



The Management Board of

IMPEL SA

releases the Consolidated Quarterly Report
for the first quarter of 2008

CONTENTS

I. ORGANISATION OF THE IMPEL GROUP INCLUDING SPECIFICATION OF CONSOLIDATED UNDERTAKINGS

II. CONDENSED QUARTERLY FINANCIAL STATEMENTS OF THE IMPEL GROUP

III. BALANCE SHEET OF IMPEL SA

IV. SELECTED EXPLANATORY INFORMATION

V. OTHER INFORMATION

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

I. ORGANISATION OF THE IMPEL GROUP INCLUDING SPECIFICATION OF CONSOLIDATED UNDERTAKINGS

As at the date of this report, the Impel Group consists of Impel SA i.e. the Parent undertaking and:

- 11 direct subsidiary undertakings,
- 20 indirect subsidiary undertakings,
- 1 co-subsidiary undertaking.

The Parent Undertaking of the Impel Group is Impel SA which exercises formal supervision over all of the Group companies, and is in charge of their strategy and coordination of activities.

Composition of the Group, in the breakdown into Business Units, including the companies consolidated as at March 31st 2008.

No.	Name and form of incorporation	Registered office	Business profile	Type of relation	Shareholders	Consolidation as at March 31st 2008
	Impel SA	Wrocław	supervision and management of the Impel Group	Parent Undertaking	33.25% Grzegorz Dzik; 25.08% Józef Biegaj; 41.67% other shareholders	yes
Business Unit 1 – Facility Management						
1.	Impel Cleaning sp. z o.o.	Wrocław	cleaning services	direct subsidiary undertaking	100% Impel SA	yes
2.	Serviks Riga SIA	Riga (Latvia)	cleaning services	direct subsidiary undertaking	66.99% Impel SA 33.01% Aivars Garancs	yes
3.	DC System sp. z o.o.	Warsaw	cleaning services	indirect subsidiary undertaking	100% Impel Cleaning sp. z o.o.	yes
4.	SaneChem Service sp. z o.o.	Łomianki	cleaning services	indirect subsidiary undertaking	100% Impel Cleaning sp. z o.o.	yes
5.	Inter Serwis – Technika sp. z o.o. (1)	Warsaw	facility management	indirect subsidiary undertaking	100% Impel Cleaning sp. z o.o.	yes
6.	DC System Polska sp. z o.o.	Wrocław	cleaning services	indirect subsidiary undertaking	100% Impel Cleaning sp. z o.o.	yes
7.	Seiso sp. z o.o.	Wrocław	cleaning services	indirect subsidiary undertaking	90% Impel Cleaning sp. z o.o., 10% DC System Polska sp. z o.o.	yes
8.	Hospital Serwis sp. z o.o.	Wrocław	cleaning services, assistance services in healthcare	indirect subsidiary undertaking	90% Impel Cleaning sp. z o.o., 10% DC System Polska sp. z o.o.	yes
9.	Impel Griffin Group sp. z o.o.	Kiev (Ukraine)	cleaning services	indirect subsidiary undertaking	61% Impel Cleaning sp. z o.o. 39% third parties	yes
Business Unit 2 – Security						
10.	Impel Security Polska sp. z o.o.	Wrocław	manned and electronic security of property	direct subsidiary undertaking	100% Impel SA	yes
11.	Impel Cash Handling sp. z o.o.	Warsaw	cash handling services	indirect subsidiary undertaking	100% Impel Security Polska sp. z o.o.	yes
12.	Impel Security Technologies sp. z o.o.	Wrocław	installation of electronic security systems	indirect subsidiary undertaking	100% Impel Security Polska sp. z o.o.	yes
13.	Impel Security Provider sp. z o.o.	Wrocław	manned and electronic security of people and property	indirect subsidiary undertaking	100% Impel Security Polska sp. z o.o.	yes
14.	Black Point Security sp. z o.o.	Warsaw	manned and electronic security of people and property	indirect subsidiary undertaking	100% Impel Security Polska sp. z o.o.	yes
15.	Bankowy Dom Faktor sp. z o.o. (2)	Warsaw	property security services, management of industrial and commercial facilities	indirect subsidiary undertaking	100% Impel Security Polska sp. z o.o.	yes
16.	Przedsiębiorstwo Specjalistyczne Asekuracja sp. z o.o.	Warsaw	cash processing services	indirect subsidiary undertaking	51% Impel Security Polska sp. z o.o., 49% third parties	yes
17.	Impel UK Limited	London (Great Britain)	outsourcing services	indirect subsidiary undertaking	90% Impel Security Polska sp. z o.o., 10% third party	yes
Business Unit 3 – Distribution						
18.	Impel Delivery sp. z o.o. (3)	Wrocław	laundry and rental services	direct subsidiary undertaking	100% Impel SA	yes

19.	Impel Perfekta sp. z o.o. (4)	Wrocław	laundry services	co-subsiary undertaking	50% Impel Delivery sp. z o.o. 50% Perfekta Beteiligungsgesellschaft mbH	yes
20.	Krakpol sp. z o.o.	Niepołomice	laundry services	indirect subsidiary undertaking	38.34% Impel Delivery sp. z o.o., 61.66% third parties	yes
21.	TeleBT sp. z o.o.	Wrocław	telecommunication audit, telecom infrastructure management	indirect subsidiary undertaking	80% Impel Delivery sp. z o.o., 20% third parties	yes
22.	Wena Floor System sp. z o.o.	Wrocław	installation, rental and maintenance of flooring	indirect subsidiary undertaking	80% Impel Delivery sp. z o.o., 20% Wena S.A.	yes
23.	Impel Catering sp. z o.o.	Wrocław	catering (preparation and delivery of food)	direct subsidiary undertaking	100% Impel Delivery sp. z o.o.	yes
24.	Pi sp. z o.o.	Wrocław	training services	direct subsidiary undertaking	100% Impel SA	yes
Independent undertakings						
25.	Open Property Management sp. z o.o.	Warsaw	management of service deliveries to clients	direct subsidiary undertaking	100% Impel SA	yes
26.	Impel HR Service sp. z o.o.	Wrocław	temporary work agency	direct subsidiary undertaking	100% Impel SA	yes
27.	Impel Job Service sp. z o.o.	Wrocław	temporary work agency	direct subsidiary undertaking	100% Impel SA	yes
28.	Sanpro-PTS sp. z o.o.	Warsaw	temporary work agency	indirect subsidiary undertaking	100% Impel Job Service sp. z o.o.	yes
29.	Sanpro - ATP sp. z o.o.		temporary work agency	indirect subsidiary undertaking	100% Impel Job Service sp. z o.o.	no
30.	Promedis sp. z o.o.	Wrocław	healthcare services	direct subsidiary undertaking	100% Impel SA	yes
Companies supporting the Impel Group						
31.	Impel IT sp. z o.o.	Wrocław	telecommunication and IT services	direct subsidiary undertaking	100% Impel SA	yes
32.	HR for Business sp. z o.o.	Wrocław	consulting in the scope of configuration and implementation of integrated IT systems	direct subsidiary undertaking	100% Impel SA	yes
33.	Impel Accounting sp. z o.o.	Wrocław	accounting services, consulting in the scope of business activity	direct subsidiary undertaking	100% Impel SA	yes

1) Previously the company operated under the name GP Bis sp. z o.o. – new name pending registration,

2) On January 24th 2008 a resolution on merging Bankowy Dom Faktor sp. z o.o. with North Ochrona sp. z o.o. was adopted – the company merger was registered on April 11th 2008 – North Ochrona sp. z o.o. is subject to consolidation as at March 31 2008

3) Previously the company operated under the name Impel Rental sp. z o.o. – new name entered in the register on January 3rd 2008,

4) Company consolidated with the equity method,

The above breakdown does not include:

- business entities in which the Impel Group companies hold less than 0.3% in share capital,
- business entities with finalized bankruptcy proceedings (Hanka S.A. – on December 11th 2007, HSW Zakład Ciągarnia sp. z o.o. – on January 31st 2008),
- Vantage Development S.A., where formal purchase of shares by Impel SA will take place after the court registration of increase in the share capital of that company.

In the first quarter of 2008 and up to the issue of this report, the Impel Group performed:

- a. disposing of the shares of the company as part of the strategy adopted by Impel Cleaning sp. z o.o. of limiting direct provision of services of low technological regime and conducting activity based on cooperation with independent industry subcontractors.

No.	Name and form of incorporation	Registered office	Business profile	Type of relation	Shareholders	Consolidation as at March 31st 2008
1.	Inter – Serwis sp. z o.o.	Wrocław	cleaning services	indirect subsidiary undertaking	100% Impel Cleaning sp. z o.o.	yes

- b. transfer of the ownership of shares of companies owned by Impel SA in exchange for acquisition of Vantage Development S.A. shares (capital pending registration) and sale of shares (concerns IPD Invest sp. z o.o.) on behalf of Vantage Development S.A. as part of the execution of the 2nd stage of an Investment Agreement).

No.	Name and form of incorporation	Registered office	Business profile	Type of relation	Shareholders	Consolidation as at March 31st 2008
1.	Impel Real Estate sp. z o.o.	Wrocław	facility management	direct subsidiary undertaking	100% Impel SA	yes
2.	IPD Centrum sp. z o.o.	Warsaw	property development services	direct subsidiary undertaking	100% Impel SA	yes
3.	IPD Południe sp. z o.o.	Kraków	property development services	direct subsidiary undertaking	100% Impel SA	yes
4.	Centauris IPD Invest sp. z o.o. spółka komandytowo-akcyjna	Wrocław	property development services	co-subsiary undertaking	50% Impel SA, 50% BNM3 sp. z o.o.	yes
5.	IPD Invest sp. z o.o.	Wrocław	property development services	co-subsiary undertaking	50% Impel SA, 50% BNM3 sp. z o.o.	yes

The above transactions have been described in detail in section 12.1 of this report.

II. CONDENSED QUARTERLY FINANCIAL STATEMENTS OF THE IMPEL GROUP

1. CONSOLIDATED BALANCE SHEET

ASSETS		Mar 31 2008 PLN'000	Dec 31 2007 PLN'000
I. Non-current assets (items 1-7)		180,244	177,428
1. Goodwill		17,983	17,983
2. Other intangible assets		26,705	22,528
3. Property, plant and equipment		77,786	79,722
4. Investment property		4,814	4,874
5. Intangible assets held as investments		31,860	31,413
6. Financial assets (6a+6b+6c+6d)		2,192	2,109
6a. Financial assets valued at fair value by financial result		-	-
6b. Investments held to maturity		-	-
6c. Loan and receivables:		2,150	2,067
6c ₁ . Loans		-	-
6c ₂ . Non-current receivables		2,150	2,067
6d. Financial assets available for sale:		42	42
6d ₁ . Investments in shares		42	42
6d ₂ . Investments in associated undertakings consolidated with equity method		-	-
7. Deferred tax assets		18,904	18,799
II. Current assets (items 1 – 3)		293,645	298,103
1. Inventories		45,075	44,992
2. Financial assets (2a+2b+2c+2d+2e)		243,777	250,401
2a. Financial assets valued at fair value by financial result		-	-
2b. Investments held to maturity		-	-
2c. Loan and receivables:		215,735	215,451
2c ₁ . Loans		467	341
2c ₂ . Current receivables (a+b+c+d)		215,268	215,110
a) Trade receivables		185,214	170,083
b) Receivables from state and local budgets, including:		17,880	23,904
- Current tax receivables		1,430	5,298
c) Financed lease receivables		66	216
d) Other receivables		12,108	20,907
2d. Financial assets available for sale		-	-
2e. Cash and cash equivalents		28,042	34,950
3. Prepayments and accrued income		4,793	2,710
III. Non-current assets classified as held for sale		-	600
Total assets – I+II+III		473,889	476,131

