



Annual Report 2006



Vision & Values

Our vision

To Set the Standard for Providing Integrated Health Care Services.

Our values

- To focus on our Patient's Needs.
- To respect Medical Ethics and Promote Scientific Knowledge.
- To give our employees the opportunity to take Creative Initiatives.
- Corporate Social Responsibility and Respect for the Environment.
- To provide high value to shareholders.





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Board of Directors Report

of "IASO S.A." OBSTETRICS GYNECOLOGY SURGERY DIAGNOSTIC THERAPEUTIC AND RESEARCH CENTER (The Company) and its subsidiaries, the consolidated and parent financial statements for the financial year 01.01-31.12.2006.

To the annual ordinary general shareholders meeting dated May 23rd 2007, for the events that took place during financial year 2006

Dear Shareholders,

With the present report which has been written in compliance with the revised 4th directive of the E.U. we submit a full analysis of the Financial Statements prepared according to "The I.F.R.S. Stable Platform 2005", they have been registered in the company's accounting books (inventory and balance sheet) and have been published as it is specified by law 2190/1920, article 135.

Review

2006 was a year of development and further strengthening for IASO Group. The companies of the Group managed to significantly increase their revenues as well as their financial results.

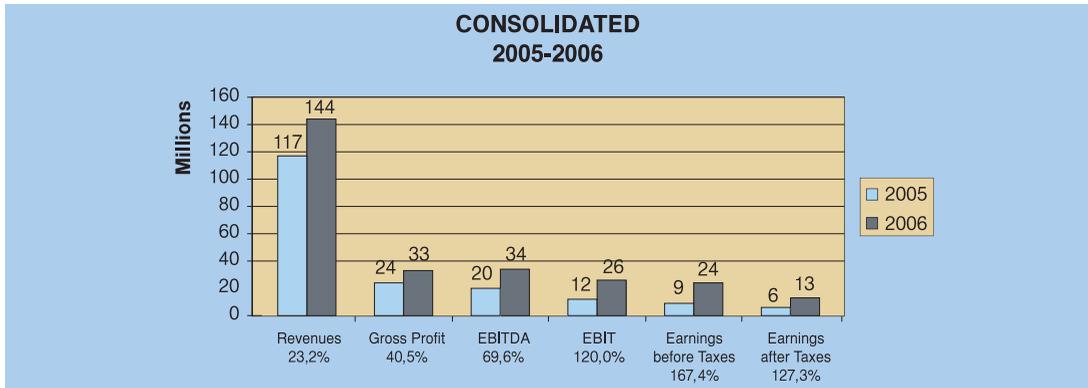
The remarkable increase of the financial results is attributed to, the rise in the inpatients and outpatients inflow of the Group's companies, the efficient cost and expense control, the improvement of IASO General's results, as well as to the rapid growth of MEDSTEM Services activities in the field of collection, processing of cord blood and storage of stem cells.

The Group and the Company proceed to an organizational and operational upgrade while at the same time manage to retain expense increases at satisfactory levels, as a result, Earnings Before Taxes are growing at much higher rates than those of Revenues.

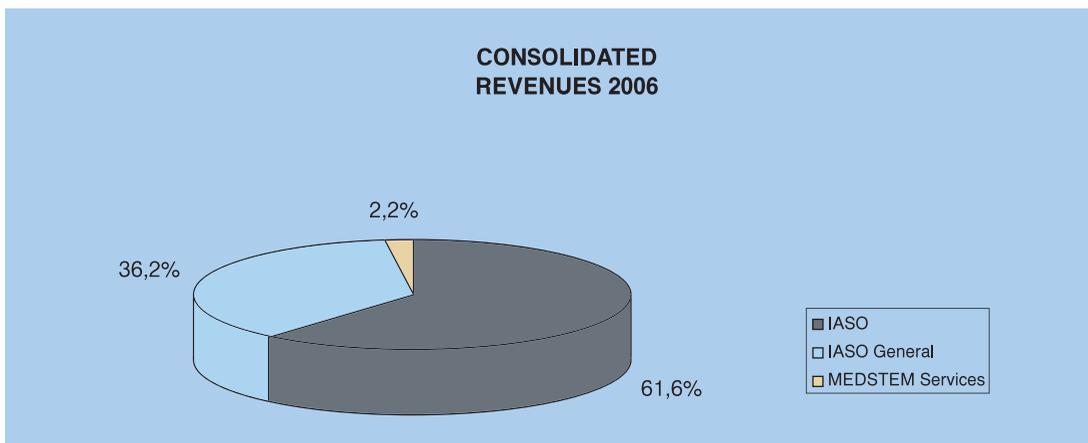
Consolidated Financial Results

Consolidated revenues reached the amount of € 143,84 mil and are increased by 23,2% in relation to the year 2005. Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) reached the amount of € 33,86 mil. in 2006 Vs. € 19,96 mil of the same period in 2005, showing an increase of 69,6%. Consolidated Earnings Before Taxes amounted to € 24,20 mil. Vs. € 9,05 mil for the year

2005, showing an impressive increase of 167,4%. Finally, Earnings After Taxes reached the amount of € 13,11 mil. in 2006 Vs. € 5,77 mil. in the previous year, showing also a spectacular raise of 127,3%. The following chart illustrates in a schematic way the evolution of the above figures.



Each company's participation in the formation of the consolidated 2006 revenues is also demonstrated below.



The aforementioned spectacular boost of the consolidated figures is attributed not only to the improvement of the revenues and the profitability of the parent company IASO S.A. and the subsidiary MEDSTEM Services S.A. but also to the improvement of the figures of IASO General S.A. More specifically, the parent company, IASO S.A., increased its Earnings Before Taxes by 8,35 mil. € comparing to the previous year. The aforementioned amount equals to 55,12% of the achieved increase on consolidated basis.

The subsidiary IASO General SA decreased its losses before taxes by 5,66 mil € comparing to the previous year. This improvement equals to 37,32% of the Group's total improvement. According to budget of 2007, IASO General will achieve a considerably higher EBITDA which will lead to profitability.





The newly established MEDSTEM Services SA, whose main activity is the collection, processing of cord blood and storage of infants' stem cells, produced impressive Earnings Before Taxes, of 990.000 €, on its first year of operations.

The other subsidiaries have not commenced yet their activities.

The administrative, and marketing overheads reached 7,6 mil € standing for 5,3% of the consolidated revenues. Interest expenses got reduced to 3,3 mil € from 3,5 mil € in 2005 (representing 2,3% of the consolidated revenues of 2006). This was achieved in spite of the rise in the borrowing rates, reflecting the benefits of, IASO General's loan restructuring, the pay-off of MEDSTEM Services' loans and the reduction of the parent company's IASO S.A. borrowings.

Consolidated Loans amounted to 67,1 mil € Vs 75,0 mil € in 2005 recording a decrease of 10,5%. It is worth noting that the aforementioned decrease was achieved despite the investments that took place based on our expansion plan. It should also be mentioned that the consolidated cash and cash equivalents on December 31st 2006 amounted to 10,1 mil €.

The spectacular improvement of the consolidated financial position is also illustrated by the improvement of all financial ratios; the more important of which are shown in the following table

CONSOLIDATED RATIOS	2006	2005
Current Ratio	0,76	0,64
Return on Equity (before taxes)	16%	6%
EBITDA (amount)	33,9 mil.€	20,0 mil.€
EBITDA (% on revenues)	24%	17%
Profit margin (before taxes) (% on revenues)	17%	8%
Owner's Equity / Total Assets *	0,55	0,55
Owner's Equity / Total Liabilities *	1,27	1,26
Owner's Equity / Bank Liabilities *	2,24	1,93

Note: These ratios can be further improved if the consolidated cash and cash equivalent get subtracted from total assets.

The total number of personnel employed by the group amounted to 1.418 persons on 31.12.2006 Vs 1.548 on 31.12.2005.

Investments

The implementation of the investment plan was continued during last year aiming at further development of the Group's competitive strengths.

Investments amounting approximately to 2,9 mil. € were realized at IASO SA, 1,5 mil. € of which, were mainly invested in medical equipment and the rest in buildings and new constructions. This way IASO will maintain its pioneering and high standard services through state of the art equipment.

At IASO General S.A. 977 thousands € were invested in buildings and equipment aiming at further exploitation of its state of the art facilities.

At IASO Thessalias S.A. the new investments amounted to 4,2 mil. €, of which 2,9 mil. € came from the parent company and the rest, 1,3 mil. € came from local doctors – shareholders, all funds were allocated in the construction of the building.

At the subsidiary MEDSTEM Services S.A., the amount of 454 thousands € were invested in equipment necessary for ensuring the high quality of services provided by the company.

Finally, 342 thousands € were invested by the subsidiary "Modern Multifunctional Rehabilitation Restoration Center S.A." for the purchase of plots neighboring to those already owned by the company, at the region of Koropi, Attiki.

Perspectives

The policy followed during the year of 2006, led to a remarkable growth of the Group's financial results and initiated a new era full of perspectives for further development, expansion and diversification of the group's activities which will continue the forthcoming year, 2007.

The management and administration of the Group looks towards the year of 2007 and the following years with optimism. The devotion to our values, our well-established strengths, foremost among them being our customers' loyalty and the dedication of our doctors and personnel, allows us to believe in the successful completion of our long-term quantitative and qualitative goals. More specifically the operation of the pediatric clinic, the commencement of construction of the new clinic for "IASO of Southern Suburbs S.A." the continuation of construction of the "IASO Thessalias" clinic (both of which will operate as obstetrics and general clinics) and the restructuring of the Group's figures, all converge in the overall aim of increasing the value of the company for its shareholders.

Important Facts after the Balance Sheet date

During the 1st quarter and in the course of implementation of the Group's business plan:

- The subsidiary "IASO Thessalias S.A." has signed the second phase of the contract for the completion of the building construction of the clinic. The contract which amounts to 20,7 million € was won by the construction company "INTRAKAT S.A.", the scheduled completion time is 22 months, after contract signing i.e. by the end of 2008. The building construction is taking place in an owned plot of 50.000 m² at Larissa. Meanwhile intense interest was expressed by local doctors for participating in the share capital increase which was completed on 23rd of March. Local doctors participated in the aforementioned share capital increase with a percentage of 39,6% which is a considerably higher percentage, when compared with their participation of 24,0% in the previous share capital increase that took place on March 2006. IASO Thessalias will operate as a General and Obstetrics Hospital equipped with adult intensive care unit (ICU), neonatal intensive care unit (NICU), In Vitro Fertilization Unit (IVF), and a Hemodialysis Unit,

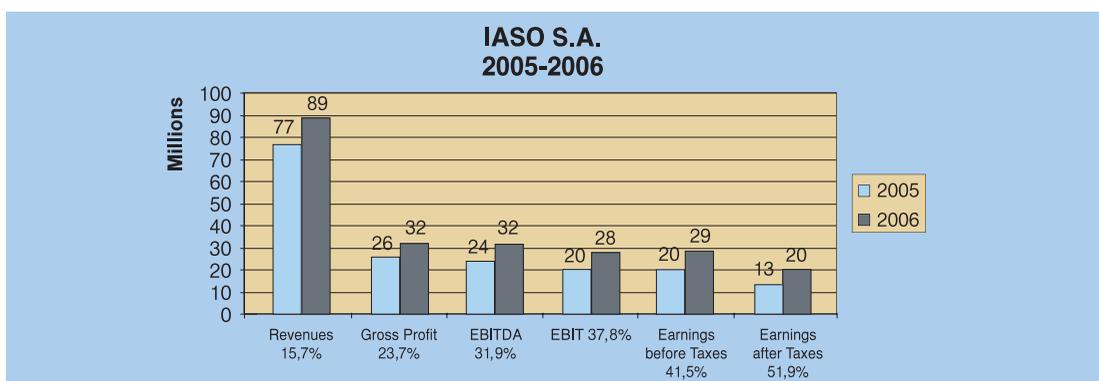




- An agreement was concluded with a group of doctors who were previously collaborating with Leto S.A, and at the same time the purchase of their shares in Leto Holdings S.A. is being completed. The Group's management anticipates that the conclusion of this agreement will increase the patients' inflow and will benefit significantly revenues and profits.
- It has been decided to increase the share capital of the subsidiary "IASO of Southern Suburbs S.A." by the amount of 10.000.000 €, at the price of 5 € per share. The shares will be distributed through a private placement; eligible for the shares will be the parent company IASO SA, as well as a limited number of doctors who have expressed a keen interest.
- The Board of Directors of IASO S.A. proposed to the Extraordinary General Meeting of the Shareholders on 14.03.2007, (which was postponed for 11.04.2007), an increase of the Company's share capital by cash payment and by simultaneous annulment of the pre-emption rights of the existing shares. It is proposed these shares to be entirely distributed to new Doctors - associates, who have expressed their wish to participate to the company's share capital. The company's main aim is to sustain this multi-shareholder model, which, according to the B.O.D.'s belief, constitutes one of the main factors of its successful course and its establishment as the indisputable leader in the private maternity hospitals sector.
- The preparation of the Group's Development Plan, for further expansion in and out of Greece was assigned to the international consulting firm "The Boston Consulting Group".

Parent Company's Financial Results

Parent Company's figures as well as financial results demonstrate that the company is continuing its steadily growing pace. Revenues reached the amount of € 88,74 mil. Vs. € 76,68 mil. in 2005, showing an increase of 15,7 %, while Earnings Before Interest Taxes, Depreciation and Amortization (EBITDA) reached the amount of € 31,58 mil. in 2006 Vs. € 23,94 mil in 2005, showing an increase of 31,9%. Earnings Before Taxes amounted to € 28,50 mil. in 2006 vs. € 20,14 mil. in the previous year, increasing by 41,5%, while Earnings After Taxes reached the amount of € 20,20 mil. Vs. € 13,30 mil for the same period in 2005, increasing by 51,9%. The following chart presents the evolution of the aforementioned figures.



The Company's most important financial ratios are significantly improved and are demonstrated in the following table

Parent Company	2006	2005
Current Ratio	1,16	0,83
Return on Equity (before taxes)	15%	11%
EBITDA (amount)	31,5 mil.€	23,9 mil.€
EBITDA (% on revenues)	36%	31%
Profit margin (before taxes) (% on revenues)	32%	26%
Owner's Equity / Total Assets *	0,83	0,81
Owner's Equity / Total Liabilities *	5,06	4,29
Owner's Equity / Bank Liabilities *	17,43	11,33

** Note: These ratios can be further improved if the Company's cash and cash equivalent get subtracted from total assets.*

We presented to you the Parent Company and the Consolidated Financial Statements for the fiscal year January 1st to December 31st 2006, in comparison with the same period of 2005. We submitted the Auditors' Report, according to the law for Société Anonyme (S.A.), and we ask you to approve the financial statements and release the members of the Board of Directors and the Auditors of any responsibility for the fiscal year ended at the 31st of December 2006

Maroussi, 23rd of March 2007

Ioannis Ch. Zolotas
Chairman of the Board of Directors

CERTIFICATION

It is certified that the present Report of the Board of Directors to the Shareholders' Annual General Meeting, consisting of nine (9) pages, is the one referred in the Auditors' Report issued on the 26.03.2007.

Athens, 26th of March 2007
Certified Public Accountant

Constantinos P. Petroyannis
SOEL Reg. No 11991
SOL S.A. – Certified Auditors Accountants





1

Our History

1996

IASO Clinic starts operating in May, in an ultra-modern building complex with very elegant and practical facilities, providing comfort, a sense of security and convenience to both its customers as well as its employees. It is worth pointing out that within only seven months (from June to December), IASO ranked second in terms of sales among private maternity clinics with a market share of 23,4%. Since then, it persistently ranks first, playing a leading role in the healthcare industry.

1996-1999

Seven new hospital units with a total of 283 beds, start operating, along with state-of-the-art delivery rooms, eight operating theaters,

endoscopic and laparoscopic surgery units, adult intensive care unit, neonatal intensive care unit, laboratories, and one of the best diagnostic centers in Europe.

In 1999, IASO SA also acquires control of the HERA maternity clinic, which has a General Clinic license of operation. This acquisition allows IASO to broaden the range of its activities and offer additional healthcare services.

2000

Pursuant to the approval of the ASE BoD on 25/05/2000, IASO SA is listed on the Main Market of the Athens Stock Exchange; the initial trading day was 09/06/2000. The Company is also included in the FTSE ASE Mid 40 index, among selected listed companies fulfilling strict criteria in terms of the stock market figures and their general market performance.





2001

In June, two new subsidiaries are established aiming at being active in two different areas: The company under the name "IASO SOUTH SUBURBS GENERAL CLINIC – PRIVATE MATERNITY CLINIC SOCIÉTÉ ANONYME." This facility will include a Maternity, a Gynecological, a General Clinic and a Diagnostic Center. The company under the name "RECOVERY AND REHABILITATION CENTER SOCIÉTÉ ANONYME."

The purpose of the Rehabilitation Center is to provide treatment until complete recovery to the patients of the IASO Group Clinics, as well as to other patients from domestic or international medical institutions.

The construction of the Pediatrics – Pediatric Surgery Clinic, of a 65-bed capacity, as well as the construction of the new underground parking space, starts in October.

On November, the Company share is included in the ASE General Index, confirming the robustness of the Company's financial results and its acceptance by the Institutional Authorities, the Market Authorities, as well as investors in general.

2002

The Company proceeds to upgrade its organization and operation by adding new people to its staff and by implementing modern systems of Corporate Governance. The total dividend for shareholders reached approximately 10% and, as a result, IASO is considered to be one of the companies with the highest dividend yields internationally.

In November, a memorandum of cooperation is signed between IASO SA and physicians in the Thessaly region, for establishing, building and operating a General and Maternity Clinic in Thessaly. A Société Anonyme is established under the name IASO THESSALIAS SA, which will be the organization that will implement the investment plan.

In December, two new subsidiaries are established. IASO PEDIATRICS SA, which will be the company responsible for establishing and operating a Pediatrics - Pediatric Surgery Clinic of 65-bed capacity.

IASO SERVICES SA that will pursue the development of additional Group activities beyond healthcare services; the implementation of these activities will start in 2003.

It must be pointed out that 2002 was a year of International recognition for the Group. IASO's successful model and growth were presented in special features on BBC World, the New York Times, the German magazine Capital, etc.

2003

In April, the official opening of IASO General Hospital takes place. The clinic starts operating with a full range of hospital departments and units. The clinic implements pioneering medical methods, such as surgical management of heart failure through the use of a mechanical heart.

Also, the IASO General Ethics Review Board is the first in our country with so high ranking members from various scientific areas and with particular responsibilities.

The expansion of IASO clinic is also nearly over and the same applies for the departments and the surgical unit equipment

upgrade; also the installation of the cost services control system through the Activity Based Costing methodology is almost complete.

At the same time, a land of 12 acres is being acquired for the construction of IASO Thessaly, a preliminary approval regarding the suitability of the piece land is granted and the environmental and architectural studies are conducted.

2004

IASO was the only private hospital chosen to be an Official Licensee for the Provision of Health Services and Accommodation during the Games, We actively supported the national effort for the success of the 2004 Olympic Games.

In the framework of our socially aware policy, we cooperated with the Ministry of Health and Welfare in order to hospitalize neonates at the IASO Clinic Intensive Care Unit at special prices, while the cost of hospitalization was covered by insurance funds.

The expansion of the IASO General facilities and of the high parking building is almost completed. The new building complex will accommodate diagnostic laboratories, outpatient clinic, and the artificial kidney unit. We completed the construction of the Pediatrics – Pediatric Surgery Clinic, of 65-bed capacity, that will add to the cycle – delivery, mother, child – of the services provided by the Group. The clinic, which will operate during the next few months, is considered to be a model hospital for its architectural design and functionality on a European scale.

The definite suitability approval for the 12-acre piece of land where the IASO Thessalias clinic will be built is issued, and the neces-

sary studies are being performed in order to acquire the rest of the required authorizations. In December, we signed an agreement with the National Bank of Greece launching a special IASO credit card.

2005

In 2005 "IASO Services S.A." changed its corporate name to "Medstem Services S.A." Its activity includes the operating of the shops in the clinics of the Group, as well as the operation of a cord blood stem cell bank, under the name "Cryobanks International Services Athens". Cryobanks is both scientifically and technologically the best equipped unit in Greece, in the collection, processing and storage of umbilical cord blood stem cells with all transplants stored in its laboratories. Its operation follows the guidelines and is under the control of one of the biggest US banks, Cryobanks International, which is licensed by the American Association of Blood Banks (AABB) and the Food and Drugs Association (FDA). Furthermore, Medstem Services in collaboration with the National Bank of Greece has issued "My Club Card", a new visa credit card, with many benefits for its holders.

During the shareholders extraordinary general meeting of IASO Thessalias, which was conducted in December 2005, the increase of share capital was approved and the works for the construction of the new clinic began.

