**Relevant Information Afferent**
**to the Company Activity during the 1st Quarter of 2010**

In the first quarter of the year 2010 Impact Developer&Contractor SA continued the execution of works within the Quartz Project in Bucharest, worked for the finishing of the design part for the new projects that would be about to begin during the year 2010 and signed contracts and reservations for the sale of units in the assemblies Blue and Onix in Bucharest with a value of 17.2 thousand lei.

Following this activity, the unaudited, unconsolidated results afferent to the first quarter of the year 2010, are the following:

| ***Indicators*** | ***31.03.2009*** | ***31.03.2010*** |
|---|---|---|
| *accounting gross profit* | *2,885,254* | *469,305* |
| *taxable income* | *35,510,182* | *12,875,251* |
| *expenses afferent to taxable income* | *25,526,709* | *11,290,881* |
| *taxable profit* | *9,983,473* | *1,584,370* |
| *due income tax* | *1,595,856* | *253,499* |
| *net profit* | *1,289,398* | *215,806* |

In the first three months of 2010, IMPACT recorded an accounting gross profit of 469,305 RON and a net profit of 215,806 RON.

**Direct Expenses**

In the period January - March 2010, the rhythm of the construction works continued to decrease, a fact that was reflected both in the the expense accounts, especially the thirds account, and in the income accounts afferent to the production under development.



| **Description** | **31.03.2009** | **31.03.2010** |
|---|---|---|
| Expenses with lands | 390,822 | 86,478 |
| Exp. with raw materials and materials | 836,982 | 112,082 |
| Other material expenses | 140,186 | 67,155 |
| Expenses with energy and water | 1,465,545 | 894,692 |
| Expenses regarding merchandises | 120,506 | 58,068 |
| Expenses with personnel | 1,048,270 | 465,539 |
| Amortisation | 494,229 | 601,858 |
| Expenses with services executed by thirds* | 2,674,960 | 3,848,053 |
| Other external renderings | 10,120,487 | 1,450,709 |
| Expenses with other taxes, charges | 2,068,007 | 755,328 |

Below, there is presented the detaliation of the expenses with the services executed by thirds, in the year 2010:

| **Description** | **31.03.2010** | **%** |
|---|---|---|
| Expenses with subcontractors | 2,009,618 | 52.22% |

| | | |
|---|---|---|
| Consultancy expenses | 384,148 | 9.98% |
| Expenses with guard and protection | 144,365 | 3.75% |
| Expenses with meal tickets | 364 | 0.01% |
| Expenses with HR | 8,745 | 0.23% |
| Expenses for IT services | 132,361 | 3.44% |
| Expenses with fees (notariate, tabulations etc) | 189,306 | 4.92% |
| Expenses for design services | 170,553 | 4.43% |
| Other expenses with services | 808,593 | 21.01% |
| TOTAL | 3,848.053 | 100.00% |

**Financial Result**

| **Description** | **31.03.2009** | **31.03.2010** |
|---|---|---|
| Expenses regarding interests | 2,780,034 | 1,534,653 |
| Expenses from exchange differences | 1,978,028 | 741,163 |
| Income from interests | 2,040,700 | 864,785 |
| Income from exchange differences | 1,701,299 | 4,486,182 |
| Profit/(loss) | (1,016,063) | 375,151 |



In 2010 the financial result was decisively influenced by the favourable exchange differences afferent mostly to bank loans in currency, recorded due to the increase of the RON/EUR exchange rate from 4.2282 at the end of the year 2009 to 4.0958 as at 31.03.2010.

**Tangible Fixed Assets**

According to the accounting regulations, the real estates intended for lease are recorded to fixed assets. Thus, at the end of the first quarter, there were 62 dwelling units recorded to fixed assets, out of which a number of 8 were leased in 2010.

**Stocks**

As at 31st of March 2010, the company held the following categories of stocks:

| **Description** | **31.12.2009** | **31.03.2010** |
|---|---|---|
| Lands | 149,776,273 | 149,753,172 |
| Advances for lands | 6,159,288 | 5,951,310 |
| Finished products - houses | 86,072,889 | 80,853,663 |
| Production and services under execution | 67,128,801 | 67,343,934 |
| Construction materials | 2,633,287 | 2,590,338 |
| Adjustments for deprec. of materials | 949,013 | 949,013 |
| Finished prod., merchandises, packagings and inventory obj. | 415,145 | 178,822 |
| Advances for purchase of construction materials | 338,819 | 329,562 |

| TOTAL | 311,575,489 | 306,051,788 |
|---|---|---|

**Receivables**

In the 1st quarter of 2010 there were signed 47 contracts and reservations with a value of 17.2 thousand RON, a relatively constant number in comparison to the 1st quarter of 2009, when there were signed 46 contracts. The structure of contracts is slightly different, though, last year being signed more contracts for houses.



In March 2010 following the request for VAT compensation submitted in August 2009, there was solved the request for the reimbursement of the amount of 1,496,312 RON by the compensation of the amount of 639,190 RON by contributions regarding social insurances, health insurances and salary taxes, and also the collection of the amount of 857,122 RON.

**Cash Availabilities and Bank Credits**

Cash availabilities were of 10.77 thousand RON at the end of the reporting period following the reimbursement in advance of some of the credits, proportionally to the sale of units.

Below, there is presented the statement of the credits engaged by the company as at 31st of March 2010.

| No. of Contract | Bank | Currency | Val. of contract EUR | Val. of contract RON | Balance 31.12.2009 EUR | Balance 31.12.09 RON | Balance 31.03.10 EUR | Balance 31.03.10 RON |
|---|---|---|---|---|---|---|---|---|
| 10/11.01.2007 | Piraeus | EURO | 112,180 | | 0 | | 0 | |
| 301/30.08.2006 | Piraeus | EURO | 13,000,000 | | 12,807,256 | | 12,807,256 | |
| 58/23.09.2005 | Bancpost | EURO | 21,000,000 | | 2,049,761 | | 1,879,111 | |
| 50070065/25.07.2007 | Banca Romaneasca | EURO | 7,993,204 | | 5,423,960 | | 4,853,017 | |
| 50070066/25.07. 2007 | Banca Romaneasca | EURO | 22,306,796 | | 11,792,601 | | 10,639,496 | |
| 15/21.07.2009 | Banca Transilvania | LEI | | 12,800,000 | | 4,515,471 | 0 | 5,311,644 |
| **TOTAL** | | | **77,900,000** | **12,800,000** | **32,073,578** | **4,515,471** | **30,178,880** | **5,311,644** |

Chairman of BoD,
Dan Ioan Popp
*(illegible signature and stamp of Impact)*