SMARTCENTRES®
REAL ESTATE INVESTMENT TRUST

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**SMARTCENTRES REAL ESTATE INVESTMENT TRUST RELEASES THIRD QUARTER RESULTS FOR 2021**

- **Maintained $1.85 per unit annualized distribution;**
- **Portfolio continues to provide recurring income with an in-place occupancy rate of 97.3% and committed occupancy rate of 97.6%;**
- **Continued advancement of non-retail pipeline of 281 projects representing approximately 55 million square feet across the network (32 million square feet at the Trust's share);**
- **Average collection levels across the portfolio approximate 97% for the quarter;**
- **The remaining 192 presold condominium units at Transit City 3 closed during the quarter generating FFO of $5.9 million ($0.03 per Unit);**
- **FFO per Unit with adjustments excluding ECL and condominium profits increased by $0.02 or 4.4% as compared to the same period in 2020; and**
- **Strong debt metrics continue, including Debt to Total Assets of 44.5%, Interest Coverage Ratio net of capitalized interest multiple of 3.7X, and Adjusted Debt to Adjusted EBITDA multiple of 8.5X.**

TORONTO, ONTARIO - (November 10, 2021) 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 September 30, 2021.

"This is the first release of results since the passing of Peter Forde. Peter was a true gentleman and a wonderful partner in the running of the SmartCentres business. We were not just colleagues, but good friends that spoke many times a day for 22 years. I think of him daily and we all miss him dearly," said Mitchell Goldhar, Executive Chairman and CEO of SmartCentres REIT.

"Regarding our third quarter, we ended with solid performances from every aspect of the business. Operational resiliency was demonstrated by improved leasing momentum, occupancy increasing to 97.6%, and cash flow in excess of 97%. This is a reflection of the strength of our tenants. Our accretive mixed-use intensification program continues to be a source of additional growth, demonstrated this quarter by the completion of the remaining 192-unit closings in SmartVMC's 55-storey Transit City 3 condominium tower."

"At SmartVMC, the most prolific and comprehensive of all the REIT's masterplan intensification projects, we have thus far closed on 1,741 units in the first three Transit City condominium phases, resulting in $0.37 in FFO per unit. While a healthy contribution indeed, it is merely the tip of the iceberg for our SmartVMC property, where we will have 1,026 additional units closing in our sold-out Transit City 4 and 5 towers, and where our newly minted residential banner, 'SmartLiving', will imminently launch our next residential phase to the market, called ArtWalk."

"ArtWalk, a 12-acre mixed-use neighbourhood in the heart of SmartVMC, located on the former Walmart parcel, will, upon full completion, consist of approximately 5 million square feet, 5,000 residential units, and 100,000 – 150,000 square feet of non-residential, across 12 separate buildings. Phase 1 of ArtWalk is planned to consist of over 370 condo units and 190 rental apartments, 70,000 square feet of large floor-plate tech office space, an innovative multi-use event space building, common and exclusive amenities for all building users, connected by world-class open spaces. The ArtWalk neighbourhood extends the tone set by our Transit City towers, with one very important distinction: SmartCentres REIT will own 50% of ArtWalk condos, double the 25% it owned in Transit City."

"We remain committed to our vision to grow our company in the areas of greatest opportunity. While SmartVMC is but one of the REIT's 94 properties slated for intensification, it represents our vision of the future, at its finest."

The following table presents the monthly collection experience since the pandemic began:

| **Month**[1] | **% of Gross Monthly Billings Collected Before Application of CECRA-Related Arrangements**[2] | **% of Gross Monthly Billings Collected After Application of CECRA-Related Arrangements**[2] |
|---|---|---|
| Apr 2020 | 79.8 | 86.3 |
| May 2020 | 80.6 | 97.0 |
| Jun 2020 | 83.8 | 90.3 |
| Jul 2020 | 88.9 | 95.3 |
| Aug 2020 | 90.3 | 96.8 |
| Sep 2020[2] | 90.3 | 96.9 |
| Oct 2020 | 96.8 | 96.8 |
| Nov 2020 | 96.7 | 96.7 |
| Dec 2020 | 96.6 | 96.6 |
| Jan 2021 | 95.3 | 95.3 |
| Feb 2021 | 95.5 | 95.5 |
| Mar 2021 | 96.8 | 96.8 |
| Apr 2021 | 95.7 | 95.7 |
| May 2021 | 95.8 | 95.8 |
| Jun 2021 | 95.7 | 95.7 |
| Jul 2021 | 97.1 | 97.1 |
| Aug 2021 | 97.3 | 97.3 |
| Sep 2021 | 97.0 | 97.0 |
| Oct 2021 | 94.6 | 94.6 |

(1) Represents the Trust's collection experience up to October 22, 2021.
(2) The Canada Emergency Commercial Rent Assistance ("CECRA") program ended on September 30, 2020.

As of October 22, 2021, the Trust has collected 94.6% of gross monthly billings for the month of October 2021.

