

# Citycon Q1/2023 - comparable FX rates

**+9.4%**

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

**+8.7%**

Standing NRI growth  
(vs. Q1/2022)

**+9.0%**

Standing Adjusted EPRA EPS  
(vs. Q1/2022)

**+7.6%**

Like-for-like footfall increase  
(vs. Q1/2022)

**95.4%**

Retail occupancy

**+6.2%**

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

**+1.6€&**

**24.4€**

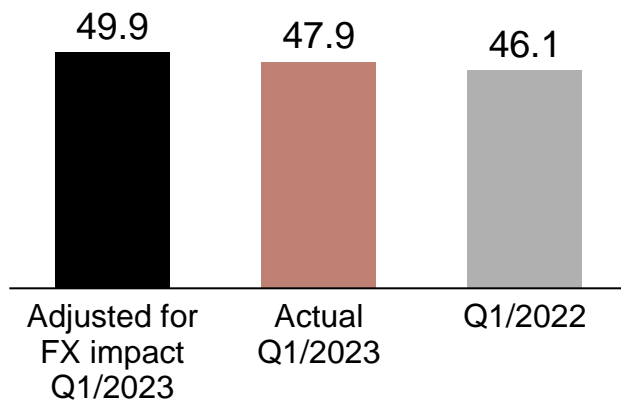
Increase & avg rent/sq.m.  
(vs. Q4/2022)

**+44.7 MEUR**

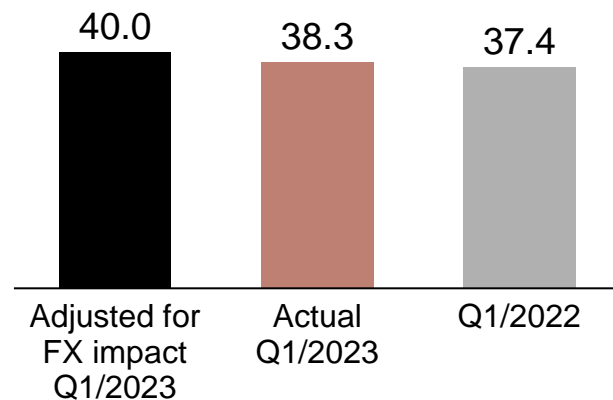
Fair value change of investment properties  
(excl. Kista)

