



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.



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

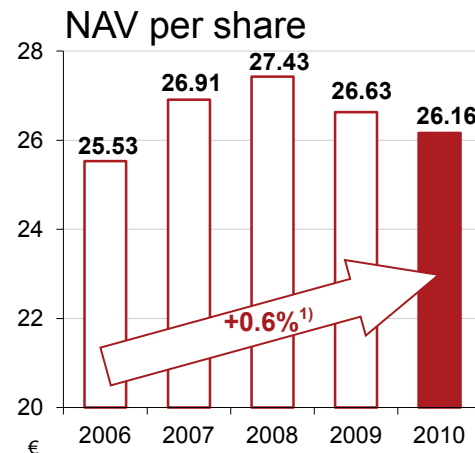
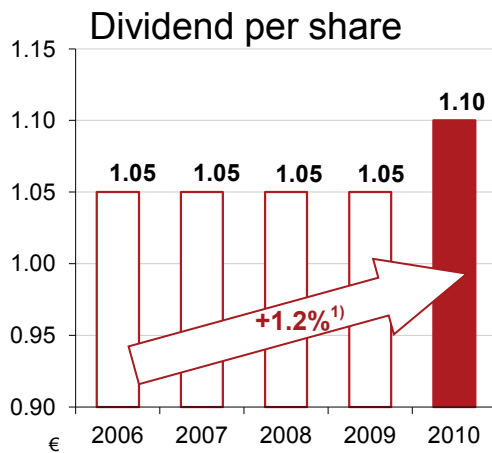
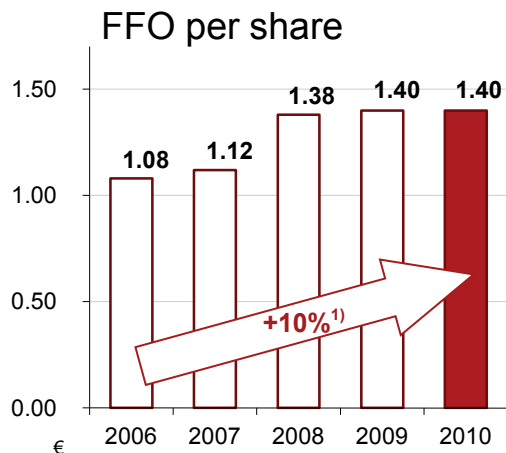
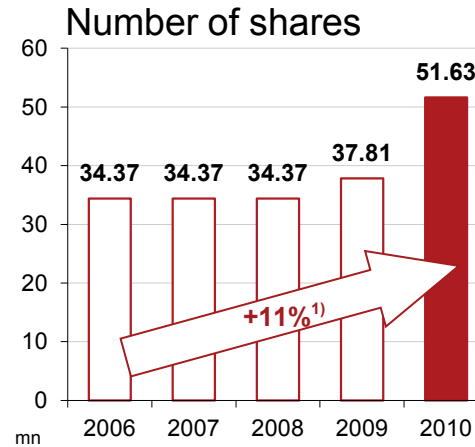
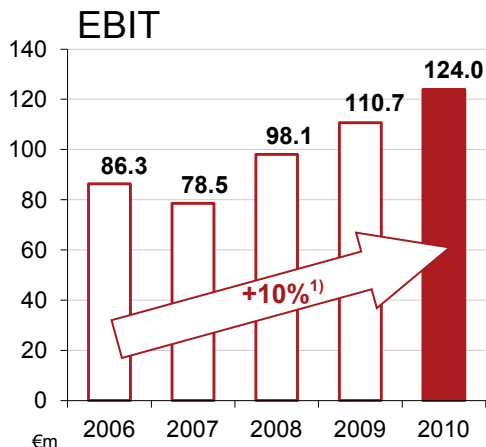
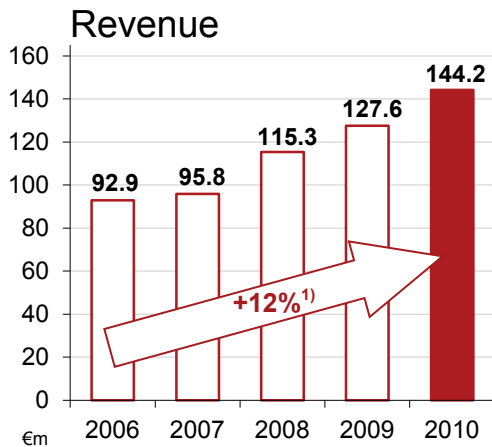
-
- | | |
|----------------|-----------------------|
| Lettable space | approx. 899,000 sqm* |
| Retail shops | approx. 2,320* |
| Market value | approx. €3.6 billion* |
| Rents per year | €240 million* |
| Occupancy rate | > 99% |
-
- 2010 portfolio valuation: 5.89% net initial yield
 - Professional center management by ECE, the European market leader in this industry

avg. lettable space
per DES-center:
inner city
37,060 sqm
est. locations
102,000 sqm



*100%-view

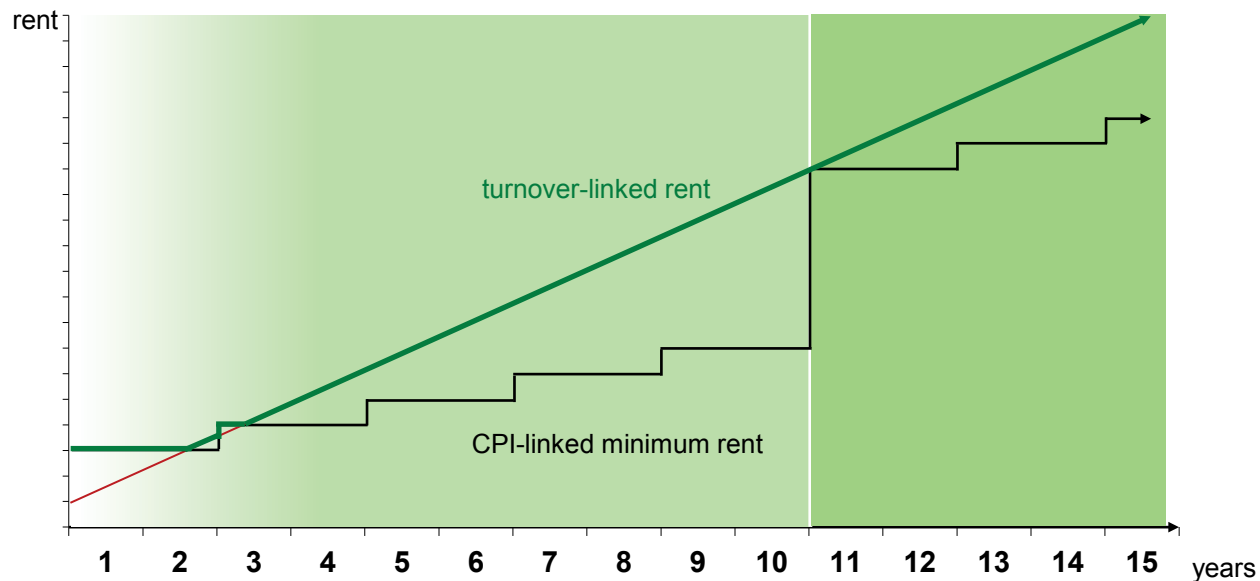
Key Figures



¹⁾2006-2010, Compound Annual Growth Rate (CAGR)



