RIO CAN

RioCan Announces Strong First Quarter Results - Solid Leasing Spreads and Same Property NOI Growth Achieved

Toronto, May 5, 2025 **-** RioCan Real Estate Investment Trust (“RioCan" or the "Trust”) (TSX: REI.UN) announced today its financial results for the three months ended March 31, 2025.

- **Strong leasing demand generated new leasing spreads of 18.3%; blended leasing spreads of 17.5%**
- **Commercial Same Property NOI increased to 3.6%**
- **96% completion of expected First Quarter condominium interim closings to date; cumulative 97% success rate since Q4 2024**
- **RioCan Living asset monetization strategy proceeding with deals for the sale of four additional assets**

“RioCan’s major-market, necessity-based portfolio delivered strong operational and financial results in the first quarter of 2025, despite significant global economic volatility and short-term challenges presented by HBC’s CCAA filing. We continue to successfully deliver on our strategy to monetize our RioCan Living portfolio and met our interim condominium closing targets for Q1”, said Jonathan Gitlin, President and CEO of RioCan. “We remain focused on executing our strategy to drive growth and responsibly managing capital to maximize long-term value for our Unitholders. With a proven track record and experienced team, we are well positioned to successfully navigate any economic environment. With respect to HBC, we will be disciplined in our approach, and we are committed to protecting the interests of our Unitholders.”

Financial Highlights

Three months ended March 31		**2025**		2024
FFO per unit - diluted [1]	**$**	**0.49**	$	0.45
Net income (loss) per unit - diluted	**$**	**(0.28)**	$	0.43
As at		**March 31, 2025**		December 31, 2024
Net book value per unit	**$**	**24.62**	$	25.16

- FFO per unit was $0.49, an increase of $0.04 per unit or 8.9% compared to the same period last year. This growth resulted from strong operating performance and higher residential inventory gains partially offset by higher interest expenses, net of interest income.
- Net loss per unit of $0.28 was $0.71 per unit lower than the same period last year. In addition to the FFO items described above, net loss included Total RC-HBC JV Valuation Losses[1] of $208.8 million or $0.70 per unit pertaining to the Trust's investment in the RioCan-HBC Joint Venture (RC-HBC JV). The net investment in the RC-HBC JV decreased to $41 million in the First Quarter from $249 million at the end of 2024 reflecting lower estimated underlying asset values. Refer to the *RC-HBC JV* section in this News Release for further details.
- Adjusted Debt to Adjusted EBITDA[1] improved to 8.96x and the FFO Payout Ratio[1] was 61.2%. RioCan's strong balance sheet, reinforced by $1.4 billion of Liquidity[1] and $8.5 billion in Unencumbered Assets[1], enables RioCan to successfully navigate economic volatility and optimize capital allocation.

Outlook

- FFO per unit guidance for 2025 has been revised to $1.85 to $1.88 from the previously disclosed range of $1.89 to $1.92 resulting from expected lost FFO from the RC-HBC JV operations, net of the benefit of higher residential inventory gains from development costs savings.
- Based on our revised FFO guidance for 2025, we expect to maintain a payout ratio within our long-term target range of 55%-65%:

	Outlook 2025 (i)
FFO per unit (ii)	$1.85 to $1.88
FFO Payout Ratio	~ 62%
Commercial Same Property NOI growth (ii) [1]	~3.5%

(i) The Trust continuously reviews its longer-term targets in the context of ever-evolving macroeconomic and business environments. FFO guidance for 2025 has been revised to reflect the expected negative impact of lower FFO contribution from the RC-HBC JV. This Outlook does not reflect potential negative impacts from tariff activity, which could significantly alter economic conditions and market dynamics.

(ii) Refer to the *Outlook* section of the Management Discussion and Analysis for the three months ended March 31, 2025 for further details.

1. A non-GAAP measurement. For 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.

Selected Financial and Operational Highlights

(millions of dollars, except where otherwise noted)

Three months ended March 31	2025	2024
Occupancy - committed (i) (ii)	**98.0 %**	97.1 %
Retail occupancy - committed (i) (ii)	**98.7 %**	97.9 %
Blended leasing spread (i)	**17.5 %**	14.0 %
New leasing spread (i)	**18.3 %**	19.7 %
Renewal leasing spread (i)	**17.3 %**	11.5 %
As at	**March 31, 2025**	December 31, 2024
Liquidity (iii) [1]	**$ 1,429**	$ 1,694
Adjusted Debt to Adjusted EBITDA (iii) [1]	**8.96x**	8.98x
Unencumbered Assets (iii) [1]	**$ 8,461**	$ 8,201

(i) Includes commercial portfolio only. Excludes income producing properties that are owned through joint ventures, such as RC-HBC JV, and reported under equity-accounted investments.

