GROUP OF COMPANIES
OF DIAGNOSTIC AND THERAPEUTIC CENTER
Of ATHENS HYGEIA S.A.

2007 Annual Financial Statements
According to the International Financial Reporting Standards

It is confirmed that the attached Annual Financial Statements are those approved by the Board of Directors of "HYGEIA S.A." on 29.02.08 and have been published with their posting on the internet, at the web page www.hygeia.gr. It is noted that the published in the press condensed 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.

Paschalis Bouchoris

Chief Executive Officer
OF THE COMPANY HYGEIA S.A.

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BOARD OF DIRECTORS MANAGEMENT REPORT

General Review

2007 constituted a year of decisive changes for Diagnostic & Therapeutic Athens Center HYGEIA S.A., as there were significant changes in the Company's management, its business objectives as well as in the strategy to be followed in order to achieve those objectives.

During 2007, a series of major strategic investment initiatives were taken aiming at vertical integration, improvement of the Group's position and its further strengthening in Greece, Cyprus and South-eastern Europe. The most important investment moves were the following:

For the fiscal year 2007, the starting point lied in the establishment of Y-PHARMA S.A. with the scope of marketing pharmaceuticals and general-purpose medicine items, which started its operations in the Greek market and will further expand its activities to other countries. The development plan of **Y-PHARMA S.A.** provides for supplying the Group companies, entities of the Private and Public Health Sector (hospitals, diagnostic Centers, rehabilitation Centers etc.)

The development strategy was pursued in April when "Stem-Health S.A." was incorporated aiming to develop an extended network of stem cells banks in European and Middle Eastern countries. The subsidiary has already been established in Greece while during 2008 the establishment of subsidiaries in other countries is expected.

Concurrently, the incorporation of "HYGEIA HOSPITAL –TIRANA Sh.A." takes place at Tirana, Albania, which will erect and operate the first private clinic in Albania, with the prospect of developing a network of health services operators in the adjacent countries of Montenegro and FYROM. The investment is initially estimated at EUR 40 million and its implementation is expected to commence in early 2008.

During the same month, an agreement was concluded for the acquisition of 56.7% of the share capital of "Chryssafiliotissa Public Ltd", to which the private hospital "ACHILLION" at Limassol, Cyprus belongs. ACHILLION is a modern hospital operating since 2004 and extends over a 7,000 m^2 building with 86 beds (mainly suites and single-bed rooms), 8 surgery rooms, 5 labor wards, an intensive care unit, a special treatment unit and all modern laboratories (computerized axial tomography, magnetic resonance tomography, etc). It covers all medical specialties including obstetrics while the physicians cooperating with the hospital are more than 120. The agreement was completed following termination of the due diligence and the necessary approval by the Competition Committee of Cyprus in January 2008. The final acquisition price came to CY£ 8,016,756 (EUR13.7 million) and arose from an valuation report prepared by an independent consulting firm.

In September, "HYGEIA S.A." entered into an agreement with the Insurance Company "ETHNIKI S.A". The agreement concerns the direct coverage of the insured persons represented by "ETHNIKI INSURANCE" for hospitalization at HYGEIA under special terms both for the fees of physicians and the price list of the hospital.

This agreement crowned with success the attempt of HYGEIA Management to establish a new framework of reliable cooperation between insurance companies and private hospitals. Similar agreements with the largest insurance companies ING, INTERAMERICAN and ALLIANZ have already been implemented producing very positive results.

In December the share capital increase of "HYGEIA S.A." was successfully completed with contribution in kind of shares of "MITERA S.A.". Upon completion of the procedure, "HYGEIA S.A." owns approximately 98.6% of the share capital of MITERA. This procedure is part of HYGEIA joining forces with MITERA. This acquisition is expected to yield particularly positive returns quite soon as there are un-exploited synergies amongst the two companies and abilities for significant economies of scale.

The above corporate acts and investment moves show that the Group's restructuring and development plan is being successfully implemented. The management of the Group has started implementing its strategic planning, remaining steadily focused on the enhancement of the Group's activities within and outside Greece, with the view of creating the greatest group of health integrated services in the region of South-eastern Europe, the Mediterranean and Middle East.

Results at the Parent Company Level

At the company level Turnover amounted to EUR 107.7 mil. compared to EUR 93.6 mil. in the previous period, thus posting an increase of 15%. The increase in Turnover was not hindered by costs and consequently the Gross Profit margin rose by 217 basis points (from 14.6% to 16.8%). The results before Interest, Taxes, Depreciation and Amortization (EBITDA) reached EUR 19.5 mil., presenting an increase of 77% compared to the previous year. This fact reflects the company's successful operation both as regards increased income and containment of expenses. This success, in conjunction with the decrease of receivables (collection of open balances) resulted in the improvement of Cash Flows, which as positive give the Company the opportunity to contain its needs for bank debt and consequently to significantly decrease its financial cost.

It is noted that the current period was burdened significantly by non-repeated expenses, such as: provision for doubtful receivables, disputed cases, which overall decreased the results by approximately EUR 3.6 mil.

Results at the Group Level

At the Group level Turnover amounted to EUR 130.3 mil. compared to EUR 94.6 mil. in the previous period, thus posting an increase of 37.8%. The gross profit margin rose by 292 basis points (from 16.1% to 19%). The results before Interest, Taxes, Depreciation and Amortization (EBITDA) reached EUR 24 mil., presenting an increase of 107% compared to the previous year. Earnings before Taxes amounted to EUR 16.8 mil. compared to EUR 3 mil. during the previous period, thus presenting an increase of 462%.

Trends and prospects for 2008

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 continuously increased 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, on expansion of its clientele base and the provision of new health services.

The trend exhibited by the 2007 results, the increase in turnover, assets and the profit margin, as well as the containment of costs, are expected to continue also for 2008.

The Company's strategic development through the establishment or acquisition of similar companies in Greece and abroad is expected to significantly be enhanced by the successful issuance of a Convertible Bond Loan amounting to EUR 300,015,000. Furthermore, on 18.07.2006 the General Meeting has provided its approval for the contracting of a Common Bond Loan amounting to EUR 200,000,000, which will be able to further reinforce the Company's development if such is deemed necessary.

The 2007 results reveal the Group's development course and the most substantial improvement of all financial indicators. 2007 pursues the implementation of the new development business plan that started in 2006 and as such reflects only a part of the Group's dynamism and prospects, which has already been confirmed by the first data of the first quarter 2008.

Performance Indicators

The Company monitors its performance through an analysis of basic financial performance ratios, in order to detect and promptly face any possible deviations. Performance is measured with the use of financial ratios used internationally:

ROCE - Return On Capital Employed: The Ratio divides Earnings before Taxes and Financial results with the total Capital Employed, which is the sum of the Company's Equity and its total Loans (short-term and long-term).

ROE - Return On Equity: The Ratio divides Earnings after Taxes with the Company's Equity

The aforementioned ratios for 2007 are analyzed as follows:

Ratio	*Parent*	*Group*
ROCE	*3.4%*	*4.0%*
ROE	*3.3%*	*3.6%*

The aforementioned ratios are expected to be reinforced significantly in the next period.

Corporate Governance

The Board of Directors

According to the Internal Operational Regulation of HYGEIA S.A. and Law 3016/2002 concerning Corporate Governance, the Board of Directors represents the Company, exercises its management and mainly sets its strategy and development policy, while it monitors and audits the management of its assets.

The Board of Directors members are obliged to restrain from pursuing personal interests that conflict the Company's interests. Moreover, the Board of Directors members are obliged to reveal to the remaining BoD members any important self-interests that may be directly affected by company transactions or decisions as well as any other conflict of interests with those of the Company or affiliated companies as defined by article 43e par.5 of C.L.2190/1920, that emerge from the exercise of their responsibilities. The Board of Directors members must disclose their intentions concerning the execution of significant transactions and economic activities related with the Company as well as with basic customers or suppliers of the Company.

Internal Audit

The Internal Audit division, a necessary condition of Corporate Governance, is monitored by the Audit Committee, which consists of non-executive members of the Company's Board of Directors, is appointed by the Company's Board or Directors and reports directly to such.

According to the Company's Internal Regulation, the Internal Audit Division:

Monitors as independent unit the implementation of and constant compliance with the Internal Regulation, the Company's Articles of Association and overall legislation and the decisions of supervisory authorities, which concern the Company's operation, reports to the BoD any conflict of interests between the Company and BoD members or management executives, provides reports, data and recommendations to the BoD with respect to all aspects of the operation and cooperation with any supervisory authority.

Investor Relations

HYGEIA S.A. also operates an Investor Relations department, which includes the Shareholders Service and Corporate Affairs departments. Investment Relations department has been vested with the task of providing equal information to the shareholders, investors, analysts, mass media and, generally, investment community. Timely, explicit and transparent information about the financial data, business developments, strategy and objectives of the Group determine the efficiency of the department. The essential role of the department lies in the two-way communication of the Management of the Listed Company with the investment community, supervisory authorities and other stakeholders. The purpose of the Investor Relations department is to present accurately the Group, provide continuous flow of information about the present and mainly the prospects of the Company to investors at both local and international level about all issues affecting the Listed Company.

Scientific Committee

HYGEIA S.A. also includes a Scientific Committee which comprises highly credited and trusted experienced doctors. According to article 42 of the Company's Articles of Association, the Scientific Committee of the Company consists of seven (7) members with a two-year term beginning from their appointment by Hygeia's body of doctors. The Scientific Committee has an advisory-recommendatory role.

The Scientific Committee provides its opinions and makes the appropriate proposals towards the Board of Directors, the Chief Executive Officer or the General Manager and it monitors the general exercise terms of the medical work in the Company, including rules of ethics.

Ethics and Deontology Committee

According to article 43 of the Company's Articles of Association, a five-member Ethics and Deontology Committee is convened by doctors that meet the same terms and conditions as regards the election of Scientific Committee members. The term is two years and begins from the appointment by means of a decision by the Company's Board of Directors.

The Ethics and Deontology Committee sees to the practical implementation of the exercise rules of the medical profession, according to those stated by the Medical Ethics Code in the context of the legislation in effect.

Dividend Policy

As for the financial year 2007, the BoD of the Company will propose to the shareholders Ordinary General Meeting the distribution of dividend equal to EUR 0.16 per share in the form of dividend and capital return.

The Board of Directors
Marousi, 29.02.2008

Information regarding the issues of paragraph 1 of Article 11a of Law 3371/2005

Explanatory Report
To the Ordinary General Meeting of Shareholders set out in Article 11a of Law 3371/2005

The current explanatory report of the Board of Directors addressed to the Ordinary General Meeting of Shareholders contains information regarding the clauses of paragraph 1 of article 11a of Law 3371/2005.

Structure of the Company's share capital

The share capital of the Company amounts to fifty-one million five hundred eight thousand six hundred seventy-three Euros and ten cents (EUR 51,508,673.10), divided into one hundred twenty five million six hundred thirty thousand nine hundred ten (125,630,910) common registered shares with a nominal value of forty-one cents (EUR 0.41) each. The Company's shares are listed in the Securities Market of the Athens Stock Exchange.

The Company's shareholders rights arising from its share are according to the percentage of capital held which represents the share's paid value. Each share grants all the rights required by the Law and its Articles of Association and more particularly:

- The right to dividend payment on the annual profits or profits left on the Company's liquidation. These are calculated to be at least equal to 35% of net profits following subtraction of statutory reserves only. This amount is distributed by the Company as first dividend whereas the distribution of surplus dividend is decided by the General Meeting. Entitled to the dividend are all shareholders who have been entered to the shareholders register maintained by the Company by the dividend record date. The dividend will be paid to the shareholders within two months from the date of the Ordinary General Meeting that approved the annual financial statements. The method and place of payment are announced via the press. Dividends not collected for five years, since the end of the year in which the General Meeting approved its distribution, are written off in favor of the State.
- The right to reclaim the contribution in the event of liquidation or capital redemption for that share respectively, upon decision of the General Meeting.
- Pre-emption right in any increase of the Company's share capital with cash and the acquisition of new shares.
- The right to receive a copy of the financial statements, reports of certified auditors and the Company's Board of Directors.
- The General Meeting of the Company's shareholders maintains all its rights in the event of liquidation pursuant to its Articles of association.

The Company shareholders' responsibility is limited to the nominal value of the shares they hold.

Restrictions on the transfer of the Company's shares

The transfer of the Company's shares is carried out in accordance with the Law and there are no restrictions on their transfer pursuant to the Company's Articles of Association as these are dematerialized shares listed in the Stock market.

Significant direct or indirect participations in the sense of P.D. 51/1992

Shareholders, natural or legal entities, that hold directly or indirectly percentage higher than 5% of the share capital are the following:

Shareholder	*Percentage of the total Share Capital**
Marfin Capital	*30.23%*
Ioanna Arvanitou	*7.23%*
Other Shareholders <5%	*62.54%*

*Data as of 31.12.07

Shares that provide special rights of audit

There are no such shares.

Restrictions on voting rights

They are not provided in its Articles of Association.

Company's Shareholders' agreements

The Company is not aware of any agreements between its shareholders which might result in restrictions on the transfer of the Company's shares or on the voting rights conferred by its shares.

Rules of appointment and replacement of Board of Directors members and amendment of Articles of Association.

The rules provided in the Company's Articles of Association regarding the appointment and replacement of its Board of Directors members do not differ from those provided for in Codified Law 2190/1920.

Competency of the Board of Directors to issue new shares or purchase own shares

A. According to the provisions of article 13, paragraph 1, subparagraphs b & c of Codified Law 2190/1920 and in conjunction with the provisions of its Articles of Association, the Company's Board of Directors has the right, upon decision of the General Meeting, to increase the Company's share capital by issuing new shares, which shall require a decision taken by a majority which may not be less than two thirds of the votes cast. In this case, the Share Capital may be increased by amounts which shall not exceed in total the amount of paid up capital on the date on which such authority is granted to the Board of Directors by the General Meeting. This authorization may be renewed by the General Meeting for a period that does not exceed a period of five years each time.

B. According to the provisions of article 13, paragraph 9 of Codified Law 2190/1920, upon decision of the General Meeting a program of stock options to the members of the Board of Directors and to the employees can be introduced in the form of a share option plan according to the special terms of this decision. The General Meeting's decision states the maximum number of shares that can be issued, which, under Law cannot exceed 1/10 of the existing shares, if the beneficiaries exercise the right to share warrant, the price and the terms of offering the shares to the beneficiaries.

Important agreements contracted by the Company, which will enter into effect, will be amended or will expire in case of change in the Company's control following a public offer

There is no such an existing agreement.

Agreements contracted with the members of the Board of Directors or with the Company's personnel

There are no agreements of the Company with members of its Board of Directors or its personnel, which provide for the payment of compensation especially in case of resignation or release without substantiated reason or in case of termination of their term or employment due to a public offer.

INDEPENDENT CERTIFIED AUDITORS REPORT

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

Report on the Financial Statements
We have audited the accompanying financial statements of DIAGNOSTIC & THERAPEUTIC CENTER OF ATHENS "HYGEIA S.A." (the "Company"), as well as the consolidated financial statements of the Company (the "Group"), which comprise the balance sheet as at 31 December 2007, the income statement, statement of changes in shareholders' equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the abovementioned financial statements present fairly, in all material respects, the financial position of the Company and that of the Group as of 31 December 2007 and the financial performance and the cash flows of the Company and those of the Group for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Report on Other Legal and Regulatory Requirements

The Board of Directors Report comprises the information prescribed by Article 43a, paragraph 3 and Article 107, paragraph 3 of the Law N.2190/1920, as well as Article 11α of the Law N.3371/2005 and its content is consistent with the abovementioned financial statements.

