



 **Citycon**

Q1/2024

New leadership team



HENRICA GINSTRÖM
CHIEF EXECUTIVE
OFFICER



SAKARI JÄRVELÄ
CHIEF FINANCIAL
OFFICER



HELEN METSVAHT
CHIEF OPERATING
OFFICER



JUSSI VYYRYLÄINEN
SR. VICE PRESIDENT,
LEASING



ERIK LENNHAMMAR
CHIEF DEVELOPMENT
OFFICER

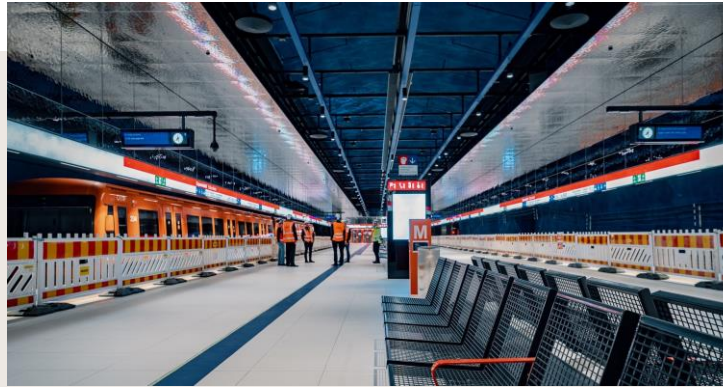
We stay committed to our necessity-based strategy

Dense and growing locations



Densely populated **urban locations** in the largest and fast-growing cities in the Nordics

Convenient, everyday use throughout cycles



All Citycon's centers connected to **public transportation**

Top credit tenants with low OCRs







Grocery anchored centers with a large share of necessity and municipal tenants

45%

Citycon tenants are necessity based

High share of groceries and low share of fashion de-risks the business

	Average rent	Average lease term	% of GRI
 Groceries	25.5 EUR/sqm	>5 years	19.3%
 Services and Offices	24.1 EUR/sqm	~4 years	15.2%
 Cafes and Restaurants	35.8 EUR/sqm	~3 years	10.8%
 Fashion	23.0 EUR/sqm	<2 years	18.7%
TOTAL*	25.1 EUR/sqm	3.5 years	

*Includes all subcategories (home and sporting goods, cosmetics and pharmacies, wellness, residential and hotels, specialty stores and leisure)



Q1/2024: Strong underlying business performance

+6.5%

LFL NRI growth
with comparable FX
(vs. Q1/2023)

+8.2%

Total NRI growth
with comparable FX
(vs. Q1/2023)

+3.0%

LFL tenant sales
(vs. Q1/2023)

+4.1%

Avg. rent increase
with comparable FX
(vs. Q1/2023)