# SEK and NOK rates near long-term, historical lows

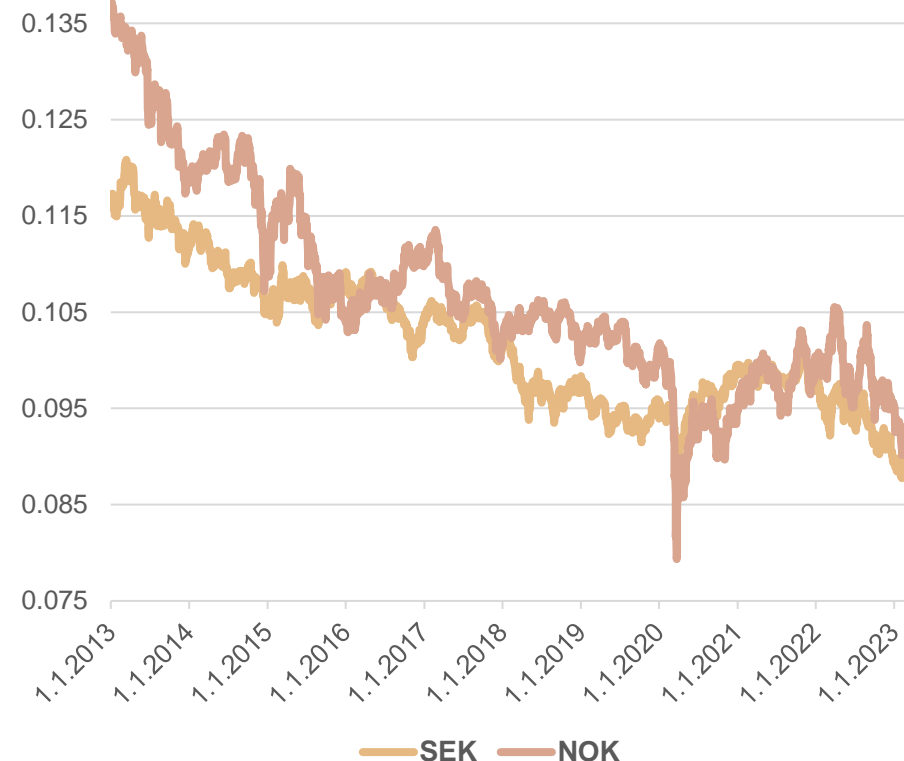
Standing net rental income



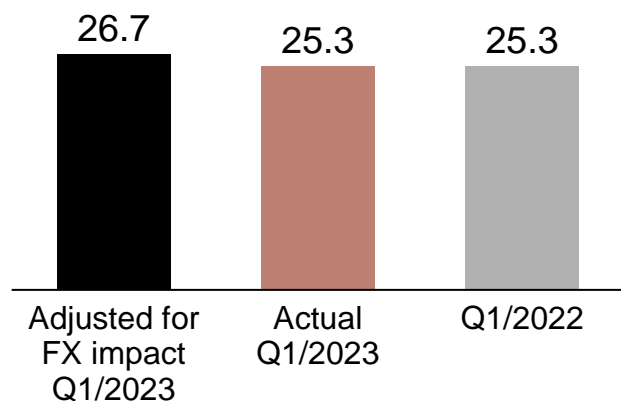
Standing direct operating profit



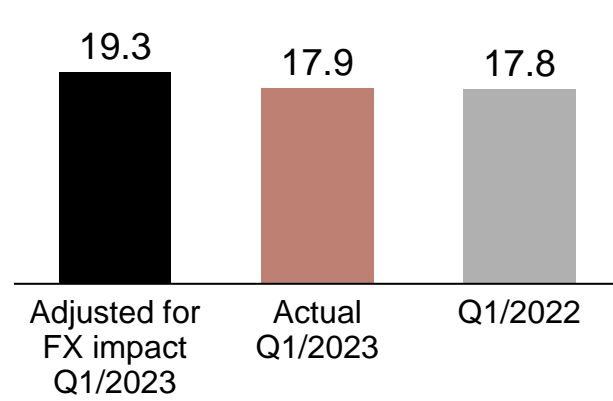
SEK and NOK rate development in last 10 years



Standing EPRA earnings



Standing adjusted EPRA earnings



# EUR 650 million credit facility signed

## Refinancing and expansion of sustainability-linked revolving credit facility

- New EUR 650 million credit facility signed to replace and expand existing EUR 500 million credit facility maturing in June 2024.
  - **EUR 400 million revolving credit facility** and
  - **EUR 250 million term loan.**
- Matures in 2026 with a 1-year extension to 2027.
- Bank group expanded to six; existing five Nordic lenders plus additional international lender.
- Banks affirmed Q4/22 values of five assets securing the facility, including Iso Omena.
- Term loan proceeds will be used to repay near-term maturities.
- Sustainability-linked facility further supports Citycon's profile as a green investment.



# Strengthening the balance sheet

## Tender offer on 2024 bond and hybrids in January 2023

- EUR 57.4 million bond tenders with EUR 41.4 million cash

## Bond repurchases from open market in March 2023

- EUR 22.5 million repurchases with EUR 21.7 million cash

## 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

**S&P reaffirmed Citycon investment grade credit rating with stable outlook**





# Property update

## Lippulaiva residentials opened in Q1/2023

- Remaining three residential towers in Lippulaiva now open
- Retail occupancy 95%
- Residential occupancy approx. 50%
  - Strong considering just opened
- Creates additional demand for the property and diversify Citycon's revenue streams.
- Net rental income not yet fully stabilized and will continue to improve as leasing progress.
- Connection to metro distinguishes it in the market

## Temporarily closure of Torvbyen post Q1

- Small non-core asset in Norway
- Closed as a precautionary measure in order to investigate movement in the building
- Remediation plan and timeline for asset reopening to be determined



# Highlights for the quarter

- **Strong operational growth**
  - LFL NRI growth 9.4% in comparable FX
  - Like-for-like tenant sales increased 6.2%
  - Retail occupancy 95.4% vs 95.1% in Q1/2022
  - Average rent per sq.m. increased by EUR 1.6 with comparable FX to EUR 24.4 per sq.m.
- Historically low FX rates impacted NRI by EUR -2.4 million
- Renewed and enlarged **credit facility** supporting S&P's affirmed IG credit rating with stable outlook
- **Continuing bond repurchases** as focus continues on balance sheet
- Completed residential phase on Lippulaiva
  - Two more pads to sell or JV
- Citycon among **Europe's Climate Leaders** for the third consecutive year according to Financial Times and Statista.
  - Citycon is the only Finnish real estate company included on the list and is in the top third of all European companies regardless of the sector.
- **Reaffirming guidance**



