



FOR IMMEDIATE RELEASE:

SITE Centers Reports First Quarter 2020 Operating Results

BEACHWOOD, OHIO, April 30, 2020 /Business Wire/ -- SITE Centers Corp. (NYSE: SITC) today announced operating results for the quarter ended March 31, 2020.

“SITE Centers had a strong start to the year and is well-positioned heading into a period of economic uncertainty given the strength of the Company’s curated portfolio and balance sheet,” commented David R. Lukes, President and Chief Executive Officer. “We have substantial liquidity, no material near-term maturities, and no material capital commitments.”

Results for the Quarter

- First quarter net income attributable to common shareholders was \$29.2 million, or \$0.15 per diluted share, as compared to net income of \$27.4 million, or \$0.15 per diluted share, in the year-ago period. The year-over-year increase in net income was primarily attributable to a gain recognized on the sale of a joint venture interest offset by a valuation allowance of the Company’s preferred investments and debt extinguishment costs.
- First quarter operating funds from operations attributable to common shareholders (“Operating FFO” or “OFFO”) was \$61.2 million, or \$0.32 per diluted share, compared to \$58.7 million, or \$0.32 per diluted share, in the year-ago period.

Significant First Quarter and Recent Activity

- Completed the sale of SITE Centers’ 15% stake in the DDRTC Joint Venture to its partner, TIAA-CREF, which resulted in net proceeds to the Company of approximately \$141 million prior to any working capital adjustments.
- Repaid \$200 million aggregate principal amount of 4.625% senior unsecured notes due 2022. The Company recorded a charge in connection with the notes repayment of \$17.2 million primarily related to prepayment penalties.
- Sold one shopping center and land for an aggregate sales price of \$33.4 million, totaling \$13.4 million at SITE Centers’ share, including \$7.5 million from the repayment of a mezzanine loan.
- Repurchased 0.8 million of its common shares for \$7.5 million. The shares were repurchased at a weighted-average price of \$9.18.
- Implemented a COVID-19 response plan that included transitioning all company employees to a virtual workplace, enacting protocols in line with government guidelines at company-owned shopping centers to keep all centers operational, working with tenants to access small business resources including those provided by the Payroll Protection Program (PPP), and by taking decisive steps to improve liquidity, reduce capital spending and increase financial flexibility.
- The Company’s Board of Directors has suspended payment of dividends on its common shares for the second quarter of 2020. The Board of Directors has not made any decisions with respect to its dividend policy beyond the second quarter of 2020 and intends to maintain compliance with REIT taxable income distribution requirements.

Key Quarterly Operating Results

- Reported 3.7% same store net operating income growth on a pro rata basis for the first quarter of 2020, excluding redevelopment. Including redevelopment, same store net operating income growth for the same period was 3.1%.
- Generated new leasing spreads of 20.1% and renewal leasing spreads of 3.3%, both on a pro rata basis, for the quarter and new leasing spreads of 12.2% and renewal leasing spreads of 3.8%, both on a pro rata basis, for the trailing twelve-month period.
- Reported a leased rate of 92.9% at March 31, 2020 on a pro rata basis, compared to 93.8% on a pro rata basis at December 31, 2019 and 93.0% at March 31, 2019.
- Annualized base rent per occupied square foot on a pro rata basis was \$18.49 at March 31, 2020, compared to \$17.92 at March 31, 2019.

About SITE Centers Corp.

SITE Centers is an owner and manager of open-air shopping centers that provide a highly-compelling shopping experience and merchandise mix for retail partners and consumers. The Company is a self-administered and self-managed REIT operating as a fully integrated real estate company, and is publicly traded on the New York Stock Exchange under the ticker symbol SITC. Additional information about the Company is available at <https://www.sitecenters.com>. To be included in the Company's e-mail distributions for press releases and other investor news, please click [here](#).

Conference Call and Supplemental Information

The Company will hold its quarterly conference call today at 8:00 a.m. Eastern Time. To participate with access to the slide presentation, please visit the Investor Relations portion of SITE's website, ir.sitecenters.com, or for audio only, dial 888-317-6003 (U.S.), 866-284-3684 (Canada) or 412-317-6061 (international) using pass code 0447058 at least ten minutes prior to the scheduled start of the call. A replay of the conference call will also be available at ir.sitecenters.com for one year after the call. A copy of the Company's Supplemental package is available on the Company's website.

Non-GAAP Measures

Funds from Operations ("FFO") is a supplemental non-GAAP financial measure used as a standard in the real estate industry and is a widely accepted measure of real estate investment trust ("REIT") performance. Management believes that both FFO and Operating FFO provide additional indicators of the financial performance of a REIT. The Company also believes that FFO and Operating FFO more appropriately measure the core operations of the Company and provide benchmarks to its peer group.

