



June 1st 2007

Presentation to the Analysts



Snapshot



- **The Market**
 - Public Sector inefficiency favours private activity
 - Unregulated market in terms of pricing policy
 - New Government favouring private health care activity
 - Different market environment vs other European countries (patients prefer private health care services)
 - Different domestic mentality regarding health care
- **The company**
 - Owner and operator of hospitals and diagnostic centres
 - Long track record of successful market presence (established in 1984)
 - Market leader in the domestic health care market
 - High brand awareness
 - Competitive advantages vs competition (the only provider with a network)
 - Management with international background and long experience in the sector
 - Consistent top line growth
 - Established presence in the growing South East European markets
- **The Story**
 - Concrete strategy to capture future domestic market opportunities
 - First mover's advantage in SE European markets
 - Domestic market growing at a healthy double digit rate
 - Expansion in value added products
 - Investment plan completed and bringing results





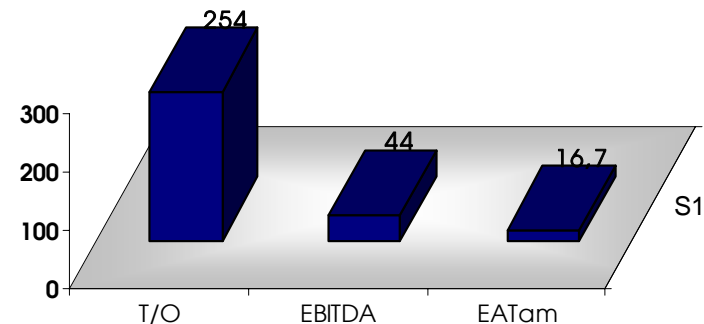
Business Strategy

- Consolidate leading position in the secondary health care market
- Capitalize on brand name and network of facilities
- Expand aggressively in the primary care services market
- Strengthen the international role of the Group in South-Eastern Europe
- Improve operational efficiency and financial performance
- Complete the reorganization and restructuring of the company

Key Data

8 Hospitals
40 Diagnostic Centers
1,200 Patient Beds
2,700 Employees
2,800 Co-operating Doctors
~33,000 surgeries (FY 2006)
~57,000 of Admissions (FY 2006)
~237,000 outpatients (FY 2006)

AMC 05 Group Results (Euro mil)





Operational Strategy - *The Network Concept*

- Secondary Health care Network
- Primary Health care Network





Integrated Network-Hospitals



8 Hospitals

- **7 in Metropolitan Athens**
(servicing population of 5mil.)
Peristeri Clinic to open in 07
- **1 in Thessaloniki**
(servicing population of 2 mil.)

Top Quality Facilities

- **New or fully renovated facilities**
- **Use latest medical technologies**
- **Full range of medical services**
- **Specialized clinics (pediatric etc)**
- **1,200 patient beds**



Distribution Network-Investments

Completed in 04 our 5yr investment plan of €150 mil.

Interbalkan Medical Center



- Expanded in the Northern Greek market with a new hospital

Athens Medical - Maroussi



- Separation of the Paediatric Center
- Completed construction of a new 7-floor building to host new therapeutic and diagnostic departments

P. Faliro Clinic



- New wing hosting new diagnostic departments and new ICU in operation. Bed capacity increased to 100 patient beds.

Dafni Clinic



- Opened September 2002. Specialises in the diagnosis and treatment of patients with chronic nephrological problems.

Peristeri Clinic



- Finished renovation– To open in 2007

Integrated Network-Diagnostic Centers



- A nation-wide network of 40 diagnostic centers

- Centers located in major cities

- Agreement with leading insurance companies.