Collection levels have continued to improve to approximately 97% for the three months ended September 30, 2021. However, the challenges associated with the COVID-19 pandemic have continued to impact the remaining 3%. Accordingly, during the nine months of 2021, the Trust recorded additional bad debt expense/expected credit loss ("ECL") provisions totalling $5.3 million. The following table provides some additional details on the Trust's tenant billings, amounts received, abatements and deferral arrangements, and the remaining balance outstanding subject to deferral arrangements under negotiation and before ECL provision:

| (in thousands of dollars) | **Nine Months Ended September 30, 2021** | **As a %** | Nine Months Ended December 31, 2020[1] | As a % |
|---|---|---|---|---|
| Total recurring tenant billings | **603,745** | **100.0** | 601,251 | 100.0 |
| Less: Amounts received directly from tenants to date | **581,071** | **96.2** | 535,668 | 89.1 |
| Balance outstanding | **22,674** | **3.8** | 65,583 | 10.9 |
| Less: | | | | |
| Recovery from governments for CECRA | — | — | 15,412 | 2.6 |
| Amounts forgiven by the Trust for CECRA | — | — | 7,706 | 1.3 |
| Sales tax on CECRA | — | — | 2,976 | 0.5 |
| Rent abatements provided to tenants | **309** | **0.1** | 6,120 | 1.0 |
| **Balance outstanding** | **22,365** | **3.7** | 33,369 | 5.5 |
| Less: Deferral arrangements negotiated | **1,002** | **0.2** | 7,395 | 1.2 |
| **Rents to be collected before ECL provision provided** | **21,363** | **3.5** | 25,974 | 4.3 |

(1) The Trust identifies the nine months ended December 31, 2020 as the beginning of the COVID-19 pandemic period.

The table below represents a summary of total tenant receivables and ECL balances as at September 30, 2021 and December 31, 2020:

| (in thousands of dollars) | **September 30, 2021** | December 31, 2020 |
|---|---|---|
| Tenant receivables | **44,110** | 57,563 |
| Unbilled other tenant amounts | **6,379** | 8,287 |
| Total tenant receivables | **50,489** | 65,850 |
| Less: Allowance for ECL | **21,419** | 19,742 |
| Total tenant receivables net of ECL provisions | **29,070** | 46,108 |

**Highlights**

**Mixed-Use Development and Intensification at SmartVMC**

- Closings of the 55-storey Transit City 3 condo tower representing 631 residential units are complete, with all units closed by August 2021, contributing FFO per Unit of $0.03 (three months ended September 30, 2021) and $0.11 (nine months ended September 30, 2021).

- Construction continues on the 100% pre-sold Transit City 4 (45 storeys) and 5 (50 storeys) condo towers, representing 1,026 residential units. Construction is complete on the multi-level underground parking garage. Good progress is being made above grade with concrete and formwork up to level 26 for Transit City 4 and level 17 for Transit City 5.

- Construction of the purpose-built rental project, The Millway (36 storeys), continues at SmartVMC, with concrete and formwork up to level 5. The project includes 92 purpose-built rental units located within a portion of the Transit City 4 and Transit City 5 podiums and 454 units in the 36-storey tower.

- As part of the Transit City 1 and 2 projects, construction is well underway and delivery is expected in early 2022 of the 22 townhomes, which are 100% pre-sold.

- Preparation is underway for the launch of the next phase of high-rise condominium development (ArtWalk) in 2021 which is expected to include approximately 627 units.

**Other Business Development**

- The completed first phase of the two-phase, purpose-built residential rental project in Laval, Quebec, which had initial occupancy by tenants commencing in March 2020 and, to date, approximately 90% of the 171-unit building has been leased. Construction of the next phase commenced in October 2021.

- The Trust completed the construction of its fourth self-storage facility with the opening of its Oshawa facility in August 2021. All of the four developed and operating self-storage facilities have been very well received by their local communities, with current occupancy levels ahead of expectations.

- Construction is on schedule for the two purpose-built residential rental towers (238 units) in Mascouche, Quebec with joint venture partner Cogir.

- Construction commenced for a new retirement residence and a seniors' apartment (402 units) in May 2021 with joint venture partner Selection Group in Ottawa.

- Three additional self-storage facilities in Brampton (Kingspoint), Aurora and Scarborough are currently under construction, of which one is expected to open in late 2021 and the remaining two are expected to be completed in 2022. Additional self-storage facilities have been approved by the Board of Trustees and the Trust is in the process of obtaining municipal approvals in Whitby, Markham, Stoney Creek and an additional location in Toronto.

- The Trust has commenced the redevelopment of a portion of its 73-acre Cambridge retail property (which is subject to a leasehold interest with Penguin) which now allows various forms of residential, retail, office, institutional, and commercial uses providing for the creation of a vibrant urban community with the potential for over 12.0 million square feet of development. The initial phase of the redevelopment will include various forms of residential development including townhouses as well as mid-rise and high-rise residential buildings.

- During the COVID-19 pandemic, the Trust has continued to pursue final municipal approvals for mixed-use density on many of its shopping centres.

**Financial**

- Net income and comprehensive income[1] was $178.1 million as compared to $111.0 million in the same period in 2020, representing an increase of $67.0 million. This increase was primarily attributed to: i) $82.2 million increase in fair value adjustments on revaluation of investment properties, ii) $2.3 million decrease in interest expenses, and partially offset by i) $14.3 million decrease in NOI, ii) $1.4 million decrease in interest income, iii) $0.8 million increase in general and administrative expenses (net), iv) $0.6 million decrease in fair value adjustment on financial instruments, and v) $0.3 million decrease in gain on sale of investment properties.