94.9%

Retail occupancy
rate

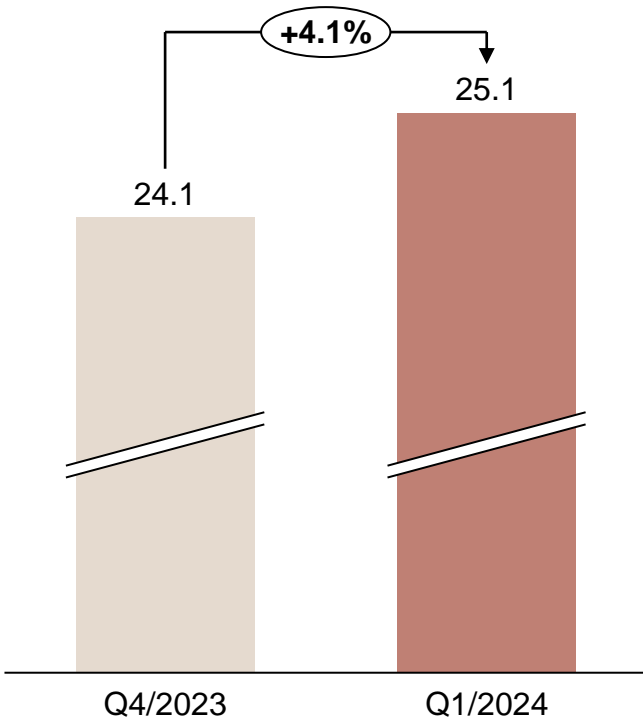
+46.2M€

Fair value change of
investment
properties

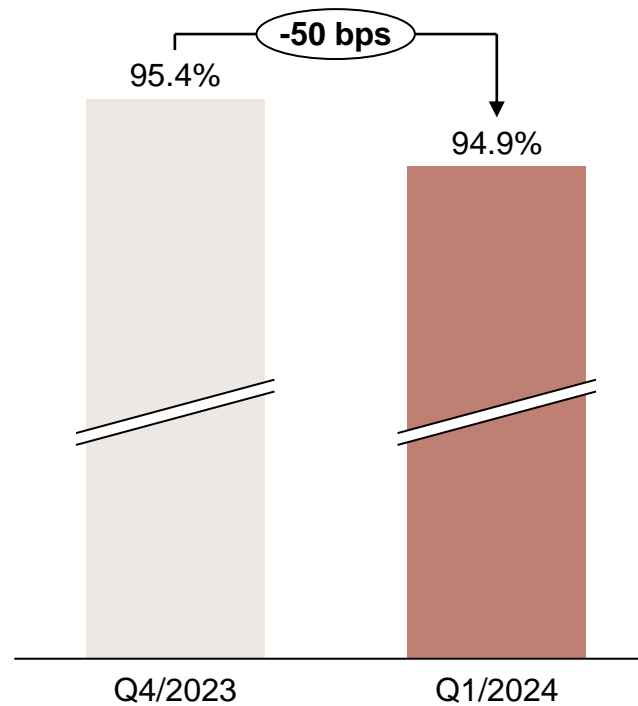


Average rent continues to increase following indexation and active leasing

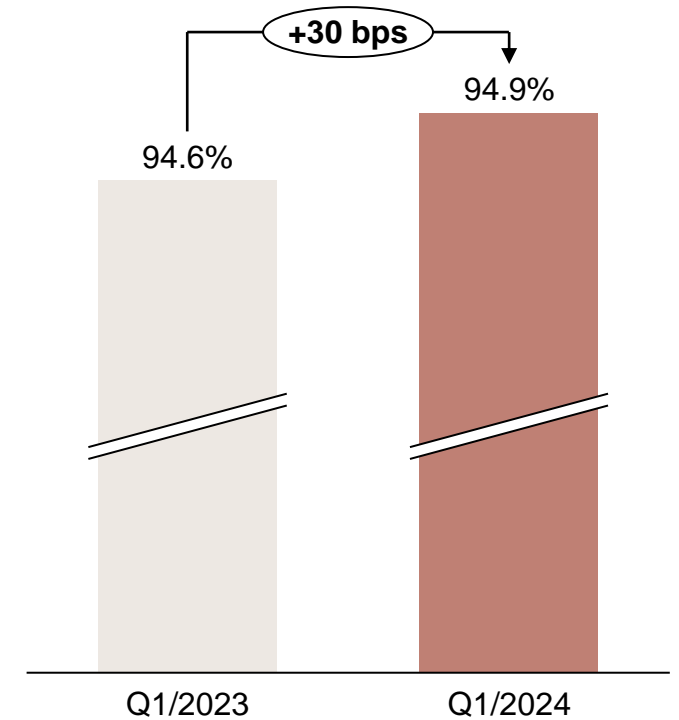
Average rent per sq.m.*/**



Retail occupancy rate vs. previous quarter**



Retail occupancy rate vs. last year**



Occupancy cost ratio remains at a modest level of 9.3%

Committed to investment grade credit rating

Actions taken in 2024

48 MEUR
Share issuance

300 MEUR
5-year bond issuance

213 MEUR
Bond tender

Post quarter end events:
650 MEUR credit facility extended
206 MEUR Kista loan extended



Divestment of Kongssenteret

Transaction details

- Citycon has signed an agreement to sell Kongssenteret in Kongsvinger, Norway
- Pricing close to the latest IFRS fair value of the asset
- The transaction is estimated to close by the end of May.

