



LETTER FROM THE EXECUTIVE BOARD

Dear Shareholders,
Dear Readers,

The coronavirus pandemic started spreading over a year ago and has had a firm grip on large parts of the world, many sectors of the economy and entire populations ever since. This has had a particular effect on the bricks-and-mortar retail sector and thus also on Deutsche EuroShop. Since the renewed rise in the number of infections, the blanket shop closures ordered by the authorities in mid-December 2020 continue to this day. They were only interrupted by short opening phases in our foreign centers. In Germany, there were just selective openings in March 2021, in some cases subject to further conditions such as "Click & Collect" or "Click & Meet", which are generally barely profitable for retailers.

But there are also positive signs that make us optimistic that the situation will stabilise in the summer as expected. The availability of vaccines is steadily increasing and the vaccination status of the population continues to improve. In our centers, we are putting extensive hygiene and protection measures in place and also setting up test centers to help businesses reopen as soon as possible. Various countries have already achieved a relatively high level of vaccination in the population and significantly relaxed the rules for the bricks-and-mortar retail trade. In our foreign markets, governments are taking an individual, dynamic approach to restrictions on a local basis, thus significantly easing the burden on retailers. In parts of Austria, many shops have already reopened with safety measures since the beginning of February, and in Poland, the Czech Republic and Hungary, further shops opened in April and May. In this context, we note that the physical retail trade continues to enjoy great popularity. Whenever stores reopened, we observed a rapid increase in customer footfall in our centers. Although visitor numbers were still understandably below 2019 levels due to ongoing restrictions, this tells us that people are looking forward to going out and meeting up in busy locations, socialising and shopping in real-world stores.

For our main market of Germany, the German government has unfortunately continued its much more restrictive approach to fighting the pandemic, which is essentially based on the number of cases, and most recently tightened its existing measures with the Infektionsschutzgesetz (IfSG – Infection Protection Act) which has been in force since 23 April 2021. In the current pandemic situation, it is now to be expected that the "federal emergency brake" will continue to lead to nationwide store closures in Germany in the second quarter – with a corresponding impact on our tenants and thus also on our business. We must continue to weather this situation and act with appropriate circumspection. This includes continuing to support our tenants in securing their properties, implementing further cost reductions, postponing investments, significantly reducing the dividend to secure liquidity in the long term, as well as communicating with our financing banks proactively and on the basis of trust.

KEY CONSOLIDATED FIGURES

in € million	01.01.– 31.03.2021	01.01.– 31.03.2020	+/-
Revenues ⁵	51.9	57.2	-9.2 %
Net operating income (NOI)	32.5	50.0	-35.0 %
EBIT	31.4	48.3	-34.9 %
EBT (excluding valuation gains / losses ¹)	23.7	40.8	-41.9 %
EPRA ² earnings ⁵	23.1	38.5	-40.0 %
FFO	22.5	38.6	-41.7 %
Consolidated profit	22.3	28.0	-20.4 %

in €	01.01.– 31.03.2021	01.01.– 31.03.2020	+/-
EPRA ² earnings per share ⁵	0.37	0.62	-40.3 %
FFO per share	0.36	0.62	-41.9 %
Earnings per share	0.36	0.45	-20.0 %
Weighted number of no-par-value shares issued	61,783,594	61,783,594	0.0 %

in € million	31.03.2021	31.12.2020	+/-
Equity ³	2,341.0	2,314.8	1.1 %
Liabilities	1,889.2	1,922.6	-1.7 %
Total assets	4,230.2	4,237.4	-0.2 %
Equity ratio in % ³	55.3	54.6	
LTV ratio in % ⁴	32.5	32.9	
Cash and cash equivalents	244.1	266.0	-8.3 %

¹ including the share attributable to equity-accounted joint ventures and associates

² European Public Real Estate Association

³ including third-party interests in equity

⁴ Loan-to-value ratio (LTV ratio): ratio of net financial liabilities (financial liabilities less cash and cash equivalents) to non-current assets (investment properties and financial investments accounted for using the equity method)

⁵ Figures shown within net operating income were changed as at 31 December 2020 and the previous year's quarterly figures have been adjusted for easier comparability. Please refer to the comments in the notes to the consolidated financial statements under section "4. New accounting standards and changes in presentation".

