

OS AA01

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

000899/20



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 for
an alteration of manner of
with accounting requirements.

FRIDAY



A14 *A7GF4AP5* 12/10/2018 #334
COMPANIES HOUSE

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 ① Germany

① 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.

① Please insert the name of the
appropriate accounting organisation
or body

Name of organisation or body ① 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

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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.

Signature

X

This form may be signed by:
Director, Secretary, Permanent representative.

X

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

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Address 65 London Wall

City London

Country, Region

Country E C 2 M 5 T U

Country UK

Phone number 020 7374 4933



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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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Financial Statements as of 31 December 2016 and Management Report

AUDIT REPORT

Takenaka Europe GmbH
Düsseldorf

KPMG AG Wirtschaftsprüfungsgesellschaft

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We would like to draw attention to the fact that there could be rounding differences compared to the mathematically accurate values (monetary units, percentages, etc.).

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1 Audit Engagement

At the shareholders' meeting held on 17 October 2016 of

Takenaka Europe GmbH, Düsseldorf,

– hereinafter also referred to as “Takenaka” or “Company” –

we were appointed as auditors of the financial statements for the financial year 2016. Accordingly, the management board has engaged us to audit the financial statements for the year ended 31 December 2016, together with the accounting records and the management report.

This audit report has been prepared in accordance with the principles of Audit Standard 450 promulgated by the German Institute of Public Auditors (IDW).

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

The terms governing this engagement are set out in the General Engagement Terms for German Public Auditors and Public Audit Firms (*Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften*) as amended on 1 January 2002, which are attached to this report as Appendix 6. Our liability is governed by Clause 9 of the General Engagement Terms. Our liability towards third parties is defined under Clauses 1 (2) and 9 of the General Engagement Terms.

2 Basic Findings

2.1 Evaluation of the management's assessment of the Company's position

In our opinion, the following key statements in the management report are noteworthy:

- Despite the decline in revenues by EUR 20.0 million to EUR 205.4 million, the net profit increased by EUR 6.0 million to EUR 11.5 million (previous year: EUR 5.5 million). The company is satisfied with the development in the financial year.
- The gross profit margin increased to 11.2% (previous year: 8.9%).
- The equity ratio increased from 33.5% to 38.1% due to the net profit of kEUR 11,526 in 2016 and the decrease of the balance sheet sum by kEUR 542.
- 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.
- 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.
- For 2017, the company forecasts sales amounting to EUR 295 million and a net profit of EUR 2.5 million.

As a result of our audit we found that the management report presents fairly, as a whole, the position of the Company and accurately presents the opportunities and risks of future development.

Please refer to Appendices 2 and 3 for the Company's business profile and legal status.

2.2 Violations of regulations not concerning accounting

Delayed approval of last year's financial statements

In violation of Section 42a (2) sentence 1 of the German law concerning limited liability companies [GmbHG] the financial statements as of 31 December 2015 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 17 October 2016.

Delayed preparation of the annual financial statements

In violation of Section 264 (1) HGB the company did not prepare the annual financial statements and the management report as of 31 December 2016 within three months after the balance sheet date.

3 Performance of the Audit

3.1 Scope of the audit

We have audited the financial statements of Takenaka Europe GmbH, Düsseldorf, including the accounting records, and management report for the financial year ended 31 December 2016. The management of the Company is responsible for

- maintenance of the books and records,
- preparing the financial statements and the management report in accordance with the regulations of German commercial law, and also for
- the explanations and evidence provided to us.

Our responsibility is to express an opinion on these financial statements and the management report based on our audit.

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 financial statements in accordance with Section 317 of the German Commercial Code [*HGB*] and the generally accepted standards for the audit of financial statements promulgated by the German Institute of Public Auditors [*IDW*]. The objective of our risk-oriented audit approach is to ensure that the statements made in the financial statements and management report of Takenaka Europe GmbH provide a reliable basis for decisions taken by users of these financial statements.

The main features underlying our audit approach are as follows:

Phase I: Development of an audit strategy focused on business risks

Obtaining an understanding of the Company's business as well as knowledge of the accounting systems and the internal control system

Establishing audit focus areas based on our risk assessment:

- 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
- completion, existence, accuracy and valuation of unfinished projects
- valuation of accounts receivable
- revenue recognition
- completeness of accruals and liabilities due to subcontractors regarding completed projects
- plausibility of the forecast made in the management report

Establishing the audit strategy and timeline for the audit

Selecting the audit team and planning the deployment of specialists

Phase II: Selection and implementation of controls-based audit procedures

Selection of controls-based audit procedures based on risk assessments and knowledge of business processes and systems

Assessment of the design and effectiveness of selected accounting-related controls

Phase III: Tests of details and analytical review of items in the financial statements

Performance of analytical reviews of items in the financial statements

Tests of details on a sample basis and assessment of individual items with a view to the accounting options and judgments exercised, e.g.:

- Obtaining confirmations from lawyers and credit institutions
- Obtaining confirmations from customers and suppliers on a sample basis

Review of disclosures in the notes and assessment of the management report

Phase IV: Overall assessment of audit results and reporting

Formation of the audit opinion on the basis of the overall assessment of the audit results

Reporting in the audit report and the auditor's report

Detailed oral presentation of audit results to the management

We performed our audit (with interruptions) in the months of November 2016 to August 2017 until 31 August 2017. We carried out a preliminary audit in November 2016.

All explanations and evidence requested by us were provided. The management confirmed in writing that the accounting records, financial statements and management report are complete.

4 Findings Concerning Accounting Records and Financial Reporting

4.1 Accounting records and related documents

The Company's accounting records have been properly kept and maintained. The accounting records and related documents are properly authorized, sufficiently explained and filed in an orderly manner. Based on our findings, the accounting records and related documents comply with German statutory requirements.

Based on our audit, we found that the measures taken by the Company to ensure the security of processed accounting-related data were appropriate.

4.2 Financial statements

The financial statements as of 31 December 2016, presented to us for audit, were properly derived from the Company's accounting records and related documents. The opening balance sheet figures were properly carried forward from the prior year financial statements. The statutory regulations concerning recognition, disclosure and valuation were observed.

The balance sheet and the income statement were prepared in accordance with the provisions of German commercial law governing the accounting of limited liability companies, including generally accepted accounting principles. The notes to the financial statements include all legally required information.

We point out that we were not in a position to audit the compliance with the formal requirements for non-disclosure of the auditor's fee under Section 285 item 17 HGB by the end of our audit because the consolidated financial statements of the ultimate parent company required for this exemption were not yet available.

4.3 Management report

The management report prepared by the management complies with the statutory regulations. The management report is consistent with the financial statements and our audit findings. It presents fairly, in all material respects, the position of the Company. As a result of our audit we conclude that the management report suitably presents the main opportunities and risks of future development.

5 Opinion on the Overall Presentation of the Financial Statements

5.1 Explanatory notes concerning the overall presentation

The general accounting policies are described in the notes to the financial statements (see Appendix 1.3).

The **exercise of accounting and valuation options** as well as **accounting judgments** for the following financial statement items has a material effect on the Company's net assets, financial position and results of operations:

Unfinished projects

Unfinished projects are valued according to Section 255 (2) sentence 2 HGB based on costs of production (mainly including subcontractor costs). Using the option of Section 255 (2) sentence 3 HGB, no overheads for general and administrative expenses have been capitalized as of 31 December 2016, 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 kEUR 91,886 (prior year kEUR 108,326) are disclosed as liabilities. Alternatively Section 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 kEUR 91,886; the equity-ratio (equity in relation to balance sheet total) would be 60.3% instead of 38.1%.

Deferred taxes

In accordance with Section 274 (2) HGB the Company capitalized deferred tax assets amounting to kEUR 1,276 and recorded deferred tax liabilities amounting to kEUR 81. 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 Section 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:

Area	Judgment
– Financial assets	– Assessment of sustainability of impairments and estimation of future cash flows as well as of calculation parameters for the DCF calculation
– Reserves for expected losses on unfinished projects	– Estimation of project result
– Project-related accruals	– 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 kEUR 4,298. Due to additional capital contributions in February 2012 and September 2012 the gross book value of the investment amounted to kEUR 12,276 as of 31 December 2012.

Based on a discounted cash flow (DCF) analysis which was undertaken at the end of 2012 management identified a probably sustained impairment in value of kEUR 11,129 resulting in a net book value of the investment of kEUR 1,147 as of 31 December 2012. Already in 2010, an impairment loss of kEUR 2,544 was recorded in the financial statements. An additional impairment loss amounting to kEUR 8,585 was recorded in accordance with Section 253 (3) sentence 5 HGB in the financial statements as of 31 December 2012. As of 31 December 2016 the DCF analysis was updated and a further impairment loss amounting to kEUR 1,005 was recorded in accordance with Section 253 (3) sentence 5 HGB, leading to a net book value of kEUR 142.

The expected future free cash flows were derived from the three year's forecasted budget for the Indian subsidiary. The applied WACC as of 31 December 2016 was calculated with 10.97% considering a risk free rate of 1.0%, an inflation differential for India with 3.5%, a market risk premium of 7.0% and a country risk premium of 2.2%. The used beta for the Indian construction industry is 0.61.

Takenaka Belgium N.V., Machelen/Belgium paid a dividend to Takenaka Europe GmbH in the amount of kEUR 6,800. As a result the equity of Takenaka Belgium N.V. decreased to kEUR 220 as of 31 December 2016. In accordance with Section 253 (3) sentence 5 HGB Takenaka Europe GmbH recorded an impairment in the amount of kEUR 3,388.

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 2016, the Company records no reserve.

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 kEUR 27,519 (previous year: kEUR 23,138) 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.

Warranty accruals in the total amount of kEUR 4,627 (previous year: kEUR 7,616) 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 kEUR 4,075 (previous year: kEUR 6,299), the Company also recorded a lump sum provision amounting to kEUR 552 (previous year: kEUR 1,317), 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 mainly relate to the projects KIA Factory and Foxconn (former: Sony) in Slovakia and Makita Ph. 1–3 in Romania.

The provision for the KIA Factory of EUR 1.7 million (previous year: EUR 1.9 million) concerns water leakages of the roof. Management intends to repair all defects as they appear until the end of the warranty period in 2017.

The provision Foxconn (former: Sony) of EUR 2.0 million was set up as of 31 December 2014 and remains unchanged as of 31 December 2016 to cover repair works until the end the remaining warranty term in 2017. Due to a possible design mistake serious problems with an instable floor occur because of inadequate groundwork. However during 2015 the floor swinging decreased and in addition it might be possible to counter-claim against the city Zilina who sold the land, but did not inform about the critical ground situation caused by the former river bed.