EQUITY AND LIABILITIES		Mar 31 2008 PLN'000	Dec 31 2007 PLN'000
I. Total equity and liabilities (1+2)		238 841	237 622
1.	Equity of the Parent Undertaking (items 1a-1j)	234,407	233,006
1a.	Share capital	75,757	75,707
1b.	Treasury shares	-	-
1c.	Supplementary funds, including share premium account	117,786	116,230
1d.	Revaluation capital reserve	-	-
1e.	Capital reserves	47,202	47,202
1f.	Revaluation capital on hedging transactions and currency translation differences due to consolidation	(85)	(102)
1g.	Other capital	952	1 123
1h.	Retained profit/(deficit)	(8,589)	(13,438)
1i.	Current year net profit/(loss)	1,384	6,284
1j.	Distributions from net profit during the year	-	-
2.	Minority interests	4,434	4,616
II. Non-current liabilities (items 1-6)		29,019	30,533
1.	Deferred tax liability	631	622
2.	Employee benefits	500	497
3.	Non-current provisions	175	194
4.	Non-current bank loans and borrowings	22,773	22,598
5.	Non-current financed lease liabilities	4,930	6,622
6.	Other non-current liabilities	10	-
III. Current liabilities (items 1-7)		194,831	196,258
1.	Current bank loans and borrowings	46,432	48,782
2.	Trade payables	53,621	49,529
3.	Public charges, including:	40,837	50,441
3a.	Current tax liabilities	295	496
4.	Employee benefits	36,566	34,018
5.	Current financed lease liabilities	4,827	2,282
6.	Other liabilities	10,776	9,939
7.	Current provisions	1,772	1,267
IV. Deferred income		11,198	11,718
V. Liabilities directly related to non-current assets classified as held for sale		-	-
Total equity and liabilities – I+II+III+IV+V		473,889	476,131
		Mar 31 2008 PLN'000	Dec 31 2007 PLN'000
Book value		234,407	233,006
Number of shares		15,151,462	15,141,462
Book value per share (PLN)		15,47	15,39

OFF-BALANCE SHEET ITEMS	Mar 31 2008 PLN'000	Dec 31 2007 PLN'000
1. Contingent receivables	-	-
2. Contingent liabilities	30,797	31,079
1.1. To related undertakings, including:	-	-
- guarantees and sureties issued	-	-
1.2. To other undertakings, including:	30,797	31,079
- guarantees and sureties issued	30,797	31,079
3. Other	729	772
Total off-balance-sheet items	31,526	31,851

2. CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Jan 01 2008 – Mar 31 2008 PLN'000	Jan 01 2007 – Mar 31 2007 PLN'000
Continued and discontinued operations		
I. Revenue (items 1-2):	246,494	225,161
1. Sales revenue, including:	238,380	211,405
a) revenue on sales of products	233,434	207,261
b) revenue on sales of materials and goods for resale	4,946	4,144
2. Subsidies	8,114	13,756
II. Operating expenses (items 1-8):	(240,721)	(225,072)
1. depreciation and amortisation	(5,217)	(4,902)
2. raw materials and energy used	(24,869)	(26,909)
3. contracted services	(65,823)	(32,999)
4. salaries and wages, social security and other employee benefits	(140,644)	(156,051)
5. other cost by type	(3,499)	(4,563)
6. selling costs – materials and goods for resale	(3,874)	(3,257)
7. change in products	3,205	3,609
8. cost of products for own needs	-	-
A. Profit/(loss) on sales (I-II)	5,773	89
I. Other operating income, including:	5,237	4,872
1. Gain on disposal of non-current non-financial assets	181	203
2. Revaluation of non-financial assets	1,419	1,429
II. Other operating expenses, including:	(6,514)	(4,862)
1. Gain on disposal of non-current non-financial assets	(18)	(109)
2. Revaluation of non-financial assets	(1,507)	(1,168)
B. Operating profit/(loss) (A+I-II)	4,496	99
I. Financial income, including:	1,033	1,535
1. Dividends and other profit distributions	-	-
2. Interest	667	478
II. Financial expenses, including:	(1,418)	(672)
1. Interest	(1,065)	(287)
2. Revaluation of investments	-	(30)
C. Pre-tax profit/(loss) (B + I-II)	4,111	962
I. Corporate income tax	(2,217)	(170)
D. Share in (profit)/loss of an undertaking valued with the equity method	-	-
E. Net profit/(loss) on continued and discontinued operations (C+/-I+/-D)	1,894	792
- attributable to shareholders of Parent Undertaking	1,384	462
- attributable to minority interests	510	330
Profit (loss) of the Parent Undertaking	1,384	462
Net profit/(loss) on discontinued operations	-	-
Net profit/(loss) on continued operations	1,384	462
Earnings/(loss) per ordinary share*	0,09	0,03
Discontinued operations	-	-
Continued operations	0,09	0,03
Diluted profit (loss) per share	0,09	0,03

Profit (loss) per share	Jan 01 2008 – Mar 31 2008 PLN'000	Jan 01 2007 – Mar 31 2007 PLN'000
Net profit (loss) for ordinary shareholders (PLN'000)	1,384	462
Average weighted number of shares used in calculation of ordinary earnings (loss) per share	15,151,462	15,038,462
Ordinary earnings/(loss) per share (PLN)	0,09	0,03
Adjustment concerning options for purchase of series F shares	44,182	179,601
Average weighted number of shares used in calculation of diluted profit (loss) per share	15,195,644	15,218,063
Diluted profit (loss) per share (PLN)	0,09	0,03

3. STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

CHANGES IN CONSOLIDATED EQUITY	Jan 01 2008 – Mar 31 2008 PLN'000	Jan 01 2007 – Mar 31 2007 PLN'000
I. Equity at beginning of period	233,006	230,155
- changes in adopted accounting policies	-	-
I. Equity at beginning of period, after adjustments	233,006	230,155
1. Share capital at beginning of period	75,707	75,192
a) increase	50	-
- share issue	50	-
1.2. Share capital at end of period	75,757	75,192
2. Balance of called-up share capital not paid at beginning of period	-	-
2.1 Balance of called-up share capital not paid at end of period	-	-
3. Treasury shares at beginning of period	-	-
2.1 Treasury shares at end of period	-	-
4. Supplementary funds at beginning of period	116,230	110,688
4.1. Changes in supplementary funds	1,556	(58)
a) increase	1,556	-
- distribution of profit (above statutory minimum)	1,435	-
- excess of the issue price over the par value of the shares	121	-
b) decrease	-	(58)
4.2. Supplementary funds at end of period	117,786	110,630
5. Revaluation capital reserve at beginning of period	-	-
5.1 Revaluation capital reserve at end of period	-	-
6. Other capital reserves at beginning of period	47,202	44,138
6.1. Change in other capital	-	(937)
a) increase	-	-
- distribution of profit	-	-
- additional equity contributions	-	-
b) decrease	-	(937)
6.2. Other capital reserves at end of period	47,202	43,201
7. Other capital at beginning of period	1,123	1,368
7.1. Change in other capital	(171)	-
a) increase, including	-	-
- valuation of options convertible to shares	-	-
- share issue	-	-
b) decrease, including	(171)	-
- transfer to share capital and supplementary capital by virtue of shares issue	(171)	-
7.2. Other capital at end of period	952	1,368
8. Currency-translation differences on subordinated undertakings at beginning of	(102)	(86)
a) increase	40	-
b) decrease	(23)	(7)
8.1. Currency-translation differences on subordinated undertakings at end of period	(85)	(93)
9. Retained profit/(loss) brought forward at beginning of period	(7,154)	(1,145)
- changes in adopted accounting policies	-	-
9.1. Retained profit at beginning of period after reconciliation with comparable data	(7,154)	(1,145)
a) increase, including	-	58
- dividend paid	-	-
- other	-	58
b) decrease, including	(1,435)	-
- increase in supplementary capital	(1,435)	-
- other	-	-
9.2. Retained profit at end of period	(8,589)	(1,087)
10. Net profit/(loss)	1,384	462
a) net profit	1,384	462
b) net loss	-	-
d) changes in adopted accounting policies	-	-
II. Group's Equity at end of period	234,407	229,673
III. Group's Equity after proposed distribution of profit (coverage of loss)	234,407	229,673

IV. Minority interest at beginning of period	4,616	5,002
a) increase, including	660	527
- additional equity contributions	10	145
- recognition of capital by virtue of acquisition of companies	-	-
- minority profit	650	382
- currency translation differences on recalculation of foreign undertaking's equity	-	-
- other	-	-
b) decrease, including	(842)	(56)
- minority loss	(140)	(52)
- dividend	(700)	-
- currency translation differences on recalculation of foreign undertaking's equity	(2)	(4)
- withdrawal from a subsidiary undertaking	-	-
- retirement of minority interest shares	-	-
- other	-	-
V. Minority interest at end of period	4,434	5,473
VI. Total equity	238,841	235,146
VII. Equity after proposed distribution of profit (coverage of loss) at end of period	238,841	235,146

4. CONSOLIDATED CASH FLOW STATEMENT

CONSOLIDATED CASH FLOW STATEMENT	Jan 01 2008 – Mar 31 2008 PLN'000	Jan 01 2007 – Mar 31 2007 PLN'000
A. Cash flows from operating activities		
I. Net profit (loss)	1,384	462
II. Total adjustments	(6,180)	(17,505)
1. (Profit)/loss attributable to minority interests	510	330
2. Depreciation and amortisation	5,217	4,902
3. Foreign exchange (gains)/losses	15	(11)
4. Interest and distributions from profit (dividends)	659	(6)
5. (Profit)/loss on investing activities	(163)	(1,138)
6. Change in provisions	495	(289)
7. Change in inventories	(86)	(10,889)
8. Change in receivables	(8,887)	(5,976)
9. Change in liabilities (net of loans and borrowings), including:	(1,320)	1,267
9a. Change in current tax liabilities	(201)	354
10. Change in accruals and deferrals	(2,708)	(4,907)
11. Other adjustments	88	(788)
III. Net cash provided by/(used in) operating activities (I+/-II)	(4,796)	(17,043)
B. Cash flows from investing activities		
I. Cash provided by investing activities	9,539	6,434
1. Sale of intangible assets and property, plant and equipment	9,405	576
2. Sale of investment property and intangible assets	-	-
3. Cash provided by financial assets, including:	134	5,856
a) in related undertakings	-	1,000
b) in other undertakings	134	4,835
- disposal of financial assets	-	4,722
- repayment of loans advanced	-	-
- interest received	134	134
4. Other cash provided by investing activities	-	2
II. Cash used in investing activities	(7,460)	(15,319)
1. Acquisition of intangible assets and property, plant and equipment	(6,861)	(7,008)
2. Investment property and intangible assets	(479)	(4,511)
3. Cash used on financial assets, including:	(120)	-
a) in related undertakings	-	-
b) in other undertakings	(120)	-
4. Dividends and other distributions from profit to minority interests	-	-
5. Other cash used in investing activities	-	(3,800)
III. Net cash provided by/(used in) investing activities (I-II)	2,079	(8,885)
C. Cash flows from financing activities		
I. Cash provided by financial activities	11,367	55,538
1. Net proceeds from issue of shares, other equity instruments and additional contributions to equity	-	120
2. Increase in loans and borrowings	11,367	54,572
3. Other cash provided by financing activities (cash provided by newly acquired comp.)	-	846
II. Cash used in financial activities	(15,558)	(34,469)
1. Acquisition of treasury shares	-	-
2. Dividends and other distributions to shareholders, including outstanding amounts	-	-
3. Repayment of loans and borrowings	(14,125)	(33,058)
4. Decrease in financed lease liabilities	(524)	(768)
5. Interest paid	(909)	(177)
6. Other cash used in financing activities	-	(466)
III. Net cash provided by/(used in) financing activities (I-II)	(4,191)	21,069
D. Total net cash flow (A.III+/-B.III+/-C.III)	(6,908)	(4,859)
E. Balance-sheet change in cash, including:	(6,908)	(4,859)
- change in cash resulting from foreign exchange gains/(losses)	-	-
F. Cash at beginning of period	34,950	41,081
G. Cash at end of period (F+/-D), including:	28,042	36,222
- restricted cash	311	971