2006

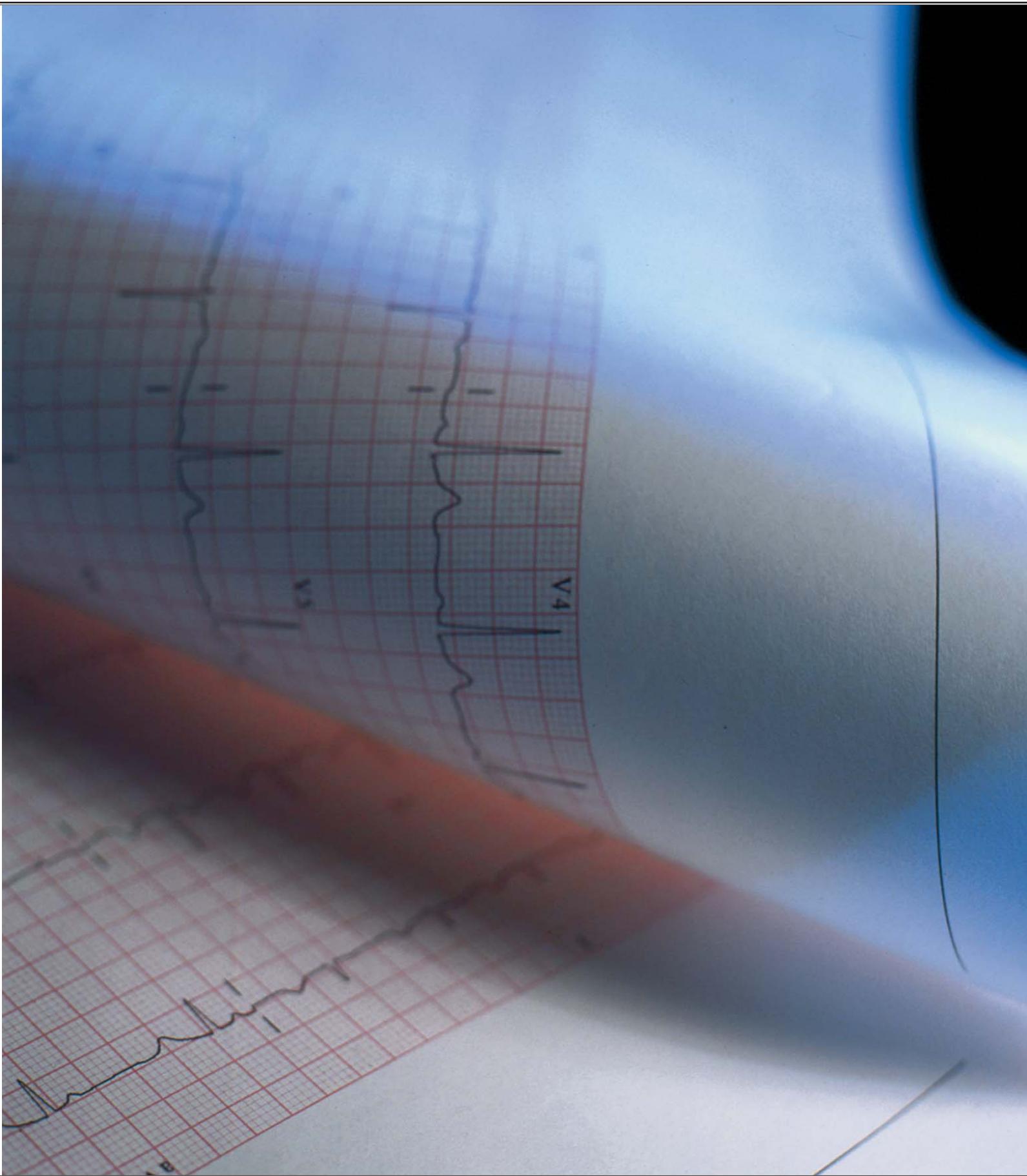
The central IASO labs (Blood donation, Hematology, Biochemistry, Microbiology, Hormonology, Immunology) are accredited based on





the International Quality Management Standard ISO 9001. The central Labs are accredited by the international certification organization TUV HELLAS following an inspection performed in April 2006, when the high level of services provided was confirmed.

The extraordinary shareholders' meeting of the IASO Thessalias SA that took place in November 25th 2006 decided to increase the company stock capital by € 3.274.800 with cash infusion and by issuing 327.480 shares (registered common stock), with a nominal value of 10 € each and a market value of 15 €. The difference between the issue price and the nominal value of the share will increase the Share Premium Reserves by 1.637.400 €. After the increase, the stock capital will rise to 9.824.400 €. and the Share Premium Reserves to 2.619.840 €.





2

The IASO Clinic Services

The IASO Group deploys a sophisticated view of health. The Group's Clinics handle a broad range of diagnostic, therapeutic, and research services and our ambition is to expand this range in order to progressively cover more of our customers' needs by providing innovative services in state-of-the-art hospitals. We are innovators because we believe in the constant upgrade of the services offered, the development of new methods, and the cooperation with the best hospitals in the world. IASO Clinic covers all obstetrics and gynecology cases while it provides a broad range of diagnostic and therapeutic services.

Obstetrics – Gynecology

IASO is the largest and one of the most modern maternity clinics in Europe, with almost 15.000 inpatient deliveries and more than 26.500 inpatients in 2006. It operates one of the

most sophisticated Neonatal Intensive Care units in the World, and the most advanced in Greece, as well as one of the largest cardiotocography units in Europe.

- **Capacity:** 350 beds.
- **Fully equipped delivery rooms.** A complete facility complex that covers all stages of labor: from the monitoring of the pregnant woman until the birth of the infant. The Cardiotocography Unit is one of the largest in Europe, while the labor room is equipped with audio-visual communications systems, so that the expectant mother can remain in contact with her family.
- **Eight operating rooms** equipped with cutting-edge technology.
- **Adult Intensive Care Unit** equipped with the





latest technology, central monitoring system, and specialized medical and nursing staff. The unit is of major significance in that it ensures the hospital's self-sufficiency to handle any medical incident.

- **Neonatal Intensive Care Unit.** It is the most sophisticated unit in the country and one of the most modern in the world.
- **Endoscopic and Laparoscopic Surgery Unit.** All laparoscopic and hysteroscopic operations are performed in this unit, which is equipped with the latest medical equipment. These operations, which are performed by specialized personnel with exceptional accuracy, require minimal hospitalization.
- **High Risk Pregnancy Unit.** It handles pregnancy cases that require special, systematic, and constant support.
- **Gynecological Oncology Laser Unit.** One of the most modern and fully equipped units, it covers the entire range from diagnosis to the cure of gynecological cancer. In the area of prevention, we operate a cytology unit for conducting Pap tests, a colposcopy unit, where further examinations are performed on patients with abnormal Pap test results, and a Laser-applications unit, where all operations for the control and immediate treatment of early forms of gynecological cancer are performed. Expert scientists in gynecological oncology, radiotherapy and chemotherapy make up the Oncology Board, which provides the highest guarantees for the accurate and effective scientific treatment of our patients.

Diagnostic Center

More than 720.000 diagnostic examinations are performed every year in IASO. The diagnostic center operates with experienced medical personnel, advanced equipment, and includes medical services for women as well as for their families.

Diagnostic and therapeutic services for women

Breast Center

In a major "Women's hospital" like IASO, the role of a Breast Center is significant. The center is equipped with high resolution and low radiation equipment: state-of-the art mammogram equipment, ultrasound scan exclusively for breast ultrasounds, and stereotactic biopsy equipment. The proximity and close collaboration of laboratory (radiologist, pathologist-anatomist, nuclear doctors, etc) and clinical (gynecologist-oncologists, chemotherapists, plastic surgeons, etc) doctors who operate in the same facility, complemented by a psychologist to provide psychological support to patients and a physiotherapist for after-surgery care is also of primary importance.

Gynecological – Obstetric Ultrasound Department

Uterus, oviduct and ovary conditions are detected with state-of-the-art color imaging equipment. Furthermore, the reproductive process, fetus growth, development, health, and behavior during pregnancy are monitored. Also ultrasound body imaging, such as vascular, scrotum, thyroid, parathyroid, and lateral peritoneum ultrasounds, as well as Doppler capil-

lary ultrasounds are performed; the department may perform biopsies.

Fetal Medicine Department

The department uses all modern methods for the early diagnosis of the fetus health problems and the fetus development is monitored by doctors and maternity nurses specializing in sonography and fetal medicine: cardiotocography, Doppler, cervical screening, biophysical profile, and amniocentesis. Embryonic development is monitored and, when necessary, the required treatment is given. There is also a Fetal Cardiology department performing prenatal diagnosis and treatment of fetal congenital heart disease.

Endocrinology-Diabetes- Bone Mass Measurement Department

Endocrinological problems, as well as all forms of diabetes, are treated and clinical examinations for osteoporosis are performed. Gestational diabetes, is monitored and treated with a special program in order for the pregnant woman to deliver a healthy baby.

Recurrent Abortions Department

The aim of the unit is to provide specialized care to couples with reproductive failure. The doctors of this department in cooperation with the patient's treating physician identify potentially pathological conditions that are related to reproductive failure or predispose to its recurrence.

Urodynamics Department

It covers the area of urogynecology and aims to evaluate and treat problems such as urinary incontinence, frequent urination, bladder

hernia, urinary infection, etc. All diagnostic testing is performed evaluating the functionality and anatomy of the lower urogenital tract and accurately detects the causes of the problem.

Perinatal Pathology Department

A pioneering department, that no other private maternity clinic has; it performs testing of the histological material from first and second term miscarriages, intrauterine, perinatal and neonatal deaths, as well as histological examination of placenta from high risk pregnancies.

Cytology Laboratory

In the Cytology Laboratory, testing is performed for the diagnosis of precancerous cervical growths. Emphasis is given to the examination of cervical and vaginal smears. The same laboratory also performs cytological examination of the Pap-test.

Colposcopy Unit

Patients with pathological Pap test results are screened and possible epithelial lesions are tested for.

Diagnostic Services for the entire family

Medical Biopathology Central Laboratories

All biomedical examinations are performed: medical biochemistry, clinical microbiology, laboratory hematology, immunology, hormones, as well as molecular biology.

The hematology unit deals with inpatient and outpatient hematology cases, and is capable of detecting, diagnosing and treating anemias and blood coagulation disorders.









Department of Medical Imaging (Radiology-CT Scan, MRI, Mammography, Triplex, Ultrasound)

Besides standard radiology examinations, the Department of Medical Imaging, also performs the full range of fluoroscopic examinations, including hysterosalpingography examination. The CT Scan and MRI unit is equipped with modern equipment. The CT scan may perform spiral scan imaging. The entire range of CT and MRI examinations is performed, including dynamic examinations, such as magnetic and CT angiography and magnetic cholangiography. The breast imaging unit includes a standard mammographic unit and special units for mammogram digitization and computer aided detection, which are unique in Greece. The ultrasound unit covers the entire range of general ultrasounds, including invasive procedures, and is capable of performing all types of Angio triplex imaging. Finally, a neonatal radiology unit operates to cover the needs of newborns.

Cardiology Department

The IASO Cardiology Department is an innovative center with state-of-the-art technology in the areas of preventive, diagnostic, and therapeutic cardiology. It covers the entire range of non-invasive cardiology examinations, e.g. recording and analyzing blood pressure, ECGs, stress tests, transthoracic ultrasounds, nuclear medicine imaging methods, heart triplex, heart and blood pressure using the Holter monitor device. The center also uses biomedical technology in order to achieve highly reliable and safe diagnostic tests and examinations.

Pathological Anatomy Department

The department performs microscopic and histological examinations in all types of tissue samples, dilation & curettage (D&C) and biopsy material. The laboratory is equipped with sophisticated devices, and our Department was the first to have them installed in the country. Furthermore, a permanent slide archive is kept for all patients in order for reviews and tracing of patient histories to be possible.

Nuclear Medicine

All in vitro and in vivo tests are performed, with a particular specialization for cardiology, pediatrics and oncology tests. Except for the diagnostic applications of Nuclear Medicine, therapeutic applications of the specialty have also been developed. Shielded rooms have been built, in compliance with international standards, used for the therapeutic administration of radioisotopes (e.g. I-131, strontium, samarium, rhenium ZEVALIN etc). Patients with differentiated thyroid cancer – a particularly common disease in Greece – are hospitalized with high success rates, while this department fully cooperates with the Group endocrinology departments. Patients with painful bone metastases of other malignant diseases, e.g. prostate and breast cancer, may be treated with the therapeutic administration of radioisotopes. It is also worth mentioning that this treatment, in combination with other established treatments, may also be used in patients with non-Hodgkin lymphomas.

Check Up

The Department performs individualized Medi-

cal Check Ups based on gender and age in order to safely and accurately evaluate the patient's health condition.

Neonatal Pediatrics

Monitoring and care of neonates on a 24hour basis throughout their stay in IASO.

Neonatal Cardiology

A fully equipped department staffed with specialists, where simple or more sophisticated examinations are performed on neonates during their stay in IASO.

Neonate Audiology Department

IASO is the first private clinic to have established an Audiology Department with expert staff and the most advanced equipment for the accurate diagnosis of auditory problems in neonates during their stay in IASO.

Adolescent Gynecology

Treatment of disorders occurring in teenage girls with respect to their reproductive system, e.g. vaginal and uterine agenesis, acne, polycystic ovarian disease, amenorrhea, menstrual cycle irregularities, etc. Expert staff implements diagnostic methods and determines the appropriate therapeutic treatments.

Digestive Tract Diagnostic Endoscopy

Using sophisticated technology and video-endoscopy this department performs painless gastroscopies and colonoscopies for the diagnosis of digestive track disorders. In many cases, the disorder may be treated during the diagnostic procedure, without using general anesthesia.

Other Services

Department of Medical Oncology

(Chemotherapy)

All cases of malignant neoplasias are diagnosed and treated with particular focus on gynecological oncology. The department cooperates closely with relevant departments and units, such as the Breast Center, the Radiotherapy Oncology Department, the Gynecological Oncology Department, and the Laboratories, thereby ensuring that the patient will receive the best treatment possible.

Department of Radiation Oncology.

Brachytherapy and Stereotactic Radiotherapy State-of-the-art systems are used for the treatment of neoplasms and tumors in male and female patients, and to all the areas of the human body. The department staff has an extensive experience and is especially trained in using state-of-the-art technological equipment.

Plastic, Reconstructive and Cosmetic Surgery - Laser

The Department gathers a number of medical services in a single area of the hospital, thereby ensuring integrated treatment (diagnosis and treatment) without any inconvenience but rather providing the highest level of safety to the patient compared to other centers.

The department performs: facial and body cosmetic surgery, endoscopic facial surgery, reconstructive surgery, post-mastectomy breast reconstruction, reconstruction of post-traumatic and post-burn deformities, head and neck surgery, congenital abnormality surgery,





and general skin lesions surgery.

Laser techniques offer spectacular results in the non-invasive and painless treatment of wrinkles, blotches, varicose veins, telangiectasias, moles, stretch marks, cellulite, scars, hemangiomas, tattoos, hair transplants for male androgenetic alopecia, unwanted hair growth, etc.

In Vitro Fertilization (IVF)

Our team of prestigious scientists aided by sophisticated technology and innovative methods is highly regarded for its excellent results that are equivalent to those of the best international hospitals. The Department is able to perform diagnosis of infertility due to any cause. The Department applies various diagnostic and treatment methods, such as sperm count, sperm enhancement, and freezing, intrauterine insemination, in vitro fertilization, the GIFT-ZIFT method (laparoscopic introduction of oocytes and sperm into the fallopian tube), microfertilization of oocytes, and preimplantation genetic diagnosis.

Realizing that infertility disorders are accompanied by anxiety and stress, in our unit patients are treated with understanding and are given appropriate psychological support.

Dietary Support & Dietology Center

Expert scientists and dietologists aided by high-tech, highly-precise equipment provide dietary support to pregnant women, and monitoring and dietary support to the postpartum mother, as well as to all women, men and teenagers. Special emphasis is given to the dietary support of patients undergoing chemotherapy.

Outpatient Department

IASO's outpatient clinics are open 12 hours a day from 8 am to 8 pm, performing all types of examinations and immediately handling all cases, quickly and efficiently. The specialized clinics of the IASO outpatient care department are the following: Gynecology, Dermatology, Dietology, Endocrinology, Cardiology, Colposcopy Unit, Ophthalmology, Plastic Surgery, Surgery, Otorhinolaryngology (Ear, Nose, and Throat) clinic.





3

The IASO General Hospital Services

IASO General is the new IASO Group hospital, in the framework of its expansion to the area of general hospitals. IASO General, with state-of-the-art medical equipment, is also the only hospital in Greece and in the Eastern Europe region with the infrastructure to store and transmit via the Internet and the Intranet digital medical images. Therefore, doctors may digitally receive all their patients' exams performed by the IASO General diagnostic laboratories, wherever they are, inside or outside the hospital building. IASO General has:

- **237 beds** of various categories, in exquisite hotellike areas.
- Two of the most modern **Intensive Care Units** in the world and the most modern ICU's in the country, of a total capacity of 20 beds.
- **Coronary Care Unit.**
- **11 modern operating theaters**, equipped with state-of-the-art technology, may safely cover all patients. It is pointed out that all heart surgery operating rooms have cardio-ultra-sounds with an intra-esophageal and intraoperative head, for the constant monitoring of the patient throughout the operation.
- IASO General was the first hospital in Greece to establish a special **Coronary Care Unit**. The international trend for the better treatment of angina patients is to treat them in special units where the underlying heart problem can be diagnosed, monitored and treated by qualified personnel.
- **Ultra-modern Accident and Emergency Department**





Internal Medicine Division

The following services are provided by the respective departments:

Internal Medicine: it provides the means for diagnosis, prognosis and treatment of all internal medicine and all specific diseases.

Cardiology: Using state-of-the-art technology, all myocardial and myocardial vessel diseases are diagnosed and treated.

Rheumatology: treatment of patients with collagen diseases (polyarthritis, connective tissue diseases, degenerative joint diseases, etc.) and other rheumatic diseases.

Pulmonary Medicine: diagnosis and treatment of pulmonary diseases.

Dermatology / Allergiology: diagnosis and treatment of skin diseases as well as of allergies.

Nephrology: diagnosis and treatment of kidney diseases by a group of expert scientists using state-of-the-art equipment.

Endocrinology: diagnosis and treatment of all endocrine and metabolic disorders.

Neurology: covers primary and secondary nerve and muscle disorders. Diagnostic methods and treatments are implemented.

Gastroenterology: using state-of-the-art technology, upper and lower Gastrointestinal system diseases are diagnosed and treated (stomach, intestines, liver, etc).

Surgery Division

The following surgical departments of IASO General Hospital operate with prestigious physicians, experienced personnel, and high technology equipment:

General Surgery: surgical diagnosis and treatment of all human diseases, disorders and injuries.

Urology: diagnosis and treatment of urinary tract diseases.

Thoracic Surgery: surgical diagnosis and treatment of the chest diseases.

Heart Surgery: treatment of all heart conditions, requiring open-heart surgery.

Orthopedics: effective treatment of all musculoskeletal system diseases and injuries.

ENT Surgery: specialized department, providing diagnosis and conservative or surgical treatment of nose, ear, larynx and pharynx disease.

Ophthalmology: treatment of ophthalmology patients, as well as treatment of congenital diseases with ophthalmological manifestations.

Plastic Surgery: all cosmetic and reconstructive surgeries are performed.

Neurosurgery: surgical treatment of Central and Peripheral Nervous System diseases and injuries.

Vascular Surgery: diagnosis and invasive treatment of human vessel diseases, except from heart and brain diseases.

Maxillofacial Surgery: diagnosis and conservative or surgical treatment of facial musculoskeletal system diseases and injuries.

Gynecology: conservative or surgical treatment of any disease associated with the inner or outer female genital tract.

Special Units

The units providing patients with fully specialized care are the following:

Intensive Care Unit (ICU): provides the highest level of constant, close monitoring, care and treatment to patients whose vital signs are at a critical condition. The unit is operating on a 24hour basis providing emergency care to patients. Patients are transferred there from the Emergency Department or the Operating Rooms or other Hospital Units.

Coronary Care Unit (CCU): operates as a cardiology unit, treating patients with acute heart conditions as well as patients with a heart condition requiring constant inpatient care on a 24hour basis, but who's vital signs are controlled.

Digital Angiography and Interventional Radiology:

The new, advanced trend in Radiology is implemented by highly trained radiologists with the help of state-of-the-art-equipment. The methods used in interventional radiology provide safe treatment for diseases that as

yet, were only treated through surgery; they also prevent bleeding in major operations, reduce operation time and provide answers to difficult diagnostic questions.

Hemodynamics Laboratory – Heart Electrophysiology:

a pioneer diagnostic and interventional treatment department. Hemodynamic tests, coronarographies, catheterizations, central vessel angioplasties etc. under sterile conditions, electrophysiology examination and placement of pacemakers are performed.

One Day Clinic (O.D.C.): provides its services to patients already treated at the Outpatient Department or the Emergency Unit, as well as patients that must remain in the clinic for short term monitoring.

Medical Oncology or Chemotherapy Unit:

this hospital unit operates for outpatients under chemotherapy. The patient stays at this clinic as long as it is required for treatment and until all side-effects withdraw.

Artificial Kidney Unit: The Artificial Kidney Unit operates in ultra-modern medical facilities with state-of-the-art equipment, guaranteeing complete safety for the patients, combined with the strict rules for hygiene implemented in our Hospital. The Unit has:

- GAMBRO hemodialysis devices performing standard hemodialysis and hemofiltration
- Water processing using reverse osmosis
- Low and high flux hemodialysis filters
- Hemodialysis solutions with bicarbonate and hemoperfusion bags





- Sterilization of equipment after each hemodialysis session

Patients are continuously under the close monitoring of our nurses and medical staff selected applying the strictest criteria based on their experience. Medical personnel are present during each hemodialysis session while they are at the disposal of patients 24 hours a day for dealing with any emergency situation.

Specialized Centers

Lithotripsy Unit: a bloodless destruction and removal from the patient's body of stones produced and stored in the urinary and the biliary tract.

Functional Rhinoplasty Center: this IASO General center was established for the complete functional repair of the nose combined with its cosmetic improvement. The Center has appropriately trained and experienced surgeons as well as perfectly trained nurses in order for the functional and cosmetic repair of the nose to be performed in a single operation only by the same surgeon.

Prostate Disease Center: this center deals with the physiology, pathogenicity and therapeutic management of prostate diseases. Its staff includes prominent and excellently trained physicians, experienced personnel and state-of-the-art equipment. The center aspires to assist "mature" men to establish their own view, knowing the pros and the cons of active prophylaxis or therapeutic methods implemented for the treatment of prostate diseases.

Breast Clinic: IASO General, aiming at establishing a pioneering presence in the area of healthcare created a specialized breast clinic. The breast clinic has been organized following the most advanced international standards and is equipped with high definition and low radiation equipment like ultramodern mammography, ultrasound, exclusively for breast ultrasounds, stereotactic localization and a biopsy device. Its staff includes excellently trained physicians who are established scientists of various specialties, e.g. radiologists, surgeons, pathological anatomists, nuclear doctors, gynecologists – oncologists, chemotherapists, plastic surgeons etc. as well as experienced hospital and paramedical personnel e.g. psychologist providing psychological support to patients and physiotherapists providing treatment following the operation. The aim of the breast clinic is not only to provide therapeutic treatment but mainly to provide prompt diagnosis of breast cancer.

