

CONFERENCE CALL

Half-Year Financial Report 2018

15 AUGUST 2018



Retail turnover H1 2018¹

RETAIL SECTOR	% change in 2018	rent-to-sales ratio in %	% of sales	% of space
DEPARTMENT STORES	-4.3	6.6	6.3	13.3
FOOD	-1.4	7.7	9.4	6.9
FASHION TEXTILES	-3.0	12.6	28.8	38.6
SHOES & LEATHER GOODS	-4.1	15.6	5.0	6.0
SPORTS	-0.3	10.0	4.5	5.5
HEALTH & BEAUTY	-0.5	7.4	12.7	6.3
GENERAL RETAIL	-3.9	11.8	8.2	9.2
ELECTRONICS	-2.1	4.0	15.4	8.4
SERVICES	+2.6	5.1	4.9	1.7
FOOD CATERING	+0.1	12.7	4.8	4.1
TOTAL	-2.0	9.4	100²	100²

	Germany	Abroad	Total
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→ Retail turnover development on a like-for-like basis: -2.0% +1.3% -1.4%

→ **Absolute** retail turnover development: -1.7% +1.2% -1.1%

¹ German centers on a like-for-like basis (turnover: €2.1 billion)

² The sum may not equal the totals due to rounding

Profit and Loss Account H1 2018

in € thousand	01.01. – 30.06.2018	01.01. – 30.06.2017	CHANGE
Revenue	111,585	105,795	5.5%
Property operating and management costs	-11,117	-10,451	
Net operating income (NOI)	100,468	95,344	5.4%
Other operating income	541	342	
Other operating expenses	-2,993	-3,190	
Earnings before interest and tax (EBIT)	98,016	92,496	6.0%
Other financial income and expenditure	1,508	1,498	
Interest expense	-26,583	-26,914	
At equity result	14,331	14,755	
Profit/loss attributable to limited partners	-9,191	-9,319	
Financial gains/losses	-19,935	-19,980	0.2%
Measurement gains/losses	-8,933	-2,209	
Earnings before Tax (EBT)	69,148	70,307	-1.6%
Income taxes	-13,878	-14,074	
Consolidated profit	55,270	56,233	-1.7%

Key figures H1 2018

in € thousand	01.01.-30.06.2018	per share ¹	01.01.-30.06.2017	per share ¹
Consolidated profit	55,270	€0.89	56,233	€0.99
FFO	75,452	€1.22	70,949	€1.25
EPRA Earnings	73,572	€1.19	67,973	€1.20
Weighted number of no-par-value shares issued	61,783,594		56,754,256	
Number of additional shares:				
+3,378,598: Convertible bond (November 2017)				
+4,459,460: Capital increase (March 2017)				

¹The sum of the amounts may not equal the totals due to rounding

Funds from Operations (FFO)

in € thousand	01.01.-30.06.2018	per share ¹	01.01.-30.06.2017	per share ¹
Consolidated profit	55,270	€0.89	56,233	€0.99
- Measurement gains / losses investment properties ²	9,635	€0.16	2,608	€0.05
+ Bond conversion expense	0	€0.00	484	€0.01
+ Deferred taxes ²	10,547	€0.17	11,624	€0.20
FFO	75,452	€1.22	70,979	€1.25
FFO (after conversion)³			70,949	€1.22
Weighted number of no-par-value shares issued	61,783,594		56,754,256	
Weighted number of no-par-value shares issued (after conversion) ³			58,248,007	

¹ The sum of the amounts may not equal the totals due to rounding

² Including the share attributable to equity-accounted joint ventures and associates

³ Weighted number of shares for FY 2017 after conversion

Earnings per Share (EPRA)

in € thousand	01.01.-30.06.2018	per share ¹	01.01.-30.06.2017	per share ¹
Consolidated profit	55,270	€0.89	56,233	€0.99
- Measurement gains / losses investment properties ²	9,635	€0.16	2,608	€0.05
- Measurement gains / losses derivative financial instruments ²	-1,668	€-0.03	-1,751	€-0.03
+ Deferred tax in respect of EPRA adjustments ^{2,3}	10,335	€0.17	10,607	€0.19
+ Acquisition costs	0	€0.00	276	€0.00
EPRA Earnings	73,572	€1.19	67,973	€1.20
Weighted number of no-par-value shares issued	61,783,594		56,754,256	