III. BALANCE SHEET OF IMPEL SA

1. BALANCE SHEET OF IMPEL SA.

ASSETS		Mar 31 2008 PLN'000	Dec 31 2007 PLN'000
I. Non-current assets (items 1-7)		186,351	187,599
1.	Goodwill	-	-
2.	Other intangible assets	1,077	1,166
3.	Property, plant and equipment	3,566	3,702
4.	Investment property	2,420	2,437
5.	Intangible assets held as investments	8,692	8,357
6.	Financial assets (6a+6b+6c+6d)	169,048	170,246
6a.	Financial assets valued at fair value by financial result	-	-
6b.	Investments held to maturity	-	-
6c.	Loan and receivables:	80,298	84,312
6c ₁ .	Loans	78,363	82,199
6c ₂ .	Non-current receivables	1,935	2,113
6d.	Financial assets available for sale:	88,750	85,934
6d ₁ .	Investments in shares	88,750	85,934
7.	Deferred tax assets	1,548	1,691
II. Current assets (items 1 – 3)		58,035	65,333
1.	Inventories	136	232
2.	Financial assets (2a+2b+2c+2d+2e)	57,392	64,643
2a.	Financial assets valued at fair value by financial result	-	-
2b.	Investments held to maturity	-	-
2c.	Loan and receivables:	55,060	59,524
2c ₁ .	Loans	35,652	40,711
2c ₂ .	Current receivables (a+b+c+d)	19,408	18,813
	a) Trade receivables	15,339	14,986
	b) Receivables from state and local budgets, including:	1,042	1,291
	- Current tax receivables	-	-
	c) Financed lease receivables	-	-
	d) Other receivables	3,027	2,536
2d.	Financial assets available for sale	-	-
2e.	Cash and cash equivalents	2,332	5,119
3.	Prepayments and accrued income	507	458
III. Non-current assets classified as held for sale		25	-
Total assets – I+II+III		244,411	252,932

EQUITY AND LIABILITIES		Mar 31 2008 PLN'000	Dec 31 2007 PLN'000
I. Share capital (items 1a – 1j)		220,257	219,841
1a.	Share capital	75,757	75,707
1b.	Treasury shares	-	-
1c.	Supplementary funds, including share premium account	100,036	99,915
1d.	Revaluation capital reserve	-	-
1e.	Capital reserves	32,193	32,193
1f.	Revaluation capital on hedging transactions and currency translation differences due to consolidation	-	-
1g.	Other capital	952	1,123
1h.	Retained profit/(deficit)	10,903	(4,733)
1i.	Current year net profit/(loss)	416	15,636
1j.	Distributions from net profit during the year	-	-
II. Non-current liabilities (items 1-6)		2,141	2,527
1.	Deferred tax liability	-	-
2.	Employee benefits	65	65
3.	Non-current provisions	161	161
4.	Non-current bank loans and borrowings	1,889	2,267
5.	Non-current financed lease liabilities	-	-
6.	Other non-current liabilities	26	34
III. Current liabilities (items 1-7)		17,190	25,609
1.	Current bank loans and borrowings	7,411	14,199
2.	Trade payables	4,365	6,727
3.	Public charges, including:	2,185	1,997
3a.	Current tax liabilities	-	-
3b.	Subsidy provision liabilities	-	191
4.	Employee benefits	1,883	1,286
5.	Current financed lease liabilities	-	-
6.	Other liabilities	675	848
7.	Current provisions	671	552
IV. Deferred income		4,823	4,955
V. Liabilities directly related to non-current assets classified as held for sale		-	-
Total equity and liabilities – I+II+III+IV+V		244,411	252,932

	Mar 31 2008 PLN'000	Dec 31 2007 PLN'000
Book value	220,257	219,841
Number of shares	15,151,462	15,141,462
Book value per share (PLN)	14,54	14,52

OFF-BALANCE SHEET ITEMS	Mar 31 2008 PLN'000	Dec 31 2007 PLN'000
1. Contingent receivables	-	-
2. Contingent liabilities	127,256	123,672
2.1. To related undertakings, including:	121,468	117,710
- guarantees and sureties issued	121,468	117,710
2.2. To other undertakings, including:	5,788	5,962
- guarantees and sureties issued	5,788	5,962
3. Other, including:	-	-
- assignment of receivables with the re-assignment option	-	-
Total off-balance-sheet items	127,256	123,672

2. PROFIT AND LOSS ACCOUNT OF IMPEL SA

	Jan 01 2008 – Mar 31 2008 PLN'000	Jan 01 2007 – Mar 31 2007 PLN'000
Continued and discontinued operations		
I. Revenue (items 1-2):	12,784	15,544
1. Sales revenue, including:	12,504	15,106
a) revenue on sales of products	12,343	15,030
b) revenue on sales of materials and goods for resale	161	76
2. Subsidies	280	438
II. Operating expenses (items 1-8):	(12,916)	(15,550)
1. depreciation and amortisation	(270)	(266)
2. Raw materials and energy used	(209)	(398)
3. Contracted services	(6,863)	(8,214)
4. Salaries and wages, social security and other employee benefits	(4,095)	(5,433)
5. Other cost by type	(1,328)	(1,285)
6. Selling costs – materials and goods for resale	(143)	(75)
7. Change in products	(8)	121
8. Cost of products for own needs	-	-
A. Profit/(loss) on sales (I-II)	(132)	(6)
I. Other operating income, including:	117	662
1. Gain on disposal of non-current non-financial assets		2
2. Revaluation of non-financial assets	78	372
II. Other operating expenses, including:	(172)	(436)
1. Loss on disposal of non-current non-financial assets		-
2. Revaluation of non-financial assets	(24)	(43)
B. Operating profit/(loss) (A+I-II)	(187)	220
I. Financial income, including:	3,050	3,139
1. Dividends and other profit distributions	-	-
2. Interest	2,416	1,580
3. Gain on disposal of investments	-	-
II. Financial expenses, including:	(2,304)	(80)
1. Interest	(186)	(9)
2. Revaluation of investments	-	-
C. Pre-tax profit/(loss) (B + I-II)	559	3,279
I. Corporate income tax	(143)	(800)
D. Net profit/(loss) on continued and discontinued operations (C+/-I)	416	2,479
Net profit/(loss) on discontinued operations	-	-
Net profit/(loss) on continued operations	416	2,479
Profit/(loss) per ordinary share	0,03	0,16
Discontinued operations	-	-
Continued operations	0,03	0,16
Diluted profit (loss) per ordinary share	0,03	0,16

Profit (loss) per share	Jan 01 2008 – Mar 31 2008 PLN'000	Jan 01 2007 – Mar 31 2007 PLN'000
Net profit (loss) for ordinary shareholders (PLN'000)	416	2,479
Average weighted number of shares used in calculation of ordinary earnings (loss) per share	15,151,462	15,038,462
Ordinary earnings/(loss) per share (PLN)	0,03	0,16
Adjustment concerning options for purchase of series F shares	44,182	179,601
Average weighted number of shares used in calculation of diluted profit (loss) per share	15,195,644	15,218,063
Diluted profit (loss) per share (PLN)	0,03	0,16

3. STATEMENT OF CHANGES IN EQUITY OF IMPEL SA

CHANGES IN EQUITY	Jan 01 2008 – Mar 31 2008 PLN'000	Jan 01 2007 – Mar 31 2007 PLN'000
I. Equity at beginning of period	219,841	206,746
- changes in adopted accounting policies	-	-
I.a. Equity at beginning of period, after adjustments	219,841	206,746
1. Share capital at beginning of period	75,707	75,192
a) increase	50	-
- share issue	50	-
1.1. Share capital at end of period	75,757	75,192
2. Balance of called-up share capital not paid at beginning of period	-	-
2.1 Balance of called-up share capital not paid at end of period	-	-
3. Treasury shares at beginning of period	-	-
2.1 Treasury shares at end of period	-	-
4. Supplementary funds at beginning of period	99,915	98,666
4.1. Changes in supplementary funds	121	-
a) increase, including	121	-
- excess of the issue price over the par value of the share	121	-
4.2. Supplementary funds at end of period	100,036	98,666
5. Revaluation capital reserve at beginning of period	-	-
5.1 Revaluation capital reserve at end of period	-	-
6. Other capital reserves at beginning of period	32,193	28,198
6.1. Change in other capital reserves	-	-
a) increase	-	-
- distribution of profit (above statutory minimum)	-	-
6.2. Other capital reserves at end of period	32,193	28,198
7. Other capital at beginning of period	1,123	1,368
7.1. Change in other capital	(171)	-
a) increase, including	-	-
- valuation of executive options	-	-
- shares acquired in return for bonds	-	-
- share issue	-	-
b) decrease, including	(171)	-
- transfer to share capital by virtue of share issue	(50)	-
- transfer to supplementary funds by virtue of surplus of issue price over par value of shares	(121)	-
7.2. Other capital at end of period	952	1,368
8. Currency translation differences on subordinated undertakings	-	-
9. Retained profit/(loss) brought forward at beginning of period	10,903	3,322
- changes in adopted accounting policies	-	-
9.1. Retained profit/(loss) at beginning of period after adjustments	10,903	3,322
a) increase	-	-
b) decrease	-	-
- dividend paid	-	-
- increase in supplementary capital	-	-
- increase in reserve capital	-	-
9.2. Retained profit at end of period	10,903	3,322
10. Net profit/(loss)	416	2,479
a) net profit	416	2,479
b) net loss	-	-
d) changes in adopted accounting policies	-	-
II. Equity at end of period	220,257	209,225
III. Equity after proposed distribution of profit (coverage of loss)	220,257	209,225

4. CASH FLOW STATEMENT OF IMPEL SA

CASH FLOW STATEMENT	Jan 01 2008 – Mar 31 2008 PLN'000	Jan 01 2007 – Mar 31 2007 PLN'000
A. Cash flows from operating activities		
I. Net profit (loss)	416	2,479
II. Total adjustments	(1,619)	8,149
1. Depreciation and amortisation	270	266
2. Foreign exchange (gains)/losses	-	-
3. Interest and distributions from profit (dividends)	(2,214)	(1,569)
4. (Profit)/loss on investing activities	-	(1,268)
5. Change in provisions	119	(438)
6. Change in inventories	96	66
7. Change in receivables	(418)	8,864
8. Change in liabilities (net of loans and borrowings), including:	(1,488)	672
8a. Change in current tax liabilities	-	-
9. Change in accruals and deferrals	(38)	1,556
10. Other adjustments	2,054	-
III. Net cash provided by/(used in) operating activities (I+II)	(1,203)	10,628
B. Cash flows from investing activities		
I. Cash provided by financial activities	19,916	13,869
1. Sale of intangible assets and property, plant and equipment	3	-
2. Sale of investment property and intangible assets	-	-
3. Cash provided by financial assets, including:	19,913	13,867
a) in related undertakings	19,873	9,116
- disposal of financial assets	-	1,000
Dividends and other profit distributions	-	-
- repayment of loans advanced	17,385	7,962
- interest received	2,488	154
b) in other undertakings	40	4,751
- disposal of financial assets	-	4,722
- repayment of loans advanced	-	-
- interest received	40	29
4. Other cash provided by investing activities	-	2
II. Cash used in financial activities	(14,149)	(21,285)
1. Acquisition of intangible assets and property, plant and equipment	(423)	(220)
2. Investment property and intangible assets	(360)	-
3. Cash used on financial assets, including:	(13,366)	(21,065)
a) in related undertakings	(13,366)	(21,065)
- acquisition of financial assets	(4,650)	-
- loans granted	(8,716)	(21,065)
b) in other undertakings	-	-
- acquisition of financial assets	-	-
- loans granted	-	-
4. Other cash used in investing activities	-	-
III. Net cash provided by/(used in) investing activities (I-II)	5,767	(7,416)
C. Cash flows from financing activities		
I. Cash provided by financing activities	-	-
1. Net proceeds from issue of shares, other equity instruments and additional contributions to equity	-	-
2. Increase in loans and borrowings	-	-
3. Issue of debt securities	-	-
4. Other cash provided by financing activities	-	-
II. Cash used in financial activities	(7,351)	(2)
1. Acquisition of treasury shares	-	-
2. Dividends and other distributions to shareholders	-	-
3. Distributions from profit other than to shareholders	-	-
4. Repayment of loans and borrowings	(7,166)	-
5. Interest paid	(185)	(2)
III. Net cash provided by/(used in) financing activities (I-II)	(7,351)	(2)
D. Total net cash flow (A.III+/-B.III+/-C.III)	(2,787)	3,210
E. Balance-sheet change in cash, including:	(2,787)	3,210
- change in cash resulting from foreign exchange gains/(losses)	-	-
F. Cash at beginning of period	5,119	8,408
G. Cash at end of period (F+/-D), including:	2,332	11,618
- restricted cash	-	-

IV. SELECTED EXPLANATORY INFORMATION

1. COMMENTS ON THE IMPEL GROUP'S RESULTS OBTAINED IN Q1 2008

In Q1 2008 the Impel Group recorded sales revenue from products, materials and goods at the level of PLN 238,380,000. It means an increase as compared to the corresponding period last year by 26,975,000 (i.e. 12.8%).

