



Annual Report 2007



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 on the consolidated and parent financial statements for the financial year 01.01 – 31.12.2007.

To the annual ordinary general shareholders meeting dated June 6th, 2008, for the events that took place during financial year 2007.

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

The fiscal year of 2007 continued as a year of further development in the financial figures as well as the offered services and further strengthening for IASO Group position in the local market. The companies of the Group managed to significantly increase their revenues as well as their profits. The improvement of the financial results is mainly attributed to the following factors: 1) the continuous rise in the numbers of IN and Outpatients' flow, 2) the efficient cost and expense control, 3) the improvement of IASO General's results, and 4) the rapid growth of Medstem Services activities in the field of collection, processing of cord blood and storage of stem cells.

Worthy of remark is the fact that during the last five years (2003 – 2007) the Compounded Annual Growth Rate (CAGR_{2003 – 2007}) reached 12,8% while during the same period the group revenues CAGR_{2003 – 2007} reached 21,7%.

The Group's and the Company's main concern lies in the continuous organizational and operational upgrade while at the same time they proceed towards retaining expense increases at satisfactory levels, which in turn results in improved, Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) and Earnings After Taxes (EAT) margin rates.

Consolidated Financial Results

The consolidated turnover for the fiscal year 2007 reached the amount of € 169,8 mil, showing an increase of 18,0% compared with last year. The consolidated EBITDA reached the amount of € 44,7

mil. recording an increase of 32,1%, while the EBITDA margin is strengthened by 281 basis points compared with the same period last year. Earnings Before Taxes amounted to € 33,5 mil. presenting an increase of 38,5%, while Earnings After Taxes & Minorities Interests (EAT&M) reached the amount of € 20,5 mil. posting an increase of 52,2%.

Chart 1: IASO Group Brief Financial Results (in mil. €)

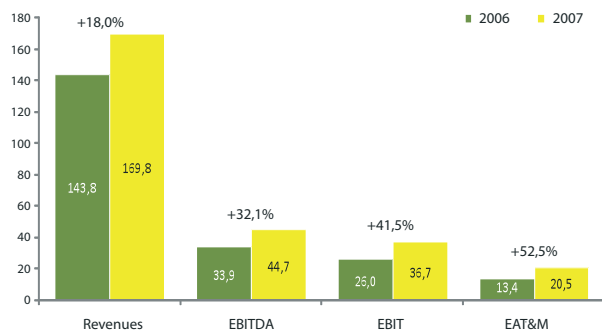
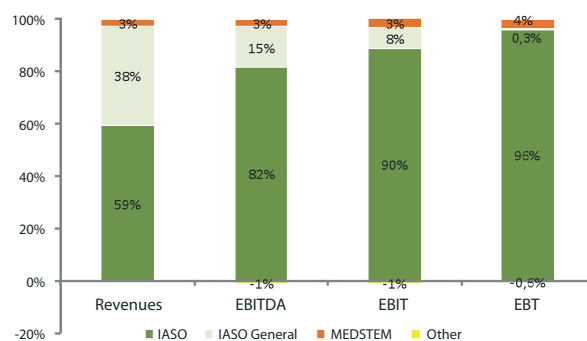


Chart 2: IASO Group Profit Margins



Each company's participation in the formation of the consolidated 2007 basic financial results is also demonstrated below.

Chart 3: Company's participation in the formation of the consolidated basic financial results



The aforementioned improvement in the consolidated figures is attributed to the increase of revenues and profitability of the parent company IASO S.A., as well as its subsidiaries Medstem Services S.A. and IASO General S.A.

More specifically:

IASO S.A

The company's revenues reached the amount of € 101,0 mil. posting an increase of 13,8% compared with the same period last year. (More comments are mentioned further down in the





special section of this report that covers the financial results of the parent company).

IASO General S.A.

IASO General's Revenues were recorded at € 64,5 mil. presenting an increase of +23,5% vs. last year's figures. The increase in the revenues is attributed to the increase in, IN and Outpatients' by 23,5% and 29,8% respectively. Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) were recorded at € 6,92 mil. being 4,8 times higher than the figures of the previous year. We note that the EBITDA margin reached the level of 10,7% posting an increase of 797 basis points compared with the same period last year. Earnings Before Tax reached the amount of € 0,11 mil. vs losses € 5,15 mil. in Fiscal Year 2006. As far as Loss After Taxes is concerned, the picture is also improved showing a decrease in Losses by € 5,30 mil, showing Losses of € 2,36 (due to deferred taxation and tax audit) vs Losses of € 7,66 mil. of the previous year.

According to the 2008 budget IASO General SA, continuing its steadily improving financial course will present satisfactory improvements in both Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) and Earnings After Tax (EAT).

MedStem Services S.A.

The subsidiary company MedStem Services S.A. whose main activity is the "Cord Blood" collection, processing and "Stemcell storage" in its second full year of operations presented an increase in revenues of 43,7%, compared with the same period last year, reaching the amount of € 4,6 mil. The revenue increase is mainly attributed to the increase of the stored stem cell units by 44,3%, this is a fact showing the ever growing recognition of the need to store the stem cells and the acceptance of this method by the new couples. The Earnings before Interest, Taxes, Depreciation & Amortization reached the amount of € 1,37 mil. posting an increase of 29,6%. Earnings After Taxes reached the amount of € 0,98 mil. strengthened by 47,1%.

The other subsidiaries have not commenced yet their activities.

Expenses

The administrative and marketing overheads reached € 8,96 mil. standing for 5,28% of the consolidated revenues. Interest expenses increased and reached the amount of € 4,81 mil. vs € 3,33 mil in 2006 (representing 2,83% of the consolidated revenues of 2007), reflecting the increase in the parent company borrowings as well as in the interest rates. (Consolidated Loans amounted to € 116,5 mil. on 31.12.2007 vs € 67,15 mil on 31.12. 2006 recording an increase of 73,54%. Moreover, it should be mentioned that the consolidated cash and cash equivalents on December 31st 2007 amounted to € 27,4 mil. vs € 10,1 mil. on December 31st 2006.

Financial Ratios

The 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	2007	2006
Current Ratio	1,16	0,75
Return on Equity (before taxes)	27,9%	16,1%
EBITDA (% on revenues)	26,4%	23,5%
Profit margin (before taxes) (% on revenues)	19,7%	16,8%
Owner's Equity / Total Assets *	0,39	0,56
Owner's Equity / Total Liabilities *	0,65	1,27
Owner's Equity / Bank Liabilities *	1,03	2,24

** Note: These ratios can be further improved if the consolidated cash and cash equivalent (amounted to € 27,4 mil. on 31.12.2007) get subtracted from total assets.*

The total number of personnel employed by the group amounted to 1.588 persons on 31.12.2007 vs 1.418 on 31.12.2006.

Investments

The implementation of the investment plan was continued during last year aiming at growth, further development of the Group's competitive strengths and continuous upgrade of the offered services based on state of the art equipment. Under this framework total group's investments during FY 2007 amounted to € 13,87 mil. and is, analysed as follows:

The Parent company IASO SA, invested the amount of approximately € 3,96 mil., of which € 3,65 mil., were mainly invested in medical equipment and the rest in buildings and new constructions, so as the company to continue offering pioneering and high level services, utilizing ultramodern and state of the art equipment. For demonstration purposes, we mention the acquisition of two digital mamographers from the USA manufacturer LORAD SELENIA as well as the acquisition of two CT Scanners (Toshiba) and four sonographers from General Electric.

At IASO General S.A. investments in buildings and equipment reached the amount of € 2,76 mil. aiming to enrich the offered services and better utilization of the building facilities. For demonstration purposes, we mention the acquisition of a 64-slice CT Scanner (Toshiba) an endoscopic sonographer with an endoscopic capsule system for the diagnostic testing of the small intestine (OLYMPUS), an urology LASERSCOPE Green Light HPS, for the selective sublimation of the prostate, while a digital mamographer equipped with an R2 Image checker D (MP400) from the USA manufacturer LORAD SELENIA is on delivery.

At IASO Thessalias S.A. the new investments amounted approximately to € 6,88 mil., the total amount was allocated in the construction of the buildings.

At the subsidiary Medstem Services S.A., due to its recent operations start up, there was no need to spend but only the amount of € 263 thousands.





Group Companies Share Capital Changes

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, was decided to be 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). (G.G. 85/04.01.2007).

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 € 2.000.000,00 new common registered shares with voting rights, of nominal value and issue price € 5,00 each. The aforementioned increase was approved by decision 20505/7.8.2007 of Athens Prefecture.

The Share Capital of the Company, upon resolution of the Annual General Meeting of Shareholders (B' Repeating) held on 29.06.2007, decreased by € 44.075.500,00, by simultaneous decrease of the nominal value of all shares by the amount of € 1,53 to € 0,53, with the purpose of the pro rata distribution of equal amount of the reduction amount to Shareholders and by the relevant amendment of the article 5 of the Company's Articles. The above decision of share capital decrease was approved by the K2 – 10651/12.07.2007 decree of the Ministry of Development and the B.O.D. of the Athens Stock Exchange was informed at the meeting of 19.07.2007.

Other facts

At the General Meeting of Shareholders of the subsidiary company "IASO PEDIATRICS S.A." held on 12.06.2007, the company decided to be renamed "IASO HEALTH ENTERPRICES SOCIETE ANONYME" with distinctive title "IASO HEALTH ENTERPRICES" (G.G. no. 7754/13.07.2007)

Perspectives

The Management of the Group continues with the same zeal and consistency on its growth and profit improving policies, as well as broadening the range of the group activities that was followed during 2007.

The management and administration of the Group looks towards the year of 2008 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.

Among the management targets is the continuous increase of outpatients, mainly of IASO General and of IASO , with further improvement of occupancy ratio in IASO General as well as the increase of stem cells storage of MedStem Services.

Finally, the start up of operations of the pediatric department and the completion of “IASO Thessalias” clinic, without delays, converge in the overall aim of increasing the company’s value for its shareholders.

Parent Company’s Financial Results

The parent Company’s figures and financial results demonstrate that the company is continuing its steady growing pace. Revenues reached the amount of €101,0 mil. during 2007 vs the amount of € 88,74 during 2006 posting an increase of 13,84%. The revenue increase is attributed to the following: (i) the increase of inpatients and outpatients patients by 4,6% and 8,8% respectively and (ii) the increase of the average revenue per patient by 4,9%. Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) were recorded at €36.9 mil. vs € 31.58 mil of the FY 2006, presenting an increase of 16,8%. while the EBITDA margin reached the level of 36,52% posting an increase of 94 basis points compared with the same period last year. Earnings Before Taxes reached the amount of € 32.29 mil vs € 28.50 mil of the FY 2006 showing an increase of 13,27%. Earnings after tax and minorities interests (EATAM) were recorded at € 21,93 mil. vs € 20,20 posting an increase of 8,54%. The lag in growth recorded between Earnings after tax and minorities interests and EBITDA is explained by (i) the increase in financial expenses by € 1,23 mil. (+177%) and (ii) the additional taxes and penalties of € 1,58 mil. that were imposed by the Tax Audit Authorities, on the company for the fiscal years 2003 through to 2005. The company’s Bank Net Debt (Bank Debt minus Cash & Cash equivalents) at the end of fiscal year 2007 reached the amount of € 46,5 mil. vs € 4,7 mil. at the end of fiscal year 2006.

The following charts present the evolution of the aforementioned figures.

Chart 4: IASO SA In & Outpatient (in thousands)



Chart 5: IASO SA Average Revenue per patient

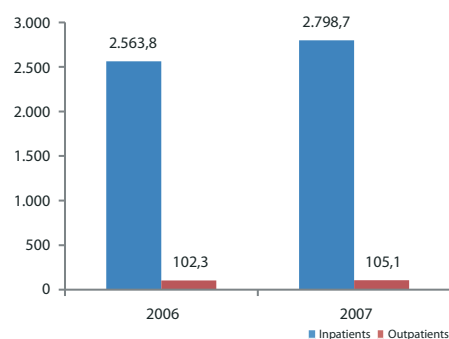




Chart 6: IASO SA Brief Financial Results
(in mil. €)

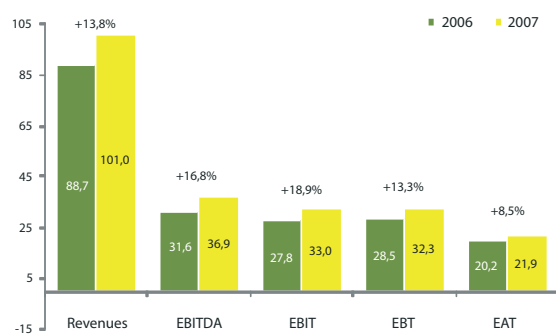
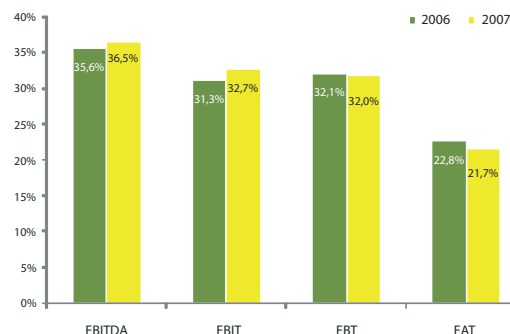


Chart 7: IASO SA Profit Margins



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

Parent Company Ratios	2007	2006
Current Ratio	1,41	1,16
Return on Equity (before taxes)	21,1%	15,1%
EBITDA (% on revenues)	36,5%	35,6%
Profit margin (before taxes)	32,0%	32,1%
Owner's Equity / Total Assets *	0,63	0,83
Owner's Equity / Total Liabilities *	1,67	5,06
Owner's Equity / Bank Liabilities *	2,59	17,43

* Note: These ratios can be further improved if the Company's cash and cash equivalent (amounted to €10,1 mil. on 31.12.2007) get subtracted from total assets.

Important Facts after the Balance Sheet date

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

- At the Extraordinary General Meeting of Shareholders of the subsidiary company "IASO GENERAL CLINIC OF HOLARGOS S.A." held on 11.01.2007, it was decided: (a) to increase the Share Capital by € 7.761.746,12 of which € 735.774,62 by capitalizing part of the liabilities towards the parent company IASO S.A. by issuance of 694.127 new common registered shares of nominal value € 1,06 per share. The remaining amount of € 7.025.971,50 paid in by cash with issuance of 6.628.275 new common registered shares of nominal value € 1,06, (b) to increase the Share Capital by € 355.000,00 through capitalization of the equivalent amount of share premium reserves. This action will increase the share's nominal value from € 1,06 to € 1,085 (c) to decrease the share's nominal value from € 1,085 to € 0,31 due to an increase in the number of shares from 14.200.000 with nominal value € 1,085 to 49.700.000 of nominal value € 0,31 (split of one (1) old to three and a half (3,5) new shares). The certification of the Share Capital increase

was approved by the BoD of the subsidiary company on 06/02/2008.

2. The B.O.D. of the subsidiary company "IASO THESSALIAS GENERAL CLINIC-PRIVATE OBSTETRICS S.A." based on the decision taken at the Extraordinary General Meeting of Shareholders held on 19.01.2008, proceeded in signing an 8 years debenture loan agreement for a maximum amount of € 33.000.000,00. The agreement was signed between IASO THESSALIAS SA and National Bank of Greece as the organizer and bondholder. The proceeds of the aforementioned loan will be used for financing the buildings completion and the purchase of equipment. The amount that has already been drawn down amounts to € 7.000.000,00.
3. The Share Capital of the Company "IASO GENERAL CLINIC OF HOLARGOS S.A." upon resolution of the Extraordinary General Meeting of Shareholders held on 14.02.2008, increased by € 26.231.400,00 by cash, by issuance of 7.670.000,00 new common registered shares of nominal value € 0,31 each and issue price € 3,42. The Share Premium Reserve will increase by € 23.853.700,00 if the full amount of increase is successfully covered. The aforementioned increase is in process and has not been completed yet.

The Board of Directors intends to propose to the Annual Ordinary General Meeting a dividend distribution of € 0,33 per share for the fiscal year 2007.

Corporate Governance – Internal audit

The Company has followed the principles of the corporate governance, as they have been defined by the current Greek Legislation and the International best practices. The corporate governance as a set of rules, regulations and control mechanisms -by whom the company is organized and managed – aims at the transparency to the investment community and the safeguarding of the interests of the company's shareholders and stakeholders.

The Board of directors of IASO S.A. is the guardian of the corporate governance principles of the group. At present it is composed of 7 executive and 6 non-executive members. Of the non executive members, two satisfy the requirements of the law 3016/2002 for the corporate governance and are denominated as independent. For the efficient operation of the B.O.D., several committees have been established and function, all of them referring to the B.O.D. as a collective body.

The Audit Committee is composed of non-executive members of the B.O.D. and its mission is the objective conduct of internal and external audits and the efficient communication between the auditors and the B.O.D. Amongst its responsibilities is the assurance of the compliance with the rules of the corporate governance as well as the assurance of the proper function of the internal audit system and the supervision of the operation of the Internal Audit Department.

