



# **INTERIM FINANCIAL REPORT**

For the period

**From 1 January 2008 to 30 June 2008**

**According to  
Article 5 of Law 3556/2007**

**Marousi, 6 August 2008**



**GROUP OF COMPANIES OF  
DIAGNOSTIC & THERAPEUTIC CENTER OF ATHENS  
HYGEIA S.A.**

**INTERIM FINANCIAL REPORT**

This Interim Financial Report is drawn up in compliance with Article 5 of Law 3556/2007 and the decisions made by the Board of Directors of the Hellenic Capital Market Commission in pursuance of such article, and includes:

- (a) the statements made by BoD members;
- (b) the interim report of the Board of Directors;
- (c) the review report of certified auditors-accountants;
- (d) the semi-annual financial statements regarding the first half of year 2008;
- (e) the facts and information regarding the period 01.01.2008 - 30.06.2008;
- (f) the report on use of funds raised from the issue of a bond loan; and
- (h) the findings report on the funds raised use report by the certified auditors-accountants.

It is attested that the attached Financial Statements are those approved by the Board of Directors of "HYGEIA S.A." on 06/08/2008 and have been published with their posting on the internet, at the web page [www.hygeia.gr](http://www.hygeia.gr). It is noted that the published in the press brief financial data and information aim at providing readers with general financial information but do not provide a complete depiction of the Company's and Group's economic status and financial results, according to the International Financial Reporting Standards.

Themistoklis Charamis

Chief Executive Officer  
OF THE COMPANY "HYGEIA S.A."



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**I. STATEMENTS OF BoD MEMBERS  
(PURSUANT TO ARTICLE 5(2) OF LAW 3556/ 2007)**

The members of the BoD of HYGEIA S.A. hereby declare and attest that to the best of our knowledge:

(a) the semi-annual corporate and consolidated financial statements of HYGEIA S.A. for the period 01.01.2008-30.06.2008, which were prepared pursuant to the applicable International Financial Reporting Standards, give a fair view of the assets and liabilities, equity and results of the Group and the Company as well as of the entities included in the consolidation, taken as a whole, pursuant to the stipulations of Article 5(3)-(5) of Law 3556/2007;

(b) the interim report of the Company's board of directors gives a fair view of the information required under Article 5(6) of Law 3556/2007.

**Marousi, 6 August 2008**

**The declarants**

<b>Stavrou Constantine</b>	<b>Themistoklis Charamis</b>	<b>Anthony Rapp</b>
<b>The BoD Chairman</b>	<b>Chief Executive Officer</b>	<b>Board of Directors member</b>



## II. INTERIM REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD 01.01.2008 - 30.06.2008

The Interim Report of the Board of Directors set out below (hereinafter "**Report**") concerns the first six months of the current year 2008 (01.01.2008-30.06.2008). The Report has been drawn up and harmonized with the relevant provisions of Law 3556/2007 (Government Gazette 91A/30.4.2007) and the decisions issued by the BoD of the Hellenic Capital Market Commission in pursuance of such Law.

This report provides brief financial information on "DIAGNOSTIC & THERAPEUTIC CENTER OF ATHENS HYGEIA S.A." and its subsidiaries for the first six months of fiscal year 2008, major events having taken place during such period and their effect on interim financial statements. In addition, key risks and uncertainties the Company may face during the second half of the fiscal year are described while major transactions concluded between the issuer and its affiliated parties are set out.

### A. FINANCIAL INFORMATION

The success of the Company's strategic planning is reflected in both consolidated and company results of the first half of 2008.

The Company maintained high levels of profitability and pursued the dynamic development of both HYGEIA SA and its subsidiaries. The improvement of fundamentals is reflected in company and consolidated figures:

**TURNOVER:** At consolidated level, the Group turnover amounted to 137.1 million Euros, registering an 139.8% increase compared to 57.2 million Euros during the same period of 2007. The turnover of HYGEIA was increased by 21.9% and came to 68.5 million Euros compared to 56.2 million Euros during the respective period of last year. The increase of both MITERA and LETO turnover was equally spectacular. More specifically, the turnover of MITERA was increased by 13% and came to 42.8 million Euros while that of LETO was increased by 29% coming to 12 million Euros.

**EARNINGS BEFORE INTEREST, TAX, DEPRECIATION & AMORTIZATION (EBITDA):** Consolidated earnings before interest, tax, depreciation and amortization (EBITDA) were increased by 134% coming to 30.0 million Euros. Consolidated EBITDA margin stood at 21.9%. EBITDA of HYGEIA came to 14.5 million Euros, thus registering a 16.4% increase while operating profit margin as sales percentage came to 21.2%. EBITDA of MITERA came to 11.1 million Euros while EBITDA of LETO came to 2.8 million Euros.

**EARNINGS BEFORE TAXES:** Consolidated earnings before taxes were increased by 30.9% amounting to 13.4 million Euros. HYGEIA earnings rose by 15.2% coming to 12.1 million Euros. Earnings before taxes of MITERA came to 9.7 million Euros while earnings before taxes of LETO came to 2.2 million Euros.

**NET EARNINGS AFTER TAXES & MINORITY INTERESTS:** Net earnings of the Group rose by 2.9% coming to 8.8 million Euros. At company level, earnings after taxes rose by 28.2% coming to 11.5 million Euros compared to earnings of 8.9 million Euros during the respective last-year period mainly because the results of the first half 2008 were burdened with interest totalling 12.7 million Euros of the Convertible Bond Loan. Finally, net earnings of MITERA exceeded 7 million Euros while net earnings of LETO came close to 1.1 million Euros.

**LOANS – CASH:** Total bank loans (long-term and short-term) of the Group and the Company came to 359.9 million Euros (compared to 86.9 million Euros on 31.12.2007) and 321.03 million Euros respectively. Accordingly, the cash of the Group and the Company during the same period came to 255.7 million Euros and 244.9 million Euros respectively.

**DIVIDEND & CAPITAL RETURN:** The dividend and capital return for fiscal year 2007 totalling 0.16 Euro per share and 20.1 million Euros were approved by the Annual Ordinary General Meeting of Shareholders held on 27 June 2008.

## **B. MAJOR EVENTS DURING FIRST HALF OF 2008**

Below are given major events that took place during the first six months and had a positive or negative effect on the semi-annual financial statements:

During January 2008, the Board of Directors of the Company sold the 24,602,666 undistributed debentures of the Convertible Bond Loan as decided and confirmed respectively by the Ordinary General Meeting of the Company's Shareholders on 18.07.2006 following adjournment and the First Repeat Extraordinary General Meeting of the Company's Shareholders on 07.02.2007; as a result, the final percentage of subscription of the CBL comes to 100% and the total amount of the issue comes to EUR 300,015,000. Subsequently, the above subscription of the CBL was certified and the 10<sup>th</sup> of January 2008 was set as issue date of the CBL. Further to the foregoing, the CBL amounts to EUR 300,015,000 with the issue of 66,670,000 debentures with a nominal value of EUR 4.50 each.

During the same period, the Board of Directors of the Company approved the new Organization Chart of the Company which is structured in Group standards, dividing the activities of the Group in three branches. It was decided that the Chief Executive Officer of HYGEIA Mr. Themistoklis Haramis will coordinate the first branch, i.e. secondary medical care, which includes hospitals in Greece and other countries while the Chief Executive Officer of HYGEIA, Mr. Pashalis Bouhoris, will coordinate the other two branches, i.e. those of primary care and commercial activities and support services. This allocation was deemed necessary due to the rapid rise and expansion of the Company that took place during 2007, the increased expectations for the current year and the need for more efficient management and exploitation of the amount of 300 million Euros raised from the successful issuance and subscription of the Company's Corporate Bond Loan.

During the same month, there was also completed the transfer of 56.7% of the share capital of "Chryssafiletissa Public Ltd", to which the private hospital "ACHILLION" at Limassol, Cyprus belongs. The final acquisition price came to 13.7 million Euros and arose from an assessment study carried out by an independent consulting firm and following due diligence.

During February 2008, there was announced the agreement on the acquisition of 100% of the share capital of "Obstetrics and Gynaecology Clinic Evangelismos Ltd" which owns 60% of the private hospital EVANGELISMOS in Paphos, Cyprus. The agreement on acquisition was completed during July 2007.

During March 2008, the first private children's heart surgery and cardiology clinic started officially operating in Greece within the facilities of the paediatrics clinic of MITERA.

During May 2008, the company announced the agreement on acquisition of a 50% stake of the share capital and the majority in the BoD of SAFAK Group, a privately owned healthcare group in Turkey for a consideration of USD 48m. In addition, the parties have agreed that Hygeia will acquire a 50% stake in a plot of land currently owned by Safak for USD 5m, which will be used for the development of a modern General Hospital in the centre of Istanbul. Safak Group, one of the top three hospital groups in Turkey, consists of four hospitals in the Istanbul metropolitan area providing 470 total beds. These are the JF Kennedy Hospital, Avrupa Safak Hospital, Istanbul Safak Hospital, Goztepe Safak Hospital, which cover all medical specialties (including Maternity) and are fully equipped. In 2007, Safak Hospitals treated in excess of 240,000 patients – and the cumulative number of patients treated by Safak Hospitals to date is in excess of 1 million. In 2007, Safak Group had revenues and EBITDA equal to USD 64m and USD 8m respectively. The agreement is subject to the holding of satisfactory due diligence.

### **C. PROSPECTS – DEVELOPMENTS OF ACTIVITIES FOR THE SECOND HALF OF THIS YEAR**

The management of HYGEIA S.A., appreciating the common trends and challenges in both the domestic and the international sector of private health, and in conjunction with the ever-increasing customer-patient needs for new and integrated services, adopts the policy of continuous dynamic development for the Group's activities, laying emphasis on the improvement of the Group's operating performance and on the provision of new health services.

During the second half of this year, the company completed the transfer of 100% of the share capital of "Obstetrics and Gynaecology Clinic Evangelismos Ltd" which owns 60% of the private hospital EVANGELISMOS in Paphos, Cyprus to "DIAGNOSTIC & THERAPEUTIC CENTER OF ATHENS HYGEIA S.A." for the consideration of 7.1 million Euros.

Following acquisition of the second hospital in Cyprus which followed the acquisition of 56.7% of ACHILLION in Limassol at the beginning of the year, HYGEIA Group establishes a leading position in the field of private health services in Cyprus.

The development strategy of HYGEIA SA was pursued through the operation of a laboratory involved in processing umbilical & placental cord blood and safe-keeping stem cells of "Stem-Health Hellas S.A.", such laboratory being installed within HYGEIA Hospital. "Stem-Health Hellas S.A.", which was set up last December jointly with MITERA and the parent "Stem-Health SA.", is the first stem cell safe-keeping bank of HYGEIA Group. It aims mainly to meet the needs of both maternity clinics of the Group (MITERA & LETO) and contribute to the wider development of an extensive network of stem cell banks in South-eastern Europe and Middle East. "Stem-Health Hellas S.A." offers top safety specifications in terms of stem cell processing and safekeeping given that the company takes advantage of the technology and know-how of one of the most experienced American stem cells banks, i.e. New England Cord Blood Bank (NECBB) having its registered office in Boston. The imminent goal of Stem-Health Hellas S.A. is to be accredited by the internationally acknowledged Organization "FACT-NetCord".

