinvestment Plan (the "DRIP"), effective April 13, 2020. Beginning with the distribution to recordholders of March 31, 2020, plan participants will receive all distributions in cash.

- As a result of recent unit price levels, the Trust commenced a normal course issuer bid ("NCIB") program. On March 27, 2020, the TSX accepted the notice filed by the Trust to establish a NCIB program. The NCIB program commenced on March 31, 2020 and will terminate on March 30, 2021 or on such earlier date that the Trust completes its purchases pursuant to the notice filed with the TSX.

Subsequent to Quarter End:
The duration and intensity of resulting global business disruption and related financial and social impacts resulting from COVID-19 are unprecedented and remain uncertain, and such adverse effects may be material. The COVID-19 pandemic has to date already adversely impacted the Trust and many of its tenants' businesses, and potentially the ability of some tenants to meet their payment obligations under leases. The COVID-19 pandemic has also resulted in a general decline in economic activity, increased unemployment and the depth and duration of these conditions is not known at this time. This pandemic could also cause staff shortages, reduced customer traffic, mobility restrictions and other quarantine measures, supply shortages, increased government regulations, and the quarantine or contamination of one or more of the Trust's properties. In addition, the COVID-19 pandemic could impact the following material aspects of the Trust's business, among others: (i) the value of the Trust's properties and developments; (ii) the Trust's ability to make distributions to Unitholders; (iii) the availability or the terms of financing that the Trust currently has access to or may anticipate utilizing; (iv) the Trust's ability to make principal and interest payments on, or refinance any outstanding debt when due; (v) the occupancy rates in the Trust's properties; (vi) the ability of the Trust to pursue its development plans or obtain construction financing on previously announced and anticipated timelines or within budgeted terms; and (vii) the ability of existing tenants to enter into new leasing transactions or to satisfy rental payments under existing leases.

Efforts by governmental agencies, health agencies, and private sector participants to contain COVID-19 or address its impacts have adversely affected the Trust's business and the operation of its properties and developments. A number of provincial and municipal governments have declared states of emergency and governments have implemented restrictive measures such as travel bans, quarantine and self-isolation. As a result, some tenants have been seeking rent relief and/or have not complied with their rent obligations. Landlords, including SmartCentres, are considering rent deferral arrangements with certain tenants that are typically small independent retailers, whose businesses are required to close or otherwise suspend operations. Otherwise, SmartCentres will require tenants to honour the terms of their respective leases, including the payment of rent, and if they do not, SmartCentres may pursue enforcement and related alternatives. There can be no assurance that if the Trust enters into any such arrangements, deferred rents will be collected in accordance with the terms of those arrangements, or at all. Inability of tenants to meet their payment obligations, deferred or otherwise, and any inability of the Trust to collect rents in a timely manner or at all could adversely affect the Trust's business and financial condition. In addition, many jurisdictions in which the Trust operates have enacted mandatory business closures affecting certain of its tenants. While many of the Trust's tenants are affected by measures, approximately 60% of the Trust's retail tenants (by rental revenue) are large, well-capitalized and well-known national and regional retail anchors providing grocery, pharmacy and household necessities, and although affected, are deemed 'essential services' in their respective provincial jurisdictions and therefore continue to remain open to retail consumers.

The Trust is continuously monitoring the situation, but is unable to accurately predict the impact that the COVID-19 pandemic will have on its results of operations due to uncertainties including the ultimate geographic spread of the virus, the severity of the disease, the duration or recurrence of the outbreak, and any further actions that may be taken by governmental agencies and private sector participants to contain the COVID-19 pandemic or to address its impacts. The worldwide spread of COVID-19 has adversely affected global economies and financial markets resulting in a severe economic downturn and significant impacts on many tenant businesses and their ability to meet payment obligations, including rent. The duration of this downturn is currently unknown.

While governmental agencies and private sector participants are seeking to mitigate the adverse effects of the COVID-19 pandemic, and the medical community is seeking to develop vaccines and other treatment options, the efficacy and timing of such measures remain uncertain. If the outbreak of COVID-19 and related developments lead to a prolonged or significant impact on global, national or local markets or economic growth, the Trust's cash flows, unit price, financial condition or results of operations and ability to make distributions to Unitholders may be materially and adversely affected.

