Q1–Q4 | 2021

FINANCIAL STATEMENTS RELEASE
JANUARY–DECEMBER

CITYCON 2021: STRONG OPERATING FIGURES COMBINED WITH POSITIVE FAIR VALUE DEVELOPMENT

- Strong quarter in **like-for-like tenant sales (+7.6%) and footfall (+8.2%)**. Like-for-like tenant sales increased +3.8% in 2021 compared to 2020, which was partially pre-pandemic. Compared to 2019, like-for-like tenant sales and footfall were +0.5% and -14.4%, respectively.
- Rent collection was 96% for the full year, continuing to exhibit one of the best collection rates in the industry
- The operating properties recorded a fourth consecutive quarter of uplift in valuations. **In total fair value gain in 2021 was EUR 48.6 million, an increase of +1.2% over 2020 levels.**
- **Like-for-like net rental income grew 2.9% in Q4/2021.** For full year 2021, the decrease in the like-for-like net rental income remained relatively modest at -1.5%, particularly impressive given 2020 was a partially pre-pandemic year.
- Active capital recycling continued during the last quarter with Columbus disposal above book value and opportunistic repurchase of approximately EUR 69 million of Citycon shares at 40% discount to NRV.
- Full-year results for direct operating profit and EPRA Earnings per share in-line with Citycon guidance.
- Subsequent to year-end Citycon sold additional two non-core assets in Norway above book value, when considering near-term capex. Additionally, Citycon entered into forward funding agreement to purchase 200-unit residential building in Sweden.

OCTOBER–DECEMBER 2021

- Net rental income was EUR 49.3 million (Q4/2020: 49.9). The decrease was primarily due to the divestments made in Q1/2021 and Q4/2021. Stronger currencies increased net rental income by EUR 1.0 million. **On a like-for-like basis, net rental income increased by 2.9% compared to previous year.**
- EPRA Earnings decreased to EUR 27.5 million (32.0) due to divestments and lower direct share of profit of joint ventures and associated companies, which were compensated by lower direct financial expenses. EPRA Earnings per share (basic) was EUR 0.158 (0.180).
- Adjusted EPRA earnings were EUR 19.8 million (28.0) and were impacted by the newly issued hybrid bond coupons.
- IFRS-based earnings per share was EUR 0.23 (-0.07).
- **Positive fair value development during the quarter of EUR 42.7 million.**
- Retail occupancy increased by 50 basis points to 94.2%.

JANUARY–DECEMBER 2021

Note: Year-over-year comparisons to 2020 are adversely impacted due to the fact that 2020 was partially pre-pandemic.

- Full year results for Direct Operating Profit and EPRA EPS in-line with company guidance.
- Net rental income was EUR 202.3 million (Q1-Q4/2020: 205.4). Net rental income continued to be affected negatively by COVID-19 pandemic and its impact on straight-lined discounts from 2020. In addition, the divestments made in Q1/2021 and Q4/2021 decreased the net rental income. On a like-for-like basis, net rental income declined slightly (-1.5%).
- EPRA Earnings were EUR 124.4 million (136.6) as a result of divestments' impact on net rental income, lower direct share of profit of joint ventures and associated companies and higher tax expenses. EPRA Earnings per share (basic) was EUR 0.703 (0.767) with a positive impact from stronger currencies being EUR 0.024 per share.
- Adjusted EPRA earnings were EUR 100.0 million (120.3) due to the addition of newly issued hybrid bond coupons.
- IFRS earnings per share improved to EUR 0.55 (-0.25) mainly due to stronger result in property valuations which were up 1.2% over 2020, and share repurchase. Net cash from operations per share increased to EUR 0.72 (0.71) resulting from higher earnings.
- Citycon disposed of four non-core assets for EUR 253.2 million and repurchased approximately EUR 69 million shares.
- The Board of Directors proposes to the Annual General Meeting that the Board be authorised to decide on the profit sharing for the financial year 2021. Based on the proposed authorization the maximum amount of profit sharing, to be paid as equity repayment, would be EUR 0.50 per share.

OUTLOOK

Citycon forecasts the 2022 direct operating profit to be in range EUR 164-180 million, EPRA EPS EUR 0.62–0.72 and adjusted EPRA EPS EUR 0.48–0.58.

Direct operating profit	MEUR	164–180
EPRA Earnings per share (basic)	EUR	0.62–0.72
Adjusted EPRA Earnings per share (basic)	EUR	0.48–0.58

The outlook assumes that there are no major changes in macroeconomic factors and that there will not be another wave of COVID-19 with restrictions resulting in significant store closures. These estimates are based on the existing property portfolio and recently announced disposals as well as on the prevailing level of inflation, the EUR–SEK and EUR–NOK exchange rates, and current interest rates.

KEY FIGURES

		Q4/2021	Q4/2020	%	Comparable change% [1]	2021	2020	%	Comparable change% [1]
Net rental income	MEUR	49.3	49.9	-1.2%	-3.2%	202.3	205.4	-1.5%	-4.0%
Direct Operating profit [2]	MEUR	42.2	43.1	-2.3%	-4.4%	176.1	180.4	-2.4%	-5.0%
IFRS Earnings per share (basic) [3]	EUR	0.23	-0.07	-	-	0.55	-0.25	-	-
Fair value of investment properties	MEUR	4.189.2	4.152.2	0.9%	-	4,189.2	4,152.2	0.9%	-
Loan to Value (LTV) [2] [4]	%	40.7	46.9	-13.2%	-	40.7	46.9	-13.2%	-
EPRA based key figures [2]									
EPRA Earnings	MEUR	27.5	32.0	-14.2%	-16.2%	124.4	136.6	-8.9%	-11.7%
Adjusted EPRA Earnings [3]	MEUR	19.8	28.0	-29.2%	-31.1%	100.0	120.3	-16.9%	-19.7%
EPRA Earnings per share (basic)	EUR	0.158	0.180	-12.3%	-14.4%	0.703	0.767	-8.4%	-11.2%
Adjusted EPRA Earnings per share (basic) [3]	EUR	0.114	0.157	-27.6%	-29.6%	0.565	0.676	-16.4%	-19.3%
EPRA NRV per share	EUR	11.54	11.48	0.5%	-	11.54	11.48	0.5%	-

1) *Change from previous year (comparable exchange rates). Change-% is calculated from exact figures.*
2) *Citycon presents alternative performance measures according to the European Securities and Markets Authority (ESMA) guidelines. More information is presented in Basis of Preparation and Accounting Policies in the notes to the accounts.*
3) *The adjusted key figure includes hybrid bond coupons and amortized fees.*
4) *Highly liquid cash investments has been taken into account in net debt.*

CEO F. SCOTT BALL:

"Citycon continued to demonstrate the strength of our strategy and portfolio amidst a challenging COVID-19 environment. We are encouraged to see continued performance and valuation improvement at our centres, with operations nearly back to pre-covid levels. The strong operational figures reflect the stability of our necessity-based centres focused on serving as a last mile logistics hub for delivery of grocery, municipal, and other services with excellent access to public transportation and locations in the strongest and fast-growing cities in the Nordics.

This strategy was positively reflected in our key operational metrics, and I am pleased we were able to meet the full year guidance we set last quarter, despite the resurgence of the Omicron variant in our markets. Rent collection remained high, as has been the case throughout the pandemic, at 96% for 2021. Tenant sales exceeded 2020 levels which directly results from our tenant mix and large share of necessity categories, such as groceries, pharmacies, municipal and healthcare services. We were also pleased to see these figures surpass pre-pandemic levels. Similarly, the quarter produced significant like-for-like growth in both footfall (+8.2%) and tenant sales (+7.6%) during the last quarter of 2021. The like-for-like net rental income in Q4 increased 2.9% compared to Q4/2020. Notably, the decline in the like-for-like net rental income for full year 2021 remained modest (-1.5%) and is encouraging considering 2021 reflected a full-year of COVID while the first quarter of 2020 was, effectively, pre-pandemic operations. Notably, 2021 like-for-like NRI is clearly approaching 2019 levels.

Our operating properties recorded a fourth consecutive quarter of uplift and the total fair value change of investment properties in 2021 amounted to EUR 48.6 million of which EUR 42.7 million occurred in Q4/2021 alone. The positive development highlights not only the quality of our necessity-based grocery-anchored urban hubs, but also the improving investment appetite for retail assets in the Nordics and greater Europe. Improved valuations also contributed to our IFRS loan-to-value declining throughout the year to 40.7%, further solidifying our investment grade balance sheet and enhancing our flexibility to pursue transactions that increase shareholder value.

On the transaction front, we continued our opportunistic active capital recycling and sold four non-core assets during the year for EUR 250 million and above book value. Furthermore, as disclosed on 7th February 2022, we have an agreement to dispose of two additional non-core assets in Norway in early 2022, again, above the latest IFRS fair value and at an attractive blended cap rate of 5%. In addition to demonstrating strong private market demand for retail assets, we also have demonstrated our disciplined capital allocation by using part of the sale proceeds to repurchase 10 million of our own shares and take advantage of the large discount of those shares relative to NRV. Additionally, we also announced on 7th February 2022 that we have entered into a forward funding agreement to purchase a brand-new residential asset comprising 200 apartments in Stockholm near our Kista and Jacobsberg centres. The building will deliver in 2024 and will enhance the demand for our existing centres while continuing to diversify our portfolio with a greater share of residential income.

Looking ahead to 2022, we have a very stable business model with some of the best necessity-based centres in the Nordics and 92% of our leases linked to indexation. This should provide a tailwind as we head into an improving economic and inflationary environment with the COVID-19 pandemic, hopefully, subsiding. We also have an investment-grade balance sheet that provides us with a strong financial position and flexibility with no significant near-term maturities until 2024.

Operating from this position of strength provides us various levers we can pull to execute our strategy and continued portfolio transformation to core, necessity- based centres with organic opportunities for growth and diversification through mixed-use development, particularly focused on adding residential that enhances the demand at our existing assets. We are excited for the opening of Lippulaiva in April 2022 and it is a great example of our comprehensive strategy in action: a full-service, mixed-use, urban hub with several large grocery anchors, a wide range of private and municipal services, direct connection to the metro, surrounded by eight residential towers comprising approx. 500 apartments, as well as being a net-zero emitter with sustainable technologies such as geothermal energy. We expect it to meaningfully contribute to earnings in 2022 and beyond."

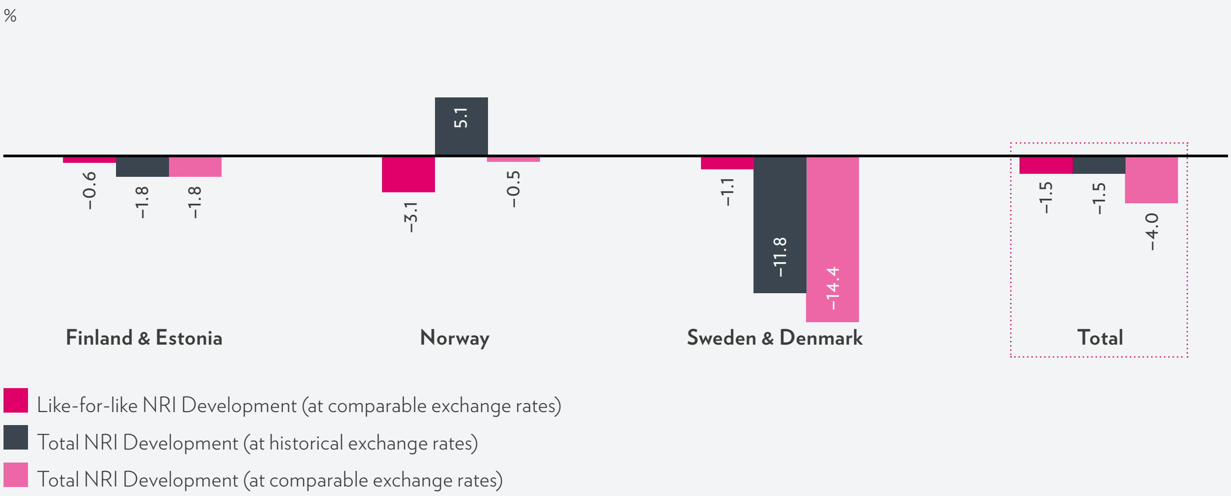
1. NET RENTAL INCOME

The like-for-like net rental income in Q4 increased 2.9% compared to Q4/2020. Total net rental income decreased to EUR 49.3 million (Q4/2020: 49.9) mainly due to the divestment of 4 non-core assets.

