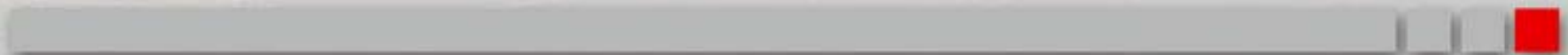


CITYCON



Citycon Presentation

Q2 2008



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Contents

Strategy and Highlights

Business Environment

- Market Environment

Sustainable Approach

Property Portfolio

- Development and Redevelopment Projects
- Latest acquisitions

Key figures

- Property Portfolio
- Profitability & Financing

Additional info



Iso Omena
in Espoo

Highlights – Goals and Focus

CITYCON

Goals

- Growth, mainly organic

Strategic focus

- Retail properties only
- Geographical focus

Sustainability

Position

- Market Leader in Finland
- Strong position in Sweden
- Growing in the Baltic Countries

Strong operating cash flow

Expertise in retail real estates and financing



Liljeholmen
in the future

Highlights – Financial Targets

CITYCON

Growth track

- ▶ Continued expansion through property development and selective acquisitions

- ▶ Cumulative CAPEX since 2005 in excess of EUR 1 billion
- ▶ The main emphasis on organic growth

Dividends

- ▶ Solid distribution policy despite growing number of shares outstanding
- ▶ Payout target 50 per cent of the distributable earning excluding fair value gains on property

- ▶ For 2007 Citycon's distribution was 0.14 EUR per-share dividend was 0.04 EUR and return from invested unrestricted equity fund 0.10 EUR

Equity ratio

- ▶ Strong balance sheet
- ▶ Long-term equity ratio target is 40 per cent

- ▶ Equity ratio of 42.1 % as of 30 June 2008

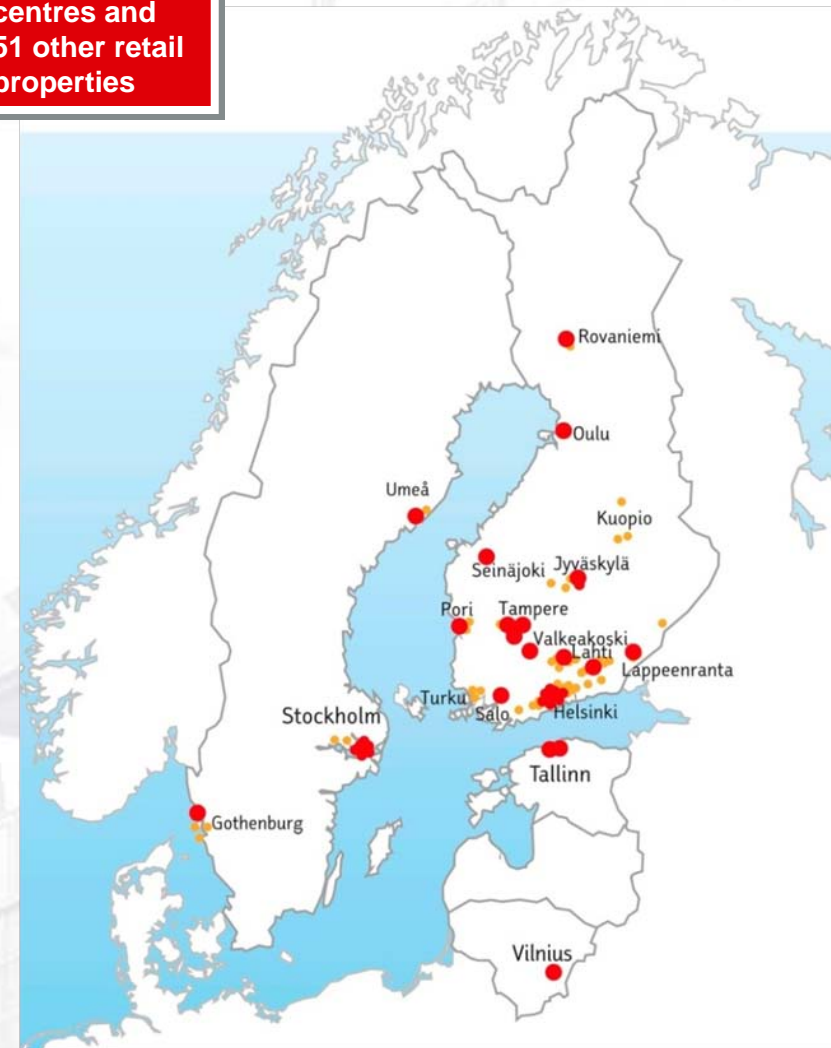
Highlights & Business Environment

Highlights – Q2 Highlights

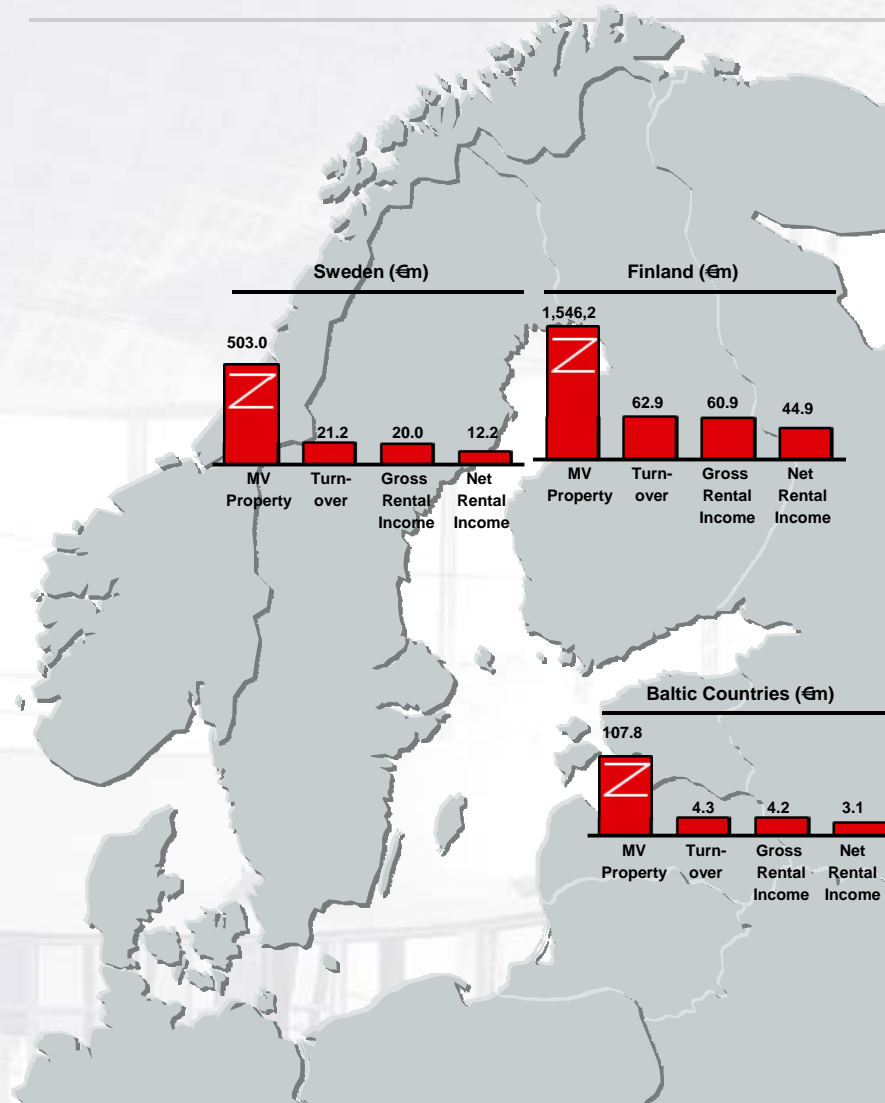
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Citycon owns
33 shopping
centres and
51 other retail
properties

- The fair value change was EUR – 84.7 million and the market value of property portfolio was EUR **2,156.9** million (Q1/2008: EUR 2,226.6 m)
- The valuation yield **6.0%** (Q1/2008: 5.7 %) by external appraiser.
- Net cash from operating activities per share EUR **0.06** (EUR 0.06) and EPRA EPS EUR **0.04** (EUR 0.04)
- Net rental income grew by **2.7%** to EUR **30.5** million compared to Q1 (Q1/2008: EUR 29.7 m)
- Net rental income for like-for-like properties grew **0.3%**
- Turnover increased by **26.1 %** to EUR **88.5** million (Q1-2/2007: EUR 70.2 m)
- Direct result grew **32.7%** to EUR **18.9** million (Q1-2/2007: EUR 14.3 m)
- Profit /loss before taxes now EUR **-62.1** million (Q1-2/2007: EUR 212.5 m), incl. EUR -83.3 (EUR 191.6 m) fair value change
- Total liquidity of EUR **349.4** million incl. unutilized committed debt facilities EUR **325.6** million and cash **23.8** million



Geographical Overview



■ Finland

- 74.6% of total net rental income in Q1- Q2/2008
- Net rental income growth of 25.6 % to EUR 44.9 m
- Market leader; 22 shopping centers and 45 other retail properties
- Citycon sold 40 per cent of its' largest shopping centre Iso Omena to GIC
- Large redevelopment project in Trio, Lahti

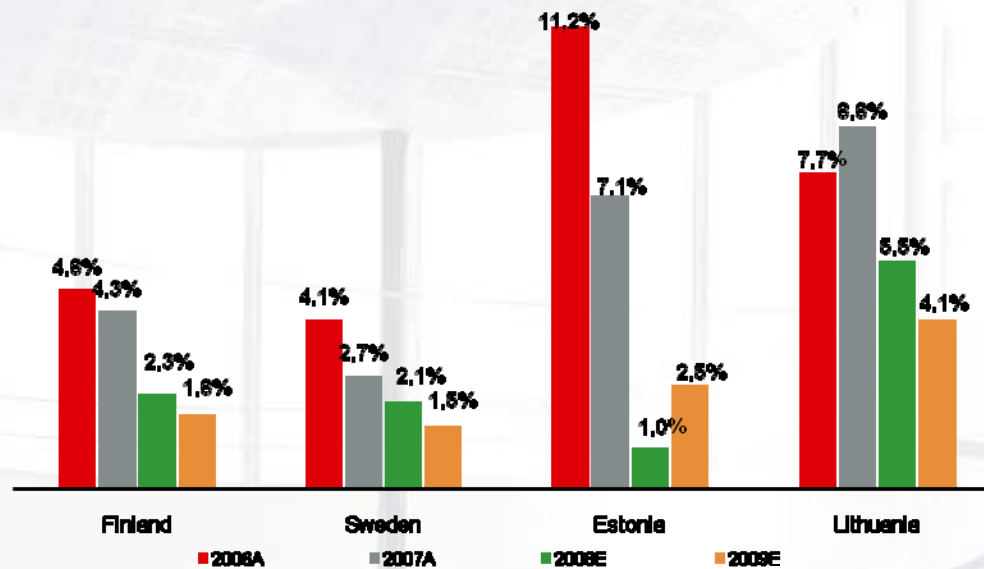
■ Sweden

- Net rental income accounted for 20.3 % of Citycon's total net rental income
- Net rental income increased by 16.9%, to EUR 12.2m
- Citycon's largest development project