The impact of the pandemic on the first quarter of 2021 was very evident in our financials. Sales of €51.9 million (-9.2%) and EBIT of €31.4 million (-34.9%) were substantially below the figures for the first quarter of the previous year, which were still largely unaffected by the coronavirus. Our earnings before taxes and valuation (EBT excluding valuation) fell by 41.9% to €23.7 million, and EPRA earnings shrank accordingly by 40.0% to €23.1 million. FFO adjusted for valuation and special effects amounted to €22.5 million, which was 41.7% below the prior-year level. With a collection ratio of 67%, Group liquidity increased slightly to €244.1 million on a comparable basis despite the extensive business closures.

Even though we are unable to estimate the economic impact on Deutsche EuroShop at this point in time and the sector will again face major challenges in the second quarter of 2021, given our good balance sheet structure and solid liquidity we remain confident that our company will overcome the obstacles in its way.

Within this context, the now increasing openings of a large proportion of shops in our foreign centers, as well as the significant easing expected for Germany in the summer, represent important steps towards sustained stabilisation.

We very much hope that you will continue to accompany us on this journey.

Hamburg, May 2021



Wilhelm Wellner



Olaf Borkers

RESULTS OF OPERATIONS

in € thousand	01.01. – 31.03.2021		01.01. – 31.03.2020		Change	
			(adjusted) ¹		+/-	in %
Revenues		51,904	57,182	-5,278	-9.2	
Operating and administrative costs for property		-7,499	-6,782	-717	-10.6	
Write-downs and derecognition of receivables		-11,868	-370	-11,498	-3,107.6	
NOI		32,537	50,030	-17,493	-35.0	
Other operating income		784	655	129	19.7	
Other operating expenses		-1,878	-2,378	500	21.0	
EBIT		31,443	48,307	-16,864	-34.9	
At-equity profit / loss	4,388		6,517			
Valuation gains / losses (at equity)	357		1,167			
Deferred taxes (at equity)	11		181			
At-equity (operating) profit / loss		4,756	7,865	-3,109	-39.5	
Interest expense		-10,205	-11,003	798	7.3	
Profit / loss attributable to limited partners		-2,293	-4,402	2,109	47.9	
Other financial gains or losses		2	5	-3	-60.0	
Financial gains or losses (excl. valuation gains / losses)		-7,740	-7,535	-205	-2.7	
EBT (excl. valuation gains / losses)		23,703	40,772	-17,069	-41.9	
Valuation gains / losses	2,843		-4,735			
Valuation gains / losses (at equity)	-357		-1,167			
Valuation gains / losses (including at-equity profit / loss)		2,486	-5,902	8,388	142.1	
Taxes on income and earnings		-1,221	-2,180	959	44.0	
Deferred taxes	-2,635		-4,475			
Deferred taxes (at equity)	-11		-181			
Deferred taxes (including at equity)		-2,646	-4,656	2,010	43.2	
CONSOLIDATED PROFIT		22,322	28,034	-5,712	-20.4	

¹ Figures shown within net operating income were changed as at 31 December 2020 and the previous year's quarterly figures have been adjusted for easier comparability. Please refer to the comments in the notes to the consolidated financial statements under section "4. New accounting standards and changes in presentation".

Revenues affected by coronavirus pandemic

Revenues for the reporting period came in at €51.9 million, which was 9.2% lower on a comparable basis than in the same period of the previous year (€57.2 million). This was due to longer periods of closure in our foreign markets compared with the previous year, which necessitated, among other things, the temporary suspension of payment obligations under rental agreements for tenants affected by the closures due to statutory regulations. Other factors responsible for the decline in revenues, mainly due to the pandemic, included the loss of tenants who encountered payment difficulties, lower turnover-linked rents as well as longer re-letting periods and higher vacancy rates.

Operating center expenses slightly above previous year

Center operating costs of €7.5 million in the reporting period, mainly comprising center management fees, non-apportionable ancillary costs, land taxes, building insurance and maintenance, increased year on year by 10.6%. This was due to higher vacancy-related, non-apportionable ancillary costs and maintenance.

Sharp rise in write-downs due to coronavirus

Write-downs and the derecognition of receivables increased significantly on the previous year to €11.9 million (previous year: €0.4 million). These take into account both contractually agreed rental concessions (€5.3 million) and the further rental concessions expected on receivables outstanding as at the reporting date (€3.6 million). In addition, receivables had to be derecognised or written down individually (€3.0 million), in particular due to insolvency.

