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Press Release

FIRST CAPITAL REALTY ANNOUNCES SOLID Q3 FINANCIAL RESULTS

Completed Special Dividend-in-kind

Toronto, Ontario (November 9, 2009) – First Capital Realty Inc. (“First Capital Realty”) (TSX:FCR) Canada’s leading owner, developer and operator of supermarket and drugstore-anchored neighbourhood and community shopping centres, located predominantly in growing metropolitan areas, announced today solid financial results for the third quarter ended September 30, 2009.

THIRD QUARTER 2009 HIGHLIGHTS:

- Invested \$85 million in acquisitions, development activities and property improvements.
- Added 363,000 square feet of gross leasable area from development, redevelopment and acquisitions.
- 8.1% same property NOI growth; 3.1% same property NOI growth excluding redevelopment and expansion.
- 9.4% increase on 251,000 square feet of renewal leases.
- Occupancy of 96.0% which compares to 95.8% at September 30, 2008. Vacancy includes 0.8% of space held for redevelopment.
- Gross new leasing totalled 348,000 square feet including development and redevelopment coming on line; lease closures totalled 149,000 square feet and closures for redevelopment totalled 28,000 square feet.
- Average lease rate per occupied square foot increased by 4.7% to \$15.54 at September 30, 2009 compared to \$14.84 in the prior year third quarter.
- Completed new leasing on existing space totalling 84,000 square feet at an average rate of \$19.94 per square foot.
- Issued 3.45 million common shares (including 2.3 million warrants) generating gross proceeds of \$59.0 million.
- Issued \$75 million principal amount of 6.25% convertible unsecured subordinated debentures maturing December 2016.
- On August 14, 2009, the previously announced dividend-in-kind was completed resulting in the Company no longer having an ownership interest in Equity One.

(\$ millions, except per share amounts)	Three months ended		Percentage Change
	30 Sept 2009	30 Sept 2008	
Enterprise value	\$ 4,243	\$ 4,221	
Debt to aggregate assets	51.0%	53.1%	
Debt to total market capitalization	48.9%	49.3%	
Property rental revenue	\$ 108.8	\$ 100.8	7.9%
Net operating income (NOI)	\$ 71.6	\$ 65.5	9.3%
Funds from operations (FFO) ⁽¹⁾	\$ 38.5	\$ 38.7	-0.5%
FFO per diluted share ⁽¹⁾	\$ 0.41	\$ 0.43	-4.7%
Weighted average diluted shares for FFO (000's)	94,902	90,022	5.4%
Adjusted funds from operations (AFFO)	\$ 37.5	\$ 36.5	2.7%
AFFO per diluted share	\$ 0.36	\$ 0.37	-2.7%
Weighted average diluted shares for AFFO (000's)	103,879	98,648	5.3%

⁽¹⁾ Excludes, in 2008, the Company's share of Equity One's non-cash impairment loss. See Funds from Operations section of this press release.

NINE MONTHS HIGHLIGHTS:

- Invested \$197 million in acquisitions, development activities and property improvements.
- Added 740,000 square feet of gross leasable area from development, redevelopment activities and acquisitions.
- Acquired four income-producing properties totalling 146,000 square feet, one property held for future development and two land parcels adjacent to existing properties comprising a total of 9.1 acres of land held for future development.
- 7.6% same property NOI growth; 3.0% excluding redevelopment and expansion space.
- 11.0% increase on 864,000 square feet of renewal leases.
- Gross new leasing totalled 939,000 square feet including development and redevelopment coming on line; lease closures totalled 550,000 square feet and closures for redevelopment totalled 125,000 square feet.
- Lease rates on openings and redevelopment coming on line increased by 27.9% versus all lease closures.
- Completed new leasing on existing space totalling 385,000 square feet at an average rate of \$19.63 per square foot.
- Completed \$156 million of secured financing on 11 properties at a weighted average rate of 6.23% and a weighted average term of 8.2 years.

- Issued a total of 5.9 million common shares for net proceeds of \$97.8 million.

(\$ millions, except per share amounts)	Year-to-date		Percentage Change
	30 Sept 2009	30 Sept 2008	
Property rental revenue	\$ 328.9	\$ 304.5	8.0%
Net operating income (NOI)	\$ 211.5	\$ 193.1	9.5%
Funds from operations (FFO) ⁽¹⁾	\$ 115.8	\$ 108.0	7.2%
FFO per diluted share ⁽¹⁾	\$ 1.25	\$ 1.25	-
Weighted average diluted shares for FFO (000's)	92,895	86,232	7.7%
Adjusted funds from operations (AFFO)	\$ 113.1	\$ 103.1	9.7%
AFFO per diluted share	\$ 1.12	\$ 1.09	2.8%
Weighted average diluted shares for AFFO (000's)	101,119	94,658	6.8%

⁽¹⁾ Excludes, in 2009, the dilution loss on Equity One investment and in 2008, the Company's share of Equity One's non-cash impairment loss. See Funds from Operations section of this press release.

“While we continue to grow our business primarily by investing in value-added activities within our existing portfolio, we remain focused on uncovering and acquiring properties, one deal at a time, that are well located in supply constrained markets with potential for rent growth”, said Doris J. Segal, President & C.E.O., “Our investment program continues to be supported by healthy interest from tenants for our asset class and locations, as well as a strong balance sheet, high-quality cash flow and financial flexibility”.

