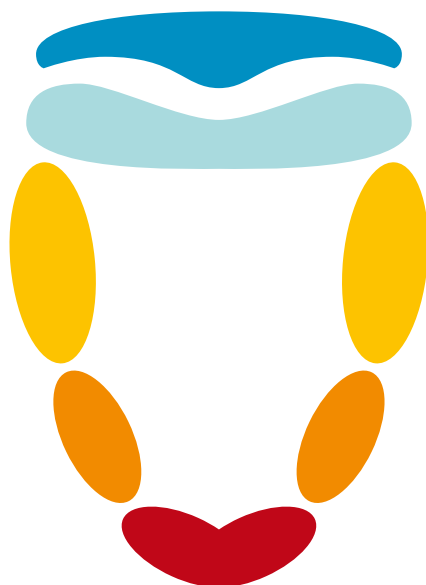


# H1 HALF-YEAR FINANCIAL REPORT

dated 30 June 2016



## KEY GROUP DATA

in € million	01.01.–30.06.2016	01.01.–30.06.2015	+ / -
Revenue	101.8	100.6	1%
Net operating income (NOI)	91.7	91.8	0%
EBIT	88.8	88.2	1%
Net finance costs	-25.5	-24.7	-4%
Measurement gains / losses	-3.2	-2.0	-63%
EBT	60.1	61.5	-2%
Consolidated profit	48.7	49.7	-2%
FFO per share (€)	1.16	1.14	2%
Earnings per share (€, undiluted)	0.90	0.92	-2%

in € million	30.06.2016	31.12.2015	+ / -
Equity*	2,030.7	2,061.0	-1%
Liabilities	1,818.5	1,790.6	2%
Total assets	3,849.2	3,851.6	0%
Equity ratio (%)*	52.8	53.5	
LTV-ratio (%)	36.0	35.5	
Gearing (%)*	89.6	86.9	
Cash and cash equivalents	70.7	70.7	0%

\* incl. non controlling interests

## LETTER FROM THE EXECUTIVE BOARD



**Dear Shareholders,**

**Dear Readers,**

The first six months of 2016 went well for Deutsche EuroShop. Revenue rose slightly, from €100.6 million to €101.8 million. At €91.7 million, net operating income (NOI) was on a par with the previous year while earnings before interest and tax (EBIT) improved from €88.2 million to €88.8 million.

Compared to the same period of the previous year, consolidated profit declined 2% to €48.7 million due to higher ongoing investments in our properties. At the same time, earnings per share fell 2%, from €0.92 to

€0.90. By contrast, EPRA earnings per share adjusted for valuation effects rose 2.3% from €0.95 to €0.97. Funds from operations (FFO) improved accordingly by 2.6% from €1.14 to €1.16 per share.

The increase in FFO – an important ratio for us – is attributable to continued strong performance in operating business of our nearly fully let shopping centers. We are also negotiating the refinancing arrangements for our portfolio loans that will mature on schedule, and we anticipate that we should be able to benefit from the current low-interest environment in the next few months.

Demand for shopping centers can still be observed on the investment market and peak yields continue to fall. We are currently in the midst of negotiations concerning an investment opportunity in a shopping center in Germany that would fit in well with our portfolio. In addition, we submitted a bid for a large, Central European center.

We paid a dividend of €72.8 million or €1.35 per share on 16 June 2016 for financial year 2015. After the first six months of the year have gone according to plan, we confirm our forecast for the year as a whole. We plan to pay a dividend of €1.40 per share for financial year 2016, five cents higher than for the previous year.

Hamburg, August 2016

Wilhelm Wellner

Olaf Borkers

## BASIC INFORMATION ABOUT THE GROUP

### GROUP STRUCTURE AND OPERATING ACTIVITIES

#### Business model

Deutsche EuroShop is an Aktiengesellschaft (public company) under German law. The Company's registered office is in Hamburg. Deutsche EuroShop is the only public company in Germany to invest solely in shopping centers in prime locations. A total of 19 shopping centers in Germany, Austria, Poland and Hungary are held in the real estate portfolio. The Group generates its reported revenue from rental income on the space it lets in the shopping centers.

