IMPACT DEVELOPER & CONTRACTOR SA
Sediu: Voluntari, Şos. Pipera-Tunari nr. 4C, Centrul de Afaceri Construdava, et. 6, 7, Jud. Ilfov.
Punct de lucru: Willbrook Platinum Business & Convention Center,
Sos. Bucuresti – Ploiesti, Nr. 172-176, Cladirea A, Et. 1, Bucuresti, Sect. 1,
Tel.: 021– 230.75.70/71/72, fax: 021– 230.75.81/82/83, mobil: 0729.100.001
Capital social subscris şi integral vărsat: 277.866.574 RON
Înmatriculat la O. R. C. de pe lângă T. M. B. sub nr. J 23/1927/2006, C.I.F. RO 1553483
Operator de date cu caracter personal, înscrisă în Registrul de Evidentă a Prelucrării deDate cu Caracter Personal nr. 3406

Nr 10476 / 22.04.2016

Annual Report
- Financial Exercise 2015 -
Report Date 22.04.2016

Company denomination: "IMPACT DEVELOPER & CONTRACTOR " S.A. („IMPACT" or „Company")

Registration with the Trade Registry Ofice: J23/1927/2006.
TAV registration code: RO1553483
Registered office: 4C Pipera- Tunari Road, Construdava Business Center, floors 6,7, Ilfov County
Phone: 021/ 230.75.70/71/72, fax: 021/230.75.81/82/83
Subscribed and paid up share capital: RON 277.866.574
The regulated market traded on: Bucharest Stock Exchange, Premium Category

1. Analysis on Company's activity

IMPACT Developer & Contractor had developed in 2015, as main activity the „Real Estate Development (promotion)", pursuant to NACE code 4110.

In 1995, the Company has introduced the concept of residential assembly on the Romanian market and therefore it gradually transformed into a pure real estate developer. Starting in 1996, the company is listed on the Bucharest Stock Exchange (BVB).

In 2006, the company's shares were promoted to the first category of the Stock Exchange, becoming the **first** company in the real estate and construction sector which has done so. Since January 2015, the company is part of the **Premium** categry, pursuant to the new segmentation of the Bucharest Stock Exchange.

In the past 24 years IMPACT Developer & Contractor has completed **17 small and medium projects**, which included over **3,000 homes** and over **25,000 square meters** of offices and business areas.

On 31st of December 2015, the company was involved in residential developments located in four cities in the country, each project with different sizes and found in different stages of completion. Activitatea IMPACT is dominated by a major project: **GREENFIELD residential assembly** in Bucharest.

2014 represented the year of IMPACT re-launching in the residential development sector.

Thus, in November 2014 the launch of the newest neighborhood in GREENFIELD, **Salcamilor assembly** took place. Today it consists of 35 buildings with GF + 5, 924 apartments respectively with 2, 3 or 4 bedrooms. Salcamilor assembly completes the GREENFIELD complex, joining the five existing districts - Blue, Rubin, Topaz, Onix and Quartz.

Nevertheless, documentation was prepared for the commencement of construction of another 39 blocks, which will represent **Platanior Assembly**, with 888 apartments, which will be completed this year starting with the 4th trimester.

Another major goal of the company in 2016 is launching technical documentation for development of a new residential project in Bucharest in the Ghencea Extension - Bd. Timisoara, where the company owns a land area of approximately 26 ha.

Also, in 2015 it began the analysis, preparation and realization of the project design documentation of Barbu Vacarescu Ave., a project that started in September 2014 with the acquisition of ownership over a land area of 2.6 ha.

Also, the company's activity is focused on preparing the necessary documentation for Greenfield Plaza urban center building, with a total area of 10,400 square meters, which will include a spa, shops and services of approximately 8,000 sqm and an administrative headquarters of 2,400 sqm.

The company intends accelerating the production cycles and product standardization, so IMPACT offer to adjust to market demand, these being the main concerns of the management in the current period, in order to achieve sales objectives and profitability.

To finance residential developments, in addition to its own sources of funding - reinvested profit, it is aims to co-finance development costs through bank loans.

Also for assisting the development and financing of the mentioned projects, the company has proposed obtaining financing on the capital market up to RON 135 million by issuing corporate bonds. In this regard the General Assembly of 7to of November 2015 approved the modification of the conditions of the bond issue and the company's management began efforts to achieve the issuance prospectus.

During 2015, IMPACT had contracted credit facilities amounting to 76.4 millions lei from Banca Transilvania and Libra Bank, in order to complete the works in the Salcamilor Assembly – stages 2, 3 and 4.

One of the main priorities of the management team was a more efficient adaptation to new market conditions through measures on:

(i) Improvement of the competitiveness of the company by developing apartments concepts tailored on residential market requirements at a very good price / performance ratio;

(ii) the adjustment in portfolio existing housing prices, to respond as well as possible to market needs and ensure cash flows required by the Company;

(iii) viability / allotments of land for further sale, identifying opportunities for portfolio land by attracting partnerships

(iv) employment of loans, an optimum leverage ratios around 20%

2. Elements of company general assessment as of 31 December 2015:

The individual financial statements as presented as from 2012 pursuant to IFRS.

The 2015 afferent individual financial statements have been prepared in accordance with the requirements of Order of the Minister of Public Finance no. 1286/2012 for the approval of accounting regulations conforming to International Financial Reporting Standards, applicable to companies whose securities are traded on a regulated market and related amendments.

