

DES

Deutsche EuroShop

10/09

feelestate.de

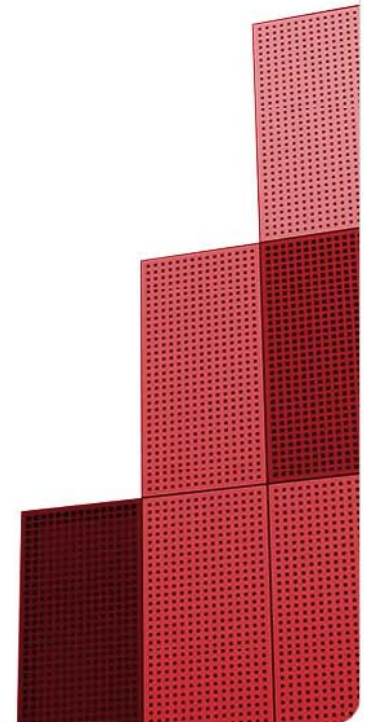
Company Presentation “The Third Place”

Real Estate Share Initiative
Frankfurt, 20 October 2009



- Deutsche EuroShop 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

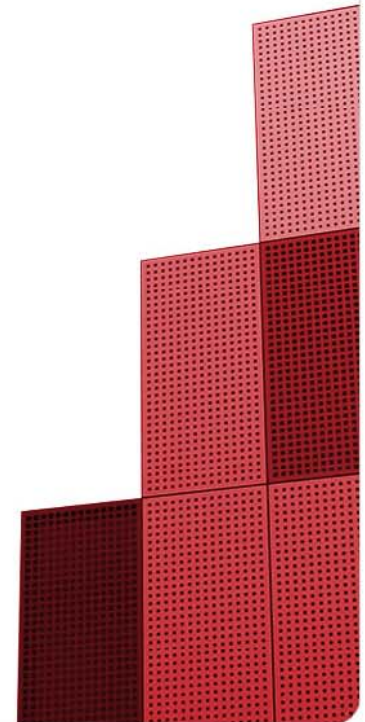


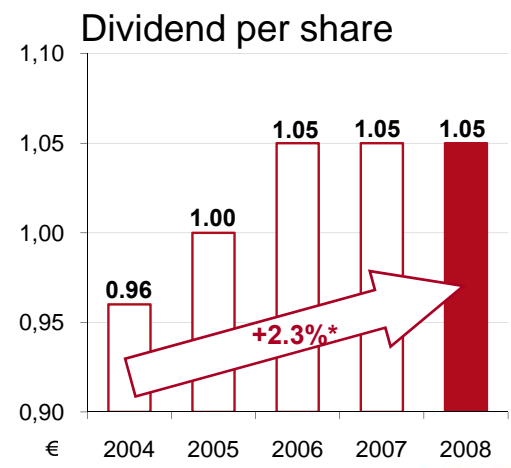
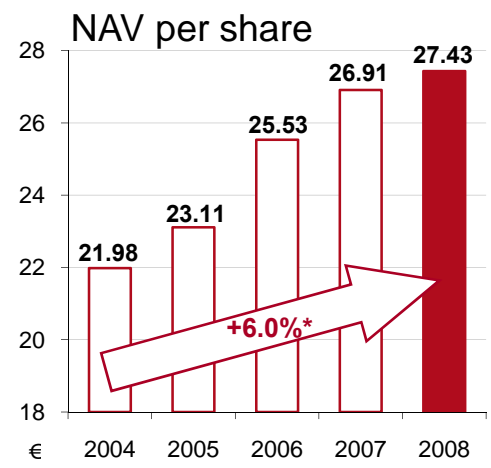
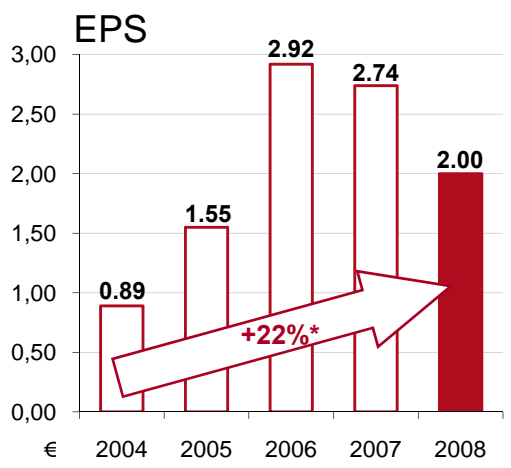
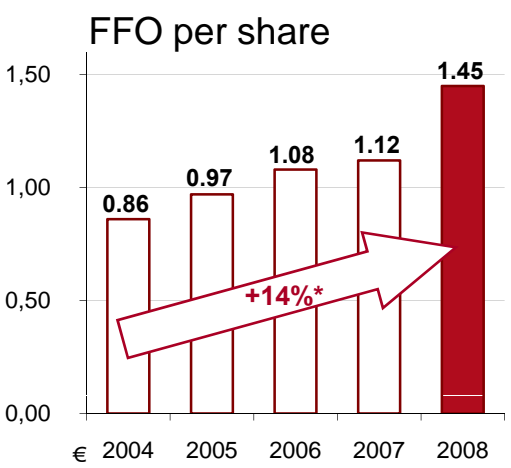
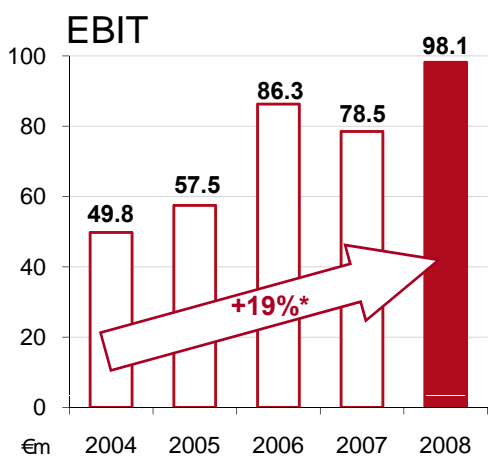
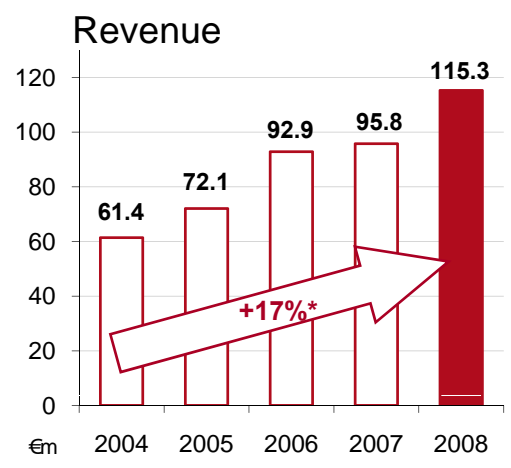
- 16 shopping centers on high street and in established locations – 12 in Germany, 2 in Poland and one each in Austria and Hungary

16 Centers

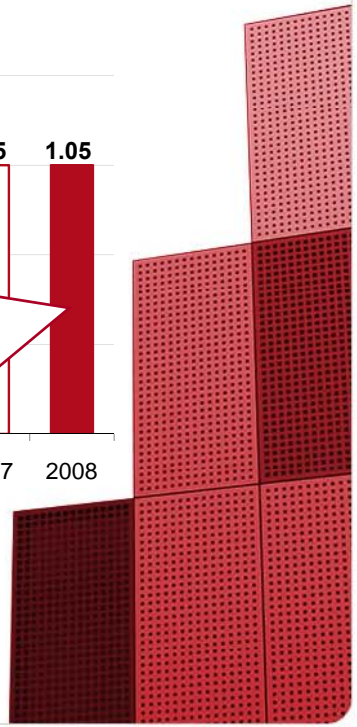
| | |
|------------------|----------------------|
| ▪ Lettable space | approx. 645,000 sqm |
| Retail shops | approx. 1,675 |
| Market value | approx. €2.6 billion |
| Rents per year | €167 million |
| Occupancy rate | > 99% |

