

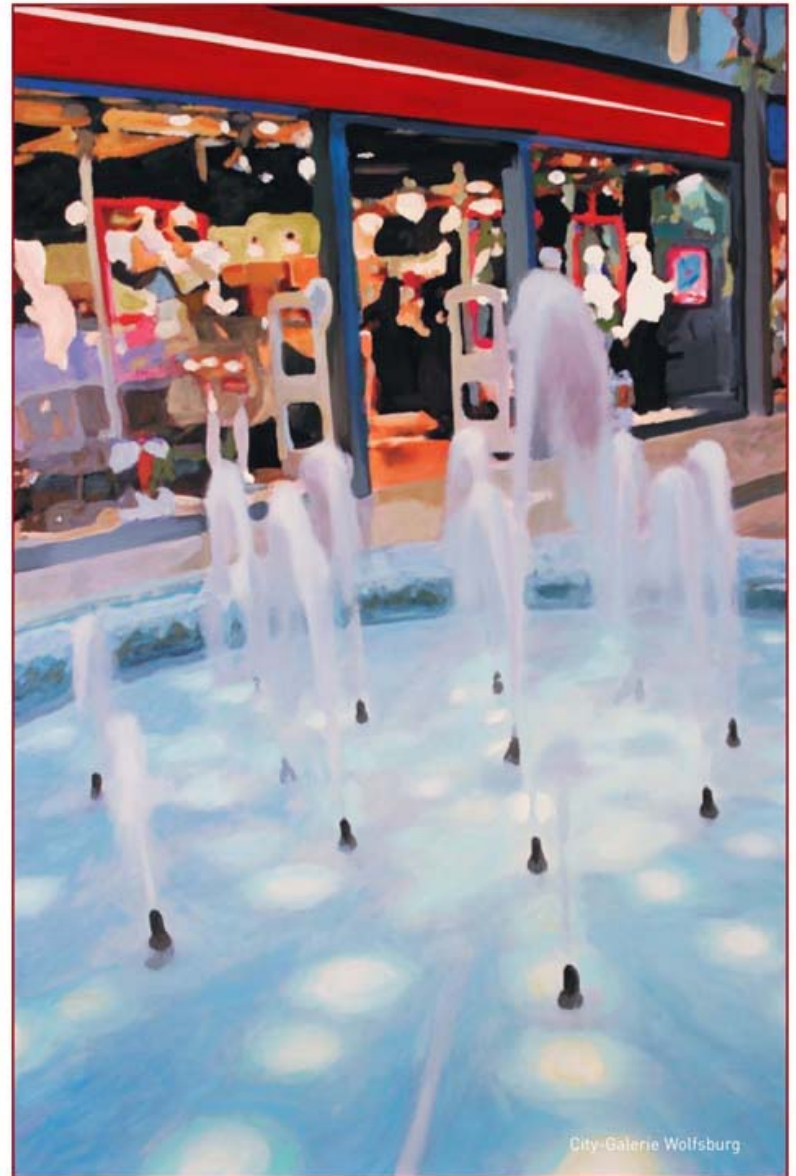
The Art of Shopping

Company Presentation

September 2005

The Art of Shopping

Company



City-Galerie Wolfsburg

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 sqm	327,000 sqm
Retail shops	approx. 1,290	
Investment	€ 1.95 billion	€ 1.2 billion
Rents per year	€ 127 million	€ 77 million

Potential through sales-linked rents

- (CPI-)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

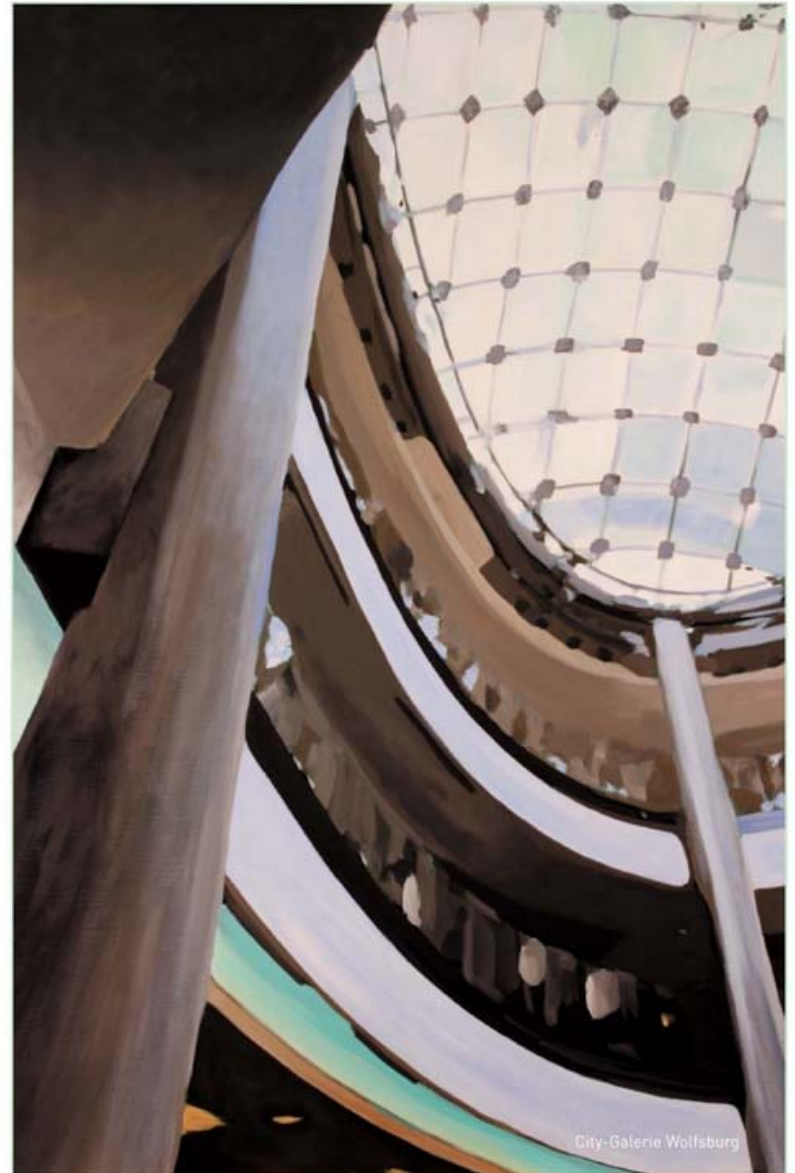
- **Targets**
 - Long term net asset value enhancement
 - “buy & hold”-strategy
 - Stable and attractive dividends
 - Portfolio expansion by 10% per year
 - by acquisition of new shopping centers
 - by increasing existing amounts of holdings