No.	*Indicator*	*Value*	*M.U.*
a.	Gross loss	(4,459,409)	RON
b.	Turnover (Operational revenues)	117,157,155	RON
c.	Export	-	
d.	Operational expenses	(107,768,695)	RON
e.	Other operational expenses - ANAF Litigation	(17,200,000)	RON
F.	Liquidity (cash at the end of the period)	17,080,848	RON

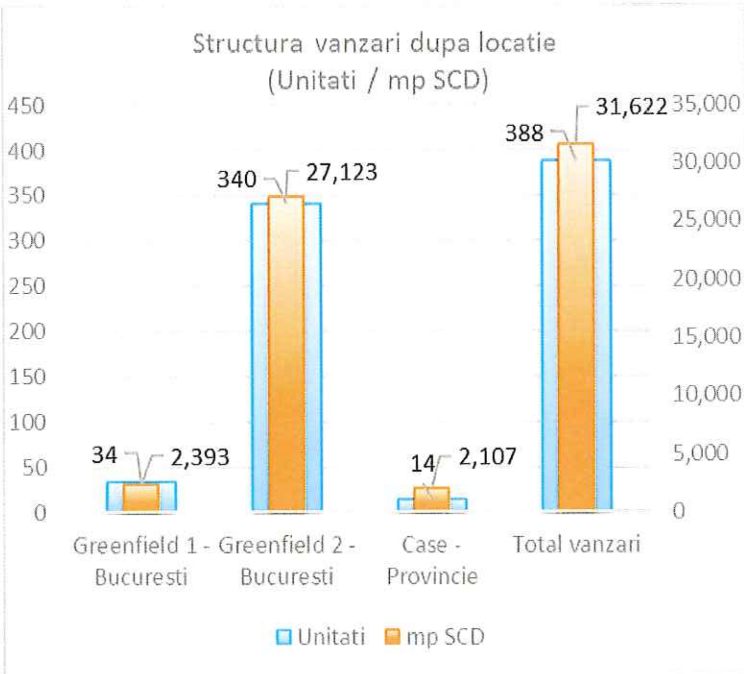
IMPACT constantly lodges endeavor to prove its customer focus by aligning to its specific needs. Implicitly IMPACT proves a high level of adaptability to the specific conditions of the market, whilst managing existing realities and identifying resources for exploration of new business opportunities. To this end, the company's management continues to follow trends and market evolution and believes in innovation and reinventing work processes, for IMPACT Developer & Contractor to become leader of the real estate market, both locally and regionally.

3. Evolution of sales in 2015

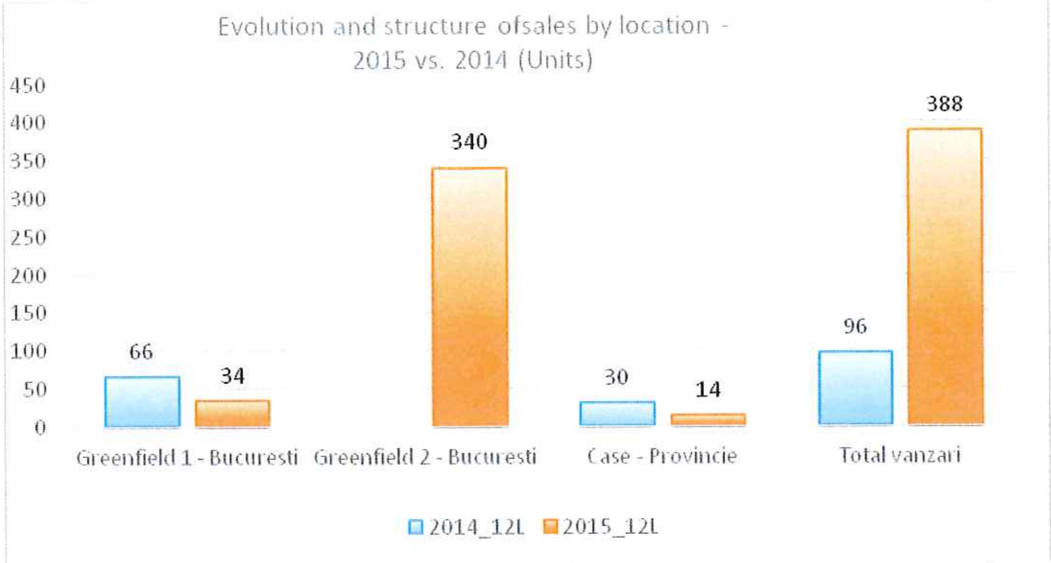
- **Sale of dwellings completed in Bucharest, Ploiesti, Oradea and Constanta. In 2015, there were 388 houses and apartments sold, with a built developed area of 31.622 sq.m.**

Housing sales were achieved in:
- Bucharest - GREENFIELD 2 - Salcamilor Assembly: 340 apartments
- Bucharest - GREENFIELD 1 - 34 apartments
- other neighborhoods in the country: 14 houses.