Once the acquisition of Safak Group in Turkey is completed during the second half of 2008, HYGEIA Group will have in total 9 hospitals in Greece, Turkey and Cyprus with 1,548 beds as a whole. It is expected that the conclusion of the said acquisition will further enhance the financial figures of the Group.

In conclusion, the strategic investment initiatives taken by the Group Management aim at vertical integration, enhancement of the Group's financial figures and position and at further strengthening the same so that it becomes the greatest group providing integrated health services in South-eastern Europe. For this strategic goal to be materialized, the Group Management allocates funds totalling around 239 million Euros for investments in healthcare entities in South-eastern Europe, thus strengthening the Group's financial figures. In addition to the foregoing, the General Meeting held on 18 July 2006 has approved the conclusion of a common bond loan amounting to 200 million Euros that the Management may activate whenever deemed necessary so as to further strengthen the Group.

## **D. MAIN RISKS AND UNCERTAINTIES DURING THE 2<sup>nd</sup> HALF OF THE YEAR**

HYGEIA S.A. operates in the sector of the Hellenic primary and secondary medical care providing complete health services. The sector of private health service providers in Greece presents certain specificities which arise from the dominant position in the provision of health services traditionally occupied by the public sector. However, the public sector's failure to cover the constantly increasing demand but also to provide quality health services led to the significant advance of private clinics. With a sector's growth rate of 16% in 2007, it is clear that the private healthcare sector in Greece presents particular dynamics and potential, with which the companies participating are called to cope. The results and the growth of HYGEIA S.A. are directly affected by the Company's operation, vis-à-vis the constant development of the health sector and the use of its potential for further growth. Failure of HYGEIA S.A. to meet the new situation could have negative effect on its economic circumstances and its operating results.

### **1. Competition Risk**

Over the last few years, the private health sector has been expanding, with the 20 largest companies of the sector accumulating 66% of its total earnings, which brings to light the intense competition among the largest companies of the sector. This competition aims consequentially to improve the services provided and the response time to the patient, by expanding the existing facilities in order to house new departments. Furthermore, it is noteworthy that many private clinics include from obstetrics and gynaecology clinics to diagnostic centres in order to cover a wider range of services. Another area of competition observed in the private health sector is the increased cooperation between private units and insurance companies and the conclusion of contracts with insurance funds to cover hospitalization expenses of a larger population. HYGEIA S.A. has today an important share in the Hellenic private health sector and with the continuous improvement of its services, it aims not only at maintaining this position but also at pioneering in the sector by providing new services. Nevertheless, in case the Company suspends its development and investment policy and does not develop new partnerships, its competitive position may be significantly affected.

### **2. Dependence on contracts with insurance companies**

The Company signed a contract with Mednet Hellas S.A. on 17 May 2007 which manages hospital coverage insurance programs for some of the greatest insurance companies in Greece. The term of the agreement is 3 years. Signing this agreement reduces to a large extent the Company's exposure to the particular risk.

### **3. Foreign exchange Risk**

Foreign exchange risk is the risk of having the value of financial instruments, assets and liabilities fluctuating due to changes in exchange rates. The great majority of Group transactions and balances is denominated in Euro, there are no loans in other currency than Euro and, thus, exposure to foreign exchange risks is considered to be low. Once acquisition of the private Group of health service companies "Safak" is completed in Turkey, foreign exchange risk will arise from consolidation of such Group that may affect items of the consolidated balance sheet and the income statement of the Company. Group Management monitors constantly the foreign exchange risks that may arise and assesses whether relevant steps need to be taken.

### **4. Interest rate risk**

The Group's policy consists in minimizing its exposure to the rate cash flow risk as regards long-term financing. Long-term financing usually has a floating interest rate. On 30 June 2008, the Group was exposed to variations of rate market as regards bank loans, which are subject to variable interest rate (3-month Euribor plus 100 base points). More specifically, the results of the first half 2008 were burdened due to the CBL with interest amounting to 12.7 million Euros while interest from deposit of the unused funds of the CBL was coming approximately to 4.8 million Euros.

### **5. Liquidity risk**

HYGEIA Group manages liquidity needs by closely monitoring the debts arising from long-term financial liabilities and the payments made on a daily basis. Liquidity needs are monitored at different intervals, on a daily and weekly basis and a rolling period of 30 days. Long-term needs for liquidity for the next 6 months and the next year are determined on a monthly basis.



## E. TRANSACTIONS WITH AFFILIATED PARTIES

This section sets out the most important transactions and balances between the company and the Group and affiliated parties as defined in International Accounting Standard 24.

### Company transactions with affiliated companies

COMPANY	Holding relation	Sales of goods & services	Other income and income from holdings	Purchases of goods	Other expenses	Receivables	Payables
MITERA SA	Subsidiary	7,649	10,058,564			10,083,129	
MITERA HOLDINGS SA	Subsidiary		800			800	
LETO SA	Subsidiary	3,797	1,500			5,297	4,554
LETO HOLDINGS SA	Subsidiary						
ALPHA LAB	Subsidiary				20,647		20,647
HYGEIA HOSPITAL – TIRANA ShA	Subsidiary						
VALLONE Co Ltd	Subsidiary						
CHRYSSAFILIOTISSA INVESTMENT LTD	Subsidiary						
CHRYSSAFILIOTISSA PUBLIC LTD	Subsidiary						
“ACHILLION” LIMASSOL MEDICAL CENTRE LTD	Subsidiary						
STEM HEALTH SA	Subsidiary		18,900				
STEM HEALTH HELLAS SA	Subsidiary					25,880	
Y-LOGIMED (former ALAN MEDICAL SA)	Subsidiary		56,750	8,827,170			3,819,065
Y-PHARMA SA	Subsidiary		11,250	34,122			7,605
ANIZ SA	Subsidiary	12,484	77,200		22,591	14,856	9,188
MAGNETIC HYGEIA DIAGNOSTIC IMAGING SA	Associate	8,802	189,245				221,812
HYGEIA NUTRITION SA	Other affil. party		15,563				
MIG Group	Other affil. party				5,844,987		213,137,206
		<b>32,732</b>	<b>10,424,771</b>	<b>8,861,292</b>	<b>5,888,225</b>	<b>10,129,962</b>	<b>217,220,077</b>

- The amount of € 10,058,564 concerns the dividend of the company from MITERA SA.
- Purchases of the company from its subsidiaries mainly concern the supply of health and special material.
- Company expenses to other affiliated parties concern mainly the interest accrued until 30.06.2008 from the issue of the Convertible Bond Loan.
- The amount of € 213,137,206 concerns the liability of the Company arising from the issue of the Convertible Bond Loan.

### Group transactions with affiliated companies

COMPANY	Holding relation	Sales of goods & services	Other income and income from holdings	Other expenses	Payables
MAGNETIC HYGEIA DIAGNOSTIC IMAGING SA	Associate	8,802	189,245		221,812
HYGEIA NUTRITION SA	Other affil. party		15,563		
MIG Group	Other affil. party			5,844,987	213,137,206
		<b>8,802</b>	<b>204,808</b>	<b>5,844,987</b>	<b>213,359,018</b>

The company has a holding in “HYGEIA Nutrition SA” which operates within the facilities of HYGEIA SA pursuant to the stipulations of Presidential Decree 235/2000.

Mig Group has a holding in the Company with some common members in the Boards of Directors of such companies.

### Transactions and balances with main administration and management executives



<i>Amounts in Euro</i>		<b>THE GROUP</b>	<b>THE COMPANY</b>
<b>CATEGORY</b>	<b>DESCRIPTION</b>	<b>30.06.2008</b>	<b>30.06.2008</b>
<b>BoD</b>	SALARIES	669,696	267,386
	SOCIAL SECURITY COST	51,051	13,047
	BONUS	117,718	70,718
	OTHER COMPENSATION	8,400	0
	RIGHTS TO EQUITY INSTRUMENTS	3,981	3,981
<b>MANAGEMENT EXECUTIVES</b>	SALARIES	934,157	630,862
	SOCIAL SECURITY COST	101,288	56,852
	BONUS	87,398	48,705
	OTHER COMPENSATION	14,420	14,420
	RIGHTS TO EQUITY INSTRUMENTS	4,821	4,821
<b>TOTAL</b>		<b>1,992,931</b>	<b>1,110,793</b>



### **III. Review report of independent Certified Accountant-Auditor**

#### **Report on Review of Interim Financial Information**

To the Shareholders of «**Diagnostic and Therapeutic Center of Athens HYGEIA SA**»

##### *Introduction*

We have reviewed the accompanying balance sheet of «**Diagnostic and Therapeutic Center of Athens "HYGEIA SA"**» (the Company), as well as the accompanying consolidated balance sheet of the Company and its Subsidiaries (the Group) as of June 30, 2008 and the related statements of income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and selected explanatory notes, that comprise the interim financial information and which form an integral part of the six-month financial report as required by article 5 of L.3556/2007. The company's Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the International Financial Reporting Standards that have been adopted by European Union and apply for interim financial information ("IAS 34"). Our responsibility is to express a conclusion on this interim financial information 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" to which the Greek Auditing Standards indict. 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 Greek 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.

##### *Review 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.

##### *Reference to Other Legal and Regulatory Requirements*

Apart from the aforementioned interim financial information, we also reviewed the remaining information included in the six-month financial report as required by article 5 of L.3556/2007 as well as the information required by the relevant Decisions of the Capital Markets Committee as set-out in the Law. Based on our review we concluded that the financial report includes the data and the information that are required by the Law and the Decisions referred to above and is consistent with the accompanying financial information.



Athens, 08/08/2008

The Certified Auditor – Accountant

The Certified Auditor – Accountant

Vasilis Kazas

Reg. No. in Body of Cert. Aud.-Acc.

