

# DES

## Deutsche EuroShop

Company Presentation

July 2007





Company

Shopping Centers

Financials

Shopping Center Share

Appendix

- 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

Pure Player

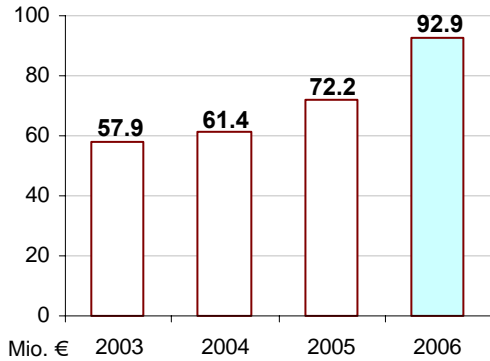
- 16 shopping centers on high street and in established locations – 12 in Germany, 2 in Poland and one each in Austria, Hungary

**16 Centers:**  
13 in operation  
3 in the pipeline

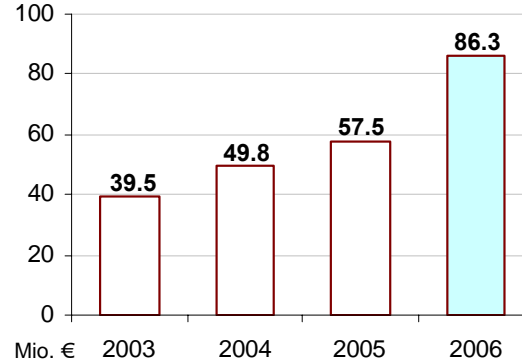
- |                |                      |
|----------------|----------------------|
| Lettable space | approx. 643,000 sqm  |
| Retail shops   | approx. 1,650        |
| Market value   | approx. €2.6 billion |
| Rents per year | €162 million         |
| Occupancy rate | > 99%                |

- Professional center management by ECE, the European market leader in this industry

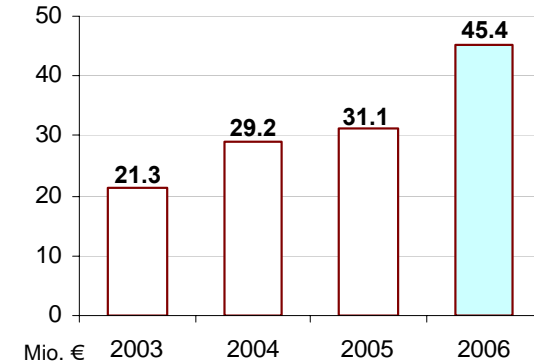
### Revenue



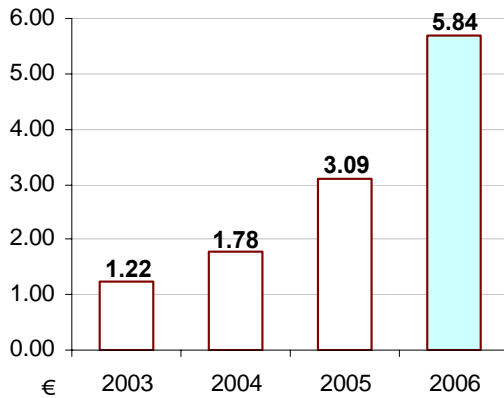
### EBIT



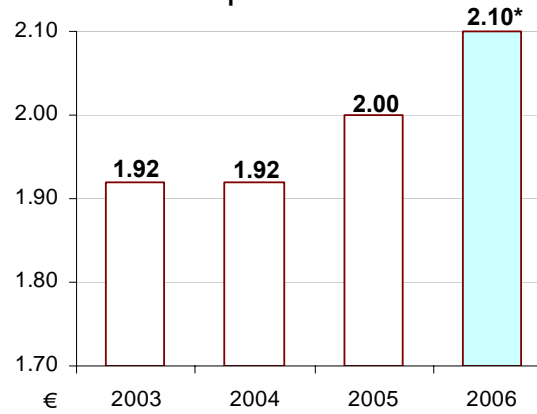
### EBT excl. revaluation



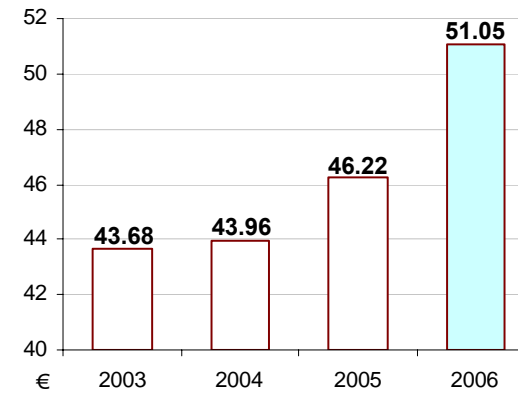
### EPS (undiluted)



