NOTES TO THE FINANCIAL STATEMENTS

IMPACT DEVELOPER & CONTRACTOR

30th of June 2010

(the amounts are expressed in RON, unless otherwise specified)

Statement of Equity Ownership Modifications

	Balance as of 01.01.2010	increases		decreases		Balance as of 30.06.2010
		Total, out of which	By transfer	Total, out of which	By transfer	
Subscribed capital	200,000,000					200,000,000
Premium related to capital	74,217,746					74,217,746
Merger premium	10,551,105					10,551,105
Revaluation reserves	6,523,446			6,870	6,870	6,516,576
Legal reserves	6,573,653			0	0	6,573,653
Reserves repres. revaluation reserve surplus	2,632,379	6,870	6,870			2,639,250
Other reserves	35,795,823	78,777	78,777			35,874,600
Own shares	2,427,929					2,427,929
Losses related to own share instruments	432,470					432,470
Carried forward result	78,777			78,777	78,777	0
Result of the accounting period	141,540			7,563,340	141,540	-7,421,800
Distribution of profit	141,540			141,540	141,540	0
Total own shares	333,512,530	85,647		7,507,447		326,090,731

(the amounts are expressed in RON, unless otherwise specified)

Statement of Cash Flows by the Indirect Method

CASH FLOWS FROM EXPLOITATION ACTIVITIES	June-09	June-10
Net Profit/(Loss) before tax	3,270,903	-7,416,300
Adjustments for:		
Amortization	977,747	1,011,501
Revenues from sales of assets	(335,867)	(438,363)
Expenses regarding assigned assets	140,496	240,140
Revenues from exchange rate differences	-	(4,639,346)
Expenses from exchange rate differences	-	8,733,023
Revenues from interests	(3,778,471)	(1,650,999)
Expenses with interests	4,517,529	3,079,645
Provisions increase/decrease	5,169,453	(1,665)
Adjustments of non-cash elements	6,690,887	6,333,936
Decrease/Increase of trade receivables and of other nature	13,635,661	3,793,454
Decrease/Increase of stocks	(10,529,335)	7,593,181
Increase/Decrease of debts to suppliers and of other nature	(7,684,599)	(6,750,496)
Modification of operating assets and liabilities	(4,578,273)	4,636,140
Paid-up interest	(6,237,399)	(3,079,645)
Paid-up profit tax	-	
Paid-up dividends/Profit distributed to employees	-	-
Net cash resulted from exploitation activity	(853,881)	474,130
CASH FLOWS FROM INVESTMENT ACTIVITIES	**June-09**	**June-10**
Acquisitions of branches	-	-
Loans granted to affiliated entities	535,781	441,143
Acquisitions of assets	(7,672)	(50,405)
Collections from asset sales	335,867	438,363
Collected dividends		-
Collected interests	3,778,471	1,650,999
Net cash resulted from investment activity	4,642,446	2,480,100
CASH FLOWS FROM FINANCING ACTIVITY	**June-09**	**June-10**
Variation of medium-term loans	(54,630,740)	(8,592,650)
Acquisitions of own shares	-	-
Payment of liabilities related to financial leasing	(380,224)	(137,774)
Net cash resulted from financing activity	(55,010,964)	(8,730,424)
Net cash variation	**(51,222,399)**	**(5,776,194)**

(the amounts are expressed in RON, unless otherwise specified)

NOTES TO THE FINANCIAL STATEMENTS as at 30th of June 2010

Note 1 - Fixed Assets

The variation of gross value, of amortization and of net accounting value, as at 30th of June 2010, by each category of fixed assets, is presented as follows:

Intangible Assets

Description	Intangible assets
01.01.2010	**1,299,853**
Gross value	
Inflows	65,913
Outflows/Transfer	-
30.06.2010	**1,365,766**
Amortization	
01.01.2010	**1,027,906**
Inflows	91,595
Outflows/Transfer	-
30.06.2010	**1,119,501**
Net value	
01.01.2010	**271,947**
30.06.2010	**246,265**

(the amounts are expressed in RON, unless otherwise specified)

Tangible Assets

Description	Lands	Constructions	Technical inst., means of transp.	Furniture, ap. and birotics	Advances and assets in progress	Total
COST						
As at 01.01.2010	12,020,277	23,496,586	8,227,652	800,626	199,807	44,744,948
Inflows	88,893	3,272,569	32,205	-	-	3,393,667
Outflows/Transfer	7,830	229,718	531,972	-	-	769,520
As at 30.06.2010	12,101,340	26,539,437	7,727,885	800,626	199,807	47,369,095
AMORTIZATION						
As at 01.01.2010	-	1,158,773	6,040,750	476,003	-	7,675,526
Inflows	-	490,993	375,908	53,005	-	919,906
Outflows/Transfer	-	2,902	518,647	-	-	521,549
As at 30.06.2010	-	1,646,864	5,898,011	529,008	-	8,073,883
NET VALUE						
As at 01.01.2010	**12,020,277**	**22,337,813**	**2,186,902**	**324,623**	**199,807**	**37,069,422**
As at 30.06.2010	**12,101,340**	**24,892,573**	**1,829,874**	**271,618**	**199,807**	**39,295,212**

Fixed assets are registered in accounting to cost or revaluated value and are amortizated from the moment of their putting to work on their normal duration of operation, according to the «Catalog regarding classification and normal durations of operation of fixed assets». There was taken into consideration the minimal provided duration of operation. The accounting amortization method is the linear method.

Assets in progress of accomplishment are amortizated beginning with the moment of their putting into work, a moment that coincides with that of their transfer in the category of fixed assets. Lands are not amortizated.

For the reflection in the accounting balance, historical cost less accrued amortization was revaluated in accordance with the Government Decisions no: 500/1994, 983/1998, 403/2000, 1553/2003, on the basis of some statistical price indexes established by the previously mentioned documents, as at 31.12.2006 and as at 31.12.2009.

Beginning with the year 2009 the management of Impact made the decision to conclude with different clients lease contracts of dwelling units. Thus, for the year 2009 there was concluded a number of 54 lease contracts. According to OMFP 1752, these apartments were registered in the tangible assets accounts, the balance of the constructions account increasing by about 16 million lei. The land afferent to these apartments was also registered in the tangible assets accounts, the balance of account 211 increasing by 0.5 million RON. In the year 2010 there were signed 12 contracts with a value of 3.3 million RON (the construction and the afferent land).

(the amounts are expressed in RON, unless otherwise specified)

Financial Assets

Elements	**31.12.2009**	**30.06.2010**
Participation shares owned to affiliated entities	47,621,145	49,949,705
Adjustments for the loss of value of the shares of affiliates	64,750	64,750
Loans granted to affiliated entities	3,403,690	2,962,546
Adjustments for the loss of value of loans	677,207	677,207
Net value	**50,282,878**	**52,170,294**

Participation Shares Owned to Affiliated Entities

Denomination of company	Registered office	Share capital 30.06.10	Net result 30.06.10	Investment of IMPACT 31.12.09	Investment of IMPACT 30.06.10	Participatio n percentage 30.06.10
Actual Invest House SRL	Voluntari, 50, Drumul Bisericii St., bl wing A fl. P	5,000	(61,475)	4,950	4,950	99%
Bipact 1995 SRL	Voluntari, 4C, Pipera Tunari Road, fl.6	1,550	xxx	975	975	63%
BIZ-AR SRL	Bucharest, 1st District, 145, Padurea Pusnicu St., ap. 6	200	(3,744)	190	190	95%
Hobbit Intermediere SRL	Voluntari, 4C, Pipera Tunari Road	25,000	xxx	94,602	94,602	95%
Imobilia Credit SA	Voluntari, 4C, Pipera Tunari Road	92,500	xxx	64,750	64,750	70%
Intop Construction SRL	Bucharest, 1st District, 13, Intrarea Poiana St., ap.4	2,010,200	(4,789)	2,010,000	2,010,000	90%
LOMB SA	Cluj –Napoca, 22, Nasaud St., ap. 71	92,744,954	xxx	45,445,028	45,445,028	49%
Millenium Consult Invest SRL	Bucharest, 1st District, 145, Padurea Pusnicu St.	5,175,930	(153,544)	270	2,329,020	45%
Prest RV 2003 SRL	Bucharest, 1st District, 145, Padurea Pusnicu St.	200	(3,423)	190	190	95%
Topo Prest SRL	Bucharest, 1st District, 145, Padurea Pusnicu St.	200	-	190	0	0%
			xxx	47,621,145	49,949,705	

(the amounts are expressed in RON, unless otherwise specified)

The companies BIZ-AR, Prest RV and Topo Prest, whose shares were purchased in the year 2008, and Millenium Consult Invest, whose shares were purchased in the year 2009, will be used as investment vehicles in the new projects that will be started especially in the Greenfield II area. The company Topo Prest was liquidated on the date of 13th of January 2010 on the basis of the conclusion of the delegated judge no. 6225 as of 13.01.2010. Following liquidation, the profit of Impact was negatively influenced by the amount of 247 RON.

S.C. LOMB S.A. is a share trade company having as shareholders the Local Council of the Municipality Cluj-Napoca (51%) and S.C. IMPACT DEVELOPER & CONTRACTOR S.A. (49%).

The share capital is subscribed according to the Articles of Association of SC LOMB SA:

- the amount of 45,445,027.51 lei, representing the contribution of SC IMPACT DEVELOPER & CONTRACTOR SA to the subscribed share capital of SC LOMB SA, was integrally paid-up;
- the amount of 47,299,926.60 lei, representing the land, with a surface of 179 ha, brought as a contribution by the Local Council of the Municipality Cluj-Napoca to the share capital of SC LOMB SA, was not paid-up, the formalities of land dismembering being in process of realization;

The company is registered with the Trade Register Office of Cluj-Napoca under the number J12/3024/2008, having the sole registration code 24190182 with fiscal attribute RO. The main activity object of the company is real estate development and promotion, according to the NACE code no. 4110.