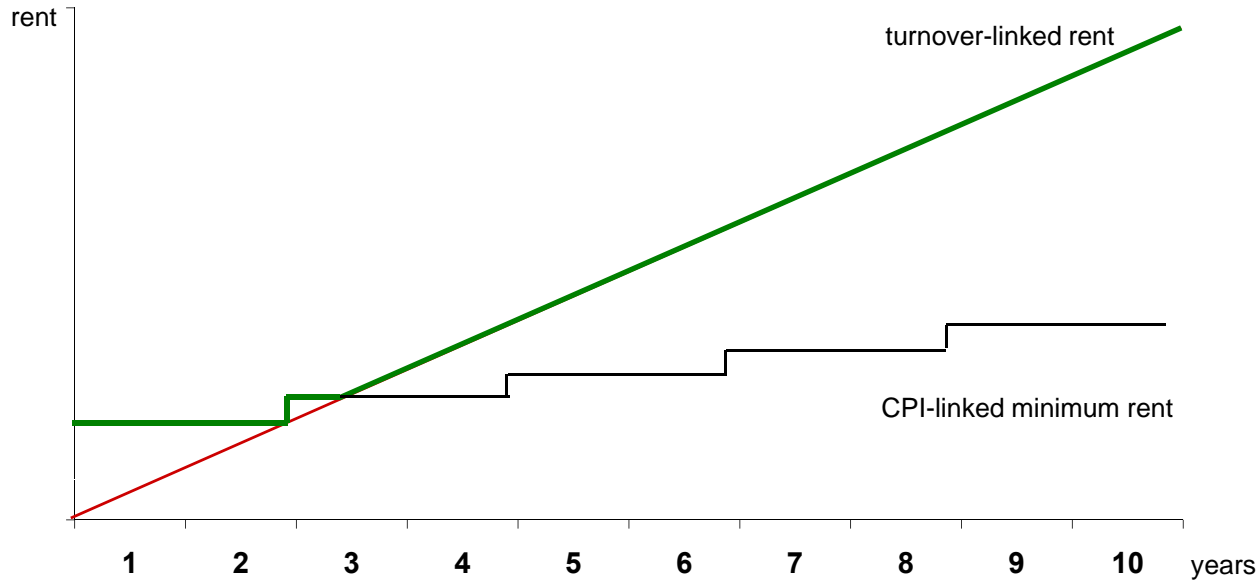
- Portfolio valuation: 5.64% net initial yield
FFO Yield 2008: approx. 7%
- Professional center management by ECE, the European market leader in this industry





*2004-2008, Compound Annual Growth Rate (CAGR)

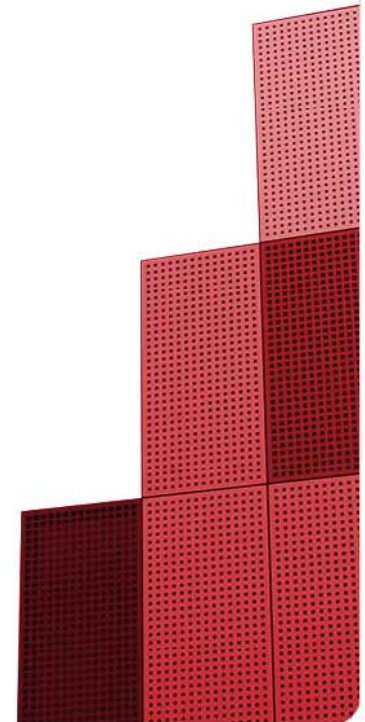




General form of lease contracts for DES-tenants

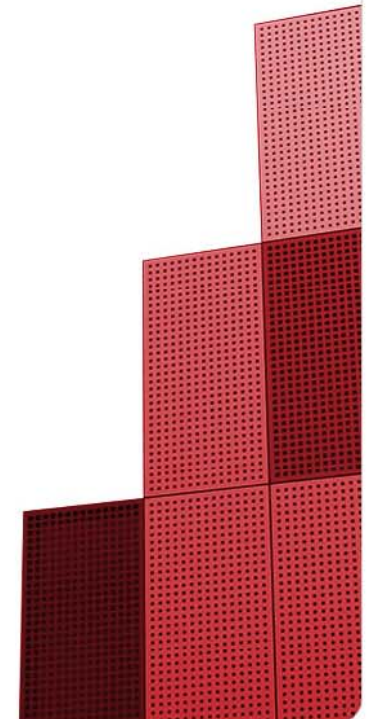
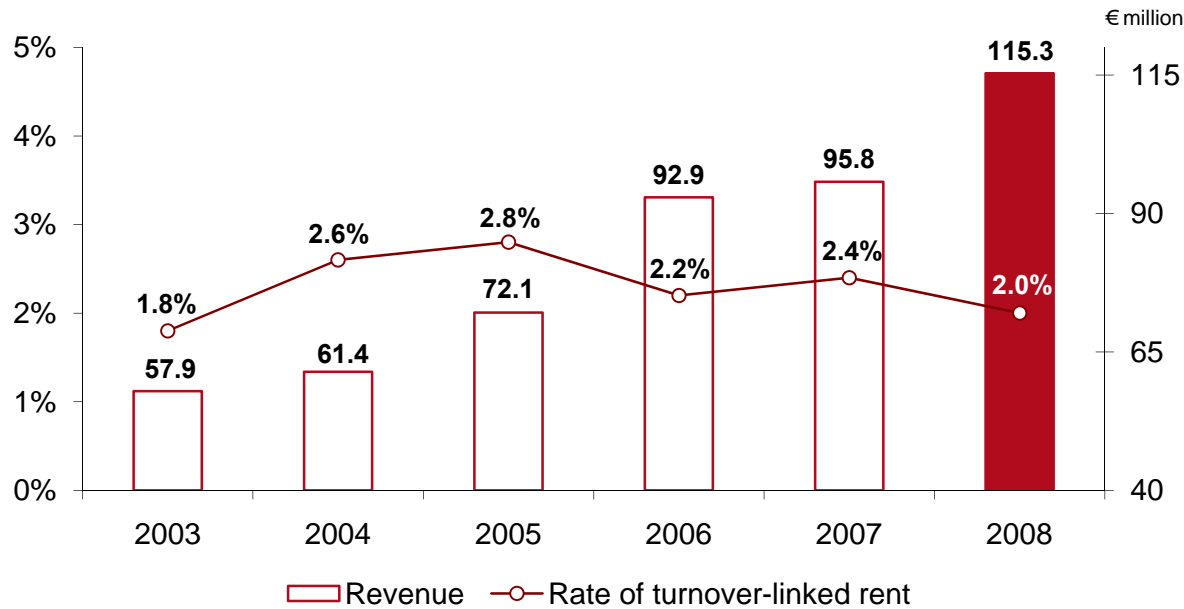
Participation in sales growth of retail industry

- Lease standards:
 - 10 years lease only
 - no break-up option
 - turnover-linked rents
 - minimum rents are CPI-linked



- avg. rent per sqm and year: €250
- avg. turnover per sqm and year: €4,700
- Rent-to-sales-ratio: 6.5-9.5%
- weighted maturity of rental contracts: >7 years

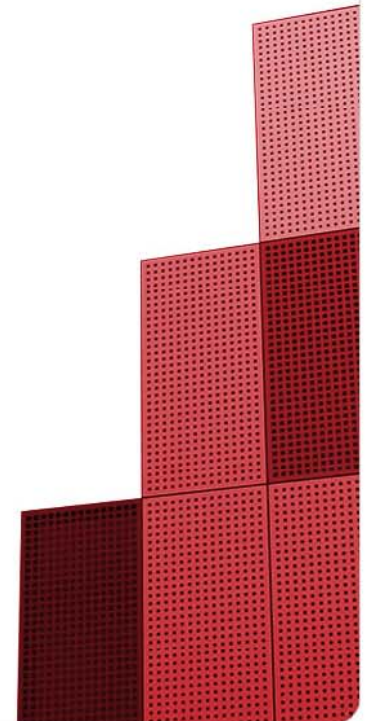
avg. German retail:
€3,330



- Long term net asset value enhancement
- “buy & hold”-strategy
- Stable and attractive dividends
Dividend yield: currently **4.4%**
- 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
 - by expending holdings

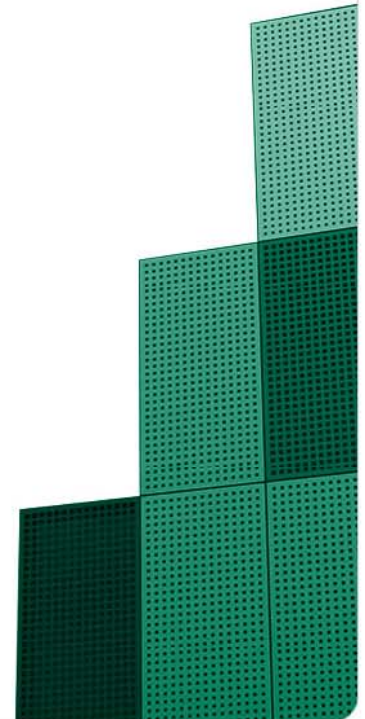
Main focus on
NAV and dividend

Continuous growth



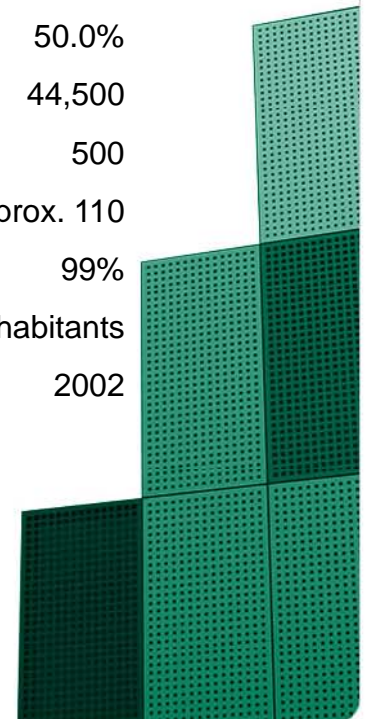


1. Frankfurt
2. Viernheim
3. Dresden
4. Hamburg
5. Hamm
6. Wetzlar
7. Dessau
8. Wolfsburg
9. Kassel
10. Wuppertal
11. Passau
12. Hameln
13. Gdansk
14. Klagenfurt
15. Pécs
16. Wroclaw