The net rental income in Q1-Q4/2021 stands at EUR 202.3 million (205.4). 2020 is not a fully comparable year, as Q1/2020 was in a pre-pandemic operating environment. In 2021, COVID-19 impacted results, particularly in Q1, through higher vacancy and lower turnover-based rents and parking income resulting from lower footfall. In addition, the divestments made in Q1/2021 and Q4/2021 decreased net rental income by EUR 5.9 million during Q1-Q4. COVID-19 discounts given in Q1-Q4/2021 were EUR 0.8 million. Under IFRS, the total amount of rental reliefs is accrued over the remaining contract period.

Total net rental income at historical exchange rates decreased by 1.5%, compared to Q1-Q4/2020.

LIKE-FOR-LIKE AND TOTAL NET RENTAL INCOME DEVELOPMENT, 2021 VS. 2020



Net rental income from the Finnish & Estonian operations decreased by 1.8% against a partially pre-covid year due to the divestment of Columbus shopping centre in Q4/2021. Like-for-like net rental income decreased by 0.6% against a partial pre-covid year.

Net rental income from Swedish & Danish operations decreased by 11.8% due to the divestment of three non-core shopping centres in Q1/2021. Like-for-like net rental income decreased by 1.1% against a partial pre-covid year.

Net rental income from the Norwegian operations increased by 5.1% compared to Q1-Q4/2020 mainly due to acquisitions of Stovner and Torvbyen shopping centres in Q1/2020. Like-for-like net rental income decreased by 3.1% but compared to partial pre-covid year.

NET RENTAL INCOME AND GROSS RENTAL INCOME BREAKDOWN

	Net rental income					Gross rental income
Me	Finland & Estonia	Norway	Sweden & Denmark	Other	Total	Total
2020	**86.8**	**74.1**	**44.5**	**0.1**	**205,4**	**224.3**
Acquisitions	-	-0.3	-	-	-0.3	0.2
(Re)development projects	-0.9	1.6	-0.5	-	0.1	0.8
Divestments	-0.1	-0.1	-5.7	-	-5.9	-8.1
Like-for-like properties [1]	-0.4	-1.5	-0.4	-	-2.3	-1.4
Other (incl. exchange rate differences)	0.0	4.0	1.3	-0.1	5.2	6.4
2021	**85.2**	**77,8**	**39.2**	**0.0**	**202.3**	**222.2**

[1] *Like-for-like properties are properties held by Citycon throughout two full preceding periods. Like-for-like properties exclude properties under (re)development or extension.*

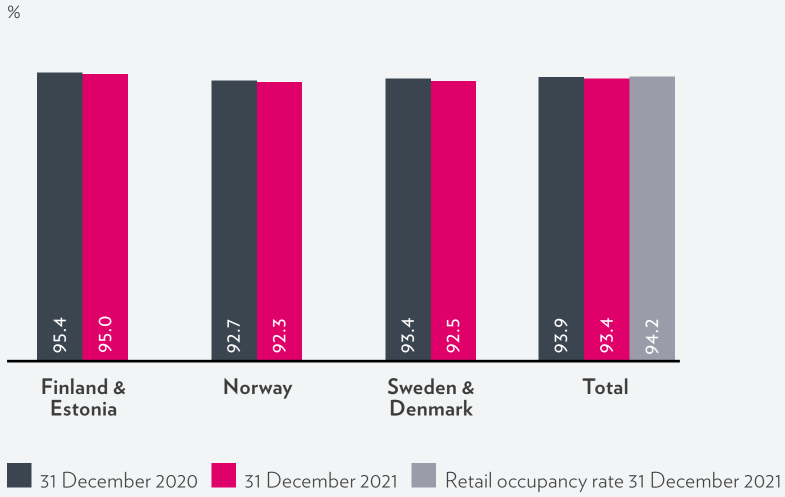
2. OCCUPANCY, SALES AND FOOTFALL

The retail occupancy rate increased in Q4/2021 from the previous quarter and was 94.2% (Q3/2021: 93.7%). Also, the economic occupancy increased and was 93.4% (Q3/2021: 93.0%). Furthermore, the average rent per sq.m. increased to 22.6 EUR (Q4/2020: 22.0) as we leased over 200,000 sq.m. during the year. Using comparable rate average rent per sq.m was 22.0 EUR.

In Q4/2021 like-for-like tenant sales increased 7.6% and at the same time like-for-like footfall increased 8.2%. In Q1-Q4 like-for-like sales increased by 3.8% and like-for-like grocery sales increased by 2.9%. Total sales in Citycon's shopping centres decreased by -1.5% due to divested assets in Sweden and Finland. However, total sales in Finland & Estonia increased by 4.8% and total sales in Norway increased by 1.1%.

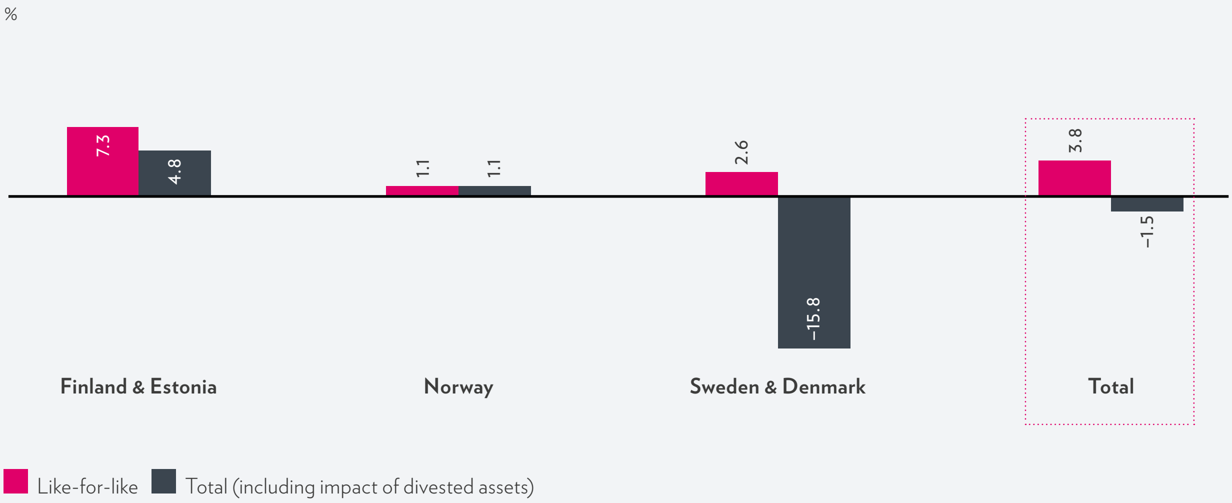
Total footfall decreased by -4.0% due to the divestments and like-for-like footfall decreased by -1.6% compared to the previous year again due to Q1/2020 being a pre-covid environment. However, the average consumer spending in our centres grew significantly compared to previous year, more than offsetting footfall declines.

OCCUPANCY RATE [1]



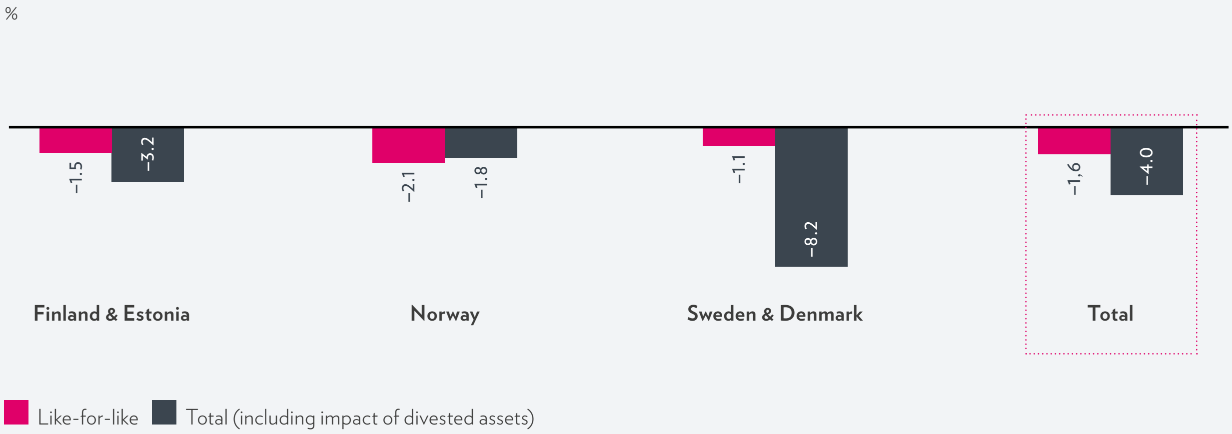
[1] Kista Galleria 50% not included.

TENANT SALES DEVELOPMENT, 2021 VS. 2020 [1)]



1) Sales figures include estimates. Sales figures exclude VAT and the change has been calculated using comparable exchange rates. Kista Galleria 50% not included.

FOOTFALL DEVELOPMENT, 2021 VS. 2020 [1)]



1) Footfall figures include estimates. Kista Galleria 50% not included.

LEASE PORTFOLIO SUMMARY [1)]

		31 December 2021	31 December 2020
Number of leases	pcs	3,326	3,810
Average rent	EUR/sq.m.	22.6	22.0
Average remaining length of lease portfolio	years	3.1	2.9
Occupancy cost ratio [2)]	%	8.8%	9.1%

1) *Kista Galleria 50% not included.*
2) *The rolling twelve month occupancy cost ratio for like-for-like shopping centres.*

LEASING ACTIVITY [1)]

		2021	2020
Total area of leases started	sq.m.	247,526	224,276
Total area of leases ended	sq.m.	319,011	243,959

[1)] *Leases started and ended do not necessarily refer to the same premises. Kista Galleria 50% not included.*

3. FINANCIAL RESULT

Operating profit increased to EUR 217.8 million (34.1).

Administrative expenses were EUR 26.1 million (25.9). At the end of the reporting period, Citycon Group employed a total of 251 (246) full-time employees (FTEs), including bringing the outsourced accounting team in-house and duplicate of CFO positions for five months, of whom 56 worked in Finland & Estonia, 80 in Norway, 66 in Sweden & Denmark, and 49 in Group functions.

PERSONNEL KEY FIGURES

	2021	2020	2019
Average number of personnel (FTE)	242	239	240
Wages and salaries, EUR million	17.3	18.2	17.5

Net financial expenses (IFRS) increased to EUR 55.0 million (51.8) despite a lower average amount of debt and a higher interest income and other financial income, mainly due to indirect items. Indirect losses of EUR 7.3 million (5.8) were recorded related to cost for bond tenders and non-cash write downs of unamortized fees on the prepaid bonds. In addition, EUR 0.8 million indirect losses (0.8 gains) related to fair value changes of cross-currency swaps not under hedge accounting was booked.

Share of loss of joint ventures and associated companies totalled EUR -6.3 million (-28.0). Improved result from previous year was mainly due to better investment property valuation result in Kista Galleria.

Profit for the period increased by EUR 148.9 million to EUR 121.0 million (-27.9).

4. PROPERTY PORTFOLIO VALUE DEVELOPMENT

From year-end the fair value of investment properties increased by EUR 37.0 million to EUR 4,189.2 million (31 December 2020: 4,152.2). Net investments, including both acquisitions and disposals and development projects increased the fair value by EUR 181.3 million. Fair value gains increased the value of investment properties by EUR 48.6 million and exchange rates by EUR 55.1 million. Changes in right-of-use –assets increased the asset value of investment properties by EUR 12.6 million and transfer between categories decreased the value by EUR 260.5 million.

