

Citycon Q1-Q2/2023 - comparable FX rates

+6.9%

Like-for-like NRI growth
(vs. Q1-Q2/2022)

+5.5%

Standing NRI growth
(vs. Q1-Q2/2022)

+69.4 MEUR

Fair value change of investment properties
(excl. Kista)

+7.8%

Adjusted like-for-like NRI increase*
(vs. Q1-Q2/2022)

+7.9%

Adjusted standing NRI growth*
(vs. Q1-Q2/2022)

+4.1%

Like-for-like tenant sales increase
(vs. Q1-Q2/2022)

+1.5€&

24.0€**

Increase & avg rent/sq.m.
(vs. Q4/2022)

95.5%

Retail occupancy

Citycon's mix of high-credit tenants deliver strong KPI's

Strong asset operational results

+4.1%

Like-for-like tenant sales (Q1-Q2/2023)

+9.7%

Like-for-like tenant sales
Q1-Q2/2023 vs Q1-Q2/2019

+3.1%

Like-for-like footfall (Q1-Q2/2023)

+50bps

Retail occupancy increase
vs Q2/2022

+1.5EUR / **+6.8%**

Average rent increase per sqm.
vs Q4/2022, in comparable FX rates

Sustainable rent growth

High rent collection rates

- 97% in Q2/2023 with historical improvements in subsequent quarters.
- Q1/2023 collection rates improved +2% from 97% to 99%.

Industry low occupancy cost ratio of 9.4%

- inclusive of service charges.
- tenants have some of the lowest OCR.
- ample headroom for rent growth .

**EUR 69.4 million fair value gain
for Q1-Q2/2023 reflecting the impact of
compounding rent growth due to indexation
linked leases**

Resilient underlying business performing

~8%

Standing NRI increase in comparable currency

Q1-Q2/2023 vs Q1-Q2/2022

Excluding Torvbyen and one-time benefits in 2022

~7%

Standing NRI increase in comparable currency

Q2/2023 vs Q2/2022

Excluding Torvbyen and one-time benefits in 2022

~2%

NRI increase compared to Q1/2023

Currencies

NOK and SEK both rebounding from 20 years lows vs euro in Q2



Necessity-based retail with inflation protected rents

Last-mile logistics hubs

- 45% of our tenants are necessity based.
- majority of our top tenants consist of high credit grocers and Nordic municipalities
- locations in central urban areas
- 100% of the centres connected to public transportation
- 93% of leases tied to indexation

Wage growth by country*

Norway	Sweden	Finland	Denmark	Estonia
5.6%	4.1%	4.9%	4.5%	8.5%

Inflation works through the entire chain

Wages → cost of goods → increasing sales → increasing rents.



Strengthening the balance sheet

EUR 650 million credit facility signed in April 2023

- replaced and expanded existing EUR 500 million credit facility maturing in June 2024.
- consisting of a EUR 400 million revolver and EUR 250 million term loan.

EUR 138 million tender in May 2023

- proceeds from the term loan to execute tender for our bond maturing in 2024.
- took an advantage of the large discounts and dislocation in the secondary markets.

Bond repurchases from the open market in June 2023

- continued repurchases from the open markets for a total notional of EUR 15.7 million.

EUR 380 million non-core asset sales target remains

- execute by year-end 2024.
- initial target EUR 500 million (~25% completed).
- proceeds to repay debt and to further strengthen our investment grade balance sheet.



Asset management continues to implement strategy – case study

Case Myyrmanni:

- signed new 1,800 sqm Lidl in the basement and enlarged current supermarket to a 7,300 sqm Prisma hypermarket.
- replacing under-performing and low rent paying fashion tenants with daily necessities. More stable cash flow.
- stronger footfall, positive spillover effects on other tenants.
- center in good position to cater to the growing residential development in the area including Isomyyri.
- yield compression and valuation gains.

Share of GLA (after)		
Groceries	↑	> 50%
Fashion	↓	< 3%



Strong business fundamentals

Recipe for success...