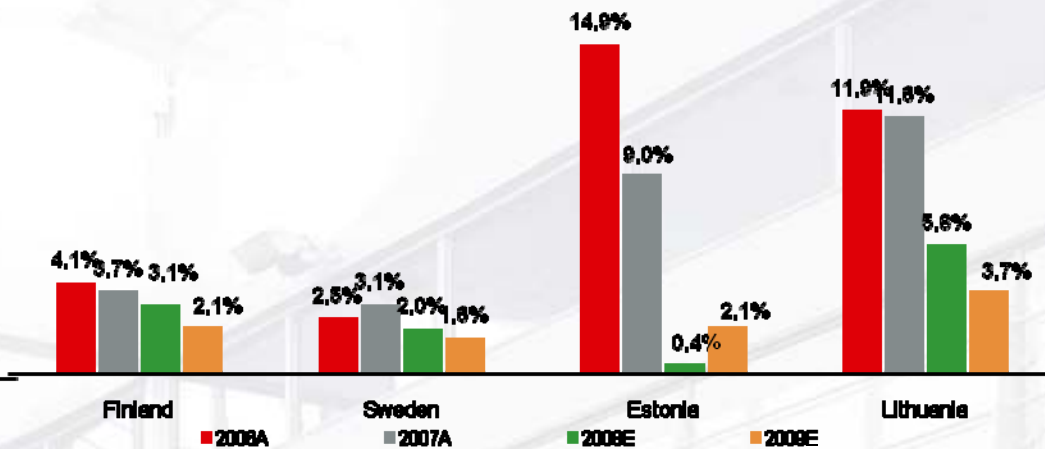
■ Baltic Countries

- Citycon's second largest development project going-on in Estonia
- Net rental income rose by 11.6 % to EUR 3.1 million

GDP



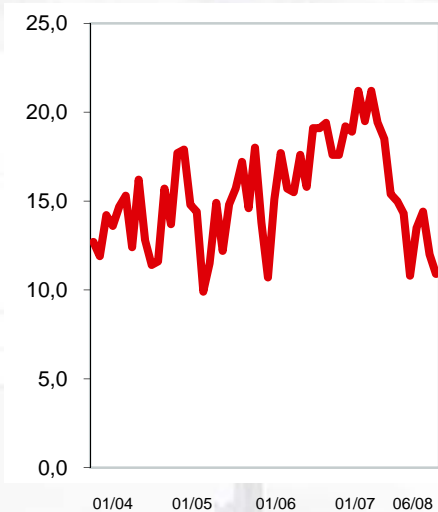
Private Consumption



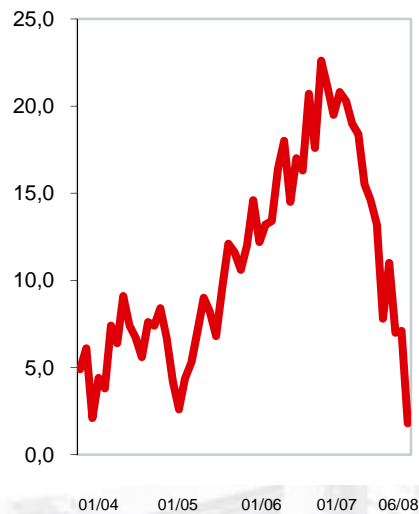
Source: Nordea

Consumer Confidence

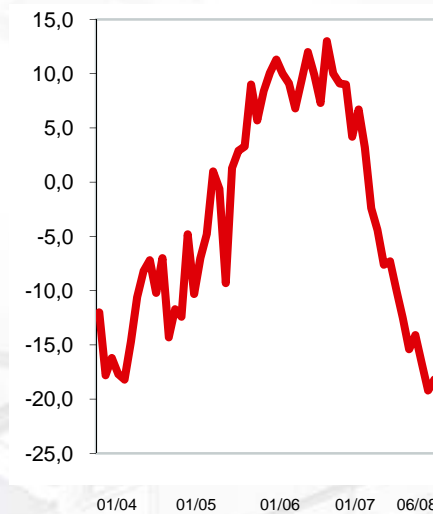
Finland



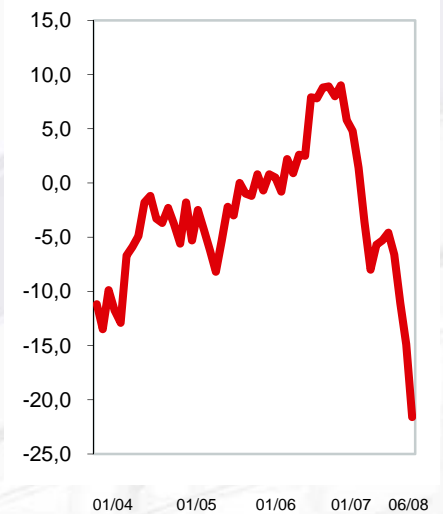
Sweden



Estonia



Lithuania

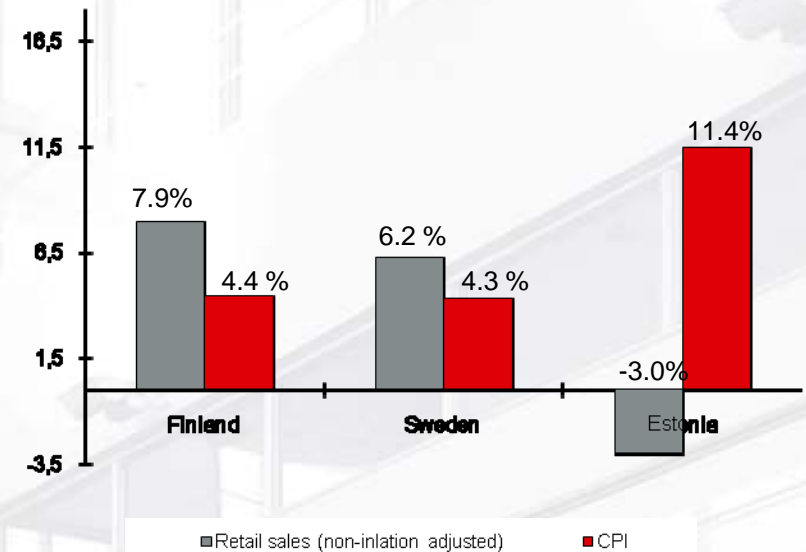


Consumer confidence indicator is conducted as an interview survey. It includes respondent's view on financial situation, general economic situation, unemployment expectations over the next 12 months, and savings over the next 12 months.

Source: Eurostat

- The spread in yield requirements between prime and other properties increased clearly not only in the Baltic countries but also in Finland and Sweden (source: Jones Lang LaSalle).
- Construction costs are growing, but not as rapidly as during 2007 (05/2007-05/2008):
 - Finland: + 4.5% (June 2008, Statistics Finland)
 - Sweden +4.7 % (May 2008, Bygginde, Sweden)
 - Estonia +6.0% (April 2008, Statistics Estonia)
- Aim to get REIT-legislation is on the Government agenda. The discussion is currently focusing on residential REIT – model only.

Retail Sales and CPI, May 08



Sources:

CPI, Estonian Retail Sales: Reuters Knowledge, Statistics Estonia

Retail Sales Finland and Sweden: Preliminary retail sales data for May, Statistics Finland and Statistics Sweden

Property Portfolio



ROCCA AL MARE SHOPPING CENTRE
TALLINN, ESTONIA

Development and Redevelopment Projects

CITYCON

On-going projects, 30 June 2008

Property	Location	Country	Market value, EUR million (31 Dec. 2007)	Area, sq.m. ¹⁾	Post- development area, sq.m.	Total estimated investment, MEUR ²⁾	Actual cumulative CAPEX by the end of the period, MEUR	Target year of completion	Additional information
Liljeholmstorget	Stockholm	SWE	78	20 100	28 000	120	38.2	2009	Construction of a new shopping centre and total refurbishment of the existing building. Total post-development area including underground parking 91,000 m ² .
Rocca al Mare	Tallinn	EST	75	28 600	53 500	68	25.5	2009	Redevelopment and major extension of the existing shopping centre.
Trio	Lahti	FIN	124	32 300	35 300	60	42.0	2008	Redevelopment of the existing shopping centre.
Torikeskus	Seinäjoki	FIN	13	11 300	12 000	4	2.1	2009	Refurbishment of the exiting shopping centre.

Projects not yet approved, or partly approved, by the Board of Directors

Property	Location	Country	Market value, EUR million (31 Dec. 2007)	Area, sq.m. ¹⁾	Post- development area, sq.m.	Total estimated investment, MEUR ²⁾	Actual cumulative CAPEX by the end of the period, MEUR	Target year of completion	Additional information
Lippulaiva	Espoo	FIN	52	18 000	35 000	60-70 ³⁾	21.7	2011	Refurbishment and extension of the existing shopping centre. The refurbishment of indoor areas was completed in spring 2008. The extension plan is under renewal. The appeal regarding the change of zoning required for the extension was dismissed in the Supreme Administrative Court in September 2007.
Åkersberga Centrum	Österåker	SWE	58	26 000	35 200	27 ⁴⁾	4.4	2010	Redevelopment and extension of the existing shopping centre. The project has been delayed due to a tenant complaint. The project plan is under renewal.
Tumba Centrum	Botkyrka	SWE	64	30 000	38 500	35-37 ⁵⁾	1.8	2011	Redevelopment and extension of the shopping centre. In the first phase the centre will be refurbished and extended by 500 sq.m. The second phase includes remarkable redevelopment and extension.

1) Leasable area owned by Citycon.

2) New capital tied on the project.

3) Both planned stages included in the estimate. The second stage is subject to the Board of Directors' decision.

4) Citycon owns 75% of the shopping centre. The estimated total value of the redevelopment is approx. EUR 40 million.

5) Both stages included in the figure. The second stage is subject to the Board of Directors' decision. The estimated investment need of the initiated first phase is approx. EUR 8 million.

Pilot Projects in Sustainable Construction

CITYCON

Finland



Trio

Total redevelopment of Lahti downtown shopping centre. The most important shopping venue in its large catchment area, 100 kilometers from Helsinki. Originally built in 1977/87 and consisted of three separate buildings. Adjacent Hansa-building (11,400 m², not incl. in GLA below) will be refurbished after completion of the Trio redevelopment (subject to board approval).

GLA	32,300 m ²
Post-development area (GLA)	35,300 m ²
Total Estimated investment, EUR	60 million
Theoretical gross rental income, EUR *)	11.1 million p.a.
Estimated year of completion	2008

Sweden

Liljeholmstorget

Construction of a new shopping centre south of Stockholm city centre. Location is the major traffic hub, the whole area is being redeveloped into attractive residential neighborhood. Existing building is totally refurbished, new centre is currently being built adjacent to subway station. Parking underground.

GLA	20,100 m ²
Post-development area (GLA)	28,000 m ² retail (+ 11,800 m ² offices)
Total Estimated investment, EUR	120 million
Theoretical gross rental income, EUR	21.5 million p.a.
Estimated year of completion	2009



Estonia



Rocca al Mare

Extension and redevelopment of existing shopping centre west of Tallinn city centre. After the project Rocca al Mare is one of the largest centres in the Baltic countries, large and affluent catchment area. Originally built on 1998.

GLA	28,600 m ²
Post-development area (GLA)	53,500 m ²
Total Estimated investment, EUR	68 million
Theoretical gross rental income, EUR	12.3 million p.a.
Estimated year of completion	2009

Development and Redevelopment Projects

CITYCON

Projects under planning, 30 June 2007

Citycon's Board of Directors has not yet made a decision on the development project, but it is under planning, an alteration of the city plan is pending or Citycon (or its partner) has a site reservation.

