



CONFERENCE CALL

FY2012

Preliminary Results

22.03.2013

FY 2012

COMPANY

Highlights 2012

January

Increase of the shareholdings to 100% in

- Rhein-Neckar-Zentrum (investment volume: €0.24 million),
- Allee-Center Hamm (investment volume €8.8 million)
- Rathaus-Center Dessau (investment volume €5.9 million)



Rhein-Neckar-Zentrum



Hamm



Dessau

COMPANY

Highlights 2012

November

Acquisition of Herold-Center, Norderstedt (investment volume: €187 million)

Placement of 2,314,136 new shares from an increase in the share capital with institutional investors (proceeds of approx. €67.7 million)

Convertible bonds with a maturity of five years and a total principal amount of €100 million were placed with qualified investors



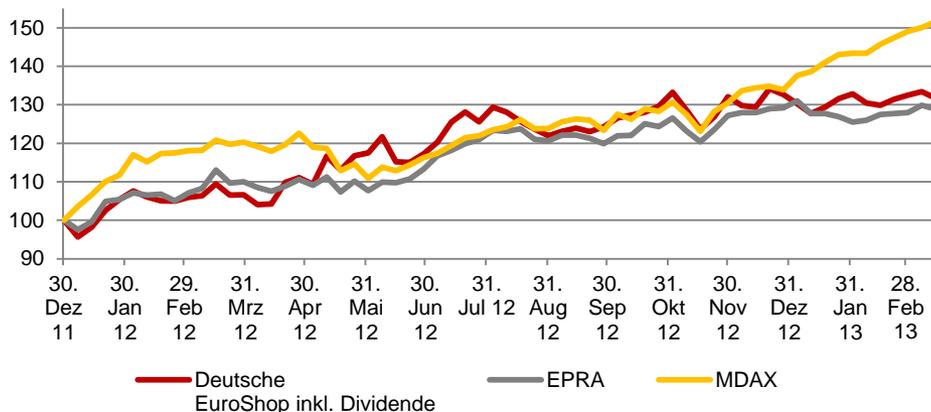
Herold-Center



SHOPPING CENTER SHARE

Highlights 2012

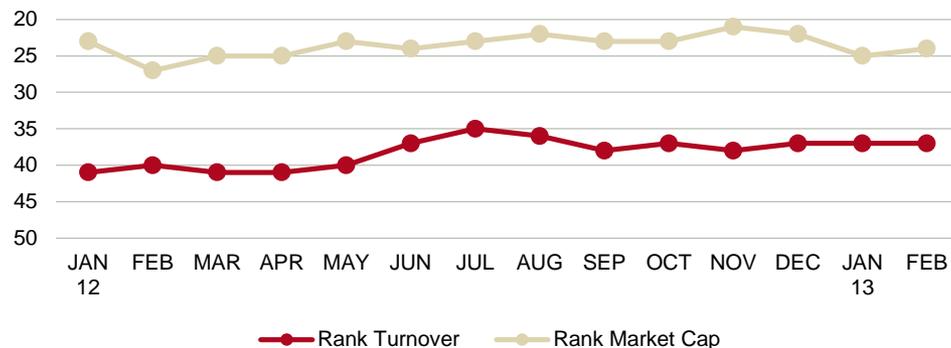
TREND OF SHARE (INDEXED)



Performance 2012:

DES: +32.7%
 MDAX: +33.9%
 EPRA: +29.2%

INDEX RANKING (MDAX)



Index ranking

MDAX Feb 2013:
 24. (Market Cap)
 37. (Turnover)

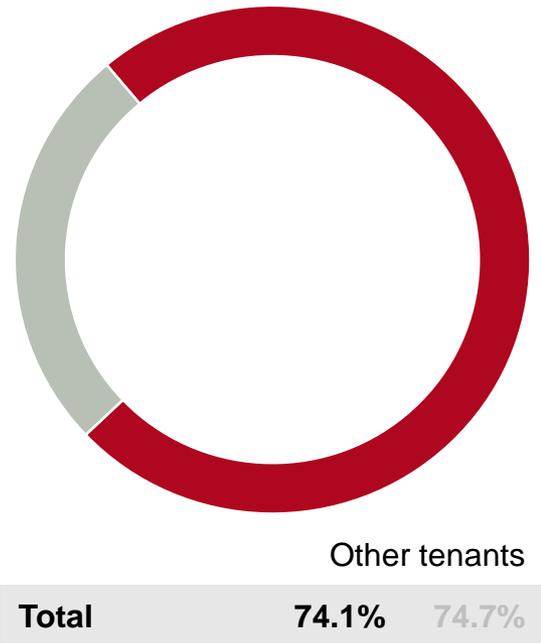


SHOPPING CENTERS

Tenants Structure Top 10 Tenants*

Low level of dependence on the top 10 tenants

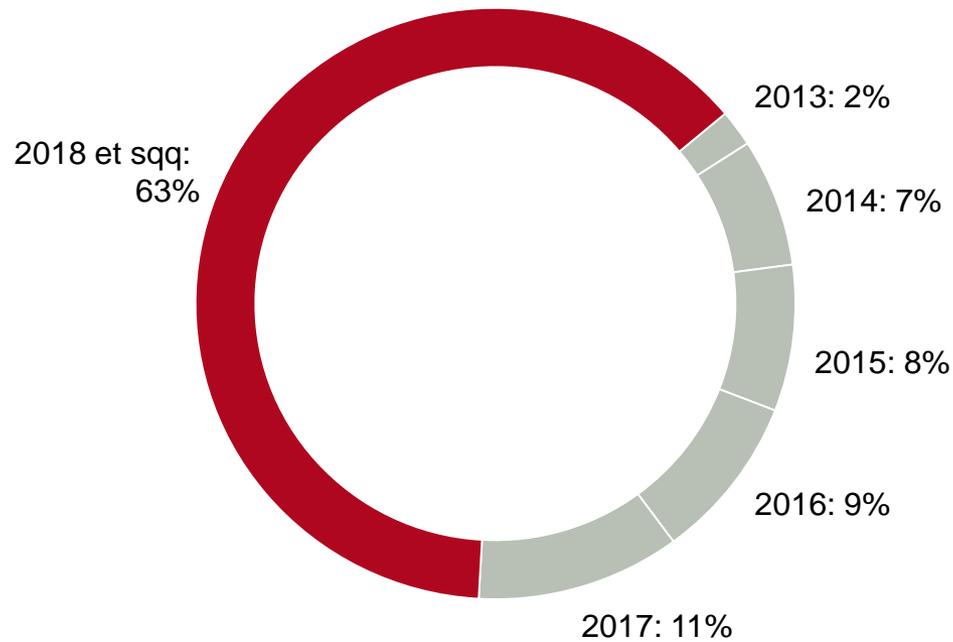
	2012	2011
Metro Group	5.7%	6.0%
Douglas Group	4.6%	4.4%
H&M	2.9%	2.7%
New Yorker	2.2%	2.3%
Peek & Cloppenburg	2.1%	1.9%
Deichmann	1.9%	1.9%
C&A	1.8%	1.7%
REWE	1.7%	1.6%
Esprit	1.5%	1.4%
Inditex Group	1.5%	1.4%
Total	25.9%	25.3%