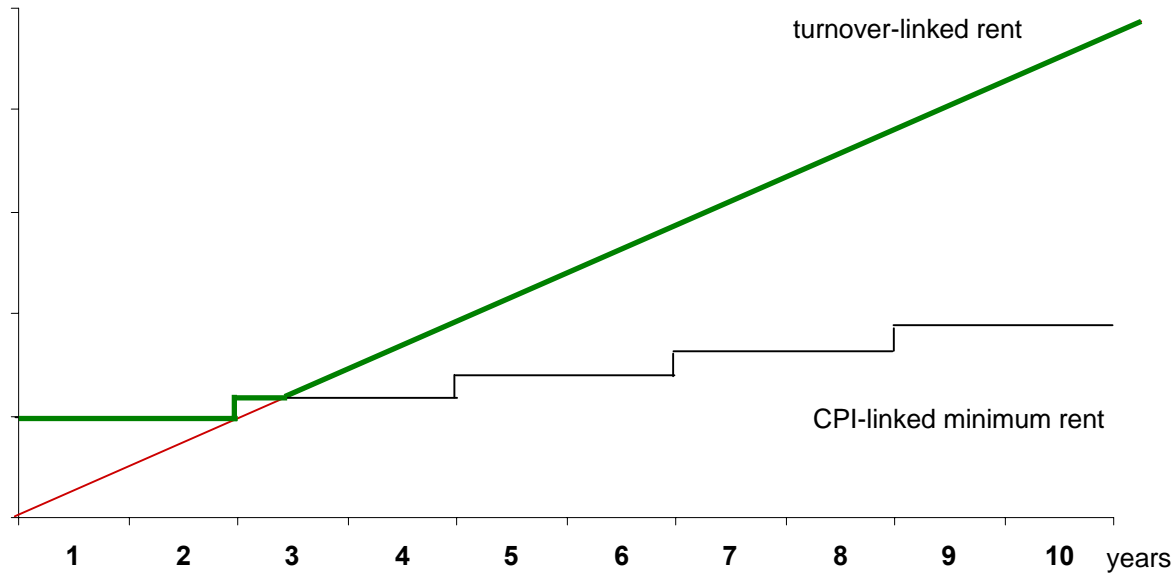
### Dividend per share



### NAV per share



\*proposal

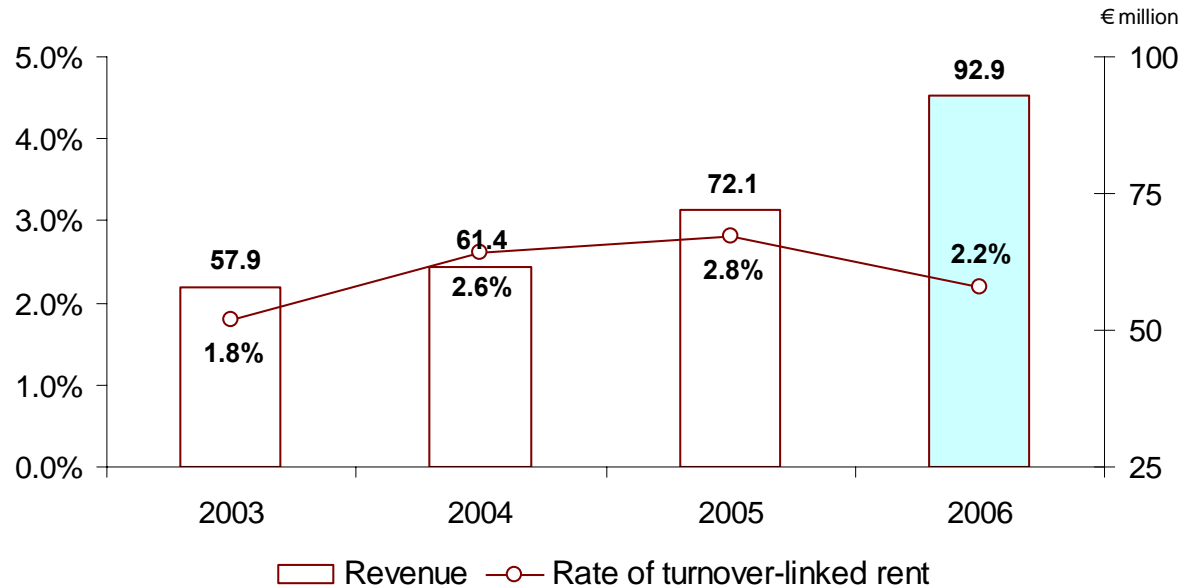


General form of  
lease contracts  
for DES-tenants

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

Participation in  
sales growth of  
retail industry

- avg. rent per sqm and year: €250
- avg. turnover per sqm and year: €4,000\*
- Rent-to-sales-ratio: 6.5-8.5%
- weighted maturity of rental contracts: >8 years



\*avg. German retail: €3,300

- Long term net asset value enhancement
  
- “buy & hold”-strategy
  
- Stable and attractive dividends  
“After-tax“ dividend yield: currently 4.0%
  
- Investment-focus: Germany and up to 25% Europe
  
- Portfolio expansion by 10% per year
  - by acquisition of new shopping centers
  - by increasing existing amounts of holdings

