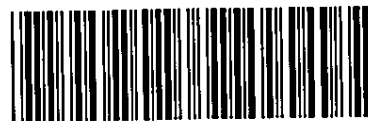


In accordance with
Regulation 32 of the
Overseas Companies
Regulations 2009

OS AA01

Statement of details of parent law and other
information for an overseas company



A2HM7SH6

A55

24/09/2013

#22

COMPANIES HOUSE

A2GUXYCI

A39

14/09/2013

#285

COMPANIES HOUSE

☒ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law

☒ What this form is NOT for
You cannot use this form
an alteration of manner of
with accounting requirements

TUESDAY

SA

Part 1 Corporate company name

Corporate name of
overseas company ①

Takenaka Europe GmbH

UK establishment
number

B R 0 0 8 6 3 6

→ Filling in this form
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited

Legislation ②

Germany

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box

☐ No Go to Section A3

☒ Yes Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3

③ Please insert the name of the
appropriate accounting organisation
or body

Name of organisation
or body ③

German Generally Accepted Standards

A3 Accounts

Accounts

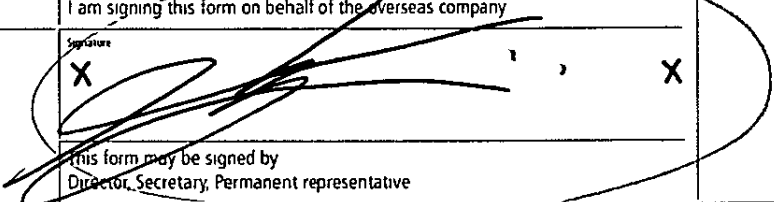
Have the accounts been audited? Please tick the appropriate box

☐ No Go to Section A5

☒ Yes Go to Section A4

OS AA01

Statement of details of parent law and other information for an overseas company

A4 Audited accounts		
Audited accounts	Have the accounts been audited in accordance with a set of generally accepted auditing standards? Please tick the appropriate box ☐ No Go to Part 3 'Signature' ☒ Yes Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'	① Please insert the name of the appropriate accounting organisation or body
Name of organisation or body ①	Institute of Public Auditors in Germany	
A5 Unaudited accounts		
Unaudited accounts	Is the company required to have its accounts audited? Please tick the appropriate box ☐ No ☐ Yes	
Part 3 Signature		
Signature	I am signing this form on behalf of the overseas company	
	 This form may be signed by Director, Secretary, Permanent representative	

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Elsa Steiner

Company name Finance Associates

Address 65 London Wall

Post town London

Country/Region

Postcode E C 2 M 5 T U

Country UK

DX

Telephone 020 7374 4933



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and, if appropriate, the registered number match the information held on the public Register
- ☐ You have completed all sections of the form, if appropriate
- ☐ You have signed the form



Important information

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DX ED235 Edinburgh 1
or LP 4 Edinburgh 2 (Legal Post)

Northern Ireland

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



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This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



N/M

Audit report

**Financial statements
as at 31 December 2011
and management report**

Takenaka Europe GmbH
Dusseldorf

Section 6 of the report and appendices 1 to 4 are translations provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

KPMG AG Wirtschaftsprüfungsgesellschaft



A39

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14/09/2013 #288
COMPANIES HOUSE

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1 Audit engagement

At the shareholder's meeting on 13 January 2012 of

Takenaka Europe GmbH, Düsseldorf,

--hereinafter also referred to as "Takenaka" or "the Company"--

we were appointed as auditors for the financial year from 1 January to 31 December 2011. Accordingly, the management board engaged us to audit the annual financial statements for the year ended 31 December 2011 together with the bookkeeping system and the management report.

In accordance with § 318 HGB (German Commercial Code) we were also engaged to audit the Company's statutory consolidated financial statements.

This audit report has been prepared in accordance with the principles established by the IDW [Institute of Public Auditors in Germany] in the Auditing Standard 450.

We confirm that we have conducted our audit in compliance with the applicable independence regulations in accordance with § 321 (4a) of the German Commercial Code (HGB).

The terms governing this engagement are set out in the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Audit Firms] in the version dated 1 January 2002, which are attached to this report as Appendix 12. Our liability is determined according to item No. 9 of the General Engagement Terms. Our liability towards third parties is defined in items No. 1 (2) and No. 9 of the General Engagement Terms.

2 Fundamental conclusion

2.1 Critical evaluation of the assessment of the Company's situation by Company's management

2.1.1 Economic position and trend of business operations

Concerning the key statements on the Company's economic position and the trend of the business operations made by the company's management board, we state that

Sales increased by EUR 17,117k to EUR 184,724k and net income increased by EUR 421k to EUR 8,734k.

The increase of sales from EUR 167,607k to EUR 184,724k is mainly caused by the increased number of finished projects during 2011 as compared to 2010

The gross profit margin slightly decreased from 12.7 % to 11.6 %. The main reason is a loss making project in Poland (Bridgestone) and big projects in Germany (Rohm Si Crystal and Mazak), Czech Republic (QAPS), Slovakia (KIA Engine Ph2), and France (Toyota Boshuku), which were all generating profit margins below average

General and administration expenses further decreased by EUR 1,380k to EUR 16,177k, which is mainly due to cost savings in the branches in Belgium, The Netherlands, Hungary, Germany, and United Kingdom. As a partly compensating effect, general and administration expenses increased in the branch in Czech Republic due to an increased number of projects compared to previous year

Other operating income decreased by EUR 4,914k to EUR 7,320k. This decrease is mainly due to a decrease in prior year's related income by EUR 6,011k to EUR 4,167k. Prior year related income mainly comprises gains from the release of project related guarantee provisions. Furthermore, exchange gains decreased by EUR 442k to EUR 918k. Also other operating expenses decreased by EUR 3,293k to EUR 1,582k, mainly because of reduced exchange losses

Overall the net income for the year 2011 increased by EUR 421k to EUR 8,734k

The equity ratio increased from 37.3 % to 48.2 % due to the net income for 2011 of EUR 8,734k and the decrease of the total assets by EUR 32,254k.

Total assets decreased by EUR 32,254k to EUR 189,577k. The main reason for the decrease of the assets is the reduction of the inventories by EUR 30,556k mainly as a result of the completion of two big projects in Slovakia (Alps projects AUO TP3 and TP4). Correspondingly, the trade receivables increased by EUR 11,505k and cash and cash equivalents decreased by EUR 8,770k. Other assets decreased by EUR 4,028k to EUR 5,623k due to decreased VAT and income tax claims.

Since the number of running projects decreased, the payments received on account of orders decreased from EUR 66,272k to EUR 42,536k. This mainly relates to the finalization of major projects also in the Czech Republic, Germany and The Netherlands. Trade payables decreased by EUR 12,290k to EUR 28,492k which mainly results from the completion of the two big projects in Slovakia.

Other accruals decreased by EUR 6,163k which is largely caused by a reduction in warranty accruals for individual warranty claims by EUR 4,167k. Also project related accruals for outstanding invoices decreased by EUR 2,927k.

As the balance sheet total assets decreased from EUR 221,831k to EUR 189,577k and the equity increased from EUR 82,666k to EUR 91,400k, the equity ratio developed positively from 37.3 % to 48.2 %.

2.1.2 Future development and associated significant opportunities and risks

Concerning the key statements on the Company's future development and the associated significant opportunities and risks made by the company's management, we state that

Project-related risks are regularly observed and controlled and if necessary adequate counter measures are taken.

Project-related risks are concerning possible delays in the execution of construction projects for which penalty payments could be due, rising material and subcontractor costs in turnkey-projects where a fixed sales price is agreed as well as quality issues caused by subcontractor work or own design work. The company has implemented a thorough control system to identify project-related risks at an early stage in order to take sufficient and adequate counter-measures if necessary.

High competition and uncertainty but also order backlogs of EUR 120.4 million for 2012.

The construction business is still characterized by high competition due to the limited number of new projects and high uncertainty

The order backlog for 2012 amounts to EUR 120.4 million. The order backlog refers with EUR 34.8 million to Germany and with EUR 85.6 million to the foreign branches. A considerable part of the order backlog concerns the BSDP Phase 2 (Bridgestone) project with a contract volume of EUR 17.3 million in Poland, the TDDK Factory Extension Phase 5 project with a contract volume of EUR 17.0 million, and the Yasukawa Europe Robotec Division head quarter project with a contract volume of EUR 11.0 million both in Germany.

Takenaka expects positive results for 2012 and 2013.

As compared with sales of EUR 184.7 million in 2011, Takenaka expects declining sales of EUR 117.8 million in 2012 and increasing sales of EUR 132.0 million in 2013. The expected net results will be positive with EUR 1.0 million for 2012 and EUR 0.1 million in 2013.

2.1.3 Concluding statement

In our opinion the management report as a whole presents a suitable view of the Company's position and suitably presents the opportunities and risks of the future development.

Please refer to Appendices 5 and 6 for the Company's business profile and legal status.

2.2 Violations of other regulations

In violation of § 264 (1) HGB, the Company has not prepared the financial statements and management report as of 31 December 2011 within three months after the balance sheet date.

In violation of § 290 (1) HGB, the Company has not prepared consolidated financial statements and a consolidated management report as of 31 December 2011 within five months after the balance sheet date.

In violation of § 42a (2) sentence 1 GmbHG the financial statements as of 31 December 2010 were not approved by the shareholders within eight months after the balance sheet date. The respective resolution has been passed in the shareholders' meeting on 7 September 2012.



Takenaka
Audit report
Financial statements as at 31/12/2011
and management report

In violation of § 325 HGB, the Company has not published the financial statements and management reports as of 31 December 2010 as well as other required documents within twelve months after the respective balance sheet dates. The publication of the financial statement and management report as of 31 December 2010 took place on 6 August 2012.

3 Performance of the audit

3.1 Scope of the audit

We have audited the financial statements, together with the bookkeeping system, and the management report of Takenaka Europe GmbH, Dusseldorf, for the year ended 31 December 2011. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with the regulations of the German Commercial Code as well as explanations and evidence provided to us are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements, together with the bookkeeping system and on the management report based on our audit and the explanations and evidence provided to us.

An audit of financial statements only covers compliance with other legal regulations to the extent that these other legal regulations can be expected to have an impact on the financial statements or the management report.

3.2 Nature and scope of the audit procedures

We conducted our audit of the annual financial statements in accordance with § 316 et seqq. of the HGB and the German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW, Institute of Public Auditors in Germany). These standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting and in the management report are detected with reasonable assurance. Within the framework of the audit, the evidence supporting the disclosures in the books and records, the annual financial statements and the management report is examined primarily on a test basis. The audit includes assessing the recognition, measurement and classification principles used and important accounting estimates made by the management, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

We planned our audit and defined our audit strategy by using a risk- and system-oriented audit approach.

The required risk analysis is based on

- our understanding of the Company, its environment, its main aims and strategies,
- our understanding of the associated business risks which could lead to significant misstatements in the financial statements,
- analytical audit procedures needed for making a preliminary assessment of the Company's economic position,
- an assessment of the accounting methods selected and applied,
- our understanding of how the Company's commercial success was measured and monitored and
- an assessment of the company's internal controls and risk management systems as far as they are relevant to the audit

In our assessment of the risk of material misstatements in the financial statements or in the management report, we have considered risks at the financial statement and assertion levels, i.e. for relevant classes of transactions, account balances and disclosures. These procedures are also used to identify any significant risk that requires specific audit consideration. Due consideration has also been given to our findings from the audit of the previous year's financial statements.

On the basis of the risk assessment, we then identified specific audit objectives and developed a corresponding audit plan. In addition to the focus areas for the audit of the financial statements, this audit plan established the applicable audit approach for each audit objective, as well as the nature and scope of the audit procedures. This plan also contains a schedule for the audit work to be performed and the necessary assignment of personnel.

As a result of the risk assessment process and of determining our audit strategy and audit objectives, we have established the following areas for the focus of our audit:

- audit of the process of preparing the financial statements,
- compliance of the accounting principles followed by the foreign branches being part of Takenaka with German accounting principles,
- valuation of unfinished projects,
- revenue recognition,

- completeness of liabilities due to subcontractors regarding completed projects,
- plausibility of the forecast made in the management report

The audit procedures performed to obtain audit evidence consisted of system and control tests as well as substantive analytical audit procedures and tests of detail

We examined the accounting-related internal control system as follows. With reference to the focus areas determined in the planning of our audit, we evaluated the design and the implementation of the internal controls relevant to the specific audit objectives by taking samples. Afterwards we performed tests of operating effectiveness on selected internal controls relevant to the audit.

The knowledge obtained from the audit of the accounting-related internal control system was used to assess the risks of material misstatements in the financial statements or the management report, as well as for the selection of the nature, scope, and scheduling of the substantive analytical audit procedures and the tests of details to be carried out for the specific audit objectives.

In performing tests of details we requested legal counsels' and bank confirmations as well as, on a sample basis, confirmations from customers and suppliers. On the basis of our knowledge of the accounting-related internal controls and of the type and scope of the transactions to be assessed, we determined either random or specified samples.