- Debt metrics continue to demonstrate the Trust's commitment to its balance sheet, including Debt to Total Assets[2][3] of 44.5%, Interest Coverage Ratio multiple[2] of 3.3X, Interest Coverage net of capitalized interest multiple[2] of 3.7X, and Adjusted Debt to Adjusted EBITDA multiple[2][3] of 8.5X.

- The Trust improved its unsecured/secured debt ratio[2] to 70%/30% (September 30, 2020 – 67%/33%).

- The Trust continues to add to its unencumbered pool of high-quality assets. As at September 30, 2021, this unencumbered portfolio consisted of income properties valued at $6.0 billion (September 30, 2020 – $5.8 billion).

- FFO[2] decreased by $12.2 million or 11.1% to $97.9 million as compared to the same period in 2020, primarily due to $25.3 million of higher net operating income recognized on the Transit City 1 and 2 condo closings in 2020 partially offset by $9.1 million in lower ECL provisions in the current period.

- FFO per Unit[2] decreased by $0.08 or 12.5% to $0.56 as compared to the same period in 2020, primarily due to higher net operating income recognized on the Transit City 1 and 2 condo closings in 2020 partially offset by lower ECL provisions in the current period.

- FFO with adjustments excluding ECL and condominium profits[2] increased by $4.4 million or 4.7% to $94.4 million as compared to the same period in 2020. FFO per Unit with adjustments excluding ECL and condominium profits[2] increased by $0.02 or 4.4% to $0.54 as compared to the same period in 2020.

- ACFO[2] decreased by $11.4 million or 11.2% to $90.3 million as compared to the same period in 2020 primarily due to the impact of the Transit City 1 and 2 condo closings in 2020.

- ACFO[2] exceeded distributions declared by $10.7 million (2020 – surplus of ACFO over distributions declared of $22.1 million).

- The Payout Ratio relating to ACFO[2] for the rolling 12 months ended September 30, 2021 decreased by 1.8% to 90.1%, as compared to the same period in 2020.

**Operational**

- Rentals from investment properties and other[1] was $195.2 million, as compared to $186.3 million in the same period in 2020, representing an increase of $8.9 million or 4.8%. This increase was primarily due to higher straight-line rent, short-term rental revenue and percentage rent revenue, and was partially offset by higher vacancy which principally resulted from the COVID-19 pandemic.

- In-place and committed occupancy rates were 97.3% and 97.6%, respectively, as at September 30, 2021 (December 31, 2020 – 97.0% and 97.3%, respectively).

- Same Properties NOI inclusive of ECL provisions increased by $7.8 million or 6.6% as compared to the same period in prior year. Same Properties NOI excluding ECL[2] decreased by $1.3 million or 1.0% as compared to the same period in 2020.

**Subsequent Events**

- In October 2021, the Trust, together with its 50% partner Penguin, sold a parcel of land totalling 78.4 acres located in Innisfil, Ontario, for gross proceeds of $21.6 million (at the Trust's share), which was satisfied by a vendor take-back mortgage bearing interest at 4% per annum, with a term of two years, in the amount of $15.1 million (at the Trust's share), with the balance paid in cash adjusted for other working capital amounts. In connection with the parcel sale, the Trust received partial repayment in the amount of $6.2 million of its mortgage receivable from Penguin related to the Innisfil property, which had an outstanding balance of $22.9 million as at September 30, 2021. The remainder of the mortgage receivable amount is expected to be settled upon repayment of the previously noted vendor take-back mortgage.

(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 "Presentation of Certain Terms Including Non-GAAP Measures" in the Trust's MD&A.
(3) Net of cash-on-hand of $50.0 million as at September 30, 2021 for the purposes of calculating the ratios.

**Selected Consolidated Operational, Mixed-Use Development and Financial Information**

Key consolidated operational, mixed-use development and financial information shown in the table below includes the Trust's proportionate share of equity accounted investments:

| (in thousands of dollars, except per Unit and other non-financial data) | **September 30, 2021** | December 31, 2020 | September 30, 2020 |
|---|---|---|---|
| **Portfolio Information** | | | |
| Number of retail and other properties | **146** | 148 | 150 |
| Number of properties under development | **11** | 10 | 9 |
| Number of office properties | **1** | 1 | 1 |
| Number of mixed-use properties | **10** | 8 | 6 |
| Total number of properties with an ownership interest | **168** | 167 | 166 |
| | | | |
| **Leasing & Operational Information** | | | |
| Gross leasable area including retail and office space (in thousands of sq. ft.) | **34,225** | 34,056 | 34,051 |
| Occupied area including retail and office space (in thousands of sq. ft.) | **33,312** | 33,039 | 33,076 |
| Vacant area including retail and office space (in thousands of sq. ft.) | **913** | 1,017 | 975 |
| In-place occupancy rate (%) | **97.3** | 97.0 | 97.1 |
| Committed occupancy rate (%) | **97.6** | 97.3 | 97.4 |
| Average lease term to maturity (in years) | **4.5** | 4.6 | 4.7 |
| Net retail rental rate (per occupied sq. ft.) ($) | **15.40** | 15.37 | 15.45 |
| Net retail rental rate excluding Anchors (per occupied sq. ft.) ($) | **21.91** | 21.89 | 22.15 |
| | | | |
| **Mixed-Use Development Information** | | | |
| Future development area (in thousands of sq. ft.) | **32,200** | 32,500 | 27,900 |
| Trust's share of estimated costs of future projects currently under construction, or for which construction is expected to commence within the next five years | **7,700,000** | 7,900,000 | 5,400,000 |
| Total number of residential rental projects | **97** | 96 | 88 |
| Total number of seniors' housing projects | **39** | 40 | 45 |
| Total number of self-storage projects | **46** | 50 | 48 |
| Total number of office building projects | **7** | 7 | 10 |
| Total number of hotel projects | **4** | 4 | 5 |
| Total number of condominium developments | **73** | 72 | 46 |
| Total number of townhome developments | **15** | 15 | 14 |
| Total number of future projects currently in development planning stage | **281** | 284 | 256 |

