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Kampa statistics

Kampa Group of companies	1996	1997	1998	1999	2000
	- in mill € -				
Total operating performance	249.8	220.2	249.5	243.3	202.1
Sales outside the group	249.7	215.1	246.4	242.3	199.4
Incoming orders	242.2	271.6	302.8	283.6	206.5
Orders in hand	276.1	270.3	308.6	266.1	187.5
Investments	8.2	11.4	23.5	11.6	10.8
Depreciation	7.7	7.1	10.0	8.1	8.5
Balance sheet total	148.7	143.4	163.8	156.8	132.4
Shareholder equity	82.3	85.7	89.7	92.0	88.7
As a % of the balance sheet total	55.3	59.8	54.8	58.7	67.0
EBIT	38.4	27.4	26.6	24.6	8.7
EBITDA	46.0	34.4	36.5	32.8	17.2
Results before taxes	39.5	28.8	27.1	25.0	9.6
Annual net earnings	20.7	15.0	14.3	14.6	6.6
Excluding share owed to 3rd parties	19.1	14.2	13.8	14.0	6.9
Net profits on sales (in %)	8.3	7.0	5.8	6.0	3.3
Results according to DVFA	18.8	14.0	12.7	12.6	6.0
Results / share acc to DVFA in €	1.88 ¹	1.40	1.27	1.26	0.60
Price /earnings ratio ²	13.6	18.1	16.7	9.4	14.5
Cash-Flow acc to DVFA	28.2	21.4	23.5	24.3	14.2
Cash-Flow /share acc to DVFA in €	2.82 ¹	2.14	2.35	2.43	1.42
ROCE ³ (in %)	48.0	33.7	28.4	26.7	10.8
Av. No. of staff throughout year (Full day equivalents including trainees)	1,513	1,418	1,525	1,527	1,426

¹ Relating to 10 million shares

² Relating to the final rate at year end (Xetra) and the DVFA result for the respective year

³ Calculation of ROCE: pre-tax results + long-term interest expenditure relating to shareholder equity including long-term credits

Kampa-Haus AG	1996	1997	1998	1999	2000
	- in mill € -				
Balance sheet total	107.2	109.3	116.1	118.7	106.9
Share Capital	20.5	25.6	25.6	26.0	26.0
Reserves	49.3	47.2	51.3	55.0	55.0
Balance sheet profit	16.9	16.4	14.7	15.2	11.8
Shareholder equity	86.7	89.2	91.6	96.2	92.8
As a % of the balance sheet total	80.8	81.6	78.9	81.0	86.8
Use of the net annual earnings					
Net annual earnings	18.7	13.2	12.6	13.8	6.9
Profit carried forward	6.3	6.2	6.1	5.5	4.9
Allocation to reserves	- 8.2	- 3.1	- 4.0	- 4.1	0.0
Balance sheet profit	16.8	16.3	14.7	15.2	11.8
Dividend payments	- 10.6	- 10.2	- 9.2	- 10.2	- 9.0
Remaining balance sheet profit	6.2	6.1	5.5	5.0	2.8
	- in € -				
Dividend per share	1.06 ¹	1.02	0.92	0.92 + 0.10	0.90
Including tax credit	1.52 ¹	1.46	1.31	1.46	1.29

¹ Relating to 10 million shares



The Executive Board presents itself

Günter Baum - The graduate economist was born in 1952. He took the examination leading to qualification as tax consultant in 1982, and joined Kampa-Haus AG as commercial manager in 1989. Prior to that he worked in the internal audit department at Thyssen Handelsunion in Düsseldorf, following this with a spell as manager of the accounts department at Emil Bast, the construction company in Erkrath. Since 1990, Baum has been a member of the executive board at Kampa-Haus AG, responsible for commercial matters, for the Human Resources department and law plus investor relations.



Hans-Jörg Binöder was born in 1944 and completed a course of training as a wood technician. Following on from that he worked in the work preparation department and as an assistant in the assembly management team at Schwörer Hausbau before completing a course of studies in Technology for Business Management. Binöder joined Kampa in 1976 as head of the Technology department and was appointed director of E. Kampa GmbH & Co. KG in 1985. He has held a seat on the executive board at Kampa-Haus AG since 1999 and manages the Technology and Prefabricated Assembly divisions for the Kampa-Haus, Libella and Creaktiv lines.



Günter Kruse - The civil engineer born in 1943 began his working career as a planner for various consultancy companies and there he was responsible, amongst other things, for the Middle and Near East territory. From 1987 to 1990 he was manager for sales and marketing in Germany at PERI GmbH. Kruse has been a member of the executive board at Kampa-Haus AG since 1991 and there he is responsible for the Hotel and Commercial Construction division, the TM house range and cellars.



Martin Steffes-Mies - Martin Steffes-Mies became a member of the executive board at Kampa-Haus AG on 1st January 2001, contributing his expertise in order to strengthen it. The 34 year-old economist was a construction manager before joining the management consultants Roland Berger. While working at Roland Berger he was assigned to work at Kampa-Haus. He is responsible for the group holdings and at present he is chiefly involved with the integration of the newly-acquired subsidiaries Libella and Novy-Haus. In addition to this, he is also responsible for the internet and new media.



Udo Zimmermann has been a member of the executive board Kampa-Haus AG since July 1999. He is responsible for marketing and sales for prefabricated buildings. A carpenter by trade, he was born in 1950 and joined the Human Resources and Wage Accounting division at Kampa-Haus as long ago as 1972. From 1977 until 1985 he took over various leading roles within the group, following which he was the managing director of Kampa-Haus Vertriebs GmbH.





Letter to the shareholders

Dear Shareholders,

When we started out last year, our objective was to consolidate the development of our business and lay the foundation for future growth. The forecasts of the specialist institute promised that the number of planning consents applications granted for owner-occupier houses would increase at a steady rate. It was our intention to share in this growth and increase our level of incoming orders. A good order backlog was to the basis on which we were to have increased turnover and achieved an increase in profits in 2001.

With a construction output of 202 million € we did not quite achieve the sought-after target of 212 mill €. As announced, the pre-tax result for the group dropped to 9.6 mill € as a result of a reduction in the volume of business and the additional funds required for on-going restructuring measures. In view of fact that this is the last opportunity we shall have to allow our shareholders to benefit from corporate tax credit which can be offset, the executive board and the supervisory board propose that a net dividend of 0.90 € per share be paid out in spite of the drop in profits. Added to the dividend there would be a tax credit of 0.39 € per share for the shareholders in Germany.

Contrary to all predictions, the subdued development of the building industry in Germany in 2000 also affected the construction of single and double family houses. Instead of increasing as forecast, the demand for owner-occupier homes collapsed suddenly and drastically from April onwards. This drop continued for the rest of the year and resulted in about 17% less single and double family houses and 25% less prefabricated houses being approved in 2000 than in the previous year.

This unforeseen trend is a sharp reverse to the efforts made at Kampa-Haus to consolidate the owner-occupier sector. It affects all residential construction and therefore Kampa-Haus AG as well. For in view of the reduction in market volume, the excess capacity existing in the industry will become all the more apparent and the competition between the suppliers will continue to increase. Since this is borne out chiefly on price, it can be foreseen that the pressure on profit margins will not abate for the time being. It is foreseeable that not all suppliers in our line of business will be able to withstand this strain. With its healthy balance sheet ratios and a shareholder equity ratio of 67% throughout the group, far in excess of the average for the industry, Kampa-Haus AG has a firm foundation to enable it to expand its position in the market in these difficult times. This shows that forming reserves in the good times was the right thing to do to. These will now help Kampa-Haus to reposition itself to its own advantage.

Over the past year we have continued the new direction taken in 1999 and forged ahead with it in view of the fact that our trading environment has become even more difficult. Against the background of the weaker demand for owner-occupier homes and the drop in the level of incoming orders, the main thrust of 2001 is however in adjusting our production capacity to the reduction in the size of the market and order volumes. The reduction in staff numbers continued in 2000 will be maintained this year too. The continuation in the reduction of staffing levels will go on in the current year as well.

The time-consuming introduction of the new standard software requiring the assignment of many staff to carry it out was, as far as possible, completed, in the period under review. Further fine-tuning will however be necessary in 2001 to take full advantage of the opportunities created by having the new computer systems up and running. A series of measures was initiated our line of shell houses, Creaktiv, to make up for lost ground and to follow up the big successes of the past. The optimisation of administration systems and production systems at Libella as well as the product relaunch have already scored initial successes. We are confident that we can put the company back on track making a profit as early as this year.

We have stepped up the pace of internationalisation too. A Kampa house of the exclusive „Palais“ series was opened as recently as December at Austria's largest showhome exhibition, the „Blaue Lagune“ in Vienna. In addition to this, sales offices were opened up in the regions of Austria with the best sales. Our subsidiary Novy-Haus managed to continue to grow quickly from Vienna in 2000 and in future will expand in other Austrian regions too. Once we managed to overcome the initial bureaucratic obstacles, we have begun to make more progress in our expansion in Poland. We have opened up a Kampa-Haus sales office in the centre of Warsaw and in Poznań we have purchased a plot of land on which to build our first show home in Poland.

These diverse activities will be supported by extending the range of the Kampa-Haus product range on offer with a series of modern designs for houses such as for example „Trend“, „Maisonette“, „Solair“ and „Arondo“, which we shall present to you in brief in this annual report.

We are convinced that it is also possible to achieve respectable profits in a market beset by fierce competition with falling volumes, if on the one hand, the capacity is adjusted to reflect the changed trading conditions, and on the other hand, the company strategy is put into practice systematically and selectively. We have devoted a separate section to deal with the key strategic statements and operational measures. In connection with this the increase in company value acquires particular significance. We have set ourselves the target of a 15% return on shareholder equity in the medium-term.

In order to reduce the strain imposed on the earnings position, we shall however forego loss-making orders in some cases. Against the difficult conditions in the industry, we reckon with a total operating performance of amounting to about 160 mill € in the current year. The improvement in results to be expected at Libella and the successes already achieved from restructuring achieved ought to prevent the group results dropping by more than the drop in constructional output. Should the current debate over personal pensions lead to the sensible outcome that property lived in is recognised as being worthy of financial support, an additional boost can be expected for the residential construction sector, and an increase in demand for owner-occupier homes in particular.

The Executive Board

Günter Baum
Hans-Jörg Binöder
Günter Kruse
Martin Steffes-Mies
Udo Zimmermann

The Supervisory Board’s report

Supervisory Board

- Dietrich Walther,
Businessman,
Iserlohn,
Chairman
- Wilfried Kampa,
Architect and businessman,
Minden,
Deputy chairman
- Wilfried Koschorreck,
Ministerial councillor (retired),
Wilhelmshorst
- Dr. Harald Link,
Lawyer,
Bielefeld
- Wilfried Kranepuhl*,
Assembly team leader,
Linthe
- Torsten Michaelis*
(until 15th June 2000),
Carpenter,
Minden
- Franz Siegl*
(from 16th June 2000),
Bricklayer,
Beilngries
- Honorary member
Walter Watermann,
Notary (retired),
Minden

Dear Shareholders,

In the year 2000, the supervisory board at Kampa-Haus AG kept itself continually informed of how business was faring, strategy, and investments in the company. It did so by means of regular verbal and monthly written reports submitted by the executive board. In addition to this, in the period under review the supervisory board met in five ordinary meetings. All the important decisions and events requiring he consent of the panel were discussed at these meetings.

Besides the on-going progress of business, the topics discussed in particular at the meetings were the new direction taken and the organisational as well as staff-related measures associated with it. A great of time was devoted in the discussions to the results of the studies conducted by the management consultants Roland Berger at the subsidiary Libella. Other key points discussed were the opening up of the markets in Poland and in Austria as well as the appointment of Mr Martin Steffes-Mies to a seat on the executive board at Kampa-Haus AG on the 1st January 2001.

The annual statement of accounts for Kampa-Haus AG and for the group in 2000 plus the summarised situational report and including the bookkeeping, were audited by Allgemeinen Treuhand- und Revisions-GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Bielefeld, and granted an unqualified audit certificate on the 19th February 2001. Following on from that, the audit documents were submitted to the supervisory board and discussed in detail with the executive board and the auditors at the balance sheet meeting on 11th April 2001.

Having checked the documents, the supervisory board did not raise any objections and agreed with the audit report. The auditor attended the annual statement of accounts meeting held by the supervisory board. The annual statement of accounts prepared by the executive board was approved by the supervisory board and thereby adopted.

The supervisory board likewise agrees with the proposal submitted by the executive board to the shareholders’ general meeting that a dividend of 0.90 € is to be paid out.

The new direction taken by Kampa-Haus AG will result in far-reaching changes within the entire group of companies. The supervisory board is aware that the sometimes painful, but necessary moves demand a large measure of commitment and flexibility from all those concerned. The supervisory board would like to thank the executive board, the advisory board and all staff for the high level of commitment they showed in the year 2000 and for their support for the necessary measures.

Minden, April 2001
The Supervisory Board
Dietrich Walther
Chairman

* Workers’ representatives

Situational report

The economic downswing continues in the German building industry

Whereas the German building industry continued to find itself in a difficult position in 2000, overall the past year was a good one for the German economy, mainly because exports went up. The total of all products and services produced in Germany - the gross domestic product - increased in real terms by 3.1% compared with the previous year. This means that the increase was almost twice as high as in 1999. However, the building industry did not contribute to this economic growth, since the value created dropped for the sixth time in a row and was 3.8% lower than in 1999.

The contraction in the building industry disappointed the forecasts for 2000 which had been prepared even as recently as the beginning of the year, and had been hopeful again for the first time after years of recession. However, in the second half of the year it turned out that these expectations had been too optimistic. Investments in the building industry contracted by 2.5%. The last time that the drop was as significant as this was in 1996. Eastern Germany was affected particularly badly with a drop of 8 percent. On the other hand in western Germany the deficit was just 0.5%.

In the construction sector residential construction suffered the largest decrease in investments of 2.8% down to 138 billion €.

Executive board

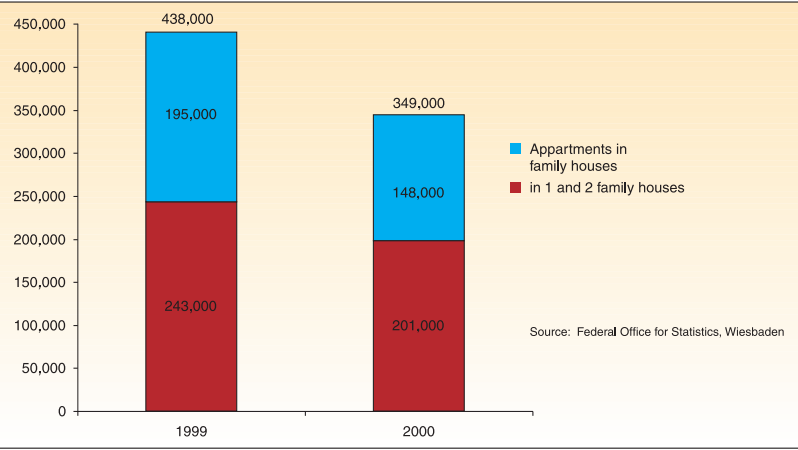
- Günter Baum,
Minden
- Hans-Jörg Binöder,
Minden
- Günter Kruse,
Mainz/Minden
- Martin Steffes-Mies,
(from 1st January 2001)
Memmingen
- Udo Zimmermann,
Minden

Residential construction under pressure

In 2000 the residential construction sector, which is important for Kampa-Haus, recorded a drop in incoming orders of almost 16%, which consisted of a drop of 13% in western Germany and a reduction of 25% in eastern Germany. The number of planning consents for apartments was reduced in 2000 by probably about 20% from 438,000 down to 349,000 units.

The corresponding completions of residential units were reduced by about 12% from 473,000 down to 414,000 units.

