Citycon Webcast Presentation

FULL YEAR RESULTS 2010

CITYCON
creating success for retailing

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Strategy

Citycon

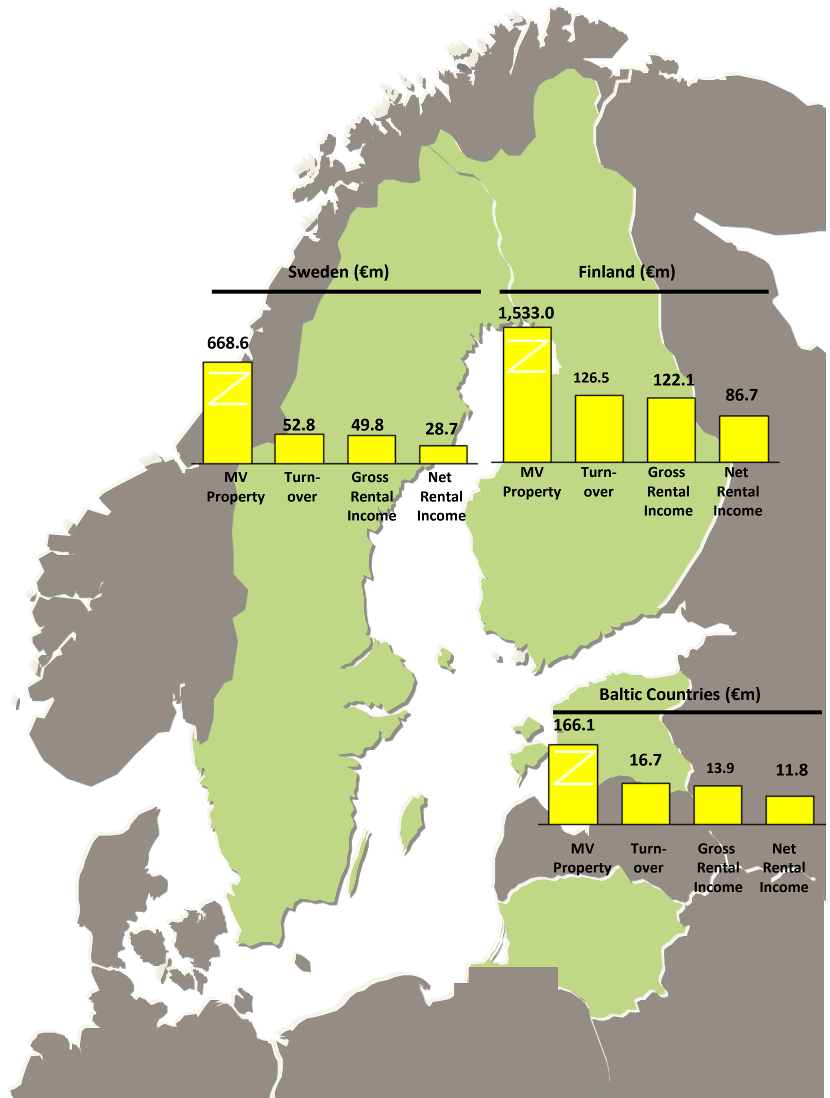
- wants to be the leading shopping centre owner, operator and developer in the Nordic and Baltic countries.
- invests in shopping centres and retail properties in major growing cities with good demographics.
- seeks growth through matching acquisitions and property development.
- adds value on investment 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.

Geographical Overview

FINLAND
- 68.2% of total net rental income
- Net rental income EUR 86.7 million
- Market leader with 22.7% market share
- 22 shopping centres, 42 other retail properties, one unbuilt lot

SWEDEN
- Net rental income accounted for 22.6% of Citycon's total net rental income
- Net rental income EUR 28.7 million
- 8 shopping centres, 7 other retail properties

BALTIC COUNTRIES
- NRI 9.3% of Citycon's total NRI
- Net rental income EUR 11.8 million
- 3 shopping centres



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Main Points of 2010

Extension part of Åkersberga Centrum in Österåker

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Main Points - 2010 (vs. 2009)

- In 2010, we did not reach our expectations regarding operational performance due to costs and slower than expected stabilisation of completed (re)development projects. The ongoing redevelopment projects and repositioning of existing properties reduced temporarily the company's leasable area by some 30,000 square metres during the year, which affected net rental income.
- Occupancy rate improved **95.1**% (95.0%)
- The fair value change was EUR **50.8** m (EUR -97.4 m) and the market value of property portfolio was EUR **2,367.7** m (EUR 2,147.4 m)
- The valuation yield **6.4%** (6.6%) by external appraiser
    - FINLAND 6.4%
    - SWEDEN 6.1%
    - THE BALTIC COUNTRIES 8.1%

Main Points - 2010 (vs. 2009)

- Turnover grew by **5.2**% to EUR **195.9** m
- Three major (re)development projects underway, total estimated investment in all current projects approx. EUR **100** m
- Citycon disposed non-core properties mainly in Sweden for EUR **67.9** million and completed redevelopment projects, development capex totalled EUR **125.3** million.
- In September, directed share issue 22 million new shares, EUR 63.1 million
- Changes in the management; **New CEO Marcel Kokkeel** (from 23 March 2011) and new head of Finland Michael Schönach

- Pay-out proposal: EUR **0.14**
  - EUR **0.04** of per-share dividend and EUR **0.10** of per-share equity return.

