



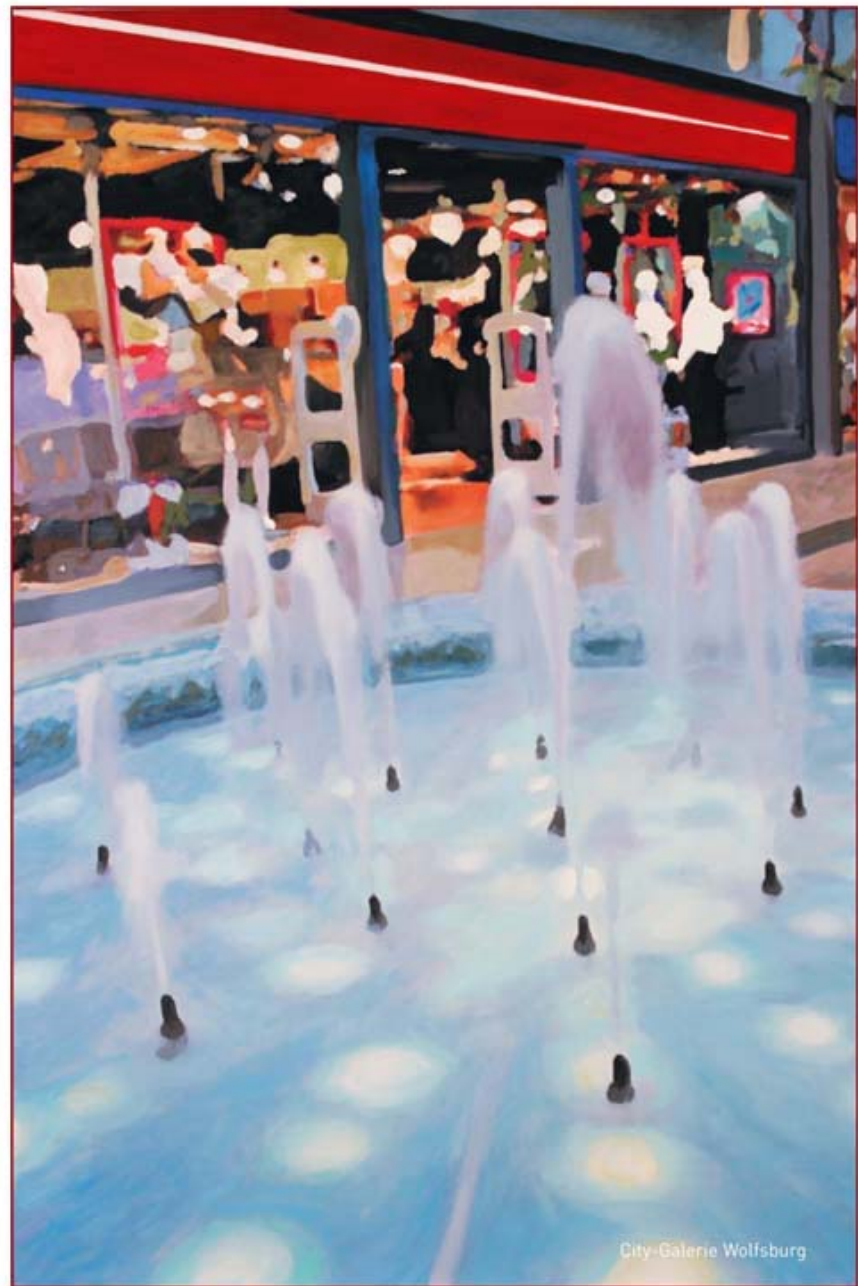
The Art of Shopping

Company Presentation

May 2005

The Art of Shopping

Company



History

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

Equity Story

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

Equity Story

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	526,000 m ²	327,000 m ²
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, the European market leader in this industry

Equity Story

**Main focus on NAV
and dividend**

Continuous growth

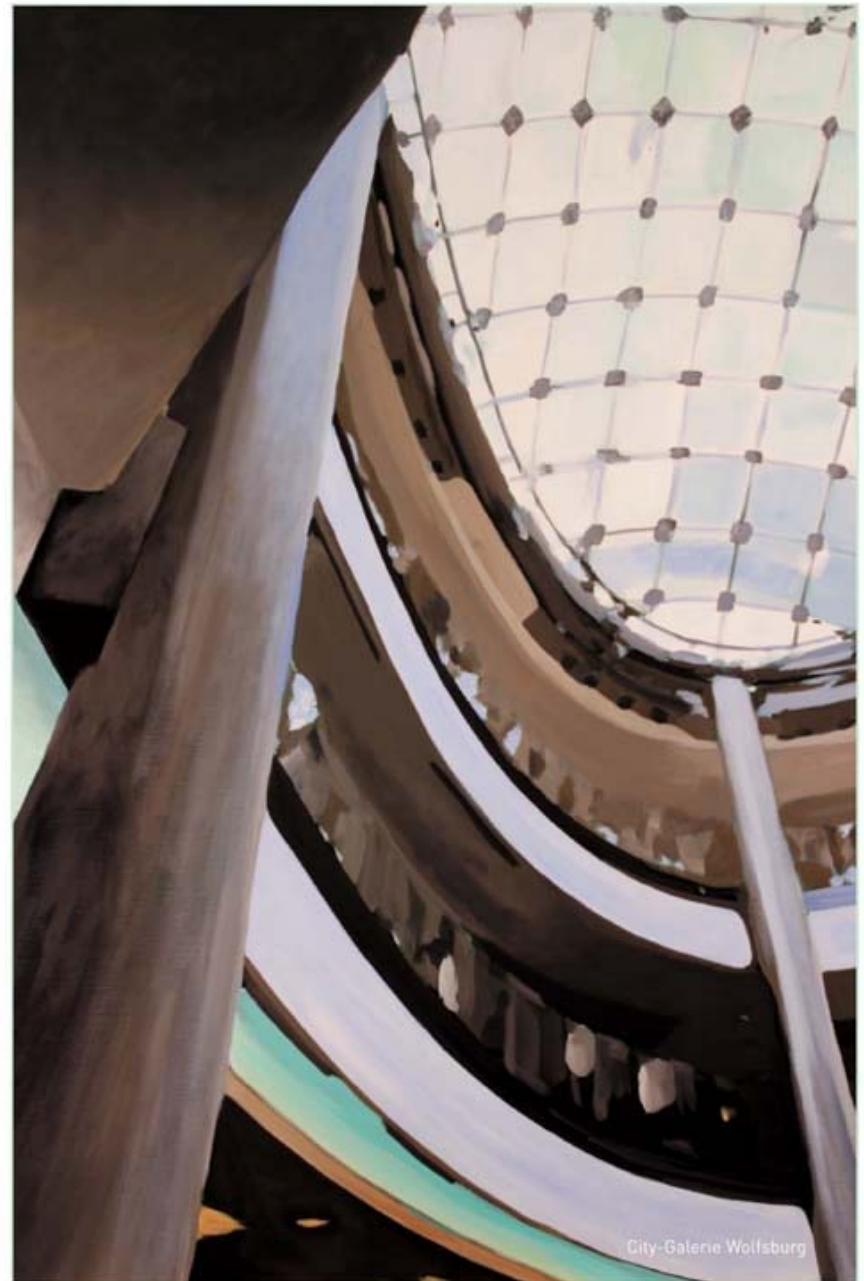
- **Targets**
 - Long term net asset value enhancement
 - “buy & hold”-strategy
 - Stable and attractive dividends
 - Portfolio expansion by 10% per year
 - by acquisition of new shopping centers
 - by increase of existing amounts of holdings