Athens, 5th March 2008

Chartered Accountants

Vassilis Kazas	Manolis Michalios
SOEL R.N. 13281	SOEL R.N. 25131

Grant Thornton

44 Vasileos Konstantinou Str.

116 35 Athens, Greece

SOEL Reg. No. 127

Balance Sheet

Amounts in Euro	Note	THE GROUP 31-Δεκ 2007	THE GROUP 31-Δεκ 2006	THE COMPANY 31-Δεκ 2007	THE COMPANY 31-Δεκ 2006
ASSETS					
Non-current assets					
Tangible assets	5,1	173.339.584	89.859.798	100.773.071	89.656.659
Investments in property	5,2	171.883	1.993.078	171.883	1.993.078
Goodwill	5,3	267.813.327	7.221.830	0	0
Intangible assets	5,4	4.763.925	4.406.982	4.051.920	4.401.250
Financial assets available for sale	5,5	341.739	11.739	11.739	11.739
Investments in associates	5.6.1	204.780	60.356.540	58.694	27.720.619
Investments in subsidiaries	5.6.2	0	0	283.058.220	31.318.281
Deferred income tax	5,13	4.526.217	3.738.510	3.468.859	3.716.333
Other long-term receivables	5,7	7.417.524	58.842	7.278.314	33.199
		458.578.979	167.647.319	398.872.700	158.851.159
Inventories	5,8	6.784.644	2.859.319	2.759.850	2.745.087
Trade and other receivables	5,9	46.065.853	27.381.373	29.735.013	27.170.139
Cash and cash equivalents	5,1	8.870.649	5.294.501	3.924.669	4.106.741
		61.721.147	35.535.192	36.419.531	34.021.967
Total assets		**520.300.126**	**203.182.511**	**435.292.231**	**192.873.126**
OWNER'S EQUITY					
Owner's equity attributable to the shareholders of the parent					
Share capital	5,11	51.508.673	26.322.000	51.508.673	26.322.000
Other reserves	5,11	266.737.255	71.375.333	266.674.807	71.375.333
Reserves from balance sheet conversion	5,11	33.090	0	0	0
Profit carried forward	5,11	13.574.039	3.087.874	11.608.064	876.560
Total capital and reserves		331.853.057	100.785.206	329.791.544	98.573.893
Minority interests	5,11	5.304.207	49.618	0	0
Total capital and reserves		**337.157.264**	**100.834.824**	**329.791.544**	**98.573.893**
LIABILITIES					
Long-term liabilities					
Loans	5,12	22.233.845	20.120.199	0	20.075.517
Deferred income tax	5,13	23.556.868	15.243.099	9.244.043	8.016.285
Provisions for benefits to staff following retirement	5,14	12.809.407	10.471.475	9.221.266	10.383.773
Provisions for liabilities and expenses	5,15	7.286.625	3.015.000	1.280.964	2.900.000
Other long-term liabilities	5,16	6.223.916	0	16.000	0
		72.110.661	48.849.773	19.762.273	41.375.575
Short-term liabilities					
Suppliers and other payables	5,17	40.623.704	29.523.123	28.213.283	29.095.079
Current income tax		5.577.585	116.132	2.047.134	0
Provisions for liabilities and expenses	5,15	150.000	156.000	150.000	156.000
Loans	5,12	64.680.912	23.702.659	55.327.998	23.672.578
		111.032.201	53.497.914	85.738.414	52.923.658
Total Liabilities		183.142.862	102.347.687	105.500.687	94.299.233
Total owner's equity and liabilities		**520.300.126**	**203.182.511**	**435.292.231**	**192.873.126**

Income Statement

Amounts in Euro	Note	THE GROUP 31 December 2007	THE GROUP 31 December 2006	THE COMPANY 31 December 2007	THE COMPANY 31 December 2006
Sales		130,322,171	94,593,377	107,677,747	93,638,975
Cost of goods sold	5.18	(105,538,189)	(79,368,544)	(89,593,551)	(79,946,773)
Gross profit		**24,783,982**	**15,224,833**	**18,084,196**	**13,692,202**
Other operating income	5.2	5,987,851	4,503,422	4,936,397	4,518,764
Administrative expenses	5.19	(8,354,591)	(9,233,827)	(5,909,714)	(8,813,230)
Selling Expenses	5.19	(1,616,977)	(1,148,687)	(308,952)	(631,907)
Other operating expenses	5.2	(3,911,639)	(4,233,070)	(3,709,665)	(4,213,208)
Operating profit		**16,888,626**	**5,112,670**	**13,092,262**	**4,552,621**
Financial income	5.21	251,116	139,781	212,552	129,347
Financial expenses	5.21	(3,227,632)	(4,718,816)	(2,850,550)	(4,708,847)
Other financial results	5.22	7,399	8,102	3,735,756	767,600
Gain on acquisition of companies		0	32,342	-	-
Profit / (loss) from associates		2,845,367	2,411,206	-	-
Period net profit / (loss) before tax		**16,764,875**	**2,985,287**	**14,190,021**	**740,721**
Income tax	5.23	(4,587,608)	(1,948,424)	(3,458,516)	(1,771,011)
Period net profit / (loss) after taxes		**12,177,268**	**1,036,863**	**10,731,504**	**(1,030,291)**
Attributed to:					
Shareholders of the parent		12,297,785	1,028,347	10,731,504	(1,030,291)
Minority interests		(120,518)	8,516		
Profit/ (loss) per share attributable to the shareholders of the parent for the period					
Basic/ diluted	5.24	0,18	0,02	0,15	(0,02)
Earnings before interest, taxes, depreciation and amortization		23,989,398	11,612,322	19,447,513	10,989,008
Earnings before interest and taxes		16,888,626	5,112,670	13,092,262	4,552,621
Post-tax profit		12,177,268	1,036,863	10,731,504	(1,030,291)

Statement of changes in equity

Amounts in Euro

	THE GROUP						
	Attributable to the shareholders of the parent						
	Share Capital	Others Reserves	Reserves of Balance sheet conversion	Profits carried forward	Total	*Minority interests*	Total Owner's equity
Balance, 31 December 2005	**17.548.000**	**20.241.027**	**0**	**2.223.527**	**40.012.554**	***0***	**40.012.554**
Period net profit		(11.694)		1.040.041	1.028.347	*8.516*	1.036.863
Income/ expenses directly posted to equity				(183.858)	(183.858)		(183.858)
Granting rights on equities to staff				172.162	172.162		172.162
Share capital increase	8.774.000	51.146.000			59.920.000		59.920.000
Minority interests from acquisition of subsidiary's share					0	*41.102*	41.102
Dividend distribution				(164.000)	(164.000)		(164.000)
Balance, 31 December 2006	**26.322.000**	**71.375.333**	**0**	**3.087.873**	**100.785.206**	***49.618***	**100.834.824**
Period net profit				12.297.785	12.297.785	*(120.518)*	12.177.268
Income/ expenses directly posted to equity		62.448	33.090	(1.730.620)	(1.635.082)		(1.635.082)
Share capital increase	25.186.673	195.964.604			221.151.277		221.151.277
Capital increase expenditure		(665.129)			(665.129)		(665.129)
Minority interests from acquisition of subsidiary's share					0	*5.375.108*	5.375.108
Dividend distribution				(81.000)	(81.000)		(81.000)
Balance, 31 December 2007	**51.508.673**	**266.737.255**	**33.090**	**13.574.038**	**331.853.057**	***5.304.207***	**337.157.264**

	THE COMPANY			
	Share Capital	Others Reserves	Profits carried forward	Total Owner's equity
Balance, 31 December 2005	**17.548.000**	**20.241.027**	**1.906.851**	**39.695.878**
Period net profit		(11.694)	(1.018.597)	(1.030.291)
Income/ expenses directly posted to equity			(183.857)	(183.857)
Granting rights on equities to staff			172.162	172.162
Share capital increase	8.774.000	51.146.000		59.920.000
Balance, 31 December 2006	**26.322.000**	**71.375.333**	**876.560**	**98.573.893**
Period net profit			10.731.504	10.731.504
Income/ expenses directly posted to equity				0
Share capital increase	25.186.673	195.964.604		221.151.277
Capital increase expenditure		(665.129)		(665.129)
Balance, 31 December 2007	**51.508.673**	**266.674.807**	**11.608.064**	**329.791.544**

Cash flow statement

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Net cash flows from operating activities	**12.744.855**	**11.112.640**	**5.860.113**	**9.389.745**
Interest paid	(2.373.701)	(4.830.587)	(2.237.967)	(4.707.626)
Income tax paid	(1.742.367)	(178.940)	(280.824)	0
Net cash flows from operating activities	**8.628.787**	**6.103.114**	**3.341.323**	**4.682.119**
Cash flows from investment activities				
Purchases of tangible assets	(26.325.781)	(1.923.485)	(14.986.849)	(1.900.379)
Sales of tangible assets	108.003	297.683	103.500	297.683
Purchases of intangible assets	(403.424)	(147.025)	(323.868)	(147.025)
Sales of intangible assets		0		0
Purchases of investments in property		0		0
Sales of investments in property		0		0
Dividends received	3.093.503	2.456.095	3.735.756	3.206.095
Purchase of subsidiaries (less subsidiary's cash)	1.636.505	(31.277.339)	(2.926.738)	(31.588.492)
Purchase of associates' share	0	(28.933.845)	0	(28.943.845)
Interest received	245.611	140.284	212.552	129.347
Net cash flows from investment activities	**(21.645.583)**	**(59.387.631)**	**(14.185.647)**	**(58.946.615)**
Cash flows from financing activities				
Issue of common shares	(20.129)	59.736.143	(665.129)	59.736.143
Dividends paid to the parent's shareholders	(81.000)	(239.000)	0	0
Loans taken out	32.009.996	92.166.674	22.941.339	92.166.674
Loan (repayment)	(15.054.323)	(94.337.792)	(11.400.000)	(94.320.873)
Payments of finance lease capital	(261.600)	(627.665)	(213.959)	(606.545)
Net cash flows from financing activities	**16.592.944**	**56.698.360**	**10.662.251**	**56.975.399**
Net increase / (decrease) in cash and cash equivalents	**3.576.148**	**3.413.843**	**(182.073)**	**2.710.903**
Cash and cash equivalents at beginning of period	5.294.501	1.880.658	4.106.741	1.395.839
Cash and cash equivalents at end of period	**8.870.649**	**5.294.501**	**3.924.669**	**4.106.742**

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 who 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 and its shares are listed on the Athens 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 security funds and insurance organizations.

Specifically, HYGEIA S.A. includes:

- 11 Pathology Clinics
- 22 Surgical Clinics
- 6 Diagnostic Laboratories
- 8 Imaging Laboratories, etc.
- 16 surgery rooms
- 10 Outpatient Departments
- Quality assurance department

Moreover, the Company also owns five 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 31.12.2007 HYGEIA S.A. employed 1,065 individuals, while the Group employed 2,244.

2. Basis for preparation of financial statements

The consolidated and individual financial statements of **HYGEIA S.A.** as at December 31^{st} 2007 covering the entire 2007 fiscal year have been compiled based on the historic cost principle as is amended by the readjustment of specific asset and liability items into market values, the going concern principle and are in accordance with the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board (IASB) and their interpretations that have been issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB.

All the revised or newly-issued Standards and interpretations applying to the Group and being in force on 31 December 2007 were taken into account when preparing the financial statements of the current year to the extent these were applicable.

The compilation of financial statements according to IFRS requires the use of accounting estimations and judgments by management during the application of the Group's accounting principles. Significant assumptions made by the management for the application of the company's accounting methods have been highlighted where deemed necessary.

In 2003 and 2004, the International Accounting Standards Board (IASB) issued a series of new International Financial Reporting Standards (IFRS) and revised International Accounting Standards (IAS), which are applied in connection with the non-revised International Accounting Standards (IAS), issued by the International Accounting Standards Committee, predecessor of IASB. The aforementioned series of standards is referred to as the «IFRS Stable Platform 2005». The Group applies the IFRS Stable Platform 2005 from January 1^{st} 2005. January 1^{st} 2004 constitutes the transition date for the Group.

3. Basic accounting principles

The accounting principles according to which the attached financial statements are compiled and which the Group applies systematically are consistent with those applied in the previous period except for the following cases:

3.1 Changes to accounting principles (amendments to the published standards effective as of 2007)

- **Amendment of IAS 1 – Presentation of Financial Statements**

Owing to the issue of IFRS 7, some amendments to IAS 1 – Presentation of financial statements were necessary while some more requirements were added to IAS 1 with respect to the disclosures of information by a financial entity. The Group now publishes data related to the purposes of funds management, the procedures and policies applied. These disclosures required pursuant to the amendment of IAS 1 are presented in note 3.2.

- **Adoption of IFRS 7 Financial instruments: Disclosures**

IFRS 7 applies compulsorily to the annual financial statements published for a period beginning on or after 1.1.2007. IFRS 7 replaces and amends the required disclosures that were specified by IAS 32 beforehand and was adopted by the Group with respect to the consolidated financial statements of 2007. All the disclosures referring to financial instruments and the data of comparable period have been updated so at to meet the requirements of the new standard.
More specifically, the consolidated financial statements of the Group now present:

1. A sensitivity analysis in order to justify the exposure of the Group to the market risks linked with its financial instruments; and
2. A maturity analysis of the financial liabilities, which shows the contractual outstanding debts for each presented financial statement.

The first application of the Standard has not led to any readjustments of past-period items as regards cash flows, net results or other balance sheet items.

3.2 Standards, amendments and interpretations to already existing standards that have not been put into effect yet and have not been adopted

The following new Standards and Standard Revisions as well as the following interpretations for the existing standards have been published but are not compulsory for the presented financial statements and have not been adopted by the Group beforehand:

Standards or Interpretations	***Description***	***Effective date as of the fiscal year beginning on or after:***
IFRIC 11	*IFRS 2 – Group and Treasury Share Transactions*	*01.03.2007*
IFRIC 12	*Service Concession Agreements*	*01.01.2008*
IFRIC 13	*Customer Loyalty Programs*	*01.07.2008*
IFRIC 14	*IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*	*01.01.2008*
IAS 23	*Borrowing cost (Revised 2007)*	*01.01.2009*
IAS 1	*Presentation of financial statements (Revised 2007)*	*01.01.2009*
IFRS 8	*Operating segments*	*01.01.2009*

In condensed, the above interpretations and standards specify the following:

IFRIC 11: IFRS 2 – Group and Treasury Share Transactions

IFRIC 11 provides guidance on whether benefit agreements depending on the value of shares should be considered cash-settled or equity-settled payments in the entity's financial statements. This is a major distinction since there are significant differences amongst the types of necessary accounting treatment.

For instance, cash-settled payments are assessed at fair value on each balance-sheet date. On the contrary, in case of equity-settled payments the fair value is determined on the date it is granted and recognized during the period the relevant service is provided.

Although IFRIC 11 focuses on equity-based payments to the staff, its logic can be applied to other similar transactions with suppliers of goods and services. Entities should apply this Interpretation for annual periods beginning on or after 1 March 2007. Application before this date is permitted. If an entity applies this interpretation for a period starting before 1 March 2007, the entity should disclose such event.

IFRIC 12: Service Concession Agreements

IFRIC 12 provides guidance on the accounting treatment of agreements in which: (i) a government agency ("the grantor") grants contracts for the provision of public services to private-sector operators ("concession managers") and (ii) the services provided presuppose that the concession manager (private entity) will use the infrastructure. IFRIC 12 does not cover all types of service concession arrangements. It applies solely to agreements between public and private sector in which the manager uses the infrastructure. Therefore, it does not cover concession arrangements between private-sector entities.

The Application Guide of IFRIC 12 specifies that these regulatory authorities or the audit of the service do not presuppose that the grantor will be vested with full control of invoicing or the way the infrastructure is used. To this effect, subjective judgment is necessary for certain cases so as to specify whether they fall under the scope of the Interpretation.

Any agreements not falling under the scope of IFRIC 12 should be treated pursuant to the other IFRS. Those agreements in which the manager controls the infrastructure may lead to recognition of its assets pursuant to IAS 16 or may be a lease (pursuant to IFRIC 4).

IFRIC 12 applies to annual periods beginning on or after 1 January 2008. Earlier application is permitted. Its retroactive application is necessary during transition but there are exceptions to this requirement in case full retroactive effect is not possible.

