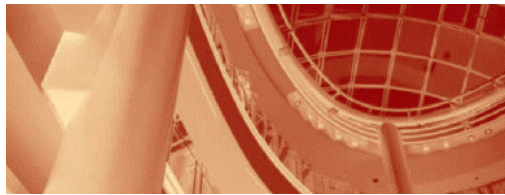




**DES**

**Deutsche EuroShop AG**

Company Presentation  
December 2004

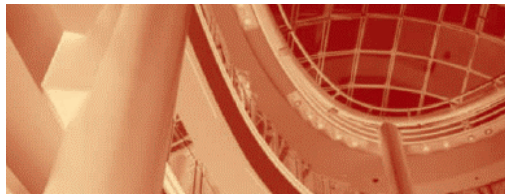


## 1. The Company

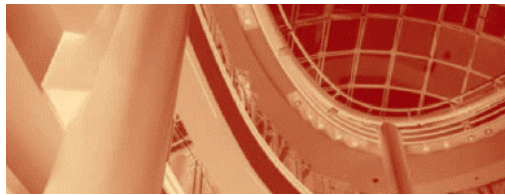
## 2. The Shopping Centers

## 3. The Financials

## 4. The Shopping Center Share

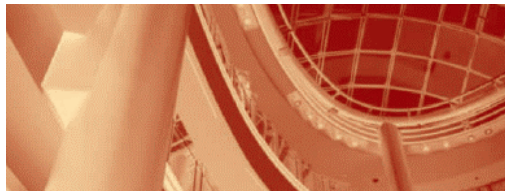


- 10.10.1997 Incorporation
- 28.09.2000 Start of business operations
- 02.01.2001 Going public
- 15.04.2003 Admission to the Prime Standard
- 14.07.2003 Admission to the SDAX
- 02.01.2004 Admission to the EPRA-Index
- 20.09.2004 Admission to the MDAX



### Pure Player

- Deutsche EuroShop AG 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



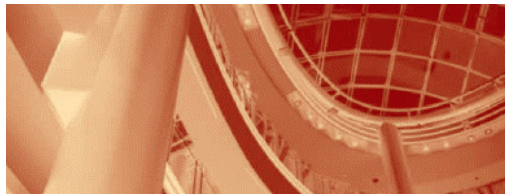
**14 Centers**

- Participations in 14 shopping centers on high street and in established locations – nine in Germany and one each in Austria, France, Hungary, Italy and Poland

	Total	Deutsche EuroShop
Lettable space	517,900 m <sup>2</sup>	322,000 m <sup>2</sup>
Retail shops	approx. 1,290	
Investment	€ 1.95 billion	€ 1.2 billion
Rents per year	€ 127 million	€ 77 million

**Potential through sales-linked rents**

- Indexed minimum rents and participation in sales growth of retail industry
- Occupancy rate > 99 %
- Professional center management by external, long-term experienced companies like ECE Projektmanagement, the European market leader in this industry

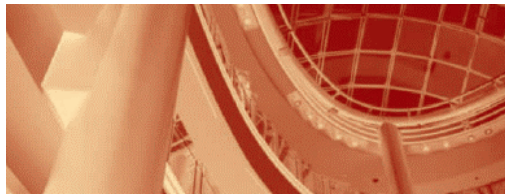


## Main focus on dividend

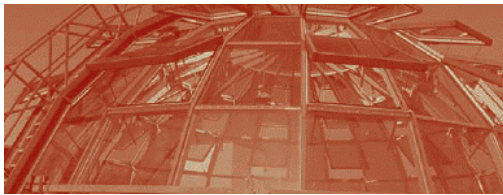
- Investment targets
  - focus on the optimization of the distributable free cash flow after taxes
  - “buy & hold”-strategy
  - long term portfolio value enhancement

## Continuous growth

- Company targets
  - acquisition of two to three shopping centers per year
  - establish as one of the Top 5 retail real estate companies in Euro countries

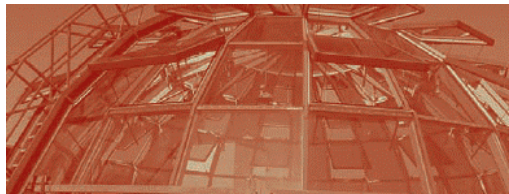


- Attractive after-tax dividend yield of currently 5.2%
- Net Asset Value per share €43.56
- Rating: entire portfolio was given an “A” rating (i.e. “very good”)
- Consolidated equity ratio currently 50% (plan: steadily >45%)
- Independent management with many years of experience in shopping center development
- Investment-focus: 75% Germany / 25% Europe
- Risk diversification due to a portfolio of shopping centers and diversity of tenants