The Internal Audit is a basic and necessary prerequisite of the corporate governance. The Internal audit department of IASO S.A. , is an independent organizational unit , referring to the B.O.D. Amongst its purview is the assessment and improvement of the risk management systems, as well as the certification of the compliance with the established policies and procedures as they have been defined in the Internal regulation of operations, and the current regulatory legislation.

Risk Management

IASO Group applies methodologies in order to identify, assess, measure and monitor all risks





deriving from on and off-balance sheet items, as well as from all its operations, systems and processes, both at the company and at the Group level as well as the external environment parameters that could negatively affect the unimpeded operation and financial status .

Operating and Business Risk

The Group has taken action regarding the operating risk management, specifically:

1) **Insurance Coverage.** All the Group's active companies have taken out insurance contracts that are currently in force and renewed when expired, covering:

- a) Its tangible assets and its premises
- b) Civil, Employer's, Professional (malpractice) Liability
- c) Group IASO Employees
- d) Group IASO Motor vehicles.
- e) Loss of Income
- f) Cash theft & burglary

The insurance coverage varies by category of insurance risk and objective. The insured values have been recently revalued, by certified evaluators, in fair market values. Moreover, the Group management has adopted the policy of requiring the associate doctors to proceed to self insurance coverage for professional (malpractice) liability.

2) **Management of Receivables – Liabilities and IT Systems.** The Group keeps a backup data base, while significant resources have been disposed to the installment of equipment and development of systems for the storage and recovery of business information in order to secure the Group's receivables and business continuity.

The Group's Management continuously audits receivables and updates the credit control procedures. The Group receivables originate from sales to private customers, social security funds and insurance companies. Receivables from social security funds and Insurance Companies have a minimum loss risk. Potential credit risk is mainly related to private customers. The Group's Management posts provisions for coverage of possible bad debts and incorporates them the balance sheet as well as in the Financial Statements. All of the above financial assets that are presented in the Financial Statements have been impaired (incorporating the relevant provisions) and are of high credit quality.

3) **Un-audited tax years.** The Company has been audited by tax authorities up to the fiscal year 2005. For the unaudited fiscal years 2006 and 2007 the Group has posted expected tax liabilities due to audit, on the basis of assessments from previous audits. If the audit's final outcome varies from that initially posted one, the difference shall burden the income tax of assessed period. The subsidiary company "IASO General S.A." has been audited by tax authorities up to 2005; due to cumulative loss the management believes that there is no reason to form provisions for future expected tax liabilities. The subsidiary companies "Medstem Services S.A.", as well as the other subsidiaries have never been audited by the tax authorities as of their establishment. The company has started to post revenues in the FY 2004, at a very low scale up to the FY 2005 and the management has not posted expected tax liabilities due to audit, on the basis of lack of assessments from previous audits. The other Group's subsidiaries have not yet been audited since establishment nor have they posted any revenues.

4) **Technological Developments.** The health services as well as the market position of each health care services provider greatly depend on the technical competence and the supremacy of the bio-medical equipment being used. IASO Group's top priority has been to continuously invest in programs aiming at renewing and purchasing state-of-the-art medical equipment.

5) **Large Customer Dependence.** The Group has no dependence to large customers like insurance companies and social security providers.

6) **The Private Health Care Sector in Greece.** With a sector's growth rate for the period 1997-2005 of 12.7% and for 2006 of 15.7%, it is clear that the private health care sector in Greece presents particular dynamics and potential. These characteristics attract new investments. IASO Group has managed with its financial results to present a great supremacy compared to its main competitors. Furthermore, for the last 10 years, IASO has managed to be ranked steadily in the first place amongst the private maternity hospitals in Greece.

The Sector is characterized by:

- High fragmentation. The largest operator holds 15% of total private market while the smaller players are less competitive due to the lack of quality services and available resources.
- Growing demand for qualitative health care services.
- Change of demand mix due to change in demographics (aging population, immigrants' inflow)
- Poor quality medical services outside the regions of Athens and Thessaloniki.
- Possible failure of IASO Group to meet with success the new situation could have negative effect on its economic circumstances and its operational results.

Financial Risk

Financial risk management performs a very significant role within the group's total risk management policy. The Group's financial instruments consist mainly of deposits with banks, trade accounts receivable and payable, transactions with the subsidiaries, associates, equity investments, dividends payable and lease obligations. The interest rate risk exposure for bank liabilities and investments is continuously audited in budgetary base. Regarding the proper management of the liquidity, this is done by combination of working capital and cash flows, approved bank credit and strict monitoring of cash flows.

Interest Rate Fluctuations

Taking into account the Group cash flow and the current spreads between fixed and floated interest rates, the cost of available financial products for the coverage of interest rate risk as well as the estimated, by the consensus, decrease in interest rates by the ECB, the Group's management decided to follow the floated interest rate policy. Following this decision the Group is exposed to interest rate fluctuations. According to the current (31.12.2007) signed bank debt agreements a possible increase of interest rate by 1,00% will negatively affect the Group financial results and equity by approximately the amount of € 1,00 mil. while an equal percentage interest rate decrease will increase the Group financial results and equity by approximately the amount of € 1,00 mil.





Other Risks

Group's policy consists of constant supervision of the developments taking place in Greece as well as abroad. Our objective is to avoid possible negative effects that can arise. However, the Group can be affected by:

1. Political, financial or social changes, instability, fluctuations in Greece, Europe or worldwide that may affect the business' environment in Greece.
2. A fluctuation in the international capital markets as well as the Investing public's psychology.
3. ATHEX's trend and fluctuation. It should also be taken into consideration that ATHEX has lower liquidity as compared to other major international markets, which may cause difficulties in the effort to sell the shares, particularly in large blocks.
4. Sale of a large number of the Company's shares, or estimations or articles that such a sale can take place.
5. Possible legislative changes that can affect our developing policy.
6. Incapability to keep up with the medical and technological developments.

We presented to you the Parent Company and the Consolidated Financial Statements for the fiscal year January 1st to December 31st 2007, in comparison with the same period of 2006. 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 2007.

Maroussi, 18th of March 2008

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 (17) pages, is the one referred in the Auditors' Report issued on the 24.03.2008.

Athens, 24 of March 2008

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 Societe 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 necessary 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 opera-

tion 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 IASO Thessalias SA that took place in November 25th 2006 decided to increase the company's share capital by Euro 3.274.800,00 with cash infusion and by issuing 327.480 shares (registered common shares), with a nominal value of 10,00 Euro each and an issue value of 15,00 Euro. The difference between the issue price and the nominal value of the share will increase the Share Premium Reserves by 1.637.400,00 Euro.





After the increase, the share capital will rise to 9.824.400 Euro and the Share Premium Reserves to 2.619.840 Euro.

2007

IASO Group realized significant investments amounting to Euro 6 million for acquiring state-of-the-art equipment for IASO Maternity Hospital and IASO General hospital in order to ensure timely diagnosis and intervention.

Cryobanks International Services Athens stem cells bank, owned by the IASO subsidiary company Medstem Services SA, was accredited by AABB (American Association of Blood Banks), and is the only stem cell storage bank in Europe with this accreditation. As part of the evaluation for accreditation, an inspection was conducted by AABB inspectors (at the bank labs – inside the IASO maternity hospital) and its medical, technical and administrative standards were accredited, often exceeding the very standards determined by AABB.

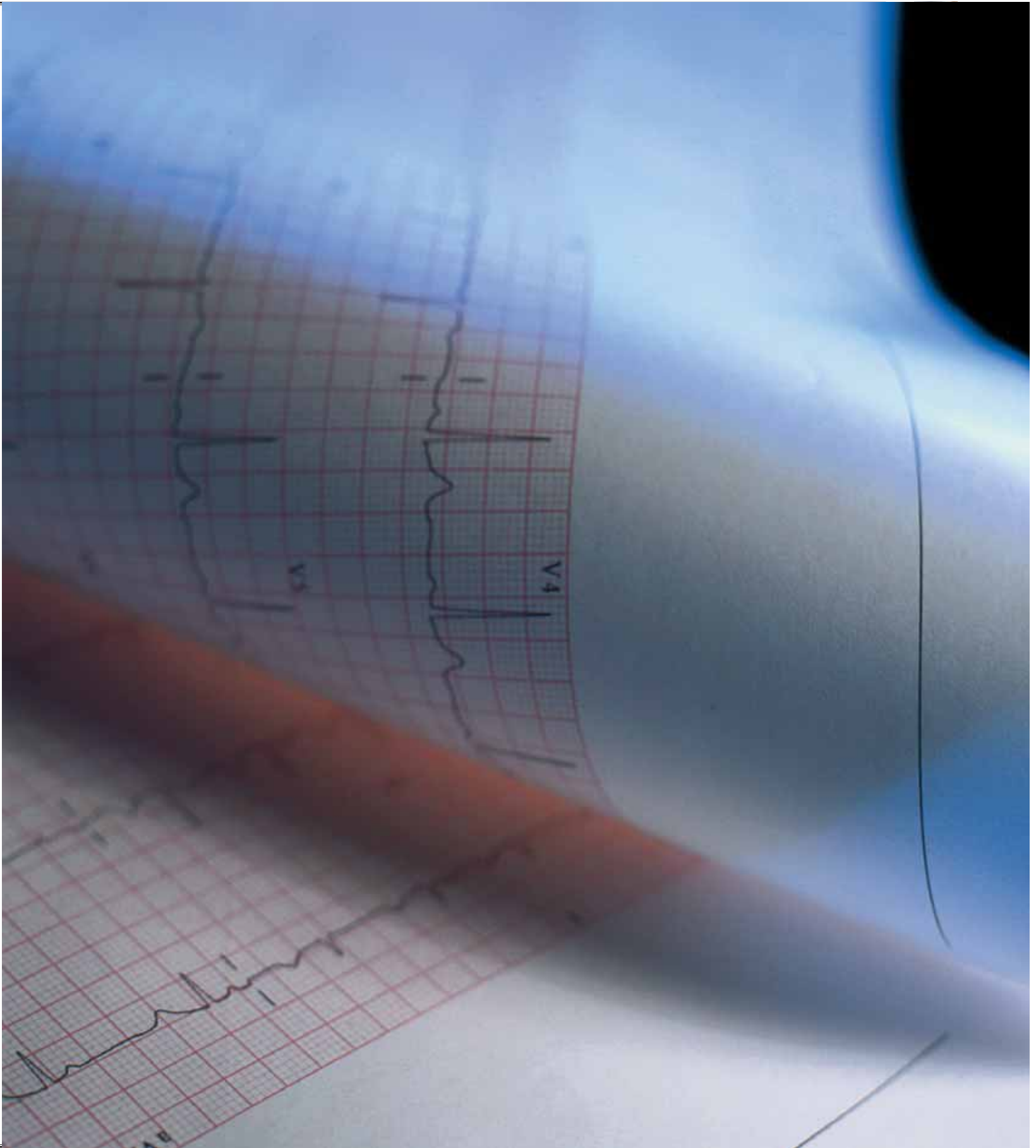
The Flow Cytometry Department, also a part of Medstem Services SA responsible for the control of stem cell samples, was certified in August 2007, receiving ISO 9001:2000 (TUV HELLAS) and was also accredited by the International Organization UK NEQAS (United Kingdom National External Quality Assessment Schemes for Leucocyte Immunophenotyping), classifying the Flow Cytometry Department among the top five accredited labs all over the world, with a high level of services provided.

In October, IASO THESSALIAS SA bought, a 10,723 m² plot of land in Nikea, Larissa, next to the 50 m² already owned by IASO, where a general and maternity clinic is being built.

In March, the 4th Share Capital Increase was successfully completed, with an impressive participation of doctors from Thessalia. The decision of the Extraordinary General Meeting

of Shareholders on 25/11/2006 led to an increase of the company's share capital by Euro 3.274.800,00 in cash, with the issuance of 327.480 new common nominal shares with a nominal value of Euro 10,00 each and an issue price of Euro 15,00 per share, resulting in Share Premium Reserves Euro 1.637.400. After the share capital increase, the company's equity on 31/12/2007 amounted to Euro 12,57 million vs. Euro 7,86 million on 31/12/2006, representing a growth bym 60% . On 08/03/2007 the INTRAKAT SA contract was signed in order to proceed to the second stage of construction, including structural and electrical – engineering operations. According to the contract, the building company will complete the construction of the clinic in January 2009. The IASO Southern Suburbs Management, considering the intense activity and business potential in the southern suburbs of Attica, decided on the following, by its decision of its Shareholders Extraordinary General Meeting on 05/02/2007: (a) to reduce the nominal value of each share from Euro 10,00 to Euro 5,00 (split) by issuing at the same time 6.000 nominal shares (b) to increase the share capital of the company, by paying Euro 10.000.000 in cash, issuing 2.000.000 new nominal common shares with voting rights, with nominal value and at an offering price of Euro 5,00 per share.

The purpose of the share capital increase is to fund the Maternity and General Hospital in the southern suburbs and the company management is already in the process of searching for a building site.





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 27.700 inpatients in 2007. 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 of 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 (gynecologistoncologists, 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. The department fully covers emergency cases and is open 24hours a day, seven days a week.

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: cardioto-

cogra-phy, Doppler, cervical screening, biophysical profile, throphoblast collection 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, Digital

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 ultrasound unit covers the entire range of general ultrasounds, including invasive proce-









dures, 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 Medical 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 appro-

priate 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

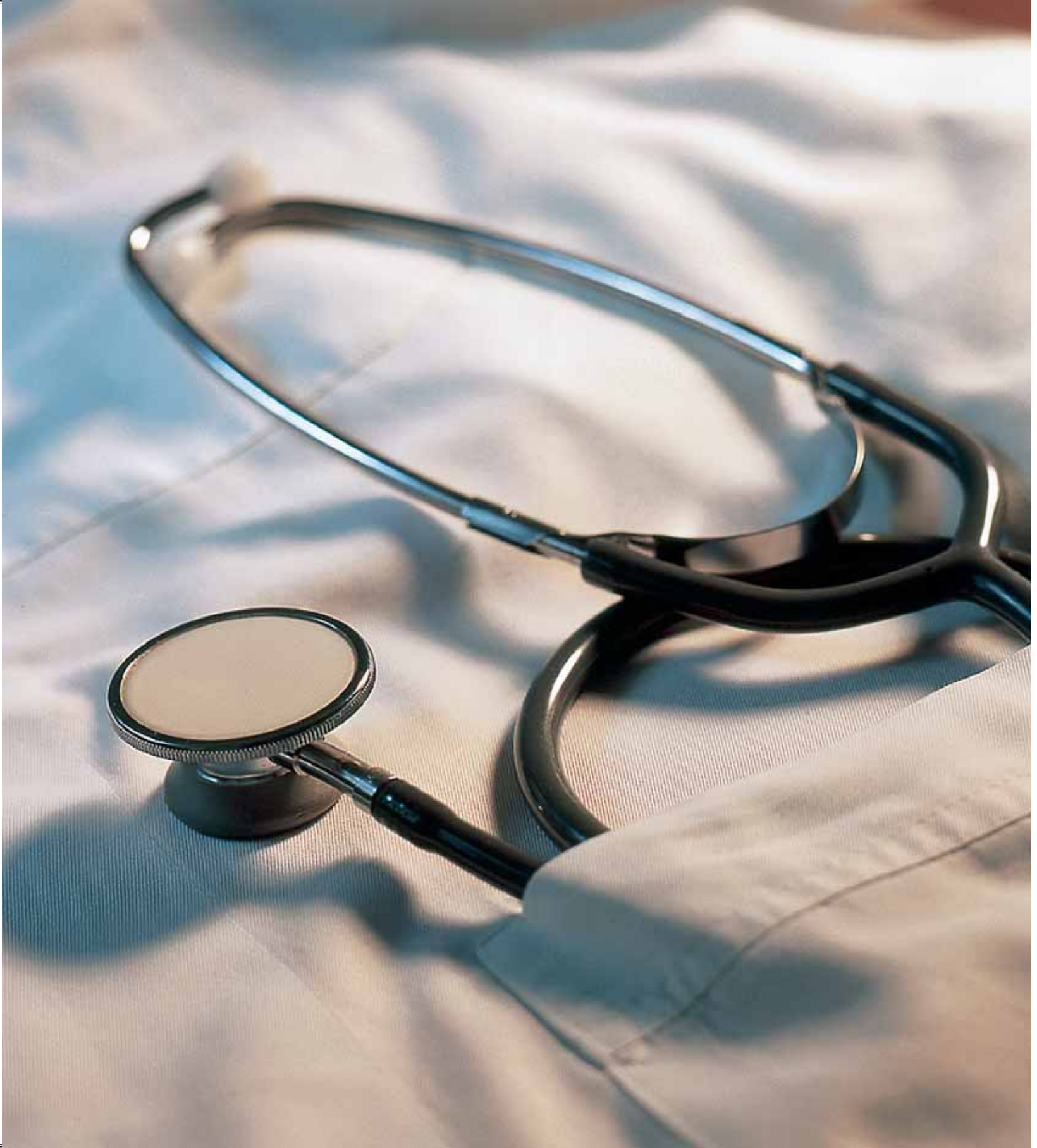
Expert scientists and dietologists aided by high-tech, highly-precise equipment provide dietary support to pregnant women, and monitoring and dietary support to the postpartum mother, as well as to all women, men and teenagers. Special emphasis is given to the dietary support of patients undergoing chemotherapy.





