



Letter from the Executive Board

DEAR SHAREHOLDERS, DEAR READERS,

Our business model has demonstrated continued stability. Low outstanding rents and continued low write-downs of rent receivables also reinforce our confidence that we have a well-diversified and resilient mix of some 2,350 rental partners. This is also borne out by our retail occupancy rate of close to 100%.

In view of this, we were able to generate revenue of €149.7 million in the first nine months of the year. This represents an increase of 8% over the same period the previous year (€138.2 million). Net operating income (NOI) improved by 9% to €136.0 million, thanks to a further reduction in the cost ratio, while EBIT climbed 10% to €132.3 million. These increases can largely be attributed to the Altmarkt-Galerie Dresden, which has been fully consolidated since 1 May 2013. However, the operational business is also running smoothly, with like-for-like rental income rising by 2.2%.

Consolidated profit needs to be adjusted for the sale of our stake in the Galeria Dominikanska in Wroclaw, Poland, in the third quarter of last year, on which basis it is up 14%. The consolidated profit after nine months of €69.5 million corresponds to €1.29 per share. EPRA earnings per share also rose 14%, from €1.19 per share to €1.36. Funds from operations (FFO) improved by 10% from €1.48 to €1.64 per share.

The plans for the expansion of the Phoenix-Center in Hamburg were revised following publication of our Interim Report in August. In conjunction with our two investment partners, we decided to create a food court as part of the expansion, which will push the costs up to around €30.5 million; without the food court we had budgeted on around €25 million. The higher costs will not translate into significant additional rental income, but the long-term safeguarding of the shopping center's attractiveness through the addition of a modern food court was more important to us in this case than the return. Building has advanced and should be completed by spring 2016.

Our full-year forecasts are unchanged overall. Based on our business performance to date, our shareholders can assume a dividend of €1.30 per share for financial year 2014, 5 cents higher than the previous year.

Hamburg, November 2014

Claus-Matthias Böge

Olaf Borkers

KEY GROUP DATA

IN € MILLION	01.01.– 30.09.2014	01.01.– 30.09.2013	+/-
Revenue	149.7	138.2	8 %
EBIT	132.3	120.5	10 %
Net finance costs	-41.7	-25.1	-66 %
Measurement gains/losses	-4.4	-7.4	-40 %
EBT	86.2	88.1	-2 %
Consolidated profit	69.5	73.2	-5 %
FFO per share (€)	1.64	1.48	10 %
Earnings per share (€, undiluted)	1.29	1.36	-5 %
	30.09.2014	31.12.2013	+/-
Equity*	1,634.6	1,642.4	0 %
Liabilities	1,745.6	1,752.5	0 %
Total assets	3,380.2	3,394.9	0 %
Equity ratio (%)*	48.4	48.4	
LTV-ratio (%)	42	43	
Gearing (%)*	107	107	
Cash and cash equivalents	63.6	40.8	56 %

* incl. non controlling interests

Basic Information about the Group

GROUP STRUCTURE AND OPERATING ACTIVITIES

BUSINESS MODEL

Deutsche EuroShop AG is the only public company in Germany to invest solely in shopping centers in prime locations. On 30 September 2014, the Company held investments in 19 shopping centers in Germany, Austria, Poland and Hungary. The Group generates its reported revenue from rental income on the space it lets in the shopping centers.

Due to its lean personnel structure, Deutsche EuroShop Group is centrally organised. The Group managing company is Deutsche EuroShop AG. It is responsible for corporate strategy, portfolio and risk management, financing and communication.

The Company's registered office is in Hamburg. Deutsche EuroShop is an Aktiengesellschaft (public company) under German law. The individual shopping centers are managed as separate companies and, depending on the share of nominal capital owned, are either fully consolidated or accounted for using the equity method.

The share capital is €53,945,536, comprised of 53,945,536 no-par-value registered shares. The notional value of each share is €1.00.

OBJECTIVES AND STRATEGY

The management focuses on investments in high-quality shopping centers in city centers and established locations offering stable long-term value growth. Another key investment target is the generation of high surplus liquidity from long-term leases in shopping centers, which is paid out to shareholders in the form of an annual dividend. In order to achieve these targets, the Company invests its capital in shopping centers in different European regions in accordance with the principle of risk diversification. Germany is the main focus for investment. Indexed and turnover-linked commercial rents ensure that we achieve our high earnings targets.

The Company may invest up to 10% of equity in joint ventures in shopping center projects in the early stages of development.

