SEIZING THE INITIATIVE
AFTER THE STORM

The recent economic storm powerfully tested RioCan, Canada’s largest real estate investment trust. Although we experienced some challenges throughout the year, we have emerged strong, specifically with steady occupancy, improving rental rates on an ever more diversified tenant base, strong cash reserves, and a conservative balance sheet.

RioCan’s ability to access capital during a period of limited liquidity and our substantial cash balance is a strong foundation for conservative and disciplined expansion. We have weathered the storm, and are poised to seize the initiative. Your Trust will do this by building on our strengths and capitalizing on opportunities.

Our strategy is built on strength, experience, and a conservative approach. As the past eighteen months have shown, RioCan’s strategy has been tested, and proven sound. RioCan manages the best retail portfolio in Canada, carefully acquired and developed over the last sixteen years. Your Trust’s strategy is based on owning prime retail locations across Canada’s core markets where the majority of the population resides and where the most population growth occurs. Most Canadians are located
within close proximity to a
RioCan shopping centre.
Our multi-layered strategy is
designed to flourish in the good
times, and preserve our position
in difficult ones. As a result, a
stable income stream is provided
to Unit Holders. During the storm,
our focus was on strengthening
and preserving our balance sheet.
Now that a recovery seems to
be under way albeit slow and
somewhat fragile, RioCan is
refocusing on income growth
through acquisitions, selective
new development and organic
revenue growth through
increased rental rates and
property intensification.

Now is the time to assert ourselves
in our areas of expertise with our
proven approach of discipline,
prudence and an eye to
opportunity in retail real estate.
Accordingly, at the end of 2009,
including early February 2010, we
expanded our portfolio with the
addition of more than 2.4 million
square feet through acquisitions
that invested more than $530
million. These acquisitions that
were completed at attractive
capitalization rates, will provide
for solid income growth in 2010,
have further strengthened
RioCan’s portfolio in
Western Canada.

Expansion in the
United States
As the real estate market presents
opportunities in times of distress
south of the border, we have been
closely studying that market.
In fact, we have been closely
following that market for the last
several years. Canada presents
relatively few opportunities for
new acquisitions. The value of
Canadian real-estate assets has
remained relatively consistent,
especially compared to more
volatile markets south of
the border.

Many of the properties coming
available in the US are of
exceptional quality, and are
currently being held by stressed
vendors, constrained by a lack of
liquidity. These vendors are not
disposed to sell due to issues with
the property. Rather, many of
these operators have difficulty
meeting demands of lenders
and satisfying more stringent
conditions on accessing capital.

As such, acquisitions can be
made at considerably less than
replacement costs. In fact, we
believe that the next 12 to 18
months are a time of unique
opportunities for your Trust.

The United States is a very large
country and must actually be
considered as several different
markets. We have chosen to focus
first on the Northeast, a proven,
stable region. This is not an area
characterized by booms or
bubbles but is a mature,
consistent market with a stable
economic performance; a perfect
foothold for RioCan. Consider:
the six states in the northeast
alone have a population of
60 million or almost double that
of Canada. With 14–15 million
people, Pennsylvania itself
has approximately half the
population of Canada. Your
Trust has the ability to recognize
the value of existing properties
and the capital reserves to seize
these historic opportunities as well
as evaluating the tenants, who
in the many cases are the same
tenants we deal with here in
Canada. In so doing, we will
enlarge the RioCan footprint,
as well as our revenues, earnings
and profits. And this expansion
employs a strategy to own
grocery-anchored centres in
densely populated markets, which
are subject to fewer fluctuations
development and organic
new development and organic
revenue growth through
increased rental rates and
property intensification.

Now is the time to assert ourselves
in our areas of expertise with our
proven approach of discipline,
prudence and an eye to
opportunity in retail real estate.
Accordingly, at the end of 2009,
including early February 2010, we
expanded our portfolio with the
addition of more than 2.4 million
square feet through acquisitions
that invested more than $530
million. These acquisitions that
were completed at attractive
capitalization rates, will provide
for solid income growth in 2010,
have further strengthened
RioCan’s portfolio in
Western Canada.