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. The experienced and with advanced scientific training medical and other scientific personnel as well as the specifically trained and educated on the use of technological equipment nurses ensure the excellent hospitalization and the responsible, prompt and complete treatment of patients. 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.
- 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 ultrasounds 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 treat-

ment 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.

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 com-





plete 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. Currently, at IASO General the pioneering Greenlight Laser method is used for the treatment of prostatic hyperplasia.

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 20 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.

Laser Vaginal Rejuvenation (LVR):

The center is staffed with expert physicians and implements muscle tone repair methods (relaxation), in order to restore the vaginal strength and control.

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
- Hepatology

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 operate 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, SLA Ultrasound .

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 is supported by a large group of prominent scientists.

Cryobanks International Services Athens stem cells bank was accredited in 2007 by AABB and is the only stem cell storage bank in Europe with this accreditation. As part of the evaluation for accreditation, an inspection was conducted by AABB inspectors (at the bank labs – inside the IASO maternity hospital) and its medical, technical and administrative standards were accredited, often exceeding the very standards determined by AABB.

The main activity of the Flow Cytometry Department, which is also a part of Medstem Services SA is the analysis of biological samples of stem cells. The facilities as well as the medical and technological equipment of the department completely satisfy European Union

requirements, and the laboratory for processing biological samples is designed according to the strictest specifications worldwide.

In August 2007, Flow Cytometry Department was certified in accordance with the international standard ISO 9001:2000 by the internationally recognized organization for certification TUV HELLAS. Moreover, since August 2007, the department has been accredited by the international body UK NEQAS (United Kingdom National External Quality Assessment Schemes for Leucocyte Immunophenotyping), which has ranked the Flow Cytometry Department among the five best certified laboratories in the world, offering the highest level of services.

The medical and scientific personnel of the department have gained the necessary expertise and experience from research centres at home and abroad.

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

IASO

Children's Hospital

The new Children's Hospital is a valuable addition to the broad range of services provided by the IASO group and will operate in a state of the art facility next to the IASO clinic.

This is the only health center that will provide the solution to all pediatric health problems – with no trouble for them or their families. IASO Children's Hospital, is organized following the requirements of a tertiary care Hospital, will be operating 24 hours a day, covering the entire range of a child's healthcare requirements. Equipped with state-of-the-art technology, it'll be the only private, pediatric institution with an intensive care unit, in order for children to not have to be transferred to other hospitals.

IASO Children's Hospital will be staffed with prestigious Academic and hospital doctors of all specialties with many years of experience.

Its main purpose is to provide medical care

and hospital care in a pleasant, child -friendly environment and consistent with the high quality of the Group's services.

In this framework the hospital will include the below mentioned specialized departments:

- Department of Pathology Allergiology, Dermatology, Diabetology– Endocrinology, Cardiology, Nephrology, Pneumonology.
- Department of Surgery, ENT, Gastroenterology, Ophthalmology, Urology, Orthopedics, General Surgery, Neurosurgery
- Intensive Care Unit
- Emergency Department
- Diagnostic Labs
- Outpatient Clinic





6

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
Triantafiillou, Ilias of Triantafillos	Managing Director
Trompoukis, Ioannis of Pandelis	Managing Director
Theofanakis, Panagiotis of Georgios	Non Executive Member
Zarkinos, Stylianos of Konstantinos	Non Executive Member
Cheilaris, Ilias of Georgios	Non Executive Member
Karamalikis, Dionysios of Georgios	Non Executive Member
Dimitrouleas, Spyridon of Eustratios	Independent Member
Petropoulos, Ilias of Filopimenos	Independent Member

7

Directors

IASO - GROUP

Takis Gianniris	Group C.E.O.
Konstantinos Lytras	Group Legal Consultant
Theano Skourti	Group Chief Audit Executive
Vassilis E. Anastassakis	Group Chief Financial Officer
Ourania Theologiti	Group IT Department Director
Panagiotis S. Garis	Group Human Resources Director
Dimitris P. Mortoglou	Operations Director
Theodoros Vezirianos	Group Technical Services Manager
Maria Boutsini	Director of Nursing
Dionisios Leontaritis	Group Business Development & Marketing Director
Periclis Exarchos	Group Sales Director
Konstantinos Kountouris	Group Logistics Director
Nikolaos Vamvakaris	Group Quality Manager

IASO General

Kyriakos Kopsidis	General Manager
Maria Kotsopoulou	Director of Nursing
Georgios Karampalis	Legal Consultant



9

Human Resources

IASO Group, a large and rapidly-developing health service organization, offers its employees a modern and stimulating environment where they can achieve professional success.

IASO Group attaches particular importance to the development of its workforce. To recruit staff for our hospital and to support its continually-expanding enterprises, we adopt modern approaches and methods for selecting, training and evaluating our staff. At the same time, constant effort is made to improve the structure of the organization and its administrative procedures.

One of the main aims of the administration of the IASO Group is to attract and maintain personnel with a high level of achievement and a highly professional outlook, and to hire dynamic individuals who believe in teamwork and who are prepared to share the values and vision of the Group.

The fact that the company has grown so steadily and productively in the health sector is mainly due to the quality of its services. These are efficient with a high standard of scientific knowledge, and are continually being shaped by everyone's contribution to the organization. A vital prerequisite for the success of IASO has been the creation of a company culture that offers its employees the opportunity to respond to clients and colleagues swiftly, efficiently and with integrity, and at the same time to be concerned with improving their performance, increasing their capabilities, and supporting their personal development. Consequently, the company places prime importance on educating and training its employees, the majority of whom have already taken part in educational programmes that deal with the latest methods in hospital management.

In this context, IASO Group is participating in the project "Positive action for equal opportu-





nities between men and women in small, medium-sized and large business” in order to improve women's access to employment. The Project is carried out by the General Secretariat for Gender Equality and is part of the Operational Programme “Employment and Professional Training” of the Ministry of Labour and Social Affairs

As part of this Project, our company has undertaken the following activities:

1. Informing
2. Counseling
3. Training

For the year 2007 training statistical data for the Group were the following:

Training Statistical Data	Year 2007
Number of training programs	27
Number of Employees Trained	170
Hours of training	4386

Group Benefits

Along with very competitive salaries, revised on an annual basis, IASO offers an attractive benefits package including:

- Group insurance policy for employees covering life, accidents, disability and loss of income.
- Discount for the IASO products and services.
- Wedding gift check.
- Child birth gift check.
- Gift check for children entering College.
- Gift check for Christmas – Easter
- Possibility to receive part of future salary as advance payment

All the above confirm the IASO Group vision for the IASO employees, that is “the use and handling of knowledge is a critical success factor and ensures both the competitiveness and

pioneering development of the Group as well as its ability to provide high quality services.”





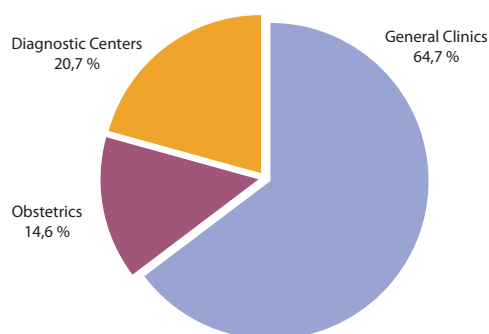
10

The Healthcare Sector in Greece and the position of IASO Group

According to ICAP's latest report, on the Greek private healthcare sector (July 2007), the size of the sector in Greece, for the year 2006, reached the amount of €1.544,5 mil. vs €508,0 mil. for the year 1997, presenting an average annual growth rate (1997-2006) of 13,2%. The market size of the private general

clinics is estimated at €1.000 mil., where as €225,5 mil. is expected to be the market size of the private obstetric clinics and €319,0 mil. the market size of the diagnostic centers. A percentage breakdown of the Greek private healthcare sector for the year 2006 per category is presented in chart 1.

Chart 1: Percentage breakdown of the Greek private healthcare sector (2006)



Source: ICAP 2007





The Private Healthcare Market in Greece is characterized by:

- High growth rates, as mentioned above.
- High fragmentation since the largest operator holds c.16% of total private market, while smaller players are less competitive due to the lack of quality services and available resources
- High demand for quality medical services.
- Change of demand mix due to change in demographics (ageing population, immigrants' inflow).
- Population aged above 65 years is estimated to 18,4% of total population.
- Poor quality medical services outside the regions of Athens and Thessaloniki

According to the latest available data (2005) the private spending for health reached the amount of €13,1 bil. presenting a CAGR of 10,1%, for the period 2000 – 2005, amounted to 5,8% of GDP for the year 2005 vs 5,2% for the year 2000.

Chart 2: Private spending for health (2000 - 2005) (mil. €)

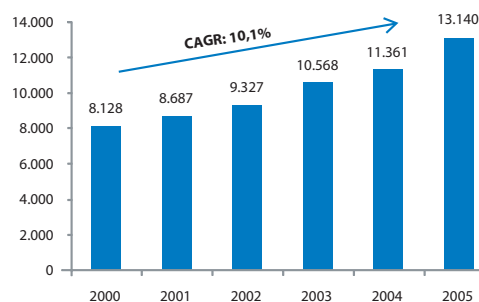
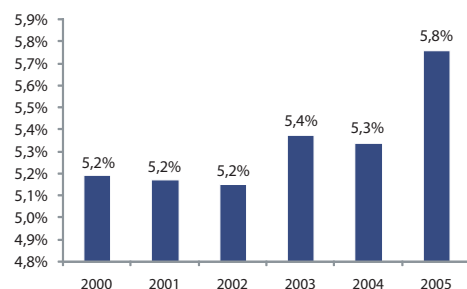


Chart 3: Private spending for health as % of GDP (2000 - 2005) (mil. €)



The Average Monthly Health Spending per Household in Greece, for the year 2005 reached the amount of €128,2.

Chart 4: Average Monthly Health Spending per Household in Greece.

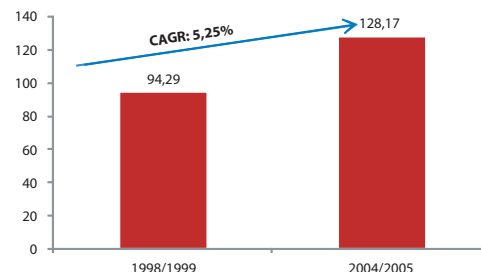
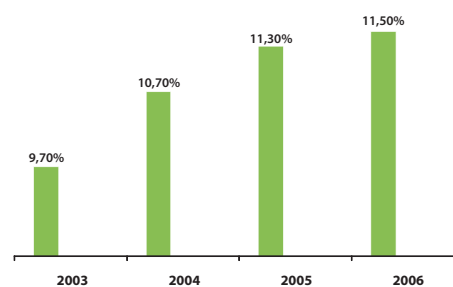


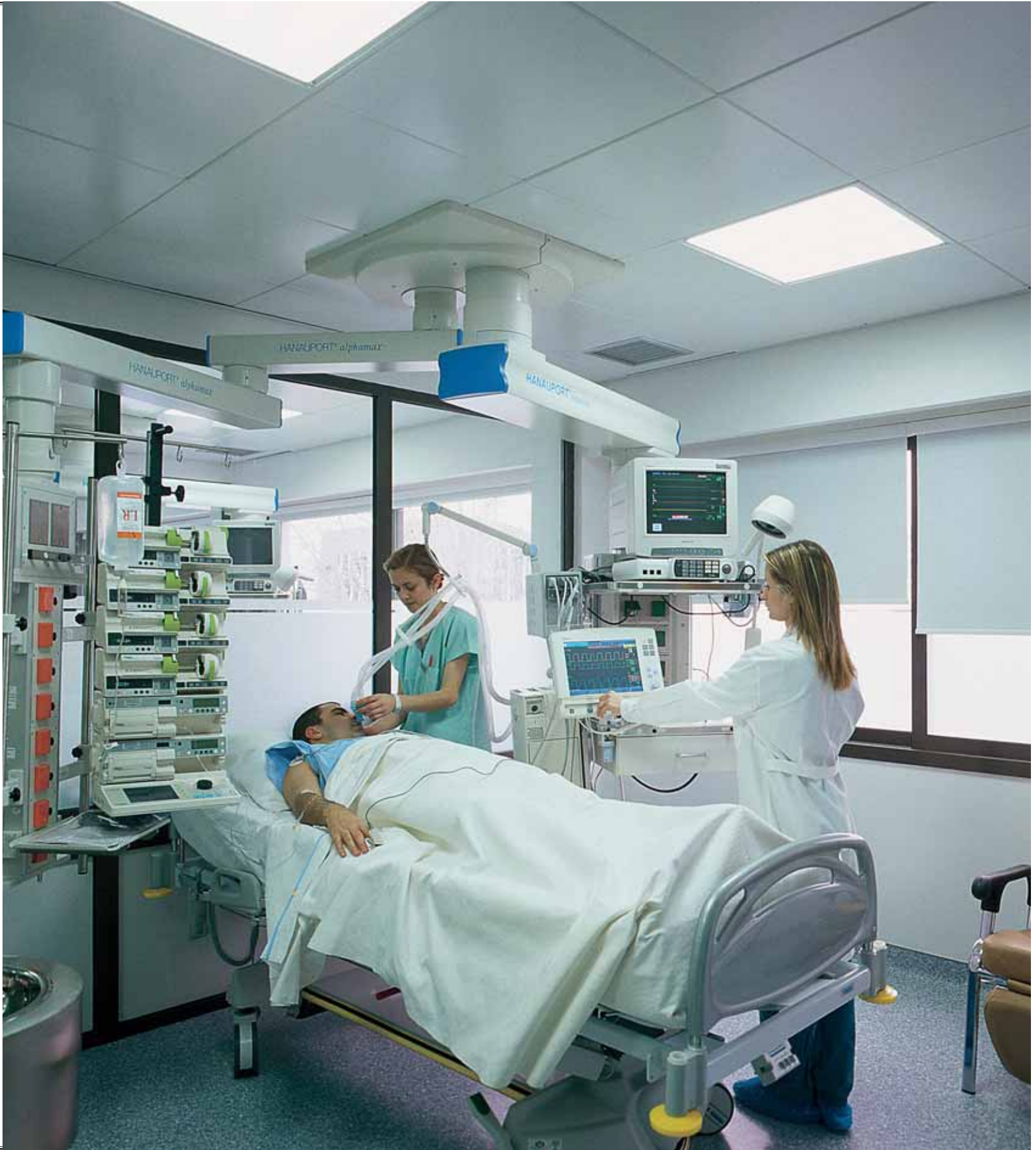
Chart 5: IASO Group Market Share (2003-2006)



Source: ICAP 2007

The IASO Group market share was 11,5% for the year 2006, which ranks the group as the 3rd largest healthcare services group in Greece, despite the low participation of maternity clinics in the market.

IASO S.A.'s market share for the year 2006 was 39,4% of the total private maternity hospitals in Greece (ICAP 2007), which ranks the company in the 1st position of the maternity hospitals sector.





11

Corporate Social Responsibility- Social Balance Sheet

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.

The multifaceted social policy of IASO Group includes, among other things:

- The active participation with grants and lectures to Inter-municipal Meetings of Municipalities and Communities performed in order to inform the general public on sensitive health issues.
- The participation to research medical projects in an effort to develop new methods and techniques that will help in the timely diagnosis and treatment.
- The organization of special lectures and seminars to promote Maternal Breast Feeding. It is pointed out that IASO has proceeded to its characterization as a "Baby Friendly Hospital".

- The positive response to Non Governmental Organizations for free medical – pharmaceutical care to poor patients and members of families with many children needing medical assistance
- We offer Christmas Presents to children living at a boardinghouse.
- We offer food and meals to poor people during the holidays
- We offer hospitality and free training to obstetricians coming from former Communist countries
- We offer appropriate medical equipment and support indigent neonatal intensive care units in former Yugoslavia
- With the Group expert medical staff and ambulances we cover a high number of sports events
- We sponsor remarkable medical and other reviews

- We provided assistance to fire – stricken people in Peloponnesus and Evea by offering free of charge hospitalization of patients and pregnant women from these areas.

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.

IASO Group currently employs 1,540 people, staff and executives, while more than 2,950 physicians of all specialties work at the Group clinics. Also, IASO Group cooperates with a broad range of 2,950 vendors.

An integral part of our HR policy is to respect our employees and their needs. We acknowledge our employees' active contribution to reaching our business goals and we, therefore, constantly invest in their professional development.

