REPORT

of the Board of Directors

For the Year 2012



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1. MANAGEMENT STRUCTURE

1.1 Board of Directors

According to the legislation in force and the Company's Articles of Incorporation, the General Shareholders' Meeting is the Company's supreme management and decision body, which decides with regard to its activity.

The Company is run by the Board of Directors formed of five administrators, individuals:

- Dimitrios Sophocleous, President of the Board of Directors
- Stefan Gheorghiu Milicin,
- Dan Ioan Popp
- Valeriu N. Ionescu
- Vlad N. Neacsu

During the Ordinary General Shareholders' Meeting of 25.04.2012, following the expression of interest of the major shareholders with regard to the good course of the company and direct support of the investments in the Company, it was resolved the enlargement of the Company's Board of Directors from 3 (three) to 5 (five) members, the new Board of Directors now having an international composition, with two new representatives proposed by the major foreign shareholders, Mr. Dimitrios Sophocleous and Mr Stefan Gheorghiu-Milicin.

During the same Ordinary General Shareholders' Meeting by Resolution no. 1/ AGOA of 25.04.2012 also started the term of the new President of the Board of Directors, Mr. Dimitrios Sophocleous, who has a wide international financial background, welcome for the success of the mandate of attracting investments in both projects and the company.

Dan Ioan Popp, founder of Impact in 1991, is still member of the Board of Directors of Impact.



On 24 September 2012, the Board of Directors appointed as General Manager Mr. Stefan Gheorghiu-Milicin.

By Resolution no. 5/AGOA of 20.12.2012, following the resignation of Mr. Radu Bugica on 16.11.2012 and his revocation as Director, Mr. Vlad Neacsu was elected new member of the Company's Board of Directors.

The rights, powers and functioning of the Board of Directors are in accordance with art. 8, art. 9 and art. 10 of the Articles of Incorporation of Impact Developer & Contractor SA.

The manner in which the General Shareholders' Meeting must be held and its attributions are set forth in art. 12 of the Company's Articles of Incorporation.

1.2. Corporate Governance

Corporate Governance observes the Romanian legislation in force and ensures both accuracy and transparency with regard to Company's results and equal access to all shareholders to relevant information about the Company.

Impact Developer & Contractor SA is managed in a managed in a one-tier system and it is run by the General Manager, under the supervision of the Board of Directors.

Corporate Governance elements are implemented in the Company in accordance with the Corporate Governance Code adopted by the Stock Exchange Council in December 2007, and they must be implemented after the annual report 2010.

Impact Developer & Contractor SA has made and shall make the necessary professional, legal and administrative efforts necessary to ensure the alignment with the provisions of the Code and transparent presentation of those results.

Impact Developer & Contractor SA publishes in a section dedicated to this aspect on its own website details concerning the celebration of the General Shareholders' Meeting, namely the notice to attend, materials/documents corresponding to the order of the day, special power-of-attorney forms, correspondence voting forms, resolution drafts.

Also, the Company informs all shareholders right after the celebration of the General Shareholders Meeting, in the section dedicated to this aspect on its own website with regard to the decisions adopted during the General Shareholders' Meeting and detailed result of the voting. The Company also provides to the shareholders/investors current reports, communiqués, financial agenda, annual, half-yearly and quarterly reports. The direct relation with the investors is ensured by a person appointed in this regard, dedicated to informing the shareholders depending on the questions asked in writing or by phone.

1.3. Auditor

The auditor RMS SCOT & COMPANY audits the financial statements prepared under the liability of the Company management in accordance with the Romanian accounting standards and IFRS (including the consolidated financial statements). Auditor's liability with regard to the Company and the General shareholders' Meeting is established and limited according to the law.

2. COMPANY'S ACTIVITY IN 2012

Impact Developer & Contractor SA (IMPACT), incorporated in 1991 by public subscription is listed on the Bucharest Stock Exchange. IMPACT introduced the concept of 'residential compound' in Romania and has developed so far in 4 cities, 16 residential areas, totaling over 2,500 residential facilities, houses and apartments. The portfolio is completed with 25,000 square meters of offices and commercial spaces as well as residential complex management services.

The real estate sector has registered a drop over the past few years especially due to the difficult access to funding sources, in the case of both real estate developers and buyers of finished products.

In 2012, the evolution of Romanian economy registered a slight growth of +0.3% (according to the National Institute for Statistics), growth determined mainly by the increase of the volume of activity and gross added value of information and communications (+29.4%) and professional, scientific and technical activities; activities of administrative and support services (+8,4%). The construction sector stagnated in 2012 as compared to 2011, whereas real estate transactions registered a slight growth of 1.5%. The greatest reductions of the activity volume were registered in agriculture, forestry and fishing (-21.2%), in industry (-2.1%) and in the financial brokerage and insurance sector (-0.2%).

