

A Driving Force

2001
Report on Activities



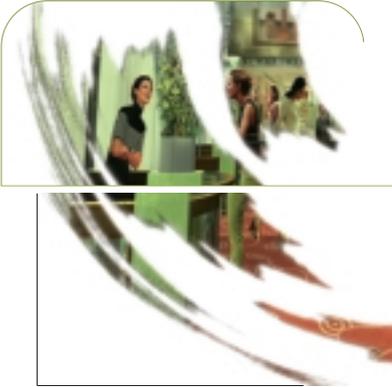
**Ivanhoe
Cambridge**

CDP group

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The information contained in this report reflects Ivanhoe Cambridge's activities for the year 2001.
All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars.



AN INDUSTRY LEADER

A driving force

Ivanhoe Cambridge — created as a result of the February 1, 2001 merger between Ivanhoe and Cambridge — combines the strengths of two of the Canadian real estate industry's best-known and most respected leaders. One of the country's pre-eminent property owners, managers, developers and investors, Ivanhoe Cambridge focuses on regional and super-regional shopping centres located in urban areas.

Ivanhoe Cambridge's reputation is built on its financial strength, expertise, extensive knowledge of the market, far-reaching business network, innovative customer service approach and, most of all, its dynamic shopping destinations. As such, its primary objectives are to offer first-rate service to its retailers and their customers, while maintaining solid financial ratios.

Beyond its strong Canada-wide presence, Ivanhoe Cambridge is active in the United States — with a substantial shopping centre portfolio held in partnership with several prominent real estate corporations — and in Europe. Abroad, Ivanhoe Cambridge takes a dynamic approach to investment management in order to capitalize on real estate cycles.

Ivanhoe Cambridge is owned by five Canadian pension funds including the Caisse de dépôt et placement du Québec (CDP), its principal shareholder and Canada's leading fund manager.

COMBINED FINANCIAL HIGHLIGHTS

Years ended December 31, 2001, 2000 and 1999

(in millions of dollars, except per-unit amounts)

	2001	2000	1999
Rental income ¹	890.7	901.6	763.4
Cash flow from operations ¹ (before interest and income taxes)	492.3	492.1	421.0
Net operating cash flow ¹ (after interest and income taxes)	265.2	213.1	183.1
Operating income ¹	415.7	394.9	330.4
Net earnings ^{1,2}	174.3	122.2	129.4
Net earnings per unit ^{1,2,3}	8.35	6.61	7.74
Net operating cash flow per unit ^{1,3}	12.70	11.52	10.96
FAIR VALUE			
Total assets	7,051.0	6,924.3	6,980.1
Real estate assets	6,541.8	6,441.8	6,568.3
Third-party debt	3,918.8	4,053.2	4,321.1
Shareholders' equity	2,908.0	2,630.4	2,003.4
Value per unit ³	139.24	125.94	111.22
COVERAGES AND RATIO			
Interest coverage	1.88X	1.61X	1.71X
Debt service coverage	1.64X	1.42X	1.51X
Debt/equity ratio	1.61:1.00	1.77:1.00	1.67:1.00
Acquisitions and development projects	323.7	1,159.7	1,224.9

¹ The results of the operations of Cambridge Shopping Centres Limited have been included in the combined financial statements commencing March 1, 1999, the date of acquisition of control.

² Before income taxes, share in earnings of companies subject to significant influence, gain on sale of real estate, restructuring expenses and provision for decrease in the value of assets.

³ A unit represents the shareholders' initial investment and subsequent capital contributions, and is established by using the fair market value of the Company at the time of investment.



2001: AN EXCELLENT YEAR DESPITE CHALLENGING CIRCUMSTANCES



Fernand Perreault
Chairman of the Board

René Tremblay
President and
Chief Executive Officer

The year 2001 represented a turning point in the history of Ivanhoe Cambridge. It marked the emergence of a Canada-wide leader in the shopping centre industry following the merger of two highly respected companies: Ivanhoe and Cambridge. The year was remarkable in that the Company succeeded in fulfilling most of its objectives, which were set before the merger took place.

Rental income totalled \$890.7 million, and operating cash flow reached \$265.2 million, up 24.4% over 2000. With a rate of return of 10.6%, we once again this year, significantly outperformed the industry benchmark, achieving a full 3.5% over the AON shopping centre index.



“Creating value is one of Ivanhoe Cambridge’s fundamental objectives.”

Weathering an economic slowdown

The economy experienced some turbulence in 2001:

- The first recession to hit the United States in a decade had a negative impact on worldwide economic growth.
- The events of September 11 dealt a severe blow to consumer and business confidence.
- The Canadian economy slowed down considerably, growing only 1.4% over the previous year.
- The slowdown translated into a year-long decrease in inflation.
- Unemployment was on the rise in the United States and at year-end was just under 6%. These increases were somewhat less pronounced in Canada and Europe.
- Monetary conditions were eased considerably throughout the world and, since September 11, many nations have adopted budgetary policies designed to spur growth.

Despite all this, the shopping centre industry managed to turn in a solid performance:

- In Canada, retail sales¹ reached \$289.4 billion in 2001, versus \$277.0 billion in 2000.
- Demand for quality retail space was steady, both in Canada and the United States.
- Rental rates remained stable.
- Vacancy rates decreased in Canada.

In the United States, the economic outlook points to a downturn in real estate cycles whereas in Canada, the market seems to have reached a stage of equilibrium.



¹ Source: Statistics Canada

Les Rivières' inauguration
(Trois-Rivières, Quebec),
May 16, 2001



René Tremblay, President
and Chief Executive Officer,
Ivanhoe Cambridge
Johanne Marcotte,
General Manager,
Les Rivières
Jean-Claude Scraire,
Chairman and Chief
Executive Officer of
Caisse de dépôt et
placement du Québec (CDP)
and Chairman of CDP Capital

A year of outstanding accomplishments

Our teams' achievements in 2001 were nothing less than monumental. The year was characterized by development and redevelopment projects, many of which were very broad in scope.

We moved forward with the construction work involved in redeveloping the former *Eaton's* building in the heart of downtown Montreal — a project in which we will have invested more than \$200 million by completion. During the course of the year, several leasing agreements were signed for this prestigious mixed-use building — proof that its exceptional location and our innovative development plan have succeeded in

“Our business approach enables us to offer our retailers and consumers inviting and entertaining shopping destinations and generate solid, risk-controlled returns for our shareholders.”



sparkling the interest of potential tenants. To date, we have leased 280,000 square feet (26,000 m²) of retail space in the 358,000-square-foot (33,300 m²) shopping gallery and over 150,000 square feet (13,900 m²) of the 350,000 square feet (32,500 m²) set aside for office space on the upper floors.

We also continued construction work at Centropolis Laval, a vast shopping and entertainment hub located north of Montreal, in which we will have invested \$200 million by the end of 2003. Three new buildings were completed, and three retailers opened for business alongside the *Colossus* movie theatre, inaugurated in 2000. Agreements were also reached with new retailers for occupation in early 2002.



Several other shopping centres underwent expansion, renovation or repositioning projects. Overall, we invested \$292.6 million in our shopping centres this year, thereby significantly improving the quality of our portfolio. Virtually all of the space formerly occupied by the *Eaton's* chain has been redeveloped and re-leased — in many cases to multiple retailers. Included among these are a number of concepts new to Canada which, in some instances, have succeeded in generating greater sales productivity.

On the international scene, construction of International Plaza, a high-end shopping centre in Tampa, Florida in which we hold a 47.1% interest, wrapped up in 2001. The centre has proved to be a very popular venue since its official opening on September 14.

In 2001, we sold a number of properties whose profiles no longer corresponded to our strategic objectives. Furthermore, as of early 2002, we had added another first-rate property to our portfolio, namely Metrotown Centre, a Vancouver-area regional shopping centre adjacent to Metropolis at Metrotown, one of our flagship properties. The acquisition of Metrotown Centre will allow us to broaden our merchandising mix and provide consumers with even more retail choices.

