

# CONFERENCE CALL

QUARTERLY STATEMENT 3M 2016



13 MAY 2016

## RETAIL TURNOVER 3M 2016<sup>1</sup>

### RETAILERS

Retail sector	% change to 2015	rent-to-sales ratio in %	% of sales	% of space
Department stores	0.7	6.0	7.8	13.6
Food	-0.1	7.3	9.5	6.6
Fashion textiles	0.2	12.4	29.7	39.3
Shoes & leather goods	-2.7	14.6	5.6	7.0
Sports	1.1	8.9	4.4	5.1
Health & beauty	0.1	7.2	11.7	5.9
General retail	1.5	11.2	7.9	7.9
Electronics	1.0	4.2	14.1	8.5
Services	3.3	4.6	4.7	1.6
Food catering	-0.6	12.8	4.6	4.5
<b>Total</b>	<b>0.4</b>	<b>9.2</b>	<b>100.0</b>	<b>100.0</b>

- Retail turnover development on a like-for-like basis: Germany **+0.4%**, abroad **+2.2%**  
DES-Portfolio overall: **+0.6%**
- Absolute turnover development: Germany **+0.8%**, abroad **+2.7%**  
DES-Portfolio overall: **+1.0%**

<sup>1</sup> German centers on a like-for-like basis  
(turnover: €2.0 billion)

## PROFIT AND LOSS ACCOUNT 3M 2016

in € thousand	01.01. – 31.03.2016	01.01 – 31.03.2015	Change
<b>Revenue</b>	<b>50,737</b>	<b>50,603</b>	<b>0.3%</b>
Property operating and management costs	-4,764	-4,503	
<b>Net operating income</b>	<b>45,973</b>	<b>46,100</b>	<b>-0.3%</b>
Other operating income	168	611	
Corporate costs	-1,556	-2,069	
<b>EBIT</b>	<b>44,585</b>	<b>44,642</b>	<b>-0.1%</b>
Other financial income and expenses	394	352	
Interest income	13	7	
Interest expense	-13,744	-14,394	
At equity result	5,473	5,358	
Profit/loss attributable to limited partners	-4,388	-4,187	
<b>Net finance costs</b>	<b>-12,252</b>	<b>-12,864</b>	<b>4.8%</b>
Measurement gains/losses	-1,356	-451	
<b>EBT</b>	<b>30,977</b>	<b>31,327</b>	<b>-1.1%</b>
Taxes	-6,111	-6,008	
<b>Consolidated profit</b>	<b>24,866</b>	<b>25,319</b>	<b>-1.8%</b>

FINANCIALS

## KEY FIGURES 3M 2016

	31.03.2016	31.03.2015	Change
FFO per Share (€)	0,58	0,57	1.8%
Earnings per share (€, undiluted)	0,46	0,47	-2.1%
EPRA Earnings per share (€, undiluted)	0,49	0,48	2.1%

FINANCIALS

## FUNDS FROM OPERATIONS (FFO)

in € thousand	31.03.2016	per share <sup>1</sup>	31.03.2015	per share <sup>1</sup>
<b>Consolidated net profit</b>	<b>24,866</b>	<b>€0.46</b>	<b>25,319</b>	<b>€0.47</b>
- IAS 40 valuation	1,356	€0.02	451	€0.01
- At-equity valuation	377	€0.01	7	€0.00
+ Costs conversion privilege	242	€0.00	289	€0.00
+ Deferred taxes	4,713	€0.09	4,675	€0.09
<b>FFO</b>	<b>31,554</b>	<b>€0.58</b>	<b>30,741</b>	<b>€0.57</b>