Main focus on  
NAV and dividend

Continuous growth



Company

**Shopping Centers**

Financials

Shopping Center Share

Appendix







	<b>Main-Taunus-Zentrum</b>	<b>Rhein-Neckar-Zentrum</b>	<b>Altmarkt-Galerie</b>
Location	Frankfurt	Viernheim	Dresden
Investment	43.1%	99.9%	50.0%
Lettable space sqm	103,400	63,600	44,500
Parking	4,000	3,800	500
Number of shops	approx. 100	approx. 100	approx. 110
Occupancy rate	100%	100%	99%
Catchment area	approx. 2.2 m. inhabitants	approx. 1.4 m. inhabitants	approx. 1.0 m. inhabitants
Opening / refurbishm.	1964 / 2001-2004	1972 / 2000-2003	2002



	<b>Phoenix-Center</b>	<b>Allee-Center</b>	<b>Forum</b>
Location	Hamburg	Hamm	Wetzlar
Investment	50.0%	87.7%	65.0%
Lettable space sqm	39,200	35,100	34,300
Parking	1,600	1,300	1,700
Number of shops	approx. 110	approx. 80	approx. 110
Occupancy rate	97%	100%	100%
Catchment area	approx. 0.6 m. inhabitants	approx. 0.6 m. inhabitants	approx. 0.5 m. inhabitants
Opening / refurbishm.	2004	1992 / 2002-2003	2005



	<b>Rathaus-Center</b>	<b>City-Galerie</b>	<b>City-Point</b>
Location	Dessau	Wolfsburg	Kassel
Investment	94.9%	89.0%	40.0%
Lettable space sqm	30,600	30,000	29,500
Parking	850	800	220
Number of shops	approx. 80	approx. 90	approx. 60
Occupancy rate	98%	100%	100%
Catchment area	approx. 0.5 m. inhabitants	approx. 0.3 m. inhabitants	approx. 0.8 m. inhabitants
Opening	1995	2001	2002



	<b>City-Arkaden</b>	<b>Stadt-Galerie</b>	<b>Stadtgalerie</b>
Location	Wuppertal	Hameln	Passau
Investment	72.0%	94.9%	75.0%
Lettable space sqm	28,700	25,000	27,500
Parking	650	500	500
Number of shops	approx. 85	approx. 90	approx. 90
Occupancy rate	100%	approx. 90%	approx. 70%
Catchment area	approx. 0.7 m. inhabitants	approx. 0.4 m. inhabitants	approx. 0.4 m. inhabitants
Opening / refurbishm.	2001 / 2004	Spring 2008	Autumn 2008





	<b>City Arkaden</b> Klagenfurt, Austria	<b>Árkád</b> Pécs, Hungary	<b>Galeria Dominikanska</b> Wrocław, Poland
Location			
Investment	50.0%	50.0%	33.3%
Lettable space sqm	36,700	35,200	32,800
Parking	880	850	900
Number of shops	approx. 120	approx. 130	approx. 100
Occupancy rate	100%	100%	100%
Catchment area	approx. 0.4 m. inhabitants	approx. 0.5 m. inhabitants	approx. 1.0 m. inhabitants
Opening	2006	2004	2001



	<b>Galeria Bałtycka</b>
Location	Gdansk, Poland
Investment	74.0%
Lettable space sqm	47,200
Parking	1,000
Number of shops	approx. 200
Occupancy rate	100%
Catchment area	approx. 1.2 m. inhabitants
Opening	Autumn 2007



	Total Germany	Total Europe	Total Deutsche EuroShop
Lettable space sqm	491,400	151,900	643,300
Parking	16,420	3,630	20,050
Number of shops	1,105	550	1,655
Occupancy rate*	99%	100%	99%
Catchment area	9.4 m. inhabitants	3.1 m. inhabitants	12.5 m. inhabitants

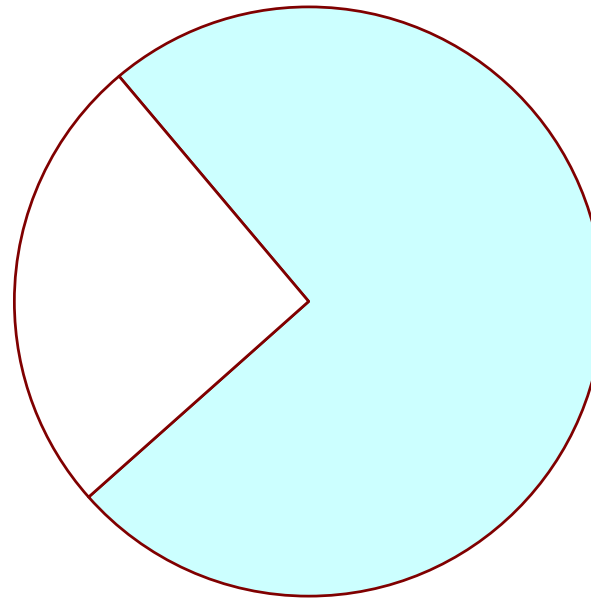
\*incl. office space, without Hameln, Passau and Gdansk



Well-known  
tenants

# Tenants Structure Top 10 tenants\*

Metro-Group	5.0%
Douglas-Group	4.9%
Peek & Cloppenburg	3.0%
H & M	2.4%
New Yorker	2.1%
Zara	2.0%
Deichmann	1.9%
Engelhorn & Sturm	1.6%
dm - Drogeriemarkt	1.4%
Karstadt	1.2%
<b>total</b>	<b>25.5%</b>