As regards the financial statements of the foreign branches that are included in the Company's financial statements we partly used the audit and review work performed by local KPMG firms and other local auditors. The financial statements of foreign branches prepared in accordance with local accounting principles were audited or reviewed by local auditors. The auditors have provided their information on the local statutory financial statements and their audit procedures were performed in accordance with standards established in our audit instructions. For the preparation of the financial statements of Takenaka Europe GmbH the financial statements prepared in accordance with local accounting principles were adjusted with regard to recognition, measurement and classification to German accounting principles (HBII) in accordance with the instructions provided by Takenaka Europe GmbH. The adjustments were audited or reviewed by the local auditors.

The results of all audits and all reviews of the financial statements of the included branches were combined after a critical review of the reportings provided in compliance with our audit instructions. We have also performed our own audit procedures for material items in the financial statements of major branches.



Takenaka
Audit report
Financial statements as at 31/12/2011
and management report

The objective of our audit of the management report was to examine whether the management report was consistent with the financial statements as well as with the results of the audit of the financial statements and whether the management report on the whole provided a suitable view of the Company's economic position. Furthermore we examined whether the opportunities and risks of the Company's future development were suitably presented in the management report.

We performed our audit (with interruptions) in the month November 2011 until November 2012 up to 30 November 2012.

All explanations and evidence requested by us were provided. The management has supplied us with a letter of representation confirming the completeness of the books and records, the annual financial statements and the management report.

4 Findings concerning accounting records and financial reporting

4.1 Bookkeeping system and other records audited

The Company's bookkeeping system was properly kept and maintained. The bookkeeping records and related accounting documents are properly authorized, sufficiently explained and filed in an orderly manner. Based on our audit, the bookkeeping records and other records and documents audited complied with legal regulations.

Based on our audit, we found that the Company's organizational and technical measures taken to ensure security of the accounting-relevant data and IT-systems were appropriate.

4.2 Financial statements

The financial statements as at 31 December 2011 as presented to us for audit have been properly derived from the Company's accounting books and records and other documents audited. The opening balance sheet figures were properly carried forward from the prior year financial statements. Legal regulations regarding recognition, measurement and classification have been complied with.

The balance sheet and the income statement have been prepared in accordance with the accounting regulations in the German Commercial Code governing the accounting for limited liability companies [GmbHs] including generally accepted accounting principles. The notes to the financial statements included all required information.

We point out that compliance with the formal requirements to be exempted from disclosing the total amount of the auditor's fee according to § 285 No. 17 of the HGB could not be assessed by the end of our audit, because the consolidated financial statements required for this exemption were not available.



4.3 Management report

The management report prepared by the management complies with the statutory requirements. The management report is consistent with the financial statements and the information obtained by us during our audit. Overall, it provides a suitable view of the Company's position. As a result of our audit, we conclude that the management report suitably presents the opportunities and risks of the Company's future development and that the disclosures required by § 289 (2) HGB are complete and accurate.

5 Assessment of the overall assertion of the financial statements

5.1 Significant measurement bases and changes in measurement bases

The significant **accounting and valuation principles** are described by the Company in the notes to the financial statements. Those principles were applied on a consistent basis as compared with the previous year.

The main **accounting policy options** with significant impact on the financial statements are as follows:

Unfinished projects

Unfinished projects are valued according to § 255 (2) sentence 2 HGB based on costs of production (mainly including subcontractor costs). Using the option of § 255 (2) sentence 3 HGB no overheads for general and administrative expenses have been capitalized as of 31 December 2011 which is consistent with the handling in the previous year.

Payments received on account of orders

The payments received on account of orders in the amount of EUR 42,536k (previous year EUR 66,272k) are disclosed as liabilities. Alternatively § 268 (5) sentence 2 HGB allows to set off the payments received on account of orders against the capitalized unfinished projects to the amount that unfinished projects are capitalized. In that case, the balance sheet total would be reduced by EUR 39,655k, the equity-ratio (equity in relation to balance sheet total) would be 61.0 % instead of 48.2 %.

Deferred taxes

In accordance with § 274 (2) HGB the Company capitalized deferred tax assets amounting to EUR 3,461k and recorded deferred tax liabilities amounting to EUR 71k. The deferred tax assets mainly concern the German Branch as well as the Slovakian Branch. The deferred taxes are associated with tax loss carry forwards and timing differences mainly concerning the revenue recognition of projects. Under German GAAP there is no obligation, but only an option to account for deferred tax assets which exceed the deferred tax liabilities.

Apart from the accounting policy options, valuations also depend on **estimates** made with regard to certain valuation components

The valuation of assets and liabilities in accordance with § 253 HGB requires the assessment of future developments and assumptions on the realization of economic values in the future, which are subject to risks and uncertainties

The orientation on future developments bears room for judgment which has to be exercised in the due preparation of the financial statements. The auditor, of course, can only assess the plausibility of the judgments made

The **exercise of judgment** by the company is relevant in the following areas

Areas	Judgement
- Financial assets - Reserves for expected losses on unfinished projects - Project-related accruals	- Assessment of sustainability of impairments and estimation of future cash flows as well as of calculation parameters for the DCF-calculation - Estimation of project result - Assessment of likelihood of occurrence and impact of risks

Financial assets comprise amongst others the investment in Takenaka India Private Ltd, Gurgaon-Haryana/India, which was originally recorded at cost of EUR 4,298k

Based on a discounted cash flow (DCF) analysis which was undertaken at the end of 2011 management identified a probably sustained impairment in value of EUR 2,544k. This impairment loss was already recorded in the financial statements as of 31 December 2010 in accordance with sec. 253 (3) sentence 3 HGB and was maintained in the financial statements as of 31 December 2011.

The expected future free cash flows are deriving from the three year's forecasted budget for the Indian subsidiary. The applied WACC was calculated with 15.25 % considering a risk free rate of 4 %, an inflation differential for India with 3.9 %, a market risk premium of 5 % and a country risk premium of 2.3 %. The used beta for the Indian construction industry is 1.01.

The Company maintains a detailed project controlling which enables to monitor the profitability and the current status of the individual projects. The project controlling provides information for the calculation of the **reserves for expected losses on unfinished projects** as well as for the **project-related accruals**.

Reserves for expected losses on unfinished projects are recognized for those projects where the total expected direct costs (direct labor and material costs as well as subcontractor costs) plus an unchanged mark-up of 3 0 % for general and administrative costs exceed the contracted amount. As per 31 December 2011, the Company records a reserve amounting to EUR 1,083k (previous year EUR 0k) regarding the Bridgestone project in Poland.

Project-related accruals comprise accruals for services not yet invoiced by subcontractors and for warranties.

The **accrual for services not yet invoiced by subcontractors** of EUR 4,188k (previous year EUR 7,115k) generally covers expected charges from subcontractors for completed projects and has been calculated on an individual basis taking into consideration the difference between the finally updated cost budgets and the actual project costs recorded until year-end.

The notes (Appendix 3a) state that consistent with prior year the company does not build accruals for outstanding invoices from subcontractors regarding unfinished projects at year-end. If those outstanding invoices would be accrued, the capitalized unfinished projects would increase correspondingly by the same amount. Consequently, under the current accounting treatment the balance sheet total assets is on a lower level. However, this accounting treatment does not impact the result of the Company.

Warranty accruals in the total amount of EUR 16,110k (previous year EUR 20,101k) have been built to cover uncertain warranty claims raised by clients after completion of the projects. Apart from warranty accruals which have been recognized for individual warranty claims of EUR 14,795k (previous year EUR 18,962k), the Company also recorded a lump sum provision amounting to EUR 1,315k (previous year EUR 1,139k), which has been calculated with 0 3 % (previous year 0 3 %) on the basis of the average of the annual sales of the last five years which are not individually reserved for.

The individual warranty claims comprise amongst others EUR 5,357k (previous year EUR 5,408k) relating to the KIA project in Slovakia and EUR 2,704k (previous year EUR 2,704k) relating to the Hyundai project in Czech Republic.

The warranty accrual for the KIA project in Slovakia is based on a proposal of a subcontractor to repair the identified defects in the waterproofing surface layer of the roof as well as a lump-sum for Takenaka's own involvement.

As regards the Hyundai project, Takenaka originally provided EUR 5,408k as a warranty accrual equaling 3.5 % of the contract amount for so far undetected warranty claims which are expected to arise due to the experience with similar huge projects. Further warranty accruals amounting to EUR 2,305k for work that was already claimed by Hyundai and accrued for as of the end of financial year 2009 were used during the financial year 2010. Due to new information gained in 2011, the company decided to release EUR 2,704k (50 %) of the accrual already as of 31 December 2010.

5.2 Conclusion on the overall assertion of the financial statements

The Company has selected the recognition principles and the accounting measurement bases affecting its financial statements as of 31 December 2011 mainly consistently with the prior year.

The financial statements contain considerable exercises of judgment arising from the need for estimates as described in paragraph 5.1 of this report.

Based on an overall consideration of the measurement bases described above, we are of the opinion that the financial statements provide a true and fair view of the Company's net assets, financial position and results of operations in accordance with German principles of proper accounting.

6 Translation of Auditors' report

We have issued our unqualified auditors' report as set out in Appendix 11 in German language
The following is a translation of our auditors' report in English language

"Auditors' report

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of Takenaka Europe GmbH, Dusseldorf, for the financial year from 1 January to 31 December 2011. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 HGB ["Handelsgesetzbuch" "German Commercial Code"] and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer in Deutschland [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.



Takenaka
Audit report
Financial statements as at 31/12/2011
and management report

In our opinion, based on the findings of our audit, the annual financial statements comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of Takenaka Europe GmbH, Dusseldorf, in accordance with German principles of proper accounting. The management report is consistent with the annual financial statements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development."

Dusseldorf, 30 November 2012

KPMG AG
Wirtschaftsprüfungsgesellschaft

[Original German version signed by]

Glunz
Wirtschaftsprüfer

Labus
Wirtschaftsprüfer

Takenaka Europe GmbH, Dusseldorf

Balance sheet as at 31 December 2011 (Translation)

Assets

	31/12/2011	31/12/2010
	EUR	EUR
A Fixed Assets		
I Intangible assets		
1 Acquired rights of use	1 00	1 00
2 Acquired EDP Software	274 601 80	325 134 44
	274 602 80	325 135 44
II Property and equipment		
1 Buildings including leasehold improvements	93 505 92	111 061 01
2 Other equipment office equipment and fixtures	720 499 91	760 274 71
	814 005 83	871 335 72
III Financial assets		
1 Shares in affiliated companies	8 392 664 14	8 392 664 14
2 Other loans	0 00	23 008 13
	8 392 664 14	8 415 672 27
	9,481 272 77	9,612,143 43
B Current Assets		
I Inventories		
1 Unfinished projects	39 654 974 03	69 298,201 70
2 Prepayments	177 140 52	1,090 280 19
	39,832,114 55	70 388 481 89
II Accounts receivable and other assets		
–Numbers 1 and 2 with a residual term of less than one year–		
1 Trade receivables	15 125 613 13	3 620 510 62
2 Receivables due from affiliated companies	44 190 95	20 505 38
–all from trade–		
3 Other assets	5 622 701 19	9 650,251 01
–thereof with a residual term of more		
than one year EUR 271 057 77		
(previous year EUR 268,339 20)–		
	20,792,505 27	13 291 267 01
III Cash balances and bank deposits		
	115 831 315 45	124 601 505 76
	176,455 935 27	208 281 254 66
C Prepaid expenses	178 567 96	230 301 54
D Deferred tax assets		
	3,461,465 81	3 707,062 61
	189,577 241 81	221 830,762 24

Liabilities and Shareholders' Equity

	31/12/2011	31/12/2010
	EUR	EUR
A Shareholders' equity		
I Capital subscribed	9 200 000 00	9,200 000 00
II Capital surplus	7 669 337 62	7 669 337 62
III Earning reserves		
Other earnings	3 728 459 41	3 728 459 41
IV Accumulated income	70 802 481 13	62 068 036 94
	91,400,278 16	82 665 833 97
B Accruals		
1 Tax accruals	2 395,992 45	634,316 01
2 Other accruals	22 688 208 90	28,851,250 99
	25 084 201 35	29 485 567 00
C Short-term liabilities		
–Numbers 1 3 and 4 with a residual term of less than one year–		
1 Payments received on account of orders	42 535 774 02	66 272 469 50
2 Trade payables	28 491 651 73	40 781 996 15
–thereof with a residual term of more than one year		
and less than five years EUR 12 837 738 84		
(previous year EUR 16,745,670 47)–		
3 Payables due to affiliated companies	52 312 58	0 00
–all from trade–		
4 Other liabilities	1 941 850 20	2 149 085 62
–thereof for taxes EUR 1 402 809 30		
(previous year EUR 873 574 58)–		
–thereof relating to social security and		
similar obligations EUR 184 145 52		
(previous year EUR 360 744 11)–		
	73,021 588 53	109,203 551 27
D Deferred tax liabilities	71 173 77	475 810 00
	189 577 241 81	221 830,762 24

Takenaka Europe GmbH, Dusseldorf

Income statement for the period
from 1 January to 31 December 2011 (Translation)