Investment Case

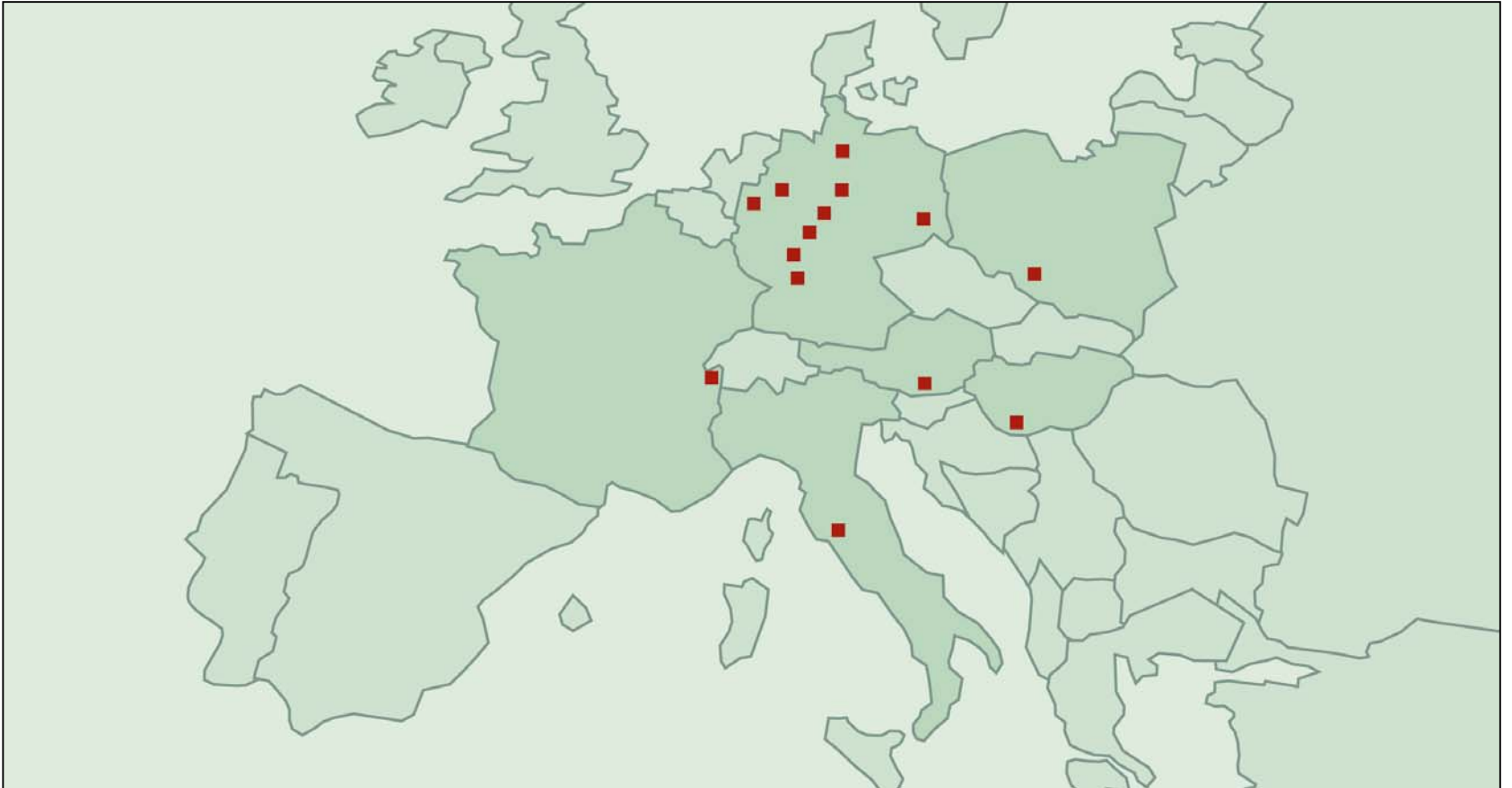
- Attractive after-tax dividend yield of currently 4.5%
- Net Asset Value per share €43.96 (+1%)
- Rating: entire portfolio was given an “very good” rating
- Consolidated equity ratio currently 50% (plan: >45%)
- Independent management with many years of experience in shopping center development
- Investment-focus: Germany and up to 25% Europe
- Risk diversification due to a portfolio of shopping centers and diversity of tenants

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Shopping Centers



Locations in Europe



Shopping Centers in Germany



Rhein-Neckar-Zentrum
Viernheim



Main-Taunus-Zentrum
Frankfurt



City-Galerie
Wolfsburg

Location	Rhein-Neckar-Zentrum Viernheim	Main-Taunus-Zentrum Frankfurt	City-Galerie Wolfsburg
Investment	92.8%	37.4%	89.0%
Lettable space sqm	64,000	102,000	30,000
Parking	3,500	4,000	800
Number of shops	approx. 100	approx. 100	rd. 90
Occupancy rate	100%	100%	100%
Catchment area	1.2 m inhabitants	2.2 m inhabitants	0.6 m inhabitants
Opening/refurbishm.	Nov. 2002	Sep. 2004	Sep. 2001

Shopping Centers in Germany



Altmarkt-Galerie
Dresden



City-Arkaden
Wuppertal



Allee-Center
Hamm

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
Number 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/refurbishm.	Sep. 2002	Oct. 2001	Mar. 2000

Shopping Centers in Germany



Phoenix-Center
Hamburg



Forum
Wetzlar



City-Point
Kassel

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

Shopping Centers in Europe



**Centro Commerciale
Tuscia, Viterbo
Italy**



**Shopping Etrembières
Annemasse
France**



**Árkád
Pécs
Hungary**

Location			
Investment	100%	92.8%	50.0%
Lettable space sqm	15,200	(8,000 +) 8,600	34,200
Parking	1,100	1.000	850
Number of shops	approx. 40	approx. 50	approx. 130
Occupancy rate	100%	100%	100%
Catchment area	0.3 m inhabitants	0.8 m inhabitants	0.5 m inhabitants
Opening/refurbishm.	1998	1994	2004

Shopping Centers in Europe



**Galeria Dominikanska
Wroclaw
Poland**



**City-Arkaden
Klagenfurt
Austria**

Location		
Investment	33.3%	50.0%
Lettable space sqm	32,600	30,000
Parking	920	850
Number of shops	approx. 100	approx. 120
Occupancy rate	100%	70%
Catchment area	1.0 m inhabitants	0.4 m inhabitants
Opening/refurbishm.	2001	Spring 2006

Shopping Centers Total

	Domestic	International	Total Deutsche EuroShop
Lettable space sqm	405,400	120,600	526,000
Parking	15,260	4,720	19,980
Number of shops	approx. 850	approx. 440	1,290
Occupancy rate*	99%	100%	99%
Catchment area	8.6 m inhabitants	3.0 m inhabitants	11.6 m inhabitants