This acquisition and these dispositions, combined with the significant efforts put into maintaining the quality of our existing properties at optimal levels, have ensured that we are well poised to provide our retailers with an ideal showcase for their products and services and their customers with appealing shopping centres.

Broadening our horizons

Our primary objective for the coming years is to position Ivanhoe Cambridge as one of the world's leading real estate operating companies.

To achieve this, we will continue to invest in Canada and the United States, and will greatly increase our presence in Europe. We believe that the European market will offer some very interesting investment possibilities, given that the retailer and consumer demand for shopping centres is on the rise and the available space limited. There is therefore room for a company with leading-edge expertise in this industry.

Obviously, in light of the current economic climate, we will be prudent in our undertakings and remain on the lookout for promising opportunities. In addition, we will continue to pursue the same partnership approach that has characterized our international success to date — joining forces with companies with a solid knowledge of the markets where we invest.

Les Ailes de la Mode's
inauguration at
Bayshore Shopping Centre
(Ottawa, Ontario),
August 8, 2001



From left to right:
George Fiddler, Senior Vice President, Central Region, Ivanhoe Cambridge
Guy Charron, President and Chief Operating Officer, Les Boutiques San Francisco Incorporées
René Tremblay, President and Chief Executive Officer, Ivanhoe Cambridge
Paul Delage Roberge, Chairman of the Board and Chief Executive Officer, Les Boutiques San Francisco Incorporées
Kim McInnes, Executive Vice President and Chief Operating Officer, Ivanhoe Cambridge
John Scott, Vice President, Development, Central Region, Ivanhoe Cambridge



Les Ailes de la Mode
Bayshore Shopping Centre
(Ottawa, Ontario)

A winning team

Looking back on our accomplishments during this challenging year, we would like to emphasize our appreciation for the remarkable efforts made by all our teams — especially considering that they were required to perform within the context of the integration of our two companies. Our employees' know-how, versatility, creativity, motivation and, most of all, dedication were vital to achieving our goals without losing sight of the importance of delivering excellent customer service. In fact, the synergy created by the integration has been advantageous for tenants, who have



benefited even more from our combined skills and extensive knowledge of the shopping centre market since the merger. On behalf of the Board of Directors and management, we thank all our employees for their outstanding performance yet again this year.

As part of the post-merger integration, the individual boards of Ivanhoe and Cambridge were dissolved. We would therefore like to extend our sincere thanks to each and every one of our former board members for their past contributions to the success of both companies.

Finally, we would also like to take this occasion to thank Ivanhoe Cambridge's current Board of Directors for their ongoing support and trust.

Fernand Perreault, Chairman of the Board

René Tremblay, President and Chief Executive Officer



SETTING THE PACE — A LEADER'S

Innovating: Our approach to real estate management

In its property management, Ivanhoe Cambridge relies on innovation and creativity to constantly redefine its shopping centres in order to stay in tune with changing market trends and consumer lifestyles. This approach ensures the Company's long-term success.

Motivating and empowering: Our approach to building employee relationships

Ivanhoe Cambridge endeavours to motivate and empower its employees, while fostering their professional development. The Company provides them with a range of tools designed to optimize their performance. The result — a strong, energetic and forward-looking team.



Teaming up with our tenants: Our approach to customer service

Ivanhoe Cambridge's customer service approach is more than a priority — it is a commitment to working together with the retailers in its shopping centres to attain mutual goals. Its proven track record for service aims at offering retailers a complete and unrivalled range of tenant services.

Benefiting from financial strength

Ivanhoe Cambridge's own solid financial standing is backed by the strength of its shareholders, including Canada's largest fund management group, CDP. This enables Ivanhoe Cambridge to take advantage of business opportunities, carry out its transactions with diligence and bring its projects to fruition. In other words, Ivanhoe Cambridge has the means to turn its ambitions into reality.

APPROACH

Developing and maintaining internal leading-edge know-how

Ivanhoe Cambridge strengthens its dedicated and seasoned team of professionals by recruiting skilled industry-savvy employees. This enables Ivanhoe Cambridge to successfully face the challenges that lie ahead.

Capitalizing on a unique, multidisciplinary expertise

Ivanhoe Cambridge sets itself apart from the competition through its ability to manage shopping centres, real estate investments and development projects alike. The Company has been able to apply its expertise in these three areas to maintain strong financial results.

Cultivating and growing a worldwide network

Ivanhoe Cambridge's and the CDP's network of partners extends throughout the world and includes several prominent investors, renowned real estate managers and retailers from local, national and international circles. This expansive global network enables Ivanhoe Cambridge to make the most of business opportunities while limiting its level of risk and benefiting from the complementary expertise of its partners.

Clearly defining corporate strategies

Ivanhoe Cambridge's clear corporate vision, combined with a steady growth rate and a strategic approach to asset acquisition and sales, are key to ensuring its long-term prosperity and administrative efficiency. As a result, Ivanhoe Cambridge succeeds in achieving the objectives set forth in its business plans and creating value.

Knowing and understanding the market from coast to coast

An extensive knowledge of the issues specific to the shopping centre industry as well as a complete understanding of the real estate and retail worlds have enabled Ivanhoe Cambridge to evolve and adapt to prevailing industry trends in order to better respond to the needs of the market as well as consumers and retailers.





STRATEGIES FOR MAXIMIZING VALUE

In 2001, Ivanhoe Cambridge repositioned and redeveloped a number of its shopping centres and, as a result, made great strides in enhancing the dominance of its portfolio of Canadian properties. Its commitment to investing regularly in its malls enables Ivanhoe Cambridge to maximize their quality. This approach goes beyond preventive maintenance, into the realm of strategic management.

Ivanhoe Cambridge also pursued two major development projects, namely the former *Eaton's* building in downtown Montreal and Centropolis Laval, a shopping and entertainment destination located north of Montreal.

Furthermore, certain non-core centres which no longer met the Company's strategic objectives were sold during the year, and the acquisition of Metrotown Centre in Greater Vancouver was negotiated in 2001 and closed in early 2002.

Redevelopment and development projects

Ivanhoe Cambridge prides itself on its ability to remain at the forefront of the retail industry and strives to optimize the performance of its properties by actively seeking out trendsetting retailers. As a result, the Company ensures that its malls attract the highest number of shoppers possible. With this in mind, Ivanhoe Cambridge made a total investment of \$180.5 million in the renovation, expansion, redevelopment and repositioning of the centres under its management in the past year.

Les Rivières (Trois-Rivières, Quebec)

The \$35-million redevelopment project at Les Rivières, started in 1999 and aimed at renovating and expanding the mall, was completed and marked by an official grand re-opening ceremony in May 2001. A new *Sears* store was built and other anchor tenants relocated into more modern, better-adapted premises. A food court was also constructed, and a number of new stores were opened, including the *Laura* group, *Terra Nostra*, *Pot Pourri*, *Sul Posto*, *Kojax* and *Tiki Ming*, each making its debut in the area.

Place Ste-Foy (Ste-Foy, Quebec)

A completely revamped north wing was unveiled this year at Place Ste-Foy — the culmination of a major renovation project that was set in motion in 2000. Several new prestigious retailers also opened during the year, adding to the centre's already unique retail landscape. These include *Signature Maurice Tanguay*, *Gap*, *BabyGap*, *Gap Kids*, *Jacob Jr.*, *Guess*, *Esprit*, *Kirouac* and *Atmosphere* — the Forzani Group's newest big-box concept specializing in outdoor sporting goods and apparel.



Les Rivières
(Trois-Rivières, Quebec)

At the close of 2001, Ivanhoe Cambridge announced the kickoff of another major redevelopment project involving the building previously occupied by *Cinéma Ste-Foy*. *Omer DeSerres* will open in this new part of the centre as of spring 2002, and *Bovet* will be relocated there as well, leaving its current storefront to the first Quebec City-area banner of Spanish retailer *Zara*. In addition, a new dining and entertainment concept will be added to the second floor of the former movie theatre.