PROPERTY PORTFOLIO SUMMARY

31 December 2021	No. of properties	Gross leasable area	Fair value, MEUR	Properties held for sale, MEUR	Portfolio,%
Shopping centres, Finland & Estonia [1]	11	450,847	1,955.9	-	45%
Other properties, Finland & Estonia	1	2,240	3.5	-	0%
Finland & Estonia, total	**12**	**453,087**	**1,959.3**	-	**45%**
Shopping centres, Norway	17	444,100	1,389.9	150.9	36%
Rented shopping centres, Norway [2]	1	14,500	-	-	-
Norway, total	**18**	**458,600**	**1,389.9**	**150.9**	**36%**
Shopping centres, Sweden & Denmark	7	209,300	794.3	-	18%
Sweden & Denmark, total	**7**	**209,300**	**794.3**	-	**18%**
Shopping centres, total	36	1,118,747	4,140.1	150.9	99%
Other properties, total	1	2,240	3.5	-	0%
Investment properties, total	**37**	**1,120,987**	**4,143.5**	**150.9**	**99%**
Right-of-use assets classified as investment properties (IFRS 16)	-	-	45.7	-	1%
Investment properties in the statement of financial position, total	**37**	**1,120,987**	**4,189.2**	**150.9**	**100%**
Kista Galleria (50%)	1	46,300	252.2	-	-
Investment properties and Kista Galleria (50%), total	**38**	**1,167,287**	**4,441.4**	**150.9**	**-**

[1] *Includes Lippulaiva development project.*
[2] *Value of rented properties is recognised within IFRS 16 investment properties based on IFRS rules.*

The fair value change of investment properties amounted to EUR 48.6 million (-146.9). The company recorded a total value increase of EUR 106.1 million (39.8) and a total value decrease of EUR 45.7 million (-181.1). In addition, the application of IFRS 16 standard had an impact of EUR -11.8 million (-5.7) to the fair value change of investment properties during the January-December reporting period.

FAIR VALUE CHANGES

MEUR	2021	2020
Finland & Estonia	3.4	-86.8
Norway	26.2	-1.3
Sweden & Denmark	30.8	-53.1
Investment properties, total	**60.4**	**-141.2**
Right-of-use assets classified as investment properties (IFRS 16)	-11.8	-5.7
Investment properties in the statement of financial position, total	**48.6**	**-146.9**
Kista Galleria (50%)	-1.4	-32.3
Investment properties and Kista Galleria (50%), total	**47.2**	**-179.2**

Fair value change for the operational portfolio (without Lippulaiva) was positive EUR 76.6 million. The total fair value change was impacted by an update of estimated project costs and Covid impacts related to Lippulaiva project.

External appraisers, CBRE (in Norway, Denmark and Estonia) and JLL (in Finland and Sweden) measure the fair values for the half-yearly report and annual financial statements. Citycon measures the fair values of the properties internally in the first and third quarter.

JLL's and CBRE's valuation statements are available on Citycon's website below Investors.

5. RECYCLING OF CAPITAL CONTINUED

In 2021, Citycon continued to execute on opportunistic capital recycling. In February, Citycon signed an agreement to sell three shopping centres in Sweden with the gross purchase price of approximately EUR 147 million. The divestment follows Citycon' s strategy to focus on larger, grocery /municipal services-anchored, urban hubs with a connection to transportation links and which provide further densification potential to add residential units, offices and other complimentary uses. The closing of the transaction was 31 March 2021.

In October, Citycon signed an agreement to sell Columbus located in Helsinki, Finland with a gross purchase price of approximately EUR 106.2 million. Columbus demonstrates Citycon´s ability to create additional value through active asset management at every stage of the property life cycle. During Citycon´s ownership, Columbus was transformed to a grocery-anchored urban hub, which was reflected in its increase in value. Subsequent to the sale, a portion of the proceeds from the transaction was used to buy back shares.

The company will continue evaluating opportunistic capital recycling actions going forward.

ACQUISITIONS AND DIVESTMENTS Q1-Q4

		Location	Gross leasable area, sq.m.	Date	Price, MEUR [3]
Divestments					
Portfolio of 3 centres				31 March 2021	147 [1]
Tumba	Shopping centre	Botkyrka, Sweden	23,200		
Högdalen	Shopping centre	Bandhagen, Sweden	20,000		
Fruängen	Shopping centre	Hägersten, Sweden	14,700		
Columbus	Shopping centre	Helsinki, Finland	22,600	31 November 2021	106.2
Divestments, total			**80,500**		**253.2**
Acquisitions					
Heikintori (7%) [2]	Shopping centre	Espoo, Finland	6,200	29 April 2021	0.7
Acquisitions, total			**6,200**		0.7

[1] *Gross purchase price*
[2] *Citycon owned approx. 93% of the shopping centre. After the transactions Citycon ownership is 100%*

6. (RE)DEVELOPMENT PROJECTS PROGRESSED

At the end of the reporting period, Citycon had one major (re)development project underway: the Lippulaiva project in the Helsinki Metropolitan area. Citycon also completed the first phase of one smaller development project in Oasen Kjøpesenter in Norway, in which over 6,000 square meters of office space was converted into premises for a new health centre, F&B and daily shopping.

Further information on Citycon's completed, ongoing and planned (re)developments can be found in the company's Financial Review 2021.

(RE)DEVELOPMENT PROJECTS IN PROGRESS ON 31 DECEMBER 2021

	Location	Area before/after, sq.m.	Expected net investment, MEUR	Actual net investment by 31 December 2021, MEUR	Completion
Lippulaiva shopping centre	Helsinki metropolitan area, Finland	19,200/44,300	357.2 [1]	310.6 [1]	2022
Lippulaiva residentials	Helsinki metropolitan area, Finland	´-/18,000	90.5	32.7	2022–2024

[1] *Expected gross investment is 410 MEUR with the proceeds from net rental income of Pikkulaiva, sale of additional building rights and metro & bus terminal offsetting for a expected net investment of 357.2 MEUR. Actual gross investment by 31 December 2021 was 363.5 MEUR.*

COMPLETED (RE)DEVELOPMENT PROJECTS IN 2021

	Location	Area before/after, sq.m.	Expected investment, MEUR	Actual gross investment by 31 December 2021, MEUR	Completion
Oasen Kjøpesenter (phase I)	Bergen, Norway	-	11.6	11.7	2021

7. SHAREHOLDERS' EQUITY

Equity per share was EUR 14.80 (31 December 2020: 12.17). The successful issuance of new hybrid bond, result for the period and translation gains increased equity per share, partly offset by dividends, equity return and hybrid bond interest.

At period-end, **shareholders' equity** attributable to parent company's shareholders was EUR 1,800.1 million (31 December 2020: 1,818.6).

8. FINANCING

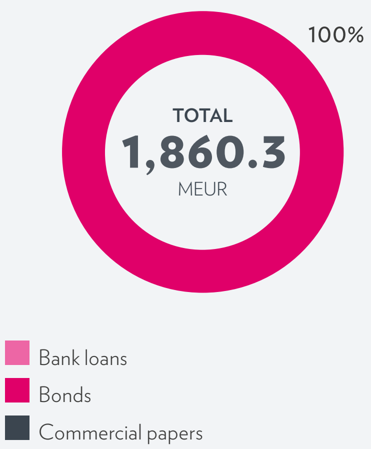
KEY FINANCING FIGURES

		31 December 2021	31 December 2020
Fair value of debt	MEUR	1,860.3	2,098.0
Interest bearing liabilities, carrying value [1]	MEUR	1,878.5	2,121.2
Available liquidity	MEUR	583.7	447.0
Average loan maturity	years	4.2	3.8
Loan to Value (LTV) [2]	%	40.7	46.9
Interest cover ratio (financial covenant > 1.8)	x	4.1	4.1
Net debt to total assets (financial covenant < 0.60) [3]	x	0.38	0.45
Solvency ratio (financial covenant < 0.65)	x	0.39	0.46
Secured solvency ratio (financial covenant < 0.25)	x	0.00	0.02

[1] *Including EUR 43.2 million (48.8) IFRS 16 lease liabilities.*
[2] *Hybrid bond treated as equity as according to IFRS. Excluding both right-of-use assets recognized as part of investment properties, as well as lease liabilities pertaining to these right-of-use assets, which are based on IFRS 16 requirements In addition, highly liquid cash investments has been taken into account in net debt.*
[3] *Net debt to total assets is a new covenant and replaces equity ratio covenant in the Revolving Credit Facility.*

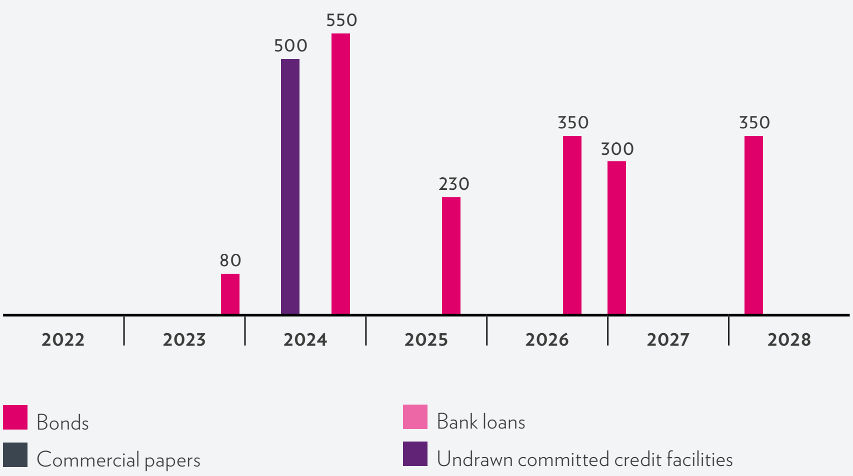
BREAKDOWN OF LOANS

%



DEBT MATURITIES

MEUR



In January, Kista Galleria, a joint venture company 50% owned by Citycon, refinanced its external debt by signing a new SEK 2,439 million secured bank facility with the existing three lenders. The loan has a tenor of approx. 4.5 years. As the debt of Kista Galleria is not consolidated on Group level, this does not affect any of the reported debt related key ratios.

In February, Citycon announced that it had signed an agreement to sell a portfolio of three shopping centres (Tumba, Högdalen, Fruängen) in the Stockholm area. The gross purchase price for the assets was approximately EUR 147 million. The transaction closed in March and proceeds were used to repay short-term debt, thereby strengthening the balance sheet.

In March, Citycon successfully placed a new EUR 350 million green Eurobond. The 7-year senior unsecured fixed rate EUR-denominated Bond matures on 12 March 2028 and pays a fixed coupon of 1.625%. The issuer is Citycon Treasury B.V. and the guarantor is Citycon Oyj. The bond is issued under the issuer's EMTN Programme and listed on the Irish Stock Exchange (Euronext Dublin). The demand for the bond was strong with an orderbook close to five times over-subscribed, which allowed Citycon to issue the bond at an attractive spread, at pre-covid level, and with a coupon that is the second lowest in the company's history. This highlights the quality of Citycon's credit and its access to the capital markets.

Through a tender process, EUR 93 million of the net proceeds of the issue were used to partially buy back the bond maturing in 2022, and the rest of the proceeds were used to repay the outstanding loan under the Revolving Credit Facility and other short-term debt. As a result of this successful issuance and short-term debt prepayments, Citycon's debt maturity profile was significantly improved, refinancing risk further reduced and net liquidity improved.

The Annual General Meeting authorized the Board of Directors to quarterly decide in its discretion on the distribution of dividend and equity repayment with an annual maximum total amount of EUR 0.50 per share. The dividends and equity repayment paid in 2021 were mainly financed by operative cash flow.