* in % of total rents as at 31 December 2012

SHOPPING CENTERS

Maturity Distribution of Rental Contracts*



- Long-term contracts guarantee rental income
- Weighted maturity 7.0 years



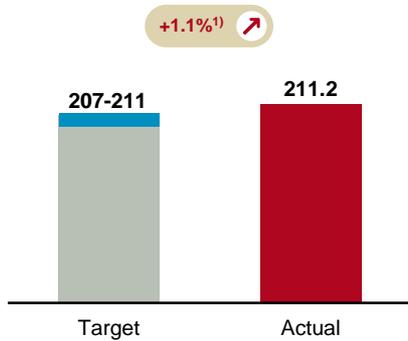
* as % of rental income as at 31 December 2012

FINANCIALS

Target – Performance Comparison

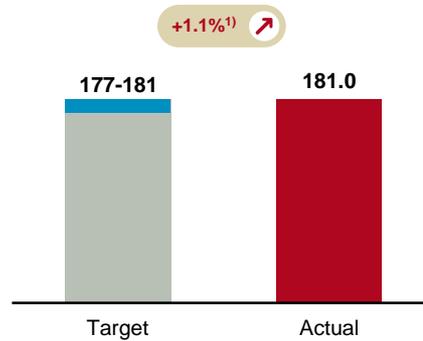
REVENUE

€m



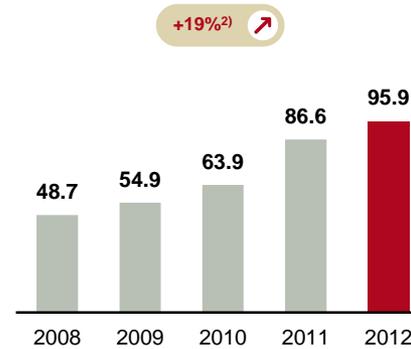
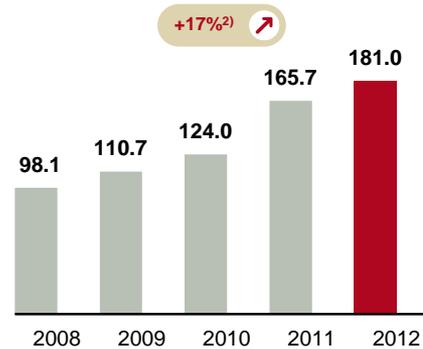
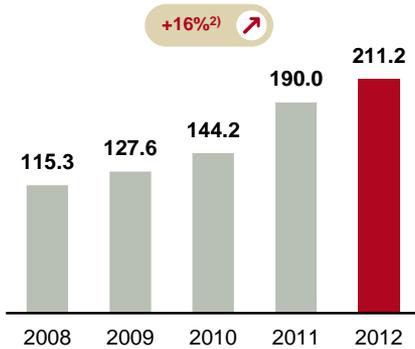
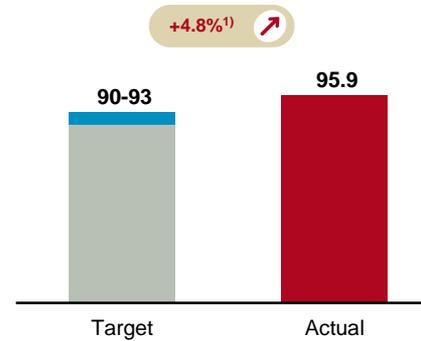
EBIT

€m



EBT BEFORE VALUATION

€mn



1) in relation to mean value of the target range
 2) Compound Annual Growth Rate (CAGR)

THE TRADE TAX SOLUTION

DES Shoppingcenter GmbH & Co. KG

- Buyer of Herold-Center Norderstedt in November 2012
- 6 SPV's were merged into DES Shoppingcenter KG in late December 2012
- Total assets of €1,143.9 million
- Equity of €513.1 million
- Deferred taxes of €48.5 million
- Bank debt €548.8 million
- Other debt €33.5 million
- One off costs approx. €6.5 million (taxes €6.2 million)
- On average expected 5 years cash tax effect of €-3.3 million p.a.



