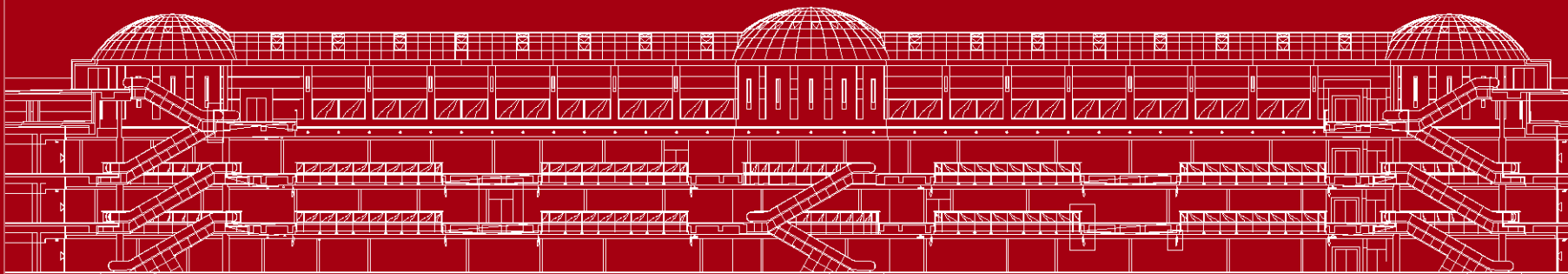
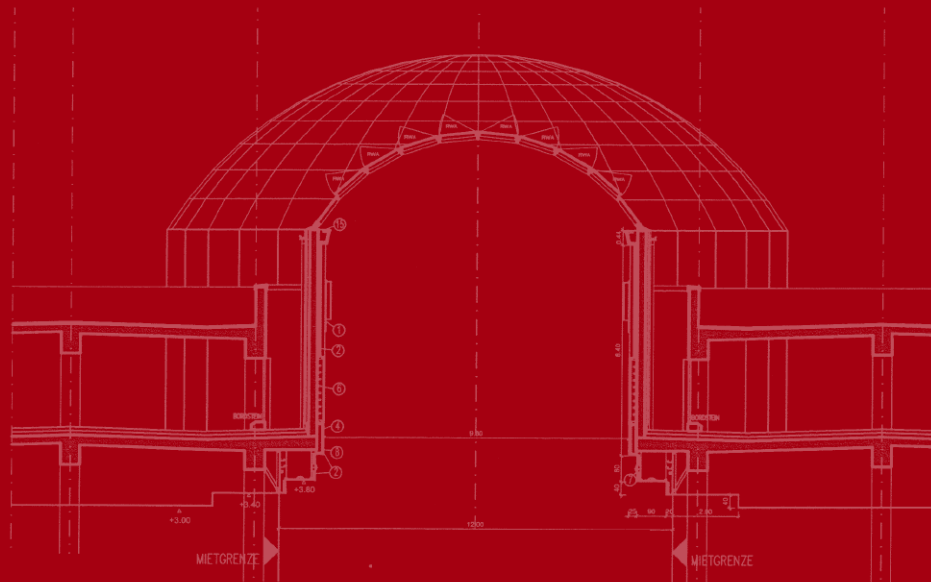


Building Business



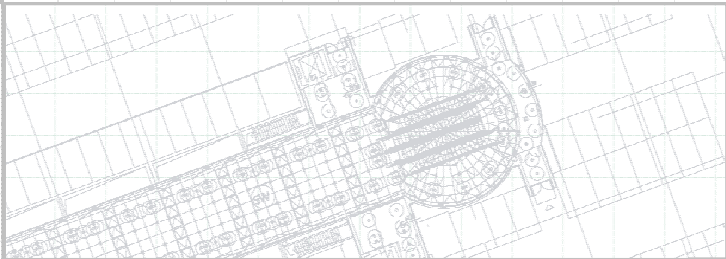
Company Presentation

**DES**

Deutsche EuroShop AG

September 2006

The Shopping Center Company



**Company**

Shopping Centers

Financials

Shopping Center Share

Appendix

**Contents**

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

- 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

Pure Player

Equity Story

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

- 16 shopping centers on high street and in established locations – 11 in Germany, 2 in Poland and one each in Austria, Hungary, Italy

