Sustainable Growth

Annual Report 2011

HELMA Eigenheimbau AG

The HELMA Group at a glance

Earnings and dividend		2011	2010	2009	2008
Revenue	in € million	103.6	74.5	62.4	56.6
EBITDA	in € million	6.1	3.9	2.4	0.7
Operating earnings (EBIT)	in € million	4.8	2.7	1.1	-0.4
Earnings before tax (EBT)	in € million	3.4	1.9	0.2	-1.2
Net income after minority interests	in € million	2.3	1.3	0.2	-0.9
Earnings per share*	in €	0.83	0.50	0.07	-0.36
Dividend per share	in €	0.20**	0.00	0.00	0.00
Adjusted gross profit margin	in %	21.4	21.6	21.8	20.7
EBIT margin	in %	4.6	3.7	1.8	-0.7
Return on sales (ROS)	in %	2.3	1.8	0.3	-1.7

Sales performance		2011	2010	2009	2008
Net new orders received	in € million	106.8	97.6	86.6	69.0

Selected balance sheet items and key figures		12/31/2011	12/31/2010	12/31/2009	12/31/2008
Equity	in € million	17.1	12.2	10.9	10.7
Net debt	in € million	16.6	10.3	8.8	10.7
Inventories	in € million	19.8	8.6	5.6	5.8
Cash an cash equivalents	in € million	3.8	3.1	2.5	2.2
Total assets	in € million	63.9	43.0	35.4	34.4
Equity ratio	in %	26.7	28.4	30.8	31.1

Other data	12/31/2011	12/31/2010	12/31/2009	12/31/2008
Number of employees	164	131	108	103
Number of showhouses	38	37	37	38

* Relative to the average number of shares in circulation during the financial year
**Proposal

HELMA Eigenheimbau AG
Annual Report 2011

HELMA Eigenheimbau AG

We enjoy building for your life

HELMA Eigenheimbau AG

Planning and solid-construction of individual detached and semi-detached houses for homeowners. We enjoy building for your life.

HELMA Wohnungsbau GmbH

We offer home ownership on a one-stop-shop basis

HELMA Wohnungsbau GmbH

Project management and development of infrastructurally attractive land for private buyers. We offer home ownership on a one-stop-shop basis.

HELMA Ferienimmobilien GmbH

We combine quality of life and a return on your investment

HELMA Ferienimmobilien GmbH

HELMA Ferienimmobilien

Development, construction and sale of holiday properties in popular vacation regions. We combine quality of life and a return on your investment.

Hausbau Finanz GmbH

We provide independent advice

Hausbau Finanz GmbH

Hausbau FINANZ

Searching for and broking optimal building finance and insurance. We provide independent advice.

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Note:

The English version of the annual report of HELMA Eigenheimbau AG at hand is a non-binding translation of the German version. Should any deviations between the English and German versions be found, only the German version applies.

Karl-Heinz Maerzke
Management Board Chairman

Gerrit Janssen
Management Board member

Letter to the shareholders

Dear shareholders,

We look back on an eventful 2011 business year during which we reached important milestones, and further improved our profitability. We reported new records in the year under review, with revenue up 39% to €103.6 million, and €4.8 million of consolidated EBIT.

The marked expansion of our high-margin property development business made an important contribution to these results, in particular. Significant growth in this business area will continue to be possible in the coming years through our acquisition of additional attractive land areas. We have set the course for this growth on the financing side, having fully placed our corporate bond, successfully completed our capital increase, and expanded our collaboration with a widely varying range of banking partners.

Integrating our new subsidiaries into the HELMA Group also proceeded satisfactorily in 2011. Hausbau Finanz GmbH has already brokered €53 million of financing facilities during the first full year in which it has formed part of our Group, for example. Several promising projects were also already prepared in our new holiday homes business area last year, which leads us to expect considerable earnings contributions to Group profits for the next few years.

On the sales side, too, we continued the sustainable growth of recent years, boosting net order intake by more than 9% to €106.8 million. Together with the currently good economic conditions, we are therefore confident that we will be able to further improve revenue and earnings in the 2012 and 2013 financial years, and achieve medium-term EBIT margins of over 6%.

In line with our growing profitability, we also aim to establish a dividend policy characterised by high degree of continuity, thereby also raising the HELMA share's visibility among yield-oriented equity investors. As a consequence, we are planning to propose that the Shareholders' General Meeting in July 2012 approves our first dividend payment. We will nevertheless continue to invest around two thirds of the earnings we generate in our further, ongoing growth, in order to thereby grow sustainably with a healthy and robust capital structure. We are firmly convinced that our leading position in the energy-efficient construction methods area, which we impressively highlighted with the launch of our energy-independent house in 2011, will represent an important pillar of our future success.

We would like to extend our special thanks to all of our staff, as well as to all our specialist advisers, for having actively contributed to the HELMA Group's success in the 2011 business year with their outstanding work. We would also like to thank the Supervisory Board for the constructive and trust based cooperation. In particular, we would also like to thank you, esteemed shareholders, customers and business partners of the HELMA Group, for your confidence and support over the past business year.

Yours sincerely,

Karl-Heinz Maerzke
Management Board Chairman

Gerrit Janssen
Management Board member

The Share / Investor Relations

Listing of the HELMA share

HELMA Eigenheimbau AG has been listed in the Entry Standard of the Frankfurt Securities Exchange (FWB) since September 19, 2006. The HELMA share is traded on the stock exchanges of Berlin, Düsseldorf, Frankfurt, Hamburg, and Stuttgart, as well as on the XETRA electronic trading system.

Key data

Class	Nil-par ordinary bearer shares
ISIN	DE000A0EQ578
Ticker symbol	H5E
Share capital	€2,860,000
Initial listing	September 19, 2006
Market segment	Entry Standard
Designated Sponsor	M.M. Warburg & CO KGaA

Share data

Total number of shares on January 3, 2011	2,600,000
Total number of shares on December 30, 2011	2,860,000
Market capitalisation on January 3, 2011	€21.1 million
Market capitalisation on December 30, 2011	€23.4 million
Closing price on January 3, 2011	€8.13
Closing price on December 30, 2011	€8.19
Highest closing price for the year in 2011	€13.14
Lowest closing price for the year in 2011	€7.45

Performance of the HELMA share

The HELMA share started the 2011 financial year at a price of €8.13, and ended it almost unchanged at €8.19. The share nevertheless fluctuated greatly during the course of the year. It started by rising continuously to €13.14 during the first quarter, before relinquishing these gains almost entirely by the year-end. The HELMA share appreciated significantly with the publication of the 2011 sales figures in early January 2012, registering a double-digit share price level again at €10.37 as of March 23, 2012.

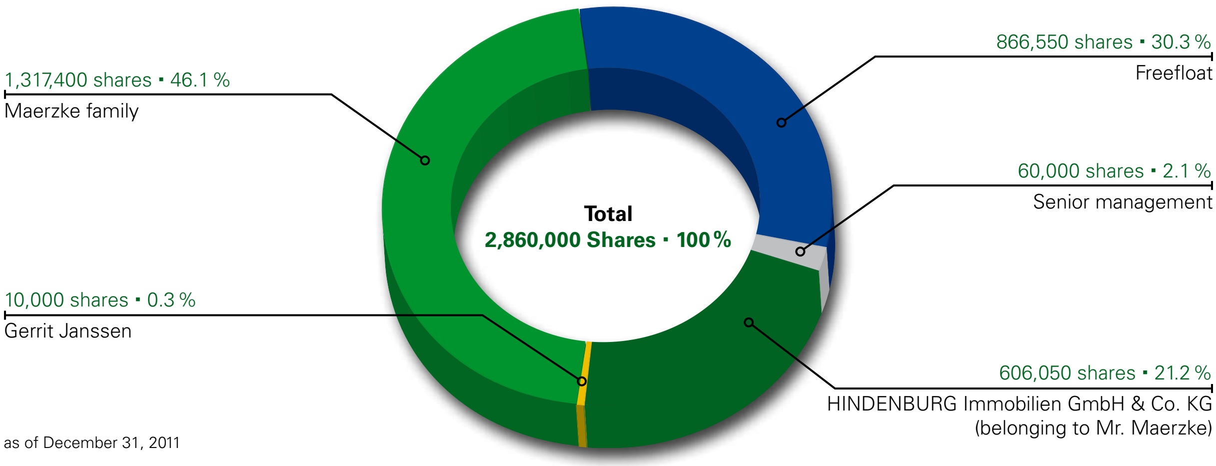
Performance of the HELMA share compared to the Entry Standard Index

Analyst coverage

The HELMA share was covered in the 2011 business year by the following analysts, among others: Torsten Klingner (Warburg Research), Felix Parmantier and Ralf Marinoni (Close Brothers Seydler Research), and Cosmin Filker and Felix Gode (GBC Research). In various studies and commentaries, all three research houses recommended that investors should buy the HELMA share, thereby acknowledging the HELMA Group's sustainably positive business trend. The analysts' recommendations can be downloaded from the HELMA website, within the Investor Relations area.

Shareholder structure

Around 67.3% of HELMA Eigenheimbau AG shares are owned as of December 31, 2011, by company founder and Management Board Chairman Karl-Heinz Maerzke and his family. A further 2.4% are held by Management Board member/CFO Gerrit Janssen and senior management members. The free float stood at 30.3% at the financial year-end, representing an 8.7 percentage point year-on-year increase compared with the previous year's balance sheet date following the successful completion of the capital increase in April 2011. The higher free float level in the year under review was accompanied by a gratifying increase in daily trading volumes in the HELMA share.



as of December 31, 2011

Dividend

We are planning to pay our first dividend since our IPO in September 2006. As a consequence, the Management and Supervisory boards will propose to the Shareholders' General Meeting to be held on July 6, 2012 that it approves the distribution of a dividend of €0.20 per share. An amount of around €0.57 million is therefore to be distributed to shareholders from the parent company's unappropriated retained earnings of approximately €1.69 million.

Our dividend policy is oriented to a high degree of continuity in the medium term, in this context. Presupposing that earnings trends stays positive, and that the company's liquidity position remains robust, this policy envisages a 25% to 35% future payout rate based on the net income generated by the parent company. Accordingly, we not only wish for our shareholders to participate directly in the company's success and profitability, but also intend to invest most of our profits in the company's continued growth, thereby strengthening its equity.

Tax-free dividend status

Dividends paid to shareholders based in Germany are normally subject to income or corporation tax. Private investors are charged with the definitive withholding tax at a flat rate of 25% plus the solidarity surcharge as from 2009. Exceptions may be made under certain circumstances for dividend payments that are regarded as equity repayments for tax purposes (distributions from the tax-recognised contribution account). The dividend of HELMA Eigenheimbau AG satisfies this precondition. The dividend payment constitutes untaxable (i.e. tax-free) income for shareholders in accordance with section 20 (1) clause 1 sentence 3 of the Einkommensteuergesetz (German Income Tax Act). However since 2009 these distributions are taxable due to the new legal status, as capital gains from securities are subject to tax if they are bought after December 31, 2008. In this case the acquisition costs are reduced by the dividends and lead to higher capital gains at the time of the disposal.

Investor relations activities

We continued our intensive investor relations work in 2011, and participated in a total of four investor conferences. In Frankfurt, we presented our company to analysts, investors and financial journalists at the Entry and General Standard Conference in May, as well as at both DVFA (Society of Investment Professionals in Germany) events in April and August 2011. We also participated in the 12th Munich Capital Market Conference in December last year.

In addition, we were represented with a stand and a talk about energy independence at the "Grünes Geld" ("Green Money") trade fair in Munich, with the aim of drawing public attention to the HELMA share and corporate bond, and particularly the attention of individuals interested in sustainable investments.

We completed a roadshow spanning several days in April 2011, meeting with investors in Frankfurt, Munich, Stuttgart, Vienna and Zurich. In this context, we succeeded in gaining several renowned institutional investors from the small cap segment as HELMA shareholders as part of the capital increase.

The financial press also continued to cover our company's positive trend with numerous articles last year. In particular, several such articles reported on the HELMA share and the corporate bond. Some headlines from the articles that have appeared have been presented by way of example on the following pages.

The aforementioned activities also made an important contribution to the success of the bond placement.

HELMA share and corporate bond in the financial press (extracts)

EURO am Sonntag, July 9, 2011

Share of the week – HELMA: cheap growth stock

Börse Online, June 22, 2011

Building on growth – The upturn has reached the German building industry

Immobilien Zeitung, January 19, 2012

HELMA sales up 9.4%

Effecten-Spiegel, July 14, 2011

Favourites for conservative investors – Whether owner-occupier homes located on lucrative construction land in conurbation areas, holiday homes or energy-saving houses, HELMA is successful in all these business segments

Focus Money, January 25, 2012

Residential construction in full swing in Germany – Brisk growth at HELMA

Börse Online, January 19, 2012

The order books are bulging

Hannoversche Allgemeine Zeitung, March 7, 2012

HELMA reports sales gains of almost 40% – Homebuilding company expects further growth

Der Anleihen Finder, February 6, 2012

Ecological owner-occupier home bond - HELMA Eigenheimbau AG reports impressive growth in a good market environment

Der Aktionär, December 21, 2011

HELMA Eigenheimbau offers enormous potential - the bond is attractive

Wirtschaftswoche, August 1, 2011

HELMA bond - Good reasons for success

Der Aktionär, July 20, 2011

The specialist for solid-construction detached and semi-detached homes provides further proof of the robustness of its business model

Hannoversche Allgemeine Zeitung, January 13, 2012

Homebuilder HELMA reports record order intake

Focus Money, June 1, 2011

HELMA share – favourable price

PLATOW Börse, July 18, 2011

HELMA – Growing on a strong financial base

AnlegerPlus, August 1, 2011

Earnings leap thanks to economies of scale – HELMA Eigenheimbau share still attractively valued

nebeneffectenBrief, March 1, 2012

HELMA Eigenheimbau AG – Last year‘s high firmly in sight

GeVestor, October 13, 2011

Interesting second-line stock offering good share price potential

Corporate bond

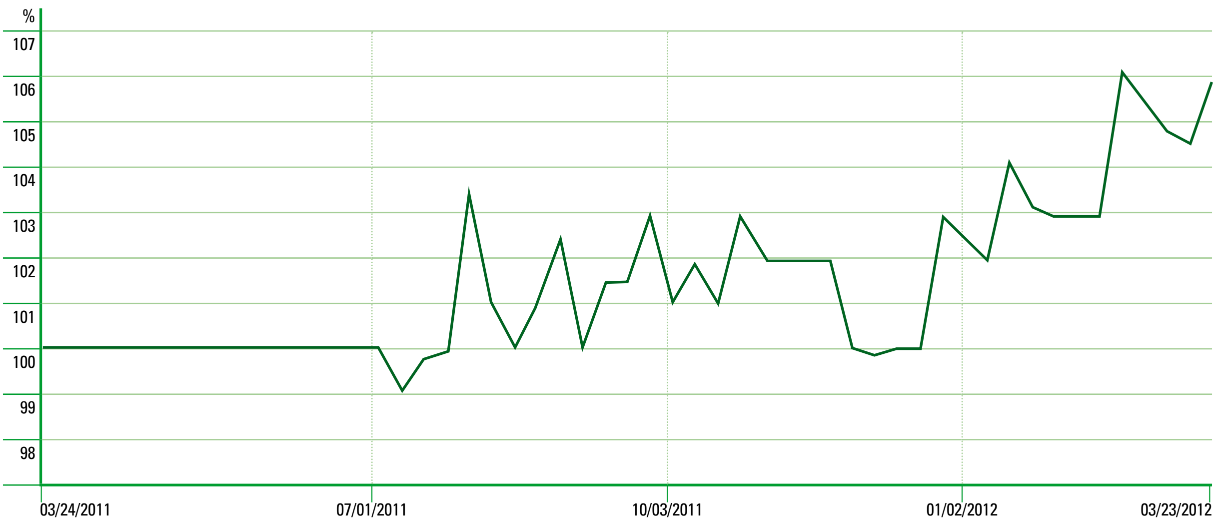
Key Data

Issuer	HELMA Eigenheimbau AG
ISIN	DE000A1E8QQ4
Volume	€10.0 million
Annual coupon	6.5 %
Coupon payment date	Annually on December 1
Term	December 1, 2010 until November 30, 2015
Listing	Düsseldorf Stock Exchange

Price performance of the HELMA bond

The HELMA bond performed very positively over the past twelve months. Having traded constantly at 100% until it was fully placed in June 2011, our bond continued to rise consistently to up to 106%. Consequently, the HELMA bond outperformed so-called 'Mittelstand' bonds (bonds of small and medium-sized German companies) by a wide margin, as well as showing a stable trading trend.

Performance of the HELMA bond



Supervisory Board Report

Dear shareholders,

In the 2011 reporting year, the Supervisory Board performed the tasks incumbent upon it according to statutory requirements, the company's articles of incorporation, and procedural rules. We regularly advised the company's Management Board, and supervised its activity.

The Supervisory Board was directly included in all decisions of fundamental significance for the company. The Management Board informed us regularly, comprehensively and promptly, in both written and verbal reports, about corporate planning, particularly financial, investment and personnel planning, business progress, strategic further development, as well as the Group's current position, including the risk position and risk management.

The Supervisory Board convened for a total of four meetings in the 2011 reporting year, which were attended by all Supervisory Board members on each occasion. The Supervisory Board passed the resolutions required by law, the company's articles of incorporation, or procedural rules. Following thorough review and consultation, decisions were made on the basis of the reporting and the Management Board's proposals for resolutions.

The Supervisory Board was also promptly informed outside the scope of meetings concerning projects and transactions of particular significance or urgency. Resolutions outside the scope of Supervisory Board meetings were passed by means of circulated letters. In the year under review, these included the resolutions about the capital increase in April 2011, and about the land purchases made by HELMA Wohnungsbau GmbH in October 2011 and by HELMA Ferienimmobilien GmbH in December 2011. All members of the Supervisory Board participated in all such resolutions by circulation. Above and beyond this, the Supervisory Board Chairman was in regular contact with the Management Board, thereby allowing events of extraordinary significance for the position and progress of the company and the Group to be discussed immediately.

The Supervisory Board refrained from forming committees given the fact that it consisted of three members in the 2011 financial year.

There were no personnel changes to the Supervisory or Management boards in the year under review. With a letter dated January 27, 2012, however, the replacement Supervisory Board member who was elected by the Shareholders' General Meeting on July 10, 2009, Mr. Kurt Waldorf, relinquished his office as a replacement member of the Supervisory Board of HELMA Eigenheimbau AG. The Supervisory Board would like to thank Mr. Waldorf for his many years of solidarity with the company.

Details of individual Supervisory Board meetings

At the Supervisory Board meeting on March 28, 2011, the annual financial statements of HELMA Eigenheimbau AG and the consolidated financial statements for 2010, as well as the aggregated management report, which had been prepared by the Management Board, were discussed in depth together with the Management Board and the auditor. The Supervisory Board's examinations resulted in no reservations. The annual

Otto W. Holzkamp
Chairman of the Supervisory Board

financial statements of HELMA Eigenheimbau AG and the consolidated financial statements for the 2010 financial year, each of which had been issued with an unqualified audit opinion, were approved, and the annual financial statements of HELMA Eigenheimbau AG were adopted. Over the further course of the meeting, the Management Board explained first-quarter business and sales trends, and the 2011 annual planning, including financial, liquidity and investment planning. The Management Board also informed the Supervisory Board about the current status of the sale of the old administrative building in Isernhagen, and about the progress in placing the HELMA bond. The Management Board also made an extensive presentation to the Supervisory Board about a project to reduce internal leadtimes, and the related package of measures. Further topics covered at the first Supervisory Board meeting in the 2011 financial year included the energy-independent house, the sampling exhibition, an extension to the administrative building in Lehrte, HELMA Ferienimmobilien GmbH's first project in Glowe on the island of Rügen, and preparation for the Ordinary Shareholders' General Meeting, including a discussion of the related agenda.

At the meeting on June 6, 2011, business progress over the first half of 2011, particularly the earnings, financing and order positions, as well as general developments in construction prices, were discussed in detail. This meeting also focused on a follow-up review of the successfully completed capital measures comprising the HELMA bond and the capital increase for cash, the 2011 Ordinary Shareholders' General Meeting, and consultations about land purchases to be realised by the development subsidiaries, including the acquisition of the fourth construction stage at Berlin Karlshorst, along with related financing measures.

At the meeting held on September 26, 2011, the Management Board reported in detail about the HELMA Group's order and earnings positions, the successful development of HELMA Wohnungsbau GmbH and HELMA Ferienimmobilien GmbH, as well as their planned business expansion, including the planned purchase of further land areas. A further focal point of this meeting included consultations concerning, and approval of, a revised set of business procedures for the Management Board. The Management Board also provided information to the Supervisory Board about the development of Hausbau Finanz GmbH, the extension to the administrative building in Lehrte, and personnel development.

At the meeting on December 9, 2011, the Management Board made an in-depth presentation to the Supervisory Board about the specific trends relating to all the subsidiaries, including further planned land purchases by HELMA Wohnungsbau GmbH and HELMA Ferienimmobilien GmbH. In this connection, the Supervisory Board, following a thorough review, approved the €150,000.00 capital increase by HELMA Ferienimmobilien GmbH, to a new total amount of €250,000.00. The Management Board also informed the Supervisory Board concerning the order and earnings trends in the year under review, as well as the HELMA Group's 2012 investment planning and financial position. Further topics at the last meeting of the 2011 financial year included the showhouse planning and the status of the sale of the old administrative building in Isernhagen.

Customer house -
individual planning

Award of the audit mandate to Ebner Stolz Mönning Bachem GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Hanover

At the Ordinary Shareholders' General Meeting on July 8, 2011, shareholders elected Ebner Stolz Mönning Bachem GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Hanover, to be the auditor of the single-entity and consolidated financial statements for the 2011 financial year. The Supervisory Board subsequently awarded the audit mandate and, in doing so, agreed clear rules relating to the specifics of the mandate, and the co-operation between the Supervisory Board and the auditor. The auditor informed the Supervisory Board that there were no circumstances that would give rise to concern about its impartiality. It also provided information about the services it had rendered in connection with the auditing of the financial statements.

Supervisory Board accounts meeting on March 26, 2012

The annual financial statements of HELMA Eigenheimbau AG prepared by the Management Board according to the regulations of the German Commercial Code (HGB) and the consolidated financial statements prepared according to International Financial Reporting Standards (IFRS) for the 2011 financial year, as well as the aggregated management report for HELMA Eigenheimbau AG and the Group, were audited in the light of the financial bookkeeping by Ebner Stolz Mönning Bachem GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Hanover. The auditor awarded unqualified audit opinions.

The documents relating to the annual parent company single-entity and consolidated financial statements, and the audit reports, were discussed in detail together with the Management Board and the auditor at the Supervisory Board accounts meeting on March 26, 2012.

The auditor reported on the findings of the audits, and was available to provide further information to the Supervisory Board. The requisite documents were made available in good time before the Supervisory Board accounts meeting, which allowed sufficient time for them to be inspected. The Supervisory Board concurred with the results of the audit by the external auditor on the basis of its own review of the single-entity annual financial statements, the consolidated financial statements, and the aggregated management report. The Supervisory Board approved the annual and consolidated financial statements without reservations; the annual financial statements have been adopted as a consequence.

The Supervisory Board has examined the Management Board's proposal to distribute from the unappropriated retained earnings of €1,693,332.58 an amount of €572,000.00 as a dividend – corresponding to a dividend of €0.20 per dividend-entitled ordinary share – and to carry forward an amount of €1,121,332.58 to a new account. On the basis of its own review, the Supervisory Board concurs with the Management Board's proposal for the appropriation of earnings.

The auditor awarded the following unqualified audit opinion on the related parties report pursuant to § 312 of the German Stock Corporation Act (AktG), which was prepared by the Management Board, and audited by the auditor:

"In accordance with the audit duties incumbent on us, and in our assessment, we confirm that

1. the actual disclosures of the reports are correct,

2. in the case of the legal transactions listed in the report, the considerations rendered by the company were not inappropriately high,

3. in the case of the measures listed in the report, no circumstances suggest an assessment significantly different from that of the Management Board."

The Supervisory Board also examined the related parties report itself, and discussed it with the Management Board and the auditor at the accounts meeting. Having conclusively ended its review, it has no objections to the final declaration of the Management Board, and agrees with the result of the external audit.

The Supervisory Board would like to thank the Management Board members and all Group company staff for their work. They have again contributed to a very successful year for the HELMA Group.