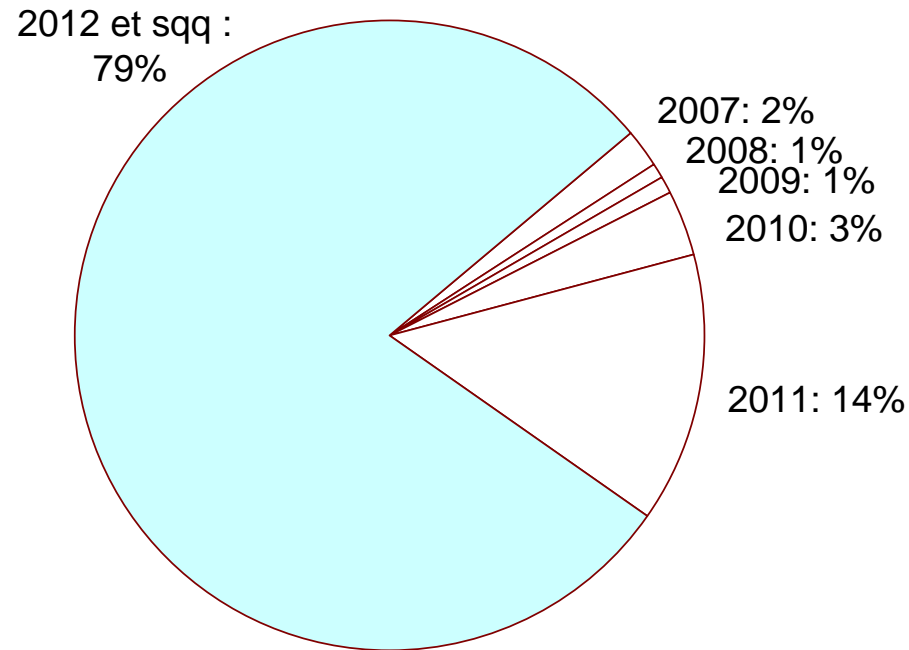
Other tenants

total 74.5%

Low level of  
dependence on  
the top 10 tenants

\*in % of total rents; not including Hameln, Passau and Gdansk as at December 31, 2006

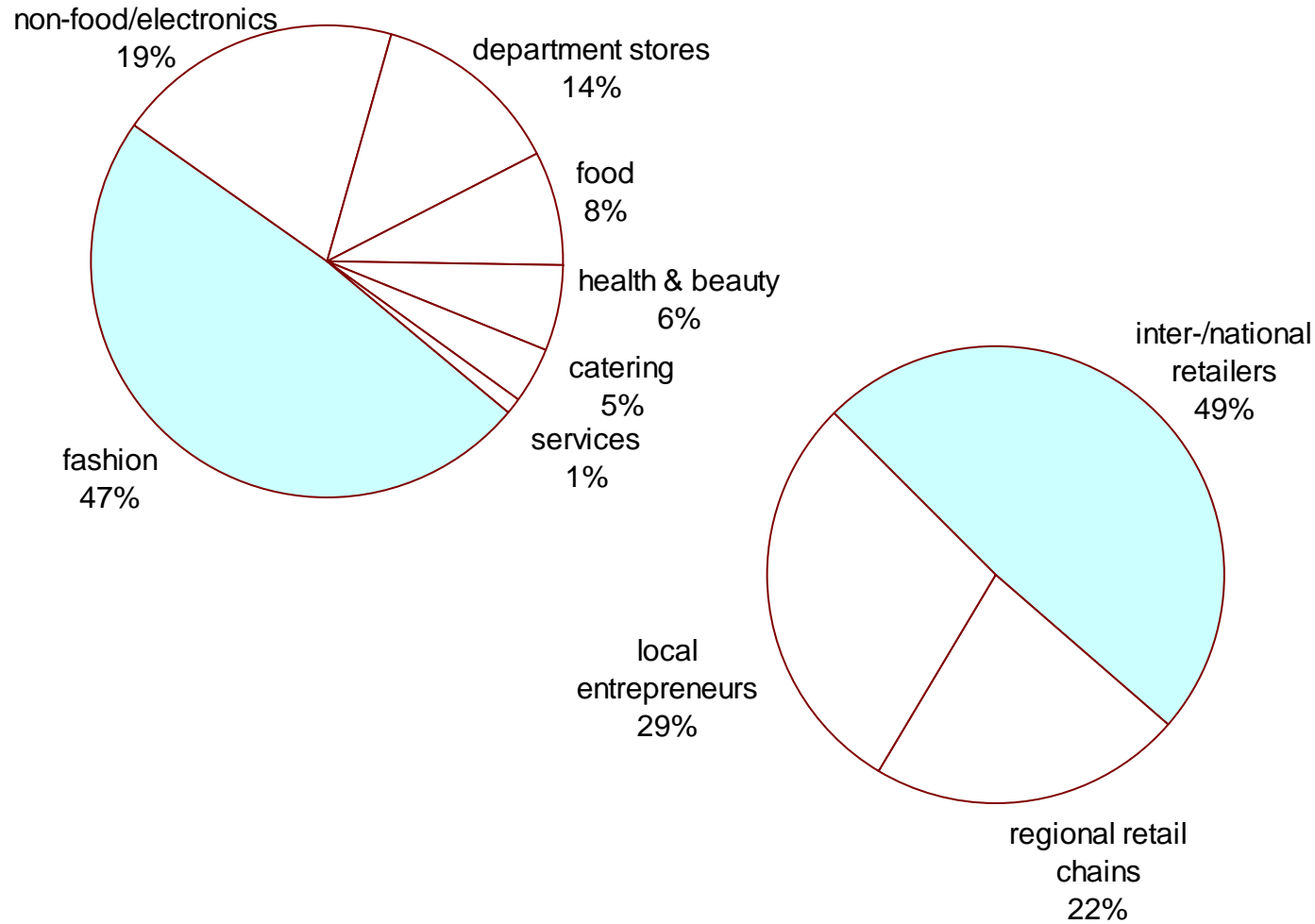
Long-term contracts  
guarantee rental income