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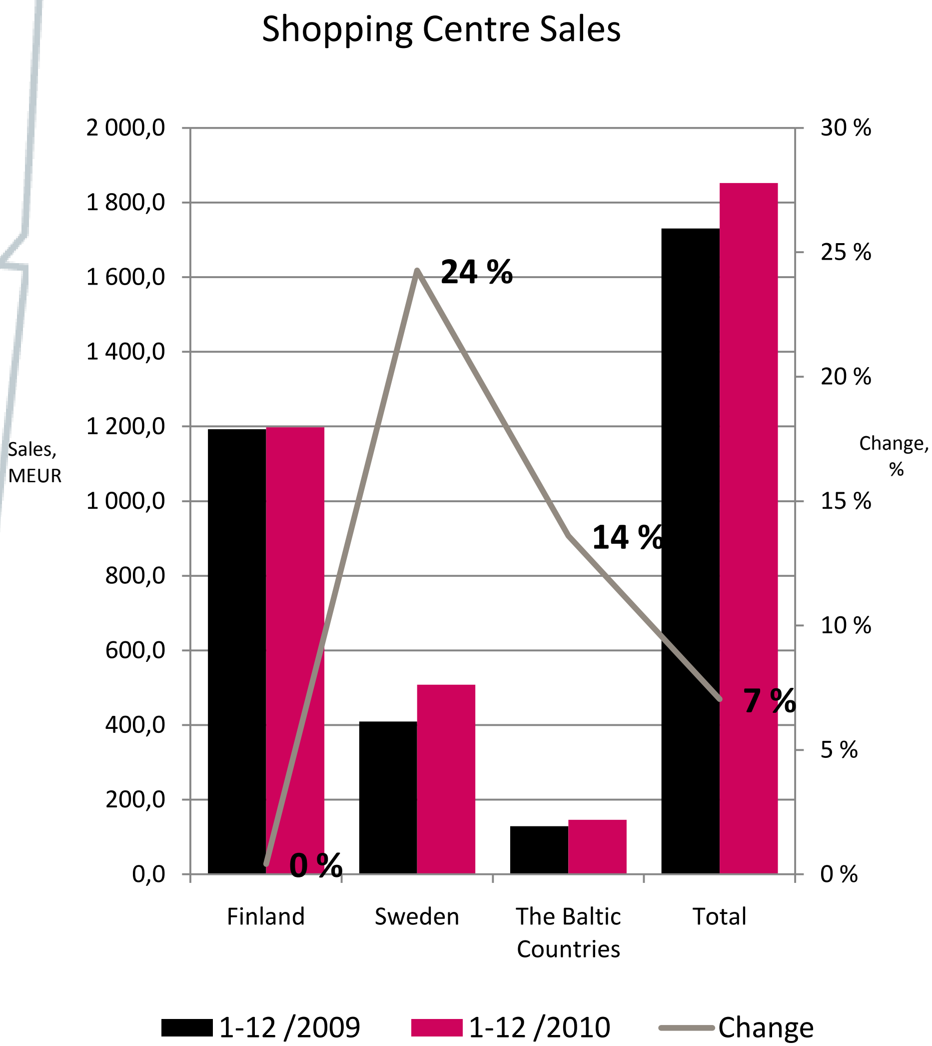
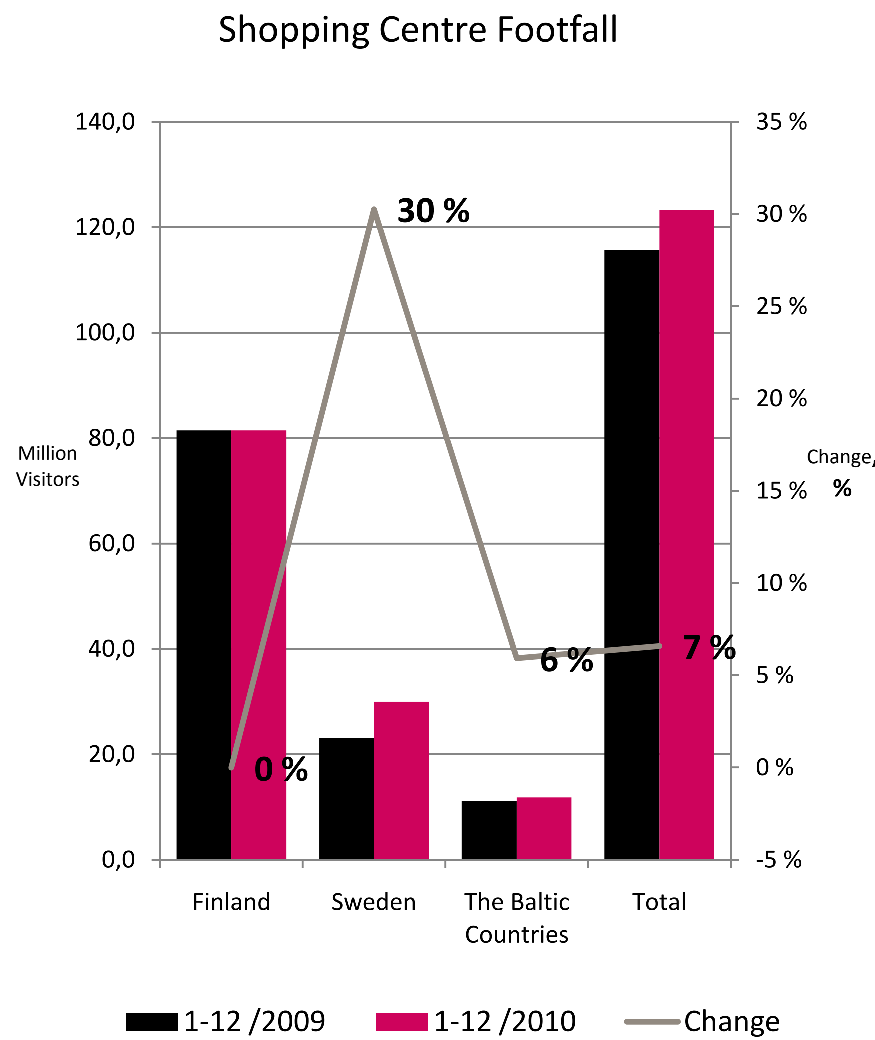
Shopping Centre Sales and Footfall, 2010