Expansion in the
United States
As the real estate market presents
opportunities in times of distress
south of the border, we have been
closely studying that market.
In fact, we have been closely
following that market for the last
several years. Canada presents
relatively few opportunities for
new acquisitions. The value of
Canadian real-estate assets has
remained relatively consistent,
especially compared to more
volatile markets south of
the border.

Many of the properties coming
available in the US are of
exceptional quality, and are
currently being held by stressed
vendors, constrained by a lack of
liquidity. These vendors are not
disposed to sell due to issues with
the property. Rather, many of
these operators have difficulty
meeting demands of lenders
and satisfying more stringent
conditions on accessing capital.

As such, acquisitions can be
made at considerably less than
replacement costs. In fact, we
believe that the next 12 to 18
months are a time of unique
opportunities for your Trust.

The United States is a very large
country and must actually be
considered as several different
markets. We have chosen to focus
first on the Northeast, a proven,
stable region. This is not an area
characterized by booms or
bubbles but is a mature,
consistent market with a stable
economic performance; a perfect
foothold for RioCan. Consider:
the six states in the northeast
alone have a population of
60 million or almost double that
of Canada. With 14–15 million
people, Pennsylvania itself
has approximately half the
population of Canada. Your
Trust has the ability to recognize
the value of existing properties
and the capital reserves to seize
these historic opportunities as well
as evaluating the tenants, who
in the many cases are the same
 tenants we deal with here in
Canada. In so doing, we will
enlarge the RioCan footprint,
as well as our revenues, earnings
and profits. And this expansion
employs a strategy to own
grocery-anchored centres in
densely populated markets, which
are subject to fewer fluctuations
development and organic
new development and organic
revenue growth through
increased rental rates and
property intensification.

Now is the time to assert ourselves
in our areas of expertise with our
proven approach of discipline,
prudence and an eye to
opportunity in retail real estate.
Accordingly, at the end of 2009,
including early February 2010, we
expanded our portfolio with the
addition of more than 2.4 million
square feet through acquisitions
that invested more than $530
million. These acquisitions that
were completed at attractive
capitalization rates, will provide
for solid income growth in 2010,
have further strengthened
RioCan’s portfolio in
Western Canada.

Expansion in the
United States
As the real estate market presents
opportunities in times of distress
south of the border, we have been
closely studying that market.
In fact, we have been closely
following that market for the last
several years. Canada presents
relatively few opportunities for
new acquisitions. The value of
Canadian real-estate assets has
remained relatively consistent,
especially compared to more
volatile markets south of
the border.

Many of the properties coming
available in the US are of
exceptional quality, and are
currently being held by stressed
vendors, constrained by a lack of
liquidity. These vendors are not
disposed to sell due to issues with
the property. Rather, many of
these operators have difficulty
meeting demands of lenders
and satisfying more stringent
conditions on accessing capital.

As such, acquisitions can be
made at considerably less than
replacement costs. In fact, we
believe that the next 12 to 18
months are a time of unique
opportunities for your Trust.

The United States is a very large
country and must actually be
considered as several different
markets. We have chosen to focus
first on the Northeast, a proven,
stable region. This is not an area
characterized by booms or
bubbles but is a mature,
consistent market with a stable
economic performance; a perfect
foothold for RioCan. Consider:
the six states in the northeast
alone have a population of
60 million or almost double that
of Canada. With 14–15 million
people, Pennsylvania itself
has approximately half the
population of Canada. Your
Trust has the ability to recognize
the value of existing properties
and the capital reserves to seize
these historic opportunities as well
as evaluating the tenants, who
A WINNING PROPOSITION
97% OCCUPANCY
RioCan’s top 25 tenants are Canadian retail leaders and represent a spectrum of consumer products and services. Canada’s retail environment is considerably more concentrated than in the US. In Canada,