380 MEUR divestment target by the end of 2024

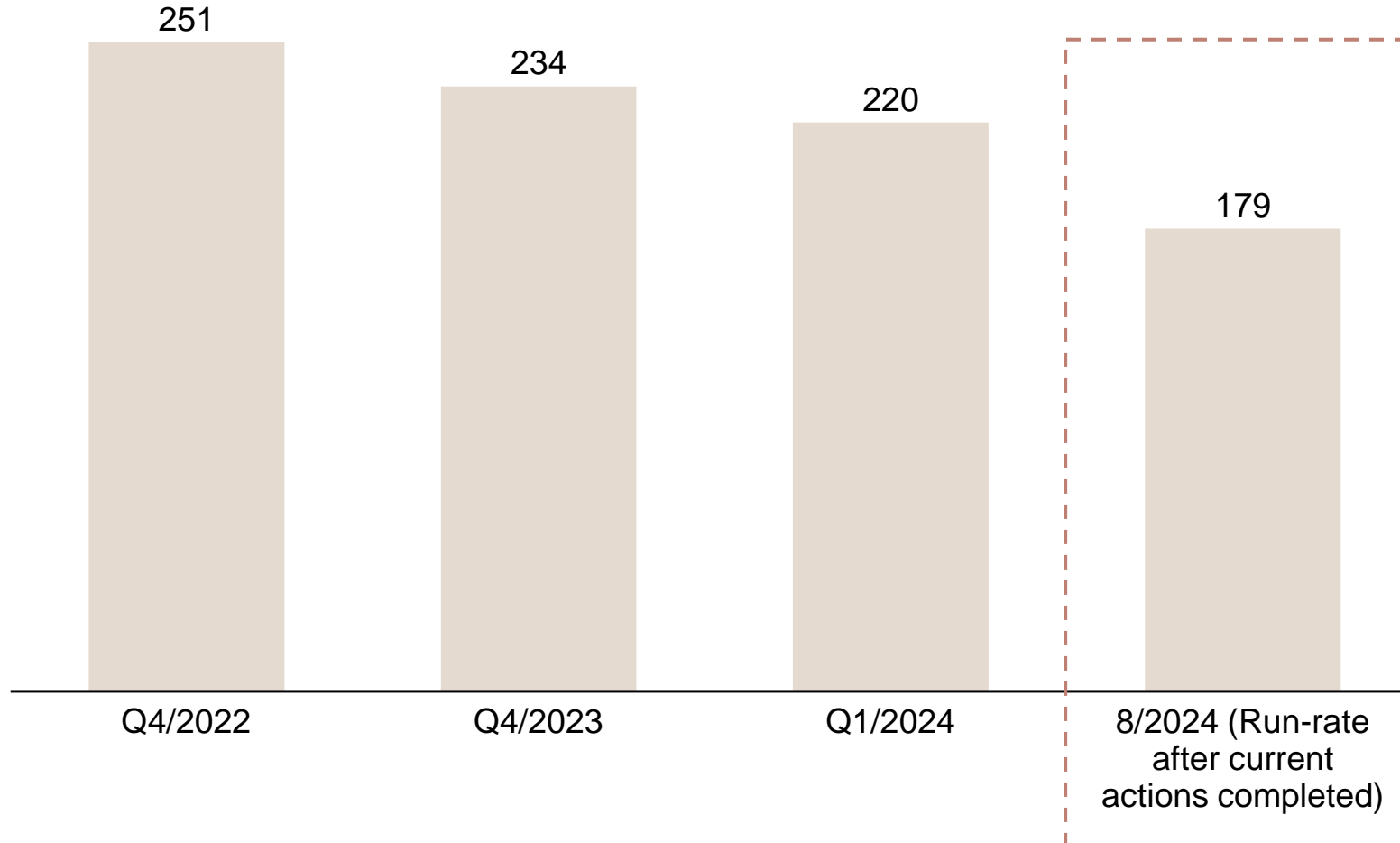
EUR 950 million of asset sales over the next 24 months.