Fall in unemployment determined an increase by 0.6% of the final consumption of population households in 2012, as compared to the previous year. At the same time, in 2012 the expenditure for the final consumption of public administrations went up 1.9%.

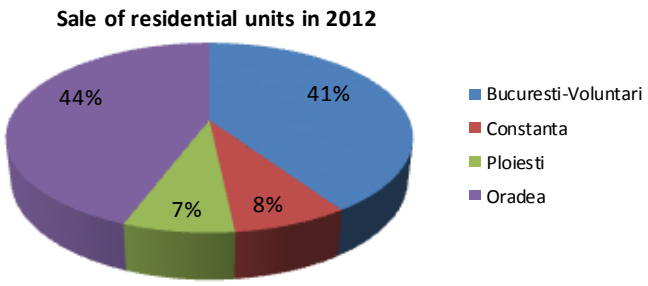
Although globally the significant decreases registered over the past few years got stable, both investors and creditors remain cautious, and the funding activity remains very limited.

Under these circumstances, it is worth mentioning that IMPACT adapted constantly to the new market conditions by measures aiming to:

(i) reduce fixed costs, strategy initiated at the beginning of the economic recession period, by reducing office space rent, company staff, vehicle fleet, reduce the stock of fixed assets and machines that had not been used over the past few years due to the reduction of the company activity volume and completion of the residential projects;

(ii) adjust the prices of the existing housing stock in order to respond as much as possible to the market needs. The most significant price reductions were registered for the residential complexes of Oradea, which were finished in 2009;

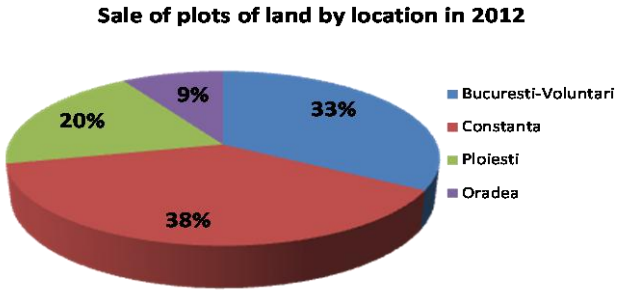
(iii) the decrease of the degree of indebtedness to 18.8% of the value of the assets in 2012, as compared to 22.9% at the end of 2011;



In 2012 IMPACT signed 123 contracts, of which 100 were sale-purchase contracts and 23 were rental contracts, 45% more sale-purchase contracts than in 2011.

With regard to the company's strategy, in 2012 IMPACT had the following objectives:

- Sale of the residential facilities finished in Bucharest, Ploiesti, Oradea and Constanta;
- Offering for sale plots of land to individuals and legal entities for the development of houses or small commercial premises. Following this activity, in 2012 plots of land with a total area of 5,500 sqm were sold in Bucharest, Ploiesti and Constanta.



2.1. Sales strategy for existing projects

Over the past two years, the Company's main strategy was to capitalize as much as possible the residential units from the portfolio.

Due to the changes registered in the real estate market over the past four years, in 2012 IMPACT continued to modify its operational activity and adapt it to the current market conditions. The economic crisis of the past years determined a drop in consumer's trust and an increase of its expectations with regard to the quality of the environment it is living in. IMPACT found solutions in order to satisfy as much as possible the new social values and more and more sophisticated habitat requirements, including in the projects developed various operators for facilities such as: English school, fitness and beauty center, pharmacy, groceries store, sweetshop and bar, and diversified playgrounds.



The residential units offered by IMPACT are grouped in 3 finishing phases: shell and core stage, completed units without finishings and finished units, the clients having the possibility to choose the type of unit that best suits their needs.

In the summer of 2012, the new management decided the significant reduction of the selling price of the residential facilities existing in the complexes developed in Oradea in the interval 2004-2009. The discount is applied only to paid in full sale-purchase contracts. The reasons that led to this decision were: stimulation of the sale of residential units in Oradea (which were very low over the past three years), which resulted in the reduction of the maintenance and repair expenditure, real estate tax and generated great amounts of cash. Following this decision, in the second half of 2012, 52 houses were sold in Oradea.

Money policy restrictions and the new regulations published by the National Bank of Romania rendered the access to funding sources more and more difficult. Due to this, since 2008, Impact had offered different funding solutions, adapted to its clients' needs and flexible in their application. They were continued in 2012 with financial solutions adapted especially to the sales strategy for the products developed by IMPACT and in accordance with the market conditions.

