ATHENS MEDICAL CENTER S.A.

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

It is certified that the attached annual Financial Statements are those approved by the board of directors of "ATHENS MEDICAL CENTER S.A." in March 24th 2008 and they are uploaded to the internet address: www.iatriko.gr. The records and information published to the press aim at providing to the reader some general financial records and information, but they do not provide the whole picture of the financial condition and the results of the Company, according to the International Accounting Standards and the International Financial Reporting Standards.

Georgios Apostolopoulos
President of the Board of Directors
ATHENS MEDICAL CENTER S.A.

CONTENTS OF ANNUAL FINANCIAL STATEMENTS

BOARD OF DIRECTORS MANAGEMENT REPORT
OF ATHENS MEDICAL CENTER SA
FOR THE YEAR 1.1.2007– 31.12.2007
TO THE ANNUAL SHAREHOLDERS'GENERAL ASSEMBLY

Dear Shareholders,

We are honored to submit to you for approval the financial statements of the Company and the Group, according to the International Financial Reporting Standards for the year 1.1.2007 to 31.12.2007. We kindly ask you to approve them and release the BoD and the auditors of any responsibility to provide compensation for the above year. The financial statements consist of the Balance Sheet, the Profit & Loss Account, the Cash Flow statement and the Statement of Changes in Equity, as well as the notes to the financial statements..

The management of the Company continued the efforts to improve the return on investment undertaken within the last seven years, which exceeded € 181, 7 million.

Major concern of the management of the Company is the continuous training of its people, so as to ensure excellent quality of offered medical services, combined with the implementation of ISO procedures and the continuous renewal of its medical and other equipment.

The creation of new products and services both for hospitalized as well as external patients has led to the growth of our market share, resulting into both turnover increase and very satisfactory results, at both Company and Group level.

Iatriko at Peristeri district started operating at the beginning of the last quarter of 2007. It is an ultra-modern general hospital, housed in a building modernized according to strict specifications, equipped with latest technology biomedical machinery and staffed with highly qualified medical, nursery and administrative personnel.

It offers 78 beds, Intensive Care Unit of 6 beds, 5 surgical chambers, day clinic of 5 beds and covers all medical specialties. It also has an Emergency Unit, an Introspection Unit, fully-fledged Diagnostic and Visual Laboratories as well as external practices operating around the clock for 365 days a year.

Iatriko at Peristeri serves people insured by all Pension Funds offering the reliability, comfort and scientific adequacy underwritten by the reputation of Athens Medical Group.

1. FINANCIAL RESULTS

At Company level, turnover increased by 9, 44% and reached € 272.8 million. This is due to the increase of hospitalized patients by 3, 88% and of external patients by 10, 47%. EBITDA increased by 2, 61% and reached € 37,7 million, whereas Profit after Taxes increased by 12,37% and reached € 15.9 million.

At Consolidated level, results were as follows:

Turnover compared to previous year increased by 9, 6% and reached € 278.5 million. EBITDA compared to previous year decreased by 0, 7% and reached € 43.7 million. Finally, Profit after Taxes and after minority rights decreased by 9, 89% compared to last year and amounted to € 15.01 million.

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

2. STATISTICS

During the period 1.1.2007 to 31.12.2007, 58.441 patients were admitted, against 56.256 patients during the previous year. Internal patients in 2007 increased by 3,88% compared to 2006, whereas external patients increased by 10,47%.

Assets – Equity and Liabilities

Total assets – equity and liabilities at 31.12.2007 reached € 489.5 million at Company level and € 491.5 million at Consolidated level.

Tangible and Intangible assets

Tangible and Intangible assets for the year 2007 at Company and Consolidated level were as follows:

	Company (figures in million €)	Group (figures in million €)
Acquisition Value	324.3	353.9
Depreciation	(64.8)	(67.5)
Balance	259.5	286.4

Investment for the year 2007

The Company realized significant investment in buildings, machinery and hospital equipment amounting to € 11.3 million. On a consolidated basis, investment reached € 11.7 million.

Analysis of the undertaken investment at Company as well as Consolidated level follows:

	Company (figures in million €)	Group (figures in million €)
Land	2.3	2.3
Buildings	1.4	1.4
Machinery/technical installations	4.0	4.3
Means of transport	0.0	0.0
Furniture and other equipment	1.5	1.5
Assets under construction & advance payments	1.9	2.0
Intangibles assets	0.2	0.2
TOTAL	11.3	11.7

Cash and cash-equivalent

Cash and cash-equivalent consists of cash as at 31.12.2007 plus deposits with banks as at 31.12.2007.

Analysis is as follows:

	Company (figures in million €)	Group (figures in million €)
Cash and cheques receivable	0.5	0.5
Sight and time deposits	18.1	26.7
TOTAL	18.6	27.2

Borrowings

A Bond Loan was issued according to Law 3156/2003 totaling to € 150 million. With the proceeds of this bond the outstanding long-term and short-term debt was paid back in full.

Profitability and Capital Adequacy Ratios

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

Profitability and Capital Adequacy of the Company and the Group are evaluated with the use of ratios.

More specifically, profitability of the Company and the Group is captured by the ratio of Return on Equity, as follows:

	Group	**Company**
Profit after Taxes & Minority rights / Equity (mean)	9,40%	9,51%

Capital structure and capital adequacy of the Company and the Group are captured by the Debt Ratio and the Current ratio, as follows:

	Group	**Company**
Equity / Debt	51,78%	55,59%
Current Assets / Current Liabilities	160,73%	160,17%

Corporate Governance

The Company conforms to the Corporate Governance regulations as apply in our country, pursuant to Law 3016/2002 as well as the regulations and decisions of the relevant regulatory authorities.

According to Law 3016/2002 on Corporate Governance, the Board of Directors of the Company consists of executive and non-executive members. Executive members are those handling daily issues of the Company, whereas non-executive members concern themselves with strategic issues.

The number of non-executive members cannot be smaller than 1/3 of the total number of members. The Board of Directors consists of 5 members, 3 of whom are executive and 2 of whom are non-executive and independent members.

According to Article 2 of Law 3016/2002 on Corporate Governance:

1. Primary concern of the Board of Directors is the pursuance of the growth of the long-term value of the Company and the defense of the general Company interest.
2. The members of the BoD and any third person entrusted by the BoD with responsibilities belonging to it are not allowed to pursue interests conflicting with those of the Company.
3. The members of the BoD and any third person entrusted by the BoD with responsibilities belonging to it are obliged to reveal to the other members of the BoD their interests, as well as any conflict of these interests with those of the Company and Companies related to it in the sense of Article 42$^{\varepsilon}$ par. 5 of Law 2190/1920, that may arise during the exercise of their duties.
4. The BoD prepares an annual report in which the transactions of the Company with Companies related to it in the sense of Article 42$^{\varepsilon}$ par. 5 of Law 2190/1920 are reported extensively. This report is made public to the regulatory authorities.

Independent non-executive members of the BoD are those that are not shareholders and have no dependency (in the sense of Article 4 of Law 3016/17.05.2002) from the Company or from persons related to it.
These are entrusted with furthering all strategic issues. More specifically, within their duties fall:

- The independent assessment of the strategy
- The independent assessment of the performance
- The independent assessment concerning the selection and control of senior management of the Company

The remuneration and other compensation of the non-executive members of the BoD are set according to Law 2190/1920 and are related to the time afforded to its sessions and the fulfillment of the duties entrusted to them according to this Law. The sum of the remuneration and other compensation of the members of the BoD are mentioned in a separate category in the notes to the Annual Financial Statements.

The non-executive independent members of the BoD are at liberty to submit, individually or in common, separate reports from those of the BoD to the ordinary or extra-ordinary assembly of the shareholders of the Company, if they deem it necessary.

INTERNAL AUDIT DEPARTMENT

Internal audit is an independent and objective, confirmatory and consulting activity, designed to add value and improve the processes of the Company. It helps the Company achieve its targets by offering a systematic and structured approach to the evaluation and performs improvement of the efficiency of the control systems, risk management and corporate governance.

The Internal Audit Department effects financial, operational and administrative checks, as well as compliance checks, on a regular and irregular basis, on a preventive or inquisition basis. Results of these checks are reported to the Audit Committee of the BoD of the Company.

The Company provides the Internal Audit Department with all necessary means to facilitate its work. The internal auditor has unlimited access to books, figures and information. He acts independently, objectively and on a confidentiality basis.

According to Law 3016/2002 and the Internal Operational Regulation of the Company, the Internal Audit Department also has the following responsibilities:

- Observes the implementation of the Internal Operational Regulation, the articles of Association of the Company and the legislation related to the operation of the Company
- Reports to the BoD any case of conflict with its members' private interests, or with upper management's private interests, that comes to its attention.

Relations with Shareholders and Investors

The adherence to stock exchange obligations and the relations with investors, as defined by the Decision 5/204/14.11.2000 of the Capital Markets Committee, the Law 3340/10.05.2005 and the Stock Exchange Regulations, are the responsibility of the Investors' Relations' Office and the Office of Corporate Announcements.

Office of Corporate Announcements

The Office of Corporate Announcements is responsible to ensure compliance of the Company to its obligations towards the Capital Markets Committee and the Athens Stock Exchange (ASE). More precisely, the Office of Corporate Announcements is responsible for the following:

- Compliance of the Company to Disclosure Obligations, as set out in Law 3340/10.05.2005 and Decision 5/204 of the Capital Markets Committee.
- Communication of the Company with the relevant authorities, including the submission to the Capital Markets Committee, the ASE, the Media and other relevant parties of the Annual Report, the Information Memorandum, the interim and annual financial statements and the management reports of the Board of Directors and the Auditors.

It is working closely with the Legal Department of the Company and supervisory bodies, so as to monitor developments and changes in the legal framework and to ensure the legality of the Company's actions.

Within the context of the responsibilities of this Office are included the following:

- Notification of regular publications and other announcements
- Follow-up of press reports
- Follow-up and notification of transactions of liable persons
- Observance of proper procedure for notifications
- Monitoring of procedure that safeguards confidentiality
- Presentations to institutional investors.

Investors' Relations' Office

Basic Responsibility of this Office is to ensure the immediate, accurate and equal dissemination of information to shareholders and investors. Also, it is entrusted with assisting shareholders to exercise their rights according to the Law and the Company's Articles of Association.

More specifically, the Office ensures the immediate, accurate and equal dissemination of information to shareholders regarding the following:

- Dividend distribution, Issuance of new shares, distribution, subscription, waiving and conversion thereof, time periods for the exercise of relevant rights or amendments to the initial ones.
- Provision of information regarding Ordinary or Extraordinary General Shareholders' Assemblies and their decisions.
- Acquisition of Own shares and their disposal, or possible annulment thereof

The Office makes certain that, during the Annual General Shareholders' Assembly, the Annual Report is available to the Shareholders. Also it makes certain that all published Company information may be sent to any interested party, either in print or in electronic form.

The Office has the responsibility to maintain and update the shareholders' registry of the Company, according to the provisions of current legislation. For this reason the office is responsible for communication.

Scientific Committee

According to the Operating Manual of each clinic, there is a Scientific Committee which serves as the basic organ of supervision and control of issues relating to the level and quality of offered medical and hospital services.

The tenure of the Scientific Committee is biannual. The President and the members of the Scientific Committee are appointed by the Administrative Director of the clinic.

The Scientific Committee deals with cases concerning the integrity, the scientific adequacy, the behavior and, in general, concerning the adherence to due process during the actual exercise of the medical practice. Its responsibilities may be summed up as follows:

- It evaluates the adequacy of the salaried scientific medical staff, based on the performance and the keeping of due process by each and every one, as well as the discharge of their obligations, following a recommendation by the Scientific Director
- It controls the formal fulfillment of the obligations of the salaried doctors towards the clinic and the hospitalized patients, with regard to keeping medical records, minutes of operations, external offices' logs, etc

- It controls on a continuous basis the operation and the scientific performance of Medical departments and the Scientific staff, with regard to quality and manner of offering medical services
- It deals with the task of continuous training of the permanent staff of each Clinic in issues related to quality and manner of offering medical services.

Morals and Due Process Committee

The Morals and Due Process Committee is consulted on issues of morals and due process by the BoD of the Company, and supervises the observance of the rules of medical morals and due process.

Acting Chairman of this Committee is the Scientific Director of each Clinic.

3. RISK MANAGEMENT

The Group's main financial instruments are cash and cash equivalents, bank deposits (sight and time), trade accounts receivable, prepayments and other receivables and accounts payable, bank loans (borrowings) and financial assets at fair value through income statement. Management periodically evaluates and revises the policies and procedures that relate to management of financial risk.

a) Market risk

(i) Foreign exchange risk (FX risk)

The Group holds participations (business operations) in Romania, whose net assets are exposed to FX risk. This kind of FX risk derives from the exchange rate RON / € and it is not hedged as there is no substantial exposure.

(ii) Price risk

The Group is not exposed to securities price risk due to its limited investment in entities and their classification in the consolidated balance sheet as financial assets at fair value through income statement.

(iii) Cash flow and fair value interest rate risk

The group has no significant interest-bearing assets, so the group's income and operating cash flows are substantially independent of changes in market interest rates. The group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Depending on the levels of net debt, any change in the base interest rates (**EURIBOR**), has a proportionate impact on the Group's results.
For diminishing the effect of the above mentioned interest rate risk beginning from year 2008 Group entered financial contracts for interest rate risk hedging purposes.

The Group's policy is to minimize its exposure to interest rate cash flows risk with regard to long term financing issued at variable rates.

b) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. Risk control department assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Trade debtors credit limits are set based on internal ratings in accordance with limits set by management.

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

The major part of debtors comes from public insurance organizations and private insurance companies, whose credit risk is considered to be limited. Regarding the rest of debtors, represented by sale to individuals, risk is diversified due to the great diversity of balances.

Regarding prepayments and other receivables as well as cash and cash equivalents credit risk is considered of no significance.

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed credit facilities. Furthermore, the Group has entered into factoring, aiming to support its working capital.

d) Capital management policies and procedures

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Capital is monitored on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the consolidated balance sheet) less "Cash & cash equivalents". Total capital employed is calculated as "Total Equity" as shown in the consolidated Balance Sheet plus net debt.

	The Group		**The Company**	
	2007	**2006**	**2007**	**2006**
Total Borrowing	168.269	145.869	162.907	140.834
Less: Cash and cash equivalents	27.236	8.814	18.580	6.224
Net Debt	**141.033**	**137.055**	**144.327**	**134.610**
Total Equity	167.687	152.984	174.891	158.864
Total	**308.720**	**290.039**	**319.218**	**293.474**
Gearing ratio	**45,68%**	**47,25%**	**45,21%**	**45,87%**

The gearing ratio is slightly improved in year 2007 relating to previous year 2006 in terms of Group and Company.

e) Fair value estimation

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques based on market conditions existing at each balance sheet date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables is assumed to approximate their fair values.