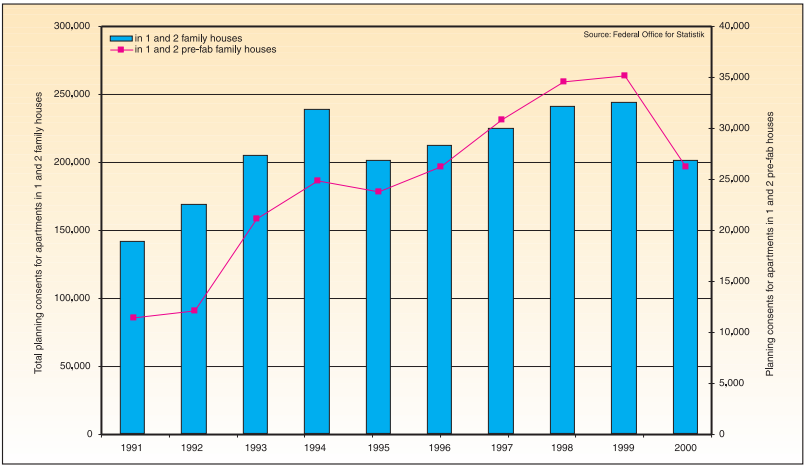
Residential planning consents for 1999 and 2000



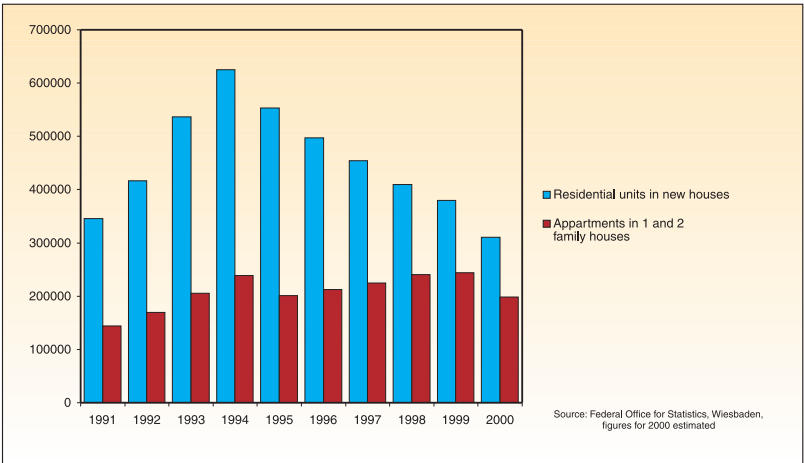
Fewer new houses for owner-occupiers in future

Whereas the construction of new homes for owner-occupiers has continuously distinguished itself from the construction of apartment blocks by having an increasing number of planning consents granted, the downswing in the construction industry also affected the single and double family houses sector in the course of last year. The number of planning consents for apartments in single and double family houses also dropped last year for the first time since 1995 - according to provisional statements, the drop was just under 17% down to 201,000. The drop for prefabricated houses in 2000 will probably be even higher at 25%, divided between 22% in western Germany and 30% in eastern Germany. As a result of this, the number of planning consents granted for prefabricated houses dropped to 13.5% of the total number of planning consents granted for the construction of owner-occupier homes, after the highest figure ever of 14.8% was reached in both the previous years.

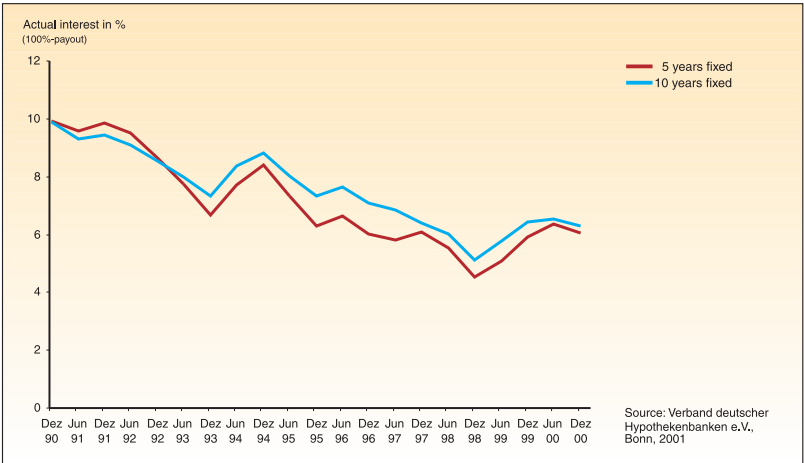
**Redidential planning consents in 1 and 2 family houses
1991-2000**



Development of planning consents granted in Germany 1991 – 2000



Mortgage interest rates from 1991 – 2000



In addition to the scarcity of affordable building land, the causes were the increase in the interim period of interest rates in the first half of 2000 as well as the burden imposed by the Ecological Tax. As a result, the increased costs have led to many people who are on the verge of buying their own home having second thoughts and deciding not to submit an application for the time being. Some of the regional subsidies for building single and double family houses ran out of money as early as mid-way through the year and this also contributed to a further reluctance to buy. In addition to this, there was a big increase in the number of securities purchased as a result of the share boom. As a result, according to the German Share Institute, about 15.5 billion € were put into shares and share funds in 1998, and in 1999 this figure was already as much as just under 25.7 billion €. Admittedly, there are no figures for 2000 as yet, but the number of shareholders rose by 50% compared with 1999 up to 12.3 mill. In the upturn of share prices from early 2000 onwards, some of which increased in value at a breathtaking pace, those persons thinking of having a house built who intended to increase on the stock exchange their money put back for building a house, have put their dream of owning their own house on the back burner for the time being.

In addition to this, the current dispute over the provision of support as part of private pension arrangements for those wishing to build their own home has contributed to the uncertainty. According to the draft documents to hand at the beginning of 2001 in support of old age pension assets backed by capital, individual expenditure for personal supplementary pensions is, amongst other things, to be given financial support. The extent to which residential property lived in by the owner, and that is still the dream of many, will be financed as part of personal pension arrangements is still not yet certain.

followed up with adjustments in the market as a result of the increasingly difficult position. As a result of the drop in the level of orders, the competition, which is chiefly fought out on price, has become fiercer and continues to put profit margins under massive pressure. Consequently, the construction prices for residential buildings in western Germany increased at a rate well below that of inflation in the first three-quarters of 2000. In eastern Germany they even fell - by 2.4% in the third quarter of 2000. There the number of insolvencies in the first half of 2000 - relating to the high level of the previous year - dropped by 3.8%, but in western Germany they increased by 6.5%.

Turnover drops

The Kampa-Haus group of companies did not manage to evade the increased pressure of the competition and its effects on business development. In the period under review, the group turnover fell by just under 18% down to 199.4 million € and the building work carried out fell by almost 17% down to 202 million €. Kampa-Haus houses continued to account for the highest share of total volume. They contributed 111.2 million € to total turnover and its fall in revenue, at a good twelve percent, was well below the average for the group. As evidence that the innovative product policy was the right step to take, it must also be taken into account that the proportion of turnover accounted for by the three latest house types „Studio“, „Chalet“ and „Trendy“ which as recently as 1999 contributed to about ten percent of sales, has doubled in the meantime.

The total turnover for the Creaktiv shell houses in 2000 was 35.9 million €, 4.5 million € less than in 1999, as a result of a drop in orders. A package of measures for reorganising the field sales service has been taken to stem this trend. It can be assumed that the demand for the undiminished attractiveness of the Creaktiv 2001 house model will increase and produce higher turnover figures. On the other hand, the Austrian subsidiary Novy-Haus, acquired at the end of 1999, increased its turnover by 18% up to 6.5 million €.

The marked decline in the demand for prefabricated cellars is essentially attributable to the fact that many people have built their house on a floor slab to cut costs. In the Cellar Construction sector a turnover of 8.3 million € was achieved, that was 5.8 million € less than in 1999.

The drop in orders in the previous year at the subsidiary Libella made itself felt in 2000. The result, in the first six months of 2000 in particular, was a perceptible drop in revenue, which Libella did however manage to reduce in some sectors in the second half of the year. In the period under review Libella earned 26.8 million €, about 14.5 million € less than in the previous year.

Kampa-Haus managed to complete and send out the invoices for some large projects in the Hotel and Commercial Construction sector, before the end of the year as expected. In spite of this, at 10.7 million €, the business volume was 3.7 million € below the figure for the previous year.



Kampa-Studio

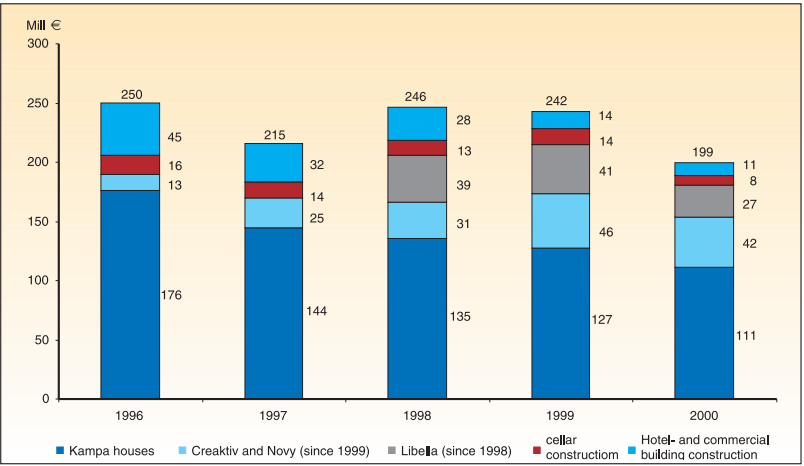


Kampa-Chalet



Kampa-Trendy

**Development in turnover in the Kampa-Haus-Group 1996 – 2000
(in mill €)**



Excess capacity for the construction of owner-occupier homes

Since the position of the single and double family houses, which is good in comparison to the rest of the building industry, has in the past led to many companies entering the market and resulted in a build up of excess capacity, this is now being

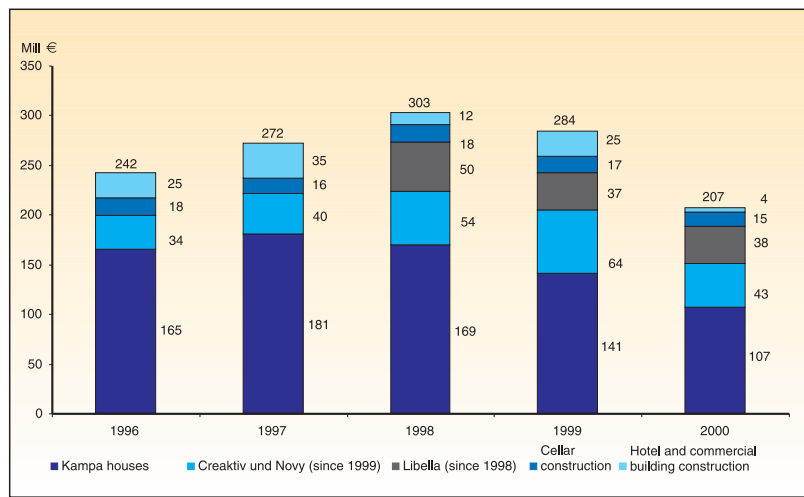


Kampa Hotel- u. Industriebau



Novy-Haus

Incoming orders for the Kampa-Haus-group 1996-2000
(in mill €, incl. VAT.)



The level of incoming orders is dominated by developments in the industry

The perceptible drop in planning consents for homes to be built by owner-occupiers, which came as a surprise in April 2000, continued unabated until the end of the year. According to estimates prepared by the Federal Statistics Office, the decline for prefabricated houses will probably amount to 25%. Of this, the drop is particularly serious in eastern Germany at 30%.

In view of this trend, and the situation in the Hotel and Commercial Construction sector, which continues to be difficult, Kampa-Haus AG has had to revise its forecast of an increase in the level of incoming orders in the course of the year. Overall, the number of new orders within the group fell by about 27% down to 206.5 million € in the period under review. About one half of all orders, that is 106.8 million € was accounted for by houses in the Kampa series, of which, encouragingly, a good fifth was accounted for by new house models. At Libella the incoming orders in 2000 increased again following a drop in the previous year. Here orders were received for 37.4 million €. This represents a slight upturn of one percent. The incoming orders for prefabricated cellars did indeed also fall by 14%, a less than proportional amount, down to 14.7 million € as a result of the drop in demand for houses. This means that a greater proportion of houses has been ordered with a cellar.

The orders for Creaktiv owner-occupier houses suffered a drop of 39% which was decidedly more than the average drop for the group as a whole, down to 33.6 million €. Kampa-Haus reacted to the weakness in the sales team responsible for this and has taken a new direction with a change in senior management in the sales division. This should put the company back on the road to success in 2001. Orders for houses worth 9.4 million € were taken following 8.7 million € in 1999.

With new orders worth 4.3 million €, the Hotel and Commercial Construction sector continued to remain a long way behind the high figure for the previous year, 25.4 million €. At the end of the financial year there were still some large-scale projects at the acquisition stage.

The order level, the total volume of which fell from 266.1 million € down to 187.5 million € largely reflects the level of incoming orders.

The order level for Kampa houses was 96.0 million € (Previous year 147.5 million), and for Creaktiv it was 26.2 million € (Previous year 45.2 million) and for Libella it was 36.7 million € (Previous year 38.0 million). At the date of balance sheet, Novy-Haus had an order level of 6.6 million € (Previous year 6.2 million), and the figure for prefabricated cellars was 11.7 million €, 0.2 million € more than the correspondin figure for the previous year. In the Hotel and Commercial Construction sector the order backlog was worth 10.1 million € (Previous year 17.7 million).

The time taken to work through these orders dropped from eleven months in the previous year to about eight months. By comparison, the time required to work through the orders on hand in the construction industry for residential buildings in Germany in the third quarter of 2000 not only in western Germany but also eastern Germany was just 2.1 months.

Procurement

Prices of building materials in Germany fell by about one percent in the first nine months of 2000. At Kampa-Haus prices for sheeting and insulation materials in particular went up as a result of an increase in oil prices. The prices also went up for materials containing copper and - as a result of the strong US dollar - cedar woods. From an overall perspective however, the prices for building materials across all goods classifications fell slightly compared with the previous year.

The supplier evaluation system updated in the last financial year was applied to all important suppliers in 2000. Negotiations were conducted with those suppliers who failed to meet agreed criteria. In a few exceptional cases the business relationship had to be terminated.

A „canban“ system was introduced in the production division for connection and fixing systems in order to cut down on orders for materials and to minimise administration work.

New direction places a strain on results

Kampa-Haus initiated and implemented a large number of cost-cutting measures in the period under review. Profitability was under pressure from different angles. Of these factors, the reduction in turnover volume, the loss at Libella, and the expenditure for further restructuring within the group can be named as being particularly important. In addition to which, the fierce competition with its attendant price wars forced Kampa-Haus to continue selling special fittings or additional benefits cheaply as part of sales campaigns. In addition to this, the result also reflected the development costs for new house models.

Drops were recorded in material expenditure and in other operational expenditures as a result of the reduction in the volume of business, against which there will only be a marked reduction in the strain on the earnings position in the coming year after a time lag as a result of a cut in staff expenditure. On the one hand, the reduction of the debts which had to be taken over with the acquisition of the holding in Libella in the year 2000, and on the other hand, the increase in the interest revenue from monies invested, have already had a beneficial effect on the interest result within the group.

In spite of systematic savings having been made, another drop in earnings had to be tolerated in 2000 as expected. While the contributions to profits from the Kampa-Haus Creaktiv models and in the cellar production dropped as a result of the fall in turnover, the restructuring in the Hotel and Commercial Construction sector proved successful with an improvement in the results. Although here too, the volume of business has dropped significantly. It may be assumed at Libella that a turnaround may be achieved within the short-term as a result of the measures initiated, so that we can reckon on making a profit again in the current year.

All in all, the group trading profit from normal trading activity in the period under review dropped to 9.6 million € following 25.0 million € in the previous year. The annual net earnings dropped from 14.6 million € down to 6.6 million €.

