



COMPANY PRESENTATION

04.2012

COMPANY

Equity Story

- Deutsche EuroShop is Germany's only public company that invests solely in shopping centers.
- Shopping centers are attractive investments because of
 - continuously positive development of rents
 - stable long term growth
 - prime locations
 - high quality standards
- Deutsche EuroShop does not seek short-term success, but rather long-term growth and the resulting stable increase in the value of the portfolio.



COMPANY

At a Glance

- 19 shopping centers on high street and in established locations – 15 in Germany, 2 in Poland and one each in Austria and Hungary

Lettable space	approx. 905,000 sqm ¹⁾
Retail shops	approx. 2,310 ¹⁾
Market value	approx. €3.6 billion ¹⁾
Rents per year	€244 million ¹⁾
Occupancy rate	99%

avg. lettable space per DES-center: inner city 37,850 sqm est. Locations 100,270 sqm

- 2011 portfolio valuation: 5.92% net initial yield (EPRA)
- Professional center management by ECE, the European market leader in this industry



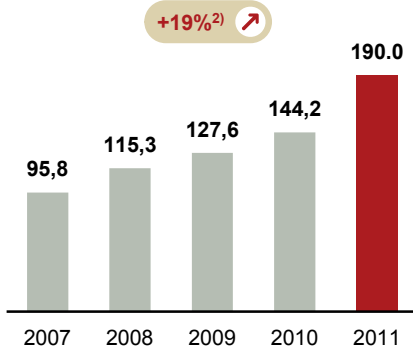
1) 100%-view

COMPANY

Key Figures¹⁾

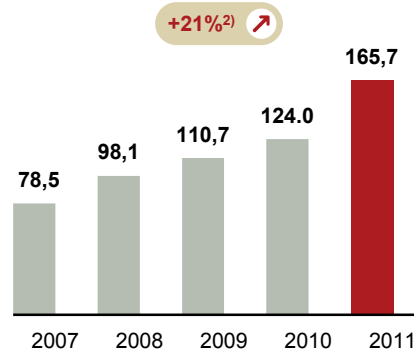
REVENUE

€m



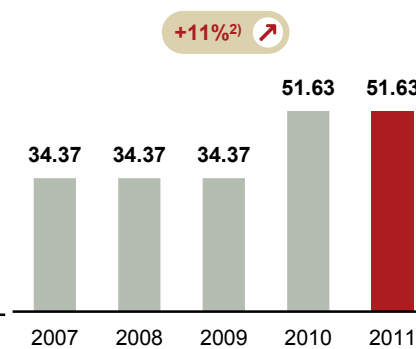
EBIT

€m



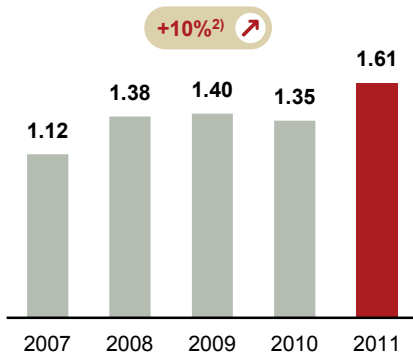
NUMBER OF SHARES

mn



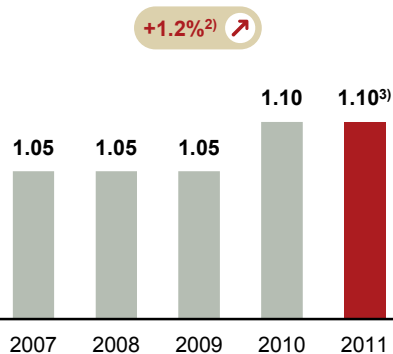
FFO PER SHARE

€



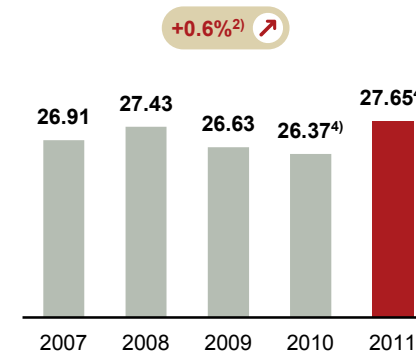
DIVIDEND PER SHARE

€



NAV PER SHARE

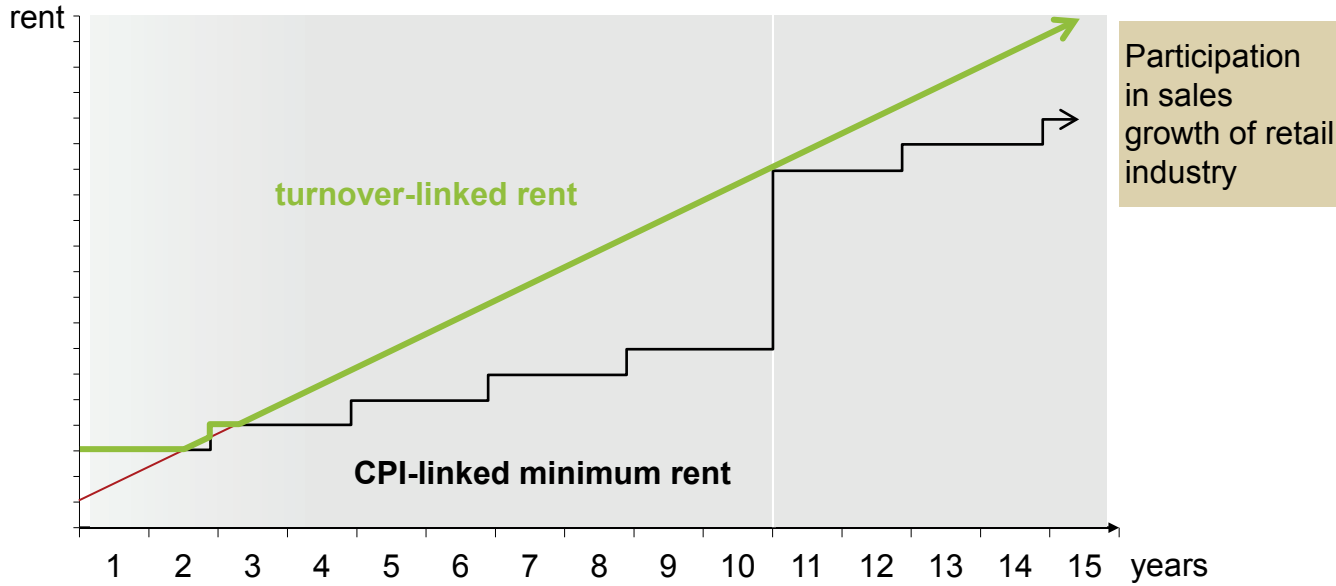
€



- 1) Preliminary results
- 2) 2006-2011, Compound Annual Growth Rate (CAGR)
- 3) Proposal to the AGM
- 4) EPRA NAV