Property	Location		Market value, EUR million (31 Dec. 2007)	Project area, sq.m. (¹)	Estimated investment need, MEUR (²)	Target year of project launch	Target year of completion	Additional information
Espoonatori	Espoo	FIN	29,6	24 000	50-70	2009	2011	Alteration of city plan pending, facilitating the extension and refurbishment of the existing shopping centre. The investment amount does not include the property acquisition cost incurred in 2007 (Asemakuja). 3)
Iso Omena	Espoo	FIN	329,3	5 000 ⁴⁾	15	2008	2010	Extension of the shopping centre in two stages, the first stage will begin in Autumn 2008.
Myyrmanini	Vantaa	FIN	176,7	11 000	15-17	2008	2011	The food court was refurbished in 2007. The second floor will be refurbished into a fashion world in an indoor renovation that will be carried out in several stages. Estimated investment need includes the completed food court project of EUR 2.1 million.
Galleria	Oulu	FIN	10,2	17 000	50-55	2010	2012	Redevelopment of the Galleria block into a shopping centre in co-operation with the block's other property owners. Includes the acquisition and refurbishment of the adjoining property (appr. 11,000 sq.m.) and its connection to the existing centre as well as an underground parking facility.
Koskikeskus	Tampere	FIN	114,7	2 000 ⁵⁾	8-12	2009	2008-2009	The improvement of the shopping centre's service palet through inner refurbishment and extension works. Alteration of the city plan gained legal force in 2007 increasing building right for retail use by 6,200 sq.m.
Myllypuro ⁶⁾	Helsinki	FIN	4,2	7 400	20	2009	2012	Building a new retail centre replacing the existing one. Citycon has signed a preliminary agreement to purchase four lots for the project in Summer 2008.
Kuopion Anttila	Kuopio	FIN	21,7	15 000	35-40	2009	2011	Redevelopment and extension of the existing building into a new shopping centre. Commercial concept of the project under review and building of parking facilities under the market square pending. 3)
Heikintori ⁶⁾	Espoo	FIN	14,2	23 000	60	2009-2010		Refurbishment and extension of the existing shopping centre. 3)
Martinlaakso	Vantaa	FIN	8,2	7000-8000	25-30	2009	2011	Building a new shopping centre replacing the existing retail centre. 3)
Laajasalo	Helsinki	FIN	4,4	8 000	25-30	2009	2010	Building a new retail centre replacing the existing one. 3)
Tampere (earlier known as MAXX)	Tampere	FIN		50 000				In stead of the unmaterialized MAXX-project, Citycon is examining an alternate shopping centre project in Tampere.
IsoKristiina	Lappeenranta	FIN	39,2	25 000	50	2009	2012	Refurbishment and extension of the existing shopping centre under planning. Alteration of city plan pending and commercial concept under review. 3)
Stenungs Torg ⁶⁾	Stenungsund	SWE	56,3	30 000	40-50	2009	2010	Citycon has agreed with the shopping centre's minority shareholder on the redevelopment and extension of the shopping centre.
Strömpilen ⁶⁾	Umeå	SWE	54,6	40 000	54	2009	2011	Refurbishment and extension of the shopping centre.
Länken ⁶⁾	Järfälla	SWE	15,9	5 000	8-9	2009	2011	Refurbishment and extension of the retail property.
Jakobsbergs Centrum	Järfälla	SWE	121,8	8 000	5-6	2009	2009	Redevelopment and extension of the shopping centre.
Åkermyntan Centrum	Hässelby	SWE	12,8	8 500	2-10	2009	2009	Redevelopment of the shopping centre, building of new residential units adjoining the centre under review.
Magistral	Tallinn	EST	18,5	10-15 000	10-15	2009	2009	Refurbishment and extension of the shopping centre.

1) The project area refers to the combination of the area of the existing premises under refurbishment owned by Citycon and the area of the extension.

2) The amount of investment needed will change and become more precise as the planning process proceeds. The figure is the best current estimate.

3) The schedule for the project completion and/or launch involves risks associated with city planning.

4) The project area refers only to the area of the planned extension.

5) The leasable area may be larger than indicated.

6) Partly-owned property.

Development and Redevelopment Projects

CITYCON

Potential project

Citycon is analysing opportunities for the development and/extension of for example the properties below.

Neither an alteration of city plan has been applied for nor any other official decisions made.

Property	Location	Country	Market value, EUR million (31 Dec. 2007)	Area, sq.m.	Additional information
Ultima	Vantaa	FIN	4	0	Vacant lot of approximately 42,000 sq.m. with 20,000 s.qm. in current permitted residential building right. Possibility to use the property as a consideration in potential transactions.
Myyrmanini	Vantaa	FIN	177	10 000	Potential extension of the shopping centre by 10,000 sq.m.
Valtari	Kouvola	FIN	6	7 600	Opportunities to redevelop the property are analysed.
Columbus	Helsinki	FIN	84	20 400	Opportunities to expand the shopping centre are reviewed.
Sampokeskus	Rovaniemi	FIN	27	13 600	Opportunities to redevelop the property are analysed.
Koskikeskus	Tampere	FIN	115	28 800	The commercial potential of Vuoltsu, a block next to Koskikeskus, and its merger in Koskikeskus are examined.
Kaarinan liiketalo	Kaarina	FIN	8	9400	The redevelopment of the existing retail property in line with the development plan of the town centre is analyzed.
Hakunila	Vantaa	FIN	4	3 000	Opportunities to redevelop the property are analysed.
Jyväskylän Forum	Jyväskylä	FIN	61	17 400	Opportunities to redevelop the shopping centre are analysed.
Backa	Gothenburg	SWE	9	7 800	Opportunities to develop the property are analysed.
Fruängen Centrum	Stockholm	SWE	15	15 000	Opportunities to refurbish and possibly extend the property are analysed.
Lindome	Gothenburg	SWE	8	7 800	Possibilities to build residential units adjoining the retail centre under review.



Forum



Sampokeskus

Development and Redevelopment Projects

CITYCON

Completed projects

			Area, sq.m. ¹⁾	Post-development area, sq.m.	Estimated total investment, MEUR ²⁾	Actual cumulative CAPEX by the end of the period, MEUR	Additional information
Property	Location	Country					
Duo	Tampere	FIN	5 000	13 200 ³⁾	27.3	25.9	New shopping centre consisting of two parts: new development and redevelopment of the old retail centre. The new section was opened in April 2007 as planned and redevelopment of the existing premises was completed in October 2007.
Lillinkulma	Kaarina	FIN	0	7 500	8.2	10.9 ⁴⁾	New retail centre consisting of two buildings including four retail premises. All premises are leased. The title to the centre was transferred to Citycon as the project was completed in May 2007 as scheduled.
Lentola	Kangasala	FIN	0	12 000	16.6	16.5	New retail building. The title to the property was transferred to Citycon after the completion of the project in November 2007.
Linjuri	Salo	FIN	9 000	9 000	1.8	1.7	Redevelopment of a retail property (redevelopment area approx. 4,000 s.qm.) into a shopping centre was completed in December 2007.

1) Leasable area owned by Citycon before the project start.

2) New capital tied on the project.

3) Owned by Citycon.

4) Includes stages 1 and 2. Second stage was completed earlier than anticipated.



Linjuri, Salo



Development and Redevelopment Projects

CITYCON



Liljeholmenstorget
construction
in June 2008



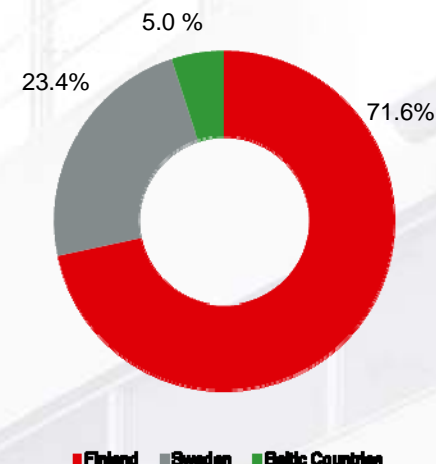
Key Figures - Property Portfolio

CITYCON

- **3,662** (3,415) leases with an average length of **2.8** (2.9) years
- Net rental income increased by **22.7%** to EUR **60.1** million
- GLA totalled grew by **12.4 %** to **926,550 m²**
- Total NRI growth **2.7%** in Q2
- Annualised rental value for the portfolio was EUR **176.5** million*)
- Rolling 12-month occupancy cost ratio for I-f-I properties **8.8%** (Q4/07: 8.7%)
- End of 2007 **16.1 %** (2006: 11% of rental agreements were tied to lessee's turnover. Rents also linked to CPI (nearly all the agreements).
- Net rental income for like-for-like properties grew by **0.3%**

Like-for-like property = held by Citycon 24 months, excl. development projects and lots. Citycon's portfolio totalled EUR **2,203.1** million, of which like-for-like properties accounted for **41.5 %**. Of I-f-I portfolio **91.9 %** is in Finland and **53.5%** of the total Finnish portfolio is included in I-f-I.

Breakdown of property portfolio



Total Portfolio	Q2/2008	Q2/2007	Q1/2008	2007	2006
Net Rental Income, EUR million	30.5	25.8	29.7	103.4	82.8
Number of leases started during the period ¹⁾	112	122	124	512	369
Total area of leases started, m ²	18,170	28,745	24,240	103,408	73,300
Occupancy rate at end of the period ,%	95.7	95.8	96.0	95.7	97.1
Average length of lease portfolio at the end of the period, year	2.8	2.9	3.0	3.0	2.9
Net Rental Yield (actual), % ²⁾	5.4	6.4	5.5	5.8	7.1
Average Net Yield Requirement (valuation yield by external appraiser), %	6.0	5.8	5.7	5.6	6.6

1) Excluding transferred agreements in acquisitions

2) Includes lots and development projects

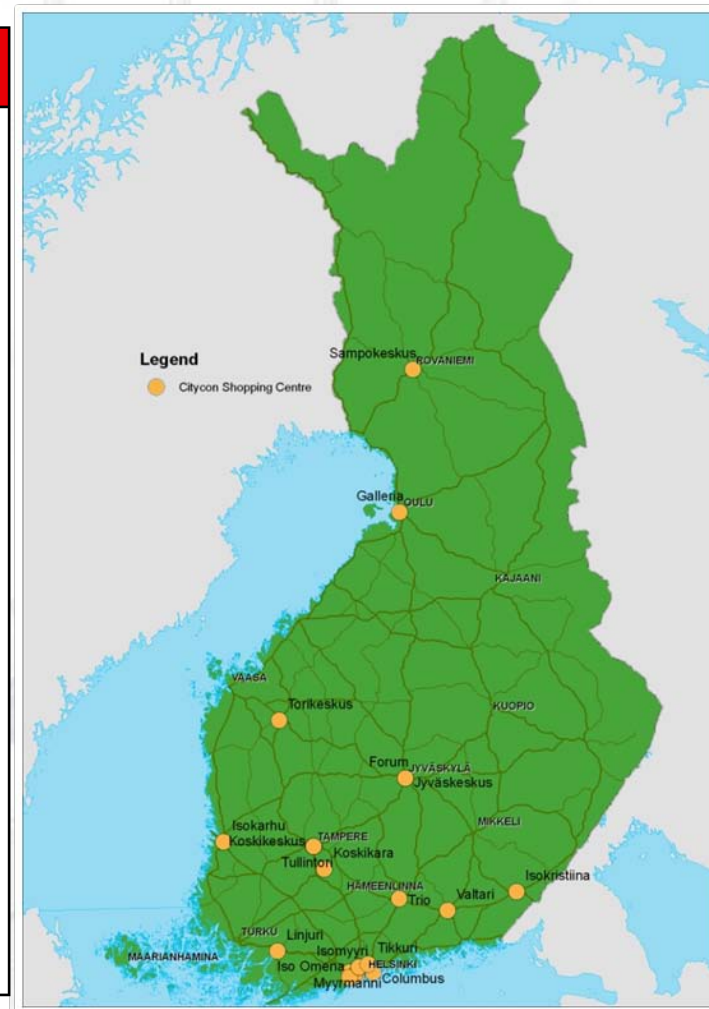
Property Portfolio – Finland

CITYCON

Finland	Q2 2008	Q2 2007	Q1 2008	2007
Turnover, EUR million	31.6	24.7	31.4	104.3
Net fair value gains/losses on investment property, EUR million	-58.4	120.3	-1.8	148.5
Operating profit, EUR million	-37.2	137.1	19.3	218.7
Gross rental income, EUR million	30.5	23.7	30.4	100.7
Net rental income, EUR million	22.5	18.2	22.3	75.7
Capital expenditure, EUR million	17.8	20.5	22.8	429.1
Number of leases started during the period ¹⁾	93	101	100	442
Total area of leases started, m ²	14,310	24,350	21,800	74,400
Market value of property portfolio, EUR million	1,546.2	1,187.4	1,587.4	1,587.0
Net rental yield, like for like properties, (actual realized), % ²⁾	6.3%	7.2%	6.4%	6.8%
Net rental yield (actual realized), % ²⁾	5.6%	7.0%	5.8%	6.2%
Net yield requirement (valuation yield), %	6.0	5.8%	5.68%	5.7%
Occupancy rate at end of the period, %	95.7%	95.8%	96.0%	95.7%
Average length of lease portfolio at the end of the period, year	2.8	2.9	3.0	3.0