Lease System



General form of
lease contracts
for DES-tenants

Participation in
sales growth of
retail industry

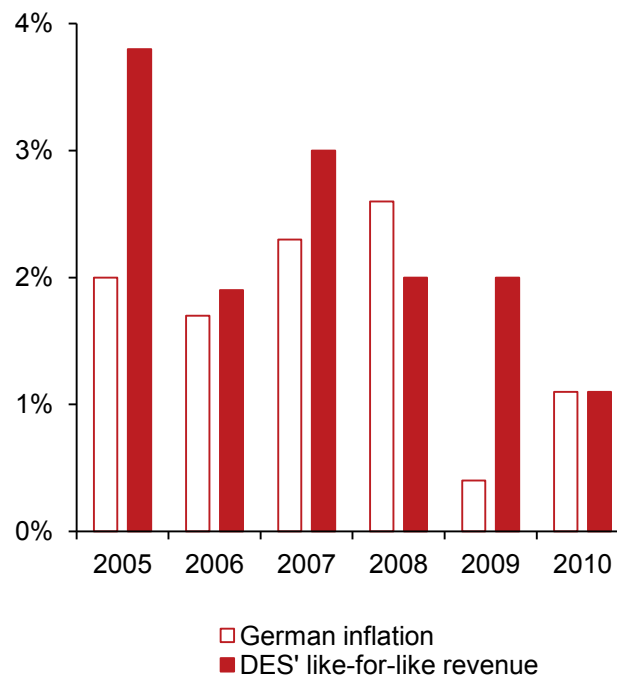
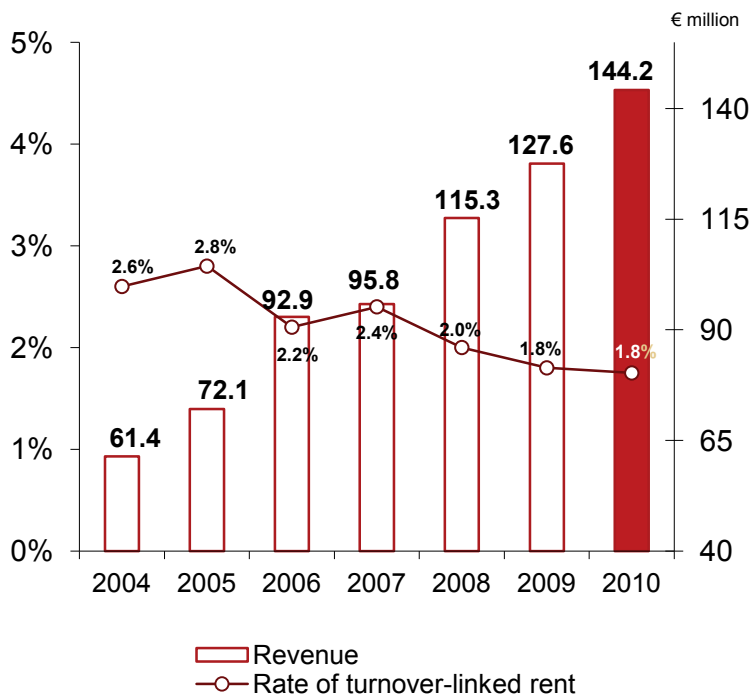
- Lease standards:
 - 10 years lease only
 - no break-up option
 - turnover-linked rents
 - minimum rents are CPI-linked



Lease System

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

avg. German retail:
€3,420



Targets

- Long term net asset value enhancement
- “buy & hold”-strategy
- Stable and attractive dividends
Dividend yield: currently **4.4%**
- 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

Main focus on
NAV and dividend

Continuous growth



Germany



Location

Investment

Lettable space sqm

Parking

Number of shops

Occupancy rate

Catchment area

**Opening /
refurbishm.**

A10 Center

Wildau/Berlin

100%

120,000

4,000

approx. 180

100%

approx. 1.2 m. inhabitants

1996 / 2011

Main-Taunus-Zentrum

Sulzbach/Frankfurt

52.0%

117,000

4,500

approx. 170

100%

approx. 2.2 m. inhabitants

1964 / 2004 / 2011

Altmarkt-Galerie

Dresden

67.0%

76,500

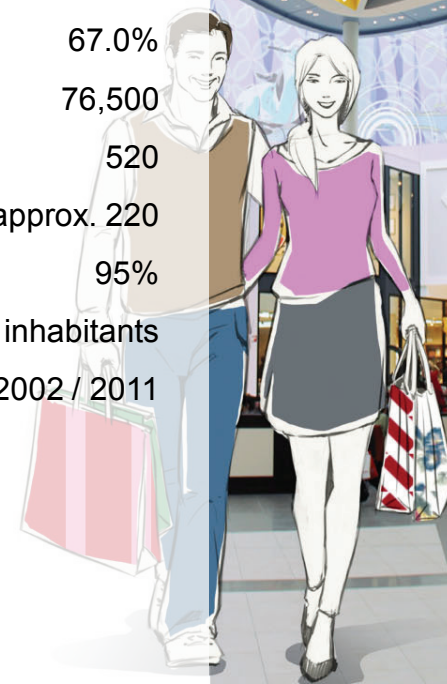
520

approx. 220

95%

approx. 1.0 m. inhabitants

2002 / 2011



Germany



Rhein-Neckar-Zentrum

Viernheim

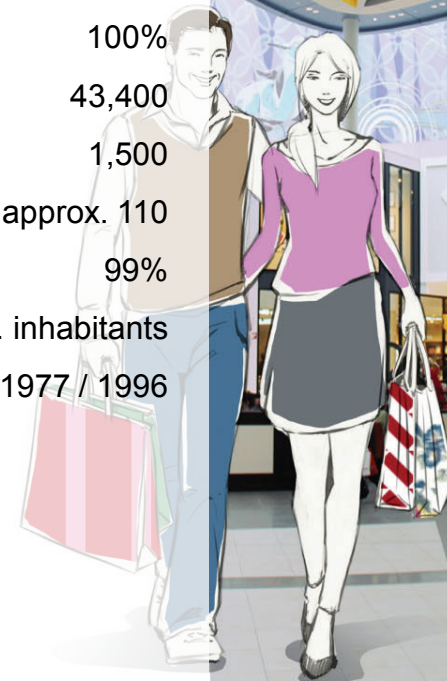
Allee-Center

Magdeburg

Billstedt-Center

Hamburg

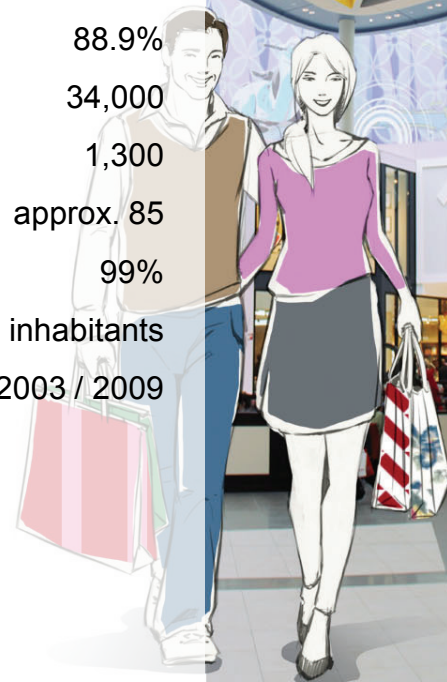
Location	Viernheim	Magdeburg	Hamburg
Investment	99.9%	50%	100%
Lettable space sqm	69,000	51,400	43,400
Parking	3,500	1,300	1,500
Number of shops	approx. 100	approx. 150	approx. 110
Occupancy rate	100%	99%	99%
Catchment area	approx. 1.4 m. inhabitants	approx. 0.7 m. inhabitants	approx. 0.7 m. inhabitants
Opening / refurbishm.	1972 / 2003	1998 / 2006	1969 / 1977 / 1996



Germany



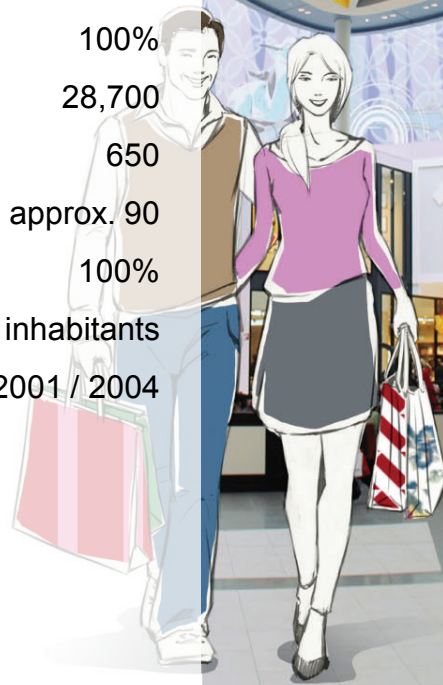
	Phoenix-Center	Forum	Allee-Center
Location	Hamburg	Wetzlar	Hamm
Investment	50.0%	65.0%	88.9%
Lettable space sqm	38,700	34,300	34,000
Parking	1,600	1,700	1,300
Number of shops	approx. 110	approx. 110	approx. 85
Occupancy rate	100%	100%	99%
Catchment area	approx. 0.6 m. inhabitants	approx. 0.5 m. inhabitants	approx. 1.0 m. inhabitants
Opening / refurbishm.	2004	2005	1992 / 2003 / 2009