FINANCIAL HIGHLIGHTS

FFO and AFFO presented herein are key financial measures used by the real estate industry to measure and compare the operating performance of real estate organizations. FFO and AFFO are supplemental non-GAAP financial measures and a complete reconciliation containing adjustments from GAAP net income to FFO and AFFO is included in this press release.

Funds from Operations

	Three months ended		Nine months ended	
	Sept 30, 2009	Sept 30, 2008	Sept 30, 2009	Sept 30, 2008
<i>(thousands of dollars, except per share amounts)</i>				
Net operating income	\$ 71,612	\$ 65,455	\$ 211,469	\$ 193,129
Interest expense	(31,412)	(27,862)	(93,122)	(85,064)
Interest and other income (expense) ⁽¹⁾	2,390	2,932	3,077	4,577
Corporate expenses	(5,320)	(4,731)	(16,321)	(15,963)
Funds from operations from Equity One ⁽²⁾	2,553	(1,952)	15,009	8,749
Amortization	(1,003)	(547)	(2,756)	(1,567)
Current income taxes	(318)	(1,036)	(2,195)	(2,365)
FFO	38,502	32,259	115,161	101,496
Add: dilution loss on Equity One investment	-	-	676	-
Add: the Company's share of Equity One's non-cash impairment loss	-	6,480	-	6,480
FFO excluding dilution loss on Equity One investment and the Company's share of Equity One's non-cash impairment loss	\$ 38,502	\$ 38,739	\$ 115,837	107,976
FFO per diluted share	\$ 0.41	\$ 0.36	\$ 1.24	\$ 1.18
Add: dilution loss on Equity One investment	-	-	0.01	-
Add: the Company's share of Equity One's non-cash impairment loss	-	0.07	-	0.07
FFO per diluted share excluding dilution loss on Equity One investment and the Company's share of Equity One's non-cash impairment loss	\$ 0.41	\$ 0.43	\$ 1.25	\$ 1.25
Weighted average diluted share - FFO	94,902,006	90,021,640	92,895,420	86,231,829

⁽¹⁾ Excludes gains on disposition of income-producing real estate.

⁽²⁾ Current year amounts cover period to August 14, 2009, the date of the dividend-in-kind related to the Company's interest in Equity One.

For the quarter and year-to-date, FFO was positively affected by same property NOI growth and the effect of acquisitions and development coming on line. This was largely offset by increased interest and amortization expense, decreased interest and other income, and the timing of the corporate expenses. Specifically the increase in the interest expense in the quarter and year-to-date is primarily due to the increased cost of the new secured revolving credit facility and one time costs related to specific financing activities. The increased credit facility costs were only partially offset by the effect of the reduced interest rate environment. In addition the third quarter results included the results of Equity One up to August 14, 2009 compared to the inclusion in 2008 of full periods of Equity One results.

Adjusted Funds from Operations

Management views AFFO as an effective measure of cash generated from operations. AFFO for the three months ended September 30, 2009 totalled \$37.5 million or \$0.36 per diluted common share compared to \$36.5 million or \$0.37 per diluted common share in the prior year. AFFO is calculated by adjusting FFO for actual costs incurred for capital expenditures and leasing costs for maintaining shopping centre infrastructure and current lease revenues, and non cash items including straight-line and market rent adjustments, non-cash compensation expenses, interest payable in shares, gains or losses on debt and hedges. Land sales are excluded from AFFO. The Company's proportionate share of Equity One FFO is excluded and only the regular cash dividends received are included in AFFO. The weighted average diluted shares outstanding for AFFO is adjusted to assume conversion of the outstanding convertible debentures.

Net Income

(\$ thousands, except per share amounts)	Three months ended Sept 30		Nine months ended Sept 30	
	2009	2008	2009	2008
Net income	\$ 9,002	\$ 8,227	\$ 27,177	\$ 26,767
Earnings per share (basic and diluted)	\$ 0.09	\$ 0.09	\$ 0.29	\$ 0.31
Weighted average common shares – diluted (000's)	94,902	90,022	92,895	86,232

Net income for the three and nine months ended September 30, 2009 was \$9.0 million or \$0.09 per share (basic and diluted) and \$27.2 million or \$0.29 per share (basic and diluted). This compares to \$8.2 million or \$0.09 per share (basic and diluted) and \$26.8 million or \$0.31 per share (basic and diluted), respectively, for the three and nine months ended September 30, 2008. The increase in net income is primarily due to increase in NOI resulting from development projects coming on line and same property NOI growth, increased income from Equity One through to the dividend-in-kind of August 14, 2009, offset by increased interest expense, increased amortization expense and decreased interest and other income. In addition, there was an increase in the basic and weighted average diluted shares outstanding compared to the same prior year period.

DEVELOPMENT AND ACQUISITION HIGHLIGHTS

During the third quarter of 2009, the Company invested \$75 million in active development projects and improvements to existing properties. Year-to-date these investments totalled \$160 million. Development of 239,900 square feet was brought on line in the third quarter of 2009 with 206,700 square feet leased at an average rate of \$26.04 per square foot. The Company also brought on line 57,800 square feet of redeveloped space which was leased at an average rate of \$25.01 per square foot. Year-to-date, development of 474,500 square feet was brought on line with 435,600 square feet leased at an average rate of \$22.63 per square foot. Year-to-date the Company brought on line 119,200 square feet of redeveloped space at an average rate of \$23.09 per square feet.