4. COMPANY PROSPECTS

Within a constantly changing macroeconomic environment worldwide, and with fundamental changes about to take place, concerning the institutional framework of health and insurance in our country, the Company feels ready to confront the challenges and, I dare say, take advantage of the coming changes.

2007 was a turning point in the progress of the Company, since the German Group Asklepios Kliniken acquired a strategic interest in the share capital of the Company, namely 30,73%, aiming at the further expansion of the Company in Greece and abroad.

Asklepios Group will contribute decisively, with the know-how it possesses, to the more efficient organization of the Company as well as its expansion in more specialized areas of hospital treatment (rehabilitation, etc).

The unique know-how that Asklepios possesses in matters of collaboration with the public sector will be of paramount importance for the relevant developments expected to take place in our country, through SDIT (Cooperation of Public and Private Sector) presently and, maybe, privatizations in the future.

Today the Company is without doubt the leading enterprise in the sector in the whole of Southeastern Europe. It continuously and generously invests in human capital as well as state-of-the-art technology, so as to offer to those who trust us the best that medical and biomedical technology can offer. By attending uncompromisingly to this principle, we expand in new geographical areas in Greece and abroad.

After the launch of the third diagnostic centre of the Athens Medical Group in Romania, the maturing of the Rumanian market combined with our successful presence in that market for over a decade, led the Company to found a hospital, of 150 beds capacity, in Bucharest. It is estimated that hospital will be completed and will begin operating in 2011, offering a wide range of health services to the public of the Romanian capital. At the same time, the Company investigates the possibility of founding hospitals in other Balkan countries, where demand for quality health services is not met by the requisite supply.

Concerning the prospects domestically, after the beginning of the operation of Iatriko Peristeriou in November 2007, within 2008 the Iatriko in Dafni district will operate as a general clinic. Already in Dafni the facilities have been appropriately modified and the necessary equipment has been installed, in order for the clinic to cover the needs of the district in the area of secondary medical treatment.

The Company, together with Euromedica S.A., undertook the management of the Errikos Dynan hospital of the Hellenic Red Cross. Errikos Dynan has a very important place in the provision of secondary medical treatment in the greater Athens area. The implementation of sound financial practices in the management of the hospital and the know-how transfer from the Company represents a pilot project for the initiation of similar endeavors by other legal entities governed by Public or Private law.

The Company, at the same time, evaluates the exploitation possibilities of its real estate in Paiania, Attica, with the intention to build hospital units offering specialized services to the public and complementing the services already offered by the operating hospitals of the Company. The services which will be offered by the new units will be groundbreaking for the Greek market and will incorporate the experience of our partner Asklepios.

The combination of the presence of the G. Apostolopoulos family at the helm of the Company and the assistance of its strategic partner Asklepios reassures us and makes us not only optimistic but also ambitious to achieve a new vision, which is to expand internationally.

The presence in new areas, the provision of specialized services, the cooperation between Public and Private sector and possibly the privatizations, are but a few of the interests that will preoccupy us in the coming months. Interests that are always compatible with our initial vision and lead to the improvement of provided health products and services to our fellow man (and not exclusively patient).

Maroussi, 24/3/2008
THE BOARD OF DIRECTORS

GEORGE B.APOSTOLOPOULOS
PRESIDEND of B.O.D.

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

SUPPLEMENTARY AND EXPLANATORY REPORT OF THE BOARD OF DIRECTORS

SOURCES AND USES OF FUNDS

During year 2007, the total investment of the Athens Medical Group S.A. amounted to approx. € 11.7 million.

In 2007, the Group's borrowing increased by approx. € 22.4 million.

On 31/12/2007, the Group's aggregated net loans amounted to the sum of € 141.03 mil. approximately.

The Group's net cash flows amounted to the sum of approximately € 18.42 million.

Net Borrowing: Total of short term and long term debt less cash and cash equivalent

The relative net borrowing ratio is as follows:

Ratio	31/12/2007	31/12/2006
Net Debt / Equity	84,10%	89,59%

DIVIDEND POLICY

The Board of Directors proposes to the General Meeting a dividend distribution for the year 2007 amounting to € 5.204.158,80 (0,06 € per share).

INFORMATION ACCORDING TO ARTICLE 11a OF LAW 3371/2005

(a) Share Capital Structure

On December 31st, 2007, the Company's Share Capital amounted to € 26.888.153, 80, divided in 86.735.980 common bearer shares with a nominal value of 0,31 € each.

Based on the Share Registry as at December 31st, 2007 the Share Holding was as follows:

Shareholder	Number of Shares	Participation percentage on 31/12/2007
G.Apostolopoulos Holdings SA	27.833.843	32,090%
Asklepios International GMBH	26.649.532	30,725%
Morgan Stanley and Co, International Plc	4.730.774	5,454%
UBS Ag London branch – International prime brokerage client account	3.017.428	3,479%
2S Banca Milano	2.418.127	2,788%
Λοιποί μέτοχοι με ποσοστό συμμετοχής <2%	22.086.276	25,464%
	86.735.980	**100,00%**

The total of the Company's shares (100%) are Common Bearer shares. There exist no special categories of shares. Rights and obligations derived thereof are those foreseen by law 2190/1920.

(b) Constraints on Share Transfers

According to the Company's Articles of Association, there are not any.

(c) Significant direct and indirect participations in the sense of P.D. 51/1992

On December 31st, 2007, G.Apostolopoulos Holdings held a percentage of 32, 09%.

Asklepios Internationl Gmbh held a percentage of 30,725%.

(d) Shareholders of shares affording special controlling rights

There are no company shares affording special controlling rights

(e) Voting rights' constraints – time period for the exercise of related rights

There are no constraints on voting rights other than those foreseen by Law 2190/1920.

(f) Rules on appointment / replacement of members of the Board of Directors and on amending the Company's Articles of Association provided they differ from those foreseen by Law 2190/1920.

There are not any.

(g) Power of the Board of Directors for issuance of new shares / purchase of own shares according to the Article 16 of Law No 2190/20.

Notwithstanding paragraph 17 of this Article, it is hereby assigned that during the first five-year period from the company's constitution and following the Shareholder's General Assembly resolution dated 20.07.1993 by which the above mentioned power of the BoD was renewed for a period of five years, the BoD can issue new shares to increase all or part of the Company's Share Capital, with a 2/3 majority decision of its members.
The increase can not exceed the total of the capital already paid down.
The above mentioned power of the Board of Directors may be renewed by the General Assembly for a period not exceeding five years for each renewal.

No renewal of this power has been decided by the General Assembly.

(i) Compensation agreements in the event of resignation / redundancy with no well-founded reason or tenure termination for members of the Board of Directors or personnel.

There are not any.

(j) Agreements among shareholders, known to the Company, resulting into restrictions on share transfers or on voting rights.

There are not any.

(k) Any important agreement the Company has contracted and is being put in force, modified or expires, in the event of a change in Management following a Public Offering and the results thereof; unless, due to the agreement's nature, its publication would cause serious damage to the company.

There are not any.

(l) Any agreement the Company has contracted with either members of the BoD or its Personnel that foresees compensation in the event of resignation or redundancy with no well-founded reason or tenure termination due to a Public Offering.

There are not any.

(m) Share Capital structure

Regarding the Company's Share Capital Structure it is noted that by virtue of the A' Repeated Extraordinary General Assembly resolution of 18/12/2006, the Company's Share Capital was increased by an amount of € 852.500 paid in cash, resulting in the issuance and disposal of 2.750.000 new common bearer voting shares of nominal value € 0, 31 each, issued above par at € 1,95 per share. Therefore the capital raised amounts to € 5.362.500.

On 30.01.2007 a resolution of the Ministry of Development, under No K2-1206 was registered in the Incorporated Companies Registry, modifying article 5 of the Company's Articles of Association. By resolution No K2-269 of the Ministry Of Development, the Minutes of the A' Repeated Extraordinary General Assembly were registered in the Incorporated Companies Registry.

The Capital Increase was covered by a team of doctors and scientists who expressed interest in participating in the Company's Capital Share in order to become new strategic investors, suppressing at the same time the preference rights of earlier shareholders.

The paying in full of the Capital Share Increase was certified by the Board of Directors at its Meeting on 20.04.2007.

The Share Capital now nominally amounts to € 26.888.153, 80 and is divided into 86.735.980 common bearer shares of nominal value of € 0, 31 each.

The above mentioned shares were entitled to dividend for financial year 2006.

Finally, the basic rights and obligations deriving from share ownership according to the Company's Articles of Association and Law No 2190/1920 are as follows:

Shareholders Rights

1. Shareholders exercise their rights with regard to the Management of the Company only through their participation in the General Assembly.
2. In any Share Capital increase not effected by in rem contribution or issuance of convertible bonds, a Preference Right is provided upon the entire new Issue in favor of existing shareholders at the time of the issuance and proportionate to their share holding.
   After the expiry of the time period set for the exercise of the preference right, which may not be smaller than one month, shares not bought, according to the above, are disposed by the BoD according to its unconstrained will.

   The Invitation for the Exercise of the Preference Right, which must also mention the period in which the right should be exercised, is published in the relevant Issue of the Government Gazette. Notwithstanding valid paragraphs 6 and 7 of article 13 (Law 2190/1920), the Preference Right may either be limited or waived by resolution of the General Assembly.

   As an exception, if all Company's shares are bearer, the invitation for the Preference right exercise may be effected by registered mail to shareholders.

3. Any Shareholder wherever located, as regards his relation to the Company, is subject to the Greek Laws and is considered to have as residence the Company's Headquarters.

Article 8
Minority Rights

1. In the event of shareholders' application who represent one twentieth (1/20) of total, fully paid up Share Capital, the Board is obliged to call an extraordinary Shareholders General Assembly setting the meeting date. This should not be more than thirty (30) days later than the date of the relative application. In the application the agenda should be determined with precision.
2. In the event of shareholders' application representing one twentieth (1/20) of total, fully paid up Share Capital, the chairman of the Assembly is obliged to not postpone more than once the Resolution of the ordinary or extraordinary general assembly setting as an Assembly date, the one mention, in the shareholders' application but for a period not exceeding a month from the postponing date.
3. In the event of shareholders relevant application representing one twentieth (1/20) of total, fully paid up Share Capital that is submitted five (5) days before the ordinary General Assembly, the Board of Directors is obliged to:

a) Disclose to the General Assembly all amounts paid for whatever reason by the Company during the last two years either to members of the Board of Directors or to Managers and Staff, or disclose any other contract established for any reason by the Company and the persons mentioned above..

b) Disclose specific information relevant to the Company's affairs to the extent they are useful for judging issues on the Agenda. The Board of Directors can withhold the provision of information requested, assuming there is a material reason, which must be recorded in its minutes.

4. In the event of shareholders' relevant application representing one third (1/3) of total, fully paid up Share Capital submitted to the Company as above and provided these shareholders are not being represented at the BoD, the Board of Directors is obliged to provide either to them or to their appointed representative during or, if so wished, before the General Assembly information on Company's matters and its financial condition. The Board can withhold the provision of information, assuming there is a material reason, which must be recorded in its minutes.

5. In the cases of the second part of paragraphs 3 and 4 of this Article, any dispute regarding the foundation of the reason for withholding information, can only be resolved by the Court of First Instance by Provisionary Remedies.
6. In the event of shareholders' relevant application representing one twentieth (1/20) of total, fully paid up Share Capital, the decision on any article of the Agenda is of the General Assembly.
7. Shareholders exercising their Rights according to the present Article, are obliged to submit, according to Article 12 of the present Articles of Association, their shares and keep them as such since the date of application and until:
   a) The General Assembly date, in cases 1-4 of the present Article, or
   b) The verdict issuance by the competent Court of Justice, in the case of Paragraph 5 of the present Article.
8. Shareholders representing at least one twentieth (1/20) of total, fully paid up Share Capital, are entitled to request the auditing of the Company by the competent Court of Justice. The Audit is ordered if it is reasonably assumed that the actions charged infringe either Laws, or Articles of Association or General Assembly's' Resolutions. The actions charged must have taken place no earlier than two years before the Approval by the General Assembly of financial statements transactions with regard to the Financial Years in question.
9. Shareholders representing one third (1/3) of total, fully paid up Share Capital, are entitled to request the Company's Audit by the competent Court of Justice, as in previous paragraph on condition it is construed that corporate affairs are managed in an inappropriate and imprudent way. This provision does not apply in case the minority demanding the Audit is represented at the Board of Directors (paragraphs 8 and 9).
10. Shareholders exercising their rights as above should produce certification by the Central Securities Depository, evidencing the registration of the shares providing them their relevant rights, until a decision is made; but for a time period no less than 30 days from submission of the application.

Maroussi, 24/3/2008
THE BOARD OF DIRECTORS

GEORGE B.APOSTOLOPOULOS
PRESIDEND of B.O.D.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of «ATHENS MEDICAL CENTER S.A.»

Report on the Financial Statements

We have audited the accompanying corporate and consolidated financial statements of «ATHENS MEDICAL CENTER S.A.» (the «Company»), which comprise the corporate and consolidated balance sheet as of 31 December 2007 and the income statements, statements of changes in shareholders' equity and cash flow statements 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. 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 Greek Standards on Auditing which are in compliance with 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 corporate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and the Group as of 31 December 2007 and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

The Board of Directors' Report includes all information required by articles 43a paragraph 3 and 107 paragraph 3 of C.L. 2190/1920 as well as by article 11a of L. 3371/2005 and its content is consistent with the accompanying financial statements.