Continue to own and manage core properties that offer a strong growth trajectory



G&A expenses to decline following FTE reduction and cost savings

FTE development



Target: G&A run rate < 10% of NRI by year-end 2024.

Administrative expenses were in Q1 EUR 11.3 million of which EUR 4.3 million was reorganization and one-time costs.

Citycon recognized as a European Climate Leader and ranks number one in the Nordic real estate sector

4th consecutive Financial Times' European Climate Leaders

- Highest GHG emissions reduction relative to revenues
- Citycon number one in the Nordic real estate sector and ranks among the top 20% of all European companies.

1st real estate company in Finland to join science-based targets initiative

- Committed to reduce GHG emissions in line with 1.5°C Paris goal

Nordic leader with long track records of sustainable financing

Lippulaiva – showcase of Citycon's sustainability efforts

- Recognized for its innovative energy systems
- Positioned on top of Europe's largest geothermal heating and cooling plant in a commercial building
- Microgrid system controls and optimizes energy consumption throughout the building



Financial overview

Q1/2024 financials

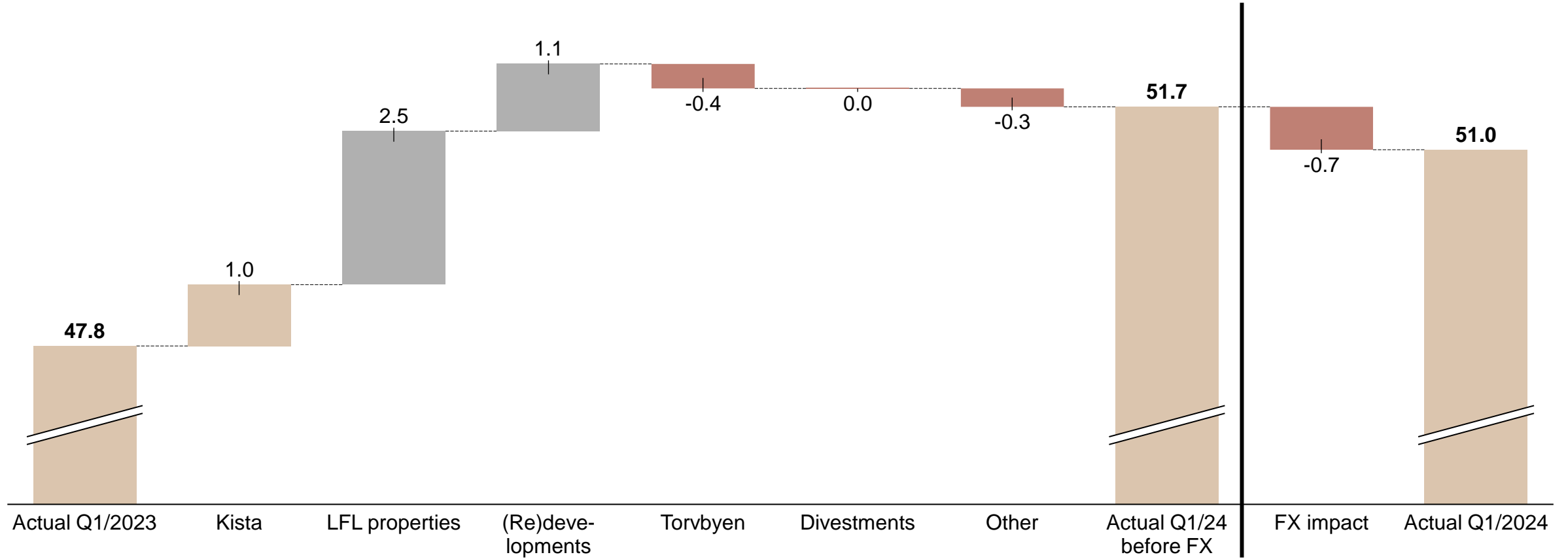
Like-for-like NRI
+6.5 %

	All			