Clients may opt for the purchase by installments on a 6-year period, with a minimum advance payment of 30%, this product being offered to the clients purchasing residential facilities in Bucharest and Constanta. For the purchase of plots of land, clients may opt for a one-year payment by installments with a minimum advance payment of 40%.

In 2012, aiming to increase Company's cash, the Company gave up the financial products MAX AVANTAJ, which allowed the client to purchase by installments on a 10-year period and FIND-L, which allowed the purchase by installments on a 6-year period with an advance payment of 25% (for prices in RON). At the same time, the company's strategy was to focus mainly on the sale of residential facilities rather than renting them, based on the same objective – increase company's liquidities.



At the same time, IMPACT chose to address, by different purchase variants, various types of clients: from buyers with cash who can pay the full amount, obtaining a discount, to those who have less financial resources and choose the installment-purchase product on a maximum period of 6 years.

2.2. Sales strategy for plots of land in the portfolio

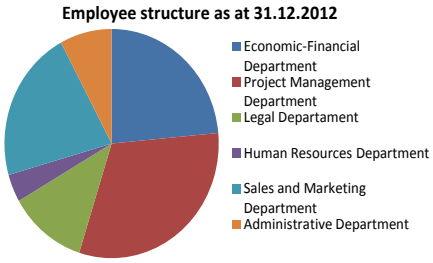
In 2012, the Company looked for solutions to stimulate sales of land plots for house construction. In this regard, Land plots with utilities and without utilities were offered for sale in Bucharest, Voluntari, Ploiesti, Constanta and Oradea.

In this regards, the Company started the activity to obtain a Regional Town Planning (PUZ) for one of the land plots in its portfolio, which will allow land buyers to build individual villas. Currently, IMPACT is in the final phase for the obtainment of this PUZ.

A land plot of nearly 2 hectares owned by the Company in Constanta was split into 48 land plots for houses that were already offered for sale in 2012. These plots of land are adjacent to the Boreal villas compound developed by IMPACT.

In Bucharest, near the Greenfield residential complex, 25 plots of land with a total area of 8,600 sqm, dedicated exclusively to the construction of villas, were offered for sale.

3. Other data about the company:



Employee structure

The Company had 37 employees at the end of 2012, the staff structure being indicated in the next chart.

There is no trade union in the Company.

The relations between the management and the employees are regulated by employment contracts and job descriptions.

Risk management elements

In order to prevent liquidity risks, the Company prepares 5-year, 1-year and monthly reports; it analyses the forecasts made and compares them to the real situation in order to prevent situations in which liquidity problems may appear.

Market risks: the global financial crisis combined with the recession in Europe exposed Romania to risks on the financial market. In order to maintain and even increase sales, IMPACT followed a strategy of funding the potential clients facing difficulties in accessing a bank mortgage. In order to achieve this goal, in 2009 IMPACT obtained a bank loan of RON 12.8 million (nearly EUR 3 million), used for the funding of clients buying residential facilities buying residential facilities by installments. At the end of 2012, the balance of this loan was RON 0.84 million, amount which must be fully repaid until June 2013.

The Company's internal control is made:

- Through the Contracting Department: contracts are signed by the Legal Department, Project Manager and General Manager;
- Through the Sales Department: contracts are analyzed by the Price and Analysis Department and signed by the General Manager;
- Through preventive financial control which checks the observance of the contract compliance;
- Through the monitoring of the payments, checked by the Preventive Financial Control and approved by the Chief Accountant.

3. FUTURE PROJECTS

Despite the economic problems faced by Romania due to the economic recession (a crisis that led to the unbalance of the real estate market), for the year 2013, IMPACT set objectives by which it can efficiently satisfy market, client and partner needs. The optimism with regard to the market and relation that IMPACT has with its clients is given by the diversification of both the real estate and financial products offered, managing this way to respond to the difficult access to the funding sources and expectations every time higher of the clients with regard to the habitat quality.

The offer proposed by the company for 2013 is complete and complex, providing a wide range of products: from serviced (non-serviced) land properties, finished and unfinished houses and apartments to real estate properties with reconfigurable areas.

In order to increase the quality of the services provided in the finished complexes and plots of land in its property, IMPACT is aiming in 2013 to conclude partnerships with various operators/investors in order to capitalize as much as possible of land properties and buildings of its portfolio.

