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**PRIMARIS RETAIL REIT COMMENTS ON NEWS OF PENDING
UNSOLICITED TAKEOVER OFFER**

Unitholders urged to take no action

Toronto (Ontario) December 5, 2012 – Primaris Retail REIT (TSX:PMZ.UN) responded to a news release issued earlier today by KingSett Capital announcing its intention to make an unsolicited takeover offer for Primaris. The offer has not yet been received by Primaris Retail REIT and Primaris Unitholders are strongly advised to take no action at this time.

The Board of Trustees of Primaris, in accordance with its fiduciary duties and with counsel from its financial and legal advisers, will fulfill its legal responsibility and will evaluate any proposal and recommend a course of action that is in the best interests of Primaris and its Unitholders.

Primaris offers investors a unique play in the Canadian real estate market. It is Canada's only publicly traded real estate investment trust focused on enclosed shopping centres and has grown its portfolio from six properties to 35 in less than 10 years. It has returned 270 per cent to Unitholders since going public in July 2003, and 31 per cent since January 1, 2012. This compares to a 2.38% year-to-date return on the S&P/TSX Composite index.

About Primaris

Primaris is a TSX listed real estate investment trust (TSX:PMZ.UN). Primaris owns 35 income-producing properties comprising approximately 14.7 million square feet located in Canada. As of November 30, 2012, Primaris had 100,719,219 units issued and outstanding (including exchangeable units for which units have yet to be issued).

INFORMATION

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