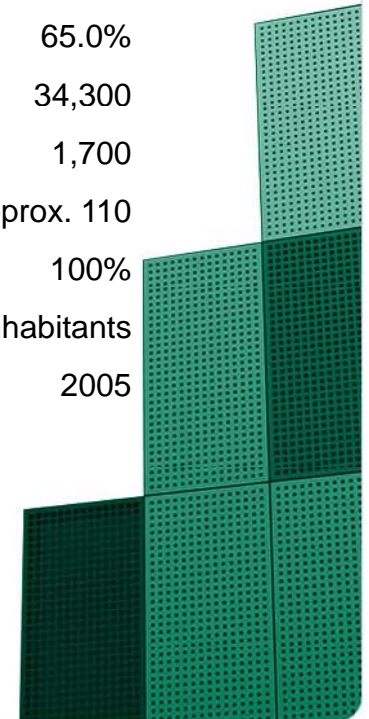


| | Main-Taunus-Zentrum | Rhein-Neckar-Zentrum | Altmarkt-Galerie |
|------------------------------|----------------------------|-----------------------------|----------------------------|
| Location | Frankfurt | Viernheim | Dresden |
| Investment | 43.1% | 99.9% | 50.0% |
| Lettable space sqm | 103,400 | 63,900 | 44,500 |
| Parking | 4,000 | 3,500 | 500 |
| Number of shops | approx. 100 | approx. 100 | 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 |



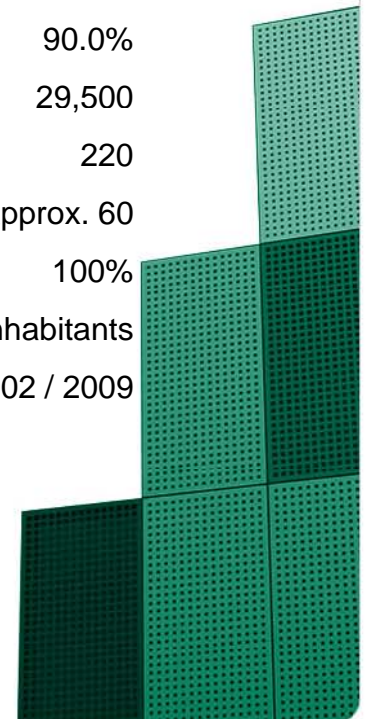


| | Phoenix-Center | Allee-Center | Forum |
|------------------------------|----------------------------|----------------------------|----------------------------|
| Location | Hamburg | Hamm | Wetzlar |
| Investment | 50.0% | 88.9% | 65.0% |
| Lettable space sqm | 39,200 | 35,100 | 34,300 |
| Parking | 1,600 | 1,300 | 1,700 |
| Number of shops | approx. 110 | approx. 85 | approx. 110 |
| Occupancy rate | 99% | 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 |



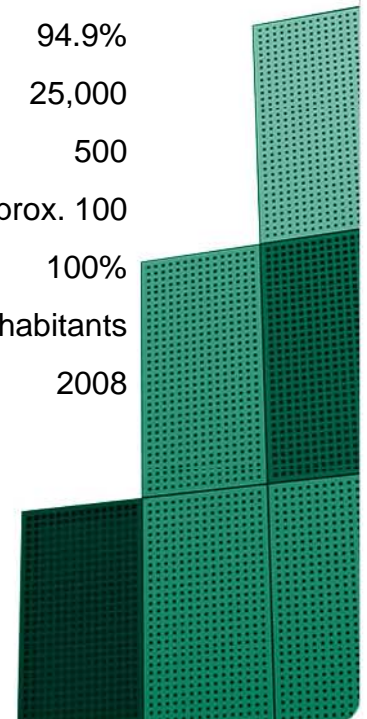


| | Rathaus-Center | City-Galerie | City-Point |
|------------------------------|----------------------------|----------------------------|----------------------------|
| Location | Dessau | Wolfsburg | Kassel |
| Investment | 94.9% | 89.0% | 90.0% |
| Lettable space sqm | 30,400 | 30,000 | 29,500 |
| Parking | 850 | 800 | 220 |
| Number of shops | approx. 80 | approx. 95 | approx. 60 |
| Occupancy rate | 98% | 100% | 100% |
| Catchment area | approx. 0.5 m. inhabitants | approx. 0.3 m. inhabitants | approx. 0.8 m. inhabitants |
| Opening / refurbishm. | 1995 | 2001 / 2006 | 2002 / 2009 |



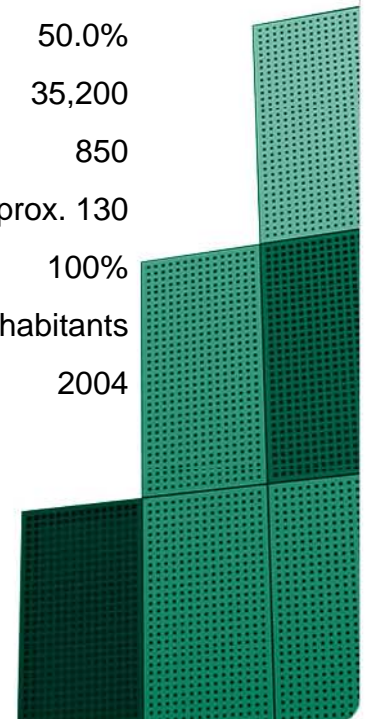


| | City-Arkaden | Stadtgalerie | Stadt-Galerie |
|------------------------------|----------------------------|----------------------------|----------------------------|
| Location | Wuppertal | Passau | Hameln |
| Investment | 72.0% | 75.0% | 94.9% |
| Lettable space sqm | 28,700 | 27,400 | 25,000 |
| Parking | 650 | 500 | 500 |
| Number of shops | approx. 85 | approx. 90 | approx. 100 |
| Occupancy rate | 100% | 100% | 100% |
| Catchment area | approx. 0.7 m. inhabitants | approx. 0.4 m. inhabitants | approx. 0.4 m. inhabitants |
| Opening / refurbishm. | 2001 / 2004 | 2008 | 2008 |





| | Galeria Bałtycka Gdansk, Poland | City Arkaden Klagenfurt, Austria | Árkád Pécs, Hungary |
|---------------------------|---|--|-------------------------------|
| Location | | | |
| Investment | 74.0% | 50.0% | 50.0% |
| Lettable space sqm | 48,600 | 36,700 | 35,200 |
| Parking | 1.050 | 880 | 850 |
| Number of shops | approx. 200 | approx. 120 | approx. 130 |
| Occupancy rate | 100% | 100% | 100% |
| Catchment area | approx. 1.1 m. inhabitants | approx. 0.4 m. inhabitants | approx. 0.5 m. inhabitants |
| Opening | 2007 | 2006 | 2004 |