EUR million	Q1/2024	Q1/2023	Change (%)	FX Adjusted %
NRI	51.0	47.8	6.7 %	8.2 %
Direct operating profit	39.7	38.3	3.7 %	5.4 %
EPRA earnings	24.5	25.3	-3.0 %	-1.1 %
Adjusted EPRA earnings*	22.1	17.9	23.9 %	27.4 %
EPRA EPS, EUR	0.138	0.150	-8.0 %	-6.1 %
Adjusted EPRA EPS, EUR*	0.125	0.106	17.6 %	21.0 %
EPRA NRV per share, EUR	8.96	10.78	-16.9 %	-

* Starting from the beginning of 2024, Citycon excludes reorganisation and one-time costs (Q1/2024: EUR 4.3 million) from Adjusted EPRA Earnings. Due to this, Q1/2024 Adjusted EPRA Earnings is not fully comparable with Q1/2023. The adjusted key figure includes hybrid bond coupons and amortized fees.

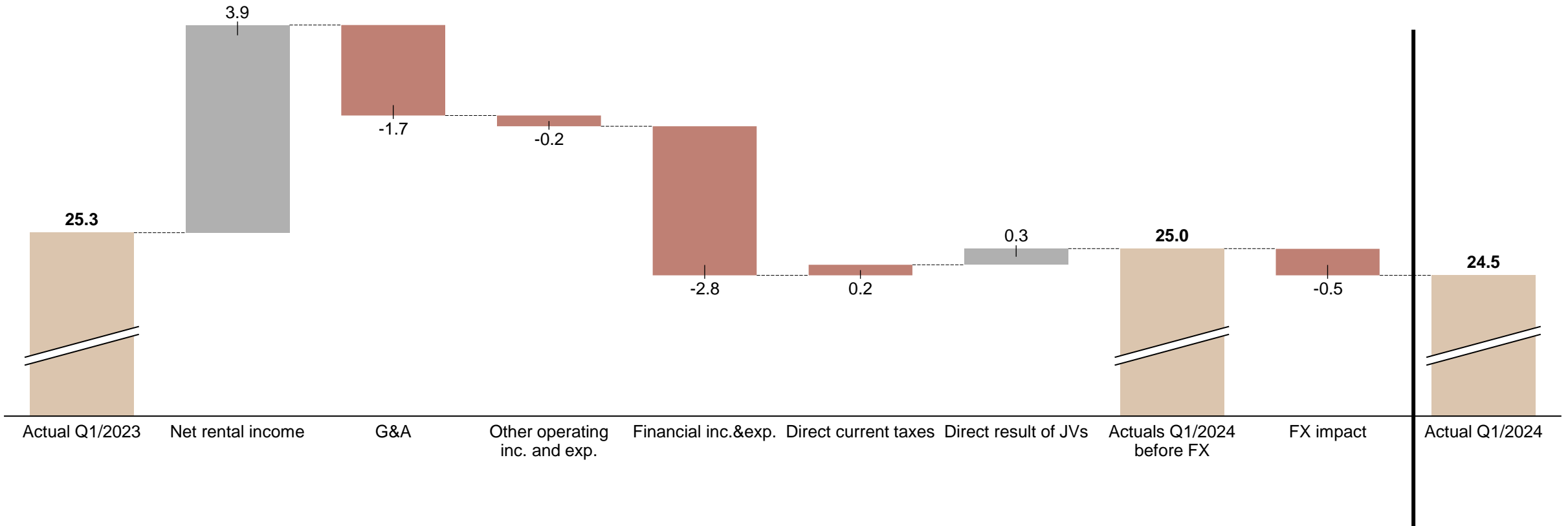
Detailed NRI bridge

NRI bridge Q1/2024



Detailed EPRA Earnings bridge

EPRA Earnings bridge Q1/2024



Valuation

Fair value change

MEUR	Q1/2024	Change
Finland	4.7	
Norway	1.0	
Sweden	43.2	
Denmark & Estonia	-1.1	
Investment properties*, total	47.9	
Right-of-use assets classified as investment properties (IFRS 16)	-1.7	
Investment properties in the statement of financial position. total	46.2	1.2%

EPRA per share metrics

	Q1/2024	Q1/2023
EPRA NRV per share	8.96	10.78
EPRA NTA per share	7.79	9.43
EPRA NDV per share	7.69	10.22
Average yield requirement.%*	5.9	5.5

The effect of currency rates to EPRA NRV/share was EUR -0.20.