FINANCIALS

<sup>1</sup>The sum of the amounts may not equal the totals due to rounding

## EARNINGS PER SHARE (EPRA)

in € thousand	31.03.2016	per share <sup>1</sup>	31.03.2015	per share <sup>1</sup>
<b>Consolidated net profit</b>	24,866	€0.46	25,319	€0.47
- IAS 40 valuation	1,356	€0.02	451	€0.01
- At-equity valuation	377	€0.01	7	€0.00
+ Deferred taxes	-369	€0.00	-74	€0.00
<b>EPRA Earnings</b>	<b>26,230</b>	<b>€0.49</b>	<b>25,703</b>	<b>€0.48</b>
Number of shares (adj.)	53,945,536		53,945,536	
<b>EPRA Earnings (diluted)</b>		<b>€0.46</b>		<b>€0.45</b>
Number of shares (adj.)	57,105,094		57,007,385	

### FINANCIALS

<sup>1</sup> The sum of the earnings per share amounts may not equal the totals due to rounding

## BALANCE SHEET 3M 2016

in € thousand	31.03.2016	31.12.2015	Change
Non-current assets	3,766,298	3,768,118	-1,820
Current assets	106,971	83,496	23,475
<b>Total assets</b>	<b>3,873,269</b>	<b>3,851,614</b>	<b>21,655</b>
Group equity	1,788,982	1,767,859	21,123
Right to redeem of limited partners	293,543	293,113	430
<b>Total equity</b>	<b>2,082,525</b>	<b>2,060,972</b>	<b>21,553</b>
Financial liabilities	1,403,110	1,407,607	-4,497
Deferred tax liabilities	313,188	309,528	3,660
Other liabilities	74,446	73,507	939
<b>Total equity and liabilities</b>	<b>3,873,269</b>	<b>3,851,614</b>	<b>21,655</b>

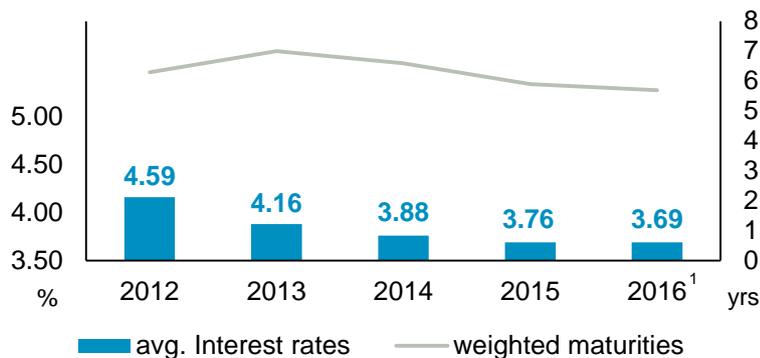
	31.03.2016	31.12.2015
Equity ratio <sup>1</sup>	53.8%	53.5%
LTV ratio	34.7%	35.5%

<sup>1</sup> incl. non controlling interests

## LOAN STRUCTURE INCL. CONVERTIBLE BONDS<sup>1,2</sup>

Interest lockin	Duration	Principle amounts (€ thousand)	Share of total loan	avg. interest rate
Up to 1 year		41.8	3.0%	1.87%
1 to 5 years	3.5	565.4	40.3%	3.87%
5 to 10 years	6.6	707.4	50.5%	3.34%
Over 10 years	11.5	87.0	6.2%	5.08%
<b>Total 2016<sup>1</sup></b>	<b>5.7</b>	<b>1,401.6</b>	<b>100%</b>	<b>3.69%</b>

- 21 German Banks
- Weighted maturity of fixed interest periods 5.7 years<sup>1</sup>



<sup>1</sup> as of 31 March 2016

<sup>2</sup> excl. non-consolidated loans

## MATURITIES UNTIL 2021<sup>1,2</sup>

in € thousand	end of fixed interest periods respectively expiring loans	avg. interest rate	regular redemption payments	total maturities
2016	79,800	4.92%	13,300	<b>93,100</b>
2017	96,100	1.75%	16,500	<b>112,600</b>
2018	72,100	4.60%	17,800	<b>89,900</b>
2019	123,100	4.73%	14,700	<b>137,800</b>
2020	134,100	4,52%	10,100	<b>144,200</b>
2021	198,300	4,48%	8,200	<b>206,500</b>
	<b>398,600</b>			