FINANCIALS

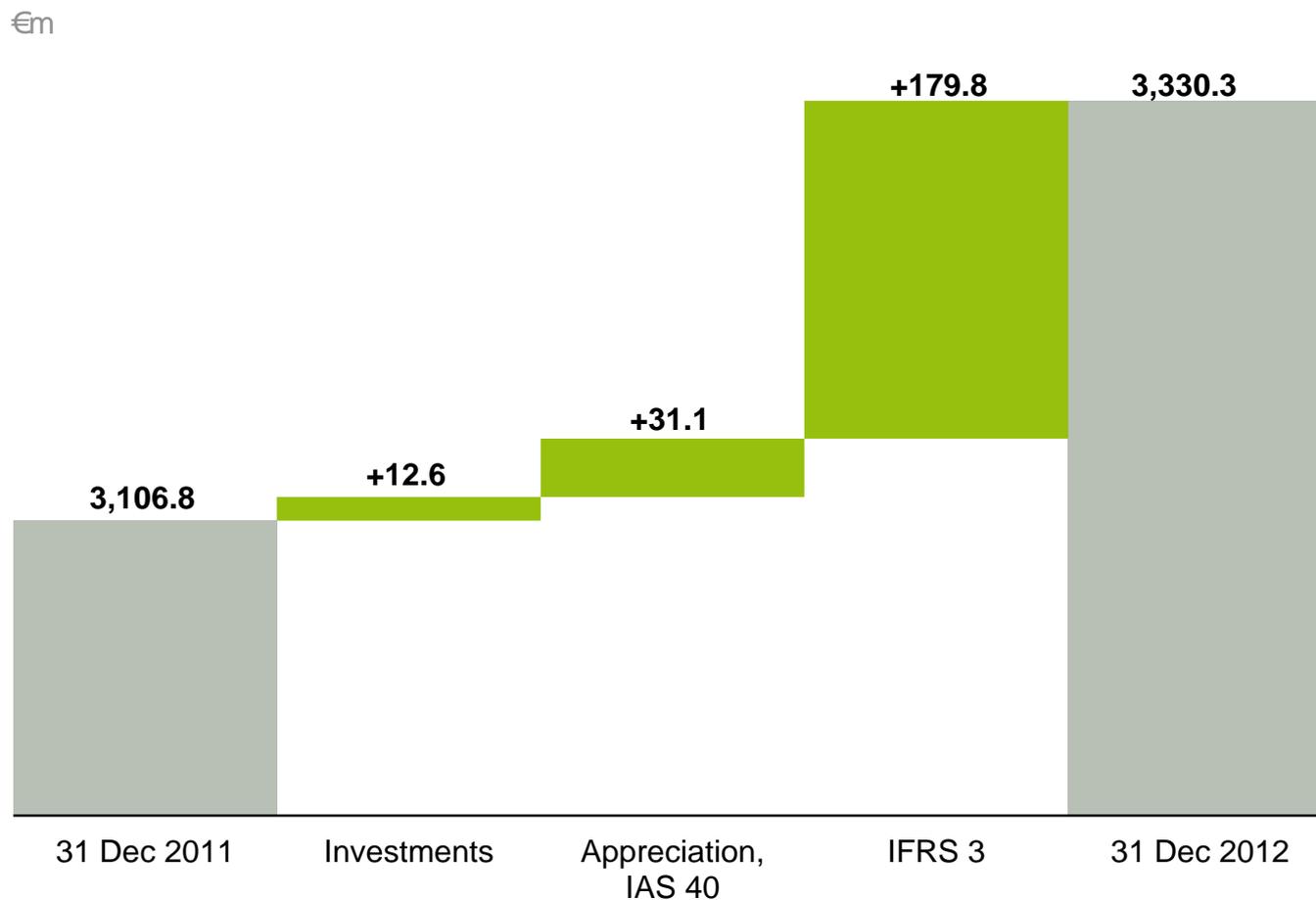
Balance Sheet

in € thousand	31.12.2012	31.12.2011	Change
Non-current assets	3,365,135	3,139,777	225,358
Current assets	183,719	85,348	98,371
Total assets	3,548,854	3,225,125	323,729
Group equity	1,323,336	1,193,041	130,295
Non controlling interest	284,176	280,078	4,098
Total equity	1,607,512	1,473,119	134,393
Financial liabilities	1,657,234	1,472,149	185,085
Deferred tax liabilities	179,103	210,587	-31,484
Other liabilities	105,005	69,270	35,735
Total equity and liabilities	3,548,854	3,225,125	323,729



FINANCIALS

Valuation – Investment Properties 2012



FINANCIALS

Valuation – Investment Properties 2012

in € thousand	2012	2011	Change
Revaluation	31,080	54,300	-23,220
IFRS 3	3,990	7,900	-3,910
Acquisition expenses	-9,198	-8,500	-698
Minority interest	-18,675	-11,900	-6,775
Valuation result before taxes	7,197	41,800	-34,603
Deferred taxes	-5,340	-10,000	+4,660
Valuation result after taxes (attributable to Group shareholders)	1,857	31,800	-29,943

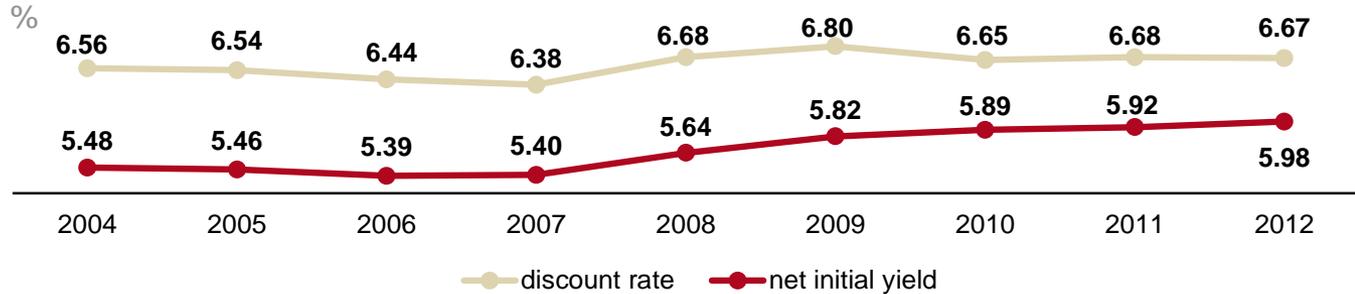
- like-for-like measurement gains: +0.6%



FINANCIALS

Valuation* – Investment Properties 2012

Discounted cash-flow method	2012	2011	actual			
expected yield of 10-year German federal bonds	4.30%	4.34%	1.38% ¹⁾	-----	Macro-location	40.0%
average applied risk premiums	2.37%	2.34%			Competitive environment	12.8%
average discount rate	6.67%	6.68%			Micro-location	19.2%
average property operating and management costs	11.00%	11.80%			Property quality	8.0%
net initial yield (EPRA)	5.98%	5.92%			Tenants risk	20.0%



Sensitivity analysis

in € thousand	Basis	change of -25bps	change of +25bps
Rent increase rates	1.70%	-110,200	+113,000
Discount rate	6.67%	+101,900	-97,000
Net initial yield	5.98%	+146,400	-134,500
Cost ratio	11.00%	+9,500	-9,500



* = External appraisers: Feri Research and GfK GeoMarketing

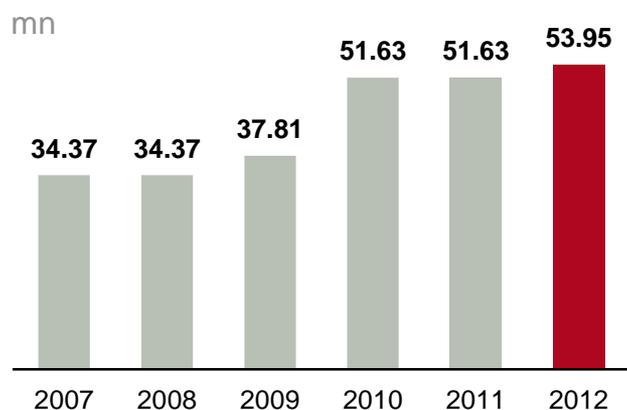
¹⁾ Status: 18 March 2013

FINANCIALS

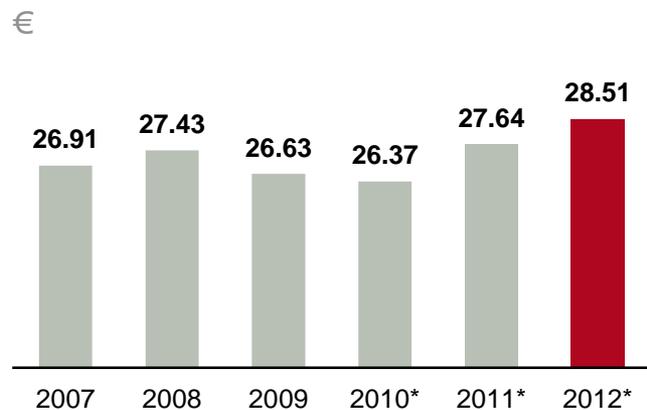
Net Asset Value (EPRA)

in € thousand	2012		2011		Change**
	total	per share	total	per share	
Equity	1,323,337	€24.53	1,193,041	€23.11	10.9%
deferred taxes	179,103	€3.32	210,586	€4.08	-15.0%
NAV DES	1,502,440	€27.85	1,403,628	€27.19	7.0%
Fair value of Swaps	48,788	€0.90	35,028	€0.68	
deferred taxes	-13,047	€-0.24	-11,367	€-0.22	
NAV EPRA	1,538,180	€28.51	1,427,289	€27.64	7.8%
Number of shares	53,945,536		51,631,400		4.5%

