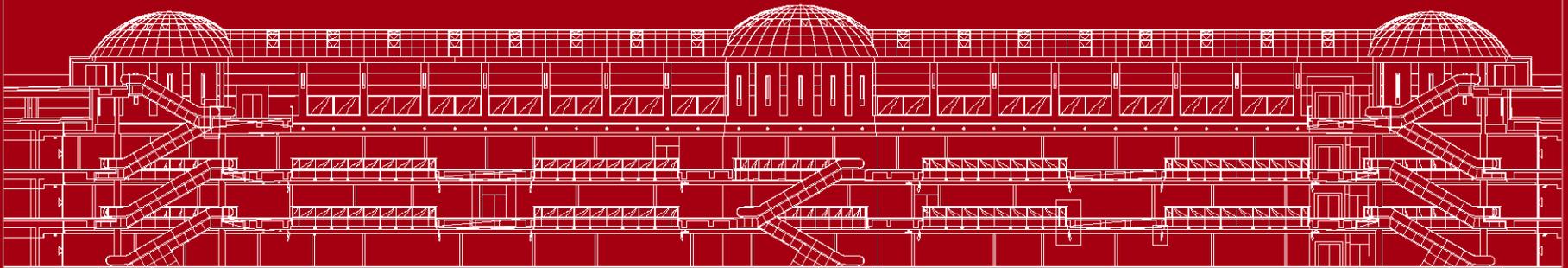
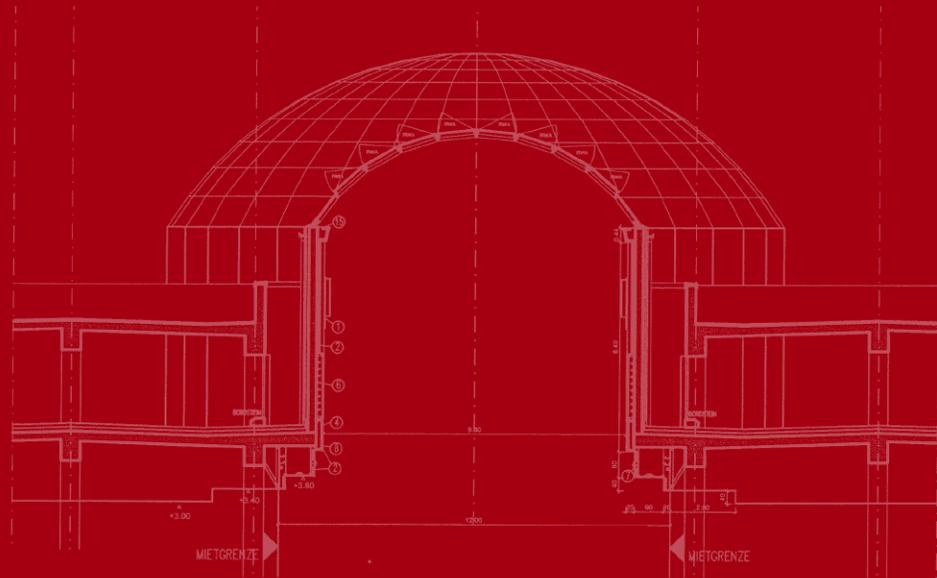




Building Business

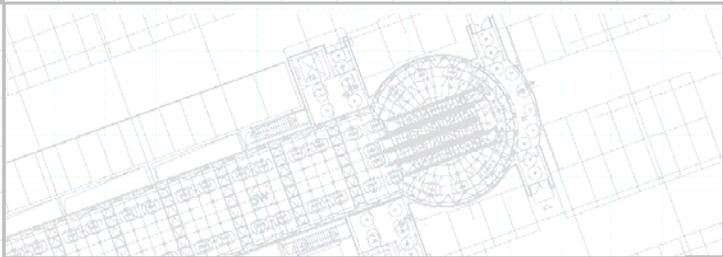


Company Presentation
IIA – Initiative Immobilien-Aktie

DES
Deutsche EuroShop AG

October 12, 2006

The Shopping Center Company



Company

Shopping Centers

Financials

Shopping Center Share

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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%