COMPANY

Lease System



Lease standards:

- 10 years lease only
- no break-up option
- turnover-linked rents
- minimum rents are CPI-linked

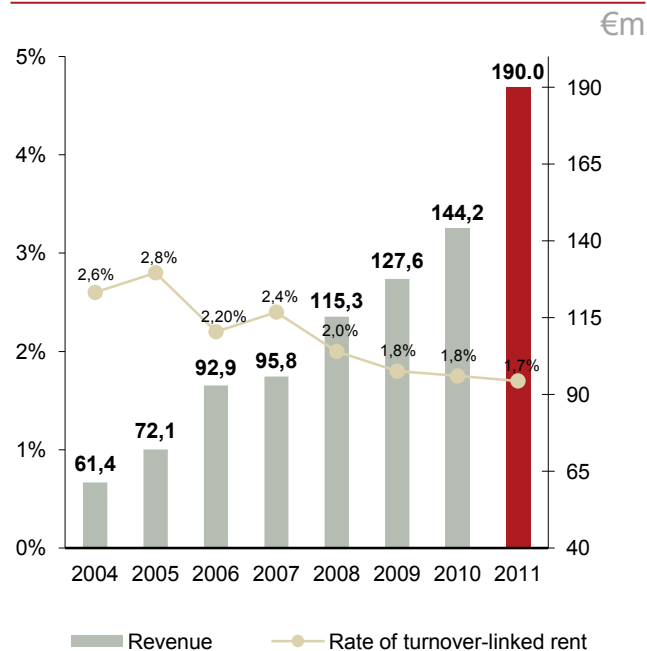


COMPANY

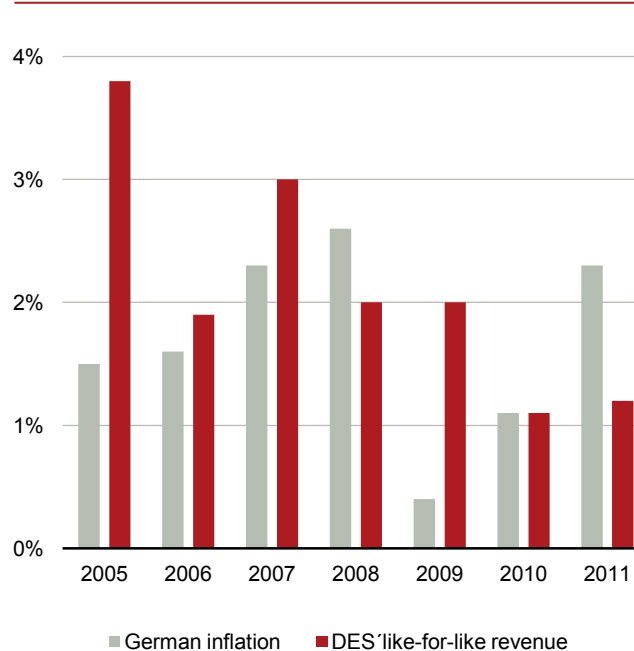
Lease System

- avg. rent per sqm and year: €250
- avg. turnover per sqm and year: €4,700 (avg. German retail: €3,430)
- Rent-to-sales-ratio: 7-11%
- weighted maturity of rental contracts: 7.4 years

TURNOVER-LINKED RENT



LIKE-FOR-LIKE REVENUE



COMPANY

Targets

- Long term net asset value enhancement
- Main focus on NAV and dividend
- “buy & hold”-strategy, Continuous growth
- Stable and attractive dividends
Dividend yield: currently 4.2%
- Investment-focus:
At least 75% Germany and up to 25% Europe
- Portfolio extension by 10% per year
 - by acquisition of new shopping centers
 - by increasing existing amounts of holdings
 - by expansion of portfolio centers



SHOPPING CENTERS

Overview



SHOPPING CENTERS

Germany



A10 Center



Main-Taunus-Zentrum



Altmarkt-Galerie

Location	Wildau/Berlin	Sulzbach/Frankfurt	Dresden
Investment	100%	52.0%	67.0%
Lettable space sqm	118,500	117,900	77,000
Parking	4,000	4,500	500
Number of shops	approx. 200	approx. 170	approx. 200
Occupancy rate	100%	100%	93%
Catchment area	approx. 1.2 m. inhabitants	approx. 2.2 m. inhabitants	approx. 1.0 m. inhabitants
Opening/refurbishm.	1996 / 2011	1964 / 2004 / 2011	2002 / 2011



SHOPPING CENTERS

Germany



Rhein-Neckar-Zentrum



Allee-Center



Billstedt-Center

Location	Viernheim	Magdeburg	Hamburg
Investment	100%	50%	100%
Lettable space sqm	64,400	51,300	42,800
Parking	3,800	1,300	1,500
Number of shops	approx. 110	approx. 150	approx. 110
Occupancy rate	100%	98%	100%
Catchment area	approx. 1.2 m. inhabitants	approx. 0.7 m. inhabitants	approx. 0.7 m. inhabitants
Opening/refurbishm.	1972 / 2002	1998 / 2006	1969 / 1977 / 1996