3.1 Greenfield Residence – Phase II, Stage 1

In the first part of the year 2013 IMPACT shall start analyzing the potential of the development of the second phase of the Greenfield complex, which shall benefit from all the benefits of the location communicated under the Greenfield (900 hectares of forest, near Baneasa Forest, 5 minutes from the Baneasa commercial area - Metro Cash&Carry, Selgross, IKEA, Mobexpert, Carrefour Feeria, Bricostore, immediate access to DN1 Bucharest – Ploiesti, 10 minutes from the two airports: Baneasa and Henri Coanda).

The start of the construction shall be directly correlated with the sale of the residential facilities of the first phase of the project. Right now, we are analyzing the project, and at the end of the analysis we shall present and subject to shareholders' approval the project development proposal.

The objective of the second phase of development of the Greenfield project is the enlargement of the residential area in an improved concept, adapted to the current market conditions and the attraction of investors/operators for the improvement of the facilities/services serving the residential area.

The strategic lines of this development are subject to the approval of the Ordinary General Shareholders' Meeting of 29 March 2013 and if approved, this development plan shall be presented in detail to the General Shareholders' Meeting.

3.2 **Plots of land for houses**

Considering the increase of the number of individuals interested in small, individual plots of land for the construction of houses especially in the suburbs of big towns, IMPACT shall continue to offer for sale plots of land for house construction in Bucharest, Voluntari, Constanta and Ploiesti, with areas between 300-1000 square meters.

At the same time, the client may purchase the plots of land from IMPACT and develop his dream house alone or it can use the company's team of specialists (architects, engineers, project managers) in order to be able to build in accordance with clients' sophisticated requirements. Clients really appreciate the freedom and flexibility to build their dream house in the location chosen by them and

IMPACT, an experienced developer with over 20 years of experience in the real estate domain can help make this dream come true.

3.3. Status of the Business Support Center Greenfield 2 project

In 2011 the on-site visit took place and following this visit, the representatives of the Ministry of Regional Development recommended the conclusion of the non-refundable financing contract. Between May – November 2011, the contracting process was suspended, and at the end of November 2011, the contracting process was resumed. In this regard, there was a new on-site visit in December 2011. In March 2012 the project was rejected by the Management Authority for the Regional Operational Program. The project company challenged this decision, won the case and the contracting procedure continued. All in all, three on-site visits took place and several additional documents were requested. ***The project financing contract was signed on 27.03.2013.***

4. ACTIVITY FUNDING SOURCES IN 2013

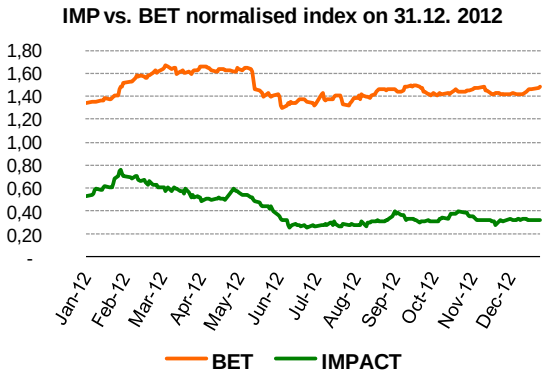
In order to continue the activity of development, IMPACT shall use mixed funding sources:

- Cash obtained from the sale of residential units and existing land plots, in accordance with the sales plan for 2013;
- Attraction of bank loans for the development of the second phase of the Greenfield project. The start of this new development shall be tightly correlated on one hand with the evolution of the sales of housing units of the first phase of the project and on the other with the evolution of the real estate market;
- Partnerships with financers attracted in the facilities to be developed in the Greenfield project area in Bucharest.

At the same time, in order to ensure the liquidities necessary for the continuation of the activity in good conditions and in order to initiate new real estate developments in the near future, the Company started at the end of 2012 the credit-restructuring activity. The completion of this restructuring shall mean a reduction by 56% of the amounts refunded quarterly for credit payment.

5. CAPITAL MARKET

Impact Developer & Contractor SA is listed on the Bucharest Stock Exchange since 1996, and since 2006 its shares (**197,866,574**) are listed in the 1st category of BSE. The Company's stock exchange capitalisation at the end of 2012 amounted to EUR 5,11 million.





There are no restrictions with regard to the transfer of real estate values, there are no restrictions with regard to the voting rights, there are no security holders with special control rights.

Among the shareholders that held over 5% of the company shares on 31.12.2013, we mention: Dan Ioan Popp with 16.52%, Adrian Andrici 10.7% Salink Limited 10.1%, Carmen Sandulescu 9.69%, Fondul de Pensii Administrat Privat ING 7.04%, Templeton GIT Emerging Markets Small Cap Fund 6.15%, ING International Romanian Equ 5%.