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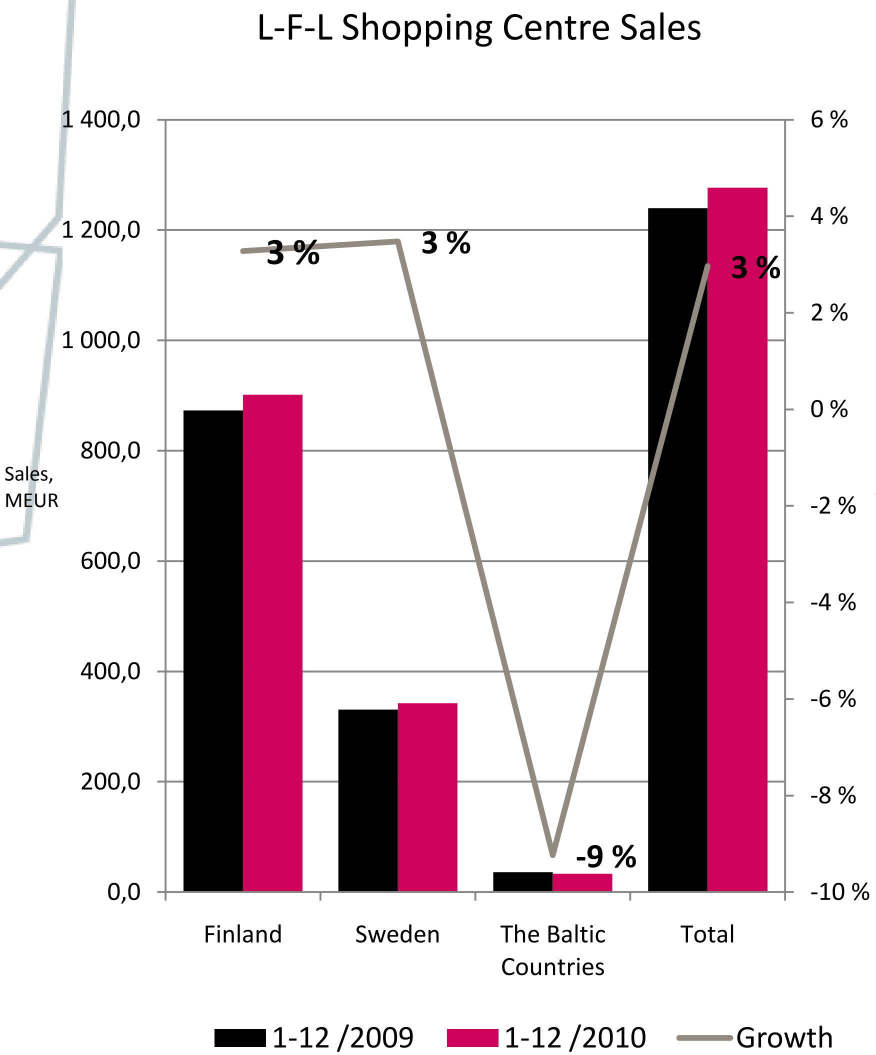
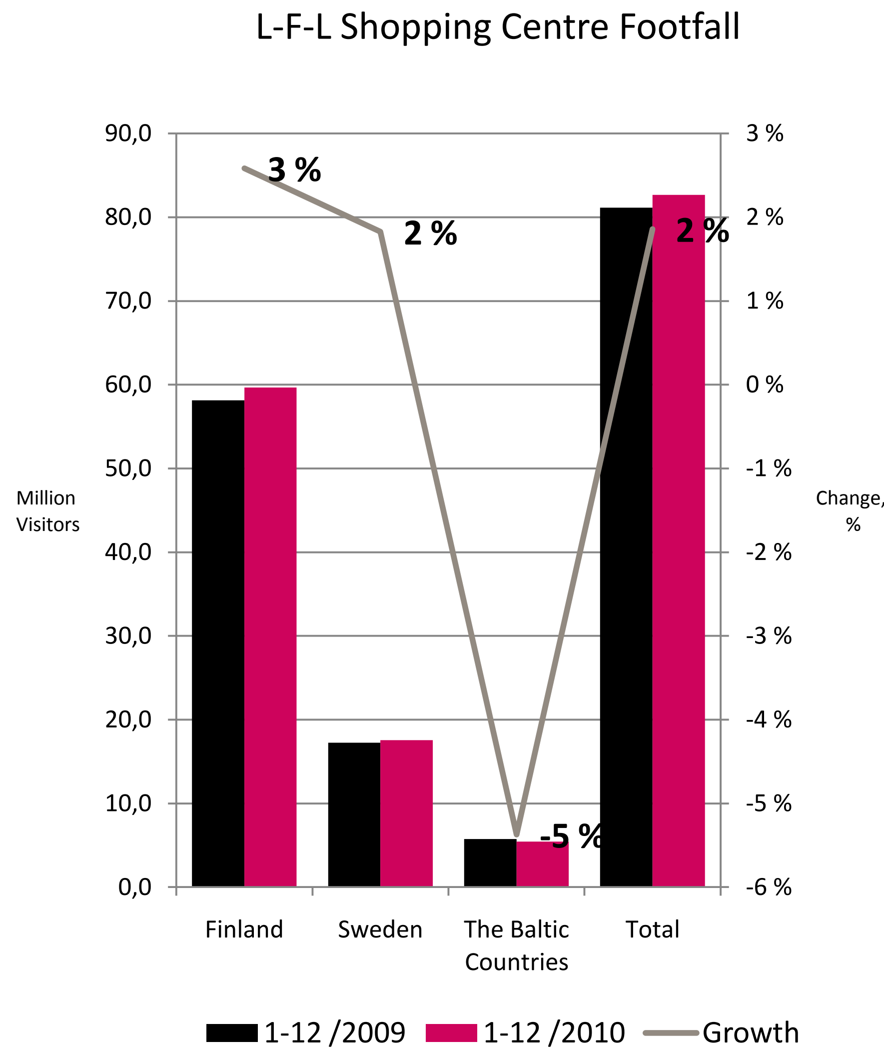
Like-for-like Shopping Centre Sales and Footfall, 2010





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Business Environment

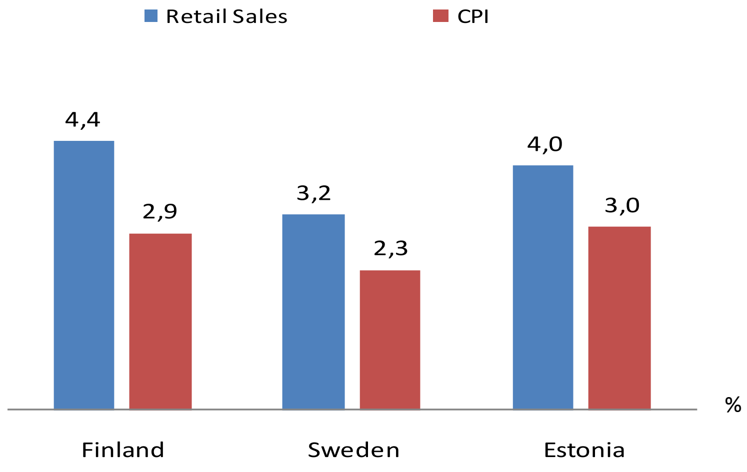
In 2010, retail sales increased by 3.8% in Finland,3.7% in Sweden and by -4.0% in Estonia.

The property market has picked up, especially in Sweden.

Consumer confidence stronger, unemployment rates have turned. Unemployment rates in December:

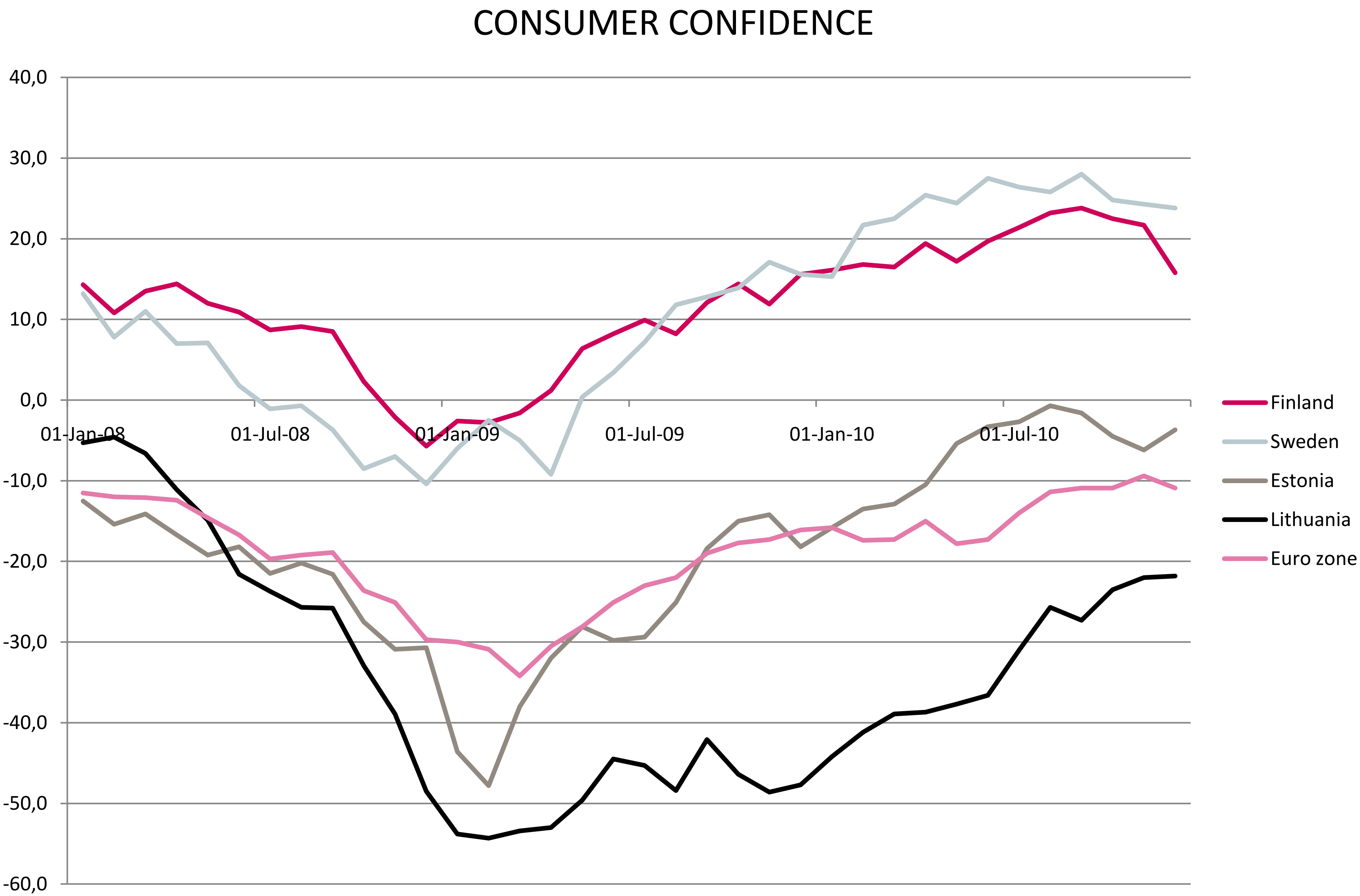
- FINLAND 7.9%
- SWEDEN 7.4%
- ESTONIA 15.5% (September)

RETAIL SALES
AND CPI, December 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.

Sustainability

Strategical Objectives Related to Environmental Responsibility

Climate change

Reduction of greenhouse gas emissions by 20% by year 2020 from the 2009 baseline level (the EU objective is to reduce emissions by 20% by 2020 from the 1990 level).

Energy

Reduction of energy consumption (electricity and heat) by 9% by 2016 from the 2009 level

Improvements in energy efficiency

Identifying and implementing solutions that utilise renewable energy .

Water

Keeping water consumption on an average level of less than 3.5 litres per visitor

Waste management and recycling

Shopping centre waste recycling rate to be raised to at least 70% by 2015

Reduction of landfill waste to a maximum of 30% of total waste volume by 2015

Land use and sustainable project development

All development projects to be implemented in accordance with environmental classification principles

Development projects are located in built-up environments, within reach of good transport connections

Key Results related to Sustainability in 2010

- The redevelopment and extension project of the Rocca al Mare shopping centre was awarded a silver LEED® certificate – first ever in Baltic countries.
- The project of the Liljeholmstorget Galleria shopping centre, was the first European shopping centre to be awarded the highest, platinum LEED® certificate.
- The environmental results of each shopping centre were discussed and an action plan for each centre to fulfill its environmental responsibility objectives was determined.
- The Green Index, which express the results of Green Shopping Centre Management programme, improved by 26 per cent from the previous year.
- The annual targets for environmental objectives were met in electricity consumption, water consumption, waste recycling and land use and sustainable construction.
- Many campaigns, e.g Earth Hour, Ilmastotalkoot, recycling were held in shopping centres to promote Citycon's environmental awareness among the consumers.

Summary of Environmental Targets and Results in 2010

Strategic objectives related to environmental responsibility	Targets in 2010	Results in 2010
Climate Change		
Reduction of greenhouse gas emission by 20 per cent by year 2020 from the 2009 level	2 %	not achieved
Energy		
Reduction of energy consumption (electricity and heat) by 9 per cent by 2016 from 2009 level	1-2%	electricity achieved heating not achieved
Improvements in energy efficiency		in progress
Identifying solution that utilise renewable energy	-	in progress
Water		
Lowering water consumption to an average level of less than 3.5 litres per visitor	3.9 l/visitor	achieved
Waste		
Shopping centre waste recycling rate to be raised to at least 75 per cent by 2015	70 %	achieved
Reduction of landfill waste to a maximum of 30 per cent of total waste by 2015	30 %	achieved
Landuse and Sustainable Construction		
All development projects to be implemented in accordance with environmental classification principles	all projects ongoing in 2010 assessed with LEED criterias	achieved
Development projects are located in built-up environments, within reach of good public transport connections	100 %	achieved

(Re)development Projects

Iso Omena's lower, hypermarket, level

Ongoing (Re)development Projects

PROPERTY	AREA, sq.m. before and after	TOTAL ESTIMATED NEW INVESTMENT, MEUR	ACTUAL CUMULATIVE CAPEX, by the end of period, MEUR	Expected yield on completion when stabilized,% 1)	EST. FINAL YEAR OF COMPLE-TION	
Åkersberga Centrum Österåker, SWE	20 000 27 500	51.1 2)	44.5	7.3	2011	Refurbishment and extension of the shopping centre in the Greater Stockholm area. Citycon owns 75%, minority owner/investor (25%) local municipality-owned real estate company. Extension opened in October 2010.
Martinlaakso Vantaa, FIN	3 800 7 300	22.9	7.2	7.4	2011	Building of a new retail centre replacing the existing one next to the Martinlaakso railway station.
Myllypuro Helsinki, FIN	7 700 7 300	21.3	14.3	7.4	2012	Building of a new retail centre replacing the existing one next to the Myllypuro subway station.
Hansa (Trio) Lahti, FIN	8 000	8.0	5.0	6.6	2011	The refurbishment of Hansa property located next to Trio.
Myyrmanni Vantaa, FIN	8 400	4.8	4.2		2010	Refurbishment of the 1st floor premises and tenant improvements on the ground floor.
Kirkkonummen liikekeskus Kirkkonummi, FIN	5 000	4.0	1.6		2010	Refurbishment of the retail centre.
Isolinnankatu Pori, FIN	7 600	3.0	1.5		2010	Refurbishment of the retail premises in two phases.