13281

Manolis Michalios

Reg. No. in Body of Cert. Aud.-

Acc. 25131



Chartered Accountants Management Consultants  
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## IV. Financial statements

### IV. A) Income Statement

Amounts in Euro	THE GROUP				THE COMPANY				
	Note	30.06.2008	30.06.2007	1.4-30.6.2008	1.4-30.6.2007	30.06.2008	30.06.2007	1.4-30.6.2008	1.4-30.6.2007
<b>Sales</b>		<b>137,122,565</b>	<b>57,181,259</b>	<b>71,003,478</b>	<b>29,406,791</b>	<b>68,499,142</b>	<b>56,181,509</b>	<b>35,292,946</b>	<b>28,184,007</b>
Cost of goods sold		(104,786,103)	(44,928,086)	(54,882,861)	(24,418,831)	(51,901,079)	(45,147,432)	(26,628,752)	(23,873,355)
<b>Gross profit</b>		<b>32,336,463</b>	<b>12,253,173</b>	<b>16,120,618</b>	<b>4,987,961</b>	<b>16,598,063</b>	<b>11,034,077</b>	<b>8,664,194</b>	<b>4,310,652</b>
Other operating income		5,549,310	3,990,771	3,390,561	1,193,802	2,558,332	4,034,700	1,365,578	1,221,321
Administrative expenses		(10,942,882)	(3,165,361)	(6,248,255)	(1,594,758)	(7,132,384)	(2,879,661)	(4,430,014)	(1,484,677)
Selling expenses		(1,093,598)	(694,943)	(742,823)	(374,112)	(149,022)	(140,069)	(83,884)	(51,394)
Other operating expenses		(1,987,119)	(2,698,919)	(1,496,280)	(489,599)	(833,297)	(2,698,919)	(675,946)	(494,502)
<b>Operating profit</b>		<b>23,862,173</b>	<b>9,684,721</b>	<b>11,023,820</b>	<b>3,723,295</b>	<b>11,041,691</b>	<b>9,350,127</b>	<b>4,839,929</b>	<b>3,501,401</b>
Financial income		4,914,661	106,616	2,998,646	86,000	4,771,119	85,913	2,941,981	65,297
Financial expenses	10	(15,480,728)	(1,262,525)	(9,065,754)	(518,089)	(13,785,687)	(1,249,838)	(8,161,829)	(506,569)
Other financial results			8,534	0	8,534	10,097,764	2,335,756	10,097,764	746,400
Gain on acquisition of companies			0	0	0			0	0
Profit / (loss) from associates		71,404	1,676,796	27,711	560,367			0	0
<b>Period net profit / (loss) before tax</b>		<b>13,367,510</b>	<b>10,214,142</b>	<b>4,984,423</b>	<b>3,860,106</b>	<b>12,124,886</b>	<b>10,521,958</b>	<b>9,717,845</b>	<b>3,806,528</b>
Income tax		(4,269,242)	(1,649,603)	(1,741,276)	(919,275)	(679,034)	(1,588,547)	100,137	(889,516)
<b>Period net profit / (loss) after taxes</b>		<b>9,098,268</b>	<b>8,564,539</b>	<b>3,243,147</b>	<b>2,940,831</b>	<b>11,445,852</b>	<b>8,933,411</b>	<b>9,817,982</b>	<b>2,917,012</b>
<b>Attributed to:</b>									
Shareholders of the parent		8,813,584	8,562,541	3,119,944	2,948,737	11,445,852	8,933,411	9,817,982	2,917,012
Minority interests		284,685	1,999	123,203	(7,905)				
<b>Profit/ (loss) per share attributable to the shareholders of the parent for the period</b>									
Basic/ diluted		0.0702	0.1334	0.0248	0.0459	0.0911	0.1391	0.0781	0.0454
Earnings before interest, taxes, depreciation and amortization (EBITDA)		30,004,580	12,827,663	14,212,655	5,293,736	14,493,479	12,453,519	6,614,777	5,049,855
Earnings before interest and taxes (EBIT)		23,862,173	9,684,721	11,023,820	3,723,295	11,041,691	9,350,127	4,839,929	3,501,401
Post-tax profit		9,098,268	8,564,539	3,243,147	2,940,831	11,445,852	8,933,411	9,817,982	2,917,012

On 30.06.2008, the consolidated financial statements of the Group include the consolidated results of the Group "MITERA S.A.-LETO S.A." by applying the full consolidation method as opposed to the respective comparative period of year 2007 when the Group "MITERA S.A.-LETO S.A." was consolidated by applying the equity method.

The income statement for the year of the Group "MITERA S.A.-LETO S.A.", incorporated in the consolidated financial statements of HYGEIA S.A., is as follows:

<b>Sales</b>	<b>55,189,645</b>
Cost of goods sold	(42,367,111)
<b>Gross profit</b>	<b>12,822,534</b>
Other operating income	2,938,648
Administrative expenses	(2,976,673)
Selling expenses	(125,986)
Other operating expenses	(1,152,393)
Financial income	20,672
Financial expenses	(921,024)
Other financial results	
Gain on acquisition of companies	
Profit / (loss) from associates	
<b>Period net profit / (loss) before tax</b>	<b>10,605,777</b>
Income tax	(3,147,787)
<b>Period net profit / (loss) after taxes</b>	<b>7,457,990</b>



## IV. B) Balance Sheet

<i>Amounts in Euro</i>	THE GROUP			THE COMPANY	
	Note	30.06.2008	31.12.2007	30.06.2008	31.12.2007
<b>ASSETS</b>					
<b>Non-current assets</b>					
Tangible assets		202,394,915	173,339,584	102,284,105	100,773,071
Investments in property		170,599	171,883	170,599	171,883
Goodwill	8	276,044,074	267,813,327	0	0
Intangible assets		4,372,450	4,763,925	3,746,695	4,051,920
Financial assets available for sale		482,592	341,739	11,739	11,739
Investments in associates		276,184	204,780	58,694	58,694
Investments in subsidiaries	8	0	0	303,388,975	283,058,220
Deferred income tax		5,123,161	4,526,217	3,527,376	3,468,859
Other long-term receivables	9	7,550,095	7,417,524	7,332,323	7,278,314
		<u>496,414,070</u>	<u>458,578,979</u>	<u>420,520,506</u>	<u>398,872,700</u>
Inventories		7,628,737	6,784,644	1,971,960	2,759,850
Trade and other receivables		68,584,347	46,065,853	51,574,957	29,735,013
Cash and cash equivalents		255,713,323	8,870,649	244,876,046	3,924,669
		<u>331,926,406</u>	<u>61,721,147</u>	<u>298,422,962</u>	<u>36,419,531</u>
<b>Total assets</b>		<b>828,340,476</b>	<b>520,300,126</b>	<b>718,943,468</b>	<b>435,292,231</b>
<b>OWNER'S EQUITY</b>					
<b>Owner's equity attributable to the shareholders of the parent company</b>					
Share capital		51,508,673	51,508,673	51,508,673	51,508,673
Other reserves		266,132,434	266,737,255	265,274,140	266,674,807
Reserves from balance sheet conversion		30,137	33,090	0	0
Profit carried forward		4,927,718	13,574,039	6,992,510	11,608,064
<b>Total owner's equity</b>		<u>322,598,963</u>	<u>331,853,057</u>	<u>323,775,323</u>	<u>329,791,544</u>
Minority interests		10,909,215	5,304,207	0	0
<b>Total owner's equity</b>		<b>333,508,177</b>	<b>337,157,264</b>	<b>323,775,323</b>	<b>329,791,544</b>
<b>LIABILITIES</b>					
<b>Long-term liabilities</b>					
Loans	10	329,840,733	22,233,845	301,020,844	0
Deferred income tax		26,465,687	23,556,868	10,408,284	9,244,043
Provisions for benefits to staff following retirement		13,040,320	12,809,407	9,208,793	9,221,266
Provisions for liabilities and expenses		8,705,882	7,286,625	1,830,964	1,280,964
Other long-term liabilities		6,296,401	6,223,916	0	16,000
		<u>384,349,022</u>	<u>72,110,661</u>	<u>322,468,885</u>	<u>19,762,273</u>
<b>Short-term liabilities</b>					
Suppliers and other payables		74,173,006	40,623,704	52,386,243	28,213,283
Current income tax		6,193,002	5,577,585	300,000	2,047,134
Provisions for liabilities and expenses		0	150,000	0	150,000
Loans		30,117,269	64,680,912	20,013,017	55,327,998
		<u>110,483,277</u>	<u>111,032,201</u>	<u>72,699,260</u>	<u>85,738,414</u>
<b>Total Liabilities</b>		<b>494,832,299</b>	<b>183,142,862</b>	<b>395,168,145</b>	<b>105,500,687</b>
<b>Total owner's equity and liabilities</b>		<b>828,340,476</b>	<b>520,300,126</b>	<b>718,943,468</b>	<b>435,292,231</b>



#### IV. C) Statement of changes in equity

Amounts in Euro	Note	THE GROUP						Minority interests	Total Owner's equity
		Share Capital	Attributable to the shareholders of the parent		Profits carried forward	Total			
			Others Reserves	Reserves of Balance sheet conversion	Profits carried forward	Total			
<b>Balance as at 31 December 2006</b>		<b>26,322,000</b>	<b>71,375,333</b>	<b>0</b>	<b>3,087,873</b>	<b>100,785,206</b>	<b>49,618</b>	<b>100,834,824</b>	
<i>Change in equity for the period 01/01-30/06/2007</i>									
Period net profit					8,562,541	8,562,541	1,999	8,564,539	
Transfer to reserves			62,448		(62,448)	0		0	
Payment of subsidiaries dividends					(81,000)	(81,000)		(81,000)	
Minority interests from acquisition of subsidiary's share							600,000	600,000	
<b>Balance as at 30 June 2007</b>		<b>26,322,000</b>	<b>71,437,781</b>	<b>0</b>	<b>11,506,966</b>	<b>109,266,747</b>	<b>651,617</b>	<b>109,918,363</b>	
<b>Balance as at 31 December 2007</b>		<b>51,508,673</b>	<b>266,737,255</b>	<b>33,090</b>	<b>13,574,038</b>	<b>331,853,056</b>	<b>5,304,207</b>	<b>337,157,263</b>	
<i>Change in equity for the period 01/01-30/06/2008</i>									
Period net profit					8,813,584	8,813,584	284,685	9,098,268	
Direct changes in Shareholders Equity			1,327,972	(2,953)	(1,327,971)	(2,952)		(2,952)	
Payment of parent dividends					(10,050,473)	(10,050,473)		(10,050,473)	
Return of parent capital			(4,571,665)		(5,478,807)	(10,050,473)		(10,050,473)	
Payment of subsidiaries dividends					(602,652)	(602,652)		(602,652)	
Reserve of convertible bond loan			2,630,070			2,630,070		2,630,070	
Minority interests from acquisition of subsidiary's share						0	5,320,323	5,320,323	
Reserves of assigned stock options to staff	11		8,803			8,803		8,803	
<b>Balance as at 30 June 2008</b>		<b>51,508,673</b>	<b>266,132,434</b>	<b>30,137</b>	<b>4,927,718</b>	<b>322,598,962</b>	<b>10,909,215</b>	<b>333,508,177</b>	

Amounts in Euro	Note	THE COMPANY				Total Owner's equity
		Share Capital	Others Reserves	Profits carried forward		
<b>Balance as at 31 December 2006</b>		<b>26,322,000</b>	<b>71,375,333</b>	<b>876,560</b>	<b>98,573,893</b>	
<i>Change in equity for the period 01/01-30/06/2007</i>						
Period net profit				8,933,411	8,933,411	
<b>Balance as at 30 June 2007</b>		<b>26,322,000</b>	<b>71,375,333</b>	<b>9,809,970</b>	<b>107,507,303</b>	
<b>Balance as at 31 December 2007</b>		<b>51,508,673</b>	<b>266,674,807</b>	<b>11,608,064</b>	<b>329,791,544</b>	
<i>Change in equity for the period 01/01-30/06/2008</i>						
Period net profit				11,445,852	11,445,852	
Direct changes in Shareholders Equity			532,126	(532,126)		
Dividends paid				(10,050,473)	(10,050,473)	
Capital return			(4,571,665)	(5,478,807)	(10,050,473)	
Reserve of convertible bond loan			2,630,070		2,630,070	
Reserves of assigned stock options to staff	11		8,803		8,803	
<b>Balance as at 30 June 2008</b>		<b>51,508,673</b>	<b>265,274,140</b>	<b>6,992,510</b>	<b>323,775,323</b>	