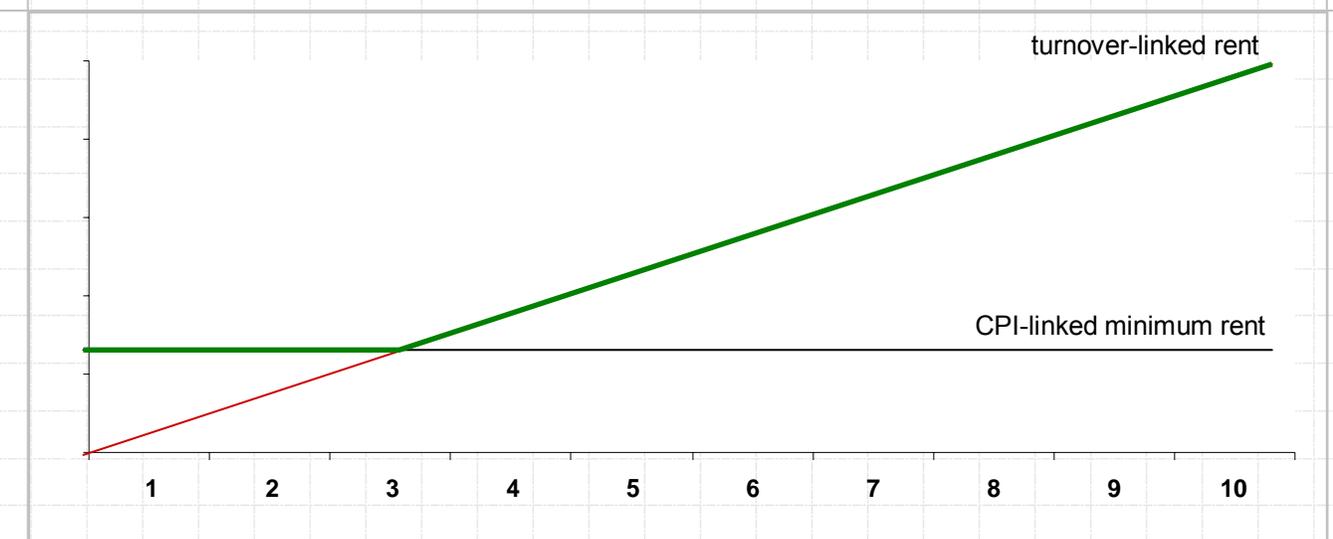
- Professional center management by external, long-term experienced companies like ECE, the European market leader in this industry

At a Glance



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, 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%

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 (€) ¹⁾	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

¹⁾ 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



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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

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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

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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

Germany

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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

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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

Europe

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Deutsche EuroShop AG

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%	approx. 90%
Catchment area	approx. 0.3 m. inhabitants	approx. 1.2 m. inhabitants
Opening	1998	Autumn 2007

Shopping Centers

Europe

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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

Shopping Centers
Total

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The Shopping Center Company

* incl. office space, without Hameln and Gdansk

Douglas



dm

GÖRTZ

Peek & Cloppenburgs
DÜSSELDORF



H&M



Sinn & Leffers

NORDSEE

TOMMY HILFIFIGER



Well-known tenants



Media Markt

CHRIST

INTERSPORT

GERRY WEBER

s.Oliver

KARSTADT



ESPRIT

REWE



Foot Locker

Thalia BÜCHER



ANSON'S

SportScheck



UNITED COLORS OF BENETTON.