Athens, March 27, 2008

The Certified Auditor Accountant

George Ger. Vrettos
S.O.E.L. Registration Number 15651

BDO
Protypos Hellenic Auditing Company AE
Certified & Registered Auditors
81 Patission & Heyden Street Athens, GR 104 34
R.N. 111

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2007 AND 2006

		The Group		The Company	
		1/1-31/12	1/1-31/12	1/1-31/12	1/1-31/12
	Notes	2007	2006	2007	2006
INCOME:					
Revenue		278.500	254.075	272.825	249.281
Cost of sales	8	(221.185)	(198.083)	(224.074)	(203.324)
Gross Profit		**57.314**	**55.991**	**48.751**	**45.957**
Administrative expenses and Distribution Costs	9	(29.205)	(27.959)	(26.226)	(24.809)
Other income/ (expenses)	10	4.356	5.089	4.498	5.111
Net financial income/ (costs)	11	(9.917)	(8.118)	(5.414)	(5.824)
PROFIT BEFORE TAX		**22.549**	**25.004**	**21.609**	**20.436**
Income Tax Expense	12	(7.413)	(8.664)	(5.740)	(6.314)
PROFIT FOR THE YEAR		**15.136**	**16.340**	**15.869**	**14.122**
Attributable to:					
Equity holders of the parent company		15.077	16.731	15.869	14.122
Minority Interest		59	(392)		
		15.136	**16.340**	**15.869**	**14.122**
Earnings per Share (in Euro)					
Basic	13	0,18	0,20	0,19	0,17
Weighted average number of shares					
Basic	13	85.711.322	83.985.980	85.711.322	83.985.980

The accompanied notes and appendixes are inseparable part of the financial statements

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

BALANCE SHEET OF 31 DECEMBER 2007 AND 31 DECEMBER 2006

		The Group		The Company	
	Notes	**31 December 2007**	**31 December 2006**	**31 December 2007**	**31 December 2006**
ASSETS					
Non current assets :					
Property, plant and equipment	14	284.119	283.776	259.217	258.577
Goodwill	15	1.979	1.979	-	-
Intangible assets	15	340	507	312	506
Investments in subsidiaries	16	-	-	34.867	34.867
Investments in associates consolidated by the equity method	17	328	223	-	-
Other long term debtors		377	366	370	361
Deferred tax assets	12	5.121	5.863	5.067	5.788
Total non current assets		**292.263**	**292.714**	**299.834**	**300.099**
Current Assets:					
Inventories	18	6.789	5.391	6.432	5.088
Trade accounts receivable	19	151.765	124.919	148.523	121.643
Prepayments and other receivables	20	13.449	13.283	16.139	15.284
Financial assets at fair value through income statement		1	1	-	-
Cash and cash equivalents	21	27.236	8.814	18.580	6.224
Total current assets		**199.240**	**152.408**	**189.674**	**148.240**
TOTAL ASSETS		**491.503**	**445.121**	**489.508**	**448.339**
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the parent company					
Share capital	22	26.888	26.036	26.888	26.036
Share premium	22	19.777	15.267	19.777	15.267
Retained Earnings		44.629	35.474	52.761	42.777
Legal, tax free and special reserves	23	75.994	75.396	75.464	74.784
		167.289	**152.173**	**174.891**	**158.864**
Minority Interest		398	811		-
Total equity		**167.687**	**152.984**	**174.891**	**158.864**
Non-current liabilities:					
Long term loans/borrowings	24	157.037	37.755	156.972	37.546
Government Grants	25	10	36	9	35
Deferred tax Liabilities	12	23.482	21.857	20.961	19.354
Provision for retirement indemnities	26	13.849	11.847	13.745	11.759
Other long term liabilities - Deferred income		5.477	7.315	4.506	5.988
Total non-current liabilities		**199.855**	**78.811**	**196.193**	**74.682**
Current liabilities:					
Trade accounts payable	27	91.722	86.450	92.946	95.695
Short term loans/borrowings	24	11.232	83.786	5.936	78.966
Long term liabilities payable in the next year	24	-	24.328	-	24.322
Current tax payable		6.360	8.380	5.257	5.843
Accrued and other current liabilities	28	14.647	10.383	14.285	9.967
Total current liabilities		**123.960**	**213.327**	**118.424**	**214.793**
TOTAL EQUITY AND LIABILITIES		**491.503**	**445.121**	**489.508**	**448.339**

The accompanied notes and appendixes are inseparable part of the financial statements

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY 31 DECEMBER 2007

The Group

	Attributable to equity holders of the parent company					Minority Interest	Total Equity
	Share capital	Share Premium	Legal, Tax-free, and special Reserves	Retained earnings	Total		
Balance, 1 January 2007	**26.036**	**15.267**	**75.396**	**35.474**	**152.173**	**811**	**152.984**
Period's profits				15.077	15.077	59	**15.136**
Attribution of profits to reserves			708	(708)	0		**0**
Exchange Differences			(110)	(10)	(120)		**(120)**
Dividends of parent				(5.204)	(5.204)		**(5.204)**
Share capital increase	853	4.510			5.363		**5.363**
Dividends paid to minority					0	(472)	**(472)**
Balance, 31 December 2007	**26.888**	**19.777**	**75.994**	**44.629**	**167.289**	**398**	**167.687**

The Company

	Share capital	Share Premium	Legal,, Tax-free, and special Reserves	Retained earnings	Total Equity
Balance, 1 January 2007	**26.036**	**15.267**	**74.784**	**42.777**	**158.864**
Period's profits				15.869	**15.869**
Attribution of profits to reserves			680	(680)	**0**
Share capital increase	853	4.510			**5.363**
Dividends				(5.204)	**(5.204)**
Balance, 31 December 2007	**26.888**	**19.777**	**75.464**	**52.762**	**174.891**

The accompanied notes and appendixes are inseparable part of the financial statements

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY 31 DECEMBER 2006

The Group

	Attributable to equity holders of the parent company					Minority Interest	Total Equity
	Share capital	Share Premium	Legal, Tax-free, and special Reserves	Retained earnings	Total		
Balance, 1 January 2006	**26.036**	**15.267**	**74.664**	**41.213**	**157.180**	**6.065**	**163.245**
Period's profits				16.731	16.731	(392)	**16.340**
Attribution of profits to reserves			684	(684)	0		**0**
Exchange Differences			48	0	48		**48**
Dividends of parent				(3.359)	(3.359)		**(3.359)**
Minority percentage acquisition (buy out)				(18.427)	(18.427)	(2.855)	**(21.282)**
Dividends paid to minority				0	0	(2.008)	**(2.008)**
Balance, 31 December 2006	**26.036**	**15.267**	**75.396**	**35.474**	**152.173**	**811**	**152.984**

The Company

	Share capital	Share Premium	Legal, Tax-free, and special Reserves	Retained earnings	Total Equity
Balance, 1 January 2006	**26.036**	**15.267**	**74.162**	**32.636**	**148.102**
Period's profits				14.122	**14.122**
Attribution of profits to reserves			621	(621)	**0**
Dividends				(3.359)	**(3.359)**
Balance, 31 December 2006	**26.036**	**15.267**	**74.784**	**42.777**	**158.864**

The accompanied notes and appendixes are inseparable part of the financial statements

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

CASH FLOW STATEMENT FOR THE YEARS 2007 AND 2006

	The Group		The Company	
	31 December 2007	**31 December 2006**	**31 December 2007**	**31 December 2006**
Cash flows from operating activities				
Period's profit before taxation	22.549	25.004	21.609	20.436
Adjustments for operational activities				
Depreciation	11.258	10.903	10.707	10.509
Depreciation of government grants	(31)	(35)	(31)	(17)
Provision for retirement indemnities	2.001	1.589	1.987	1.564
Allowance for doubtful accounts receivable	0	0	0	0
Other provisions	0	(6)	0	(6)
Gains/losses due to fixed assets sale	(2.221)	(2.229)	(2.187)	(2.229)
Impairment expenses of fixed assets	0	448	0	0
Dividends from subsidiaries	(91)	(59)	(4.351)	(2.412)
Gains from group's associates	(105)	(187)	0	0
Interest and Financial income	(186)	(54)	(144)	(44)
Interest and other financial expenses	10.261	8.376	9.908	8.280
Exchange differences due to consolidation of subsidiaries abroad	35	(35)	0	0
Operational profit before changes in working capital variations	**43.470**	**43.714**	**37.498**	**36.080**
Increase/ (Decrease) in:				
Inventories	(1.397)	(189)	(1.344)	(450)
Short and long term accounts receivable	(27.059)	(32.612)	(27.743)	(33.065)
Increase/ (Decrease) in:				
Short and long term liabilities	9.892	19.113	2.308	22.021
Interest charges and related expenses paid	(10.261)	(8.376)	(9.908)	(8.280)
Paid taxes	(6.933)	(5.634)	(3.999)	(2.338)
Net Cash from operating activities	**7.712**	**16.017**	**(3.188)**	**13.967**
Cash flows from investing activities				
Purchase of tangible and intangible fixed assets	(11.733)	(18.146)	(11.279)	(17.301)
Sale of tangible assets	48	14	64	10
Interest and related income received	186	109	144	44
Received dividends from subsidiaries	0	0	4.351	2.412
Received dividends from other companies	91	59	0	0
Guarantees paid	(1)	0	0	0
Grants received	5	0	5	0
Purchase of of long and short term investments	0	(21.282)	0	(21.282)
Net Cash flows used in investing activities	**(11.405)**	**(39.246)**	**(6.716)**	**(36.116)**
Cash flows from financing activities				
Issuance of Shares	5.363	0	5.363	0
Dividends paid of parent company	(5.176)	(3.348)	(5.176)	(3.348)
Net variation of short term borrowings	(71.829)	46.748	(72.300)	42.465
Net variation of of long term debt/borrowings	96.130	(12.722)	96.273	(12.651)
Payment of finance lease liabilities	(1.901)	(4.204)	(1.901)	(4.182)
Dividends paid to minority from subsidiaries	(472)	(2.008)	0	0
Net Cash flows used in financing activities	**22.115**	**24.466**	**22.259**	**22.284**
Net increase/ in cash and cash equivalents	**18.422**	**1.237**	**12.356**	**135**
Cash and cash equivalents at the beginning of the year	8.814	**7.577**	**6.224**	**6.089**
Cash and cash equivalents at the end of the year	**27.236**	**8.814**	**18.580**	**6.224**

Company details:

Board of directors:	Dr. George B Apostolopoulos– President of BOD Dr. Vassilis G. Apostolopoulos – CEO Christos G. Apostolopoulos – Vice President of BOD Dr. Norbert Doerner – Member of BOD Stephen Leonhard – Member of BOD
Company's head offices:	5-7 Distomou Str, 15125 Maroussi
Company's number in the registry of Societes Anonymes:	13782/06/B/86/06
Auditors:	**BDO PROTYPOS ELLINIKI ELEGKTIKI S.A.** 81, Patision & 8-10, Heyden 104 34, Athens Greece

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

2. CORPORATE INFORMATION:

The Company " ATHENS MEDICAL SOCIETE ANONYME" with the distinctive title "ATHENS MEDICAL CENTER S.A." (hereafter the "Company" or the "Parent Company") and its subsidiaries (hereafter the "Group") are involved in the area of health care services with the organization and operation of hospital units. The Company's and the Group's head offices are located in the Municipality of Amarousion Attica in 5-7 Distomou Street and employ 2.916 and 3.072 employees respectively.

The Company's shares are publicly traded on the Athens Stock Exchange.

The companies, which were included in the accompanying consolidated financial statements of the Group, together with the related ownership interests are described in table below:.

Company's name	Company's location country	Activity	Participation (%)
IATRIKI TECHNIKI S.A.	GREECE	Sale of Medical Tools & Sanitary/Health Equipment	100,00%
EREVNA S.A.	GREECE	Diagnostic & Therapeutic Center	51,00%
AXONIKI EREVNA S.A.	GREECE	Diagnostic Center	50,50%
PHYSIOTHERAPY AND SPORTS INJURY TREATMENT CENTER S.A.	GREECE	Physiotherapy & Sport Injury Restoration/Treatment Services	33,00%
HOSPITAL AFFILIATES INTERNATIONAL	GREECE	Organization & Administration of Hospitals and Clinics.	68,89%
MEDSANA BMC	ROMANIA	Diagnostic Center	100,00%
BIOAXIS SRL (ex MEDSANA SRL)	ROMANIA	Diagnostic Center	78,90%
EUROSITE HEALTH SERVICES S.A.	GREECE	Establishment & Operation of Hospitals and Clinics	100,00%
ORTELIA HOLDINGS	CYPRUS	Establishment, Organization & Operation of Hospitals and Clinics	99,99%
MEDICAFE S.A.	GREECE	Pastry shop-buffet	55%
INTEROPTICS S.A.	GREECE	Trade & services of publication and electronic information & information systems	27,33%

3a. PREPARATION BASE OF FINANCIAL STATEMENTS:

(a) Basis of Preparation of the Consolidated Financial Statements: The accompanying consolidated financial statements that constitute the Group's consolidated financial statements (hereinafter referred to as "the financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), adopted by the European Union. There are no standards applied in advance of their effective date. The financial statements have been prepared under the historical cost convention, except for derivative financial instruments which are measured at fair value.

(b) Statutory Financial Statements: The Company and its domestic (Greek) subsidiaries maintain their accounting books and prepare financial statements in accordance to the Greek Company Law 2190/1920 and the applicable tax legislation. The foreign subsidiaries of the Company maintain their accounting records and prepare financial statements in accordance to the applicable laws and regulations of the countries in which they operate. For the preparation of the consolidated financial statements of the parent company, the financial statements of the foreign subsidiaries are adjusted in accordance to the provisions of the Greek Company Law 2190/1920. The accompanying consolidated financial statements have been based on the above-mentioned statutory consolidated financial statements appropriately adjusted and reclassified by certain out-of-book adjustments in order to comply with IFRS.

(c) Approval of Financial Statements: The Board of Directors of Athens Medical S.A. approved the annual financial statements for the year ended in December 31st, 2007, in March 24, 2008.

(d) Use of Estimates: The preparation of financial statements in conformity with the IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results may ultimately differ from those estimates.

3b. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the accompanying financial statements are the following:

(a) Basis of Consolidation : The Company's accompanying consolidated financial statements include the financial statements of the parent Company, as well as of all the subsidiaries that are controlled by the Parent Company. Control is presumed to exist when direct or indirect ownership retains the majority of voting interest or has the power to control the Subsidiaries' Board of Directors. Subsidiaries are consolidated from the date on which effective control is transferred to the company and cease to be consolidated from the date in which control ceases to exist.

The consolidated financial statements include the financial statements of a subsidiary (Physiotherapy Center S.A.), in which although the direct parent company holds less than 50% of the voting rights, controls it through the ability of appointing the majority of members of the Board of Directors.

In the consolidated financial statements, Medicafe S.A. is also included using the equity method, although, Group holds 55% of the company's voting rights, due to a managements transfer to third parties. As a result such ownership does not consist control according to IAS 27 **« Consolidated and Separate Financial Statements »**, paragraph 13.