1) Excluding transferred agreements in acquisitions

2) Includes the lots for development projects



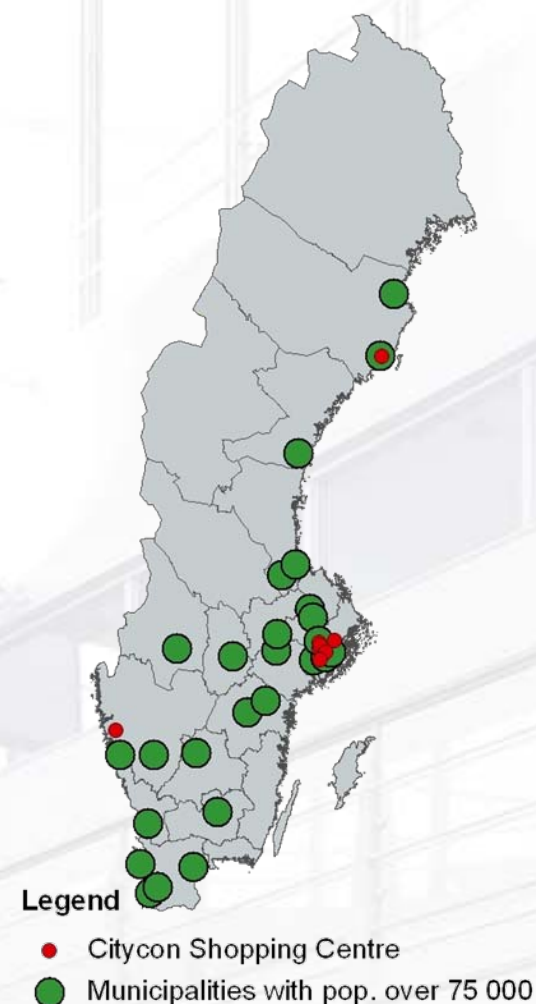
Property Portfolio – Sweden

CITYCON

Sweden	Q2 2008	Q2 2007	Q1 2008	2007
Turnover, EUR million	10.6	9.3	10.7	39.0
Net fair value gains/losses on investment property, EUR million	-20.6	35.5	2.1	55.6
Operating profit, EUR million	-15.2	40.6	7.2	74.3
Gross rental income, EUR million	10.8	8.4	9.2	35.4
Net rental income, EUR million	6.4	6.0	5.8	21.6
Capital expenditure, EUR million	15.9	72.2	8.2	142.4
Number of leases started during the period ¹⁾	18	15	8	49
Total area of leases started, m ²	3,760	4,138	840	25,800
Market value of property portfolio, EUR million	503.0	521.9	527.0	517.5
Net rental yield (actual realized), % ²⁾	4.6%	4.6%	4.6%	4.6%
Net yield requirement (valuation yield), %	5.7%	5.5%	5.4%	5.4%
Occupancy rate at end of the period, %	95.2%	95.0%	96.1%	95.1%
Average length of lease portfolio at the end of the period, year	2.1	1.8	2.3	2.4

1) Excluding transferred agreements in acquisitions

2) Includes the lots for development projects



Property Portfolio – The Baltic Countries

CITYCON

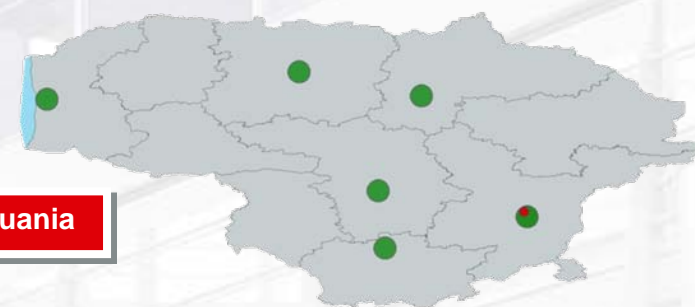
The Baltic Countries	Q2 2008	Q2 2007	Q1 2008	2007
Turnover, EUR million	2.1	1.9	2.2	8.0
Net fair value gains/losses on investment property, EUR million	-5.7	4.3	1.1	9.3
Operating profit, EUR million	-4.3	5.6	2.5	14.5
Gross rental income, EUR million	2.1	1.9	2.2	7.7
Net rental income, EUR million	1.5	1.4	1.6	6.0
Capital expenditure, EUR million	6.5	3.6	5.7	31.7
Number of leases started during the period ¹⁾	1	6	16	21
Total area of leases started, m ²	100	257	1,600	3,208
Market value of property portfolio, EUR million	107.8	89.9	112.2	111.2
Net rental yield (actual realized), % ²⁾	5.9%	6.6%	6.0%	6.2%
Net yield requirement (valuation yield), %	6.9%	6.3%	6.6%	6.4%
Occupancy rate at end of the period, %	100%	99.9%	100%	100%
Average length of lease portfolio at the end of the period, year	2.3	3.0	2.6	2.8

1) Excluding transferred agreements in acquisitions

2) Includes the lots for development projects



Estonia



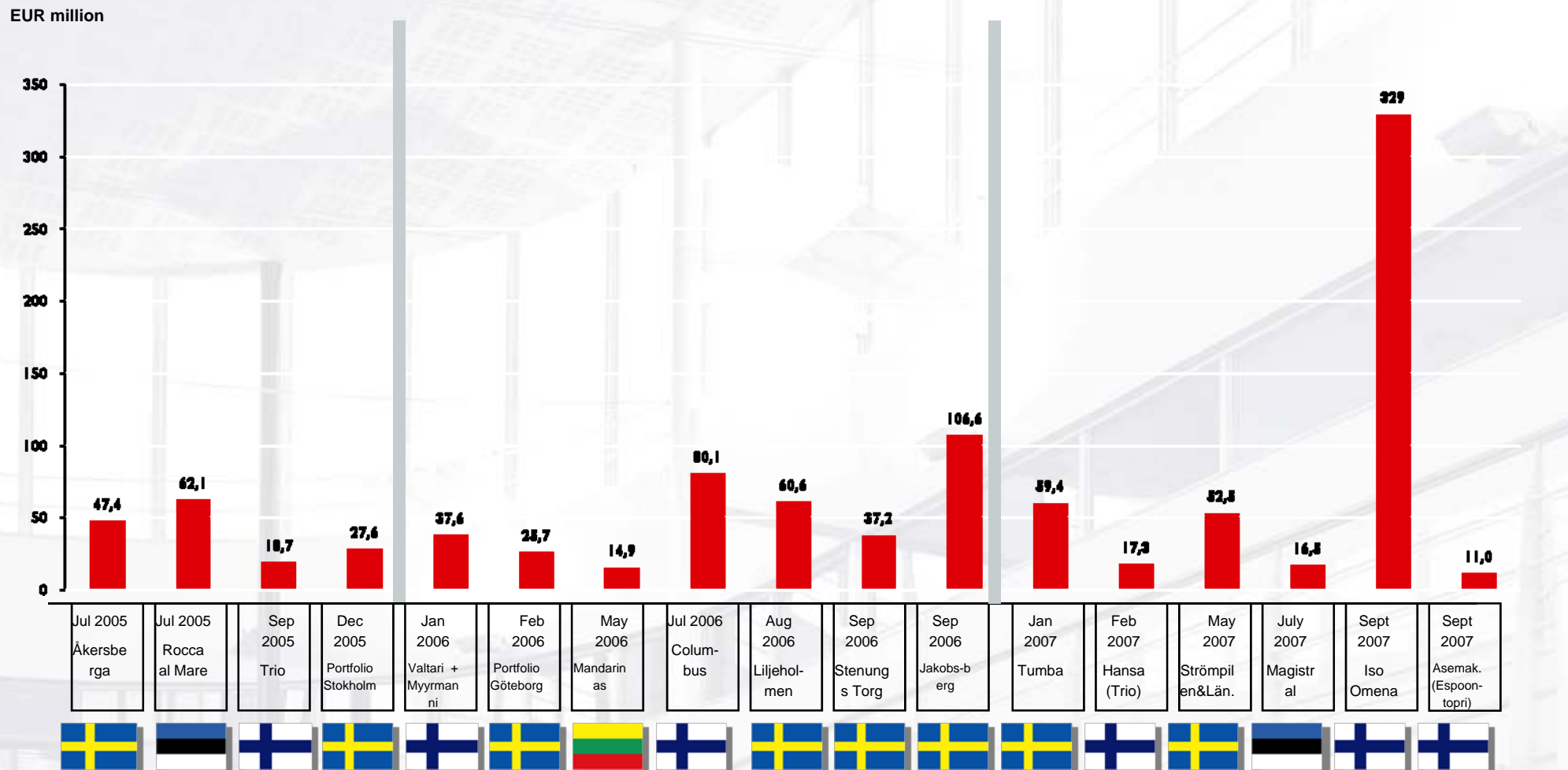
Lithuania

Legend

- Citycon Shopping Centre
- Cities with pop. over 50 000

Property Portfolio – Acquisition Track Record ¹⁾

CITYCON



•Citycon Q2 2008

24

1) Includes acquisitions exceeding Eur 10 Million , non-adjusted purchase prices

Property Portfolio - Major Acquisitions 2006 & 2007

CITYCON

Property	Location	Country	Debt free purchase price with transaction expenses (acquisition date exchange rates), EUR million	GLA, total, m ²	Initial net yield on purchase price, %	Purchase date	Post-acquisition holdings, %
Lindome	Mölnadal	SWE	8.0	7 600	7.3%	3 January	100
Myrmani, extra investment	Vantaa	FIN	35.6	42 000	7.4%	16 January	100
Valtari	Kouvola	FIN	2.0	7 600	7.4%	16 January	100
Tullintori	Tampere	FIN	8.8	10 100		1 February	100
Backa, Hindås, Landvetter, Floda	Greater Gothenburg	SWE	25.7	25 700	7.2%	15 February	100
Mandarinas	Vilnius	LT	14.9	7 900	7.3%	31 May	100
Columbus	Helsinki	FIN	80.1 ¹⁾	20 000	5.8%	4 July	100
Liljeholmstorget	Stockholm	SWE	60.6	20 000 ²⁾		31 August	100
Stenungs Torg	Stenungsund	SWE	37.2	39 100	6.5%	1 September	70
Jakobsbergs Centrum	Järfälla	SWE	106.6	67 000	6.0%	11 September	100
Tumba Centrum	Botkyrka	SWE	59.4	31 000	5.4%	31 January / 07	100
Hansa (part of Trio)	Lahti	FIN	17.3	11 000	5.8%	8 February	100
Strömpilen & Länken	Umeå	SWE	52.9	25 000 + 7 200	5.5%	25 May	75
Magistral	Tallinn	EST	16.5	9450 + Building right for 8500 m ²	6.5%	16 June	100
Asemakuja 2, office building next to Espoonatori shopping centre	Espoo	FIN	9.2 ³⁾	6 300		31 August	100
Iso Omena	Espoo	FIN	329	61 300	4.5%	14 September	100

1) Includes the investments in the extension project carried out after the acquisition

2) Before extension

3) The Purchase price totals EUR 11 million and the rest of it is payable upon approval of the change in city plan