# Financial overview

# Q1/2023 financials

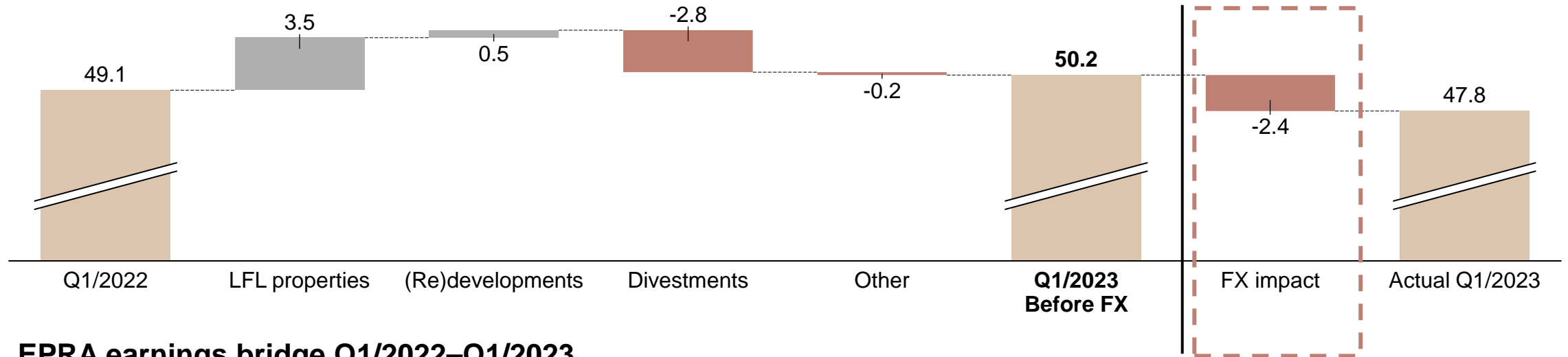
**+9.4%**  
Like-for-like NRI  
increase

EUR million	Standing*				All			
	Q1/2023	Q1/2022	Change (%)	FX Adjusted %	Q1/2023	Q1/2022	Change (%)	FX Adjusted %
<b>NRI</b>	<b>47.9</b>	<b>46.1</b>	<b>3.8 %</b>	<b>8.7%</b>	<b>47.8</b>	<b>49.1</b>	<b>-2.7 %</b>	<b>2.2 %</b>
<b>Direct operating profit</b>	<b>38.3</b>	<b>37.4</b>	<b>2.4 %</b>	<b>7.5%</b>	<b>38.3</b>	<b>40.2</b>	<b>-4.9 %</b>	<b>0.1 %</b>
EPRA earnings	25.3	25.3	-0.2 %	5.7%	25.3	28.1	-10.2 %	-4.6 %
Adjusted EPRA earnings	17.9	17.8	0.4 %	9.0%	17.9	20.6	-13.4 %	-5.8 %
<b>EPRA EPS, EUR</b>	<b>0.150</b>	<b>0.151</b>	<b>-0.1 %</b>	<b>5.7%</b>	<b>0.150</b>	<b>0.167</b>	<b>-10.2 %</b>	<b>-4.6 %</b>
Adjusted EPRA EPS, EUR	0.106	0.106	0.4 %	9.0%	0.106	0.123	-13.4 %	-5.8 %
<b>EPRA NRV per share, EUR</b>	<b>10.78</b>	<b>12.24</b>	<b>-12.0 %</b>	<b>-</b>	<b>10.78</b>	<b>12.24</b>	<b>-12.0 %</b>	<b>-</b>