Lehrte, April 2, 2012

On behalf of the Supervisory Board,

Otto W. Holzkamp
- Chairman -

Aggregated management report for HELMA Eigenheimbau AG and the Group

Contents

Business activity and strategy

Business model

Classic building services business – since 1980
HELMA Eigenheimbau AG is a customer-oriented building services-provider offering a full range of services. The company focuses on the development, planning, sale, and construction management of turnkey or partially completed detached and semi-detached houses using the solid construction method. Particularly the option of individual planning and individualisation without extra costs, as well as the company's outstanding know-how in the area of energy-efficient construction methods, are perceived on the market as HELMA Eigenheimbau AG's unique selling propositions. With its persuasive sustainable energy concepts, the company has established itself as one of the leading providers of solar energy-saving homes, and ranks as one of the most experienced companies in the solid construction house sector, having constructed several thousand owner-occupier homes to date.

Property development business for owner-occupier homes – since 1984
Through its subsidiary, **HELMA Wohnungsbau GmbH**, the HELMA Group also operates as a property developer, focusing on the purchase of attractive property areas that are sold together with individually planned solid-construction HELMA homes as units to customers. Along with detached and semi-detached houses, the product portfolio is expanded by terraced houses constructed to tried and tested solid-construction high quality in select locations. The exclusive property areas owned by the company represent a decisive sales argument, particularly in conurbation areas. Target construction areas comprise up to 200 building plots, and are located in the affluent suburbs of major cities such as Berlin, Frankfurt, Hamburg, Hanover and Munich, or in more centrally located metropolitan areas that enjoy favourable transportation connections to the city centres. The company has established an extensive track record in recent decades, particularly in major metropolitan areas such as Hanover and Berlin, and boasts Germany's largest unofficial showhouse park with its construction area in Berlin-Karlshorst, where around 200 units have meanwhile been constructed.

Holiday property development business – since 2011
The HELMA Group has also started to operate in the property development business for holiday homes since founding **HELMA Ferienimmobilien GmbH** on January 3, 2011. The focus in this context is on the development, planning and sale of holiday homes and apartments that are to be created at locations with good infrastructure development, predominantly on Germany's North Sea and Baltic coasts. Most of these properties will be sold to private customers for their own use, or as a capital investment. With the additional inclusion of strong partners for the further management of properties in the areas of rental, administration and caretaking service, HELMA Ferienimmobilien GmbH offers its customers an attractive all-inclusive package that comprises a key unique selling point.

Finance and building insurance broking – since 2010

As the result of the acquisition, by way of an asset deal, of **Hausbau Finanz GmbH** on August 30, 2010, the HELMA Group now offers an additional service to its customers and prospective homebuyers through its own in-house financial advisory and broking service for building loans that is independent of particular banks. Hausbau Finanz GmbH also arranges building insurance, and commands an extensive customer base in both areas.

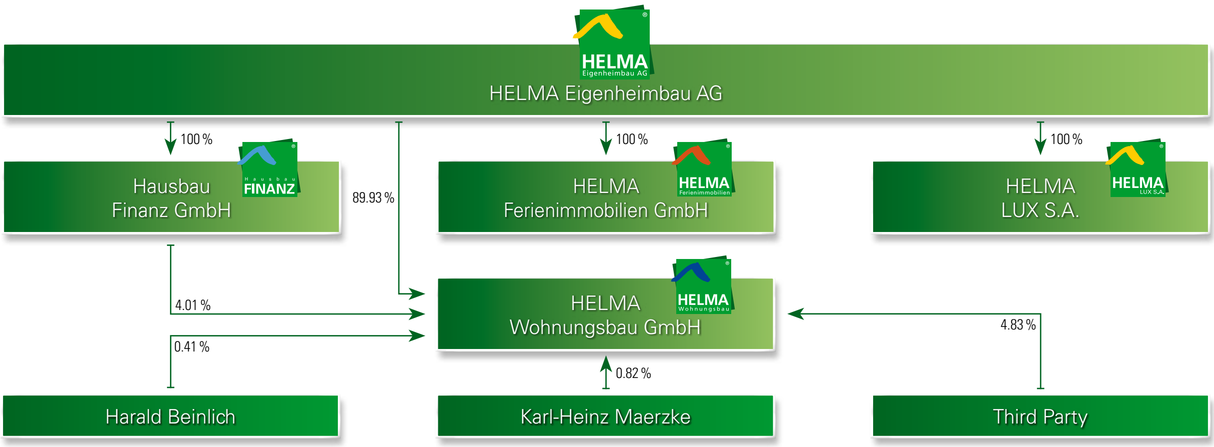
Value Chain

Land purchase	Sales, planning and financing	Construction management	Handover of houses
▪ Mainly performed directly by the customer ▪ HELMA's land purchasing service provides support in the search for appropriate land ▪ Also property development by HELMA Wohnungsbau GmbH and HELMA Ferienimmobilien GmbH	▪ Advice, including online calculation at various showhouse locations, by own commercial representatives and energy consultants ▪ Individual planning without extra costs by own architects and draughtspersons ▪ Financing advice through Hausbau Finanz GmbH subsidiary ▪ Preparation of guaranteed fixed-price offers including HELMA®-BauSchutzBrief	▪ Awarding of contracts to subcontractors at fixed prices ▪ Coordination and supervision of the construction process using our own construction managers ▪ Construction manager functions as customer's contact on-site ▪ Also cooperation with general contractors in holiday homes area	▪ Inspection by independent TÜV expert ▪ Defect-free and without residual works ▪ Transfer of a valuable, energy-efficient solid construction home or attractive holiday home to HELMA housebuyers for own use or as capital investment

Organisational structure

HELMA Eigenheimbau AG is the controlling company of the HELMA Group. As such, it operates as a customer-oriented building services-provider. The company also provides services connected with the management, planning, and execution of construction projects on the basis of a non-gratuitous contract for services or work for its subsidiaries **HELMA Wohnungsbau GmbH** and **HELMA Ferienimmobilien GmbH**, which are primarily responsible for the property development business in the owner-occupier residential and holiday home areas within the HELMA Group. Since 2007, the HELMA Group has also offered its services and acts as a property developer in Luxembourg through **HELMA LUX S.A.**, its wholly-owned HELMA Eigenheimbau AG subsidiary. HELMA Eigenheimbau AG also makes business procurements on behalf of HELMA LUX S.A. Acting as a financial advisory company and home insurance broker, the wholly-owned subsidiary **Hausbau Finanz GmbH** rounds out the HELMA Group's product range.

Organisational chart of the HELMA Group



Sales strategy

Our showhouses are located nation-wide across Germany, and are built based on the solid construction method. They serve both as points-of-sale and as offices for our regional project managers. These showhouses form the cornerstones of our sales concept. At various locations we work together on a commission basis with independent specialist advisors who operate exclusively for us in the building area, and who act as local contacts for potential customers. The financing consultants from Hausbau Finanz GmbH are also available to provide personalised building finance advice to our future home owners at our various sales locations.

The number of our showhouses, which are primarily located in showhouse exhibitions, and close to major transportation routes in the proximity of conurbations, has risen from 15 to 38 over the 2005-2011 period. Our showhouse locations are generally long-term in nature in this context. Only the showhouses of HELMA Wohnungsbau GmbH, which we construct in the larger of our purchased land areas, are sold directly after the successful conclusion of the respective project. As a consequence, we are meanwhile represented with our locations across the entire area of Germany. On a market comparison, we enjoy one of the most up-to-date showhouse portfolios, which consequently represent decisive competitive advantages.

The expansion that we have completed is also particularly evident in the tangible growth in the awareness of the HELMA brand, and the continued high number of potential housebuyers across the whole of Germany who decide to purchase an individual HELMA home. In 2011, we also drew attention to our innovative products for the first time with a national advertising campaign in the form of a house raffle as part of the anniversary of the company Iglo, thereby further sharpening our profile as a provider of individual solid-construction homes, and as a specialist for sustainable energy concepts.

HELMA Group showhouses 2005-2011

Number of showhouses	
2005	15
2006	25
2007	36
2008	38
2009	37
2010	37
2011	**38**

Showhouse HELMA Eigenheimbau AG   Showhouse HELMA Wohnungsbau GmbH

Sales markets

Most of our customers are individuals and families from middle and higher income brackets. Our customer base also includes customers in lower income brackets with access to state grants. Young families with parents in the 25-45 year age range form the largest customer group. Our customers share a common appreciation of the fact that we enable them to comprehensively implement their individual wishes.

Following our successful expansion, we address the whole of Germany and Luxembourg as our sales market today. We place a special focus on construction areas on the edges of, and close to, cities. We identify particularly attractive potential in conurbations in Germany surrounding major cities such as Berlin, Düsseldorf, Frankfurt, Hamburg, Hanover, Munich and Stuttgart. We have taken this ongoing trend towards metropolitan living into particular consideration when selecting our showhouse locations, and we are geographically represented where high new home building demand offers corresponding sales potential.

House
Berlin III

Competitive strengths

Individuality: HELMA creates houses based on solid construction methods that offer sustained value. This includes highly traditional stonework or, on request, brickwork wall elements. Solid construction methods utilising vertical coring clay bricks cater for natural air conditioning regulation, as well as efficient heat and sound insulation. Our scope for individual designs and execution meets all customer requirements. Our house design proposals may represent the perfect home, or simply an inspiration for the implementation of customers' very specific plans. Customers do not incur additional costs for architects' services.

Sustainability: HELMA is distinguished by a high degree of expertise and many years of experience in the area of solar, energy-saving homes, and efficient heating systems. Our focus is on the intensive utilisation of free and inexhaustible solar energy to provide heating. In addition to an attractive cost-benefit relationship, our energy concepts are always developed according to sustainability principles. This means that we are aware of our responsibility to the environment, and of our customers' wishes for a future-oriented and environmentally compatible investment in homes and heating systems. At HELMA, the combination of ecological awareness and sound economic sense drives our sustainability-oriented approach and activities.

Innovation: Thanks to their solid construction method, the high quality of materials employed, as well as the care and expertise of the staff members involved in consultation, planning and execution, HELMA houses offer a special degree of long-term value stability. The underlying principles of our work are constantly augmented by expedient innovations – with the aim of offering genuine added value for our clients and the quality of their homes. We carefully inspect and assess improved materials, optimised work equipment, and more efficient domestic installations in advance with regard to practicability and advantageous utility from the perspective of our customers. At HELMA, innovation is not an end in its own right, but always a targeted step towards added value and efficiency enhancement.

Security: As a stock market listed company, HELMA is committed to the highest degree of transparency. We act as our customers' direct contractual partners, and we are directly responsible to them. The HELMA® BauSchutzBrief construction warranty and insurance automatically forms part of our service scope, and provides extensive security for construction projects and clients. Besides essential construction insurance, this security package contains a contract performance guarantee, an independent technical inspection certificate (provided by the TÜV inspection firm), a construction period guarantee, and final instalment processing by a notary trust account.

House
Bremen

Economic environment

Macroeconomic growth

The German economy continued to report significant growth in 2011. Price-adjusted gross domestic product (GDP) was up 3.0% year-on-year, having appreciated by 3.7% in the previous year. As a consequence, the German economy's economic catch-up process continued for the second year following the economic crisis. Over the course of 2011, the price-adjusted GDP again exceeded the pre-crisis level in this context. The economic upturn occurred primarily in the second half of the year. Germany suffered its sharpest post-war recession with an historic GDP decline of -5.1% in 2009.

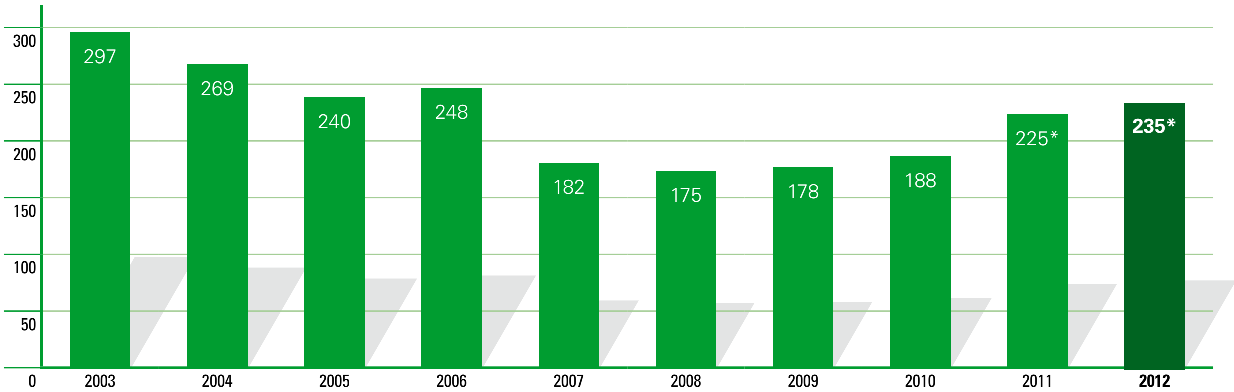
Growth impulses in 2011 were primarily domestic. The positive economic trend particularly reflected private consumer spending, which was up by 1.5% on a price-adjusted basis. Although exports comprise a lower share of GDP growth than domestic demand, they nevertheless remained dynamic. Germany exported 8.2% more goods and services in 2011 than a year previously. Export growth was somewhat less strong (+7.2%). The difference between exports and imports – net exports – consequently contributed 0.8 percentage points to GDP growth in 2011.

Economic research institutes assume further GDP growth in 2012. The Kiel Institute for the World Economy (IfW), the German Institute for Economic Research (DIW), and the Rhine-Westphalia Institute for Economic Research (RWI), estimate that price-adjusted GDP will grow by between 0.5% and 0.6%.

Building approvals in Germany

Building approvals in Germany reported very strong gains in 2011. After residential building approvals reported 5.5% growth in 2010 to around 188,000, LBS Research analysts assume that even stronger growth occurred in 2011 of around 20% to 225,000. They consequently assume that, following the previous years' residential building slump, Germany is now in a recovery process that is urgently needed in order to avoid future residential accommodation bottlenecks, and to cover significantly higher demand.

Residential building approvals in Germany (in thousands of residences)



Source: German Federal Office of Statistics /LBS

* LBS forecast

Overall political environment for the owner-occupier homebuilding sector

Over the coming years, we do not expect the government to set up new programmes that offer the potential to lend additional impulses to new residential construction. For this reason, this section focuses on describing potential politically-led innovations and developments that might have a negative impact on our sector. The owner-occupier supplement was the most important state subsidy in Germany to promote owner-occupier home ownership. This supplement was already abolished several years ago without being replaced. Since then, political risks to the owner-occupier homebuilding sector have diminished greatly. We regard this as an entirely positive turn of events, since it makes corporate planning easier. This is even more so the case given current trends in the photovoltaic sector, which is highly dependent on political decisions, and given the fact that new residential construction has recovered significantly in the last two years even without state intervention.

The owner-occupier homebuilding sector will monitor the specific structuring of the German Energy Saving Ordinance (EnEV 2012) with interest over the course of 2012. Given our leading position in the energy-efficient construction area, we take a relatively relaxed view of such changes, whereby it would be highly desirable if the costs of constructing a new average detached house were not to increase significantly with the introduction of the 2012 German Energy Saving Ordinance (EnEV). As much as we welcome the climate policy objectives behind the EnEV, and insofar as we ourselves have probably already more than complied with the potential requirements of a potential "EnEV 2020" with our energy-independent house, it should remain possible for an average-income family to realise their wish to own their own home. Overall, we are assuming that the changes that will be connected with the EnEV 2012 will be somewhat moderate compared with the EnEV 2009, and that we will be one of the companies in the sector that tends to benefit from an intensification of regulations in this area.

House Florenz

The property acquisition tax increase in many federal states is a second factor making it more expensive to purchase real estate in Germany. The following graph shows the further increases that have already been implemented, and those that have already been approved. Although these tax increases directly raise the incidental costs of buying real estate, they have had hardly any negative effect on demand for owner-occupier homes recently, which is particularly due to the many stimulating effects on real estate demand, which the next section covers in greater detail. Overall, we do not expect property acquisition tax to rise above a maximum level of between 5% and 6% for the time being, and that the related dampening effect on demand for residential property will more than compensate over the coming years for the many demand impulses currently underpinning new residential construction. As the next section makes clear, we currently find ourselves in a market environment that we would appraise as positive on a medium-term view, and where, despite the property acquisition tax increases, there are appropriate conditions that allow us to successfully continue in the future with the significant corporate growth that we have reported over recent years.

Changes in property acquisition tax rates

German federal state	Tax rate since 1998	Tax rate increase from	Tax rate increase to	Tax rate increase from	Tax rate increase to
Berlin	3.5 %	01/01/2007	4.50 %	04/01/2012	5.00 %
Brandenburg	3.5 %	01/01/2011	5.00 %	-	-
Baden-Württemberg	3.5 %	11/05/2011	5.00 %	-	-
Bremen	3.5 %	01/01/2011	4.50 %	-	-
Hamburg	3.5 %	01/01/2009	4.50 %	-	-
Mecklenburg-Vorpommern	3.5 %	07/01/2012	5.00 %	-	-
Lower Saxony	3.5 %	01/01/2011	4.50 %	-	-
North Rhine Westphalia	3.5 %	10/01/2011	5.00 %	-	-
Rhineland Palatinate	3.5 %	03/01/2012	5.00 %	-	-
Saarland	3.5 %	01/01/2011	4.00 %	01/01/2012	4.50 %
Saxony-Anhalt	3.5 %	03/01/2010	4.50 %	03/01/2012	5.00 %
Schleswig-Holstein	3.5 %	01/01/2012	5.00 %	-	-
Thuringia	3.5 %	04/07/2011	5.00 %	-	-
Bavaria	3.5 %	-	-	-	-
Hesse	3.5 %	-	-	-	-
Saxony	3.5 %	-	-	-	-

Customer house
Individual planning

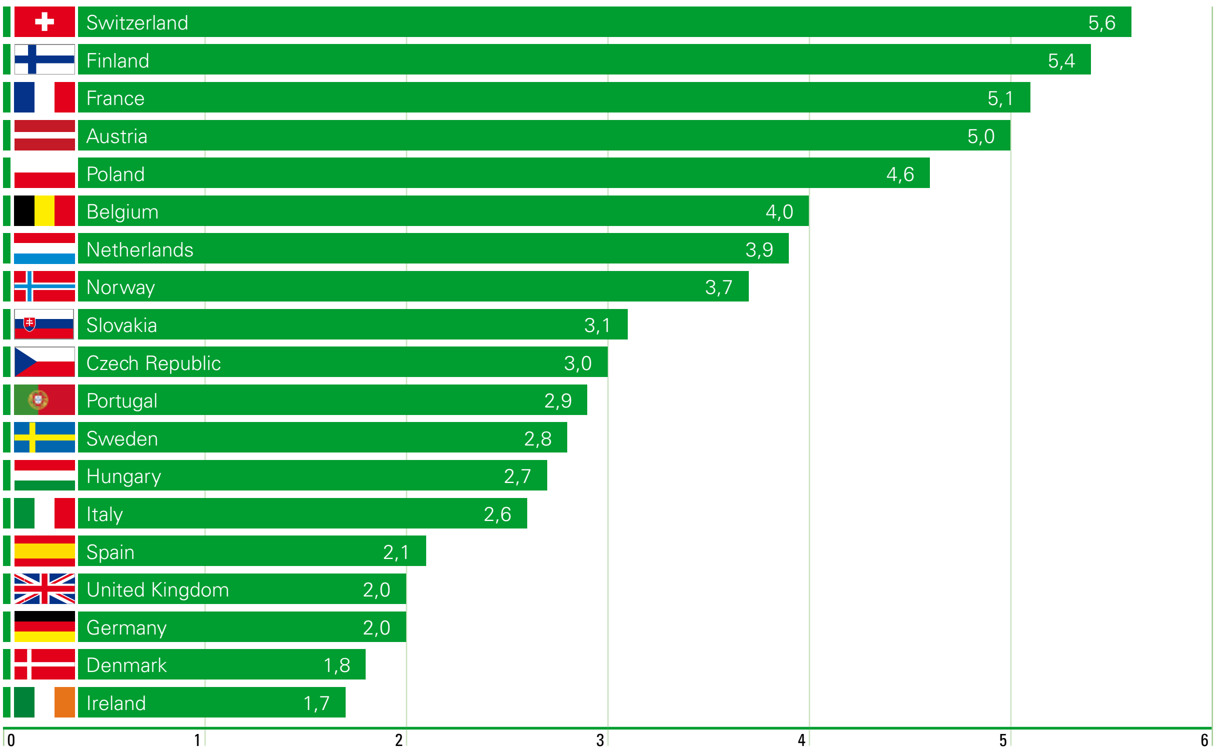
Continued uptrend in new residential construction expected

The regional savings banks (LBS) are assuming renewed growth in building permissions of up to 4-5%, to around 235,000 units, in 2012. This would reflect greater indications that the supply of houses and apartments has long dwindled, particularly in economically strong conurbation areas, with residential construction having already lagged demand for years. Employment and income prospects, which the population continues to view positively, and favourable financing terms, would contribute to this trend.

New construction activity continues to lag demand

The fact that residential construction in Germany has fallen significantly below its normal level in recent years, and that related demand was considerably higher, is shown not only by a look at higher replacement requirements, and the continued growth in the number of private households in Germany, but also an international comparison, according to LBS: with two newly constructed homes per 1,000 inhabitants in 2011, Germany was again almost at the bottom end of the European league table. In almost all directly neighbouring countries, new construction activity is almost twice as high as in Germany, by contrast.

New residential construction in Europe 2011 (forecast – completion figures per 1,000 inhabitants)



Source: Euroconstruct/LBS Research

Historically low interest rates

Current economic conditions also suggest further demand impulses to new construction. From an historic perspective, German citizens currently encounter the most favourable conditions to acquire their own four walls, as shown by the following graph of the building interest rate trend (the DGZF Pfandbrief yield curve). These mortgage bonds (Pfandbriefe) are used to refinance real estate loans, and consequently provide a good indicator for interest-rate trends for construction financing. The effective interest rate that owner-occupier homebuilders pay for a newbuild financing with average overall personal financial circumstances lies around between 0.5% and 1.0% above the interest rates depicted in the graph, depending on where such construction financing is raised.

Homebuilding interest-rate trends* 1992-2012

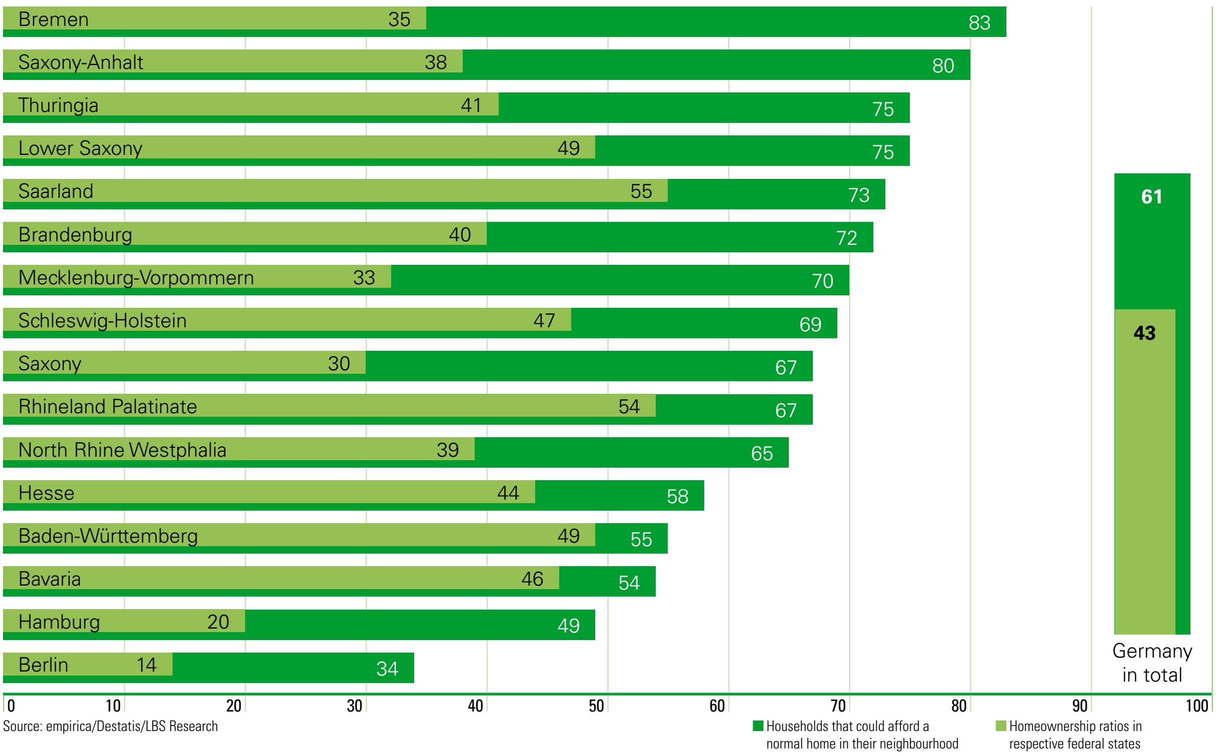
*This interest-rate trend is based on the DGZF-Pfandbrief yield curve – the yields on Pfandbrief mortgage bonds issued by Deka Bank and the Landesbanks. These mortgage bonds are used to refinance real estate loans, and consequently provide a good indicator for interest-rate trends for construction financing.