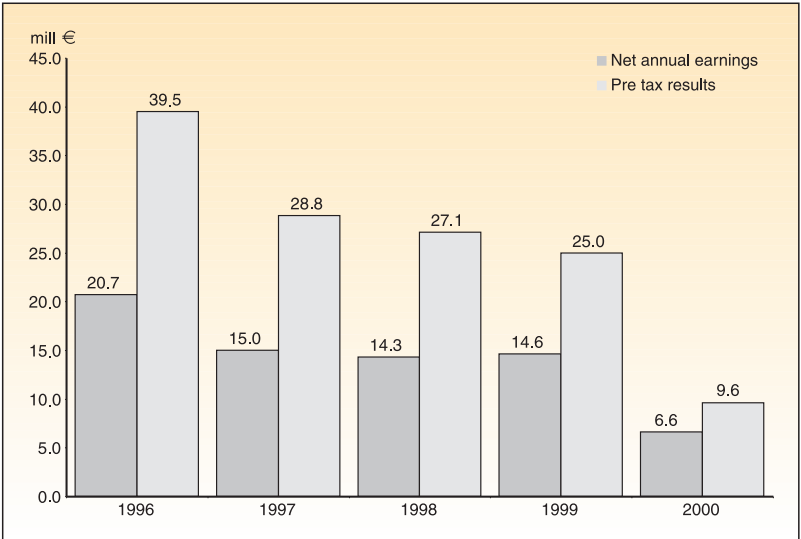
In Kampa-Haus AG the trading profit from normal trading activity was 7.6 million € (Previous year 19.7 million) and the annual net earnings were 6.9 million € (Previous year 13.8 million).

The profit on turnover ratio throughout the group amounted to 4.8% gross in 2000, and 3.3% net. This means that the profitability of the Kampa-Haus group of companies, the vast majority of whose profits come from within Germany, continues to be significantly better than the average for the construction industry in Germany. The



CreAktiv-Haus

Development of profits for the Kampa-Haus group 1996-2000
(in mill €)



results for the Kampa-Haus group are still acceptable, in particular given the background that German construction groups mostly earn their profits outside Germany. However, they are by no means satisfactory. Measured against the target Kampa-Haus has set itself of earning interest from the equity invested in companies within the group, profits are well below expectations.

Increased efficiency in administration and sales

In the period under review Kampa-Haus AG continued and stepped up the pace in the new direction it took in 1999.

One key point was the introduction of the SAP R/3 business management software initiated in 1999 with the objective of speeding up the flow of information within the group and improving cost transparency. By the end of the year the material economy, procurement and stores, production planning, project control, accounts, and controlling modules were introduced in all companies within the group with the exception of Libella and the subsidiaries outside Germany. The system was implemented and successfully started up by assigning large numbers of staff to the time-consuming project. Additional fine tuning is planned in the current year to optimise the systems. At the same time the reporting system was reorganised using the new system. Together with the year 2000 changeover, the conversion over to the Euro was carried out by the entire group on 1st January 2000.

The restructuring at Creaktiv was put on the road with a new management team. The new management team took a whole bundle of measures in order to follow on from the great successes of the years up to 1999. These include inter alia building up a new multi-functional display in the internet with an integrated plot-search service and linking it up to specialist sales staff, better customer care management and upgrading the series of house models available, coupled with a more high-powered marketing campaign.

At the end of 2000 work was also commenced on setting up the new web sites for the Kampa-Haus group of companies. In future all the potential buyers will be able to find an in-depth summary of owner-occupier houses, the houses on offer from the Kampa group and the company itself, at www.kampa-haus.de. In connection with this, the Investor Relations and Press pages will be updated. Customer proximity is to be enhanced as a result of the redesign and the flow of information is to be improved. The homepage has a section devoted to it in the annual report.

At Libella the consultancy project for strategic realignment and cost cutting in the period under review was completed on time. By merging four former companies into two, Libella has become structured in such a way that it is leaner and more flexible. In future synergetic effects and greater transparency can be expected.

A great deal of pressure is being applied at the moment to putting the measures for increasing efficiency into practice. These have been decided upon to counter the slowdown in the course of business in the period under review. Initial successes are becoming visible in optimising systems in production and management. Supplementary regional marketing activities are designed to increase proximity to the market and tap new groups of customers. Besides which, an additional showhome in Eugendorf near Salzburg since the beginning of the year has been underlining company presence in Austria. It is to be expected that the successes of the restructuring will be achieved without a great time lag and the company will be back on track making a profit again this year.

Kampa also managed to forge ahead and make good progress with the internationalisation of its sales efforts. In December 2000 Kampa-Haus erected a showhome displaying the exclusive „Palais“ model at the largest prefabricated house exhibition in Austria, the „Blaue Lagune“ in Vienna. In addition to this, sales offices were fitted out in Klagenfurt for the province of Carinthia and in Leoben for the province of Styria. In addition to this, the Linz and Salzburg sales territory will be looked after from the base in Passau, so that Kampa-Haus has a presence in the parts of Austria where turnover is highest.

Following initial difficulties, progress is being made in the meantime with the expansion in Poland. A sales office was opened in the centre of Warsaw in 2000 and the sales team has also sold its first houses. In November the team managed, after some delays, to acquire a plot for a showhome in Posen too. A typical Kampa house will be built there in early 2001.



Kampa-Palais in Vienna

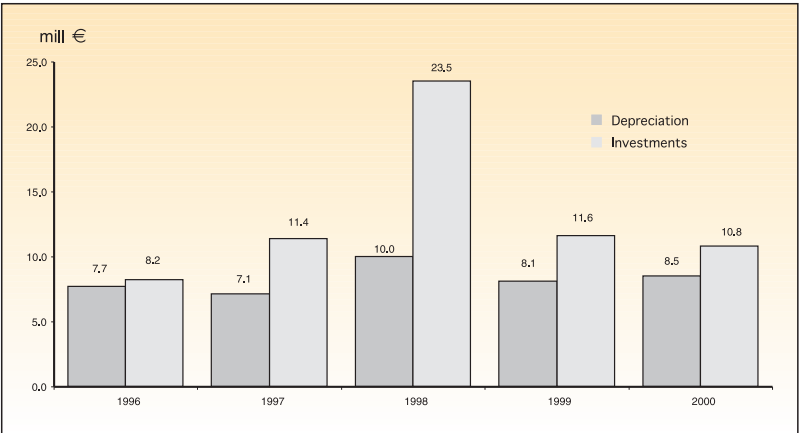
Investments financed from cash flow

The Kampa group invested a total of 10.8 mill € in 2000. That was 0.8 mill € less than in the year before. 0.8 mill € of the investments were accounted for by intangible assets - essentially licence fees - and 10.0 mill € were accounted for by physical assets. Of the latter, 5.7 mill € were spent on showhomes, followed by machinery and office equipment with 2.2 mill €, 1.2 mill € were spent on the vehicle fleet and 0.9 mill € were spent on business premises. No financial investments were made in 2000.

The investments made in Kampa-Haus AG dropped from 12.8 mill € in the previous year down to 9.4 mill € in the period under review. After 1999 when the investments included the acquisition of a holding in Novy-Haus and topping up the holding in Libella, the level of investment was reduced to a normal level again in 2000.

In 2000 Kampa managed to finance in full all the investments required from the cash flow amounting to 14.2 mill €. This is the equivalent of 1.42 € per share following 2.43 € in the previous year. Besides the reduction in the annual net earnings for the group, it was the reduction in long-term provisions which was really crucial to the drop in cash flow - in particular for claims made under warranty, which were adjusted downwards to reflect the reduction in the volume of business.

Investments and depreciation in the Kampa-Haus group 1996-2000 (in mill €)



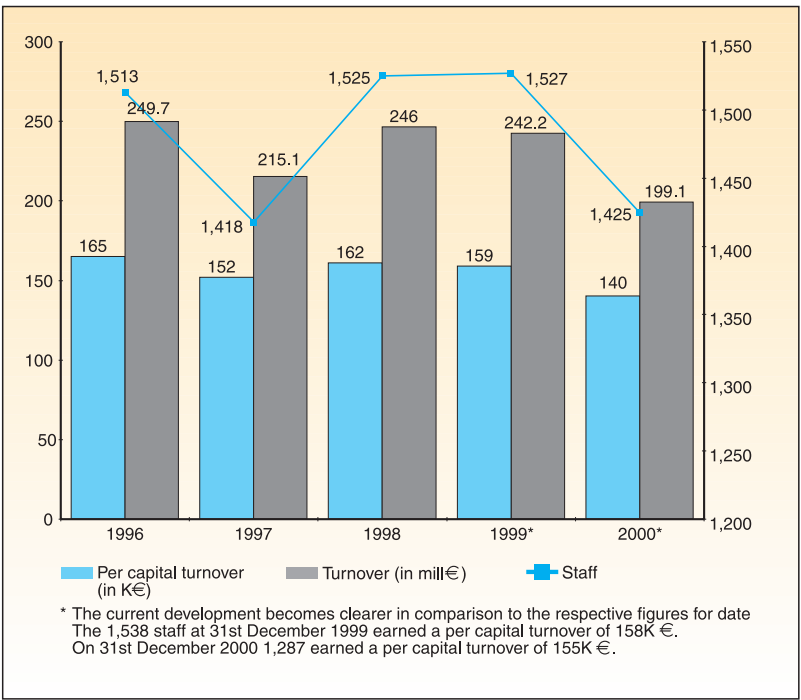
Origin of the cash flow according to DVFA/SG (in mill €)

	1999	2000
Group annual net earnings	14.6	6.6
+ Depreciation on fixed assets	+ 8.2	+ 8.5
± Increase (+) / decrease (-) in long-term provisions	+ 1.5	- 0.9
= Cash flow in accordance with DVFA	24.3	14.2
Cash flow in accordance with DVFA per share	2.43 €	1.42 €

Reduction in the number of staff

In the course of cutting costs allround, the Kampa-Haus group of companies had to adjust staffing levels to take account of the reduction in the volume of business. In order to reduce the social impact of this reduction in staffing levels, necessary for economic reasons, worker representatives were included in the planning from an early stage. On average the number of employees fell in 2000 by 101 down to 1,426. Looked at from the perspective of the figures for the 31st December, the drop was more marked, since the number of staff fell by 251 down to 1,287. All the companies in the Kampa-Haus group were affected. Since notice periods have to be observed when staff are released, and natural fluctuation is taken advantage of, if at all possible, the benefits understandably only come into effect after a time lag. As a result of this the staff expenditure in 2000 only dropped by 1.9 mill € down to 63.3 mill €. A perceptibly larger fall in these costs is to be expected in the coming year.

Staff productivity in the Kampa-Haus group 1996-2000



High quality through continual development

Research and development work at Kampa-Haus is still aimed at developing new house models and improving existing ones as well as ensuring and optimising the high standards of quality.

The Kampa-Haus project team working on the development of new house models has introduced four modern designs, the „Maisonette,“ „Trend“, „Solair“ and „Arondo“ models, which will be presented in the chapter entitled „New Kampa house series“. The house models „Arondo“ and „Solair“ are also available as 3 litre houses.

The current house types are continually being revised and upgraded, in order to reflect changes in requirements. Examples of this are, amongst other things, improvements at Kampa-Haus in security technology, heat insulation, the use of solar energy, and systems for controlled ventilation. Besides which, a new barrel-shaped roof and a house with a pent roof have been introduced. Neew gables, oriels, and dormer ventilators as well as a new house model were developed for the Creaktiv house models.

Working together with the Laboratory for Sound and Heat Measurement Technology in Rosenheim, technicians have investigated and improved the sound insulation for the external walls and between the storeys in Kampa houses and in Creaktiv houses. The work conducted together with the Materials Testing Institute in Brunswick was focussed on the fire prevention characteristics of the house models. In addition to this, the house models as well as production conditions are checked on a regular basis twice a year as a condition of membership of the Qualitätsgemeinschaft Deutscher Fertigung (QDF).

Six new house models were developed at the Libella subsidiary and several series of houses were upgraded. In addition to this, several attractive extension sections have been designed and design improvements have been made. Other key points of development work at Libella concerned the air-tightness of the houses and the concept of the 3 litre house.

In order to take full advantage of the synergetic effects from the integration of the newly-acquired companies within the Kampa-Haus group, moves have been initiated to standardise building materials and construction systems as well as the technical modifications required for this.

As in the year before, about 20 persons were employed throughout the Kampa-Haus group in the year 2000 to work mainly on research and development work.

Protecting the environment by using wood

As part of allround environmental protection, the cut-offs produced in the Kampa-Haus AG companies from house production and assembly are properly sorted and recycled by specialist companies. Waste disposal does not present us with any problems since the vast majority of the material we use as a building material is wood. Added to which, wood is easy to process, and has an outstanding ecological profile since processing and working this natural and renewable raw material consumes less energy compared with other building materials.

In addition to this, none of the materials used by Kampa-Haus pose a threat to health, as confirmed by the TOXPROOF certificate from the Rhineland Technical Control Board. Appropriate technology ensures that the energy consumption of the houses is kept to a minimum. As a result, the environmental impact is reduced on the one hand, and on the other the owner saves money on his heating bills.



Creaktiv-Haus



Libella-Haus

The outlook for 2001:

Following the end of the financial year

Martin Steffes-Mies was appointed to the executive board at Kampa-Haus AG on the 1st January 2001. The 34 year-old economist was construction manager and later on joined Roland Berger, the management consultants, where even at this stage he was working for Kampa-Haus. He is chiefly responsible for integrating the newly acquired subsidiaries Libella and Novy-Haus as well as for the internet and new media.

In the first quarter of 2001, the Kampa works, Creaktiv and Assembly Division at Brück, which have the legal status of „GmbH & Co. KG“, will be merged together with the „General partner GmbH“. The objective of these measures is on the one hand to reduce the number of companies within the group, and on the other, to cut costs. At a second stage profit transfer agreements should be concluded with these subsidiaries.

Risk report

Kampa-Haus AG and the companies associated with it are, naturally, exposed to a number of risks. These are understandably an integral factor taken into consideration in all decisions, since the continual weighing up of opportunities and risks is part and parcel of running a business.

In order to be able to identify all aspects of the respective risks inherent in these activities in good time, if at all possible, Kampa-Haus AG has, in compliance with the (German) law on checking and transparency in the business sector (KonTraG), set up an early-warning system. In so far as identifiable risks do exist, a suitable precaution has been taken with appropriate guarantees.

From today’s perspective however, there are no risks jeopardising the continued existence of the group or which could be detrimental to the future economic position of the group.

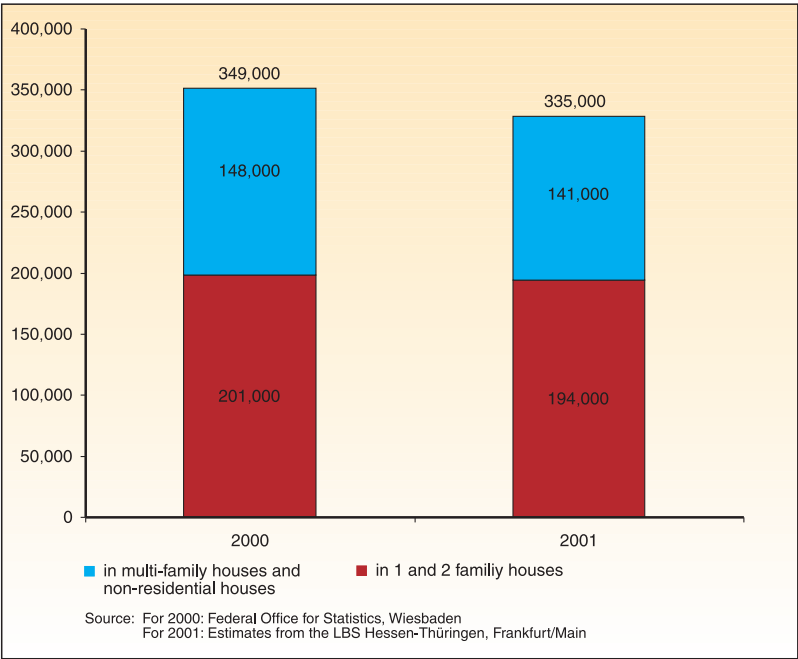
The German construction industry still mired in difficulties

In view of the reduction in incoming orders last year and the reduction in planning consents, it must be reckoned that 2001 will be another year of recession for the German construction industry. According to the forecasts by the panel of experts on the appraisal of the development of the Germany economy overall, building investment in 2001 is to drop again by 0.5%. The LBS Hessen-Thüringen estimates that the planning consents for owner-occupier homes in the current year will drop below the low level already reached and will settle down at about 194,000. This means a drop of about 50,000 planning consents granted compared with the late 1990s. The number of completed apartments in single and double family houses is likewise stated to be about 195,000 per year until 2005 by the „BBR apartment forecast 2015“ prepared by the Federal Office for Construction and Regional Planning.