**Center
Management**

**Pro active center
management for
sustainable
development**



Our Tenants

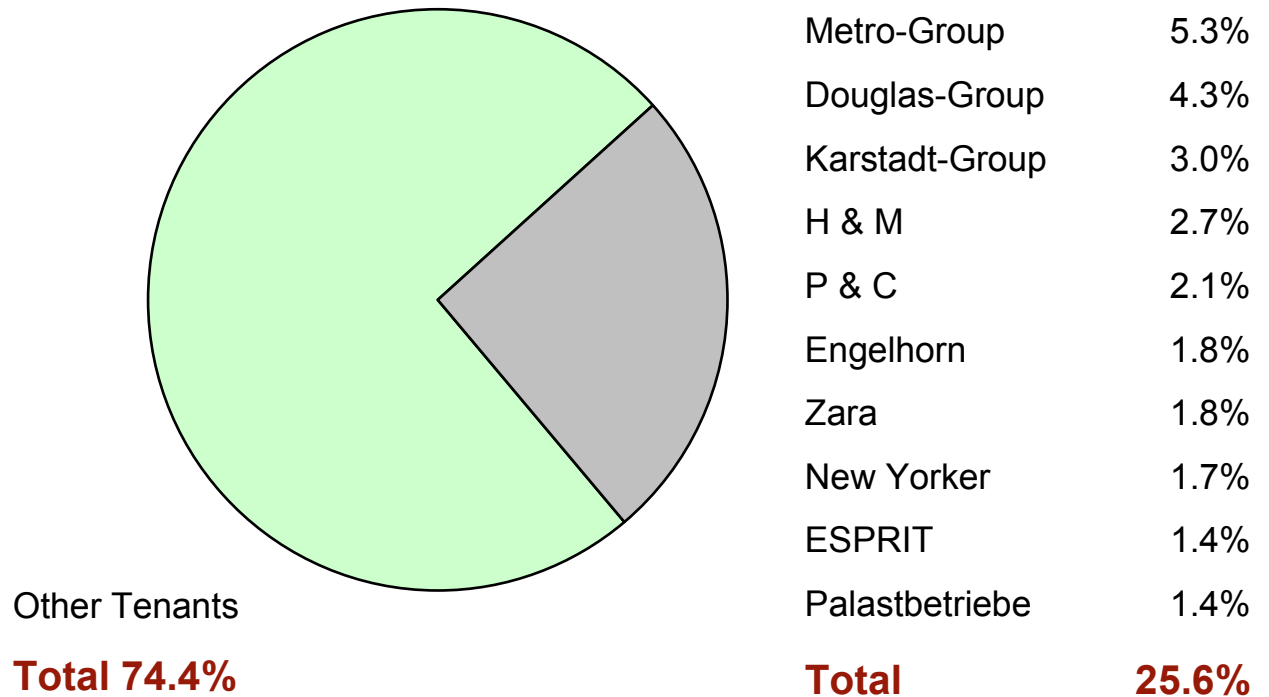


Well-known tenants



Tenants Structure Top 10 tenants

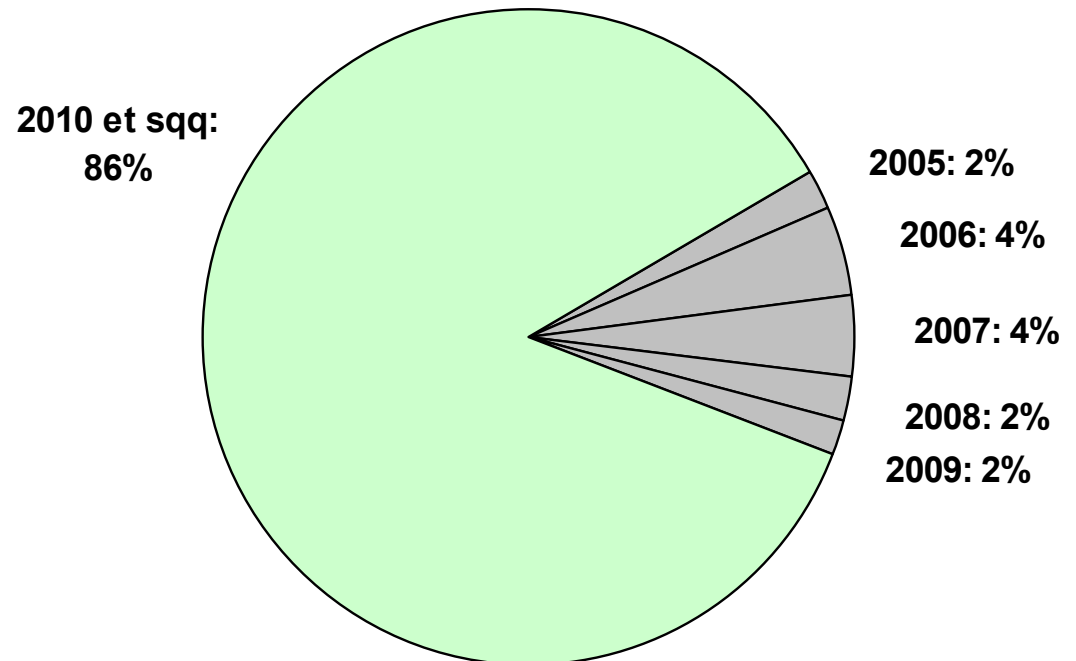
Low level of
dependence on
the top 10 tenants



Maturity Distribution of rental contracts*

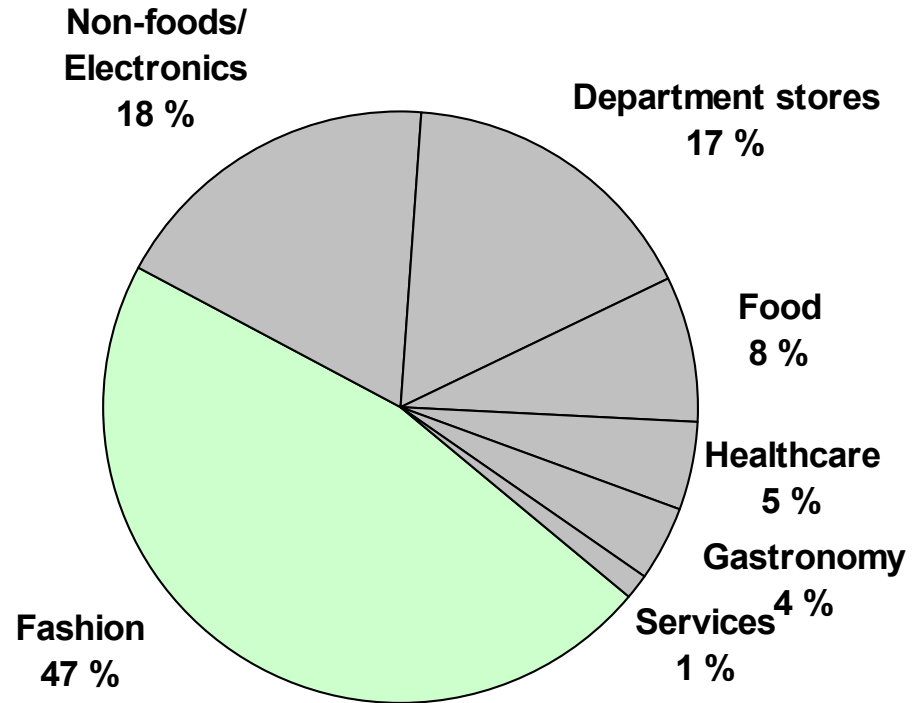
Long-term contracts
guarantee rental income

