DIAGNOSTIC AND THERAPEUTIC CENTER OF ATHENS HYGEIA SA
GROUP OF COMPANIES

Half-yearly Financial Report as at June 30th, 2016

(January 1 – Thursday, June 30, 2016)

Prepared in accordance with the International Financial Reporting Standards (IFRS)
Prepared in accordance with Article 5 of Law 3556/2007

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A. Statements by Board of Directors Representatives
(in accordance with Article 5 (2) of Law 3556/2007)

The following members of the HYGEIA SA Board of Directors:

1. Georgios Efstratiadis, BoD Vice-Chairman
2. Andreas Kartapanis, CEO
3. Ioannis Andreou, BoD Member

in our said capacity, do hereby declare and confirm that as far as we know:

(a) HYGEIA SA's half-yearly company and consolidated financial statements for the period 01/01/2016-30/06/2016, prepared in accordance with the accounting standards in force, accurately reflect the assets and liabilities, equity and half-yearly earnings and losses of the issuer, as well as the companies included in the consolidation and considered as one, pursuant to Article 5 (3, 5) of Law 3556/2007 and the decisions authorized by the BoD of the Hellenic Capital Market Commission, and

(b) the BoD's half-yearly report accurately reflects the information required in accordance with Article 5 (6) of Law 3556/2007 and the decisions authorized by the BoD of the Hellenic Capital Market Commission.

Marousi, September 20th, 2016

Certified by

Georgios Efstratiadis	Andreas Kartapanis	Ioannis Andreou
BoD Vice-Chairman	CEO	BoD Member

B. Interim Financial Information Review Report by Independent Certified Auditors

To the shareholders of the Company **DIAGNOSTIC AND THERAPEUTIC CENTER OF ATHENS HYGEIA SA**

Introduction

We have reviewed the accompanying separate and consolidated condensed statement of financial position of DIAGNOSTIC AND THERAPEUTIC CENTER OF ATHENS HYGEIA S.A. as of 30 June 2016 and the related separate and consolidated condensed statement of profit or loss and comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes that comprise the interim financial information, which form an integral part of the six-month financial report of Law 3556/2007. Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with the International Financial Reporting Standards as adopted by the European Union and apply for interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Issue Emphasized

We would like to draw your attention to the explanatory note 14 of the interim financial information, which makes reference to the fact that the Group and the Company are in the process of negotiating with financial institutions the restructuring of the terms for existing financial liabilities amounting to approximately € 152,9 mil. and € 92,8 mil., respectively, due to non-compliance with contractual obligations. Consequently, as stated in explanatory note 22.1, Group and Company current liabilities exceed the current assets by approximately € 157 mil. and € 71,1 mil., respectively. The above conditions indicate the existence of an uncertainty regarding the Group's and Company's ability to continue as a going concern. The successful completion of financial liabilities restructuring is a substantial condition for the adequacy of the Group's and Company's working capital. As stated in the explanatory note 22.1, Group Management has planned appropriate actions in order to enhance the Group's and Company's financial position and going concern assumption, condition which has been taken into account for the preparation of the accompanying separate and consolidated financial statements according to the going concern principle.

Our conclusion paragraph does not express any qualification regarding this issue.

Report on Other Legal and Regulatory Issues

Our review did not identify any inconsistency or mismatch between the other data in the semi-annual financial report required by Article 5 of Law 3556/2007 and the accompanying interim financial information.

Athens, September 20th, 2016
The Certified Auditors

Dimitris Douvris
SOEL Reg. No. 33921

Dimitra Pagoni
SOEL Reg. No. 30821

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C. Half-yearly Board of Directors Report for DIAGNOSTIC AND THERAPEUTIC CENTER OF ATHENS HYGEIA SA on the separate and consolidated Financial Statements for the period 01/01/2016-30/06/2016

Dear shareholders,

In accordance with the provisions of Article 5 (6) of Law 3556/2007 and the Hellenic Capital Market Commission decisions (especially Article 3 of Decision 1/434/2007 and Decision 8/754/14.04.2016), we are hereby submitting the Board of Directors' Half-yearly Report for the closed period 01/01/2016-30/06/2016, which was prepared and is consistent with the relevant provisions of Law 3556/2007 and the relevant executive decisions issued by the Hellenic Capital Market Commission.

This report describes the financial developments and performance of the Group and the Company during the reporting period, any significant events that may have taken place during the closed period and their impact on the half-yearly financial statements, as well as the operational growth prospects in the second half of the current fiscal year. It also describes the main risks and uncertainties that the Company may face in the second half of 2016 and records the major transactions conducted between the Company and its related legal entities.

(A) FINANCIAL DEVELOPMENTS AND PERFORMANCE DURING THE REPORTING PERIOD

Although faced with the challenges and uncertainty of the current economic climate and the inability to access bank financing, HYGEIA Group continues to hold a leading position in the domestic healthcare sector, mainly focusing on its comparative advantages, which include strengthening and maintaining adequate liquidity for its unimpeded operation, while offering top-level services and using state-of-the-art medical equipment.

However, the continuing delay on the part of the social security funds in paying off their amounts in arrears continues to act as a major inhibiting factor towards the further healthy operating growth of the Group, while slowing down its corresponding financial indicators. Moreover, the unilateral, on the part of the Greek state, decision to extend the implementation of the rebate and claw-back mechanisms until December 31st, 2018, in accordance with Article 100 of Law 4172/2013 (Government Gazette Vol. A 167/2013), has marred the expectations of the Group in terms of its affiliation with the National Organization for Healthcare (EOPYY).

These sector-specific problems, coupled with the wider corporate and social environment – where significant delays have been noted in formulating a long-term strategic plan to ensure a viable financial growth model and social prosperity – have led to extreme uncertainty regarding the possible improvement of the Greek economy's fiscal, macroeconomic and financial cohesion.

In the near future, the core of the HYGEIA Group strategy consists of: 1) maintaining and reinforcing the leading role of the Group in Greece, by providing top-level healthcare services, 2) boosting and maintaining adequate liquidity, by capitalizing on the competitive edge that the Group has within its market sector, 3) continuously increasing the operating efficiency of the business activities of the Group companies, combined with the cost benefits stemming mainly from maximizing synergies within HYGEIA Group, and 4) seizing any investment opportunities that may arise.

The consolidated and company financial figures include the impact from the implementation of the aforementioned cutbacks, in line with Article 100 of Law 4172/2013, and are as follows.

INCOME: On a consolidated basis, the Group's income for the first half of 2016 increased by 1.9% and reached €116.7m, compared to €114.5m in income for the corresponding period in 2015. The respective income for HYGEIA SA was at the same level as the first half of 2015 and stood at €64.5m.

EBITDA: Consolidated EBITDA increased significantly by 53.3%, reaching €18.3m. Respectively, the adjusted consolidated EBITDA margin was 15.6%. HYGEIA SA's EBITDA stood at €13.7m as opposed to €9.4m for the first half of 2015, while the EBITDA margin as a percentage of sales was 21.3% as opposed to 14.6%.

EBIT: Consolidated EBIT rose by 345.2%, reaching €9.2m, compared to €2.1m in earnings in the first half of 2015. HYGEIA SA's EBIT amounted to €9.3m, as opposed to €4.8m for the corresponding period last year.

EARNINGS (LOSSES) BEFORE TAXES (EBT): Consolidated earnings before taxes from continuing operations improved significantly and amounted to €3.3m, as opposed to -€2.7m in losses for the corresponding period last year. Earnings before taxes for HYGEIA SA amounted to €5.8m, as opposed to losses of -€1.9m for the first half of 2015.

NET EARNINGS (LOSSES) AFTER TAXES & MINORITY INTERESTS: The net losses for the Group from continuing operations stood at €4.3m, as opposed to -€1.7m in losses for the first half of 2015. At company level, earnings after taxes stood at €6.5m, as opposed to -€1.3m in losses for the first half of 2015.

LOANS – CASH: The Group total bank borrowing (long-term and short-term) stood at €160.3m, as opposed to €159.8m on 31/12/2015. On 30/06/2015, the Company's borrowing stood at €95.1m, as opposed to €94.5m on 31/12/2015. On the other hand, Group and Company cash stood at €4.3m and €2.6m respectively during the closed period.

CASH FLOW FROM OPERATING ACTIVITIES: The consolidated net operating cash flow stood at -€8.1m, as opposed to €6.1m for the corresponding period last year. The Company's net operating cash flow stood at approximately -€5.4m, as opposed to €5.7m for the corresponding period last year.

(B) SIGNIFICANT BUSINESS DECISIONS AND EVENTS

1. Significant Events During the Reporting Period

The agreement for restructuring the loan of subsidiary HYGEIA Hospital Tirana ShA was signed in March 2016, securing additional short-term liquidity.

On June 24th, 2016, the share capital increase of the subsidiary trading as BEATIFIC SA by €615 thousand was certified, by decision of the Extraordinary General Meeting of company shareholders on 27/05/2016. The direct holding of HYGEIA SA in the subsidiary has not been affected following this share capital increase, as it already amounted to 100%.

On June 27th, HYGEIA announced it has successfully renewed its Joint Commission International (JCI) accreditation for yet another three years and remains the only hospital in Greece to have received this distinction by the most distinguished and internationally recognized Accreditation Standard for Healthcare Organizations.

2. Significant Events after the End of the Reporting Period

On July 4th, 2016, HYGEIA announced that Ms Areti Souvatzoglou resigned from her post as Chairwoman of the Company's BoD, remaining on the Board as a Non-Executive Member.

On July 6th, 2016, it was announced that the MITERA Breast Center became a full member of the Breast Centres Network, the first international network of clinical centers exclusively dedicated to the diagnosis and treatment of breast cancer.

On July 8th and 9th, 2016, the 6th action of the "Traveling for Health" initiative took place on the island of Leros, forming part of HYGEIA Group's Corporate Social Responsibility program. A team of 110 volunteers made up of medical, nursing, technical and administrative staff from HYGEIA Group traveled to the island to examine 1450 residents, while they also performed around 6,000 free-of-charge physical and diagnostic exams.

On July 14th, 2016, HYGEIA announced the reconstitution of the BoD, with Mr Andreas Vgenopoulos assuming the duties of Chairman/Non-Executive Member and Mr Areti Souvatzoglou remaining on the BoD as a Non-Exceptive Member. Meanwhile, Mr Georgios Efstratiadis assumed the duties of Vice-Chairman/Non-Executive Member and Ioannis Andreou the duties of Executive Member.

(C) PROSPECTS – BUSINESS DEVELOPMENTS FOR THE 2ND HALF OF THE CURRENT FISCAL YEAR

The main conditions for recovery of the Greek economy include restructuring it and restoring the smooth operation of the market. It is of vital importance for the country to adopt an economic growth model that supports income and liquidity flow, so as to counteract the impact of the recent changes in the social insurance, income tax and property tax schemes, which will negatively affect the consumer behavior of households. Furthermore, the activities of the banking sector are pivotal to the productive restructuring of the economy.

A key point for the healthcare sector, where the Group is active, is for the government to restructure and financially support EOPYY, so that it may operate efficiently, in partnership with the private sector, to the benefit of patients. In all events, it is deemed necessary to determine the institutional framework for establishing or not a new partnership agreement between EOPYY and private hospitals, while at the same time setting a binding time frame for repayment of the accumulated outstanding amounts due to private healthcare providers.

According to the Group policy, the Management has approved a procedure for assessing the risks associated with the Group activities and operations, for planning the assessment methodology, as well as for selecting and at the same time executing/implementing suitable actions to limit risks.

The HYGEIA Group Management is monitoring the developments using the experience of its successful management of the prolonged crisis, and assesses the existing conditions by forecasting and constantly evaluating future investment and operating needs, promptly adjusting its business plan accordingly. The Management aims to maintain and increase the operating efficiency of the Group companies by limiting operational costs, expanding its client base and maximizing synergies within the Group.

With a view to securing its continuous growth, and given the hindered operation of EOPYY, HYGEIA Group has expanded its affiliations with the largest Greek and foreign insurance companies, offering latest technology medical procedures, while ensuring large patient volume and adequate liquidity.

The Management's priorities in dealing with the crisis will focus on ensuring the healthy financial structure of the Group, improving working capital management, balancing cost structure with anticipated income and maximizing the potential of synergies within the Group, so that it may further strengthen the Group financial position.

Meanwhile, the Group continues to operate driven by the long-term interests of the company's stakeholders, focusing on introducing added-value services, investing in cutting-edge technology and offering innovative services in niche markets, all the while endeavoring to provide top-quality healthcare services, with a deep sense of respect for people, the society and the environment.

The Management is monitoring the developments and is adapting its strategy to effectively confront the negative impact of the crisis and to take advantage of any opportunities which may arise.

Partnership with EOPYY-Obligations under Article 100 of Law 4172/2013

The major change introduced to the healthcare sector was the establishment of the National Organization for Healthcare (EOPYY) on 01/01/2012, which forms the umbrella public healthcare fund for individuals who, until the end of 2011, were insured by IKA-ETAM, OGA, the Insurance Organization for the Self-Employed (OAEE), the Public Sector Fund (OPAD-TYDKY), TSAY and other social security funds.