Domestic Health care Market

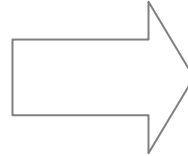
- Trends
- Private Secondary health care market
- Primary health care market
- Company position in the market





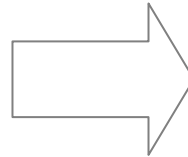
Domestic Health Care Market - Trends

- Ageing population
- New diseases
- Higher standards of living
- Increasing health care awareness
- Higher quality expectations
- Perceived demand



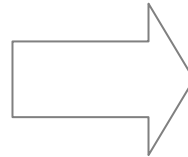
- Increasing Demand for Quality Medical Services
- Opportunities for new services (primary care)

Densely populated Capital

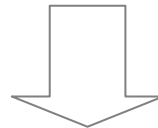


- Concentrated Demand for Medical Services

Immigrants
(immigrants from Balkans
c.10% of population)



- Change of Demand Mix



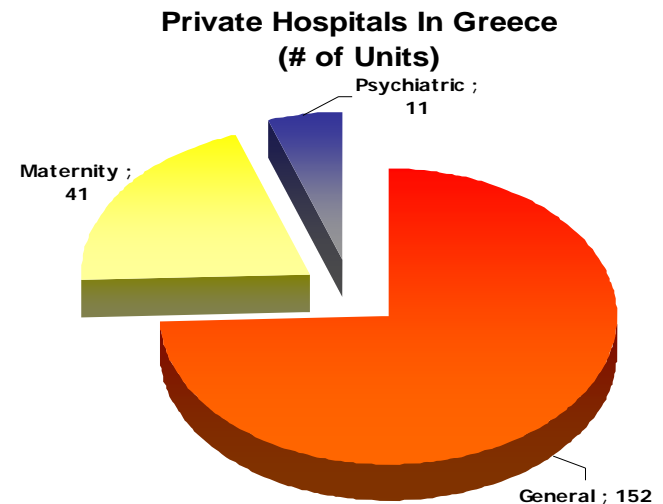
- Double digit annual growth rate
- Focused on high quality services
- Concentrated in Athens & Thessaloniki



- **Market with exceptional characteristics**
 - Legal framework - No regulation on prices
 - Government favours private activity
 - Peoples' mentality
 - Doctors work exclusively for the public or the private sector
- **Ineffective public health care system (outdated facilities, waiting lists, etc)**
- **Two tier private sector:**
 - High end (very few players), offering top service (AMC placed here). Number of units stable over time.
 - low end (many small players), acting as a substitute to public health care system. Number of units more volatile over time.
- **Very strict regulation for new hospital construction**
- **Under insured population**
- **Lack of nation-wide private networks**

Capacity in Greece

	Total	Private	State Owned
Hospitals	340	60%	40%
<i>of which in Attica</i>	110	62.5%	37.5%
Patient Beds	50,000	30%	70%
<i>of which in Attica</i>	23,000	34%	66%





Primary Health care Market

- Market Size: c. €300 mil.
- 3 Largest private health care providers control 30% of market
- Market grows annually by 5%-7% due to
 - Increased health care awareness
 - Higher Standards of living
- Profit margins are substantially higher compared to other services
- Fragmented Market: Large number of small providers
(independent diagnostic centers & Laboratories)
- Quality of services is low





Strategically positioned to capture growth opportunities in Greece

Secondary Health

- Leading provider of private health care services in Greece (appr. 25-30% market share of private health care)
- Offers vertically integrated medical services
- Provides high quality medical services
- The only company with an integrated nationwide network
- Management team with international background and extensive experience
- Cutting edge medical technology

Primary Care- *An Opportunity*

- We are the only company in Greece to have an integrated nationwide network

Advantages vs Competition

- we operate 24hour a day / 7 days a week
- Excess capacity
- Price competitive
- Quality of services
- One stop shop
- In FY06 contribution from primary health services reached 15% of t/o
- Our long term target :20-25% contribution (=European average)



8 Hospitals

40 Diagnostic Centers



S.E Europe Operations

Promising market opportunities



S.E. Europe Network



- Provide diagnostic services locally
- Refer patients to the domestic hospital network for treatment

- 2 Diagnostic Centers in Romania (inauguration of 2nd operation in Oct 05)
- 6 Representation Offices (Tirana, Sofia, Skopje, Prague, Bucharest, Plovdiv)
- Moscow operations (affiliated)