Investment Case

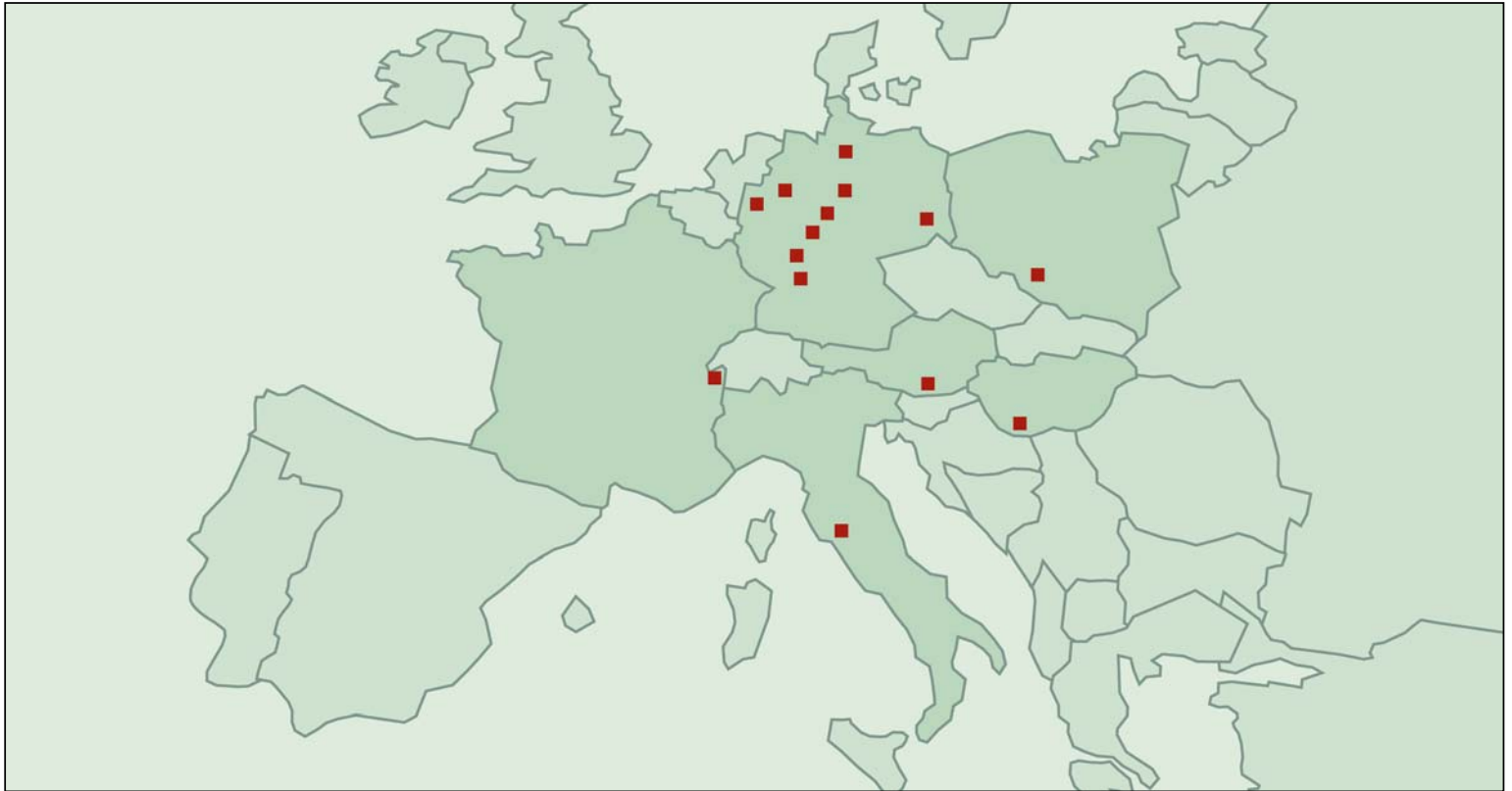
- Attractive after-tax dividend yield of currently 3.9%
- Net Asset Value per share €43.96 (+1%)
- Rating: entire portfolio was given an “very good” rating
- Consolidated equity ratio currently 50% (plan: >45%)
- Independent management with many years of experience in shopping center development
- Investment-focus: Germany and up to 25% Europe
- Risk diversification due to a portfolio of shopping centers and diversity of tenants

The Art of Shopping

Shopping Centers



Locations in Europe



Shopping Centers in Germany



Rhein-Neckar-Zentrum
Viernheim



Main-Taunus-Zentrum
Frankfurt



City-Galerie
Wolfsburg

	Rhein-Neckar-Zentrum Viernheim	Main-Taunus-Zentrum Frankfurt	City-Galerie Wolfsburg
Location			
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.	1972/Nov. 2002	1964/Sep. 2004	Sep. 2001

Shopping Centers in Germany



Altmarkt-Galerie
Dresden



City-Arkaden
Wuppertal



Allee-Center
Hamm

Location			
Investment		50.0%	72.0%
Lettable space sqm		43,800	28,100
Parking		520	650
Number of shops		approx. 100	approx. 90
Occupancy rate		99%	100%
Catchment area		1.0 m inhabitants	0.7 m inhabitants
Opening/refurbishm.		Sep. 2002	Oct. 2001
			87.7%
			34,800
			1,290
			approx. 80
			100%
			1.0 m inhabitants
			1992/Mar. 2000

Shopping Centers in Germany



Phoenix-Center
Hamburg



Forum
Wetzlar



City-Point
Kassel

Location	Phoenix-Center Hamburg	Forum 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
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	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	1998	1994	2004

**Shopping Centers
in Europe**



Location	Galeria Dominikanska Wroclaw Poland	City-Arkaden Klagenfurt Austria
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%	90%
Catchment area	1.0 m inhabitants	0.4 m inhabitants
Opening	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

