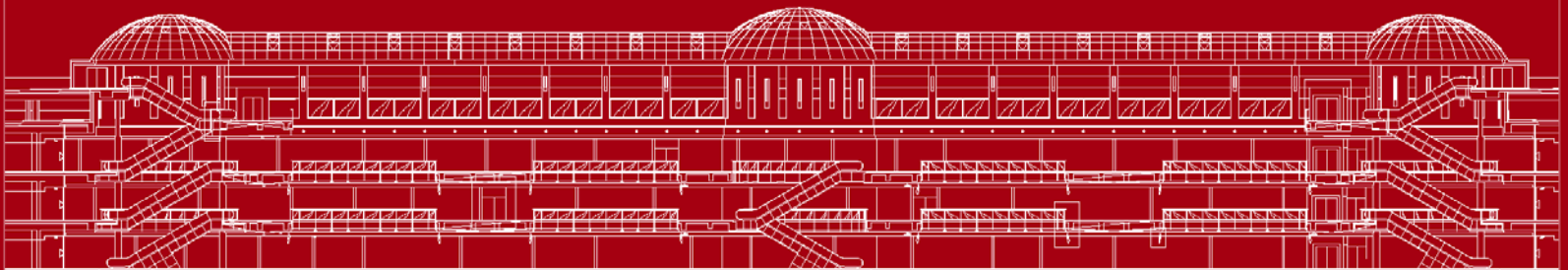


Building Business

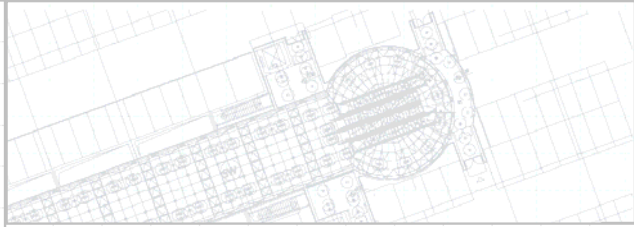


Company Presentation

**DES**  
Deutsche EuroShop AG

May 2006

The Shopping Center Company



Company

Shopping Centers

Financials

Shopping Center Share

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**DES**

Deutsche EuroShop AG

The Shopping Center Company

- Deutsche EuroShop AG is Germany's only public company that invests solely in shopping centers.

Pure Player

- Shopping centers are attractive investments because of
  - continuously positive development of rents
  - stable long term growth
  - prime locations
  - high quality standards

Equity Story

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

- 15 shopping centers on high street and in established locations – 11 in Germany and one each in Austria, Hungary, Italy and Poland

**15 Centers:**  
**14 in operation**  
**1 in the pipeline**

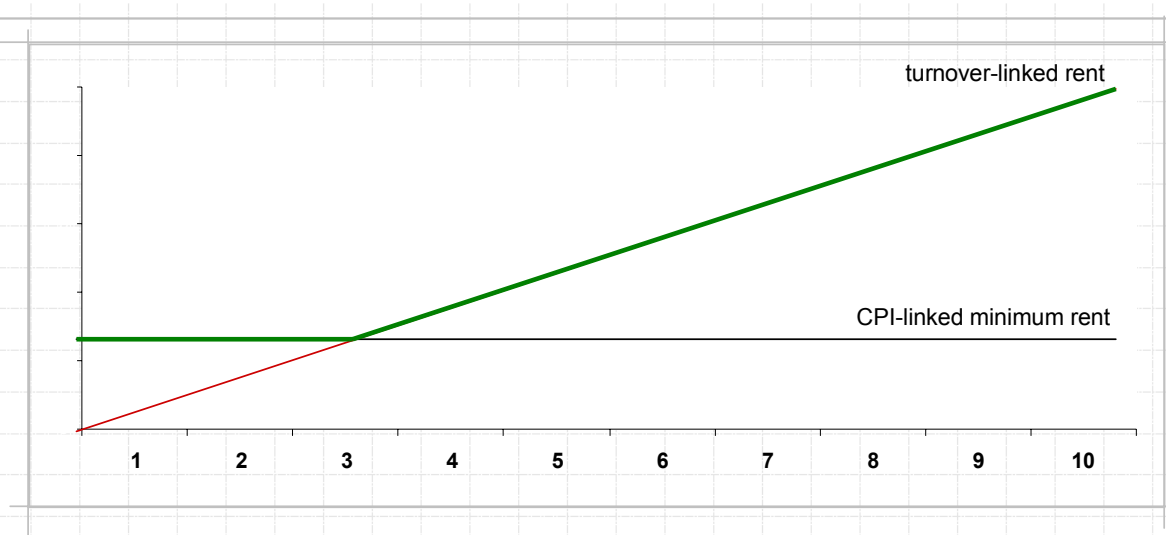
	Total	Deutsche EuroShop
Lettable space	584,500 sqm	377,600 sqm
Retail shops	approx. 1,415	
Investment	€2.1 billion	€1.4 billion
Rents per year	€139 million	€90 million

- Occupancy rate > 99%
- Professional center management by external, long-term experienced companies like ECE, the European market leader in this industry

At a Glance

**DES**  
 Deutsche EuroShop AG

The Shopping Center Company



**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
- Ø rent per sqm and month: €20 - 25
- Ø turnover per sqm and year: €4,300
- Rent-to-sales-ratio: 6.5 - 8.5%

**Participation in sales growth of retail industry**

Lease System

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

- Attractive after-tax dividend yield of currently 3.6%
- Rating: entire portfolio was given a „very good“ rating
- Consolidated equity ratio currently 51% (plan: >45%)