Managing For Value

Operational Efficiency
&
Financial Discipline





Profit Margins Enhancement

Reorganization

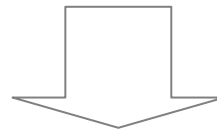
- Outsourced a number of non core activities (i.e. Cleaning, food facilities)
- Refined existing procedures to achieve more efficient inventory control
- Kept personnel to its minimum given our quality constraint and t/o growth.
- Fully exploit the benefits of the merger (e.g group purchasing)

Maturing Investments

- Further exploit economies of scale in individual hospital units

Capex Reduction

- Reduced need for capital expenditures following the 5 year investment plan (FY05 – Net CAPEX @ 4,1 mln Euros)
- Going forward there are less capital intensive investments aiming mainly at primary care network expansion
- Capital expenditures at low levels (c. 5 mln Euros for maintenance capex, annually) in the next 2-3 yrs.



Increased Cash Flow



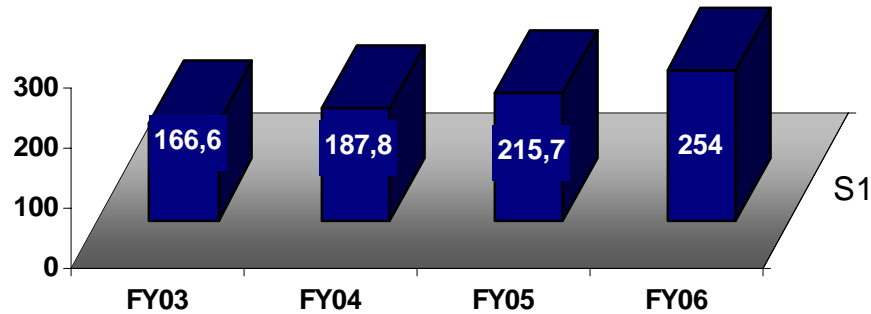
Financial Results





Financial Results - Revenue Analysis

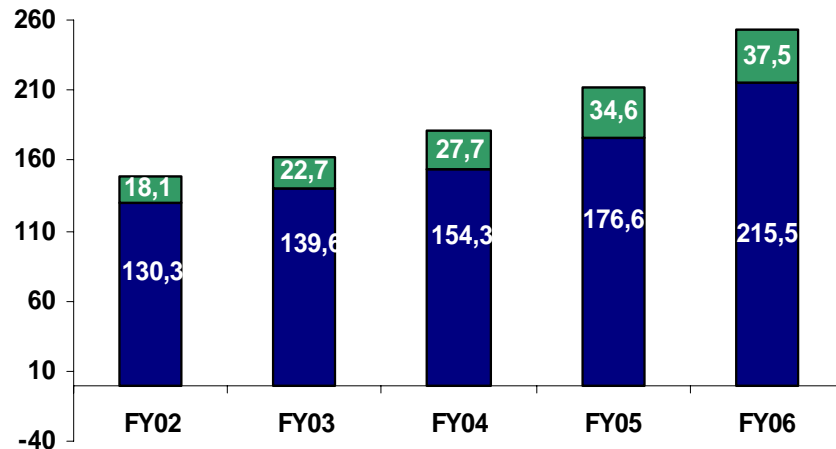
Annual Revenue - Euro Mil



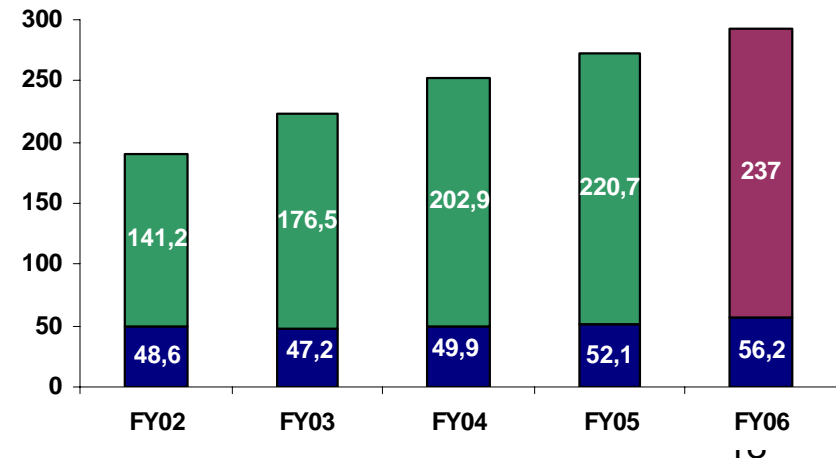
- Revenue reached 254 million Euro, an increase by 17,8%.