Regarding the project Makita Ph. 1–3 in Romania the warranty provision decreased by EUR 1.1 million to an amount of EUR 0.5 million (previous year: EUR 1.6 million). The decrease is caused by the usage of the provision amounting to EUR 0.3 million for maintenance work and the release of the provision amounting to EUR 0.8 million. In 2016 Takenaka realized that the risk from the soft and wet soil under the existing factory is less relevant than expected and therefore the provision was partially released. Currently discussion started with the customer for Ph.4 expansion development and a certain risk still exists for Takenaka to execute work regarding the water leakages and the incomplete land leveling.

5.2 Conclusion on the overall assertion of the financial statements

Based on an overall consideration of the accounting policies, 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 generally accepted accounting principles.

6 Auditor's Report (Translation)

We have issued the following unqualified auditor's report:



Auditor's Report (Translation)

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, Düsseldorf, for the financial year from 1 January to 31 December 2016. 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 Section 317 of the German Commercial Code [*HGB*] and the generally accepted standards for the audit of financial statements promulgated by the German Institute of Public Auditors [*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 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.

Our audit has not led to any reservations.

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 the Company in accordance with German principles of proper accounting. The management report is consistent with the annual financial statements, complies with the German statutory requirements, and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

“

Düsseldorf, 31 August 2017

KPMG AG
Wirtschaftsprüfungsgesellschaft



Glunz
Wirtschaftsprüfer
[German Public Auditor]



Sperling
Wirtschaftsprüfer
[German Public Auditor]



Appendix 1

Financial Statements as of 31 December 2016 and Management Report

1.1 Balance Sheet

1.2 Income Statement

1.3 Notes

1.4 Management Report

Takenaka Europe GmbH, Düsseldorf

Balance Sheet as of 31 December 2016 (Translation)

Assets

	31/12/2016		31/12/2015	
	EUR	EUR	EUR	EUR
A. Fixed Assets				
I. Intangible assets				
Acquired EDP software		341,107.95		420,177.54
II. Property and equipment				
1. Buildings including leasehold improvements	258,563.31		210,149.15	
2. Other equipment, office equipment and fixtures	607,607.93	866,171.24	489,873.80	700,022.95
III. Financial assets				
1. Shares in affiliated companies	31,237,142.35		35,630,142.35	
2. Investment	26,434,047.05	57,671,189.40	0.00	35,630,142.35
		58,878,468.59		36,750,342.84
B. Current Assets				
I. Inventories				
1. Unfinished projects	97,447,752.65		103,402,057.37	
2. Prepayments	680,816.00	98,128,568.65	733,703.93	104,135,761.30
II. Accounts receivable and other assets				
– Numbers 2 with a residual term of up to one year –				
1. Trade receivables	6,992,623.23		14,959,787.83	
– thereof with a residual term of more than one year EUR 335,050.04 (previous year: EUR 1,385,622.18) –				
2. Receivables due from affiliated companies – all from trade and services	925.08		18,269.35	
3. Other assets	9,729,173.17	16,722,721.48	5,881,456.40	20,859,513.58
– thereof with a residual term of more than one year EUR 323,241.30 (previous year: EUR 280,291.86) –				
III. Cash balances and bank deposits		74,593,815.42		86,305,948.81
		189,445,105.55		211,301,223.69
C. Prepaid expenses		226,798.50		932,678.09
D. Deferred tax assets		1,275,568.60		1,383,634.24
		249,825,941.24		250,367,878.86

Liabilities and Shareholders' Equity

	31/12/2016	31/12/2015
	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	74,691,069.20	63,164,807.12
	95,288,866.23	83,762,604.15
B. Accruals		
1. Tax accruals	928,746.48	1,086,025.25
2. Other accruals	33,775,658.25	32,243,937.34
	34,704,404.73	33,329,962.59
C. Liabilities		
– Numbers 1, 3 and 4 with a residual term of up to one year –		
1. Payments received on account of orders	91,885,961.35	108,326,359.43
2. Trade payables	24,879,098.24	21,492,600.64
– thereof with a residual term of more than one year and up to five years EUR 8,667,490.63 (previous year: EUR 11,932,920.56) –		
3. Payables due to affiliated companies	31,550.24	0.00
– all from trade –		
4. Other liabilities	2,954,932.44	3,438,505.62
– thereof for taxes: EUR 1,055,952.15 (previous year: EUR 2,126,907.85) –		
– thereof relating to social security: EUR 420,808.29 (previous year: EUR 449,341.29) –		
	119,751,542.27	133,257,465.69
D. Deferred tax liabilities	81,128.01	17,846.43
	249,825,941.24	250,367,878.86

Takenaka Europe GmbH, Düsseldorf

Income Statement for the period from 1 January to 31 December 2016 (Translation)

	2016	2015
	EUR	EUR
1. Sales	205,353,202.67	225,330,296.17
2. Cost of sales	-182,408,510.66	-205,324,070.30
3. Gross profit	22,944,692.01	20,006,225.87
4. Selling expenses	-932,341.63	-918,592.47
5. General and administrative expenses	-14,006,531.37	-13,123,181.12
6. Other operating income	5,682,976.82	4,218,376.98
7. Other operating expenses	-3,750,747.73	-4,112,903.56
8. Income from affiliated company	6,800,000.00	0.00
9. Other interest and similar income	86,849.87	347,786.42
10. Depreciation on financial assets	-4,393,000.00	0.00
11. Interest and similar expenses	-38,179.17	-34,909.00
12. Income taxes	-837,434.78	-763,537.92
– thereof from changes in deferred taxes		
EUR -166,629.54		
(previous year: EUR -243,917.79) –		
13. Profit after taxes	11,556,284.02	5,619,265.20
14. Other taxes	-30,021.94	-120,369.45
15. Net profit for the year	11,526,262.08	5,498,895.75
16. Profit carried forward	63,164,807.12	57,665,911.37
17. Accumulated income	74,691,069.20	63,164,807.12

Takenaka Europe GmbH, Düsseldorf

Notes to the Financial Statements for the financial year 2016 (Translation)

(1) General remarks

Takenaka Europe GmbH, located in Düsseldorf, is registered in the commercial register Düsseldorf under the number HRB 4453.

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 2016 compared to the previous year.

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

Due to the changes of the Bilanzrichtlinie-Umsetzungsgesetz ("BilRUG") the classification structure has been adapted to the BilRUG requirements as well as the amended definition of the sales in accordance with sec. 277 (1) HGB has applied. Changes in this regard did not occur with regard to Sales.

(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 recognized over the estimated useful life of the assets. Low value items with acquisition cost up to EUR 410 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 in case of a permanent decrease in value.

Unfinished projects included in inventories are capitalized at production cost referring to Section 255 (2) sentence 2 HGB. Using the option of Section 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 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.

Other accruals are generally recognized with the settlement amount deemed necessary under prudent business judgment, 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.

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 recognized.

Liabilities are stated at their settlement amount.

The translation of short-term **foreign currency assets and liabilities** in EUR considers spot exchange rates at balance sheet date in accordance with of Section 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 the income statement were converted at the annual average exchange rates.

Deferred tax assets on tax loss carry forwards and on temporary differences have been accounted for based on the selection of the accounting policy choice of Section 274 (1) sentence 2 HGB.

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

Fixed Assets

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

Deferred tax assets

In accordance with Section 274 HGB the company capitalized deferred taxes.

Deferred taxes were netted at the level of individual taxpayers.

Branch	Tax Rate	Deferred Tax Assets for Loss-Carry forwards	Deferred Tax Assets for Temporary Differences	Deferred Tax Liabilities for Temporary Differences	Net Deferred Tax Assets	Net Deferred Tax Liabilities
	%	kEUR	kEUR	kEUR	kEUR	kEUR
Germany	31,2	1.140	14	566	588	-
Slovakia	22,0	346	5	-	351	-
Poland	19,0	73	280	107	246	-
Hungary	9,0	70	764	777	57	-
Belgium	34,0	29	-	-	29	-
The Netherlands	25,0	-	5	-	5	-
Czech Republic	19,0	-	-	81	-	81
		1.658	1.068	1.531	1.276	81

The temporary differences mainly regard different tax bases of warranty provisions.

Deferred tax assets of the German, the Slovakian, the Polish, the Hungarian, the Belgian and the Netherlands branch amounting in total to kEUR 1,658 regard tax loss carry forwards, which are expected to be used within the next three years.

Equity

According to Section 268 (8) HGB the amount of deferred tax assets less deferred tax liabilities amounting to kEUR 1,195 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.

Tax accruals

The tax accruals mainly result from accruals for Taxes on income and profit of the branch in the Czech Republic (kEUR 359), the Hungarian branch (kEUR 327) and the German branch (kEUR 239).

Other accruals

Other accruals in the amount of kEUR 33,776 mainly relate to subcontractor services not yet invoiced for finished projects (kEUR 27,519) and to warranty (kEUR 4,627).

Sales

Sales split-up according to regional markets as follows:

Country	2016	2015
	kEUR	kEUR
Czech Republic	58.742	27.881
Poland	49.793	22.523
Germany	36.060	36.665
Hungary	26.909	94.638
Italy	12.689	0
United Kingdom	7.160	3.494
Belgium	5.580	4.779
The Netherlands	3.029	1.705
Slovakia	2.120	11.983
Spain	1.687	809
France	1.412	18.288
Romania	172	2.565
	205.353	225.330

Cost of materials

For the fiscal year 2016, the cost of materials amount to kEUR 182.409 (previous year: kEUR 205,324).

The cost of materials relate solely to expenses for purchased services.

Personnel expenses

Total personnel expenses included in selling expenses and general and administrative expenses for the year 2016 amount to kEUR 7,536 (thereof wages and salaries kEUR 4,753, social security kEUR 2,643 and old age pension kEUR 140). In fiscal year 2015 total personnel expenses amounted to kEUR 7,215 (thereof wages and salaries kEUR 4,848, social security kEUR 2,243 and old age pension kEUR 125).

Income relating to prior periods

Other operating income includes income relating to prior period of kEUR 3,550. This results mainly from the reversal of other accruals (kEUR 2,525), thereof mainly regarding the release of warranty provisions in the Slovakian, Romanian and Czech branch amounting to kEUR 836, kEUR 569 and kEUR 458.

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.

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 income statements of the 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 income statement.

Overall, exchange rate gains in the amount of kEUR 896 (previous year kEUR 1,065) and exchange rate losses in the amount of kEUR 2,927 (previous year kEUR 2,794) were recognized in other operating income respectively expenses.