#### IV. D) Cash flow statement

Amounts in Euro	Note	THE GROUP		THE COMPANY	
		30.06.2008	30.06.2007	30.06.2008	30.06.2007
<b>Net cash flows from operating activities</b>		<b>8,564,201</b>	<b>10,377,306</b>	<b>(2,777,259)</b>	<b>9,684,750</b>
Interest paid		(6,062,641)	(966,308)	(4,931,794)	(953,621)
Income tax paid		(2,182,658)	(33,727)	(1,083,063)	0
<b>Net cash flows from operating activities</b>		<b>318,902</b>	<b>9,377,271</b>	<b>(8,792,116)</b>	<b>8,731,129</b>
<b>Cash flows from investment activities</b>					
Purchases of tangible assets		(9,971,351)	(1,561,170)	(4,619,027)	(1,488,786)
Sales of tangible assets		1,500	0	1,500	0
Purchases of intangible assets		(248,443)	(132,507)	(42,376)	(132,263)
Purchase of available-for-sale financial assets		(58,691)	0		
Purchase of subsidiaries (less subsidiary's cash)		(6,601,644)	0	(13,293,649)	(1,455,000)
Purchase of associates' share		0	(1,471,738)	0	(1,471,738)
Dividends received		0	3,084,974	39,200	1,835,756
Interest received		3,088,524	65,426	3,055,544	44,838
<b>Net cash flows from investment activities</b>		<b>(13,790,105)</b>	<b>(15,015)</b>	<b>(14,858,808)</b>	<b>(2,667,193)</b>
<b>Cash flows from financing activities</b>					
Issue of ordinary shares		0	645,000		
Purchase/ Sale of treasury stock					
Dividends paid to the parent's shareholders		(97,309)	(81,000)		
Return of share capital to shareholders					
Loans taken out		309,755,928	225,529	306,879,424	225,529
Loan repayment		(48,691,059)	(7,403,537)	(42,213,761)	(7,403,537)
Payments of finance lease capital		(653,685)	(156,313)	(63,363)	(141,220)
<b>Net cash flows from financing activities</b>		<b>260,313,876</b>	<b>(6,770,321)</b>	<b>264,602,300</b>	<b>(7,319,228)</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>		<b>246,842,673</b>	<b>2,591,935</b>	<b>240,951,377</b>	<b>(1,255,292)</b>
Cash and cash equivalents at beginning of period		8,870,650	5,294,501	3,924,669	4,106,741
<b>Cash and cash equivalents at end of period</b>		<b>255,713,323</b>	<b>7,886,436</b>	<b>244,876,046</b>	<b>2,851,449</b>





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## **IV. E) NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON 30 JUNE 2008**

### **(amounts in Euro unless otherwise indicated)**

#### **1. General information**

HYGEIA S.A. is currently one of the most modern private health institutions operating in Greece. It was established in 1970 by doctors, most of whom were professors at the University of Athens, and since then operates in the provision of first and second degree health care. The Company's accommodations are located in a self-owned building on 4 Erythrou Stavrou & Kifisias Avenue in Marousi. Throughout the past, the building has been renovated accordingly. Its electronic address is [www.hygeia.gr](http://www.hygeia.gr) and its shares are listed on the Athens Stock Exchange.

HYGEIA S.A. has expanded its presence in the private health sector by broadening the scope of offered diagnostic services through the creation of new diagnostic departments, laboratories and clinics. The Company offers its services to private individuals as well as to patients that seek diagnostic services through their social and private security funds.

Specifically, HYGEIA S.A. includes:

- 11 Pathology Clinics
- 22 Surgical Clinics
- 6 Diagnostic Laboratories
- 8 Imaging Laboratories, a Department for Physical Medicine and Rehabilitation, E.P.
- 16 surgery rooms
- 10 Outpatient Departments
- Quality assurance department

Moreover, the Company owns four fully equipped ambulances.

The Company's total hospital beds in operation number 254, 21 of which belong to the Intensive Care Unit and are located in two areas, while two belong to the Fluid Organ Transplant Unit.

Apart from the permanent staff, the Company also employs a team of scientific partners, which consists mainly of doctors. These doctors are heads of the different diagnostic departments the Company has created during the past years.

On 30.06.2008 HYGEIA S.A. employed 1,104 individuals, while the Group employed 2,529.



## 2. Basis of preparation of interim Financial Statements

The interim financial statements have been compiled according to International Accounting Standard (“IAS”) 34 “Interim financial statements” and should be examined in conjunction with the published annual financial statements of December 31<sup>st</sup> 2007, which are available at the Company’s website.

## 3. Basic accounting principles

The accounting principles and calculation methods used in the preparation and presentation of the interim financial statements are consistent with the accounting principles and calculation methods used in the preparation of the Company's and the Group's financial statements for the year ended on 31 December 2007.

The interim financial statements of the period from 01.01.2008 to 30.06.2008 have been prepared using the historical cost convention as amended by estimating asset and liability items at fair value.

## 4. Segment reporting

A business segment is defined as a group of assets and activities that provide goods and services and are subject to different risks and returns than other business segments. A geographical segment is defined as a geographical region in which goods and services are provided and which is subject to different risks and returns than other regions.

During the first half of 2008, the Group was active mainly in one business segment, namely the provision of health services and specifically the provision of diagnostic and therapeutic health services, in principal in one geographic segment, Greece. Below are given the shares of health branch and the branch of commercial and support services in the three main figures-criteria of disclosure under IAS 14.

<i>Amounts in Euro</i>	<b>HEALTH BRANCH</b>	<b>BRANCH OF COMMERCIAL ACTIVITIES &amp; SUPPORT SERVICES</b>	<b>TOTAL 30.6.2008</b>
<b>INCOME</b>	127,119,871	10,002,694	<b>137,122,565</b>
% holding	96.07%	3.93%	100.00%
<b>RESULTS</b>	7,770,693	1,327,575	<b>9,098,268</b>
% holding	96.39%	3.61%	100.00%
<b>ASSETS</b>	818,226,597	10,113,879	<b>828,340,476</b>
% holding	98.56%	1.44%	100.00%

## 5. Seasonality of interim business activities

There is no seasonality regarding the provision of services for the period 01.01.08-30.06.2008. The Company's and Group's activity is characterized by acute seasonality during the 3<sup>rd</sup> quarter of each year, when turnover is significantly lower compared to other quarters.

## 6. Group structure and companies consolidation method

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

Name	Registered of	Activity	Stake	Consolidation method	Participation relation	Unaudited years in tax terms
HYGEIA SA	Greece	Health services	PARENT		PARENT	2007
MITERA SA	Greece	Health services	98.56%	Full	Direct-indirect	2006-2007
MITERA HOLDINGS SA		Holding in MITERA SA	100.00%	Full	Direct	2003-2007
LETO SA	Greece	Health services	69.11%	Full	Indirect	2006-2007
LETO HOLDINGS SA	Greece	Holding in LETO SA	72.76%	Full	Indirect	2003-2007
ALPHA LAB	Greece	Health services	69.11%	Full	Indirect	2003-2007
HYGEIA HOSPITAL - TIRANA ShA.	Albania	Health services	80.00%	Full	Direct	2007
VALLONE Co Ltd	Cyprus	Investment	100.00%	Full	Direct-indirect	1999-2007
CHRYSSAFILIOTISSA INVESTMENT LTD	Cyprus	Investment	64.57%	Full	Indirect	2002-2007
CHRYSSAFILIOTISSA PUBLIC LTD	Cyprus	Operation of properties and equipment	56.70%	Full	Indirect	2002-2007
"ACHILLION LTD" LIMASSOL MEDICAL CENTRE	Cyprus	Health services	56.70%	Full	Indirect	2002-2007
STEM HEALTH SA	Greece	Stem cells medical technology	50.00%	Full	Direct	2007
STEM HEALTH HELLAS A.E.	Greece	Stem cells medical technology	74.28%	Full	Indirect	-
Y-LOGIMED (former ALAN MEDICAL SA)	Greece	Import, trade and supply of medical devices	100.00%	Full	Direct	2006-2007
Y-PHARMA SA	Greece	Trade of pharmaceuticals and general-purpose medical items	85.00%	Full	Direct	2007
ANIZ SA	Greece	Operation of restaurant canteens	70.00%	Full	Direct	2007
MAGNETIC HYGEIA DIAGNOSTIC IMAGING SA	Greece	Health services	20.00%	Equity	Direct	2007

The Group structure includes for the first time the companies below following acquisition of control:

### A) "STEM HEALTH HELLAS S.A."

The effect on period results together with minority interests amounted to loss equal to € 143,631.

### B) "Vallone Co Ltd" Group with its subsidiaries

1. "CHRYSSAFILIOTISSA INVESTMENT LTD"
2. "CHRYSSAFILIOTISSA PUBLIC LTD" and
3. "ACHILLION LTD" LIMASSOL MEDICAL CENTRE

The effect on period results together with minority interests amounted to loss equal to € 500,233.

The above companies were included for the first time in the Group's consolidated statements on 31.03.2008.



## 7. Property, plant and equipment

During the period ended on 30 June 2008, the Group and the Company spent € 4,661,403 and € 10,219,794 respectively for purchasing tangible assets which mainly concern the acquisition of medical machinery and facilities enhancements.

## 8. Investments in subsidiaries

	<b>THE COMPANY</b>
	<b>31/3/2008</b>
<b>Beginning balance</b>	<b>283.058.220</b>
<b>Year changes</b>	
Acquisition of subsidiaries	13.293.649
Reclassification of price from item "long-term receivables" to subsidiaries	7.037.105
<b>Ending balance</b>	<b><u>303.388.975</u></b>

a) During the ending period, acquisition of 100% of "Vallone Co Ltd" was completed, such company directly and indirectly holding, through "Chryssafiliotissa Investment Ltd", 56.7% of the share capital of "Chryssafiliotissa Public Ltd" to which the private hospital ACHILLION (Limassol, Cyprus) belongs, for the total consideration of € 13,672,251.