New investments should be financed through a balanced mix of equity and borrowing, whereby external financing may not exceed 55% of the Group's total assets over the long term. As a general rule, long-term interest rates are fixed when loans are taken out or renewed with the goal of keeping the duration (average fixed interest period) at over five years.



MANAGEMENT SYSTEM

The Executive Board of Deutsche EuroShop manages the Company in accordance with the provisions of German company law. The Executive Board's duties, responsibilities and business procedures are laid down in its rules of procedure and in its schedule of responsibilities.

The management indicators are based on the targets of having shopping centers with sustainable and stable value growth and a high liquidity surplus generated by long-term leases. These indicators are revenue, EBT (earnings before taxes) excluding measurement gains/losses and FFO (funds from operations).

Economic Review

MACROECONOMIC AND SECTOR-SPECIFIC CONDITIONS

The economic outlook for Germany has become somewhat gloomier over the course of the year. External factors such as the international crises and the possibility of interest rate hikes in the USA have created uncertainty. German exports decreased, albeit they remain at a high level, partly due to the sluggish state of the eurozone economy.

Retail sales grew in real terms by 1.3% in the first nine months of the year (including online sales). Private consumer spending bolstered the economy, with GfK findings suggesting that propensity to spend remains very strong. Labour market sentiment is also good; unemployment fell again in the third quarter, to stand at 6.3% – its lowest level since the end of 2011.

RESULTS OF OPERATIONS

REVENUE UP 8%

Revenue for the reporting period came in at €149.7 million. This is more than 8% higher than in the same period the previous year (€138.2 million) and can largely be attributed to the Altmarkt-Galerie in Dresden, which has been fully consolidated since 1 May 2013. Like-for-like revenue from our shopping center portfolio rose by 2.2% year on year.

OPERATING AND ADMINISTRATIVE COSTS FOR PROPERTY: 9.2% OF REVENUE

Center operating costs were €13.7 million in the reporting period, compared with €13.6 million in the year-earlier period. Costs therefore stood at 9.2% of revenue (previous year: 9.9%).

OTHER OPERATING EXPENSES OF €4.5 MILLION

Other operating expenses of €4.5 million were below those of the previous year (€4.7 million), as one-off costs were incurred in the previous year in connection with the withdrawal from DB Immobilien-fonds 12.

EBIT UP 10%

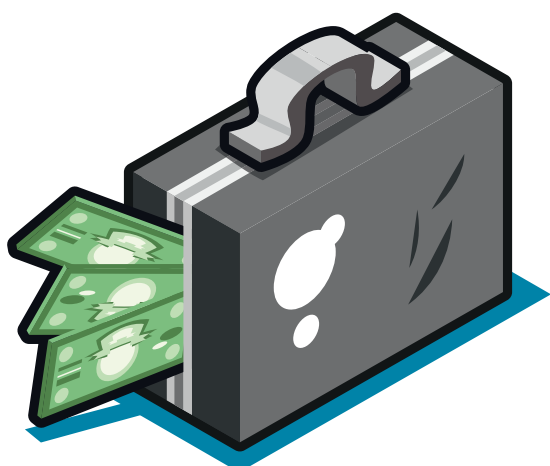
Earnings before interest and taxes (EBIT) increased by just under 10% or €11.8 million, from €120.5 million to €132.3 million.

PRIOR-YEAR NET FINANCE COSTS AFFECTED BY THE SALE OF AN INVESTMENT

Net finance costs went from €25.1 million to €41.7 million. Adjusted for the baseline effect caused by the sale last year of the investment in Ilwro Sp. zo.o, Poland (Galeria Dominikanska, €+16.6 million), they were in line with the previous year. Interest expense rose year on year by around €1.5 million, due in particular to the first-time consolidation of the Altmarkt-Galerie Dresden from 1 May 2013. At the same time, the contribution to earnings from equity-accounted companies was down €1.9 versus the previous year. The "other financial expense" item, which results from the measurement of a swap for an Altmarkt-Galerie loan, shrank by €3.8 million versus the same period in the previous year. The profit attributable to third-party shareholders also rose by €0.3 million, from €11.9 million to €12.2 million.

INVESTMENTS DRIVE NET MEASUREMENT LOSS

The measurement loss was €4.4 million (previous year: loss of €7.4 million) and included investment costs incurred by our portfolio properties.