FFO is generally defined and calculated by the Company as net income (loss) (computed in accordance with GAAP), adjusted to exclude (i) preferred share dividends, (ii) gains and losses from disposition of real estate property and related investments, which are presented net of taxes, (iii) impairment charges on real estate property and related investments, including reserve adjustments of preferred equity interests, (iv) gains and losses from changes in control and (v) certain non-cash items. These non-cash items principally include real property depreciation and amortization of intangibles, equity income (loss) from joint ventures and equity income (loss) from non-controlling interests and adding the Company's proportionate share of FFO from its unconsolidated joint ventures and non-controlling interests, determined on a consistent basis. The Company's calculation of FFO is consistent with the definition of FFO provided by NAREIT. The Company calculates Operating FFO as FFO excluding certain non-operating charges, income and gains. Operating FFO is useful to investors as the Company removes non-comparable charges, income and gains to analyze the results of its operations and assess performance of the core operating real estate portfolio. Other real estate companies may calculate FFO and Operating FFO in a different manner.

The Company also uses net operating income ("NOI"), a non-GAAP financial measure, as a supplemental performance measure. NOI is calculated as property revenues less property-related expenses. The Company believes NOI provides useful information to investors regarding the Company's financial condition and results of operations because it reflects only those income and expense items that are incurred at the property level and, when compared across periods, reflects the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition and disposition activity on an unleveraged basis.

The Company presents NOI information herein on a same store basis or "SSNOI." The Company defines SSNOI as property revenues less property-related expenses, which exclude straight-line rental income (including reimbursements) and expenses, lease termination income, management fee expense, fair market value of leases and expense recovery adjustments. SSNOI includes assets owned in comparable periods (15 months for quarter comparisons). In addition, SSNOI is presented both including and excluding activity associated with development and major redevelopment. SSNOI excludes all non-property and corporate level revenue and expenses. Other real estate companies may calculate NOI and SSNOI in a different manner. The Company believes SSNOI at its effective ownership interest provides investors with additional information regarding the operating performances of comparable assets because it excludes certain non-cash and non-comparable items as noted above.

FFO, Operating FFO, NOI and SSNOI do not represent cash generated from operating activities in accordance with GAAP, are not necessarily indicative of cash available to fund cash needs and should not be considered as alternatives to net income computed in accordance with GAAP, as indicators of the Company's operating performance or as alternatives to cash flow as a measure of liquidity. Reconciliations of these non-GAAP measures to their most directly comparable GAAP measures are included in this release and the accompanying financial supplement.

Safe Harbor

SITE Centers Corp. considers portions of the information in this press release to be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, both as amended, with respect to the Company's expectation for future periods. Although the Company believes that the

expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that its expectations will be achieved. For this purpose, any statements contained herein that are not historical fact may be deemed to be forward-looking statements. There are a number of important factors that could cause our results to differ materially from those indicated by such forward-looking statements, including, among other factors, the impact of the outbreak of COVID-19 on the Company's ability to manage its properties, finance its operations and perform necessary administrative and reporting functions and on tenants' ability to operate their businesses, generate sales and meet their financial obligations, including the obligation to pay rent; local conditions such as the supply of, and demand for, retail real estate space in the area; the impact of e-commerce; dependence on rental income from real property; the loss of, significant downsizing of or bankruptcy of a major tenant and the impact of any such event on rental income from other tenants and our properties; redevelopment and construction activities may not achieve a desired return on investment; our ability to buy or sell assets on commercially reasonable terms; our ability to complete acquisitions or dispositions of assets under contract; our ability to secure equity or debt financing on commercially acceptable terms or at all; impairment charges; our ability to enter into definitive agreements with regard to our financing and joint venture arrangements and our ability to satisfy conditions to the completion of these arrangements; valuation and risks relating to our joint venture and preferred equity investments; the termination of any joint venture arrangements or arrangements to manage real property; property damage, expenses related thereto and other business and economic consequences (including the potential loss of rental revenues) resulting from extreme weather conditions or natural disasters in locations where we own properties, and the ability to estimate accurately the amounts thereof; sufficiency and timing of any insurance recovery payments related to damages from extreme weather conditions or natural disasters; any change in strategy and our ability to maintain REIT status. For additional factors that could cause the results of the Company to differ materially from those indicated in the forward-looking statements, please refer to the Company's most recent reports on Form 10-K and Form 10-Q. The impacts of COVID-19 may also exacerbate the risks described therein, any of which could have a material effect on the Company. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof.