€ million	2003	2004	2005
Revenue	57.9	61.4	72.1
EBIT	39.5	49.8	57.5
EBT excl. revaluation	21.3	29.2	31.1
EBT	26.9	37.3	81.1
Earnings per share (€) <sup>1)</sup>	1.22	1.78	3.09
Free cash flow per share (€)	1.79	1.96	2.1
Dividend per share (€)	1.92	1.92	2.00 <sup>2)</sup>
NAV per share (€)	43.68	43.96	46.22

At a Glance

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

<sup>1)</sup> undiluted <sup>2)</sup> proposal

- Long term net asset value enhancement
- “buy & hold”-strategy
- Stable and attractive dividends
- 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

Targets

**DES**  
Deutsche EuroShop AG

The Shopping Center Company



Company

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The Shopping Center Company





Location	Main-Taunus-Zentrum Frankfurt	Rhein-Neckar-Zentrum Viernheim	Atlmarkt-Galerie Dresden
Investment	43.1%	99.8%	50.0%
Lettable Space sqm	103,400	63,600	44,500
Parking	4,000	3,800	500
Number of shops	approx. 100	approx. 110	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

Shopping Centers

Germany

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The Shopping Center Company



Location	Phoenix-Center Hamburg	Allee-Center Hamm	Forum Wetzlar
Investment	50.0%	87.7%	65.0%
Lettable Space sqm	39,200	35,100	34,500
Parking	1,600	1,300	1,700
Number of shops	approx. 110	approx. 80	approx. 110
Occupancy rate	96%	100%	100%
Catchment area	approx. 0.6 m. inhabitants	approx. 1.0 m. inhabitants	approx. 0.5 m. inhabitants
Opening / refurbishm.	2004	1992 / 2002-2003	2005

Shopping Centers

Germany

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Deutsche EuroShop AG

The Shopping Center Company



Location	Rathaus-Center Dessau	City-Galerie Wolfsburg	City-Point Kassel
Investment	94.9%	89.0%	40.0%
Lettable Space sqm	30,600	30,100	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. 0.6 m. inhabitants	approx. 0.8 m. inhabitants
Opening	1995	2001	2002

Shopping Centers

Germany

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Deutsche EuroShop AG

The Shopping Center Company



Location	City-Arkaden Wuppertal	Stadt-Galerie Hameln
Investment	72.0%	94.9%
Lettable Space sqm	28,700	25,000
Parking	650	500
Number of shops	approx. 85	approx. 90
Occupancy rate	100%	> 50%
Catchment area	approx. 0.7 m. inhabitants	approx. 0.4 m. inhabitants
Opening / refurbishm.	2001 / 2004	Spring 2008

Shopping Centers

Germany

**DES**  
Deutsche EuroShop AG

The Shopping Center Company



Location	City Arkaden Klagenfurt, Austria	Árkád Pécs, Hungary	Galeria Dominikanska Wroclaw, Poland
Investment	50.0%	50.0%	33.3%
Lettable Space sqm	36,700	35,200	32,700
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

Shopping Centers

Europe

**DES**  
Deutsche EuroShop AG

The Shopping Center Company





Location	Centro Commerciale Tuscia Viterbo, Italy
Investment	100%
Lettable space sqm	15,200
Parking	1,100
Number of shops	approx. 40
Occupancy rate	100%
Catchment area	approx. 0.3 m. inhabitants
Opening	1998

Shopping Centers

Europe

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

	Total Domestic	Total International	Total Deutsche EuroShop
Lettable space sqm	464,700	119,800	584,500
Parking	15,920	3,730	19,650
Number of shops	1,025	390	1,415
Occupancy rate*	99%	100%	99%
Catchment area	9.7 m. inhabitants	2.2 m. inhabitants	11.9 m. inhabitants

\* incl. office space, without Hameln

Shopping Centers  
Total

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

Douglas

Street One

GORTZ

Peek & Cloppenburg KG  
DÜSSELDORF

GALERIA  
KAUFTOF

C&A

H&M

ALDI  
SÜD

Sinn & Leffers

NORDSEE

MEXX

ZARA

Well-known  
tenants

s.Oliver

Media Markt

INTERSPORT

GERRY WEBER

KARSTADT

DEICHMANN

Bijou Brigitte  
modische Accessoires AG

ESPRIT

REWE

HALLHUBER

SATURN

ANSON'S

Tchibo

Thalia  
BÜCHER

UNITED COLORS  
OF BENETTON.

NEWYORKER

dm

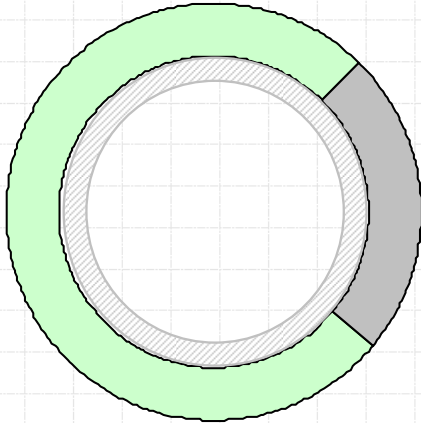
Fielmann

Our Tenants

DES  
Deutsche EuroShop AG

The Shopping Center Company





Other tenants

**Total 76.2%**

Douglas group	4.9%
Metro group	4.5%
Peek & Cloppenburg	2.7%
H & M	2.4%
Deichmann	1.8%
Zara	1.7%
New Yorker	1.6%
Engelhorn & Sturm	1.6%
dm – Drogeriemarkt	1.3%
REWE group	1.3%