The purpose for the set-up of this company is that of developping a residential quarter in Cluj-Napoca. The project concept envisages the development of a town environment, inspired by the European urban poles, where the local specific is naturally combined with the contemporary dwelling standards, including with regard to the natural environment. There will be taken into account the university brand of Cluj, including the newer trends in the development of the city, as it is that of viewing Cluj as a financial and banking center. The constructions intended for dwelling will be in balance with the constructions intended for public functions, business, trade, to spaces intended for entertainment and rest and will have an adequate distribution within the allotted surface of 267 ha.

Frozen Receivables

Company	Loan balance as at 31.12.2009	Loan balance as at 30.06.2010
Actual Invest House	1,409,704	1,048,147
Bipact	162,834	86,489
Imobilia Credit	680,449	677,207
Intop Construction	1,123,338	1,123,338
Investimob Development	27,365	27,365
TOTAL	**3,403,690**	**2,962,546**

(the amounts are expressed in RON, unless otherwise specified)

Loans are granted especially as working capital. No interest is charged.

Note 2 - Provisions

The provision regarding the guarantees granted to the clients was cancelled as all the sold houses in the old assemblies came out of the contracting guarantee period and the guarantee afferent to the apartments in Greenfield is ensured by the subcontracting constructors.

Provisions	Balance as at 31.12.2009	Balance as at 30.06.2010
Provisions for deferred taxes	73,199	41,725
Other provisions for risks and expenses	57,444	57,444
TOTAL	**130,643**	**99,169**

Note 3 - Analysis of Exploitation Result

Indicator	30.06.2009	30.06.2010
Turnover	29,601,421	20,516,297
Cost of sold goods and supplied services	23,814,432	16,505,423
Direct production expenses	18,869,628	13,078,253
Indirect production expenses	4,944,805	3,427,169
Net turnover afferent gross result	**5,786,989**	**4,010,874**
Sale expenses	972,131	461,173
General administration expenses	983,939	6,319,809
Other exploitation expenses	13,587,045	1,237,588
Other exploitation revenues	14,153,137	1,870,640
Exploitation result	**4,397,010**	**-2,137,055**

The company includes in the production cost the direct expenses (direct materials, manual labour, equipments), land cost, indirect production expenses (indirect materials, indirect manual labour, indirect equipments, cost of site networks). In case of loans strictly afferent to the development of some real estate projects, the afferent interest was included in the production cost. General administration and marketing/sale expenses are not included in the production cost.

(the amounts are expressed in RON, unless otherwise specified)

Due to the special context that led to the decrease of sales and especially to a lack of predictability of the economic environment, the management of the company made the decision not to start anymore the construction of new assemblies, so as there resulted an underactivity of the company. A direct consequence of this fact is that the fixed expenses that until now were considered as production costs, became general administration expenses.

Note 4 - Statement of Receivables and Debts

Receivables

The detailed statement of receivables as at 30th of June 2010 is presented as follows:

Denomination of receivable	Balance as at 31.12.2009	Balance as at 30.06.2010, out of which	Termen de lichiditate	
			under 1 year	over 1 year
Clients	80,678,485	76,930,401	57,697,801	19,232,600
Adjustments for deprec. of clients' rec.	2,078,127	2,078,127	0	2,078,127
Clients, invoices to be drawn	166,102	0	0	0
Advances granted to service suppl.	3,724,021	4,474,701	4,474,701	0
Granted guarantees	45,443	45,443	45,443	0
Different debtors	5,136,826	10,783,165	8,518,700	2,264,465
Adjustments for deprec. of debt rec.	688,353	806,047	0	806,047
Other receivables*	4,705,034	3,780,478	3,780,478	0
TOTAL	**91,689,431**	**93,130,014**	**74,517,123**	**18,612,891**

Other receivables *	Value
Interests to be collected	947,294
Operations under clarification	89,309
Settlements among branches	-738
Amounts to recover from budget	2,744,613
TOTAL	**3,780,478**

(the amounts are expressed in RON, unless otherwise specified)

In the different debtors account there is registered the payment of an amount of 1,684,853 RON representing the stamp tax in the case file 24403/3/2007 to TMB in the lawsuit with SN Institutul Pasteur. This tax follows to be recovered, on this purpose another lawsuit pending on the dockets to the Bucharest Court of Appeal. The different debtors account increased by the amount of 5,224,000 RON representing the advance paid by Impact to Institutul Pasteur for one land. Following the existing litigation and the fact that Impact requests the return of the money, the above mentioned amount was moved from „Advances for land" in „Different debtors".

The amounts to be recovered from the budget represent WATT to recover (0.5 mil RON) and additionally paid tax on profit, with a value of 2.2 million RON.

The amounts being in operations under clarification represent amounts seized following two forced executions. As Impact submitted a contestation and the lawsuits are not finished, the money is reflected in this account until the clarification of the situation.

Debts

Denomination of debt	Balance as at 31.12.2009	Balance as at 30.06.2010, out of which	Liquidity term	
			under 1 year	under 1 year
Bank credits	140,128,972	132,536,322	67,285,424	65,250,898
Interests to be paid	0	0	0	0
Financial leasing**	312,161	174,387	151,391	22,996
Collected advances	1,922,310	1,841,125	1,841,125	0
Trade debts*	14,940,083	15,710,350	15,710,350	0
*Other debts****	8,491,223	6,588,757	2,290,520	4,298,237
TOTAL	**165,794,749**	**156,850,941**	**87,278,810**	**69,572,131**

Trade debts*	Value
suppliers	10,844,690
suppliers, unarrived invoices	4,865,660
TOTAL	**15,710,350**

Other debts ***	Balance as at 30.06.2010	Liquidity term	
		over 1 year	over 1 year
Guarantees of suppliers	5,056,749	758,512	4,298,237
Debts related to personnel	1,176,790	1,176,790	0
Dividends to be paid	46,398	46,398	0
Different creditors	308,819	308,819	0
TOTAL	**6,588,757**	**2,290,520**	**4,298,237**

(the amounts are expressed in RON, unless otherwise specified)

Leasing**		**Balance as at 30.06.2010**
MOTORACTIVE	EUR	11,703
	Equivalent RON	51,127
RCI LEASING	EUR	28,214
	Equivalent RON	123,260
TOTAL	**EUR**	**39,916**
	Equivalent RON	**174,387**

Bank credits		**Balance 30.06.2010**
BANC POST	EURO	1,708,463
	Equivalent RON	7,463,933
PIRAEUS	Euro	12,807,256
	Equivalent RON	55,952,339
BANCA ROMANEASCA	Euro	14,537,139
	Equivalent RON	63,509,853
BNACA TRANSILVANIA	RON	5,610,197
TOTAL	**RON**	**132,536,322**

The statement of credits under performance at the end of the month of June 2010 is presented below.

1. Piraeus Bank

Credit contract no. 301/30.08.2006 Value: 13,000,000 EUR Due date : 31.07.2010

Object : financing in a proportion of 85% of the acquisition of a land plot situated in Bucharest, 6th district, Prelungirea Ghencea no. 402 - 412 and for the payment of an amount of up to 50% of the value of the risk commission afferent to the Facility.

Interest: EURIBOR at 3 months plus a margin of 5 percentual points per year, the calculation of interests will be performed for the daily balance of the credit account and will be reported to a 360-day year.

Penalties : Annual rate by 6 percentual points higher than the interest rate.

Reimbursement : reimbursement of the Facility will be made integrally on the due date.

In order to expand the loan at this moment there is an addendum under signing.

2.Piraeus Bank

Credit contract no.10/11.01.2007 Value : 112,180 EURO Due date 11.12.2011

Object : issue of a security letter with a value of 112,180 EURO, with a maturity on 11.12.2011.

Interest : EURIBOR at 3 months plus a margin of 3.15 percentual points per year.

Penalties : Annual rate by 6 percentual points higher than the interest rate

Reimbursement : reimbursement of the Facility will be made integrally on the due date.

(the amounts are expressed in RON, unless otherwise specified)

The statement of the mortgaged assets for Piraeus Bank is presented below:

Type of receivable	Cadastral No.	Mortgaged surface	No. of Mortgage Contract	Real estate	Asdress/assembly
first rank mortgage; second rank mortgage	6515/2/6/1	258,925.36	2781/31.08.2006; second rank by 129/23.01.2009	land	Bucharest, Prelungirea Ghencea no. 402-412, District 6
first rank mortgage; second rank mortgage	18216/1-Fondamento	25,870.00	3116/16.08.2005, deregistered, and the second rank mortgage by ctr. 2484/11.07.2006 becomes of first rank; second rank by ctr. 165/19.01.2007	land	Bucharest, district 1, Baneasa/ Greenfield
first rank mortgage; second rank mortgage	18428/1/1 - Patagonia	12,421.00	129/23.01.2009	land	Bucharest, Aleea Teisani no. 350A, district 1
first rank mortgage; second rank mortgage	18217/1 - Fondamento	23,568.00	3116/16.08.2005, deregistered, and the second rank mortgage by ctr. 2484/11.07.2006 becomes of first rank; second rank by ctr. 165/19.01.2007	land	Bucharest, district 1, Baneasa/Greenfield
first rank mortgage; second rank mortgage	18428/2 - Fondamento	14,393.57	3116/16.08.2005, deregistered, and the second rank mortgage by ctr. 2484/11.07.2006 becomes of first rank; second rank by ctr. 165/19.01.2007	land	Bucharest, district 1, Baneasa/ Greenfield
first rank mortgage; second rank mortgage	10252 - Constanta	31,400.00	2044/08.07.2005; second rank by 129/23.01.2009	land	Constanta, Constanta county, P VN 269
first rank mortgage; second rank mortgage	10250 Constanta	9,100.00	3384/18.09.2006; second rank by 129/23.01.2009	land	Constanta, Constanta county, P VN 264
first rank mortgage; second rank mortgage	10253-Constanta	13,600.00	3384/18.09.2006; second rank by 129/23.01.2009	land	Constanta, Constanta county, P VN 267/2