The new legislation, based on which this new Organization operates, introduces a new component, which is the establishment of Closed Unified Hospital Fees. This introduces a new pricing and management procedure for hospital fees, which is based on the internationally established DRG (Diagnosis Related Groups) classification system.

As part of this procedure, the Hospital receives a budgeted and approved amount for covering the healthcare costs (excluding doctor's fees) and services it offers patients insured with social insurance funds or privately.

Based on Law 4238/2014 (Government Gazette Vol. A/38/17.2.2014) the National Primary Healthcare Network (PEDY) was formed within the National Health System (ESY), and operates at the Health Region Directorates of the country. Through PEDY, primary healthcare services are provided equally to all citizens, irrespective of financial, social professional and insurance status, and irrespective of place of residence. According to the same Law (Article 8), EOPYY acts as a health insurance organization, which "purchases" services from healthcare providers (doctors, hospitals, diagnostic centers) on behalf of the individuals insured by it.

The private healthcare sector viewed this partnership between private hospitals and EOPYY positively, with many of them entering into contracts with the new Organization, a fact that expanded their client base and increased the number of cases. However, the deficits and problems with the budgets caused long delays in the repayment of due hospitalization fees, and introduced unilateral cutback measures (claw-back and rebate), which led to offsetting and canceling the collection of amounts owed to private healthcare providers.

In accordance with Article 100 of Law 4172/2013, the following have come into effect since July 2013:
a) An automatic claw-back mechanism for any expenses incurred relating to hospitalization, diagnostic tests and physiotherapy. Based on this mechanism, the monthly National Organization for Healthcare (EOPYY) expenses for diagnostic tests, hospitalization and physiotherapy offered by affiliated private healthcare providers must not exceed 1/12 of the approved credit funds of the EOPYY budget. The excess amount claimed on the part of EOPYY from the affiliated providers of the aforementioned private healthcare services is calculated on a semi-annual basis and must be deposited in a bank account indicated by EOPYY within one month from the date the written personal notification was issued. If said deadline expires without the payment having been made, the EOPYY BoD may terminate the contract between EOPYY and the affiliated provider automatically and without payment of compensation until such time as the total amount due has been paid with interest by the provider or has been collected in accordance with the provisions of the Public Revenue Collection Code (KEDE). The monthly invoice submitted to EOPYY by the affiliated provider for the healthcare services rendered to people insured with the national insurer for the corresponding period is used to calculate the claw-back amount corresponding to each affiliated provider per month. Expenses submitted to EOPYY 20 days after the end of each month are neither recognized nor paid by EOPYY. The total claw-back amount is calculated semi-annually, by calculating the difference between the budgeted and the actual expense arising from the amount claimed by the provider, once any rebate and other expenses unacceptable at the time of calculation have been subtracted.
b) A percentage over the amounts owed by EOPYY to affiliated private healthcare providers for hospitalization, diagnostic tests and physiotherapies for people insured with EOPYY, payable to the Organization as a rebate for each month.

The rebate amount is calculated monthly and as of 01/01/2016, it is incorporated in the invoices issued to EOPYY for services rendered.

The provisions of cases (a) and (b) above have a retroactive effect from 01/01/2013 and are valid until 31/12/2018, in accordance with Ministerial Decision Ref. No.Γ5/63587/20.8.2015.

This legislative regulation prompted private healthcare institutions to bring an action before the Hellenic Council of State, claiming that it is essentially a way of offsetting and canceling the collection of the amounts due, while free provision of services is imposed for the part exceeding the monthly EOPYY spending ceiling. Specifically, said actions were filed on 27/09/2013 and 08/11/2013, while the hearing for the writs of annulment was initially set for 26/11/2013. However, it was postponed at the request of EOPYY and the case was eventually heard on 17/12/2013, with the Hellenic Council of State decision still pending.

On 28/05/2014, 18/11/2014, 02/07/2015, 09/12/2015 and 06/04/2016, EOPYY notified via email the HYGEIA Group hospitals and clinics of the rebate and claw-back amounts corresponding to the 2013 fiscal year, the first half of 2014, and the 2015 fiscal year, which amounted to approximately €61.9m in total, VAT included. Note that, as also mentioned in said email notifications, these amounts are not final, since the procedure for settling the amounts submitted for the corresponding periods has not been finalized yet.

The Group companies affiliated with EOPYY have filed a writ before the Athens Administrative Court of Appeals against the orders issued by EOPYY on 28/05/2015, 18/11/2014, 22/05/2015, 09/12/2015 and 06/04/2016 for the automatic claw-back and rebate amounts corresponding to the 2013, 2014 and 2015 fiscal years.

Furthermore, the Ministry of Health decision notifying of the measures for auditing the expenses incurred by private hospitals was published in Government Gazette 3040/2014 on 11/11/2014. Pursuant to said decision, the total budget for General, Multidisciplinary and Specialized hospitals, excluding psychiatric clinics, was set at €235m for 2014. It also outlines the calculation method for the claw-back amount per hospital for 2014, taking into account specific quantity and quality indicators, which will arise from the 2013 review information.

To date, it has been impossible to calculate the exact budget and claw-back amounts corresponding to each Group hospital due to a) the fact that the auditing and settlement procedure for amounts submitted by the entire private healthcare sector for 2013 has not been finalized and b) the fact that EOPYY has not disclosed all the parameters (sector and hospitals separately) that would reliably lead to the exact calculation of the relevant amounts. It should also be further clarified that the final claw-back amounts for 2014 and 2015 will arise once the total amounts submitted for the aforementioned years have been audited and eventually validated by EOPYY. In all events, the Management believes that, based on the information at hand, the Company and Group results have already been burdened with adequate amounts for the entire period the claw-back and rebate measures have been in effect and any further negative change is not expected.

The Group and the Company have proceeded with calculating the claw-back and rebate amounts starting from the date the decisions took effect, thus burdening their financial results. Specifically, the Group has impaired the EOPYY receivables by the amount of €79m for the period 01/01/2013-30/06/2016, pursuant to Article 100 (5) of Law 4172/2013 (GG Vol. A 167/23.07.2013) and the relevant subsequent ministerial decisions.

Based on the claw-back and rebate notifications issued by EOPYY, the Group companies affiliated with EOPYY proceeded with issuing the corresponding return invoices for the periods 01/01/2013-30/06/2014 and 01/01/2015-31/12/2015, strictly for tax compliance purposes, pursuant to Ministerial Circular 1191/12.08.2014 and Ministerial Circular 1113/2.6.2015.

In addition, according to the contract in force, on March 18th, 2015, the affiliated auditing company notified Group hospitals HYGEIA, MITERA and LETO of the results from the administrative and medical audit of the invoices submitted to EOPYY for the period 01/01/2013-31/12/2013. Based on the notified findings, the unacceptable expenses amount to approximately €5.8m. The Group hospitals affiliated with EOPYY have already filed a complaint against these findings, in accordance with the legislation in force. Given that the amounts for unacceptable expenses cannot be finalized until the relevant final decisions for the entire sector have been issued, it is currently impossible to calculate the exact final amount of cutbacks for the aforementioned period. Note that the administrative and medical audit for the amounts submitted by all the sector hospitals to EOPYY for the 2012, 2014 and 2015 fiscal years has not commenced yet.

Pursuant to the Legislative Decree (GG Vol A/184 31.12.2015), it was decided that the effective date for existing contracts between physicians, diagnostic centers, clinics, hospitals and other providers on the one hand, and EOPYY on the other, whether they are the original ones or ones that have already been extended, be further extended until 30/06/2016. In addition, in accordance with Article 52 of Law 4410/2016 (GG 141/3.8.2016), the effective date for these contracts between EOPYY and other health providers is extended until the new contacts are concluded.

Lastly, in accordance with Article 90 of Law 4368/2016 "Measures to expedite government tasks and other provisions" (GG 21/21.2.2016), the healthcare expenses, excluding pharmacists, incurred as of 01/01/2016 and submitted to the competent EOPYY departments will be settled randomly, which in all events would not be less than 5% of the total number of supporting documents submitted by each provider for expenses incurred by insured parties, while the number of supporting documents for expenses should be at least 10. EOPYY may perform final audits and settle any unsettled amounts due by EOPYY to its providers, excluding pharmacists and National Health System hospitals, for the years 2013-2015, based on the aforementioned process. Affiliated providers who have been included in the procedure under Article 100 (6) of Law 4172/2013 (GG Vol. A/167) are excluded from this process.

(D) MAIN RISKS AND UNCERTAINTIES FOR THE 2ND HALF OF THE CURRENT FISCAL YEAR

Restoring the climate of trust, improving banking system liquidity and further relaxing capital controls constitute necessary conditions for gradual recovery of the economy in the second half of 2016.

Boosting investments and exports, which are directly linked to restoring the trust and financing the economy, are key to recovery.

HYGEIA Group is active in the private healthcare sector (integrated primary and secondary healthcare services), which has historically demonstrated significant peculiarities. Over time, the problems relating to the inefficient operation, the inability to satisfy the increasing demand and the low quality of services offered by most National Healthcare Service (ESY) hospitals have constituted a major factor for patients to shift towards the private sector, creating conditions for significant growth. However, the effects of the economic situation over the last five years have been negative, significantly limiting the disposable income of households and leading to deterioration in consumer trust, increase in unemployment and reduction in consumer spending, while also limiting the financing offered to consumers and businesses by credit institutions.

A significant development in the last three years has been the partnership between HYGEIA Group and the National Organization for Healthcare (EOPYY), which commenced in 2012 and has created high volume of patient admissions; however, at the same time, it has increased the outstanding balances to the Group's hospitals and clinics. Although the partnerships established between sector companies and EOPYY have expanded the client base and increased business flow, they have not been accompanied by a corresponding shift in revenues, and by extension proceeds, since the deficits of the social insurance fund have led to the adoption of measures for unilateral cutbacks (rebate and claw-back) in hospitalization expenses via legislative regulations (Article 100 of Law 4172/2013) and the relevant subsequent ministerial decisions.

All these evidence that the prospects in the domestic healthcare services sector for the second half of 2016, as well as in the medium-term future, are closely related to the progress of the Greek economy and the possibility of EOPYY being able to repay its liabilities on specific dates. Any possible inability on the part of HYGEIA Group to respond to the new state of affairs could have a negative impact on its financial position and its operating results.

The Group has also been monitoring the current developments in the Greek economy due to the capital controls, while evaluating the recovery of the value of tangible and intangible assets based on the expected short- and long-term market conditions and the implementation of the business plans approved by the Management.

For the further progress of the Group, it is also deemed necessary to determine the institutional framework for the possible future establishment or not of a new contract between EOPYY and private hospitals, while at the same time setting a binding time frame for repayment of the accumulated amounts due to private healthcare providers.

Meanwhile, the Group continues to operate driven by the long-term interests of the company's stakeholders, focusing on introducing added-value services, investing in cutting-edge technology, quickly adjusting to the developments in medical science and technology, and offering innovative services in niche markets, all the while endeavoring to provide top-quality healthcare services, with a deep sense of respect for people, the society and the environment.

The Management is monitoring the developments and is adapting its strategy to effectively confront the negative impact of the prolonged crisis and to take advantage of any opportunities which may arise.

1. Risk from Competition

The citizens' shift towards public healthcare services due to the adverse economic conditions has made competition among businesses in the private healthcare sector more fierce, as their total market share has been limited.

Competition among similar businesses in terms of size, active in the same sector, has been focusing on quality and diverse services, technological and medical developments, pricing policy, promotions (packages), speedy service, geographical coverage and affiliations with insurance companies.

Despite the reforms of the last few years, the public healthcare system continues to demonstrate structural and operational problems. The main ones include: inability to cover the demand for outpatient care, long waiting periods, staff shortages, shortages in core medical specialties at regional health centers, limited infrastructure and medical equipment, and lack of quality, hotel-like services.

All these, coupled with the bureaucratic obstacles associated with public healthcare, have boosted demand for private health services among patients with the respective financial means.

In that vein, private hospitals have shifted towards enriching the services they offer and responding promptly to patients, while expanding existing facilities to house new departments. A case in point is the fact that several private hospitals include anything from maternity clinics to diagnostic centers, so as to cover a broader range of services.

Another competition aspect observed in the private healthcare sector is that partnerships between private units and insurance companies have expanded, covering the medical expenses of a larger number of patients. Capitalizing on its comparative advantages, striking partnerships with highly-acclaimed private physicians and having as its priority to continuously offer top-level services, in accordance with the international standards it has been certified with, HYGEIA Group currently holds the leading position in the private healthcare sector in Greece.

However, in the event that the Group discontinues its growth and investment policy, its competitive edge may be significantly affected, thus affecting its financial status.

2. Dependence on Contracts with Insurance Companies

HYGEIA SA holds long-term contracts with major insurance companies that have a high credit rating both in the domestic and the international market. These companies include ETHNIKI, NN GROUP, METLIFE, ALLIANZ, BUPA, INTERAMERICAN, GENERALI, GROUPAMA, AXA etc.