IFRIC 13: Customer Loyalty Programs

Customer loyalty programs provide customers with incentives to buy products or services of an entity. If customers buy products or services, then the company awards them credits (often called "points") which customers can subsequently redeem so as to acquire free or discounted goods or services. These programs may be implemented by the entity itself or a third party. IFRIC 13 can be applied to all customer loyalty programs awarding credits that an entity can grant to its customers as part of a sale transaction. IFRIC 13 will apply compulsorily to periods beginning on or after 1 July 2008. Retroactive application of the Interpretation is necessary while earlier application is encouraged insofar as this fact is disclosed in the explanatory notes attached to the entity's financial statements.

IFRIC 14: IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

IFRIC 14 covers the interaction between minimum funding requirements (which are usually imposed by laws and regulations) and the measurement of a defined benefit asset. The scope of IFRIC 14 is related only to limited cases of defined benefit plans following retirement which have a surplus or are subject to minimum funding requirements. In particular, it deals *inter alia* with the notion of "available" used in IAS 19. In general, the Interpretation explains that an economic benefit is available if the entity has the unreserved right to recognize the benefit during the life of the plan or when the defined benefit plan is settled. The recognition of the asset does not depend on whether the economic benefits are instantly recognizable on the balance-sheet date or on how the entity intends to use any surplus. In addition, the Interpretation deals with the accounting treatment of an obligation for minimum funding requirements arising from services already received from the entity. IFRIC 14 applies to periods beginning on or after 1 January 2008. By way of exception, IFRIC 14 does not require full retroactive application. The application is necessary upon beginning of the first period to which the Interpretation applies.

IAS 23: Borrowing cost (Revised 2007)

The revised IAS 23 removes the option of immediately recognizing as an expense borrowing costs that relate to the acquisition, construction or production of a fixed asset. The characteristic of this fixed asset is that it takes a substantial period of time to get ready for use or sale. An entity, however, is required to capitalize such borrowing costs as part of the cost of such fixed asset.

The revised IAS 23 does not require the capitalization of borrowing costs relating to fixed assets measured at fair value and inventories that are manufactured or produced in large quantities on a repetitive basis, even if they take a substantial period of time to get ready for use or sale.

The revised Standard applies to borrowing costs relating to qualifying assets for which the commencement date for capitalization is on or after 1 January 2008. Earlier application is permitted.

IAS 1: Presentation of Financial Statements

The main changes of this Standard sum up in the separate presentation of the changes in equity, which arise from transactions with shareholders in their capacity as such (e.g. dividends, capital increases) and from other changes in equity (e.g. conversion reserves). In addition, the improved version of the Standard changes the terminology and the titles of financial statements.

The new definitions of the Standard, however, do not change the rules applying to recognition, measurement or disclosure of specific transactions and other events required by the other Standards.

The amendment of IAS 1 is obligatory for the periods beginning on or after 1 January 2009 while these requirements apply also to IAS 8 "Accounting policies, changes in accounting estimates and errors". The changes arising from the amendment of IAS 1 apply on a retroactive basis (IAS 8.19 (b)). Earlier application is encouraged insofar as this event is disclosed in the explanatory notes attached to the entity's financial statements.

Based on the existing structure of the Group and the accounting policies applied, the Management does not expect any significant effect on the Group's financial statements due to application of the above Standards and interpretations when these are put into effect.

The effect of the application of the revised IAS 23 has not been determined yet. As cited above, the revised IAS 23 removes the option of immediately recognizing as an expense borrowing costs that relate to the acquisition, construction or production of a fixed asset. This is expected to affect the measurement of the fixed assets internally created in the context of the Group's research and development activities. The policy applied until now concerned the direct debit of all financial expenses to the operating results. The change in the mode of accounting recognition of these expenses will affect mainly the moment such expense will be recognized as well as the presentation of such expense (financial cost against amortization).

IFRS 8: Operating segments

IFRS 8 "Operating segments" replaces IAS 14 "Financial information per sector". The main changes are summarized as follows:

1. The results of each segment are based on the operating results of each information segment. The results of operating segments do not include financial cost and financial income, including the results arising from investments in companies' share capital, and results from taxes and discontinued operations.
2. In addition, for the purpose of administrative decisions concerning the allocation of resources to operating segments as well as for the purpose of measurement of segment efficiency, the expenses related to staff retirement expenses and the cost arising from the settlement of equity-related transactions are not taken into account.

It applies to periods beginning on 1 January 2009.

The Group does not intend to apply any of these Standards or Interpretations earlier.

3.3 Important accounting decisions, estimations and assumptions by management

The estimation and judgments made by the management are reviewed on a constant basis and are based on historic data and expectations on future events, which are considered reasonable according to the current circumstances.

The Group goes forward with estimations and assumptions as regards the development of future events. Estimations and assumptions that involve significant risk to induce substantial adjustments on the book values of assets and liabilities in the next 12 months are as follows:

a) An estimation is required by the Group for the calculation of the provision for income tax. There are many transactions and calculations for which the final definition of tax is uncertain. If the final tax differs from the initially recognized tax, the difference will affect the income tax and the provision for deferred taxation of the period.

b) The Group recognizes a provision for judicial cases based on information from the Group's Legal Service.

c) The Group recognizes a provision for doubtful receivables, based on the degree of recoverability that is estimated for each receivable case.

3.4 Segment reporting

A business segment is defined as a group of assets and activities that provide goods and services that 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 year 2007, 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.

	HEALTH BRANCH	BRANCH OF COMMERCIAL ACTIVITIES & SUPPORT SERVICES	TOTAL 31.12.2007
INCOME	125,203,878	5,118,293	**130,322,171**
% holding	96.07%	3.93%	100.00%
RESULTS	11,737,759	439,508	**12,177,268**
% holding	96.39%	3.61%	100.00%
ASSETS	512,784,616	7,515,509	**520,300,126**
% holding	98.56%	1.44%	100.00%

As for year 2008, the Group will divide its activities in three branches:

- Primary care
- Secondary care
- Commercial activities and support services

This allocation was deemed necessary due to the rapid rise and expansion of the Group that took place during 2007, the increased expectations for 2008 and the need for more efficient management and exploitation of the amount of 300 million Euros raised from the successful issuance and coverage of the Company's Corporate Bond Loan.

3.5 Consolidation

(a) Subsidiaries

Subsidiaries are companies in which control is exercised by the parent. The existence of potential voting rights that are exercisable by the parent at the time the financial statements are compiled is taken into account in order to determine whether the parent exercises control over the subsidiaries. Subsidiaries are consolidated completely (full consolidation) from the date that control over them is acquired and cease to be consolidated from the date that this control no longer exists.

The used accounting method for the consolidation is the purchase method. The acquisition cost of a subsidiary is the fair value of the assets given as consideration, the shares issued and the liabilities undertaken on the date of the acquisition plus any costs directly associated with the transaction. The individual assets, liabilities and contingent liabilities that are acquired during a business combination are valued during the acquisition at their fair values regardless of the participation percentage. The acquisition cost over and above the fair value of the individual assets acquired is booked as goodwill. If the total cost of the acquisition is lower than the fair value of the individual assets acquired, the difference is directly booked to the results.

Inter-company transactions – Inter-company balances and unrealized profits from transactions between Group companies are written-off. Unrealized losses are also written-off except if the transaction provides indication of impairment of the transferred asset. The accounting principles of the subsidiaries have been amended so as to conform to the ones adopted by the Group.

In the financial statements of the parent, investments in subsidiaries are presented at acquisition cost less any possible impairment loss. At each balance sheet date, the Company considers whether there are objective indications that lead to the conclusion that the investments have suffered impairment. If impairment has been established, the loss that is the difference between acquisition cost and fair value, is transferred to the results.

(b) Associates

Associates are companies on which the Group can exert significant influence (not control), with participation between 20% and 50% of a company's voting rights. Investments in associates are accounted for by using the equity method. They are initially booked at acquisition cost.

The Group's share in the profits or losses of associated companies after the acquisition is recognized in the income statement, while the share of changes in reserves after the acquisition is recognized in the reserves. The cumulated changes affect the book value of the investments in associated companies. When the Group's share in the losses of a subsidiary is equal or larger than its participation in the associate, the Group does not recognize any further losses, unless it has covered further liabilities on behalf of the associate.

Unrealized profits from transactions between the Group and its associates are written-off according to the percentage of the Group's holding in the associates. Unrealized losses are written-off, except if the transaction provides indications of impairment of the transferred asset. The accounting principles of the associates have been amended so as to be uniform to the ones adopted by the Group.

In the financial statements of the parent, investments in associates are presented at acquisition cost less any possible impairment loss. At each balance sheet date, the Company considers whether there are objective indications that lead to the conclusion that the investments have suffered impairment. If impairment has been established, the loss that is the difference between acquisition cost and fair value, is transferred to the results.

As regards the acquisition goodwill, it decreases the participation value by burdening the period's results, when its value decreases.

The Group's share in the profits or losses of affiliate companies after the acquisition is recognized in the income statement, while the share of changes in reserves after the acquisition is recognized in the reserves. The cumulated changes affect the book value of the investments in affiliate companies. When the Group's share in the losses of an associate is equal or larger than its participation in the associate, including any other doubtful debts, the Group does not recognize any further losses, unless it has covered liabilities or made payments on behalf of the associate or those that emerge from ownership.

Unrealized profits from transactions between the Group and its associates are written-off according to the percentage of the Group's holding in the associates. Unrealized losses are written-off, except if the transaction provides indications of impairment of the transferred asset. The accounting principles of the associates have been amended so as to be uniform to the ones adopted by the Group.

3.6 Group Structure

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

No	Name	istered of	Activity	Participating share	Consolidation method	Participation relation	Unaudited years in tax terms
	HYGEIA SA	Greece	Health services	PARENT		PARENT	2007
1	Y-LOGIMED (former ALAN MEDICAL SA)	Greece	Import, trade and supply of medical devices	100%	Total	Direct	2006-2007
	MAGNETIC HYGEIA DIAGNOSTIC IMAGING SA	Greece	Health services	20%	Equity	Direct	2007
2	ANIZ SA	Greece	Operation of restaurant canteens	70%	Total	Direct	2007
3	MITERA HOLDINGS SA	Greece	Holding in MITERA SA	100%	Total	Direct	2003-2007
4	HYGEIA HOSPITAL - TIRANA ShA.	Albania	Health services	80%	Total	Direct	2007
5	Y-PHARMA SA	Greece	Trade of pharmaceuticals and general-purpose medical items	85%	Total	Direct	2007
6	STEM HEALTH SA	Greece	Stem cells medical technology	50%	Total	Direct	2007
	MITERA SA	Greece	Health services	98,56%	Total	Direct-indirect	2006-2007
	LETO SA	Greece	Health services	69,11%	Total	Indirect	2006-2007
	LETO HOLDINGS SA	Greece	Holding in LETO SA	72,76%	Total	Indirect	2003-2007
	ALPHA LAB	Greece	Health services	69,11%	Total	Indirect	2003-2007

A) During November 2007, the Company's share capital increase was completed through contribution of shares issued by MITERA SA. During the submission period of Participation statements in the Company's capital increase, 682 shareholders of MITERA SA validly contributed 26,709,091 shares, namely shares representing 73.72% of the total share capital of MITERA S.A in return for 61,430,910 shares issued by the Diagnostic & Therapeutic Center of Athens HYGEIA SA. Prior to commencement of the submission period of Participation Statements, the Company held 8,998,624 shares of MITERA S.A. (namely 24.84% of its share capital). Of the above shares, 4,723,920 (namely 13.04%) were directly held and 4,274,704 (namely 11.805) were held through its subsidiary "HEALTH SERVICES AND INVESTMENTS HOLDINGS S.A." and trade name "MITERA HOLDINGS SA". Following the foregoing, the Company now owns 35,707,715 shares issued by MITERA SA, which represent 98.56% of the total share capital of MITERA SA.

This acquisition gave rise to a positive change in the Group's turnover by EUR 17,586,204, a positive change in the net operating profit before taxes (EBT) by EUR 2,889,566, a positive change in post-tax profit by EUR 1,990,251 and a positive change in earnings before interest, taxes, depreciation and amortization (EBITDA) by EUR 3,836,563.
If MITERA S.A. Group had been consolidated as of commencement of the fiscal year, there would be a positive effect on the turnover by EUR 97,476,496 (namely total turnover 210.2 mil. EUR), a positive effect on post-tax net results by EUR 13,026,554 (namely total post-tax results 23.2 mil.

EUR) and a positive effect on earnings before interest, taxes, depreciation and amortization (EBITDA) by EUR 22,669,960 (namely total EBITDA 42.8 mil. EUR).

B) In addition, on 31 December 2007, the Group's structure includes the following companies:

a) STEM HEALTH S.A. with 29/3/2007 being its establishment date;

b) Y-PHARMA S.A. with 3/4/2007 being its establishment date;

c) HYGEIA HOSPITAL – TIRANA ShA. with 25/4/2007 being its establishment date.

The above companies were included for the first time in the Group's consolidated statements on 30.6.2007 due to control acquisition.

C) As regards the change in the corporate name of the subsidiary "Y-LOGIMED" (former ALAN MEDICAL), we note the following:

By way of decision with reg. No EM-22981/07 of Athens Prefecture, there was approved the amendment of Articles 1 (corporate name) and 4 (scope) of the Articles of Association of "ALAN MEDICAL SA. – Medical supplies import and trade" and trade name "ALAN MEDICAL SA" and a societe anonyme with the name "Y-LOGIMED S.A.– Medical devices import, trade and supply" and trade name "Y-LOGIMED S.A." is established whose scope is:

1. To import from abroad, purchase from within Greece, manufacture and assemble as well as to carry out retail and wholesale operations in Greece and abroad regarding all manner of medical supplies and devices, consumables and any other similar items or products that are necessary for the operation of health care units or generally used in the health sector. The above also applies to all types of raw and auxiliary materials required for the manufacture or preparation and packaging of the foregoing.

2. To represent in Greece and abroad foreign firms active in the above fields and to represent Greek enterprises manufacturing and trading the above items.

3. To provide storage, management and handling services regarding third-party goods and any similar activity including, but not limited to, loading, unloading, receipt, storage, packaging, distribution and delivery of products on behalf of third parties and to provide consulting services in these sectors to Greek and foreign companies.

4. To provide all types of services (administrative, management, organizational, consulting, financial, etc) to any enterprise, in Greece and abroad.

5. To participate in national and European research or other programs falling under the scope of the company.

6. In order to attain the above scope, the Company may: a) set up branches or agencies or offices in Greece or other countries; b) set up or participate in domestic or international companies, existing or to be established, with similar or identical scope, irrespective of their legal status; c) represent any domestic or international enterprise with identical or similar scope; d) merge with other enterprises of any legal status with similar or identical status or absorb such companies; e) cooperate in Greece or abroad, in whatsoever manner, with other natural or legal persons as well as with organizations, institutes, research institutes and universities; and f) exercise any other relevant activity.

3.7 Foreign currency conversion

(a) Operating currency and reporting currency.

The measurement of the items in the financial statements of the Group's companies is based on the currency of the economic environment in which each company operates (operating currency). The consolidated financial statements are reported in Euro, which is the operating currency and the reporting currency of the parent Company.

(b) Transactions and balances

Transactions in foreign currencies are converted to the operating currency using the rates in effect at the date of the transactions. Profits and losses from foreign exchange differences that result from the settlement of such transactions during the period and from the conversion of monetary items denominated in foreign currency using the rate in effect at the balance sheet date are posted to the results.

3.8 Tangible assets

Tangible fixed assets and investment property are reported in the financial statements at acquisition cost less accumulated depreciations and any impairment suffered by the assets, plus the capitalized interest created during the construction periods. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets. Subsequent expenditure realized in relation to tangible fixed assets is capitalized only if it is probable that future economic benefits will flow to the Group from the exploitation of the fixed assets and their cost can be accurately measured.

The repair and maintenance cost is booked in the results as an expense when such is realized.

Land plots are not depreciated. Depreciation of other tangible fixed assets burdens the results and is calculated using the straight-line method over their estimated useful lives which is as follows per category of fixed assets:

Buildings	*30-50 years*
Building facilities and equipment	*15-20 years*
Machinery and mechanical equipment	*6-15 years*
Vehicles	*5-9 years*
Furniture and Other equipment	*3-7 years*

The residual values and useful economic lives of tangible fixed assets are subject to annual reassessment at each balance sheet date.