In this context, it is also interesting to note that the current extremely low interest rate level not only currently offers excellent conditions for real estate investments, but that a rise in interest rates would provide an additional impulse to the decision to purchase a property, or to build a new property, as has frequently been observed in the past. This conclusion is reached by a current and representative survey conducted on behalf of comdirect bank by Forsa. For instance, 28% of individuals surveyed stated that they would accelerate plans to construct or buy a property if rates were to rise.

Affordability of homeownership

The positive effects on the affordability of residential property ownership unleashed by the favourable interest-rate level combined with current income and house price trends is also shown by a study produced by Berlin-based research institute empirica. This study suggests that incomes, house prices and financing terms would allow a 61% home ownership ratio on average in Germany, while the actual ratio stands at only 43%. A home ownership ratio of around 50% or much more would be plausible in 15 out of the 16 German federal states, for instance. In Bremen, Saxony-Anhalt, Thuringia and Lower Saxony, even three out of four households are able to finance a normal home within their neighbourhood. Berlin stands at the other end of the table, were only around one third of households could afford house financing. The home ownership ratio could nevertheless be 20 percentage points higher in the German capital than it currently is. Additional potentials are even 32 to 48 percentage points in Bremen and the new federal states.

Affordability of homeownership (in %)

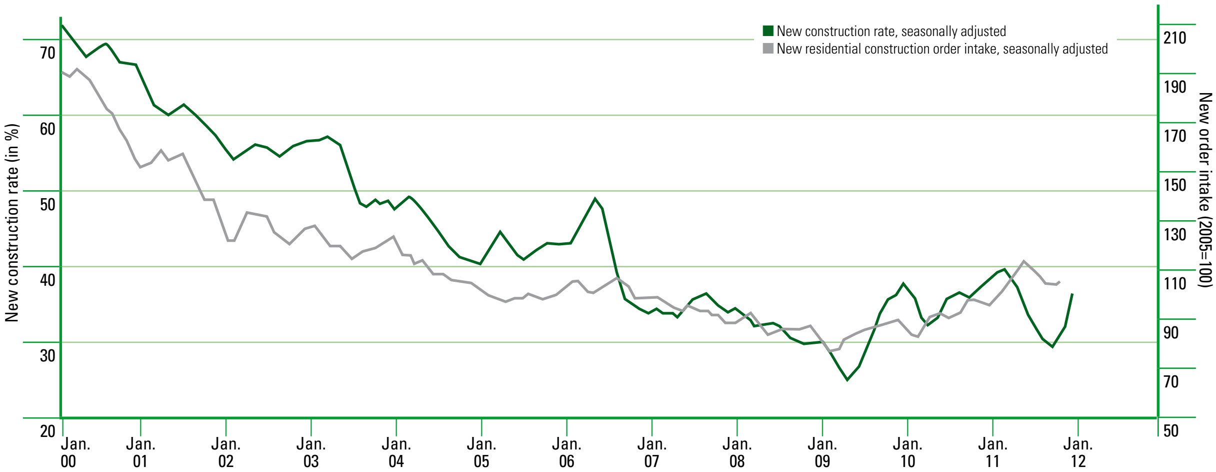


Source: empirica/Destatis/LBS Research

KfW owner-occupier homebuilding indicator signals growth in newbuild activity

The KfW banking group also assumes that the uptrend in new residential constructions will continue in 2012. This was signalled by the current KfW owner-occupier homebuilding indicator, which in December 2011 reported a marked increase of 7.1 percentage points compared with September. In the last month of 2011, 36.4% of lenders that KfW supported as part of a home ownership programme were planning to build a new house, or to acquire a newly built house, according to the survey. The owner-occupier homebuilding indicator (KfW-Indikator Eigenheimbau), which is calculated quarterly by the KfW Banking Group, shows future owner-occupier homebuilding trends with a head-lead of around three months before new residential construction orders are reported in official statistics. As a consequence, it represents a leading indicator for overall residential construction activity, because changes in the owner-occupier segment exert a significant impact due to their approximately two thirds structural share. Positive prospects for new residential building are also underpinned by official leading indicators, continued favourable conditions and low interest rates for owner-occupier homebuilders, and an unemployment market that remains robust with rising disposable incomes, according to the KfW banking group.

KfW owner-occupier homebuilding indicator - a leading indicator for new residential construction



Source: KfW, Feri

Three-month rolling averages

House
Frankfurt

Real estate as an inflation hedge and secure investment

In addition, the fact that many people currently favour investing their money in real estate due to uncertainties on financial markets is exerting a stimulating effect on new residential construction, as is also shown by a trend study published by PlanetHome AG in March 2012. The real estate topic has become increasingly important for 58% of all German citizens over the past few months, according to this survey. The German Council of Real Estate Experts, which is supported by Germany's Central Real Estate Committee (ZIA), also stated in its spring survey, which it published in February 2012, that the financial, economic and debt crisis was no longer able to impact the German real estate sector. On the contrary, low interest rates, concerns about inflation, and the lack of secure investment opportunities are feeding through to a distinct increase in residential property investments. The German Council of Real Estate Experts assumes that this trend will continue over the next few years prospectively.

House
Madrid V

Group order book position

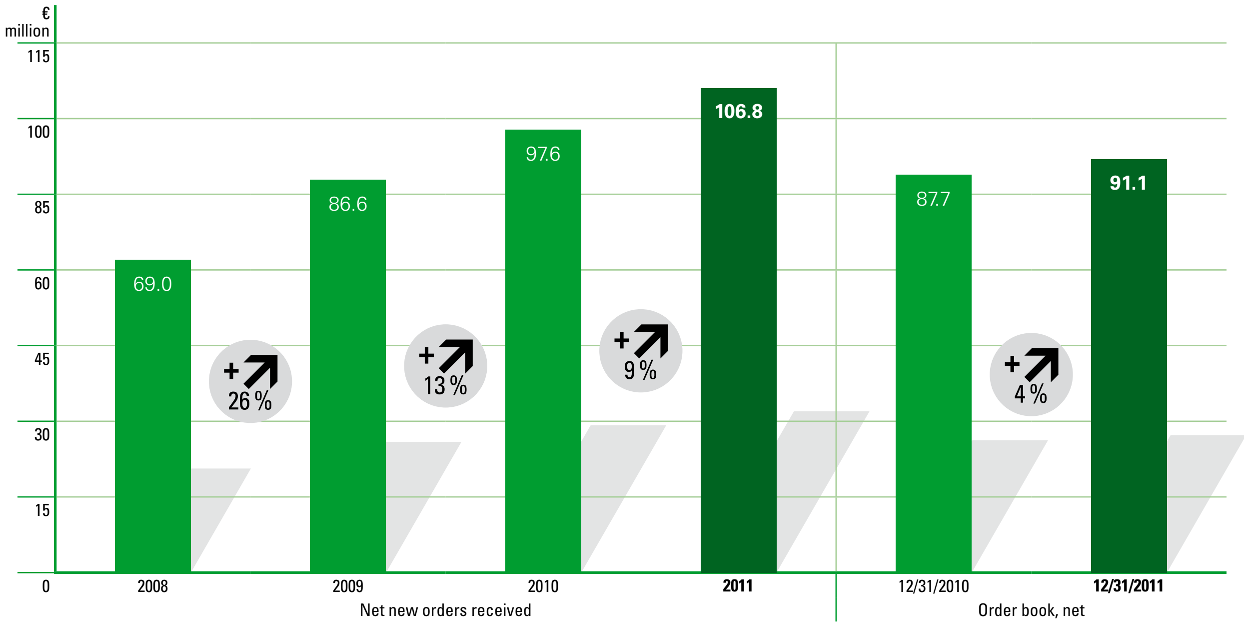
Order intake and order book

We reported a further new order intake record in the year under review. For the first time in our more than 30-year history, we achieved consolidated net new order intake (houses plus land) of significantly more than €100 million. With a strong final quarter, the Group reported orders up by more than 9% for the full year, with net new order intake rising correspondingly from €97.6 million to €106.8 million. The company's sales growth, which already stretches back for several years, was primarily attributable to its project business in 2011, as planned, where sales volumes more than doubled year-on-year. The total intake of new orders consisted of 558 house units and 114 plots of land (previous year: 564 house units and 56 plots of land), with each of the land plots being sold to customers along with a HELMA house, in line with our tried and tested business model. Our focus on energy-efficient solid construction houses with solar support for heating and/or domestic hot water continued to be evident in the high share of houses sold with solar systems, which remained almost constant at significantly above 80%. We are firmly convinced that we will continue this growth trend in the 2012 financial year due to the current market situation, and due to the successful preparation of projects at the HELMA Wohnungsbau GmbH and HELMA Ferienimmobilien GmbH subsidiaries. Double-digit percentage growth in net new order intake is anticipated for the current 2012 financial year as a consequence.

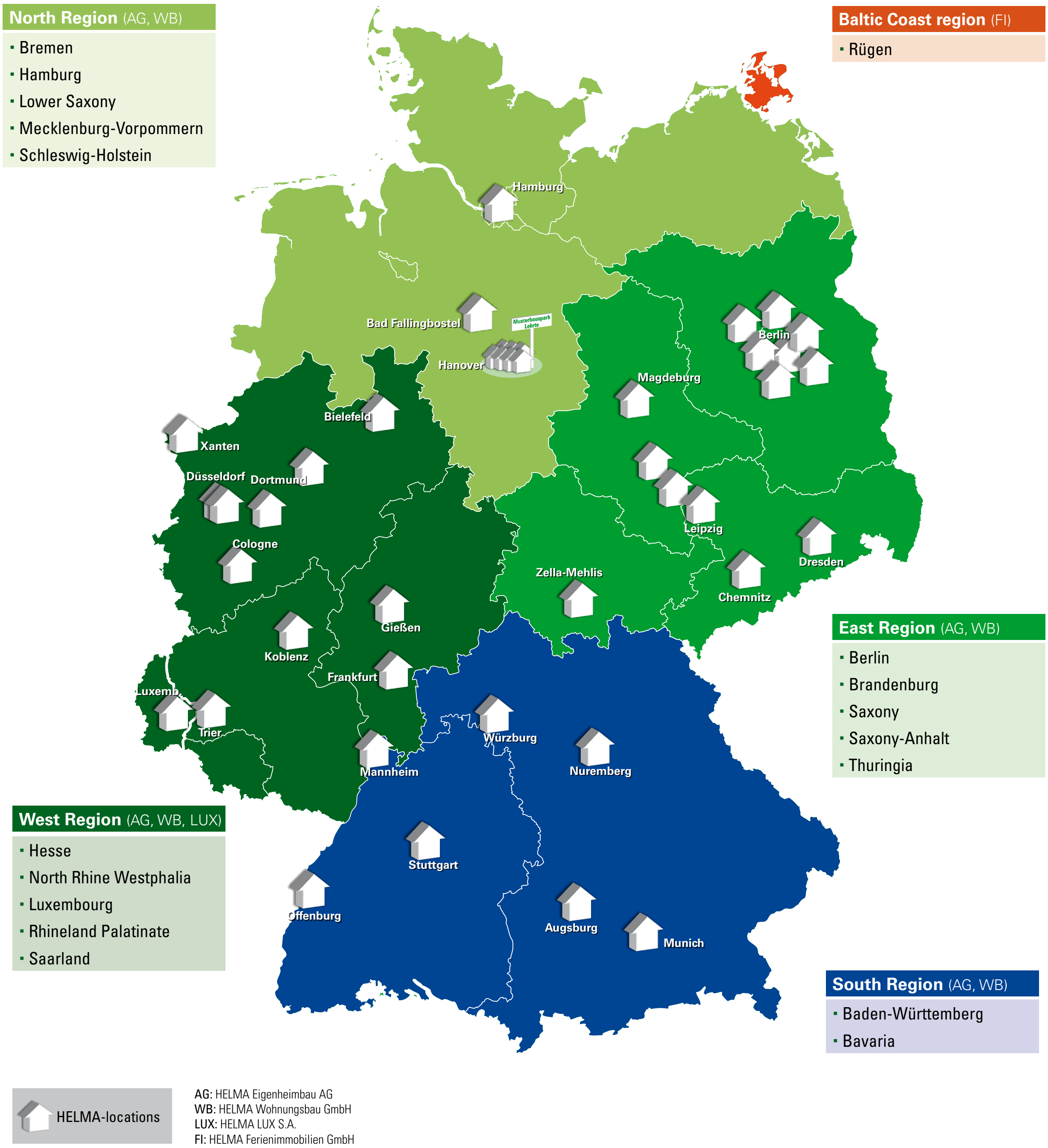
The net order book position, which is composed of orders that have not yet been finally settled, amounted to €91.1 million as of December 31, 2011, due to a further very good sales year. As a consequence, the net order book position as of the balance sheet date was €3.4 million, or 4%, above the previous year's level of €87.7 million. This amount includes revenues of €19.4 million partially realised according to the percentage of completion method (December 31, 2010: €12.8 million). Consequently, the orders on hand represent a solid basis for achieving the revenue and earnings growth that is targeted for the current 2012 financial year. It should be noted in this context that we expect that our property development business will continue to report a further considerable increase in its share of Group revenue in 2012 (please refer to the forecast report), where average order lead-times are tangibly below those in the building services business.

House
Rügen II

HELMA Group new order intake and order book position



Regional distribution



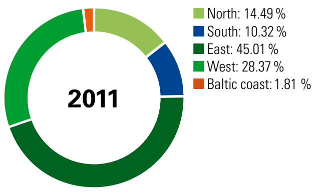
Order intake by regions

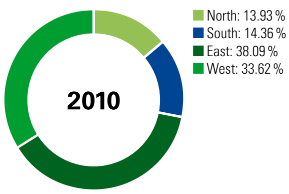
The East (+29%) and North (+14%) regions reported the strongest sales growth in 2011. The net order intake figures presented in the following overview comprise both houses sold and land. The significant growth in the East region is especially due to the very successful property development business, which is currently strongly focused on the greater metropolitan region of Berlin. In the North region, the Hamburg and Lower Saxony areas proved to be the strongest sales growth drivers. The Baltic Coast region comprised a new addition in 2011, where we registered the sales success of HELMA Ferienimmobilien GmbH with nine units sold, and a €1.9 million net new order intake. The sales are attributable to the first project of our subsidiary in Glowe on the island of Rügen, which specialises in holiday properties.

We continue to identify significant growth potentials in all five regions for the coming years. These arise both from the significantly expanded property development business, and from the opportunities offered by the building services business, including as a result of the ever increasing awareness of the HELMA brand, and the constant growth in the number of references. With the Bavaria and Baden-Württemberg areas, the South region also offers great medium-term potential for significantly higher house sales. Here, we are working intensively on further bolstering our sales team, and on achieving better market penetration.

Group net new order intake by regions

Regions	2011		2010	
	Net new order intake (in €) (residential units + plots of land)	Number of residential units sold	Net new order intake (in €) (residential units + plots of land)	Number of residential units sold
North	15,483,317.41	89	13,597,698.32	85
South	11,023,384.41	58	14,023,604.58	71
East	48,083,553.32	245	37,189,904.20	222
West	30,305,504.77	157	32,818,066.11	186
Baltic Coast	1,932,721.00	9	-	-
Total	**106,828,480.91**	**558** (of which 114 including plots of land)	**97,629,273.21**	**564** (of which 56 including plots of land)





House
Strasbourg

Group earnings

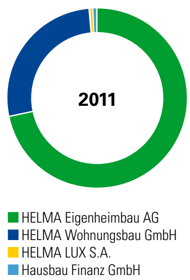
Revenue trends

The HELMA Group grew its revenue to record level of €103.6 million in 2011 (previous year: €74.5 million). This represents revenue growth of more than 39%. Final invoices were issued for 505 units in the year under review in this context (previous year: 393 units). By contrast with the previous year, where adverse weather conditions significantly hindered our construction activities in the final two months of the business year, we encountered very good weather conditions in 2011, allowing us to make satisfactory building progress. Of the final invoices, 406 houses were attributable to HELMA Eigenheimbau AG, 2 houses to HELMA LUX S.A., and 97 units to HELMA Wohnungsbau GmbH, whereby the latter figure includes the completion of one housing unit that was sold to a customer together with a plot of land, with each of these being included as only one unit.

The revenue share of HELMA Eigenheimbau AG amounted to €74.3 million in 2011 (previous year: €58.8 million), or 72% (previous year: 79%). The revenue share of HELMA Wohnungsbau GmbH grew significantly, as planned, from €15.6 million to €28.0 million in 2011, and was realised for the far greater part in the greater metropolitan region of Berlin. As a consequence, the property development business's share of Group revenue increased further, standing at 27% in the year under review (previous year: 21%). As announced at the start of the year, HELMA Ferienimmobilien GmbH, which was founded in early 2011, has not yet contributed to Group revenue. This company will nevertheless realise noteworthy revenue in 2012, with the implementation of its first projects (please refer to the forecast report).

Contributions of Group companies to 2011 consolidated revenue (according to IFRS)

Company	Revenue in €	Share in %
HELMA Eigenheimbau AG	74,343,036	71.77
HELMA Wohnungsbau GmbH	28,033,080	27.06
HELMA LUX S.A.	583,371	0.56
Hausbau Finanz GmbH	628,617	0.61
HELMA Ferienimmobilien GmbH	0	0.00
Total	**103,588,104**	**100.00**



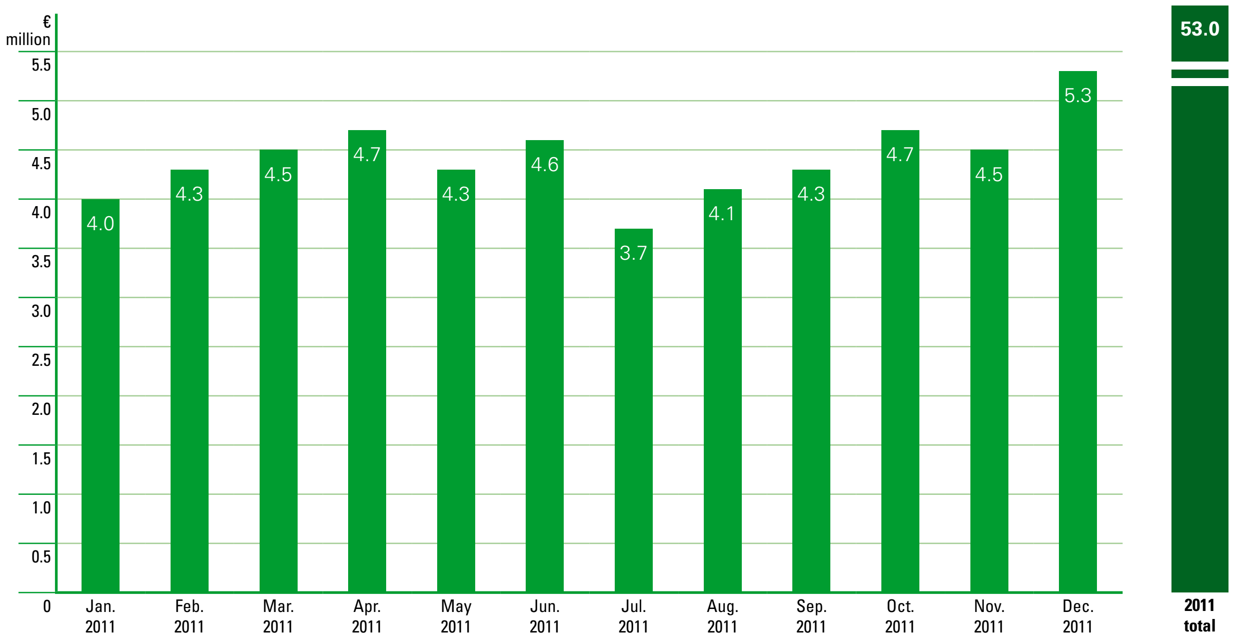
HELMA LUX S.A. and Hausbau Finanz GmbH both contributed around €0.6 million of revenue in 2011. As a consequence, our Luxembourg subsidiary's revenue volume remains at a level that gives little satisfaction. By contrast with this, we are very satisfied with the result achieved by our financing subsidiary, which we did not integrate into the HELMA Group until the second half of 2010. The revenue of Hausbau Finanz GmbH was 81% attributable to the building finance broking area, and 19% due to building-related insurance. It should be noted in this context that the revenue of Hausbau Finanz GmbH is composed exclusively of commission income.

Hausbau Finanz GmbH revenue split

in €	2011	Share in %
Financing facilities	509,538.25	81.06
Insurance	119,078.44	18.94
Total	**628,616.69**	**100.00**

The building financing volume of €53.0 million brokered by Hausbau Finanz GmbH in 2011 is already at a very gratifying level given the short time during which it has formed part of the Group.

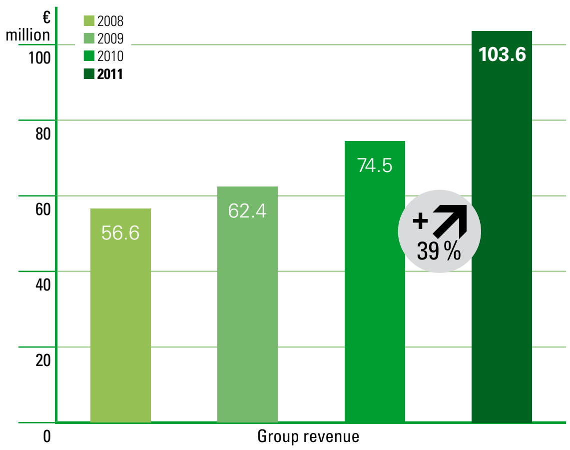
Hausbau Finanz GmbH building financing volumes

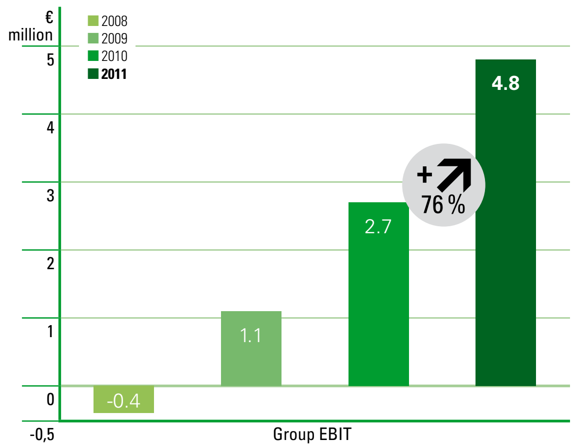


Earnings trends

With revenue up 39% or €29.1 million, and consolidated total output even increasing by €35.7 million due to land purchases, consolidated EBIT improved at a significantly more rapid rate of 76%, rising from €2.7 million to €4.8 million.

Group revenue and group EBIT 2008-2011 (according to IFRS)



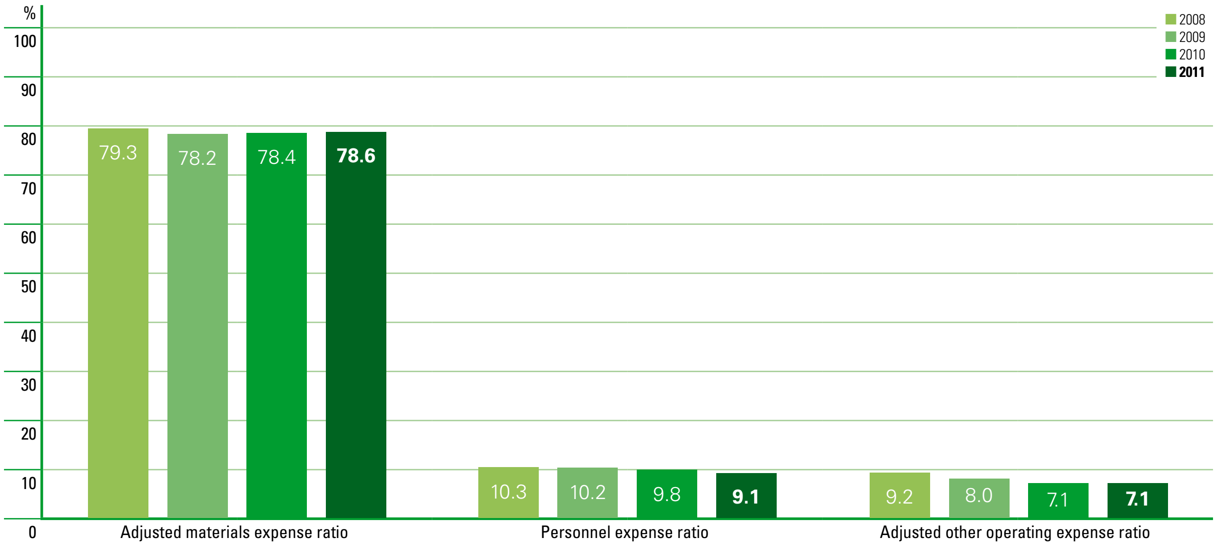


A look at the ratio between personnel expenses and revenue highlights the economies of scale achieved in the year under review due to the higher revenue level. This personnel expense ratio fell tangibly to 9.1% in 2011, despite marked growth in the number of employees (+25%).