Other operating income and expenses

Other operating income, stemming primarily from the reversal of provisions, income from rental receivables for which impairment losses had been recognised in previous years and from additional payments with respect to ancillary costs, amounted to €0.8 million, representing an increase on the previous year. At €1.9 million, other operating expenses, most of which related to general administrative and personnel expenses, were down on the same period in the previous year, in particular as a result of one-off financing costs in connection with the extension of our credit line in the comparable quarter.

EBIT significantly lower than in previous year

Earnings before interest and taxes (EBIT) at €31.4 million were well below the figure for the previous year (€48.3 million), largely due to the derecognition and write-down of accumulated rent arrears and the coronavirus-driven decline in revenues.

Financial result excluding valuation effects on a par with previous year

At €-7.7 million, financial losses (excluding valuation gains / losses) were only slightly down year on year (previous year: €-7.5 million) as a result of opposing, mutually offsetting effects.

At-equity (operating) earnings also fell by €3.1 million to €4.8 million, due in particular to higher write-downs on rent receivables and revenue shortfalls as a result of the coronavirus. By contrast, the interest expenses of Group companies were reduced by a further €0.8 million. In addition to scheduled repayments, the more attractive follow-up financing for the City-Arkaden Wuppertal had a positive effect here. The share of earnings attributable to limited partners decreased by €2.1 million in line with the reduced EBIT.

EBT (excluding valuation gains / losses) down substantially as a result of pandemic

The decline in EBIT and at-equity earnings caused EBT (excluding valuation gains / losses) to fall from €40.8 million to €23.7 million (-41.9%).

Valuation gains / losses positively influenced by one-off effect

The valuation gain of €2.5 million (previous year: €-5.9 million) includes a positive valuation effect from the revaluation of an undeveloped and currently unused piece of land in the amount of €4.0 million resulting from the receipt of an initial purchase offer. Furthermore, the valuation result includes investment costs incurred by our portfolio properties (including the at-equity portion).

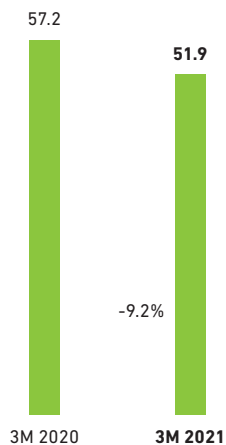
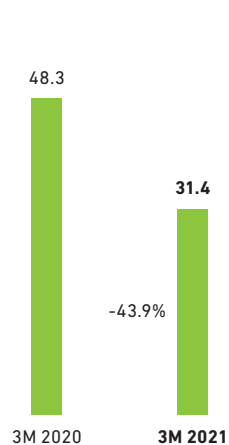
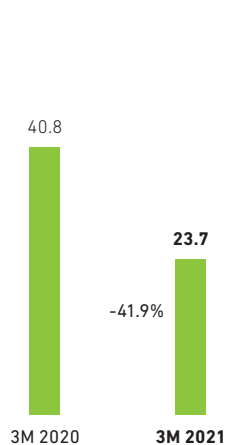
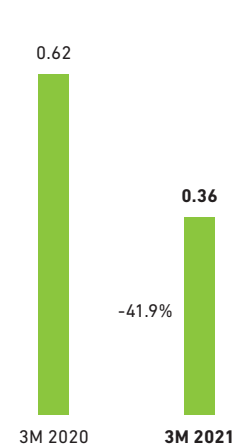
Taxes on income and earnings

Taxes on income and earnings fell to €1.2 million (previous year: €2.2 million) as a result of the decline in earnings. Deferred taxes resulting mainly from the systematic amortisation of the tax balance sheet values of our real estate assets totalled €2.6 million (previous year: €4.7 million).

EPRA earnings and net income heavily impacted by coronavirus pandemic

EPRA earnings, which exclude valuation gains / losses, fell significantly to €23.1 million or €0.37 per share, due mainly to impairments of rent receivables and the decline in revenues. Consolidated profit stood at €22.3 million, €5.7 million lower than the prior-year period (€28.0 million), and earnings per share fell from €0.45 to €0.36.




