SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

_X_ QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For quarterly period ended March 31, 2012

_____ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

________FOR THE TRANSITION PERIOD FROM _____ TO _____

Commission File Number 000-52289

Power of the Dream Ventures Inc.
(Exact name of Small Business Issuer as specified in its charter)

Delaware	**51-0597895**
(State or other jurisdiction of incorporation)	(I.R.S Employer Identification No.)

1095 Budapest
Soroksari ut 94-96
Hungary
(Address of principal executive offices)

+36-1-456-6061
(Issuer's telephone number, including area code)

Check whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes X No

Indicate by check mark whether the registrant has submitted electronically and posted on its Web site, if any, every Interactive Data File required to be submitted or posted pursuant to rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and to post such files.
Yes X No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "*large accelerated filer*", "*accelerated filer*" and "*smaller reporting company*" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	Accelerated filer	Non-accelerated filer (do not check if smaller reporting company)	Smaller reporting company X

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of Exchange Act).
Yes o No **X**

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date:

Common Stock, $0.0001 par value	**38,428,044**
(Class)	(Outstanding at March 14, 2012)

POWER OF THE DREAM VENTURES, INC. (formerly TIA V, Inc.)
(A Development Stage Company)

INDEX TO FORM 10
March 31, 2012

POWER OF THE DREAM VENTURES, INC. (formerly TIA V, Inc.)
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED BALANCE SHEET

	Notes	March 31, 2012 (Unaudited)	December 31, 2011 (Audited)
ASSETS			
Current Assets			
Cash		$7,368	$28,948
Other receivables	3	5,061	4,399
Total Current Assets		**12,429**	**33,347**
Fixed assets, net	5	192,388	195,771
Total Assets		**$204,817**	**$229,118**
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities		$319,704	$296,683
Capital leases payable, current portion	7	62,790	60,520
Short term loans from related parties	9	84,538	67,183
Note payable	6	230,000	230,000
Total Current Liabilities		**697,032**	**654,386**
Long term liabilities			
Capital leases payable, less current portion	7	112,379	108,320
Total Long Term Liabilities		**112,379**	**108,320**
Stockholders' Equity			
Preferred stock, $0.0001 par value, 10,000,000 shares authorized, 2,000,000 issued			
Common stock, $.0001 par value; 250,000,000 shares authorized, 38,488,044 and 52,109,017 shares issued and outstanding	8	4,049	6,249
Additional Paid-In Capital		9,252,016	9,204,361
Deficit accumulated during development stage		(9,785,664)	(9,594,569)
Other Comprehensive Income		(22,007)	(8,227)
Unearned Compensation		(52,988)	(141,402)
Total Stockholders' Equity		**(604,594)**	**(533,588)**
Total liabilities and stockholders' equity		**$204,817**	**$229,118**

POWER OF THE DREAM VENTURES, INC. (formerly TIA V, Inc.)
(A DEVELOPMENT STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Notes	Three Months ended March 31, 2012	Three Months ended March 31, 2011	For the Period from April 26, 2006 (date of inception) to March 31, 2012
Net Sales		$ -	$ -	$ 5,833
Cost of Sales		-	-	(3,711)
Gross margin		**-**	**-**	**2,122**
Materials and services		4,150	3,462	98,314
General administration		133,820	212,221	7,492,888
Research and development	4	-	50,000	824,807
Personnel expenses		23,034	23,712	503,701
Depreciation and amortization	5	21,312	23,029	475,275
Other expenses, net		13	10	15,260
Operating expenses		**182,329**	**312,434**	**9,410,245**
Loss from operations		**(182,329)**	**(312,434)**	**(9,408,123)**
(Interest expense)/ interest income and exchange (losses)/ gains		(8,766)	(7,495)	(125,570)
Loss before provision (benefit) for income taxes		**(191,095)**	**(319,929)**	**(9,533,693)**
Income taxes		-	-	(1,208)
Net loss		**$ (191,095)**	**$ (319,929)**	**$ (9,534,901)**
Other comprehensive income		**(13,780)**	**(22,576)**	**(22,007)**
Total comprehensive loss		**(204,875)**	**(342,505)**	**(9,556,908)**
Basic and Diluted loss per share		**$(0.00)**	**$(0.01)**	
Weighted average number of shares outstanding – Basic and diluted		**38,488,044**	**53,048,511**	

POWER OF THE DREAM VENTURES, INC. (formerly TIA V, Inc.)
(A DEVELOPMENT STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)

	Common Shares	Stocks Amount	Accumulated Deficit During Developmental Stage	Additional Paid In Capital	Other Comprehensive Income	Unearned Compensation	Total	Comprehensive Income/ (Loss)
Issuance of common stock	33,300,000	3,330		10,670			14,000	
Contributed Capital				96,100			96,100	
Currency Translation Adjustment					4,151		4,151	4,151
Net loss for the period			(35,100)				(35,100)	(35,100)
Balance at December 31, 2006	**33,300,000**	**3,330**	**(35,100)**	**106,770**	**4,151**	-	**79,151**	**(30,949)**
Contributed Capital				53,735			53,735	
Recapitalization upon Reverse Merger on April 10, 2007 (See Note 1)	2,500,000	250	(250,763)				(250,513)	
Private placement of shares at $0.34 per share (See Note 8)	2,250,000	225		764,775			765,000	
Shares issued for services at $0.34 per share (See Note 8)	1,875,000	188		637,313		(467,501)	170,000	
Shares issued for research and development at $0.34 per share (See Note 8)	100,000	10		33,990			34,000	
Private placement at $2.5 per share (See Note 8)	104,000	10		259,990			260,000	
Shares issued for stock based compensation at $2.5 per share (See Note 8)	1,036,000	104		2,589,896		(2,590,000)	-	
Amortization of Unearned Compensation						1,124,932	1,124,932	
Currency Translation Adjustment					(14,001)		(14,001)	(14,001)
Net loss for the period			(1,992,472)				(1,992,472)	(1,992,472)
Balance at December 31, 2007	**41,165,000**	**$4,117**	**$(2,278,335)**	**$4,446,469**	**$(9,850)**	**$(1,932,569)**	**$229,832**	**$(2,006,473)**

POWER OF THE DREAM VENTURES, INC. (formerly TIA V, Inc.)
(A DEVELOPMENT STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)

	Common Shares	Stocks Amount	Accumulated Deficit During Developmental Stage	Additional Paid In Capital	Other Comprehensive Income	Unearned Compensation	Total	Comprehensive Income/ (Loss)
Balance at December 31, 2007	**41,165,000**	**$4,117**	**$(2,278,335)**	**$4,446,469**	**$(9,850)**	**$(1,932,569)**	**$229,832**	
Private placement of shares at $3.25 per share (See Note 8)	32,500	3		105,622			105,625	
Shares issued for services at $0.7 per share (See Note 8)	306,570	31		214,568		(214,599)	-	
Shares issued for services at $0.75 per share (See Note 8)	1,500,000	150		1,124,850		(1,125,000)	-	
Shares issued for services at $1.35 per share (See Note 8)	111,111	11		149,989		(150,000)	-	
Private placement of shares at $0.4 per share (See Note 8)	2,500,000	250		999,750			1,000,000	
Shares issued for Standby Equity Distribution Agreement at $0.4 per share	2,000,000	200		(200)			-	
Amortization of Unearned Compensation						3,018,710	3,018,710	
Currency Translation Adjustment					36,465		36,465	36,465
Net loss for the period			(3,958,212)				(3,958,212)	(3,958,212)
Balance at December 31, 2008	**47,615,181**	**$4,762**	**$(6,236,547)**	**$7,041,048**	**$26,615**	**$(403,458)**	**$432,420**	**$(3,921,747)**

The accompanying notes form an integral part of these consolidated financial statements.

POWER OF THE DREAM VENTURES, INC. (formerly TIA V, Inc.)
(A DEVELOPMENT STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)

	Common Shares	Stocks Amount	Accumulated Deficit During Developmental Stage	Additional Paid In Capital	Other Comprehensive Income	Unearned Compensation	Total	Comprehensive Income/ (Loss)
Balance at December 31, 2008	**47,615,181**	**$4,762**	**$(6,236,547)**	**$7,041,048**	**$26,615**	**$(403,458)**	**$432,420**	**$(3,921,747)**
Shares issued for stock based compensation at $0.4 per share (See Note 8)	700,000	70		279,930		(280,000)	-	
Private placement for $0.2 per share	111,110	11		22,211			22,222	
Private placement for $0.16 per share	175,000	18		27,982			28,000	
Shares issued for services at $0.4 per share (See Note 8)	250,000	25		99,975		(60,000)	40,000	
Amortization of Unearned Compensation						728,458	728,458	
Currency Translation Adjustment					17,823		17,823	17,823
Net loss for the period			(1,518,077)				(1,518,077)	(1,518,077)
Balance at December 31, 2009	**48,851,291**	**$4,886**	**$(7,754,624)**	**7,471,146**	**$44,438**	**$(15,000)**	**$(249,154)**	**$(1,500,254)**

POWER OF THE DREAM VENTURES, INC. (formerly TIA V, Inc.)
(A DEVELOPMENT STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)

Amounts in USD

	Common Shares	Stocks Amount	Accumulated Deficit During Developmental Stage	Additional Paid In Capital	Other Comprehensive Income	Unearned Compensation	Total	Comprehensive Income/ (Loss)
Balance at December 31, 2009	**48,851,291**	**$4,886**	**$(7,754,624)**	**$7,471,146**	**$44,438**	**$(15,000)**	**$(249,154)**	
Private placement for $0.12 and $0.1 per share	1,597,500	159		159,542			159,701	
Private placement for $0.5 per share (See Note 8)	70,000	7		34,993			35,000	
Shares issued for services at $0.5 per share (See Note 8)	1,027,000	100		513,400		(513,500)	-	
Shares issued for stock based compensation at $0.1 per share (See Note 8)	540,000	54		53,946		(54,000)	-	
Shares issued for services at $0.1 per share (See Note 8)	20,000	2		1,998		(2,000)	-	
Exercise of warrant	3,226	3		1,613			1,616	
Amortization of Unearned Compensation						200,528	200,528	
Currency Translation Adjustment					(38,874)		(38,874)	(38,874)
Net loss for the period			(588,910)				(588,910)	(588,910)
Balance at December 31, 2010	**52,109,017**	**$5,211**	**$(8,343,534)**	**8,236,638**	**$5,564**	**$(383,972)**	**$(480,093)**	**$(627,784)**

The accompanying notes form an integral part of these consolidated financial statements.

POWER OF THE DREAM VENTURES, INC. (formerly TIA V, Inc.)
(A DEVELOPMENT STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)

Amounts in USD

	Preferred Shares	Common Shares	Stocks Amount	Accumulated Deficit During Developmental Stage	Additional Paid In Capital	Other Comprehensive Income	Unearned Compensation	Total	Comprehensive Income/ (Loss)
Balance at December 31, 2010	**-**	**52,109,017**	**$5,211**	**$(8,343,534)**	**8,236,638**	**$5,564**	**$(383,972)**	**$(480,093)**	**$(627,784)**
Private placement at $0.29 per share (see Note 8)		196,489	20		56,962			56,982	
Conversion of note at $0.29 per share		2,400,000	240		69,760			70,000	
Private placement at $0.16 per share (see Note 8)		1,727,013	172		276,150			276,322	
Private placement at $0.12 per share (see Note 8)		17,825	2		2,135			2,137	
Shares issued for services per share (See Note 8)		1,970,000	197		457,691		(457,888)	-	
Shares issued for stock based compensation at $0.15 per share (See Note 8)		540,000	54		80,946		(81,000)	-	
Private placement at $0.16 per share (see Note 8)		27,700	3		4,429			4,432	
Conversion of note at $0.01 per share		3,500,000	350		19,650			20,000	
Cancellation of common stock (and issue of preferred stock)	2,000,000	(24,000,000)						-	
Amortization of Unearned Compensation							781,458	781,458	
Currency Translation Adjustment						(13,791)		(13,791)	(13,791)
Net loss for the period				(1,251,035)				(1,251,035)	(1,251,035)
Balance at December 31, 2011	**2,000,000**	**38,488,044**	**$6,249**	**$(9,594,569)**	**9,204,361**	**$(8,227)**	**$(141,402)**	**$(533,588)**	**$(1,264,826)**

The accompanying notes form an integral part of these consolidated financial statements.

POWER OF THE DREAM VENTURES, INC. (formerly TIA V, Inc.)
(A DEVELOPMENT STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)

Amounts in USD

	Preferred Shares	Common Shares	Stocks Amount	Accumulated Deficit During Developmental Stage	Additional Paid In Capital	Other Comprehensive Income	Unearned Compensation	Total	Comprehensive Income/ (Loss)
Balance at December 31, 2011	**2,000,000**	**38,488,044**	**$6,249**	**$(9,594,569)**	**9,204,361**	**$(8,227)**	**$(141,402)**	**$(533,588)**	**$(1,264,826)**
Conversion of common shares to preferred shares (change in value)			(2,200)		2,200			-	
Advance on common stock					45,455			45,455	
Amortization of Unearned Compensation							88,414	88,414	
Currency Translation Adjustment						(13,780)		(13,780)	(13,780)
Net loss for the period				(191,095)				(191,095)	(191,095)
Balance at March 31, 2012	**2,000,000**	**38,488,044**	**$4,049**	**$(9,785,664)**	**9,252,016**	**$(22,007)**	**$(52,988)**	**$(604,594)**	**$(204,875)**

The accompanying notes form an integral part of these consolidated financial statements.