Bayshore Shopping Centre (Ottawa, Ontario)

This year marked the culmination of Ivanhoe Cambridge's \$26-million redevelopment project at Bayshore Shopping Centre. *Les Ailes de la Mode*, one of Quebec's most successful retailers, opened its first out-of-province store, occupying 96,000 square feet (8,900 m²) over two levels. The substantial redevelopment project also included the relocation and expansion of *Zellers* and *Sports Experts* and the arrival of popular retailer *Old Navy*, a *Gap* banner.

Burlington Mall (Burlington, Ontario)

The final phase of the project designed to retenant the premises formerly occupied by *Eaton's* wrapped up in 2001. This \$14-million investment has breathed new life into Burlington Mall. The centre welcomed *Old Navy* and several other retailers, as well as a new food court.

Devonshire Mall (Windsor, Ontario)

The \$44-million renovation project, begun in 2000 to reinforce the centre's position as the strongest player in its market, was finalized. A number of new retailers have been brought in, including *Jacob*, *American Eagle Outfitters*, *Laura II* and *Sport Chek*. *Old Navy* will also be opening a store in the summer of 2002.

Leasing operations remain strong despite turbulent economic conditions

Ivanhoe Cambridge leased a total of 2.9 million square feet (269,000 m²) in 2001. Renewals made up 1.2 million square feet (113,600 m²) of this figure, whereas new leases accounted for 1.7 million square feet (155,400 m²).



Tecumseh Mall
(Windsor, Ontario)



Tecumseh Mall (Windsor, Ontario)

Tecumseh Mall was expanded and renovated this year for a total investment of \$17 million. The new 80,000-square-foot (7,400 m²) section of the centre features a *Sobey's* supermarket, several exciting new stores and services, a food court and a *Montana's Roadside Restaurant*.



Southcentre Mall
(Calgary, Alberta)

Southcentre Mall (Calgary, Alberta)

The expansion project at Southcentre Mall, which resulted in integrating an extra 188,000 square feet (17,500 m²) into the centre, was finalized in 2001. The arrival of several exclusive new retailers, including *Femme de Carrière* and *Eveline Charles Salon & Spa*, succeeded in enhancing the mall's retail offering and further reinforcing its position in the Calgary market.

Mayfair Shopping Centre
(Victoria, British Columbia)

The renovation of Mayfair Shopping Centre started in 2001 and will continue on into 2002. The purpose of this project is to reinforce this centre's dominance in the Victoria market. A new ramp was added to the parking lot to facilitate access and improve traffic flow. The building's mechanical and electrical infrastructures were also upgraded and made more efficient.

Woodgrove Centre
(Nanaimo, British Columbia)



Metropolis at Metrotown
(Burnaby, British Columbia)

Ivanhoe Cambridge continued its \$11-million redevelopment project at Metropolis at Metrotown in 2001. *Coast Mountain* and *Sport Chek* opened for business, and Spanish retailer *Zara* soon followed with its first outlet in Western Canada. This entertainment-oriented centre boasts an unrivalled retail mix, with trendy fashion boutiques standing alongside innovative big-box storefronts.

Woodgrove Centre (Nanaimo, British Columbia)

Following its 230,000-square-foot (21,400 m²) expansion in 2000, Woodgrove Centre welcomed the arrival of *Chapters* in 2001 and will be adding a *Wal-Mart* by the end of summer 2002. Moreover, the space previously occupied by *Eaton's* was taken over by *The Bay*.

Several of Ivanhoe Cambridge's other shopping centres also underwent repositioning or redevelopment projects in 2001, including:

- Les Galeries Lachine (Lachine, Quebec) — relocation and expansion of two existing tenants and the arrival of several new merchants.
- Mail Champlain (Brossard, Quebec) — conclusion of an agreement to transform the *Imax* cinema into a live entertainment venue, slated to open in the spring of 2003.
- Place Bourassa (Montreal North, Quebec) — relocation of several retailers, renovation of the exterior facade and arrival of new tenants.
- Place Greenfield Park (Greenfield Park, Quebec) — redevelopment and expansion of the parking lot and elimination of the mall concept in favour of a reconceptualized “power centre” approach with all-new tenants. Negotiations are currently under way with two other retailers to complete the transformation.
- Place Montréal Trust (Montreal, Quebec) — ongoing repositioning efforts designed to introduce large-format concepts to the first floor and renovate the food court. Leasing transactions have been completed in early 2002.
- Place Newman (LaSalle, Quebec) — redevelopment of the former *Zellers* premises, arrival of several new retailers and renovation of the common areas.
- Conestoga Mall (Waterloo, Ontario) — ongoing expansion work, the first phase of which was completed in 2001. In June, *Galaxy Theatre* opened a ten-screen multiplex cinema that is proving to be the chain's best performer.
- Deerfoot Mall (Calgary, Alberta) — renovation of the mall and food court.

Prestigious ICSC Awards

In 2001, Ivanhoe Cambridge was honoured with a prestigious *MAXI* award from the International Council of Shopping Centers (ICSC) in recognition of its eSERVICE program. This initiative, the only one of its kind in the industry, enables retailers in select shopping centres to access market studies and marketing plans online. ICSC also presented five *Merit* awards to four of Ivanhoe Cambridge's shopping centres: Burlington Mall (Burlington, Ontario), the Montreal Eaton Centre (Montreal, Quebec), Oakridge Centre (Vancouver, British Columbia) and Southgate Centre (Edmonton, Alberta).

The *MAXIs* and *Merits* are high-profile international awards designed to promote excellence in marketing. This year, 407 shopping centres from over 20 countries competed in eight different categories.

Ivanhoe Cambridge was also the proud recipient of five *Maple Leaf* and five *Merit* awards presented by ICSC Canada.

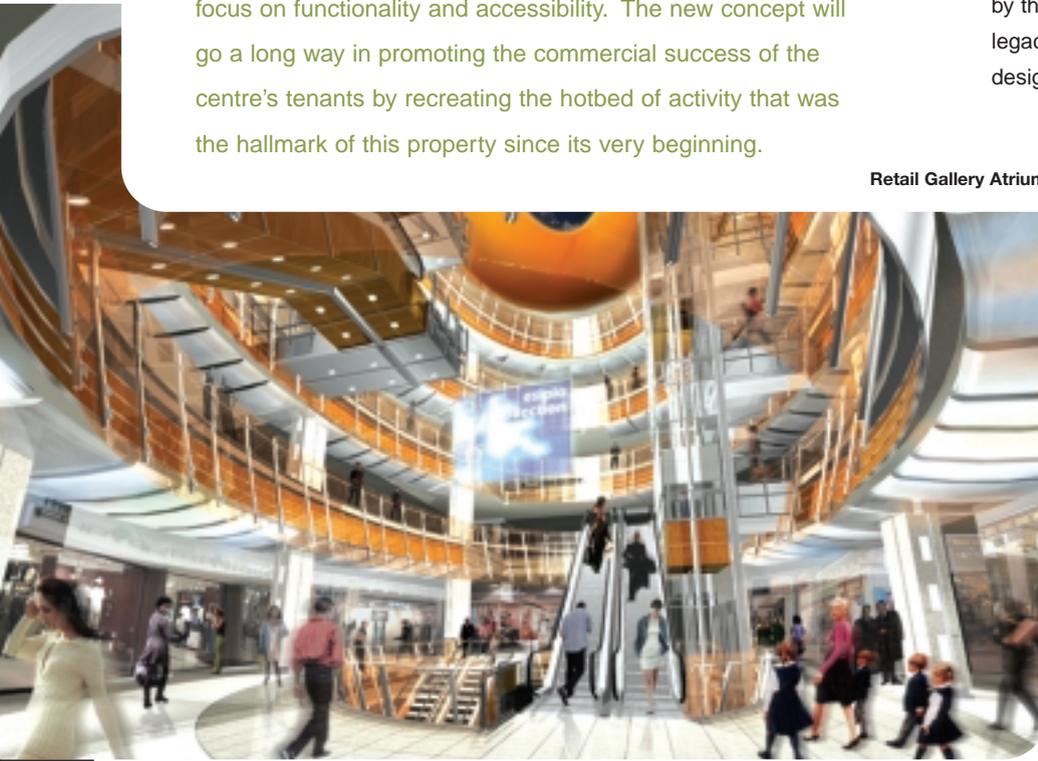
THE FORMER EATON'S BUILDING: FIT FOR A

Acquired at the close of 1999, the former *Eaton's* building boasts an outstanding location on the busiest commercial thoroughfare in the heart of downtown Montreal. This prestigious seventy-year-old property has historically played a key role in the city's economy and has a special place in the hearts of Montrealers. Ivanhoe Cambridge is building on this heritage to create a unique architectural statement with a focus on functionality and accessibility. The new concept will go a long way in promoting the commercial success of the centre's tenants by recreating the hotbed of activity that was the hallmark of this property since its very beginning.