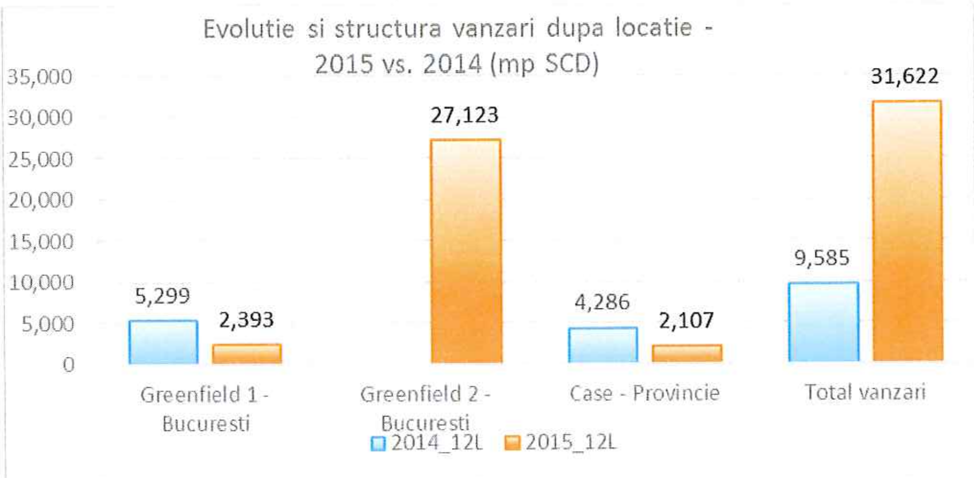
Compared to 2014, a significant increase was recorded in the sales of apartments in GREENFIELD, as result of completion of residential developments started by Impact in the summer of 2014 -- SALCAMILOR assemblies 1 and 2 (18 buildings and 504 apartments).



GREENFIELD sales growth was favored by the residential new product's quality as well as by the benefits offered by the residential assembly, which together have created a competitive advantage for the buyer. Also, buyers increased appetite associated with increased interest shown by the banks on granted financing favored sales increasing.

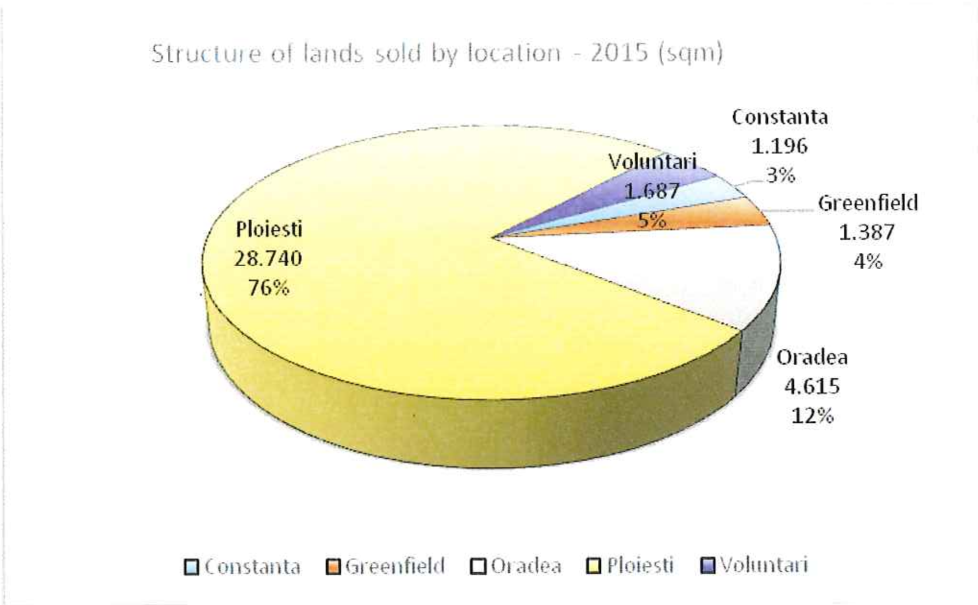


Given that the number of units sold in 2015 compared to 2014 considerably increased, the built sold area also proportionately increased by approximately 22,000 sqm.

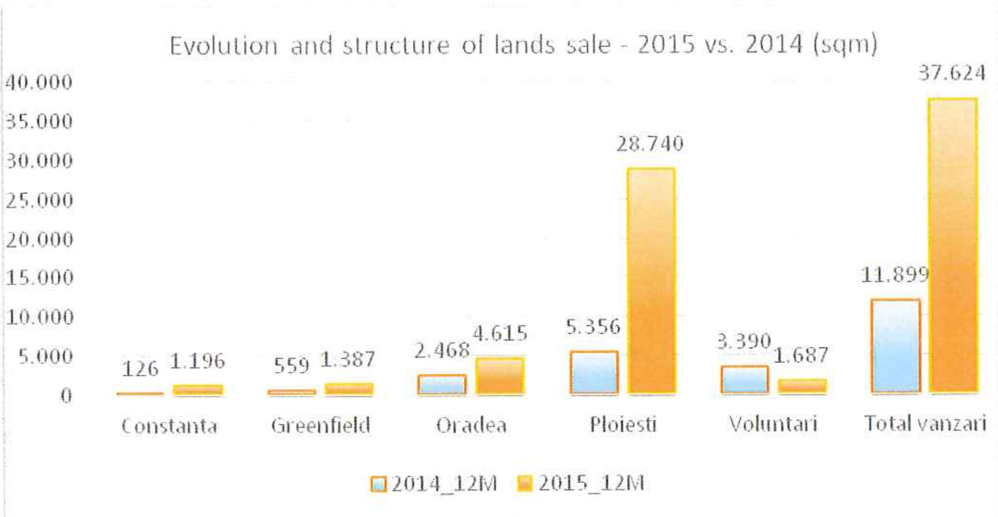


- **Providing the sale of plots of land to individuals and legal entities for the development of homes or small commercial areas.**

In 2015 land plots were sold in 37.624 sq.m. land area in Ploiesti, Volunteer, Constanta, Oradea and Bucharest.