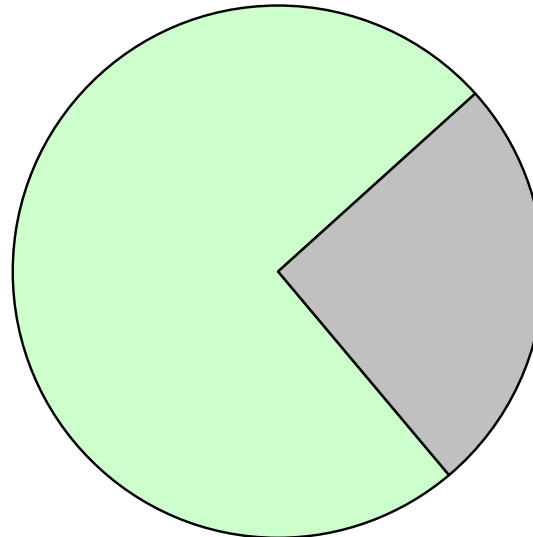


Well-known tenants



**Tenants Structure
Top 10 tenants**

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



Other Tenants
Total 74.4%

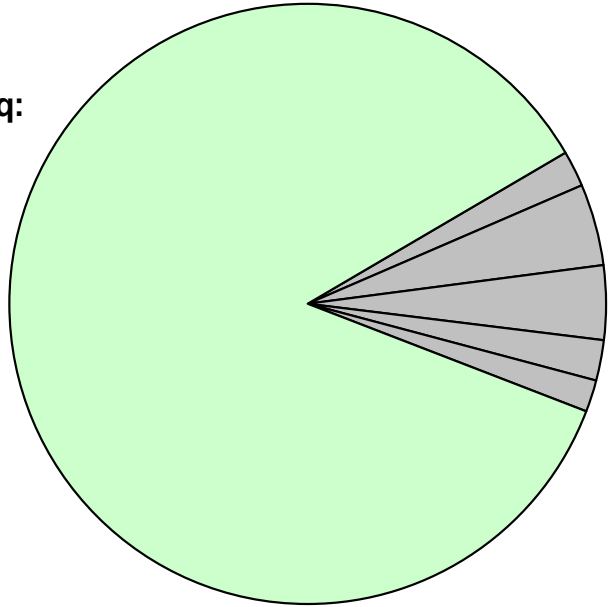
Metro-Group	5.3%
Douglas-Group	4.3%
Karstadt-Group	3.0%
H & M	2.7%
P & C	2.1%
Engelhorn	1.8%
Zara	1.8%
New Yorker	1.7%
ESPRIT	1.4%
Palastbetriebe	1.4%
Total	25.6%