	2011	2010
	EUR	EUR
1 Sales	184,723,586 10	167 606 562 06
2 Cost of sales	-163 376 329 66	-146 395 846 79
3 Gross profit	21,347,256 44	21 210 715 27
4 Selling expenses	-793 406 83	-712,623 42
5 General and administrative expenses	-16 176 588 52	-17 556 863 17
6 Other operating income	7 320 208 28	12 234,234 06
7 Other operating expenses	-1 581 916 35	-4 874 696 28
8 Other interest and similar income	1 394,536 92	705 862 90
9 Write off of financial assets	0 00	-2 544 000 00
10 Interest and similar expenses	-13,437 49	-90,960 33
11 Result from ordinary operations	11 496 652 45	8 371 669 03
12 Taxes on income	-2 766 432 51	-13,576 83
–thereof from changes in deferred taxes EUR -316 306 75 (previous year EUR 1,249 346 00)–		
13 Other taxes	4,224 25	-44,317 71
14 Net income for the year	8 734 444 19	8 313 774 49
15 Profit carried forward	62 068 036 94	53 754 262 45
16 Accumulated income	70 802 481 13	62 068 036 94

Takenaka Europe GmbH, Dusseldorf

Notes to the financial statements for the financial year 2011 (Translation)

(1) General remarks

At the balance sheet date Takenaka Europe GmbH is a large incorporated company as defined in sec 267 (3) of the German Commercial Code (HGB)

The applied accounting and valuation policies comply with the German Commercial Code and the Code for Private Limited Liabilities Companies (GmbHG)

The accounting and valuation policies have been consistently applied in the financial statements as of 31 December 2011 compared to the previous year

For the presentation of the statement of income the cost of sales method is applied

(2) Accounting and valuation policies

Intangible assets acquired from third parties are capitalized at acquisition cost and are amortized straight line over the useful life

Property and equipment are stated at acquisition cost less regular depreciation and write-downs due to impairment, where necessary. The depreciation is recognised over the estimated useful life of the assets. Contrary to the current tax regulations, low value items with acquisition cost up to EUR 500 are fully depreciated in the year of acquisition and are shown for reasons of simplification in the fixed assets movement as additions and disposals in the same year

Financial assets are recognized at acquisition cost net of impairment if necessary. Non-interest bearing other loans are stated at present value

Unfinished projects included in inventories are capitalized at the cost of production cost referring to sec 255 (2) sentence 2 HGB. Using the option of sec 255 (2) sentence 3 HGB overheads for general and administrative expenses are not capitalized. Expected losses from unfinished projects are set off against the gross value of the unfinished projects.

Accounts receivable and other current assets are stated at nominal value or lower fair value on the balance sheet date. For receivables bearing obvious collectability risks, appropriate value discounts are made, bad debts are written off.

The amount of **other accruals** is generally recognized with due care and diligence of a prudent business judgement, to cover all contingent liabilities on the balance sheet date. Accruals with a residual maturity above one year are discounted at the average market rate corresponding to their maturity.

For completed projects included in sales, accruals are set-up for services not yet invoiced by sub-contractors. Consistent with prior years, outstanding invoices of sub-contractors are not accrued (and are simultaneously not capitalized under unfinished projects in the same amounts) for capitalized unfinished projects.

The value of the lump sum warranty provision represents 0.3 % (previous year 0.3 %) of the average turnover of the last five years for which no individual guarantee provisions were recognised.

Liabilities are stated at their settlement amount.

The translation of **foreign currency assets and liabilities** in EUR considers spot exchange rates at balance sheet date in accordance with sec 256a HGB.

The assets and liabilities of the **branches in the Czech Republic, Poland, Hungary, Romania and in the United Kingdom** were converted at the spot exchange rates on the balance sheet date and the items in statement of income were converted at the annual average exchange rates.

(3) Notes to the balance sheet and to the statement on income

Property and equipment

The development of fixed asset categories is shown in a separate appendix to the notes

Deferred taxes

In accordance with sec 274 HGB the company capitalized deferred taxes

The deferred tax assets of the German branch amount to EUR 2,213k and regard tax loss carry-forwards, which are expected to be used within the next five years

In addition the Slovakian branch capitalized a deferred tax asset amounting to EUR 1,331k due to temporary differences caused by differences in the stated revenue recognition from projects

Deferred taxes were netted at the level of individual taxpayers

Branch	Tax Loss Carry- forward	Other Differences	Tax Rate	Deferred Tax Assets	Deferred Tax Liabilities
	EURk	EURk	%	EURk	EURk
Germany	-6,740 ¹	-119	32.8	2,101 ²	-
Slovakia	-	-7,008	19.0	1,331	-
Netherlands	-	-16	25.0	4	-
Hungary	-246	-	10.0	25	-
Czech Republic	-	355	20.0	-	-71
	-6,986	-6,788		3,461	-71

Equity

According to sec 268 (8) HGB the amount of deferred tax assets less deferred tax liabilities amounting to EUR 3,390k is excluded from profit distribution. This applies unless freely available reserves plus retained earnings and less a potential loss carry-forward are available in at least the same amount.

- ¹ Average base of recognized deferred tax assets. The effective corporate tax loss carry forward at 31 December 2011 is EUR 13,244k (corporate tax rate 15.8 %) and trade tax loss carry forward is EUR 3,950k (trade tax rate 17.0 %).
- ² After netting with deferred tax liabilities of EUR 112k.

Tax accruals

The tax accruals include taxes on income in Slovakia (EUR 1,893k), in The Netherlands (EUR 169k), in Czech Republic (EUR 134k), in Hungary (EUR 103k) and in Germany (EUR 97k)

Other accruals

Other accruals mainly relate to sub-contractor services not yet invoiced for finished projects (EUR 4,188k) and guarantees (EUR 16,110k)

Sales

In the fiscal year sales split-up according to regional markets as follows

Country	Sales 2011 EURk
Slovakia	107,129
Germany	27,253
Czech Republic	21,223
France	10,423
Belgium	6 143
Poland	3,883
Hungary	3,146
The Netherlands	2 759
United Kingdom	1,877
Italy	701
Spain	128
Romania	59
	184,724

Cost of materials

For the fiscal year 2011, the cost of materials amount to EUR 163,376k (2010 EUR 146,396k)

The cost of materials relate solely to expenses for purchased services

Personnel expenses

Total personnel expenses included in cost of sales, selling expenses and general and administrative expenses for the year 2011 amount to EUR 8,750k (thereof wages and salaries EUR 7,478k, social security EUR 1,144k and old age pension EUR 128k) In 2010 personnel expenses amount to EUR 9,512k (thereof wages and salaries EUR 8,100k, social security EUR 1,286k and old age pension EUR 126k)

Income relating to prior periods

Other operating income includes income relating to prior period of EUR 4,167k This results mainly from the reversal of other accruals (EUR 3,979k) and from the write-off of liabilities (EUR 184k)

Exchange gains and losses

Invoices in foreign currency for acquired or manufactured assets are converted at the respective applicable monthly rate (average rate of the previous month) of the transaction into the functional currency Income or expenses, which result from the subsequent payment in foreign currency, are included in the income statement in other income or expenses Hedges were not used in 2011

The assets and liabilities of the foreign branches whose functional currency is not EUR are converted from local currency into EUR using the spot exchange rate on the balance sheet date The statements of income of foreign branches whose functional currency is not EUR are translated at average rates of the reporting period just as the annual results The resulting exchange differences are recognized in the statement of income

Overall, gains in the amount of EUR 918k (previous year EUR 1,360k) and exchange rate losses in the amount of EUR 891k (previous year EUR 2,030k) were recognized in profit or loss

(4) Other notes

Other financial commitments

The future expenses for rent and lease contracts split-up as follows

	2011
	EURk
Due within the next year	1 243
Due within two to five years	1,896
Due after five years	246
	3 385

Number of employees

In 2011 the average number of employees, excluding general managers, was 268

General management

The general managers of the company --except Mr Sung-Jong Beom-- have an individual right of representation during the financial year 2011 and were

- Masayuki Takinami, businessman, Dusseldorf, Chairman of the Company's board since 22 December 2011,
- Haruo Nakayama, businessman, Vice-chairman of the Board, Dusseldorf,
- Beom-Yong Sung, businessman, Bad Homburg,
- Yutaka Kawashima, businessman, Tokyo/Japan,
- Tetsuya Sekiya, businessman, Dusseldorf, until 12 January 2012,
- Masaaki Ozaki, businessman, Dusseldorf, until 22 December 2011,
- Katsunori Mishima, businessman, Dusseldorf, until 5 July 2011,

The remuneration of the members of the general management in the reporting period was EUR 1,238k

Shares in affiliated companies

At balance sheet date the company holds the following shares in affiliated companies

Affiliated companies	Share	Local currency	Nominal share capital	Equity as of 31/12/2011	Result for the year 2011
	in %		in local currency	in local currency	in local currency
Takenaka Corp USA, Delaware/USA	90.0	USDk	3,000	2,023	-4,250
Takenaka Belgium N.V., Machelen/Belgium	99.9	EURk	62	6,615	301
Takenaka Netherlands B.V. Amsterdam/Netherlands	100.0	EURk	1,361	662	0
Takenaka India Private Ltd., Gurgaon-Haryana/India ³	99.999	INRk	250,000	62,396	-187,604

The information regarding equity and annual result are based on the respective financial statements, which were prepared in accordance with local GAAPs

On the book value of the investment in Takenaka India Private Ltd., Gurgaon-Haryana/India, in 2010, an impairment loss was recorded amounting to EUR 2,544k pursuant to sec 253 (3) sentence 3 HGB on the basis of a sustained impairment in value

Consolidated financial statements

Takenaka Europe GmbH, Dusseldorf, prepares consolidated financial statements

Furthermore, Takenaka Europe GmbH is a 100 % subsidiary of Takenaka Corporation, Osaka/Japan, which prepares and publishes consolidated financial statements for the entire group. These consolidated financial statements are available at the premises of the parent company.

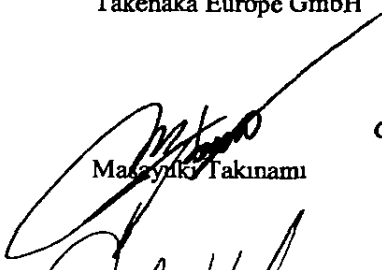
³ Information is based on the unaudited interim financial statements for the period from 1 April 2011 to 30 September 2011

Professional fees of the auditor

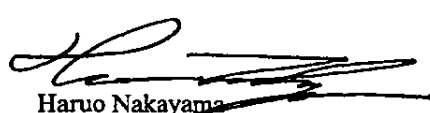
The information on the total fee charged by the auditor will be included in the consolidated financial statements including the company

Dusseldorf, 30 November 2012

Takenaka Europe GmbH



Masayuki Takinami



Haruo Nakayama



Tataka Kawashima



Beom-Yong Sung

Takenaka Europe GmbH, Dusseldorf

Fixed assets movements
for the year ended 31 December 2011 (Translation)

		Acquisition costs			
		1/1/2011	Foreign exchange adjustments	Additions	Disposals
		EUR	EUR	EUR	EUR
I	Intangible assets				
1	Acquired rights of use	2 556 46	0 00	0 00	0 00
2	Acquired EDP software	1 020,778 73	-24 293 68	97 376 41	0 00
		1 023 335 19	-24,293 68	97 376 41	0 00
II	Property and equipment				
1	Buildings including leasehold improvements	176,221 75	0 00	0 00	0 00
2	Other equipment office equipment and fixtures	3 508 002 37	-77 708 44	267 230 78	69 873 17
		3,684,224 12	-77,708 44	267,230 78	69,873 17
III	Financial assets				
1	Shares in affiliated companies	10 936 664 14	0 00	0 00	0 00
2	Other loans	23 008 13	0 00	0 00	23 008 13
		10,959,672 27	0 00	0 00	23 008 13
		15 667,231 58	-102,002 12	364 607 19	92 881 30

Accumulated depreciation				Net book values		
1/1/2011	Foreign exchange adjustments	Depreciation	Disposals	31/12/2011	31/12/2011	31/12/2010
EUR	EUR	EUR	EUR	EUR	EUR	EUR
2 555 46	0 00	0 00	0 00	2,555 46	1 00	1 00
695 644 29	-12,240 92	135 856 29	0 00	819,259 66	274 601 80	325 134 44
698 199 75	-12,240 92	135 856 29	0 00	821 815 12	274 602 80	325 135 44
65,160 74	0 00	17 555 09	0 00	82 715 83	93 505 92	111 061 01
2 747,727 66	-24 134 16	234,245 52	50,687 39	2,907,151 63	720 499 91	760 274 71
2 812 888 40	-24 134 16	251 800 61	50 687 39	2 989 867 46	814 005 83	871 335 72
2 544 000 00	0 00	0 00	0 00	2 544 000 00	8 392 664 14	8,392 664 14
0 00	0 00	0 00	0 00	0 00	0 00	23 008 13
2 544 000 00	0 00	0 00	0 00	2 544 000 00	8 392 664 14	8 415,672 27
6 055 088 15	-36 375 08	387 656 90	50 687 39	6 355 682 58	9,481 272 77	9 612 143 43

Takenaka Europe GmbH, Düsseldorf

Management report for the financial year 2011 (Translation)

A. Business Development

1 Development of the industry and the company

The global economy has suffered in recent years, a chronology of crises. The decisive factor was the housing crisis in the U S. In parallel it could also be observed a housing crisis in some European countries. As a result of the bursting of the property bubble in the USA also private households have lost their property and were even led to the debt crisis. First, the real economy had been affected only slightly, but this changed with the insolvency of one of the largest U S investment bank in September 2008. General uncertainty led to a blockade in the global economy --orders were cancelled and investments were postponed. Overall economy was slipping into recession. Only a global fiscal and monetary policy has helped to save the banks and to overcome the economic crisis. This led to an unexpectedly rapid recovery of the world economy, but this led to a massive public indebtedness in the industrial countries-- especially in the euro area. In addition to the national debt, high unemployment is a key problem in many industrialized countries. This caused a change in lifestyle and individual consumer behaviour and in many countries this had an influence on the still prostrate construction business. However, the German construction industry is benefiting more and more from the euro crisis and it should become one of the main growth drivers in Germany. The German construction industry is gaining momentum and benefits from the fact that firms invest domestically and not re-invest in foreign countries. In contrast, the company is highly dependent on the economic situation of their customers which are cautiously investing in construction projects.