Compared to 2014, sales of plots of land have increased 3 times, mainly on account of intense and sustained sales activities embodied in liquidating lands portfolio of the project in Ploiesti (an area of more than 28,000 sq.m.).



➢ **Less lease contracts and sale of leased housings**

Leasing activity of the apartments is no longer a priority for the company in recent years. Most dwellings of which leases have ended in 2015, were sold so that the number of rented homes fell from 21 homes in late December 2014, to 8 homes in late December 2015.

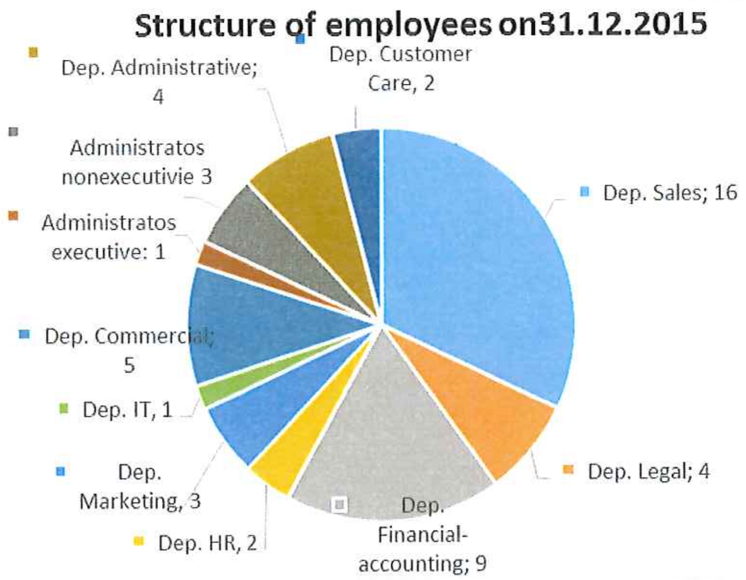
4. **Other information on the company:**

Structure of employees

The company had at the end of 2015 a total of 50 employees of which 1 person is in child care leave, personnel structure is indicated in the chart.

There is no union constituted in the Company.

Relations between management and employees are governed by individual labor contracts and job descriptions.



5. **Elements of risk management**

To prevent liquidity risk, the Company prepares cash flow reports for periods of 5 years, 1 year and on monthly bases; it examines projections done and compares them to the real situation in order to prevent situations where liquidity problems may occur.

Market Risks:

The global financial crisis combined with recession in Europe, exposed Romania to certain risks on the financial market.

Company Internal Control is provided:

- Through Acquisitions Department: Contracts are signed by the Legal Department, Head of Procurement, CFO and General Director;
- Through the Sales Department: Contracts are reviewed by the Department of Prices and Analysis and signed by the General Director;
- Through preventive financial control by which contracts compliance is verified;
- By tracking payments checked by the Preventive Financial Control and approved by the Chief Financial Officer and / or General Director.
- By implementation of essential codes of conduct and business ethics specific procedures are implemented, applicable to all directors, officers, managers, people with a role in control or management, employees, auditors, business partners, collaborators. Thus, IMPACT applies Anticorruption Policy, Code of Conduct, Essential Ethical Values Policy, and Policy for Safety and Health at Work, Employment, Environment, and Reporting Policy.

6. Perspective Elements concerning the company's activity

In line with the strategic vision imposed by the new management team of IMPACT, the permanent adaptation to the real estate market and maintaining the company's efficiency, the company has set for this year, goals that effectively respond to the needs of market, clients, but also partners.

Optimism over the market, but also in terms of the relationship that IMPACT has with its customers is based on both real estate and financial product diversification offered by the company, being able to respond to so difficult access to funding sources, and rising customer expectations on habitat quality.

At the base of the budget proposal construction was the company's sales plan.

Specifically, the following sales for 2016 are expected:

1) 783 apartments, out of which:

- 33 units from current property inventory
- 750 units from new developments.

The development plan for 2016 envisages continued construction for another 39 apartment blocks Phases 5, 6 and 7 of the Greenfield neighborhood, totaling 90,000 sq.m., as follows:

- 26.000 mp – work will begin in April 2016
- 22.000 mp – works will begin in May 2016
- 42.000 mp - works will begin in September 2016

2) 10.000 sq.m. land plots in Constanta.

3) Preparing the design and authorization documentation related to **Ghencea Timisoara** project

4) Preparing the design documentation related to **Barbu Vacarescu** project.

7. Tangible assets and inventories of the company at 31.12.2015 are shown in the following table:

On 31 December 2015 and on 31 December 2014, Company's lands and buildings were revalued by Colliers Valuation and Advisory SRL, external, independent valuators, authorized by Romanian National Union of Licensed Appraisers ("ANEVAR"), with recent experience in terms of location and category of assessed property.

