

AUDIOCAST PRESENTATION Q1/2020





SUMMARY OF Q1/2020: SOLID FINANCIAL RESULTS

Q1 FINANCIAL RESULT STABLE

- Q1 net rental income was EUR 52.4 million. Using comparable exchange rates like-for-like NRI increased by +0.7%.
- Weak NOK and SEK exchange rates and property valuations burdened the result
- Occupancy rate was still on good level (94.5%), tenant sales and footfall remained close to prior year level
- Acquisition of remaining 80% of Sektor Portefølje II AS was successfully completed in February 2020

IMPACT OF COVID STARTED TO SHOW ON THE LATTER HALF OF MARCH

- Operationally, Q1 was still a solid quarter
- Government restrictions in the operating countries were implemented from March onwards
- Management's focus on securing the continuance of our operations and availability of critical services
- Citycon's infrastructure has allowed the company to work efficiently and run the operations remotely
- Safety of customers, tenants and employees remains a top priority

CONSERVATIVE FINANCING STRATEGY AND STRONG LIQUIDITY GIVE FINANCIAL STRENGTH AND FLEXIBILITY

- Citycon's financing strategy is based on unsecured debt with long-maturities. In Q1/2020 LTV was 45.7%.
- Strong liquidity gives financial strength and flexibility. At the end of the quarter, cash stood at EUR 124 million and the company had EUR 350 million unused RCF.
- As an additional measure, all uncommitted capex has been suspended



COVID-19: CITYCON'S STRATEGY PROVIDES STABILITY

GUIDANCE FOR 2020 WAS WITHDRAWN IN MARCH DUE TO ECONOMIC UNCERTAINTY CAUSED BY COVID-19

STRATEGY BASED ON GROCERY-ANCHORED MIXED-USE SHOPPING CENTRES BRINGS STABILITY

- Citycon's strategy is focused on grocery-anchored mixed-use centres:
 - Over 30% of gross rental income is from "necessity based" tenants balancing fluctuation of retail demand
 - Public sector tenants providing critical services to citizens are also a growing part of the business
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CONSERVATIVE FINANCING STRATEGY AND HIGH LIQUIDITY

- Citycon's financing strategy is based on unsecured debt with long-maturities and keeping healthy loan to value
 - Strong liquidity gives financial strength and flexibility, and supports Citycon's ability to meet its commitments
 - High proportion of unencumbered assets gives flexibility to consider secured loan options
 - ECB has announced a EUR 750 bn bond purchase program, Citycon is eligible for ECB bond purchases
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LONG-TERM STRATEGY TO FOCUS ON URBAN COMMUNITY HUBS REMAINS HIGHLY RELEVANT

- Citycon's strategy to focus on mixed-use urban community hubs remains highly relevant:
 - Focus on mixed-use is strategically important to attract visitors. Having retail, public and private services as well as entertainment under one accessible location creates unique competitive advantage.
 - Location in transportation hubs supports natural customer flow and accessibility
 - Tenant diversification and focus on creating urban community hubs supports Citycon's position as tenants are implementing their omnichannel strategies
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COVID-19: NORDIC COUNTRIES WELL-POSITIONED TO COME THROUGH CRISIS

NORDIC COUNTRIES WELL-POSITIONED TO COME THROUGH CRISIS

- In the Nordics, governments are proactively engaged with preserving the economic viability of businesses
- Government support improves both Citycon's tenants' ability to pay rent and consumers' purchasing power
- In general, shopping centres have remained open and mobility restrictions are looser compared to e.g. Western Europe
- **Citycon will assess all requests for rental reliefs on a case-by-case basis**

SWEDEN

- Shopping centres remain open but tenants have been adjusting their opening hours
- Swedish Government has announced a significant relief program consisting e.g. of direct subsidies worth EUR 30bn and loans to businesses of EUR 50bn. Additionally, a rental relief program partially covering costs of rental reliefs given to tenants is under planning.