During the third quarter of 2009, the Company acquired a 65,000 square foot property in Victoria, British Columbia for \$10 million. Through the first nine months of 2009, the Company invested \$37 million in the acquisition of four income-producing shopping centres comprising 146,000 square feet, one property held for development and two land parcels adjacent to existing properties comprising a total of 9.1 acres of commercial land for future development.

OPERATING HIGHLIGHTS

Net operating income (“NOI”) is defined as property rental revenue less property operating costs. In Management’s opinion, net operating income is useful in analyzing the operating performance of the Company’s shopping centre portfolio. Net operating income is not a measure defined by GAAP and there is no standard definition of net operating income. As a result, net operating income may not be comparable with similar measures presented by other entities. Net operating income is not to be construed as an alternative to net income or cash flow from operating activities determined in accordance with GAAP.

Net operating income for the three months ended September 30, 2009 totalled \$71.6 million, an increase of \$6.1 million or 9.3% compared to the same period in 2008. Same property NOI increased by 8.1% in the third quarter, compared with the same prior period, generating growth in NOI of \$4.9 million, primarily attributed to redevelopment and expansion space coming on line (\$3.1 million) and lease termination payments. Same property NOI for the quarter, excluding expansion and redevelopment, increased by \$1.8 million or 3.1% over the same prior year period. Same property NOI growth excluding expansion and redevelopment space and the lease termination fees for the three months ended September 30, 2009 was \$0.9 million or 1.5%.

Acquisitions completed in 2009 and 2008 contributed \$1.4 million to NOI, while greenfield development activities contributed a further \$2.6 million to NOI for the three months ended September 30, 2009.

Net operating income for the nine months ended September 30, 2009 totalled \$211.5 million, compared to \$193.1 million for the same period in 2008, an increase of 9.5%. Same property NOI increased by 7.6%, generating NOI growth of \$13.7 million, primarily attributed to redevelopment and expansion space coming on-line (\$8.5 million) and lease termination payments. Same property NOI for the nine months ended September 30, 2009 excluding expansion and redevelopment space increased by \$5.2 million or 3.0% over the same prior year period. Same property NOI growth excluding expansion and redevelopment space and the lease termination fees, for the nine months ended September 30, 2009 was \$2.6 million or 1.5%.

Year to date acquisitions completed in 2009 and 2008 contributed \$3.4 million to NOI, while greenfield development activities contributed a further \$7.7 million to NOI for the nine months ended September 30, 2009.

The lease termination fees for the nine months ended September 30, 2009 are from three tenants (two are non-retail tenants) at separate locations where 94,500 square feet with an annualized NOI of \$1.3 million was vacated. 20,200 square feet has been re-leased replacing one half of the total NOI. The Company is currently negotiating the lease up of the remaining two locations.

Gross new leasing in the third quarter totalled 348,000 square feet including development and redevelopment space brought on line. The Company achieved a 9.4% increase on 251,000 square feet of renewal leases over the expiring lease rates. For the nine months ended September 30, 2009, gross new leasing totalled 939,000 square feet. Renewal leasing totalled 864,000 square feet with an 11.0% increase over expiring rates.

The average rate per occupied square foot at September 30, 2009 increased to \$15.54. This compares to an average rate of \$15.37 per square foot at June 30, 2009 and \$14.84 per square foot at September 30, 2008.

Portfolio occupancy at September 30, 2009 of 96.0% compares to 96.1% at June 30, 2009 and 96.4% at December 31, 2008.

FINANCING AND CAPITAL MARKET HIGHLIGHTS

During the three months ending September 30, 2009, the Company completed the following significant financing and capital market transactions:

- On August 5, 2009, 3,450,000 Units were issued at a price of \$17.10 per unit for gross proceeds of \$59 million. Each Unit consisted of one common share and two-thirds of a warrant separable immediately. Each whole warrant entitles the holder to acquire at any time up to October 29, 2010, one common share of First Capital Realty at an exercise price of \$17.53.
- On September 18, 2009, the Company completed the issuance of \$75 million aggregate principal amount of 6.25% convertible unsecured subordinated debentures due December 31, 2016. Interest is payable semi-annually commencing March 31, 2010 and will be convertible at the option of the holder into common shares of the Company at a conversion price of \$22.90 per common share. It is the current intention of First Capital Realty to satisfy its obligation to pay the interest and principal by issuing common shares of the Company pursuant to the terms of the trust indenture.

The Company also completed the following financings in the nine months ended September 30, 2009:

- Eleven secured financing transactions for gross proceeds of \$156.0 million at a weighted average interest rate of 6.23% and a weighted average term to maturity of 8.2 years.
- A three year, \$450 million secured revolving credit facility maturing March 2012 with a syndicate of ten banks jointly led by RBC Capital Markets, TD Securities, and BMO Capital Markets. The new facility was used to replace the Company's existing three year \$350 million Senior Unsecured Revolving Credit Facility, which had a maturity date of March 2010.
- A three year, \$75 million secured revolving credit facility with the Bank of Nova Scotia maturing January 2012.
- On February 17, 2009 the Company issued 1.4 million common shares to acquire 1.8 million shares of Allied Properties REIT.
- The Company issued 772,000 common shares as payment of the interest due to holders of the 5.50% convertible debentures.
- Convertible debentures totalling \$6.3 million in principal were converted at the option of the holder resulting in the issuance of approximately 231,000 common shares.