In June, Citycon successfully placed a EUR 350 million Green Hybrid Bond (Subordinated Fixed to Reset Rate Green Capital Securities). The demand was very strong with an order book reaching around one billion euros and with approximately 150 investors. The hybrid bond is treated as equity in Citycon's consolidated financial statements prepared in accordance with IFRS, but do not confer on their holders the rights of a shareholder nor do they dilute the holdings of the current shareholders. The hybrid bond was issued under Citycon's Green Financing Framework, which integrates Citycon's sustainability targets with our financing activities. The issuance strengthened the balance sheet and demonstrates Citycon's commitment to improving its investment grade credit ratings. In addition, the issuance brings flexibility to execute on our transformation strategy and enables the diversification of our portfolio both organically and through potential acquisitions. It will bear a fixed rate coupon of 3.625 per cent per annum until the first reset date 10 September 2026 and thereafter, the interest rate will reset on each fifth anniversary. The hybrid bond does not have a specified maturity date but Citycon is entitled to redeem it on any date in three months up to, and including, the First Reset Date, and subsequently, on each annual interest payment date. The issue date was on 4 June 2021, and it is listed on Euronext Dublin.

In June, both Moody's and Standard & Poor's affirmed Citycon's investment grade credit ratings with upgraded outlooks to stable, so Citycon now has an investment grade credit rating with a stable outlook from all three major credit agencies, including Fitch. The outlook upgrades reflect sufficient headroom for Citycon's credit metrics, the resilience of our necessity-based urban hubs, the stability of our markets, and a positive view towards our transformation toward a more residential and mixed-use portfolio.

Citycon updated the terms of its Euro Medium Term Note programme by increasing the size to EUR 2,500,000,000. The original EMTN Programme was established by Citycon Treasury B.V. on 18 July 2017, and any notes issued under the Programme by Citycon Treasury B.V. benefit from a guarantee by Citycon Oyj. Following this update of the Programme, both Citycon Oyj and Citycon Treasury B.V. can act as an issuer of the notes issued under the Programme. Otherwise, the terms of the Programme remain unchanged. The Central Bank of Ireland approved the updated Offering Circular for the Programme on 24 June 2021.

In September, Citycon decided to exercise its right to redeem its 2022 notes with an outstanding nominal amount of EUR 161.7 million. The redemption date was 19 October 2021 and the company used funds from its liquid cash investments to settle the redemption. Following the redemption, the majority of Citycon's short term debt maturities were repaid and the debt level reduced.

In October, Citycon divested Columbus retail centre in Helsinki, Finland for an amount of approx. EUR 106.2 million. Proceeds were used to repay short term debt maturities and the repurchase of shares in November and December 2021.

In November, Citycon Oyj successfully carried out the repurchase of a total amount of 9,500,000 shares in the company, for a total purchase price of EUR 65.8 million as a result of a market based reverse accelerated bookbuild process. The repurchased shares were cancelled on 30 November 2021.

In December, Citycon launched a share buy-back programme and continued to repurchase 500,000 of the company's own shares. The buy-back programme started on 20 December 2021 and ended on 10 January 2022. During this period, a total of 500,000 own shares were repurchased. The total amount used for the repurchase was approximately EUR 3.49 million. A total of 10,415 own shares held by the Company was used for payment of rewards under the Company's share-based incentive plan to four key persons. The rest of the repurchased shares, 489,585 shares, were cancelled on 14 January 2022.

INTEREST-BEARING DEBT

The fair value of interest-bearing debt decreased during 2021 by EUR 237.6 million to EUR 1,860.3 million mainly following the hybrid issue in June, despite capital investments and a stronger NOK currency rate. The carrying amount of interest-bearing liabilities in the balance sheet was EUR 1,878.5 million including IFRS 16 liabilities. At year-end cash, including cash investments, stood at EUR 54.7 million.

The weighted average loan maturity increased during the year to 4.2 years.

LTV (IFRS) decreased considerably during the year to 40.7% mainly as a result of the hybrid issuance in June.

FINANCIAL EXPENSES

FINANCIAL EXPENSES KEY FIGURES

		2021	2020
Financial expenses [1]	MEUR	-62.0	-57.5
Financial income [1]	MEUR	7.1	5.8
Net financial expenses (IFRS)	**MEUR**	**-55.0**	**-51.8**
Direct net financial expenses (EPRA)	MEUR	-46.8	-46.0
Weighted average interest rate [2]	%	2.47	2.39
Weighted average interest rate excluding derivatives	%	2.48	2.37
Year-to-date weighted average interest rate [2]	%	2.41	2.34

[1] *The foreign exchange differences are netted in the financial expenses.*
[2] *Including interest rate swaps and cross-currency swaps.*

The direct net financial expenses (EPRA) increased slightly compared to last year despite higher capitalized interest on development projects and higher interest income, mainly due to higher average cost of debt and a stronger NOK currency rate.

Net financial expenses (IFRS) increased to EUR 55.0 million (51.8) mainly following one-off indirect expenses related to bond buy-backs and fair value changes of derivatives. Indirect losses of EUR 7.3 million (5.8) were recorded related to costs for bond tenders and non-cash write-downs of unamortized fees on the prepaid bonds. In addition, EUR 0.8 million indirect losses (0.8 gains) related to fair value changes of cross-currency swaps not under hedge accounting was booked.

The financial income mainly consisted of interest income on a loan to Kista Galleria.

The period-end average cost of debt was 2.47%.

FINANCIAL RISK MANAGEMENT

Citycon uses interest rate swaps to hedge the floating interest rate risk exposure. According to the company's treasury policy, the currency net transaction risk exposure with profit and loss impact is fully hedged through currency forwards and cross-currency swaps that convert EUR debt into SEK and NOK.

FINANCIAL RISK MANAGEMENT

		31 December 2021	31 December 2020
Average interest-rate fixing period	years	4.2	3.7
Fixed interest rate ratio	%	100.0	83.5

9. BUSINESS ENVIRONMENT

BUSINESS ENVIRONMENT KEY FIGURES

	Finland	Norway	Sweden	Denmark	Estonia	Euro area
GDP growth forecast, 2021	3.4%	3.1%	3.9%	4.3%	9.0%	5.0%
Unemployment, 11/2021	6.8%	3.6%	8.3%	5.0%	5.0%	7.2%
Inflation, 2021	1.8%	3.4%	2.4%	1.7%	4.0%	2.4%
Retail sales growth, 2021	3.1%	5.5%	3.7%	3.4%	6.6%	3.2%

Sources: SEB Nordic Outlook, European Commission, Eurostat, Statistics Finland/Norway/Sweden/Estonia/Denmark

The world economy has been in a state of great uncertainty due to the COVID-19 outbreak that the World Health Organisation (WHO) classified as a pandemic on March 11th, 2020. The measures taken to prevent the spread of the disease caused the global economy to slow down and, therefore, COVID-19 has substantially affected our business environment from March 2020 onwards. Although the virus continues to impact the world and our markets vaccinations and booster shots have helped the world closer to pre-pandemic times. During September, 2021 all Nordic countries removed most of the remaining restrictions and opened the society as businesses and households have shown a strong desire to normalise production and consumption patterns. However, at the end of 2021 and into early 2022, the spread of the Omicron variant has caused some restrictions to be reinstated in our markets. Most countries are trying to design restrictions that limit economic impact and as of early February 2022, countries are once again beginning to loosen restrictions.

Finland has at least in relative terms, been spared from the crisis both in economic terms and from a public health perspective. The number of COVID-19 deaths per million inhabitants has been among the lowest in Europe. Relatively low COVID-19 rates have helped Finland to avoid full-scale lockdowns. During 2021 Finnish government decided on national and regional recommendations to prevent the spread of COVID-19. In the latter part of the third quarter the Finnish government removed many restrictions while the number of COVID cases decreased, and the vaccination coverage increased. However, due to the rapid increase of Omicron cases on late 2021 Finnish government placed some new restriction on restaurants and high-risk free time activities.

In Sweden, the COVID-19 outbreak has affected the retail and restaurant business through declining turnover and footfall. The government announced a package where property owners could share the cost of rental rebates with the government and Citycon applied for this subsidy under the government program. With most adults vaccinated, Sweden gradually eased some restrictions during the summer and the autumn. However, due to the new Omicron variant, some new restrictions were put in place for restaurant and private and public gatherings, although those are being lifted as of early February 2022.

In Norway, the acceleration of vaccinations, lower infection rates and the gradual easing of COVID-19-related restrictions prompted a sharp rise in economic activity in 2021. The various COVID-19 control measures and travel restrictions have led to changed consumption pattern; households are spending less on services in favour of necessity retail goods. Generally, this have benefited more local, convenience-type shopping centres, similar to the types of assets Citycon owns. As in all Nordic countries, the spread of the Omicron variant in late 2021 was extremely rapid resulting in new society, including an obligation to work remotely. Like in other markets, restrictions are being lifted as of February 2022.

In Estonia, the vast majority of the restrictions were removed in late September. However, at the end of the 2021 Estonian government was forced to implement new restrictions due to the increased COVID-19 cases, although those are starting to loosen as cases come down.

In Denmark the government was the in Nordics region to lift COVID-19 restrictions in September 2021. Following the outbreak of Omicron in late 2021, some new restriction took place, including capacity restrictions in shopping centres, stores and restaurants. However, in January 2022 Denmark was one of the first countries in the European Union to ease all domestic restrictions that were put in place to control the spread of Covid-19.

(Sources: SEB Nordic Outlook, European Commission, CBRE, JLL, Statistics Finland/Norway/Sweden/Estonia/Denmark, Eurostat)

10. CHANGES IN CORPORATE MANAGEMENT

On 22 June 2021 it was published that Bret D. McLeod had been appointed Citycon Oyj's Chief Financial Officer (CFO) and member of the Corporate Management Committee. Mr. McLeod joined Citycon's Corporate Management Committee on August 1, 2021 and assumed the full responsibility of CFO on January 1, 2022. Eero Sihvonen, who was the company's CFO since 2005, retired on December 31, 2021.

On 23 August 2021, it was announced that F. Scott Ball will continue as the CEO of Citycon until 14 January, 2025.

11. SUSTAINABILITY

Citycon's strategy is to be a forerunner in sustainable shopping centre management. Citycon's sustainability strategy was updated in 2017 and Citycon has set ambitious targets that extend to 2030.

Citycon uses BREEAM In-Use to assess and develop the sustainable management of its shopping centres. 96% of Citycon's shopping centres, measured by fair value, had acquired the certification at period-end. Citycon now boasts the largest shopping centre portfolio with BREEAM In-Use certification in the Nordic countries.

Disclosure according to the Taxonomy Regulation Delegated Act:
Citycon's sustainability and finance teams have classified the company's activities by mapping Citycon group's consolidated IFRS income statement accounts based on whether they are covered by a NACE code included in the Taxonomy. Based on this classification 97% of Citycon's total turnover, 99% of capital expenditure and 67% of operational expenditure is derived from Taxonomy-eligible activities.

12. RISKS AND UNCERTAINTIES

The outbreak of the COVID-19 pandemic also in the Nordics and in Estonia has had negative effects on Citycon's business. Both changed consumer behaviour and authority restrictions in our operating countries have substantially changed our business environment and also affected the results to some extent. The crisis has however had a minimal impact on Citycon's ability to collect rents on time or in full, and the effect going forward is difficult to predict.

The most significant other near-term risks and uncertainties in Citycon's business operations are associated with the general development of the economy and consumer confidence in the Nordic countries and Estonia as well as how this affects the fair values, occupancy rates and rental levels of the shopping centres and thereby Citycon's financial result. Increased competition might affect demand for retail premises, which could lead to lower rental levels or increased vacancy, especially outside capital city regions. Costs of development projects could increase due to rising construction costs or projects could be delayed due to unforeseeable challenges.

The main risks that can materially affect Citycon's business and financial results, along with the main risk management actions, are presented in detail on pages 37-38 in the Financial Statements 2021, in Note 3.5 A) as well as on Citycon's website in the Corporate Governance section.

13. GENERAL MEETING

ANNUAL GENERAL MEETING 2021

Citycon's Annual General Meeting 2021 (AGM) was held in Espoo, Finland on 22 March 2021. In order to prevent the spread of the COVID-19 pandemic, the AGM was held without shareholders' and their proxy representatives' presence at the venue of the meeting. The shareholders of the company participated in the meeting and exercised their shareholder's rights by voting in advance. A total of 205 shareholders attended the AGM either personally or through a proxy representative, representing 80.8% of shares and votes in the company.