- high quality real estate
- the goods and services consumers require
- easy to access and convenient locations
- **compounding rent growth supported by wage growth and increasing sales.**

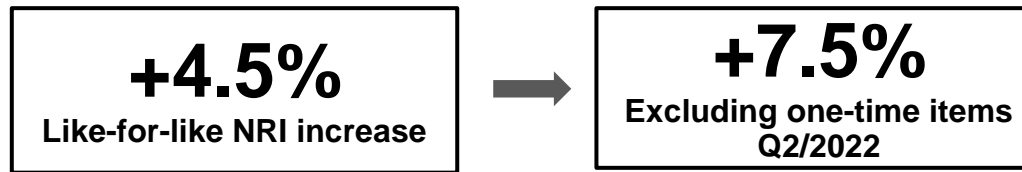
... combined with Citycon's strong business fundamentals and well-performing assets

- a scarcity of the type of high-quality retail assets Citycon owns
- proven business model
- sustained growth in all important metrics (sales, footfall, rents, occupancy, collections)



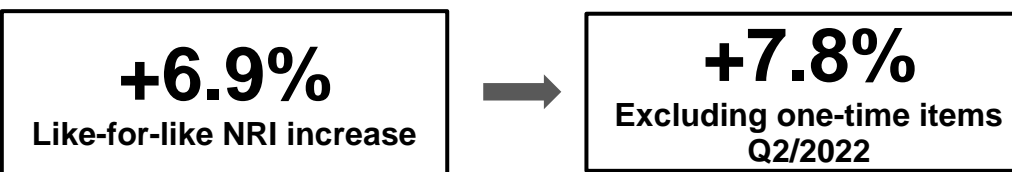
Financial overview

Q2/2023 financials



EUR million	Standing*				All			
	Q2/2023	Q2/2022	Change (%)	FX Adjusted %	Q2/2023	Q2/2022	Change (%)	FX Adjusted %
NRI	48.9	51.0	-4.1 %	2.6 %	48.9	52.8	-7.3 %	-0.6 %
Direct operating profit	42.2	44.6	-5.3 %	1.6 %	42.2	46.3	-8.9 %	-2.0 %
EPRA earnings	26.6	30.4	-12.5 %	-6.0 %	26.6	32.2	-17.4 %	-10.9 %
Adjusted EPRA earnings	19.5	22.8	-14.6 %	-6.0 %	19.4	24.6	-20.8 %	-12.5 %
EPRA EPS, EUR	0.159	0.181	-12.5 %	-6.0 %	0.158	0.192	-17.4 %	-10.9 %
Adjusted EPRA EPS, EUR	0.116	0.136	-14.6 %	-6.0 %	0.116	0.146	-20.8 %	-12.5 %
EPRA NRV per share, EUR	10.71	11.87	-9.8 %	-	10.71	11.87	-9.8 %	-

Q1-Q2/2023 financials



EUR million	Standing*				All			
	Q1-Q2/2023	Q1-Q2/2022	Change (%)	FX Adjusted %	Q1-Q2/2023	Q1-Q2/2022	Change (%)	FX Adjusted %
NRI	96.8	97.0	-0.3 %	5.5 %	96.7	101.8	-5.0 %	0.8 %
Direct operating profit	80.5	81.9	-1.7 %	4.3 %	80.4	86.4	-7.0 %	-1.0 %
EPRA earnings	51.9	55.7	-6.8 %	-0.7 %	51.9	60.3	-14.0 %	-8.0 %
Adjusted EPRA earnings	37.4	40.6	-8.0 %	0.5 %	37.3	45.2	-17.4 %	-9.6 %
EPRA EPS, EUR	0.309	0.332	-6.8 %	-0.7 %	0.309	0.359	-14.0 %	-8.0 %
Adjusted EPRA EPS, EUR	0.222	0.242	-8.0 %	0.5 %	0.222	0.269	-17.4 %	-9.6 %
EPRA NRV per share, EUR	10.71	11.87	-9.8 %	-	10.71	11.87	-9.8 %	-