2 Branches (Sec 289 (2) No 4 HGB)

Takenaka Europe GmbH (hereinafter "the company") operates branches in Belgium, the Netherlands, Italy, Spain, Czech Republic, Slovakia, Poland, Hungary, France, Romania and in the United Kingdom.

3 Investments

Takenaka Corporation U S A (90 % investment) recorded a loss in 2011 amounting to USD 4,250k (EUR 3,053k) The result decreased by USD 3,796k (EUR 2,727k) compared to the prior year The result from ordinary activities was USD -4,284k (EUR -3,308k)

After the establishment of the subsidiary Takenaka India Private Ltd (99.999 % investment) in 2010, this company has made a loss in 2011 of EUR 2,773k This loss is mainly from start-up expenses for setting up the business in India

Takenaka Belgium N V (99.9 % investment) realized a profit of EUR 301k in 2011 (previous year EUR 60k)

Takenaka Netherlands B V (100 % investment) realized unchanged to previous year a balanced result of EUR 0k in 2011, because this company has currently no operative business

4 Non-financial performance factors

The main non financial performance factor relates to the employees of the company and the expert knowledge in construction projects, which have a significant impact on the company's business development

B. Situation of the Company

1. Net assets and financial position

The balance sheet total at the end of the fiscal year 2011 amounts to EUR 189,577k (2010 EUR 221,831k) The decrease in the balance sheet total of EUR 32,254k was driven on the asset side by the decrease in inventories by EUR 30,556k This decrease was mainly caused by a declining number of running projects

In 2011 the cash on hand and cash in bank balance decreased by EUR 8,770k (-7.0 %) to EUR 115,831k, which is partly due to the increase of trade receivables which increased by EUR 11,505k to EUR 15,126k in comparison to previous year

The decrease in liabilities and shareholder's equity resulted primarily from the reduction in advances received by EUR 23,737k and trade payables by EUR 12,290k. In addition, other provisions decreased to EUR 6,163k which was partially compensated by the increase in equity by EUR 8,734k and the tax provisions by EUR 1,762k.

The net income amounts to EUR 8,734k. Accordingly, net income increased by EUR 421k compared to 2010. The equity increased to EUR 91,400k. No dividend payment was made to the shareholders in 2011.

The equity ratio in 2011 increased from 37.3 % to 48.2 %, mainly due to the increase in net income and the reduction of the balance sheet total.

2 Earnings situation

During 2011, the following major projects were completed:

- Alps Project (AUO TP3) (Slovakia),
- Alps Project (AUO TP4) (Slovakia),
- KIA Engine Ph2 (Slovakia),
- ROHM, Nurnberg Si Crystal (Germany),
- Toyota Boshoku TSBO 850L Renovation (France),
- QAPS CZ Paint shop (Czech Republic),
- Foxconn Ph2-B3 (Slovakia),
- Mazak Dusseldorf (Germany),
- Mazak Technology Center Leipzig (Germany),
- Yamazaki Mazak Design & Building (Czech Republic),
- Yamazaki Mazak TCP (Poland)

Compared to the previous year, sales increased by EUR 17,117k to EUR 184,724k and the gross profit increased by EUR 137k to EUR 21,347k.

The gross profit (gross profit in relation to revenue) decreased from 12.7% to 11.6% compared to previous year

General and administrative expenses were reduced by EUR 1,380k to EUR 16,177k

The other operating expenses decreased by EUR 3,293k to EUR 1,582k mainly due to the reduction in exchange losses compared to previous year

Other operating income decreased by EUR 4,914k to EUR 7,320k due to a significant decrease in gains from the release of other accruals by EUR 5,845k as compared with previous year

Despite reduced cash and bank balances the net interest income increased by EUR 689k to EUR 1,395k. This is due to a long-term bank deposit in the fiscal year 2011.

The result from ordinary operations in 2011 amounts to EUR 11,497k and increased by EUR 3,125k compared to previous year

In 2011 taxes on income amount to EUR 2,766k. This represents an increase by EUR 2,753k compared to the previous year. The taxes on income mainly regard the Slovakian branch with an amount of EUR 2,029k.

Overall the net profit for the financial year 2011 increased by EUR 421k to EUR 8,734k

3 Strategy

The company operates in 12 countries with 11 branches and pursues the target to improve constantly the company's business model and result from construction projects. With the objective of being accepted as a global market player, the company persistently expands the activities throughout Europe as well as maintaining current markets.

C. Disclosures pursuant to Sec. 289 (2) HGB

1 Significant events after balance sheet date (Sec. 289 (2) No 1 HGB)

During the fiscal year 2011 on 31 March and on 13 April 2011 the buildings associated with the ALPS projects in Slovakia were handed over to the customer. In the following during the year 2011 roof damages of the building were detected. The company anticipated expenses of approximately EUR 1,155k for repairing these damages in the fiscal year 2012 and initially recorded a corresponding provision at the end of fiscal year 2011. In June 2012 a part of the provision was released in these financial statements by an amount of EUR 485k to profit and loss due to subsequent information obtained.

2 Risk management

The foreign currency risks arise from the fact that some of the construction project contracts are concluded in EUR, while the majority of the subcontractor contracts are concluded in local currency. However, in most cases, the construction project and the subcontractor contracts are concluded in the same currency. As per 31 December 2011 the company had no foreign currency hedge contracts outstanding.

Project-related risks, such as delays in the execution of the construction projects, rising material and subcontractor costs in turn-key-projects as well as construction or design quality issues, are regularly observed and controlled and if necessary adequate counter-measures are taken.

To strengthen the capital and liquidity of our investment in India, we have newly invested EUR 5,659k on 13 February 2012 and EUR 2,319k on 9 November 2012 which was capitalized as investments in affiliated companies. To what extent it might be necessary to record an impairment of our investments in affiliated companies in the future we cannot foresee at the moment.

D. Significant Chances and Risks of Future Development

Due to the current economic situation new investments of potential customers of the company are at a low level. The general market situation in the German construction industry is currently good, but there is still an intense competition with other general contractors for a limited number of new projects in the market of potential customers of the company.

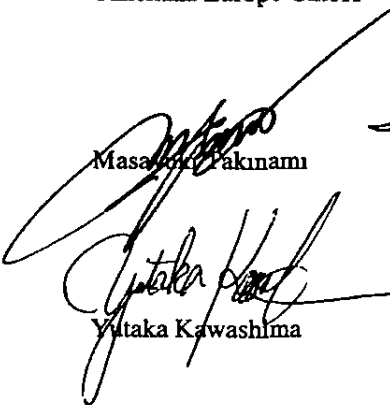
The company believes that the high volume of construction in the past and having branches all over Europe are a competitive advantage and expects to further strengthen its market position. The company firmly believes that the orders on hand and the financial and market position will help to overcome this difficult situation.

The order backlog for 2012 amounts to EUR 120.4 million and includes all contracted but not yet finished projects as of 31 December 2011. The biggest running projects are BSDP Phase 2 (Bridgestone) in Poland, TDDK Phase 5 in Germany and Yaskawa Motoman in Germany.

Because of the backlog at the beginning of 2012, the company expects a turnover of EUR 117.8 million in 2012 and EUR 132.0 million in 2013. Therefore, the company expects a positive net income for 2012 of EUR 1.0 million and for 2013 of EUR 0.1 million.

Düsseldorf, 30 November 2012

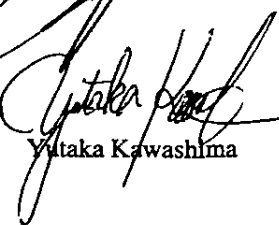
Takenaka Europe GmbH



Masahiro Takinami



Haruo Nakayama



Yutaka Kawashima



Beom-Jong Sung

Business profile

General

The Company is engaged in the accomplishment of all kind of businesses as a general building contractor, especially construction of projects for private companies on a turn-key basis, including design and engineering, planning, constructions, site supervision and control of services allocated to subcontractors. Additionally, the Company offers maintenance and management services.

The Company is a subsidiary of Takenaka Corporation, Osaka/Japan. Takenaka Corporation is Japan's oldest architecture, engineering and construction firm with a long history of roughly 400 years. Since 1960, Takenaka also has established subsidiaries outside of Japan. The subsidiary in Germany was established in 1974.

Takenaka Europe GmbH mainly deals with Japanese multinationals which employ activities in Europe. The main projects for Japanese customers concern the erection of office buildings, production facilities, factories and warehouses. Currently, Takenaka starts to expand the business with multinationals from other Asian and European countries.

For the construction work Takenaka engages subcontractors. The design and engineering as well as the project controlling are mainly performed by Takenaka itself.

Branches

The Company operates the following foreign branches outside Germany:

Western/middle Europe	Eastern Europe	Southern Europe
France	Czech Republic	Italy
United Kingdom	Hungary	Spain
Netherlands	Romania	
Belgium	Slovakia	
	Poland	

The development of the sales of the individual branches during the last five years can be summarized as follows

Branch	2011	2010	2009	2008	2007
	EUR k	EUR k	EUR k	EUR k	EUR k
Slovakia	107,129	17,614	52,461	48,972	47,428
Germany	27 253	36,270	42 808	5,720	50 903
Czech Republic	21,223	17 977	53,773	237,720	99 006
France	10,423	6,645	14,471	9,593	9,578
Belgium	6,143	577	970	1,128	0
Poland	3,883	17,586	12,918	11 216	61,253
Hungary	3,146	3,458	18,201	9,468	56,002
Netherlands	2,759	53,262	17,586	22,956	0
United Kingdom	1,877	12,665	8,306	12,955	9,687
Italy	701	656	8	383	618
Spain	128	896	44	216	286
Romania	59	1	1,296	11 673	19,461
Russia	0	0	0	193	1,339
	184,724	167,607	222,842	372,193	355,561

Subsidiaries

The Company is parent company of Takenaka Corporation U S A , Delaware/USA, (90 % participation) The subsidiary in the U S was founded in 2001 and runs independent from the business activities in Europe In 2010, the new subsidiary Takenaka India Private Ltd , Gurgaon-Haryana/India (99 999 %-participation), was founded The subsidiary also runs independent from the business activities in Europe In addition, the Company is parent company to Takenaka Belgium N V , Machelen/Belgium (99 9 %-participation), and Takenaka Netherlands B V , Amsterdam/Netherlands (100 %-participation)



Employees

The average number of employees developed as follows

	2011	2010
Domestic	59	59
Foreign branches	209	229
	268	288

The number of employees in the foreign branches mainly concerns with 69 employees the branch in the Czech Republic, with 49 employees the Slovakian Branch and with 27 employees the Polish branch as at 31 December 2011

Legal status

Formation of the company	25 July 1974
Company name	Takenaka Europe GmbH
Place of registration	Dusseldorf
Articles of association	The articles of association were passed on 19 December 1973. The latest version of the articles of association is dated 17 June 2003.
Trade Register	Commercial Register Dusseldorf, Department B, No 4453, date of the latest extract 6 September 2012
Company's Object	The company provides consultancy, planning and engineering services in the construction business, third party construction services as main contractor, all kinds of facility management services, imports and exports construction materials, provides project management and project development services, delegates graduated engineers to solve client's technical problems, but does not assign qualified personnel according to the German Law on Labour Leasing (AUG)
Business year	From 1 January to 31 December
Share capital	EUR 9,200,000.00
Ownership of shares	All shares are held by Takenaka Corporation, Osaka/Japan

**Previous year's
financial statements**

At the shareholder's meeting held on 7 September 2012

- (1) the financial statements as of 31 December 2010, and the management report which were prepared by the management, audited by us and given an unqualified opinion, were presented, and the financial statements were approved,
- (2) it was resolved that the accumulated income of EUR 62,068,036 94 will be carried forward,
- (3) the general management was exonerated for the financial year 2010

Size of the company

The Company is a large-sized corporation as defined by sec 267 (3) HGB (German Commercial Code)

Affiliated companies

The Company is considered as affiliated company to Takenaka Corporation, Osaka/Japan, and its direct and indirect subsidiaries. We refer to the information disclosed in the notes to the financial statements according to § 285 (14) HGB.

The Company is parent company in the sense of § 290 HGB of Takenaka Corporation USA, Delaware/USA, Takenaka Netherlands BV, Amsterdam/Netherlands, Takenaka Belgium NV, Machelen/Belgium, and Takenaka India Private Limited, Gurgaon-Haryana/India, which are accordingly considered also as affiliated companies in the sense of § 271 (2) HGB.