Key Figures

Income Statement - Snapshot

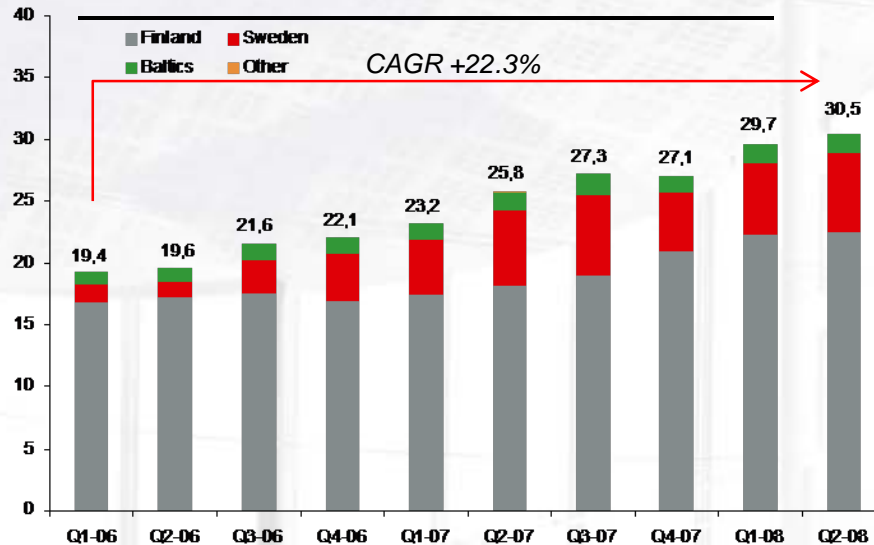
CITYCON

	Q2/2008	Q2/2007	Q1/2008	2 007
Gross rental income	43.4	34.1	41.7	143.7
Turnover	44.2	35.9	44.3	151.4
Net rental income	30.5	25.8	29.7	103.4
Administrative expenses	4.4	4.3	3.9	16.5
Net Fair value gains/losses on investment property	-84.7	160.1	1.4	213.4
Operating profit	-58.7	181.6	27.4	300.7
Net Financial income and expenses	14.7	10.0	16.1	47.3
Profit / loss before taxes	-73.4	171.6	11.3	253.5
Current taxes	-1.2	-2.8	-2.3	-3.4
Change in deferred taxes	11.7	-33.1	2.3	-46.2
Profit / loss for the period	-62.8	135.8	11.3	203.9
EPS (basic), EUR	-0.26	0.68	0.04	1.00
EPS (diluted), EUR	-0.26	0.60	0.04	0.91
Direct EPS (diluted), EUR (EPRA EPS)	0.04	0.04	0.04	0.18
Net cash from opertaing activities per share, EUR	0.06	0.06	0.06	0.20

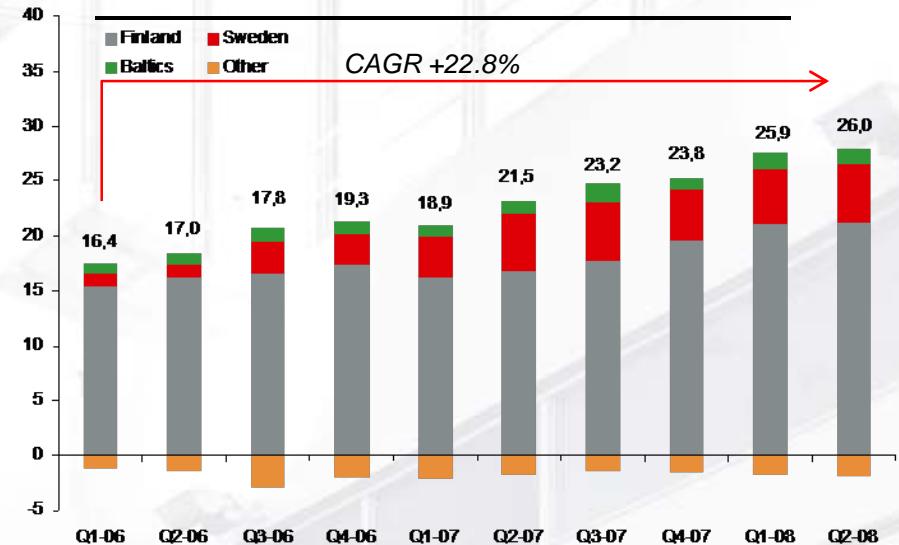
Key Figures – Profitability

CITYCON

Quarterly Net Rental Income by segments



Quarterly Operating Profit¹⁾ by segments



- Citycon has posted strong quarterly growth since 2006 both in terms of Net rental income and Operating profit
- Compound annual growth rate (CAGR) has been over 22 percent mark for both quarterly line items since the expansion strategy started in Q1 2006
- Profitable growth – rolling 12-month Operating profit-% has varied between 57.6 and 59.2 percent since Q2 2006 and currently stands at 58.3 percent

Balance Sheet – Snapshot, Key Figures

CITYCON

Balance Sheet, EUR million	30 June 08	30 June 07	2 007
Fair market value of investment properties	2,156.9	1,799.2	2,215.7
Total non-current assets	2,254.9	1,827.7	2,260.5
Current assets	38.1	50.3	48.1
Assets total	2,293.0	1,878.7	2,308.6
Total share holders equity	964.4	879.5	1,010.9
Liabilities	1,328.6	998.5	1,297.7
Liabilities and share holders equity	2,293.0	1,878.1	2,308.6
Key Figures	30 June 08	30 June 07	2 007
Equity ratio, %	42.1	46.9	43.9
Gearing, %	123.3	96.2	111.8
Equity per share, €	4.13	4.32	4.44
Net Asset value (EPRA NAV) per share, €	4.46	4.70	4.83
EPRA NNNAV, €	4.20	4.17	4.42
Net Rental Yield (actual), %	5.4	6.4	5.8
Average Net Yield Requirement (valuation yield by external appraiser)	6.0	5.8	5.6

Consolidated cash flow statement Q2 2008

CITYCON

EUR MILLION	2q2008	2q2007
Operating activities		
Profit before taxes	-62,1	212,5
Adjustments	114,5	-171,5
Change in working capital	-0,7	-2,7
Cash generated from operations	51,7	38,3
Interest and other financial charges paid	-30,5	-15,2
Interest and other financial income received	1,5	1,0
Taxes paid	3,4	-3,7
Cash flows from operating activities (A)	26,1	20,5
Investing activities		
Acquisition of subsidiaries, less cash acquired	-16,7	-165,3
Acquisition of investment property	-	-
Capital expenditure on investment properties	-31,7	-15,4
Capital expenditure on development properties, other PP&E and intangible assets	-38,6	-7,3
Sale of investment property	7,7	-
Cash flows from investing activities (B)	-79,3	-188,0
Financing activities		
Proceeds from share issue	0,0	132,5
Equity contribution from minority shareholder	25,9	-
Proceeds from short-term loans	67,5	130,0
Repayments of short-term loans	-30,0	-115,5
Proceeds from long-term loans	287,5	209,3
Repayments of long-term loans	-266,9	-146,4
Dividends paid	-30,9	-23,4
Cash flows from financing activities (C)	52,9	186,6
Net change in cash and cash equivalents (A+B+C)	-0,3	19,0
Net cash from operating activities per share, EUR	0,12	0,11

- **Cash from operations improved by 27%** due to:
 - Improved cash generation through higher profits
 - Lower negative working capital development compared to previous year
 - Cash taxes were positive due to a large tax rebate received in 1q 2008 resulting from the change in depreciation policy in 2007

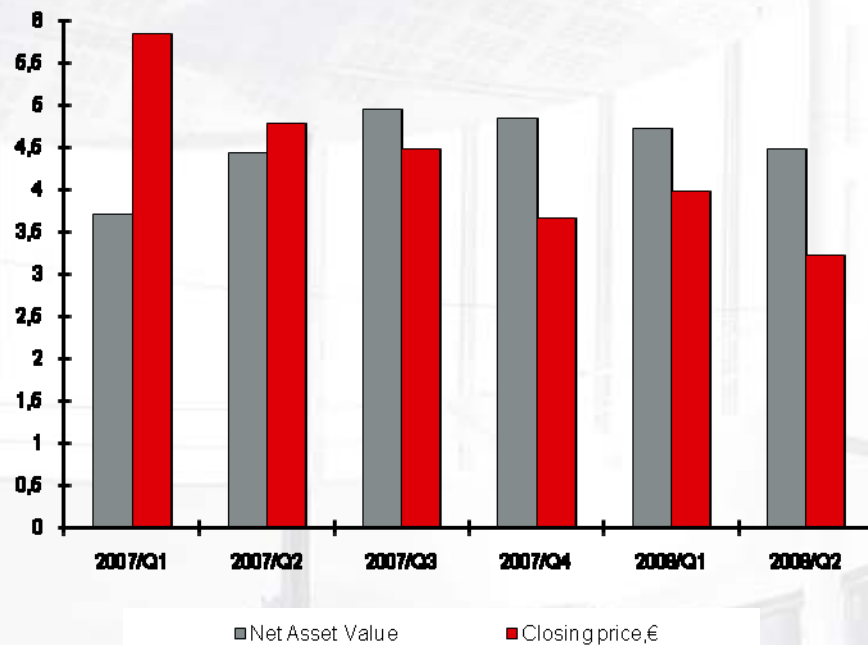
- No major acquisitions year-to-date
- Mainly cash invested into on-going development project
- Disposal of Iso Omena is reflected in the "Cash flow from financing activities"
- Proceeds from sale of investment property mainly relate to Ulappatori transaction

- **Cash flow per share increased by 7%** compared to 2007 at 0.12 euros per share despite higher # of shares
- Dividend payment was effected on 1 April 2008
- Solid cash flow continues to play a vital role in execution and financing of Citycon's strategy