The shopping centers are held by property companies without staff of their own, for which Deutsche EuroShop holds stakes of 100% in eleven shopping centers and between 50% and 75% in the other eight. Depending on the share of nominal capital owned, these companies are either fully consolidated or accounted for using the equity method. The operational management of the shopping centers is contracted out to external service providers under agency agreements.

The Group managing company is Deutsche EuroShop AG. It is responsible for corporate strategy, portfolio and risk management, financing and communication. The Deutsche EuroShop Group has a central structure and lean personnel organisation.

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 centres 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. To this end, 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 the high earnings targets are achieved.

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 from a balanced mix of sources, and borrowing may not account for more than 55% of financing across the Group 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 and with its rules of procedure. 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, EBIT (earnings before interest and taxes), EBT (earnings before taxes) excluding measurement gains / losses and FFO (funds from operations).

## ECONOMIC REVIEW

### MACROECONOMIC AND SECTOR-SPECIFIC CONDITIONS

The prospect of continued labour market strength, low inflation and extremely low interest rates are stimulating consumer spending in Germany's retail sector. The unemployment rate at the end of June 2016 stood at 5.9%. Private consumption remains a driver of economic development in Germany. According to the Federal Statistical Office, German retail sales (including online spending) rose by 2.3% year-on-year in real terms in the first six months of the year.

### RESULTS OF OPERATIONS

#### Revenue up 1.2%

Revenue for the reporting period came in at €101.8 million. This is 1.2% higher on a comparable basis than in the same period of the previous year (€100.6 million) and is in line with expectations.

#### Operating and administrative costs for property as expected at 9.9% of revenue

Centre operating costs were up slightly at €10.1 million in the reporting period, compared with €8.9 million in the same period of the previous year, chiefly as a result of higher maintenance expenses and non-allocable ancillary costs. Coming to 9.9% of revenue, these were in line with the budgeted costs.

#### Other operating expenses of €3.4 million

Other operating expenses came to €3.4 million, €0.6 million lower than the previous year's level (€4.0 million). The previous-year period specifically included higher personnel costs in conjunction with the long-term incentive plan that ended in 2015.

### Financial result declines slightly

More favourable refinancing for the Forum Wetzlar, which had been arranged in the previous summer, as well as ongoing repayments helped reduce interest expense by another €1.2 million to €-27.1 million. The contribution to earnings from at-equity consolidated companies moved in the opposite direction, down €1.3 million from the previous year. This is attributable to increased investment costs which were €1.7 million higher than the previous year. Additionally, the profit share of third-party shareholders rose slightly by €0.4 million over the previous year. All in all, net finance costs amounted to €-25.5 million compared to €-24.6 million during the same period of the previous year.

### Measurement gains / losses

A valuation loss of €-3.2 million (previous year: valuation loss of €-2.0 million) was recorded, which includes investment costs incurred by our portfolio properties.

### EBT excluding valuation gains / losses up just over 2.3%

Earnings before taxes (EBT) dropped €1.4 million, from €61.5 million to €60.1 million. After adjustment for valuation gains, including the share contained in the at-equity profit / loss, this amount rose from €63.6 million to €65.0 million (+2.3%).

### Income taxes

Taxes on income and earnings came to €11.4 million (previous year: €11.9 million). Of this, €2.6 million (previous year: €2.7 million) was attributable to taxes to be paid and €8.8 million to deferred taxes (previous year: €9.2 million).

### Consolidated profit down slightly, earnings up

At €48.7 million, consolidated profit was down €1.0 million compared with the previous year (€49.7 million). Basic earnings per share fell from €0.92 to €0.90 (-2.0%). EPRA earnings per share rose 2.3% from €0.95 to €0.97.