1. Metro/A&P/Super C/Loeb/Food Basics
2. Famous Players/Cineplex/Galaxy Cinemas
3. Walmart
4. Canadian Tire/PartSource/Mark’s Work Wearhouse
5. Zellers/The Bay/Home Outfitters
6. Winners/HomeSense
7. Loblaws/No Frills/Fortinos/Zehrs/Maxi
8. Staples/Business Depot
9. Reitmans/Penningtons/Smart Set/ Addition–Elle/Thyme Maternity
10. Shoppers Drug Mart
11. Harvey’s/Swiss Chalet/Kelsey’s/Montana’s/Milestone’s
12. Future Shop/Best Buy
14. Sobeys/IGA/Price Chopper/Empire Theatres
15. Chapters/Indigo
16. Dollarama
17. TD Bank
18. PetSmart
19. The Brick
20. Blue Notes/Stitches/Suzy Shier/Urban Planet
21. Safeway
22. Sears
23. Lowe’s
24. Premier Fitness
25. Rona/Revy/Reno

RioCan’s tenant list is comprised largely of the dominant retailer within the market. Of note, RioCan’s tenant portfolio is diverse, with no tenant representing more than 5% of total rental revenue. In total, RioCan’s top 25 tenants generate approximately 49.8% of total revenues. This diversity provides RioCan and its unitholders a stable cash flow stream and greatly reduces the exposure to any one particular tenant.
EXPANDING OPPORTUNITIES
RioCan generates continued growth in Canada through acquisitions, asset intensification, and Greenfield development.

**Building the Portfolio Through Desirable Acquisitions**

RioCan constantly monitors the Canadian market for acquisitions. In 2009, however, the acquisition market was challenging. When assets do become available, RioCan can use its substantial liquidity position to acquire prime properties, at favourable prices.

In late 2009, the acquisition market heated up. For instance, the acquisition of three Walmart anchored properties in Western Canada, strengthened RioCan’s portfolio in these expanding and vital markets. Two of the properties were acquired with a partner. In 2009, RioCan completed total acquisitions of $348 million that added approximately 1.8 million square feet to RioCan’s portfolio and by early February 2010 had completed an additional $184 million of acquisitions that added approximately 641,000 square feet.

Partnerships through joint ventures allow your Trust to increase the scale of its acquisitions and enhance returns from additional fees. Indicative of the success of RioCan’s acquisition team in a year of challenges, acquisitions amounted to $348 million last year compared to 2008 where RioCan completed $163 million.

RioCan typically provides property management, development and leasing services for co-owned properties. Over the long-term, these joint ventures produce consistent, third-party fees from long-established income properties.

Your Trust has a number of solid and expanding relationships with many of Canada’s largest investment funds and institutional investors.

**Development**

To maintain leadership in our sector, RioCan adapts to ever-changing retail opportunities. RioCan’s platform is based on two primary forms of development;

land use intensification and Greenfield development.

**Intensification Projects in the Urban Core**

Given the prohibitive costs associated with expanding major infrastructure outside of urban locations, environmental issues and scarce transit dollars, optimal use of mixed-use space in urban centres is increasingly a priority. And RioCan will be at the forefront of these opportunities.

An example of RioCan’s urban intensification projects is the innovative joint venture development in Toronto, located at a one acre site at Queen and Portland, just west of the downtown core.

The project is a joint venture with Tribute Communities, a home builder which develops, markets and owns the residential component. The site will be a mixed-use four storey building featuring a residential component and three stories of approximately 92,000 square feet of retail space. RioCan has a 40% profit participation right in connection with sale of the residential units. Your Trust owns and manages the retail portion of the property, which is currently leased to three major retailers: Winners, Loblaw’s, and Joe Fresh. Construction on the site has commenced and RioCan anticipates that this project will be completed in fourth quarter of 2010.

**The New Shape of Urban Intensification**

Retail centres are typically built with lot coverage of approximately 25% of the underlying land. Where tenant demand exists and planning rules permit, RioCan endeavours to obtain additional density on its existing property portfolio. Indeed, expanding and redeveloping existing shopping centres is part of RioCan’s mandate, so that our properties remain premiere retail destinations. Further, since the Trust already owns the underlying land, development risk is relatively lower which can enable stronger returns on new invested capital.
OPERATIONS REPORT CANADA

COVERING OUR MARKETS
Nearly 25 million Canadians, or 80% of the population, reside in urban markets. RioCan aims to develop a comprehensive presence in these core urban areas. In Canada, there are six urban centres that have populations of more than one million: Montreal, Ottawa/Hull, Toronto, Calgary, Edmonton and Vancouver. Combined, these six cities have a population of 13.6 million residents, or 45% of Canada’s population, based on Statistics Canada 2006 Census reports. To capitalize on population growth, RioCan operates in these centres and the adjacent areas.