**Maturity
Distribution
of rental contracts***

**Long-term contracts
guarantee rental income**

**Weighted maturity
> 8 years**

**2010 et sqq:
86%**



2005: 2%

2006: 4%

2007: 4%

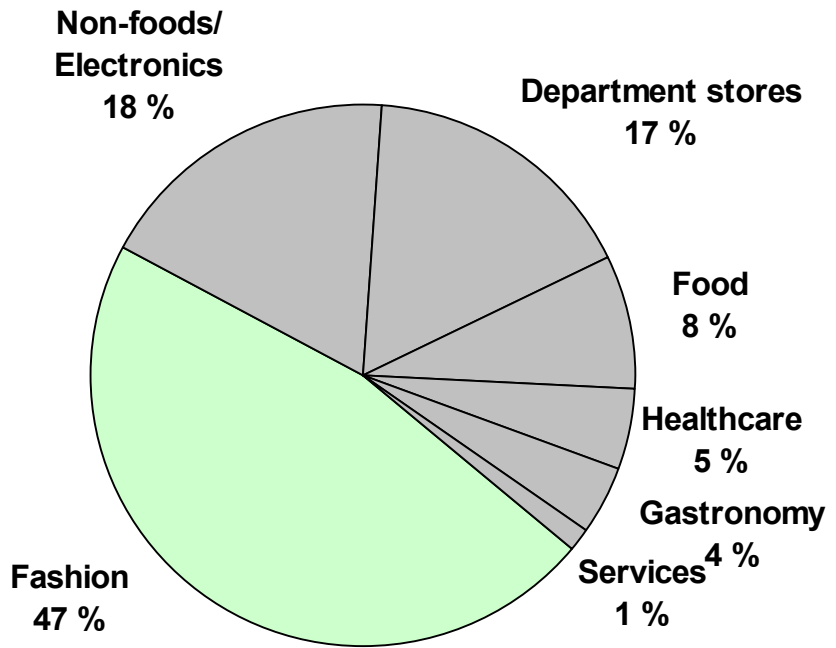
2008: 2%

2009: 2%

* as % of rental income – not including Klagenfurt as at December 31, 2004

**Sector
diversification***

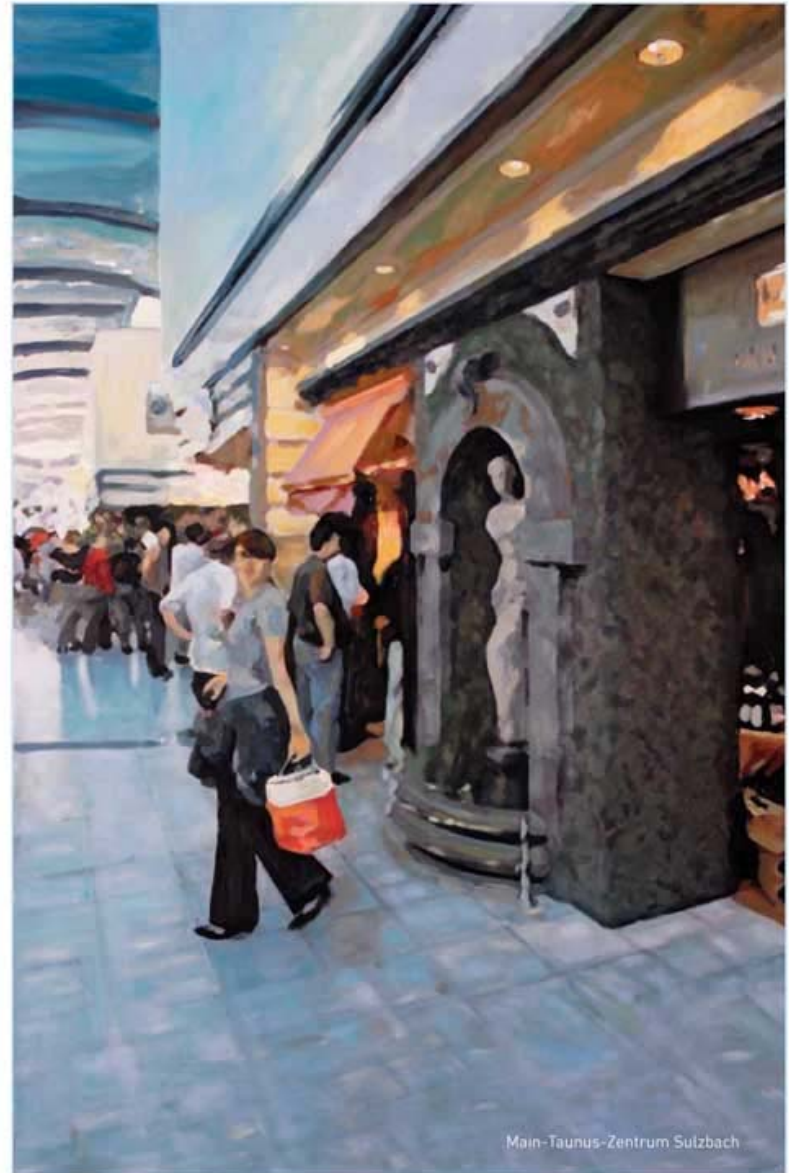
**Balanced sector
diversification**



* in % of lettable space; not including Klagenfurt as at April 21, 2005

The Art of Shopping

Financials



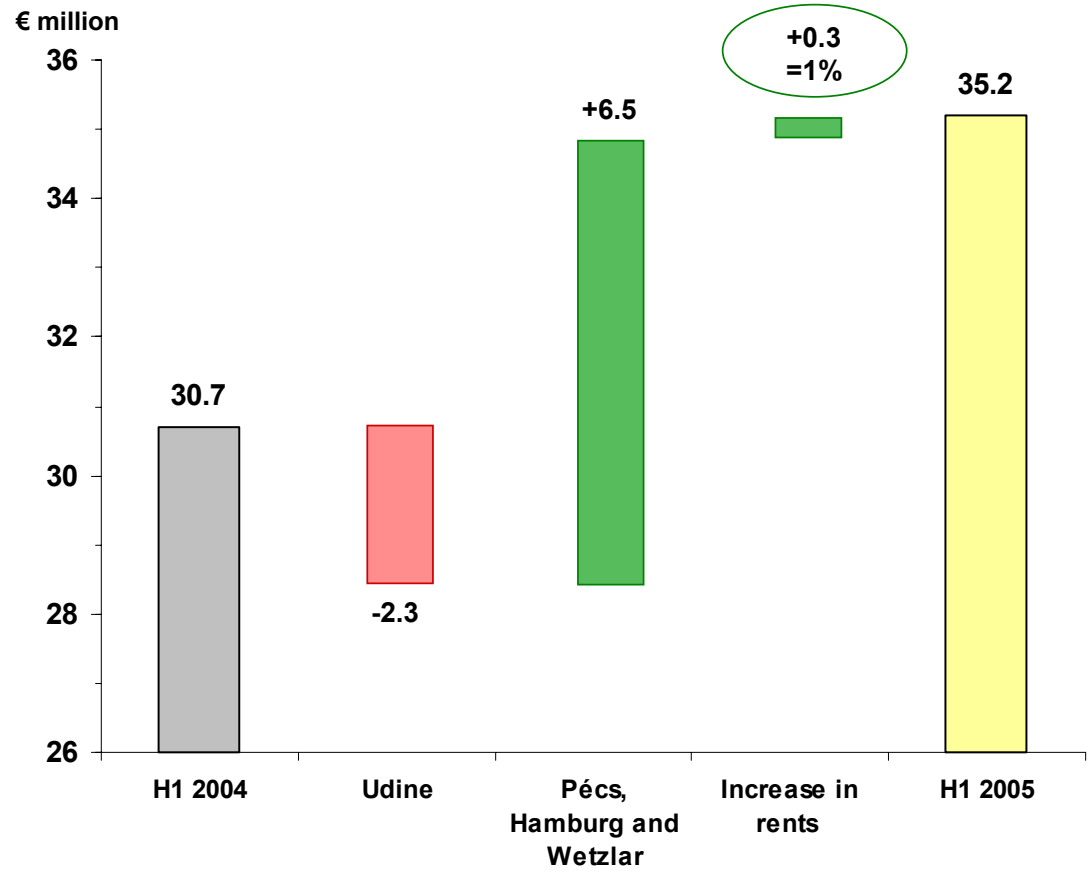
Main-Taunus-Zentrum Sulzbach

Summary H1 2005

▪ Revenue	€35.2 million	+14%
▪ EBIT	€28.4 million	+17%
currency adjusted	€28.6 million	+24%
▪ Net finance costs	€-13.9 million	-14%
▪ Profit for the period	€9.0 million	+8%
currency adjusted	€9.2 million	+30%
▪ EPS	€0.58	+8%

