

**REPORT OF THE BOARD OF DIRECTORS
PURSUANT TO ARTICLE 289 (PARAGRAPH 5)
OF THE REGULATION OF THE ATHENS STOCK EXCHANGE
OF THE SOCIETE ANONYME WITH THE CORPORATE NAME**

'ATHENS DIAGNOSTIC AND TREATMENT CENTRE HYGEIA SOCIETE ANONYME'

**TO THE REPEAT GENERAL MEETING OF THE SHAREHOLDERS
OF 9 JULY 2007**

Scope

The present report of the Board of Directors (hereinafter the Board of Directors) of the Company with the corporate name 'ATHENS DIAGNOSTIC AND TREATMENT CENTRE HYGEIA SOCIETE ANONYME' (hereinafter HYGEIA S.A.) has been prepared in accordance with the provisions of article 289 (paragraph 5) of the Regulation of the Athens Stock Exchange, whereas the Repeat Ordinary General Meeting of the Common Shareholders of 9 July 2007 is called to decide on the share capital increase of HYGEIA S.A. with a contribution in kind, and, specifically, with the contribution of up to 27,231,376 shares of the Societe Anonyme with the corporate name 'MITERA PRIVATE GENERAL, MATERNITY – GYNAECOLOGY & PAEDIATRIC CLINIC SOCIETE ANONYME' (hereinafter MITERA S.A.), by the shareholders of MITERA S.A. and the abrogation of the preemptive right of old shareholders during the said share capital increase on the shares that shall be issued in favour of the shareholders of MITERA S.A. who shall contribute their shares.

The present Report, which will be announced during the Repeat Ordinary General Meeting of 9 July 2007 and which has been posted on the Company's website (www.hygeia.gr), has been forwarded to the Athens Stock Exchange in order to be posted on its website.

Specifically:

The Boards of Directors of both HYGEIA S.A. and MITERA S.A., within the framework of the close collaboration that they have developed, decided to join forces with the purpose of establishing a strong private Health Services Group of Companies.

Specifically, the Board of Directors of HYGEIA S.A., during a meeting that convened on 11 April 2007, decided to implement this unification by increasing the share capital of HYGEIA S.A. and, subsequently, exchanging the shares that will arise from this increase with the shares of MITERA S.A.

The Board of Directors of HYGEIA S.A. believes that the proposed share capital increase will benefit both HYGEIA S.A. and its shareholders whereas:

- The new Scheme that will arise will constitute the strongest private Health Care Group of Companies in Greece, whereas:
 - HYGEIA S.A. is the largest private hospital in Greece with has 370 beds. It receives approximately 120,000 inpatients and outpatients and conducts approximately 870,000 examinations every year. It has 16 operating rooms, where 11,000 surgeries are carried out on an annual basis.
 - MITERA S.A., together with its subsidiary company 'LITO MATERNITY GYNAECOLOGY AND SURGICAL CENTRE SOCIETE ANONYME' (hereinafter LITO S.A.), has 535 beds. It receives 33,000 inpatients and 230,000 outpatients, and carries out approximately 16,500 births and approximately 1,000,000 examinations every year.

Within the framework of the provisions of article 9 of Hellenic Codified Law 2190/1920, HYGEIA S.A. requested, with a relative application that it submitted to the Hellenic Ministry of Development, the formation of the Commission stipulated by article 9 of Hellenic Codified Law 2190/1920 (hereinafter the Commission), which will proceed in assessing the current actual value of the shares of MITERA S.A., of a nominal value of 0.60 Euros, so that these may be contributed in kind for the purposes of the share capital increase of HYGEIA S.A.

1. INTRODUCTION

In execution of the relative mandate of the Hellenic Ministry of Development, the members of the Commission stipulated by article 9 of Hellenic Codified Law 2190/1920 were appointed so that the current actual value of the shares of MITERA S.A. may be assessed, so that these may be contributed in kind for the purposes of the share capital increase of HYGEIA S.A.