Weighted maturity
> 8 years



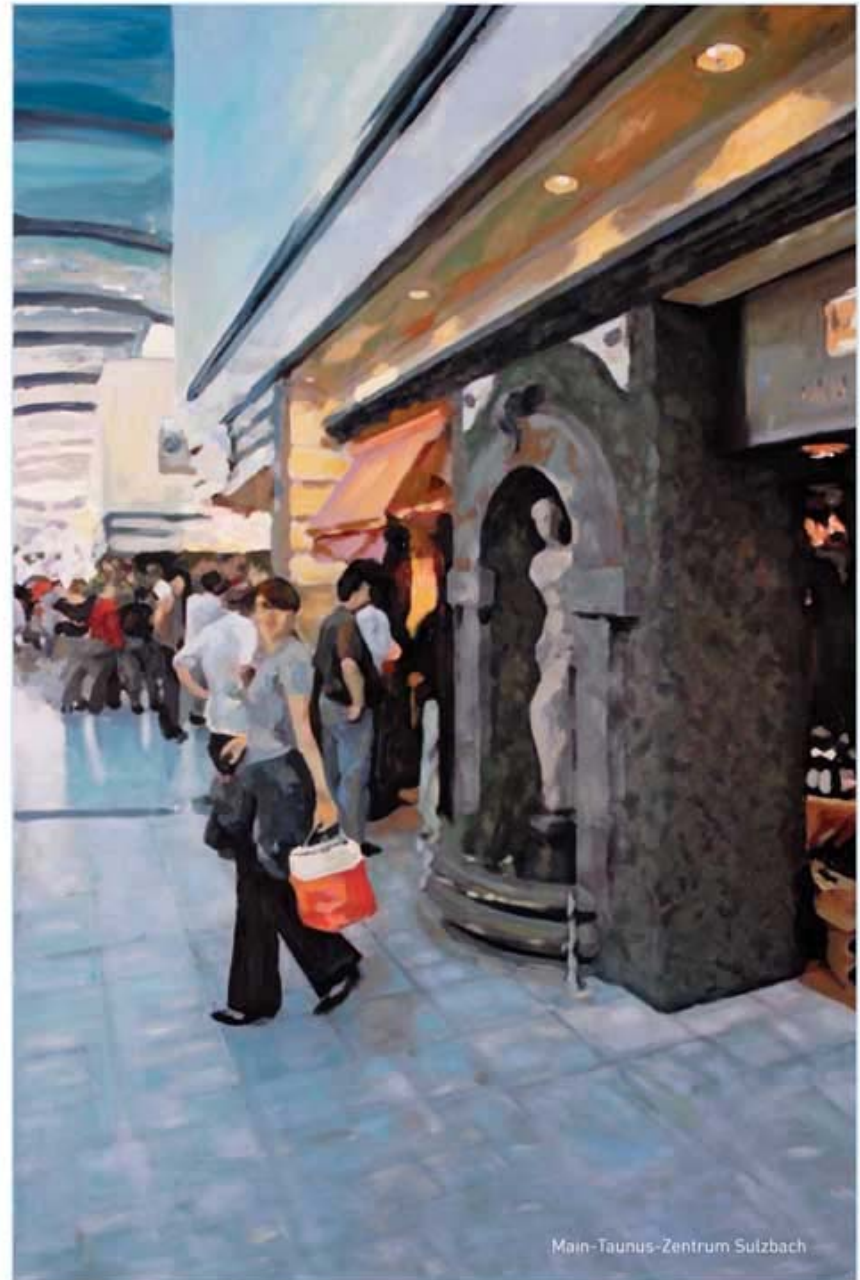
**Sector
diversification***

**Balanced sector
diversification**



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Financials

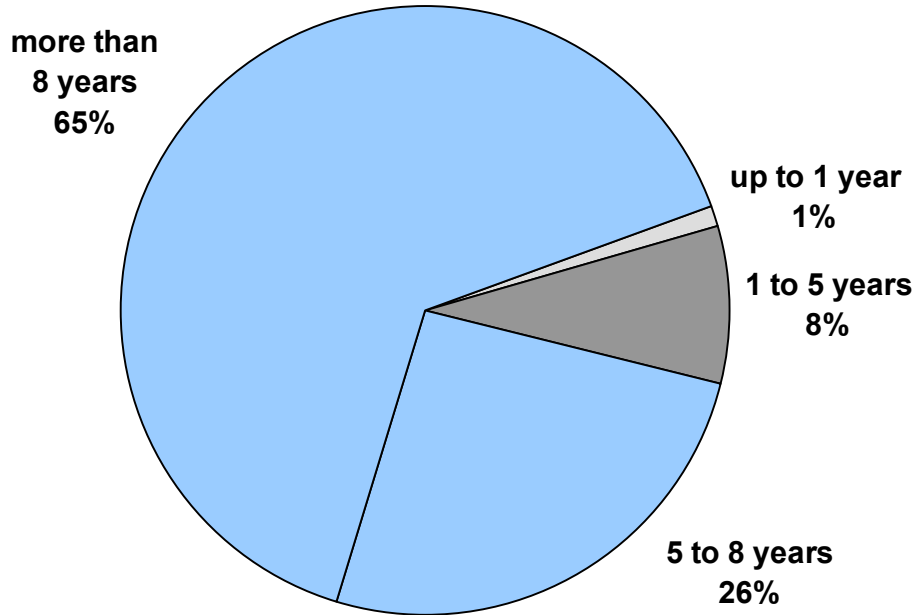


Balance Sheet

€ thousand	31 Mar. 2005	31 Dec. 2004	In/decrease
Fixed/non-current assets	1,207,751	1,203,251	4,500
Current assets	169,254	166,957	2,297
Total assets	1,377,005	1,370,208	6,797
Equity	689,593	684,412	5,181
Long term debt	610,426	597,662	12,764
Deferred taxes	53,374	51,676	1,698
Current liabilities	23,612	36,458	-12,846
Total liabilities	1,377,005	1,370,208	6,797

**Liabilities -
Maturities**

Ø effective interest rate
5.66%



**more than 5 years
91%**

Summary Q1 2005

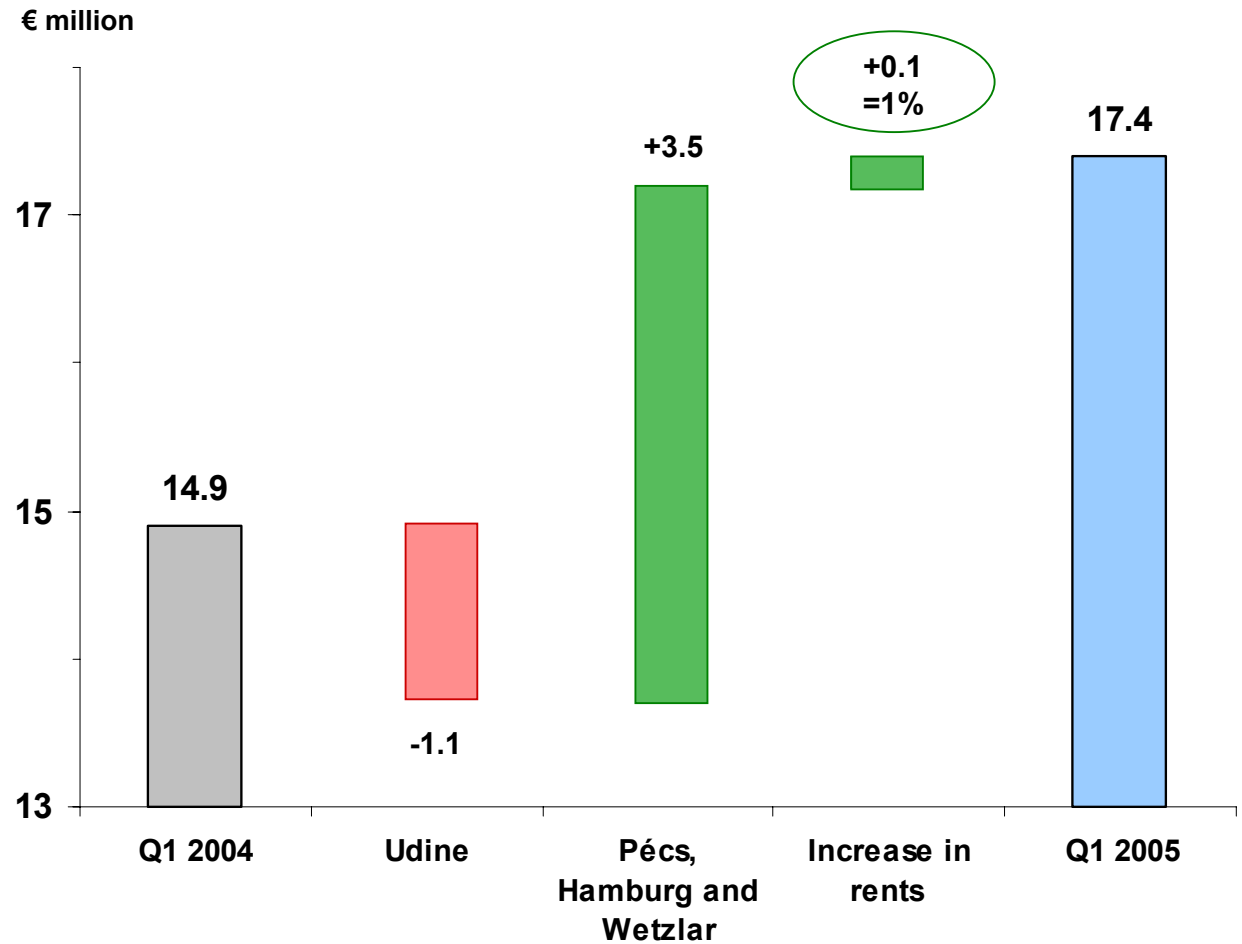
▪ Revenue	€17.4 million	+17%
▪ EBIT	€13.8 million	+5%
currency adjusted	€13.9 million	+22%
▪ Net finance costs	€-6.8 million	-36%
▪ Profit for the period	€4.4 million	-25%
currency adjusted	€4.5 million	+11%
▪ EPS	€0.28	-25%
▪ Retail sales in DES-Centers increased by +1.8% in Germany +3.0% in total Official German retail sales: +1.0%		