NORWAY

- Shopping centres remain open with some limitations to services such as hairdressers and beauty salons
- Norwegian Government has announced a significant relief program covering 80-90% of fixed costs of companies with a revenue decline above 30%. Implementation of the package already started.

FINLAND

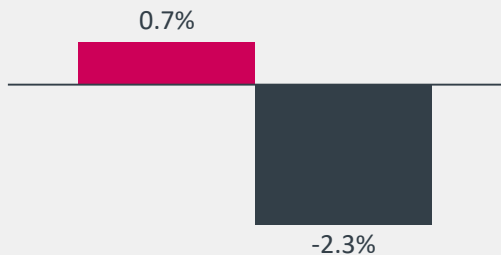
- More forms of economic support have recently been announced while the total value may be lower than in Sweden and Norway.
- Shopping centres remain open, however, restaurants and cafes are only allowed to sell take away food

LIKE-FOR-LIKE NET RENTAL INCOME INCREASED

- COVID-19 IMPACTED ON FOOTFALL AND TENANT SALES

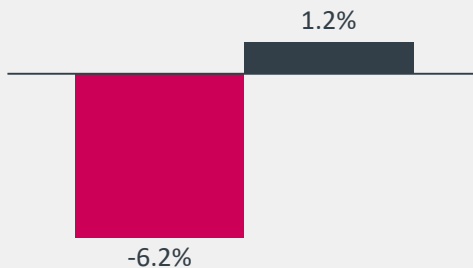
NET RENTAL INCOME DEVELOPMENT

Q1/2020 vs. Q1/2019, %



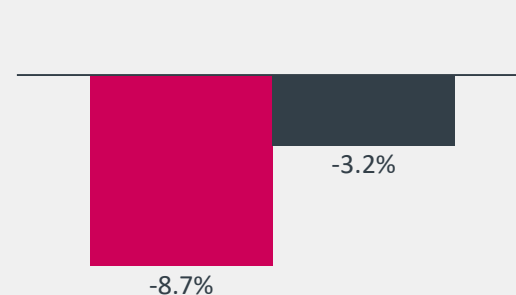
TENANT SALES DEVELOPMENT

Q1/2020 vs. Q1/2019, % ¹⁾



FOOTFALL DEVELOPMENT

Q1/2020 vs. Q1/2019, % ¹⁾

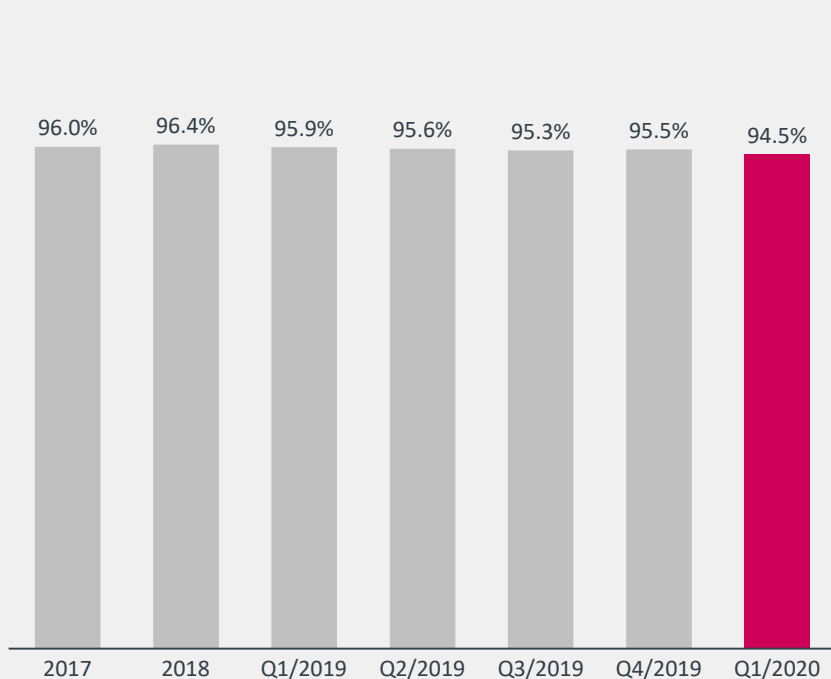


■ Like-for-like NRI Development (at comparable exchange rates)
■ Total NRI Development (at historical exchange rates) Galleria 50%