| (in thousands of dollars, except per Unit and other non-financial data) | **September 30, 2021** | December 31, 2020 | September 30, 2020 |
|---|---|---|---|
| **Financial Information** | | | |
| Total assets[(1)] | **10,191,592** | 10,724,492 | 10,365,651 |
| Investment properties[(2)(3)] | **9,623,548** | 9,400,584 | 9,354,927 |
| Total unencumbered assets[(2)] | **6,002,800** | 5,835,600 | 5,763,400 |
| Debt[(2)(3)] | **4,647,648** | 5,261,360 | 4,908,808 |
| Debt to Aggregate Assets (%)[(2)(3)(4)] | **44.5** | 44.6 | 44.3 |
| Debt to Gross Book Value (%)[(2)(3)(4)] | **50.4** | 50.1 | 49.8 |
| Unsecured to Secured Debt Ratio[(2)(3)(4)] | **70%/30%** | 68%/32% | 67%/33% |
| Unencumbered assets to unsecured debt[(2)(3)(4)] | **1.9X** | 1.9X | 1.9X |
| Weighted average interest rate (%)[(2)(3)] | **3.25** | 3.28 | 3.37 |
| Weighted average term of debt (in years) | **5.0** | 5.0 | 4.9 |
| Interest coverage ratio[(2)(3)(4)] | **3.3X** | 3.2X | 3.3X |
| Interest coverage ratio (net of capitalized interest expense)[(2)(3)(4)] | **3.7X** | 3.7X | 3.8X |
| Adjusted Debt to Adjusted EBITDA (net of cash)[(2)(3)(4)] | **8.5X** | 8.5X | 8.5X |
| Equity (book value)[(1)] | **5,268,176** | 5,166,975 | 5,197,315 |
| Weighted average number of units outstanding – diluted | **173,535,843** | 172,971,603 | 172,873,206 |

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(3) Includes the Trust's assets held for sale and the Trust's proportionate share of equity accounted investments.
(4) As at September 30, 2021, cash-on-hand of $50.0 million was excluded for the purposes of calculating the applicable ratios (December 31, 2020 – $754.4 million, September 30, 2020 – $413.1 million).

**Quarterly Comparison to Prior Year**

The following table presents key financial, per Unit, and payout ratio information for the three months ended September 30, 2021 and September 30, 2020:

| (in thousands of dollars, except per Unit information) | **September 30, 2021** | September 30, 2020 | Variance |
|---|---|---|---|
| | (A) | (B) | (A–B) |
| **Financial Information** | | | |
| Rentals from investment properties and other(1) | **195,171** | 186,344 | 8,827 |
| Net base rent(1) | **125,125** | 123,233 | 1,892 |
| Total recoveries(1) | **60,565** | 58,686 | 1,879 |
| Miscellaneous revenue(1) | **4,573** | 2,410 | 2,163 |
| Service and other revenues(1) | **4,908** | 2,015 | 2,893 |
| Net income and comprehensive income(1)(3) | **178,051** | 111,033 | 67,018 |
| Net income and comprehensive income excluding fair value adjustments(2)(3) | **90,691** | 105,214 | (14,523) |
| Cash flows provided by operating activities(1) | **96,298** | 79,100 | 17,198 |
| NOI(2) | **133,333** | 147,612 | (14,279) |
| NOI excluding condominium sales(2) | **126,889** | 115,881 | 11,008 |
| Change in SPNOI(2) | **6.6 %** | (8.3)% | 14.9 % |
| Change in SPNOI excluding ECL(2) | **(1.0)%** | (0.8)% | (0.2)% |
| FFO(2)(3)(4)(5) | **97,887** | 110,107 | (12,220) |
| FFO with adjustments(2)(3)(4) | **99,593** | 110,107 | (10,514) |
| FFO with adjustments and Transactional FFO(2)(3)(4) | **99,593** | 110,851 | (11,258) |
| FFO excluding condominium sales(2)(3)(4) | **91,965** | 80,114 | 11,851 |
| FFO with adjustments excluding condominium sales(2)(3)(4) | **93,671** | 80,114 | 13,557 |
| ACFO(2)(3)(4)(5) | **90,342** | 101,752 | (11,410) |
| ACFO with adjustments(2)(3)(4) | **92,048** | 101,752 | (9,704) |
| ACFO excluding condominium sales(2)(3)(4) | **83,898** | 70,021 | 13,877 |
| Distributions declared | **79,683** | 79,621 | 62 |
| Surplus of ACFO over distributions declared(2) | **10,659** | 22,131 | (11,472) |
| Surplus (shortfall) of cash provided by operating activities over distributions declared(2) | **16,615** | (521) | 17,136 |
| Units outstanding(6) | **172,287,950** | 172,220,387 | 67,563 |
| Weighted average – basic | **172,285,503** | 172,112,821 | 172,682 |
| Weighted average – diluted(7) | **173,644,091** | 173,120,316 | 523,775 |
| **Per Unit Information (Basic/Diluted)** | | | |
| Net income and comprehensive income(1) | **$1.03/$1.03** | $0.65/$0.64 | $0.38/$0.39 |
| Net income and comprehensive income excluding fair value adjustments(2)(3) | **$0.53/$0.52** | $0.61/$0.61 | -$0.08/-$0.09 |
| FFO(2)(3)(4)(5) | **$0.57/$0.56** | $0.64/$0.64 | -$0.07/-$0.08 |
| FFO with adjustments(2)(3)(4) | **$0.58/$0.57** | $0.64/$0.64 | -$0.06/-$0.07 |
| FFO with adjustments and Transactional FFO(2)(3)(4) | **$0.58/$0.57** | $0.64/$0.64 | -$0.06/-$0.07 |
| Distributions declared | **$0.463** | $0.463 | $— |
| **Payout Ratio Information** | | | |
| Payout Ratio to ACFO(2)(3)(4)(5) | **88.2 %** | 78.3 % | 9.9 % |
| Payout Ratio to ACFO with adjustments(2)(3)(4) | **86.6 %** | 78.3 % | 8.3 % |