Population growth drives retail sales, which in turn enhances demand for premium retail space and increased rents. RioCan has assembled a portfolio with a powerful presence in each of these markets with almost two thirds of RioCan’s rental revenue generated in these six markets. High-growth markets offer other opportunities for enhanced value, such as rezoning for further development and growth.

When outside of these primary markets, RioCan seeks to own land that has not been previously developed. During 2009 RioCan completed approximately 696,000 square feet of Greenfield development and as of December 31, 2009, had Greenfield Development projects that will, upon completion, comprise approximately 8.5 million square feet, of which RioCan’s ownership interest will be approximately 3.0 million square feet. These developments generate positive returns and improve the diversity and quality of the portfolio.

**Occupancy**

The occupancy rate is a key measure of successful retail space management. A high occupancy rate reflects RioCan’s site selection, property management and marketing. The numbers tell the story. For the last eight quarters, RioCan’s occupancy has been around 97%. Throughout 16 years of operation, RioCan’s occupancy has never fallen below 95%. RioCan’s consistent track record of stable occupancy serves as a strong foundation for RioCan to realize its goal to provide unitholders with stable and reliable distributions.

**Leasing**

RioCan has a capable and experienced leasing team, marketing high demand properties and established portfolios. Of note, the leasing group had a productive and rewarding year in 2009. During the year RioCan leased more than 4.1 million square feet through new leasing on the existing portfolio and renewals. Moreover, the rent spreads upon renewal leases in 2009 were positive, enhancing stable and reliable cash flows.

**Greenfield Development**

As part of RioCan’s conservative and disciplined strategy, Greenfield development is an important source for growth. New development projects or the addition of new phases to a RioCan project are only initiated when a project has been substantially pre-leased. Of interest to your Trust is Greenfield Development on
RioCan has enjoyed very strong growth in Canada since its inception in 1993. However, for a number of years, RioCan has closely monitored the United States’ market, so that any move in it is both calculated and strategic. The purpose of RioCan’s investment in the United States is to provide a platform for additional growth opportunities in major markets outside of Canada. Consistent with RioCan’s philosophy in Canada, investments will be made on a disciplined basis with a preference towards defensive assets, such as grocery-anchored shopping centres. Of note, approximately 40% of RioCan’s US rental revenue is generated from grocery tenants. Investments will be made prudently and are, on a percentage basis, a relatively small portion of RioCan’s overall portfolio.

RioCan recognizes that the United States is a distinct market with many sub-markets that differ from Canada. To this end, RioCan is not attempting to simply transplant or transpose our business model in the United States, but rather partner with an owner who has an in-depth knowledge of the local market. Our expansion recognizes that in the United States, there are some tremendous investment opportunities, with owners who require capital. RioCan’s US Investment strategy leverages our partner’s local market expertise with the strength of our balance sheet. With proper execution of our strategy, the returns in the United States can exceed those of Canada.

Consistent with our Canadian strategy, RioCan is partnering with Cedar Shopping Centres, Inc (“Cedar”), a US real estate investment trust. Cedar’s focus is supermarket-anchored shopping centres and drug-store anchored convenience centres primarily located in the north-eastern and Mid-Atlantic states of the US.

Under the terms of the agreement, RioCan has formed a joint venture for the acquisition of retail real estate in the US to be owned 80% by RioCan and 20% by Cedar. In addition, RioCan has acquired approximately a 14% equity interest in Cedar. This enables RioCan to be active in

management, strategy and decisions to ensure the success of our investment. The Trust’s mandate is to deliver to unitholders consistent and reliable cash distributions that increase over the long term. To do this, the Trust develops and implements a strategy of developing, owning, operating and managing retail real estate, mixed-use, and office real estate. RioCan has grown its business by using prudent strategies, core competencies and conservative financial leverage. The strategy is complemented by long-term strategic partnerships and adapting to key trends in commercial real estate. Our grasp of key trends is facilitated with our commonalities with larger tenants on both sides of the border, providing us with “trans-national” perspectives.