■ Like-for-like sales
■ Total sales (including Kista Galleria 50%)

■ Like-for-like footfall
■ Total footfall (including Kista Galleria 50%)

OCCUPANCY RATE REMAINED AT GOOD LEVEL



6 All figures including Kista Galleria 50%

		Q1/2020	2019
Average rent ¹⁾	EUR/sq.m.	22.8	23.3
Average remaining length of the lease portfolio	years	3.1	3.2

		Q1/2020	2019
Average rent of leases started	EUR/sq.m.	18.5	26.0
Average rent of leases ended	EUR/sq.m.	22.0	25.5
Leasing spread of renewals and re-lettings	%	-3,6	1.4

- The economic occupancy rate remained at a good level of 94.5%.
- The average rent per sq.m. decreased slightly mainly due to weaker exchange rates. With comparable rates, the average rent per sq.m. was stable.
- Overall leasing spread of renewals and re-lettings was positive in Sweden and Estonia. Negative leasing spread of -3.6% is mainly due to Finland

OUR FOCUS ON GROCERY-ANCHORED, MULTIFUNCTIONAL SHOPPING CENTRES GIVES STABILITY TO OUR BUSINESS

OVER 30 % OF GROSS RENTAL INCOME IS FROM "NECESSITY TENANTS"

- Focus on the daily needs of customers
- 3 out of the top 5 tenants are grocery stores

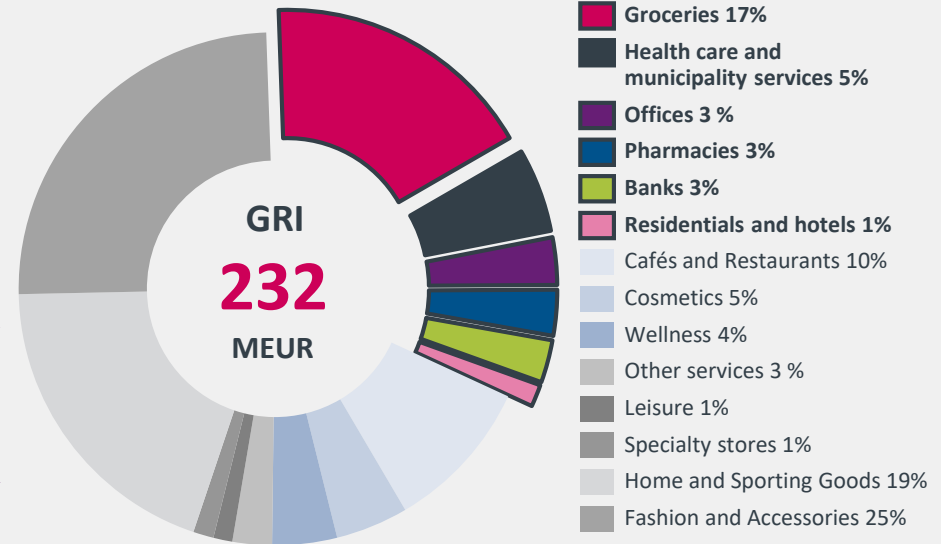
SMALL PORTION OF TURNOVER BASED RENTS

- In 2019 only 4% of our income was from turnover based rents.