In addition, on August 14, 2009, First Capital Realty completed its previously announced special dividend-in-kind of the Company's interest in Gazit America. The Company calculated the fair market value of the Gazit America shares distributed to be \$41.5 million, or approximately \$0.45 per First Capital Realty common share outstanding on July 28, 2009. As a result of this special dividend, First Capital Realty no longer has any ownership interest in Equity One.

QUARTERLY DIVIDEND

The Company announced that it will pay a fourth quarter dividend of \$0.32 per common share on January 12, 2010 to shareholders of record on December 30, 2009.

OUTLOOK

Over the past several years First Capital Realty has made significant progress in growing its business and generating accretive growth in funds from operations while enhancing the quality of its portfolio.

The current environment remains competitive with little transaction activity. Both debt and equity markets are accessible but continue to be challenging relative to pricing currently being asked by property vendors. The Company will continue to selectively acquire properties that are well-located and of high quality, where they add strategic value and/or operating synergies provided they will be accretive to FFO over the long term, and equity and debt capital can be priced and committed to maintain conservative leverage.

Development and redevelopment activities continue to provide the Company with opportunities to grow within its existing portfolio of assets. Once completed, these activities typically generate higher returns on investment.

With respect to acquisitions of both income-producing and development properties, the Company will continue to focus on maintaining the sustainability and growth potential of rental income to ensure that among other things, refinancing risk is minimized. This is particularly important given the current cost of capital.

Specifically, Management will focus on the following five areas to achieve its objectives in 2009 and 2010:

- same property net operating income growth, taking into account maintaining high occupancy;
- development and redevelopment activities;
- selective acquisitions;
- increasing efficiency and productivity of operations; and
- careful capital allocation to decrease dependence on capital markets.

Overall, Management is confident that the quality of the Company's balance sheet, the defensive nature of its assets and operations will continue to serve it well in the current environment.

2009 GUIDANCE

Projections involve numerous assumptions such as rental income (including assumptions on timing of lease-up, development coming on line and levels of percentage rent), interest rates, tenant defaults, corporate expenses, level and timing of acquisitions of income-producing properties, the Company's share price, number of shares outstanding and numerous other factors. Not all factors which affect our range of projected funds from operations and adjusted funds from operations are determinable at this time and actual results may vary from the projected results in a material respect, and may be above or below the range presented in a material respect.

<i>(per share amounts, except for projected FFO, AFFO and shares outstanding)</i>	2009 Guidance as at Q3		2009 Guidance as at Q2		Variance	
FFO Guidance						
	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>
Projected diluted net income	\$0.39	\$0.41	\$0.41	\$0.43	\$(0.02)	\$(0.02)
Adjustments						
Projected FFO from Equity One	0.16	0.16	0.15	0.16	0.01	0.00
Projected equity income from Equity One	(0.09)	(0.09)	(0.09)	(0.09)	0.00	0.00
Projected amortization and future income taxes	1.18	1.19	1.16	1.18	0.02	0.01
Projected FFO ⁽¹⁾	\$1.64	\$1.67	\$1.63	\$1.68	\$0.01	\$(0.01)
Projected FFO ⁽¹⁾	\$153.9M	\$157.3M	\$152.7M	\$158.0M	\$1.2M	\$(0.7)M
Projected weighted average shares outstanding for per share FFO calculations	94.0M		93.9M		0.1M	
AFFO Guidance						
Projected FFO ⁽¹⁾	\$153.9M	\$157.3M	\$152.7M	\$158.0M	\$1.2M	\$(0.7)M
Projected weighted average shares outstanding for per share AFFO calculations (including conversion of convertible debentures)	103.2M		102.2M		1.0M	
Projected AFFO (using weighted average AFFO shares outstanding) ⁽¹⁾	\$1.49	\$1.52	\$1.50	\$1.54	\$(0.01)	\$(0.02)
Projected dividend income – return of capital portion	(0.00)	(0.01)	0.02	0.03	(0.02)	(0.04)
Projected dividends from Equity One net of FFO from Equity One	(0.02)	(0.02)	(0.01)	(0.02)	(0.01)	0.00
Projected revenue sustaining capital expenditures	(0.12)	(0.12)	(0.11)	(0.10)	(0.01)	(0.02)
Projected non cash items, net	0.11	0.11	0.09	0.09	0.02	0.02
Projected AFFO ⁽¹⁾	\$1.46	\$1.48	\$1.49	\$1.54	\$(0.03)	\$(0.06)

⁽¹⁾ See Funds from Operations section of this press release.

The variance between Q2 and Q3 FFO and AFFO guidance is primarily associated with the items noted below.

- Same property NOI excluding redevelopment and expansion is assumed to grow ~ 2-3%, consistent with Q2 guidance assumptions;
- The increased investment in development, redevelopment and expansion activities to approximately 675,000 square feet with gross book value of approximately \$250 million compares to Q2 guidance of 600,000 – 650,000 square feet with gross book value ranging from \$175 to \$200 million. These development projects coming on line in the fourth quarter will essentially produce revenues in 2010;
- Existing vacancy and certain small CRU spaces in newly developed properties are leasing slower than planned resulting in a slight reduction in NOI forecast guidance from Q2 to Q3;
- Income-producing property acquisitions now total \$61 million which compares to \$27 million year-to-date in the Q2 guidance assumption;
- Interest expense is higher due to longer term financing activities completed during Q3 including the 6.25% convertible debenture issue plus other specific financing activities which together resulted in a decreased utilization of the lower cost credit facility and increased financing costs;
- Gains on marketable securities sold during Q3, offset by the related dividend income reduction through year end, were not included in the Q2 guidance;
- Non-cash items including amortization and straight-line rents are adjusted based on actual amounts each quarter.