When the book value of tangible fixed assets exceeds their recoverable amount, the difference (impairment) is immediately booked as an expense in the results.

Upon sale of the tangible fixed assets, any difference between the proceeds and the book value is booked as profit or loss to the results.

3.9 Intangible assets

Software: Software concerns the acquisition cost as well as any expenses realized during the software's development, in order for such to be rendered operational. Expenses that reinforce or expand the software's performance beyond its initial specifications are recognized as a capital expense and are added to the software's initial cost. Software is valued at acquisition cost minus depreciations. Depreciations are calculated with the straight-line method during the useful economic life of the assets, which ranges from 3 to 5 years, except for the ERP system, which is depreciated through 10 years.

Expenses required for software maintenance are recognized as expenses when such are realized.

Goodwill: Such is the difference between the asset's acquisition cost and fair value and the equity & liability of the subsidiary / associate company as at the acquisition date. On the acquisition date, the Company recognizes the goodwill that emerged from the acquisition, as an asset item and presents it in the cost. This cost is equal to the amount by which the consolidation cost exceeds the company's share in the assets' items, the liabilities and contingent liabilities of the acquired company.

After the initial recognition, the goodwill is valued at cost less the accumulated losses from the decrease in its cost. The goodwill is not depreciated, but is reviewed on an annual basis for possible decrease in its value, if there are events that indicate such a loss according to IAS 36.

In the case where the acquisition cost is less than the company's participation in the acquired company's equity, then the former recalculates the acquisition cost, valuates the assets, liabilities and contingent liabilities of the acquired company and directly recognizes in the results (as a profit), any difference that persists after the recalculation.

On the transition date, the exemption of IFRS 1 was used and as a result no goodwill emerging from the consolidation of companies, which were realized before the transition date to IFRS, was recognized.

In case the resulting goodwill is negative, then a re-evaluation of the subsidiary's equity takes place and if the goodwill continues to be negative, then such is booked as income in the results.

Intangible assets (apart from goodwill): Intangible assets are valued at their acquisition cost less depreciations. Depreciations are conducted with the straight-line method over their useful lives, which ranges from 1 to 5 years.

3.10 Impairment of Assets

Tangible fixed assets and depreciated intangible assets are subject to an impairment review when some events suggest that the book value may not be recoverable. The recoverable value is the greater of the net sales value and the value in use. For the estimation of impairment losses, assets are included in the smallest possible cash flow generating units. Impairment losses are recognized as an expense in the results when such are realized.

3.11 Financial instruments

The Group's investments are classified in the following categories according to the purpose for which they were purchased. The Management decides on the appropriate classification of the investment during the time such was realized and reviews the classification on each presentation date.

(a) Loans and receivables

They include non-derivative financial assets with fixed or predefined payments which are not traded in active markets and which are not intended for sale. Such are included in current assets, except those with a maturity date that is farther than 12 months from the balance sheet date. The latter are included in the non-current assets.

(b) Financial assets at fair value through the Income Statement

This category includes three sub-categories: financial assets held for trading, those defined initially in this category and derivatives. Assets of this category are classified in current assets if held for trading or if expected to be sold within 12 months from the balance sheet date. The Group did not hold assets of this category.

(c) Investments held until maturity

These include non derivative financial assets with fixed or defined payments and specific maturity and which the Group intends and has the ability to hold until their maturity. The Group did not hold investments of this category.

(d) Financial assets available for sale.

These include non derivative financial assets that are either designated as such or cannot be included in any of the previous categories. Such are included in non-current assets given that the Management does not intend to liquidate such within 12 months from the Balance Sheet date.

The purchases and sales of investments are recognized during the transaction date, which is also the date the Group commits to purchase or sell the item. Investments are written off when the right to cash flows from such investments expires or is transferred and the Group has essentially transferred all the risks and rewards that emerge from ownership.

Investments are initially recognized at fair value plus the directly attributable to the transaction expenses. The financial assets at fair value through the Results and financial assets available for sale are subsequently presented at fair value.

Realized and unrealized profit or losses that emerge from changes in the fair value of financial assets valued at fair value with changes in the results are recognized in the results of the period such incur. Unrealized profit or losses that emerge from changes in the fair value of financial assets classified as available for sale are recognized in the investment re-evaluation reserves. In case of sale or impairment of financial assets available for sale, the accumulated fair value readjustments are transferred to the Results.

The fair values of financial assets that are traded in active markets are defined by the current bid prices. If the market for a financial asset is not active and for non-traded items, the Group estimates the fair values by the use of valuation techniques. Valuation techniques include the use of recent transactions, comparable traded items and discounted cash flows, adjusted in order to reflect the issuer's specific conditions.

At each balance sheet date the Group assesses whether there are objective indications which conclude that the financial assets have suffered impairment. For shares of companies that have been classified as financial assets available for sale, such indication consists of the significant or extended decrease in fair value in comparison to acquisition cost. If impairment is concluded, the accumulated loss, which is the difference between acquisition cost and current fair value, minus any impairment loss previously recognized in the Results, is transferred to the investment re-adjustment reserve in the Results. Losses of participating titles booked in the Results are not reversed through the Results.

3.12 Inventories

Inventories are valued at the lower of acquisition cost and net realizable value. The cost for sanitary materials and medicines is defined with the weighted average method. The borrowing cost is not included in the acquisition cost of inventories. The net realizable value is estimated based on the current sales price of inventories during the normal course of the company's business less any relevant sales expenses.

3.13 Trade receivables

Receivables from customers are initially booked at their fair value and are subsequently valued at their net book cost using the method of the effective interest rate, less the provision for impairment. The impairment losses (losses from doubtful receivables) are recognized after taking into account the balance's time-length, the customer's financial ability to make payment and the effectiveness of the efforts to receive payment. The provision amount is the difference between the book value of receivables and the present value of expected future cash flows, discounted with the effective interest rate method. The adequacy of the provision is frequently reviewed in conjunction with the historic percentages of receiving payment and other financial factors that affect the recoverability of receivables. The amount of the impairment loss is registered as an expense in the results.

3.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, sight deposits and short-term highly liquid low-risk investments with a maturity up to 3 months.

3.15 Non current assets classified as intended for sale

The assets intended for sale also include other assets (including goodwill) and tangible fixed assets that the Group intends to sell within one year from the date such are classified as "intended for sale".

The assets classified as "intended for sale" are valued at the lowest value between their book value immediately prior to their classification as intended for sale, and their fair value less the sale cost. Assets classified as "intended for sale" are not subject to depreciation. The profit or loss that results from the sale and reassessment of assets "intended for sale" is included in "other income" and "other expenses" respectively, in the income statement.

The Group has not classified non-current assets as intended for sale.

3.16 Share capital

Common shares are registered in equity. Direct expenses incurred for the issuance of shares reduce the proceeds from the issue. Direct expenses related to the issuance of shares for the purchase of companies are included in the acquisition cost of the company acquired.

3.17 Loans

Loans are initially booked at fair value, less any direct expenses for the execution of the transaction. Subsequently loans are valued at net book value based on the effective interest rate method. Any difference between the received amount (net of relevant expenses) and the repayment value is recognized in the results during the period of the borrowing based on the effective interest rate method.

Loans are registered in short-term liabilities except if the Group implicitly reserves the right to transfer the settlement of the liability at least 12 months following the closing date of the Financial statements.

3.18 Factoring

Factoring with recourse is initially booked at fair value as a liability towards the factoring company. Subsequently such liabilities are valued at net book value based on the effective interest rate method. Any difference between the received amount (net of relevant expenses) and the repayment value is recognized in the results during the period of the borrowing based on the effective interest rate method.

The amounts that have been pre-collected by factoring companies, without recourse, decrease receivables from customers.

3.19 Income tax & deferred tax

Deferred income tax is determined according to the liability method which results from the temporary differences between the book value and the tax base of assets or liabilities. Deferred tax is not booked if it results from the initial recognition of an asset or liability in a transaction, except for a business combination, which when it occurred did not affect neither the accounting nor the tax profit or loss.

Deferred tax is defined based on the tax rates and laws that are in effect at the balance sheet date and which are expected to be in effect during the period in which the asset or liability will be settled.

Deferred tax assets are recognized to the extent that there will be a future tax profit to be set against the temporary difference that creates the deferred tax asset.

Income tax is calculated according to the tax legislation and the tax rates in effect in the country where the Group's activities take place and is booked as an expense during the period that income is realized.

3.18 Employee benefits

(a) Short-term benefits
Short-term employee benefits, monetary and in kind, are recognized as an expense when they accrue.

(b) Post-employment benefits
Post-employment benefits include both defined contribution and defined benefits schemes. The accrued cost of defined contribution schemes is booked as an expense in the period it concerns.
The liability that is reported in the balance sheet with respect to defined benefits schemes is the present value of the liability for the defined benefit less the fair value of the scheme's assets and the changes that arise from any non-recognized actuarial profit or loss. The commitment of the defined benefit is calculated annually by an independent actuary with the use of the projected unit credit method. The yield of long-term Greek Government Bonds is used as a discount rate.
The actuarial profit and losses that emerge from adjustments based on historical data and are over or under the 10% margin of the accumulated liability are booked in the results in the expected average insurance time of the scheme's participants. The cost for the service time with the company is directly recognized in the results except for the case where the scheme's changes depend on the employees' remaining service with the company. In such a case the service cost is registered in the results with the straight-line method within the maturity period.

(c) Benefits for employment termination
The benefits due to termination of the employment relationship are paid when employees depart before their retirement date. The Group books these benefits when it is committed, either when it terminates the employment of existing employees according to a detailed program for which there is no departure possibility, or when it provides such benefits as an incentive for voluntary departure. When such benefits are deemed payable in periods that exceed twelve months from the Balance Sheet date, then they must be discounted at present value.

In the case of employment termination where there is an inability to asses the number of employees that will use such benefits, they are not accounted for but are disclosed as a contingent liability.

3.20 Provisions

Provisions are created when:

- There is a present legal or constructive obligation as a result of past events,
- An outflow of resources is probable for the settlement of the liability,
- The exact amount of the obligation can be reliably estimated.

Provisions are reviewed at the end of each financial period and are adjusted in order to reflect the best possible estimations.

Provisions are calculated at the fair value of expenses, which based on the management's best estimation, are required to cover the present liability as at the balance sheet date. The discount rate used to calculate the present value reflects the current market estimations for the time value of money and increases that concern the specific liability.

3.21 Recognition of income and expenses

Income: Income includes the fair value of goods and services sold, net of value added tax, discounts and returns. Inter-company revenue within the Group is eliminated completely. The recognition of income takes place as follows:

(a) Provision of services

The Company provides its services to both private patients-customers and to patients-customers that are covered by their social security and insurance organizations. More specifically, the main insurance funds with which the Company cooperates are the Social Security Institution, public funds and Agricultural Insurance Organization. It is worthwhile noting that the Company has entered into agreements with these funds through which the expenses of patients are fully covered (prearranged fee) as regards open-heart surgery, axial and magnetic resonance tomography, arthroplasty, lithotripsy and blood dialysis sessions. The Social Security Funds with which the Company cooperates concern domestic and also foreign insurance companies. Income is accounted for based on the stage of completion of the service rendered at the net amount expected to be received per category.

(b) Sale of goods

Sales of goods are recognized when the Group transfers goods to customers, the goods are accepted by them and the collection of the resulting claim is reasonably assured.

(c) Income Interest

Interest income is recognized on a time proportion basis using the effective interest rate. When there is impairment of assets, their book value is reduced to their recoverable amount which is the present value of the expected future cash flows discounted using the initial effective interest rate. Interest is then booked using the same interest rate calculated on the impaired (new book) value.

(d) Dividends

Dividends are accounted for as revenue when the right to receive payment is established, namely at the approval date of their distribution by the General Meeting of each company.

Expenses: Expenses are recognized in the results on an accrued basis. The payments made for operating leases are transferred to the results as an expense, during the time the lease is used. Interest expenses are recognized on an accrued basis.

3.22 Financial instruments

The Group's basic financial instruments are cash, bank deposits and short-term receivables and liabilities. Given the primarily short-term nature of the aforementioned instruments, the Group's management considers that their fair value essentially coincides with the value presented in the Group's accounting books. Moreover, the management considers that interest paid in relation to received loans is equivalent to the current reasonable interest rates in the market and thus there are no conditions for any adjustment to the value presented for such liabilities. The Group does not use financial derivatives.

3.23 Leases

The Company as a lessee:

(a) Operating leases

Lease agreements where essentially all the risks and benefits of ownership are reserved by the lessor (owner) are classified as operating leases. Payments made with respect to operating leases (net of any incentives offered by the lessor) are recognized in the income statement proportionately throughout the term of the lease.

(b) Financial leases

Leases of fixed assets where essentially all the risks and benefits related with ownership of an asset are transferred to the Group are classified as financial leases. These leases are capitalized at the inception of the lease at the lower of the fair value of the asset and the present value of the minimum lease payments. Each lease payment is apportioned between the liability and the financial expenses so that a fixed interest rate on the remaining financial liability is achieved. The relevant liabilities from leases, net of financial expenses, are presented in Loans. Interest is recognized in the results during the period of the lease. Fixed assets acquired through financial leases are depreciated over the shorter of their useful lives and the lease term, in case where the fixed asset's ownership is not transferred.

The Company as a lessor:

Operating leases

Assets that are leased to third parties through operating leasing contracts are included in non-current assets, in the category of tangible fixed assets and investment property. Such fixed assets are depreciated during their expected useful life on a basis consistent with similar self-owned tangible assets. The income from the lease is recognized in income during the period such refer to according to the relevant lease contract.

3.24 Dividend distribution

The distribution of dividends to the shareholders of the parent company is recognized as a liability in the financial statements at the date on which the distribution is approved by the General Meeting of the shareholders.

3.25 Comparative data and rounding

Several comparable accounts were re-classified for comparability reasons with the relevant accounts of the current period. Differences presented between amounts stated in the financial statements and the respective amounts in the notes are due to rounding.

4. Risk Management

The Group is exposed to several financial risks such as market risk (interest rate fluctuations, market prices, etc), credit risk and liquidity risk. The risk management plan of the Group aims to restrict the negative effect arising from the incapacity to predict financial markets and fluctuations in cost and sales variables on financial results.

The risk management policy is implemented by the Financial Division.

The procedure applied is as follows:

- Evaluation of the risks related to the activities and operations of the Group;
- planning of the methodology and selection of suitable financial products for risk mitigation; and
- execution/ application of the risk management procedure pursuant to the procedure approved by the Management.

The Group's financial instruments consist mainly of bank deposits, trade debtors and creditors, payable dividends and lease liabilities.

4.1 Sensitivity analysis to 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 fixed interest rate. On 31 December 2007, the Group was exposed to variations of rate market as regards bank loans, which are subject to variable interest rate.

The table below presents the sensitivity of the period's result and owner's equity to a reasonable change in the interest rate equal to +1% or –1% (2006: +/-1%). It is estimated that changes in interest rates are within a reasonable range in relation to the recent market circumstances.

Amounts in EUR	**Consolidated data**				**Company data**			
	31/12/2007		**31/12/2006**		**31/12/2007**		**31/12/2006**	
	1%	-1%	1%	-1%	**1%**	**-1%**	**1%**	**-1%**
Period result	(795,004)	795,004	(1,020,275)	1,020,275	(495,004)	495,004	(744,275)	744,275
Equity	(795,004)	795,004	(1,020,275)	1,020,275	(495,004)	495,004	(744,275)	744,275

4.2 Credit risk analysis

The exposure of the Group as regards credit risk is restricted to the financial assets broken down as follows at the balance sheet date:

Amounts in EUR	**Consolidated data**		**Company data**	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Categories of financial assets				
Available-for-sale financial assets	341,739	11,739	11,739	11,739
Cash and cash equivalents	8,870,649	5,294,501	3,924,669	4,106,741
Trade and other receivables	46,065,853	27,381,373	29,735,013	27,170,139
Total	**55,278,241**	**32,687,612**	**33,671,420**	**31,288,619**

The Group constantly audits its receivables either separately or as a group and incorporates such information in the credit control procedures. The receivables from Group sales originate from social security funds, insurance organizations, insurance companies and private customers. Receivables from Insurance Funds and Insurance Companies have a minimum loss risk. Potential credit risk is mainly related to private customers without any insurance or to insured patients for the amount not covered by their insurance policy.