Obesity Treatment Center: The center deals with the pathogenicity of obesity and its treatment, using all current invasive methods (intra-abdominal balloon, laparoscopic gastropancreatic bypass, adjustable stomach ring, vertical gastrectomy). The Obesity treatment center is staffed by two specialized teams including weight management physicians, surgeons, gastroenterologists, anesthesiologists, cardiologists, endocrinologists, pneumonologists, plastic surgeons, psychologists, physiotherapists, nutritionists and especially trained nurses.

Heart Failure Treatment Center – Mechanical Heart Unit: Providing high level services to cardiovascular patients is the main concern of

IASO General clinic. Particular attention was given to the surgical treatment of heart failure (left and right ventricle support systems – Mechanical heart unit – ventriculoplasty etc.). The organized Unit for the Mechanical Support of the heart operating in the IASO General clinic is the first one in Greece. It includes 3 rooms especially designed and excellently equipped. This unit is staffed with physicians and nurses with a specialized training at the London Harefield Hospital, which closely cooperates with IASO General clinic in this area.

This IASO General unit cooperates with the Harefield Heart Surgery Center and the Center President, Professor Sir Magdi Yacoub. Until now and under the supervision of Sir Magdi Yacoub more than 15 operations have been performed, for the placement of mechanical heart, and the results, regarding the patient life expectancy, are much better than the international average. The presence of Sir Magdi Yacoub guarantees the high level of clinical and academic competence in the area of heart failure as well as the development of pioneering research programs in the areas of mechanical heart and natural repair of the heart muscle tissue.

Outpatient Department

All simple cases are tested and immediately treated. The following clinics operate:

- Internal Medicine
- Bleeding Tendency
- Rheumatology
- General Surgery
- Orthopedics
- Endocrinology / Diabetes – Metabolism

- Nephrology
- Gynecology
- Dermatology / Allergiology
- Urology
- Pneumonology
- Ophthalmology
- Cardiology
- ENT - Audiology
- Neurology – Neurophysiology
- Neurosurgery
- Gastroenterology – Endoscopy

Physical Therapy and Rehabilitation

The modern department of physical therapy and rehabilitation has a therapy pool, isokinetic machine, pelmatographer and the most modern technology for the treatment of myoskeletal diseases. It operates with specialized physiotherapists and state-of-the-art equipment for the treatment of cardiovascular and pulmonary diseases.

Emergency Care Unit

All patients requiring emergency medical and surgical care are treated immediately and effectively at the Emergency Care Unit, operating on a 24-hour basis. Simple cases, not requiring inpatient hospitalization, are also treated in this department. Authorized by the EKAV (Greek Emergency Care Center), ultra-modern IASO General. Ambulances have the equipment of an intensive care unit and are supported by specially trained personnel.

Diagnostic Laboratories

The diagnostic laboratories of the Clinic oper-





ate with specialized personnel, state-of the-art equipment and include the following departments:

Microbiology, Biochemistry, Hematology, Urinary chemistry, Immunology – Immune biology.

Anatomical Pathology – Immune Histochemistry.

Cytology

Radiology: The radiology department performs digital radiology, digital fluoroscopy examination, Bone Mass measurement, has Mammographic equipment, as well as C-arm (with cephalometry).

Computed Tomography: The department has a state-of-the-art multi-slice CT-scan unit which is suitable for providing highly accurate diagnostic examinations including calcium scoring, cardiac imaging.

Magnetic Resonance Imaging: With a state-of- the-art 1,5 Tesla MRI, the unit is appropriate for heart examination.

Ultrasound: Imaging of the upper and lower abdomen, vessels, gynecological, cardiological, ophthalmological, urological and endoscopic examinations.

Nuclear Medicine: In vivo laboratory using a dual head γ -camera appropriate for PET scans and in vitro examinations (RIA).





4

Medstem Services S.A.

The company Medstem Services S.A. is an affiliated company of IASO S.A. Among its activities, it derives income from shops operating in the Group clinics and operates a Placenta and Umbilical Cord Blood bank with the trade name «Cryobanks International Services Athens». Also, Medstem Services in cooperation with the National Bank of Greece, markets a new Visa credit card, My Club Card, with many privileges for its owners.

Cryobanks International Services Athens is active in the area of stem cell collection, processing, cryopreservation and storage. It is the Placenta and Umbilical Cord Blood bank with the best and most complete equipment in Greece, scientifically- and technologically-wise. Stem cells are stored in its lab, at the IASO clinic facilities, in Maroussi, in an area of 400 square meters.

Cryobanks International Services Athens operates according to the guidelines and under the control of one of the largest American banks, Cryobanks International, accredited by AABB (American Association of Blood Banks) and the FDA (Food and Drugs Administration) and supported by a large group of prominent scientists.

The company facilities and medical – technological equipment completely fulfill the European Union requirements regarding the operation of human tissue and cell banks and labs are designed for blood processing based on the strictest international standards. Procedures followed comply with the standards of one of the largest American banks, Cryobanks International and the European Union standards and ensure:

- Fully automated and aseptic procedures for the sample processing.
- Cell storage with specially formed two sub-chamber bags, providing the possibility to use only part of the blood, if required.
- Confidentiality protection
- Sample safety

The company medical and scientific personnel is appropriately specialized and experienced, with an experience acquired in the international research centers and American stem cell banks.

Valuable stem cells are now used to treat a constantly rising number of serious diseases and may be collected only once, immediately after a child is born.

Today, stem cells are used to treat many serious diseases e.g.:

- Various forms of leukemia
- Various forms of cancer
- Blood disorders
- Immune deficiencies

The potential uses of placenta and umbilical cord blood seem to be unlimited. Research shows that, in the future, stem cells may be used for the treatment of a number of diseases e.g.:

- Alzheimer's disease
- Parkinson's disease
- Cartilage and Bone Regeneration
- Diabetes mellitus
- Cardiovascular disease
- Liver disease





5

The Company Management

IASO Group is managed by the Board of Directors.
It's term expires on July 12th 2009.

Zolotas, Ioannis of Charalampos	Chairman
Petropoulos, Paraskevas of Panagiotis	1 st Vice-Chairman
Mitrou, Lampros of Theodoros	2 nd Vice-Chairman
Stamatiou, Georgios of Ioannis	Managing Director
Kanellopoulos, Konstantinos of Panagiotis	Managing Director
Triantafyllou, Ilias of Triantafillos	Managing Director
Trompoukis, Ioannis of Pandelis	Non Executive Member
Theofanakis, Panagiotis of Georgios	Non Executive Member
Zarkinos, Stylianos of Konstantinos	Non Executive Member
Cheilaris, Ilias of Georgios	Non Executive Member
Karamalakis, Dionysios of Georgios	Non Executive Member
Dimitrouleas, Spyridon of Eustratios	Independent Member
Petropoulos, Ilias of Filipimenos	Independent Member

6

Directors

IASO - GROUP

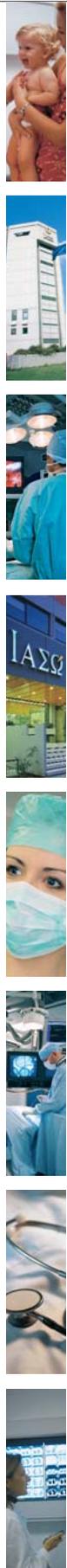
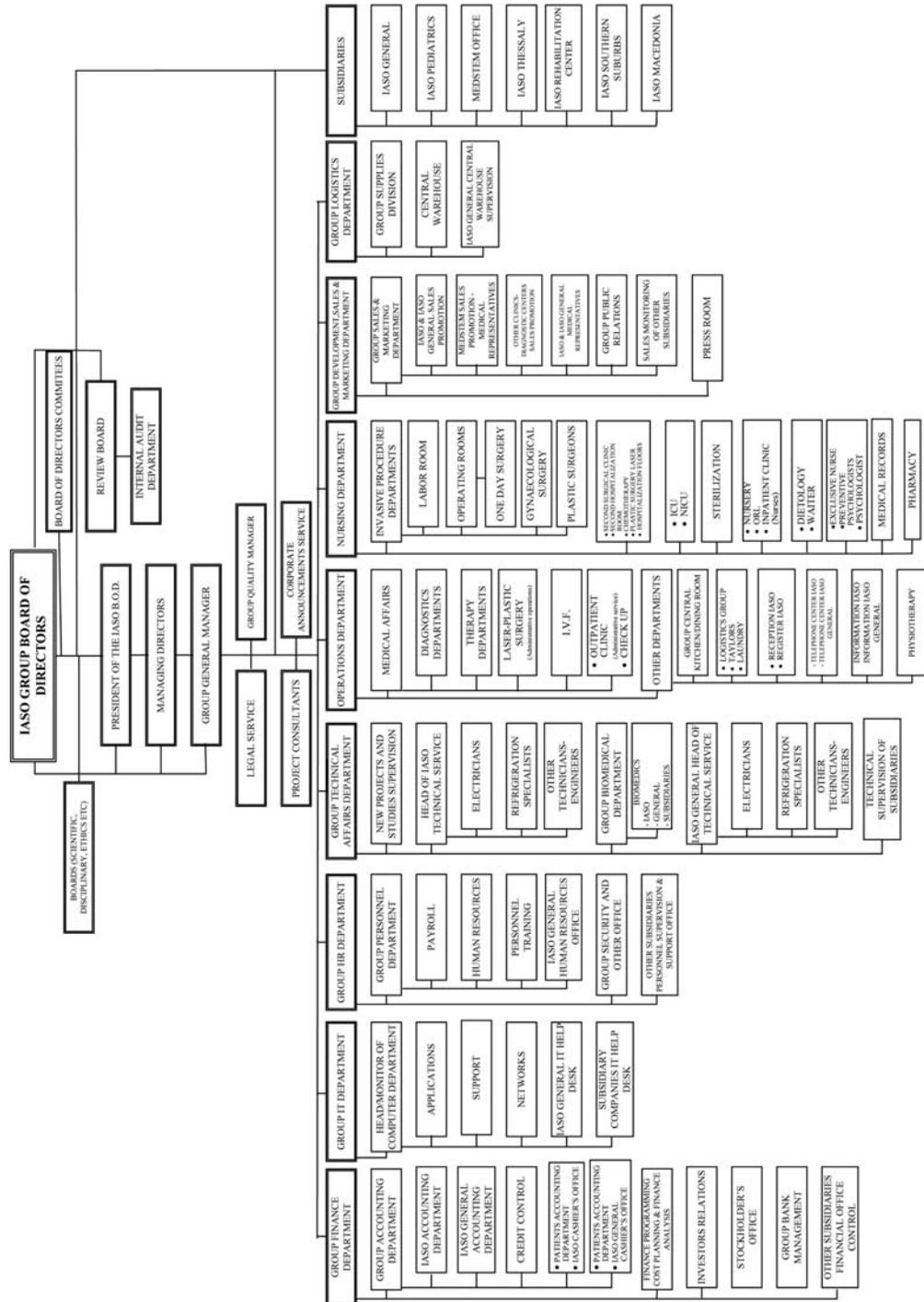
Takis Gianniris	Group C.E.O.
Konstantinos Lytras	Legal Consultant
Theano Skourti	Chief Audit Executive
Vassilis E. Anastassakis	Group Chief Financial Officer
Ourania Theologiti	Group IT Department Manager
Panagiotis S. Garis	Group Human Resources Director
Dimitris P. Mortoglou	Operations Director
Konstantinos Festas	Group Technical Manager
Maria Boutsini	Director of Nursing
Periclis Exarchos	Group Sales & Marketing Director
Dimitris P. Mortoglou	Group Logistics Manager

IASO General

Kyriakos Kopsidis	General Manager
Pantelis Maurokefalidis	M.A.V. Administration Manager
Maria Kotsopoulou	Director of Nursing
Georgios Karampalis	Attorney at Law



Our Organization



8

Our People

IASO Group, a rapidly developing and expanding health services organization, provides its employees a modern and creative environment, where they are able to succeed professionally.

IASO Group strongly believes in the development of its human resources, aiming at providing high level of health and hospitalization services. Thus, the most modern staff selection, training and utilization methods and techniques are implemented for the recruitment of new people in our hospital, while a constant effort is made to improve the organizational and administrative infrastructure and procedures.

Among the goals of the IASO Group Adminis-

tration is to attract and keep highly efficient company executives, with a modern professional mentality, to hire dynamic people who believe in team work, above all, however, to search for people able to share the values and the vision of the Group.

The steady and effective company growth in the area of health services is completely in line with the high quality services offered which depend on employees performance. A basic condition for the success of IASO is the existence of a corporate mentality, making possible for everyone in its staff to respond kindly, promptly and effectively to both customers and colleagues while, at the same time, to be interested in the constant improvement of their performance, the better use of their abilities and their own career progress.





The Company, therefore, considers that the training and education of its staff, is particularly important, and this is the reason why most of its employees have participated to training seminars on the latest methods applied regarding the operation of a hospital.





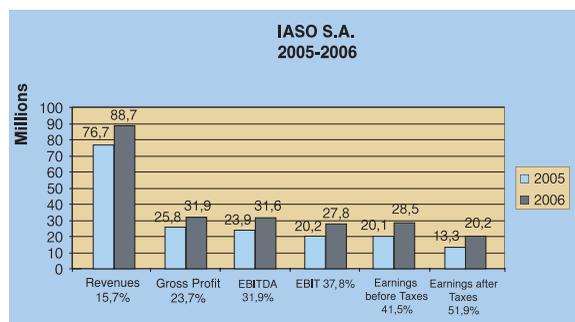
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Our Performance

2006 was a year of growth and further strengthening of the IASO Group. The spectacular improvement of our results emanates from the implementation of our development strategy, the preservation of profit margins to a very high level and the constant improvement of provided services, which remains at the top of our priorities.

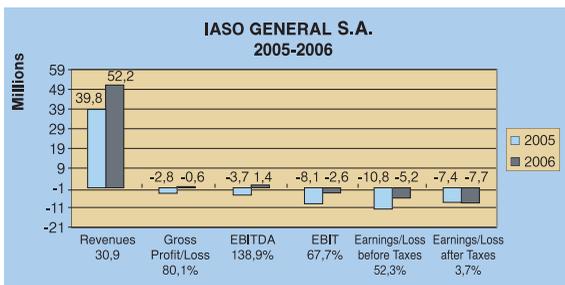
Regarding the Parent Company, turnover amounted to € 88,74 million compared to €76,68 million for the year 2005, which corresponds to an increase of 15,7%. Earnings before interest, taxes, depreciation, amortization (EBITDA) reached € 31,57 million for the year 2006 compared to € 23,94 million for the year 2005, which corresponds to an increase of 31,9%. The company pretax profit rose to € 28,50 million in the year 2006 compared to € 20,14 million for the previous year, which corresponds to an increase of 41,5%, while

after tax profit amounted to € 20,20 million compared to € 13,29 million for the corresponding time period of the year 2005, which corresponds to a rise of 51,9%. The chart below summarizes the above:



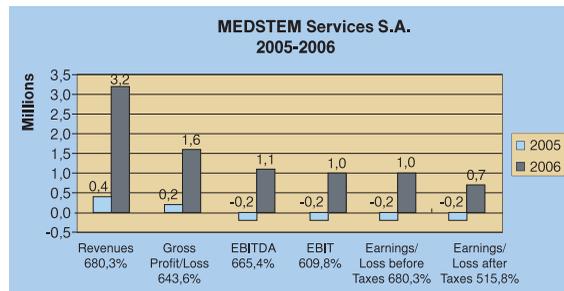
The figures for the subsidiary company IASO General S.A. also improved significantly during the year 2006. The turnover of this company amounted to € 52,17 million compared to € 39,85 million for the year 2005, which corresponds to an increase of 30,9%, while earnings before interest, taxes, depreciation,

amortization (EBITDA) reached € 1,44 million for the year 2006, compared to a loss of € 3,70 million for the year 2005. Pre-tax losses of the company was limited to € 5,15 million in 2006 compared to € 10,80 million for the previous year, which corresponds to an improvement of 52,3%, while after tax losses were slightly increased, rising to € 7,66 million compared to € 7,38 million for the corresponding period of the year 2005, which corresponds to a change by 3,7%. The chart below summarizes the above:

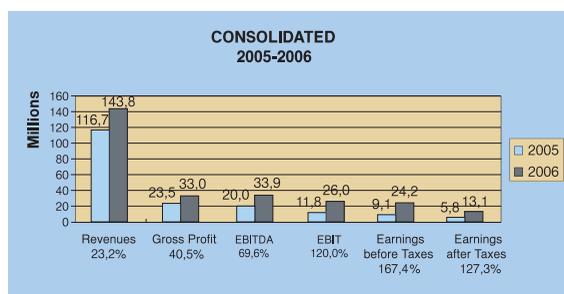


The figures of the subsidiary company MEDSTEM Services SA improved at an extraordinary pace, during the year 2006, which was the first year it operated in the innovative sector of stem cell processing and storage. Its turnover amounted to € 3,20 million compared to € 410,8 thousand for the year 2005, which corresponds to an increase by 680,3%, while earnings before interest, taxes, depreciation, amortization (EBITDA) rose to € 1,06 million for the year 2006 compared to losses of € 186,6 thousand in the year 2005, which corresponds to an increase of 665,4%. The pre-tax profit of the Company amounted to € 990,6 thousand in the year 2006 compared to losses of € 236,6 thousand for the previous year, which corresponds to an increase of 518,6%, while after tax profit increased significantly and rose to € 668,9 thousand compared to losses of € 160,9 thousand for the

corresponding time period of the year 2005, which corresponds to a change of 515,8%. The above mentioned is summarized in the chart below:



The Group's revenues increased significantly by 23,2%, during the year 2006, rising to € 143,84 million compared to € 116,74 million in the year 2005, while earnings before interest, taxes, depreciation, amortization (EBITDA) amounted to € 33,86 million for the year 2006 compared to €19,96 million for the respective period of the year 2005, which corresponds to an increase of 69,6%. The Group pretax profit rose to € 24,20 million compared to € 9,05 million in the year 2005, which corresponds to an increase by 167,4%, while after tax and minority rights profit amount to € 13,10 million for the year 2006 compared to € 5,76 million for the previous year, which corresponds to an increase of 127,3%. The above mentioned is summarized in the chart below:





The excellent results of both the Group and the Parent Company are depicted in the table below, which includes some basic financial ratios:

	IASO		CONSOLIDATED	
	2005	2006	2005	2006
Return On Equity (ROE)	8%	11%	4%	9%
Return On Assets (ROA)	6%	9%	2%	5%
Net Profit Margin	26%	32%	8%	17%
Gross Profit Margin	34%	36%	20%	23%
Earnings Per Share (EPS)	0,30	0,46	0,13	0,30

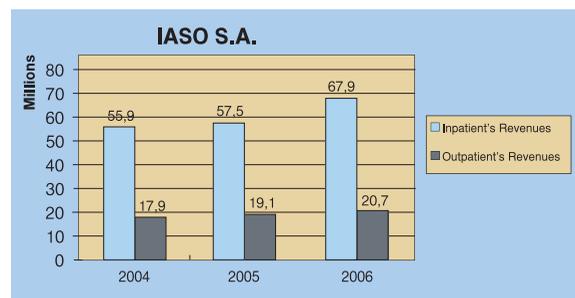
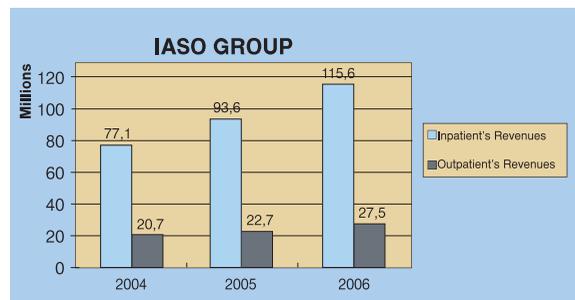
The Group's revenues mainly emanates from two sources of income:

- (a) Income from inpatients, including the provision of hospital and surgical services in the Group clinics.
- (b) Income from outpatients, including the provision of Diagnostic and Therapeutic services, by the Group hospitals, including, income from the collection and processing of placenta cord and umbilical blood and the storage of neonatal stem cells.

At Group level, the inpatient income is 80,4% of total income, while outpatients contribute 19,1% of the income that comes from patients. The composition of the Parent Company revenues is similar, with the inpatients contributing a percentage of 76,6% and outpatients a percentage of 23,3% on the total income that comes from patients.

The charts below show the evolution of income

originating from inpatients and outpatients, for the Group and the Parent Company, during the last three years.







10

The Healthcare Sector and the position IASO S.A.

The growth rate of the healthcare sector continued at a rapid pace during the year 2006 as well. The framework of the sector growth is influenced by a series of regulatory, technological, demographic but also purely business factors. In particular:

- The favorable institutional framework for the expansion or establishment of new specialized units
- The introduction of new medical diagnostic, surgical and therapeutic methods
- The increase of private healthcare insurance contracts
- The inelastic demand for healthcare services
- The rise in living standards
- Population aging
- Announcements made by the government regarding the encouragement of partnerships between the public and the private sector (PPPS)
- The level of public hospital services. Potential deficiencies in the management,

the organization, and the operation of public hospitals (obstacles presented by bureaucracy and long waiting lists, hospitalization conditions, deficient material, technical infrastructure and hotel services, insufficiency of medical and hospital personnel etc) favor the development of the private healthcare sector.

- The observed cutback in Public health expenditure in most European countries during the last 5 years creates a trend that we think is very likely to be adopted by Greece as well. Therefore, any change in the healthcare market will be sufficiently beneficial for well organized units.

The largest companies of the sector based their strategy on the following important axes:

Geographic Coverage: network expansion both inside and outside Attica, due to the fact that provision of healthcare services in areas other than Athens and Salonica is limited and





of low quality. 58,7% of private clinics and 77,3% of available private beds are located in the markets of Athens and Salonica.

Increase of the Number of Services Provided: Expansion of activities aiming at providing a full range of diagnostic and treatment services.