**Total 23.8%**

**Low level of dependence on the top 10 tenants**

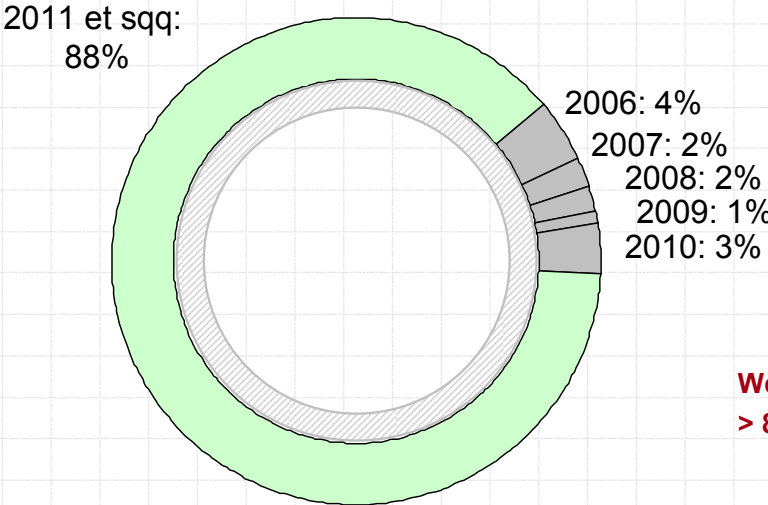
\* in % of total rents; not including Klagenfurt and Hameln as at December 31, 2005

### Tenants Structure Top 10 tenants\*

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The Shopping Center Company

**Long-term contracts  
guarantee rental income**



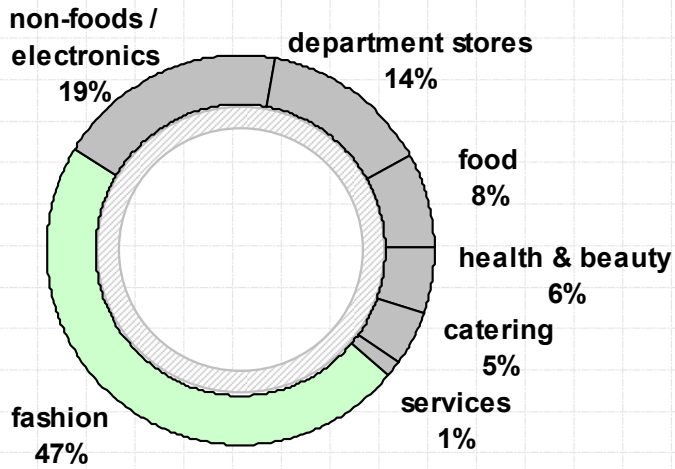
**Weighted maturity  
> 8 years**

\* as % of rental income – not including Hameln and Klagenfurt  
as at December 31, 2005

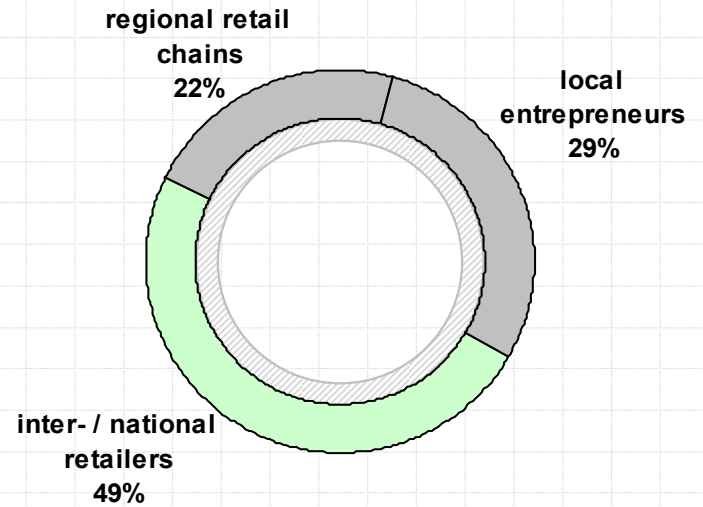
**Maturity Distribution  
of Rental Contracts\***



The Shopping Center Company



Balanced sector and retailer diversification

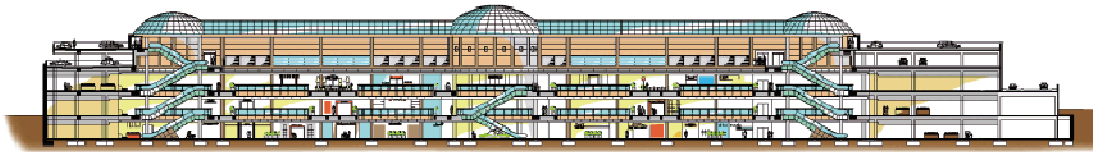


\*in % of lettable space; not including Hameln und Klagenfurt as at December 31, 2005

Sector and Retailer Mix\*

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Deutsche EuroShop AG

The Shopping Center Company



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**DES**  
Deutsche EuroShop AG

The Shopping Center Company

<b>€ thousand</b>	<b>31. Dec. 2005</b>	<b>31. Dec. 2004</b>	<b>+/-</b>
Fixed/non-current assets	1,327,005	1,203,251	123,754
Current assets	216,553	166,957	49,596
<b>Total assets</b>	<b>1,543,558</b>	<b>1,370,208</b>	<b>173,350</b>
Equity	787,446	684,412	103,034
Long term debt	616,373	597,662	18,711
Deferred taxes	69,826	51,676	18,150
Current liabilities	69,913	36,458	33,455
<b>Total liabilities</b>	<b>1,543,558</b>	<b>1,370,208</b>	<b>173,350</b>