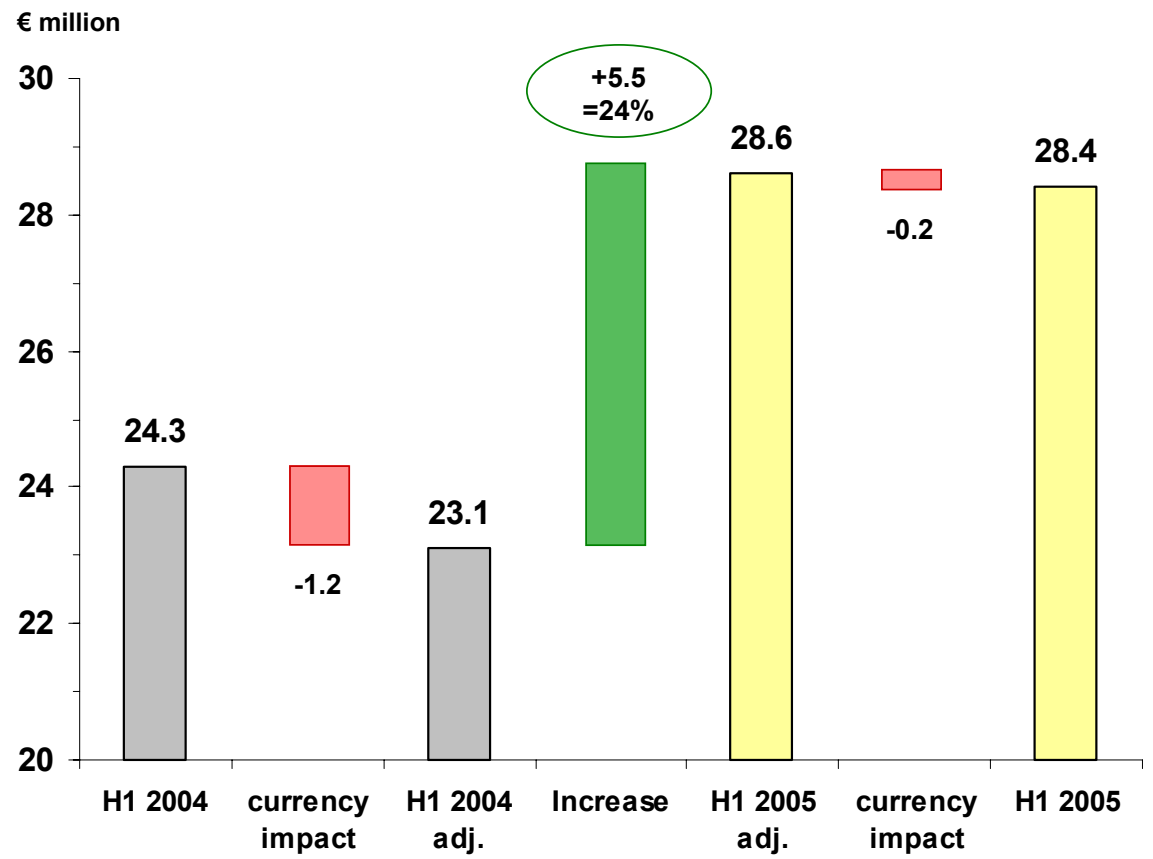
Revenue Bridge H1 2004 - H1 2005

Revenue: +14%
comparable: +1%



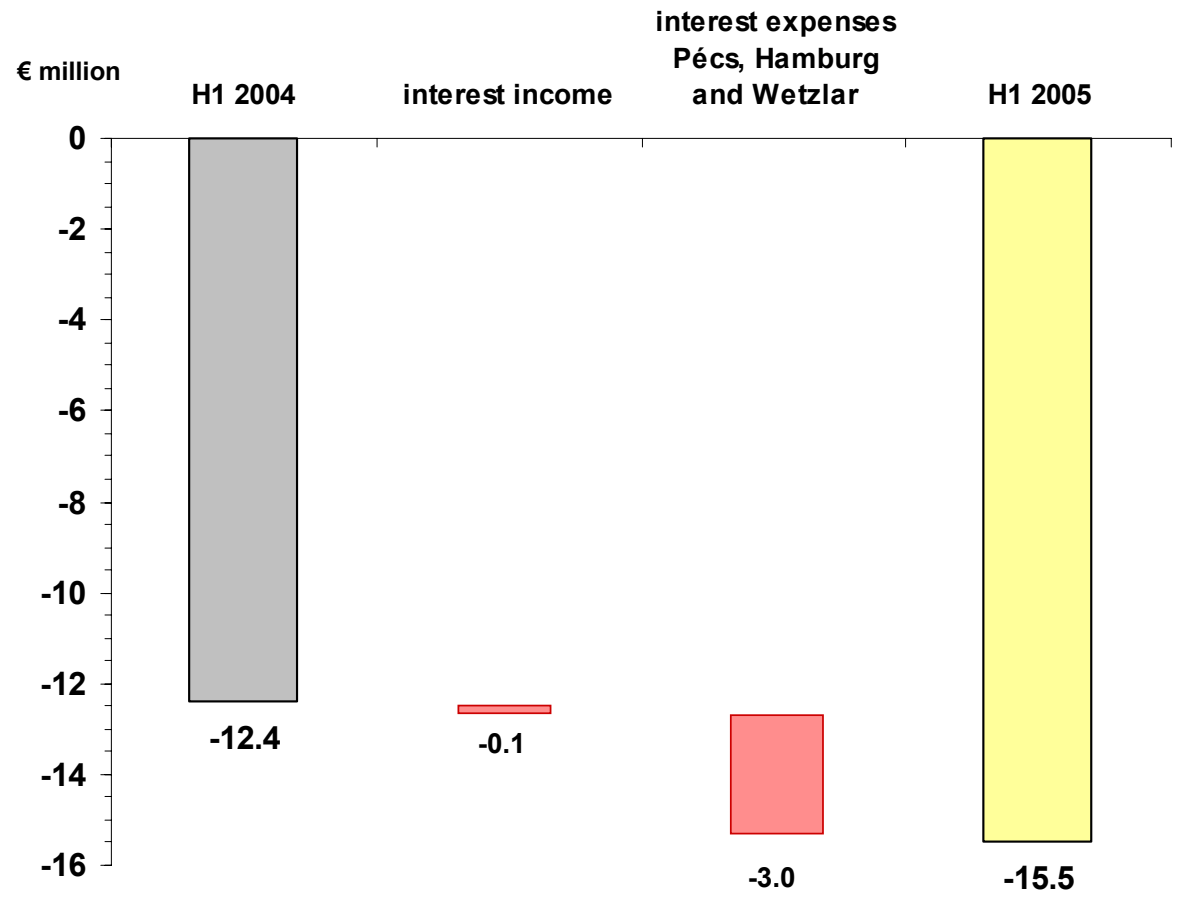
EBIT Bridge H1 2004 - H1 2005

EBIT: +17%
currency adjusted: +24%



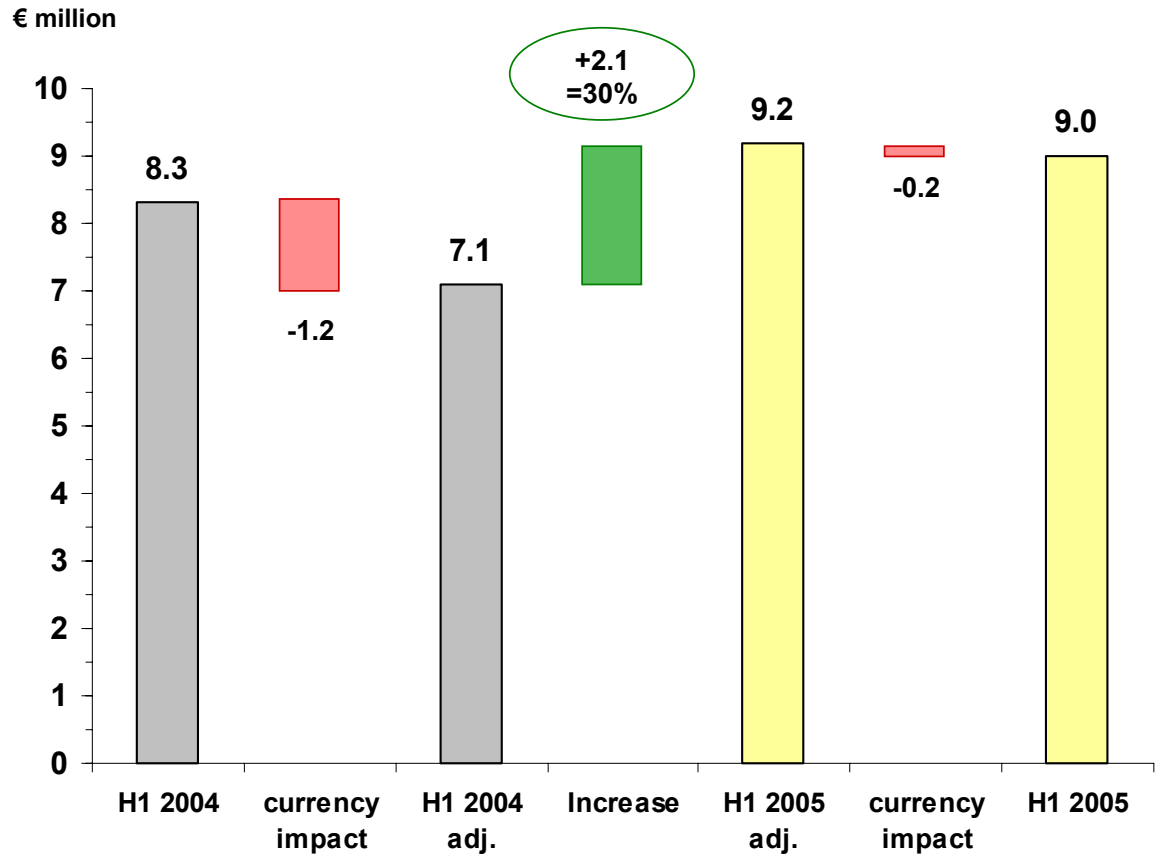
**Net Interest
Expense Bridge
H1 2004 - H1 2005**