The rewards and benefits system exceeds industry standards and includes social care for employees and their families who may use the medical services of the Group clinics under special terms, and are additionally covered by a group insurance policy.

IASO distributes significant dividends to its shareholders (13.4 million Euros in the year 2007) and contributes to the State Revenues with various types of taxes (and non deductible VAT) in the range of 16.17 million Euros for 2007. IASO also contributes to various insurance funds with significant sums of approximately 15.35 million Euros for the year 2007.

SOCIAL BALANCE SHEET 2006 - 2007

	2006		2007	
	million euro	on total(%)	million euro	on total(%)
Sales	143.84		169,76	
Personnel Compensation	20.23	29.76%	22.34	26.79%
Doctors' Compensation	11.12	16.35%	15.38	18.44%
Dividends	8.97	13.20%	13.39	16.05%
Taxes (non deductible VAT)	12.43	18.29%	16.17	19.38%
Pension Funds	14.76	21.71%	15.35	18.40%
Municipal Taxes & Dues	0.48	0.70%	0.78	0.93%
Total	67.99	100.00%	83.42	100.00%





12 Scientific Excellence

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 recent participation of IASO General Hospital in the research carried out in Harefield hospital and the Royal Brompton Hospital, under the auspices of the Imperial College of London, for the surgical treatment of heart failure with incorporated L.VAD and non-transplant surgical options. As it is well known, Professor Sir Magdi Yacoub cooperates with the clinic.

Several departments of the IASO clinic and the IASO General Hospital cooperate in many ways with corresponding departments of top hospital organizations abroad. IASO participates in the following programs for updating research personnel:

1. "Research trial for the evaluation of the effectiveness and safety of a research drug

named UK-369.003 for the treatment of men with symptoms in the lower urinary tract with or without erection disorders" (Urology department)

2. "Randomized, double-blind trial for treatment with LdT (telvibudine) versus lamivudine in patients with compensated chronic hepatitis B" (Hepatology department)

3. "Perspective cohort study for monitoring the coagulation parameters in post-menopausal patients with operable breast cancer, under adjunctive HRT for five years, according to established practice" (Breast Department)

4. "Multi-center, Randomized, Double – Blind, Placebo Controlled, Phase III Study in Epidermal Growth Factor Receptor (EGFR)-positive patients with Non Small-Cell Lung Cancer Stage IB-IIIa receiving monotherapy with Tarceva (erlotinib) following complete tumor removal, with or without adjunctive chemotherapy" (Pneumonology Department)

5. "Randomized, double – blind, multi – center, phase III trial, including 2 stages, with bevac-

zumab combined with cisplatin and gemcitabine vs. placebo, cisplatin and gemcitabine, in chemotherapy naive patients with advanced or recurrent non-squamous cell non-small cell lung cancer (Pneumology Department)

6. "Prevalence of viral hepatitis B and C infection in the hospital personnel of the Artificial Kidney Unit" at the Athens University nurse school (Artificial Kidney Unit and Microbiology Department)

IASO participates in programs for updating research personnel, on the following topics:

1. "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", in collaboration with the Athens Medical School Biology Department.

2. "Study of the impact of a high-fat diet on growth, on the normal maturation of the reproductive system and the central nervous system", in collaboration with the Biology Department of University of Athens. It also participates in many other programs covering a wide range of medical research topics.

IASO offers its physicians and scientific personnel the possibility to remain on the cutting edge of medical science, providing complete up-to-date scientific information from its modern medical library, which operates on a daily basis. It also organizes lectures and seminars which are conducted by highly-respected Greek and international scientists. An annual program of scientific lectures is also sent to all physicians, concerning the latest developments in the area of maternity, gynecology and pediatrics.

IASO is a member of the following international organizations:

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





13

Stock Market Data

In the year 2007 the total IASO stock transactions amounted to €149,7 mil.

The average annual stock price of IASO, during 2007 was at € 10,25 per share, while the average market capitalization for the same period stood at € 451,9 millions. During 2007 a total of 14,6 mil. stocks were traded, this volume corresponds to 33,1% of total number of IASO shares.

The IASO stock price on the last trading session of 2007 (i.e. 31/12/2007) was quoted at €12,54 per share, presenting an increase of 66,3% compared with the adjusted closing price of the first trading session of 2007 (i.e. 2/1/2007).

During 2007 the IASO shares participated in the formation of the following Indices:

Index

Athex Composite Share Price Index

FTSE International

FTSE/Athex Mid 40

FTSE/Athex 140

FTSE/Athex Health Care

Eurobank Mid Cap Private Sector 50 Index

Athex Composite Index Total Return Index

Source: Athens Exchange

The following charts show a comparison of the IASO share price against the following Indices: Athex Composite Share Price Index, FTSE/Athex Mid 40 and FTSE/Athex Healthcare. Prices have been converted into base equals 100, with starting date, the first trading session of the year 2007 (i.e. 2/1/2007).

The annual (2007) performance of IASO shares was 50,4% higher than the Athex Composite Share Price Index, 37,3% higher than the FTSE/Athex Healthcare Index, and 47,7% higher than the FTSE/Athex Mid 40 Index, (IASO share price has been adjusted for the share capital decrease of €1,00 per share, which took place during 2007, ex-rights on 25/7/2007).

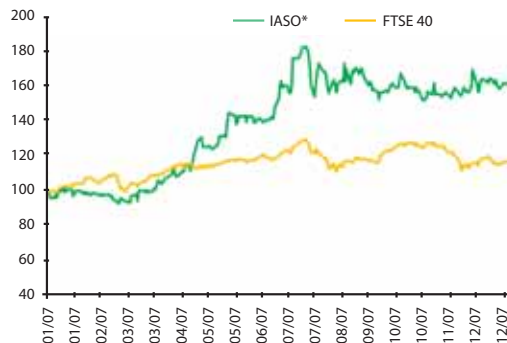
Chart 1: IASO Stock Performance vs Athex Composite Index (2/1/2007 – 31/12/2007)



Chart 2: IASO Stock Performance vs FTSE/Athex Health Care Index (2/1/2007 – 31/12/2007)



Chart 3: IASO Stock Performance vs FTSE/Athex Mid 40 Index (2/1/2007 – 31/12/2007)



*The closing prices data (IASO & Indices) were provided by the database of the company "EFFECT S.A."

IASO SA Share Capital Decrease

The Share Capital of the Company, upon resolution of the Annual General Meeting of Shareholders held on 29.06.2007, decreased by € 44.075.500,00, by simultaneous decrease of the nominal value of all shares by the amount of € 1,00 i.e. from € 1,53 to € 0,53, with the purpose of the pro rata distribution of the reduction amount to Shareholders and by the relevant amendment of the article 5 of the Company's Articles. The above decision of share capital decrease was approved by the K2 – 10651/12.07.2007 decree of the Ministry of Development, the B.O.D. of the Athens Stock Exchange was informed on the meeting of 19.07.2007.

Ticker Symbol

OASIS: IASO

Reuters: IASr.AT

Bloomberg: IASO GA





Financial Statements 2007



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Explanatory Report of the BoD (par. 1 of article 11a of Law 3371/2005)

This explanatory report of the Board of Directors of the Company IASO S.A. addressed to the shareholders Annual General Assembly contains detailed information in respect of the issues set forth in par.1 of article 11a of Law 3371/2005.

1. Structure of the Share Capital

The Company's share capital amounts to € 23.360.015,00 divided in 44.075.500 common registered shares bearing a vote right, each one of nominal value of € 0,53, after the reduction of the share capital by 44.075.500,00 € through cash payment and simultaneous reduction of the nominal value of the shares by 1,00 € i.e. from 1,53 € to 0,53 € per share, which was decided by the B' Adjourned Annual General Meeting on 29/06/2007. The above reduction of the share capital was approved by the Ministry of Development with No K2-10651/12.07.2007 decision and the Athens Stock Exchange was informed about it at its Board of Directors meeting of 19/07/2007. The Company's shares are listed for trading in the Securities Market (Big Capitalization Segment) of Athens Exchange.

Each share provides for all rights contemplated by the law and the Company's articles of association, and in specific:

- (a) The right on the dividend from the Company's annual or wind up profits. A proportion of 35% of net profits, deducting only the regular reserve, is distributed to the shareholders from the profits of every fiscal year, as a first dividend while the granting of an additional dividend is decided by the General Meeting.
Every shareholder is entitled to a dividend on the dividend cut-off date. Each share's dividend is paid to the shareholder not later than two months after the Annual General Meeting approving the Annual Financial Statements.
The means and place of payment is announced through the Press and on the Daily Price Bulletin on the ATHEX website.
The right to collect the dividend is prescribed after 5 years from the end of the year during which the General Meeting approved the dividend's distribution, and the corresponding amount is paid to the Greek State.
- (b) The right to receive contribution during wind up or capital depreciation corresponding to the share, respectively, provided that the General Meeting reaches such decision.
- (c) Preemption right in every share capital increase of the Company through cash amounts and subscription to new shares.
- (d) The right to receive copies of the financial statements and Chartered Auditors reports and reports of the Company's Board of Directors.
- (e) The right to participate in the General Meeting in which each share gives the right to one vote.
- (f) The shareholders General Meeting reserves all its rights during wind up (according to par. 4 article 37 of its Articles of Association). Shareholders shall not be held liable beyond the nominal capital of each share.

Limitations concerning the transfer of the Company's shares

Transfer of the Company's shares takes place in accordance to the descriptions of the law and no limitations are set forth by its Articles of Association concerning transferring of shares, given the fact that they are dematerialized shares listed in the Athens Stock Exchange.

Material direct or indirect participations, as such are described in Presidential Decree 51/1992

As of 29.02.2008, EUROMEDICA S.A. has a proportion of 6,12% of the Company's share capital. No other person or legal entity owns a participation greater than 5% of the share capital.

Owners of shares granting special control rights

There are no Company's shares granting special control rights.

Limitations in voting rights – Term limit for the exercise of such rights

There are no limitations in the voting rights.

Company's shareholders agreements

To the best of the Company's knowledge, there are no agreements between its shareholders limiting the transfer of shares or the exercise of voting rights deriving from the Company's shares.

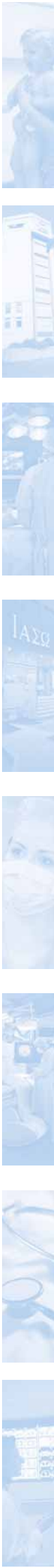
Rules regarding appointment and replacement of the members of the Board of Directors and amendment of the Articles of Association

The rules set forth in the Company's Articles of Association for the appointment and replacement of the members of the Board of Directors and amendment of the Articles of Association are no different from Codified Law 2190/1920.

Board of Directors competence in respect of issuance of new shares or purchase of own shares

- (a) According to the provisions of article 13 par. 1 sec. b' and c' of codified law 2190/1920 and article 5 par. 2 of the Articles of Association, during the first five years after a relevant decision of the General Meeting, subject to the formalities of article 7b of codified law 2190/1920, the Company's Board of Directors is entitled to increase the Company's share capital with the issuance of new shares by virtue of a decision taken in a majority of at least 2/3 of its members. If this is the case, share capital may be increased no more than the amount of the capital having been paid on the date of the General Meeting's relevant decision. The aforementioned authority may be renewed by the General Meeting for a period of no more than five years for each renewal which is deemed valid after the expiration of each five year period.



- 
- (b) If, however, the Company's reserves exceed 1/4 of paid up share capital, then a decision of the General Meeting is always required and must be taken in the special quorum and majority set forth in article 15 of the Articles of Association (article 29 par. 3 and 4 and 31 par. 2 of codified law 2190/1920 as currently in force).
- (c) According to the provisions of article 13 par. 13 of codified law 2190/1920, as amended by article 19 of law 3604/2007, by virtue of a decision of the General Meeting of Shareholders, taken according to the provisions of par. 3&4 of article 29 and par. 2 of article 31, a stock option program may be established amongst the members of the Board of Directors and the Company's personnel, as well as amongst the related companies as defined in par. 5 of article 42e, in the form of stock option under the special terms of the aforementioned decision, a summary of which is subject to the formalities of article 7b of codified law 2190/1920. Persons providing services to the company in a constant base may also be designated as entitled to stock options. The decision of the General Meeting in question, specifically designates the number of shares that may be issued -which may not exceed 1/10 of existing shares, according to the law – if the persons entitled to purchase shares exercise such right, the price and the terms of the disposal of the shares to those entitled to receive them, the persons entitled to purchase shares or the categories of them and the method of determination of price of acquisition, without prejudice to the par. 2 of article 14 of codified law 2190/1920, the duration of the stock options program, as well as every other relevant term. With the same decision, the General Meeting of the Shareholders may assign to the Board of Directors to define the beneficiaries or the categories of the beneficiaries, the conditions of exercising their rights and every other term regarding the stock options program. The Board of Directors, through a decision, regulates all other details, not being otherwise regulated by the General Meeting, issues the share purchase rights Certificates and at least every trimester delivers the share-titles already issued or issues and delivers the share-titles to the persons having exercised their right (to purchase shares), increasing the Company's share capital and certifying such increase. The decision of the Board of Directors certifying the payment of the share capital increase must be taken every trimester, contrary to art. 11 of codified law 2190/1920. These decisions of share capital increase are not considered amendments to the Articles of Association and par. 7-11 of article 13 of codified law 2190/20 are not applicable thereat. The Board of Directors is compelled at the last month of each financial year, during which share capital increases were decided, according to the above, to adapt with its decision the article relevant to the share capital of the Articles of Association, in order to reflect the increase of the share capital occurred after the above increases, respecting the publication procedure provided in art. 7b of codified Law 2190/1920.
- (d) According to the article 16 of codified law 2190/1920, as amended by article 21 of law 3604/2007, the company itself or a person acting on behalf of the company may acquire its own shares, only after consent of the General Meeting of the Shareholders under the special terms and procedures provided in article 16 of codified Law 2190/1920.

Material agreements activated, amended or terminated in case of change of control following public proposition

There are no agreements activated, amended or terminated in case of change of control following public proposition.

Agreements with members of the Board of Directors or the Company's personnel

There are no agreements with members of the Board of Directors or the Company's personnel, containing payment of remuneration especially in case of resignation or discharge, without a valid reason or expiry of term in office or employment due to a tender offer.





Independent Auditor's Report

To the Shareholders of IASO S.A.

Report on the Financial Statements

We have audited the accompanying separate and consolidated financial statements of "IASO S.A." (the "Company"), which comprise the separate and consolidated balance sheet as at 31 December 2007, 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 separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and of the Group as of 31 December 2007, 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 year 2006 to today 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 from 2003 to today, those of the subsidiary “IASO GENERAL CLINIC OF HOLARGOS S.A.” for the year 2006 to today, while those of the subsidiaries “IASO HEALTH ENTERPRISES S.A.”, “MEDSTEM SERVICES S.A.” and “IASO THESSALIAS GENERAL CLINIC – PRIVATE OBSTETRICS S.A.” for the years from their inception to today, 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. Since the outcome of these tax inspections cannot be predicted at present, the parent company has set up, to a minimum for this purpose, a provision chargeable to the results for the year of amount € 670.000,00.
- b) Moreover, as also referred to in Note 15 in the Notes on the financial statements against the Company and the Group have been lodged third party lawsuits for indemnities totalling approximately € 15.425 thousands and € 19.330 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 Report of the Board of Directors includes the information that is provided by the articles 43a paragraph 3, 107 paragraph 3 of c.L. 2190/20 as well as the article 11a of L. 3371/2005 and its content is consistent with the accompanying financial statements.