Cumulative impact of FX, Torvbyen & Q2/2022 one-off items

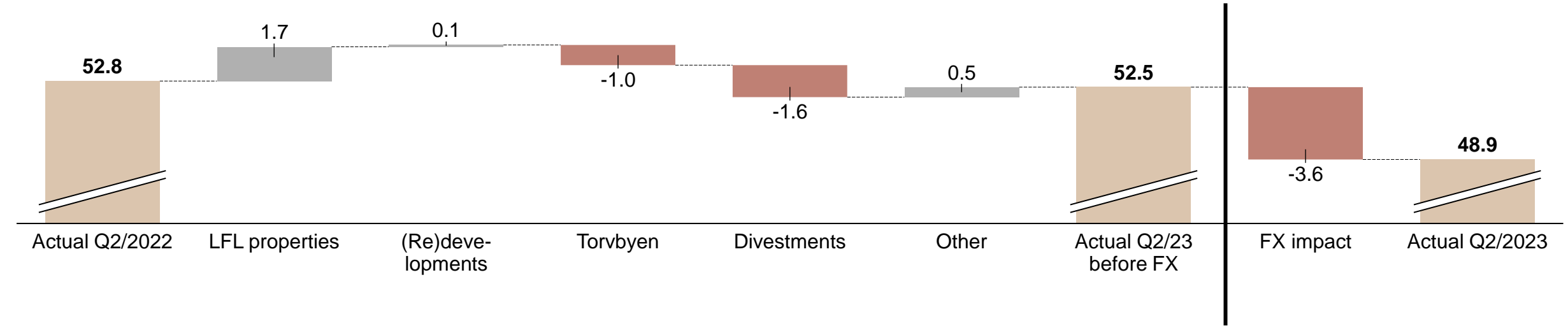
	Q2/2023	Q2/2022	%		Q1-Q2/2023	Q1-Q2/2022	%	
Standing NRI	48.9	51.0	-4.1%		96.8	97.0	-0.3%	
FX impact		-3.3		-670 bps		-5.3		-580 bps
Adjusted Standing NRI	48.9	47.7	2.6%		96.8	91.7	5.5%	
Torvbyen	0.3	-0.7		-210 bps	-0.1	-1.4		-150 bps
Adjusted Standing NRI	49.2	47.0	4.8%		96.7	90.3	7.1%	
One-off items Q2/22*		-1.1		-250 bps		-0.7		-80 bps
Adjusted Standing NRI	49.2	45.9	7.2%		96.7	89.6	7.9%	

*One-off items recognized in Q2/2022 include:

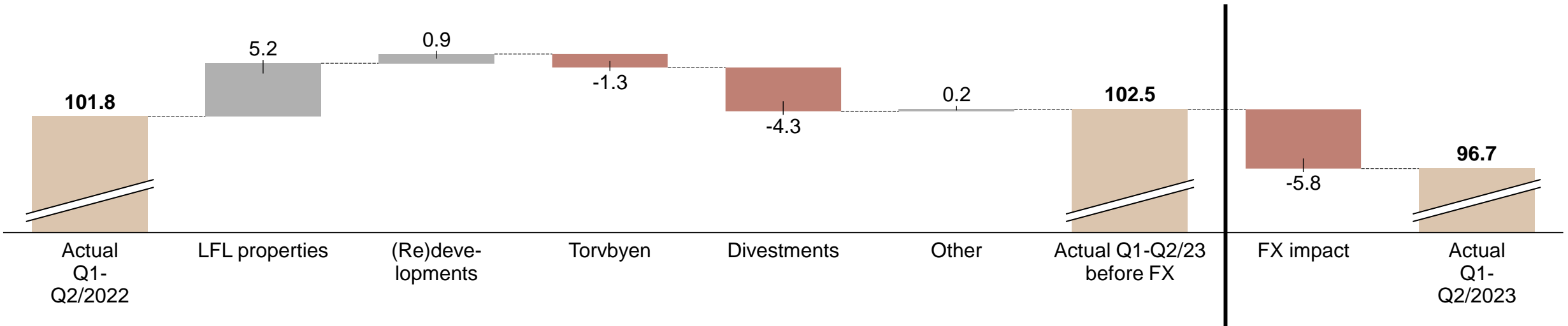
- Parking contract termination fee related to Norway moved from opex to other income and expenses.
- Norway and Sweden service charge and parking income reconciliation regarding 2021.