ADJUSTED EBT EXCLUDING MEASUREMENT GAINS/LOSSES UP 12%

Earnings before taxes (EBT) decreased by €1.9 million, from €88.1 million to €86.2 million. After adjustment for measurement losses and the revenue from the Ilwro sale in the previous year, EBT climbed from €81.1 million to €90.9 million (+12%).

TAX RATIO OF 19.4%

Taxes on income and earnings came to €16.7 million (previous year: €14.8 million). €3.5 million of this (previous year: €1.8 million) was attributable to taxes to be paid and €13.2 million (previous year: €13.0 million) to deferred taxes.

14% INCREASE IN ADJUSTED CONSOLIDATED PROFIT

Adjusted for the proceeds of the Wroclaw sale, consolidated profit was up 14%. On an unadjusted basis, it was 5% lower year-on-year at €69.5 million. Basic earnings per share were €1.29, compared with €1.36 in the previous year. EPRA earnings per share rose 14% from €1.19 per share to €1.36, in line with the adjusted consolidated profit.

	30.09.2014		30.09.2013	
	in € thousand	per share (€)	in € thousand	per share (€)
Consolidated profit	69,472	1.29	73,207	1.36
Valuation gains/losses	4,412	0.08	7,387	0.14
Measurement gains/losses for equity-accounted companies	318	0.01	1,391	0.03
Proceeds from sales		0.00	-15,746	-0.29
Deferred taxes	-890	-0.02	-1,944	-0.04
EPRA earnings	73,312	1.36	64,295	1.19
Weighted number of shares	53,945,536		53,945,536	

FUNDS FROM OPERATIONS (FFO) UP 10%

FFO rose from €80.1 million to €88.0 million, or from €1.48 to €1.64 per share (+10%).

	30.09.2014		30.09.2013	
	in € thousand	per share (€)	in € thousand	per share (€)
Consolidated profit	69,472	1.29	73,207	1.36
Income from investment in Ilwro	0	0.00	-15,745	-0.29
Bond conversion expense	870	0.02	834	0.02
Valuation gains/losses	4,211	0.08	7,387	0.14
Measurement gains/losses for equity-accounted companies	318	0.01	1,391	0.03
Deferred taxes	13,152	0.24	12,997	0.24
FFO per share	88,022	1.64	80,071	1.48

FINANCIAL POSITION AND NET ASSETS

NET ASSETS AND LIQUIDITY

The Deutsche EuroShop Group's total assets were down by just €14.7 versus the end-2013 figure to €3,380.2 million. Whereas non-current assets have decreased by €30.9 million and receivables and other current assets by €3.6 million, cash and cash equivalents have risen €22.8 million to €63.6 million since 31 December 2013 (€40.8 million).

EQUITY RATIO OF 48.4%

The equity ratio (including shares held by third-party shareholders) has remained unchanged since the last reporting date, at 48.4%.

LIABILITIES

Current and non-current financial liabilities totalled €1,461.1 million as at 30 September 2014. This was €25.6 million lower than at the end of 2013, mainly because utilisation of credit lines was down. Non-current deferred tax liabilities increased by €10.0 million to €208.5 million due to additional provisions, while redemption entitlements for third-party shareholders rose by around €0.5 million to €0.214.0 million. Conversely, other current and non-current liabilities and provisions shrank by €8.7 million.

Report on Events after the Balance Sheet Date

No further significant events occurred between the balance sheet date of 30 September 2014 and the date of preparation of the financial statements.

Outlook

ECONOMIC CONDITIONS

The German federal government lowered its growth forecast from 1.8% to 1.2% at the start of October. The world's ongoing geopolitical crises are now having an impact in Germany in the shape of a fall in exports. The signals point to at least a degree of stagnation in the short term. Globally, the markets remain cautiously optimistic that the economy is experiencing just a temporary weak phase and that output will pick up again in the year ahead. Unemployment is set to remain at the current level, while inflation will be modest. The labour force participation rate could rise slightly again – to 42.1 million people in employment – and salaries may increase slightly. The German Retail Federation (HDE) predicts that retail sales will rise by 1.8% in 2014.

In this light, we expect Deutsche EuroShop's business to once again perform positively and according to plan this year.