### Non-consolidated loans<sup>1</sup>

In € thousand	End of fixed interest periods respectively expiring loans	Avg. interest rate	DES' share	
2016	144,900	4.94%	50%	City-Arkaden, Klagenfurt: €91.8m; 4.30% interest rate fixed: 2.18% (15y)
2017-2020	0			Phoenix-Center, Hamburg: €53.1m; 6.06% interest rate fixed: 1,83% (10y)
2021	49.200	4.66%	50%	Phoenix-Center, Hamburg

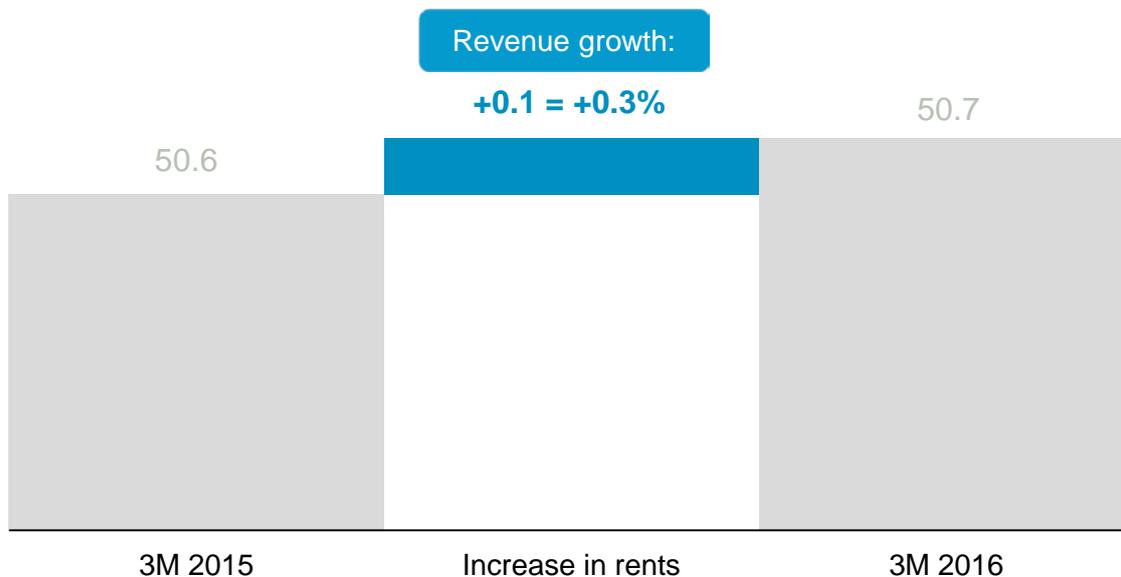
<sup>1</sup> as of 31 March 2016

<sup>2</sup> excl. non-consolidated loans

## REVENUE BRIDGE 3M 2016

€m

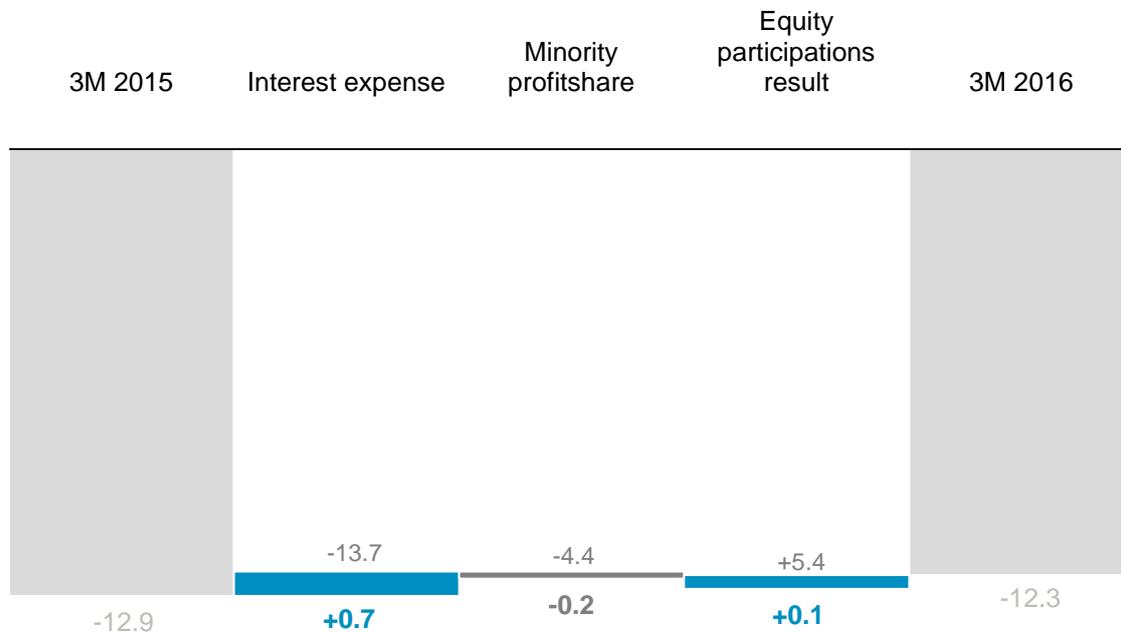
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## NET FINANCE COST BRIDGE 3M 2016

€m

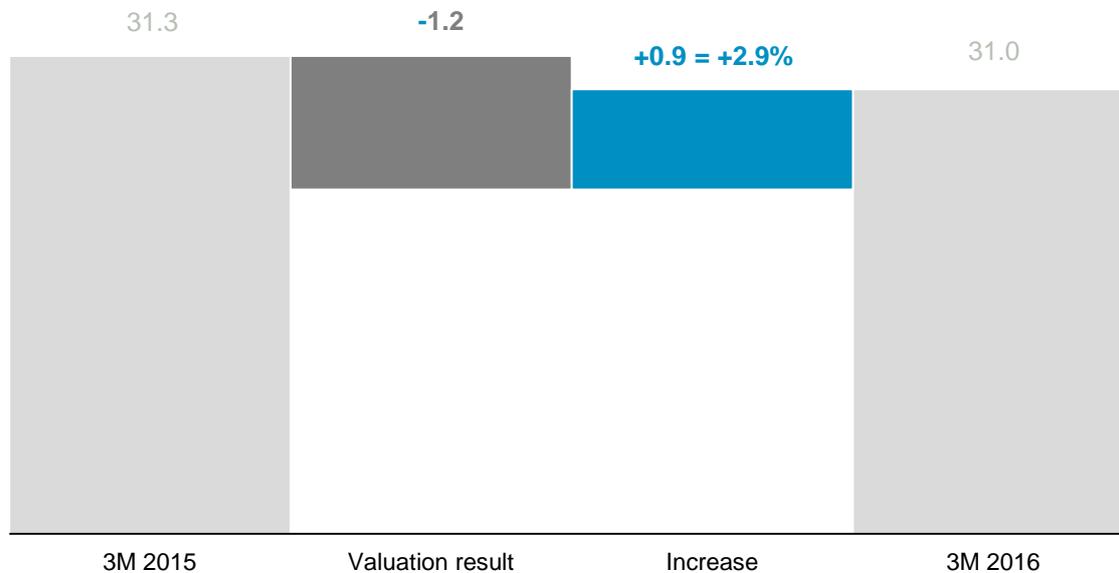
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## EBT BRIDGE 3M 2016

