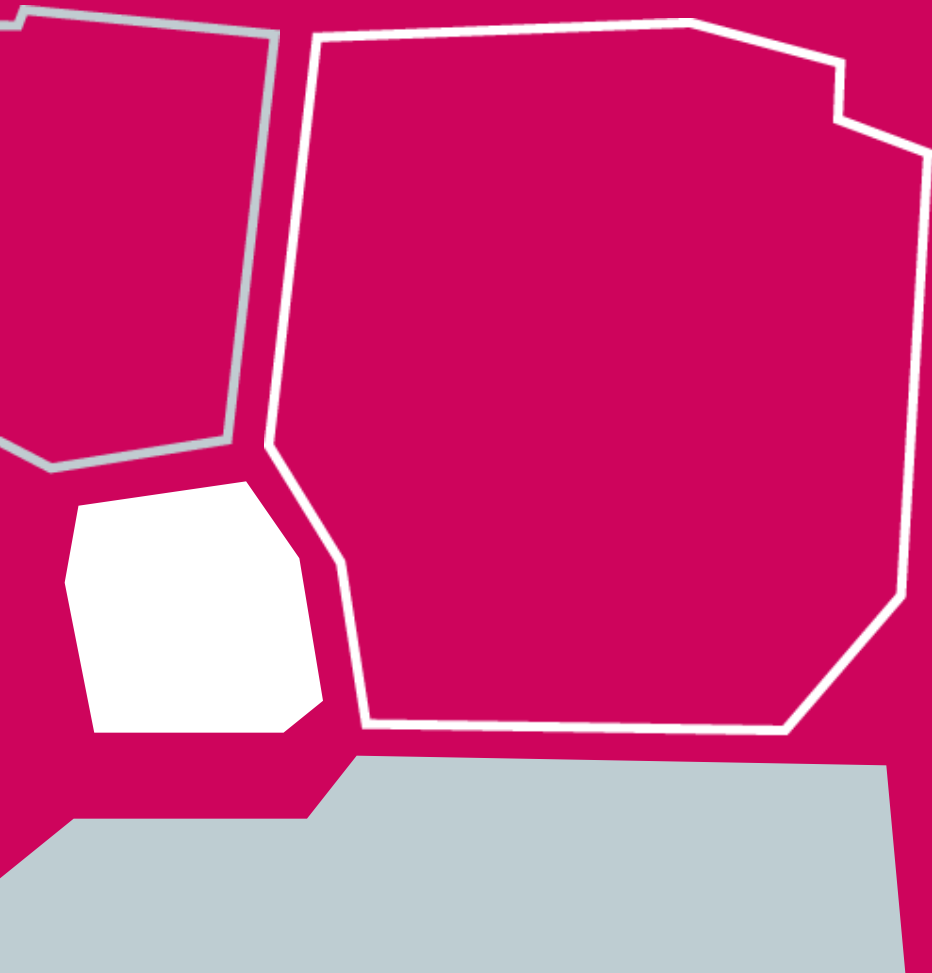


Citycon Webcast Presentation

Updated Strategy
Q2/2011 Results



CITYCON
creating success for retailing

Contents of Strategy Update and Q2 Results

Main Points and
Events of Q2

Updated Strategy

Key Figures and
Financing Overview of Q2



Main Points - Q1 - Q2 2011 (vs. Q1 - Q2 2010)

- Turnover grew by **8.1%** to EUR **106.0** m mostly thanks to completed redevelopment projects Espoontori, Forum
- Net rental income increased **10.1%** to EUR **68.7** m. With comparable exchange rates NRI increased by **7.6%**.
- Like-for-like net rental growth was positive: **+2.3%**. Especially shopping centres performed well in l-f-l: **+6.6%**
- Occupancy rate increased **95.1%** (94.6%)
- The market value of property portfolio was EUR **2,506.4** m (EUR 2,386.2 m)
- The valuation yield **6.4%** (31 March 2011: 6.4%) by external appraiser
 - FINLAND: 6.3
 - SWEDEN: 6.0
 - BALTIC COUNTRIES: 8.0

Main Events - Q2 2011

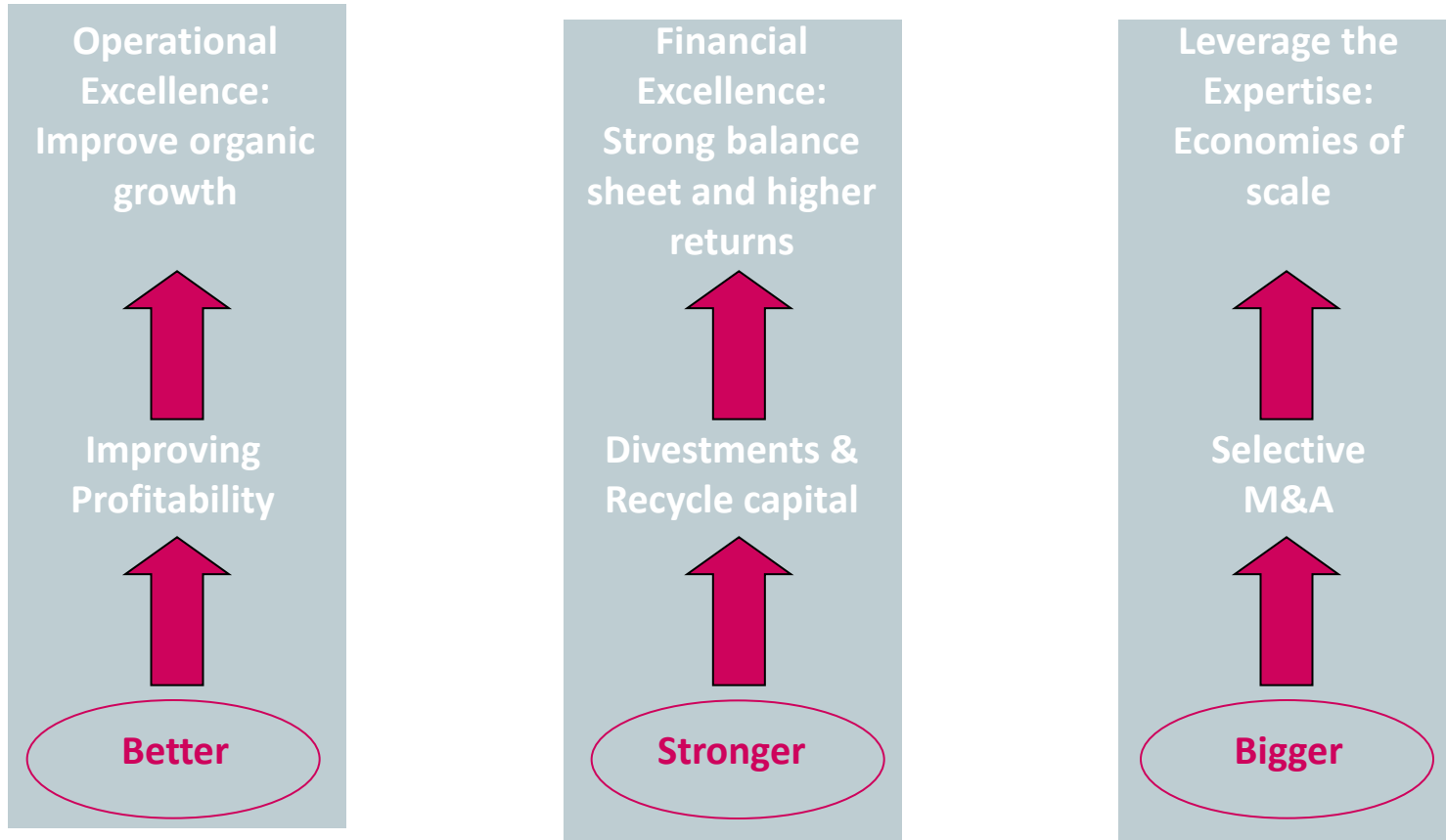
- Acquisition of Högdalen in Stockholm and Kristiine in Tallinn
 - **Högdalen Centrum** – Acquisition price approx. EUR 23.1 million, some five km from Stockholm city centre. GLA approx. 14,100 sq.m., with 11,000 sq.m. of retail premises, the net initial yield approx. 6.5 % before planned maintenance investment.
 - **Kristiine** - Acquisition price approx. EUR 105 million. GLA 42,600 sq.m., Tallinn's second-largest shopping centre after Citycon's Rocca al Mare.
- Redevelopment project of Koskikeskus started in Tampere, Finland, estimated total investment EUR 37.9 million.
- Opening of Myllypuro's projects first part in June, Åkersberga Centrum (re)development completed in April.
- Plans to redevelop Galleria block in Oulu for some EUR 150 million together with the block's other owner Arina. Subject to board approval.