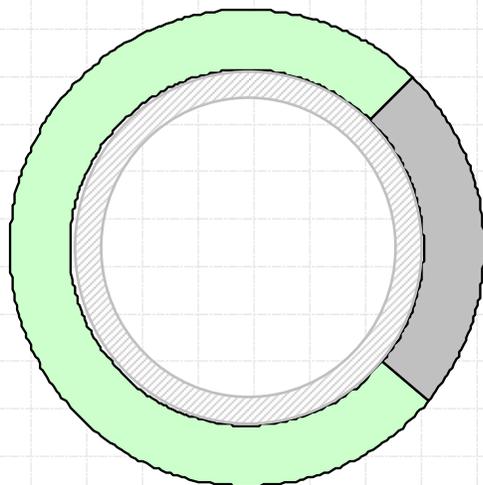
NEWYORKER

Fielmann

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

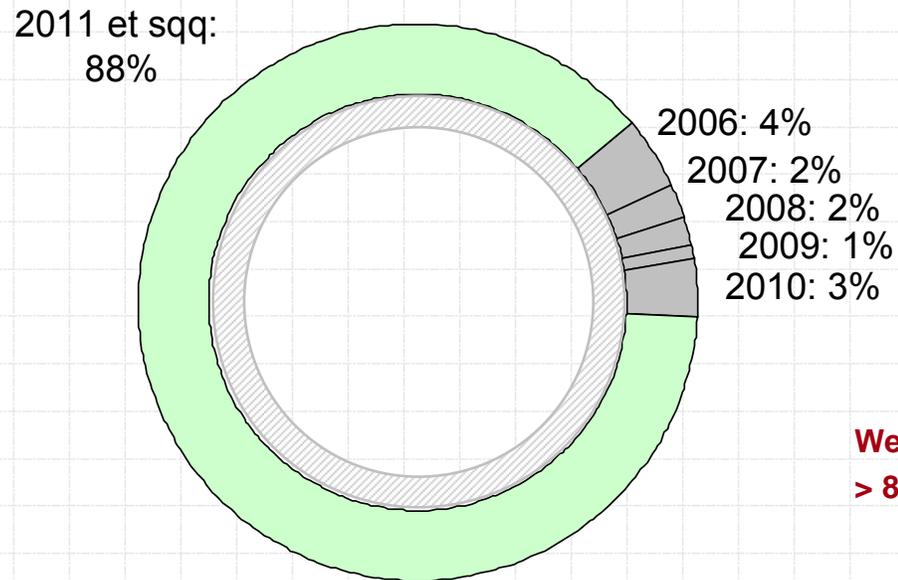
**Tenants Structure
Top 10 tenants***

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The Shopping Center Company

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

**Long-term contracts
guarantee rental income**



**Weighted maturity
> 8 years**

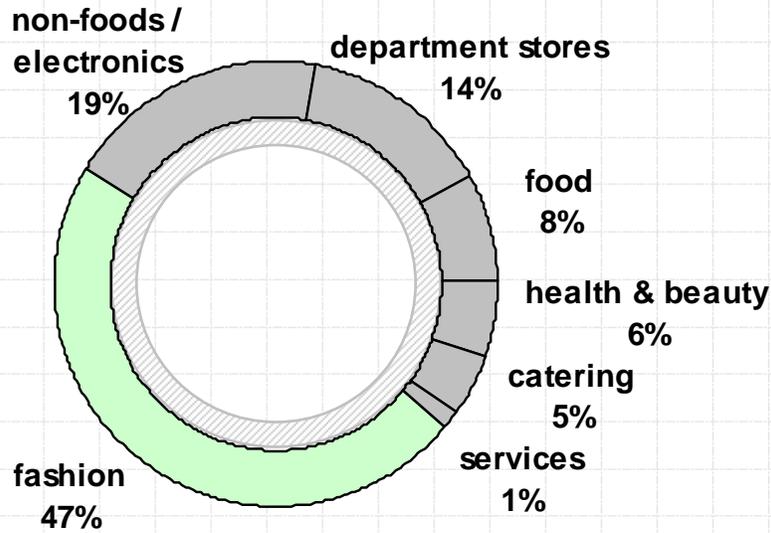
Maturity Distribution of Rental Contracts*