The allocation of acquisition cost to the net assets of "Vallone Co Ltd" Group which includes the net assets of all the aforementioned companies as well as the goodwill arising on the acquisition date are as follows:

Acquisition date	18.1.2008
Acquired percentage	56,70%
Purchase of items:	9.402.309
Purchase price (items) :	1,45
<b>Shares purchase price:</b>	
<b>-Cash paid</b>	<b>13.685.912</b>

*Less: Fair value of Company assets and liabilities* **(5.583.765)**

<b>Initial recognized goodwill</b>	<b>8.102.147</b>
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	<b>Book value</b>	<b>Fair value</b>
Tangible assets	24.669.269	24.669.269
Intangible assets	0	0
Financial assets available for sale	82.162	82.162
Other long-term assets	426.318	426.318
Inventories	895.176	895.176
Trade and other receivables	1.323.657	1.323.657
Cash and cash equivalents	47.163	47.163
Loans	(11.748.994)	(11.748.994)
Other long-term liabilities	(1.653.144)	(2.303.041)
Suppliers and other payables	(2.616.223)	(2.616.223)
Minority interests		
<b>Total owner's equity of Company</b>		<b>10.775.486</b>
Participating share		<i>56,70%</i>
<i>Less: minority interests of direct holding in "Chryssafiliotissa Investment Ltd"</i>		(525.936)
<b>Fair value</b>		<b>5.583.765</b>

Note that the goodwill presented was specified on the basis of temporary values since the final assessment of the fair value of the acquired assets, the recognized intangible assets, the undertaken liabilities and the contingent liabilities is still pending. Final assessment will be completed within one year from acquisition date.

b) During the first half of 2008, the company raised its holding in its subsidiary "HYGEIA HOSPITAL - TIRANA Sha" by € 6,658,504.

## 9. Other long-term receivables

	<b>THE COMPANY 30/06/2008</b>
<b>Opening balance</b>	<b>7.278.314</b>
<b>Year changes</b>	
Advance payments for holding in companies capital	7.089.545
Reclassification of price from "long-term receivables" item to subsidiaries	(7.037.105)
Other guarantees	1.570
<b>Ending balance</b>	<b>7.332.323</b>

The item of other long-term receivables includes advances equal to € 7,089,545 regarding the participation in the capital of companies similar with the scope of the parent, which is broken down as follows:

a) By € 2,562,902 as advance payment given during the ending period to acquire 100% of the share capital of "Obstetrics and Gynaecology Clinic Evangelismos Ltd" which owns 60% of the private hospital EVANGELISMOS in Paphos, Cyprus.

On 7 July the company announced that the above transfer was completed and, thus, the final acquisition price will be reflected in 'investments in subsidiaries' in the next financial statements.



b) By € 4,526,642.52 as advance payment given during the ending period to acquire 50% of the share capital and the majority in the BoD of Safak Group, which is a private health services Group in Turkey.

The completion of the above acquisition is subject to implementation of satisfactory due diligence.

## 10. Loans

On 10 January 2008, the issue of the Company's Convertible Bond Loan equal to € 300,015,000 was finalized through the issue of 66,670,000 debentures with a nominal value of € 4.50 each.

Repayment term was set at five years and the interest rate of the first Quarter of the Interest-Bearing Period starting on 10 January 2008 and ending on 10 April 2008 came to 5.598% (per annum) while the interest rate of the second Quarter of the Interest-Bearing Period starting on 10 April 2008 and ending on 10 July 2008 came to 5.742% (per annum).

Based on IAS 32, at the time of initial recognition, the Company recognized separately in its financial statements the part of liability concerning the above Convertible Bond Loan and the part being an Equity element.

The effective rate determined for segregating the liability and equity came to 7.55%.

Of the above Bond Loan, the company charged the proportionate interest coming to € 10,631,343.26 to the results of the period from 01.01.2008 to 30.06.2008.

In addition, on 30.06.2008, having regard to recent financial circumstances and the increase of interest rates, the company adjusted the expected future outflows from repayment of such bond loan. Therefore, based on IAS 39, the company adjusted the present value of its liability on the basis of the initial effective rate. Such adjustment resulted in financial cost equal to € 2,100,386.67, which was directly posted to the ending period results.

## 11. Stock option plan of the parent company to BoD members and management executives

Transactions regarding the number of pending options and weighted average strike prices are as follows:

	2008	
	No of shares	Strike price €/share
<b>Pending at beginning of period</b>	-	-
Granted	1,980,000	4.50
<b>End of period</b>	<b>1,980,000</b>	<b>4.50</b>

Pending options at the end of period have the following expiry dates and strike prices:



<b>Expiry date</b>	<b>No of shares</b>	<b>Strike price €/share</b>
2008	1,980,000	4.50
2009	1,150,000	4.50
2010	1,150,000	4.50
<b>End of period</b>	<b>4,280,000</b>	<b>4.50</b>

During June of the ending period, the company Management issued a stock option plan designed for Management members and other company executives by virtue of the decision of its Shareholders General Meeting dated 18 July 2006.

Pursuant to the stock option plan, 4,280,000 options will be gradually granted to company executives from 2008 up to 2010. The allocation thereof is set at 1,980,000 options for 2008 and 1,150,000 options for each one of 2009 and 2010.

The fair value of the options granted to executives was measured on the assignment date on the basis of Black & Scholes model. The fair value of the assigned options is as follows:

<b>Expiry date</b>	<b>Fair value of option</b>
2008	0.12
2009	0.42
2010	0.62

Data used in the application of the model:

- a) Fair value (closing price) of the share on assignment date: € 3.66
- b) Fluctuation of share price: 37.115%
- c) Risk Free Rate: 5.1%
- d) Strike price: € 4.5
- e) Return on dividend: 4.67%
- f) Expected duration of options effect: 3 years

Total fair value of the assigned options has been calculated at € 1,429,910 and will be charged to the results of years 2008-2010. Charge for the results of the period 01.01.2008-30.06.2008 amounts to € 8,803.

## **12. Encumbrances**

No mortgages or prenotation or other liens have been imposed on the assets of the company in exchange for loans.

Mortgages amounting to € 9,995,316 have been imposed on Group assets in exchange for loans.



### 13. Commitments

Operating lease commitments – of the Company and Group as lessee.

The Group leases offices and storage spaces with operating leases that include several terms, readjustment provisions and renewal rights. The future minimum payable total leases according to the operating and finance lease contracts are as follows:

Operating leases	THE GROUP		THE COMPANY	
	30.06.2008	31.12.2007	30.06.2008	31.12.2007
No later than 1 year	1,253,090	551,439	474,174	551,439
Later than 1 year but earlier than 5 years	9,894,895	4,869,487	5,368,334	4,869,487
More than 5 years	8,280,498	10,363,654	6,174,350	10,363,654
<b>Total</b>	<b>19,428,483</b>	<b>15,784,579</b>	<b>12,016,858</b>	<b>15,784,579</b>

Amounts in Euro	THE GROUP				THE COMPANY			
	30.06.2008		31.12.2007		30.06.2008		31.12.2007	
Finance leases	Minimum payments	Current value of payments	Minimum payments	Current value of payments	Minimum payments	Current value of payments	Minimum payments	Current value of payments
Within one year	1,720,648	1,675,297	948,520	908,615	12,634	12,462	76,985	75,826
Later than 1 year but earlier than 5 years	3,155,683	2,700,562	3,215,081	2,770,964				
More than 5 years	0	0	0	0				
Total of minimum future lease payments	4,876,331	4,375,859	4,163,601	3,679,579	12,634	12,462	76,985	75,826
Less: Financial expenses	(500,434)	0	(484,022)	0	(172)	0	(1,159)	0
Current value of minimum estimates								
<b>Total minimum lease payments</b>	<b>4,375,897</b>	<b>4,375,859</b>	<b>3,679,579</b>	<b>3,679,579</b>	<b>12,462</b>	<b>12,462</b>	<b>75,826</b>	<b>75,826</b>

The letters of guarantee and other guarantees of the Group and the Company on 30.06.2008 are as follows:

Guarantees	THE GROUP		THE COMPANY	
	30.06.2008	31.12.2007	30.06.2008	31.12.2007
Guarantees to third parties on behalf of subsidiaries	12,239,028	0		
Bank letters of guarantee	80,863	137,960	0	0
Other guarantees	179,356	109,495	109,495	109,495
<b>Total</b>	<b>12,499,247</b>	<b>247,455</b>	<b>109,495</b>	<b>109,495</b>

### 14. Contingent liabilities

#### Information regarding contingent liabilities

The Group has contingent liabilities from issues that arise in the context of its normal activity. No substantial charges are expected to emerge from the contingent liabilities, apart from the provisions already created. In detail:



## **A) Significant pending judicial cases**

### **I. Claims against HYGEIA S.A.**

#### **Cases that have been concluded at the 2<sup>nd</sup> jurisdiction degree included (finalized)**

##### **1) Imposition of Special Environmental and Traffic Application Duty by the Municipality of Amarousio**

The Municipality of Amarousio imputed to our Company a Special Environmental and Traffic Application Duty amounting to EUR 159,354.00. The Company had recourse before Athens Administrative Court of First Instance against the decisions made by the Board of Directors of the Municipality of Amarousio, which were overruled at first instance level. Appeals have been lodged against the judgments of Athens Administrative Court of First Instance, which were discussed by Athens Administrative Court of Appeals which, by way of rulings No 3270, 3271 and 3272/ 2005 accepted our above appeals and our recourse against the entries made by the Municipality of Amarousio in the relevant attesting lists.

##### **2) Case of Cardio-surgeon**

A cardio-surgeon filed a suit, before Athens Unilateral Court of First Instance, against the company, according to which he claimed the amount of EUR 555,541.00, interest bearing, for differences between the remuneration paid by the company to him and the real remuneration owed as defined by the Greek State and the Social Security Funds. The case was heard on 15/4/2008 by Civil Chamber B1 of the Supreme Court which pronounced a ruling wholly rejecting the litigant's petition for annulment.

### **II. Pending Judicial Cases of "HYGEIA S.A."**

#### **1) Cases not covered by Mal-Practice**

The total sum of judicial claims not covered by Mal-practice comes to 1.2 million Euros. The outcome of most judicial cases is considered positive for the Company and is estimated not to have a significant effect on its financial status.

#### **2) Imposition of Fine by T.S.A.Y.**

A) The Company has lodged recourse before Athens Three-Member Administrative Court of First Instance against T.S.A.Y for having the decision of T.S.A.Y BoD cancelled, which imputed to the company a debt equal to € 1,507,909.31 for employer's contributions. Note that the Company has already paid up this amount. Ruling No 12043/27.10.2006 of the above Court has been pronounced in relation to this recourse, which rejected the recourse as being unfounded in substance.

B) Further the Company lodged an appeal before Athens Administrative Court of Appeals against ruling No 12043/2006 of Athens Three-Member Administrative Court of First Instance. The appeal was discussed on



09.11.2007 following adjournment on 20.04.2007 and ruling No 4634/2007 of the above Court was pronounced, which partially admitted the appeal of the Company and acknowledged that a sum almost equal to € 245,000 must be refunded to the Company. The Company will lodge a writ of cassation before the Council of State claiming the refund of the remaining amount paid by the same.