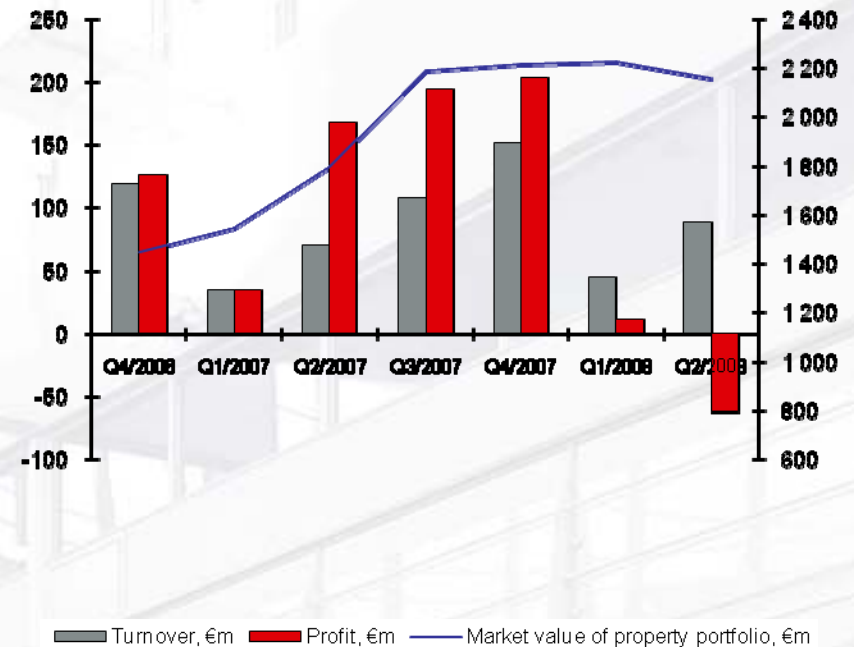
Key figures

CITYCON

EPRA NAV versus Share



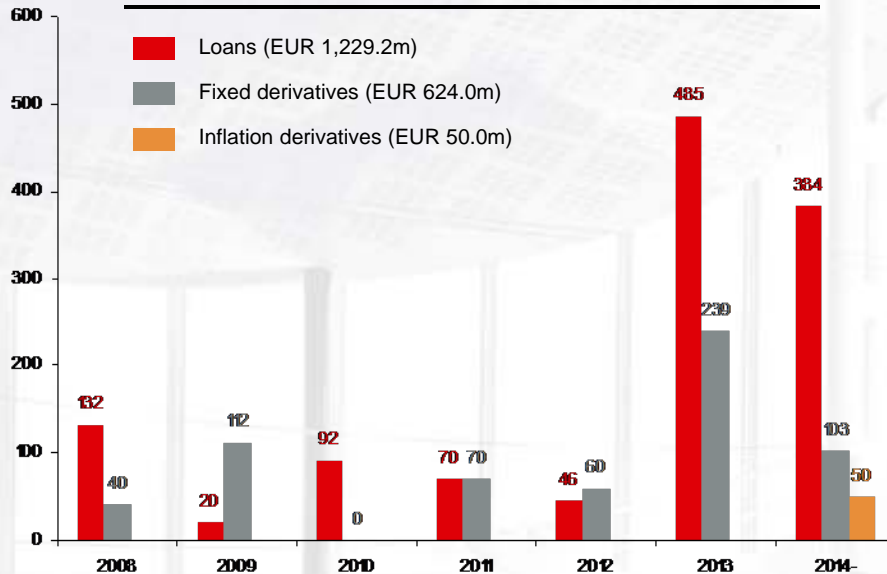
Turnover and Profit



Key Figures – Financing Overview

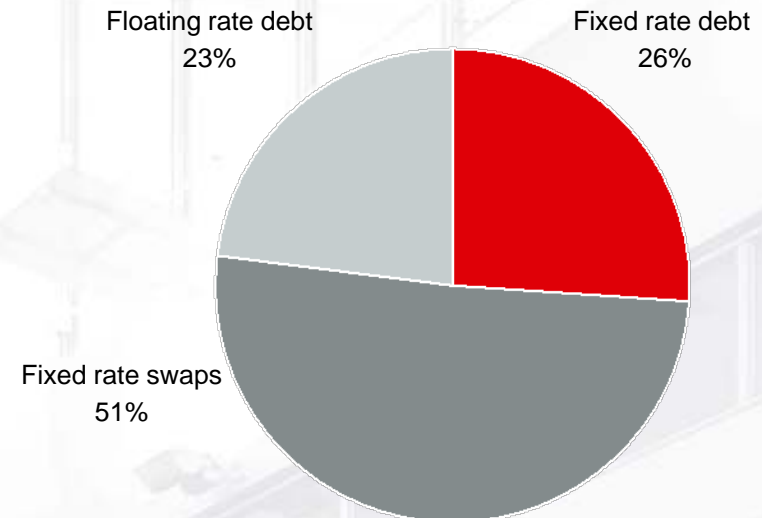
CITYCON

Maturity profile of loans and derivatives



Interest-bearing debt by fixing type

EUR 1,229.2 million ¹⁾

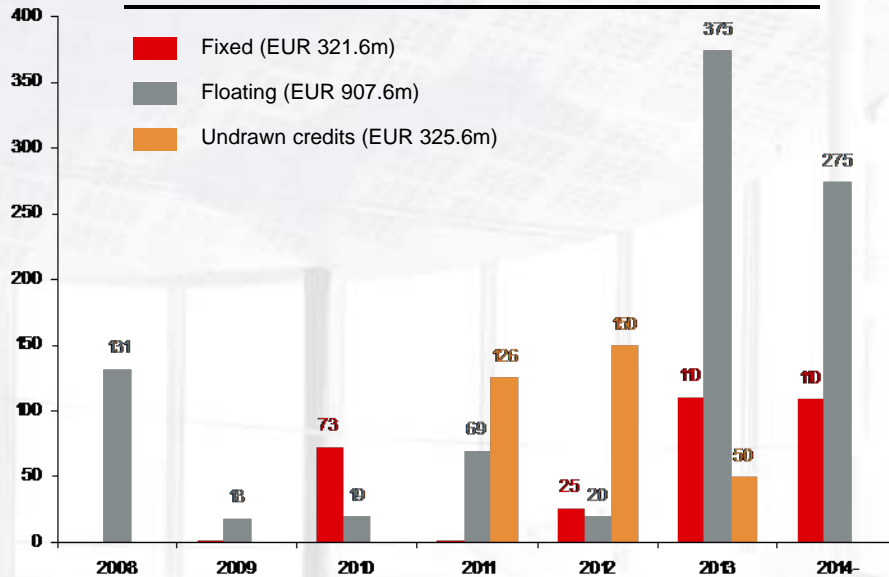


- During second quarter in 2008, the period-end interest-bearing net debt was **increased by EUR 56 million** as a result of dividend payment and investments into development projects
- High hedging ratio maintained at **77%** (79% at the end of Q1)
- Conservative financing policy continues; average loan maturity was **4.8** years and average time to fixing at **3.0** years
- **Refinancing not an issue**– total liquidity of EUR 349.4
- New 10-year loan signed with NIB with competitive terms

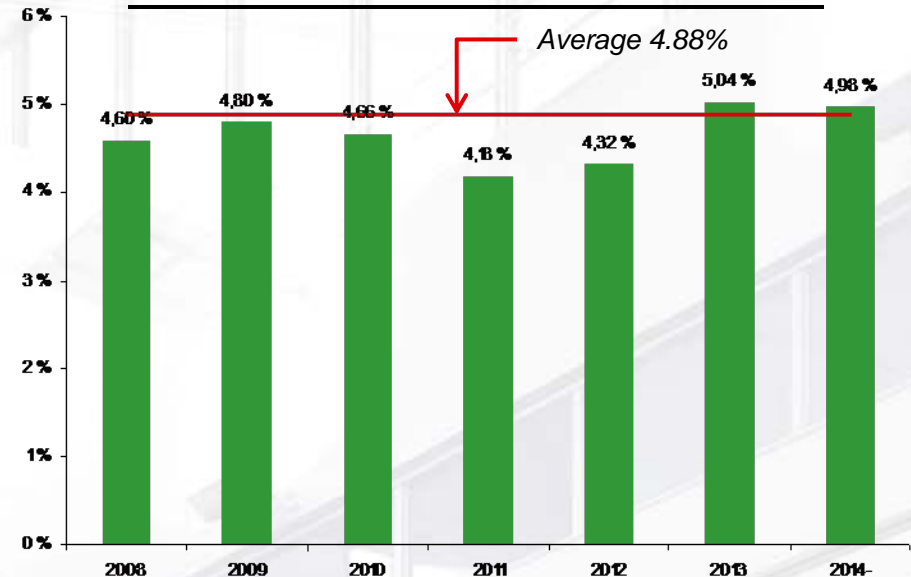
Key Figures – Financing Overview

CITYCON

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



Period-end interest rate by maturity



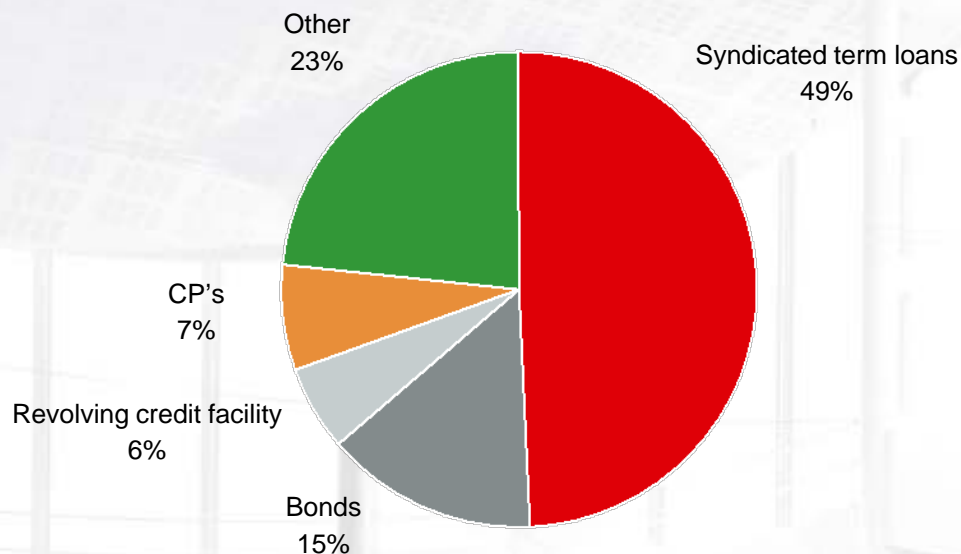
- Bulk of Citycon's debt is due on or after 2013
- Current available committed undrawn credits are also of long term nature and will fall due between 2011 and 2013
- Period-end interest rate was 4.88% for the total portfolio. Deviations from the average are mainly attributable to maturing hedges

Key Figures - Debt Portfolio

CITYCON

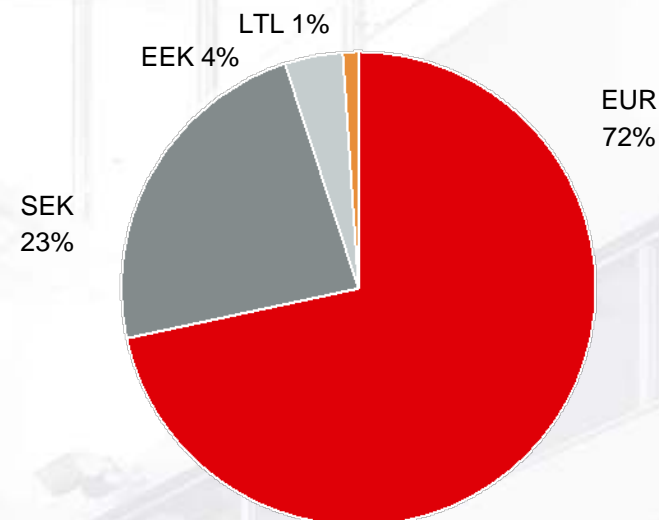
Breakdown by debt type

EUR 1,229.2 million ¹⁾



Breakdown by currency

EUR 1,229.2 million ¹⁾

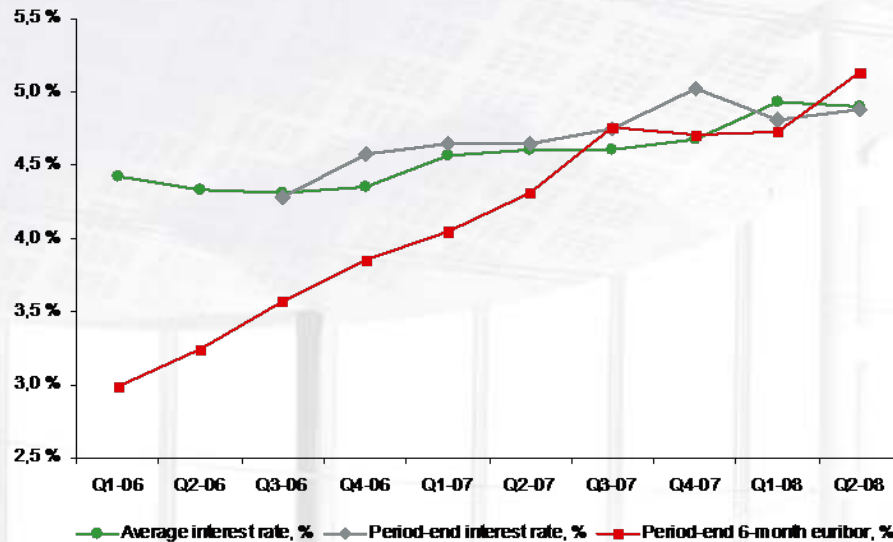


- The backbone of the debt financing continues to be the syndicated term and revolving facilities together with the bonds issued which comprise of **69%** of the debt portfolio
- In Q2 the average year-to-date interest rate decreased by 3 basis points to **4.90%** (Q2/2007: 4.60%). The period-end current run rate on the other hand increased to 4.88% as short term market rates continued to rise
- Citycon had as at period-end **total liquidity of EUR 349.4 million** which comprised of unutilized committed debt facilities amounting to EUR 325.6 million and cash EUR 23.8 million