(1) Represents a GAAP measure.
(2) Represents a non-GAAP measure. See "Presentation of Non-GAAP Measures" section in the MD&A.

In light of the COVID-19 pandemic and in accordance with Ontario Instrument 51-504 Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials of the Ontario Securities Commission, SmartCentres will be delaying the filing of its executive compensation disclosure until the filing of its management information circular in connection with its annual meeting of Unitholders. SmartCentres has decided to postpone such meeting to a later date in 2020 to enable greater participation of its Unitholders and a better forum for communication. Such delay will not affect SmartCentres quarterly financial disclosure which will continue to be filed in the ordinary course.

Selected Consolidated Operational, Development and Financial Information

The consolidated operational, development and financial information shown in the table below includes the Trust's proportionate share of equity accounted investments, and represents key operational and financial information as at March 31, 2020, December 31, 2019 and March 31, 2019.

(in thousands of dollars, except per Unit and other non-financial data)	**March 31, 2020**	December 31, 2019	March 31, 2019
Operational Information			
Total number of properties with an ownership interest	**166**	165	164
Gross leasable area including both retail and office space (in thousands of sq. ft.)	**34,174**	34,337	34,326
Occupied area including both retail and office space (in thousands of sq. ft.)	**33,404**	33,678	33,555
Vacant area including both retail and office space (in thousands of sq. ft.)	**770**	659	771
Retail lands under Mezzanine Financing (in thousands of sq. ft.)	**660**	615	615
Committed occupancy rate	**98.0%**	98.2%	98.0%
In-place occupancy rate	**97.8%**	98.1%	97.8%
Future estimated retail development area (in thousands of sq. ft.)	**2,830**	2,593	3,228
Average lease term to maturity (years)	**5.0**	4.9	5.3
Net retail rental rate (per occupied sq. ft.)	**$15.53**	$15.49	$15.34
Net retail rental rate excluding Anchors (per occupied sq. ft.)	**$22.26**	$22.13	$21.93
Development Information			
Future development area (in thousands of sq. ft.)	**27,900**	27,900	N/A(5)
Total number of future projects currently planned	**256**	256	N/A(5)
Trust's share of estimated costs of future projects	**5,500,000**	5,500,000	N/A(5)
Financial Information			
Investment properties(2)(3)	**9,485,883**	9,466,501	9,196,055
Total assets(1)	**10,430,793**	9,928,467	9,608,647
Total unencumbered assets(2)	**5,647,800**	5,696,100	4,451,600
Debt(2)(3)	**4,841,249**	4,290,826	4,139,682
Debt to Aggregate Assets(2)(3)(4)	**43.3%**	42.3%	42.2%
Debt to Gross Book Value(2)(3)(4)	**49.7%**	49.0%	49.0%
Unsecured to Secured Debt Ratio(2)(3)(4)	**64%/36%**	63%/37%	54%/46%
Unencumbered assets to unsecured debt(2)(3)(4)	**2.0X**	2.1X	2.0X
Weighted average interest rate(2)(3)	**3.41%**	3.55%	3.72%
Weighted average term of debt (years)	**4.8**	5.0	4.8
Interest Coverage Ratio(2)(3)(4)	**3.5X**	3.5X	3.3X
Interest coverage (net of capitalized interest expense)(2)(3)(4)	**4.1X**	4.0X	3.8X
Adjusted Debt to Adjusted EBITDA (net of cash)(2)(3)(4)	**8.2X**	8.0X	8.0X
Equity (book value)(1)	**5,370,335**	5,367,752	5,250,361
Weighted average number of units outstanding – diluted	**172,515,723**	170,581,531	168,448,169

(1) Represents a GAAP measure.
(2) 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 the "Presentation of Non-GAAP Measures" section in MD&A.
(3) Includes the Trust's proportionate share of equity accounted investments.
(4) As at March 31, 2020, cash-on-hand of $423.1 million was excluded for the purposes of calculating the applicable ratios (December 31, 2019 - $37.0 million).
(5) N/A - information not available.