POWER OF THE DREAM VENTURES, INC. (formerly TIA V, Inc.)
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENT OF CASH FLOWS

	For the period ended March 31, 2012	For the period ended March 31, 2011	Cumulative from April 26, 2006 (date of inception) to March 31, 2012
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	$(191,095)	$(319,929)	$(9,534,901)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization of stock-based compensation	88,414	173,608	5,942,500
Issue of shares for services	-	-	210,000
Recapitalization under reverse merger	-	-	(250,763)
Investment into Genetic Immunity	-	50,000	50,000
Issue of shares for research and development	-	-	34,000
Depreciation and amortization	21,312	23,029	475,275
	(81,369)	(73,292)	(3,073,889)
Changes in operating assets and liabilities:			
(Increase) /decrease in other current assets	(662)	(4,425)	(5,061)
(Increase)/ decrease in related party liabilities	17,355	58,897	84,538
Increase in accounts payable and accrued liabilities	23,021	35,074	569,704
Net cash used in operating activities	**(41,655)**	**16,254**	**(2,424,708)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets	(11,600)	(18,345)	(492,494)
Investment into Genetic Immunity	-	(50,000)	(50,000)
Net cash used in investing activities	**(11,600)**	**(68,345)**	**(542,494)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of loans from stockholders	-	-	149,835
Exercise of warrant	-	-	1,616
Proceeds from issuance of notes	-	76,000	70,000
Proceeds from sale of common stock	45,455	-	2,785,546
Net cash from financing activities	**45,455**	**76,000**	**3,006,997**
Effect of exchange rate changes on cash	(13,780)	(22,576)	(32,427)
Net increase / (decrease) in cash	(21,580)	1,333	7,368
Cash at beginning of period	28,948	2,195	-
Cash at end of period	$7,368	$3,528	$7,368
<u>Supplemental disclosure of cash flow information:</u>			
Non-cash investing and financing transactions			
Issuance of shares for services	-	191,400	$4,034,488
Issuance of shares for liabilities assumed under reverse merger	-	-	$250,513
Issuance of stock based compensation shares	-	81,000	$2,590,000
Purchase of fixed assets through the assumption of capital lease obligations	406,558	-	$406,558
Cash paid for:			
Interest	-	-	40,980
Taxes	-	-	-

The accompanying notes are an integral part of these condensed consolidated financial statements.

NOTE 1 - GENERAL INFORMATION

Power of the Dream Ventures, Inc., f/k/a "Tia V, Inc." ("PDV" or the "Company") was incorporated in Delaware on August 17, 2006, with the objective to acquire, or merge with, an operating business.

Reverse merger

PDV entered into and consummated a Securities Exchange Agreement ("Exchange Agreement") on April 10, 2007. Under the terms of the Exchange Agreement, PDV acquired all the outstanding equity interests of Vidatech, Kft. (also known as Vidatech Technological Research and Development LLC) a limited liability company formed under the laws of the Republic of Hungary, ("Vidatech") in exchange for 33,300,000 shares of PDV's common stock, and Vidatech thereby became a wholly-owned Hungarian subsidiary of PDV. PDV is governed by the law of the State of Delaware, and its wholly-owned subsidiary, Vidatech, is governed by the law of the Republic of Hungary. PDV and Vidatech are herein collectively referred to as the "Company."
Following the acquisition the former stockholders of Vidatech owned a majority of the issued and outstanding common stock of PDV and the management of Vidatech controlled the Board of Directors of PDV and its wholly-owned Hungarian subsidiary Vidatech. Therefore the acquisition has been accounted for as a reverse merger (the "Reverse Merger") with Vidatech as the accounting acquirer of PDV. The accompanying consolidated financial statements of the Company reflect the historical results of Vidatech, and the consolidated results of operations of PDV subsequent to the acquisition date. In connection with the Exchange Agreement, PDV adopted the fiscal year end of Vidatech as December 31.

All reference to shares and per share amounts in the accompanying consolidated financial statements have been restated to reflect the aforementioned shares exchange.

Business

The Company is engaged in the acquisition, development, licensing and commercialization of and the investment in, directly or through business acquisitions, technologies developed in Hungary. In furtherance of its business, the Company provides research and development services to the companies, inventors from whom it acquires technologies or participation interests in technologies. A goal of the Company is to support research and development activities and to sell the products of inventions to the technological market.

From inception through March 31, 2012, the Company primarily focused on the raising of capital.,The Company originally managed seven technologies: RiverPower, the Buresch Inventions (Desalination and H2O gas technology,) the Kalmar inventions (FireSAFE fire-proofing liquid; technology for utilizing communal waste as a concrete additive; technology for repairing potholes with the use of recycled plastics; technology for neutralizing red mud; biodegradable deicing solution and PVC shielded electric cable recycling technology), and an equity interest in 'iGlue, Inc (Ticker: IGLU)', a company formed to develop next generation semantic internet based search engine and content organizer applications. As of March 31, 2012 the Company has discontinued efforts to develop the Buresch inventions, the Kalmar inventions, RiverPower and the Toth Telescope. (see Note 4).

NOTE 1 - GENERAL INFORMATION (Continued)

As of March 31, 2012, the Company has only realized limited revenues from the now discontinued TothTelescope project and has not realized any revenues from the other inventions. As a result, the accompanying consolidated financial statements have been presented on a development stage basis.

The Kalmar Inventions: FireSAFE, HardCrete concrete from communal waste additive; Recycled plastic pothole filler; PVC covered electrical cable and radial tire recycling technology; red mud neutralization; and environmentally friendly salt free de-icing solution.

As of December 31, 2011 we have elected to discontinue development work on all of these technologies. The rational behind this decision rests with availability of resources, the time that would be needed to develop said inventions, the potential return we could realize on a partial or full exit from these investments and international completion.

TothTelescope

On July 15, 2009 our exclusive distributor agreement expired with Attila Toth, Inventor of the TothTelescope. After extensive review of the technology, the available market and hurdles associated with manufacturing and distributing the TothTelescope, we have elected not to renew the distribution agreement and discontinue the project. Since inception only 10 telescopes were sold. Overall invested capital was returned from commissions earned on these sales.

NOTE 1 - GENERAL INFORMATION (Continued)

Yorkville SEDA

On October 8, 2008, Power of the Dream Ventures, Inc. (the "Company") entered into a Standby Equity Distribution Agreement (the "Standby Equity Distribution Agreement") with YA Global Investments, L.P. (the "Investor"). Pursuant to the terms of the Standby Equity Distribution Agreement, the Company (a) agreed to issue and sell to the Investor up to $5,000,000 of shares of the Company's common stock, par value $0.0001 per share (the "Common Stock") in tranches of equity, based upon a specified discount to the market price of the Common Stock, calculated over the five trading days following notice by the Company of an election to sell shares; and (b) issued to the Investor a warrant (the "Warrant") to purchase 4,027,386 shares of Common Stock at the exercise price per share of $0.29. The Warrant is not part of the commitment shares issued by the company to the investor. The investor must purchase the shares underlying the Warrant. The Warrant price was determined based upon the highest Bid price on the day of the closing of the agreement.

NOTE 1 - GENERAL INFORMATION (Continued)

In connection with the Standby Equity Distribution Agreement, the Company entered into a Registration Rights Agreement with the Investor (the "Registration Rights Agreement") pursuant to which the Company agreed to register for resale the shares of Common Stock that may be purchased by the Investor pursuant to the Standby Equity Distribution Agreement, the shares of Common Stock issuable upon exercise of the Warrant and 2,000,000 shares of Common Stock (the "Commitment Shares") issued to the Investor as a commitment fee pursuant to the terms of the Standby Equity Distribution Agreement. The commitment fee is recorded by decreasing additional paid in capital.

Financing from this transaction was to be used by the Company for the continued development of its current technologies, commercialization of same, the acquisition of new technologies and for general corporate expenses.

The Company filed the details of this transaction on Form 8-K with the Commission on October 14, 2008.

On September 24, 2010 the Company notified YA Global Investments in writing of its intention to terminate the Standby Equity Distribution Agreement (SEDA).

In response to this letter YA Global informed the company in a letter dated October 5, 2010 that the SEDA agreement will terminate on or about October 15, 2010. YA Global also informed the company that even though the SEDA agreement is terminated its associated Warrant to purchase 4,027,386 shares of our common stock remains in effect until it expires on October 8, 2013.

On October 18, 2010 the company received notice from YA global for the exercise of 50,000 warrant shares on a cashless basis. This cashless exercise resulted in the issuance of 3,226 shares of Common stock to YA Global. Following this exercise YA Global has 3,977,386 warrant shares available for purchase.

Genetic Immunity

On February 23, 2009 the Company entered into a consultation agreement with Genetic Immunity, a Hungarian biotechnology research and development company working on immune amplification nanomedicine products, including a HIV vaccine that has completed in Phase 2 clinical trials.

According to the terms of the agreement PDV will provide Genetic Immunity business development expertise, will facilitate the publication, via internationally distributed press releases, of Genetic Immunity's past, present and future news items, and will advise Genetic Immunity on going public in the United States based on Power of the Dream Ventures' own experience in achieving public states.

In addition, PDV was granted rights to acquire equity in Genetic Immunity in one or several tranches for total consideration of USD $10 million in exchange for 20% equity in the Company, if all options are exercised.

NOTE 1 - GENERAL INFORMATION (Continued)

Exact terms of this equity purchase option are: PDV is to acquire 2% of the Company via a USD 1,000,000 investment by April 30, 2009 in exchange for 72 units of the Genetic Immunity's Class B stock; Company is to acquire an additional 2% of the Genetic Immunity via a USD 1,000,000 investment by August 30, 2009 in exchange for 72 units of the Genetic Immunity's Class B stock. PDV is also granted an option to acquire an additional 16% of the Genetic Immunity via an $8,000,000 investment by February 20, 2010, in tranches or in whole, in exchange for 578 units of the Genetic Immunity's Class B stock. If the Company misses the first deadline of April 30, 2009 this agreement shall immediately terminate. If the Company completes the first investment but missed the second date of August 30, 2009 this agreement shall terminate, but the Company will retain the Class B units already acquired. Any portion of the optional 16% equity purchase that is not exercised and closed by February 23, 2010 shall terminate. The option was extended for an unlimited period.

On March 7, 2011 we entered into an extension of this agreement for the purpose of assisting Genteic Immunity in becoming a publicly traded corporation in the United States. The new agreement gives the Company rights to invest up to $1,400,000 into Genetic Immunity, to be completed by December 31, 2011 in one or more payment. The investment buys Genetic Immunity LLC Series B units that are convertible into common stock once the company becomes publicly traded in the United States. As of March 31, 2012 we have invested $50,000 of this amount. We anticipate raising additional capital to complete the entire investment. In exchange for the investment we are to receive 14% of Gentic Immunity once $500,000 dollars has been invested, and warrant to purchase Genetic Immunity common stock, including one million shares at $20 dollars, one million shares at $30 dollars and one million shares at $40 dollars once Genetic immunity becomes a public company. We have a Warrant that gives us rights to purchase 1,000,000 shares of common stock, at an excersize price of $20 per share. According to the agreement, there is a second warrant, which gives the Company rights to purchase an additional one million shares of common stock at the excersize price of $30 dollars per shares and a third Warrant which gives rights to purchase an additional one million shares of common stock at the excersize price of $40 dollars per shares.

On September 28, 2011 we signed a termination letter with Genetic Immunity whereby our option to invest in and receive warrant in Genetic Immunity have been terminated. In consideration for the $50,000 we have invested in Genetic Immunity we have received 10 Series B Units of Genetic Immunity. These units are convertible into shares of Genetic Immunity common stock at a later date at a conversion factor to be determined.

NOTE 1 - GENERAL INFORMATION (Continued)

iGlue Software via Equity position in iGlue, Inc.

For the past four and a half years the Company has been funding / developing iGlue, the cornerstone of the current technology portfolio. The financial commitment to in4, Ltd, the company behind iGlue, amounted to a total of approximately $600,000 for years 2007 through 2010. The total chronological events of iGlue are:

- On August 2, 2007 Vidatech Kft., the Company's wholly owned Hungarian subsidiary, entered into a joint development agreement with the inventors/creators of iGlue, an online content organization and search application based on semantic web technology. In the transaction Vidatech received 30% equity in the newly formed in4 Kft (http://www.in4.hu), the owner and exclusive developer of iGlue (http://www.iglue.com), for HUF 900 thousand (approximately USD 5,000). Up until May 31, 2009, Vidatech was expected to provide up to HUF 48 million (approximately USD 271,000) in member loans to in4 Kft. to cover the development expense of iGlue.

- As of December 31, 2008 the Company has provided this amount to in4, Ltd.

- As part of the agreement, Vidatech had the option of converting its HUF 48 million member loan into an additional 10% equity in in4 Kft. on or before the end of May, 2009. As of January 8, 2009 the Company has elected to covert our member loan into the additional 10% equity in in4, Ltd., resulting in Vidatech owning 40% of equity.

- On May 17th, 2010, the Company transferred its equity ownership from its Hungarian subsidiary Vidatech, Kft. to Power of the Dream Ventures. The transfer was initiated to prepare for its eventual exit from iGlue.

- Also on May 17th, 2010, the Company arranged for a new investor to provide further funds for the continued development of iGlue, in the amount of HUF 110 million (approximately USD 550,000.) Prior to this event, up to May 17th, 2010 the Company has provided an additional HUF 64million ($310,000) as member loan to in4 Ltd. to finance development work, bringing our total investment to date to HUF 112,000,000 (approximately $600,000). As part of the new round of fund raising the Company agreed to convert its HUF 60 million in member loan into 3% equity. Following this conversion the new investor received 10% in in4, Ltd., of which the Company provided 1.5% and Peter Vasko, Founder of in4 limited provided 8.5%. Following the fund raising the new equity positions in in4 changed to Peter Vasko owning 51.5% (down from the pre-transaction 60%), Power of the Dream Ventures owning 38.5% (down from the pre-transaction 40%) and the new investor owning 10% equity.

- On May 19 of 2011 a new member joined in4, Ltd, Zoltan Siklosi who received 3% equity in the company for services rendered. Following his entry the new equity structure of the company changed to Peter Vasko owning 48.5% percent, Gyorgy Markos owning 10%, Zoltan Siklosi owning 3% and Power of the Dream Ventures owning 38.5%.

NOTE 1 - GENERAL INFORMATION (Continued)

- Subsequently, to take iGlue to the next level, the Company organized a going public roadmap for the company. As part of this process, on November 3, 2011, in4, Ltd signed a Definitive Share Exchange Agreement to merge with Hardwired Interactive (HDWR) a fully reporting public company. As part of this agreement all holders of in4, Ltd equity received common and preferred stock in the newly public entity. As part of the transaction we received 600,000 shares of Series B Hardwired Interactive common stock convertible into 6,000,000 shares of common stock upon a reverse stock split. The Company also received warrants to purchase a total of three million shares of post split common stock, one million shares each at $5 dollars, $7 dollars and $9 dollars per share.

- On November 23, 2011 the Company announced plans to provide a dividend, in the form of iGlue common stock, to PWRV shareholders of record on December 23, 2011. Each PWRV shares was to receive 0.05 share of iGlue in the dividend. Upon approval from FINRA this dividend was paid out to PWRV shareholders on February 15, 2012. Following the distribution we still hold 2,884,986 shares of iGlue common stock and warrants to purchase a total of three million addition shares.

Basis of presentation

The accompanying consolidated financial statements have been prepared by the Company pursuant to the rules and regulations of the SEC. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America for financial information have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, the accompanying financial statements include all adjustments (consisting of normal recurring accruals) considered necessary to make the financial statements not misleading as of and for the period ended March 31, 2012 and for the period from April 26, 2006 (date of inception) to March 31, 2012.