The management of the Group believes that all the foregoing financial assets that have not been impaired at past dates on which financial statements were prepared are of high credit quality including amounts due.

None of the financial assets of the Group has been insured by way of mortgage or other form of credit insurance.

As for trade and other receivables, the Group is not exposed to any significant credit risks. The credit risk for liquid receivables and for other short-term financial items is considered negligent.

4.3 Liquidity risk analysis

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.

On 31 December 2007, the maturity of financial liabilities of the Group is broken down as follows:

Amounts in EUR	31.12.2007 Consolidated data				Company data			
	Short-term		Long-term		Short-term		Long-term	
	Within 6 months	6-12 months	1-5 years	Over 5 years	Within 6 months	6-12 months	1-5 years	Over 5 years
Bank loans	63,733,550	0	19,000,000	**0**	55,252,172	0	**0**	**0**
Financial lease obligations	499,131	448,231	3,233,848	**0**	63,363	12,463	**0**	**0**
Trade payables	25,796,228	0	0	**0**	22,399,337	0	**0**	**0**
Other liabilities	12,361,091	2,466,385	6,223,916	**0**	5,813,946	0	**0**	**0**
Total	**102,389,999**	**2,914,616**	**28,457,761**	**0**	**83,600,766**	**12,463**	**0**	**0**

The respective maturity of financial liabilities as at 31 December 2006 was as follows:

Amounts in EUR	31.12.2006 Consolidated data				Company data			
	Short-term		Long-term		Short-term		Long-term	
	Within 6 months	6-12 months	1-5 years	Over 5 years	Within 6 months	6-12 months	1-5 years	Over 5 years
Bank loans	0	23,458,619	20,000,000	**0**	0	23,458,619	20,000,000	**0**
Financial lease obligations	141,220	102,820	120,199	**0**	141,220	72,739	75,517	**0**
Trade payables	23,516,432	0	0	**0**	23,258,570	0	0	**0**
Other liabilities	6,006,691	0	0	**0**	5,836,510	0	0	**0**
Total	**29,664,343**	**23,561,439**	**20,120,199**	**0**	**29,236,300**	**23,531,358**	**20,075,517**	**0**

The above contractual maturity dates reflect the gross cash flows which may eventually be other than the book values of such liabilities at the balance sheet date.

4.5 Capital management policies and procedures

The objectives of HYGEIA Group as regards capital management are as follows:

- to ensure the capacity of the Group to pursue its activity (going concern); and
- to ensure satisfactory yield for the shareholders,

by invoicing products and services proportionately to the risk level.

The Group monitors the capital based on the amount of owner's equity plus subordinated debts less cash and cash equivalents as presented in the balance sheet. Capital for the years 2007 and 2006 is broken down as follows:

Amounts in EUR	Consolidated data		Company data	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Total owner's equity	331.853.057	100.785.206	329.791.544	98.573.893
Plus : Subordinated debts	0	0	0	0
Less : Cash and cash equivalents	8.870.649	5.294.501	3.924.669	4.106.741
Capital	**322.982.408**	**95.490.705**	**325.866.875**	**94.467.151**
Total owner's equity	331.853.057	100.785.206	329.791.544	98.573.893
Plus : Loans	86.914.757	43.822.858	55.327.998	43.748.095
Total capital	**418.767.814**	**144.608.064**	**385.119.542**	**142.321.988**
Capital to total funds	**1:1,3**	**1:1,5**	**1:1,2**	**1:1,5**

The Group specifies the amount of the capital in relation to the total capital structure, e.g. owner's equity and financial liabilities. The Group manages capital structure and makes adjustments at the time the financial condition and characteristics of the risks of the existing assets change. Aiming at maintaining or adjusting the capital structure, the Group may adjust the amount of payable dividends, return funds to the shareholders, issue share capital or sell assets so as to reduce loans.

As regards capital management, the Group aims to improve the debt to equity ratio to 1:2.

The decrease in the ratio during the fiscal year 2007 is mainly due to the increased borrowing for giving an advance payment for the acquisition of 56.7& of the share capital of "Chryssafiliotissa Public Ltd" to which "ACHILLION" private hospital belongs in Limassol, Cyprus, and to the incorporation of the loans of MITERA S.A. after the acquisition.

Risks related to the Company's Business Activities

i. 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 major 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.

ii. Un-audited tax years

The 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, 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); and d) 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.

The Group acknowledges expected tax liabilities due to audit, on the basis of assessments from previous audits. If the audit's final outcome varies from that initially acknowledged one, the difference shall burden the income tax of assessed period.

iii. Assets insurance cover

HYGEIA S.A. has taken out insurance contracts on its tangible assets and its premises with the Insurance Organization "ALLIANZ Insurance Company S.A." with the following expiry dates: Fire Insurance 31/12/08 with ETHNIKI ASFALISTIKI S.A. being the co-insurer, Group Employees 31/12/08, Civil Liability 31/03/08 and motor vehicles 30/06/08. It should be noted that as of 31.12.2007, the undepreciated value of Company buildings, equipment and furniture amounted to EUR 99.2 thousand. Consequently, the insurance cover percentage of the undepreciated value based on data of 31.12.2007 amounts to almost 74%, which can have a negative effect on the Company in case of total destruction of both facilities and equipment. However, the Company's management considers the likelihood of total destruction of all HYGEIA S.A. premises minimum while it is emphasized that it proceeds to insure all its new assets.

iv. Investments which HYGEIA S.A. intends to make

HYGEIA S.A., within the framework of its investment strategy, has lately proceeded to the conclusion of agreements concerning the implementation of major investments in the sector of health services.
More specifically, on 18 January 2008, the "Diagnostic and Therapeutic Center of Athens Hygeia S.A" was fully transferred 56.7% of the share capital of "Chryssafiliotissa Public Ltd" to which the private hospital ACHILLION (Limassol, Cyprus) belongs. The final acquisition cost amounted to EUR 13.7 million and arose from an assessment study carried out by an independent consulting firm.
On 15 February 2008, the "Diagnostic and Therapeutic Center of Athens Hygeia S.A" agreed on the acquisition of 100% of the share capital of "Obstetrics and Gynecology Clinic Evangelismos Ltd" which owns 60% of the private hospital EVANGELISMOS in Paphos, Cyprus. The price stipulated for this acquisition is EUR 7.6 million and the agreement will be finalized following due diligence that will be deemed satisfactory by the purchaser and once the necessary approval by Cyprus Competition Committee is obtained.
In addition, the Company intends to make investments in technological, medical and electronic equipment and in the upgrade of the existing facilities.
Finally, following the issue of the Convertible Bond Loan amounting to EUR 300 million the "Diagnostic and Therapeutic Center of Athens Hygeia S.A" has the necessary liquidity to proceed to more investments in fixed assets, in the upgrade of the existing facilities and in the acquisition of entities in the sector of primary and secondary medical care in Greece and other countries, insofar as they are profitable for the Company and increase shareholders' value.

Risks related to the Sector in which the Company is operating

i. The situation in the Health Sector

HYGEIA S.A. operates in the sector of the Hellenic primary and secondary medical care providing complete health services. The sector of private heath 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 lead to the significant advance of private clinics. With a sector's growth rate of 15.7% in 2006, it is clear that the private health care 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 heath 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 operational results.

ii. Competition Risk

Over the last few years, the private heath 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 gynecology clinics to diagnostic Centers 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 heath 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.

iii. Tendency for accumulation in the health sector

Lately, a tendency for accumulation is observed in the Hellenic private health sector which is marked by acquisitions of smaller local clinics and large private Centers founding clinics and diagnostic Centers in provincial towns. This tendency, not surprisingly, provides for greater competition since private clinics that do not grow and expand may become their competition's target in their effort to monopolize the private heath market. HYGEIA S.A. in the context of this tendency has acquired a percentage (directly and indirectly) of almost 98.56% of the renown clinic MITERA S.A. so as not only to promote its further development but also to benefit from synergies that may arise by providing the customer – patient with almost all health services available at the same time. Additionally, it is worth mentioning that MITERA S.A. owns directly and indirectly 71.45% of the share capital of "LETO Obstetrics, Gynecology and Surgical Center S.A."

iv. Risk related to Technological Developments

The rapid developments in technology and the detection of the need for constant reorganization have a significant effect on health services. All private clinics proceed to costly investment programs aiming at renewing and purchasing state-of-the-art medical equipment in order to provide new and improved services. HYGEIA S.A. renews its technological equipment at regular intervals and currently operates: a) the unique Gamma Knife in Greece (a specialized radiosurgery device for brain tumors), b) the unique in Greece device of robotic surgery "DA VINCI"; c) the largest department of Radiotherapeutic Oncology with three linear accelerators; d) the first PET/CT having operated in Greece and e) a new axial tomography device of 128 degrees. HYGEIA S.A. aims at investing constantly in the latest medical and technological developments and in the constant training of its employees so as to be up to date with all international developments in the health sector. However, should HYGEIA S.A. cease to follow the constant medical and technological developments, its competitive position may be affected.

Risks related to the Company’s Stock

i. **Risks that may affect the stock price**

Investors should know that the course of ATHEX and the trading price of the Company’s shares may be subject to high fluctuations which can be attributed to exogenous factors and circumstances that are not always directly related to the Company’s activity and financial situation. Some of the factors that can influence the Company’s share price are for example the following:

- Fluctuations in the Company’s financial figures,
- The course of international money and capital markets,
- Investing public’s psychology,
- Political upheaval, terrorist threats or potential warfare in Greece or abroad,
- Political, financial or social changes that may affect Greece,
- The situation of the Greek Economy,
- The ATHEX course,
- Positive or negative articles regarding the Company and its health branch.

In addition to the abovementioned, it should also be taken into consideration that ATHEX has lower liquidity as compared to other major international markets, which may cause difficulties in the effort to sell the shares, particularly in large blocks. The trading price of the Company’s common shares may be negatively affected by the sale of a large number of the Company’s common shares or by the belief that such a sale can take place. Future sales of a large number of the Company’s shares through the stock market by a major shareholder or a group of shareholders, or even the belief that such a sale may take place, could affect the trading price of the Company’s common shares.

5. Notes on the Financial Statements

Note that on 31.12.2007 the assets and liabilities of the Group include the respective items of MITERA S.A. Group as these arise from the financial statements as at 31.12.2007.

The Group's operating result includes the result of MITERA S.A. Group for the period from 1.11.2007 to 31.12.2007.

5.1 Tangible assets

Tangible fixed assets (land-plots, buildings, machinery, and other equipment) are registered at historic cost minus accumulated depreciations and minus any possible impairment.

No collateral has been written on the Group's fixed assets.

The area in which the Company's land-plot and real estate are located has not been integrated in the real estate objective evaluation system.

THE GROUP

	Land-lots	Buildings	Mechanical equipment	Vehicles	Furniture and Other equipment	Fixed assets under construction	Total
Gross book value	22.132.275	57.030.877	34.447.039	865.601	13.146.147	178.953	127.800.892
Cumulative depreciation and/or impairment	-	(5.473.459)	(16.845.799)	(529.310)	(10.989.543)	-	(33.838.111)
Book value as at 1 January 2006	**22.132.275**	**51.557.418**	**17.601.240**	**336.291**	**2.156.604**	**178.953**	**93.962.781**
Gross book value	22.132.275	57.615.494	34.893.962	795.892	13.850.346	11.947	129.299.916
Cumulative depreciation and/or impairment	-	(7.494.630)	(19.396.675)	(485.039)	(12.063.776)	-	(39.440.119)
Book value as at 31 December 2006	**22.132.275**	**50.120.864**	**15.497.287**	**310.853**	**1.786.571**	**11.947**	**89.859.797**
Gross book value	50.685.926	91.638.263	57.265.251	982.116	16.147.586	1.798.134	218.517.276
Cumulative depreciation and/or impairment	-	(9.826.475)	(21.781.090)	(550.999)	(13.019.097)	(31)	(45.177.692)
Book value as at 31 December 2007	**50.685.926**	**81.811.788**	**35.484.161**	**431.117**	**3.128.490**	**1.798.103**	**173.339.584**

	Land-lots	Buildings	Mechanical equipment	Vehicles	Furniture and Other equipment	Fixed assets under construction	Total
Book value as at 1 January 2006	22.132.275	51.557.418	17.601.240	336.291	2.156.604	178.953	**93.962.781**
Additions from acquisition of subsidiaries	-	-	-	80.433,00	11.992,49	-	92.425,49
Additions	-	111.518	446.923	119.446	594.213	651.385	1.923.485
Transfers	-	612.036	-	-	28.646	(818.391)	(177.709)
Sales	-	(138.937)	-	(278.524)	-	-	(417.461)
Cumulative depreciation of goods sold	-	138.937	-	149.593	-	-	288.530
Period depreciation	-	(2.160.108)	(2.550.876)	(96.385)	(1.004.885)	-	(5.812.253)
Down payments for fixed assets acquisition	-	-	-	-	-	-	-
Book value as at 31 December 2006	**22.132.275**	**50.120.864**	**15.497.287**	**310.853**	**1.786.571**	**11.947**	**89.859.797**
Additions from acquisition of subsidiaries	20.526.332,66	30.364.218,06	7.537.744,97	40.656,67	1.042.235,12	2.205.750,53	61.716.938
Additions	6.208.692,00	469.756	11.926.204	144.749	1.202.880	4.633.226	24.585.506
Transfers	1.818.626,00	3.188.794	1.779.833	-	95.927,84	(5.064.555)	1.818.626
Sales	-	-	(600.925)	818	(43.803)	-	(643.910)
Cumulative depreciation of goods sold	-	-	592.531	(2.020)	43.801,90	-	634.313
Period depreciation	-	(2.331.845)	(2.976.947)	(63.940)	(999.123)	- 30,54	(6.371.885)
Down payments for fixed assets acquisition	-	-	1.728.433	-	-	11.766	1.740.199
Book value as at 31 December 2007	**50.685.926**	**81.811.788**	**35.484.161**	**431.117**	**3.128.490**	**1.798.103**	**173.339.584**

THE COMPANY

	Land-lots	Buildings	Mechanical equipment	Vehicles	Furniture and Other equipment	Fixed assets under construction	Total
Gross book value	22.132.275	57.024.140	34.354.415	725.472	13.037.710	178.953	127.452.965
Cumulative depreciation and/or impairment	-	(5.470.099)	(16.769.307)	(462.901)	(10.934.126)	-	(33.636.433)
Book value as at 1 January 2006	**22.132.275**	**51.554.041**	**17.585.108**	**262.571**	**2.103.584**	**178.953**	**93.816.532**
Gross book value	22.132.275	57.608.757	34.801.338	580.393	13.637.464	11.947	128.772.174
Cumulative depreciation and/or impairment	-	(7.490.364)	(19.316.747)	(388.561)	(11.919.843)	0	(39.115.515)
Book value as at 31 December 2006	**22.132.275**	**50.118.393**	**15.484.591**	**191.832**	**1.717.621**	**11.947**	**89.656.659**
Gross book value	23.950.901	59.560.811	46.228.822	623.834	14.549.463	70.760	144.984.591
Cumulative depreciation and/or impairment	-	(9.701.177)	(21.404.493)	(406.366)	(12.699.484)	-	(44.211.520)
Book value as at 31 December 2007	**23.950.901**	**49.859.635**	**24.824.329**	**217.468**	**1.849.979**	**70.760**	**100.773.071**

