



FIRST CAPITAL REIT REPORTS STRONG FOURTH QUARTER AND FULL-YEAR 2025 RESULTS

Toronto, Ontario (February 10, 2026) - First Capital Real Estate Investment Trust ("First Capital", "FCR", or the "Trust") (TSX: FCR.UN), announced financial results for the fourth quarter and year ended December 31, 2025. The 2025 Fourth Quarter Report is available in the Investors section of the Trust's website at www.fcr.ca and will be filed on SEDAR+ at www.sedarplus.ca.

KEY HIGHLIGHTS FROM THE FOURTH QUARTER:

- ***Operating FFO per unit of \$0.34, representing YoY growth of 7%***
- ***Same Property NOI growth of 5.7%, excluding bad debt expense (recovery) and lease termination fees***
- ***Lease renewal lift of 15.8% on strong leasing volume***
- ***Total portfolio occupancy of 97.1%, representing an increase of 30 basis points year-over-year***

"Strong fundamentals for FCR's grocery anchored portfolio together with the disciplined execution of our capital allocation strategy delivered solid results again in 2025," said Adam Paul, President & CEO.

"Healthy leasing metrics including same property NOI growth of more than 5%, lease renewal spreads of nearly 15% and occupancy of 97.1% contributed to normalized Operating FFO per unit growth of 5.5% for the year". Mr. Paul continued, "As we commence the final year of our three-year strategic plan, I am pleased that we continue to track well against the metrics we presented to our investors in early 2024."

Key Earnings Metrics (\$ millions unless otherwise noted)	Three months ended December 31		Year ended December 31	
	2025	2024	2025	2024
Operating FFO ⁽¹⁾	72.3	67.7	285.6	291.0
Operating FFO per diluted unit ⁽¹⁾	\$0.34	\$0.32	\$1.33	\$1.36
FFO ⁽¹⁾	68.4	67.5	279.2	289.7
FFO per diluted unit ⁽¹⁾	\$0.32	\$0.31	\$1.30	\$1.35
Net income (loss) attributable to unitholders	849.5	32.1	1,064.0	204.9
Net income (loss) attributable to unitholders per diluted unit	\$3.95	\$0.15	\$4.96	\$0.96
Weighted average diluted units for FFO and net income (000s)	214,897	214,355	214,735	214,234

⁽¹⁾ Refer to "Non-IFRS Financial Measures" section of this press release.



Key Operating Performance and Capital Allocation Metrics (\$ millions unless otherwise noted)	Three months ended December 31		Year ended December 31	
	2025	2024	2025	2024
Operating Metrics				
Total Same Property NOI growth excluding lease termination fees and bad debt expense/(recovery) ⁽¹⁾⁽²⁾	5.7%	3.4%	5.9%	3.3%
Total Same Property NOI growth ⁽¹⁾⁽²⁾	7.9%	2.7%	5.2%	4.4%
Total portfolio occupancy ⁽³⁾			97.1%	96.8%
Total Same Property occupancy ⁽¹⁾⁽³⁾			97.2%	97.0%
Lease renewal volume (square feet)	522,000	749,000	2,201,000	2,372,000
Lease renewal lift (first year rent of renewal term)	15.8%	12.7%	14.8%	12.5%
Lease renewal lift (average rent of renewal term)	20.2%	18.5%	19.7%	17.3%
Average Net Rental Rate per occupied square foot			\$24.73	\$24.00
Capital Allocation				
Acquisition of investment properties	—	—	27.7	33.5
Development expenditures ⁽⁴⁾	30.5	18.9	93.7	61.4
Investment in residential inventory ⁽⁴⁾	16.3	14.1	69.0	55.2
Property disposition proceeds ⁽⁴⁾	67.0	65.2	176.0	217.1
Key Balance Sheet Metrics				
(\$ millions unless otherwise noted)		December 31	December 31	
		2025	2024	
Total assets ⁽⁵⁾	9,230.1	9,181.2		
Assets held for sale ⁽⁵⁾	106.0	196.6		
Net Debt ⁽⁴⁾	4,052.9	4,019.1		
Increase (decrease) in fair value of investment properties, net ⁽¹⁾⁽⁷⁾	44.2	(49.6)		
Unencumbered assets ⁽⁴⁾	6,267.6	6,249.8		
Net Asset Value per unit	\$22.57	\$22.05		
Net debt to total assets ⁽⁴⁾⁽⁶⁾	44.1%	44.5%		
Net debt to Adjusted EBITDA ⁽⁴⁾	9.1x	8.7x		

⁽¹⁾ Refer to "Non-IFRS Financial Measures" section of this press release.