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

(iii) At RioCan's Proportionate Share.

- **Leasing Spreads:** In the First Quarter, RioCan achieved a blended leasing spread of 17.5% with a new leasing spread of 18.3% and a renewal leasing spread of 17.3%. Strong leasing demand fueled double-digit leasing spreads for the fifth consecutive quarter.
- **Occupancy:** Steady demand for space in RioCan's premium portfolio sustained committed occupancy and retail committed occupancy at record high levels of 98.0% and 98.7%.
- **Leasing Progress:** 1.0 million square feet were leased in the First Quarter, including 0.2 million square feet of new leases. These new leases with creditworthy tenants span various necessity-based uses, further enhancing the quality of RioCan's income and productivity of our shopping centres.
- **Same Property NOI:** Commercial Same Property NOI[1] improved in the First Quarter to 3.6% bolstered, in part, by the benefits of 2024 leasing activity, which included necessity-based retail tenant backfills at higher rents.
- **RioCan Living - Residential Rental**: Residential rental operations generated $7.5 million of NOI, an increase of $1.1 million or 17.7% over the same period last year. As of March 31, 2025, there are 13 buildings in operation with a total fair value of $0.9 billion. RioCan continues to execute on its strategy of unlocking the value in its residential portfolio. In addition to the sale of Strada in Toronto, Ontario, which closed in 2024, to date RioCan has a firm deal to sell its share of Brio in Calgary as well as conditional sales for three additional assets, all in line with IFRS values. Refer to the *Capital Recycling* section in this News Release for further details.
- **RioCan Living - Residential Inventory Gains and Condominium Closings:** On a proportionate share basis, approximately $66.1 million of sales revenue and $22.2 million of residential inventory gains were recognized in the First Quarter. As a condition of interim occupancy, purchasers must show proof of sufficient funds to close the transaction once the buildings are registered. As of May 5, 2025, 96% of the 324 expected First Quarter condominium interim occupancies at 11YV and U.C. Tower 2 were completed. Since Q4 2024, approximately 97% of the 694 expected interim closings at these two projects have been completed. The condominiums at 11YV and U.C. Tower 2 were officially registered in April 2025. Final closings are expected to start in Q2 2025. A $2.9 million provision for the accounts receivable due on condominium final closing was recorded in the First Quarter given the softening in the general condominium market. The provision for accounts receivable is over and above the 7% default assumption embedded in our outlook.
- Approximately $468 million of sales revenue is expected from the remaining units in the five active condominium construction projects. Approximately $362 million of this expected revenue comes from pre-sold units. Buyers are motivated to complete their purchases as these sales are under legally binding contracts, with an average deposit of 20%.
- Of the initial $800 million of expected sales revenue from the active condominium and townhouse construction projects at the beginning of 2024, $332 million has been recognized, including $152 million from units occupied during 2024 and 2025 and $180 million of accelerated sales revenue from the 2024 sale of partial interests in the 11YV project.
- **Capital Recycling:** As of May 5, 2025, closed, firm and conditional dispositions totalled $240.6 million, and are in line or above IFRS values. In Q1 2025, RioCan completed $16.7 million of dispositions including the sale of a Cineplex-anchored property. Subsequent to quarter end, the Trust also sold part of an open-air retail site in Quebec to an industrial developer. Firm deals include an agreement to sell its 50% interest in Brio in Calgary, Alberta which is expected to close in the

coming months upon the assignment of the CMHC mortgage. RioCan also entered into a conditional agreement to sell its 50% interest in three additional RioCan Living properties.