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(3) Includes the Trust's assets held for sale and the Trust's proportionate share of equity accounted investments.
(4) See "Other Measures of Performance" in the Trust's MD&A 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 units issued pursuant to the deferred unit plan.

**Year-to-Date Comparison to Prior Year**

The following table presents key financial, per Unit, and payout ratio information for the nine months ended September 30, 2021 and September 30, 2020:

| (in thousands of dollars, except per Unit information) | **September 30, 2021** | September 30, 2020 | Variance |
|---|---|---|---|
| | (A) | (B) | (A–B) |
| **Financial Information** | | | |
| Rentals from investment properties and other[1] | **587,946** | 583,356 | 4,590 |
| Net base rent[1] | **369,955** | 372,486 | (2,531) |
| Total recoveries[1] | **196,342** | 197,327 | (985) |
| Miscellaneous revenue[1] | **10,412** | 6,720 | 3,692 |
| Service and other revenues[1] | **11,237** | 6,823 | 4,414 |
| Net income and comprehensive income[1] | **335,595** | 41,560 | 294,035 |
| Net income and comprehensive income excluding fair value adjustments[2][3] | **260,400** | 258,017 | 2,383 |
| Cash flows provided by operating activities[1] | **237,950** | 204,611 | 33,339 |
| NOI[2] | **388,405** | 382,103 | 6,302 |
| NOI excluding condominium sales[2] | **367,867** | 350,631 | 17,236 |
| Change in SPNOI[2] | **3.4 %** | (7.0)% | 10.4 % |
| Change in SPNOI excluding ECL[2] | **(2.1)%** | (0.3)% | (1.8)% |
| FFO[2][3][4][5] | **282,620** | 281,270 | 1,350 |
| FFO with adjustments[2][3][4] | **285,186** | 281,270 | 3,916 |
| FFO with adjustments and Transactional FFO[2][3][4] | **286,773** | 282,014 | 4,759 |
| FFO excluding condominium sales[2][3][4] | **263,807** | 251,277 | 12,530 |
| FFO with adjustments excluding condominium sales[2][3][4] | **266,373** | 251,277 | 15,096 |
| ACFO[2][3][4][5] | **269,743** | 269,464 | 279 |
| ACFO with adjustments[2][3][4] | **272,309** | 269,464 | 2,845 |
| ACFO excluding condominium sales[2][3][4] | **249,205** | 237,992 | 11,213 |
| Distributions declared | **239,028** | 239,101 | (73) |
| Surplus of ACFO over distributions declared[2] | **30,715** | 30,363 | 352 |
| Shortfall of cash provided by operating activities over distributions declared[2] | **(1,078)** | (34,490) | 33,412 |
| Units outstanding[6] | **172,287,950** | 172,220,387 | 67,563 |
| Weighted average – basic | **172,266,602** | 171,890,163 | 376,439 |
| Weighted average – diluted[7] | **173,535,843** | 172,873,206 | 662,637 |
| **Per Unit Information (Basic/Diluted)** | | | |
| Net income and comprehensive income[1] | **$1.95/$1.93** | $0.24/$0.24 | $1.71/$1.69 |
| Net income and comprehensive income excluding fair value adjustments[2][3] | **$1.51/$1.50** | $1.50/$1.49 | $0.01/$0.01 |
| FFO[2][3][4][5] | **$1.64/$1.63** | $1.64/$1.63 | $—/$— |
| FFO with adjustments[2][3][4] | **$1.66/$1.64** | $1.64/$1.63 | $0.02/$0.01 |
| FFO with adjustments and Transactional FFO[2][3][4] | **$1.66/$1.65** | $1.64/$1.63 | $0.02/$0.02 |
| Distributions declared | **$1.388** | $1.388 | $— |
| **Payout Ratio Information** | | | |
| Payout Ratio to ACFO[2][3][4][5] | **88.6 %** | 88.7 % | (0.1)% |
| Payout Ratio to ACFO with adjustments[2][3][4] | **87.8 %** | 88.7 % | (0.9)% |

(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 "Presentation of Certain Terms Including Non-GAAP Measures" in the Trust's MD&A.
(3) Includes the Trust's assets held for sale and the Trust's proportionate share of equity accounted investments.
(4) See "Other Measures of Performance" in the Trust's MD&A 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 units issued pursuant to the deferred unit plan.