The fall in the number of planning consents granted in 2000 does not mean that there will be an improvement in 2001. There is still no indication that there will be a turnaround. Instead of that the number of homes built for owner-occupiers reduced this year by about 15% will continue to hover at the low level then reached, in the years to come as well. This development in the market will bring about adjustments in the capacity of the industry as a whole.

Not least the development of the construction of houses for owner-occupiers also depends on the statutory framework. It is to be hoped that the current debate on the subject of personal pensions will be concluded with the result that residential property used for personal use will be recognised as being worthy of financial support. This would be a boost to the building industry, in particular the residential sector, and this would also include homes for owner-occupiers of course.

Planning consents for apartments 2000 and 2001 (estimates)



The change of course to take a new direction will be completed in 2001

Irrespective of the results of this dispute, Kampa-Haus AG will continue to pursue vigorously its course of taking a new direction and adjustment in the current financial year. In 2001 the fine-tuning will be carried out as part of the introduction of SAP R/3, the aim of which is to increase the transparency and efficiency of the workflow systems. In addition to this, the service and quality management modules are to be introduced. This has been postponed until 2002 for the time being at Libella.

By restructuring the Hotel and Commercial Construction division successfully, Kampa-Haus has proved that it is still possible to make a profit in a hard, highly competitive and shrinking market, if the product range is structured accordingly and production capacities are adjusted to reflect the situation the market is in. Measures with similar objectives will be put into practice in all German companies within the group in 2001, backed up with increased marketing support. In addition to this, sales in Austria and Poland will continue to be built up according to plan thereby having made a start to access these markets on a selective basis. In the new direction Kampa-Haus AG will follow clearly drafted set strategic objectives which are summarised in „Key Strategic Statements“.

Not only will there be a further reduction in staffing levels, but also a reallocation of tasks between the various production sites as adjustments in response to the situation in the German market. In the course of this new and more flexible division of work, the Kampa works at Waldmohr in the Rhineland-Palatinate and at Linthe in Brandenburg will be streamlined and production will be operating at full-capacity in the production facilities in Kinding in Bavaria and in Minden with immediate effect. In future it will chiefly be Bavaria, Thuringia as well as Austria which will be supplied from Kinding. Minden will be responsible for northern and north-western Germany. In the medium-term a significant reduction in fixed costs is to be expected from the reallocation of tasks and the staffing adjustments associated with it.

The sales of the so-called „TM“ house, a model series with clay as the most important additive, is in future to be taken over completely by an external sales associate who will look after all the tasks associated with this on his own account. The aim of hiving off the sales activities is to improve sales figures and cut costs. Production will still be carried out at the concrete works belonging to the Kampa-Haus group.

It can be assumed that the intention stated at Creaktiv to restructure sales in the coming months will result in an increase in incoming orders again. Supported by an external engineering consultancy, the subsidiary Libella is presently applying a great deal of pressure to implement a series of measures to increase efficiency. The progress already identifiable in optimising production systems and administration systems has made the company optimistic that it will be able to cut costs even further.

The Kampa-Haus group is showing off its power of innovation with new and modern house models and is continually adapting its product range to satisfy changing requirements. In view of the great competition and the fierce price wars associated with this in 2001, Kampa-Haus will however in some cases turn down loss-making orders and therefore forego turnover in order to avoid placing an additional strain on profitability as far as possible. Altogether, given the difficult conditions in the industry in the current year, a total operating performance of about 160 million € can be reckoned with.

We shall approach work in 2001 with total commitment backed up by considerably more funds to help us carry out the many adjustments. From today's perspective, the earnings position will be placed under a strain on the one hand as a result of the reduction in the volume of business, and on the other, by the non-recurrent expenditures associated with staff cuts. However, from today's perspective, the increases in profits expected at Libella and the successes of the restructuring measures prevent the results for the group from falling by more than the drop in construction output. Kampa-Haus is convinced that once it has completed the measures involved in taking a new direction, and having adjusted capacity to the reduction in market volume, it will be able to achieve higher profits once more. In doing so, the group of companies will also benefit from its own capital resources it has built up in the past.

Since increasing attention is being paid to the emotional aspects of house-buying too, Kampa-Haus AG will be setting up the first „Kampa-Info-Park“ from the end of 2001, based on „building and living“. This will be sited in an attractive landscaped setting in which the Kampa-Haus group will present the entire range of its houses, exhibitions as well as workshops. It will also offer potential buyers every conceivable form of advice and support to help them acquire their dream home. Additional „Kampa-Info-Parks“ are to be set up at other works' sites within the group of companies in the years to come.

Minden, 19th February 2001

The executive board

Günter Baum

Hans-Jörg Binöder

Günter Kruse

Martin Steffes-Mies

Udo Zimmermann

Proposal for the utilisation of the balance sheet profit

The net annual earnings of Kampa-Haus AG amounted to 6,878,600.36 €. Together with the profit carried forward from the previous year amounting to 4,938,445.52 € this produces a balance sheet profit of 11,817,045.88 € for the year 2000.

The executive board and the advisory board propose to the shareholders' general meeting that the sum of 9.0 million € of this be distributed to the shareholders and the remaining sum of 2,817,045.88 € be carried forward to the books for the following year. This means that there will be a dividend of 0.90 € per share certificate plus the pro rata corporate tax amounting to 0.39 € for shareholders inside Germany.



The Kampa share

The share capital of Kampa-Haus AG amounts to 26 mill € and is divided up into ten mill bearer shares with the security identification number 626910. The shares are traded in official trading at the stock exchanges in Frankfurt am Main, Düsseldorf and Berlin as well as in unofficial trading at the trading centres in Bremen, Hamburg, Stuttgart and Munich. The Kampa-Haus share has been in the quality sector of the Deutsche Börse AG for minor stocks, the SMAX, since it was founded and is - as one of the shares with the highest trading volumes in this sector - also a member of the SDAX. In addition to this, it is listed in CDAX-Construction, the industry index for listed building and allied stocks.

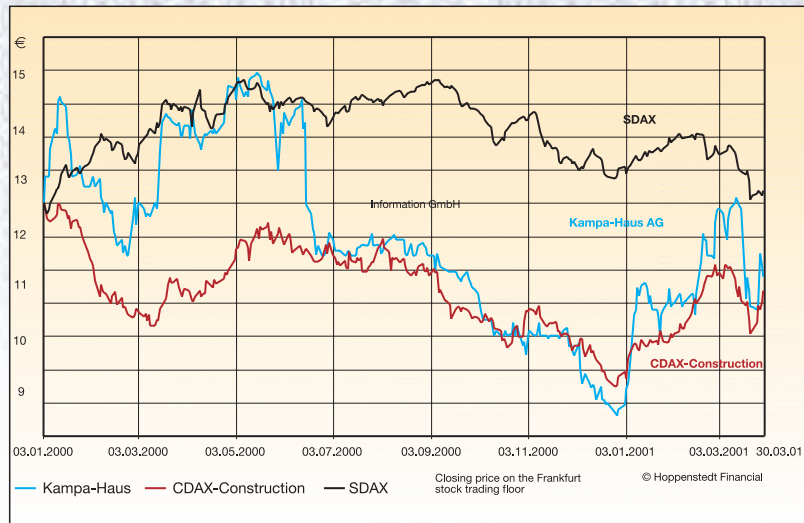
The major shareholder of the company is Wilfried Kampa, who holds just under 56% of the shares. The remaining 44% is held in scattered holdings.

The total stock exchange turnover (including multiple payments) of the Kampa shares amounted to about 80.2 mill € in 2000. About 6.5 mill share certificates changed owner in a total of 31,400 transactions. In the previous year the figure was 12.9 mill shares for about 208 mill €. According to the order book statistics in which each payment is counted once only, the number of Kampa shares traded in 2000 amounted to just under 1.6 mill (previous year 2.9 mill) with a total volume of 205 mill € (Previous year 36.0 mill).

DAX records a loss for the first time since 1994

Last year the German share index DAX ended up with a loss for the first time since 1994. It closed on the last trading day at 6,434 points and this meant that it lost 7.5% on the previous year, which was even more than the loss in 1994 of 7.1%. The Neuer Markt did not fulfil the high expectations attached to it either. Admittedly, the indices concerned went up sharply in early 2000 to their respective all-time high, but the market overall lost 40% compared with its position at the beginning of the year. The index of the top 50 shares, the NEMAX-50, lost 43.6%. Compared with the record level of 9,665 points, the loss for the 50 top companies in the Neuer Markt up to the 30th December 2000 was as much as 70%.

Development of the Kampa-Haus AG share price
03.01.2000 – 30.03.2001



Minor stocks improve for the time being

The shares in the so-called second row after the DAX fared better. Consequently the MDAX of the 70 medium-sized companies finished with a profit of 13.9% at 4,675 points. The smaller minor stocks collated in the SMAX-All-Share also went up, even if at 3.8% up to 286 points this increase was modest in scale. On average the performance for the 100 largest SMAX shares managed in the SDAX improved, the index went up by 6.4% to 3073 points.

However, against the background of the difficult trading conditions, shares in construction companies did not succeed in keeping up with the growth in share prices, so that CDAX-Construction, the industry index, lost 26.5% over the course of the year.

Kampa-Haus share on the move

Both the outlook for the construction industry, which continues to be overcast, and the deterioration in the situation for those building their own homes found clear expression in the price of the Kampa-Haus share in 2000. Following a start at just over 12 €, the share started to move downwards in January and February, but then went up again in March and increased up 14.95 €. Later on in the year the share lost in value continually in the wake of the general bear trend on the stock exchanges until it dropped to its all-time low of 8.70 € on the 28th December 2000. The beginning of 2001 was more successful. Lent wings by various favourable press reports on the great potential of the Kampa-Haus share, the share price went up within a few weeks to 12.75 € on occasions and in doing so went up temporarily by 47% on the price at the close of the year. At the end of March the share price was 11.55 €.

Share statistics at a glance

	1996	1997	1998	1999	2000
Highest price in €	35.23	33.23	28.38	20.91	15.00
Lowest price in €	24.54	20.25	19.17	11.50	8.70
Final price in €	25.46	25.31	21.22	11.85	8.70
Profit /share acc. to DVFA	1.88 ¹	1.40	1.27	1.26	0.60
Price earnings ratio (P/E Ratio) at maximum price	18.70	23.70	22.30	16.60	25.00
Price earnings ratio (P/E Ratio) at lowest price	13.10	14.50	15.10	9.10	14.50
Cash flow per share acc. to DVFA	2.82 ¹	2.14	2.35	2.43	1.42
Price cash flow ratio (P/C Ratio) at highest price	12.50	15.50	12.10	8.60	10.60
Price cash flow ratio (P/C Ratio) at lowest price	8.70	9.50	8.20	4.70	6.10

¹ Relating to 10 mill shares

In view of the situation in the German construction industry, which is continuing to be unfavourable, it is to be expected that the demand for shares in construction companies will in general tend to be rather subdued in the current year as well. The interest in Kampa-Haus AG will also be dominated probably by this background too, although the company is one of the few companies in its industry to achieve a profit year on year, in spite of the unfavourable background conditions in Germany. With the new direction it is pursuing, Kampa-Haus is concentrating in 2001 on adjusting itself to the contracting market, stabilising its earnings power in this environment, and in doing so, laying a solid foundation for future growth. If this project succeeds, it should again be possible to convince more people of the future potential of a commitment to Kampa-Haus shares.

2001: Kampa-Haus has been on the stock exchange for 15 years

Shares in Kampa-Haus AG were listed for unofficial trading for the first time on the Rhine-Westphalian stock exchange 15 years ago on the 27th May 1986. This was preceded in 1985 by the conversion of Kampa-Haus GmbH & Co. KG into a joint stock company similar to a PLC. At that time, 100,000 shares with a nominal value of 50.00 DM were launched onto the market at an issue price of 360.00 DM. An investor magazine described the initial launch on the stock exchange of the „white raven in the construction sector“ as „rather unfortunate“, after the first price was the same as the issue price and even dropped a little later on. However, the share, which soon recovered and was chosen as belonging to the best overall joint stock company of the year in 1994 by the „Manager Magazine“. The readership was and readers were recommended to buy it, with particular emphasis being made on the profits to be made. In comparison to the new issue boom of recent years, times were more tranquil in 1986. Then only 27 companies went public and the volume of the issues was about 2.5 billion €. On the other hand 151 companies were listed onto the stock exchange for the first time in the year 2000, and they achieved an issue-revenue of more than 21 billion €.

Dividends

With regard to the amendment in the (German) Corporate Tax Law, the executive board and the supervisory board proposed a net dividend of 0.90 € per share to the shareholders' general meeting, in spite of the drop in profits. This means that Kampa-Haus AG is taking the opportunity of availing itself of being able to offset 0.39 € against corporate tax for the last time.

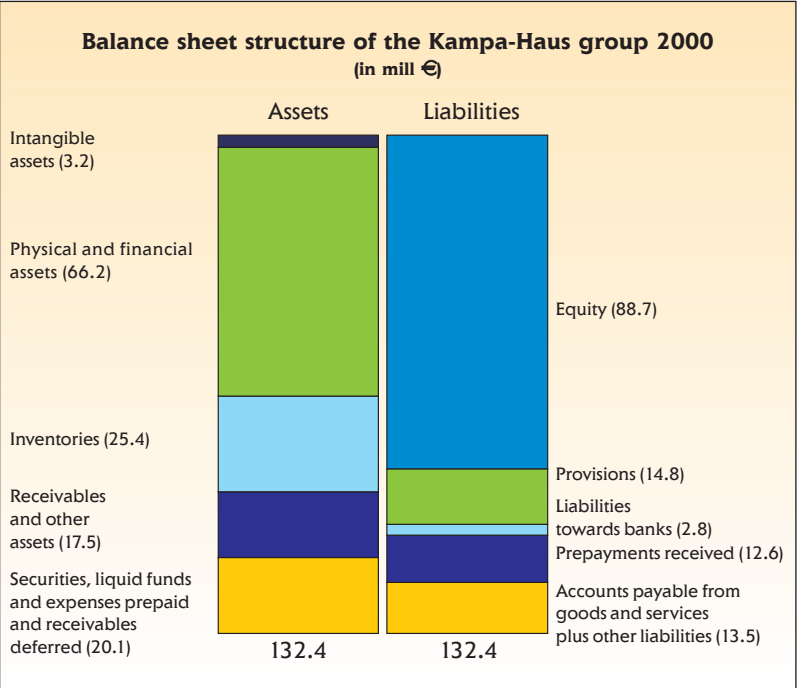
Financing

In view of the fact that there has been a reduction in the net annual earnings, the DVFA result adjusted by special influences has been reduced by something like the same amount of 12.6 mill € to 6.0 mill € altogether - that is the equivalent of 0.60 € per share.

Flow of funds statement (in mill €)*

	31. 12. 1999	31. 12. 2000
1. Incoming funds from regular business activity	24.6	3.2
2. Outgoing funds from investment activity	- 10.7	- 9.0
3. Outgoing funds from financing activity	- 17.5	- 11.2
4. Stock of funds at the beginning of the period	40.4	36.8
= Stock of funds at the end of the period	36.8	19.8

* A detailed version of the flow of funds statement is in the enclosure.



seen on the liabilities side of the balance sheet. As a result of this, the shareholder equity decreased by 3.5% down to 88.7 mill €. In connection with the reduction in the volume of business the company managed not only to reduce its tax provisions but also its corresponding warranty provisions. The prepayments received and the liabilities for goods and services have fallen for the same reason.