The ranges presented represent Management's estimate of results based upon these assumptions as of the date of this press release. The purpose of the Company's guidance is to provide readers with Management's view as to the expected financial performance of the Company for 2009, using factors that are commonly accepted and viewed as meaningful indicators of financial performance in the real estate industry. For financial information and analysis please refer to the Company's Management's Discussion and Analysis of Financial Position and Results of Operations for the third quarter of 2009 and 2008 and for the nine month periods ended September 30, 2009 and 2008.

Readers should refer to the section below titled "Forward Looking Statements" for important information relating to our guidance, including risk factors.

MANAGEMENT CONFERENCE CALL AND WEBCAST

Management will hold a conference call on Monday, November 9th, 2009 at 1:00p.m. EST. Third quarter financial results will be released prior to the call and made available on First Capital Realty's website in the News section. The *Supplemental Package* link will be on our Home Page at www.firstcapitalrealty.ca or click on *Investor, Downloads*. To access the webcast, go to First Capital Realty's website at www.firstcapitalrealty.ca, and click on the link for the webcast at the bottom of our *Home Page*. The webcast will be archived on our *Home Page* for 30 days and can be accessed, thereafter, in our *Conference Calls* section of our website.

You may participate in the live conference toll free at 866-299-6657 or at 416-641-6135. To ensure your participation, please call five minutes prior to the scheduled start of the call. The call will be archived through November 16, 2009 and can be accessed by dialing toll free 800-408-3053 or 416-695-5800 with access code 3135053.

Management's presentation will be followed by a question and answer period. To ask a question, press ' * 1 ' on a touch-tone phone. The conference call coordinator is immediately notified of all requests in the order in which they are made, and will introduce each questioner. To cancel your request, press the pound key '#'. If you hang up, you can reconnect by dialing 866-299-6657 or 416-641-6135. For assistance at any point during the call, press '*0'.

ABOUT FIRST CAPITAL REALTY (TSX:FCR)

First Capital Realty is Canada's leading owner, developer and operator of supermarket and drugstore-anchored neighbourhood and community shopping centres, located predominantly in growing metropolitan areas. The Company currently owns interests in 176 properties, including four under development, totalling approximately 20.8 million square feet of gross leasable area and six land sites in the planning stage for future retail development.

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Forward Looking Statements

This press release and in particular the "Outlook" section, contains forward-looking statements and information within the meaning of applicable securities legislation. Forward-looking statements can generally be identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend", "outlook", "objective", "may", "will", "should", "plan", "continue" and similar expressions. The forward-looking statements are not historical facts but reflect the Company's current expectations regarding future results or events and are based on information currently available to Management. Certain material factors and assumptions were applied in providing these forward-looking statements. All forward-looking statements in this press release are qualified by these cautionary statements.

Management believes that the expectations reflected in forward-looking statements are based upon reasonable assumptions; however, Management can give no assurance that actual results will be consistent with these forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed under "Risks and Uncertainties" in the Company's MD&A for the year ended December 31, 2008.

Factors that could cause actual results or events to differ materially from those expressed, implied or projected by forward-looking statements in addition to those described in the "Risk and Uncertainties" section include, but are not limited to, general economic conditions, the availability of new competitive supply of retail properties which may become available either through construction or sublease, First Capital Realty's ability to maintain occupancy and to lease or re-lease space at current or anticipated rents, tenant bankruptcies, the relative illiquidity of real-property, unexpected costs or liabilities related to acquisitions, construction, environmental matters, legal matters, reliance on key personnel, financial difficulties and defaults, changes in interest rates and credit spreads, changes in the U.S.-Canadian foreign currency exchange rate, changes in operating costs, First Capital Realty's ability to obtain insurance coverage at a reasonable cost and the availability of financing. The assumptions underlying the Company's forward-looking statements contained in the "Outlook" section of this press release include that consumer demand will remain stable, demographic trends will continue and there will continue to be barriers to entry in the markets in which the Company operates. The assumptions used in developing the Company's guidance are set out in the "Outlook" section of this press release.

Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. First Capital Realty undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances except as required by security laws.

These forward-looking statements are made as of November 6, 2009.

For further information:

Dori J. Segal, President & C.E.O., or

Karen H. Weaver, E.V.P. & C.F.O.

First Capital Realty Inc.