⁽²⁾ Prior periods as reported; not restated to reflect current period categories.

⁽³⁾ As at December 31.

⁽⁴⁾ Reflects joint ventures proportionately consolidated.

⁽⁵⁾ Presented in accordance with IFRS.

⁽⁶⁾ Total assets excludes cash balances.

⁽⁷⁾ For the year ended December 31, 2025 and 2024 at the Trust's proportionate interest.



FOURTH QUARTER EARNINGS HIGHLIGHTS

- **Operating FFO per Diluted Unit of \$0.34:** Operating Funds from Operations of \$72.3 million increased \$4.6 million, or \$0.02 per unit, over prior year. Supported by strong operating metrics, the increase in Operating FFO year-over-year was primarily due to higher NOI of \$3.3 million and interest expense savings of \$2.1 million, partially offset by higher corporate G&A and lower interest and other income. Net operating income in the fourth quarter of 2025 included \$2.6 million of lease termination income.
- **FFO per Diluted Unit of \$0.32:** Funds From Operations of \$68.4 million, or \$0.32 per unit, remained consistent with prior year. On a year-over-year basis, Funds From Operations was driven by higher Operating FFO of \$4.6 million, largely offset by a year-over-year decrease in other gains (losses) and (expenses) of \$3.8 million, which included \$4.8 million (\$0.02 per unit) of restructuring and advisory costs related to the Trust's internal tax reorganization.
- **Net Income (Loss) Attributable to Unitholders:** For the three months ended December 31, 2025, First Capital recognized net income (loss) attributable to Unitholders of \$849.5 million or \$3.95 per diluted unit compared to \$32.1 million or \$0.15 per diluted unit for the prior year period. The increase in net income over prior year was primarily due to the remeasurement of deferred income taxes in the fourth quarter of 2025 as a result of the Trust's internal tax reorganization resulting in a deferred income tax recovery of \$746.7 million versus \$39.3 million of deferred income tax expense in the fourth quarter of 2024. Additionally, the fair value of investment property increased \$36.1 million in the fourth quarter of 2025 versus a \$3.6 million increase in fair value of investment property recognized in the fourth quarter of 2024, on a proportionate basis.

FOURTH QUARTER OPERATING PERFORMANCE AND CAPITAL ALLOCATION HIGHLIGHTS

- **Same Property NOI Growth:** Total Same Property NOI increased 7.9% over the prior year period. The growth was primarily due to rental rate growth, higher year-over-year occupancy, and a year-over-year increase in lease termination fees of \$2.1 million. Same Property NOI excluding bad debt expense (recovery) and lease termination fees increased 5.7%.
- **Portfolio Occupancy:** On a quarter-over-quarter basis, total portfolio occupancy remained consistent at 97.1% compared to September 30, 2025.
- **Lease Renewal Rate Increase:** During the quarter, net rental rates increased 15.8% on a volume of 522,000 square feet of lease renewals, when comparing the rental rate in the first year of the renewal term to the rental rate in the last year of the expiring term. Net rental rates on leases renewed in the quarter increased 20.2% when comparing the average rental rate over the renewal term to the rental rate in the last year of the expiring term owing to higher contractual growth rates embedded within the renewed lease terms.
- **Average Net Rental Rate:** The portfolio average net rental rate increased by 0.7% or \$0.16 per square foot over the prior quarter to a record \$24.73 per square foot, primarily due to rent escalations and renewal lifts.