**16 Centers:**  
**14 in operation**  
**2 in the pipeline**

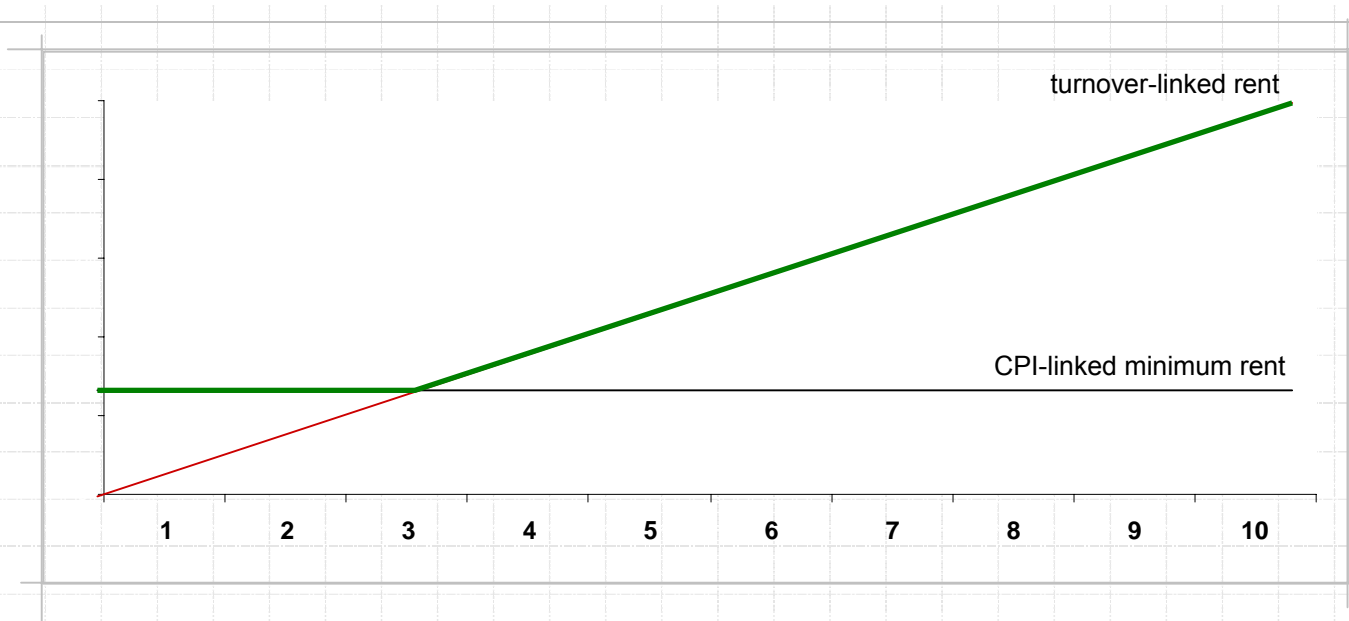
Lettable space	approx. 630,000 sqm
Retail shops	approx. 1,600
Market value	approx. €2.3 billion
Rents per year	€150 million
Occupancy rate	> 99%

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

At a Glance



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 3.7%
- Rating: entire portfolio was given a „very good“ rating
- Consolidated equity ratio currently 49% (plan: >45%)

€million	2003	2004	2005	+/-
Revenue	57.9	61.4	72.1	17%
EBIT	39.5	49.8	57.5	16%
EBT excl. revaluation	21.3	29.2	31.1	7%
EBT	26.9	37.3	81.1	118%
Earnings per share (€) <sup>1)</sup>	1.22	1.78	3.09	74%
Dividend per share (€)	1.92	1.92	2.00	4%
NAV per share (€)	43.68	43.96	46.22	5%

At a Glance

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

<sup>1)</sup> undiluted

- 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

**Shopping Centers**

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Deutsche EuroShop AG

The Shopping Center Company





Location	Main-Taunus-Zentrum Frankfurt	Rhein-Neckar-Zentrum Viernheim	Altmarkt-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

**DES**  
Deutsche EuroShop AG

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

**DES**  
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

**DES**  
Deutsche EuroShop AG

Germany

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%	60%
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

**DES**  
Deutsche EuroShop AG

Europe

The Shopping Center Company



Location	Centro Commerciale Tuscia Viterbo, Italy	Galeria Bałtycka Gdansk, Poland
Investment	100%	74.0%
Lettable space sqm	15,200	47,100
Parking	1,100	1,000
Number of shops	approx. 40	approx. 190
Occupancy rate	100%	>80%
Catchment area	approx. 0.3 m. inhabitants	approx. 1.2 m. inhabitants
Opening	1998	Autumn 2007

Shopping Centers

**DES**  
Deutsche EuroShop AG

Europe

The Shopping Center Company

	Total Domestic	Total International	Total Deutsche EuroShop
Lettable space sqm	464,700	166,900	631,600
Parking	15,920	4,730	20,650
Number of shops	1,025	580	1,605
Occupancy rate*	99%	100%	99%
Catchment area	9.7 m. inhabitants	3.4 m. inhabitants	13.1 m. inhabitants

\* incl. office space, without Hameln and Gdansk

Shopping Centers  
Total

**DES**  
Deutsche EuroShop AG

The Shopping Center Company



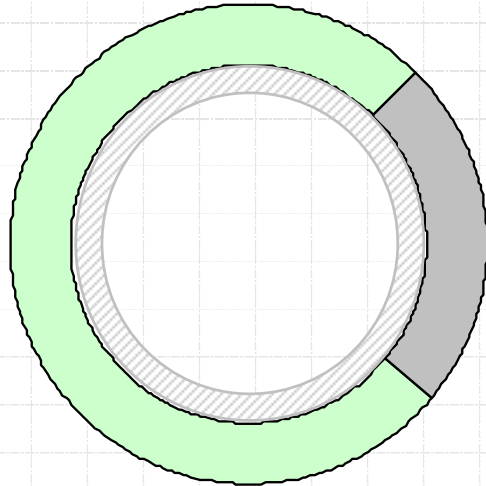
Well-known tenants

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**

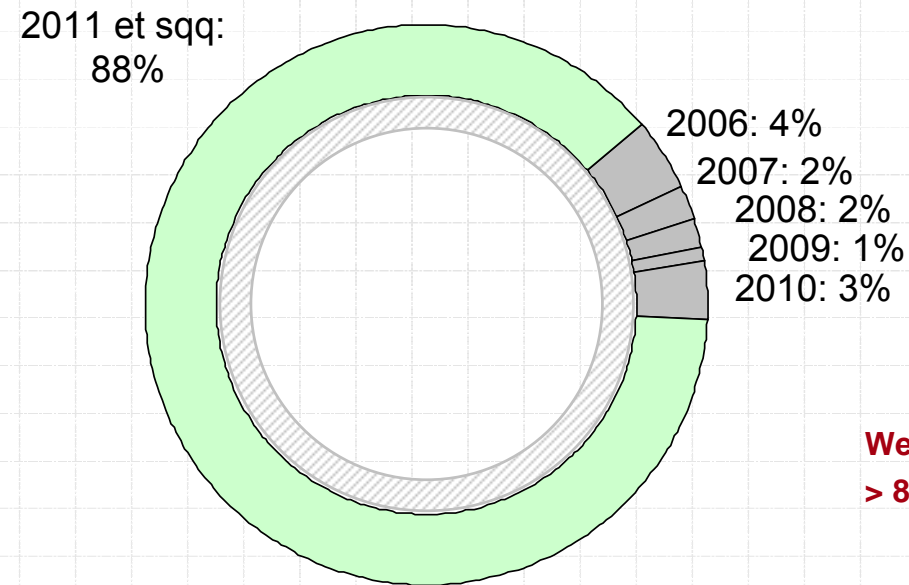
\* in % of total rents; not including Hameln, Klagenfurt and Gdansk  
as at December 31, 2005