Income from affiliated company

Income from affiliated company includes a dividend payment from Takenaka Belgium B.V. in the amount of kEUR 6,800.

Depreciation on financial assets

Due to a probably sustained impairment in accordance with section 253 (3) sentence 5 HGB regarding the investment in Takenaka India Private Ltd., Gurgaon-Haryana/India a depreciation of kEUR 1,005 was recorded in 2016.

Due to insufficient future earning prospects of Takenaka Belgium B.V. an extraordinary depreciation was also recognized for this investment in the amount of kEUR 3,388, which decreased the book value of the respective investment to EURk 62.

(4) Other notes

Other financial commitments

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

	kEUR
Due within the next year	1,663
Due within two to five years	3,819
Due after five years	318
	5,800

Number of employees

In 2016 the average number of employees, excluding general managers, was 297 (previous year 256). An average of 68 staff members were employed in the German branch and 229 staff members were employed in the other European branches.

General management

The general managers of the company – except Mr Beom-Yong Sung – have an individual right of representation and were:

- Masayuki Takinami, businessman, Düsseldorf, Chairman of the Company's board
- Beom-Yong Sung, businessman, Bad Homburg
- Shoichiro Shibuta, businessman, Yokohama/Japan, from 1 March 2016
- Takeshi Yanagi, businessman, Düsseldorf, from 24 March 2016
- Yutaka Kawashima, businessman, Tokio/Japan, until 29 February 2016
- Kazuhiko Maruyama, businessman, Düsseldorf, until 23 March 2016

The remuneration of the members of the general management in the reporting period was kEUR 889.

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 31/12/2016	Result for the year 2016
	%		in local currency	in local currency	in local currency
Takenaka Corporation U.S.A., Delaware/USA	90,0	USDk	3,000	7,033	521
Takenaka Belgium N.V., ¹ Machelen/Belgium	99,9	kEUR	62	220	-37
Takenaka Netherlands B.V., Amsterdam/Netherlands	100,0	kEUR	1,361	662	0
Takenaka India Private Ltd., Gurgaon-Haryana/India ²	99,999	kINR	750,000	129,951	-6,638
TAK Realty UK Ltd. London/UK	51,61	GBPk	46,500	46,529	1,142

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

¹ In February 2016, a dividend of EUR 6.8 million was distributed from Takenaka Belgium N.V. to Takenaka Europe GmbH.

² Information is based on the financial statements for the period 1 April 2015 to 31 March 2016.

Investment

In June 2016, the company has acquired a stake of 16.67% in TAK Realty NY INC, NY/U.S.A. for a consideration of kEUR 26,434.

Appropriation of net income

The general management proposes to the shareholder to carry forward the net income amounting to EUR 11.526.262,08.

Consolidated financial statements

Takenaka Europe GmbH, Düsseldorf, 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.

Making use of the exemption rules of section 292 HGB, Takenaka Europe GmbH does not prepare consolidated financial statements and a group management report.

Takenaka Europe GmbH publishes the IFRS consolidated financial statements of its supreme parent company, which is translated into German, within the meaning of section 325 HGB.

Information regarding professional fees of the auditor in accordance with section 285 No. 17 HGB

	2016	2015
	kEUR	kEUR
Audit Services	219	211
Tax advisory services	70	55
	289	266

Significant Events after the year-end

Our subsidiary Takenaka Corporation U.S.A., Delaware/USA constructed a new factory for a joint venture between Fukai Mfg. Co., Ltd., Toyoda Iron Works Co., Ltd. and d/b/a Toyotetsu, in the period between August 2014 and December 2015. In 2017, a serious rise and cracks on the ground floor of the factory occurred. This was caused by the expansion of iron and steel slag which expanded due to the influence by the groundwater. We understand that this warranty claim amounts to USD 18.4m. As a consequence our subsidiary is over-indebted and a cash injection is required by the Takenaka group. Considering the current business situation of our subsidiary as well as the uncertain business outlook the carrying amount of our investment amounting to EUR 3,138k will be fully impaired in 2017.

Düsseldorf, 31 August 2017

Takenaka Europe GmbH

Masayuki Takinami

Shoichiro Shibuta

Beom-Yong Sung

Takeshi Yanagi

Takenaka Europe GmbH, Düsseldorf

Fixed assets movements for the financial year 2016 (Translation)

	Acquisition costs				
	1/1/2016	Foreign exchange adjustments	Additions	Disposals	31/12/2016
	EUR	EUR	EUR	EUR	EUR
I. Intangible assets					
Acquired EDP software	1,626,660.97	-4,029.08	50,632.52	8,110.15	1,665,154.26
II. Property and equipment					
1. Buildings including leasehold improvements	418,627.57	0.00	213,658.90	116,238.26	516,048.21
2. Other equipment, office equipment and fixtures	3,137,672.75	-23,292.72	334,528.38	198,908.88	3,249,999.53
	3,556,300.32	-23,292.72	548,187.28	315,147.14	3,766,047.74
III. Financial assets					
1. Shares in affiliated companies	46,759,142.35	0.00	0.00	0.00	46,759,142.35
2. Investment	0.00	0.00	26,434,047.05	0.00	26,434,047.05
	46,759,142.35	0.00	26,434,047.05	0.00	73,193,189.40
	51,942,103.64	-27,321.80	27,032,866.85	323,257.29	78,624,391.40

Accumulated depreciation				Net book values		
1/1/2016	Foreign exchange adjustments	Depreciation	Disposals	31/12/2016	31/12/2016	31/12/2015
EUR	EUR	EUR	EUR	EUR	EUR	EUR
1,206,483.43	-3,917.05	129,590.08	8,110.15	1,324,046.31	341,107.95	420,177.54
208,478.42	0.00	165,244.74	116,238.26	257,484.90	258,563.31	210,149.15
2,647,798.95	-20,064.34	209,691.06	195,034.07	2,642,391.60	607,607.93	489,873.80
2,856,277.37	-20,064.34	374,935.80	311,272.33	2,899,876.50	866,171.24	700,022.95
11,129,000.00	0.00	4,393,000.00	0.00	15,522,000.00	31,237,142.35	35,630,142.35
0.00	0.00	0.00	0.00	0.00	26,434,047.05	0.00
11,129,000.00	0.00	4,393,000.00	0.00	15,522,000.00	57,671,189.40	35,630,142.35
15,191,760.80	-23,981.39	4,897,525.88	319,382.48	19,745,922.81	58,878,468.59	36,750,342.84

Takenaka Europe GmbH, Düsseldorf

Management Report for the financial year 2016 (Translation)

A. Purpose of the company

Takenaka Europe GmbH, Düsseldorf ("the company") is a service provider in the construction sector focusing on consulting, planning, and engineering services. Furthermore the company functions as general contractor with activities such as the supervision of construction services performed by other firms or services relating to building management. The company also engages in project management and project development activities.

The company is wholly-owned by Takenaka Corporation, Osaka/Japan, one of Japan's oldest companies in the construction industry with a corporate history of over 400 years.

Takenaka Europe GmbH operates branches in Belgium, the Netherlands, Italy, Spain, Czech Republic, Slovakia, Poland, Hungary, France, Romania and Great Britain.

Takenaka Europe GmbH participates in the following companies:

- Takenaka Corporation USA (90 % of the shares)
- Takenaka India Private Ltd. (99.999 % of the shares)
- Takenaka Belgium N.V. (99.9 % of the shares)
- Takenaka Netherlands B.V. (100 % of the shares)
- TAK Realty UK Ltd. ¹(51.61 % of the shares)
- TAK Realty NY Inc. ² (16.67 % of the shares).

¹ The company has an indirect shareholding in the office complex "One Fleet Place" in London.

² The company has an indirect shareholding in the New York hotel "Andaz 5th Avenue".

B. Economic Report

1. Macro Economy and Industry related matters

The business of Takenaka Europe GmbH is directly impacted by the development of the markets in Germany and Europe. In addition the business of our subsidiaries in the US and India are impacted by the development in those markets. In this respect, the forecasts of the International Council of Economic Experts and the IMF (International Monetary Fund) are even optimistic for 2017 as global economic growth is expected to rise from +3.0% in 2016 to +3.4% in 2017. Another aspect of the robustness of the current situation is inertia and friction losses in the political process. Also, incorrect decisions are not immediately and not fully reflected in the economic situation. The stock exchanges signaled with positive share prices even positive growth expectations for the US and the economy digest the Brexit and the referendum in Italy with stoic serenity. However, optimism would be out of place. The risks for the period after 2017 are currently increasing considerably.

Germany:

The construction companies reported a nominal order value of 14.6% for the full year 2016. The decline in the orders intake of 0.3% from December 2016³, which was calculated by the Federal Statistical Office in terms of price, season and working hours, is thus not the result of a weakening construction activity, but a consequence of the high level of orders achieved. The part of building projects with a project volume of more than EUR 500,000 has doubled to 14% within 13 years³. In addition to increased demands and increasing international capital, this is also attributable to higher construction costs as a result of the Energy Savings Regulation. Construction on an extremely small scale and with low value is a thing of the past: the proportion of projects in the lower price segment of up to EUR 150,000 has halved to 21% in the same period³. The volume of construction in Germany is expected to rise significantly in this and the coming year, albeit not quite as strongly as last year. New housing construction and public civil engineering are currently the main growth drivers. However, measures in the building stock are likely to gain in importance. However, it is currently also apparent that the construction industry meets the limits of its production capacities; the levels of utilization are high in many places.

Europe:

In 2016, European construction activity rose by a total of 3%; in seven countries – France, Ireland, the Netherlands, Norway, Poland, Portugal and Spain – even by about 4%. At the moment, there are no major differences as regards the development in the individual construction sectors. While in Europe residential construction expanded by more than 3% in 2016, non-residential construction achieved an increase of just fewer than 3% and civil engineering a good 2.5%⁴.

³ Source: Die Zahlen der Bauwirtschaft 2015 - 2017

⁴ Source: Europäische Bauwirtschaft: Stärkeres Wachstum in den Jahren 2016 und 2017

The impetus for the European construction demand is again the more positive economic development, the extremely favourable financing costs as well as the increased spending gaps on the part of several states. In addition, demographic aspects – such as the pronounced influx and/or immigration and internal migration – and the immense structural restraint which has been observed in some European regions in recent years also play an important role. According to the autumn forecast of the EU Commission, the economy is growing again and unemployment is declining. Even the government debt is falling. The EU Economic Commissioner sees the EU on the right track. However, growth is fooled by the fact that growth in 2016 is down by -0.3%-points, and 2017 by a further -0.2%-points. It will thus be 2017 only at +1.4 %. It could actually be even worse, since the effects of the Brexit have so far hardly been reflected in the forecasts. The government debt is easing, but only on average across all states. In the case of the actual deficit funds, on the other hand, there is hardly any progress. In Italy, debt is already much more than annual economic output (GDP). Spain has just surpassed the 100% mark and France is also soon in that area. The Maastricht criterion was once 60%. The growth of the Eurozone is +1.6% in 2016 and will be +1.4% in 2017.