REVENUE
in € million

EBIT
in € million

EBT *
in € million

FFO PER SHARE
in €


* excluding measurement gains / losses

EPRA EARNINGS

	01.01.–31.03.2021		01.01.–31.03.2020	
	in € thousand	per share in €	in € thousand	per share in €
Consolidated profit	22,322	0.36	28,034	0.45
Valuation gains / losses on investment properties ¹	-2,486	-0.04	5,902	0.10
Measurement gains / losses on derivative financial instruments ¹	0	0.00	-90	0.00
Deferred tax adjustments pursuant to EPRA ²	3,290	0.05	4,656	0.07
EPRA EARNINGS	23,126	0.37	38,502	0.62
Weighted number of no-par-value shares issued		61,783,594		61,783,594

¹ including the share attributable to equity-accounted joint ventures and associates
² relates to deferred taxes on investment properties and derivative financial instruments

Development of funds from operations (FFO)

Funds from operations (FFO) are used to finance our ongoing investments in portfolio properties, scheduled repayments on our long-term bank loans and as the basis for the distribution of dividends. Significant non-recurring effects that are not part of the Group's operating activities are eliminated in the calculation of FFO. FFO declined from €38.6 million to €22.5 million or by €0.26 per share to €0.36. As an income-based figure, FFO does not reflect the increase in outstanding rent receivables due to the coronavirus, with the result that it is also necessary to analyse tenants' payment behaviour expressed in the collection ratio. This amounted to 67% in the first quarter.

FUNDS FROM OPERATIONS

	01.01.–31.03.2021		01.01.–31.03.2020	
	in € thousand	per share in €	in € thousand	per share in €
Consolidated profit	22,322	0.36	28,034	0.45
Valuation gains / losses on investment properties ¹	-2,486	-0.04	5,902	0.10
Deferred taxes ¹	2,646	0.04	4,656	0.07
FFO	22,482	0.36	38,592	0.62
Weighted number of no-par-value shares issued		61,783,594		61,783,594

¹ including the share attributable to equity-accounted joint ventures and associates

FINANCIAL POSITION AND NET ASSETS

Net assets and liquidity

The Deutsche EuroShop Group's total assets declined slightly compared with the previous reporting date, falling by €7.2 million to €4,230.2 million.

The collection ratio, representing the ratio of incoming payments to rent and service charge receivables from tenants, showed the following movements in each individual month in 2020 up to the end of April 2021 as a result of the coronavirus (adjustments from agreed rent reductions already taken into account):

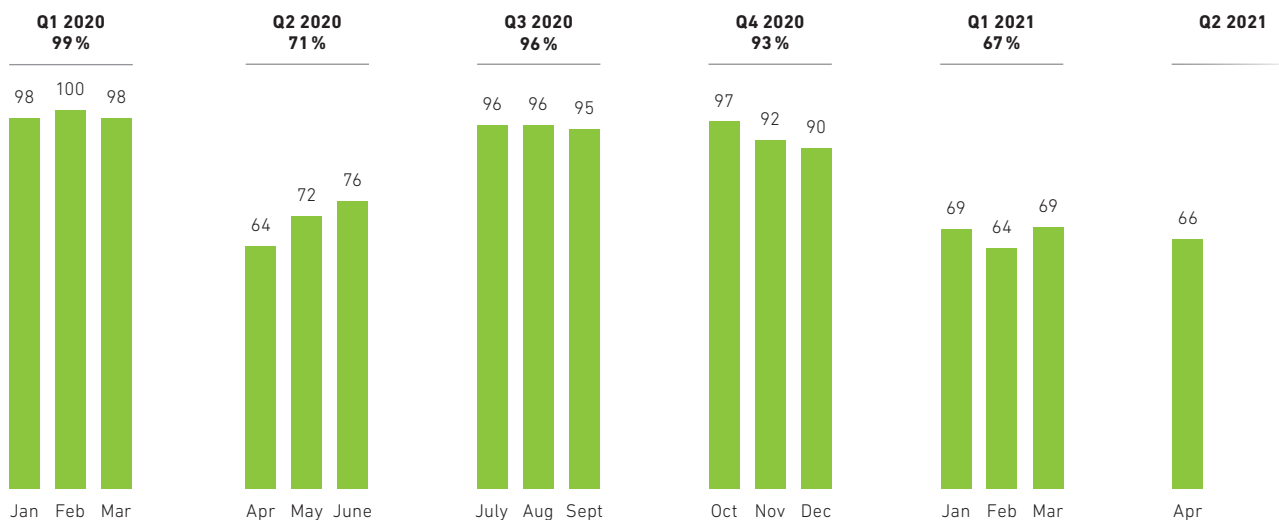
The Group's receivables (after write-downs) increased accordingly by €5.4 million to €25.2 million (previous year: €19.8 million). The Group's liquidity, excluding draw-downs on the short-term credit facility, improved slightly by €8 million to €244 million compared with the previous reporting date.