- Revenue growth came from an increase in outpatient and inpatient volume by 7,5% and 8,1% respectively

Revenue Analysis - Inpatients / Outpatients (Eur Mil)



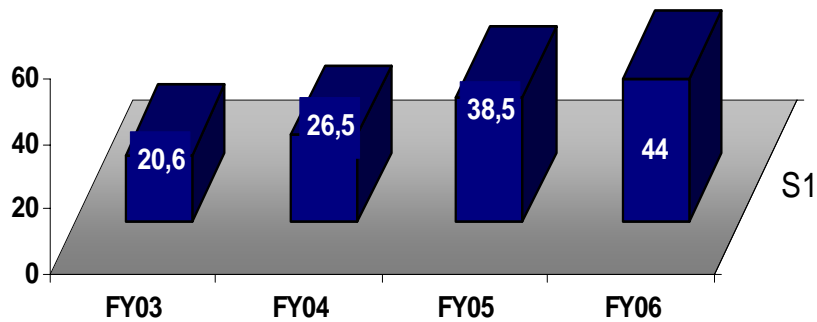
Volume Analysis - Inpatients / Outpatients



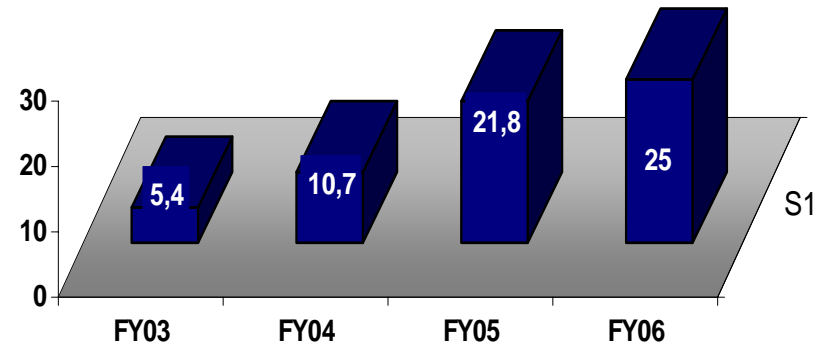


Financial Results (IFRS) – Profit Analysis

Group EBITDA - Euro Mil



Group EBT - Euro Mil



- EBITDA profits were 44 million Euro, an increase of 14,4%. *Note that FY 03 figure is under Greek GAP*

- EBITDA profit margin of 17,3%

- EBT were 25 million Euro, an increase of 15%. *Note that FY03 figure is under Greek GAP*



Growth Guidance



Future Growth Drivers



Organic



- Increase in patient flow (inpatients/outpatients)
- Price increases in line with inflation rate
- Expansion in Primary Care
- Economies of scale - Further profit enhancement

Market



- Reduced private competition
- Higher demand for high quality services
- Healthy market growth
- Comprehensive Employee Benefit Programs
- Sophisticated Purchasers



Summary



- Domestic Market with very special characteristics
- Ample room for private activity
- Government favoring private health care activity
- Demographics imply increase in the demand for high quality services
- Market growing at a healthy rate each and every year
- Market leader in the domestic health care market
- Established brand name – high brand awareness
- Experienced management team with international background
- Investment plan completed
- Reorganization of the company underway
- Concrete strategy to capture current & future market opportunities
- Established presence in SE Europe

Stock Data