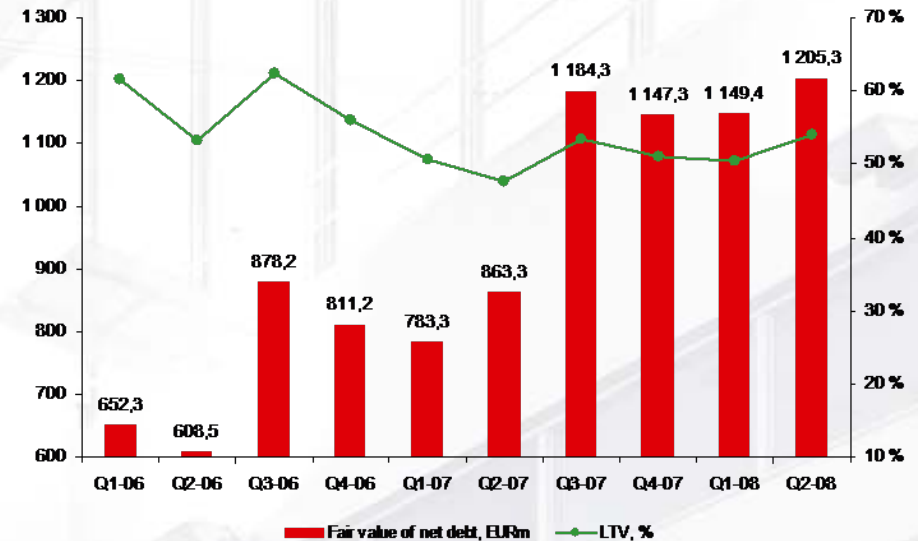
Key Figures – Interest Rates and LTV

CITYCON

Quarterly development of interest rates ¹⁾



Net debt and LTV-% ²⁾



- Increasing market rates feed through income statement with certain lag and Citycon's average interest rate decreased marginally to 4.90% as certain loans and swaps were rolled over with favorable rates in March – April in 2008
- Period-end run rate on the other hand slightly increased as both EUR and SEK market rates advanced strongly in Q2 on the back of increased rate hike fears which also materialized in June
- Citycon's LTV-% and net debt were increased somewhat as a result of fair value losses from investment property, dividend payment in April and investments into on-going development projects

Breakdown of Financial Expenses

CITYCON

Net Financial Expenses (EUR million)	2q 2008	1q 2008	2q 2007	Change-% (y-o-y)	Change-% (q-o-q)	YTD 2008	YTD 2007	Change-% (YTD)
Financial Expenses:								
Interest expenses	-14,1	-14,3	-9,7	46 %	-1 %	-28,4	-19,2	48 %
Foreign exchange losses	0,0	0,0	0,0	70 %	nm	0,0	-0,1	nm
Capitalised fees	-0,2	-0,2	-0,2	-17 %	2 %	-0,4	-0,4	3 %
Non-cash option expense from convertible bonds	-0,5	-0,5	-0,4	8 %	0 %	-0,9	-0,9	8 %
Other expenses	-0,4	-0,1	0,0	nm	nm	-0,4	0,0	nm
Total Expenses	-15,1	-15,0	-10,3	47 %	0 %	-30,1	-20,6	47 %
Financial Income:								
Interest income	0,2	0,3	0,2	-8 %	-47 %	0,5	0,4	15 %
Fair value gains	0,2	-1,4	0,1	59 %	-116 %	-1,2	0,7	nm
Total Income	0,4	-1,0	0,3	21 %	-137 %	-0,7	1,1	-157 %
Net Financial Expenses	-14,7	-16,1	-10,0	48 %	-9 %	-30,8	-19,4	58 %

2q2008

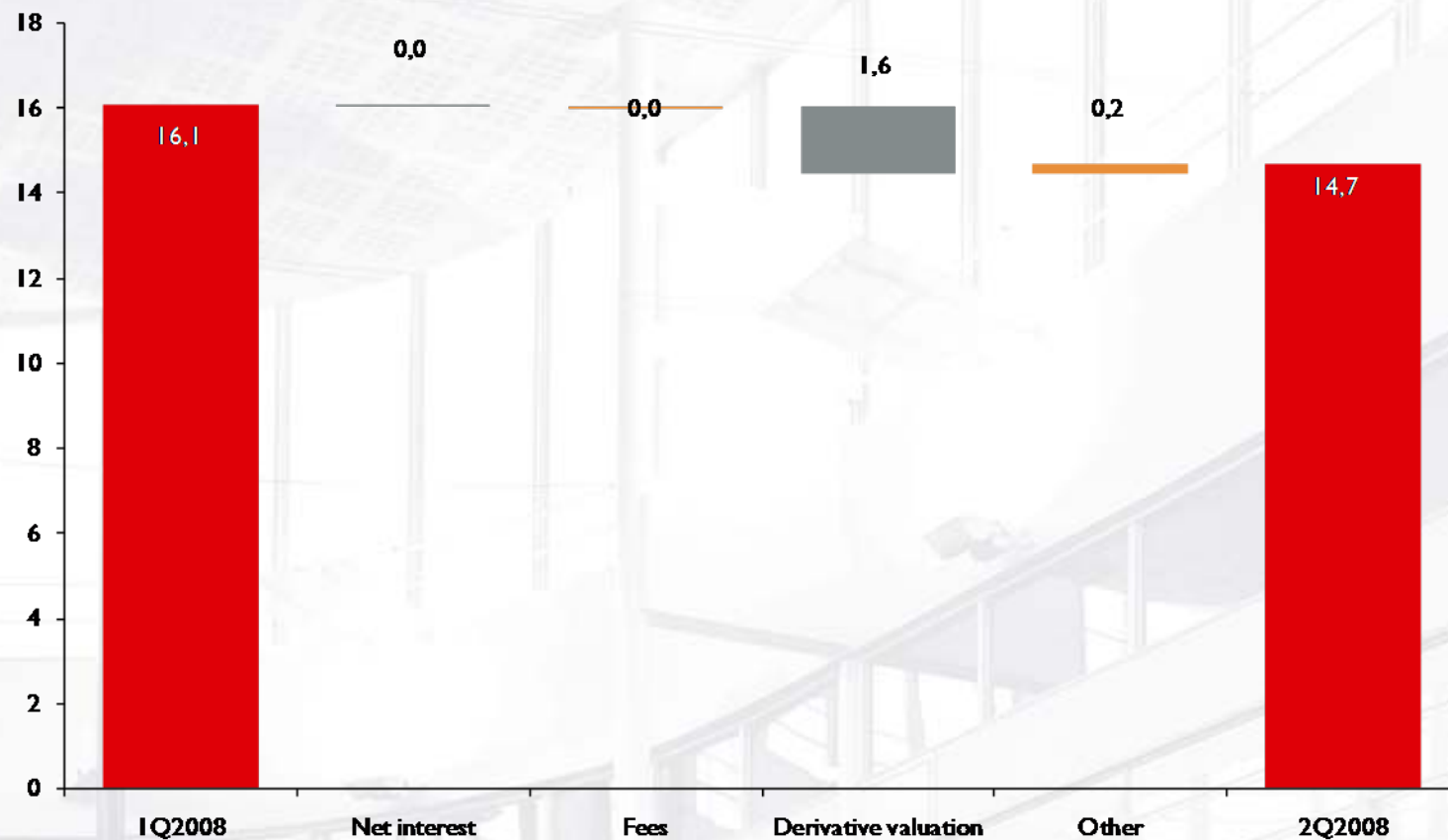
- Interest expenses decreased marginally from the previous quarter to EUR 14.1 million due to favorable loan and swaps rollover
- Total financial expenses were unchanged** compared to previous quarter
- Net financials were 9 percent lower mainly due to fair value gain from derivatives of EUR 0.2 million (loss EUR 1.4 million in Q1 2008)
- Excluding derivative valuations, Net financial expenses increased 1.4% compared to previous quarter

2008 YTD

- Excluding derivative valuations, Net financial expenses increased 47% compared to 1-6/ 2007
- At the same time, net debt increased by 40 percent from EUR 863 million to EUR 1,205 million

Net Financial Expenses Q2 2008 vs Q1 2008

CITYCON



Key Figures – Share Performance ¹⁾

CITYCON



•Citycon Q2 2008

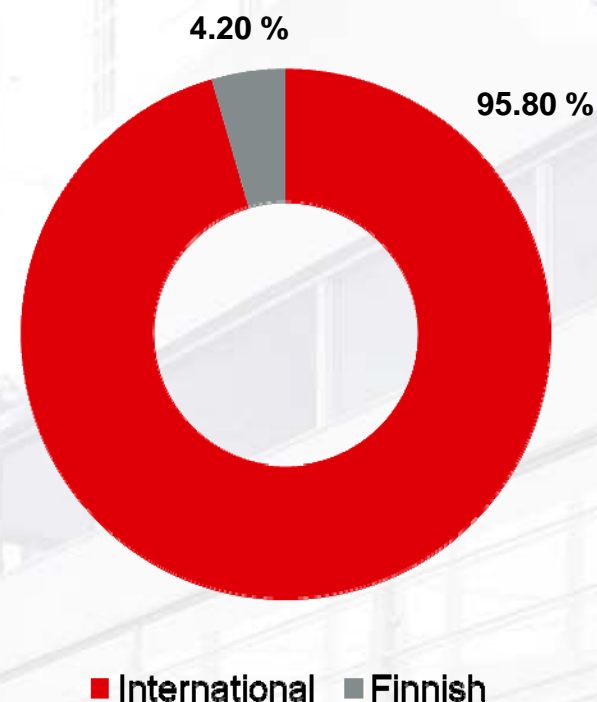
1) Starting values of FTSE EPRA index and OMX Helsinki CAP index on 3 January 2007 have been rebased to Citycon share price at EUR 2.23

Key Figures - Share Data

CITYCON

- Market capitalisation totalled EUR **619** million as of 15 July 2008
- **95.8 %** of shareholders are international as of 30 April, 2007
- **1984** registered shareholders
- **Largest Share holders**
 - Gazit –Globe ~39.35%
 - Perennial Investment Partners Ltd >5%
 - ING Clarion Real Estate Securities, L.P. >5%
 - AXA *Investment managers* <5%
 - Fidelity *International* <5%
- Citycon is included in GPR 250 Property Securities Index. The index includes 250 the most liquid property companies worldwide.
- Citycon is also included in e.g. FTSE EPRA/NAREIT Global Real Estate Index

Breakdown of shareholders



Backup Information

2007 Acquisitions - Iso Omena “The Big Apple”

CITYCON

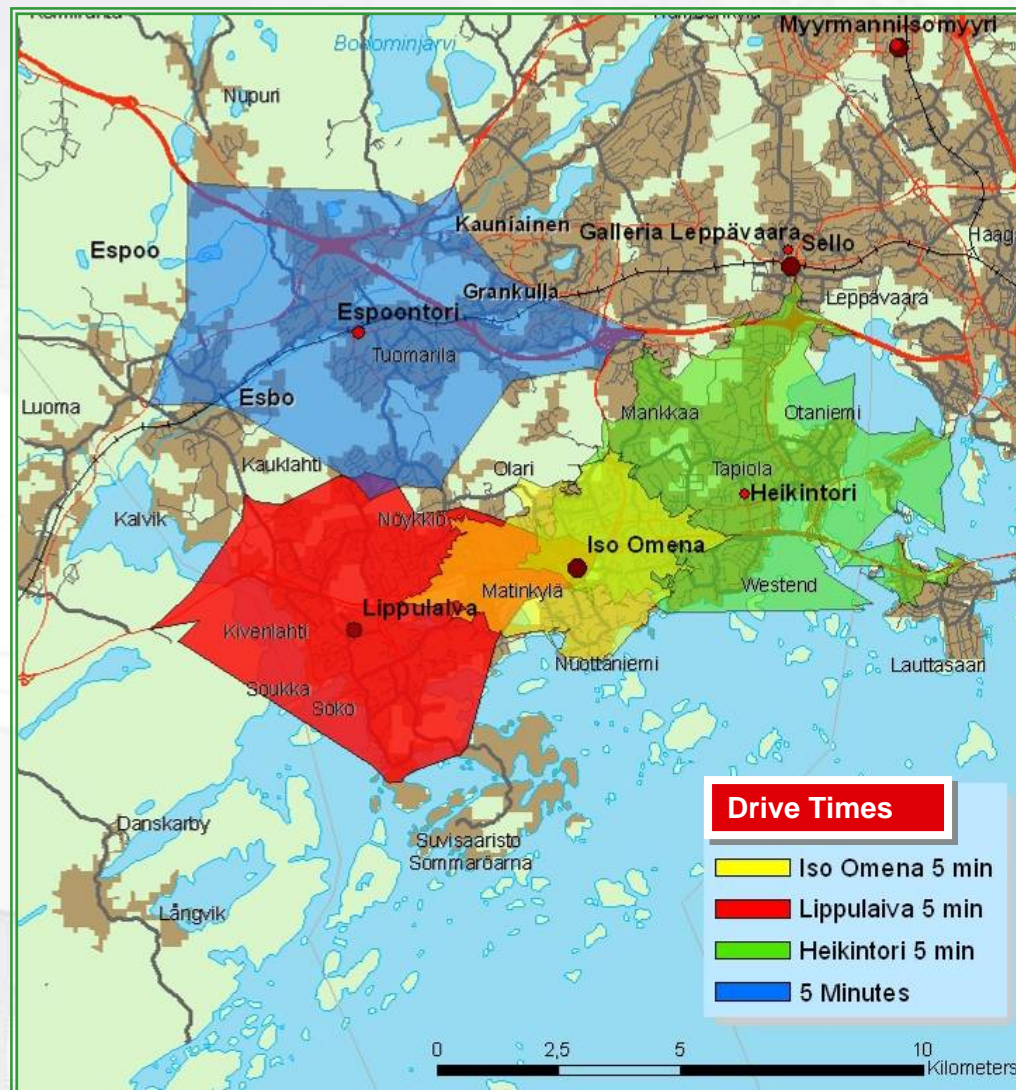
- Citycon acquired shopping centre Iso Omena from Doughty Hanson for appr. EUR 329 million; net initial yield 4.5%.
- The company sold 40% of the centre to GIC RE (part of Government of Singapore Investment Corporation). The selling price was equivalent to the acquisition price of EUR 329 million.
- Citycon will continue to be the asset manager and responsible for development of Iso Omena.
- A trophy asset. The catchment area is one of the most affluent areas in Finland. It is the 5th largest shopping centre in Finland.
- Underground line planned
- Plans to increase net rental income by:
 - Extension
 - Tenant mix improvements
 - More efficient marketing