Equity ratio of 55.3%

The equity ratio (including the shares of third-party shareholders) was 55.3%, almost unchanged from the previous reporting date (54.6%) and still at a very solid level.

COLLECTION RATIO

in %



Liabilities

As at 31 March 2021, current and non-current financial liabilities stood at €1,507.0 million, €34.4 million lower than at the end of 2020. In addition to scheduled repayments, the €30 million draw-down at short notice against the credit line beyond the reporting date was repaid. We continue to negotiate or coordinate with banks for upcoming refinancings and the potential impact of pandemic-related business closures on our key financial indicators and loan covenants. As at 31 March 2021, all loan covenants were met.

Non-current, deferred tax liabilities increased by €2.1 million to €327.1 million due to further additions. Other current and non-current liabilities and provisions decreased by €1.1 million.

REPORT ON EVENTS AFTER THE REPORTING DATE

In order to contain the coronavirus pandemic, the authorities continued to implement far-reaching safety and quarantine measures in the first quarter, including the closure of retail stores that do not serve basic needs. There are exceptions only for food retailers, drugstores, pharmacies, banking services and a limited number of other everyday goods and services. Currently, only our four foreign centers are open subject to restrictions. In the majority of our 17 German centers, only shops offering basic supplies are still open. The ongoing safety and quarantine measures in the various countries during the period are set out below.

For Germany, the widespread retail closures already in place since 16 December 2020 continued in the first quarter. The regulations in force from 8 March 2021 allow retailers to reopen if a stable seven-day incidence of less than 50 new infections per 100,000 residents is achieved. Purchases can be made by appointment in physical retail outlets with a three-day incidence rate of between 50 and 100. If the incidence exceeds 100, the so-called emergency brake should apply, which provides for a reversal of the steps for opening up. It is the responsibility of federal state governments to implement the emergency brake. Parallel to this, further business restrictions were introduced which varied greatly from region to region and had a drastic impact on the bricks-and-mortar retail trade. They included, for example, restricting business to concepts such as "Click & Collect" or "Click & Meet". Due to the pandemic situation, these regulations have so far only allowed shops to open for brief periods and on a selective basis, with the result that profitable business operations have generally not been possible. Since 23 April 2021, based on amendments to the Infection Protection Act, an additional federal emergency brake has been in effect which permits shopping by appointment with mask and test within a seven-day incidence of 100 to 150. But here, too, individual federal states are allowed to adopt and implement stricter measures on a regional basis.

In Poland, measures requiring the closure of shops in shopping centers, which have been in force since 28 December 2020, were lifted again on 1 February 2021, subject to conditions such as wearing a mask and observing limits on the number of customers allowed per square metre; however, they were then reimposed regionally from 13 March 2021 and nationwide from 20 March 2021. On 4 May 2021, retail shops were allowed to reopen, subject to safeguards.

Widespread retail closures in the Czech Republic since 27 December 2020 became even stricter effective 1 March 2021, and the list of shops allowed to remain open has been shortened even further. Here, retailers reopened on 10 May 2021, subject to protective measures.

As at 8 February 2021 and subject to certain conditions, Austria has lifted the measures requiring retail shops to close that had been in force since 26 December 2020.

Hungary closed its retail shops for the first time from 8 March to 7 April 2021. Even prior to that, however, catering operations had only been possible to a limited extent (take-away) and retailers had to observe the applicable protective measures, such as restrictions on opening hours and mask requirements.

No further significant events occurred between the reporting date of 31 March 2021 and the date on which the financial statements were prepared.

OUTLOOK

EXPECTED RESULTS OF OPERATIONS AND FINANCIAL POSITION

The uncertainties facing the business operations of our tenants in our centers and with respect to the economy and consumer climate are still very high owing to the coronavirus pandemic. Furthermore, it is unclear for the majority of our shopping centers when and how they will be able to reopen. It therefore remains impossible to assess the negative impact which the continuing pandemic will have on our operating earnings, and thus to provide a forecast for the 2021 financial year as a whole. We continue to expect revenues, EBIT, EBT (excluding valuation gains / losses) and FFO to be below the 2020 figures.