PUBLIC SECTOR TENANTS ARE GROWING PART OF OUR BUSINESS

- Currently public sector tenants present approx. 4% of our GLA
- Newest municipal service square opened in January 2020 in our shopping centre Trio

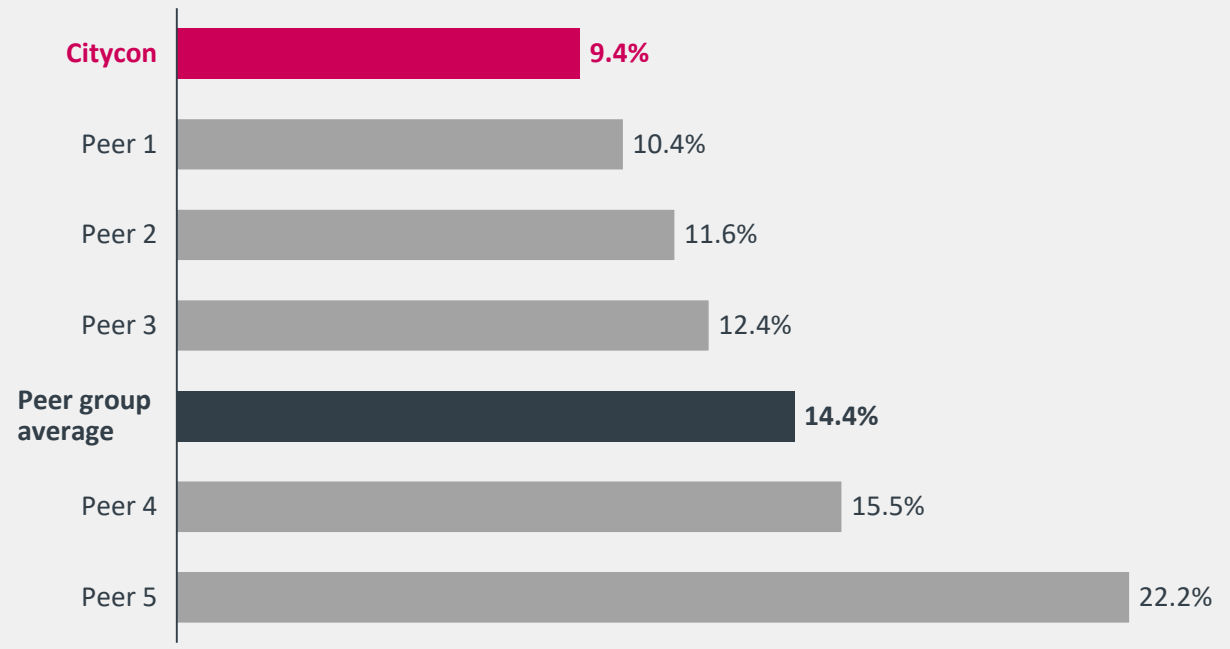
RENTAL INCOME BY CATEGORY (2019)





OUR OCCUPANCY COST RATIO PROVIDES ROOM FOR FURTHER GROWTH COMPARED TO PEERS

OCCUPANCY COST RATIO VS PEERS (2019)



Peer group: Hammerrson, Klepierre, Mercialis, Unibail-Rodamco-Westfield, Wereldhave
Source: Companies' annual reports