	Land and buildings	Machinery, equipment and vehicles	Fixtures and fittings	Assets under construction	Total
COST					
1 January 2014	15,796,134	2,147,390	773,172	-	18,716,696
Additions	-	248,068	47,212	-	295,280
Disposals	(143,878)	(58,440)	-	-	(202,318)
Revaluation differences	6,958	-	-	-	6,958

Offset of accumulated depreciation at revaluation date	(53,551)	-	-	-	(53,551)
31 December 2014	**15,605,663**	**2,337,018**	**820,384**	**-**	**18,763,065**
DEPRECIATION					
Balance at 1 January 2014	9,567,103	1,516,125	485,342	-	11,568,570
Depreciation for the year	263,362	96,184	135,756	-	495,302
Impairment losses	215,103	-	-	-	215,103
Accumulated depreciation of disposals	-	(58,440)	-	-	(58,440)
Offset of accumulated depreciation at revaluation date	(53,551)	-	-	-	(53,551)
31 December 2014	**9,992,017**	**1,553,869**	**621,098**	**-**	**12,166,984**
CARRYING AMOUNTS					
1 January 2014	**6,229,031**	**631,265**	**287,830**	**-**	**7,148,126**
31 December 2014	**5,613,646**	**783,149**	**199,286**	**-**	**6,596,081**

	Land and buildings	Machinery, equipment and vehicles	Fixtures and fittings	Assets under construction	Total
COST					
1 January 2015	15,605,663	2,337,018	820,384	-	18,763,065
Additions	146,000	259,354	50,726	178,698	634,777
Disposals	(1,555,990)	(19,680)	-	(178,698)	(1,754,368)
Revaluation differences	(52,132)	-	-	-	(52,132)
31 December 2015	**14,143,540**	**2,576,692**	**871,110**	**-**	**17,591,343**
DEPRECIATION					
1 January 2015	9,992,017	1,553,869	621,098	-	12,166,984
Depreciation for the year	244,324	170,407	139,135	-	553,865
Impairment losses	(691,439)	-	-	-	(691,439)
Accumulated depreciation of disposals	(93,714)	(19,680)	-	-	(113,394)
Offset of accumulated depreciation at revaluation date	(47,449)	-	-	-	(47,449)
31 December 2015	**9,403,738**	**1,704,596**	**760,233**	**-**	**11,868,567**
CARRYING AMOUNTS					
1 January 2015	**5,613,646**	**783,149**	**199,286**	**-**	**6,596,081**
31 December 2015	**4,739,802**	**872,096**	**110,877**	**-**	**5,722,775**

Impairment losses

During 2015, following the revaluation reports for land and buildings, the management decided to recognize an impairment loss of 4,683 RON which have been expensed during the year.

Part of the land classified as property, plant and equipment include land related to the residential property with installed utilities networks attached. Up to 2013, the Company obtained benefits from the use of these assets as mark-up applied to the utilities expenses of the occupants. In 2013, the Company decided to outsource or to discard this activity because of its low return, but also due to the fact that this activity is not one of the main activities of the Company. Thus, the management of the Company considers that these land and buildings will not be able to bring direct and measurable benefits, their value in use being reduced to their recoverable value.

The Company recorded an impairment loss computed as the difference between the net book value and their value in use.

Investment properties

	2015	2014
Balance at 1 January	**230,979,061**	**230.662.919**
Transfers from/to inventories, net	(13,586,973)	(9.821.455)
Sales	(4,238,327)	(6.829.995)
Changes in fair value	1,745,128	16.967.592
Balance at 31 December	**214,898,889**	**230.979.061**

Investment property comprises land and residential properties held with the purpose of capital appreciation. Also, the residential properties included in investment property comprise estates leased to third parties. All contracts related to the leased properties provide a starting period of 1 year, while the annual lease payments are not indexed to consumer prices. Subsequent extensions of the period are negotiated with the occupants, these being, on average, of 1 year. No contingent leased payments are charged.

The land held for capital appreciation, amounting to 211.239.458 lei at 31 December 2015 (2014: 223.034.510 lei), has a total surface of 686,530 sqm (2014: 720,947) and represents 98% of investment properties in balance (2014: 97%). This land is located in Bucharest (624.508 sq.m.) and in other regions (Constanta, Oradea).

Inventories

	31 December 2015	31 December 2014
Land	87.025.497	83.407.810
Impairment of land	(2.395.642)	(3.329.972)
Utilities networks and residential properties under development	64.196.449	75.106.091
Impairment of utilities networks and residential properties under development	(11.224.254)	(10.295.152)
Completed residential properties	48.109.366	23.522.850
Impairment of completed residential properties	(9.015.568)	(10.961.491)
Advance payments for acquisition of inventories	1.191.178	675.365
	177.887.026	**158.125.501**

Land with a carrying amount of 84,629,855 Lei as at 31 December 2015 (2014: 80,077,838 lei) consists of land held by the Company for development of new residential properties, especially in Bucharest, but also land which the Company intends to value through sale of enabled plots of land (Oradea, Constanta, Ploiesti). During the financial year ended 31 December 2014, the Company acquired a plot of land in Bucharest with the intention to build luxury residential projects.

Utilities networks and residential properties under development with a carrying value of 52,972,195 Lei as at 31 December 2015 (2014: 64,810,939) relate to the equivalent of the capitalized works and services, rendered by the Company or to the Company by third parties, related to the connection of the properties to utilities, design and feasibility studies.

Completed residential properties with a carrying value of 39,093,798 Lei as at 31 December 2015 (2014: 12,561,359 Lei) refer entirely to apartments held for sale by the Company.