The adjusted other operating expense ratio, which is derived by dividing the net balance of other operating income and expenses by revenue, was unchanged at 7.1%, by contrast. Although noticeable economies of scale were realised within this item in 2011, they were offset by disproportionately rapid growth in sales costs (+52% to €3.0 million), and marketing expenses (+56% to €0.9 million). It should be noted in this context that sales costs, which typically rise in line with revenue, also included the sales commissions of the financing advisers of Hausbau Finanz GmbH this year, without which sales costs in 2011 would have almost continued to have risen in line with revenue.

We are assuming that both of the aforementioned cost ratios will fall in 2012, thereby allowing us to continue to benefit from economies of scale.

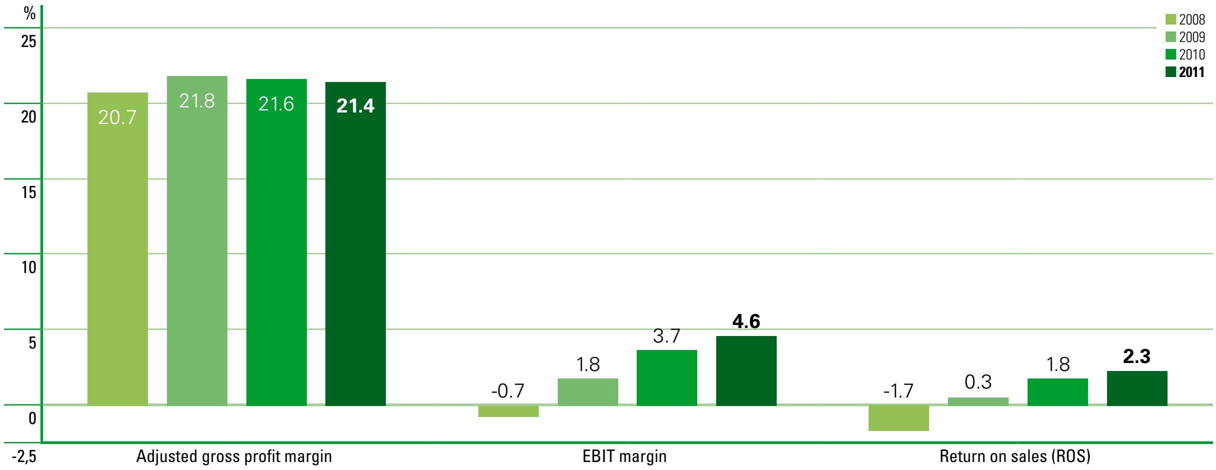
Trends in cost ratios to revenue 2008-2011 (according to IFRS)



At 21.4% in 2011, we held the gross profit margin relatively constant within our targeted medium-term minimum range of 20-22%. In order to assure optimal comparability, the underlying materials expense ratio was adjusted to reflect materials expenses that are not offset by revenue. The higher revenue share of the property development business exerted a positive impact on the Group's average gross profit margin in 2011 in this context. For this reason, a slight improvement in the gross profit margin would also have been possible in the year under review without the market-led leap in demand for subcontractor services that occurred in some regions in summer/autumn 2011, which was precipitated by extremely strong growth rates in building approval figures in Germany in spring 2011. We have taken an important step to ensure that the gross profit margin remains at a sustainably high level with the advancing implementation of our centralised awarding of orders.

We succeeded in raising the EBIT margin from 3.7% to 4.6% in 2011 due to the higher contribution to Group revenue from the property development business, and the economies of scale achieved in the personnel expense area. As a consequence, we have been consistently working towards our medium-term target EBIT margin of 6-8% over the last few years (please refer to the forecast report).

Trends in profit margins 2008-2011 (according to IFRS)



The net financial result stood at €-1.4 million in the year under review (previous year: €-0.8 million). This change firstly reflected the interest payment for the €10.0 million bond that was issued in December 2010, and the costs connected with the €1.0 million early repayment of the silent partnership. Secondly, financing costs, including both interest costs and guarantee commissions, rose in line with the significant increase in land purchases to expand the property development business. With earnings before tax (EBT) of €3.4 million (previous year: €1.9 million), and net income before minority interests of €2.4 million (previous year €1.3 million), we again achieved record earnings in the 2011 financial year, and boosted the return on sales from 1.8% to 2.3%. Overall, we generated €0.83 of earnings per share (previous year: €0.50).

Business progress at the HELMA Group (according to IFRS)

in €	2011	2010
Sales revenue	**103,588,103.66**	**74,535,062.03**
- of which revenue from long-term construction orders (PoC-method)	6,664,543.00	682,715.00
Changes in stocks of finished goods and work in progress	9,132,211.56	2,463,646.35
Total output	**112,720,315.22**	**76,998,708.38**
Other own work capitalised	166,187.88	238,458.11
Other operating income	513,452.48	640,964.80
Expense for materials and third-party services	-89,975,216.63	-60,761,613.59
Personnel expense	-9,444,972.88	-7,334,725.00
Other operating expenses	-7,847,297.30	-5,930,422.04
EBITDA	**6,132,468.77**	**3,851,370.66**
Depreciation/amortisation	-1,346,590.20	-1,127,291.81
EBIT	**4,785,878.57**	**2,724,078.85**
Net financial result	-1,404,614.67	-813,993.14
EBT	**3,381,263.90**	**1,910,085.71**
Income tax	-1,030,756.56	-589,495.29
Net income before minority interests	**2,350,507.34**	**1,320,590.42**

House
Hamburg

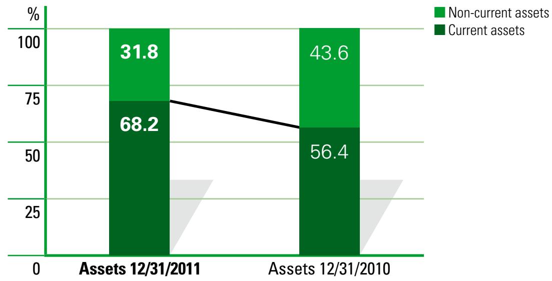
Group net assets and financial position

Assets

The total assets of the HELMA Group increased by €20.9 million to reach €63.9 million over the reporting period. Non-current assets amounted to €20.3 million as of the balance sheet date, €1.6 million ahead of the previous year's figure, which particularly reflected the rise in property, plant and equipment from €14.6 million to €16.3 million. By contrast, current assets reported a much larger increase, standing at €43.6 million as of the balance sheet date (December 31, 2010: €24.2 million). This increase results primarily from further additions of plots of land arising from our property development projects, which raised inventories by €11.2 million, and an increase in receivables in line with our marked business expansion. Cash and cash equivalents amounted to €3.8 million as of the balance sheet date, reflecting a €0.7 million increase above the period year's level.

Group balance sheet structure: assets (according to IFRS)

in €	12/31/2011	12/31/2010
Non-current assets	20,313,255.72	18,716,646.52
Current assets	43,554,699.08	24,248,335.28
- of which cash and cash equivalents	3,792,545.55	3,074,475.98
Total assets	**63,867,954.80**	**42,964,981.80**



Equity and liabilities

On the equity and liabilities side, equity increased from €12.2 million to €17.1 million as of the balance sheet date. The higher level of equity is firstly attributable to the €2.4 million of net income generated in 2011. Secondly, the capital increase equivalent to 10% of the share capital that was implemented in April 2011, when 260,000 shares were fully placed among institutional investors in Germany, Austria and Switzerland at a price of €10.00 per share, generated a further net increase of €2.5 million to equity. This feeds through to a 26.7% equity ratio as of the balance sheet date (December 31, 2010: 28.4%), which still remains well above the sector average, despite the 49% increase in total assets.

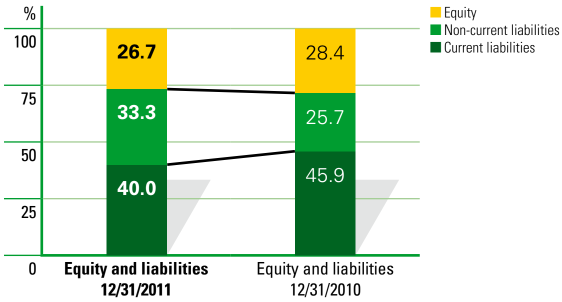
Customer solar energy house

Non-current liabilities almost doubled during the period under review, amounting to €21.2 million at the financial year-end, which was particularly due to the full placing of the corporate bond (2011 placing share: €8.9 million), and the conclusion of €1.0 million of long-term loan financing for the administration building extension. The bond carries a total nominal volume of €10.0 million, has a five-year term with redemption due on December 1, 2015, and bears an annual 6.5% coupon. The aforementioned loan was concluded for a 10-year term with a 3.3% per annum interest rate. As a consequence, non-current liabilities' share of total equity and liabilities increased from 25.7% to 33.3% in the year under review.

The remaining 40.0% share of total equity and liabilities was attributable to current liabilities (December 31, 2010: 45.9%), which amounted to €25.6 million as of the balance sheet date (December 31, 2010: €19.7 million). In line with our significant business growth, the higher level of current liabilities is particularly attributable to growth in other current liabilities of €4.6 million, and a €2.6 million higher level of other current provisions. Current financial liabilities fell by €2.4 million in the year under review, by contrast, standing at €2.0 million as of the balance sheet date.

Group balance sheet structure: equity and liabilities (according to IFRS)

in €	12/31/2011	12/31/2010
Equity	17,067,123.70	12,199,452.13
Non-current liabilities	21,246,972.53	11,054,453.78
Current liabilities	25,553,858.57	19,711,075.89
Total equity and liabilities	**63,867,954.80**	**42,964,981.80**



The net debt of the HELMA Group increased from €10.3 million to €16.6 million as of December 31, 2011. At the same time, equity was up from €12.2 million to €17.1 million over this period, as described above. The HELMA Group continues to command a very healthy capital structure with net finance debt comprising 25.9% of total assets (December 31, 2010: 23.9%), and a 26.7% equity ratio (December 31, 2010: 28.4%).

Changes in net debt and equity 2008-2011

in k€	12/31/2011	Relative to total assets	12/31/2010	Relative to total assets	12/31/2009	Relative to total assets	12/31/2008	Relative to total assets
Finance debt	20,344		13,335		11,302		12,890	
Cash and cash equivalents	-3,793		-3,074		-2,518		-2,223	
Net debt	**16,551**	**25.9%**	**10,261**	**23.9%**	**8,784**	**24.8%**	**10,667**	**31.0%**
Equity	**17,067**	**26.7%**	**12,199**	**28.4%**	**10,905**	**30.8%**	**10,715**	**31.1%**
Total assets	**63,868**	**100.0%**	**42,965**	**100.0%**	**35,440**	**100.0%**	**34,447**	**100.0%**


HELMA
Eigenheimbau AG
MUSTERHAUS
PARK
HELMA

House
Munich

Cash flow statement

The further growth in the HELMA Group's profitability in 2011 is also reflected in its cash flows, with a further significant increase in cash earnings from €2.9 million to €4.4 million. Cash flow from operating activities amounted to a total of €-5.7 million in 2011 due to the €10.2 million working capital expansion that was necessitated as a result of the planned further sales growth in the property development business.

Cash flow from investing activities amounted to €-3.1 million in the year under review, €1.9 million below the previous year's €-1.2 million (please see the section on Group investments).

Cash flow from financing activities stood at €9.5 million in 2011 (previous year: €2.0 million), which is mainly due to the successful corporate bond placing.

The cash and cash equivalents position of the HELMA Group amounted to €3.8 million as of December 31, 2011. This represents a €0.7 million increase by comparison with the previous year's comparable balance sheet date. The HELMA Group also has at its disposal free credit lines in a high single-digit amount in millions of euros. The HELMA Group's financial position remains very solid as a consequence, providing a good foundation for its corporate objectives over the coming business years.

Group cash flow statement (according to IFRS)

in k€	2011	2010
Cash flow from operating activities	-5,730.9	-239.7
- of which cash earnings	4,396.3	2,923.1
- of which change in working capital	-10,161.5	-3,541.3
- of which gain/loss on disposal of fixed assets	34.3	81.0
- of which change in assets available for sale	0.0	297.5
Cash flow from investing activities	-3,077.3	-1,210.8
Cash flow from financing activities	9,526.3	2,006.5
Cash and cash equivalents at the end of the period	**3,792.6**	**3,074.5**

Group investments

We invested a total of €3.3 million in property, plant and equipment, and in intangible assets in 2011 (previous year: €1.5 million). Of this amount, €1.9 million of investments were attributable to the land and buildings area (previous year: €0.6 million), which was firstly used to extend the administration building and expand the car park at the Group's headquarters in Lehrte. This allowed us to take into consideration the significant growth in the number of our employees over recent years. Secondly, we utilised these investment funds to construct the energy-independent house and sampling pavilion in the showhouse park in Lehrte. As a consequence, we realised further unique selling points for the HELMA Group. We now boast Europe's most innovative show-house park in the energy-efficient construction methods area, and one of Germany's most state-of-the-art sampling exhibitions.

Investments in intangible assets amounted to €0.2 million in the year under review (previous year: €0.5 million), which were predominantly attributable to software and development costs for the sampling exhibition.

Investments in operating and office equipment amounted to €1.2 million in 2011 (previous year: €0.4 million), which were concentrated on the purchase of the vehicles, IT equipment, and furniture and furnishings. This allowed us to take into account the marked growth in the number of our employees, as well as to modernise our vehicle fleet, which consisted of 77 vehicles as of December 31, 2011, half of which we acquired in 2011.

Investments in property, plant and equipment, and intangible assets

in k€	2011	2010
Land and buildings	1,925	638
Software	218	450
Office and operating equipment	1,155	432
Total	**3,298**	**1,520**

In 2012, we plan to invest a total of around between €0.8 million and €1.3 million in property, plant and equipment, and intangible assets. Among other investments, these include the construction of one to two show-houses, replacement vehicle investments, and the reprogramming of our website.

Solar energy showhouse
near Munich

Innovation and sustainability

Innovation and sustainability characterised the HELMA Group strategy. As a growth-oriented company, we bear our responsibility to society and the environment. At the same time, we are aware that we can only further expand our market position and corporate success in the medium term if we work continuously on our products and services, and further develop them through innovations.

Attractive working environment

We greatly depend on our employees' commitment and inspiration to achieve the aforementioned objectives. As a consequence, our goal is to present ourselves sustainably as an attractive and responsible employer, and to create the best possible working conditions for our staff. For this reason, we will offer our employees a significantly greater scope of personal development and further training opportunities from 2012. Having concluded the construction of an extension to our administrative building following the significant growth in the number of our employees over recent years, we have again created the premises that we require for an agreeable working environment.

Climate and resource protection

As the result of our early focus on the area of energy-efficient construction methods, we have not only created a significant competitive advantage over the past ten years, but we also have made an important contribution to cutting resource consumption and CO_2 emissions. With our solar house series, we are able to offer our customers attractive opportunities to significantly save on heating costs with the help of the sun, thereby making an active contribution to climate protection. Along with our product portfolio, we also contribute to this endeavour with a very wide variety of other measures. Among others, such measures in 2011 included constructing an energy-efficient extension building, the installation of a modern photovoltaic system on our administrative building, and the climate-neutral printing of all our catalogues, brochures and annual reports.

Integration of innovative energy-saving measures over time

Innovative and sustainable energy concepts

ecoSolar houses

An ecoSolar house combines the utilisation and storage of free solar energy with one or several other energy sources. In this instance, solar energy not only heats water for bathing and showering, but is also used for heating. With a solar coverage ratio of around 30%, ecoSolar houses represent persuasive options thanks to their high long-term savings potential. In this case, almost one third of heating energy requirements are generated from sunlight power.

Solar energy house

A solar energy house covers at least 50% of its annual heating generation requirements for home heating systems and hot water on a solar basis. For this purpose, the house has an approximately 40-square-metre solar collector on the south-facing part of its roof in order to actively utilise free solar energy. Residual energy requirements are covered on a regenerative basis by modern wood-firing, for example, using a wood gasification stove or pellet heating. The energy from both sources is collected in an approximately 7,000-litre buffer storage unit, and is available for use at any time. As a result, a solar house is heated on an entirely climate-friendly and CO_2-neutral basis. Our HELMA solar houses are generally KfW 55 efficiency houses. Consequently, they not only enable significant heating cost savings, but are also eligible for KfW subsidies.

The EnergieAutarke house (energy-independent house) near Hanover

The EnergieAutarke house (energy-independent house)

With the EnergieAutarke house (EAH) – the energy-independent house – we are launching an entirely new generation of solar efficiency homes, and setting a new benchmark in terms of sustainable house construction. The EAH enables the house to be fully supplied with heat and electricity from solar sources, making its inhabitants fully independent of external energy supplies from large utility companies.

Solar energy, this free and crisis-proof raw material, covers 65% of annual heating requirements in the EAH. Up to 70% solar cover is possible depending on where such houses are located in Germany. This solar energy is collected by 46-square-metre solar collectors that are integrated at a 45° angle into the roof area, and which should ideally be directed towards the south. The heat is gathered centrally by a 9.3-cubic-metre long-term solar thermal storage unit. This heat is available year-round to provide heating and to heat domestic water, and can be stored for weeks or even months. During the times of the year when there is less sun, the unit transmits heat to the rooms through wall panel heating or underfloor heating on a basis that can be individually regulated. Wood logs, a renewable and indigenous raw material, are then combusted for any remaining heating requirements. The wood-burning stove delivers around 90% of heating energy to the buffer storage unit through an integrated water chamber. The remaining heat emission caters for additional and pleasant temperatures within the living areas. Wood comprises stored solar energy, and combusts on a CO_2-neutral basis. As a consequence, comfortable temperatures prevail the whole year round on the 162-square-metre living area of the EAH as a result of solar energy alone.

A photovoltaic system is integrated into the roof in addition to the collectors. On a 58-square-metre area, it generates the volume of electricity that the household requires for its own electricity supply. The surplus electricity is utilised for electro-mobility. In order to deploy the self-generated electricity more flexibly – in other words, also when the sun is not shining – it is stored temporarily in an electric energy storage unit (accumulator). This allows an electric car to be charged with self-produced electricity also during the evening, for example. With its monolithic and internally insulated masonry, triple-glazing, roof insulation and insulated foundation, the EAH naturally also fulfils the high requirements of a KfW 55 efficiency house. When measured against a conventional building, the EAH's year-round primary energy requirement of 5 kWh per square metre is 93% below the figure prescribed by the German Energy Saving Ordinance for new constructions, and around 83% below the passive energy house standard.

We received several awards in 2011 for our "EnergieAutarkeHaus" innovation. The Eurosolar European Association for Renewable Energy, for instance, awarded us its highly coveted German Solar Prize badge in 2011 for our outstanding and exemplary initiative to utilise renewable energy. The television and press also reported constantly on the EAH, further boosting our recognition across the whole of Germany, and underpinning our leading position in the energy-efficient construction method area.

Employees and the company's boards

Development of personnel in the HELMA Group

Compared with the end of the 2010 financial year, the number of staff employed by the company underwent a 25% increase from 131 to 164 as of the balance sheet date. Along with the workforce expansion necessitated by the significant order growth, which occurred particularly in the project management and architectural drawing areas, further staff were also added to the more recently established departments of "Structural Analysis and German Energy-Saving Ordinance (EnEV)" and "Centralised Order Issuing". Staff figures were also included for the first time for the HELMA Ferienimmobilien GmbH subsidiary, which was founded in January 2011.

In the house consulting area, the number of independent specialist advisors with whom we work together in the sales area on a commission basis at various locations stood at an unchanged level of 76. The number of independent financing advisors increased from 14 to 24 in 2011.

Number of employees and independent specialist advisors in the HELMA Group 2008-2011

	12/31/2011	12/31/2010	12/31/2009	12/31/2008
Number of HELMA Group employees	164	131	108	103
Number of independent specialist advisors (house consultants)	76	76	81	92
Number of independent specialist advisors (financing consultants)	24	14	0	0

Training

We regard the training of young and motivated people as an important component of our personnel policy. We aim to thereby meet the challenges of demographic shift, and partly cover our requirement for qualified and up-and-coming young staff ourselves. We are currently training two young people in the architectural drawing and marketing areas, both of whom are now in their second training year. We will also create three further training places in the following areas in mid-2012:

- Administrative area: office communications specialist
- Financial area: accounting and clerical specialist
- Commercial administration area: real estate specialist

The company's boards

In 2011, the Management Board of HELMA Eigenheimbau AG was composed of company-founder Mr. Karl-Heinz Maerzke (Chairman/CEO) and Mr. Gerrit Janssen. Mr Karl-Heinz Maerzke is appointed to the Management Board until March 31, 2015, and Mr. Gerrit Janssen until June 30, 2014.

As of December 31, 2011, the company's Supervisory Board was composed of Mr. Otto W. Holzkamp (Chairman), Dr. Eberhard Schwarz (Deputy Chairman) and Dr. Peter Plathe. The period of office of the Supervisory Board members ends with the conclusion of the Shareholders' General Meeting that passes a resolution concerning the discharge of Supervisory Board members for the 2013 financial year.

Net assets, financial position and results of operations of the parent company

The separate development of the parent company is presented below by way of supplementary information to the Group report. The single-entity annual financial statements of HELMA Eigenheimbau AG are prepared according to the regulations of the German Commercial Code (HGB), and the German Stock Corporation Act (AktG). Pursuant to § 315 Paragraph 3 of the German Commercial Code, the management report for HELMA Eigenheimbau AG is aggregated with that of the HELMA Group.

Net assets and financial position

The total assets of HELMA Eigenheimbau AG amounted to €48.4 million as of December 31, 2011 (December 31, 2010: €30.7 million). This increase is particularly due to a €15.4 million rise in current assets to €28.5 million, which in turn reflects the trade receivables and receivables due from associated companies items. Non-current assets amounted to €19.4 million as of the balance sheet date, €2.1 million ahead of the previous year's figure.

Balance sheet structure: assets (according to HGB)

in €	12/31/2011	12/31/2010
Non-current assets	19,368,071.53	17,310,198.79
Current assets	28,526,979.35	13,159,459.04
- of which cash and cash equivalents	3,197,492.10	2,213,855.92
Prepayments and accrued income	487,666.96	259,260.31
Total assets	**48,382,717.84**	**30,728,918.14**

House
Würzburg

On the equity and liabilities side of the balance sheet, the company reported a year-on-year increase as of the balance sheet date in equity from €9.2 million to €13.5 million equivalent to the net income for the year, and the issue proceeds from the capital increase in 2011. The equity ratio was 28% as of the balance sheet date, well above the sector average.

Liabilities totalled €27.5 million as of December 31, 2011, amounting to €11.2 million above the previous year's level, which is partly attributable to the newly issued bond. Provisions were up by €2.1 million to €7.4 million as part of the marked business expansion in 2011.

HELMA Eigenheimbau AG commands liquidity of €3.2 million as of the end of 2011, as well as several million euros of free credit lines. HELMA's financial position remains extremely solid as a consequence.

Balance sheet structure: equity and liabilities (according to HGB)

in €	12/31/2011	12/31/2010
Equity	13,453,588.65	9,157,365.35
Provisions	7,430,865.03	5,319,898.23
Liabilities	27,498,264.16	16,251,654.56
Total equity and liabilities	**48,382,717.84**	**30,728,918.14**

Profitability

The total output of HELMA Eigenheimbau AG amounted to €75.6 million in the year under review (previous year: €61.4 million). This represents a year-on-year increase of around €14.2 million, or 23%. Gross profit was up from €14.5 million to €17.2 million, despite a slight increase in the materials expense ratio to 77.2% of total output. Earnings before interest and tax (EBIT) was almost unchanged at €1.5 million (previous year: €1.6 million). At €0.3 million, the net financial result represented a €0.7 million improvement on the previous year. In overall terms, HELMA Eigenheimbau AG generated a 50% rise in net income to €1.7 million in 2011. We are firmly assuming that earnings will continue to grow over the coming years.