## Balance Sheet

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

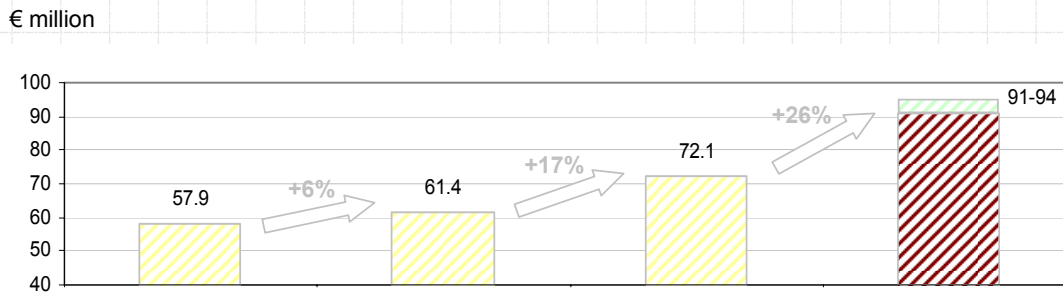
<b>€ thousand</b>	<b>01. Jan.- 31. Dec. 2005</b>	<b>01. Jan.- 31. Dec. 2004</b>	<b>+/-</b>
<b>Revenue</b>	<b>72.121</b>	<b>61.421</b>	<b>17%</b>
Other operating income	2.264	9.343	
Property operating and management costs	-12.330	-15.719	
Other operating expenses	-4.558	-5.287	
<b>EBIT</b>	<b>57.497</b>	<b>49.758</b>	<b>16%</b>
Net interest expense	-31.354	-25.312	
Income from investments	5.001	4.799	
Net finance costs	-26.353	-20.513	
Valuation result	49.948	8.018	
<b>EBT</b>	<b>81.092</b>	<b>37.263</b>	<b>118%</b>
Taxes	-19.441	-10.836	
Consolidated profit	61.651	26.427	
Minority interest	12.946	-1.309	
<b>Attributable to Group shareholders</b>	<b>48.705</b>	<b>27.736</b>	<b>76%</b>

## Profit and Loss Account

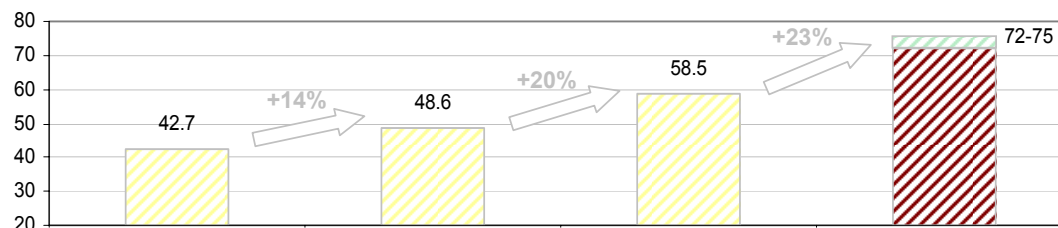
**DES**  
Deutsche EuroShop AG

The Shopping Center Company

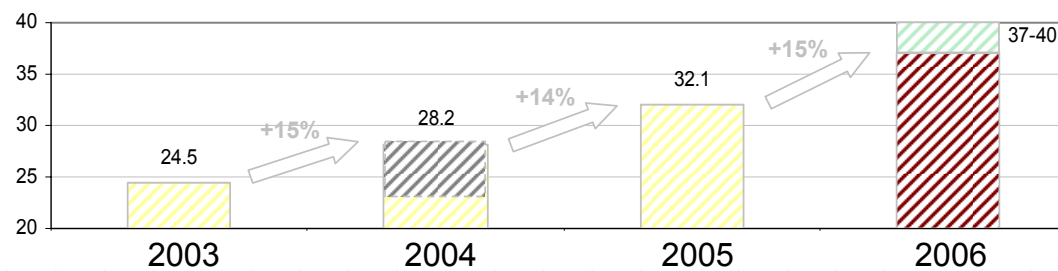
# Revenue



# EBIT <sup>1)</sup>



# EBT <sup>1) 2)</sup>



Forecast

2006



Deutsche EuroShop AG

The Shopping Center Company

1) currency adjusted  
2) without valuation result



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**DES**  
Deutsche EuroShop AG

The Shopping Center Company



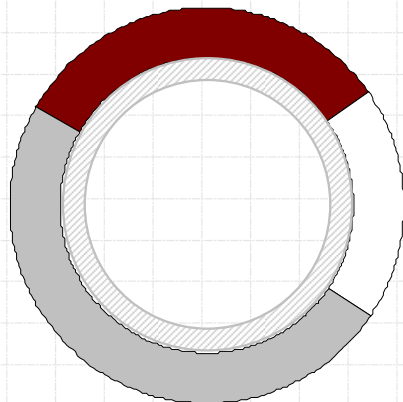
Listed since	02.01.2001
Nominal capital	€21,999,998.72
Outstanding shares	17,187,499 shares
Class of shares	Registered shares
Dividend proposal 2005 (22.06.2006)	€2.00
52W High	€58.24
52W Low	€40.76
Share price (03.05.2006)	€55.98
Market capitalisation	€962 million
avrg. turnover per day 2006	38,000 shares
Indices	MDAX, EPRA, GPR 250, EPIX 30
Prime Standard	Prime Standard Frankfurt and XETRA
OTC market	Berlin-Bremen, Düsseldorf, Hamburg, Hanover, Munich und Stuttgart
ISIN	DE 000 748 020 4
Ticker	DEQ, Reuters: DEQGn.DE
Market makers	Close Brothers Seydler, WestLB