EBIT net of subsidies achieved in Q1 2008 totalled PLN 4,496,000, which is by PLN 4,397,000 less than the result of the corresponding quarter last year. Positive impact on the results in Q1 2008 came in particular from: high rate of sales growth (higher margins obtained as part of newly acquired contracts) and the effect of contract negotiation.

Execution of the strategy adopted by the Impel Group of limiting direct provision of services and increasing the importance of third-party subcontractors in the process of provision of security and cleaning services directly affects a drop in direct costs of performance of services and, due to a changed employment status, lowers income from subsidies. In absolute values, subsidies obtained in Q1 2008 are lower by PLN 5,642,000 (i.e. about 41%) from those obtained in the corresponding period last year. The index of subsidies contribution to revenue from sales in Q1 2008 amounted to 3.4% and was lower than the result recorded in Q1 2007 by 1.3%.

The net result obtained in Q1 2008 amounted to PLN 1,384,000 and was higher than the result recorded in Q1 2007 by PLN 922,000. The net result was significantly affected by the result of financing activities, in the amount of PLN 385,000 in Q1 2008. Compared to Q1 2007, the result of financing activities is lower by PLN 1,248,000, which is directly connected with increased debt (higher financial expenses), accompanied by a drop in interest revenue (use of proceeds from share issue for issue purposes - no deposits).

As at March 31st 2008 the consolidated balance sheet total amounted to PLN 473,889,000 and was lower than the figure recorded as at December 31st 2007 by PLN 2,242,000 (i.e. 0,5%). No significant changes were recorded in the Group's asset structure; non-current assets amounted to 38% as at March 31st 2008 compared to 37% as at December 31st 2007 and, respectively, current assets: 62% and 63%. Also, as at March 31st 2008, no significant changes were recorded in the structure and value of liabilities in relation to December 31st 2007.

As at March 31st 2008 the Impel Group recorded positive net current assets, and maintained a safe financial mix.

2. TYPE AND AMOUNTS OF ITEMS WHICH AFFECT THE ASSETS, EQUITY AND LIABILITIES, SHARE CAPITAL, NET PROFIT (LOSS), OR CASH-FLOW, AND WHICH ARE EXTRAORDINARY DUE TO THEIR TYPE, SIZE, OR EFFECT

Apart from those mentioned in Section 1 of this report, in Q1 2008 there did not occur any significant, extraordinary events which could in any way affect assets, liabilities, equity, net financial result or cash flows of the Impel Group and Impel SA.

3. SEGMENT REVENUE AND RESULTS

Business segments

The Group's operating activity is divided into four main business segments:

- Facility Management Segment comprises building interior and exterior cleaning services and specialist cleaning services for institutional clients. The scope of facility management includes also technical maintenance of property.
- Property Security Segment comprises services related to manned and electronic security services, alarm systems, CCTV, fire protection and CIT (cash transport and handling) services.
- Distribution Segment comprises catering (food preparation and delivery); rental services; laundry services for institutional clients; installation, rental, and maintenance of flooring; organization of deliveries of materials and goods for resale; and brokerage services in the scope of telecommunications.

- Independent Undertakings Segment comprises employee lease, personnel and payroll services, healthcare services, and management of service provision for institutional clients. The entities comprising the segment do not jointly manage purchase, sale, and HR management processes.

The 'Other' Segment includes telecommunication and IT services, accounting services executed mainly for own needs of the Group, and property development activities.

Revenues and expenses of the particular business segments were computed and disclosed before the eliminations due to inter-segmental transactions.

The prices used in the inter-segmental transactions are similar to the market prices.

Geographical segments

The Group operates mainly in Poland. Following the acquisition of shares in Serviks Riga SIA in 2003, as well as Impel UK Limited and Impel Griffin Group sp. z o.o. in 2007, the Impel Group is also present in Latvia, Ukraine and Great Britain. In the period January 1st 2008 – March 31st 2008 the revenue generated from these operations accounted for 2.24% of the total net revenue on the sales of products generated by the Group.

The operations of the Group member undertakings in Poland do not display any significant regional differences in terms of the risk and returns on investment.

Changes in the measurement of profit/(loss) of particular segments

As of January 1st 2008 the manner of presenting the results of business segments was changed to provide for the Management Board of the Parent Undertaking the possibility of better assessment of the results produced in the organization and decision-making concerning the future allocation of resources. The presented segments correspond to the distinguished responsibility centres. The change was effected respecting the rule that all costs which can be allocated directly to respective business segments should be thus allocated. Due to the above, changes affecting the organization and the manner of data aggregation were introduced in the Group, to facilitate direct identification of costs and their allocation to the relevant business segments.

Differences

The whole segment presented in 2007 as 'Staff Management', due to the completion of joint management of processes, has been transferred since 2008 to the Segment 'Independent Undertakings'. Since 2008 the Segment 'Independent Undertakings' has taken over the activities connected with management of service provision, which in 2007 were assigned to the Segment 'Other'. The data concerning the business segments 'Facility Management', 'Distribution', and 'Security' are directly comparable to the data presented in 2007. However, regarding the above-mentioned change, the Group does not have appropriately aggregated comparable data for the year 2007 for the business segments 'Independent Undertakings' and 'Other'.

Consolidated profit and loss account in the breakdown into business segments for the period from January 1st 2008 to March31st 2008

BUSINESS SEGMENT	FACILITY MANAGEMENT	SECURITY	DISTRIBUTION	INDEPENDENT UNDERTAKINGS	OTHER	TOTAL SEGMENTS	ELIMINATIONS	AFTER ELIMINATIONS
P&L Account for period ended	Mar 31 2008	Mar 31 2008	Mar 31 2008	Mar 31 2008	Mar 31 2008	Mar 31 2008	Mar 31 2008	Mar 31 2008
Sales to external customers	102,472	89,016	23,678	21,745	1,469	238,380		238,380
Inter-segmental sales	1,865	874	2,440	25,576	8,920	39,675		39,675
Total sales revenue	104,337	89,890	26,118	47,321	10,389	278,055	(39,675)	238,380
Segment results including subsidies, net of all charges to the corporation	9,106	4,298	(1,296)	(749)	(71)	11,288	-	359
<i>Result on discontinued operations</i>	-	-	-	-	-	-	-	-
<i>Result on continued operations</i>	9,106	4,298	(1,296)	(749)	(71)	11,288	-	359
Unallocated Group costs						(6,253)	-	-
Operating profit/(loss)						5,035	(539)	4,496
<i>Profit (loss) from discontinued operations</i>								-
<i>Profit (loss) from continued operations</i>								4,496
Financial income								1,033
Financial expenses								(1,418)
Pre-tax profit/(loss)								4,111
<i>Pre-tax profit (loss) from discontinued operations</i>								-
<i>Pre-tax profit (loss) from continued operations</i>								4,111
Corporate income tax								(2,217)
Profit/(loss) attributable to minority interests								(510)
Net profit (loss)								1,384
<i>Net profit (loss) from discontinued operations</i>								-
<i>Net profit (loss) on continued operations</i>								1,384

Consolidated profit and loss account in the breakdown into business segments for the period from January 1st 2007 to March31st 2007

BUSINESS SEGMENT	FACILITY MANAGEMENT	SECURITY	STAFF MANAGEMENT	DISTRIBUTION	OTHER	TOTAL SEGMENTS	ELIMINATIONS	AFTER ELIMINATIONS
P&L Account for period ended	Mar 31 2007	Mar 31 2007	Mar 31 2007	Mar 31 2007	Mar 31 2007	Mar 31 2007	Mar 31 2007	Mar 31 2007
Sales to external customers	89,527	79,813	19,982	20,334	1,750	211,405		211,405
Inter-segmental sales	1,162	946	3,097	3,476	9,389	18,070		18,070
Total sales revenue	90,688	80,759	23,079	23,810	11,139	229,475	(18,070)	211,405
Segment results including subsidiaries, net of all charges to the corporation	4,153	978	(906)	354	(123)	4,456	-	4,456
<i>Result on discontinued operations</i>	-	-	-	-	-	-	-	-
<i>Result on continued operations</i>	4,153	978	(906)	354	(123)	4,456	-	4,456
Unallocated Group costs						(4,462)	-	(4,462)
Operating profit/(loss)						(6)	105	99
<i>Profit (loss) from discontinued operations</i>								-
<i>Profit (loss) from continued operations</i>								99
Financial income								1,535
Financial expenses								(672)
Pre-tax profit/(loss)								962
<i>Pre-tax profit (loss) from discontinued operations</i>								-
<i>Pre-tax profit (loss) from continued operations</i>								962
Corporate income tax								(170)
Profit/(loss) attributable to minority interests								(330)
Net profit (loss)								462
<i>Net profit (loss) from discontinued operations</i>								-
<i>Net profit (loss) on continued operations</i>								462

4. EVENTS SUBSEQUENT TO THE BALANCE-SHEET DATE, NOT DISCLOSED IN THE CONSOLIDATED FINANCIAL STATEMENTS FOR Q1 2008, WHICH COULD, HOWEVER, HAVE A MATERIAL BEARING ON THESE FINANCIAL STATEMENTS

After the date of these consolidated financial statements i.e. after March 31st 2008 the following events occurred that required disclosing in the financial statements, but did not require adjustments in these statements:

1. On April 11th 2008 Impel SA and Vantage Development S.A. entered into an Agreement on the acquisition of shares in the increased share capital of Vantage Development SA together with an agreement on the transfer of non-cash contributions; the object of the agreement is the acquisition by Impel SA of 1,681,095 new registered series D shares in the increased share capital of Vantage Development S.A., with a par value of PLN 2.48 per share, for the issue price of PLN 32.50 per share and the total issue price of PLN 54,635,587.50.
2. On April 18th 2008 Impel SA and Vantage Development SA entered into an Agreement on the sale of shares in IPD Invest sp. z o.o., seated in Wrocław (50% subsidiary of Impel SA) - the scope of the contract is the sale of 50 equal and indivisible shares with the total par value of PLN 25, representing 50% of the share capital of IPD Invest sp. z o.o. The disposal price of the shares was PLN 25,000.

The above-mentioned events have been described in detail in section 12.1 of this report.

5. FACTORS WHICH MAY AFFECT THE PERFORMANCE OF IMPEL SA AND ITS GROUP IN THE NEXT QUARTER

The following factors and events may have a bearing on the Group's financial performance in the next quarter:

1. further outlay on implementation of the Integrated IT System,
2. further effects of the increased labour costs as a result of an increase in the national minimum earned income.
3. improved revenue resulting from higher prices of services, increased as a result of contract renegotiations conducted in Q1 2008
4. sale of shares of Promedis sp. z o.o. – signing of an exclusive agreement in the process of acquiring an investor for the company,
5. acquisition by Impel SA of shares in Vantage Development SA in exchange for shares of companies involved in property development business,
6. conclusion of the process of taking over contracts from Griffin sp. z o.o. in the Ukraine,
7. entry into a new field of specialist cleaning and accompanying services related to the ground handling of aircraft thanks to receipt by Impel Cleaning sp. z o.o. of the Handling Agent Certificate that authorises unaided ground handling of aircraft at airports,
8. commencement of provision of services by Impel UK Limited - obtainment of the ACS quality certificate authorising the provision of services in accordance with the requirements of the Security Industry Authority (SIA) - an organisation regulating the market of private security services in the UK.