3. Bancpost

Contract of credit facility on term no. 58/23.09.2005

Value: „First subfacility" in an amount of up to 4,500,000 EUR; „Second subfacility" in an amount of 4,600,000 EUR; „Third subfacility" in an amount of 2,000,000 EUR; „Third subfacility bis" in an amount of 5,000,000 EUR; „Fourth subfacility" in an amount of 2,900,000 EUR. The undrawn amounts from the „first subfacility" will supplement" the „fourth subfacility" „Fifth subfacility" in an amount of 2,000,000 EUR; Validity: 7 years from the signing date of the credit contract

(the amounts are expressed in RON, unless otherwise specified)

The interest will be calculated as of the drawing date pn the basis of the number of effective days reported to a 360-day year and is due and payable monthly, on the last day of the current month. The interest will be accumulated daily, being calculated on the basis of the following formula: (credit balance x interest rate provided for in the previous paragraph)/360 days

If the Borrower does not reimburse on the due date any part of the credit drawn from the Facility, the outstanding amount will lead to the payment of an increased interest to a rate equal to the amount of the provided interest rate and a margin of 3%.

The reimbursement date of the last installment of the Facility cannot exceed 7 years from the signing date of the Contract, respectively the date of 30.10.2013.

On 30.06.2010 there remained in the balance the value of 1,708,463 EUR from the second subfacility, intended for the financing of the „Europa” residential project. The other due subfacilities were integrally reimbursed on the 25.07.2007, summing up 12,795,602 EUR, for their payment being contracted other two credits with Banca Romaneasca.

The statement of mortgaged assets for Bancpost is presented below:

Type of receivable	Cadastral No.	Mortgaged surface	No. of Mortgage Contract	Real estate	Asdress/assembly
first rank mortgage	1916/3/70	25,245.90	747/16.03.2007 euro; 2864/21.10.2005 Euro	land	Voluntari, 50, Drumul Bisericii St./Junior
first rank mortgage	1916/3/6	498.45	747/16.03.2007 euro; 2283/04.10.2005 Euro	land	Voluntari, 50, Drumul Bisericii St./Junior
first rank mortgage	1916/3/5	1,376.76	747/16.03.2007 euro; 2283/04.10.2005 Euro	land	Voluntari, 50, Drumul Bisericii St./Junior
first rank mortgage	1916/3/7	235.52	747/16.03.2007 euro; 2283/04.10.2005 Euro	land	Voluntari, 50, Drumul Bisericii St./Junior
first rank mortgage	1916/3/1	1,376.78	747/16.03.2007 euro; 2283/04.10.2005 Euro	construction	Voluntari, 50, Drumul Bisericii St./Junior
first rank mortgage	1916/3/2	498.45	747/16.03.2007 euro; 2283/04.10.2005 Euro	construction	Voluntari, 50, Drumul Bisericii St./Junior
first rank mortgage	1916/3/4	223.42	747/16.03.2007 euro; 2283/04.10.2005 Euro	construction	Voluntari, 50, Drumul Bisericii St./Junior
first rank mortgage	1916/3/11	143.50	747/16.03.2007 euro; 2864/21.10.2005	land and construction	Voluntari, 50, Drumul Bisericii St./Junior

4. Banca Romaneasca

Contract for investment credit 50070065/25.07.2007. Value : 7,993,204 EUR. Validity: 7 years, 25.07.2007 – 24.07.2014 Object:

a) Refinancing of some credit facilities being in balance at SC BANCPOST SA, credit facilities that had as a destination the financing of the different real estate projects/real estate acquisitions or acquisition of shares in companies that owned such real estates.

b) Financing of the commission for anticipated reimbursement charged by Bancpost in case of credits that follow to be taken over from Bancpost by the present facility. Interests:

a) Current interest rate: EURIBOR (1M) + 2.5% p.y.

b) Penalty interest rate: 2% + Current interest rate

Reimbursement: the credit facility will be reimbursed on a quarterly basis, in equal installments

5. Banca Romaneasca

Contract for investment credit 50070066/25.07.2007. Value : 22,306,796 EUR. Validity: 7 years, 25.07.2007 – 24.07.2014. Object:

a) Refinancing of credits being in balance at SC BANCPOST SA, credits that had as an object the financing of the construction works for the Project;

b) Financing of the commission for anticipated reimbursement charged by Bancpost in case of credits that follow to be taken over from Bancpost by the present facility;

c) Financing / refinancing of construction costs afferent to the Project under development;

d) The amount of 3,000,000 EUR from the total of the present credit facility may be also used for the financing in a proportion of up to 100 % of the acquisition cost afferent to some lands where the Project will be developed, including for the acquisition by the Borrower of shares issued by companies that own such lands, but only on the prior agreement of the Bank.

Grace period: 18 months from the date of the first use

a) Current interest rate: EURIBOR (1M) + 2,5% p.y. The current interest is calculated according to the used balance of the credit facility, beginning with the date of the first use and is paid until the integral reimbursement of the Facility.

b) Penalty interest rate: 2% + Current interest rate

Reimbursement: the credit facility will be reimbursed on a quarterly basis in equal installments after the finish of the grace period. Also, the credit facility will be reimbursed on a pro-rata basis from the collections afferent to the sale of each apartment/villa that is a part of the project.

(the amounts are expressed in RON, unless otherwise specified)

The ratio that defines pro-rata is the following: amount to be reimbursed = Value of Credit Facility * surface of apartment/villa sold according to the sale-purchase contract signed by the Borrower with the final client / Total surface of the Project.

On the date of 30.06.2010 the amount to be paid in balance afferent to these credits from Banca Romaneasca was of 14,537,139 EUR. The statement of the mortgaged assets for Banca Romaneasca is presented below:

Type of receivable	Cadastral No.	Mortgaged surface	No. of Mortgage Contract	Real estate	Asdress/assembly
first rank mortgage; second rank mortgage	20254	7,443.10	2648/25.07.2007; 2049/09.07.2008	land and constructions	Padurea Neagra no. 52-54
first rank mortgage; second rank mortgage	23574	6,957.99	2648/25.07.2007; 2049/09.07.2008	land and constructions	Padurea Neagra no. 22-28
first rank mortgage; second rank mortgage	22705	15,739.68	2648/25.07.2007; 2049/09.07.2008	land and constructions	Padurea Pustnicu no. 125-135
first rank mortgage; second rank mortgage	21763	22,270.44	2648/25.07.2007; 2049/09.07.2008	land and constructions	Padurea Neagra no. 56-64 and Padurea Pustnicu no. 145
first rank mortgage; second rank mortgage	Greenfield 2 - TOTAL	121,268.00	2648/25.07.2007; 2049/09.07.2008		
first rank mortgage; second rank mortgage	18217/2	43,911.00	2648/25.07.2007; 2049/09.07.2008	land	Bucharest, district 1
first rank mortgage; second rank mortgage	18216/2	19,931.00	2648/25.07.2007; 2049/09.07.2008	land	Bucharest, district 1
first rank mortgage; second rank mortgage	26525	57,426.00	2648/25.07.2007; 2049/09.07.2008	land	Bucharest, district 1

6. Banca Transivania

(the amounts are expressed in RON, unless otherwise specified)

Credit contract no. 15/21.07.2009 , value 12,800,000 RON , due date 20.07.2014.

Object: financing of current activity – finish of the projects being under development.

Interest : ROBOR at 6 months to which there is added the bank margin of 6.44%.

Penalties: the penalty interest to credit is of 30%/year, the penalties for the failure to pay interests, commissions and banking charges is of 30%/year.

Reimbursement: The credit will be reimbursed on the date of 28th of each month, according to a reimbursement schedule, in monthly installments correlated to the collection of installments and of rents from the assigned contracts.

The statement of the mortgaged assets for Banca Transilvania is presented below:

Type of receivable	Cadastral No.	Mortgaged surface	No. of Mortgage Contract	Real estate	Asdress/assembly
first rank mortgage	20254	470.46	218/21.07.2009	land and constructions	Padurea Neagra no. 52-54
first rank mortgage	23574	22.01	218/21.07.2009	land and constructions	Padurea Neagra no. 22-28
first rank mortgage	22705	356.05	218/21.07.2009	land and constructions	Padurea Pustnicu no. 125-135
first rank mortgage	21763	296.52	218/21.07.2009	land and constructions	Padurea Neagra no. 56-64 and Padurea Pustnicu no. 145
first rank mortgage	5308	214.00	218/21.07.2009	Land and constructions	St. George Palade no. 6, Oradea, Bihor
first rank mortgage	153647	220.00	218/21.07.2009	Land and constructions	St. George Palade no. 19, Oradea, Bihor
first rank mortgage	153648	80.00	218/21.07.2009	Land	St. George Palade no. 19, Oradea, Bihor
first rank mortgage	5309	212.00	218/21.07.2009	Land and constructions	St. George Palade no. 8, Oradea, Bihor
first rank mortgage	153587	220.00	218/21.07.2009	Land and constructions	St. George Palade no. 20, Oradea, Bihor
first rank mortgage	153588	121.00	218/21.07.2009	Land	St. George Palade no. 20, Oradea, Bihor
first rank mortgage	7601	332.00	218/21.07.2009	Land and constructions	St. George Palade no. 22, Oradea, Bihor