Total output of HELMA Eigenheimbau AG (according to HGB)

in €	2011	2010
Sales revenue	73,390,227.73	63,004,732.43
Change in stocks of finished goods and work in progress	2,219,047.48	-1,569,166.42
Total output	**75,609,275.21**	**61,435,566.01**

HELMA Eigenheimbau AG: key income statement figures (according to HGB)

in €	2011	%	2010	%
Total output	**75,609,275.21**	**100.00**	**61,435,566.01**	**100.00**
Materials expense	-58,375,629.86	-77.21	-46,963,145.68	-76.44
Gross profit	**17,233,645.35**	**22.79**	**14,472,420.33**	**23.56**
Other own work capitalised	166,187.88	0.22	238,458.11	0.39
Other operating income	458,676.77	0.61	498,753.39	0.81
Personnel expense	-8,396,577.97	-11.11	-6,693,632.38	-10.90
Depreciation/amortisation	-1,175,059.71	-1.55	-1,068,445.76	-1.74
Other operating expenses	-6,742,372.38	-8.92	-5,816,519.89	-9.47
EBIT	**1,544,499.94**	**2.04**	**1,631,033.80**	**2.65**
Net financial result	337,406.96	0.45	-404,111.87	-0.66
EBT	**1,881,906.90**	**2.49**	**1,226,921.93**	**2.00**
Profit for the year	**1,696,223.30**	**2.24**	**1,130,758.28**	**1.84**

The extensive sampling exhibition at the HELMA Group headquarters in Lehrte is Germany's most modern.

House
Milan II

Risk report

Risk management

We are naturally exposed to various risks in the course of our corporate activity. We only enter into risks that simultaneously offer the opportunity of appropriate value-enhancement, and where we can manage such risks within our organisation using recognised methods and measures. In order to control and manage these risks, as well as to provide transparent presentation of opportunities that arise, identified risks are monitored and assessed constantly as part of our risk management system.

This entails not only the constant monitoring of risk-relevant factors from the sales, contract management, technology, finances, personnel, and legal areas, but also the assessment of the event probability relating to these risks, and any resultant losses. This provides the factors required for the Management Board – particularly as part of monthly reporting – to reach decisions that allow them to introduce prompt and appropriate measures. The Management Board is informed regularly about any potential excess beyond fixed risk limits.

Relevant risk factors

Macroeconomic risk

Despite the Eurozone crisis, Germany's economic position over the last twelve months can be regarded as positive overall, and low unemployment figures also give grounds for confidence. The flight to physical assets, and the historically low interest-rate level, are also currently fostering greater demand for home-ownership. Despite the currently good general conditions, we are aware of the potential risk of a sudden and unexpected downturn in the economy, and we are intensively monitoring and analysing current market circumstances in order to be optimally prepared to meet future trends, and to rapidly implement measures necessitated by the relevant situation.

New technologies

We constantly analyse innovations in the house construction area resulting from technological progress, which we then integrate into our product portfolio following an assessment of their suitability. Close contact and the exchange of experience with the most varied types of manufacturers, associations and business partners, as well as visits to specialist trade fairs and conferences, promotes our company's innovative spirit in this respect. We have recently expanded our product portfolio, particularly in the energy-efficient construction method area, to include promising innovations, such as the ecoSolar house and, not least, the EnergieAutarke house (energy-independent house). In doing so, we endeavour to ensure that the opportunities connected with innovations significantly outweigh related risks, and that start-up costs bear a reasonable relationship to sales potential.

House
Frankfurt

Materials cost risk

We also calculate expected changes in materials prices, and take them into account in our calculations as part of ongoing planning. We counter the risk of rising materials prices by fixing our houses' sales prices on a forward basis. Unexpected leaps in materials prices that impact materials and/or services that we need to purchase, could nevertheless exert a negative impact on income from individual building projects. We also mitigate the risk of rising raw materials prices with corresponding price adjustment clauses. These are coupled to the construction price index trend.

Investment risks

Following the successful conclusion of our expansion across Germany, we have already cut back investments in new showhouses to a relatively modest level over recent years. Most of the sales locations that we have newly created over the past business years have recently made a tangible contribution to the attainment of new sales records. In the future, too, we will proceed with the greatest possible care when considering the potential creation of individual locations or replacement investments, in order to minimise the risk of a misinvestment as far as possible. This also applies for the purchase of land areas to expand the property development business of HELMA Wohnungsbau GmbH, HELMA LUX S.A., and HELMA Ferienimmobilien GmbH. In this case, we will only invest in areas where we have the requisite regional know-how, several years of back data, and the potential to make rapid resales. In our project business, the only start we generally make on projects is to purchase the land, and we do not start with specific building projects until the customer has signed a corresponding notarised purchase agreement, and the customer's financing has been confirmed. We will continue to subject exceptions to this approach to particularly intensive review, particularly when building terraced houses and multi-family homes, which can make sense despite the higher sales risk. This allows us to ensure as best as possible that our capital is tied up in individual projects for as short a time as possible in all cases.

Personnel risks

We monitor personnel risks with a high degree of attention, and counter such risks using numerous personnel development measures. The focus in this context is the qualification of our employees, a low staff turnover rate, and the long-term loyalization of managers to the company. Our employees' expertise is a decisive element in the high quality of the services we offer. We provide our employees and specialist advisers with a broad range of introductory, qualification, and further training programmes in order to secure this quality. These programmes continued to attract very enthusiastic interest in 2011. Such programmes also include the HELMA Academy, which has allowed us to create our own centre for the further training of our specialist advisers and project managers.

House
Zurich

IT risks

We regularly invest in modern hardware and software infrastructure, and perform frequent data backups, in order to prevent unauthorised access or data loss, and to ensure the constant availability of our IT systems. We employ leading manufacturers' products in this context. We constantly adjust our applicable security guidelines to the latest technical developments.

Legal risks

There are no identifiable major legal risks from today's perspective.

Financial risks

We monitor financial risks, including liquidity, interest, and default risks, using tried and tested controlling and steering tools, which facilitate prompt and transparent reporting. The Group reporting system ensures the regular recording, analysis, measurement and steering of financial risks.

Liquidity risks are monitored and managed centrally within the Group, based on rolling liquidity planning. The Group's sourcing of liquidity is ensured through sufficient cash holdings and free credit lines. This prevents liquidity bottlenecks.

Interest-rate risk within the HELMA Group results mainly from variable-rate liabilities. There is no evident significant interest-rate risk given our current level of liabilities that carry variable interest rates. Interest rate derivatives are not deployed.

As a result of our business model, and our tried and tested form of cooperation with subcontractors, the risk arising from receivables defaults, or non-transferable warranty claims, may continue to be regarded as very low.

There are no exchange rate risks since HELMA Group companies primarily operate in Germany and Luxembourg, and all annual financial statements are denominated in euros.

Overall assessment

The overall risk situation at the HELMA Group is analysed and managed as part of the risk management system presented above. In the financial year elapsed, we identified no specific risks that might jeopardise our company as a going-concern, either individually or in their entirety. An effect on business performance and earnings trends cannot be excluded in the event of unforeseeable and extraordinary risks. No risks are identified from today's position that might jeopardise the HELMA Group as a going-concern, either individually or in combination.


House
Milan

Related parties report

Pursuant to § 312 of the German Stock Corporation Act (AktG), the Management Board has prepared a related parties report, which contains the following concluding statement: "In the case of the legal transactions and measures listed in the related parties report, and according to the circumstances known to the Management Board at the time when legal transactions were performed, or measures were taken or not taken, HELMA Eigenheimbau Aktiengesellschaft received an appropriate consideration for each legal transaction, and has not been disadvantaged by the fact that measures were taken, or not taken."

Report on events subsequent to the reporting date

No transactions of particular significance occurred after the balance sheet date.

Dividend

In its single-entity financial statements prepared according to the accounting principles of the German Commercial Code (HGB), HELMA Eigenheimbau AG reports unappropriated retained earnings of €1,693,332.58 for the 2011 financial year. As part of approving the annual financial statements at the Supervisory Board meeting held on March 26, 2012, the Management Board proposed to the Supervisory Board that it should propose to the Shareholders' General Meeting to be held on July 6, 2012, that it approves the following appropriation of earnings:

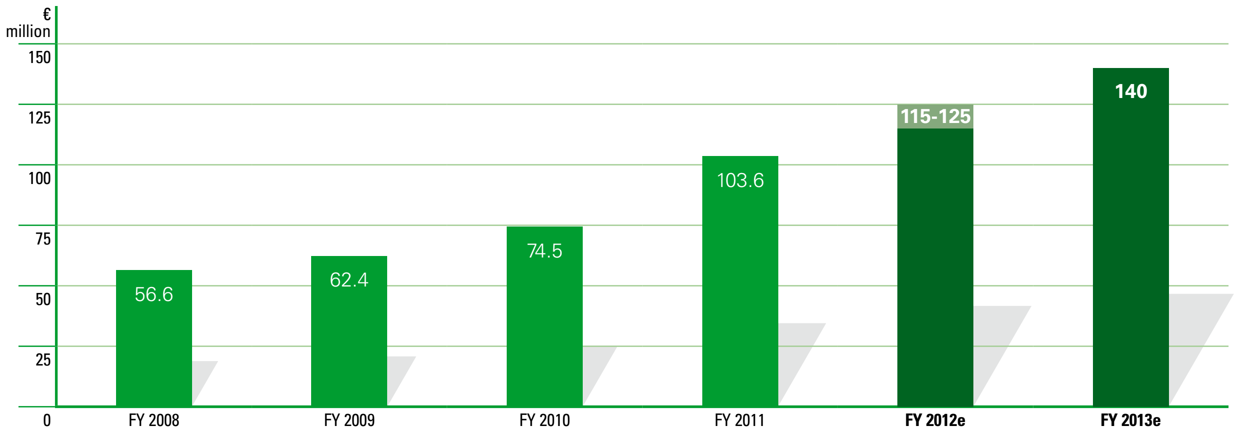
Distribution of a dividend of €0.20 per dividend-entitle ordinary share in an amount of €572,000.00, and the carrying forward to a new account of the remaining amount of €1,121,332.58.

The annual financial statements of HELMA Eigenheimbau AG prepared according to the regulations of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG), as well as the aggregated management report, are published in the electronic Federal Gazette (Bundesanzeiger).

Forecast report

We expect further significant revenue and earnings growth in the 2012 and 2013 financial years due to the solid order book position of €91.1 million with which we started the 2012 financial year, and the many attractive, new property development projects that our subsidiaries HELMA Wohnungsbau GmbH and HELMA Ferienimmobilien GmbH will start to implement during the forecast period. Consequently, we anticipate that Group revenue will increase from €103.6 million to between €115 million and €125 million in the 2012 financial year, and that it will rise further to around €140 million in the 2013 financial year. The forecast revenue growth will be primarily attributable to the further, significant expansion of the property development business. Its share of Group revenue (2011: €28.0 million) will prospectively amount to between €40 million and €50 million in the current 2012 financial year, which will also include up to €10 million contributed for the first time by HELMA Ferienimmobilien GmbH, which was founded in 2011.

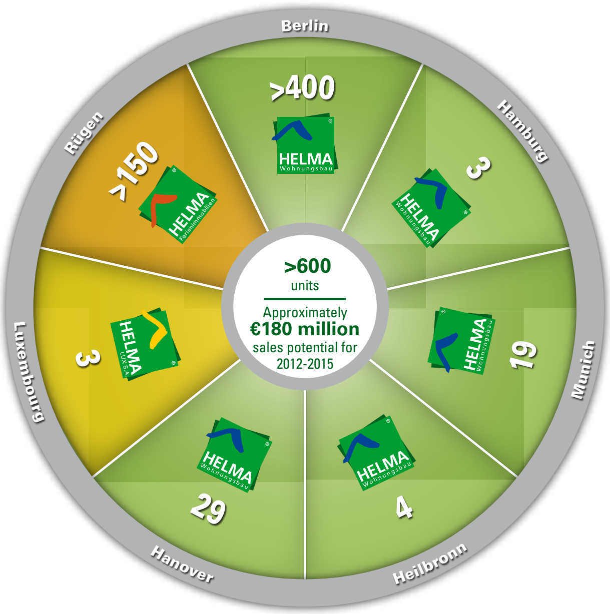
Group revenue 2008-2013e (according to IFRS)



To illustrate the sales potential that we will in all likelihood exploit in the property development business over the next four years, the following graph provides an overview of the number of units for which we already have acquired the requisite plots of land through purchase or options. As a consequence, a total of more than 600 units can be regarded as almost secured. These units alone would comprise a sales potential in the property development business of a cumulative amount of approximately €180 million for 2012-2015 (including the respective house units that are yet to be constructed).

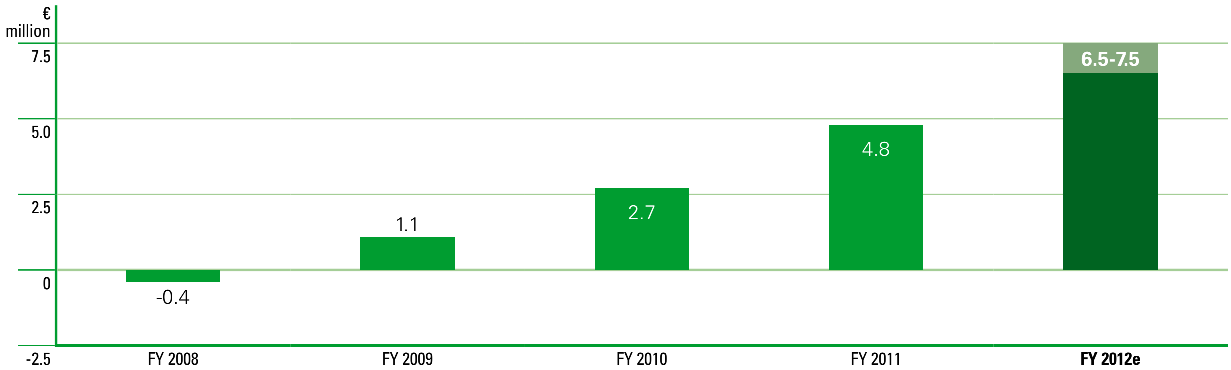
We will continuously further boost this potential for the coming years by acquiring additional plots of land over the course of time (which are not yet included in this overview), thereby expanding the property development business in further German regions, in addition to Berlin and Rügen. We will consequently rank as one of the market's leading companies in the respective areas, particularly in Berlin, where HELMA Wohnungsbau GmbH will continuously construct more than 100 units per year, and on the island of Rügen, where HELMA Ferienimmobilien GmbH has already prepared a total of four promising projects.

Secured sales potential in the property development business for 2012-2015



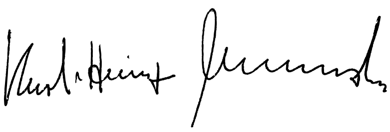
Based on the budget planning described above, we anticipate consolidated EBIT of €6.5-7.5 million in the current 2012 financial year, and further tangible earnings growth for 2013. This would imply that the EBIT margin on revenue would increase to our medium-term target of more than 6% (2011: 4.6%). Along with the realisation of further economies of scale, we are assuming a continuous enhancement of our EBIT margin due to the ever growing share of our high-margin property development business in total Group revenue.

Group-EBIT 2008-2012e (according to IFRS)

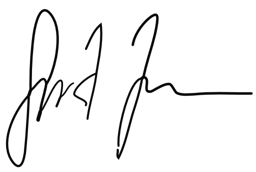


As in previous years, we are also expecting that we will continue in the future to achieve the by-far predominant portion of our revenue and earnings contributions in the second half of the year, due to weather conditions. This uneven distribution over the course of the year could be even more pronounced in 2012, since most of the realisation of revenue of our property development business is also focused on the second half of the year. For example, it will not be possible until May 2012 at the earliest to start with the construction of our currently largest and most important project at HELMA Wohnungsbau GmbH, the fourth construction section in Berlin-Karlshorst. However, we do not currently anticipate delays to individual projects of a magnitude that could put at risk our planned and significant revenue and earnings growth in 2012 and 2013. We are firmly assuming that the sustainable and profitable growth of the HELMA Group can be successfully continued in the 2012 and 2013 financial years.

Lehrte, March 15, 2012



Karl-Heinz Maerzke
Management Board Chairman



Gerrit Janssen
Management Board member

Consolidated Financial Statements
for the period January 1, 2011 to December 31, 2011 according to IFRS

Consolidated balance sheet

ASSETS in €	Note	12/31/2011	12/31/2010
Non-current assets			
Other intangible assets	(1)	827,595.88	809,020.76
Goodwill	(2)	1,380,173.97	1,380,173.97
Property, plant and equipment	(3)	16,310,951.33	14,567,598.67
Investment property	(4)	303,658.00	309,275.00
Other non-current assets	(5)	6,843.39	6,843.39
Deferred tax	(6)	1,484,033.15	1,643,734.73
Non-current assets, total		**20,313,255.72**	**18,716,646.52**
Current assets			
Inventories	(7)	19,829,837.88	8,628,007.69
Receivables arising from construction orders	(8)	6,620,627.35	3,769,477.38
Trade receivables	(9)	10,586,553.69	6,327,701.45
Tax receivables	(10)	107,392.82	6,740.18
Other current receivables	(11)	2,227,741.79	1,991,932.60
Cash and cash equivalents	(12)	3,792,545.55	3,074,475.98
Non-current assets available for sale	(13)	390,000.00	450,000.00
Current assets, total		**43,554,699.08**	**24,248,335.28**
Total assets		**63,867,954.80**	**42,964,981.80**

EQUITY & LIABILITIES in €	Note	12/31/2011	12/31/2010
Equity	(14)		
Issued share capital		2,860,000.00	2,600,000.00
Capital reserves		11,550,159.46	9,276,991.96
Revenue reserves		160,256.07	160,256.07
Balance sheet profit		2,384,436.01	74,297.22
Equity attributable to HELMA Eigenheimbau AG owners		16,954,851.54	12,111,545.25
Minority interests		112,272.16	87,906.88
Equity, total		**17,067,123.70**	**12,199,452.13**
Non-current liabilities			
Pension provisions and similar obligations	(15)	15,644.66	16,565.43
Other non-current provisions	(16)	166,100.00	127,300.00
Non-current financial liabilities	(17)	18,354,488.36	8,943,295.01
Trade payables	(18)	1,892,761.20	1,651,012.46
Deferred tax	(19)	817,978.31	316,280.88
Non-current liabilities, total		**21,246,972.53**	**11,054,453.78**
Current liabilities			
Other current provisions	(20)	5,634,158.05	2,995,462.00
Tax liabilities	(21)	299,118.04	96,179.00
Current financial liabilities	(22)	1,989,838.12	4,342,054.81
Liabilities arising from prepayments received	(23)	0.00	26,401.00
Trade payables	(24)	5,851,929.62	5,015,670.17
Finance lease liabilities	(25)	0.00	49,828.68
Other current liabilities	(26)	11,778,814.74	7,185,480.23
Current liabilities, total		**25,553,858.57**	**19,711,075.89**
Total equity and liabilities		**63,867,954.80**	**42,964,981.80**

Consolidated statement of total comprehensive income

in €	Note	2011	2010
Revenue	(27)	**103,588,103.66**	**74,535,062.03**
Change in stocks of finished goods and work in progress	(28)	9,132,211.56	2,463,646.35
Other own work capitalised	(29)	166,187.88	238,458.11
Other operating income	(30)	513,452.48	640,964.80
Expense for materials and third-party services	(31)	-89,975,216.63	-60,761,613.59
Personnel expense	(32)	-9,444,972.88	-7,334,725.00
Depreciation/amortisation	(33)	-1,346,590.20	-1,127,291.81
Other operating expenses	(34)	-7,847,297.30	-5,930,422.04
Operating earnings (EBIT)		**4,785,878.57**	**2,724,078.85**
Finance expenses	(35)	-1,491,707.97	-879,388.85
Other financial income	(36)	87,093.30	65,395.71
Earnings before tax		**3,381,263.90**	**1,910,085.71**
Income tax	(37)	-1,030,756.56	-589,495.29
Net income before minority interests		**2,350,507.34**	**1,320,590.42**
Minority interests' share of earnings		-40,368.55	-18,273.13
Net income after minority interests		**2,310,138.79**	**1,302,317.29**

The company has refrained from presenting a reconciliation between net income for the year and total comprehensive income pursuant to IAS 1.81 ff. since the net income for the year corresponds to the total comprehensive income.

Earnings per share in €			
undiluted		0.83	0.50
diluted		0.83	0.50

Consolidated cash flow statement

in k€			2011	2010
1.		Earnings after tax	2,350.5	1,320.6
2.	+/-	Depreciation/amortisation	1,286.6	1,127.3
3.	+/-	Change in non-current provisions	37.8	28.7
4.	+/-	Change in deferred tax	661.4	446.5
5.	+/-	Other non-cash-effective transactions	60.0	0.0
6.	**=**	**Cash earnings (sum of 1 to 5)**	**4,396.3**	**2,923.1**
7.	-/+	Change in inventories	-11,201.8	-3,015.1
8.	-/+	Change in receivables and other assets	-7,446.4	-4,526.3
9.	+/-	Change in current provisions	2,638.7	-994.5
10.	+/-	Change in liabilities (excluding financial liabilities)	5,848.0	4,994.6
11.	**+/-**	**Change in working capital (sum of 7 to 10)**	**-10,161.5**	**-3,541.3**
12.	-/+	Gain/loss on disposal of assets	34.3	81.0
13.	+/-	Change in assets available for sale	0.0	297.5
14.	**=**	**Cash flow from operating activities (sum of 6, 11 to 13)**	**-5,730.9**	**-239.7**
15.	+	Payments received from disposal of property, plant and equipment	220.4	309.0
16.	-	Cash outflow for investments in property, plant and equipment	-3,080.1	-1,069.6
17.	-	Outgoing payments for investments in intangible assets	-217.6	-450.2
18.	**=**	**Cash flow from investing activities (sum of 15 to 17)**	**-3,077.3**	**-1,210.8**
19.	-	Cash outflows to other shareholders	-16.0	-26.3
20.	+	Payments received from capital increase	2,533.2	0.0
21.	+/-	Drawing down/redemption of liabilities	7,058.9	2,099.0
22.	-	Cash outflows for finance leasing	-49.8	-66.2
23.	**=**	**Cash flow from financing activities (sum of 19 to 22)**	**9,526.3**	**2,006.5**
24.		**Net change in cash and cash equivalents (sum of 14, 18 and 23)**	**718.1**	**556.0**
25.		**Cash and cash equivalents at the start of the period**	**3,074.5**	**2,518.5**
26.		**Cash and cash equivalents at the end of the period**	**3,792.6**	**3,074.5**

Consolidated statement of changes in equity

in €	Issued share capital	Capital reserves	Revenue reserves	Balance sheet loss/ profit	Shares of owners of HELMA Eigenheim-bau AG	Shares of minority interests	Equity Total
Status January 1, 2010	2,600,000.00	14,276,991.96	169,718.03	-6,237,482.03	10,809,227.96	95,906.12	10,905,134.08
Withdrawals/deposits	0.00	-5,000,000.00	-9,461.96	5,009,461.96	0.00	-26,272.37	-26,272.37
Net income for the year	0.00	0.00	0.00	1,302,317.29	1,302,317.29	18,273.13	1,320,590.42
Status December 31, 2010	**2,600,000.00**	**9,276,991.96**	**160,256.07**	**74,297.22**	**12,111,545.25**	**87,906.88**	**12,199,452.13**
Payments received from capital increase	260,000.00	2,273,167.50	0.00	0.00	2,533,167.50	0.00	2,533,167.50
Withdrawals/deposits	0.00	0.00	0.00	0.00	0.00	-16,003.27	-16,003.27
Net income for the year	0.00	0.00	0.00	2,310,138.79	2,310,138.79	40,368.55	2,350,507.34
Status December 31, 2011	**2,860,000.00**	**11,550,159.46**	**160,256.07**	**2,384,436.01**	**16,954,851.54**	**112,272.16**	**17,067,123.70**

Notes to the Consolidated Financial Statements

1. General information

1.1. General notes concerning the company, Basic information

The Group parent company is HELMA Eigenheimbau Aktiengesellschaft (referred to below as HELMA AG), Lehrte, Germany. The company is entered in the commercial register of the local court of Hildesheim under number HRB 201182 with the address "Zum Meersefeld 4, 31275 Lehrte".

HELMA AG's main area activity is the planning and construction management of turnkey and partly turnkey detached (focus) and semi-detached houses on the basis of customer orders. The houses are either built entirely individually or constructed on the basis of various house types, whereby customers have the opportunity to design their selected house types individually according to their own wishes and requirements.