On January 21st 2008 the Management Board of Impel SA verified the Impel Group's strategy, which assumes:

1. division of roles between Impel SA and Business Units:
 - a. Impel SA is responsible for planning, standardisation, supervision, and financial management.
 - b. Business Units are responsible for operational execution, including subcontracting in order to increase outsourcing,
2. Increase in the effectiveness of management of the 'back-office' area – systems of measuring the effectiveness of the sales, administrative, personnel and financial departments were implemented,
3. Development of product portfolio, based only on own resources and business competencies constituting the basis of the Impel Group's operations,
4. Focus on improving the quality of services from the client's point of view,
5. Increase in the role of IT support – SAP, Contact Centre,
6. Starting strategic cooperation with business partners on the level of selected lines of business (strategic alliances),
7. Realisation of sales at the level of Business Units, coordination of multi-product sales at the level of Impel SA,

8. Increase in the employees' involvement in improving the Impel Group's functioning – base on the Kaizen philosophy.

In Q1 2008 the overall strategy of the Impel Group was cascaded to three basis Business Units: Facility Management, Security, and Distribution, which adopted the assumptions resulting from that strategy and used them to set own directions of strategic growth. Those directions include:

at JB- Facility Management:

1. maintenance of a leading position in the hospital industry and finance industry and gaining a leadership position in heavy and light industries and retail networks,
2. strengthening of customer relations by offering them additional value,
3. improving the system of quality management,
4. improving the operational effectiveness,
5. improving the competences of employees and associates and development of their dedication to improved operation of the Entity.

at JB-Security:

1. improving the profitability of the operating result of the entity,
2. development of sale of modern products (MON, TOM, CH),
3. supply of services of a higher quality than the services of the competition,
4. increased employee involvement and motivation to improve the functioning of the Entity.

at JB-Distribution:

1. development of the sale of comprehensive supplies for the building, health care, and hospitality sectors,
2. development of sales for medium clients (employing up to 250 employees),
3. optimal capital management,
4. improving the operational effectiveness,
5. support of the executed processes by IT systems.

V. OTHER INFORMATION

1. RULES GOVERNING THE PREPARATION OF THE CONSOLIDATED QUARTERLY REPORT FOR Q1 2008

1.1 Basis for the preparation, and format of the financial statements presented in the report

Basis for the preparation of the financial statements

The consolidated and non-consolidated condensed quarterly financial statements presented herein were prepared in accordance with:

- Polish Accountancy Act of September 29th 1994 (Dz.U. of 2002, No. 76, item 694, as amended);
- International Financial Reporting Standards ("IFRS"), and relevant IFRS adopted by the EU. IFRS comprise standards and interpretations accepted by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC");
- Regulation of the Minister of Finance on current and periodic reports to be disclosed by issuers of securities, dated October 19th 2005 (Dz.U. No. 209, item 1744) and cover the period from January 1st 2008 to March 31st 2008.

Format of the financial statements

The report for Q1 2008 was prepared in a condensed form, and includes:

- Selected explanatory information,
- Consolidated financial statements (balance sheet, profit and loss account, statement of changes in consolidated equity, consolidated cash flow statement),
- Non-consolidated financial statements of the Issuer (balance sheet, profit and loss account, statement of changes in non-consolidated equity, non-consolidated cash flow statement),
- Other supplementary information.

Figures in the financial statements are denominated in PLN '000. The comparable data were reviewed by a chartered auditor as part of the review of the financial statements for 2007.

1.2. Period covered by the financial statements

The consolidated financial statements and the non-consolidated financial statements cover the period of 3 months, i.e. from January 1st 2008 to March 31st 2008.

The data disclosed in the consolidated and non-consolidated balance sheet, and consolidated and non-consolidated off-balance-sheet items are accompanied by comparable consolidated financial data as at December 31st 2007.

The data disclosed in the consolidated and non-consolidated profit and loss accounts, the statements of changes in consolidated and non-consolidated equity, and the consolidated and non-consolidated cash-flow statements are accompanied by comparable financial data for the period from January 1st 2007 to March 31st 2007.

1.3. General rules governing the preparation of the financial statements presented in the report

General rules arising under IAS 34, and other IAS and IFRS were adopted when preparing the consolidated and non-consolidated balance sheet, consolidated and non-consolidated profit and loss account, the statement of changes in consolidated and non-consolidated equity, and in the consolidated and non-consolidated cash flow statement.

1.4. General information on the Issuer and its Group

As at March 31st 2008, the Impel Group (the "Impel Group" or the "Group") consisted of the Parent Undertaking Impel SA (the "Company" or the "Parent Undertaking" or the "Issuer"), 36 subsidiary undertakings consolidated with the full method, and 3 co-subsidiary undertakings consolidated with the equity method.

1.5. Adopted accounting policies and computing methods

The accounting policies described in the annual report as at December 31st 2007 did not change in Q1 2008.

2. DIVIDEND PAID (IN TOTAL OR PER SHARE), BROKEN INTO ORDINARY SHARES AND OTHER SHARES

During the presented reporting period, Impel SA did not declare or pay dividend.

3. ISSUE, REDEMPTION AND REPAYMENT OF DEBT SECURITIES

During the presented reporting period, Impel SA and the Impel Group companies did not issue, redeem or repay any debt securities.

Under the three-year Incentive Scheme of Impel SA, a total of 343,666 bonds were granted with the pre-emptive right to subscribe and acquire Series F ordinary shares. As at the date of this report, 113,000 Series F shares were acquired for the issue price of PLN 13 each. The amount of resources gained from the issue of Series F shares totalled PLN 1,469,000. Since the date of publication of the Q4 2007 report none of the entitled persons has acquired shares under the Incentive Scheme.

4. TYPE AND AMOUNTS OF CHANGES IN ESTIMATES DISCLOSED IN PREVIOUS PERIODS OF THE CURRENT FINANCIAL YEAR OR IN PREVIOUS FINANCIAL YEARS, WITH A MATERIAL BEARING ON THE CURRENT INTERIM PERIOD.

4.1. Impel Group

Adjustments for provisions and valuation allowances for assets:

	As at Dec 31st 2007	Increase	Decrease	As at March 31st 2008
Valuation allowances for assets (4.1.1)	32,749	1,920	(1,702)	32,967
Deferred tax asset (4.1.2)	18,799	105	-	18,904
Deferred tax liability (4.1.2)	622	9	-	631
Provisions for liabilities (4.1.3)	1,461	804	(318)	1,947
Provisions for employee benefits (4.1.4)	16,857	36,248	(34,922)	18,183
Employee benefits in the form of shares (4.1.5)	1,368	-	-	1,368

4.1.1. Valuation allowances for assets

Valuation allowances:	As at Dec 31st 2007	Increase	Decrease	As at March 31st 2008
Valuation allowances for intangible assets, including goodwill	8,041	-	-	8,041
Valuation allowances for non-current assets	2,296	36	(96)	2,236
Valuation allowances for non-current investments	1,557	365	(196)	1,726
Valuation allowances for current investments	(31)	-	61	30
Valuation allowances for inventories	616	10	(3)	623
Valuation allowances for non-current receivables	-	-	-	-
Valuation allowances for current receivables	20,244	1,509	(1,468)	20,285
Valuation allowances for intangible assets, including goodwill	26	-	-	26
Total:	32,749	1,920	(1,702)	32,967

4.1.2. Deferred tax asset and liability

The deferred tax asset cannot be offset against the deferred tax liability at the consolidated level, as each company of the Impel Group settles its income tax on business activities separately. As at March 31st 2008, and before they were offset at the company level, these items amounted to PLN 25,008,000 and PLN 6,735,000, respectively, whereas after the items were offset at the company level the respective figures were PLN 18,904,000 and PLN 631,000.

Compared with the balance as at December 31st 2007, the deferred tax asset changed in particular due to:

Change in deferred tax assets, including:	As at Dec 31st 2007	Impact on Result		As at March 31st 2008
		Increase	Decrease	
Provisions for salaries and wages (including: bonuses, jubilee bonus, and non-payroll remuneration)	7,414	242	-	7,656
Provisions for retirement severance pays	80	-	(12)	68
Provisions for unused holidays	786	338	-	1,124
Provisions for disputed claims	196	82	-	278
Provisions for contracted services	464	971	-	1,435
Valuation allowances for receivables	482	-	(11)	471
Interest on loans	2,192	-	(145)	2,047
Return of subsidies	12	-	(12)	-
Difference between tax and balance-sheet value of non-current assets and intangible assets	1,199	36	-	1,235
Tax losses	8,301	-	(1,646)	6,655
Other	3,734	305	-	4,039
Total:	24,860	1,974	(1,862)	25,008

Whereas the deferred tax liability changed in particular due to the following items:

Change in deferred tax liabilities, including:	As at Dec 31st 2007	Impact on Result		As at March 31st 2008
		Increase	Decrease	
Interest on loans	2,541	56	-	2,597
Provisions for subsidies	1,153	-	(202)	951
Provision for ZFŚS (Company Social Contribution Fund)	1	8	-	9
Accruals and deferred income	195	-	(53)	142
Difference between tax and balance-sheet value of non-current assets and intangible assets	1,703	25	-	1,728
Income on lease	-	-	-	-
Financed lease	645	-	(65)	580
Other	445	283	-	728
Total:	6,683	372	(320)	6,735

Changes of the deferred tax asset and liability decreased the Group's result for Q1 2007 by the amount of PLN 96,000.

4.1.3. Provisions for future liabilities

Change in provisions for future liabilities, including:	As at Dec 31st 2007	Increase	Decrease	As at March 31st 2008
Assigned receivables	128	-	-	128
Disputed claims against the Group companies	908	638	(222)	1,324
Other	425	166	(96)	495
Total:	1,461	804	(318)	1,947

4.1.4. Provisions for employee benefits

Change in provisions for employee benefits, including:	As at Dec 31st 2007	Increase	Decrease	As at March 31st 2008
Unused holidays	4,642	14,897	(12,476)	7,063
Awards	3,795	5,513	(3,628)	5,680
Non-payroll remuneration	7,802	15,558	(18,461)	4,899
Retirement severance pays	524	47	(67)	504
Other	94	233	(290)	37
Total:	16,857	36,248	(34,922)	18,183

4.1.5. Employee benefits in the form of shares

By March 31st 2008, the Company recognized cumulative costs of share-based payments to employees at PLN 1,368,000 and they related to rights granted to acquire Series A ordinary bearer bonds with the pre-emptive right to subscribe and acquire Series F ordinary bearer shares of Impel SA. The programme for employee benefits based on shares has been described in the supplementary information, note No. 16.

