

RioCan Reports First Quarter Results - Strong Leasing Results Driven by Accelerated Demand for High-quality RioCan Space

- More than 1,330,000 square feet of leases completed, including 482,000 square feet of new leases
- Strong demand drove blended leasing spread to 14%, including new leasing spread of 20%
- Strategic leasing and development continued to enhance portfolio quality and net asset value (NAV) with resilient tenants, including new leases that upgraded two assets to grocery-anchored centres

Toronto, May 7, 2024 - RioCan Real Estate Investment Trust ("RioCan" or the "Trust") (TSX: REI.UN) announced today its financial results for the three months ended March 31, 2024.

"We continue to demonstrate the quality and resilience of RioCan's exceptional portfolio with strong leasing demand whenever units become available at our centres. Our ideal locations, superior demographics, and resilient tenant mix continue to attract and retain essential retailers," said Jonathan Gitlin, President and CEO of RioCan. "Our strategic leasing activity continues to enhance the strength of our portfolio and surface significant net asset value through an upgraded tenant base, improved income quality and higher average rents. The ongoing short supply and strong demand for quality retail space positions RioCan well for strong leasing results going forward."

Financial Highlights

(in millions, except where otherwise noted, and per unit values)

Three months ended March 31	2024	2023
FFO ¹	\$ 136.0	\$ 131.3
FFO per unit - diluted ¹	\$ 0.45	\$ 0.44
Net income	\$ 128.6	\$ 118.0
Weighted average Units outstanding - diluted (in thousands)	300,469	300,547

As at	March 31, 2024	December 31, 2023
Net book value per unit	\$ 24.89	\$ 24.76

- FFO per unit was \$0.45, an increase of \$0.01 per unit or 2.3% over the same period last year. FFO growth was driven by strong leasing performance, growth in residential NOI¹, benefits of development deliveries and higher residential inventory gains. These items were partially offset by the short-term impact on in-place occupancy of tenant vacancies, many of which have been re-leased at higher rents, lower NOI from prior periods' sale of commercial properties and higher interest expense.
- Net income of \$128.6 million was \$10.6 million higher than the same period last year. The increase was mainly due to the reasons described above, and a \$3.3 million fair value gain on investment properties compared to a \$17.4 million fair value loss in 2023 partially offset by a prior year tax recovery benefit that did not recur.
- Our FFO Payout Ratio¹ of 60.7%, Liquidity¹ of \$1.5 billion, Unencumbered Assets¹ of \$8.1 billion, floating rate debt at 8.6%¹ of total debt and staggered debt maturities, all contribute to our financial flexibility and balance sheet strength.

Outlook

- For 2024, we anticipate FFO per unit to be within the range of \$1.79 to \$1.82, Commercial SPNOI¹ growth of ~3%, and an FFO Payout Ratio of between 55% to 65%. Development Spending¹ on mixed-use projects is expected to be between \$250 million to \$300 million and spending for the construction of retail projects is expected to be between \$50 million to \$60 million.

1. A non-GAAP measurement. For definitions, reconciliations and the basis of presentation of RioCan's non-GAAP measures, refer to the *Basis of Presentation and Non-GAAP Measures* section in this News Release.

Operational Highlights (i)

Three months ended March 31	2024	2023
Occupancy - committed (ii)	97.1 %	97.4 %
Retail occupancy - committed (ii)	97.9 %	98.0 %
Blended leasing spread	14.0 %	12.3 %
New leasing spread	19.7 %	14.8 %
Renewal leasing spread	11.5 %	11.6 %

(i) Includes commercial portfolio only.

(ii) Information presented as at respective periods then ended.