**Tenants Structure  
Top 10 tenants\***

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Deutsche EuroShop AG

The Shopping Center Company

**Long-term contracts  
guarantee rental income**



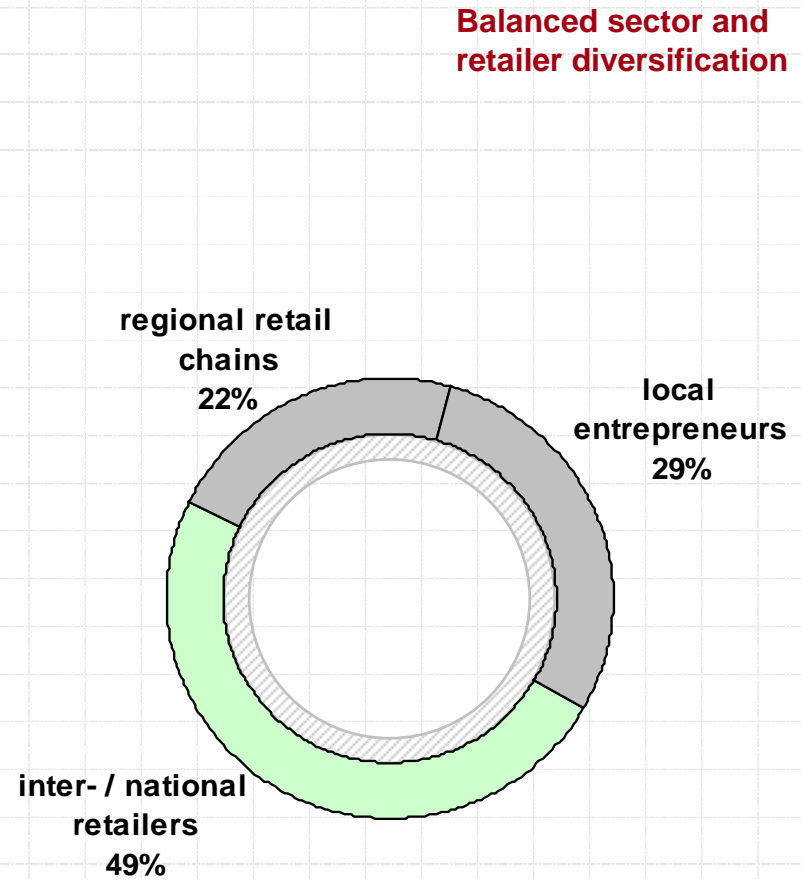
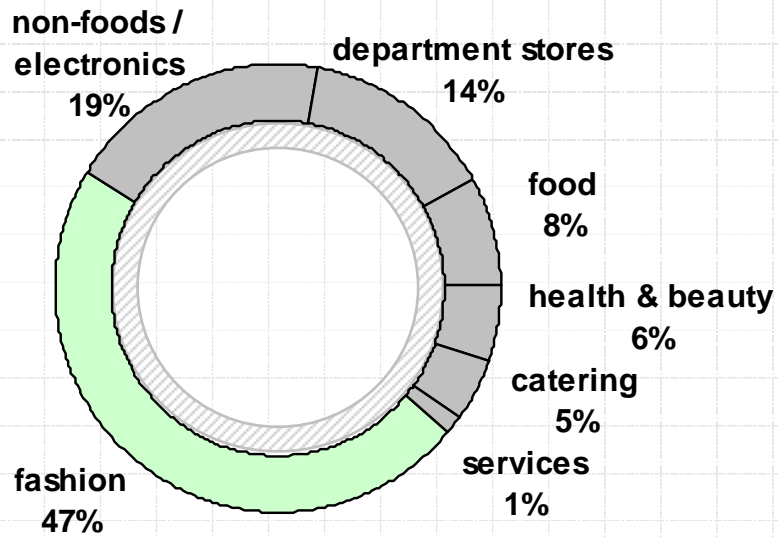
**Weighted maturity  
> 8 years**

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

## Maturity Distribution of Rental Contracts\*

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The Shopping Center Company

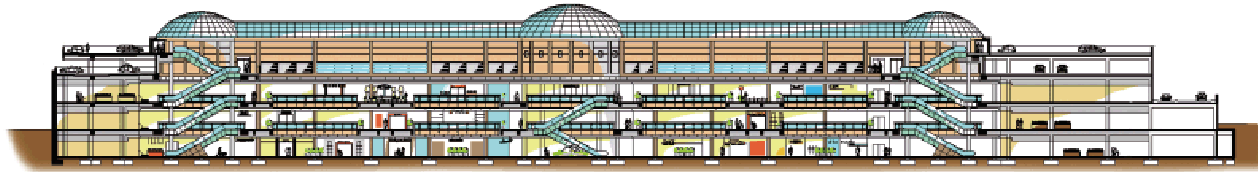


\*in % of lettable space; not including Hameln, Klagenfurt and Gdansk as at December 31, 2005