€m

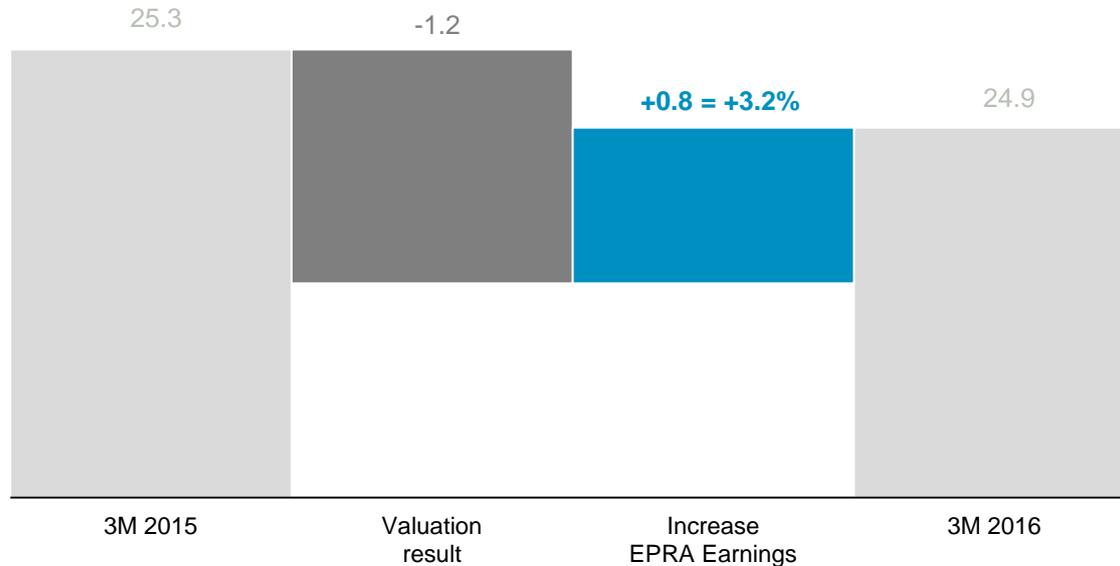
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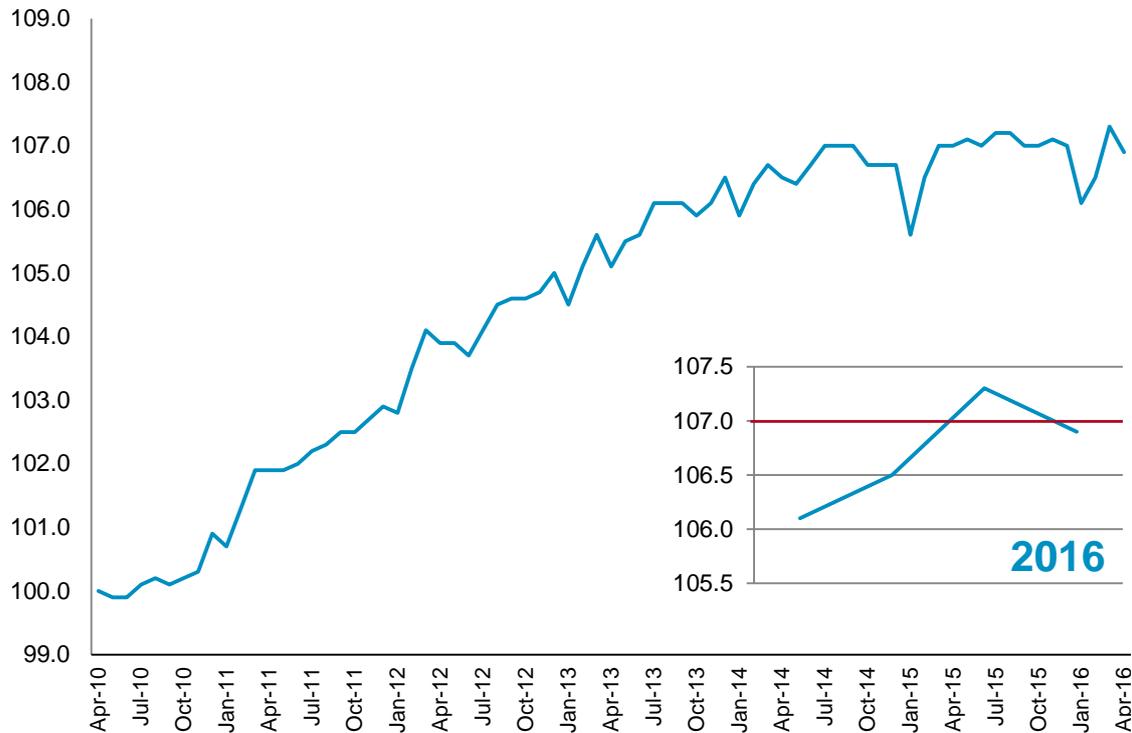
## PROFIT BRIDGE 3M 2016