Increase in net fair value was mainly due to the acquisition and consolidation of Kista Galleria.

Continued active liability management

EUR 48 million share issuance

- strengthened the balance sheet and improved its capital structure
- Necessary action to defend investment grade credit rating

EUR 300 million bond issuance

- The 5-year senior unsecured fixed rate (6.5%) EUR-denominated bond
- Citycon's debt maturity profile improved significantly, and refinancing risk is further reduced

EUR 213 million bond tender

- Proceeds from the bond issuance were used to tender notes due in October 2024

Post quarter events

EUR 650 million credit facility extended in April

- incl. EUR 400 million committed credit facility and EUR 250 term loan
- matures in April 2027

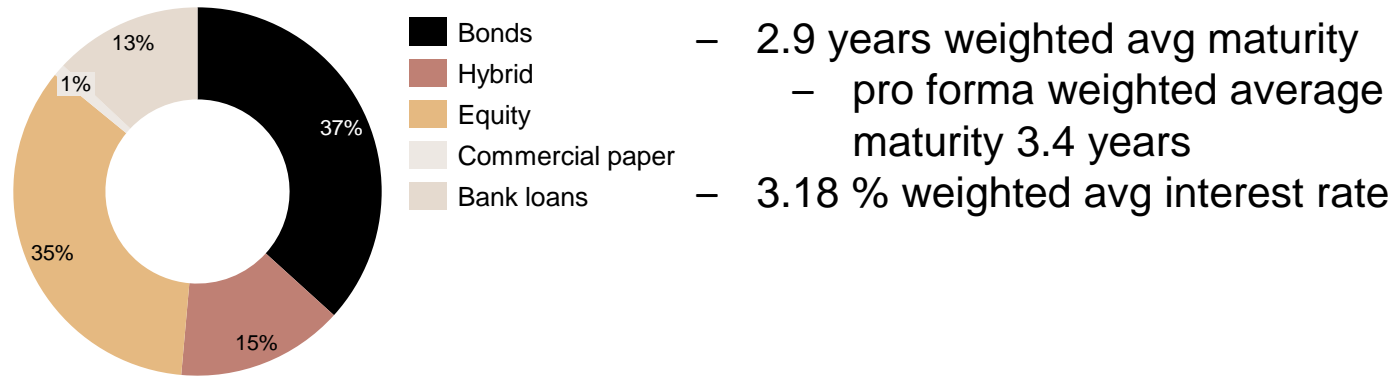
EUR 206 million Kista loan renegotiated and extended in May

