Citycon Audiocast Presentation

Q2 2010

CITYCON

creating success for retailing

Strategy

Citycon

- wants to be the leading shopping centre owner, operator and developer in the Nordic and Baltic countries.
- invests in shopping centres and retail properties in major growing cities with good demographics.
- seeks growth through matching acquisitions and property development.
- adds value on investment across the portfolio by professional active management produced by in-house strong personnel.
- operates by high sustainability standards.
- seeks actively joint-venture arrangements with high-class investors and manages investment on their behalf.
- has a strong balance sheet with competitive and well diversified funding sources and low financial risk exposures.

Current Sustainability Issues

Land use and Sustainable project development

- Liljeholmstorget was awarded as the first European shopping centre the Platinum-level LEED® environmental certificate
- Rocca al Mare was awarded silver-level LEED® certificate first in the Baltic Countries in January 2010
- The first ever LEED® certificate in the Nordic countries was awarded to Trio shopping centre
- All new development projects will be carried out in accordance with the quality criteria of environmental certificates

- Citycon one of the founding members of Green Building Council, Finland established in April 2010

- Internal Green Shopping Centre Management Program

Geographical overview

FINLAND

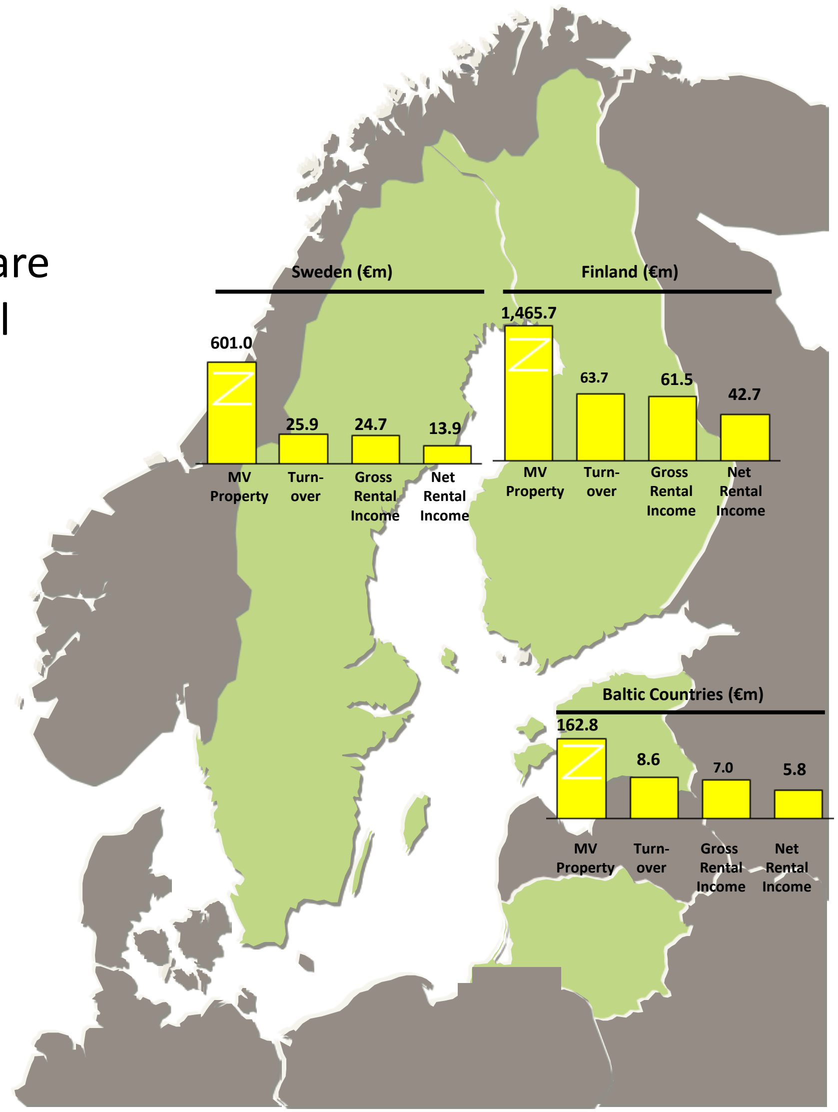
- 68.4% of total net rental income
- Net rental income EUR 42.7 million
- Market leader with 22% market share
- 22 shopping centres, 42 other retail properties, one unbuilt lot

SWEDEN

- Net rental income accounted for 22.3% of Citycon's total net rental income
- Net rental income EUR 13.9 million
- 8 shopping centres, 7 other retail properties

BALTIC COUNTRIES

- NRI 9.3% of Citycon's total NRI
- Net rental income EUR 5.8 million
- 3 shopping centres



Main Points of Q1-Q2/2010

Main Points

- Martinlaakso development started in Finland, currently nine (re)development projects under construction. Åkersberga Centrum project in Sweden and the rest in Finland. The projects will decrease NRI in 2010.
- Sale on residential continued in Sweden; three portfolios sold, all divestments totalled approx. EUR 50 million.
- Net rental income increased by **1.8**% to EUR **62.5** million
- Occupancy rate was **94.6**% (94.8%)
- The company revises its guidance regarding direct result and direct operating profit (from 3-6 % to 1-4 %). The change is due mainly to somewhat slower stabilisation and development of certain projects.
- The market value of property portfolio was EUR **2,229.5** million (Q1/2010: EUR 2,193.5 m)
- The valuation yield **6.6**% (Q1/2010: 6.6%)
  - FINLAND: 6.5
  - SWEDEN: 6.2
  - BALTIC COUNTRIES: 8.2