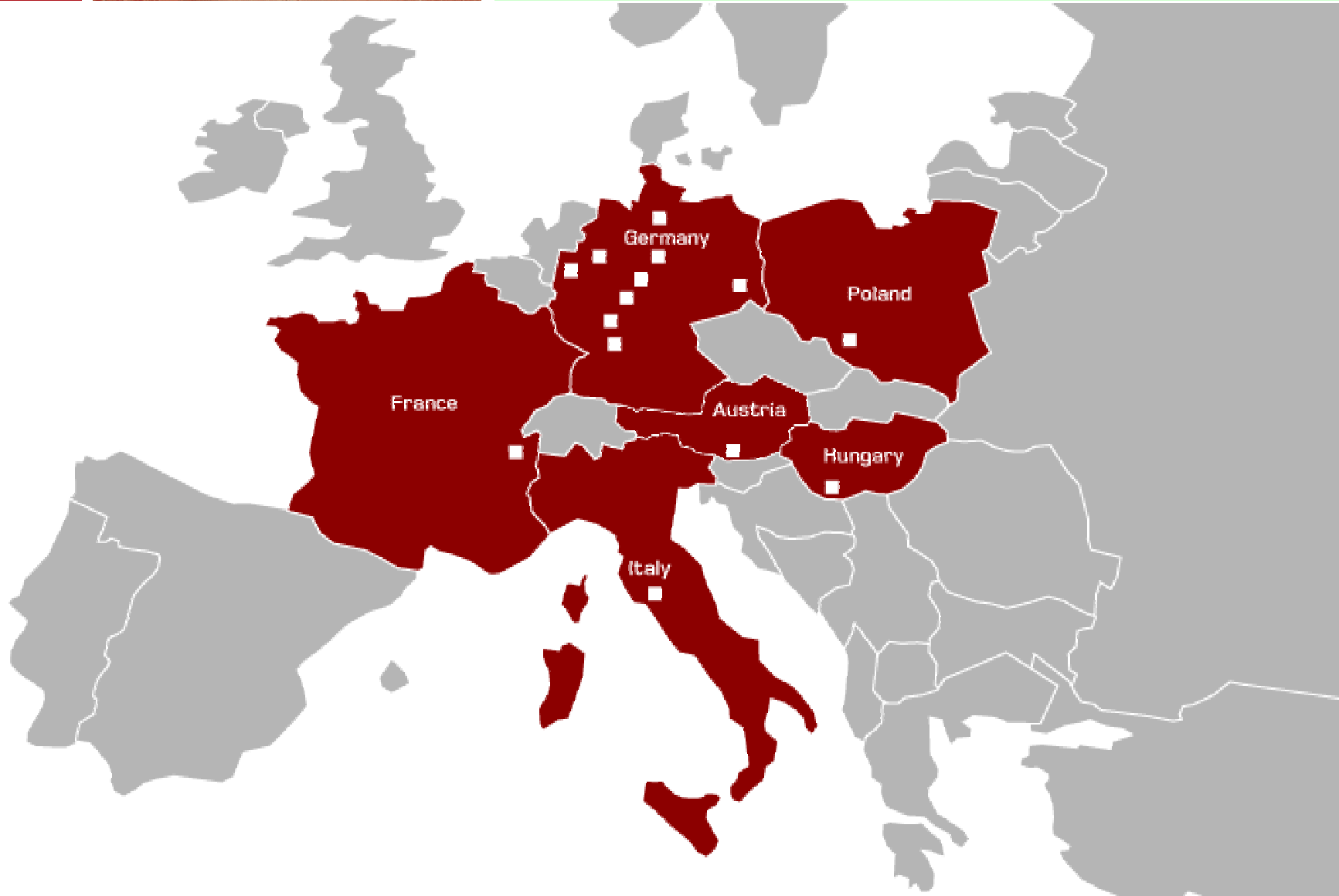


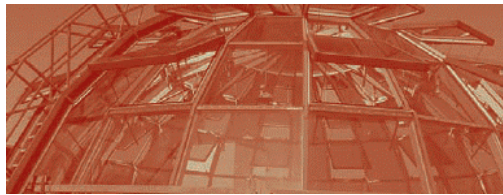
1. The Company
2. The Shopping Centers
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## Locations in Europe





# Shopping Centers in Germany



## Domestic location

## Rhein-Neckar-Center Viernheim

## Main-Taunus-Center Frankfurt

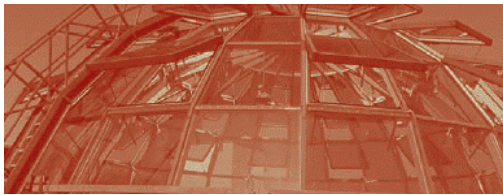
## City-Galerie Wolfsburg

Investment	
Lettable space sqm	
Parking	
Numer of shops	
Occupancy rate	
Catchment area	
Opening/refurbishm.	

Investment	92.8%
Lettable space sqm	64,000
Parking	3,500
Numer of shops	approx. 100
Occupancy rate	100%
Catchment area	1.4 m inhabitants
Opening/refurbishm.	Nov. 2002

Investment	37.4%
Lettable space sqm	93,900
Parking	5,000
Numer of shops	approx. 100
Occupancy rate	100%
Catchment area	2.2 m inhabitants
Opening/refurbishm.	Oct. 2001

Investment	89.0%
Lettable space sqm	30,000
Parking	800
Numer of shops	approx. 90
Occupancy rate	100%
Catchment area	0.6 m inhabitants
Opening/refurbishm.	Sept. 2001



## Shopping Centers in Germany



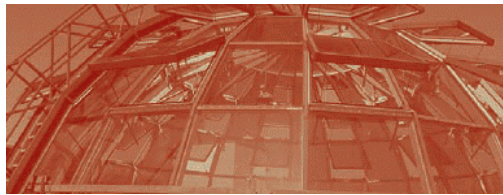
### Domestic location

### Altmarkt-Galerie Dresden

### City-Arkaden Wuppertal

### Allee-Center Hamm

Investment	50.0%	72.0%	87.7%
Lettable space sqm	43,800	28,100	34,800
Parking	520	650	1,290
Numer of shops	approx. 100	approx. 90	approx. 80
Occupancy rate	99%	100%	100%
Catchment area	1.0 m inhabitants	0.7 m inhabitants	1.0 m inhabitants
Opening	Sept. 2002	Oct. 2001	March 1992



## Shopping Centers in Germany



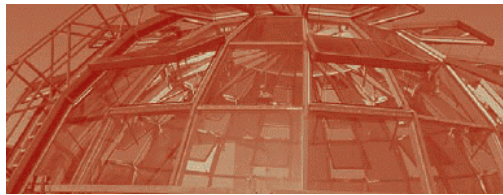
### Domestic location

### Phoenix-Center Hamburg

### Forum Wetzlar Wetzlar

### City-Point Kassel

Investment	50.0%	65.0%	40.0%
Lettable space sqm	39,000	34,300	29,400
Parking	1,600	1,700	200
Numer of shops	approx. 110	approx. 110	approx. 60
Occupancy rate	96%	94%	100%
Catchment area	0.6 m inhabitants	0.5 m inhabitants	0.8 m inhabitants
Opening	Sep. 2004	Feb. 2005	Feb. 2002



## Shopping Centers in Europe



### International location

### Centro Commerciale Tuscia, Viterbo Italy

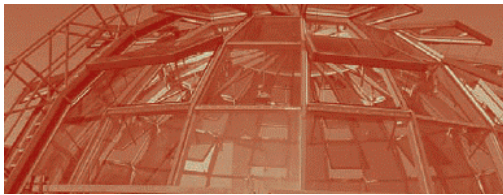
### Shopping Etrembières Annemasse France