The Group's subsidiaries EREVNA S.A. and AXONIKI EREVNA S.A., according to their General Assemblies' decisions, have entered a liquidation procedure, since 1/7/2006. Before that and during the year 2006, the above mentioned companies have transferred together with all their productive assets – mechanical equipment, their operations to parent company and as a qonsequence their Balance Sheets do not include non current assets. As a result the liquidation of the above mentioned companies is not considered to be a discontinued operation according to IFRS 5 "**Non-current Assets Held for Sale and Discontinued Operations**", that requires distinctive reporting regarding the companies' results and fixed assets.

All intercompany transactions and balances have been eliminated in the accompanying consolidated financial statements. Where necessary, accounting policies of the subsidiaries have been revised to ensure consistency with the policies adopted by the Group.

(b) Investments in Subsidiaries (separate financial statements): The investments of the parent Company in its consolidated subsidiaries are measured at acquisition cost less any cumulative impairment losses.

(c) Investments in Associates:

i) Consolidated financial statements: The Company's investments in other entities in which parent exercises significant influence and are not subsidiaries or joint-ventures are accounted for using the equity method. Under this method the investment in associates is recognized at cost in addition to the changes in the percentage of the Company in the associate's equity after the initial date of acquisition less possible provisions for impairment in value. The consolidated statement of income reflects the Company's share of the results of operations of the associate.

ii) Separate financial statements of parent: Investments in associates in the stand-alone financial statements are measured at acquisition cost less any cumulative impairment losses.

(d) Conversion of foreign currencies: The base currency of the Company and of its Greek subsidiaries is Euro. The transactions involving other currencies are converted into Euro using the exchange rates that were in effect at the time of the transactions. At the balance sheet date monetary assets and liabilities which are denominated in other currencies are adjusted in order to reflect the current exchange rates.

Gains and losses resulting from year end FX adjustments of monetary assets and liabilities are reflected in the accompanying income statement. Gains and losses resulting from transactions are reflected in the accompanying statement of income also.

The base currency of the Group's foreign subsidiaries is the official currency of the related country in which each subsidiary operates. Thereafter, at each reporting date all balance sheet accounts of these subsidiaries are converted into Euro using the exchange rate in effect at the balance sheet date. Revenues and expenses are converted based on the weighted average rate of exchange that prevailed during the year.

The accumulated difference resulting from such translation is recognized directly in consolidated equity until the disposal, write off or de-recognition of a subsidiary, when it is transferred to the consolidated income statement.

(e) Intangible Assets: Intangible assets are mainly consisted of software and commercial rights. These are amortized over their estimated useful lives which are set to five years.

(f) Research and Product Development Cost: Research costs are expensed as incurred. Development expenditure is mainly incurred for the development of new products. Costs incurred for the development of an individual project are recognized as an intangible asset only when the requirements of **IAS 38** "**Intangible Assets**» are met.

(g) Revenue recognition: Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following particular recognition criteria must also be met as revenue is recognized.

Sale of Services
The Sale of Services revenue is accounted according to the extent of service completion.

Sale of goods
The sale of goods revenue, net of trade discounts sale, incentives and the related VAT, is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

Interests
The interest revenue is recognized on the accrual basis of accounting.

Dividends
Revenue from dividends is recognized when the Group's right on such dividends is approved by the respective bodies of the companies' that declare them.

(j) Property, Plant and Equipment: Land and buildings are valued at historical cost (deemed cost based on the provisions of IFRS 1), less accumulated depreciation and any impairment in value. Machinery, transportation equipment, as well as the furniture and the rest of the equipment are measured at historical cost less the accumulated depreciation and any impairment in value.

The Company and the Group proceeded to a fair valuation of its land, buildings, as at January 1, 2004 and these fair values were used as deemed cost on the date of transition to the IFRS. The resulted revaluation surplus was credited to retained earnings.

Repairs and maintenance are charged to expenses as incurred. Major improvements are capitalized to the cost of the asset to which they relate when they extend the useful life, increase the earnings capacity or improve the efficiency of the respective assets.

An item of property and plant is derecognized upon sale or disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset, is included in the consolidated statement of income in the year the item is derecognized.

(ja) Depreciation: Depreciation is calculated based on the straight-line method at rates, which approximately reflect the average useful lives of relative assets. The rates used are the following:

Classification	**Annual rate**
Buildings	2%
Machinery and Equipment	6,67%- 10%
Equipment of Transportation	6%-10%
Furniture and rest of Equipment	10%- 20%

(jc) Goodwill: Business combinations are accounted for using the acquisition accounting method. This involves recognizing identifiable assets (including previously unrecognized intangible assets) and liabilities (including contingent liabilities) of the acquired business at fair value. Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is not amortized, but it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. At the acquisition date (or at the date of completion of the relative purchase price allocation) any goodwill acquired is allocated to each of the cash-generating units related to goodwill.

Impairment is determined by assessing the recoverable amount of the cash-generating unit, to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount and the relevant goodwill, an impairment loss is recognized.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of, in this circumstance is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Goodwill resulting from acquisitions or business combinations has been allocated to the main cash generating units in group level. The cash generating units have been defined in accordance with the provisions of **IAS 36** "**Impairment of Assets**". The Group, in order to decide whether an impairment of goodwill exists, performed the related impairment tests in the cash generating units in which goodwill was allocated, and based on those tests no impairment issue occurred.

When the Group increases its participation interest to existing subsidiaries (acquisition of minority interests) the total difference between the purchase price and the portion of the minority interests acquired (goodwill or negative goodwill) is transferred directly to equity as it is considered as a transaction among the shareholders (entity concept method). Similarly, when minority interests are sold (without losing control of the subsidiary) then the related gains or losses are recognized directly to equity.

(jd) Impairment of Assets: With the exception of goodwill and intangibles with indefinite life, which are reviewed for impairment at least annually, the carrying value of other non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Whenever the carrying value of an asset exceeds its recoverable amount a respective impairment loss is recognized in the consolidated statement of income. The recoverable amount is measured as the higher of net selling price and value in use. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, after deducting any direct incremental selling costs, while value in use is the present value of estimated future cash flows expected to arise from continuing use of the asset and from the revenue due to its disposal at the end of its estimated useful life. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

(je) De-recognition of Financial Assets and Liabilities

(i) Financial assets: A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

• the rights to receive cash flows from the asset have expired;

• the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or

• the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay. Where continuing involvement takes the form of a written and/or purchase option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(ii) Financial liabilities: A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

(jf) Inventories: Inventories are reported at the lower value between the cost and the net realizable value. Cost of finished and semi-finished products includes all costs incurred in bringing inventories to their current location and state of manufacture and comprises raw materials, labour, an applicable amount of production overhead (based on normal operating capacity, but excluding borrowing costs) and packaging. The cost of raw materials and finished goods is determined based on the weighted average basis. Net realizable value for finished goods is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary, to make the sale. The net realizable value for raw materials is the estimated replacement cost in the ordinary course of business. Especially medication supply are measured in a different way, that is at the last acquisition value, due to existing state of tariff, according to **I.A.S. 2** «**inventories**», paragraph 25.

(jh) Accounts Receivable and Credit Policy: Short-term receivables are presented at their nominal value, net of provisions for potential non collectible accounts, while long-term receivables (balances that deviate from normal credit terms) are reported at the amortized cost based on the actual interest rate method. At each Balance sheet date all past due or doubtfull debtors are assesed by management in order to determine the necessity for relevant provision, with criteria such as the customer's ability to pay and the aging of his balance. The balance of such allowance for doubtful accounts is appropriately adjusted at each balance sheet date in order to reflect all possible risks. Any amount written–off with respect to customer account balances is charged against the existing allowance for doubtful accounts. It is the Group's policy not to write-off an account until all possible legal action has been exhausted.

(jg) Credit Risk Concentration: The maior part of debtors comes from public insurance organizations and private insurance companies, whose credit risk is considered to be limited. Regarding the rest of debtors, represented by sale to individuals, risk is diversified due to the great diversity of balances.

(k) Cash and Cash Equivalents: The Company considers time deposits and other highly liquid investments with original maturity of three months or less, to be cash equivalents. For the purpose of the cash flow statements, cash and cash equivalents consist of cash at hand and in banks and of cash and cash equivalents as defined above.

(ka) Share capital: Share capital represents the value of the Parent company's shares issued and in circulation. Any excess of the fair value of the consideration received over the par value of the shares issued is recognized as the "share premium" in shareholders equity. Incremental external costs directly attributable to the issue of new shares are shown as a deduction in equity, net of tax, from the proceeds.

(kb) Long-term Liabilities: All long-term liabilities are initially recognized at cost. After initial recognition loans and borrowings denominated in foreign currency are reported using the spot rate at each reporting date. The interest costs are recognized on the accrual basis of accounting.

(kc) Borrowing Costs: Borrowing Costs are recognized as an expense in the period in which they are incurred.

(kd) Provision for Retirement Indemnities: Staff Retirement obligations are calculated at the discounted value of the future retirement benefits deemed to have accrued at year-end, based on the employees earning retirement benefit rights throughout the expected working period. Retirement obligations mentioned above are calculated on the basis of financial and actuarial assumptions and are determined using the Projected Unit credit actuarial valuation Method. Net pension costs for the period are included in payroll in the accompanying income statement and consist of the present value of benefits earned in the year, interest cost on the benefit obligation, past service cost, actuarial gains or losses and any additional pension charges. Past service costs are recognized on a straight-line basis over the average period until the benefits under the plan become vested.

Unrecognized actuarial gains or losses are recognized over the average remaining service period of active employees and included as a component of net pension cost for a year if, as of the beginning of the year, it exceeds 10% of the future projected benefit obligation. The retirement benefit obligations are not funded.

(ke) State Pension: The Company's personnel is covered by several State sponsored pension funds for private sector employees, (I.K.A., T.S.A.Y.) covering post-retirement pensions, and healthcare benefits. Each employee is required to contribute a portion of its monthly salary to the fund, with the company also contributing a portion. Upon retirement, the pension fund is responsible for paying the employees retirement benefits. At such, the company has no legal or constructive obligation to pay future benefits under this plan.

(aa) Borrowings: All borrowings are initially recognized at acquisition cost, which reflects the fair value of amounts collected, net of any relevant transaction costs incurred. After initial recognition, they are measured at amortised cost, based on the effective interest rate. Gains or losses arising from differences of amortised cost are recognised in the income statement, as well as differences due to the de-recognition (repayment) of the borrowings. Borrowing costs are recognised as expenses in the period incurred.

(ab) Income Taxes (Current and Deferred):Current and deferred income taxes are computed based on the stand alone financial statements of each of the entities included in the consolidated financial statements, in accordance with the tax rules in force in Greece or other tax jurisdictions in which foreign subsidiaries operate. Income tax expense is computed based on each entity's profits as adjusted in its tax returns, additional income taxes resulting from tax audits by the tax authorities and deferred income taxes, using substantively enacted tax rates.

Deferred income tax is computed, using the liability method, on all temporary differences at the balance sheet date between the tax bases and the carrying amounts of assets and liabilities. Deferred income tax liabilities are recognized for all taxable temporary differences:

- Except cases, where the deferred income tax liability arises from goodwill impairment or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

- Deferred tax assets are recognized for all discounted temporary differences and transferred tax assets and losses, to the extent where it is possible that taxable profit will be available which will be used against the discounted temporary differences and the transferred unused taxable assets and losses.

- Except cases where the deferred tax asset regarding the discounted temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, an income deferred tax is recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and there will be available taxable profit which will be used against temporary differences.

The deferred tax assets are reviewed at each balance sheet date and reduced to the extent, where it is not considered as possible that enough taxable profits will be presented against which, a part or the total deferred tax assets can be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates (and the laws) that have been enacted or substantively enacted at the balance sheet date.

The income tax relating to items recognized directly in equity, is recognized in equity and not in the income statement.

(ac) Financial Leases: Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and the reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to income. Capitalized leased assets are depreciated over estimated useful life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the income statement on the straight line basis over the lease term.

(ad) Provisions and Contingencies: Provisions are recognized when the Company has a present legal or presumed/imputed obligation as a result of past events, it is probable that an outflow of resources will be required to settle this obligation and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the present value of the expenditure expected to be required to settle the obligation. If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and, where appropriate the risks specific to the liability. Contingent liabilities are not recognized in the consolidated financial statements but they are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable.

(ae) Earnings per share: Basic earnings per share are computed by dividing net income attributed to the Group's shareholders by the weighted average number of ordinary shares outstanding during each year, excluding any treasury shares outstanding during the year. Diluted earnings per share are computed by dividing net income attributed to the Group's shareholders (after deducting the impact on the convertible recognized preference shares) by the weighted average number of ordinary shares outstanding during the year (after deducting the impact on the convertible recognized preference shares).

(af)Segment reporting : The group has one segment, the health care services. It is also involved mainly in the Greek territory and its activities abroad do not have sufficient extend in order to consist a segment. Consequently, the presentation of relevant financial information is not necessary.

(ba) Derivative Financial Instruments and hedging activities: Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

In February 2008, the Group has entered financial intrument contracts and more specifically, simple interest rate swaps, or interest rate collars designated as cash flow hedges. These contracts were joined due to obligations deriving from the Common Bond Loan contract, issued by the Group in July and November of 2007. According to the Common Bond Loan contract's provisions, the Group would proceed in financial instrument agreements, which would limit interest rate risk exposure, at least for half of the Common Bond Loan amount. The financial instrument contracts the Group has entered correspond with precision to the dates of interest expense charge and capital repayment of the Common Bond Loan.

The effective portion of changes in the fair value of these derivatives is recognized in equity. The gain or loss relating to the ineffective portion is recognized immediatelly in the income statement. Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss (when the forecast transaction being hedged takes place).

The derivatives that are not designated as hedges and do not qualify for hedge accounting are classified as held-for-trading and accounted for at fair value through profit or loss.

(bb) Investments and other (non derivative) financial assets:

Financial assets in the scope of IAS 39 are classified as either

- financial assets at fair value through profit or loss,
- loans and receivables,
- held-to-maturity investments,
- available-for-sale financial assets, as appropriate.

When financial assets are recognized initially, they are measured at fair value, plus, directly attributable transaction costs.

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation periodically.

(i) Financial assets at fair value through profit or loss :

Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on investments held for trading are recognized in income.

(ii) Loans and receivables :

Such assets, derived by the company's activity (that is beyond the Group's ordinary credit limits), are carried at amortised cost using the effective interest method. Gains and losses are recognized in the income statement when the loans and receivables are de-recognized or impaired, as well as through the amortization process.

(iii) Held-to-maturity investments :

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Other long-term investments that are intended to be held-to-maturity, after initial recognition are subsequently measured at amortised cost, using the effective interest method. For investments carried at amortised cost, gains and losses are recognized in income when the investments are de-recognized or impaired, as well as through the amortization process.

