

IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

IMPACT DEVELOPER & CONTRACTOR SA



Individual and unaudited financial statements as at June 30, 2015

prepared according to International Financial Reporting Standards
adopted by the European Union

IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

Content:

	Page
Statement of Financial Position	3
Statement of Comprehensive Result	4
Statement of Changes in Equity	5
Statement of Cash Flow	6
Notes to the Financial Statements	7 – 21

IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

Statement of Financial Position

As at June 30, 2015

	30-Jun-14	31-Dec-14	30-Jun-15
ASSETS			
Tangible assets	6,929,768	6,596,081	6,041,398
Intangible assets	52,676	154,405	143,045
Investment Property	228,440,736	230,979,061	213,983,722
Financial assets	14,377,276	14,377,276	14,377,276
Non-current receivables	21,164,001	19,300,941	14,104,940
Total Non-current assets	270,964,457	271,407,764	248,650,381
Inventories	79,956,777	158,125,501	153,386,194
Trade and other receivables	7,074,300	9,062,483	20,771,788
Prepayments	45,872	97,221	103,460
Cash and cash equivalents	3,155,703	3,464,726	13,458,741
Total Current Assets	90,232,652	170,749,931	187,720,183
Total Assets	361,197,109	442,157,695	436,370,564
Share capital	197,866,574	277,866,574	277,866,574
Adjustment for hyperinflation (according to IAS 29)	7,463,584	7,463,584	7,463,584
Share premiums	84,041,878	84,175,480	84,175,480
Revaluation reserves	5,527,875	1,095,170	1,007,929
Other reserves	1,373,187	5,934,934	6,022,174
Reported result	(14,842,587)	(15,047,144)	(10,956,001)
Net profit for the period	(1,859,110)	4,091,143	7,068,761
Total equity	279,571,401	365,579,741	372,648,501
Loans	37,489,993	23,661,030	17,284,039
Trade and other payables	1,938,376	2,265,343	2,353,893
Deferred taxes	12,865,095	13,010,763	13,010,763
Total current liabilities	52,293,464	38,937,136	32,648,695
Loans	12,627,251	13,088,512	11,514,180
Trade and other payables	11,911,119	21,454,667	16,931,549
Provisions for risk and charges	4,793,874	3,097,639	2,627,639
Total Current liabilities	29,332,244	37,640,818	31,073,368
Total liabilities	81,625,708	76,577,954	63,722,063
TOTAL equity and liabilities	361,197,109	442,157,695	436,370,564

President of the Board of Directors
Iuliana Mihaela Urda

Chief Financial Officer
Bogdan Geanta

IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

Statement of Comprehensive Result

As at June 30, 2015

	30.Jun.14	30.Jun.15
Revenue from sale of residential inventories	12,879,344	49,924,526
The accounting value of sold residential inventories	(13,407,694)	(35,558,094)
Profit / (loss) from sale of real estate properties	(528,350)	14,366,432
Rental income	753,922	654,747
Operating incomes recharged to customers / tenants	1,642,242	1,484,920
Operating expenses directly related to rented properties	(1,492,227)	(1,266,400)
Net rental income	903,937	873,267
Income from sale of investment properties	2,788,370	3,490,922
Book value of sold investment properties	(3,035,567)	(3,408,366)
Profit/loss from sale of investment properties	(247,197)	82,556
Revenues from services rendered	71,993	51,288
Raw materials and consumables used	(175,740)	(339,847)
Third party services	(2,814,265)	(2,580,702)
Employee benefits expense	(2,083,659)	(3,195,407)
Other operating income	250,817	1,341,065
Other operating expense	(2,446,487)	(3,130,864)
Other operating income / (expenses), net	(7,197,341)	(7,854,467)
Earnings before interest, taxation, depreciation and amortization (EBITDA)	(7,068,951)	7,467,788
Depreciation and amortization	(254,712)	(313,865)
Impairment of assets, other than investment properties	5,800,253	693,043
Depreciation and related impairment charges / reversals, other than investment properties	5,545,541	379,178
Earnings before interest and taxation (EBIT)	(1,523,410)	7,846,966
Financing costs	(1,710,416)	(834,242)
Financing income	306,229	23,186
Foreign exchange result	1,071,674	75,863
Other financial result	(3,187)	(43,012)
Financial result	(335,700)	(778,205)
Gross profit (EBT)	(1,859,110)	7,068,761
Income tax	-	-
Net profit / (loss) for the period	(1,859,110)	7,068,761