### Sector and Retailer Mix\*

**DES**  
Deutsche EuroShop AG

The Shopping Center Company



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**DES**  
Deutsche EuroShop AG

The Shopping Center Company

€million	H1 2006	H1 2005	+/-
Revenue	45.9	35.2	30%
EBIT	39.0	28.2	38%
Net finance costs	-17.7	-13.1	-35%
EBT	29.6	14.1	110%
Share of consolidated profit attributable to Group shareholders	23.9	9.0	166%
EPS (€)	1.39	0.58	140%

	30 June 2006	31 Dec. 2005	+/-
Equity	766.4	787.4	-3%
Liabilities	737.3	677.1	9%
Total assets	1,574.4	1,543.6	2%
Equity ration (%)	48.7	51.0	
Gearing (%)	105	96	
Cash and cash equivalents	81.0	197.2	-59%

**H1 2006**

Key figures

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

€ thousand	30 June 2006	31 Dec. 2005	+/-
Fixed/non-current assets	1,474,657	1,327,005	147,652
Current assets	99,708	216,553	-116,845
Total assets	1,574,365	1,543,558	30,807
Equity	766,367	787,446	-21,079
Long term debt	692,316	616,373	75,943
Deferred taxes	66,074	69,826	-3,752
Current liabilities	49,608	69,913	-20,305
Total liabilities	1,574,365	1,543,558	30,807

## Balance Sheet

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

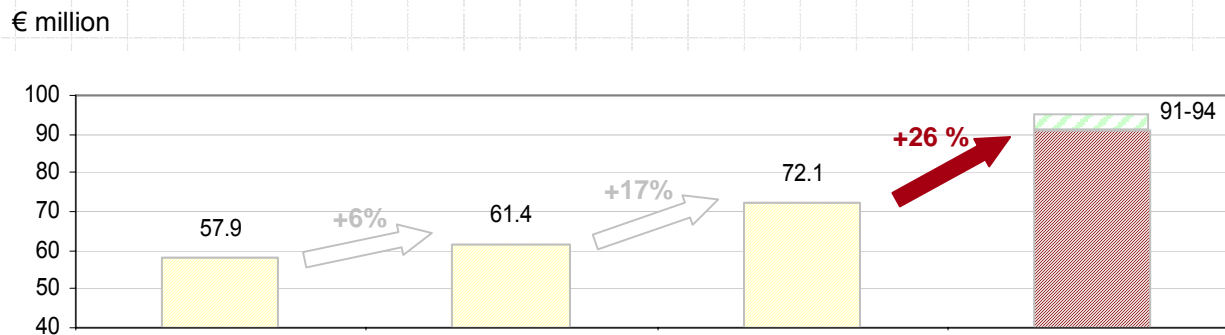
<b>€ thousand</b>	<b>01 Jan.- 30 Jun. 2006</b>	<b>01 Jan.- 30 Jun. 2005</b>	<b>+/-</b>
<b>Revenue</b>	<b>45,876</b>	<b>35,179</b>	<b>30%</b>
Other operating income	1,477	901	
Property operating and management costs	-6,506	-6,135	
Other operating expenses	-1,818	-1,708	
<b>EBIT</b>	<b>39,030</b>	<b>28,237</b>	<b>38%</b>
Net interest expense	-18,241	-15,507	
Income from investments	587	2,388	
Net finance costs	-17,654	-13,119	
Measurement gains/losses	8,211	-969	
<b>EBT</b>	<b>29,588</b>	<b>14,149</b>	<b>110%</b>
Taxes	-4,173	-3,737	
<b>Consolidated profit</b>	<b>25,415</b>	<b>10,412</b>	<b>144%</b>
Minority interest	1,533	1,401	
<b>Attributable to Group shareholders</b>	<b>23,882</b>	<b>9,011</b>	<b>166%</b>