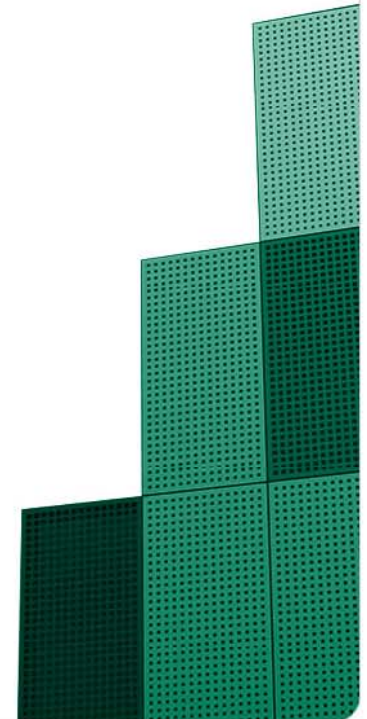




Galeria Dominikanska

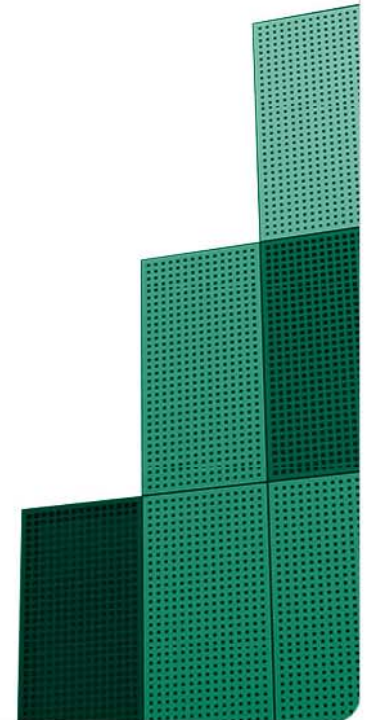
Wrocław, Poland

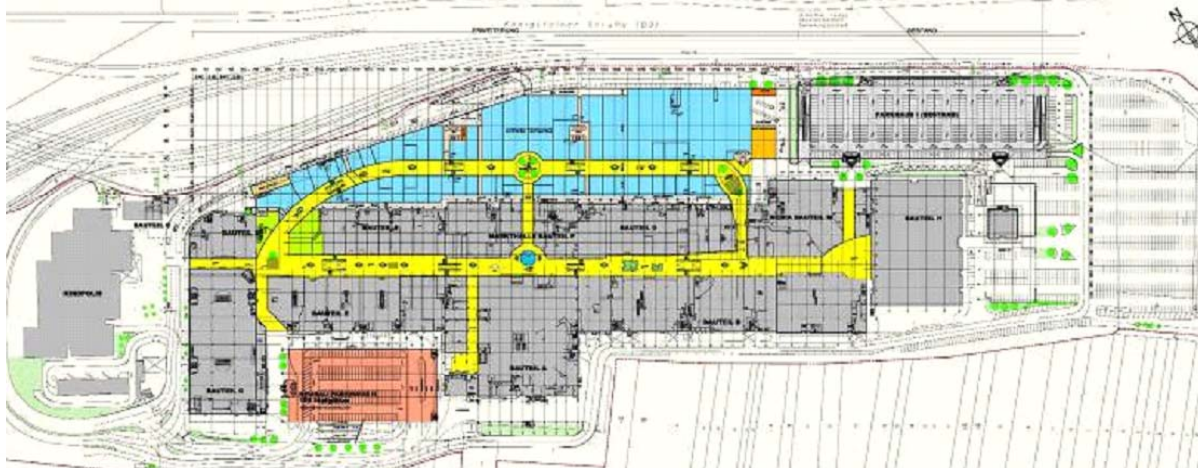
| | |
|---------------------------|----------------------------|
| Location | Wrocław, Poland |
| Investment | 33.3% |
| Lettable space sqm | 32,800 |
| Parking | 900 |
| Number of shops | approx. 100 |
| Occupancy rate | 100% |
| Catchment area | approx. 1.3 m. inhabitants |
| Opening | 2001 |





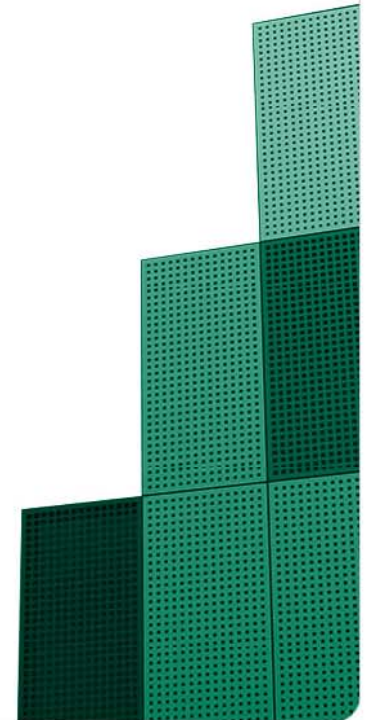
- The selling area is set to increase by approx. 12,000 m² (currently approx. 79,000 m²), allowing some 60 new shops to open.
- Approx. €72 million total investment volume (approx. €31 million for DES)





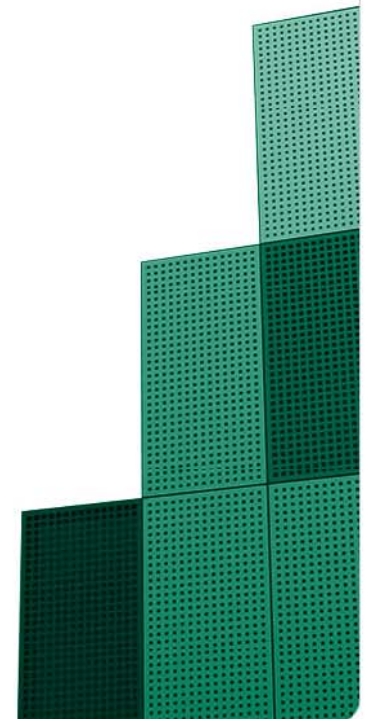


- The lettable area is set to increase by approx. 32,000 m² (currently approx. 44,500 m²), allowing some 90 new shops to open
- Expansion includes 3,000 m² office space and 5,000 m² for a hotel
- Approx. €155 million total investment volume (approx. €77.5 million for DES)



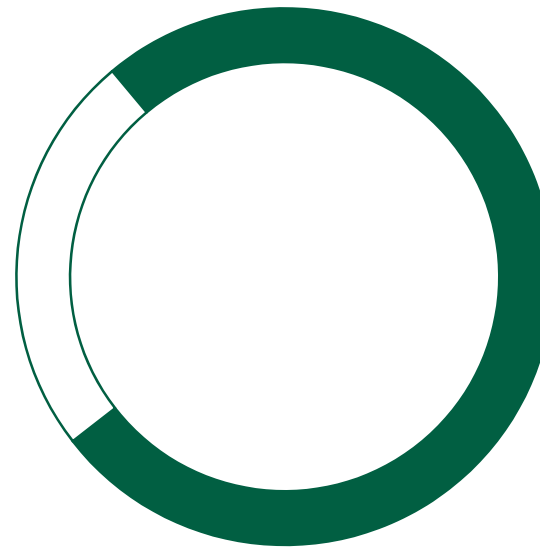


Well-known
tenants



- Metro-Group 5.1%
- Douglas-Group 4.6%
- Peek & Cloppenburg 2.7%
- H&M 2.2%
- Inditex 2.0%
- New Yorker 1.9%
- Deichmann 1.9%
- dm-Drogeriemarkt 1.4%
- REWE 1.3%
- Engelhorn & Sturm 1.3%