Business Environment

Positive signs:

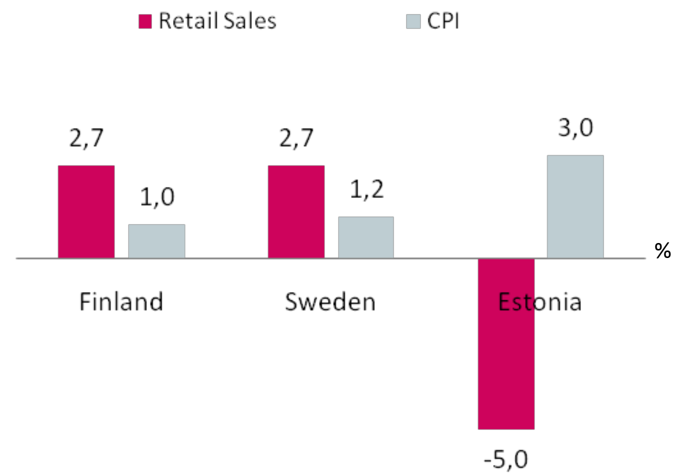
During Jan-May 2010, retail sales increased by 2.5% in Finland and by 3.3% in Sweden.
(Sources: Statistics Finland, Statistics Sweden)

Occupancy rates in shopping centres continue to be high both in Finland and in Sweden.
(Jones Lang LaSalle, Nordic City Report, Spring 2009)

The property market has picked up especially in Sweden.

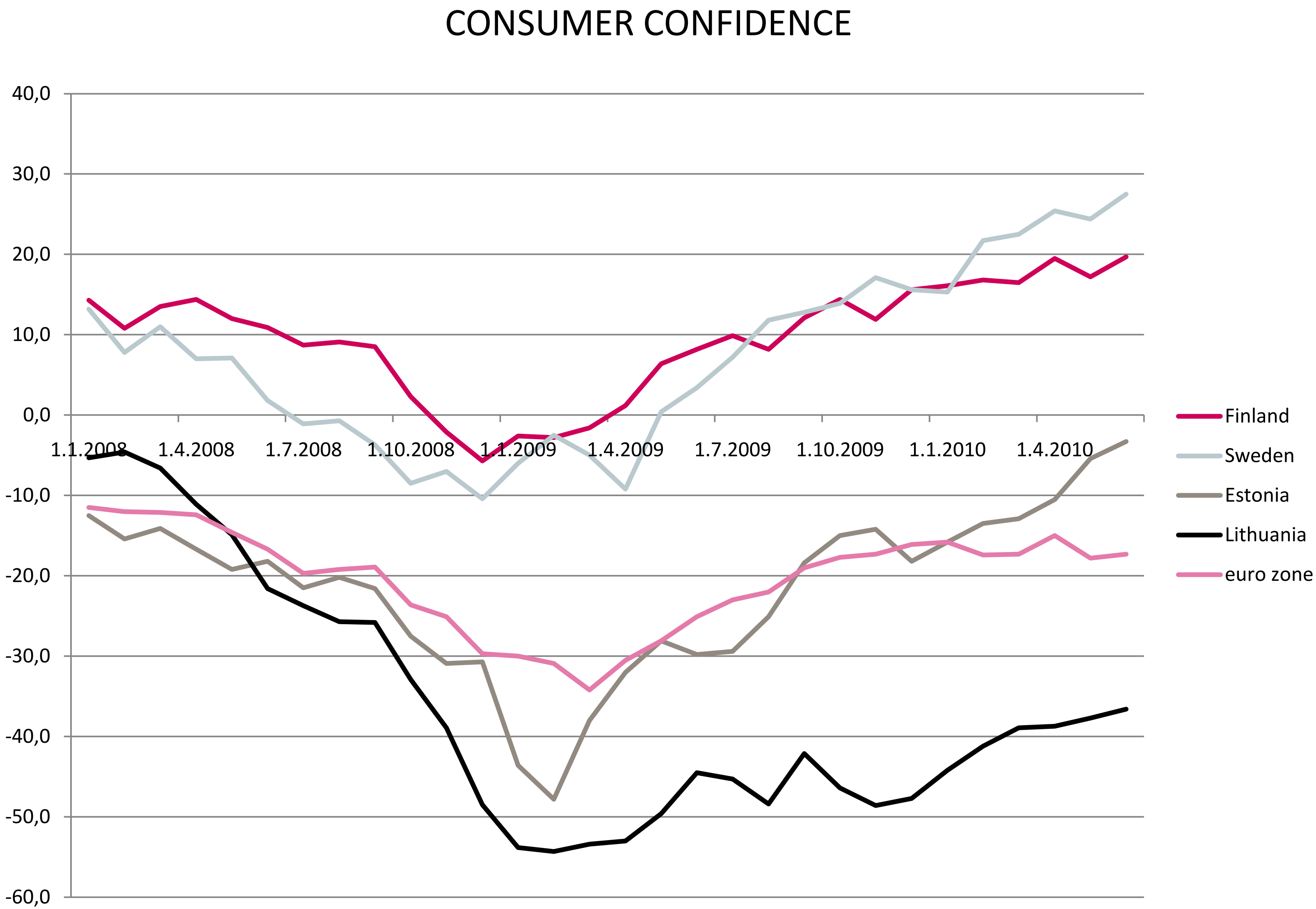
Consumer confidence stronger, but unemployment rates still a concern.