Going Concern and Management's Plan

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate the continuation of the Company as a going concern and assume realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred losses from operations since inception. Management anticipates incurring additional losses in 2012. Further, the Company may incur additional losses thereafter, depending on its ability to generate revenues from the licensing or sale of its technologies and products, or to enter into any or a sufficient number of joint ventures. The Company has minimal revenue to date. There is no assurance that the Company can successfully commercialize any of its technologies and products and realize any revenues therefore. The Company's technologies and products have never been utilized on a large-scale commercial basis and there is no assurance that any of its technologies or products will receive market acceptance. There is no assurance that the Company can continue to identify and acquire new technologies.

NOTE 1 - GENERAL INFORMATION (Continued)

Since inception through March 31, 2012, the Company had an accumulated deficit of $9,785,664 and net cash used in operations of $2,424,708. However, management of the Company believes that the recent funding from the private placement of the Company's common shares (See Note 8) together with related party loans (see Note 9) and third party loans (see Note 6 will allow them to continue operations and execute its business plan.

On July 19, 2011 the Company entered into a Promissory Note with Infinite Funding, Inc whereby Infinite Funding provided $49,000 dollars in loans to the Company. The Note bears interest at 12% per annum.

On March 16, 2011 the Company entered into a Convertible Promissory Note with Infinite Funding LLC whereby Infinite Funding provided $76,000 dollars in loans to the Company.

The Note bears interest at 10%, and is convertible into shares of common stock at a conversion price of $0.05. On December 4, 2011 this NOTE payable was extended to December 31, 2012.

Management believes the Company has adequate capital to keep the Company functioning through March 31, 2013. However, the need may arise, in the normal course of business, to raise additional capital if we want to accelerate development work, for the acquisition of additional technologies, or to meet unforeseen financial needs. No assurance can be given that the Company can obtain additional working capital, or if obtained, that such funding will not cause substantial dilution to shareholders of the Company.

If the Company is unable to raise additional funds, if needed, it may be forced to change or delay its contemplated marketing and business plan. Being a development stage company, the Company is subject to all the risks inherent in the establishment of a new enterprise and the marketing and manufacturing of a new product, many of which risks are beyond the control of the Company. All of the factors discussed above raise substantial doubt about the Company's ability to continue as a going concern.

These consolidated financial statements do not include any adjustments relating to the recoverability of recorded asset amounts that might be necessary as a result of the above uncertainty.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in preparation of the consolidated financial statements are set out below.

<u>Principles of Consolidation</u>
The unaudited condensed consolidated financial statements include the accounts of PDV and its wholly-owned Hungarian subsidiary, Vidatech. All significant intercompany accounts and transactions have been eliminated in consolidation.

<u>Use of Estimates:</u>

The preparation of the financial statements in conformity with US GAAP requires management to make estimates, judgments and assumptions that affect amounts reported herein. Management believes that such estimates, judgments and assumptions are reasonable and appropriate. However, due to the inherent uncertainty involved, actual results may differ from those based upon management's judgments, estimates and assumptions. Critical accounting policies requiring the use of estimates are depreciation and amortization and share-based payments

Revenue Recognition:

Sales are recognized when there is evidence of a sales agreement, the delivery of the goods or services has occurred, the sales price is fixed or determinable and collectability is reasonably assured, generally upon shipment of product to customers and transfer of title under standard commercial terms. Sales are measured based on the net amount billed to a customer. Generally there are no formal customer acceptance requirements or further obligations.

Customers do not have a general right of return on products shipped therefore no provisions are made for return.

Accounts Receivable and Allowance for Doubtful Accounts:
Accounts receivable are stated at current value, which approximates fair value. The Company does not require collateral for accounts receivable. Accounts receivable are reduced by an allowance for amounts that may be uncollectible in the future. This estimated allowance is determined by considering factors such as length of time accounts are past due, historical experience of write offs, and customers' financial condition.

Inventories:
Inventories are stated at the lower of cost, determined based on weighted average cost or market value. Inventories are reduced by an allowance for excess and obsolete inventories based on management's review of on-hand inventories compared to historical and estimated future sales and usage.

Fixed assets:

Fixed assets are stated at cost or fair value for impaired assets. Depreciation and amortization is computed principally by the straight-line method. Asset amortization charges are recorded for long lived assets. In the related periods, no asset impairment charges were accounted for.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Depreciation is recorded commencing the date the assets are placed in service and is calculated using the straight line basis over their estimated useful lives.

The estimated useful lives of the various classes of long-lived assets are approximately 3-7 years.

Pensions and Other Post-retirement Employee benefits:

In Hungary, pensions are guaranteed and paid by the government or by pension funds, therefore no pensions and other post-retirement employee benefit costs or liabilities are to be calculated and accounted by the Company.

Product warranty:

The Company accrues for warranty obligations for products sold based on management estimates, with support from sales, quality and legal functions, of the amount that eventually will be required to settle such obligations. At March 31, 2012, the Company had no warranty obligations in connection with the products sold.

Advertising costs:

Advertising and sales promotion expenses are expensed as incurred.

Research and development and Investment and Advances to Non-Consolidated Entities:

In accordance with ASC 730-10-25 "Accounting for Research and Development Costs," all research and development ("R&D") costs are expensed when they are incurred, unless they are reimbursed under specific contracts. Assets used in R&D activity, such as machinery, equipment, facilities and patents that have alternative future use either in R&D activities or otherwise are capitalized. In connection with investments and advances in development-stage technology entities in which the company owns or controls less than a 50% voting interest, (see Note 4) where repayment from such entity is based on the results of the research and development having future economic benefit, the investment and advances are accounted for as costs incurred by the Company as research and development in accordance with ASC 730-20-25.

Income taxes:

The Company accounts for income taxes in accordance with ASC 740-10-25, "Accounting for Income Taxes". Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Valuation allowances are provided against deferred tax assets to the extent that it is more likely than not that the deferred tax assets will not be realized.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Comprehensive Income (Loss):

ASC 220-10-25, "Accounting for Comprehensive Income," establishes rules for reporting and disclosure of comprehensive income and its components (including revenues, expenses, gains and losses) in a full set of general-purpose financial statements. The items of other comprehensive income that are typically required to be disclosed are foreign currency items, minimum pension liability adjustments, and unrealized gains and losses on certain investments in debt and equity securities. Accumulated other comprehensive loss, at March 31, 2012 is $22,007.

Translation of Foreign Currencies:

The U.S. dollar is the functional currency for all of the Company's businesses, except its operations in Hungary. Foreign currency denominated assets and liabilities for this unit is translated into U.S. dollars based on exchange rates prevailing at the end of each period presented, and revenues and expenses are translated at average exchange rates during the period presented. The effects of foreign exchange gains and losses arising from these translations of assets and liabilities are included as a component of equity, under other comprehensive income.

Loss per Share:

Under ASC 260-10-45, "Earnings Per Share", basic loss per common share is computed by dividing the loss applicable to common stockholders by the weighted average number of common shares assumed to be outstanding during the period of computation. Diluted loss per common share is computed using the weighted average number of common shares and, if dilutive, potential common shares outstanding during the period. There were no common stock equivalents or potentially dilutive securities outstanding during the periods ended March 31, 2012 and 2011, respectively. Accordingly, the weighted average number of common shares outstanding for the periods ended March 31, 2012 and 2011, respectively, is the same for purposes of computing both basic and diluted net income per share for such years.

Business Segment:

ASC 280-10-45, "Disclosures About Segments of an Enterprise and Related Information," establishes standards for the way public enterprises report information about operating segments in annual consolidated financial statements and requires reporting of selected information about operating segments in interim financial statements regarding products and services, geographical areas and major customers. The Company has determined that under ASC 208-10-45, there are no operating segments since substantially all business operations, assets and liabilities are in Hungarian geographic segment.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-Based Payments:

In accordance with ASC 718-10 "Share-Based Payment" all forms of share-based payment ("SBP") awards including shares issued under employee stock purchase plans, stock options, restricted stock and stock appreciation rights result in a cost that is measured at fair value on the awards' grant date, based on the estimated number of awards that are expected to vest. As the Company did not issue any employee SBP, there is no compensation cost recognized in the accompanied consolidated financial statements.

The Company accounts for equity instruments issued to non-employees in accordance with the provisions of ASC 505-50, "Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services," which requires that such equity instruments are recorded at their fair value on the measurement date. The measurement of stock-based compensation is subject to periodic adjustment as the underlying equity instrument vests. Non-employee stock-based compensation charges are amortized over the vesting period or period of performance of the services.

Recent Accounting Pronouncements:

In September 2011, the FASB issued Accounting Standards Update 2011-08 Intangibles—Goodwill and Other (Topic 350), Testing Goodwill for Impairment. The objective of this update is to simplify how entities, both public and nonpublic, test goodwill for impairment. The amendments in the update permit an entity to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test described in Topic 350. The more-likely-than-not threshold is defined as having a likelihood of more than 50 percent. The amendments in this update are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2011. The adoption of this standard did not have a material impact on its financial position, results of operations or cash flows.

In June 2011, the FASB issued Accounting Standards Update 2011-05 - Comprehensive Income (Topic 220): Presentation of Comprehensive Income. Under the amendments to Topic 220, Comprehensive Income, an entity has the option to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The amendments do not change the option for an entity to present components of other comprehensive income either net of related tax effects or before related tax effects, with one amount shown for the aggregate income tax expense or benefit related to the total of other comprehensive income items. In both cases, the tax effect for each component must be disclosed in the notes to the financial statements or presented in the statement in which other comprehensive income is presented. The amendments in this update are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2011. The adoption of this standard did not have a material impact on its financial position, results of operations or cash flows.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In May 2011, the FASB issued Accounting Standards Update 2011-04—Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs. The amendments in this update result in common fair value measurement and disclosure requirements in U.S. GAAP and IFRSs. Consequently, the amendments change the wording used to describe many of the requirements in U.S. GAAP for measuring fair value and for disclosing information about fair value measurements. The FASB does not intend for the amendments in this update to result in a change in the application of the requirements in Topic 820. Some of the amendments clarify the application of existing fair value measurement requirements. Other amendments change a particular principle or requirement for measuring fair value or for disclosing information about fair value measurements. The amendments in this update are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2011. The adoption of this standard did not have a material impact on its financial position, results of operations or cash flows.

In May 2010, the FASB issued Accounting Standards Update 2010-19 (“ASU 2010-19”), Foreign Currency (Topic 830): Foreign Currency Issues: Multiple Foreign Currency Exchange Rates. The amendments in this update are effective as of the announcement date of March 18, 2010. The ASU 2010-19 did not have a material effect on the financial position, results of operations or cash flows of the Company.

In April 2010, the FASB issued Accounting Standards Update 2010-17 (“ASU 2010-17”), Revenue Recognition-Milestone Method (Topic 605): Milestone Method of Revenue Recognition. This Update provides guidance on defining a milestone under Topic 605 and determining when it may be appropriate to apply the milestone method of revenue recognition for research or development transactions. The amendments in this Update are effective on a prospective basis for milestones achieved in fiscal years, and interim periods within those years, beginning on or after June 15, 2010. Early adoption is permitted. If a company elects early adoption and the period of adoption is not the beginning of the entity’s fiscal year, the entity should apply the amendments retrospectively from the beginning of the year of adoption. The Company does not expect the provisions of ASU 2010-17 to have a material effect on the financial position, results of operations or cash flows of the Company.

In April 2010, the FASB issued Update No. 2010-13 “The Effects of Denominating the Exercise Price of a Share-based Payment Award in the Currency of the Market in Which the Underlying Equity Security Trades ” (“2010-13”). The objective of this Update is to address the classification of an employee share-based payment award with an exercise price denominated in the currency of a market in which the underlying equity security trades. The amendments in this Update affect entities that issue employee share-based payment awards with an exercise price denominated in the currency of a market in which a substantial portion of the entity’s equity securities trades that differs from the functional currency of the employer entity or payroll currency of the employee. The amendments affect entities that have previously considered such awards to be liabilities because of their exercise price. The amendments clarify that a share-based payment award with an exercise price denominated in the currency of a market in which a substantial portion of the entity’s equity securities trades should not be considered to contain a condition that is not a market, performance, or service

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

condition. Therefore, such an award should not be classified as a liability if it otherwise qualifies as equity. The amendments in this Update are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2010. The adoption of this standard did not have a material impact on its financial position, results of operations or cash flows.

In February 2010, the FASB issued Update No. 2010-09 “Subsequent Events” (“2010-09”). The amendments remove the requirement for an SEC filer to disclose a date in both issued and revised financial statements. Additionally, the Board has clarified that if the financial statements have been revised, then an entity that is not an SEC filer should disclose both the date that the financial statements were issued or available to be issued and the date the revised financial statements were issued or available to be issued. All of the amendments in this Update are effective immediately.

In January 2010, the Financial Accounting Standards Board ("FASB") issued guidance amending fair value disclosures for interim and annual reporting periods beginning after December 15, 2009. This guidance requires disclosures about transfers of financial instruments into and out of Level 1 and 2 designations and disclosures about purchases, sales, issuances and settlements of financial instruments with a Level 3 designation. The Company adopted this guidance with effect from January 1, 2010 without material impact on its consolidated financial statements.

In January 2010 the FASB issued Update No. 2010-05 "Compensation—Stock Compensation—Escrowed Share Arrangements and Presumption of Compensation" ("2010-05"). 2010-05 re-asserts that the Staff of the Securities Exchange Commission (the "SEC Staff") has stated the presumption that for certain shareholders escrowed share represent a compensatory arrangement. 2010-05 further clarifies the criteria required to be met to establish a position different from the SEC Staff's position. The pronouncement did not have any material impact on its financial position, results of operations or cash flows.

In January 2010 the FASB issued Update No. 2010-02 "Accounting and Reporting for Decreases in Ownership of a Subsidiary—a Scope Clarification" ("2010-02") an update of ASC 810 "Consolidation." 2010-02 clarifies the scope of ASC 810 with respect to decreases in ownership in a subsidiary to those of a subsidiary or group of assets that are a business or nonprofit, a subsidiary that is transferred to an equity method investee or joint venture, and an exchange of a group of assets that constitutes a business or nonprofit activity to a non-controlling interest including an equity method investee or a joint venture. The amendments are effective beginning in the period that an entity adopts Statement 160. Management does not expect adoption of this standard to have any material impact on its financial position, results of operations or operating cash flows. Management does not intend to decrease its ownership in any of its wholly-owned subsidiaries.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In December 2009, the FASB amended the Accounting Standards Codification ("ASC") to provide consolidation guidance that requires a more qualitative assessment of the primary beneficiary of a variable interest entity ("VIE") based on whether the entity (1) has the power to direct matters that most significantly impact the activities of the VIE and (2) has the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. The amended guidance also requires an ongoing reconsideration of the primary beneficiary. This guidance was adopted by the Company on a prospective basis as of January 1, 2010 without material impact on its consolidated financial statements.