In the course of reducing the bank debts taken over with the acquisition of Libella, the liabilities towards banks were reduced in 2000 by 1.2 mill € (previous year 4.0 mill €). Since in 2000 now noteworthy shares were taken over from outside shareholders, „Incoming funds from financing activity“ has improved by 6.4 mill €.

Balance sheet and flow of funds statement

The reduction in the volume of business was reflected in the statement of assets and liabilities in the shape of a balance sheet total reduced by 15.6% down to 132.4 mill €. This trend can also be seen in the reduction of the „Incoming funds from current business activity“ down to 3.2 mill € in the flow of funds statement.

In addition to the decrease in profits the reduction in provisions made a contribution to this as well as the increase in the repayment of short-term liabilities in comparison to the drop in the current assets tied up over the short-term.

While the fixed assets increased slightly by 3.1 mill € up to 69.4 mill € in the year 2000, the current assets, which are directly dependent on the volume of turnover, fell down to 62.7 mill €. As a result of this it was the balance sheet items „Inventories“ and „Accounts receivable“ in particular which fell.

The stocks of liquid funds and securities in the current assets dropped as a result of the drop in the volume of business and the increase in the requirement for financing associated with the new strategy being pursued. This can be seen in the flow of funds account compared to the beginning of the year as well in the „Stock of funds at the end of the period“ which has fallen by 17 mill €.

The reduction in the balance sheet profit compared with the previous year can be

Additional financial statistics

		2000	1999
Equity ratio	= $\frac{\text{Equity ratio}}{\text{Total capital}}$ %	67.0	58.7
Ratio of equity to assets	= $\frac{\text{Eigenkapital}}{\text{Fixed Assets}^*}$ %	132.2	138.7
Ratio of equity fixed to total assets	= $\frac{\text{Anlagevermögen}^*}{\text{Tital assets}}$ %	50.7	42.3
Financing ratio	= $\frac{\text{Depreciation}}{\text{Investments}}$ %	78.6	70.3
Working Capital	= $\frac{\text{short-term current assets - minus short-term borrowed capital}}{\text{mill €}}$	19.9	26.6

* without transfers from current assets

Kampa-Haus group: Value created in 2000

In the period under review the value created in the course of the reduction in company performance dropped by 17.7 mill € down to 73.2 mill €. However, its share of the total operating performance was 36.2% compared with 37.4% in the previous year, and was therefore relatively stable since, with the exception of the slight increase in depreciation, the company managed to adjust the total of preparatory performances to the drop in the volume of business.

There was a deferment in expenditure to the detriment of the public authorities, since the amount of tax which had to be paid for the reduced profits has been reduced significantly. At 86.5%, the staff expenditure accounted for a greater percentage than in the previous year, since there is a time lag between reducing staffing levels to allow for the reduction in the volume of construction work and this having an effect on expenditure. The drop in interest expenditure for loans is to be viewed in a positive light. The shareholders received 12% of the value created, roughly the same proportion as in 1999.

Origin (in mill €):

	1999	%	2000	%
Company performance	243.2	100.0	202.1	100.0
- Material expenditure	98.5	40.5	82.2	40.7
- Depreciation	8.1	3.3	8.5	4.2
- Other expenditure	45.7	18.8	38.2	18.9
= Total preparatory performances	152.3	62.6	128.9	63.8
Value created	90.9	37.4	73.2	36.2

Allocation of the value created (in mill €):

	1999	%	2000	%
Value created	90.9	100.0	73.2	100.0
Staff (Staff expenditure)	65.2	71.7	63.3	86.5
Public authorities (Taxes)	10.4	11.4	3.0	4.1
Lenders (Loans)	0.7	0.8	0.3	0.4
Shareholders (Dividends) and other partners	10.8	11.9	8.8	12.0
Company	3.8	4.2	-2.2	-3.0

New series of houses

Kampa-Haus



Kampa-Trend



Kampa-Maisonette

Last year the Kampa-Haus group expanded its product range once more and developed new series of houses for different budgets and customer requests. The „Trend“, „Maisonnette“ and „Arondo“ models have already been presented to the public.

„Trend“ is a model aimed at young builders with a modest budget. Built on an area of just under one hundred square metres, the dream of house ownership can be realised on a small plot. Depending on the pitch of the roof, the house can accommodate living space of between 84 and 122 square metres. The house can be constructed with the first floor as a basic shell if less space is required, and the builder can also put off the finishing and installation work until later.

The „Maisonnette“ is a large bungalow with a dome admitting plenty of light to the study in the first floor, which lords it like a tower above the centre of the house. From there it lights up the extensive ground floor. The shafts of direct light from above into the centre of the house create a light and harmonious atmosphere. The individual rooms are laid out around the cone of light which forms the focal point of the building. The entrance and patio are supported with pillars, emphasising the impression of exclusivity and luxury. The living space of the „Maisonnette“ is generous, even with the single storey option, having about 135 square metres. If more space is required, this can be increased to just under 193 square metres.

Kampa-Haus is presenting a two-storey design series with the „Arondo“, which likewise has plenty of living space. The new model with a modern design is distinguished in that the customer can choose between a large number of roof options. Consequently the design with a barrel-shaped roof and flexible metal sheet roofing is also possible, as is a saddle roof with pantiles. Balcony and patios provide access to outside from various points. Given the large living space, the „Arondo“ is ideally suited for two families or for several generations living together under the same roof.

The fourth product innovation to be developed by Kampa-Haus is the „Solair“ model. The striking external feature is a pent roof with an integrated solar energy system which is included in the basic price for the house. This design series is available with 1 1/2 and 2 1/2 storey construction as well as in a detached house and semi-detached house.

Creaktiv



CreAktiv-Haus

A new Creaktiv model was presented at the end of the year called „Premium“. This model has a square floor plan and is available either with 1 1/2 storeys with a saddle roof or 2 storeys with a pyramidal roof. It is based on the basic idea of a building which can be built anywhere even if access is restricted and the ground conditions do present problems, and which is designed to admit maximum natural light. It is also easier to accommodate local town planning regulations with this house.

In view of the fact that building land is scarce and frequently expensive, especially in built-up areas, a great deal of interest is generated in houses which will fit into small plots. Since 1999 Creaktiv has built a total of 19 terraced houses with a 2 1/2 storey construction in Dietzenbach near Frankfurt. Another 7 houses are at the planning stage. The floor plans of the houses are particularly suitable for very narrow plots. As is normal for Creaktiv, the customer can also cut the costs of building one of these houses by doing some of the work himself.



Kampa-Arondo



Kampa-Solair



Libella-Haus

Libella House

In addition to individually designed houses Libella is offering systems house which are largely drawn up to a standard design in the lower and medium price range. The buyers can customise standard designs with a selection of extensions and by selecting one of the floor plan options to build a house to satisfy his individual requirements and ideas. All houses are low energy homes and can be supplied as a 3 litre house I at the customer's request.

Several new and attractive architectural suggestions have been developed for those buyers preferring a young and modern building for a young life-style. The main feature of these houses is their interesting architecture, the fact that they can be supplied with facades of different colours and allow a selection of planning options.



Enthospitalisierungs-Wohnanlage

Hotel and industrial building construction

In the last financial year a de-hospitalisation centre with 35 warden-assisted apartments in Rudower Felder, Berlin was completed for one of our clients. The operator. The Verein für Integrative Angebote e.V., Berlin/ Brandenburg, uses these newly designed establishment to provide for people in need of care to make the transition from hospital to independent living easier. This complex includes therapy rooms and care baths with medical assistance.

Following a short construction period of just 14 months, an entire residential complex with 52 owner-occupier apartments, 70 car parking spaces in an underground garage as well as a doctor's practice were constructed on a turnkey basis in Berlin in 2000. The property has a residential and commercial floor space of 4,718 square metres.



Wohnanlage Walldürner Weg, Berlin
52 Eigentumswohnungen

Kampa-Info-Park

In the coming years Kampa-Haus AG will be setting up a series of „Kampa-Info-Park“ at its factories to deal with the great requirement for information on „Building and Living“ for those considering having a house built. They will also take the emotional aspect of buying a house into account and the objective is to appeal to other types of buyers. These info-parks will be theme parks centred on „Building houses“ and will be located in charming landscaped settings. Kampa-Haus intends to use these info-parks as information centres at which it can provide prospective buyers with advice. They will have the entire range of houses available within the Kampa group on display so that prospective buyers can visit them and draw comparisons. The in-depth advice available on all issues concerning housebuilding, such as planning buildings, financing, a plot search, internal fixtures and fittings, as well as garden design, is to be supplemented by an exhibition of well-known suppliers, seminars for the builders, and events to which former customers will be invited.

The „Kampa-Info-Parks“ will enable potential buyers who have to date only been able to visit selected Kampa showhomes on site to obtain an all-round overview of the entire range of houses available. Games and entertainments laid on for the children will ensure a relaxed atmosphere will be created, in which the parents can discuss with knowledgeable advisers all the aspects dealing with their plans for building a house. In view of the wide range of houses available, it is worth turning the visit into a one or two-day break, even for those with children and who those have travelled quite a way. Self-building seminars will be organised for those customers buying shell houses.



New web site on the internet.

More information is available more quickly.



www.kampa-haus.de



www.kampa-ag.de

In recent months the Kampa-Haus web site has been redesigned. Those interested in building their own houses can find a wealth of information based on the entire product range under „www.kampa-haus.de“. Not only all the different types of houses with the different design series will be displayed, but also the fitting options ranging from roofs, windows, and doors right up to chimneys and oriels. The floor layout planner makes it possible to design your house on the screen. Likewise, at a single click it is possible to identify a consultant, express an interest in having an appointment and order further documents.

But it isn't just those interested in building a house who will find that the Kampa web sites have been revamped. The press and investor relations pages have also been redesigned. These can be accessed directly via „www.kampa-ag.de“. The range of information available has been extended. In addition to this, important data can be presented more quickly. Interesting facts on the housing market can also be found such as information on the Kampa-Haus group of companies. In addition to this, reports for financial analysts can be called off in full by private investors too. Besides this, anyone with an interest can have their name entered into a mailing list and up to date information on Kampa-Haus AG will be sent to them directly by e-mail, so that the addressee will not have to wait for the newspaper of the following day to find out the latest news about Kampa-Haus.



Kampa-Palais in Wien



Key strategic statements

In the course of making the business take a new direction Kampa-Haus AG is repositioning itself. The objectives it is striving to reach and the strategy implemented to do have been written in plain language. They are to be published here for the first time.

Kampa-Haus AG is entering the market with a clear core message; a message which defines its business objectives: It has more expertise and greater professionalism on the subject of „Building and Living“ than anybody else and intends to be the leading supplier for individual living in all sectors and in all markets in Germany and selected neighbouring countries.

In order to make this vision a reality, Kampa-Haus AG has drafted a series of key strategic statements which are both self-commitment and an action benchmark. The companies of the Kampa-Haus group and their staff intend to be measured by these. The most important points are

- ▶ **The Kampa-Haus group undertakes to be guided by the interests of its customers, shareholders, staff and the company.**
- ▶ **As market leader for individual, customised and forward-looking building and living Kampa-Haus AG is creating additional value for its customers and shareholders.**
- ▶ **The essential key to success is the highly-qualified and highly-motivated staff, the potential of the successful group brand names as well as having the best products and services.**
- ▶ **Quality leadership, maximum reliability for service and its service-orientation as well as operational excellence form the crucial competitive advantages together with the breadth of the range of products which the group has to offer.**

In the operational side of the business Kampa-Haus AG follows the following principles when implementing its strategy:

- The group image is of key importance in determining the success of the group.
- The attractiveness of the company will decide the quality of applicants and staff as well as the interest generated amongst customers and shareholders.
- The increase in the company value of Kampa-haus AG is the yardstick by which all activities and decisions will be measured. The objective is to achieve a return on equity of 15% p.a. in the coming years.
- A clear product policy fit for the market as well as the key marketing function which has to be stepped up are crucial factors in the success of the group.
- Having a lean and well-defined organisational structure increases the sense of responsibility on the part of the staff and competitiveness.
- The „Multi-brand group“ is a feature which sets the group apart and is a strategic and operational competitive advantage.
- The objective is to set the standards of the competition with our business activities - we shall also achieve differentiation by acting more efficiently and more quickly than the competition.
- On-going improvements in productivity for all the resources used are pursued as well as following up the continual optimisation of systems and costs items.

- The staff are the most important factor affecting the success of the company - the promotion of all talented staff, ascribing greater significance of the operational suggestion system, job satisfaction and identification of the staff are on-going objectives within the group.
- Strategic objectives have to be communicated in a clear manner and be quantifiable. The financial statistics must be expanded by having qualitative target sizes for „Internal business systems“, „Customers“, and „Innovation / staff „.
- The integration between the brands and production sites as well as technology transfer must be stepped up to achieve synergetic effects.
- Internationalisation, the building up of relationships with associates and alliances are among the core activities.



Mitarbeiter

Kunden

Aktionäre



Financial Statements / Kampa-Haus AG

Kampa-Haus AG., Minden – Balance Sheet as at 31st December 2000

Assets

	Position at 31. 12. 2000 €	Position at 31. 12. 1999 €
A. Fixed assets		
I. Intangible assets		
1. Licences, industrial property rights and similar rights and values	1,546,523.00	1,400,330.19
II. Physical assets		
1. Land with business, factory and other buildings on it	15,393,006.47	15,774,003.50
2. Land with showhomes on it	11,215,388.28	10,360,463.87
3. Land without buildings on it	786,992.00	812,264.59
4. Buildings on 3 rd party land	7,076,375.00	5,463,440.28
5. Technical plant and machinery	314,874.00	409,525.26
6. Other plant, factory and office equipment	1,495,649.00	1,081,648.67
7. Vehicles	1,336,351.00	1,419,114.27
8. Prepayments made and plant under Construction	1,153,339.90	1,060,233.43
III. Financial assets		
1. Shares in associated companies	29,572,098.48	28,430,557.49
2. Participations	255,645.94	255,645.94
3. Loans to companies in which there is a participation relationship	1,020,187.08	985,259.46
	71,166,430.15	67,452,486.95
B. Current assets		
I. Inventories		
1. Spare land	932,186.75	734,718.46
II. Receivables and other assets		
1. Receivables from goods and services (Residual term of more than 1 year € 0.00)	47,600.30	11.00
2. Receivables from associated companies (Residual term of more than 1 year € 0.00)	20,693,575.96	22,518,607.30
3. Other assets (Residual term of more than 1 year € 312,673.13)	2,076,842.76	1,385,644.56
III. Securities		
1. Other securities	4,350,981.94	6,856,144.93
IV. Cash in hand, credit at banks	7,491,677.68	19,597,822.80
	35,592,865.39	51,092,949.05
C. Latent taxes on the assets side	92,373.00	122,262.16
	106,851,668.54	118,667,698.16

Liabilities

	Position at 31. 12. 2000 €	Position at 31. 12. 1999 €
A. Shareholder equity		
I. Subscribed capital	26,000,000.00	26,000,000.00
II. Capital reserves		
1. Share premium reserve	13,092,162.92	13,092,162.92
III. Profit reserves		
1. Statutory reserves	647,744.44	647,744.44
2. Other reserves	41,251,817.39	41,251,817.39
IV. Balance sheet profit	11,817,045.88	15,164,283.13
	92,808,770.63	96,156,007.88
B. Provisions		
1. Provisions for pensions and similar obligations	540,502.50	484,986.43
2. Provisions for tax	3,847.10	780,723.48
3. Other Provisions	1,046,309.82	2,295,128.92
	1,590,659.42	3,560,838.83
C. Liabilities		
1. Liabilities from goods and services (Residual term of up to one year)	426,060.81	864,409.86
2. Liabilities towards associated companies (Residual term of up to one year)	11,202,180.40	16,786,421.62
3. Other liabilities	823,997.28	1,298,446.11
Thereof from tax: € 389,741.23		
Thereof as part of Social security: € 111,574.12 (Residual term of up to one year)		
	12,452,238.49	18,949,277.59
D. Income received in advance and expenses accrued	0.00	1,573.86
	106,851,668.54	118,667,698.16