DIVIDEND PLANNING

As a precautionary measure to ensure and further strengthen the Company's liquidity, the Executive Board has therefore decided to propose to the Annual General Meeting to pay a dividend amounting to 4% of share capital (equivalent to a total dividend of €2,471,343.76 or €0.04 per share) from the unappropriated surplus from the financial year 2020 remaining after allocation to other retained earnings and in compliance with section 254 (1) of the Aktiengesetz (AktG – German Stock Corporation Act), and to carry forward the remaining amount of the unappropriated surplus (€41,311,535.84) to new account.

Notwithstanding the recent suspension or limitation of dividend payments due to the coronavirus, we intend to continue our dividend policy focused on continuity once this exceptional situation has come to an end.

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 that the Company currently 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 2020 is therefore still applicable (Annual Report 2020, p. 19 ff.).

CONSOLIDATED BALANCE SHEET

ASSETS

in € thousand	31.03.2021	31.12.2020
ASSETS		
Non-current assets		
Intangible assets	51,763	51,732
Property, plant and equipment	297	330
Investment properties	3,444,848	3,437,145
Investments accounted for using the equity method	446,638	444,517
Non-current assets	3,943,546	3,933,724
Current assets		
Trade receivables	25,186	19,822
Other current assets	17,383	17,805
Cash and cash equivalents	244,077	266,030
Current assets	286,646	303,657
TOTAL ASSETS	4,230,192	4,237,381

LIABILITIES

in € thousand	31.03.2021	31.12.2020
EQUITY AND LIABILITIES		
Equity and reserves		
Subscribed capital	61,784	61,784
Capital reserves	1,217,560	1,217,560
Retained earnings	744,294	723,902
Total equity	2,023,638	2,003,246
Non-current liabilities		
Financial liabilities	1,250,674	1,359,612
Deferred tax liabilities	327,050	324,978
Right of redemption of limited partners	317,393	311,525
Other liabilities	29,140	26,851
Non-current liabilities	1,924,257	2,022,966
Current liabilities		
Financial liabilities	256,303	181,816
Trade payables	2,311	3,303
Tax liabilities	1,417	456
Other provisions	7,287	8,313
Other liabilities	14,979	17,281
Current liabilities	282,297	211,169
TOTAL EQUITY AND LIABILITIES	4,230,192	4,237,381

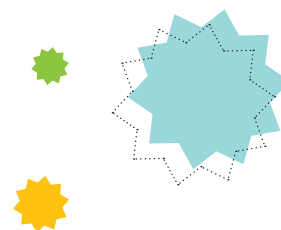
CONSOLIDATED INCOME STATEMENT

In € thousand	01.01.– 31.03.2021	01.01.– 31.03.2020 (adjusted) ¹
Revenues	51,904	57,182
Property operating costs	-4,697	-4,130
Property management costs	-2,802	-2,652
Write-downs and disposals of financial assets	-11,868	-370
Net operating income (NOI)	32,537	50,030
Other operating income	784	655
Other operating expenses	-1,878	-2,378
Earnings before interest and taxes (EBIT)	31,443	48,307
Share in the profit or loss of associated companies and joint ventures accounted for using the equity method	4,388	6,517
Interest expense	-10,205	-11,003
Profit / loss attributable to limited partners	-2,293	-4,402
Interest income	2	5
Financial gains or losses	-8,108	-8,883
Measurement gains / losses	2,843	-4,735
Earnings before tax (EBT)	26,178	34,689
Taxes on income and earnings	-3,856	-6,655
CONSOLIDATED PROFIT	22,322	28,034
Earnings per share (€)	0.36	0.45

¹ Figures shown within net operating income were changed as at 31 December 2020 and the previous year's quarterly figures have been adjusted for easier comparability. Please refer to the comments in the notes to the consolidated financial statements under section "4. New accounting standards and changes in presentation".