In December 2009, the FASB amended the ASC to provide guidance on the accounting for transfers and servicing of financial assets. This guidance became effective for fiscal years beginning after November 15, 2009 and was adopted by the Company on a prospective basis as of January 1, 2010 without material impact on its consolidated financial statements.

There were various other updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to a have a material impact on the Company's consolidated financial position, results of operations or cash flows.

NOTE 3 - OTHER RECEIVABLES

	March 31, 2012 2012	December 31, 2011
VAT reclaimable	$1,713	$3,261
Other	3,348	1,138
Total	**$5,061**	**$4,399**

NOTE 4 - RESEARCH AND DEVELOPMENT ("R&D")

In August, 2008, the Company entered into an agreement with a Hungarian individual to establish FireLESS Kft (FireLESS). FireLESS's business is focused on acquiring the appropriate licenses and certificates to internationally market FireSAFE and will work with local and international fire agencies to test and establish usability baselines for FireSAFE. The Company is a minority shareholder in FireLESS with 30% voting rights, which operates under independent management.

In August, 2007, the Company entered into an agreement with two Hungarian individuals to establish In4 Kft ("in4). in4's business is focused on software development and information technology purposes. Originally the Company was a minority shareholder in in4 with 30% voting rights. In4 Ltd. operates under independent management.

NOTE 4 - RESEARCH AND DEVELOPMENT ("R&D") - Continued

In August, 2007, the Company also entered into a loan commitment agreement with in4. According to the agreement the Company has committed a loan of approximately $271,000 to in4. The loan amount has been provided by May 31, 2009. In November of 2008 the Company transferred to in4 the entire loan amount, upon which the Company elected to covert the loan into an additional 10% equity in in4. As of January 15, 2009 the Company maintains a minority 40% equity in in4 Ltd. Since capitalization of the loan to equity, as of December 31, 2009 the Company has provided an additional $310,000 loan to in4. During 2010 a new investor entered in4 Ltd, and the share of the Company decreased to 38.5%.

To take iGlue to the next level, the Company organized a going public roadmap for the company. As part of this process, on November 3, 2011, in4, Ltd signed a Definitive Share Exchange Agreement to merge with Hardwired Interactive (HDWR) a fully reporting public company. As part of this agreement all holders of in4, Ltd equity received common and preferred stock in the newly public entity. As part of the transaction we received 600,000 shares of Series B Hardwired Interactive common stock convertible into 6,000,000 shares of common stock upon a reverse stock split. The Company also received warrants to purchase a total of three million shares of post split common stock, one million shares each at $5 dollars, $7 dollars and $9 dollars per share. As of March 31, 2012 iGlue is a publicly traded company in the United States, trading under the ticker IGLU.

Since the repayment of loans, advances and other investment is contingent on the results of the R&D of iGlue having future economic benefit, management has expensed the Company's investment in in4 and in FireLESS of approximately $5,000 and $900, respectively, and loans to in4 of approximately $310,000 as R&D in the accompanying condensed consolidated statements of operations, in accordance with ASC 730-10-25 "Research and Development Arrangements".

NOTE 5 - FIXED ASSETS

Net property and equipment consisted of the followings at March 31, 2012 and December 31, 2011, respectively:

	March 31, 2012	December 31, 2011
Machinery and equipment	$59,563	$54,720
Vehicles	410,518	377,139
Office equipment	68,769	63,177
Software and website registration rights	52,669	48,387
Total	591,519	543,423
Less: Accumulated depreciation and amortization	(399,131)	(347,652)
Net property and equipment	**$192,388**	195,771

The net book value of fixed assets under capital lease amount to $153,640 and $156,489 at March 31, 2012 and at December 31, 2011, respectively. Depreciation and amortization expense for the periods ended March 31, 2012 and December 31, 2011 was $21,312 and $23,029, respectively and $475,275 for the period from April 26, 2006 (date of inception) to March 31, 2012.

NOTE 6 - NOTE PAYABLE

Mary Passalaqua

On October 20, 2011 the Company was presented with an Amended Convertible Promissory Note by Mary Passalaqua. In the revised agreement Ms. Passalaqua requested that the outstanding portion of the Promissory Note be paid in shares in such quantity that will satisfy the debt of $125,000 owned. As second step in this conversion process Mary Passalaqua requested the conversion of $20,000 dollars into shares of common stock. To satisfy this request the Company instructed its transfer agent to issue Mary Passalaqua 3,500,000 shares of common. Upon conversion of the $20,000 our outstanding Promissory Note balance will be $105,000 plus accrued interest.

On August 5, the company was presented with an Amended Convertible Promissary Note by Mary Passalaqua. In the revised agreement Ms. Passalaqua requested that the outstanding portion of the Promissary Note be paid in shares in such quanity that will satisfy the debt of $195,000 owned. As first step in this conversion process Mary Passalaqua requested the conversion of $70,000 dollars into shares of common stock. To satisfy this request the Company instructed its transfer agent to issue Mary Passalaqua 2,400,000 shares of common. Upon conversion of the $70,000 our outstanding Promissory Note balance will be $125,000 plus accrued interest.

On April 10, 2007, in connection with reverse merger (See Note 1), the Company assumed a note payable of $250,000 to a former stockholder, Mary Passalaqua originally with one year maturity at April 5, 2008. The note has been expanded by one year to April 5, 2009 with the same conditions. As such note payable was issued immediately prior to the reverse merger, such issuance was recorded as additional compensation by the Company prior to the reverse merger. Accordingly, such compensation is reflected in the accompanying consolidated balance sheet as the accumulated deficit of the Company, and will not be reflected in the Statement of operations, as such compensation expense was structured as an expense prior to the recapitalization.

In November, 2008 the Company settled $35,000 from the outstanding liability, and in May of 2009 the Company settled another $20,000 from the liability. The note payable bears interest at the prime rate (3.25% at March 31, 2012). Interest expense in connection with such note amounted to $46,120 and $45,267 for the year ended at March 31, 2012 and at December 31, 2011, respectively, and was accrued and included in accounts payable and accrued liabilities in the accompanying consolidated balance sheet.

Infinite Funding

On July 19, 2011 the Company entered into a Promissory Note with Infinite Funding, Inc whereby Infinite Funding provided $49,000 dollars in loans to the Company. The Note bears interest at 12% per annum.
On March 16, 2011 the Company entered into a Convertible Promissory Note with Infinite Funding LLC whereby Infinite Funding provided $76,000 dollars in loans to the Company. The note bears interest at 10%, is due December 5, 2011, and is convertible into shares of common stock at a conversion price of $0.05. On December 4, 2011 we received an extension to this note to December 31, 2012.

NOTE 7 - CAPITAL LEASES PAYABLE

In August, 2007, the Company entered into capital lease agreements on 3 vehicles for management purposes. The maturity of the lease is 60 months and is denominated in CHF. Instalments and interest is due on a monthly basis. In December, 2007, the Company entered into additional capital lease agreements on 2 vehicles for management purposes. The maturity of the lease is 72 months and is denominated in CHF. Installments and interest is due on a monthly basis.

In December 2008, the Company settled the capital lease agreements on 2 vehicles and replaced them with new agreements for additional 2 vehicles, totaling 5 capital lease agreements at December 31, 2008. The maturity of the new leases varies from 60 to 72 months and are denominated in EUR and CHF. Installments and interests are due on a monthly basis. In September 2009, the Company closed a capital lease agreement for one car. The related asset has been sold.

During 2010, the Company rescheduled the capital lease agreements by extending the maturity of 2 contracts to 80 months.

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of March 31, 2012:

For the period ending March 31, 2012	Amounts
2012	$78,429
2013	74,047
2014	40,562
Total minimum lease payments	$193,038
Less: amounts representing interest	$17,869
Present value of net minimum lease payments	$175,169
Less: current portion	62,790
Long term liability	**$112,379**

NOTE 8 - STOCKHOLDERS' EQUITY

On October 26, 2011 the Company entered into an equity exchange agreement with each of Messrs. Viktor Rozsnyay and Daniel Kun, Jr. Mr. Rozsnyay is President, CEO and Chairman of the Board of Directors of the Company and Mr. Kun as its Vice-President. Each Agreement is identical and provides in summary form as follows: each of Messrs. Rozsnyay and Kun will deliver twelve million (12,000,000) shares of their shares of common stock of the Company to the Company for cancellation immediately. The Agreement provides that the Exchange Shares so delivered will be returned to the treasury of the Company as unauthorized shares of common stock and will become available for subsequent issuance by the Company from time to time. In return for the surrender of the Exchange Shares, the Company will issue and deliver two million (2,000,000) restricted shares of a new class of Series A Preferred shares, 1,000,000 shares each to Mr. Rozsnyay and Mr. Kun.

Private placements

During March, 2012, the Company received stock advance from an unaffiliated private investor for aggregate proceeds of $45,455.

On November 14, 2011, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 27,700 shares of its common stock at $0.16 per share to an unaffiliated private investor for aggregate proceeds of $4,432.

On September 2, 2011, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 1,727,013 shares of its common stock at $0.16 per share to two unaffiliated private invesetors for aggregate proceeds of $276,322.

On August 29, 2011, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 17,825 shares of its common stock at $0.12 per share to one unaffiliated private investor for aggregate proceeds of $2,137.

During the second quarter of 2011, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 196,489 shares of its common stock at $0.29 for aggregate proceeds of $56,962.

During the third quarter of 2010, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 70,000 shares of its common stock at $0.50 for aggregate proceeds of $35,000.

During the first half of 2010, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 1,470,000 shares of its common stock at $0.10 for aggregate proceeds of $147,000, and sold 62,500 shares of its common stock at $0.08 for proceeds of $5,000.

In February 2010, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 65,000 shares of its common stock at $0.12 for aggregate proceeds of $7,701.

NOTE 8 - STOCKHOLDERS' EQUITY (Continued)

In November 2009, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 175,000 shares of its common stock at $0.16 and 111,110 shares of its common stock at $0.20 per share for aggregate proceeds of $50,222.

In October 2008, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 2,500,000 shares of its common stock at $0.4 per share for aggregate proceeds of $1,000,000.

In February of 2008, shares of common stock of the Company have been approved by FINRA for quotation and trading on the Over The Counter Bulletin Board (OTCBB) under the ticker symbol PWRV. Trading commenced in the Company's securities on the OTCBB beginning on February 21, 2008.

In January 2008, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 32,500 shares of its common stock at $3.25 per share for aggregate proceeds of $105,625.

In October 2007, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 104,000 shares of its common stock at $2.50 per share for aggregate proceeds of $260,000. The Company also entered into a Registration Rights Agreement, pursuant to which it agreed that as soon as practicable from the Offering Termination Date, as defined in the Registration Rights Agreement, it would file a registration statement with the SEC covering the resale of the shares of the Company's common stock that are issuable pursuant to this private placement. There are no stipulated damages outlined in the Registration Rights Agreement for failure to file within the agreed upon time frame. Under such agreement, the holder is entitled to exercise all rights granted by law, including recovery of damages under this agreement.

The Company filed Form SB-2 a registration statement with SEC on November 14, 2007, which was approved on January 30, 2008.

Consulting agreements

During October 2011, the Company entered into agreements with three unaffiliated professionals for one year business consulting services. According to the agreement the professionals provide consulting services to the Company for 12 months. In connection with these services, the Company issued to them 640,000 shares of the Company's common stock. These share issuances were recorded at the fair value of contracting date which is the market price on the commitment date $0.11 and $0.09 per share in the total amount of $61,200 and the related expense was recorded under general administration.

On September 27, 2011, the Company entered into agreements with two unaffiliated professionals for one year business consulting services. According to the agreement the professionals provide consulting services to the Company for 12 months. In connection with these services, the Company issued to them 100,000 shares of the Company's common stock.

NOTE 8 - STOCKHOLDERS' EQUITY (Continued)

These share issuances were recorded at the fair value of contracting date which is the market price on the commitment date $0.14 per share in the total amount of $14,000 and the related expense was recorded under general administration.

During April and May of 2011, the Company entered into agreements with five unaffiliated professionals for one year business consulting services. According to the agreement the professionals provide consulting services to the Company for 12 months. In connection with these services, the Company issued to them 505,000 shares of the Company's common stock.

These share issuances were recorded at the fair value of contracting date which is the market price on the commitment date, ranging from $0.34 to $0.48 per share in the total amount of $190,900 and the related expense was recorded under general administration.

On February 7, 2011 the Company entered into a one year business consultation agreement with an unaffiliated person who is to provide general business development and incubation consultation. In exchange for his services the Company issued a onetime payment of 215,000 shares of our common stock, which vested immediately. These share issuances were recorded at $0.3 per share in the total amount of $64,500 and the related expense was recorded under general administration.

On February 9, 2011 we entered into a one year business consultation agreement with an unaffiliated person who is to provide services in term of potential business opportunities in Poland. In exchange for his services we issued a onetime payment of 435,000 shares of our common stock, which vested immediately. These share issuances were recorded at $0.24 per share in the total amount of $104,400 and the related expense was recorded under general administration.

On February 24, 2011 we entered into a one year business consultation agreement with an unaffiliated person who is to provide general business development and incubation consultation. In exchange for his services we issued a onetime payment of 75,000 shares of our common stock, which vested immediately. These share issuances were recorded at $0.3 per share in the total amount of $22,500 and the related expense was recorded under general administration.

During October and November of 2010, the Company entered into agreements with several unaffiliated professionals for consulting services. According to the agreement the professionals provid consulting services to the Company in 2010. In connection with these services, the Company issued to them 874,000 shares of the Company's common stock. These share issuances were recorded at $0.5 per share in the total amount of $437,000 and the related expense was recorded under general administration.

In September 2010, the Company entered into an agreement with four unaffiliated professionals for consulting services. According to the agreement the professionals provided consulting services to the Company in 2010. In connection with these services, the Company issued to them 153,000 shares of the Company's common stock. These share issuances were recorded at $0.5 per share in the total amount of $76,500 and the related expense was recorded under general administration.