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

² Including the share attributable to equity-accounted joint ventures and associates

³ Affects deferred taxes on investment properties and derivative instruments

Balance Sheet H1 2018

in € thousand	30.06.2018	31.12.2017	Change
Non-current assets	4,500,104	4,504,878	-4,774
Current assets	179,849	122,121	57,728
Total assets	4,679,953	4,626,999	52,954
Group equity	2,204,335	2,237,376	-33,041
Right to redeem of limited partners	336,425	337,479	-1,054
Total equity¹	2,540,760	2,574,855	-34,095
Financial liabilities	1,538,099	1,546,672	-8,573
Deferred tax liabilities	450,615	439,800	10,815
Other liabilities	150,479	65,672	84,807
Total equity and liabilities	4,679,953	4,626,999	52,954

	30.06.2018	31.12.2017
Equity ratio ¹	54.3%	55.6%
LTV ratio (consolidated) ²	30.8%	32.4%
LTV ratio („look-through“) ³	32.9%	34.5%

¹ including third-party interest in equity

² Ratio of net financial liabilities (financial liabilities less cash and cash equivalents) to non current assets (investment properties and investments accounted for using the equity method). After the payout of the dividend on 3 July 2018: 32.8%.

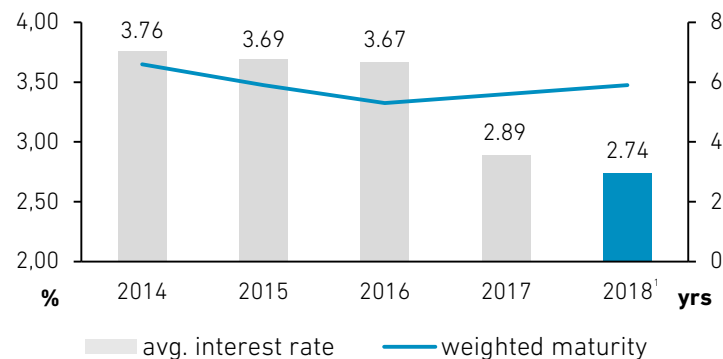
³ Ratio of net financial liabilities to long-term assets, calculated on the basis of the groups share. After the payout of the dividend on 3 July 2018: 35.0%.

Loan Structure^{1,2}

INTEREST LOCKIN	DURATION	PRINCIPLE AMOUNTS (€ MILLION)	SHARE OF TOTAL LOAN	AVG. INTEREST RATE
Up to 1 year		11.2	0.7%	3.80%
1 to 5 years	3.5	615.7	39.9%	3.75%
5 to 10 years	7.6	658.0	42.7%	2.70%
Over 10 years	11.0	257.3	16.7%	2.04%
Total¹	5.9	1,542.2	100%	2.74%

→ **21** German and **4** foreign bank partners

→ Weighted maturity of fixed interest periods **5.9 years¹**



¹ as of 30 June 2018

² excl. non-consolidated loans

Maturities until 2023^{1,2}

IN € MILLION	END OF FIXED INTEREST PERIODS RESPECTIVELY EXPIRING LOANS	AVG. INTEREST RATE	REGULAR REDEMPTION PAYMENTS	TOTAL MATURITIES	
2018	71.6	4.60%	11.2	82.8	Already fixed: €71.6m, 1.63%, 10y (10/2018)
2019	123.1	4.73%	19.9	143.0	€132.2m, 2.21%, 10y (08/2019)
2020	134.1	4.52%	19.5	153.6	€4.9m, 1.68%, 6y (01/2020)
2021	198.3	4.48%	16.0	214.3	
2022	217.8	3.26%	14.7	232.5	
2023	209.0	2.99%	10.6	219.6	
	953.9				