- **Property Investments:** During the fourth quarter, First Capital invested approximately \$47 million into property development, redevelopment and residential inventory.
- **Property Dispositions:** During the fourth quarter, First Capital completed property dispositions totalling \$67 million, including the previously announced sale of the Montgomery Assembly in Toronto for \$42 million. In addition, during the fourth quarter the Trust entered into firm agreements to sell four properties having a total value of \$43 million. The largest of these transactions is a residential development site in Toronto which closed during the fourth quarter. The other three property sales are expected to close in the first and third quarters of 2026.

ANNUAL EARNINGS HIGHLIGHTS

- **Operating FFO per Diluted Unit of \$1.33:** Operating Funds from Operations of \$285.6 million decreased \$5.3 million, or \$0.03 per unit, over prior year. The decrease was primarily due to non-recurring items recognized in the prior year, including a \$9.5 million assignment fee related to a small development parcel located in Montreal as well as a density bonus of \$11.3 million in connection with a previously sold property. Excluding these amounts, Operating FFO increased \$15.4 million, or \$0.07 per unit, over prior year primarily due to higher NOI of \$11.2 million.
- **FFO per Diluted Unit of \$1.30:** Funds From Operations of \$279.2 million decreased \$10.5 million, or \$0.05 per unit, over prior year. The decrease was driven by lower Operating FFO of \$5.3 million, and a year-over-year decrease in other gains (losses) and (expenses) of \$5.2 million, which included \$6.8 million (\$0.03 per unit) of restructuring and advisory costs related to the Trust's internal tax reorganization.
- **Net Income (Loss) Attributable to Unitholders:** For the year ended December 31, 2025, First Capital recognized net income of \$1.1 billion or \$4.96 per diluted unit compared to \$204.9 million or \$0.96 per diluted unit for the prior year. The increase in net income over prior year was primarily due to the remeasurement of deferred income taxes as a result of the Trust's internal tax reorganization resulting in a deferred income tax recovery of \$763.5 million for the year versus \$14.3 million of deferred income tax expense in 2024. Additionally, the fair value of investment property increased \$44.2 million in 2025 versus a \$49.6 million decrease in fair value of investment property recognized in 2024, on a proportionate basis.

ANNUAL OPERATING PERFORMANCE AND CAPITAL ALLOCATION HIGHLIGHTS

- **Same Property NOI Growth:** Total Same Property NOI increased 5.2% over prior year, primarily due to rental rate growth and higher year-over-year occupancy, partially offset by a year-over-year decrease in lease termination fees of \$2.5 million. Same Property NOI excluding bad debt expense (recovery) and lease termination fees increased 5.9%.
- **Portfolio Occupancy:** On a year-over-year basis, total portfolio occupancy increased by 0.3%, to 97.1% at December 31, 2025, from 96.8% at December 31, 2024.

- **Lease Renewal Rate Increase:** Net rental rates increased 14.8% on 2,201,000 square feet of lease renewals when comparing the rental rate in the first year of the renewal term to the rental rate in the last year of the expiring term. Net rental rates on leases renewed during 2025 increased 19.7% when comparing the average rental rate over the renewal term to the rental rate in the last year of the expiring term owing to higher contractual growth rates embedded within the renewed lease terms.
- **Average Net Rental Rate:** The portfolio average net rental rate increased \$0.73 to \$24.73 per square foot representing year-over-year growth of 3.0%. The strong growth was primarily due to rent escalations, renewal lifts and dispositions.
- **Property Investments:** First Capital invested approximately \$190 million into its properties during 2025, primarily through development, redevelopment, residential inventory and strategic acquisitions.
- **Property Dispositions:** During 2025, First Capital completed or entered into firm agreements for \$194 million of property dispositions. Reflecting FCR's disciplined approach to asset sales, the collective transaction values equated to an in-place yield that is less than 3% and an average premium to IFRS carrying value of more than 40%. As at December 31, 2025, the Trust classified \$106 million of investment properties as held for sale.

BALANCE SHEET HIGHLIGHTS

First Capital's December 31, 2025 net debt to Adjusted EBITDA multiple was 9.1x, a 0.1x decrease from September 30, 2025 and a 0.4x increase from 8.7x at December 31, 2024. First Capital's December 31, 2025 liquidity position was approximately \$0.7 billion, including \$678 million of availability on revolving credit facilities and \$62 million of cash on a proportionate basis. As at December 31, 2025, First Capital had approximately \$6.3 billion of unencumbered assets, representing 68% of total assets.