Minden, 19th February 2001

Kampa-Haus AG – The Executive Board

Günter Baum Hans-Jörg Binöder Günter Kruse Martin Steffes-Mies Udo Zimmermann

Financial Statements / Kampa-Haus AG

Kampa-Haus AG, Minden – Profit and Loss Account for the period from 1st January until the 31st December 2000

	2000	1999
€	€	€
1. Sales revenue	24,459,195.97	25,433,973.40
2. Other operational revenues	408,943.43	317,988.52
	24,868,139.40	25,751,961.92
3. Material expenditure		
a) Expenditure for sellings plots of land	596,312.71	550,395.41
	24,271,826.69	25,201,566.51
4. Staff expenditure		
a) Wages and salaries 4,908,706.97		5,848,917.27
b) Social expenditure and expenditure for old age pensions and for support (thereof for old age pensions € 161.393,80)	982,620.33	972,301.42
	5,891,327.30	6,821,218.69
5. Depreciation on intangible fixed and physical assets	4,894,406.29	4,512,621.35
6. Other operational expenditure	7,527,929.09	6,018,597.05
7. Revenues from transfer of profit (thereof from associated companies € 339,071.64)	339,071.64	259,260.45
8. Revenues from participations (thereof from associated companies € 5,000,531.94)	5,000,531.94	14,116,263.64
9. Other interest and similar revenues (thereof from associated companies € 683,095.67)	1,594,755.75	1,172,591.60
10. Depreciation on financial assets	0.00	443,290.06
11. Interest and similar expenditure (thereof from associated companies € 837,078.65)	859,865.54	975,100.52
12. Expenditure of taking over losses (thereof from associated companies € 4,383,124.32)	4,383,124.32	2,273,227.46
13. Profits from normal business activities	7,649,533.48	19,705,627.07
14. Income tax and tax on earnings	724,305.41	5,891,125.11
15. Other taxes	46,627.71	49,807.17
16. Net annual earnings	6,878,600.36	13,764,69.79
17. Profit brought forward from the previous year	4,938,445.52	5,489,923.39
18. Allocation of the net annual earnings to other profit reserves	0.00	4,090,335.05
19. Balance sheet profit	11,817,045.88	15,164,283.13



Financial Statements / Kampa-Haus Group

Kampa-Haus AG., Minden – Consolidated Balance Sheet as at 31st December 2000

Assets

	Position at 31. 12. 2000 €	Position at 31. 12. 1999 €
A. Fixed assets		
I. Intangible assets		
1. Industrial probertry rights and similar rights and values as well as licences to such rights and values	1,734,175.62	1,646,800.81
2. Goodwill from the Capital consolidation	1,476,065.43	1,944,526.61
3. Prepayments made	5,112.92	0.00
II. Physical assets		
1. Land with business, factory and other buildings	32,415,215.58	33,544,338.55
2. Land with showhomes on it	13,409,233.43	12,774,856.64
3. Land without buildings on it	3,800,625.46	1,055,922.21
4. Buildings on 3 rd party land	7,693,899.03	6,452,317.69
5. Technical plant and machinery	1,063,657.36	1,422,169.03
6. Other plant, factory and office equipment	2,727,744.58	2,521,298.44
7. Vehicles	1,861,353.26	1,927,202.52
8. Prepayments made and plant under Construction	1,940,572.53	1,736,508.73
III. Financial assets		
1. Participations in associated companies	269,731.20	260,935.92
2. Loans to companies in which there is a participation relationship	1,020,187.08	985,259.46
3. Securities in the fixed assets	9,460.78	9,460.78
	69,427,034.26	66,281,597.39
B. Current assets		
I. Inventories		
1. Raw materials and supplies	4,984,097.04	5,656,155.85
2. Unfinished products and services	11,475,606.59	17,079,527.04
3. Spare land	8,904,484.81	10,242,097.30
II. Receivables and other assets		
1. Receivables from goods and services (Residual term of more than 1 year € 0.00)	9,387,641.41	10,735,336.04
2. Prepayments made (Residual term of more than 1 year € 95,168.00)	2,908,507.16	4,699,836.60
3. Other assets (Residual term of more than 1 year € 317,325.89)	5,194,111.93	4,915,891.25
III. Securities		
1. Other securities	4,350,981.94	6,856,144.93
IV. Cash in hand, credit postal giro accounts and credits at banks		
	15,470,885.91	29,936,851.08
	62,676,316.79	90,121,840.09
C. Expenses prepaid and receivables deferred		
1. Latent taxes shown on the assets side	158,820.42	172,168.43
2. Other	155,636.96	176,087.89
	132,417,808.43	156,751,693.80

Minden, 19th February 2001

Kampa-Haus AG – The Executive Board

Günter Baum Hans-Jörg Binöder Günter Kruse Martin Steffes-Mies Udo Zimmermann

Liabilities

	Position at 31. 12. 2000 €	Position at 31. 12. 1999 €
A. Shareholder equity		
I. Subscribed capital	26,000,000.00	26,000,000.00
II. Capital reserves		
Share premium reserve	13,092,162.92	13,092,162.92
III. Profit reserves		
1. Statutory reserves	647,744.44	647,744.44
2. Other reserves	36,767,975.42	36,764,584.00
IV. Group balance sheet profit	9,599,644.87	12,900,761.26
V. Balancing item for shares held by other shareholders	2,560,916.00	2,554,116.28
	88,668,443.65	91,959,368.90
B. Special item with reserve element	120,629.57	75,516.23
C. Provisions		
1. Provisions for pensions and similar obligations	540,502.50	484,986.43
2. Tax provisions	1,122,631.83	2,319,152.87
3. Warranty provisions	6,229,004.00	7,248,656.78
4. Other provisions	6,892,057.40	8,791,051.89
	14,784,195.73	18,843,847.97
D. Liabilities		
1. Liabilities towards banks (Residual term of less than 1 year € 181,440.16)	2,808,927.44	4,023,753.73
2. Prepayments received for orders (Residual term of less than 1 year)	12,556,654.76	22,530,578.79
3. Liabilities from goods and services (Residual term of less than 1 year)	6,817,757.24	9,498,578.06
4. Other liabilities	6,601,809.37	9,791,709.16
Thereof from tax	€ 2,299,579.24	
Thereof as part of social security	€ 1,740,710.64	
(Residual term of less than 1 year)		
	28,785,148.81	45,844,619.74
E. Income received in advance and expenses addrued	59,390.67	28,340.96
	132,417,808.43	156,751,693.80

Financial Statements / Kampa-Haus Group

Kampa-Haus AG, Minden – Profit and Loss Account for the Group for the period from 1st January until the 31st December 2000

	€	2000 €	1999 €
1. Customer sales revenue			
Sales revenue		276,500,577.11	335,631,422.38
Intragroup sales		77,059,400.39	93,354,885.35
		<u>199,441,176.72</u>	<u>242,276,537.03</u>
2. Reduction in the stock of finished and unfinished products		4,597,457.28	3,710,088.97
3. Other work and services effected by the group for itself and carried as assets		3,958,935.89	2,717,319.84
4. Other operational revenues		3,267,907.36	1,990,487.19
		<u>202,070,562.69</u>	<u>243,274,255.09</u>
5. Material expenditure			
a) Expenditure for raw materials and supplies and for goods purchased for resale	56,606,183.19		68,199,662.69
b) Expenditure for services bought in	<u>25,622,410.61</u>		<u>30,347,495.92</u>
		82,228,593.80	98,547,158.61
		<u>119,841,968.89</u>	<u>144,727,096.48</u>
6. Staff expenditure			
a) Wages and salaries	47,573,338.33		48,234,120.79
b) Social expenditure for old age pension and for support (thereof for old age pensions € 220,233.44)	<u>15,745,670.02</u>		<u>17,003,381.28</u>
		63,319,008.35	65,237,502.07
7. Depreciation on intangible fixed and physical assets		8,495,716.15	8,138,290.82
8. Other operational expenditure		39,299,836.18	46,679,144.23
9. Profits from participations in associated companies		8,795.28	3,454.25
10. Other interest and similar revenues (thereof from associated companies € 0.00)		1,251,254.31	995,702.55
11. Interest and similar expenditure (thereof from associated companies € 0.00)		340,639.73	673,382.98
12. Profits from normal business activities		9,646,818.07	24,997,933.18
13. Income tax and tax on earnings		2,679,643.63	10,077,493.07
14. Other taxes		336,127.61	298,572.88
15. Net annual earnings		6,631,046.83	14,621,867.23
16. Profit to which other shareholders are entitled		152,274.08	581,235.61
17. Loss to be borne by other shareholders		449,339.91	0.00
18. Group balance sheet profit carried forward from the previous year		12,900,761.26	12,156,734.84
19. Distributee profit		10,225,837.63	9,203,253.87
		<u>9,603,036.29</u>	<u>16,994,112.59</u>
20. Allocation from the group profits into other profit reserves		3,391.42	4,093,351.33
21. Group balance sheet profit		<u>9,599,644.87</u>	<u>12,900,761.26</u>



Appendix / Kampa-Haus AG. & Group

at 31st December 2000

I. General information

The annual statement of accounts for Kampa-Haus AG and for the group are explained in the following together in accordance with § 298 Section 3 Sentence 1 of the (German) Commercial Code; unless a note is made to the contrary, the comments shall apply for both statements of accounts.

The annual statement of accounts for Kampa-Haus AG and for the group for the financial year 2000 have been prepared in accordance with the regulations of the (German) Commercial Code and the (German) Companies Act.

II. Scope of consolidation and consolidation principles

In addition to Kampa-Haus AG as parent company, its 31 subsidiaries (refer to IV. 3. Financial assets) as well as the two participations held by Libella Bau Holding GmbH & Co. Beteiligungs KG and the two non-German participations held by P+B Beteiligungsgesellschaft mbH have been included in the group. P+B Beteiligungsgesellschaft mbH, Minden, acts as an intermediate holding company for the non-German companies:

Kampa Polska Sp.z.o.o., Poznan (Poland)

Kampa-Haus Bohemia k.s., Prague (The Czech Republic)

In the year under review two subsidiaries of Libella Bau Holding GmbH & Co. Beteiligungs KG, Ottobeuren, were merged. The names of the companies into which they were merged were changed to become:

Libella-Haus GmbH, Ottobeuren

Libella-Haus Vertriebs GmbH, Ottobeuren

In 2000 the companies TM TONMASSIVHAUS GmbH & Co. KG and TM TONMASSIVHAUS Verwaltungsgesellschaft mbH were founded.

Kampa Unterstützungskasse e.V., Minden, was not included in the group statement of accounts in accordance with § 295 Section 1 of the (German) Commercial Code. There is no participation in the capital of this registered society.

As a holding company, Kampa-Haus AG, holds 100% of the shares in the companies with the exception of € 2,543,136.00 for three limited-liability holdings and all the shares in the share capital of two companies with the exception of € 17,780.00. In its holding function it discharges management tasks for legally independent companies, in so far as there are common interests within the group of companies with regard to dealing with orders, central purchasing, the controlling function, the preparation of applications for planning consent, development work, the production process and organisation. In addition to this, Kampa-Haus AG rents out the entire fixed assets to the five companies manufacturing prefabricated houses in Minden, Waldmohr, Kinding, Linthe and Waltershausen. The showhomes are rented out to Kampa-Haus Vertriebs GmbH as sales centres.

The group balance sheet and the group profit and loss account were prepared on the basis of the following principles:

When the capital was consolidated (Purchase method) the cost prices of the participations were offset against the proportion of shareholder equity attributable to them at the point in time of the acquisition. The differential amount was shown as an intangible asset and depreciated over its useful service life. The difference from the capital consolidation for the shares acquired by Kampa-Haus AG in 1988 was offset against the profit reserves to the extent that it was attributable to the goodwill.

The capital consolidation for the participation in an associated company acquired in 1997 was carried out in accordance with the equity method on the book value basis.

Receivables and liabilities between the consolidated companies have been offset against each other.

Intragroup sales and interest payments between associated companies were offset in the group profit and loss account and the items in the individual annual statements of account were transferred to the relevant items from the perspective of the group.

III. Balance sheet principles and valuation principles

The annual statements of account for the individual subsidiaries were included in the group annual statement of accounts in accordance with the statutory regulations (in Germany) and were all treated in the same way in accordance with the balance sheet and valuation methods applied by Kampa-Haus AG.

The non-German subsidiaries were converted into Euro in accordance with the modified exchange rate value date method.

The services rendered by the group companies for the fixed assets were shown as other work and services carried out by the group for itself and carried as assets.

With regard to the valuation methods, there were no discrepancies between those applied for individual annual statements of account.

Industrial property rights acquired and similar rights and values as well as licences to such rights and values and the computer software were shown at cost price on the assets side as intangible assets and depreciated in accordance with the straight-line method over the respective useful service life.

The physical fixed assets have been valued at cost price or cost of manufacture minus scheduled depreciation. Besides the directly attributable costs, the companies' own cost of manufacture also includes a proportion of the overheads and depreciation. The capital goods were depreciated at the highest possible amounts from a tax perspective. Full advantage was taken of special depreciation options in accordance with § 4 of the (German) Assisted Area Act in the previous years.

The financial assets were stated at cost price minus scheduled depreciation if appropriate.

Depreciation was carried out for probable reductions in value of a permanent nature.

The inventories were valued at cost price and / or cost of manufacture on principle, taking reductions in value into account. Besides the directly attributable cost of materials, wage costs, and special individual costs, a proportion of overhead costs and depreciation were also included in the costs of manufacture.



Kampa-Haus



Kampa-Haus

Receivables as well as other assets were shown at face value. An allowance was made for identifiable individual risks and the general credit risk with an appropriate mark-down in value.

Securities have been shown in the balance sheet at cost price and / or the stock exchange price if lower.

The provisions take account of all identifiable risks and uncertain liabilities.

Liabilities have been valued at the amount which has to be repaid.

IV. Explanatory comments on the balance sheet

1. Assets

The investment grants received because the company has certain responsibilities towards the local community led to a reduction in assets within the group in the years from 1991 to 1998 of K€ 4,253. The special depreciation of the assets still remaining amounted altogether to K€ 14,772.

In the year under review, as in the previous year, it was not possible to take advantage of any more special depreciation.

Accordingly, undisclosed reserves were formed in the group’s assets as a result of public funding and special depreciation in accordance with the (German) Assisted Area Act. These reserves were reduced on the same scale by which reducing-balance depreciation exceeds the depreciation

applied - calculated on the cost price or cost of manufacture not reduced by the subsidy. In the case of special depreciation on immobile assets, consumption, - provided that no subsidy was granted - is only applied after the preferential five-year period has expired.

The development of the assets in the financial year 2000 is shown in the statement of asset additions and disposals for Kampa-Haus AG and for the group for the individual items.

The transfer of an undeveloped plot of land from the current assets amounting to € 2,351,240.96 is shown as an accrual.

2. Intangible assets

All the industrial property rights and similar rights and values as well as licences to such rights are acquired assets. The goodwill shown in the group from the capital consolidation refers to the differential sum between cost price and book values taken over at the point in time of the acquisition of the participations, taking scheduled depreciation into consideration.

3. Financial assets

The list of holdings in other companies is to be handed into the local court in Minden (commercial register) under commercial registration number 1122 in accordance with § 287 of the (German) Commercial Code.

The financial investments made by Kampa-Haus AG in associated companies are the cost price of limited-liability holdings and limited company holdings in the companies included in the group statement of accounts.