Quarterly Comparison to Prior Year

The following table represents key financial, per Unit, and payout ratio information for the three months ended March 31, 2020 and March 31, 2019:

(in thousands of dollars, except per Unit information)	**March 31, 2020**	March 31, 2019	Variance
	(A)	(B)	(A–B)
Financial Information			
Rentals from investment properties and other[(1)]	**206,727**	206,433	294
Net income and comprehensive income[(1)(3)]	**64,201**	79,973	(15,772)
Net income and comprehensive income excluding fair value adjustments[(2)(3)]	**86,669**	83,645	3,024
Cash flows provided by operating activities[(1)]	**79,162**	55,863	23,299
NOI[(2)]	**126,397**	125,924	473
FFO[(2)(3)(4)(5)]	**95,964**	88,296	7,668
ACFO[(2)(3)(4)(5)]	**90,182**	79,470	10,712
Distributions declared	**79,918**	76,716	3,202
Surplus of ACFO over distributions declared[(2)]	**10,264**	2,754	7,510
Surplus of ACFO over distributions paid[(2)]	**27,685**	19,748	7,937
Units outstanding[(6)]	**171,865,757**	169,609,625	2,256,132
Weighted average – basic	**171,566,750**	167,541,581	4,025,169
Weighted average – diluted[(7)]	**172,515,723**	168,448,169	4,067,554
Per Unit Information (Basic/Diluted)			
Net income and comprehensive income[(1)]	**$0.37/$0.37**	$0.48/$0.47	$(0.11)/$(0.10)
Net income and comprehensive income excluding fair value adjustments[(2)(3)]	**$0.51/$0.50**	$0.50/$0.50	$0.01/$0.00
FFO[(2)(3)(4)(5)]	**$0.56/$0.56**	$0.53/$0.52	$0.03/$0.04
Distributions declared	**$0.463**	$0.450	$0.013
Payout Ratio Information			
Payout ratio to FFO[(2)(3)(4)(5)]	**83.3 %**	86.9 %	(3.6)%
Payout ratio to ACFO[(2)(3)(4)(5)]	**88.6 %**	96.5 %	(7.9)%

(1) Represents a GAAP measure.
(2) 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 the "Presentation of Non-GAAP Measures" section in MD&A.
(3) Includes the Trust's proportionate share of equity accounted investments.
(4) See "Other Measures of Performance" for a reconciliation of these measures to the nearest consolidated financial statement measure.
(5) The calculation of the Trust's FFO and ACFO and related payout ratios, including comparative amounts, are financial metrics that were determined based on the February 2019 REALpac White Paper on FFO and ACFO, respectively. Comparison with other reporting issuers may not be appropriate. The payout ratio to FFO and the payout ratio to ACFO are calculated as declared distributions divided by FFO and ACFO, respectively.
(6) Total Units outstanding include Trust Units and LP Units, including Units classified as liabilities. LP Units classified as equity in the consolidated financial statements are presented as non-controlling interests.
(7) The diluted weighted average includes the vested portion of the deferred unit plan.

Operational Highlights

For the three months ended March 31, 2020, net income and comprehensive income decreased by $15.8 million or 19.7% as compared to the same period last year. This decrease was primarily attributed to:

- $69.3 million decrease in fair value adjustment on revaluation of investment properties;
- $2.2 million increase in acquisition related costs; and
- $0.7 million decrease in gain on sale of investment properties;

Partially offset by:

- $50.5 million increase in fair value adjustment on financial instruments. As disclosed in the Trust's audited consolidated financial statements for the year ended December 31, 2019, the Trust's accounting policy is to measure the value of the related financial instruments based on the market value of the Trust Units at each reporting date. As such, the total change in the fair value adjustment on financial instruments was the result of the $12.37 decline in the Trust's Unit price from $31.21 at December 31, 2019, to $18.84 at March 31, 2020;
- $3.3 million net decrease in interest expense which was principally due to a $3.5 million higher in yield maintenance costs incurred in the comparable quarter and offset by a $0.2 million higher in interest expense in the current quarter;
- $1.5 million increase in interest income which was principally due to the increase in average interest-bearing loan receivable balance and other deposits;
- $0.7 million decrease in general and administrative expense, net; and
- $0.5 million increase in net rental income and other;

FFO Highlights

For the three months ended March 31, 2020, FFO increased by $7.7 million or 8.7% to $96.0 million. This increase was primarily attributed to:

- $3.3 million net decrease in interest expense, which was primarily due to a $3.5 million higher in yield maintenance costs in the comparable quarter and offset by a $0.2 million higher in interest expense in the current quarter;
- $1.5 million increase in interest income which was primarily due to the increase in average of interest bearing loan receivables and other deposits;
- $1.4 million increase in add back for indirect interest incurred in respect of equity accounted development projects which was primarily due to the recent development property acquisitions;
- $0.7 million decrease in general and administrative expense;
- $0.5 million increase in NOI; and
- $0.3 million increase in FFO add backs for a) the supplemental contribution adjustment, b) the amortization of tenant incentives and c) salaries and related costs attributed to leasing activities.