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

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2) 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).

In 2010 Completed Redevelopment Projects

Forum

Jyväskylä, Finland

The interior premises (12,000 m^2)and the commercial concept of Forum, in the heart of Jyväskylä, was totally redeveloped. As a city centre shopping centre, Forum is focused on fashion and cafés and restaurants. Forum is visited by more than 120,000 customers weekly.
The number of inhabitants in the catchment area is 142,200, with 68,100 households.

GLA, m^2	15,100
Total new investment, EUR m	16.0
Actual cumulative CAPEX, EUR m	16.0
Expected yield on completion when stabilized, %	11.2

In 2010 Completed Redevelopment Projects

Espoontori
Espoo, Finland

Citycon refurbished approx. 10,000 m^2 of shopping centre Espoontori's retail premises and parking facility. Espoontori is situated in the administrative centre of Espoo in connection to the railway station. The number of inhabitants in the catchment area is 58,000, with 23,400 households. Citycon is planning to expand the centre to the adjacent lot owned by Citycon.

GLA, m^2	16,400
Total new investment, EUR m	25.8
Actual cumulative CAPEX, EUR m	22.2
Expected yield on completion when stabilized, %	6.9

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Key Figures and Property Portfolio

Extension part of Åkersberga Centrum in Österåker

Snapshot of Statement of Comprehensive Income

EUR million	Q4/2010	Q4/2009	2010	*2009*
Gross rental income	47.4	45.2	185.9	*177.8*
Service charge income	2.5	3.7	10.0	*8.5*
Turnover	49.9	48.9	195.9	*186.3*
Property operating expenses	17.9	17.0	67.4	*60.2*
Other expenses from leasing operations	0.2	0.3	1.3	*0.7*
Net rental income	31.8	31.6	127.2	*125.4*
Administrative expenses	7.8	5.4	23.3	*17.8*
Net Fair value gains/losses on investment property	11.3	-38.6	50.8	*-97.4*
Net Gains on sale of investment property	-0.1	-	2.6	0.1
Operating profit/loss	35.4	-12.4	157.7	*10.3*
Net Financial income and expenses	-13.4	-12.0	-54.9	*-47.7*
Profit/loss before taxes	22.0	-24.4	102.8	*-37.5*
Current taxes	5.3	-1.2	-0.6	*-6.5*
Change in deferred taxes	-9.6	1.3	-11.8	*7.0*
Profit/loss for the period	17.7	-24.3	90.4	*-36.9*
Other comprehensive expenses/income for the period, net tax	12.4	0.7	6.9	*-3.0*
Total Comprehensive profit/loss for the period, net of tax	30.1	-23.6	97.3	*-39.9*

EPS (basic), EUR	*0.06*	*-0.11*	*0.34*	*-0.16*
EPS (diluted), EUR	*0.06*	*-0.11*	*0.34*	*-0.16*
Direct Result	*13.5*	*12.5*	*47.3*	*50.9*
Indirect result	*0.90*	*-36.3*	*31.1*	*-85.2*
Direct EPS (diluted), EUR (EPRA EPS)	*0.06*	*0.06*	*0.21*	*0.23*
Net cash from operating activities per share, EUR	*0.00*	*0.06*	*0.09*	*0.30*
Profit/loss for the period attributable to parent company shareholders	*14.4*	*-23.8*	*78.3*	*-34.3*

Main Points

- Direct result decreased to EUR **47.3** m (50.9 m).

- Direct result per share (diluted) was EUR **0.21** (EUR 0.23). The decrease in direct operating profit and increased financial expenses were compensated by lower direct income taxes.

- Profit before taxes was EUR **102.8** million (EUR -37.5 m) incl. **50.8** million (EUR -97.4 m) change in property fair value

- Net cash from operating activities per share EUR **0.09** (EUR 0.30)
  - Due to lower direct operating profit, extra ordinary items and timing differences

- Total asset stood at EUR **2,436.5** million

- Equity ratio **37.1**%, hedging ratio of the loan portfolio **80.3**%

Property Portfolio

- **3,753 (4,235)** leases with an average length of **3.2** (3.1) years
- GLA totalled **942,280** m^2
- Net rental income increased by **1.4**% to EUR **127.2** m, net rental income for like-for-like properties decreased by **0.3**% due to higher property operating expenses

- Net rental income for like-for-like properties decreased by **0.3**%
  - (Excl. impact of strengthened Swedish krona) 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
- Net rental income in l-f-l shopping centres increased by **2.6**%
- 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, **43.0**% (2009 36.0 %) of rental agreements were also tied to tenant's turnover
  - In 2010, approx. **1**% of rental income came from turn-over based part of the rental agreements

Like-for-like and other NRI Development by Segments 2009 vs. 2010

EUR million	Finland	Sweden	the Baltic Countries	Other	Total
1-12'2008	**90,9**	**24,1**	**6,8**	**0,0**	**121,8**
Acquisitions	0,0	-	-	-	0,0
(Re)developments	1,0	1,0	3,3	-	5,4
Divestments	-0,2	-	-	-	-0,2
Like-for-like	0,7	0,5	-0,4	-	0,8
Other (incl. exch. diff.)	0,0	-2,4	0,1	0,0	-2,3
1-12'2009	**92,4**	**23,2**	**9,8**	**0,0**	**125,4**
Acquisitions	-	-	-	-	0,0
(Re)developments	-4,6	3,5	2,2	0,0	1,0
Divestments	-0,3	-1,2	-	0,0	-1,6
Like-for-like	-0,6	0,6	-0,2	0,0	-0,2
Other (incl. exch. diff.)	0,0	2,6	0,0	0,0	2,5
1-12'2010	**86,7**	**28,7**	**11,8**	**0,0**	**127,2**

- Approximately 17,500 m² (on average during 12 months) more space off-line due to redevelopment projects in Myyrmanni, Espoontori, Forum, Hansa, Myllypuro, Kirkkonummen liikekeskus, Porin Isolinnankatu and Martinlaakso.

- LFL negative in Finland due to approximately 5,500 m² higher vacancy, low indexation and colder winter (heating and snow cleaning 1.0M€). LFL-growth was -1.0% in Finland.