Statement of asset additions and disposals

Statement of asset additions and disposals at 31st December 2000 for Kampa-Haus AG., Minden

	Cost price, manufacturing cost 01. 01. 2000 €	Accruals €	Disposals €	Transfers €		Cost price, manufacturing cost 31. 12. 2000 €	Cumulated depreciation 01. 01. 2000 €	depreciation the financial year €	Disposals €	Cumulated depreciation 31. 12. 2000 €	Book value 31. 12. 2000 €
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A. Fixed assets

I. Intangible fixed assets

1. Licences, industrial and similar rights and values	3,434,930.56	727,999.17	87,893.27	0.00		4,075,036.46	2,034,600.37	572,239.36	78,326.27	2,528,513.46	1,546,523.00
Total intangible fixed assets	3,434,930.56	727,999.17	87,893.27	0.00		4,075,036.46	2,034,600.37	572,239.36	78,326.27	2,528,513.46	1,546,523.00

II. Physical assets

1. Land with business, factory and other buildings	32,854,169.56	692,306.61	0.00	0.00		33,546,476.17	17,080,166.06	1,073,303.64	0.00	18,153,469.70	15,393,006.47
2. Land with showhomes	18,537,373.72	1,353,650.89	854,435.70	469,797.21		19,506,386.12	8,176,909.85	515,990.94	401,902.95	8,290,997.84	11,215,388.28
3. Land without buildings	812,264.59	3,400.10	66,263.29	37,590.60		786,992.00	0.00	0.00	0.00	0.00	786,992.00
4. Buildings on 3rd party land	13,533,446.73	2,589,550.36	327,472.15	13,838.10		15,809,363.04	8,070,006.45	974,580.06	311,598.47	8,732,988.04	7,076,375.00
5. Technical plant and machinery	6,095,497.21	92,355.74	82,079.59	0.00		6,105,773.36	5,685,971.95	187,005.98	82,078.57	5,790,899.36	314,874.00
6. Other plant, factory and office equipment	6,910,258.47	959,745.17	39,210.93	181,463.13		8,012,255.84	5,828,609.80	726,586.26	38,589.22	6,516,606.84	1,495,649.00
7. Vehicles	9,617,056.42	813,982.59	1,280,525.92	0.00		9,150,513.09	8,197,942.15	844,700.05	1,228,480.11	7,814,162.09	1,336,351.00
8. Prepayments made and plant under construction	1,072,170.56	968,605.28	172,809.77	-702,689.04		1,165,277.03	11,937.13	0.00	0.00	11,937.13	1,153,339.90
Total physical assets	89,432,237.26	7,473,596.74	2,822,797.35	0.00		94,083,036.65	53,051,543.39	4,322,166.93	2,062,649.32	55,311,061.00	38,771,975.65

III. Financial assets

1. Shares in associated companies	30,100,843.25	1,141,540.99	0.00	0.00		31,242,384.24	1,670,285.76	0.00	0.00	1,670,285.76	29,572,098.48
2. Participations	255,645.94	0.00	0.00	0.00		255,645.94	0.00	0.00	0.00	0.00	255,645.94
3. Loans to companies with which there is a participation relationship	985,259.46	34,927.62	0.00	0.00		1,020,187.08	0.00	0.00	0.00	0.00	1,020,187.08
Total financial assets	31,341,748.65	1,176,468.61	0.00	0.00		32,518,217.26	1,670,285.76	0.00	0.00	1,670,285.76	30,847,931.50
Total fixed assets	124,208,916.47	9,378,064.52	2,910,690.62	0.00		130,676,290.37	56,756,429.52	4,894,406.29	2,140,975.59	59,509,860.22	71,166,430.15

Statement of asset additions and disposals
at 31st December 2000 for Kampa-Haus Group

	Cost price, manufacturing cost 01. 01. 2000 €	Accruals €	Disposals €	Transfers €		Cost price, manufacturing cost 31. 12. 2000 €	Cumulated depreciation 01. 01. 2000 €	depreciation the financial year €	Disposals €	Cumulated depreciation 31. 12. 2000 €	Book value 31. 12. 2000 €
A. Fixed assets											
I. Intangible assets											
1. Industrial proprietary rights and similar rights and values as well as licences to such rights and values	4,315,512.89	748,373.40	190,215.00	0.00		4,873,671.29	2,668,712.08	650,395.49	179,611.90	3,139,495.67	1,734,175.62
2. Goodwill from the capital consolidation	3,357,426.32	46,053.73	0.00	0.00		3,403,480.05	1,412,899.71	514,514.91	0.00	1,927,414.62	1,476,065.43
3. Prepayments made	0.00	5,112.92	0.00	0.00		5,112.92	0.00	0.00	0.00	0.00	5,112.92
Total intangible assets	7,672,939.21	799,540.05	190,215.00	0.00		8,282,264.26	4,081,611.79	1,164,910.40	179,611.90	5,066,910.29	3,215,353.97
II. Physical assets											
1. Land with business, factory and other buildings	53,985,320.62	698,959.72	25,046.81	-46,363.46		54.612.870,07	20,440,982.07	1,756,672.42	0.00	22,197,654.49	32,415,215.58
2. Land with showhomes	21,253,245.06	1,783,467.51	1,483,937.53	478,204.08		22.030.979,12	8,478,388.42	592,970.20	449,612.93	8,621,745.69	13,409,233.43
3. Land without buildings	1,055,922.21	2,478,821.11 *	66,263.29	334,675.43		3.803.155,46	0.00	2,530.00	0.00	2,530.00	3,800,625.46
4. Buildings on 3rd party land	15,174,070.59	2,573,390.73	461,311.39	-48,578.20		17.237.571,73	8,721,752.90	1,206,128.42	384,208.62	9,543,672.70	7,693,899.03
5. Technical plant and machinery	9,782,108.45	228,621.51	186,034.40	172,241.21		9.996.936,77	8,359,939.42	611,786.91	38,446.92	8,933,279.41	1,063,657.36
6. Other plant, factory and office equipment	14,396,363.29	1,987,815.04	965,090.08	76,921.57		15.496.009,82	11,875,064.85	1,964,432.86	1,071,232.47	12,768,265.24	2,727,744.58
7. Vehicles	11,204,917.13	1,210,179.33	1,604,550.32	0.00		10.810.546,14	9,277,714.61	1,196,284.94	1,524,806.67	8,949,192.88	1,861,353.26
8. Prepayments made and plant under construction	1,748,445.86	1,351,928.10	180,763.67	-967,100.63		1.952.509,66	11,937.13	0.00	0.00	11,937.13	1,940,572.53
Total physical assets	128,600,393.21	12,313,183.05	4,972,997.49	0.00		135.940.578,77	67,165,779.40	7,330,805.75	3,468,307.61	71,028,277.54	64,912,301.23
III. Financial assets											
1. Participations in associated companies	260,935.92	8,795.28	0.00	0.00		269,731.20	0.00	0.00	0.00	0.00	269,731.20
2. Loans to companies with which there is a participation relationship	985,259.46	34,927.62	0.00	0.00		1,020,187.08	0.00	0.00	0.00	0.00	1,020,187.08
3. Securities from the fixed assets	10,091.06	0.00	0.00	0.00		10,091.06	630.28	0.00	0.00	630.28	9,460.78
Total financial assets	1,256,286.44	43,722.90	0.00	0.00		1,300,009.34	630.28	0.00	0.00	630.28	1,299,379.06
Total fixed assets	137,529,618.86	13,156,446.00	5,163,212.49	0.00		145,522,852.37	71,248,021.47	8,495,716.15	3,647,919.51	76,095,818.11	69,427,034.26

* thereof transfer from the current assets € 2,351,240.96

3. Financial assets

The list of holdings in other companies is to be handed into the local court in Minden (commercial register) under commercial registration number 1122 in accordance with § 287 of the (German) Commercial Code.

The financial investments made by Kampa-Haus AG in associated companies are the cost price of limited-liability holdings and limited company holdings in the companies included in the group statement of accounts.

	Limited liability/ Share capital €	Amount of holding €
(1) Eugen Kampa GmbH & Co. KG Fertighausbau, Minden, as limited partner	520,000.00	494,000.00
(2) E. Kampa GmbH & Co. KG, Waldmohr, as limited partner	520,000.00	494,000.00
(3) E. Kampa Verwaltungs GmbH & Co. Fertig-haus KG, Kinding, as limited partner	520,000.00	494,000.00
(4) Kampa-Haus Fertigbau GmbH & Co. KG, Linthe, as limited partner	1,049,360.00	1,023,360.00
(5) Montagebau Grave W. Stiebe GmbH & Co. KG, Brevörde, as limited partner	130,000.00	53,040.00
(6) Montagebau Waldmohr Betonfertigteilwerk GmbH & Co. KG, Waldmohr, as limited partner	104,000.00	83,824.00
(7) Montagebau Brück Betonfertigteilwerk GmbH & Co. KG, Brück, as limited partner	2,080,000.00	2,080,000.00
(8) Creaktiv-Hausbau GmbH & Co. KG, Waltershausen, as limited partner	1,040,000.00	1,040,000.00
(9) Creaktiv-Haus Vertrieb GmbH & Co. KG, Waltershausen, as limited partner	2,600,000.00	2,600,000.00
(10) Kampa Minden GmbH, Minden, share capital € 26,000.00	(below 1)	26,000.00
(11) E. Kampa Verwaltungs GmbH, Waldmohr, share capital € 26,000.00	(below 2)	26,000.00
(12) E. Kampa Verwaltungs GmbH, Kinding, share capital € 26,000.00	(below 3)	26,000.00
(13) Kampa-Haus Fertigbau GmbH, Linthe, share capital € 26,000.00	(below 4)	26,000.00
(14) W. Stiebe GmbH, Brevörde, share capital € 26,000.00	(below 5)	13,260.00
(15) Montagebau Waldmohr Verwaltungsgesellschaft mbH, Waldmohr, share capital € 26,000.00	26,000.00	20,960.00
(16) Montagebau Brück Betonfertigteilwerk Verwaltungsgesellschaft mbH, Brück, share capital € 26,000.00	26,000.00	26,000.00
(17) Creaktiv-Hausbau Verwaltungsgesellschaft mbH, Waltershausen, share capital € 26,000.00	26,000.00	26,000.00
(18) Kampa-Haus Verwaltung s.r.o., Prag, share capital € 25,564.59	25,564.59	25,564.59
Amount brought forward:	8,666,924.59	8,578,008.59

The participation in VEWA-Projekt Grundstücksentwicklungsgesellschaft mbH in Berlin acquired in 1997 has been recorded in the group in accordance with the equity method. The proportion held in the share capital of € 102,258.38 amounts to € 51,129.19.

In the year under review additional shares were acquired from an outside shareholder.

The partnerships named under (1) to (9), (26) and (30) are exempt in accordance with § 264 b of the (German) Commercial Code from the duty to prepare an annual statement of accounts for auditing and disclosure in accordance with the regulations applying to joint stock companies.

	Limited liability/ Share capital €	Amount of holding €
Amount brought forward:	8,666,924.59	8,578,008.59
(19) Creaktiv-Haus Vertrieb Verwaltungsgesellschaft mbH, Waltershausen, share capital € 26,000.00	26,000.00	26,000.00
(20) Kampa Hotel- und Industriebau GmbH, Minden, share capital € 1,100,000.00	1,100,000.00	1,100,000.00
(21) Grundstücksverwertungsgesellschaft Minden mbH, Minden, share capital € 600,000.00	600,000.00	600,000.00
(22) Kampa-Haus Vertriebs GmbH, Minden, share capital € 110,000.00	110,000.00	110,000.00
(23) MP Medien-Planung Werbungs- und Anzeigenvermittlungs GmbH, Minden, share capital € 26,000.00	26,000.00	26,000.00
(24) Hausbau-Finanz Gesellschaft für Vermittlung von Baufinanzierungen, Baudarlehen, Bausparverträgen, Versicherungen und Wertpapieren mbH, Minden, share capital € 26,000.00	26,000.00	26,000.00
(25) P + B Beteiligungsgesellschaft mbH, Minden, share capital € 2,600,000.00	2,600,000.00	2,574,000.00
(26) Libella Bau Holding GmbH & Co. Beteiligungs KG, Ottobeuren, as limited partner	10,300,000.00	7,828,000.00
(27) Libella Bau Holding GmbH, Ottobeuren, Stammkapital € 60,000.00	60,000.00	60,000.00
(28) NOVY-Haus Produktionsgesellschaft mbH, Siegendorf (Österreich), share capital € 100,000.00	100,000.00	100,000.00
(29) Novy-Haus Vertriebsgesellschaft mbH, Siegendorf (Österreich), share capital € 40,000.00	40,000.00	40,000.00
(30) TM TONMASSIVHAUS GmbH & Co. KG, Brück, as limited partner	500,000.00	500,000.00
(31) TM TONMASSIVHAUS Verwaltungsgesellschaft mbH, Brück, share capital € 26,000.00	26,000.00	26,000.00
	24,180,924.59	21,594,008.59

4. Inventories



Kampa-Haus



Kampa-Haus

The inventories have been reduced in the group balance sheet by about K€ 7,614. In doing so, the raw materials and supplies have been reduced by K€ 672, and the spare land by K€ 1,338, and the projects under construction have been reduced by K€ 5,604. The reduction in stock for the spare land is based on the transfer of a plot of land to assets because of a change of usage.

5. Receivables and other assets

The receivables from goods and services within the group are payable within a year and have been reduced by K€ 1,348.

With the exception of K€ 95, the prepayments made in the current accounts which amount to K€ 2,909 (Previous year K€ 4,700) are payable within a year. The assets amounting to K€ 5,194 within the group have, with the exception of K€ 317 (Previous year K€ 385), a residual term of less than one year. They include claims for tax rebates from group companies amounting to K€ 955, against which there are corresponding sums from other group companies under tax provisions amounting to K€ 1,123. Claims of K€ 663 (Previous year K€ 572) are shown against shareholders.

6. Liquid funds

The funds within the group including securities in the current assets have been shown reduced to K€ 19,822 by K€ 16,971 compared with the figure for the previous year. No earmarked outside funds were borrowed towards the investments made in the group amounting to K€ 10,805. Of the investments made in Kampa-Haus AG, K€ 728 are attributable to intangible assets, K€ 7,474 to physical assets, and K€ 1,176 to financial assets. The funds there have been reduced from K€ 26,454 down to K€ 11,843.

7. Transitory items

Latent taxes from the individual statements of account amounting to K€ 159 are included in the group transitory items. K€ 92 are shown under the assets in the balance sheet for Kampa-Haus AG for latent taxes. They are shown under assets in connection with the tax deduction for unaccrued interest for long-term liabilities.

8. Subscribed capital

The share capital of Kampa-Haus AG amounts to € 26,000,000.00, which is divided up into 10 mill no-par share certificates. Each share certificate carries one vote.

The executive board is authorised, with the consent of the supervisory board, to increase the share capital of the company up until the 23rd June 2004 by up to € 10,000,000.00 by means of a single or repeated issue of bearer shares (share certificates) against contributions in cash (Authorised Capital I).

In addition to this, the executive board is also authorised, with the consent of the supervisory board, to increase the share capital of the company up until the 23rd June 2004 by up to € 3,000,000.00 by means of a single or repeated issue of bearer shares (share certificates) against contributions in cash or in kind (Authorised Capital II). When doing so, the shareholders' option rights can be ruled out under certain conditions.

9. Capital reserves

The amount achieved over and above the nominal sum of K€ 13,092 in the capital increase in 1989 was allocated to the capital reserves in accordance with § 272 Section 2 of the (German) Commercial Code.

10. Profit reserves

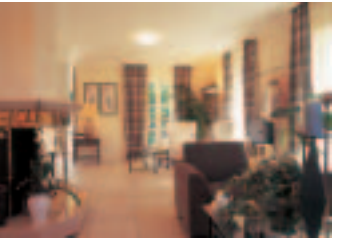
The profit reserves have developed as follows:

	Kampa-Haus AG €	Group €
Amount brought forward at 1 st January 2000	41,899,561.83	37,412,328.44
Allocation from the net annual earnings	0.00	3,391.42
	<u>41,899,561.83</u>	<u>37,415,719.86</u>

11. Balance sheet profit

The net annual earnings for Kampa-Haus AG gives rise to	T€ 6,879
including profit brought forward (Previous year T€ 5,490)	<u>T€ 4,938</u>
to the balance sheet profit shown	<u>T€ 11,817</u>

In the group the net annual earnings amount to	T€ 6,631
of this, this sum is attributable to the profit share of outside shareholders	- T€ 152
or the probortion of loss to be borne by the outside shareholders	<u>+ T€ 449</u>
	T€ 6,928
Group balance sheet profit from the previous year	T€ 12,901
Profit distributed for 1999	<u>- T€ 10,226</u>
together	T€ 9,603
Allocation to other profit reserves	- T€ 3
Group balance sheet profit shown	<u>T€ 9,600</u>



Kampa-Haus



Kampa-Haus

12. Special item with reserve element

In the group untaxed reserves (Tax-free investment sums in accordance with § 10 (Austrian) Income Tax Law 1988) for both the Austrian subsidiaries amounting to K€ 121.