FINANCIAL OVERVIEW

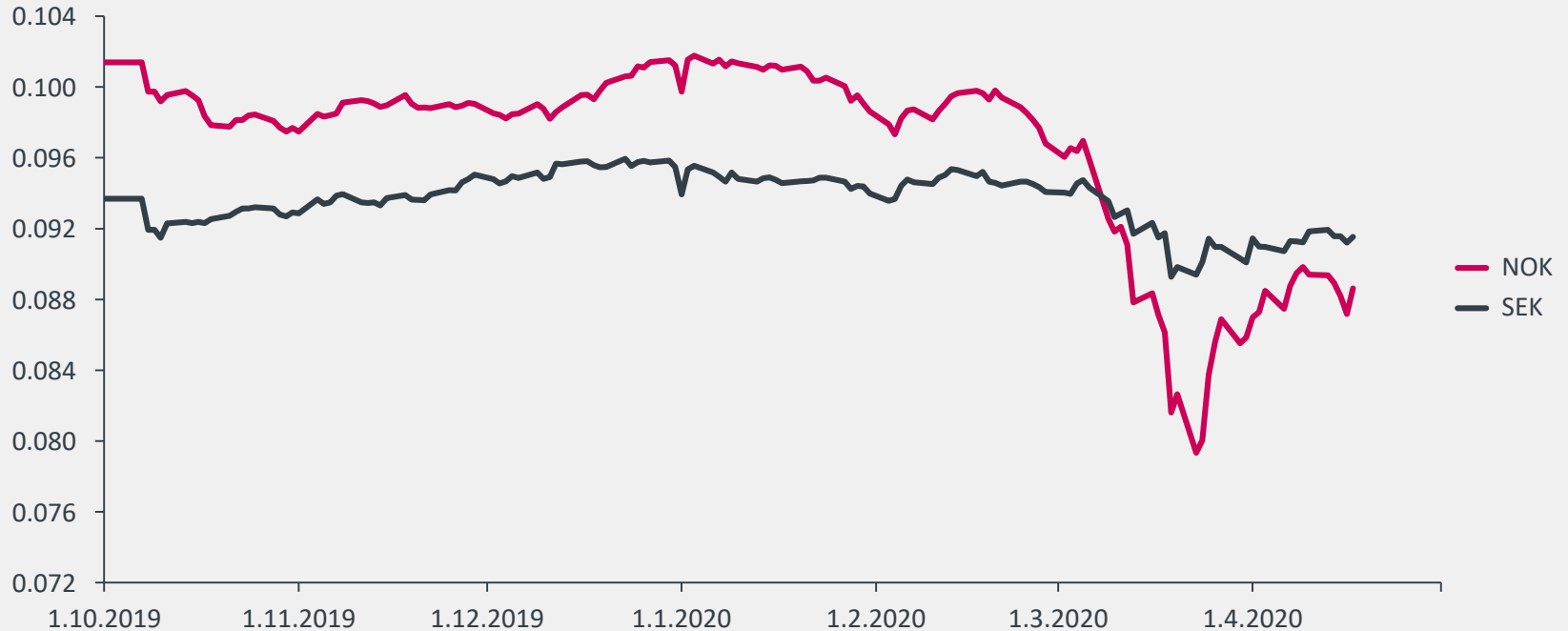




Q1/2020 FINANCIALS

MEUR	Q1/2020	Q1/2019	Change %	Q1/2020 INCL. KISTA 50%
Gross rental income	57.9	59.4	-2.6 %	60.8
Net rental income	52.4	53.6	-2.3 %	54.6
Direct operating profit	46.2	47.7	-3.1 %	48.2
EPRA Earnings	34.8	35.8	-2.8 %	N/A
Adjusted EPRA Earnings	30.8	35.8	-14.0 %	N/A
EPRA EPS (basic)	0.195	0.201	-2.8 %	N/A
EPRA NAV per share	11.36	12.98	-12.5%	N/A