The General Meeting approved all the proposals made by the Board of Directors to the General Meeting.

The AGM adopted the company's Financial Statements and discharged the members of the Board of Directors and the CEO from liability for the financial year 2020 and decided to adopt the Remuneration Report for the governing bodies.

The General Meeting decided that no dividend is distributed by a resolution of the AGM and authorised the Board of Directors to decide in its discretion on the distribution of dividend and assets from the invested unrestricted equity fund. Based on the authorisation, the maximum amount of dividend to be distributed shall not exceed EUR 0.05 per share and the maximum amount of equity repayment to be distributed from the invested unrestricted equity fund shall not exceed EUR 0.45 per share. The authorisation is valid until the opening of the next AGM.

The AGM decisions and the minutes of the AGM are available on the company's website at **citycon.com/agm2021**.

EXTRAORDINARY GENERAL MEETING 2021

Citycon's Extraordinary General Meeting (EMG) held on 2 August 2021 decided on the election of two new Board members, Ms Ljudmila Popova and Citycon`s CEO Mr F. Scott Ball. Furthermore, the EGM decided to adopt the revised remuneration policy. Further information available on the company's website at **citycon.com/agm2021**.

14. CORPORATE GOVERNANCE STATEMENT

Citycon has published Citycon Group's Corporate Governance Statement 2021 as a separate report, distinct from the Report by the Board of Directors. The statement is prepared in accordance with the recommendations of the Finnish Corporate Governance Code 2020 and is available on the company's website at **citycon.com/corporate-governance**.

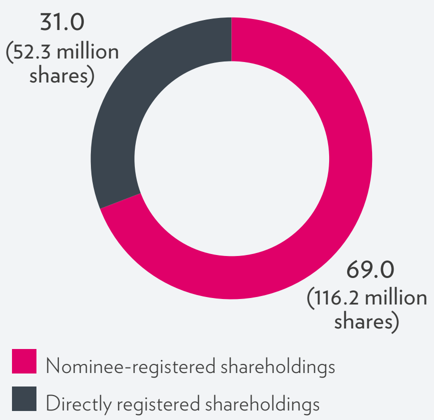
15. SHARES, SHARE CAPITAL AND SHAREHOLDERS

The company has a single series of shares, with each share entitling to one vote at a General Meeting of shareholders. In November 2021, Citycon repurchased 9,500,000 of its own shares in a reverse accelerated bookbuild. The repurchased shares were cancelled on 30 November 2021. At the end of the period, the total number of shares was 168,498,525 and the company held 296,463 own shares. Thus, at the end of December 2021, the total number of shares outstanding in the company was 168,202,062. The shares have no nominal value. During 2021, there were no changes in the company's share capital.

At the end of December 2021, Citycon had a total of 28,577 (22,499) registered shareholders, of which 11 were account managers of nominee-registered shares. Holders of the nominee-registered shares held approximately 116.2 million (140.3) shares, or 69.0% (78.8%) of shares and voting rights in the company. The most significant registered shareholders at year-end can be found on company's website **citycon.com/major-shareholders**.

SHAREHOLDERS 31 DECEMBER 2021

% of shares and voting rights



SHARES AND SHARE CAPITAL

		2021	2020
Share capital at period-start	MEUR	259.6	259.6
Share capital at period-end	MEUR	259.6	259.6
Number of shares at period-start		177,998,525	177,998,525
Number of shares at period-end		168,498,525	177,998,525

SHARE PRICE AND TRADING

		2021	2020	2019	2018	2017
Number of shares traded [1]	*1,000	94,293	68,046	28,320	49,253	35,457
Stock turnover	%	56.0	38.2	15.9	27.7	19.9
Share price, high [1]	EUR	8.18	9.99	10.08	11.24	12.51
Share price, low [1]	EUR	6.67	5.22	8.10	7.98	10.42
Share price, average [1]	EUR	7.37	7.19	9.18	9.30	11.15
Share price, closing [1]	EUR	7.00	7.93	9.37	8.08	10.79
Market capitalisation, period-end	MEUR	1179.50	1,411.53	1,666.96	1,437.34	1,920.60
Number of shares, period-end	*1,000	168,499	177,999	177,999	889,993	889,993

[1] *Comparative figures adjusted to reflect the reverse split on March 18, 2019.*

DIVIDEND AND EQUITY REPAYMENT

Citycon's dividend for the financial year 2020 and equity repayments paid in 2021:

DIVIDENDS AND EQUITY REPAYMENTS PAID ON 31 DECEMBER 2021 [1]

	Record date	Payment date	EUR / share
Dividend for 2020	24 March 2021	31 March 2021	0.05
Equity repayment Q1	24 March 2021	31 March 2021	0.075
Equity repayment Q2	21 June 2021	30 June 2021	0.125
Equity repayment Q3	22 September 2021	30 September 2021	0.125
Equity repayment Q4	16 December 2021	30 December 2021	0.125
Total			**0.50**

[1] *Board decision based on the authorisation issued by the AGM 2021*

BOARD AUTHORISATIONS

In addition to the above explained asset distribution authorisation of the Board of Directors, the Board of Directors of the company had two valid authorisations at the period-end granted by the AGM held on 22 March 2021:

- The Board of Directors may decide on an issuance of a maximum of 17 million shares or special rights entitling to shares referred to in Chapter 10 Section 1 of the Finnish Companies Act, which corresponded to approximately 9.55% of all the shares in the company at the period-end. The authorisation is valid until the close of the next AGM, however, no longer than until 30 June 2022.
- The Board of Directors may decide on the repurchase and/or on the acceptance as pledge of the company's own shares in one or several tranches. The amount of own shares to be repurchased and/or accepted as pledge shall not exceed 10 million shares, which corresponded to approximately 5.62% of all the shares in the company at the period-end. The authorisation is valid until the close of the next AGM, however, no longer than until 30 June 2022.

During January – December 2021, the Board of Directors used three times its authorisation to repurchase its own shares and cancel them or issue them by conveying repurchased shares for payment of rewards earned under the company's share plans in accordance with the terms and conditions of the plans:

Restricted Share Plan 2015

- On 8 January 2021, the company repurchased total of 8,800 of its own shares and conveyed them on 13 January 2021 to four key persons of the company.

Restricted Share Plan 2018–2020

- On 8 January 2021, the company repurchased total of 4,000 of its own shares and conveyed them on 13 January 2021 to two key persons of the company.

Matching Share Plan 2018–2020

- On 1 March 2021, the company repurchased total of 5,493 of its own shares and conveyed them on 5 March 2021 to one key person of the company.

Additionally, the Board of Directors used two times its authorisation to repurchase its own to distribute surplus funds received from the divestment of necessity-based retail centre Columbus to the shareholders of Citycon:

Market based reverse accelerated bookbuild

- On 25 November 2021 company repurchased 9,500,000 own shares in a reverse accelerated bookbuild. The repurchased shares were cancelled on 30 November 2021

Share buy-back program

- On 17 December 2021, the Board of Directors of Citycon decided to launch a buyback program. According to the Board decision, the maximum number of shares to be repurchased was 500,000 and the maximum amount to be used for the repurchases was EUR 3.75 million. The share repurchases started on 22 December 2021 and ended on 10 January 2022. At the end of the reporting period, 31 December 2021, 296,463 share were repurchased under the share buy-back programme.

OWN SHARES

During the reporting period, the company held a total of 9,814,756 of the company's own shares of which 9,500,000 shares were cancelled and 18,293 shares were conveyed to implement payments of rewards earned under the company's share plans as described in the section Board authorisations. At the end of the period, the company held 296,463 own shares representing 0.18 per cent of the total number of shares in Citycon Oyj.

FLAGGING NOTICES

During 2021 Citycon Oyj received the following notification pursuant to Chapter 9, Section 5 of the Finnish Securities Market Act:

- On 17 March 2021 a flagging notification, according to which the total holdings of CPP Investment Board Europe S.à.r.l in Citycon Oyj has fallen below 10 per cent flagging threshold.
- On 11 October 2021 a flagging notification, according to which the total holdings of Alecta pensionsförsäkring, ömsesidigt in Citycon Oyj has fallen below 5 per cent flagging threshold.
- On 26 November a flagging notification, according to which the total holdings of CPP Investment Board Europe S.à.r.l in Citycon Oyj has fallen below 5 per cent flagging threshold.
- On 1 December a flagging notification, according to which the total holdings of Gazit-Globe Ltd in Citycon Oyj has increased above 50 per cent flagging threshold.
- On 28 December 2021 a flagging notification according to which Gazit-Globe Ltd.'s direct holding of shares in Citycon will decrease below 50 per cent flagging threshold. The share purchase agreement in question will not affect the aggregate total direct and indirect holdings of Gazit-Globe Ltd.

Additionally, Citycon has filed the following flagging notifications pursuant to Chapter 9, Section 5 of the Finnish Securities Markets Act to the FIN-FSA:

- On 26 November 2021 a flagging notification, according to which Citycon's total holding of own shares has increased above 5 per cent.
- On 1 December 2021 a flagging notification, according to which Citycon's total holding of own shares has decreased below 5 per cent.

SHARE-RELATED EVENTS

Shareholder agreements

The company has no knowledge of any effective shareholder agreements.

The Governance Agreement entered into between CPPIBE and Gazit-Globe Ltd. on 12 May 2014, as disclosed by Citycon Oyj through stock exchange releases on 13 May 2014 and 17 March 2020, is terminated in accordance with its terms and conditions after CPPIBE ceased to hold at least ten per cent of Citycon shares, directly or indirectly, for more than 30 consecutive days. CPPIBE´s total holding of shares of Citycon Oyj decreased below the threshold of ten percent on 17 March 2021.

Further information on the terminated agreement between Gazit-Globe Ltd. and CPPIBE is available on the company's website at **citycon.com/shareholder-agreements**.

INCENTIVE PLANS

Long-term Share-based Incentive Plans

Citycon has six long-term share-based incentive plans for the Group key employees:

- CEO Restricted Share Plan 2021–2025
- CFO Restricted Share Plan 2021–2024
- Performance Share Plan 2020–2022 (Corporate Management Committee excl. the CEO)
- Matching Share Plan 2018–2020 (Corporate Management Committee)
- Restricted Share Plan 2020–2022 (Key employees, excl. Corporate Management Committee) and
- Restricted Share Plan 2018–2020 (Key employees)

More information on the share-based incentive plans is available on the company's website at **citycon.com/remuneration**.

16. EVENTS AFTER THE REPORTING PERIOD

On 19 January 2022 was published that Mr Ofer Stark elected to resign from the Board as of 31 January 2022.

On 7 February 2022 was published that Citycon acquired a residential asset, comprising more than 200 apartments, in Sweden and divested two non-core centres in Norway.

OUTLOOK

Citycon forecasts the 2022 direct operating profit to be in range EUR 164-180 million, EPRA EPS EUR 0.62–0.72 and adjusted EPRA EPS EUR 0.48–0.58.

Direct operating profit	MEUR	164–180
EPRA Earnings per share (basic)	EUR	0.62–0.72
Adjusted EPRA Earnings per share (basic)	EUR	0.48–0.58

The outlook assumes that there are no major changes in macroeconomic factors and that there will not be another wave of COVID-19 with restrictions resulting in significant store closures. These estimates are based on the existing property portfolio and recently announced disposals as well as on the prevailing level of inflation, the EUR–SEK and EUR–NOK exchange rates, and current interest rates.

17. FINANCIAL CALENDAR AND AGM 2022

Citycon Oyj's schedule of the financial reporting in 2022 is the following:

Year 2021 full-year Financial Report, Financial Statements and the Report by the Board of Directors	Thursday 17 February 2022 at about 9:00 a.m.
Year 2022 three-month Interim Report	Friday 6 May 2022 at about 9:00 a.m.
Year 2022 six-month Half-Yearly Report	Wednesday 13 July 2022 at about 9:00 a.m.
Year 2022 nine-month Interim Report	Thursday 10 November at about 9:00 a.m.

Citycon Oyj's Annual General Meeting (AGM) 2022 will be held on Tuesday, 22 March 2022 starting at 12:00 p.m.