85 Hanna Avenue, Suite 400

Toronto, Ontario, Canada M6K 3S3

Tel: (416) 504-4114

Fax: (416) 941-1655

www.firstcapitalrealty.ca

NON-GAAP SUPPLEMENTAL FINANCIAL MEASURES

Funds from Operations and Adjusted Funds from Operations

In Management's view, funds from operations ("FFO") and adjusted funds from operations ("AFFO") are commonly accepted and meaningful indicators of financial performance in the real estate industry. First Capital Realty believes that financial analysts, investors and shareholders are better served when the clear presentation of comparable period operating results generated from FFO and AFFO disclosures supplement Canadian generally accepted accounting principles ("GAAP") disclosure. These measures are the primary methods used in analyzing real estate organizations in Canada. The Company's method of calculating FFO and AFFO may be different from methods used by other corporations or REITs (real estate investment trusts) and accordingly, may not be comparable to such other corporations or REITs. FFO and AFFO are presented to assist investors in analyzing the Company's performance. FFO and AFFO: (i) do not represent cash flow from operating activities as defined by GAAP, (ii) are not indicative of cash available to fund all liquidity requirements, including payment of dividends and capital for growth and (iii) are not to be considered as alternatives to GAAP net income for the purpose of evaluating operating performance.

Funds from Operations – RealPac Recommendations

First Capital Realty calculates FFO in accordance with the recommendations of the Real Property Association of Canada ("RealPac"). The definition is meant to standardize the calculation and disclosure of FFO across real estate entities in Canada, modelled on the definition adopted by the National Association of Real Estate Investment Trusts ("NAREIT") in the United States. FFO as defined by RealPac differs in two respects from the definition adopted by NAREIT. Under the RealPac definition, future income taxes are excluded from FFO, whereas under the NAREIT definition, they are included. In addition, impairment losses on depreciable assets are excluded from the RealPac FFO definition, whereas the NAREIT definition includes them. As a result, when calculating FFO, the Company adjusts the FFO reported by Equity One to comply with the RealPac definition, when appropriate.

FFO is considered a meaningful additional measure of operating performance, as it excludes amortization of real estate assets. Amortization expense assumes that the value of real estate assets diminishes predictably over time, which is clearly not a valid assumption. FFO also adjusts for certain items included in GAAP net income that may not be the most appropriate determinants of the long-term operating performance of the Company including gains and losses on depreciable real estate assets.

Net Operating Income

Net operating income ("NOI") is defined as property rental revenue less property operating costs. In Management's opinion, net operating income is useful in analyzing the operating performance of the Company's shopping centre portfolio. Net operating income is not a measure defined by GAAP and there is no standard definition of net operating income. As a result, net operating income may not be comparable with similar measures presented by other entities. Net operating income is not to be construed as an alternative to net income or cash flow from operating activities determined in accordance with GAAP.

FIRST CAPITAL REALTY INC.

CONSOLIDATED BALANCE SHEETS

<i>(unaudited)</i>	September 30	December 31
<i>(thousands of dollars)</i>	2009	2008 ⁽¹⁾
		(restated)
ASSETS		
Real Estate Investments		
Shopping centres	\$ 3,193,742	\$ 3,040,257
Land and shopping centres under development	257,661	281,959
Deferred leasing costs	16,934	16,146
Intangible assets	23,069	29,312
	3,491,406	3,367,674
Investment in Equity One, Inc.	-	227,259
Loans, mortgages and other real estate assets	82,627	32,480
	3,574,033	3,627,413
Other assets	38,073	27,448
Amounts receivable	46,647	45,501
Cash and cash equivalents	19,400	7,263
Future income tax assets	18,109	11,977
	\$ 3,696,262	\$ 3,719,602
LIABILITIES		
Mortgages, loans and credit facilities	\$ 1,499,011	\$ 1,573,530
Accounts payable and other liabilities	135,955	166,507
Intangible liabilities	12,412	17,264
Senior unsecured debentures	592,786	593,288
Convertible debentures	282,788	218,247
Future income tax liabilities	63,957	55,620
	2,586,909	2,624,456
SHAREHOLDERS' EQUITY		
	1,109,353	1,095,146
	\$ 3,696,262	\$ 3,719,602

⁽¹⁾ Prior year comparative figures have been restated for a change in accounting standards.

FIRST CAPITAL REALTY INC.

CONSOLIDATED STATEMENTS OF EARNINGS

<i>(unaudited)</i> <i>(thousands of dollars, except per share amounts)</i>	Three months ended		Nine months ended	
	September 30 2009	September 30 2008 ⁽¹⁾ (restated)	September 30 2009	September 30 2008 ⁽¹⁾ (restated)
REVENUE				
Property rental revenue	\$ 108,829	\$ 100,830	\$ 328,899	\$ 304,497
Interest and other income	2,390	2,932	3,288	4,577
	111,219	103,762	332,187	309,074
EXPENSES				
Property operating costs	37,217	35,375	117,430	111,368
Interest expense	31,412	27,862	93,122	85,064
Amortization				
Shopping centres	21,697	18,507	62,748	55,456
Deferred leasing costs	934	741	2,716	2,515
Intangible assets	2,061	1,803	6,015	6,077
Deferred financing fees	623	222	1,558	628
Other assets	380	325	1,198	939
Corporate expenses	5,320	4,731	16,321	15,963
	99,644	89,566	301,108	278,010
Equity income (loss) from Equity One, Inc.	954	(1,506)	8,353	7,311
Income before income taxes	12,529	12,690	39,432	38,375
Income taxes				
Current	318	1,036	2,195	2,365
Future	3,209	3,427	10,060	9,243
	3,527	4,463	12,255	11,608
Net income	\$ 9,002	\$ 8,227	\$ 27,177	\$ 26,767
Earnings per common share, basic and diluted	\$ 0.09	\$ 0.09	\$ 0.29	\$ 0.31

⁽¹⁾ Prior year comparative figures have been restated for a change in accounting standards.