HELMA Wohnungsbau GmbH, Lehrte, a subsidiary of HELMA AG, operates in the conventional property development area.

The company has operated in the area of building-related financing and insurance since the end of 2010 through Hausbau Finanz GmbH, Lehrte.

HELMA Ferienimmobilien GmbH, Lehrte, a wholly-owned subsidiary of HELMA AG that was founded on January 3, 2011, operates in the area of the development and planning, as well as sale of holiday homes and apartments.

As the parent company of the HELMA Group, HELMA AG has been listed in the open market of the Frankfurt Securities Exchange (Entry Standard) since September 2006 (WKN A0EQ57; ISIN DE000A0EQ578).

The 2011 consolidated financial statements were prepared in euros; some information is provided in thousands of euros (k€).

The December 31, 2011 consolidated financial statements of HELMA AG were prepared according to the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), London, valid as of the financial reporting date, and taking into account the interpretations of the Standing Interpretations Committee (SIC) and of the International Financial Reporting Interpretations Committee (IFRIC), and as applicable in the EU.

All companies included in the consolidated financial statements use the calendar year as their financial year.

The consolidated financial statements include the consolidated balance sheet, consolidated statement of total comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement, and notes to the consolidated financial statements including a consolidated statement of changes in fixed assets and segment reporting.

1.2. Standards and interpretations requiring application in the current financial year

New standards, amendments to existing standards, and new interpretations were approved in 2011.

These include:

a) Published standards and interpretations that require mandatory first-time application for the IFRS financial statements as of December 31, 2011:

- **Amendments to standards:**
  - Amendments to IAS 24 "Related Party Disclosures": Disclosures concerning relationships with related companies and individuals (2009) (comes into force on January 1, 2011)
  - Amendments to IAS 32 "Financial Instruments: Presentation": Classification of Rights Issues (comes into force on February 1, 2010)
  - Amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards": Limited exemption for first-time adopters from the requirement to provide comparable disclosures pursuant to IFRS 7 (comes into force on July 1, 2010)
  - Amendments to IFRS 3 "Business Combinations" by the IASB's 2008-2010 Annual Improvements Project: Measurement of non-controlling interests, accounting treatment of un-replaced and voluntarily replaced share-based payment awards, conditional purchase price payments, contingent considerations from business combinations (comes into force on July 1, 2010)
  - Various amendments: IASB's 2008-2010 Annual Improvements Project (comes into force at the earliest on January 1, 2010)
- **New interpretations:**
  - IFRIC 14 "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" (comes into force on January 1, 2011)
  - IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments" (comes into force on July 1, 2010)

b) Published standards and interpretations that do not yet require mandatory first-time application for the IFRS financial statements as of December 31, 2011:

- **Amendments to standards:**
  - Amendments to IAS 1 "Presentation of Financial Statements": Presentation of Items of Other Comprehensive Income (comes into force on July 1, 2012) *
  - Amendments to IAS 12 "Income Taxes": Deferred Tax: Recovery of Underlying Assets (comes into force on December 1, 2012) *
  - Amendments to IAS 19 "Employee Benefits": Elimination of the corridor method, and amendments to the reporting of actuarial gains and losses, past service costs, finance costs, and expected return on plan assets (comes into force on January 1, 2013) *
  - Amendments to IAS 27 "Consolidated and Separate Financial Statements": Restriction of regulations relating to separate financial statements (comes into force on January 1, 2013) *
  - Amendments to IAS 28: "Investments in Associates and Joint Ventures": Mandatory application of equity method (comes into force on January 1, 2013) *
  - Amendments to IFRS 7 "Financial Instruments: Disclosures": Disclosures relating to transfers of financial assets (comes into force on July 1, 2011)
- **New standards:**
  - IFRS 9 "Financial Instruments" (comes into force on January 1, 2015) *
  - IFRS 10 "Consolidated Financial Statements" (comes into force on January 1, 2013) *
  - IFRS 11 "Joint Arrangements" (comes into force on January 1, 2013) *
  - IFRS 12 "Disclosures of Interests in Other Entities" (comes into force on January 1, 2013) *
  - IFRS 13 "Fair Value Measurement" (comes into force on January 1, 2013) *
- **New interpretations:**
  - IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine" (comes into force on January 1, 2013) *

* Not yet endorsed by the EU.

The company has, and will, apply the new standards and interpretations once their application is mandatory within the EU. No significant effects have resulted for the balance sheet and statement of total comprehensive income, and none are expected. Amendments and extended disclosures arise for mandatory disclosures in the notes.

2. Key accounting methods

These consolidated financial statements have been prepared in compliance with IFRS, as applicable in the EU.

The preparation of consolidated financial statements according to IFRS requires the Management Board to make estimates and assumptions that have effects on the amounts reported in the consolidated balance sheet, as well as on the disclosure of contingent claims and liabilities as of the reporting date, and on the reported income and expenses during the reporting period. The assumptions and estimates reflect assumptions based on the relevant current status of knowledge. Actual outcomes may differ from these estimates and assumptions.

2.1. Assets

Intangible assets
Intangible assets (licenses and IT software, customer relationships) are recognised at cost less amortisation. Amortisation is performed on a straight-line basis over the economic useful life, which amounts to up to five years.

Expected useful lives and amortisation methods are reviewed at the end of the financial year.

The carrying amounts of intangible assets are reviewed at each reporting date in order to determine whether there are indications that impairment has occurred.

Development costs for newly developed building types for which technical and marketing feasibility studies are available are capitalised using their directly and indirectly attributable production costs to the extent that expenses can be clearly allocated, and the newly developed products are viable from both a technical and marketing perspective (IAS 38). It must also be sufficiently likely that such development activities will result in future cash inflows. Borrowing costs that are attributable to the production process are capitalised if they are significant. Amortisation is applied on the basis of the products' planned technical useful life. The useful life amounts to five years. Pursuant to IAS 38, research costs cannot be capitalised, and are consequently expensed directly in the consolidated statement of total comprehensive income.

Goodwill
Goodwill arising on a business combination is recognised at the time when control is transferred (acquisition date). It corresponds to the amount by which the purchase costs exceed the Group share in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired company at the acquisition date.

For the impairment test, goodwill is distributed among all the Group's cash generating units where it is expected that they can generate benefits from the synergies of the merger. Cash generating units to which a portion of goodwill is allocated are tested at least once annually for impairment. These tests are performed more regularly when there are indications that the value of a unit is impaired.

The impairment test is based on a calculation of the recoverable amount. This is derived from the higher of either fair value less costs to sell and value in use. If a cash generating unit's carrying amount exceeds its recoverable amount, IAS 36.104 f. requires the recognition of an impairment loss.

The carrying amount of the cash generating unit comprises its so-called net assets, which are composed of its operating assets, in other words, the assets required for operating activities, less disclosed hidden reserves (especially goodwill), and less liabilities arising from operating activities.

Whereas the calculation of fair value less costs to sell is based on procedures primarily referring to market prices, the calculation of value in use makes recourse to procedures based on capital values.

The concept of the weighted average cost of capital (post-tax WACC approach) is used for procedures based on capital values.

The following assumptions were made in this context:

- Equity costs are calculated on the basis of the capital asset pricing model, and amount to 8.8% (previous year: 8.75%). This interest rate was calculated on the basis of a risk-free rate of 2.75% (previous year: 3.25%), a risk premium of 5.5% (previous year: 5.0%) and a beta factor of 1.1 (previous year: 1.1).

- The value in use was calculated using the present value of cash flow during two growth phases. Detailed planning that has been approved by the Management Board was used as the basis for the financial years comprising Phase 1 (two years). A perpetual return is used as the basis for Phase 2. The growth assumed in this instance amounts to 1%.

Property, plant and equipment

Property, plant and equipment (with the exception of land) is reported at cost less cumulative depreciation and impairment losses. Besides directly attributable unit costs, cost in this respect also reflects appropriate portions of production-related overhead costs.

Depreciation is performed in such a way that the assets' costs less their residual values are depreciated on a scheduled basis over their useful lives. The expected useful lives, residual values and depreciation methods are reviewed annually, and all necessary modifications to estimates are taken into account prospectively.

Property, plant and equipment is depreciated on a straight-line basis over the following useful lives:

Prospective useful lives	Years
Showhouses	up to 33
Office buildings	33 – 40
Outdoor plant	10 – 35
Other plant, operating and office equipment	1 to 15

Economic useful lives are determined taking into account prospective physical wear and tear, technical obsolescence, and legal and contractual restrictions.

A useful life of up to 33 years is assumed for showhouses situated on the company's own land. Where shorter, rental duration is used as the useful life for showhouses situated on third-party land.

Assets under construction are recognised at cost. Borrowing costs are capitalised if they are significant. Depreciation of these assets commences when they are completed, or when they reach an operationally ready condition.

Depreciation is not applied to land.

Leasing

Leases are classified as finance leases if all essential opportunities and risks connected with ownership are transferred to the lessee as a result of the lease agreement. All other leases are classified as operating leases.

Assets held as part of a finance lease are reported as Group assets at fair value at the start of the lease, or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is shown in the consolidated balance sheet as an obligation arising from a finance lease.

Assets held under finance leases are depreciated over their expected useful life in the same way as assets held as Group property or, if shorter, the duration of the underlying lease.

Lease payments are split into interest expenses and capital repayments of the lease obligation in such a way that the remaining liability is subject to a constant rate of interest. Interest expenses are reported directly in the consolidated statement of total comprehensive income.

Rental payments arising from operating leases are reported as expenditure on a straight-line basis over the duration of the lease unless another systematic basis better corresponds to the periodic progression of usage for the lessee. Conditional rental payments made as part of an operating lease are expensed in the period in which they arise.

Investment property

Investment property is recognised at amortised cost. A useful life of 50 years is used as the basis for the measurement of depreciation.

Inventories

Inventories are recognised at the lower of individual cost as per IAS 2.23, and net realisable value.

Cost essentially represents services invoiced by subcontractors. A premium is allocated to this cost to reflect overhead costs, which are composed of administration costs. Overhead cost premiums are based on actual overhead costs for the period.

Borrowing costs are capitalised if they are significant.

Impairment losses are recognised if the net realisable value of individual assets falls below their carrying amount.

Receivables arising from construction orders

If the result of a construction order can be gauged reliably, the order income and order costs connected with this construction order are reported according to the degree of completion of output as of the reporting date compared to the total order output.

Expected losses arising from construction contracts are expensed immediately in their entirety.

Financial assets and liabilities

Financial assets are composed primarily of receivables, and of cash and cash equivalents. The recognition and measurement of financial assets is performed according to IAS 39. According to this, financial assets are recognised in the consolidated balance sheet if the company enjoys a contractual right to receive cash or other financial assets from another party. Normal market purchases and sales of financial assets are generally entered in the balance sheet as of the settlement date. A financial asset is generally initially recognised at fair value plus transaction costs.

Subsequent measurement is performed according to the allocation of financial assets to the following categories:

- Financial assets measured at fair value through profit or loss: Financial assets are measured at fair value through profit or loss if the financial asset is designated either as held for trading or as measured at fair value through profit or loss. Derivative financial instruments are also included in this category.

- Trade receivables, loans and receivables: Measurement is generally at nominal amount less valuation adjustments for receivables default. Non-interest-bearing non-current receivables are discounted.

- Financial investments held to maturity: These comprise financial assets with fixed or determinable payments, and a fixed duration over which they are held. These are measured at amortised cost.

- Available-for-sale financial assets: These comprise financial assets not allocated to one of the above-mentioned categories. These are measured at fair value. Changes to fair value are recognised as deferrals and accruals within equity, with no impact on income, and are not booked through the statement of total comprehensive income until they are sold or become impaired.

The company currently holds exclusively trade receivables, loans and receivables.

Financial assets are de-recognised if the contractual rights to payments arising from financial assets expire, or the financial assets are transferred along with all key risks and opportunities.

Impairment of financial assets

Financial assets, with the exception of financial assets measured at fair value through profit or loss, are tested for indications of impairment on each reporting date. Financial assets are deemed to be impaired if, as a consequence of one or several events occurring following first-time recognition of the asset, there is an objective indication that the expected future cash flows from the financial asset have undergone a negative change.

For some categories of financial assets, for example, trade receivables, impairment tests are conducted on a portfolio basis for assets where no impairment is established on an individual basis.

Assets available for sale

Assets and groups of assets for sale are classified as available for sale if it is intended that their carrying amount will be realised predominantly by disposal rather than by further use. This precondition is not regarded as satisfied until the sale is highly likely, and the asset is available for immediate disposal. The relevant responsible governing bodies of the company must also have approved the disposal, and the intention must be that the sale will be performed within one year of its qualification as available for sale. Furthermore, an active search to find a purchaser must have already started.

Non-current assets available for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Cash and cash equivalents

Cash and cash equivalents are recognised at nominal value.

Cash and cash equivalents used to collateralise bank borrowings, and which are not at the company's disposal, are not included in cash and cash equivalents, but are instead reported among other current or non-current assets.

2.2. Equity and liabilities

Equity capital procurement costs

Equity capital procurement costs are deducted from the capital reserves after taking into account any tax that they incur.

Financial liabilities

Financial liabilities are recognised in the consolidated balance sheet if the company is contractually obligated to transfer cash or other financial assets to another party. A primary liability is initially recognised at cost. Financial liabilities are measured at amortised cost in subsequent years.

Pension provisions

Pension provisions and similar obligations are calculated using the projected unit cost method for pension benefit commitments in line with IAS 19. Actuarial gains and losses are reported through the statement of total comprehensive income without taking into account any potential corridor. Interest-related changes to pension provisions are also reported under personnel expenditure.

Other provisions

Other provisions are formed to an appropriate extent for all identifiable risks and uncertain obligations. The precondition for recognition is that utilisation is likely, and the extent of the obligation can be calculated reliably.

Provisions for warranty expenses are recognised at the time of completion of production or the time of sale according to the management's best estimation relating to the Group's satisfaction of the obligation.

All non-current provisions are recognised at their discounted fulfilment amount as of the balance sheet date.

2.3. Consolidated statement of total comprehensive income

The consolidated statement of total comprehensive income is structured according to the nature of expense method.

Sales revenues and other operating income are realised when services are rendered or when claims arise. Interest income and expenses are reported in the periods to which they relate.

If the corresponding preconditions of IAS 11 have been satisfied, construction orders are reported using the percentage of completion method (PoC). This entails reporting costs incurred during the financial year, and revenue attributable to the financial year, through profit or loss according to the degree of completion of construction. The degree of completion of construction is calculated using the ratio of output achieved relative to total output.

2.4. Currency translation

Foreign-currency receivables, cash, and liabilities are measured according to the exchange rate prevailing on the reporting date.

2.5. Income tax

Taxes on income are reported and measured according to IAS 12. Apart from a few exceptions determined in the standard, deferred tax is formed for all temporary differences between IFRS and fiscal valuations (balance-sheet-oriented approach). Deferred tax assets based on unutilised tax loss carryforwards are recognised to the extent permitted by IAS 12. The measurement of deferred tax is based on tax rates as currently applicable. Impairment losses are applied to deferred tax assets depending on the extent to which they can be realised in the future.

3. Consolidation

3.1. Principles of consolidation

The financial statements of the individual companies were prepared according to uniform accounting principles for the purposes of inclusion in the consolidated financial statements. All companies included in the consolidated financial statements use the same reporting date.

Shares in equity attributable to third parties not forming part of the Group are reported as "minority interests" within equity in the consolidated balance sheet. The carrying amount of minority interests is adjusted to reflect equity changes (distributions/capital contributions, and share of earnings) that are attributable to them. The shares of minority interests are attributable to non-controlling interests (non-controlling shareholders).

All Group-internal business transactions, balances and results of intra-group transactions are fully eliminated as part of consolidation.

3.2. Scope of consolidation

Along with the parent company HELMA AG, and following the founding of HELMA Ferienimmobilien GmbH, Lehrte, on January 3, 2011, the scope of consolidation comprises four fully consolidated associated companies, in which the company owns majority interests. During the year under review, there was no change to the interests held in the companies that already existed as of December 31, 2010.

The following list of shareholdings shows the scope of consolidation:

Name and head office of the company	Share of capital (indirectly and directly)
Subsidiaries of HELMA AG, Lehrte	
HELMA Wohnungsbau GmbH, Lehrte	93.94 %
Hausbau Finanz GmbH, Lehrte	100.00 %
HELMA LUX S.A., Walferdange, Luxembourg	100.00 %
HELMA Ferienimmobilien GmbH, Lehrte	100.00 %

4. Notes to the consolidated balance sheet

Non-current assets

The consolidated statement of changes in fixed assets shows the changes in intangible assets, property, plant and equipment, and investment property.

Intangible assets

(1) Other intangible assets		**€827.595,88**
	12/31/2010	€809.020,76

This balance sheet item changed as follows:

Recognised amount	Additions	Disposals	Amortisation / write-downs	Recognised amount
01/01/2011	**2011**	**2011**	**2011**	**12/31/2011**
€809,020.76	€217,627.43	€65.00	€198,987.31	**€827,595.88**

Other intangible assets comprise licenses, IT software and customer bases within the building insurance area.

Costs connected with the development of the energy-independent house, and costs for the development of a new sampling concept, were also capitalised.

There were no indications of any impairment.

(2) Goodwill		**€1,380,173.97**
	12/31/2010	€1,380,173.97

The reported goodwill results from the acquisition of the interest in HELMA Wohnungsbau GmbH, and is consequently allocated to the "Property development business" segment. The IAS 36 impairment test performed as of the reporting date took into account IDW RS HFA 16, and resulted in a reconfirmation of the previous year's valuation.

(3) Property, plant and equipment		**€16,310,951.33**
	12/31/2010	€14,567,598.67

This balance sheet item changed as follows:

Recognised amount	Additions	Disposals	Depreciation / write-downs	Recognised amount
01/01/2011	**2011**	**2011**	**2011**	**12/31/2011**
€14,567,598.67	€3,080,139.87	€254,801.32	€1,081,985.89	**€16,310,951.33**

Property, plant and equipment is composed as follows:

in €	12/31/2011	12/31/2010
Land rights and equivalent rights, and constructions including buildings on third-party land	13,258,091.41	13,226,966.33
Prepayments rendered and plant under construction	1,235,868.20	44,943.17
Other plant. operating and office equipment	1,816,991.72	1,295,689.17
Total	**16,310,951.33**	**14,567,598.67**

Plant under construction primary relates to the expansion of HELMA AG's administration building in Lehrte.

A lease for a pylon was concluded on July 14, 2006. This lease was categorised as a finance lease pursuant to IAS 17. The asset was depreciated over its useful economic life of six years. The pylon was acquired in the year under review.

There were no indications of any impairment.

Land is generally encumbered with mortgages. With the exception of certain debt-financed vehicles, the item "other plant, operating and office equipment" is essentially subject to no access restrictions due to assignment as security or pledging.

(4) Investment property		**€303,658.00**
	12/31/2010	€309,275.00

This balance sheet item changed as follows:

Recognised amount	Additions	Disposals	Depreciation / write-downs	Recognised amount
01/01/2011	**2011**	**2011**	**2011**	**12/31/2011**
€309,275.00	€0.00	€0.00	€5,617.00	**€303,658.00**

HELMA Wohnungsbau GmbH holds four residential units in Magdeburg for the purpose of generating rental income. Measurement is at amortised cost according to the purchase cost model. Investment property is depreciated on a straight-line basis over 50 years.

Impairments were not required. Fair values estimated on the basis of market observation essentially correspond to the respective carrying amounts.

As of the reporting date, there were no restrictions relating to the disposability of investment property.

Rental income amounted to k€28 in 2011 (previous year: k€28). Expenses directly attributable to the property amounted to k€15 (previous year: k€11).

(5) Other non-current assets		**€6,843.39**
	12/31/2010	€6,843.39

Exclusively long-term deposits were reported among other non-current assets.

(6) Deferred tax		**€1,484,033.15**
	12/31/2010	€1,643,734.73

A standard 29.65% tax rate was applied among the Group companies (previous year: Germany 29.65%, Luxembourg 34.47%). This tax rate is a combined income tax rate reflecting a corporation tax rate of 15% plus the Solidarity Surcharge of 5.5%, and a commercial tax rate of 13.825%.

Deferred tax assets are composed as follows:

in €	12/31/2011	12/31/2010
HELMA AG		
- relating to unutilised loss carryforwards	1,343,642.20	1,537,734.41
- relating to pension provisions	533.65	283.13
HELMA LUX S.A.		
- relating to unutilised loss carryforwards	103,413.00	105,717.19
HELMA Ferienimmobilien GmbH		
- relating to unutilised loss carryforwards	36,444.30	0.00
Total	**1,484,033.15**	**1,643,734.73**

Deferred tax assets and liabilities are offset against each other if the preconditions of IAS 12.74 have been satisfied.

Deferred tax assets formed for unutilised loss carryforwards are assessed for impairment on the basis of an estimate performed by the company using a five-year forecasting horizon. The tax loss carryforwards may be carried forward indefinitely.

As of December 31, 2011, corporation tax (k€4,477) and trade tax (k€4,594) loss carryforwards existed at HELMA AG, a tax loss carryforward of k€349 at HELMA LUX S.A., and corporation and trade tax loss carryforwards of k€123 at HELMA Ferienimmobilien GmbH.

Only the deferred tax assets formed for loss carryforwards, and the pension provision, are non-current.

Non-current assets, total		**€20,313,255.72**
	12/31/2010	€18,716,646.52

Current assets

(7) Inventories		€19,829,837.88
	12/31/2010	€8,628,007.69

This balance sheet item is composed as follows:

in €	12/31/2011	12/31/2010
Raw materials and supplies (advertising materials)	19,824.85	31,184.72
Semifinished services	17,132,554.17	8,000,342.61
Finished goods and products	52,458.86	52,458.86
Prepayments rendered for inventories	2,625,000.00	544,021.50
Total	**19,829,837.88**	**8,628,007.69**

Obligations typical for the sector exist with respect to reported inventories.

(8) Receivables arising from construction orders		€6,620,627.35
	12/31/2010	€3,769,477.38

This balance sheet item is composed as follows:

in €	12/31/2011	12/31/2010
Revenue realised on a proportional basis	19,421,821.00	12,757,278.00
Prepayments received relating to long-term construction order receivables	-12,801,193.65	-8,987,800.62
Total	**6,620,627.35**	**3,769,477.38**

Receivables arising from construction orders contain receivables arising from the application of the percentage of completion method to long-term construction orders. They are calculated based on output achieved relative to total output.

The following earnings effects arise from the application of the PoC method:

in €	2011	2010
Revenue realised on a proportional basis	19,421,821.00	12,757,278.00
Costs realised on a proportional basis	-16,941,947.00	-11,908,419.00
Result from application of the PoC method	2,479,874.00	848,859.00

In the case of the tables above, the cumulative value of long-term construction orders existing as of the balance sheet date were reported under the current financial year. The change compared with the previous year's cumulative value is reflected in the current consolidated statement of total comprehensive income.

(9) Trade receivables		**€10,586,553.69**
	12/31/2010	€6,327,701.45

The reported trade receivables are allocated to the loans and receivables category, and are correspondingly measured at amortised cost.

The value impairments in a cumulative amount of €172,407.55 existed as of the balance sheet date (previous year: €147,407.55). There are no further significant credit risks.

Existing trade receivables should be regarded as retaining their full value due to house agreements for which there are financing confirmations provided by financing partners selected by customers. Most of the remaining open amounts are also covered by deposits on notary trust accounts. In both the year under review and in prior years, there were no notable receivables defaults that would have required valuation adjustments to trade receivables extending beyond those already applied.

(10) Tax receivables		**€107,392.82**
	12/31/2010	€6,740.18

This balance sheet item is composed as follows:

in €	12/31/2011	12/31/2010
HELMA AG	100,198.74	5,374.46
HELMA Wohnungsbau GmbH	0.00	537.72
Hausbau Finanz GmbH	4,234.08	828.00
HELMA Ferienimmobilien GmbH	2,960.00	0.00
Total	**107,392.82**	**6,740.18**

The tax receivables include payment claims arising from corporation tax plus the Solidarity Surcharge, and trade tax.

(11) Other current receivables		**€2,227,741.79**
	12/31/2010	€1,991,932.60

This balance sheet item is composed as follows:

in €	12/31/2011	12/31/2010
Creditor accounts in debit	613,319.24	575,162.57
Commissions for commercial representatives	906,614.75	963,521.00
Prepayments and accrued income	429,888.41	216,434.73
Miscellaneous current receivables	277,919.39	236,814.30
Total	**2,227,741.79**	**1,991,932.60**

(12) Cash and cash equivalents		**€3,792,545.55**
	12/31/2010	€3,074,475.98

This balance sheet item contains cash holdings and bank accounts in credit.