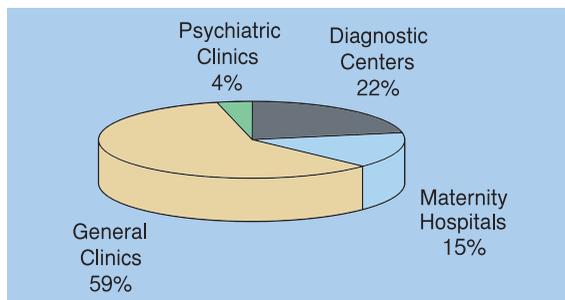
Technological & Scientific Development: The acquisition of ultramodern equipment, the conclusion of strategic partnerships with international research organizations, the implementation of pioneering prophylactic, diagnostic and therapeutic methods.

Specialized Personnel: Selection of specialized and appropriately trained medical – scientific and nurse personnel.

Cooperation with insurance companies and insurance funds: in order to cover the hospital expenses of a larger number of patients, emphasizing the re-planning of benefits.

Partnerships with other companies of the sector, domestic or foreign.

The market size of private healthcare sector in the year 2005 was € 1.321 million (ICAP, 2006) and is analyzed as follows:



Source: Greek National Statistics Service (ESYE)

The average growth rate for the period 1997-2005 was 12,7% (ICAP,2006) and despite the fact that there are no published data regarding the growth rate for the year 2006, our own estimate, based on financial data published by the largest companies of the sector, is that the sector growth rate will be higher than the current average.

The IASO Group market share was 11,3% for the year 2005 (ICAP,2006), which ranks the group as the 3rd largest healthcare services group, despite the low overall participation of maternity clinics in the market. The IASO Maternity Hospital is steadily ranked as the number one clinic among Maternity – Gynecological clinics, based on its market share and the profitability ratios.

The stable and profitable strategy of IASO Group, combined with the trust of its customers, the dedication of its physicians and other personnel, allow us to believe that we will achieve our long term goals both quantity as well as quality wise.





11

Corporate Social Responsibility

In our mind, Medicine is closely connected with the improvement of the quality of human life. Making a contribution to the society in which we operate and grow is an essential aspect of our mission.

We support activities aiming at raising awareness, informing, and training the public regarding prevention and timely diagnosis. We also let our actions speak in aiding sensitive social groups, by providing them with free examinations and medical and pharmaceutical treatment. Specifically, IASO:

- Provides free delivery to women who have many children.
- Provides free delivery, medical examinations and medical and pharmaceutical supplies to people living at borderland areas.
- It sponsors the building of, and actively supports, the Guest House for Abused

Women and Children of the Non Governmental Organisation 'Alilegyi' (meaning 'solidarity') of the Church of Greece.

- Provides humanitarian aid to the children of Africa in cooperation with the Patriarchate of Alexandria, Egypt.
- Participates in the medical missions of the international organization 'Chain of Hope' to Mozambique.

In the framework of its social policy, and believing that full cooperation between the public and the private sector will help deal effectively with major problems, as for instance the deficiency of intensive care rooms, IASO has established a cooperation with the Ministry of Health and Welfare, for the hospitalization of newborns in the Intensive Care Unit of the clinic, at special prices covered by insurance funds.





12

Scientific Distinctions

Our priority is to promote medical science, beyond national borders. For this reason, IASO has already contracted partnerships with top hospitals worldwide and has ensured its participation in a number of pioneering research programs.

A typical example is the participation of IASO General Hospital in the research performed in Harefield hospital, under the auspices of the Imperial College of London, for treating heart failure with incorporated L.VAD and non-transplant surgical options. At the clinic, which has been licensed by KESY for the materialization of mechanical heart implant surgery, more than 15 such surgical operations have already taken place, providing the final solution to heart deficiency (Destination Therapy,) or a solution aiming at the treatment of the ailing cardiac muscle (Recovery).

IASO General is a pioneer, especially in the area of research, with the establishment of an Ethics Review Board, thus fully implementing for the first time in Greece, the strictest specifications for ensuring the quality of services provided. The IASO General Ethics Review Board operates in compliance with the same standards of the corresponding Harefield NHS Trust, Brompton, and the National Cardio-pulmonary Institute of the United Kingdom Committees Boards, based on the Helsinki Declaration and the Oviento Accord concerning human rights and Biomedical Ethics, the directives on practice of the Ethics Committees in Medical Research involving Human Subjects, 3rd Edition (1996), the Royal College of Physicians of London, the various directives of the Ministry of Health, the Medical College and the European Union, as well as all related legislation.

Several departments of the IASO clinic and the IASO General Hospital cooperate in many ways with the corresponding departments of top hospital organizations abroad. IASO participates in programs for updating research personnel, on the topic: a) "Phenotypical and functional identification of cellular sub-populations in amniotic fluid. Search for archetypical cells in order for them to be used for fetal tissue bioengineering" and b) "Study of the impact of a high fat diet on growth, on the normal maturation of the reproductive system and the central nervous system". It also participates in many other programs covering a wide range of medical research topics.

IASO provides its physicians and scientific personnel the possibility to remain constantly updated on the major developments in medical science by organizing lectures and seminars with the participation of highly respected Greek and international scientists.

IASO is a member of the following International Organizations:

- The American Hospital Association International
- The Society for Quality Assurance in Healthcare
- The International Hospital Federation
- The European Healthcare Management Association
- The Hellenic Hospital Association
- The Institute for Social & Preventive Medicine





13

Goals and Perspectives

Acknowledging that the maternity and gynecology part of our activities is the cornerstone of the Group activities, our growth strategy provides for the following:

- Further strengthening of the group's leading position in its basic activity with the establishment and operation of a 2nd Maternity- Gynecological Clinic in the area of Piraeus fulfilling the needs of that area.
- Geographic expansion of the group outside the Attica prefecture. In particular, the second phase of the construction of the IASO Thessalias SA building has been contracted.
- Expansion and strengthening of the Group position by covering the full spectrum of healthcare services for the entire family (IASO General, MEDSTEM Services, Pediatrics)
- Selective investments in areas of strategic

interest having the potential of deriving synergies.

As far as new activities are concerned, the optimum development strategy with the establishment of a new unit or with the buying out and upgrade of existing units will be evaluated on a case by case basis.

The primary and most important factor leading to success and the establishment in the minds of patients as a credible, efficient and high quality healthcare provider, is the constant but selective renewal of cooperation agreements with distinguished physicians, that have completed top academic studies. As a result, attracting new partner physicians, with the above – mentioned characteristics, is our permanent goal and top priority. In addition, the constant improvement and upgrade of services





provided is our next most important goal. The achievement of this goal is based on: 1) continuous scientific and professional training of all partners, Physicians, Medical and Administrative personnel, 2) provision of innovative services with ultramodern and state of the art biomedical equipment and 3) usage to the greatest extent of our equipment and facilities.

As part of reaching the above-mentioned goals during the past year, we expanded the neonatal intensive care unit and modernized the IASO SA ultrasound diagnostic equipment. Also, in IASO General, we made all the necessary preparations for: a) The set up of an artificial kidney unit, which started operating in January 2007 and b) the new physiotherapy unit which is expected to start operating in April. The stem cell bank of MEDSTEM Services S.A. has been in full operation since early 2006. This is a pioneering unit in Greece and the only one providing the possibility to process and store samples in its facilities.

In March 2006, the 3rd increase of the IASO Thessalias S.A. share capital was completed with local doctors participating with 28%. In December 2006 the building frame was completed, while during the First Quarter of 2007 the 4th increase of share capital was successfully completed with local doctors increasing the percentage of their participation to 40%. At the same time, as already mentioned, a contract for completing the building complex was signed.

The accreditation of the IASO SA central labs according to the ISO 9001 standards is also

important, confirming the high quality of the services provided by the group in this area.

In 2006 we also proceeded with the issuance of a Visa credit card "My Club Card", in cooperation with the National Bank of Greece and a broad network of businesses, offering competitive benefits to its owners. Benefits and advantages offered to the card owners in the IASO group clinics include: interest free instalments, discounts in a series of diagnostic tests, free Check-up as well as other health-care benefits. In an effort to promote the card issuance we distribute, free of charge, the magazine "My Life" to the card owners, which contains articles of both medical and general interest so as to improve the awareness and familiarization of our clients.

In June of this year, it is expected that the 1st increase of the IASO Southern Suburbs share capital by € 10.000.000 will be completed, with participation of local Physicians that have expressed a keen interest.

We strongly believe that the participation of Doctors in the equity position of the group companies is a catalyzing factor in achieving the "Operational Excellence" of each clinic, in increasing the level of satisfaction of our clients – patients, and maximizing the profitability of our investments.

To achieve this goal, the IASO SA Board of Directors has decided to include in the discussion topics of the extraordinary general meeting of 14.03.2007, which has been postponed for 11.04.2007, the increase of share capital, with cash payment and the pre-emption rights of the existing shareholders. It is

proposed that these stocks will be offered on favorable terms to young Physicians – Partners.

As part of our constant efforts to improve the process of planning the strategic growth of the Group, the Parent Company’s Board of Directors has assigned to a well known and prominent consulting company the preparation of a business development plan and a study that will show how to further improve the existing operations.





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Stock Market Data

During its entry in the Athens Primary Stock Exchange on May 25th 2000, the Company issued 45.231.000 shares (registered common stock). They started being traded on June 9th 2000.

In 2002, following a proposal by the company's Board of Directors, in the Annual Shareholders' Meeting on 25.05.2002, it was decided to pay back 0,52 € per share from the company's reserves. In 2003, in the Annual Shareholders' Meeting on 21.05.2003, it was decided to pay back 0,54 € per share. Furthermore, during the Extraordinary Shareholders' Meeting on 17.12.2003, the company decided to reduce its common stock capital by canceling 311.010 own shares. In the year 2004, following the decision of the Extraordinary Shareholders' Meeting on 17.12.2004, which was approved by the pertinent stock exchange and supervising authorities, the company

common stock capital was again reduced by 1.072.502,30 € with the cancellation and deletion of 844.490 own shares. It was also decided to pay back 0,34 € per share. In 2006, the Annual Shareholders' Meeting on 30.06.2006, decided to increase the company stock capital by 26.445.300,00 € with the capitalization of an amount of 26.445.300,00 €, from retained earnings of previous financial years and a respective increase of the stock's nominal value from 0,93 € to 1,53 €.

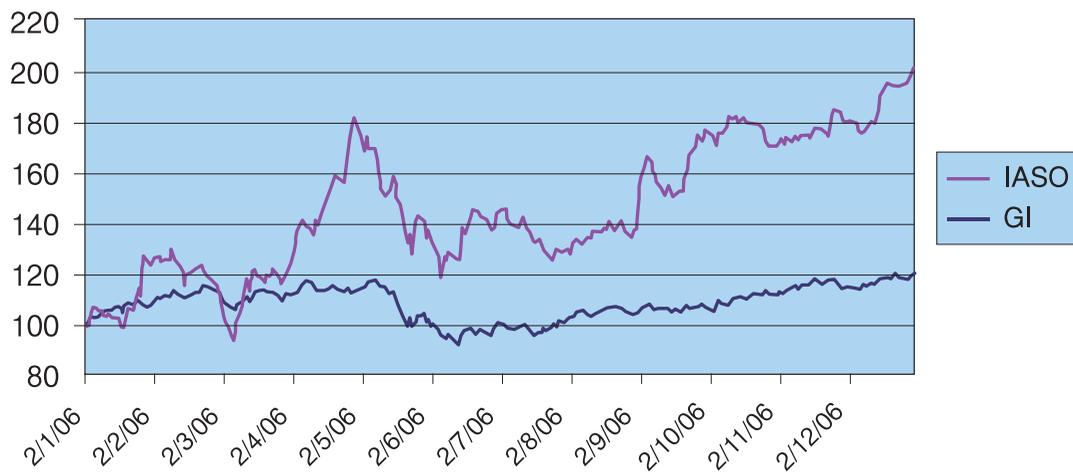
As a result of the above, starting with August 8th 2006, the company shareholders' capital amounts to 67.435.515,00 € distributed in 44.075.500 registered common shares, with a nominal value of 1,53 €.

In 2006, the total transactions amounted to approximately 153,4 million €.

The average value of the stock for the period of 02.01.2006 to 29.12.2006 was € 5,6 per share, while the average market capitalization of the Company was € 247,24 million. During 2006, a total of 27.339.221 of IASO shares were traded, i.e., 62,03% of the total number of IASO shares.

The closing price of the Company shares in the stock exchange on the last trading session of 2006 was 7,72 €. This is an increase of 101,04% compared to the closing price of the

first trading session of 2006. The following chart shows a comparison of the Company's share price to the General Athens Stock Exchange Index for the period of 02.01.2006 to 29.12.2006. During this period the Index rose by 19,95%. Prices have been converted to an index (base equals 100, starting date first trading session of the year i.e., 02.01.2006).



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of IASO S.A.

Report on the Financial Statements

We have audited the accompanying financial statements of IASO S.A. (the "Company"), which comprise the balance sheet as at December 31st 2006, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union (EU). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31st 2006, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU).

Without qualifying our opinion, we draw attention to:

a) Note 19 in the Notes on the financial statements, where reference is made to the fact that the tax returns of the parent company for the years 2003 to 2006 and those of the subsidiaries "IASO MACEDONIAS GROUP OF NORTHERN GREECE S.A.", "MODERN MULTIFUNCTIONAL REHABILITATION-RESTORATION CENTER S.A.", and "IASO OF SOUTHERN SUBURBS GENERAL CLINIC – PRIVATE OBSTETRICS S.A." for the years 2003 to 2006, those of the subsidiary "IASO GENERAL CLINIC OF HOLARGOS S.A." for the years 2002 to 2006, while those of the subsidiaries "IASO PEDIATRICS S.A.", "MEDSTEM SERVICES S.A." and "IASO THESSALIAS GENERAL CLINIC – PRIVATE OBSTETRICS S.A." for the years from their inception to 2006, have not been examined by the tax authorities as yet and, as a consequence, the possibility exists of additional taxes and penalties being assessed at the time when the returns will be examined and will be accepted as final. The outcome of these tax inspections cannot be predicted at present and, therefore, no provision has been made in these financial statements in this respect.

b) Note 15 in the Notes on the financial statements, where reference is made to the fact that, there are third party lawsuits against the Company and the Group for indemnities totalling € 9.300 thousands and € 14.000 thousands, respectively, which are pending at court. The Legal Advisor of the Company and of the Group is not able at this stage to express an opinion concerning the final outcome of these lawsuits, given that the preliminary hearing is a procedure found in progress and, therefore, no provision has been made in these financial statements in this respect.

Report on Other Legal and Regulatory Requirements

The content of the Report of the Board of Directors is consistent with the aforementioned financial statements.

Athens, 26th of March 2007

Certified Public Accountant Auditor

KONSTANTINOS P. PETROYIANNIS
SOEL Reg. No. 11991



Balance sheet of the Group and the Company as at 31/12/2006

ASSETS	Note	THE GROUP	THE GROUP	THE COMPANY	THE COMPANY
		31/12/2006	31/12/2005	31/12/2006	31/12/2005
Non-current assets					
Property, plant and equipment	6	211.251.555,22	209.278.193,46	112.247.194,87	113.655.613,42
Investment property		0,00	0,00	0,00	0,00
Goodwill		0,00	0,00	0,00	0,00
Intangible assets	7	1.661.575,43	1.867.748,87	985.136,82	1.060.132,71
Investments in subsidiaries	8.1	0,00	0,00	86.293.879,18	83.312.675,18
Investments in associates		0,00	0,00	0,00	0,00
Deferred income tax assets	19	9.478.888,34	12.179.863,45	0,00	0,00
Available-for-sale financial assets		0,00	0,00	0,00	0,00
Finance leases-receivables		0,00	0,00	0,00	0,00
Derivatives		0,00	0,00	0,00	0,00
Other long-term receivables	25	310.573,21	127.707,22	75.413,56	74.545,96
		222.702.592,20	223.453.513,00	199.601.624,43	198.102.967,27
Current assets					
Inventories	12	4.460.597,09	4.395.640,59	2.281.290,55	2.281.463,52
Trade receivables	11	19.578.560,52	12.069.137,55	3.370.817,69	2.954.744,55
Other receivables	11	8.410.427,60	7.514.938,24	10.511.243,98	8.141.650,24
Finance leases-receivables		0,00	0,00	0,00	0,00
Construction contracts		0,00	0,00	0,00	0,00
Available-for-sale financial assets	9	1.122.802,64	3.897.802,64	1.122.802,64	1.122.802,64
Derivatives		0,00	0,00	0,00	0,00
Other financial assets at fair value through profit or loss	10	2.382.557,31	1.267.389,56	2.382.557,31	1.267.389,56
Cash and cash equivalents	13	10.118.505,65	6.583.030,33	6.126.909,08	4.133.391,91
		46.073.450,81	35.727.938,91	25.795.621,25	19.901.442,42
TOTAL ASSETS		268.776.043,01	259.181.451,91	225.397.245,68	218.004.409,69
LIABILITIES					
EQUITY					
Share capital (44.075.500 shares x 1,53 €)	24	67.435.515,00	40.990.215,00	67.435.515,00	40.990.215,00
Share premium account	24	42.525.668,15	42.525.668,15	42.525.668,15	42.525.668,15
Reserves at fair value	29	64.591.565,30	64.591.930,69	41.126.024,42	41.126.024,42
Other reserves	29	4.834.959,04	4.169.704,83	4.373.748,28	3.708.859,46
Reserves for translation of Balance Sheet		0,00	0,00	0,00	0,00
Retained earnings		-31.359.254,14	-9.059.687,02	32.742.512,03	48.462.003,45
Total equity of Company's equity holders		148.028.453,35	143.217.831,65	188.203.467,88	176.812.770,48
Minority interest	8.1	2.442.216,73	1.633.619,94	0,00	0,00
Total equity		150.470.670,08	144.851.451,59	188.203.467,88	176.812.770,48

LIABILITIES	Note	THE GROUP	THE GROUP	THE COMPANY	THE COMPANY
		31/12/2006	31/12/2005	31/12/2006	31/12/2005
Non-current liabilities					
Borrowings	14	51.000.000,00	55.300.000,00	8.000.000,00	10.800.000,00
Derivative financial assets		0,00	0,00	0,00	0,00
Deferred income tax liabilities	19	0,00	0,00	4.195.826,72	4.142.531,49
Finance lease obligations		0,00	0,00	0,00	0,00
Retirement benefit obligations	16	3.805.322,55	3.051.120,27	2.271.636,74	1.873.325,56
Other non-current liabilities	26	1.289.715,51	116.992,36	60.498,46	108.535,48
Other non-current provisions	27	492.395,04	331.465,22	492.395,04	331.465,22
		56.587.433,10	58.799.577,85	15.020.356,96	17.255.857,75
Current liabilities					
Trade and other payables	15	37.255.833,75	29.256.441,90	11.160.424,92	12.581.583,60
Finance lease obligations		0,00	0,00	0,00	0,00
Current income tax liabilities	19	8.314.515,11	6.554.197,86	8.212.995,92	6.554.197,86
Short-term borrowings	14	16.147.590,97	19.719.782,71	2.800.000,00	4.800.000,00
Derivative financial assets		0,00	0,00	0,00	0,00
Provisions and other liabilities		0,00	0,00	0,00	0,00
		61.717.939,83	55.530.422,47	22.173.420,84	23.935.781,46
Total Liabilities		118.305.372,93	114.330.000,32	37.193.777,80	41.191.639,21
Total Equity and Liabilities		268.776.043,01	259.181.451,91	225.397.245,68	218.004.409,69

Income Statement of the Group and the Company as at 31/12/2006

INCOME STATEMENT OF THE GROUP FOR THE FISCAL PERIOD 01/01 - 31/12/2006

	Note	THE GROUP		THE GROUP	
		1/10-31/12/2006	1/1- 31/12/2006	1/10-31/12/2005	1/1- 31/12/2005
Sales	5	38.072.388,90	143.841.344,37	31.750.390,29	116.744.465,41
Cost of sales	22	28.167.625,96	110.825.432,62	24.653.730,26	93.238.382,59
Gross profit		9.904.762,94	33.015.911,75	7.096.660,03	23.506.082,82
Other operating income	17	217.500,46	973.326,86	323.014,82	827.429,77
Administrative expenses	22	-1.121.412,89	-4.284.604,59	-3.310.376,63	-11.040.259,45
Selling and marketing costs	22	-935.023,55	-3.373.096,34	-646.729,48	-1.211.068,15
Other operating expenses	28	-14.052,67	-359.356,11	212.256,25	-278.845,27
Earnings before taxes, financing, investing results and depreciation - amortization (EBITDA)		10.090.312,25	33.867.314,47	5.748.948,03	19.966.839,58
Amortization – Depreciation	6,7,22	-2.038.537,96	-7.895.132,90	-2.074.123,04	-8.163.499,86
Earnings before taxes, financing, investing results (EBIT)		8.051.774,29	25.972.181,57	3.674.824,99	11.803.339,72
Finance costs – profit	18	749.874,70	1.561.855,25	379.519,41	791.131,91
Finance costs – expenses	18	-1.012.223,73	-3.325.265,28	-958.214,17	-3.542.324,90
Other finance results		0,00	0,00	0,00	0,00
Profit/loss from associates		0,00	0,00	0,00	0,00
Profit before taxes		7.789.425,26	24.208.771,54	3.096.130,23	9.052.146,73
Income tax expense	19	-5.053.879,80	-11.101.489,05	-1.305.568,11	-3.285.957,57
Profit for the period after taxes		2.735.545,46	13.107.282,49	1.790.562,12	5.766.189,16
Attributable to:					
Equity holders of the Company	20	2.867.921,31	13.429.210,12	1.868.349,32	6.075.151,14
Minority interest (loss)		-132.375,85	-321.927,63	-77.787,19	-308.961,98
Earnings after taxes per share – basic (expressed in €)	20	0,0651	0,3047	0,0424	0,1378