Athens, 24 March 2007
Certified Public Accountant Auditor



KONSTANTINOS P. PETROYIANNIS
Institute of CPA Reg. No. 11991
SOL S.A. – Certified Public Accountants Auditors
3, Fok. Negri Street - Athens, Greece



Balance sheet of the Company and the Group as at 31/12/2007

ASSETS	Note	GROUP		COMPANY	
		31/12/2007	31/12/2006	31/12/2007	31/12/2006
Non-current assets					
Property, plant and equipment	6	217.316.210,38	211.251.555,22	112.428.276,82	112.247.194,87
Intangible assets	7	1.420.445,03	1.661.575,43	883.613,99	985.136,82
Investments in subsidiaries	8.1	0,00	0,00	92.531.684,38	86.293.879,18
Deferred income tax assets	19	7.701.139,51	9.478.888,34	0,00	0,00
Other long-term receivables	25	893.783,31	310.573,21	397.228,58	75.413,56
		227.331.578,23	222.702.592,20	206.240.803,77	199.601.624,43
Current assets					
Inventories	12	4.979.568,52	4.460.597,09	1.964.044,04	2.281.290,55
Trade receivables	11	30.319.880,61	19.578.560,52	3.906.027,12	3.370.817,69
Other receivables	11	9.332.342,77	8.410.427,60	14.580.112,55	10.511.243,98
Available-for-sale financial assets	9	4.189.927,64	1.122.802,04	4.189.927,64	1.122.802,64
Other financial assets at fair value through profit or loss	10	999.585,45	2.382.557,31	999.585,45	2.382.557,31
Cash and cash equivalents	13	27.443.241,60	10.118.505,65	12.486.263,90	6.126.909,08
		77.264.546,59	46.073.450,81	38.125.960,70	25.795.621,25
TOTAL ASSETS		304.596.124,82	268.776.043,01	244.366.764,47	225.397.245,68

LIABILITIES	Note	GROUP		COMPANY	
		31/12/2007	31/12/2006	31/12/2007	31/12/2006
EQUITY					
Share capital	24	23.360.015,00	67.435.515,00	23.360.015,00	67.435.515,00
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	64.591.565,30	41.126.024,42	41.126.024,42
Other reserves	29	5.854.191,15	4.834.959,04	5.384.038,15	4.373.748,28
Retained earnings		-25.009.462,32	-31.359.254,14	40.440.227,02	32.742.512,03
Total equity of Company's equity holders		111.321.977,29	148.028.453,35	152.835.972,74	188.203.467,88
Minority interest	8.1	8.896.044,52	2.442.216,73	0,00	0,00
Total equity		120.218.021,81	150.470.670,08	152.835.972,74	188.203.467,88
Non-current liabilities					
Borrowings	14	109.403.825,00	51.000.000,00	56.503.825,00	8.000.000,00
Deferred income tax liabilities	19	0,00	0,00	4.039.787,93	4.195.826,72
Retirement benefit obligations	16	4.124.296,53	3.805.322,55	2.585.827,87	2.271.636,74
Other non-current liabilities	26	2.991.353,60	1.289.715,51	61.475,05	60.498,46
Other non-current provisions	27	1.294.000,71	492.395,04	1.294.000,71	492.395,04
		117.813.475,84	56.587.433,10	64.484.916,56	15.020.356,96
Current liabilities					
Trade and other payables	15	50.846.338,41	37.255.833,75	16.321.743,07	11.160.424,92
Current income tax liabilities	19	8.595.621,15	8.314.515,11	8.227.957,10	8.212.995,92
Short-term borrowings	14	7.122.667,62	16.147.590,97	2.496.175,00	2.800.000,00
		66.564.627,18	61.717.939,83	27.045.875,17	22.173.420,84
Total Liabilities		184.378.103,02	118.305.372,93	91.530.791,73	37.193.777,80
Total Equity and Liabilities		304.596.124,82	268.776.043,01	244.366.764,47	225.397.245,68

Income Statement of the Company and the Group as at 31/12/2007

INCOME STATEMENT OF THE GROUP FOR THE FISCAL PERIOD 01/01 - 31/12/2007

	Note	GROUP		GROUP	
		1/10-31/12/2007	1/1- 31/12/2007	1/10-31/12/2006	1/1- 31/12/2006
Sales	5	45.792.269,96	169.755.548,59	38.072.388,90	143.841.344,37
Cost of sales	22	33.236.018,87	124.506.920,69	28.167.625,96	110.825.432,62
Gross profit		12.556.251,09	45.248.627,90	9.904.762,94	33.015.911,75
Other operating income	17	243.140,79	1.072.760,17	217.500,46	973.326,86
Administrative expenses	22	-1.505.025,93	-5.355.188,98	-1.121.412,89	-4.284.604,59
Selling and marketing costs	22	-854.111,22	-3.609.254,51	-935.023,55	-3.373.096,34
Other operating expenses	28	-105.526,42	-611.424,59	-14.052,67	-359.356,11
Earnings before taxes, financing, investing results and depreciation - amortization (EBITDA)		12.394.456,04	44.746.748,50	10.090.312,25	33.867.314,47
Amortization – Depreciation	6,7,22	-2.059.727,73	-8.001.228,51	-2.038.537,96	-7.895.132,90
Earnings before taxes, financing, investing results (EBIT)		10.334.728,31	36.745.519,99	8.051.774,29	25.972.181,57
Finance costs – profit	18	408.401,85	1.582.355,92	749.874,70	1.561.855,25
Finance costs – expenses	18	-1.580.875,81	-4.807.929,20	-1.012.223,73	-3.325.265,28
Profit before taxes		9.162.254,35	33.519.946,71	7.789.425,26	24.208.771,54
Income tax expense	19	-3.329.573,81	-13.148.839,78	-5.053.879,80	-11.101.489,05
Profit for the period after taxes		5.832.680,55	20.371.106,93	2.735.545,46	13.107.282,49
Attributable to:					
Equity holders of the Company	20	5.771.968,53	20.482.228,02	2.867.921,31	13.429.210,12
Minority interest (loss)		60.712,02	-111.121,09	-132.375,85	-321.927,63
Earnings after taxes per share – basic (expressed in €)	20	0,1310	0,4647	0,0651	0,3047

INCOME STATEMENT OF THE COMPANY FOR THE FISCAL PERIOD 01/01 - 31/12/2007

	Note	COMPANY		COMPANY	
		1/10-31/12/2007	1/1- 31/12/2007	1/10-31/12/2006	1/1- 31/12/2006
Sales	5	26.635.742,33	101.021.612,91	23.138.859,25	88.744.579,60
Cost of sales	22	16.736.894,05	63.114.309,25	14.330.538,60	56.870.194,65
Gross profit		9.898.848,28	37.907.303,66	8.808.320,65	31.874.384,95
Other operating income	17	297.739,49	1.009.633,20	273.931,39	871.033,47
Administrative expenses	22	-972.109,32	-3.649.718,74	-811.864,49	-2.942.729,44
Selling and marketing costs	22	-608.376,79	-2.087.744,90	-550.166,58	-1.948.492,06
Other operating expenses	28	-2.115,53	-147.787,99	-5.126,25	-74.130,35
Earnings before taxes, financing, investing results and depreciation - amortization (EBITDA)		9.622.078,96	36.896.427,11	8.735.958,45	31.577.925,09
Amortization – Depreciation	6,7,22	-1.008.092,83	-3.864.741,88	-1.020.863,73	-3.797.858,52
Earnings before taxes, financing, investing results (EBIT)		8.613.986,13	33.031.685,23	7.715.094,72	27.780.066,57
Finance costs – profit	18	143.706,59	1.181.335,16	692.800,01	1.419.391,43
Finance costs – expenses	18	-859.632,76	-1.925.347,16	-170.115,76	-695.005,77
Profit before taxes		7.898.059,96	32.287.673,23	8.237.778,97	28.504.452,23
Income tax expense	19	-2.646.655,66	-10.357.018,37	-2.388.955,90	-8.298.654,83
Profit for the period after taxes		5.251.404,30	21.930.654,86	5.848.823,07	20.205.797,40
Attributable to:					
Equity holders of the Company	20	5.251.404,30	21.930.654,86	5.848.823,07	20.205.797,40
Minority interest (loss)		0,00	0,00	0,00	0,00
Earnings after taxes per share – basic (expressed in €)	20	0,1191	0,4976	0,1327	0,4584

Cash Flow Statement of the Company and the Group as at 31/12/2007

	GROUP		COMPANY	
	1/1-31/12/2007	1/1-31/12/2006	1/1-31/12/2007	1/1-31/12/2006
Cash Flows from Operating Activities				
Profit for the period	33.519.946,71	24.208.771,54	32.287.673,23	28.504.452,23
Adjustments to profit	12.328.902,37	13.559.692,36	5.360.763,20	4.180.154,50
	45.848.849,08	37.768.463,90	37.648.436,43	32.684.606,73
Adjustments of working capital				
(Increase)/decrease inventories	-518.971,43	-64.956,50	317.246,51	172,97
(Increase)/decrease receivables	-11.131.229,70	-9.595.664,98	-4.069.945,44	-2.991.293,70
(Increase)/decrease of other current assets	-271.592,21	-602.547,71	0,00	0,00
Increase/(decrease) of payable accounts	11.737.598,63	8.195.591,20	1.773.958,17	-1.421.160,46
	-184.194,71	-2.067.577,99	-1.978.740,76	-4.412.281,19
Net cash generated from operating activities	45.664.654,37	35.700.885,91	35.669.695,67	28.272.325,54
Cash flows from operating Activities				
Interest paid	-3.591.363,94	-3.081.894,55	-464.869,06	-694.443,30
Income tax paid	-10.303.969,00	-6.842.815,59	-9.894.595,39	-6.789.180,44
Net cash generated from Operating Activities (A)	31.769.321,43	25.776.175,77	25.310.231,22	20.788.701,80
Cash flows from Investing Activities				
Purchase of property, plant and equipment (PPE)	-13.867.496,68	-9.750.688,84	-3.961.902,25	-2.900.386,16
Purchases of intangible assets	-101.581,12	-157.982,23	-85.607,88	-103.953,64
Disposal of PPE	19.898,50	206.230,99	183,50	658.119,36
Purchases of Available-for-sale financial assets	-2.223.108,76	775.000,00	-2.223.108,76	0,00
Purchases of financial assets at fair value through profit or loss	-27.740,20	0,00	-6.247.405,20	-3.155.706,00
Disposal of available-for-sale financial assets	1.823.421,20	2.000.000,00	1.823.421,20	0,00
Disposal of financial assets at fair value through profit or loss	9.600,00	0,00	9.600,00	174.502,00
Interest received	849.437,06	446.687,50	612.645,12	304.223,68
Proceeds from grants	257.115,42	0,00	176.865,42	0,00
Net cash generated from Investing Activities (B)	-13.260.454,58	-6.480.752,58	-9.895.308,85	-5.023.200,76

	GROUP		COMPANY	
	1/1-31/12/2007	1/1-31/12/2006	1/1-31/12/2007	1/1-31/12/2006
Cash Flows from Financing Activities				
Increase/(Decrease) of share capital	-37.170.458,18	1.327.036,00	-43.862.993,18	0,00
Dividends paid to Company's shareholders	-13.392.574,37	-8.971.983,87	-13.392.574,37	-8.971.983,87
Raised borrowings	73.526.492,62	435.000,00	59.000.000,00	0,00
Repayments of borrowings	-24.147.590,97	-8.550.000,00	-10.800.000,00	-4.800.000,00
Net cash generated from Financing Activities (C)	-1.184.130,90	-15.759.947,87	-9.055.567,55	-13.771.983,87
Net (decrease) / increase in cash and cash equivalents (A+B+C)	17.324.735,95	3.535.475,32	6.359.354,82	1.993.517,17
Cash and cash equivalents at beginning of period	10.118.505,65	6.583.030,33	6.126.909,08	4.133.391,91
Cash and cash equivalents at end of period	27.443.241,60	10.118.505,65	12.486.263,90	6.126.909,08

Statement of Changes in Equity of the Company and the Group as at 31/12/2007

	GROUP		COMPANY	
	1/1-31/12/2007	1/1-31/12/2006	1/1-31/12/2007	1/1-31/12/2006
Net equity of period Opening Balance (1/1/2007 and 1/1/2006 respectively)	150.470.670,08	144.851.451,59	188.203.467,88	176.812.770,48
Profit/(Loss) for the period after taxes	20.371.106,93	13.107.282,49	21.930.654,86	20.205.797,40
	170.841.777,01	157.958.734,08	210.134.122,74	197.018.567,88
Increase/Decrease of share capital	-44.075.500,00	0,00	-44.075.500,00	0,00
Dividends distributed	-13.222.650,00	-8.815.100,00	-13.222.650,00	-8.815.100,00
Increase/Decrease of share capital of subsidiary company	6.674.394,80	1.327.036,00	0,00	0,00
Net equity of period Closing Balance (31/12/2007 and 31/12/2006 respectively)	120.218.021,81	150.470.670,08	152.835.972,75	188.203.467,88



Notes to the Annual Financial Statements as at 31/12/2007

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 HEALTH ENTERPRISES 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 31.12.2007 have been approved by the Board of Directors on 18.03.2007.

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 previous fiscal years. 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 1 January 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 31 December 2007.

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 licenses

Trademarks and licenses 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 licenses 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 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 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:

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 Meeting.

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 - 31/12/2007	IASO S.A.	IASO General S.A.	MEDSTEM SERVICES S.A.	Other Companies	TOTAL	Intra-group eliminations	GROUP
Inpatients revenues	77.742.653,38	58.697.273,30	0,00	0,00	136.439.926,68		136.439.926,68
Inpatients number of cases	27.711	15.805					
Outpatients revenues	23.143.219,09	5.564.374,44	3.676.584,50	0,00	32.384.178,03		32.384.178,03
Outpatients number of cases	222.831	48.594					
Other revenues	18.106,69	997,42	0,00	0,00	19.104,11		19.104,11
Other services provided	0,00	0,00	912.339,77	0,00	912.339,77		912.339,77
Revenues from Group's							
customers	100.903.979,16	64.262.645,16	4.588.924,27	0,00	169.755.548,59		169.755.548,59
Inter-company sales	117.633,75	191.467,04	17.382,00		326.482,79	-326.482,79	0,00
Other operating							
revenues/expenses	861.845,21	-293.376,23	21.564,85	-7.086,62	582.947,21	-121.611,63	461.335,58
Operational expenses	-68.851.772,89	-61.276.136,63	-3.353.253,95	-438.295,13	-133.919.458,60	448.094,42	-133.471.364,18
Financial cost	-744.012,00	-2.771.698,82	37.438,04	252.699,50	-3.225.573,28		-3.225.573,28
Income taxes	-10.357.018,37	-2.476.185,47	-328.013,80	12.377,85	-13.148.839,79		-13.148.839,79
Profit / loss for the period	21.930.654,86	-2.363.284,95	984.041,41	-180.304,40	20.371.106,93		20.371.106,93

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 31.12.2007

	Land & Buildings	Vehicles & Machinery	Other property, plant & equipment	Total
1/1/2007				
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
Movement 01/01 - 31/12/2007				
Opening net book amount	71.233.711,39	10.732.401,89	30.281.081,59	112.247.194,87
Additions	1.290.819,24	2.378.163,55	260.957,95	3.929.940,74
Disposals	13.125,00	125.764,85	2.732,91	141.622,76
Depreciation charge	1.381.677,72	1.626.719,19	598.839,12	3.607.236,03
Net book amount	71.129.727,91	11.358.081,40	29.940.467,51	112.428.276,82
31/12/2007				
Cost or valuation	79.450.797,41	27.023.038,61	37.002.216,19	143.476.052,21
Accumulated depreciation	8.321.069,50	15.664.957,21	7.061.748,68	31.047.775,39
Net book amount	71.129.727,91	11.358.081,40	29.940.467,51	112.428.276,82

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
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 Group at 31.12.2007

	Land & Buildings	Vehicles & Machinery	Other property, plant & equipment	Total
1/1/2007				
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
Movement 01/01 - 31/12/2007				
Opening net book amount	139.778.912,33	26.031.930,70	45.440.712,19	211.251.555,22
Additions	9.701.024,96	3.801.155,17	480.880,95	13.983.061,08
Disposals	13.125,00	344.742,83	14.560,38	372.428,21
Depreciation charge	2.105.599,73	3.726.529,56	1.713.848,42	7.545.977,71
Net book amount	147.361.212,56	25.761.813,48	44.193.184,34	217.316.210,38
31/12/2007				
Cost or valuation	160.203.288,19	53.155.929,36	58.141.044,24	271.500.261,79
Accumulated depreciation	12.842.075,63	27.394.115,88	13.947.859,90	54.184.051,41
Net book amount	147.361.212,56	25.761.813,48	44.193.184,34	217.316.210,38

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
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

The Group's land and buildings were last revaluated at 31 December 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 amounted to € 54.000.000,00 in favor of the National Bank of Greece for securing debenture loans, whose unpaid balance at 31.12.2007 amounted to € 55.000.000,00.