President of the Board of Directors

Iuliana Mihaela Urda

Chief Financial Officer

Bogdan Geanta

IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

Statement of changes in equity

As at June 30, 2015

	Adjusted share capital	Capital premium	Revaluation reserve	Other reserves	Reported result	Total
Balance at January 1, 2014	205,330,158	84,041,878	1,541,643	5,359,419	(14,842,587)	281,430,511
Total comprehensive income for the period						
Result of the period	-	-	-	-	4,091,143	4,091,143
Other comprehensive income						
Realization of the revaluation reserve related to sold assets	-	-	(370,958)	370,958	-	0
Reversal of revaluation reserve related to impaired assets, net	-	-	(65,099)	-	-	-65,099
The deferred tax liability related to revaluation reserve	-	-	(10,416)	-	-	-10,416
The legal reserve established				204,557	(204,557)	0
Total other comprehensive income	-	-	(446,473)	575,515	3,886,586	(75,515)
Share capital increase	80,000,000	133,602				80,133,602
Total transactions with shareholders recognized directly in equity	80,000,000	133,602	-	-	-	80,133,602
Total comprehensive income for the period	80,000,000	133,602	(446,473)	370,958	4,091,143	84,149,230
Balance at December 31, 2014	285,330,158	84,175,480	1,095,170	5,730,377	(10,751,444)	365,579,741
Balance at January 1, 2015	285,330,158	84,175,480	1,095,170	5,730,377	(10,751,444)	365,579,741
Total comprehensive income for the period						
Result of the period	-	-	-	-	7,068,761	7,068,761
Other comprehensive income						
Realization of the revaluation reserve related to sold assets	-	-	(87,241)	87,241	-	0
Deferred tax assets related to the revaluation reserve	-	-	0	-	-	0
Total other comprehensive income	-	-	(87,241)	87,241	0	0
Total comprehensive income for the period	-	-	(87,241)	87,241	7,068,761	7,068,761
Balance at June 30, 2015	285,330,158	84,175,480	1,007,929	5,817,618	(3,682,684)	372,648,501

President of the Board of Directors

Iuliana Mihaela Urda

Chief Financial Officer

Bogdan Geanta

IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

Statement of Cash flow
As at June 30, 2015

	June-15
Cash flows from operating activities	
Profit before income tax	7,068,761
Amortization	313,865
Increase / (decrease) in provisions for risks and charges	4,054,395
Financing costs	(854,068)
Exchange difference	75,863
Cash flows before changes in working capital	10,658,816
Decrease / (increase) in trade receivables and other receivables	(6,989,543)
Decrease / (increase) in inventory	15,434,927
Decrease / (increase) in trade payables and other payables	(4,904,567)
Net cash used from operating activities	14,199,633
Cash flows from investment activities	
Net cash used in investing activities	2,967,502
Cash flow from financing activities	
Proceeds /(Payments) from long term loans	(7,951,324)
Interest paid	854,068
Exchange difference	(75,863)
Net cash used in financing activities	(7,173,119)
Net increase/(decrease) in cash and in cash equivalents	9,994,016
Cash and cash equivalents at the beginning of the period	3,464,726
Cash and cash equivalents at the end of the period	13,458,741

President of the Board of Directors
 Iuliana Mihaela Urda

Chief Financial Officer
 Bogdan Geanta

Notes to the financial statements

1. The reporting entity

The stock company Impact Developer & Contractor S.A. (the "Company") is a company registered in Romania whose basic activity is the development of real estate projects.

The Company's seat address is "Construdava" Business Centre, 4C Pipera-Tunari Street, Voluntari City, Ilfov County, Romania.

The Company controls several other entities and prepares consolidated financial statements. According to the provisions of Law no. 297/2004, such entities have to prepare individual financial statements also.

The Company is one of the first companies active in real estate development sector in Romania, being constituted in 1991 through public subscription. Initially, its first activities were renting and maintenance of deluxe villas in Bucharest area. In 1995, the Company introduced the residential concept on the Romanian market and, consequently, it changed into a pure real estate developer. Starting 1996, the Company's securities are publicly traded in Bucharest Stock Exchange (BVB). In 2006, Company's shares were promoted to 1st category of the Stock Exchange, becoming **the first** real estate company to achieve this. Since January 2015 the company shares are traded on **Premium** category according with the new local capital market segmentation.

During the last 24 years, Impact Developer & Contractor finalized 17 small and medium projects, which comprised over 2,750 residences and over 25,000 square meters of office and commercial spaces. As at 31 March 2015, the company was involved in residential developments located in four cities, each project having different sizes and being in various stages of completion. IMPACT activity is dominated by a major project: **GREENFIELD residential complex** in Bucharest.

On November 6, 2014 took place the launch of Salcamilor compound - new development phase of GREENFIELD quarter.

Salcamilor compound completes the GREENFIELD complex, joining the five existing compounds – Blue, Rubin, Topaz, Onix and Quartz.

In the first stage, started in 2014, inside Salcamilor compound were built nine blocks with 5 floors, consisting of 252 apartments with 2, 3 and 4 bedrooms each.

In April 2015 started the works on a second stage of Salcamilor compound on a built area of 22,000 sqm, respectively another 9 blocks with 252 apartments. The completion of this project will take place in the month of October 2015.