(13) Non-current assets available for sale		**€390.000,00**
	12/31/2010	€450.000,00

This balance sheet item is composed as follows:

in €	12/31/2011	12/31/2010
Land owned near Hanover	390,000.00	450,000.00
Total	**390,000.00**	**450,000.00**

This item reports the ownership of land that the company intends to sell. An impairment charge of €60,000.00 was applied to this land in the year under review.

Current assets, total		**€43,554,699.08**
	12/31/2010	€24,248,335.28

Total assets		**€63,867,954.80**
	12/31/2010	€42,964,981.80

(14) Equity

The change in consolidated equity is presented in detail in the consolidated statement of changes in equity on page 68.

Issued share capital		**€2,860,000.00**
	12/31/2010	€2,600,000.00

Following the €260,000.00 capital increase that was performed in April 2011, the issued share capital of HELMA AG amounted to €2,860,000.00 as of December 31, 2011 (previous year: €2,600,000.00), and is split into 2,860,000 no-par value ordinary shares. The shares are bearer shares. One share grants the right to one vote.

As a result of a resolution of the Shareholders' General Meeting of July 8, 2011, the Management Board is authorised, with Supervisory Board assent, to increase the share capital until July 7, 2016, once or on several occasions, by a total of up to €1,430,000.00 (Approved Capital 2011). The approved capital authorisation that existed until that date was cancelled.

The Shareholders' General Meeting of July 8, 2011, passed a resolution for a conditional increase of issued capital up to an amount of €1,430,000.00 (Conditional Capital 2011). The conditional capital serves to grant ordinary bearer shares to bearers or creditors of convertible and/or warrant debentures, profit participation rights and/or profit-sharing bonds, which can be issued on the basis of the authorisation approved by the Shareholders' General Meeting of July 8, 2011. The conditional capital authorisation that existed until that date was cancelled.

Capital reserves		**€11,550,159.46**
	12/31/2010	€9,276,991.96

As part of the capital increase in April 2011, 260,000 ordinary shares were issued at a price of €10.00 per share. The amount of €2,340,000.00 attributable to the capital reserves was reduced to reflect the after-tax costs of the capital increase incurred of €66,832.50. This amount arises from a cost charge of €95,000.00, which was reduced to reflect tax relief of €28,167.50 (29.65%).

Revenue reserves		**€160,256.07**
	12/31/2010	€160,256.07

Shares attributable to HELMA Eigenheimbau AG owners		**€16,954,851.54**
	12/31/2010	€12,111,545.25

Minority interests		**€112,272.16**
	12/31/2010	€87,906.88

This balance sheet item changed as follows:

in €	12/31/2011	12/31/2010
Status as of January 1	87,906.88	95,906.12
Sum of distributions/capital contributions	-16,003.27	-26,272.37
Minority interests' share of earnings	40,368.55	18,273.13
Status as of December 31	112,272.16	87,906.88

Equity, total		**€17,067,123.70**
	12/31/2010	€12,199,452.13

Economic capital

The targets of the company's capital management are

- securing the company's continued existence,
- ensuring an adequate return on equity, and
- maintaining an optimal capital structure that keeps capital costs as low as possible.

The capital structure is monitored on the basis of its gearing. The company's strategy consists of entering into a level of gearing that is expedient from the perspective of the company's valuation, and which ensures continued access to debt financing at reasonable costs while retaining a good credit rating.

	12/31/2011		12/31/2010	
in k€		in relation to total assets		in relation to total assets
Finance debt	20,344		13,335	
Cash and cash equivalents	-3,793		-3,074	
Net debt	**16,551**	**25.9 %**	**10,261**	**23.9 %**
Equity	**17,067**	**26.7 %**	**12,199**	**28.4 %**
Total assets	**63,868**	**100.0 %**	**42,965**	**100.0 %**

Non-current liabilities

(15) Pension provisions and similar obligations		€15,644.66
	12/31/2010	€16,565.43

HELMA AG has issued pension commitments to a minor extent. These relate to pension commitments granting fixed benefit entitlements, and which require recognition as defined benefit plans pursuant to IAS 19. The pension provisions are measured as of the reporting date on an actuarial basis using the projected unit credit method and taking into account future changes. The calculations are essentially based on the following assumptions:

in %	12/31/2011	12/31/2010
Interest rate	4.5	4.5
Salary trend	2.0	2.0
Pension trend	2.0	2.0
Staff turnover rate	0.0	0.0

These calculations do not reflect cost trends in the medical care area. There are no plan assets pursuant to IAS 19.

Payments of €1,840.68 were made from pension provisions in the year under review (previous year: €1,840.68). Further pension provision adjustments were reported in their entirety through the statement of total comprehensive income, as in the previous year.

(16) Other non-current provisions		€166,100.00
	12/31/2010	€127,300.00

This balance sheet item changed as follows:

in €	Status as of 01/01/2011	Utilisation 2011	Release 2011	Addition 2011	Status as of 12/31/2011
Type of provisions					
Storage costs for business documents	23,000.00	0.00	0.00	0.00	23,000.00
Guarantees	104,300.00	104,300.00	0.00	143,100.00	143,100.00
Total	**127,300.00**	**104,300.00**	**0.00**	**143,100.00**	**166,100.00**

(17) Non-current financial liabilities		€18,354,488.36
	12/31/2010	€8,943,295.01

This balance sheet item changed as follows:

in €	12/31/2011	12/31/2010
Liabilities to finance partners		
Residual term between 1 and 5 years	3,748,595.46	1,562,765.80
Residual term > 5 years	1,627,450.07	3,316,186.38
Subordinated loans		
Residual term between 1 and 5 years	2,978,442.83	2,961,342.83
2010 bond		
Residual term between 1 and 5 years	10,000,000.00	1,103,000.00
Total	**18,354,488.36**	**8,943,295.01**

Non-current liabilities to finance partners relate particularly to the financing of showhouses, the administration building in Lehrte, the vehicle park and investment property.

Of the liabilities to finance partners, an amount of k€4,609 (previous year: k€4,661) was secured by mortgages as of the reporting date.

Liabilities to finance partners carry interest rates between 1.82% and 6.55%.

HELMA AG's subordinated loan from H.E.A.T Mezzanine Kapital S. A., Luxembourg, has a term until April 11, 2013, and carries 7.93% annual interest that is due quarterly.

On December 1, 2010, HELMA AG commenced with the placing of a new bearer debenture ("2010 bond"). The nominal volume amounted to k€10,000, and was fully placed. The interest rate (coupon) amounts to 6.5%. The interest payment is due annually as of December 1. The bond is due for repayment on December 1, 2015.

(18) Trade payables		€1,892,761.20
	12/31/2010	€1,651,012.46

Non-current trade payables represent collateral retentions.

(19) Deferred tax		€817,978.31
	12/31/2010	€316,280.88

Deferred tax liabilities are composed as follows:

in €	12/31/2011	12/31/2010
HELMA AG		
- relating to semifinished services	-2,217,485.38	-1,596,183.44
- relating to receivables arising from construction orders	3,482,917.01	2,372,544.37
- relating to costs for long-term orders	-964,931.38	-657,292.76
- relating to other assets	-112,151.14	-69,436.74
- relating to finance lease liabilities	0.00	-14,774.20
- relating to land	1,569.26	14,113.58
- relating to the capitalisation of finance lease objects	0.00	22,702.38
- relating to internally generated intangible assets	80,485.82	40,940.06
HELMA Wohnungsbau GmbH		
- relating to semifinished services	-1,096,422.33	-1,005,515.51
- relating to receivables arising from construction orders	2,267,371.69	1,386,022.75
- relating to costs for long-term orders	-610,719.73	-188,373.27
- relating to other assets	-13,717.87	0.00
HELMA LUX S.A.		
- relating to semifinished services	-1,006.91	-17,785.49
- relating to receivables arising from construction orders	8,281.25	27,861.76
- relating to costs for long-term orders	-6,460.44	0.00
- relating to other assets	248.46	1,457.39
Total	**817,978.31**	**316,280.88**

Deferred tax assets and liabilities are offset against each other if the preconditions of IAS 12.74 have been satisfied. All deferred tax liabilities are of short-term (current) nature.

Non-current liabilities, total		**€21,246,972.53**
	12/31/2010	€11,054,453.78

Current Liabilities

(20) Other current provisions		€5,634,158.05
	12/31/2010	€2,995,462.00

This balance sheet item changed as follows:

in €	Status as of 01/01/2011	Utilisation 2011	Release 2011	Addition 2011	Status as of 12/31/2011
Type of provisions					
Costs for long-term order production/PoC	2,852,162.00	2,852,162.00	0.00	5,335,958.05	5,335,958.05
Miscellaneous other provisions	143,300.00	143,300.00	0.00	298,200.00	298,200.00
Total	**2,995,462.00**	**2,995,462.00**	**0.00**	**5,634,158.05**	**5,634,158.05**

The provisions for long-term construction order costs/PoC contain costs for subcontractors for which the company has not yet been fully invoiced according to the degree of completion.

(21) Tax liabilities		€299,118.04
	12/31/2010	€96,179.00

This item includes liabilities relating to trade tax, corporation tax and the Solidarity Surcharge.

(22) Current financial liabilities		€1,989,838.12
	12/31/2010	€4,342,054.81

This balance sheet item is composed as follows:

in €	12/31/2011	12/31/2010
Liabilities to finance partners	1,935,671.45	3,076,222.60
2005 bond (matures: June 30, 2011)	0.00	251,000.00
2005 bond interest payments	0.00	8,857.21
2010 bond interest payments	54,166.67	5,975.00
MBG interest (term until December 31, 2011)	0.00	1,000,000.00
Total	**1,989,838.12**	**4,342,054.81**

The 2005 bonds, the interest incurred on these bonds, and the MBG interest were repaid in the year under review.

(23) Liabilities arising from prepayments received		**€0.00**
	12/31/2010	€26,401.00

Prepayments received that are not offset with receivables arising from construction orders are reported under this item.

(24) Trade payables		**€5,851,929.62**
	12/31/2010	€5,015,670.17

Trade payables are substantiated by balance ledgers as of the reporting date.

(25) Finance lease liabilities		**€0.00**
	12/31/2010	€49,828.68

The current portion of the liabilities arising from the finance lease of the pylon was reported.

(26) Other current liabilities		**€11,778,814.74**
	12/31/2010	€7,185,480.23

This balance sheet item is composed as follows:

in €	**12/31/2011**	**12/31/2010**
Subcontractor invoices outstanding	9,115,945.00	5,690,959.05
Personnel	369,707.05	238,991.91
Miscellaneous other accruals and deferrals (provisions)	0.00	7,500.00
VAT	1,985,179.09	955,715.54
Wage and church taxes	143,431.75	115,286.94
Miscellaneous other liabilities	164,551.85	177,026.79
Total	**11,778,814.74**	**7,185,480.23**

The liabilities to personnel result primarily from employee vacation claims that are still outstanding.

Current liabilities, total		**€25,553,858.57**
	12/31/2010	€19,711,075.89

Total equity and liabilities		**€63,867,954.80**
	12/31/2010	€42,964,981.80

5. Notes to the consolidated statement of total comprehensive income

(27) Revenue		**€103,588,103.66**
	2010	€74,535,062.03

This item is composed as follows:

in k€	**2011**	**2010**
Germany	103,005	74,364
Rest of Europe	583	171
Total	**103,588**	**74,535**

(28) Change in stocks of finished goods and work in progress		**€9,132,211.56**
	2010	€2,463,646.35

(29) Other own work capitalised		**€166,187.88**
	2010	€238,458.11

(30) Other operating income		**€513,452.48**
	2010	€640,964.80

This item is composed as follows:

in k€	**2011**	**2010**
Income relating to the monetary benefit from the use of cars	329	256
Income from the disposal of fixed assets	29	17
Insurance compensation payments	75	166
Miscellaneous	80	202
Total	**513**	**641**

(31) Expense for materials and third-party services		**€-89,975,216.63**
	2010	€-60,761,613.59

Third-party services represent services procured from subcontractors.

(32) Personnel expense		€-9,444,972.88
	2010	€-7,334,725.00

This item is composed as follows:

in k€	2011	2010
Wages and salaries	-8,066	-6,243
Social contributions (of which expenses for pensions and benefits k€-89; previous year: k€-78)	-1,379	-1,092
Total	**-9,445**	**-7,335**

(33) Depreciation / amortisation / impairment charges		€-1,346,590.20
	2010	€-1,127,291.81

This balance sheet item is composed as follows:

in k€	2011	2010
Intangible assets	-199	-116
Buildings, rental plant and outdoor plant	-528	-543
Other plant, operating and office equipment	-554	-462
Investment property	-6	-6
Impairments applied to available-for-sale assets	-60	0
Total	**-1,347**	**-1,127**

(34) Other operating expenses		€-7,847,297.30
	2010	€-5,930,422.04

This item is composed as follows:

in k€	2011	2010
Sales commissions	-3,042	-2,006
Marketing costs, trade fairs and exhibitions	-937	-601
Expense for guarantees	-274	-210
Legal and consultancy expenses	-601	-426
Administration costs (telephone, post, office requirements)	-482	-375
Third-party services	-187	-121
Premises costs	-646	-596
Vehicle costs	-524	-445
Operating and repair expenses	-237	-190
Entertainment and travel costs	-186	-165
Office equipment rental costs	-111	-145
Insurance, fees, contributions	-86	-79
Losses on fixed asset disposals	-64	-99
Miscellaneous expenses	-470	-472
Total	**-7,847**	**-5,930**

Operating earnings (EBIT)		**€4,785,878.57**
	2010	€2,724,078.85

(35) Financing expenses		**€-1,491,707.97**
	2010	€-879,388.85

The financing expenses include fixed and profit-dependent payments of k€145 (k€151) for the silent partner.

Financing expenses in connection with the bonds amounted to k€595 (previous year: k€26).

(36) Other financial income		**€87,093.30**
	2010	€65,395.71

This item exclusively reflects interest income.

Earnings before tax		**€3,381,263.90**
	2010	€1,910,085.71

(37) Income tax		**€-1,030,756.56**
	2010	€-589,495.29

This balance sheet item is composed as follows:

in k€	**2011**	**2010**
Current income tax	-370	-143
Deferred tax	-661	-446
- of which due to the origination and reversal of temporary differences	-501	-169
Total	**-1.031**	**-589**

The following presentation explains the key differences between the arithmetic tax expense arising from corporation tax plus the Solidarity Surcharge, and trade tax, for the years 2011 and 2010, and actual tax expenditure:

in k€	**2011**	**2010**
Earnings before tax	3,381	1,910
Group tax rate	29.65 %	29.65 %
Arithmetic income tax expense	1,002	566
Increase (decrease) in tax expenditure due to:		
Non-deductible operating expenses	66	35
Divergent tax rates Germany/abroad	0	-4
Previous years' taxes	-3	-4
Impairment (reversal) of deferred tax assets formed for loss carryforwards	0	4
Miscellaneous	-34	-8
Income tax	**1,031**	**589**
Effective tax rate	30,49 %	30,84 %

Earnings after tax		**€2,350,507.34**
	2010	€1,320,590.42

6. Notes to the consolidated statement of changes in equity

The consolidated statement of changes in equity is presented on page 68.

7. Notes to the cash flow statement

The consolidated cash flow statement (page 67) is presented using the indirect method.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash holdings and bank accounts in credit.

An amount of k€232 was paid as income tax in the year under review (previous year: k€159).

An amount of k€1,165 was paid in interest in the year under review (previous year: k€789).

Interest income of k€87 was received in the year under review (previous year: k€65).

8. Other notes to the financial statements

8.1. Financial risks

The HELMA Group has established a centrally oriented risk management system to systematically report and measure risks arising from financial instruments (market risks (currency, interest rates and other price risks), liquidity risks, and default risks). This is structured so that risks can be identified at an early stage, and countermeasures be launched. Reporting is conducted on a continuous basis.

Currency risks:
There are no currency risks because the HELMA Group operates only within the Eurozone. This is why currency risks have not been hedged with currency derivatives to date. No currency risks arise since HELMA AG has no subsidiaries whose annual financial statements are denominated in foreign currencies.

Interest-rate risks:
Interest-rate risk within the HELMA Group results from variable-rate liabilities. Interest rate derivatives are not deployed.

Pursuant to IFRS 7, interest-rate risks are presented using sensitivity analyses. These present the effects of changes in market interest rates on interest payments, interest income and expenses, other portions of earnings and, if applicable, equity. The sensitivity analyses are based on the following assumptions:

- Changes in market interest rates for primary financial instruments with fixed rates of interest only affect earnings if they are measured at fair value. Consequently, all financial instruments with fixed interest rates that are measured at amortised cost are subject to no interest-rate risks in the meaning of IFRS 7.

- Changes in market interest rates only have an impact on the interest result from primary financial instruments with variable rates of interest whose interest payments are not designated as hedged items as part of cash flow hedges against interest-rate changes, and are consequently taken into account in the earnings-related sensitivity calculations.

- Changes in the market interest rates of interest-rate derivatives that are not integrated into a hedging relationship have effects on the interest result, and are consequently reflected in the earnings-related sensitivity calculations.

An increase or decrease in the market interest rate level of 100 basis points in the year under review would have resulted in an approximately k€12 lower, respectively higher, interest result (previous year: approximately k€16 higher or lower respectively).

Other price risks:
HELMA AG is not exposed to other price risks such as stock market prices or indices.

Liquidity risk:
Liquidity planning is based on a rolling preview of all important monthly planning and earnings quantities. This liquidity planning is discussed in regular conversations with the finance partners that provide funding for the HELMA Group, and serves to secure financing requirements and credit commitments.

The notes concerning the "non-current financial liabilities" balance sheet item contain a term analysis of the financial liabilities with contractually agreed residual maturities.

Default risks:
The company's default risks are limited to normal business risk, which is reflected by the formation of valuation adjustments.

The carrying amounts of the financial assets recognised in the consolidated balance sheet essentially reflect maximum default risk. As of the reporting date, there were no key agreements mitigating maximum default risk (such as offset agreements).

Valuation adjustments were applied only to receivables due from customers. As of the balance sheet date, cumulative specific valuation adjustments of k€172 (previous year: k€147) had been applied to the receivables portfolio before adjustments of k€10,759 (previous year: k€6,475).

In the portfolio of receivables to which specific valuation adjustments have not been applied, there are no receivables exhibiting significant payment problems.

Concentration of business risks:
There is no concentration of business risks. The company has suffered only minor defaults on the part of its individual customers or groups of customers in the past. All Group companies operate active receivables management. Risk management includes the review and monitoring of risks on the basis of liquidity defaults, and the concentration of business risks on both the customer and supplier sides.

8.2. Notes relating to earnings per share

Undiluted (basic) earnings per share is calculated by dividing consolidated annual net income by the average number of shares in circulation during the financial year, totalling 2,771,661 shares (previous year: 2,600,000 shares), and consequently amounts to €0.83 per share (previous year: €0.50).

in €	2011	2010
Earnings after tax	2,350,507.34	1,320,590.42
Minority interests' share of earnings	40,368.55	18,273.13
Earnings attributable to HELMA Eigenheimbau AG shareholders	2,310,138.79	1,302,317.29

Diluted earnings per share corresponds to undiluted earnings per share since the company has issued no options or equity-equivalent rights.

8.3. Segment reporting

The Group has established its operating segment on the basis of the internal management of Group areas where the company's main decision-makers regularly review these business segments' operating results when making decisions concerning the allocation of resources to the segments, and when evaluating their profitability.

The information reported to the Management Board of the HELMA Group for decision-making concerning the distribution of resources to the segments, and the assessment of their profitability, relate to the following main products and services:

- Building services business
- Property development business
- Other

The main area of operations of the building services business lies in the planning and construction management of turnkey detached and semi-detached houses on the basis of customer orders. In the property development business, constructions are realised and marketed on the company's own land. The Other segment comprises the broking business for building-related financing and insurance that was launched in 2010.

Information relevant for decision-making purposes is reported to the Management Board on IFRS basis.

There are no instances of revenue with an individual customer exceeding 10% of total revenue.

Please refer to the notes to the consolidated statement of comprehensive income, section (27) Revenue, for information relating to the regional distribution of revenue. The company does not hold significant assets outside Germany.

Segment reporting

	Building services business		Property development business		Other		Total	
in k€	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Segment revenue*	74,927	58,677	28,033	15,858	628	79	103,588	74,614
Segment operating earnings (EBIT) including earnings-dependent portion of business procurement	1,904	1,529	2,672	1,208	209	-13	4,785	2,724
Segment assets **	**16,943**	**15,194**	**323**	**311**	**176**	**181**	**17,442**	**15,686**

* Commission revenue (k€79) in the "Other" segment was reported as other operating income in the consolidated statement of total comprehensive income in the 2010 financial year. Commission income was reported among revenues in the year under review. The company refrained from reclassifying the previous year's amount within the statement of total comprehensive income. In the segment reporting, this commission revenue from the previous year is reported among segment revenue for better comparability, however.

** Intangible assets (excluding goodwill), property, plant and equipment, investment property

8.4. Particular events following the reporting date

No transactions of particular significance occurred after the balance sheet date.

8.5. Approval of the financial statements

The Supervisory Board approved the audited consolidated financial statements as of December 31, 2010 on March 28, 2011. The Supervisory Board will approve the audited consolidated financial statements as of December 31, 2011 respectively on March 26, 2012.

8.6. Other financial liabilities

Other financial obligations are composed as follows:

Rental and lease agreements:
Rental agreements exist for developed and undeveloped land with a duration of up to 10 years.

Leases
Operating lease objects essentially relate to cars and office equipment.

The financial obligations arising from these agreements amount to the following in total:

in k€	up to 1 year	1 to 5 years	over 5 years	Total (previous year)
Obligations arising from rental and lease agreements	185	343	76	604 (748)
Obligations arising from operating leases for cars and office equipment	96	80	0	176 (520)
Total	**281**	**423**	**76**	**780 (1,268)**

Lease expenses of k€141 connected with operating leasing were expensed through the statement of total comprehensive income in 2011 (previous year: k€187).

Assets recognised as part of finance leases have a net carrying amount of k€0 (previous year: k€77).

The present value of the minimum lease payments is reported under "finance lease liabilities". The term structure is as follows:

in k€	12/31/2011	12/31/2010
Residual term up to 1 year	0	50
Residual term 1 – 5 years	0	0
Residual term > 5 years	0	0
Total	**0**	**50**

Financing expenses of k€1 connected with finance leasing were expensed through the statement of total comprehensive income in 2011 (previous year: k€6).

Contingencies

There are no liability obligations to the benefit of third parties.

Commercial representatives

The company employs various commercial representatives. After their contracts expire, the company could be required to make compensation payments pursuant to § 89 b of the German Commercial Code (HGB).

8.7. Key business transactions with related parties

With an agreement of August 16, 2005, HELMA AG rented an undeveloped partial area of land in Lehrte from HINDENBURG Immobilien GmbH & Co. KG, Lehrte, in order to construct showhouses. The monthly net rental payment amounts to €400.00 per showhouse constructed, initially for four units from September 1, 2005, consequently totalling €1,600.00. The company must also bear ancillary costs incurred for the ownership of the entire land. The rental agreement commenced on September 1, 2005, and ends after the expiry of 10 years without the need for notice to be given. A further undeveloped plot of land with five units was rented from June 1, 2007. The rental agreement was concluded with a duration of 10 years. The company must bear ancillary costs incurred. The rental payment amounts to €400.00 per unit. Two units were developed with showhouses, and one unit with a reception building. A play area and a green area are situated on two units.

A further rental agreement was concluded on December 10, 2008 relating to an undeveloped partial plot of land for commercial use in Lehrte. The rental agreement began on January 1, 2009, and runs for 10 years. The company must bear ancillary costs incurred. The monthly rent amounts to €1,200.00. The company planned to use this partial plot of land to expand the showhouse park to include three further showhouses, whereby one sub-plot was already used for the energy-independent house that was opened in May 2011, and a further sub-plot was already used for the pavilion for the sampling exhibition.

Total rental expenses of €57,600.00 were incurred in 2011.

Mr. Karl-Heinz Maerzke received compensation for his Management Board activities in 2011. Mr. Maerzke's wife is a salaried employee of HELMA AG, and also received compensation for this activity.

Mr. Karl-Heinz Maerzke sold a private vehicle to HELMA AG in 2011. The sales price was €17,000.00.

HELMA AG invoiced Mr. Karl-Heinz Maerzke for a gross amount of €11,900.00 for a building project attributable to him that was conducted by HELMA AG.