7. Intangible assets

Intangible assets of the Company at 31.12.2007

	Trademarks & Licenses	Other	Total
1/1/2007			
Cost	139.286,87	1.966.741,66	2.106.028,53
Accumulated depreciation and impairment	23.138,67	1.097.753,04	1.120.891,71
Net book amount 31/12/2006	116.148,20	868.988,62	985.136,82
Movement 01/01 - 31/12/2007			
Opening net book amount	116.148,20	868.988,62	985.136,82
Additions	0,00	85.607,88	85.607,88
Depreciation charge	2.851,34	184.279,37	187.130,71
Net book amount	113.296,86	770.317,13	883.613,99
31/12/2007			
Cost	139.286,87	2.052.349,54	2.191.636,41
Accumulated amortization and impairment	25.990,01	1.282.032,41	1.308.022,42
Net book amount	113.296,86	770.317,13	883.613,99

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 Group at 31.12.2007

	Trademarks & Licenses	Other	Total
1/1/2007			
Cost	139.286,87	4.092.670,17	4.231.957,04
Accumulated depreciation and impairment	23.138,67	2.547.242,94	2.570.381,61
Net book amount 31/12/2006	116.148,20	1.545.427,23	1.661.575,43
Movement 01/01 - 31/12/2007			
Opening net book amount	116.148,20	1.545.427,23	1.661.575,43
Additions	0,00	101.581,12	101.581,12
Depreciation charge	2.851,34	339.860,18	342.711,52
Net book amount	113.296,86	1.307.148,17	1.420.445,03
31/12/2007			
Cost	139.286,87	4.194.251,29	4.333.538,16
Accumulated amortization and impairment	25.990,01	2.887.103,12	2.913.093,13
Net book amount	113.296,86	1.307.148,17	1.420.445,03

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

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-company and intra-group income and expenses 01.01-31.12.2007

IASO S.A. SALES TO AFFILIATED COMPANIES

DESCRIPTION	AMOUNT
Sales of Consumables	15.007,18
Sales of Fixed Assets	0,00
Other services	1.066,35
Revenues from services provision	102.626,57
Rents and tenancy joint expenses	120.545,28
Total	239.245,38

IASO S.A. PURCHASES FROM AFFILIATED COMPANIES

DESCRIPTION	AMOUNT
Services	185.725,08
Supplies	17.741,96
Consumables	5.382,00
Total	208.849,04

FEES OF DIRECTORS AND MEMBERS OF THE B.O.D. BASED ON IAS 24

	COMPANY	GROUP
Members of BoD Fees (2)	310.250,95	316.761,95
Directors' Fees (1)	1.213.408,66	1.269.783,31
Total	1.523.659,61	1.586.545,26

1) The Directors' fees include wages, employers' social security contributions, other fees, extraordinary fees, bonuses, firing compensations and other fringe benefits.

2) There is no remuneration for the BoD Members regarding their capacity as Members of the BoD. The aforementioned fees refer exclusively to payments for the provision of healthcare services to the Company or the

Group under the professional capacity as medical doctors as self-employed professionals.

Meeting the needs and regulations regarding the Condensed Financial Data and Information (C.M.D.) as well as the HCMC's relevant decision, BoD's fees (case 2) have been included in "Purchases of Consumables and Services" of the additional data in the published Condensed Financial Data and Information of the Group and the Company.

RECEIVABLES AND LIABILITIES OF AFFILIATED COMPANIES

LIABILITIES	RECEIVABLES				
	MODERN				Total
	IASO S.A.	MULTIFUNCTIONAL CENTER S.A.	IASO GENERAL S.A.	MEDSTEM SERVICES S.A.	
IASO S.A.	-	-	231.251,03	6.404,58	237.655,61
MEDSTEM SERVICES S.A.	12.482,83	-	156,56	-	12.639,39
IASO GENERAL S.A.	4.985.853,79	2.790.000,00	-	35.776,17	7.811.629,96
Total	4.998.336,62	2.790.000,00	231.407,59	42.180,75	8.061.924,96

The inter-company and intra group income and expenses, the receivables and liabilities as well as the fees of Directors and the Members of the BoD consist transactions with affiliated (related) parties according to IAS 24.

8.1 Investments to subsidiaries

	% OF PARTICIPATION	COMPANY'S PARTICIPATION	PARENT EQUITY 31/12/2007	MINORITY INTERESTS
Investments to subsidiaries				
1. IASO GENERAL CLINIC OF HOLARGOS S.A.	96,45%	66.074.615,52	7.298.925,27	268.648,88
2. IASO MACEDONIAS HEALTH GROUP OF NORTHERN GREECE S.A.	100,00%	6.615.159,86	22.344.154,63	0,00
3. IASO OF SOUTHERN SUBURBS GENERAL CLINIC-PRIVATE OBSTETRICS S.A.	52,88%	3.319.400,00	5.349.187,67	4.766.522,75
4. MODERN MULTIFUNCTIONAL REHABILITATION-RESTORATION CENTER S.A.	99,96%	7.286.400,00	7.438.637,96	2.976,65
5. IASO HEALTH ENTERPRISES S.A.	99,96%	297.000,00	315.688,12	126,33
6. MEDSTEM SERVICES S.A.	99,96%	475.200,00	1.642.229,03	657,15
7. IASO THESSALIAS GENERAL CLINIC-PRIVATE OBSTETRICS S.A.	69,31%	8.463.909,00	8.710.866,24	3.857.112,76
TOTAL		92.531.684,38	53.099.688,93	8.896.044,52

In addition:

(a) 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 € 2.000.000,00 new common registered shares with voting rights, of nominal value and issue price € 5,00 each. The aforementioned increase was approved by decision 20505/7.8.2007 of Athens Prefecture.

(b) 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, was decided to be 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). (G.G. 85/04.01.2007).

(c) According to the decision of the General Meeting of Shareholders of the subsidiary company "IASO PEDIATRICS S.A." held on 12.06.2007, the company was renamed into "IASO HEALTH ENTERPRISES SOCIETE ANONYME" with distinctive title "IASO HEALTH ENTERPRISES S.A." (G.G. 7754/13.07.2007).

9. Available-for-sale financial assets

Available-for-sale financial assets include the following:

	COMPANY		GROUP	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Listed securities:	None	None	None	None
Unlisted securities:				
Shares	4.189.927,64	1.122.802,64	4.189.927,64	1.122.802,64
Total	4.189.927,64	1.122.802,64	4.189.927,64	1.122.802,64

10. Other financial assets at fair value through income statement

	COMPANY		GROUP	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Listed securities:				
Shares of Société Anonyme (S.A.)	0,00	1.523.935,28	0,00	1.523.935,28
Mutual Funds	999.585,45	858.622,03	999.585,45	858.622,03
Unlisted securities:	None	None	None	None
Total	999.585,45	2.382.557,31	999.585,45	2.382.557,31

The mutual funds were marked to market on 31.12.2007 according to the price announced by the Fund Management Company. During the fiscal year 2007, 147.098 shares of listed companies with total acquisition value € 1.007.156,77 were sold out, with a total profit of € 824.850,01, out of from which the amount of € 307.271,50 increased the Profits and Equity of the current fiscal year, while the amount of € 517.578,51 had increased the Profits and Equity of previous fiscal years through provisions.

11. Trade and other receivables

	COMPANY		GROUP	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Customers	2.238.806,46	2.097.588,25	25.323.389,91	16.143.046,47
Notes receivable on hand	1.126.547,78	983.317,18	5.700.126,41	4.605.353,87
Notes overdue	987.142,36	711.935,52	1.748.104,13	716.087,49
Cheques receivables	560.948,42	570.397,35	1.308.015,82	1.344.967,81
Cheques receivables overdue	78.341,56	77.643,26	210.062,67	225.364,37
Doubtful customers	2.126.906,83	1.916.633,62	2.229.490,58	2.011.559,57
Less: Provision for impairment of receivables	-3.212.666,29	-2.986.697,49	-6.199.308,91	-5.467.819,06
Total Receivables	3.906.027,12	3.370.817,69	30.319.880,61	19.578.560,52
Miscellaneous debtors	14.237.167,89	10.312.081,78	8.716.708,42	8.072.051,87
Down payments for purchases	41.694,33	44.654,34	81.220,98	46.504,34
Debit transit accounts	274.141,27	122.529,92	346.593,56	207.228,40
Other	27.109,06	31.977,94	187.819,81	84.642,99
Total Other Receivables	14.580.112,55	10.511.243,98	9.332.342,77	8.410.427,60

12. Inventories

	COMPANY		GROUP	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Consumables	1.964.044,44	2.281.290,55	4.815.027,04	4.274.098,46
Merchandise	0,00	0,00	164.541,48	186.498,63
Total	1.964.044,04	2.281.290,55	4.979.568,52	4.460.597,09

The cost of inventories for the Group recognised as expense and included in “Cost of services” and “Cost of sales” amounts to € 45.937.712,64, in “Administrative expenses” amounts to € 287.910,05 and in “Selling and marketing costs” amounts to € 341.397,10, while the relevant amounts for the Company are € 14.781.979,32, € 103.749,96 and € 193.949,89 respectively for the fiscal period 01.01–31.12.2007 (Note 22).

13. Cash and cash equivalents

	COMPANY		GROUP	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Cash at bank in hand	113.020,20	305.505,37	296.917,78	439.720,11
Short-term bank deposits	12.373.243,70	5.821.403,71	27.146.323,82	9.678.785,54
Total	12.486.263,90	6.126.909,08	27.443.241,60	10.118.505,65

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 31.12.2007 is the following:

	Current	Non-current	Total
IASO S.A.	2.496.175,00	56.503.825,00	59.000.000,00
IASO GENERAL S.A.	2.100.000,00	52.900.000,00	55.000.000,00
IASO THESSALIAS S.A.	2.526.492,62	0,00	2.526.492,62
Total	7.122.667,62	109.403.825,00	116.526.492,62

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
Total	16.147.590,97	51.000.000,00	67.147.590,97

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.

The long-term balance of the debenture loans raised by the Company and the Group will be repaid through the fiscal years as follows:

	COMPANY 31/12/2007	GROUP 31/12/2007
Fiscal year 2008	2.496.175	4.596.175
Fiscal year 2009	4.992.350	7.492.350
Fiscal year 2010	4.992.350	19.892.350
Fiscal year 2011	4.992.350	8.492.350
Fiscal year 2012	4.992.350	36.992.350
Fiscal year 2013	4.992.350	4.992.350
Fiscal year 2014	31.542.075	31.542.075
Total	59.000.000	114.000.000

15. Trade and other payables

	COMPANY		GROUP	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Suppliers	6.853.089,66	5.388.446,43	36.838.763,56	27.192.995,25
Insurance and pension fund dues	1.628.918,44	1.483.447,78	2.557.930,49	2.278.955,18
Tax liabilities	1.900.686,56	804.770,18	2.639.438,80	1.184.206,57
Sundry creditors	4.413.645,08	2.253.833,37	4.955.042,02	2.962.444,81
Transit credit balances	1.452.724,48	1.120.981,40	3.028.541,87	2.696.081,23
Other liabilities	72.678,85	108.945,76	826.621,67	941.150,71
Total	16.321.743,07	11.160.424,92	50.846.338,41	37.255.833,75

There are third party lawsuits against the Company and the Group for indemnities totalling approximately € 15.249K and € 19.154K 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.

Lawsuits regarding medical malpractice

There are third party lawsuits of patients and or their inheritors against the associated physicians as well as the Group's companies (IASO S.A., IASO GENERAL S.A.) as indemnity and/or monetary compensation for moral injury, due to alleged medical "malpractice" for a total amount of approximately € 17.400K.

The outcome of these lawsuits is estimated not to have a material effect on the financial status of the Group's companies, since the claimed compensation are considered extremely exaggerated . In case, where some of the lawsuits end up with a winning verdict , then they will be covered, totally or in large part, by the insurance companies, with which malpractice contracts have been signed, either by the Group's companies or the associated physicians.

Other lawsuits

In addition to the aforementioned cases, there are third party lawsuits against the Group's companies (labour differences e.t.c.) for a total amount of approximately € 1.754K, the outcome of these cases is estimated not to have a material effect on the financial status of the Company and the Group, respectively.

16. Retirement benefit obligations

Regarding the retirement benefit obligations, an actuarial calculation 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	31/12/2007
IASO S.A.	1.596.685,53	1.873.325,56	2.271.636,74	2.585.827,87
IASO GENERAL S.A.	994.805,66	1.167.147,46	1.514.068,82	1.518.801,13
MEDSTEM SERVICES S.A.	2.158,80	6.725,07	15.694,81	15.745,35
IASO THESSALIAS S.A.	4.754,63	3.922,18	3.922,18	3.922,18
GROUP	2.598.404,62	3.051.120,27	3.805.322,55	4.124.296,53

The total amount of the actuarial calculation which concerns the year 2007 for the Group's personnel amounts to € 318.973,98 and has been charged equally in amount to the income statement, while the Company's amounts to € 314.191,13 respectively.

17. Other gains (profit)

	COMPANY		GROUP	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Income from rentals	489.651,37	445.935,11	519.635,89	481.073,27
Grants	3.281,15	133.579,12	3.281,15	133.579,12
Income from side business	476.506,44	162.081,18	500.807,63	171.908,62
Extraordinary income and expenses	2.779,79	30.381,48	8.937,40	48.570,87
Income from unused prior periods provisions	8.206,37	73.138,57	8.206,37	73.138,57
Other	29.208,08	25.918,01	31.891,73	65.056,41
Total	1.009.633,20	871.033,47	1.072.760,17	973.326,86

18. Finance cost – net

	COMPANY		GROUP	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Interest expense	96.601,63	76.016,67	714.762,92	652.104,04
Interest-debenture loan	1.613.444,15	571.309,84	3.864.680,29	2.601.446,74
Interest-factoring	0,00	0,00	0,00	0,00
Other	215.301,38	47.679,26	228.485,99	71.714,50
Total	1.925.347,16	695.005,77	4.807.929,20	3.325.265,28
Credit interest	484.428,72	147.702,83	885.449,48	284.776,71
Profit from measurement at fair value	261.418,54	1.115.167,75	261.418,54	1.115.167,75
Dividends	128.216,40	156.520,85	128.216,40	161.910,79
Profit from securities' sale	307.271,50	0,00	307.271,50	0,00
Total	1.181.335,16	1.419.391,43	1.582.355,92	1.561.855,25

19. Income tax expense

	COMPANY		GROUP	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Current tax	8.227.957,10	8.212.995,92	8.595.621,15	8.314.515,11
Deferred Tax adjustments to the offset fiscal year	0,00	0,00	1.993.383,30	3.788.879,70
Other taxes and duties	34.538,51	32.363,68	88.678,26	85.998,83
Deferred tax Liability/Receivable	-156.038,79	53.295,23	-215.634,47	-1.087.904,59
Tax audit adjustments	1.580.561,55	0,00	2.016.791,55	0,00
Provision for Tax audit adjustments	670.000,00	0,00	670.000,00	0,00
Actual tax charge	10.357.018,37	8.298.654,83	13.148.839,79	11.101.489,05
% of Actual tax charge	32,08%	29,11%	39,16%	45,86%

The parent company has not undergone an audit by the tax authorities since the year 2006 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 2006, while the subsidiaries "IASO HEALTH ENTERPRISES 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, their tax liabilities for the aforementioned fiscal years have not been finalized yet. Since the outcome of these tax inspections cannot be predicted at present, the parent company has estimated, for this cause, a minimum provision affecting its results by the amount of € 670.000,00.

In addition, during the fiscal year 2007, the parent Company undergone an audit by the Tax Authorities (Athens D.E.K.) for the fiscal years 2003 to 2005, resulted to total accounting differences amounting € 2.882.551,00.

Following the compromise of accounting differences for the fiscal years 2003 to 2005, additional taxes and penalties were assessed of total amount € 1.580.561,55. During the settlement of the above, a 20% was paid in 2007 and the remaining 80% will be paid in 24 equal monthly payments which expire on July 2009.

TABLE OF TAX ADJUSTMENTS PER FISCAL YEAR

Fiscal Year	Accounting Differences	Additional Tax	Surcharges	Other Taxes	Total
2003	755.287,00	265.800,67	183.867,00	89.122,34	538.790,00
2004	857.705,00	300.196,75	147.182,40	59.749,85	507.129,00
2005	1.269.559,00	406.258,88	70.360,20	58.023,47	534.642,55
Total	2.882.551,00	972.256,30	401.409,60	206.895,66	1.580.561,55

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.

	31/12/2007	31/12/2006
Profit attributable to equity holders of the Company (from ongoing operations)	20.482.228,02	13.429.210,12
Weighted average number of ordinary shares in issue (IAS 33)	44.075.500	44.075.500
Basic earnings per share	0,4647	0,3047

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.

	31/12/2007	31/12/2006
Profit attributable to equity holders of the Company (from ongoing operations)	21.930.654,86	20.205.797,40
Weighted average number of ordinary shares in issue (IAS 33)	44.075.500	44.075.500
Basic earnings per share	0,4976	0,4584

The weighted average number of ordinary shares in issue (IAS 33) at 31.12.2007 and 31.12.2006 for the Company and the Group is 44.075.500 shares respectively.

21. Dividends per share

The dividend paid in 2007 is € 0,30 per share and the payment was approved by the Shareholders' General Meeting held on 23.05.2007 and is demonstrated in the annual financial statements of the fiscal year 2007.

At the current fiscal year 2008, the Company's Management is willing to suggest to the Shareholders' Meeting the distribution of a € 0,33 dividend per share.