Net interest expense: -25%



Profit Bridge H1 2004 - H1 2005

Profit: +8%
currency adjusted: +30%



Balance Sheet

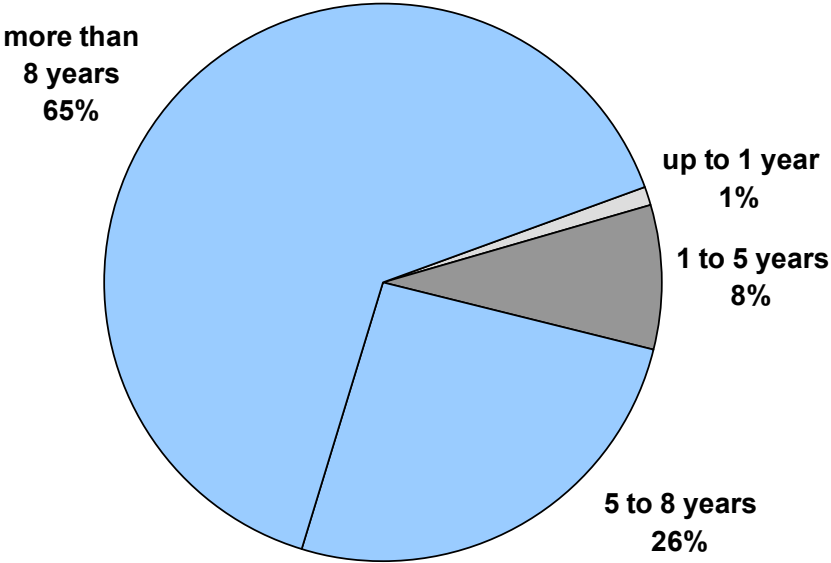
€ thousand	30 June 2005	31 Dec. 2004	In/decrease
Fixed/non-current assets	1,218,423	1,203,251	15,172
Current assets	141,802	166,957	-25,155
Total assets	1,360,225	1,370,208	-9,983
Equity	664,361	684,412	-20,051
Long term debt	623,497	597,662	25,835
Deferred taxes	55,180	51,676	3,504
Current liabilities	17,187	36,458	-19,271
Total liabilities	1,360,225	1,370,208	-9,983

Profit and Loss Account

€ thousand	1 Jan.- 30 June 2005	1 Jan.- 30 June 2004	increase/ decrease
Revenue	35,179	30,747	+14%
Other operating income	901	1,564	
Expenses	-7,687	-7,974	
Depreciation and amortization	-9	-7	
EBIT	28,384	24,330	+17%
Net interest expense	-15,507	-12,369	
Income from investments	2,388	2,154	
Valuation result	-745	-1,965	
Net finance costs	-13,864	-12,180	
EBT	14,520	12,150	+20%
Taxes	-4,108	-3,578	
Minority interests in earnings	-1,401	-263	
Profit for the period	9,011	8,309	+8%