(the amounts are expressed in RON, unless otherwise specified)

first rank mortgage	7602	312.00	218/21.07.2009	Land and constructions	St. George Palade no. 24, Oradea, Bihor
first rank mortgage	7603	321.00	218/21.07.2009	Land and constructions	St. George Palade no. 26, Oradea, Bihor
first rank mortgage	7604	375.00	218/21.07.2009	Land and constructions	St. George Palade no. 28, Oradea, Bihor
first rank mortgage	153317	220.00	218/21.07.2009	Land and constructions	St. George Palade no. 38, Oradea, Bihor
first rank mortgage	153318	83.00	218/21.07.2009	Land	St. George Palade no. 38, Oradea, Bihor
first rank mortgage	7610	200.00	218/21.07.2009	Land and constructions	St. George Palade no. 40, Oradea, Bihor
first rank mortgage	7611	200.00	218/21.07.2009	Land and constructions	St. George Palade no. 42, Oradea, Bihor
first rank mortgage	7612	200.00	218/21.07.2009	Land and constructions	St. George Palade no. 44, Oradea, Bihor
first rank mortgage	7613	200.00	218/21.07.2009	Land and constructions	St. George Palade no. 46, Oradea, Bihor
first rank mortgage	7690	342.00	218/21.07.2009	Land and constructions	St. George Palade no. 97, Oradea, Bihor
first rank mortgage	7689	342.00	218/21.07.2009	Land and constructions	St. George Palade no. 95, Oradea, Bihor
first rank mortgage	7537	470.00	305/04.06.2010	Land and constructions	St. Emil Palade No. 152 Oradea, Bihor
first rank mortgage	7752	200.00	305/04.06.2010	Land and constructions	St. Emil Palade No. 131 Oradea, Bihor
first rank mortgage	7541	325.00	120/09.03.2010	Land and constructions	St. Emil Palade No. 160 Oradea, Bihor
first rank mortgage	7540	362.00	120/09.03.2010	Land and constructions	St. Emil Palade No. 158 Oradea, Bihor

Totally, the accounting value of assets mortgaged to banks is of about 213.5 million RON:

Nota 6 - Accounting Principles, Policies and Methods

Basics of Drafting Financial Statements

Financial statements were drafted by the company, in accordance with the Order of the Minister of Finances number 1752/2005 for the approval of accounting regulations compliant with the European directives, with the observance of the Accounting Law number 82/1991 with its subsequent modifications and requirements for the presentation of annual financial statements.

Accounting Principles

The financial statements for the year 2010 were drafted in accordance with the following accounting principles:

Principle of Business Continuity. There must be presumed that the entity develops its activity on the basis of the principle of business continuity.

This principle supposes that the entity continues its operation normally, without coming into a liquidation condition or significant reduction of the activity. If the administrators of an entity were acknowledged of some unsafety elements related to certain events that may lead to its incapacity to continue its business, these elements must be presented in the explanatory notes. In case the annual financial statements are not drafted on the basis of the principle of continuity, this piece of information must be presented, together with explanations regarding their drafting mode and the reasons that laid on the basis of the decision according to which the entity cannot continue its business anymore.

Principle of Methods Permanence. The assessment methods must be applied consistently from an accounting period to another.

Principle of Prudence. The assessment must be made on a prudent basis, and especially:

a) there may be included only the profit realized on the balance date;

b) there must be taken into account all the debts occurred during the current accounting period or during a prior accounting period, even if these become obvious only between the balance date and the date of its draft;

c) there must be taken into account all the predictable debts and potential losses occurred during the current accounting period or during a prior accounting period, even if these become obvious only between the balance date and the date of its draft;

d) there must be taken into account all the depreciations, irrespective if the result of the accounting period is a loss or profit.

Principle of Accounting Period Independence. There must be taken into account the revenues and the expenses afferent to the financial accounting period, irrespective of the collection date or of the payment date of these revenues and expenses.

Principle of Separate Assessment of Asset and Debt Elements. According to this principle, the components of the asset or of debt elements must be assessed separately.

Principle of Intangibility. The opening balance for each accounting period must correspond to the closing balance of the preceding financial accounting period.

Principle of Non-compensation. Any compensation between the asset and the debts elements or between the elements of the revenues and expenses is forbidden.

The eventual compensations between the receivables and debts of the entity to the same economic agent may be performed, with the observance of the legal provisions, only after the registration into the accounting of the revenues and of the expenses to their entire value.

Principle of Economic over Juridical Prevalence. The presentation of the values within the elements in the balance and the profit and loss account is made taking into account the economic basis of the reported transaction or operation, and not only their juridical form.

Basics of Accounting

The interim financial statements, drafted by the company on the date of 30.12.2009, constituted of:

- Accounting balance
- Profit and loss account
- Equity ownership modifications
- Treasury flow
- Accounting policies and explanatory notes

are compliant with the provisions of the Accounting Law no. 82/1991, of OMFP no. 1752/2005 for the approval of the accounting regulations harmonized with the European directives.

Reporting Currency

The pieces of information are presented, within the financial statements, in Romanian lei. Taking into consideration the average inflation rate in the year 2009 of 5.59%, communicated by the National Institute of Statistics, not all the data are reflected in the real terms of the purchasing power of the leu as at 31st of December 2009.

Use of Estimations

As a result of the inherent uncertainties in the development of activities, many elements of the financial statement cannot be precisely assessed, but only estimated. The estimation process involves reasonings based on the most credible recent pieces of information that we had available.

There may be realized, for example, estimations for:

- uncertain clients
- moral use of stocks
- real value of assets and of financial debts, etc

The use of some reasonable estimations represents an essential part of the financial statements drafting and does not undermine their credibility.

An estimation may need a revision, if there take place changes regarding the circumstances that estimation was based upon or following some new pieces of information or subsequent experiences.

By its nature, the estimation revision is not related to previous periods and does not represent the correction of an error. Thus, the company management proceeded to the revision of the respective elements' value and to their influencing with the effects of some possible circumstance modifications, of some events subsequent to the closing of the accounting period, or of other pieces of information, if these were considered significant.

The use of estimations led, for the company, to the set-up and registration of provisions for the depreciation of the assets and for risks and expenses. The effect of such operations was included within the positions in the balance afferent to the respective elements and affected the profit and loss account.

Conversion of Transactions in Foreign Currency

The transactions of the trade company in foreign currency were regostered to the exchange rates communicated for the dates of the transactions. The receivables and debts in foreign currency are converted into lei at the end of each financial year, on the basis of the exchange rates communicated by the National Bank of Romania. The earnings and losses resulted following such operations are acknowledged in the profit and loss account. Whenever necessary, the company sets up during the year provisions for the negative exchange rate differences.

Revenues

The main revenues obtained from exploitation are those from the sale of the built houses/apartments. Thus, the revenues afferent to the sold houses/apartments are acknowledged at the moment of the constructions handover to the beneficiary. A part of the contracts concluded with the beneficiaries provides the execution of the building with the payment by execution stages. Beginning with the year 2007, the Company opted for the modality to acknowledge the revenues generated from such contracts at the moment of the handover, based on a handover minutes for work stage. Thus, the Company also acknowledges the revenues to the extent of the handover of work stages for the constructions.Beginning with the year 2008, due to the fact that there existed permanently a stock of finished apartments and houses, such contracts were not concluded anymore, the sales taking place directly from the stock.

With regard to the production in progress, the revenues are registered at the level of the costs distributed to each house under work and are reported to the revenues from the stocked production.

Pensions and Other Benefits Subsequent to Retirement

The company does not finance private pensions and does not have a benefit plan in case of retirement for its employees.

All the employees of the company are a part of a pension plan financed by the Government of Romania from funds constituted by the company and its employees, and thus the company does not have any liability with regard to the private pension plan.

Intangible Assets

The intangible assets purchased by Impact are presented to the cost, less the cumulated amortization. The intangible assets registered by Impact represent informatics programs. These are linearily amortizated for a period of 3 years.

Tangible Assets

Own Assets

The buildings are presented in the balance to their revaluated value, less the cumulated amortization and the eventual value losses. The cost of the assets built by Impact comprises the cost of materials, direct manual labour and a percentage of the indirect expenses, reasonably allotted to the building of tangible assets.

The historical cost was revaluated in accordance with the Government Decisions: 983/1998 and 403/2000 and 1553/2003; the retreating of the net accounting value of the assets was made in order that this would reflect better their market value. The latest revaluation took place on 31.12.2009 for the constructions existing in the patrimony.

Leasing Contracts

The leasing contracts where the Company assumes the totality of risks and of benefits associated to the property are classified as a financial leasing. The fixed assets purchased by financial leasing are presented to the minimum between the market value and the updated value of future payments, less the accumulated depreciation and value depreciations.

Subsequent Expenses for Maintenance and Repairs

The expenses for the repair or maintenance of fixed assets performed to restablish or maintain the value of these assets are acknowledged in the profit and loss account on the date of their performance, while the expenses performed on the purpose to improve technical performances are capitalized and amortizated for the remaining amortization period of the respective fixed asset.

Amortization

Amortization is calculated to diminish the cost using the linear amortization method for the operating duration of fixed assets and of their components, that are separately accounted.

Lands and assets in progress are not amortizated.

Stocks

Stocks of raw materials and materials are put into evidence to their acquisition value. The cost of stocks is based on the First In, First Out (FIFO) principle and includes the expenses caused by their acquisition and their bringing into the current location.

According to the economic reality and the policy of Impact, land being intended for sale to their greatest extent, they are considered raw materials. Due to their special character, the method to calculate the cost is the Weighted Average Cost (WAC) and includes besides the proper acquisition cost other expenses as well caused by their bringing into the shape intended for sale.