	Land-lots	Buildings	Mechanical equipment	Vehicles	Furniture and Other equipment	Fixed assets under construction	Total
Book value as at 1 January 2006	22.132.275	51.554.041	17.585.108	262.571	2.103.584	178.953	**93.816.532**
Additions from acquisition of subsidiaries	-	-	-	-	-	-	-
Additions	-	111.518	446.923	119.446	571.108	651.385	1.900.379
Transfers	-	612.036	-	-	28.646	(818.391)	(177.709)
Sales	-	(138.937)	-	(264.524)	-	-	(403.461)
Cumulative depreciation of goods sold	-	138.937	-	135.593	-	-	274.530
Period depreciation	-	(2.159.202)	(2.547.440)	(61.253)	(985.717)	-	(5.753.611)
Down payments for fixed assets acquisition	-	-	-	-	-	-	-
Book value as at 31 December 2006	**22.132.275**	**50.118.393**	**15.484.591**	**191.832**	**1.717.621**	**11.947**	**89.656.659**
Additions from acquisition of subsidiaries	-	-	-	-	-	-	-
Additions	-	39.155	8.650.218	57.109	912.845	3.587.307	13.246.634
Transfers	1.818.626,00	1.912.899	1.627.359,85	-	0	(3.540.259)	1.818.626
Sales	-	0	(578.527)	(13.668)	(846)	-	(593.042)
Cumulative depreciation of goods sold	-	0	570.165,90	12.466	846,48	-	583.478
Period depreciation	-	(2.210.813)	(2.657.912)	(30.271)	(780.487)	-	(5.679.483)
Down payments for fixed assets acquisition	-	-	1.728.433,42	-	-	11.766,00	1.740.199,42
Book value as at 31 December 2007	**23.950.901**	**49.859.635**	**24.824.329**	**217.468**	**1.849.979**	**70.760**	**100.773.071**

Tangible fixed assets include the following amounts, which the Group/Company own as a lessee according to financial lease contracts:

Fixed assets through finance lease	**THE GROUP**		**THE COMPANY**	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Capitalisation cost of finance leases	18.438.125	16.357.492	14.445.037	16.300.672
Period depreciation	(12.200.944)	(11.498.051)	(12.020.230)	(11.481.952)
Un-depreciated value	**6.237.180**	**4.859.442**	**2.424.807**	**4.818.721**

5.2 Investment property

Group/Company

	Land plots	Buildings	Total
Gross book value	1,898,019	102,767	2,000,786
Cumulative depreciation and/or impairment	0	(5,138)	(5,138)
Book value as at 1 January 2006	**1,898,019**	**97,629**	**1,995,648**
Gross book value	1,898,019	102,767	2,000,786
Cumulative depreciation and/or impairment	0	(7,708)	(7,708)
Book value as at 31 December 2006	**1,898,019**	**95,059**	**1,993,078**
Gross book value	79,393	102,767	182,160
Cumulative depreciation and/or impairment	0	(10,277)	(10,277)
Book value as at 31 December 2007	**79,393**	**92,490**	**171,883**

Investment property includes a shop at the municipality of Halandri covering an area of 79.2 m^2. The plot & non-built site covering a total area of 1,300 m^2, which was leased to third parties, following decision of the Management, will be used by the Company itself as at 31.12.2007.

Investment property is valued according to the cost method.

5.3 Company goodwill

Goodwill is presented at book value minus any possible impairment and is analyzed as follows:

Group goodwill	
Book value as at 31 December 2006	**7,221,830**
Goodwill recognition from subsidiary's acquisition	260,591,497
Cumulative loss from impairment	0
Book value as at 31 December 2007	**267,813,327**

The goodwill recognized on 31.12.2007 concerns MITERA S.A. and MITERA HOLDINGS (details are given in paragraph 5.6.2). The Group reviews goodwill for possible impairment on an annual basis. In order to test goodwill and determine the recoverable value, the value in use is applied.

The value in use was calculated on the basis of Management assessments. The value in use was specified by applying the method of discounted cash flows.

Note that the goodwill presented for MITERA SA 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.

	ACQUISITION COST	GOODWILL	VALUE IN USE
MITERA SA	280,653,294	260,591,497	282,975,616
MITERA HOLDINGS SA	30,368,355	7,221,830	33,878,980

5.4 Intangible assets

Software programs mainly concern the installation of ERP SAP R/3 in the Company with the software operational from 01.01.2004.

The intangible fixed assets as at 31.12.07 are analyzed as follows:

	SOFTWARE PROGRAMMES	
	THE GROUP	**THE COMPANY**
Gross book value	6,520,284	6,483,241
Cumulative depreciation and/or impairment	(1,571,530)	(1,548,809)
Book value as at 1 January 2006	**4,948,754**	**4,934,432**
Gross book value	6,669,320	6,630,265
Cumulative depreciation and/or impairment	(2,262,338)	(2,229,016)
Book value as at 31 December 2006	**4,406,982**	**4,401,250**
Gross book value	9,461,941	6,954,133
Cumulative depreciation and/or impairment	(4,698,017)	(2,902,214)
Book value as at 31 December 2007	**4,763,924**	**4,051,919**

CHANGES	THE GROUP	THE COMPANY
Book value as at 1 January 2006	**4,948,754**	**4,934,432**
Additions from acquisition of subsidiaries	2,012	0
Additions	147,025	147,025
Transfers	0	0
Sales	0	0
Cumulative depreciation of goods sold	0	0
Period depreciation	(690,808)	(680,206)
Net exchange differences	0	0
Book value as at 31 December 2006	**4,406,982**	**4,401,250**
Additions from acquisition of subsidiaries	679,776	0
Additions	419,071	339,516
Transfers	(15,649)	(15,649)
Sales	(2,909)	0
Cumulative depreciation of goods sold	2,909	0
Period depreciation	(726,256)	(673,198)
Net exchange differences	0	0
Book value as at 31 December 2007	**4,763,924**	**4,051,919**

5.5 Financial assets available for sale

	Group	***Εταιρία***
Balance as at 31.12.06	*11,739*	*11,739*
Additions	*330,000*	-
Balance as at 31.12.07	*341,739*	*11,739*

The available-for-sale financial assets of the Group include:

a) by the sum of EUR 11,739, a 10% investment in the company "HYGEIA NUTRITION S.A.", whose business objective is the research, prevention, diagnosis and therapy of metabolic and endocrinologic diseases related to nutrition; and

b) by the amount of EUR 330,000, an investment of MITERA SA Group in OLYMPION SA, a medical services company.

5.6 Investments in affiliate companies

5.6.1 Investments in associate companies

	THE GROUP		THE COMPANY	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Beginning balance	**60,356,540**	**104,860**	**27,720,619**	**58,694**
Acquisition of associate	-	59,132,393	-	28,943,845
Reclassification of associate into subsidiary	(60,205,709)	-	(27,661,925)	-
Dividends received related to period prior to purchase of holding	-	(1,281,920)	-	(1,281,920)
Reversal of dividends received	(50,000)	(10,000)	-	-
Share of profit/ loss (after taxes and minority interests)	103,949	2,411,206	-	-
Ending balance	**204,780**	**60,356,540**	**58,694**	**27,720,619**

Name	**Establishment country**	**Assets**	**Liabilities**	**Income**	**Profit/ Losses**	**Participating share**
31/12/2006						
MITERA SA	Greece	94,261,814	46,151,062	68,793,797	12,716,064	24,84%
Magnetic Hygeia SA	Greece	1,407,425	843,325	2,272,598	394,158	20%
		95,669,239	**46,994,387**	**71,066,395**	**13,110,222**	
31/12/2007						
Magnetic Hygeia SA	Greece	1,443,046	757,301	2,625,957	519,745	20%
		1,443,046	**757,301**	**2,625,957**	**519,745**	

The reclassification from associate to subsidiary concerns MITERA SA in relation to which the acquisition of 73.72% of its share capital was completed during the fiscal year (see par. 5.6.2).
The share of profit from associates for the year 2007 amounting to EUR 103,949 concerns the share from the holding in MAGNETIC HYGEIA DIAGNOSTIC IMAGING SA.

5.6.2 Investments in subsidiary companies

	THE COMPANY 31/12/2007
Beginning balance	**31,318,281**
Year changes	
Acquisition of subsidiaries	1,455,000
Reclassification of associates into subsidiaries	27,661,926
Acquisition of subsidiaries through exchange of shares	222,623,014
Ending balance	**283,058,220**

During the year ended, 73.72% of the shares of MITERA SA were acquired through the contribution of 26,709,091 shares of MITERA SA in return for 61,430,910 new common registered shares issued by HYGEIA SA. On 31.12.2007, HYGEIA SA is vested with the control of MITERA SA and owns 98.56% of its entire share capital.

The allocation of acquisition cost to the net assets of MITERA S.A. as well as the goodwill that emerged at the acquisition date is as follows:

Acquisition date	*30.10.2007*	
Acquired percentage	*73.72%*	
Purchase of items:	*26,709,091*	
Purchase price (items) :	*8.28*	
Shares purchase price:		
-Value of shares exchanged	**221,151,276**	
Less: Fair value of assets and liabilities of the Company	**(15,033,205)**	
Recognized goodwill for 73.72%		***206,118,071***
Plus past recognized goodwill for 24.84% included until 2006 in the account "Investments in associates" plus proportion of unrecognized goodwill in MITERA Group		***54,473,426***
Total recognized goodwill for MITERA SA		***260,591,497***

	Book value	Fair value
Tangible assets	61,716,938	61,716,938
Intangible assets	27,189,811	679,776
Financial assets available for sale	621,548	330,000
Other long-term assets	2,581,302	1,108,449
Inventories	2,701,174	2,701,174
Trade and other receivables	13,656,117	13,656,117
Cash and cash equivalents	3,108,243	3,108,243
Deferred tax liabilities	(7,171,111)	(7,171,111)
Suppliers and other payables	(51,302,112)	(51,302,112)
Minority interests	(4,435,172)	(4,435,172)
Total capital and reserves of Company		**20,392,302**
Participating share		*73.72%*
Fair value		***15,033,205***

Note that the goodwill presented for MITERA SA 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. The final assessment will be completed during the second half year 2008.

5.7 Other long-term receivables

Of the amount of EUR 7,417,524 of other long-term receivables, the sum of EUR 7,037,105 concerns a down payment given by the Diagnostic & Therapeutic Center of Athens HYGEIA SA for the acquisition of 56.7% of the share capital of "Chryssafiliotissa Public Ltd", which owns the private hospital ACHILLION in Limassol, Cyprus.
The acquisition was completed on 18 January 2008 and the above holding will be included in the consolidated financial statements of the first quarter 2008.

The remainder of the Group's and Company's other long-term receivables mainly concerns given guarantees (rentals of spaces towards utility companies).

5.8 Inventories

The Group's and Company's inventories are analyzed as follows:

	THE GROUP		THE COMPANY	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Raw and auxiliary materials - consumables	4.974.593	2.478.087	2.759.850	2.745.087
Merchandise	1.810.051	381.232	-	-
Total	**6.784.644**	**2.859.319**	**2.759.850**	**2.745.087**

5.9 Customers and other trade receivables

The Group's and Company's customers and other trade receivables are analyzed as follows:

	THE GROUP		THE COMPANY	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Customers	42,718,041	30,445,164	34,976,968	30,007,377
Cheques receivable	1,519,794	1,497,289	679,821	1,497,289
Bills receivable	6,321,582	3,616,677	4,158,519	3,616,677
Bills overdue	1,605,574	1,427,553	1,605,574	1,427,553
Provisions for impairment	(15,368,855)	(12,544,282)	(15,050,000)	(12,500,000)
Receivables from affiliates	311,314	0	340,404	186,842
Down payments/ Withholding of income tax	4,896,530	1,019,973	2,020,081	1,019,973
Period income receivable	394,708	1,110,235	394,708	1,110,235
Prepaid expenses	1,386,828	277,532	32,076	277,532
Other receivables	2,280,336	531,232	576,862	526,662
Total	**46,065,853**	**27,381,373**	**29,735,013**	**27,170,139**

Amounts in th. EUR	THE GROUP 31/12/2007	THE GROUP 31/12/2006	THE COMPANY 31/12/2007	THE COMPANY 31/12/2006
Trade receivables from third parties	53,384,462	38,565,298	42,424,527	38,463,324
Trade receivables from affiliates	0	0	29,090	186,842
Less: provision for doubtful debts	(15,368,855)	(12,544,282)	-15,050,000	-12,500,000
Trade receivables - net	**38,015,607**	**26,021,016**	**27,403,617**	**26,150,166**
Down payments	6,149,310	1,019,973	2,020,081	1,019,973
Receivables from affiliates	311,314	0	311,314	0
Other receivables	1,589,622	340,383	0	0
Total other receivables	**8,050,246**	**1,360,356**	**2,331,396**	**1,019,973**
Total	**46,065,853**	**27,381,373**	**29,735,013**	**27,170,139**

The breakdown of the Group's and the Company's receivables, as provided for by IFRS 7, is set forth below:

Amounts in th. EUR	THE GROUP 31/12/2007	THE GROUP 31/12/2006	THE COMPANY 31/12/2007	THE COMPANY 31/12/2006
Less than 3 months	22,601,911	11,858,140	13,984,122	12,836,544
From 3 to 6 months	9,177,982	3,910,262	3,284,489	3,016,726
From 6 months to 1 year	6,806,381	3,906,956	5,801,237	3,610,855
Over 1 year	22,764,088	20,206,014	21,715,165	20,206,014
Provisions for impairment	(15,284,509)	(12,500,000)	-15,050,000	-12,500,000
Total	**46,065,853**	**27,381,373**	**29,735,013**	**27,170,139**

5.10 Cash and cash equivalents

The real weighted average interest rate for bank deposits was 4.28% (4.65% in 2006). Cash & cash equivalents, for the purposes of the cash flow statement, include the following:

	THE GROUP 31/12/2007	THE GROUP 31/12/2006	THE COMPANY 31/12/2007	THE COMPANY 31/12/2006
Cash on hand	166,394	133,250	31,378	94,424
Short-term deposits	8,704,255	5,038,151	3,893,291	3,889,217
Short-term time deposits	0	123,100	0	123,100
Total	**8,870,649**	**5,294,501**	**3,924,669**	**4,106,741**

5.11 Equity

i) Share capital

On December 31st 2007 the total issued common shares amounted to 125,630,910 common registered shares, with a nominal value of 0.41 Euro each. All issued shares are fully paid and are listed on the Athens Stock Exchange.

	Number of shares (common shares)	Common shares	Premium on capital stock	Total
	42,800,000	**17,548,000**	**17,093,551**	**34,641,551**
Balance on 01.01.06				
Issue of new shares	21,400,000	8,774,000	51,146,000	**59,920,000**
Share issue expenditure			-183,857	**(183,857)**
Balance on 31.12.06	**64,200,000**	**26,322,000**	**68,055,694**	**94,377,694**
Issue of new shares	61,430,910	25,186,673	195,964,603	**221,151,276**
Share issue expenditure			-665,129	**(665,129)**
Balance on 31/12/07	**125,630,910**	**51,508,673**	**263,355,168**	**314,863,841**

By way of decision of the first repeat Ordinary General Meeting of the Company's Shareholders on 9.7.2007, 61,430,910 new common registered shares were issued with a nominal value of EUR 0,41 and selling price above par equal to EUR 3,60.

The Board of Directors of the Company will propose to the Ordinary General Meeting of shareholders the distribution of EUR 0.16 per share, in the form of dividend of EUR 0.08 per share and cash refund equal to EUR 0.08 per share due to share capital decrease. The capitalization of part of the reserves above par equal to EUR 10,050,473 will precede the distribution of the above amounts, by way of decision of the Ordinary General Meeting in pursuance of the intention of the Company's Management.

ii) Other Reserves

The Group's other reserves are analyzed as follows:

	THE GROUP						THE COMPANY				
	Statutory reserve	Difference from value adjustment	Untaxed reserves	Reserve of granted shares	Reserves from balance sheet conversion	Total	Statutory reserve	Difference from value adjustment	Untaxed reserves	Reserve of granted shares	Total
Balance as at 1 January 2006	**2.526.465**	**27.045**	**593.966**	**-**	**-**	**3.147.476**	**2.526.465**	**27.045**	**593.966**	**-**	**3.147.476**
Granting rights on equities to staff	-	-	-	172.163	-	**172.163**	-	-	-	172.163	**172.163**
Balance, 31 December 2006	**2.526.465**	**27.045**	**593.966**	**172.163**	**-**	**3.319.639**	**2.526.465**	**27.045**	**593.966**	**172.163**	**3.319.639**
Direct changes in equity	62.449				33.090	**95.539**					
Balance, 31 December 2007	**2.588.914**	**27.045**	**593.966**	**172.163**	**33.090**	**3.415.177**	**2.526.465**	**27.045**	**593.966**	**172.163**	**3.319.639**

It is noted that the account "Other Reserves" in the individual and consolidated Balance Sheet also includes the amount of "Above par", which has been analyzed in the "Share Capital" table.