Updated Strategy



Mission

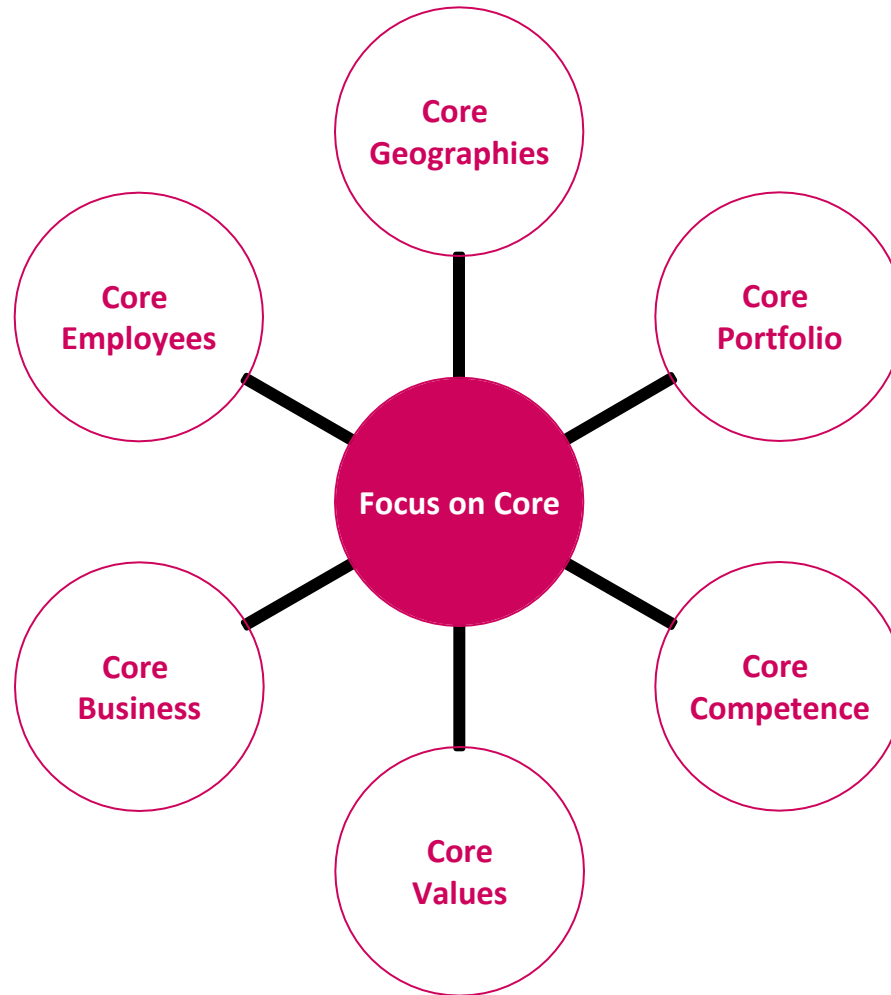
We want to be the leaders of Nordic and Baltic Shopping Centres