## Key data of the Share



The Shopping Center Company

Private investors 31%



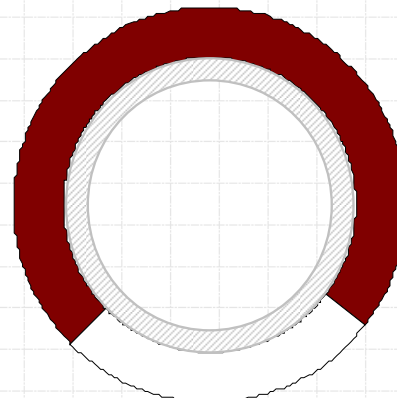
Institutional investors 50%

Otto family 19%

7,200 shareholders

Free float 81%

Germany 73%



International 27%

Shareholder Structure

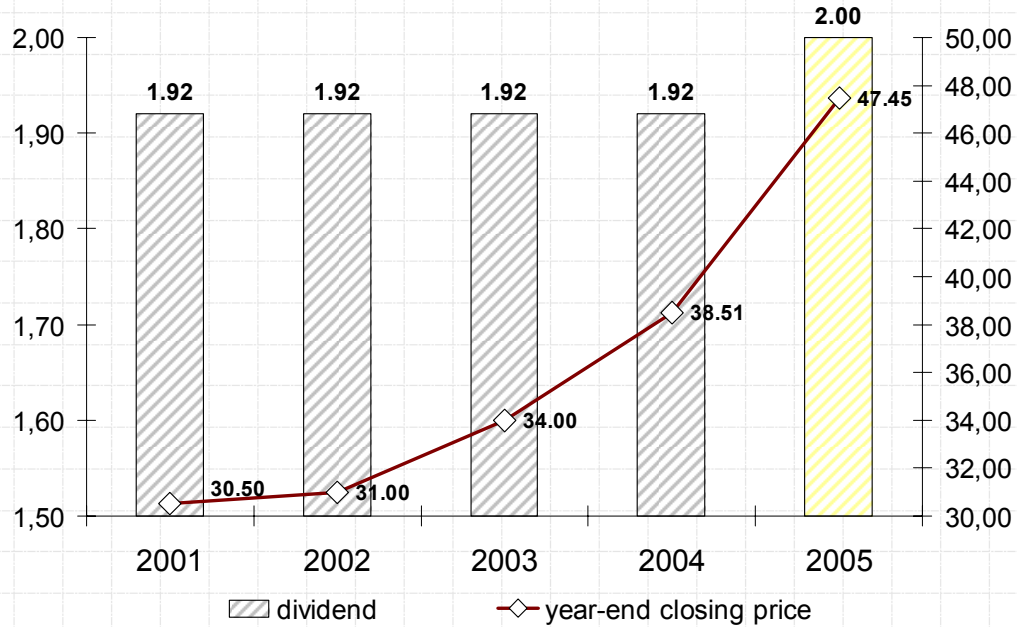
**DES**  
Deutsche EuroShop AG

The Shopping Center Company

Status: May 03, 2006

dividend  
in €

shareprice  
in €



2005: dividend proposal

Dividend Policy

**DES**  
Deutsche EuroShop AG

The Shopping Center Company



Coverage



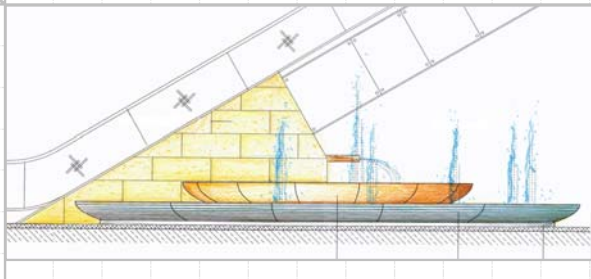
The Shopping Center Company

	Datum/ Date	Rating Änderung/ Change	Rating	Kursziel/ Price target in €	Ergebnis je Aktie/EPS in €			Dividende je Aktie/DPS in €			EBIT in Mio. €		
					2005	2006	2007	2005	2006	2007	2005	2006	2007
Bankhaus Lampe	18.01.2006	↓	Halten/ Hold	50,00	1,42	1,52	1,62	2,00	2,00	2,10	58,70	70,90	75,40
Berenberg Bank	17.01.2006	↓	Halten/ Hold	53,00	Daten nicht zur Veröffentlichung frei und nicht Bestandteil des Consensus Rating. Data not for public use and not part of the consensus.								
DZ Bank	27.01.2006	→	Kaufen/ Buy	56,00	Daten nicht zur Veröffentlichung frei und nicht Bestandteil des Consensus Rating. Data not for public use and not part of the consensus.								
equinet	07.04.2006	↑	Akkumulieren/ Accumulate	60,00	2,88	2,31	2,55	2,00	2,00	2,00	58,00	68,00	73,00
Hamburger Sparkasse	06.12.2005	→	Halten/ Hold	48,00	1,85	2,15	n.a.	2,00	2,00	n.a.	55,00	58,50	n.a.