DES
Deutsche EuroShop AG

The Shopping Center Company

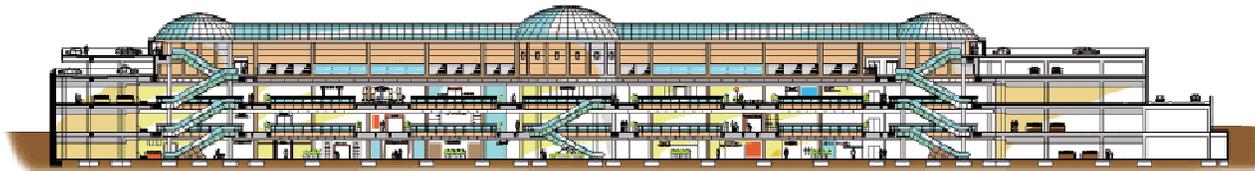
* as % of rental income – not including Hameln, Klagenfurt and Gdansk
as at December 31, 2005

Balanced sector and retailer diversification



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

Sector and Retailer Mix*



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€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 ratio (%)	48.7	51.0	
Gearing (%)	105	96	
Cash and cash equivalents	81.0	197.2	-59%

H1 2006

Key figures

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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

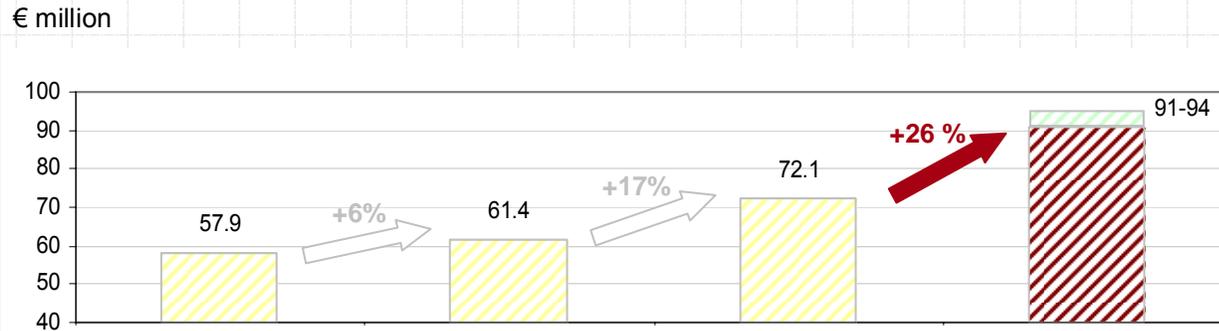
€ thousand	01 Jan.- 30 Jun. 2006	01 Jan.- 30 Jun. 2005	+/-
Revenue	45,876	35,179	30%
Other operating income	1,477	901	
Property operating and management costs	-6,506	-6,135	
Other operating expenses	-1,818	-1,708	
EBIT	39,030	28,237	38%
Net interest expense	-18,241	-15,507	
Income from investments	587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

Profit and Loss Account

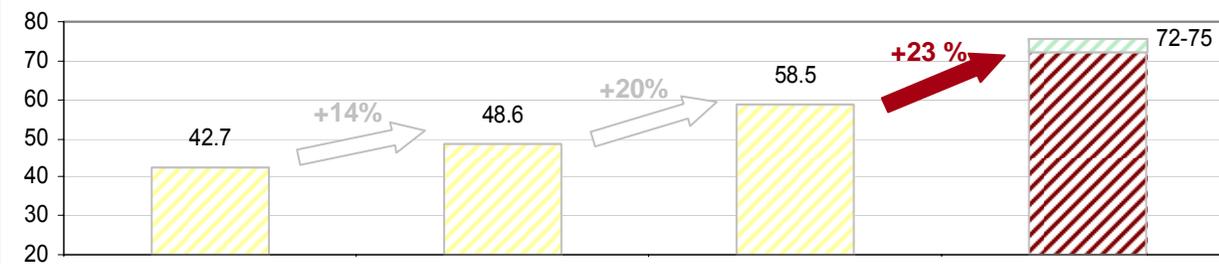
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The Shopping Center Company