RETAIL AND GROCERY SALES AND CPI, MAY 2010



Sources:
Statistics Finland, Statistics Sweden, Statistics Estonia

Business Environment



Source: Eurostat

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

Ongoing (Re)development Projects

CITYCON

Ongoing (Re)development Projects

PROPERTY	LOCATION	AREA, sq.m. before and after	TOTAL ESTIMATED INVESTMENT NEED, MEUR	ACTUAL CUMULATIVE CAPEX, by the end of period, MEUR	EST. FINAL YEAR OF COMPLETION	
Åkersberga Centrum	Österåker, SWE	20 000 33 000	49.0[1)]	26.4	2011	Refurbishment and extension of the shopping centre in the Greater Stockholm area. Minority owner/investor (25%) local municipality-owned real estate company.
Martinlaakso	Vantaa, FIN	3 800 7 300	26.3	2.7	2011	Building of a new retail centre replacing the existing one next to the Martinlaakso railway station.
Myllypuro	Helsinki, FIN	7 700 7 300	20.0	7.6	2012	Building of a new retail centre replacing the existing one next to the Myllypuro subway station.
Espoontori	Espoo, FIN	16 500 16 400	18.0	9.6	2010	Refurbishment of 10400 sq.m. of interior premises and the parking facility.
Forum	Jyväskylä, FIN	15 100	16.0	3.5	2010	Refurbishment of interior premises (12 000 sq.m) of the shopping centre.
Hansa (Trio)	Lahti, FIN	8 000	8.0	2.2	2010	The refurbishment of Hansa property located next to Trio.
Myyrmanni	Vantaa, FIN	8 400	4.8	2.6	2010	Refurbishment of the first floor premises and tenant improvements on the ground floor.
Torikeskus	Seinäjoki, FIN	11 300 11 500	4.0	2.7	2010	Refurbishment of the interiors of the shopping centre underway.
Isolinnankatu	Pori, FIN	7 600	3.0	1.5	2010	Refurbishment of the retail premises in two phases.

1) Calculated based on period end exchange rates. Estimated total investment in SEK has not changed from the year end 2009 (which was EUR 45.6 million).

Key Figures and Property Portfolio

Snapshot of Statement of Comprehensive Income

EUR million	Q1-Q2/2010	Q1-Q2/2009	*2009*
Gross rental income	93.2	88.2	*177.8*
Service charge income	4.9	3.2	*8.5*
Turnover	98.1	91.5	*186.3*
Property operating expenses	34.9	29.8	*60.2*
Other expenses from leasing operations	0.7	0.4	*0.7*
Net rental income	62.5	61.3	*125.4*
Administrative expenses	10.2	8.5	*17.8*
Net Fair value gains/losses on investment property	23.7	-57.6	*-97.4*
Net Gains on sale of investment property	3.5	0.1	0.1
Operating profit/loss	79.6	-4.7	*10.3*
Net Financial income and expenses	-27.6	-24.0	*-47.7*
Profit/loss before taxes	52.0	-28.7	*-37.5*
Current taxes	-4.3	-3.3	*-6.5*
Change in deferred taxes	-0.5	6.0	*7.0*
Profit/loss for the period	47.1	-26.0	*-36.9*
Other comprehensive expenses/income for the period, net tax	-8.6	-4.2	*-3.0*
Total Comprehensive profit/loss for the period, net of tax	38.5	-30.2	*-39.9*

EPS (basic), EUR	*0.19*	*-0.11*	*-0.16*
EPS (diluted), EUR	*0.18*	*-0.11*	*-0.16*
Direct Result	*21.5*	*24.2*	*50.9*
Indirect result	*19.9*	*-48.0*	*-85.2*
Direct EPS (diluted), EUR (EPRA EPS)	*0.10*	*0.11*	*0.23*
Net cash from operating activities per share, EUR	*0.05*	*0.19*	*0.30*
Profit/loss for the period attributable to parent company shareholders	*41.4*	*-23.8*	*-34.3*

Main points

- Turnover increased by **7.3%** to EUR **98.1** million (EUR 91.5 m) due mainly to growth in gross leasable area and development of retail properties.
- Direct result per share EUR **0.10** (EUR 0.11)
- Profit before taxes was EUR **52.0** million (EUR -28.7 m) incl. **23.7** million (EUR -57.6 m) change in property fair value
- Net cash from operating activities per share EUR **0.05** (EUR 0.19)
  - Due to extra ordinary items and timing differences
- Total asset stood at EUR **2,308.9** million
- Equity ratio **33.8**%, hedging ratio **81.6**%

Property Portfolio

- **4,019 (4,080)** leases with an average length of **3.3** (3.0) years
- GLA totalled **947 050** sq.m. , occupancy rate **94.6**% (94.8%)
- Net rental income for like-for-like properties decreased by **1.0**%
  - due to higher property operating expenses reflecting seasonal fluctuations and exceptionally cold and snowy winter, slightly increased vacancy and very low indexation-based rental increases
- Rolling 12-month occupancy cost ratio for l-f-l shopping centres was **8.4**%
- Rents linked to CPI (nearly all the agreements). Year-end, **36.0**% (2008 24.2%) of rental agreements were also tied to tenant's turnover
  - In 2009, approx. **1**% of net rental income came from turn-over based part of the rental agreements