NUMBER OF SHARES



NAV PER SHARE



* = EPRA NAV

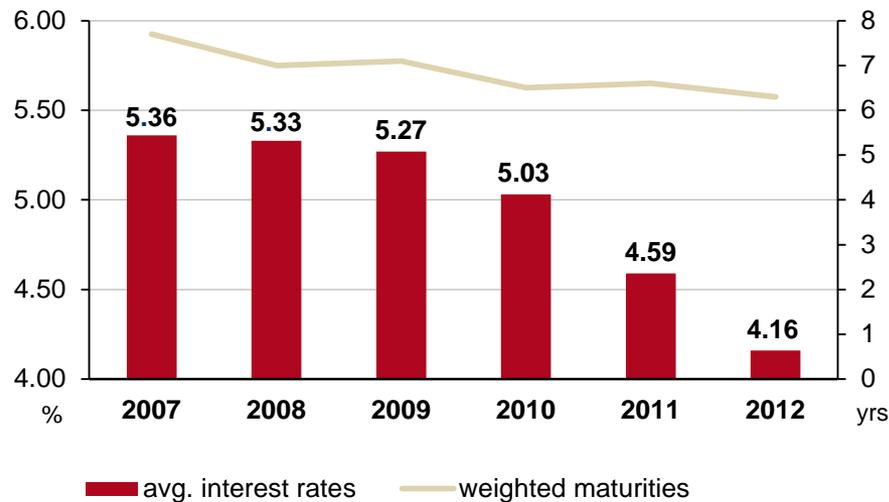
** = of total amount

FINANCIALS

Loan Structure incl. Convertible Bonds*

Interest lockin	Duration	Principle amounts (€ thousand)	Share of total loan	avg. interest rate
Up to 1 year		171.3	11%	2.93%
1 to 5 years	3.7	545.7	33%	4.74%
5 to 10 years	8.3	744.6	45%	4.32%
Over 10 years	14.6	187.7	11%	5.05%
Total 2012	6.3	1,649.3	100%	4.16%

- Banks: 22 German and 1 Austrian
- Weighted maturity of fixed interest periods 6.3 years
- Weighted maturity of the loans >11 years



* = as of 31 Dec. 2012

FINANCIALS

Refinancings of 2012

in € thousand	new	old	+/-
Principle amounts	104,322	104,320	+0,002
Duration	10.0yrs	2.0yrs	+8.0yrs
Interest rate	3.02%	5.83%	-2.81%

Maturities until 2017*

in € thousand	end of fixed interest periods respectively expiring loans	avg. interest rate	regular redemption payments	total maturities
2013	196,000	3.88%	19,800	216,000
2014	12,000	5.07%	20,900	33,000
2015	78,600	5.06%	19,600	98,000
2016	173,000	5.43%	16,200	189,000
2017	100,000	1.75%	16,600	117,000

559,600
 thereof 220,000
 already refinanced


* = as of 31 Dec. 2012

FINANCIALS

Profit and Loss Account

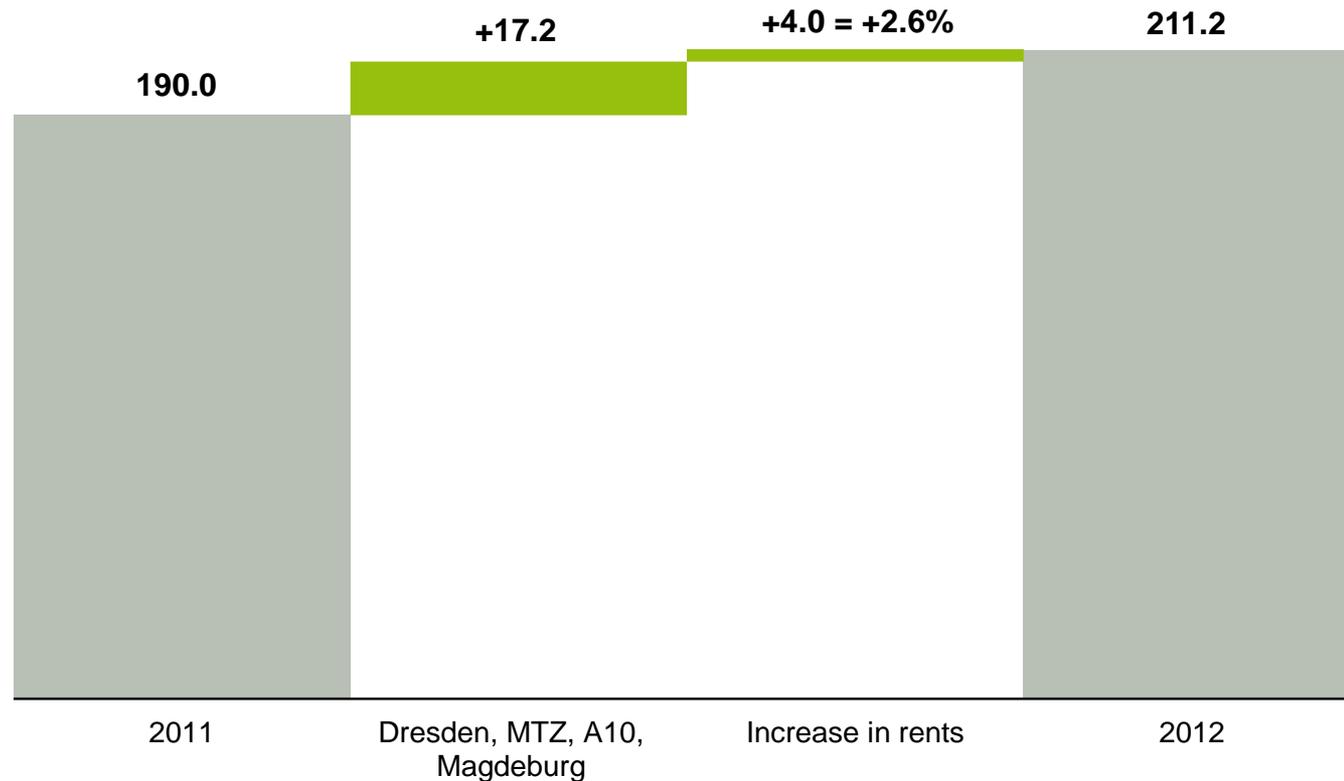
in € thousand	01.01 – 31.12.2012	01.01 – 31.12.2011	Change
Revenue	211,231	189,975	11%
Property operating and management costs	-21,803	-18,333	
Net operating income	189,428	171,642	10%
Other operating income	2,905	1,010	
Corporate costs	-11,316	-6,991	
EBIT	181,017	165,661	9%
Income from investments	1,400	1,261	
Net interest expense	-70,690	-64,899	
At equity valuation	-589	270	
Profit/loss attributable to limited partners	--15,271	--15,730	
Net finance costs	-85,150	-79,098	-8%
Measurement gains/losses	7,197	47,453	
EBT	103,064	134,016	-23%
Taxes	20,145	-34,978	
Consolidated profit	123,209	99,038	24%