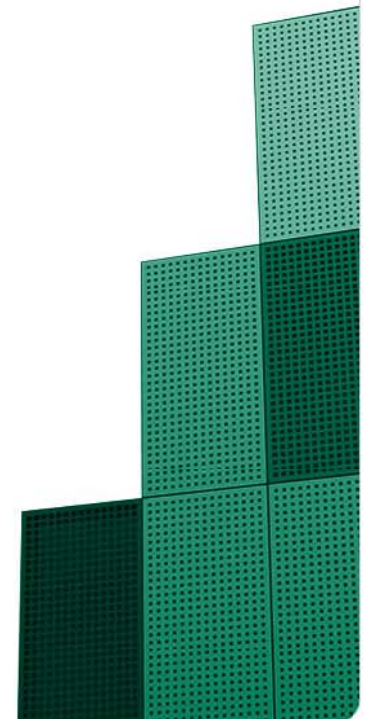
total 24.4%



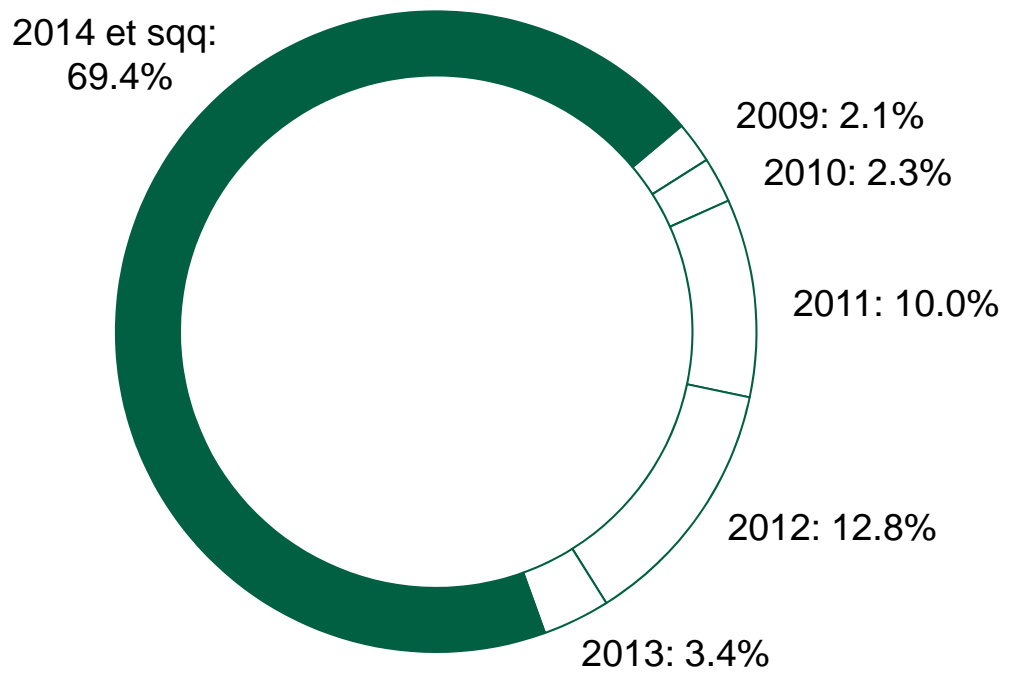
Other tenants

total 75.6%

Low level of dependence on the top 10 tenants

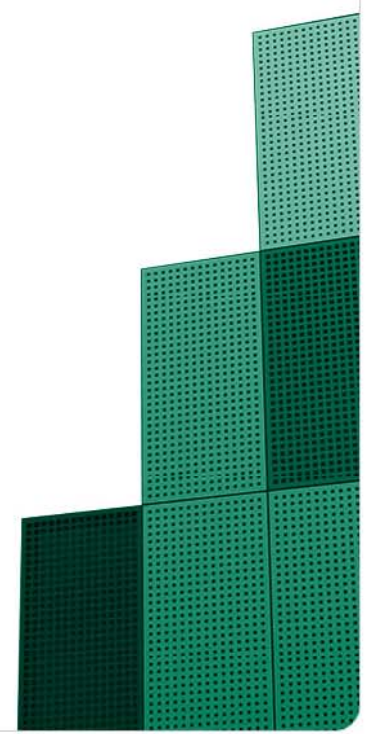


*in % of total rents as at 31 Dec 2008

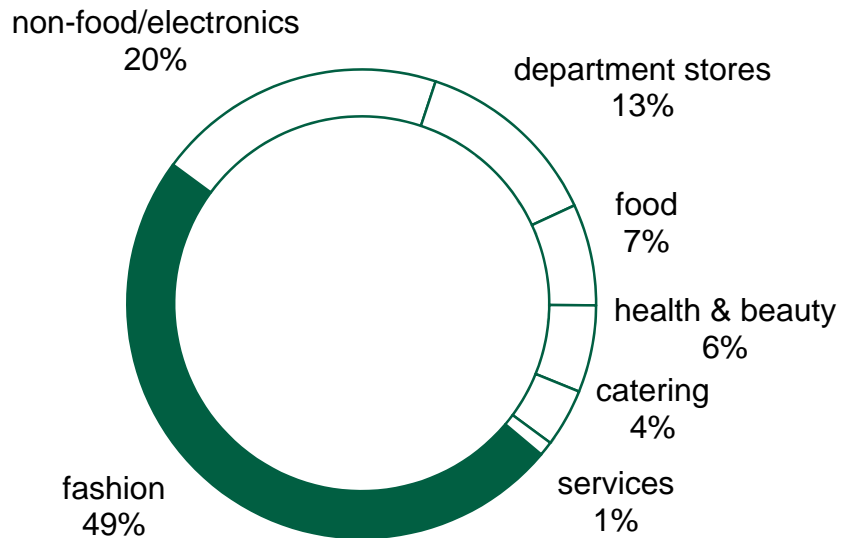


Long-term contracts
guarantee rental income

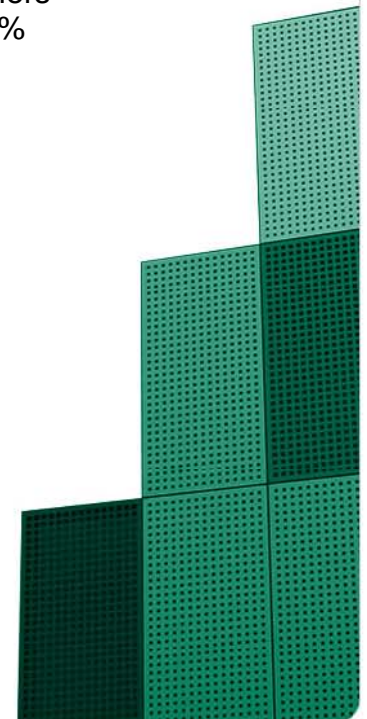
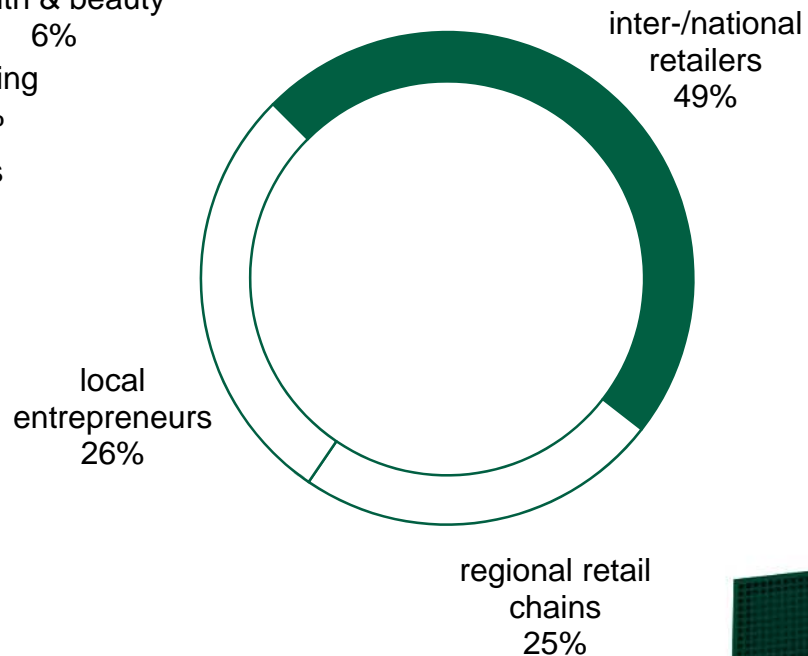
Weighted maturity
> 7 years



*as % of rental income as at 31 Dec 2008



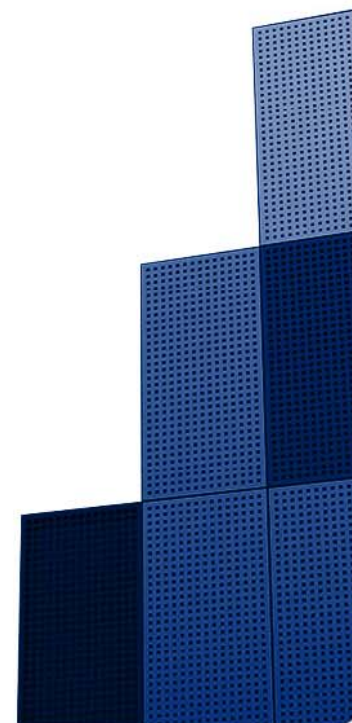
Balanced sector and retailer diversification



*in % of lettable space as at 31 Dec 2008

| € million | 01.01.- 30.06.2009 | 01.01.- 30.06.2008 | +/- |
|----------------------------|-----------------------|-----------------------|------------|
| Revenue | 63.0 | 55.2 | 14% |
| Net operating income | 55.5 | 48.5 | 14% |
| EBIT | 53.8 | 46.9 | 15% |
| Net finance costs | -27.7 | -22.8 | -21% |
| EBT | 36.9 | 26.3 | 40% |
| Consolidated profit | 30.5 | 21.6 | 41% |
| FFO per share (€) | 0.76 | 0.70 | 9% |
| Earnings per share (€) | 0.89 | 0.63 | 41% |

| € million | 30.06.2009 | 31.12.2008 | +/- |
|------------------------------|----------------|----------------|------------|
| Total equity | 1,009.9 | 977.8 | 3% |
| Interest bearing debt | 986.0 | 899.8 | 10% |
| Other debt | 47.3 | 47.0 | 1% |
| Total assets | 2,131.9 | 2,006.8 | 6% |
| Equity ratio | 47.4% | 48.7% | |
| LTV ratio | 48.6% | 46.1% | |

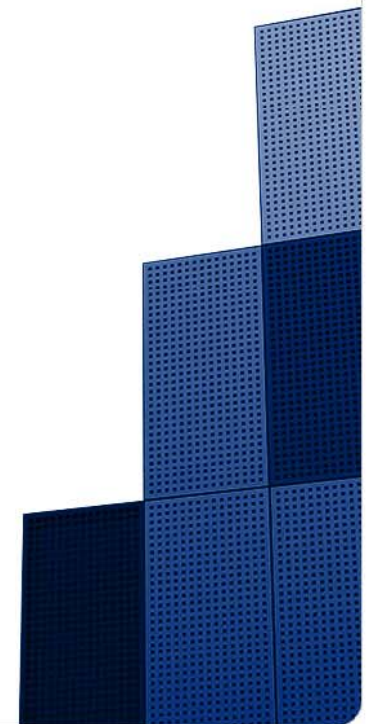


| Interest lockin | Duration | Principle amounts (€ thousand) | Share of total loan | avg. interest rate |
|-----------------|------------|-----------------------------------|------------------------|-----------------------|
| Up to 1 year | 1.0 | 59,485 | 6.6% | 5.93% |
| 1 to 5 years | 4.7 | 348,155 | 38.9% | 5.28% |
| 5 to 10 years | 7.2 | 367,405 | 41.1% | 5.38% |
| Over 10 years | 17.3 | 119,900 | 13.4% | 5.05% |
| Total | 7.0 | 894,945 | 100% | 5.33% |