- matures in May 2029

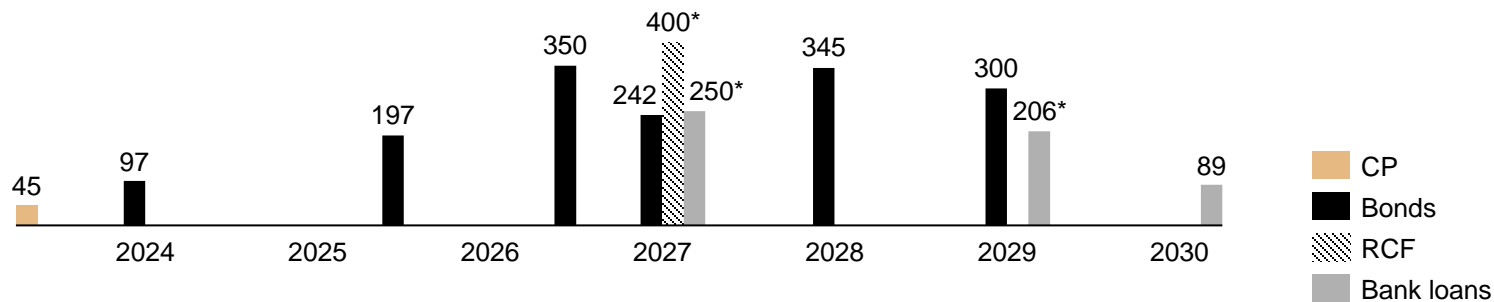


Strong, liquid balance sheet

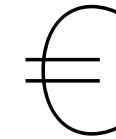
Improved credit profile and a stronger, more flexible balance sheet



Well laddered maturities (EUR million)



* Post quarter the EUR 650 million facility incl. EUR 400 million committed credit facility and EUR 250 million term loan was extended using the one-year extension option in April, the facility now matures in April 2027. In addition, the company renegotiated and extended the tenor of the EUR 206 million Kista term loan to five years in May. The term loan is now maturing in May 2029.



Total available liquidity EUR 535 million



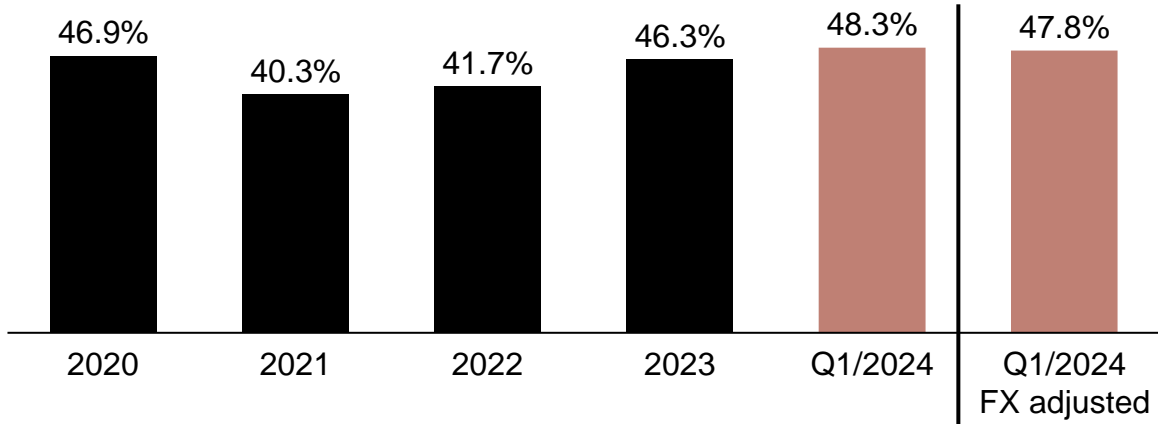
Share of secured debt ~26%



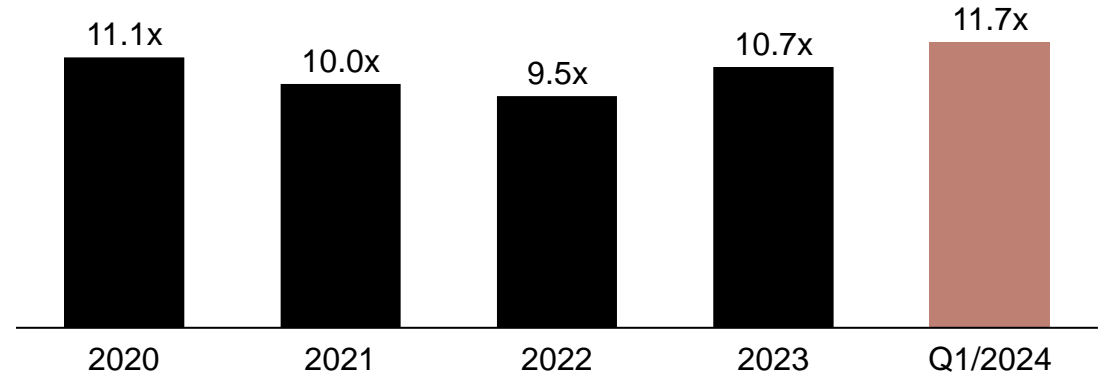
Investment grade S&P - BBB- (negative)