The stock of finished products is registered to production cost.

The acquisition value/production cost does not exceed the accomplishable net value of stocks.

Stocks of production under execution are put into evidence to production cost.

Provisions

Provisions are acknowledged in the balance when for Impact there appears a debt with uncertain exigibility or value and that may be acknowledged only at the moment when there exists a current liability generated by a previous event; it is probable that an outflow of resources would be necessary in order to honour the respective liability; there may be realized a credible estimation of the liability value.

Value Adjustments

Value adjustments comprise all the corrections intended to take into account the value decreases of individual assets, established on the balance date, irrespective if this decrease is or is not final. Value adjustments may be permanent adjustments (amortizations) and provisional adjustments, also called adjustments for depreciation or for value loss. From this latter category, the Impact policy is to set up adjustments:

- for the financial investments that cannot be recovered anymore ;
- for the advances granted to suppliers not closed for more than 1 year - 100%;
- for different debtors, clients, etc – 100% of the value of receivables considered unrecovered and without turnover lower than 1 year ;
- for the depreciation of materials – 50% of the inflow value of stocks without turnover higher than 3 months.

Taxes

The current profit tax was calculated using the legal rate of 16%, valid for 2009. According to OMF 1752, there is not calculated and registered anymore the tax on deferred profit. As the taxable temporary differences disappear, the provision for deferred taxes is diminished.

Reserves from Revaluation of Fixed Assets

For the revaluation of fixed assets, when the result of revaluation is a decrease of the net accounting value, this is treated as an expense with the entire value of depreciation, when from in the revaluation reserve there is not registered an amount related to that asset or as a decrease of the revaluation reserve by the minimum between the value of that reserve and the decrease value, and the eventual difference remaining uncovered is registered as an expense. The diminishing of revaluation reserves and their takeover in the „Reserves representing the surplusul realized from revaluation reserves" account is made on the breakage or sale of revalued fixed assets.

Affiliated Companies

The companies are considered affiliated in case one of the parties, either by property, contractual rights, family relationships or of other nature, has the possibility to directly control or significantly influence the other party.

Note 7 - Share Capital

(the amounts are expressed in RON, unless otherwise specified)

SC Impact SA was established in the year 1991, on the grounds of Law 31/1990. On the date of 04.10.2006 the company moves its registered office from Bucharest 1st District in Ilfov, the town Voluntari in the Construdava office building. Also on this date the company changes its denomination as well. The identification data of the company are :

Denomination : IMPACT DEVELOPER & CONTRACTOR SA

Address : Voluntari, Pipera-Tunari Road no. 4C, Construdava Business Center, fl. 6, Ilfov County

Tel.: 021– 230.75.70/71/72, fax: 021– 230.75.81/82/83

Registered with the O.R.C. from T.M.B. under no. J 23/1927/2006

C.I.F. RO1553483

The subscribed and paid-up share capital of the company as at 31st of December 2009 is of 200,000,000 RON. The nominal value of a share is of 1 RON.

The structure of the shareholding as at 21st of July 2010, according to the statement of the Central Repository was the following:

Shareholder	Holding
Popp Ioan Dan	22.07%
Sandulescu Carmen Daniela	11.62%
CITIBANK NOMINEE	9.06%
Artio International Equity Fund	8.46%
TEMPLETON G.I.T-T.EM.MKTS SMALL CAP FUND	6.09%
Other legal entities, out of which	24.65%
- foreign entities	18.10%
Other natural persons, out of which	17.07%
- foreign pers	0.76%
Total	**100.00%**

The company Impact Developer & Contractor SA has been transacted to the Bucharest Stock Exchange since the year 1996, and beginning from the year 2006 its shares, at present in a number of 200 million, have been quoted in the 1st category. At the end of the year 2009, Impact had a market capitalization of 33.31 mil EUR and a weight of 1.39% in the BET index, being the only real estate developper quoted in the first category of the BVB.

33.69% of the company shares are held by the company management.

Among the shareholders that hold over 5% of the company shares there are: Dan Ioan Popp with 22.07%, Carmen Sandulescu with 11.62%, Atrio International Equity with 8.46%, Templeton Fund with 6.09% of the shares.

(the amounts are expressed in RON, unless otherwise specified)

At this moment the shares of the company are suspended from transacting on the Bucharest Stock Exchange, due to the insolvency trial the company is in.

Note 8 - Information Regarding Employees, Administrators and Directors

Structure of Personnel Expenses

In the first part of the year 2010 the number of employees maintained relatively constant, decreasing by only 8%, from 68 to 62.

Description	30.06.2009	30.06.2010
indemnifications for the Board of Directors	40,812	40,812
salaries of directly productive employees	281,578	0
salaries of TESA	1,170,375	935,092
exp. with social insurances and protection	396,110	259,986
TOTAL	**1,888,875**	**1,235,890**

Company Management

According to the Resolution of GAS, the members of the BoD have the right to monthly indemnifications with a value of 2,700 RON net and the president of the board of directors (the legal entity Havila Trading International SRL represented by Mr. Dan Ioan Popp) has concluded an administration contract with a value of 33,500 RON monthly plus an annual bonus equal to 5.28% of the net profit.

The members of the BoD have the right according to the articles of association also to a percentage of 0.44% of the net profit.

Administrators

	Name	Position	Identification data
1.	S.C. Havila Trading International S.R.L. represented by Popp Ioan Dan	Chairman of BoD	J40/26453/94 CUI RO 6712040
2.	Ionescu Valeriu Nicolae	Administrator	1520411400095

(the amounts are expressed in RON, unless otherwise specified)

At present there exist only two administrators, Mrs. Andreea Ioana Rosca resigning from personal reasons. According to the legislation, in case of a company being under the insolvency procedure, the judicial administrator (Activ Lichidator) is the only one that can call the GAS.

Executive Management

Family name	Name	Position	Citizenship
Sandulescu	Carmen Daniela	Executive Director (Economic Development)	Romanian
Nita	Liviu Marius	Executive Director (Legal Organization)	Romanian

Note 9 - Economic and Financial Indicators

	OMF 1752	OMF 1752	OMF 1752
PROFITABILITY AND RENTABILITY	**30.06.2009**	**31.12.2009**	**30.06.2010**
Efficiency of available equity			
Profit before interests and tax (A)	7,788,432	8,203,399	-4,336,655
Available equity (B)	464,819,729	408,169,070	395,662,862
A/B	**1.68%**	**2.01%**	**-1.10%**
Efficiency of own equity			
Net profit (A)	2,039,365	141,540	-7,421,800
Own equity (B)	335,087,622	333,512,530	326,090,731
A/B	**0.61%**	**0.04%**	**-2.28%**
Operating profit rate			
Profit before interests and tax (A)	7,788,432	8,203,399	-4,336,655
Exploitation revenues (B)	43,754,558	68,557,322	16,533,902
A/B	**17.80%**	**11.97%**	**-26.23%**
Net profit rate			
Net profit (A)	2,039,365	141,540	-7,421,800
Total revenues (B)	50,233,574	78,647,342	23,168,103
A/B	**4.06%**	**0.18%**	**-32.03%**
Total assets rate			
Profit before interests and tax (A)	7,788,432	8,203,399	-4,336,655
Total assets (B)	521,242,975	505,590,140	488,682,348
A/B	**1.49%**	**1.62%**	**-0.89%**
Indebtedness degree			
Borrowed equity (A)	125,125,678	71,013,054	65,250,898
Own equity (B)	335,087,622	333,512,530	326,090,731
A/B	**0.37**	**0.21**	**0.20**

(the amounts are expressed in RON, unless otherwise specified)

SOLVABILITY			
Debt rate			
Total liabilities (A)	186,155,353	172,077,610	162,591,617
Total assets (B)	521,242,975	505,590,140	488,682,348
A/B	**35.71%**	**34.04%**	**33.27%**
Financial leverage			
Own equity (A)	335,087,622	333,512,530	326,090,731
Total assets less net current debts (B)	464,819,729	408,169,070	395,662,862
A/B	**72.09%**	**81.71%**	**82.42%**
Interest coverage rate			
Profit before interests and tax (A)	7,788,432	8,203,399	-4,336,655
Interest (B)	4,517,529	7,706,027	3,079,645
A/B - times	**1.72**	**1.06**	**-1.41**

LIQUIDITY AND WORKING CAPITAL			
Current liquidity indicator			
Current assets (A)	387,097,458	417,579,832	396,799,380
Current liabilities (B)	44,347,494	91,138,209	87,278,810
A/B	**8.73**	**4.58**	**4.55**
Immediate liquidity indicator			
Current assets (A)	387,097,458	417,579,832	396,799,380
Stocks (B)	275,806,110	311,575,489	295,043,911
Current liabilities (C)	44,347,494	91,138,209	87,278,810
(A - B)/ C	**2.51**	**1.16**	**1.17**
Client debt turnover			
Trade receivables (A)	92,389,577	80,844,587	76,930,401
Net turnover (B)	29,601,421	54,233,682	20,516,297
(A /B)* no of days in the period	**561.8**	**536.64**	**674.95**
Fixed asset turnover			
Net turnover (A)	29,601,421	54,233,682	20,516,297
Fixed assets (B)	133,562,130	87,624,247	91,711,771
A/ B	**0.22**	**0.62**	**0.22**

Note 10 - Other Information

Stocks

In the year 2010, due to the existing economic context, work was done only in order to finish the started assemblies. For this reason, the value of the construction works compared to the preceding year is much diminished. The assembly finishing situation is detailed below:

(the amounts are expressed in RON, unless otherwise specified)

Project	Rubin	Topaz	Onix	Blue	Quartz	Roua	Europa	Lotus	Boreal
Accomplishment degree as at 31.12.09	100%	100%	100%	100%	80%	100%	100%	99%	98%
Accomplishment degree as at 30.06.10	100%	100%	100%	100%	85%	100%	100%	99%	98%

The structure of the company stocks is presented in the table below:

Description	**31.12.2009**	**30.06.2010**
Lands	149,776,273	149,375,295
Advances for lands	6,159,288	947,995
Finished products – houses	86,072,889	78,589,883
Production and services under execution	67,128,801	64,440,552
out of which networks	40,521,457	40,882,971
Construction materials	2,633,287	2,066,691
Adjustments for materials depreciation	949,013	949,013
Finished prod., merchandises, packagings and inventory objects	415,145	241,080
Advances for the purchase of construction materials	338,819	331,428
TOTAL	**311,575,489**	**295,043,911**

At the end of the month of June 2010 there existed a number of 255 finished houses and apartments and 91 under execution, compared to 154 finished houses and apartments and 161 under execution at the end of the month of December 2009. In the year 2009 there was started a new assembly in Greenfield - RFR, with 46 apartments in the first phase. For the moment the capitalized costs comprise design, taxes, advices, etc. The amount of 5,224,000 RON was reclassified from « Advance for lands » to « Different debtors » (see page 11).