Profit and Loss Account

€ thousand	1 Jan.- 31 Mar. 2005	1 Jan.- 31 Mar. 2004	in/decrease
Revenue	17,408	14,891	17%
Other operating income	489	2,015	
Expenses	-4,055	-3,683	
Depreciation and amortization	-4	-3	
EBIT	13,838	13,220	5%
Net interest expense	-7,679	-6,012	
Income from investments	1,043	1,076	
Valuation result	-156	-47	
Net finance costs	-6,792	-4,983	
EBT	7,046	8,237	-14%
Taxes	-2,028	-2,144	
Minority interests in earnings	-573	-187	
Cons. net profit for the period	4,445	5,906	-25%

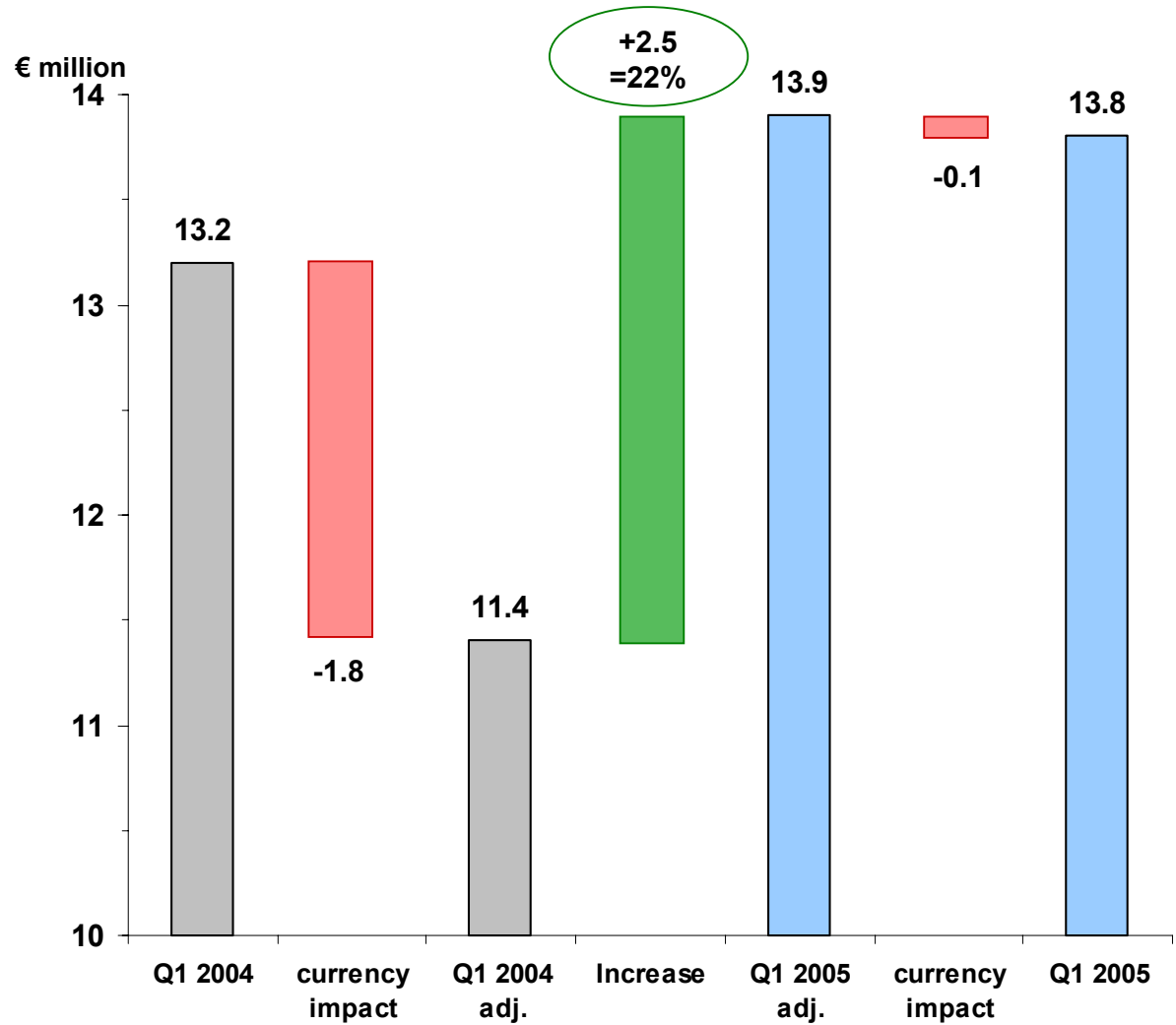
Revenue Bridge Q1 2004 - Q1 2005