## Profit and Loss Account

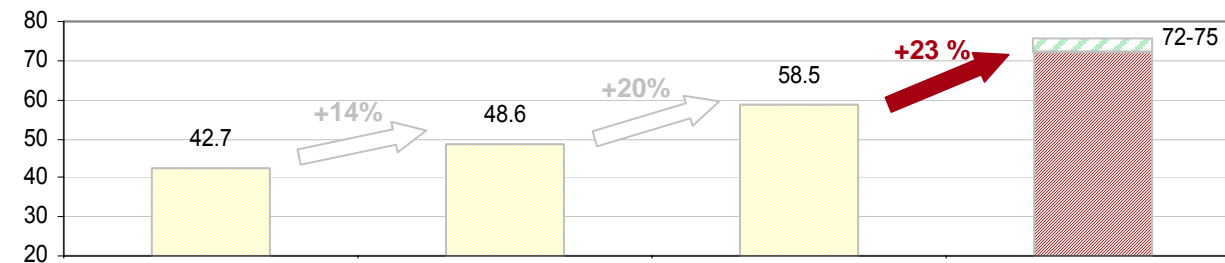
**DES**  
Deutsche EuroShop AG

The Shopping Center Company

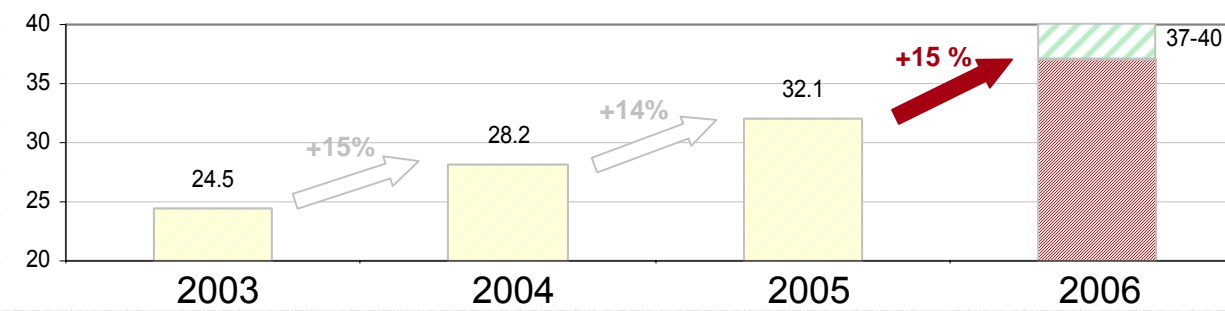
# Revenue



# EBIT



# EBT <sup>1)</sup>



Forecast



Deutsche EuroShop AG

2006

The Shopping Center Company

<sup>1)</sup> without valuation result





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**DES**  
Deutsche EuroShop AG

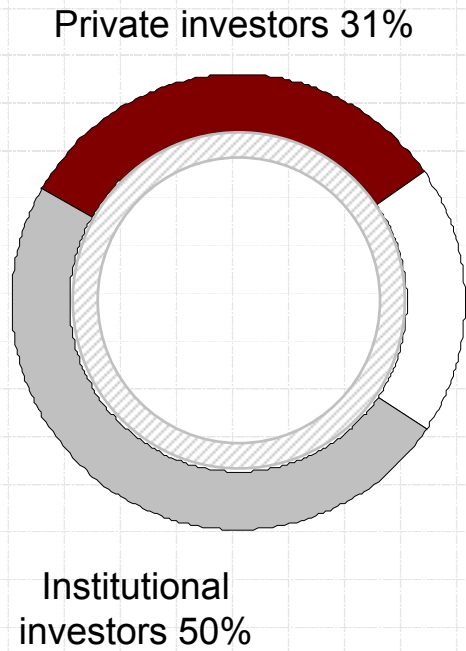
The Shopping Center Company

Listed since	02.01.2001
Nominal capital	€21,999,998.72
Outstanding shares	17,187,499 shares
Class of shares	Registered shares
Dividend 2005 (23.06.2006)	€2.00
52W High	€58.24
52W Low	€42.85
Share price (29.08.2006)	€54.64
Market capitalisation	€940 million
avrg. turnover per day 2006	55,000 shares
Indices	MDAX, EPRA, GPR 250, EPIX 30
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: DEQGn.DE
Market makers	Close Brothers Seydler, WestLB

## Key data of the Share

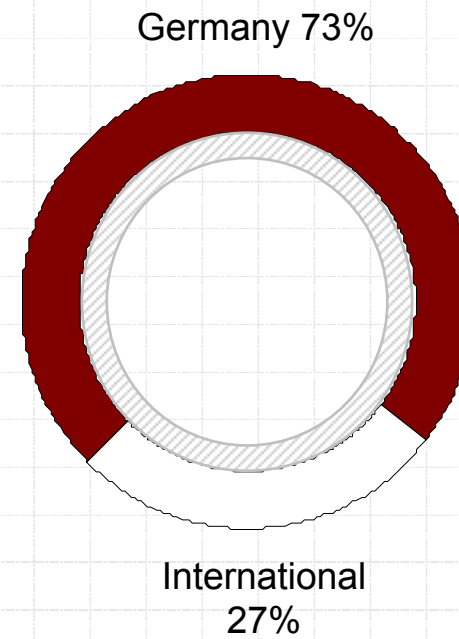


The Shopping Center Company



**7,350 shareholders**

**Free float 81%**



## Shareholder Structure

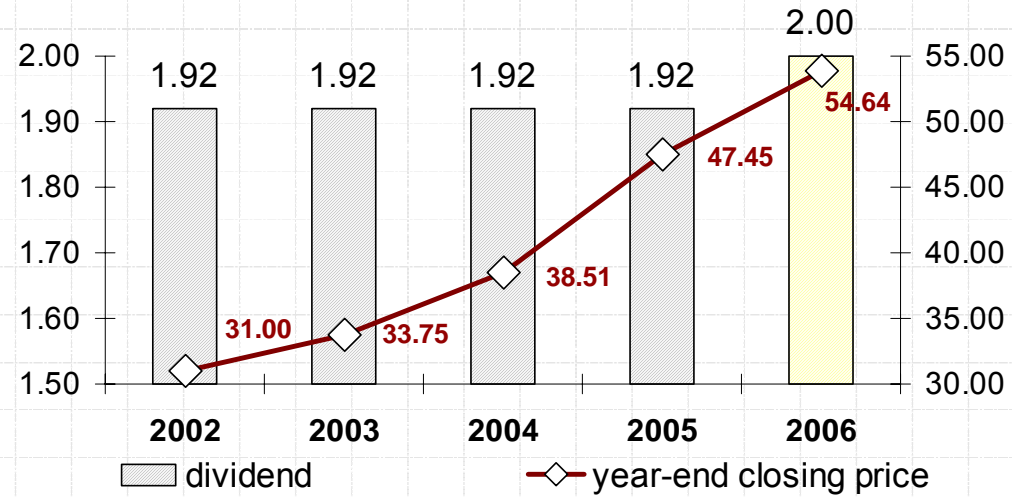
**DES**  
Deutsche EuroShop AG

The Shopping Center Company

Status: August 30, 2006

dividend  
in €

shareprice  
in €



**Performance:**

- 2002: 7.9%
- 2003: 15.1%
- 2004: 19.8%
- 2005: 28.2%
- 2006: 15.2%

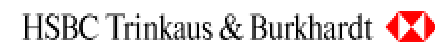
Ø 17.2% p.a.