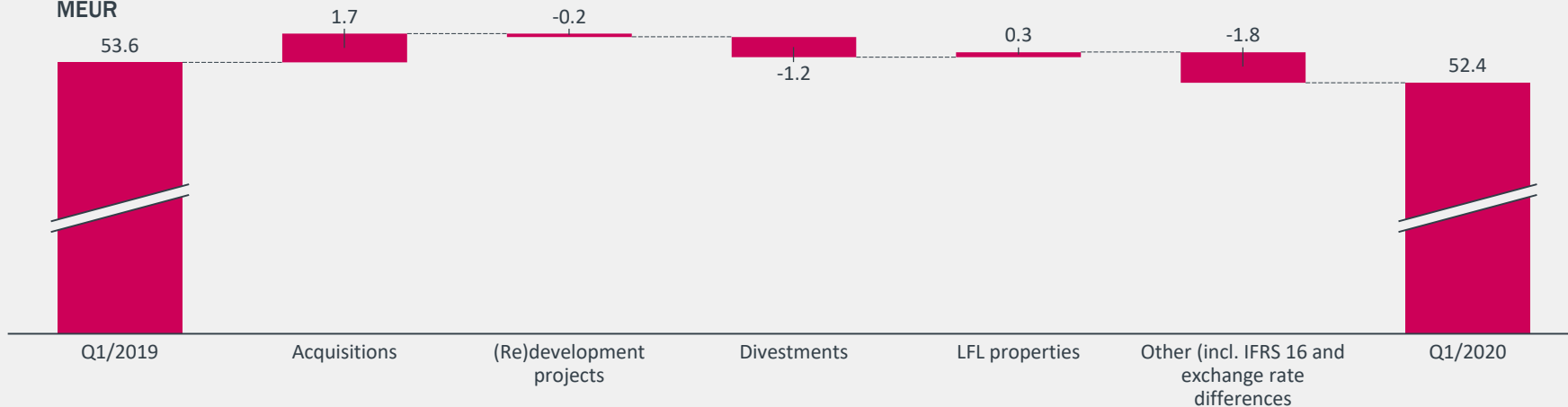
WEAKER NOK AND SEK EXCHANGE RATES AFFECTED THE RESULTS



NET RENTAL INCOME REMAINED STABLE

NRI DEVELOPMENT

MEUR



CURRENCIES HAD AN IMPACT ON NRI

Closing rates

	Q1/2020	Q1/2019
SEK	11.06	10.40
NOK	11.51	9.66

Average rates

	Q1/2020	Q1/2019
	10.59	10.42
	10,14	9.75

Foreign currency impact on

Q1/2020:

NRI

-1.6 MEUR

EPRA EPS

-0.008 EUR



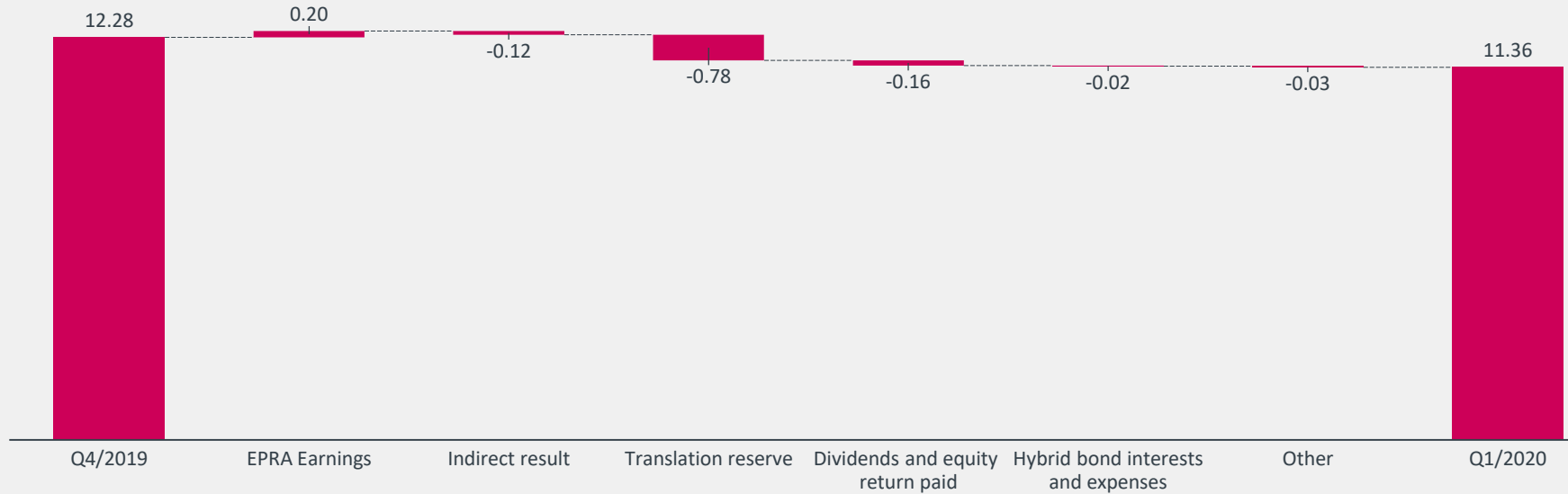
FAIR VALUE CHANGES

FAIR VALUE CHANGES, MEUR	Q1/2020	Q1/2019	2019
Finland & Estonia	-12.7	-9.4	-56.1
Norway*	10.2	-9.1	-33.4
Sweden & Denmark	-9.3	0.9	-32.4
Investment properties, total	-11.8	-17.6	-121.9
Kista Galleria (50%)	-11.2	-1.0	-17.7
Investment properties and Kista Galleria (50%), total	-23.1	-18.7	-139.6