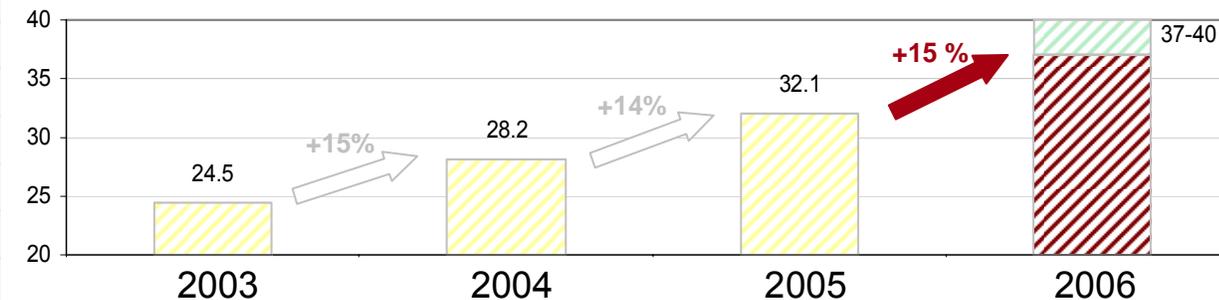
Revenue



EBIT



EBT ¹⁾



Forecast



2006

The Shopping Center Company

¹⁾ without valuation result



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The Shopping Center Company

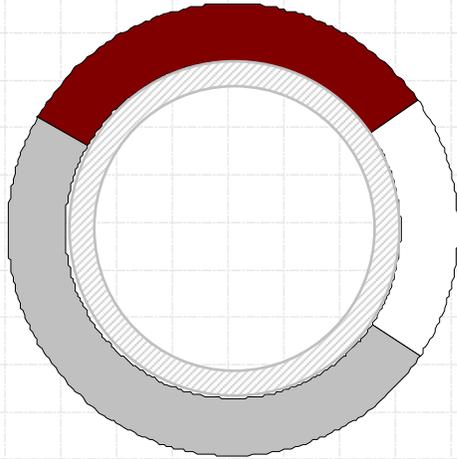
Listed since	02.01.2001
Nominal capital	€21,999,998.72
Outstanding shares	17,187,499 shares
Class of shares	Registered shares
Dividend 2005 (23.06.2006)	€2.00
52W High	€58.24
52W Low	€42.85
Share price (27.09.2006)	€54.44
Market capitalisation	€936 million
avrg. turnover per day 2006	50,000 shares
Indices	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: DEQn.DE
Market makers	Close Brothers Seydler, WestLB