USA:

The economic development of the US is currently the main topic in the economic news. The optimists hope for deregulation, tax reduction and government infrastructure programs. The pessimists recognize their short-term effects, but they see above all the medium-term consequences of such a policy. A further growing debt could erode confidence in the soundness of US government finances. If money is spent on infrastructure measures, the effect is less than a reduction in tax. Both measures will stimulate growth momentarily, but ultimately raise prices and interest rates. The increase in import duties on a large scale would only happen if the US were to leave the World Trade Organization (WTO). This would however close the export markets. The biggest threat to the announced economic policy is a sharp increase in interest rates. The US labour market is robust. More people are looking for work and the unemployment rate is falling to 4.9% in 2016 and 4.7% in 2017. The IFW expects an acceleration of the economic momentum for the second half of this year. Overall, the US economy grew by +1.6% in 2016 and will grow by about +2.5% in 2017 and 2018.

India:

The emerging markets of Southeast Asia grew by +4.8% in 2016 and the growth rate in 2017 are forecast at +4.9%. In India, growth for the second quarter of 2016 was +7.1%. According to the official data, the manufacturing industry expanded enormously. Indian industrial production, on the other hand, developed weakly in 2016. According to surveys, the industry depressed the mood. The rate of inflation on the consumer level declined from +5.7% in the second quarter of 2016 to +5.2% in the third quarter of 2016. The central bank then lowered the benchmark interest rate in October 2016. For 2017 growth is expected to be similar (+7.4%).

2. Business Trends

2.1 Results of Operations

Despite the decline in revenues by EUR 20.0 million to EUR 205.4 million the net profit increased by EUR 6.0 million to EUR 11.5 million (previous year: EUR 5.5 million). Insofar the company is satisfied with the development in the financial year.

During 2016, the following major projects were completed:

- NGK Second factory Ph.2 (Poland)
- Sungwoo WMU Bavaria New Factory (Germany)
- KYB Czech Factory ph-3 (Czech Republic)
- Mubea New factory (Poland)
- Expo Milano, Japanese Pavillion (Italy)
- NHK Spring Hungary Construction (Hungary)
- Mobis LED New Factory (Czech Republic)
- Bridgestone Phase 3 (Hungary)
- Denso Czech Factory Extension (Czech Republic)
- Daikin Plzen Anechoic chamber (Czech Republic)
- WMU Bavaria New Office Building (Germany)
- Meiko New Logistic Center (Poland)

The raw margin (gross profit in proportion to the sales) increased slightly by 2.3%-points in comparison to the previous year to 11.2%.

General administrative expenses increased by kEUR 884k to EUR 14,007k.

The other operating expenses decreased by EUR 362 to kEUR 3,751 and mainly include losses from exchange rate differences.

Other operating income increased by kEUR 1,465 to kEUR 5,683, essentially caused by the increase of income relating to prior periods mainly caused by the reversal of other accruals.

As a result of the generally very low interest rate, interest income fell by kEUR 261 to kEUR 87 despite the high bank balance in the current financial year.

The profit after taxes in the business year amounts to kEUR 11,556 and increased in comparison to the year before by kEUR 5,937. This change is mainly due to the rising gross profit margin and the dividend paid by Takenaka Belgium N.V., Machelen/Belgium of kEUR 6,800. However, the depreciation of financial assets of kEUR 4,393 partly compensates these effects.

Income taxes increased by kEUR 74 to kEUR 837, mainly due to high corporation taxes in Czech, Hungary and Germany.

The net profit amounts to kEUR 11,526 (previous year: kEUR 5,499).

2.2 Net Assets and Financial Position

The balance sheet total at the end of the fiscal year 2016 amounts to kEUR 249,826 (previous year: kEUR 250,368).

The decrease in total assets by kEUR 542 comprises mainly an increase in financial assets of kEUR 22,041 due to the acquisition of shares in TAK Realty NY INC, New York/USA of EUR 26.4 million and decreases of trade receivables by kEUR 7,967 to kEUR 6,993 and cash and bank equivalents by kEUR 11,712 to kEUR 74,594.

On the liabilities side, the decrease primarily relates to the reduction in advance payments received by kEUR 16,440 to kEUR 91,886, whereas the shareholder's equity increased by kEUR 11,526 to kEUR 91,289 and the trade payables increased by kEUR 3,386 to kEUR 24,879.

The equity ratio (total equity in relation to total assets) grew from 33.5% as of 31 December 2015 to 38.1% as of 31 December 2016.

The return on equity (net result in relation to total equity) amounts to 12.1% (previous year: 6.6%).

Takenaka Corporation U.S.A. (90% participation) showed in 2016 a net income of kUSD 521 (previous year: kUSD 667).

Takenaka India Private Ltd. (99.999% participation) realized a loss of kINR 6,638 (previous year: loss of kINR 38,491) as of 31 March 2016. The business activity in India started in 2011 and we are confident that this subsidiary will soon achieve a break-even.

Takenaka Belgium N.V. (99.9% participation) realized a loss of kEUR 37 in 2016 (loss during the previous year: kEUR 34). In February 2016, a dividend of EUR 6.8 million was distributed to Takenaka Europe GmbH.

Takenaka Netherlands B.V. (wholly-owned subsidiary) realized a net income of kEUR 0 since the organization ceased operations.

TAK Realty UK Ltd. (51.61% participation) realized a profit of kGBP 1,142 in 2016 (loss during previous year: kEUR 605).

In addition, in June 2016 the company has acquired a stake of 16.67% in TAK Realty NY INC, New York/U.S.A. This Company has an indirect shareholding in the Hotel Andaz 5th Avenue in New York.

Overall, the company can look back on a successful business year. The sales situation has developed, as forecasted in the previous year, namely to generate sales of EUR 205 million. Fortunately, the projected net profit of EUR 2 million was significantly exceeded by EUR 9.5 million.

3. Financial and Non-financial performance indicators

Takenaka Europe GmbH focuses on the financial performance indicators sales and net profit.

The most significant non-financial performance indicator is embedded in the quality of employees of the company and the expert knowledge in construction projects, which has a significant impact on the company's business development. However, the company does not make use of this indicator to monitor its business.

C. Forecast, Opportunities and Risk Report

1. Forecast

According to the latest building volume calculation of DIW Berlin (German Institute for Economic Research), the sum of new construction and measures on existing buildings has risen by 2.5% in 2016. And in the years 2017 and 2018 they are expected to grow by 1.6% and respectively 2.4%. The recovery of construction demand in Europe is progressing. As a result, the volume of construction in 2016 rose by 3% almost twice as much as in 2015. However, 2017 growth is expected to be slightly weaker.

Based on the order backlog at the beginning of 2017, we are expecting sales of about EUR 295 million in 2017.

From those sales, the company expects to generate a net profit of EUR 2.5 million for the fiscal year 2017.

The biggest ongoing projects in 2017 are JLR-BiW and JLR-TaF (Jaguar Land Rover) projects in Slovakia, Sungwoo WMU Bavaria, Extension in Germany, Jarden (Yankee Candle) New factory, Borgers New Factory and UPM Raflatec Extension in Poland as well as Nissin Foods New Factory in Hungary.

2. Opportunities and Risk Report

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.

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.

The company operates in twelve countries with eleven 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.

The general market situation in the German construction industry is currently good, but is still showing a high competition from other general contractors for a limited number of new projects in the market.

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.

Overall the company believes that the opportunities exceed the risks.

Düsseldorf, 31 August 2017

Takenaka Europe GmbH

Masayuki Takinami

Shoichiro Shibuta

Beom-Yong Sung

Takeshi Yanagi

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 has established subsidiaries outside Japan. The subsidiary in Germany was established in 1974.

Takenaka Europe GmbH mainly deals with Japanese multinationals which do have activities in Europe. The main projects for Japanese customers concern the construction of office buildings, production facilities, factories and warehouses. Takenaka intends 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	2016	2015	2014	2013	2012
	kEUR	kEUR	kEUR	kEUR	kEUR
Czech Republic	58,742	27,881	17,454	31,861	42,487
Poland	49,793	22,523	18,045	23,155	24,592
Germany	36,060	36,665	21,103	65,363	18,867
Hungary	26,909	94,638	14,314	6,295	2,269
Italy	12,689	0	30	157	446
United Kingdom	7,160	3,494	8,476	3,657	1,628
Belgium	5,580	4,779	11,346	6,971	14,806
Netherlands	3,029	1,705	3,152	2,394	8,556
Slovakia	2,120	11,983	986	669	14,266
Spain	1,687	809	113	542	10
France	1,412	18,288	1,514	693	588
Romania	172	2,565	7,795	27,474	50
	205,353	225,330	104,328	169,231	128,565

Subsidiaries

The Company is parent company of Takenaka Corporation U.S.A., Delaware/USA (90.0%-participation). The subsidiary in the U.S. was founded in 2001 and runs independently from the business activities in Europe. In 2010, the subsidiary Takenaka India Private Ltd., Gurgaon-Haryana/India (99.999%-participation), was founded. The subsidiary also runs independently from the business activities in Europe. In addition, the Company is parent company to Takenaka Belgium N.V., Machelen/Belgium (99.9%-participation), Takenaka Netherlands B.V., Amsterdam/Netherlands (100%-participation) and TAK Realty UK Ltd., London/UK (51.61%-participation). In 2016, the Company acquired an interest in TAK Realty NY Inc., New York/USA (16.67%-participation).

Employees

The average number of employees developed as follows:

	2016	2015
Domestic	68	66
Foreign branches	229	190
	297	256

As of 31 December 2016 the number of employees in the foreign branches mainly concerns with 69 employees the Polish branch, with 54 employees the branch in the Czech Republic, with 37 employees the branch in Hungary and with 23 employees the Slovakian branch.

Legal Status

Formation of the company	25 July 1974
Company name	Takenaka Europe GmbH
Place of registration	Düsseldorf
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 Düsseldorf, Department B, No. 4453, date of the latest extract is 4 May 2017.
Company's purpose	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 of construction materials, provides project management and project development services, delegates graduated engineers to solve clients' technical problems, but does not assign qualified personnel according to the German Law on Labour Leasing (AÜG).
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 17 October 2016 – the financial statements as of 31 December 2015, 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; – it was resolved that the accumulated income of EUR 63,164,807.12 will be carried forward; – the general management was exonerated for the financial year 2015.
Size of the company	The Company is a large-sized corporation as defined by Section 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 Section 285 (14) HGB.