### EPRA Earnings

	30.06.2016		30.06.2015	
	in € thousand	per share in €	in € thousand	per share in €
Consolidated profit	48,673	0.90	49,663	0.92
Measurement gains / losses in accordance with IAS 40	3,249	0.06	1,996	0.03
Measurement gains / losses for equity-accounted companies	1,736	0.03	46	0.00
Deferred taxes	-1,122	-0.02	-332	0.00
<b>EPRA earnings</b>	<b>52,536</b>	<b>0.97</b>	<b>51,373</b>	<b>0.95</b>
Weighted number of shares		53,945,536		53,945,536
<b>Diluted EPRA Earnings</b>		<b>0.92</b>		<b>0.90</b>
Weighted number of shares		57,211,375		57,105,094

### Funds from operations (FFO) up 2.6%

FFO rose from €61.3 million to €63.0 million (+2.6%) and from €1.14 to €1.16 per share.

### Funds from Operations

	30.06.2016		30.06.2015	
	in € thousand	per share in €	in € thousand	per share in €
Consolidated profit	48,673	0.90	49,663	0.92
Bond conversion expense	484	0.01	483	0.01
Measurement gains / losses	3,249	0.06	1,996	0.04
Measurement gains / losses for equity-accounted companies	1,736	0.03	46	0.00
Deferred taxes	8,826	0.16	9,154	0.17
<b>FFO per share</b>	<b>62,968</b>	<b>1.16</b>	<b>61,342</b>	<b>1.14</b>

### Revenue

in € million

### EBIT

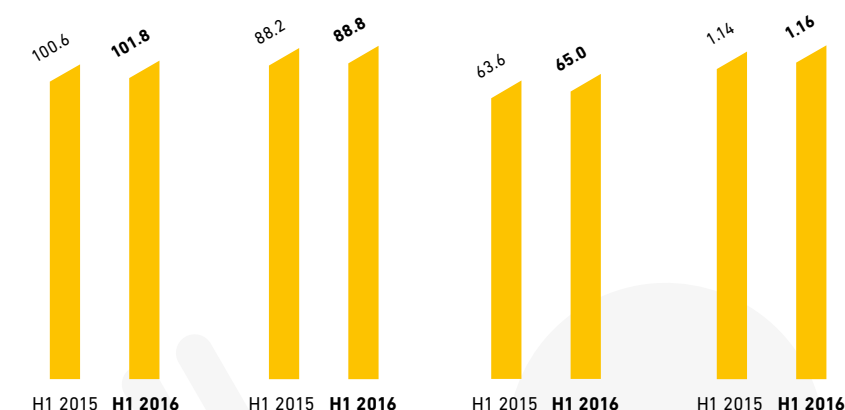
in € million

### EBT excl. valuation

in € million

### FFO per share

in €



## FINANCIAL POSITION AND NET ASSETS

### Net assets and liquidity

The Deutsche EuroShop Group's total assets decreased by €2.4 million to €3,849.2 million compared with the last reporting date. While the value of the investment properties increased by a total of €7.5 million, particularly as a result of the acquisition of the Karstadt property in Dessau on 1 April 2016, there was a €5.0 million decrease in at-equity investments due to cash payments received. Furthermore, trade receivables and other current assets decreased by €4.9 million on the reporting date. Cash and cash equivalents amounted to €70.7 million as at the reporting date and were thus on a par with the value reported on 31 December 2015.

### Equity ratio of 52.8%

The equity ratio (including shares held by third-party shareholders) has declined by 0.7 percentage points to 52.8% since the last reporting date (53.5%) as a result of the dividend payment made in June 2016.

### Liabilities

Current and non-current financial liabilities totalled €1,429.9 million as at 30 June 2016. This was €22.3 million higher than at the end of 2015, mainly because of the short-term utilisation of a credit line in the amount of €30.0 million. Non-current deferred tax liabilities increased by €7.4 million to €316.9 million due to additional provisions, while redemption entitlements for third-party shareholders fell by around €1.1 million to €292.0 million. Other current and non-current liabilities and provisions decreased by €1.8 million.

## REPORT ON EVENTS AFTER THE BALANCE SHEET DATE

No further significant events occurred between the balance sheet date of 30 June 2016 and the date of preparation of the financial statements.