At-equity consolidated loans¹

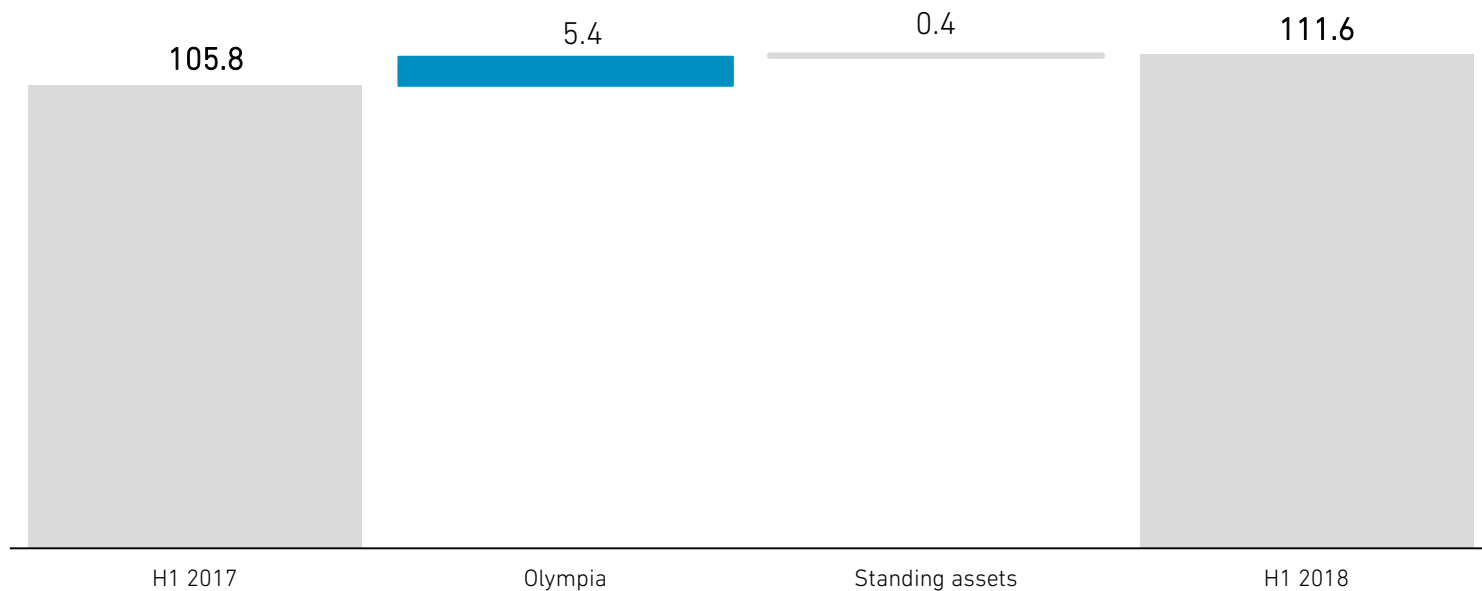
IN € MILLION	END OF FIXED INTEREST PERIODS RESPECTIVELY EXPIRING LOANS	AVG. INTEREST RATE	DES' SHARE	
2018-2019	0			
2020	35.0	4.00%	50%	Saarpark-Center, Neunkirchen
2021	63.3	4.59%	50%	Phoenix-Center, Hamburg,
2022	12.1	4.90%	50%	Saarpark-Center, Neunkirchen
2023	0			