***Operational Highlights***

For the three months ended September 30, 2021, net income and comprehensive income (as noted in the table above) increased by $67.0 million as compared to the same period last year. This increase was primarily attributed to the following:

- $82.2 million increase in fair value adjustments on revaluation of investment properties, of which: i) $120.0 million was due to the compression in discount rates; ii) $14.7 million was due to fair value adjustments relating to properties under development classified as development lands, including adjustments relating to assets held for sale, partially offset by iii) $52.5 million decrease in value which was due to changes in vacancy and other lease-related assumptions; and
- $2.3 million decrease in interest expenses;

Partially offset by the following:

- $14.3 million decrease in NOI (see further details in the “Net Operating Income” subsection in the Trust’s MD&A);
- $1.4 million decrease in interest income;
- $0.8 million increase in general and administrative expenses (net) (see further details in the “General and Administrative Expense” section in the Trust’s MD&A);
- $0.6 million decrease in fair value adjustment on financial instruments, principally due to: i) $3.0 million decrease in fair value adjustments relating to LTIP, Deferred Unit Plan (“DUP”) and Equity Incentive Plan (“EIP”) as a result of fluctuations in the Trust’s Unit price, accelerated vesting and related amortization of units, and achievement of Unit price thresholds, respectively, offset by ii) $2.4 million increase in fair value adjustments, principally due to adjustments relating to interest rate swap agreements; and
- $0.3 million decrease in gain on sale of investment properties.

For the nine months ended September 30, 2021, net income and comprehensive income (as noted in the table above) increased by $294.0 million as compared to the same period last year. This increase was primarily attributed to the following:

- $350.7 million increase in fair value adjustments on revaluation of investment properties principally due to the compression of discount rates, and higher revaluation loss recorded during the same period in 2020, which reflected the changes in leasing and cash flow assumptions at the inception of the COVID-19 pandemic;
- $6.3 million increase in NOI (see further details in the “Net Operating Income” subsection in the Trust’s MD&A); and
- $2.2 million decrease in acquisition-related costs;

Partially offset by the following:

- $59.1 million decrease in fair value adjustment on financial instruments primarily due to: i) $37.3 million decrease in fair value adjustment on Units classified as liabilities and $22.3 million decrease in fair value adjustment on DUP, as a result of fluctuations in the Trust’s Unit price; ii) $1.7 million decrease in fair value adjustment on equity incentive plan; iii) $0.2 million decrease in fair value adjustment on loans receivable and Earnout options recorded in the same period in 2020, and partially offset by iv) $1.5 million increase in fair value adjustment on total return swap (“TRS”) fair value; and v) $0.9 million increase in fair value adjustment on LTIP fair value;
- $2.4 million increase in general and administrative expenses (net) (see further details in the “General and Administrative Expense” section in the Trust’s MD&A);
- $2.2 million decrease in interest income;
- $1.2 million increase in interest expense and supplemental costs; and
- $0.3 million decrease in gain on sale of investment properties.

### *FFO Highlights*

For the three months ended September 30, 2021, FFO decreased by $12.2 million or 11.1% to $97.9 million. This decrease was primarily attributed to:

- $14.3 million decrease in NOI (see further details in the "Net Operating Income" subsection in the Trust's MD&A);
- $1.4 million decrease in interest income;
- $0.8 million increase in net general and administrative expense; and
- $0.2 million decrease in FFO add back for tenant incentives amortization;

Partially offset by:

- $2.3 million net decrease in interest expense;
- $1.3 million increase in changes in fair value of financial instruments due to adjustments in the comparative period;
- $0.5 million decrease in adjustment of indirect interest relating to closed condominium units; and
- $0.4 million increase in gain on TRS.

For the three months ended September 30, 2021, FFO with adjustments decreased by $10.5 million or 9.5% to $99.6 million.

For the nine months ended September 30, 2021, FFO increased by $1.4 million or 0.5% to $282.6 million. This increase was primarily attributed to:

- $6.3 million increase in NOI (see further details in the "Net Operating Income" subsection in the Trust's MD&A); and
- $1.5 million increase relating to TRS recognized during the nine months ended September 30, 2021;

Partially offset by:

- $2.4 million increase in net general and administrative expense;
- $2.2 million decrease in interest income which was primarily due to: i) net $1.1 million decrease in interest income as a result of lower interest rates being charged on outstanding loans to related parties pursuant to the Omnibus Agreement commencing December 8, 2020 (see "Related Party Transactions" in the Trust's MD&A); and ii) net $1.1 million decrease in interest primarily due to a decrease in bank interest earned as a result of the decrease in cash and cash equivalents;
- $1.1 million net increase in interest expense, which was primarily due to a higher debt level;
- $0.5 million decrease in FFO add back for salaries and related costs attributed to leasing activities; and
- $0.2 million decrease in changes in fair value of financial instruments due to adjustments in the comparative period.