Weighted maturity  
**> 8 years**

\*as % of rental income – not including Hameln, Passau and Gdansk as at December 31, 2006

Balanced sector and retailer diversification



\*in % of lettable space; not including Hameln, Passau and Gdansk as at December 31, 2006



Company

Shopping Centers

**Financials**

Shopping Center Share

Appendix

€ million	01.01.- 31.03.2007	01.01.- 31.03.2006	+/-
Revenue	22,620	22,746	-1%
EBIT	18,742	19,055	-2%
Net finance costs	-10,124	-9,417	-8%
EBT	8,469	15,883	-47%
Consolidated profit	6,315	11,468	-45%
Earnings per share (€)*	0.37	0.67	-45%

	31.03.2007	31.12.2006	+/-
Equity	802,969	796,276	1%
Minorities	102,040	101,642	0%
Liabilities	799,536	797,286	0%
Total assets	1,812,706	1,796,213	1%
Equity ratio (%)**	50.0	50.0	
Gearing (%)	100	100	
Cash and cash equivalents	108,605	96,902	12%

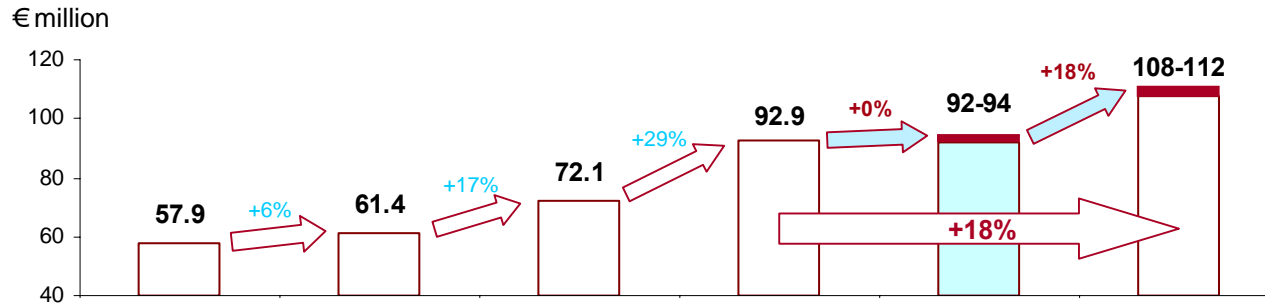
\*undiluted/\*\*incl. minorities

in € thousand	31.03.2007	31.12.2006	+/-
Non-current assets	1.673.973	1.652.890	21.083
Current assets	138.733	143.323	-4.590
<b>Total assets</b>	<b>1.812.706</b>	<b>1.796.213</b>	<b>16.493</b>
Total equity	802,969	796,276	6,694
Equity			
Minorities	102,040	101,642	398
Non-current liabilities	772.666	752.503	20.163
Deferred tax liabilities	83.251	81.158	2.093
Current liabilities	51.780	64.634	-12.854
<b>Total equity and liabilities</b>	<b>1.812.706</b>	<b>1.796.213</b>	<b>16.494</b>