## OUTLOOK

### ECONOMIC CONDITIONS

The ifo Institute revised its GDP forecast upward for 2016, from 1.5% to 1.9% during the current year. Positive consumer sentiment, flourishing foreign trade and the positive situation on the job market will stimulate the German economy again in 2016. With regard to bricks-and-mortar retailing, the GfK market research institute expects nominal growth of 0.8% for Germany as a whole.

At the global level, the economy is only expected to improve slightly in countries with advanced economies; the financial situation in the public sector remains tense in many countries and particularly in the EU. The decision reached by the British population in favour of the United Kingdom's withdrawal from the European Union is currently leading to further political uncertainty throughout the EU. It is still impossible to anticipate what economic impact this vote will have.

All in all and in light of the good economic conditions in our core market of Germany, we remain cautiously optimistic and expect that Deutsche EuroShop's business will continue to perform positively and according to plan this year.

## EXPECTED RESULTS OF OPERATIONS AND FINANCIAL POSITION

Now that the first half of the year has unfolded as planned, we stand by our forecasts for financial year 2016, as published in March, and expect:

- revenue of between €200 million and €204 million
- earnings before interest and taxes (EBIT) of between €175 million and €179 million
- earnings before taxes (EBT) excluding measurement gains / losses of between €127 million and €130 million
- funds from operations (FFO) per share of between €2.26 and €2.30

### Dividend policy

We intend to maintain our long-term, reliable dividend policy and anticipate that we will be able to pay a dividend of €1.40 per share to our shareholders for 2016.

## RISK REPORT

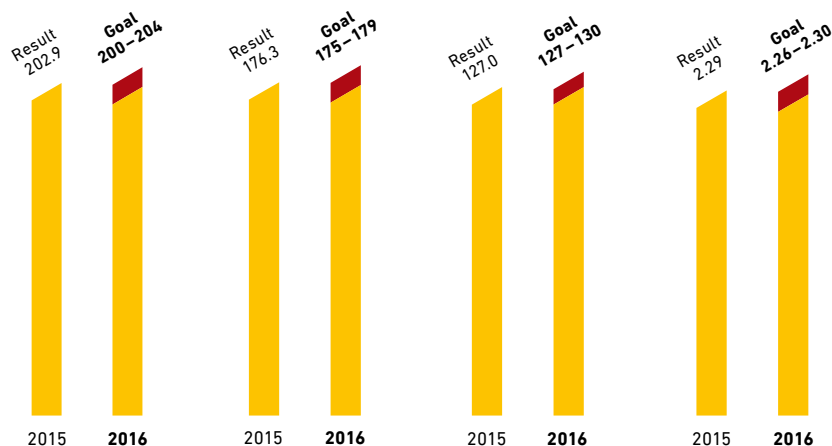
There have been no significant changes since the beginning of the financial year with regard to the risks associated with future business development. We do not believe the Company faces any risks capable of jeopardising its continued existence. The information provided in the risk report of the consolidated financial statements as at 31 December 2015 is therefore still applicable (2015 Annual Report, pg. 129 ff.).