(iv) Available-for-sale financial assets :

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for sale or are not classified in any of the three preceding categories. After initial recognition available-for sale financial assets are measured at fair value with gains or losses being recognized as a separate component of equity until the investment is sold, de-recognized or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income statement.

The fair value of investments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument, which is substantially the same; discounted cash flow analysis and option pricing models.

(bc) New Standards and Interpretations, amendments of valid Standards: The International Accounting Standards Board, as well as the IFRIC, have already issued a number of new accounting standards and interpretations or have amended valid standards, whose application is mandatory for the periods beginning January 1, 2007 onwards (except if mentioned otherwise below). The Group's and company's management's assessment regarding the effect of these new standards and interpretations is as follows:

IFRS 7 Financial Instruments: Disclosures and supplementary adjustment in IAS 1 Presentation of Financial Statements (valid since January 1, 2007):
IFRS 7 introduces added disclosures in order to improve the incoming information relating to the financial instruments. It requires the disclosure of quality and quantity information regarding the risk exposure due to financial instruments. More specifically it defines minimum required discosures relating to credit risk, cash flow risk as well as market risk (imposes the sensitivity analysis concerning the market risk). IFRS 7 replaces the IAS 30 (Disclosures in the Financial Statements of banks and similar Financial Institutions) and the disclosure requirements of IAS 32, (Financial Instruments: disclosureς and presentation). It is applicable in all entities that prepare financial statements according to IFRS. The adjustment to IAS 1 introduces disclosures relating the amount of entities' capital as well as its management. The group and the company has assessed the effect of IFRS 7 and the adjustment of IAS 1 and came to the conclusion that the additional disclosure required by their application is the sensitivity analysis regarding the market risk and the capital disclosures. The group will apply IFRS 7 and the amendment of IAS 1 from January 1, 2007.

IFRS 4 Insurance contracts:
(valid since January 1, 2007) IFRS 4 is not applicable in Group's operations.

IFRS 8 Operating Segments:
(valid since January 1, 2009)
IFRS 8 replaces IAS 14 (Segment Reporting) and adopts a management approach to segment reporting. The information reported would be that which management uses internally for evaluating the performance of operating segments and for allocating resources to those segments. This information may be different from that reported in the balance sheet and income statement and entities will need to provide expanations and reconciliations of potential differences. The Group is in a procedure of studying the above mentioned standard, which will be applied by the Group from January 1, 2009.

IAS 23 (Amendment) Borrowing cost: (valid since January 1, 2009)
In the revised IAS 23 (Borrowing cost), the previous benchmark treatment of recognizing borrowing costs as an expense has been eliminated. Instead, borrowing costs that are directly attributable to the acquisistion, construction or production of qualifying assets form part of the costs of the asset. The Group is in a procedure of studying the above mentioned standard.

IFRIC 7: Applying the restatement approach under IAS 29 financial reporting hyperinflationary economies (valid since March 1, 2006):
IFRIC 7 requires entities to apply IAS 29 (Financial reporting in hyperinflationary economies) in the reporting period in which an entity first identifies the existence of hyperinflation in the economy of its functional currency, as if the economy had always been hyperinflationary. IFRIC 7 is not applicable for the Group.

IFRIC 8: Scope of IFRS 2 (valid since May 1, 2006):
IFRIC 8 clarifies that IFRS 2 (Share based payments) will apply to any arrangement when equity instruments are granted or liabilities (based on the value of an entity's equity instrument) are incurred by an entity, when the identifiable consideration appear to be less than the fair value of the instruments given or the liabilities incurred. Is not applicable for the Group and will not affect the financial statements.

IFRIC 9: Remeasurment of embedded derivatives (valid since June 1, 2006):
IFRIC 9 requires an entity to assess whether a contract contains an embedded derivative at the date an entity first becomes a party to the contract and prohibits reassessment unless there is a change to the contract that significantly modifies the cash flows. Is not applicable for the Group and will not affect the financial statements.

IFRIC 10: Interim financial reporting and impairment (valid since November 1, 2006):
This interpretation requires the non reversal of impairment recognized in interim reporting due to goodwill or an investment in an equity instrument, or an asset carried at cost. Consequently such impairment can not be reversed in future interim or annual financial statements.The Group will apply this interpretation after January 1, 2007.

IFRIC 11: IFRS 2 Group and treasury Share transactions (valid since March 1, 2007): IFRIC 11 refers to issues relating to IFRS 2 and specifically to compensations that are determined by the value of company's own shares and personell salaries of a subsidiary that are determined by the shares of the parent company. Is not applicable for the Group and will not affect the financial statements.

IFRIC 12, Service Concession Arrangements: (valid since 1 January 2008)
IFRIC 12 outlines an approach to account for contractual arrangements arising from entities providing public services. It provides for the operator should not account for the infrastructure as property, plant and equipment, but recognize a financial asset and / or an intangible asset. IFRIC 12, which is expected to be adopted by the EU in the near future, is not relevant to the Group's operations.

IFRIC 13. Customer Loyalty Programmes:(Valid since 1 July 2008)
IFRIC 13 clarifies that where entities grant award credits (e.g. points) as apart of a sale transaction and customers can redeem those award credits in the future for free or discounted goods or services. IAS 18 paragraph 13 applies. This requires that the award credits are treated as a separate component of the sales transaction and an amount of the consideration received or receivable needs to be allocated to the award credits. The timing of the recognition of this element of revenue is deferred until the entity satisfies its obligations relating to the award credits, either by supplying the rewards directly or by transferring the obligation to a third party. Is not applicable for the Group and will not affect the financial statements.

IFRIC 14. I.A.S. 19 The limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction (Valid since 1 January 2008)
IFRIC 14 provides guidance on how to assess the limit in IAS 19 (Employee Benefits) on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected when there is a statutory or contractual minimum funding requirement. The Group is in a procedure of studying the above mentioned interpretation, which will be applied by the Group from January 1, 2008.

(bd) Comparative figures: Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year.

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

4. RISK MANAGEMENT

The Group's main financial instruments are cash and cash equivalents, bank deposits (sight and time), trade accounts receivable, prepayments and other receivables and accounts payable, bank loans (borrowings) and financial assets at fair value through income statement. Management periodically evaluates and revises the policies and procedures that relate to management of financial risk, which are described below:

a) Market risk

(i) Foreign exchange translation risk (FX translation risk)

The Group holds participations (business operations) in Romania, whose net assets are exposed to Fx translation risk. This kind of Fx translation risk derives from the exchange rate RON / € and it is not hedged as there is no substantial exposure.

Presume that there is a change (depreciation/appreciation) at 31st of December 2007 concerning the exchange rate of RON/€ at a level of 10% (respectively at a level of 5,5% for year 2006). The effect on Group's net profit for the year as well as on Group's equity, due to the translation of financial results of company MEDSANA BMC from its functional currency to Euro, is disposed in the table below:

Appreciation / (Depreciation)	2007 10%	2006 5,5%	2007 (10%)	2006 (5,5%)
Net profit gain /(loss)	68	33	(55)	(30)
Equity gain /(loss)	68	33	(55)	(30)

This percentage of 10% depreciation/appreciation was based on the average volatility in the exchange rates market for a twelve-month period for 2007 and for 2 months for 2008.

(ii) Price risk

The Group is not exposed to securities price risk due to its limited investment in entities and their classification in the consolidated balance sheet as financial assets at fair value through income statement.

(iii) Cash flow and fair value interest rate risk

The group has no significant interest-bearing assets, so the group's income and operating cash flows are substantially independent of changes in market interest rates. The group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to cash flow interest rate risk.

Depending on the levels of net debt, any change in the base interest rates (**EURIBOR**), has a proportionate impact on the Group's results.
For diminishing the effect of the above mentioned interest rate risk beginning from year 2008 Group entered financial contracts for interest rate risk hedging purposes.

The Group policy is to minimize its exposure to interest rate cash flows risk with regard to long term financing issued at variable rates.

The table below presents the effect on Group's and Company's results for year 2007 and 2006 as well as on Group's and Company's equity at 31st December 2007 and 2006 (**sensitivity analysis**) at a rate volatility (increase/decrease) of **EURIBOR** by 0,5%.

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

	The Group				The Company			
	2007		2006		2007		2006	
	+0,5%	*-0,5%*	*+0,5%*	*-0,5%*	*+0,5%*	*-0,5%*	*+0,5%*	*-0,5%*
Net profit gain /(loss)	(753)	753	(619)	619	(718)	718	(606)	606
Equity gain /(loss)	(753)	753	(619)	619	(718)	718	(606)	606

b) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. Risk control department assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Trade debtors credit limits are set based on internal ratings in accordance with limits set by management.

	The Group		The Company	
	2007	2006	2007	2006
Cash and cash equivalents	27.236	8.814	18.580	6.224
Trade accounts receivable	151.765	124.919	148.523	121.643
Prepayments and other receivables	13.449	13.283	16.139	15.284
TOTAL	**192.450**	**147.016**	**183.242**	**143.151**

The maior part of debtors comes from public insurance organizations and private insurance companies, whose credit risk is considered to be limited. Regarding the rest of debtors, represented by sale to individuals, risk is diversified due to the great diversity of balances. (Note 19).

Regarding prepayments and other receivables as well as cash and cash equivalents credit risk is considered of no significance.

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed credit facilities. Furthermore, the Group has entered into factoring, aiming to support its working capital.

The following table depicts Group's and Company's financial liabilties classified in groups by the time period, estimated from the end of year 2007 to the date payable.

Group at 31.12.2007

	Less than 1year	Between 1 and 5 years	Over 5 years
Borrowings	11.232	26.985	130.052
Trade accounts payable and other liabilities	112.729	5.477	
Total	**123.961**	**32.462**	**130.052**

Company at 31.12.2007

	Less than 1year	Between 1 and 5 years	Over 5 years
Borrowings	5.936	26.919	130.052
Trade accounts payable and other liabilities	112.488	4.506	
Total	**118.424**	**31.425**	**130.052**

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

d) Capital management policies and procedures

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Capital is monitored on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the consolidated balance sheet) less "Cash & cash equivalents". Total capital employed is calculated as "Total Equity" as shown in the consolidated balance sheet plus net debt.

	The Group		**The Company**	
	2007	**2006**	**2007**	**2006**
Total Borrowing	168.269	145.869	162.907	140.834
Less: Cash and cash equivalents	27.236	8.814	18.580	6.224
Net Debt	**141.033**	**137.055**	**144.327**	**134.610**
Total Equity	167.687	152.984	174.891	158.864
Total	**308.720**	**290.039**	**319.218**	**293.474**
Gearing ratio	**45,68%**	**47,25%**	**45,21%**	**45,87%**

The gearing ratio is slightly improved in year 2007 relating to previous year 2006 in terms of Group and Company.

e) Fair value estimation

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques based on market conditions existing at each balance sheet date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The nominal value less estimated credit adjustments of trade receivables is assumed to approximate their fair values.

5. MANAGEMENT'S SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The Group proceeds to judgments and estimates in order to apply the most representative accounting methods and policies or in connection with the future development of transactions and events. Such judgments and estimates are periodically reviewed by management in order to reflect current condition and correspond to anticipation of current risks and are based on prior Management's experience in conjunction to the volume / level of such transactions and events.

The principle judgments and estimates referring to events the development of which could significantly affect the items of the financial statements during the forthcoming twelve months period are as follows:

Significant accounting estimates and relative uncertainty:

i) Goodwill impairment test

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

As it is explained in note 15 of the financial statements, the goodwill arose from the purchase of minority's percentage of Group's subsidiary's "IATRIKI TEHNIKI S.A." that took place in the second semester of the previous year. Management has received two valuation reports from two independent appraisals regarding the business value of "IATRIKI TEHNIKI S.A.", which are based in its estimated future cash flows. Considering the significant profitablility of "IATRIKI TEHNIKI S.A."assessed by the company's results of years 2005, 2006 and closing year 2007 also greater by the estimations of valuations, management trusts that the company's operational profits will maintain in the near future and there is no reason for excercising impairment loss.

ii) Provisions for income taxes

Income (current) tax liabilities according to IAS 12 for the current and prior periods are measured at the amounts expected to be paid to the taxation authorities, using the tax rates that have been enacted by the balance sheet date. (Provision for income taxes reported in the respective income tax returns and the potential additional tax assessments that may be imposed by the tax authorities upon settlement of the open tax years). Accordingly, the financial settlement of the income taxes might differ from the income taxes that have been accounted for in the financial statements. Further details are provided in Note 12.