FIRST CAPITAL REALTY INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

<i>(unaudited)</i> <i>(thousands of dollars)</i>	Three months ended		Nine months ended	
	September 30 2009	September 30 2008 ⁽¹⁾ (restated)	September 30 2009	September 30 2008 ⁽¹⁾ (restated)
NET INCOME	\$ 9,002	\$ 8,227	\$ 27,177	\$ 26,767
OTHER COMPREHENSIVE INCOME				
Unrealized foreign currency gains on translating self-sustaining foreign operations				
(Losses) gains arising during the period	(3,146)	2,095	(6,156)	3,363
Reclassification adjustment for dilution loss on investment in Equity One, Inc.	-	-	1,669	-
Reclassification adjustment for dividend-in-kind	17,288	-	17,288	-
	14,142	2,095	12,801	3,363
Other comprehensive (losses) income of Equity One, Inc.				
Gains arising during the period	-	2,975	4,346	1,088
Reclassification adjustment for dilution loss included in net income	-	-	29	-
Reclassification adjustment for dividend-in-kind	(1,124)	-	(1,124)	-
	(1,124)	2,975	3,251	1,088
Unrealized gains (losses) on cash flow hedges of interest rates				
Unrealized gains (losses) arising during the period	196	(22)	9,080	(440)
Reclassification adjustments for gains included in net income	(7)	-	(21)	-
Reclassification adjustment for dividend-in-kind	4,407	-	4,407	-
	4,596	(22)	13,466	(440)
Change in cumulative unrealized gain (losses) on available-for-sale marketable securities				
Unrealized gains (losses) arising during the period	5,341	(1,707)	12,163	(2,054)
Reclassification adjustments for (gains) losses included in net income	(1,668)	3	(1,470)	55
	3,673	(1,704)	10,693	(1,999)
Other comprehensive income before income taxes	21,287	3,344	40,211	2,012
Future income tax expense (recovery)	1,298	(580)	5,501	(875)
Other comprehensive income	19,989	3,924	34,710	2,887
COMPREHENSIVE INCOME	\$ 28,991	\$ 12,151	\$ 61,887	\$ 29,654

⁽¹⁾ Prior year comparative figures have been restated for a change in accounting standards.

FIRST CAPITAL REALTY INC.

CONSOLIDATED STATEMENTS OF FUNDS FROM OPERATIONS

<i>(unaudited)</i> <i>(thousands of dollars, except per share amounts)</i>	Three months ended		Nine months ended	
	September 30 2009	September 30 2008 ⁽¹⁾	September 30 2009	September 30 2008 ⁽¹⁾
		(restated)		(restated)
Net income for the period	\$ 9,002	\$ 8,227	\$ 27,177	\$ 26,767
Add (deduct):				
Amortization of shopping centres, deferred costs and intangible assets	24,692	21,051	71,479	64,048
Gain on disposition of income-producing shopping centre	-	-	(211)	-
Equity income (loss) from Equity One ⁽²⁾	(954)	1,506	(8,353)	(7,311)
Funds from operations from Equity One ⁽²⁾	2,553	(1,952)	15,009	8,749
Future income taxes	3,209	3,427	10,060	9,243
Funds from operations ("FFO")	38,502	32,259	115,161	101,496
Add: dilution loss on Equity One investment	-	-	676	-
Add: the Company's share of Equity One's non-cash impairment loss	-	6,480	-	6,480
FFO excluding dilution loss on Equity One investment and the Company's share of Equity One's non-cash impairment loss	\$ 38,502	\$ 38,739	\$ 115,837	\$ 107,976
FFO per diluted share	\$ 0.41	\$ 0.36	\$ 1.24	\$ 1.18
Add: dilution loss on Equity One investment	-	-	0.01	-
Add: the Company's share of Equity One's non-cash impairment loss	-	0.07	-	0.07
FFO per diluted share excluding dilution loss on Equity One investment and the Company's share of Equity One's non-cash impairment loss	\$ 0.41	\$ 0.43	\$ 1.25	\$ 1.25
Weighted average diluted shares - FFO	94,902,006	90,021,640	92,895,420	86,231,829

CONSOLIDATED STATEMENTS OF ADJUSTED FUNDS FROM OPERATIONS

<i>(unaudited)</i> <i>(thousands of dollars, except per share amounts)</i>	Three months ended		Nine months ended	
	September 30 2009	September 30 2008 ⁽¹⁾	September 30 2009	September 30 2008 ⁽¹⁾
		(restated)		(restated)
FFO excluding dilution loss on Equity One investment and the Company's share of Equity One's non-cash impairment loss	\$ 38,502	\$ 38,739	\$ 115,837	\$ 107,976
Add / (deduct):				
Rental revenue recorded on a straight-line basis and market rent adjustments	(1,421)	(2,274)	(4,645)	(6,166)
Non-cash compensation expense	914	904	2,727	2,971
Interest expense payable in shares	3,642	3,525	10,523	10,491
Change in cumulative unrealized gain on marketable securities	-	529	(1,638)	788
Dividend income - return of capital portion	484	214	1,766	214
Return of capital portion - previously recognized	(792)	-	(792)	-
Loss on extinguishment of debt	209	-	897	-
Funds from operations from Equity One	(2,553)	(4,528)	(15,009)	(15,229)
Dividends from Equity One (regular)	2,211	4,464	12,452	13,048
Gain on termination of hedge	(7)	-	(21)	-
Gain on disposition of land	-	(2,667)	(118)	(3,942)
Revenue sustaining capital expenditures and leasing costs	(3,733)	(2,436)	(8,842)	(7,087)
Adjusted funds from operations ("AFFO")	\$ 37,456	\$ 36,470	\$ 113,137	\$ 103,064
AFFO per diluted share	\$ 0.36	\$ 0.37	\$ 1.12	\$ 1.09
Weighted average diluted shares for AFFO ⁽³⁾	103,879,309	98,648,017	101,119,140	94,657,945

⁽¹⁾ Prior year comparative figures have been restated for a change in accounting standards.