At the end of 2012, 41.48% shares were held by legal entities and 58,52% were held by individuals. Thus, we notice that over the past year the percentage of shares held by individuals went up 13%, as compared to the percentage of shares held by legal entities.

After the descending tendency registered in 2011, the BET index went up over 15% in 2012. In 2012 the IMP shares registered a drop of 37.7% as compared to 2011, after a drop of 32% registered the previous year. Whereas at the beginning of the year IMP registered a slight increase and a maximum exchange rate of RON 0.2630/share registered in 01.02.2012, in February, the exchange rate of shares started to gradually drop, at the end of the year shares dropping 37.7% as compared to the beginning of the year. The lowest exchange rate of the IMP shares of RON 0.0923/share was registered on 27 June 2012.

6. ECONOMIC AND FINANCIAL INDICATORS

Note: Figures presented in this report are according to the financial statements audited for 2012

The individual financial statements are presented in accordance with IFRS starting this year. The Order 881/2012 of the Ministry of Public Finances **stipulates that the companies listed on the stock exchange must adopt the international financial reporting standards – IFRS when preparing the annual individual financial statements for 2012.**

	Indicators according to IFRS (RON)	2011	2012
Result indicators	Turnover	8,076,674	22,003,647
	Operating income, of which:	(16,090,232)	(27,594,174)
	Effects of IAS 40	(34,718,145)	(37,220,889)
	Operating expenses	(31,610,076)	(49,684,110)
	Operating result	(47,700,307)	(77,278,284)

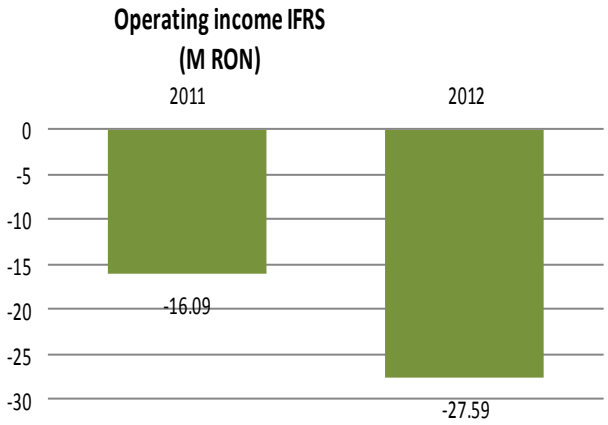
	Net financial cost	(4,455,726)	(3,335,603)
	Total revenues	(14,750,903)	(26,886,003)
	Total expenditure	(37,405,130)	(53,727,884)
	Gross profit	(52,156,033)	(80,613,887)
	Profit tax	7,092,910	5,721,420
	Net profit at the end of the period	(45,063,123)	(74,892,467)
Asset indicators	Tangible assets	21,256,671	20,784,144
	Real estate investments	262,617,086	230,508,536
	Financial assets	29,828,673	18,634,631
	Total fixed assets	313,810,991	269,976,474
	Total stocks	158,578,876	114,167,133
	Total current assets	218,765,582	158,775,383
	Total assets	532,576,574	428,751,857
	Share capital	205,330,158	205,330,158
	Equity	400,481,553	326,121,387
	Total liabilities	132,095,021	102,630,470

Company's revenues

In 2012 Company's revenues registered a negative value of (26,886,003) mainly due to the effects of the application of IAS 40 which amounted to RON (37,220,889).

Total revenues (RON)	**2012**	**2011**
Turnover	**22,003,647**	**8,076,674**
Effects of IAS 40 – revenue/(cost)	(37,220,889)	(34,718,145)
Other operating income	8,887,867	13,788,177
Changes in the stock of finished products and production in progress	(27,549,580)	(27,884,020)

Works performed by the company and capitalized	6,284,781	24,647,083
Financial income	708,171	1,339,328
TOTAL REVENUES	**(26,886,003)**	**(14,750,903)**

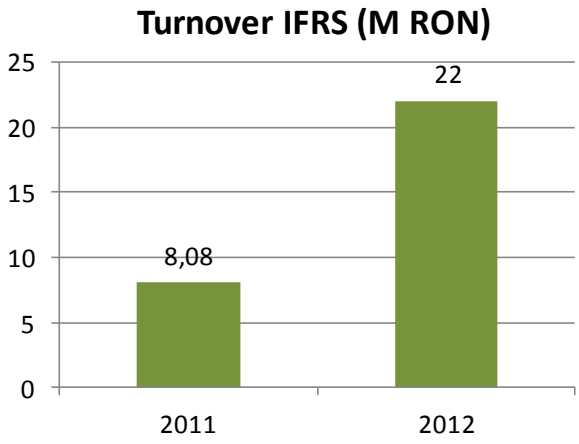


The effects of the application of IAS 40 had a negative impact over the **operating income** in 2012, which amounted to RON (27.59) million, decreasing as compared to 2011, when they amounted to RON (16.09) million mainly due to the depreciation of the value of the land property held in the portfolio and which fall under the incidence of IAS 40.