Germany



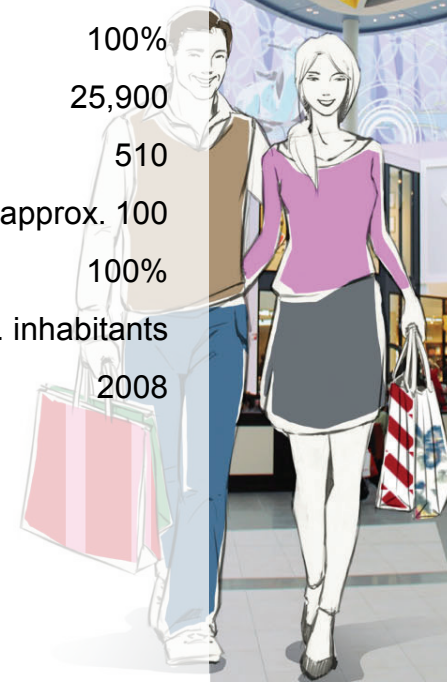
	City-Galerie	Rathaus-Center	City-Arkaden
Location	Wolfsburg	Dessau	Wuppertal
Investment	100%	94.9%	100%
Lettable space sqm	30,800	30,400	28,700
Parking	800	840	650
Number of shops	approx. 95	approx. 80	approx. 90
Occupancy rate	100%	97%	100%
Catchment area	approx. 0.3 m. inhabitants	approx. 0.5 m. inhabitants	approx. 0.7 m. inhabitants
Opening / refurbishm.	2001 / 2006	1995	2001 / 2004



Germany



	City-Point	Stadt-Galerie	Stadt-Galerie
Location	Kassel	Passau	Hameln
Investment	100%	75.0%	100%
Lettable space sqm	28,200	27,300	25,900
Parking	220	470	510
Number of shops	approx. 70	approx. 90	approx. 100
Occupancy rate	100%	100%	100%
Catchment area	approx. 0.8 m. inhabitants	approx. 0.4 m. inhabitants	approx. 0.4 m. inhabitants
Opening / refurbishm.	2002 / 2009	2008	2008





Galeria Bałtycka

Gdansk, Poland

City Arkaden

Klagenfurt, Austria

Árkád

Pécs, Hungary

Location

Investment

Lettable space sqm

Parking

Number of shops

Occupancy rate

Catchment area

Opening

74.0%

39,500

1.100

approx. 200

100%

approx. 1.1 m. inhabitants

2007

50.0%

36,900

880

approx. 120

100%

approx. 0.4 m. inhabitants

2006

50.0%

35,300

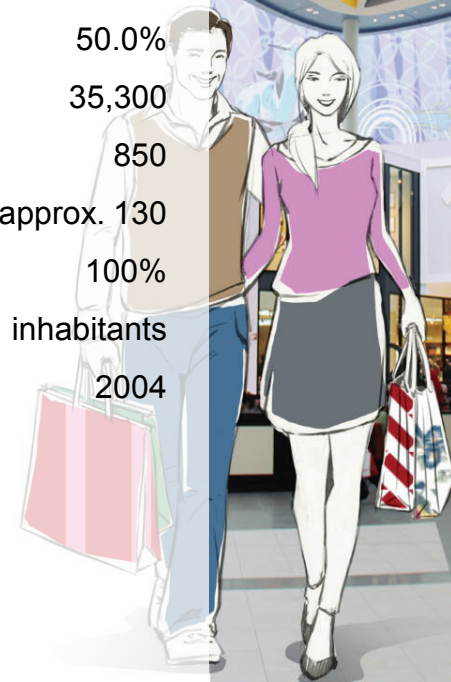
850

approx. 130

100%

approx. 0.5 m. inhabitants

2004





Galeria Dominikanska

Wrocław, Poland

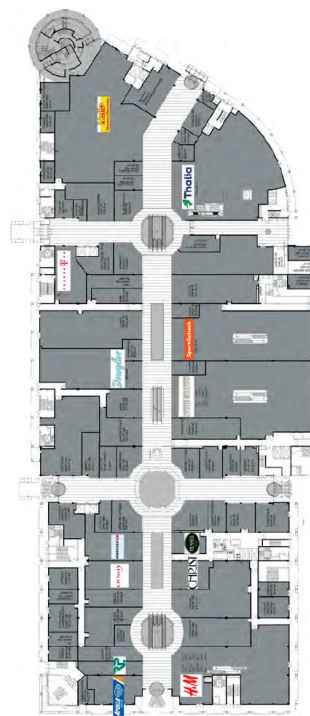
Location	Wrocław, Poland
Investment	33.3%
Lettable space sqm	32,900
Parking	920
Number of shops	approx. 100
Occupancy rate	100%
Catchment area	approx. 1.3 m. inhabitants
Opening	2001



Acquisition of the Allee-Center Magdeburg



- approx. 51,400 sqm lettable space, thereof 35,000 sqm retail space, 150 shops
- occupancy rate: 99%
- catchment area: approx. 0.7 million people
- approx. €118 million total investment volume
- Deutsche EuroShop buys 50% (share deal)
- expected gross yield: 6.7%
- expected net initial yield (NOI): 6.0%
- part of DES' portfolio since 1 Oct. 2011



Extension Main-Taunus-Zentrum



- selling area: additional 12,000 m²
(currently 79,000 m²)
- 70 new shops
- approx. €74 million total investment volume
- opening 17 Nov. 2011
- occupancy rate: 100%
- expected net initial yield: >10.0%



Our Tenants

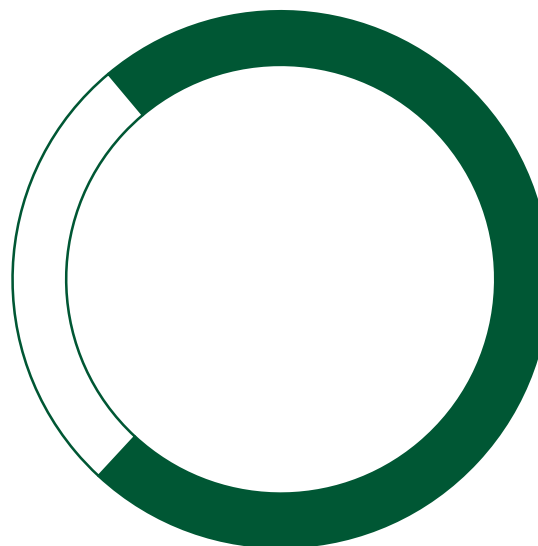


Well-known tenants



Tenants Structure Top 10 Tenants*

▪ Metro-Group	6.8%
▪ Douglas-Group	4.6%
▪ H&M	2.6%
▪ New Yorker	2.3%
▪ REWE	2.1%
▪ Peek & Cloppenburg	2.0%
▪ C&A	1.9%
▪ Inditex Group	1.7%
▪ Deichmann	1.7%
▪ Esprit	1.3%
<hr/>	
total	27.0%