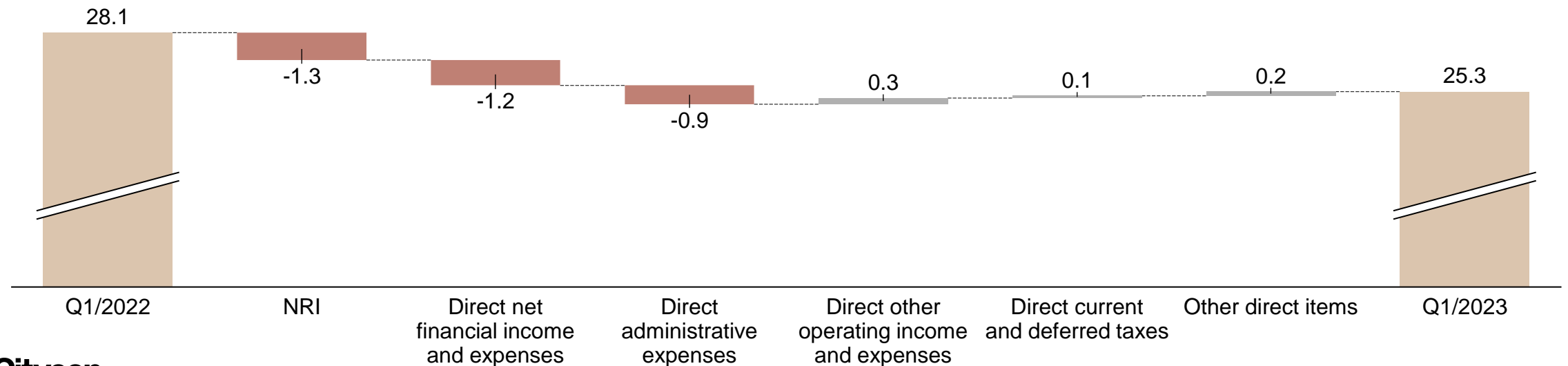


# NRI and EPRA earnings bridges

## NRI bridge Q1/2022–Q1/2023



## EPRA earnings bridge Q1/2022–Q1/2023



# Valuation improvements due to updated rents via indexation

## Fair value change

MEUR	Q1/2023	Change
Finland	3.5	
Norway	23.6	
Sweden	3.6	
Denmark & Estonia	15.6	
<b>Investment properties*, total</b>	<b>46.4</b>	
Right-of-use assets classified as investment properties (IFRS 16)	-1.6	
<b>Investment properties in the statement of financial position, total</b>	<b>44.7</b>	<b>+1.1%</b>

## EPRA per share metrics

	Q1/2023	Q4/2022
<b>EPRA NRV per share*</b>	<b>10.78</b>	<b>11.01</b>
EPRA NTA per share	9.43	9.66
EPRA NDV per share	10.22	10.42
Average yield requirement,%*	5.5	5.5

**Increase in net fair value resulting from increased market rents due to indexation**

# Credit facility

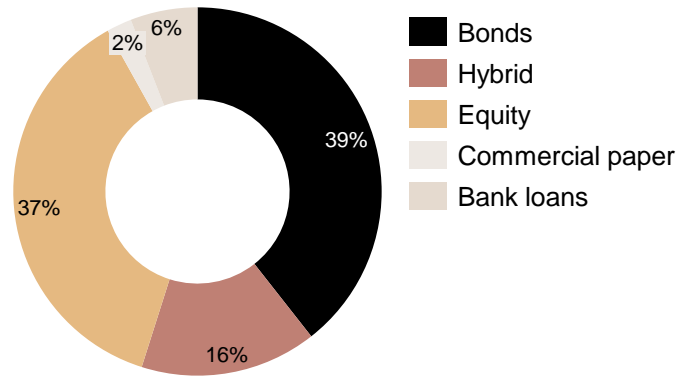
	RCF	Term Loan
<b>Total volume</b>	EUR 400 million	EUR 250 million
<b>Pricing at BBB-</b> (Based on rating grid)	215 bps	230 bps
<b>Tenor</b>	3+1 years	3+1 years
<b>Security</b>	Common 5 asset security package	
<b>Sustainability adjustment</b>	+/- 5bps based on meeting pre-defined targets	

- The facility has six banks, with one international bank being added to our existing five Nordic lenders.
- Demonstrates our access to debt financing and the strength of our core bank relationships.
- All banks are increased their total commitment to Citycon.
- Sustainability-linked facility further supports Citycon’s profile as a green investment.