- Residential towers in Jakobsberg and residential in Åkersberga moved to divestments.

- Rental discounts in the LFL properties (Mandarinas + Magistral) higher by 0.2M€ in 2010 than in 2009. LFL-growth was -10.8% in the Baltic Countries.

- LFL-growth was +3.2% in Sweden.

- Stronger SEK contributed to NRI positively by 2.6M€.

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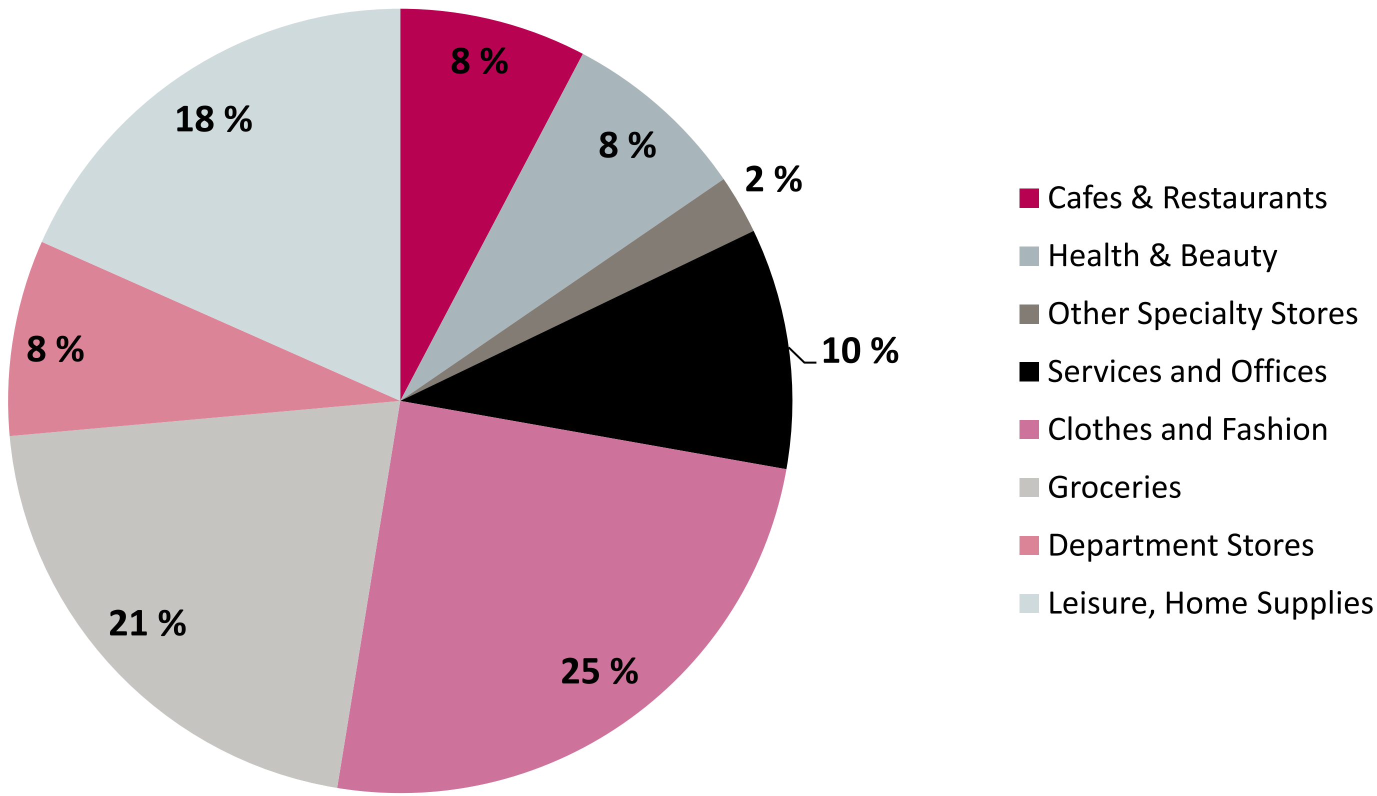
Property Portfolio

TOTAL PORTFOLIO	Q4/2010	Q4/2009	2010	2009
Number of leases started during the period	245	386	789	873
Total area of leases started, sq.m. 1)	47 621	69 262	160 215	141 628
Average rent of leases started (EUR/sq.m.) 1)	18.3	25.1	17.9	23.0
Number of leases ended during the period	294	184	1 279	781
Total area of leases ended, sq.m. 1)	25 114	28 213	190 489	127 730
Average rent of leases ended (EUR/sq.m.) 1)	20.0	19.3	16.2	17.5
Average rent (EUR/sq.m.)			19.2	17.4
Occupancy rate at the end of period, %			95.1	95.0

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

First Possible Termination Year of the Leases by Contract Type, 31 Dec 2010

Shopping Centre Rental Income by Branches Based on Valid Rent Roll at 31 Dec. 2010



Financing

Leed® Platinum shopping centre Liljeholmstorget in Stockholm

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Financing Overview

- Total asset stood at EUR **2,436.5** million
- Total liquidity of EUR **245.0** million incl. unutilized committed debt facilities (EUR 225.5 m) and cash (EUR 19.5 m)
- Average year-to-date interest rate was **4.04**%.
- Period-end average interest rate was **3.91**% for fixed rate borrowings and swaps.
- The average loan maturity stood at **3.1** years (3.6 years).
- Net financial expenses stood at EUR **54.9** million (EUR 47.7 million)
- Two covenants
  - Equity ratio: Covenant level 32.5%, equity ratio as defined in loan agreements was **39.4**%
  - Interest cover ratio: Covenant level 1.8x, Citycon's period end ICR **2.0**x

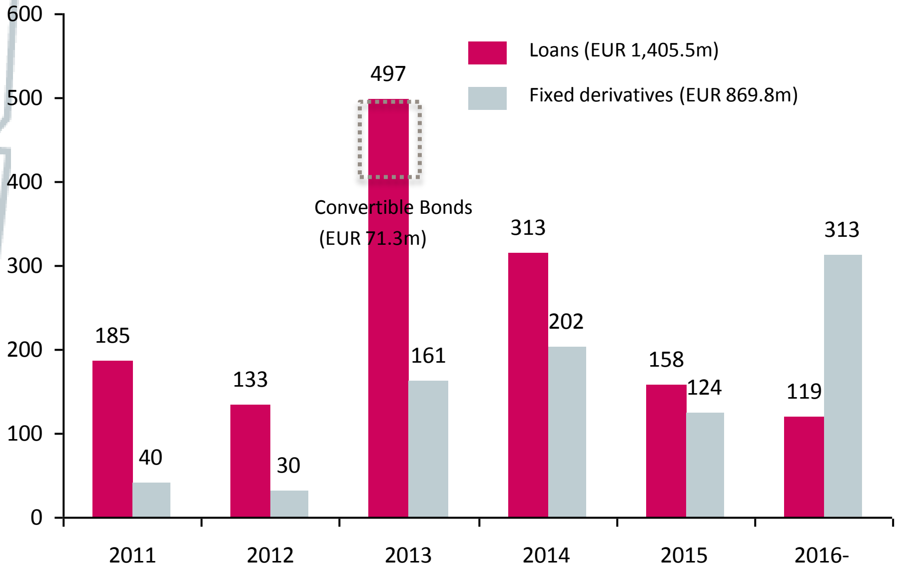
Snapshot of Statement of Financial Position