The Company prepares consolidated financial statements as of balance sheet date.

Management board

The members of the board of management are listed in the Company's notes to the financial statements (Appendix 3a).



Takenaka
Audit report
Financial statements as at 31/12/2011
and management report

Tax status

The latest tax field audit in Germany covered the fiscal years 1999 until 2004 and was finalized in 2006. Since December 2011 a tax field audit is being performed covering the fiscal years from 2005 until 2009.

Takenaka Europe GmbH, Dusseldorf

Bilanz zum 31. Dezember 2011

Aktiva

	31.12.2011	31.12.2010
	EUR	EUR
A Anlagevermögen		
I Immaterielle Vermögensgegenstände		
1 Entgeltlich erworbene Nutzungsrechte	1 00	1 00
2 Entgeltlich erworbene EDV-Software	274 601 80	325 134 44
	274 602 80	325 135 44
II Sachanlagen		
1 Bauten einschließlich Mietereinbauten	93 505 92	111 061 01
2 Andere Anlagen, Betriebs- und Geschäftsausstattung	720 499 91	760 274 71
	814 005 83	871 335 72
III Finanzanlagen		
1 Anteile an verbundenen Unternehmen	8 392 664 14	8 392 664 14
2 Sonstige Ausleihungen	0 00	23 008 13
	8 392 664 14	8 415 672 27
	9 481 272,77	9 612 143 43
B Umlaufvermögen		
I Vorräte		
1 Unfertige Leistungen	39 654 974 03	69 298 201 70
2 Geleistete Anzahlungen	177 140 52	1 090 280 19
	39 832 114,55	70 388 481 89
II Forderungen und sonstige Vermögensgegenstände		
–Nummer 1 und 2 sämtlich mit einer Restlaufzeit von weniger als einem Jahr–		
1 Forderungen aus Lieferungen und Leistungen	15 125 613 13	3 620 510 62
2 Forderungen gegen verbundene Unternehmen	44 190 95	20 505 38
–sämtlich aus Lieferungen und Leistungen–		
3 Sonstige Vermögensgegenstände	5 622 701 19	9 650 251 01
–davon mit einer Restlaufzeit von mehr als einem Jahr EUR 271 057 77		
(i. Vj. EUR 268 339 20)–		
	20 792 505 27	13 291 267 01
III Kassenbestand und Guthaben bei Kreditinstituten	115 831 315,45	124 601 505 76
	176 455 935 27	208 281 254,66
C Rechnungsabgrenzungsposten	178 567 96	230 301 54
D Aktive latente Steuern	3 461 465 81	3 707 062 61
	189 577 241 81	221 830 762,24

Passiva

	31.12.2011	31.12.2010
	EUR	EUR
A Eigenkapital		
I Gezeichnetes Kapital	9 200 000,00	9 200 000,00
II Kapitalrücklage	7 669 337,62	7 669 337,62
III Gewinnrücklagen		
Andere Gewinnrücklagen	3 728 459,41	3 728 459,41
IV Bilanzgewinn	70 802 481,13	62 068 036,94
	91 400 278,16	82 665 833,97
B Rückstellungen		
1 Steuerrückstellungen	2 395 992,45	634 316,01
2 Sonstige Rückstellungen	22 688 208,90	28 851 250,99
	25 084 201,35	29 485 567,00
C Verbindlichkeiten		
–Nummer 1, 3 und 4 mit einer Restlaufzeit von weniger als einem Jahr–		
1 Erhaltene Anzahlungen	42 535 774,02	66 272 469,50
2 Verbindlichkeiten aus Lieferungen und Leistungen	28 491 651,73	40 781 996,15
–davon mit einer Restlaufzeit von mehr als einem und weniger als fünf Jahren EUR 12 837 738,84 (i. Vj. EUR 16 745 670,47)–		
3 Verbindlichkeiten gegenüber verbundenen Unternehmen	52 312,58	0,00
–sämtlich aus Lieferungen und Leistungen–		
4 Sonstige Verbindlichkeiten	1 941 850,20	2 149 085,62
–davon aus Steuern EUR 1 402 809,30 (i. Vj. EUR 873 574,58)–		
–davon im Rahmen der sozialen Sicherheit EUR 184 145,52 (i. Vj. EUR 360 744,11)–		
	73 021 588,53	109 203 551,27
D Passive latente Steuern	71 173,77	475 810,00
	189 577 241,81	221 830 762,24

Takenaka Europe GmbH, Dusseldorf

Gewinn- und Verlustrechnung für die Zeit
vom 1. Januar bis 31. Dezember 2011

	2011	2010
	EUR	EUR
1 Umsatzerlöse	184 723 586 10	167 606 562 06
2 Herstellungskosten der zur Erzielung der Umsatzerlöse erbrachten Leistungen	-163 376 329 66	-146 395 846,79
3 Bruttoergebnis vom Umsatz	21 347 256 44	21 210 715 27
4 Vertriebskosten	-793 406 83	-712 623 42
5 Allgemeine Verwaltungskosten	-16 176 588 52	-17 556 863 17
6 Sonstige betriebliche Erträge	7 320 208 28	12 234 234 06
7 Sonstige betriebliche Aufwendungen	-1 581 916 35	-4 874 696 28
8 Sonstige Zinsen und ähnliche Erträge	1 394 536 92	705 862,90
9 Abschreibungen auf Finanzanlagen	0 00	-2 544 000 00
10 Zinsen und ähnliche Aufwendungen	-13 437 49	-90 960 33
11 Ergebnis der gewöhnlichen Geschäftstätigkeit	11 496 652 45	8 371 669 03
12 Steuern vom Einkommen und vom Ertrag —davon aus Änderungen in latenten Steuern EUR -316 306 75 (i. Vj. EUR 1 249 346 00)–	-2 766 432 51	-13 576 83
13 Sonstige Steuern	4 224 25	-44 317 71
14 Jahresüberschuss	8 734 444,19	8 313 774 49
15 Gewinnvortrag	62 068 036 94	53 754 262 45
16 Bilanzgewinn	70 802 481 13	62 068 036 94

Takenaka Europe GmbH, Düsseldorf

Anhang für das Geschäftsjahr 2011

(1) Allgemeine Angaben

Die Takenaka Europe GmbH ist zum Bilanzstichtag eine große Kapitalgesellschaft im Sinne des § 267 Absatz 3 HGB

Die Takenaka Europe GmbH stellt ihren Jahresabschluss nach den Vorschriften des Handelsgesetzbuches (HGB) und des GmbHG auf

Die dem Jahresabschluss zum 31. Dezember 2011 zu Grunde liegenden Bilanzierungs- und Bewertungsmethoden wurden unverändert zum Vorjahr angewandt

Für die Gewinn- und Verlustrechnung wird das Gliederungsschema des Umsatzkostenverfahrens angewandt

(2) Bilanzierungs- und Bewertungsgrundsätze

Entgeltlich von Dritten erworbene **immaterielle Vermögensgegenstände des Anlagevermögens** werden zu Anschaffungskosten aktiviert und über den Zeitraum der Nutzung planmäßig abgeschrieben

Sachanlagen werden zu Anschaffungskosten vermindert um planmäßige Abschreibungen, und wenn notwendig vermindert um außerplanmäßige Abschreibungen, angesetzt. Die Abschreibungen werden nach der wirtschaftlichen Nutzungsdauer ermittelt. Geringwertige Vermögensgegenstände mit Anschaffungskosten bis zu EUR 500 werden entgegen der steuerlichen Regelung im Jahr ihrer Anschaffung vollständig abgeschrieben und aus Vereinfachungsgründen im Anlagespiegel als Zugang und Abgang gezeigt

Die **Finanzanlagen** sind zu Anschaffungskosten und wenn notwendig vermindert um außerplanmäßige Abschreibungen angesetzt. Unverzinsliche Ausleihungen werden mit dem Barwert angesetzt

Die im Vorratsvermögen ausgewiesenen **unfertigen Leistungen** werden gemäß § 255 Abs 2 Satz 2 HGB zu ihren Herstellungskosten angesetzt. In Ausübung des Wahlrechtes gemäß § 255 Abs 2 Satz 3 HGB werden im Rahmen der Vorratsbewertung keine Verwaltungsgemeinkosten aktiviert. Erwartete Verluste aus laufenden Projekten wurden durch Bewertungsabschläge bei den Vorräten berücksichtigt.

Forderungen und sonstige Vermögensgegenstände werden mit dem Nennwert bzw. mit dem am Bilanzstichtag beizulegenden niedrigeren Wert angesetzt. Bei Forderungen, deren Einbringlichkeit mit erkennbaren Risiken behaftet ist, werden angemessene Wertabschläge vorgenommen, uneinbringliche Forderungen werden abgeschrieben.

Die **sonstigen Rückstellungen** werden grundsätzlich in Höhe des Erfüllungsbetrages angesetzt, der nach vernünftiger kaufmännischer Beurteilung notwendig ist, um alle zum Bilanzstichtag ungewissen Verbindlichkeiten abzudecken. Sofern Rückstellungen mit einer Restlaufzeit von mehr als einem Jahr bestehen, so werden diese mit dem ihrer Restlaufzeit entsprechenden durchschnittlichen Marktzins abgezinst.

Hinsichtlich fertig gestellter abgerechneter Projekte werden für die ausstehenden Rechnungen von Sublieferanten Rückstellungen gebildet. Wie in Vorjahren werden für die aktivierten unfertigen Leistungen die ausstehenden Rechnungen von Sublieferanten nicht zurückgestellt (und ebenso nicht in gleicher Höhe unter den unfertigen Leistungen aktiviert).

Der Wert der pauschalen Garantierückstellung entspricht 0,3 % (1 Vj 0,3 %) des durchschnittlichen Umsatzes der letzten fünf Jahre, für den keine individuellen Garantierückstellungen gebildet worden sind.

Verbindlichkeiten werden mit dem Erfüllungsbetrag angesetzt.

Die Umrechnung der **Fremdwährungsforderungen und -verbindlichkeiten** in EUR erfolgt zum Devisenkassamittelkurs am Stichtag gemäß § 256a HGB.

Für die **Zweigniederlassungen Tschechien, Polen, Ungarn, Rumänien und Großbritannien** wurden die im Jahresabschluss enthaltenen Aktiva und Passiva mit dem Devisenkassamittelkurs zum Bilanzstichtag sowie die Posten der Gewinn- und Verlustrechnung mit dem Jahresdurchschnittskurs umgerechnet.

(3) Angaben zur Bilanz und zur Gewinn- und Verlustrechnung

Anlagevermögen

Die Entwicklung des Anlagevermögens (Anlagespiegel) ist in einer separaten Aufstellung im Anschluss an den Anhang enthalten

Latente Steuern

Die Gesellschaft hat latente Steuern gemäß § 274 HGB bilanziert

Dies umfasst im Wesentlichen aktive latente Steuern der deutschen Betriebsstätte, die mit TEUR 2 213 steuerliche Verlustvorträge betreffen, bei denen mit einer Nutzung innerhalb der nächsten fünf Jahre gerechnet wird

Zudem wurden für die slowakische Betriebsstätte in Höhe von TEUR 1 331 aktive latente Steuern auf Grund von temporären Differenzen, bedingt durch Unterschiede in der Umsatzrealisierung aus Projekten, angesetzt

Die latenten Steuern wurden auf Ebene der einzelnen Steuersubjekte saldiert wie folgt ausgewiesen

Betriebsstätte	Nutzbarer steuerlicher Verlustvortrag	Sonstige Differenzen	Steuer-satz	Aktive latente Steuern	Passive latente Steuern
	TEUR	TEUR	%	TEUR	TEUR
Deutschland	-6 740 ¹	-119	32,8	2 101 ²	-
Slowakei	-	-7 008	19,0	1 331	-
Niederlande	-	-16	25,0	4	-
Ungarn	-246	-	10,0	25	-
Tschechien	-	355	20,0	-	-71
	-6 986	-6 788		3 461	-71

¹ Durchschnittliche Bemessungsgrundlage der angesetzten aktiven latenten Steuern. Der tatsächliche körperschaftsteuerliche Verlustvortrag beträgt zum 31. Dezember 2011 TEUR 13 244 (Körperschaftsteuersatz 15,8 %) und der gewerbsteuerliche Verlustvortrag TEUR 3 950 (Gewerbsteuersatz 17,0 %).

² Nach Saldierung mit passiven latenten Steuern in Höhe von TEUR 112.

Eigenkapital

Gemäß § 268 Abs 8 HGB ist der Betrag der aktiven latenten Steuern abzüglich der passiven latenten Steuern in Höhe von insgesamt TEUR 3 390 zur Ausschüttung gesperrt. Dies gilt, soweit nicht in zumindest derselben Höhe jederzeit frei verfügbare Rücklagen zuzüglich eines Gewinnvortrags und abzüglich eines möglichen Verlustvortrags zur Verfügung stehen.

Steuerrückstellungen

Die Steuerrückstellungen umfassen Rückstellungen für slowakische (TEUR 1 893), niederländische (TEUR 169), tschechische (TEUR 134), ungarische (TEUR 103) und deutsche (TEUR 97) Steuern vom Einkommen und Ertrag.