Expenses in Advance

The structure of the expenses in advance is presented as follows:

Description	**31.12.2009**	**30.06.2010**
Other expenses in advance	21,537	34,844
Insurances (constructions and cars)	113,140	80,319

(the amounts are expressed in RON, unless otherwise specified)

Insurances for professional liability	73,298	29,957
Commissions paid in advance	177,856	26,077
Taxes for rovigneta	230	0
TOTAL	**386,061**	**171,197**

Revenues in Avance

Revenues in advance are set up from the interests afferent to the contracts with the payment in installments and from rents. The passing to revenues of the revenues from interests is made gradually, as the installments are paid or their due date, whichever comes first. The balance as at 30.06.2010 is of 5,641,507 RON, decreasing in comparison to the month of December 2009.

Direct Expenses – Raw Materials

Description	30.06.2009	30.06.2010
Expenses with lands	710,873	290,679
Exp. with raw materials and materials	1,122,924	221,198
Exp. with fuel	129,435	62,019
Exp. with spare parts	33,913	17,267
Exp. with other constr. materials	279,239	53,204
Exp. with inventory objects	221,612	59,553
Ex. with unstocked materials	27,099	39,518
Exp. with packagings	3,863	0
Exp. with energy and water	2,508,782	1,747,825
Exp. regarding merchandises	182,201	748,001
TOTAL	**5,219,941**	**3,239,263**

Other Exploitation Expenses

Description	30.06.2009	30.06.2010
Expenses with maintenance and repairs	42,142	44,944
Expenses with royalties and rents	1,485,005	1,085,778
Expenses with insurance premiums	401,591	295,804
Expenses with commissions and fees	1,614,779	66,456
Expenses for protocol, advertisement and publicity	282,685	295,698
Expenses with transport of goods and pers.	219,526	78,032
Expenses with movements, assignments and	2,930	4,425

(the amounts are expressed in RON, unless otherwise specified)

transfers		
Postal expenses and with telecommunication fees	247,737	211,333
Expenses with banking services and assimilated	256,784	347,144
Expenses with services executed by thirds *	17,613,803	7,874,938
Expenses with other assimilated taxes and dues	3,632,109	1,936,464
Expenses with compensations, fines, penalties	79,549	280,639
Expenses regarded assigned assets	140,496	240,140
Other exploitation expenses	82,397	377,099
TOTAL	**26,101,532**	**13,138,894**

Expenses with Services Performed by Thirds *

Description	30.06.2009	30.06.2010
Expenses with subcontractors	10,447,584	4,423,819
Havila consultancy expenses	201,000	201,000
Expenses for consultancy	1,702,916	422,457
Expenses with guard and protection	591,496	265,505
Expenses with meal tickets	2,213	364
Expenses with HR	36,014	17,898
Expenses for IT services	224,792	256,599
Expenses with fees (notary, cadastre)	750,659	447,062
Expenses for design services	493,374	498,015
Other expenses for services	71,234	166,360
Expenses for service supplies-suppliers	3,092,521	1,175,861
TOTAL	**17,613,803**	**7,874,938**

Financial Result

Description	30.06.2009	30.06.2010
Expenses regarding interests	4,517,529	3,079,645
Expenses from currency exchange rate differences	3,087,594	8,833,801
Revenues from interests	3,778,471	1,740,308
Revenues from currency exchange rate differences	1,655,262	4,888,493
Revenues from dividends	976,145	0
Other financial revenues	69,138	5,400
Financial result	**(1,126,107)**	**(5,279,245)**

(the amounts are expressed in RON, unless otherwise specified)

Expenses with interests decreased due to the decrease of the balance of loans. Due to the decrease of the owned cash, the revenues from the interests collected to deposits, too, had the same trend, decreasing by more than 55% compared to the similar period of the preceding year.

Profit Tax

In the first semester of the year 2010 IMPACT registered an accounting loss of 7,416,300 RON and a net loss of 7,721,800 RON. The reconciliation between the fiscal result and the accounting one is presented next.

Profit Tax

Explanation	Value
Accounting gross profit	(7,416,300)
Taxable revenues	25,294,407
Expenses afferent to taxable revenues	30,713,141
Taxable profit	(866,998)
Profit tax – before deducting the expenses with sponsorship	0
Due tax on profit – minimum tax	5,500
Net result	(7,821,800)

Auditors

Scot & Company Consulting (SCC) is a company that develops its business in the field of professional services of financial accounting and audit, supplied in accordance with the Romanian and international accounting standards and also with the international audit standards.

SCC ensures to its clients fiscal consultancy and assistance, and also any other professional services specific to the activity field.

The team of SCC is composed by professionals, chartered accountants and financial auditors.

SCC has its headquarters in Bucharest and was set up by Otilia and Dan Schwartz in the year 1994, by the merger of the clients of two small consultancy companies where the two were associates.

SCC is a member of the Romanian Association of Chartered and Certified Public Accountants (C.E.C.C.A.R.) since 1994 and of the Romanian Chamber of Auditors since its set-up in 1999.

(the amounts are expressed in RON, unless otherwise specified)

SCC supplies services both to its permanent clients, and also to some occasional clients, upon their request. The services of SCC are used both by big multinational companies, and by small and medium-sized companies with domestic and foreign capital.

SCC built and implemented its specific professional procedures, and also its own business conduct code. Being a company where there are involved both chartered accountants, and financial auditors, the codes regarding the ethical and professional conduct elaborated by the Romanian Chamber of Auditors and C.E.C.C.A.R. on the basis of the IFAC Ethical Code, are basic elements in the development of the SCC activity.

Note 11 - Contingent Debts

Next, we will present the list of significant litigations (according to the Bucharest Stock Exchange Code) where the company is a party.

Court	**No. of file**	**Object**	**Position of Impact**	**Opponent**	**Trial stage/ Stage**	**Next judgment term**	**Remarks**
Court of Law S1	9122/299/2007	Obtaining of access right for Vadul Moldovei St.	plaintiff	Romsilva	Suspended	-	Admits the suspension request formulated by Impact
Bucharest Tribunal	24403/3/2007	Action by which Impact requests the restitution of the advance paid to I. Pasteur and contractual damages	intimate	Institutul Pasteur	Suspended	Unestablished	Suspended until the solving of file 30348/3/2010
Oradea Court of Appeal	4126/111/2007	Action of Impact against MTS and West Expo for the termination of execution contract	plaintiff	West Expo	Appeal	Pending	
Bucharest Court of Appeal	5696/3/2008	Action for finding promoted by I. Pasteur in order to be found that it has no more liabilities acc. to the sale-purchase precontract	Defendant	Institutul Pasteur	Appeal	-	Dismisses the appeal of I. Pasteur as ungrounded, maintaining the favourable solution to Impact given by the Bucharest T.

(the amounts are expressed in RON, unless otherwise specified)

Court of Law S1	20441/299/2008	Action for claims formulated by Impact for the recovery of court expenses from Stratos and MTS Leasing	plaintiff	Stratos Leasing; MTS	Suspended	-	Suspended following the unfulfillment by the appealants MTS and Stratos of trial obligations. In first instance there was admitted the request formulated by Impact
High Court of Cassation and Justice	48766/3/2008	Resolution of contract and penalties	defendant	GREGORY ALEX JAMES	Recourse	16-Sep-10	In first instance and on the grounds the claims of the plaintiff were dismissed
Bucharest Court of Appeal	11641/3/2008 (2167/2009)	Action for claims formulated by Georgescu Serban for the return of some amounts resulted following the sale of a real estate in auction	defendant	Georgescu Serban	Recourse	21-Sep-10	Impact paid the amount, following the decision of the Bucharest Tribunal, now practically the recourse may have as a result the return of the amount
Bucharest Tribunal	39469/3/2008	Action for contractual damages promoted by Impact	plaintiff	SC Romconstruct SA	Grounds	24-Sep-10	Impact requests the c/val of penalties and damages caused by Romconstruct by delay
Bucharest Tribunal	16381/3/2008	Procedure of insolvency, where Impact participates in the quality of creditor	creditor	SC CONSULTING SUD SRL (Bidepa)	Grounds	10-Nov-10	
High Court of Cassation and Justice	49020/3/2008	Action formulated by Satchell Crispin in Resolution of the sale-purchase contract from the guilt of Impact and contractual penalties	defendant	Satchell Crispin	Recourse	-	There was admitted the appeal of Impact, dismissed the request of the plaintiff and given the resolution from the guilt of the plaintiff, on the request of Impact

(the amounts are expressed in RON, unless otherwise specified)