FINANCIALS

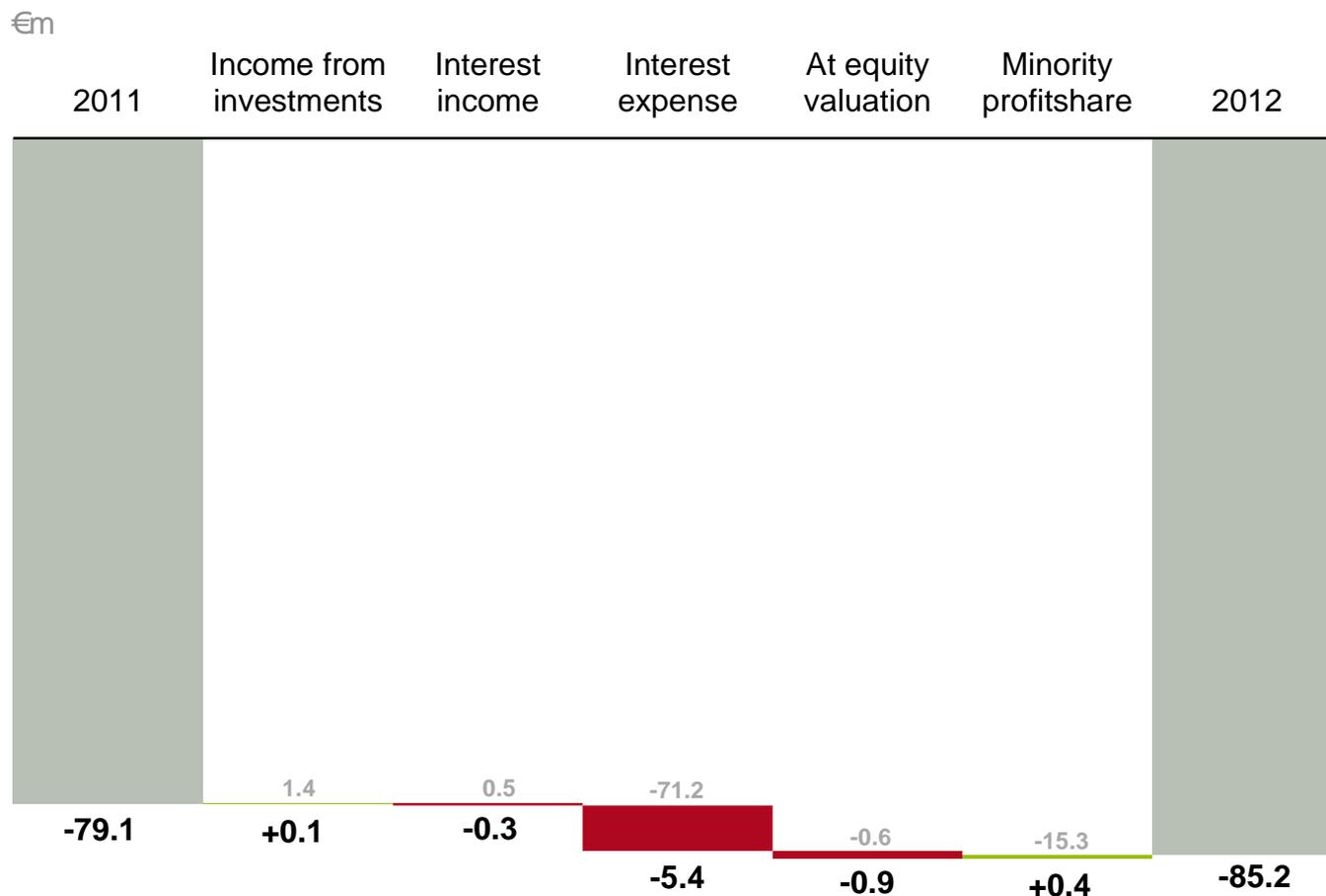
Revenue Bridge 2012

€m



FINANCIALS

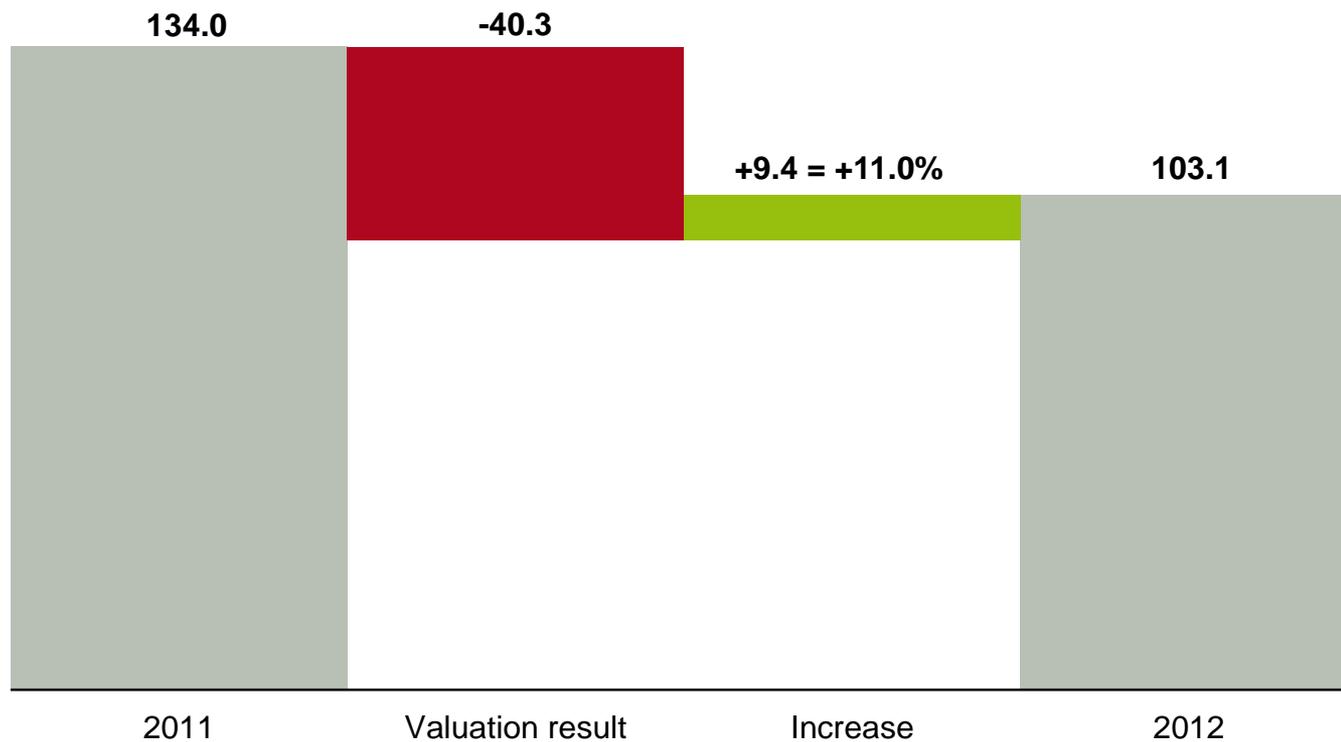
Net Finance Cost Bridge 2012



FINANCIALS