SHOPPING CENTERS

Germany



Phoenix-Center



Forum



Allee-Center

Location	Hamburg	Wetzlar	Hamm
Investment	50.0%	65.0%	100%
Lettable space sqm	39,200	34,300	33,900
Parking	1,600	1,700	1,250
Number of shops	approx. 110	approx. 110	approx. 90
Occupancy rate	100%	100%	100%
Catchment area	approx. 0.6 m. inhabitants	approx. 0.5 m. inhabitants	approx. 1.0 m. inhabitants
Opening/refurbishm.	2004	2005	1992 / 2003 / 2009



SHOPPING CENTERS

Germany



City-Galerie



Rathaus-Center



City-Arkaden

Location	Wolfsburg	Dessau	Wuppertal
Investment	100%	100%	100%
Lettable space sqm	30,800	30,400	28,700
Parking	800	850	650
Number of shops	approx. 100	approx. 90	approx. 90
Occupancy rate	100%	98%	100%
Catchment area	approx. 0.5 m. inhabitants	approx. 0.6 m. inhabitants	approx. 0.7 m. inhabitants
Opening/refurbishm.	2001 / 2006	1995	2001 / 2004



SHOPPING CENTERS

Germany



City-Point



Stadt-Galerie



Stadt-Galerie

Location	Kassel	Passau	Hameln
Investment	100%	75.0%	100%
Lettable space sqm	28,300	27,600	26,000
Parking	220	500	500
Number of shops	approx. 60	approx. 90	approx. 100
Occupancy rate	100%	100%	100%
Catchment area	approx. 0.8 m. inhabitants	approx. 0.7 m. inhabitants	approx. 0.4 m. inhabitants
Opening/refurbishm.	2002 / 2009	2008	2008



SHOPPING CENTERS

Europe



Galeria Bałtycka



City Arkaden



Árkád

Location	Gdansk, Poland	Klagenfurt, Austria	Pécs, Hungary
Investment	74.0%	50.0%	50.0%
Lettable space sqm	48,600	36,900	36,900
Parking	1.050	880	880
Number of shops	approx. 195	approx. 120	approx. 120
Occupancy rate	100%	100%	93%
Catchment area	approx. 1.1 m. inhabitants	approx. 0.4 m. inhabitants	approx. 1.0 m. inhabitants
Opening/refurbishm.	2007	2006	2004



SHOPPING CENTERS

Europe



Galeria Dominikanska

Location	Wroclaw, Poland
Investment	33.3%
Lettable space sqm	32,900
Parking	900
Number of shops	approx. 100
Occupancy rate	99%
Catchment area	approx. 1.0 m. inhabitants
Opening/refurbishm.	2001



SHOPPING CENTERS

Our Tenants¹⁾



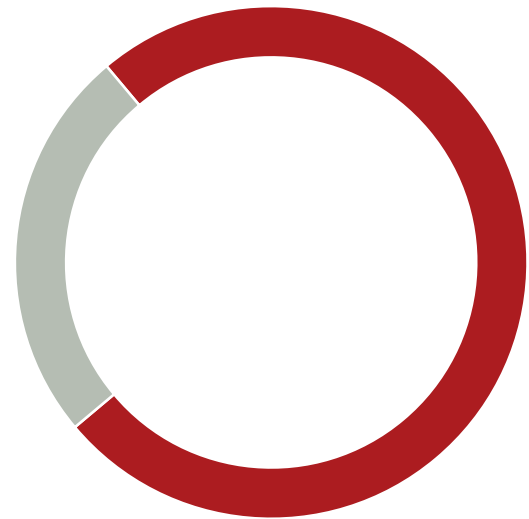
¹⁾ selection of our well known tenants

SHOPPING CENTERS

Tenants Structure Top 10 Tenants¹⁾

Low level of dependence on the top 10 tenants

Metro Group	6.0%
Douglas Group	4.4%
H&M	2.7%
New Yorker	2.3%
Deichmann	1.9%
Peek & Cloppenburg	1.9%
C&A	1.7%
REWE	1.6%
Inditex Group	1.4%
Esprit	1.4%
Total	25.3%



Total	74.7%
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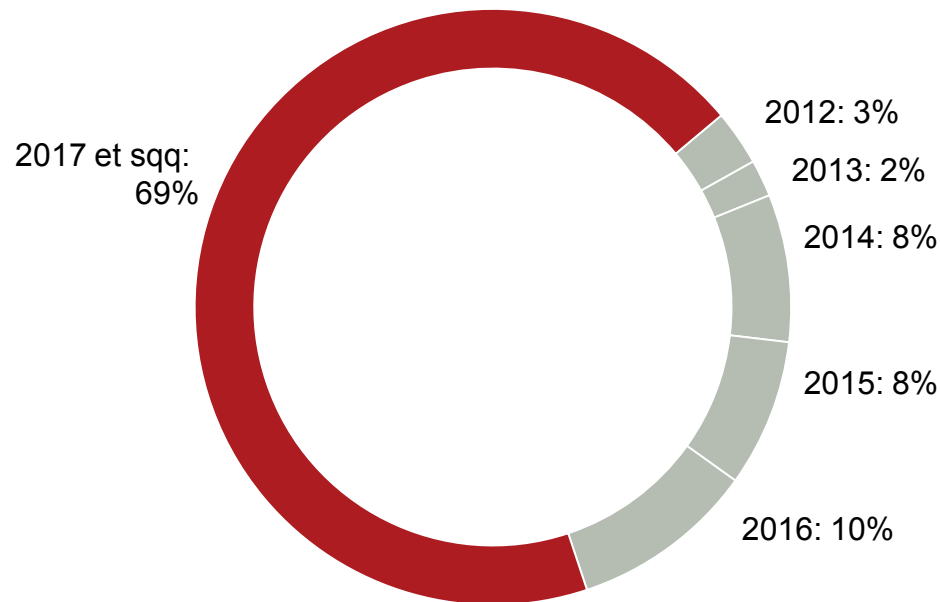
Other tenants



