ATHENS MEDICAL CENTER S.A.

ANNUAL FINANCIAL REPORT
(1 January – 31 December 2016)
According to L. 3556/2007 article 4

ATHENS MEDICAL CENTER S.A.
General Commercial Registry: 356301000
Reg. no. 13782/06/B/86/06
5-7 Distomou Str.

CONTENTS OF ANNUAL FINANCIAL REPORT
(According to L. 3556/2007 article 4 and the relevant decisions of the Capital Market's Board of Directors Commission)

STATEMENTS OF MEMBERS OF THE BOARD
(IN ACCORDANCE WITH ARTICLE 4 PAR. 2 OF CL. 3556/2007)

The members of the Board of Directors of «ATHENS MEDICAL CENTER S.A.» a) George V. Apostolopoulos, President of the BoD. b) Vassilios G. Apostolopoulos, CEO and c) Christos G. Apostolopoulos, Vice President, declare that as far as we know:

a. The annual Financial Statement for the year 2016 of Parent Company and Group, which were drawn up in accordance with prevailing Accounting Standards, reflect in a true manner the assets and liabilities, equity and results of «ATHENS MEDICAL CENTER S.A.», as well as of the companies included in the consolidation, taken as a whole, and

b. The annual report of the Board of Directors, presents fairly the development, the performance and the position of «ATHENS MEDICAL CENTER S.A.» as well as of the companies included in the consolidation, taken as a whole, including the description of the main risks and uncertainties encountered.

Maroussi, 6/04/2017

THE PRESIDENT OF THE B.O.D.	THE CEO	THE VICE PRESIDENT
G.V. APOSTOLOPOULOS **ID AK 038305**	**V.G. APOSTOLOPOULOS** **ID Ξ 350622**	**CH.G. APOSTOLOPOULOS** **ID P 519481**

BOARD OF DIRECTORS MANAGEMENT REPORT OF "ATHENS MEDICAL CENTER SA" FOR THE YEAR 1.1.2016– 31.12.2016 TO THE ANNUAL SHAREHOLDERS' GENERAL ASSEMBLY

Dear Shareholders,

Pursuant to the provisions of Codified Law 2190/1920 articles 43a, 43bb, 107, 136 and article 4 of the Law 3556/2007 and article 2 of the decision of the Hellenic Capital Market Commission 7/448/11.10.2007 and the Company's Articles of Association refers to the Annual Financial Statements (Standalone and Consolidated) as of 31 December 2016 together with its subsidiaries companies in which the Athens Medical Center exercises control directly or indirectly (hereinafter jointly with the Company called the "Group", or the "Athens Medical Group").

This report describes the financial and non financial information for the Group and the Company for the financial year ended as of 31 December 2016, together with the significant events that occured during the financial year and their impact on the financial statements, providing all the necessary information for shareholders and investors. In addition, it provides a description of the main risks and uncertainties of the Group and the Company, the main transactions carried out between the Company and its affiliated entities and the prospects for the foreseeable future.

Additionally, we are honoured to submit to you for approval the financial statements of the Company and the Group, according to the International Financial Reporting Standards for the year ended as of 31 December 2016 and we kindly ask you to release the BoD and the auditors of any responsibility to provide compensation for the above year. The Financial Statements consist of the Balance Sheet, the Income Statement, the Cash Flow Statement and the Statement of Changes in Equity, as well as the notes to the financial statements, which are an inseparable part of the Financial Statements.

Financial performance review

Material issues

Based on the data presented in the annual report of the Governor's Annual Report of the Bank of Greece, for the year 2016, the year 2016 was marked of the return of the Greek economy to growth, which was mainly attributed to the net effect of the employment growth and the reduction of unemployment. Following the mild recession in 2015 (by 0.3%), GDP recorded a slightly increase (by 0.3%) in 2016 resulted from the upward dynamic observed in the Q22016. This improvement was driven by the gradual recovery of domestic demand (particularly private consumption and investment) and the continued growth in exports.