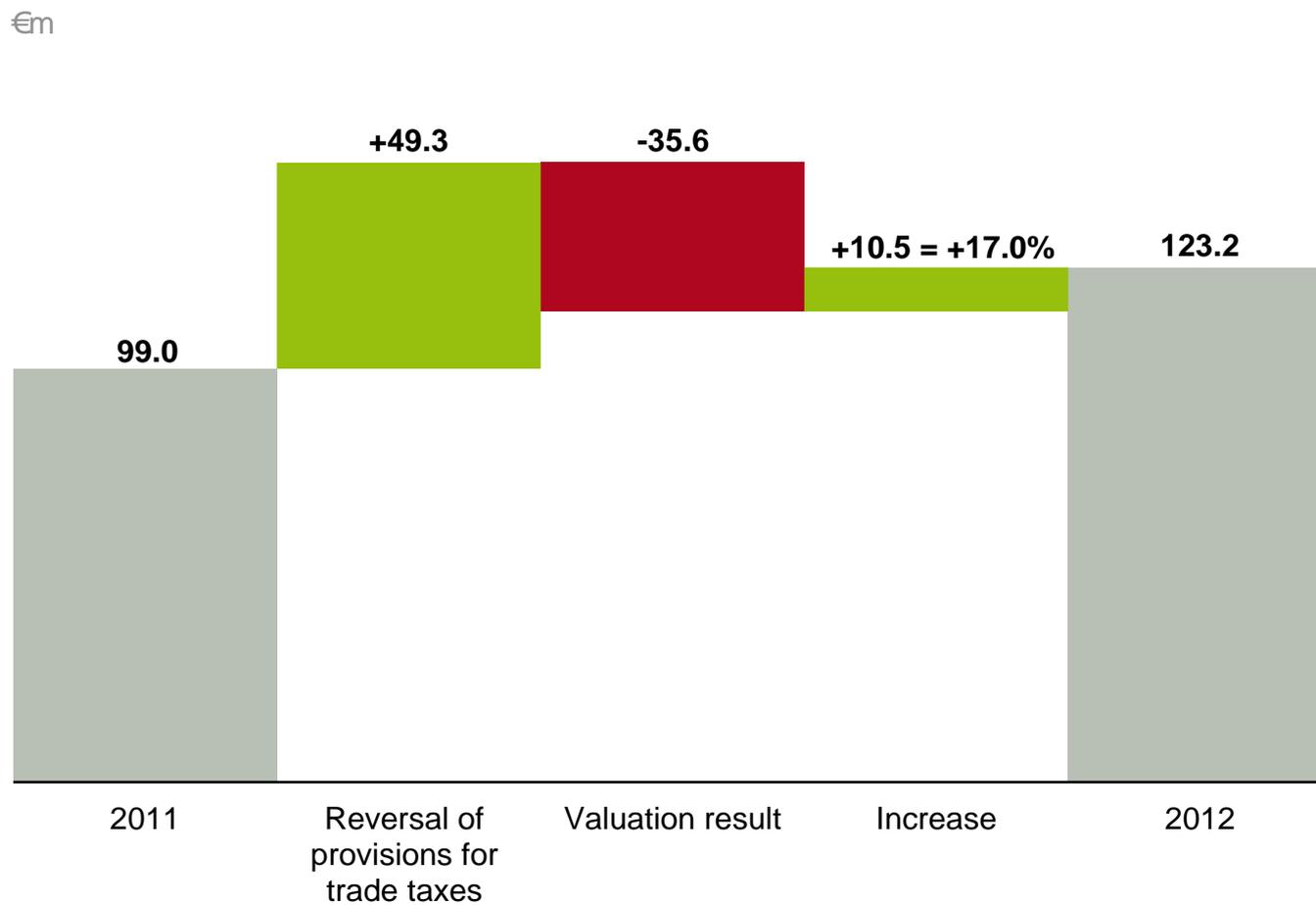
EBT Bridge 2012

€m



FINANCIALS

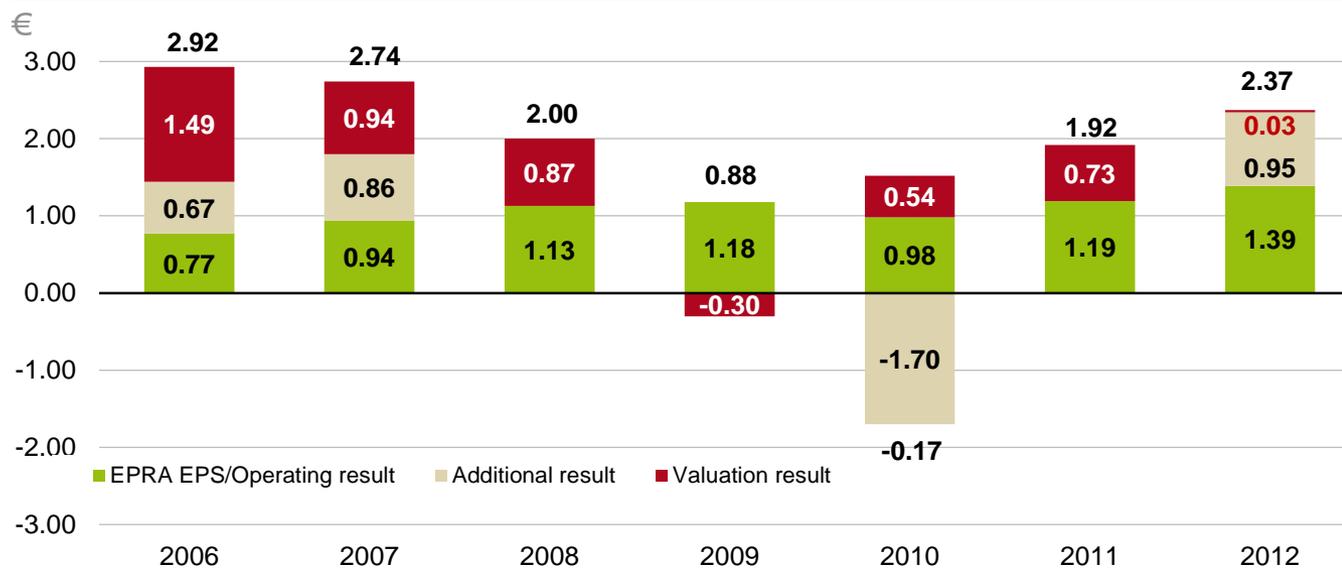
Profit Bridge 2012



FINANCIALS

Earnings per Share (EPRA)