More Focus => Total Return

Five Year Strategy

Focus on Core

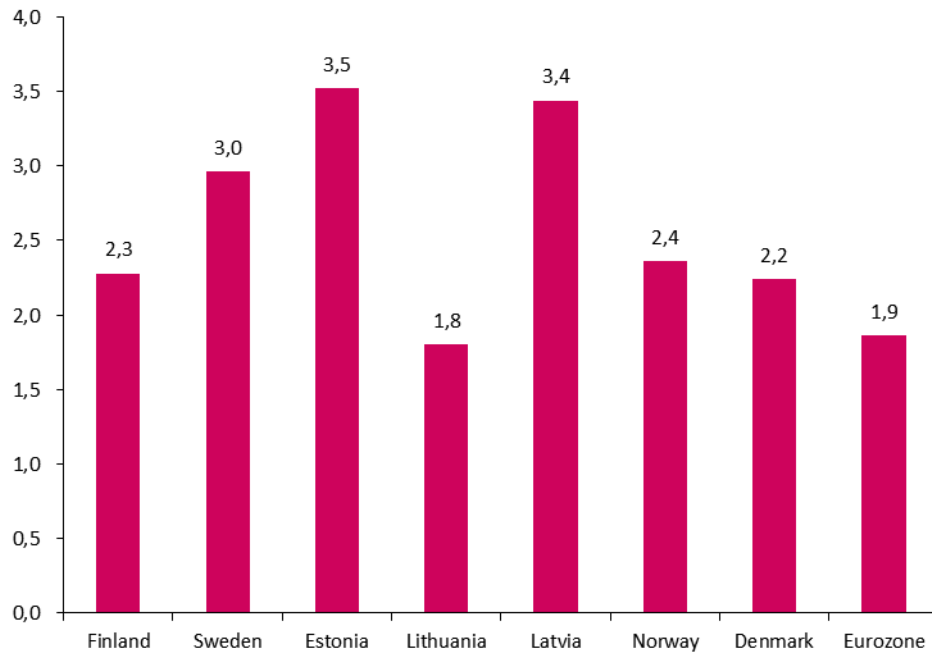


We manage profitable growth for our clients (retailers) and shareholders

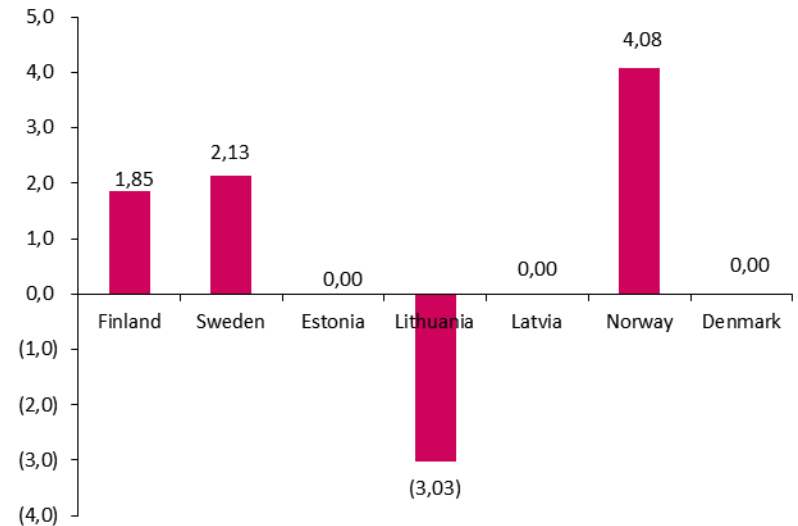
Core Geographies

Finland, Sweden, Estonia, Lithuania, Latvia, Norway, Denmark

Forecasted Real GDP Growth (%) ¹⁾



Forecasted Population Growth over 5 years (%) ¹⁾

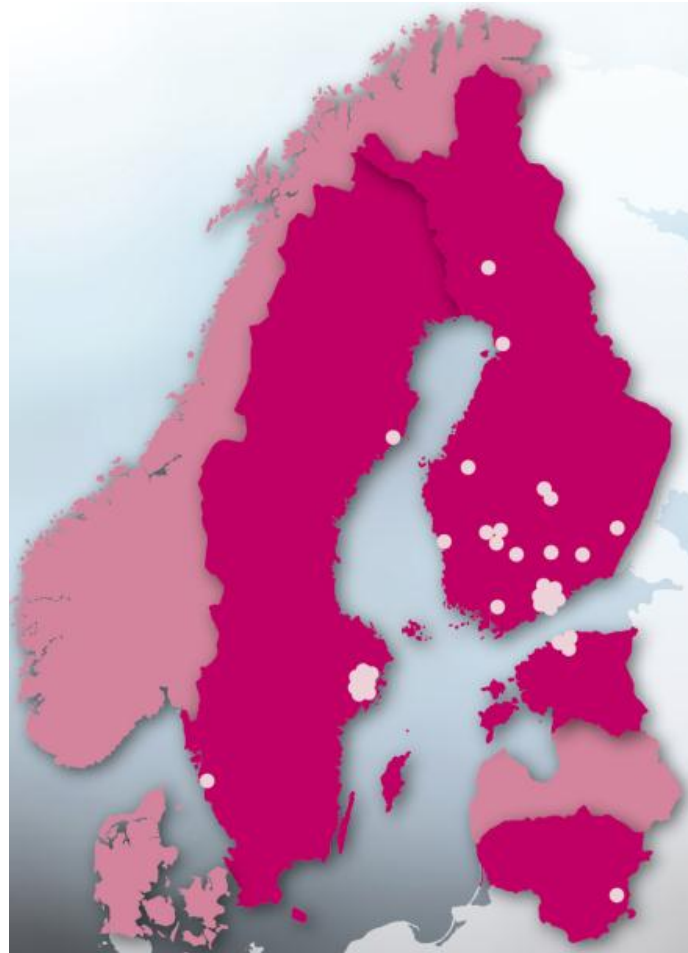


Solid economies – Among the winners in Europe

Core Geographies

Balanced portfolio

- The Nordic region is expected to continue to show solid economic growth
- As spending power increases, the region will be of increasing interest to international retail brands
- By offering a comprehensive quality portfolio with a regional spread, we will be able to accommodate new international retail brands
- We will be able to lower barriers to entry for retailers and to add value to our customers
- As a consequence, we will increase rents and additional income and the dividend to our shareholders



**More
geographical
spread**

**Diversify risk and
cash flows**

**More market
power**

**Attract new
tenants**

Acceleration from a Finnish Company to a Pan-Nordic and Baltic player

Core Portfolio

Quality assets where we can add value by active management

What's on the table?