IMPACT makes constantly all the efforts in order to prove that it is customer-oriented, by being in line with the most specific needs of the consumer in this field. Implicitly, IMPACT proves a high level of adaptability to the specific market conditions, by succeeding in managing the existing realities and in identifying exploration resources of new business opportunities. To this end, the company's management continue to follow trends and market evolution and through the urban concepts innovation of the products it offers, will ensure the recognition of IMPACT Developer & Contractor as leader of the local real estate market, with focus on Romania's capital, Bucharest

IMPACT DEVELOPER & CONTRACTOR

*Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)*

Company's organization

The Board of Directors is responsible with fulfilling all necessary and useful documents for developing the company's object of activity, except for those involving the General Shareholders Assembly, as stipulated by the law.

The executive management is ensured by the CEO of the Company.

The company has an integrated management system ISO 9001:2008, ISO 14001: 2004 and OHSAS 18001: 2007.

2. Share capital

Originally called, SC Impact SA, the Company was established in 1991, according to the Law 31/1990. As of 4th October, 2006 the Company moved its headquarters from Bucharest District no 1, to Ilfov, Voluntary City in Construdava office building. At the same date, the company changed its name, as well. The identification data of the company:

Name: IMPACT DEVELOPER & CONTRACTOR SA

Address: Voluntari, 4C Pipera-Tunari Street, Construdava Building Center, 6-7th floor, Ilfov county

Phone: 0040-21- 230.75.70/71/72, fax: 0040-21- 230.75.81/82/83

Registered at the Trade Registry Office attached to the Bucharest City Court with no. J 23/1927/2006,

Sole Registration Code: RO1553483

The subscribed and paid share capital of the company, at June 30, 2015 is of 277.866.574 RON. All shares are ordinary and have equal ranking related to the Company's residual assets. The nominal value of one share is 1 Leu.

The holders of ordinary shares have the right to receive dividends, as these are declared at certain moments in time, and have the right to one vote per 10 shares during the meetings of the Company.

The consolidated structure of shareholders, which hold at least 10% of the share capital, at July 16, 2015, is as follow:

Shareholder	Ownership *)
Iaciu Gheorghe	49.04%
Andrici Adrian	15.39%
SWISS CAPITAL / SAI SWISS CAPITAL AM/ FDI ACTIVE DINAMIC / APOSTOL SORIN	10.51%
Other legal entities	17.19%
Other individuals	7.86%
Total	100.00%

*) according to "Depozitarul Central" Statement and reports to the Bucharest Stock Exchange

IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

3. The company's management

The current members of the Board of Directors were elected following the GMS Decision no. 3/26.04.2013, for a 4 years mandate.

Mrs. Iuliana Mihaela Urda was elected as President of the Board of Directors.

On 25/04/2015 the OGMS elected Mr. TASOULAS KONSTANTINOS as Administrator, with a mandate valid until 26/04/2017. It was approved the revocation of Mrs. Draguta Mihaila as company administrator.

The rights, powers and the functioning of the Board of Directors are in accordance with art. 8, 9 respective art. 10 from the Article of Incorporation of IMPACT DEVELOPER & CONTRACTOR SA.

Since June 14th, 2013, Mr. Lucian Claudiu Mateescu holds the position of CEO of IMPACT DEVELOPER & CONTRACTOR SA.

Motivating the employees is the company's internal priority objective, and is in the permanent attention of management, and include both financial rewards and non-financial rewards. Regarding financial incentives, according with Articles of Incorporation, the obtained profit is yearly distribute by the decision of general meeting of shareholders, as follows: 2.50% for the Board of Directors, 2% for the General Manager and 1.50% for employees.

The Comopany Board of Directors as at June 30, 2015 are as follows :

Nr	Name	Position
1	Iuliana Mihaela Urda	President of the Board
2	Lucian Claudiu Mateescu	Director
3	Gabriel Vasile	Director
4	Liviu Stan	Director
5	Konstantinos Tasoulas	Director

IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

4. Executive management

Surname	First name	Position	Citizenship
Mateescu	Lucian Claudiu	CEO	Romana
Geanta	Bogdan Nicolae	CFO	Romana
Stan	Liviu	Purchasing Director	Romana

5. Shares held in affiliated entities

Name of the company	Headquarter	Share Capital Value (lei)	Value of IMPACT's investment 31.12.2014	Value of IMPACT's investment 31.03.2015	IMPACT's Participation percent 31.03.2015
1. Actual Invest House SRL	Voluntari, Pipera-Tunari no.4C, Business Center Construdava, room 4, office no.2, ground floor, Ilfov district	8,105,000	504,950	505,000	6.2307%
2. Clearline Development & Management SRL	Voluntari, sos Pipera Tunari no. 4C, Construdava, ground floor, Ilfov District	22,400,000	22,400,000	22,400,000	100.00%
TOTAL			22,905,000	22,905,000	

1. Actual Invest House SRL, a company in the IMPACT Group that has an important role in the diversification of services related to the sale of dwellings. Actual Invest House collaborates with major financial institutions from Romania in order to find solutions for credit facilities in the shortest time possible for customers who have purchased a dwelling. Also provides management services for new residential development and furniture and interior decoration services by partnering with leading suppliers at reasonable prices using high quality of materials.
2. Clearline Development and Management SRL (formerly Lomb SA) is the company project of IMPACT established in order to develop a residential project in the city of Cluj-Napoca in partnership with the local authority. For the investments made by Clearline Development&Management SRL in order to develop the Lomb project in Cluj City, the project company has a litigation in the amounting to 17,053,000 lei, plus legal interests. The case is currently investigated by the Court Law in Arges County, and the expertise of file is ongoing (Urbanism and Constructions).