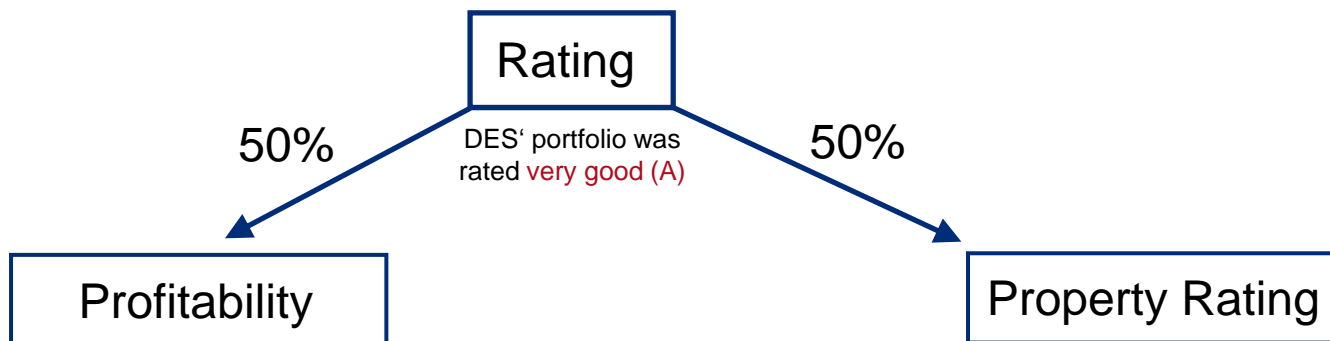
bank debt: €894 million

avg. interest rate
5.33%

Weighted maturity
7.0 years



* as of 31 December 2008



External appraisers:
Feri Research and
GfK GeoMarketing

discounted cash-flow method

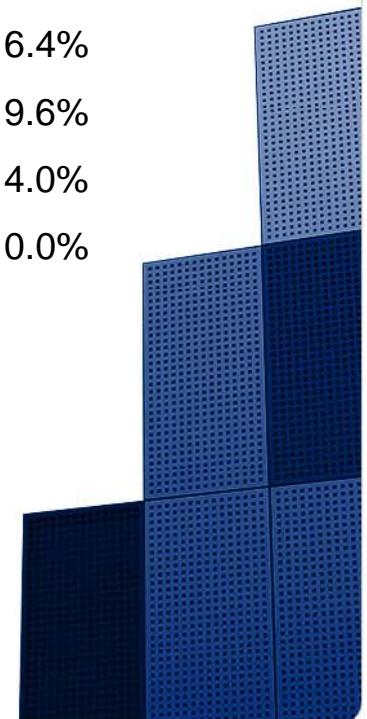
| | <u>2007</u> | <u>2008</u> | <u>actual</u> | | | |
|---|--------------|--------------|----------------------|---|-------------------------|-------|
| expected yield of 10-year German federal bonds | 4.78% | 4.58% | 3.14% ¹⁾ | ← | Macro-location | 20.0% |
| <u>average applied risk premiums</u> | <u>1.60%</u> | <u>2.10%</u> | | | Competitive environment | 6.4% |
| average discount rate | 6.38% | 6.68% | | | Micro-location | 9.6% |
| average inflation rate | 1.70% | 1.70% | +0.00% ²⁾ | | Property quality | 4.0% |
| average property operating and management costs ³⁾ | 13.50% | 13.10% | 12.40% ⁴⁾ | | Tenants risk | 10.0% |
| net initial yield | 5.49% | 5.64% | 5.85% ⁴⁾ | | | |

¹⁾ Status: 7 October 2009

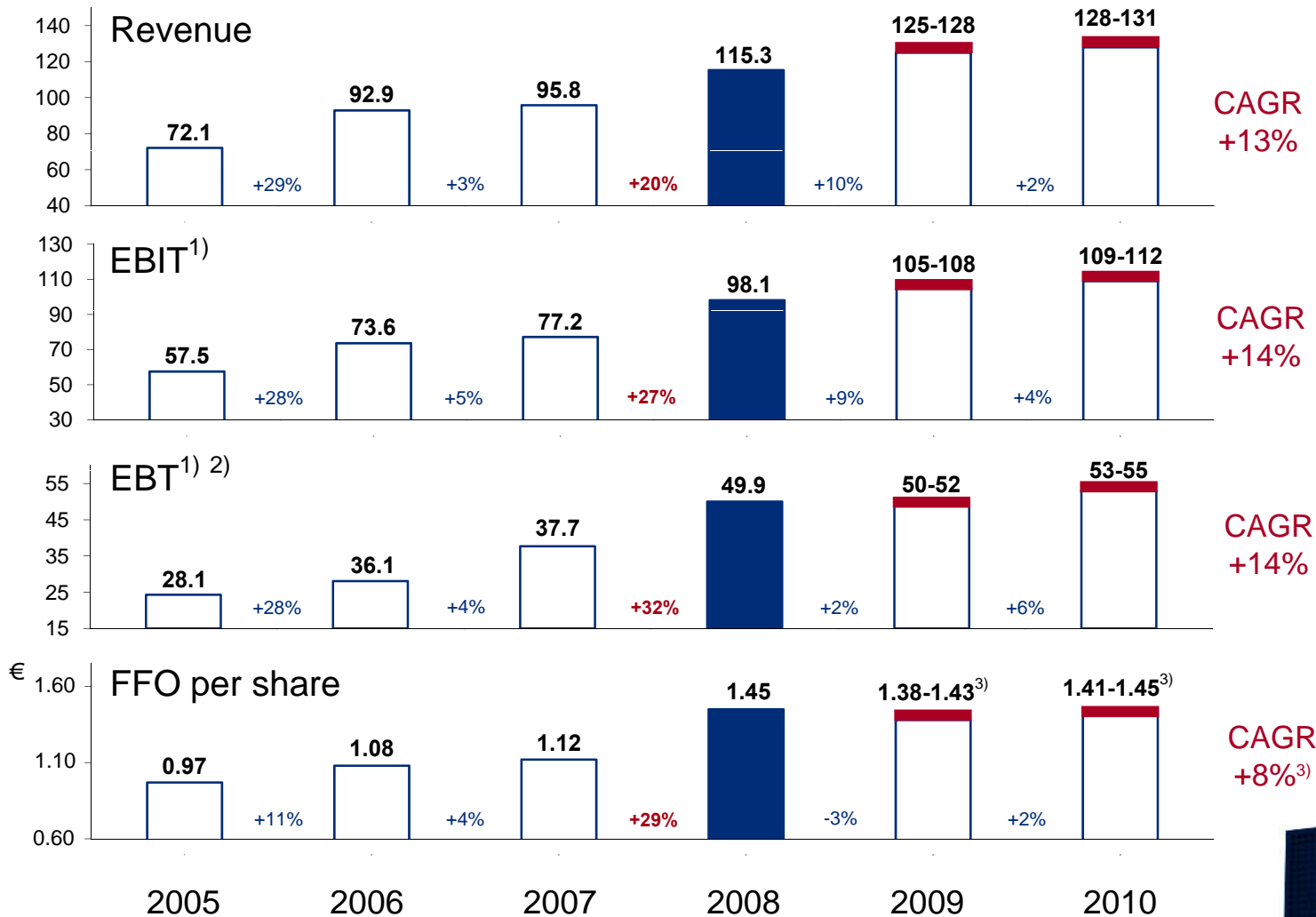
²⁾ German Federal Statistical Office, August 2009