AVERAGE YIELD REQUIREMENT, %	31 MAR 2020	31 MAR 2019	31 DEC 2019
Investment properties and Kista Galleria (50%), average	5.4	5.3	5.3

*EUR 35.7 million value gain recorded from of Sektor Portefølje II AS

EPRA NET ASSET VALUE WAS IMPACTED BY WEAK NOK AND SEK



	31 MAR 2020	31 MAR 2019	31 DEC 2019
EPRA NAV per share, EUR	11.36	12.98	12.28
EPRA NNNNAV per share, EUR	10.58	11.76	10.97



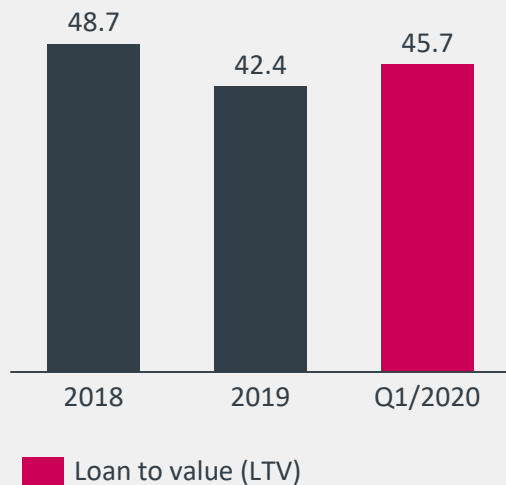
MAIN FINANCING TARGETS

- Debt portfolio's hedge ratio 70-90% ✓ 75.8%
- Investment-grade credit ratings ✓ BBB-/Baa3
- Financing mainly unsecured ✓ 90.4%
- Substantial liquidity buffer ✓ MEUR 517
- Loan to Value 40-45% - 45.7%
- Average maturity of loan portfolio > 5 yrs - 4.0

**Stable business model matched
by conservative financing targets**

REDUCED COST OF DEBT

LTV DEVELOPMENT



FINANCING KEY FIGURES

		31 MAR 2020	31 MAR 2019	31 DEC 2019
Interest bearing debt, fair value	MEUR	2,034.4	2,169.9	1,830.7
Available liquidity	MEUR	516.8	561.0	562.1
Average loan maturity	years	4,0	4.8	4.6
Interest rate hedging ratio	%	75.8	91.7	88.8
Weighted average interest rate ¹⁾	%	2.19	2.38	2.29
Loan to Value (LTV)	%	45.7	48.7	42.4
Financial covenant: Equity ratio (> 32.5%)	%	47.2	44.4	50.9
Financial covenant: Interest cover ratio (> 1.8)	%	4.3	3.8	4.2



OUTLOOK 2020

On 26 March 2020, Citycon assessed that its prospects for 2020 have weakened and the company withdrew its guidance 2020 issued on 6 February 2020.

At this point, Citycon does not specify its direct operating profit, EPRA EPS or adjusted EPRA EPS forecast for this year due to significant uncertainty in the operating environment caused by COVID-19 outbreak.

LOOKING FORWARD 2020



CITYCON

LAIVA

CITYCON

OUR DEVELOPMENT PROJECT IN LIPPULAIVA IS PROGRESSING AS PLANNED DESPITE COVID-19

Status update
Q1/2020:
Construction
work is
progressing as
planned

- Lippulaiva will be the new heart of the growing area of Espoonlahti in greater Helsinki supporting our strategy
- We are pleased that despite the situation with COVID-19 the project is progressing as planned.
- In April 2020, we agreed on a lease contract with Espoo City Library which again demonstrates the appeal of our mixed-used strategy.