EXPECTED RESULTS OF OPERATIONS AND FINANCIAL POSITION

Based on the results for the first nine months, we confirm our full-year guidance for 2014. We continue to expect

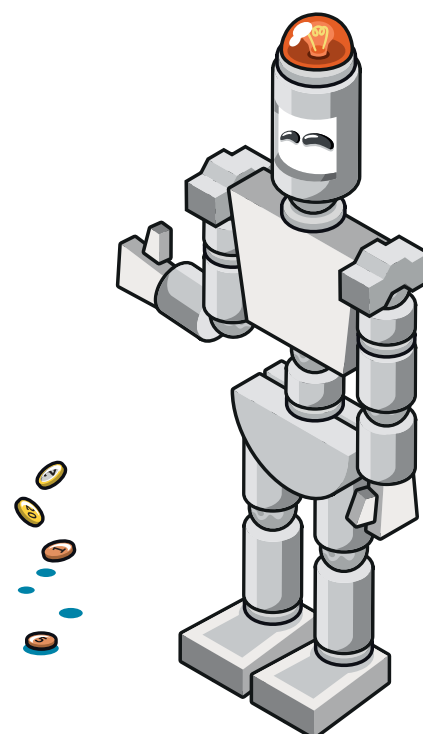
- revenue of between €198 million and €201 million
- earnings before interest and taxes (EBIT) of between €174 million and €177 million
- earnings before taxes (EBT) excluding measurement gains/losses of between €120 million and €123 million
- funds from operations (FFO) per share of between €2.14 and €2.18

DIVIDEND POLICY

We intend to maintain our long-term, reliable dividend policy and anticipate that we will be able to pay a dividend of €1.30 per share to our shareholders for 2014.

Risk Report

There have been no significant changes since the beginning of the financial year with regard to the risks associated with future business development. We do not believe the Company faces any risks capable of jeopardising its continued existence. The information provided in the risk report of the consolidated financial statements as at 31 December 2013 is therefore still applicable.



Consolidated balance sheet

ASSETS IN € THOUSAND	30.09.2014	31.12.2013
ASSETS		
Non-current assets		
Intangible assets	18	8
Property, plant and equipment	410	413
Investment properties	2,963,729	2,962,163
Investments accounted for using the equity method	343,807	341,907
Other financial assets	273	34,519
Other non-current assets	75	155
Non-current assets	3,308,312	3,339,165
Current assets		
Trade receivables	2,549	5,595
Other current assets	5,769	6,293
Other financial investments	0	3,000
Cash and cash equivalents	63,561	40,810
Current assets	71,879	55,698
Total assets	3,380,191	3,394,863

EQUITY AND LIABILITIES IN € THOUSAND	30.09.2014	31.12.2013
EQUITY AND LIABILITIES		
Equity and reserves		
Issued capital	53,945	53,945
Capital reserves	961,970	961,970
Retained earnings	404,762	413,034
Total equity	1,420,677	1,428,949
Non-current liabilities		
Financial liabilities	1,379,673	1,389,552
Deferred tax liabilities	208,529	198,491
Right to redeem of limited partners	213,963	213,422
Other liabilities	56,078	41,096
Non-current liabilities	1,858,243	1,842,561
Current liabilities		
Financial liabilities	81,457	97,207
Trade payables	5,244	3,351
Tax liabilities	0	1,357
Other provisions	5,391	6,804
Other liabilities	9,179	14,634
Current liabilities	101,271	123,353
Total equity and liabilities	3,380,191	3,394,863

Consolidated income statement

IN € THOUSAND	01.07.– 30.09.2014	01.07.– 30.09.2013	01.01.– 30.09.2014	01.01.– 30.09.2013
Revenue	49,993	49,348	149,697	138,192
Property operating costs	-2,136	-2,406	-5,970	-6,448
Property management costs	-2,449	-2,580	-7,770	-7,200
Net operating income (NOI)	45,408	44,362	135,957	124,544
Other operating income	86	50	779	611
Other operating expenses	-1,552	-1,113	-4,465	-4,654
Earnings before interest and taxes (EBIT)	43,942	43,299	132,271	120,501
Interest income	29	63	224	296
Interest expense	-14,756	-15,236	-44,141	-42,650
Other financial expenses	-167	117	-1,176	-5,022
Income from investments	1	16,635	1	16,635
Income from the disposal of financial assets	0	26	0	26
Share of the profit or loss of associates and joint ventures accounted for using the equity method	5,182	5,094	15,575	17,522
Profit/loss attributable to limited partners	-3,981	-4,052	-12,190	-11,870
Net finance costs	-13,692	2,647	-41,707	-25,063
Valuation gains/losses	-1,529	-4,322	-4,411	-7,387
Earnings before tax (EBT)	28,721	41,624	86,153	88,051
Income taxes	-5,594	-6,110	-16,681	-14,844
Consolidated profit	23,127	35,514	69,472	73,207
Earnings per share (€), basic	0.43	0.66	1.29	1.36
Earnings per share (€), diluted	0.41	0.63	1.25	1.32