Like-for-like and other NRI development by Segments -Q1-Q2/2009 vs. Q1-Q2/2010

EUR million	Finland	Sweden	the Baltic Countries	Other	Total
1H/2008	**44,9**	**12,2**	**3,1**	**0,0**	**60,1**
Acquisitions	0,4	0,0	-0,1	0,0	0,4
(Re)developments	0,5	0,0	1,7	0,0	2,2
Divestments	-0,1	0,0	0,0	0,0	-0,1
Like-for-like	0,6	0,3	-0,1	0,0	0,8
Other (incl. exch. diff.)	-0,4	-1,7	0,0	0,0	-2,1
1H/2009	**46,0**	**10,8**	**4,6**	**0,0**	**61,3**
Acquisitions	-	-	-	-	0,0
(Re)developments	-2,7	2,1	1,4	0,0	0,7
Divestments	-0,2	-0,2	-	0,0	-0,4
Like-for-like	-0,4	0,2	-0,2	0,0	-0,4
Other (incl. exch. diff.)	0,0	1,1	0,0	0,0	1,3
1H/2010	**42,7**	**13,9**	**5,8**	**0,0**	**62,5**

- Around 23,000 sq.m. (on average during 6 months) more space off-line due to redevelopment projects in Myyrmanni, Espoontori, Forum, Hansa, Myllypuro, Kirkkonummen liikekeskus, Porin Isolinnankatu and Martinlaakso.

Jakobsberg as a total moved to divestment portfolio due to residential sale.

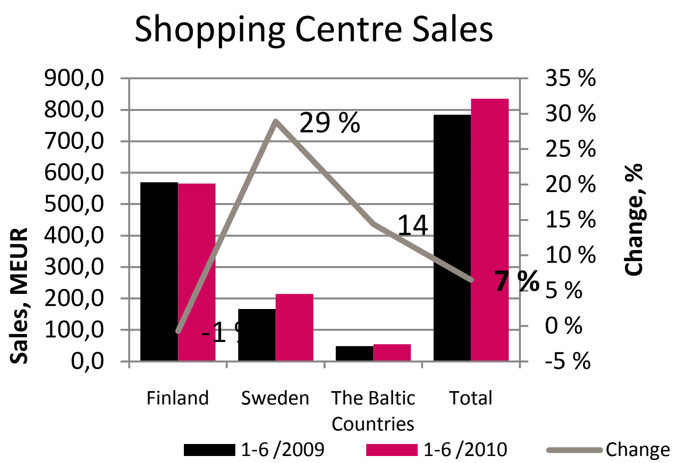
- Rental discounts in the LFL properties (Mandarinas + Magistral) higher by 0.2M€ in 1H'10 than in 1H'09. LFL-growth was -14.5% in the Baltic Countries.

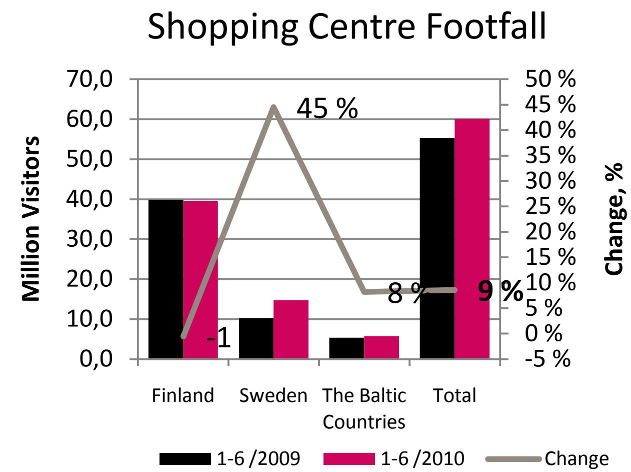
- LFL negative in Finland as around 2,000 sq.m. higher vacancy, low indexation and colder winter (heating and snow cleaning 0.8M€). LFL-growth was -1.4% in Finland.

LFL-growth was +2.6 % in Sweden.

Stronger SEK contributed to NRI positively by 1.1M€.