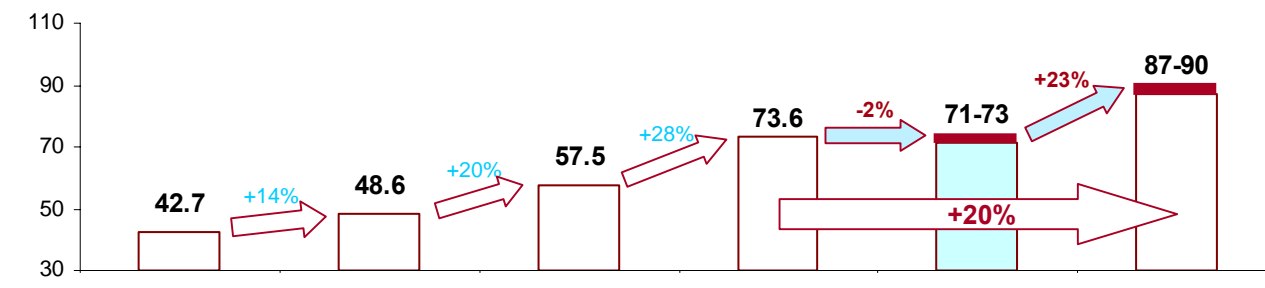


in € thousand	01.01.- 31.03.2007	01.01.- 31.03.2006	+/-
<b>Revenue</b>	<b>22,620</b>	<b>22,746</b>	<b>-1%</b>
Other operating income	270	520	
Property operating and management costs	-3,284	-3,520	
Other operating expenses	-864	-691	
<b>EBIT</b>	<b>18,742</b>	<b>19,055</b>	<b>-2%</b>
Net interest expense	-9,302	-9,056	
Income from investments	0	400	
Profit attributable to limited partners	-822	-761	
Net finance costs	-10,124	-9,417	
Measurement gains/losses	-149	6,245	
<b>EBT</b>	<b>8,469</b>	<b>15,883</b>	<b>-47%</b>
Taxes	-2,154	-4,415	
<b>Consolidated profit</b>	<b>6,315</b>	<b>11,468</b>	<b>-45%</b>

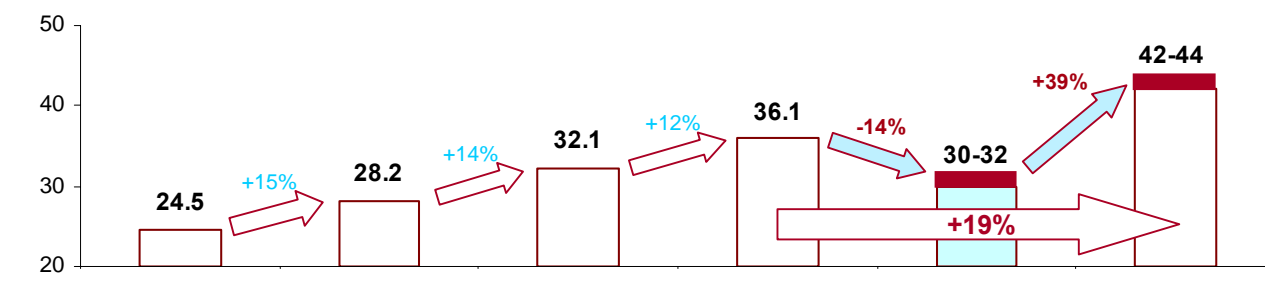
## Revenue



## EBIT\*



## EBT\*\*/\*\*

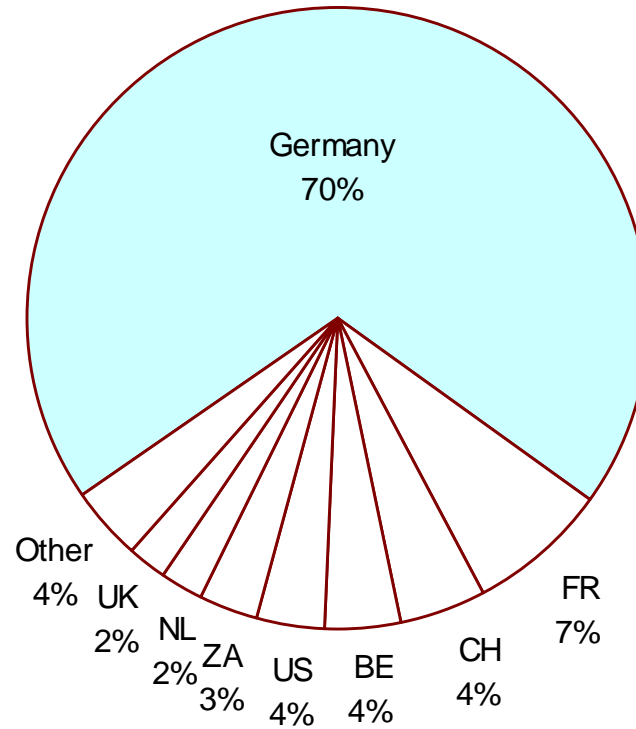
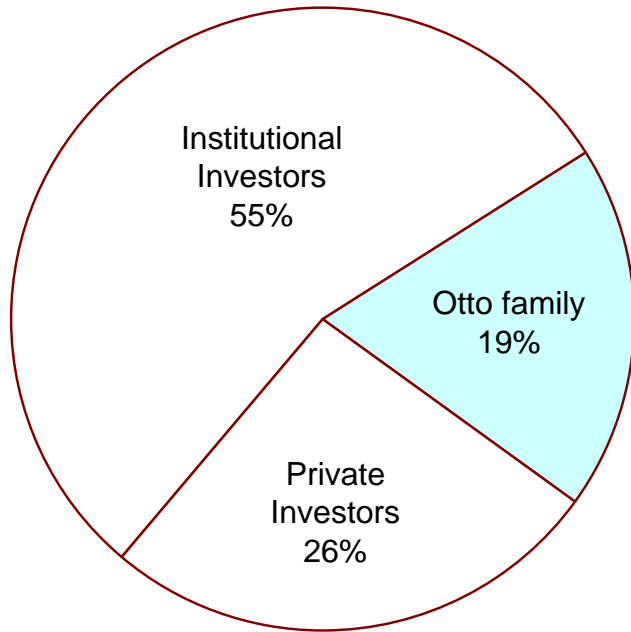