€m

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## GERMAN CONSUMER PRICE INDEX

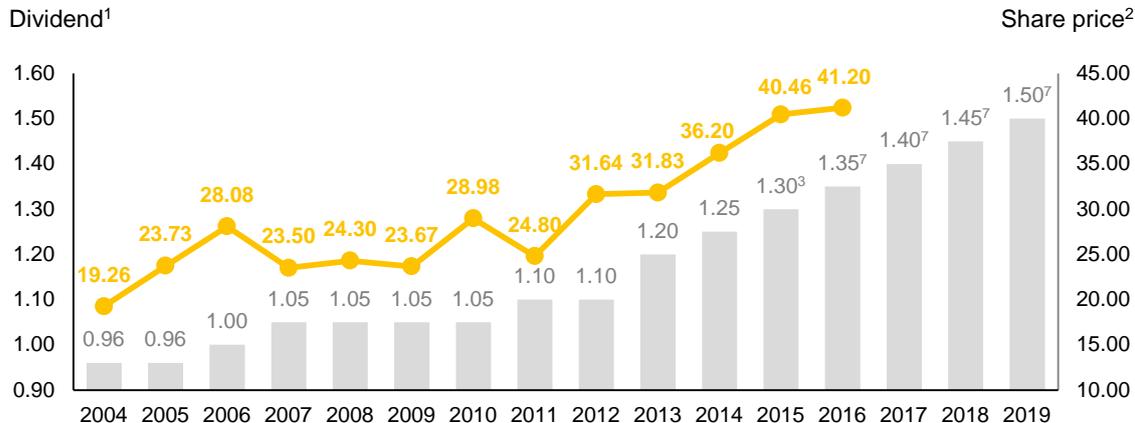


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Source: Destatis

## DIVIDEND & PERFORMANCE

### TREND OF SHARE (INDEXED)



### PERFORMANCE<sup>4</sup>

		DES	DAX	EPRA <sup>5</sup>	REX <sup>6</sup>	OEF <sup>8</sup>
1 year	(2015)	<b>+15.3%</b>	+9.6%	+20.0%	+0.5%	+3.3%
3 years	+41.8% =	<b>+12.3% p.a.</b>	+12.2% p.a.	+18.5% p.a.	+2.3% p.a.	+2.2% p.a.
5 years	+67.4% =	<b>+10.8% p.a.</b>	+9.2% p.a.	+14.3% p.a.	+4.0% p.a.	+2.3% p.a.
Since IPO (2001)	+285.4%=	<b>+9.4% p.a.</b>	+3.5% p.a.	+8.9% p.a.	+4.7% p.a.	+3.4% p.a.