- Leased 1.3 million square feet including 482 thousand square feet of new leases driven by market dynamics where demand is outstripping supply.
- New and renewal leasing spreads of 19.7% and 11.5%, respectively resulted in a blended leasing spread of 14.0%.
- Strong and stable tenants comprised 87.9% of annualized net rent, improving by 40 basis points compared to Q4 2023 and 110 basis points year-over-year.
- Strategic leasing activity further improving the resiliency of our income and NAV growth included:
 - Two new grocery tenancies which transformed two assets into higher valued grocery-anchored centres;
 - An additional grocery tenant at RioCan Colossus Centre;
 - An executed lease with Costco at RioCan Centre Burloak, which is subject to certain closing conditions; and
 - Two additional grocery leases in final stages of negotiation which will create more grocery-anchored centres in the near term.
- Retail committed occupancy was 97.9%, compared to 98.0% as at the same period last year and 98.4% as at Q4 2023.
- As of May 7, 2024, the Trust re-leased six of the 10 locations that were vacated due to the two tenant failures discussed in the prior quarter. While these vacancies have a short-term impact, they have provided RioCan with the opportunity to back-fill its near capacity retail portfolio with higher quality retailers at higher rents.
 - The six new leases are to improved tenancies, including two of the aforementioned grocers, and are at significantly higher base rents, embed annual rent increases and contain fewer restrictions and exclusives.
 - Negotiations are underway for the remaining four locations.
 - The two failed tenants previously occupied the 10 locations or 261 thousand square feet and account for most of the occupancy decrease from Q4 2023.
- Commercial Same Property NOI¹ increased by 0.4%, lower than the prior quarter driven predominantly by lower in-place occupancy.

1. A non-GAAP measurement. For definitions, reconciliations and the basis of presentation of RioCan's non-GAAP measures, refer to the *Basis of Presentation and Non-GAAP Measures* section in this News Release.

RioCan Living Update¹

- Total NOI generated from our residential rental operations was \$6.4 million, an increase of \$2.1 million or 49.1% over the same period last year. On a Residential Same Property NOI² basis, growth was 6.5% in the First Quarter.
- RioCan LivingTM has 14 buildings or 3,072 residential units in operation, 12 of which are stabilized. When compared to Q4 2023 on a same property basis, occupancy decreased by 129 basis points. The decrease in occupancy is primarily attributed to short-term turnover of units in one Toronto building that are expected to be re-leased at market rents.
- Construction of 526 suites at FourFifty The WellTM is complete and 55.9% of the units are leased at rents in-line with expectations as at May 7, 2024.

1. Units at 100% ownership interest.

2. A non-GAAP measurement. For definitions, reconciliations and the basis of presentation of RioCan's non-GAAP measures, refer to the *Basis of Presentation and Non-GAAP Measures* section in this News Release.

Development Highlights

(in millions except square feet)

Three months ended March 31

	2024	2023
Development Completions - sq. ft. in thousands (i)	54.0	66.0
Development Spending	\$ 89.5	\$ 88.3
Development Projects Under Construction - sq. ft. in thousands (ii)	1,109.0	1,890.0

- (i) At RioCan's ownership. Represents net leasable area (NLA) of property under development completions. Excludes NLA of residential inventory completions.
- (ii) Information presented as at the respective periods then ended, includes properties under development and residential inventory, equity-accounted joint ventures and represents gross floor area of the respective projects.
- During the First Quarter, \$62.9 million or 54,000 square feet of properties under development were transferred to income producing properties.
- As at May 7, 2024, 97% of the total commercial space at The Well™ is leased with 92% or 1,372,000 square feet (at 100% ownership interest) in tenant possession. The retail component is 94% leased, with more than half of the space open and operating. The majority of the remaining retail tenants are expected to open over the next two quarters.
- Value recognized in the Trust's residential inventory and properties under development balances for zoned projects, excluding those under construction, is \$31.34 per square foot and \$19.83 per square foot for the total development pipeline.

Investing and Capital Recycling

- As of May 7, 2024, closed dispositions totalled \$31.1 million. Closed investment property dispositions in the First Quarter included a cinema-anchored property and an open air centre for combined sales proceeds of \$19.1 million. Non-core residential inventory development land was sold in Q2 2024 for sales proceeds of \$12.0 million resulting in an anticipated inventory gain of approximately \$5.2 million.
- In addition, the Trust sold a 12.5% interest in the 11YV project in the First Quarter, thereby reducing its interest in the project to 25.0%. The resulting gain of \$12.2 million was mainly attributable to the value of the underlying residential inventory.
- Total Acquisitions¹ of \$157.1 million, including those previously announced, closed in the First Quarter. Total contractual debt assumed was \$78.8 million at an average contractual interest rate of 2.69% and the acquisition amount includes a \$40.9 million deferred density payment, to be paid as various development milestones are met.
- As market conditions permit, RioCan provides mezzanine financing, earning interest income at attractive rates relative to its cost of capital. During Q1 2024, RioCan issued \$68.0 million of new loans and \$30.6 million of existing loans were repaid.