At June 30, 2015 provisions were maintained at the amount of 8.5 mil. Lei, for the depreciation of financial investments held in affiliated entities.

IMPACT DEVELOPER & CONTRACTOR

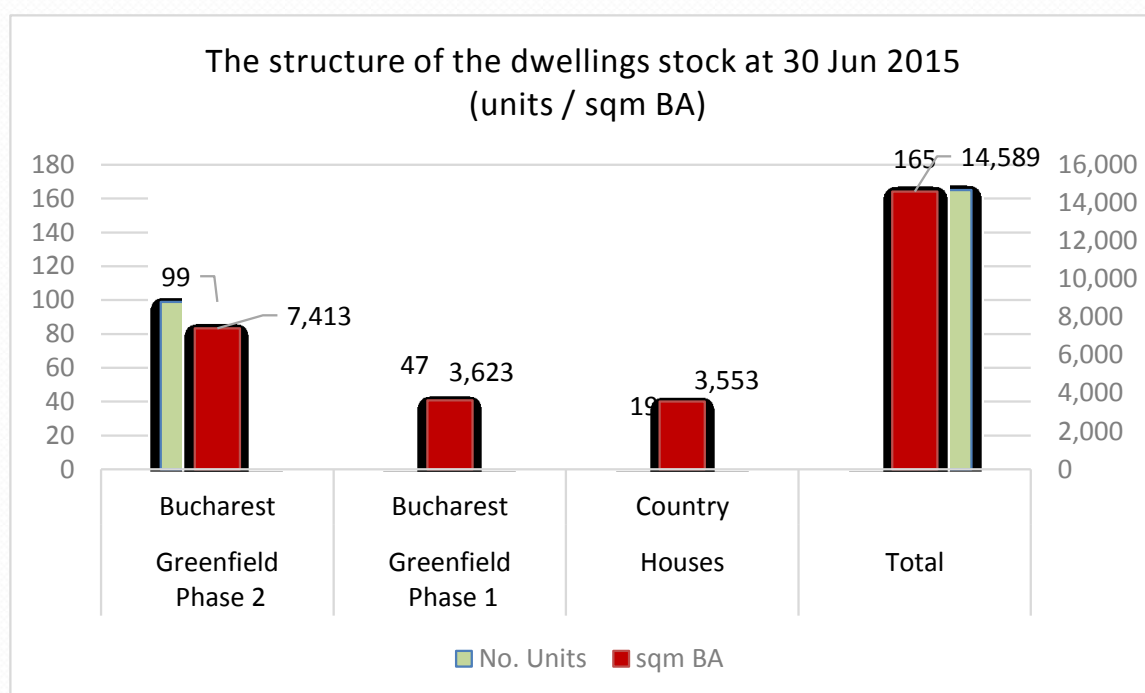
Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

6. Inventories

a) Apartments and houses

At the end of the first semester of 2015, inventories consists of 165 houses and apartments fully constructed with a built surface of 14,589 sqm. It was registered provisions for the depreciation of the inventories of fully constructed and for the work in progress inventories in December 2014.

The detailed situation of households and apartments inventories, as at June 30, 2015 is as follows:



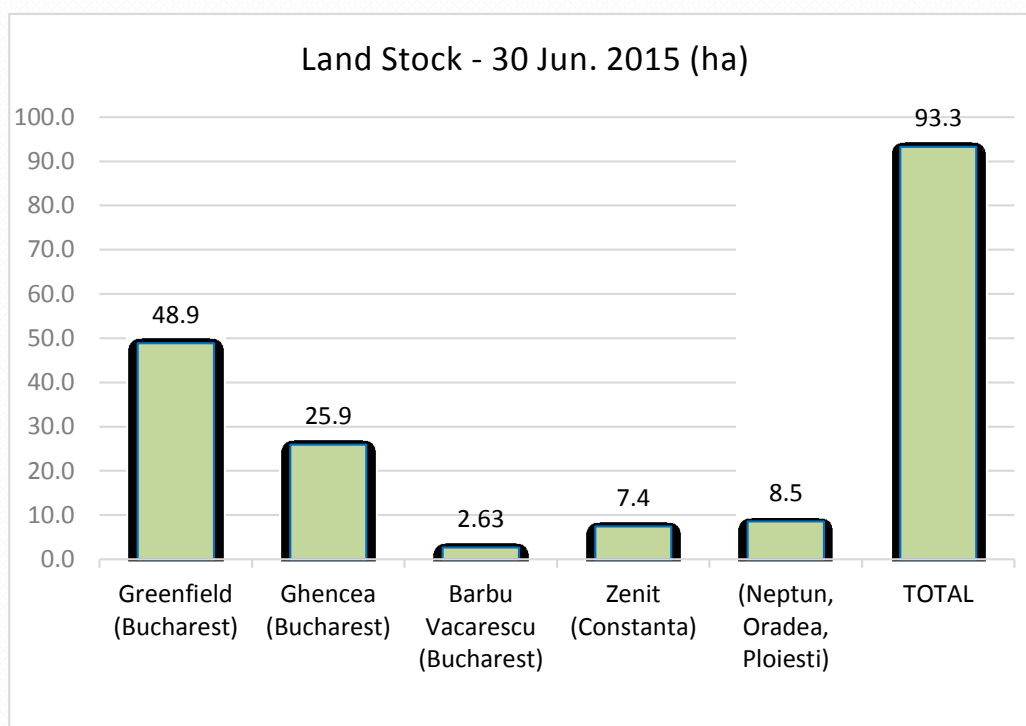
IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