4.2 Impel SA

Adjustments for provisions and valuation allowances for assets:

	As at Dec 31st 2007	Increase	Decrease	As at March 31st 2008
Valuation allowances for assets (4.2.1)	71,288	2,115	(69)	73,334
Deferred tax asset (4.2.2)	1,691	-	(143)	1,548
Deferred tax liability (4.2.2)	2,610	-	-	-
Provisions for future liabilities (4.2.3)	713	119	-	832
Provisions for employee benefits (4.2.4)	725	1,360	(759)	1,326
Employee benefits in the form of shares	1,368	-	-	1,368

4.2.1. Valuation allowances for assets

Valuation allowances:	As at Dec 31st 2007	Increase	Decrease	As at March 31st 2008
Valuation allowances for intangible assets, including goodwill	-	-	-	-
Valuation allowances for non-current assets	-	-	-	-
Valuation allowances for non-current investments	65,610	2,089	-	67,699
Valuation allowances for current investments	(61)	-	61	-
Valuation allowances for inventories	11	-	(1)	10
Valuation allowances for current receivables	5,728	26	(129)	5,625
Valuation allowances for intangible assets, including goodwill	-	-	-	-
Total:	71,288	2,115	(69)	73,334

4.2.2. Deferred tax asset and liability

For the purposes of balance-sheet presentation, Impel SA offsets the deferred tax asset against the deferred tax liability. As at March 31st 2008, these two items, before they were offset, stood at PLN 4,062,000 and PLN 2,514,000, respectively. Compared with the balance as at December 31st 2007, the deferred tax asset changed in particular due to the following reasons:

Change in deferred tax assets, including:	As at Dec 31st 2007	Impact on Result		As at March 31st 2008
		Increase	Decrease	
Provisions for salaries and wages (including: bonuses, jubilee bonus, and non-payroll remuneration)	301	112	-	413
Provisions for retirement severance pays	12	-	-	12
Provisions for unused holidays	29	20	-	49
Provisions for disputed claims	135	23	-	158
Provisions for contracted services	73	73	-	146
Provisions for valuation allowances for receivables	329	-	(6)	323
Provisions for reimbursement of subsidies	-	-	-	-
Difference between tax and balance-sheet value of non-current assets and intangible assets	-	-	-	-
Tax losses	3,268	-	(751)	2,517
Other	79	365	-	444
Total:	4,226	593	(757)	4,062

Whereas the deferred tax liability changed in particular due to the following items:

Change in deferred tax assets, including:	As at Dec 31st 2007	Impact on Result		As at March 31st 2008
		Increase	Decrease	
Interest on loans and bonds	2,394	-	(25)	2,369
Provisions for subsidies	51	-	(15)	36
Provision for ZFSS (Company Social Contribution Fund)	-	-	-	-
Other	90	19	-	109
Total:	2,535	19	(40)	2,514

Changes of the deferred tax asset and liability decreased the Group's net result by the amount of PLN 143,000.

4.2.3. Provisions for future liabilities

Change in provisions for future liabilities, including:	As at Dec 31st 2007	Increase	Decrease	As at March 31st 2008
Assigned receivables	-	-	-	-
Disputed claims against the Group companies	713	119	-	832
Total:	713	119	-	832

4.2.4. Provisions for employee benefits

Change in provisions for employee benefits, including:	As at Dec 31st 2007	Increase	Decrease	As at March 31st 2008
Unused holidays	153	565	(461)	257
Awards	443	644	(133)	954
Non-payroll remuneration	64	151	(165)	50
Retirement severance pays	65	-	-	65
Total:	725	1,360	(759)	1,326

5. SEASONAL, CYCLICAL AND OCCASIONAL REVENUE

In the period under review, the Group's operations were not subject to seasonal or cyclical fluctuations.

6. EFFECTS OF CHANGES IN THE STRUCTURE OF THE BUSINESS UNDERTAKING OCCURRING IN THE SEMI-ANNUAL PERIOD, INCLUDING MERGERS, ACQUISITIONS OR SALE OF SUBSIDIARY UNDERTAKINGS OR LONG-TERM INVESTMENTS, RESTRUCTURINGS AND DISCONTINUED OPERATIONS

In the period under review, the above-mentioned events did not occur at the Impel Group.

7. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS AFTER THE END OF THE FINANCIAL YEAR 2007

The Impel Group has contingent liabilities resulting from the bank guarantees granted to the Group's clients by banks, and agreement performance bonds. The table below presents changes in the contingent liabilities by virtue of guarantees and sureties issued for the benefit of other entities which occurred after the end of 2007 and until March 31st 2008:

PLN'000

Object of guarantee/surety	Value of liabilities by virtue of guarantees and sureties issued for the benefit of other entities as at Dec 31st 2007	Value of liabilities by virtue of guarantees and sureties issued for the benefit of other entities as at March 31st 2008
Impel SA		
participation in tender, agreement performance bond (Kredyt Bank)	3,037	2,863
participation in tender, agreement performance bond (Pekao)	1,471	1,471
participation in tender, agreement performance bond (Deutsche Bank)	1,000	1,000
commitment under the guarantees issued for the benefit of Impel Security Provider sp. z o.o. (Pekao)	118	118
commitment under the guarantees issued for the benefit of Impel Security Polska sp. z o.o. (Pekao)	10	10
commitment under the guarantees issued for the benefit of Impel Delivery sp. z o.o. (Pekao)	246	246
commitment under the guarantees issued for the benefit of Impel Accounting sp. z o.o. (Pekao)	80	80
Total	5,962	5,788
Impel Security Polska sp. z o.o.		
participation in tender, agreement performance bond (Kredyt Bank)	4,627	3,284
participation in tender, agreement performance bond (ING)	521	521
commitment under the guarantees issued for the benefit of Impel Cash Handling (ING)	193	343
participation in a tender, agreement performance bond (facility at Deutsche Bank for ISA, ISP and ICL)	194	1.194
Total	5,535	5,342
Impel Catering sp. z o.o.		
tender guarantees, agreement performance bonds	2,801	3,064
Total	2,801	3,064
Impel Delivery sp. z o.o.		
tender guarantees, agreement performance bonds	23	134
Total	23	134
Impel Cleaning sp. z o.o.		
tender guarantees, agreement performance bonds	12,032	12,241
agreement performance bond	10	10
agreement performance bond	10	10
Total	12,052	12,261
Impel HR Service sp. z o.o.		
agreement performance bond	300	-
tender guarantees, agreement performance bonds	240	69
Total	540	69
Impel Security Technologies sp. z o.o.		
tender guarantees, agreement performance bonds	91	154
Total	91	154
DC System sp. z o.o.		
tender guarantees, agreement performance bonds	633	381
Total	633	381
Promedis sp. z o.o.		
tender guarantees, agreement performance bonds	301	301
Total	301	301
Inter Serwis – Technika sp. z o.o.		
tender guarantees, agreement performance bonds	586	672
Total	586	672
Impel Cash Handling sp. z o.o.		

agreement performance bond	2,500	2,500
Total	2,500	2,500
SaneChem Service sp. z o.o.		
payment guarantee	13	-
tender guarantees, agreement performance bonds	0	0
Total	13	0
Impel Job Service sp. z o.o.		
tender guarantees, agreement performance bonds	42	131
Total	42	131
Inter Serwis sp. z o.o.		
tender guarantees, agreement performance bonds	0	0
Total	0	0
TOTAL	31,079	30,797

8. LOAN SURETIES ISSUED BY IMPEL SA OR THE IMPEL GROUP MEMBER UNDERTAKINGS; GUARANTEES ISSUED TO SUBSIDIARY UNDERTAKINGS

The existing loan sureties and guarantees issued to any entity or its subsidiary whose total value is equal to or higher than the equivalent of 10% of the equity of Impel SA as at March 31st 2008, are presented in the table below.

Sureties

The guarantor for sureties presented in the table below is Impel SA

Undertaking for which the surety was issued	Object of surety	Expiry date	Financial terms (remuneration Impel SA)	PLN'000	
				Amount of surety in nominal terms	Amount of surety in real terms as at March 31st 2008
Impel Security Polska sp. z o.o.	bank loan from Kredyt Bank	Jun 30 2008	quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	10,400	0
	bank loan from ING Bank Śląski	Jul 06 2008	quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	1,000	0
	bank loan from ING Bank Śląski	Jan 23 2009	quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	4,600	4,600
	bank loan from Pekao	Dec 22 2007	quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	4,000	0
	guarantee facility from ING Bank Śląski	Jul 06 2008	quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	2,000	864
	guarantee facility from Kredyt Bank	Jun 30 2008	quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	6,000	3,284
	guarantee in the facility of Impel SA (Pekao)	Sep 30 2008	quarterly fee of 0.5% of the guarantee amount	10	10
	Guarantee facility from Deutsche Bank for ISA ISP and ICL	Jul 01 2008	quarterly fee of 0.5% of the guarantee amount	15,000	1,194
	operating lease from VW Leasing	individual agreements expire on different dates, from Jun 11th 2007 to Dec 11th 2009	quarterly fee of 0.5% of the secured lease amount	8,546	6,318
TOTAL				51,556	16,270
Impel Cleaning sp. z o.o.	bank loan from Kredyt Bank	Jun 30 2008	quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	3,000	543
	bank loan from ING Bank Śląski	Jul 06 2008	quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	00	0
	bank loan from PKO BP	Dec 31 2009	quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	7,500	7,037

			quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	3,000	3,000
	bank loan from Pekao	Feb 08 2008	quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	6,000	1,928
	bank loan from Pekao	Mar 31 2008	quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	5,000	3,875
	bank loan from ING Bank Śląski	Dec 13 2008	quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	14,400	14,400
	guarantee facility from Kredyt Bank	Jun 30 2008	quarterly fee of 0.5% of the amount drawn down as at beginning of quarter	15,000	12,241
	operating lease from VW Leasing	individual agreements expire on different dates, from Apr 11th 2008 to Feb 11th 2010	quarterly fee of 0.5% of the secured lease amount	15,943	11,266
	Guarantee facility from Deutsche Bank for ISA ISP and ICL	Jul 01 2008	quarterly fee of 0.5% of the guarantee amount	15,000	-
	TOTAL			85,343	54,290

Guarantees

Total value of bank guarantees issued to the order and liability of the following:

PLN'000

Guarantee	Object of guarantee	Guaranteed amount	Real value of liability duly guaranteed in whole or in part	Maximum guarantee period
Impel SA				
Kredyt Bank - guarantee facility	participation in tender, agreement performance bond	5,000	2,863	Jun 30 2011
Deutsche Bank - credit facility of ISA, ISP, ICL - guarantees issued on behalf of Impel SA	participation in tender, agreement performance bond	15,000	1,000	May 31 2008
Pekao – guarantees issued on behalf of Impel Security Polska sp. z o.o. as part of the guarantee facility of ISA	agreement performance bond		10	Sep 30 2008
Pekao – guarantees issued on behalf of Impel Security Provider sp. z o.o. as part of the guarantee facility of ISA	agreement performance bond		118	Jun 20 2008
Pekao - guarantee facility as part of the current account loan	participation in tender, agreement performance bond	6,000	1,471	Jun 30 2011
Pekao - guarantees issued on behalf of Impel Delivery sp. z o.o. as part of the guarantee facility of ISA	agreement performance bond		246	Jun 13 2010
Pekao - guarantees issued on behalf of Impel Accounting sp. z o.o. as part of the guarantee facility of ISA	agreement performance bond		80	Jun 30 2010
TOTAL		26,000	5,788	

Apart from the companies listed above there were no other loan sureties or guarantees advanced by any Group undertaking to any entity, whose value would equal or exceed 10% of Impel SA's equity.

9. INFORMATION ON NON-TYPICAL RELATED PARTY TRANSACTIONS OF IMPEL SA OR ITS SUBSIDIARY UNDERTAKING

In Q1 2008 apart from typical and routine transactions effected by the Impel Group with related parties at arm's length, the nature and conditions of which result from the current operating activity, both

Impel SA and subsidiary undertakings concluded loan agreements the total value of which, as of the beginning of the accounting year, exceed the PLN equivalent of EUR 500,000. The table below presents the specification of the said loans as at March 31st 2008.

PLN'000

Lender	Borrower	Total value of loans granted as at Mar 31st 2008	Highest value loan				
			Loan value	Significant financial conditions	Repayment date	Collateral	Nature of relations
Impel SA	HR for Business sp. z o.o.	4,500	4,500	WIBOR1M+ margin	Dec 31 2009	blank promissory note with declaration	direct subsidiary undertaking
Impel SA	Impel Security Polska sp. z o.o.	4,081	4,081	WIBOR1M+ margin	Dec 31 2009	blank promissory note with declaration	direct subsidiary undertaking

10. OPINION OF THE MANAGEMENT BOARD OF IMPEL SA ON THE FEASIBILITY OF MEETING THE EARLIER PUBLISHED FINANCIAL FORECASTS FOR THE YEAR IN VIEW OF THE RESULTS PRESENTED IN THIS QUARTERLY REPORT

For 2008 the Management Board of Impel SA did not publish any forecasts for Impel SA financial results or the Group's consolidated financial results.