INCOME STATEMENT OF THE COMPANY FOR THE FISCAL PERIOD 01/01 - 31/12/2006

	Note	THE COMPANY		THE COMPANY	
		1/10-31/12/2006	1/1- 31/12/2006	1/10-31/12/2005	1/1-31/12/2005
Sales	5	23.138.859,25	88.744.579,60	20.718.620,30	76.681.334,96
Cost of sales	22	14.330.538,60	56.870.194,65	13.484.445,62	50.909.431,57
Gross profit		8.808.320,65	31.874.384,95	7.234.174,68	25.771.903,39
Other operating income	17	273.931,39	871.033,47	265.632,43	776.814,31
Administrative expenses	22	-811.864,49	-2.942.729,44	-1.652.795,39	-5.509.054,33
Selling and marketing costs	22	-550.166,58	-1.948.492,06	-240.217,20	-804.555,87
Other operating expenses	28	-5.126,25	-74.130,35	-7.845,95	-75.077,57
Earnings before taxes, financing, investing results and depreciation - amortization (EBITDA)		8.735.958,45	31.577.925,09	6.573.809,31	23.941.329,48
Amortization – Depreciation	6,7,22	-1.020.863,73	-3.797.858,52	-974.860,74	-3.781.299,55
Earnings before taxes, financing, investing results (EBIT)		7.715.094,72	27.780.066,57	5.598.948,57	20.160.029,93
Finance costs – profit	18	692.800,01	1.419.391,43	344.736,80	702.849,97
Finance costs – expenses	18	-170.115,76	-695.005,77	-160.166,77	-713.441,13
Other finance results		0,00	0,00	0,00	0,00
Profit/loss from associates		0,00	0,00	0,00	0,00
Profit before taxes		8.237.778,97	28.504.452,23	5.783.518,60	20.149.438,77
Income tax expense	19	-2.388.955,90	-8.298.654,83	-2.227.492,81	-6.851.662,28
Profit for the period after taxes		5.848.823,07	20.205.797,40	3.556.025,79	13.297.776,49
Attributable to:					
Equity holders of the Company	20	5.848.823,07	20.205.797,40	3.556.025,79	13.297.776,49
Minority interest (loss)		0,00	0,00	0,00	0,00
Earnings after taxes per share – basic (expressed in €)	20	0,1327	0,4584	0,0807	0,3017

Cash Flow Statement of the Group and the Company as at 31/12/2006

	THE GROUP		THE COMPANY	
	1/1-31/12/2006	1/1-31/12/2005	1/1-31/12/2006	1/1-31/12/2005
Cash Flows from Operating Activities				
Profit for the period	24.208.771,54	9.052.146,73	28.504.452,23	20.149.438,77
Adjustments to profit	13.559.692,36	13.502.452,62	4.180.154,50	4.824.256,55
	37.768.463,90	22.554.599,35	32.684.606,73	24.973.695,32
Adjustments of working capital				
Increase/(decrease) inventories	-64.956,50	476.086,52	172,97	60.272,94
Increase/(decrease) receivables	-9.595.664,98	-9.070.133,57	-2.991.293,70	-2.932.458,43
Increase/(decrease) of other current assets	-602.547,71	29.267,33	0,00	-597.185,84
Increase/(decrease) of payable accounts	8.195.591,20	-29.690.657,06	-1.421.160,46	1.302.577,12
Outflow of provisions	0,00	-410,38	0,00	0,00
	-2.067.577,99	-38.255.847,16	-4.412.281,19	-2.166.794,21
Net cash generated from operating activities	35.700.885,91	-15.701.247,81	28.272.325,54	22.806.901,11
Cash flows from operating Activities				
Interest paid	-3.081.894,55	-3.542.324,90	-694.443,30	-713.441,13
Income tax paid	-6.842.815,59	-6.628.662,03	-6.789.180,44	-6.581.272,88
Net cash generated from Operating Activities (A)	25.776.175,77	-25.872.234,74	20.788.701,80	15.512.187,10
Cash flows from Investing Activities				
Purchase of property, plant and equipment (PPE)	-9.750.688,84	-11.817.377,36	-2.900.386,16	-8.720.324,29
Purchases of intangible assets	-157.982,23	-13.048,78	-103.953,64	-11.019,23
Disposal of PPE	206.230,99	9.592,02	658.119,36	10.005,07
Purchases of Available-for-sale financial assets	775.000,00	-2.775.000,00	0,00	0,00
Purchases of financial assets at fair value through profit or loss	0,00	-51.274,16	-3.155.706,00	-51.274,16
Adjustment of derivative financial assets	0,00	0,00	0,00	0,00
Disposal of available-for-sale financial assets	2.000.000,00	0,00	0,00	0,00
Disposal of financial assets at fair value through profit or loss	0,00	0,00	174.502,00	0,00
Interest received	446.687,50	341.996,95	304.223,68	253.715,01
Proceeds from repayments of borrowings from related parties	0,00	0,00	0,00	0,00
Proceeds from grants	0,00	40.253,94	0,00	40.253,94
Net cash generated from Investing Activities (B)	-6.480.752,58	-14.264.857,39	-5.023.200,76	-8.478.643,66

	THE GROUP		THE COMPANY	
	1/1-31/12/2006	1/1-31/12/2005	1/1-31/12/2006	1/1-31/12/2005
Cash Flows from Financing Activities				
Increase/Decrease of share capital	1.327.036,00	-14.717.898,12	0,00	-14.865.333,52
Disposal of treasury shares	0,00	0,00	0,00	0,00
Dividends paid to Company's shareholders	-8.971.983,87	-4.324.123,69	-8.971.983,87	-4.324.123,69
Raised borrowings	435.000,00	45.100.000,00	0,00	0,00
Repayments of borrowings	-8.550.000,00	-3.615.651,02	-4.800.000,00	-2.015.651,02
Payments of finance lease capital	0,00	0,00	0,00	0,00
Net cash generated from Financing Activities (C)	-15.759.947,87	22.442.327,17	-13.771.983,87	-21.205.108,23
Net (decrease) / increase in cash and cash equivalents (A+B+C)	3.535.475,32	-17.694.764,96	1.993.517,17	-14.171.564,79
Cash and cash equivalents				
at beginning of period	6.583.030,33	24.277.795,29	4.133.391,91	18.304.956,70
Cash and cash equivalents at end of period	10.118.505,65	6.583.030,33	6.126.909,08	4.133.391,91

Statement of Changes in Equity of the Group and the Company as at 31/12/2006

	THE GROUP		THE COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Net equity of period Opening Balance (1/1/2006 and 1/1/2005 respectively)	144.851.451,59	143.345.377,03	176.812.770,48	167.922.543,99
Profit/(Loss) for the period after taxes	13.107.282,49	5.766.189,16	20.205.797,40	13.297.776,49
	157.958.734,08	149.111.566,19	197.018.567,88	181.220.320,48
Increase/Decrease of share capital	0,00	0,00	0,00	0,00
Dividends distributed	-8.815.100,00	-4.407.550,00	-8.815.100,00	-4.407.550,00
Net income/(expense) recognised directly in equity	0,00	147.435,40	0,00	0,00
Increase/Decrease of share capital of subsidiary company	1.327.036,00	0,00	0,00	0,00
Net equity of period Closing Balance (31/12/2006 and 31/12/2005 respectively)	150.470.670,08	144.851.451,59	188.203.467,88	176.812.770,48



Notes to the Annual Financial Statements as at 31.12.2006

1. General information

The company "IASO S.A." OBSTETRICS GYNECOLOGY SURGERY DIAGNOSTIC THERAPEUTIC AND RESEARCH CENTER ("the Company") and its subsidiaries

1. IASO GENERAL CLINIC OF HOLARGOS S.A.
2. IASO MACEDONIAS GROUP OF NORTHERN GREECE S.A.
3. IASO OF SOUTHERN SUBURBS GENERAL CLINIC – PRIVATE OBSTETRICS S.A.
4. MODERN MULTIFUNCTIONAL REHABILITATION-RESTORATION CENTER S.A.
5. IASO PEDIATRICS S.A.
6. MEDSTEM HEALTH SUPPORT SERVICES S.A.
7. IASO THESSALIAS GENERAL CLINIC – PRIVATE OBSTETRICS S.A.

(hereunder the Group) are engaged in providing health services.

The company "IASO S.A." OBSTETRICS GYNECOLOGY SURGERY DIAGNOSTIC THERAPEUTIC AND RESEARCH CENTER, is a Société Anonyme (S.A.) and is listed on the Athens Stock Exchange. The address of its registered office is in Maroussi, 37 – 39, Kifisias Avenue, and its website address is www.iaso.gr.

These Annual Financial Statements of 31.12.2006 have been approved by the Board of Directors on 16.03.2007.

2. Summary of significant accounting policies

2.1 Basis of preparation of the financial statements

The accounting policies and methods of calculation applied for the annual financial statements are the same to those applied for the preparation of the audited annual financial statements for the years ended on December 31st 2003 and December 31st 2004 besides the accounting policies mentioned below. In the year 2003 and 2004 the International Accounting Standards Board (IASB) issued a series of new International Financial Reporting Standards (IFRS) and revised the International Accounting Standards (IAS), which in combination with the existing un-revised standards issued by the International Accounting Standards Committee (IASC –International Accounting Standards Board IASB), are referred to as "The IFRS Stable Platform 2005".

The Group adopts "The IFRS Stable Platform 2005" from January 1st 2005.

Adoption of IAS No. 1 (Revised 2003)

The application of the IAS 1 (revised 2003) lead to the reform of the presentation of the financial statements. The minority interests are presented henceforth in a separate row in the items of the Net Equity. Profit and loss attributable to the minority shareholders and those attributable to the Company's equity holders are presented henceforth as allocation of the net result for the period.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and exercise of judgement in the process of applying the following accounting policies.

The financial statements of the parent company and its subsidiaries have been prepared under the historical cost convention, besides land and buildings, which have been measured at fair value and are analytically described below.

2.2 Consolidation

Subsidiaries

An audit is achieved over which the Company has the power to govern the financial and operating policies of another entity with the intention of gain from its activities.

The consolidated financial statements comprise the financial statements of the company as well as the entities audited by the company (its subsidiaries) at December 31st 2006.

The financial statements of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Inter-company transactions, balances, income and expenses are eliminated at consolidation.





2.3 Segment reporting

A business segment is a group of assets and operations engaged in providing products and services that are subject to risks and returns that are different from those of other business segments. The Group of companies IASO provides exclusive health services, which comprise of hospital, diagnostic, therapeutic and research activities, which are included in the classification code STAKOD 851.1 (Hospital activities).

2.4 Foreign currency conversion

Functional and presentation currency

Items included in the financial statements of the Group's companies, are presented in their financial environment's currency, where every company operates (official currency). The consolidated financial statements are presented in euro, which is the official currency adopted by the Group's companies.

2.5 Property, plant and equipment

Property, plant and equipment, excluding the productive property, are shown at cost less the accumulated depreciation and impairment losses. Cost includes all directly attributable expenditure for the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Productive property is shown at fair value, based on valuations by independent evaluators, less subsequent accumulative depreciation and impairment losses. The property is revaluated at regular time intervals so that the carrying amounts do not differ from the fair values at the balance sheet closing dates.

Increases in the carrying amount arising on revaluation of fair value are credited to reserves in shareholders' equity, unless they concern devaluation of a specific property that had been recognised in expenses. In this case equal in amount part of revaluation is recognised in income.

Decreases in the carrying amounts arising from the revaluation, are recognised in expenses after firstly writing down the set up revaluation reserve for the specific asset.

The difference between depreciation based on the revaluated carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from fair value reserve to retained earnings.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. When revaluated assets are sold, the amounts included in other reserves are transferred to retained earnings.

The assets' residual values and useful lives are reviewed if appropriate, at the Management's judgement. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revaluated amounts to their residual values over their estimated useful lives, as follows:

PROPERTY, PLANT AND EQUIPMENT	YEARS
Buildings (Main building of Maternity Clinic)	40-50
Machinery	5-30
Wireless communication network	30
High-tech machinery	5
Medium technology machinery	14
Special machinery	20
Vehicles	5-7
Passenger vehicles & motorcycles	5
Lorries	7
Other equipment	3-20
Furniture	20
Utensils	15
Office machines	10
Computers & electronic complexes	5
Telecommunication equipment	3

The productive property or those assets that their use has not yet been determined and are still at construction stage, are shown at cost less any impairment losses. The cost includes professional fees and borrowing costs. The depreciation of this property as well as of the Group's commences when the property is ready for use.

2.6 Intangible assets

Trademarks and licences

Trademarks and licences are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over their estimated, useful lives as follows:

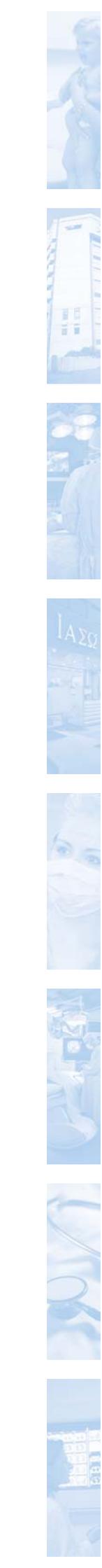
Production and exploitation licences	
Licence for exploitation of IASO General Clinic	50 years
Purchase of IASO trademark	20 years

Computer software – other intangible assets

Acquired computer software licences are measured at acquisition cost less amortization. The amortization is carried out on a straight-line basis over their estimated useful lives which is as follows:

SAP R3 (the basic business computer software)	10 years
LIS (Central laboratory programme)	5 years
RIS (Radiology software support)	5 years
ASTRAIA (Embryonic software support)	5 years
MUSE, QA (Cardiology department)	5 years
MS OFFICE, WINDOWS 2000,XP,MS,MONEY	3 years

Costs associated with developing and maintaining computer software programmes are recognised as an expense when incurred.



2.7 Construction contracts

The construction projects of the Group are auctioned, and then having carried out negotiations with the tenderers, the one with the lowest price wins the contract. The contracts prior to their signing are examined by the Legal, the Finance and the New Projects Department, then they are approved by the Board of Directors and are signed by the authorized members.

The supervision and audit of the contracts' completion is done by the Finance and New Projects Departments.

2.8 Investments

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives.

In particular it concerns Mutual fund Units "MIDCAP PRIVATE SECTOR 50" -EUROBANK and "shares of unlisted Companies".

The fair values of shares listed in Official Capital Markets are based on current bid prices at balance sheet closing dates. If the market for a financial asset is not active, the Group establishes fair value by using valuation techniques, at balance sheet closing dates.

2.9 Inventories

The inventories are reported at the lower value between the cost and the net realisable value. Cost is determined using the weighted average cost formula.

Net realisable value is the estimated selling price of the inventories in the ordinary course of business of the Group companies.

2.10 Trade receivables

Trade receivables are recognised at their actual value less impairment losses (loss from doubtful receivables).

The amount of the provision is recognised in the income statement.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand and time deposits of low risk.

2.12 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Expenses related to the issue of shares for acquisition of enterprises are included in cost of the enterprise that is acquired.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed off. Every gain or loss from sale of treasury shares net of other direct transaction expenses & taxes, if applicable, is shown as a reserve in equity.

2.13 Borrowings

Borrowings are recognised at their value, reduced by any transaction costs.

The fair value of the liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the bonds.

2.14 Deferred income tax

Deferred income tax is determined using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts.

Deferred income tax is determined using tax rates that have been enacted by the balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.15 Employee benefits

Short-term benefits

Short-term employee benefits towards the employees in money and in kind are recognised as an expense when accrued.

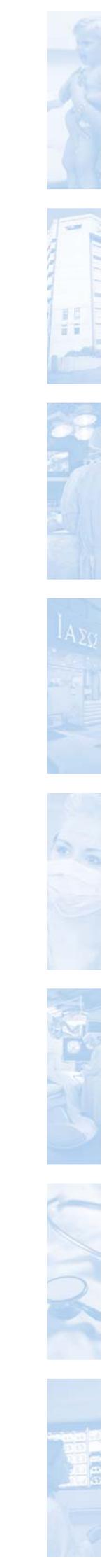
Pension obligations

The liability recorded in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation for the defined benefit less the fair value of the assets of the plan and the changes occurring from other actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated, in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability. Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period. Termination benefits are payable when employment is terminated before the normal retirement date. The Group recognises termination benefits when it is demonstrably committed. Benefits following due more than 12 months after the balance sheet date are discounted to present value.

2.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that be required to settle the obligation.





2.17 Revenue recognition

Revenue is measured at fair value of the sale of goods and services, net of value-added tax, rebates and discounts and after eliminating sales within the Group.

Revenue is recognised as follows:

Sales of services

Sales of services are recognised in the accounting period (invoices & with provision) in which the services are rendered.

Sales of goods

Sales of goods are recognised when a Group entity has delivered products to the customer, the customer has accepted the products and collectibility of the related receivables is reasonably assured.

Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

Dividend income

Dividend income is recognised when the right to receive payment is established.

2.18 Leases

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases.

Lessor

Rental income is recognised on a straight-line basis over the lease term.

Lessee

Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

2.19 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the consolidated financial statements in the period in which the dividends are approved by the Company's shareholders.

2.20 Government grants

Government grants for training staff after they are certified and settled by the competent Government body (Ministry of Labour – OAED [Manpower, Employment Organisation]) are recognised in income (provision).

Government grants relating to assets are recognised in liabilities (current or non-current) as grants for PPE and are credited to the income statement according to the respective assets useful life.

3. Financial risk management

3.1 Fair value estimation

The fair value of financial instruments traded in active markets (stock exchange) is based on quoted market prices at the annual balance sheet or the balance sheet of the period.

The fair value of financial instruments that are not traded in an active market is determined at historical cost (acquisition cost) at the balance sheet date.

The nominal value less estimated credit adjustment of trade receivables and payables are assumed to approximate their fair values.





4. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Income taxes

The Group is subject to uniform income tax rate given that all Group companies activate in Greece.

5. Information by Business Unit

The following information refers to the business units of the Group's companies, which should be reported individually in the financial statements.

The business units have been defined based on the Group's companies structure considering also the fact that the decision-makers monitor their financial information individually, as presented by the company for each of its subsidiaries included in the consolidation.

Using the quantitative criteria set by the relevant IFR standard, IASO S.A. and its subsidiaries were set as business units that must be reported individually in the financial statements.

The accounting principles are the same with the ones used at the Annual Financial Statements and consist of independent units – companies.

The Management evaluates the performance of these business units, based on the operating and the net profits, as well as the potential synergies between the business units and the complement of services in the whole spectrum of health services in the human life-cycle.

The parent company "IASO S.A" activates in the health care sector, covering all the obstetrics and gynecology cases and a broad range of diagnostic and therapeutic services. Its operations, in short, can be classified to inpatients cases (obstetrics and surgical) and outpatients cases (diagnostic laboratories and outpatients departments).

The subsidiary company "IASO GENERAL CLINIC OF HOLARGOS S.A." activates also in the health care sector, as a general hospital, covering all surgical and non-surgical cases with the exception of the obstetrics and gynecology related cases. It also operates complete and fully organized diagnostic laboratories, outpatient departments and emergency units. Its operation can be classified by nature to inpatient cases (surgical, non-surgical) that require hospitalization and outpatients cases (in diagnostic laboratories, outpatient departments) that do not require patient hospitalization.

The subsidiary company "MEDSTEM SERVICES S.A." activates mainly in the healthcare supporting services, with its main objective, from 01.01.2006 being the processing and storage of infant stem cells. In addition to the aforementioned provision of health services, it also operates in parallel non-medical services that at the moment are not considered important due to their small contribution to the Group's total revenue. These services where necessary will be mentioned totally as "Other services provided".

The Group's other subsidiaries are either in a construction stage or have not commenced productive activity yet and lack any revenues. However, due to the reconciliation of operating and net profits in a consolidated base they will be presented individually by the title "Other companies".