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

6. PAYROLL COST:

The Payroll cost that is included in the accompanying financial statements is analyzed as follows:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Wages and Salaries and other staff expenses	65.294	58.017	63.360	56.278
Social security costs	15.489	13.549	15.017	13.121
Compensations and Provision for retirement indemnities	2.248	1.822	2.166	1.758
Management fees	717	740	267	
Total payroll	**83.748**	**74.128**	**80.810**	**71.157**
Less: amounts charged to cost of sales (Note 8)	(64.179)	(56.079)	(63.222)	(55.208)
Payroll expensed to administrative and distribution cost (Note 9)	**19.569**	**18.049**	**17.588**	**15.949**

7. DEPRECIATION AND AMORTISATION:

Depreciation and amortization accounted in the accompanying financial statements is analyzed as follows:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Depreciation of property land and equipment (Note 14)	11.202	10.862	10.668	10.490
Amortization of intangible assets (Note 15)	56	41	39	19
	11.258	**10.903**	**10.707**	**10.509**
Less: depreciation and amortization charged to cost of sales (Note 8)	(10.243)	(9.753)	(9.901)	(9.554)
Depreciation and amortization expensed (Note 9)	**1.015**	**1.150**	**806**	**955**

8. COST OF SALES :

The cost of sales that is presented in the accompanying financial statements is analyzed as follows:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Payroll cost (Note 6)	64.179	56.079	63.222	55.208
Third party fees	17.035	16.157	16.834	16.004
Depreciation and amortization (Note 7)	10.243	9.753	9.901	9.554
Other third parties expenses	11.885	9.743	10.569	8.875
Taxes and duties	364	781	364	333
Other expenses	5.134	4.783	4.972	4.584
Health care materials, medicine and other consumables and special materials	112.345	100.787	118.212	108.766
Total	**221.185**	**198.083**	**224.074**	**203.324**

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

9. ADMINISTRATIVE EXPENSES AND DISTRIBUTION COSTS:

The administrative expenses and distribution costs that are presented in the accompanying financial statements are analyzed as follows:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Payroll cost (Note 6)	19.569	18.049	17.588	15.949
Third party fees	1.479	1.427	1.255	1.325
Depreciation and amortization (Note 7)	1.015	1.150	806	955
Third party services	2.951	2.747	2.662	2.471
Taxes and duties	330	269	328	269
Other expenses	3.346	3.922	3.130	3.445
Healthcare material, medicine, consumable materials and special materials	515	395	457	395
Total	**29.205**	**27.959**	**26.226**	**24.809**

10. OTHER INCOME / (EXPENSES):

The other income / (expenses) that are presented in the accompanying financial statements are analyzed as follows:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Income from rentals/other services	1.367	1.221	1.542	1.401
Government Grants, special tax returns	106	169	106	169
Other Income	650	1.414	650	1.258
Profit on disposals of fixed assets	2.220	2.241	2.187	2.241
Income from prior years	13	44	13	42
Total	**4.356**	**5.089**	**4.498**	**5.111**

11. FINANCIAL INCOME/(COSTS):

The financial income/ (costs) that are presented in the accompanying financial statements are analyzed as follows:

The Group	31/12/2007	31/12/2006
Interest on non-current loans/borrowings	(5.008)	(3.021)
Interest on current loans/borrowings & relevant expenses	(4.073)	(3.555)
Factoring commissions	(473)	(927)
Finance lease interest	(707)	(845)
Losses from exchange differences	(38)	(70)
Total financial costs	**(10.299)**	**(8.418)**
Gains from associates	105	132
Dividends from investments in companies and from shares	91	59
Interest on deposits	183	54
Gains from exchange differences	3	55
Total financial income	**382**	**300**
Financial income/(costs)	**(9.917)**	**(8.118)**

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

The company	31/12/2007	31/12/2006
Interest on non-current loans/borrowings	(5.004)	(3.007)
Interest on current loans/borrowings & relevant expenses	(3.732)	(3.517)
Factoring commissions	(473)	(927)
Finance lease interest	(699)	(829)
Total financial costs	**(9.908)**	**(8.280)**
Interest on deposits	144	44
Dividends from investments in companies and from shares	4.351	2.412
Total financial income	**4.494**	**2.456**
Financial income/(costs)	**(5.414)**	**(5.824)**

12. INCOME TAXES:

According to the tax legislation, the tax rate applicable in companies for the year of 2007 is 25%. (29 % until the 31st of December 2006).

The provision for income taxes presented in the accompanying financial statements is analyzed as follows:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Current income taxes:				
Current income tax charge	3.615	4.771	2.241	2.434
Prior years' taxes	1.306	1.134	1.054	942
Deferred income taxes	2.368	2.633	2.328	2.812
Other taxes	124	126	117	126
Total provision for income taxes	**7.413**	**8.664**	**5.740**	**6.314**

The reconciliation of the provision for income taxes to the amount determined by the application of the Greek statutory tax rate to pretax income is summarized as follows:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Profit before income taxes	**22.549**	**25.004**	**21.609**	**20.436**
Income taxes calculated at the nominal applicable tax rate (25% and 29%)	5.637	7.251	5.402	5.926
Additional tax assessments (Prior years' taxes)	1.306	1.134	1.054	942
Tax effects of non-taxable income and expenses not deductible for tax purposes	(174)	(74)	(1.184)	(693)
Expenses not deductible for tax purposes	654	685	468	406
Tax effects of losses from subsidiaries for which no deferred tax asset was recognized	55	1		
Tax effects of profits from subsidiaries abroad taxed at different rates	(65)	(94)		
Tax effects of deferred tax from change in statutory tax rate		(239)		(267)
Income taxes reported in the statements of income	**7.413**	**8.664**	**5.740**	**6.314**

Greek tax laws and related regulations are subject to interpretations by the tax authorities. Tax returns are filed annually but the profits or losses declared for tax purposes remain provisional until such time, as the tax authorities examine the returns and the records of the taxpayer and a final assessment is issued. Tax losses, to the extent accepted by the tax authorities, can be used to offset profits of the five fiscal years following the fiscal year to which they relate.

The Company has been audited by the tax authorities up to 31st of December 2006, according to a tactical tax audit, which was concluded at 31/7/2007 for fiscal years 2005 -2006. The income tax plus additional taxes that arose came up to euro 1.154.626,26. The company in form of provision charged the financial statements of 31/12/2006 with the amount of 500.000 euros and the financial statements of 31/3/2007 with the amount of 450.000 euros. The rest amount of euros 204.626,26 has charged the financial statements of 30/6/2007.

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

Regarding its subsidiaries, the tax authorities have not audited their books and their elements for the years mentioned in table below:.

Company's name	**Company's location country**	**Activity**	**Participation (%)**	**Tax audited years**
IATRIKI TECHNIKI S.A.	GREECE	Sale of Medical Tools & Sanitary/Health Equipment	100,00%	2007
EREVNA S.A.	GREECE	Diagnostic & Therapeutic Center	51,00%	2007
AXONIKI EREVNA S.A.	GREECE	Diagnostic Center	50,50%	2007
PHYSIOTHERAPY AND SPORTS INJURY TREATMENT CENTER S.A.	GREECE	Physiotherapy & Sport Injury Restoration/Treatment Services	33,00%	2003-2007
HOSPITAL AFFILIATES INTERNATIONAL	GREECE	Organization & Administration of Hospitals and Clinics.	68,89%	2001-2007
MEDSANA BMC	ROMANIA	Diagnostic Center	100,00%	1997-2007
BIOAXIS SRL (ex MEDSANA SRL)	ROMANIA	Diagnostic Center	78,90%	1997-2007
EUROSITE HEALTH SERVICES S.A.	GREECE	Establishment & Operation of Hospitals and Clinics	100,00%	2003-2007
ORTELIA HOLDINGS	CYPRUS	Establishment, Organization & Operation of Hospitals and Clinics	99,99%	1998-2007
MEDICAFE S.A.	GREECE	Pastry shop-buffet	55%	2003-2007
INTEROPTICS S.A.	GREECE	Trade & services of publication and electronic information & information systems	27,33%	2005-2007

In a future tax audit of the related unaudited years, additional taxes and penalties may be assessed to the Company and to its subsidiaries. The Company regards that the outcome of the tax audits and the amount of the possible added taxes and fines, is possible to estimate and, thus, a relevant provision has been made in the financial statements related to this subject, amounted to € 520.000,00.

The deferred income taxes related to the temporary differences between the book values and the tax bases of assets and liabilities are calculated using the applicable statutory income tax rate.

	The Group	**The Company**
Opening balance, January 1st 2006	(13.361)	(10.754)
Charged directly to equity		
Charged to the statement of income	(2.633)	(2.812)
Closing balance, December, 31st 2006	**(15.994)**	**(13.566)**

	The Group	**The Company**
Opening balance, January 1st 2007	(15.994)	(13.566)
Charged directly to equity		
Charged to the statement of income	(2.368)	(2.328)
Closing balance, December, 31st 2007	**(18.362)**	**(15.894)**

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

	The Group		The Company	
	31st December 2007	31st December 2006	31st December 2007	31st December 2006
Deferred income tax Liabilities				
- Property plant and equipment	(20.503)	(19.078)	(17.982)	(16.578)
- Leases	(2.629)	(2.587)	(2.629)	(2.587)
- Other	(350)	(192)	(350)	(189)
	(23.482)	**(21.857)**	**(20.961)**	**(19.354)**
Deferred income tax Assets				
- Accounts receivable	715	800	715	800
- Deferred expenses	989	1.583	961	1.530
- Leases	0	564		564
- Provision for retirement indemnities	3.463	2.962	3.437	2.940
- Other	(46)	(46)	(46)	(46)
Deferred income tax Assets	**5.121**	**5.863**	**5.067**	**5.788**
Net deferred income tax Liabilities	**(18.362)**	**(15.994)**	**(15.894)**	**(13.566)**

The effect of the deferred taxes in debits/(credits) of the income statement is the following:

	The Group		The Company	
	31st December 2007	31st December 2006	31st December 2007	31st December 2006
Deferred income tax Liabilities				
- Property plant and equipment	(1.426)	(1.363)	(1.405)	(1.363)
- Leases	(42)	(430)	(42)	(617)
- Other	(157)	(1)	(161)	(11)
	(1.625)	**(1.794)**	**(1.608)**	**(1.991)**
Deferred income tax Assets				
- Accounts receivable	(84)	0	(84)	0
- Deferred expenses	(594)	(673)	(568)	(648)
- Leases	(564)	(564)	(564)	(564)
- Provision for retirement indemnities	500	398	496	391
- Other	0	0	0	0
	(742)	**(839)**	**(720)**	**(821)**
(Debit)/Credit of deferred income tax	**(2.368)**	**(2.633)**	**(2.328)**	**(2.812)**

13. EARNINGS PER SHARE:

The calculation of basic earnings per share in the 31st of December 2007 and 2006 is the following:

	The Group		The Company	
	31st December 2007	31st December 2006	31st December 2007	31st December 2006
Net profit attributable to equity holders of the parent	15.077	16.731	15.869	14.122
Weighted average number of shares outstanding	85.711.322	83.985.980	85.711.322	83.985.980
Basic earnings per share				
Net profit per share attributable to equity holders of the parent	**0,18**	**0,20**	**0,19**	**0,17**

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

14. PROPERTY PLANT AND EQUIPMENT:

Property, plant and equipment is analyzed as follows:

Movement for year 2006 – Group

	Land	Buildings and installations	Machinery and equipment	Transportation equipment	Furniture and fixtures	Construction / Purchases in Progress	Total
Cost or measurement							
Balance 1.1.2006	**62.961**	**161.905**	**55.106**	**2.422**	**25.955**	**16.115**	**324.462**
Exchange Differences	4	55	88	3	10		163
Additions	2.338	392	8.296	150	2.096	5.054	18.326
Sales/Deletions			(1.960)		(819)	(4)	(2.783)
Impairment			(448)				(448)
Transfers from fixed assets under constructions		1.369				(1.369)	
Balance 31.12.2006	**65.303**	**163.721**	**61.082**	**2.575**	**27.242**	**19.796**	**339.720**
Depreciation							
Balance 1.1.2006		**(6.008)**	**(23.529)**	**(1.453)**	**(16.130)**		**(47.120)**
Exchange Differences		(5)	(29)	(2)	(2)		(38)
Year's Additions		(3.402)	(4.740)	(193)	(2.528)		(10.863)
Sales/Deletions			1.264		807		2.071
Transitions and reclassifications		(143)	(114)	(1)	265		6
Period total		**(3.550)**	**(3.619)**	**(196)**	**(1.458)**		**(8.824)**
Balance 31.12.2006		**(9.558)**	**(27.148)**	**(1.649)**	**(17.588)**		**(55.943)**
Net Book Value 31.12.2006	**65.303**	**154.163**	**33.934**	**926**	**9.655**	**19.796**	**283.776**

Movement for year 2007 – Group

	Land	Buildings and installations	Machinery and equipment	Transportation equipment	Furniture and fixtures	Construction / Purchases in Progress	Total
Cost or measurement	**65.303**	**163.721**	**61.082**	**2.575**	**27.242**	**19.796**	**339.720**
Balance 1.1.2007							
Exchange Differences	(4)	(44)	(72)	(4)	(8)	(1)	(134)
Additions	38	1.386	4.345		1.542	2.041	9.352
Sales/Deletions			(148)	(83)	(24)		(255)
Transitions and reclassifications	2.543						2.543
Transfers from fixed assets under constructions		12.325	707			(13.214)	(182)
Balance 31.12.2007	**67.880**	**177.388**	**65.914**	**2.487**	**28.752**	**8.622**	**351.043**
Depreciation							
Balance 1.1.2007		**(9.558)**	**(27.148)**	**(1.649)**	**(17.588)**		**(55.943)**
Exchange Differences		6	31	2	2		42
Year's Additions		(3.408)	(5.280)	(195)	(2.319)		(11.202)
Sales/Deletions			95	63	20		179
Period total		**(3.402)**	**(5.154)**	**(130)**	**(2.297)**		**(10.982)**
Balance 31.12.2007		**(12.960)**	**(32.302)**	**(1.778)**	**(19.885)**		**(66.924)**
Net Book Value 31.12.2007	**67.880**	**164.428**	**33.612**	**709**	**8.868**	**8.622**	**284.119**

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

Movement for year 2006 – Company

	Land	Buildings and installations	Machinery and equipment	Transportation equipment	Furniture and fixtures	Construction / Purchases in Progress	Total
Cost or measurement							
Balance 1.1.2006	**46.389**	**159.880**	**49.306**	**2.248**	**25.299**	**13.311**	**296.434**
Additions	2.338	391	8.246		2.021	4.205	17.202
Sales -Deletions			(456)		(819)		(1.275)
Transfers from fixed assets under constructions		1.369				(1.369)	
Balance 31.12.2006	**48.727**	**161.640**	**57.097**	**2.248**	**26.501**	**16.147**	**312.361**
Depreciation							
Balance 1.1.2006		**(5.817)**	**(21.563)**	**(1.394)**	**(15.766)**		**(44.539)**
Year's Additions		(3.357)	(4.496)	(164)	(2.474)		(10.490)
Sales -Deletions			431		807		1.238
Transitions and reclassifications		(143)	(114)	(1)	265		6
Period Total		**(3.500)**	**(4.179)**	**(165)**	**(1.402)**		**(9.246)**
Balance 31.12.2006		**(9.317)**	**(25.742)**	**(1.558)**	**(17.168)**		**(53.785)**
Net Book Value 31.12.2006	**48.727**	**152.323**	**31.355**	**690**	**9.333**	**16.147**	**258.577**

Movement for year 2007 – Company

	Land	Buildings and installations	Machinery and equipment	Transportation equipment	Furniture and fixtures	Construction / Purchases in Progress	Total
Cost or measurement	**48.727**	**161.640**	**57.097**	**2.248**	**26.501**	**16.147**	**312.361**
Balance 1.1.2007							
Additions	38	1.386	4.074		1.521	1.922	8.942
Sales -Deletions			(255)	(80)	(14)		(350)
Transitions and reclassifications	2.543						2.543
Transfers from fixed assets under constructions		12.325				(12.374)	(50)
Balance 31.12.2007	**51.308**	**175.351**	**60.916**	**2.168**	**28.008**	**5.695**	**323.446**
Depreciation							
Balance 1.1.2007		**(9.317)**	**(25.742)**	**(1.558)**	**(17.168)**		**(53.785)**
Year's Additions		(3.288)	(4.973)	(147)	(2.261)		(10.668)
Sales/Deletions			154	60	10		224
Period total		**(3.288)**	**(4.819)**	**(87)**	**(2.251)**		**(10.444)**
Balance 31.12.2007		**(12.606)**	**(30.561)**	**(1.644)**	**(19.418)**		**64.229**
Net Book Value 31.12.2007	**51.308**	**162.745**	**30.355**	**524**	**8.590**	**5.695**	**259.217**

There are no restrictions on title or transfer or other encumbrances on the Group's land and buildings. In addition, no item of land, building and machinery equipment has been pledged as security for liabilities.