¹⁾ in % of total rents as at 31 Dec 2011

SHOPPING CENTERS

Maturity Distribution of Rental Contracts¹⁾



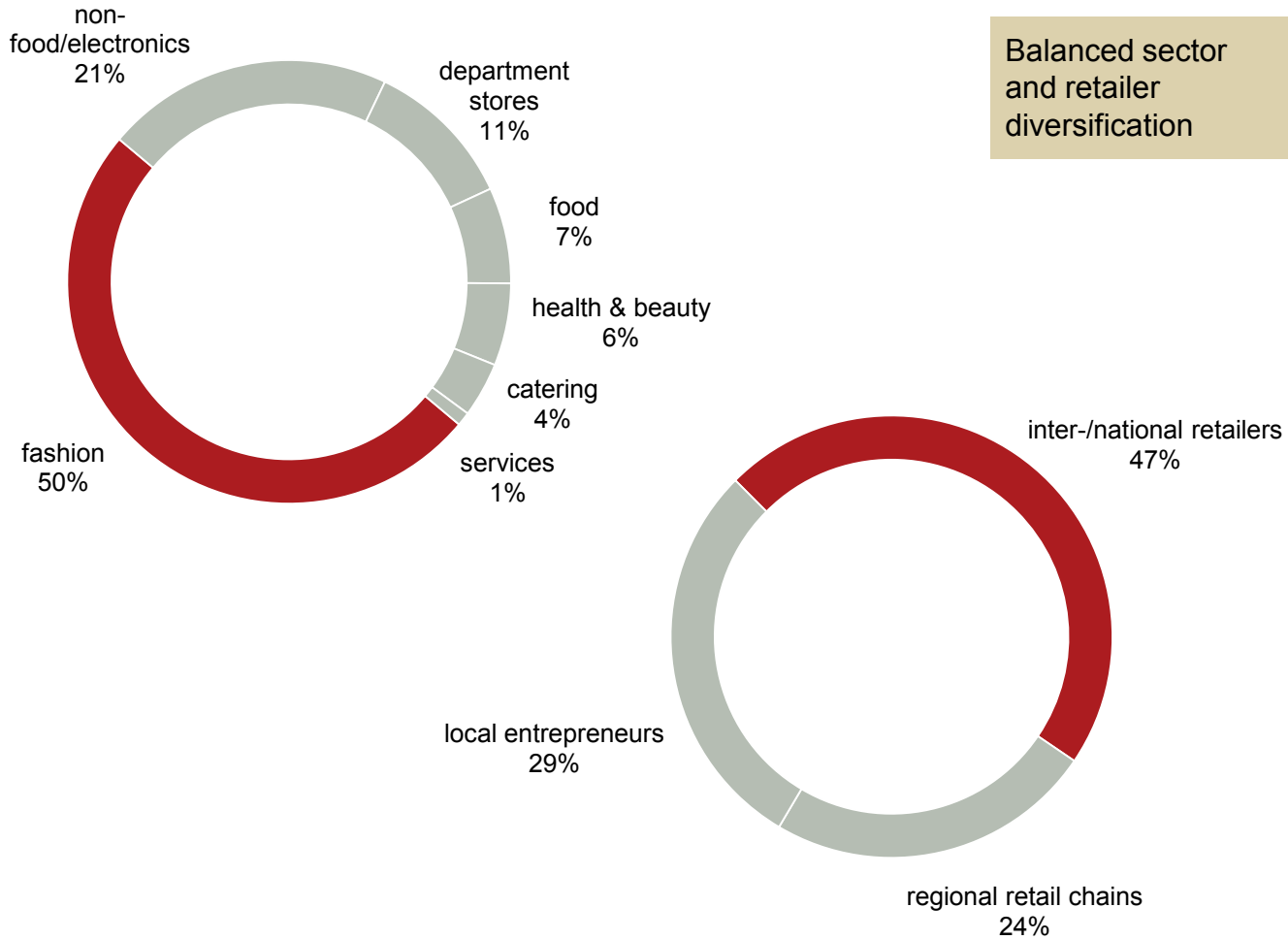
- Long-term contracts guarantee rental income
- Weighted maturity 7.4 years



¹⁾ as % of rental income as at 31 December 2011

SHOPPING CENTERS

Sector and Retailer Mix¹⁾



¹⁾ as % of rental income as at 31 December 2011

FINANCIALS

Key Figures 2011 (Preliminary Results)

€ million	2011	2010	+/-
Revenue	190.0	144.2	32%
Net operating income	171.6	129.0	33%
EBIT	165.7	124.0	34%
Net finance costs	-79.1	-60.2	-31%
Valuation result	41.8	33.1	26%
EBT	128.4	97.0	32%
Consolidated profit	93.4	-7.8	
FFO per share	1.61	1.35	19%
Earnings per share	1.81	-0.17	

€ million	31.12.2011	31.12.2010	+/-
Total equity	1,472.9	1,441.5	2%
Interest bearing debt	1,472.1	1,288.2	14%
Other debt	69.3	49.1	41%
Total assets	3,225.1	2,963.6	9%
Equity ratio	45.7%	48.7%	
LTV ratio	47%	47%	

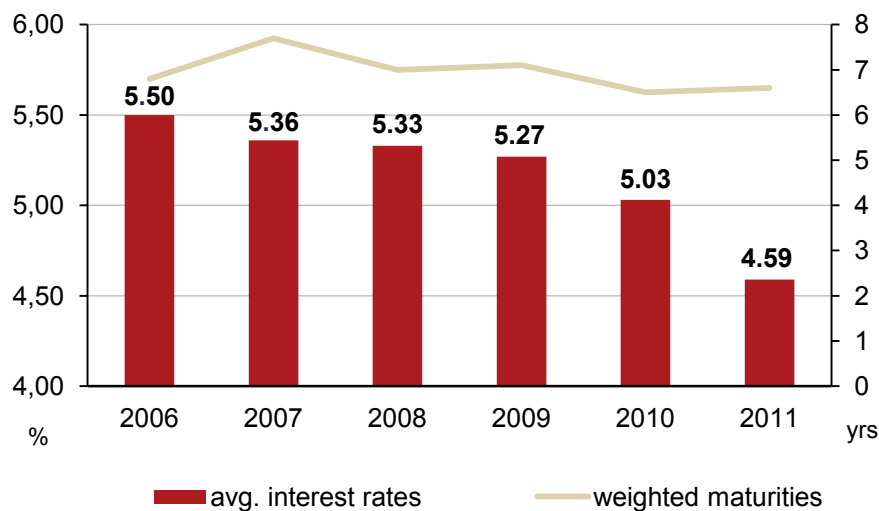


FINANCIALS

Loan Structure¹⁾

Interest lockin	Duration	Principle amounts (€ thousand)	Share of total loan	avg. interest rate
Up to 1 year		137,598	9.4%	3.47%
1 to 5 years	3.60	589,811	40.2%	4.87%
5 to 10 years	9.49	600,368	40.9%	4.52%
Over 10 years	15.27	139,254	9.5%	4.73%
Total 2011	6.58	1,467,031	100.0%	4.59%