5.12 Loan liabilities

The Group's loans and the relevant maturity dates are analyzed as follows:

	THE GROUP		THE COMPANY	
Long-term loans	**31/12/2007**	**31/12/2006**	**31/12/2007**	**31/12/2006**
Bank loans	19,000,000	20,000,000	0	20,000,000
Financial lease obligations	3,233,845	120,199	0	75,517
Total	**22,233,845**	**20,120,199**	**0**	**20,075,517**
Short-term loans				
Bank loans	43,707,633	23,476,280	35,252,172	23,458,619
Financial lease obligations	973,279	226,379	75,826	213,959
Current instalments of long-term obligations	20,000,000		20,000,000	
Total	**64,680,912**	**23,702,659**	**55,327,998**	**23,672,578**
Total loans	**86,914,757**	**43,822,858**	**55,327,998**	**43,748,095**

Loan maturity dates are as follows:	THE GROUP		THE COMPANY	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Up to 1 year	63,707,633	23,702,232	55,252,172	23,672,578
From 1 to 5 years	19,000,000	20,120,626	0	20,075,517
Over 5 years	-	-	-	-
	82,707,633	**43,822,858**	**55,252,172**	**43,748,095**

Long-term loan maturity dates are as follows:	THE GROUP		THE COMPANY	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
2 years or less	0	20,000,000	0	20,000,000
From 2 to 5 years	19,000,000	0	0	0
Over 5 years				
	19,000,000	**20,000,000**	**0**	**20,000,000**

Financial lease obligations	THE GROUP		THE COMPANY	
Minimum lease payments:	**31/12/2007**	**31/12/2006**	**31/12/2007**	**31/12/2006**
Up to 1 year	981,497	256,889	76,985	220,621
From 1 to 5 years	3,237,571	132,879	0	76,985
Over 5 years	-	-	-	-
	4,219,068	**389,769**	**76,985**	**297,606**
Future charges of financial cost to Financial leases	503,083	26,710	1,159	8,130
	503,083	**26,710**	**1,159**	**8,130**

Current value of Financial lease obligation	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Up to 1 year	934,532	243,346	75,826	213,959
From 1 to 5 years	2,789,728	119,713	0	75,517
Over 5 years	-	-	-	-
	3,724,261	**363,058**	**75,826**	**289,476**

The effective average weighted interest rates for the Group's loans as at the balance sheet date are as follows:

	THE GROUP	THE COMPANY
	EUR	EUR
Bank loans (short-term)	5.03%	5.03%
Bank loans (long-term)	4.66%	4.66%

5.13 Deferred tax

The deferred tax assets / liabilities, as such emerge from the relevant temporary tax differences, are as follows:

	THE GROUP				THE COMPANY			
	31/12/2007		31/12/2006		31/12/2007		31/12/2006	
	Asset	Liability	Asset	Liability	Asset	Liability	Asset	Liability
Intangible assets	616,737	(206)	307,497	0	454,437	0	307,497	0
Tangible assets	0	(14,846,537)	0	(6,383,251)	0	(7,817,018)	0	(6,383,251)
Tangible assets through financial lease	0	(1,436,433)	0	(1,638,018)	0	(1,424,099)	0	(1,633,034)
Holdings	606,846	(7,221,830)	609,624	(7,221,830)	606,846	0	609,624	0
On untaxed reserves	0	(48,937)	0	0	0	0	0	0
Employee benefits	3,302,633	0	2,821,389	0	2,407,576	0	2,799,213	0
Provisions	0	(2,925)	0	0	0	(2,925)	0	0
Offsetting	**4,526,216**	**(23,556,868)**	**3,738,510**	**(15,243,099)**	**3,468,859**	**(9,244,042)**	**3,716,333**	**(8,016,285)**

The effective income tax rate to which the Company will be subject for 2007 is equal to 25%. Note that the accounts of "Deferred tax asset" and "Deferred tax liability" for the year 2006 have been reallocated and reflect the above balances.

5.14 Liabilities for employee benefits

	THE GROUP		THE COMPANY	
Obligations for:	**31/12/2007**	**31/12/2006**	**31/12/2007**	**31/12/2006**
Retirement benefits under Law 2112/20	7,813,363	4,261,673	4,225,222	4,173,971
Retirement benefits of group retirem. plan 1697	4,996,044	6,209,802	4,996,044	6,209,802
Total	**12,809,407**	**10,471,475**	**9,221,266**	**10,383,773**

	THE GROUP		THE COMPANY	
Debit to the results for:	**31/12/2007**	**31/12/2006**	**31/12/2007**	**31/12/2006**
Retirement benefits under Law 2112/20	540,554	62,736	51,241	47,478
Retirement benefits of group retirem. plan 1697	(1,278,883)	527,046	(1,278,883)	527,046
Total	**(738,329)**	**589,782**	**(1,227,642)**	**574,524**

Retirement benefits under Law 2112/20

The amounts posted to the balance sheet have been specified as follows:

	THE GROUP		THE COMPANY	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Current value of cumulative obligation	8,143,928	4,790,635	4,540,493	4,697,733
Unrecognized actuarial losses	(330,565)	(528,962)	(315,271)	(523,762)
Total	**7,813,363**	**4,261,673**	**4,225,222**	**4,173,971**

The amounts posted to the income statement have been specified as follows:

	THE GROUP		THE COMPANY	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Current employment cost	800,077	327,264	298,490	314,502
Financial cost	169,234	189,355	184,437	186,859
Cost of settlements/ service termination	152,417	330,276	152,417	330,276
Depreciation of unrecognized actuarial losses	4,795	32,474	4,795	32,474
Regular expense to the income statement	**1,126,523**	**879,369**	**640,139**	**864,111**

The main actuarial assumptions that were used are the following:

	31/12/2007	31/12/2006
Discount rate	4.80%	4.20%
Future salary rises	4.00%	4.00%
Expected residual working life	12.47	11.26

Retirement benefits of group retirem. plan 1697

The amounts posted to the balance sheet have been specified as follows:

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Current value of cumulative obligation	4.155.045	8.884.748	4.155.045	8.884.748
Fair value of the plan's assets	(1.727.596)	(1.765.981)	(1.727.596)	(1.765.981)
Unrecognized actuarial losses	(716.361)	(908.965)	(716.361)	(908.965)
Unrecognized cost of past service	3.284.956	0	3.284.956	0
Total	**4.996.044**	**6.209.802**	**4.996.044**	**6.209.802**

The amounts posted to the income statement have been specified as follows:

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Current employment cost	217.102	557.946	217.102	557.946
Financial cost	179.274	344.100	179.274	344.100
Expected yield of the plan's assets	(51.260)	(50.321)	(51.260)	(50.321)
Cost of settlements/ service termination	(606.165)	0	(606.165)	0
Depreciation of unrecognized actuarial losses	52.141	64.623	52.141	64.623
Recognition of past service cost	(304.163)	0	(304.163)	0
Total included in employee benefits	**(513.071)**	**916.348**	**(513.071)**	**916.348**

The movements of the obligation shown in the balance sheet are as follows:

	THE GROUP	THE COMPANY
Balance as at 01.01.06	5.682.756	5.682.756
Total debit/(credit) to results	916.348	916.348
Paid up contributions	(389.302)	(389.302)
Balance as at 31.12.06	**6.209.802**	**6.209.802**
Total debit/(credit) to results	(513.071)	(513.071)
Paid up indemnities	(700.687)	(700.687)
Balance as at 31/12/07	**4.996.044**	**4.996.044**

The main actuarial assumptions that were used are the following:

	31/12/2007	31/12/2006
Discount rate	4.80%	4.20%
Expected yield of the plan's assets	4.80%	4.20%
Future salary rises	4.00%	4.00%
Expected residual working life	12.41	11.95

5.15 Provisions for liabilities and expenses

The provisions that concern the Group and Company are recognized when there are present legal or constructive liabilities as a result of past events, their settlement through an outflow of resources is probable and the exact amount of the liability can be reliably estimated. Contingent receivables are not recognized in the financial statements but are disclosed provided that the inflow of economic benefits is probable.

	THE GROUP			THE COMPANY		
Long-term provisions	**Pending judicial cases**	**Other provisions**	**Total**	**Pending judicial cases**	**Other provisions**	**Total**
Book value as at 1 January 2006	1.500.000	55.000	**1.555.000**	1.500.000	-	**1.500.000**
Additions from acquisition of subsidiaries	-	40.000	40.000	-	-	0
Additional provisions	500.000	430.000	930.000	500.000	410.000	910.000
Item reclassification	-	490.000	490.000	-	490.000	490.000
Book value as at 31 December 2006	**2.000.000**	**1.015.000**	**3.015.000**	**2.000.000**	**900.000**	**2.900.000**
Additions from acquisition of subsidiaries	5.955.661	-	5.955.661	-	-	0
Additional provisions	850.000	300.000	1.150.000	850.000	300.000	1.150.000
Use of provisions	(1.904.036)	(930.000)	(2.834.036)	(1.869.036)	(900.000)	(2.769.036)
Book value as at 31 December 2007	**6.901.625**	**385.000**	**7.286.625**	**980.964**	**300.000**	**1.280.964**

	THE GROUP			THE COMPANY		
Short-term provisions	**Pending judicial cases**	**Other provisions**	**Total**	**Pending judicial cases**	**Other provisions**	**Total**
Book value as at 1 January 2006	-	133.000	**133.000**	-	133.000	**133.000**
Additional provisions	-	156.000	156.000	-	156.000	156.000
Use of provisions	-	(133.000)	(133.000)	-	(133.000)	(133.000)
Book value as at 31 December 2006	**0**	**156.000**	**156.000**	**0**	**156.000**	**156.000**
Additions from acquisition of subsidiaries	-	-	0	-	-	0
Additional provisions	-	150.000	150.000	-	150.000	150.000
Use of provisions	-	(156.000)	(156.000)	-	(156.000)	(156.000)
Book value as at 31 December 2007	**0**	**150.000**	**150.000**	**0**	**150.000**	**150.000**
Total provisions	**6.901.625**	**535.000**	**7.436.625**	**980.964**	**450.000**	**1.430.964**

5.16 Other long-term liabilities

The account of other long-term liabilities of the Group concerns by the sum of EUR 6,207,916 the contribution in kind of the minority interest of the subsidiary of HYGEIA SA in Albania, which will be capitalized upon completion of the relevant procedures by the competent authorities.

5.17 Suppliers and other liabilities

The analysis of balances for the Group's and Company's suppliers and other related liabilities is as follows:

	THE GROUP		THE COMPANY	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Suppliers	25.796.228	23.516.432	22.399.337	23.258.570
Cheques payable	1.353.857	1.163.179	0	1.163.179
Insurance organisations and other payable taxes	7.230.670	2.893.038	3.699.701	2.846.909
Other liabilities	3.190.568	0	0	0
Unearned and deferred income	150.680	0	0	0
Accrued expenses	2.890.749	1.950.475	2.114.244	1.826.423
Total	**40.623.704**	**29.523.123**	**28.213.283**	**29.095.080**

5.18 Cost of sales

The cost of sales is analyzed as follows:

Cost of goods sold	**THE GROUP**		**THE COMPANY**	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Staff fees and expenses	34,668,782	25,562,880	29,686,765	25,331,506
Professional fees and expenses	15,806,056	9,742,176	12,181,067	9,736,766
Charges for outside services	8,273,213	6,809,316	7,010,595	6,796,194
Materials consumed	27,296,296	29,586,751	22,355,877	30,529,325
Taxes and duties	37,800	380	37,800	380
Miscellaneous expenses	14,662,181	1,318,701	13,726,745	1,243,247
Interest and related expenses	-	-	-	-
Depreciation	6,091,144	5,986,840	5,623,997	5,947,853
Operating provisions	(1,297,283)	361,502	(1,029,295)	361,502
Total	**105,538,189**	**79,368,544**	**89,593,552**	**79,946,773**

5.19 Administrative / selling expenses

Administrative expenses	**THE GROUP**		**THE COMPANY**	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Staff fees and expenses	5,264,658	5,861,255	4,130,313	5,821,510
Professional fees and expenses	911,362	542,263	454,709	520,788
Charges for outside services	739,948	1,340,191	661,400	1,336,411
Materials consumed	17,285	284,111	-	-
Taxes and duties	50,860	311,822	42,808	309,677
Miscellaneous expenses	542,459	408,024	47,598	372,717
Interest and related expenses	4,043,20	-	-	-
Depreciation	964,253	456,829	716,090	437,066
Operating provisions	(140,276)	29,333	(143,206)	15,063
Total	**8,354,592**	**9,233,827**	**5,909,714**	**8,813,230**

Selling Expenses	**THE GROUP**		**THE COMPANY**	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Staff fees and expenses	1,173,133	508,570	179,808	250,243
Professional fees and expenses	8,963	9,835	8,134	9,520
Charges for outside services	117,906	86,310	52,301	50,224
Materials consumed	38,269	157,839	-	-
Taxes and duties	3,634.00	-	-	-
Miscellaneous expenses	195,031	312,822	59,780	272,737
Interest and related expenses	-	-	0	-
Depreciation	42,171	53,699	15,164	49,183
Operating provisions	37,869	19,612	- 6,234,31	-
Total	**1,616,977**	**1,148,687**	**308,952**	**631,907**

5.20 Other operating income / expenses

The other operating income and expenses for 2007 and 2005 are as follows:

Other operating income	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Income from rental fees	4,003,783	3,266,581	3,906,015	3,305,391
Income from special subsidies	255,933	341,060	255,933	341,060
Income from services	1,407,745	716,256	506,478	716,256
Other income	320,389	179,525	267,972	156,057
Total	**5,987,851**	**4,503,422**	**4,936,397**	**4,518,764**

Other operating expenses	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Provision for doubtful debts and other cases	3,750,918	4,019,612	3,550,000	4,000,000
Other expenses	160,720	213,458	159,665	213,208
Total	**3,911,639**	**4,233,070**	**3,709,665**	**4,213,208**

5.21 Financial income / expenses

Financial expenses	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Interest charges of bank loans	2.993.906	4.446.460	2.711.774	4.446.460
Financial expenses from leasing contracts	24.727	29.663	9.627	22.285
Interest and factoring expenses	160.728	220.682	122.932	220.682
Other financial expenses	48.272	22.011	6.217	19.420
Total	**3.227.632**	**4.718.816**	**2.850.550**	**4.708.847**

Financial income	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Interest	251.116	139.781	212.552,38	129.347
Total	**251.116**	**139.781**	**212.552**	**129.347**

5.22 Other financial results

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Income from dividends	7,399	8,102	3,735,756	767,600
Total	**7,399**	**8,102**	**3,735,756**	**767,600**

The amount of EUR 3,735,756 concerns dividends of the Company collected from subsidiaries, associates and other companies.

5.23 Income tax

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Current tax	2.781.126	175.604	1.557.134	-
Deferred tax	1.379.948	1.772.819	1.475.232	1.771.011
Tax audit differences	426.534	-	426.150	
Total	**4.587.608**	**1.948.423**	**3.458.516**	**1.771.011**

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Profit / (loss) before tax	10.988.675	585.053	7.933.100	-
Taxes calculated using the current rate at the end of the respective period to profit	2.747.169	169.665	1.983.275	-
Income not subject to tax	(962.381)	-	(962.381)	-
Expenses not recognized for tax purposes	852.881	8.846	468.093	-
Others	143.457	(2.907)	68.148	-
Total	**2.781.126**	**175.604**	**1.557.134**	-

5.24 Earnings per share

The basic earnings per share emerge from the division of the earnings corresponding to the parent's shareholders (after taxes), with the Company's weighted average number of common shares during the period. The diluted earnings per share coincide with the basic.