b) Land plots

At the end of the first semester of 2015 there were in stock 933,000 sqm of land plots for development of new projects or for sale. The land plots registered as Investment Properties, but also registered as Fixed Assets, have been re-valuated in accordance with market value.

The company land stock, broken by city is illustrated in the following graph:



c) Work in Progress (real estate, amenities, roads and utility networks)

The total value of products in progress on June 30, 2015 is of approximately 24 mil. lei.

7. Cash and cash equivalents

	31-Dec-14	30-Jun-15
Current accounts	3,426,839	13,421,012
Cash	37,887	37,729
	3,464,726	13,458,741

IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

8. Long and short term borrowings

At June 30, 2015, the analysis of the bank loans was as follow:

No of contract	Name	Currency	Maturity	Contract value		Balance 30.06.2015		Equivalent after re-valuation (Lei)	Short term (Lei)	Long term (Lei)
				(Euro)	(Lei)	(Euro)	(Lei)			
301/30.08.2006	Piraeus Bank Grecia suc Londra	EURO	21-Oct-17	12,807,270		4,928,702		22,048,546	8,947,000	13,101,546
50070066/25.07.2007	Banca Romaneasca	EURO	21-Oct-16	22,306,796		589,543		2,637,320	1,768,732	868,588
294/27.05.2015	Banca Transilvania-Lipscani	RON	26-Nov-16		20,000,000		3,313,905	3,313,905	0	3,313,905
295/27.05.2015	Banca Transilvania-Lipscani	RON	26-May-16		4,800,000		795,175	795,175	795,175	0
TOTAL				35,114,066	42,800,000	5,518,244	4.109.080	28,794,946	11,510,907	17,284,039

9. Provisions

At June 30, 2015 the company registered provisions are as follows:

a) Provisions for litigations - regarding the Memo drafted by NAFA in 2010, following the partial recovery of the control document by the General Direction of Relevant Contributors (D.G.A.M.C), was drafted the tax decision no 35 from December 15.12.2010, communicated on January 6th 2011. Following decision no. 3740/June 24, 2011, the appeal declared by IMPACT is admitted and the suspension it is disposed of the tax decision no nr.35/15.12.2010 issued by D.G.A.M.C, until the law court decision in the first instance. In the first instance was partly admitted IMPACT's request for tax profit amounting to 760,957 lei, and the file regarding penalties resulting from the control document was suspended until the final and irrevocable decision in the respective file. The amount estimated for this case with interests and penalties amounts to 700,000 lei.

The company decided to make a litigation provision for partial amounts allocated to the file 60772/3/2011, in which it is held responsible as civil part, amounting to 1,920,000 lei.

The litigations provisions balance as at June 30, 2015 is the following:

Provisions	30-Jun-15
Provisions for litigations	2,620,000
Provisions for deferred taxes	7,639
TOTAL	2,627,639

IMPACT DEVELOPER & CONTRACTOR

*Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)*

b) Provisions for shares held in affiliated entities represent 8.52 mil. lei and are related to financial investments held in the following affiliated entities: Actual Invest House and Clearline Development & Management.

c) Provisions for receivables and sundry debtors. The amount estimated is of 3.01 mil. lei and it is afferent to balance accounts older than 360 days, with unclear recovery status, balance accounts afferent to insolvent customers and litigation amounts.

d) Provisions for depreciation of inventory, houses and lands amounting to 4.15 mil. lei.

e) Provisions for utility networks and roads from residential compounds where IMPACT does no longer hold buildings and lands for sale and which were sold or are about to be sold to the owners associations or local councils from the areas where the projects take place. For these assets were signed selling buying promises and were handed over accompanied by memos to the new owners. The value of provisions booked to June 30, 2015 is of 7.93 mil. lei.

IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

10. Operational revenues

The main revenue sources are revenues from sales of dwellings, revenues from selling land plots, revenues from rents, and from executed services.

The structure of operational revenues is the following:

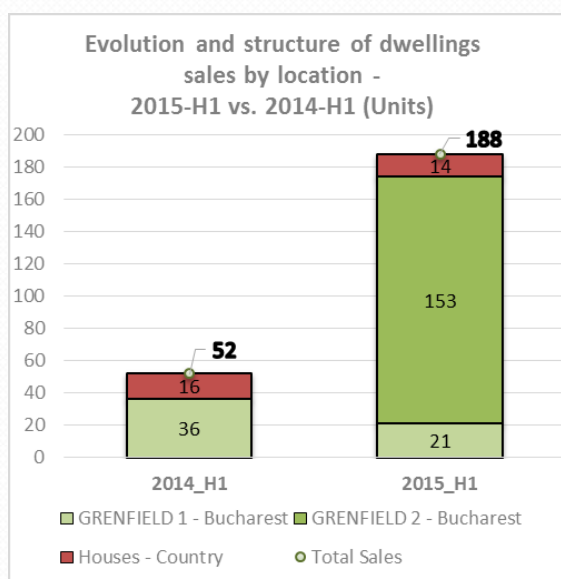
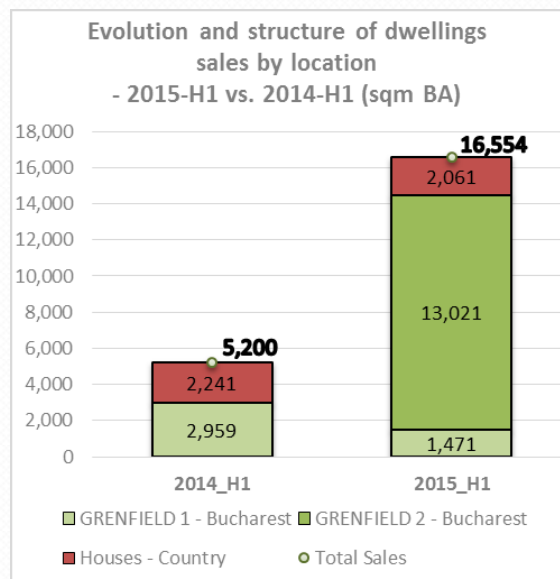
	2014_H1	2015_H1	Variation value	%
Revenue from the sale of residential inventories	12,879,344	49,924,526	37,045,182	288%
Revenue from rentals	753,922	654,747	-99,175	-13%
Revenue from utilities recharged	1,642,242	1,484,920	-157,322	-10%
Revenue from sale of investments properties	2,788,370	3,490,922	702,552	25%
Other Revenues of operational nature	322,810	1,392,353	1,069,543	331%
Total	18,386,688	56,947,468	38,560,780	210%

a) Sales of apartments and houses

In the first semester of 2015, 188 houses and apartments were sold with a total built area of almost 16.500 sq.m, over three times more than the same period last year. Also in the first half of 2015 were canceled 4 installment contracts signed during the previous years, so that the net number of housing units sold was 184.

The new residential development started by IMPACT DEVELOPER & CONTRACTOR SA in the summer of the year 2014 - the SALCAMILOR Compound located in GREENFIELD neighbourhood, generated the biggest contribution to the company sales – 153 apartments, respectively over 13 thousand sqm BA.

Also in the first semester of 2015 were sold also 21 apartments of the stock related to the the first phase of development of the Greenfield neighborhood and 14 dwellings were sold in the province (Oradea, Ploiesti and Constanta).



IMPACT DEVELOPER & CONTRACTOR

*Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)*

GREENFIELD sales growth was favorised by the new qualities of residential product and also by compound facilities which together have created a competitive advantage for the buyer. Also the buyers increased appetite associated with increased interest shown by banks regarding the financing facilities favored the sales growth.

The increase of the number of units sold in the first half of 2015 is reflected in the increase area sold compared to the first half of 2014.

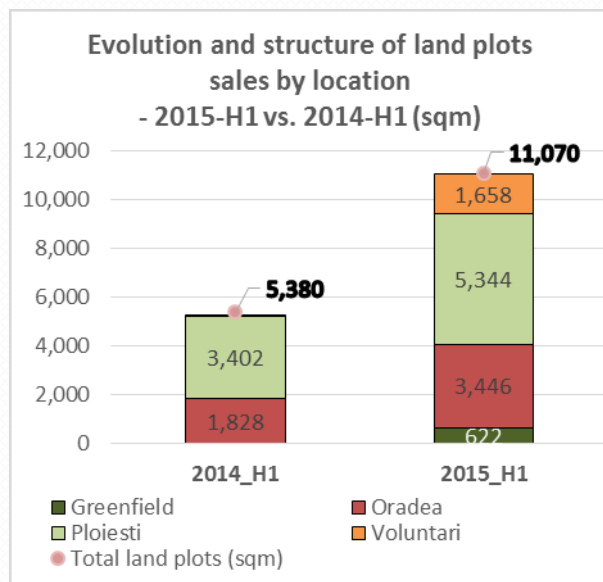
b) Rentals

The activity of apartment lease is no longer a priority for the Company in the past years. Most dwellings whose leases were terminated in H1 2015 were sold, so that the number of leased dwellings dropped from 21 dwellings in December 2014 to 11 dwellings by the end of June 2015.

c) Sales of land plots

In the first semester of 2015, land plots with a surface of 11.000 sq.m were sold in Ploiesti, Voluntari, Oradea and Greenfield, over half of parcels being sold in Ploiesti.