HSBC Trinkaus & Burkhardt	10.11.2005	→	Übergewichten/ Overweight	50,60	2,19	2,28	2,47	2,00	2,05	2,10	57,70	62,30	65,30
HSH Nordbank	15.11.2005	→	Halten/ Hold	46,00	1,54	1,54	1,81	2,00	2,00	2,00	64,25	65,17	71,14
HypoVereinsbank	27.01.2006	→	Outperform	58,00	2,81	2,61	2,41	2,00	2,10	2,15	56,50	70,20	72,80
Kempen & Co.	07.02.2006	↓	Reduzieren/ Reduce	47,00	2,27	3,29	3,79	2,00	2,00	2,05	57,40	62,80	64,60
Petercam Bank	06.12.2005	↑	Kaufen/ Buy	51,30	2,31	3,05	4,48	2,00	2,00	2,00	55,00	69,50	80,80
Sal. Oppenheim	27.01.2006	→	Kaufen/ Buy	58,00	2,82	2,64	3,03	2,00	2,00	2,00	62,90	72,00	72,60
M.M. Warburg & Co	09.02.2006	↑	Kaufen/ Buy	57,00	2,82	2,29	2,36	2,00	2,10	2,20	58,80	75,20	78,70
West LB	03.04.2006	↓	Halten/ Hold	59,00	2,80	2,75	3,30	2,00	2,00	2,00	56,00	68,00	70,00
<b>Durchschnitt/ Average</b>				<b>53,38</b>	<b>2,34</b>	<b>2,40</b>	<b>2,78</b>	<b>2,00</b>	<b>2,02</b>	<b>2,06</b>	<b>58,20</b>	<b>67,51</b>	<b>72,43</b>
Median				53,00	2,31	2,31	2,51	2,00	2,00	2,03	57,70	68,00	72,70
Minimum				46,00	1,42	1,52	1,62	2,00	2,00	2,00	55,00	58,50	64,60
Maximum				60,00	2,88	3,29	4,48	2,00	2,10	2,20	64,25	75,20	80,80

Analysts' Consensus

**DES**  
Deutsche EuroShop AG

The Shopping Center Company



Company

Shopping Centers

Financials

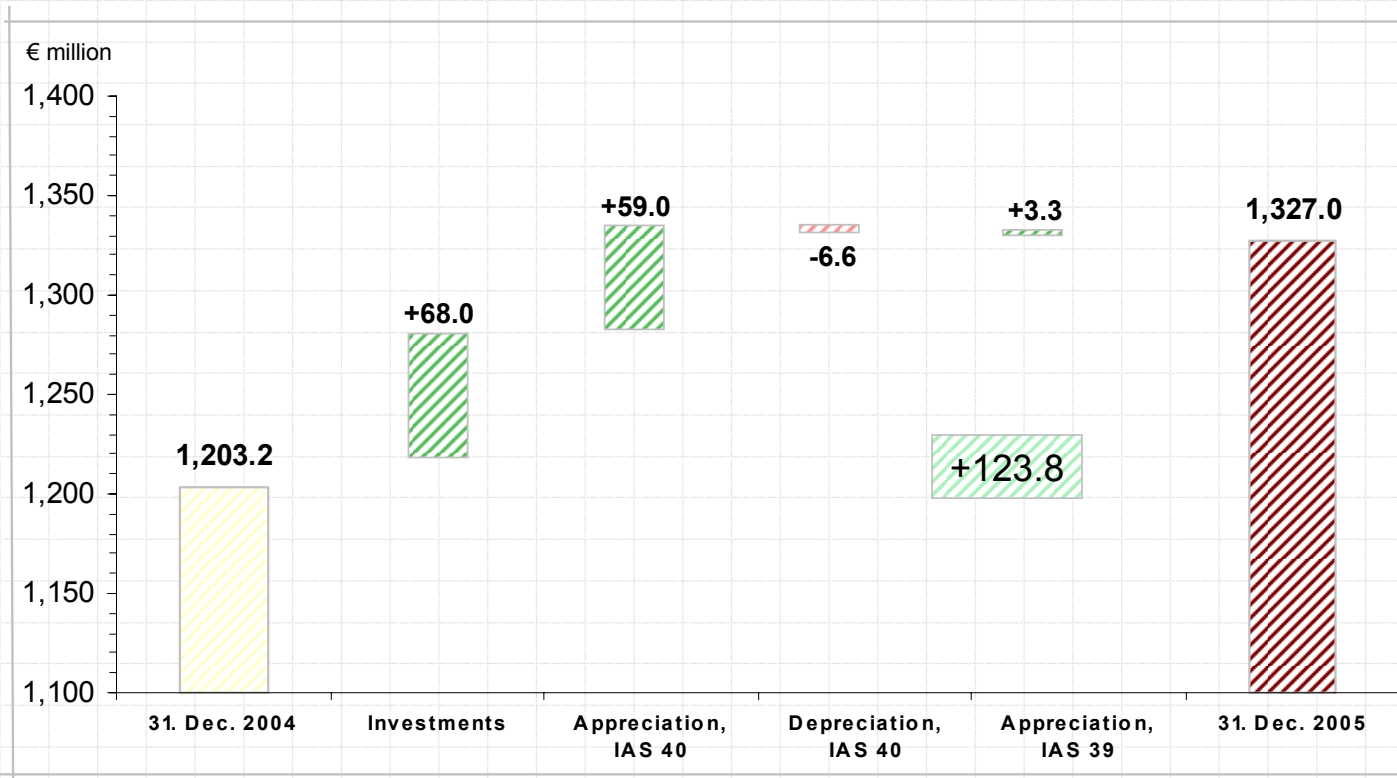
Shopping Center Share

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**DES**  
Deutsche EuroShop AG

The Shopping Center Company



Ø Investment rating A (very good) unchanged  
 Hamburg and Wetzlar started with A-rating