- **Normal Course Issuer Bid (NCIB):** The Trust believes that the market price of its units does not fully reflect the underlying value and future prospects of its business, making purchasing its own units an attractive investment opportunity. During the First Quarter, the Trust acquired and cancelled 3.2 million Units at a weighted average price of $18.51 per unit for a cost of $60.0 million. Purchases were funded through the sale of two low-growth assets: RioCan Centre Vaughan, which closed in Q4 2024, and the aforementioned North Edmonton Cineplex Centre, which closed in Q1 2025. These purchases were made pursuant to the automatic securities purchase plan adopted in connection with the Trust's 2024/2025 NCIB.
- **Investing:** RioCan issued $19.9 million of new loans under its real estate lending program during the First Quarter, earning an average interest rate of 12.7%. Additionally, $67.0 million of existing loans were repaid. RioCan completed a $53.9 million previously announced acquisition of a mixed-use residential rental property located in Calgary and, in a non-cash deal, acquired its partner's 75% interest in the condominium density at RioCan Leaside Centre in Toronto. Construction of the mixed-use residential rental asset is expected to be completed by June 2025 and pre-leasing commenced in April 2025. On April 1, 2025, RioCan acquired, upon stabilization, a 90% interest in Phase Two/Three of Market in Montreal, Quebec for the purchase price of $125.4 million. This acquisition was pursuant to a forward purchase agreement previously announced during the purchase of Phase One of the project in 2022.
- **Balance Sheet and Liquidity**: As of March 31, 2025, the Trust's Adjusted Debt to Adjusted EBITDA ratio improved to 8.96x from 8.98x at the end of 2024, in line with its target range of 8.0x - 9.0x. The Trust has $1.4 billion of Liquidity to meet its financial obligations, including $1.1 billion revolving operating line of credit.
- **Financing:** As of March 31, 2025, the weighted average term to maturity of its debt portfolio was extended to 3.88 years from 3.72 years, and the Ratio of Unsecured Debt to Total Contractual Debt[1] increased to 57.3% from 55.7%, both compared to the end of 2024 and on a proportionate share basis.
- During the First Quarter, RioCan proactively accessed the debt capital markets before the recent volatility, securing favourable rates and addressing a significant number of its 2025 maturities. The Trust issued $550.0 million of senior unsecured debentures in two series: $250.0 million floating rate Series AN senior unsecured debentures which were swapped to fixed rates, and $300.0 million fixed rate Series AO senior unsecured debentures. The all-in weighted average interest rate for the $550.0 million of debentures was 4.05% per annum inclusive of the interest rate swap, with a weighted average term to maturity of 4.8 years. The net proceeds were used to redeem the $500.0 million Series AB senior unsecured debentures upon maturity. The Trust repaid $133.6 million of maturing mortgages during the quarter and additionally, repaid $167.4 million of maturing mortgages subsequent to quarter end. The repayment of mortgages subsequent to quarter end further improved the Ratio of Unsecured Debt to Total Contractual Debt to 58.6% and increased the Unencumbered Assets pool by $344.9 million.

1. A non-GAAP measurement. For 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.

RC-HBC JV

- Hudson's Bay Company ULC (HBC), the primary tenant of the RC-HBC JV, filed for creditor protection on March 7, 2025 under the Companies' Creditors Arrangement Act (CCAA). Through its investment in the RC-HBC JV, RioCan indirectly holds a 22% interest in ten locations where HBC is the sole tenant, and an 11% interest in two multi-tenanted locations (the RC-HBC JV owns 50% of these two multi-tenanted locations and RioCan owns 50% directly). Please refer to RioCan's Press Release dated March 18, 2025, *RioCan Real Estate Investment Trust Provides Update on Hudson's Bay Company's CCAA Filing*, which provides details of RioCan's balance sheet and FFO exposure.
- A court order dated March 21, 2025 requires HBC to pay $7.0 million of the approximate $10.0 million (at 100%) of monthly occupancy rent due to the RC-HBC JV. This payment provides sufficient cash flow to cover expenses, debt service obligations and fees, including fees and debt service that is payable to RioCan. The remaining amount will be accrued with a charge against the HBC estate, ranking ahead of the pre-filing creditors. RioCan has recorded a provision of approximately $1.0 million (at RioCan's share) for the uncollected portion.
- RioCan also evaluated the carrying value of its net investment in the RC-HBC JV and recognized $208.8 million of Total RC-HBC JV Valuation Losses for the three months ended March 31, 2025. These valuation losses were based on management's best estimate using the information available to the Trust and include the assumption of re-leasing the investment properties to new tenants at market rents below existing rents at sole tenant locations.

- RioCan's net investment in the RC-HBC JV is summarized in the chart below.