Affiliated companies (continued)	The Company is parent company in the sense of Section 290 HGB of Takenaka Corporation U.S.A., Delaware/USA, Takenaka Netherlands B.V., Amsterdam/Netherlands, Takenaka Belgium N.V., Machelen/Belgium, Takenaka India Private Ltd., Gurgaon-Haryana/India and TAK Realty UK Ltd., London/UK, which are accordingly considered also as affiliated companies in the sense of Section 271 (2) HGB. The Company publishes exempting consolidated financial statements of the ultimate parent company Takenaka Corporation, Osaka/Japan, which are translated into German language.
Management board	The members of the board of management are listed in the Company's notes to the financial statements (Appendix 1.3).
Tax status	The latest tax field audit in Germany on corporate and trade tax covered the fiscal years 2010 to 2012 and was finalized in 2014.

Appendix

Jahresabschluss zum 31. Dezember 2016 und Lagebericht

4.1 Bilanz

4.2 Gewinn- und Verlustrechnung

4.3 Anhang

4.4 Lagebericht

Takenaka Europe GmbH, Düsseldorf

Bilanz zum 31. Dezember 2016

Aktiva

	31.12.2016		31.12.2015	
	EUR	EUR	EUR	EUR
A. Anlagevermögen				
I. Immaterielle Vermögensgegenstände				
Entgeltlich erworbene EDV-Software		341.107,95		420.177,54
II. Sachanlagen				
1. Bauten einschließlich Mietereinbauten	258.563,31		210.149,15	
2. Andere Anlagen, Betriebs- und Geschäftsausstattung	807.607,93	866.171,24	489.873,80	700.022,95
III. Finanzanlagen				
1. Anteile an verbundenen Unternehmen	31.237.142,35		35.630.142,35	
2. Beteiligung	26.434.047,05	57.671.189,40	0,00	35.630.142,35
		58.878.468,59		36.750.342,84
B. Umlaufvermögen				
I. Vorräte				
1. Unfertige Leistungen	97.447.752,65		103.402.057,37	
2. Geleistete Anzahlungen	680.816,00	98.128.568,65	733.703,93	104.135.761,30
II. Forderungen und sonstige Vermögensgegenstände				
– Nummer 2 mit einer Restlaufzeit von bis zu einem Jahr –				
1. Forderungen aus Lieferungen und Leistungen	6.992.623,23		14.959.787,83	
– davon mit einer Restlaufzeit von mehr als einem Jahr EUR 335.050,04 (i. Vj. EUR 1.385.622,18) –				
2. Forderungen gegen verbundene Unternehmen	925,08		18.269,35	
– sämtliche aus Lieferungen und Leistungen				
3. Sonstige Vermögensgegenstände	9.729.173,17	16.722.721,48	5.881.456,40	20.859.513,58
– davon mit einer Restlaufzeit von mehr als einem Jahr EUR 323.241,30 (i. Vj. EUR 280.291,86) –				
III. Kassenbestand und Guthaben bei Kreditinstituten		74.593.815,42		86.305.948,81
		189.445.105,55		211.301.223,69
C. Rechnungsabgrenzungsposten		226.798,50		932.678,09
D. Aktive latente Steuern		1.275.568,60		1.383.634,24
		249.825.941,24		250.367.878,86

Passiva

	31.12.2016	31.12.2015
	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	74.691.069,20	63.164.807,12
	95.288.866,23	83.762.604,15
B. Rückstellungen		
1. Steuerrückstellungen	928.746,48	1.086.025,25
2. Sonstige Rückstellungen	33.775.658,25	32.243.937,34
	34.704.404,73	33.329.962,59
C. Verbindlichkeiten		
– Nummer 1, 3 und 4 mit einer Restlaufzeit von bis zu einem Jahr –		
1. Erhaltene Anzahlungen	91.885.961,35	108.326.359,43
2. Verbindlichkeiten aus Lieferungen und Leistungen	24.879.098,24	21.492.600,64
– davon mit einer Restlaufzeit von mehr als einem und weniger als fünf Jahren EUR 8.667.490,63 (i. Vj. EUR 11.932.920,56) –		
3. Verbindlichkeiten gegenüber verbundenen Unternehmen	31.550,24	0,00
– sämtlich aus Lieferungen und Leistungen –		
4. Sonstige Verbindlichkeiten	2.954.932,44	3.438.505,62
– davon aus Steuern EUR 1.055.952,15 (i. Vj. EUR 2.126.907,85) –		
– davon im Rahmen der sozialen Sicherheit EUR 420.808,29 (i. Vj. EUR 449.341,29) –		
	119.751.542,27	133.257.465,69
D. Passive latente Steuern	81.128,01	17.846,43
	249.825.941,24	250.367.878,86

Takenaka Europe GmbH, Düsseldorf

Gewinn- und Verlustrechnung für die Zeit vom 1. Januar bis 31. Dezember 2016

	2016	2015
	EUR	EUR
1. Umsatzerlöse	205.353.202,67	225.330.296,17
2. Herstellungskosten der zur Erzielung der Umsatzerlöse erbrachten Leistungen	-182.408.510,66	-205.324.070,30
3. Bruttoergebnis vom Umsatz	22.944.692,01	20.006.225,87
4. Vertriebskosten	-932.341,63	-918.592,47
5. Allgemeine Verwaltungskosten	-14.006.531,37	-13.123.181,12
6. Sonstige betriebliche Erträge	5.682.976,82	4.218.376,98
7. Sonstige betriebliche Aufwendungen	-3.750.747,73	-4.112.903,56
8. Erträge aus Beteiligungen - sämtlich aus verbundenen Unternehmen	6.800.000,00	0,00
9. Sonstige Zinsen und ähnliche Erträge	86.849,87	347.786,42
10. Abschreibungen auf Finanzanlagen	-4.393.000,00	0,00
11. Zinsen und ähnliche Aufwendungen	-38.179,17	-34.909,00
12. Steuern vom Einkommen und vom Ertrag – davon aus Änderungen in latenten Steuern EUR -166.629,54 (i. Vj. EUR -243.917,79) –	-837.434,78	-763.537,92
13. Ergebnis nach Steuern	11.556.284,02	5.619.265,20
14. Sonstige Steuern	-30.021,94	-120.369,45
15. Jahresüberschuss	11.526.262,08	5.498.895,75
16. Gewinnvortrag	63.164.807,12	57.665.911,37
17. Bilanzgewinn	74.691.069,20	63.164.807,12

Takenaka Europe GmbH, Düsseldorf

Anhang für das Geschäftsjahr 2016

(1) Allgemeine Angaben

Die Takenaka Europe GmbH mit Sitz in Düsseldorf ist in das Handelsregister Düsseldorf unter der Nummer HRB 4453 eingetragen.

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 2016 zugrunde liegenden Bilanzierungs- und Bewertungsmethoden wurden unverändert zum Vorjahr angewandt.

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

Aufgrund der Änderungen im Rahmen des Bilanzrichtlinie-Umsetzungsgesetz („BilRUG“) wurde sowohl das Gliederungsschema auf die Fassung des BilRUG angepasst, als auch die veränderte Definition der Umsatzerlöse im Sinne des § 277 Abs. 1 HGB angewendet. Aus der erstmaligen Anwendung des § 277 Abs. 1 HGB in der Fassung des Bilanzrichtlinie-Umsetzungsgesetzes ergab sich keine Änderung in Bezug auf die Umsatzerlöse.

(2) Bilanzierungs- und Bewertungsgrundsätze

Entgeltlich von Dritten erworbene **immaterielle Vermögensgegenstände des Anlagevermögens** werden zu Anschaffungskosten aktiviert und über den Zeitraum der Nutzung planmäßig linear 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 410 werden im Jahr ihrer Anschaffung vollständig abgeschrieben und aus Vereinfachungsgründen im Anlagespiegel als Zugang und Abgang gezeigt.

Die **Finanzanlagen** sind zu Anschaffungskosten und bei dauernder Wertminderung vermindert um außerplanmäßige Abschreibungen angesetzt.

Die im Vorratsvermögen ausgewiesenen **unfertigen Leistungen** werden gemäß § 255 Abs. 2 Satz 2 HGB zu Herstellungskosten angesetzt. In Ausübung des Wahlrechtes gemäß § 255 Abs. 2 Satz 3 HGB werden im Rahmen der Vorratsbewertung keine allgemeinen 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 fertiggestellter abgerechneter Projekte werden für die ausstehenden Rechnungen von Sublieferanten Rückstellungen gebildet.

Der Wert der pauschalen Garantierückstellung entspricht 0,3 % (i. 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 kurzfristiger **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.

Aktive **latente Steuern** auf steuerliche Verlustvorträge und abweichende Wertansätze in der Handels- und Steuerbilanz sind entsprechend des Wahlrechts nach § 274 Abs. 1 Satz 2 HGB angesetzt worden.

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

Anlagevermögen

Die Entwicklung des Anlagevermögens (Anlagespiegel) ist in einer separaten Aufstellung als Anlage zum Anhang enthalten.

Latente Steuern

Die Gesellschaft hat latente Steuern gemäß § 274 HGB bilanziert.

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

Betriebsstätte	Steuersatz	Aktive latente Steuern auf Verlustvorträge	Aktive latente Steuer auf temporäre Differenzen	Passive latente Steuern auf temporäre Differenzen	Aktive latente Steuern	Passive latente Steuern
	%	TEUR	TEUR	TEUR	TEUR	TEUR
Deutschland	31,2	1.140	14	566	588	-
Slowakei	22,0	346	5	-	351	-
Polen	19,0	73	280	107	246	-
Ungarn	9,0	70	764	777	57	-
Belgien	34,0	29	-	-	29	-
Niederlande	25,0	-	5	-	5	-
Tschechien	19,0	-	-	81	-	81
		1.658	1.068	1.531	1.276	81

Die aktiven latenten Steuern auf temporäre Differenzen betreffen im Wesentlichen abweichende Ansätze von Garantierückstellungen für steuerliche Zwecke.

Aktive latente Steuern der deutschen, der slowakischen, der ungarischen, der polnischen, der belgischen und der niederländischen Betriebsstätte betreffen mit insgesamt TEUR 1.658 steuerliche Verlustvorträge, bei denen mit einer Nutzung innerhalb der nächsten drei Jahre gerechnet wird.