Other tenants

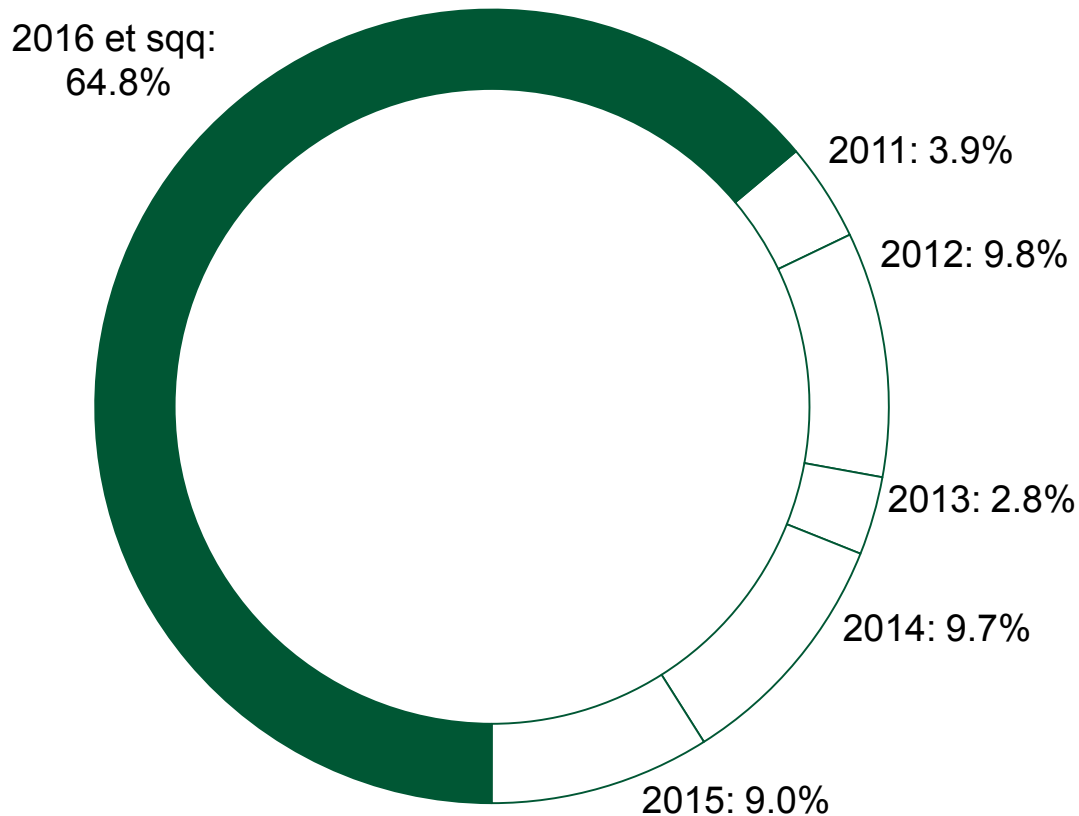
total 73.0%

Low level of dependence on the top 10 tenants



*in % of total rents as at 31 May 2011, excluding extensions

Maturity Distribution of Rental Contracts*



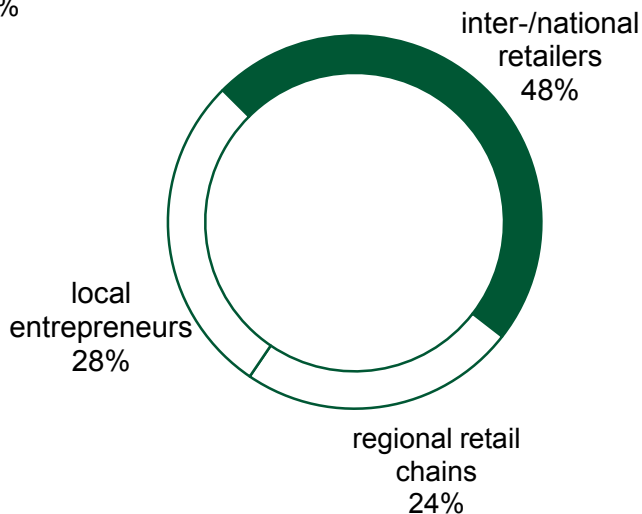
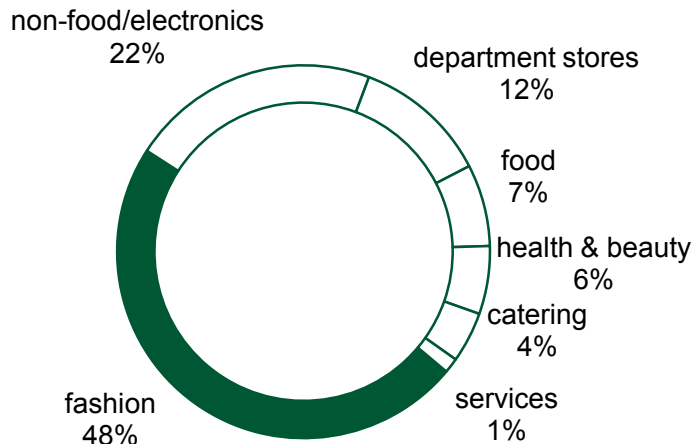
Long-term contracts guarantee rental income

Weighted maturity 7.0 years



*as % of rental income as at 31 May 2011, excluding extensions

Sector and Retailer Mix*



Balanced sector and retailer diversification



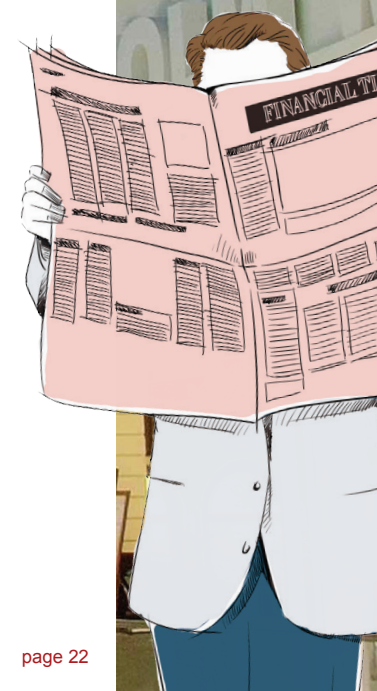
*in % of lettable space as at 31 Dec 2010, excluding extensions and Billstedt

Key Figures 9M 2011

€ million	01.01.-30.09.2011	01.01.-30.09.2010	+/-
Revenue	138.0	106.6	29%
Net operating income	123.0	94.9	30%
EBIT	117.9	91.5	29%
Net finance costs	-58.9	-44.6	-32%
EBT before valuation	59.1	46.9	26%
Valuation result	-1.3	-0.7	
EBT	57.8	46.3	25%
Consolidated profit	40.0	38.3	4%
FFO per share (€)	1,12	1,02	10%
Earnings per share (€)	0,78	0,84	-7%

€ million	30.09.2011	31.12.2010*	+/-
Total equity	1,399.5	1,435.9	-3%
Interest bearing debt	1,372.8	1,288.2	7%
Other debt	61.3	50.9	20%
Total assets	3,036.1	2,963.6	2%
Equity ratio	46.1%	48.5%	
LTV ratio	47%	47%	

*after adjustment of the consolidated financial statements for the period ended 31 December 2010