Consolidated statement of comprehensive income

IN € THOUSAND	01.07.– 30.09.2014	01.07.– 30.09.2013	01.01.– 30.09.2014	01.01.– 30.09.2013
Consolidated profit	23,127	35,514	69,472	73,207
Items which under certain conditions in the future will be reclassified				
into the income statement:	-3,262	565	-13,939	9,224
Changes in cash flow hedge	0	0	0	7,519
Change in investments accounted for using the equity method	0	-15,746	0	-15,746
Change due to IAS 39 measurement of investments	0	3,553	0	3,553
Disposal due to IAS 39 measurement of investments	781	-110	3,627	-4,785
Deferred taxes on changes in value offset directly against equity	-2,481	-11,738	-10,312	-235
Total earnings recognised directly in equity	20,646	23,776	59,160	72,972
Share of Group shareholders	20,646	23,776	59,160	72,972

Consolidated cash flow statement

IN € THOUSAND

01.01. – 30.09.2014

01.01. – 30.09.2013

Profit after tax	69,472	73,207
Profit/loss attributable to limited partners	11,520	11,505
Income from the disposal of shareholdings	0	-15,745
Depreciation of intangible assets and property, plant and equipment	57	39
Net loss from derivatives	1,176	5,022
Other non-cash income and expenses	1,719	1,029
Profit/losses of joint ventures and associates	-1,901	-600
Deferred taxes	13,152	12,997
Operating cash flow	95,195	87,454
Changes in receivables	3,817	3,259
Change in other financial investments	3,000	0
Changes in current provisions	-2,475	-21,184
Changes in liabilities	-3,656	-1,705
Cash flow from operating activities	95,881	67,824
Outflows for the acquisition of property, plant and equipment/investment properties	-1,630	-61,202
Inflows and outflows from changes in financial assets	34,245	-620
Cash flow from investing activities	32,615	-61,822
Outflows from the repayment of financial liabilities	-27,348	-36,851
Payments to limited partners	-10,965	-9,506
Payments to Group shareholders	-67,432	-64,735
Cash flow from financing activities	-105,745	-111,092
Net change in cash and cash equivalents	22,751	-105,090
Cash and cash equivalents at beginning of period	40,810	158,194
Changes in the financial resources fund due to consolidation changes	0	-1,435
Cash and cash equivalents at end of period	63,561	51,669

Statement of changes in equity

IN € THOUSAND	Number of shares outstanding	Share capital	Capital reserves	Other retained earnings	Statutory reserve	Available for sale reserve	Cash flow hedge reserve	Total
01.01.2013	53,945,536	53,945	961,987	323,134	2,000	12,193	-31,345	1,321,914
Total earnings recognised directly in equity				5,092		-12,193	6,866	-235
Consolidated profit				73,207				73,207
Total profit				78,299	0	-12,193	6,866	72,972
Dividend payments				-64,735				-64,735
Other changes			-17	-81				-98
30.09.2013	53,945,536	53,945	961,970	336,617	2,000	0	-24,479	1,330,053
01.01.2014	53,945,536	53,945	961,970	434,031	2,000	0	-22,997	1,428,949
Total earnings recognised directly in equity			0				-10,312	-10,312
Consolidated profit				69,472				69,472
Total profit		0	0	69,472	0	0	-10,312	59,160
Dividend payments				-67,432				-67,432
Other changes								0
30.09.2014	53,945,536	53,945	961,970	436,071	2,000	0	-33,309	1,420,677

Disclosures

REPORTING PRINCIPLES

These interim financial statements of the Deutsche EuroShop Group as at 30 September 2014 have been prepared in accordance with International Financial Reporting Standards (IFRS).

The management report and the abridged financial statements were not audited in accordance with section 317 of the Handelsgesetzbuch (HGB – German Commercial Code), nor were they reviewed by a person qualified to carry out audits. In the opinion of the Executive Board, the report contains all of the necessary adjustments required to give a true and fair view of the results of operations as at the date of the interim report. The performance for the first nine months up to 30 September 2014 is not necessarily an indication of future performance.

The accounting policies applied correspond to those used in the last consolidated financial statements as at the end of the financial year. A detailed description of the methods applied was published in the notes to the consolidated financial statements for 2013.