Regional Centers

Shopping & Entertainment

- Iso Omena – Helsinki
- Rocca al Mare – Tallinn

City Shopping Centers

Best in Town

- Forum – Jyväskylä
- Trio – Lahti

Community Centers

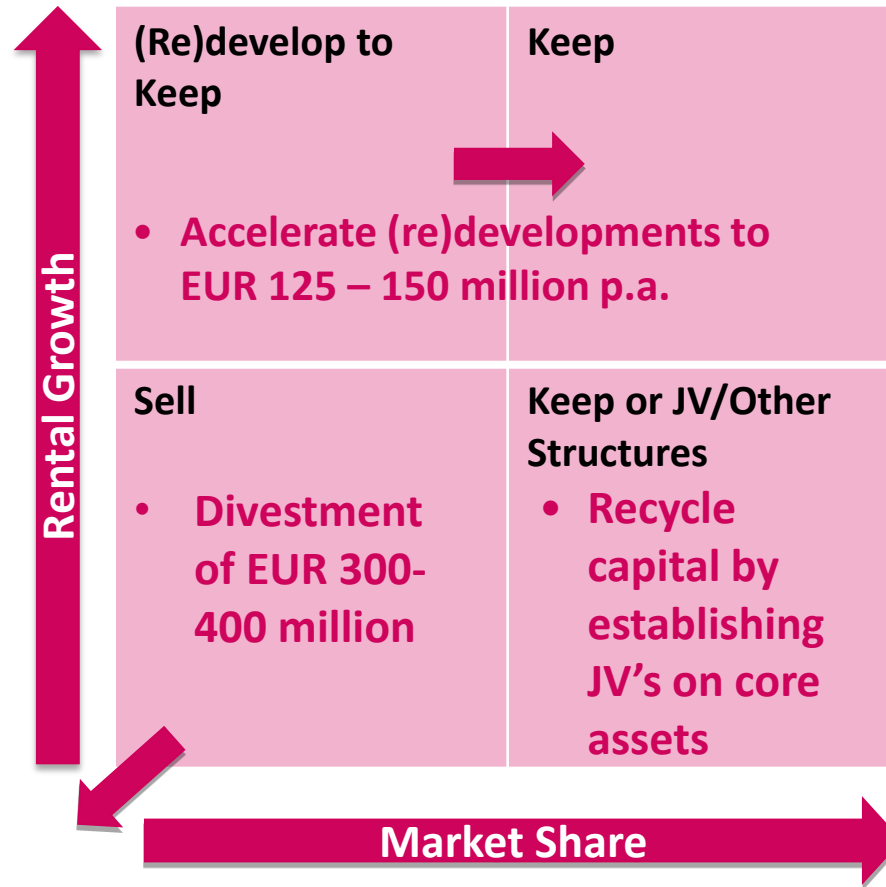
Heart of the Area

- Duo – Tampere
- Columbus – Helsinki

Common Words: Top Positioned & Grocery Anchored

Core Portfolio

Selection of quality assets



Winning Centers in Solid Cities

Core Values

We maximize property value by managing income out of shopping center space

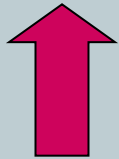


Enhance shopping experience: People Flow = Cash Flow

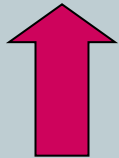
Mission

We want to be the leaders of Nordic and Baltic Shopping Centres

Operational Excellence:
Improve organic growth



Improving Profitability



Better

Financial Excellence:
Strong balance sheet and higher returns



Divestments & Recycle capital



Stronger

Leverage the Expertise:
Economies of scale



Selective M&A



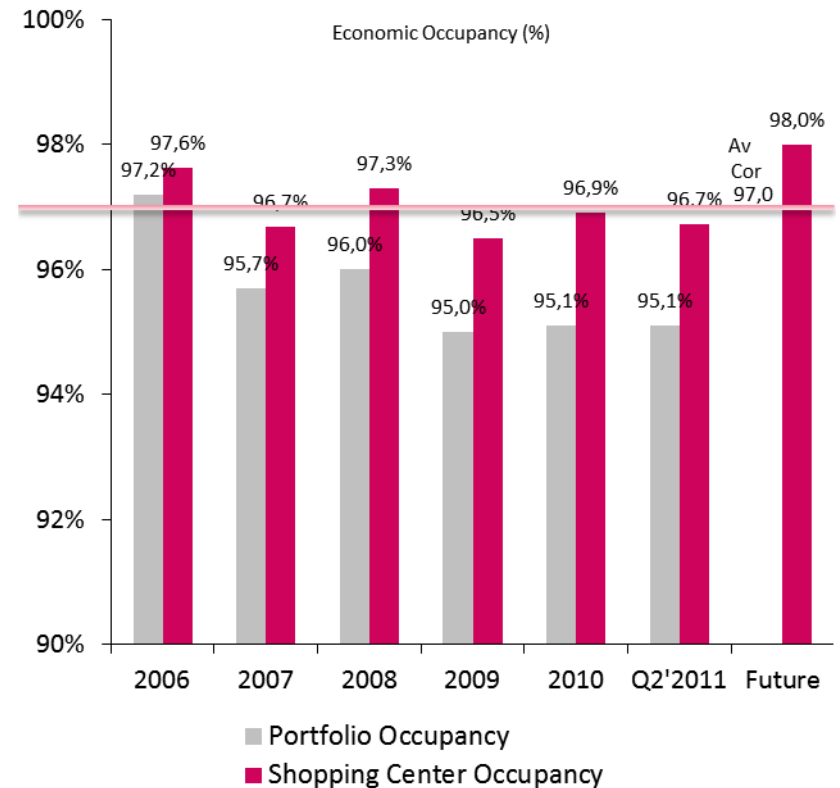
Bigger

More Focus => Total Return

Operational Excellence: Strong focus on organic growth

Accelerate (re)development to €125 – 150

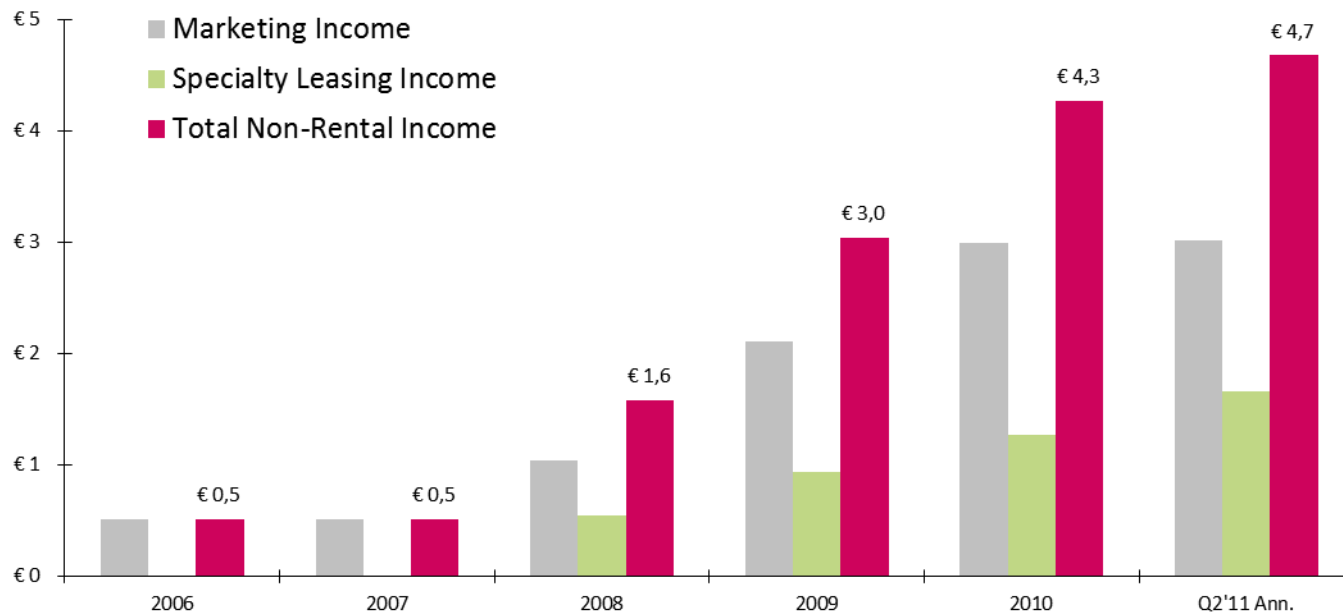
Improve footfall 2-3% p.a.
Increase Occupancy to 98%



Like-for-like growth ≥ CPI

Operational Excellence: Strong focus on organic growth

Double non-rental income over 5 years



Like-for-like growth \geq CPI

Operational Excellence

Improve tenant mix and increase lease terms

2011: Local brands dominate



2016E Goals

- 2-4 new international retail branches per year
- 3-5 existing retail brands to other countries

Missing international retailers



Get new tenants in by offering a bigger platform!

Operational Excellence

Strong commitment to sustainability

- Reduce carbon footprint by 20% by 2020 (=2,0% p.a.)
- Reduce energy consumption by 9% by 2016 (=1,5% p.a.)
- Reduce water consumption to less than 3,5 litres per visitor
- Recycle at least 80% of waste by 2015
- Reduce landfill waste by up to 20% by 2015

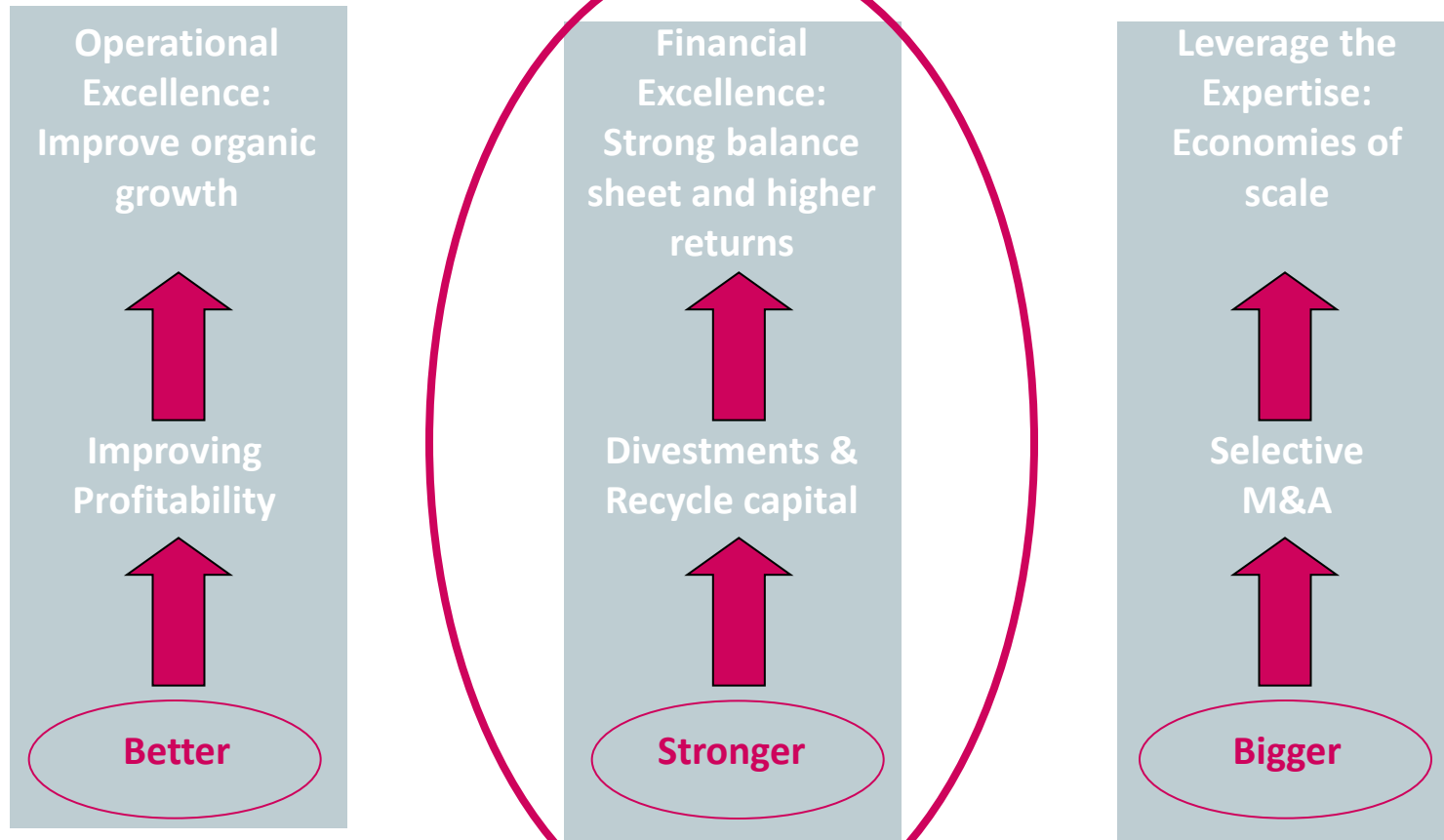
Leed gold is reference for all new (re)developments