The financial data according to the Group's Business Units and the proof with the consolidated data are presented as follows:



01/01 - 31/12/2005	IASO S.A.	IASO General S.A.	MEDSTEM SERVICES S.A.	Other Companies	TOTAL	Intra-group eliminations	GROUP
Inpatients revenues	57.453.089,44	36.147.031,88	0,00	0,00	93.600.121,32		93.600.121,32
Inpatients number of cases	24.885	10.296					
Outpatients revenues	19.139.104,51	3.550.937,75	0,00	0,00	22.690.042,26		22.690.042,26
Outpatients number of cases	199.257	34.353					
Other revenues	33.059,89	10.430,59	0,00	0,00	43.490,48		43.490,48
Other services provided	0,00	0,00	410.811,35	0,00	410.811,35		410.811,35
Revenues from Group's customers	76.625.253,84	39.708.400,22	410.811,35	0,00	116.744.465,41		116.744.465,41
Inter-company sales	56.081,12	140.215,19			196.296,31	-196.296,31	0,00
Other operating revenues/expenses	701.736,74	-54.478,77	53.110,74	-183,86	700.184,85	-151.600,35	548.584,50
Operational expenses	-57.223.041,77	-47.860.171,09	-662.766,86	-91.627,13	-105.837.606,85	347.896,66	-105.489.710,19
Financial cost	-10.591,16	-2.742.024,95	-37.780,55	39.203,67	-2.751.192,99		-2.751.192,99
Income taxes	-6.851.662,28	3.422.207,88	75.720,10	67.776,72	-3.285.957,57		-3.285.957,57
Profit / loss for the period	13.297.776,49	-7.385.851,52	-160.905,22	15.169,40	5.766.189,16		5.766.189,16

01/01 - 31/12/2006	IASO S.A.	IASO General S.A.	MEDSTEM SERVICES S.A.	Other Companies	TOTAL	Intra-group eliminations	GROUP
Inpatients revenues	67.919.521,88	47.698.527,50	0,00	0,00	115.618.049,38		115.618.049,38
Inpatients number of cases	26.477	12.813					
Outpatients revenues	20.667.280,71	4.288.413,65	2.514.182,95	0,00	27.469.877,31		27.469.877,31
Outpatients number of cases	204.841	37.428					
Other revenues	56.930,06	9.418,35	0,00	0,00	66.348,41		66.348,41
Other services provided	0,00	0,00	687.069,27	0,00	687.069,27		687.069,27
Revenues from Group's customers	88.643.732,65	51.996.359,50	3.201.252,22	0,00	143.841.344,37		143.841.344,37
Inter-company sales	100.846,95	176.700,27	4.218,00		281.765,22	-281.765,22	0,00
Other operating revenues/expenses	796.903,12	-87.255,64	31.996,59	-0,02	741.644,05	-127.673,30	613.970,75
Operational expenses	-61.761.416,15	-54.689.220,26	-2.223.778,37	-218.157,29	-118.892.572,07	409.438,52	-118.483.133,55
Financial cost	724.385,66	-2.548.253,04	-23.092,44	83.549,79	-1.763.410,03		-1.763.410,03
Income taxes	-8.298.654,83	-2.508.472,70	-321.607,54	27.246,02	-11.101.489,05		-11.101.489,05
Profit / loss for the period	20.205.797,40	-7.660.141,87	668.988,46	-107.361,50	13.107.282,49		13.107.282,49

6. Property, plant and equipment

Property, plant and equipment of the Company at 31.12.2006:

	Land & Buildings	Vehicles & Machinery	Other property, plant & equipment	Total
1/1/2006				
Cost or valuation	78.085.018,70	23.653.998,41	35.935.240,41	137.674.257,52
Accumulated depreciation	5.723.733,47	12.576.095,28	5.718.815,35	24.018.644,10
Net book amount	72.361.285,23	11.077.903,13	30.216.425,06	113.655.613,42
Movement 01/01 - 31/12/2006				
Opening net book amount	72.361.285,23	11.077.903,13	30.216.425,06	113.655.613,42
Revaluation surplus	0,00	0,00	0,00	0,00
Additions	109.947,86	1.525.899,19	1.264.539,11	2.900.386,16
Disposals	21.863,39	409.257,69	455.788,37	886.909,45
Depreciation charge	1.215.658,31	1.462.142,74	744.094,21	3.421.895,26
Net book amount	71.233.711,39	10.732.401,89	30.281.081,59	112.247.194,87
31/12/2006				
Cost or valuation	78.173.103,17	24.770.639,91	36.743.991,15	139.687.734,23
Accumulated depreciation	6.939.391,78	14.038.238,02	6.462.909,56	27.440.539,36
Net book amount	71.233.711,39	10.732.401,89	30.281.081,59	112.247.194,87

Property, plant and equipment of the Company at 31.12.2005:

	Land & Buildings	Vehicles & Machinery	Other property, plant & equipment	Total
1/1/2005				
Cost or valuation	77.641.006,51	22.315.374,81	29.096.773,77	129.053.155,09
Accumulated depreciation	4.506.170,23	11.054.542,79	4.948.914,18	20.509.627,20
Net book amount	73.134.836,28	11.260.832,02	24.147.859,59	108.543.527,89
Movement 01/01 - 31/12/2005				
Opening net book amount	73.134.836,28	11.260.832,02	24.147.859,59	108.543.527,89
Revaluation surplus	0,00	0,00	0,00	0,00
Additions	444.012,19	1.433.996,74	6.842.315,36	8.720.324,29
Disposals	0,00	95.373,14	3.848,72	99.221,86
Depreciation charge	1.217.563,24	1.521.552,49	769.901,17	3.509.016,90
Net book amount	72.361.285,23	11.077.903,13	30.216.425,06	113.655.613,42
31/12/2005				
Cost or valuation	78.085.018,70	23.653.998,41	35.935.240,41	137.674.257,52
Accumulated depreciation	5.723.733,47	12.576.095,28	5.718.815,35	24.018.644,10
Net book amount	72.361.285,23	11.077.903,13	30.216.425,06	113.655.613,42

Property, plant and equipment of the Group at 31.12.2006:

	Land & Buildings	Vehicles & Machinery	Other property, plant & equipment	Total
1/1/2006				
Cost or valuation	149.274.574,40	47.772.202,27	51.552.666,49	248.599.443,16
Accumulated depreciation	8.804.535,31	20.155.893,48	10.360.820,91	39.321.249,70
Net book amount	140.470.039,09	27.618.288,72	41.189.865,65	209.278.193,46
Movement 01/01 - 31/12/2006				
Opening net book amount	140.470.039,09	27.618.288,72	41.189.865,65	209.278.193,46
Revaluation surplus	0,00	0,00	0,00	0,00
Additions	1.262.677,22	2.365.954,44	7.041.117,44	10.669.749,10
Disposals	21.863,39	438.639,69	919.060,26	1.379.563,34
Depreciation charge	1.931.940,59	3.511.692,84	1.873.190,57	7.316.824,00
Net book amount	139.778.912,33	26.033.910,63	45.438.732,26	211.251.555,22
31/12/2006				
Cost or valuation	150.515.388,23	49.699.517,02	57.674.723,67	257.889.628,92
Accumulated depreciation	10.736.475,90	23.667.586,32	12.234.011,48	46.638.073,70
Net book amount	139.778.912,33	26.031.930,70	45.440.712,19	211.251.555,22

Property, plant and equipment of the Group at 31.12.2005:

	Land & Buildings	Vehicles & Machinery	Other property, plant & equipment	Total
1/1/2005				
Cost or valuation	148.121.304,13	45.272.449,94	43.521.740,76	236.915.494,83
Accumulated depreciation	6.877.689,96	16.595.665,09	8.421.477,14	31.894.832,19
Net book amount	141.243.614,17	28.676.784,85	35.100.263,62	205.020.662,64
Movement 01/01 - 31/12/2005				
Opening net book amount	141.243.614,17	28.676.784,85	35.100.263,62	205.020.662,64
Revaluation surplus	0,00	0,00	0,00	0,00
Additions	1.153.270,27	2.635.161,29	8.558.903,69	12.347.335,25
Disposals	0,00	133.429,03	529.957,89	663.386,92
Depreciation charge	1.926.845,35	3.560.228,39	1.939.343,77	7.426.417,51
Net book amount	140.470.039,09	27.618.288,72	41.189.865,65	209.278.193,46
31/12/2005				
Cost or valuation	149.274.574,40	47.772.202,27	51.552.666,49	248.599.443,16
Accumulated depreciation	8.804.535,31	20.155.893,48	10.360.820,91	39.321.249,70
Net book amount	140.470.039,09	27.618.288,72	41.189.865,65	209.278.193,46

The Group's land and buildings were last revaluated at December 31st 2004 by independent evaluators. Valuations were made on the basis of open market value. The revaluation surplus was credited to other reserves in shareholders' equity.

On the assets of the company and the Group there are no real liens, apart from the subsidiary IASO GENERAL CLINIC OF HOLARGOS S.A. where there is a prenotation against its fixed assets (€ 54.000.000,00) in favor of the National Bank of Greece as security to debenture loan.

7. Intangible assets

Intangible assets of the Company at 31.12.2006:

	Trademarks & Licenses	Other	Total
1/1/2006			
Cost	139.286,87	1.862.788,02	2.002.074,89
Accumulated depreciation and impairment	20.287,33	921.654,85	941.942,18
Net book amount 31.12.2005	118.999,54	941.133,17	1.060.132,71
Movement 01/01 - 31/12/2006			
Opening net book amount	118.999,54	941.133,17	1.060.132,71
Additions	0,00	103.953,64	103.953,64
Depreciation charge	2.851,34	176.098,19	178.949,53
Net book amount	116.148,20	868.988,62	985.136,82
31/12/2006			
Cost	139.286,87	1.966.741,66	2.106.028,53
Accumulated amortization and impairment	23.138,67	1.097.753,04	1.120.891,71
Net book amount	116.148,20	868.988,62	985.136,82

Intangible assets of the Company at 31.12.2005:

	Trademarks & Licenses	Other	Total
1/1/2005			
Cost	139.286,87	1.851.768,79	1.991.055,66
Accumulated depreciation and impairment	17.435,99	699.647,34	717.083,33
Net book amount 31.12.2004	121.850,88	1.152.121,45	1.273.972,33
Movement 01/01 - 31/12/2005			
Opening net book amount	121.850,88	1.152.121,45	1.273.972,33
Additions	0,00	11.019,23	11.019,23
Depreciation charge	2.851,34	222.007,51	224.858,85
Net book amount	118.999,54	941.133,17	1.060.132,71
31/12/2005			
Cost	139.286,87	1.862.788,02	2.002.074,89
Accumulated amortization and impairment	20.287,33	921.654,85	941.942,18
Net book amount	118.999,54	941.133,17	1.060.132,71

Intangible assets of the Group at 31.12.2006:

	Trademarks & Licenses	Other	Total
1/1/2006			
Cost	139.286,87	3.934.687,94	4.195.026,34
Accumulated depreciation and impairment	20.287,33	2.185.938,61	2.327.277,47
Net book amount 31.12.2005	118.999,54	1.748.749,33	1.867.748,87
Movement 01/01 - 31/12/2006			
Opening net book amount	118.999,54	1.748.749,33	1.867.748,87
Additions	0,00	157.982,23	157.982,23
Depreciation charge	2.851,34	361.304,33	364.155,67
Net book amount	116.148,20	1.545.427,23	1.661.575,43
31/12/2006			
Cost	139.286,87	4.092.670,17	4.231.957,04
Accumulated amortization and impairment	23.138,67	2.547.242,94	2.570.381,61
Net book amount	116.148,20	1.545.427,23	1.661.575,43

Intangible assets of the Group at 31.12.2005:

	Trademarks & Licenses	Other	Total
1/1/2005			
Cost	139.286,87	3.913.991,51	4.053.278,38
Accumulated depreciation and impairment	17.435,99	1.671.920,63	1.689.356,62
Net book amount 31.12.2004	121.850,88	2.242.070,88	2.363.921,76
Movement 01/01 - 31/12/2005			
Opening net book amount	121.850,88	2.242.070,88	2.363.921,76
Additions	0,00	141.747,96	141.747,96
Depreciation charge	2.851,34	635.069,51	637.920,85
Net book amount	118.999,54	1.748.749,33	1.867.748,87
31/12/2005			
Cost	139.286,87	4.055.739,47	4.195.026,34
Accumulated amortization and impairment	20.287,33	2.306.990,14	2.327.277,47
Net book amount	118.999,54	1.748.749,33	1.867.748,87

8. Inter-company transactions

The participations of the parent or the subsidiaries in other Group companies, which are unlisted on the ATHEX, were measured at their acquisition costs, a method which will be followed by consistent practice by the Group Companies.

The financial statements of the subsidiaries are adjusted appropriately, so that they are prepared based on the accounting policies of the Group.

The participations, inter-company transactions, balances and income and expenses are eliminated upon consolidation.

The arising initial surplus (initial consolidation difference) during the consolidation of the Group companies, has been included in the Group's income statement.

IASO Group's inter-companies income and expenses 01.01-31.12.2006

IASO S.A. SALES TO ASSOCIATED COMPANIES

DESCRIPTION	AMOUNT
Sales of Consumables	54.334,47
Sales of Fixed Assets	455.788,37
Other services	26.409,61
Revenues from services provision	46.512,48
Rents and tenancy joint expenses	101.263,69
Total	684.308,62

IASO S.A. PURCHASES FROM ASSOCIATED COMPANIES

DESCRIPTION	AMOUNT
Services	173.030,78
Supplies	3.669,49
Consumables	4.218,00
Total	180.918,27

RECEIVABLES AND LIABILITIES FROM OTHER ASSOCIATED COMPANIES

RECEIVABLES FROM ASSOCIATED COMPANIES

LIABILITIES	MODERN				Total
	IASO S.A.	MULTIFUNCTIONAL CENTER S.A.	IASO GENERAL S.A.	MEDSTEM SERVICES S.A.	
IASO S.A.	-	-	38.826,60	5.019,42	43.846,02
MEDSTEM SERVICES S.A.	109.048,95	-	156,56	-	109.205,51
IASO GENERAL S.A.	4.449.304,55	2.800.000,00	-	35.776,17	7.285.080,72
Total	4.558.353,50	2.800.000,00	38.983,16	40.795,59	7.438.132,25

The fees of the Company's Directors and Members of the BoD at 31.12.2006 amounted to € 726.437,58.

8.1 Investments to subsidiaries

	% OF PARTICIPATION	PARENT COMPANY'S PARTICIPATION	EQUITY 31/12/2006	MINORITY INTERESTS
1. IASO GENERALCLINIC OF HOLARGOS S.A.	96,07%	66.046.875,32	9.930.859,10	390.282,76
2. IASO MACEDONIAS HEALTH GROUP OF NORTHERN GREECE S.A.	100,00%	6.615.159,86	22.392.159,89	0,00
3. IASO OF SOUTHERN SUBURBS GENERAL CLINIC-PRIVATE OBSTETRICS S.A.	99,96%	59.400,00	40.722,89	16,29
4. MODERN MULTIFUNCTIONAL REHABILITATION-RESTORATION CENTER S.A.	99,96%	7.286.400,00	7.446.862,77	2.978,75
5. IASO PEDIATRICS S.A.	99,96%	297.000,00	312.732,89	125,09
6. MEDSTEM SERVICES S.A.	99,96%	475.200,00	658.844,77	263,54
7. IASO THESSALIAS GENERAL CLINIC-PRIVATE OBSTETRICS S.A.	73,94%	5.513.844,00	7.860.899,07	2.048.550,30
	TOTAL	86.293.879,18	48.643.081,38	2.442.216,73

In addition:

(a) The Share Capital of the company "IASO THESSALIAS GENERAL CLINIC-PRIVATE OBSTETRICS S.A." upon resolution of the Extraordinary General Meeting of Shareholders held on 17.12.2005, increased by € 3.274.800,00 by cash, by issuance of 327.480 new common registered shares of nominal value € 10,00 each and issue price € 13,00. The Share Premium Reserve amounts to € 982.440,00 (G. G. 719/27.01.2006). Approved by the BoD at 12.04.2006 (G. G. 2950/08.05.2006).

(b) The Share Capital of the company "IASO MACEDONIAS HEALTH GROUP OF NORTHERN GREECE S.A.", upon resolution of the Extraordinary General Meeting of Shareholders held on 20.03.2006, increased by € 4.998,00, by cash, by issuance of 1.700 new ordinary registered shares of nominal value € 2,94 each and issue price € 30,00. The Share Premium Reserve amounts to € 46.002,00 (G. G. 2565/14.04.2006). The payment for the Share Capital increase was certified by the BoD's decision (12.04.2006) and approved by the responsible authorities (EM6889/06).

(c) According to the decision of the Extraordinary General Meeting of Shareholders of the subsidiary "IASO SERVICES S.A." held on 05.12.2005, the company was renamed to "MEDSTEM HEALTH SUPPORT SERVICES S.A." under the distinctive title "MEDSTEM SERVICES S.A." (G. G. 1298/21.12.2005).

9. Available-for-sale financial assets

There were no disposals or impairment provisions on available-for-sale financial assets.

Available-for-sale financial assets include the following:

	Company 31/12/2006	Company 31/12/2005	Group 31/12/2006	Group 31/12/2005
Listed securities:	None	None	None	None
Unlisted securities:				
Repos	0,00	0,00	0,00	2.775.000,00
Shares	1.122.802,64	1.122.802,64	1.122.802,64	1.122.802,64
Total	1.122.802,64	1.122.802,64	1.122.802,64	3.897.802,64

10. Other financial assets at fair value through profit or loss

	Company 31/12/2006	Company 31/12/2005	Group 31/12/2006	Group 31/12/2005
Listed securities:				
Shares of Société Anonyme (S.A.)	1.523.935,28	676.650,80	1.523.935,28	676.650,80
Mutual Funds	858.622,03	590.738,76	858.622,03	590.738,76
Unlisted securities:	None	None	None	None
Total	2.382.557,31	1.267.389,56	2.382.557,31	1.267.389,56

The shares of Société Anonyme (S.A.) were measured at the closing prices of 31.12.2006 as announced by the ATHEX, while the mutual funds were measured at 31.12.2006 as announced by the management of funds company.

11. Trade and other receivables

	Company 31/12/2006	Company 31/12/2005	Group 31/12/2006	Group 31/12/2005
Customers	2.097.588,25	2.124.224,73	16.143.046,47	9.248.156,18
Notes receivable on hand	983.317,18	951.753,00	4.605.353,87	3.115.565,06
Notes overdue	711.935,52	425.124,96	716.087,49	429.276,93
Cheques receivables	570.397,35	358.716,69	1.344.967,81	1.062.116,36
Cheques receivables overdue	77.643,26	68.555,92	225.364,37	72.727,82
Doubtful customers	1.916.633,62	1.832.246,63	2.011.559,57	1.927.172,58
Less: Provision for impairment of receivables	-2.986.697,49	-2.805.877,38	-5.467.819,06	-3.785.877,38
Total	3.370.817,69	2.954.744,55	19.578.560,52	12.069.137,55
Miscellaneous debtors	10.312.081,78	7.892.223,26	8.072.051,87	7.220.269,83
Down payments for purchases	44.654,34	80.447,24	46.504,34	83.271,34
Debit transit accounts	122.529,92	143.470,03	207.228,40	183.116,97
Other	31.977,94	25.509,71	84.642,99	28.280,10
Total	10.511.243,98	8.141.650,24	8.410.427,60	7.514.938,24

12. Inventories

	Company 31/12/2006	Company 31/12/2005	Group 31/12/2006	Group 31/12/2005
Consumables	2.281.290,55	2.281.463,52	4.274.098,46	4.126.747,49
Merchandise	0,00	0,00	186.498,63	268.893,10
Total	2.281.290,55	2.281.463,52	4.460.597,09	4.395.640,59

The cost of inventories for the Group recognised as expense and included in "Cost of services" and "Cost of sales" amounts to € 37.368.303,19, in "Administrative expenses" amounts to € 165.170,52 and in "Selling and marketing costs" amounts to € 213.019,73, while the relevant amounts for the Company are € 13.036.547,01, € 82.248,46 and € 151.146,15 respectively for the fiscal period 01.01–31.12.2006 (Note 22).

13. Cash and cash equivalents

	Company 31/12/2006	Company 31/12/2005	Group 31/12/2006	Group 31/12/2005
Cash at bank in hand	305.505,37	272.927,97	439.720,11	376.635,20
Short-term bank deposits	5.821.403,71	3.860.463,94	9.678.785,54	6.206.395,13
Total	6.126.909,08	4.133.391,91	10.118.505,65	6.583.030,33

14. Borrowings

Borrowings are recognised at actual value decreased by any direct costs for the realisation of the transaction. The analysis of the Company's and the Group's borrowings with current and non-current maturities per company at 31.12.2006 is the following:

	Current	Non-current	Total
IASO S.A.	2.800.000,00	8.000.000,00	10.800.000,00
IASO GENERAL S.A.	13.347.590,97	43.000.000,00	56.347.590,97
MEDSTEM SERVICES S.A.	0,00	00	0,00
Total	16.147.590,97	51.000.000,00	67.147.590,97

The analysis of the Company's and the Group's borrowings with current and non-current maturities per company at 31.12.2005 is the following:

	Current	Non-current	Total
IASO S.A.	4.800.000,00	10.800.000,00	15.600.000,00
IASO GENERAL S.A.	14.069.782,71	44.500.000,00	58.569.782,71
MEDSTEM SERVICES S.A.	850.000,00	0,00	850.000,00
Total	19.719.782,71	55.300.000,00	75.019.782,71

It must be noted that the matured debenture loan payments of the Group, in case there is an obligation of repayment within the next fiscal year, are not included in the Company's and the Group's long-term borrowings but are transferred to the short-term bank liabilities payable within the next fiscal year.

On the contrary, the amounts of € 2.800.000,00 of the Company and € 3.300.000,00 of the Group concerning the previous fiscal year, were reformed and transferred from "Trade and other payables" balance sheet account to the "Short-term Borrowings" account, without changing the total amount of short-term liabilities of the Company and the Group respectively.

All the debenture loans raised by the Company and the Group will be repaid through the fiscal years as follows:

	Company 31/12/2006	Group 31/12/2006
Fiscal year 2007	2.800.000	4.300.000
Fiscal year 2008	2.800.000	4.900.000
Fiscal year 2009	5.200.000	7.700.000
Fiscal year 2010	0,00	2.900.000
Fiscal year 2011	0,00	3.500.000
Fiscal year 2012	0,00	32.000.000
Total	10.800.000	55.300.000

15. Trade and other payables

	Company 31/12/2006	Company 31/12/2005	Group 31/12/2006	Group 31/12/2005
Suppliers	5.388.446,43	7.369.205,44	27.192.995,25	20.562.903,26
Insurance and pension fund dues	1.483.447,78	1.392.948,27	2.278.955,18	2.204.604,86
Tax liabilities	804.770,18	692.725,96	1.184.206,57	936.667,83
Sundry creditors	2.253.833,37	2.219.944,59	2.962.444,81	3.173.873,23
Transit credit balances	1.120.981,40	766.823,40	2.696.081,23	2.004.702,17
Other liabilities	108.945,76	139.935,94	941.150,71	373.690,55
Total	11.160.424,92	12.581.583,60	37.255.833,75	29.256.441,90

During the previous fiscal year, the amounts of € 2.800.000,00 of the Company and € 3.300.000,00 of the Group, concerning balance sheet account "Trade and other payables", were reformed and transferred to the "Short-term Borrowings" account, without changing the total amount of short-term liabilities of the Company and the Group respectively.

There are third party lawsuits against the Company and the Group for indemnities totalling approximately € 9.300.000,00 and € 14.000.000,00 respectively, which are pending at court. Since the final outcome of these cases cannot be predicted at present, no provision has been made in these financial statements (it would affect negatively the income statement and equity) in this respect.

16. Retirement benefit obligations

Regarding the retirement benefit obligations, an actuarial calculation by an actuary has been prepared, according to IAS 19, applying the method mentioned in § 2.15.

From the said calculation arose accumulatively the following balances per company.

COMPANY	PERIOD		
	31/12/2004	31/12/2005	31/12/2006
IASO S.A.	1.596.685,53	1.873.325,56	2.271.636,74
IASO GENERAL S.A.	994.805,66	1.167.147,46	1.514.068,82
MEDSTEM SERVICES S.A.	2.158,80	6.725,07	15.694,81
IASO THESSALIAS S.A.	4.754,63	3.922,18	3.922,18
Total	2.598.404,62	3.051.120,27	3.805.322,55

The total amount of the actuarial calculation which concerns the year 2006 for the Group's personnel amounts to € 754.202,28 and has been charged equally in amount to the income statement, while the Company's amounts to € 398.311,18 respectively.