1 A non-GAAP measurement. For definitions, reconciliations and the basis of presentation of RioCan's non-GAAP measures, refer to the *Basis of Presentation and Non-GAAP Measures* section in this News Release.

Capital Management Update

- On February 12, 2024, RioCan issued \$300.0 million of Series AJ senior unsecured debentures. These debentures were issued at a coupon rate of 5.470% per annum and will mature on March 1, 2030. Inclusive of the benefit of bond forward hedges, the all-in rate is 5.452%. The proceeds were used to repay, in full, the \$300.0 million, 3.287% Series W unsecured debentures upon maturity on February 12, 2024.
- On March 25, 2024 RioCan issued an additional \$150.0 million of Series AJ senior unsecured debentures. These additional debentures have the same terms and conditions and constitute part of the same series as the existing \$300.0 million in Series AJ debentures issued on February 12, 2024. Inclusive of the premium on issuance and the benefit of bond forward hedges, the all-in rate is 5.273%.

Balance Sheet Strength

(in millions except percentages)		
As at	March 31, 2024	December 31, 2023
Liquidity (i) ¹	\$ 1,546	\$ 1,964
Adjusted Debt to Adjusted EBITDA (i) ¹	9.17x	9.28x
Unencumbered Assets (i) ¹	\$ 8,112	\$ 8,090

(i) At RioCan's proportionate share.

- Adjusted Debt to Adjusted EBITDA improved to 9.17x on a proportionate share basis as at March 31, 2024, compared to 9.28x as at the end of 2023 and 9.48x as at Q1 2023. The decrease was primarily due to higher Adjusted EBITDA, partially offset by higher Average Total Adjusted Debt balances.
- As at March 31, 2024, the Trust had \$1.5 billion of Liquidity. The Trust has \$1.0 billion of its revolving line of credit available in addition to \$0.5 billion in undrawn construction lines and other bank loans. Liquidity decreased by \$418.2 million when compared to the prior year end, returning to more typical levels, mainly due to timing of capital recycling and financing activities.
- Pursuant to the terms of its credit agreement, the Trust has an option to increase the commitment under its revolving line of credit by \$250.0 million.
- RioCan's Unencumbered Assets of \$8.1 billion, which can be used to obtain secured financing to provide additional liquidity at lower interest rates than unsecured debt, generated 56.2% of Annual Normalized NOI¹.
- The Trust's exposure to floating rate debt was 8.6% of total debt as at March 31, 2024. Excluding construction loans, floating rate exposure was 5.2%.

1. A non-GAAP measurement. For definitions, reconciliations and the basis of presentation of RioCan's non-GAAP measures, refer to the *Basis of Presentation and Non-GAAP Measures* section in this News Release.

Conference Call and Webcast

Interested parties are invited to participate in a conference call with management on Wednesday, May 8, 2024 at 10:00 a.m. (ET). Participants will be required to identify themselves and the organization on whose behalf they are participating.

To access the conference call, click on the following link to register at least 10 minutes prior to the scheduled start of the call: [Pre-registration link](#). Participants who pre-register at any time prior to the call will receive an email with dial-in credentials including a login passcode and PIN to gain immediate access to the live call. Those that are unable to pre-register may dial-in for operator assistance by calling 1-833-950-0062 and entering the access code: 616433.

For those unable to participate in the live mode, a replay will be available at 1-866-813-9403 with access code: 851637.

To access the simultaneous webcast, visit RioCan's website at [Events and Presentations](#) and click on the link for the webcast.

About RioCan

RioCan is one of Canada's largest real estate investment trusts. RioCan owns, manages and develops retail-focused, increasingly mixed-use properties located in prime, high-density transit-oriented areas where Canadians want to shop, live and work. As at March 31, 2024, our portfolio is comprised of 188 properties with an aggregate net leasable area of approximately 32.6 million square feet (at RioCan's interest) including office, residential rental and nine development properties. To learn more about us, please visit www.riocan.com.