Eigenkapital

Gemäß § 268 Abs. 8 HGB ist der Betrag der aktiven latenten Steuern abzüglich der passiven latenten Steuern in Höhe von insgesamt TEUR 1.195 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 betreffen im Wesentlichen Rückstellungen für Steuern vom Einkommen und vom Ertrag der tschechischen (TEUR 359), der ungarischen (TEUR 327) und der deutschen (TEUR 239) Zweigniederlassung.

Sonstige Rückstellungen

Die sonstigen Rückstellungen in Höhe von TEUR 33.776 betreffen im Wesentlichen noch nicht berechnete Subunternehmerleistungen für abgeschlossene Projekte (TEUR 27.519) und Garantieleistungen (TEUR 4.627).

Umsatzerlöse

Die geographische Aufteilung der Umsatzerlöse stellt sich wie folgt dar:

Land	2016	2015
	TEUR	TEUR
Tschechien	58.742	27.881
Polen	49.793	22.523
Deutschland	36.060	36.665
Ungarn	26.909	94.638
Italien	12.689	0
Großbritannien	7.160	3.494
Belgien	5.580	4.779
Niederlande	3.029	1.705
Slowakei	2.120	11.983
Spanien	1.687	809
Frankreich	1.412	18.288
Rumänien	172	2.565
	205.353	225.330

Materialaufwand

Die Materialaufwendungen belaufen sich im Geschäftsjahr 2016 auf TEUR 182.409 (i. Vj. TEUR 205.324).

Die Materialaufwendungen betreffen ausschließlich Aufwendungen für bezogene Leistungen.

Personalaufwand

Die in den Vertriebs- und allgemeinen Verwaltungskosten enthaltenen Personalaufwendungen belaufen sich im Geschäftsjahr 2016 auf TEUR 7.536 (davon Löhne und Gehälter TEUR 4.753, soziale Abgaben TEUR 2.634 und Altersversorgung TEUR 140). Im Geschäftsjahr 2015 beliefen sich die Personalaufwendungen auf TEUR 7.215 (davon Löhne und Gehälter TEUR 4.848, soziale Abgaben TEUR 2.243 und Altersversorgung TEUR 125).

Periodenfremde Erträge

In den sonstigen betrieblichen Erträgen sind periodenfremde Erträge in Höhe von TEUR 3.550 enthalten, die im Wesentlichen aus der Auflösung von sonstigen Rückstellungen (TEUR 2.525) resultieren, davon insbesondere aus der Auflösung von Garantierückstellungen der slowakischen, der rumänischen und der tschechischen Betriebsstätte in Höhe von TEUR 836, TEUR 569 bzw. TEUR 458.

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.

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 896 (i. Vj. TEUR 1.065) in den sonstigen betrieblichen Erträgen sowie Kursverluste in Höhe von TEUR 2.927 (i. Vj. TEUR 2.794) in den sonstigen betrieblichen Aufwendungen ergebniswirksam berücksichtigt.

Erträge aus Beteiligungen

Die Erträge aus Beteiligungen enthalten eine Dividendenzahlung der Takenaka Belgium B.V. in Höhe von TEUR 6.800.

Abschreibungen auf Finanzanlagen

Bedingt durch eine voraussichtlich dauernde Wertminderung wurde gemäß § 253 Abs. 3 Satz 5 HGB auf den Buchwert der Beteiligung an Takenaka India Private Ltd., Gurgaon-Haryana/Indien, in 2016 eine außerplanmäßige Abschreibung in Höhe von TEUR 1.005 vorgenommen.

Aufgrund unzureichender Ertragsaussichten der Takenaka Belgium B.V. wurde auch der Buchwert dieser Beteiligung außerplanmäßig um TEUR 3.388 auf TEUR 62 abgeschrieben.

(4) Sonstige Angaben

Sonstige finanzielle Verpflichtungen

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

	TEUR
Fällig innerhalb des nächsten Jahres	1.663
Fällig innerhalb des zweiten bis fünften Jahres	3.819
Fällig nach fünf Jahren	318
	5.800

Anzahl Mitarbeiter

Im Geschäftsjahr 2016 betrug die durchschnittliche Anzahl der Mitarbeiter ohne Geschäftsführer 297 (i. Vj. 256). Davon waren durchschnittlich 68 Mitarbeiter in der deutschen Niederlassung und 229 Mitarbeiter in den übrigen europäischen Niederlassungen angestellt.

Mitglieder der Geschäftsführung

Der Geschäftsführung gehörten folgende Mitglieder an, die mit Ausnahme von Herrn Beom-Yong Sung einzelvertretungsberechtigt sind:

- Masayuki Takinami, Kaufmann, Düsseldorf, Vorsitzender der Geschäftsführung
- Beom-Yong Sung, Kaufmann, Bad Homburg
- Shoichiro Shibuta, Kaufmann, Yokohama/Japan (ab dem 1.03.2016)
- Takeshi Yanagi, Kaufmann, Düsseldorf (ab dem 24.03.2016)
- Yutaka Kawashima, Kaufmann, Tokio/Japan (bis 29.02.2016)
- Kazuhiko Maruyama, Kaufmann, Düsseldorf, (bis 23.03.2016)

Die Gesamtbezüge der Mitglieder der Geschäftsführung für 2016 betrugen TEUR 889.

Anteile an verbundenen Unternehmen

Zum Bilanzstichtag hält die Gesellschaft die folgenden Anteile an verbundenen Unternehmen:

Verbundenes Unternehmen	Anteil	Lokale Währung	Nennkapital	Eigenkapital zum 31.12.2016	Ergebnis 2016
	%		In lokaler Währung	In lokaler Währung	In lokaler Währung
Takenaka Corporation U.S.A., Delaware/USA	90,0	TUSD	3.000	7.033	521
Takenaka Belgium N.V., ¹ Machelen/Belgien	99,9	TEUR	62	220	-37
Takenaka Netherlands B.V., Amsterdam/Niederlande	100,0	TEUR	1.361	662	0
Takenaka India Private Ltd., Gurgaon-Haryana/Indien ²	99,999	TINR	750.000	129.951	-6.638
TAK Realty UK Ltd. London/UK	51,61	TGBP	46.500	46.529	1.142

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

Beteiligung

Im Juni 2016 wurde für TEUR 26.434 eine Beteiligung von 16,67 % an der TAK Realty NY INC, NY/U.S.A. erworben.

¹ Im Februar 2016 hat die Takenaka Belgium N.V. eine Dividende in Höhe von EUR 6,8 Mio. an die Takenaka Europe GmbH ausgeschüttet.

² Angaben basieren auf dem Abschluss für den Zeitraum vom 1. April 2015 bis zum 31. März 2016.

Ergebnisverwendung

Die Geschäftsführung schlägt der Gesellschafterin vor, den Jahresüberschuss in Höhe von EUR 11.526.262,08 auf neue Rechnung vorzutragen.

Konzernabschluss

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

Unter Anwendung der Ausnahmeregelung des § 292 HGB sieht Takenaka Europe GmbH von der Erstellung eines Konzernabschlusses und Konzernlageberichtes ab.

Die Takenaka Europe GmbH veröffentlicht den in die deutsche Sprache übersetzten IFRS-Konzernabschluss ihrer obersten Muttergesellschaft im Sinne des § 325 HGB.

Angaben zum Honorar des Abschlussprüfers gemäß § 285 Nr. 17 HGB

	2016	2015
	TEUR	TEUR
Abschlussprüfungsleistungen	219	211
Steuerberatungsleistungen	70	55
	289	266

Vorgänge von besonderer Bedeutung nach Beendigung des Geschäftsjahres

Unsere Tochter Takenaka Corporation U.S.A., Delaware/USA hat zwischen August 2014 und Dezember 2015 für das Joint Venture der Fukai Mfg. Co. Ltd., der Toyoda Iron Works Co., Ltd. und der d/b/a Toyotetsu eine neue Fabrik gebaut. In 2017 wurden erhebliche Erhebungen und Risse im Fabrikboden entdeckt. Ursächlich hierfür waren Eisenausdehnungen und Stahlaussonderungen die durch Grundwasser verursacht wurden. Wir verstehen, dass die Gewährleistungsansprüche USD 18,4 Mio betragen. Als Folge dessen ist unsere Tochter überschuldet und sind Liquiditätszuschüsse durch die Takenaka-Gruppe erforderlich. Aufgrund der aktuellen Geschäftslage unserer Tochter und der unsicheren zukünftigen Geschäftserwartungen werden wir unseren Beteiligungsansatz in Höhe von TEUR 3.138 in 2017 außerplanmäßig in voller Höhe abschreiben.

Düsseldorf, den 31. August 2017

Takenaka Europe GmbH

Masayuki Takinami

Shoichiro Shibuta

Beom-Yong Sung

Takeshi Yanagi

Takenaka Europe GmbH, Düsseldorf

Entwicklung des Anlagevermögens im Geschäftsjahr 2016

	Anschaffungskosten				
	1.1.2016	Fremd- währungs- anpassung	Zugänge	Abgänge	31.12.2016
	EUR	EUR	EUR	EUR	EUR
I. Immaterielle Vermögens- gegenstände					
Entgeltlich erworbene EDV-Software	1.626.660,97	-4.029,08	50.632,52	8.110,15	1.665.154,26
II. Sachanlagen					
1. Bauten einschließlich Mietereinbauten	418.627,57	0,00	213.658,90	116.238,26	516.048,21
2. Andere Anlagen, Betriebs- und Geschäfts- ausstattung	3.137.672,75	-23.292,72	334.528,38	198.908,88	3.249.999,53
	3.556.300,32	-23.292,72	548.187,28	315.147,14	3.766.047,74
III. Finanzanlagen					
1. Anteile an verbundenen Unternehmen	46.759.142,35	0,00	0,00	0,00	46.759.142,35
2. Beteiligung	0,00	0,00	26.434.047,05	0,00	26.434.047,05
	46.759.142,35	0,00	26.434.047,05	0,00	73.193.189,40
	51.942.103,64	-27.321,80	27.032.866,85	323.257,29	78.624.391,40

1.1.2016	Kumulierte Abschreibungen			Buchwerte		
	Fremd- währungs- anpassung	Ab- schreibungen	Abgänge	31.12.2016	31.12.2016	31.12.2015
EUR	EUR	EUR	EUR	EUR	EUR	EUR
1.206.483,43	-3.917,05	129.590,08	8.110,15	1.324.046,31	341.107,95	420.177,54
208.478,42	0,00	165.244,74	116.238,26	257.484,90	258.563,31	210.149,15
2.647.798,95	-20.064,34	209.691,06	195.034,07	2.642.391,60	607.607,93	489.873,80
2.856.277,37	-20.064,34	374.935,80	311.272,33	2.899.876,50	866.171,24	700.022,95
11.129.000,00	0,00	4.393.000,00	0,00	15.522.000,00	31.237.142,35	35.630.142,35
0,00	0,00	0,00	0,00	0,00	26.434.047,05	0,00
11.129.000,00	0,00	4.393.000,00	0,00	15.522.000,00	57.671.189,40	35.630.142,35
15.191.760,80	-23.981,39	4.897.525,88	319.382,48	19.745.922,81	58.878.468,59	36.750.342,84

Takenaka Europe GmbH, Düsseldorf

Lagebericht für das Geschäftsjahr 2016

A. Grundlagen des Unternehmens

Die Takenaka Europe GmbH, Düsseldorf (im Folgenden „das Unternehmen“), befasst sich mit der Erbringung von Beratungs-, Planungs- und Ingenieurleistungen im Baubereich sowie Bauleistungen durch Dritte mit den Leistungsbildern eines Generalübernehmers oder -unternehmers und allen Tätigkeiten im Zusammenhang mit dem Gebäudemanagement. Des Weiteren bietet das Unternehmen Leistungen in den Bereichen Projektmanagement und Projektentwicklung an.