ACFO Highlights

For the three months ended March 31, 2020, ACFO increased by $10.7 million or 13.5% to $90.2 million compared to the same period in 2019, which was primarily due to the items previously identified in the Operational Highlights above.

The Payout Ratio relating to ACFO for the three months ended March 31, 2020 improved by 7.9% to 88.6% as compared to the same period in 2019, primarily as a result of items previously identified.

Development and Intensification Summary

Included in the Trust's large development pipeline are 256 identified mixed-use development initiatives, which are summarized in the following table:

Description	Underway (Construction underway or expected to commence within next 2 years)	Active (Construction expected to commence within next 3–5 years)	Future (Construction expected to commence after 5 years)	Total
Trust's share of number of projects				
Residential Rental	7	23	58	88
Seniors' Housing	4	13	28	45
Self-storage	10	16	22	48
Office Buildings	1	—	9	10
Hotels	1	2	2	5
Subtotal – Recurring income initiatives	23	54	119	196
Condominiums	9	12	25	46
Townhomes	2	5	7	14
Subtotal – Development income initiatives	11	17	32	60
Total	**34**	**71**	**151**	**256**
Trust's share of project area (in thousands of sq. ft.)				
Recurring income initiatives	3,800	4,800	12,400	21,000
Development income initiatives	2,200	1,600	3,100	6,900
Total Trust's share of project area (in thousands of sq. ft.)	**6,000**	**6,400**	**15,500**	**27,900**
Trust's share of estimated costs (in millions of dollars)	**2,500**	**3,000**	**–** (1)	**5,500**

(1) The Trust has not yet fully determined the costs attributable to future projects and as such it is marked nil in this table.

Non-GAAP Measures

The non-GAAP measures used in this Press Release, including but not limited FFO, Transactional FFO, ACFO, NOI, Same Property NOI, average yield rates, and payout ratio 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. These non-GAAP measures are more fully defined and discussed in the 'Management Discussion and Analysis' ("MD&A") of the Trust for the three months ended March 31, 2020, available on SEDAR at www.sedar.com.

Full reports of the financial results of the Trust for the three months ended March 31, 2020 are outlined in the unaudited interim condensed consolidated financial statements and the related MD&A of the Trust, which are available on SEDAR at www.sedar.com. In addition, supplemental information is available on the Trust's website at www.smartcentres.com.

Conference Call

SmartCentres will hold a conference call on Wednesday, May 6, 2020 at 5:30 p.m. (ET). Participating on the call will be members of SmartCentres' senior management.

Investors are invited to access the call by dialing 1-800-347-6311. You will be required to identify yourself and the organization on whose behalf you are participating. A recording of this call will be made available Wednesday, May 6, 2020 beginning at 8:30 p.m. (ET) through to 8:30 p.m. (ET) on Wednesday, May 13, 2020. To access the recording, please call 1-888-203-1112 and enter the Replay Passcode 5335567#.

About SmartCentres

SmartCentres Real Estate Investment Trust is one of Canada's largest fully integrated REITs, with a best-in-class portfolio featuring 157 strategically located properties in communities across the country. SmartCentres has $10.4 billion in assets and owns 34.1 million square feet of income producing value-oriented retail space with 98% occupancy, on 3,500 acres of owned land across Canada.

SmartCentres continues to focus on enhancing the lives of Canadians by planning and developing complete, connected, mixed-use communities on its existing retail properties. A publicly announced $12.1 billion intensification program ($5.5 billion at SmartCentres' share) represents the REIT's current major development focus. This intensification program consists of rental apartments, condos, seniors' residences and hotels, to be developed under the SmartLiving banner, and retail, office, and storage facilities, to be developed under the SmartCentres banner.