Overall, we have a complementary mix of tenants with our Canadian portfolio.

In closing, the combination of assets in Canada’s fastest growing markets with a stabilized portfolio of high quality retail assets in the US positions RioCan as one of North America’s leading retail landlords.
STABILITY FROM EXPERIENCE

From left to right:
- Raghunath Davloor
- Frederic A. Waks
- Edward Sonshine, Q.C.
- Jeff Ross
- Michael Connolly
- Jordan Robins
- Maria Rico
- Kenneth Siegel
- Jane Plett
- Suzanne Marineau
- Jonathan Gitlin
- Donald MacKinnon
- Danny Kissoon
- Oliver Harrison
- Therese Cornelissen
- John Ballantyne
Edward Sonshine, Q.C.
Mr. Sonshine is President and Chief Executive Officer of RioCan Real Estate Investment Trust. Mr. Sonshine has been the Chief Executive Officer of RioCan since it became a REIT in late 1993 and has overseen its growth starting from an enterprise value of under $100 million to its current enterprise value of approximately $8.5 billion. Mr. Sonshine is a member of the board of directors of Royal Bank of Canada, Cineplex Galaxy Income Fund and is Chair of Chesswood Income Fund. Mr. Sonshine is active in the community and serves as Vice Chair of Mount Sinai Hospital and as Chair of the Israel Bonds Organization of Canada / Canada-Israel Securities, Limited.

Raymond Gelgoot
Mr. Gelgoot is a partner at Fogler, Rubinoff LLP where he practices all aspects of real estate law. Mr. Gelgoot has been recently selected by his peers to be included in The Best Lawyers in Canada 2010 in the field of Real Estate. Mr. Gelgoot has been a member of RioCan’s Board of Trustees since 1996. He earned an L.L.B. from Osgoode Hall Law School in 1970 and was called to the Bar in Ontario in 1972.

Sharon Sallows
Ms. Sallows is currently a member of the board of directors of Ontario Teachers’ Pension Plan Board and is Chair of the board of directors of Executive Risk Services Ltd., a private Lloyds of London coverholder specializing in professional liability, trade credit, privacy & network liability insurance. Ms. Sallows has over 25 years of business experience having held numerous high level banking, real estate finance, real estate management and advisory positions. Ms. Sallows is a former executive vice president of MCC Properties Inc. and has previously held various positions at a Canadian chartered bank, including Senior Vice President, Real Estate, Corporate Banking. Ms. Sallows received a B.A. from Carleton University in 1970, an M.Sc. from the London School of Economics in 1972 and a Ph.D. from The Wharton School, University of Pennsylvania in 1978.

Paul Godfrey, C.M.
Mr. Godfrey is the President and Chief Executive Officer of the National Post and is Chair of the Ontario Lottery and Gaming Corporation. From 2000 to 2008, Mr. Godfrey was President and Chief Executive Officer of the Toronto Blue Jays Baseball Club. From 1992 to 2000, Mr. Godfrey was President and Chief Executive Officer of the Toronto Sun Publishing Corporation. From 1991 to 1992, was the President and Chief Operating Officer of the Toronto Sun Publishing Corporation and from 1984 to 1991 he was the publisher and Chief Executive Officer of The Toronto Sun. Mr. Godfrey also served as the Chairman of the Municipality of Metropolitan Toronto. Mr. Godfrey serves as a director of Astral Media Inc. and a trustee of Cargajet Income Fund.

Frank W. King, O.C.
Mr. King is President and Chief Executive Officer of Metropolitan Investment Corporation. He is also the Chairman of Netwear Health Inc. and a member of the Audit Committee of Netwear Health Inc. Mr. King served as the Chairman of the Audit Committee of Wi-Lan Inc. from 1995 to 2002 and of Westaim Corporation from 2004 to 2009. He was the President and Chief Executive Officer of Turbo Resources Inc. from 1991 to 1992 and was the Chairman and Chief Executive Officer of the Calgary Olympic Winter Games from 1991 to 1992. He has extensive public board experience and holds a B.Sc. (Chemical Engineering).

