



**HYGEIA GROUP**

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## PRESS RELEASE

- **HYGEIA Group disinvests from Turkey**
- **Positive impact on the liquidity and operating profitability of the Group in 2011**

The Board of Directors of the Diagnostic and Therapeutic Centre of Athens HYGEIA S.A. ('Hygeia' or the 'Group') announces the sale of 50% of the shares of Genesis Holding SA ('Genesis'), the company which owns the four hospitals of Safak Group in Turkey. The transaction was agreed with the Ozturk family, which owns the remaining 50% of the shares of Genesis, for a consideration of US\$22m. Following completion of the transaction, HYGEIA will be also released from loan guarantees of €15m which were provided for the loans of Genesis and its subsidiaries while at the same time, the consolidated net debt position of HYGEIA will be reduced accordingly. Moreover, the transaction is expected to affect positively the operating profitability of HYGEIA Group given that in 2010 the investment in Safak Group contributed approximately €7m of losses to the Group results; these losses were expected to be higher in 2011.

The investment in Genesis had taken place in December 2008 with the acquisition of a 50% stake in the company which owned four hospitals in Istanbul. As was subsequently announced, in October 2010 HYGEIA and the Ozturk family had agreed for the separation of the business, according to which HYGEIA would retain 100% of three hospitals and the Ozturk family would retain 100% of the fourth. However, during the implementation of the agreement, a number of legal, regulatory and other problems arose which jeopardized the quality of assurances obtained by Hygeia and prevented the successful completion of the transaction. As a result, the parties agreed this new transaction, whereby HYGEIA sells its entire stake in Genesis to the Ozturk family. Completion of the transaction is subject to the approval of the Turkish Competition Board as well as the successful resolution of procedural and financial issues related to the change of ownership and management of Genesis. Once these negotiations are completed, Hygeia will notify of the exact financial impact of the transaction on its financial statements.

Commenting on the disinvestment of HYGEIA from Turkey, the CEO of the Group Ms. Rita Souvatzoglou made the following statement:

“The restructuring of the investment portfolio of HYGEIA reflects its strategy to focus on the operation of hospitals in which the Group maintains absolute majority and management control in order to ensure a high standard of quality of the healthcare services provided. Independent of the country of operation, all Group hospitals need to comply with the highest operational and quality standards according to international best practices.

The funds and liquidity released from the transaction will be deployed in strengthening the position of the remaining Group hospitals as well as for the pursuit of investment opportunities either in Greece or in the South Eastern European region, where we will preferably follow the strategy of greenfield expansion as this was implemented in Albania.”