22. Expenses by nature

The analysis of the cost distribution for the Company and the Group for the fiscal periods 01.01-31.12.2007 and 01.01-31.12.2006 is the following:

	COMPANY		GROUP	
	01/01 - 31/12/2007	01/01 - 31/12/2006	01/01 - 31/12/2007	01/01 - 31/12/2006
Merchandise- Consumables	15.079.679,17	13.269.941,62	46.696.653,54	37.746.493,44
Salaries and fringe benefits	23.921.218,26	21.668.603,77	39.333.907,25	35.542.526,04
Third parties' fees and expenses	18.188.678,65	15.537.973,79	27.118.082,60	23.784.731,35
Third parties' utilities and services	3.839.044,81	3.332.504,05	6.017.584,25	5.618.754,98
Other dues	452.396,35	458.093,93	978.301,95	795.577,32
Sundry expenses	2.997.804,03	3.044.170,61	4.885.004,04	4.868.994,92
Interest and similar charges	1.767.278,81	695.005,77	4.649.860,85	3.325.265,28
Depreciation of fixed assets charged to operating cost	3.864.741,88	3.797.858,52	8.001.228,51	7.895.132,90
Provisions	666.278,09	652.269,86	1.046.764,81	2.640.361,12
Crossing out of consolidated financial statements	0,00	0,00	-448.094,42	-409.438,52
Total	70.777.120,05	62.456.421,92	138.279.293,38	121.808.398,83

The distribution of cost into cost of services, administrative cost, selling cost and financial cost of the Company for the fiscal periods 01.01-31.12.2007 and 01.01-31.12.2006 is the following:

COMPANY	Administrative			Financial	Total
01/01-31/12/2007	Cost of services	expenses	Selling cost	expenses	
Merchandise- Consumables	14.781.979,32	103.749,96	193.949,89	0,00	15.079.679,17
Salaries and fringe benefits	21.202.808,35	1.865.554,34	852.855,57	0,00	23.921.218,26
Third parties' fees and expenses	17.065.874,61	882.194,81	240.609,23	0,00	18.188.678,65
Third parties' utilities and services	3.551.263,24	160.198,56	127.583,01	0,00	3.839.044,81
Other dues	358.588,68	32.345,93	31.631,09	29.830,65	452.396,35
Sundry expenses	2.332.573,33	381.471,75	275.973,37	7.785,58	2.997.804,03
Interest and similar charges	0,00	0,00	3,00	1.767.275,81	1.767.278,81
Depreciation of fixed assets charged to operating cost	3.533.943,32	209.495,55	121.303,01	0,00	3.797.858,52
Provisions	287.278,40	14.707,84	243.836,73	120.455,12	652.269,86
Total	63.114.309,25	3.649.718,74	2.087.744,90	1.925.347,16	70.777.120,05

COMPANY	Administrative			Financial	Total
01/01-31/12/2006	Cost of services	expenses	Selling cost	expenses	
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

The distribution of cost into cost of services, administrative cost, selling cost and financial cost of the Group for the fiscal periods 01.01-31.12.2007 and 01.01-31.12.2006 is the following:

GROUP		Administrative		Financial	
01/01-31/12/2007	Cost of services	expenses	Selling cost	expenses	Total
Merchandise- Consumables	46.067.346,39	287.910,05	341.397,10	0,00	46.696.653,54
Salaries and fringe benefits	35.198.337,25	2.602.242,84	1.533.327,16	0,00	39.333.907,25
Third parties' fees and expenses	25.560.518,37	1.156.733,80	400.830,43	0,00	27.118.082,60
Third parties' utilities and services	5.520.027,72	293.457,40	204.099,13	0,00	6.017.584,25
Other dues	620.205,41	218.435,12	109.830,77	29.830,65	978.301,95
Sundry expenses	3.795.494,14	487.379,47	594.344,85	7.785,58	4.885.004,04
Interest and similar charges	0,00	0,00	3,00	4.649.857,85	4.649.860,85
Depreciation of fixed assets charged to operating cost	7.544.643,85	283.506,48	173.078,18	0,00	8.001.228,51
Provisions	643.059,98	25.523,82	257.725,89	120.455,12	1.046.764,81
Crossing out of consolidated financial statements	-442.712,42	0,00	-5.382,00	0,00	-448.094,42
Total	124.506.920,69	5.355.188,98	3.609.254,51	4.807.929,20	138.279.293,38

GROUP		Administrative		Financial	
01/01-31/12/2006	Cost of services	expenses	Selling cost	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

23. Guarantees

The Group has liabilities to banks, other guarantees and other matters that arise from its activity. The parent company at 31.12.2007 has granted guarantees to banks for the amount of € 59 million, in favour of its subsidiaries.

24. Share capital

	Number of Shares	Ordinary Shares	Share premium	Total
1st of January 2007	44.075.500	67.435.515,00	42.525.668,15	109.961.183,15
Share capital increase by capitalization of reserves (Earnings carried forward)	0	0,00	0,00	0,00
Share capital decrease (decrease of nominal value from € 1.53 to € 0.53) ⁽¹⁾	0	-44.075.500,00	0,00	-44.075.500,00
Cancellation of treasury shares	0	0,00	0,00	0,00
31st of December 2007	44.075.500	23.360.015,00	42.525.668,15	65.885.683,15

⁽¹⁾The Share Capital of the Company, upon resolution of the Annual General Meeting of Shareholders (B' Repeating) held on 29.06.2007, decreased by € 44.075.500,00, by simultaneous decrease of the nominal value of all shares by the amount of € 1,53 to € 0,53, with the purpose of the pro rata distribution of equal amount of the reduction amount to Shareholders and by the relevant amendment of the article 5 of the Company's Articles. The above decision of share capital decrease was approved by the K2 – 10651/12.07.2007 decree of the Ministry of Development and the B.O.D. of the Athens Stock Exchange was informed at the meeting of 19.07.2007.

25. Other long-term receivables

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

	COMPANY		GROUP	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
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	17.100,55	16.453,84
Vehicles	6.034,88	7.261,40	14.241,09	9.776,61
Prepayments of assets purchase	323.041,54	0,00	323.041,54	0,00
Other long-term receivables	0,00	0,00	438.089,93	183.032,56
Total	397.228,58	75.413,56	893.783,31	310.573,21

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	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Received rent guarantees	61.475,05	60.498,46	70.754,05	69.498,46
Unearned and deferred income	0,00	0,00	2.920.599,55	1.220.217,05
Total	61.475,05	60.498,46	2.991.353,60	1.289.715,51

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.

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	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Extraordinary & non-operating expenses	17.893,41	4.977,58	33.529,43	14.581,78
Extraordinary losses	68.003,61	59.539,37	91.199,46	67.881,87
Prior period expenses	61.890,97	9.613,40	486.695,70	276.892,46
Total	147.787,99	74.130,35	611.424,59	359.356,11

29. Reserves at fair value-Other reserves

	COMPANY		GROUP	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
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	33.240.781,06
Reserves at fair value Total	41.126.024,42	41.126.024,42	64.591.565,30	64.591.565,30
Legal Reserve	5.384.038,15	4.373.748,28	5.854.191,15	4.834.959,04
Other Reserves Total	5.384.038,15	4.373.748,28	5.854.191,15	4.834.959,04

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

At the Extraordinary General Meeting of Shareholders of the subsidiary company "IASO GENERAL CLINIC OF HOLARGOS S.A." held on 11.01.2008, it was decided: (a) to increase the Share Capital by € 7.761.746,12, of which the amount of € 735.774,62 by capitalizing part of the liabilities towards the parent company IASO S.A. by issuance of 694.127 new common registered shares of nominal value € 1,06 per share. The remaining amount of € 7.025.971,50 paid in by cash through issuance of 6.628.275 new common registered shares of nominal value € 1,06, (b) to increase the Share Capital by € 355.000,00 through capitalization of the equivalent amount of share premium reserves. This action will increase the share's nominal value from € 1,06 to € 1,085, (c) to decrease the share's nominal value from € 1,085 to € 0,31 due to an increase in the number of shares from 14.200.000 with nominal value € 1,085 to 49.700.000 shares of nominal value € 0,31, (split of one (1) old to three and a half (3,5) new shares). The certification of the Share Capital increase was approved by the BoD of the subsidiary company on 06.02.2008 and posted by the Department of Commerce of the Athens Prefecture under protocol number EM-2233/15.02.2008.

The management of the subsidiary company "IASO THESSALIAS GENERAL CLINIC-PRIVATE OBSTETRICS S.A." following the decision of the Extraordinary General Meeting of Shareholders held on 19.01.2008, proceeded to the issuance of an 8 years debenture loan agreement, of a maximum amount of € 33.000.000,00. The agreement was signed on 15.02.2008, between IASO THESSALIAS SA and the National Bank of Greece as the organizer and bondholder representative. The proceeds of the loan will be solely used to finance the construction of buildings, and purchase of equipment needed for the clinic's operation. The amount that has been drawn down until today is € 7.000.000 and has been used for the above mentioned purposes.

The Share Capital of the Company "IASO GENERAL CLINIC OF HOLARGOS S.A." upon resolution of the Extraordinary General Meeting of Shareholders held on 14.02.2008, increased by € 26.231.400,00 by cash, by issuance of 7.670.000 new common registered shares of nominal value € 0,31 each and issue price € 3,42. Given that the Share Capital increase is fully covered, the Share Premium Reserve will amount to € 23.853.700,00. The aforementioned increase is in process and has not been completed yet.

Maroussi, 18.03.2008

Chairman of The Board of Directors	Managing Director	Group's General Manager	Group's Chief Financial Officer	Chief Accounting Officer
Ioannis Ch. Zolotas	Georgios I. Stamatiou	Takis I. Gianniris	Vassilios E. Anastassakis	Stylianos D. Tsiropoulos
I.D. : A 005562	I.D. : K 030874	I.D. : Σ 582609	I.D. : AA 058349	I.D. : T 123040 A' CLASS REG. No 21907



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 2007

RECEIVABLES / LIABILITIES ON 31.12.2007

Receivables of:	IASO S.A.	IASO. GENERAL S.A.	MEDSTEM SERVICES S.A	MODERN MULTIFUNCTIONAL CENTER S.A.
Liabilities of:				
IASO S.A.	-	231.251,03	6.404,58	-
IASO GENERAL S.A.	4.985.853,79	-	35.776,17	2.790.000,00
MEDSTEM SERVICES S.A.	12.482,83	156,56	-	-
MODERN MULTIFUNCTIONAL CENTER S.A.	-	-	-	-
IASO MACEDONIAS S.A.	-	-	-	-
IASO THESSALIAS S.A.	-	-	-	-
IASO OF SOUTHERN SUBURBS S.A.	-	-	-	-
IASO HEALTH ENTERPRISES S.A.	-	-	-	-
TOTAL	4.998.336,62	231.407,59	42.180,75	2.790.000,00

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.	-	5.741,96	12.000,00	-
IASO GENERAL S.A.	4.076,79	-	-	-
MEDSTEM SERVICES S.A.	10.930,39	-	-	-
MODERN MULTIFUNCTIONAL CENTER S.A.	-	-	-	-
IASO MACEDONIAS S.A.	-	-	-	-
IASO THESSALIAS S.A.	-	-	-	-
IASO OF SOUTHERN SUBURBS S.A.	-	-	-	-
IASO HEALTH ENTERPRISES S.A.	-	-	-	-
TOTAL	15.007,18	5.741,96	12.000,00	0,00

SALES

FROM:	IASO S.A.	IASO. GENERAL S.A.	MEDSTEM SERVICES S.A	MODERN MULTIFUNCTIONAL CENTER S.A.
TO:				
IASO S.A.	-	185.725,08	5.382,00	-
IASO GENERAL S.A.	102.626,57	-	-	-
MEDSTEM SERVICES S.A.	121.611,63	-	-	-
MODERN MULTIFUNCTIONAL CENTER S.A.	-	-	-	-
IASO MACEDONIAS S.A.	-	-	-	-
IASO THESSALIAS S.A.	-	-	-	-
IASO OF SOUTHERN SUBURBS S.A.	-	-	-	-
IASO HEALTH ENTERPRISES S.A.	-	-	-	-
TOTAL	224.238,20	185.725,08	5.382,00	0,00



IASO MACEDONIAS S.A.	IASO THESSALIAS S.A.	IASO OF SOUTHERN SUBURBS S.A.	IASO HEALTH ENTERPRISES S.A.	TOTAL
-	-	-	-	237.655,61
-	-	-	-	7.811.629,96
-	-	-	-	12.639,39
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
0,00	0,00	0,00	0,00	8.061.924,96



IASO MACEDONIAS S.A.	IASO THESSALIAS S.A.	IASO OF SOUTHERN SUBURBS S.A.	IASO HEALTH ENTERPRISES S.A.	TOTAL
-	-	-	-	17.741,96
-	-	-	-	4.076,79
-	-	-	-	10.930,39
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
0,00	0,00	0,00	0,00	32.749,14



IASO MACEDONIAS S.A.	IASO THESSALIAS S.A.	IASO OF SOUTHERN SUBURBS S.A.	IASO HEALTH ENTERPRISES S.A.	TOTAL
-	-	-	-	191.107,08
-	-	-	-	102.626,57
-	-	-	-	121.611,63
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
-	-	-	-	0,00
0,00	0,00	0,00	0,00	415.345,28





Data and Information for the period 1st January 2007 to 31st December 2007

(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
Taxpayer Identification 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. Stamatiou	Managing Director
Konstantinos P. Kanellopoulos	Managing Director
Ioannis P. Trompoukis	Managing Director
Ilias T. Triantafillou	Managing Director
Panagiotis G. Theofanakis	Non Executive Member
Stylios K. Zarkinos	Non Executive Member
Ilias G. Cheilaris	Non Executive Member
Dionysios G. Karamalikis	Non Executive Member
Spyridon E. Dimitrouleas	Independent Non Executive Member
Ilias F. Petropoulos	Independent Non Executive Member

Type of Report	Annual Financial Statements of the fiscal year 2007
Duration of the fiscal year	12 months
Date of approval of the annual financial statements	18/03/07
Certified Auditors	SOL S.A. Konstantinos P. Petrogiannis
Type of Auditors' Report	Review report with issues of importance
Website	www.iaso.gr
Cash Flow Statement Completion Method	Indirect Method

1. CONDENSED BALANCE SHEET (Amounts reported in Euro)

ASSETS	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Non-current assets	218.736.655,41	212.913.130,65	113.311.890,81	113.232.331,69
Inventories	4.979.568,52	4.460.597,09	1.964.044,04	2.281.290,55
Trade and other Receivables	30.319.880,61	19.578.560,52	3.906.027,12	3.370.817,69
Other assets	50.560.020,28	31.823.754,75	125.184.802,50	106.512.805,75
TOTAL ASSETS	304.596.124,82	268.776.043,01	244.366.764,47	225.397.245,68

LIABILITIES	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Non-current liabilities	117.813.475,84	56.587.433,10	64.484.916,56	15.020.356,96
Short-term Bank borrowings	7.122.667,62	16.147.590,97	2.496.175,00	2.800.000,00
Other current liabilities	59.441.959,56	45.570.348,86	24.549.700,17	19.373.420,84
Total Liabilities (a)	184.378.103,02	118.305.372,93	91.530.791,73	37.193.777,80
EQUITY	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Shareholders Equity (44.075.500 shares x 0,53 €)	23.360.015,00	67.435.515,00	23.360.015,00	67.435.515,00
Other shareholders equity	87.961.962,29	80.592.938,35	129.475.957,74	120.767.952,88
Total Shareholders Equity (b)	111.321.977,29	148.028.453,35	152.835.972,74	188.203.467,88
Minority interest (c)	8.896.044,52	2.442.216,73	0,00	0,00
Total Equity (d)=(b)+(c)	120.218.021,81	150.470.670,08	152.835.972,74	188.203.467,88
TOTAL EQUITY AND LIABILITIES (e)=(a)+(d)	304.596.124,82	268.776.043,01	244.366.764,47	225.397.245,68

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

	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Net equity of period Opening Balance (1/1/2007 and 1/1/2006 respectively)	150.470.670,08	144.851.451,59	188.203.467,88	176.812.770,48
Profit/(Loss) for the period after taxes	20.371.106,93	13.107.282,49	21.930.654,86	20.205.797,40
	170.841.777,01	157.958.734,08	210.134.122,74	197.018.567,88
Increase/Decrease of share capital	-44.075.500,00	0,00	-44.075.500,00	0,00
Dividends distributed	-13.222.650,00	-8.815.100,00	-13.222.650,00	-8.815.100,00
Increase/Decrease of subsidiary company's share capital	6.674.394,80	1.327.036,00	0,00	0,00
Net equity of period Closing Balance (31/12/2007 and 31/12/2006 respectively)	120.218.021,81	150.470.670,08	152.835.972,74	188.203.467,88