Sonstige Rückstellungen

Die sonstigen Rückstellungen betreffen im Wesentlichen noch nicht berechnete Subunternehmerleistungen für abgeschlossene Projekte (TEUR 4 188) und Garantieleistungen (TEUR 16 110).

Umsatzerlöse

Die geographische Aufteilung der Umsatzerlöse im Geschäftsjahr stellt sich wie folgt dar:

Land	Umsatzerlöse 2011
	TEUR
Slowakei	107 129
Deutschland	27 253
Tschechien	21 223
Frankreich	10 423
Belgien	6 143
Polen	3 883
Ungarn	3 146
Niederlande	2 759
Großbritannien	1 877
Italien	701
Spanien	128
Rumänien	59
	184 724

Materialaufwand

Die Materialaufwendungen belaufen sich im Geschäftsjahr 2011 auf TEUR 163 376 (2010 TEUR 146 396)

Die Materialaufwendungen betreffen ausschließlich Aufwendungen für bezogene Leistungen

Personalaufwand

Die in den Herstellungskosten der zur Erzielung der Umsatzerlöse erbrachten Leistungen sowie in den Vertriebs- und allgemeinen Verwaltungskosten enthaltenen Personalaufwendungen belaufen sich im Geschäftsjahr 2011 auf TEUR 8 750 (davon Löhne und Gehälter TEUR 7 478, soziale Abgaben TEUR 1 144 und Altersversorgung TEUR 128) Im Geschäftsjahr 2010 beliefen sich die Personalaufwendungen auf TEUR 9 512 (davon Löhne und Gehälter TEUR 8 100, soziale Abgaben TEUR 1 286 und Altersversorgung TEUR 126)

Periodenfremde Erträge

In den sonstigen betrieblichen Erträgen sind periodenfremde Erträge in Höhe von TEUR 4 167 enthalten, die im Wesentlichen aus der Auflösung von sonstigen Rückstellungen (TEUR 3 979) und aus Ausbuchungen von Verbindlichkeiten (TEUR 184) resultieren

Kursgewinne und -verluste

Die angeschafften oder hergestellten Vermögensgegenstände sind, bei Rechnungen in Fremdwährung, mit dem jeweils gültigen Monatskurs (Durchschnittskurs des Vormonats) der Transaktion in die funktionale Währung umgerechnet Erträge oder Aufwendungen, die im Nachhinein aus der späteren Zahlung der Forderung in Fremdwährung entstehen, sind in den sonstigen Erträgen oder Aufwendungen enthalten Sicherungsgeschäfte wurden 2011 nicht genutzt

Die Vermögenswerte und Schulden der ausländischen Niederlassungen, deren funktionale Währung nicht der Euro ist, werden von der jeweiligen Landeswährung in Euro mit den Devisenkassamittelkursen am Abschlussstichtag umgerechnet Die Gewinn- und Verlustrechnungen der ausländischen Niederlassungen, deren funktionale Währung nicht der Euro ist, werden wie die entsprechenden Jahresergebnisse zu Durchschnittskursen des Jahres umgerechnet Die sich daraus ergebenden Umrechnungsdifferenzen werden ergebniswirksam in der Gewinn- und Verlustrechnung erfasst

Insgesamt wurden Kursgewinne in Höhe von TEUR 918 (1 Vj TEUR 1 360) sowie Kursverluste in Höhe von TEUR 891 (1 Vj TEUR 2 030) im Geschäftsjahr ergebniswirksam vereinnahmt

(4) Sonstige Angaben

Sonstige finanzielle Verpflichtungen

Die zukünftigen Aufwendungen aus Miet- und Leasingverträgen setzen sich wie folgt zusammen

	2011
	TEUR
Fällig innerhalb des nächsten Jahres	1 243
Fällig innerhalb des zweiten bis fünften Jahres	1 896
Fällig nach fünf Jahren	246
	3 385

Anzahl der Mitarbeiter

Im Geschäftsjahr 2011 betrug die durchschnittliche Anzahl der Mitarbeiter ohne Geschäftsführer 268

Mitglieder der Geschäftsführung

Der Geschäftsführung gehörten in 2011 folgende Mitglieder an, die mit Ausnahme von Herrn Beom-Jong Sung einzelvertretungsberechtigt sind

- Masayuki Takinami, Kaufmann, Düsseldorf, Vorsitzender der Geschäftsführung, seit dem 22. Dezember 2011,
- Haruo Nakayama, Kaufmann, Vertreter des Vorsitzenden der Geschäftsführung, Düsseldorf,
- Beom-Yong Sung, Kaufmann, Bad Homburg,
- Yutaka Kawashima, Kaufmann, Tokio/Japan,
- Tetsuya Sekiya, Kaufmann, Tokio/Japan, bis zum 12. Januar 2012,
- Masaaki Ozaki, Kaufmann, Düsseldorf, bis zum 22. Dezember 2011,
- Katsunori Mishima, Kaufmann, Düsseldorf, bis zum 5. Juli 2011

Die Gesamtbezüge der Mitglieder der Geschäftsführung für 2011 betrugen TEUR 1 238

Anteile an verbundenen Unternehmen

Zum Bilanzstichtag hält die Gesellschaft die folgenden Anteile an verbundenen Unternehmen

Verbundenes Unternehmen	Anteil	Lokale Währung	Nennkapital	Eigenkapital zum 31.12.2011	Ergebnis 2011
	%		in lokaler Währung	in lokaler Währung	in lokaler Währung
Takenaka Corp. USA, Delaware/USA	90,0	TUSD	3 000	2 023	-4 250
Takenaka Belgium N.V., Machelen/Belgien	99,9	TEUR	62	6 615	301
Takenaka Netherlands B.V. Amsterdam/Niederlande	100,0	TEUR	1 361	662	0
Takenaka India Private Ltd., Gurgaon-Haryana/Indien ³	99,999	TINR	250 000	62 396	-187 604

Die Angaben zu Eigenkapital und Ergebnis beziehen sich auf die jeweiligen Jahresabschlüsse, die nach lokalen Rechnungslegungsgrundsätzen aufgestellt wurden.

Auf den Buchwert der Beteiligung an Takenaka India Private Ltd., Gurgaon-Haryana/Indien, wurden in 2010 außerplanmäßige Abschreibungen in Höhe von TEUR 2 544 gemäß § 253 Abs. 3 Satz 3 HGB auf Grund einer voraussichtlich dauernden Wertminderung vorgenommen.

Konzernabschluss

Die Takenaka Europe GmbH, Düsseldorf, erstellt einen Konzernabschluss.

Ferner ist die Takenaka Europe GmbH ein 100%iges Tochterunternehmen der Takenaka Corporation, Osaka/Japan, die in Japan einen Konzernabschluss für den Gesamtkonzern aufstellt und veröffentlicht. Dieser Konzernabschluss ist in den Geschäftsräumen der Muttergesellschaft einsehbar.

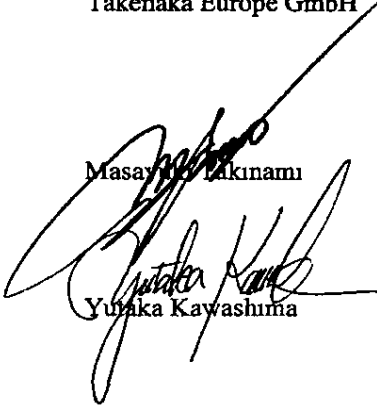
³ Angaben basieren auf dem ungeprüften Zwischenabschluss für den Zeitraum vom 1. April 2011 bis zum 30. September 2011.

Honorar des Abschlussprüfers

Die Angaben zum vom Abschlussprüfer berechneten Gesamthonorar werden in dem das Unternehmen einbeziehenden Konzernabschluss enthalten sein

Düsseldorf, den 30. November 2012

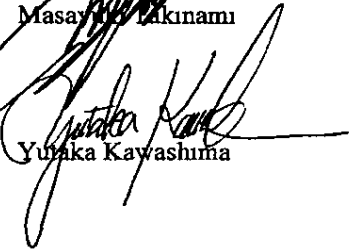
Takenaka Europe GmbH



Masayuki Takinami



Haruo Nakayama



Yurika Kawashima



Beom-Yong Sung

Takenaka Europe GmbH, Dusseldorf

Entwicklung des Anlagevermögens im Geschäftsjahr 2011

		Anschaffungskosten			
		Fremd- währungs- anpassung	Zugänge	Abgänge	
	1 1 2011				31 12 2011
	EUR	EUR	EUR	EUR	EUR
I Immaterielle Vermögens- gegenstände					
1 Entgeltlich erworbene Nutzungs- rechte	2 556 46	0 00	0 00	0 00	2 556 46
2 Entgeltlich erworbene EDV-Software	1 020 778 73	-24 293 68	97 376 41	0 00	1 093 861 46
	1 023 335,19	-24 293 68	97 376 41	0 00	1 096 417 92
II Sachanlagen					
1 Bauten einschließlich Mieterneinbauten	176 221 75	0 00	0 00	0 00	176 221 75
2 Andere Anlagen Betriebs- und Geschäftsausstattung	3 508 002 37	-77 708,44	267 230 78	69 873 17	3 627 651 54
	3 684 224 12	-77 708 44	267 230 78	69 873 17	3 803 873 29
III Finanzanlagen					
1 Anteile an verbundenen Unternehmen	10 936 664 14	0 00	0 00	0 00	10 936 664 14
2 Sonstige Ausleihungen	23 008 13	0 00	0 00	23 008 13	0 00
	10 959 672 27	0 00	0 00	23 008 13	10 936 664 14
	15 667 231 58	-102 002 12	364 607 19	92 881 30	15 836 955 35

Kumulierte Abschreibungen				Buchwerte		
1 1 2011	Fremd- währungs- anpassung	Abschreibungen	Abgänge	31 12 2011	31 12 2011	31 12 2010
EUR	EUR	EUR	EUR	EUR	EUR	EUR
2 555 46	0 00	0 00	0 00	2 555 46	1 00	1 00
695 644 29	-12 240 92	135 856 29	0 00	819 259 66	274 601 80	325 134 44
698 199 75	-12 240 92	135 856 29	0 00	821 815 12	274 602 80	325 135 44
65 160 74	0 00	17 555 09	0 00	82 715,83	93 505 92	111 061 01
2 747 727 66	-24 134 16	234 245,52	50 687 39	2 907 151 63	720 499 91	760 274 71
2 812 888 40	-24 134 16	251 800 61	50 687 39	2 989 867 46	814 005 83	871 335 72
2 544 000 00	0 00	0 00	0 00	2 544 000 00	8 392 664 14	8 392 664 14
0 00	0 00	0 00	0 00	0 00	0 00	23 008 13
2 544 000 00	0 00	0 00	0 00	2 544 000 00	8 392 664 14	8 415 672 27
6 055 088 15	-36 375 08	387 656 90	50 687 39	6 355 682 58	9 481 272 77	9 612 143 43

Takenaka Europe GmbH, Düsseldorf

Lagebericht für das Geschäftsjahr 2011

A. Geschäftsentwicklung

1 Entwicklung der Branche und der Gesellschaft

Die Weltwirtschaft hat in den letzten Jahren eine Chronologie von Krisen durchlitten. Ausschlaggebend war die Immobilienkrise in den USA. Parallelen dazu konnte man eine Immobilienkrise ebenfalls in einigen europäischen Staaten beobachten. Durch das Platzen der Immobilien-Preisblase haben private Haushalte ihr Vermögen verloren und sind selbst in die Verschuldungskrise geführt worden. Zunächst war die Realwirtschaft wenig betroffen, allerdings änderte sich dies mit der Insolvenz einer der größten US-amerikanischen Investmentbanken im September 2008. Eine allgemeine Verunsicherung führte zu einer Blockade in der Weltwirtschaft - Aufträge wurden storniert und Investitionspläne verschoben. Eine tiefe Rezession folgte. Nur eine weltweite Fiskal- und Geldpolitik half die Banken zu retten und die Wirtschaftskrise zu überwinden. Dadurch kam es zu einer unerwartet schnellen Erholung der Weltwirtschaft, aber auch zu einer massiven Ausweitung der staatlichen Verschuldung in den Industrieländern - besonders im Euroraum. Neben den Staatsschulden ist die hohe Arbeitslosigkeit in vielen Industriestaaten ein zentrales Problem. Dies verursachte eine Änderung des Konsumverhaltens der Verbraucher und in vielen Staaten wirkte sich dies auch auf die noch immer darniederliegende Bauwirtschaft aus. Allerdings profitiert die deutsche Bauwirtschaft immer stärker von der Eurokrise und durfte sich zu einem zentralen Wachstumstreiber in Deutschland entwickeln. Der deutsche Bausektor gewinnt derzeit an Fahrt und profitiert davon, dass seine Kapitalanleger das Geld wieder im Inland investieren, anstatt es im Ausland anzulegen. Demgegenüber ist die Gesellschaft jedoch stark von der wirtschaftlichen Situation deren Kundenkreises abhängig, der derzeit noch verhalten in neue Bauprojekte investiert.