A prestigious address

The building's future tenants will enjoy numerous benefits, including a very strategic location in downtown Montreal and direct access to the famed underground city and the McGill metro station — the busiest subway stop in the network. In addition, with its bold concept, the building will radiate a unique charm, generated by the synergy created by its unique historical legacy and groundbreaking contemporary design.

Retail Gallery Atrium



Once a single-purpose property, the building will now take on a multifunctional character: the lower floors will feature a retail gallery opening up onto Sainte-Catherine Street, whereas the upper floors will be reserved for office space and accessed by way of University Street.

On completion, Ivanhoe Cambridge and its tenants will have invested more than \$200 million in this projet to be inaugurated in the summer of 2002.

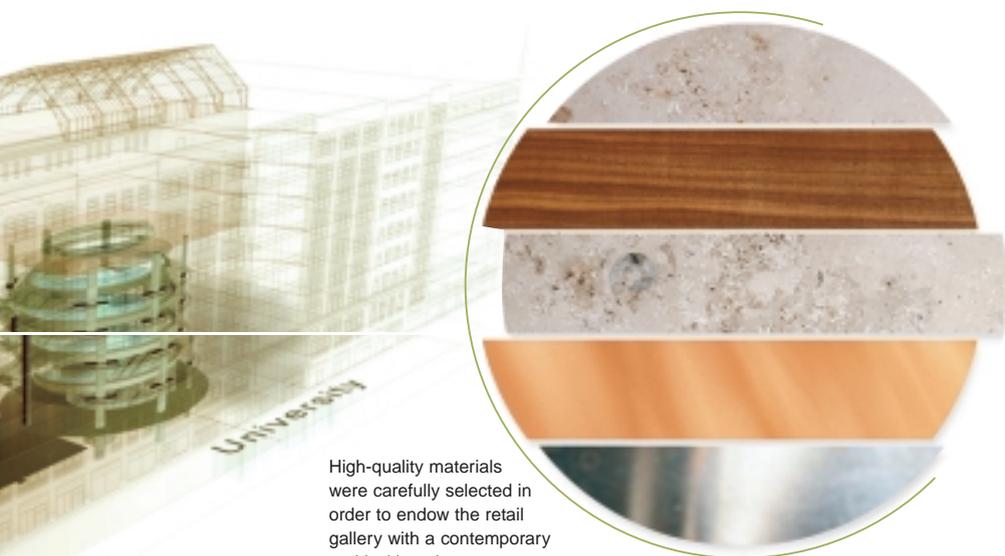
A LARGE-SCALE ENDEAVOUR REAL ESTATE INDUSTRY LEADER

Montreal shopping *par excellence*

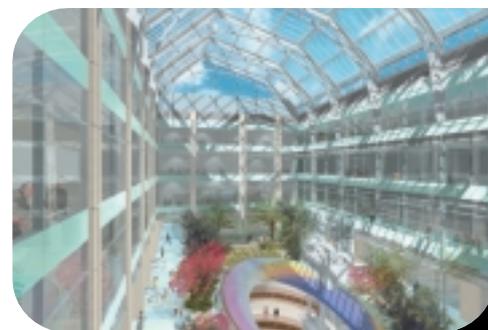
Close to half of the property's total leasable area – or 358,000 square feet (33,300 m²) between the basement and third floor — will be turned into a retail gallery featuring a distinctive, European-inspired ambiance and a completely renewed commercial offering. This gallery, anchored by *Les Ailes de la Mode*, a leading player in the retail industry, promises to become one of the city's premier shopping destinations, captivating local shoppers and visitors alike.

Distinctive office space

The 350,000 square feet (32,500 m²) on the upper floors will be reserved for office space that will be among the most distinctive in Montreal. As a result of two major leasing transactions concluded in 2001, nearly 50% of the available space is already committed. Some 61,000 square feet (5,700 m²) have been leased by *Talvest Fund Management*, a prominent mutual fund manager, whose head office will be located on the eighth



High-quality materials were carefully selected in order to endow the retail gallery with a contemporary and inviting elegance.



Office Atrium

Recognized for the quality and originality of its retail concept, its wide range of products and its outstanding customer service, *Les Ailes de la Mode* will occupy nearly two-thirds of the gallery, or 223,000 square feet (20,700 m²), between the ground and third floors.

Some 60 innovative stores and businesses will share the remaining 135,000 square feet (12,500 m²) between the metro and first-floor levels. Several leasing deals have already been reached with retailers such as *Archambault Musique*, *Calderone*, *Daskalides*, *Félix Brown*, *Lacoste*, *Preston*, *SAQ Signature*, *Soto Express*, *Swarovski*, *TAG* and *Tommy Hilfiger*.

floor of the building as of June 2002. Also in spring 2002, *Computershare Trust Company of Canada*, the world's leading provider of stock transfer, employee plans and trustee services, will occupy the entire seventh floor, for a total of approximately 90,000 square feet (8,400 m²).

Tenants will have access to a cutting-edge technological infrastructure, proximity to amenities and services, flexible design possibilities, high ceilings and an abundance of natural light.



Centropolis Laval
(Laval, Quebec)

Located just north of Montreal at one of Laval's most strategic sites – the crossroads of the Laurentian Autoroute and several of the area's main thoroughfares — **Centropolis Laval** has already proven its tremendous drawing power and enjoys high customer traffic thanks in large part to the appeal of the *Colossus* movie theatre.

Centropolis Laval: Where shopping and entertainment go hand in hand

Centropolis Laval is a vast “city within a city” located on a 3.5-million-square-foot (325,200 m²) parcel of land. Construction of this shopping- and entertainment-focused hub began in 1999 and, by the end of 2000, Famous Players' *Colossus*, the project's cornerstone, had opened its doors. In 2001, three new buildings were erected on the site.

A winning concept with retailers

A number of tenants have chosen the opportunity offered by Centropolis Laval, including three stores with exciting retail concepts that opened in 2001, namely:

- *La Cordée*, Quebec's largest outdoor specialty store, which moved into a 29,500-square-foot (2,700 m²) space in fall 2001 and has since become a very popular destination.
- *Bernard Trottier Sports*, the ski, snowboard and golf equipment specialist, which opened a 13,000-square-foot (1,200 m²) store in November 2001.
- *Fly, Meubles et décoration*, a French banner that offers an extensive array of quality furnishings and accessories as well as trendy home decor ideas to suit every budget. Already well established in Europe, with over 150 points of sale, this is the retailer's first foray into the North American market. The 75,000-square-foot (7,000 m²) Laval location opened in November 2001, and promptly succeeded in winning over local shoppers.

Leasing transactions for many other new tenants were signed for Centropolis Laval in 2001; among those slated to open for business in 2002 are *Elixor*, *Houston*, *Jacob Annexe*, *L'Académie*, *Lounge Joia*, *Presse Café* and *Soto*.

Undeniable appeal

To date, Centropolis Laval has garnered over \$70 million in investments from retailers attracted to its distinctive concept. Consequently, the amount of available retail space will be increased to approximately 371,000 square feet (34,500 m²). All in all, once the project is completed, more than \$200 million will have been invested by Ivanhoe Cambridge and its tenants, bringing the total occupied area to 660,000 square feet (61,300 m²).