8. Company issued securities market

IMPACT Developer & Contractor SA has been listed at the Bucharest Stock Exchange since the year of 1996, and starting with the year 2006 its shares, counting **277.866.574** are quoted in the first category of BVB. Since January 2015, IMPACT Developer & Contractor shares are traded on the **Premium** category, according to the new segmentation of Bucharest Stock Exchange.

In April 2014, the General Assembly of Shareholders approved the increase of the Share Capital Social by the amount of RON 80,000,000 by issuance of new stocks, from RON 197,866,574 to RON 277,866,574. Subscription took place during the period 20.06.2014 – 29.07.2014, the 80,000,000 new stocks being integrally subscribed.

The market capitalization of the company at the end of 2015 was of 57.7 mill EUR.
The company did not pay dividends in the past 3 years.

Year	*Situation on dividends*
2013	The company did not pay dividends
2014	The company did not pay dividends
2015	The company did not pay dividends

9. Company management

Pursuant to the legislation in force and the company's Articles of Incorporation, the General Assembly of Shareholders is the managing and decisional body of the company, deciding upon its business.

The company is lead by the Board of Administration, consisting of five administrators, individuals:

- Iuliana Mihaela Urda, Chairman of the Board of Administration;
- Gabriel Vasile, Administrator;
- Liviu Stan, Administrator and General and Procurement Director;
- Konstantinos Tasoulas, Administrator;
- Victor Rachita, Administrator.

Mrs. Iuliana Mihaela Urda was elected as member of the Board of Administration in the General Ordinary Assembly in 26th of April 2013, by cumulative vote method, for a four years mandate, until April 2017.

Mr. Gabriel Vasile was appointed as administrator, member of the Board of Administration, in the General Ordinary Assembly on 16th of September 2013, Mr. Liviu Stan was appointed as administrator, member of the Board of Administration, in the General Ordinary Assembly on 25th of April 2014, and Mr. Konstantinos Tasoulas was appointed as administrator, member of the Board of Administration, in the General Ordinary Assembly that took place on the date of 25.04.2015. Mr. Lucian Claudiu Mateescu exercised the position of Administrator and General Director until the date of 14th of December 2015. Members of the Board of Administration of IMPACT acknowledging the resignation of Mr. Lucian Claudiu Mateescu from the position of Administrator and General Director, as from the date of 14th of December 2015.

The Board of Administration decided upon the temporary appointment, in the position of General Director, of Mr. Liviu Stan, who also holds the position of Procurement Director.

The Board of Administration is structured such as to allow dilligently fulfillment of duties. The Board of Administration regularly meets to ensure fulfillment of its duties in an efficient manner.

There is a clear distribution of responsibilities between the Board and the executive management.

Surname and first name	*Date of birth*	*Professional Qualification Professional Experience*	*Position and Seniority in position;*
Iuliana Mihaela Urda	1968	Iuliana Mihaela Urda holds the position of Chief Executive Officer at Octagon Total Management since November 2011, having been promoted from the position of Director of Marketing, which she had held during June 2009 - November 2011. During the period 1995-2009 Iuliana Mihaela Urda held various positions in Altex Romania company, which recorded a turnover of about 300 mill. euro.	Administrator and Chairman of the Board of Administration since 26.04.2013
Gabriel Vasile	1969	Gabriel Vasile graduated from the Academy of Economic Studies - Faculty of Economics in 1994. Gabriel Vasile has over 15 years of experience in leading teams in the administrative department, automotive, asset management, and financial reporting in the real estate industry, transport and telecommunications. Previously, he held positions as Director of Operations for TPG Quintet Asset Management and Advisory Practice in real estate and Head of Fleet & Reporting in Romtelecom SA. Between July 2012 and April 2013 he was a member of the Council of Shareholders Representatives of SIF Muntenia.	Administrator since 16.09.2013

Surname and first name	*Date of birth*	*Professional Qualification Professional Experience*	*Position and Seniority in position;*
Liviu Stan	1957	Liviu Stan graduated in Mechanical Engineering at the Polytechnic Institute of Bucharest. Liviu Stan has an experience of over 20 years in companies with construction materials and rich experience in entrepreneurship occupying the position of Managing Partner of the following companies: DufaTec SRL SC 2010, SC Shop24Automatic SRL in 2007-2010, SC Global real Invest SRL in 2004 - 2005, SC Dufa Romania SRL in 1997 - 2005, SC Ivex International SRL in 1992 - 2003. Since 2007 he developed on his own North Residence real estate project valued at 4.5 million Euros and since 2012 is the business strategy consultant in the real estate project Pipera market.	Administrator since 25.04.2014
Konstantinos Tasoulas	1969	Constantinos Tassoulas worked in the Investment Banking division at Alpha Bank Greece, as Senior Project Manager in Real Estate Investment and Financial sector, geographically focusing on the Balkan region. With a solid experience of over 19 years in banking, he worked in major Greek and foreign banks. Mr. Tassoulas has expertise in Structured Finance and Real Estate Investments, Corporate Banking and also core competencies in areas such as Project Funding, Lending, Distressed Debt, Leasing, Forfeiting, Trade Finance, Corporate Finance, Structured Products and Capital Markets Real Estate Advisory. Mr. Tassoulas is a results oriented manager with a proven track record of success, a good knowledge of the real estate market in Greece and the Balkans and has good contacts with key local and international actors in the Corporate and Real Estate sector.	Temporary Administrator since 02.10.2014
Victor Rachita Minculescu	1974	Victor Rachita Minculescu graduated from the Academy of Economic Studies (A.Ş.) with specialization in Management and has accumulated over 14 years of experience in Real Estate, working since 2002 in several consulting companies in the field.	Temporary Administrator since 15.02.2016

There is no agreement, understanding or family connection between the company's administrators and another person due to whom that person was appointed as administrator;

Regarding the persons listed above, there is no litigation or administrative proceedings that were involved in, in the past 5 years, on their activity in the company, and nor in those concerning the ability of that persons to perform their duties within Impact.