SmartCentres' intensification program is expected to produce an additional 27.9 million square feet of space; all construction commencing within the next five years, 12.4 million square feet of which is already underway.

From shopping centres to city centres, SmartCentres is uniquely positioned to reshape the Canadian urban and urban-suburban landscape. For more information, visit www.smartcentres.com.

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 as further outlined under the headings "Business Overview and Strategic Direction", "Other Measures of Performance" and "Outlook" in the Trust's Management's Discussion & Analysis for the period ended March 31, 2020. More specifically, certain statements contained in this Press Release, including statements related to the Trust's maintenance of productive capacity, estimated future development plans and costs, view of term mortgage renewals including rates and upfinancing amounts, timing of future payments of obligations, intentions to secure additional financing and potential financing sources, and vacancy and leasing assumptions, 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, including those discussed under the heading "Risks and Uncertainties" and elsewhere in the Trust's Management's Discussion & Analysis for the three months ended March 31, 2020 and under the heading "Risk Factors" in its Annual Information Form for the year ended December 31, 2019. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements. Although the forward-looking statements contained in this Press Release are based on what management believes to be reasonable assumptions, the Trust 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 the Trust assumes no obligation to update or revise them to reflect new events or circumstances unless otherwise required by applicable securities legislation.

However, such forward-looking statements involve significant risks and uncertainties.

Public health crises, including the ongoing and evolving coronavirus disease ("COVID-19") pandemic, or relating to any other broad-reaching disease, virus, flu, epidemic, pandemic or other similar disease or illness (each, a "Public Health Crisis") have and could further adversely impact the Trust's and its tenants' businesses, and thereby the ability of tenants to meet their payment obligations under leases. A Public Health Crisis could result in a general or acute decline in economic activity, increased unemployment, staff shortages, reduced tenant traffic, mobility restrictions and other quarantine measures, supply shortages, increased government regulations, and the quarantine or contamination of one or more of the Trust's properties.

A Public Health Crisis could impact the following material aspects of the Trust's business, among others: (i) the value of the Trust's properties and developments; (ii) the Trust's ability to make distributions to Unitholders; (iii) the availability or the terms of financing that the Trust currently has access to or may anticipate utilizing; (iv) the Trust's ability to make principal and interest payments on, or refinance any outstanding debt when due; (v) the occupancy rates in the Trust's properties; (vi) the ability of the Trust to pursue its development plans or obtain construction financing on previously announced and anticipated timelines or within budgeted terms; and (vii) the ability of the Trust's tenants to enter into new leasing transactions or to satisfy rental payments under existing leases.

On March 11, 2020, the World Health Organization declared the outbreak and subsequent spread of COVID-19 a global pandemic. The duration and intensity of resulting business disruption and related financial and social impacts are unprecedented and remain uncertain, and such adverse effects may be material.

Efforts by governmental agencies, health agencies, and private sector participants to contain COVID-19 or address its impacts have adversely affected the Trust's business and the operation of its properties and developments. A number of provincial and municipal governments have declared states of emergency and governments have implemented restrictive measures such as travel bans, quarantine and self-isolation. As a result, some tenants have been seeking rent relief and/or have not complied with their rent obligations. Landlords, including SmartCentres, are considering rent deferral arrangements with certain tenants that are typically small independent retailers, whose businesses are required to close or otherwise suspend operations. Otherwise, SmartCentres will require tenants to honour the terms of their respective leases, including the payment of rent, and if they do not, SmartCentres may pursue enforcement and related alternatives. There can be no assurance that if the Trust enters into any such arrangements, deferred rents will be collected in accordance with the terms of those arrangements, or at all. Inability of tenants to meet their payment obligations, deferred or otherwise, and any inability of the Trust to collect rents in a timely manner or at all could adversely affect the Trust's business and financial condition. In addition, many jurisdictions in which the Trust operates have enacted mandatory business closures affecting certain of its tenants. While many of the Trust's tenants are affected by these measures, approximately 60% of the Trust's retail tenants (by rental revenue) are large, well-capitalized and well-known national and regional retail anchors providing grocery, pharmacy and household necessities, and although affected, are deemed 'essential services' in their respective provincial jurisdictions and therefore continue to remain open to retail consumers.

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The Toronto Stock Exchange neither approves nor disapproves of the contents of this Press Release.