³⁾ Investment properties

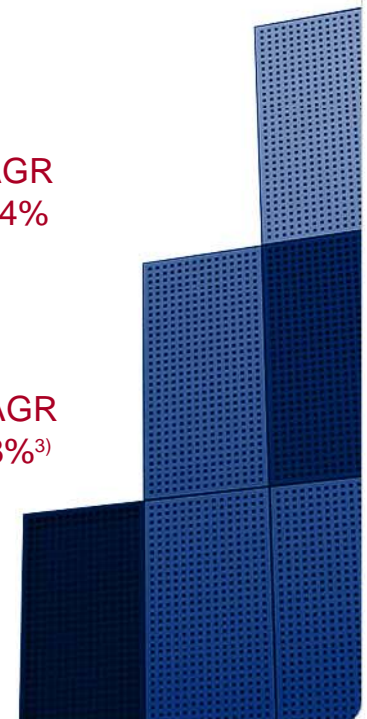
⁴⁾ Plan 2009

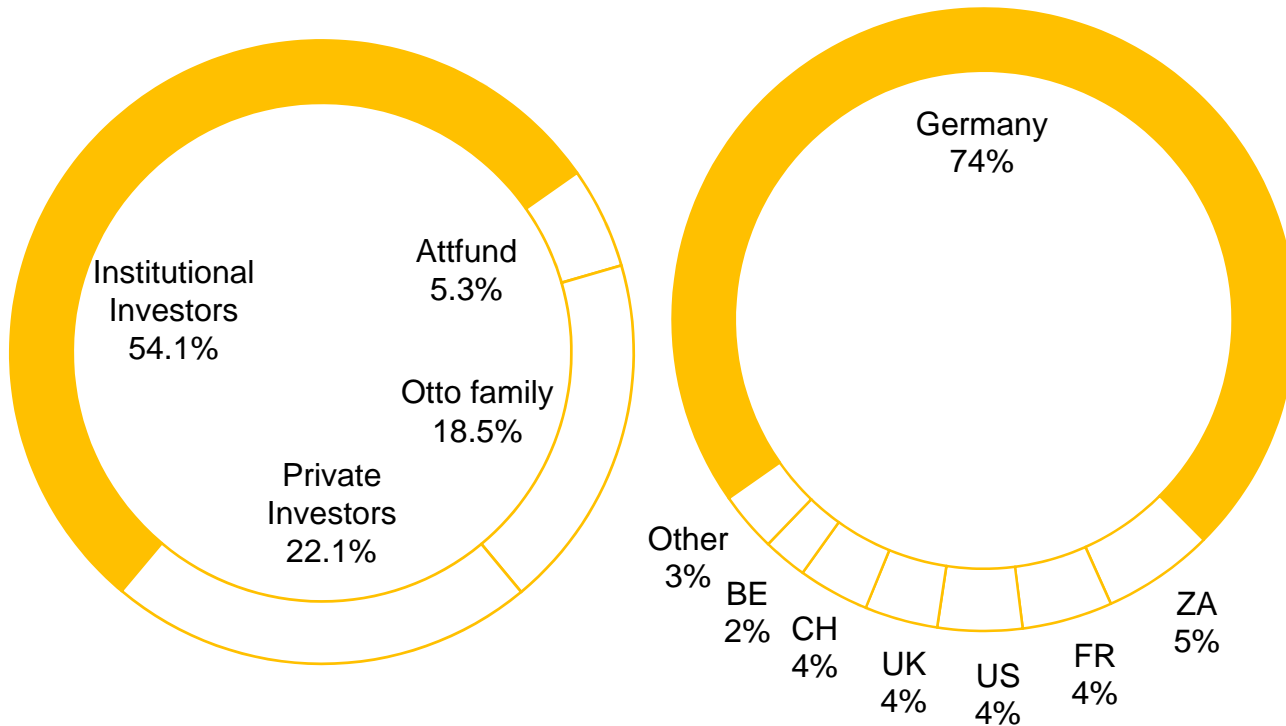


€ million



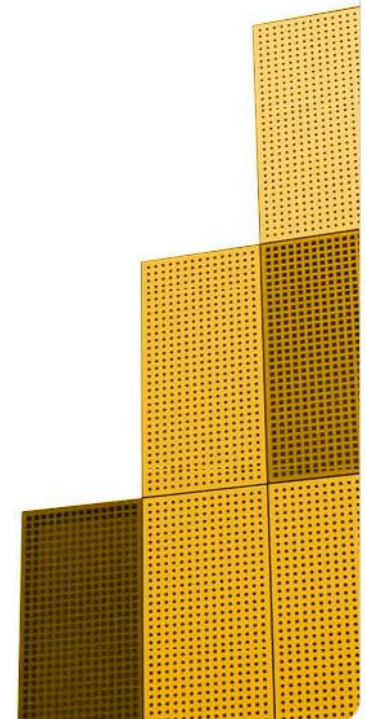
1) adjusted for one-time proceeds from disposals 2) excl. valuation result 3) incl. dilution



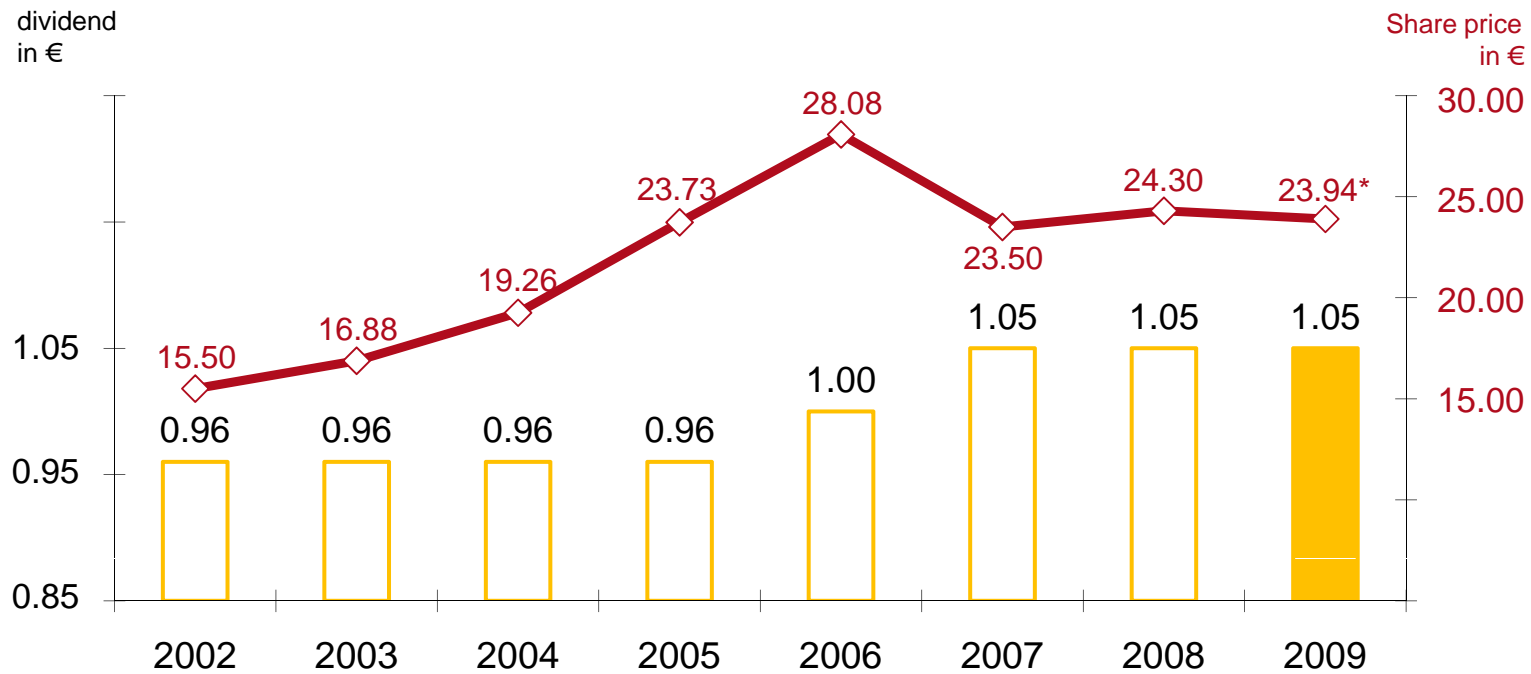


8,600 shareholders

Free float 81.5%



Status: 7 October 2009



Performance

DES:

5 years: +78.5% = +12.3% p.a.

3 years: +15.1% = +4.8% p.a.

1 year (2008):

+7.9%

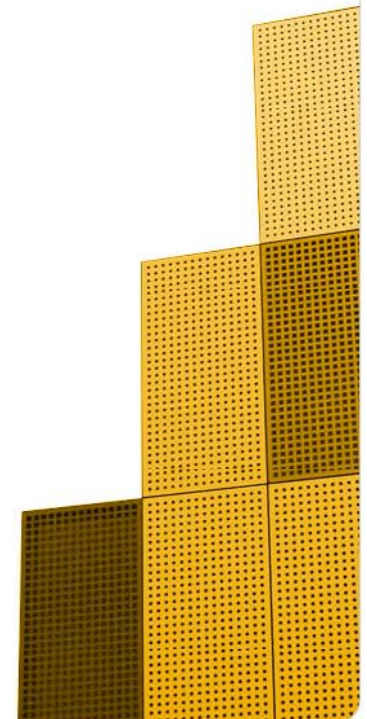
DAX:

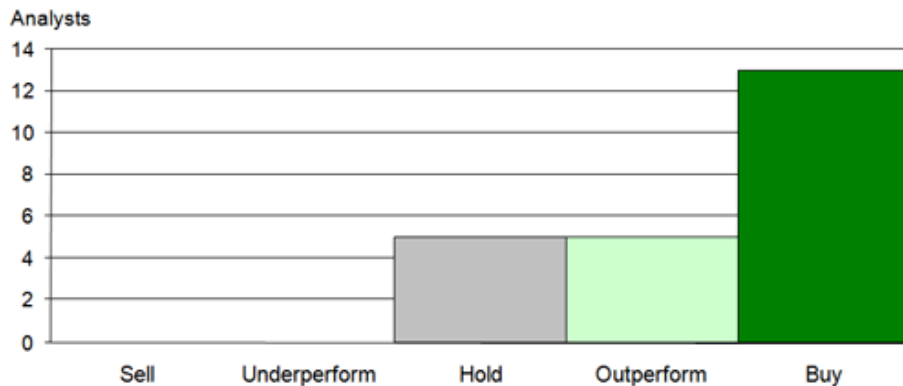
+3.9% p.a.

-3.8% p.a.