Furthermore, the Company holds a contract with MedNet Hellas SA, an insurance agent that manages hospitalization insurance plans for insurance companies in Greece.

These agreements ensure a comparative advantage for the Group, offering continuous growth, constant business volume and adequate liquidity, while significantly reducing the Group exposure to competition risk and cash flow shortages.

3. Exchange Rate Risk

Exchange rate risk is the risk of a fluctuation in the value of financial instruments, assets and liabilities due to changes in exchange rates. The vast majority of the Group transactions and balances is in euros, as is also the case with the Group borrowings, so as to take advantage of the lower interest rates. Therefore, exposure to exchange rate risk is considered to be low. Moreover, with regard to the investment in Albania, the Group is affected by changes in the exchange rates between the euro and the local currency (lek), but only regarding the equity figures from converting the Company's balance sheet into euros. In any case, however, the Group Management is continuously monitoring any exchange rate risks that may arise and assesses the need to adopt relevant measures.

4. Interest Rate Risk

Interest rate risk is the possibility of the fair value of the future cash flows of a financial asset exhibiting fluctuations due to changes in the market interest rates. The Group exposure to the risk of fluctuating interest rates is primarily associated with the long- and short-term borrowing of the Group at a floating interest rate.

The Group is seeking to strike the optimal balance/relationship between borrowing costs and any possible impact on earnings and cash flows that may be prompted by changes in interest rates. The Group is monitoring and managing its borrowings, and its financial strategy in general, proceeding with a combination of short- and long-term borrowings. The Group policy is to constantly monitor interest rate trends and its financing needs. Furthermore, the Group policy is to minimize exposure to cash flow interest rate risk with regard to long-term financing. Long-term financing is based on floating interest rates. On June 30th, 2016, the Group was exposed to interest rate market changes with regard to bank borrowing, which is subject to a floating interest rate per loan, based on the official Euribor rates.

5. Liquidity Risk

The private healthcare service market was hit hard by the financial crisis, since it is directly dependent on the precarious progress of social security funds and the buying power of households. The emergency decision for implementation of automatic rebate and claw-back mechanisms further burdened the sector, with businesses finding themselves unprepared to deal with the situation. Meanwhile, the delays in collecting the amounts in arrears owed by the Greek state, combined with the limited credit policy on the part of banks, has created significant liquidity problems for businesses.

The monitoring of liquidity risk focuses on rationally managing the temporal correlation of cash flows, and ensuring sufficient cash for covering current transactions.

Liquidity requirements are monitored in various time zones on a daily and weekly basis, and on a rolling 30-day basis. Long-term liquidity requirements for the 6 months ahead and the following year are calculated each month.

In the context of implementing a specific series of measures, the Greek government proceeded with voting new tax measures, including the immediate increase of the VAT on secondary healthcare services offered by private hospitals and clinics from 23% to 24% as of 01/07/2016. Moreover, the controls and limitations on fund transfers are still in effect, affecting the smooth transfer and supply of medical supplies and pharmaceuticals to serve patients in the Group hospitals and clinics.

Presently, taking advantage of its size and reputation in the market, the Group has maintained its bargaining power, despite the controls and limitations in place on fund transfers, mainly to foreign countries, where HYGEIA Group's main suppliers of medical goods are active. In addition, capitalizing on its comparative advantages, the Group has secured agreements with major Greek and foreign insurance companies, which offer significant liquidity, while at the same time greatly minimizing the Group exposure to competition risk and cash flow shortages.

On 30/06/2016, total current liabilities exceeded total current assets by €156,977 thousand for the Group and €71,055 thousand for the Company. This is mainly due to reclassification of current liabilities from bond loans for the Company and subsidiary MITERA SA due to failure to company with the existing terms of the loan contracts with regard to past-due contractual installments to the amount of €16.5m for the Company and €2m for subsidiary MITERA SA. According to the Group Management, the issue will be resolved once the terms of the lending liabilities with the credit institutions have been amended. The Group has already sent a letter to the associated banks requesting that the existing terms of these loan contacts with regard to repaying installments and meeting financial indicators be amended, with the aim of securing additional short-term liquidity. According to the Group Management, the relevant restructuring agreement with lending banks is expected to be concluded within 2016.

In March 2016, subsidiary HYGEIA Hospital Tirana ShA proceeded with restructuring its total borrowing with the associated banks to the amount of €18.3m. Once the restructuring was concluded, the greatest part of the loan capital repayment installments was shifted to the termination date of the contract, while it was agreed that the financial indicators would be amended. However, on 30/06/2016, the subsidiary was not in compliance with the financial indicators and consequently reclassified said loan to current liabilities, pursuant to the requirements of IAS 1. The Group Management will adopt the necessary actions to remedy said indicators.

Meanwhile, the Group has already proceeded with a series of actions so as to improve its liquidity. Specifically, the Group companies that are affiliated with EOPYY have already transferred a significant part of the claw-back and rebate cost recorded in the financial statements to third parties. Furthermore, capitalizing on its leading position in the sector, the Group has been solidifying its trade partnerships, striving to ensure additional working capital. In addition, HYGEIA Group is considered a very credible institution both by the Banks and by its suppliers, due to its dynamic and dominant course in the Greek market. It also has significant bargaining power compared to its competitors due to the large volume of orders it places and its established position in the market. The Group Management is constantly evaluating the current situation and its possible future impact, proceeding with all the necessary actions on time so as to minimize any potential effects on the Group activities.

Furthermore, in order to ensure that the going concern assumption is just as appropriate in the context of the current developments in the Greek economy, the Group Management examined the risks associated with the macroeconomic and business environment in Greece and their potential impact on the Group activities.

6. Credit Risk

The Group and the Company apply a specific credit policy, which is based on monitoring the credit rating of its clients and successfully managing its receivables before they become overdue, as well as once they become doubtful. To monitor credit risk, clients are grouped based on the category they belong to, their credit nature, the maturing of their receivables and any other prior collection issues they may have exhibited. Clients considered doubtful are reassessed on each date the financial statements are prepared and a relevant impairment provision is formed for any loss that may possibly arise from the statements.

The Group is constantly monitoring its receivables, either separately or jointly, and includes that information in credit controls. The Group receivables derive from social security funds, insurance bodies, insurance companies and private clients. The Group and the Company focus their policy on partnerships with credible insurance companies that have a high credit rating both in the domestic and the international market.

The most likely credit risk is mainly associated with the high outstanding balances owed by social security funds for previous years; with uninsured private clients; or with insured patients for the additional amount not covered by their insurer. Suitable provisions have been recognized for losses arising from impairment of receivables due to specific credit risks and extraordinary events.

The impairment provision mainly pertains to private clients and includes:

a) forming a specific and adequate provision for any clients labeled as doubtful,

b) proceeding with impairment for any clients with outstanding balances based on the maturing of said balances,

c) forming a provision based on the increased bad debt risk rate due to the conditions of the wider environment, taking into account the reduced liquidity and limited access of clients to bank financing.

For cash and cash equivalents, the Group only transacts with recognized high credit-rating financial institutions.

(E) TRANSACTIONS WITH RELATED PARTIES

This part includes the most important transactions and balances between the Company and its related parties, as specified in IAS 24.

Significant Transactions between the Company and Related Companies

The most important transactions between the Company and its related parties during the period were the following:

- Purchases made by DTCA HYGEIA SA from subsidiary Y-Logimed amounting to approximately €9.5m for the provision of medical supplies and special materials.
- Services offered by DTCA HYGEIA SA to subsidiary MITERA SA amounting to approximately €1.11m, mainly for the provision of lab tests.

Marfin Investment Group (MIG) constitutes a related party to the Company, due to the existing holding relationship as well as the common members on the BoDs of the companies, and the same applies for Piraeus Bank due to its participation in MIG's share capital.

Marousi, September 20th, 2016

By order of the Board of Directors

Andreas Kartapanis
CEO

D. Condensed Interim Company and Consolidated Financial Statements for the six-month period ended June 30th, 2016

The Condensed Half-yearly Financial Statements attached herein, which pertain to the period 01/01/2016-30/06/2016, were approved by the BoD of the DIAGNOSTIC AND THERAPEUTIC CENTER OF ATHENS HYGEIA SOCIETE ANONYME (hereinafter DTCA HYGEIA SA) on September 20th, 2016 and have been posted on the internet, on the website www.hygeia.gr, where they will be available to investors for at least ten (10) years from the date they were prepared and released.

Note that the condensed financial data and information published in the Press seek to provide the reader with a general overview of the Company's financial situation and results, but do not provide a complete overview of the financial position, performance and cash flows of the Company and the Group, in accordance with the International Financial Reporting Standards.

1) Condensed Financial Position Statement as at June 30th, 2016

Amounts in € '000		GROUP		COMPANY	
	Note	30/6/2016	31/12/2015	30/6/2016	31/12/2015
ASSETS					
Non-Current Assets					
Tangible assets	8	178,539	183,922	75,776	79,025
Goodwill		82,706	82,706	0	0
Intangible assets	9	70,776	72,270	1,477	1,562
Investments in subsidiaries	10	0	0	155,421	154,806
Investment in properties		150	151	150	151
Other non current assets		971	940	400	417
Deferred tax asset		12,707	12,643	7,871	7,741
Total		**345,849**	**352,632**	**241,095**	**243,702**
Current Assets					
Inventories		5,638	5,752	1,264	1,446
Trade and other receivables	11	82,232	63,577	55,238	41,709
Other current assets		7,067	7,289	3,783	4,260
Trading portfolio and financial assets measured at fair value through P&L		45	45	0	0
Cash and cash equivalents	12	4,265	14,241	2,643	8,690
Total		**99,247**	**90,904**	**62,928**	**56,105**
Total Assets		**445,096**	**443,536**	**304,023**	**299,807**
EQUITY AND LIABILITIES					
Equity					
Share capital	13	125,350	125,350	125,350	125,350
Share premium		303,112	303,112	303,112	303,112
Other reserves		5,146	5,158	5,134	5,134
Retained earnings		(311,001)	(315,285)	(284,551)	(291,065)
Equity attributable to parent's shareholders		**122,607**	**118,335**	**149,045**	**142,531**
Non-controlling interests		1,388	1,405		
Total Equity		**123,995**	**119,740**	**149,045**	**142,531**
Non-current liabilities					
Deferred tax liability		35,275	36,229	7,701	8,301
Accrued pension and retirement obligations		15,567	14,955	9,472	9,019
Government grants		175	175	0	0
Long-term borrowings	14	1,705	427	1,250	0
Non-Current Provisions		11,532	12,458	2,289	2,289
Other long-term liabilities		623	1,049	283	305
Total		**64,877**	**65,293**	**20,995**	**19,914**
Current Liabilities					
Trade and other payables	15	75,986	79,273	31,399	35,037
Tax payable		954	21	0	0
Short-term debt	14	158,590	159,391	93,865	94,519
Other current liabilities		20,694	19,818	8,719	7,806
Total		**256,224**	**258,503**	**133,983**	**137,362**
Total liabilities		**321,101**	**323,796**	**154,978**	**157,276**
Total Equity and Liabilities		**445,096**	**443,536**	**304,023**	**299,807**

The attached notes form an integral part of the condensed half-yearly interim Financial Statements.

2) Condensed Comprehensive Income Statement for the six-month period ended June 30th, 2016

Amounts in € '000		GROUP		COMPANY	
	Note	**1/1-30/6/2016**	**1/1-30/6/2015**	**1/1-30/6/2016**	**1/1-30/6/2015**
Continuing operations					
Sales	16	116,669	114,524	64,458	64,496
Cost of sales		(96,262)	(101,534)	(51,955)	(57,689)
Gross profit		**20,407**	**12,990**	**12,503**	**6,807**
Administrative expenses		(9,967)	(10,943)	(2,778)	(3,258)
Distribution expenses		(2,384)	(2,632)	(692)	(881)
Other income		1,642	3,458	386	2,236
Other expenses		(461)	(798)	(158)	(58)
Operating profit		**9,237**	**2,075**	**9,261**	**4,846**
Other financial results		(489)	(188)	(401)	(3,994)
Finance costs		(5,405)	(5,381)	(3,082)	(3,180)
Financial income		4	797	1	365
Income from dividends		0	0	6	29
Profit before income tax		**3,347**	**(2,697)**	**5,784**	**(1,934)**
Income tax	17	922	932	730	657
Net profit for the period		**4,269**	**(1,765)**	**6,514**	**(1,277)**
Attributable to:					
Owners of the parent		4,284	(1,723)		
Non-controlling interests		(15)	(42)		
Profit before tax, interest and depreciation		18,239	11,884	13,679	9,387
Profit before tax, interest and depreciation (Circ. 34)		18,251	11,904	13,699	9,391

Statement of Comprehensive Income

Amounts in € '000		**1/1-30/6/2016**	**1/1-30/6/2015**	**1/1-30/6/2016**	**1/1-30/6/2015**
Net profit for the period		**4,269**	**(1,765)**	**6,514**	**(1,277)**
Amounts that may be reclassified in the Income Statement					
Exchange differences on translating foreign operations		(12)	(12)	0	0
Other comprehensive income for the period after tax		**(12)**	**(12)**	**0**	**0**
Total comprehensive income for the period after tax		**4,257**	**(1,777)**	**6,514**	**(1,277)**
Attributable to:					
Owners of the parent		4,272	(1,735)		
Non-controlling interests		(15)	(42)		
Earnings per share					
Basic earnings per share	21	**0.0140**	**(0.0056)**	**0.0213**	**(0.0042)**

The attached notes form an integral part of the condensed half-yearly interim Financial Statements.