ADVANCING ENVIRONMENTAL AND SOCIAL INITIATIVES

First Capital continued to demonstrate leadership in Environmental and Social matters throughout 2025, which included the following highlights:

- Recognized by the Globe and Mail as one of "Greater Toronto's Top Employers" for 2026
- Named one of "Canada's Top Small and Medium Employers" for 2025
- Included in the Globe and Mail's "2025 Report on Business Women Lead Here" list
- Selected for inclusion in "The Career Directory" for 2025 as one of Canada's Best Employers for recent graduates
- Awarded "Gold Green Lease Leader Recognition" by the Institute for Market Transformation (IMT) for 2025
- Achieved a 19% reduction in Scope 1 & 2 absolute GHG emissions since 2019 base year (2019 to 2024)
- Received a score of 94 (2-point improvement over 2024) in the 2025 GRESB Development Benchmark (Peer Group: Global, Retail)



- Earned a score of 80 (1-point improvement over 2024) in the 2025 GRESB Standing Investments Benchmark (Peer Group: North America, Retail Centres, Listed)
- Received an "A" rating in the Morgan Stanley Capital International (MSCI) ESG Ratings assessment in 2025, the highest rating achieved in our peer group
- Secured a "B" in the 2025 CDP Climate Change Questionnaire (up from a "C" in 2024)
- Awarded Prime Status for Corporate ESG Performance by Institutional Shareholder Services in 2025
- Raised more than \$280,000 for various national and regional partner charities in 2025 through the FCR Thriving Neighbourhoods Foundation. In addition to funds raised, over 97% of First Capital's employees volunteered with organizations across Canada throughout 2025

SUBSEQUENT EVENTS

On January 15, 2026, the REIT's Board of Trustees approved a 2.5% distribution increase to a monthly rate of \$0.076 per unit from \$0.074167 formerly. Equating to an annualized rate of \$0.912 per unit, the increase is effective for the January distribution to unitholders of record as of January 30, 2026, and will be paid on February 16, 2026.

MANAGEMENT CONFERENCE CALL AND WEBCAST

First Capital invites you to attend the live conference call at 2:00 p.m. (ET) on Wednesday, February 11, 2026, with senior management to discuss financial results for the fourth quarter and year ended December 31, 2025.

First Capital's financial statements and MD&A for the fourth quarter will be released prior to the call and will be available on its website at www.fcr.ca in the 'Investors' section, and on the Canadian Securities Administrators' website at www.sedarplus.ca.

Teleconference

You can attend the live conference call by dialing 1-289-815-3444 or toll-free 1-800-715-9871. The call will be accessible for replay until February 18, 2026, by dialing 647-362-9199 or toll-free 1-800-770-2030 with access code 7999910#.

Webcast

To access the live audio webcast and conference call presentation, please go to First Capital's website or click on the following link [Q4 2025 Conference Call](#). The webcast will be accessible for replay in the 'Investors' section of the website.

ABOUT FIRST CAPITAL REIT (TSX: FCR.UN)

First Capital owns and operates, acquires, and develops open-air grocery-anchored shopping centres in neighbourhoods with the strongest demographics in Canada.

NON-IFRS FINANCIAL MEASURES

First Capital prepares and releases unaudited interim and audited annual consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). As a complement to results provided in accordance with IFRS, First Capital discloses certain non-IFRS financial measures in this press release, including but not limited to FFO, Operating FFO, NOI, Same Property NOI, and proportionate interest. Since these non-IFRS measures do not have standardized meanings prescribed by IFRS, they may not be comparable to similar measures reported by other issuers. First Capital uses and presents the above non-IFRS measures as management believes they are commonly accepted and meaningful financial measures of operating performance. Reconciliations of certain non-IFRS measures to their nearest IFRS measures are included below. These non-IFRS measures should not be construed as alternatives to net income (loss) or cash flow from operating activities determined in accordance with IFRS as measures of First Capital's operating performance.