-40.4%

*Status: 7 October 2009

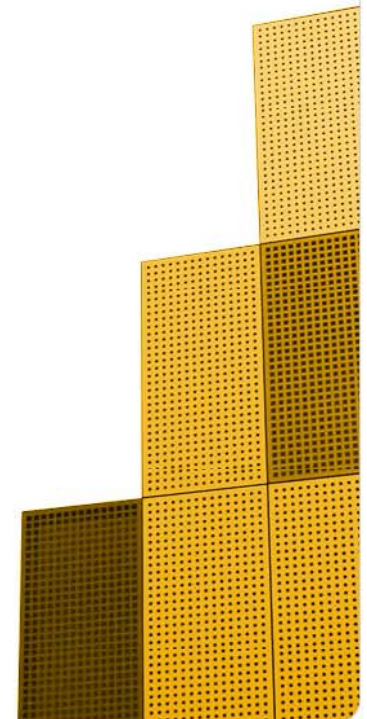




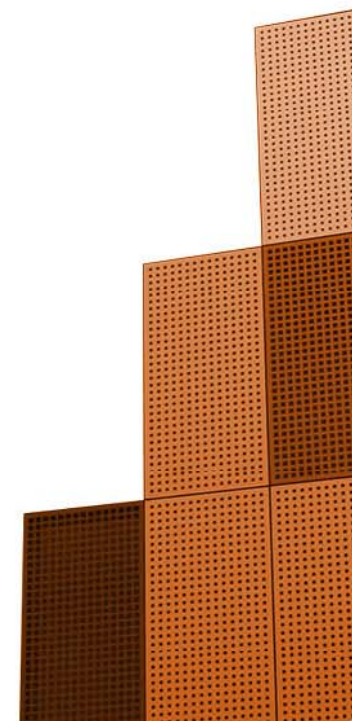
| avg. / in € | 2009 | 2010 |
|------------------|--------|--------|
| EBIT (€ million) | 105.94 | 108.82 |
| FFO per share | 1.47 | 1.51 |
| EPS | 0.23 | 1.37 |
| Dividend | 1.07 | 1.12 |
| Price target | | 24.81 |

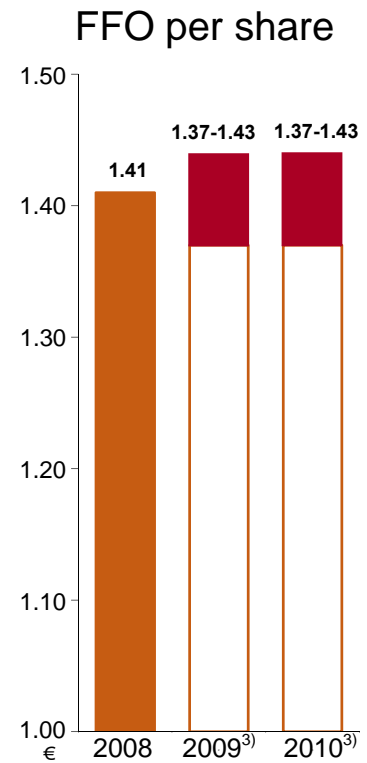
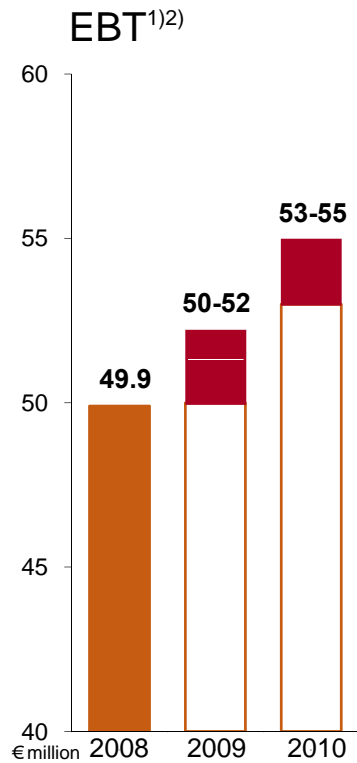
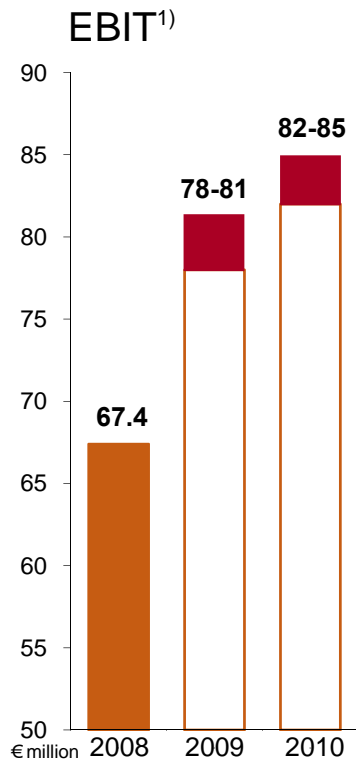
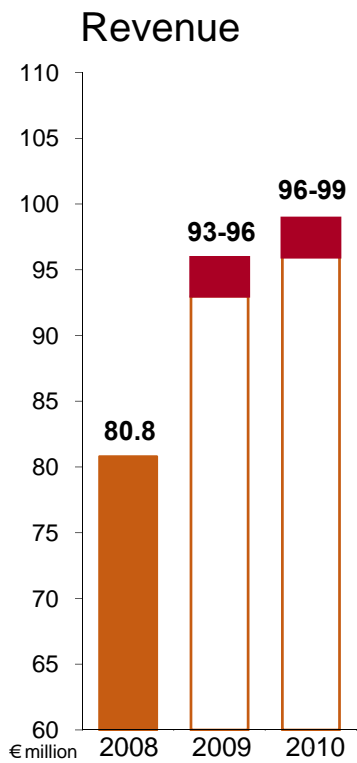


Status: 8 October 2009

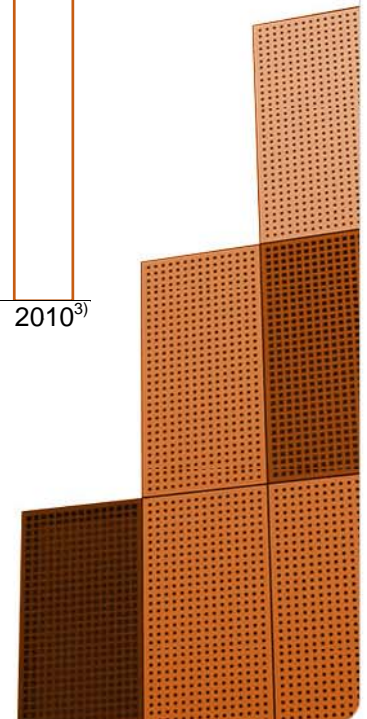


| | |
|--------------------------------------|--|
| Listed since | 02.01.2001 |
| Nominal capital | €37,812,496.00 |
| Outstanding shares | 37,812,496 |
| Class of shares | Registered shares |
| Dividend 2008 (01.07.2009) | €1.05 |
| 52W High | €26.48 |
| 52W Low | €17.26 |
| Share price (07.10.2009) | €23.94 |
| Market capitalisation | €905 million |
| avg. turnover per day last 12 months | 126,000 shares |
| Indices | MDAX, EPRA, GPR, MSCI Small Cap Prime Standard |
| Official market | Frankfurt and XETRA |
| OTC market | Berlin-Bremen, Dusseldorf, Hamburg, Hanover, Munich and Stuttgart |
| ISIN | DE 000 748 020 4 |
| Ticker | DEQ, Reuters: DEQGn.DE |
| Market makers | Close Brothers Seydler, WestLB |

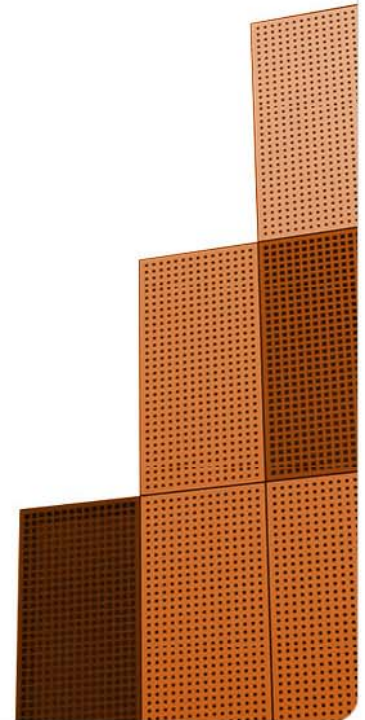




¹⁾ adjusted for one-time proceeds from disposals ²⁾ excl. valuation result ³⁾ incl. dilution



- 20.10. Real Estate Share Initiative, Frankfurt
- 12.11. Interim report Q1-3 2009
- 16.11. Roadshow Paris, Berenberg
- 16.11. Roadshow London, M.M. Warburg
- 17.11. Roadshow Zurich, Berenberg
- 17.11. Roadshow Amsterdam, Rabobank
- 19.11. WestLB Deutschland Conference, Frankfurt
- 01.12. Commerzbank Real Estate Conference, Frankfurt
- 01.-03.12. UBS Global Real Estate Conference, London



Deutsche EuroShop AG
Investor & Public Relations
Oderfelder Straße 23
20149 Hamburg

Tel. +49 (40) 41 35 79 - 20 / -22
Fax +49 (40) 41 35 79 - 29
E-Mail: ir@deutsche-euroshop.com
Web: www.deutsche-euroshop.com

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Claus-Matthias Böge
Chief Executive Officer



Olaf G. Borkers
Chief Financial Officer



Patrick Kiss
Head of Investor & Public Relations



Nicolas Lissner
Manager Investor & Public Relations