Sales and Footfall

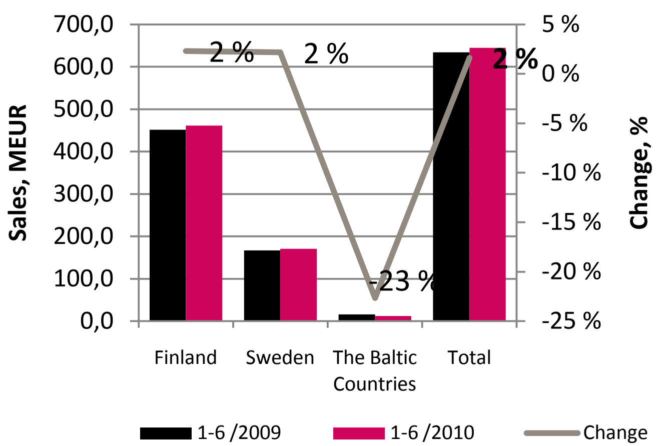


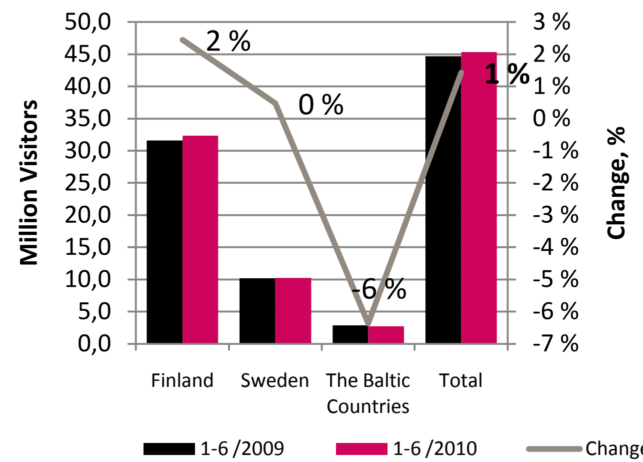


Comparable Shopping Centre Sales

Comparable Shopping Centre Footfall

Excluding sales and footfall of Forum, Espoontori, Myyrmanni, Liljeholmstorget and Rocca al Mare





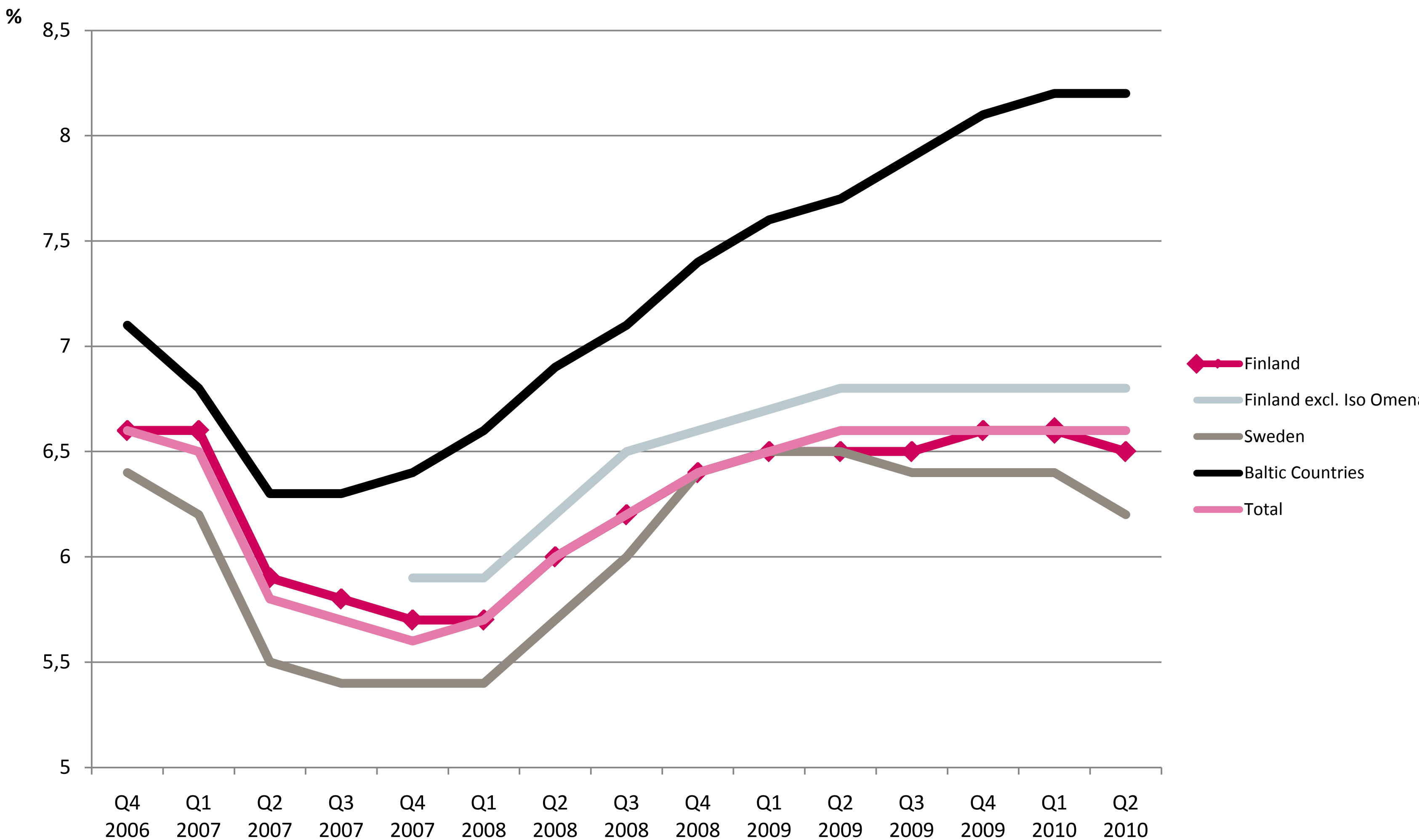
CITYCON

Property Portfolio

TOTAL PORTFOLIO	Q2/2010	Q2/2009	Q1/2010	2009
Number of leases started during the period	175	219	185	873
Total area of leases started, sq.m. [1)]	36 256	32 511	42 997	141 628
Average rent of leases started (EUR/sq.m.) [1)]	17.2	21.9	18.2	23.6
Number of leases ended during the period	185	215	392	781
Total area of leases ended, sq.m. [1)]	54 801	26 931	68 467	127 730
Average rent of leases ended (EUR/sq.m.) [1)]	14.2	21.1	17.7	17.5
Occupancy rate at the end of period, %	94.6	94.8	94.5	95.0

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

Valuation Yield Development in the Portfolio



Valuation yield above is based on external valuator’s portfolio valuation.