Status: August 29, 2006

Performance



The Shopping Center Company



Coverage



The Shopping Center Company

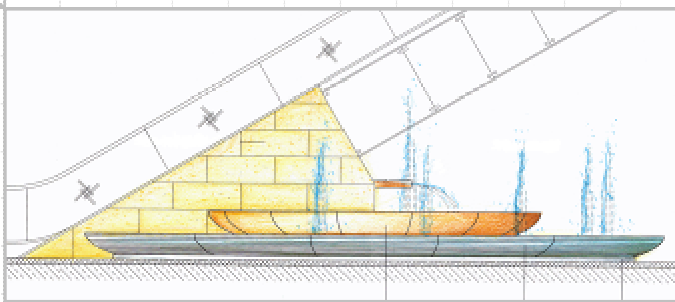
	Datum/ Date	Rating Änderung/ Change	Rating	Kursziel/ Price target in €	Ergebnis je Aktie/EPS in €			Dividende je Aktie/DPS in €			EBIT in Mio. €		
					2006	2007	2008	2006	2007	2008	2006	2007	2008
Bankhaus Lampe	14.08.2006	→	Buy	60,00	2,22	2,02	1,97	2,00	2,10	2,10	75,80	80,80	84,80
Berenberg Bank	11.08.2006	→	Hold	56,50	Daten nicht zur Veröffentlichung frei und nicht Bestandteil des Consensus Rating. Data not for public use and not part of the consensus.								
CA Cheuvreux	01.06.2006	↑	Outperform	63,00	3,09	2,67	3,27	2,00	2,10	2,30	79,30	82,40	89,90
DZ Bank	15.05.2006	→	Buy	59,00	Daten nicht zur Veröffentlichung frei und nicht Bestandteil des Consensus Rating. Data not for public use and not part of the consensus.								
equinet	14.08.2006	→	Accumulate	60,00	3,28	2,72	3,26	2,00	2,00	2,00	73,00	76,00	88,00
Hamburger Sparkasse	21.04.2006	→	Hold	58,00	2,40	n.a.	n.a.	2,00	n.a.	n.a.	58,50	n.a.	n.a.
HSBC Trinkaus & Burkhardt	15.08.2006	→	Neutral	53,70	3,33	2,65	4,06	2,05	2,10	2,15	76,20	77,70	96,30
HSH Nordbank	16.08.2006	→	Hold	54,00	2,84	2,16	2,80	2,00	2,00	2,00	75,41	78,86	96,08
HypoVereinsbank	14.08.2006	→	Outperform	61,00	3,09	3,06	2,67	2,10	2,15	n.a.	74,90	79,30	n.a.
Kempen & Co.	14.08.2006	→	Reduce	49,10	2,90	3,45	4,09	2,10	2,10	2,25	69,30	72,60	76,50
Kepler Equities	16.06.2006	↑	Buy	60,00	2,83	2,60	2,69	2,00	2,10	2,20	76,90	81,33	92,23
Merrill Lynch	17.08.2006	↑	Neutral	n.a.	2,32	2,39	2,59	2,00	2,00	2,00	77,00	82,00	90,00
M.M. Warburg & Co	11.08.2006	→	Buy	61,00	2,33	2,35	2,86	2,10	2,20	2,30	74,90	81,50	93,40
Petercam Bank	11.08.2006	→	Hold	57,00	1,92	1,65	1,90	2,00	2,10	2,25	69,10	76,10	89,60
Sal. Oppenheim	11.08.2006	→	Buy	60,00	3,35	3,43	n.a.	2,00	2,00	n.a.	73,66	75,02	n.a.
West LB	17.08.2006	→	Add	62,00	3,85	3,08	5,12	2,00	2,00	2,20	75,70	74,80	77,45
Durchschnitt/ Average				58,29	2,84	2,63	3,11	2,03	2,07	2,16	73,55	78,34	88,57