### Árkád Pécs Hungary

Investment	99.9%
Lettable space sqm	15,200
Parking	1,100
Numer of shops	approx. 40
Occupancy rate	100%
Catchment area	0.3 m inhabitants
Opening	1998

Investment	92.8%
Lettable space sqm	(8,000 +) 8,600
Parking	1,000
Numer of shops	approx. 50
Occupancy rate	100%
Catchment area	0.8 m inhabitants
Opening	1994

Investment	50.0%
Lettable space sqm	34,200
Parking	850
Numer of shops	approx. 130
Occupancy rate	98%
Catchment area	0.5 m inhabitants
Opening	Mar. 2004



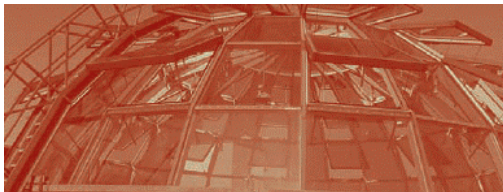
**International location**

**Galeria Dominikanska  
Wroclaw  
Poland**

**City-Arkaden  
Klagenfurt  
Austria**

Investment	33.3%
Lettable space sqm	32,600
Parking	920
Numer of shops	approx 100
Occupancy rate	100%
Catchment area	1.0 m inhabitants
Opening	2001

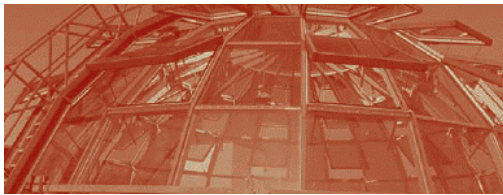
Investment	50.0%
Lettable space sqm	30,000
Parking	850
Numer of shops	approx 120
Occupancy rate	51%
Catchment area	0.4 m inhabitants
Opening	Spring 2006



## Shopping Centers Total

Total	International	Domestic	Total Deutsche EuroShop AG
Lettable space sqm	120,600	397,300	517,900
Parking	4,720	15,260	19,980
Number of shops	approx. 440	approx. 850	1,290
Occupancy rate*	100%	99%	99%
Catchment area	3.0 m inhabitants	8.8 m inhabitants	11.8 m inhabitants

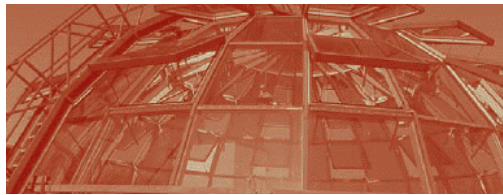
\*without Klagenfurt, Wetzlar and Hamburg



**Pro active center  
management for  
sustainable development**







Douglas

Street One

GALERIA  
KAUFHOF

GERRY WEBER

SATURN

UNITED COLORS  
OF BENETTON.



KARSTADT

HALLHUBER **dh**

Peek & Cloppenburg **KG**  
DÜSSELDORF

ZARA

Sinn  Leffers

Media  Markt

NEWYORKER

H&M

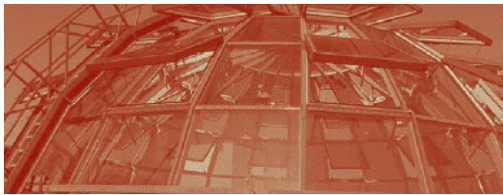
Thalia  
BÜCHER



ESPRIT

ANSON'S

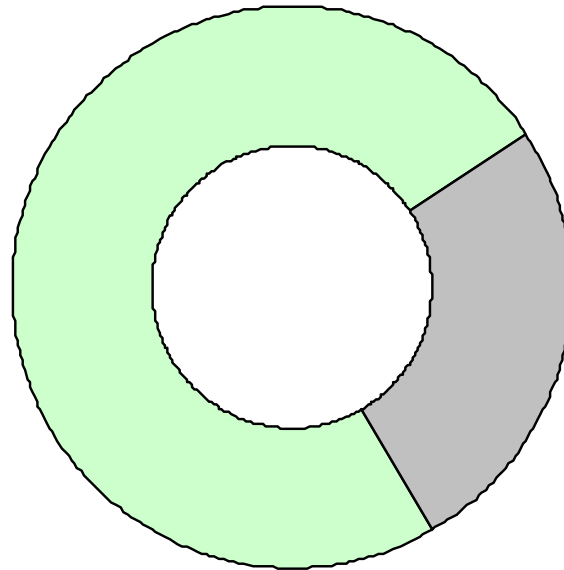
Well-known  
tenants



## Tenants Structure

The 10 largest tenants: in % of total rents

Low level of dependence  
on the top 10 tenants

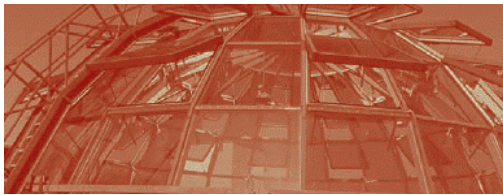


Other Tenants

**Total 74.2%**

Metro-Group	6.3%
Douglas-Group	4.6%
P & C	2.6%
Karstadt-Group	2.2%
Engelhorn	2.0%
H & M	2.0%
Palastbetriebe	1.7%
Ipercoop	1.6%
Bauhaus	1.5%
New Yorker	1.4%
<b>Total</b>	<b>25.8 %</b>