<sup>1</sup> respectively paid for the previous FY

<sup>2</sup> 2016: as of 11 May 2016

<sup>3</sup> paid on 19 June 2015

<sup>4</sup> as of 31 Dec. 2015

<sup>5</sup> EPRA/NAREIT Europe

<sup>6</sup> German government bonds index

<sup>7</sup> proposal

<sup>8</sup> Open ended real estate funds

# FORECAST

## REVENUE

€m



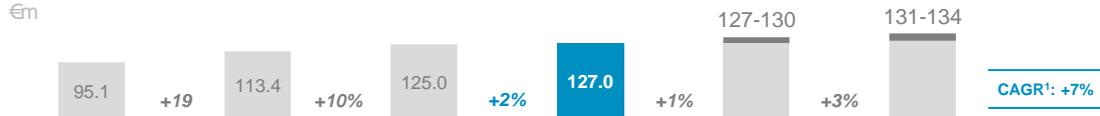
## EBIT

€m



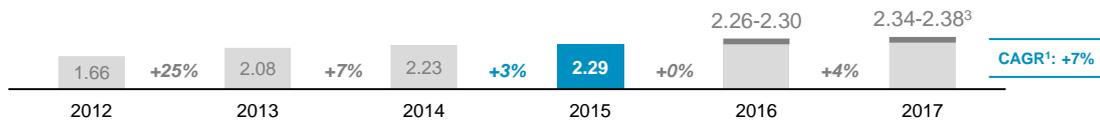
## EBT EXCLUDING VALUATION²

€m



## FFO PER SHARE

€



¹ Compound Annual Growth Rate (CAGR) 2012 - 2017

² Excl. capital gain

³ Undiluted

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## OUTLOOK

- Refinancing of €79.8 million in 2016
- Increase in dividend to €1.35 per share
- Currently in the due diligence phase for a participation in a German center which would fit well into the portfolio

COMPANY

A decorative graphic on the right side of the slide consists of a vertical stack of four colored bars: red, green, blue, and yellow. To the right of the yellow bar, the word 'COMPANY' is written in yellow capital letters. Below the yellow bar, there is a grey bar.

## KEY DATA OF THE SHARE

Listed since	02.01.2001
Nominal capital	€53,945,536.00
Outstanding shares	53,945,536
Class of shares	Registered shares
Dividend 2015 (proposal)	€1.35
52W High	€48.00
52W Low	€35.76
Share price (11 May 2016)	€41.20
Market capitalisation	€2.22 billion
Avg. turnover per day last 12 months (XETRA)	146,040 shares
Indices	MDAX, EPRA, GPR, MSCI Small Cap, EURO STOXX, STOXX Europe 600
Official market	Prime Standard Frankfurt and XETRA
OTC market	Berlin-Bremen, Dusseldorf, Hamburg, Hanover, Munich and Stuttgart
ISIN	DE 000 748 020 4
Ticker	DEQ, Reuters: DEQn.DE
Market maker	Oddo Seydler

## APPENDIX

# FINANCIAL CALENDAR

2016

12.05.	Quarterly Statement 3M 2016	13.09.	Bank of America Merrill Lynch Global Real Estate Conference, New York
26.05.	Kempen European Property Seminar, Amsterdam	14.09.	UBS Best of Germany Conference, New York
01.06.	Kepler Cheuvreux German Property Day, Paris	19.09.	Goldman Sachs & Berenberg German Conference, Munich
01.06.	Roadshow Warsaw, Erste Securities Polska	20.09.	Baader Investment Conference, Munich
08.06.	Deutsche Bank dbAccess German Swiss & Austrian Conference, Berlin	04.-06.10.	EXPO Real, Munich
15.06.	Annual General Meeting, Hamburg	10.10.	Roadshow Madrid, M.M. Warburg
01.07.	ESN equinet European Conference, Frankfurt	13.10.	Roadshow Brussels, DZ Bank
07.07.	Roadshow London, Societe Generale	14.11.	Quarterly Statement 9M 2016
07.07.	Roadshow Zurich, Bankhaus Lampe	16.11.	Roadshow Amsterdam, ABN AMRO
08.07.	Roadshow Cologne-Dusseldorf, DZ Bank	16.11.	Roadshow Geneva, Kepler Cheuvreux
08.07.	Roadshow Stuttgart, ESN equinet	17.11.	Roadshow Zurich, Kepler Cheuvreux
12.07.	DSW Private Investors Forum, Frankfurt	22.11.	German Equity Forum, Frankfurt
15.08.	Half-year Financial Report 2016		
17.08.	Roadshow Helsinki, ESN equinet		

APPENDIX

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