Loan Structure*

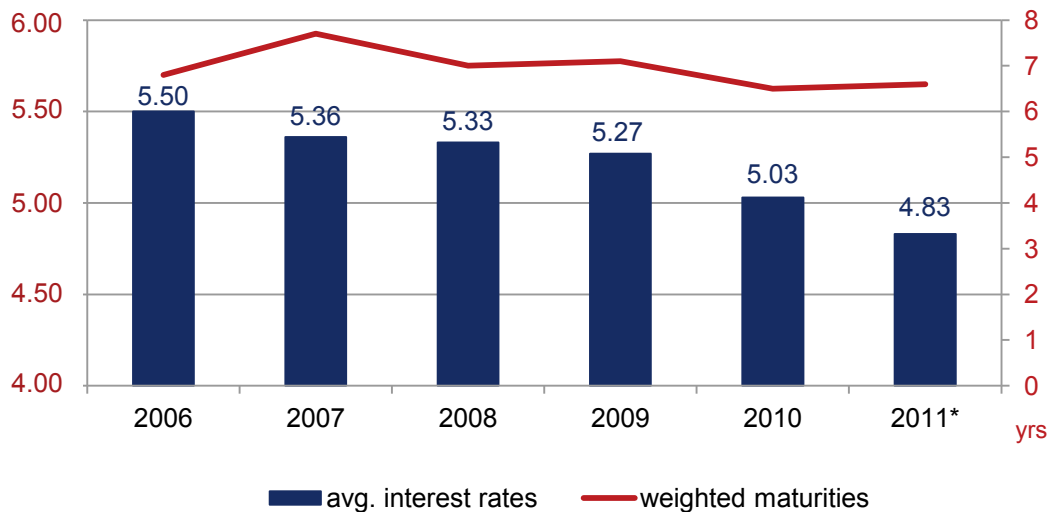
Interest lockin	Duration	Principle amounts (€ thousand)	Share of total loan	avg. interest rate
Up to 1 year	1.0	141,109	10.4%	2.82%
1 to 5 years	3.4	431,337	31.7%	5.42%
5 to 10 years	7.4	503,884	37.0%	4.96%
Over 10 years	12.5	284,209	20.9%	4.70%
Total 2011*	6.6	1,360,539	100%	4.83%

Banks:
18 German and
1 Austrian

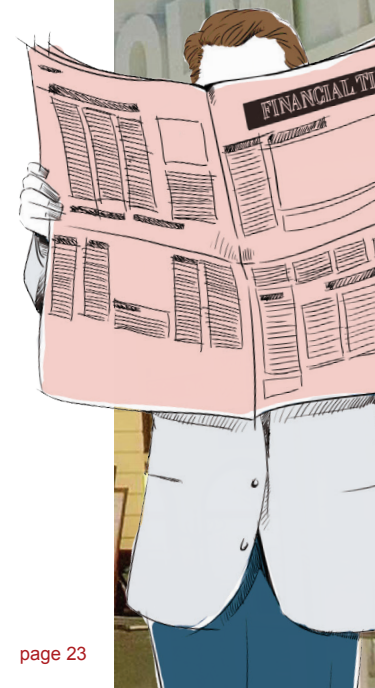
Weighted maturity
of fixed interest periods
6.6 years

Weighted maturity
of the loans
>15 years

57% of all loans
renewed since
summer 2009



*as of 30 June 2011



Maturities until 2015*

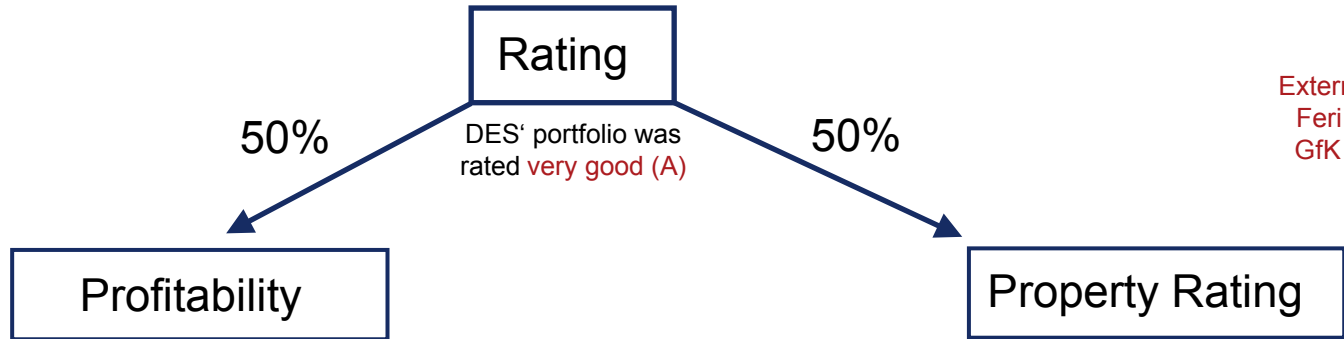
	end of fixed interest periods respectively expiring loans (€ million)	regular redemption payments (€ million)	total maturities (€ million)
2011	0	8.6	8.6
2012	0	20.1	20.1
2013	65.9	21.5	87.4
2014	208.5	21.4	229.9
2015	76.8	17.2	94.0

- Renewed credit line of €150 million, runs 3 years until Feb 2014
- 8 loans prolonged: €372 million with a 10 years fixed interest period for approx. 4.5% (former interest rate was approx. 5.4%)
- Refinancing of the Billstedt acquisition: €80 million at 4.07%

*as of 30 June 2011



Valuation – Investment Properties

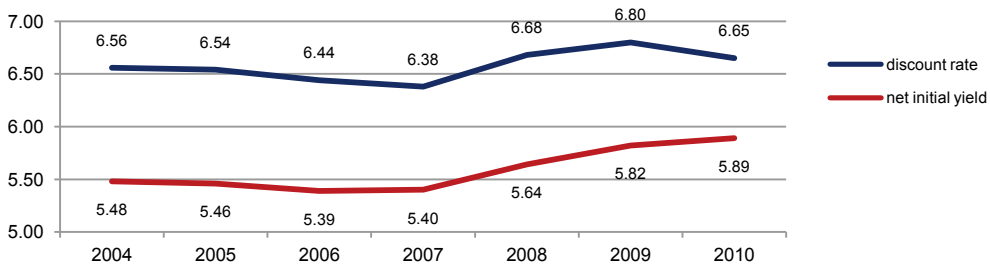


External appraisers:
Feri Research and
GfK GeoMarketing

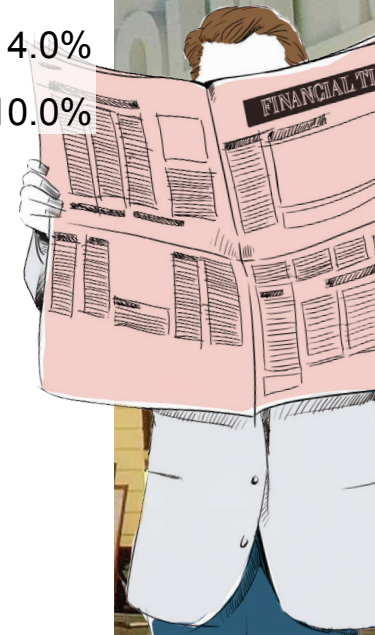
discounted cash-flow method

	2009	2010	actual
expected yield of 10-year German federal bonds	4.48%	4.44%	1.99% ¹⁾
average applied risk premiums	2.38%	2.21%	
average discount rate	6.80%	6.65%	
average property operating and management costs	11.40%	11.70%	
net initial yield	5.82%	5.89%	

- Macro-location 20.0%
- Competitive environment 6.4%
- Micro-location 9.6%
- Property quality 4.0%
- Tenants risk 10.0%