3) Condensed Changes in Equity Statement for the six-month period ended June 30th, 2016

GROUP

Amounts in € '000	Number of shares	Share capital	Share premium	Other reserves	Retained earnings	Total equity attributable to owners of the parent	Minority interests	Total Equity
Balance as of 1/1/2015	**305,732,436**	**125,350**	**303,112**	**4,907**	**(289,698)**	**143,671**	**2,558**	**146,229**
Icrease/(decrease) of non-controlling interests in subsidiaries		0	0	0	901	901	(901)	0
Dividends to non controlling interests		0	0	0	0	0	(13)	(13)
Transactions with owners	**0**	**0**	**0**	**0**	**901**	**901**	**(914)**	**(13)**
Profit for the period		**0**	**0**	**0**	**(1,723)**	**(1,723)**	**(42)**	**(1,765)**
Other comprehensive income:								
Exchange differences on translation of foreign operations		0	0	(12)	0	(12)	0	(12)
Other comprehensive income after tax		**0**	**0**	**(12)**	**0**	**(12)**	**0**	**(12)**
Total comprehensive income for the period after tax	**0**	**0**	**0**	**(12)**	**(1,723)**	**(1,735)**	**(42)**	**(1,777)**
Balance as of 30/6/2015	**305,732,436**	**125,350**	**303,112**	**4,895**	**(290,520)**	**142,837**	**1,602**	**144,439**
Balance as of 1/1/2016	**305,732,436**	**125,350**	**303,112**	**5,158**	**(315,285)**	**118,335**	**1,405**	**119,740**
Dividends to non controlling interests		0	0	0	0	0	(2)	(2)
Transactions with owners	**0**	**0**	**0**	**0**	**0**	**0**	**(2)**	**(2)**
Profit for the period		**0**	**0**	**0**	**4,284**	**4,284**	**(15)**	**4,269**
Other comprehensive income:								
Exchange differences on translation of foreign operations		0	0	(12)	0	(12)	0	(12)
Other comprehensive income after tax		**0**	**0**	**(12)**	**0**	**(12)**	**0**	**(12)**
Total comprehensive income for the period after tax		**0**	**0**	**(12)**	**4,284**	**4,272**	**(15)**	**4,257**
Balance as of 30/6/2016	**305,732,436**	**125,350**	**303,112**	**5,146**	**(311,001)**	**122,607**	**1,388**	**123,995**

COMPANY

Amounts in € '000	Number of shares	Share capital	Share premium	Other reserves	Retained earnings	Total equity attributable to owners of the parent	Total Equity
Balance as of 1/1/2015	**305,732,436**	**125,350**	**303,112**	**5,134**	**(246,796)**	**186,800**	**186,800**
Profit for the period		**0**	**0**	**0**	**(1,277)**	**(1,277)**	**(1,277)**
Other comprehensive income:							
Other comprehensive income after tax		**0**	**0**	**0**	**0**	**0**	**0**
Total comprehensive income for the period after tax		**0**	**0**	**0**	**(1,277)**	**(1,277)**	**(1,277)**
Balance as of 30/6/2015	**305,732,436**	**125,350**	**303,112**	**5,134**	**(248,073)**	**185,522**	**185,523**
Balance as of 1/1/2016	**305,732,436**	**125,350**	**303,112**	**5,134**	**(291,065)**	**142,531**	**142,531**
Profit for the period		**0**	**0**	**0**	**6,514**	**6,514**	**6,514**
Other comprehensive income:							
Other comprehensive income after tax		**0**	**0**	**0**	**0**	**0**	**0**
Total comprehensive income for the period after tax		**0**	**0**	**0**	**6,514**	**6,514**	**6,514**
Balance as of 30/6/2016	**305,732,436**	**125,350**	**303,112**	**5,134**	**(284,551)**	**149,045**	**149,045**

The attached notes form an integral part of the condensed half-yearly interim Financial Statements.

4) Condensed Cash Flow Statement for the six-month period ended June 30th, 2016

		GROUP		COMPANY	
Amounts in € '000	**Note**	**30/6/2016**	**30/6/2015**	**30/6/2016**	**30/6/2015**
Cash flows from operating activities					
Profit (loss) before taxation from continuing operation		**3,347**	**(2,697)**	**5,784**	**(1,934)**
Adjustments for:					
Depreciation		9,002	9,809	4,418	4,541
Changes in pension obligations		710	631	453	429
Provisions		2,385	3,180	1,587	1,504
Impairment losses for loans and other investments		0	0	0	4,000
Unrealized Exchange gains		(8)	(37)	(1)	(6)
Unrealized Exchange losses		40	50	2	0
(Profit) loss on sale of property, plant and equipment		12	31	20	4
Income from reversal of prior year's provisions		(70)	(117)	0	(114)
Proft / Loss from fair value valuation of financial assets at fair value through profit and loss		457	175	400	0
Grants amortization		0	(11)	0	0
Non-cash compensation expense		0	113	0	0
Interest and similar income		(4)	(797)	(1)	(365)
Interest similar expenses		5,335	5,311	3,082	3,182
Dividends		0	0	(6)	(29)
Total Adjustments		**17,859**	**18,338**	**9,954**	**13,146**
Cash flows from operating activities before working capital changes		**21,206**	**15,641**	**15,738**	**11,212**
Changes in Working Capital					
(Increase) / Decrease in inventories		85	(83)	182	49
(Increase)/Decrease in trade receivables		(20,750)	(20,817)	(15,516)	(12,362)
(Increase)/Decrease in other receivables		(310)	(291)	(26)	(111)
Increase / (Decrease) in liabilities (excluding banks		(3,757)	15,974	(3,221)	9,525
		(24,732)	***(5,217)***	***(18,581)***	***(2,899)***
Cash flows operating activities		**(3,526)**	**10,424**	**(2,843)**	**8,313**
Interest paid		(4,606)	(4,321)	(2,609)	(2,635)
Net Cash flows operating activities		**(8,132)**	**6,103**	**(5,452)**	**5,678**
Cash flows from investing activities					
Purchase of property, plant and equipment	8	(1,541)	(2,422)	(764)	(1,137)
Purchase of intagible assets	9	(658)	(892)	(356)	(381)
Proceeds from disposal of property, plant and equipment		23	260	18	36
Increase in capital and additional paid-in capital of subsidiaries		0	0	0	(3,410)
Dividends received		0	0	6	29
Interest received		1	4	1	4
Investments in subsidiaries		0	0	0	(1,101)
Net Cash flow from investing activities		**(2,175)**	**(3,050)**	**(1,095)**	**(5,960)**
Cash flow from financing activities					
Proceeds from borrowings		2,619	549	2,500	0
Payments for borrowings		(2,176)	(3,890)	(2,000)	0
Dividends paid to non-controlling interests		(2)	(13)	0	0
Payment of finance lease liabilities		(104)	(199)	0	0
Net Cash flow financing activities		**337**	**(3,553)**	**500**	**0**
Net (decrease) / increase in cash and cash equivalents		**(9,970)**	**(500)**	**(6,047)**	**(282)**
Cash and cash equivalents at beginning of the period from continuing operations		14,241	8,612	8,690	5,588
Exchange differences in cash and cash equivalents from continuing operations		(6)	21	0	0
Net cash and cash equivalents at the end of the period from continuing operations		**4,265**	**8,133**	**2,643**	**5,306**

The attached notes form an integral part of the condensed half-yearly interim Financial Statements.

E. Notes on the condensed half-yearly interim Financial Statements for the period ended June 30th, 2016

1. General Information about the Group

HYGEIA SA was founded in 1970 by physicians, the majority of whom were professors at the University of Athens, and has since been active in the provision of primary and secondary healthcare services.

The Company is housed in a private building situated on the corner of 4 Erythrou Stavrou Street and Kifisias Avenue in Marousi, Attica. The HYGEIA Group corporate headquarters are located on the corner of 21 Ippokratous Street and Erythrou Stavrou Street, Marousi, 151 23 Attica. The Company website is www.hygeia.gr and its shares are listed on the Athens Stock Exchange.

In January 2006, MARFIN INVESTMENT GROUP (MIG) gained control of the Company and within the next few months, it launched a series of investment initiatives (acquisitions, mergers and the establishment of new companies), with the strategic objective being to create the largest group of integrated healthcare services in Southeast Europe. On 30/06/2016, HYGEIA Group was present in 2 Southeast European countries, owning a total of 4 private hospitals in Greece and Albania, with a total capacity of 1,219 licensed beds, 55 operating rooms, 19 delivery rooms and 10 ICUs, and employing approximately 3,100 people and over 3,800 associate physicians. Note that the Group's activities are not subject to significant seasonality between six-monthly periods.

The Company’s portfolio includes the following hospitals: DTCA HYGEIA; MITERA General, Maternity, Gynecological & Children's Hospital; LETO Maternity Hospital; and HYGEIA Hospital Tirana.

HYGEIA Group is active in the area of primary healthcare through the AlfaLab Molecular Biology & Cytogenetics Center, and diagnostic centers HYGEIANET Athens and HYGEIANET Peristeri.

HYGEIA Group also owns a company trading in special materials, consumables, pharmaceuticals and general medical supplies (Y-LOGIMED SA).

As of May 2013, HYGEIA Group is active in the area of research, production and trading of cosmetics through the incorporation of company BEATIFIC Research, Production and Trading of Cosmetics SA.

HYGEIA SA offers its services to private individuals as well as patients seeking top-quality healthcare services through their social security funds and insurance companies. Throughout its history, and adhering to the principles of sustainable development, the Group has been endeavoring to combine top-level healthcare services, with a deep sense of respect for people, society and the environment.

HYGEIA Group is a subsidiary of **MARFIN INVESTMENT GROUP SA (MIG)**.

On 30/06/2016, HYGEIA SA employed a total of 1,307 people, as opposed to 1,338 on 30/06/2015, while the Group employed a total of 3,193 people, as opposed to 3,141 on 30/06/2015.

2. Structure and Activities of the Group Companies

The Group companies included in the consolidated financial statements are as follows:

No.	Company Name	Registered in	Activity	Holding %	Consolidation Method	Holding R/ship	Unaudited Fiscal Years
1	**DTCA HYGEIA SA**	**Greece**	**Healthcare services**		**PARENT COMPANY**		**2009-2015**
	HYGEIA Subsidiaries						
2	MITERA SA	Greece	Healthcare services	99.49%	Full consolidation	Direct & Indirect	2011-2015
3	MITERA HOLDINGS SA	Greece	Holdings in MITERA SA	100.00%	Full consolidation	Direct	2010-2015
4	LETO SA	Greece	Healthcare services	93.65%	Full consolidation	Indirect	2010-2015
5	LETO HOLDINGS SA	Greece	Holdings in LETO SA	88.17%	Full consolidation	Indirect	2010-2015
6	ALFALAB SA	Greece	Healthcare services	93.65%	Full consolidation	Indirect	2010-2015
7	LETO LAB SA	Greece	Healthcare services	89.19%	Full consolidation	Indirect	2010-2015
8	HYGEIA HOSPITAL TIRANA ShA	Albania	Healthcare services	100.00%	Full consolidation	Direct	-
9	Y-LOGIMED SA	Greece	Import, trading and supply of medical technology products	100.00%	Full consolidation	Direct	2010-2015
10	Y-PHARMA SA	Greece	Trading of pharmaceuticals and general medical supplies	85.00%	Full consolidation	Direct	2010-2015
11	ANIZ SA	Greece	Operation of canteens and restaurants	70.00%	Full consolidation	Direct	2010-2015
12	BIO-CHECK INTERNATIONAL PRIVATE CLINIC SA	Greece	Healthcare services	100.00%	Full consolidation	Indirect	2010-2015
13	WEST ATHENS PRIMARY MEDICINE PRIVATE CLINIC	Greece	Healthcare services	100.00%	Full consolidation	Indirect	2010-2015
14	BEATIFIC SA	Greece	Research, production and trading of cosmetics	100.00%	Full consolidation	Direct	2014-2015

3. Framework for Preparing the Company and Consolidated Financial Statements

The attached condensed interim Group and Company Financial Statements dated June 30th, 2016, which cover the period from January 1st, 2016 to June 30th, 2016, have been prepared based on the principle of historical cost, as amended after readjustment of certain assets at fair value, and on the principle of going concern, after taking into account the information in Note 22.1.