Financing Overview

- Total liquidity of EUR **246.2** million incl. unutilized committed debt facilities (EUR 221.2 m) and cash (EUR 25.0 m)
- Average year-to-date interest rate **4.0**% (4.2%).
- Period-end average interest rate was **3.90%** for fixed rate borrowings and swaps
- The average loan maturity stood at **3.3** years (4.2 years).
- Net financial expenses stood at EUR **27.6** million (EUR 24.0 million)
- Two covenants
  - Equity ratio: Covenant level 32.5%, equity ratio as defined in loan agreements was **37.1**%
  - Interest cover ratio: Covenant level 1.8x, Citycon's period end ICR **2.2**x

Snapshot of Statement of Financial Position

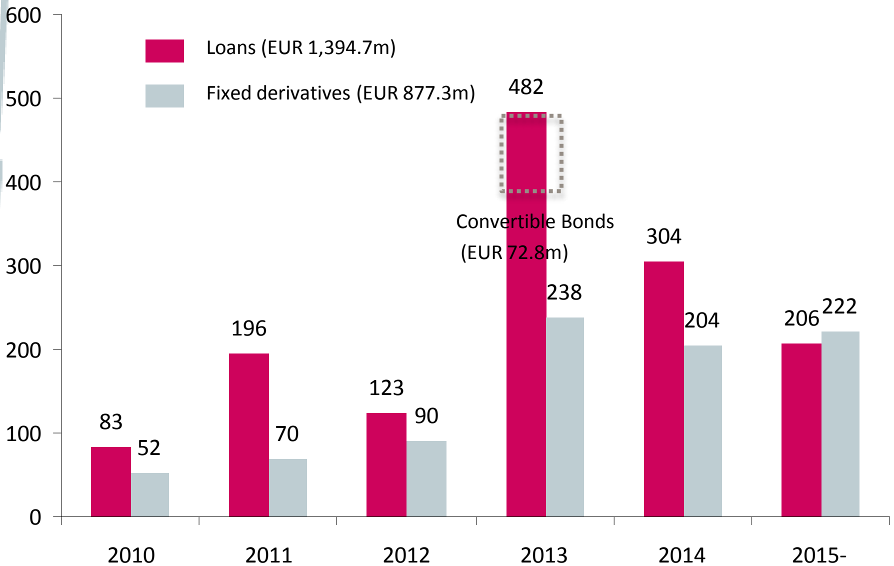
Statement of Financial Position, EUR million	30 June 2010	30 June 2009	31 Dec 2009
Investment property	2,229.5	2,104.5	2,147.4
Total non-current assets	2,243.8	2,114.5	2,161.4
Current assets	65.1	33.0	91.8
Assets total	2,308.9	2,147.5	2,253.2
Total shareholder's equity	779.1	777.4	767.9
Total liabilities	1,529.8	1,370.2	1,485.3
Liabilities and share holders equity	2,308.9	2,147.5	2,253.2

KEY FIGURES			
Equity ratio, %	33.8	36.2	34.2
Gearing, %	174.6	157.4	169.5
Equity per share, €	3.30	3.35	3.31
Net Asset value (EPRA NAV) per share, €	3.54	3.58	3.54
EPRA NNNAV, €	3.35	3.46	3.35
Net Rental Yield (actual), %	6.0	6.0	6.1
Average Net Yield Requirement (valuation yield by external appraiser)	6.6	6.6	6.6

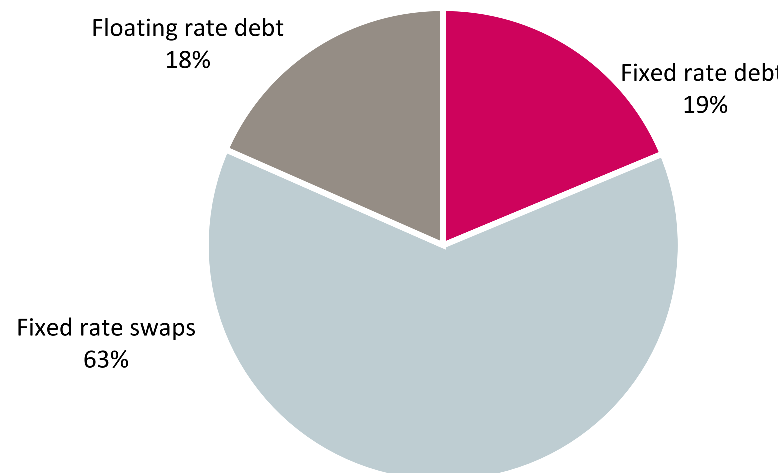
CITYCON

Key Figures – Financing Overview

Maturity profile of loans and derivatives



Interest-bearing debt by fixing type EUR 1, 394.7 million 1)