Key credit metrics

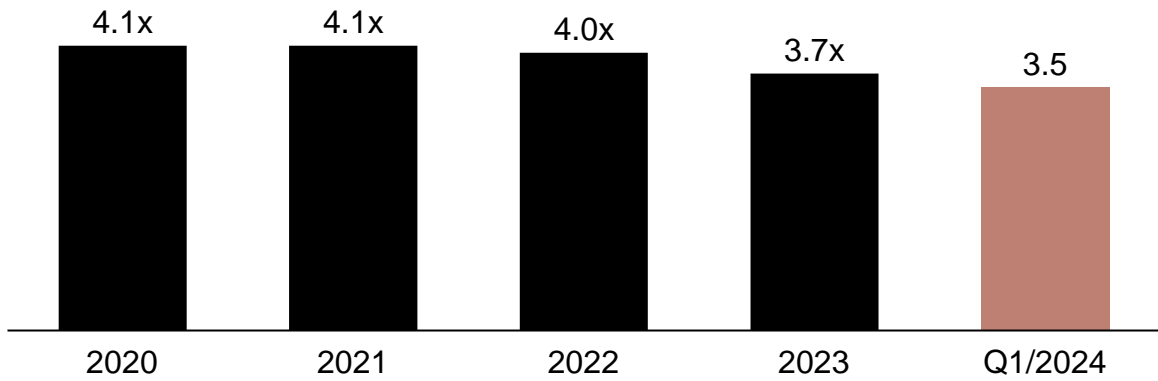
Loan to value (IFRS)



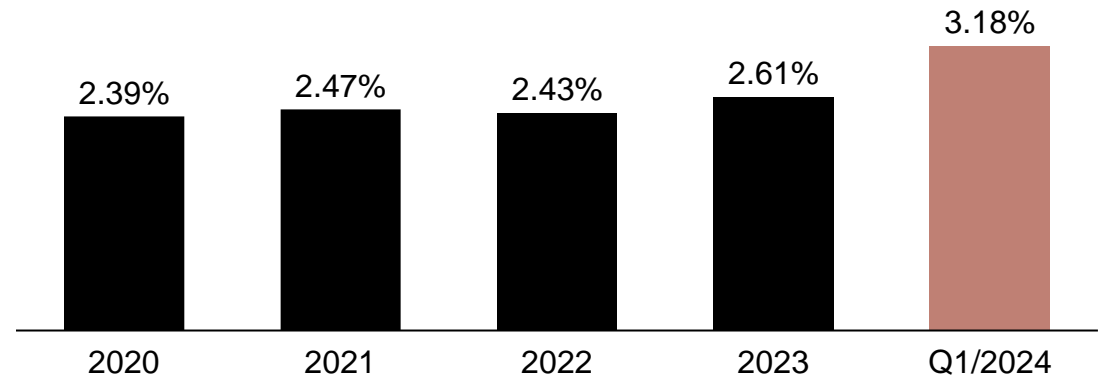
Net debt to EBITDA



Interest coverage ratio



Weighted average interest rate



2024 guidance reaffirmed

	Outlook FY2024 (unchanged)
Direct operating profit (MEUR) <i>(Midpoint)</i>	185–203 <i>(194)</i>
EPRA Earnings per share (basic) (EUR) <i>(Midpoint)</i>	0.62–0.74 <i>(0.68)</i>
Adjusted EPRA Earnings per share (EUR) <i>(Midpoint)</i>	0.46–0.58 <i>(0.52)</i>

The outlook assumes that there are no major changes in macroeconomic factors and no major disruptions from the war in Ukraine. These estimates are based on the existing property portfolio, including Kista 100%, as well as year-end 2023 estimates of inflation, EUR–SEK and EUR–NOK exchange rates, and interest rates.



Q&A





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