The attached condensed interim financial statements for the Group and Company are in line with the International Financial Reporting Standards (IRFS), issued by the International Accounting Standards Board (IASB), as well as the Interpretations issued by the IFRS Interpretations Committee (IFRIC) of the IASB, and particularly, they are in line with IAS 34 regarding interim financial statements.

The condensed interim financial statements do not include all the information and notes required for the annual financial statements and must be studied in combination with the Group and Company Financial Statements dated December 31st, 2015.

The preparation of the financial statements in accordance with the IFRS requires that the Company Management makes estimates and judgments when implementing the accounting principles. Significant assumptions regarding the implementation of the Group accounting methods are highlighted wherever deemed necessary. The estimates and judgments made by the Management are evaluated continuously and are based on empirical data and other factors, including expectations for future events which are considered possible under reasonable circumstances. The accounting estimates and judgments have not changed compared to the corresponding ones made on 31/12/2015, while they do not include extraordinary events that would require further disclosures in relation to the annual Financial Statements.

The Company and Group business activities do not demonstrate significant seasonality.

The presentation currency of the financial statements is the euro.

Discrepancies between the amounts in the Financial Statements and the corresponding amounts in the Notes are a result of rounding off.

The accounting policies used to prepare the Financial Statements are consistent with those that were used to prepare the annual Financial Statements for the fiscal year ended 31/12/2015, apart from the changes in Standards and Interpretations effective as of 01/01/2016, as presented in the next paragraph.

4. Changes in Accounting Principles

4.1 New Standards, Interpretations, Revisions and Amendments to the Existing Standards in Effect and Adopted by the EU

The following amendments of the IFRS were published by the International Accounting Standards Board (IASB), have been adopted by the EU and their application is mandatory as of 01/01/2016 or thereafter.

- **Amendments to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations" (applicable to annual accounting periods commencing on or after 01/01/2016)**

In May 2014, the IASB issued amendments to IFRS 11. These amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions. These amendments do not have an impact on the consolidated Financial Statements.

- **Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortization" (applicable to annual accounting periods commencing on or after 01/01/2016)**

In May 2014, the IASB issued amendments to IAS 16 and IAS 38. IAS 16 and IAS 38 both establish the principle for the basis of depreciation and amortization as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. These amendments do not have an impact on the consolidated Financial Statements.

- **Amendments to IAS 16 and IAS 41 "Agriculture: Bearer Plants" (applicable to annual accounting periods commencing on or after 01/01/2016)**

In June 2014, the IASB issued amendments that change the financial reporting for bearer plants. With this amendment, it was decided that bearer plants will be accounted for in the same way as tangible assets (IAS 16). Therefore, said amendments bring bearer plants from the scope of IAS 41 into the scope of IAS 16. Produce growing on bearer plants continues to be accounted for under IAS 41. These amendments do not have an impact on the consolidated Financial Statements.

- **Amendments to IAS 27 "Equity Method in Separate Financial Statements" (applicable to annual accounting periods commencing on or after 01/01/2016)**

In August 2014, the IASB issued narrow-scope amendments to IAS 27. These amendments allows an entity to recognize investments in subsidiaries, joint ventures and associates in the separate financial statements of the investor based on the equity method, which did not apply up until the specific amendments were issued. These amendments do not have an impact on the consolidated Financial Statements.

- **Annual Improvements to IFRSs 2012-2014 Cycle (applicable to annual accounting periods commencing on or after 01/01/2016)**

In September 2014, the IASB issued the "Annual Improvements to IFRS 2012-2014 Cycle", which incorporate a series of adjustments to 4 IFRSs and form part of the annual improvements of the IFRS. The amendments are applicable to annual accounting periods commencing on or after January 1st, 2016, although entities may implement them earlier. The issues in this Cycle include: **IFRS 5**: Changes in methods of disposal, **IFRS 7**: Servicing contracts & applicability of the amendments to IFRS 7 to condensed interim financial statements, **IAS 19**: Discount rate: regional market issue, and **IAS 34**: Disclosure of information elsewhere in the interim financial report. These amendments do not have an impact on the consolidated Financial Statements.

- **Amendments to IAS 1 "Disclosure Initiative" (applicable to annual accounting periods commencing on or after 01/01/2016)**

In December 2014, the IASB issued amendments to IAS 1. These amendments address some of the concerns expressed about existing presentation and disclosure requirements and ensure that entities are able to use judgment when preparing Financial Statements. These amendments have an impact on the consolidated Financial Statements, which is not deemed significant.

4.2 New Standards, Interpretations, Revisions and Amendments to the Existing Standards not yet in Effect or not Approved by the EU

The following new Standards and amendments to Standards have been published by the IASB, but either they are not in effect yet or they have not been approved yet by the EU.

- **IFRS 14 "Regulatory Deferral Accounts" (applicable to annual accounting periods commencing on or after 01/01/2016)**

In January 2014, the IASB issued a new Standard, IFRS 14. The aim of this interim Standard is to enhance comparability with the financial statements of rate-regulated entities. In many countries, certain sectors are subject to a special regulation, whereby governments regulate the supply and pricing of particular types of activity by private entities. The Group will examine the impact of all these on its Financial Statements, although an impact is not expected. These have not been approved yet by the EU, awaiting the final version of the Standard.

- **IFRS 15 "Revenue from Contracts with Customers" (applicable to annual accounting periods commencing on or after 01/01/2018)**

In May 2014, the IASB issued a new Standard, IFRS 15. This Standard is fully converged to the requirements for the recognition of revenue in both IFRS and the US Generally Accepted Accounting Principles (US GAAP). Said Standard is based on key principles that are generally consistent with current practice. The new Standard is expected to improve financial reporting, by establishing a more robust framework for addressing revenue recognition issues, improving comparability across industries and capital markets, providing additional information and reducing the complexity of accounting for contract costs. The new Standard replaces IAS 18 "Revenue" and IAS 11 "Construction Contracts", as well as certain Interpretations on revenue. The Group will examine the impact of all these on its Financial Statements**.** These have not yet been adopted by the EU.

- **IFRS 9 "Financial Instruments" (applicable to annual accounting periods commencing on or after 01/01/2018)**

In July 2014, the IASB issued the final version of IFRS 9. The improvements introduced by the new Standard include a logical model for classification and measurement, a single, forward-looking expected loss impairment model and a substantially-reformed approach to hedge accounting. The Group will examine the impact of all these on its Financial Statements**.** These have not yet been adopted by the EU.

- **Amendments to IFRS 10 and IAS 28 "Sales or Contributions of Assets Between an Investor and its Associate/Joint Venture" (the IASB decided to defer indefinitely the effective date of these amendments)**

In September 2014, the IASB issued narrow-scope amendments to IAS 10 and IAS 28. The aim of these amendments is to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. In December 2015, the IASB deferred the effective date of these amendments indefinitely, awaiting the results of the research project on equity accounting. The Group will examine the impact of all these on its Financial Statements**.** These have not yet been adopted by the EU.

- **Amendments to IFRS 10, IFRS 12 and IAS 28 "Investment Entities: Applying the Consolidation Exception" (applicable to annual accounting periods commencing on or after 01/01/2016)**

In December 2014, the IASB issued narrow-scope amendments to IFRS 10, IFRS 12 and IAS 28. These amendments introduce clarifications to the requirements when accounting for investment entities, while they also provide relief in particular circumstances, which will reduce the costs of applying the Standards. The Group will examine the impact of all these on its Financial Statements, although an impact is not expected. These have not yet been adopted by the EU.

- **IFRS 16 "Leases" (applicable to annual accounting periods commencing on or after 01/01/2019)**

In January 2016, the IASB issued a new Standard, IFRS 16. The aim of the IASB is to develop a new Standard that sets out the principles to be implemented by both parties to a contract – i.e. the customer ("lessee") and the supplier ("lessor") – for disclosure of leases in a manner that faithfully reflects such transactions. To achieve this, the lessee must recognize the assets and liabilities stemming from the lease. The Group will examine the impact of all these on its Financial Statements**.** These have not yet been adopted by the EU.

- **Amendments to IAS 12 "Deferred Tax: Recognition of Deferred Tax Assets for Unrealized Losses" (applicable to annual accounting periods commencing on or after 01/01/2017)**

In January 2016, the IASB issued narrow-scope amendments to IAS 12. These amendments on the recognition of deferred tax assets for unrealized losses clarify how to account for deferred tax assets related to debt instruments measured at fair value. The Group will examine the impact of all these on its Financial Statements**.** These have not yet been adopted by the EU.

- **Amendments to IAS 7 "Disclosure Initiative" (applicable to annual accounting periods commencing on or after 01/01/2017)**

In January 2016, the IASB issued narrow-scope amendments to IAS 7. The aim of these amendments is to enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments require entities to provide disclosures, enabling investors to evaluate changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes. The Group will examine the impact of all these on its Financial Statements**.** These have not yet been adopted by the EU.

- **Clarifications to IFRS 15 "Revenue from Contracts with Customers" (applicable to annual accounting periods commencing on or after 01/01/2018)**

In April 2016, the IASB issued clarifications to IFRS 15. The amendments to IFRS 15 do not change the underlying principles of the Standard, but rather clarify how the principles should be applied. The amendments clarify how to identify a performance obligation in a contract, how to determine whether a company is a principal or an agent and how to determine whether the revenue from granting a license should be recognized at a point in time or over time. The Group will examine the impact of all these on its Financial Statements. These have not yet been adopted by the EU.

- **Amendment to IFRS 2 "Classification and Measurement of Share-Based Payment Transactions" (applicable to annual accounting periods commencing on or after 01/01/2018)**

In June 2016, the IASB issued a narrow-scope amendment to IFRS 2. The aim of this amendment is to clarify how to account for certain types of share-based payment transactions. Specifically, the amendment provides requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The Group will examine the impact of all these on its Financial Statements. These have not yet been adopted by the EU.

5. Accounting Estimates and Assumptions

The preparation of the financial statements in accordance with the IFRS requires that the Company Management makes estimates and judgments when implementing the accounting principles. Significant assumptions regarding the implementation of the Group accounting methods are highlighted wherever deemed necessary. The estimates and judgments made by the Management are evaluated continuously and are based on empirical data and other factors, including expectations for future events which are considered possible under reasonable circumstances. In preparing the condensed interim company and consolidated Financial Statements, the significant accounting estimates and assumptions adopted by the Management for applying the Group accounting policies, as well as the main sources of uncertainly affecting the estimates, were the same as those that had been adopted when preparing the annual Financial Statements for the fiscal year ended on December 31st, 2015, with the exception of the issues mentioned in paragraph 22 with regard to the impact of the recent political developments on the Greek economy and the Group's scope of activities, while they do not include extraordinary events that would require further disclosures in relation to the annual Financial Statements.

6. Operating Segments

The Group implements IFRS 8 "Operating Segments", which stipulates that the operating segments are defined based on the "management approach" and requires that external reporting is based on the same principles as internal reporting. The Company BoD is considered the main business decision-maker and has identified two operating segments for the Group activities. In particular, the Group is active in the healthcare services sector – and specifically the provision of diagnostic and medical services – and the medical supplies, pharmaceuticals and special materials trading sector, mainly in Greece, but also abroad. The required reporting per operating segment is outlined below.