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

15. INTANGIBLE ASSETS

The Group

Cost	Goodwill	Rights/Licenses	Other	Total
Balance 1.1.2006	1.979	398	615	2.991
Additions			121	121
Transitions/Deletions			(77)	(77)
Balance 31.12.2006	1.979	398	659	3.035
Accumulated amortization				
Balance 1.1.2006			(586)	(586)
Additions			(41)	(41)
Transitions/Deletions			77	77
Balance 31.12.2006			(549)	(549)
Net Book Value 31.12.2006	**1.979**	**398**	**109**	**2.486**

	Goodwill	Rights/Licenses	Other	Total
Cost				
Balance 1.1.2007	1.979	398	659	3.035
Additions		2.211	220	2.431
Reclassifications		(2.543)		(2.543)
Balance 31.12.2007	1.979	66	879	2.923
Accumulated amortization				
Balance 1.1.2007			(549)	(549)
Additions			(56)	(56)
Reclassifications				
Balance 31.12.2007			(605)	(605)
Net Book Value 31.12.2007	**1.979**	**66**	**274**	**2.318**

The goodwill amounted to € 1.979 resulted from the acquisition of a further 5% of the subsidiary's share capital IATRIKI TECHNIKI S.A., a company that is operating in Greece in the sector of medical and surgical instrument production and trading, as well as of all kinds of sanitary/health equipment. The buying-out of the further 5% that was typically completed in the last quarter of 2005, has been recognized according to the buy-out method and represents the difference between the paid up price and the fair value of the assets that were purchased as they were valuated at the respective transaction dates. From the progress of activities until now, no indications have arisen showing that the possibility of an impairment test must be examined.

The group in the b' six month period of 2006 acquired the rest 44% percentage and now owns 100% of the subsidiary's Iatriki Tehniki Share Capital. The amount required, for the acquisition of the 44%, of € 21.282, was not recognized as additional goodwill due to purchase method, but it reduced equally the consolidated Equity, as it arose from subsidiary purchase in which the group had already control.

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

The Company

	Rights/Licenses	Other	Total
Cost			
Balance 1.1.2006	398	615	1.012
Additions		98	98
Transitions/Deletions		(77)	(77)
Balance 31.12.2006	398	636	1.034
Accumulated amortization			
Balance 1.1.2006		(586)	(586)
Additions		(19)	(19)
Transitions/Deletions		77	77
Balance 31.12.2006		(527)	(527)
Net Book Value 31.12.2006	**398**	**109**	**506**

	Rights/Licenses	Other	Total
Cost			
Balance 1.1.2007	398	636	1.034
Additions	2.211	176	2.387
Reclassifications	(2.543)		(2.543)
Balance 31.12.2007	66	812	878
Accumulated amortization			
Balance 1.1.2007		(527)	(527)
Additions		(39)	(39)
Reclassifications			
Balance 31.12.2007		(566)	(566)
Net Book Value 31.12.2007	**66**	**246**	**312**

16. INVESTMENTS OF PARENT COMPANY IN SUBSIDIARIES

The investments of the Company in subsidiaries at the 31st December 2007 are analyzed as follows:

	Participation	Acquisition cost
Iatriki Techniki S.A.	*100,00%*	25.421
Physiotherapy center S.A	*33,00%*	19
Axoniki Erevna S.A.	*50,50%*	545
Erevna S.A	*51,00%*	503
Hospital Affiliates International	*68,89%*	91
Eurosite S.A	*100,00%*	8.335
Ortelia Holdings	*99,99%*	1.039
Medsana Buch	*100,00%*	33
BIOAXIS SRL (ex Medsana Srl)	*78,90%*	517
Athens Paediatrics Center	*58,30%*	169
		36.672
Impairment loss		(1.805)
Balance		**34.867**

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

The above-mentioned subsidiaries are consolidated, except from Athens Pediatrics Center SA, which is under liquidation procedure and its acquisition cost is totally deleted in the Company's retained earnings. The operation of this company was interrupted before the transition date, the assets and liabilities of its balance sheets are of minor significance and the liquidation procedure does not entail significant costs for the Company. Until the reporting date of the accompanying financial statements no final judicial decision has been issued for its dissolution and its final deletion from the S.A. register, in contradiction to the Prostate Institute and Electronystagmografiki S.A., which according to relative decisions of their residences' Prefectures have been deleted from the S.A. register. The acquisition costs of Prostate Institute and Electronystagmografiki S.A. were totally deleted in the Company's retained earnings and as a result their deletion from the company's financial statements had no effect in previous year's 2006 results.

The acquisition cost in Ortelia Holdings SA and in BIOAXIS SRL (ex Medsana Srl) has been completely deleted in the stand alone financial statements of the Company, according to the provisions of **IAS 27** and **38**. These companies, do not present any operation and their accounting value is greater of their recoverable amount. At the transition date in IFRS, an impairment test took place in the above mentioned investments, during which, it was attributed in Company's cash generating units. The recoverable amount, which in this case was the value of use, was lower than the carrying amount and the impairment loss arose and amounted to € 1.805, was charged against the retained earnings of 1st of January 2004.

17. INVESTMENTS IN ASSOCIATES CONSOLIDATED BY THE EQUITY METHOD

These concern Company's investments in the capital share of the following companies in a percentage between 20% and 50% and in which no important influence is exercised.

The Company

	Percentage	Acquisition cost
Medisoft S.A.	45,00%	132
Interoptics S.A.(ex-In Health S.A.)	27,33%	340
Aggiologiki Dierevnisi Ltd	20,00%	2
Herodikos Ltd	20,00%	19
		493
Impairment loss		(493)
Net carrying amount		**0**

The carrying amount of the above companies is deleted in the Company's Equity at a time prior the transition date and the same classification is preserved since the 1st January 2004. The same goes with Nevrolitourgiki S.A., which according to a relevant decision of its residences' Prefecture has been deleted from the S.A. register. Due to the deletion of its acquisition cost to the company's retained earnings, its deletion from the company's financial statements had no effect in previous year's 2006 results.

It is noted that company In Health S.A. was merged through absorbtion from company Interoptics S.A. at 15 March 2005 and as a result group obtains a percentage of 27,33% on the capital of Interoptics S.A. instead of 30,37% that was obtained on the capital of the absorbed company In Health S.A. Management for the preparation of the financial statements of year 2007, did not reverse the impairment loss recognised on the acquisition cost of the investment on Interoptics S.A. .(ex-In Health S.A.) in the company's stand alone financial statements, according to **IAS 39** § 66, but included it in its consolidated financial statements using the equity method according to **IAS 28.**

The Group

(Percentage in equity of Medicafe and Interoptics-indirect participation- at 31/12/2006)	**223**
Gain from associates - Medicafe S.A.	101
Gain from associates - Interoptics S.A.	95
Dividends recognized by Medicafe S.A. **(Note 11)**	(91)
Total	**328**

The total amount of gain from associates of € 105 thousand has been included in the financial income **(Note 11).**

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

18. INVENTORIES:

The inventories are analyzed as follows:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Merchandise	19	28		
Raw materials and consumable materials	6.725	5.318	6.432	5.088
Finished and semi-finished products	45	45		
	6.789	**5.391**	**6.432**	**5.088**

19. TRADE ACCOUNTS RECEIVABLE:

The trade accounts receivable are analyzed as follows:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Trade debtors – open balances	136.224	111.725	135.538	111.082
Checks receivable (postdated) & bills receivable	17.641	15.726	15.300	13.308
Past due debtors	579	486	364	271
Less: Provision for impairment (trade debtors)	(2.679)	(3.018)	(2.679)	(3.018)
	151.765	**124.919**	**148.523**	**121.643**

These short term financial assets' fair value is not fixed independendly because it is considered that book value approaches their fair value.

For all Group receivables, indications for their probable impairment have been assessed. In addition, some of the non impaired receivables are in delay. Maturity of trade accounts receivable is presented in the following table.

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Trade debtors (<365 days)	77.138	71.457	76.936	71.333
Checks receivable (postdated) & bills receivable (<365 days)	13.567	12.303	11.261	9.958
Trade debtors (>365 days)	59.086	40.269	58.602	39.749
Checks receivable (postdated) & bills receivable (>365 days)	4.074	3.422	4.039	3.350
Past due debtors	579	486	364	271
Less: Provision for impairment (trade debtors)	(2.679)	(3.018)	(2.679)	(3.018)
	151.765	**124.919**	**148.523**	**121.643**

Specifically the maturity of trade debtors – open balances is presented in the following table:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Trade debtors (<30 days)	11.638	14.125	11.616	14.111
Trade debtors (30-60 days)	9.207	9.536	9.162	9.508
Trade debtors (60-90 days)	8.275	7.106	8.230	7.079
Trade debtors (90-180 days)	16.013	15.867	15.968	15.840
Trade debtors (181-365 days)	32.005	24.822	31.960	24.795
Trade debtors (>365 days)	59.086	40.269	58.602	39.749
	136.224	**111.725**	**135.538**	**111.082**

Group's trade accounts receivable mainly consist of receivables in euro.

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

20. PREPAYMENTS AND OTHER RECEIVABLES:

The prepayments and other receviables are analyzed as follows:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Advance payments for purchases	18	12	3	
Advances to third parties	439	182	438	121
Other accounts receivable	10.906	11.461	9.909	9.689
Short-term receivables from associates	15	29	4.038	3.897
Prepaid expenses and other debtors	2.071	1.599	1.751	1.577
	13.449	**13.283**	**16.139**	**15.284**

21. CASH AND CASH EQUIVALENTS:

The cash and cash equivalents are analyzed as follows:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Cash in hand	531	788	501	752
Deposits (sight and time)	26.705	8.026	18.079	5.472
	27.236	**8.814**	**18.580**	**6.224**

The bank deposits are lent at interest with floating interest rates based on the monthly interest rates of bank deposits. The income from sight and time bank deposits interest is recognized in accrual basis of accounting.

22. SHARE CAPITAL:

The share capital of the Company in 31st December 2007, consists of 86.735.980 common nominal shares, with nominal value € 0,31 each.

According to the 1st and 18th December 2006, decisions of the Extraordinary and A' Repeated Extraordinary General Assembly of Stockholders, the increase of the Share Capital was decided, with cash deposit and abolish the old Stockholder's preference premium, as well as the amendment of article 5 of constitution and its coding. Specifically the increase of the Share Capital decided amounted to 852.500,00 Euro, with the issuance of 2.750.000 new common nominal shares of nominal value 0,31 Euro, each and a disposal value of 1,95 Euro per share. The total issuance income came up to 5.362.500 Euros and the difference between nominal value of each share and its disposal value amounted to 4.510.000 Euros, was recognized as a special reserve due to Share premium issuance, according to the Law and the Articles of Association. After 17/5/2007, the new shares negotiate in the Stock Market and would be entitled to dividend of previous year's 2006 profits.

The Company's shares are publicly traded on the Athens Stock Exchange (main market).

According to the Shareholders Record of the Company, in the 31st of December 2007, the shareholders with a holding a percentage in the Company greater than 2 % were the following:

	Number of shares acquired	% 31st December 2007
G. Apostolopoulos Holdings S.A.	27.833.843	32,09%
Asklepios International Gmbh	26.649.532	30,73%
2S Banca Milano	2.418.127	2,79%
Morgan Stanley and Co International PLC	4.730.774	5,45%
UBS Ag London branch –International prime brokerage client account	3.017.428	3,48%
Free float <2%	22.086.276	25,46%
	86.735.980	**100,00%**

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

The share premium of the Company resulted from the period of 1991 until the period of 2002, with a total amount of € 15.267, by the issuing of shares against cash, in value greater than their nominal value. After the Share Caital increase mentioned above, share premium of the Company at 31th December 2007 comes up to € 19.777 thousand.

23. LEGAL, TAX FREE AND SPECIAL RESERVES:

The legal, tax free and special reserves are analyzed as follows:

The Group

	31/12/2007	31/12/2006
Legal reserve	8.022	7.313
Less: Impairment of investments	(3.039)	(3.039)
Tax free and specially taxed reserves	70.649	70.649
Other	362	473
	75.994	**75.396**

The Company

	31/12/2007	31/12/2006
Legal reserve	7.515	6.835
Less: Impairment of investments	(3.039)	(3.039)
Tax free and specially taxed reserves	70.548	70.548
Other	440	440
	75.464	**74.784**

Legal Reserve: According to the Greek Company law, the companies are obliged to form at least 5% of their annual net profits, as they are represented in the accounting books, in legal reserve, until the accumulated amount of the legal reserve reaches at least the 1/3 of the capital share. The above-mentioned reserve cannot be distributed during the operation of the Company.

Tax free and Specially Taxed Reserves: The untaxed and specially taxed reserves represent interest income, which are tax free or taxed by 10% at their source. The particular income is not taxable under the condition that adequate profits exist, from which respective untaxed reserves can be formed. According to the Greek tax legislation, this reserve is excluded from income tax, under the condition that it will not be distributed to the shareholders. The Company does not intend to distribute the particular reserve and thus it has not proceeded to the estimation of deferred income tax that would have been necessary in the case of reserve distribution.

Special Reserves: The special reserves have been formed based on the decisions of the shareholders' General Assemblies. The Company does not intend to distribute the particular reserves.