Key data of the Share



The Shopping Center Company

Private investors 31%



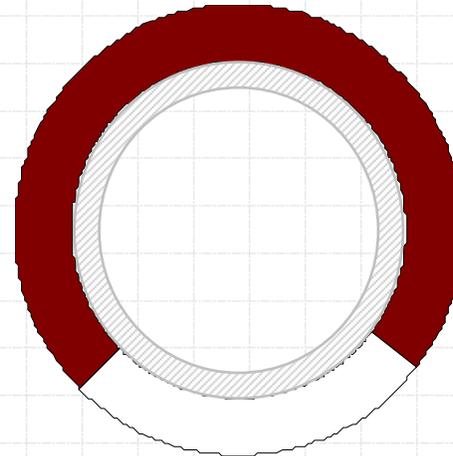
Otto family
19%

Institutional
investors 50%

7,350 shareholders

Free float 81%

Germany 73%



International
27%

Shareholder
Structure

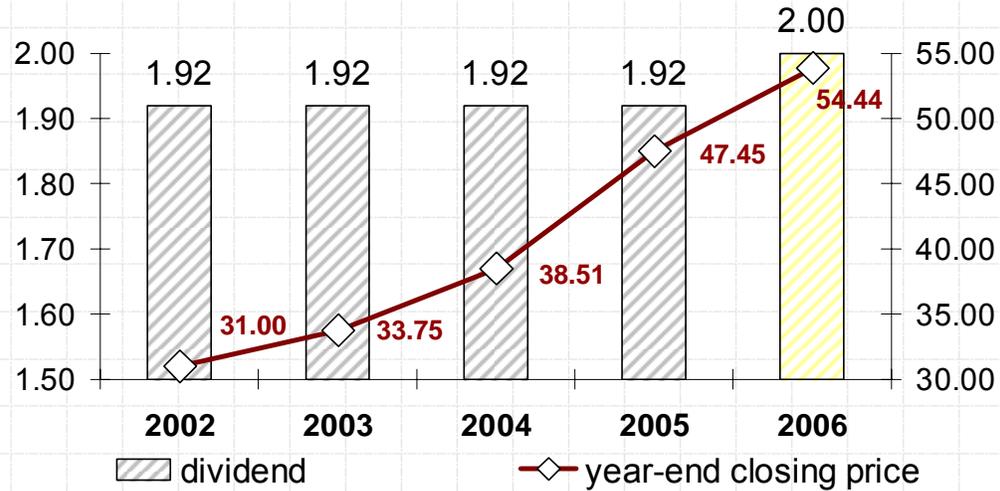
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The Shopping Center Company

Status: September 25, 2006

dividend
in €

shareprice
in €



5 years performance:

2002: 7.9%
2003: 15.1%
2004: 19.8%
2005: 28.2%
2006: 18.9%

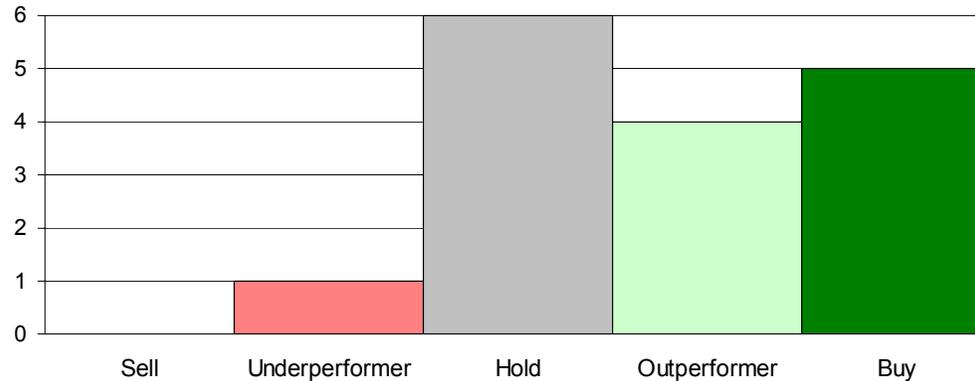
Ø 18% p.a.

Status: September 27, 2006

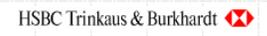
Performance

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The Shopping Center Company

Analysts



Ø / in €	2006	2007
EBIT (in € million)	74,66	78,60
EPS	2,83	2,62
Dividend	2,03	2,08
Price target		58,15