ADJUSTMENT IN ACCORDANCE WITH IAS 8 (CHANGE TO PREVIOUS YEAR'S FIGURES AS OF 30 SEPTEMBER 2013)

With effect from 30 April 2013, Deutsche EuroShop AG increased its shareholding in Altmarkt-Galerie Dresden from 67% to 100%. Since the first-time consolidation produced effects which had an impact on net finance costs and valuation gains/losses, these were reported differently in the financial statements for the same period of the previous year.

The purchase of these shares made it necessary to recognise in income the negative present value of an interest rate hedge (swap) in the amount of €6.8 million. The change in value between 30 April and 30 September 2013 was €+1.7 million, with the result that other financial expenses in the amount of €5.0 million and their corresponding tax effects will be recognised in the income statement from this point on. Furthermore, this transaction did not result in any excess of identified net assets acquired over cost of acquisition in accordance with IFRS 3. The amount originally recognised (€0.6 million) was removed from measurement gains and losses.

CONSOLIDATED BALANCE SHEET

	01.01.– 30.09.2013 before adjustment	01.01.– 30.09.2013 adjustment	01.01.– 30.09.2013 after adjustment
ASSETS in € thousand			
ASSETS			
Non-current assets			
Intangible assets	11		11
Property, plant and equipment	432		432
Investment properties	2,882,840	2,731	2,885,571
Non-current financial assets	34,465		34,465
Investments accounted for using the equity method	336,681		336,681
Other non-current assets	205		205
Non-current assets	3,254,634	2,731	3,257,365
Current assets			
Trade receivables	2,573		2,573
Other current assets	4,685		4,685
Cash and cash equivalents	51,669		51,669
Current assets	58,927	0	58,927
Total assets	3,313,561	2,731	3,316,292

	01.01.– 30.09.2013 before adjustment	01.01.– 30.09.2013 adjustment	01.01.– 30.09.2013 after adjustment
EQUITY AND LIABILITIES in € thousand			
EQUITY AND LIABILITIES			
Equity and reserves			
Issued capital	53,945		53,945
Capital reserves	961,970		961,970
Retained earnings	311,407	2,731	314,138
Total equity	1,327,322	2,731	1,330,053
Non-current liabilities			
Financial liabilities	1,395,015		1,395,015
Deferred tax liabilities	197,039		197,039
Right to redeem of limited partners	207,295		207,295
Other liabilities	43,576		43,576
Non-current liabilities	1,842,925	0	1,842,925
Current liabilities			
Bank loans and overdrafts	113,999		113,999
Trade payables	2,013		2,013
Tax liabilities	8,188		8,188
Other provisions	8,447		8,447
Other liabilities	10,667		10,667
Current liabilities	143,314	0	143,314
Total equity and liabilities	3,313,561	2,731	3,316,292

CONSOLIDATED INCOME STATEMENT

	01.01.– 30.09.2013 before adjustment	01.01.– 30.09.2013 adjustment	01.01.– 30.09.2013 after adjustment
IN € THOUSAND			
Revenue	138,192		138,192
Property operating costs	-6,448		-6,448
Property management costs	-7,200		-7,200
Net operating income (NOI)	124,544		124,544
Other operating income	611		611
Other operating expenses	-4,654		-4,654
Earnings before interest and taxes (EBIT)	120,501		120,501
Interest income	296		296
Interest expense	-42,650		-42,650
Other financial expenses	0	-5,022	-5,022
Income from investments	16,635		16,635
Income from the disposal of financial assets	26		26
Profit/loss attributable to limited partners	-11,870		-11,870
Share of the profit or loss of associates and joint ventures accounted for using the equity method	17,522		17,522
Net finance costs	-20,041	-5,022	-25,063
Valuation gains/losses	-6,784	-603	-7,387
Earnings before tax (EBT)	93,676	-5,625	88,051
Income tax expense	-16,465	1,621	-14,844
Consolidated profit	77,211	-4,004	73,207
Earnings per share (€), basic	1.43	-0.07	1.36
Earnings per share (€), diluted	1.38	-0.07	1.32

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	01.01.– 30.09.2013 before adjustment	01.01.– 30.09.2013 adjustment	01.01.– 30.09.2013 after adjustment
IN € THOUSAND			
Consolidated profit	77,211	-4,004	73,207
Changes in cash flow hedge	6,799	2,425	9,224
Change in investments accounted for using the equity method	0	7,519	7,519
Change due to IAS 39 measurement of investments	3,553	0	3,553
Disposal due to IAS 39 measurement of investments	-15,746	0	-15,746
Deferred taxes on changes in value offset directly against equity	-1,573	-3,212	-4,785
Total earnings recognised directly in equity	-6,967	6,732	-235
Total profit	70,244	2,728	72,972
Share of Group shareholders	70,244	2,728	72,972

SEGMENT REPORTING

As a holding company, Deutsche EuroShop AG holds equity interests in shopping centers in the European Union. The investees are pure real-estate shelf companies without staff of their own. Operational management is contracted out to external service providers under agency agreements, with the result that the companies' activities are exclusively restricted to asset management. The companies are operated individually.