Das Unternehmen ist eine 100%ige Tochtergesellschaft der Takenaka Corporation, Osaka/Japan, eines der ältesten Unternehmen Japans in der Baubranche mit einer langjährigen Unternehmensgeschichte von über 400 Jahren.

Das Unternehmen betreibt Niederlassungen in Belgien, den Niederlanden, Italien, Spanien, der Tschechischen Republik, der Slowakei, Polen, Ungarn, Frankreich, Rumänien und Großbritannien.

Die Takenaka Europe GmbH ist an folgenden Tochterunternehmen beteiligt:

- Takenaka Corporation U.S.A. (90,0%ige Beteiligung)
- Takenaka India Private Ltd. (99,999%ige Beteiligung)
- Takenaka Belgium N.V. (99,9%ige Beteiligung)
- Takenaka Netherlands B.V. (100%ige Beteiligung)
- TAK Realty UK Ltd.¹ (51,61%ige Beteiligung)
- TAK Realty NY Inc.² (16,67%ige Beteiligung)

¹ Die Gesellschaft hält mittelbare Anteile an dem in London befindlichen Bürokomplex „One Fleet Place“.

² Die Gesellschaft hält mittelbare Anteile an dem in New York befindlichen Hotel „Andaz 5th Avenue“.

B. Wirtschaftsbericht

1. Gesamtwirtschaftliche und branchenbezogene Rahmenbedingungen

Die Geschäftstätigkeit des Unternehmens ist direkt beeinflusst durch die Entwicklung der Märkte in Deutschland und Europa. Zudem ist die Geschäftstätigkeit unserer Töchter in den USA und in Indien beeinflusst durch die Entwicklung dieser Märkte. Diesbezüglich sind die Prognosen des Sachverständigenrats zur Begutachtung der gesamtwirtschaftlichen Entwicklung und des IWF (Internationaler Währungsfonds) für 2017 sogar optimistisch, denn das weltwirtschaftliche Wachstum soll von +3,0 % in 2016 auf +3,4 % in 2017 steigen. Ein anderer Aspekt der Robustheit der aktuellen Lage sind Trägheit und Reibungsverluste im politischen Prozess. Auch Fehlentscheidungen schlagen sich nicht sofort und nicht in vollem Umfang auf die wirtschaftlichen Verhältnisse nieder. Die Börsen signalisieren mit steigenden Aktienkursen sogar positive Wachstumserwartungen für die USA und die Wirtschaft verdaut Brexit und Referendum in Italien mit stoischer Gelassenheit. Optimismus wäre jedoch fehl am Platz. Die Risiken für die Zeit nach 2017 erhöhen sich derzeit erheblich.

Deutschland:

Die Bauunternehmen meldeten für das Gesamtjahr 2016 ein Orderplus von nominal 14,6 %. Der vom Statistischen Bundesamt berechnete preis-, saison- und arbeitstäglich bereinigte Rückgang des Auftragseingangs von 0,3 % zum Dezember 2016³ ist somit nicht Ausdruck einer schwächelnden Baukonjunktur, sondern Folge des mittlerweile erreichten hohen Auftragsniveaus. Der Anteil der Hochbauprojekte mit einem Projektvolumen von über EUR 500.000 hat sich innerhalb von 13 Jahren auf 14 % verdoppelt³. Dies ist neben gestiegenen Ansprüchen und zunehmendem internationalen Kapital auch auf gestiegene Baukosten aufgrund der Energieeinsparverordnung zurückzuführen. Preiswert bauen gehört der Vergangenheit an: Der Anteil der Projekte im unteren Preissegment bis EUR 150.000 hat sich im gleichen Zeitraum auf 21 % halbiert³. Das Bauvolumen in Deutschland dürfte auch in diesem und im kommenden Jahr deutlich steigen, wenn auch nicht ganz so stark wie im vergangenen Jahr. Der Wohnungsneubau und der öffentliche Tiefbau sind gegenwärtig noch die wesentlichen Wachstumsträger. Maßnahmen im Gebäudebestand dürften aber zunehmend an Bedeutung gewinnen. Allerdings zeichnet sich derzeit auch ab, dass die Bauwirtschaft an die Grenzen ihrer Produktionskapazitäten stößt, die Auslastungsgrade sind vielerorts hoch.

Europa:

Im Jahr 2016 legte die europäische Bautätigkeit um insgesamt 3 % zu. In sieben Ländern – Frankreich, Irland, den Niederlanden, Norwegen, Polen, Portugal und Spanien – sogar um rund 4 %. Es zeigen sich derzeit keine allzu großen Unterschiede, was die Entwicklung in den einzelnen Baubereichen angeht. Während der Wohnungsbau in Europa 2016 um mehr als 3 % expandierte, erzielte der Nichtwohnhochbau einen Zuwachs von knapp 3 % und der Tiefbau von gut 2,5 %⁴.

³ Quelle: Die Zahlen der Bauwirtschaft 2015-2017

⁴ Quelle: Europäische Bauwirtschaft: Stärkeres Wachstum in den Jahren 2016 und 2017

Zu den Impulsgebern für die europäische Baunachfrage zählen die wieder positivere wirtschaftliche Entwicklung, die überaus günstigen Finanzierungskosten sowie die vergrößerten Ausgabenspielräume von Seiten etlicher Staaten. Daneben spielen aber auch demographische Aspekte – wie die ausgeprägte Zu- bzw. Binnenwanderung – und die immense Bauzurückhaltung, die in den vergangenen Jahren in einigen europäischen Regionen zu beobachten war, eine wichtige Rolle. Nach der Herbstprognose der EU-Kommission wächst die Wirtschaft wieder und die Arbeitslosigkeit geht zurück. Sogar die Staatsverschuldung sinkt. Der EU-Wirtschaftskommissar sieht die EU auf gutem Weg. Die Zuwächse täuschen jedoch darüber hinweg, dass sich das Wachstum 2016 um -0,3%-Punkte zurückbildet und 2017 um weitere -0,2% Punkte. Es wird damit 2017 nur noch bei +1,4 % liegen. Es könnte tatsächlich aber noch schlechter ausfallen, da die Auswirkungen des Brexit sich bisher kaum in den Prognosen niedergeschlagen haben. Die Staatsverschuldung entspannt sich zwar, aber nur im Durchschnitt aller Staaten. Bei den eigentlichen Defizitsündern geht es hingegen kaum voran. In Italien macht die Verschuldung bereits deutlich mehr als die jährliche Wirtschaftsleistung (BIP) aus. Spanien überschreitet die 100 %-Marke soeben und Frankreich ist auch bald soweit. Das Maastricht-Kriterium sah einmal 60 % vor. Das Wachstum des Euroraums liegt in 2016 bei +1,6 % und wird in 2017 bei +1,4 % liegen.

USA:

Die wirtschaftliche Entwicklung der USA ist derzeit der Renner in den Wirtschaftsnachrichten. Die Optimisten hoffen auf Deregulierung, Steuersenkung und staatliche Infrastrukturprogramme. Die Pessimisten erkennen deren kurzfristige Wirkungen zwar an, aber sehen vor allem die mittelfristigen Folgen einer solchen Politik. Eine weiter wachsende Verschuldung könnte das Vertrauen in die Solidität der US-Staatfinanzen erodieren lassen. Wird das Geld für Infrastrukturmaßnahmen ausgegeben, ist der Effekt geringer als bei einer Senkung der Steuer. Beide Maßnahmen werden vorübergehend das Wachstum beflügeln, aber letztlich Preise und Zinsen steigen lassen. Auch die Erhöhung der Importzölle in großem Umfang ginge nur, wenn die USA die Welthandelsorganisation WTO verlassen würde. Damit würde man sich aber auch die Exportmärkte verschließen. Die größte Gefahr der angekündigten Wirtschaftspolitik geht von einem starken Anstieg der Zinsen aus. Der US-Arbeitsmarkt zeigt sich robust. Mehr Menschen suchen nach Arbeit und die Arbeitslosenquote sinkt 2016 auf 4,9 % und 2017 auf 4,7 %. Das IFW erwartet für das zweite Halbjahr eine Beschleunigung der konjunkturellen Dynamik. Insgesamt ist die US-Wirtschaft in 2016 um +1,6 % gewachsen und wird in 2017 und 2018 um etwa +2,5 % wachsen.

Indien:

Die Schwellenländer Südasiens wuchsen in 2016 mit +4,8 % und das Wachstum in 2017 wird mit +4,9 % prognostiziert. In Indien wies das Wachstum für das zweite Quartal 2016 +7,1 % aus. Nach den offiziellen Angaben expandierte das Verarbeitende Gewerbe äußerst kräftig. Die indische Industrieproduktion entwickelte sich im 2016 hingegen schwach. Auch war Umfragen zufolge die Stimmung in der Industrie eher gedämpft. Die Teuerungsrate auf der Verbraucherstufe ging von +5,7 % im zweiten Quartal 2016 auf +5,2 % im dritten Quartal 2016 zurück. Die Zentralbank hat daraufhin im Oktober 2016 den Leitzins gesenkt. Für 2017 wird ein Wachstum in ähnlicher Höhe (+7,4 %) erwartet.