**Revenue**  
in € million

**EBIT**  
in € million

**EBT excl. valuation**  
in € million

**FFO per share**  
in €



## CONSOLIDATED BALANCE SHEET

Assets in € thousand	30.06.2016	31.12.2015	Liabilities in € thousand	30.06.2016	31.12.2015
<b>ASSETS</b>			<b>EQUITY AND LIABILITIES</b>		
<b>Non-current assets</b>			<b>Equity and reserves</b>		
Intangible assets	16	8	Issued capital	53,945	53,945
Property, plant and equipment	292	365	Capital reserves	961,970	961,970
Investment properties	3,364,234	3,356,655	Retained earnings	722,748	751,944
Investments accounted for using the equity method	405,994	411,031	<b>Total equity</b>	<b>1,738,663</b>	<b>1,767,859</b>
Other financial assets	59	59			
<b>Non-current assets</b>	<b>3,770,595</b>	<b>3,768,118</b>	<b>Non-current liabilities</b>		
			Financial liabilities	1,350,218	1,359,896
<b>Current assets</b>			Deferred tax liabilities	316,881	309,528
Trade receivables	2,639	5,605	Right to redeem of limited partners	292,020	293,113
Other current assets	5,243	7,192	Other liabilities	56,516	52,314
Cash and cash equivalents	70,734	70,699	<b>Non-current liabilities</b>	<b>2,015,635</b>	<b>2,014,851</b>
<b>Current assets</b>	<b>78,616</b>	<b>83,496</b>			
			<b>Current liabilities</b>		
			Financial liabilities	79,702	47,711
			Trade payables	2,854	621
			Tax liabilities	501	489
			Other provisions	4,951	7,056
			Other liabilities	6,905	13,027
			<b>Current liabilities</b>	<b>94,913</b>	<b>68,904</b>
<b>TOTAL ASSETS</b>	<b>3,849,211</b>	<b>3,851,614</b>	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,849,211</b>	<b>3,851,614</b>

## CONSOLIDATED INCOME STATEMENT

in € thousand	01.04.– 30.06.2016	01.04.– 30.06.2015	01.01.– 30.06.2016	01.01.– 30.06.2015
Revenue	51,093	50,041	101,830	100,644
Property operating costs	-2,762	-2,040	-4,997	-3,879
Property management costs	-2,594	-2,346	-5,123	-5,010
<b>Nettobetriebsergebnis (NOI)</b>	<b>45,737</b>	<b>45,655</b>	<b>91,710</b>	<b>91,755</b>
Other operating income	334	-192	502	419
Other operating expenses	-1,831	-1,937	-3,387	-4,006
<b>Earnings before interest and taxes (EBIT)</b>	<b>44,240</b>	<b>43,526</b>	<b>88,825</b>	<b>88,168</b>
Share in the profit / loss of associates and joint ventures accounted for using the equity method	3,996	5,442	9,469	10,800
Interest expense	-13,394	-13,954	-27,138	-28,348
Profit / loss attributable to limited partners	-4,512	-4,359	-8,900	-8,546
Other financial income and expenditure	608	968	1,002	1,320
Interest income	33	112	46	119
<b>Net finance costs</b>	<b>-13,269</b>	<b>-11,791</b>	<b>-25,521</b>	<b>-24,655</b>
<b>Measurement gains / losses</b>	<b>-1,893</b>	<b>-1,545</b>	<b>-3,249</b>	<b>-1,996</b>
<b>Earnings before tax (EBT)</b>	<b>29,078</b>	<b>30,190</b>	<b>60,055</b>	<b>61,517</b>
Income taxes	-5,271	-5,846	-11,382	-11,854
<b>CONSOLIDATED PROFIT</b>	<b>23,807</b>	<b>24,344</b>	<b>48,673</b>	<b>49,663</b>
Earnings per share (€), basic	0.44	0.45	0.90	0.92
Earnings per share (€), diluted	0.43	0.44	0.87	0.89

## STATEMENT OF COMPREHENSIVE INCOME

in € thousand	01.04.– 30.06.2016	01.04.– 30.06.2015	01.01.– 30.06.2016	01.01.– 30.06.2015
<b>Consolidated profit</b>	<b>23,807</b>	<b>24,344</b>	<b>48,673</b>	<b>49,663</b>
<b>Items which under certain conditions in the future will be reclassified to the income statement:</b>				
Actual share of the profits and losses from instruments used to hedge cash flows	-1,719	10,194	-6,517	6,527
Deferred taxes on changes in value offset directly against equity	419	-2,253	1,474	-1,437
<b>Total earnings recognised directly in equity</b>	<b>-1,300</b>	<b>7,941</b>	<b>-5,043</b>	<b>5,090</b>
<b>TOTAL PROFIT</b>	<b>22,507</b>	<b>32,285</b>	<b>43,630</b>	<b>54,753</b>
Share of Group shareholders	22,507	32,285	43,630	54,753