NOTE 8 - STOCKHOLDERS' EQUITY (Continued)

The consulting agreements are entered for a 12 months period. According to the agreements the consultants will provide general business consulting services. As consideration for such services, the Company issued an aggregate of 1,970,000 shares of the Company's common stock. These share issuances were recorded at the fair value of commitment date ($0.5 per share) in the total amount of $457,888 in accordance with measurement date principles prescribed under ASC 505-50 and ASC 718-10.

The Company is amortizing the fair value of the shares over the term of the agreement to stock-based compensation expense, which amounted to $88,414 for the period ended March 31, 2012, and $404,512 for the period from April 26, 2006 (date of inception) to March 31, 2012, in accordance with ASC 505-50 and ASC 718-10.

In June 2010, the Company entered into an agreement with two unaffiliated professionals for consulting services. According to the agreement the professionals provided consulting services to the Company in 2010. In connection with these services, the Company issued to them 20,000 shares of the Company's common stock. These share issuances were recorded at $0.1 per share in the total amount of $2,000 and the related expense was recorded under general administration.

In April 2009, the Company entered into an agreement with two unaffiliated professionals for consulting services. According to the agreement the professionals provided consulting services to the Company in 2009. In connection with these services, the Company issued to them 250,000 shares of the Company's common stock. These share issuances were recorded at $0.4 per share in the total amount of $100,000 and the related expense was recorded under general administration.

In June 2007, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 2,250,000 shares of its common stocks at $0.34 per share for a total subscription receivable of $765,000. The Company also entered into a Registration Rights Agreement, pursuant to which it agreed that as soon as practicable from the Offering Termination Date, as defined in the Registration Rights Agreement, it would file a registration statement with the SEC covering the resale of the shares of the Company's common stock that are issuable pursuant to this private placement.

There are no stipulated damages outlined in the Registration Rights Agreement for failure to file within the agreed upon time frame. Under such agreement, the holder is entitled to exercise all rights granted by law, including recovery of damages under this agreement. In June 2007, the Company entered into five consulting agreements with five consultants for 12 to 24 month periods. According to the agreements the consultants will provide general business consulting services.

NOTE 8 - STOCKHOLDERS' EQUITY (Continued)

As consideration for such services, the Company issued an aggregate of 1,375,000 shares of the Company's common stock. These share issuances were recorded at $0.34 per share in the total amount of $467,501 in accordance with measurement date principles prescribed under ASC 505-50 and ASC 718-10. The Company is amortizing the fair value of the shares over the term of the agreement to stock-based compensation expense, which amounted to $0 for the period ended March 31, 2012 and December 31, 2011, respectively and $467,501 for the period from April 26, 2006 (date of inception) to March 31, 2012, in accordance with ASC 505-50 and ASC 718-10.

In April 2007, the Company entered into an agreement with two professionals for legal services. According to the agreement the professionals provided legal services to the Company in 2007. In connection with these services, the Company issued to them 500,000 shares of the Company's common stock. These share issuances were recorded at $0.34 per share in the total amount of $170,000 and the related expense was recorded under general administration.

In connection with the ITA (See Note 4), the Company issued 100,000 shares of the Company's common stock to the Inventors. These shares issuance were recorded at fair value of $0.34 per share in the total amount of $34,000. The cost of the related invention was recorded as research and development expense.

NOTE 8 - STOCKHOLDERS' EQUITY (Continued)

Other agreements

On October 8, 2008, Power of the Dream Ventures, Inc. (the "Company") entered into a Standby Equity Distribution Agreement (the "Standby Equity Distribution Agreement") with YA Global Investments, L.P. (the "Investor"). Pursuant to the terms of the Standby Equity Distribution Agreement, the Company (a) agreed to issue and sell to the Investor up to $5,000,000 of shares of the Company's common stock, par value $0.0001 per share (the "Common Stock") in tranches of equity, based upon a 7% discount to the market price of the Common Stock, calculated over the five trading days following notice by the Company of an election to sell shares; and (b) issued to the Investor a warrant (the "Warrant") to purchase 4,027,386 shares of Common Stock at the exercise price per share of $0.29. The Warrant is not part of the commitment shares issued by the company to the investor.

The investor must purchase the shares underlaying the Warrant. The Warrant price was determined based upon the highest Bid price on the day of the closing of the agreement. The YA Global is required to exercise the warrant upon notice by PDV of an election to have the warrants exercised at a fix price of $0.29 per common stock.

In connection with the Standby Equity Distribution Agreement, the Company entered into a Registration Rights Agreement with the Investor (the "Registration Rights Agreement") pursuant to which the Company agreed to register for resale the shares of Common Stock that may be purchased by the Investor pursuant to the Standby Equity Distribution Agreement, the shares of Common Stock issuable upon exercise of the Warrant and 2,000,000 shares of Common Stock (the "Commitment Shares") issued to the Investor as a commitment fee pursuant to the terms of the Standby Equity Distribution Agreement.

The 2,000,000 shares issued as a commitment fee were valued at $0.4 per share or $800,000 based on the fair value at issuance date. The $800,000 commitment fee has been debited against additional paid in capital in accordance with the provisions of Staff Accounting Bulletin Topic 5A .

On September 24, 2010 the Company notified YA Global Investments in writing of its intention to terminate the Standby Equity Distribution Agreement (SEDA).

In response to this letter YA Global informed the company in a letter dated October 5, 2010 that the SEDA agreement will terminate on or about October 15, 2010. YA Global also informed the company that even though the SEDA agreement is terminated its associated Warrant to purchase 4,027,386 shares of the Company's common stock remains in effect until it expires on October 8, 2013.

On October 18, 2010 the Company received notice from YA global for the exercise of 50,000 warrant shares on a cashless basis. This cashless exercise resulted in the issuance of 3,226 shares of Common stock to YA Global. Following this exercise YA Global has 3,977,386 warrant shares available for purchase.

NOTE 8 - STOCKHOLDERS' EQUITY (Continued)

On May 17, 2008 the Company entered into an agreement with Wakabayashi Fund LLC in order to arrange financing for working capital as an intermediary. Wakabayashi Fund LLC provided capital funding services including serving as an investment banking liaison and acted as capital consultant for a six month period. The Company issued 111,111 shares of restricted common stock upfront at $1.35 per share, the market price of the stock on the commitment date of the agreement. Additionally, the Company agreed to pay for the capital funding services 7% success fee. These share issuances were recorded at $1.35 per share in the total amount of $150,000 in accordance with measurement date principles prescribed under ASC 505-50. The Company is amortizing the fair value of the shares in general and administration expenses over the term of the agreement to stock-based compensation expense, which amounted to $0 for the period ended March 31, 2012 and $150,000 for the period from April 26, 2006 (date of inception) to March 31, 2012, in accordance with ASC 505-50. As of November 17, 2008 this agreement has been terminated without any funds raised.

On April 18, 2008 the Company entered an agreement with RedChip Companies Inc. and Partner Media4Equity Inc. for an investor relationship program for a period of 12 months. The Company secured and delivered 306,570 restricted common shares with a market price of $0.70 for a 12 months period in connection with RedChip investor relationship services. The compensation for Media4Equity services was the delivery of 1,500,000 restricted common shares. These share issuances were recorded at $0.75 per share, the market price of the stock on the commitment date of the agreement, for a total amount of $1,125,000 in accordance with measurement date principles prescribed under ASC 505-50. The Company is amortizing the fair value of the shares in general and administration expenses over the term of the agreement to stock-based compensation expense, which amounted to $0 for the periods ended March 31, 2012 and December 31, 2011, respectively and $1,339,599 for the period from April 26, 2006 (date of inception) to March 31, 2012, in accordance with ASC 505-50.

Stock based compensations

On January 1, 2011, the Company entered into a restricted stock agreement with Ildiko Rozsa, who is to serve as the Chief Financial Officer of the Company. As part of the agreement Ms. Rozsa was granted 100,000 shares of the Company's restricted common stock of which 25,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Rozsa is employed by the Company.

NOTE 8 - STOCKHOLDERS' EQUITY (Continued)

On January 1, 2011, the Company entered into a restricted stock agreement with Szilvia Toth, the Chief Accounting Officer of the Company. As part of the agreement Ms. Toth was granted 100,000 shares of restricted common stock, of which 25,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Toth is employed by the Company.

On January 1, 2011, the Company entered into a restricted stock agreement with Imre Eotvos, the Technology Assistant of the Company. As part of the agreement Mr. Eotvos was granted 120,000 shares of restricted common stock, which will vest on equal installments of 30,000 shares quarterly, at the end of each quarter, so long as Mr. Eotvos is employed by the Company.

On January 1, 2011, the Company entered into a restricted stock agreement with Daniel Kun, Jr., who is to serve as Secretary and Vice President of the company on a going forward basis. As part of the agreement Mr. Kun was granted 120,000 shares of restricted common stock, which will vest on equal installments of 30,000 shares quarterly, at the end of each quarter, so long as Mr. Kun is employed by the Company.

On January 1, 2011, the Company entered into a restricted stock agreement with Gene Guhne, who is to serve as Director of the company on a going forward basis. As part of the agreement Mr. Guhne was granted 100,000 shares of restricted common stock, which will vest on equal installments of 25,000 shares quarterly, at the end of each quarter, so long as Mr. Guhne is employed by the Company.

As consideration for the above services, the Company issued an aggregate of 540,000 shares of the Company's common stock. These share issuances were recorded at $0.15 per share in the total amount of $81,000 in accordance with measurement date principles prescribed under FAS 123 (R).

During the second quarter of 2010, the Company entered into a restricted stock agreement with Ildiko Rozsa, who is to serve as the Chief Financial Officer of the Company. As part of the agreement Ms. Rozsa was granted 100,000 shares of the Company's restricted common stock of which 25,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Rozsa is employed by the Company.

During the second quarter of 2010, the Company entered into a restricted stock agreement with Szilvia Toth, the Chief Accounting Officer of the Company. As part of the agreement Ms. Toth was granted 100,000 shares of restricted common stock, of which 25,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Toth is employed by the Company.

During the second quarter of 2010, the Company entered into a restricted stock agreement with Imre Eotvos, the Technology Assistant of the Company. As part of the agreement Mr. Eotvos was granted 120,000 shares of restricted common stock, which will vest on equal installments of 30,000 shares quarterly, at the end of each quarter, so long as Mr. Eotvos is employed by the Company.

NOTE 8 - STOCKHOLDERS' EQUITY (Continued)

During the second quarter of 2010, the Company entered into a restricted stock agreement with Daniel Kun, Jr., who is to serve as Secretary and Vice President of the company on a going forward basis. As part of the agreement Mr. Kun was granted 120,000 shares of restricted common stock, which will vest on equal installments of 30,000 shares quarterly, at the end of each quarter, so long as Mr. Kun is employed by the Company.

During the second quarter of 2010, the Company entered into a restricted stock agreement with Gene Guhne, who is to serve as Director of the company on a going forward basis. As part of the agreement Mr. Guhne was granted 100,000 shares of restricted common stock, which will vest on equal installments of 25,000 shares quarterly, at the end of each quarter, so long as Mr. Guhne is employed by the Company.

As consideration for the above services, the Company issued an aggregate of 540,000 shares of the Company's common stock. These share issuances were recorded at $0.1 per share in the total amount of $54,000 in accordance with measurement date principles prescribed under FAS 123 (R).

On February 5, 2009, the Company entered into a restricted stock agreement with Ildiko Rozsa, who is to serve as the Chief Financial Officer of the Company. As part of the agreement Ms. Rozsa was granted 120,000 shares of the Company's restricted common stock of which 30,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Rozsa is employed by the Company.

On February 5, 2009, the Company entered into a restricted stock agreement with Szilvia Toth, the Chief Accounting Officer of the Company. As part of the agreement Ms. Toth was granted 120,000 shares of restricted common stock, of which 30,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Toth is employed by the Company.

On February 5, 2009, the Company entered into a restricted stock agreement with Mihaly Zala, the Chief Technology Officer of the Company. As part of the agreement Mr. Zala was granted 120,000 shares of restricted common stock, which will vest on equal installments of 30,000 shares quarterly, at the end of each quarter, so long as Mr. Zala is employed by the Company. As of July 15, 2009 Mr. Zala is no longer employed by the Company, therefore 60,000 shares of the 120,000 granted to him were cancelled and returned to the authorized and unissued stock of the company.

On February 5, 2009, the Company entered into a restricted stock agreement with Imre Eotvos, the Technology Assistant of the Company. As part of the agreement Mr. Eotvos was granted 200,000 shares of restricted common stock, which will vest on equal installments of 50,000 shares quarterly, at the end of each quarter, so long as Mr. Eotvos is employed by the Company.

NOTE 8 - STOCKHOLDERS' EQUITY (Continued)

On February 5, 2009, the Company entered into a restricted stock agreement with Daniel Kun, Jr., who is to serve as Secretary and Vice President of the company on a going forward basis. As part of the agreement Mr. Kun was granted 200,000 shares of restricted common stock, which will vest on equal installments of 50,000 shares quarterly, at the end of each quarter, so long as Mr. Kun is employed by the Company.

As consideration for the above services, the Company issued an aggregate of 700,000 shares of the Company's common stock. These share issuances were recorded at $0.4 per share in the total amount of $280,000 in accordance with measurement date principles prescribed under FAS 123 (R).

On October 24, 2007, the Company entered into a restricted stock agreement with Ildiko Rozsa, who is to serve as the Chief Financial Officer of the Company. As part of the agreement Ms. Rozsa was granted 250,000 shares of the Company's restricted common stock of which 100,000 shares are vested upon grant and 30,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Rozsa is employed by the Company.

On October 1, 2007, the Company entered into a restricted stock agreement with Szilvia Toth, the Chief Accounting Officer of the Company. As part of the agreement Ms. Toth was granted 100,000 shares of restricted common stock of which 50,000 shares are vested upon grant and 10,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Toth is employed by the Company.

On October 24, 2007, the Company entered into a restricted stock agreement with Mihaly Zala, the Chief Technology Officer of the Company. As part of the agreement Mr. Zala was granted 150,000 shares of restricted common stock, which will vest on equal installments of 30,000 shares quarterly, at the end of each quarter, so long as Mr. Zala is employed by the Company.

On October 24, 2007, the Company entered into a restricted stock agreement with Imre Eotvos, the Technology Assistant of the Company. As part of the agreement Mr. Eotvos was granted 25,000 shares of restricted common stock, which will vest on equal installments of 5,000 shares quarterly, at the end of each quarter, so long as Mr. Eotvos is employed by the Company.

On October 1, 2007, the Company entered into a restricted stock agreement with Sandorne Juhasz, who provides payroll accounting services to the Company on a subcontracting basis. As part of the agreement Ms. Juhasz was granted 11,000 shares of restricted common stock, of which 8,000 is will vest upon grant and 750 shares will vest quarterly, at the end of each quarter, so long as Ms. Juhasz is employed by the Company.