2. Geschäftsverlauf

2.1 Ertragslage

Trotz des Rückgangs der Umsatzerlöse um EUR 20,0 Mio auf EUR 205,4 Mio stieg der Jahresüberschuss um EUR 6,0 Mio auf EUR 11,5 Mio (i. Vj. EUR 5,5 Mio). Insofern ist das Unternehmen mit der Entwicklung im Geschäftsjahr zufrieden.

Während des Geschäftsjahres 2016 wurden die folgenden großen Projekte fertiggestellt:

- NGK Second factory Ph.2 (Polen)
- Sungwoo WMU Bavaria New Factory (Deutschland)
- KYB Czech Factory ph-3 (Tschechische Republik)
- Mubea New factory (Polen)
- Expo Milano, Japanese Pavillon (Italien)
- NHK Spring Hungary Construction (Ungarn)
- Mobis LED New Factory (Tschechische Republik)
- Bridgestone Phase 3 (Ungarn)
- Denso Czech Factory Extension (Tschechische Republik)
- Daikin Plzen Anechoic chamber (Tschechische Republik)
- WMU Bavaria New Office Building (Deutschland)
- Meiko New Logistic Center (Polen)

Die Rohmarge (Bruttoergebnis vom Umsatz im Verhältnis zu den Umsatzerlösen) steigt um 2,3%-Punkte im Vergleich zum Vorjahr auf 11,2 %.

Die allgemeinen Verwaltungskosten erhöhten sich um TEUR 884 auf TEUR 14.007.

Die sonstigen betrieblichen Aufwendungen verringerten sich um TEUR 362 auf TEUR 3.751 und beinhalten im Wesentlichen Wechselkursverluste.

Die sonstigen betrieblichen Erträge stiegen um TEUR 1.465 auf TEUR 5.683, im Wesentlichen bedingt durch den Anstieg der periodenfremden Erträge aufgrund der Auflösung von sonstigen Rückstellungen.

Bedingt durch das allgemein sehr niedrige Zinsniveau sanken die Zinserträge trotz des hohen Bankguthabens im laufenden Geschäftsjahr um TEUR 261 auf TEUR 87.

Der Jahresüberschuss beträgt im Geschäftsjahr TEUR 11.556 und stieg im Vergleich zum Vorjahr um TEUR 5.937. Diese Änderung resultiert hauptsächlich aus dem höheren Bruttoergebnis vom Umsatz und aus der Dividendenzahlung der Takenaka Belgium N.V., Machelen/Belgien in Höhe von TEUR 6.800. Jedoch haben die Abschreibungen auf Finanzanlagen in Höhe von TEUR 4.393 diese Effekte teilweise kompensiert.

Die Steuern vom Einkommen und vom Ertrag stiegen um TEUR 74 auf TEUR 837, im Wesentlichen bedingt durch die hohen Steuern in Tschechien, Ungarn und Deutschland.

Der Jahresüberschuss beträgt TEUR 11.526 (i. Vj. TEUR 5.499).

2.2 Vermögens- und Finanzlage

Die Bilanzsumme beläuft sich am Ende des Geschäftsjahres 2016 auf TEUR 249.826 (i. Vj. TEUR 250.368).

Der Rückgang der Bilanzsumme um TEUR 542 umfasst auf der Aktivseite im Wesentlichen die Erhöhung der Finanzanlagen um TEUR 22.041, aufgrund des Erwerbs von Anteilen an TAK Realty NY INC, New York/USA über EUR 26,4 Mio sowie den Rückgang der Forderungen aus Lieferungen und Leistungen um TEUR 7.967 auf TEUR 6.993 und der flüssigen Mittel um TEUR 11.712 auf TEUR 74.594.

Auf der Passivseite betrifft die Abnahme vorrangig die Verringerung der erhaltenen Anzahlungen um TEUR 16.440 auf TEUR 91.886 wohingegen das Eigenkapital um TEUR 11.526 auf TEUR 95.289 und die Verbindlichkeiten aus Lieferungen und Leistungen um TEUR 3.386 auf TEUR 24.879 anstiegen.

Die Eigenkapitalquote (Eigenkapital im Verhältnis zur Bilanzsumme) wuchs von 33,5 % zum 31. Dezember 2015 auf 38,1 % zum 31. Dezember 2016.

Die Eigenkapitalrentabilität (Jahresergebnis im Verhältnis zum Eigenkapital) beträgt 12,1 % (i. Vj. 6,6 %).

Takenaka Corporation U.S.A. (90,0 %ige Beteiligung) verzeichnete im Geschäftsjahr 2016 einen Gewinn von TUSD 521 (i. Vj. TUSD 667).

Takenaka India Private Ltd. (99,999 %ige Beteiligung) erwirtschaftete per 31. März 2016 einen Verlust in Höhe von TINR 6.638 (i. Vj. Verlust in Höhe von TINR 38.491). Die Geschäftstätigkeit startete 2011 in Indien und wir sind zuversichtlich, dass diese Tochtergesellschaft bald ein ausgeglichenes Ergebnis erzielen wird.

Takenaka Belgium N.V. (99,9 %ige Beteiligung) realisierte in 2016 einen Verlust in Höhe von TEUR 37 (i. Vj. Jahresfehlbetrag von TEUR 34). Im Februar 2016 wurde eine Dividende in Höhe von EUR 6,8 Mio an die Takenaka Europe GmbH ausgeschüttet.

Takenaka Netherlands B.V. (100 %ige Beteiligung) realisierte unverändert zum Vorjahr ein Ergebnis von TEUR 0, da das Unternehmen keine operative Geschäftstätigkeit mehr ausübt.

TAK Realty UK Ltd. (51,61 %ige Beteiligung) realisierte im Geschäftsjahr 2016 einen Jahresüberschuss von TGBP 1.142 (i. Vj. Jahresfehlbetrag von TGBP 605).

Darüber hinaus hat das Unternehmen im Juni 2016 eine Beteiligung von 16,67 % an der TAK Realty NY INC, New York/U.S.A. erworben. Diese hält mittelbare Anteile an dem Hotel Andaz 5th Avenue in New York.

Insgesamt kann das Unternehmen auf ein erfolgreiches Geschäftsjahr zurückblicken. Die Umsatzerlöse haben sich entwickelt, wie man es im Vorjahr prognostiziert hatte, nämlich dass Umsatzerlöse von EUR 205 Mio erzielt werden. Erfreulicherweise wurde der prognostizierte Jahresüberschuss von EUR 2 Mio deutlich um EUR 9,5 Mio übertroffen.

3. Finanzielle und nichtfinanzielle Leistungsindikatoren

Das Unternehmen konzentriert sich auf die finanziellen Leistungsindikatoren Umsatz und Jahresüberschuss.

Der wesentliche nicht-finanzielle Leistungsindikator des Unternehmens besteht in den Mitarbeitern des Unternehmens und dem Fachwissen bei der Durchführung von Bauprojekten, die einen erheblichen Einfluss auf die geschäftliche Entwicklung haben, jedoch nicht zur Unternehmenssteuerung genutzt werden.

C. Prognose-, Chancen- und Risikobericht

1. Prognosebericht

Der neuesten Bauvolumenrechnung des DIW Berlin (Deutsches Institut für Wirtschaftsforschung) zufolge ist die Summe der Neubauleistungen und Maßnahmen an bestehenden Gebäuden um 2,5 % im Jahr 2016 gestiegen. Und in den Jahren 2017 und 2018 sollen diese real um 1,6 % beziehungsweise 2,4 % zunehmen. Die Erholung der Baunachfrage in Europa schreitet voran. So ist das Bauvolumen in 2016 mit 3 % fast doppelt so stark gestiegen wie in 2015. 2017 wird das Wachstum allerdings voraussichtlich etwas schwächer ausfallen.

Aufgrund des Auftragsbestandes am Anfang des Geschäftsjahres 2017 erwartet das Unternehmen einen Umsatz von rd. EUR 295 Mio. in 2017.

Darauf basierend erwartet das Unternehmen einen Jahresüberschuss für 2017 von EUR 2,5 Mio.

Die größten laufenden Projekte in 2017 sind die Projekte JLR-BiW und JLR-TaF (Jaguar Land Rover) in der Slowakei, Sungwoo WMU Bavaria, Extension in Deutschland sowie Jarden (Yankee Candle) New factory, Borgers New Factory und UPM Raflatec Extension in Polen sowie Nissin Foods New Factory in Ungarn.

2. Chancen- und Risikobericht

Währungsrisiken entstehen dadurch, dass teilweise Verträge über Bauprojekte in EUR, die Verträge mit Subunternehmern jedoch in der abweichenden Landeswährung geschlossen werden. In den meisten Fällen werden jedoch die Verträge über die Bauprojekte und die Subunternehmerverträge in der gleichen Währung abgeschlossen.

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

Das Unternehmen ist derzeit in zwölf Ländern mit elf 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 das Unternehmen neben der Weiterführung der laufenden Tätigkeit konsequent seine Aktivitäten in ganz Europa aus.

Derzeit ist die generelle Marktsituation in der deutschen Baubranche gut. Weiterhin besteht aber ein hoher Wettbewerb mit anderen Generalunternehmern um eine begrenzte Zahl neuer Projekte auf dem Markt.

Das Unternehmen glaubt, dass es aufgrund des hohen Bauvolumens in der Vergangenheit und seinen Niederlassungen überall in Europa einen Wettbewerbsvorteil hat, und erwartet dadurch eine weitere Stärkung seiner Marktposition.

Insgesamt schätzt das Unternehmen die Chancen höher ein als die Risiken.

Düsseldorf, den 31. August 2017

Takenaka Europe GmbH

Masayuki Takinami

Shoichiro Shibuta

Beom-Yong Sung

Takeshi Yanagi

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 2016 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 aufgrund 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 Gesellschaft. Der Lagebericht steht in Einklang mit dem Jahresabschluss, entspricht den gesetzlichen Vorschriften, vermittelt insgesamt ein zutreffendes Bild von der Lage der Gesellschaft und stellt die Chancen und Risiken der zukünftigen Entwicklung zutreffend dar.

Düsseldorf, den 31. August 2017

KPMG AG
Wirtschaftsprüfungsgesellschaft



Glunz
Wirtschaftsprüfer



Sperling
Wirtschaftsprüfer



Appendix 6

General Engagement Terms

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:

- 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
- examination of tax assessments in relation to the taxes mentioned in (a)
- negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)
- participation in tax audits and evaluation of the results of tax audits with respect to the taxes mentioned in (a)
- 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:

- the treatment of nonrecurring tax matters, e. g. in the field of estate tax, capital transactions tax, real estate acquisition tax
- participation and representation in proceedings before tax and administrative courts and in criminal proceedings with respect to taxes, and
- 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.