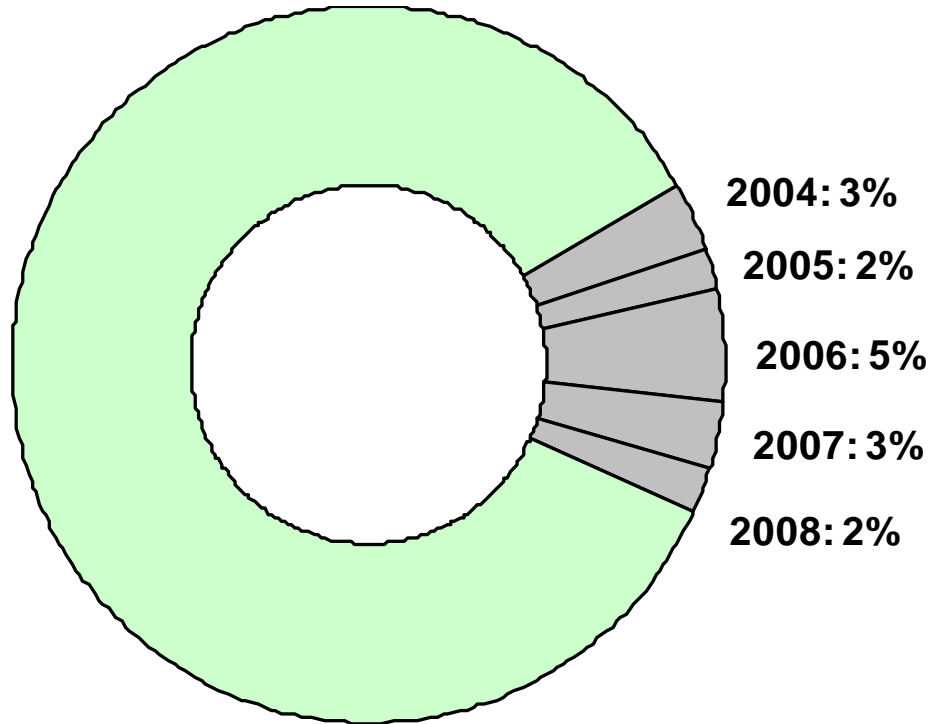
Status: December 31, 2003, without Pécs, Klagenfurt, Hamburg, Wetzlar and Udine; rounding differences in consequence of calculation



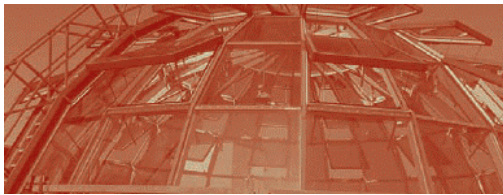
## Maturity Distribution of rental contracts\*

Long-term contracts  
guarantee rental income

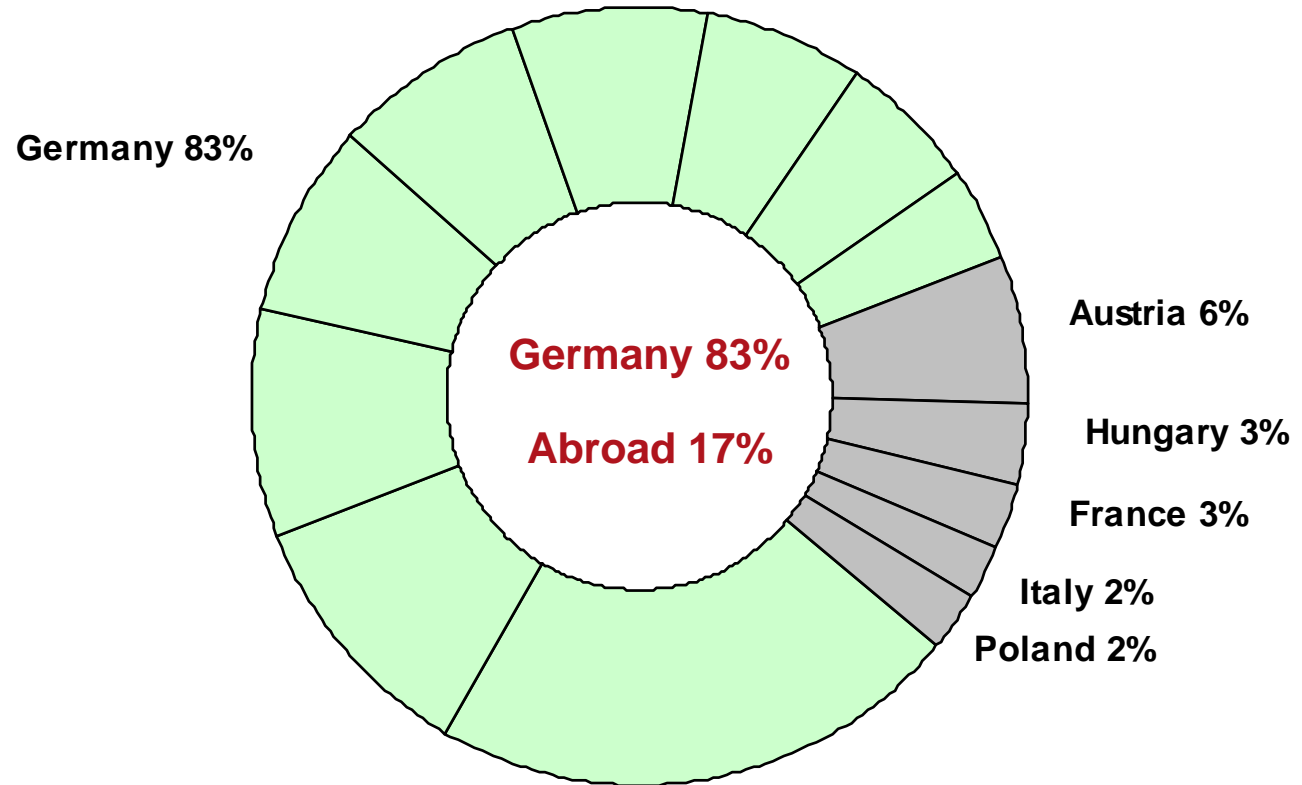
**2009 et sqq:  
85%**



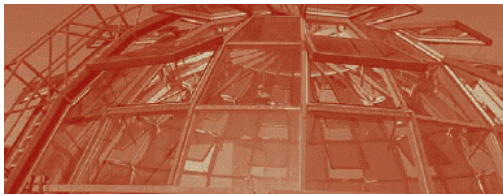
\* as % of rental income – not including Pécs, Klagenfurt, Hamburg and Wetzlar as at 31 December 2003