On October 24, 2007, the Company entered into a restricted stock agreement with Daniel Kun, Jr., who is to serve as Secretary and Vice President of the company on a going forward basis. As part of the agreement Mr. Kun was granted 250,000 shares of restricted common stock, which will vest on equal installments of 50,000 shares quarterly, at the end of each quarter, so long as Mr. Kun is employed by the Company.

NOTE 8 - STOCKHOLDERS' EQUITY (Continued)

On October 24, 2007, the Company entered into a restricted stock agreement with Viktor Rozsnyay, who is serving as President and Chief Executive Officer of the Company. As part of the agreement Mr. Rozsnyay was granted 250,000 shares of restricted common stock, which will vest on equal installments of 50,000 shares quarterly, at the end of each quarter, so long as Mr. Rozsnyay is employed by the Company.

As consideration for the above services for the employment of the above 7 persons, the Company issued an aggregate of 1,036,000 shares of the Company's common stock. These share issuances were recorded at $2.5 per share in the total amount of $2,590,000 in accordance with measurement date principles prescribed under ASC 505-50 and ASC 718-10. The Company is amortizing the fair value of the shares over the term of the agreement to stock-based compensation expense, which amounted to $0 for the periods ended March 31, 2012 and December 31, 2011 and $2,590,000 for the period from April 26, 2006 (date of inception) to March 31, 2012, in accordance with ASC 505-50 and ASC 718-10.

Reverse merger

On August 5, the company was presented with an Amended Convertible Promissary Note by Mary Passalaqua. In the revised agreement Ms. Passalaqua requested that the outstanding portion of the Promissary Note be paid in shares in such quanity that will satisfy the debt of $195,000 owned. As first step in this conversion process Mary Passalaqua requested the conversion of $70,000 dollars into shares of common stock. To satisfy this request the Company instructed its transfer agent to issue Mary Passalaqua 2,400,000 shares of common.

On October 20, 2011 the Company was presented with an Amended Convertible Promissory Note by Mary Passalaqua. In the revised agreement Ms. Passalaqua requested that the outstanding portion of the Promissory Note be paid in shares in such quantity that will satisfy the debt of $125,000 owned. As second step in this conversion process Mary Passalaqua requested the conversion of $20,000 dollars into shares of common stock. To satisfy this request the Company instructed its transfer agent to issue Mary Passalaqua 3,500,000 shares of common. Upon conversion of the $20,000 our outstanding Promissory Note balance will be $105,000 plus accrued interest.

On April 10, 2007, PDV entered into a reverse merger transaction with Vidatech. In connection with the merger 2,500,000 shares of PDV common stock remained outstanding and PDV issued 33,300,000 shares of its common stock for all the outstanding common stock of Vidatech. As a result of this transaction, the former stockholders of Vidatech became the controlling stockholders of PDV. Accordingly, the reverse merger has been accounted for as a recapitalization of Vidatech.

In May, 2006, the Company entered into a short term loan agreement with its Chief Executive Officer, Viktor Rozsnyay, for approximately $96,100 with a maturity of April 30, 2007. On December 28, 2006 Mr. Rozsnyay elected to convert the loan into equity, which is recorded as additional paid in capital.

NOTE 8 - STOCKHOLDERS' EQUITY (Continued)

In March, 2007, the Company entered into a short term loan agreement with its Chief Financial Officer, Daniel Kun Jr., for approximately $53,735 with a maturity of March 31, 2007. On March 31, 2007 Mr. Kun elected to convert the loan into equity, which is recorded as additional paid in capital.

NOTE 9 - SHORT TERM LOANS FROM RELATED PARTIES

By the end of March 31, 2012 and December 31, 2011, the majority owners of the Company, Mr. Viktor Rozsnyay and Mr. Daniel Kun Jr. provided short term loans of $84,538 and $67,183 respectively. The loan bears zero interest.

NOTE 10 - SUBSEQUENT EVENTS

On April 5, 2012 the Company filed a Preliminary 14C Information Statement with the Securities and Exchange Commission announcing the following:

(i) the reduction of the authorized shares of common stock of the Company from 250,000,000 to 50,000,000 such shares without affecting the issued and outstanding shares of the Company's common stock;
(ii) an increase in the par value of the Company's common stock and preferred stock from $.0001 per share to $.001 per share; and
(iii) the creation of a class of Series B Preferred stock of the Company.

On April 24, 2012 the Company filed its Definitive Information statement to finalize this transaction.

ITEM 2 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We were incorporated in Delaware on August 17, 2006, under the name Tia V, Inc. Since inception, and prior to our acquisition of Vidatech on April 10, 2007, we were engaged solely in organizational efforts and obtaining initial financing. Our sole business purpose was to identify, evaluate and complete a business combination with an operating company.

On April 10, 2007, we completed our acquisition of Vidatech, Kft (also know as Vidatech Technological Research and Development LLC) a limited liability company formed under the laws of the Republic of Hungary. Vidatech is a company formed for the purpose of investing in, acquiring, developing, licensing, and commercializing technologies developed in Hungary. In furtherance of its business, Vidatech provides research and development services to the companies from which it acquires technologies or participation interests in such technologies. Prior to December 31, 2007, Vidatech was primarily focused on organizational and capital raising activities. Through March 31, 2012, we have had only limited operations and acquired rights to eleven technologies, TothTelescope, RiverPower, revolutionary desalination technology based on cavitation, H2OGas for the mixing of water and gasoline for use in internal combustion engines, and the Kalmar inventions (FireSAFE, technology for utilizing communal waste as a concrete additive, technology for repairing potholes with the use of recycled plastics, PVC shielded electric cable recycling technology, a biodegreadable deicing liquid, and technology for the neutralization of red-mud, a toxic byproduct of the aluminum/bauxite industry) and an equity interest in 'in4 Kft', a company formed to develop next generation semantic search and content organizer technology. As of December 31, 2011 we have elected to discontinue development work on all of these technologies. The rational behind this decision rests with availability of resources, the time that would be needed to develop said inventions, the potential return we could realize on a partial or full exit from these investments and international completion. (see Note 4). As of March 31, 2012, the Company has only realized limited revenues from the now discontinued TothTelescope project and has not realized any revenues from the other inventions.

We now operate in Hungary through our wholly owned subsidiary, Vidatech Kft., a Hungarian company. Our office in Hungary is located at 1095 Budapest, Soroksari ut 94-96, Hungary.

Description of our Business and Properties

Through Vidatech, we aim to provide pro-active support for idea, research, start-up and expansion-stage technology companies having rights to technologies or intellectual properties which we believe to be potentially commercially viable, by offering a range of services designed to encourage and protect the continuing development and eventual commercialization of those technologies.

Our focus will be on technologies and technology companies based in the Republic of Hungary. We believe that the availability of technologies for purchase or license, coupled with the lack of sufficient investment capital for such technologies in Hungary, present us with an opportunity to acquire technologies on terms and conditions that we deem advantageous.

ITEM 2 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Our strategy is to acquire majority interests in technologies through, among other things, direct investment in start-up and expansion stage technologies and technology companies; cooperative research and development agreements with such companies; direct licensing agreements; joint venture arrangements; or, direct acquisition of technologies and intellectual properties.

We also intend to provide services to assist in:

- The design of, research of, building of and testing of prototypes;
- facilitation of preparation of filing and prosecution of patent applications with Hungarian patent attorneys;
- business structuring;
- financing of research and development activities;
- the exposure of the technology to international markets; and
- the commercialization and/or sale of the subject technology.

We expect to obtain a majority participation interest in any given transaction involving idea, research, seed, start-up, early stage, technologies.

Going Concern and Management's Plan

The accompanying unaudited condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate the continuation of the Company as a going concern and assume realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred losses from operations since inception. Management anticipates incurring additional losses in 2012. Further, the Company may incur additional losses thereafter, depending on its ability to generate revenues from the licensing or sale of its technologies and products, or to enter into any or a sufficient number of joint ventures. The Company has minimal revenue to date. There is no assurance that the Company can successfully commercialize any of its technologies and products and realize any revenues therefrom. The Company's technologies and products have never been utilized on a large-scale commercial basis and there is no assurance that any of its technologies or products will receive market acceptance. There is no assurance that the Company can continue to identify and acquire new technologies.

Since inception through March 31, 2012, the Company had an accumulated deficit of $9,785,664 and net cash used in operations of $2,424,708. However, management of the Company believes that the recent funding from the private placement of the Company's common shares (See Note 8) together with related party loans (see Note 9) and third party loans (see Note 6) will allow them to continue operations and execute its business plan.

ITEM 2 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Management believes the Company can raise adequate capital to keep the Company functioning through March 31, 2013, however currently there are no specific financing arrangements in place. No assurance can be given that the Company can obtain additional working capital, or if obtained, that such funding will not cause substantial dilution to shareholders of the Company. If the Company is unable to raise additional funds, it may be forced to change or delay its contemplated marketing and business plan. Being a development stage company, the Company is subject to all the risks inherent in the establishment of a new enterprise and the marketing and manufacturing of a new product, many of which risks are beyond the control of the Company. All of the factors discussed above raise substantial doubt about the Company's ability to continue as a going concern.

The unaudited condensed consolidated financial statements included in this form 10-Q do not include any adjustments relating to the recoverability of recorded asset amounts that might be necessary as a result of the above uncertainty.

ITEM 2 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Capital Resources and Liquidity

In June 2007, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 2,250,000 shares of its common stock at $0.34 for aggregate proceeds of $765,000.

Subsequently, on October 12, 2007, we completed a second private placement under Regulation S of the Securities Act of 1933, as amended, pursuant to which the Company sold 104,000 shares of its common stock at $2.50 per share for aggregate proceeds of $260,000.

In January 2008, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 32,500 shares of its common stock at $3.25 per share for aggregate proceeds of $105,625.

In October 2008, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 2,500,000 shares of its common stock at $0.4 per share for aggregate proceeds of $1,000,000.

In November 2009, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 175,000 shares of its common stock at $0.16 and 111,110 shares of it common stock at $0.20 per share for aggregate proceeds of $50,222.

In February 2010, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 65,000 shares of its common stock at $0.12 for aggregate proceeds of $7,701.

During the first half of 2010, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 1,470,000 shares of its common stock at $0.10 for aggregate proceeds of $147,000, and sold 62,500 shares of its common stock at $0.08 for proceeds of $5,000.

During the third quarter of 2010, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 70,000 shares of its common stock at $0.50 for aggregate proceeds of $35,000.

During the second quarter of 2011, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 196,489 shares of its common stock at $0.29 for aggregate proceeds of $56,982.

On September 2, 2011, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 1,727,013 shares of its common stock at $0.16 for aggregate proceeds of $276,322.

On August 29, 2011, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 17,825 shares of its common stock at $0.12 for aggregate proceeds of $2,137.

ITEM 2 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

On November 14, 2011, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 27,700 shares of its common stock at $0.16 per share to an unaffiliated private investor for aggregate proceeds of $4,432.

On March 31, 2012, the Company had a deficit in working capital of $684,603. During March 2012, the Company received stock advance from an unaffiliated private investor for aggregate proceeds of $45,455.

FireSAFE technology

On August 20, 2008, the Company licensed its FireSAFE technology to a group of Hungarian investors for a license acquisition fee of HUF 20,000,000 (approximately $120,000). A new company called FireLESS Ltd. was established and given commercialization license. The Company received 30% equity in FireLESS Ltd.

The new company will focus on acquiring the appropriate licenses and certificates to internationally market FireSAFE and will work with local and international fire agencies to test and establish usability baselines for FireSAFE.

To further these goals on October 20, 2008 The Company filed a PCT patent application to protect FireSAFE internationally.

FireSAFE is an environmentally friendly, biodegradable liquid designed to prevent, and if necessary extinguish natural fires that are exceedingly hard, or impossible to contain with water or other fire-fighting solutions. This category includes forest, bush and other natural fires. FireSAFE reaches the heart of the fire, coating all surfaces with a crystalline layer that hardens when exposed to heat. The layer thus formed is capable of withstanding heat as high as 1,100 degrees centigrade, enough to stop the most fearsome forest fires. Following use (containment of the fire) the biodegradable active ingredient will decompose in approximately four months. FireSAFE can also be used as a preventive solution, both in the wild and in treating lumber. During fire season those areas that are the most likely to be burnt can be sprayed with the solution as a preventive measure. Lumber used in construction can also be treated with FireSAFE to increase its fire resistance factor. FireSAFE can be manufactured anywhere on the planet with ease as all its ingredients are widely and cheaply available.

As of December 31, 2011 we have come to the conclusion that even though Firesafe represent valid technology, it marketing and international introduction is beyond our finaincal ability at this time. Therefore we have elected to dicontinue our development and commercialisation efforts. The jointly formed company, FireLESS, Ltd. will be dissolved.

ITEM 2 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Financing from YA Global Investments SEDA

On October 8, 2008, Power of the Dream Ventures, Inc. (the "Company") entered into a Standby Equity Distribution Agreement (the "Standby Equity Distribution Agreement") with YA Global Investments, L.P. (the "Investor"). Pursuant to the terms of the Standby Equity Distribution Agreement, the Company (a) agreed to issue and sell to the Investor up to $5,000,000 of shares of the Company's common stock, par value $0.0001 per share (the "Common Stock") in tranches of equity, based upon a specified discount to the market price of the Common Stock, calculated over the five trading days following notice by the Company of an election to sell shares; and (b) issued to the Investor a warrant (the "Warrant") to purchase 4,027,386 shares of Common Stock at the exercise price per share of $0.29.

As of March 31, 2012 we have not utilized any portion of this agreement as we feel its use would cause significant dilution to our shareholders if it were executed at the Company's depressed shares price. Upon extensive review we have concluded that this agreement is no longer in the best interest of the company and our shareholderse.

Because of this, on September 24, 2010 we notified YA Global Investments of our intention to terminate the SEDA agreement. In response to our termination request letter YA Global confirmed receipt and notified us that the SEDA agreement will terminate on Ocotber 15, 2010. Unfortunately the Warrant associated with the SEDA remains in effect until it runs out on October 8, 2013 or when it is exercised.

On October 18, 2010 the company received notice from YA global for the exercise of 50,000 warrant shares on a cashless basis. This cashless exercise resulted in the issuance of 3,226 shares of Common stock to YA Global. Following this exercise YA Global has 3,977,386 warrant shares available for purchase.