La Cordée
Centropolis Laval
(Laval, Quebec)



Shopping centres under third-party management

Ivanhoe Cambridge owns, in partnership with several Canadian organizations, a number of shopping centres for which it does not assume the management.

Two of these jointly owned properties underwent renovation and redevelopment work in 2001:

Rockland Shopping Centre (Town of Mount Royal, Quebec)

In February 2001, Rockland Shopping Centre, co-owned and managed by the Westcliff Group of Companies, welcomed *Signature Art de vivre*, a new retail concept from the *Société des alcools du Québec (SAQ)*. This represented the completion of a large-scale redevelopment project designed to retenant the space occupied until 2000 by the *Métro* supermarket. During the course of 2001, work was also done on the ground floor section of the vacated *Eaton's* store to accommodate the relocation of *Sports Experts* and *Linen Chest*. Negotiations are currently under way to lease three remaining commercial retail units.

Fairview Pointe-Claire (Pointe-Claire, Quebec)

This year marked the beginning of an extensive redevelopment project in Fairview Pointe-Claire, a centre co-owned and managed by Cadillac Fairview. *Sears* was relocated into the much larger and entirely renovated premises formerly occupied by *Eaton's Déco Découverte (Home Outfitters)* chose Fairview Pointe-Claire to launch its first store in Quebec.



Sales and acquisitions

Buying and selling when the time is right

In terms of asset dispositions, Ivanhoe Cambridge was very active in 2001, selling 12 of its non-strategic malls and other properties for a total of \$388.5 million. Among the properties involved were:

- Edmonton Centre (Edmonton, Alberta)
- Fort Henry Mall (Kingsport, Tennessee)
- Les Jardins Dorval (Dorval, Quebec)
- Markborough Place I, II & III (Mississauga, Ontario)
- Mayflower Mall (Sydney, Nova Scotia)
- Timmins Square (Timmins, Ontario)
- Towne Mall (Elizabethtown, Kentucky)
- Westshore Mall (Holland, Michigan)

Moreover, Faubourg de l'Île (L'Île-Perrot, Quebec) and Galeries des Sources, Entrepôts (Dollard-des-Ormeaux, Quebec) were sold in January 2002.

On the other hand, few acquisitions were made in Canada during the year. Consolidation has been the watchword in the Canadian shopping centre industry in recent years; in fact, today there are very few shopping centres available for resale on the market. Despite these circumstances, Ivanhoe Cambridge pursued its strategy of seeking out and capitalizing on promising opportunities afforded by the current market in order to enhance the strength of its portfolio, such as the initiative to acquire Metrotown Centre. The Company's offer was accepted in the fall of 2001 and the transaction concluded in January 2002.

Located in Burnaby, a suburb of Vancouver, British Columbia, Metrotown Centre is nestled in the heart of a vast commercial district that also houses Metropolis at Metrotown, one of Ivanhoe Cambridge's premier holdings. With 232 shops and services spread out over three levels, 936,000 square feet (87,000 m²) of retail units including 74,000 square feet (6,900 m²) of office space, Metrotown Centre is visited by nearly 15 million people a year.

This acquisition will enable Ivanhoe Cambridge to capitalize on the synergy between these two neighbouring properties to better serve the area's consumers.

Regional shopping centres: Competitive rates of return with less risk

Ivanhoe Cambridge's strategy is to acquire and hold regional and super-regional shopping centres. Why? Essentially because they constitute stable investments and provide protection against inflation. Moreover, in terms of returns, their performance typically compares favourably with stock and bond markets.





DIVERSIFYING TO CAPITALIZE ON REAL ESTATE CYCLES

Real estate cycles vary greatly from one region of the world to the next. For instance, in 2001, while the Canadian shopping centre industry levelled off — with the value of regional centres and the demand for additional retail space remaining stable — other world-wide markets presented interesting opportunities.

The largest shopping centre market in the world, the United States, continued to grow in 2001, especially in the southern and western parts of the country. The weakened economy pushed regional centre markets down, a situation that may translate into short- and medium-term investment opportunities.

In Europe, there is a tremendous potential for growth. Shopping centres are still relatively uncommon in this area of the world, and demand is continuing to grow. Consumers, especially the younger generation, are more and more inclined to head to a mall to meet their shopping needs. Moreover, there are no pan-European companies specializing in shopping centre development, construction, management, operation and leasing, and very few North American real estate companies have expressed sustained interest in this market.

To diversify its investments and make the most of the opportunities available through the American and European markets, Ivanhoe Cambridge has adopted a dynamic approach to investment management and teams up with companies with extensive experience in the target markets. This is how Ivanhoe Cambridge can maximize its returns while limiting risk.

United States

Ivanhoe Cambridge has an interest in 13 U.S. malls through partnerships with five major real estate companies: General Growth Properties, Inc. (GGP), the Wilmorite group, The Rouse Company, TimesSquare Real Estate Investors and Taubman Centers, Inc.

In 2001, the Company transferred three of its co-owned properties into Wilmorite Properties Inc., a real estate investment trust (REIT). The centres involved in the transaction were Westshore Mall (Holland, Michigan), Fort Henry Mall (Kingsport, Tennessee) and Towne Mall (Elizabethtown, Kentucky). In exchange, Ivanhoe Cambridge obtained an additional interest in the 15-property REIT, bringing its total stake to 15.16%.

REITs are securitization vehicles designed to convert interests in assets into marketable securities. This allows a company to increase the liquidity of its portfolio — it is much easier to buy and sell shares than whole properties — and to ensure the geographical diversification of its holdings.

Partnerships: Above and beyond customary business relationships

When we embark upon a joint venture, our intent is to build a long-term partnership — an alliance based on common interests, trust, communication and, most importantly, respect for each other's business goals. The foundations of a relationship of this nature are often established during an initial investment project which, depending on the circumstances, can subsequently lead to other deals. And even if the investment horizon of a joint venture project is short-term, we hope to see the partnership continue into the long term. That is why we always integrate a mutually beneficial selling strategy into the original terms of each of our acquisitions.

A partnership is an effective way of controlling risk while affording us a unique opportunity to share complementary expertise. It is a win-win proposition.

Several of Ivanhoe Cambridge's American centres held in partnership underwent expansions or renovations in 2001:

- The expansion of Mayfair Mall (Wauwatosa, Wisconsin), held jointly with GGP, was completed at the end of August 2001. As a result, 90,000 square feet (8,400 m²) of commercial retail units were added to the second floor, linking the upper levels of its two flagship tenants, *Marshall Field's* and *Boston Store*. The centre and food courts were also renovated.
- At the close of the year, Ivanhoe Cambridge and GGP committed to proceed with a redevelopment project involving the former AMC movie theatre in The Oaks Mall (Gainesville, Florida). In addition, there are plans to build a food court across from the former cinema. The centre's existing restaurants will be relocated and new dining venues added once the project is complete.
- Renovation work at Oglethorpe Mall (Savannah, Georgia), co-owned with GGP, started in August 2001. The retail units between the centre court and the *Sears* store were completely redesigned and a new food court was added. The grand opening for this section of the mall was in March 2002.
- In November 2001, *Lord & Taylor* opened its new store in Landmark Mall (Alexandria, Virginia), another GGP joint venture, in the premises formerly occupied by *J.C. Penney*.



International Plaza
(Tampa, Florida)

International Plaza: An upscale centre with a bright future

International Plaza, a high-end 1.2-million-square-foot (116,100 m²) shopping centre in Tampa, Florida, celebrated its grand opening on September 14, 2001, marking the culmination of a development project that was commenced in 1999. Ivanhoe Cambridge holds a 47.1% interest in this venture. Co-owner Taubman Centers, Inc. assumed the role of developer for the construction phase and is now managing the property.

International Plaza combines a dual-level, 200-retailer, 20-restaurant enclosed shopping gallery with an adjacent 125,000-square-foot (11,600 m²) outdoor area known as *Bay Street at the Plaza*. This lifestyle/entertainment "village" houses a number of stores, restaurants and outdoor cafés. The four anchors are *Lord & Taylor*, *Neiman Marcus*, *Nordstrom* and *Dillard's*.