Ronald W. Osborne
Mr. Osborne is Chairman of the Board of Sun Life Financial Inc. and Sun Life Assurance Company of Canada, Chair of the Board of Governors of Roy Thomson Hall and The Canadian Media Fund, and is a member of the board of Tim Hortons Inc. and Brookfield Renewable Power Inc. Mr. Osborne is also a board member of Holcim (Canada) Inc. From 1999 to December 2003, Mr. Osborne was the President and Chief Executive Officer of Ontario Power Generation Inc. (“OPG”). Prior to that time he served as President and Chief Executive Officer of Ontario Hydro, OPG’s predecessor. Mr. Osborne earned a Chartered Accountant designation in 1972 and became a Fellow of The Institute of Chartered Accountants of Ontario in 1998.

Charles M. Winograd
Mr. Winograd is president of Winograd Capital Inc., a consulting and investment firm. Prior to this role, Mr. Winograd held several executive positions at Richardson Greenshields, a privately owned investment dealer, including President and Chief Executive Officer in 1987 and Chairman and Chief Executive Officer in 1991. After the acquisition of Richardson Greenshields in 1996 by BCI Dominion Securities, Mr. Winograd became Deputy Chairman and Director of BCI Dominion Securities, becoming President and Chief Operating Officer in 1998. From 2001 to 2008, Mr. Winograd was Chief Executive Officer of BCI Capital Markets. Mr. Winograd holds a MBA from the University of Western Ontario and is a Chartered Financial Analyst (CFA) charterholder.

Dale H. Lastman
Mr. Lastman is a co-chair and partner at Goodmans LLP. He practices corporate, commercial and securities law and provides counsel in connection with public offerings, mergers and acquisitions, and business restructurings. Mr. Lastman earned a L.L.B. from Osgoode Hall Law School in 1982 and sits on the board of Maple Leaf Sports and Entertainment Ltd., Ontario Lottery and Gaming Corporation, and the Hospital for Sick Children.

Frank W. King, O.C.
Mr. King is President and Chief Executive Officer of Metropolitan Investment Corporation. He is also the Chairman of Netwear Health Inc. and a member of the Audit Committee of Netwear Health Inc. Mr. King served as the Chairman of the Audit Committee of Wi-Lan Inc. from 1995 to 2002 and of Westaim Corporation from 2004 to 2009. He was the President and Chief Executive Officer of Turbo Resources Inc. from 1991 to 1992 and was the Chairman and Chief Executive Officer of the Calgary Olympic Winter Games from 1991 to 1992. He has extensive public board experience and holds a B.Sc. (Chemical Engineering).

Clare R. Copeland
Mr. Copeland is the Chairman of Toronto Hydro Corporation, an energy distribution company since 1999. Mr. Copeland is also the Chief Executive Officer of Falls Management Company, the Developer and Operator of Casino Niagara and Fallsview Casino Resort since 2005. From 2000 to 2002, Mr. Copeland was Chairman and Chief Executive Officer of Oshawa and Sons. From 1993 to 1999, he was Chief Executive Officer of Peoples Jewellers Corporation. Mr. Copeland also served as Chairman of Sun Media Corporation from 1997 to 1999 as Chief Operating Officer of Zale Corporation from 1991 to 1993, and as Chair of Ontario Place from 1987 to 1997. Mr. Copeland is also a director of Danier Leather Inc., Chesswood Income Fund, Entertainment One Ltd., MDC Corporation and Telseat.
# Real Estate Portfolio Fact Sheet

**As at December 31, 2009**

### Total Net Leasable Area ("NLA") (sq. ft.):

<table>
<thead>
<tr>
<th></th>
<th>United States of America</th>
<th>Canada</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Producing Properties</td>
<td>157,997</td>
<td>33,601,534</td>
<td>35,184,968</td>
</tr>
<tr>
<td>Office</td>
<td>2,285,209</td>
<td>2,285,209</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>157,997</td>
<td>35,886,743</td>
<td>37,470,177</td>
</tr>
</tbody>
</table>