Due to the Company's uniform business activities within a relatively homogeneous region (the European Union), and in accordance with IFRS 8.12, separate segment reporting is presented in the form of a breakdown by domestic and international results.

As the Group's main decision-making body, the Deutsche EuroShop AG Executive Board largely assesses the performance of the segments based on the EBT of the individual property companies. The valuation principles for the segment reporting correspond to those of the Group.

Intra-Group activities between the segments are eliminated in the reconciliation statement.

In view of the geographical segmentation, no further information pursuant to IFRS 8.33 is given.

BREAKDOWN BY GEOGRAPHICAL SEGMENT 01.01. – 30.09.2014

IN € THOUSAND	Domestic	Inter-national	Recon-ciliation	Total
Revenue	139,206	10,491	0	149,697
(previous year's figures)	(127,365)	(10,827)	(0)	(138,192)

IN € THOUSAND	Domestic	Inter-national	Recon-ciliation	Total
EBIT	125,819	9,589	-3,137	132,271
(previous year's figures)	(115,264)	(9,311)	-(4,074)	(120,501)

IN € THOUSAND	Domestic	Inter-national	Recon-ciliation	Total
Net interest income	-38,316	-2,848	-2,753	-43,917
(previous year's figures)	-(36,657)	-(2,942)	-(2,755)	-(42,354)

IN € THOUSAND	Domestic	Inter-national	Recon-ciliation	Total
Earnings before tax (EBT)	75,283	4,862	6,008	86,153
(previous year's figures)	(63,733)	(4,610)	(19,708)	(88,051)

Profits and losses for equity-accounted companies in the amount of €15,575 thousand are primarily disclosed in the reconciliation statement, of which €12,024 thousand are domestic profits and losses and €3,550 thousand international profits and losses.

IN € THOUSAND	Domestic	Inter-national	Total
Segment assets	3,156,752	223,439	3,380,191
(previous year's figures)	(3,172,348)	(222,515)	(3,394,863)
of which investment properties	2,747,280	216,449	2,963,729
(previous year's figures)	(2,746,320)	(215,843)	(2,962,163)

OTHER DISCLOSURES

DIVIDEND

During the reporting period, a dividend of €1.25 per share was distributed for financial year 2013 on 19 June 2014.

RESPONSIBILITY STATEMENT BY THE EXECUTIVE BOARD

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remainder of the financial year.

Hamburg, November 2014



Claus-Matthias Böge



Olaf Borkers

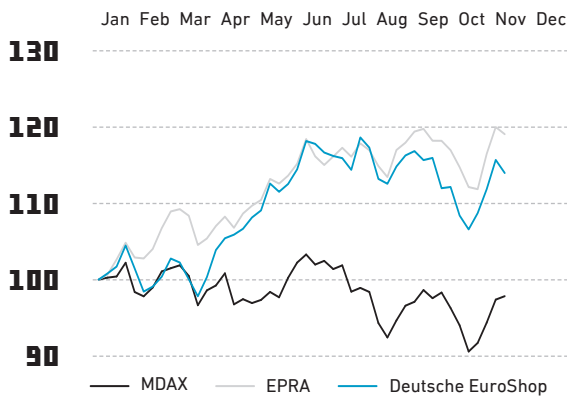


The Shopping Center Share

Deutsche EuroShop shares ended 2013 at a closing price of €31.83 and made a positive start to 2014. Late January brought a slight drop in the share price, which reached €30.72 on 4 February 2014 – its low for the first nine months of the year. After this, the share price stabilised within a corridor between €31.00 and €33.00 and then rose out of this corridor in late March. The share reached €37.84 on 12 June 2014, marking not only its high for the period, but also a new all-time high. In the weeks that followed, the share posted losses, recovering again towards the end of the third quarter. The Xetra closing price on 30 September 2014 was €34.27. Taking into account the dividend of €1.25 per share paid on 19 June 2014, this corresponds to a performance of 11.6% in the first nine months of the year. The MDAX fell by 3.5% over the same period. Deutsche EuroShop's market capitalisation stood at €1.8 billion at the end of the third quarter.