We combine sustainability with economic efficiencies

Mission

We want to be the leaders of Nordic and Baltic Shopping Centres



More Focus => Total Return

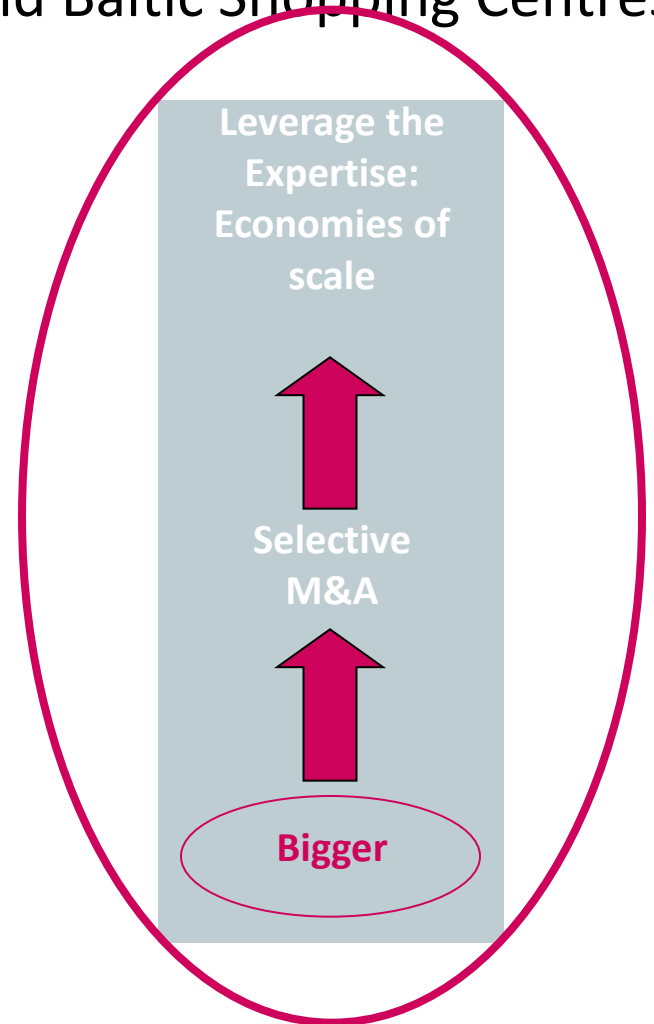
Financial Excellence: Strong balance sheet and solid returns

- Diversify capital sources
 - 40% long term equity ratio
 - 70-90% fixed rate loans
 - Maturities closer to 5 years
 - Explore public rating
- Divest non-core properties
 - Divest EUR 300-400 million
- Recycle capital by JV's in core shopping centres
 - Trusted investment partner
 - Retain control
 - Increase ROI through management fees
 - Improve portfolio balance
 - Alternative to equity capital market raise (no discount to NAV)
 - Validate NAV
- Dividend policy: Improved performance will lead to consideration of higher dividends
- Improve cost base

Strong Balance Sheet + Dividend Growth

Mission

We want to be the leaders of Nordic and Baltic Shopping Centres



More Focus => Total Return

Leverage expertise: Economies of Scale

- Accelerate expansion through pipeline development:
 - EUR125-150 million p.a.
- Selective acquisitions based on quality cash flows & market knowledge:
 - Accretive to earnings
- Further develop asset/property management for third parties:
 - Equity sources looking for expertise
 - Preferred deal structure includes Citycon's equity stake
 - Impact vs. full ownership

Increase operating platform

EUR 5 billion under management

Partial ownership by third parties

Additional flagship Shopping centres

Decrease cost base per center

Improve use of capital

Value Proposition

- **Double Focus**
 - Shopping centers
 - Northern Europe
- **Double Solid**
 - Europe's most solid economies
 - Most solid segment within commercial real estate (=retail)
- **Double Growth**
 - Further internal revenue growth
 - New acquisitions



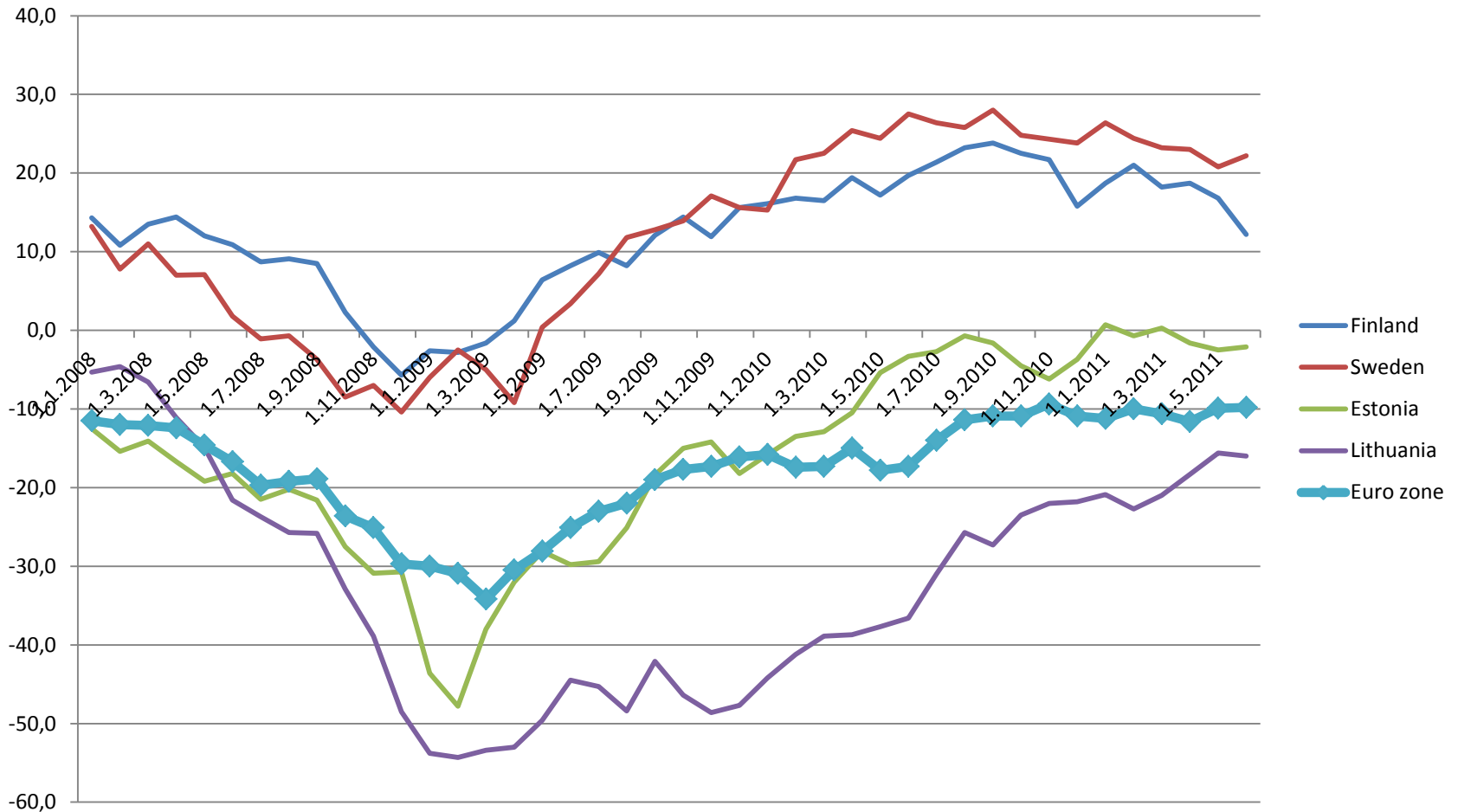
Pink cocktail for creating success

Key Figures and Financing Overview of Q2



Business Environment

CONSUMER CONFIDENCE



Source: Eurostat

Consumer confidence indicator is conducted as an interview survey. It includes respondent's view on financial situation, general economic situation, unemployment expectations over the next 12 months, and savings over the next 12 months.