2. BRIEF PRESENTATION OF ASSESSMENT METHODS – ASSUMPTIONS

The aforementioned assessment of the actual value of the shares of MITERA S.A. was effected based on the following commonly accepted assessment methods:

- **Discounted Free Cash Flow Method**

This method estimates the value of a company by discounting all estimated future free cash flows to the present values based on the discount rate that is equal to the company's weighted average cost of capital and cost of debt, after the impact of tax has been taken into consideration. This method is based on estimations of a company's future profits, future investment needs and other significant financial figures.

According to the Discounted Free Cash Flow Method, the value of MITERA S.A. was set as the sum of (a) the company's value and (b) the value of its holding in LITO S.A.

Assumptions

With the purpose of assessing the value of the shares of MITERA S.A., the following information was examined, assessed and taken into consideration:

- The business plans of MITERA S.A. and LITO S.A. for the period 2007 – 2011, as these were provided by the Management of MITERA S.A.
- The value of LITO S.A., which was determined by discounting the cash flows with the weighted average cost of capital (WACC). In estimating the future free cash flows of LITO S.A., the estimations of the Management of MITERA S.A. with regard to the activities of its subsidiary company were taken into consideration.
- The holding of MITERA S.A. (72.47%) in LITO S.A.
- The business plan for the period 2007 – 2011.
- The company's value, without taking into consideration the value of its holding in LITO S.A., which was determined by discounting the cash flows with the weighted average cost of capital (WACC). In estimating the future free cash flows of MITERA S.A., the Management's estimations with regard to the company's activities were taken into consideration. The total value of MITERA S.A. was determined by adding the value of MITERA S.A., without taking into consideration the value of its holding, with the value of its holding in LITO S.A.

- **Comparable Trading Multiples**

This method estimates the value of a company by comparing it with other listed companies with similar scopes. This value is estimated with the use of stock market assessment ratios, which are calculated based on the stock market value and corresponding financial figures of similar listed companies that are active in the branch in which the company is active.

According to the Comparable Trading Multiples, the value of MITERA S.A., as in the case of the Discounted Free Cash Flow Method, was set as the sum of (a) the company's value and (b) the value of its holding in LITO S.A.

Assumptions

With the purpose of assessing the value of the shares of MITERA S.A., the following information was examined, assessed and taken into consideration:

- The multiple stock market ratios of companies similar to MITERA S.A. and LITO S.A. listed on the Athens Stock Exchange and foreign stock exchanges. The multiple stock market ratios that were examined were:
 - P / E
 - EV / EBITDA
- The multiple stock market ratios that were applied to the financial figures of 31 December 2006 of LITO S.A. in order to estimate the value of the subsidiary company's Owners' Equity as of the same date.
- The multiple stock market ratios that were applied to the corporate financial figures of 31 December 2006 of MITERA S.A. in order to estimate the value of the company's Owners' Equity, without taking into consideration the value of its holding in LITO S.A. as of the same date. On the basis of the said methodology, the total value of Owners' Equity of MITERA S.A. is determined by adding the aforementioned value of the Owners' Equity of MITERA S.A., without taking into consideration the value of its holding in LITO S.A., with the value of its holding in LITO S.A.

3. ASSESSMENT OF MITERA S.A.

According to the Commission's report, after weighting the values that arose from the application of the aforementioned assessment methods with a corresponding weighted coefficient, the value that arises is summarised in the table below:

Results of the assessment of MITERA S.A.		
Assessment method (amounts in millions of Euros)	Weighted Coefficient	Value of the Company
Discounted Free Cash Flow Method	80%	287.11
Comparable Trading Multiples	20%	351.50
Final Value of Owners' Equity of MITERA S.A.	100%	299.99

Consequently, the value of each share of MITERA S.A. amounts to 8.28 Euros, in other words 299.99 million Euros divided by 36,230,200 (that corresponds to the number of shares of MITERA S.A. as of 9 May 2007).

In conclusion, in their report, the members of the Commission noted:

"We believe that the above price reflects the actual value of MITERA S.A. based on the forecasts and assumptions that were used. In addition, the methods that we applied in order

to reach our conclusion are deemed appropriate for the specific case, while no particular difficulties arose during the application of these methods.”

Athens, 27 July 2007

THE BOARD OF DIRECTORS