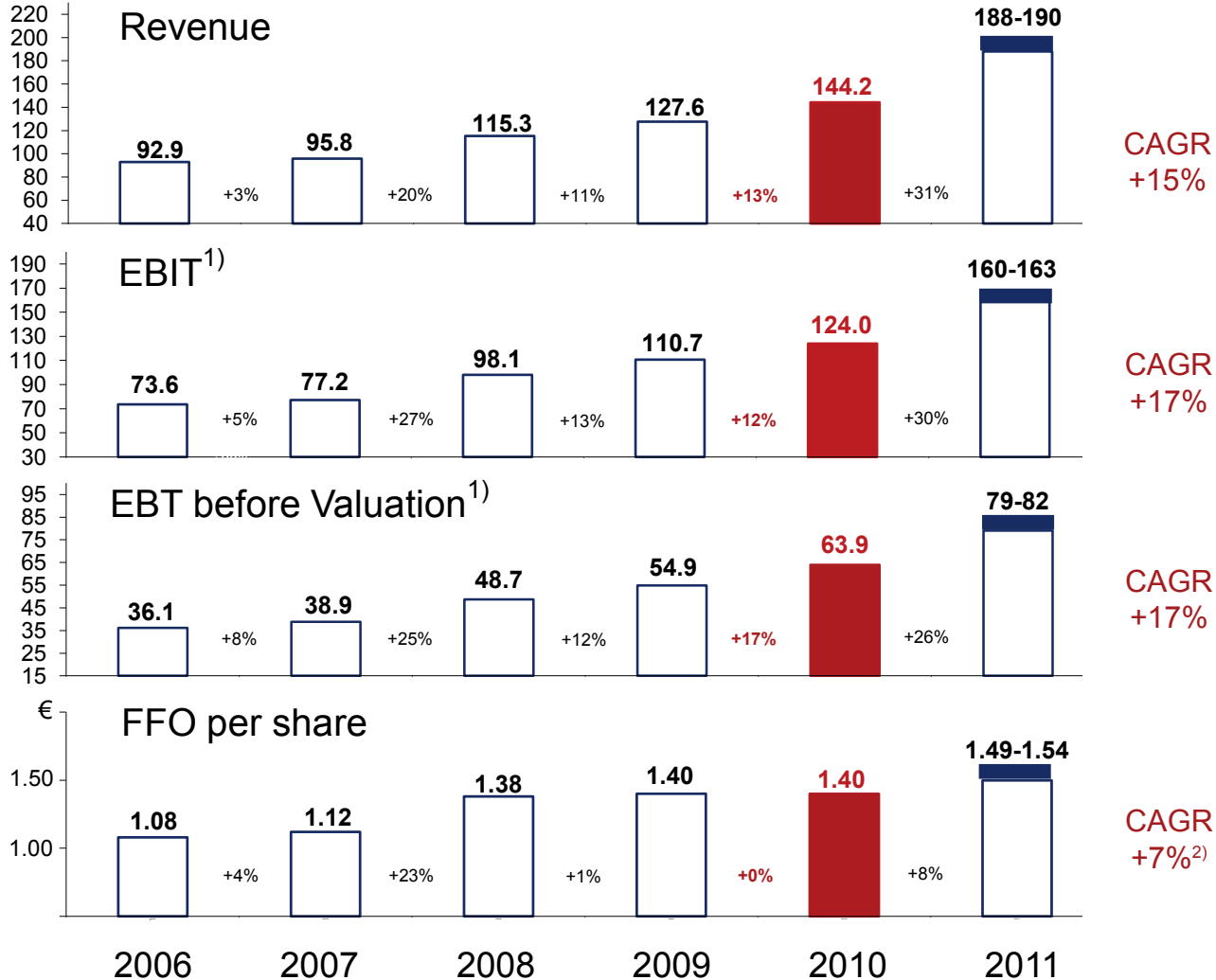


¹⁾ Status: 5 Jan 2012



Forecast

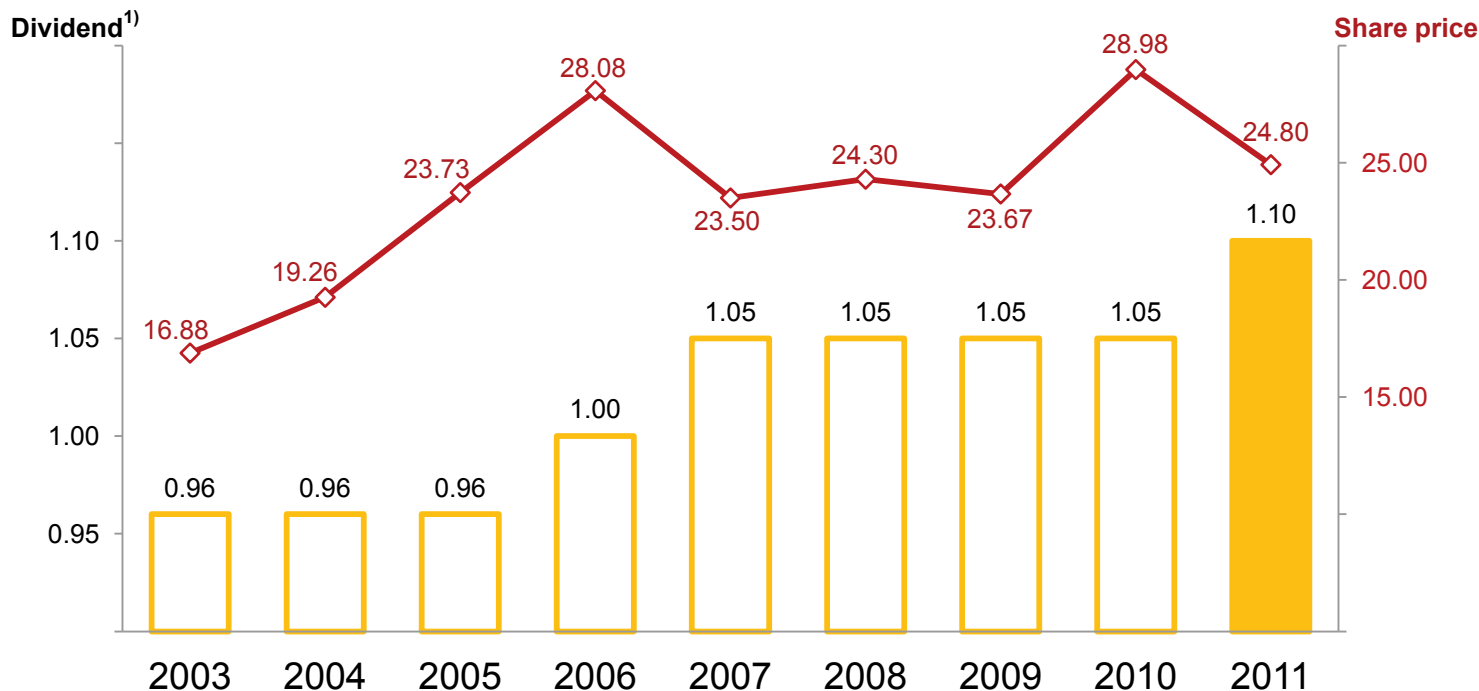
€ million



¹⁾ adjusted for one-time proceeds from disposals ²⁾ incl. dilution



Dividend & Performance



Performance

DES:

1 year (2010): +28.1%
 3 years: +41.2% = +12.2% p.a.
 5 years: +50.6% = +8.5% p.a.
 since IPO (2001) = +9.7% p.a.

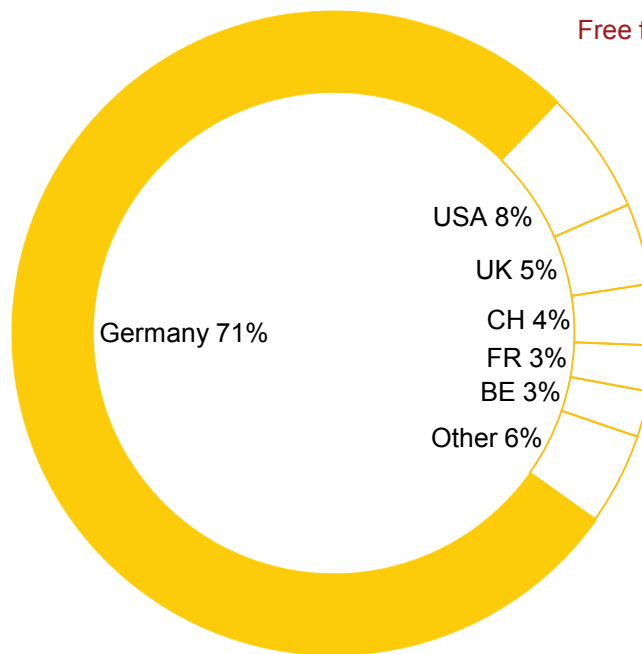
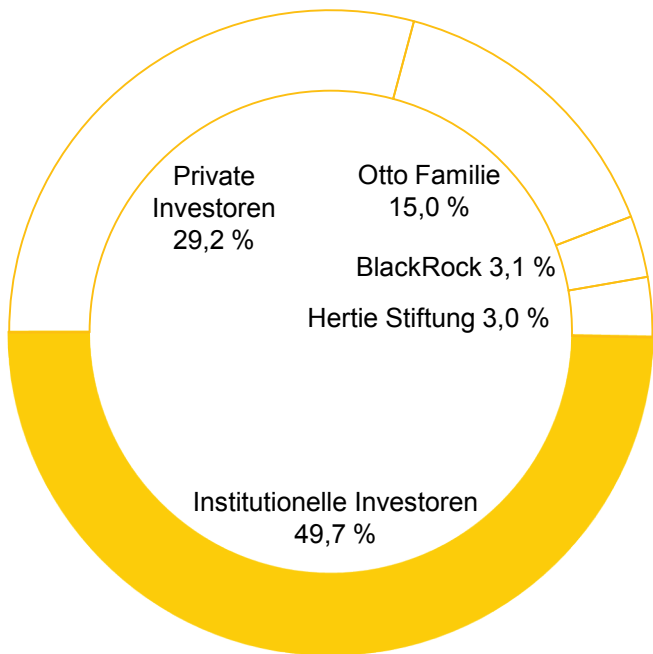
DAX:

+16.1%
 -5.0% p.a.
 +5.0% p.a.
 +0.8% p.a.