	2012	per share*	2011	per share*
Consolidated net profit	123,209	€2.37	99,038	€1.92
- IAS 40 valuation	-7,197	€0.13	-47,453	€0.92
- At-equity valuation	0	€0.00	-94	€0.00
+ Deferred taxes	5,341	€0.10	10,008	€0.19
+ Tax expense for previous years	-49,323	€0.95	0,00	€0.00
EPRA Earnings	72,029	€1.39	61500	€1.19
Number of shares (adj.)	51,934,893		51,631,400	



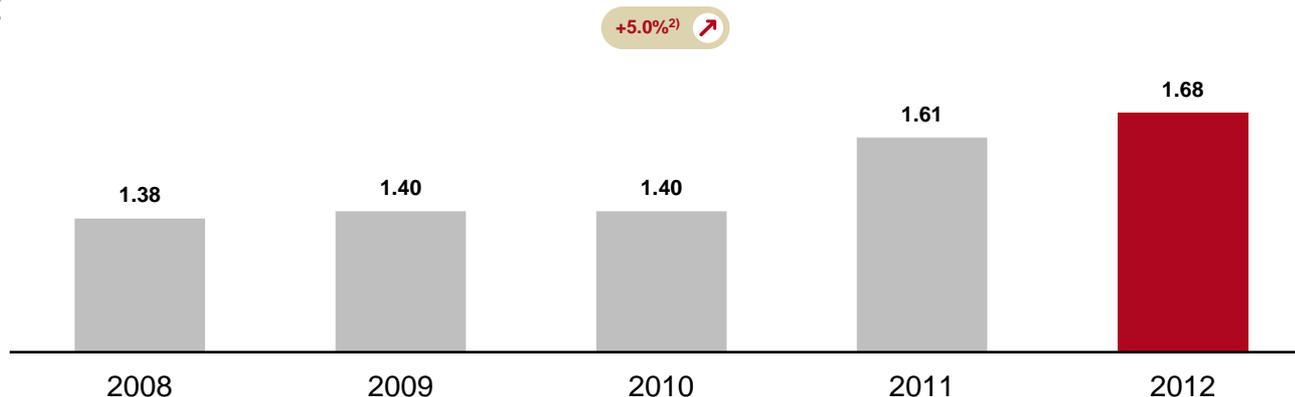
* = The sum of the earnings per share amounts may not equal the totals due to rounding.

FINANCIALS

Funds from Operations (FFO)

	2012	per share ¹⁾	2011	per share ¹⁾
Consolidated net profit	123,209	€2.37	99,038	€1.92
- IAS 40 valuation	-7,197	€0.13	-47,453	€0.92
- At-equity valuation	-2	€0.00	-94	€0.00
+ Deferred taxes	-28,734	€0.56	31,606	€0.61
FFO	87,276	€1.68	83,097	€1.61
Number of shares (adj.)	51,934,893		51,631,400	

€



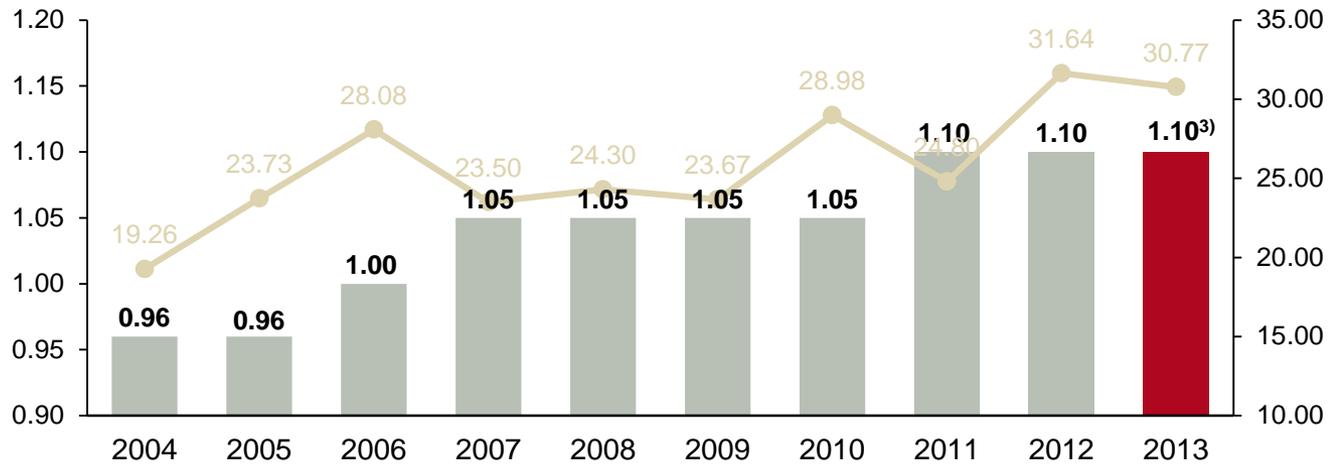
¹⁾= The sum of the earnings per share amounts may not equal the totals due to rounding.

²⁾= Compound Annual Growth Rate (CAGR)

SHOPPING CENTER SHARE

Dividend & Performance

Dividend¹⁾



Share price²⁾

PERFORMANCE⁴⁾

	DES	DAX	EPRA ⁵⁾	REX ⁶⁾
1 year (2012)	+32.7%	+29.1%	+29.2%	+4.6%
3 years	+51.2% = +14.8% p.a.	+8.5% p.a.	+11.6% p.a.	+5.6% p.a.
5 years	+66.6% = +10.7% p.a.	-1.2% p.a.	-0.8% p.a.	+6.4% p.a.
Since IPO (2001)	+171.8% = +8.7% p.a.	+1.4% p.a.	+6.6% p.a.	+5.3% p.a.



1) respectively paid for the previous financial year
 2) 2013: as of 19 March 2013
 3) at minimum
 4) as of 31 December 2012
 5) EPRA/NAREIT Europe
 6) German government bonds index

COMPANY

Outlook

- At-equity consolidation
- Deconsolidation of
 - Altmarkt-Galerie Dresden
 - Allee-Center Magdeburg
 - City-Arkaden Klagenfurt
 - Árkád Pécs
 - Phoenix-Center Hamburg
 - Stadt-Galerie Passau
- Total assets down €-389.5 million to €3,159.3 million
- Equity ratio (incl. minorities) moves up from 45.3% to 48.4%
- Turnover down by €-54.2 million to €157.1 million
- EBIT down by €-49.1 million to €132.3 million



COMPANY

Outlook

- Investments of €15 million for restructurings in 2013
- No further refinancings in 2013
- New acquisitions?
- Further optimisation of tax structure?
- Further increase in dividend