Revenue +17%
comparable +1%



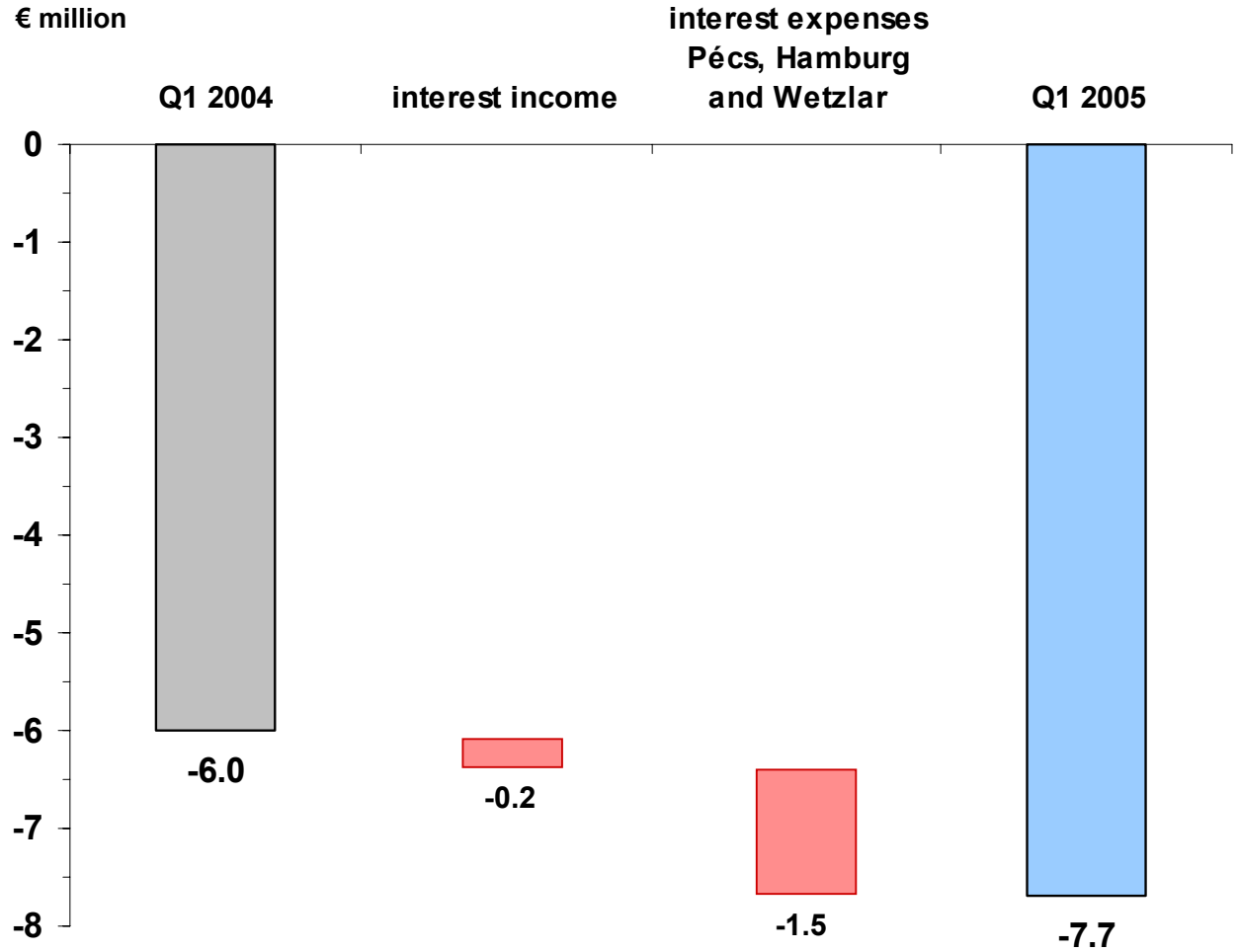
**EBIT Bridge
Q1 2004 - Q1 2005**

EBIT +5%
currency adjusted +22%



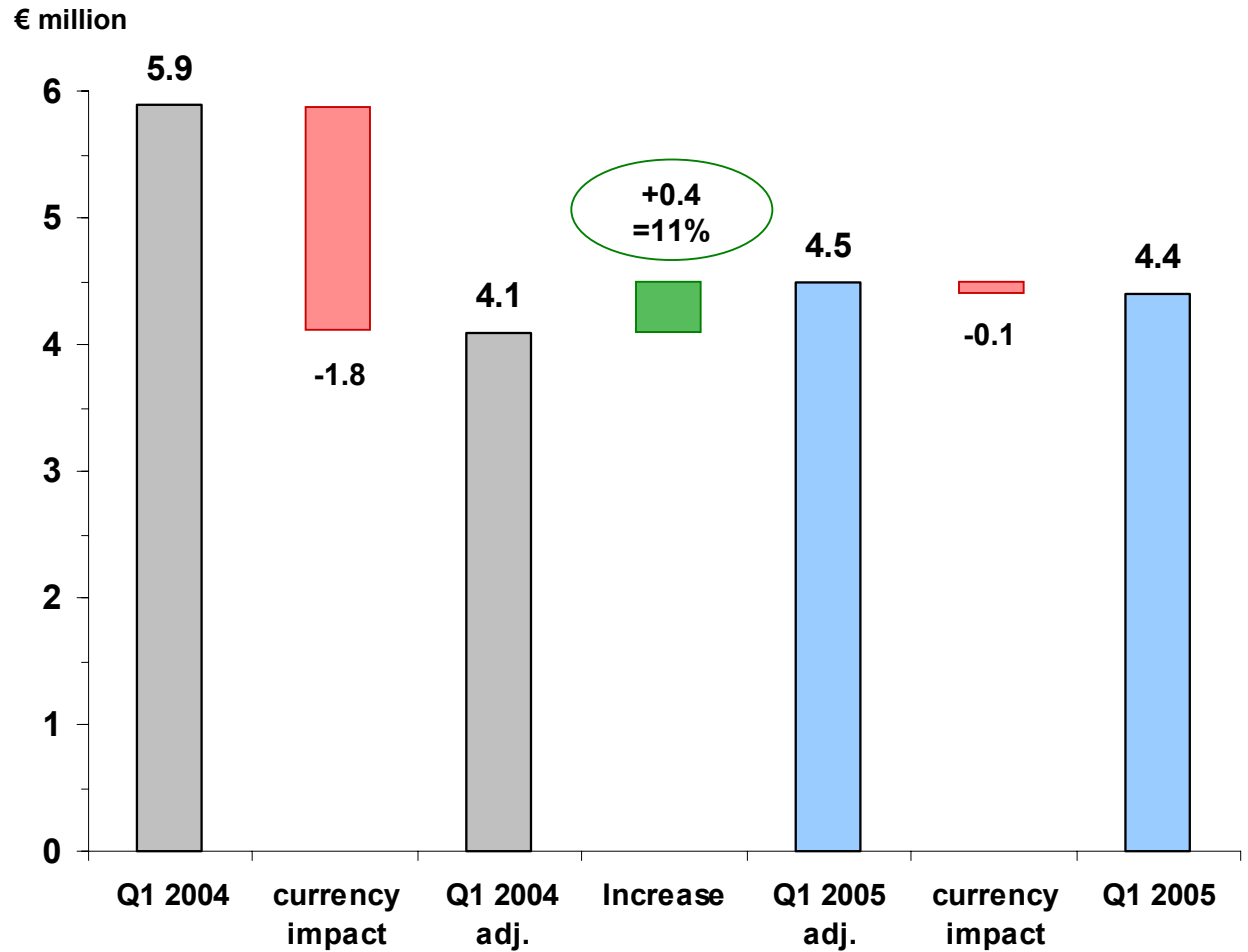
**Net Interest
Expense Bridge
Q1 2004 - Q1 2005**

Net interest expense -36%



**Profit Bridge
Q1 2004 - Q1 2005**

Profit -25%
currency adjusted +11%



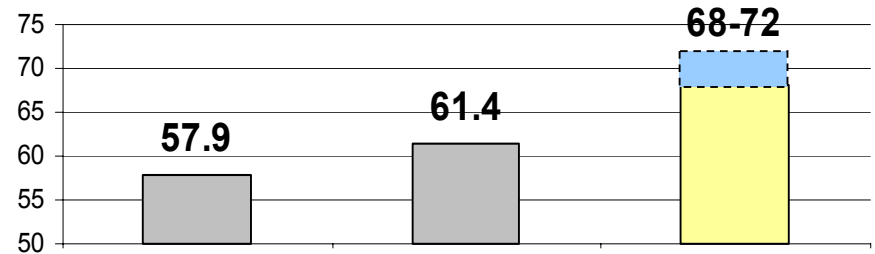
Forecast 2005

NAV 2005:
initial valuation of
Forum Wetzlar and
Phoenix-Center Hamburg

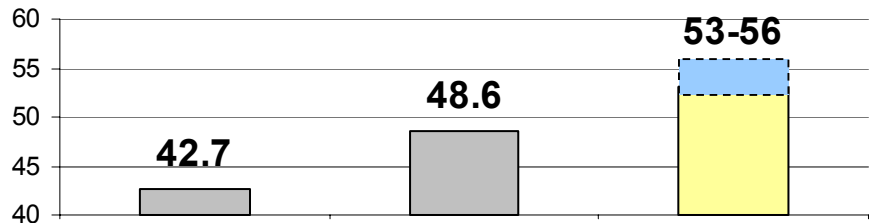
Acquisition volume:
€ 100 to 150 million