24. LOANS:

	The Group		The Company	
Non-current loans	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Common bond loan	149.365	29.029	149.357	28.922
Finance leases	7.672	8.726	7.615	8.624
	157.037	**37.755**	**156.972**	**37.546**
Current loans				
Bank loans	5.250	72.813		68.047
Non-current loans payable within the next 12 months		24.328		24.322
Finance leases	1.179	1.918	1.133	1.864
Other loans (factoring)	4.803	9.055	4.803	9.055
	11.232	**108.114**	**5.936**	**103.288**
Total of loans due	**168.269**	**145.869**	**162.908**	**140.834**

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

	The Group		The Company	
Maturity of non-current loans	**31/12/2007**	**31/12/2006**	**31/12/2007**	**31/12/2006**
Between 1 & 2 years	8	24.429		24.322
Between 2 & 5 years	24.000	4.600	24.000	4.600
Over 5 years	125.357		125.357	
	149.365	**29.029**	**149.357**	**28.922**

The Group's borrowing mainly concerns the Common Bond Loan, with initial amount of € 149.357.272,53, (Amount of borrowing € 120.000.000,00 plus € 30.000.000,00 in the third quarter of year 2007, minus transaction costs directly attributable to loan acquisition in accordance to **I.A.S. 39** § 43), according to the Common Bond Loan issuance contract from the 24/5/2007, with the Bank "**ALPHA BANK**" as a manager and lender Banks the following: **NATIONAL BANK of GREECE**, **EFG EUROBANK ERGASIAS** and **ALPHA BANK**. According to the contract, the purpose of this loan was the refunding of existing borrowing as well as the funding of company's general purposes. The loan's duration is eight years. The loan's repayment in full, will be conducted in 11 six-month installments. The first installment will be deposited in 19/7/2010, after a three year of grace and the final installment will be deposited in 19/7/2015. The interests concerning the above-mentioned loan are estimated according to the six month Euribor interest rate plus a margin, which will be defined according to a financial ratio of "**Net borrowings to EBITDA**" on a consolidated basis, and will be between 1,15% (valid) and 1,50%.

The current bank loans are received by the Company and its subsidiaries for serving their needs in working capital.

The relevant weighted average interest margins at the financial statements date are as follows:

	The Group	The Company
Short term borrowing	5,526%	5,326%
Long term borrowings	5,571%	5,571%

The loan cost has charged the year's results according to accrual basis principle.

The liabilities that result from leases concern the leasing of buildings, that arose from the sale and lease back of Company's land building and mechanical – hospital equipment. The liabilities to the lessor are analyzed as follows:

Leasing Liabilities - Minimum payments of leases:

	The Group		The Company	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Up to one year	1.614	2.404	1.564	2.344
Between 1 & 5 years	4.247	4.970	4.185	4.858
After 5 years	5.146	5.904	5.146	5.904
Total	**11.007**	**13.278**	**10.895**	**13.106**
Future finance charges on finance leases	(2.156)	(2.634)	(2.147)	(2.618)
Present value of lease liability	**8.851**	**10.644**	**8.747**	**10.488**

The present value of the leasing liabilities is the following:

	The Group		The Company	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Until one year	1.179	1.918	1.133	1.864
From 1 to 5 years	2.977	3.540	2.919	3.438
After 5 years	4.695	5.186	4.695	5.186
	8.851	**10.644**	**8.747**	**10.488**

Over the leased assets ownership retention exists, which will stay in force until the ending of the leasing period and the payment in full of the leases.

There are no other guaranties and commitments of ownership or use over the fixed assets and the other assets of the Group.

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

25. GOVERNMENT GRANTS:

The movement in the government grants during the year ended in 31st December 2007 and the year ended in 31st December 2006 was the following:

	The Group	The Company
Balance 1.1.2006	**71**	**53**
Additions		
Depreciation	(35)	(18)
Balance 31.12.2006	**36**	**35**

	The Group	The Company
Balance 1.1.2007	**36**	**35**
Additions	5	5
Depreciation	(31)	(31)
Balance 31.12.2007	**10**	**9**

26. PROVISION FOR RETIREMENT INDEMNITIES:

(a) Government Insurance Programs: The contributions of the Company and the Group to the insurance funds for the period ended in 31st December 2007, were recognized as expenses and amounted to € 15.017 thousand and € 15.489 thousand respectively.

(b) Provision for retirement indemnities: According to the Greek employment legislation, the employees entitled to receive compensation in case of dismissal or retirement, the amount of which varies depending on the salary, the years of service and the type of retirement (dismissal or pensioning) of the employee. Employees that resign or get dismissed with a justification are not entitled to receive compensation. The payable compensation in case of retirement equals the 40% of the compensation that would have been payable in case of an unjustified dismissal. In Greece, according to the local practice, these programs are not granted. The Company debits to the results for the accrued benefits in every period with a relevant rise of the pensioning liability. The payments of the benefits performed to the pensioners every period are charged against this liability.

The movement of the net liability in the accompanying balance sheets of the Company and the Group is the following:

The Company	31st December 2007	31st December 2006
Net liability at the beginning of the year	11.759	10.194
Actual benefits paid by the Company	(180)	(194)
Expense recognized in the income statement (Note 6)	2.166	1.759
Net liability at the end of the year	**13.745**	**11.759**

The Group	31st December 2007	31st December 2006
Net liability at the beginning of the year	11.847	10.258
Actual benefits paid by the Company	(246)	(233)
Expense recognized in the income statement (Note 6)	2.248	1.822
Net liability at the end of the year	**13.849**	**11.847**

An international firm of independent analogists/actuaries evaluated the Company's liabilities arising from the obligation to pay retirement indemnities.

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

The details and principal assumptions of the actuarial study as at 31st of December 2007 and 31st of December 2006 is the following:

	The Group		The Company	
	31st December 2007	31st December 2006	31st December 2007	31st December 2006
Present Value of un funded obligations	16.632	14.758	16.528	14.670
Unrecognized actuarial net loss	(2.783)	(2.911)	(2.783)	(2.911)
Net liability in Balance Sheet	**13.849**	**11.847**	**13.745**	**11.759**
Components of net periodic pension cost:				
Service cost	1.472	1.321	1.391	1.258
Interest cost	514	410	514	410
Actuarial losses	124	(22)	124	(22)
Regular charge to operations/results	**2.110**	**1.709**	**2.028**	**1.646**
Additional cost of extra benefits	138	113	138	113
Total charge to operations/results	**2.248**	**1.822**	**2.166**	**1.759**
Reconciliation of benefit obligation:				
Net liability at beginning of period	11.847	10.258	11.759	10.194
Service cost	1.472	1.321	1.391	1.258
Interest cost	514	410	514	410
Benefits paid	(246)	(233)	(180)	(194)
Additional cost of extra benefits	138	113	138	113
Actiarial losses	124	(22)	124	(22)
Present value of obligation at the end of the period	**13.849**	**11.847**	**13.745**	**11.759**

Principal assumptions:	**2007**	**2006**
Discount rate	4.8%	4.1%
Rate of compensation increase	4.2%	4.2%
Increase in consumer price index	2.5%	2.5%

The additional cost of extra benefits relates to benefits paid to employees, who became redundant. Most of these benefits were not expected within the terms of this plan and accordingly, the excess of benefit payments over existing reserves have been treated as an additional pension charge.

27. TRADE ACCOUNTS PAYABLE:

The trade accounts payable are analyzed as follows:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Suppliers	75.416	77.761	85.195	88.039
Checks outstanding and bills payable (postdated)	16.306	8.689	7.751	7.656
	91.722	**86.450**	**92.946**	**95.695**

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

28. ACCRUED AND OTHER CURRENT LIABILITIES:

The amount represented in the accompanying consolidated balance sheet is analyzed as follows:

	The Group		The Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Customers' advances		10		10
Obligations to associates	34	34	34	34
Sundry creditors	4.034	5.320	3.861	5.048
Cheques payable	1.328		1.328	
Insurance and pension contributions payable	4.204	3.674	4.126	3.583
Accrued expenses	3.458	202	3.365	194
Dividends	40	12	40	12
Other	1.549	1.131	1.531	1.086
	14.647	**10.383**	**14.285**	**9.967**

29. RELATED PARTY DISCLOSURES:

The Company and its subsidiaries are related to the following legal and natural persons:

- due to the majority of shares acquisition in its capital with Mr. Georgios Apostolopoulos and the legal persons or other business activities he is related with
- with its subsidiaries including their main shareholders and the members of their Boards of Directors
- with the members of the Company's Board of Directors.

The transactions with its subsidiaries are mainly concerning the provision of commercial services, as well as the purchasing and selling of goods. The transactions are realized within the normal operating framework of the Company.

The relative balances receivable from associates are not covered by securities, mortgages and their payment in full is conducted by cash payment within the time limits agreed between the companies in question. The Management of the Company does not regard that a provision/allowance for a possible non-collection of its subsidiaries related receivables is needed; hence no provision/allowance for doubtful debtors against these receivables is formed.

The balances receivable/(payable) of the related party accounts of the Group are as follows:

Group

	Company ***Debtors***	***Liabilities***	***Income***	***Sales***
ATHENS MEDICAL CENTER S.A..	**0**	**0**	**0**	**0**
IATRIKI TECHNIKI S.A.	**0**	**20.617**	**0**	**21.335**
EREVNA S.A.	**0**	**114**	**0**	**0**
AXONIKI EREVNA S.A.	**0**	**0**	**0**	**0**
PHYSIOTHERAPY CENTER S.A.	**0**	**28**	**188**	**523**
MEDSANA BUCHAREST MEDICAL CENTER	**0**	**0**	**16**	**0**
BIOAXIS SRL (ex MEDSANA SRL)	**0**	**0**	**0**	**0**
ORTELIA HOLDINGS	**1.679**	**0**	**0**	**0**
EUROSITE	**2.061**	**0**	**0**	**0**
HOSPITAL AFFILLIATES INTERNATIONAL S.A.	**327**	**0**	**0**	**0**
TOTAL	**4.067**	**20.759**	**204**	**21.858**

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

Other

	The Group				The Company			
	Receivables	*Liabilities*	*Income*	*Purchases*	*Receivables*	*Liabilities*	*Income*	*Purchases*
G. APOSTOLOPOULOS Holdings	0	0	2	0	0	0	0	0
IKODOMIKI EKMETALEFTIKI S.A.	3	0	1	0	3	0	0	0
LA VIE Assurance	2.830	88	2.678	87	2.830	86	2.678	84
SYCHRONI ECHODIAGNOSI	0	27	0	0	0	27	0	0
PROSTATE INSTITUTE	0	0	0	0	0	0	0	0
KORINTHIAKOS RYTHMOS	0	423	2	204	0	303	0	100
HERODIKOS Ltd	33	0	0	0	33	0	0	0
QUS ATH. CENTER OF ENVIRONMENT	85	0	0	0	85	0	0	0
TRADOR A.E.	20	0	0	0	20	0	0	0
AGGEIOLOGIKI DIEREVNISI S.A.	0	7	0	0	0	7	0	0
ATHENS PAEDIATRICS CENTER	15	0	0	0	15	0	0	0
ELECTRONYSTAGMOGRAFIKI S.A.	0	0	0	0	0	0	0	0
NEVROLITOURGIKI S.A.	0	0	0	0	0	0	0	0
MEDISOFT	190	0	0	0	190	0	0	0
MEDICAFE CATERING SERVICES S.A.	17	0	97	0	17	0	97	0
DOMINION INSURANCE BROKERAGE S.A.	0	23	0	24	0	21	0	23
INTEROPTICS SA	0	0	0	0	0	0	0	0
Total	**3.194**	**567**	**2.780**	**315**	**3.193**	**445**	**2.775**	**207**

	The Group	The Company
Compensations of executives and members of the Board	**7.202**	**6.101**

	The Group	The Company
Debtors from executives and members of the Board	**21**	
Liabilities to executives and members of the Board	**126**	

30. DIVIDENDS

According to the provisions of the greek legislation for companies , they are obliged to distribute every year dividend, that corresponds at least to the 35% of the profits after taxes and the formation of the legal reserve. The non distribution of dividends depends on the approval of the total shareholder company's equity. The greek company legislation requires specific terms for the profit distribution to be satisfied , which are:

a) Any distribution of dividend is not valid if the company's equity as that appears on the balance Sheet after the distribution is less than equity plus the non distributive reserves

b) Any distribution of dividend is not valid, if the balance of the formation expenses is greater than the extraordinary reserves plus the retained earnings

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

At 24 March 2008, the Board of Directors proposed Dividend amounted to € 0,06 per share . This proposition of the Board of Directors is submitted to the approval of the annual General Assembly of the Shareholders.

31. CONTIGENCIES AND COMMITMENTS :

(a) Lawsuits/Litigation and claims:

The Company is involved (in its capacity as defendant and as plaintiff) in various lawsuits and legal amperages in the framework of its normal operation. The Management, as well as its legal advisors estimates that all the pending cases are expected to be settled without any significant negative repercussions on the consolidated financial position of the Company or in the results of its operation.

It is noted that the subsidiary "HOSPITAL AFFILIATES INTERNATIONAL", according to no. 246/06 final decision of court to appeal, is obliged to pay to "ERRIKOS DYNAN " the amount of € 207.776 plus interest and other expenses. Against the above decision the company has appealed to Supreme Court. This appeal has been discussed, after postponement, in 8th October 2007 and decision is still expected.

(b) Commitments:

(i) Commitments from operational leases:

The 31st of December 2007 the Group and the Company had various agreements of operational lease, concerning the renting of buildings and transportation equipment and they end in several dates.

The renting expenses are included in the accompanying consolidated income statement of the period ended in the 31st of December 2007 and they amount to € 2.039 thous.

The minimum future payable rental leases based on non-reversible contracts of operational leases in 31st of December 2007 are as follows:

Commitments from operational leases:	**The Group**	**The Company**
Within one year	2.052	2.029
1-5 years	6.211	6.750
After 5 years	3.302	3.030
	11.565	**11.809**

(ii) Guarantees:

The Group in 31st of December 2007 had the following contingent liabilities:

Had issued letters of guarantee for good performance for a total amount of € 242 thousand.

(Amounts in all tables and notes are presented in thousands of Euro, unless otherwise stated)

32. SUBSEQUENT EVENTS:

In February 2008, the Group has entered financial intrument contracts and more specifically, simple interest rate swaps, or interest rate collars designated as cash flow hedges. These contracts were joined due to obligations deriving from the Common Bond Loan contract, issued by the Group in July and November of 2007. According to the Common Bond Loan contract's provisions, the Group would proceed in financial instrument agreements, which would limit interest rate risk exposure, at least for half of the Common Bond Loan amount. The financial instrument contracts the Group has entered correspond with precision to the dates of interest expense charge and capital repayment of the Common Bond Loan

Marousi, 24/3/2008

THE PRESIDENT OF THE BOD	***THE CHIEF EXECUTIVE OFFICER***	***THE GROUP CFO***	***THE PARENT CFO***	***THE CHIEF ACCOUNTANT***
GEORGIOS B. APOSTOLOPOULOS	***VASSILIOS G. APOSTOLOPOULOS***	***ANTONIS H. AGGELOPOULOS***	***PETROS D. ADAMOPOULOS***	***PANAGIOTIS X. KATSICHTIS***
ID NUMBER Σ 100951	***ID NUMBER. Ξ 350622***	***ID NUMBER X 143924***	***ID NUMBER M 253394***	***ID NUMBER. AB 052569 O.E.E. Rank No.17856 Classification A'***