Key Figures	
Opening	2001
Leasable area, m ²	61,300
of which retail premises, m ²	49,000
Gross floor area, m ²	138,458
Building volume, m ³	761,500
Unexercised building right, m ²	~7,000
Number of stores and restaurants	over 120
Occupancy rate	98,5 %
Total sales 2007, million	212,2
Number of visitors 2007, million	8.4
Parking spaces (of which 86% inside)	2200



2007 Acquisitions - Iso Omena "The Big Apple"

CITYCON



Iso Omena - Catchment area

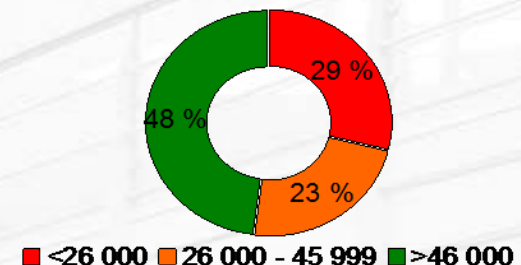
10-minute drive time

- 149,700 consumers
- 66,500 households
- Purchasing power EUR 2.75 billion

5-minute drive time

- 35,000 consumers
- 16,200 households
- Purchasing power EUR 0.6 billion

Catchment Area Household Income Distribution



2007 Acquisitions – Strömpilen and Magistral

CITYCON

Strömpilen*) - Umeå

Total GLA approx.	25.000 m ²
Occupancy rate	~100 %
Sales, 2007 (excl. VAT)	EUR 88.6 million
Number of visitors, 2006	2 million
Purchase price (May, 07)	EUR 52.9 million
Net Initial Yield	5.5%
Development potential	5.000 m ² + 20.000 m ²
Grocery anchored	



Strömpilen

Magistral - Tallinn

Total GLA	9.500 m ²
Occupancy rate	100 %
Sales, 2007	EUR 17.7 million
Number of visitors, 2007	3.5 million
Purchase price (July, 07)	EUR 16.2 million
Net initial Yield	6.5%
Unutilized building right	8.500 m ²
Grocery anchored	



Magistral



Latest Development and Redevelopment Projects CITYCON

Shopping Centre Duo

- Duo is located in one of the Finland's largest suburb, Hervanta in Tampere. Extension was completed in April and the renewed part for Christmas sales.
- The leasable area of the shopping centre is 15,500m²
 - The old Hervanta retail centre (5,200 m²)
 - The new extension (10,300 m²)
- 2007 sales were EUR 29.4 million and visitor 2.5 million.



Shopping Centre Trio

- One of Citycon's pilot projects in sustainable construction. Trio is located in the centre of Lahti, 100 km from Helsinki .
- Citycon connects four separate buildings into one centre; post-development GLA 35 000 m².
- The first, totally refurbished part was opened in November 2007, the redevelopment continues until 2009.
- 2007 sales were EUR 61.8 million and visitor 6.2 million (despite the on-going project.)



Mission

- Demonstrating expertise in retail property business, Citycon not only owns, manages, leases and develops shopping centres and other retail properties but also develops new retail premises.

Vision

- Citycon aims to expand its property portfolio and increase its value. The company's objective is to serve an array of retailers by providing them with the best industry expertise and premises meeting their needs.

Strategy

- Citycon focuses on retail properties, its core business consisting of shopping centres and other large retail units. Its business operations concentrate on urban growth centres in Finland, Sweden and the Baltic Countries. In its operations Citycon seeks to expand the Company's value and expertise as well as seeking customer relationships based on strong partnership.
- Citycon's business strategy is based on the following primary elements:
 - Focus solely in retail premises
 - Priority areas are the largest cities in Finland, Scandinavia and the Baltic States
 - Citycon aims at growing its portfolio by acquisitions and development projects

Citycon in Brief - Background

CITYCON

Citycon's path to becoming the market leader and an international property investment company

1988

- Quoted on the Main List of Helsinki Stock Exchange Office portfolio

1998

- Focus on Retail
- Two large Retail portfolio acquisitions
- Office portfolio divested
- Outsourced property management

1999

- Acquisition of 13 shopping centres

2003

- Property portfolio expands considerably
- Citycon's ownership base changes
- International investors become interested in Citycon

2004

- Citycon continues to grow
- Ownership structure becomes very international
- Analysing potential for entry into the Baltic countries and Scandinavia

2005

- Citycon enters foreign markets by acquiring its first properties in Sweden and Estonia
- Increases holdings in a number of Finnish shopping centres

2006

- Citycon continues to expand acquiring several retail properties especially in Sweden and its first property in Lithuania
- The disposal of non-core properties

2007

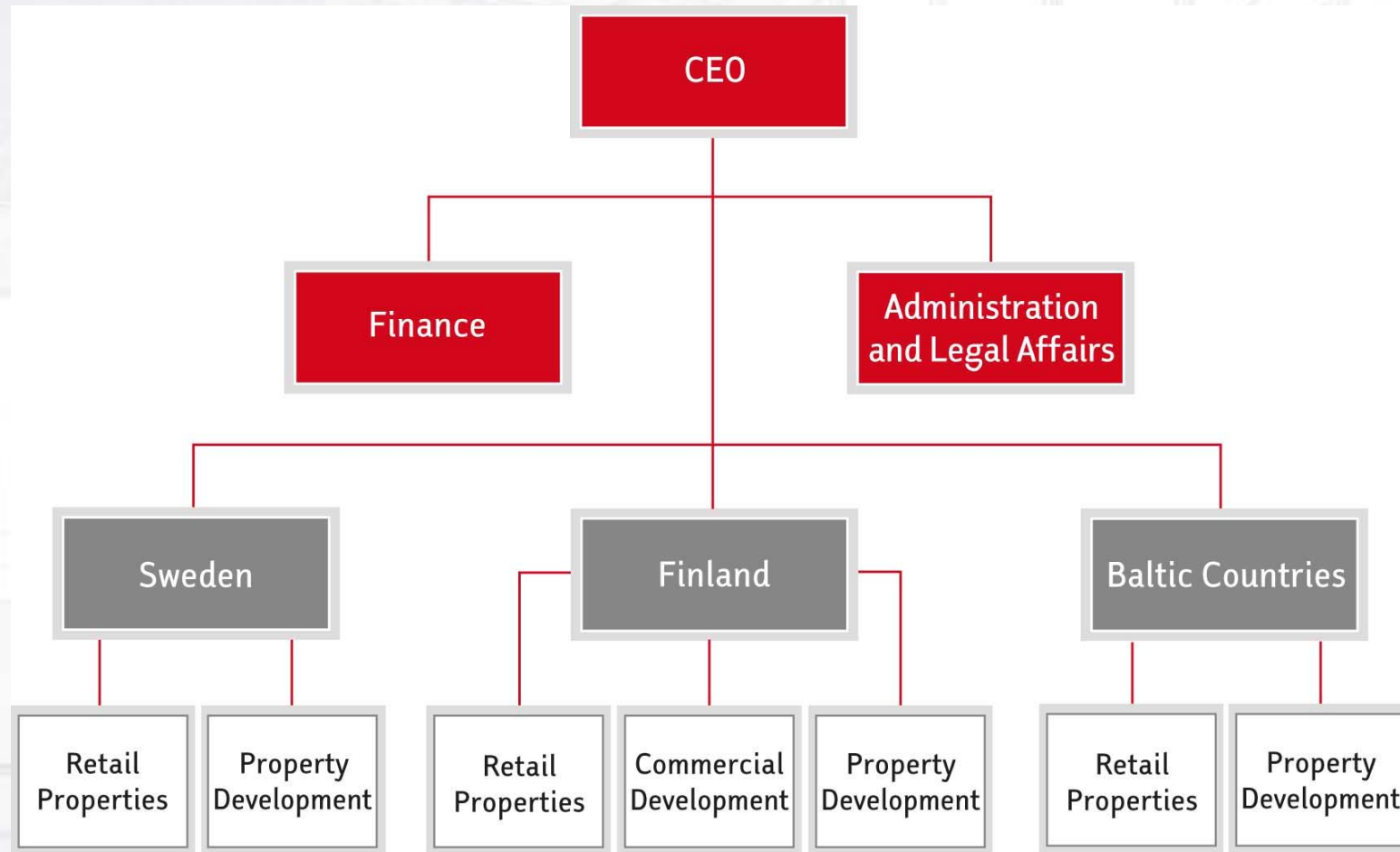
- The company strengthens its shopping centre portfolio by new acquisitions in Finland and Sweden
- Focus on development and redevelopment: Liljeholmen and Rocca al Mare project started
- Citycon acquires Iso Omena

2008

- Citycon puts more and more emphasis on green, sustainable construction and redevelopment and is aiming to get international environmental certification for its projects.
- The company sells 40% of Iso Omena to GIC.

Highlights – Country Organisation

CITYCON



Management



Petri Olkinuora, CEO



Eero Sihvonen, CFO



Outi Raekivi
Head of Legal Affairs



Kaisa Vuorio
Vice President
Finnish Operations



Ulf Attebrant
Vice President
Swedish Operations



Harri Holmström
Vice President
Baltic Operations

Citycon Properties – Core Shopping Centres

CITYCON

Finland



Lippulaiva
Built 1993
GLA 23.000 m²
Owned 100 %



Koskikeskus
1988
25.700 m²
88 %

Myyrmanni
1994
40.200 m²
100 %



Forum
1953/91
17.400 m²
Citycon 69 %

Trio
1977/87
32.200 m²
89.3 %



Iso Omena
2001
61.300 m²
100 %

Columbus
1997/07
20.400 m²
100 %

Sweden



Jakobsberg
1959/93
67.000 m²
100 %



Stenungstorg
1967/93
37.600 m²
85 %



Åkersberga
1985/96
33.100 m²
75 %



Tumba
n.a.
33.100 m²
100 %



Strömpilen
n.a.
25.000 m²
75 %

Baltic Countries



Rocca al Mare, Estonia
1998/00
28.600 m²
100 %



Mandarina, Lithuania
2005
8.000 m²
100 %



Magistral, Estonia
2000
9.450 m²
100 %

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