Turnover

Turnover went up 172% in 2012 as compared to 2011.

The low turnover in 2011 was due to the termination of contracts signed in 2008, amounting to RON 18.1 million. In 2012 IMPACT focused on capitalizing of the residential facilities finished during the previous years, without starting the development of new projects generating additional income and expenditure.

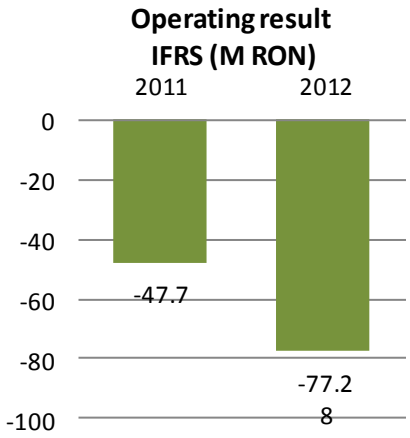


In 2012, 7 sale-purchase contracts signed the previous years and amounting to RON 2.24 million were canceled, which had a negative impact over the turnover.

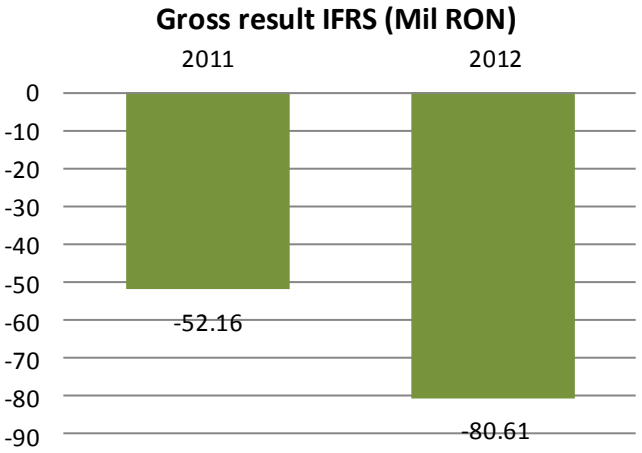
Operating result

Operating loss went up from RON 47.7 million registered at the end of 2011 to RON 77.28 million registered at the end of 2012. This increase of the operating loss is due to:

- loss generated by the effects of the application of IAS 40, which in 2011 amounted to RON 34.7 million and in 2012 amounted to 37.22;



- provision expenditure amounting to RON 22.05 million, of which: RON 6.6 million for adjustment of the share held in Actual Invest House and Clearline Development Management, RON 14.7 million for the depreciation of the stock value and other provisions amounting to RON 1.25 million.
- currency exchange losses amounted to RON 2.64 million and resulted from accounting modalities of treating loans in Euros, which suppose the assessment of the credit balance at the end of the year, on 31 December 2012. This accounting procedure makes the accounting value of the loans in Euros to be determined by the RON/EUR exchange rate at the end of the year. But this loss is only an accounting loss and is not registered from the operational point of view, as the loans, which maintain the same value in Euros, shall be repaid over the next few years, according to the repayment schedules.

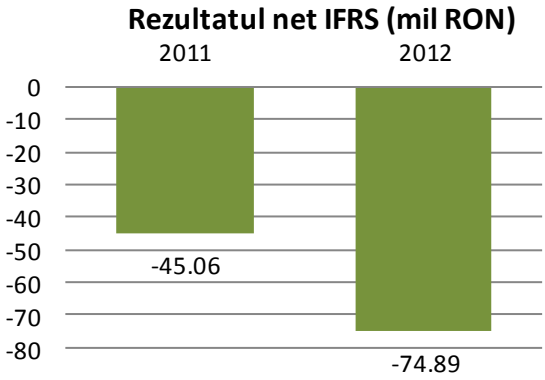


Gross result

According to IFRS, the gross loss registered in 2012 amounted to RON 80.61 million due to the operational loss and financial loss. From the financial activity resulted revenues of RON 0.71 million (47% lower than in 2011), but due to the interest rates corresponding to the credits of RON 4.04 million (30% lower than in 2011), the financial result registers a loss of RON 3.33 million (25% lower than the financial loss registered in 2011).