11. INFORMATION ON MATERIAL PROCEEDINGS INVOLVING IMPEL SA OR ITS CONSOLIDATED SUBSIDIARY UNDERTAKINGS

In Q1 2008 no proceedings were instituted or pending before any court, arbitration authority, or public administration authority, concerning any liabilities or claims of Impel SA or its subsidiary undertakings towards any customer or its capital group, whose unit or aggregate value would equal or exceed 10% of Impel's equity.

12. INFORMATION ON ACHIEVEMENTS OF IMPEL SA AND THE IMPEL GROUP AS WELL AS OTHER INFORMATION MATERIAL FOR THE ASSESSMENT OF THE PERSONNEL, ECONOMIC, OR FINANCIAL STANDING OF IMPEL SA AND THE IMPEL GROUP

12.1 CONTINUATION OF PROJECTS IN THE IMPEL GROUP

Concentration of the property development business – signing of the Investment Agreements and execution of its 1st and 2nd stage

On February 27th 2008, Impel SA, Impel Security Polska sp. z o.o., and Vantage Development S.A. entered into an Investment Agreement, with the intention to concentrate the property development in Vantage Development S.A. by means of transfer to Vantage Development S.A. of shares in companies belonging to Impel SA, perpetual usufruct rights, and title to real estate located in Wrocław at ul. Rychtalska, belonging to Impel SA and Impel Security Polska sp. z o.o., in exchange for its shares.

Under the provisions of the above Agreement, the process of increasing the capital of Vantage Development SA was divided into three stages. Until the publication date of this report, the following were executed:

- 1st stage of the Agreement – on March 27th 2008 an increase in the share capital of Vantage Development S.A. was registered from the amount of PLN 3,989,895.92 to the amount of PLN 11,904,000.00 by an issue of 3,191,171 series C shares with a par value of PLN 2.48 per share, wholly paid for by cash and acquired by Worldstar Investments S. a. r. l. (an affiliated company of Impel SA, whose exclusive shareholders are Mr Grzegorz Dzik and Mr Józef Biegaj);
- 2nd stage of the Agreement - on April 11th 2008 Impel SA and Vantage Development S.A. entered into an Agreement on the acquisition of shares in the increased share capital together with an agreement on the transfer of non-cash contributions; the scope of the agreement was the acquisition by Impel SA of 1,681,095 new registered series D shares in the increased share capital of Vantage Development S.A., with a par value of PLN 2.48 per share, for the issue price of PLN 32.40 per share and the total issue price of PLN 54,635,587.50.

Impel SA acquired 1,681,095 shares in Vantage Development S.A. in exchange for non-cash contribution in the form of:

- 3,000 shares of Impel Real Estate sp. z o.o. seated in Wrocław, with a par value of PLN 500 per share, representing 100% of the total share capital of the Company – the market value of the above contribution was estimated at PLN 38,635,418.75 using the adjusted net asset method,
- 100 shares of IPD Centrum sp. z o.o. seated in Warsaw, with a par value of PLN 500 per share, representing 100% of the total share capital of the Company – the value of the above contribution was estimated at PLN 116,868.32 using the adjusted net asset method,
- 100 shares of IPD Południe sp. z o.o. seated in Kraków, with a par value of PLN 500 per share, representing 100% of the total share capital of the Company – the market value of the above contribution was estimated at PLN 56,852.45 using the adjusted net asset method,
- 1,000,000 registered shares numbered from 1 to 1,000,000, of Centauris IPD Invest sp. z o.o. S.K.A. (partnership limited by shares) seated in Wrocław, with a par value of PLN 10 per share, representing 50% of the total share capital of the Company – the market value of the above contribution was estimated at PLN 15,826,468.61 using the adjusted net asset method.

The total value of shares of the above companies, entered in the Impel SA books was PLN 11.8 million as at April 10th 2008.

The value of the non-cash contributions made and the determination of the parity for exchanging the shares for Vantage shares have been favourably reviewed by a chartered auditor assigned by the District Court for Wrocław - Fabryczna in Wrocław, 6th Economic Section of the National Court Register.

As a result of execution of the 1st and 2nd stage of the Agreement, the share capital of Vantage Development SA was increased from the amount of PLN 3,989,895.92 to the amount of PLN 16,073,115.60. After the registration of the increase in share capital, its structure was as follows:

- Mr Grzegorz Dzik - 14.15% shares,
- Mr Józef Biegaj - 10.67% shares,
- Worldstar Investments S. a. r. l. – 49.24% shares,
- Impel SA – 25.94% shares.

On April 18th 2008 Impel SA and Vantage Development SA entered into an agreement on the sale of shares in IPD Invest sp. z o.o. with its business seat in Wrocław (50% subsidiary of Impel SA). The scope of the agreement is the sale of 50 equal and indivisible shares with a par value of PLN 500 each and the total par value of PLN 25,000, representing 50% of the share capital of IPD Invest sp. z o.o. The disposal price of the shares was PLN 25,000. The value of the sold shares entered in the Impel SA books was PLN 25,250 as at April 1st 2008.

The Parties have set the deadline for completing the whole process for March 31st 2009. The target, anticipated structure of Vantage's capital will be as follows:

- Impel SA and Impel Security Polska Sp. z o.o. - about 57.7%
- Mr Grzegorz Dzik and Mr Józef Biegaj (directly and indirectly) - about 42.3%

The Parties to the Agreement admit of acquiring additional external funds for ensuring further growth of the property development business, and, consequently, of modifying the above structure.

Until the date of this report property development works continued, including designing works regarding the property at ul. Ślężna in Wrocław, intended for the construction of a housing estate, and the construction of an office building in Wrocław (about 20 thousand m²); the Master Plan for the property development investment situated in the centre of Wrocław, in. ul. Rychtalska (a total of 15 ha) – multi-family blocks of flats as well as commercial and social facilities for prospective inhabitants.

In the described period a permit was obtained for the construction of the 'Słoneczne Sady' housing estate in Sadków near Wrocław, the house sale started, and the execution of the 1st stage of the project began (43 out of planned 129 single-family houses). Also, the sale began of the apartments at the 'Centauris' housing estate at u. Ślężna in the city centre of Wrocław (the investment executed in partnership with BNM3 sp. z o.o., with the planned 350 apartments and high-standard flats).

Centralisation of purchases

In the described period works continue on the schedule of purchasing processes in 2008, taking into consideration a straight majority of materials, goods and services purchases. Also, negotiations are being conducted with suppliers. As a result of the above-mentioned activities, the Group's estimates from several to twenty percent of savings annually, depending on assortment categories.

Implementation of the Integrated IT System (ZSI)

As part of the implementation of the Integrated IT System, the process of system configuration and test data migration is ending. In the coming months there are plans for software testing.

The implementation of the Integrated IT System aims, on the one hand, to build a common information database, and on the other hand – what is very important – to make it possible to manage through process optimisation. The advantages of this implementing will include complete information about the company's clients, communication and negotiations with them, current control over the quality of customer service, complete integration of the payroll system and the working time management system, and monitoring of the process of concluding contracts of mandate and annexes.

11.2 CONCLUSION OF AN AGREEMENT ON EXCLUSIVE NEGOTIATION RIGHTS

On May 6th 2008 Impel SA and a prospective investor, hereinafter referred to as Tenderer, entered into an Agreement on Exclusive Negotiation Rights, concerning the sale of 100% shares in Promedis sp. z o.o. with its business seat in Wrocław (company wholly owned by the Issuer).

The Tenderer was chosen in the course of preliminary selection of the offers submitted by several interested investors. The conclusion of the final sales transaction depends on the results of the due diligence procedure, conducted by the Tenderer, and an agreement on the final terms and conditions of the sales contract concerning the above shares. The exclusive negotiation rights expire on June 16th 2008.

The Management Board of Impel SA expects that the transaction of sale of shares in Promedis sp. z o.o. will have a positive impact on the consolidated results of the Impel Group.

12.3 AGREEMENTS OF SIGNIFICANT VALUE

Agreements with Telekomunikacja Polska SA for the total value of a significant agreement

On January 14th 2008 Impel Security Polska sp. z o.o. (company wholly owned by the Issuer) and Telekomunikacja Polska SA with its business seat in Warsaw concluded three agreements, the object of which is provision of people and property security services in the following provinces: Podlaskie, Małopolskie and Warmińsko-Mazurskie.

The agreements were concluded for an indefinite period. Total estimated value of the agreements over the course of 5 years amounts to PLN 22,460,000. The agreement of the highest value concerned the provision of people and property security services in the Małopolskie Province. The agreement was concluded for an indefinite period and its estimated value over the course of 5 years amounts to PLN 10,810,000. The above-mentioned agreements were classified as agreements of significant value as their value exceeds 10% of Impel SA's equity.

The signing of the agreements is the result of winning by Impel Security Polska sp. z o.o. of tendering procedures; it means that the previously valid agreements, reported by the Issuer in its current report No 74/2007 of October 1st 2007, will continue to be executed.

Agreements for servicing the 'Złote Tarasy' Shopping Centre for the total value of a significant agreement

On February 1st 2008, Impel Security Polska sp. z o.o. (company wholly owned by the Issuer, hereinafter "ISP"), Złote Tarasy sp. z o.o. seated in Warsaw ("ZT") and Impel Cleaning sp. z o.o. ("ICL") signed agreements for the provision of comprehensive, complete, and exhaustive cleaning services at all external and internal areas of the Centre, including shopping galleries and

administration offices with the total area of 36.500 m², access roads, and green areas, as well as provision of people and property security services at its site.

The agreement between ISP and ZT was concluded for an indefinite period and is valid from February 7th this year. An estimated annual value of the agreement is PLN 2,16 million which, over the next 5 years, gives an estimated total value of PLN 10.8 million.

The agreement between ICL and ZT was concluded for an indefinite period and is valid from February 7th 2008. An estimated annual value of the agreement is PLN 2.35 million which, over the next 5 years, gives an estimated total value of PLN 11.75 million.

The agreement of the highest value is the one concluded between ZT and ICL. The above-mentioned agreements have been classified as agreements of significant value, i.e. their joint estimated value of PLN 22.55 million exceeds 10 % of Impel SA's equity.

Annex to the significant agreement with Bank Zachodni WBK SA

On March 28th 2008 Centauris IPD Invest sp. z o.o. S.K.A. (co-subsidiary undertaking of the Issuer) and Bank Zachodni WBK SA with its business seat in Wrocław signed an annex to the Agreement for a development credit account.

The scope of the above credit agreement is the financing and refinancing of net expenses connected with real estate purchase and execution of investment as well as purchase of real estate necessary to execute the project of construction of a housing estate made of 12 buildings (in part with commercial premises), located in Wrocław within the area delimited by the streets Ślężna, Działkowa, and W. Brossa.

The signing of the above annex resulted in changed periods of availability of the individual tranches and the final credit repayment date:

- the period of availability of the first tranche was moved from March 31st 2008 to June 30th 2008,
- the period of availability of the second tranche was moved from September 30th 2008 to March 31st 2009 (for the 2nd phase of the investment) and September 30th 2009 (for the 3rd phase of the investment),
- the final credit repayment date was moved from March 31 2010 to December 31st 2010.

At the same time, in accordance with the above annex, if the second tranche of the credit is not released by June 30th 2008, the credit will be repaid by August 31st 2008 at the latest. Other provisions of the agreement remain unchanged.

The agreement for a development credit fulfils the criteria of a significant agreement, i.e. its value exceeds 10% of Impel SA's equity.

12.4 NEW COMPANIES IN THE IMPEL GROUP

Establishment of Sanpro - ATP sp. z o.o.