# Strong, liquid balance sheet following the new credit facility signed on 28 April

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



- No material maturities thru 2024
- 2.9 years weighted avg maturities
- 2.46% weighted avg interest rate

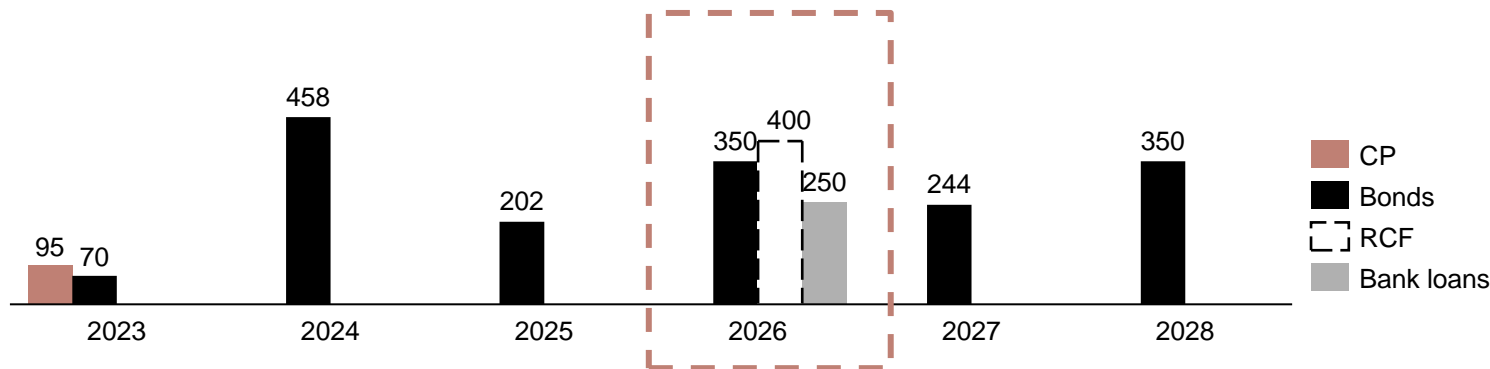


**Total available liquidity EUR 678 million\*\***



**Unencumbered assets > 85%\*\*\***

## Well laddered maturities (EUR million)\*



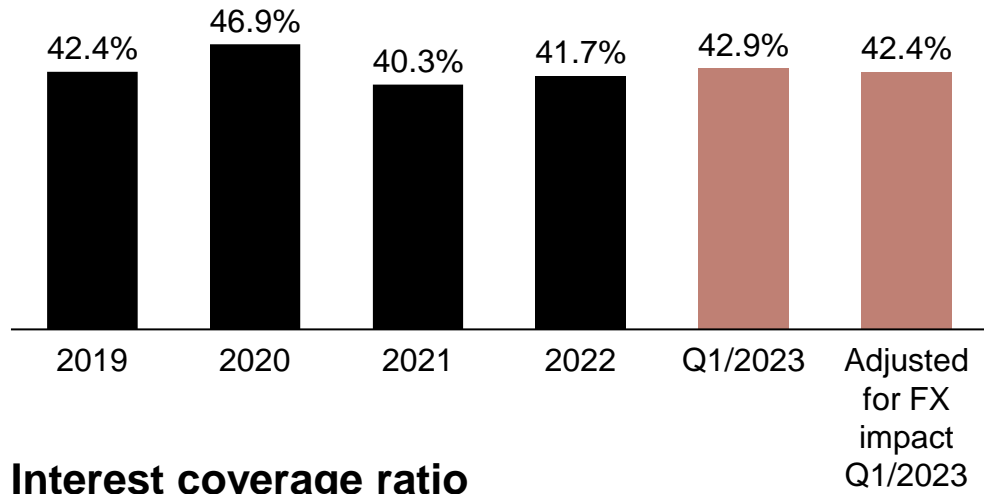
**Investment grade  
S&P - BBB- (Stable)  
Moody's - Baa3 (Negative)**

\* Situation after new EUR 650 million credit facility signed on 28 April  
 \*\*As of 31 of March, total available liquidity was EUR 528 million  
 \*\*\*Including EUR 250 million secured term loan. Excluding EUR 400 million undrawn RCF and Kista 1.22 BNSEK JV debt.