- Banks: 23 German and 1 Austrian
- Weighted maturity of fixed interest periods 6.6 years
- Weighted maturity of the loans >15 years



¹⁾ as of 31 Dec 2011

FINANCIALS

Refinancings of 2011

in € thousand	new	old	+/-
Principle amounts	300,000	305,000	-5,000
Duration	8.6yrs	2.4yrs	+6.2yrs
Interest rate	4.07%	5.42%	-1.35%

Maturities until 2016¹⁾

in € thousand	(re-)financing planned in 2012	end of fixed interest periods respectively expiring loans	avg. interest rate	regular redemption payments	total maturities
2012	(new) 60,000	0		22,100	22,100
2013		176,600	3.75%	19,400	196,000
2014	65,600	93,600	5.84%	18,800	112,400
2015		78,600	5.06%	17,300	95,900
2016		171,500	5.43%	14,000	185,500

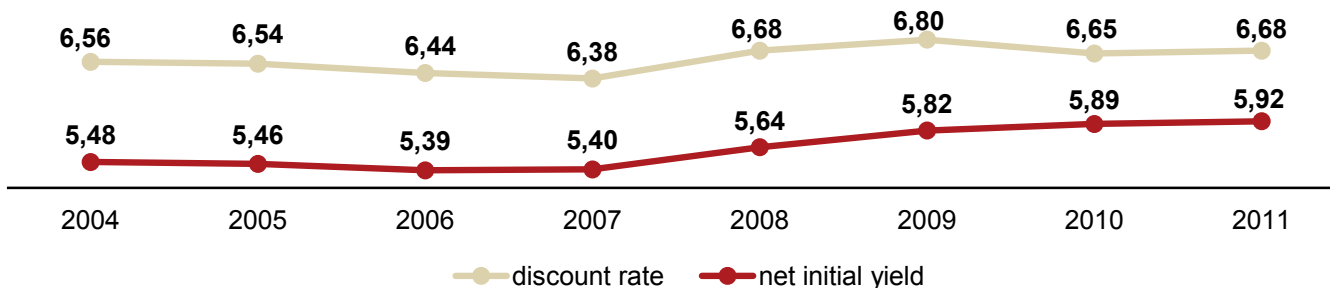


¹⁾ as of 31 Dec. 2011

FINANCIALS

Valuation¹⁾ – Investment Properties 2011

Discounted cash-flow method	2010	2011	actual			
expected yield of 10-year German federal bonds	4.44%	4.34%	1.73% ²⁾	-----	Macro-location	40.0%
average applied risk premiums	2.21%	2.34%			Competitive environment	12.8%
average discount rate	6.65%	6.68%			Micro-location	19.2%
average property operating and management costs	11.70%	11.80%			Property quality	8.0%
net initial yield (EPRA)	5.89%	5.92%			Tenants risk	20.0%



Sensitivity analysis

in € thousand	Basis	change of -25bps	change of +25bps
Rent increase rates	1.70%	-106,300	111,700
Discount rate	6.68%	98,100	-93,300
Net initial yield	5.92%	138,000	-126,800
Cost ratio	11.80%	9,000	-9,000

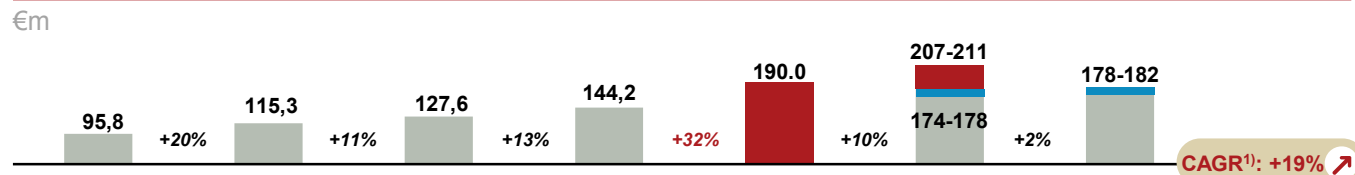


1) External appraisers: Feri Research and GfK GeoMarketing
 2) Status: 12 April 2012