SITE Centers Corp.
Income Statement: Consolidated Interests

in thousands, except per share

	1Q20	1Q19
Revenues:		
Rental income (1)	\$112,529	\$112,221
Other property revenues	1,553	1,469
	114,082	113,690
Expenses:		
Operating and maintenance	18,480	18,841
Real estate taxes	17,657	17,743
	36,137	36,584
Net operating income	77,945	77,106
Other income (expense):		
Fee income (2)	15,228	17,332
Interest income	3,485	4,521
Interest expense	(20,587)	(21,726)
Depreciation and amortization	(42,993)	(42,608)
General and administrative (3)	(11,376)	(14,112)
Other (expense) income, net (4)	(17,409)	153
Impairment charges	0	(620)
Income before earnings from JVs and other	4,293	20,046
Equity in net income of JVs	2,171	1,043
Reserve of preferred equity interests	(18,057)	(1,099)
Gain on sale of joint venture interest	45,681	0
Gain on disposition of real estate, net	773	16,377
Tax expense	(233)	(272)
Net income	34,628	36,095
Non-controlling interests	(295)	(305)
Net income SITE Centers	34,333	35,790
Preferred dividends	(5,133)	(8,383)
Net income Common Shareholders	\$29,200	\$27,407
Weighted average shares - Basic - EPS	193,726	180,546
Assumed conversion of diluted securities	0	545
Weighted average shares - Basic & Diluted - EPS	193,726	181,091
Earnings per common share - Basic	\$0.15	\$0.15
Earnings per common share - Diluted	\$0.15	\$0.15
(1) Rental income:		
Minimum rents	\$74,641	\$74,961
Ground lease minimum rents	5,468	5,018
Percentage and overage rent	601	1,376
Recoveries	27,199	27,461
Lease termination fees	3,025	2,587
Ancillary and other rental income	2,084	1,259
Bad debt	(489)	(441)
(2) Fee Income:		
JV and other fees	7,598	7,876
RVI fees	6,074	6,556
RVI disposition fees	1,556	1,100
RVI refinancing fee	0	1,800
(3) Mark-to-market adjustment (PRSUs)	2,167	(899)
(4) Other income (expense), net		
Transaction and other expense, net	(223)	163
Debt extinguishment costs, net	(17,186)	(10)

SITE Centers Corp.
Reconciliation: Net Income to FFO and Operating FFO
and Other Financial Information

in thousands, except per share

	1Q20	1Q19
Net income attributable to Common Shareholders	\$29,200	\$27,407
Depreciation and amortization of real estate	41,619	40,957
Equity in net income of JVs	(2,171)	(1,043)
JVs' FFO	7,143	7,975
Non-controlling interests	28	28
Impairment of real estate	0	620
Reserve of preferred equity interests	18,057	1,099
Gain on sale of joint venture interest	(45,681)	0
Gain on disposition of real estate, net	(773)	(16,377)
FFO attributable to Common Shareholders	\$47,422	\$60,666
RVI disposition and refinancing fees	(1,556)	(2,900)
Mark-to-market adjustment (PRSUs)	(2,167)	899
Debt extinguishment, transaction, net	17,409	22
Joint ventures - debt extinguishment, other	42	14
Total non-operating items, net	13,728	(1,965)
Operating FFO attributable to Common Shareholders	\$61,150	\$58,701
Weighted average shares & units - Basic: FFO & OFFO	193,867	180,690
Assumed conversion of dilutive securities	0	545
Weighted average shares & units - Diluted: FFO & OFFO	193,867	181,235
FFO per share - Basic	\$0.24	\$0.34
FFO per share - Diluted	\$0.24	\$0.33
Operating FFO per share - Basic	\$0.32	\$0.32
Operating FFO per share - Diluted	\$0.32	\$0.32
Common stock dividends declared, per share	\$0.20	\$0.20
Capital expenditures (SITE Centers share):		
Development and redevelopment costs	8,734	6,849
Maintenance capital expenditures	2,255	1,398
Tenant allowances and landlord work	10,383	8,311
Leasing commissions	968	843
Construction administrative costs (capitalized)	840	626
Certain non-cash items (SITE Centers share):		
Straight-line rent	(1,342)	316
Straight-line fixed CAM	149	201
Amortization of (above)/below-market rent, net	1,402	1,196
Straight-line rent expense	(70)	(420)
Debt fair value and loan cost amortization	(1,110)	(1,122)
Capitalized interest expense	286	271
Stock compensation expense	176	(1,855)
Non-real estate depreciation expense	(1,316)	(1,558)

