



Impac Mortgage Holdings, Inc. Announces Filing of Annual Report on Form 10-K With Unaudited Financial Statements of the Company and Without Reports on Internal Control Over Financial Reporting

March 31, 2005

NEWPORT BEACH, Calif., March 31, 2005 /PRNewswire-FirstCall via COMTEX/ -- Impac Mortgage Holdings, Inc. ("IMH") (NYSE: IMH), a real estate investment trust ("REIT"), today announced that it has filed its annual report on Form 10-K for the year ended December 31, 2004. The Form 10-K is incomplete in that it includes unaudited financial statements in lieu of audited financial statements for the year ended December 31, 2004 and it does not include the reports relating to management's assessment of the effectiveness of internal control over financial reporting.

We previously announced that we would not meet the filing deadline of our annual report on Form 10-K and that we would be filing an incomplete Form 10-K by the end of March. The time and resources committed to the restatement of prior periods financial statements done in 2004 delayed our internal timetable with respect to our documentation, assessment and evaluation of internal control over financial reporting, which were undertaken in order to comply with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 ("SOX 404"). Due in large part to the foregoing, management's assessment of the effectiveness of our internal control over financial reporting was substantially delayed, thereby delaying the performance by KPMG LLP ("KPMG"), the Company's independent registered public accounting firm, of its audit of management's assessment and the effectiveness of internal control over financial reporting pursuant to the requirements of SOX 404. As a result, such audit and management's report on internal control over financial reporting are not yet complete. In addition, the audit of our financial statements is not complete.

Upon completion of our report on the effectiveness of internal control over financial reporting and the receipt of KPMG's audit reports, we will file an amended annual report on Form 10-K/A to include all of these reports and our audited financial statements for the year ended December 31, 2004.

For additional information, questions or comments call or write to the investor relations group and ask for Tania Jernigan at 949-475-3600 or e-mail Ms. Jernigan at tjernigan@impaccompanies.com. You can subscribe to receive instant notification of conference calls, new releases and the monthly unaudited fact sheet by using our e-mail alert feature located at our web site at www.impaccompanies.com under Impac Mortgage Holdings, Inc./Investor Relations/Email Alerts.

NOTE: Safe Harbor "Statement under the Private Securities Litigation Reform Act of 1995." This release contains forward-looking statements including statements regarding our ability to file our Form 10-K by March 31, 2005, the expected conclusion that internal control over financial reporting is not effective and that we will receive an adverse opinion from KPMG; that there may be further material weaknesses identified. Forward-looking statements, some of which are based on various assumptions and events that are beyond our control, may be identified by reference to a future period or periods or by the use of forward-looking terminology, such as "may," "will," "believe," "expect," "likely," "should," "anticipate," or similar terms or variations on those terms or the negative of those terms. The forward-looking statements are based on current management expectations. Actual results may differ materially as a result of several factors, including, but not limited to, the inability to receive, or any delay in the receipt, from our external auditors audit reports on our financial statements and internal control over financial due to unanticipated circumstances; and the failure to file an amended annual report on Form 10-K/A due to the inability to obtain such audit reports on a timely basis or at all; and other factors described in this press release and our filings with the Securities and Exchange Commission, including "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2004. Caution must be exercised in relying on these and other forward-looking statements. Due to known and unknown risks and other factors not presently identified, the Company's results may differ materially from its expectations and projections. We will revise our estimates based on actual conditions experienced, however, it is not practicable to publish all revisions and as a result, no one should assume that results projected in or contemplated by the forward-looking statements included above may continue to be accurate in the future.

SOURCE Impac Mortgage Holdings, Inc.

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