2. Zweigniederlassungen (§ 289 (2) Nr. 4 HGB)

Takenaka Europe GmbH (im Folgenden "das Unternehmen") betreibt Niederlassungen in Belgien, den Niederlanden, Italien, Spanien, Tschechische Republik, Slowakei, Polen, Ungarn, Frankreich, Rumänien und Großbritannien.

3 Beteiligungen

Takenaka Corporation USA (90 %-ige Beteiligung) verzeichnete im Geschäftsjahr 2011 einen Verlust von TUSD 4.250 (TEUR 3.053). Das Jahresergebnis hat sich damit im Vergleich zum Vorjahr weiter um TUSD 3.796 (TEUR 2.727) verschlechtert. Das Ergebnis der gewöhnlichen Geschäftstätigkeit betrug im Geschäftsjahr TUSD -4.284 (TEUR -3.308).

Nach der Gründung der Tochtergesellschaft Takenaka India Private Ltd (99,999 %-ige Beteiligung) in 2010 hat diese Gesellschaft in 2011 einen Verlust in Höhe von TEUR 2 773 erwirtschaftet. Dieser Verlust ergibt sich maßgeblich aus Anlaufaufwendungen zum Aufbau der Geschäftstätigkeit in Indien.

Takenaka Belgium N V (99,9 %-ige Beteiligung) realisierte einen Gewinn von TEUR 301 in 2011 (i Vj TEUR 60).

Takenaka Netherlands B V (100 %-ige Beteiligung) realisierte unverändert zum Vorjahr ein ausgeglichenes Ergebnis von TEUR 0 in 2011, da die Gesellschaft derzeit keine operative Geschäftstätigkeit betreibt.

4 Nicht finanzielle Leistungsindikatoren

Der wesentliche nicht finanzielle Leistungsindikator der Gesellschaft besteht in den Mitarbeitern des Unternehmens und dem Fachwissen bei der Durchführung von Bauprojekten, der einen erheblichen Einfluss auf die geschäftliche Entwicklung hat.

B. Lage der Gesellschaft

1 Vermögens- und Finanzlage

Die Bilanzsumme beläuft sich am Ende des Geschäftsjahres 2011 auf TEUR 189 577 (2010 TEUR 221 831). Die Minderung der Bilanzsumme in Höhe von TEUR 32 254 wird auf der Aktivseite im Wesentlichen durch eine Verringerung des Vorratsvermögens um TEUR 30 556 auf Grund der sinkenden Zahl der laufenden Projekte verursacht.

Im Geschäftsjahr 2011 verzeichnete das Unternehmen einen Rückgang der flüssigen Mittel um TEUR 8 770 (-7,0 %) auf TEUR 115 831. Dieser Rückgang resultiert zum Teil aus gestiegenen Forderungen aus Lieferungen und Leistungen, die sich im Vergleich zum Vorjahr um TEUR 11 505 auf TEUR 15 126 erhöht haben.

Die Abnahme der Passivseite betrifft maßgeblich die Verminderung der erhaltenen Anzahlungen um TEUR 23 737 und der Verbindlichkeiten aus Lieferungen und Leistungen um TEUR 12 290. Zudem verringerten sich die sonstigen Rückstellungen um TEUR 6 163. Gegenläufig wirkte sich der Anstieg des Eigenkapitals um TEUR 8 734 und der Steuerrückstellungen um TEUR 1 762 aus.

Der Jahresüberschuss beträgt TEUR 8 734. Damit hat sich dieser im Vergleich zum Vorjahr um TEUR 421 erhöht. Das Eigenkapital erhöhte sich auf TEUR 91 400. Im Jahr 2011 wurde keine Dividende an die Gesellschafter ausgezahlt.

Die Eigenkapitalquote erhöhte sich von 37,3 % auf 48,2 % in 2011 auf Grund des Jahresüberschusses und der gesunkenen Bilanzsumme.

2 Ertragslage

Während des Geschäftsjahres 2011 wurden folgende große Projekte fertiggestellt

- Alps Project (AUO TP3) (Slowakei)
- Alps Project (AUO TP4) (Slowakei)
- KIA Engine Ph2 (Slowakei)
- ROHM, Nurnberg Si Crystal (Deutschland)
- Toyota Boshoku TSBO 850L Renovation (Frankreich)
- QAPS CZ Paint shop (Tschechische Repulik)
- Foxconn Ph2-B3 (Slowakei)
- Mazak Dusseldorf (Deutschland)
- Mazak Technology Center Leipzig (Deutschland)
- Yamazaki Mazak Design & Building (Tschechische Republik)
- Yamazaki Mazak TCP (Polen)

Verglichen mit dem vorherigen Jahr stieg der Umsatz um TEUR 17 117 auf TEUR 184 724. Dabei stieg das Bruttoergebnis vom Umsatz um TEUR 137 auf TEUR 21 347.

Die Rohmarge (Bruttoergebnis vom Umsatz im Verhältnis zu den Umsatzerlösen) verschlechterte sich jedoch im Vergleich zum Vorjahr von 12,7 % auf 11,6 %.

Die allgemeinen Verwaltungskosten wurden um TEUR 1 380 auf TEUR 16 177 reduziert.

Die sonstigen betrieblichen Aufwendungen sanken um TEUR 3 293 auf TEUR 1 582, hauptsächlich durch einen deutlichen Rückgang von Kursverlusten im Vergleich zum Vorjahr.

Die sonstigen betrieblichen Erträge sanken um TEUR 4 914 auf TEUR 7 320, im Wesentlichen bedingt durch eine deutliche Abnahme der Erträge aus der Auflösung von sonstigen Rückstellungen um TEUR 5 845 im Vergleich zum Vorjahr.

Trotz des gesunkenen durchschnittlichen Kassenbestands sowie der Guthaben bei Kreditinstituten stieg der Zinsertrag um TEUR 689 auf TEUR 1 395 auf Grund einer langfristigen Anlage von Bankguthaben im Geschäftsjahr.

Das Ergebnis aus der gewöhnlichen Geschäftstätigkeit betrug im Geschäftsjahr 2011 TEUR 11 497 und steigerte sich damit im Vergleich zum Vorjahr um TEUR 3 125.

Im Geschäftsjahr 2011 fielen Ertragsteuern in Höhe von TEUR 2 766 an. Dies entspricht einem Anstieg um TEUR 2 753 im Vergleich zum Vorjahr. Die Ertragsteuern betreffen im Wesentlichen die slowakische Betriebsstätte mit TEUR 2 029.

Der Jahresüberschuss für das Geschäftsjahr 2011 ist insgesamt um TEUR 421 auf TEUR 8 734 gestiegen.

3. Strategische Ausrichtung

Das Unternehmen ist derzeit in 12 Ländern mit 11 Betriebsstätten tätig und hat die Absicht, ständig das Geschäftsmodell des Unternehmens und das Ergebnis der Bauprojekte zu verbessern. Mit dem Ziel, als ein globaler Marktteilnehmer akzeptiert zu werden, weitet die Gesellschaft neben der Weiterführung der laufenden Tätigkeit konsequent seine Aktivitäten in ganz Europa aus.

C. Berichterstattung gemäß § 289 (2) HGB

1 Wichtige Ereignisse nach dem Abschlussstichtag (§ 289 (2) Nr. 1 HGB)

Im Geschäftsjahr 2011 wurden am 31. März sowie am 13. April 2011 die Gebäude im Zusammenhang mit den ALPS Projekten in der Slowakei an den Kunden übergeben. Im Nachgang traten im Verlauf des Jahres 2011 Schäden an den Dächern der Gebäude auf. Die Gesellschaft ging davon aus, TEUR 1 155 zur Behebung der Schäden im Geschäftsjahr 2012 aufwenden zu müssen und hat dafür im Geschäftsjahr 2011 zunächst eine Rückstellung in dieser Höhe gebildet. Im Juni 2012 konnte die Rückstellung um TEUR 485 auf Grund von neuen Erkenntnissen ertragswirksam aufgelöst werden, was im zugrundeliegenden Jahresabschluss berücksichtigt wurde.

2 Risikomanagement

Währungsrisiken entstehen dadurch, dass teilweise Verträge über Bauprojekte in EUR abgeschlossen werden, die Verträge mit Subunternehmern jedoch in der Landeswährung geschlossen werden. In den meisten Fällen werden jedoch die Verträge über die Bauprojekte und die Subunternehmerverträge in der gleichen Währung abgeschlossen. Zum 31. Dezember 2011 hat das Unternehmen keine laufenden Fremdwährungssicherungsgeschäfte.

Projektbezogene Risiken, wie Verzögerungen bei der Erstellung der Bauprojekte, steigende Material- und Subunternehmerkosten bei schlussfertigen Projekten sowie Qualitätsmängel in der Bauausführung oder dem Design, werden kontinuierlich überwacht und kontrolliert und bei Bedarf werden geeignete Gegenmaßnahmen ergriffen.

Zur Stärkung der Kapital- und Liquiditätsausstattung unserer Beteiligung in Indien haben wir am 13. Februar 2012 weitere TEUR 5 659 sowie am 9. November 2012 weitere TEUR 2 319 in das Kapital unserer Beteiligung eingezahlt und als Anteile an verbundenen Unternehmen aktiviert. Inwieweit daraus in der Zukunft weiterer Abwertungsbedarf unserer Anteile an verbundenen Unternehmen entsteht, können wir derzeit noch nicht absehen.

D. Wesentliche Chancen und Risiken der zukünftigen Entwicklung

Neue Investitionen der potenziellen Kunden des Unternehmens sind momentan noch auf einem niedrigen Niveau. Die generelle Marktsituation in der deutschen Baubranche ist derzeit zwar gut, aber weiterhin besteht ein hoher Wettbewerb mit anderen Generalunternehmern um eine begrenzte Zahl neuer Projekte auf dem Markt potenzieller Kunden der Gesellschaft.

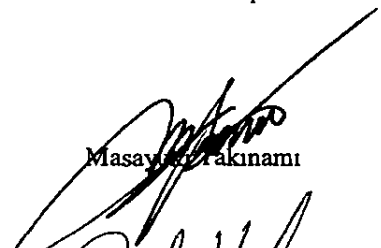
Das Unternehmen glaubt, dass es auf Grund des hohen Bauvolumens in der Vergangenheit und seiner Niederlassungen in Europa einen Wettbewerbsvorteil hat und erwartet eine weitere Stärkung der Marktposition. Das Unternehmen ist fest davon überzeugt, dass der Auftragsbestand und die Finanz- und Marktposition dazu beitragen werden, diese schwierige Situation zu überbrücken.

Der Auftragsbestand für 2012 beträgt derzeit EUR 120,4 Mio und beinhaltet alle vertraglich vereinbarten aber noch nicht abgerechneten Projekte zum 31. Dezember 2011. Die größten laufenden Projekte sind BSDP Phase 2 (Bridgestone) in Polen, TDDK Phase 5 in Deutschland und Yaskawa Motoman in Deutschland.

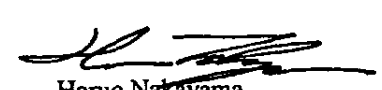
Auf Grund des Auftragsbestandes am Anfang des Geschäftsjahres 2012, erwartet das Unternehmen einen Umsatz von EUR 117,8 Mio in 2012 und EUR 132,0 Mio in 2013. Darauf basierend erwartet die Gesellschaft einen Jahresüberschuss für 2012 von EUR 1,0 Mio und für 2013 von EUR 0,1 Mio.

Düsseldorf, den 30. November 2012

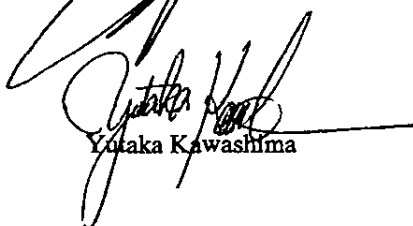
Takenaka Europe GmbH



Masayuki Takinami



Haruo Nakayama



Yotaka Kawashima



Geom-Yong Sang

Bestätigungsvermerk des Abschlussprüfers

Wir haben den Jahresabschluss --bestehend aus Bilanz, Gewinn- und Verlustrechnung sowie Anhang-- unter Einbeziehung der Buchführung und den Lagebericht der Takenaka Europe GmbH, Düsseldorf, für das Geschäftsjahr vom 1. Januar bis 31. Dezember 2011 geprüft. Die Buchführung und die Aufstellung von Jahresabschluss und Lagebericht nach den deutschen handelsrechtlichen Vorschriften liegen in der Verantwortung der Geschäftsführung der Gesellschaft. Unsere Aufgabe ist es, auf der Grundlage der von uns durchgeführten Prüfung eine Beurteilung über den Jahresabschluss unter Einbeziehung der Buchführung und über den Lagebericht abzugeben.