Other than the recently completed private placement all of our funding to date has been generated from loans from our officers and directors. During the next twelve months we anticipate that we will have sufficient funds to proceed only with basic administrative operations and incremental operations with respect to our investment in in4 Ltd.

As of December 31, 2011 we have elected to discontinue development work on all of these technologies and decided to focus on realizing revenue from our investment in in4 Ltd., now a wholly owned subsidiary of iGlue Inc., a US public company trading under the ticker symbol IGLU. We currently own 2.884.986 shares of IGLU common stock and warrants to purchase a total of three million shares common stock, one million shares each at $5 dollars, $7 dollars and $9 dollars per share.
As of March 31, 2012, the Company has only realized limited revenues from the TothTelescope project, which has been discontinued, and has not realized any revenues from the other inventions. In addition we only have limited funds available to continue acquiring and developing the diverse number of technologies available to us, to continue research and development efforts with respect to our current technologies and to fully implement our business plan. If we do not obtain the funds necessary for us to continue our business activities we may need to curtail or cease our operations until such time as we have sufficient funds.

We currently have no other arrangements for such financings and can give you no assurance that such financings will be available to us when required or on terms that we deem acceptable or at all.

Critical Accounting Estimates and Policies

This discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements that have been prepared in accordance with generally accepted accounting principles in the United States of America ("US GAAP"). This preparation requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. US GAAP provides the framework from which to make these estimates, assumption and disclosures. We chose accounting policies within US GAAP that management believes are appropriate to accurately and fairly report our operating results and financial position in a consistent manner. Our management regularly assesses these policies in light of current and forecasted economic conditions. Accounting policies that our management believes to be critical to understanding the results of our operations and the effect of the more significant judgments and estimates used in the preparation of the condensed consolidated financial statements are as those described in the Form 8-K of the Company filed on April 16, 2007 for the year ended December 31, 2006 with the SEC and as amended on August 30, 2007 and as follows.

<u>Research and Development:</u>
In accordance with ASC 730-10-25, "Accounting for Research and Development Costs," all research and development ("R&D") costs are expensed when they are incurred, unless they are reimbursed under specific contracts. Assets used in R&D activity, such as machinery, equipment, facilities and patents that have alternative future use either in R&D activities or otherwise are capitalized. In connection with the investment and advances in subsidiary, associate or other entity where repayment from such subsidiary, associate or entity solely on the results of the research and development having future economic benefit, the investment and advance is accounted for as costs incurred by the Company as research and development in accordance with ASC 730-20-25 "Research and Development Arrangements."

<u>Share-Based Payment:</u>
In accordance with ASC 718-10 "Share-Based Payment" all forms of share-based payment ("SBP") awards including shares issued under employee stock purchase plans, stock options, restricted stock and stock appreciation rights result in a cost that is measured at fair value on the awards' grant date, based on the estimated number of awards that are expected to vest.
The Company accounts for equity instruments issued to non-employees in accordance with the provisions of ASC 505-50, "Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services," which requires that such equity instruments are recorded at their fair value on the measurement date. The measurement of stock-based compensation is subject to periodic adjustment as the underlying equity instrument vests. Non-employee stock-based compensation charges are amortized over the vesting period or period of performance of the services.

ITEM 2 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Recent Accounting Pronouncements

In September 2011, the FASB issued Accounting Standards Update 2011-08 Intangibles—Goodwill and Other (Topic 350), Testing Goodwill for Impairment. The objective of this update is to simplify how entities, both public and nonpublic, test goodwill for impairment. The amendments in the update permit an entity to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test described in Topic 350. The more-likely-than-not threshold is defined as having a likelihood of more than 50 percent. The amendments in this update are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2011. The adoption of this standard did not have a material impact on its financial position, results of operations or cash flows.

In June 2011, the FASB issued Accounting Standards Update 2011-05 - Comprehensive Income (Topic 220): Presentation of Comprehensive Income. Under the amendments to Topic 220, Comprehensive Income, an entity has the option to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The amendments do not change the option for an entity to present components of other comprehensive income either net of related tax effects or before related tax effects, with one amount shown for the aggregate income tax expense or benefit related to the total of other comprehensive income items. In both cases, the tax effect for each component must be disclosed in the notes to the financial statements or presented in the statement in which other comprehensive income is presented. The amendments in this update are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2011. The adoption of this standard did not have a material impact on its financial position, results of operations or cash flows.

In May 2011, the FASB issued Accounting Standards Update 2011-04—Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs. The amendments in this update result in common fair value measurement and disclosure requirements in U.S. GAAP and IFRSs. Consequently, the amendments change the wording used to describe many of the requirements in U.S. GAAP for measuring fair value and for disclosing information about fair value measurements. The FASB does not intend for the amendments in this update to result in a change in the application of the requirements in Topic 820. Some of the amendments clarify the application of existing fair value measurement requirements. Other amendments change a particular principle or requirement for measuring fair value or for disclosing information about fair value measurements. The amendments in this update are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2011. The adoption of this standard did not have a material impact on its financial position, results of operations or cash flows.

In May 2010, the FASB issued Accounting Standards Update 2010-19 ("ASU 2010-19"), Foreign Currency (Topic 830): Foreign Currency Issues: Multiple Foreign Currency Exchange Rates. The amendments in this update are effective as of the announcement date of March 18, 2010. The ASU 2010-19 did not have a material effect on the financial position, results of operations or cash flows of the Company.

In April 2010, the FASB issued Accounting Standards Update 2010-17 ("ASU 2010-17"), Revenue Recognition-Milestone Method (Topic 605): Milestone Method of Revenue Recognition. This Update provides guidance on defining a milestone under Topic 605 and determining when it may be appropriate to apply the milestone method of revenue recognition for research or development transactions. The amendments in this Update are effective on a prospective basis for milestones achieved in fiscal years, and interim periods within those years, beginning on or after June 15, 2010. Early adoption is permitted. If a company elects early adoption and the period of adoption is not the beginning of the entity's fiscal year, the entity should apply the amendments retrospectively from the beginning of the year of adoption. The Company does not expect the provisions of ASU 2010-17 to have a material effect on the financial position, results of operations or cash flows of the Company.

In April 2010, the FASB issued Update No. 2010-13 "The Effects of Denominating the Exercise Price of a Share-based Payment Award in the Currency of the Market in Which the Underlying Equity Security Trades " ("2010-13"). The objective of this Update is to address the classification of an employee share-based payment award with an exercise price denominated in the currency of a market in which the underlying equity security trades. The amendments in this Update affect entities that issue employee share-based payment awards with an exercise price denominated in the currency of a market in which a substantial portion of the entity's equity securities trades that differs from the functional currency of the employer entity or payroll currency of the employee. The amendments affect entities that have previously considered such awards to be liabilities because of their exercise price. The amendments clarify that a share-based payment award with an exercise price denominated in the currency of a market in which a substantial portion of the entity's equity securities trades should not be considered to contain a condition that is not a market, performance, or service condition. Therefore, such an award should not be classified as a liability if it otherwise qualifies as equity. The amendments in this Update are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2010. The adoption of this standard did not have a material impact on its financial position, results of operations or cash flows.

In February 2010, the FASB issued Update No. 2010-09 "Subsequent Events" ("2010-09"). The amendments remove the requirement for an SEC filer to disclose a date in both issued and revised financial statements. Additionally, the Board has clarified that if the financial statements have been revised, then an entity that is not an SEC filer should disclose both the date that the financial statements were issued or available to be issued and the date the revised financial statements were issued or available to be issued. All of the amendments in this Update are effective immediately.

In January 2010, the Financial Accounting Standards Board ("FASB") issued guidance amending fair value disclosures for interim and annual reporting periods beginning after December 15, 2009. This guidance requires disclosures about transfers of financial instruments into and out of Level 1 and 2 designations and disclosures about purchases, sales, issuances and settlements of financial instruments with a Level 3 designation. The Company adopted this guidance with effect from January 1, 2010 without material impact on its consolidated financial statements.

In January 2010 the FASB issued Update No. 2010-05 "Compensation—Stock Compensation—Escrowed Share Arrangements and Presumption of Compensation" ("2010-05"). 2010-05 re-asserts that the Staff of the Securities Exchange Commission (the "SEC Staff") has stated the presumption that for certain shareholders escrowed share represent a compensatory arrangement. 2010-05 further clarifies the criteria required to be met to establish a position different from the SEC Staff's position. The pronouncement did not have any material impact on its financial position, results of operations or cash flows.

In January 2010 the FASB issued Update No. 2010-02 "Accounting and Reporting for Decreases in Ownership of a Subsidiary—a Scope Clarification" ("2010-02") an update of ASC 810 "Consolidation." 2010-02 clarifies the scope of ASC 810 with respect to decreases in ownership in a subsidiary to those of a subsidiary or group of assets that are a business or nonprofit, a subsidiary that is transferred to an equity method investee or joint venture, and an exchange of a group of assets that constitutes a business or nonprofit activity to a non-controlling interest including an equity method investee or a joint venture. The amendments are effective beginning in the period that an entity adopts Statement 160. Management does not expect adoption of this standard to have any material impact on its financial position, results of operations or operating cash flows. Management does not intend to decrease its ownership in any of its wholly-owned subsidiaries.

In December 2009, the FASB amended the Accounting Standards Codification ("ASC") to provide consolidation guidance that requires a more qualitative assessment of the primary beneficiary of a variable interest entity ("VIE") based on whether the entity (1) has the power to direct matters that most significantly impact the activities of the VIE and (2) has the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. The amended guidance also requires an ongoing reconsideration of the primary beneficiary. This guidance was adopted by the Company on a prospective basis as of January 1, 2010 without material impact on its consolidated financial statements.

In December 2009, the FASB amended the ASC to provide guidance on the accounting for transfers and servicing of financial assets. This guidance became effective for fiscal years beginning after November 15, 2009 and was adopted by the Company on a prospective basis as of January 1, 2010 without material impact on its consolidated financial statements.

There were various other updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to a have a material impact on the Company's consolidated financial position, results of operations or cash flows.

ITEM 2 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

Results of Operations

Three Months Period Ended March 31, 2012 compared to Three Months Period Ended March 31, 2011

Revenue

For the three months ended March 31, 2012 and 2011, we had no revenues.

General, selling and administrative expenses

For the three months ended March 31, 2012 general, selling and administrative expenses were $133,820 as compared to $212,221 for the three months ended March 31, 2011. The decrease in general, selling and administrative expenses is attributable to the fact that in 2012 the management does not receive any stock based payment.

Inflation and Foreign Currency

We maintain our books in local currency: US Dollars for the parent holding company in the United States of America and Hungarian Forint for Vidatech in Hungary.

Our operations are conducted primary outside of the United States through our wholly owned subsidiary. As a result, fluctuations in currency exchange rates may significantly affect our sales, profitability and financial position when the foreign currencies, primarily the Hungarian Forint, of its international operations are translated into U.S. dollars for financial reporting. In additional, we are also subject to currency fluctuation risk with respect to certain foreign currency denominated receivables and payables.

Although we cannot predict the extent to which currency fluctuations may or will affect our business and financial position, there is a risk that such fluctuations will have an adverse impact on our sales, profits and financial position. Because differing portions of our revenues and costs are denominated in foreign currency, movements could impact our margins by, for example, decreasing our foreign revenues when the dollar strengthens and not correspondingly decreasing our expenses. We do not currently hedge our currency exposure. In the future, we may engage in hedging transactions to mitigate foreign exchange risk.

The translation of our subsidiary's Forint denominated balance sheets into U.S. dollars, as of March 31, 2012, has been affected by the strenghtening of the U.S. dollar against the Hungarian Forint from 240.44 HUF/USD as of December 31, 2011, to 220.89 HUF/USD as of March 31, 2012, an approximate 8% decrease in value. The average Hungarian Forint/U.S. dollar exchange rates used for the translation of the subsidiaries forint denominated statements of operations into U.S. dollars, for the three months ended March 31, 2012 and 2011 were 214.64 and 198.04, respectively.

ITEM 4 – CONTROLS AND PROCEDURES

As indicated in the certifications in Exhibit 31 of this report, the Corporation's chief executive officer, principal financial officer and principal accounting officer have evaluated the Corporation's disclosure controls and procedures as of March 31, 2012. Based on that evaluation, these officers have concluded that the Company's disclosure controls and procedures are effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934, as amended, is accumulated and communicated to them in a manner that allows for timely decisions regarding required disclosures and are effective in ensuring that such information is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. There were no changes during the Company's last fiscal quarter that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1 – LEGAL PROCEEDINGS

On May 12, 2009 we presented with a court order for a hearing, initated by Janos Salca, inventor of our RiverPower technology. In the court documents made available to us Mr. Salca alleges that at the signing of our Invention Transfer Agreement, dated May 24, 2006 we intentionally mislead him as to our intent to develop his technology. On June 22, 2009 our Legal Counsel attended the court hearing (hearing took place at the Municipal Court of Budapest) on the inventor's motion to anull the invention transfer agreement. At this hearing the judge asked us to submit documentation showing our continued development of our RiverPower technology as proof that we are in fact working toward a commercial product as opposed to the claim of the inventor that we are not. As per this ruling our legal consel submitted all required document to the court. At the second hearing on this issue in January of 2010 (hearing was also held at the Municipal Court of Budapest), the judge requested that we supply him with proof, in the form of receipts, of he amount we have expanded on developing RiverPower. The judge has also requested Janos Salca to withdraw his petition and come to an agreement with us. By September 30, 2010 we have submitted all required proof of our financial expenditures. The final hearing on this issue was held in September of 2010 (also at the Municipal Court of Budapest.) During this hearing the Judge ruled that Janos Salca's claims are without merit and ruled in our favor on all counts. Cuncurrent with the ruling the Judge ordered Janos Salca to pay processing fees (equal to approximately $4,000 dollars) and to reimburse our court expenses in the amount of $1,500 dollars. Based on consultation with our legal councel we felt that the legal expenses awarded were not in-line with costumary and incurred fees. Therefore we have submitted an appeal, asking the court to increase the recoverable legal expense fee to at least $7,000 dollars. As of this date we are still awaiting response from the court.

ITEM 1 – LEGAL PROCEEDINGS (Continued)

As we originally maintained, and have now been validated by the court, the claim brought forth by Mr. Salca was/is completely without merit. We have been diligently, although at a much slower pace than originally anticipated, pursuing development of RiverPower. At the beginning of the legal action we anticipated having a full scale prototype available for river testing in the first half of 2010. Because of the court case we were forced to suspend all development until final verdict rendered. Even though we believed we will emerge victorious in the case, further expenditures (both development work and patent fees) would have not benefited the company in case the court ruling was not in our favour.