Detailed NRI bridge

NRI bridge Q2/2023

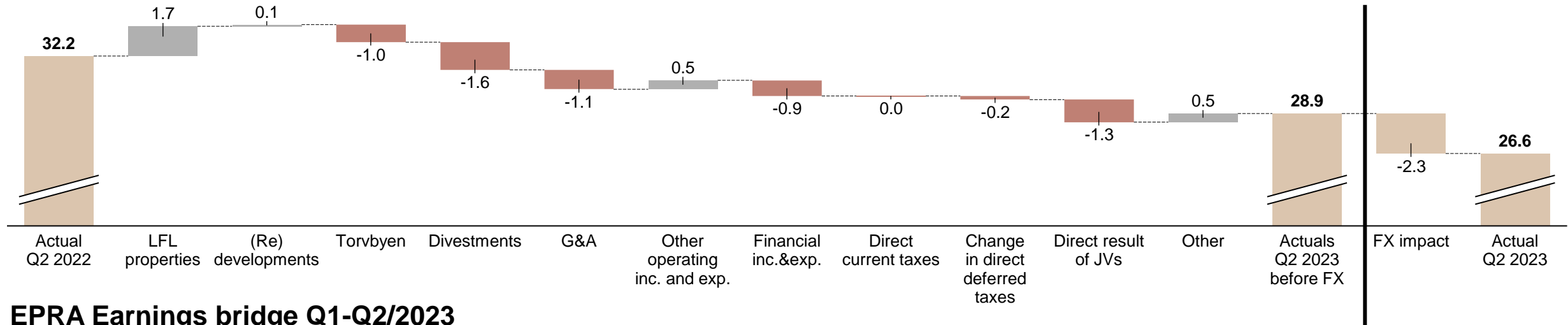


NRI bridge Q1-Q2/2023

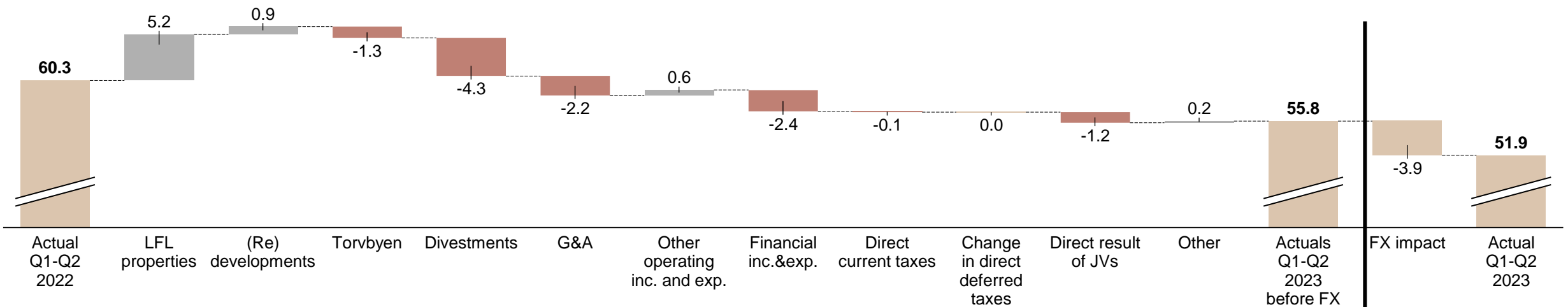


Detailed EPRA Earnings bridge

EPRA Earnings bridge Q2/2023



EPRA Earnings bridge Q1-Q2/2023



Valuation improvements due to updated rents via indexation

Fair value change

MEUR	Q2/2023	Q1-Q2/2023	Change
Finland	16.7	20.3	
Norway	-3.4	20.2	
Sweden	9.7	13.3	
Denmark & Estonia	3.3	18.8	
Investment properties*, total	26.3	72.7	
Right-of-use assets classified as investment properties (IFRS 16)	-1.7	-3.3	
Investment properties in the statement of financial position, total	24.7	69.4	+1.7%

EPRA per share metrics

	Q2/2023	Q1/2023
EPRA NRV per share	10.71	10.78
EPRA NTA per share	9.34	9.43
EPRA NDV per share	10.02	10.22
Average yield requirement,%*	5.5	5.5

FX adjusted EPRA NRV/share would have increased 0.58 per share to 11.29 in Q2/2023 due to positive IFRS result and gain on hybrid bond buybacks.