## 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
<b>01.01.2015</b>	<b>53,945,536</b>	<b>53,945</b>	<b>961,970</b>	<b>544,025</b>	<b>2,000</b>	<b>-7</b>	<b>-37,591</b>	<b>1,524,342</b>
Total profit		0	0	49,663	0	0	5,090	54,753
Dividend payments				-70,129				-70,129
<b>30.06.2015</b>	<b>53,945,536</b>	<b>53,945</b>	<b>961,970</b>	<b>523,559</b>	<b>2,000</b>	<b>-7</b>	<b>-32,501</b>	<b>1,508,966</b>
<b>01.01.2016</b>	<b>53,945,536</b>	<b>53,945</b>	<b>961,970</b>	<b>783,178</b>	<b>2,000</b>	<b>-15</b>	<b>-33,219</b>	<b>1,767,859</b>
Total profit		0	0	48,673	0	0	-5,043	43,630
Dividend payments				-72,826				-72,826
<b>30.06.2016</b>	<b>53,945,536</b>	<b>53,945</b>	<b>961,970</b>	<b>759,025</b>	<b>2,000</b>	<b>-15</b>	<b>-38,262</b>	<b>1,738,663</b>

## CONSOLIDATED CASH FLOW STATEMENT

in € thousand	01.01.– 30.06.2016	01.01.– 30.06.2015
<b>Profit after tax</b>	<b>48,673</b>	<b>49,663</b>
Profit / loss attributable to limited partners	8,632	8,525
Depreciation of intangible assets and property, plant and equipment	37	45
Unrealised changes in fair value of investment property	3,517	2,017
Net profit and loss from derivatives	-1,002	-1,320
Other non-cash income and expenses	854	854
Profit / losses of joint ventures and associates	2,418	-1,105
Deferred taxes	8,827	9,154
<b>Operating cash flow</b>	<b>71,956</b>	<b>67,833</b>
Changes in receivables	4,714	4,708
Changes in current provisions	-1,093	-4,771
Changes in liabilities	-5,218	-1,187
<b>Cash flow from operating activities</b>	<b>70,359</b>	<b>66,583</b>
Outflows for the acquisition of property, plant and equipment / investment properties	-12,068	-2,722
Inflows / outflows to / from financial assets	2,820	-800
<b>Cash flow from investing activities</b>	<b>-9,248</b>	<b>-3,522</b>
Outflows from the repayment of financial liabilities	21,459	30,439
Payments to limited partners	-9,709	-8,334
Payments to Group shareholders	-72,826	-70,129
<b>Cash flow from financing activities</b>	<b>-61,076</b>	<b>-48,024</b>
<b>Net change in cash and cash equivalents</b>	<b>35</b>	<b>15,037</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>70,699</b>	<b>58,284</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>70,734</b>	<b>73,321</b>

## DISCLOSURES

### REPORTING PRINCIPLES

These interim financial statements of the Deutsche EuroShop Group as at 30 June 2016 have been prepared in compliance with IAS 34 (Interim Financial Reporting) in an abridged form. The abridged interim financial statements are to be read in conjunction with the consolidated financial statements as at 31 December 2015.

The interim financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS). The accounting policies applied correspond to those used in the last consolidated financial statements as at the end of the financial year. For a detailed description of the methods applied, please refer to the notes to our consolidated financial statements for 2015 (2015 Annual Report, pg. 148 ff.). The new accounting standards and interpretations for which application became compulsory on 1 January 2016 were observed; however, these did not have any material impact on the presentation of the financial statements.

The interim 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 of the first six months up to 30 June 2016 is not necessarily an indication of future performance.

## DISCLOSURES ON THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED INCOME STATEMENT

### Investment properties

Property held as a financial investment (IAS 40) is measured at fair value. In the absence of special events (such as a new acquisition), fair values are determined by an external appraiser on an annual basis as at the 31 December reporting date.

Jones Lang LaSalle GmbH performed this appraisal as at 31 December 2015 using the discounted cash flow method (DCF). The approach used under this method as well as the related valuation parameters are explained in the consolidated financial statements as at 31 December 2015 (2015 Annual Report, pp. 152 – 153). This is a valuation method from Level 3 of the fair value hierarchy as set out in IFRS 13.