¹ as of 30 June 2018

² excl. at-equity consolidated loans

Revenue Bridge H1 2018

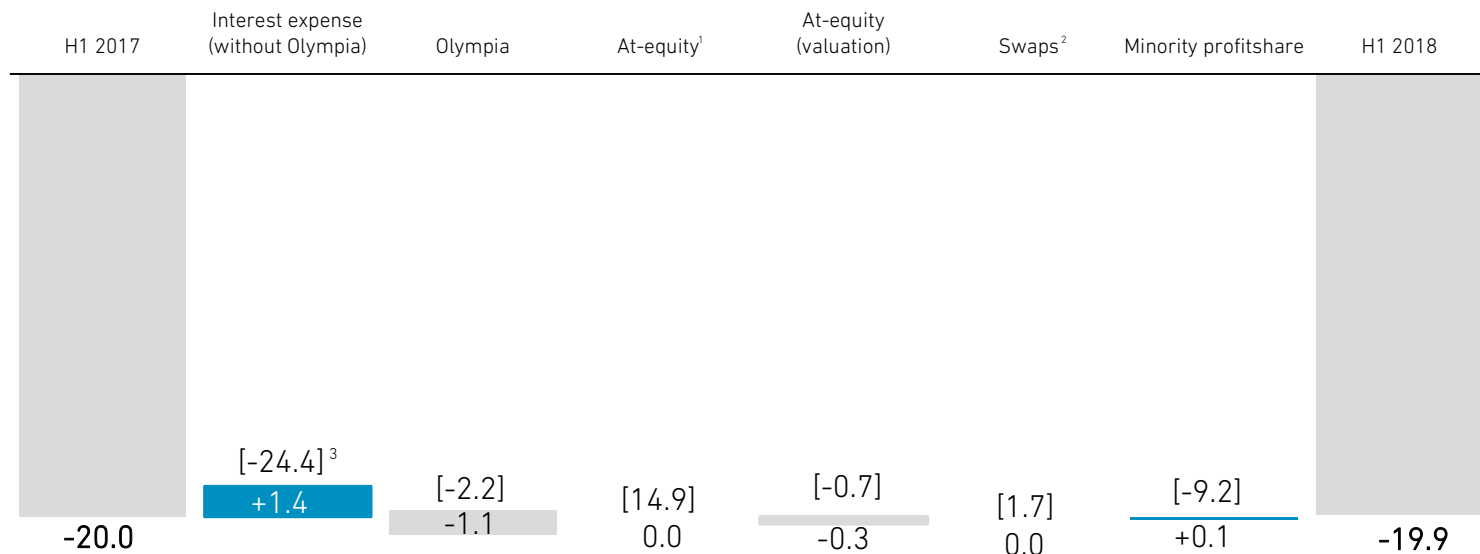
€M



→ Like-for-like revenue development: €+0.4M = +0.4%

Net Finance Cost Bridge H1 2018

€M



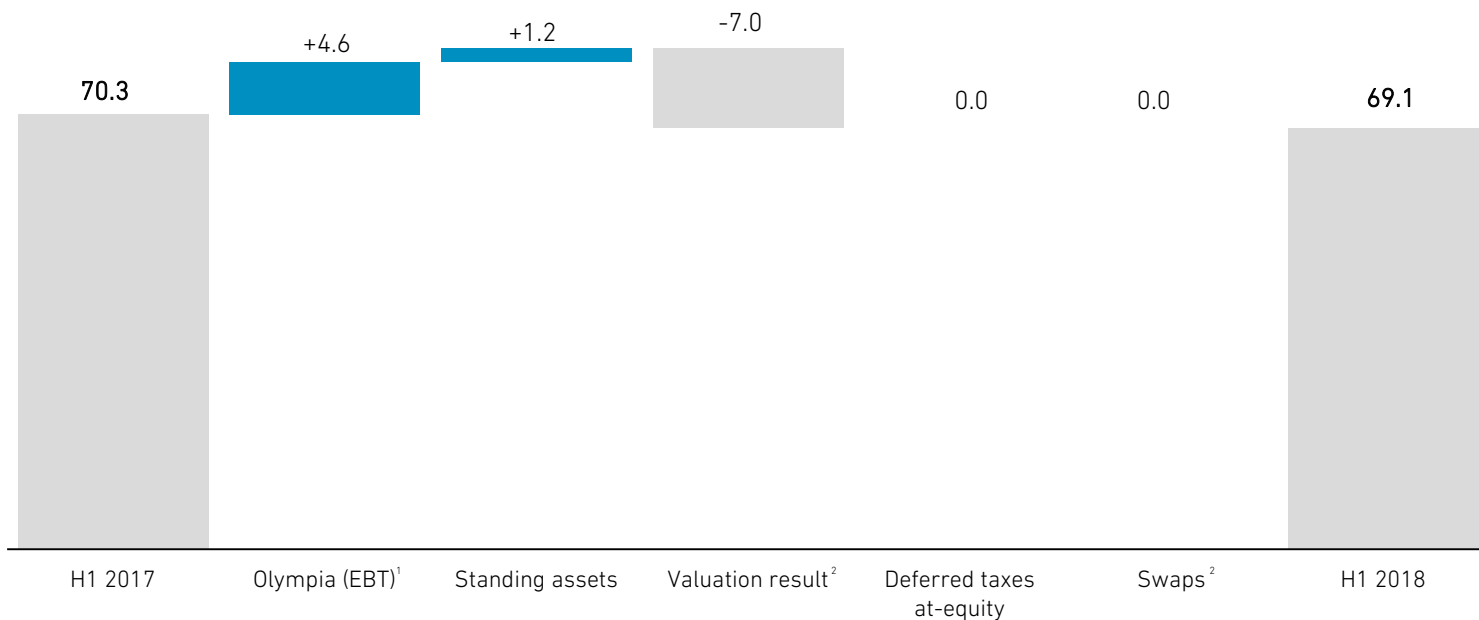
¹ without valuation result and swaps

³ H1 2018 absolute figures in brackets

² consolidated and at-equity

EBT Bridge H1 2018

€M

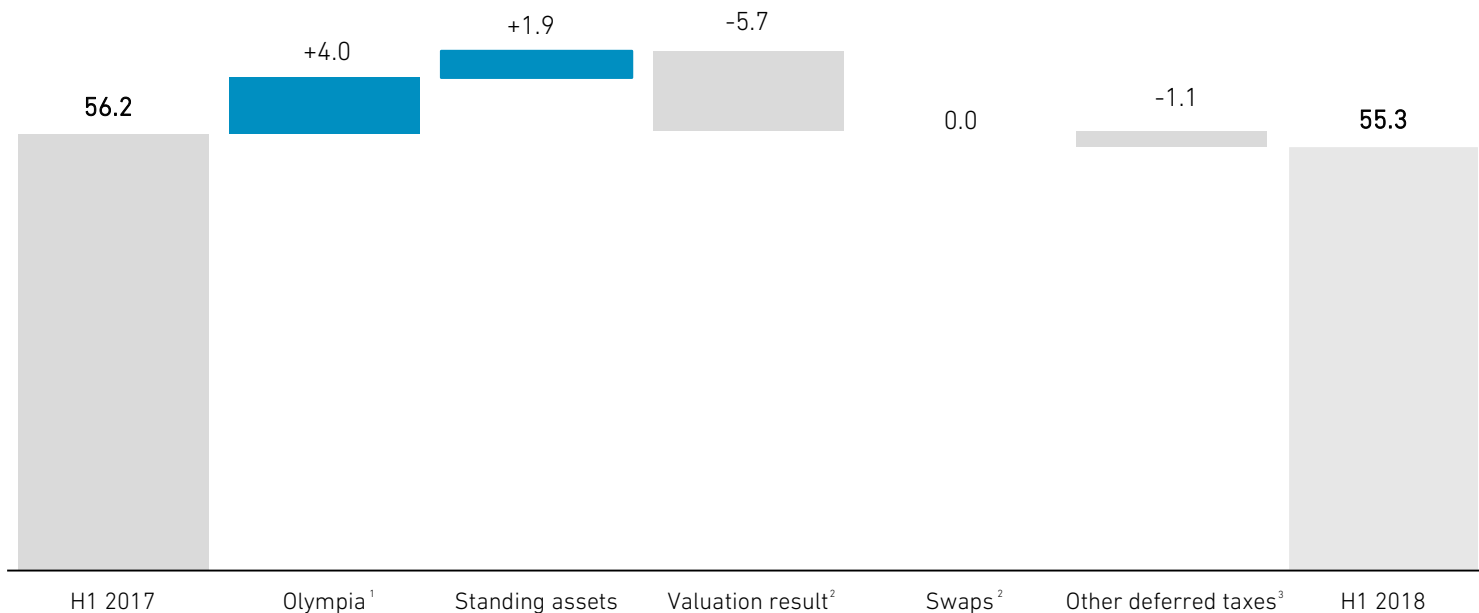


¹ without valuation result

² consolidated and at-equity

Profit Bridge H1 2018

€M



¹ without valuation result

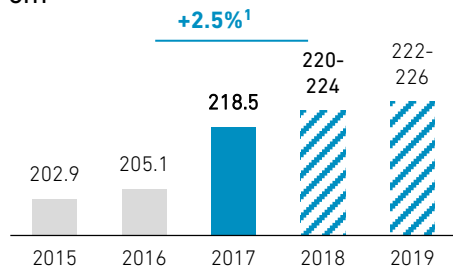
³ related to investment properties

² consolidated and at-equity

Forecast

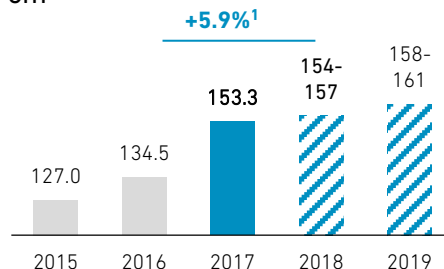
REVENUE

€m



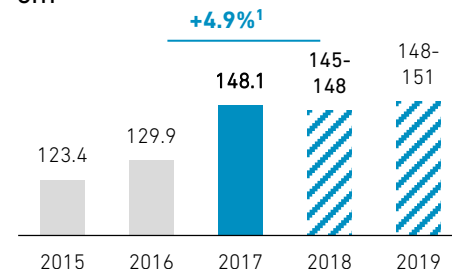
EBT EXCL. VALUATION

€m



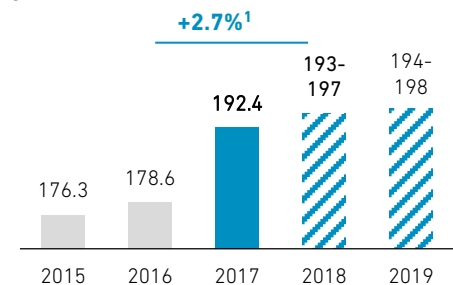
FFO

€m



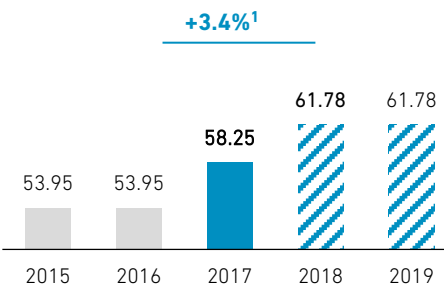