17. Other gains (profit)

	Company 31/12/2006	Company 31/12/2005	Group 31/12/2006	Group 31/12/2005
Income from rentals	445.935,11	634.207,58	481.073,27	657.467,86
Grants	133.579,12	113.886,02	133.579,12	133.084,55
Income from side business	162.081,18	20.831,91	171.908,62	24.527,91
Extraordinary income and expenses	30.381,48	4.403,77	48.570,87	7.208,65
Income from unused prior periods provisions	73.138,57	0,00	73.138,57	0,00
Other	25.918,01	3.485,03	65.056,41	5.140,80
Total	871.033,47	776.814,31	973.326,86	827.429,77

18. Finance cost – net

	Company 31/12/2006	Company 31/12/2005	Group 31/12/2006	Group 31/12/2005
Interest expense	76.016,67	156.605,44	652.104,04	965.924,36
Interest-debenture loan	571.309,84	556.835,69	2.601.446,74	573.451,82
Interest-factoring	0,00	0,00	0,00	2.002.948,72
Other	47.679,26	0,00	71.714,50	0,00
Total	695.005,77	713.441,13	3.325.265,28	3.542.324,90
Credit interest	147.702,83	253.715,01	284.776,71	341.996,95
Profit from measurement at fair value	1.115.167,75	449.134,96	1.115.167,75	449.134,96
Other	156.520,85	0,00	161.910,79	0,00
Total	1.419.391,43	702.849,97	1.561.855,25	791.131,91

19. Income tax expense

	Company 31/12/2006	Company 31/12/2005	Group 31/12/2006	Group 31/12/2005
Current tax	8.212.995,92	6.554.197,86	8.314.515,11	6.554.197,86
Tax adjustments	0,00	0,00	3.788.879,70	0,00
Other taxes and duties	32.363,68	27.075,02	85.998,83	74.464,17
Deferred tax Liability/Receivable	53.295,23	270.389,40	-1.087.904,59	-3.342.704,46
Actual tax charge	8.298.654,83	6.851.662,28	11.101.489,05	3.285.957,57
% of Actual tax charge	29,11%	34,00%	45,86%	36,30%

The parent company has not undergone an audit by the tax authorities since the year 2003 up until today, the subsidiaries, "IASO MACEDONIAS HEALTH GROUP OF NORTHERN GREECE S.A.", "MODERN MULTIFUNCTIONAL REHABILITATION - RESTORATION CENTER S.A." and "IASO OF SOUTHERN SUBURBS GENERAL CLINIC – PRIVATE OBSTETRICS S.A." since the year 2003, the subsidiary "IASO GENERAL CLINIC OF HOLARGOS S.A." since the year 2002, while the subsidiaries "IASO PEDIATRICS S.A.", "MEDSTEM HEALTH SUPPORT SERVICES S.A." and "IASO THESSALIAS GENERAL CLINIC – PRIVATE OBSTETRICS S.A.", have not undergone an audit by the tax authorities since their inception up until today. As a consequence, the possibility exists of additional taxes and penalties being assessed at the time when the returns will be examined and accepted as final. The outcome of these tax inspections cannot be predicted at present and, therefore, no provision has been made in the financial statements in this respect.

20. Earnings per share

Basic - Group

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares.

	31/12/2006	31/12/2005
Profit attributable to equity holders of the Company (from ongoing operations)	13.429.210,12	6.075.151,14
Weighted average number of ordinary shares in issue (IAS 33)	44.075.500	44.075.500
Basic earnings per share	0,3047	0,1378

Basic - Company

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares.

	31/12/2006	31/12/2005
Profit attributable to equity holders of the Company (from ongoing operations)	20.205.797,40	13.297.776,49
Weighted average number of ordinary shares in issue (IAS 33)	44.075.500	44.075.500
Basic earnings per share	0,4584	0,3017

The weighted average number of ordinary shares in issue (IAS 33) at 31.12.2006 and 31.12.2005 for the Company and the Group is 44.075.500 shares respectively.

21. Dividends per share

The dividends paid in 2006 is € 0,20 per share and the payment was approved by the Shareholders' General Meeting held on 30.06.2006 and is demonstrated in the annual financial statements of the fiscal year 2006.

22. Expenses by nature

The analysis of the cost distribution for the Company and the Group for the fiscal periods 01.01-31.12.2006 and 01.01-31.12.2005 is the following:

	Company 01/01 - 31/12/2006	Company 01/01 - 31/12/2005	Group 01/01 - 31/12/2006	Group 01/01 - 31/12/2005
Merchandise- Consumables	13.269.941,62	12.296.188,77	37.746.493,44	30.891.432,43
Salaries and fringe benefits	21.668.603,77	21.740.875,78	35.542.526,04	35.843.246,59
Third parties' fees and expenses	15.537.973,79	13.017.192,60	23.784.731,35	20.620.983,20
Third parties' utilities and services	3.332.504,05	2.856.130,59	5.618.754,98	4.662.503,07
Other dues	458.093,93	459.899,33	795.577,32	693.617,41
Sundry expenses	3.044.170,61	2.237.705,58	4.868.994,92	3.494.115,08
Interest and similar charges	695.005,77	713.441,13	3.325.265,28	3.542.324,90
Depreciation of fixed assets charged to operating cost	3.797.858,52	3.781.299,55	7.895.132,90	8.163.499,86
Provisions	652.269,86	833.749,57	2.640.361,12	1.661.835,46
Crossing out of consolidated financial statements	0,00	0,00	-409.438,52	-541.522,91
Total	62.456.421,92	57.936.482,90	121.808.398,83	109.032.035,09

The distribution of cost into cost of services, administrative cost, selling cost and financial cost of the Company for the fiscal periods 01.01-31.12.2006 and 01.01-31.12.2005 is the following:

Company 01/01 - 31/12/2006	Cost of services	Administrative expenses	Selling cost	Financial expenses	Total
Merchandise- Consumables	13.036.547,01	82.248,46	151.146,15	0,00	13.269.941,62
Salaries and fringe benefits	19.136.553,08	1.675.634,84	856.415,86	0,00	21.668.603,77
Third parties' fees and expenses	14.861.821,43	409.068,25	267.084,11	0,00	15.537.973,79
Third parties' utilities and services	3.047.998,27	129.584,80	154.920,98	0,00	3.332.504,05
Other dues	357.586,26	65.706,66	34.801,00	0,00	458.093,93
Sundry expenses	2.359.107,63	316.738,00	368.324,98	0,00	3.044.170,61
Interest and similar charges	0,00	0,00	0,00	695.005,77	695.005,77
Depreciation of fixed assets charged to operating cost	3.456.047,34	243.126,49	98.684,69	0,00	3.797.858,52
Provisions	614.533,63	20.621,93	17.114,30	0,00	652.269,86
Total	56.870.194,65	2.942.729,44	1.948.492,06	695.005,77	62.456.421,92

Company 01/01 - 31/12/2005	Cost of services	Administrative expenses	Selling cost	Financial expenses	Total
Merchandise- Consumables	12.152.517,78	96.109,06	47.561,93	0,00	12.296.188,77
Salaries and fringe benefits	18.866.971,58	2.490.855,85	383.048,35	0,00	21.740.875,78
Third parties' fees and expenses	11.953.687,97	1.014.039,30	49.465,33	0,00	13.017.192,60
Third parties' utilities and services	2.147.442,22	708.485,97	202,40	0,00	2.856.130,59
Other dues	459,90	453.690,69	5.748,74	0,00	459.899,33
Sundry expenses	1.624.231,28	354.992,76	258.481,54	0,00	2.237.705,58
Interest and similar charges	0,00	0,00	0,00	713.441,13	713.441,13
Depreciation of fixed assets charged to operating cost	3.425.412,95	313.407,17	42.479,43	0,00	3.781.299,55
Provisions	738.707,89	77.473,53	17.568,15	0,00	833.749,57
Total	50.909.431,57	5.509.054,33	804.555,87	713.441,13	57.936.482,90

The Company and the Group for the fiscal period 01.01-31.12.2006 replaced the method used for costing the provided services, by the Activity Based Costing method, which is considered to be one of the most suited costing methods for healthcare organizations. If this method, A.B.C., was also applied to the previous fiscal period of 2005 (01/01 - 31/12/2005), no changes would have occurred on the results and equity of the Company. In this case, the analysis would have been the following:

Company 01/01 - 31/12/2005	Cost of services	Administrative expenses	Selling cost	Financial expenses	Total
Merchandise- Consumables	12.073.095,56	96.415,26	126.677,94	0,00	12.296.188,77
Salaries and fringe benefits	19.046.743,07	1.816.135,92	877.996,79	0,00	21.740.875,78
Third parties' fees and expenses	12.282.483,53	520.469,64	214.239,42	0,00	13.017.192,60
Third parties' utilities and services	2.614.778,90	108.526,90	132.824,79	0,00	2.856.130,59
Other dues	396.161,46	26.303,97	37.433,91	0,00	459.899,33
Sundry expenses	1.738.797,81	218.048,30	280.859,47	0,00	2.237.705,58
Interest and similar charges	0,00	0,00	0,00	713.441,13	713.441,13
Depreciation of fixed assets charged to operating cost	3.369.400,66	313.254,25	98.644,65	0,00	3.781.299,55
Provisions	808.399,72	13.693,28	11.656,57	0,00	833.749,57
Total	52.329.860,71	3.112.847,52	1.780.333,54	713.441,13	57.936.482,90

The distribution of cost into cost of services, administrative cost, selling cost and financial cost of the Group for the fiscal periods 01.01-31.12.2006 and 01.01-31.12.2005 is the following:

Group 01/01 - 31/12/2006	Cost of services	Administrative expenses	Selling cost	Financial expenses	Total
Merchandise - Consumables	37.368.303,19	165.170,52	213.019,73	0,00	37.746.493,44
Salaries and fringe benefits	31.598.920,72	2.328.738,47	1.614.866,86	0,00	35.542.526,05
Third parties' fees and expenses	22.882.916,23	578.290,53	323.524,59	0,00	23.784.731,35
Third parties' utilities and services	5.150.500,10	258.188,24	210.066,64	0,00	5.618.754,98
Other dues	565.464,07	78.577,90	151.535,34	0,00	795.577,31
Sundry expenses	3.787.247,58	448.742,82	633.004,52	0,00	4.868.994,92
Interest and similar charges	0,00	0,00	0,00	3.325.265,28	3.325.265,28
Depreciation of fixed assets charged to operating cost	7.414.440,46	344.774,31	135.918,13	0,00	7.895.132,90
Provisions	2.462.860,79	82.121,80	95.378,53	0,00	2.640.361,12
Crossing out of consolidated financial statements	-405.220,52	0,00	-4.218,00	0,00	-409.438,52
Total	110.825.432,62	4.284.604,59	3.373.096,34	3.325.265,28	121.808.398,83

Group 01/01 - 31/12/2005	Cost of services	Administrative expenses	Selling cost	Financial expenses	Total
Merchandise- Consumables	28.753.537,67	2.090.332,83	47.561,93	0,00	30.891.432,43
Salaries and fringe benefits	31.180.649,14	4.062.325,86	600.271,59	0,00	35.843.246,59
Third parties' fees and expenses	18.602.913,97	1.963.074,93	54.994,30	0,00	20.620.983,20
Third parties' utilities and services	3.695.119,58	928.868,24	38.515,25	0,00	4.662.503,07
Other dues	203.022,98	484.845,69	5.748,74	0,00	693.617,41
Sundry expenses	2.577.793,75	528.444,94	387.876,39	0,00	3.494.115,08
Interest and similar charges	0,00	0,00	0,00	3.542.324,90	3.542.324,90
Depreciation of fixed assets charged to operating cost	7.312.792,57	796.741,76	53.965,53	0,00	8.163.499,86
Provisions	1.454.075,84	185.625,20	22.134,42	0,00	1.661.835,46
Crossing out of consolidated financial statements	-541.522,91	0,00	0,00	0,00	-541.522,91
Total	93.238.382,59	11.040.259,45	1.211.068,15	3.542.324,90	109.032.035,09

For the period 01.01-31.12.2006, the Company and the Group replaced the costing method used for its services, by the Activity Based Costing method, which is considered as the most appropriate costing method for healthcare organizations. If this method, A.B.C., was also applied to the previous fiscal period of 2005 (01/01 - 31/12/2005), no changes would have occurred to the results and equity of the Group. In this case, the analysis would have been the following:

Group 01/01 - 31/12/2005	Cost of services	Administrative expenses	Selling cost	Financial expenses	Total
Merchandise- Consumables	30.517.542,68	177.655,62	196.234,13	0,00	30.891.432,43
Salaries and fringe benefits	31.600.556,95	2.686.825,79	1.555.863,85	0,00	35.843.246,59
Third parties' fees and expenses	19.418.520,45	701.058,19	401.404,55	0,00	20.620.983,20
Third parties' utilities and services	4.222.732,41	247.750,82	192.019,84	0,00	4.662.503,07
Other dues	520.573,29	36.702,28	136.341,85	0,00	693.617,41
Sundry expenses	2.660.001,86	351.714,99	482.398,23	0,00	3.494.115,08
Interest and similar charges	0,00	0,00	0,00	3.542.324,90	3.542.324,90
Depreciation of fixed assets charged to operating cost	7.582.512,08	437.689,84	143.297,94	0,00	8.163.499,86
Provisions	1.598.224,17	40.843,61	22.767,68	0,00	1.661.835,46
Crossing out of consolidated financial statements	- 541.522,91	0,00	0,00	0,00	-541.522,91
Total	97.579.140,98	4.780.241,14	3.130.328,07	3.542.324,90	109.032.035,09

23. Guarantees

The Group has liabilities to banks, other guarantees and other matters that arise from its activity.

The Parent Company at 31.12.2006 has granted guarantees to banks for the amount of € 44 million, in favour of its subsidiaries.

24. Share capital

	Number of Shares	Ordinary Shares	Share premium	Total
1st of January 2006	44.075.500	40.990.215,00	42.525.668,15	83.515.883,15
Increase of share capital				
by capitalization of reserves				
(Earnings carried forward)(1)	0	26.445.300,00	0,00	26.445.300,00
Cancellation of treasury shares	0	0,00	0,00	0,00
31st of December 2006	44.075.500	67.435.515,00	42.525.668,15	109.961.183,15

(1) The Share Capital of the Company, upon resolution of the Annual General Meeting of Shareholders held on 30.06.2006, increased by € 26.445.300,00 by capitalization of reserves (Prior period earnings carried forward), by a corresponding increase of the share's nominal value from € 0,93 to € 1,53 per share (decision K2-10533/12-7-2006 Ministry of Development). The Share Capital increase was certified by the BoD's Meeting's Minute Book of 14.07.2006 (decision K2-10987/24-7-2006 Ministry of Development).

25. Other long-term receivables

The other long-term receivables of the Company and the Group are presented as follows:

	Company		Group	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Guarantees				
Public Power Corporation	49.200,00	49.200,00	81.900,00	81.900,00
O.T.E.	269,99	269,99	269,99	269,99
E.Y.D.A.P.	5.491,00	5.491,00	5.922,63	5.740,63
Medical gas	13.191,17	13.191,17	13.217,58	7.506,38
Buildings	0,00	0,00	16.453,84	18.945,22
Vehicles	7.261,40	6.393,80	9.776,61	13.345,00
Other long-term receivables	0,00	0,00	183.032,56	0,00
Total	75.413,56	74.545,96	310.573,21	127.707,22

All the above given guarantees, either to public or to private organisations, concern the operation of the Company and the Group's companies and are claimable at the expiry date of their respective contracts. Other long-term receivables are recorded in the following fiscal years, when accrued, and mainly concern the operation of the stem cells collection and storage of the subsidiary company "MEDSTEM SERVICES S.A.".

26. Other non-current liabilities

Other non-current liabilities of the Company and the Group are presented as follows:

	Company		Group	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Municipality of Amaroussion				
– cash contribution	0,00	57.597,77	0,00	57.597,77
Received rent				
guarantees	60.498,46	50.937,71	69.498,46	59.394,59
Deferred income	0,00	0,00	1.220.217,05	0,00
Total	60.498,46	108.535,48	1.289.715,51	116.992,36

The subsidiary «MEDSTEM SERVICES S.A.», stores cord blood stem cells and pre-collects deferred income. This policy creates long-term liabilities which expire along with the twenty year contracts. The aforementioned long-term revenues will be measured within the period that the above services will be offered. According to the decision 621/96 of the Board of the Municipality of Amaroussion, part of the contribution in land was converted to contribution in cash of total value € 345.586,67 paid in 12 semi-annual payments, due to the incorporation of the Company's plots in the street layout. The aforementioned plots have been incorporated in the street plan according to L.1337/1983. The above decision was validated by the 18333/1132/04.12.1998 decision of the Athens Prefecture.

There is no long-term unpaid amount in cash contribution at 31.12.2006, while the annual short-term unpaid amount that is € 57.597,78, is included in the Company's short-term liabilities .

27. Other non-current provisions

The other non-current provisions refer to the Company's calculated provisions which overcome a fiscal year.

28. Other operating expenses

	Company		Group	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Extraordinary & non-operating expenses	4.977,58	8.682,14	14.581,78	12.527,21
Extraordinary losses	59.539,37	41.793,00	67.881,87	41.999,55
Prior period expenses	9.613,40	24.602,43	276.892,46	224.318,51
Provisions for extraordinary contingencies	0,00	0,00	0,00	0,00
Total	74.130,35	75.077,57	359.356,11	278.845,27

29. Reserves at fair value-Other reserves

	Company		Group	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Land	8.068.688,07	8.068.688,07	31.350.784,24	31.350.784,24
Buildings	33.057.336,35	33.057.336,35	33.240.781,06	33.241.146,45
Reserves at fair value Total	41.126.024,42	41.126.024,42	64.591.565,30	64.591.930,69
Legal Reserve	4.373.748,28	3.708.859,46	4.834.959,04	4.169.704,83
Other Reserves Total	4.373.748,28	3.708.859,46	4.834.959,04	4.169.704,83

Other reserves, include the Company's and the Group's legal reserve, which is assessed by the Annual General Meeting's approval of the profits' distribution.



30. Events after the balance sheet date

The Share Capital of the company "IASO THESSALIAS GENERAL CLINIC-PRIVATE OBSTETRICS S.A." upon resolution of the Extraordinary General Meeting of Shareholders held on 25.11.2006, increased by € 3.274.800,00 by cash, by issuance of 327.480 new common registered shares of nominal value € 10,00 each and issue price € 15,00. The Share Premium Reserve amounts to € 1.637.400,00 (6992/19.12.2006 decision of the Prefecture of Larissa). Accreditation has not been completed yet.

At the Extraordinary General Meeting of Shareholders of the subsidiary company "IASO OF SOUTHERN SUBURBS GENERAL CLINIC – PRIVATE OBSTETRICS S.A." held on 05.02.2007, it was decided: (a) the decrease of the nominal value of shares from € 10,00 to € 5,00 (split) by a simultaneous issuance of 6.000 registered shares, (b) the increase of Share Capital by cash for the amount of € 10.000.000,00, by issuance of 2.000.000 new common registered shares with voting rights, of nominal value and issue price € 5,00 each. The procedure has not been completed yet.