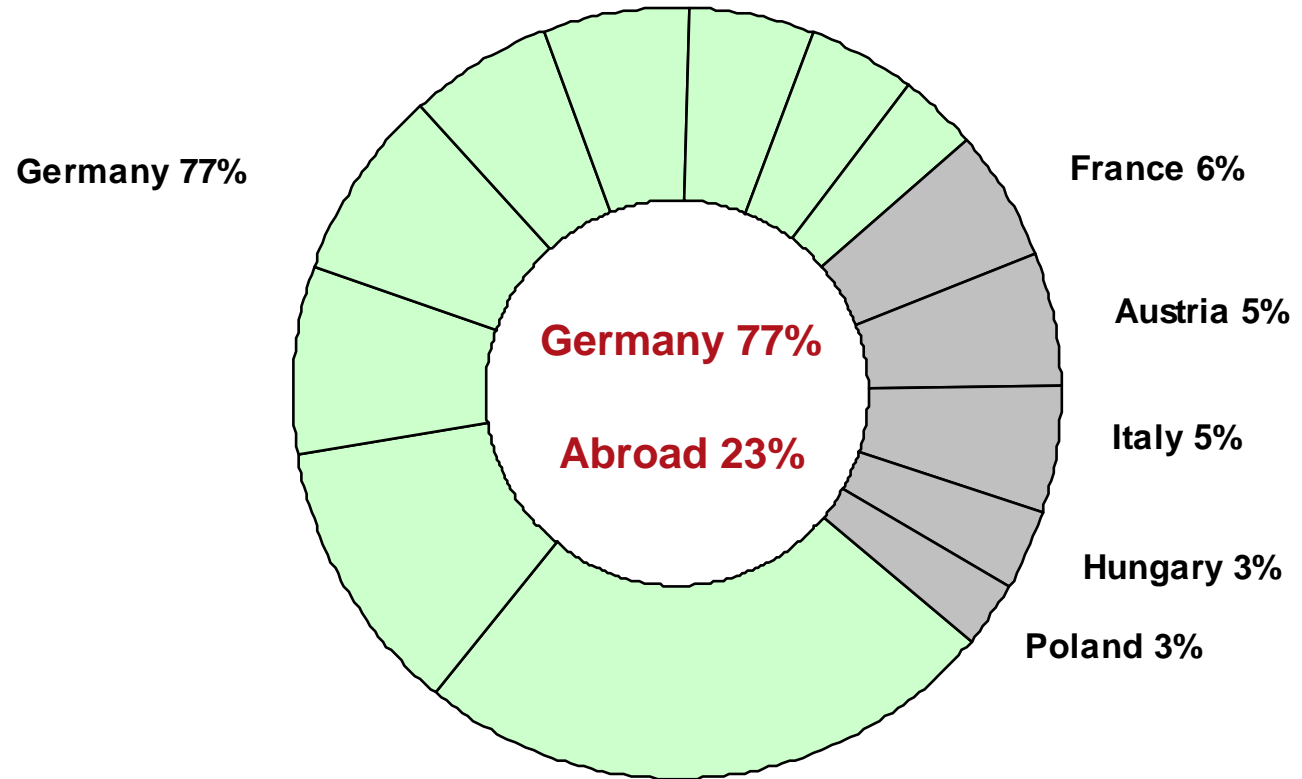
The proportionate total investment volume amounts to €1.2 billion



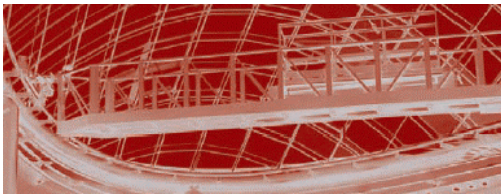
rounding differences in consequence of calculation



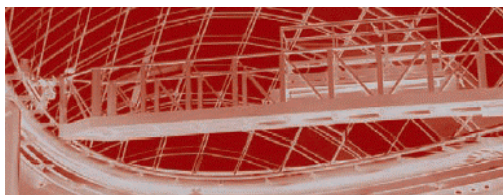
The invested equity amounts to €553 million



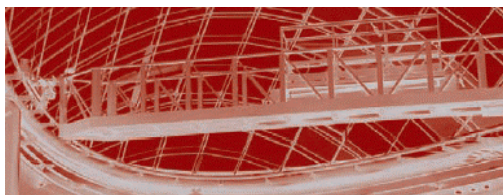
rounding differences in consequence of calculation



1. The Company
2. The Shopping Centers
3. The Financials
4. The Shopping Center Share



in € million	31. Dec. 2003	30. Sep. 2004	Change
<b>Total assets</b>	980.7	<b>999.0</b>	+2%
<b>Fixed assets</b>	851.8	<b>866.5</b>	+2%
<b>Current assets</b>	127.0	<b>132.1</b>	+4%
<b>Equity</b>	535.7	<b>503.1</b>	-6%
<b>Provisions</b>	27.5	<b>31.9</b>	+16%
<b>Liabilities</b>	417.1	<b>464.0</b>	+11%