¹⁾respectively paid for the previous financial year



Shareholder Structure



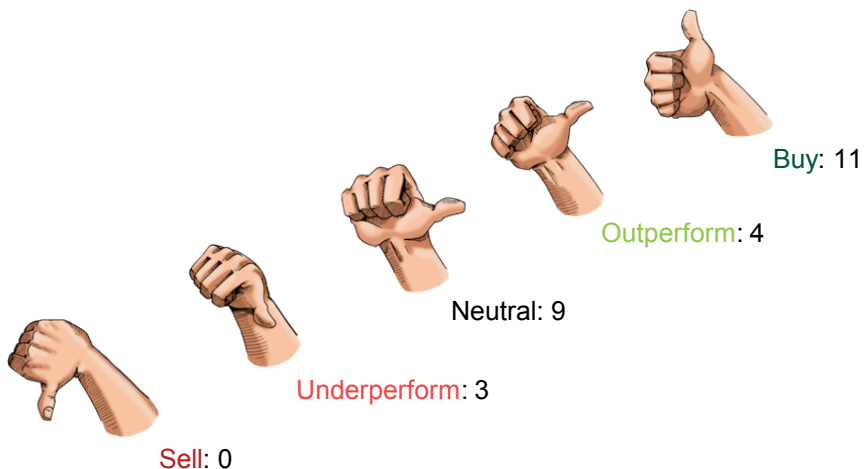
9,900 shareholders

Free float 85.0%



*Status: 30 Dec 2011

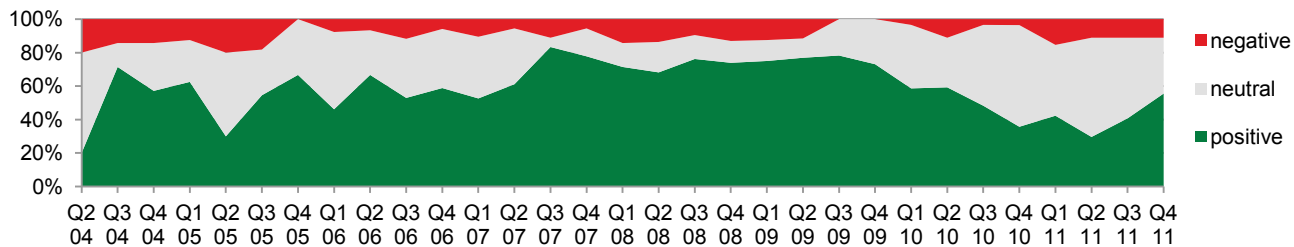
Analysts' Consensus



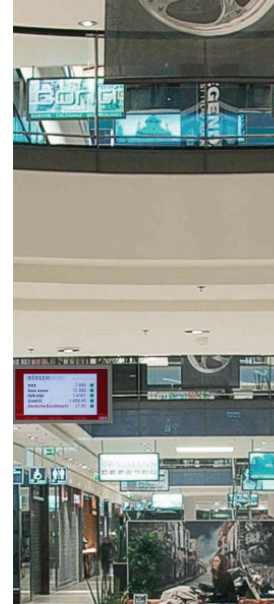
avg. / in €	2011	2012
EBIT (€ million)	160.9	174.2
FFO per share	1.48	1.65
EPS	1.46	1.95
Dividend	1.12	1.18
Price target		27.91

27 analysts: one of the best covered real estate companies in Europe*

- ABN Amro
- Aurel
- Baader Bank
- Bankhaus Lampe
- Bank of America Merrill Lynch
- Berenberg Bank
- Close Brothers Seydler
- Commerzbank
- Credit Suisse
- Deutsche Bank
- DZ Bank
- Edge Capital
- equinet
- Hamburger Sparkasse
- HSBC
- ING
- Kempen & Co.
- Kepler Capital Markets
- Metzler
- M.M. Warburg & Co
- Natixis
- Petercam Bank
- Rabobank
- Silvia Quandt Bank
- Societe Generale
- UBS
- West LB