EPRA NRV per share with 14th of July FX rate: 10.93

FX impact scenarios to LTV, NRV and IFRS equity

	Actual FX-rates Q2/2023	14.7.2023 FX-rates	31.12.2022 FX-rates	31.12.2021 FX-rates
LTV (%)	43.0%	42.6%	42.0%	41.1%
EPRA NRV per share	10.71	10.93	11.29	11.60
Equity increase compared to Q2 actual (MEUR)	-	32.4	86.2	131.9



Continued active liability management

EUR 266 million asset sales in the last 20 months

- executed close to book value
- including EUR 120 million in December 2022
- EUR 380 million remaining on EUR 500 million 2024 target

EUR 650 million credit facility replaced and expanded in Q2/2023

- EUR 400 million revolver and EUR 250 million term loan.

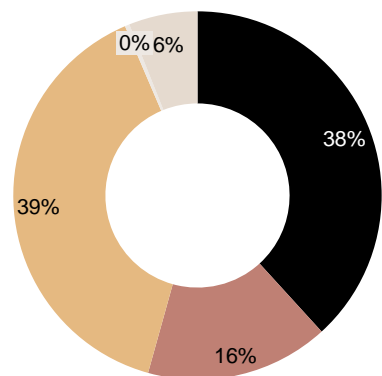
Continued debt repurchases

- EUR 235 million for EUR 215 million cash
 - EUR 155 million in Q2/2023



Strong, liquid balance sheet

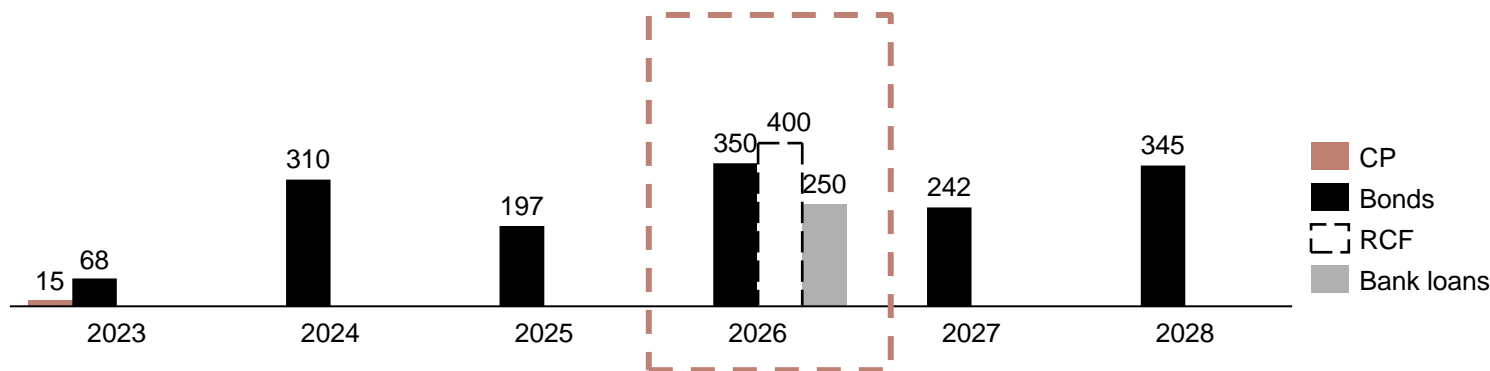
Improved credit profile and a stronger, more flexible balance sheet*



- Bonds
- Hybrid
- Equity
- Commercial paper
- Bank loans

- no material maturities thru October 2024
- 2.9 years weighted avg maturities
- 2.83% weighted avg interest rate
- All debt maturities through 2024 covered

