



3Q 2010 Report, According to the art. 113 letter C from CNVM Regulation no 1/2006

Report date 09/30/2010

A. S.C. "IMPACT DEVELOPER & CONTRACTOR " S.A.

Name of the issuing entity: **SC IMPACT DEVELOPER & CONTRACTOR SA**

Registered office: Oras Voluntari, Sos. Pipera Tunari, nr. 4 C, Centrul de Afaceri Construdava, etaj 6-7, Judetul Ilfov

Phone/fax number: 230.75.81/82/83/ 230.75.70/71/72

Sole registration code with the Trade Registry Office RO 1553483

Order number with the Trade Registry Office J23/1927/2006

Share subscribed and paid up capital: RON 200,000,000

The regulated market where the issued securities are traded on: Bucharest Stock Exchange

1. Presentation of the important events occurred during the reporting period.

1.a. Insolvency

Romconstruct SA submitted in January 2010, with Bucharest Court – 7th division (setting up case no 323/3/2010), a petition by which it is showed that IMPACT company has certain outstanding debts towards Romconstruct S.A. and consequently is invoked that our company is in insolvency state, requesting therefore the initiation of the insolvency procedure.

The defense used by Impact in this case aimed on one hand to show the fact that the company has money funds available for paying certain debts, liquid and eligible (in this regard a vast evidencing material was submitted showing the daily payment currently made by Impact during period between January – June 2010), and on the other hand, to show that it is reasonably and justified the refuse to pay the invoices issued by Romconstruct

In spite of all evidences submitted in the case, the instance of Bucharest Court ordered the initiation of the general insolvency procedure on 8th of July 2010. On the date of 13th of July 2010 Impact filed in for appeal.

On 11th of August 2010, by the court order no 5061/2010 Bucharest Court of Appeal pronounced the conclusion by which the effects of the commercial judgment no 5061/2010 of Bucharest Court was temporarily suspended until the settlement of the suspension petition submitted along with the appeal. Upon suspension pronouncement, the instance of Bucharest Court of Appeal set forth that the payment refusal is justified by the improper services performed by Romconstruct, respectively by the incompliance with the agreed contractual terms, Impact being in situation of invoking an agreement non-execution exception. The judgment is irrevocable.

As result of the suspension of the commercial judgment by which the initiation of the company's insolvency procedure had been ordered, administrators, respectively the Board of Administration regained the statutory powers, having the capacity of concluding any legal deed in the name of the company.

The appointment and the mandate of the judiciary administrator are suspended, therefore all deeds are legally fulfilled by the statutory management bodies.

Bucharest Court of Appeal set forth for the 28th of April 2011 the judgment term for the appeal petition submitted by Impact against the Court Order no 5061/2010.

On its turn, Impact submitted with Prahova Court, a petition by which it requested the insolvency of Romconstruct for the amount of RON **978,017.31**, amount representing the counter value of the invoices issued and not received by Impact , for which the company already holds an enforceable title (two cheques sheets invested with enforceable formula)

1.b. Lomb SA status

Considering the failure of Cluj Napoca Local Council shareholder, associated with Impact in the project company Lomb SA, to fulfill its legal and contractual obligations assumed upon the conclusion of the company's articles of incorporation, the Board of Administration of Lomb SA decided upon the initiation of the arrangements for the enforcement of art. 100 in Law no 31/1990, the cancellation of the shares unpaid by the Local Council respectively.

1.c. Piraeus Bank Credit Restructuring

On 20th of October 2010, Impact Developer & Contractor signed the additional document with Piraeus Bank Greece, London branch, by which the loan in amount of EUR 12.807 millions with its final due term on 31st of July 2010 had been extended with 5 years until 31st of July 2015. Reimbursement is made on quarterly basis, in equal trenches.

1.d. BoA Component

On 01.07.2010, Mrs. Andreea Rosca, member of the Board of Administration of Impact submitted her resignation. Mr Radu Bugica was appointed as administrator, and he is holding the position of temporary administrator until the first Ordinary General Assembly during which there will be proceeded with the election of an administrator in the seat remained vacant as result of Mrs. Rosca Andreea's resignation.

2. General description of the financial position and performances of the issuer and its affiliates.

On 30th of September 2010, IMPACT DEVELOPER&CONTRACTOR held total assets in amount of RON 477,289,940, current assets accounted for RON 382,120,463 (RON inventories 289,442,33, RON receivables 87,178,998, cash RON 5,498,532) and the non-current assets were in amount of RON 94,649,866, out of which the financial assets were RON 52,175,794.

At the same date the short term debts were in amount of RON 40,109,500 (out of which RON 22,285,190 bank loans) and the long term debts in amount of RON 107,151,280 (out of which RON 103,152,354 represent bank loans).

3. The financial-accounting status of the company

The following financial-accounting documents are submitted in the appendix:

- Accounting balance sheet and the Profit and Loss Account drafted according to the applicable regulations (OMFP 3055/2009).
- Financial statements for the period 01.01.2010-30.09.2010 are individual and they are not audited.

B. Economical – financial indicators:

	OMFP 3055
1. Current Liquidity Indicator	
Current assets (A)	382,120,463

Current liabilities (B)	40,109,500
A/B	9.53
2. The level of indebtedness Indicator	
Borrowed capital (A)	103,152,355
Equity (B)	324,879,928
A/B X 100	0.32
3. Clients debt rotation speed	
Commercial debentures (A)	87.178.998
Net turnover (B)	25,671,344
(A /B) * no of days during the period (270)	916.91
4. Non-current assets rotation speed	
Net turnover (A)	25.671.344
Non-current assets (B)	94,649,866
A/ B	0.27

Chairman of BoA

Dan Ioan Popp

Managing Director,

Carmen Sandulescu

**Chief of Financial-Accounting
Department**

Rosca- Filip Florin Eugen