Status: 6 Dec 2011 / * according to EPRA survey 3/2011



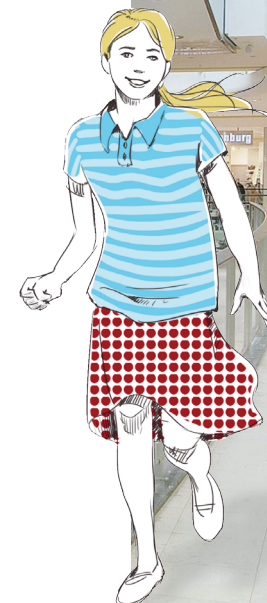
10 Reasons to Invest

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

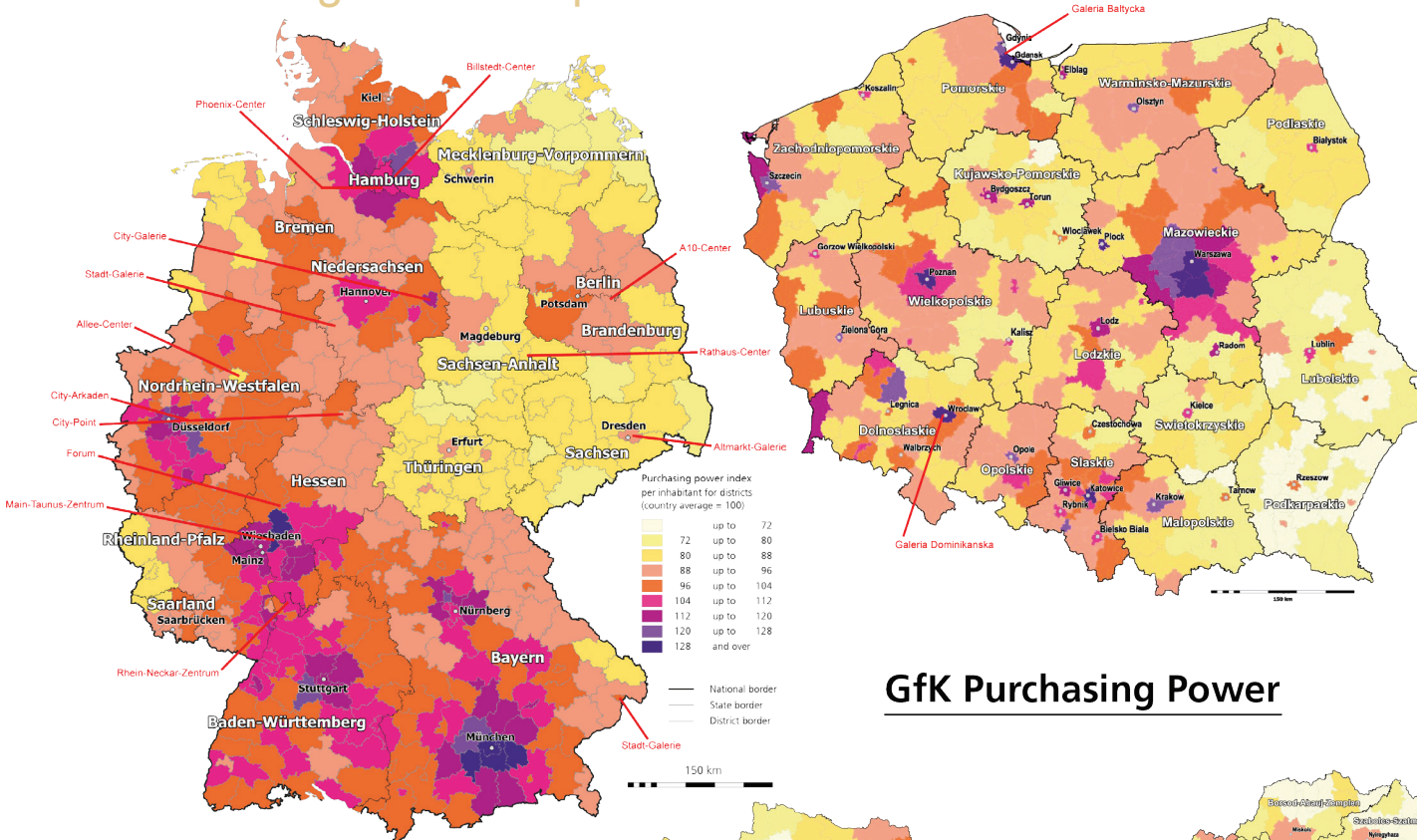


Key Data of the Share

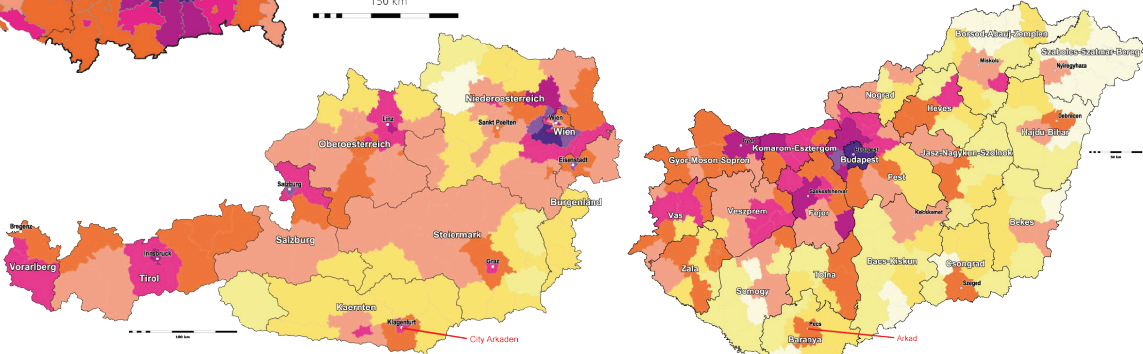
Listed since	02.01.2001
Nominal capital	€51,631,400.00
Outstanding shares	51,631,400
Class of shares	Registered shares
Dividend 2010 (17.06.2011)	€1.10
52W High	€29.18
52W Low	€22.05
Share price (05.12.2011)	€24.92
Market capitalisation	€1.3 billion
avg. turnover per day last 12 months	132,000 shares
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



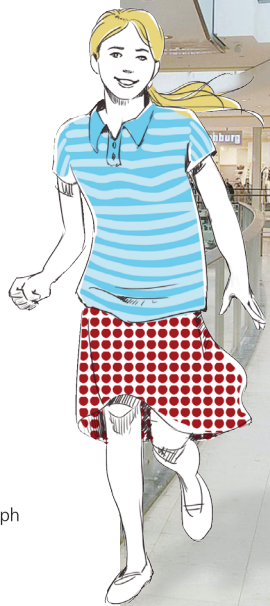
Purchasing Power Maps



GfK Purchasing Power



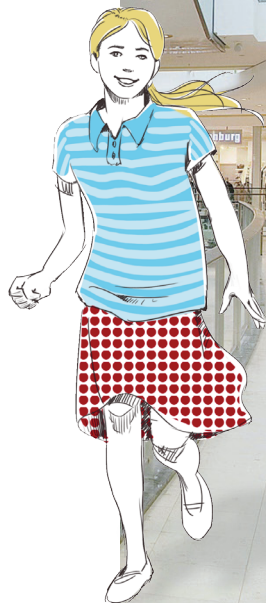
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Our partner: ECE

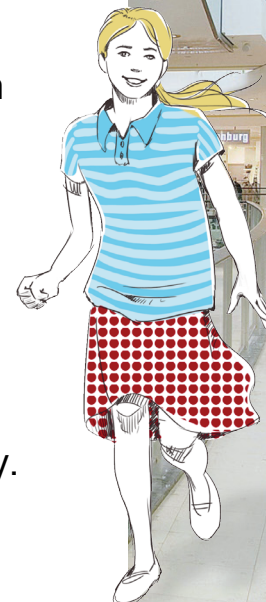


- ECE develops, plans, builds, leases and manages large commercial real estate in the sectors shopping, office, industries since 1965
- originally ECE was an abbreviation for the German word Einkaufszenterentwicklung (Shopping center development)
- 100% privately owned by the Otto family
- active in 15 European countries
- European market leader in the shopping center business
- Assets under management:
 - 132 shopping centers
 - 4.2 million sqm overall sales area
 - approx. 14,000 retail businesses
 - €15.3 billion in annual sales
- Many investors rely on ECE:



Environment

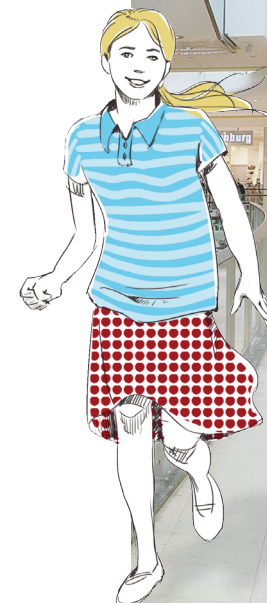
- Climate protection is one of the most important issues for Deutsche EuroShop. We believe that sustainability and profitability, the shopping experience and environmental awareness do not have to be opposites. Long-term thinking is part of our strategy. This includes playing our part in environmental 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.



Financial Calendar

2012

- | | |
|---|--|
| <p>09.03. Preliminary Results FY2011</p> <p>15.- Kempen & Co. Property Seminar,
16.03. New York</p> <p>20.03. Roadshow Munich, Baader Bank</p> <p>21.03. Roadshow Zurich, WestLB</p> <p>21.03. Roadshow London, BoAML</p> <p>22.03. Roadshow Amsterdam, Commerzbank</p> <p>22.03. Roadshow Paris, Kepler</p> <p>27.03. Roadshow Hamburg, equinet</p> <p>03.04. Deutsche Bank's VIP Real Estate
Event, Frankfurt</p> <p>19.04. Commerzbank Corporate Day, London</p> <p>26.- Bankhaus Lampe Deutschland-
27.04. Konferenz, Baden-Baden</p> <p>27.04. Publication of the
Annual Report 2011</p> <p>15.05. Interim report Q1 2012</p> <p>22.05. Metzler Property Day, Frankfurt</p> <p>23.05. CA Cheuvreux Pan-Europe
Forum, London</p> | <p>30.05. Kempen & Co. European Property
Seminar, Amsterdam</p> <p>11.06. Roadshow Vienna, Berenberg</p> <p>21.06. Annual General Meeting,
Hamburg</p> <p>14.08. Interim report H1 2012</p> <p>04.- Kempen & Co. German Property
Seminar, Berlin</p> <p>05.09. Bank of America Merrill Lynch
pre-EPRA Event, Berlin</p> <p>06.- EPRA Annual Conf.,
07.09. Berlin</p> <p>13.09. Roadshow Amsterdam, Rabo</p> <p>18.09. Roadshow Copenhagen, equinet</p> <p>19.09. Roadshow Helsinki/Stockholm,
Berenberg</p> <p>8.- EXPO Real,
10.10. Munich</p> <p>17.10. Roadshow Brussels, ING</p> <p>13.11. Nine-month report 2012</p> |
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