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

	GROUP		COMPANY	
	1/1-31/12/2007	1/1-31/12/2006	1/1-31/12/2007	1/1-31/12/2006
Sales	169.755.548,59	143.841.344,37	101.021.612,91	88.744.579,60
Gross profit/(loss)	45.248.627,90	33.015.911,75	37.907.303,66	31.874.384,95
Earnings/(loss) before taxes, financing and investing results and depreciation-amortisation (EBITDA)	44.746.748,50	33.867.314,47	36.896.427,11	31.577.925,09
Earnings/(loss) before taxes, financing and investing results (EBIT)	36.745.519,99	25.972.181,57	33.031.685,23	27.780.066,57
Profit/(loss) before taxes	33.519.946,71	24.208.771,54	32.287.673,23	28.504.452,23
Less: Income tax expense	-13.148.839,78	-11.101.489,05	-10.357.018,37	-8.298.654,83
Profit/(loss) for the period after taxes	20.371.106,93	13.107.282,49	21.930.654,86	20.205.797,40
Attributable to:				
Equity holders of the Company	20.482.228,02	13.429.210,12	21.930.654,86	20.205.797,40
Minority interest	-111.121,09	-321.927,63	0,00	0,00
Earnings/(loss) after taxes per share - basic (expressed in €)	0,46	0,30	0,50	0,46
Suggested dividend per share (expressed in €)			0,33	0,30

4. CASH FLOW STATEMENT (Amounts reported in Euro)

	GROUP		COMPANY	
	1/1-31/12/2007	1/1-31/12/2006	1/1-31/12/2007	1/1-31/12/2006
Cash Flows from Operating Activities				
Net Profit before taxes	33.519.946,71	24.208.771,54	32.287.673,23	28.504.452,23
Plus/Less adjustments for:				
Depreciation and amortisation	8.001.228,51	7.895.132,90	3.864.741,88	3.797.858,52
Provisions	1.230.661,36	3.901.284,51	855.419,70	1.115.159,22
Interest charges and other related expenses	4.649.860,85	3.325.265,28	1.767.278,81	695.005,77
Results (revenue, expenses, profit and loss) from investment activity	-1.582.355,92	-1.561.855,25	-1.181.335,16	-1.419.391,43

	GROUP		COMPANY	
	1/1-31/12/2007	1/1-31/12/2006	1/1-31/12/2007	1/1-31/12/2006
Other adjustments	29.507,57	-135,08	54.657,97	-8.477,58
	45.848.849,08	37.768.463,90	37.648.436,43	32.684.606,73
Plus/Less adjustments of working capital to net cash or related to operating activities:				
Decrease/ (Increase) of Inventories	-518.971,43	-64.956,50	317.246,51	172,97
Decrease/ (Increase) of Receivables	-11.131.229,70	-9.595.664,98	-4.069.945,44	-2.991.293,70
(Decrease)/ Increase of payable accounts (except Banks)	11.737.598,63	8.195.591,20	1.773.958,17	-1.421.160,46
Less:				
Interest paid and similar expenses	-3.591.363,94	-3.081.894,55	-464.869,06	-694.443,30
Income Tax paid	-10.303.969,00	-6.842.815,59	-9.894.595,39	-6.789.180,44
Decrease/(Increase) of other current assets accounts and flows of provisions	-271.592,21	-602.547,71	0,00	0,00
Net cash generated from Operating Activities (a)	31.769.321,43	25.776.175,77	25.310.231,22	20.788.701,80
Cash Flows from Investing Activities				
Purchases of subsidiaries, associates, joint-ventures and other investments	-18.140,20	0,00	-6.237.805,20	-2.981.204,00
Purchases of tangible and intangible assets	-13.969.077,80	-9.908.671,07	-4.047.510,13	-3.004.339,80
Proceeds from sale of tangible and intangible assets	19.898,50	206.230,99	183,50	658.119,36
Interest received	849.437,06	446.687,50	612.645,12	304.223,68
Proceeds from grants	257.115,42	0,00	176.865,42	0,00
Purchases of available-for-sale financial assets	-2.223.108,76	775.000,00	-2.223.108,76	0,00
Sales of available-for-sale financial assets	1.823.421,20	2.000.000,00	1.823.421,20	0,00
Net cash generated from Investing Activities (b)	-13.260.454,58	-6.480.752,58	-9.895.308,85	-5.023.200,76
Cash Flows from Financing Activities				
Increase/ Decrease of share capital	-37.170.458,18	1.327.036,00	-43.862.993,18	0,00
Proceeds from issued/raised loans	73.526.492,62	435.000,00	59.000.000,00	0,00
Repayments of borrowings	-24.147.590,97	-8.550.000,00	-10.800.000,00	-4.800.000,00
Dividends paid	-13.392.574,37	-8.971.983,87	-13.392.574,37	-8.971.983,87
Net cash generated from Financing Activities (c)	-1.184.130,90	-15.759.947,87	-9.055.567,55	-13.771.983,87
Net increase/(decrease) in cash and cash equivalents (a) + (b) + (c)	17.324.735,95	3.535.475,32	6.359.354,82	1.993.517,17
Cash and cash equivalents at beginning of period	10.118.505,65	6.583.030,33	6.126.909,08	4.133.391,91
Cash and cash equivalents at end of period	27.443.241,60	10.118.505,65	12.486.263,90	6.126.909,08

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	Participation relationship
1. IASO SA	Greece, Maroussi, Attiki		Parent
2. IASO GENERAL CLINIC OF HOLARGOS SA	Greece, Holargos, Attiki	96,45%	Direct
3. IASO MACEDONIAS HEALTH GROUP OF NORTHERN GREECE SA	Greece, Maroussi, Attiki	100,00%	Direct
4. IASO OF SOUTHERN SUBURBS GENERAL CLINIC-PRIVATE OBSTETRICS SA.	Greece, Maroussi, Attiki	52,88%	Direct & Indirect
5. MODERN MULTIFUNCTIONAL REHABILITATION -RESTORATION CENTER SA	Greece, Maroussi, Attiki	99,96%	Direct & Indirect
6. IASO HEALTH ENTERPRISES SA	Greece, Maroussi, Attiki	99,96%	Direct & Indirect
7. MEDSTEM SERVICES SA	Greece, Maroussi, Attiki	99,96%	Direct & Indirect
8. IASO THESSALIAS GENERAL CLINIC -PRIVATE OBSTETRICS SA	Greece, Larissa	69,31%	Direct

INTERCOMPANY TRANSACTIONS AND BALANCES FOR THE CURRENT FISCAL YEAR ACCORDING TO IAS 24 ARE AS FOLLOWS:

	GROUP	COMPANY
a) Sales of Consumables and Services	0,00	239.245,38
b) Purchases of Consumables and Services	316.761,95	519.099,99
c) Receivables	0,00	4.998.336,62
d) Liabilities	0,00	237.655,61
e) Remuneration to BoD members and managers	1.269.783,31	1.213.408,66
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 31.12.2006 till today.

1. The basic accounting principles applied are consistent with those applied at 31.12.2006. The Group applies the "IFRS Stable Platform 2005" from the 1st of January 2005.

2. 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 for securing long-term bank loans, whose unpaid balance at 31.12.2007 amounted to € 55.000.000,00.

3. The personnel employed by the Company amounts to 928 and 857 persons at 31.12.2007 and 31.12.2006 respectively, while of the Group to 1.588 and 1.418 persons at 31.12.2007 and 31.12.2006, respectively.

4. 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.

5. The investments of the Group for the period 01.01-31.12.2007 for tangible and intangible assets amounted

to € 13.969.077,80 € while those of the Company amounted to € 4.047.510,13.

6. 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). (G.G. 85/04.01.07).

7. 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, approved by 6352/30.3.2007 decision of Athens Prefecture, 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 aforementioned increase was approved by 20505/7.8.2007 decision of Athens Prefecture). (G.G. 9504/10.08.2007).

8. At the Extraordinary General Meeting of Shareholders of the subsidiary company "IASO GENERAL CLINIC OF HOLARGOS S.A." held on 11.01.2008, it was decided: (a) to increase the Share Capital by € 7.761.746,12, of which € 735.774,62 by capitalizing part of the liabilities towards the parent company IASO S.A. by issuance of 694.127 new common registered shares of nominal value € 1,06 per share. The remaining amount of € 7.025.971,50 paid in by cash through issuance of 6.628.275 new common registered shares of nominal value € 1,06, (b) to increase the Share Capital by € 355.000,00 through capitalization of the equivalent amount of share premium reserves. This action will increase the share's nominal value from € 1,06 to € 1,085, (c) to decrease the share's nominal value from €1,085 to € 0,31 due to an increase in the number of shares from 14.200.000 with nominal value € 1,085 to 49.700.000 shares of nominal value € 0,31 (split of one(1) old to three and a half (3,5) new shares). The certification of the Share Capital increase was approved by the BoD of the subsidiary company on 06.02.2008 and posted by the Department of Commerce of the Athens Prefecture under protocol number EM-2233/15.02.2008.

9. The Share Capital of the Company "IASO GENERAL CLINIC OF HOLARGOS S.A." upon resolution of the Extraordinary General Meeting of Shareholders held on 14.02.2008, increased by € 26.231.400,00 by cash, by issuance of 7.670.000 new common registered shares of nominal value € 0,31 each and issue price € 3,42. Given that the Share Capital increase is fully covered, the Share Premium Reserve will amount to € 23.853.700,00. The aforementioned increase is in process and has not been completed yet.

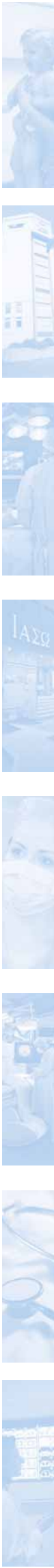
10. The Share Capital of the Company according to the decision of the Annual Ordinary General Meeting of Shareholders (B' Repeating) on 29.06.2007 decreased by € 44.075.500,00 with a simultaneous decrease of each share's nominal value from € 1,53 to € 0,53 aiming at the proportionate distribution of the proceeds to the shareholders and a corresponding alteration of the article 5 of the Company's statutes. The above decision of share capital decrease was approved by the K2 – 10651/12.07.2007 decree of the Ministry of Development and the B.O.D. of the Athens Stock Exchange was informed at the meeting of 19/07/2007.

11. According to the decision of the General Meeting of Shareholders of the subsidiary "IASO PEDIATRICS S.A." held on 12.06.2007, the Company was renamed into "IASO HEALTH ENTERPRISES SOCIETE ANONYME" with distinctive title "IASO HEALTH ENTERPRISES S.A." (G.G. 7754/13.07.2007).

Issues emphasized by the auditor:

a) The parent company has not undergone an audit by the tax authorities since the year 2006 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 2006, while the subsidiaries "IASO HEALTH ENTERPRISES 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 incep-





tion up until today. As a consequence, their tax liabilities for the aforementioned fiscal years have not been finalized yet. Since the outcome of these tax inspections cannot be predicted at present, the parent company has estimated, for this cause, a minimum provision affecting its results by the amount of € 670.000,00. (Note 19 Financial Statements).

b) There are third party lawsuits against the Company and the Group for compensation totaling approximately € 15.249K and € 19.154K 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 (recognized in Income Statement and Equity) in this respect (Note 15 Financial Statements).

Maroussi, 18 March 2008

Chairman of The Board of Directors
Ioannis Ch.Zolotas
ID.: A 005562

Managing Director
Georgios I. Stamatiou
ID.: K 030874

Group's General Manager
Takis I. Gianniris
ID.: Σ 582609

Group's Chief Financial Officer
Vassilios E. Anastassakis
ID.: AA' 058349

Chief Accounting Officer
Stylianos D. Tsiropoulos
ID.: 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 the year 2007.

ISSUE	LOCATION ON THE COMPANY'S WEBSITE	DATE
FINANCIAL STATEMENTS & ANNOUNCEMENTS		
Financial Results for the fiscal year 2006	www.iaso.gr/Investor Relations Notifications to ATHEX & HCMC / 2007	26.03.07
Financial Results of the 1st Quarter of 2007	"	23.05.07
Financial Results of the 1st Six months of 2007	"	27.08.07
Financial Results of the 9 month period of 2007	"	29.11.07
Annual Financial Statements Parent Company and Group of The Fiscal Year 2006	www.iaso.gr/Investor Relations/Financial Statements Group - Company	29.03.07
Data & Information Parent Company and Group as of 31.12.2006	"	29.03.07
Management Report of The BoD of The Year 2006 - Company and Group	"	29.03.07
Explanatory Report of The BoD	"	02.05.07
Interim Financial Statements Parent Company and Group as of 31.03.2007	"	31.05.07
Data & Information Parent Company and Group as of 31.03.2007	"	31.05.07
Interim Financial Statements Parent Company and Group as of 30.06.2007	"	28.08.07
Data & Information Parent Company and Group as of 30.06.2007	"	28.08.07
Interim Financial Statements Parent Company and Group as of 30.09.2007	"	30.11.07
Data & Information Parent Company and Group as of 30.09.2007	"	30.11.07

INVITATIONS & RESOLUTIONS OF GENERAL SHAREHOLDERS' MEETINGS

Invitation to Extraordinary General Meeting	www.iaso.gr/Investor Relations/Notifications to ATHEX & HCMC / 2007	16.02.07
Extraordinary General Assembly Resolutions	"	14.03.07
Resolutions of the postponed Extraordinary General Assembly	"	12.04.07
Announcement regarding the B.o.D's decisions	"	02.05.07
Invitation to the Annual General Assembly of May 23rd 2007	"	02.05.07
Resolutions of the Shareholders General Meeting	"	23.05.07
Invitation to the First (A') Repeating General Meeting	"	01.06.07
Invitation to Extraordinary General Meeting	"	08.06.07
Resolutions of the Shareholders' General Meeting	"	12.06.07
Invitation to the Second (B') Repeating General Meeting	"	18.06.07
Resolutions of the Shareholders' Extraordinary General Meeting	"	29.06.07
Resolutions of the Shareholders' Second (B') Repeating General Meeting	"	29.06.07

CORPORATE ACTIONS & DIVIDENDS

Announcement - Distribution of shares to new doctors	www.iaso.gr/Investor Relations/Notifications to ATHEX & HCMC / 2007	12.01.07
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ISSUE	LOCATION ON THE COMPANY'S WEBSITE	DATE
Announcement - Increase of the Company's share capital	www.iaso.gr/Investor Relations/Notifications to ATHEX & HCMC / 2007	16.02.07
Change of participation percentage	"	14.03.07
Amendment in the Schedule of Intended Corporate Actions	"	27.04.07
Announcement for the payment of dividend for the fiscal year 2006	"	23.05.07
Divident payment - Details	"	24.05.07
Notification of Significant Transactions according to L. 3556/2007	"	16.07.07
Schedule of Intended Corporate Actions	"	16.07.07
Completion of the Schedule of the Intended Corporate Actions	"	20.07.07
Share Capital Reduction - Announcement for the Distribution of the Capital Return	"	20.07.07
Announcement according to law 3556/2007	"	23.07.07
Amendment of the Schedule of Intended Corporate Actions 2007	"	27.08.07
Announcement	"	18.09.07
Completion of the sale of registered shares	"	13.11.07
Schedule of Intended Corporate Actions for the year 2007	"	27.03.07

OTHER ANNOUNCEMENTS

Changes of the BoD composition	www.iaso.gr/Investor Relations/Notifications to ATHEX & HCMC / 2007	08.01.07
Announcement	"	08.01.07
Announcement	"	09.01.07
Announcemen - Comments on the article of EURO2day	"	15.01.07
Announcement	"	17.01.07
Announcement - Collaboration with the Boston Consulting Group	"	31.01.07
Announcement	"	31.01.07
Announcement - IASO of Southern Suburbs	"	06.02.07
Announcement	"	22.02.07
Announcement - Correct Announcement	"	23.02.07
Announcement	"	02.03.07
Announcement	"	05.03.07
Announcement	"	08.03.07
Announcement - Completion of IASO Thessalias	"	13.03.07
Announcement	"	14.03.07
Respond to ATHEX's letter	"	12.04.07
Annual Analysts' Briefing	"	19.04.07
Release of Annual Report of fiscal year 2006	"	25.04.07
Annual Analysts' Briefing	"	26.04.07
Comments on a press publication	"	22.06.07
Comments on a press publication	"	04.07.07
Completion of IASO of Southern Suburbs' Capital Increase	"	06.07.07
Comments on a press publication	"	10.07.07
Announcement - Agreement with NBG International Limited	"	13.07.07
Announcement Regarding the Company's Depenture Loan	"	26.07.07
Comments on a press publication	"	26.07.07
Completion of the tax audit for the fiscal years 2003, 2004 and 2005	"	07.08.07
Comments on a press publication	"	05.09.07
Comments on a press publication	"	24.09.07
Participation in the 2nd Annual Greek Roadshow	"	03.10.07
Comments on a press publication	"	03.10.07
Comments on a press publication	"	26.10.07

ISSUE	LOCATION ON THE COMPANY'S WEBSITE	DATE
Write off of unclaimed dividends for the fiscal year 2001	"	26.10.07
Announcement	"	29.10.07
Comments on a press publication	"	30.10.07
Comments on a press publication	"	01.11.07
Comments on a press publication	"	13.11.07

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 2006	www.iaso.gr/Investor Relations/Annual Bulletins	25.04.07
Corporate Presentation of April 2007	www.iaso.gr/Investor Relations/Corporate Presentations	26.04.07
Corporate Presentation of October 2007	"	03.10.07

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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