Revenue

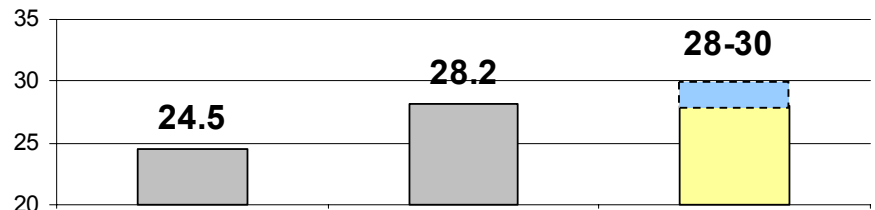
€ million



EBIT



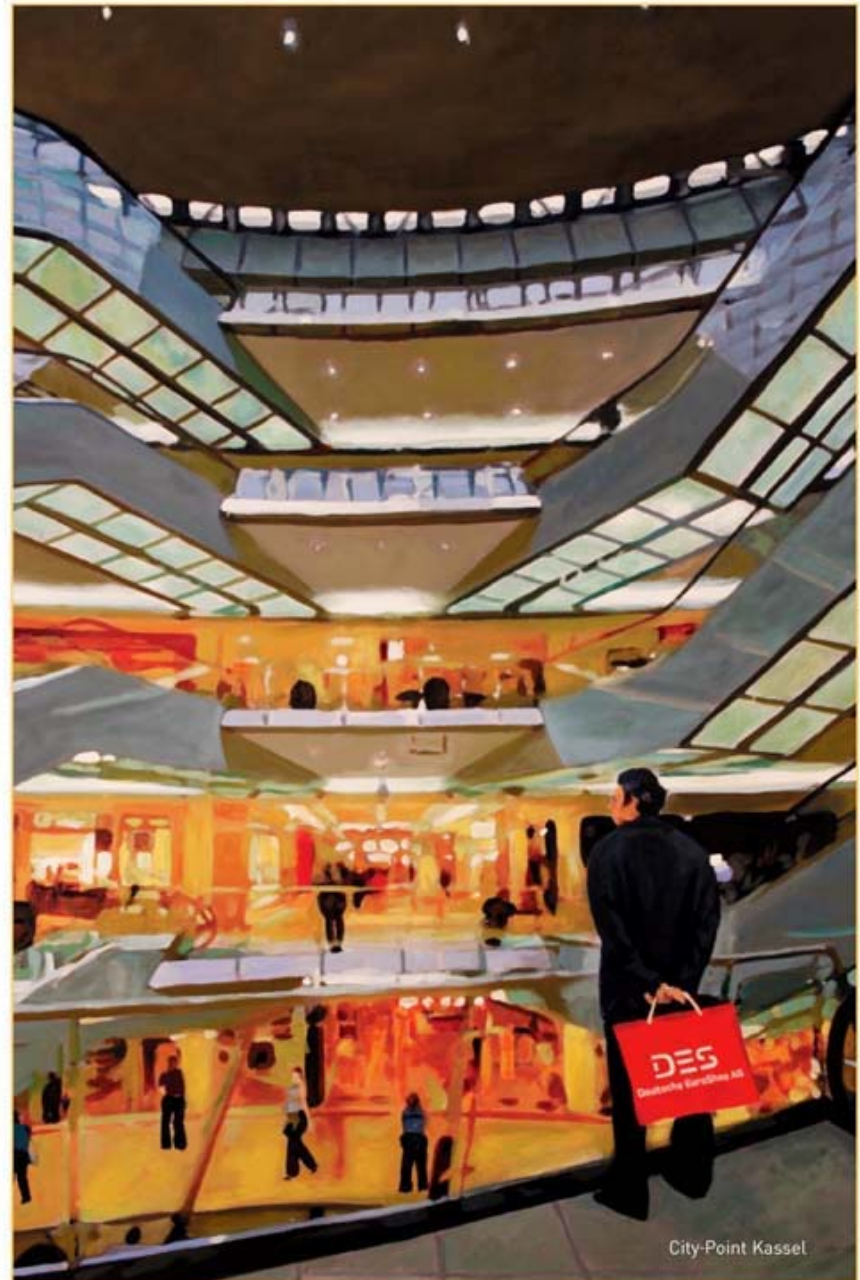
EBT



(currency adjusted;
without valuation result)

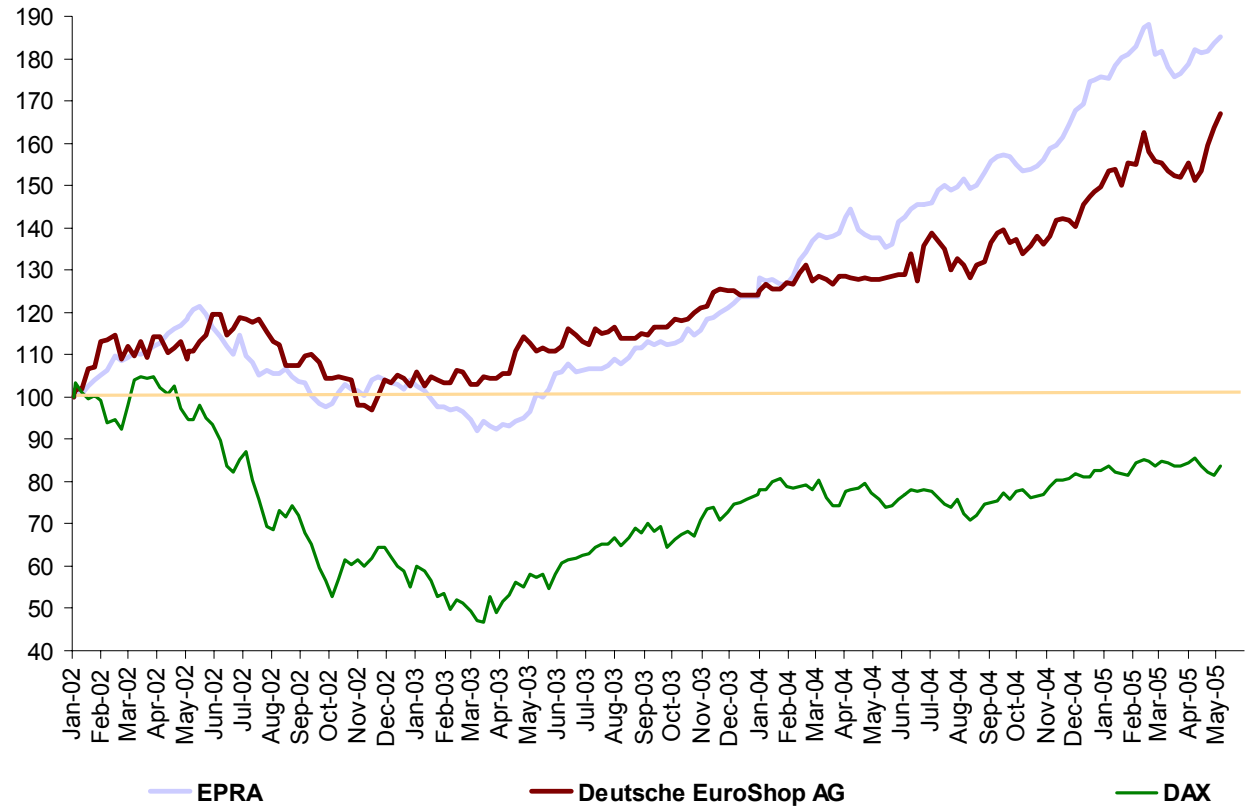
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Shopping Center Share



Trend of the Share in comparison with DAX and EPRA

Indexed graph



Key data of the Share

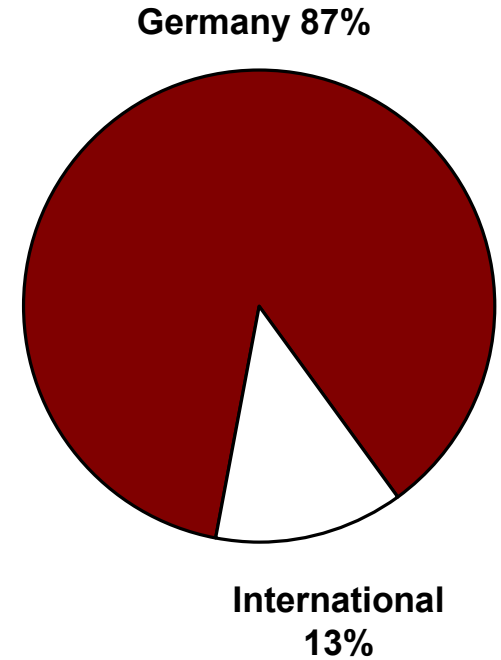
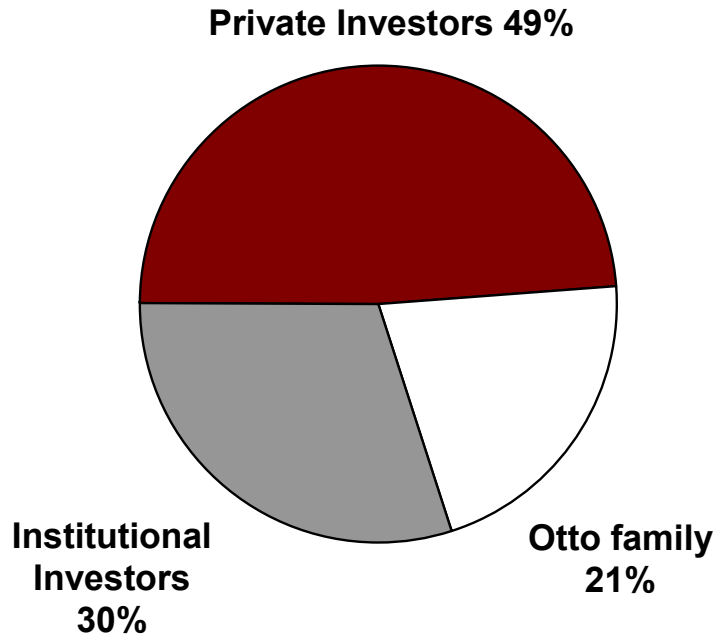
MarketCap > €650 million