⁽²⁾ Current year amounts cover period to August 14, 2009, the date of the dividend-in-kind related to the Company's interest in Equity One.

⁽³⁾ Includes the weighted average outstanding shares that would result from the conversion of the convertible debentures.

FIRST CAPITAL REALTY INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited) (thousands of dollars)	Three months ended		Nine months ended	
	September 30 2009	September 30 2008 ⁽¹⁾ (restated)	September 30 2009	September 30 2008 ⁽¹⁾ (restated)
CASH FLOW PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Net income	\$ 9,002	\$ 8,227	\$ 27,177	\$ 26,767
Items not affecting cash				
Amortization	25,695	21,598	74,235	65,615
Amortization of above- and below-market leases	(602)	(592)	(1,745)	(1,679)
Rent revenue recognized on a straight-line basis	(819)	(1,682)	(2,900)	(4,487)
Gain on disposition of income-producing property	-	-	(211)	-
Gains on disposition of land	-	(2,667)	(118)	(3,942)
Realized loss (gains) on sale of marketable securities	(1,875)	-	(902)	52
Change in cumulative unrealized losses (gains) on marketable securities held-for-trading	-	529	(1,638)	788
Loss on settlement of debt	209	-	897	-
Non-cash compensation expense	914	904	2,727	2,971
Interest paid in excess of effective interest on assumed mortgages	(284)	(293)	(895)	(1,142)
Effective interest rate in excess of coupon rate on senior unsecured and convertible debentures	236	217	678	639
Convertible debenture interest paid in common shares	6,253	6,408	12,613	12,891
Other non-cash interest expense	677	588	2,020	1,849
Equity income from Equity One, Inc.	(954)	1,506	(8,353)	(7,311)
Dilution loss on Equity One, Inc. investment	-	-	676	-
Loss on foreign exchange currency	211	-	211	-
Future income taxes	3,209	3,427	10,060	9,243
Deferred leasing costs	(1,304)	(1,428)	(3,505)	(3,012)
Dividends received from Equity One, Inc.	2,211	4,464	12,452	13,048
Net change in non-cash operating items	(4,518)	1,926	(25,287)	(22,905)
Cash provided by operating activities	38,261	43,132	98,192	89,385
INVESTING ACTIVITIES				
Acquisition of shopping centres	(5,364)	(39,299)	(23,406)	(45,947)
Acquisition of land and shopping centres held for development	(28)	(496)	(9,387)	(11,603)
Proceeds from disposition of land held for development	-	8,322	70	10,148
Expenditures on shopping centres	(10,363)	(6,145)	(22,423)	(14,684)
Expenditures on land and shopping centres under development	(63,147)	(59,009)	(134,377)	(150,596)
Changes in accounts payable and accrued liabilities related to investing activities	20,514	(10,034)	(3,924)	13,536
Increase in loans and mortgages receivable	(364)	(980)	(1,390)	(1,280)
Investment in marketable securities	(367)	(13,053)	(3,112)	(22,241)
Return of capital from investments in marketable securities	484	245	1,766	319
Proceeds from disposition of marketable securities	19,159	52	27,762	2,182
Cash used in investing activities	(39,476)	(120,397)	(168,421)	(220,166)
FINANCING ACTIVITIES				
Mortgage financings, loans and credit facilities				
Borrowings, net of financing costs	63,049	121,718	548,958	345,345
Principal instalment payments	(10,260)	(9,563)	(30,495)	(28,304)
Other repayments on maturity	(140,535)	(69,343)	(475,930)	(318,025)
Purchase of senior unsecured debentures	-	-	(1,145)	-
Issuance of convertible debentures, net of issue costs	72,075	-	72,075	-
Issuance of common shares, net of issue costs	54,942	42,991	54,980	148,491
Issuance of warrants, net of issue costs	1,821	-	1,821	-
Dividend-in-kind cash payment	(427)	-	(427)	-
Payment of dividends	(30,041)	(7,264)	(88,793)	(20,630)
Cash provided by financing activities	10,624	78,539	81,044	126,877
Effect of currency rate movement on cash balances	1,514	20	1,322	(45)
Increase in cash and cash equivalents	10,923	1,294	12,137	(3,949)
Cash and cash equivalents, beginning of the period	8,477	5,208	7,263	10,451
Cash and cash equivalents, end of the period	\$ 19,400	\$ 6,502	\$ 19,400	\$ 6,502
SUPPLEMENTARY INFORMATION				
Cash income taxes paid	\$ 9	\$ 714	\$ 1,358	\$ 1,640
Cash interest paid	\$ 33,886	\$ 29,428	\$ 96,630	\$ 89,409

⁽¹⁾ Prior year comparative figures have been restated for a change in accounting standards.