Bucharest Tribunal	13006/3/2008	Action for claims by which the plaintiff requested damages for delay	defendant	Nita Nicolae Romeo Flavius	Grounds	1-Sep-10	
Mures Tribunal	305/1371/2008	Procedure of bankruptcy of Dafora Structuri to which Impact participates in the quality of creditor	plaintiff	Dafora Structuri	Grounds	27-Oct-10	
Constanta Tribunal	8643/118/2008	Action by which IE requests delay penalties for the delay of the construction handover, and Impact the payment of the indexation index and penalties	defendant	Ionescu Eduard	Grounds	12-Aug-10	
Bihor Court of Appeal	3540/111/2008	Action of AIH against CL Oradea, so as the latter sell the lands	defendant	Actual Invest House	Recourse	28-Sep-10	
Ploiesti Court of Law	22012/281/2009	Contestation to the enforcement formulated by Romconstruct against the execution by Impact of the check sheets vested by the court	Defendant	Romconstruct SA	Suspended	-	Admits the notification request of the Constitutional Court and suspended the judgment of the case during the solving period.
Bucharest Tribunal	43654/3/2009	Annullment of administrative act, Decision of CGMB no. 263/2008	defendant	Ionita Florian ; Buc. General Council	grounds	-	The case was suspended until the final solving of 23136/3/2009. In the latter file the court partially annulled HCGMB 263/2008 for the surface representing the property of Ionita Florian. Ionita Florian also initiated the file 5415/3/2009,

(the amounts are expressed in RON, unless otherwise specified)

							where his request was dismissed as inadmissible
Bucharest Tribunal	23136/3/2009	Annullment of administrative act, Decision of CGMB no. 263/2008	defendant	CGMB; Mayor of the Municipality Bucharest	Recourse	6-Sep-10	On the grounds, following the acknowledgement of Impact of the request of CGMB, the court annulled HCGMB 263/2008 with regard to the land of Ionita Florian
Bucharest Tribunal	45882/3/2009	Return of c-val of security letters executed by Impac following the non-observance by Summa of the contract	defendant	SC SUMMA ROMANIA SA	Grounds	20-Sep-10	
Bucharest Tribunal	45886/3/2009	Return of c-val of security letters executed by Impac following the non-observance by Summa of the contract	defendant	SC SUMMA ROMANIA SA	Grounds	20-Sep-10	
Bucharest Tribunal	32797/3/2009	Annullment of administrative act consisting of imposing of land taxation on the land of the association	plaintiff	Town Hall of Municipality Oradea	recourse	20-Sep-10	Impact paid the tax in order not to be forcibly executed and now the action regards the return of the tax

(the amounts are expressed in RON, unless otherwise specified)

Bucharest Court of Appeal	11641/3/2008 (2167/2009)	Action for claims formulated by Georgescu Serban for the return of some amounts resulted following the sale of one real estate on auction	defendant	Georgescu Serban	Recourse	21-Sep-10	Impact paid the amount, following the decision of the Bucharest Tribunal, now practically the recourse may have as a result the return of the amount
Bucharest Tribunal	23619/3/2009	Action for finding formulated by Impact so as to be found that it does not owe to Summa Romania SA certain amounts of money	plaintiff	Sc Summa Romania SA	Grounds	29-Sep-10	
Bucharest Tribunal	48002/3/2009	Action formulated by Style Mode Romania for the return of the land value	defendant	STYLE MODA ROMANIA SA	Grounds	20-Oct-10	
Bucharest Court of Appeal	25062/3/2009	Action by which Impact requests the decrease of rental and of the rented surface	plaintiff	SC Degi Construdava SRL	appeal	18-Nov-10	
High Court of Cassation and Justice	3829/2/2009	Annullment of administrative act – Order of the Min. of Agriculture for the establishment of the spreading of the silvic arrangement of Bucharest Silvic Department	plaintiff	Ministry of Agriculture	Given on grounds	1-Mar-11	
Buftea Court of Law	5028/94/2009	Action for the obligation of Impact to the payment of some legal expenses	defendant	Bodogan Constantin and Aurel	Appeal	21-Apr-11	

(the amounts are expressed in RON, unless otherwise specified)

Court of Law S1	21136/299/2009	Action by which Impact requests the payment of legal expenses from Summa Romania	plaintiff	SC Summa Romania SA	grounds	Unestablished	admits in part the action and the counterclaim.
Commercial Arbitration Court	487/lu/2009	Action by which Degi requests damages for non-compliances of the construction from Impact, in the quality of a seller	defendant	Degi Construdava SRL	grounds		
Constanta Tribunal	4276/118/2009	Action by which Impact requests the return by the debtor of the construction that was not paid integrally	plaintiff	Standard Management	grounds	20-Sep-10	
Oradea Court of Law	10229/271/2009	Accession in the finding of the right of property coming from real estate accession	defendant	Ban Liviu and Ban Cornelia	Declined	9-Sep-10	
Vaslui Tribunal	2179/89/2009	Gadal Construct came into the procedure of insolvency, and Impact participates to this in the quality of creditor	creditor	Gadal construct SRL	grounds	15-Sep-10	
Bucharest Court of Appeal	2927/2/2010	Annullment of the act of ANRE Decision no. 834/2010 regarding the establishment of some measures for the supply of electric power for the consumers in the Class assembly	plaintiff	ANRE	Recourse	-	There is not yet a term associated to the company's recourse

(the amounts are expressed in RON, unless otherwise specified)

Bucharest Tribunal	323/3/2010	Request formulated by Romconstruct SA for the opening of the procedure of insolvency against Impact. The request has at its basis a series of invoices challenged by Impact	debtor	SC Romconstruct SA	Recourse	-	In first instance, the Bucharest Trib. admitted the request of Romconstruct and opened the procedure of insolvency against Impact. There was formulated a recourse and a request for the suspension for which there was not yet established a term in recourse
Ploiesti Court of Law	103/281/2010	Contestation to execution formulated by Romconstruct against the execution by Impact of the check sheets vested by the court	intimate	SC Romconstruct SA	Grounds	10-Sep-10	Term granted for the attachment of the acknowledgement file.
Bucharest Court of Appeal	6673/2/2010	Request for the provisional suspension of the sentence for the opening of the procedure of insolvency against Impact. The suspension requested by this sentence would suspend the sentence given in file 323/3/2010 until the judgment of the suspension request in the recourse	plaintiff	SC Romconstruct SA	grounds	11-Aug-10	Term for the judgment of the challenge request.

(the amounts are expressed in RON, unless otherwise specified)

Bucharest Tribunal	190/3/2010	Request for the issue of a summons of payment formulated by Romconstruct SA (these amounts were also mentioned in file 323/3/2010)	defendant	SC Romconstruct SA	grounds	8-Sep-10	A similar request (for other invoices) was dismissed by the Bucharest Tribunal
Oradea Court of Law	4376/271/2010	Contestation to execution formulated by Impact against an administrative act issued by CL Oradea	contestor	Local Council of Mun. Oradea	Grounds	10-Sep-10	The execution of this administrative act was suspended by the decision of Oradea Court of Law
Bucharest Court of Appeal	3191/2/2010	Annullment of the act of ANRE Decision no. 485/2010 regarding the establishment of some measures for the supply of electric power to the consumers in Azur assembly	plaintiff	ANRE	grounds	15-Sep-10	
Ploiesti Court of Appeal	19/105/2010	Action for contractual damages promoted by Romconstruct	defendant	Romconstruct ® , Defendant & BRD SG	Declined	22-Sep-10	Romconstruct requests amounts of money unilaterally calculated (without invoices) and amounts being in the good performance security account
Bucharest Court of Appeal	2975/2/2010	Attack of the decision 264/2010 of ANRE for the establishment of some distribution tariffs	plaintiff	ANRE	Grounds	28-Sep-10	

(the amounts are expressed in RON, unless otherwise specified)

Bucharest Tribunal	30348/3/2010	Action for the payment of contractual damages caused by the non-availability of the land that followed to be bought by Impact	defendant	Institutul Pasteur	Grounds	16-Mar-11	
Court of Law S2	11725/300/2010	Contestation of execution against the execution deeds accomplished by Bodogan C, A	plaintiff	BODOGAN AUREL & CONSTNATIN, PIRAEUS BANK, BEJ G JALBA	Grounds	12-Aug-10	
Bucharest Tribunal	5876/3/2010	Action for claims formulated by Dumitrescu D. for construction vices	plaintiff	Dumitrescu Doina	grounds	3-Sep-10	
Buftea Court of Law	31608/3/2010	Action by which a series of owners from Azuri revendicate the right of undivided property upon some networks	defendant	Amariucai, Salom, Stanescu, Humeniuc, Radio Consult, s.a.	Grounds	27-Apr-11	
Bucharest Tribunal	1216/3/2010	Salary rights	defendant	Paun Irina Mihaela	Grounds	26-Aug-10	
Buftea Court of Law	4372/94/2010	Annullment of contravention protocol	plaintiff	MEF - GF Ilfov	Grounds	2-Sep-10	
Buftea Court of Law	326/94/2010	Action of Impact for the recovery of non-compliant works from Romconstruct	plaintiff	Romconstruct SA	Grounds	6-Sep-10	
Bihor Tribunal	3555/111/2010	Action for the finding of the termination of execution contract Ban, MTS	plaintiff	MTS Leasing;Ban Liviu	Grounds	7-Sep-10	
Bucharest Tribunal	10892/3/2010	Return of advance for sale-purchase contract and penalties	defendant	Peter John Leigh	grounds	13-Sep-10	

(the amounts are expressed in RON, unless otherwise specified)

Besides the litigations appreciated as significant presented above, the company has also under development a number of litigations against different debtors of the company coming from the supply of utilities or other receivables small with regard to value. These litigations (approximately 100) comprise a total value of the claims of IDC of approximately 120,000 RON.