Wir haben unsere Jahresabschlussprüfung nach § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung vorgenommen. Danach ist die Prüfung so zu planen und durchzuführen, dass Unrichtigkeiten und Verstöße, die sich auf die Darstellung des durch den Jahresabschluss unter Beachtung der Grundsätze ordnungsmäßiger Buchführung und durch den Lagebericht vermittelten Bildes der Vermögens-, Finanz- und Ertragslage wesentlich auswirken, mit hinreichender Sicherheit erkannt werden. Bei der Festlegung der Prüfungshandlungen werden die Kenntnisse über die Geschäftstätigkeit und über das wirtschaftliche und rechtliche Umfeld der Gesellschaft sowie die Erwartungen über mögliche Fehler berücksichtigt. Im Rahmen der Prüfung werden die Wirksamkeit des rechnungslegungsbezogenen internen Kontrollsystems sowie Nachweise für die Angaben in Buchführung, Jahresabschluss und Lagebericht überwiegend auf der Basis von Stichproben beurteilt. Die Prüfung umfasst die Beurteilung der angewandten Bilanzierungsgrundsätze und der wesentlichen Einschätzungen der Geschäftsführung sowie die Würdigung der Gesamtdarstellung des Jahresabschlusses und des Lageberichts. Wir sind der Auffassung, dass unsere Prüfung eine hinreichend sichere Grundlage für unsere Beurteilung bildet.

Unsere Prüfung hat zu keinen Einwendungen geführt.

Nach unserer Beurteilung auf Grund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Jahresabschluss den gesetzlichen Vorschriften und vermittelt unter Beachtung der Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Takenaka Europe GmbH, Düsseldorf. Der Lagebericht steht in Einklang mit dem Jahresabschluss, vermittelt insgesamt ein zutreffendes Bild von der Lage der Gesellschaft und stellt die Chancen und Risiken der zukünftigen Entwicklung zutreffend dar.

Düsseldorf, den 30. November 2012

KPMG AG
Wirtschaftsprüfungsgesellschaft



Glunz
Wirtschaftsprüfer



Fabus
Wirtschaftsprüfer



General Engagement Terms

for
Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften
[German Public Auditors and Public Audit Firms]
as of January 1, 2002

This is an English translation of the German text, which is the sole authoritative version

1 Scope

(1) These engagement terms are applicable to contracts between Wirtschaftsprüfer [German Public Auditors] or Wirtschaftsprüfungsgesellschaften [German Public Audit Firms] (hereinafter collectively referred to as the "Wirtschaftsprüfer") and their clients for audits consulting and other engagements to the extent that something else has not been expressly agreed to in writing or is not compulsory due to legal requirements

(2) If in an individual case as an exception contractual relations have also been established between the Wirtschaftsprüfer and persons other than the client the provisions of No. 9 below also apply to such third parties

2 Scope and performance of the engagement

(1) Subject of the Wirtschaftsprüfer's engagement is the performance of agreed services – not a particular economic result. The engagement is performed in accordance with the Grundsätze ordnungsmäßiger Berufsausübung [Standards of Proper Professional Conduct]. The Wirtschaftsprüfer is entitled to use qualified persons to conduct the engagement

(2) The application of foreign law requires – except for financial attestation engagements – an express written agreement

(3) The engagement does not extend – to the extent it is not directed thereto – to an examination of the issue of whether the requirements of tax law or special regulations, such as, for example laws on price controls laws limiting competition and Bewirtschaftungsrecht [laws controlling certain aspects of specific business operations] were observed, the same applies to the determination as to whether subsidies allowances or other benefits may be claimed. The performance of an engagement encompasses auditing procedures aimed at the detection of the defalcation of books and records and other irregularities only if during the conduct of audits grounds therefor arise or if this has been expressly agreed to in writing

(4) If the legal position changes subsequent to the issuance of the final professional statement the Wirtschaftsprüfer is not obliged to inform the client of changes or any consequences resulting therefrom

3 The client's duty to inform

(1) The client must ensure that the Wirtschaftsprüfer – even without his special request – is provided on a timely basis with all supporting documents and records required for and is informed of all events and circumstances which may be significant to the performance of the engagement. This also applies to those supporting documents and records events and circumstances which first become known during the Wirtschaftsprüfer's work.

(2) Upon the Wirtschaftsprüfer's request the client must confirm in a written statement drafted by the Wirtschaftsprüfer that the supporting documents and records and the information and explanations provided are complete

4 Ensuring independence

The client guarantees to refrain from everything which may endanger the independence of the Wirtschaftsprüfer's staff. This particularly applies to offers of employment and offers to undertake engagements on one's own account

5 Reporting and verbal information

If the Wirtschaftsprüfer is required to present the results of his work in writing, only that written presentation is authoritative. For audit engagements the long-form report should be submitted in writing to the extent that nothing else has been agreed to. Verbal statements and information provided by the Wirtschaftsprüfer's staff beyond the engagement agreed to are never binding

6 Protection of the Wirtschaftsprüfer's intellectual property

The client guarantees that expert opinions, organizational charts, drafts sketches, schedules and calculations – especially quantity and cost computations – prepared by the Wirtschaftsprüfer within the scope of the engagement will be used only for his own purposes

7 Transmission of the Wirtschaftsprüfer's professional statement

(1) The transmission of a Wirtschaftsprüfer's professional statements (long form reports, expert opinions and the like) to a third party requires the Wirtschaftsprüfer's written consent to the extent that the permission to transmit to a certain third party does not result from the engagement terms

The Wirtschaftsprüfer is liable (within the limits of No. 9) towards third parties only if the prerequisites of the first sentence are given

(2) The use of the Wirtschaftsprüfer's professional statements for promotional purposes is not permitted. An infringement entitles the Wirtschaftsprüfer to immediately cancel all engagements not yet conducted for the client

8 Correction of deficiencies

(1) Where there are deficiencies, the client is entitled to subsequent fulfillment [of the contract]. The client may demand a reduction in fees or the cancellation of the contract only for the failure to subsequently fulfill [the contract], if the engagement was awarded by a person carrying on a commercial business as part of that commercial business, a government-owned legal person under public law or a special government-owned fund under public law. The client may demand the cancellation of the contract only if the services rendered are of no interest to him due to the failure to subsequently fulfill [the contract]. No. 9 applies to the extent that claims for damages exist beyond this

(2) The client must assert his claim for the correction of deficiencies in writing without delay. Claims pursuant to the first paragraph not arising from an intentional tort cease to be enforceable one year after the commencement of the statutory time limit for enforcement

(3) Obvious deficiencies such as typing and arithmetical errors and formelle Mängel [deficiencies associated with technicalities] contained in a Wirtschaftsprüfer's professional statements (long-form reports expert opinions and the like) may be corrected – and also be applicable versus third parties – by the Wirtschaftsprüfer at any time. Errors which may call into question the conclusions contained in the Wirtschaftsprüfer's professional statements entitle the Wirtschaftsprüfer to withdraw – also versus third parties – such statements. In the cases noted the Wirtschaftsprüfer should first hear the client, if possible

9 Liability

(1) The liability limitation of § ["Article"] 323 (2) ["paragraph 2"] HGB ["Handelsgesetzbuch" German Commercial Code] applies to statutory audits required by law

(2) Liability for negligence, An individual case of damages

If neither No. 1 is applicable nor a regulation exists in an individual case pursuant to § 54a (1) no. 2 WPO ["Wirtschaftsprüferordnung" Law regulating the Profession of Wirtschaftsprüfer] the liability of the Wirtschaftsprüfer for claims of compensatory damages of any kind – except for damages resulting from injury to life, body or health – for an individual case of damages resulting from negligence is limited to € 4 million, this also applies if liability to a person other than the client should be established. An individual case of damages also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty without taking into account whether the damages occurred in one year or in a number of successive years. In this case multiple acts or omissions of acts based on a similar source of error or on a source of error of an equivalent nature are deemed to be a uniform breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the Wirtschaftsprüfer is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law

(3) Preclusive deadlines

A compensatory damages claim may only be lodged within a preclusive deadline of one year of the rightful claimant having become aware of the damage and of the event giving rise to the claim – at the very latest, however within 5 years subsequent to the event giving rise to the claim. The claim expires if legal action is not taken within a six month deadline subsequent to the written refusal of acceptance of the indemnity and the client was informed of this consequence

The right to assert the bar of the preclusive deadline remains unaffected. Sentences 1 to 3 also apply to legally required audits with statutory liability limits

10 Supplementary provisions for audit engagements

- (1) A subsequent amendment or abridgement of the financial statements or management report audited by a Wirtschaftsprüfer and accompanied by an auditor's report requires the written consent of the Wirtschaftsprüfer even if these documents are not published. If the Wirtschaftsprüfer has not issued an auditor's report a reference to the audit conducted by the Wirtschaftsprüfer in the management report or elsewhere specified for the general public is permitted only with the Wirtschaftsprüfer's written consent and using the wording authorized by him.
- (2) If the Wirtschaftsprüfer revokes the auditor's report it may no longer be used. If the client has already made use of the auditor's report he must announce its revocation upon the Wirtschaftsprüfer's request.
- (3) The client has a right to 5 copies of the long-form report. Additional copies will be charged for separately.

11 Supplementary provisions for assistance with tax matters

- (1) When advising on an individual tax issue as well as when furnishing continuous tax advice the Wirtschaftsprüfer is entitled to assume that the facts provided by the client – especially numerical disclosures – are correct and complete. This also applies to bookkeeping engagements. Nevertheless he is obliged to inform the client of any errors he has discovered.
 - (2) The tax consulting engagement does not encompass procedures required to meet deadlines, unless the Wirtschaftsprüfer has explicitly accepted the engagement for this. In this event the client must provide the Wirtschaftsprüfer on a timely basis all supporting documents and records – especially tax assessments – material to meeting the deadlines so that the Wirtschaftsprüfer has an appropriate time period available to work therewith.
 - (3) In the absence of other written agreements continuous tax advice encompasses the following work during the contract period:
 - a) preparation of annual tax returns for income tax, corporation tax and business tax as well as net worth tax returns on the basis of the annual financial statements and other schedules and evidence required for tax purposes to be submitted by the client
 - b) examination of tax assessments in relation to the taxes mentioned in (a)
 - c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)
 - d) participation in tax audits and evaluation of the results of tax audits with respect to the taxes mentioned in (a)
 - e) participation in Einspruchs- und Beschwerdeverfahren [appeals and complaint procedures] with respect to the taxes mentioned in (a)
- In the afore-mentioned work the Wirtschaftsprüfer takes material published legal decisions and administrative interpretations into account.
- (4) If the Wirtschaftsprüfer receives a fixed fee for continuous tax advice, in the absence of other written agreements the work mentioned under paragraph 3 (d) and (e) will be charged separately.
 - (5) Services with respect to special individual issues for income tax, corporate tax, business tax, valuation procedures for property and net worth taxation, and net worth tax as well as all issues in relation to sales tax, wages tax, other taxes and dues require a special engagement. This also applies to:
 - a) the treatment of nonrecurring tax matters, e.g. in the field of estate tax, capital transactions tax, real estate acquisition tax
 - b) participation and representation in proceedings before tax and administrative courts and in criminal proceedings with respect to taxes and
 - c) the granting of advice and work with respect to expert opinions in connection with conversions of legal form, mergers, capital increases and reductions, financial reorganizations, admission and retirement of partners or shareholders, sale of a business, liquidations and the like

(6) To the extent that the annual sales tax return is accepted as additional work this does not include the review of any special accounting prerequisites nor of the issue as to whether all potential legal sales tax reductions have been claimed. No guarantee is assumed for the completeness of the supporting documents and records to validate the deduction of the input tax credit.

12 Confidentiality towards third parties and data security

- (1) Pursuant to the law the Wirtschaftsprüfer is obliged to treat all facts that he comes to know in connection with his work as confidential, irrespective of whether these concern the client himself or his business associations, unless the client releases him from this obligation.
- (2) The Wirtschaftsprüfer may only release long-form reports, expert opinions and other written statements on the results of his work to third parties with the consent of his client.
- (3) The Wirtschaftsprüfer is entitled – within the purposes stipulated by the client – to process personal data entrusted to him or allow them to be processed by third parties.

13 Default of acceptance and lack of cooperation on the part of the client

If the client defaults in accepting the services offered by the Wirtschaftsprüfer or if the client does not provide the assistance incumbent on him pursuant to No. 3 or otherwise, the Wirtschaftsprüfer is entitled to cancel the contract immediately. The Wirtschaftsprüfer's right to compensation for additional expenses as well as for damages caused by the default or the lack of assistance is not affected even if the Wirtschaftsprüfer does not exercise his right to cancel.

14 Remuneration

- (1) In addition to his claims for fees or remuneration the Wirtschaftsprüfer is entitled to reimbursement of his outlays. Sales tax will be billed separately. He may claim appropriate advances for remuneration and reimbursement of outlays and make the rendering of his services dependent upon the complete satisfaction of his claims. Multiple clients awarding engagements are jointly and severally liable.
- (2) Any set off against the Wirtschaftsprüfer's claims for remuneration and reimbursement of outlays is permitted only for undisputed claims or claims determined to be legally valid.

15 Retention and return of supporting documentation and records

- (1) The Wirtschaftsprüfer retains for ten years the supporting documents and records in connection with the completion of the engagement – that had been provided to him and that he has prepared himself – as well as the correspondence with respect to the engagement.
- (2) After the settlement of his claims arising from the engagement the Wirtschaftsprüfer upon the request of the client, must return all supporting documents and records obtained from him or for him by reason of his work on the engagement. This does not, however, apply to correspondence exchanged between the Wirtschaftsprüfer and his client and to any documents of which the client already has the original or a copy. The Wirtschaftsprüfer may prepare and retain copies or photocopies of supporting documents and records which he returns to the client.

16 Applicable law

Only German law applies to the engagement, its conduct and any claims arising therefrom.