2003      2004      2005      2006      2007      2008

\*adjusted for one-time proceeds from disposals/\*\*excluding measurement gains and losses

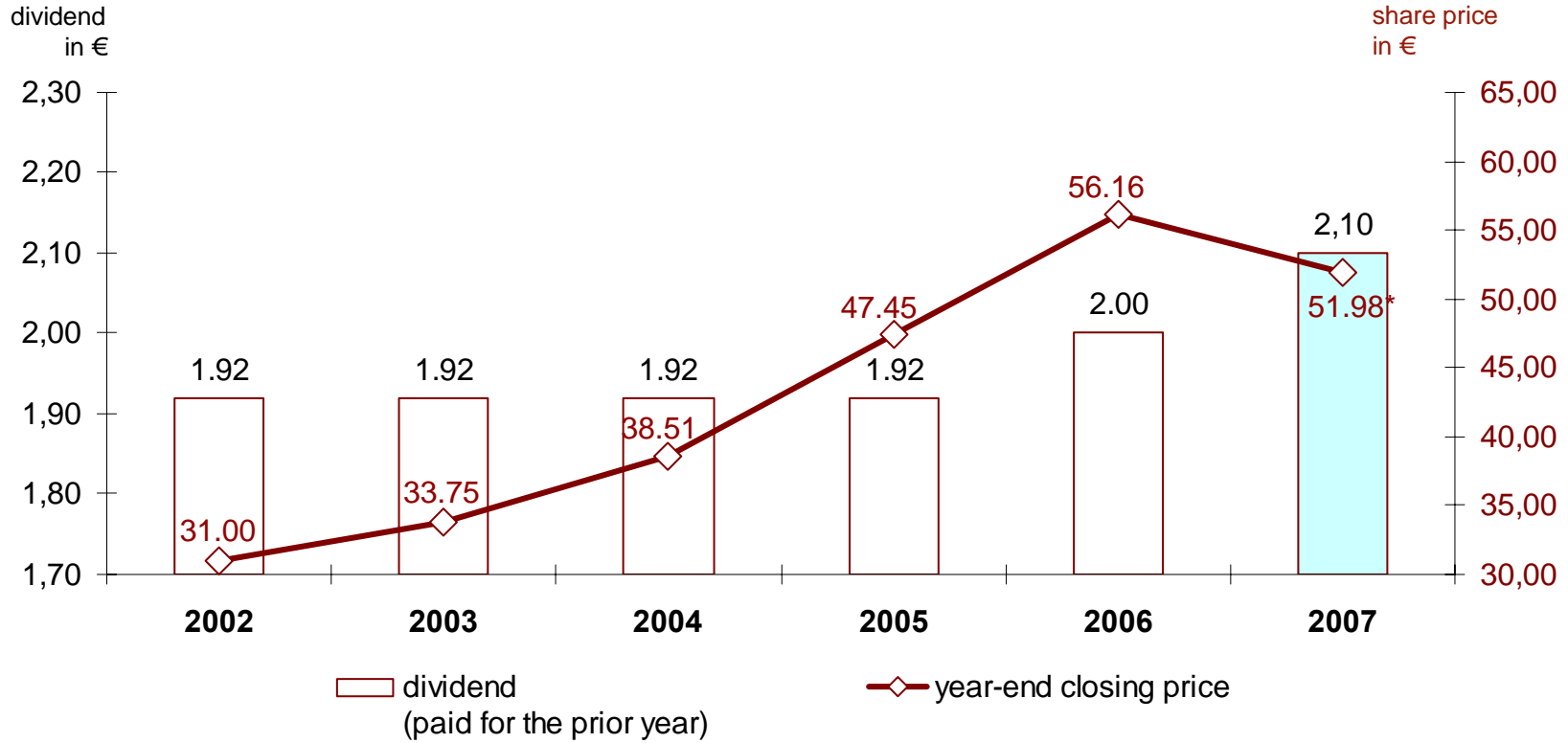
- Company
- Shopping Centers
- Financials
- Shopping Center Share**
- Appendix





7,250 shareholders

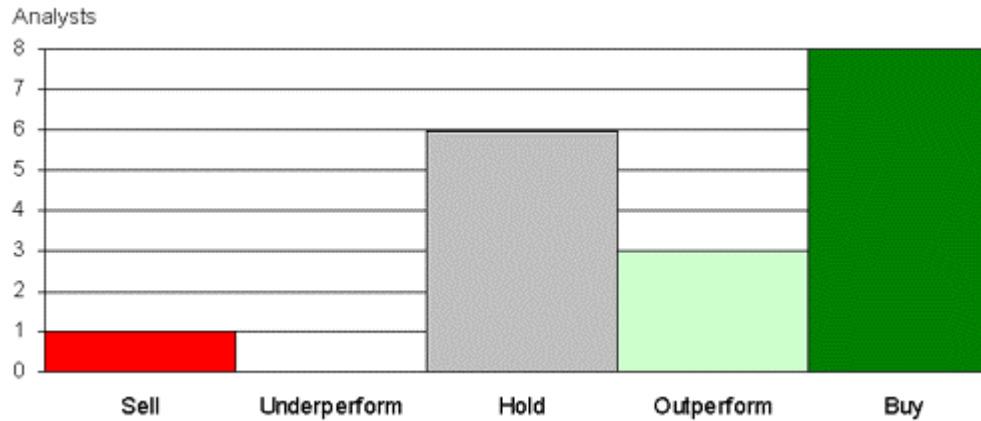
Free float 81%



### 5 years performance:

2003:	+15.1%	} avg. +16.4% p.a.
2004:	+19.8%	
2005:	+28.2%	
2006:	+22.6%	
2007*:	-3.7%	