Mid-year changes to properties held as a financial investment are the result of additions (€7.5 million) and mainly relate to the 1 April 2016 purchase of a property let to Karstadt which is adjacent to our shopping center in Dessau.

### Financial instruments

With the exception of derivative financial instruments and other financial investments measured at fair value, financial assets and liabilities are measured at amortised cost. Due to the predominantly short-term nature of trade receivables, other assets and liabilities and cash and cash equivalents, the carrying amounts on the reporting date do not deviate significantly from the fair values.

The fair values of financial liabilities measured at amortised cost correspond to the cash values of debt-related payments based on current interest rate yield curves (Level 2 in accordance with IFRS 13) and amount to €1,545.0 million as at 30 June 2016 (31 December 2015: €1,502.8 million).

The derivative financial instruments measured at fair value are interest rate hedges. Here the fair value is equivalent to the cash value of future net payments expected to be received from hedging transactions (Level 2 in accordance with IFRS 13) based on current interest rate yield curves. Liabilities from interest rate hedges came to €56.0 million as at 30 June 2016 (31 December 2015: €50.5 million).

## SEGMENT REPORTING

As a holding company, Deutsche EuroShop AG holds equity interests in shopping centers in the European Union. The holding companies are pure real-estate shelf companies without staff of their own. The 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.

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.

The Executive Board of Deutsche EuroShop AG, as the main decision-maker of the group, assesses primarily the performance of the segments based on revenue, EBIT (earnings before interest and taxes) and EBT (earnings before taxes) before measurement 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 summarised in the reconciliation.

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

The segments of Deutsche EuroShop AG are not subject to any material seasonal influences.

### Breakdown by geographical segment

in € thousand	Domestic	International	Reconciliation	Total
<b>Revenue</b>	<b>94,480</b>	<b>7,350</b>	<b>0</b>	<b>101,830</b>
(previous year's figures)	(93,267)	(7,377)	(0)	(100,644)

in € thousand	Domestic	International	Reconciliation	Total
<b>EBIT</b>	<b>84,603</b>	<b>6,595</b>	<b>-2,373</b>	<b>88,825</b>
(previous year's figures)	(84,198)	(6,933)	(-2,963)	(88,168)

in € thousand	Domestic	International	Reconciliation	Total
<b>Net interest income</b>	<b>-23,695</b>	<b>-1,579</b>	<b>-1,818</b>	<b>-27,092</b>
(previous year's figures)	(-24,562)	(-1,850)	(-1,817)	(-28,229)

in € thousand	Domestic	International	Reconciliation	Total
<b>Earnings before tax (EBT)</b>	<b>52,036</b>	<b>3,684</b>	<b>4,335</b>	<b>60,055</b>
(previous year's figures)	(52,319)	(3,714)	(5,484)	(61,517)

The reconciliation statement primarily discloses profits and losses for equity-accounted companies in the amount of €9.5 million (previous year: €10.8 million). Of this, €6.6 million is domestic (previous year: €8.2 million) and €2.9 million international (previous year: €2.6 million).

in € thousand	Domestic	International	Total
<b>Segment assets</b>	<b>3,594,294</b>	<b>254,917</b>	<b>3,849,211</b>
(previous year's figures)	(3,595,992)	(255,622)	(3,851,614)
<b>of which investment properties</b>	<b>3,119,553</b>	<b>244,681</b>	<b>3,364,234</b>
(previous year's figures)	(3,112,000)	(244,655)	(3,356,655)

## RELATED PARTIES FOR THE PURPOSES OF IAS 24

With regard to disclosures related to related parties, please refer to the consolidated financial statements as at 31 December 2015 (2015 Annual Report, p. 175) which did not undergo any material changes up to 30 June 2016.

## OTHER DISCLOSURES

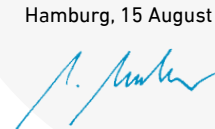
### Dividend

A dividend of €1.35 per share was distributed for financial year 2015 on 16 June 2016.