For more investor information, please visit the company's website at **www.citycon.com**.

Helsinki, 17 February 2022

Citycon Oyj

Board of Directors

For further information, please contact:
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Citycon is a leading owner, manager and developer of mixed-use real estate featuring modern, necessity-based retail with residential, office and municipal service spaces that enhance the communities in which they operate. Citycon is committed to sustainable property management in the Nordic region with assets that total approximately EUR 4.5 billion. Our centres are located in urban hubs in the heart of vibrant communities with direct connections to public transport and anchored by grocery, healthcare and other services that cater to the everyday needs of customers.

Citycon has investment-grade credit ratings from Moody's (Baa3), Fitch (BBB-) and Standard & Poor's (BBB-). Citycon Oyj's shares are listed on Nasdaq Helsinki.

www.citycon.com

EPRA PERFORMANCE MEASURES

Citycon applies to the best practices policy recommendations of EPRA (European Public Real Estate Association) for financial reporting. More information about EPRA's performance measures is available in Citycon's Financial Statements 2021 in section "EPRA performance measures".

EPRA PERFORMANCE MEASURES

		Q4/2021	Q4/2020	%	2021	2020	%
EPRA Earnings	MEUR	27.5	32.0	-14.2%	124.4	136.6	-8.9 %
Adjusted EPRA Earnings [1)]	MEUR	19.8	28.0	-29.2%	100.0	120.3	-16.9 %
EPRA Earnings per share (basic)	EUR	0.158	0.180	-12.3%	0.703	0.767	-8.4 %
Adjusted EPRA Earnings per share (basic) [1)]	EUR	0.114	0.157	-27.6 %	0.565	0.676	-16.4 %
EPRA NRV per share	EUR	11.54	11.48	0.5 %	11.54	11.48	0.5%

[1)] *The key figure includes hybrid bond coupons and amortized fees.*

The following tables present how EPRA Performance Measures are calculated.

1) EPRA EARNINGS

MEUR	Q4/2021	Q4/2020	%	2021	2020	%
Earnings in IFRS Consolidated Statement of Comprehensive Income	**47.3**	**-8.5**	**-**	**121.0**	**-28.0**	**-**
+/- Net fair value losses/gains on investment property	-42.7	36.5	-	-48.6	146.9	-
-/+ Net gains/losses on sale of investment property	1.7	1.2	37.9 %	6.5	-0.7	-
+ Indirect other operating expenses	0.0	0.0	-	0.4	0.0	-
+/- Early close-out costs of debt and financial instruments	4.3	0.8	-	7.3	0.8	-
-/+ Fair value gains/losses of financial instruments	0.9	1.4	-36.9 %	0.8	5.0	-83.4 %
+/- Indirect losses/gains of joint ventures and associated companies	-1.0	12.5	-	2.3	27.2	-91.6 %
-/+ Change in deferred taxes arising from the items above	16.9	-11.9	-	34.6	-14.7	-
+ Non-controlling interest arising from the items above	0.0	-	-	-	-	-
EPRA Earnings	**27.5**	**32.0**	**-14.2 %**	**124.4**	**136.6**	**-8.9 %**
-/+ Hybrid bond coupons and amortized fees	-7.7	-4.1	88.0 %	-24.3	-16.2	49.9 %
Adjusted EPRA Earnings	**19.8**	**28.0**	**-29.2 %**	**100.0**	**120.3**	**-16.9 %**
Weighted average number of ordinary shares, million	174.2	178.0	-2.2 %	177.0	178.0	-0.5 %
EPRA Earnings per share (basic), EUR	**0.158**	**0.180**	**-12.3 %**	**0.703**	**0.767**	**-8.4 %**
Adjusted EPRA Earnings per share (basic), EUR	**0.114**	**0.157**	**-27.6 %**	**0.565**	**0.676**	**-16.4%**

The table below presents an alternative calculation of EPRA Earnings from the statement of comprehensive income from top to bottom.

MEUR	Q4/2021	Q4/2020	%	2021	2020	%
Net rental income	49.3	49.9	-1.2%	202.3	205.4	-1.5%
Direct administrative expenses	-7.2	-7.0	3.5 %	-26.1	-25.9	0.9 %
Direct other operating income and expenses	0.0	0.2	-74.5 %	0.0	0.9	-
Direct operating profit	**42.2**	**43.1**	**-2.3 %**	**176.1**	**180.4**	**-2.4 %**
Direct net financial income and expenses	-11.3	-11.5	-1.8 %	-46.8	-46.0	1.8 %
Direct share of profit/loss of joint ventures and associated companies	-0.9	-0.2	-	-4.0	-0.8	-
Direct current taxes	-0.7	0.9	-	-3.3	-1.8	85.9 %
Direct deferred taxes	-1.7	-0.2	-	2.4	4.8	-50.6 %
Direct non-controlling interest	0.0	-0.1	-88.4 %	0.0	-0.1	-58.5 %
EPRA Earnings	**27.5**	**32.0**	**-14.2 %**	**124.4**	**136.6**	**-8.9 %**
-/+ Hybrid bond coupons and amortized fees	-7.7	-4.1	88.0 %	-24.3	-16.2	49.9 %
Adjusted EPRA Earnings	**19.8**	**28.0**	**-29.2 %**	**100.0**	**120.3**	**-16.9 %**
EPRA Earnings per share (basic), EUR	**0.158**	**0.180**	**-12.3 %**	**0.703**	**0.767**	**-8.4 %**
Adjusted EPRA Earnings per share (basic), EUR	**0.114**	**0.157**	**-27.6 %**	**0.565**	**0.676**	**-16.4 %**

2) EPRA NRV, NTA AND NDV PER SHARE

In October 2019, the European Public Real Estate Association ('EPRA') published new Best Practice Recommendations ('BPR') for financial disclosures by listed real estate companies. The BPR introduced three new measures of net asset value: EPRA Net Reinstatement Value (NRV), Net Tangible Assets (NTA), and Net Disposal Value (NDV), which replace previously reported measures EPRA NAV and NNNAV starting from financial statement 2020.

Citycon adopted these guidelines in the year ended 31 December 2020 and considers EPRA NRV to be the most relevant measure for its business.

The EPRA NRV scenario, aims to represent the value required to rebuild the entity and assumes that no selling of assets takes place.

The EPRA NTA is focused on reflecting a company's tangible assets and assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax liability.

EPRA NDV aims to represent the shareholders' value under an orderly sale of business, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

The tables below present calculation of the three new EPRA net asset value measures NRV, NTA and NDV.

The tables below present calculation of the three new EPRA net asset value measures NRV, NTA and NDV.

	31 December 2021 EPRA Net Asset Value measures		
	EPRA NRV	EPRA NTA	EPRA NDV
Equity attributable to parent company shareholders	1,800.1	1,800.1	1,800.1
Deferred taxes from the difference of fair value and fiscal value of investment properties [3]	295.0	147.5	-
Fair value of financial instruments	-0.2	-0.2	-
Goodwill as a result of deferred taxes	-84.8	-	-
Goodwill as per the consolidated balance sheet	-	-145.4	-145.4
Intangible assets as per the consolidated balance sheet	-	-7.6	-
The difference between the secondary market price and carrying value of bonds [1]	-	-	73.3
Real estate transfer taxes [2]	32.7	-	-
Total	**2,042.9**	**1,794.5**	**1,728.1**
Weighted average number of ordinary shares, million	177.0	177.0	177.0
Net Asset Value per share	**11.54**	**10.14**	**9.76**

	31 December 2020 EPRA Net Asset Value measures		
	EPRA NRV	EPRA NTA	EPRA NDV
Equity attributable to parent company shareholders	1,818.6	1,818.6	1,818.6
Deferred taxes from the difference of fair value and fiscal value of investment properties [3]	274.2	137.1	-
Fair value of financial instruments	-0.2	-0.2	-
Goodwill as a result of deferred taxes	-80.9	-	-
Goodwill as per the consolidated balance sheet	-	-141.1	-141.1
Intangible assets as per the consolidated balance sheet	-	-17.6	-
The difference between the secondary market price and carrying value of bonds [1]	-	-	47.4
Real estate transfer taxes [2]	31.8		
Total	**2,043.6**	**1,796.9**	**1,724.9**
Weighted average number of ordinary shares, million	178.0	178.0	178.0
Net Asset Value per share	**11.48**	**10.09**	**9.69**

[1] *When calculating the EPRA NDV in accordance with EPRA's recommendations, the shareholders' equity is adjusted using EPRA's guidelines so that bonds are valued based on secondary market prices. In accordance with Citycon's accounting policies, the carrying amount and fair value of bonds are different from this secondary market price. The difference between the secondary market price and the carrying value of the bonds was EUR 73.3 million (47.4) as of 31 December 2021.*

[2] *The real estate transfer tax adjustment in EPRA NRV calculation is based on the transfer tax cost for the buyer for share deal in Finland. Share deals are not subject to transfer tax in other group operating countries.*

[3] *In the EPRA NTA formula, 50% of the deferred tax liability related to investment property fair value is added back, according to EPRA guidelines.*

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2021

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, IFRS

MEUR	Note	Q4/2021	Q4/2020	%	2 021	2 020	%
Gross rental income	3	55.1	55.8	-1.2 %	222.2	224.3	-1.0%
Service charge income	3	18.5	20.0	-7.6 %	70.2	71.2	-1.5 %
Property operating expenses		-24.2	-23.9	1.4 %	-88.6	-84.9	4.3 %
Other expenses from leasing operations		-0.1	-2.0	-94.7 %	-1.4	-5.3	-72.7%
Net rental income	3	**49.3**	**49.9**	**-1.2 %**	**202.3**	**205.4**	**-1.5 %**
Administrative expenses		-7.2	-7.0	3.5 %	-26.1	-25.9	0.9 %
Other operating income and expenses	4	0.0	0.2	-74.5 %	-0.4	0.9	-
Net fair value losses on investment property	3	42.7	-36.5	-	48.6	-146.9	-
Net losses/gains on sale of investment property		-1.7	-1.2	37.9 %	-6.5	0.7	-
Operating profit	3	**83.2**	**5.5**	**-**	**217.8**	**34.1**	-
Net financial income and expenses		-16.5	-13.7	20.0 %	-55.0	-51.8	6.2 %
Share of profit/loss of joint ventures and associated companies		0.0	-12.7	-	-6.3	-28.0	-77.6 %
Result before taxes		**66.7**	**-21.0**	**-**	**156.5**	**-45.7**	-
Current taxes		-0.7	0.9	-	-3.3	-1.8	85.9 %
Deferred taxes		-18.7	11.7	-	-32.2	19.6	-
Result for the period		**47.3**	**-8.4**	**-**	**121.0**	**-27.9**	-
Profit/loss attributable to							
Parent company shareholders		47.3	-8.5	-	121.0	-28.0	-
Non-controlling interest		0.0	0.1	-	0.0	0.1	-
Earnings per share attributable to parent company shareholders							
Earnings per share (basic), EUR [1]	5	0.23	-0.07	-	0.55	-0.25	-
Earnings per share (diluted), EUR [1]	5	0.23	-0.07	-	0.54	-0.25	-
Other comprehensive income							
Items that will not be reclassified subsequently to profit or loss							
Net gains/losses on cash flow hedges		0.2	0.9	-78.9 %	1.2	-1.3	-
Exchange gains/losses on translating foreign operations		11.8	66.0	-82.2 %	36.0	-30.5	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**11.9**	**66.8**	**-82.1 %**	**37.3**	**-31.8**	-
Other comprehensive income for the period, after taxes		**11.9**	**66.8**	**-82.1 %**	**37.3**	**-31.8**	-
Total comprehensive profit/loss for the period		**59.3**	**58.4**	**-**	**158.3**	**-59.6**	-
Total comprehensive profit/loss attributable to							
Parent company shareholders		59.3	58.3	-	158.2	-59.8	-
Non-controlling interest		0.0	0.1	-	0.0	0.1	-

[1] *The key figure includes hybrid bond coupons (both paid and accrued not yet recognizes) and amortized fees.*