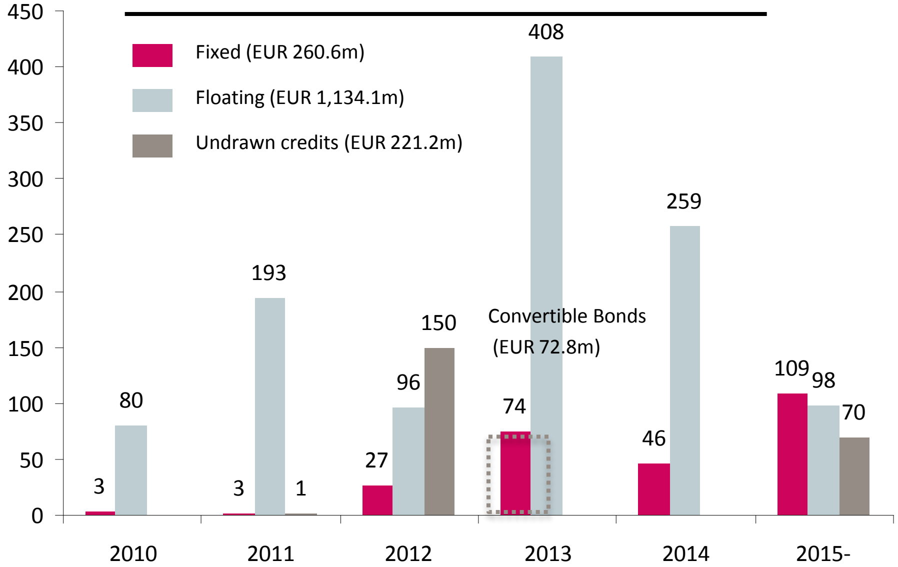


- During second quarter in 2010, the period-end interest-bearing **net debt increased by EUR 43 million** as a result of dividend payment and investments made into development projects
- **High hedging ratio** maintained at around **82%** . Citycon increased SEK hedging in Q2 and swapped into fixed part of the floating rate loans drawn in order to refinance the fixed rate capital loan due in June.

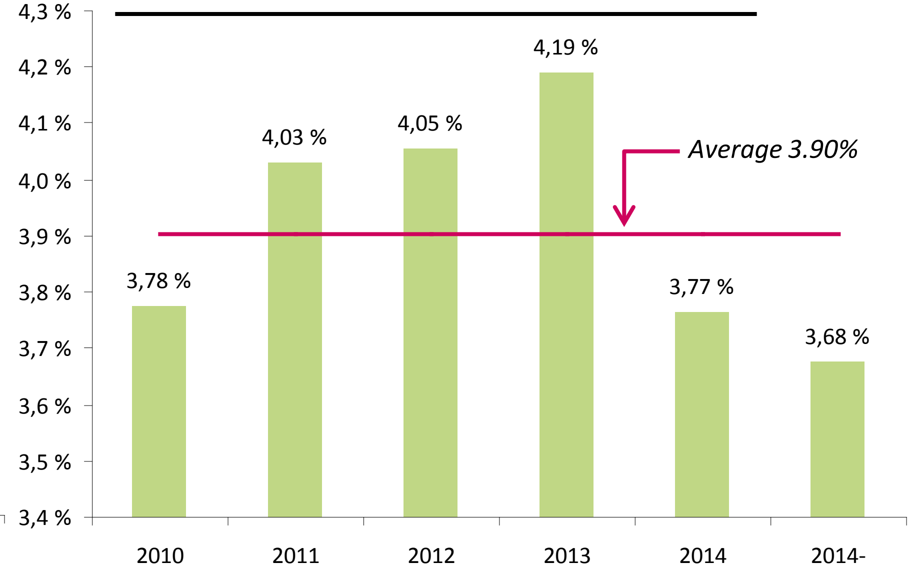
1) Carrying value of debt as at 30 Jun 2010 was EUR 1,385.6 million. The difference between fair and carrying value equals the capitalized fees of long term loan facilities and convertible bond issue as well as to the equity component of the convertible bond which is recognized under equity.

Key Figures – Financing Overview

Maturity profile of fixed and floating rate loans and undrawn committed credit limits



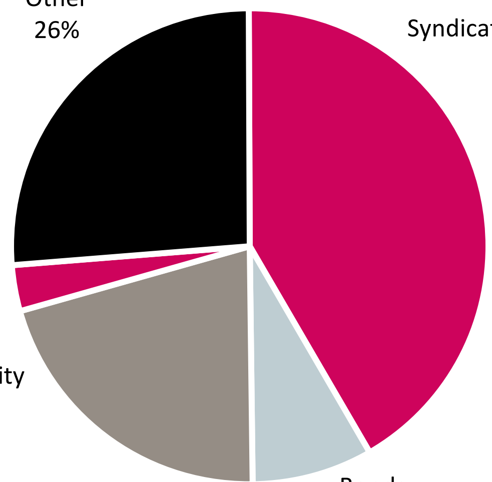
Period-end interest rate by maturity for fixed rate debt and swaps



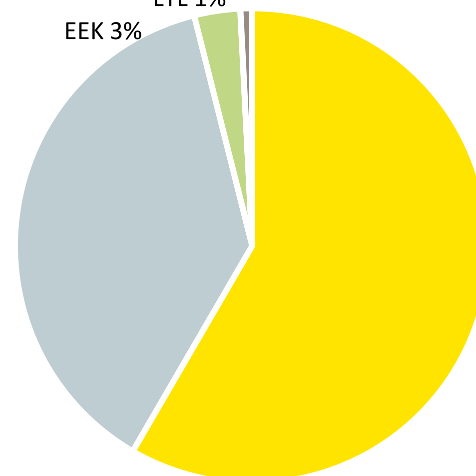
- Favorable maturity structure of debt as the bulk of Citycon's debt is due on or after 2013
- Available committed undrawn credits are also of long term nature and will fall due in 2012 and 2015
- Period-end average interest rate was **3.90%** for fixed rate borrowings and swaps (4.07% in Q1), the decrease is due to maturity of the capital loan and new low fixed rate swaps