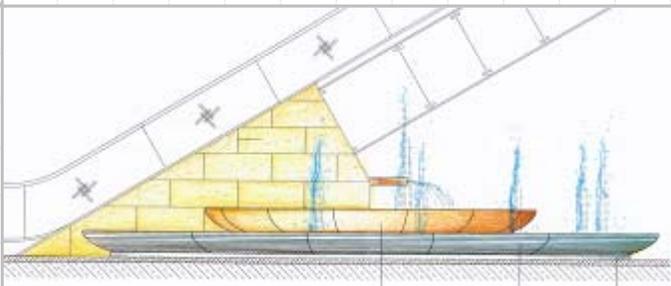


Analysts' Consensus



The Shopping Center Company

Status: September 29, 2006



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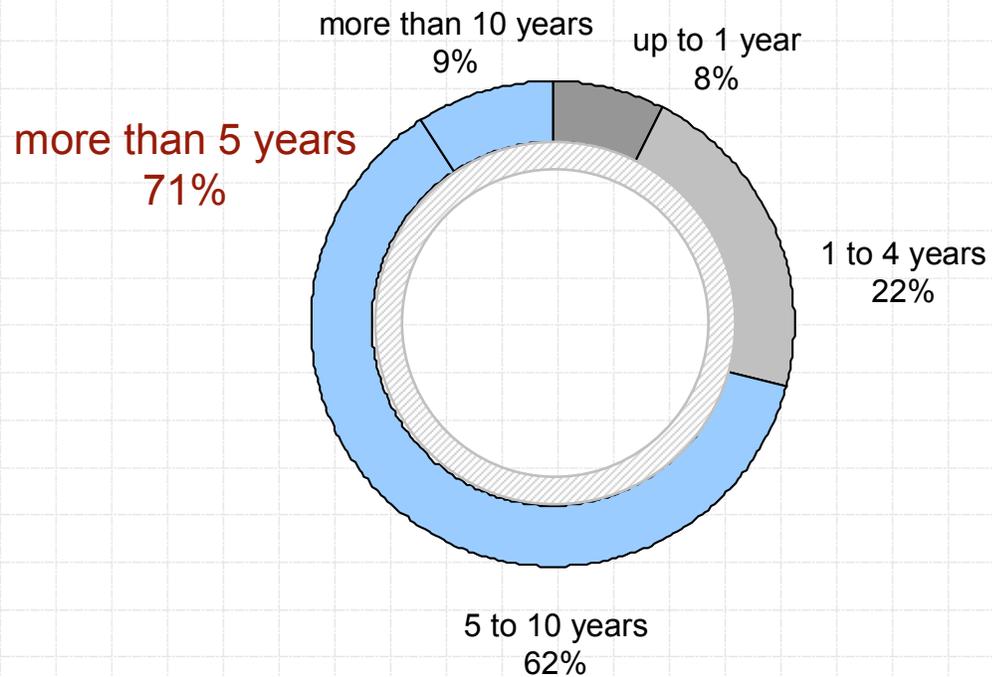
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**Ø effective interest rate
5.50%**