### Number of Tenancies

5,890

### Geographic Diversification

<table>
<thead>
<tr>
<th>Province</th>
<th>Percentage of NLA</th>
<th>Number of Properties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ontario</td>
<td>58.4%</td>
<td>151</td>
</tr>
<tr>
<td>Quebec</td>
<td>17.1%</td>
<td>40</td>
</tr>
<tr>
<td>Alberta</td>
<td>12.0%</td>
<td>26</td>
</tr>
<tr>
<td>British Columbia</td>
<td>7.5%</td>
<td>14</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>1.8%</td>
<td>6</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>0.5%</td>
<td>1</td>
</tr>
<tr>
<td>Manitoba</td>
<td>1.3%</td>
<td>2</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>0.4%</td>
<td>1</td>
</tr>
<tr>
<td>Newfoundland</td>
<td>0.4%</td>
<td>2</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>0.1%</td>
<td>1</td>
</tr>
<tr>
<td>US</td>
<td>0.5%</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>246</td>
</tr>
</tbody>
</table>

### Anchor and National Tenants

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Percentage of NLA</th>
<th>Percentage of total NLA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anchor and National Tenants</td>
<td>84.5%</td>
<td>83.4%</td>
</tr>
</tbody>
</table>

### Top Ten Sources of Revenue by Tenant (including US)

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Tenant</th>
<th>Percentage of annualized rental revenue</th>
<th>Weighted average remaining lease term (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Metro/A&amp;P/Super C/Loeb/Food Basics</td>
<td>5.0%</td>
<td>9.1</td>
</tr>
<tr>
<td>2.</td>
<td>Famous Players/Cineplex/Galaxy Cinemas</td>
<td>4.9%</td>
<td>13.2</td>
</tr>
<tr>
<td>3.</td>
<td>Walmart</td>
<td>4.3%</td>
<td>12.7</td>
</tr>
<tr>
<td>4.</td>
<td>Canadian Tire/PartSource/Mark’s Work Wearhouse</td>
<td>3.9%</td>
<td>11.6</td>
</tr>
<tr>
<td>5.</td>
<td>Zellers/The Bay/Home Outfitters</td>
<td>3.4%</td>
<td>9.3</td>
</tr>
<tr>
<td>6.</td>
<td>Winners/HomeSense</td>
<td>3.1%</td>
<td>5.2</td>
</tr>
<tr>
<td>7.</td>
<td>Loblaws/No Frills/Fortinos/Zehrs/Maxi</td>
<td>2.6%</td>
<td>5.6</td>
</tr>
<tr>
<td>8.</td>
<td>Staples/Business Depot</td>
<td>2.3%</td>
<td>7.5</td>
</tr>
<tr>
<td>9.</td>
<td>Reitmans/Penningtons/Smart Set/Addition-Elle/Thyme Maternity</td>
<td>1.9%</td>
<td>4.9</td>
</tr>
<tr>
<td>10.</td>
<td>Shoppers Drug Mart</td>
<td>1.8%</td>
<td>11.0</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>33.2%</td>
<td></td>
</tr>
</tbody>
</table>

### Lease Expiries – Canada

<table>
<thead>
<tr>
<th>Retail Class</th>
<th>Total NLA</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Format Retail</td>
<td>16,666,521</td>
<td>1,067,976</td>
<td>1,454,655</td>
<td>1,089,276</td>
<td>1,433,049</td>
<td>1,486,656</td>
</tr>
<tr>
<td>Grocery Anchored Centre</td>
<td>7,542,658</td>
<td>977,536</td>
<td>1,035,563</td>
<td>1,078,912</td>
<td>542,456</td>
<td>1,180,208</td>
</tr>
<tr>
<td>Enclosed Shopping Centre</td>
<td>6,317,934</td>
<td>934,461</td>
<td>827,227</td>
<td>500,317</td>
<td>597,098</td>
<td>679,691</td>
</tr>
<tr>
<td>Non-Grocery Anchored Centre</td>
<td>1,779,588</td>
<td>144,569</td>
<td>72,798</td>
<td>101,097</td>
<td>186,717</td>
<td>133,225</td>
</tr>
<tr>
<td>Urban Retail</td>
<td>1,294,833</td>
<td>69,604</td>
<td>161,203</td>
<td>71,164</td>
<td>180,597</td>
<td>281,556</td>
</tr>
<tr>
<td>Office</td>
<td>1,583,345</td>
<td>381,435</td>
<td>186,402</td>
<td>121,509</td>
<td>130,380</td>
<td>132,921</td>
</tr>
<tr>
<td>Total</td>
<td>35,184,968</td>
<td>3,575,581</td>
<td>3,735,848</td>
<td>2,962,275</td>
<td>3,070,295</td>
<td>3,894,257</td>
</tr>
</tbody>
</table>