Unfortunately since the case dragged on for over a year and a half we were unable to maintain the patent portfolio built up around RiverPower. Paying of substantial amounts for international patent fees, in the event of loosing the court case, would have resulted in unrecoverable expenses and have only benefited Mr. Salca. Even though we have won the litigation we are now faced with another issue, the expired patents, a quintessential part of RiverPower's success.

We are now exploring all available options at our disposal on how to proceed with RiverPower. As of March 31, 2012 we are evaluating whether new patent application could be filed, the expense of such new filings, the potential outcome of RiverPower technology based on data gathered in two separate technology verification trials, and whether we should initiate a countersuit against Mr. Salca for causing serious and significant financial loss to the Company.

Because of Mr. Salca's baseless accusation, an accusation that costs us precious time and resulted in patent expiration because of unpayment of fees, we are now forced to reevaluate the entire RiverPower project.

As of March 31, 2012 we have been notified by the Court of Appeals (in Budapest) that Mr. Salca has passed on and the case has been dismissed. Upon learning of Mr. Salca's death we evaluated whether we could, or would want to, continue development of RiverPower. As of September 30, 2011 we have elected to discontinue the RiverPower project mainly because of the inventor's death, the expiraion of patents, and the uncertainty associated with future development work and the resources needed to carry out such work.

ITEM 2 – UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On November 14, 2011, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 27,700 shares of its common stock at $0.16 per share to an unaffiliated private investor for aggregate proceeds of $4,432.

On September 2, 2011, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 1,727,013 shares of its common stock at $0.16 for aggregate proceeds of $276,322.

On August 29, 2011, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 17,825 shares of its common stock at $0.12 for aggregate proceeds of $2,137.

On September 27, 2011, the Company entered into agreements with two unaffiliated professionals for one year business consulting services. According to the agreement the professionals provide consulting services to the Company for 12 months. In connection with these services, the Company issued to them 100,000 shares of the Company's common stock. These share issuances were recorded at the fair value of contracting date which is the market price on the commitment date $0.14 per share in the total amount of $14,000 and the related expense was recorded under general administration.

On August 5, the company was presented with an Amended Convertible Promissary Note by Mary Passalaqua. In the revised agreement Ms. Passalaqua requested that the outstanding portion of the Promissary Note be paid in shares in such quanity that will satisfy the debt of $195,000 owned. As first step in this conversion process Mary Passalaqua requested the conversion of $70,000 dollars into shares of common stock. To satisfy this request the Company instructed its transfer agent to issue Mary Passalaqua 2,400,000 shares of common.

In April 1, 2011, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 196,489 shares of its common stock at $0.29 per share to an unaffiliated private investor for aggregate proceeds of $56,982.

During April and May of 2011, the Company entered into agreements with five unaffiliated professionals for one year business consulting services. According to the agreement the professionals provide consulting services to the Company for 12 months. In connection with these services, the Company issued to them 505,000 shares of the Company's common stock. These share issuances were recorded at the fair value of contracting date ranging from $0.34 to $0.48 per share in the total amount of $190,900 and the related expense was recorded under general administration.

ITEM 2 – UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS (Continued)

On February 7, 2011 the Company entered into a one year business consultation agreement with an unaffiliated person who is to provide general business development and incubation consultation. In exchange for his services the Company issued a onetime payment of 215,000 shares of our common stock, which vested immediately. These share issuances were recorded at $0.3 per share in the total amount of $64,500 and the related expense was recorded under general administration.

On February 9, 2011 we entered into a one year business consultation agreement with an unaffiliated person who is to provide services in term of potential business opportunities in Poland. In exchange for his services we issued a onetime payment of 435,000 shares of our common stock, which vested immediately. These share issuances were recorded at $0.24 per share in the total amount of $104,400 and the related expense was recorded under general administration.

On February 24, 2011 we entered into a one year business consultation agreement with an unaffiliated person who is to provide general business development and incubation consultation. In exchange for his services we issued a onetime payment of 75,000 shares of our common stock, which vested immediately. These share issuances were recorded at $0.3 per share in the total amount of $22,500 and the related expense was recorded under general administration.

On January 1, 2011, the Company entered into a restricted stock agreement with Ildiko Rozsa, who is to serve as the Chief Financial Officer of the Company. As part of the agreement Ms. Rozsa was granted 100,000 shares of the Company's restricted common stock of which 25,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Rozsa is employed by the Company.

On January 1, 2011, the Company entered into a restricted stock agreement with Szilvia Toth, the Chief Accounting Officer of the Company. As part of the agreement Ms. Toth was granted 100,000 shares of restricted common stock, of which 25,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Toth is employed by the Company.

On January 1, 2011, the Company entered into a restricted stock agreement with Imre Eotvos, the Technology Assistant of the Company. As part of the agreement Mr. Eotvos was granted 120,000 shares of restricted common stock, which will vest on equal installments of 30,000 shares quarterly, at the end of each quarter, so long as Mr. Eotvos is employed by the Company.

On January 1, 2011, the Company entered into a restricted stock agreement with Daniel Kun, Jr., who is to serve as Secretary and Vice President of the company on a going forward basis. As part of the agreement Mr. Kun was granted 120,000 shares of restricted common stock, which will vest on equal installments of 30,000 shares quarterly, at the end of each quarter, so long as Mr. Kun is employed by the Company.

ITEM 2 – UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS (Continued)

On January 1, 2011, the Company entered into a restricted stock agreement with Gene Guhne, who is to serve as Director of the company on a going forward basis. As part of the agreement Mr. Guhne was granted 100,000 shares of restricted common stock, which will vest on equal installments of 25,000 shares quarterly, at the end of each quarter, so long as Mr. Guhne is employed by the Company.

As consideration for the above services, the Company issued an aggregate of 540,000 shares of the Company's common stock. These share issuances were recorded at $0.15 per share in the total amount of $81,000 in accordance with measurement date principles prescribed under FAS 123 (R).

During the third quarter of 2010, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 70,000 shares of its common stock at $0.50 per share for aggregate proceeds of $35,000.

In September 2010, the Company entered into an agreement with four professionals for consulting services. According to the agreement the professionals provided consulting services to the Company in 2010. In connection with these services, the Company issued to them 153,000 shares of the Company's common stock. These share issuances were recorded at $0.5 per share in the total amount of $76,500 and the related expense was recorded under general administration.

During the first half of 2010, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 1,470,000 shares of its common stock at $0.10 for aggregate proceeds of $147,000, and sold 62,500 shares of its common stock at $0.08 for proceeds of $5,000.

In February 2010, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 65,000 shares of its common stock at $0.12 for aggregate proceeds of $7,701.

In June 2010, the Company entered into an agreement with two professionals for consulting services. According to the agreement the professionals provided consulting services to the Company in 2010. In connection with these services, the Company issued to them 20,000 shares of the Company's common stock. These share issuances were recorded at $0.1 per share in the total amount of $2,000 and the related expense was recorded under general administration.

During the second quarter of 2010, the Company entered into a restricted stock agreement with Ildiko Rozsa, who serves as the Chief Financial Officer of the Company. As part of the agreement Ms. Rozsa was granted 100,000 shares of the Company's restricted common stock of which 25,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Rozsa is employed by the Company.

During the second quarter of 2010, the Company entered into a restricted stock agreement with Szilvia Toth, Chief Accounting Officer of the Company. As part of the agreement Ms.

ITEM 2 – UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS (Continued)

Toth was granted 100,000 shares of restricted common stock, of which 25,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Toth is employed by the Company.

During the second quarter of 2010, the Company entered into a restricted stock agreement with Imre Eotvos, the Technology Assistant of the Company. As part of the agreement Mr. Eotvos was granted 120,000 shares of restricted common stock, which will vest on equal installments of 30,000 shares quarterly, at the end of each quarter, so long as Mr. Eotvos is employed by the Company.

During the second quarter of 2010, the Company entered into a restricted stock agreement with Daniel Kun, Jr., who is to serve as Secretary and Vice President of the company on a going forward basis. As part of the agreement Mr. Kun was granted 120,000 shares of restricted common stock, which will vest on equal installments of 30,000 shares quarterly, at the end of each quarter, so long as Mr. Kun is employed by the Company.

During the second quarter of 2010, the Company entered into a restricted stock agreement with Gene Guhne, who serves as a Director of the company.. As part of the agreement Mr. Guhne was granted 100,000 shares of restricted common stock, which will vest on equal installments of 25,000 shares quarterly, at the end of each quarter, so long as Mr. Guhne is employed by the Company.

As consideration for the above services, the Company issued an aggregate of 540,000 shares of the Company's common stock. These share issuances were recorded at $0.1 per share in the total amount of $54,000 in accordance with measurement date principles prescribed under FAS 123 (R).

In November 2009, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 175,000 shares of its common stock at $0.16 and 111,110 shares of it common stock at $0.20 per share for aggregate proceeds of $50,222.

In April 2009, the Company entered into an agreement with two professionals for consulting services. According to the agreement the professionals provided consulting services to the Company in 2009. In connection with these services, the Company issued to them 250,000 shares of the Company's common stock. These share issuances were recorded at $0.4 per share in the total amount of $100,000 and the related expense was recorded under general administration.

On February 5, 2009, the Company entered into a restricted stock agreement with Ildiko Rozsa, who is to serve as the Chief Financial Officer of the Company. As part of the agreement Ms. Rozsa was granted 120,000 shares of the Company's restricted common stock of which 30,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Rozsa is employed by the Company.

On February 5, 2009, the Company entered into a restricted stock agreement with Szilvia Toth, the Chief Accounting Officer of the Company. As part of the agreement Ms. Toth was granted 120,000 shares of restricted common stock, of which 30,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Toth is employed by the Company.

ITEM 2 – UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS (Continued)

On February 5, 2009, the Company entered into a restricted stock agreement with Mihaly Zala, the Chief Technology Officer of the Company. As part of the agreement Mr. Zala was granted 120,000 shares of restricted common stock, which will vest on equal installments of 30,000 shares quarterly, at the end of each quarter, so long as Mr. Zala is employed by the Company. As of July 15, 2009 Mr. Zala is no longer employed by the Company, therefore 60,000 shares of the 120,000 granted to him were cancelled and returned to the authorized and unissued stock of the company.

On February 5, 2009, the Company entered into a restricted stock agreement with Imre Eotvos, the Technology Assistant of the Company. As part of the agreement Mr. Eotvos was granted 200,000 shares of restricted common stock, which will vest on equal installments of 50,000 shares quarterly, at the end of each quarter, so long as Mr. Eotvos is employed by the Company.

On February 5, 2009, the Company entered into a restricted stock agreement with Daniel Kun, Jr., who is to serve as Secretary and Vice President of the company on a going forward basis. As part of the agreement Mr. Kun was granted 200,000 shares of restricted common stock, which will vest on equal installments of 50,000 shares quarterly, at the end of each quarter, so long as Mr. Kun is employed by the Company.

As consideration for the above services, the Company issued an aggregate of 760,000 shares of the Company’s common stock. These share issuances were recorded at $0.4 per share in the total amount of $304,000 in accordance with measurement date principles prescribed under ASC 718-10 and ASC 505-50.

In January 2008, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 32,500 shares of its common stock at $3.25 per share for aggregate proceeds of $105,625. The Company also entered into a Registration Rights Agreement, pursuant to which it agreed that as soon as practicable from the Offering Termination Date, as defined in the Registration Rights Agreement, it would file a registration statement with the SEC covering the resale of the shares of the Company’s common stock that are issuable pursuant to this private placement.

There are no stipulated damages outlined in the Registration Rights Agreement for failure to file within the agreed upon time frame. Under such agreement, the holder is entitled to exercise all rights granted by law, including recovery of damages under this agreement.

On April 18, 2008 the Company entered an agreement with RedChip Companies Inc. and Partner Media4Equity Inc. for investor relationship program for 12 months period. The Company secures and delivers 306,570 restricted common shares with a strike price of $0.70 for a 12 months period in connection with RedChip investor relationship services. The compensation for Media4Equity services is the delivery of 1,500,000 restricted common shares with a strike price of $0.75 for the contract period. This agreement expired on April 18, 2009. We elected not to renew it.

ITEM 2 – UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS (Continued)

On May 17, 2008 the Company entered into an agreement with Wakabayashi Fund LLC in order to arrange financing for working capital as an intermediary. Wakabayashi Fund LLC provides capital funding services including serving as an investment banking liaison and acts as capital consultant for a six month period. The Company issued 111,111 shares of restricted common stock upfront at $1.35 per share. Additionally, the Company agreed to pay for the capital funding services 7% success fee. This agreement expired on November 17, 2008 without any funds raised as a direct result of services provided by the Wakabayashi Fund. We elected not to renew it.

ITEM 3 – DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4 – MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5 – OTHER INFORMATION

Not applicable.

ITEM 6 - EXHIBITS

31.1	Certification of the Company’s Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2012.
31.2	Certification of the Company’s and Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2012.
32.1	Certification of the Company’s Principal Executive Officer and Princiap Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002..

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused the Report to be signed on its behalf by the undersigned thereunto duly authorized.

Power of the Dream Ventures, Inc.
(formerly known as "Tia V, Inc.")

Dated: May 15, 2012

By: /s/ Viktor Rozsnyay
Viktor Rozsnyay
Chief Executive Officer

/s/ Ildiko Rozsa
Ildiko Rozsa
Principal Financial Officer

Power of the Dream Ventures, Inc.
Form 10Q for the quarter ended March 31, 2012
Index to Exhibits Filed

31.1	Certification of the Company's Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012.
31.2	Certification of the Company's and Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, with respect to the registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012.
32.1	Certification of the Company's Principal Executive Officer and Princiap Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 31.1

Certification of Principal Accounting Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
and Securities and Exchange Commission Release 34-46427

I, Viktor Rozsnyay, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Power of the Dream Ventures, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's certifying officers have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2012

/s/ Viktor Rozsnyay

Viktor Rozsnyay
President & Chief Executive Officer

Exhibit 31.2

Certification of Principal Accounting Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
and Securities and Exchange Commission Release 34-46427

I, Ildiko Rozsa, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Power of the Dream Ventures, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's certifying officer(s) have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2012

/s/ Ildiko Rozsa

Ildiko Rozsa
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Power of the Dream Ventures, Inc. (the "Company") on Form 10-Q for the period ending March 31, 2012 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Viktor Rozsnyay and Ildiko Rozsa, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 15, 2012

/s/ Viktor Rozsnyay
Viktor Rozsnyay
President & Chief Executive Officer
(Principal Executive Officer)

May 15, 2012

/s/ Ildiko Rozsa
Ildiko Rozsa
Chief Financial Officer
(Principal Financial Officer)

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.