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION, IFRS

MEUR	Note	31 December 2021	31 December 2020
ASSETS			
Non-current assets			
Investment properties	6	4,189.2	4,152.2
Goodwill		145.4	141.1
Investments in joint ventures and associated companies		129.3	108.6
Intangible and tangible assets, and other non-current assets [1]		11.7	21.7
Derivative financial instruments	10, 11	15.2	14.8
Deferred tax assets		16.4	14.2
Total non-current assets		**4,507.2**	**4,452.5**
Investment properties held for sale	8	**150.9**	**149.7**
Current assets			
Derivative financial instruments	10, 11	1.0	0.2
Trade and other current assets		89.3	51.8
Cash, cash equivalents and current financial investments	9	54.7	25.9
Total current assets		**145.0**	**77.8**
Total assets	3	**4,803.0**	**4,680.0**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity attributable to parent company shareholders			
Share capital		259.6	259.6
Share premium fund		131.1	131.1
Fair value reserve		1.4	0.2
Invested unrestricted equity fund	12	744.2	823.2
Retained earnings	12	663.8	604.6
Total equity attributable to parent company shareholders		**1,800.1**	**1,818.6**
Hybrid bond		689.1	347.2
Non-controlling interest		0.3	0.2
Total shareholders' equity		**2,489.5**	**2,166.0**
Long-term liabilities			
Loans		1,871.9	1 863.8
Derivative financial instruments and other non-interest bearing liabilities	10. 11	11.8	19.5
Deferred tax liabilities		296.7	275.7
Total long-term liabilities		**2,180.5**	**2,159.0**
Short-term liabilities			
Loans		6.5	257.4
Derivative financial instruments	10. 11	5.1	8.3
Trade and other payables		121.3	89.2
Total short-term liabilities		**133.0**	**355.0**
Total liabilities	3	**2,313.5**	**2,514.0**
Total liabilities and shareholders' equity		**4,803.0**	**4,680.0**

[1] *Change in presentation. Assets related to rented centers presented as part of IFRS 16 investment properties.*

CONDENSED CONSOLIDATED CASH FLOW STATEMENT, IFRS

MEUR	Note	2021	2020
Cash flow from operating activities			
Profit before taxes		**156.5**	**-45.7**
Adjustments to profit before taxes		22.7	230.5
Cash flow before change in working capital		**179.3**	**184.8**
Change in working capital		7.7	-0.3
Cash generated from operations		**186.9**	**184.6**
Paid interest and other financial charges		-58.6	-58.2
Interest income and other financial income received		0.5	1.4
Current taxes paid		-2.1	-2.0
Net cash from operating activities		**126.7**	**125.7**
Cash flow from investing activities			
Acquisition of subsidiaries, less cash acquired	6,7,8	0.6	-7.9
Capital expenditure on investment properties, investments in joint ventures, intangible assets and tangible assets	6,7,8	-216.8	-158.3
Sale of investment properties and subsidiaries	6,7,8	226.0	10.8
Purchase of current financial investments		-285.0	-
Repayment of current financial investments		264.9	
Net cash used in investing activities		**-10.2**	**-155.4**
Cash flow from financing activities			
Proceeds from short-term loans		862.3	831.4
Repayments of short-term loans		-1,082.5	-942.8
Proceeds from long-term loans		346.1	554.2
Repayments of long-term loans		-386.9	-306.3
Proceeds from hybrid bond		342.5	
Hybrid bond interest and expenses		-20.3	-4.4
Repurchase of treasury shares and costs		-68.6	-
Dividends and return from the invested unrestricted equity fund	12	-87.8	-95.7
Realized exchange rate gains/losses		-12.7	3.8
Net cash from financing activities		**-107.8**	**40.3**
Net change in cash and cash equivalents		**8.6**	**10.7**
Cash and cash equivalents at period-start	9	25.9	14.2
Effects of exchange rate changes		0.3	1.0
Cash and cash equivalents at period-end	9	**34.7**	**25.9**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, IFRS

MEUR	Share capital	Share premium fund	Fair value reserve	Invested unrestricted equity fund	Trans-lation reserve	Retained earnings	Equity attributable to parent company shareholders	Hybrid bond	Non-controlling interest	Share-holders' equity, total
Balance at 1 January 2020	**259.6**	**131.1**	**1.4**	**909.9**	**-120.3**	**796.7**	**1,978.4**	**346.6**	**0.1**	**2,325.2**
Total comprehensive profit/loss for the period			-1.3	0.0	-30.5	-28.0	-59.8		0.1	-59.6
Proceeds from hybrid bond						-4.5	-4.5	0.6		-3.9
Hybrid bond interest and expenses				-86.8		-8.9	-95.7			-95.7
Dividends paid and equity return (Note 12)						0.0	0.0			0.0
Share-based payments						0.0	0.0			0.0
Balance at 31 December 2020	**259.6**	**131.1**	**0.2**	**823.2**	**-150.9**	**755.4**	**1,818.6**	**347.2**	**0.2**	**2,166.0**
Balance at 1 January 2021	**259.6**	**131.1**	**0.2**	**823.2**	**-150.9**	**755.4**	**1,818.6**	**347.2**	**0.2**	**2,166.0**
Total comprehensive profit/loss for the period			1.2		36.0	121.0	158.2		0.0	158.3
Proceeds from hybrid bond							0.0	341.2		341.2
Hybrid bond interest and expenses						-20.5	-20.5	0.6		-19.9
Repurchase of treasury shares and costs						-68.6	-68.6			-68.6
Dividends paid and equity return (Note 12)				-78.9		-8.9	-87.8			-87.8
Share-based payments						0.4	0.4			0.4
Other changes						-0.2	-0.2			-0.2
Balance at 31 December 2021	**259.6**	**131.1**	**1.4**	**744.2**	**-114.8**	**778.6**	**1,800.1**	**689.1**	**0.3**	**2,489.5**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIC COMPANY DATA

Citycon is a leading owner, manager and developer of mixed-use centres for urban living including retail, office space and housing. Citycon operates in the business units Finland & Estonia, Norway and Sweden & Denmark. Citycon is a Finnish public limited liability company established under the Finnish law and domiciled in Helsinki. The Board of Directors has approved the financial statements on 16th of February 2022.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Citycon prepares its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS). Additional information on the accounting policies are available in Citycon's annual financial statements 2021.

Citycon also presents alternative performance measures according to the European Securities and Markets Authority (ESMA) guidelines. These alternative performance measures, such as EPRA performance measures and loan to value, are used to present the underlying business performance and to enhance comparability between financial periods. Alternative performance measures presented in this report should not be considered as a substitute for measures of performance in accordance with the IFRS.

Due to the uncertainty from COVID-19 situation, management uses somewhat more judgment related to the certain items that require estimates. These items are for example revenue based rental income accruals, COVID-19 related rent discounts and credit loss provisions.

Citycon granted EUR 0.0 million of new COVID-19 rent discounts during Q4 2021. The rent discounts were given in Finland & Estonia business unit and have been accrued to the remaining lease period.

The company has prepared an impairment test calculation on 31 December 2021 related to goodwill on the group balance sheet. The impairment test didn't indicate any need for impairment.

3. SEGMENT INFORMATION

Citycon's business consists of the regional business units Finland & Estonia, Norway and Sweden & Denmark.

In Citycon's reporting, Kista Galleria is treated as a joint venture and the shopping centre's result or fair value will not impact on the gross rental income, net rental income or fair value of investment properties of the group. Kista Galleria is consolidated in Citycon's financial statements based on the equity method, meaning that Citycon's share of Kista Galleria's profit for the period is recognised in the line 'Share of result in joint ventures' and associated companies in the statement of comprehensive income and Citycon's share of Kista Galleria's shareholder's equity is recognised in the line 'Investments in joint ventures and associated companies' in the statement of financial position. In addition, the management fee received by Citycon is reported in the line 'other operating income and expenses' and the interest income on the shareholder loan is reported in 'net financial income and expenses'. Kista Galleria contributed to the IFRS based profit for the period Q1-Q4/2021 by EUR -6.3 million (-28.1).

In addition to IFRS segment results, the Board of Directors follows Kista Galleria's financial performance separately, and therefore, segment information includes both IFRS segment results and Kista Galleria's result.

MEUR	Q4/2021	Q4/2020	%	2021	2020	%
Gross rental income						
Finland & Estonia	22.3	22.1	0.9%	90.7	91.5	-1.0%
Norway	21.9	20.5	6.7%	85.8	81.3	5.5%
Sweden & Denmark	10.9	13.1	-17.0%	45.7	51.5	-11.2%
Total Segments	**55.1**	**55.8**	**-1.2%**	**222.2**	**224.3**	**-1.0%**
Kista Galleria (50%)	2.4	2.6	-5.8%	9.8	10.9	-10.5%
Service charge income						
Finland & Estonia	7.6	7.9	-3.7%	30.1	30.3	-0.9%
Norway	8.1	8.0	2.1%	27.0	26.0	4.0%
Sweden & Denmark	2.7	4.2	-34.9%	13.0	14.9	-12.6%
Total Segments	**18.5**	**20.0**	**-7.6%**	**70.2**	**71.2**	**-1.5%**
Kista Galleria (50%)	0.9	0.9	-6.5%	3.6	3.5	3.4%
Net rental income						
Finland & Estonia	20.0	20.2	-0.9%	85.2	86.8	-1.8%
Norway	19.8	17.8	11.3%	77.8	74.1	5.1%
Sweden & Denmark	9.6	11.8	-18.4%	39.2	44.5	-11.8%
Other	-0.1	0.1	-	0.0	0.1	-64.4%
Total Segments	**49.3**	**49.9**	**-1.2%**	**202.3**	**205.4**	**-1.5%**
Kista Galleria (50%)	1.5	1.9	-22.3%	6.4	7.6	-16.0%
Direct operating profit						
Finland & Estonia	19.5	19.5	-0.2%	82.5	83.7	-1.4%
Norway	18.4	16.6	10.6%	73.6	70.2	4.8%
Sweden & Denmark	8.1	9.9	-18.2%	33.8	39.6	-14.7%
Other	-3.8	-2.9	-31.7%	-13.8	-13.2	-5.0%
Total Segments	**42.2**	**43.1**	**-2.3%**	**176.1**	**180.4**	**-2.4%**
Kista Galleria (50%)	1.4	1.8	-21.9%	6.1	7.0	-13.5%
Net fair value gains/losses on investment property						
Finland & Estonia	8.7	-29.5	-	2.7	-87.5	-
Norway	14.8	6.7	-	16.0	-5.3	-
Sweden & Denmark	19.2	-13.7	-	29.9	-54.2	-
Total Segments	**42.7**	**-36.5**	**-**	**48.6**	**-146.9**	**-**
Kista Galleria (50%)	1.4	-14.6	-	-1.4	-32.3	-
Operating profit/loss						
Finland & Estonia	26.6	-10.0	-	83.0	-3.5	-
Norway	33.2	22.1	-	89.5	65.4	37.0%
Sweden & Denmark	27.2	-3.8	-	59.1	-14.6	-
Other	-3.8	-2.9	-31.7%	-13.8	-13.2	-5.0%
Total Segments	**83.2**	**5.5**	**-**	**217.8**	**34.1**	**-**
Kista Galleria (50%)	2.8	-12.8	-	4.7	-25.2	-

MEUR	31 December 2021	31 December 2020	%
Assets			
Finland & Estonia	2,009.8	1.922.9	4.5%
Norway	1,699.9	1.624.8	4.6 %
Sweden & Denmark	821.1	1.063.2	-22.8 %
Other	272.2	69.1	-
Total Segments	**4,803.0**	**4.680.0**	**2.6 %**
Kista Galleria (50%)	263.3	265.4	-0.8 %
Liabilities			
Finland & Estonia	39.8	21.3	86.9 %
Norway	36.4	60.9	-40.1 %
Sweden & Denmark	131.6	33.5	-
Other	2,105.7	2.398.4	-12.2 %
Total Segments	**2,313.5**	**2.514.0**	**-8.0 %**
Kista Galleria (50%)	256.8	253.0	1.5 %

The change in segment assets was mainly due to acquistions and disposals of investment properties and the fair value changes in investment properties as well as investments.