Well laddered maturities (EUR million)*



- CP
- Bonds
- RCF
- Bank loans



Total available liquidity EUR 443 million



Unencumbered assets > 85%**

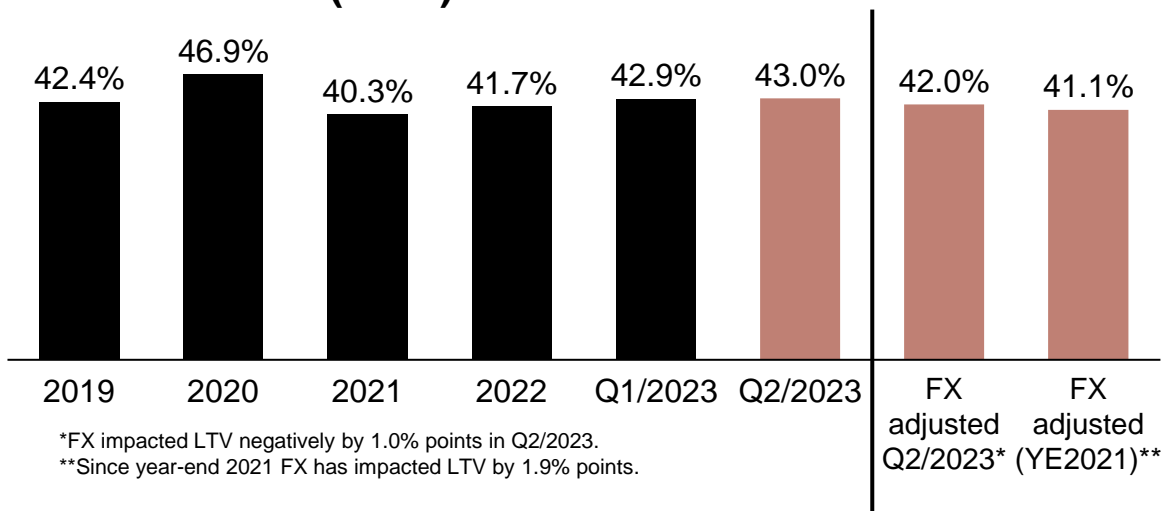


Investment grade S&P - BBB- (Stable)

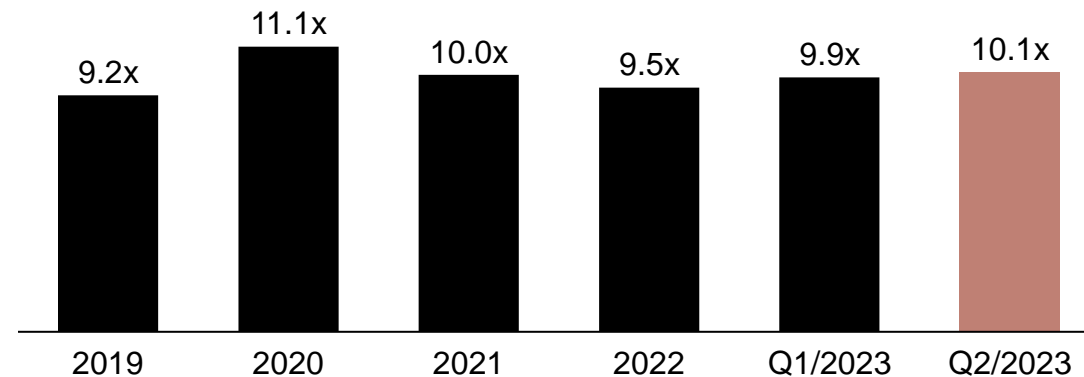
* Situation after new EUR 650 million credit facility signed on 28 April
 **Including EUR 250 million secured term loan. Excluding EUR 400 million undrawn RCF and Kista 1.22 BNSEK JV debt.