The income, earnings, assets and liabilities per operating segment are as follows:

Segment Results as of 30/6/2016

Amounts in € '000

Sales	**Healthcare Sector**	**Commercial Sector**	**Total from continuing operations**	**Total**
- to external customers	113,698	2,971	116,669	116,669
- intercompany sales	1,938	13,796	15,734	15,734
Net Sales	**115,636**	**16,767**	**132,403**	**132,403**
Depreciation	(8,964)	(38)	**(9,002)**	**(9,002)**
Financial Income	1	3	**4**	**4**
Financial Expense	(5,369)	(36)	**(5,405)**	**(5,405)**
Gains / (Losses) before taxes for the period	4,457	(1,110)	**3,347**	**3,347**
Total Assets as at 30/6/2016	493,287	43,946	**537,233**	**537,233**

Segment Results as of 30/6/2015

Amounts in € '000

Sales	**Healthcare Sector**	**Commercial Sector**	**Total from continuing operations**	**Total**
- to external customers	111,805	2,719	114,524	114,524
- intercompany sales	2,037	14,118	16,155	16,155
Net Sales	**113,842**	**16,837**	**130,679**	**130,679**
Depreciation	(9,765)	(44)	**(9,809)**	**(9,809)**
Financial Income	795	2	**797**	**797**
Financial Expense	(5,345)	(36)	**(5,381)**	**(5,381)**
Gains / (Losses) before taxes for the period	(2,150)	(547)	**(2,697)**	**(2,697)**
Total Assets as at 30/6/2015	547,066	46,645	**593,711**	**593,711**

Group sales and assets based on geographical distribution are as follows:

Geographical Segments

	30/6/2016		**30/6/2015**	
Amounts in € '000	**Sales**	**Total Assets**	**Sales**	**Total Assets**
Greece	122,293	497,855	121,783	552,503
Other countries	10,110	39,378	8,896	41,208
Total	**132,403**	**537,233**	**130,679**	**593,711**

The total amounts corresponding to the Group operating segments reconcile with the main items in the Financial Statements as follows:

Reconciliation Table

Amounts in € '000

Segment Sales	**30/6/2016**	**30/6/2015**
Total Segment Sales	132,403	130,679
Eliminations of intercompany sales	(15,734)	(16,155)
Total	**116,669**	**114,524**

Gains / (Losses)	**30/6/2016**	**30/6/2015**
Total Gains / (Losses) of Segment	3,347	(2,697)
Gains / (Losses) before taxes	**3,347**	**(2,697)**

Total Assets	**30/6/2016**	**30/6/2015**
Total segment assets from continuing operations	537,233	593,711
Eliminations of intercompany assets	(92,137)	(150,175)
	445,096	**443,536**

7. Obligations under Article 100 of Law 4172/2013

In accordance with Article 100 of Law 4172/2013, the following have come into effect since June 2013:
a) An automatic claw-back mechanism for any expenses incurred relating to hospitalization, diagnostic tests and physiotherapy. Based on this mechanism, the monthly National Organization for Healthcare (EOPYY) expenses for diagnostic tests, hospitalization and physiotherapy offered by affiliated private healthcare providers must not exceed 1/12 of the approved credit funds of the EOPYY budget. The excess amount claimed on the part of EOPYY from the affiliated providers of the aforementioned private healthcare services is calculated on a semi-annual basis and must be deposited in a bank account indicated by EOPYY within one month from the date the written personal notification was issued. If said deadline expires without the payment having been made, the EOPYY BoD may terminate the contract between EOPYY and the affiliated provider automatically and without payment of compensation until such time as the total amount due has been paid with interest by the provider or has been collected in accordance with the provisions of the Public Revenue Collection Code (KEDE). The monthly invoice submitted to EOPYY by the affiliated provider for the healthcare services rendered to people insured with the national insurer for the corresponding period is used to calculate the claw-back amount corresponding to each affiliated provider per month. Expenses submitted to EOPYY 20 days after the end of each month are neither recognized nor paid by EOPYY. The total claw-back amount is calculated semi-annually, by calculating the difference between the budgeted and the actual expense arising from the amount claimed by the provider, once any rebate and other expenses unacceptable at the time of calculation have been subtracted.
b) A percentage over the amounts owed by EOPYY to affiliated private healthcare providers for hospitalization, diagnostic tests and physiotherapies for people insured with EOPYY, payable to the Organization as a rebate for each month.

The rebate amount is calculated monthly and as of 01/01/2016, it is incorporated in the invoices issued to EOPYY for services rendered.

The provisions of cases (a) and (b) above have a retroactive effect from 01/01/2013 and are valid until 31/12/2018, in accordance with Ministerial Decision Ref. No.Γ5/63587/20.8.2015.

This legislative regulation prompted private healthcare institutions to bring an action before the Hellenic Council of State, claiming that it is essentially a way of offsetting and canceling the collection of the amounts due, while free provision of services is imposed for the part exceeding the monthly EOPYY spending ceiling. Specifically, said actions were filed on 27/09/2013 and 08/11/2013, while the hearing for the writs of annulment was initially set for 26/11/2013. However, it was postponed at the request of EOPYY and the case was eventually heard on 17/12/2013, with the Hellenic Council of State decision still pending.

On 28/05/2014, 18/11/2014, 02/07/2015, 09/12/2015 and 06/04/2016, EOPYY notified via email the HYGEIA Group hospitals and clinics of the rebate and claw-back amounts corresponding to the 2013 fiscal year, the first half of 2014, and the 2015 fiscal year, which amounted to approximately €61.9m in total, VAT included. Note that, as also mentioned in said email notifications, these amounts are not final, since the procedure for settling the amounts submitted for the corresponding periods has not been finalized yet.

The Group companies affiliated with EOPYY have filed a writ before the Athens Administrative Court of Appeals against the orders issued by EOPYY on 28/05/2015, 18/11/2014, 22/05/2015, 09/12/2015 and 06/04/2016 for the automatic claw-back and rebate amounts corresponding to the 2013, 2014 and 2015 fiscal years.

Furthermore, the Ministry of Health decision notifying of the measures for auditing the expenses incurred by private hospitals was published in Government Gazette 3040/2014 on 11/11/2014. Pursuant to said decision, the total budget for General, Multidisciplinary and Specialized hospitals, excluding psychiatric clinics, was set at €235m for 2014. It also outlines the calculation method for the claw-back amount per hospital for 2014, taking into account specific quantity and quality indicators, which will arise from the 2013 review information.

To date, it has been impossible to calculate the exact budget and claw-back amounts corresponding to each Group hospital due to a) the fact that the auditing and settlement procedure for amounts submitted by the entire private healthcare sector for 2013 has not been finalized and b) the fact that EOPYY has not disclosed all the parameters (sector and hospitals separately) that would reliably lead to the exact calculation of the relevant amounts. It should also be further clarified that the final claw-back amounts for 2014 and 2015 will arise once the total amounts submitted for the aforementioned years have been audited and eventually validated by EOPYY. In all events, the Management believes that, based on the information at hand, the Company and Group results have already been burdened with adequate amounts for the entire period the claw-back and rebate measures have been in effect and any further negative change is not expected.

The Group and the Company have proceeded with calculating the claw-back and rebate amounts starting from the date the decisions took effect, thus burdening their financial results. Specifically, the Group has impaired the EOPYY receivables by the amount of €79m for the period 01/01/2013-30/06/2016, pursuant to Article 100 (5) of Law 4172/2013 (GG Vol. A 167/23.07.2013) and the relevant subsequent ministerial decisions.

Based on the claw-back and rebate notifications issued by EOPYY, the Group companies affiliated with EOPYY proceeded with issuing the corresponding return invoices for the periods 01/01/2013-30/06/2014 and 01/01/2015-31/12/2015, strictly for tax compliance purposes, pursuant to Ministerial Circular 1191/12.08.2014 and Ministerial Circular 1113/2.6.2015.

In addition, according to the contract in force, on March 18th, 2015, the affiliated auditing company notified Group hospitals HYGEIA, MITERA and LETO of the results from the administrative and medical audit of the invoices submitted to EOPYY for the period 01/01/2013-31/12/2013. Based on the notified findings, the unacceptable expenses amount to approximately €5.8m. The Group hospitals affiliated with EOPYY have already filed a complaint against these findings, in accordance with the legislation in force. Given that the amounts for unacceptable expenses cannot be finalized until the relevant final decisions for the entire sector have been issued, it is currently impossible to calculate the exact final amount of cutbacks for the aforementioned period. Note that the administrative and medical audit for the amounts submitted by all the sector hospitals to EOPYY for the 2012, 2014 and 2015 fiscal years has not commenced yet.

Pursuant to the Legislative Decree (GG Vol A/184 31.12.2015), it was decided that the effective date for existing contracts between physicians, diagnostic centers, clinics, hospitals and other providers on the one hand, and EOPYY on the other, whether they are the original ones or ones that have already been extended, be further extended until 30/06/2016. In addition, in accordance with Article 52 of Law 4410/2016 (GG 141/3.8.2016), the effective date for these contracts between EOPYY and other health providers is extended until the new contacts are concluded.

Lastly, in accordance with Article 90 of Law 4368/2016 “Measures to expedite government tasks and other provisions” (GG 21/21.2.2016), the healthcare expenses, excluding pharmacists, incurred as of 01/01/2016 and submitted to the competent EOPYY departments will be settled randomly, which in all events would not be less than 5% of the total number of supporting documents submitted by each provider for expenses incurred by insured parties, while the number of supporting documents for expenses should be at least 10. EOPYY may perform final audits and settle any unsettled amounts due by EOPYY to its providers, excluding pharmacists and National Health System hospitals, for the years 2013-2015, based on the aforementioned process. Affiliated providers who have been included in the procedure under Article 100 (6) of Law 4172/2013 (GG Vol. A/167) are excluded from this process.

8. Tangible Assets

During the closed period, the Group and the Company spent the amount of €1,541 thousand and €764 thousand respectively for the purchase of tangible assets, mainly pertaining to medical equipment, as well as restoration of existing equipment and building renovations.

9. Intangible Assets

During the closed period, the Group and the Company spent the amount of €658 thousand and €356 thousand respectively for the purchase of intangible assets, mainly pertaining to the development and purchase of computer software.

10. Investments in Subsidiaries

The change in investments in subsidiaries is due to the participation in the share capital increase of subsidiary BEATIFIC SA by €615 thousand, by decision of the Extraordinary General Meeting of company shareholders on 27/05/2016. The direct holding of HYGEIA SA in the subsidiary has not been affected following this share capital increase, as it already amounted to 100%.

11. Trade & other receivables

Group and Company trade and other receivables are outlined below:

Amounts in € '000	**GROUP**		**COMPANY**	
	30/6/2016	**31/12/2015**	**30/6/2016**	**31/12/2015**
Trade receivables	91,867	71,900	56,250	43,286
Intercompany accounts receivable	0	0	6,583	5,128
Notes receivable	20,621	19,723	14,051	13,530
Checks receivable	2,142	2,179	248	209
Less:Impairment Provisions	(32,402)	(30,265)	(21,894)	(20,444)
Net trade Receivables	**82,228**	**63,537**	**55,238**	**41,709**
Advances from suppliers	4	40	0	0
Total	**82,232**	**63,577**	**55,238**	**41,709**

The increase in third-party trade receivables is mainly due to the National Organization for Healthcare (EOPYY) delaying in making repayments to the Group companies.

Note that based on the provisions of Article 100 of Law 4172/2013 (rebate & claw-back - See Note 7), third-party trade receivables for the period 01/01/2016-30/06/2016 have been impaired by €9,278 thousand for the Group and €4,699 thousand for the Company. In total, third-party trade receivables have been impaired by €78,968 thousand for the Group and €41,617 thousand for the Company since the implementation of Article 100 of Law 4172/2013 (i.e. 01/01/2013) and up to 30/06/2016.

12. Cash & Cash Equivalents

Bank deposits bear interest at a floating rate, based on the monthly bank deposit interest rates.

The Group cash, which is currently blocked, amounted to €60 thousand on 30/06/2016 (31/12/2015: €189 thousand).

Interest income from sight and term deposits in banks was €1.25 thousand for the Group (30/06/2015: €2 thousand) and €604 for the Company (30/06/2015: €2 thousand) and are included in the accounting item "Financial Income".

13. Share Capital and Premium

The Company share capital amounts to one hundred and twenty-five million three hundred and fifty thousand two hundred and ninety-nine euros (€125,350,299) fully paid, divided into three hundred and five million seven hundred and thirty-two thousand four hundred and thirty-six (305,732,436) ordinary registered shares at a nominal value of forty-one cents (€0.41) each, all listed on the Athens Stock Exchange.

14. Loans

The Group does not have loans at fair value. It is estimated that the accounting value of borrowings is close to their fair value, since the loans have been re-financed or have undergone amendments almost to their entirety, and by extension, the discounted interest rate that would have been used to determine fair value is estimated to be similar to the interest rates that the Group is paying.

The Group's actual weighted average borrowing rates for the period ended on 30/06/2016 were 6.04% for long-term contract-based borrowings (as opposed to 6.15% in 2015) and 5.95% for short-term contract-based borrowings (as opposed to 5.92% in 2015). Accordingly, the Company's actual weighted average borrowing rates were 6.15% (as opposed to 6.28% in 2015) for long-term contract-based borrowings and 5.92% (as opposed to 6.78% in 2015) for short-term contract-based borrowings.

On 30/06/2016, the HYGEIA Group loans amounted to €160,295 thousand. Out of this amount, €158,590 thousand pertains to short-term borrowings.

With regard to the HYGEIA bond loan amounting to €92.8m, on 24/05/2016, the amount of €16.5m pertained to past-due contractual installments. For this reason, HYGEIA's total loan has been reclassified under short-term borrowings. Similarly, as for subsidiary MITERA SA's bond loan to the amount of €41.8m, on 17/05/2016, €2m pertained to past-due contractual installments.

With regard to the aforementioned loans, HYGEIA Group has already sent a letter to the associated banks requesting that for the 2016 fiscal year, the existing terms of the loan contacts with regard to repaying installments and meeting financial indicators be amended, with the aim of securing additional short-term liquidity. Furthermore, with regard to the aforementioned bond loans, HYGEIA Group is holding talks with associated banks regarding the total restructuring of said loans, including any installments due within 2016. According to the HYGEIA Group Management, the relevant restructuring agreement with lending banks is expected to be concluded within 2016.

In March 2016, subsidiary HYGEIA Hospital Tirana ShA proceeded with restructuring its total borrowing with the associated banks to the amount of €18.3m. Once the restructuring was concluded, the greatest part of the loan capital repayment installments was shifted to the termination date of the contract, while it was agreed that the financial indicators would be amended.