Compared to H1 2014, the sold of land plots is over two times greater mainly due to intensively sales activities and because in H1 2015 have concluded many contracts that where promised in previous periods.



IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

11. Operational expenses

Operational expenses increased due to the increase in sales volumes but the increase of expenses was in a much smaller proportion compared to operating income, due to optimization of production costs for new residential development in Greenfield and thus one was able to achieve an operating profit of approximately **7.5 million lei EBITDA** on June 30, 2015 compared to an operating loss of 7.1 million lei EBITDA on June 30, 2014.

	2014_H1	2015_H1	Variation value	%
Consumption of raw materials	(175,740)	(339,847)	(164,107)	93%
Services provided by third parties	(2,814,265)	(2,580,702)	233,563	-8%
Employee benefits expenses	(2,083,659)	(3,195,407)	(1,111,748)	53%
Other operating expenses	(2,446,487)	(3,130,864)	(684,377)	28%
Total	(7,520,151)	(9,246,820)	(1,726,669)	23%

The interest expenses decreased by 51% on account of repayment of contracted loans, but the net financial result is affected by the influence of exchange rate differences.

	2014_H1	2015_H1	Variation value	%
Financing costs	(1,710,416)	(834,242)	876,174	-51%
Financial income	306,229	23,186	(283,043)	-92%
Exchange rate differences	1,071,674	75,863	(995,811)	-93%
Other financial items, net	(3,187)	(43,012)	(39,825)	1250%
Total	(335,700)	(778,205)	(442,505)	132%

12. Strategic Directions and Activities Guidelines of IMPACT in 2015

The first semester of 2015 was marked by the completion of the first phase consisting in 9 collective housing buildings with 252 appartmenst of the new real estate development from Salcamilor Compount located in GREENFIELD neighborhood and also by the signing of the purchase and sale contracts and the dwellings were handed over to the new owners.



The necessary documentation for the sale of the 252 dwellings has been prepared in the first quarter of 2015 at the same time with a rapid pace of precontracting, and since April 2015 has begun the signing of sale purchase agreements, so that on June 30, 2015, a number of 153 contracts and 62 promises of sale and reservations from the first stage of Salcamilor project were signed, the contracting degree being of 85% of the total number of buildings and of 87% of the built area available for sale.

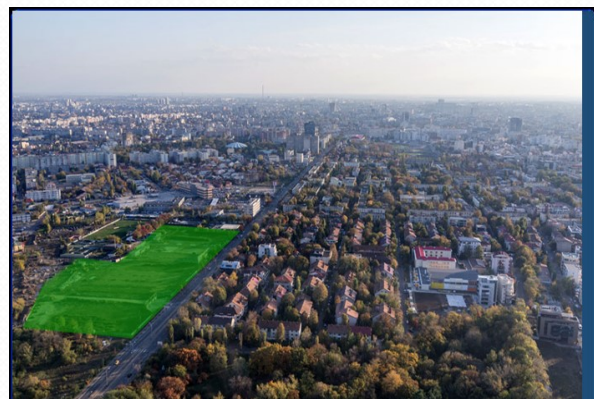
The Company Development Plan for 2015 envisages continued construction for another 17 blocks in Salcamilor Compound in Greenfield neighborhood, totaling 44,000 square meters and an urban center (Greenfield Plaza) with a total surface of 10.400 sqm that will contain a SPA center of approximately 8,000 square meters and an administrative office for the company with 2,400 sqm.

The company intends speeding of the production cycles and product standardization so that the offer of IMPACT should prevent the market requirements, this beeing one of the concerns of the management in the current period in order to reach the sales objectives and profitability.

Thus in April 2015 the company started the works on the second phase of the Salcamilor Project with another 9 blocks of 252 apartments and is planning to begin the construction works to the stages 3 and 4 also this year, and in this respect, besides its own sources of funding - reinvested profit one is willing to co-finance the development expenses through a bank loans. Also, the management aim is that by 31.dec.2015 to prepare the authorization for a further 37 blocks that will be built in the future.

Also in the first semester of 2015 the company have initiated the preparation of the design and authorization documentation for the Barbu Vacarescu project, that started in September 2014 with the purchase of a new land plot of 2.6 ha.