Funds from Operations ("FFO")

FFO is a recognized measure that is widely used by the real estate industry, particularly by publicly traded entities that own and operate income-producing properties. First Capital calculates FFO in accordance with the recommendations of the Real Property Association of Canada ("REALPAC") as published in its most recent guidance on "Funds from Operations and Adjusted Funds From Operations for IFRS" dated January 2022. Management considers FFO a meaningful additional financial measure of operating performance, as it excludes fair value gains and losses on investment properties as well as certain other items included in FCR's net income (loss) that may not be the most appropriate determinants of the long-term operating performance of FCR, such as investment property selling costs; tax on gains or losses on disposals of properties; deferred income taxes; fair value gains or losses on unit-based compensation; and any gains, losses or transaction costs recognized in business combinations. FFO provides a perspective on the financial performance of FCR that is not immediately apparent from net income (loss) determined in accordance with IFRS.

Operating Funds from Operations ("OFFO")

In addition to REALPAC FFO described above, Management also discloses OFFO. Management considers OFFO as its key operating performance measure that, when compared period over period, reflects the impact of certain factors on its core operations, such as changes in net operating income, interest expense, corporate expenses and interest and other income. OFFO excludes the impact of the items in other gains (losses) and (expenses) that are not considered part of First Capital's ongoing core operations.

A reconciliation from net income (loss) attributable to Unitholders to FFO and OFFO can be found in the table below:

Three months and years ended December 31, respectively (\$ millions)	2025		2024		2025		2024	
Net income (loss) attributable to Unitholders	\$	849.5	\$	32.1	\$	1,064.0	\$	204.9
Add (deduct):								
(Increase) decrease in fair value of investment properties ⁽¹⁾		(36.1)		(3.6)		(44.2)		49.6
Adjustment for equity accounted joint ventures ⁽²⁾		0.1		0.1		0.3		0.4
Adjustment for capitalized interest related to equity accounted joint ventures ⁽²⁾		1.2		1.1		4.5		4.1
Incremental leasing costs ⁽³⁾		2.1		1.8		8.1		7.6
Increase (decrease) in value of unit-based compensation ⁽⁴⁾		(1.3)		(3.9)		7.5		5.4
Investment property selling costs ⁽¹⁾		(0.4)		0.6		2.5		3.4
Deferred income taxes (recovery) ⁽¹⁾		(746.7)		39.3		(763.5)		14.3
FFO	\$	68.4	\$	67.5	\$	279.2	\$	289.7
Other gains (losses) and (expenses) ⁽⁵⁾		4.0		0.2		6.4		1.3
OFFO	\$	72.3	\$	67.7	\$	285.6	\$	291.0

⁽¹⁾ At FCR's proportionate interest.

⁽²⁾ Adjustment related to FCR's equity accounted joint ventures in accordance with the recommendations of REALPAC.

⁽³⁾ Adjustment to capitalize incremental leasing costs in accordance with the recommendations of REALPAC.

⁽⁴⁾ Adjustment to exclude fair value adjustments on unit-based compensation plans in accordance with the recommendations of REALPAC.

⁽⁵⁾ At FCR's proportionate interest, adjusted to exclude investment property selling costs in accordance with the recommendations of REALPAC.



Net Debt

Net debt is a measure used by Management in the computation of certain debt metrics, providing information with respect to certain financial ratios used in assessing First Capital's debt profile. Net debt is calculated as the sum of principal amounts outstanding on credit facilities and mortgages, bank indebtedness and the par value of senior unsecured debentures reduced by the cash balances at the end of the period on a proportionate basis.

As at (\$ millions)	December 31, 2025	December 31, 2024
Liabilities (principal amounts outstanding)		
Mortgages ⁽¹⁾	\$ 1,269.0	\$ 1,336.6
Credit facilities ⁽¹⁾	546.4	741.4
Senior unsecured debentures	2,300.0	2,100.0
Total Debt ⁽¹⁾	\$ 4,115.4	\$ 4,178.0
Cash and cash equivalents ⁽¹⁾	(62.4)	(158.9)
Net Debt ^{(1) (2)}	\$ 4,052.9	\$ 4,019.1
Equity market capitalization ⁽³⁾	4,015.4	3,601.0
Enterprise value ⁽¹⁾	\$ 8,068.3	\$ 7,620.1
Trust Units outstanding (000's)	212,452	212,323
Closing market price	\$ 18.90	\$ 16.96

⁽¹⁾ At First Capital's proportionate interest.