However, on 30/06/2016, the subsidiary was not in compliance with the financial indicators and consequently reclassified said loan to current liabilities, pursuant to the requirements of IAS 1. The Group Management will adopt the necessary actions to remedy said indicators.

15. Trade & Other Payables

Trade and other payables can be broken down as follows:

Amounts in € '000	GROUP		COMPANY	
	30/6/2016	31/12/2015	30/6/2016	31/12/2015
Suppliers	58,439	59,412	8,531	11,942
Checks Payable	3,840	4,254	2,891	3,039
Customers' Advances	3,757	3,207	1,351	552
Intercompany accounts payable	0	0	12,415	9,635
Other liabilities	9,950	12,400	6,211	9,869
Total	**75,986**	**79,273**	**31,399**	**35,037**

16. Sales

Amounts in € '000	GROUP		COMPANY	
	30/6/2016	30/6/2015	30/6/2016	30/6/2015
Sales of goods	1.827	1.764	0	0
Sales of Merchandises	2.163	1.919	0	0
Income from services provided	112.679	110.841	64.458	64.496
Total	**116.669**	**114.524**	**64.458**	**64.496**

17. Income tax

Group and Company income tax expense for the period 01/01/2016-30/06/2016 and the respective period last year can be broken down as follows:

	GROUP Continuing operations		COMPANY Continuing operations	
Amounts in € '000	**30/6/2016**	**30/6/2015**	**30/6/2016**	**30/6/2015**
Current income tax	126	662	0	0
Deferred income tax	(1,018)	(1,594)	(730)	(657)
Tax audit differences	(30)	0	0	0
Total income tax from continuing operations	**(922)**	**(932)**	**(730)**	**(657)**

In addition, the regular tax audits for the 2008, 2009 and 2010 fiscal years for subsidiary MITERA SA were concluded within the closed period. The audit attributed accounting discrepancies to the subsidiary arising from taxes and surcharges to the amount of approximately €807 thousand. Note that the subsidiary had burdened its financial statements by a corresponding amount, in the form of a provision, for the aforementioned unaudited fiscal years.

Lastly, the regular tax audit for the 2009 and 2010 fiscal years for the Company is currently under way.

18. Commitments, Contingent Liabilities and Receivables

18.1. Guarantees

Group and Company guarantees on 30/06/2016 and 31/12/2015 were as follows:

	GROUP		COMPANY	
Amounts in € '000	**30/6/2016**	**31/12/2015**	**30/6/2016**	**31/12/2015**
Guarantees				
Guarantees to third parties	48	38	0	0
Performance letters of guarantee	198	198	30	30
Guarantees for the repayment of subsidiary borrowing	36,594	37,529	36,080	37,013
Performance letters of guarantee for subsidized investment programmes	28	28	0	0
Guarantees for the participation in various tenders	2	12	2	2
Total guarantees	**36,870**	**37,805**	**36,112**	**37,045**

18.2 Encumbrances

On 30/06/2016, there were encumbrances on the tangible fixed assets against borrowing to the amount of €187.4m (2015: €198.4m) for the Group and to the amount of €116.8m (2015: €127.7m) for the Company.

18.3 Operating Lease Commitments

The Group leases vehicles, offices and warehouses through operating leases, which have different terms, adjustment clauses and rights of renewal. According to the operating lease agreements, the future minimum total rent payable is as follows:

Amounts in € '000	GROUP		COMPANY	
	30/6/2016	**31/12/2015**	**30/6/2016**	**31/12/2015**
Operating lease commitments				
Within one year	2,255	1,813	980	550
After one year but not more than five years	5,800	4,839	2,489	1,974
More than five years	780	842	247	374
Total operating lease commitments	**8,835**	**7,494**	**3,716**	**2,898**

18.4. Court cases

The Group has contingent liabilities on issues arising in the context of its usual business activities. More specifically:

Major Pending Litigation

HYGEIA

The Company (both as a defendant and as a plaintiff) is involved in various pending court cases as part of its normal operation. These also include medical malpractice cases. For the majority of said cases, the Group is covered for professional malpractice through malpractice liability policies it holds. On 30/06/2016, the Company had formed a provision of €1.6m. The Company's Management and legal advisors estimate that the pending cases, apart from the already formed provision for sub judice cases, are expected to be settled without a significant negative impact on the Company's consolidated financial position or its operating results.

MITERA

The company MITERA (both as a defendant and as a plaintiff) is involved in various pending court cases as part of its normal operation. On 30/06/2016, the company had formed a provision of €8.3m. The Company's Management and legal advisors estimate that the pending cases, apart from the already formed provision for sub judice cases, are expected to be settled without a significant negative impact on the Group's consolidated financial position or its operating results.

OTHER SUBSIDIARIES
The HYGEIA Group companies (both as a defendant and as a plaintiff) are involved in various pending court cases as part of their normal operation. On 30/06/2016, HYGEIA Group had formed provisions to the amount of €481 thousand. The Group companies' Management and legal advisors estimate that the pending cases, apart from the already formed provision for sub judice cases, are expected to be settled without a significant negative impact on the Group's consolidated financial position or their operating results.

18.5 Contingent tax liabilities

The open (unaudited) tax years for the Group companies by the competent tax authorities are outlined in Note 2.

For the 2011-2014 fiscal years, the tax audit was carried out by Grant Thornton SA. For the 2015 fiscal year, the tax audit is being carried out by Grant Thornton SA. Upon completion of the tax audit, the Group Management does not anticipate significant tax liabilities to arise, beyond the ones recorded and reflected in the financial statements.

In relation to the unaudited tax periods mentioned above, there is a possibility that additional tax and surcharges could be imposed when they are examined and finalized by the competent tax authorities. Each year, the Group assesses contingent liabilities which are expected to arise from past fiscal year audits, by forming provisions where this is deemed necessary. The Management considers that other than the formed provisions, any tax amounts which may arise will not have a major impact on the Group net position, fiscal year results and cash flows.

18.6 Other Commitments

Other commitments for the Group on 30/06/2016 and 31/12/2015 were as follows:

	GROUP	
Amounts in € '000	**30/6/2016**	**31/12/2015**
Other commitments		
Within one year	432	432
After one year but not more than five years	705	921
Total other commitments	**1,137**	**1,353**

The other commitments for the Group pertain to commitments for the purchase of medical equipment by subsidiary HYGEIA Hospital Tirana.

The Company did not have any other commitments either on 30/06/2016 or during the period being compared.

19. Transactions with Related Parties

Intercompany Transactions

The following transactions and balances are the transactions of the Group subsidiaries. These transactions among the companies included in the Group consolidated Financial Statements are crossed out during the process of full consolidation.

INTERCOMPANY PURCHASES - SALES 1/1/2016 - 30/06/2016

	BUYER	DTCA HYGEIA SA	MITERA SA	LETO SA	LETO HOLDINGS SA	ALFALAB SA	HYGEIA HOSPITAL TIRANA ShA	LETO LAB SA	Y-LOGIMED SA	Y PHARMA AE	ANIZ AE	BEATIFIC SA	BIOCHECK SA	PRIMARY MEDICINE SA	TOTAL
SELLER	DTCA HYGEIA SA	0	1,164,984	8,608	0	1,413	75,906	0	0	0	33,754	3,000	89,665	80,858	**1,458,188**
	MITERA SA	103,531	0	4,361	0	500	0	0	0	0	0	4,860	1,402	1,001	**115,655**
	LETO SA	0	0	0	966	26,400	0	630	0	0	0	0	0	0	**27,996**
	ALFALAB SA	375,149	274,901	78,150	0	0	17,060	0	0	0	0	0	10,343	1,162	**756,764**
	Y-LOGIMED SA	9,522,453	3,477,716	553,388	0	3,244	208,067	0	0	600	0	2,957	10,430	8,828	**13,787,683**
	ANIZ SA	11,842	0	0	0	0	0	0	244	0	0	0	0	0	**12,086**
	BEATIFIC SA	319	98	0	0	0	-3,720	0	0	0	0	0	0	0	**-3,303**
	BIOCHECK SA	65,361	70	0	0	0	0	0	0	0	0	0	0	0	**65,431**
	PRIMARY MEDICINE SA	62,465	0	0	0	0	0	0	0	0	0	0	0	0	**62,465**
	TOTAL	**10,141,120**	**4,917,768**	**644,507**	**966**	**31,556**	**297,313**	**630**	**244**	**600**	**33,754**	**10,817**	**111,840**	**91,849**	**16,282,965**

INTERCOMPANY PURCHASES - SALES 1.1.2015 - 30.06.2015

	BUYER	DTCA HYGEIA SA	MITERA SA	LETO SA	LETO HOLDINGS SA	ALFA LAB SA	HYGEIA HOSPITAL TIRANA SA	LETO LAB SA	Y-LOGIMED SA	Y PHARMA SA	ANIZ SA	BEATIFIC SA	BIOCHECK SA	PRIMARY MEDICINE SA	TOTAL
SELLER	DTCA HYGEIA SA	0	1,299,763	1,227	0	0	40,996	0	337	0	33,225	2,995	66,526	67,517	**1,512,586**
	MITERA SA	142,065	0	1,945	0	0	0	0	0	0	0	4,923	167	1,277	**150,377**
	LETO SA	0	0	0	948	26,400	0	612	0	0	0	0	0	0	**27,960**
	ALFA LAB SA	297,098	306,582	80,531	0	0	22,135	0	0	0	0	0	7,639	541	**714,527**
	Y-LOGIMED SA	10,185,883	2,993,951	486,462	0	3,439	412,956	0	0	600	0	3,302	8,732	60,048	**14,155,373**
	ANIZ SA	10,224	0	0	0	0	0	0	243	0	0	0	0	0	**10,467**
	BEATIFIC SA	1,007	371	0	0	0	0	0	0	0	0	0	0	0	**1,378**
	BIOCHECK SA	61,694	240	0	0	0	0	0	0	0	0	0	0	0	**61,934**
	PRIMARY MEDICINE SA	64,630	100	0	0	0	0	0	0	0	0	0	0	0	**64,730**
	TOTAL	**10,762,601**	**4,601,007**	**570,165**	**948**	**29,839**	**476,087**	**612**	**580**	**600**	**33,225**	**11,220**	**83,064**	**129,383**	**16,699,332**

INTERCOMPANY RECEIVABLES - LIABILITIES AS OF 30/06/2016

	LIABILITY	DTCA HYGEIA SA	MITERA SA	LETO SA	LETO HOLDINGS SA	ALFALAB SA	HYGEIA HOSPITAL TIRANA ShA	LETO LAB SA	Y-LOGIMED SA	BEATIFIC SA	BIOCHECK SA	PRIMARY MEDICINE SA	TOTAL
RECEIVABLES	DTCA HYGEIA SA	0	3,760,190	109,544	8,610	205,080	2,054,713	0	0	78,494	605,813	545,015	**7,367,458**
	MITERA SA	481,907	0	35,922	0	615	238,613	0	0	20,202	2,731	6,891	**786,881**
	LETO SA	2,805	0	0	9,276	60,852	0	3,520	0	259	16,814	0	**93,527**
	LETO HOLDINGS SA	0	0	260,561	0	0	0	0	0	0	0	0	**260,561**
	ALFALAB SA	37,528	168,798	147,744	0	0	50,015	0	0	0	59,793	2,084	**465,962**
	HYGEIA HOSPITAL TIRANA	32,837	0	0	0	0	0	0	0	0	0	0	**32,837**
	Y-LOGIMED SA	11,667,566	17,663,632	3,679,850	0	15,040	1,030,794	0	0	53,613	132,104	151,032	**34,393,631**
	Y-PHARMA	146,677	23,090	19,558	0	0	0	0	1,914	7,900	0	0	**199,138**
	ANIZ SA	15,817	0	0	0	0	0	0	0	0	0	0	**15,817**
	BEATIFIC SA	8,000	0	0	0	0	14,270	0	0	0	0	0	**22,270**
	BIOCHECK SA	11,431	1,239	0	0	10	0	0	0	0	0	0	**12,680**
	PRIMARY MEDICINE SA	10,265	100	0	0	0	0	0	0	0	0	0	**10,365**
	TOTAL	**12,414,833**	**21,617,050**	**4,253,179**	**17,886**	**281,597**	**3,388,405**	**3,520**	**1,914**	**160,467**	**817,256**	**705,022**	**43,661,128**

INTERCOMPANY RECEIVABLES - LIABILITIES AS OF 31/12/2015

	LIABILITY	DTCA HYGEIA SA	MITERA SA	LETO SA	LETO HOLDINGS SA	ALFALAB SA	HYGEIA HOSPITAL TIRANA ShA	LETO LAB SA	Y-LOGIMED SA	BEATIFIC SA	BIOCHECK SA	PRIMARY CARE SA	TOTAL
RECEIVABLES	DTCA HYGEIA SA	0	2,444,156	99,264	8,610	203,373	1,993,807	0	0	690,386	518,615	464,156	**6,422,366**
	MITERA SA	365,901	0	31,561	0	0	238,613	0	0	15,167	1,329	5,890	**658,461**
	LETO SA	0	0	0	8,275	33,502	0	2,867	0	259	16,814	0	**61,718**
	LETO HOLDINGS SA	0	0	88	0	0	0	0	0	0	0	0	**88**
	ALFALAB SA	41,370	155,838	79,594	0	0	47,850	0	0	0	52,204	1,463	**378,319**
	HYGEIA HOSPITAL TIRANA	32,837	0	0	0	0	0	0	0	0	0	0	**32,837**
	Y-LOGIMED SA	8,960,010	17,326,438	3,234,829	0	31,044	824,544	0	0	49,971	119,788	80,166	**30,626,790**
	Y-PHARMA	156,677	23,090	19,558	0	0	0	0	2,536	7,900	0	0	**209,760**
	ANIZ SA	11,273	0	0	0	0	0	0	0	0	0	0	**11,273**
	BEATIFIC SA	36,171	9,721	0	0	0	17,990	0	0	0	0	0	**63,882**
	BIOCHECK SA	19,610	1,169	0	0	10	0	0	0	0	0	0	**20,789**
	PRIMARY CARE SA	10,983	100	0	0	0	0	0	0	0	0	0	**11,083**
	TOTAL	**9,634,833**	**19,960,512**	**3,464,894**	**16,885**	**267,928**	**3,122,804**	**2,867**	**2,536**	**763,682**	**708,750**	**551,676**	**38,497,367**

Transactions with Related Parties

The transactions with related parties mainly relate to transactions between the HYGEIA Group companies and the companies of MIG and Piraeus Bank.