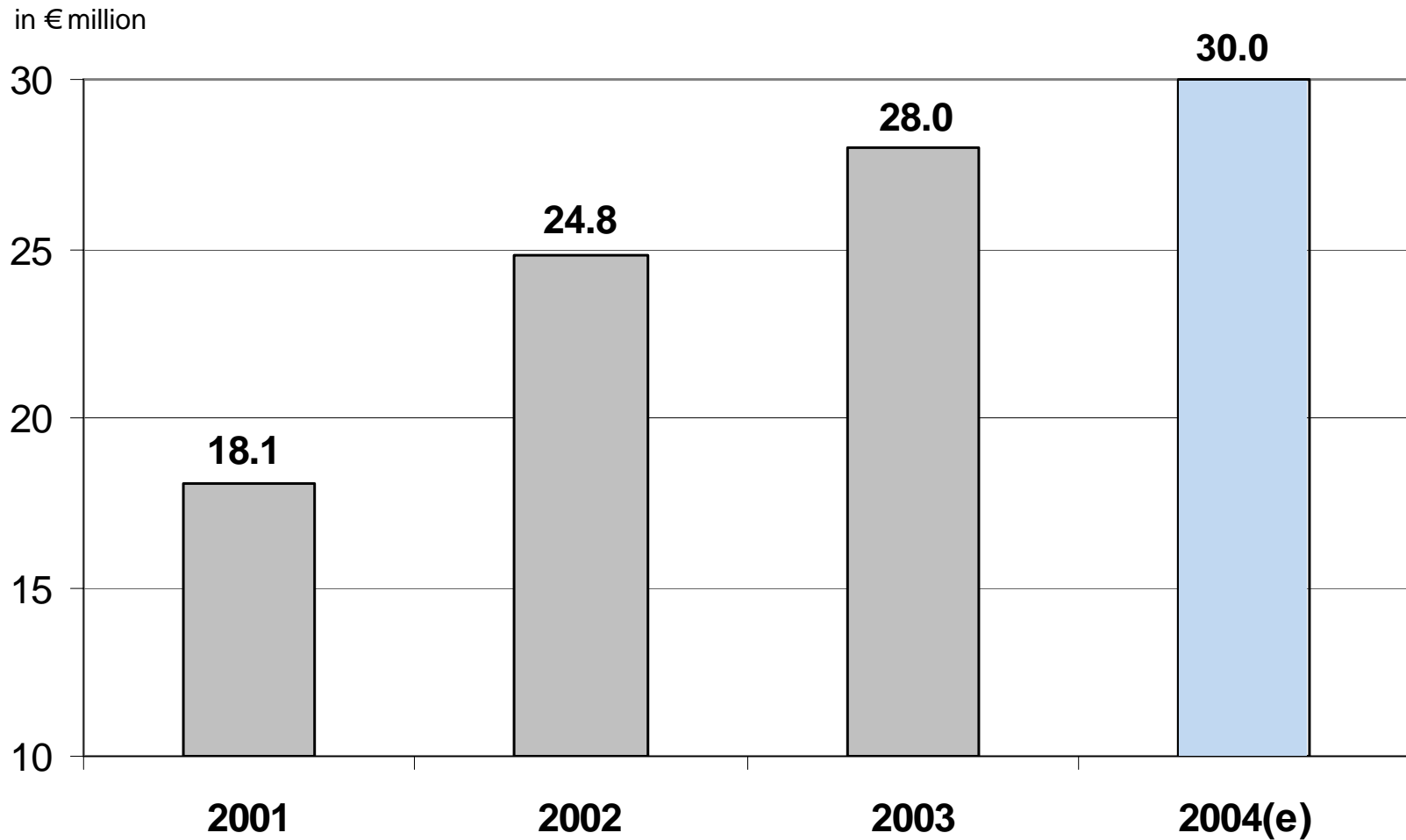
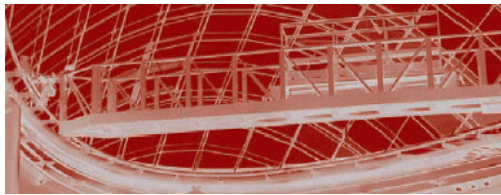
## Key Figures of the Group

### Income statement

in € million	2002	2003	Q3/2003	Q3/2004
<b>Rents</b>	46.5	<b>49.3</b>	36.7	<b>36.8</b>
<b>EBITDA*</b>	37.0	<b>42.0</b>	33.5	<b>38.3</b>
<b>Depreciation</b>	21.6	<b>22.4</b>	16.6	<b>16.4</b>
<b>EBIT</b>	15.4	<b>19.6</b>	16.9	<b>21.9</b>
<b>Net interest</b>	-11.4	<b>-14.1</b>	-9.9	<b>-13.7</b>
<b>EBT</b>	4.0	<b>5.5</b>	7.0	<b>8.2</b>
<b>Net profit/loss</b>	-2.9	<b>-0.5</b>	1.1	<b>4.1</b>

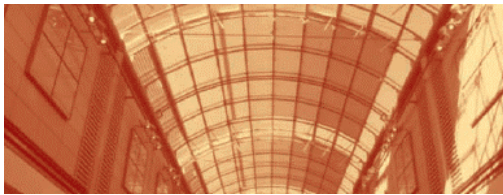
\* including investment income



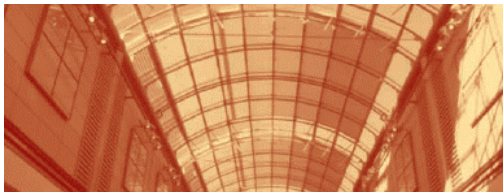


Solid growth of  
free cash flow

(e) = estimated



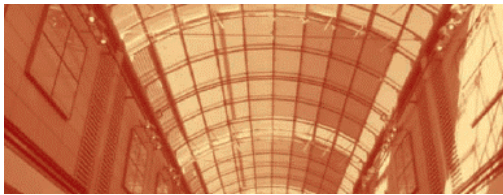
1. The Company
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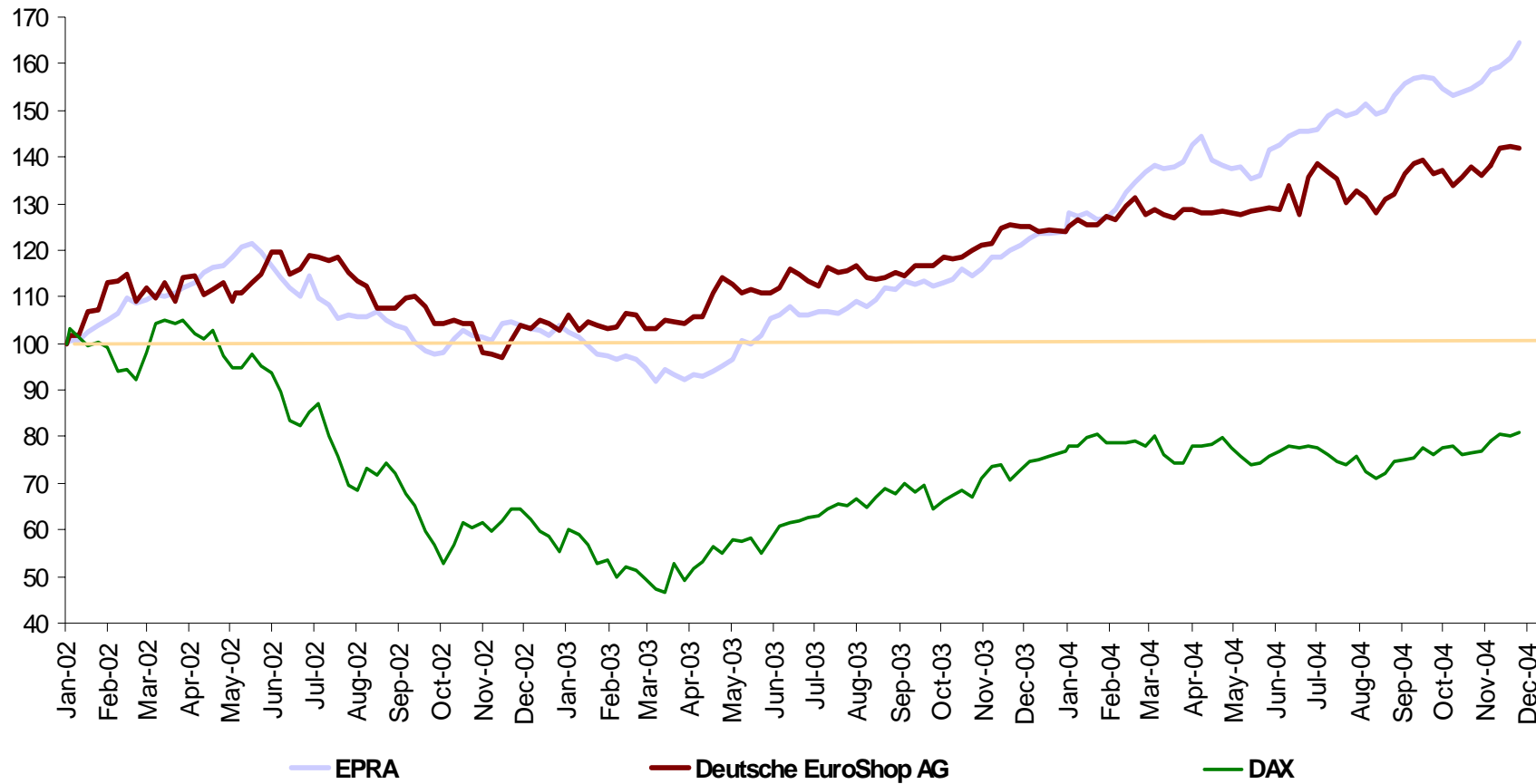
**Deutsche EuroShop AG**