Analysts' Consensus

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

Status: August 17, 2006



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The Shopping Center Company



## Stadt-Galerie Hameln

Ground-breaking ceremony

April 12, 2006



## Shopping Etrembières

Disposal

Mid-April 2006



## Stadt-Galerie Hameln

Laying of the foundation stone

July 27, 2006

Portfolio-News

**DES**  
Deutsche EuroShop AG

The Shopping Center Company





Galeria Bałtycka,  
Gdansk

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

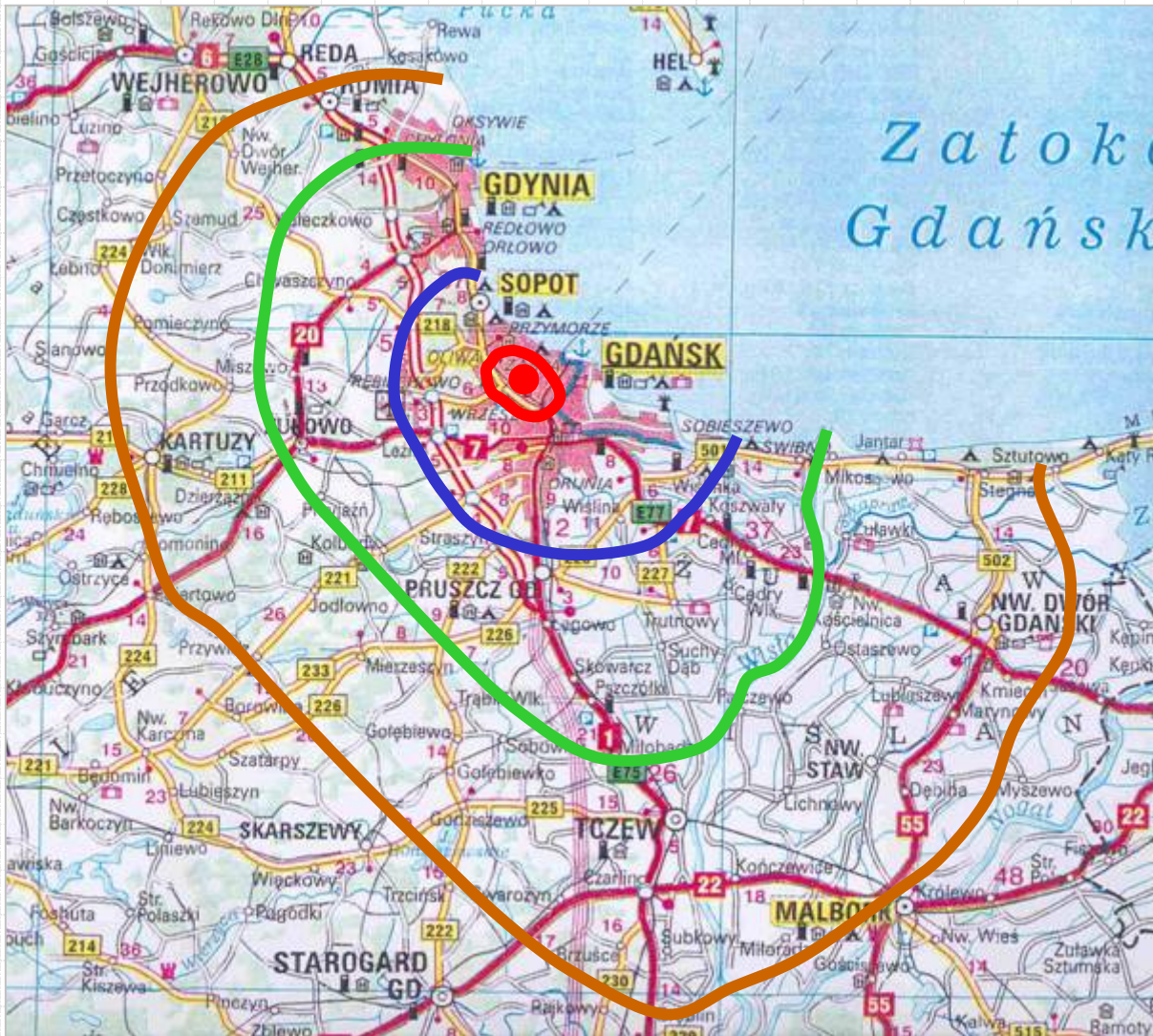
- Construction started in May 2006, grand opening planned for autumn 2007
- approx. 47,100 sqm lettable space
- approx. 190 shops, already more than 80% are pre-let
- 1.2 million people living in the catchment area, purchasing power 20% above the Polish average
- 16th shoppingcenter in the DES-portfolio
- The ratio of foreign investments increases to 18% (target: up to 25%, end of 2005: 13%, end of Q2: 10%)

## Acquisition Details

Galeria Bałtycka, Gdansk

**DES**  
Deutsche EuroShop AG

The Shopping Center Company



● Galeria Bałtycka

Zone I: 100,000

Zone II: 375,000

Zone III: 320,000

I-III: 795,000

Zone IV: 370,000

I-IV: 1,165,000

Catchment Area

Galeria Bałtycka, Gdansk

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

- Deutsche EuroShop buys a 74% share
- Proportionate investment volumes:
 

Deutsche EuroShop	€123.3 million
third party	€ 37.2 million
	<hr style="border: 1px solid red;"/>
total investment volume	€160.5 million
- Financing: 47% equity, 53% debt
- €11.3 million rents per year expected
- Initial yield: 6.8%
- ROE: 8%