Mr. Karl-Heinz Maerzke and his wife each acquired a plot of land from HELMA Wohnungsbau GmbH in 2011. The purchase price for each plot of land amounted to €101,850.00.

All business transactions with related companies and individuals were performed on standard market terms.

8.8. Management and Supervisory boards

Management Board

In the 2011 financial year, the management of the company was performed by the Management Board which is composed of the following members:

- Mr. Karl-Heinz Maerzke, Hanover, Management Board Chairman
- Mr. Gerrit Janssen, Hanover, Management Board member

Mr Karl-Heinz Maerzke is appointed to the Management Board until March 31, 2015, and Mr. Gerrit Janssen until June 30, 2014.

If only one Management Board member is appointed, this member represents the company on a sole basis. Where several Management Board members are appointed, the company is represented either by two Management Board members or by one Management Board member together with a company officer.

Mr. Karl-Heinz Maerzke, Hanover, is authorised on a sole representation basis to conclude legal transactions on the company's behalf as a third-party representative.

The Karl-Heinz Maerzke family holds 46.1% of the issued share capital of HELMA Eigenheimbau AG; Hindenburg Immobilien GmbH & Co. KG, Lehrte, holds a further 21.2%, which is attributable to Mr. Karl-Heinz Maerzke.

Total remuneration for the Management Board
The company paid total remuneration of €600,428.86 to the Management Board in the year under review.

Receivables of €11,900.00 were due from the Management Board as of December 31, 2011, which has meanwhile been settled. These arise from the invoicing for the construction management of a private property that was conducted by HELMA AG.

There are no further payments that have been committed to Management Board members in the instance of the termination of their activities.

There were no payments to former Management Board members in the period under review.

Supervisory Board

- Otto W. Holzkamp (Chairman),
  Hanover, (profession: managing director),
- Dr. Eberhard Schwarz,
  Hanover (Deputy Chairman), (profession: graduate chemist),
- Dr. Peter Plathe,
  Hanover, (profession: presiding judge – in retirement).

The period of office of the Supervisory Board members ends with the conclusion of the Shareholders' General Meeting that passes a resolution concerning the discharge of Supervisory Board members for the 2013 financial year.

Total remuneration for the Supervisory Board
Total remuneration for the Supervisory Board amounted to €40,000.00 in the reporting year.

There were no payments to former Supervisory Board members in the period under review.

8.9. Number of employees

The HELMA Group employed an average workforce of 153 employees (previous year: 121). The workforce comprises 150 salaried employees and 3 wage earners.

8.10. List of shareholdings

Name	Headquarters	Shareholding level	Equity as of 12/31/2011 (in €)	Net income for the year 2011
HELMA Wohnungsbau GmbH	Lehrte	93.9* %	€1,854,817.74	€666,917.74
Hausbau Finanz GmbH	Lehrte	100 %	€249,904.24	€199,565.87
HELMA LUX S.A.**	Walferdange	100 %	€-318,215.08	€-42,521.75
HELMA Ferienimmobilien GmbH	Lehrte	100 %	€126,816.17	€-123,183.83

* Of which 4.01% held indirectly through Hausbau Finanz GmbH
** The net results for the year are calculated according to the respective country-specific accounting principles.

8.11. Auditor's fee

The auditor's total fee for the reporting year, including the companies included in the consolidated financial statements, amounted to k€74. Of this amount, k€67 is attributable to services for the auditing of financial statements, and k€7 is attributable to other certification and valuation services.

Lehrte, March 15, 2012

Karl-Heinz Maerzke
Management Board Chairman

Gerrit Janssen
Management Board member

Consolidated statement of changes in fixed assets 2011 (component of notes to the financial statements)

	Cost			
in €	01/01/2011	Additions	Disposals	Transfers
I. Intangible assets				
1. Concessions, industrial trade rights, customer relationships, and similar rights and assets, and licences to such rights and assets	936,748.16	65,839.55	7,450.00	0.00
2. Internally generated intangible assets	138,077.76	151,787.88	0.00	0.00
3. Goodwill	4,038,180.47	0.00	0.00	0.00
Total intangible assets	**5,113,006.39**	**217,627.43**	**7,450.00**	**0.00**
II. Property, plant, and equipment				
1. Land rights and equivalent rights and buildings including buildings on third-party land	15,457,534.95	557,136.27	194,502.87	176,721.92
2. Other plant, operating and office equipment	3,477,425.80	1,088,329.65	435,289.28	67,027.00
3. Prepayments rendered and plant under construction	44,943.17	1,434,673.95	0.00	-243,748.92
Total property, plant, and equipment	**18,979,903.92**	**3,080,139.87**	**629,792.15**	**0.00**
III. Investment property				
1. Land	73,360.00	0.00	0.00	0.00
2. Buildings	280,855.81	0.00	0.00	0.00
Total investment property	**354,215.81**	**0.00**	**0.00**	**0.00**
Total fixed assets	**24,447,126.12**	**3,297,767.30**	**637,242.15**	**0.00**

	Cumulative depreciation/ amortisation					Carrying amount	
12/31/2011	01/01/2011	Depreciation/ amortisation financial year + other additions	Disposals	Transfers	12/31/2011	12/31/2011	12/31/2010
995,137.71	265,805.16	180,575.55	7,385.00	0.00	438,995.71	556,142.00	670,943.00
289,865.64	0.00	18,411.76	0.00	0.00	18,411.76	271,453.88	138,077.76
4,038,180.47	2,658,006.50	0.00	0.00	0.00	2,658,006.50	1,380,173.97	1,380,173.97
5,323,183.82	**2,923,811.66**	**198,987.31**	**7,385.00**	**0.00**	**3,115,413.97**	**2,207,769.85**	**2,189,194.73**
15,996,890.27	2,230,568.62	527,604.79	19,374.55	0.00	2,738,798.86	13,258,091.41	13,226,966.33
4,197,493.17	2,181,736.63	554,381.10	355,616.28	0.00	2,380,501.45	1,816,991.72	1,295,689.17
1,235,868.20	0.00	0.00	0.00	0.00	0.00	1,235,868.20	44,943.17
21,430,251.64	**4,412,305.25**	**1,081,985.89**	**374,990.83**	**0.00**	**5,119,300.31**	**16,310,951.33**	**14,567,598.67**
73,360.00	0.00	0.00	0.00	0.00	0.00	73,360.00	73,360.00
280,855.81	44,940.81	5,617.00	0.00	0.00	50,557.81	230,298.00	235,915.00
354,215.81	**44,940.81**	**5,617.00**	**0.00**	**0.00**	**50,557.81**	**303,658.00**	**309,275.00**
27,107,651.27	**7,381,057.72**	**1,286,590.20**	**382,375.83**	**0.00**	**8,285,272.09**	**18,822,379.18**	**17,066,068.40**

Consolidated statement of changes in fixed assets 2010 (component of notes to the financial statements)

	Cost				
in €	01/01/2010	Additions	Disposals	Transfers	
I. Intangible assets					
1. Concessions, industrial trade rights, customer relationships, and similar rights and assets, and licences to such rights and assets	632,397.11	312,160.05	7,809.00	0.00	
2. Internally generated intangible assets	0.00	138,077.76	0.00	0.00	
3. Goodwill	4,038,180.47	0.00	0.00	0.00	
Total intangible assets	**4,670,577.58**	**450,237.81**	**7,809.00**	**0.00**	
II. Property, plant, and equipment					
1. Land rights and equivalent rights and buildings including buildings on third-party land	15,196,682.11	387,031.50	373,795.05	247,616.39	
2. Other plant, operating and office equipment	3,277,628.12	423,066.15	240,494.95	17,226.48	
3. Prepayments rendered and plant under construction	50,283.52	259,502.52	0.00	-264,842.87	
Total property, plant, and equipment	**18,524,593.75**	**1,069,600.17**	**614,290.00**	**0.00**	
III. Investment property					
1. Land	73,360.00	0.00	0.00	0.00	
2. Buildings	280,855.81	0.00	0.00	0.00	
Total investment property	**354,215.81**	**0.00**	**0.00**	**0.00**	
Total fixed assets	**23,549,387.14**	**1,519,837.98**	**622,099.00**	**0.00**	

	Cumulative depreciation/ amortisation					Carrying amount	
12/31/2010	01/01/2010	Depreciation/ amortisation financial year + other additions	Disposals	Transfers	12/31/2010	12/31/2010	12/31/2009
936,748.16	157,570.20	116,042.96	7,808.00	0.00	265,805.16	670,943.00	474,826.91
138,077.76	0.00	0.00	0.00	0.00	0.00	138,077.76	0.00
4,038,180.47	2,658,006.50	0.00	0.00	0.00	2,658,006.50	1,380,173.97	1,380,173.97
5,113,006.39	**2,815,576.70**	**116,042.96**	**7,808.00**	**0.00**	**2,923,811.66**	**2,189,194.73**	**1,855,000.88**
15,457,534.95	1,719,655.88	543,739.89	32,827.15	0.00	2,230,568.62	13,226,966.33	13,477,026.23
3,477,425.80	1,911,255.07	461,891.96	191,410.40	0.00	2,181,736.63	1,295,689.17	1,366,373.05
44,943.17	0.00	0.00	0.00	0.00	0.00	44,943.17	50,283.52
18,979,903.92	**3,630,910.95**	**1,005,631.85**	**224,237.55**	**0.00**	**4,412,305.25**	**14,567,598.67**	**14,893,682.80**
73,360.00	0.00	0.00	0.00	0.00	0.00	73,360.00	73,360.00
280,855.81	39,323.81	5,617.00	0.00	0.00	44,940.81	235,915.00	241,532.00
354,215.81	**39,323.81**	**5,617.00**	**0.00**	**0.00**	**44,940.81**	**309,275.00**	**314,892.00**
24,447,126.12	**6,485,811.46**	**1,127,291.81**	**232,045.55**	**0.00**	**7,381,057.72**	**17,066,068.40**	**17,063,575.68**

Audit opinion

We have audited the consolidated financial statements prepared by HELMA Eigenheimbau Aktiengesellschaft, Lehrte, – consisting of the balance sheet, statement of total comprehensive income, statement of changes in equity, cash flow statement, and notes to the financial statements – and the Group management report, which was combined with the company's management report, for the financial year from January 1 to December 31, 2011. The company's legal representatives are responsible for the preparation of the consolidated financial statements and Group management report pursuant to IFRS, as applied in the EU, and the supplementary commercial law regulations pursuant to § 315 a Paragraph 1 of the German Commercial Code (HGB). Our responsibility is to express an opinion on the consolidated financial statements and Group management report on the basis of the audit that we have performed.

We conducted our audit of the consolidated financial statements in accordance with § 317 of the German Commercial Code (HGB) and German generally excepted standards for the audit of financial statements as promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer [IDW]). These standards require that we plan and perform the audit in such a way that misstatements and infringements materially affecting the presentation according to the applicable accounting principles of the net assets, financing position and results of operations in the consolidated financial statements, and in the Group 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 controlling system, and the evidence supporting the disclosures in the consolidated financial statements and Group management report, are examined primarily on a test basis within the framework of the audit. The audit includes assessing the separate annual financial statements of the companies included in the consolidated financial statements, the demarcation of the scope of consolidation, the accounting and consolidation principles applied, key estimates made by the legal representatives, as well as an assessment of the overall presentation of the consolidated financial statements and the Group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has led to no reservations.

In our opinion, and on the basis of findings generated from the audit, the consolidated financial statements correspond to IFRS, as applied in the EU, and the supplementary commercial law regulations pursuant to § 315 a Paragraph 1 of the German Commercial Code (HGB), and they convey a true and fair view of the Group's net assets, financing position and results of operations in line with these regulations. The Group management report is consistent with the consolidated financial statements, as a whole provides an appropriate view of the Group's position, and suitably presents the opportunities and risks relating to future development.

Hanover, March 19, 2012

Ebner Stolz Mönning Bachem GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft

Christian Fröhlich	**Hans-Peter Möller**
Auditor	Auditor

Single Entity Financial Statements of HELMA Eigenheimbau AG
according to HGB (Condensed)*

Income Statement

in €	2011	2010
Sales revenue	**73,390,227.73**	**63,004,732.43**
Change in stocks of finished goods and work in progress	2,219,047.48	-1,569,166.42
Other own work capitalised	166,187.88	238,458.11
Other operating income	458,676.77	498,753.39
Cost of materials	-58,375,629.86	-46,963,145.68
Personnel expense	-8,396,577.97	-6,693,632.38
Depreciation and amortization of property, plant, and equipment, and intangible assets	-1,175,059.71	-1,068,445.76
Other operating expenses	-6,742,372.38	-5,816,519.89
Operating result (EBIT)	**1,544,499.94**	**1,631,033.80**
Financial result	337,406.96	-404,111.87
Result from ordinary activities (EBT)	**1,881,906.90**	**1,226,921.93**
Profit for the year	1,696,223.30	1,130,758.28
Balance sheet profit/loss	**1,693,332.58**	**-2,890.72**

The unappropriated retained earnings amount to €1,693,332.58 as of December 31, 2011. The Management and Supervisory boards will propose to the Shareholders' General Meeting to be held on July 6, 2012, that it approves the distribution of a dividend of €0.20 per dividend-entitled ordinary share, consequently €572,000.00, and that the remaining amount of €1,121,332.58 be carried forward to a new account.

* The complete annual financial statements of HELMA Eigenheimbau AG, Lehrte prepared according to the German Commercial Code (HGB), including the unqualified audit opinion, is available in German on the Internet at www.HELMA.de, as well as being published in the electronic Federal Gazette, and filed in the companies register.

Balance Sheet - Assets

in €	12/31/2011	12/31/2010
Non-current assets	**19,368,071.53**	**17,310,198.79**
of which: Intangible assets	668,186.88	631,150.76
of which: Property, plant, and equipment	16,645,199.20	14,874,362.58
of which: Financial investments	2,054,685.45	1,804,685.45
Current assets	**28,526,979.35**	**13,159,459.04**
of which: Inventories	343,927.29	231,692.68
of which: Receivables and other assets	24,985,559.96	10,713,910.44
of which: Cash and cash equivalents	3,197,492.10	2,213,855.92
Prepayments and accrued income	**487,666.96**	**259,260.31**
Total Assets	**48,382,717.84**	**30,728,918.14**

Balance Sheet - Equity and Liabilities

in €	12/31/2011	12/31/2010
Equity	13,453,588.65	9,157,365.35
Provisions	7,430,865.03	5,319,898.23
Liabilities	27,498,264.16	16,251,654.56
Total equity and liabilities	**48,382,717.84**	**30,728,918.14**

Editorial

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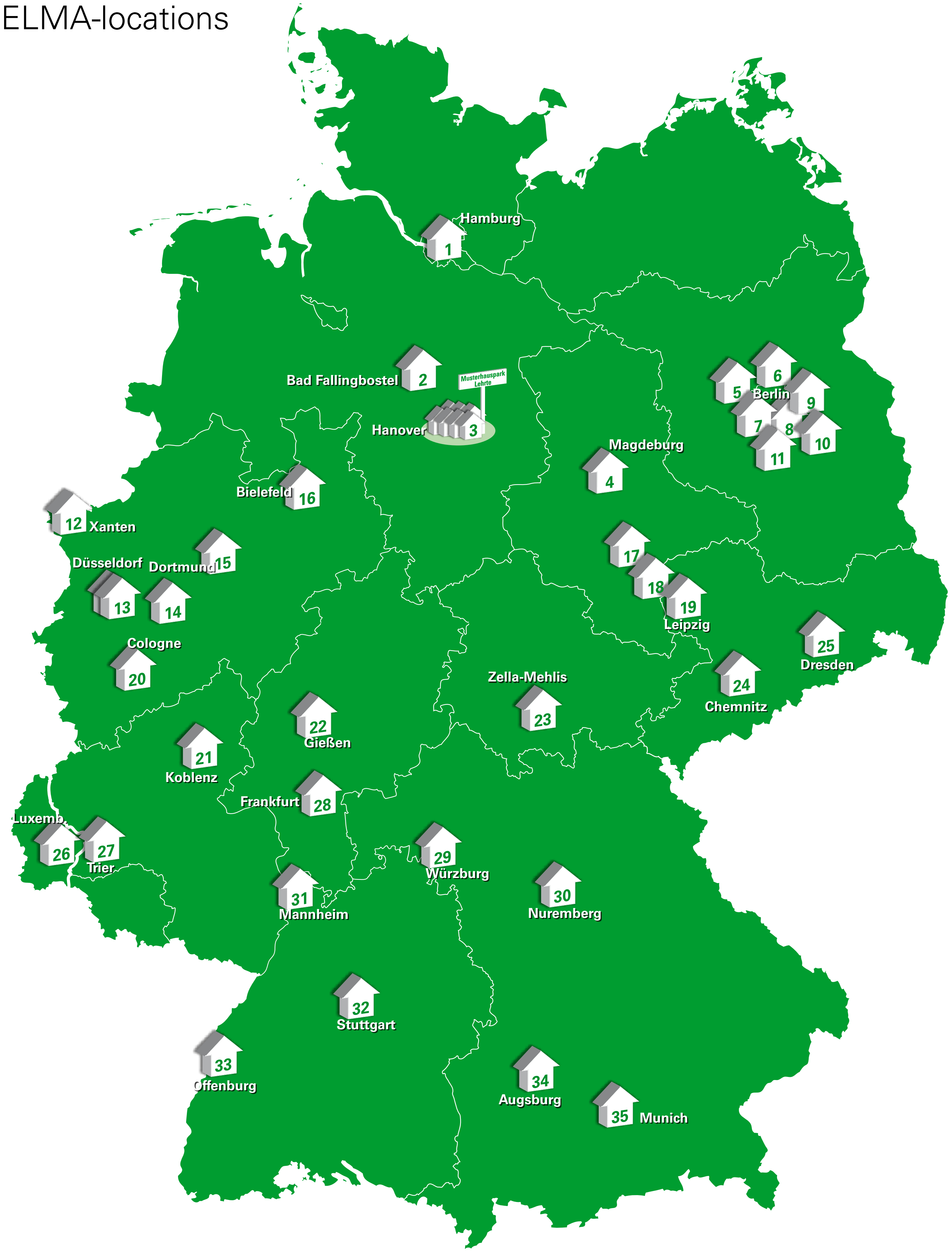
Comment on forward-looking statements

The information published in this report relating to the future development of HELMA Eigenheimbau AG refers only to forecasts and estimates and thus not to given historic facts. This merely serves for information purposes and may contain words such as "intend", "aim", "expect", "plan", "forecast", "assume" or "appraise". These forward-looking statements rely on the information, facts and expectations available to us at present, and therefore only apply at the point in time of their publishing.

Forward-looking statements are generally prone to uncertainties and risk factors difficult to estimate in their impact. The actual results and development of the company could therefore materially deviate from the forecasts. HELMA Eigenheimbau AG intends to monitor and update the published data at all times. Nevertheless, the company is not responsible for adapting the forward-looking statements to later events and developments. As a result, it is neither expressly nor actually liable for and does not assume any guarantee for the timeliness, accuracy and completeness of this data and information.

HELMA-locations



1. **Showhouse in Hamburg**
Garstedter Weg 208
D-22455 Hamburg
Phone: +49(0)40/2715003

2. **Showhouse in Bad Fallingbostel**
Bockhorner Weg 1
D-29683 Bad Fallingbostel
Phone: +49(0)5162/9037890

3. **Showhousepark in Lehrte**
Zum Meersefeld 6
D-31275 Lehrte
Phone: +49(0)5132/8850200

4. **Showhouse near Magdeburg**
Amselweg 5
D-39326 Hohenwarsleben
Phone: +49(0)39204/60078

5. **Showhouse near Berlin**
Spandauer Straße 75
D-14612 Falkensee
Phone: +49(0)3322/505750

6. **Sales Office in Berlin**
HELMA Ferienimmobilien GmbH
Kurfürstendamm 42
D-10719 Berlin
Phone: +49(0)30/88720890

7. **Showhouse near Berlin**
Paul-Gerhardt-Straße 1
D-14513 Teltow
Phone: +49(0)3328/308520

8. **Showhouse in Berlin-Karlshorst**
Johanna-Hofer-Straße 1
D-10318 Berlin
Phone: +49(0)30/475943100

9. **Showhouse in Berlin-Marzahn**
Boschpolerstraße 39
D-12683 Berlin
Phone: +49(0)30/54979980

10. **Showhouse in Berlin-Rudow**
Zwergasternweg 15
D-12357 Berlin
Phone: +49(0)30/66765780

11. **Showhouse-Office in Berlin-Stahnsdorf**
Ringstraße 29
D-14532 Stahnsdorf
Phone: +49(0)3329/696000

12. **Showhouse in Xanten**
Sonsbecker Straße 18
D-46509 Xanten
Phone: +49(0)2801/988220

13. **Showhouses near Düsseldorf**
Hanns-Martin-Schleyer-Straße 19
D-41564 Kaarst
Phone: +49(0)2131/402170

14. **Showhouse in Wuppertal**
Exhibition "Eigenheim und Garten"
Eichenhofer Weg 30
D-42279 Wuppertal / Oberbarmen
Phone: +49(0)202/2818989

15. **Showhouse in Kamen**
Kamen Karree 6 E
D-59174 Kamen
Phone: +49(0)2307/924190

16. **Showhouse in Bielefeld**
Herforder Straße 170
D-33609 Bielefeld
Phone: +49(0)521/2603120

17. **Sales Office near Leipzig**
Mittelstraße 19
D-06749 Bitterfeld
Phone: +49(0)3493/824216

18. **Showhouse near Leipzig**
Exhibition "UNGER-Park Leipzig"
Döbichauer Straße 13
D-04435 Schkeuditz / OT Dölzig
Phone: +49(0)34205/42360

19. **Showhouse in Leipzig**
Am Sommerfeld 3
D-04319 Leipzig
Phone: +49(0)341/520320

20. **Showhouse in Euskirchen**
Felix-Wankel-Straße 8
D-53881 Euskirchen
Phone: +49(0)2251/124088

21. **Showhouse near Koblenz**
Showhousecentre Mülheim-Kärlich
Musterhausstraße 152
D-56218 Mülheim-Kärlich
Phone: +49(0)2630/956280

22. **Showhouse in Gießen**
Schöne Aussicht 8
D-35396 Gießen
Phone: +49(0)641/5592992

23. **Showhouse in Zella-Mehlis**
Rennsteigstraße 2-6
D-98544 Zella-Mehlis
Phone: +49(0)3682/46910

24. **Showhouse in Chemnitz**
Exhibition "UNGER-Park Chemnitz"
Donauwörther Straße 5
D-09114 Chemnitz
Phone: +49(0)371/267380

25. **Showhouse near Dresden**
Exhibition "UNGER-Park Dresden"
Am Hügel 3A
D-01458 Ottendorf-Okrilla
Phone: +49(0)35205/75712

26. **Sales Office in Luxemburg**
HELMA LUX S.A.
49,Route de Diekirch
L-7220 Walferdange
Phone: +352 26334507

27. **Showhouse near Trier**
Auf Bowert 7
D-54340 Bekond
Phone: +49(0)6502/938440

28. **Showhouse near Frankfurt**
Exhibition "Eigenheim & Garten"
Ludwig-Erhard-Straße 37
D-61118 Bad Vilbel
Phone: +49(0)6101/304170

29. **Showhouse near Würzburg**
Otto-Hahn-Straße 7
D-97230 Estenfeld
Phone: +49(0)9305/988280

30. **Showhouse near Erlangen**
Industriestraße 37b
D-91083 Baiersdorf
Phone: +49(0)9133/6044440

31. **Showhouse in Mannheim**
Hans-Thoma-Straße 14
D-68163 Mannheim
Phone: +49(0)621/41073380

32. **Showhouse near Stuttgart**
Exhibition "Eigenheim & Garten"
Höhenstraße 21
D-70736 Fellbach
Phone: +49(0)711/52087990

33. **Showhouse in Offenburg**
Schutterwälder Straße 3
D-77656 Offenburg
Phone: +49(0)781/9194980

34. **Showhouse near Augsburg**
Spessartstraße 14
D-86368 Gersthofen
Phone: +49(0)821/4786560

35. **Showhouse near Munich**
Exhibition "Eigenheim & Garten"
Senator-Gerauer-Straße 25
D-85586 Poing/Grub
Phone: +49(0)89/90475150

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Financial Calendar 2012

May 07-09, 2012	Entry and General Standard Conference, Frankfurt
July 06, 2012	Annual General Meeting, Lehrte
July 12, 2012	2012 Q1-Q2 Sales Figures
September 20, 2012	2012 Half-year Report
October 15, 2012	2012 Q1-Q3 Sales Figures
December 05-06, 2012	14. MKK Munich Capital Market Conference

Sustainable Growth

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