For the nine months ended September 30, 2021, FFO with adjustments increased by $3.9 million or 1.4% to $285.2 million.

### *ACFO Highlights*

For the three months ended September 30, 2021, ACFO decreased by $11.4 million or 11.2% to $90.3 million compared to the same period in 2020, which was primarily due to the items previously identified (see "Results of Operations" in the Trust's MD&A).

For the nine months ended September 30, 2021, ACFO increased by $0.3 million or 0.1% to $269.7 million compared to the same period in 2020, which was primarily due to the items previously identified (see "Results of Operations" in the Trust's MD&A).

**Development and Intensification Summary**

Included in the Trust's large development pipeline are 281 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 |
|---|---|---|---|---|
| **Number of projects in which the Trust has an ownership interest** | | | | |
| Residential Rental | 21 | 25 | 51 | 97 |
| Seniors' Housing | 4 | 16 | 19 | 39 |
| Self-storage | 10 | 17 | 19 | 46 |
| Office Buildings | — | 1 | 6 | 7 |
| Hotels | — | — | 4 | 4 |
| **Subtotal – Recurring rental income initiatives** | 35 | 59 | 99 | 193 |
| Condominium developments | 15 | 20 | 38 | 73 |
| Townhome developments | 2 | 3 | 10 | 15 |
| **Subtotal – Development income initiatives** | 17 | 23 | 48 | 88 |
| **Total** | **52** | **82** | **147** | **281** |
| **Trust's share of project area (in thousands of sq. ft.)** | | | | |
| **Recurring rental income initiatives** | 3,600 | 5,700 | 9,400 | 18,700 |
| **Development income initiatives** | 3,100 | 3,500 | 6,900 | 13,500 |
| **Total Trust's share of project area (in thousands of sq. ft.)** | **6,700** | **9,200** | **16,300** | **32,200** |
| **Trust's share of such estimated costs (in millions of dollars)** | **3,200** | **4,500** | **–** (1) | **7,700** |

(1) The Trust does not fully determine the costs attributable to future projects expected to commence after five years and as such they are not included in this table.

As noted in the table above, the Trust is currently working on initiatives for the development of many properties, for which final municipal approvals have been or are being actively pursued:

a. the development of up to 5.3 million square feet of predominately residential space, in various forms, at Highway 400 & Highway 7, in Vaughan, Ontario, with a rezoning application submitted in December 2019 and a site plan application for the first four buildings totalling 1,742 units submitted in October 2020;

b. the development of up to 5.0 million square feet of predominately residential space, in various forms over the long term, in Pickering, Ontario, with the site plan application for a two-tower mixed-use phase, approximating 650,000 square feet, submitted in April 2020;

c. the development of up to 5.5 million square feet of predominately residential space, in various forms, at Oakville North in Oakville, Ontario, with the rezoning application for an initial two-tower 585-unit residential phase submitted in April 2021;

d. the development of up to 2.55 million square feet of predominately residential space, in various forms, at the Westside Mall in Toronto, Ontario, with an application for the first 35-storey mixed-use tower submitted in Q1 2021;

e. the development of up to 1.5 million square feet of residential space in various forms on the Trust's undeveloped lands at the Vaughan NW property in Vaughan, Ontario. Residential development includes 174 Draft Plan Approved townhomes, to be developed in partnership with Fieldgate Homes ("Fieldgate"); a seniors' apartment building and separate retirement residence to be developed in partnership with Revera; along with three residential buildings. Applications for these five towers have been submitted;

f. the development of up to 1.5 million square feet of residential space, in various forms, in Pointe-Claire, Quebec, with the first phase, a two-tower rental project, being actively pursued;

g. the development of up to 300,000 square feet of residential (townhomes, apartment and/or retirement) at Oakville South in Oakville, Ontario, with a third party homebuilder;

h. the intensification of the Toronto StudioCentre ("StudioCentre") in Toronto, Ontario (zoning allows for up to 1.2 million square feet);

i. the development of four high-rise purpose-built residential rental buildings comprising approximately 1,700 units with Greenwin, in Barrie, Ontario, for which a zoning application was approved by Barrie City Council in January 2021 with site plan approved for Phase 1 by Barrie City Council in June 2021. An application for a building permit was submitted in July 2021;

j. the development of a 35-storey high-rise purpose-built residential rental tower containing 430 units, on Balliol Street in midtown Toronto, Ontario, with zoning and site plan applications submitted in September 2020. A second submission of these applications was made in July 2021;

k. the development of up to 1,600 residential units, in various forms, in Mascouche, Quebec and as noted above, with the first phase consisting of 238 units in two 10-storey rental towers approved by municipal council in August 2020. Construction began in April 2021, and the occupancy of units is anticipated to commence in July 2022;

l. the development of residential density at the Trust's shopping centre at 1900 Eglinton Avenue East in Scarborough with rezoning applications for the first two residential towers (38 and 40 storeys) submitted in January 2021;

m. the development of up to 270,000 square feet of residential space in 138 townhomes at London Fox Hollow in London, Ontario, with site plan approval applications submitted in December 2020;