Business Environment

In Jan-May 2011, retail sales increased by 6.3% in Finland, 2.0% in Sweden and by 2.5% in Estonia.

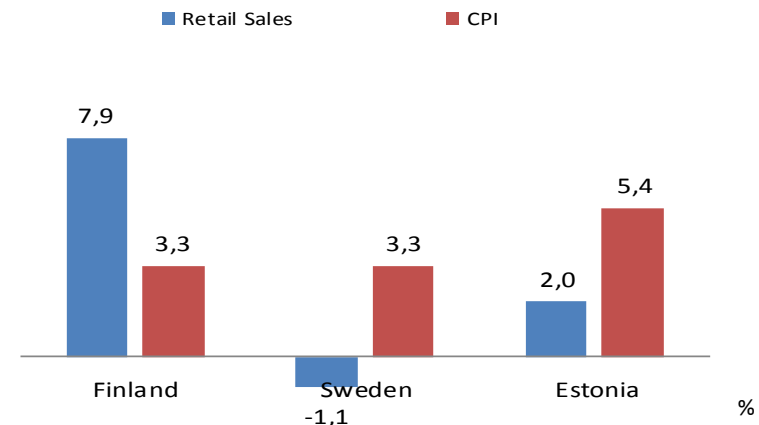
The property market has picked up, especially in Sweden.

Unemployment rates below the European average (9.9%):

- FINLAND 7.8%
- SWEDEN 7.7%
- ESTONIA 13.8% (March 2010)

Citycon's tenants reporting strong sales figures.

RETAIL SALES AND CPI, May 2011



Sources:
Statistics Finland, Statistics Sweden, Statistics Estonia,
Eurostat, Savills Research

Property Portfolio



Geographical Overview

FINLAND

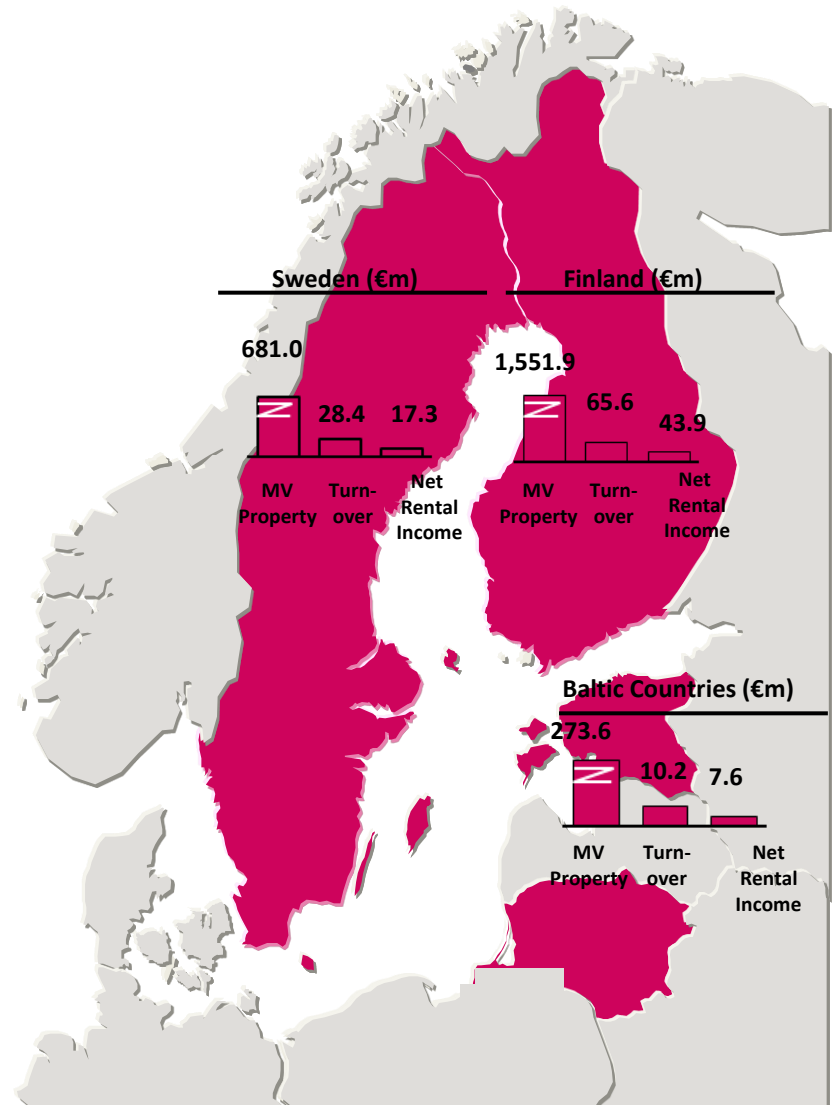
- Market leader with 22.7% market share
- Net rental income EUR 43.9 million
- 63.8% of total net rental income
- 23 shopping centres, 38 other retail properties, one unbuilt lot

SWEDEN

- Net rental income accounted for 25.2% of Citycon's total net rental income
- Net rental income EUR 17.3 million
- 9 shopping centres, 7 other retail properties

BALTIC COUNTRIES

- NRI 11.0% of Citycon's total NRI
- Net rental income EUR 7.6 million
- 4 shopping centres



Ongoing (Re)development Projects

PROPERTY	AREA, sq.m. before and after	TOTAL ESTIMATED NEW INVESTMENT, MEUR	ACTUAL CUMULATIVE CAPEX, by the end of period, MEUR	Expected yield on completion when stabilized,% ¹⁾	EST. FINAL YEAR OF COMPLETION	
Koskikeskus Finland, FIN	27 700 28 600	37.9	0.9	6.6	Nov 2012	Redevelopment of the centre. The interior, the entrances, facades and all the technical systems will be thoroughly renewed. Better tenant mix.
Martinlaakso Vantaa, FIN	3 800 7 300	22.9	13.4	7.4	Nov 2011	Building of a new retail centre replacing the existing one next to the Martinlaakso railway station.
Myllypuro Helsinki, FIN	7 700 7 300	21.3	15.1 ²⁾	7.4	May 2012	Building of a new retail centre replacing the existing one next to the Myllypuro subway station.
Hansa (Trio) Lahti, FIN	11 000 11 000	8.0	5.9	6.6	2011	The refurbishment of Hansa property located next to Trio.
Myyrmanni Vantaa, FIN	8 400 8 400	6.5	4.6		Sept 2011	Refurbishment of the 1 st floor premises and tenant improvements on the ground floor.
Kirkkonummen liikekeskus Kirkkonummi, FIN	5 000 5 000	4.0	2.5		Aug 2011	Refurbishment of the retail centre.