Statement of Financial Position, EUR million	31 Dec 2010	31 Dec 2009
Investment property	2,367.7	2,147.4
Total non-current assets	2,378.1	2,161.4
Current assets	56.9	65.9
Assets total	2,436.5	2,253.2
Total shareholder's equity	900.2	767.9
Total liabilities	1,536.3	1,485.3
Liabilities and share holders equity	2,436.5	2,253.2

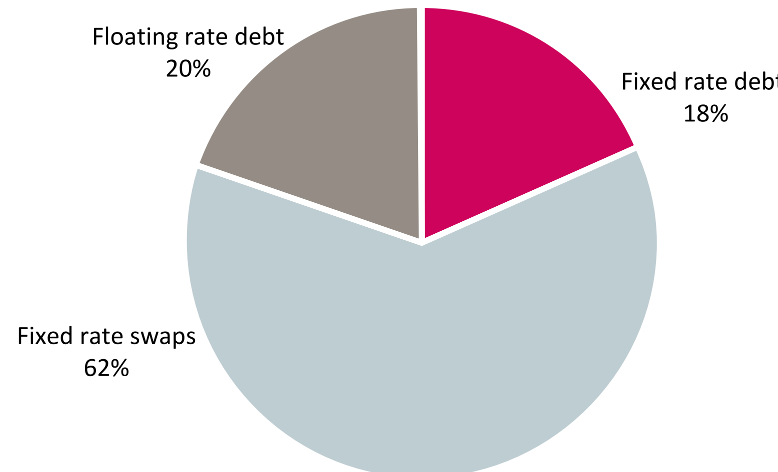
KEY FIGURES		
Equity ratio, %	37.1	34.2
Gearing, %	153.1	169.5
Equity per share, €	3.47	3.31
Net Asset value (EPRA NAV) per share, €	3.79	3.64
EPRA NNNAV, €	3.49	3.35
Net Rental Yield (actual), %	5.8	6.1
Average Net Yield Requirement (valuation yield by external appraiser)	6.4	6.6

Key Figures – Financing Overview

Maturity profile of loans and derivatives



Interest-bearing debt by fixing type
EUR 1,405.5 million 1)

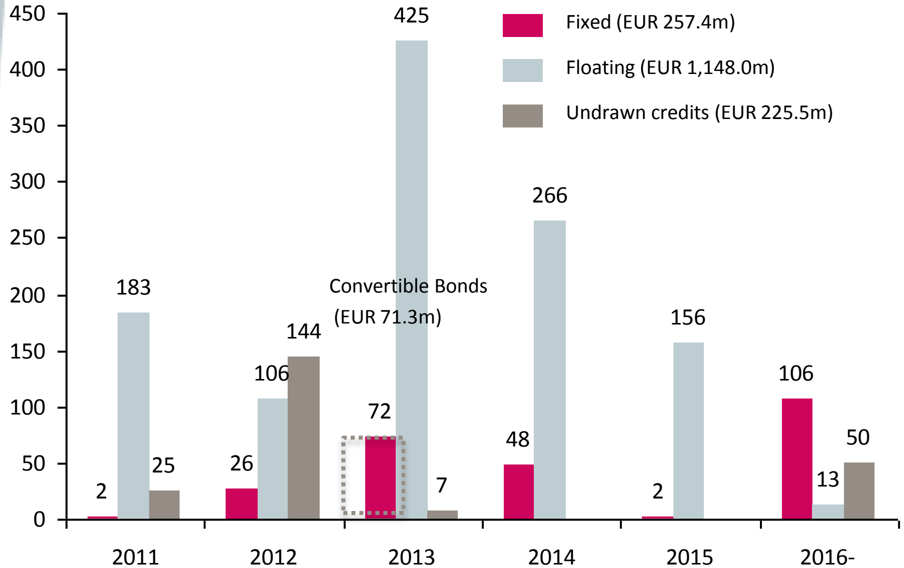


- During fourth quarter in 2010, the period-end interest-bearing **net debt increased by EUR 43 million** as a result of investments and stronger Swedish krona
- **Refinancing not a problem -** Citycon has demonstrated its access to both equity and debt markets in 2010. Total available liquidity increased in Q4 to EUR 245 million

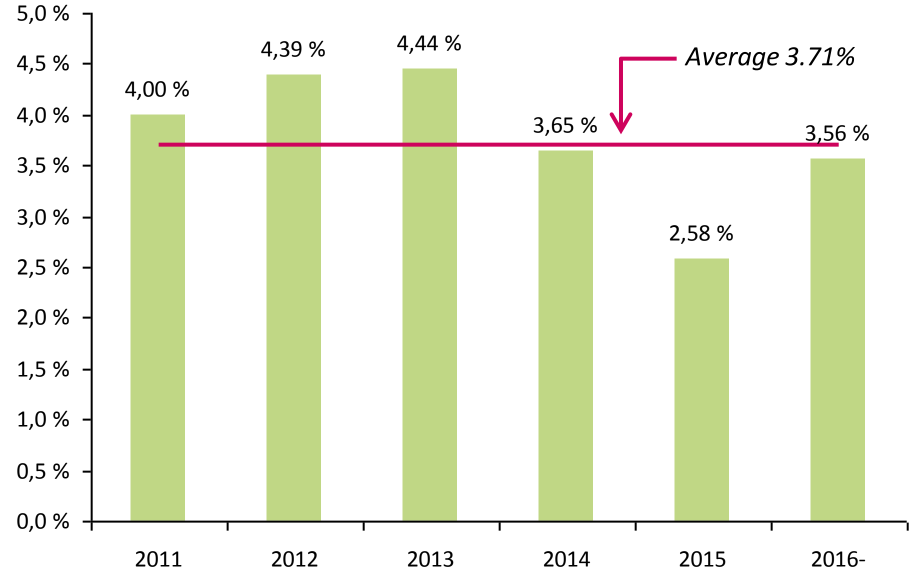
1) Carrying value of debt as at 31 Dec 2010 was EUR 1,397.7 million. The difference between fair and carrying value equals the capitalized fees of long term loan facilities and convertible bond issue as well as to the equity component of the convertible bond which is recognized under equity.