\*Status: July 3, 2007



avg. / in €	2007	2008
EBIT (in € million)	75,50	91,38
EPS	3,10	4,90
Dividend	2,13	2,23
Price target		63,08





Company

Shopping Centers

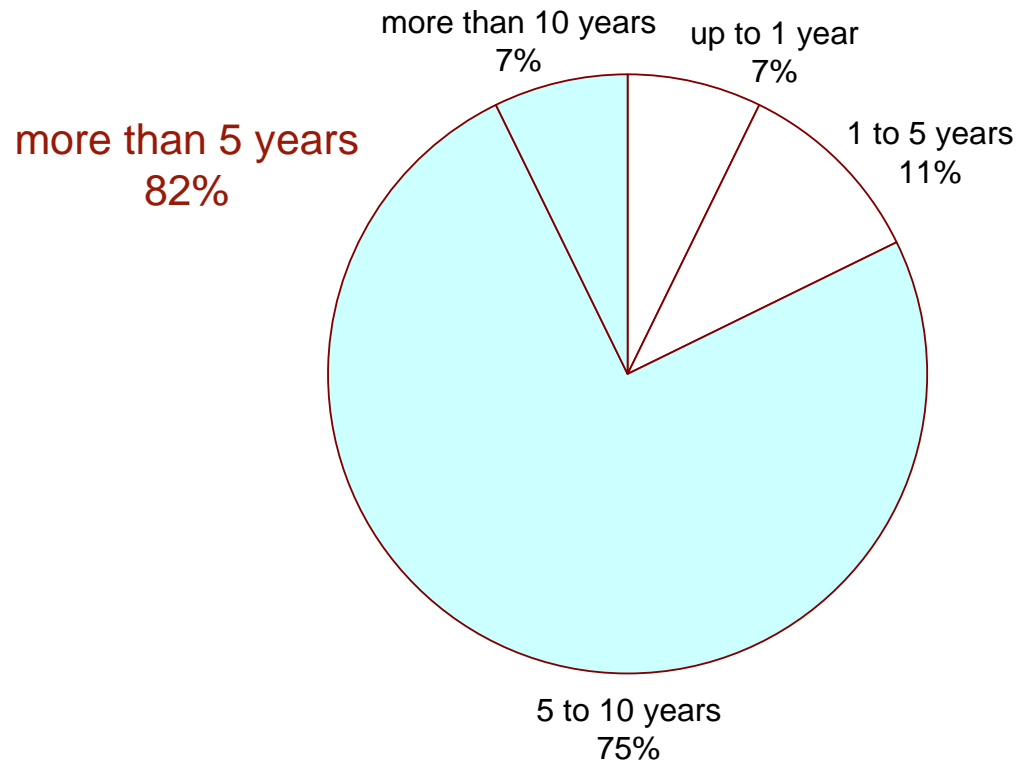
Financials

Shopping Center Share

**Appendix**

Listed since	02.01.2001
Nominal capital	€21,999,998.72
Outstanding shares	17,187,499 shares
Class of shares	Registered shares
Dividend 2006 (22.06.2007)	€2.10
52W High	€61.37
52W Low	€51.10
Share price (03.07.2007)	€51.98
Market capitalisation	€893 million
avg. turnover per day 2007	55,000 shares
Indices	MDAX, EPRA, GPR, MSCI Small Cap
Official market	Prime Standard Frankfurt and XETRA
OTC market	Berlin-Bremen, Düsseldorf, Hamburg, Hanover, Munich und Stuttgart
ISIN	DE 000 748 020 4
Ticker	DEQ, Reuters: DEQn.DE
Market makers	Close Brothers Seydler, WestLB





Ø effective interest rate  
5.5%

## 2007

- 14.08. Interim report H1 2007
- 15.08. Roadshow Cologne and Dusseldorf, HSBC
- 16.08. Roadshow Vienna, Sal. Oppenheim
- 06.-07.09. EPRA Annual Conference, Athens
- 12.09. Roadshow Zurich, WestLB
- 25.-27.09. HVB German Investment Conference, Munich
- 08.-10.10. Expo Real, Munich
- 18.10. Société Générale Pan European Real Estate Conference, London
- 25.-26.10. Real Estate Share Initiative, Frankfurt
- 09.11. Interim report Q1-3 2007
- 12.11. Roadshow Paris, Berenberg Bank
- 14.-15.11. WestLB Deutschland Conference, Frankfurt

## 2008

- 21.-23.01. CA Cheuvreux German Corporate Conference, Frankfurt
- 27.-28.02. HSBC Trinkaus Real Estate Conference, Frankfurt

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