Net Investment in RC-HBC JV

(thousands of dollars, except where otherwise noted)

As at	March 31, 2025	December 31, 2024
Net Investment in RC-HBC JV	**$ 41,406**	$ 248,979
% of Total RioCan Equity	**0.6%**	3.3%

- RioCan has assessed that the guarantees and mezzanine loans associated with the RC-HBC JV are recoverable based on the estimated values of the assets that are pledged as security against each obligation. Additionally, RioCan obtained termination rights for the HBC leases at three properties that are currently at below market rent.
- While the RC-HBC JV is not an applicant to the CCAA proceedings, the CCAA court-ordered stay has been extended to benefit the RC-HBC JV, including any events of default associated with the debt. The RC-HBC JV debt is non-recourse to the Trust except where RioCan has provided guarantees.
- The Trust continues to pursue all available business and legal avenues and will leverage its extensive leasing and development capabilities to achieve the best possible outcome for each of the properties within the RC-HBC JV.
- Refer to the *Joint Arrangements* and *Non-GAAP Measures* sections of the Management Discussion and Analysis and the Condensed Consolidated Financial Statements for the three months ended March 31, 2025 for further details.

Conference Call and Webcast

Interested parties are invited to participate in a conference call with management on Tuesday, May 6, 2025 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: 479261.

For those unable to participate in the live mode, a replay will be available at 1-866-813-9403 with access code: 981805.

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, mixed-use properties located in prime, high-density transit-oriented areas where Canadians want to shop, live and work. As at March 31, 2025, our portfolio is comprised of 177 properties with an aggregate net leasable area of approximately 32 million square feet (at RioCan's interest). 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, 2025, 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"), FFO Payout Ratio, Total RC-HBC JV Valuation Losses, Ratio of Unsecured Debt to Total Contractual Debt, Liquidity, Adjusted Debt to Adjusted EBITDA, RioCan's Proportionate Share, 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, 2025.

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, 2025 and December 31, 2024:

As at	**March 31, 2025**			December 31, 2024		
(thousands of dollars)	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Assets						
Investment properties	**$ 13,867,148**	**$ 240,546**	**$ 14,107,694**	$ 13,839,154	$ 425,690	$ 14,264,844
Equity-accounted investments	**195,606**	**(195,606)**	**—**	408,588	(408,588)	—
Mortgages and loans receivable	**411,607**	**(8,445)**	**403,162**	470,729	(5,321)	465,408
Residential inventory	**357,751**	**325,160**	**682,911**	284,050	337,920	621,970
Assets held for sale	**76,800**	**—**	**76,800**	16,707	—	16,707
Receivables and other assets	**343,156**	**57,045**	**400,201**	262,573	77,571	340,144
Cash and cash equivalents	**59,492**	**7,137**	**66,629**	190,243	9,890	200,133
Total assets	**$ 15,311,560**	**$ 425,837**	**$ 15,737,397**	$ 15,472,044	$ 437,162	$ 15,909,206
Liabilities						
Debentures payable	**$ 4,137,250**	**$ —**	**$ 4,137,250**	$ 4,088,654	$ —	$ 4,088,654
Mortgages payable	**2,706,062**	**155,799**	**2,861,861**	2,851,602	160,701	3,012,303
Lines of credit and other bank loans	**560,224**	**194,008**	**754,232**	383,658	198,682	582,340
Accounts payable and other liabilities	**590,126**	**76,030**	**666,156**	589,792	77,779	667,571
Total liabilities	**$ 7,993,662**	**$ 425,837**	**$ 8,419,499**	$ 7,913,706	$ 437,162	$ 8,350,868
Equity						
Unitholders’ equity	**7,317,898**	**—**	**7,317,898**	7,558,338	—	7,558,338
Total liabilities and equity	**$ 15,311,560**	**$ 425,837**	**$ 15,737,397**	$ 15,472,044	$ 437,162	$ 15,909,206

RioCan's Proportionate Share (continued)

The following tables reconcile the consolidated statements of income (loss) from IFRS to RioCan's proportionate share basis for the three months ended March 31, 2025 and 2024:

Three months ended March 31	**2025**			2024		
(thousands of dollars)	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Revenue						
Rental revenue	**$ 296,741**	**$ (15,349)**	**$ 281,392**	$ 288,380	$ 8,171	$ 296,551
Residential inventory sales	**54,942**	**23,194**	**78,136**	10,468	71,017	81,485
Property management and other service fees	**4,148**	**(389)**	**3,759**	4,539	(249)	4,290
	355,831	**7,456**	**363,287**	303,387	78,939	382,326
Operating costs						
Rental operating costs						
Recoverable under tenant leases	**109,995**	**965**	**110,960**	111,199	925	112,124
Non-recoverable costs	**10,400**	**1,765**	**12,165**	8,751	704	9,455
Residential inventory cost of sales	**33,357**	**21,354**	**54,711**	7,022	57,522	64,544
	153,752	**24,084**	**177,836**	126,972	59,151	186,123
Operating income (loss)	**202,079**	**(16,628)**	**185,451**	176,415	19,788	196,203
Other income (loss)						
Interest income	**11,402**	**500**	**11,902**	8,947	636	9,583
Income (loss) from equity-accounted investments	**(204,066)**	**204,066**	**—**	16,706	(16,706)	—
Fair value (loss) gain on investment properties, net	**(14,778)**	**(152,489)**	**(167,267)**	3,251	(392)	2,859
Investment and other income (loss), net	**2,424**	**(33,033)**	**(30,609)**	3,030	(448)	2,582
	(205,018)	**19,044**	**(185,974)**	31,934	(16,910)	15,024
Other expenses						
Interest costs, net	**66,680**	**2,574**	**69,254**	61,439	3,035	64,474
General and administrative	**10,393**	**18**	**10,411**	13,916	4	13,920
Internal leasing costs	**3,256**	**—**	**3,256**	3,593	—	3,593
Transaction and other costs	**888**	**(176)**	**712**	1,599	(161)	1,438
	81,217	**2,416**	**83,633**	80,547	2,878	83,425
Income (loss) before income taxes	**$ (84,156)**	**$ —**	**$ (84,156)**	$ 127,802	$ —	$ 127,802
Current income tax recovery	**—**	**—**	**—**	(794)	—	(794)
Net income (loss)	**$ (84,156)**	**$ —**	**$ (84,156)**	$ 128,596	$ —	$ 128,596

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, 2025 and 2024:

(thousands of dollars) Three months ended March 31		**2025**		2024
Operating Income	**$**	**202,079**	$	176,415
Adjusted for the following:				
Property management and other service fees		**(4,148)**		(4,539)
Residential inventory gains		**(21,585)**		(3,446)
Operational lease revenue from ROU assets, net (i)		**2,339**		1,695
NOI	**$**	**178,685**	$	170,125

(i) Includes $0.6 million of straight-line rent from operational lease revenue from ROU assets for the three months ended March 31, 2025.

(thousands of dollars) Three months ended March 31		**2025**		2024
Commercial				
Commercial Same Property NOI	**$**	**147,881**	$	142,810
NOI from income producing properties:				
Acquired (i)		**886**		719
Disposed (i)		**1,021**		2,640
		1,907		3,359
NOI from completed commercial developments		**11,237**		9,538
NOI from properties under de-leasing (ii)		**5,132**		4,700
Lease cancellation fees		**2,207**		111
Straight-line rent adjustment (iii)		**2,836**		3,247
NOI from commercial properties		**171,200**		163,765
Residential				
Residential Same Property NOI		**5,094**		5,111
NOI from income producing properties:				
Acquired (i)		**478**		342
Disposed (i)		**—**		146
		478		488
NOI from completed residential developments		**1,913**		761
NOI from residential rental		**7,485**		6,360
NOI	**$**	**178,685**	$	170,125

(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.

(iii) It includes $0.6 million of straight-line rent from operational lease revenue from ROU assets for the three months ended March 31, 2025.

(thousands of dollars) Three months ended March 31		**2025**		2024
Commercial Same Property NOI	**$**	**147,881**	$	142,810
Residential Same Property NOI		**5,094**		5,111
Same Property NOI	**$**	**152,975**	$	147,921

FFO

The following table reconciles net income (loss) attributable to Unitholders to FFO for the three months ended March 31, 2025 and 2024:

(thousands of dollars, except where otherwise noted)		
Three months ended March 31	**2025**	2024
Net income (loss) attributable to Unitholders	**$ (84,156)**	$ 128,596
Add back (deduct):		
Fair value losses (gains), net	**14,778**	(3,251)
Fair value losses included in equity-accounted investments	**152,489**	392
Other RC-HBC JV Valuation Losses	**56,296**	—
Internal leasing costs	**3,256**	3,593
Transaction gains on investment properties, net (i)	**(433)**	(51)
Transaction gains on equity-accounted investments	**—**	(31)
Transaction costs on sale of investment properties	**431**	874
ERP implementation costs	**—**	2,536
ERP amortization	**(434)**	—
Change in unrealized fair value on marketable securities	**—**	1,118
Current income tax recovery	**—**	(794)
Operational lease revenue from ROU assets	**1,907**	1,345
Operational lease expenses from ROU assets in equity-accounted investments	**(18)**	(17)
Capitalized interest related to equity-accounted investments (ii):		
Capitalized interest related to properties under development	**39**	132
Capitalized interest related to residential inventory	**1,409**	1,513
FFO	**$ 145,564**	$ 135,955
Add back (deduct):		
Restructuring costs	**255**	646
FFO Adjusted	**$ 145,819**	$ 136,601
FFO per unit - basic	**$ 0.49**	$ 0.45
FFO per unit - diluted	**$ 0.49**	$ 0.45
FFO Adjusted per unit - diluted	**$ 0.49**	$ 0.45
Weighted average number of Units - basic (in thousands)	**297,663**	300,459
Weighted average number of Units - diluted (in thousands)	**297,688**	300,469
FFO for last four quarters	**$ 545,580**	$ 535,899
Distributions paid for last four quarters	**$ 334,106**	$ 325,195
FFO Payout Ratio	**61.2%**	60.7%

(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, 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.

Total RC-HBC JV Valuation Losses

The following table reconciles Total RC-HBC JV Valuation Losses and Other RC-HBC JV Valuation Losses during the three months ended March 31, 2025 and 2024:

(thousands of dollars) Three months ended March 31	**2025**	2024
Share of net loss (income) from equity-accounted investments	**$ 204,066**	$ (16,706)
Add back(Deduct):		
Share of income from RC-HBC JV operations	**2,488**	3,433
Share of fair value losses on investment properties from RC-HBC JV pre-HBC CCAA Proceedings	**—**	(294)
Share of income from other equity-accounted investments	**2,289**	13,567
Total RC-HBC JV Valuation Losses	**$ 208,843**	$ —
Deduct:		
Share of fair value losses on investment properties from RC-HBC JV post-HBC CCAA Proceedings	**(152,547)**	—
Other RC-HBC JV Valuation Losses	**$ 56,296**	$ —

Total RC-HBC JV Valuation Losses comprise of the following during the three months ended March 31, 2025 and 2024:

(thousands of dollars) Three months ended March 31	**2025**	2024
Provision for expected credit losses on finance lease receivables in RC-HBC JV	**$ 24,517**	$ —
Write-off of straight-line rent receivable in RC-HBC JV	**23,300**	—
Impairment losses on RC-HBC JV	**8,479**	—
Other RC-HBC JV Valuation Losses	**$ 56,296**	$ —
Fair value losses on investment properties from RC-HBC JV	**152,547**	—
Total RC-HBC JV Valuation Losses	**$ 208,843**	$ —

Total Contractual Debt

The following table reconciles total debt to Total Contractual Debt as at March 31, 2025 and December 31, 2024:

As at	**March 31, 2025**			December 31, 2024		
(thousands of dollars)	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Debentures payable	**$ 4,137,250**	**$ —**	**$ 4,137,250**	$ 4,088,654	$ —	$ 4,088,654
Mortgages payable	**2,706,062**	**155,799**	**2,861,861**	2,851,602	160,701	3,012,303
Lines of credit and other bank loans	**560,224**	**194,008**	**754,232**	383,658	198,682	582,340
Total debt	**$ 7,403,536**	**$ 349,807**	**$ 7,753,343**	$ 7,323,914	$ 359,383	$ 7,683,297
Less:						
Unamortized debt financing costs, premiums and discounts on origination and debt assumed, and modifications	**(36,058)**	**(398)**	**(36,456)**	(35,490)	(526)	(36,016)
Total Contractual Debt	**$ 7,439,594**	**$ 350,205**	**$ 7,789,799**	$ 7,359,404	$ 359,909	$ 7,719,313

Unsecured and Secured Debt

The following table reconciles Total Unsecured and Secured Debt to Total Contractual Debt as at March 31, 2025 and December 31, 2024:

As at	**March 31, 2025**			December 31, 2024		
(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 Unsecured Debt	**$ 4,465,000**	**$ —**	**$ 4,465,000**	$ 4,300,000	$ —	$ 4,300,000
Total Secured Debt	**2,974,594**	**350,205**	**3,324,799**	3,059,404	359,909	3,419,313
Total Contractual Debt	**$ 7,439,594**	**$ 350,205**	**$ 7,789,799**	$ 7,359,404	$ 359,909	$ 7,719,313
Percentage of Total Contractual Debt:						
Unsecured Debt	**60.0%**		**57.3%**	58.4%		55.7%
Secured Debt	**40.0%**		**42.7%**	41.6%		44.3%

Liquidity

As at March 31, 2025, RioCan had approximately $1.4 billion of Liquidity as summarized in the following table:

As at	**March 31, 2025**			December 31, 2024		
(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	**$ 1,135,000**	**$ —**	**$ 1,135,000**	$ 1,250,000	$ —	$ 1,250,000
Undrawn construction lines and other bank loans	**126,673**	**100,807**	**227,480**	146,024	97,892	243,916
Cash and cash equivalents	**59,492**	**7,137**	**66,629**	190,243	9,890	200,133
Liquidity	**$ 1,321,165**	**$ 107,944**	**$ 1,429,109**	$ 1,586,267	$ 107,782	$ 1,694,049

Adjusted EBITDA

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

Twelve months ended	**March 31, 2025**			December 31, 2024		
(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	**$ 260,713**	**$ —**	**$ 260,713**	$ 473,465	$ —	$ 473,465
Add (deduct) the following items:						
Income tax recovery:						
Current	**—**	**—**	**—**	(794)	—	(794)
Fair value losses on investment properties, net	**47,382**	**155,679**	**203,061**	29,353	3,582	32,935
Total RC-HBC JV Valuation Losses	**208,843**	**(152,547)**	**56,296**	—	—	—
Change in unrealized fair value on marketable securities (i)	**(5,766)**	**—**	**(5,766)**	(4,648)	—	(4,648)
Internal leasing costs	**12,956**	**—**	**12,956**	13,293	—	13,293
Non-cash unit-based compensation expense	**10,404**	**—**	**10,404**	10,385	—	10,385
Interest costs, net	**262,785**	**11,083**	**273,868**	257,544	11,544	269,088
Debt prepayment cost, net	**455**	**—**	**455**	455	—	455
Restructuring costs	**7,461**	**—**	**7,461**	7,852	—	7,852
ERP implementation costs	**2,832**	**—**	**2,832**	5,368	—	5,368
Depreciation and amortization	**1,485**	**—**	**1,485**	1,450	—	1,450
Transaction losses (gains) on the sale of investment properties, net (ii)	**(485)**	**(21)**	**(506)**	2	(52)	(50)
Transaction costs on investment properties	**3,229**	**1**	**3,230**	3,672	1	3,673
Operational lease revenue (expenses) from ROU assets	**8,376**	**(70)**	**8,306**	7,814	(69)	7,745
Adjusted EBITDA	**$ 820,670**	**$ 14,125**	**$ 834,795**	$ 805,211	$ 15,006	$ 820,217

(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, 2025**			December 31, 2024		
(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	**$ 7,211,717**	**$ 357,826**	**$ 7,569,543**	$ 7,103,232	$ 365,916	$ 7,469,148
Less: average cash and cash equivalents	**(76,988)**	**(8,834)**	**(85,822)**	(89,937)	(10,307)	(100,244)
Adjusted Debt	**$ 7,134,729**	**$ 348,992**	**$ 7,483,721**	$ 7,013,295	$ 355,609	$ 7,368,904
Adjusted EBITDA (i)	**$ 820,670**	**$ 14,125**	**$ 834,795**	$ 805,211	$ 15,006	$ 820,217
Adjusted Debt to Adjusted EBITDA	**8.69**		**8.96**	8.71		8.98

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

Unencumbered Assets

The tables below summarize RioCan's Unencumbered Assets as at March 31, 2025 and December 31, 2024:

As at	**March 31, 2025**			December 31, 2024		
(thousands of dollars)	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Investment properties	**$ 13,867,148**	**$ 240,546**	**$ 14,107,694**	$ 13,839,154	$ 425,690	$ 14,264,844
Less: Encumbered investment properties	**5,437,169**	**209,199**	**5,646,368**	5,704,034	359,465	6,063,499
Unencumbered Assets	**$ 8,429,979**	**$ 31,347**	**$ 8,461,326**	$ 8,135,120	$ 66,225	$ 8,201,345

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, 2025 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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