### **III. Claims of patients or successors of patients against HYGEIA S.A. (MAL PRACTICE cases)**

Patients or successors of patients judicially claim amounts from Doctors and the Company as indemnity of their loss and/or monetary compensation for moral injury or mental anguish, from claimed medical errors of doctors working with the Clinic. The amount of claims is approximately 58 million Euro. The outcome of most judicial cases is foreseen positive for the Company and is considered not to have a significant effect on its financial status as the specific judicial claims refer to claims of patients against doctors for monetary compensation for moral injury and are secondarily against the Company, considering the doctors are Company employees. It is noted that such doctors are independent partners and thus there is no guidance from the Company towards them, neither as regards the time nor the manner of their work. Finally, it is noted that even if the Court wished to adjudge an amount against the Company, this amount would be paid by the doctor's insurance company, given that the doctors working with the Company, of all specializations, are obliged to such insurance.

### **IV. Claims of patients or successors of patients against MITERA S.A. (MAL PRACTICE cases)**

Patients or successors of patients judicially claim amounts from Doctors and the Company as indemnity of their loss and/or monetary compensation for moral injury or mental anguish, from claimed medical errors of doctors working with the Clinics of MITERA SA Group. The amount of claims is approximately 58.6 million Euro. The outcome of most judicial cases is foreseen positive for MITERA SA Group and is considered not to have a significant effect on its financial status as the specific judicial claims refer to claims of patients against doctors for monetary compensation for moral injury and are secondarily against the Group, considering that doctors are Group employees. It is noted that such doctors are independent partners and thus there is no guidance from the Group towards them, neither as regards the time, nor as regards the manner of their work.

### **B) Presidential Decree 235/2000**

Pursuant to the stipulations of Article 18(1) of Presidential Decree No 235/2000 as of its effective date, the affiliation and operation of independent Private Primary Healthcare Providers in Private Clinics is prohibited under article 13 of Law 2071/1992 (Greek Government Gazette issue No 123/A/92) as it is in force after its replacement by article 4 of Law 2256/94 (Greek Government Gazette issue No. 196/A/94) and as for clinics where such providers operate this provision will be put into effect two (2) years from publication hereof. Moreover, the provision of Article 33(1) of Law 3204/2003 stipulates that the provision of the second indent of Article 18(1) of P.D. 235/2000 will be put into effect as of 01.01.2007. Subsequently, article 9 of P.D. 198/2007 (Greek Government Gazette issue No 225/04/09/2007) specified that Article 18(1) of P.D. 235/2000 is replaced as follows: "private clinics may establish and operate one or more units of specialized health services of diagnostic or therapeutic nature that belong to other natural or legal persons".



### **C) Un-audited tax fiscal years**

The parent company has been audited by tax authorities up to the fiscal year 2006, its subsidiaries "Y LOGIMED S.A." up to 2005, "ANIZ S.A." up to 2006, "MITERA S.A." up to 2005, "LETO S.A." up to 2005, "LETO HOLDINGS S.A." up to 2002, "ALPHA LAB" up to 2002, "CHRYSSAFILIOTISSA INVESTMENT LTD", "CHRYSSAFILIOTISSA PUBLIC LTD" and "ACHILLION LTD" LIMASSOL MEDICAL CENTRE up to year 2001 while the following companies have never been audited in tax terms as of their establishment: a) MITERA HOLDINGS S.A. (08.08.2003); b) Y PHARMA S.A. (19.04.2007); c) STEM CELLS MEDICAL TECHNOLOGY S.A., trade name "STEM HEALTH SA" (26.04.2007); d) STEM HEALTH HELLAS S.A. (04.12.2007), e) Vallone Co Ltd (1999) and f) HYGEIA HOSPITAL TIRANA S.H.A. (22.05.2007). As for "MAGNETIC HYGEIA DIAGNOSTIC IMAGING S.A.", the tax audit has been completed up to the fiscal year 2006.

For the un-audited tax fiscal years stated above, there is a possibility that additional taxes and surcharges are imposed during the time such are audited and finalized. The Group annually reviews the contingent liabilities that are expected to emerge from the audit of previous years, taking into account the respective provisions when deemed necessary. The Management considers that apart from the created provisions, any possible taxes likely to arise will not have a significant effect on the Group's net position, the results and the cash flows.

## **15. Transactions with affiliated parties**

### **Intra-company transactions**

The following transactions and balances constitute the transactions of the Group's subsidiaries. Such transactions, between companies included in the Group's consolidated Financial statements, are written-off during the full consolidation procedure.



INTER-COMPANY PURCHASES - SALES OF PERIOD 1.1.2008-31.06.2008

PURCHASER	D.T.C.A. HYGEIA SA	MITERA SA	MITERA HOLDINGS SA	LETO SA	LETO HOLDINGS SA	ALPHA LAB SA	HYGEIA HOSPITAL TIRANA	STEM HEALTH SA	STEM HEALTH HELLAS SA	Y-LOGIMED SA	Y PHARMA SA	ANIZ SA	TOTAL
HYGEIA SA	0	10,066,212	800	5,297	0	0	0	18,900	0	56,750	11,250	84,684	10,243,893
MITERA SA	0	0	0	336	0	644	0	0	0	0	0	0	980
MITERA HOLDINGS SA	0	0	0	0	0	0	0	0	0	0	0	0	0
LETO SA	0	0	0	0	759	11,063	0	0	0	0	0	0	11,822
LETO HOLDINGS SA	0	0	0	0	0	0	0	0	0	0	0	0	0
ALPHA LAB SA	20,647	0	0	86,722	0	0	0	0	0	0	0	0	107,369
HYGEIA HOSPITAL TIRANA	0	0	0	0	0	0	0	0	0	0	0	0	0
STEM HEALTH S.A.	0	0	0	0	0	0	0	0	0	0	0	0	0
STEM HEALTH HELLAS S.A.	0	0	0	0	0	0	0	0	0	0	0	0	0
Y-LOGIMED SA	8,827,170	764,166	0	165,388	0	584	0	0	0	0	0	0	9,757,308
Y-PHARMA	34,122	12,035	0	0	0	0	0	0	0	62	0	0	46,219
ANIZ SA	22,591	0	0	0	0	0	0	0	0	0	0	0	22,591
<b>TOTAL</b>	<b>8,904,531</b>	<b>783,850</b>	<b>800</b>	<b>257,743</b>	<b>759</b>	<b>12,291</b>	<b>0</b>	<b>18,900</b>	<b>0</b>	<b>56,812</b>	<b>11,250</b>	<b>84,684</b>	<b>20,190,183</b>

INTER-COMPANY RECEIVABLES - PAYABLES ON 30.06.2008

LIABILITY	D.T.C.A. HYGEIA SA	MITERA SA	MITERA HOLDINGS SA	LETO SA	LETO HOLDINGS SA	ALPHA LAB SA	HYGEIA HOSPITAL TIRANA	STEM HEALTH SA	STEM HEALTH HELLAS SA	Y-LOGIMED SA	Y PHARMA SA	ANIZ SA	TOTAL
HYGEIA SA	0	10,083,129	800	5,297	0	0	0	0	25,880	0	0	14,856	10,115,106
MITERA SA	0	0	0	52,940	0	1,499	0	0	0	0	0	0	54,439
MITERA HOLDINGS SA	0	0	0	0	0	0	0	0	0	0	0	0	0
LETO SA	4,554	0	0	0	0	49,000	0	0	0	0	0	0	53,554
LETO HOLDINGS SA	0	0	0	636,362	0	0	0	0	0	0	0	0	636,362
ALPHA LAB SA	20,647	0	0	44,772	0	0	0	0	0	0	0	0	65,419
HYGEIA HOSPITAL TIRANA	0	0	0	0	0	0	0	0	0	0	0	0	0
STEM HEALTH S.A.	0	0	0	0	0	0	0	0	0	0	0	0	0
STEM HEALTH HELLAS S.A.	0	0	0	0	0	0	0	9,849	0	0	0	0	9,849
Y-LOGIMED SA	3,819,065	187,795	0	139,140	0	233	0	0	0	0	1,190	0	4,147,423
Y-PHARMA	7,605	0	0	0	0	0	0	0	0	73	0	0	7,678
ANIZ SA	9,188	0	0	0	0	0	0	0	0	72	0	0	9,260
<b>TOTAL</b>	<b>3,861,059</b>	<b>10,270,924</b>	<b>800</b>	<b>878,510</b>	<b>0</b>	<b>50,732</b>	<b>0</b>	<b>9,849</b>	<b>25,880</b>	<b>73</b>	<b>1,190</b>	<b>14,856</b>	<b>15,099,017</b>



## Transactions with affiliated parties

<i>Amounts in Euro</i>	<b>THE GROUP</b>	<b>THE COMPANY</b>
<b>Sales of goods/services</b>	<b>30.6.2008</b>	<b>30.6.2008</b>
Subsidiaries		10,121,693
Associates	8,802	8,802
Other affiliated parties		
<b>Total</b>	<b>8,802</b>	<b>10,130,495</b>

	<b>THE GROUP</b>	<b>THE COMPANY</b>
<b>Other income</b>	<b>30.6.2008</b>	<b>30.6.2008</b>
Subsidiaries		122,200
Associates	156,245	156,245
Other affiliated parties	48,563	48,563
<b>Total</b>	<b>204,808</b>	<b>327,008</b>

	<b>THE GROUP</b>	<b>THE COMPANY</b>
<b>Purchases of goods</b>	<b>30.6.2008</b>	<b>30.6.2008</b>
Subsidiaries		8,861,292
Associates		
Other affiliated parties		
<b>Total</b>	<b>0</b>	<b>8,861,292</b>

	<b>THE GROUP</b>	<b>THE COMPANY</b>
<b>Other expenses</b>	<b>30.6.2008</b>	<b>30.6.2008</b>
Subsidiaries		43,238
Associates	0	
Other affiliated parties	5,857,589	5,857,589
<b>Total</b>	<b>5,857,589</b>	<b>5,900,827</b>

	<b>THE GROUP</b>	<b>THE COMPANY</b>
<b>Receivables</b>	<b>30.6.2008</b>	<b>30.6.2008</b>
Subsidiaries		10,129,962
Associates	0	0
Other affiliated parties	311,314	311,314
<b>Total</b>	<b>311,314</b>	<b>10,441,276</b>

	<b>THE GROUP</b>	<b>THE COMPANY</b>
<b>Liabilities</b>	<b>30.6.2008</b>	<b>30.6.2008</b>
Subsidiaries		3,861,059
Associates	221,812	221,812
Other affiliated parties	212,984,201	212,984,201
<b>Total</b>	<b>213,206,013</b>	<b>217,067,072</b>



Transactions with main administration and management executives of the company and the Group are set out below.