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

MEUR	Q4/2021	Q4/2020	%	Q1–Q4/2021	Q1–Q4/2020	%
Service charges [1]	13.3	14.6	-8.8	53.6	55.3	-3.0%
Utility charges [1]	2.5	2.2	14.3	8.4	7.6	9.9 %
Other service income [1]	2.7	3.2	-17.3	8.1	8.3	-2.5 %
Management fees [2]	0.2	0.8	-72.4	0.9	3.1	-70.6 %
Revenue from contracts with customers	**18.7**	**20.8**	**-10.0**	**71.1**	**74.3**	**-4.4 %**

[1] *Is included in the line item 'Service charge income' in the Consolidated statement of comprehensive income*
[2] *Is included in the line item 'Other operating income and expenses' in the Consolidated statement of comprehensive income*

5. EARNINGS PER SHARE

		Q4/2021	Q4/2020	%	2021	2020	%
Earnings per share, basic							
Profit attributable to parent company shareholders	MEUR	47.3	-8.5	-	121.0	-28.0	-
Hybrid bond interests and expenses	MEUR	-7.7	-4.1	88.0	-24.3	-16.2	49.9 %
Weighted average number of ordinary shares [1]	million	174.2	178.0	-2.2	177.0	178.0	-0.5 %
Earnings per share (basic) [1]	**EUR**	**0.23**	**-0.07**	**-**	**0.55**	**-0.25**	**-**

		Q4/2021	Q4/2020	%	2021	2020	%
Earnings per share, diluted							
Profit attributable to parent company shareholders	MEUR	47.3	-8.5	-	121.0	-28.0	-
Hybrid bond interests and expenses	MEUR	-7.7	-4.1	88.0	-24.3	-16.2	49.9%
Weighted average number of ordinary shares [1]	million	174.2	178.0	-2.2	177.0	178.0	-0.5 %
Adjustment from share-based incentive plans	million	0.8	0.2	-	0.4	0.3	18.5%
Weighted average number of ordinary shares, diluted [1]	million	175.0	178.2	-1.8	177.4	178.3	-0.5 %
Earnings per share (diluted) [1]	**EUR**	**0.23**	**-0.07**	**-**	**0.54**	**-0.25**	**-**

1) The key figure includes hybrid bond coupons (both paid and accrued not yet recognizes) and amortized fees.

6. INVESTMENT PROPERTIES

Citycon divides its investment properties into two categories: Investment Properties Under Construction (IPUC) and Operative Investment Properties. On reporting date and the comparable period 31 December 2020, the first mentioned category included Lippulaiva in Finland.

IPUC-category includes the fair value of the whole property even though only part of the property may be under construction.

31 December 2021

Me	Investment properties under construction (IPUC)	Operative investment properties	Investment properties, total
At period-start	**271.5**	**3,880.7**	**4,152.2**
Acquisitions	-	-0.6	-0.6
Investments	141.0	43.1	184.1
Disposals	-9.1	0.0	-9.1
Capitalized interest	6.5	0.4	6.9
Fair value gains on investment property	-	106.1	106.1
Fair value losses on investment property	-27.7	-18.0	-45.7
Valuation gains and losses from Right-of-Use-Assets	-	-11.8	-11.8
Exchange differences	-	55.1	55.1
Transfer between operative investment properties and joint ventures and transfer into investment properties held for sale	-	-260.5	-260.5
Right-of-use assets classified as investment properties before valuation (IFRS 16)	-	12.6	12.6
At period-end	**382.3**	**3,807.0**	**4,189.2**

31 December 2020

Me	Investment properties under construction (IPUC)	Operative investment properties	Investment properties, total
At period-start	**169.0**	**3,991.2**	**4,160.2**
Acquisitions	-	156.0	156.0
Investments	121.5	56.1	177.6
Disposals	-	-10.0	-10.0
Capitalized interest	4.6	0.3	4.9
Fair value gains on investment property	-	39.8	39.8
Fair value losses on investment property	-23.6	-157.5	-181.1
Valuation gains and losses from Right-of-Use-Assets	-	-5.7	-5.7
Exchange differences	-	-43.4	-43.4
Transfer between operative investment properities and joint ventures and transfer into investment properties held for sale	-	-145.8	-145.8
Changes in right-of-use assets classified as investment properties (IFRS 16)	-	-0.4	-0.4
At period-end	**271.5**	**3,880.7**	**4,152.2**

The fair value of Citycon's investment properties has been measured by CBRE (Norway, Denmark, Estonia) and JLL (Finland, Sweden) for the the Financial statement 2021 and 2020.

The fair value is calculated by a net rental income based cash flow analysis. Market rents, the yield requirement, the occupancy rate and operating expenses form the key variables used in the cash flow analysis. The segments' yield requirements and market rents used in the cash flow analysis were as follows:

YIELD REQUIREMENT AND MARKET RENTS

	Weighted average yield requirement, %		Weighted average market rents, EUR/sq.m./mo	
MEUR	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Finland & Estonia	5.3	5.5	27.8	29.4
Norway	5.4	5.6	21.8	21.5
Sweden & Denmark	5.5	5.7	26.6	26.8
Investment properties, average	**5.4**	**5.6**	**25.4**	**26.2**
Investment properties and Kista Galleria (50%), average	5.4	5.5	25.7	26.6

7. CAPITAL EXPENDITURE

MEUR	2021	2020
Acquisitions of properties [1]	-0.6	156.0
Acquisitions of and investments in joint ventures	29.2	5.1
Property development [2]	191.0	182.5
Goodwill and other investments	4.5	2.0
Total capital expenditure incl. acquisitions	**224.1**	**345.6**
Capital expenditure by segment		
Finland & Estonia	163.6	150.5
Norway	21.7	178.3
Sweden & Denmark	35.2	14.9
Group administration	3.6	1.9
Total capital expenditure incl. acquisitions	**224.1**	**345.6**
Divestments [3]	**265.3**	**10.0**

[1] Capital expenditure takes into account deduction in the purchase price calculations and FX rate changes
[2] Comprises mainly of investments in Lippulaiva.
[3] Excluding transfers into 'Investment properties held for sale'-category

8. INVESTMENT PROPERTIES HELD FOR SALE

The Held for Sale Investment Properties consisted of two shopping centers in Norway on 31 December 2021. One investment property in Finland & Estonia segment was sold during Q4 2021. On 31 December 2020 Investment Properties Held for Sale comprised of three properties in Sweden & Denmark segment, which were sold during Q1 2021.

Transfer from investment properties includes also fair value changes of properties in Investment Properties Held for Sale.

MEUR	31 December 2021	31 December 2020
At period-start	**149.7**	**0.0**
Disposals	-256.3	0.0
Exchange differences	-3.2	0.0
Transfer from investment properties	260.5	149.7
At period-end	**150.9**	**149.7**

9. CASH AND CASH INVESTMENTS

MEUR	31 December 2021	31 December 2020
Cash in hand and at bank	26.8	16.7
Restricted cash	7.9	9.2
Total cash	**34.7**	**25.9**
Current financial investments	19.9	-
Total cash and cash investments	**54.7**	**25.9**

Cash and cash equivalents in the cash flow statement comprise the items presented above. Restricted cash mainly relates to gift cards, tax and rental deposits. Current financial investments consists of cash invested into highly liquid money market funds.

10. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Classification of financial instruments and their carrying amounts and fair values

	31 December 2021		31 December 2020	
MEUR	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
I Financial assets at fair value through profit and loss				
Money Market Funds	19.9	20.0	-	-
Derivative financial instruments	14.8	14.8	14.8	14.8
II Derivative contracts under hedge accounting				
Derivative financial instruments	1.4	1.4	0.2	0.2
Financial liabilities				
I Financial liabilities amortised at cost				
Loans	-	-	-	-
Loans from financial institutions	-	-	313.6	313.6
Bonds	1,835.3	1,860.3	1,758.8	1,784.4
Lease liabilities (IFRS 16)	43.2	43.2	48.8	48.8
II Financial liabilities at fair value through profit and loss				
Derivative financial instruments	16.7	16.7	26.8	26.8
III Derivative contracts under hedge accounting				
Derivative financial instruments	-	-	-	-

11. DERIVATIVE FINANCIAL INSTRUMENTS

	31 December 2021		31 December 2020	
MEUR	**Nominal amount**	**Fair value**	**Nominal amount**	**Fair value**
Interest rate swaps				
Maturity:				
less than 1 year	-	-	33.4	0.0
1–5 years	80.1	1.4	76.4	0.2
over 5 years	-	-	-	-
Subtotal	**80.1**	**1.4**	**109.8**	**0.2**
Cross-currency swaps				
Maturity:				
less than 1 year	-	-	-	-
1–5 years	314.8	2.3	-	-
over 5 years	-	-	314.8	-3.9
Subtotal	**314.8**	**2.3**	**314.8**	**-3.9**
Foreign exchange forward agreements				
Maturity:				
less than 1 year	322.1	-4.1	317.8	-8.1
Total	**717.0**	**-0.4**	**742.4**	**-11.8**

Derivative financial instruments are used in hedging the interest rate and foreign currency risk.

Hedge accounting is applied for interest swaps which have a nominal amount of EUR 80.1 million (109.8). The change in fair values of these derivatives is recognised under other comprehensive income.

Citycon also has cross-currency swaps to convert EUR debt into SEK debt and currency forwards. Changes in fair values of these are reported in the profit and loss statement as hedge accounting is not applied.

Furthermore, changes in fair values of interest rate caps hedging Kista Galleria's loans are recognised under 'Share of profit of joint ventures and associated companies'.

12. DIVIDEND AND EQUITY REPAYMENT

The Board of Directors proposes that based on the balance sheet to be adopted for the financial period ended on 31 December 2021, no dividend is distributed by a resolution of the Annual General Meeting.

Nonetheless, the Board of Directors proposes that the Board of Directors be authorized to decide in its discretion on the distribution assets from the invested unrestricted equity fund in the manner set forth below.

Based on this authorization, the maximum total amount of equity repayment distributed from the invested unrestricted equity fund shall not exceed EUR 0.50 per share. Based on the current total number of issued shares in the company, the authorization would equal to a maximum of EUR 84,004,470 in equity repayment.

The authorization is valid until the opening of the next Annual General Meeting.

Unless the Board of Directors decides otherwise for a justified reason, the authorization will be used to distribute equity repayment four times during the period of validity of the authorization. The Board of Directors will make separate resolutions on each distribution of the equity repayment so that the preliminary record and payment dates will be as set out below. Citycon shall make separate announcements of each such Board resolution.

Preliminary payment date	Preliminary record date
31 March 2022	24 March 2022
30 June 2022	23 June 2022
30 September 2022	23 September 2022
30 December 2022	15 December 2022

The equity repayment based on the resolution of the Board of Directors will be paid to a shareholder registered in the company's shareholders' register maintained by Euroclear Finland Ltd on the record date of the equity repayment.

13. CONTINGENT LIABILITIES

MEUR	31 December 2021	31 December 2020
Mortgages on land and buildings	250.0	250.0
Bank guarantees and parent company guarantees	92.8	93.6
Capital commitments	81.7	183.9

The mortgage relates to the secured Revolving Credit Racility, which is currently fully undrawn. At period-end, Citycon had capital commitments of EUR 81.7 million (183.9) relating mainly to on-going (re)development projects.

Citycon owns 50% of Kista Galleria joint venture. Shares in the joint venture have been pledged as security for the loans of the joint venture.

14. RELATED PARTY TRANSACTIONS

Citycon Group's related parties comprise the parent company Citycon Oyj and its subsidiaries, associated companies, joint ventures, Board members, the CEO and other Corporate Management Committee members and the company's largest shareholder Gazit-Globe Ltd. In total, Gazit and wholly-owned subsidiary Gazit Europe Netherlands own 51.96% (48.9%) of the total shares and votes in the company.

Over the reporting period, Citycon paid no expenses to Gazit-Globe Ltd and its subsidiaries, but invoiced EUR 0.0 million expenses forward to Gazit-Globe Ltd and its subsidiaries (0.0).