The Company owns a portfolio of income-producing shopping centres that are typically anchored by supermarkets and/or drug stores. As at December 31, 2003, First Capital Realty's Canadian income-producing shopping centre portfolio consisted of interests in 10.7 million square feet of gross leasable area in 82 properties, 75 of which were supermarket and/or drug store anchored. The Company's Canadian shopping centres average 131,000 square feet in size (2002 – 130,000 square feet) and have an average net book value of $115 per square foot (2002 – $111 per square foot). The locations of these properties are summarized in the following chart.

December 31		**2003**		2002
Location	**Number of Properties**	**Gross Leasable Area (000s sq. ft.)**	Number of Properties	Gross Leasable Area (000s sq. ft.)
Ontario	**36**	**5,442**	26	4,111
Québec	**28**	**3,047**	24	2,605
Western Canada	**16**	**2,127**	12	1,633
Maritimes	**2**	**92**	3	105
Total	**82**	**10,708**	65	8,454

Management intends to continue to grow the business, primarily by acquiring and developing neighbourhood and community shopping centres that are supermarket and/or drug store anchored.

The Company also owned 12.5 million shares (approximately 18%) of Equity One, Inc., the assets of which are similar to those of the Company and comprised of 185 properties totalling 19.9 million square feet. Including properties held through its investment in Equity One, at December 31, 2003 the Company had interests in 267 properties totalling approximately 30.6 million square feet of gross leasable area.

Management intends to continue to grow the business, primarily by acquiring neighbourhood and community shopping centre properties that are supermarket and/or drug store anchored. In addition, management will look for strategic or portfolio acquisitions, both in existing markets and markets where the Company may not yet have a significant presence. The Company targets acquisitions of well-located properties in attractive and growing metropolitan areas. As a result, these properties typically attract quality tenants with long lease terms. These tenants typically provide consumers with daily necessities. In management's view, such tenants are somewhat less sensitive to economic cycles and are desirable tenants for its properties.

The Company will also continue to pursue selective development and redevelopment activities, either alone or with joint-venture partners, in order to actively participate in growth markets and to improve the return on the portfolio. Investments in development and redevelopment activities typically comprise approximately 5% of the Company's total assets. New centres are developed after obtaining anchor tenant lease commitments. The Company strategically manages all development activities to reduce development risks.