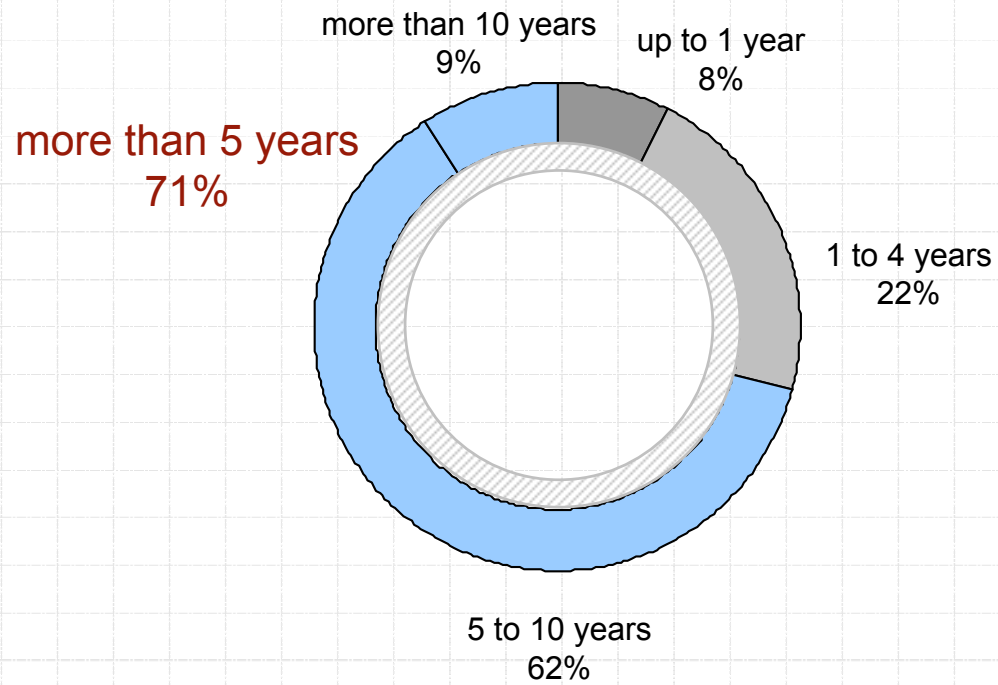
## Acquisition Details

Galeria Bałtycka, Gdansk



The Shopping Center Company

Ø effective interest rate  
5.50%

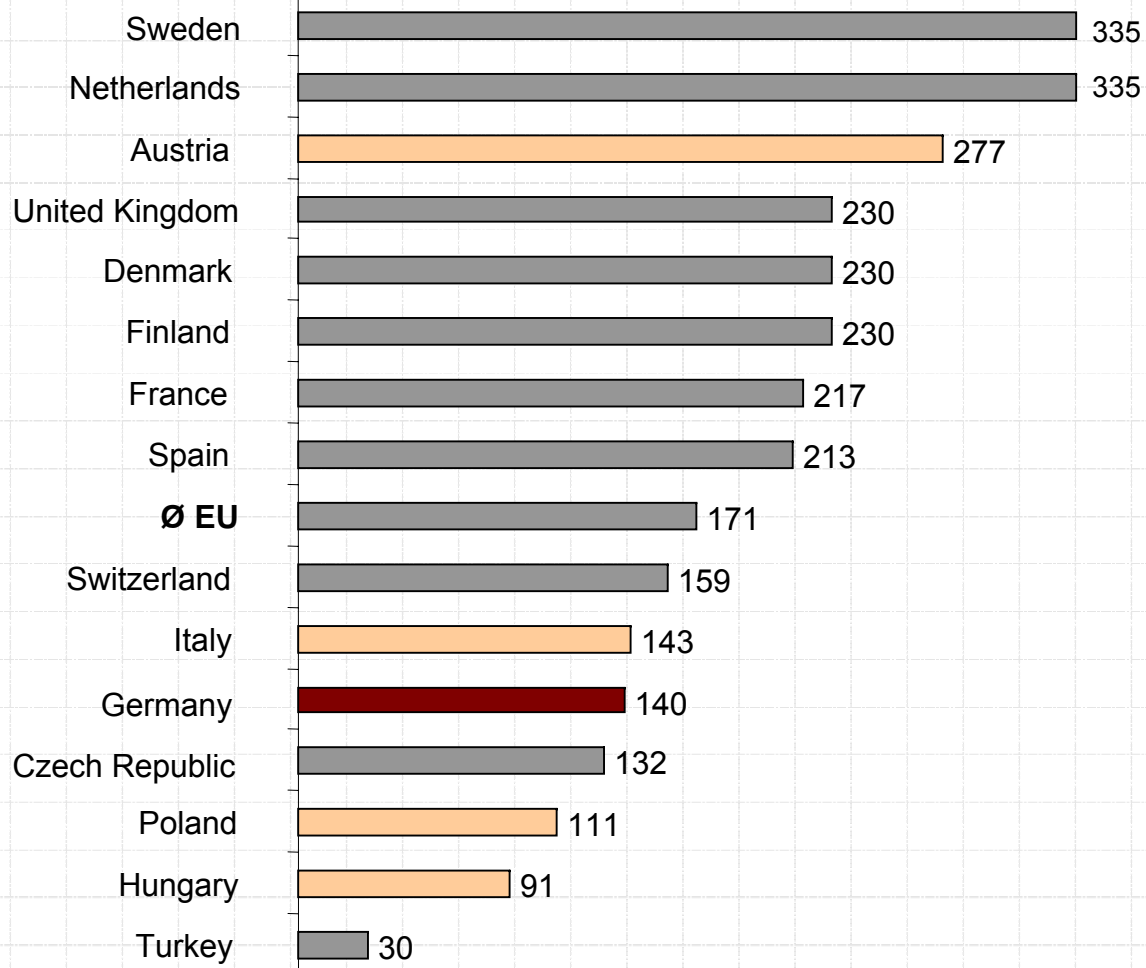


Status: December 31, 2005

Liabilities –  
Maturities

**DES**  
Deutsche EuroShop AG

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**

**DES**  
Deutsche EuroShop AG

The Shopping Center Company

- 04.09. Roadshow Luxembourg, M.M. Warburg
- 05.09. Roadshow Paris, Kepler Equities
- 07.-08.09. EPRA Annual Conference, Budapest
- 26.09. HVB German Investment Conference, Munich
- 04.+06.10. Roadshow New York, Sal. Oppenheim
- 05.10. DrK German MidCap Investment Conference, New York
- 12.10. Property Share Initiative Conference, Frankfurt
- 23.10. EXPO REAL 2006, Munich
- 26.10. Société Générale Pan-European Real Estate Conf., London
- 14.11. Interim report Q1-3 2006
- 15.11. WestLB Deutschland Conference, Frankfurt
- 21.11. Roadshow Milan, HVB
- 27.11. German Equity Forum, Frankfurt
- 30.11. Kepler European MidCap Financials Conference, London
- 05.12. ESN European Small & Mid Cap Conference, London

Financial Calendar

2006

**DES**  
Deutsche EuroShop AG

The Shopping Center Company



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

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

**DES**  
Deutsche EuroShop AG

The Shopping Center Company