STATEMENT OF COMPREHENSIVE INCOME

In € thousand	01.01.– 31.03.2021	01.01.– 31.03.2020
Consolidated profit	22,322	28,034
Items which under certain conditions will be reclassified to the income statement in the future:		
Actual share of the profits and losses from instruments used to hedge cash flows	-2,491	1,774
Deferred taxes on changes in value offset directly against equity	561	-393
Total earnings recognised directly in equity	-1,930	1,381
TOTAL PROFIT	20,392	29,415
Share of Group shareholders	20,392	29,415



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In € thousand	Number of shares outstanding	Share capital	Capital reserves	Other retained earnings	Statutory reserve	Cash flow hedge reserve	Total
01.01.2020	61,783,594	61,784	1,217,560	993,900	2,000	-25,671	2,249,573
Total profit		0	0	28,034	0	1,381	29,415
Dividend payments		0	0	0	0	0	0
31.03.2020	61,783,594	61,784	1,217,560	1,021,934	2,000	-24,290	2,278,988
01.01.2021	61,783,594	61,784	1,217,560	742,183	2,000	-20,281	2,003,246
Total profit		0	0	22,322	0	-1,930	20,392
Dividend payments		0	0	0	0	0	0
31.03.2021	61,783,594	61,784	1,217,560	764,505	2,000	-22,211	2,023,638

CONSOLIDATED CASH FLOW STATEMENT

In € thousand	01.01.–31.03.2021	01.01.–31.03.2020
Consolidated profit	22,322	28,034
Income taxes	3,856	6,655
Financial gains or losses	8,108	8,883
Amortisation / depreciation of intangible assets and property, plant and equipment with a finite life	37	36
Unrealised changes in fair value of investment property and other valuation gains / losses	-2,843	4,735
Distributions and capital repayments received	2,267	4,633
Changes in trade receivables and other assets	-5,122	1,300
Changes in current provisions	-1,026	-1,148
Changes in liabilities	-3,476	-588
Cash flow from operating activities	24,123	52,540
Interest paid	-10,112	-11,003
Interest received	2	5
Income taxes paid	-80	-1,546
Net cash flow from operating activities	13,933	39,996
Outflows for the acquisition of investment properties	-1,247	-5,054
Outflows for the acquisition of intangible assets and property, plant and equipment	-35	-3
Cash flow from investing activities	-1,282	-5,057
Inflows from financial liabilities	0	7,416
Outflows from the repayment of financial liabilities	-34,544	-4,354
Outflows from the repayment of lease liabilities	-22	-22
Payments to limited partners	-38	-3,403
Cash flow from financing activities	-34,604	-363
Net change in cash and cash equivalents	-21,953	34,576
Cash and cash equivalents at beginning of period	266,030	148,087
CASH AND CASH EQUIVALENTS AT END OF PERIOD	244,077	182,663

SEGMENT REPORTING

Segment reporting by Deutsche EuroShop AG is carried out on the basis of internal reports that are used by the Executive Board to manage the Group. Internal reports distinguish between shopping centers in Germany ("domestic") and other European countries ("abroad").

As the Group's main decision-making body, the Deutsche EuroShop AG Executive Board first and foremost assesses the performance of the segments based on revenues, EBIT and EBT excluding valuation gains / losses. The measurement principles for segment reporting correspond to those of the Group.

In order to assess the contribution of the segments to the individual performance indicators as well as to the Group's success, the income, expenditure, assets and liabilities of the joint ventures are included in internal reporting in proportion to the Group's share in them. Similarly, for subsidiaries in which the Group is not the sole shareholder, income, expenditure, assets and liabilities are only consolidated in proportion to the corresponding Group share. This results in the following presentation, broken down by segment:

The adjustment of the proportionate consolidation of the joint ventures and subsidiaries in which the Group does not own a 100% stake is carried out in the reconciliation column. Deferred tax liabilities are considered by the Executive Board of Deutsche EuroShop AG cross-segmentally and are therefore included in the reconciliation column for segment liabilities. The goodwill from the acquisition of Olympia Brno was thus allocated to the reconciliation column of the segment assets. The reconciliation column also contains the companies that are not allocated to either of the two segments (Deutsche EuroShop AG, DES Management GmbH, DES Beteiligungs GmbH & Co. KG).

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

BREAKDOWN BY SEGMENT

In € thousand	Domestic	Abroad	Total	Reconciliation	01.01.– 31.03.2021
Revenues (01.01.–31.03.2020) ¹	46,701 (50,567)	8,956 (10,455)	55,657 (61,022)	-3,753 (-3,840)	51,904 (57,182)
EBIT (01.01.–31.03.2020)	28,953 (43,519)	6,028 (9,514)	34,981 (53,033)	-3,538 (-4,726)	31,443 (48,307)
EBT excl. valuation gains / losses (01.01.–31.03.2020)	21,180 (34,970)	3,683 (7,189)	24,863 (42,159)	-1,160 (-1,387)	23,703 (40,772)
					31.03.2021
Segment assets (31.12.2020)	3,067,100 (3,083,333)	717,762 (714,838)	3,784,862 (3,798,171)	445,330 (439,210)	4,230,192 (4,237,381)
of which investment properties (31.12.2020)	2,904,466 (2,900,461)	680,092 (680,092)	3,584,558 (3,580,553)	-139,710 (-143,408)	3,444,848 (3,437,145)

¹ Figures shown within net operating income were changed as at 31 December 2020 and the previous year's quarterly figures have been adjusted for easier comparability. Please refer to the comments in the notes to the consolidated financial statements under section "4. New accounting standards and changes in presentation".