Listed since	02.01.01
Nominal capital	€20 million
Outstanding shares	15,625,000
Class of shares	Registered shares
Dividend as of 2003 (18.06.2004)	€1.92
52W High	€37.84
52W Low	€32.10
Share price (01.12.2004)	€36.81
Market capitalization	€575 million
avg. turnover per day 2004	18,000 shares
Indices	MDAX, EPRA, GPR 250, EPIX 30
Prime Standard	Prime Standard Frankfurter Wertpapierbörse and XETRA
OTC market	Berlin-Bremen, Dusseldorf, Hamburg, Munich and Stuttgart
ISIN	DE 000 748 020 4
Ticker	DEQ, Reuters: DEQGn.DE
Designated Sponsor	Seydler AG, Frankfurt

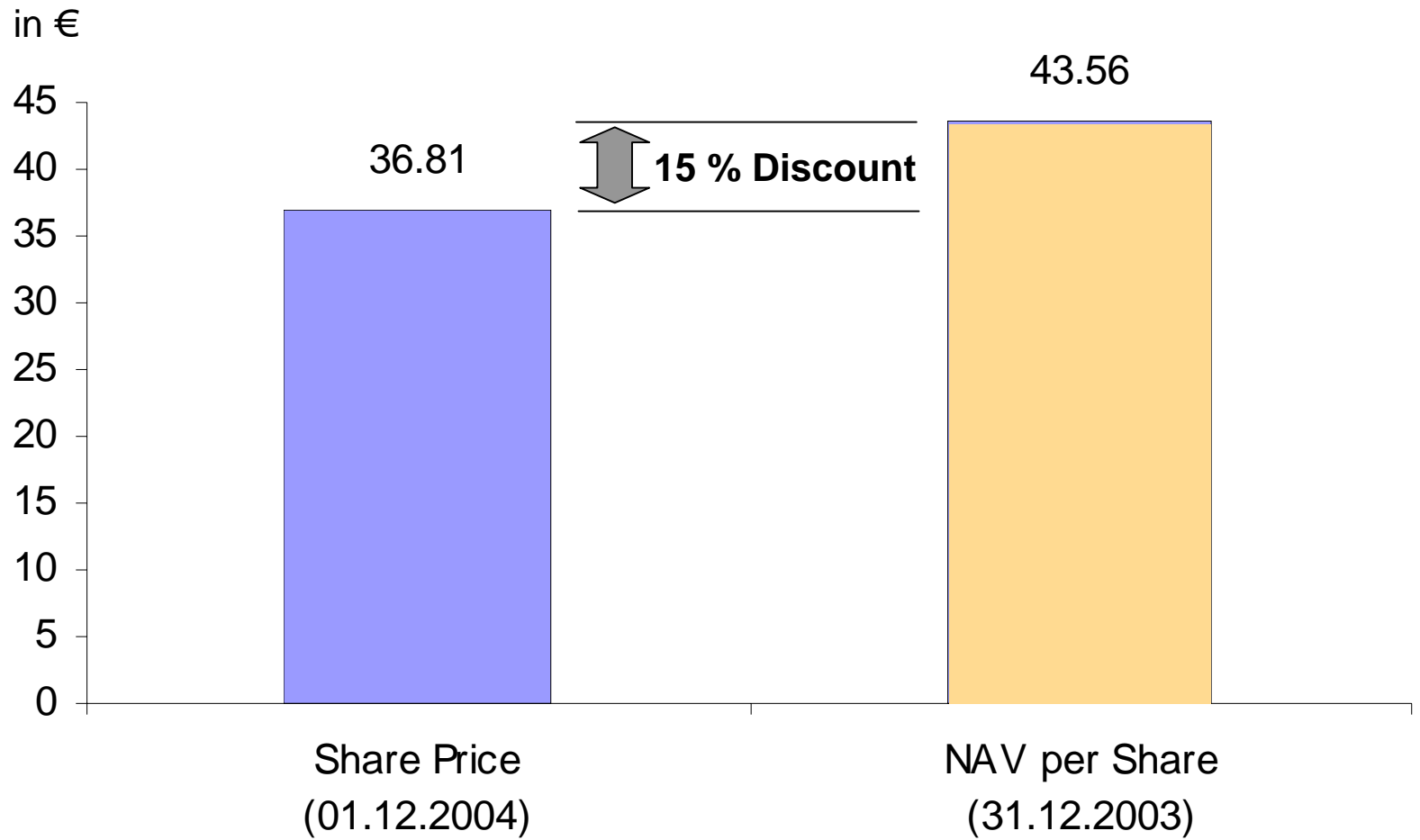
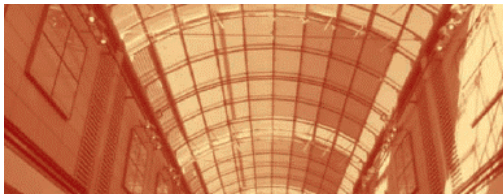
MarketCap > €500 million