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1) Yield on completion,% = Expected stabilized (third year after completion) net rents incl. possible vacancy / total investment (=total capital invested in property by Citycon)

2) The compensation of EUR 5.9 million and its tax impact received from Citycon of Helsinki has been deducted from actual gross investments

CITYCON

Snapshot of Statement of Comprehensive Income

EUR million	Q2/2011	Q2/2010	Q1-Q2/2011	Q1-Q2/2010	2010
Gross rental income	51.0	46.0	100.5	93.2	185.9
Utility and service charge income	3.1	2.6	5.6	4.9	10.0
Turnover	54.1	48.6	106.0	98.1	195.9
Property operating expenses	17.3	16.1	37.0	34.9	67.4
Other expenses from leasing operations	0.4	0.6	0.4	0.7	1.3
Net rental income	36.3	31.8	68.7	62.5	127.2
Administrative expenses	6.6	5.8	12.1	10.2	23.3
Net Fair value gains/losses on investment property	-5.0	22.9	-3.9	23.7	50.8
Net Gains on sale of investment property	1.2	0.3	1.3	3.5	2.6
Operating profit/loss	26.0	49.2	54.2	79.6	157.7
Net Financial income and expenses	-16.3	-14.4	-30.1	-27.6	-54.9
Share of profit/loss of joint ventures	-0.2	-	-0.1	-	-
Profit/loss before taxes	9.5	38.8	23.9	52.0	102.8
Current taxes	-0.3	-1.9	-0.5	-4.3	-0.6
Change in deferred taxes	0.9	-0.0	0.5	-0.5	-11.8
Profit/loss for the period	10.1	32.8	23.9	47.1	90.4
Other comprehensive expenses/income for the period, net of tax	-8.6	-2.9	-4.6	-8.6	6.9
Total Comprehensive profit/loss for the period, net of tax	1.5	29.9	28.6	38.5	97.3
EPS (basic), EUR	0.03	0.13	0.08	0.19	0.34
EPS (diluted), EUR	0.03	0.12	0.08	0.18	0.34
Direct Result	13.2	10.1	25.8	21.5	47.3
Indirect result	-5.3	18.3	-6.8	19.9	31.1
Direct EPS (diluted), EUR (EPRA EPS)	0.05	0.05	0.11	0.10	0.21
Net cash from operating activities per share, EUR	-0.01	0.01	0.08	0.05	0.09
Profit/loss for the period attributable to parent company shareholders	7.9	28.4	19.1	41.4	78.3

Main Key Figures

- Specified outlook for 2011:
 - Turnover is expected to grow by EUR **15-23** million
 - Direct operating profit to is expected to grow operating profit EUR **9-15** million
 - Direct result is expected to grow by EUR **2-7** million
- Total asset stood at EUR **2,578.3** million
- Equity ratio **34.8%**, hedging ratio of the loan portfolio **76.2%**
- **4,004 (4,019)** leases with an average length of **3.4 (3.1)** years
- GLA increased by **5.1%** and was **995,270** m²
- Rolling 12-month occupancy cost ratio for I-f-I shopping centres was **8.7%**

NRI Growth by Segments and Portfolios

EUR million	Baltic				Total	TURNOVER
	Finland	Sweden	Countries	Other		
1H/2009	46,0	10,8	4,6	0,0	61,3	91,5
(Re)development projects	-2,7	2,1	1,4	-	0,7	4,5
Divestments	-0,2	-0,2	-	-	-0,4	-0,4
Like-for-like properties	-0,4	0,2	-0,2	-	-0,4	0,7
Other (incl. exch. diff.)	0,0	1,1	0,0	0,0	1,3	1,8
1H/2010	42,7	13,9	5,8	0,0	62,5	98,1
Acquisitions	0,1	0,1	1,5	-	1,7	2,2
(Re)developments projects	2,0	0,7	-	-	2,7	3,5
Divestments	0,0	-0,7	-	-	-0,8	-1,5
LFL shopping centres	0,4	1,9	0,3	-	2,5	2,3
LFL supermarkets, shops	-1,3	-0,1	-	-	-1,4	-1,1
Like-for-like properties	-0,9	1,8	0,3	0,0	1,1	1,1
Other (incl. exch. diff.)	0,1	1,5	0,0	-0,1	1,5	2,5
1H/2011	43,9	17,3	7,6	0,0	68,7	106,0

- Acquisitions: Kristiine +1.5M€ and Högdalen +0.1M€.
- (Re)development projects: Especially Forum and Åkersberga Centrum
- Divestments: Residential towers in Jakobsberg and residential in Åkersberga, also some non-core properties in Finland. Disposal of Tumba's residential on 30th of June 2011 didn't impact NRI in 1H'2011.
- LFL properties: Positive LFL growth: 1.1M€, or +2.3%. LFL growth in shopping centres +2.5M€, or 6.6%, mainly Liljeholmstorget and IsoOmena. LFL growth in supermarkets and shops -1.4M€, -13.5%, mainly due to two assets in Helsinki metropolitan area and one in Pori.
- Other: Stronger SEK contributed positively by 1.5M€ to NRI.

Property Portfolio

TOTAL PORTFOLIO	Q2/2011	Q2/2010	Q1-Q2/2011	Q1-Q2/2010	2010
Number of leases started during the period	179	175	366	360	789
Total area of leases started, sq.m. ¹⁾	28 716	36 256	62 859	79 253	160 215
Average rent of leases started (EUR/sq.m.) ¹⁾	17.9	17.2	17.5	17.8	17.9
Number of leases ended during the period	217	185	385	577	1 279
Total area of leases ended, sq.m. ¹⁾	35 285	54 801	70 263	123 268	190 489
Average rent of leases ended (EUR/sq.m.) ¹⁾	15.6	14.2	16.1	16.2	16.2
Average rent (EUR/sq.m.)			19.4	18.0	19.2
Occupancy rate at the end of period, %			95.1	94.6	95.1

1) Leases started and ended do not necessarily refer to the same premises

Financing Overview

- Total asset stood at EUR **2,578.3** million
- Total liquidity of EUR **191.9** million incl. unutilized committed debt facilities (EUR 162.5 m) and cash (EUR 29.4 m)
- For six-month period ending 30 June 2011 the average year-to-date interest rate remained low at **3.97%** but the period-end current run rate was higher at **4.06%** reflecting the recent upward pressure in short term interest rates.
- The average loan maturity stood at **3.1** years (3.3 years).
- Net financial expenses stood at EUR **30.1** million (EUR 27.6 million)
- Equity ratio at **34.8%**
- Two covenants
 - Equity ratio: Covenant level 32.5%, equity ratio as defined in loan agreements was **36.3%**
 - Interest cover ratio: Covenant level 1.8x, Citycon's period end ICR **2.0x**