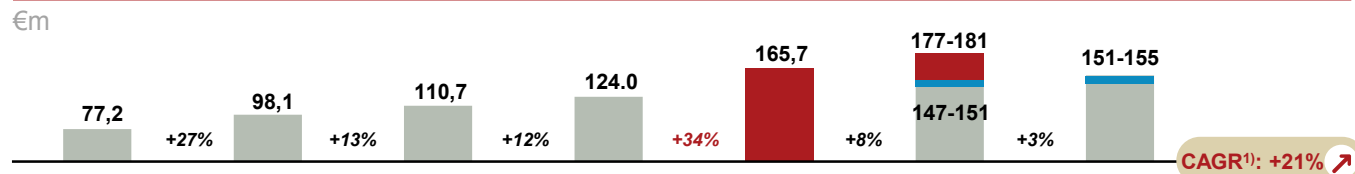
FINANCIALS

Forecast

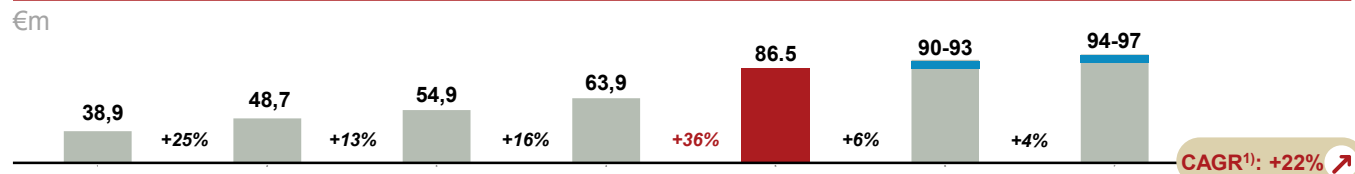
REVENUE



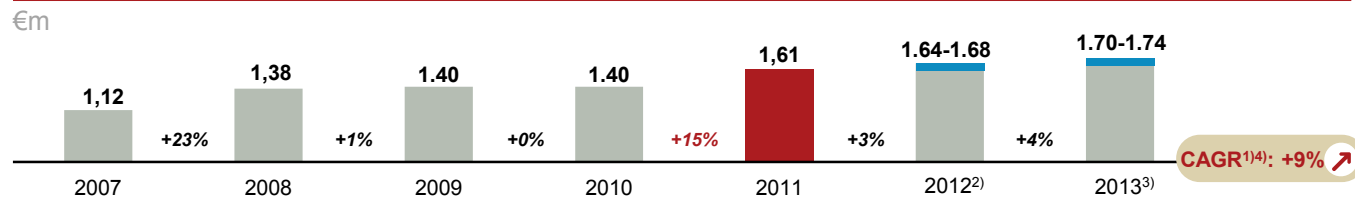
EBIT



EBT WITHOUT VALUATION



FFO PER SHARE

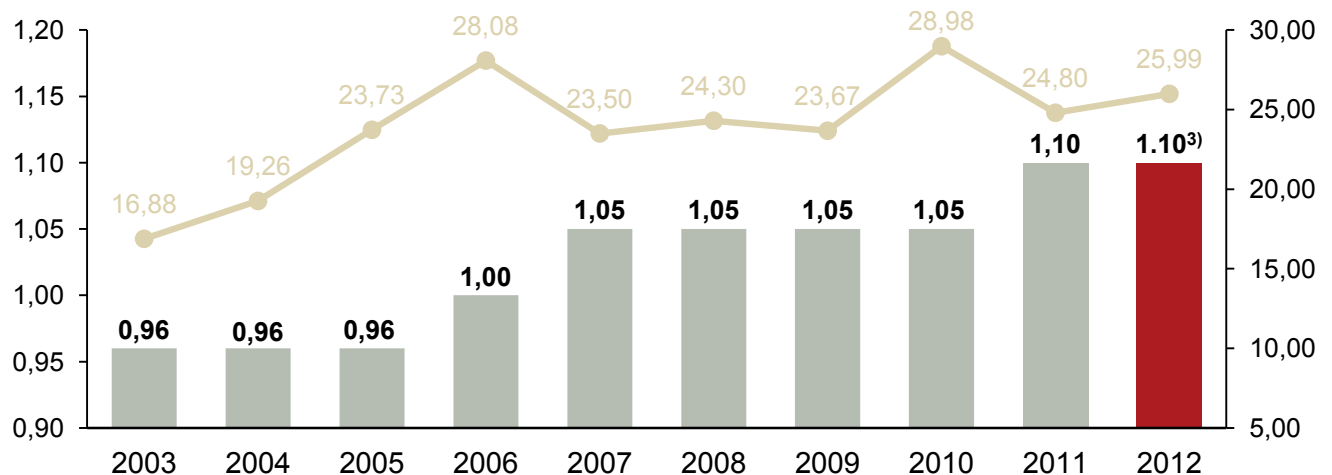


- 1) Compound Annual Growth Rate (CAGR) 2007-2011
- 2) incl. at-equity consolidation scenario
- 3) at-equity consolidation
- 4) incl. dilution

SHOPPING CENTER SHARES

Dividend & Performance

Dividend¹⁾



Share price²⁾

PERFORMANCE

DES

1 year	(2011)	-14.4%
3 years	+16.4% =	+5.2% p.a.
5 years	+9.1% =	+1.8% p.a.
Since IPO (2001)	+104.8% =	+6.7% p.a.

DAX

1 year	-14.7%
3 years	+7.0% p.a.
5 years	-2.2% p.a.
Since IPO (2001)	-0.8% p.a.



1) respectively paid for the previous financial year

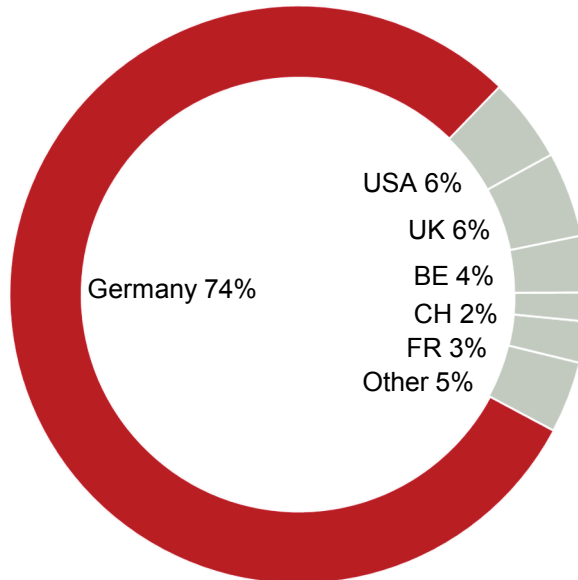
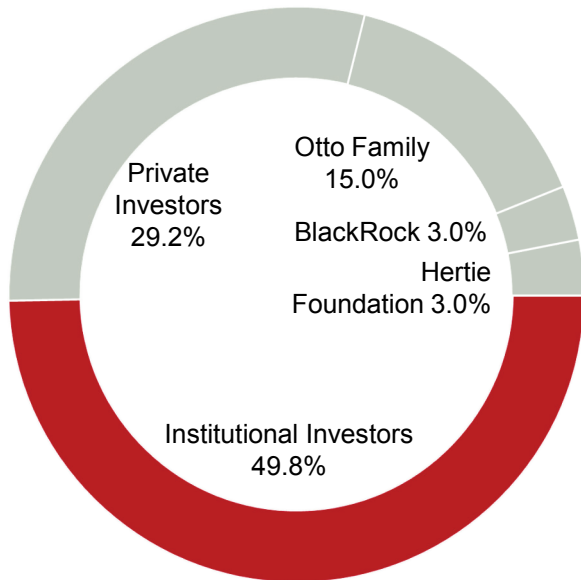
2) 2012: as of 30 March 2012