WORKING TOGETHER WITH TENANTS AND OTHER STAKEHOLDERS TO OVERCOME THE CRISIS

- Citycon has taken an active role in supporting its tenancies and local communities around our shopping centres.
- A few examples of the actions taken during COVID-19 outbreak:
 - Delivery of food and medicines to risk groups
 - Sharing up-to date information on the tenant specific opening hours in social media and our web page
 - Arranging drive-in cinema in Citycon parking area
 - Arranging a “shop locally” campaign to support customers to purchase our tenants’ products and services
- Continuing the work to support our tenants and other stakeholders is our focus also going forward
- We are planning our strategy for the business “post-crisis”, and we are well-positioned to come through this crisis stronger and better

CONTACT INFORMATION

Eero Sihvonen
CFO, Exec. VP
Tel. +358 50 557 9137

Laura Jauhiainen
IR Director
Tel. +358 40 823 9497

APPENDIX



INCOME STATEMENT

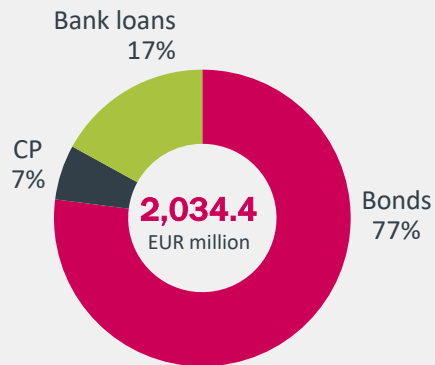
MEUR	Q1/2020	Q1/2019	%	2019
Gross rental income	57.9	59.4	-2.6 %	232.1
Service charge income	18.1	19.3	-5.9 %	77.1
Property operating expenses	-22.6	-24.7	-8.4 %	-89.3
Other expenses from leasing operations	-1.0	-0.4	-	-2.5
Net rental income	52.4	53.6	-2.3 %	217.4
Administrative expenses	-6.5	-6.5	-0.5 %	-26.8
Other operating income and expenses	0.2	0.5	-51.9 %	2.8
Net fair value gains/losses on investment property	-11.8	-17.6	-33.0 %	-121.9
Net gains/losses on sale of investment property	1.6	-0.3	-	1.5
Operating profit	36.0	29.7	21.2 %	73.1
Net financial income and expenses	-12.3	-12.0	2.6 %	-54.2
Share of profit/loss of joint ventures	-9.1	-0.6	-	-16.6
Profit before taxes	14.6	17.2	-15.2 %	2.2
Current taxes	-0.8	-0.1	-	-2.0
Deferred Taxes	0.3	-4.2	-	8.6
Profit/loss for the period	14.0	12.9	8.2 %	8.9

BALANCE SHEET

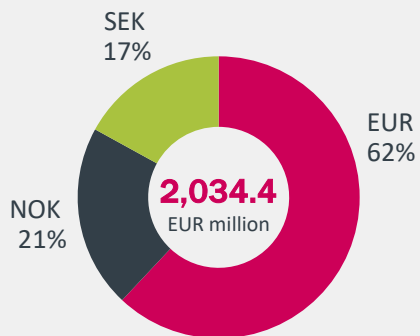
MEUR	31 MAR 2020	31 MAR 2019	31 DEC 2019
Investment properties	4,081.5	4,213.5	4,160.2
Total non-current assets	4,398.2	4,580.3	4,508.1
Investment properties held for sale	-	77.6	-
Total current assets	196.8	66.1	74.2
Total assets	4,595.0	4,724.0	4,582.3
Total shareholders' equity	2,165.7	2,088.6	2,325.2
Total liabilities	2,429.3	2,635.4	2,257.1
Total liabilities and shareholders' equity	4,595.0	4,724.0	4,582.3

BALANCED MATURITY PROFILE

DEBT BREAKDOWN BY TYPE



DEBT BREAKDOWN BY CURRENCY



Part of EUR debt has been converted to SEK and NOK using cross-currency swaps

DEBT MATURITIES