Intercompany Transactions

(according to article 2 app.4 law 3016/2002)

The following tables represent the inter- company transactions regarding sales (in supplies and services) between the companies included in the Group's Consolidated financial statements for the year 2006

RECEIVABLES / LIABILITIES ON 31.12.2006

Receivables of:	IASO S.A.	IASO GENERAL S.A.	MEDSTEM SERVICES S.A.	MODERN MULTIFUNCTIONAL CENTER S.A.
Liabilities of:				
IASO S.A.	-	38.826,60	5.019,42	-
IASO GENERAL S.A.	4.449.304,55	-	35.776,17	2.800.000,00
MEDSTEM SERVICES S.A.	109.048,95	156,56	-	-
MODERN MULTIFUNCTIONAL CENTER S.A.	-	-	-	-
IASO MACEDONIAS S.A.	-	-	-	-
IASO THESSALIAS S.A.	-	-	-	-
IASO OF SOUTHERN SUBURBS S.A.	-	-	-	-
IASO PEDIATRICS S.A.	-	-	-	-
TOTAL	4.558.353,50	38.983,16	40.795,59	2.800.000,00

SALES/ SUPPLIES, FIXED ASSETS

FROM:	IASO S.A.	IASO GENERAL S.A.	MEDSTEM SERVICES S.A.	MODERN MULTIFUNCTIONAL CENTER S.A.
TO:				
IASO S.A.	-	3.669,49	-	-
IASO GENERAL S.A.	3.624,42	-	-	-
MEDSTEM SERVICES S.A.	506.498,42	-	-	-
MODERN MULTIFUNCTIONAL CENTER S.A.	-	-	-	-
IASO MACEDONIAS S.A.	-	-	-	-
IASO THESSALIAS S.A.	-	-	-	-
IASO OF SOUTHERN SUBURBS S.A.	-	-	-	-
IASO PEDIATRICS S.A.	-	-	-	-
TOTAL	510.122,84	3.669,49	0,00	0,00

SALES

FROM:	IASO S.A.	IASO GENERAL S.A.	MEDSTEM SERVICES S.A.	MODERN MULTIFUNCTIONAL CENTER S.A.
TO:				
IASO S.A.	-	173.030,78	4.218,00	-
IASO GENERAL S.A.	71.507,38	-	-	-
MEDSTEM SERVICES S.A.	102.678,40	-	-	-
MODERN MULTIFUNCTIONAL CENTER S.A.	-	-	-	-
IASO MACEDONIAS S.A.	-	-	-	-
IASO THESSALIAS S.A.	-	-	-	-
IASO OF SOUTHERN SUBURBS S.A.	-	-	-	-
IASO PEDIATRICS S.A.	-	-	-	-
TOTAL	174.185,78	173.030,78	4.218,00	0,00

IASO MACEDONIAS S.A.	IASO THESSALIAS S.A.	IASO OF SOUTHERN SUBURBS S.A.	IASO PEDIATRICS S.A.	TOTAL
-	-	-	-	43.846,02
-	-	-	-	7.285.080,72
-	-	-	-	109.205,51
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
0,00	0,00	0,00	0,00	7.438.132,25

IASO MACEDONIAS S.A.	IASO THESSALIAS S.A.	IASO OF SOUTHERN SUBURBS S.A.	IASO PEDIATRICS S.A.	TOTAL
-	-	-	-	3.669,49
-	-	-	-	3.624,42
-	-	-	-	506.498,42
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
0,00	0,00	0,00	0,00	513.792,33

IASO MACEDONIAS S.A.	IASO THESSALIAS S.A.	IASO OF SOUTHERN SUBURBS S.A.	IASO PEDIATRICS S.A.	TOTAL
-	-	-	-	177.248,78
-	-	-	-	71.507,38
-	-	-	-	102.678,40
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
0,00	0,00	0,00	0,00	351.434,56



Data and Information for the period January 1st 2006 to December 31st 2006

(Published in accordance with Law 2190/1920, article 135, for companies preparing annual financial statements, consolidated or not according to the IFRS)

The following data and information aim to provide a general briefing for the financial position and the results of operations of the Group and the Company IASO S.A. Therefore, it is recommended, to any reader, before proceeding to any kind of investment decision or other transaction with the Company, to visit the Company's web site, where the Annual Financial Statements are posted and prepared according to the International Financial Reporting Standards accompanied with the Review Report of the Certified Auditor Accountant where it is necessary. Company's website address: www.iaso.gr

INFORMATION CONCERNING THE COMPANY

Full Name	IASO Obstetrics Gynecology Surgery Diagnostic Therapeutic Research Center S.A.
Foundation Date	27/10/1976
Registered Address	37-39 Kifissias Ave. Maroussi Athens
Companies Register Number	13366/06/B/86/61
Supervising Authority	Ministry of Development, Department for Limited Companies
Tax Payer Number	094055324

Board of Directors Composition:

Full Name	Post
Ioannis Ch. Zolotas	Chairman
Paraskevas P. Petropoulos	A' Vice-Chairman
Lampros Th. Mitrou	B' Vice-Chairman
Georgios I. Stamatou	Managing Director
Konstantinos P. Kanellopoulos	Managing Director
Ilias T. Triantafillou	Managing Director
Ioannis P. Trompoukis	Member
Panagiotis G. Theofanakis	Member
Stylios K. Zarkinou	Member
Ilias G. Cheilaris	Member
Dionysios G. Karamalikis	Member
Spyridon E. Dimitrouleas	Member
Ilias F. Petropoulos	Member

Type of Report:	Annual Financial Statements of the fiscal year 2006
Duration of the fiscal year:	12 months
Date of approval of the annual financial statements	16-03-07
Certified Auditors:	SOL S.A. Konstantinos P. Petrogiannis
Type of Auditors' Report:	Review report with issues of importance
Website:	www.iaso.gr

1. CONDENSED BALANCE SHEET (Amounts reported in Euro)

ASSETS	THE GROUP		THE COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Non-current assets	212.913.130,65	211.145.942,33	113.232.331,69	114.715.746,13
Inventories	4.460.597,09	4.395.640,59	2.281.290,55	2.281.463,52
Trade and other Receivables	19.578.560,52	12.069.137,55	3.370.817,69	2.954.744,55
Other assets	31.823.754,75	31.570.731,44	106.512.805,75	98.052.455,49
TOTAL ASSETS	268.776.043,01	259.181.451,91	225.397.245,68	218.004.409,69

LIABILITIES	THE GROUP		THE COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Non-current liabilities	56.587.433,10	58.799.577,85	15.020.356,96	17.255.857,75
Short-term Bank borrowings	16.147.590,97	16.419.782,71	2.800.000,00	4.800.000,00
Other current liabilities	45.570.348,86	39.110.639,76	19.373.420,84	19.135.781,46
Total Liabilities (a)	118.305.372,93	114.330.000,32	37.193.777,80	41.191.639,21
Shareholders Equity (44.075.500 shares x 1,53€)	67.435.515,00	40.990.215,00	67.435.515,00	40.990.215,00
Other shareholders equity	80.592.938,35	102.227.616,65	120.767.952,88	135.822.555,48
Total Shareholders Equity (b)	148.028.453,35	143.217.831,65	188.203.467,88	176.812.770,48
Minority interest (c)	2.442.216,73	1.633.619,94	0,00	0,00
Total Equity (d)=(b)+ (c)	150.470.670,08	144.851.451,59	188.203.467,88	176.812.770,48
TOTAL EQUITY AND LIABILITIES (e)=(a)+(d)	268.776.043,01	259.181.451,91	225.397.245,68	218.004.409,69

2. STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD (Amounts reported in Euro)

	THE GROUP		THE COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Net equity of period Opening Balance (1/1/2006 and 1/1/2005 respectively)	144.851.451,59	143.345.377,03	176.812.770,48	167.922.543,99
Profit/(Loss) for the period after taxes	13.107.282,49	5.766.189,16	20.205.797,40	13.297.776,49
	157.958.734,08	149.111.566,19	197.018.567,88	181.220.320,48
Increase/Decrease of share capital	1.327.036,00	0,00	0,00	0,00
Dividends distributed	-8.815.100,00	-4.407.550,00	-8.815.100,00	-4.407.550,00
Net income/(expense) recognised directly in equity	0,00	147.435,40	0,00	0,00
Net equity of period Closing Balance (31/12/2006 and 31/12/2005 respectively)	150.470.670,08	144.851.451,59	188.203.467,88	176.812.770,48

3. INCOME STATEMENT FOR THE PERIOD (Amounts reported in Euro)

	THE GROUP		THE COMPANY	
	1/1-31/12/2006	1/1-31/12/2005	1/1-31/12/2006	1/1-31/12/2005
Sales	143.841.344,37	116.744.465,41	88.744.579,60	76.681.334,96
Gross profit/(loss)	33.015.911,75	23.506.082,82	31.874.384,95	25.771.903,39
Earnings/(loss) before taxes, financing and investing results and depreciation -amortisation (EBITDA)	33.867.314,47	19.966.839,58	31.577.925,09	23.941.329,48
Earnings/(loss) before taxes, financing and investing results (EBIT)	25.972.181,57	11.803.339,72	27.780.066,57	20.160.029,93
Profit/(loss) before taxes	24.208.771,54	9.052.146,73	28.504.452,23	20.149.438,77
Less: Income tax expense	-11.101.489,05	-3.285.957,57	-8.298.654,83	-6.851.662,28
Profit/(loss) for the period after taxes	13.107.282,49	5.766.189,16	20.205.797,40	13.297.776,49
Attributable to:				
Equity holders of the Company	13.429.210,12	6.075.151,14	20.205.797,40	13.297.776,49
Minority interest	-321.927,63	-308.961,98	0,00	0,00
Earnings after taxes per share - basic (expressed in €)	0,3047	0,1378	0,4584	0,3017

4. CASH FLOW STATEMENT (Amounts reported in Euro)

	THE GROUP		THE COMPANY	
	1/1-31/12/2006	1/1-31/12/2005	1/1-31/12/2006	1/1-31/12/2005
Cash Flows from Operating Activities				
Net Profit before taxes	24.208.771,54	9.052.146,73	28.504.452,23	20.149.438,77
Plus/Less adjustments for:				
Depreciation and amortisation	7.895.132,90	8.163.499,86	3.797.858,52	3.781.299,55
Provision	3.901.284,51	2.739.386,53	1.115.159,22	990.572,85
Financial Results (profit and loss)	1.763.410,03	2.751.192,99	-724.385,66	52.384,15
Other adjustments	-135,08	-151.626,76	-8.477,58	0,00
	37.768.463,90	22.554.599,35	32.684.606,73	24.973.695,32



	THE GROUP		THE COMPANY	
	1/1-31/12/2006	1/1-31/12/2005	1/1-31/12/2006	1/1-31/12/2005
Plus/Less adjustments of working capital to net cash or related to operating activities:				
Increase/(Decrease) of Inventories	-64.956,50	476.086,52	172,97	60.272,94
Increase/(Decrease) of Receivables	-9.595.664,98	-9.070.133,57	-2.991.293,70	-2.932.458,43
Increase/(Decrease) of payable accounts (except Banks)	8.195.591,20	-29.690.657,06	-1.421.160,46	1.302.577,12
Less:				
Interest paid and similar expenses	-3.081.894,55	-3.542.324,90	-694.443,30	-713.441,13
Income Tax paid	-6.842.815,59	-6.628.662,03	-6.789.180,44	-6.581.272,88
Increase/(Decrease) of other current assets accounts and flows of provisions	-602.547,71	28.856,95	0,00	-597.185,84
Net cash generated from Operating Activities (a)	25.776.175,77	-25.872.234,74	20.788.701,80	15.512.187,10
Cash Flows from Investing Activities				
Purchases of subsidiaries, associates, joint-ventures and other investments	0,00	-51.274,16	-2.981.204,00	-51.274,16
Purchases of tangible and intangible assets	-9.908.671,07	-11.830.426,14	-3.004.339,80	-8.731.343,52
Proceeds from sale of tangible and intangible assets	206.230,99	9.592,02	658.119,36	10.005,07
Interest received	446.687,50	341.996,95	304.223,68	253.715,01
Proceeds from grants	0,00	40.253,94	0,00	40.253,94
Purchases of available-for-sale financial assets	775.000,00	-2.775.000,00	0,00	0,00
Sales of available-for-sale financial assets	2.000.000,00	0,00	0,00	0,00
Net cash generated from Investing Activities (b)	-6.480.752,58	-14.264.857,39	-5.023.200,76	-8.478.643,66
Cash Flows from Financing Activities				
Increase/(Decrease) of share capital	1.327.036,00	-14.717.898,12	0,00	-14.865.333,52
Proceeds from issued/raised loans	435.000,00	45.100.000,00	0,00	0,00
Repayments of borrowings	-8.550.000,00	-3.615.651,02	-4.800.000,00	-2.015.651,02
Repayments of finance obligations (installments for paying off the debt)	0,00	0,00	0,00	0,00
Dividends paid	-8.971.983,87	-4.324.123,69	-8.971.983,87	-4.324.123,69
Net cash generated from Financing Activities (c)	-15.759.947,87	22.442.327,17	-13.771.983,87	-21.205.108,23
Net increase/(decrease) in cash and cash equivalents (a) + (b) + (c)	3.535.475,32	-17.694.764,96	1.993.517,17	-14.171.564,79
Cash and cash equivalents at beginning of period	6.583.030,33	24.277.795,29	4.133.391,91	18.304.956,70
Cash and cash equivalents at end of period	10.118.505,65	6.583.030,33	6.126.909,08	4.133.391,91

ADDITIONAL RECORDS AND INFORMATION

The Companies of the Group with respective address and participation percentages that are included in the consolidated Financial Statements are:

Full Consolidation Method

COMPANY NAME	Registered Office	% of participation
1. IASO SA	Greece, Maroussi, Attiki	Parent
2. IASO GENERAL CLINIC OF HOLARGOS SA	Greece, Holargos, Attiki	96,07%
3. IASO MACEDONIAS HEALTH GROUP OF NORTHERN GREECE SA	Greece, Maroussi, Attiki	100,00%
4. IASO OF SOUTHERN SUBURBS GENERAL CLINIC-PRIVATE OBSTETRICS SA	Greece, Maroussi, Attiki	99,96%
5. MODERN MULTIFUNCTIONAL REHABILITATION -RESTORATION CENTER SA	Greece, Maroussi, Attiki	99,96%
6. IASO PEDIATRICS SA	Greece, Maroussi, Attiki	99,96%
7. MEDSTEM SERVICES SA	Greece, Maroussi, Attiki	99,96%
8. IASO THESSALIAS GENERAL CLINIC-PRIVATE OBSTETRICS SA	Greece, Larissa	73,94%

TABLE OF TRANSACTIONS BETWEEN RELATED PARTIES (amounts in €)

	Group	Company
a) Sales of Consumables and Services	0,00	684.308,62
b) Purchases of Consumables and Services	383.127,50	540.179,17
c) Receivables	0,00	4.558.353,50
d) Liabilities	0,00	43.846,02
e) Remuneration to BoD members and managers	726.437,58	726.437,58
f) Receivables from BoD members and managers	0,00	0,00
g) Payables to BoD members and managers	0,00	0,00

No change has occurred either in companies that are consolidated or in the method of consolidation in the Annual Financial Statements from 01.01.2005 till today.

1. According to the decision of the Extraordinary General Meeting of Shareholders of the subsidiary "IASO SERVICES SA" held on 05.12.2005, the Company was renamed to "MEDSTEM HEALTH SUPPORT SERVICES SA" under the distinctive title "MEDSTEM SERVICES SA" (G.G. 1298/21.12.2005).

2. For the period 01.01-31.12.2006, the Company and the Group replaced the costing method used for its services, with the Activity Based Costing method, which is considered as the most appropriate costing method for healthcare organizations. If this method, A.B.C., was also applied to the parallel period of 2005 respectively, no changes would have occurred to the results and equity either for the Company or the Group (Note 22, Annual Financial Statements).

3. The Group applies the "IFRS Stable Platform 2005" from the 1st of January 2005.

4. On the assets of the Company and the Group there are no real liens, apart from the subsidiary IASO GENERAL CLINIC OF HOLARGOS S.A. where there is a prenotation against its fixed assets amounted to € 54.000.000,00.

5. The personnel employed by the Company amounts to 857 and 918 persons at 31.12.2006 and 31.12.2005 respectively, while of the Group to 1.418 and 1.548 persons at 31.12.2006 and 31.12.2005, respectively.

6. The earnings per share were calculated on the basis of the profit after taxes and minority interest divided by the weighted average number of the parent Company's ordinary shares in issue.

7. The investments of the Group for the period 01.01-31.12.2006 for tangible assets amounted to € 9.908.671,07 while those of the Company amounted to € 3.004.339,80.

8. The Share Capital of the company "IASO THESSALIAS GENERAL CLINIC-PRIVATE OBSTETRICS S.A." upon resolution of the Extraordinary General Meeting of Shareholders held on 17.12.2005, increased by € 3.274.800,00 by cash, by issuance of 327.480 new common registered shares of nominal value € 10,00 each and issue price € 13,00. The Share Premium Reserve amounts to 982.440,00 (G. G. 719/27.01.2006). Approved by the BoD at 12.04.2006 (G. G. 2950/08.05.2006).

9. The Share Capital of the company "IASO THESSALIAS GENERAL CLINIC-PRIVATE OBSTETRICS S.A." upon resolution of the Extraordinary General Meeting of Shareholders held on 25.11.2006, increased by € 3.274.800,00 by cash, by issuance of 327.480 new common registered shares of nominal value € 10,00 each and issue price € 15,00. The Share Premium Reserve amounts to € 1.637.400,00 (6992/19.12.2006 decision of the Prefecture of Larissa). Accreditation has not been completed yet.

10. The Share Capital of the company "IASO MACEDONIAS HEALTH GROUP OF NORTHERN GREECE S.A.", upon resolution of the Extraordinary General Meeting of Shareholders held on 20.03.2006, increased by € 4.998,00, by cash, by issuance of 1.700 new ordinary registered shares of nominal value € 2,94 each and issue price € 30,00. The Share Premium Reserve amounts to € 46.002,00 (G.G. 2565/14.04.2006). The payment for the Share Capital increase was certified by the BoD's decision (12.04.2006) and approved by the responsible authorities (EM6889/06).

11. The Share Capital of the Company, upon resolution of the Annual General Meeting of Shareholders held on 30.06.2006, increased by € 26.445.300,00 by capitalization of reserves (Prior period earnings carried forward), by a corresponding increase of the share's nominal value from € 0,93 to € 1,53 per share (decision K2-10533/12-7-2006 Ministry of Development). The Share Capital increase was certified by the BoD's Meeting's Minute Book of 14.07.2006 (decision K2-10987/24-7-2006 Ministry of Development).

12. At the Extraordinary General Meeting of Shareholders of the subsidiary company "IASO OF SOUTHERN SUBURBS GENERAL CLINIC – PRIVATE OBSTETRICS S.A." held on 05.02.2007, it was decided: (a) the decrease of the nominal value of shares from € 10,00 to € 5,00 (split) by a simultaneous issuance of 6.000 registered shares, (b) the increase of Share Capital by cash for the amount of € 10.000.000,00, by issuance of 2.000.000 new common registered shares with voting rights, of nominal value and issue price € 5,00 each. (The procedure has not been completed yet).

Issues emphasised by the auditors:

a) The Parent Company has not undergone Tax Authorities control since the fiscal year 2003, the subsidiaries "IASO MACEDONIAS HEALTH GROUP OF NORTHERN GREECE S.A.", "MODERN MULTIFUNCTIONAL REHABILITATION-RESTORATION CENTER S.A." and "IASO OF SOUTHERN SUBURBS GENERAL CLINIC SA" since the year 2003, the subsidiary "IASO GENERAL CLINIC OF HOLARGOS SA" since the year 2002 while the subsidiaries "IASO PEDIATRICS SA", "MEDSTEM SERVICES SA" and "IASO THESSALIAS GENERAL CLINIC- PRIVATE OBSTETRICS SA", have not been examined since their inception and as a consequence their tax liabilities for the above fiscal years have not been estimated yet.

b) There are third party lawsuits against the Company and the Group for compensation totalling € 9.300.000,00 and € 14.000.000,00 respectively that are still to be heard. Given that the outcome of these



cases cannot be predicted at present, no provision has been made at these financial statements (recognised in Income Statement and Equity) in this respect.

Maroussi, 16th of March 2007

CHAIRMAN OF THE BOARD OF DIRECTORS
IOANNIS CH. ZOLOTAS

I.D. : A 005562

MANAGING DIRECTOR
GEORGIOS I. STAMATIOU

I.D. : K 030874

GROUP'S GENERAL MANAGER
KONSTANTINOS I. GIANNIRIS

I.D. : S 582609

GROUP'S CHIEF FINANCIAL OFFICER
VASSILIOS E. ANASTASSAKIS

I.D. : AA 58349

CHIEF ACCOUNTING OFFICER
STYLIANOS D. TSIROPOULOS

I.D. : T 123040 (A' CLASS REG. No 21907)

Reference Table to the Information Requested According to art. 10 L.3401/2005

The table below incorporates the information of Article 10 Law 3401/2005, which the Company has published and made available to the public during year 2006.

ISSUE	LOCATION ON THE COMPANY'S WEBSITE	DATE
FINANCIAL STATEMENTS & ANNOUNCEMENTS		
Group – Company		
Data & Information Parent Company and Group of the fiscal year 2006	www.iaso.gr/Investor Relations /Financial Statements Group - Company	29.03.2007
Annual Financial Statements Parent Company and Group of the fiscal year 2006	"	29.03.2007
Management Report of the BoD of the year 2006 - Parent Company and Group	"	29.03.2007
Data & Information Parent Company and Group 3rd Q 2006	"	30.11.2006
Interim Financial Statements Parent Company and Group 3rd 2006	"	30.11.2006
Data & Information Parent Company and Group 1st Semester 2006	"	31.08.2006
Interim Financial Statements Parent Company and Group 1st Semester 2006	"	31.08.2006
Data & Information Parent Company and Group 1st Q 2006	"	31.05.2006
Interim Financial Statements Parent Company and Group 1st Q 2006	"	31.05.2006
Announcements		
Financial Results of the fiscal year 2006	www.iaso.gr/Investor Relations /Notifications to ATHEX & HCMC / 2007	26.03.2007
9 month 2006 Financial Results	www.iaso.gr/Investor Relations /Notifications to ATHEX & HCMC / 2006	23.11.2006
Announcement of the 9 month 2006 Financial Results Release Date	"	23.11.2006
Additional announcement on the Interim Financial Statements of the 1st Q 2006	"	09.06.2006
Announcement on the Interim Financial Statements of the 1st Q 2006	"	09.06.2006
INVITATIONS & RESOLUTIONS OF GENERAL SHAREHOLDERS' MEETINGS		
Resolutions of the Repeating Annual General Shareholders' Meeting of 12.07.2006	www.iaso.gr/Investor Relations /Notifications to ATHEX & HCMC / 2006	13.07.2006
Resolutions of the Annual General Shareholders' Meeting of 30.06.2006	"	04.07.2006
Invitation to the Annual General Shareholders' Meeting of 30.06.2006	"	07.06.2006
CORPORATE ACTIONS & DIVIDENDS		
Announcement regarding the increase of the Share Capital with the increase of the share's par value	www.iaso.gr/Investor Relations /Notifications to ATHEX & HCMC / 2006	03.08.2006
Announcement regarding the payment of dividend for the fiscal year 2005	"	14.07.2006
OTHER ANNOUNCEMENTS		
Announcement	www.iaso.gr/Investor Relations /Notifications to ATHEX & HCMC / 2006	29.12.2006

ISSUE	LOCATION ON THE COMPANY'S WEBSITE	DATE
Announcement	"	13.12.2006
Announcement	"	13.12.2006
Announcement	"	14.11.2006
Press Release	"	02.10.2006
New Directors	"	25.09.2006
IASO's participation at the 1st Annual Greek Road Show in London	"	25.09.2006
Comment on newspaper's article	"	22.09.2006
Amendment of the schedule of intended corporate actions	"	03.07.2006
Annual analysts' briefing	"	08.06.2006
Annual analysts' briefing - Date	"	31.05.2006
Respond to HCMC's letter	"	09.05.2006
Respond to HCMC's letter	"	04.05.2006
Respond to HCMC's letter	"	03.04.2006
Schedule of intended corporate actions for the year 2006	"	27.02.2006
Respond to HCMC's letter	"	30.01.2006

TRADE ACKNOWLEDGEMENTS

All the announcements regarding Trade Acknowledgements (in accordance with art. 13 L.3340/2005 which is interpreted and specified by HCMC's decision 3/347/12.07.05) are published in the Company's website

www.iaso.gr/Investor Relations
/ Trade Acknowledgements

ANNUAL BULLETIN – CORPORATE PRESENTATIONS

Annual Bulletin 2005	www.iaso.gr/Investor Relations / Annual Bulletins	27.04.2006
Corporate Presentation of September 2006	www.iaso.gr/Investor Relations / Corporate Presentations	21.09.2006

Accessibility to the Financial Statements

The Company's Annual Financial Statements, consolidated or not, the Auditor's Report and the Management Report of the Board of Directors (consolidated or not), are posted on the internet, at the address www.iaso.gr.



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