Executive Management of the Company

The board of Administration decided that Mr. Bogdan Nicolae Geanta, Financial Director, and Mr. Liviu Stan, General and Procurement Director, to be empowered to represent the company, pursuant to provisions under art.143 2 par. 5 in Law 31/1990, on trading companies, as from the date of 14.12.2015.

Surname	First name	Position	Citizenship
Stan	Liviu	General and Procurement Director	Romanian
Geanta	Bogdan Nicolae	Financial Director	Romanian

Liviu Stan - Purchasing Director– since May 2014 and General Director since 2015

Liviu Stan has an experience of over 20 years in companies with construction materials and rich experience in entrepreneurship, occupying the position of Managing Partner of the following companies: DufaTec SRL SC 2010, SC Shop24Automatic LLC, in 2007-2010, SC Global Real Invest SRL, in the period 2004 - 2005, SC Dufa Romania SRL during 1997 - 2005. Since 2007 he developed on his own North Residence real estate project valued at 4.5 million Euros.

Procurement Director, he coordinates and develops the acquisition policy of the company. Develops and extends relationships with network providers and updates partnerships with potential bidders.

Bogdan Nicolae Geanta - Financial Director – since July 2013

Bogdan Geanta graduated from Faculty of Law and Accounting and has over 10 years experience in distribution, retail and real estate.

He is responsible for Business financial planning, daily monitoring of financial operations and responsible for financial reporting and cost management.

Company's Subsidiaries

Company's Subsidiaries ("Subsidiaries") and their scope of activity are as follows:

	Registration country	Scope of activity	31 December 2015	31 December 2014
Clearline Development and Management SRL	Romania	Property Development	√	√
Actual Invest House SRL	Romania	Administration of properties based on fee or contract	√	√

Clearline Development and Management SRL (formerly Lomb SA) is the project company through which IMPACT was to develop a residential project in Cluj-Napoca in partnership with the local authority, and there is a dispute for this project presented in the current reports.

Actual Invest House S.R.L, a company within the IMPACT Group, plays an important role in diversification of services related to the sale of homes. ACTUAL INVEST HOUSE collaborates with the leading financial institutions in Romania in order to find solutions for credit facilities in the shortest time possible for the customers that are to buy a home. It also provides management services to new residential development and services for furnishing and interior decoration by partnering with leading suppliers at competitive prices, using high quality materials.

10. The financial-accounting statement

Presentation of the economical-financial statement for year 2015 compared to the previous years:

	Indicators pursuant to IFRS (RON)	2013	2014	2015
Results indicators	**Operational revenues, out of which:**	**36,915,587**	**32,599,575**	**117,157,155**
	Revenues from sale of residential properties inventory	21,985,516	21,171,873	106,484,670
	Revenues from rentals and utilities re-invoiced to customers	5,062,229	4,377,164	4,123,351
	Revenues from sale of Investment properties	8,698,124	6,088,013	4,295,138
	Activity performed and capitalized by the entity			0
	Other operational revenues	1,169,718	962,525	2,253,996
	Operational expenses, out of which:	**-63,728,594**	**-47,586,325**	**-124,968,695**
	Carrying value of sold residential properties inventory	-20,434,728	-22,687,973	-72,147,934
	Operational costs afferent to rental and sold properties	-3,262,874	-2,778,621	-2,703,858
	Carrying value of Investment properties	-9,576,654	-6,829,995	-4,238,327
	Expenses concerning raw materials and materials	-1,692,434	-3,465,610	-4,687,171
	Services provided by third parties	-8,932,056	-1,705,169	-6,991,621
	Expenses with employee benefits	-2,663,987	-4,374,609	-8,162,218
	Other operational expenses	-17,165,861	-5,744,348	-8,837,566
	Provisions	0	0	-17,200,000
	Operational Result (EBITDA)	**-26,813,007**	**-14,986,750**	**-7,811,540**
	Expenses with depreciation	-655,338	-522,975	-625,588
	Assets value loss, other than Investment properties	-23,149,027	4,543,299	3,721,254
	Earnings / (losses) at fair value of Investment properties	9,731,037	16,967,592	1,745,128
	Operational Result (EBIT)	**-40,886,335**	**6,001,166**	**-2,970,746**
	Net financial cost	-3,765,543	-1,774,771	-1,488,663
	Gross Profit / Loss (EBT)	**-44,651,878**	**4,226,395**	**-4,459,409**
	Income tax	2,194,258	-135,252	0
	Net Profit/ (loss) of the period	**-42,457,620**	**4,091,143**	**-4,459,409**

	Indicators pursuant to IFRS (RON)	2013	2014	2015
Patrimony indicators	Tangible assets	7,148,126	6,596,081	5,722,775
	Investment properties	230,662,919	230,979,061	214,898,889
	Intangible assets	17,840	154,405	117,491
	Financial assets	14,377,226	14,377,276	14,377,226
	Receivables	19,823,286	19,300,941	11,367,047
	Total fixed assets	**272,029,397**	**271,407,764**	**246,483,428**
	Inventories	86,415,696	158,125,501	177,887,026
	Total current assets	**99,631,101**	**170,749,931**	**221,491,153**