n. the development of the first phase, 46-unit rental building, which is part of a multi-phase masterplan in Alliston, Ontario, with a rezoning application approved by Council in December 2020 and a site plan application submitted in May 2020. The site plan application was resubmitted in March 2021 and again in July 2021 with approvals expected in Q4 2021;

o. the development of four additional self-storage facilities in Ontario with the Trust's partner, SmartStop, in Markham, Stoney Creek, Toronto and Whitby, with zoning and/or site plan applications either well underway or expected to be submitted in 2021. Project agreements for another four locations are being finalized;

p. the Q4 2020 acquisition of an additional 33.33% interest (new ownership structure of 66.66% held by the Trust and 33.33% held by Penguin) in 50 acres of adjacent land to the Trust's Premium Outlets Montreal in Mirabel, Quebec, for the ultimate development of residential density of up to 4,500 units. Site plan applications for the first phase rental building with 168 units expected to be submitted in Q1 2022;

q. the development of residential density of approximately 155 condo units and 345 rental units (in three phases) at Laval Centre in Quebec, with the site plan application for the first tower of 155 units expected to be submitted in Q4 2021;

r. the Trust has commenced the redevelopment of a portion of its 73-acre Cambridge retail property (which is subject to a leasehold interest with Penguin) which now allows various forms of residential, retail, office, institutional and commercial uses providing for the creation of a vibrant urban community with the potential for over 12.0 million square feet of development. The initial phase of the redevelopment will include various forms of residential development including townhouses as well as mid-rise and high-rise residential buildings;

s. the development of residential density at the Trust's shopping centre at Bayview and Major Mackenzie in Richmond Hill, Ontario, with a rezoning application for a 9-storey retirement residences building submitted in Q1 2021, to be developed in partnership with the existing partner and Revera;

t. the development of 1.5 million square feet of residential density adjacent to the new South Keys light rail train station at the Trust's Ottawa South Keys centre, consistent with current zoning permissions. Site plan application for the first phase rental building with 240 units expected to be submitted in Q4 2021;

u. the development of up to 720,000 square feet of predominately residential space on Yonge St. in Aurora, Ontario, with rezoning applications for the entire site and site plan submitted for Phase 1 for 498,000 square feet in July 2021;

v. the Q4 2020 acquisition of a 50% interest in a property in downtown Markham for the development of a 243,000 square foot retirement residence with Revera. The rezoning application was submitted in December 2020; and

w. the development of approximately 1.0 million square feet of residential density on the Trust's Parkway Plaza centre in Stoney Creek, Ontario with an application for a Phase 1 development for a two-tower (15 and 14 storeys), 429,000 square foot, 520-unit condo project expected to be submitted in Q4 2021.

**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 'Management's Discussion and Analysis' ("MD&A") of the Trust for the nine months ended September 30, 2021, available on SEDAR at www.sedar.com.

Full reports of the financial results of the Trust for the three and nine months ended September 30, 2021 are outlined in the unaudited interim condensed consolidated financial statements and the related MD&A of the Trust for the three and nine months ended September 30, 2021, which are available on SEDAR at www.sedar.com.

**Conference Call**

SmartCentres will hold a conference call on Thursday, November 11, 2021 at 4:00 p.m. (ET). Participating on the call will be members of SmartCentres' senior management.

Investors are invited to access the call by dialing 1-855-353-9183 and then keying in the participant access code 83639#. 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 Thursday, November 11, 2021 beginning at 8:30 p.m. (ET) through to 8:30 p.m. (ET) on Thursday, November 18, 2021. To access the recording, please call 1-855-201-2300, enter the conference access code 83639# and then key in the participant access code 0111176#.

**About SmartCentres**

SmartCentres Real Estate Investment Trust is one of Canada's largest fully integrated REITs, with a best-in-class portfolio featuring 168 strategically located properties in communities across the country. SmartCentres has approximately $10.2 billion in assets and owns 34.0 million square feet of income producing value-oriented retail space with 97.6% 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. Project 512, a publicly announced $13.1 billion intensification program ($7.7 billion at SmartCentres' share) represents the REIT's current major development focus on which construction is expected to commence within the next five years. 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 54.7 million square feet (32.2 million square feet at SmartCentres' share) of space, 27 million square feet (15.9 million square feet at SmartCentres' share) of which has or will commence construction within the next five years. From shopping centres to city centres, SmartCentres is uniquely positioned to reshape the Canadian urban and urban-suburban landscape.

Included in this intensification program is the Trust's share of SmartVMC which, when completed, is expected to include approximately 11.0 million square feet of mixed-use space in Vaughan, Ontario. Construction of the first five sold-out phases of Transit City Condominiums that represent 2,789 residential units continues to progress. Final closings of the first two phases of Transit City Condominiums began ahead of budget and ahead of schedule in August 2020 and all 1,110 units in the first and second phases have closed. Closings of all 631 presold units in the third phase began in May 2021 and are now fully completed. In addition, the 22 sold-out townhomes that complete this phase of the project, are expected to close in 2022. The fourth and fifth sold-out phases representing 1,026 units are currently under construction and are expected to close in 2023.

*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' 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 condominium 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 such as the COVID-19 pandemic, real property ownership and development, debt and equity financing for development, interest and financing costs, construction and development risks, 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 the 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; relatively low and stable interest costs; 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.*

For more information, please visit www.smartcentres.com or contact:

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