International Plaza's strategic location near Tampa International Airport enables it to attract not only local shoppers but also a large number of the 17 million travellers that fly through the area every year. A free shuttle service has been set up to cater to these visitors' transportation needs.

Europe

Ivanhoe Cambridge has been present in Europe since 1997, when it acquired shares in Filo, a Spanish real estate company listed on the Madrid and Barcelona stock exchanges.

As one of Filo's major shareholders, Ivanhoe Cambridge played an active role in turning the company around, significantly improving the management of its shopping centres. Today, Filo is considered to be one of Spain's foremost industry players.

By the end of 2001, ING, a Netherlands-based company, had launched a takeover bid to acquire all of the shares of Filo. The transaction, which was finalized in the first quarter of 2002, allowed Ivanhoe Cambridge to realize an impressive gain in the value of the shares it held and represents an excellent example of the successful execution of Ivanhoe Cambridge's investment strategy.

The Company is also active in Central Europe, primarily in Poland and Hungary, through an investment in the Central European Retail Property Fund (CERPF), a fund specializing in the development of shopping centres.



Wola Park
(Warsaw, Poland)

Wola Park: A successful foray into Central Europe

Construction of Wola Park in Poland, a large-scale retail- and entertainment-oriented project, continued in 2001. The structure of this 743,000-square-foot (69,000 m²) centre is now complete, and construction is progressing on schedule.

Located in the Wola district, just northwest of Warsaw, Wola Park will house a 315,000-square-foot (29,300 m²) *Auchan* hypermarket, an electronic game centre, restaurants, cafés and some 170 other businesses.

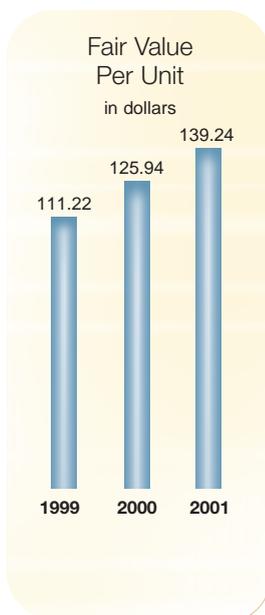
This CERPF initiative is slated to open for business in the fall of 2002.

SIGNATURE MAURICE TANGUAY
MEUBLES ÉLECTRONIQUE MATELAS



FINANCIAL OVERVIEW

In recent years, Ivanhoe Cambridge's objective has been to minimize risk and maximize the performance of its portfolio. To attain this goal, the Company has implemented a business strategy that focuses on the acquisition of prime regional shopping centres, the disposition of non-strategic properties and the development of its core portfolio. It has also pursued its overall strategy of geographically diversifying its portfolio and creating new partnerships.



As a result, in the past year, the Company sold certain properties that no longer fulfilled its investment objectives, namely nine shopping centres in Canada and three in the U.S., as well as an office building complex in Ontario, self-storage facilities in British Columbia and an equity investment in the U.S. The \$388.5 million cash flow generated by these transactions was reinvested in the Company's major regional shopping centre development projects.

As at December 31, 2001, the fair value of the Company's assets stood at \$7.1 billion, representing a market value per unit of \$139.24 — up 10.6% over the \$125.94 posted as at December 31, 2000. The fair value of the real estate portfolio was certified by independent valuers. As for the value of individual properties, each was determined by examining financial and operational information and based on forecasts and rates of return achieved in the economies and markets in which the properties are located.

Following the acquisition of the shares and privatization of Cambridge Shopping Centres Limited, the merger of the two entities was announced in February 2001. In addition to fostering an improved synergy between two pre-eminent players in the Canadian real estate industry, this merger gave the new Company a clear competitive edge in the worldwide market and generated substantial annual savings.

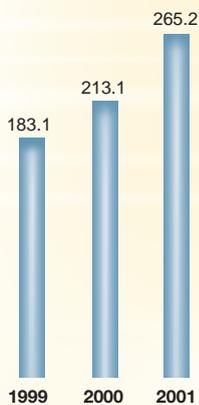
Once this acquisition was finalized, the Company set as an objective the progressive reduction of its debt-to-equity ratio. The efforts deployed to achieve this goal have been successful in that the debt-to-equity ratio has been reduced from 1.77:1.00 in 2000 to 1.61:1.00 as at December 31, 2001.

Third-party debt totalled \$3.9 billion as at December 31, 2001 – down \$402.3 million over December 31, 1999. The Company's financial situation is now even stronger, with an interest coverage ratio of 1.88X and a debt service coverage ratio of 1.64X. Moreover, the percentage of variable-rate debt was progressively increased over the course of the year, in order to take advantage of lower short-term rates.

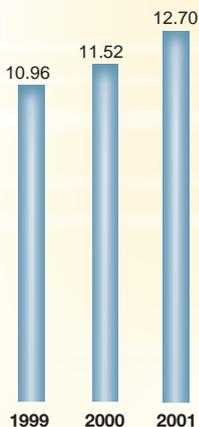
Ivanhoe Cambridge uses various means to protect itself against market fluctuations. During the course of the year, it used derivative instruments to manage the cost of its financing and protect itself against interest rate volatility. Forward exchange contracts were used to reduce the risk of fluctuations in exchange rates on investments in foreign currencies. The use of derivative instruments is managed in accordance with a treasury policy that defines the acceptable level of interest rate and foreign exchange risk and determines the type of derivatives that can be used to manage these risks. The Company does not engage in speculative transactions on foreign exchange or interest rates.



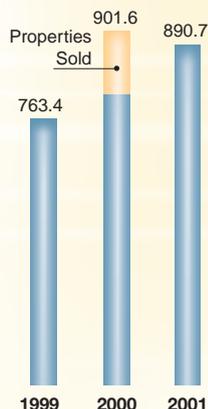
Cash Flow from Operations
in millions of dollars



Cash Flow Per Unit
in dollars



Rental Income
in millions of dollars



The implementation of a long-term financing strategy in order to take advantage of lower interest rates allowed the Company to reduce the average interest rate for long-term debt to 7.1% in 2001, compared to 7.6% in 2000.

Rental income, which totalled \$890.7 million, was down slightly from the \$901.6 million posted in 2000. This was due to the sale of several non-strategic properties. However, if the impact of these dispositions is excluded, mall repositioning and development projects actually resulted in an increase in rental income of \$78.5 million, or 9.7%.

Following the demise of the *Eaton's* chain in 1999, the Company succeeded, through its leasing efforts and a redevelopment program for the vacated premises, in increasing the overall occupancy rate for its properties from 91.8% at December 31, 2000 to 93.0% at the close of 2001.