Ø Cap rate 6.54% unchanged

Ø Net initial yield 5.5 %

Reconciliation of Fixed/  
 Non-Current Assets



The Shopping Center Company

in € thousand	2005	2004
Non-current assets	1,327,005	1,203,251
Current assets	216,553	166,957
<b>Total assets</b>	<b>1,543,558</b>	<b>1,370,208</b>
less Non-current liabilities	-636,427	-597,662
less Current liabilities	-49,859	-36,458
<b>Net assets</b>	<b>857,272</b>	<b>736,088</b>
less Equity attributable to minority interest	-62,792	-49,271
<b>Net assets of Deutsche EuroShop = Net Asset Value</b>	<b>794,480</b>	<b>686,817</b>
Number of shares	17,187,499	15,625,000
<b>Net asset value per share in €</b>	<b>46.22</b>	<b>43.96</b>

Net asset value

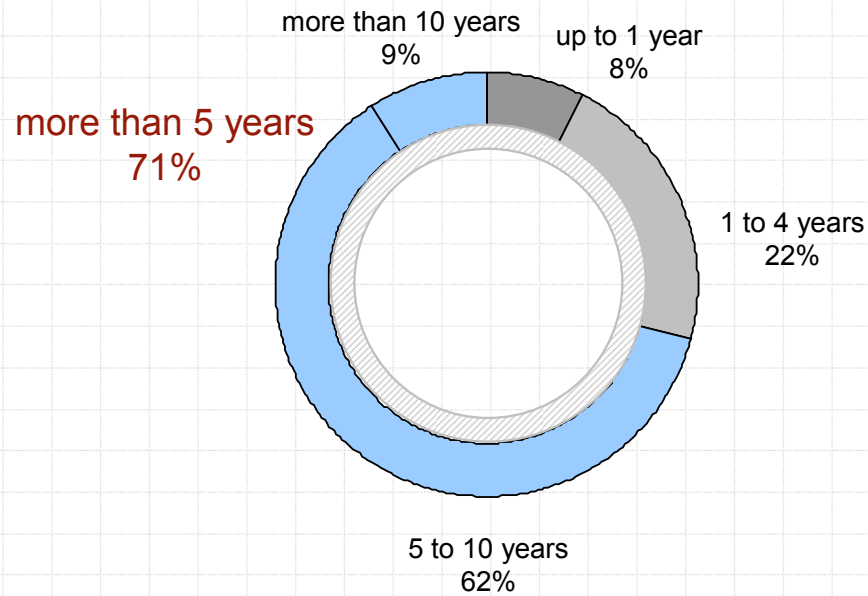
2005

**DES**  
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The Shopping Center Company



**Ø effective interest rate  
5.50%**

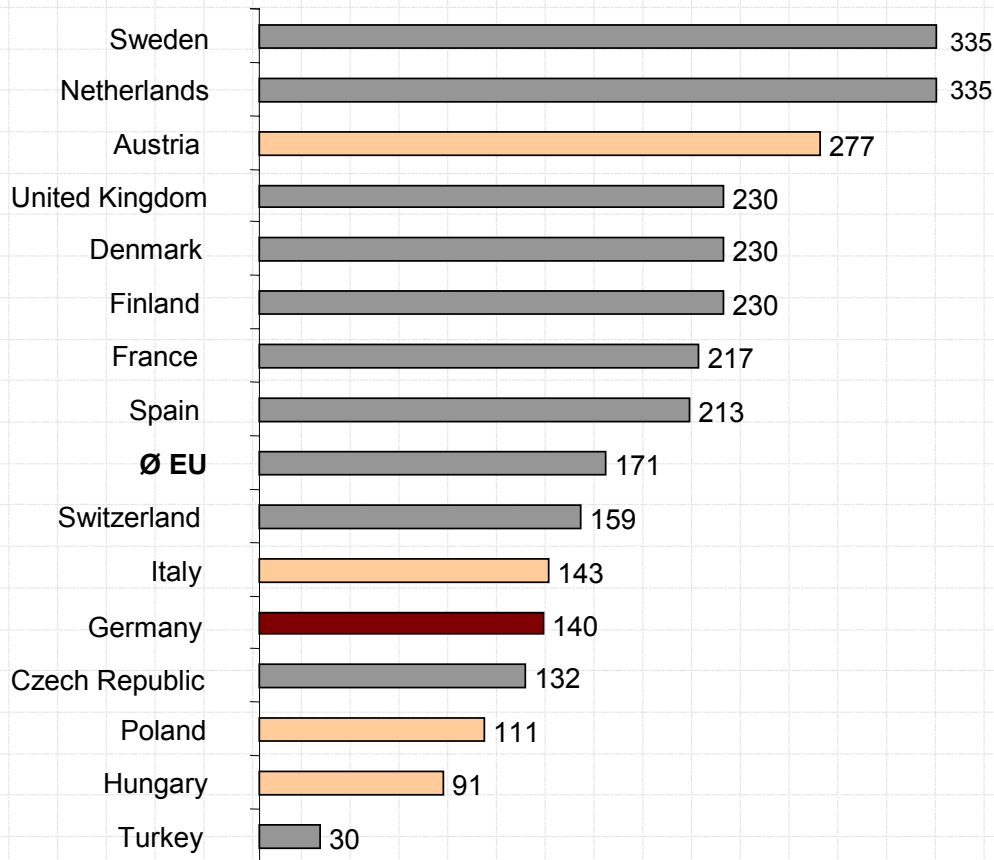


Status: December 31, 2005

**Liabilities –  
Maturities**

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The Shopping Center Company



GLA per 1,000 population

Shopping Centers  
in Europe

**DES**  
Deutsche EuroShop AG

Status: 3/2006; Source: Cushman & Wakefield

The Shopping Center Company

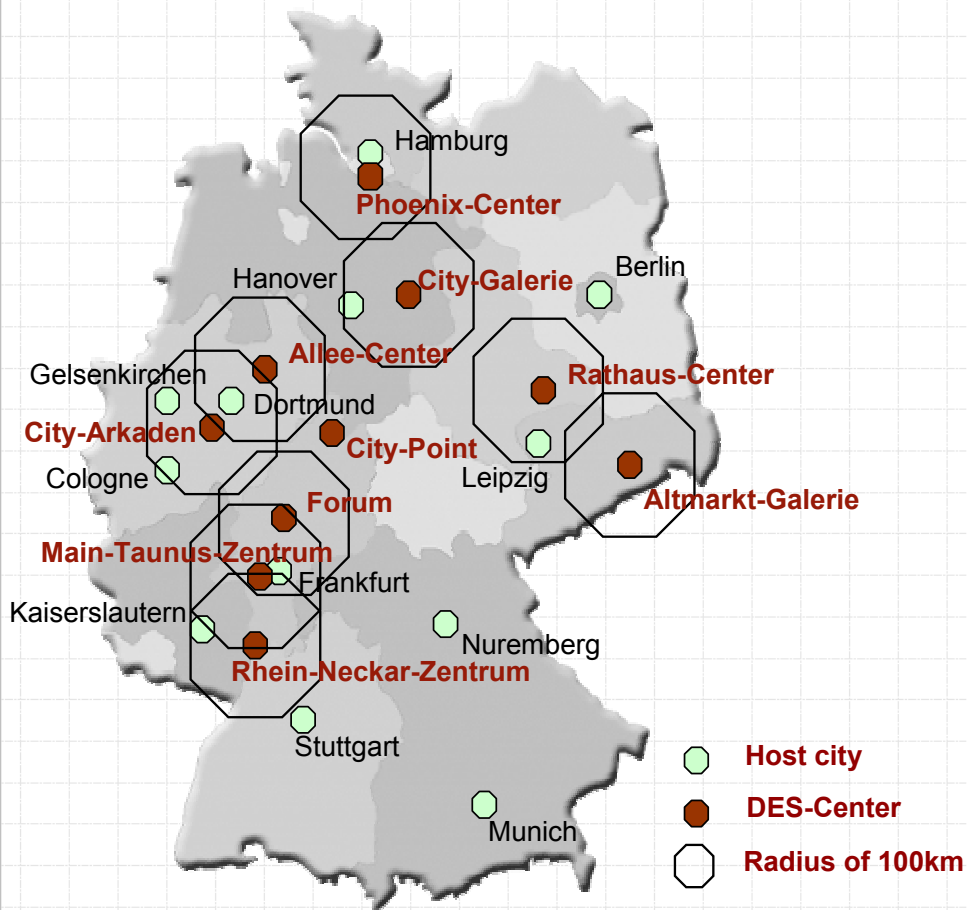
Retail outlet	Space requirements in sqm 1990	Space requirements in sqm 2006
Shoe shop	250 - 400	400 - 800
Sports	450 - 600	1,000 - 3,000
Pharmacy	150 - 200	350 - 800
Perfume	150 - 200	350 - 1,000
Books	250 - 350	600 - 2,000
Consumer electronics	150 - 2,500	3,500 - 5,000
Food discounter	400 - 600	600 - 800
Young fashion	1,000 - 1,200	1,500 - 3,000

**Flexible layouts offer space for modern retail concepts**

**Change in the Demand of Space**

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Deutsche EuroShop AG