SITE Centers Corp.
Balance Sheet: Consolidated Interests

\$ in thousands

	At Period End	
	1Q20	4Q19
Assets:		
Land	\$881,360	\$881,397
Buildings	3,289,988	3,277,440
Fixtures and tenant improvements	493,371	491,312
	4,664,719	4,650,149
Depreciation	(1,323,390)	(1,289,148)
	3,341,329	3,361,001
Construction in progress and land	62,250	59,663
Real estate, net	3,403,579	3,420,664
Investments in and advances to JVs	85,074	181,906
Investment in and advances to affiliate (1)	190,105	190,105
Receivable - preferred equity interests, net	93,909	112,589
Cash	514,258	16,080
Restricted cash	106	3,053
Notes receivable	0	7,541
Receivables and straight-line (2)	56,436	60,594
Intangible assets, net (3)	76,038	79,813
Other assets, net	25,576	21,277
Total Assets	4,445,081	4,093,622
Liabilities and Equity:		
Revolving credit facilities	645,000	5,000
Unsecured debt	1,447,997	1,647,963
Unsecured term loan	99,504	99,460
Secured debt	54,210	94,874
	2,246,711	1,847,297
Dividends payable	44,047	44,036
Other liabilities (4)	186,845	220,811
Total Liabilities	2,477,603	2,112,144
Preferred shares	325,000	325,000
Common shares	19,399	19,382
Paid-in capital	5,703,521	5,700,400
Distributions in excess of net income	(4,075,813)	(4,066,099)
Deferred compensation	5,994	7,929
Other comprehensive income	(104)	(491)
Common shares in treasury at cost	(13,600)	(7,707)
Non-controlling interests	3,081	3,064
Total Equity	1,967,478	1,981,478
Total Liabilities and Equity	\$4,445,081	\$4,093,622
(1) Preferred investment in RVI	\$190,000	\$190,000
Receivable from RVI	105	105
(2) SL rents (including fixed CAM), net	30,646	31,909
(3) Operating lease right of use assets	22,013	\$21,792
(4) Operating lease liabilities	41,008	40,725
Below-market leases, net	45,700	46,961

SITE Centers Corp.
Reconciliation of Net Income Attributable to SITE to Same Store NOI

\$ in thousands

	1Q20	1Q19	1Q20	1Q19
	SITE Centers at 100%		At SITE Centers Share (Non-GAAP)	
GAAP Reconciliation:				
Net income attributable to SITE Centers	\$34,333	\$35,790	\$34,333	\$35,790
Fee income	(15,228)	(17,332)	(15,228)	(17,332)
Interest income	(3,485)	(4,521)	(3,485)	(4,521)
Interest expense	20,587	21,726	20,587	21,726
Depreciation and amortization	42,993	42,608	42,993	42,608
General and administrative	11,376	14,112	11,376	14,112
Other expense (income), net	17,409	(153)	17,409	(153)
Impairment charges	0	620	0	620
Equity in net income of joint ventures	(2,171)	(1,043)	(2,171)	(1,043)
Reserve of preferred equity interests	18,057	1,099	18,057	1,099
Tax expense	233	272	233	272
Gain on sale of joint venture interest	(45,681)	0	(45,681)	0
Gain on disposition of real estate, net	(773)	(16,377)	(773)	(16,377)
Income from non-controlling interests	295	305	295	305
Consolidated NOI	77,945	77,106	77,945	77,106
SITE Centers' consolidated JV	0	0	(476)	(444)
Consolidated NOI, net of non-controlling interests	77,945	77,106	77,469	76,662
Net (loss) income from unconsolidated joint ventures	(18,654)	6,666	1,981	774
Interest expense	17,755	25,656	3,329	4,429
Depreciation and amortization	30,104	39,504	5,196	6,167
Impairment charges	31,720	12,267	1,586	2,453
Preferred share expense	4,530	5,459	227	273
Other expense, net	4,657	5,456	936	996
Gain on disposition of real estate, net	(8,906)	(15,966)	(1,739)	(1,555)
Unconsolidated NOI	\$61,206	\$79,042	11,516	13,537
Total Consolidated + Unconsolidated NOI			88,985	90,199
Less: Non-Same Store NOI adjustments			(4,505)	(8,220)
Total SSNOI including redevelopment			84,480	81,979
Less: Redevelopment Same Store NOI adjustments			(5,240)	(5,566)
Total SSNOI excluding redevelopment			\$79,240	\$76,413
SSNOI % Change including redevelopment			3.1%	
SSNOI % Change excluding redevelopment			3.7%	