Basis of Presentation and Non-GAAP Measures

All figures included in this News Release are expressed in Canadian dollars unless otherwise noted. RioCan's unaudited interim condensed consolidated financial statements ("Condensed Consolidated Financial Statements") are prepared in accordance with International Financial Reporting Standards (IFRS). Financial information included within this News Release does not contain all disclosures required by IFRS, and accordingly should be read in conjunction with the Trust's Condensed Consolidated Financial Statements and MD&A for the three months ended March 31, 2024, which are available on RioCan's website at www.riocan.com and on SEDAR+ at www.sedarplus.com.

Consistent with RioCan's management framework, management uses certain financial measures to assess RioCan's financial performance, which are not in accordance with generally accepted accounting principles (GAAP) under IFRS. **Funds From Operations ("FFO"), FFO per unit, Net Operating Income ("NOI"), Same Property NOI, Commercial Same Property NOI ("Commercial SPNOI"), Residential Same Property NOI ("Residential SPNOI"), Development Spending, Total Acquisitions, Ratio of floating rate debt to total debt, Liquidity, Adjusted Debt to Adjusted EBITDA, RioCan's Proportionate Share, Unencumbered Assets and Percentage of Normalized NOI Generated from Unencumbered Assets**, as well as other measures that may be discussed elsewhere in this News Release, do not have a standardized definition prescribed by IFRS and are, therefore, unlikely to be comparable to similar measures presented by other reporting issuers. RioCan supplements its IFRS measures with these Non-GAAP measures to aid in assessing the Trust's underlying performance and reports these additional measures so that investors may do the same. Non-GAAP measures should not be considered as alternatives to net income or comparable metrics determined in accordance with IFRS as indicators of RioCan's performance, liquidity, cash flow, and profitability. For full definitions of these measures, please refer to the "*Non-GAAP Measures*" section in RioCan's MD&A for the three months ended March 31, 2024.

The reconciliations for non-GAAP measures included in this News Release are outlined as follows:

RioCan's Proportionate Share

The following table reconciles the consolidated balance sheets from IFRS to RioCan's proportionate share basis as at March 31, 2024 and December 31, 2023:

As at	March 31, 2024			December 31, 2023		
(in thousands of dollars)	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Assets						
Investment properties	\$ 13,780,715	\$ 409,699	\$ 14,190,414	\$ 13,561,718	\$ 411,811	\$ 13,973,529
Equity-accounted investments	382,364	(382,364)	—	383,883	(383,883)	—
Mortgages and loans receivable	334,088	(5,341)	328,747	289,533	(6,707)	282,826
Residential inventory	240,949	366,381	607,330	217,186	407,946	625,132
Assets held for sale	—	—	—	19,075	—	19,075
Receivables and other assets	253,872	47,949	301,821	246,652	50,681	297,333
Cash and cash equivalents	44,681	10,051	54,732	124,234	14,506	138,740
Total assets	\$ 15,036,669	\$ 446,375	\$ 15,483,044	\$ 14,842,281	\$ 494,354	\$ 15,336,635
Liabilities						
Debentures payable	\$ 3,390,619	\$ —	\$ 3,390,619	\$ 3,240,943	\$ —	\$ 3,240,943
Mortgages payable	2,783,405	160,358	2,943,763	2,740,924	158,292	2,899,216
Lines of credit and other bank loans	824,146	200,497	1,024,643	879,246	231,963	1,111,209
Accounts payable and other liabilities	561,113	85,520	646,633	543,398	104,099	647,497
Total liabilities	\$ 7,559,283	\$ 446,375	\$ 8,005,658	\$ 7,404,511	\$ 494,354	\$ 7,898,865
Equity						
Unitholders' equity	7,477,386	—	7,477,386	7,437,770	—	7,437,770
Total liabilities and equity	\$ 15,036,669	\$ 446,375	\$ 15,483,044	\$ 14,842,281	\$ 494,354	\$ 15,336,635

RioCan's Proportionate Share (continued)

The following tables reconcile the consolidated statements of income from IFRS to RioCan's proportionate share basis for the three months ended March 31, 2024 and 2023:

(in thousands of dollars)	Three months ended March 31, 2024			Three months ended March 31, 2023		
	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Revenue						
Rental revenue	\$ 288,380	\$ 8,171	\$ 296,551	\$ 274,681	\$ 7,404	\$ 282,085
Residential inventory sales	10,468	71,017	81,485	—	2,363	2,363
Property management and other service fees	4,539	(249)	4,290	4,819	—	4,819
	303,387	78,939	382,326	279,500	9,767	289,267
Operating costs						
Rental operating costs						
Recoverable under tenant leases	111,199	925	112,124	98,808	880	99,688
Non-recoverable costs	8,751	704	9,455	7,449	647	8,096
Residential inventory cost of sales	7,022	57,522	64,544	—	1,126	1,126
	126,972	59,151	186,123	106,257	2,653	108,910
Operating income	176,415	19,788	196,203	173,243	7,114	180,357
Other income (loss)						
Interest income	8,947	636	9,583	7,041	601	7,642
Income from equity-accounted investments	16,706	(16,706)	—	5,514	(5,514)	—
Fair value gain (loss) on investment properties, net	3,251	(392)	2,859	(17,365)	621	(16,744)
Investment and other income (loss)	3,030	(448)	2,582	2,887	(336)	2,551
	31,934	(16,910)	15,024	(1,923)	(4,628)	(6,551)
Other expenses						
Interest costs, net	61,439	3,035	64,474	47,983	2,495	50,478
General and administrative	13,916	4	13,920	15,618	10	15,628
Internal leasing costs	3,593	—	3,593	2,725	—	2,725
Transaction and other costs	1,599	(161)	1,438	388	(19)	369
	80,547	2,878	83,425	66,714	2,486	69,200
Income before income taxes	\$ 127,802	\$ —	\$ 127,802	\$ 104,606	\$ —	\$ 104,606
Current income tax recovery	(794)	—	(794)	(13,398)	—	(13,398)
Net income	\$ 128,596	\$ —	\$ 128,596	\$ 118,004	\$ —	\$ 118,004

NOI and Same Property NOI

The following table reconciles operating income to NOI and Same Property NOI to NOI for the three months ended March 31, 2024 and 2023:

(thousands of dollars)

Three months ended March 31	2024	2023
Operating Income	\$ 176,415	\$ 173,243
Adjusted for the following:		
Property management and other service fees	(4,539)	(4,819)
Residential inventory gains	(3,446)	—
Operational lease revenue from ROU assets	1,695	1,858
NOI	\$ 170,125	\$ 170,282

(thousands of dollars)

Three months ended March 31	2024	2023
Commercial:		
Commercial Same Property NOI	\$ 145,122	\$ 144,598
NOI from income producing properties:		
Acquired (i)	1,183	267
Disposed (i)	563	5,083
	1,746	5,350
NOI from completed commercial developments	9,560	5,893
NOI from properties under de-leasing (ii)	3,979	5,041
Lease cancellation fees	111	4,562
Straight-line rent adjustment	3,247	573
NOI from commercial properties	163,765	166,017
Residential:		
Residential Same Property NOI	4,414	4,145
NOI from income producing properties:		
Acquired (i)	821	—
Disposed (i)	—	47
	821	47
NOI from completed residential developments	1,125	73
NOI from residential rental	6,360	4,265
NOI	\$ 170,125	\$ 170,282

(i) Includes properties acquired or disposed of during the periods being compared.

(ii) NOI from limited number of properties undergoing significant de-leasing in preparation for redevelopment or intensification.

(thousands of dollars)

Three months ended March 31	2024	2023
Commercial Same Property NOI	\$ 145,122	\$ 144,598
Residential Same Property NOI	4,414	4,145
Same Property NOI	\$ 149,536	\$ 148,743

FFO

The following table reconciles net income attributable to Unitholders to FFO for the three months ended March 31, 2024 and 2023:

(thousands of dollars, except where otherwise noted)