3) proposal to the AGM

SHOPPING CENTER SHARES

Shareholder Structure¹⁾

- 9,900 shareholders
- Free float 85.0%



¹⁾ Status: 1 March 2012

SHOPPING CENTER SHARES

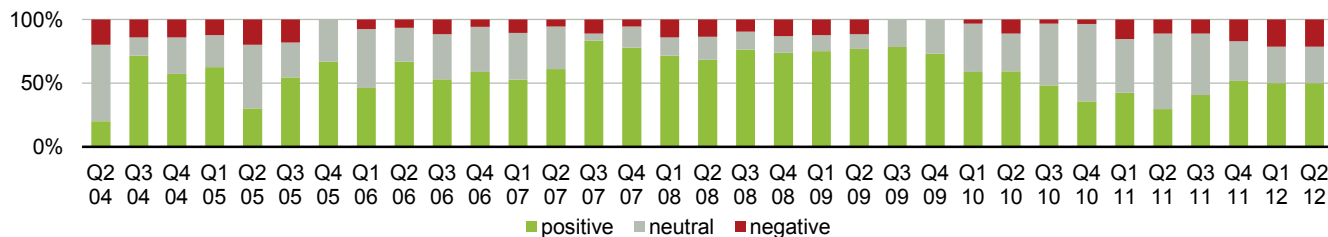
Analysts' Consensus¹⁾

avg. / in €	2012	2013
EBIT (€ million)	178.8	179.1
FFO per share	1.66	1.73
EPS	1.78	1.79
Dividend	1.16	1.22
Price target		27.90

Status: 12 Apr 2012

- 28 analysts: one of the best covered real estate companies in Europe²⁾

Sell	Underperform	Neutral	Outperform	Buy
<ul style="list-style-type: none"> ▪ Green Street Advisors 	<ul style="list-style-type: none"> ▪ Credit Suisse ▪ Kempen & Co. ▪ Kepler Capital Markets ▪ Natixis ▪ Petercam Bank 	<ul style="list-style-type: none"> ▪ ABN Amro ▪ Aurel ▪ Baader Bank ▪ Deutsche Bank ▪ HSBC ▪ ING ▪ Oddo ▪ UBS 	<ul style="list-style-type: none"> ▪ Commerzbank ▪ Edge Capital ▪ equinet ▪ West LB 	<ul style="list-style-type: none"> ▪ Bankhaus Lampe ▪ Bank of America Merrill Lynch ▪ Berenberg Bank ▪ Close Brothers Seydler ▪ DZ Bank ▪ Hamburger Sparkasse ▪ Metzler ▪ M.M. Warburg ▪ Rabobank ▪ Societe Generale



1) aggregated by DES
 2) according to EPRA survey 3/2012

SHOPPING CENTER SHARE

10 Reasons to Invest

1. The only public company in Germany to invest solely in shopping centers
2. Prime locations
3. Proven, conservative strategy
4. Stable cash flow with long term visibility
5. Shareholder-friendly dividend policy
6. Experienced management team
7. Excellent track record
8. Centers almost 100% let
9. Inflation-protected rental agreements
10. Solidity combined with growth potential



APPENDIX

Key Data of the Share

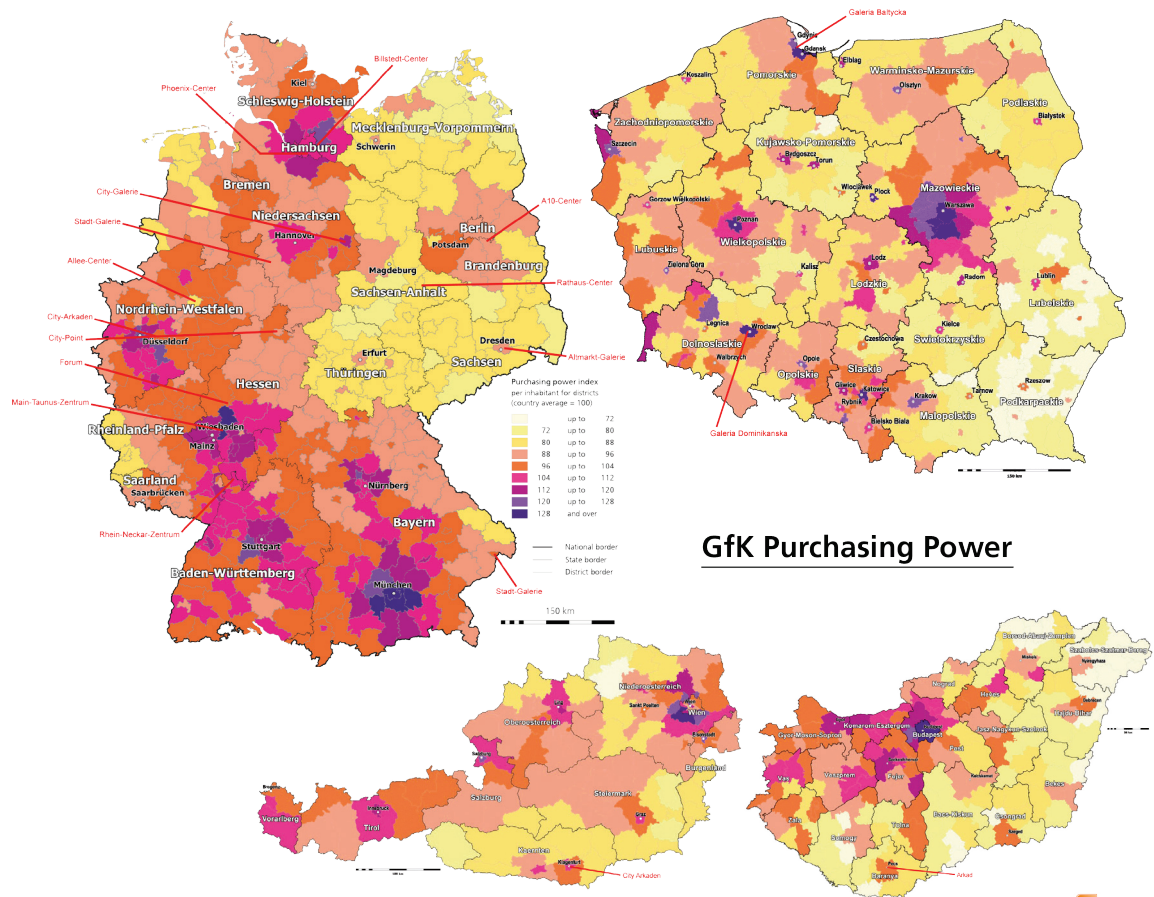
Listed since	02.01.2001
Nominal capital	€51,631,400.00
Outstanding shares	51,631,400
Class of shares	Registered shares
Dividend 2011 ¹⁾	€1.10
52W High	€29.18
52W Low	€22.05
Share price (12.04.2012)	€25.99
Market capitalisation	€1.34 billion
avg. turnover per day last 12 months (XETRA)	125,400 shares
Indices	MDAX, EPRA, GPR, MSCI Small Cap, EURO STOXX, STOXX Europe 600
Official market	Prime Standard Frankfurt and XETRA
OTC market	Berlin-Bremen, Dusseldorf, Hamburg, Hanover, Munich and Stuttgart
ISIN	DE 000 748 020 4
Ticker	DEQ, Reuters: DEQGn.DE
Market makers	Close Brothers Seydler, WestLB