Key Figures - Debt Portfolio

Breakdown by debt type
EUR 1,394.7 million 1)



Breakdown by currency
EUR 1,394.7 million 1)



- The backbone of the debt financing continues to be the syndicated term and revolving facilities together with the bonds issued which comprise of **71%** of the debt portfolio
- For six-months period ending 30 Jun 2010 the average year-to-date interest rate was **4.00%** (Q1/2010: 3.97%) and the period-end current run rate stayed below 4% at 3.87%
- Conditions in the bank financing markets continued to improve during Q2

1) Carrying value of debt as at 30 Jun 2010 was EUR 1,385.6 million. The difference between fair and carrying value equals the capitalized fees of long term loan facilities and convertible bond issue as well as to the equity component of the convertible bond which is recognized under equity.

Share Performance[1)]

1) Starting values of FTSE EPRA index and OMX Helsinki CAP index on 3 January 2006 have been rebased to Citycon share price at EUR 3.03

CITYCON

Citycon Core Shopping Centres

Finland

Iso Omena
Built 2001
GLA 61.300 m²
Ownership 100 %

Koskikeskus
1988
26.300 m²
88 %

Myyrmanni
1994
40.300 m²
100 %

Forum
1953/91
17.500 m²
Citycon 69 %

Trio (incl. Hansa)
1977/87/2008
45.700 m²
89.3 %

Columbus
1997/07
21.000 m²
100 %

Lippulaiva
1993
23.400 m²
100 %

Sweden

Liljeholmstorget
2009
40.700 m²
100 %

Stenungstorg
1967/93
36.400 m²
85 %

Åkersberga Centrum
1985/96
30.500 m²
75 %

Tumba Centrum
1952/2002
31.300 m²
100 %

Strömpilen
1927/1997
27.000 m²
75 %

Jakobsbergs Centrum
1959/93
69.300 m²
100 %

Baltic Countries

Rocca al Mare
Estonia
1998/2009
53.500 m²
100 %

Mandarinas
Lithuania
2005
8.000 m²
100 %

Magistral
Estonia
2000
9.500 m²
100 %

Contact Information

INVESTOR RELATIONS

Mr Petri Olkinuora
CEO
Tel. +358 207 664 401
Petri.Olkinuora@citycon.fi

Mr Eero Sihvonen
CFO, Executive Vice President
Tel. +358 50 5579 137
Eero.Sihvonen@citycon.fi

Ms Hanna Jaakkola
IRO
Tel. +358 40 5666 070
Hanna.Jaakkola@citycon.fi

Disclaimer

This document and the information contained herein is strictly confidential and is being provided to you solely for your information. This document may not be retained by you and neither this document nor the information contained herein may be reproduced, further distributed to any other person or published, in whole or in part, for any purpose.

These materials do not constitute an offer or solicitation of an offer to buy securities anywhere in the world. No securities of Citycon Oyj (the "Company") have been or will be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). Certain ordinary shares of the Company have been offered to "qualified institutional buyers" (as such term is defined in Rule 144A ("Rule 144A")) under the Securities Act, in transactions not involving a public offering within the meaning of the Securities Act. Accordingly, such shares are "restricted securities" within the meaning of Rule 144 and may not be resold or transferred in the United States, absent an exemption from SEC registration or an effective registration statement. There will be no public offering of the securities in the United States.

Subject to certain exceptions, neither this document nor any part or copy of it may be taken or transmitted into the United States or distributed, directly or indirectly, in the United States, or to any "U.S. Person" as that term is defined in Regulation S under the Securities Act. Neither this document nor any part or copy of it may be taken or transmitted into Australia, Canada or Japan, or distributed directly or indirectly in Canada or distributed or redistributed in Japan or to any resident thereof. Any failure to comply with this restriction may constitute a violation of U.S., Australian, Canadian or Japanese securities laws, as applicable. The distribution of this document in other jurisdictions may also be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

This document is not intended for potential investors and does not constitute or form part of any offer to sell or issue, or invitation to purchase or subscribe for, or any solicitation of any offer to purchase or subscribe for, any securities of the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision.

No representation or warranty, express or implied, is made or given by or on behalf of the Citycon Oyj (the "Company"), or any of their respective members, directors, officers or employees or any other person as to, and no reliance should be placed upon, the accuracy, completeness or fairness of the information or opinions contained in this document or any other information discussed orally. None of the Company or any of their respective members, directors, officers or employees or any other person accepts any liability whatsoever for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection therewith.

This presentation includes forward-looking statements. The words "believe," "expect," "anticipate," "intend," "may," "plan," "estimate," "will," "should," "could," "aim," "target," "might," or, in each case, their negative, or similar expressions identify certain of these forward-looking statements. Others can be identified from the context in which the statements are made. By their nature forward-looking statements are subject to numerous assumptions, risks and uncertainties. Although we believe that the expectations reflected in these forward-looking statements are reasonable, actual results may differ materially from those expressed or implied by the forward-looking statements. We caution presentation participants not to place undue reliance on the statements

The information and opinions contained in this presentation are provided as at the date of this presentation and are subject to change without notice. Such information and opinions have not been independently verified.

By attending the presentation you agree to be bound by the foregoing limitations.