	THE GROUP		THE COMPANY	
Basic earnings per share	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Profits attributable to shareholders of the parent company	12.297.785	1.028.347	10.731.504	(1.030.291)
Weighted average number of shares	69.319.243	43.562.192	69.319.243	43.562.192
Basic earnings per share (Euro per share)	**0,18**	**0,02**	**0,15**	**(0,02)**

5.25 Cash flows from operating activities

	THE GROUP		THE COMPANY	
	31/12/2007	**31/12/2006**	**31/12/2007**	**31/12/2006**
Period profit	**12,177,268**	**1,036,863**	**10,731,504**	**(1,030,291)**
Adjustments for:				
Taxes	4,587,608	1,948,424	3,458,516	1,771,011
Depreciation of tangible fixed assets	6,371,946	5,810,856	5,679,483	5,756,181
Depreciation of investment property	2,569	0	2,569	0
Depreciation of intangible assets	726,256	688,796	673,198	680,206
Changes in liabilities due to staff retirement	(1,106,534)	589,783	(1,227,642)	574,525
Provision for doubtful debts	2,588,219	3,519,613	2,550,000	3,500,000
Other provisions	1,037,8770	500,000	1,000,000	500,000
Income from using prior-period provisions	(2,973,861)	0	(2,925,036)	0
(Profit)/Loss from sale of tangible fixed assets	(98,390)	8,958	(93,921)	8,958
(Profit)/Loss from purchase of company's share	0	(32,342)	0	0
Income from dividends	(7,399)	(17,600)	(3,735,756)	(767,600)
Share in affiliates' results	(2,845,367)	(2,411,206)	0	0
Interest (credit)	(237,326)	(140,284)	(212,552)	(129,347)
Interest charges	3,185,885	4,717,824	2,850,550	4,707,626
Exchange gains/(losses)	39,880	0	0	0
Others	(1,586)	110,877	0	110,877
	23,447,046	**16,330,561**	**18,750,915**	**15,682,147**
Changes in working capital				
(Increase)/Decrease in long-term receivables	(7,277,303)	49,696	(7,245,115)	48,748
(Increase)/Decrease in inventories	(1,222,681)	(110,569)	(14,763)	(317,143)
(Increase)/Decrease in receivables	(7,744,070)	(5,317,787)	(5,114,874)	(4,921,264)
(Increase)/Decrease in liabilities	5,592,888	(901,983)	(516,049)	(2,190,267)
(Increase)/Decrease in provisions	(51,026)	510,700	0	513,000
(Increase)/Decrease in liability for staff benefits due to retirement	(0)	552,021	(0)	574,525
	(10,702,191)	**(5,217,921)**	**(12,890,801)**	**(6,292,402)**
Net cash flows from operating activities	**17,744,855**	**11,112,640**	**5,860,113**	**9,389,745**

(Increase) in long-term receivables include EUR 7.04m, which concern the downpayment for the acquisition of the 56.7% stake of ACHILLION Hospital in Limassol, Cyprus. The acquisition was copmleted on January 18, 2008. Hence, ACHILLION will be fully-consolidated in the first quarter of 2008.

5.26 Commitments

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

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

Operating leases

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
No later than 1 year	1.186.191	243.194	551.439	195.624
Later than 1 year but earlier than 5 years	8.448.432	3.489.643	4.869.487	3.314.078
More than 5 years	10.363.654	3.399.092	10.363.654	3.399.092
Total	**19.998.277**	**7.131.929**	**15.784.579**	**6.908.794**

Finance lease commitments – of the Company and Group

Finance leases

	THE GROUP				THE COMPANY			
	31/12/2007		31/12/2006		31/12/2007		31/12/2006	
	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	948.520	908.615	220.621	213.959	76.985	75.826	220.621	213.959
Later than 1 year but earlier than 5 years	3.215.081	2.770.964	76.985	75.517			76.985	75.517
More than 5 years								
Total of minimum future lease payments	4.163.601	3.679.579	297.606	289.476	76.985	75.826	297.606	289.476
Less: Financial expenses	(484.022)		(8.130)		(1.159)		(8.130)	
Total minimum lease payments	**3.679.579**	**3.679.579**	**289.476**	**289.476**	**75.826**	**75.826**	**289.476**	**289.476**

The letters of guarantee of the Group and the Company on 31.12.2007 are as follows:

Guarantees

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Bank letters of guarantee	137.960	0	0	0
Other guarantees	109.495	1.591.115	109.495	1.591.115
Total	**247.455**	**1.591.115**	**109.495**	**1.591.115**

5.27 Contingent receivables – 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:

Important judicial pending cases

I. Claims against HYGEIA S.A.

Cases that have been concluded at the 2nd jurisdiction degree (finalized) included

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 EURO 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, where 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) G. Tolis Case

The cardio-surgeon G. Tolis 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 paid by the company remuneration towards him and the real remuneration owed as defined by the Greek State and the Social Security Funds.

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

1) Cases not covered by Mal-Practice

The total amount of judicial claims not covered by Mal-practice amounts to EUR 1.2 mil. 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 the BoD of T.S.A.Y cancelled, which imputed to the company a debt equal to EUR 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 9.11.2007 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 EUR 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 47.4 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 that 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 as regards 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.

c) *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 Health Care 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 paragraph 1 of Article 18 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 ore more units of specialized health services of diagnostic or therapeutic nature that belong to other natural or legal persons".

d) Un-audited tax fiscal years

The 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, 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); and d) 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 may be 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.

IV Claims against MITERA SA Group

Claims of patients or successors of patients against MITERA SA

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 55.6 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 Company, considering that 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 as regards the manner of their work.

5.28 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.

INTRA-COMPAN'CEIVABLES - LIABILITIES ON 31.12.07

ASSET \ LIABILITY	HYGEIA SA	Y-LOGIMED SA	ANIZ SA	MITERA HOLDINGS SA	Y PHARMA	MITERA SA	STEMHEALTH	HYGEIA HOSPITAL TIRANA	TOTAL
HYGEIA SA			10.952		4.500	13.638			**29.090**
Y-LOGIMED SA	3.663.433				1.190	67.476			**3.732.099**
ANIZ SA	13.175								**13.175**
MITERA HOLDINGS SA									**0**
Y PHARMA	14.749								**14.749**
TOTAL	**3.691.357**	**0**	**10.952**	**0**	**5.690**	**81.114**	**0**	**0**	**3.789.114**

INTRA-COMPANY SALES & PURCHASES 1/1-31/12/2007

VENDOR \ PURCHASER	HYGEIA SA	Y-LOGIMED SA	ANIZ SA	MITERA HOLDINGS SA	Y PHARMA	MITERA SA	STEMHEALTH	HYGEIA HOSPITAL TIRANA	TOTAL
HYGEIA SA		36.167	89.030		36.000	36.685			**197.882**
Y-LOGIMED SA	6.986.058		30		1.000	581.877			**7.568.965**
ANIZ SA	28.739								**28.739**
MITERA HOLDINGS SA	14.749								**14.749**
TOTAL	**7.029.546**	**36.167**	**89.060**	**0**	**37.000**	**618.562**	**0**	**0**	**7.810.335**

INTRA-COMPANY RECEIVABLES - LIABILITIES ON 31.12.06

		LIABILITY								
		HYGEIA SA	Y-LOGIMED SA	ANIZ SA	MITERA HOLDINGS SA	Y PHARMA	MITERA SA	STEMHEALTH	HYGEIA HOSPITAL TIRANA	TOTAL
	HYGEIA SA		175.000,00	11.842,00						186.842
A	Y-LOGIMED SA	893.536,00								893.536
S	ANIZ SA	15.502,00								15.502
S	MITERA HOLDINGS SA									0
E	Y PHARMA									
T	MITERA SA									
	STEMHEALTH									
	HYGEIA HOSPITAL TIRANA									
	TOTAL	909.038	175.000	11.842	0	0	0	0	0	1.095.880

INTRA-COMPANY SALES & PURCHASES 1/1-31/12/2006

		PURCHASER								
		HYGEIA SA	ALAN MEDICAL SA	ANIZ SA	MITERA HOLDINGS SA	Y PHARMA	MITERA SA	STEMHEALTH	HYGEIA HOSPITAL TIRANA	TOTAL
	HYGEIA SA		10.981	39.479					0	50.460
V	Y-LOGIMED SA	3.839.926								3.839.926
E	ANIZ SA	25.685								25.685
N	MITERA HOLDINGS SA	0								0
D	Y PHARMA									
O	MITERA SA									
R	STEMHEALTH									
	HYGEIA HOSPITAL TIRANA									
	TOTAL	3.865.611	10.981	39.479	0	0	0	0	0	3.916.071

Transactions with affiliated parties

Sales of goods/services	THE GROUP 31.12.2007	THE COMPANY 31.12.2007
Subsidiaries		60.075
Associates	17.604	17.604
Other affiliated parties		
Total	**17.604**	**77.679**

Other income	THE GROUP 31.12.2007	THE COMPANY 31.12.2007
Subsidiaries		137.807
Associates	291.970	291.970
Other affiliated parties	28.041	28.041
Total	**320.011**	**457.818**

Purchases of goods	THE GROUP 31.12.2007	THE COMPANY 31.12.2007
Subsidiaries		7.000.807
Associates		
Other affiliated parties		
Total	**0**	**7.000.807**

Other expenses	THE GROUP 31.12.2007	THE COMPANY 31.12.2007
Subsidiaries		28.739
Associates		
Other affiliated parties	24.885	24.885
Total	**24.885**	**53.624**

Receivables	THE GROUP 31.12.2007	THE COMPANY 31.12.2007
Subsidiaries		29.090
Associates		
Other affiliated parties	311.314	311.314
Total	**311.314**	**340.404**

Liabilities	THE GROUP 31.12.2007	THE COMPANY 31.12.2007
Subsidiaries		3.691.357
Associates	153.016	153.016
Other affiliated parties		
Total	**153.016**	**3.844.373**

Benefits towards basic management executives

		THE GROUP		THE COMPANY	
CATEGORY	DESCRIPTION	2007	2006	2007	2006
BoD	SALARIES	607.176	605.659	586.467	605.659
	SOCIAL SECURITY COST	27.829	24.908	27.829	24.908
	BONUS	111.615	0	111.615	0
	OTHER COMPENSATION	0	259.088	0	259.088
	RIGHTS TO EQUITY INSTRUMENTS	0	81.500	0	81.500
MANAGEMENT EXECUTIVES	SALARIES	1.248.975	829.526	914.252	750.534
	SOCIAL SECURITY COST	144.434	73.215	104.800	73.215
	BONUS	5.331	25.395	5.331	25.395
	OTHER COMPENSATION	1.589	165.609	1.589	165.609
	RIGHTS TO EQUITY INSTRUMENTS	0	39.197		39.197
TOTAL		2.146.947	2.104.098	1.751.882	2.025.105

On 31.12.2007, unsettled loans to management executives of the Group totaling EUR 4.000 existed.

5.29 Transactions with Marfin Popular Bank Group

	THE GROUP 31.12.2007
Assets	**-**
Liabilities	
Loans taken out	54,185,611
Income	
Income from rental fees	32.400
Expenses	
Financial cost	1,296,991

5.30 Events after the balance sheet date

A) On January 10, 2008, the investment community that the indisposed 24,602,666 bonds from the Convertible Bond Loan that was decided and approved respectively from the Postponed Ordinary General Meeting of the Company's shareholders at July 18, 2006 and the first repeat Extraordinary General Meeting of the Company's shareholders at February 28, 2007, were distributed on January 10, 2008 from the BoD of the Company, resulting to the final coverage of the Convertible Bond Loan to reach 100% and the total issued amount reached EUR 300,015,000. Following the coverage of the Convertible Bond Loan was verified and January 10, 2008 was determined as the issued date. As a result, the Convertible Bond Loan reached the amount of EUR 300,015,000 with the issue of 66,670,000 bonds, of nominal value of EUR 4.50 each. Also, on January 10, 2008, the first quarterly period interest rate, that begins on January 10, 2008 and expires on April 10, 2008 amounts 5.598% (annually). The abovementioned interest rate is analyzed as follows:
Reference rate: 4.598% (3-months Euribor) Spread: 1% (actual/360 days).

B) On January 15, 2008, the Company's BoD approved the new Organizational Structure of the Company that will be structured on Group standards, dividing the activities of the Group in three divisions. The first division, the secondary care, which will incorporate the hospitals in Greece and abroad was decided to be coordinated by the Chairman of the Executive Committee of ''HYGEIA SA" Mr. Themistocles Charamis, whilst the other two divisions of the primary care and the commercial activities & support services to be coordinated from the CEO of ''HYGEIA SA" Mr. Paschalis Bouchoris.

C) On January 21, 2008, commenced the trading of the 66,670,000 register bonds convertible to register ordinary shares of the Company, of nominal value of EUR 4.50 each. The abovementioned bonds came from the issuance of the Convertible Bond Loan. The BoD of the ATHEX approved during its meeting on January 17, 2008 the beginning of trading in the ATHEX of the 66,670,000 register bonds convertible to register ordinary shares of the Company.

D) On January 18, 2008, The transfer of 56.7% of the share capital of « Chryssafiliotissa Public Ltd», which owns the private hospital «ACHILLION» in Limassol Cyprus, was concluded to «DIAGNOSTIC & THERAPEUTIC CENTER OF ATHENS HYGEIA S.A. ».
ACHILLION Hospital is a modern, private hospital built in 2004, with a building of 7,000 square meters, consisting of 86 inpatient beds (mainly suites and private rooms), 8 operating theatres, 5 delivery rooms, an Intensive Care Unit, a Step-Down Unit, and significant diagnostic capability to include clinical laboratories, CT-Scan, MRI, etc. The hospital offers a wide range of medical specialties, including maternity and gynecology, and over 120 cooperating physicians.

The final acquisition cost reached CYP 8,016,756 (EUR 13.7m) and was the result of the valuation report that was conducted from an independent consultant company, according to article 289 of the Athens Stock Exchange Regulation and following an in-depth financial and legal due diligence examination.

The main financial figures of ACHILLION on 31.12.2007 are as follows:

	31.12.2007
Total assets	28,251,098
Total liabilities	15,873,632
Owner's equity	12,377,466

E) On January 24, 2008, announced that the new BoD of the company «MEDICAL CENTER OF LIMMASOL "ACHLLION" LTD» composed into a body.

F)On February 15, 2008, announces the acquisition of the 100% stake of the share capital of «Maternity & Gynecological Clinic Evangelismos Ltd» that owns 60% stake of «EVANGELISMOS» private hospital located in Paphos, Cyprus. «EVANGELISMOS» Hospital is a modern, private hospital built in 2003, with a building of 6,200 square meters, consisting of 71 inpatient beds, 3 operating theatres, 2 delivery rooms, an Intensive Care Unit, an Intermediate Care unit, First Aid Unit and modern diagnostic laboratories. The hospital offers a wide range of medical specialties and is a reference point for endoscopic surgeries. The acquisition price agreed to EUR 7,586,190 and the agreement will be concluded following the satisfactory completion of legal and financial due diligence exercise, as well as, obtaining the necessary regulatory approval of the Anti-Trust Commission of Cyprus.

G) On February 14, 2008, reported the the invitation to Extraordinary General Meeting of the Shareholders on Tuesday March 11, 2008, at 17:00, in the Conference Room of the Offices of the 'Investment Bank of Greece S.A.', located on the ground floor of the building at 24B Kifisias Ave in the Municipality of Maroussi of the Prefecture of Attica, in order to discuss and decide on the following matters on the agenda: Amendment of the articles 12 par.1 (Composition of BoD into Body) and 42 par.2 and par. 5 (Scientific Committee) of the Company's Article of Association.

THE CHAIRMAN OF THE BoD	*THE CHIEF EXECUTIVE OFFICER*	*DEPUTY FINANCIAL MANAGER*	*THE ACCOUNTANT*
KON. STAVROU *ID No A049114*	*PASCH. BOUCHORIS* *ID No. AA019554*	*EL. KELEPOURI* *ID No Σ028050*	*GEORGE NOMIKOS* *ID No Σ0145543*