## 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, 15 August 2016



Wilhelm Wellner



Olaf Borkers

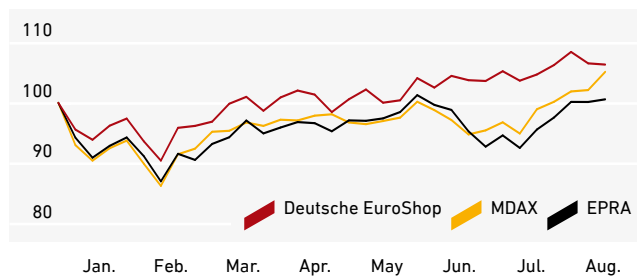
## THE SHOPPING CENTER SHARE

Following a year-end closing price for 2015 of €40.46, the Deutsche EuroShop share started the new year on a downward trend. Their low for the first half of the year of €35.86 was reached on 11 February 2016. A friendlier market environment then helped the share move back above the 40-euro mark, after which it hovered between €39.50 and €42.52. This price was also its high for the period which it reached on 9 June 2016. The share ended the first half of the year at a closing price of €41.10. Taking into account the dividend of €1.35 per share paid on 16 June 2016, this corresponds to a performance of +4.9%. By way of comparison, the MDAX lost 4.5% in the first six months of the year. Deutsche EuroShop's market capitalisation stood at €2.2 billion on 30 June 2016.

### Deutsche EuroShop vs. MDAX and EPRA

#### Comparison, January to August 2016

indexed, base of 100, in %



## Key Share Data

Sector / industry group	Financial Services / Real Estate
Share capital as at 31.12.2015	€53,945,536.00
Number of shares as at 30.06.2016 (no-par-value registered shares)	53,945,536
Dividend for 2015 (15.06.2016)	€1.35
Share price on 30.12.2015	€40.46
Share price on 30.06.2016	€41.10
Low / high for the period under review	€35.86 / €42.52
Market capitalisation on 30.06.2016	€2.23 billion
Prime Standard	Frankfurt and Xetra
OTC markets	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	DEQ, Reuters: DEQn.DE



## FINANCIAL CALENDAR 2016

## ALL THE KEY DATES AT A GLANCE

15.08.	<b>Half-year Financial Report 2016</b>	13.10.	Roadshow Brussels, DZ Bank
17.08.	Roadshow Helsinki, ESN equinet	14.11.	<b>Quarterly Statement 9M 2016</b>
13.09.	Bank of America Merrill Lynch Global Real Estate Conference, New York	16.11.	Roadshow Amsterdam, ABN AMRO
14.09.	UBS Best of Germany Conference, New York	16.11.	Roadshow Genf, Kepler Cheuvreux
15.09.	UBS Best of Germany Conference, Toronto	17.11.	Roadshow Zürich, Kepler Cheuvreux
19.09.	Goldman Sachs & Berenberg German Conference, Munich	29.11.	Supervisory Board, Hamburg
20.09.	Baader Investment Conference, Munich	23.11.	German Equity Forum, Frankfurt
23.09.	Supervisory Board, Hamburg	06.12.	Berenberg European Conference, Pennyhill
04. – 06.10.	EXPO Real, Munich		
10.10.	Roadshow Madrid, M.M. Warburg		

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

[www.deutsche-euroshop.com/ir](http://www.deutsche-euroshop.com/ir)

## WOULD YOU LIKE ADDITIONAL INFORMATION?

Then visit us online or call us:

**Patrick Kiss and Nicolas Lissner**

Phone: +49 (0)40 - 41 35 79 20 / -22

Fax: +49 (0)40 - 41 35 79 29

[www.deutsche-euroshop.com/ir](http://www.deutsche-euroshop.com/ir)

E-Mail: [ir@deutsche-euroshop.de](mailto:ir@deutsche-euroshop.de)

FEEL  
SEE  
TASTE  
SMELL  
HEAR

**Forward-looking statements**

This half-year financial 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 (-).