Sanpro-APT sp. z o.o. z, a company with its business seat in Wrocław, was established on April 7th 2008. The shareholders of the newly established company are:

- Impel Job Service sp. z o.o. (company wholly owned by the Issuer), which acquired 99 equal and indivisible shares with a par value of PLN 500 per share, for the total amount of PLN 49,500. The acquired shares constitute 99% of the share capital of Sandro-APT sp. z o.o. and confer Impel Job Service sp. z o.o. the right to 99% of the votes at the shareholders meeting;
- Sanpro PTS sp. z o.o. (company wholly owned by the Issuer), which acquired 1 share with a par value of PLN 500, for the total amount of PLN 500. The acquired share constitutes 1% of the share capital of Sandro-APT sp. z o.o. and confers Sandro-PTS sp. z o.o. the right to 1% of the votes at the shareholders meeting;

The acquisition of shares was financed with own resources of Impel Job Service sp. z o.o. and Sanpro- PTS sp. z o.o. and is regarded as a long-standing investment. The business profile of Sanpro-APT sp. z o.o. will be temporary work agency.

12.5 INTERNAL RESTRUCTURING OF CAPITAL STRUCTURES IN THE IMPEL GROUP

Acquisition of shares in Impel Job Service sp. z o.o.

On January 9th 2008 Impel SA acquired from Impel HR Service sp. z o.o. 99 shares of Impel Job Service sp. z o.o. The shares acquired by Impel SA with a par value of PLN 500 each and the total par value of PLN 49,500 are equal and indivisible, represent 99% of the share capital of Impel Job Service sp. z o.o., and confer the right to 99% of the votes at the shareholders meeting. As a result of

acquisition of the above shares, the Issuer became the only shareholder of Impel Job Service sp. z o.o.

The purchase price of the above shares amounted to PLN 49,500 and equalled their value entered in the books of Impel HR Service sp. z o.o. as at November 30th 2007.

The acquired shares, regarded as a long-term investment, were financed with own resources of Impel SA.

Purchase of Sanpro-PTS sp. z o.o. shares

On January 9th 2008 Impel Job Service sp. z o.o. purchased 626 shares of Sanpro PTS sp. z o.o. from Impel HR Service sp. z o.o. The shares purchased by Job Service sp. z o.o., with a par value of PLN 500 each and the total par value of PLN 313,000, are equal and indivisible, and represent 100% of the share capital of Sanpro-PTS Sp. z o.o. entitling their holder to 100% votes at the company's General Meeting.

The purchase price of the above shares amounted to PLN 10,000 and equalled their value entered in the books of Impel HR Service sp. z o.o. as at November 30th 2007.

The acquired shares, regarded as a long-term investment, were financed with own resources of Job Service sp. z o.o.

Purchase of Pi sp. z o.o.

On February 28th 2008 Impel SA purchased from a third party 187 shares of Pi sp. z o.o. The acquired shares, with a par value of PLN 500 and the total par value of 93,500 are equal and indivisible, and represent 25% of the shares capital of Pi sp. z o.o. entitling their holder to 25% votes at the company's General Meeting.

The shares were acquired for the total price of PLN 1. As a result of the purchase, Impel SA became the sole shareholder of Pi sp. z o.o. The above transaction was financed with own resources of the Issuer and its purpose is the acquisition of full control over the company and its use in the business unit JB-3 Distribution as part of the product line LP-Logistics.

12.6 REGISTRATIONS OF CHANGES IN THE CAPITAL OF THE IMPEL GROUP COMPANIES

Increase in Share Capital of Impel Job Service sp. z o.o.

On January 14th 2008, acting as the sole shareholder of Impel Job Service Sp. z o.o., Impel SA adopted a resolution on increasing the share capital of Impel Job Service Sp. z o.o. from PLN 50,000 to PLN 1,850,000, by issuing 3,600 new equal and indivisible shares with a par value of PLN 500 per share, i.e. by a total value of PLN 1,800,000.

The newly created shares were acquired and fully covered through cash contribution by Impel SA at their par value i.e. PLN 1,800,000. Before and after the share capital increase, Impel SA owns 100% shares in the above company.

Increase in Share Capital of Impel HR Service sp. z o.o.

On January 14th 2008, acting as the sole shareholder of Impel HR Service Sp. z o.o., Impel SA adopted a resolution on increasing the share capital of Impel HR Service Sp. z o.o. from PLN 2,800,000 to PLN 3,650,000, by issuing 850 new equal and indivisible shares with a par value of PLN 1,000 per share, i.e. by a total value of PLN 850,000.

The newly created shares were acquired and fully covered through cash contribution by Impel SA at their par value i.e. PLN 850,000. Before and after the share capital increase, Impel SA owns 100% shares in the above company.

Increase in Share Capital of Sanpro-PTS sp. z o.o.

On January 16th 2008 Impel Job Service sp. z o.o. increased the share capital of Sanpro PTS sp. z o.o.

Impel Job Service Sp. z o.o. acting as the sole shareholder of Sanpro-PTS Sp. z o.o. decided on increasing the share capital of Sanpro-PTS Sp. z o.o. from the amount of PLN 313,000 to PLN 713,000 by issuing 800 new, equal and non-divisible shares with a par value of PLN 500 per share, and the total par value of PLN 400,000.

The newly created shares were acquired and fully covered through cash contribution by Impel Job Service sp. z o.o. at their par value i.e. PLN 400,000. The increase in share capital was financed by Impel Job Service Sp. z o.o. with its own resources. Before and after the increase, LCC Sp. z o.o. has held 100% of shares in the above-mentioned company.

Increase in Share Capital of Pi sp. z o.o.

On March 12th 2008, acting as the sole shareholder of Pi Sp. z o.o., Impel SA adopted a resolution on increasing the share capital of Pi Sp. z o.o. from PLN 374,000 to PLN 2,374,000, by issuing 4,000 new equal and indivisible shares with a par value of PLN 500 per share, i.e. by a total value of PLN 2,000,000.

The newly created shares were acquired and fully covered through cash contribution by Impel SA at their par value i.e. PLN 2,000,000. The increase in share capital was financed by Impel SA with its own resources. Before and after the share capital increase, Impel SA owns 100% shares in the above company.

The increase in the share capital is connected with the acquisition of full control over the company and its planned use in the business unit JB-3 Distribution as part of the product line LP-Logistics.

12.7 UTILISATION OF FUNDS OBTAINED FROM SHARE ISSUE

As at the date of issue of this report, out of PLN 159,939,000 raised from the public issue of series D, E, and F shares, PLN 23,141,000 was left, including PLN 13,889 allocated for the acquisition within the core business sector.

13. SHAREHOLDERS HOLDING 5% OR MORE OF THE TOTAL VOTE AT THE GENERAL SHAREHOLDERS MEETING OF IMPEL SA

As at the date of this report, the share capital of Impel SA amounted to 75,707,310 and was divided into 15,141,462 shares with a par value of PLN 5.00 per share. The total number of votes resulting from all shares issued by Impel SA amounted to 20,151,462.

On January 11th 2008 Trigon Active Alpha Fund and Trigon Central and Eastern European Fund acquired a total of 50,000 shares of Impel SA As a result of the transaction, the total shareholding of the Trigon Group companies increased to the level of 10.19% of the total vote at the GM of Impel SA, including 7.14% of the total vote in the case of Trigon Active Alpha Fund.

The table below presents a list of the shareholders holding at least 5% of the vote at the GM of Impel SA as at the date of this report, taking into account the current level of the share capital of Impel SA (an increase in the share capital of Impel SA from the amount of PLN 75,707,310 to the amount of PLN 75,757,310 was registered on March 10th 2008):

Shareholder	Number of shares	Holding in the share capital	No of votes	Share in the total vote
Grzegorz Dzik	5,037,907	33.25%	7,887,907	39.14%
Józef Biegaj	3,800,555	25.08%	5,950,555	29.53%
Trigon Active Alpha Fund + Trigon Central and Eastern European Fund	2,051,842 (3)	13.54%	2,051,842	10.18%
<i>Trigon Active Alpha Fund</i>	1,437,962	9.49%	1,437,962	7.14%
Pioneer Pekao Investment Management S.A. acting on behalf of Pioneer Pekao TFI S.A	1,964,708 (2)	12.97%	1,964,708	9.75%
Merrill Lynch Investment Managers Group Limited	1,171,701(1)	7.73%	1,171,701	5.81%

(1) according to the notification received by the Company on October 11th 2005

(2) according to the notification received by the Company on November 23rd 2007

(3) according to the notification received by the Company on January 16th 2008

14. CHANGES IN THE COMPOSITION OF THE MANAGING AND SUPERVISING BODIES OF IMPEL SA IN Q1 2008 AND UP-TO-DATE

Management Board

In Q1 2008 and by the date of submitting this report there were no changes in the composition of the Management Board of Impel SA. As at the date of submitting this report, i.e. on May 8th 2008, the composition of the Management Board of Impel SA was as follows:

Function in the Management Board	Composition
President of the Management Board	Grzegorz Dzik
Vice President of the Management Board	Józef Biegaj
	Wojciech Rembikowski

Supervisory Board

On March 20th 2008 the resignation of Mr Sylwester Cacek from the post of a member of the Supervisory Board was received. The resignation was submitted effective on the date preceding the date of the next General Shareholders Meeting of Impel SA i.e. May 18th 2008. Mr Sylwester Cacek justified his resignation by citing new duties and his permanent residence outside Poland.

As at the date of submitting this report, i.e. on May 8th 2008, the composition of the Supervisory Board of Impel SA was as follows:

Function in the Supervisory Board	Composition
Chairman of the Supervisory Board	Krzysztof Oblój
Vice Chairman of the Supervisory Board	Andrzej Malinowski
Members of the Supervisory Board	Sylwester Cacek
	Piotr Pawłowski
Secretary of the Supervisory Board	Mariusz Matlakiewicz

Proxies

In Q1 2008 and by the date of submitting this report there were no changes in the composition of Proxies of Impel SA. As at the date of submitting this report, i.e. on May 8th 2008, Mr. Bogusław Szyszka is the sole proxy of Impel SA.

15. IMPEL SA SHARES HELD BY THE MANAGEMENT AND SUPERVISORY STAFF

According to the Company's knowledge, in the period following the submission of the previous quarterly report, i.e. from February 28th 2008, to the date of publication of this report, i.e. to February 28th 2008, there were no changes in holdings of Impel SA shares by Members of the Issuer's Management Board and Supervisory Board and Proxies of Impel SA.

	No of shares as at the date of publication of Q4 2007 report (Feb 28th 2008)	Acquisition	Disposal	No of shares as at the date of publication of Q4 2008 report (May 8th 2008)
Management Board				
Grzegorz Dzik	5,037,907	no change	no change	5,037,907
Józef Biegaj	3,800,555	no change	no change	3,800,555
Wojciech Rembikowski	14,343	no change	no change	14,343
Bogusław Szyszka	-	-	-	-
Supervisory Board				
Krzysztof Oblój	-	-	-	-
Piotr Pawłowski	-	-	-	-
Sylwester Cacek	-	-	-	-
Andrzej Malinowski	-	-	-	-
Mariusz Matlakiewicz	-	-	-	-

16. 'BEST PRACTICE FOR WSE LISTED COMPANIES' IN IMPEL SA

Due to bringing into effect on January 1st 2008 'Best Practice for WSE Listed Companies', on January 2nd 2008 the Management Board of Impel SA published information (Current report No 1/2008), according to which the following rules relating to corporate governance are not observed in the Company: rules No II.1, II.3, II.4, III.2, III.7, III.8. and III.9

The full report concerning the observance of corporate governance rules in the Company was enclosed to Impel SA's annual report and published with it on April 3rd 2008.

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

Date	Name	Position	Signature
May 08 2008	Grzegorz Dzik	President of the Management Board	
May 08 2008	Józef Biegaj	Vice President of the Management Board	
May 08 2008	Wojciech Rembikowski	Vice President of the Management Board	
May 08 2008	Dariusz Rutowicz	Accounting Director	