	Total assets	***371,660,498***	***442,157,695***	***467,974,581***
	Share Capital	205,330,158	277,866,574	277,866,574
	Equity	**281,430,511**	**365,579,741**	**361,140,518**
	Total debt	**90,229,987**	**76,577,954**	**106,834,063**
	Total liabilities	***371,660,498***	***442,157,695***	***467,974,581***

	Indicators pursuant to IFRS (RON)	2013	2014	2015
Cash flows	**Cash and cash equivalents on 1st of January**	**1,581,101**	**4,543,781**	**3,464,726**
	Net cash from operational activities	-3,038,801	-65,739,669	7,883,080
	Net cash from investment activities	13,628,010	7,174,009	2,080,546
	Net cash from (used in) financing activities	-7,557,767	57,743,170	3,652,497
	Effect of currency exchange rate variation on cash	-68,762	-256,565	0
	Cash and cash equivalents on *31st of December*	***4,543,781***	***3,464,726***	***17,080,848***

PROFITABILITY SOLVENCY AND LIQUIDITY	31.12.2013	31.12.2014	31.12.2015
Returns on employed capital			
Profit before interests and tax (A)	-40,886,335	6,001,166	-2,970,746
Employed Capital (B)	341,093,648	404,516,877	390,201,880
A/B	**-12.0%**	**1.5%**	**-0.8%**
Return on Equities			
Net Profit (A)	-42,457,620	4,091,143	-4,459,409
Equity (B)	281,430,511	365,579,741	361,140,518
A/B	**-15.1%**	**1.12%**	**-1.23%**
Debt ratio			
Total Debt (A)	90,229,987	76,577,954	106,834,063
Total Asset (B)	371,660,498	442,157,695	467,974,581
A/B	**24.3%**	**17.3%**	**22.8%**
Current ration Indicator			
Current Assets (A)	99,631,101	170,749,931	221,491,153
Current Debts (B)	30,566,850	37,640,818	77,772,701
A/B	**3.26**	**4.54**	**2.85**
Quick Ratio Indicator			
Current Assets (A)	99,631,101	170,749,931	221,491,153
Inventories (B)	86,415,696	158,125,501	177,887,026
Current Debts (C)	30,566,850	37,640,818	77,772,701
(A - B)/ C	**0.43**	**0.34**	**0.56**

11. Corporate Governance

Corporate governance complies with the Romanian legislation in force, aiming to ensure both accuracy and transparency in terms of company's outcomes, and equal access of all shareholders to relevant information on the company.

IMPACT Developer & Contractor SA is managed under unitary system, its management being provided by the General Director, under surveillance of the Board of Administration.
In order to build strong relationships with shareholders and potential investors, the company adopted the Corporate Governance Code of the Bucharest Stock Exchange (BVB-CGC) principles and recommendations , the fulfillment of underlying principles and good corporate governance standards of the company.

- Structures that underline the governance system of Impact: Board of Director's society

-Advisory Committees

-Executive Management

-Internal Control Activity

-Risk Management Activity

-Corporate Governance Code

The Board of Directors follows that decisions taken by the Shareholders' General Meetings and internal regulations will comply with legal requirements and implemented properly. The Board of Directors is composed of two independent directors.

During 2015 the Board of Directors has met 66 times. The decisions were taken in accordance with the articles of association.

Corporate governance elements are implemented within the company, pursuant to the code of Corporate Governance adopted by the Board of the Stock Exchange in December 2007, with implementation term as from the annual report of 2010.

IMPACT Developer & Contractor SA submitted and shall further submit all professional, legal and administrative efforts, necessary to ensure alignment with the provisions of the Code and transparent presentation of such outcomes.

IMPACT Developer & Contractor SA publishes in a dedicated section of its own website details on GAS development, namely convocation notices, materials/documents afferent to agenda, special power fo attorney forms, correspondence voting forms, decision drafts.

Nevertheless, the company ensures information of all shareholders immediately after GAS taking place, through its own website dedicated section, on decisions adopted in General Assemblies of Shareholders and the voting detailed result. The Company also makes available for the shareholders / investors current reports, notices, the financial schedule, annual, quarterly, trimestrial reports. Direct relation with the investors is provided by an appointed person, dedicated to informing the shareholders depending on their questions addressed in writing or by phone.

Information on corporate governance are periodically reported through corporative governance statement in the annual report and permanently updated through current reports and internet page.

Since 2014 Impact adopted the following documents fundamenting corporate governance:

- Code on anticorruption
- Code of conduct
- Ethical values of the Company
- Policy on security and health at the place of work, labor, environment law
- Reporting Policy

In September 2015, BVB issued a new Code of Corporate Governance. The provisions of the Code are carefully examined by the Company, and the status of compliance with its provisions is properly assessed by the Company.

Along the years, the company complied with the provisions of CCG and at the moment it carries out arrangements to comply with the provisions of the New Code as well.

The company will continue to take steps in order to implement the Code and any significant progress in this regard will be reported by the Company to the capital market.

Chairman of BoA	**General Director**	**Financial Director**
Iuliana Mihaela Urda	Liviu Stan	Bogdan Geanta