### Lease Expiries – US

<table>
<thead>
<tr>
<th>Retail Class</th>
<th>Total NLA</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grocery Anchored Centre</td>
<td>157,997</td>
<td>–</td>
<td>–</td>
<td>2,880</td>
<td>1,204</td>
<td>1,280</td>
</tr>
<tr>
<td>Office</td>
<td>1,583,345</td>
<td>381,435</td>
<td>186,402</td>
<td>121,509</td>
<td>130,380</td>
<td>132,921</td>
</tr>
<tr>
<td>Total</td>
<td>1,741,342</td>
<td>381,435</td>
<td>186,402</td>
<td>121,509</td>
<td>130,380</td>
<td>132,921</td>
</tr>
</tbody>
</table>

### Average net rent per square foot

- **United States of America**: $16.56
- **Canada**: $15.78
- **Total**: $15.44

**RIOCAN REAL ESTATE INVESTMENT TRUST ANNUAL REPORT 2009**

14
Forward-Looking Statement Advisory

The terms “RioCan” and the “Trust” in this document refer to RioCan Real Estate Investment Trust and should be read in conjunction with RioCan’s audited consolidated financial statements and Management’s Discussion and Analysis for the two years ended December 31, 2009 and 2008. Certain information included in this Annual Report contains forward-looking statements within the meaning of applicable securities laws. These statements include, but are not limited to, statements made in “Seizing the Initiative”, “RioCan’s Top 25 Retailers”, “Operations Report Canada”, “Operations Report United States”, and other statements concerning RioCan’s objectives, its strategies to achieve those objectives, as well as statements with respect to management’s beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can 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 statements reflect management’s current beliefs and are based on information currently available to management. All forward-looking statements in this Annual Report are qualified by these cautionary statements.

These statements are not guarantees of future events or performance and, by their nature, are based on RioCan’s estimates and assumptions, which are subject to risks and uncertainties, including those described under “Risks and Uncertainties” in RioCan’s MD&A dated February 5, 2010, which could cause actual events or results to differ materially from the forward-looking statements contained in this Annual Report. Those risks and uncertainties include, but are not limited to, those related to: liquidity in the global marketplace associated with current economic conditions, tenant concentrations, occupancy levels, access to debt and equity capital, interest rates, joint ventures/partnerships, the relative illiquidity of real property, unexpected costs or liabilities related to acquisitions, construction, environmental matters, legal matters, reliance on key personnel, unitholder liability, income taxes and the investment in the United States of America (“US”) and US currency. Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking information may include: a less robust retail environment than has been seen for the last several years; relatively stable interest costs; an increase in acquisition capitalization rates from several years ago; a decrease in land costs for Greenfield Development; a continuing trend toward land use intensification in high growth markets; and access to equity and debt capital markets to fund, at acceptable costs, the future growth program and to enable the Trust to refinance debts as they mature, and the availability of purchase opportunities for growth in Canada and the US. Although the forward-looking information contained in this Annual Report is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Certain statements included in this Annual Report may be considered “financial outlook” for purposes of applicable securities laws, and such financial outlook may not be appropriate for purposes other than this Annual Report.

The Income Tax Act (Canada) (the “Act”) contains legislation affecting the tax treatment of publicly traded trusts (the “SIFT Legislation”). The SIFT Legislation provides for a transition period until 2011 for publicly traded trusts, such as RioCan, which existed prior to November 1, 2006. In addition, the SIFT Legislation will not impose tax on a trust which qualifies under such legislation as a real estate investment trust (the “REIT Exemption”). Accordingly, RioCan intends to qualify for the REIT Exemption prior to 2011. If this occurs, certain statements contained in this Annual Report may need to be modified.

Except as required by applicable law, RioCan undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.