OTHER DISCLOSURES

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, 11 May 2021



Wilhelm Wellner



Olaf Borkers

THE SHOPPING CENTER SHARE

After closing the year* 2020 at €18.45, the Deutsche EuroShop share started the first weeks of 2021 with no clear trend, moving in a range of around €16 to €19. The high for the period was reached on 14 January 2021 at €19.02. On both 18 and 19 February 2021, the share closed at €16.18, marking the low for the opening quarter of the year. Subsequently, the DES shared trended inconsistently and closed Q1 2021 at €17.76. This equates to a performance of -3.7% for the reporting period. The SDAX rose by 4.6% over the same period. Deutsche EuroShop's market capitalisation stood at €1.1 billion at the end of the reporting period.

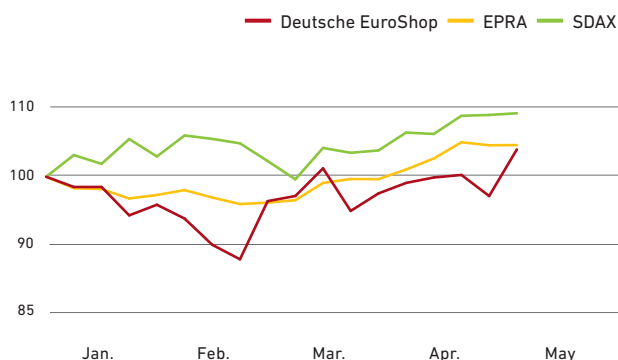
* Unless otherwise specified, all information and calculations are based on Xetra closing prices.

KEY SHARE DATA

Sector / industry group	Financial services / real estate
Share capital as at 31.03.2021	€61,783,594.00
Number of shares as at 31.03.2021 (no-par-value registered shares)	61,783,594
Dividend for 2020 (proposed)	€0.04
Share price on 30.12.2020	€18.45
Share price on 31.03.2021	€17.76
Low / high for the period under review	€16.18 / €19.02
Market capitalisation on 31.03.2021	€1.1 billion
Prime Standard	Frankfurt and Xetra
OTC markets	Berlin, Düsseldorf, Hamburg, Hanover, Munich and Stuttgart
Indices	SDAX, EPRA, GPR 250, EPIX 30, MSCI Small Cap, HASPAX, F.A.Z.-Index
ISIN	DE 000748 020 4
Ticker symbol	DEQ, Reuters: DEQn.DE

DEUTSCHE EUROSHOP VS. SDAX AND EPRA COMPARISON, JANUARY TO MAY 2021

(indexed, base of 100, in %)





FINANCIAL CALENDAR 2021

11.05. Quarterly statement 3M 2021

26.05. Société Generale The Nice Conference (virtual)

27.05. Kempen European Property Seminar (virtual)

18.06. Annual General Meeting, Hamburg (virtual)

24.06. UniCredit Kepler Cheuvreux German Property Day (virtual)

12.08. Half-year Financial Report 2021

02.09. Commerzbank Sector Conference, Frankfurt

20.09. Berenberg and Goldman Sachs German Corporate Conference, Munich

21.09. Baader Investment Conference, Munich

22.–23.09. Bank of America Global Real Estate Conference (virtual)

11.11. Quarterly statement 9M 2021

01.12. DZ Bank Equity Conference, Frankfurt

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

www.deutsche-euroshop.de/ir



WOULD YOU LIKE ADDITIONAL INFORMATION?

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Nicolas Lissner
and Patrick Kiss

Forward-looking statements

This quarterly statement 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 forecast.

Rounding and rates of change

Percentages and figures stated in this report may be subject to rounding differences. The sign used to indicate rates of change is based on economic considerations: improvements are marked with a plus sign (+), deteriorations with a minus sign (-).