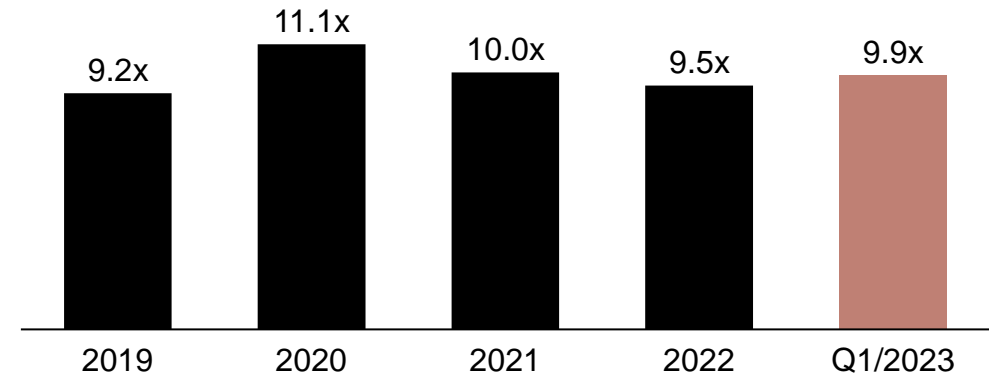


# Stable credit ratings

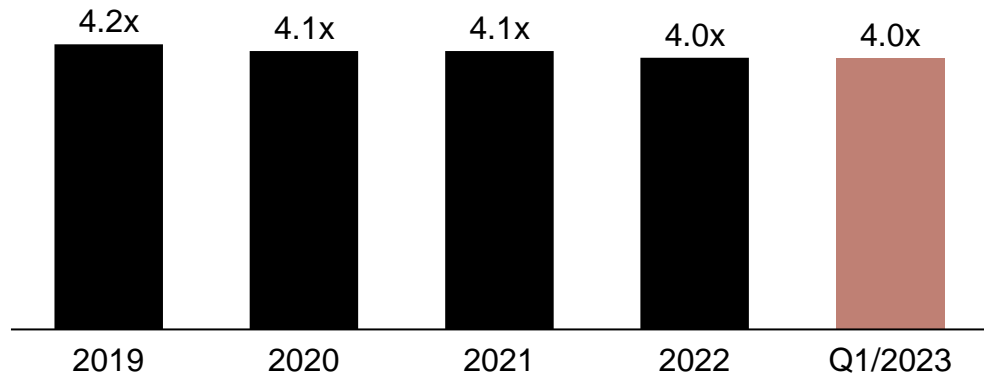
## Loan to value (IFRS)



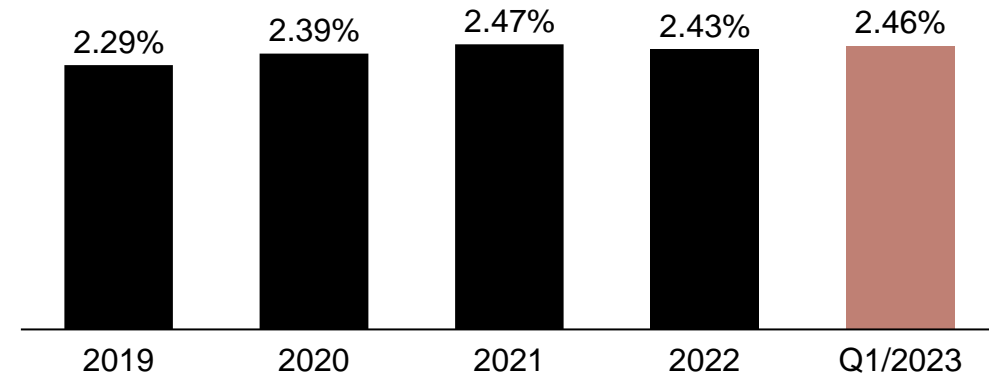
## Net debt to ebitda



## Interest coverage ratio



## Weighted average interest rate



# 2023 Guidance - affirmed

## Outlook for 2023

<b>Direct operating profit (MEUR)</b> (Midpoint)	<b>174–192</b> <b>(183)</b>
<b>EPRA Earnings per share (basic) (EUR)</b> (Midpoint)	<b>0.69–0.81</b> <b>(0.75)</b>
<b>Adjusted EPRA Earnings per share (EUR)</b> (Midpoint)	<b>0.51–0.63</b> <b>(0.57)</b>

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.





# Q&A





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