Three months ended March 31	2024	2023
Net income attributable to Unitholders	\$ 128,596	\$ 118,004
Add back/(Deduct):		
Fair value (gains) losses, net	(3,251)	17,365
Fair value losses (gains) included in equity-accounted investments	392	(621)
Internal leasing costs	3,593	2,725
Transaction gains on investment properties, net (i)	(51)	(64)
Transaction gains on equity-accounted investments	(31)	—
Transaction costs on sale of investment properties	874	167
ERP implementation costs	2,536	3,954
Change in unrealized fair value on marketable securities	1,118	986
Current income tax recovery	(794)	(13,398)
Operational lease revenue from ROU assets	1,345	1,354
Operational lease expenses from ROU assets in equity-accounted investments	(17)	(12)
Capitalized interest on equity-accounted investments (ii)	1,645	877
FFO	\$ 135,955	\$ 131,337
Add back:		
Restructuring costs	646	613
FFO Adjusted	\$ 136,601	\$ 131,950
FFO per unit - basic	\$ 0.45	\$ 0.44
FFO per unit - diluted	\$ 0.45	\$ 0.44
FFO Adjusted per unit - diluted	\$ 0.45	\$ 0.44
Weighted average number of Units - basic (in thousands)	300,459	300,362
Weighted average number of Units - diluted (in thousands)	300,469	300,547
FFO for last 4 quarters	\$ 535,899	\$ 525,440
Distributions paid for last 4 quarters	\$ 325,195	\$ 311,603
FFO Payout Ratio	60.7%	59.3%

(i) Represents net transaction gains or losses connected to certain investment properties during the period.

(ii) This amount represents the interest capitalized to RioCan's equity-accounted investment in WhiteCastle New Urban Fund 2, LP, WhiteCastle New Urban Fund 3, LP, WhiteCastle New Urban Fund 4, LP, WhiteCastle New Urban Fund 5, LP, RioCan-Fieldgate JV, RC (Queensway) LP, RC (Leaside) LP - Class B, PR Bloor Street LP and RC Yorkville LP. This amount is not capitalized to development projects under IFRS but is allowed as an adjustment under REALPAC's definition of FFO.

Development Spending

Total Development Spending for the three months ended March 31, 2024 and 2023 is as follows:

(thousands of dollars)

Three months ended March 31	2024	2023
Development expenditures on balance sheet:		
Properties under development	\$ 44,273	\$ 66,911
Residential inventory	30,484	17,551
RioCan's share of Development Spending from equity-accounted joint ventures	14,713	3,885
Total Development Spending	\$ 89,470	\$ 88,347

(thousands of dollars)

Three months ended March 31	2024	2023
Mixed-use projects	\$ 84,164	\$ 81,223
Retail projects	5,306	7,124
Total Development Spending	\$ 89,470	\$ 88,347

Total Acquisitions

Total Acquisitions for the three months ended March 31, 2024 and 2023 are as follows:

(thousands of dollars)

Three months ended March 31	2024	2023
Income producing properties	\$ 114,561	\$ —
Properties under development	42,539	28,847
Total Acquisitions (i)	\$ 157,100	\$ 28,847

(i) Includes transaction costs.

Total Contractual Debt

The following table reconciles total debt to Total Contractual Debt as at March 31, 2024 and December 31, 2023:

As at	March 31, 2024			December 31, 2023		
(thousands of dollars)	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Debentures payable	\$ 3,390,619	\$ —	\$ 3,390,619	\$ 3,240,943	\$ —	\$ 3,240,943
Mortgages payable	2,783,405	160,358	2,943,763	2,740,924	158,292	2,899,216
Lines of credit and other bank loans	824,146	200,497	1,024,643	879,246	231,963	1,111,209
Total debt	\$ 6,998,170	\$ 360,855	\$ 7,359,025	\$ 6,861,113	\$ 390,255	\$ 7,251,368
Less:						
Unamortized debt financing costs, premiums and discounts on origination and debt assumed, and modifications	(30,199)	(605)	(30,804)	(24,019)	(484)	(24,503)
Total Contractual Debt	\$ 7,028,369	\$ 361,460	\$ 7,389,829	\$ 6,885,132	\$ 390,739	\$ 7,275,871

Floating Rate Debt and Fixed Rate Debt

The following table summarizes RioCan's Ratio of floating rate debt to total debt as at March 31, 2024 and December 31, 2023:

As at	March 31, 2024			December 31, 2023		
(thousands of dollars, except where otherwise noted)	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Total fixed rate debt	\$ 6,537,055	\$ 188,947	\$ 6,726,002	\$ 6,543,106	\$ 212,554	\$ 6,755,660
Total floating rate debt	461,115	171,908	633,023	318,007	177,701	495,708
Total debt	\$ 6,998,170	\$ 360,855	\$ 7,359,025	\$ 6,861,113	\$ 390,255	\$ 7,251,368
Ratio of floating rate debt to total debt	6.6%		8.6%	4.6%		6.8%

Liquidity

As at March 31, 2024, RioCan had approximately \$1.5 billion of Liquidity as summarized in the following table:

As at	March 31, 2024			December 31, 2023		
(thousands of dollars)	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Undrawn revolving unsecured operating line of credit	\$ 971,000	\$ —	\$ 971,000	\$ 1,250,000	\$ —	\$ 1,250,000
Undrawn construction lines and other bank loans	369,832	150,207	520,039	385,715	189,563	575,278
Cash and cash equivalents	44,681	10,051	54,732	124,234	14,506	138,740
Liquidity	\$ 1,385,513	\$ 160,258	\$ 1,545,771	\$ 1,759,949	\$ 204,069	\$ 1,964,018

Adjusted EBITDA

The following table reconciles consolidated net income attributable to Unitholders to Adjusted EBITDA:

Twelve months ended	March 31, 2024			December 31, 2023		
(thousands of dollars)	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Net income attributable to Unitholders	\$ 49,394	\$ —	\$ 49,394	\$ 38,802	\$ —	\$ 38,802
Add (deduct) the following items:						
Income tax recovery:						
Current	(761)	—	(761)	(13,365)	—	(13,365)
Fair value losses on investment properties, net	429,792	15,136	444,928	450,408	14,123	464,531
Change in unrealized fair value on marketable securities (i)	997	—	997	865	—	865
Internal leasing costs	12,787	—	12,787	11,919	—	11,919
Non-cash unit-based compensation expense	10,436	—	10,436	10,154	—	10,154
Interest costs, net	222,404	11,879	234,283	208,948	11,339	220,287
Restructuring costs	1,401	—	1,401	1,368	—	1,368
ERP implementation costs	10,614	—	10,614	12,032	—	12,032
Depreciation and amortization	2,251	—	2,251	2,632	—	2,632
Transaction losses (gains) on the sale of investment properties, net (ii)	1,136	(114)	1,022	1,180	(83)	1,097
Transaction costs on investment properties	6,314	—	6,314	5,606	1	5,607
Operational lease revenue (expenses) from ROU assets	5,107	(60)	5,047	5,116	(55)	5,061
Adjusted EBITDA	\$ 751,872	\$ 26,841	\$ 778,713	\$ 735,665	\$ 25,325	\$ 760,990

(i) The fair value gains and losses on marketable securities may include both the change in unrealized fair value and realized gains and losses on the sale of marketable securities. By adding back the change in unrealized fair value on marketable securities, RioCan effectively continues to include realized gains and losses on the sale of marketable securities in Adjusted EBITDA and excludes unrealized fair value gains and losses on marketable securities in Adjusted EBITDA.

(ii) Includes transaction gains and losses realized on the disposition of investment properties.

Adjusted Debt to Adjusted EBITDA Ratio

Adjusted Debt to Adjusted EBITDA is calculated as follows:

Twelve months ended	March 31, 2024			December 31, 2023		
(thousands of dollars, except where otherwise noted)	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Adjusted Debt to Adjusted EBITDA						
Average total debt outstanding	\$ 6,930,252	\$ 337,145	\$ 7,267,397	\$ 6,879,087	\$ 317,231	\$ 7,196,318
Less: average cash and cash equivalents	(112,642)	(11,818)	(124,460)	(120,952)	(11,408)	(132,360)
Average Total Adjusted Debt	\$ 6,817,610	\$ 325,327	\$ 7,142,937	\$ 6,758,135	\$ 305,823	\$ 7,063,958
Adjusted EBITDA ⁽ⁱ⁾	\$ 751,872	\$ 26,841	\$ 778,713	\$ 735,665	\$ 25,325	\$ 760,990
Adjusted Debt to Adjusted EBITDA	9.07		9.17	9.19		9.28

(i) Adjusted EBITDA is reconciled in the immediately preceding table.