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
- Short term debt consist mainly of maturing syndicated RCF due in August together with commercial papers and normal annual repayments. Citycon plans to refinance the maturing RCF
- Available committed undrawn credits are mainly of long term nature which fall due in 2012, 2013 and 2016
- Period-end average interest rate was 3.71% for fixed rate borrowings and swaps lower due to new lower rate long term swaps executed (Q3 2010: 3.91%)

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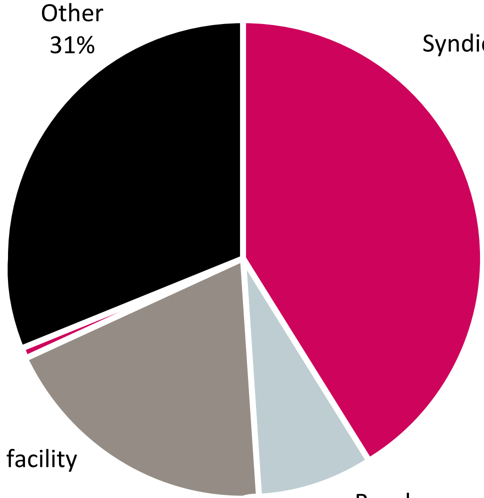
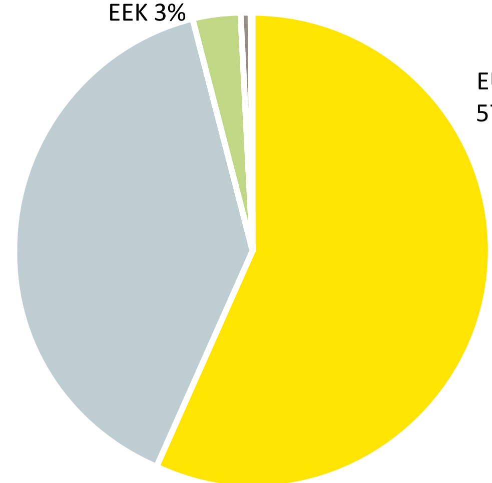
Key Figures - Debt Portfolio

Breakdown by debt type
EUR 1,405.5 million 1)



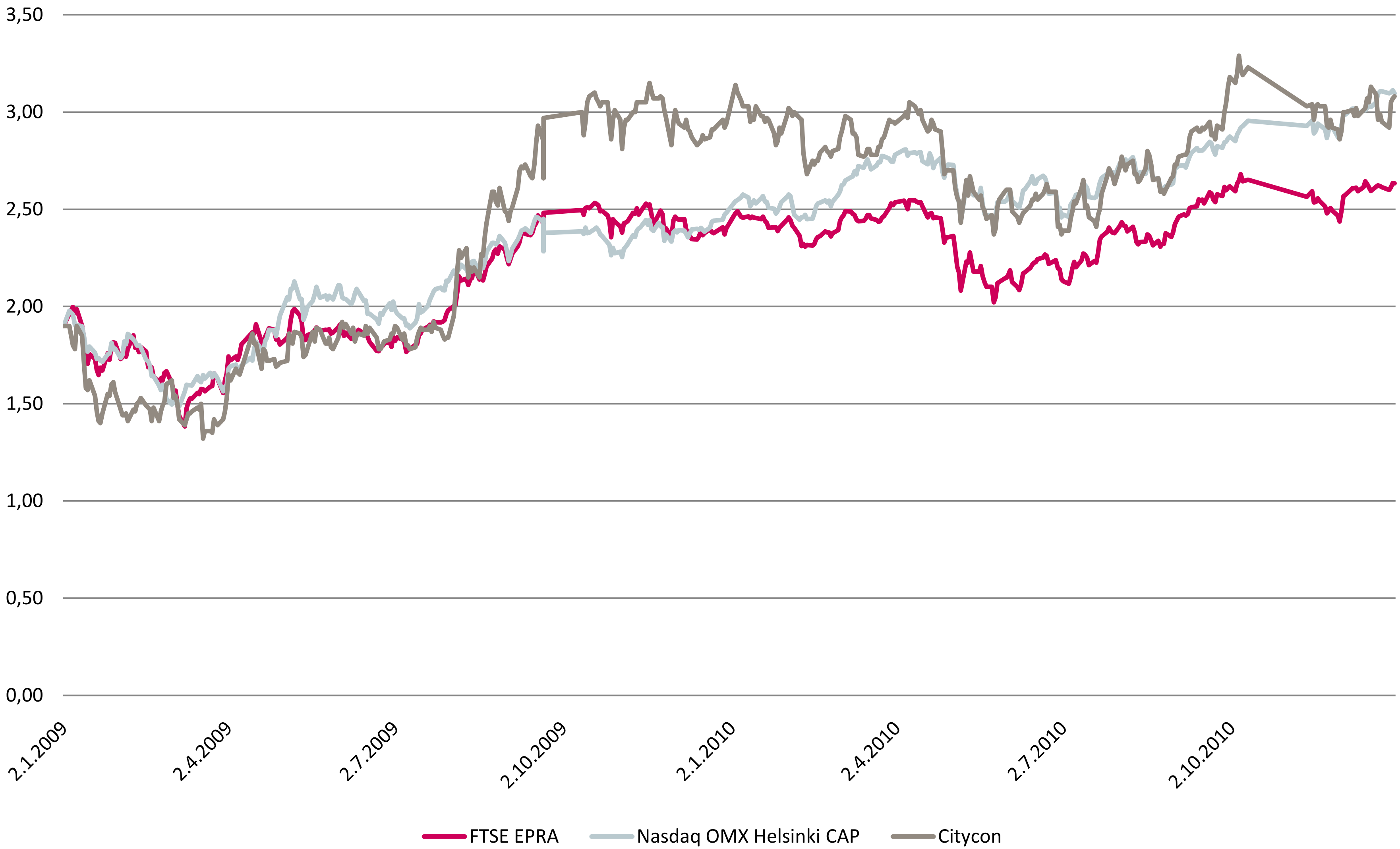
Breakdown by currency
EUR 1,405.5 million 1)



- The backbone of the debt financing continues to be the syndicated term and revolving facilities together with the bonds issued which comprise of **68 %** of the debt portfolio
- For twelve-months period ending 31 Dec 2010 the average year-to-date interest rate was **4.04 %** (Q3/2010: 4.01 %) and the period-end current run rate stayed below 4 % at 3.91 % adjusted with the impact of swap unwinding

1) Carrying value of debt as at 31 Dec 2010 was EUR 1,397.7 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 2 January 2009 have been rebased to Citycon share price at EUR 1.90

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
Vice President, IR and Communications
Tel. +358 40 5666 070
Hanna.Jaakkola@citycon.fi