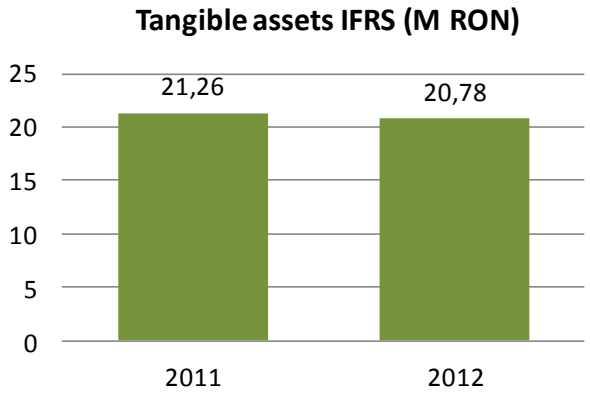
Net Result

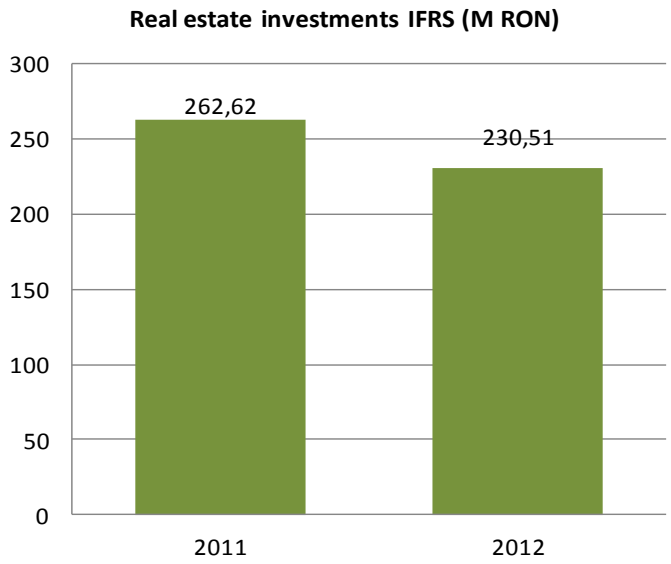
In 2012, the Company registered a net loss, according to IFRS, amounting to RON 38.79 million.



Tangible assets

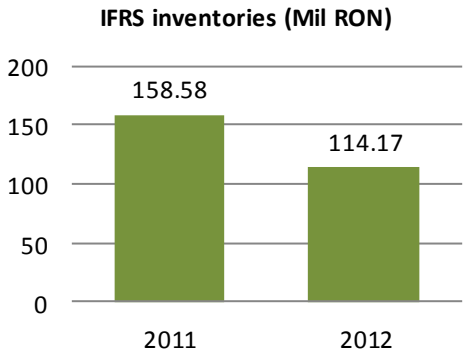
According to IFRS, tangible assets dropped nearly 2% in 2012 as compared to 2011, from RON 21.26 million to RON 20.78 million. This increase was mainly due to the reclassification of the real estate properties leased in the previous years, which gradually remained without tenants, from the intangible assets to the inventories account, as well as to the sale of certain units that had previously been leased.





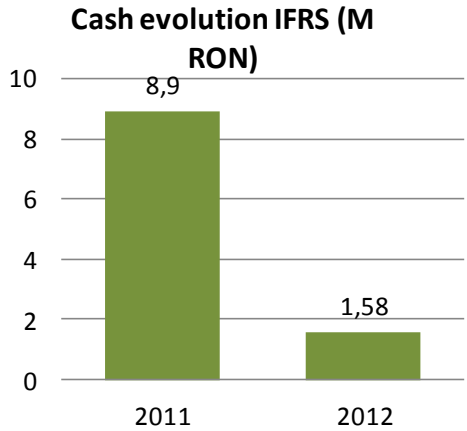
Real estate investments

Real estate investments dropped 12% in 2012, mainly due to the depreciation of the assets held in the portfolio.



Inventories

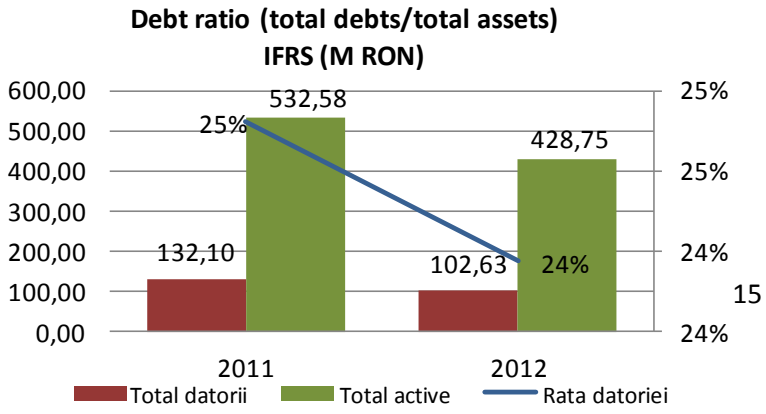
In accordance with IFRS, stocks dropped 28%, from RON 158.58 million in 2011 to RON 114.17 million in 2012. The drop is due on one hand to the sale of residential facilities and on the other to the depreciation of the assets held on stock.