Unencumbered Assets

The tables below summarize RioCan's Unencumbered Assets and Percentage of Normalized NOI Generated from Unencumbered Assets as at March 31, 2024 and December 31, 2023:

As at	March 31, 2024				December 31, 2023		
(thousands of dollars, except where otherwise noted)	Targeted Ratios	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Investment properties		\$ 13,780,715	\$ 409,699	\$ 14,190,414	\$ 13,561,718	\$ 411,811	\$ 13,973,529
Less: Encumbered investment properties		5,727,968	349,952	6,077,920	5,531,177	352,425	5,883,602
Unencumbered Assets		\$ 8,052,747	\$ 59,747	\$ 8,112,494	\$ 8,030,541	\$ 59,386	\$ 8,089,927
Annual Normalized NOI - total portfolio (i)		\$ 670,220	\$ 25,280	\$ 695,500	\$ 692,092	\$ 25,664	\$ 717,756
Annual Normalized NOI - Unencumbered Assets (i)		\$ 386,944	\$ 3,732	\$ 390,676	\$ 396,888	\$ 3,736	\$ 400,624
Percentage of Normalized NOI Generated from Unencumbered Assets	> 50.0%	57.7%		56.2%	57.3%		55.8%

(i) Annual Normalized NOI is reconciled in the table below.

	Three months ended March 31, 2024			Three months ended December 31, 2023		
(thousands of dollars)	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
NOI (i)	\$ 170,125	\$ 6,320	\$ 176,445	\$ 176,306	\$ 6,416	\$ 182,722
Adjust the following:						
Miscellaneous revenue	(932)	—	(932)	(874)	—	(874)
Percentage rent	(1,527)	—	(1,527)	(2,339)	—	(2,339)
Lease cancellation fees	(111)	—	(111)	(70)	—	(70)
Normalized NOI - total portfolio	\$ 167,555	\$ 6,320	\$ 173,875	\$ 173,023	\$ 6,416	\$ 179,439
Annual Normalized NOI - total portfolio (ii)	\$ 670,220	\$ 25,280	\$ 695,500	\$ 692,092	\$ 25,664	\$ 717,756
NOI from Unencumbered Assets	\$ 98,414	\$ 933	\$ 99,347	\$ 101,349	\$ 934	\$ 102,283
Adjust the following for Unencumbered Assets:						
Miscellaneous revenue	(720)	—	(720)	(796)	—	(796)
Percentage rent	(956)	—	(956)	(1,331)	—	(1,331)
Lease cancellation fees	(2)	—	(2)	—	—	—
Normalized NOI - Unencumbered Assets	\$ 96,736	\$ 933	\$ 97,669	\$ 99,222	\$ 934	\$ 100,156
Annual Normalized NOI - Unencumbered Assets (ii)	\$ 386,944	\$ 3,732	\$ 390,676	\$ 396,888	\$ 3,736	\$ 400,624

(i) Refer to the NOI and Same Property NOI table of this section for reconciliation from NOI to operating income.

(ii) Calculated by multiplying Normalized NOI by a factor of 4.

Forward-Looking Information

This News Release contains forward-looking information within the meaning of applicable Canadian securities laws. This information reflects RioCan's objectives, our strategies to achieve those objectives, as well as statements with respect to management's beliefs, estimates and intentions concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking information can generally be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events. Such forward-looking information reflects management's current beliefs and is based on information currently available to management. All forward-looking information in this News Release is qualified by these cautionary statements. Forward-looking information is not a guarantee of future events or performance and, by its nature, is based on RioCan's current estimates and assumptions, which are subject to numerous risks and uncertainties, including those described in the "*Risks and Uncertainties*" section in RioCan's MD&A for the three months ended March 31, 2024 and in our most recent Annual Information Form, which could cause actual events or results to differ materially from the forward-looking information contained in this News Release. Although the forward-looking information contained in this News Release is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with this forward-looking information.

The forward-looking statements contained in this News Release are made as of the date hereof, and should not be relied upon as representing RioCan's views as of any date subsequent to the date of this News Release. Management undertakes no obligation, except as required by applicable law, to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

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