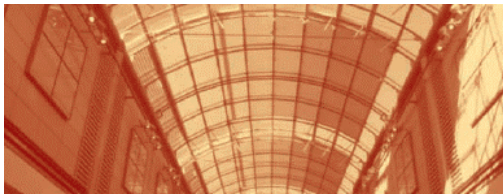


## Trend of the Share in comparison with DAX and EPRA

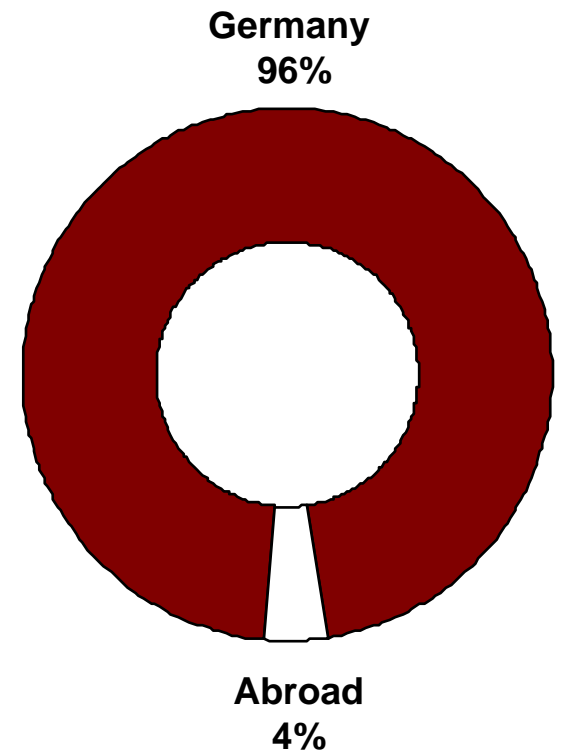
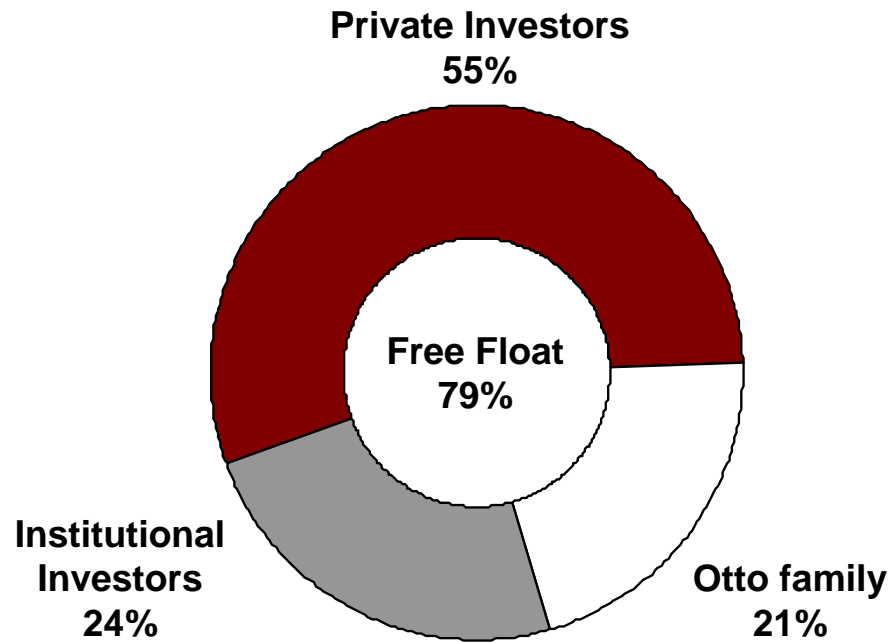


from Jan. 2002 to Nov. 26, 2004

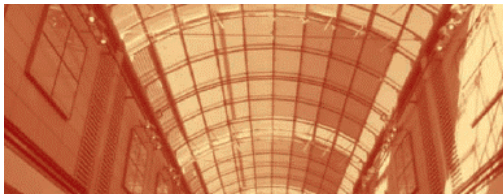





6,400 shareholders

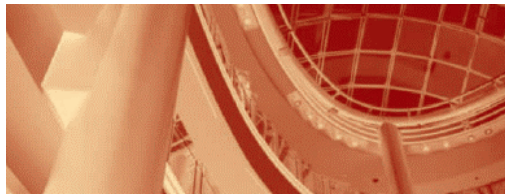


Status: December 2004



HSBC Trinkaus & Burkhardt 

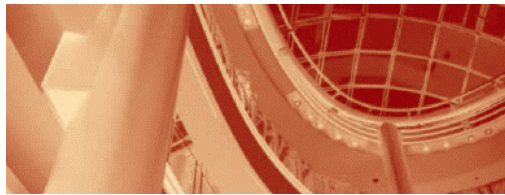




## **2005**

- 18.04.** Year-End Press and Analyst Conference, Hamburg
- 10.05.** Report on the first quarter 2005
- 23.06.** Annual General Meeting, Hamburg
- 10.08.** Report on the first half 2005
- 10.11.** Report on the first three quarters 2005





## **Deutsche EuroShop AG**

Patrick Kiss

Investor & Public Relations

Oderfelder Strasse 23

20149 Hamburg

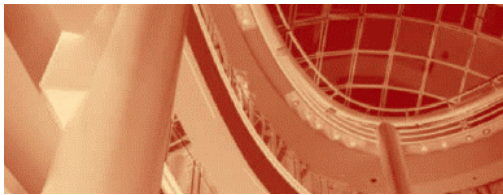
Tel. +49 (40) 41 35 79 - 20

Fax +49 (40) 41 35 79 - 29

E-Mail: [kiss@deutsche-euroshop.de](mailto:kiss@deutsche-euroshop.de)

[www.deutsche-euroshop.de](http://www.deutsche-euroshop.de)

ISIN: DE 000 748 020 4



## **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.