**Liabilities -
Maturities**

Ø effective interest rate
5.66%

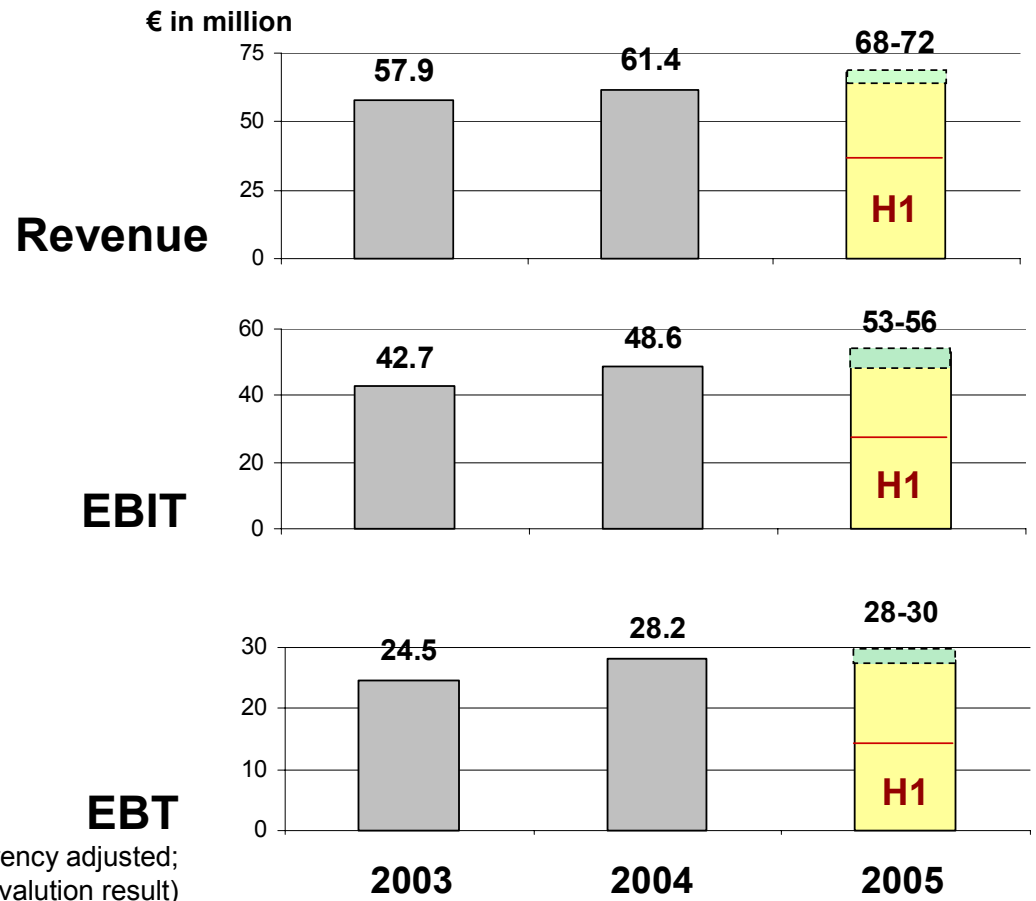


**more than 5 years
91%**

Forecast 2005

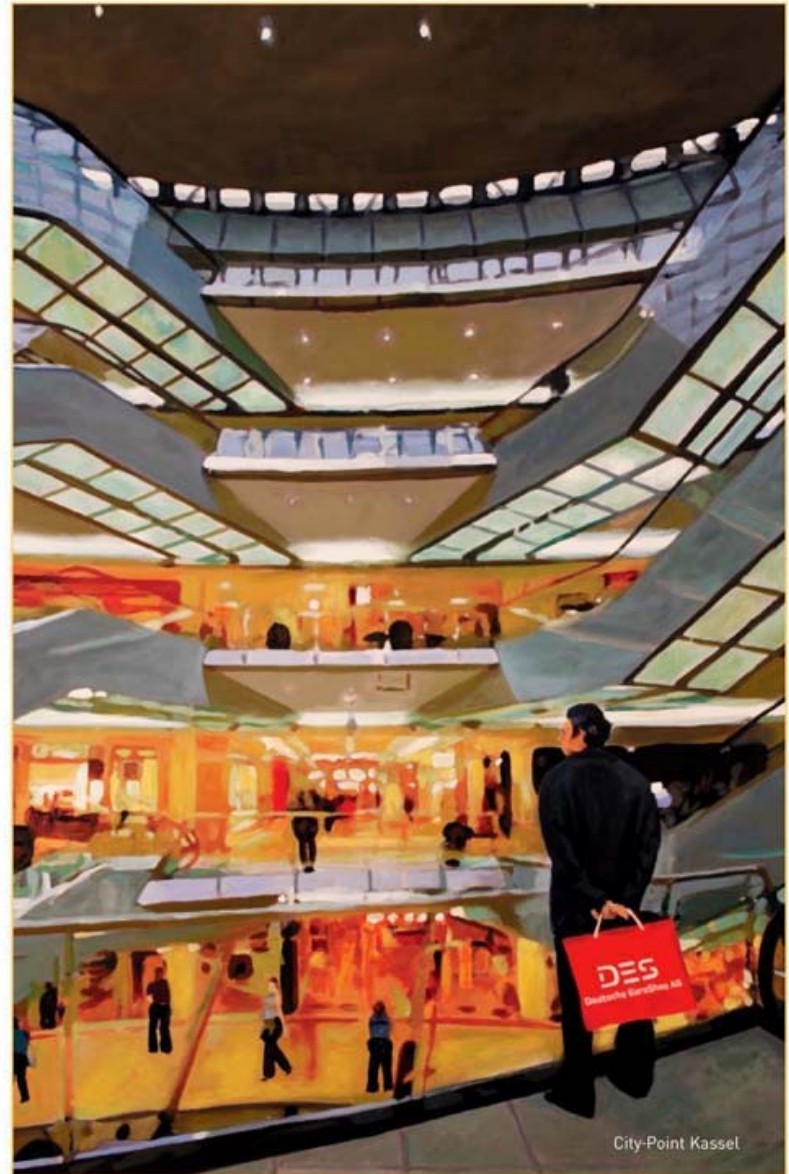
NAV 2005:
initial valuation of
Forum Wetzlar and
Phoenix-Center Hamburg