Cash and cash equivalents

Cash dropped 82% from RON 8.9 million in 2011 to RON 1.58 million in 2012.

Cash reduction was mainly due to credit repayment, as credits amounting to RON 25.27 million were repaid in 2012.



Total debts

In accordance with IFRS, total debts dropped 22%, from RON 132.1 million in 2011 to RON 102.63 million in 2012, at the reporting date the

amounts granted by the credit institutions representing 66% of the total debts. Amounts owed to credit institutions dropped 26% in 2012 as compared to 2011 due to the credit repayment amounting to RON 25.27 million.

Company's total assets dropped 19% from RON 532.58 million in 2011 to RON 428.75 million in 2012, mainly due to the reduction of the inventories by 28% and of credits by 16% and of financial assets by 37%. Receivables were reduced due to on one hand the collecting of payable amounts corresponding to hire purchase agreements and on the other to the reduction of the number of hire purchase agreements signed, due to the fact that clients opted for the First House program or other bank crediting forms. Financial assets dropped RON 4.5 million due to the reduction of the share held in Clearline Development & Management and RON 6.6 million due to adjustments for equity impairment.

Debt ratio dropped 24% in 2012 as compared to 25% in 2011.

Share capital

The Company's subscribed and paid-in share capital as at 31 December 2012 amounted to RON 197 866 574. The nominal value of a share is RON 1.

On 31.12.2012, the share capital amounting to RON 205 330 158 includes the effects of the restatement according to the application of IAS 29 'Financial reporting in hyperinflationary economies.

Reconciliation of the share capital is as follows:

	31.12.2012	**31.12.2011**
Share capital nominal value	197,866,574	197,866,574
Effect of the adoption of IFRS	7,463,584	7,463,584
Restated share capital	**205,330,158**	**205,330,158**

The difference of RON 7,463,584 corresponding to the share capital is due to the application by the Company of the provisions of IAS 29 'Financial reporting in hyperinflationary economies'. Hyperinflation adjustment was registered in consideration of the retained earnings resulting from the reporting of IAS 29 for the first time.

Individual financial statements audited for the year 2012:

(Th LEI)	December 31, 2012	December 31, 2011
ASSETS		
Non-current assets		
Property, plant and equipment	21,411	21,883
Investment property	231,093	263,489
Investments	2,329	2,424
Intangible assets	49	115
	254,882	**287,911**
Current Assets		
Inventories	129,257	185,719
Trade receivables	41,221	48,732
Prepayments and other receivables	200	219
Cash and cash equivalents	1,685	9,080
	172,363	**243,750**
Total Assets	**427,245**	**531,661**

(Th LEI)	December 31, 2012	December,31 2011
PASIVE		
Capital and reserves		
Issued capital	205,330	205,330
Capital paid in excess of par value	84,042	84,042
Revaluation surplus	9,134	8,602
Accumulated result – profit	25,950	101,515
	324,456	**399,489**
Minority interest		
Non-current liabilities		
Borrowings	35,102	64,655
Deferred incomes	15,209	20,770
	50,311	**85,425**
Current liabilities		
Trade and other payables	17,186	17,348
Short term borrowings	0	0
Current portion of interest-bearing borrowings	32,884	26,989
Provisions	2,408	2,410
	52,478	**46,747**
Total Equity and Liabilities	**427,245**	**531,661**

(Th LEI)	2012	2011
Turnover	**28,529**	**8,985**
Effects from IAS 40 – revenue/(cost)	-37,509	-34,965
Other operating income	8,879	14,166
Change in inventory of finished goods and work in progress	-27,550	-27,884
Work performed by the enterprise and capitalised	6,285	24,647
Raw material and consumables	-10,660	-2,996
Staff costs	-1,821	-1,241
Depreciation and amortization expenses	-724	-1,730
Other operating expenses	-39,339	-27,656
Net finance cost	-7,428	-6,726
Income from associates	-5	36
Profit before tax	**-81,332**	**-55,436**
Income tax	5,767	7,121
Profit after tax	**-75,564**	**-48,315**
Minority interest		
Net profit for the period	**-75,564**	**-48,315**

President of the Board of Directors,

Dimitrios Sophocleous