¹⁾ proposal for AGM on 21. June 2012

APPENDIX

Purchasing Power Maps



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APPENDIX

Our partner: ECE



- ECE develops, plans, builds, leases and manages large commercial real estate in the sectors shopping, office, industries since 1965
- originally ECE was an abbreviation for the German word Einkaufszentrumentwicklung (Shopping center development)
- 100% privately owned by the Otto family
- active in 15 European countries
- European market leader in the shopping center business
- Assets under management:
 - 137 shopping centers
 - 4.4 million sqm overall sales area
 - approx. 14,000 retail businesses
 - €16 billion in annual sales

MANY INVESTORS RELY ON ECE:



APPENDIX

Environment

- Climate protection is one of the most important issues for Deutsche EuroShop. We believe that sustainability and profitability, the shopping experience and environmental awareness do not have to be opposites. Long-term thinking is part of our strategy. This includes playing our part in environmental protection.
- In 2010, with the exception of the A10 Center, all our German shopping centers had contracts with suppliers that use regenerative energy sources such as hydroelectric power for their electricity needs. The “EnergieVision” organisation certified the green electricity for eleven of our German centers with the renowned “ok-power” accreditation in 2010. From 2011 onwards, all centers in the Deutsche EuroShop German portfolio will be powered by green electricity. We plan to switch the centers in other countries to green electricity as well in the next few years.
- The twelve participating centers used a total of around 47.8 million kWh of green electricity in 2010. As a result, based on conservative calculations this meant a reduction of around 18,800 tonnes in carbon dioxide emissions – this equates to the annual CO₂ emissions of around 850 two-person households. We have already reduced the energy consumption of our shopping centers by using heat exchangers and energy-saving light bulbs.
- Deutsche EuroShop, through its shopping centers, also supports a range of activities at local and regional level in the areas of ecology, society and economy.



APPENDIX

Financial Calendar

2012

18.04.	Credit Suisse Global Real Estate Conference, London	18.09.	Roadshow Copenhagen, equinet
19.04.	Commerzbank Corporate Day, London	19.09.	Roadshow Helsinki/Stockholm, Berenberg
27.04.	Bankhaus Lampe Deutschland-Konferenz, Baden-Baden	26.09.	UniCredit Kepler German Investment Conference, Munich
27.04.	Publication of the Annual Report 2011	27.09.	Baader Investment Conference, Munich
15.05.	Interim report Q1 2012	09.10.	ExpoREAL, Munich
22.05.	Metzler Property Day, Frankfurt	17.10.	Roadshow Zurich, Deutsche Bank
30.05.	Kempen & Co. European Property Seminar, Amsterdam	18.10.	Roadshow Geneva, Deutsche Bank
11.06.	Roadshow Vienna, Berenberg	17.10.	Roadshow Brussels, ING
21.06.	Annual General Meeting, Hamburg	13.11.	Nine-month report 2012
14.08.	Interim report H1 2012	15.11.	Roadshow Paris, Metzler
16.08.	Roadshow Edinburgh, M.M. Warburg		
04.–05.09.	Kempen & Co. German Property Seminar, Berlin		
05.09.	Bank of America Merrill Lynch pre-EPRA Event, Berlin		
06.–07.09.	EPRA Annual Conference, Berlin		
13.09.	Roadshow Amsterdam, Rabo		









APPENDIX

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-  twitter.com/des_ag
-  youtube.com/DeutscheEuroShop

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Statements in this presentation relating to future status or circumstances, including statements regarding management’s plans and objectives for future operations, sales and earnings figures, are forward-looking statements of goals and expectations based on estimates, assumptions and the anticipated effects of future events on current and developing circumstances and do not necessarily predict future results.

Many factors could cause the actual results to be materially different from those that may be expressed or implied by such statements.

Deutsche EuroShop does not intend to update these forward-looking statements and does not assume any obligation to do so.



Claus-Matthias Böge
Chief Executive Officer



Olaf G. Borkers
Chief Financial Officer



Patrick Kiss
Head of Investor & Public Relations



Nicolas Lissner
Manager Investor & Public Relations