In order to sustain the business development and financing of the above mention projects, the company has proposed obtaining financing on the capital market up to RON 135 million by issuing corporate bonds, and in this regard the Extraordinary General Meeting of Shareholders approved the corporate bonds issue on June 02, 2015, and the management of the company started the procedures for the issuance of the bond prospectus.



IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

13. Capital Market

IMPACT DEVELOPER & CONTRACTOR SA has been listed at the Bucharest Stock Exchange since the year 1996. Starting with the year 2006 its shares are quoted in the first category of BVB. Since January 2015, IMPACT shares, in a number of 277,866,574, are traded on the Premium category according to the new segmentation of Bucharest Stock Exchange.

Impact share price evolution (July 2014 – July 2015)



The market capitalization of the company at the end of June 2015 was of 89 mil EUR.

BET Index Evolution (July 2014 – July 2015)

There are no restrictions for the security transfer, there are no restrictions for the voting rights, there are no holders of securities with special control rights.

According to the situation reported by the Central Depository and reports to the Bucharest Stock



Exchange, among the shareholders that held over 10% of the company shares on July 16, 2015 there are: Gheorghe Iaciu with 49,04%, Andrici Adrian with 15,39% of the share capital and SWISS CAPITAL together with a group of shareholders affiliated to SWISS CAPITAL holds 10.51% of the share capital, and 25.05% of the shares were held by shareholders.

At July 16, 2015, 22.58% of the shares were held by legal entities and 77.42% of the shares were held by individuals.

The BET index recorded on June 30 2015 a slight increase of 3% compared to the beginning of the year, and the IMP shares have recorded a slight decrease of 3% (1.4340 lei/share on 06.30.2015 compared to 1.4850 lei/share on 12.31.2014), after a sustained growth in the previous year.

IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

14. Performance Indicators

Stock exchange indicators - evolution:

Indicators	Dec-12	Dec-13	Jun-14	Dec-14	Jun-15
Price / share	0.115	0.544	0.975	1.485	1.434
No. of shares	197,866,574	197,866,574	197,866,574	277,866,574	277,866,574
Market capitalization (RON)	22,754,656	107,639,416	192,919,910	412,631,862	398,460,667
Exchange rate	4.4287	4.4847	4.387	4.4821	4.4735
Market capitalization (EUR)	5,137,999	24,001,475	43,975,361	92,062,172	89,071,346
Net Asset Value (RON)	326,121,386	281,430,511	279,571,401	365,579,741	372,648,501
Net Asset Value (EUR)	73,638,175	62,753,475	63,727,240	81,564,387	83,301,330
Annual/semester Profit/Loss	-74,892,467	-42,457,620	-1,859,110	4,091,143	7,068,760
Gain per share (RON)	-0.378	-0.215	-0.009	0.015	0.025
Net Asset Value (RON)/share	1.648	1.422	1.413	1.316	1.341
Premium/discount compared to the net asset value	-93%	-62%	-31%	13%	7%

During 2015 the company's share price was stabilised especially due to the implementation of the new development plan for the next 5 years and to the company's strategy to sale of non-core assets.

Economic and financial indicators – evolution:

Indicators	Dec-13	Jun-14	Dec-14	Jun-15
Return on Assets	-11.42%	-0.51%	0.93%	1.62%
Return on Equity	-15.09%	-0.66%	1.12%	1.90%
Debt ratio (Total debt vs. Total asset)	24.28%	22.60%	17.32%	14.60%
Leverage (Equity vs. Total asset)	75.72%	77.40%	82.68%	85.40%
Gearing ratio (Loans vs. Equity)	21.19%	17.93%	10.05%	7.73%
Current ratio	3.26	3.08	4.54	6.04
Quick ratio	0.43	0.35	0.34	1.10

IMPACT DEVELOPER & CONTRACTOR

Individual Financial Statements as at June 30, 2015
(values are expressed in LEI, unless otherwise specified)

EPRA¹ Net Asset Value:

Description	Dec.14	Jun.15
IFRS Net Asset Value	365,579,740	372,648,501
Number of shares	277,866,574	277,866,574
IFRS Net Asset Value /Share	1.32	1.34
Revaluation of inventories / available land for sale	47,704,789	53,106,183
Excludes:		
Deffered tax	13,010,763	13,010,763
EPRA Net Asset Value	426,295,292	438,765,447
EPRA Net Asset Value/Share	1.53	1.58

The objective of the **EPRA Net Asset Value** It is to highlight the fair value of net assets on an ongoing analysis on long term.

Adjustments are considering the revaluation of assets and land available for sale to net realizable value.

¹"EPRA" European Public Real Estate is an association representing public real estate companies listed in Europe.

15. Auditors

Following General Shareholders Assembly (ASA) in April 2015, has extended the contract with the current external auditor of the Company, KPMG Romania SRL, for a term of one year.

The Financial Statements as at June 30, 2015 are not audited.

President of Board of Directors
Iuliana Mihaela Urda

Chief Financial Officer
Bogdan Geanta

Translation from Romanian Language