### Transactions with Marfin Popular Bank Group

<i>Amounts in Euro</i>		<b>THE GROUP</b>
		<b>30.06.2008</b>
<b>Assets</b>		
-		
<b>Liabilities</b>		
Loans taken out		33,886,225
<b>Income</b>		
Income from rental fees		33,000
<b>Expenses</b>		
Financial cost		1,340,308

### Benefits towards main administration and management executives

Benefits to the Management at Group and Company level are broken down as follows:

<i>Amounts in Euro</i>		<b>THE GROUP</b>		<b>THE COMPANY</b>	
<b>CATEGORY</b>	<b>DESCRIPTION</b>	<b>30.06.2008</b>	<b>30.06.2007</b>	<b>30.06.2008</b>	<b>30.06.2007</b>
<b>BoD</b>	SALARIES	669,696	359,061	267,386	283,810
	SOCIAL SECURITY COST	51,051	13,213	13,047	13,213
	BONUS	117,718	47,325	70,718	47,325
	OTHER COMPENSATION	8,400	0	0	0
	RIGHTS TO EQUITY INSTRUMENTS	3,981	0	3,981	0
<b>MANAGEMENT EXECUTIVES</b>	SALARIES	934,157	450,296	630,862	450,296
	SOCIAL SECURITY COST	101,288	55,915	56,852	55,915
	BONUS	87,398	5,331	48,705	5,331
	OTHER COMPENSATION	14,420	0	14,420	0
	RIGHTS TO EQUITY INSTRUMENTS	4,821	0	4,821	0
<b>TOTAL</b>		<b>1,992,931</b>	<b>931,140</b>	<b>1,110,793</b>	<b>855,889</b>

In addition, on 30.06.2008, there were unsettled receivables and payables to Group management executives amounting to € 3,550 and € 24,505 respectively.



## 16. Earnings per share

For earnings per share to be determined, the weighted average number thereof in relation to all shares (ordinary shares) was used.

<i>Amounts in Euro</i>	<b>THE GROUP</b>		<b>THE COMPANY</b>	
<b>Basic earnings per share</b>	<b>30/6/2008</b>	<b>30/6/2007</b>	<b>30/6/2008</b>	<b>30/6/2007</b>
Profits attributable to shareholders of the parent company	8,813,584	8,562,541	11,445,852	8,933,411
Weighted average number of shares	125,630,910	64,200,000	125,630,910	64,200,000
<b>Basic earnings per share (Euro per share)</b>	<b>0.0702</b>	<b>0.1334</b>	<b>0.0911</b>	<b>0.1391</b>

No diluted earnings per share arose during the current period due to issue of the Convertible Bond Loan and commencement of stock option plan for the staff since: a) any conversion from such Bond Loan and b) the exercise of stock options by participants lead to an increase of earnings per share.

The company does not have any financial instruments other than the foregoing that would lead to the calculation of diluted earnings per share.



## 17. Cash flows from operating activities

Amounts in Euro	Note	THE GROUP		THE COMPANY	
		30.06.2008	30.06.2007	30.06.2008	30.06.2007
<b>Profits of the period</b>		<b>9,098,268</b>	<b>8,564,539</b>	<b>11,445,852</b>	<b>8,933,411</b>
<i>Adjustments for:</i>					
Tax		4,269,242	1,649,603	679,034	1,588,547
Depreciation of tangible assets		5,539,751	2,796,725	3,102,903	2,761,470
Depreciation of investments in property		1,285	8,992	1,285	8,992
Depreciation of intangible assets		618,827	337,225	347,601	332,930
Provision for staff compensation		519,856	94,310	276,470	83,479
Provision for doubtful debts		778,664	967,692	500,000	950,000
Other provisions		856,695	103,750	250,000	100,000
Income from use of prior period provisions		0	(18,825)		
Impairment		208,020	0		
(Profits)/losses from the sale of tangible assets		41,321	0	3,590	0
Income from dividends		0	(8,534)	(10,097,764)	(2,335,756)
Depreciation of subsidiaries - assigned options		(17,456)	0		
Share in result of affiliated companies		(71,404)	(1,676,796)		
Interest income		(4,804,099)	(106,616)	(4,771,119)	(85,913)
Interest expenses		15,279,199	1,262,525	13,785,687	1,249,838
Others		8,802	0	8,802	0
		<b>32,326,971</b>	<b>13,974,590</b>	<b>15,532,342</b>	<b>13,586,998</b>
<b>Changes in working capital</b>					
(Increase)/ decrease in long-term receivables	9	(7,086,103)	(59,943)	(7,091,115)	(26,801)
(Increase) / decrease in inventories		53,898	(345,108)	787,890	(180,182)
(Increase) / decrease in receivables		(20,013,691)	(7,119,600)	(10,565,806)	(4,224,087)
Increase/(decrease) in liabilities		3,572,070	6,125,879	(1,151,627)	2,691,159
Increase/(decrease) of provisions		0	(1,987,211)	0	(1,951,036)
Increase/(decrease) in liabilities for personnel benefits due to retirement		(288,943)	(211,301)	(288,943)	(211,301)
		<b>(23,762,770)</b>	<b>(3,597,284)</b>	<b>(18,309,601)</b>	<b>(3,902,248)</b>
<b>Net cash flows from operating activities</b>		<b>8,564,201</b>	<b>10,377,306</b>	<b>(2,777,259)</b>	<b>9,684,750</b>



## 18. Events after the balance sheet date

- 1) On 3 July 2008, HYGEIA S.A. announced the constitution of the new BoD of the company, which was elected by the Annual Ordinary General Meeting of the company's shareholders on 27 June 2008 and was formally established during its first meeting held on 2 July 2008.
- 2) On 7 July 2008, the parent company announced completion and transfer of 100% of the share capital of "Obstetrics and Gynaecology Clinic Evangelismos Ltd" which owns 60% of the private hospital EVANGELISMOS in Paphos, Cyprus to DIAGNOSTIC & THERAPEUTIC CENTER OF ATHENS "HYGEIA" SA.
- 3) On 8 July 2008, HYGEIA SA announced that the laboratory responsible for processing umbilical & placental cord blood and safe-keeping stem cells of "Stem-Health Hellas S.A.", which is installed within HYGEIA Hospital, has started full operation.
- 4) On 8 July 2008, HYGEIA SA, further to its announcements dated 04.03.2008 and 05.06.2008, informed investors that pursuant to ATHEX Rulebook those persons holding shares upon expiry of ATHEX Meeting on Tuesday, 22 July 2008 will be beneficiaries to the dividend of year 2007 (0.08 Euro per share) and receipt of capital return. As of Wednesday, 23 July 2008, the company's shares are traded without right to 2007 dividend or participation in capital return through payment in cash, which total € 0.16 per share. Thursday, the 31<sup>st</sup> of July 2008 was set as effective date of dividend payment and capital return.
- 5) In addition, on 8 July 2008 the parent company announced the interest rate of the third quarter of the Interest-Bearing Period of the CBL starting on 10 July 2008 and ending on 10 October 2008 totalling 5.962% (per annum).
- 6) On 15 July 2008 HYGEIA SA announced that the new Board of Directors of EVANGELISMOS MANAGEMENT Ltd was formally established.
- 7) On 18 July 2008 the parent company announced that the Ordinary General Meeting of shareholders held on 27 June 2008 decided: a) to increase the company's share capital by ten million fifty thousand four hundred seventy-two and eighty cents (€ 10,050,472.80) through capitalization of the Company's fixed assets revaluation reserves under Law 2065/1992 and reserves "Premium on capital stock" through increase in the share's nominal value from forty-one cents (€ 0.41) to forty-nine cents (€ 0.49); and b) to reduce the Company's share capital by ten million fifty thousand four hundred seventy-two and eighty cents (€ 10,050,472.80) so as to return such amount to the company's shareholders through payment in cash and respective decrease in the nominal value of each share from forty-nine cents (€ 0.49) to forty-one cents (€ 0.41).  
As of 31 July 2008, the company distributes the above amount coming to 0.08 Euro per share as a result of the decrease in its share capital as well as dividend equal to 0.08 Euro per share which is distributed by virtue of a profits appropriation decision of the aforementioned Ordinary General Meeting, namely the company provides the total amount of 0.16 Euro per share.
- 8) On 31 July 2008, HYGEIA S.A. announced an increase in its shareholding by 9.06% to 65.75% in the share capital of "Chryssafiliotissa Public Ltd", which owns the private hospital ACHILLION in Limassol, Cyprus in exchange for the consideration of 1.92 million Euros.



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*THE BoD CHAIRMAN*

*THE CHIEF  
EXECUTIVE  
OFFICER*

*GROUP FINANCIAL  
MANAGER*

*STAVROU  
CONSTANTINE  
ID No A049114*

*THEM. HARAMIS  
ID No. AB669445*

*DAVID ARAR  
ID No. Σ264433*

*DEPUTY  
FINANCIAL MANAGER*

*THE ACCOUNTANT*

*ELEONORA KELEPOURI  
ID No Σ028050*

*GEORGE NOMIKOS  
ID No Σ0145543*



***Societes Anonyme Register No: 13165/06/B/86/14***

**V. Report on use of funds raised from the issue of a Convertible Bond Loan  
for the period from 10.01.2008 to 30.06.2008**

It is notified that pursuant to decision No 33/24.11.2005 of ATHEX Board of Directors, net funds equal to 299,767,000 Euros (300,015,000 Euros less issue expenses coming to 245,000 Euros) were raised from the issue of a convertible bond loan (hereinafter "CBL") with a term of five years through payment in cash and pre-emption right to old shareholders at a ratio of 1.0384735202 debentures per 1 old ordinary registered share, at a selling price and nominal value of debenture equal to EUR 4.50 and conversion price EUR 4.50, which took place in compliance with the Ordinary General Meeting of company shareholders dated 18.07.2006 following adjournment in conjunction with the First Repeat Extraordinary General Meeting of our company's shareholders dated 07.02.2007 and in accordance with decisions No 453/2.11.2007 and 457/29.11.2007 of the Board of Directors of the Hellenic Capital Market Commission, which approved the contents of the Prospectus and the supplement to the Prospectus.

66,670,000 registered debentures convertible into ordinary registered shares listed on Athens Stock Exchange on 21.01.2008 were issued from the said Convertible Bond Loan. The BoD of the Company certified the subscription of the CBL on 10.01.2008.

As regards the published Prospectus there was no change in income from the issue of the CBL.

Pursuant to the Prospectus, the funds raised will be used for the strategic development of the Issuer's Group in the context of the overall investment policy the issuing company intends to apply so as to operate in private healthcare branch.