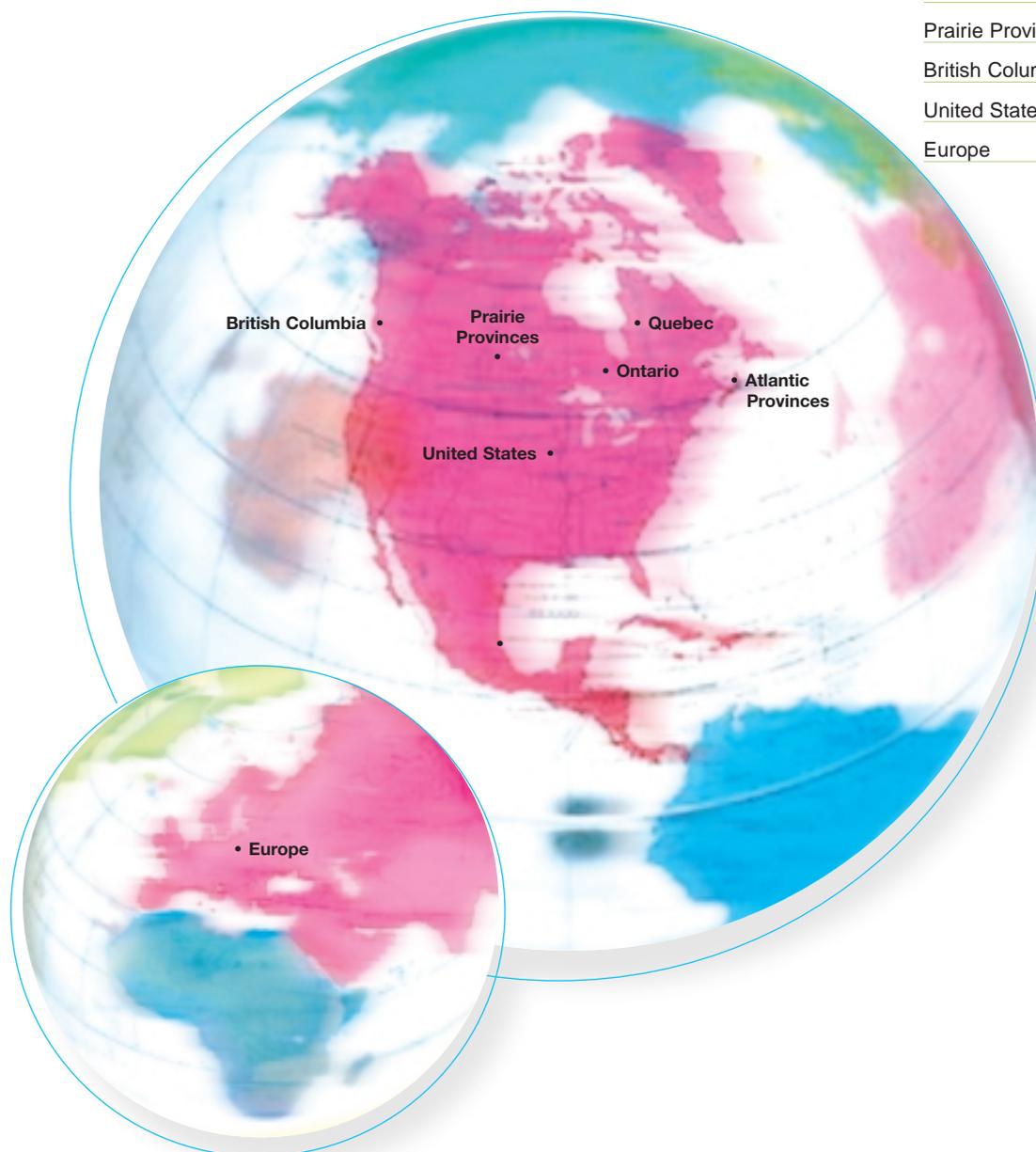
Cash flow from operations (before interest and income taxes) and operating income in 2001 stood at \$492.3 million and \$415.7 million, respectively. Net operating cash flow after interest rose by 24.4% to \$265.2 million, compared to \$213.1 million the year before. Cash flow per unit was \$12.70 in 2001, a 10.2% gain over 2000.

Thanks to its sound investments, the expertise of its employees and its financial strength, Ivanhoe Cambridge delivered yet another solid performance this year, posting a 10.6% return despite difficult economic circumstances. This enabled the Company to achieve a three-year compounded rate of return of 13.0% for its shareholders.

GEOGRAPHICAL BREAKDOWN¹

As at Dec. 31,
2001

Atlantic Provinces	2.2%
Quebec	24.7%
Ontario	21.4%
Prairie Provinces	11.7%
British Columbia	14.4%
United States	24.6%
Europe	1.0%



¹ Geographical breakdown of the fair value of Ivanhoe Cambridge's real estate assets, including the proportionate share of its investments.

LIST OF PROPERTIES

IVANHOE CAMBRIDGE

Property, location	Anchor and large format stores	Ownership interest	Total leasable area (square feet) ¹
ATLANTIC PROVINCES			
Mic Mac Mall, <i>Dartmouth, Nova Scotia</i>	The Bay, Toys "R" Us, IGA, Zellers, Chapters, Future Shop	100.0%	671,200
The Village, <i>St. John's, Newfoundland</i>	Wal-Mart, Sears, Winners, Sport Chek	55.0%	474,800
QUEBEC			
Place Laurier, <i>Ste-Foy</i>	Sears, La Baie, Zellers, Toys "R" Us, Future Shop, Linen Chest, Sports Experts, Renaud Bray	50.0%	1,246,400
Les Galeries d'Anjou, <i>Anjou</i> ²	La Baie, Sears, Zellers, Maxi, Rona, Future Shop, Sports Experts	50.0%	1,182,500
Fairview Pointe-Claire, <i>Pointe-Claire</i> ²	La Baie, Sears, Déco Découverte, Finds	50.0%	979,400
La Place Vertu, <i>Saint-Laurent</i>	Sears, La Baie, Canadian Tire, Zellers	62.5%	931,700
Mail Champlain, <i>Brossard</i>	Sears, La Baie, Les Ailes de la Mode, Archambault	100.0%	692,100
Centre Rockland, <i>Town of Mount Royal</i> ²	La Baie, Linen Chest, Holt Renfrew, Chapters, Sports Experts	87.0%	674,300
Les Galeries Rive Nord, <i>Repentigny</i>	Wal-Mart, Sears, Hart's	100.0%	557,000
Les Rivières, <i>Trois-Rivières</i>	Sears, Zellers, Toys "R" Us, IGA	85.0%	545,600
Place Ste-Foy, <i>Ste-Foy</i>	Les Ailes de la Mode, Simons, Signature Maurice Tanguay, Métro, Holt Renfrew, Archambault,	100.0%	544,700
Les Galeries de Hull, <i>Hull</i>	Sears, Marché Frais	85.0%	295,800
Centre Eaton, <i>Montreal</i>	Famous Players, GAP	100.0%	287,900
Place Bourassa, <i>Montreal North</i>	Zellers, Super C	100.0%	261,000
Place Montréal Trust, <i>Montreal</i>	Indigo, Zara, Athletes World Superstore	100.0%	228,400
ONTARIO			
Oshawa Centre, <i>Oshawa</i>	Sears, The Bay, Zellers, Famous Players, Business Depot, Chapters, Sport Chek, Old Navy, GoodLife Fitness	50.0%	1,060,400
Devonshire Mall, <i>Windsor</i>	Sears, The Bay, Zellers, Cineplex Odeon, Chapters, GoodLife Fitness, Sport Chek, National Sports	50.0%	1,041,700
Fairview Mall, <i>Toronto</i> ²	The Bay, Sears	50.0%	855,200
Upper Canada Mall, <i>Newmarket</i>	The Bay, Sears, Zellers, Sears Whole Home, Toys "R" Us, Old Navy	50.0%	819,600

¹ The area indicated includes premises directly owned and occupied by anchor stores.

² Property managed by a third party.