The Shopping Center Company



8 of 12 host cities are in the catchment area of DES-centers

World Cup 2006

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

- 15.05. Interim report Q1 2006
- 16.05. Roadshow Paris
- 17.05. Roadshow Zurich
- 18.05. Roadshow Madrid
- 19.05. Roadshow Edinburgh
- 25.05. Citigroup Jour fixe, London
- 26.05. Roadshow Dublin
- 31.05. Deutsche Bank German Corporate Conference, Frankfurt
- 01.06. Kempen & Co. European Property Seminar, Amsterdam
- 07.06. Cheuvreux European Small- & MidCap Conference, London
- 15.06. Morgan Stanley Property Conference, London
- 22.06. Annual General Meeting, Hamburg
- 29.06. WestLB German Properties & Financials Conference, Zurich
- 11.08. Interim report H1 2006
- 16.08. Roadshow Vienna
- 26.09. HVB German Investment Conference, Munich
- 12.10. 6th Property Share Initiative Conference, Frankfurt am Main
- 14.11. Interim report Q1-3 2006
- 15.-16.11. WestLB Deutschland Conference, Frankfurt
- 21.11. Roadshow Milan
- 27.11. German Equity Forum, Frankfurt

Financial Calendar

**DES**  
Deutsche EuroShop AG

2006

The Shopping Center Company

## Deutsche EuroShop AG

Patrick Kiss  
Investor & Public Relations  
Oderfelder Straße 23  
D-20149 Hamburg

Tel. +49 (40) 41 35 79 - 20  
Fax +49 (40) 41 35 79 - 29

E-Mail: [kiss@deutsche-euroshop.de](mailto:kiss@deutsche-euroshop.de)  
Web: [www.deutsche-euroshop.com](http://www.deutsche-euroshop.com)

ISIN: DE 000 748 020 4

Contact

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

## Forward-Looking Statements

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.

Important Notice

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Deutsche EuroShop AG

The Shopping Center Company