Deutsche EuroShop vs. MDAX and EPRA

Comparison, January to November 2014 (indexed, base of 100, in %)



ROADSHOWS AND CONFERENCES

In August and September we presented Deutsche EuroShop at conferences in Frankfurt and Munich and held various one-to-one and group discussions with analysts and investors at a roadshow in London.

COVERAGE

A total of 20 financial analysts from various institutions assess Deutsche EuroShop's business performance. They publish reports with investment recommendations concerning the Company on a regular basis. The majority of analysts (11) currently have neutral opinions on Deutsche EuroShop, with seven adopting positive posi-

tions and nine issuing negative opinions (as at 6 November 2014). A list of analysts and up-to-date studies can be found on our website at www.deutsche-euroshop.de/ir.

Analysts

Number

12

10

8

6

4

2

0



Sell



Under-perform



Hold



Out-perform



Buy

KEY SHARE DATA

Sector/industry group	Financial Services/Real Estate
Share capital on 30 September 2014	53,945,536.00 €
Number of shares on 30 September 2014 (no-par value registered shares)	53,945,536
Dividend 2013 (19 June 2014)	1.25 €
Share price on 30 December 2013	31.83 €
Share price on 30 September 2014	34.27 €
Low/high in the period under review	30,72 €/37,84 €
Market capitalisation on 30 September 2014	€1.85 billion
Prime Standard	Frankfurt and Xetra
OTC trading	Berlin-Bremen, Dusseldorf, Hamburg, Hanover, Munich and Stuttgart
Indices	MDAX, EPRA, GPR 250, EPIX 30, MSCI Small Cap, EURO STOXX, STOXX Europe 600, HASPAX, F.A.Z.-Index
ISIN	DE 000748 020 4
Ticker symbol	DEQ, Reuters: DEQGn.DE

Financial calendar 2014 / 2015

2014

13.11.

NINE-MONTH REPORT 2014

- 17.11. Roadshow Paris, Deutsche Bank
18.11. Roadshow Amsterdam, Kempen & Co.
19.11. Roadshow Zurich, Baader Bank
26.11. Supervisory Board meeting, Hamburg
27.11. Roadshow Cologne, DZ Bank
01.–02.12. Berenberg European Conference, Pennyhill

2015

- 08.–09.01. Oddo European Midcap Forum, Lyon
14.01. J.P. Morgan Cazenove European Real Estate
CEO Conference, London

- 20.01. UniCredit Kepler Cheuvreux German
Corporate Conference, Frankfurt
16.04. Audit Committee meeting, Hamburg
24.04. Supervisory Board meeting, Hamburg
**29.04. PUBLICATION OF THE
ANNUAL REPORT 2014**
12.05. INTERIM REPORT Q1 2015
18.06. ANNUAL GENERAL MEETING, HAMBURG
18.06. Supervisory Board meeting, Hamburg
13.08. INTERIM REPORT H1 2015
24.09. Supervisory Board meeting, Hamburg
12.11. NINE-MONTH REPORT 2015
27.11. Supervisory Board meeting, Hamburg



Our financial calendar is updated continuously.
Please check our website for the latest events:

www.deutsche-euroshop.com/ir

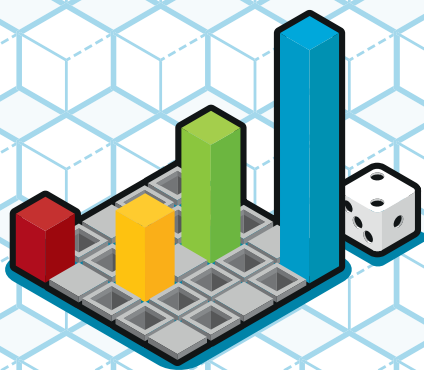
Investor Relations contact

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DES
Deutsche EuroShop



FORWARD-LOOKING STATEMENTS

This Management Report contains forward-looking statements based on estimates of future developments by the Executive Board. The statements and forecasts represent estimates based on all of the information available at the current time. If the assumptions on which these statements and forecasts are based do not materialise, the actual results may differ from those currently being forecast.

ROUNDING AND RATES OF CHANGE

Percentages and figures stated in this report may be subject to rounding differences. The rates of change are based on economic considerations: improvements are indicated by a plus (+); deterioration by a minus (-).