Amounts in €'000	GROUP 30/6/2016	COMPANY 30/6/2016	GROUP 30/6/2015	COMPANY 30/6/2015
Sales of goods/services				
Subsidiaries	0	1,295	0	1,434
Other related parties	780	543	795	793
Total	**780**	**1,839**	**795**	**2,228**

Amounts in € '000	GROUP 30/6/2016	COMPANY 30/6/2016	GROUP 30/6/2015	COMPANY 30/6/2015
Other income/expenses from holdings				
Subsidiaries	0	163	0	78
Other related parties	124	49	375	50
Total	**124**	**212**	**375**	**128**

Amounts in € '000	GROUP 30/6/2016	COMPANY 30/6/2016	GROUP 30/6/2015	COMPANY 30/6/2015
Purchase of goods				
Subsidiaries	0	9,523	0	10,186
Other related parties	70	0	63	0
Total	**70**	**9,523**	**63**	**10,186**

Amounts in € '000	GROUP 30/6/2016	COMPANY 30/6/2016	GROUP 30/6/2015	COMPANY 30/6/2015
Other expenses				
Subsidiaries	0	618	0	577
Other related parties	5,700	3,783	5,858	3,942
Total	**5,700**	**4,401**	**5,858**	**4,519**

Amounts in € '000	GROUP 30/6/2016	COMPANY 30/6/2016	GROUP 30/6/2015	COMPANY 30/6/2015
Purchase of tangible/ intangible assets				
Other related parties	530	376	655	476
Total	**530**	**376**	**655**	**476**

Amounts in € '000	GROUP 30/6/2016	COMPANY 30/6/2016	GROUP 31/12/2015	COMPANY 31/12/2015
Receivables				
Subsidiaries	0	7,367	0	6,422
Other related parties	3,740	2,408	11,801	7,279
Total	**3,740**	**9,775**	**11,801**	**13,701**

Amounts in € '000	GROUP 30/6/2016	COMPANY 30/6/2016	GROUP 31/12/2015	COMPANY 31/12/2015
Liabilities				
Subsidiaries	0	12,415	0	9,635
Other related parties	93,299	60,610	94,624	61,895
Total	**93,299**	**73,025**	**94,624**	**71,530**

20. Compensation Paid to Key Management and Administrative Executives

The benefits paid to Management executives at Group and Company level are outlined below:

Amounts in € '000	GROUP		COMPANY	
	30/6/2016	30/6/2015	30/6/2016	30/6/2015
Salaries & other employees benefits	1,537	1,749	685	842
Social security costs	279	318	137	160
Termination benefits	6	0	0	0
Total	**1,822**	**2,067**	**822**	**1,002**

No loans have been granted to any members of the Board or any other executives of the Group (or their families).

21. Earnings per Share

In order to determine the earnings per share, profit was divided by the weighted average number of ordinary shares.

Amounts in €				
Continuing Operations	GROUP		COMPANY	
Basic earnings / (losses) per share	**30/6/2016**	**30/6/2015**	**30/6/2016**	**30/6/2015**
Earnings attributable to equity holders of the parent company	4,282,734	(1,723,003)	6,514,214	(1,277,016)
Weighted average number of shares	305,732,436	305,732,436	305,732,436	305,732,436
Basic earnings / (losses) per share (euro per share)	**0.0140**	**(0.0056)**	**0.0213**	**(0.0042)**

22. Risk Management Aims and Policies

22.1 Liquidity Risk Analysis

HYGEIA Group manages the liquidity requirements with careful monitoring of the debts from non-current liabilities, as well as the payments made daily. Liquidity requirements are monitored in various time zones on a daily and weekly basis, and on a rolling 30-day basis. Long-term liquidity requirements for the 6 months ahead and the following year are calculated each month.

On June 30th, 2016, the maturities of financial liabilities for the Group were as follows:

	GROUP 30/6/2016			
Amounts in € '000	Short-term		Long-term	
	Within 6 months	6 to 12 months	1 to 5 years	More than 5
Long-term borrowing	0	0	1,350	0
Liabilities relating to operating lease agreements	75	76	355	0
Trade payables	63,391	12,595	0	0
Other short-term liabilities	15,003	6,645	623	0
Sort-term borrowing	27,242	131,197	0	0
Total	**105,711**	**150,513**	**2,328**	**0**

The respective maturities of financial liabilities on December 31st, 2015, were as follows:

	GROUP 31/12/2015			
Amounts in € '000	Short-term		Long-term	
	Within 6 months	6 to 12 months	1 to 5 years	More than 5
Long-term borrowing	0	0	100	0
Liabilities relating to operating lease agreements	82	83	327	0
Trade payables	68.523	10.750	0	0
Other short-term liabilities	13.314	6.525	1.049	0
Sort-term borrowing	23.702	135.524	0	0
Total	**105.621**	**152.882**	**1.476**	**0**

On June 30th, 2016, the maturities of financial liabilities for the Company were as follows:

	COMPANY 30/6/2016			
Amounts in € '000	Short-term		Long-term	
	Within 6 months	**6 to 12 months**	**1 to 5 years**	**More than 5**
Long-term borrowing	0	0	1,250	0
Trade payables	27,561	3,838	0	0
Other short-term liabilities	6,363	2,356	283	0
Sort-term borrowing	0	93,865	0	0
Total	**33,924**	**100,059**	**1,533**	**0**

The respective maturities of financial liabilities on December 31st, 2015, were as follows:

	COMPANY 31/12/2015			
Amounts in € '000	Short-term		Long-term	
	Within 6 months	**6 to 12 months**	**1 to 5 years**	**More than 5**
Long-term borrowing	0	0	0	0
Trade payables	31,183	3,854	0	0
Other short-term liabilities	5,547	2,259	305	0
Sort-term borrowing	18,250	76,269	0	0
Total	**54,980**	**82,382**	**305**	**0**

The aforementioned contractual maturity dates reflect the gross cash flows, which may differ from the book value of liabilities on the Financial Position Statement date.

In the context of implementing a specific series of measures, the Greek government proceeded with voting new tax measures, including the immediate increase of the VAT on secondary healthcare services offered by private hospitals and clinics from 23% to 24% as of July 1st, 2016. Moreover, the controls and limitations on fund transfers are still in effect, affecting the smooth transfer and supply of medical supplies and pharmaceuticals to serve patients in the Group hospitals and clinics.

Presently, taking advantage of its size and reputation in the market, the Group has maintained its bargaining power, despite the controls and limitations in place on fund transfers, mainly to foreign countries, where HYGEIA Group's main suppliers of medical goods are active. In addition, capitalizing on its comparative advantages, the Group has secured agreements with major Greek and foreign insurance companies, which offer significant liquidity, while at the same time greatly minimizing the Group exposure to competition risk and cash flow shortages.

On 30/06/2016, total current liabilities exceeded total current assets by €156,977 thousand for the Group and €71,055 thousand for the Company. This is mainly due to reclassification of current liabilities from bond loans for the Company and subsidiary MITERA SA due to failure to company with the existing terms of the loan contracts with regard to past-due contractual installments to the amount of €16.5m for the Company and €2m for subsidiary MITERA SA. According to the Group Management, the issue will be resolved once the terms of the lending liabilities with the credit institutions have been amended. The Group has already sent a letter to the associated banks requesting that the existing terms of these loan contacts with regard to repaying installments and meeting financial indicators be amended, with the aim of securing additional short-term liquidity. According to the Group Management, the relevant restructuring agreement with lending banks is expected to be concluded within 2016.

In March 2016, subsidiary HYGEIA Hospital Tirana ShA proceeded with restructuring its total borrowing with the associated banks to the amount of €18.3m. Once the restructuring was concluded, the greatest part of the loan capital repayment installments was shifted to the termination date of the contract, while it was agreed that the financial indicators would be amended. However, on 30/06/2016, the subsidiary was not in compliance with the financial indicators and consequently reclassified said loan to current liabilities, pursuant to the requirements of IAS 1. The Group Management will adopt the necessary actions to remedy said indicators.

Meanwhile, the Group has already proceeded with a series of actions so as to improve its liquidity. Specifically, the Group companies that are affiliated with EOPYY have already transferred a significant part of the claw-back and rebate cost recorded in the financial statements to third parties. Furthermore, capitalizing on its leading position in the sector, the Group has been solidifying its trade partnerships, striving to ensure additional working capital. In addition, HYGEIA Group is considered a very credible institution both by the Banks and by its suppliers, due to its dynamic and dominant course in the Greek market. It also has significant bargaining power compared to its competitors due to the large volume of orders it places and its established position in the market. The Group Management is constantly evaluating the current situation and its possible future impact, proceeding with all the necessary actions on time so as to minimize any potential effects on the Group activities.

Furthermore, in order to ensure that the going concern assumption is just as appropriate in the context of the current developments in the Greek economy, the Group Management examined the risks associated with the macroeconomic and business environment in Greece and their potential impact on the Group activities.

23. Fair Value of Financial Instruments

The Group uses the following hierarchy to determine and disclose the fair value of financial instruments per valuation technique:
Level 1: negotiable prices in active markets for similar assets or liabilities,
Level 2: valuation techniques for which all inflows having a significant impact on the recorded fair value are observable either directly or indirectly,
Level 3: techniques using inflows with a significant impact on the recorded fair value and not based on observable market data.

Financial assets and liabilities measured at fair value on 30/06/2016 are outlined below.

Financial assets	**Fair value measurement at end of the reporting period using:**			
Amounts in € '000	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss				
- Bonds	-	45	-	45
Total financial assets	**-**	**45**	**-**	**45**
Net fair value	**-**	**45**	**-**	**45**

There were no transfers between levels.

The fair value of the following financial assets and liabilities for the Group and the Company is close to their book value.

- Trade & other receivables
- Other current assets
- Trade & other payables
- Borrowing
- Cash, cash equivalents and pledged deposits

24. Events after the End of the Reporting Period

On July 4th, 2016, HYGEIA announced that Ms Areti Souvatzoglou resigned from her post as Chairwoman of the Company's BoD, remaining on the Board as a Non-Executive Member.

On July 14th, 2016, HYGEIA announced the reconstitution of the BoD, with Mr Andreas Vgenopoulos assuming the duties of Chairman/Non-Executive Member and Mr Areti Souvatzoglou remaining on the BoD as a Non-Exceptive Member. Meanwhile, Mr Georgios Efstratiadis assumed the duties of Vice-Chairman/Non-Executive Member and Ioannis Andreou the duties of Executive Member.

25. Approval of Condensed Interim Financial Statements

The condensed interim company and consolidated Financial Statements for the period ended on June 30th, 2016 were approved by the BoD of the DIAGNOSTIC AND THERAPEUTIC CENTER OF ATHENS HYGEIA SA on September 20th, 2016.

Marousi, September 20th, 2016

BoD VICE-CHAIRMAN	*CHIEF EXECUTIVE OFFICER*	*GROUP CHIEF FINANCIAL OFFICER*
GEORGIOS EFSTRATIADIS *ID Card No. AA050295*	*ANDREAS KARTAPANIS* *ID Card No. AE140679*	*DIMITRIOS MANTZAVINOS* *ID Card No. N294701*
GROUP FINANCIAL CONTROLLER	*CHIEF FINANCIAL OFFICER*	*GROUP DEPUTY CHIEF FINANCIAL OFFICER*
NIKOLAOS LEKAKIS *ID Card No. AE106335*	*ELEONORA KELEPOURI* *ID Card No. Σ028050*	*SPYRIDON KOSMAS* *ID Card No. AZ555377* *LICENSE No. 16310-CLASS A*