In relation to the stipulations of the Prospectus, until 30.06.2008 the funds raised had been distributed as follows:



FUNDS RAISED USE TABLE					
((Amounts in thous. Euro))					
Use of funds raised// Prospectus (amounts in thousand €)		Use of funds raised		Total distributed capital up to 30/06/2008	Undistributed balance 30/06/2008
		Acquired Companies/ Investments	Amount paid		
Investments in health service providers and other support activities as well as eventual repayment of loans that have been used or may be used for the investments above	245,015	A) Investments in health service providers		56,424	188,591
		HYGEIA Hospital Tirana Sh.A.	6,659		
		Obstetrics Gynaecology Clinic Evangelismos Ltd	2,563		
		Lokmanhekim Saglik Hizmetleri VE Tila	4,527		
		B) Investments in other support activities	576		
		C) Loan repayment	42,100		
<b>Organic development investments of HYGEIA SA in:</b>		<b>Organic development Investments of HYGEIA SA in:</b>		4,067	50,933
- investments in rearrangement and upgrade of existing facilities and hospitalization areas	8,500	- investments in rearrangement & upgrade of existing facilities and hospitalization areas.	226		
- investments in new facilities and medical equipment	16,300	- investments in new facilities and medical equipment.	173		
- investments in upgrade and replacement of electronic equipment, energy saving, upgrade of ambulances	5,200	- investments in upgrade and replacement of electronic equipment, energy saving, upgrade of ambulances.	755		
- supply and purchase of bio-medical and other equipment	25,000	- supply and purchase of bio-medical & other equipment	2,913		
<b>CBL issue expenses</b>		CBL issue expenses		245	245
<b>Total funds raised</b>		<b>Total</b>		<b>60,736</b>	<b>239,769</b>

On 30.06.2008, the undistributed balance of 239,769,000 Euros is deposited with domestic bank accounts of the company.

## **VI. Findings report from Agreed-upon Procedures Performance on the Funds Raised Use Report**

To the Board of Directors of DIAGNOSTIC & THERAPEUTIC CENTER OF ATHENS "HYGEIA" S.A.

Pursuant to the mandate received from the Board of Directors of DIAGNOSTIC & THERAPEUTIC CENTER OF ATHENS "HYGEIA" S.A. (the Company), we carried out the following agreed-upon procedures in the context of the regulatory provisions of Athens Stock Exchange and the relevant legislative framework of capital market, pursuant to the Funds Raised Use Report of the Company which refers to the issue of a convertible bond loan through payment in cash in favour of old shareholders, which took place from 16.11.2007 to 14.12.2007. The Company Management is responsible for compiling the above Report. We undertook this task pursuant to the International Standard on Related Services 4400 which applies to "Engagements to Perform Agreed-upon Procedures Regarding Financial Information". Our responsibility is to perform the following agreed-upon procedures and notify you of our findings.

Procedures:

1. We compared the amounts cited as disbursements in the attached "Funds Raised Use Report from the issue of a Convertible Bond Loan" with the respective amounts recognised in Company books and records during the period to which these refer.
2. We examined the thoroughness of the Report and consistency of its content with the stipulations of the Prospectus that was issued by the Company for this purpose as well as with the relevant decisions and announcements of the Company's competent bodies.
3. It was established that the "Undistributed funds on 30.06.2008" were deposited with company bank accounts.

Findings:

- A) The amounts shown as disbursements in the attached "Funds Raised Use Report from the issue of a Convertible Bond Loan" arise from Company books and records during the period to which these refer.
- B) The content of the Report includes as a minimum the information provided for by the regulatory framework of ATHEX to this effect and the relevant legislative framework of the capital market and is consistent with the stipulations of the relevant Prospectus and the relative decisions and announcements of the Company's competent bodies.
- C) We established that the "Undistributed funds on 30.06.2008" were deposited with company bank accounts.

Given that the task carried out does not constitute an audit or review pursuant to International Standards on Auditing or International Standards on Review Engagements, no other assurance is expressed than those cited above. If we had performed additional procedures or had conducted an audit or review, we might have become aware of other issues additionally to those cited in the previous paragraph.



This Report is addressed solely to the Company's Board of Directors in the context of its compliance with its obligations under the regulatory framework of ATHEX and the relevant legislative framework of the capital market. Thus, this Report cannot be used for other purposes since it is limited solely to the items cited above and does not extend to the financial statements compiled by the company for the period from 01.01.2008 to 30.06.2008 for which we issued a separate Review Report dated 08.08.2008.

Athens, 08/08/2008

The Certified Auditor – Accountant

The Certified Auditor – Accountant

Vasilis Kazas

Reg. No. in Body of Cert. Aud.-Acc.

13281

Manolis Michalios

Reg. No. in Body of Cert. Aud.-


Acc. 25131



Chartered Accountants Management Consultants  
Vassileos Konstantinou 44, 116 35 Athens  
SOEL Reg. No 127



## VII. Facts and information for the period from 1 January 2008 to 30 June 2008

 <b>DIAGNOSTIC AND THERAPEUTIC CENTER OF ATHENS "HYGEIA SA"</b> SA Registration No. 13165/06/B/86/14 4 KIFISIAS AVENUE & ERYTHROU STAVROU STR., 15123 MAROUSI, ATHENS Data and information for the period from January 1 2008 to June 30 2008 According to Decision No. 6/448/11.10.2007 by the BoD of the Hellenic Capital Market Commission					
The following data and information aim at providing a general insight about the financial status and results of D.T.C.A. "Hygeia SA". Consequently, before proceeding to any investment decision or other transaction with the Company, we suggest the reader to visit the Company's web site, where the financial statements are provided under the International Financial Reporting Standards, as well as the review report of the Certified Auditor-Accountant.					
<b>GENERAL INFORMATION</b> Site : <a href="http://www.hygeia.gr">www.hygeia.gr</a> Approval date of the interim financial Statements by Board of Directors: 6 August 2008 Auditors: Vassilis Kazas (SOEL R.N. 13281) Manolis Michailios (SOEL R.N. 25131) Grant Thornton S.A (SOEL R.N 127) Auditors Accountant Company: Certified Auditors Report:		<b>INCOME STATEMENT</b> (Amounts in Euros)			
<b>BALANCE SHEET</b> (Amounts in Euros)		Group			
		01.01-30.06.2008	01.01-30.06.2007	1.4.-30.06.2008	1.4.-30.06.2007
<b>ASSETS</b>		<b>Turnover</b>			
Tangible Assets		137,122,665	57,181,259	71,003,478	29,406,791
Investments in property		32,336,463	12,253,173	16,120,618	4,987,961
Intangible assets					
Other non-current assets					
Inventories					
Trade and other receivables					
Other Current Assets					
<b>TOTAL ASSETS</b>		<b>255,713,323</b>	<b>8,870,849</b>	<b>244,876,046</b>	<b>3,924,665</b>
<b>EQUITY &amp; LIABILITIES</b>		<b>Earnings before taxes,</b>			
Share capital		from financing and investment results			
Other equity items of Company shareholders		<b>13,367,510</b>			
Total net worth of Company shareholders (a)		<b>12,124,886</b>			
Minority Interest (b)		<b>9,908,288</b>			
Total Net worth (c) = (b) + (a)		<b>22,033,174</b>			
Long-term Debt		<b>11,041,691</b>			
Provisions & other Long-term liabilities		<b>12,124,886</b>			
Short-term bank debt		<b>9,908,288</b>			
Other short-term liabilities		<b>11,445,852</b>			
Total liabilities (d)		<b>23,947,038</b>			
<b>TOTAL EQUITY &amp; LIABILITIES (c) + (d)</b>		<b>45,980,212</b>			
<b>CASH FLOW STATEMENT</b> (Amounts in Euros)		<b>STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD</b> (Amounts in Euros)			
		Group			
		01.01-30.06.2008	01.01-30.06.2007	01.01-30.06.2008	01.01-30.06.2007
<b>Operating activities</b>		Group			
Earnings before taxes		13,367,510	10,214,142	12,124,886	10,521,958
Plus / minus adjustments for:		Company			
Depreciations		6,159,863	3,142,942	3,451,788	3,103,392
Provisions		2,155,215	1,165,752	1,026,470	1,133,479
Results (income, expenses, earnings and losses) from investment activities		0	(18,825)	0	0
Depreciations of subsidiaries		(4,554,758)	(115,150)	(14,865,292)	(2,421,869)
Profit / (Loss) from associate companies		(17,456)	0	0	0
Financial Expenses		(71,404)	(1,676,796)	0	(2,421,869)
Other		15,279,199	1,262,525	13,785,687	1,249,838
Plus / minus adjustments for changes in working capital accounts or changes related to operating activities:		8,802	0	8,802	0
Decrease / (increase) in other Long-term receivables		(7,086,103)	(59,943)	(7,091,115)	(26,801)
Decrease / (increase) in inventories		63,888	(345,108)	787,890	(180,182)
Decrease / (increase) in receivables		(20,013,691)	(7,119,800)	(10,565,806)	(4,224,087)
Decrease / (increase) in liabilities (minus banks liabilities)		3,572,070	6,125,879	(1,151,627)	2,691,159
Decrease / (increase) of Provisions		(288,943)	(2,198,512)	(288,943)	(2,162,337)
Minus:		Interests payable and relevant expenses paid			
Paid Taxes		(6,062,641)	(966,308)	(4,931,794)	(953,621)
Total inflow / (outflow) from operating activities (a)		(2,182,658)	(33,727)	(1,083,063)	0
<b>Investment activities</b>		<b>318,802</b>	<b>9,377,271</b>	<b>(8,792,116)</b>	<b>8,731,129</b>
Acquisition of subsidiaries, associates, ventures and other investments		(6,601,644)	(1,471,738)	(13,293,649)	(9,296,738)
Purchase of tangible and intangible fixed assets		(10,219,794)	(1,693,676)	(4,661,403)	(1,621,049)
Revenues from the sale of tangible and intangible fixed assets		1,500	0	1,500	0
Acquisition of reserves for sale financial assets		(58,691)	0	0	0
Interests Received		3,088,524	65,426	3,055,544	44,838
Dividends Received		0	3,084,974	39,200	1,835,756
Total inflow / (outflow) from investment activities (b)		(13,790,105)	(15,015)	(14,858,808)	(2,687,193)
<b>Financing activities</b>		Group			
Share Capital Increase Receivables		0	645,000	0	0
Net inflows (outflows) of loans		309,785,928	225,529	306,879,424	225,529
Payments of loans		(48,691,059)	(7,403,537)	(42,213,761)	(7,403,537)
Payments of liabilities from financing leases (leasing funds)		(653,685)	(156,313)	(63,363)	(141,220)
Dividends Paid		(97,309)	(81,000)	0	0
Total inflow / (outflow) from financing activities (c)		<b>260,313,876</b>	<b>(6,770,321)</b>	<b>264,602,300</b>	<b>(7,319,228)</b>
<b>Total increase / (decrease) in cash flow and cash equivalents</b>		<b>246,842,673</b>	<b>2,591,935</b>	<b>240,951,377</b>	<b>(1,255,292)</b>
<b>Cash and cash equivalents in the beginning of the period</b>		<b>8,870,650</b>	<b>5,294,501</b>	<b>3,924,669</b>	<b>4,106,741</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>255,713,323</b>	<b>7,886,436</b>	<b>244,876,046</b>	<b>2,851,449</b>
Marousi, August 6 2008					
THE BOB CHAIRMAN	THE CHIEF EXECUTIVE OFFICER	GROUP CEO	THE DEPUTY	THE HEAD ACCOUNTANT	
KON. STAVROU ID No. A 049114	THEM. CHARAMIS ID No. AB340781	DAVID ARAR ID No. Z284433	FINANCE DIRECTOR EL. KELEPOURI ID No. Σ 028050	G. NOMIKOS ID No. Σ 014543	