EBIT

€m



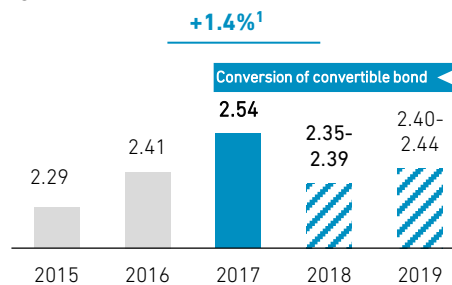
NUMBER OF SHARES²

mn



FFO PER SHARE

€



¹ Compound Annual Growth Rate (CAGR) 2015 - 2019

² weighted, taking into account the fact that the convertible bond was nearly fully converted at the end of its term in November 2017

Outlook

Rollout of “At your Service” and
“Mall Beautification” in 5 Centers:
Altmarkt-Galerie Dresden, Billstedt-Center Hamburg,
Allee-Center Magdeburg, Rhein-Neckar-Zentrum
and Herold-Center Norderstedt

Refinancings of approx. €135 until end of the year

Increase in **dividend** to €1.50 per share for 2018
and €1.55 for 2019



At your Service:
Rhein-Neckar-Zentrum
(visualisation)



Financial Calendar

2018

14.08. Half-year Financial Report 2018

29.08. Berenberg Real Estate Seminar, Helsinki

30.08. Commerzbank Sector Conference, Frankfurt

04.-06.09. EPRA Annual Conference, Berlin

24.09. Goldman Sachs & Berenberg German Conference, Munich

26.09. Baader Investment Conference, Munich

28.09. Societe Generale Pan European RE Conference, London

08.-10.10. Expo Real, Munich

23.10. Roadshow Madrid, M.M. Warburg

29.-30.10. Roadshow Tel Aviv, SmartTeam

14.11. Quarterly Statement 9M 2018

20.11. DZ Bank Equity Conference, Frankfurt

03.12. Berenberg European Conference, Pennyhill

10.-11.12. HSBC Global Real Estate Conference, Cape Town

Contact



PATRICK KISS

Head of Investor & Public Relations

WILHELM WELLNER

Chief Executive Officer

OLAF BORKERS

Chief Financial Officer

NICOLAS LISSNER

Manager Investor & Public Relations

Deutsche EuroShop AG
Investor & Public Relations







Heegbarg 36
22391 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
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