Snapshot of Statement of Financial Position

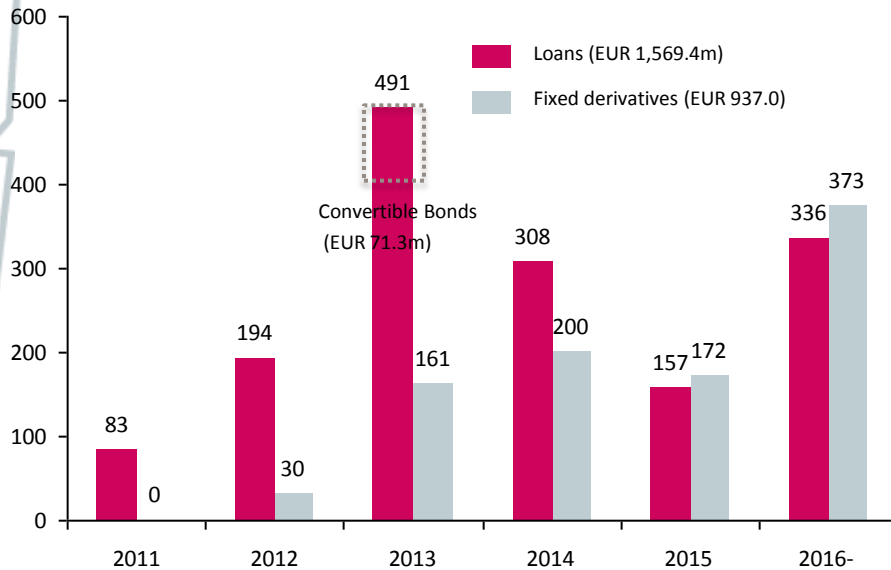
Statement of Financial Position, EUR million	30 June 2011	30 June 2010	31 Dec 2010
Investment property	2,506.4	2,229.5	2,367.7
Total non-current assets	2,517.3	2,243.8	2,378.1
Current assets	61.0	46.1	56.9
Assets total	2,578.3	2,308.9	2,436.5
Total shareholder's equity	894.8	779.1	900.2
Total liabilities	1,683.5	1,529.8	1,536.3
Liabilities and share holders equity	2,578.3	2,308.9	2,436.5

KEY FIGURES

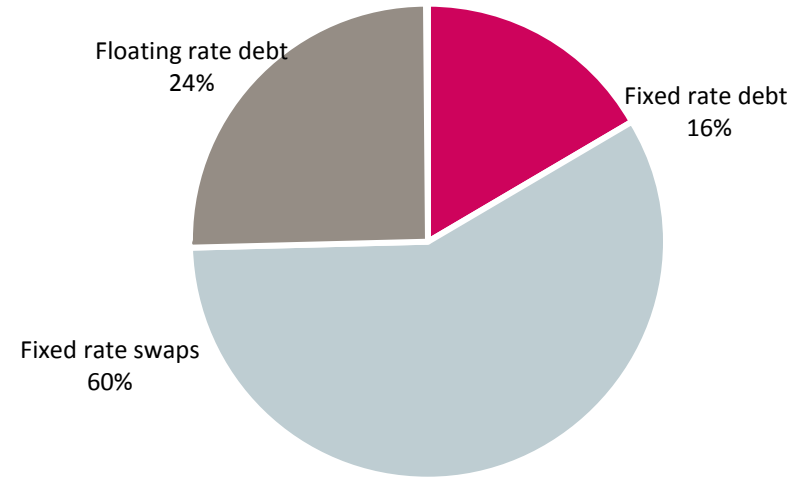
Equity ratio, %	34.8	33.8	37.1
Gearing, %	171.2	174.6	153.1
Equity per share, €	3.43	3.30	3.47
Net Asset value (EPRA NAV) per share, €	3.73	3.68	3.79
EPRA NNNNAV, €	3.43	3.35	3.49
Net Rental Yield (actual), %	5.8	6.0	5.8
Average Net Yield Requirement (valuation yield by external appraiser)	6.4	6.6	6.4

Key Figures – Financing Overview

Maturity profile of loans and derivatives

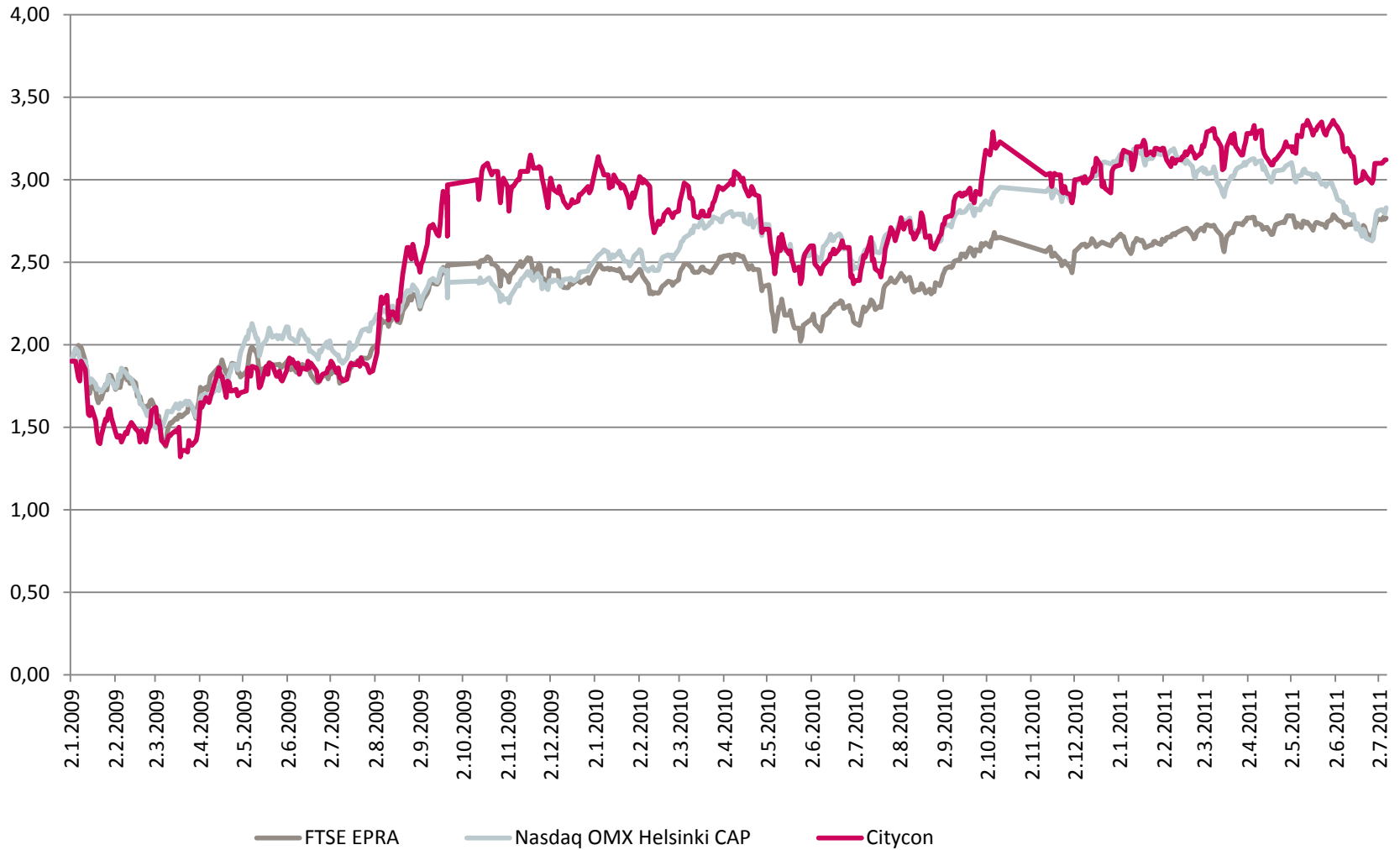


Interest-bearing debt by fixing type
EUR 1,569.4 million ¹⁾



- During second quarter in 2011, the period-end interest-bearing **net debt increased by EUR 151 million** as a result of new debt raised for acquisitions and payment of dividend and capital return
- **Hedging ratio maintained high at 76%** - lower hedge ratio from previous quarter due to new debt
- Conservative financing policy continues; **average loan maturity lengthened after refinancing of debt at 3.1 years** and average **time to fixing 3.3 years**
- Successful refinancing of maturing debt in May with a new EUR 330 million 5-year syndicated loan
- **Refinancing not a problem** - Citycon has available liquidity at the end of Q2 2011 of EUR 192 million

Share Performance¹⁾



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