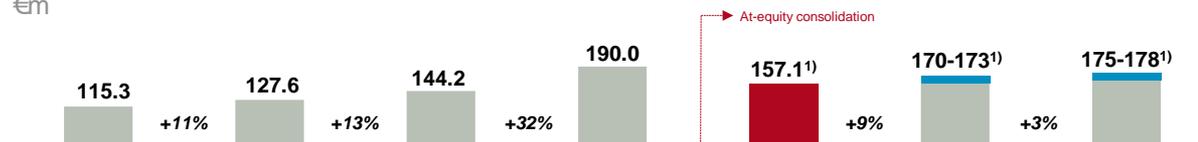


FINANCIALS

Forecast

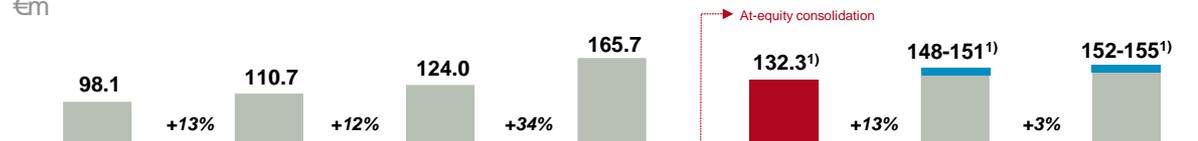
REVENUE

€m



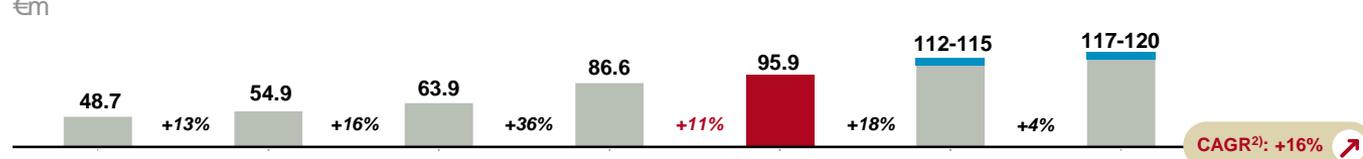
EBIT

€m



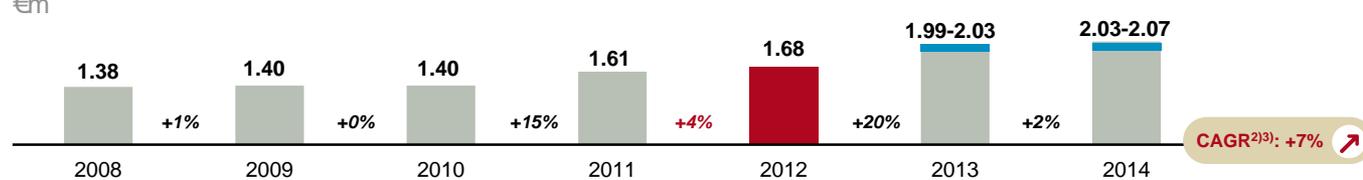
EBT BEFORE VALUATION

€m



FFO PER SHARE

€m



- 1) At-equity consolidation
- 2) Compound Annual Growth Rate (CAGR) 2008-2014
- 3) incl. dilution

APPENDIX

Retail turnover 2012*

Retail sector	% change in 2012	rent-to-sales ratio in %	% of sales	% of space
Department stores	1.4	6.1	9.0	15.8
Food	1.4	6.5	9.8	6.3
Fashion textiles	-0.6	11.1	27.1	34.4
Shoes & leather goods	-1.0	13.5	5.2	6.3
Sports	2.8	8.5	4.2	4.8
Health & Beauty	4.0	7.2	10.4	5.6
General Retail	-2.7	10.2	10.7	11.8
Electronics	-2.0	2.8	15.2	9.5
Services	3.1	4.6	4.4	1.5
Food catering	0.4	13.4	4.0	4.0
Total	0.1	8.3	100.0	100.0

- retail turnover development abroad on a **like-for-like** basis: **+1.0%**
DES-Portfolio overall: **+0.2%**
- **absolute** turnover development: Germany **+5.2%****, Abroad **+2.4%**
DES-Portfolio overall: **+4.7%**



* German centers on a like-for-like basis (turnover: €1.7 billion)

** compares to a turnover development of +1.9% of the overall German retail

APPENDIX

Correction*

The German Federal Financial Supervisory Authority (BaFin) determined that the consolidated financial statements of Deutsche EuroShop AG with the reporting date 31 December 2011 are incorrect:

1. The item "Measurement gain/loss" indicated in the consolidated income statement was €8.3 million too low because merger-related expenses connected to the acquisition of the Billstedt-Center Hamburg which should have been recognised in financial year 2010 were erroneously recognised in financial year 2011.

This is a violation of IFRS 3.53, which states that the acquirer must recognise all costs associated with a business combination as an expense during the periods in which they were incurred.

2. In the 2011 consolidated financial statements, cash inflows in the amount of €155.2 million are recognised in cash flow from operating activities and cash outflows of the same amount are recognised in cash flow from investment activities, both in connection with the acquisition of the Billstedt-Center Hamburg, yet no cash inflows or outflows in this amount actually took place during the period.

This is a violation of IAS 7.10, which specifies that the statement of cash flows must only include actual cash flows from the reporting period.



* Publication pursuant to Section 37q (2) (1) of the Wertpapierhandelsgesetz (WpHG - German Securities Trading Act)

APPENDIX

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 2012 (21.06.2013)	€1.xx
52W High	€32.45
52W Low	€25.36
Share price (20.03.2013)	€30.77
Market capitalisation	€1.66 billion
avg. turnover per day last 12 months (XETRA)	128,200 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: DEQGn.DE
Market maker	Close Brothers Seydler



APPENDIX

Financial Calendar

2013

21.03. Preliminary Results FY 2012	14.08. Interim report H1 2013
27.03. Roadshow London, Bankhaus Metzler	11.-12.09. Bank of America Merrill Lynch Global Real Estate Conference, New York
27.03. Roadshow Geneva, Berenberg	16.09. UBS Best of Germany Conference, New York
11.-12.04. Lampe Deutschland Conference, Baden-Baden	23.09. Berenberg Bank and Goldman Sachs German Corporate Conference, München
26.04. Publication of the Annual Report 2012	26.09. Baader Investment Conference, München
29.04. Roadshow Frankfurt, Deutsche Bank	13.11. Interim report 9M 2013
15.05. Interim report Q1 2013	14.11. Roadshow London, Bank of America Merrill Lynch
29.05. Kempen & Co. European Property Seminar, Amsterdam	27.-28.11. Bankhaus Lampe Hamburg Investment Conference, Hamburg
04.06. Roadshow Paris, Bankhaus Metzler	
06.06. Roadshow Milan, Société Générale	
06.-07.06. M.M. Warburg Highlights Conference, Hamburg	
20.06. Annual General Meeting, Hamburg	



APPENDIX

Contact

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

 ir-mall.com

 facebook.com/euroshop

 flickr.com/desag

 slideshare.net/desag

 twitter.com/des_ag

 youtube.com/DeutscheEuroShop

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.



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