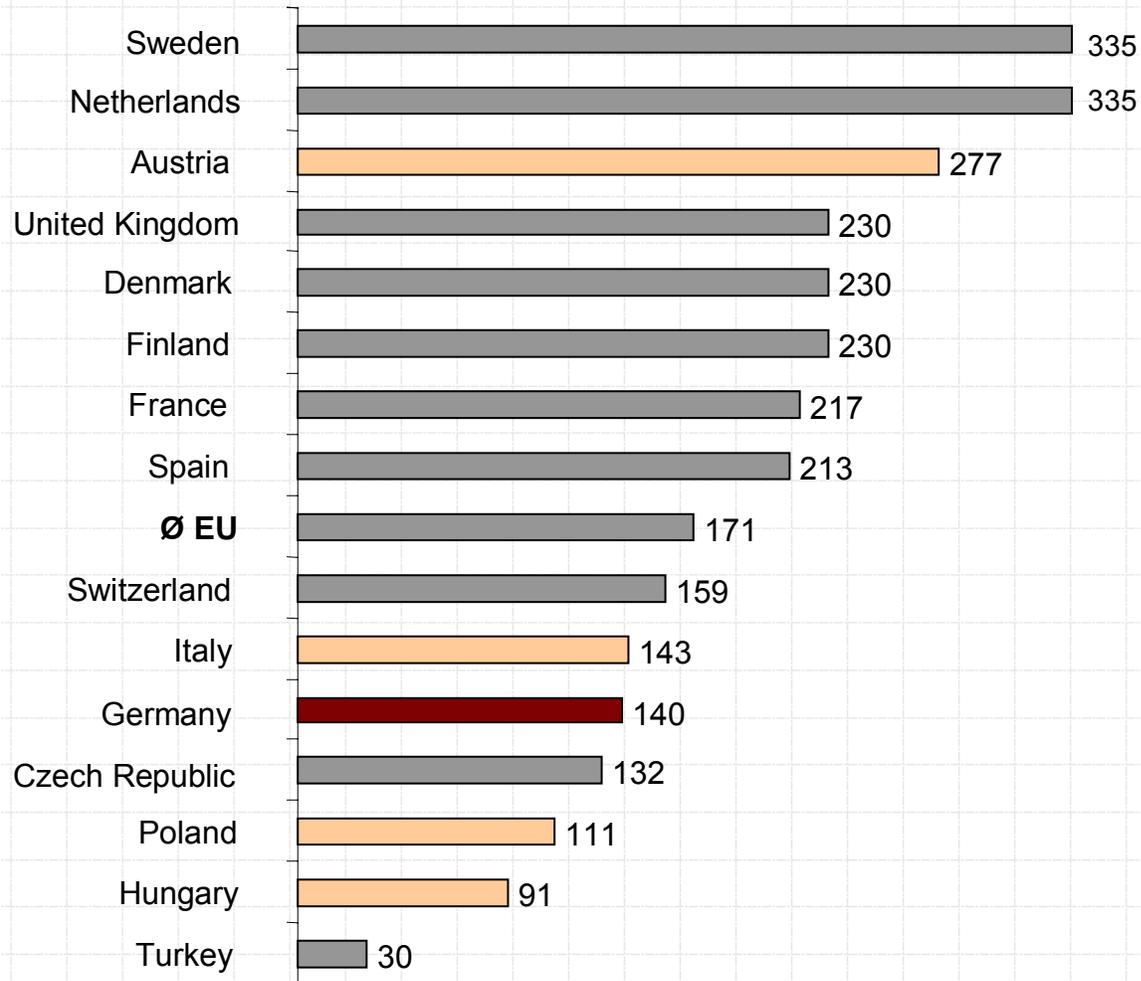


**Liabilities –
Maturities**

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The Shopping Center Company

Status: December 31, 2005



GLA per 1,000 population

Shopping Centers
in Europe

DES
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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 for Space

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The Shopping Center Company

12.10.06	Property Share Initiative Conference, Frankfurt
23.10.06	EXPO REAL 2006, Munich
26.10.06	Société Générale Pan-European Real Estate Conf., London
14.11.06	Interim report Q1-3 2006
15.11.06	WestLB Deutschland Conference, Frankfurt
16.11.06	Roadshow Amsterdam, Berenberg
17.11.06	Roadshow Geneva, Berenberg
21.11.06	Roadshow Milan, HVB
27.11.06	German Equity Forum, Frankfurt
29.11.06	UBS European Mid Cap Real Estate Conference, London
05.12.06	ESN European Small & Mid Cap Conference, London
16.01.07	Cheuvreux German Corporate Conference, Frankfurt
20.04.07	Annual earnings press conference, Hamburg
15.05.07	Interim report Q1 2007
21.06.07	Annual General Meeting, Hamburg
14.08.07	Interim report H1 2007
14.11.07	Interim report Q1-3 2007

Financial Calendar

2006-2007

DES
Deutsche EuroShop AG

The Shopping Center Company

Deutsche EuroShop AG

Patrick Kiss

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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