Stable credit ratings

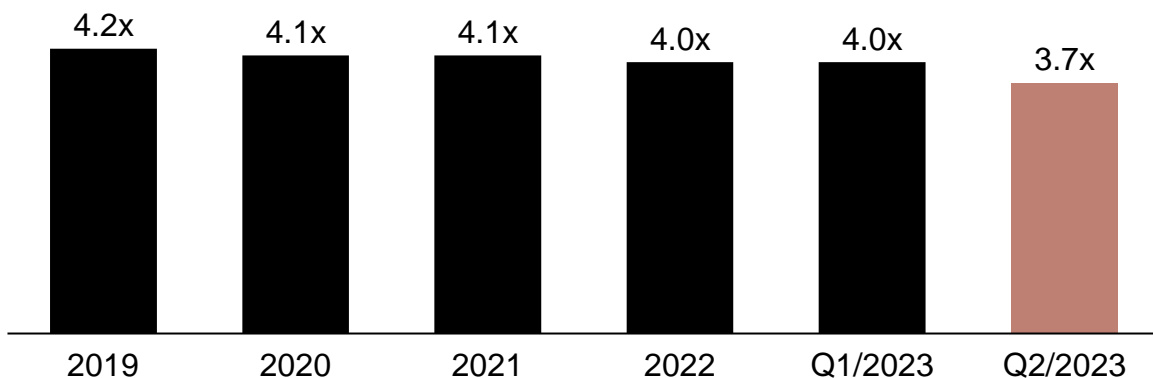
Loan to value (IFRS)



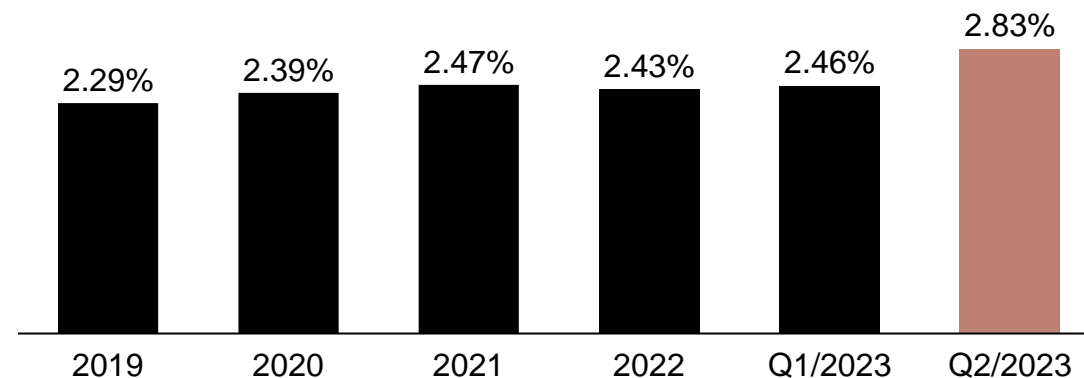
Net debt to ebitda



Interest coverage ratio



Weighted average interest rate



2023 Guidance – reaffirmed with additional FX details

	FY2023 Outlook with year-end 2022 FX rates	<i>Potential FY2023 negative FX impact</i>
Direct operating profit (MEUR) (Midpoint)	174–192 (183)	-10 MEUR
EPRA Earnings per share (basic) (EUR) (Midpoint)	0.69–0.81 (0.75)	-0.08 EUR
Adjusted EPRA Earnings per share (EUR) (Midpoint)	0.51–0.63 (0.57)	-0.08 EUR

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 and no major disruptions from the war in Ukraine. These estimates are based on the existing property portfolio as well as year-end 2022 estimates of inflation, EUR–SEK and EUR–NOK exchange rates, and interest rates.

Given exchange rates have recently been subject to extraordinary volatility, potential negative FX impact for the full-year 2023 is provided for further transparency and clarification. Potential negative FX impact for FY2023 is based on the assumption that EUR–SEK and EUR–NOK exchange rates stay at the 14 July level.



Q&A





Bret McLeod

Chief Financial Officer
+46 73 326 8455
bret.mcleod@citycon.com

Sakari Järvelä

VP, Investor Relations
+358 50 387 8180
sakari.jarvela@citycon.com