13. Provisions

The provisions for pensions and similar obligations increased not only for Kampa-Haus AG but also for the group by K€ 56. Taking the change in the mortality tables into account, this would produce an increase of K€ 4, which can be divided up over a maximum of three years.

The tax provisions for Kampa-Haus AG have been reduced by K€ 777 and those in the group have been reduced by K€ 1,197. Of the other provisions in the group, the lump sum turnover-related warranty obligations of K€ 6,229 are of particular importance besides the other provisions of K€ 6,892.

14. Liabilities

The liabilities within the group towards banks have been reduced from K€ 4,024 by K€ 1,215 down to K€ 2,809. They are secured by liens on property amounting to K€ 2,781 (Previous year K€ 3,694).

Within the group the prepayments received have been reduced by K€ 9,974 and the liabilities from goods and services have been reduced by K€ 2,681. Of the other liabilities amounting to K€ 6,602, within the group K€ 2,300 (Previous year K€ 4,811) are accounted for by taxes, K€ 1,741 (Previous year K€ 2,873) by social security. K€ 308 (Previous year K€ 1,188) is shown as liabilities towards other shareholders from profit shares and offset accounts. The other liabilities are shown to be K€ 3,190 lower than in the previous year.

Liabilities within the group in K€	2000		1999	
	total of	Thereof with a residual term		Total
		up to 1 year	From 1 to 5 years	Thereof with a residual term of More than 1 year
Banks	2,809	182	2,627	4,024
Prepayments received	12,557	12,557	0	22,531
Goods and services	6,818	6,818	0	9,498
Other liabilities	6,602	6,602	0	9,792
thereof from tax	(2,300)			(4,811)
thereof as part of social security	(1,741)			(2,873)
	28,786	26,159	2,627	45,845
				3,377

Liabilities

Kampa-Haus AG has granted warranty promises relating to the aval credit promises extended by bank guarantee made by two subsidiaries amounting to K€ 716 (Previous year K€ 307).

Flow of funds statement

The flow of funds statement complies with the accounting standard DRS 2.

Notwithstanding the figures published in 1999 for 1999, the change in the scope of the consolidation will be adjusted to the figures for the current year.

I. Definition of the fund

Cash in hand, postal giro credit and credits at banks
Securities, wich can be sold in the short-term
and are kept as a liquidity reserve

2000 €	1999 €
15,470,885.91	29,936,851.08
+ 4,350,981.94	+ 6,856,144.93
19,821,867.85	36,792,996.01

II. Cash flow from regular business activity

1. Profit for the period
2. Depreciation on fixed assets
3. Decrease (-)/Increase (+) in provisions
4. Other revenues
(undistributed equity profits result) not affecting payments
5. Profit from the disposal of fixed assets
Loss from the disposal of fixed assets
6. Decrease in inventories
Decrease (+)/Increase (-) in
receivables from goods and services
Decrease in prepayments made,
other assets including transitory items
7. Decrease in prepayments received
8. Decrease in liabilities from goods and services
9. Decrease in other liabilities including
transitory items
Cash flow from regular business activity

6,631,046.83	14,621,867.22
+ 8,495,716.15	+ 8,138,290.82
- 4,014,538.90	+ 3,104,140.03
- 8,795.28	- 3,331.51
- 293,566.62	- 224,442.06
+ 27,600.39	+ 43,764.83
+ 5,262,350.79	+ 4,389,341.71
+ 1,347,694.63	- 912,612.91
+ 1,546,907.70	+ 2,601,971.27
- 9,973,924.03	- 4,873,141.06
- 2,680,820.82	- 433,768.55
- 3,158,850.08	- 1,898,256.98
3,180,820.76	24,553,822.81

III. Cash flow from investment activity

1. Inpayments from disposals of
physical assets / intangible fixed assets
2. Outpayments for investments in
physical fixed assets / intangible assets
3. Outpayments for investments into the financial assets
Cash flow from investment activity

+ 1,781,259.21	+ 1,720,643.44
- 10,761,482.14	- 12,125,570.64
- 34,927.62	- 275,841.97
- 9,015,150.55	- 10,680,769.17

IV. Cash flow from financing activity

1. Inpayments from outside shareholders for the Euro conversion
2. Outpayments to outside shareholders
3. Dividend payout to shareholders
4. Profit to wich shareholders outside the group are entitled / loss to
be borne by shareholders outside the group in the current year
5. Outpayments for the redemption of finance credits
Cash-Flow from financing activity

+ 6,799.72	0.00
0.00	- 2,569,028.36
- 10,225,837.63	- 9,203,253.86
+ 297,065.83	- 581,235.61
- 1,214,826.29	- 5,160,107.30
- 11,136,798.37	- 17,513,625.13

V. Balance of funds at the end of the period

1. Cash flow from regular business activity
2. Cash flow from investment activity
3. Cash flow from financing activity
4. Balance of funds at the beginning of the period
Balance of funds at the end of the period

+ 3,180,820.76	+24,553,822.81
- 9,015,150.55	- 10,680,769.17
- 11,136,798.37	- 17,513,625.13
+36,792,996.01	+40,433,567.50
19,821,867.85	36,792,996.01

V. Explanatory comments on the profit and loss account

K€ 23,622 of the Kampa-Haus AG sales revenue comes from rental and service revenues from associated companies and K€ 837 is accounted for by sales revenues from third parties.

The customer sales revenue within the group has fallen to K€ 199,441 compared with the figure of K€ 42,836 in the previous year, a drop of 18 %. Reductions in the balance of stock for unfinished services, other work and services carried out by Kampa-Haus AG for itself and carried as assets included together produce K€ 202,071 compared with K€ 243,274 in the previous year.

In the group the material expenditure has fallen by K€ 16,318, a drop of 17%, down to K€ 82,229 and the gross trading profit has fallen by K€ 24,885, a drop of 17% down to K€ 119,842.

At Kampa-Haus AG staff expenditure has fallen by K€ 930 down to K€ 5,891, depreciation has increased by K€ 381 up to K€ 4,894 and other operational expenditure has increased by K€ 1,509 up to K€ 7,528. The increase includes K€ 3,000 of losses from companies in which there is a participation. The expenditure included in the staff expenditure for Kampa-Haus AG for old age pensions amounts to K€ 161 (Previous year K€ 133).

At the group, wages, salaries and social insurance fell in the year 2000 by K€ 1,919 down to K€ 63,319. Depreciation increased by K€ 358 up to K€ 8,496 and other operational expenditure dropped by K€ 7,379 down to K€ 39,300. The big items here are the commission and advertising expenditure, the building costs as well as the general administration costs. The expenditure for old age pensions went up in the group from K€ 174 in the previous year to K€ 220 in the year 2000.

When balancing the interest expenditure with the interest revenue, the interest revenue in the group exceeded interest expenditure by K€ 910 (Previous year K€ 323). Of the interest revenues, K€ 683 was accounted for by Kampa-Haus AG (Previous year K€ 430) and K€ 837 of the interest expenditure was accounted for by associated companies (Previous year K€ 805).

Compared with the previous year, the revenue Kampa-Haus AG earned from participations was reduced by K€ 9,115 down to K€ 5,001. Above and beyond that, revenues from profit transfer arrangements amounted to K€ 339 (Previous year K€ 259). In addition to this, expenditures were incurred from taking over losses. These amounted to K€ 4,383 (Previous year K€ 2,273).

The result of normal business activity at Kampa-Haus AG dropped from K€ 19,706 by K€ 12,056 down to K€ 7,650. The taxes on income and earnings were K€ 724 (Previous year K€ 5,891). These refer to the results of the normal business activity. For latent tax there was a revenue in the year 2000 from the dissolution of the provisions amounting to K€ 369 (Previous year K€ 550) and from showing it as an asset there was an expense of K€ 28 (Previous year K€ 121 revenue).

Taking into account taxes with a dividend of K€ 9,000 and a rate of tax of 30% (Previous year K€ 10,226) the annual net earnings of Kampa-Haus AG dropped from K€ 13,765 down to K€ 6,879.

The result of normal business activity within the group dropped from K€ 24,998 by K€ 15,351 down to K€ 9,647.

With the taxes on income and on earnings in the group, K€ 2,680 (Previous year K€ 10,077) the latent tax revenue contained in Kampa-Haus AG has been left out from the dissolution of the provision. The taxes incurred in the group are corporate tax, the solidarity surcharge, and trade tax.

After subtracting the share of the results attributable to other shareholders, the annual net earnings in the group are K€ 6,928 compared with K€ 14,041 in the previous year. Including the profits carried forward of K€ 2,675 (Previous year K€ 2,953) there is a balance sheet profit of K€ 9,600 with an allocation to the reserves of K € 3 compared with K€ 12,901 for the previous year with an allocation to

the reserves of K€ 4,093.

The divisions are divided up into 5 segments for the segment report. The figures for the previous year are stated in brackets.

(in mill €)	Kampa	Creaktiv	Libella	Cellar	Commercial building building constructon
Außenumsatz	111.2 (126.6)	42.4 (46.0)	26.8(41.2)	8.3 (14.1)	10.7 (14.4)
Abschreibungen ¹	5.6 (5.2)	1.1 (0.9)	1.3 (1.5)	0.4 (0.5)	0.1 (0.1)
Jahresüberschuss	5.5 (9.5)	1.8 (3.2)	-1.6 (0.7)	0.6 (1.3)	0.4 (0.0)
Investitionen	8.0 (7.2)	1.5 (1.7)	0.4 (2.5)	0.9 (0.2)	0.0 (0.1)
Bilanzsumme	84.6 (97.3)	14.8 (21.2)	22.6(26.9)	5.3 (6.5)	5.1 (4.9)

¹ auf immaterielle Vermögensgegenstände und Sachanlagen

VI. Other compulsory information

1. Number of staff

The average number of staff throughout the year, excluding trainees, was

Kampa-Haus AG	2000	1999
Salaried staff	91	99
Industrial employees	91	99
Group	2000	1999
Salaried staff	470	474
Industrial employees	838	951
	1,308	1,425

2. Total drawings for the supervisory board and for the executive board

For its work, the supervisory board at Kampa-Haus AG received € 84,000.00 (Previous year € 97,500.00). The drawings of the executive board amounted to € 1,027,715.55 (Previous year € 1,472,185.25).

3. Company boards

a) Supervisory board

Dietrich Walther, Iserlohn
Businessman
In addition to this, Mr Walther is chairman at the supervisory board in the following companies:
ce Consumer Electronic AG, Munich
Gerry Weber International AG, Halle (until 9th June 2000)
Hunzinger Information AG, Frankfurt (until 2nd June 2000)
Mensch und Maschine Software AG, Weßling near Munich (until 22.05.2000)
Porta Systems AG, Porta Westfalica
Schleicher & Co. International AG, Markdorf
At PSI AG, Berlin, Mr Walther is a member of the supervisory board

Wilfried Kampa, Minden
Architect and businessman
Deputy chairman
Mr Kampa is the deputy chairman of the supervisory board at Porta Systems AG, Porta Westfalica

Wilfried Koschorreck, Wilhelmshorst
Ministerial councillor, retired
Mr Koschorreck does not sit on any other supervisory boards

Dr Harald Link, Bielefeld
Lawyer
Dr Link is a member of the supervisory board at VSM Vereinigte Schmirgel- und Maschinen-Fabriken AG, Hanover

Wilfried Kranepuhl*, Linthe
Assembly team leader at Kampa-Haus Fertigbau GmbH & Co. KG, Linthe
Mr Kranepuhl does not sit on any other supervisory boards

Torsten Michaelis*, Minden (until 16th June 2000)
Carpenter at E. Kampa GmbH & Co. Fertighausbau KG, Minden
Mr Michaelis does not sit on any other supervisory boards

Franz Siegl*, Beilngries (from 15th June 2000)
Bricklayer at E. Kampa Verwaltungs GmbH & Co. Fertighaus KG, Kinding
Mr Siegl does not sit on any other supervisory boards
* Workers' representative

Honorary member
Walter Watermann,
Retired notary, Minden

b) Executive board

Günter Baum, Minden
Member of the executive board responsible for finance

Hans-Jörg Binöder, Minden
Member of the executive board responsible for technical matters

Günter Kruse, Mainz/Minden
Member of the executive board responsible for solid construction as well as the hotel and commercial building sector

Martin Steffes-Mies, Memmingen (from 1st January 2001)
Member of the executive board responsible for participations

Udo Zimmermann, Minden
Member of the executive board responsible for

4. Shares held by the supervisory board and the executive board

Mr Wilfried Kampa in Minden holds the majority of the shares in accordance with § 16 of the (German) companies Act. Altogether, 5,589,425 shares are held by the supervisory board. 607 shares are held by the executive board.

Minden, 19th February 2001

The executive board at Kampa-Haus AG


Günter Baum


Hans-Jörg Binöder


Günter Kruse


Martin Steffes-Mies


Udo Zimmermann

VII. Auditor's audit certificate

We have audited the annual statement of accounts taking into account the book-keeping for Kampa-Haus AG as well as the group annual statement of accounts prepared by the company and their report on the situation of the company and the group for the financial year from 1st January 2000 until the 31st December 2000. The preparation of these documents in accordance with the German mercantile law regulations and the supplementary arrangements in the articles of association is the responsibility of the executive board of the company. Our task is to submit an assessment on the basis of the audit conducted by us of the annual statement of accounts including the bookkeeping as well as the statement of accounts for the group prepared by the company and its report on the situation of the company and the group.

We have carried out our audit for the annual statement of accounts for the company and for the group in accordance with § 317 of the (German) Commercial Code while complying with the principles of proper auditing for annual accounts laid down by the (German) Institute of Auditors (IDW). Accordingly the audit is to be planned and carried out in such a way that inaccuracies and breaches which have a significant effect on the presentation of the picture of the asset position, financial position, and earnings position of the company and the group as conveyed by the annual statement of accounts and the group annual statement of accounts in compliance with the principles of proper bookkeeping and as a result of the report on the position of the company and the group can be identified with sufficient reliability. When stipulating the form that the audit is to take the knowledge of the business activities and the economic and legal environment in which the company and the group trade as well as the expectations of possible errors are taken into consideration. As part of the audit, the effectiveness of the internal accounts-related checking systems as well as evidence of the entries in the bookkeeping, annual statement of accounts for the company and for the group in the situational report for the company will be assessed chiefly on the basis of random checks. The audit will include the assessment of the balance sheet and consolidation principles used and the significant estimates of the legal representatives as well as the appraisal of the overall presentation of the annual statement of accounts for the company and for the group as well as the report on the situation of the company and the group. We are of the opinion that our audit forms an adequately reliable basis for our assessment.

Our audit did not give rise to any objections.

We are convinced that the annual statement of accounts for the company and for the group has been prepared in accordance with the principles of proper book-keeping and conveys a picture of the asset position, financial position and earnings position for the company and for the group which reflects the actual conditions. The report on the situation of the company and the group provides overall an adequate presentation of the position of the company and of the group and provides an adequate presentation of the risks of future development.

Bielefeld, 19th February 2001

Allgemeine Treuhand- und Revisions-GmbH
Auditors
Tax consultants



Schmidt
(Auditor)



Zahlmann
(Auditor)



Important dates in 2001/2002

Balance sheet press conference	27 th April 2001
Interim report on the first quarter of 2001	31 st May 2001
Shareholders' General Meeting	28 th June 2001
Dividend payment	29 th June 2001
Interim report on the first two quarters of 2001	31 st August 2001
Analysts event 2001	30 th November 2001
Interim report on the first three quarters of 2001	30 th November 2001
Balance sheet press conference in 2002	19 th April 2002
Shareholders' General Meeting 2002	20 th June 2002