Property, location	Anchor and large format stores	Ownership interest	Total leasable area (square feet) ¹
ONTARIO			
Bayshore Shopping Centre, <i>Ottawa</i>	The Bay, Zellers, Les Ailes de la Mode, Old Navy, Sports Experts	100.0%	740,400
Burlington Mall, <i>Burlington</i>	The Bay, Zellers, Canadian Tire, GoodLife Fitness, Winners Home, Old Navy, Sport Chek	100.0%	709,500
Woodbine Centre, <i>Toronto</i> ²	The Bay, Sears, Zellers	40.0%	677,700
Quinte Mall, <i>Belleville</i>	Sears, Famous Players, Sears Whole Home, Toys "R" Us, Business Depot, Winners, GoodLife Fitness, Sport Chek, Chapters	100.0%	597,200
Dixie Outlet Mall, <i>Mississauga</i>	Sears Clearance Centre, No Frills, Winners, Hy & Zel's, Michael's	100.0%	587,400
Cataraqui Town Centre, <i>Kingston</i> ²	The Bay, Zellers, Sears, Sport Chek	50.0%	567,600
Mapleview Shopping Centre, <i>Burlington</i>	The Bay, Sears	50.0%	526,600
Conestoga Mall, <i>Waterloo</i>	The Bay, Zellers, Zehrs, Galaxy Cinemas, Winners, Sport Chek	100.0%	523,000
Oakville Place, <i>Oakville</i>	The Bay, Sears, IGA	100.0%	422,900
Niagara Square, <i>Niagara Falls</i>	The Bay, Zellers, Cineplex Odeon, Sport Chek	100.0%	409,800
Tecumseh Mall, <i>Windsor</i>	Zellers, Sobey's, GoodLife Fitness, Joggers	100.0%	365,000
Lynden Park Mall, <i>Brantford</i>	Sears, Winners, Food Basics, Sport Chek	50.0%	359,300
PRAIRIE PROVINCES			
Kildonan Place, <i>Winnipeg, Manitoba</i>	Zellers, Sears, Famous Players	80.0%	451,600
Southcentre Mall, <i>Calgary, Alberta</i>	Sears, The Bay, Safeway, Indigo, Sport Chek	100.0%	1,045,500
Market Mall, <i>Calgary, Alberta</i> ²	The Bay, Zellers, Toys "R" Us, Safeway, Famous Players, Sport Chek	50.0%	842,700
Southgate Centre, <i>Edmonton, Alberta</i>	Sears, The Bay, Safeway	100.0%	826,500
Sunridge Mall, <i>Calgary, Alberta</i>	The Bay, Zellers, Sport Chek	50.0%	629,500
Mill Woods Town Centre, <i>Edmonton, Alberta</i>	Zellers, Safeway, Canadian Tire, Winners	100.0%	554,100
Deerfoot Mall, <i>Calgary, Alberta</i>	Wal-Mart, Sears, Winners, Sport Chek	100.0%	527,700
Bower Place, <i>Red Deer, Alberta</i>	The Bay, Zellers, Toys "R" Us	50.0%	505,000
St. Albert Centre, <i>St. Albert, Alberta</i>	Zellers, The Bay, Winners	100.0%	321,700

¹ The area indicated includes premises directly owned and occupied by anchor stores.

² Property managed by a third party.



Property, location	Anchor and large format stores	Ownership interest	Total leasable area (square feet) ¹
BRITISH COLUMBIA			
Metropolis at Metrotown, <i>Burnaby</i>	Real Canadian Superstore, Silver City, Sport Chek, The Sega Playdium, Chapters, Zara	100.0%	1,358,100
Guildford Town Centre, <i>Surrey</i>	The Bay, Sears, Wal-Mart, London Drugs, Sport Chek, Silver City	100.0%	976,200
Oakridge Centre, <i>Vancouver</i>	The Bay, Zellers, Safeway	50.0%	690,600
Woodgrove Centre, <i>Nanaimo</i>	The Bay, Avalon Theatre, Toys "R" Us, Winners, Sport Chek, Chapters	100.0%	636,000
Mayfair Shopping Centre, <i>Victoria</i>	The Bay, Toys "R" Us, Office Depot	100.0%	455,100
Richmond Centre, <i>Richmond</i>	The Bay	100.0%	299,100
UNITED STATES			
Mayfair Mall, <i>Wauwatosa, Wisconsin</i> ²	Marshall Field's, Boston Store, General Cinema	49.0%	1,462,800
Park City Center, <i>Lancaster, Pennsylvania</i> ²	J.C. Penney, Boscov's, Kohl's, Sears, The Bon-Ton, Woolworth	49.0%	1,396,500
Eastridge Mall, <i>San Jose, California</i> ²	Sears, J.C. Penney, Macy's	49.0%	1,362,300
International Plaza, <i>Tampa, Florida</i> ²	Dillard's, Nordstrom, Lord & Taylor, Neiman Marcus	47.1%	1,249,600
Westroads Mall, <i>Omaha, Nebraska</i> ²	J.C. Penney, Jones Store, Von Maur, Younkers	49.0%	1,095,300
Ridgedale Mall, <i>Minnetonka, Minnesota</i> ²	Marshall Field's, Sears, J.C. Penney, Marshall Field's Men's & Home	44.1%	992,900
Landmark Mall, <i>Alexandria, Virginia</i> ²	Sears, Hecht's, Lord & Taylor	49.0%	963,400
Oglethorpe Mall, <i>Savannah, Georgia</i> ²	J.C. Penney, Belk, Rich's, Sears	49.0%	956,700
Meadows Mall, <i>Las Vegas, Nevada</i> ²	J.C. Penney, Dillard's, Macy's, Sears	49.0%	947,400
The Oaks Mall, <i>Gainesville, Florida</i> ²	J.C. Penney, Belk, Burdines, Dillard's, Sears	49.0%	906,100
Southland Mall, <i>Taylor, Michigan</i> ²	Marshall Field's, J.C. Penney, Mervyn's	44.1%	888,600
Oak View Mall, <i>Omaha, Nebraska</i> ²	Dillard's, Younkers, J.C. Penney, Sears	49.0%	862,200
Northgate Mall, <i>Chattanooga, Tennessee</i> ²	J.C. Penney, Proffitt's, Sears	49.0%	819,300
Subtotal			43,858,600
Other shopping centres			3,884,700
Free-standing retail & industrial facilities			1,802,500
GRAND TOTAL			49,545,800

¹ The area indicated includes premises directly owned and occupied by anchor stores.

² Property managed by a third party.

SENIOR MANAGEMENT, BOARD OF DIRECTORS AND SHAREHOLDERS

Senior Management

René Tremblay ^{1,2,3,6}

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Kim D. McInnes ^{2,3}

Executive Vice President and
Chief Operating Officer

Gervais Levasseur ^{2,3,6}

Executive Vice President and Chief Financial Officer

Christopher E. Pinnington ^{2,3}

Senior Vice President, General Counsel and
Secretary

Paul S. Chehab ^{2,3}

Senior Vice President, Acquisitions and Dispositions

Pierre Lalonde ^{2,3}

Vice President, Portfolio Management

David C. Smith ^{3,6}

Vice President, Human Resources

Brian Castle

Senior Vice President, Western Region

George L. Fiddler

Senior Vice President, Central Region

Jean Laramée

Senior Vice President, Eastern Region

Geneviève B. Beaulieu

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Real Estate Group companies

Suzanne Vézina

Assistant Secretary, Ivanhoe Cambridge Group

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Chairman of the Board

René Tremblay ^{1,2,3,6}

President and Chief Executive Officer

David R. Beatty, O.B.E. ¹ (since April 11, 2001)

Chairman and Chief Executive Officer
Beatinvest Limited

Claude Caty ¹

Chief Investment Officer
Fiducie globale des régimes complémentaires
de retraite de la Société de Transport de Montréal

André Charest ^{1,2,4}

Vice President, Administration and Finance
CDP Capital — Real Estate Group

Claude Dalphond ^{4,5}

Corporate Director

Reynald N. Harpin ⁵

Vice President, Pension Investments
Alcan Adminco Inc.

Raymond Laurin ^{4,6}

Vice President, Administrative Services
Régime des Rentes du Mouvement des Caisses
Desjardins

Louis Monette (since September 5, 2001)

Chairman of the Board and President and
Managing Director
Association de bienfaisance et de retraite
des policiers de la Communauté urbaine
de Montréal

Hon. David R. Peterson, P.C., Q.C. ⁴

(since April 11, 2001)
Chairman
Cassels Brock & Blackwell, Barristers & Solicitors

Shareholders

Caisse de dépôt et placement du Québec (CDP)

Alcan Adminco Inc.

Association de bienfaisance et de retraite
des policiers de la Communauté urbaine
de Montréal

Régime des Rentes du Mouvement des Caisses
Desjardins

Fiducie globale des régimes complémentaires
de retraite de la Société de Transport de Montréal

P.C.: Privy Council

Q.C.: Queen's Counsellor

O.B.E.: Order of the British Empire

¹ Executive Committee

² Investment Committee

³ Management Committee

⁴ Audit Committee

⁵ Human Resources and
Compensation Committee

⁶ Retirement Committee

List compiled as at March 1, 2002

The 2001 Report on Activities
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Cambridge**

CDP group