Note 12 Affiliated Parties

Nature of Relationships

In the year 2009, the company IMPACT SA developped trade relationships with a number of companies that are affiliated parties. The list of the affiliated parties with which Impact developped trade relationships is the following:

Denomination of company– affiliated party:	Number and date of contract	Type of purchased services/products
Bipact 1995 SRL	48/28.12.04	Client (materials)
	CC/04.08.05	Supplier (construction services)
Imobilia Credit SA	J1111/15.04.05 J150/03.01.06 J1068/10.05.07	client, debtor
Hobbit Intermediere Asigurari SRL	6/05.01.05	Client (materials)
Finance Consulting 2001 SRL	258//01.12.04	Supplier (management services)
Actual Invest House SRL	158/20.04.07, 296/03.09.07	Client (construction)
	J190/01.02.07	Supplier
	J883/10.05.07 J2971/26.06.07 J2865/27.11.07	Debtor
Lomb SA	526/28.07.08; 527/28.07.08; 529/28.07.08; 553/08.08.08; 746/24.10.08;	Client: consultancy, marketing, design, project management

(the amounts are expressed in RON, unless otherwise specified)

	748/28.10.08	
Millenium Consult Invest	5/11.04.2005, addendum 10/2009	Consultancy, debtor
Havila Trading SRL	FN/22.05.03	Supplier (management services)
Intop Construction SRL	1/12.09.05	Client
	1681/20.10.05; 153/01.07.07	Supplier

The prices of the contracts concluded with the affiliated party companies are established under market conditions. In the year 2009, the company developped transactions with the affiliated parties, as follows:

Sales to:	**31.12.2009**	**30.06.2010**
ACTUAL INVEST HOUSE	-430.313	-242,728
FINANCE CONSULTING 2001	3.549	1,172
HAVILA TRADING	2.473	621
BIPACT 1995 SRL	7.416	100,095
HOBBIT INTERMEDIERE ASIGURARI SRL.	30.153	54,473
IMOBILIA CREDIT	0	0
INTOP CONSTRUCTION	3.200	0
LOMB	7.212.338	2,667,152
MILLENIUM CONSULT INVEST	49.142	0
TOTAL	**6.989.673**	**2,580,786**

Purchases from:	**31.12.2009**	**30.06.2010**
ACTUAL INVEST HOUSE	273.432	1,905,118
FINANCE CONSULTING 2001	316.272	69,972
HAVILA TRADING	997.290	239,190
BIPACT 1995 SRL	1.198.842	485,276
IMOBILIA CREDIT	52.100	0
MILLENIUM CONSULT INVEST	113.632	0
TOTAL	**2.951.569**	**2,699,557**

(the amounts are expressed in RON, unless otherwise specified)

Following the transactions with the affiliated party companies, there resulted the following balances as at 30th of June 2010:

Receivables from/Advances granted to:	31.12.2009	30.06.2010
ACTUAL INVEST HOUSE	17.531.546	16,247,002
FINANCE CONSULTING 2001	436	386
HAVILA TRADING	572	50
BIPACT 1995 SRL	6.745	0
HOBBIT INTERMEDIERE ASIGURARI SRL.	63.583	55,184
IMOBILIA CREDIT	0	49,935
INTOP CONSTRUCTION	3.200	0
LOMB	595.897	1,285,359
MILLENIUM CONSULT INVEST	49.142	0
TOTAL	**18.251.121**	**16,352,558**

Debts to/Advances received from:	31.12.2009	30.06.2010
ACTUAL INVEST HOUSE	254.305	678,493
FINANCE CONSULTING 2001	11.662	23,324
HAVILA TRADING	39.865	39,865
BIPACT 1995 SRL	3.062	104,338
LOMB	315.000	0
TOTAL	**623.894**	**846,021**

The total value of the loans granted is presented below. Due to the affiliation relationship, the loans granted to the affiliated companies were granted in order to support and develop their activity, a reason for which there was made the decision not to charge interest. In the contract there is not specified a certain date regarding the loan reimbursement, but to the extent availabilities exist.

The balance of loans is also presented at Note 1, Financial Assets.

Date of contract	Currency of credit	Val. of Contract	Val. used in the previous	Val. used in 2010	Unused value

			years		
25.11.2009	RON	22,320	22,320		0
03.08.2009	RON	70,000	8,500	47,000	14,500
24.07.2009	RON	76,000	76,000		0
12.06.2008	RON	2,700,000	2,670,000	30,000	0
02.06.2008	RON	163,000	163,000		0
10.01.2008	RON	42,000	42,000		0
27.11.2007	RON	445,000	445,000		0
26.06.2007	RON	1,824,000	1,824,000		0
10.05.2007	RON	148,500	148,500		0
ACTUAL INVEST HOUSE		***5,490,820***	***5,399,320***	***77,000***	***14,500***
21.12.2009	RON	150,000	39,000		111,000
23.03.2009	RON	100,000	100,000		0
12.02.2009	RON	44,000	44,000		0
30.01.2009	RON	145,000	145,000		0
15.12.2008	RON	191,000	191,000		0
24.11.2008	RON	180,000	180,000		0
06.11.2008	RON	138,000	138,000		0
25.09.2008	RON	140,000	140,000		0
23.09.2008	RON	180,000	180,000		0
21.08.2008	RON	130,000	130,000		0
05.08.2008	RON	130,000	130,000		0
15.07.2008	RON	175,000	175,000		0
25.03.2008	RON	100,000	100,000		0
19.03.2008	RON	150,000	150,000		0
12.03.2008	RON	150,000	150,000		0
07.03.2008	RON	150,000	150,000		0
05.03.2008	RON	100,000	100,000		0
27.02.2008	RON	100,000	100,000		0
15.02.2008	RON	150,000	150,000		0
05.02.2008	RON	150,000	150,000		0
27.09.2005	RON	2,324,800	2,324,800		0
02.03.2005	RON	902,600	902,600		0
01.12.2004	RON	1,211,100	1,211,100		0
TOTAL BIPACT SRL		***7,191,500***	***7,080,500***	***0***	***111,000***
24.10.2008	RON	30,000	29,456		544
21.10.2008	RON	20,000	20,000		0
15.09.2008	RON	30,000	30,000		0
13.08.2008	RON	25,000	25,000		0
30.06.2008	RON	11,000	11,000		0
07.01.2008	RON	72,000	72,000		0
10.05.2007	RON	200,000	200,000		0
03.01.2006	RON	300,000	300,000		0

(the amounts are expressed in RON, unless otherwise specified)

15.04.2005	RON	150,000	150,000		0
TOTAL IMOBILIA CREDIT		***838,000***	***837,456***	***0***	***544***
14.07.2008	RON	10,000	10,000		0
30.04.2008	RON	150,000	150,000		0
16.04.2008	RON	150,000	150,000		0
01.04.2008	RON	100,000	100,000		0
01.04.2008	RON	100,000	100,000		0
14.03.2008	RON	150,000	150,000		0
10.02.2008	RON	90,000	90,000		0
03.02.2008	RON	100,000	100,000		0
26.02.2008	RON	163,935	163,935		0
10.01.2008	RON	140,000	140,000		0
TOTAL INTOP		***1,153,935***	***1,153,935***	***0***	***0***

Note 12 - Subsequent Events

Bank Credits

On the date of 30th of July 2010, the statement of the banking loans was the following:

No. of Contract	Bank	Val. of contract	Balance 30.06.2010	Balance 31.07.2010
10/11.01.2007	Piraeus Bank Grecia London Branch	112,180 EUR	0	0
766/31.12.2008	Piraeus Bank Grecia London Branch	12,000,000 EUR	0	0
301/30.08.2006	Piraeus Bank Grecia London Branch	13,000,000 EUR	12.807.256 EUR	12.807.256 EUR
58/23.09.2005	Bancpost	21,000,000 EUR	1,708,463 EUR	1,708,463 EUR
50070065/25.07.2007	Banca Romaneasca	7,993,204 EUR	4,853,016 EUR	4,567,544 EUR
50070066/25.07.2007	Banca Romaneasca	22,306,796 EUR	9,684,123 EUR	9,613,264 EUR
15/21.07.2009	Banca Transilvania	12,800,000 RON	5,610,197 RON	5,446,266 RON

Important Juridical and Economic Information

Romconstruct SA submitted in January 2010, to the Bucharest Tribunal – section VII – (thus being composed the file no. 323/3/2010), an application by which it showed that our company had certain unpaid debts towards Romconstruct S.A. and consequently it invoked that our company was under insolvency, by the respective way requesting the opening of the insolvency procedure.

The defends used by Impact in this file envisaged on one side the fact that the company has the cash funds available for the payment of certain, liquid and exigible debts (there was submitted in this respect a vast probatory material that showed the daily payments performed by Impact currently during the period January – June of 2010), on the other side, the company demonstrated that it had reasonably refused to pay the invoices issued by Romconstruct

In spite of all the evidences administrated in che case, the court of the Bucharest Tribunal disposed the opening of the general insolvency procedure on the date of 08.07.2010.

Taking into consideration all the aspects mentioned above, Impact considers that the solution of the Bucharest Tribunal in the commercial sentence 5061/2010 is illegal and for this it submitted a statement of recourse and a request for the suspension of the recurred decision, that follows to be completed with the recourse reasons, after the communication of the above mentioned sentence by the Bucharest Tribunal. Until this date there was not established by the Bucharest Court of Appeal any term for the judgement of the recourse request, the reasoning of the decision not being drafted, and approaches were made for the obtaining of the provisional suspension of the sentence execution.

General Manager	Chief Accounting Officer
Dan Ioan Popp	Florin Rosca