Deutsche EuroShop AG	
Listed since	02.01.2001
Nominal capital	€20 million
Outstanding shares	15,625,000
Class of shares	Registered shares
(proposed) Dividend 2004 (23.06.2005)	€1.92
52W High	€43.50
52W Low	€32.10
Share price (06.05.2005)	43.02
Market capitalisation	€672 million
avrg. turnover per day 2005	37,400 shares
Indices	MDAX, EPRA, GPR 250, EPIX 30
Prime Standard	Prime Standard Frankfurt 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

Shareholder Structure

7,400 shareholders

Free float 79%

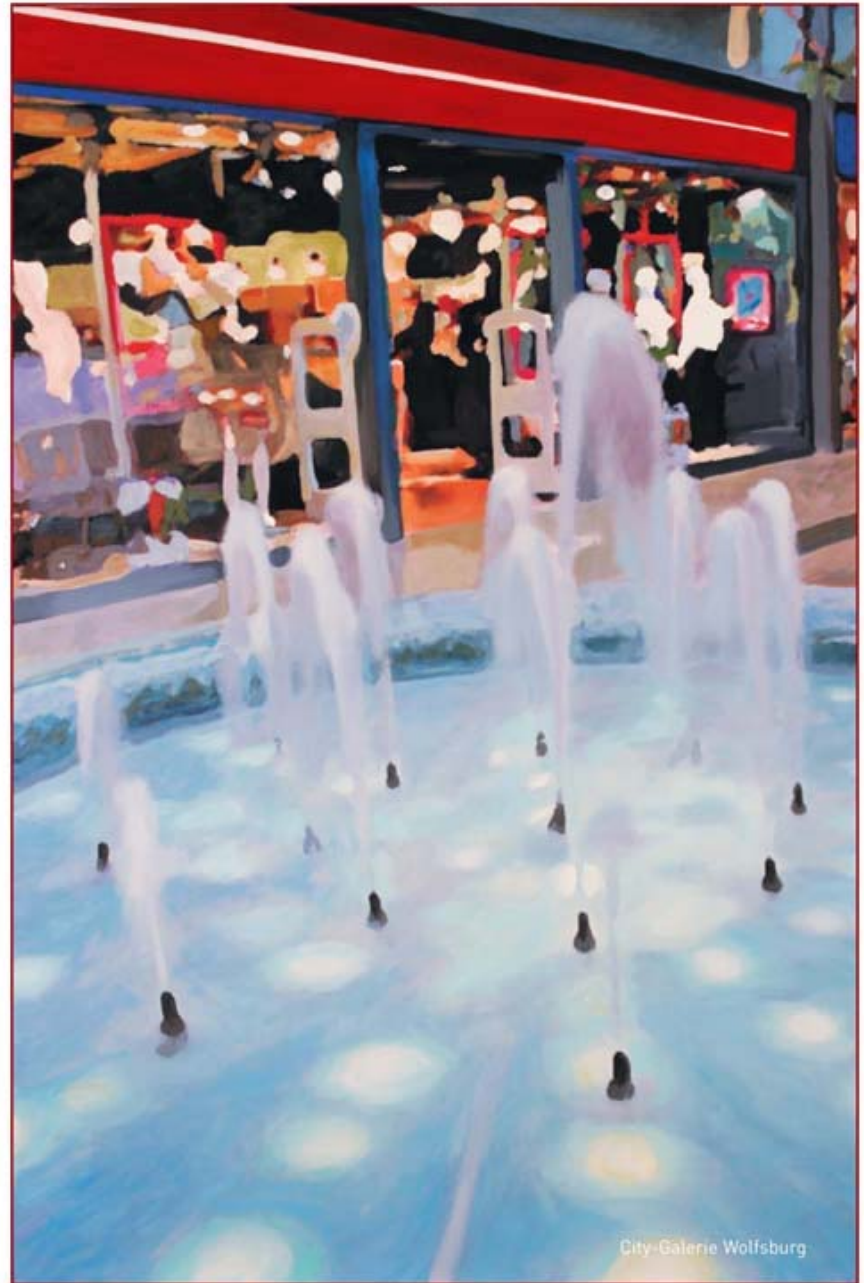


Coverage



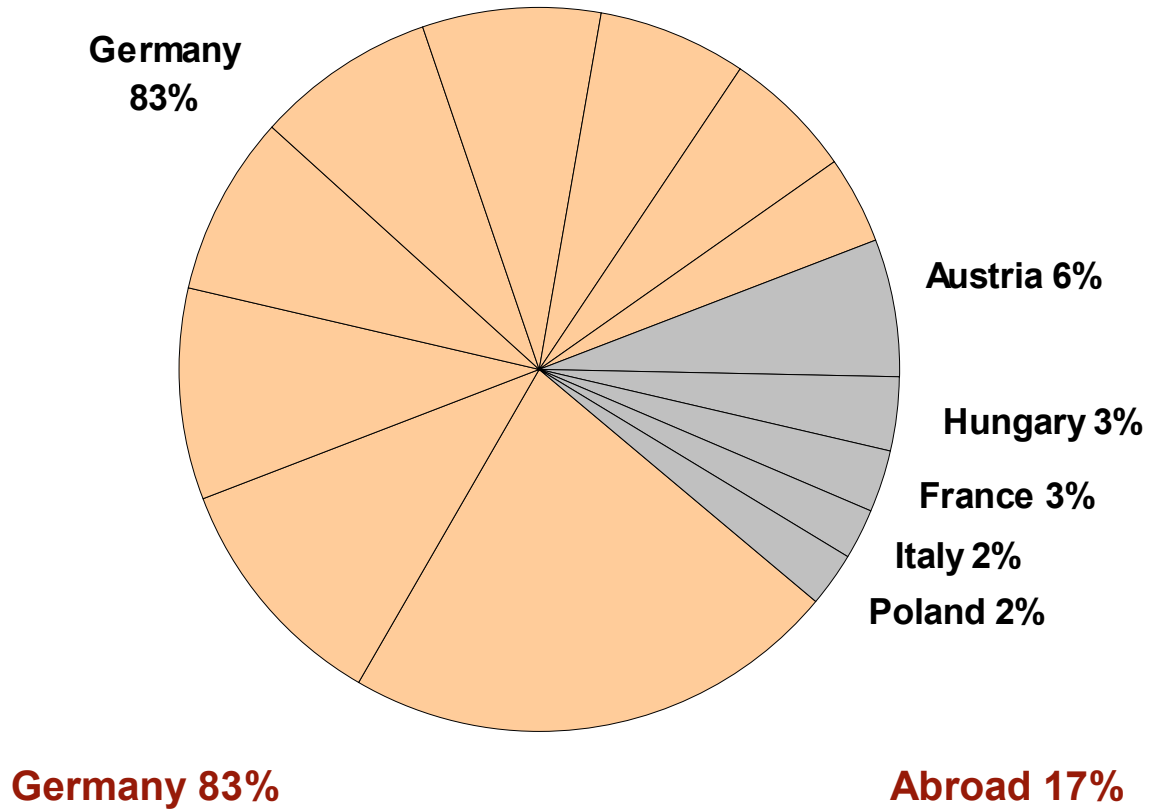
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Appendix



Investment Volume

The proportionate total investment volume amounts to € 1.2 billion



Financial Calendar 2005

- 10.05. Report on the first quarter 2005
- 11./12.05. Roadshow London
- 24.05. Sal. Oppenheim Real Estate Conference, London
- 01.06. DB German Corporate Conference, Frankfurt
- 02.06. Kempen & Co Property Seminar, Amsterdam
- 09./10.06. Roadshow Copenhagen, Helsinki and Stockholm
- 16.06. Morgan Stanley Property Conference, London
- 23.06. Annual General Meeting, Hamburg
- 10.08. Report on the first half 2005
- 28./29.09. HVB German Investment Conference, München
- 26.10. 5. Property Share Initiative Conference, Frankfurt
- 10.11. Report on the first three quarters 2005
- 21.-23.11. German Equity Forum, Frankfurt am Main

Contact

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

www.deutsche-euroshop.com

ISIN: DE 000 748 020 4

Important Notice

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.