Acquisition volume:
€100-150 million



The Art of Shopping

Shopping Center Share



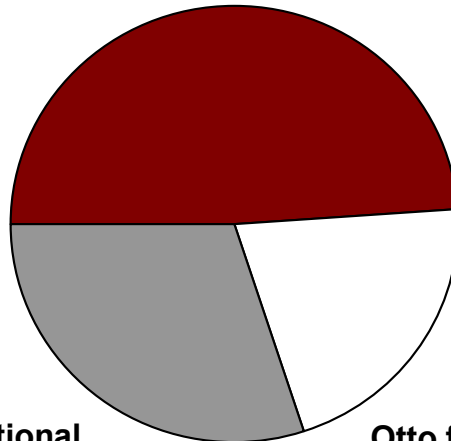
City-Point Kassel

**Shareholder
Structure**

8,500 shareholders

Free float 79%

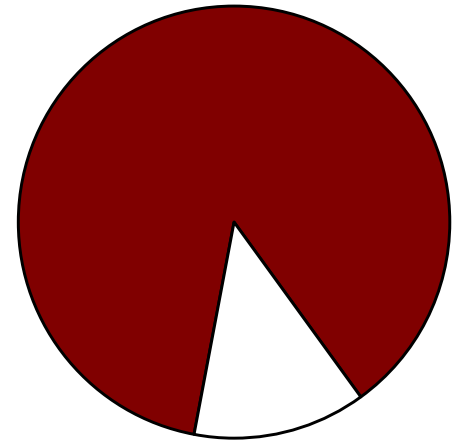
Private Investors 49%



**Institutional
Investors
30%**

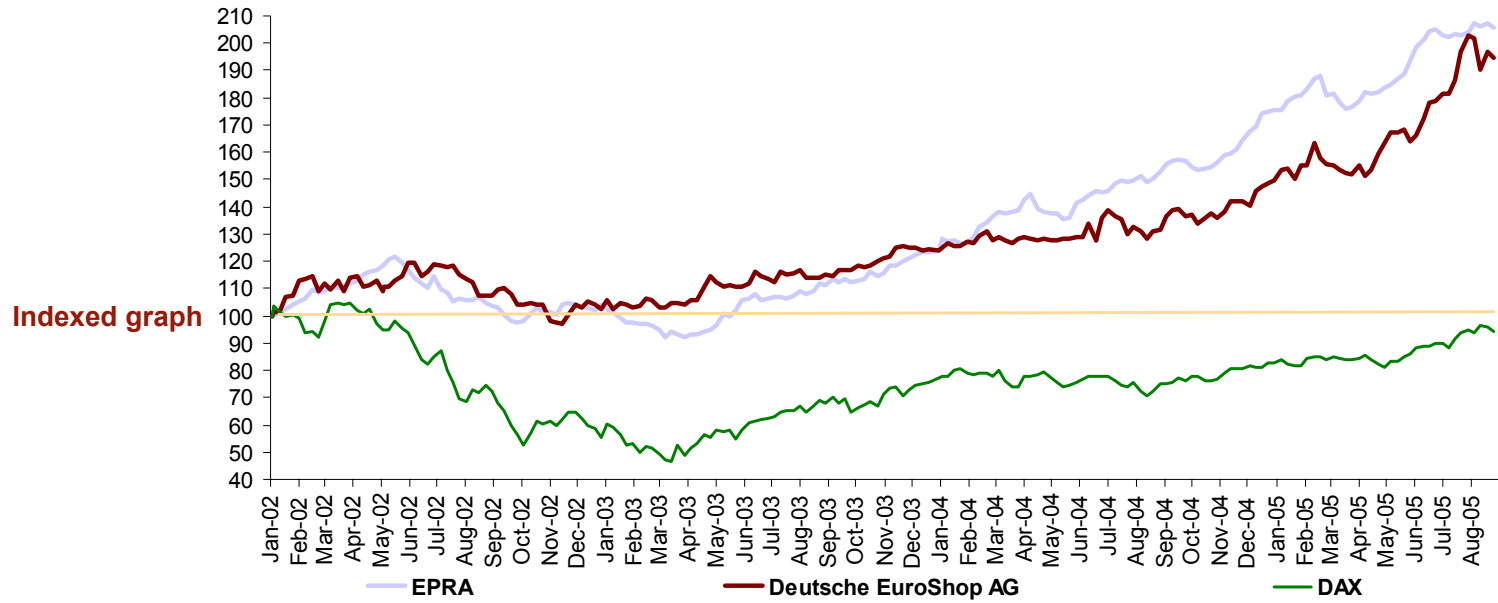
**Otto family
21%**

Germany 87%

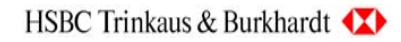


**International
13%**

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



Coverage



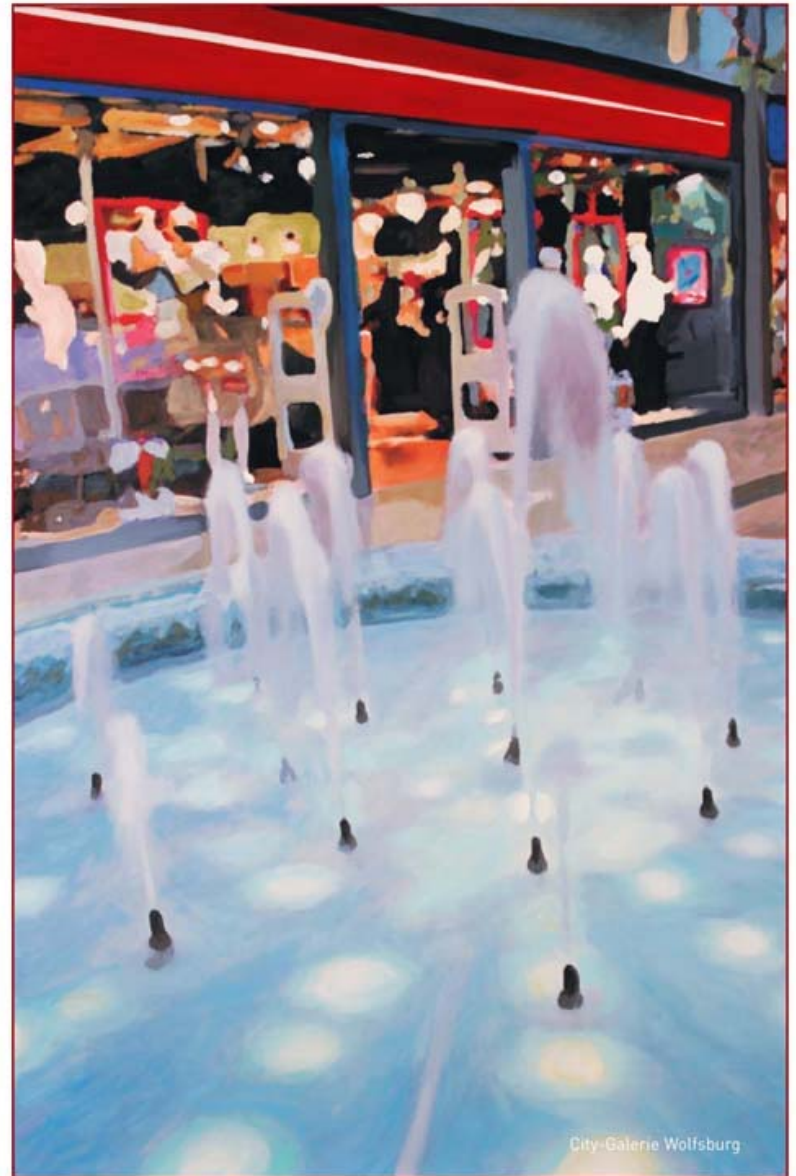
Key data of the Share

MarketCap > €700 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	€52.20
52W Low	€33.15
Share price (01.09.2005)	€48.82
Market capitalisation	€763 million
avrg. turnover per day 2005	38,900 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: DEQn.DE
Designated Sponsor	Seydler AG, Frankfurt

The Art of Shopping

Appendix

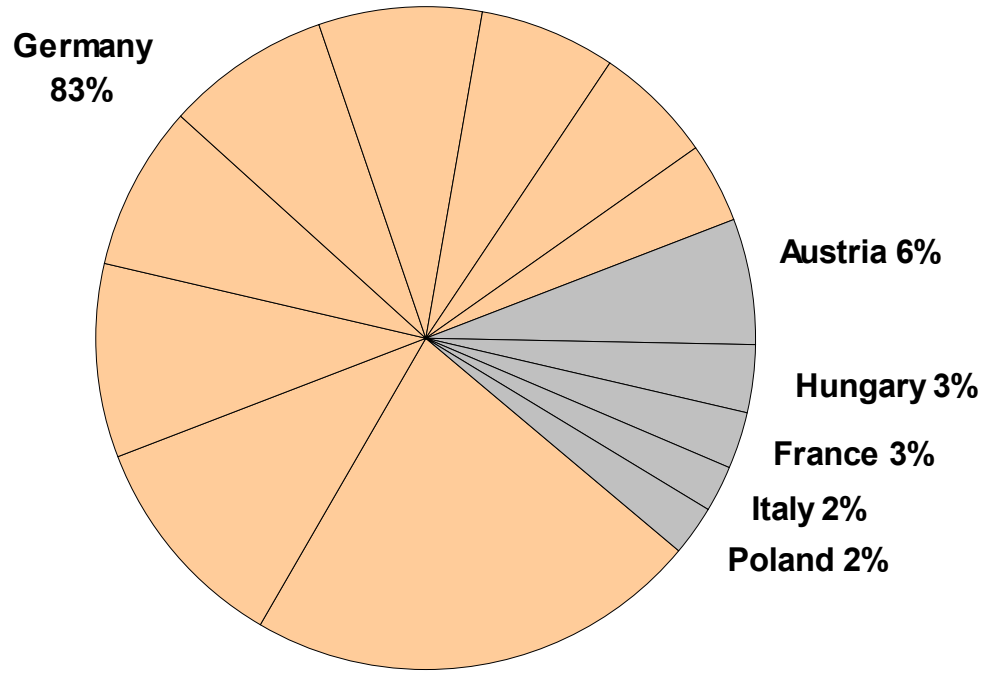


History

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

Investment Volume

The proportionate total investment volume amounts to € 1.2 billion



Germany 83%

Abroad 17%

Financial Calendar 2005

- 08.-09.09. EPRA Conference, Paris
- 23.09. Citigroup Jour Fixe, London
- 29.09. HVB German Investment Conference, Munich
- 12.10. Deutsche Börse Spotlights, Paris
- 26.10. Property Share Initiative, Frankfurt
- 10.11. Interim Report Q1-3 2005
- 14.-15.11. Roadshow Stockholm, Helsinki and Copenhagen
- 21.-23.11. German Equity Forum, Frankfurt

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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.