⁽²⁾ Net Debt is a non-IFRS measure that is calculated as the sum of total debt including principal amounts outstanding on credit facilities and mortgages, bank indebtedness and the par value of senior unsecured debentures reduced by the cash balances at the end of the period on a proportionate basis.

⁽³⁾ Equity market capitalization is the market value of FCR's units outstanding at a point in time. The measure is not defined by IFRS, does not have a standard definition and, as such, may not be comparable to similar measures disclosed by other issuers.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA")

Adjusted EBITDA is a measure used by Management in the computation of certain debt metrics. Adjusted EBITDA, is calculated as net income (loss), adding back income tax expense, interest expense and amortization and excluding the increase or decrease in the fair value of investment properties, fair value gains or losses on unit-based compensation and other non-cash or non-recurring items on a proportionate basis. FCR also adjusts for incremental leasing costs, which is a recognized adjustment to FFO, in accordance with the recommendations of REALPAC. Management believes Adjusted EBITDA is useful in assessing the Trust's ability to service its debt, finance capital expenditures and provide for distributions to its Unitholders.

A reconciliation from net income (loss) attributable to Unitholders to Adjusted EBITDA can be found in the table below:

Three months and years ended December 31, respectively (\$ millions)	2025	2024	2025	2024
Net income (loss) attributable to Unitholders	\$ 849.5	\$ 32.1	\$ 1,064.0	\$ 204.9
Add (deduct) ⁽¹⁾ :				
Deferred income tax expense (recovery)	(746.7)	39.3	(763.5)	14.3
Interest Expense	41.3	43.3	162.5	170.1
Amortization expense	0.8	0.8	2.8	3.0
(Increase) decrease in fair value of investment properties	(36.1)	(3.6)	(44.2)	49.6
Increase (decrease) in value of unit-based compensation	(1.3)	(3.9)	7.5	5.4
Incremental leasing costs	2.1	1.8	8.1	7.6
Other non-cash and/or non-recurring items	3.5	0.8	9.0	4.7
Adjusted EBITDA ⁽¹⁾	\$ 113.2	\$ 110.6	\$ 446.1	\$ 459.5

⁽¹⁾ At First Capital's proportionate interest.



FORWARD-LOOKING STATEMENT ADVISORY

This press release contains forward-looking statements and information within the meaning of applicable securities law, including with respect to the anticipated execution and impact of the REIT's three-year business plan on its stated objectives, including FFO growth, distribution growth and improved debt ratios, as well as the REIT's ability to execute its disposition program and the anticipated contribution of dispositions to the REIT's three-year business plan objectives. These forward-looking statements are not historical facts but, rather, reflect First Capital's current expectations and are subject to risks and uncertainties that could cause the outcome to differ materially from current expectations. Such risks and uncertainties include, among others, First Capital's ability to close all announced disposition transactions and execute on its three-year business plan to achieve its stated objectives, general economic conditions; tenant financial difficulties, defaults and bankruptcies; increases in operating costs, property taxes and income taxes; First Capital's ability to maintain occupancy and to lease or re-lease space at current or anticipated rents; development, intensification and acquisition activities; residential development, sales and leasing; risks in joint ventures; environmental liability and compliance costs and uninsured losses; and risks and uncertainties related to pandemics, epidemics or other outbreaks on First Capital which are described in First Capital's MD&A for the year ended December 31, 2025. Additionally, forward-looking statements are subject to those risks and uncertainties discussed in First Capital's MD&A for the year ended December 31, 2025 and in its current Annual Information Form. Readers, therefore, should not place undue reliance on any such forward-looking statements.

First Capital undertakes no obligation to publicly update any such forward-looking statement or to reflect new information or the occurrence of future events or circumstances except as required by applicable securities law. All forward-looking statements in this press release are made as of the date hereof and are qualified by these cautionary statements.

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