Consequently, for the first time it is visible, the absorption of all the vibrations from our Group that had created in prior years due to Economic crisis in the Private Healthcare sector, as follows:

- the non repayment of the old balances of the year 2007-2011 mainly derived from the Social Security Contribution Funds,
- the unfair imposition of the Rebate & Clawback mechanism imposed by management of the Current National Social Contribution Fund (herein "EOPYY") which is expected to last until the year 2018,
- The major overdue current payments of EOPYY,
- The non finanlized agrrement of the year 2016 between EOPYY and the private healthsector hospitals

The Group's management, steadily, methodically and decisively managed not only to maintain its leading position in the Industry but also increase its performance promoting the long-term interests of shareholders, employees and cooperative companies, in accordance with the high quality HealthCare services.

The Group positive reults was recorded in Q22016, as follows:

- The implementation of the medium and long-term cost savings program and operating costs held by rationalizing departments, using outsourcing services and high information technology systems.

- Strengthening of the cooperations with insurance companies, more specifically, in 2016, the Group entered into a new agreement with the insurance company named "INTERAMERICAN".

- The systematic growth of the medical tourism, which in 2016 was intensified by our presence of the most important tourism exhibition in Asia, named "China International Travel Mart 2016" and the implementation of the program "HEALTH IN THE COUNTRY" which addressed to the Greek homogeneous, a sector in which the Group is a leader.

- The development of new services and new co-operations with physicians. In this context, is added the operation of the new modern clinic named

"Medsana - Genesis Athens", in Bucharest, Romania which derived from the partnership of Medsana, the Group's subsidiary and the clinic named "GENESIS Athens", further enhancing the Group's presence in the local market.

- The issue of liquidity was addressed through improving the collectability by new customers apart from EOPYY.

Finally in 2016, remained constant for the Group, the efficient evaluation of potential investment opportunities that aimed to expand the business activity and performance of the Group.

Up to 6th April 2017, the date of 2016 Financial Statements submission, the amount of 50,3 millon has been over due, as the the total amount of bnd loan was 132,2 million

Financial Results

Group financial results in 2016

In 2016, Group turnover reached to €167.346 thousand versus €158.092 thousand in 2015, posted a positive increase of approximately 6%.

EBITDA increased significantly in 2016 by 677% reached to €23.451 thousand versus €3.017 thousand in 2015.

Net profit after tax and minority interest amounted to €3.469 thousand compared to the prior year losses of (€15.773) thousand (variation by 122%).

Investments in 2016 in capital expenditure (tangible and intangible assets) stood at €3.768 thousand compared to € 2.009 thousand in the prior year, leading to an increase of approximately 88%.

The total average number of personell in the Group was 2.861 employees (while in 2015 was 2.804 employees), increase of approximately 2%.

Companys' financial results in 2016

At Company level, turnover increased by approximately 6% to €162.676 thousand compared to €153.603 thousand in 2015 respectively.

EBITDA significantly increased by 981% reached to €22.122 thousand versus €2.046 thousand in 2015.

Net profit after tax amounted to €445 thousand compared to the prior year losses of (€15.605) thousand (variation by approximately 103%).

Investments in 2016 in capital expenditure (tangible and intangible assets) stood at €3.609 thousand compared to €1.949 thousand in the prior year, leading to an increase of approximately 85%.
The total average number of personell in the Company was 2.710 employees (while in 2015 was 2.655 employees), increase of approximately 2%.

During the year 2016, our Group provided high quality services together with the latest technology medical procedures to 468.767 outpatients and to 74.660 inpatients.

The increase in outpatients reached to 16% compared to 2015 (404.694 patients), while the same upward trend followed the inpatients in compared to the prior year 2015 (68.412 patients, a 9% increase respectively.

Despite the Group expantion with largest Private insurance companies, major role in the upward growth contributed to the development of new innovative top-quality healthcare services adopting a flexible pricing policy for patients.

Going concern disclosure

In the Previous years from 2013 to 2015, the Company did not meet some of Common bond loan covenants.

As a result, the Company's common bond loan was reclassified from long-term to short-term borrowings, according to IAS 1.

The Loan's duration is 5 years with floating rate based on Euribor plus margin and is payable in ten (10) installments. On July 12, 2012 the Company has signed the Common Bond Loan Issuance Programme, according to the provisions of C.L. 2190/1920 and L. 3156/2003, through private placement to NATIONAL BANK OF GREECE S.A., EFG EUROBANK ERGASIAS S.A. and ALPHA BANK S.A., the last acting also as a "Manager", of total nominal value of up to Euro 164 and granting of collaterals, following the decision of the 1st Repetitive Assembly of the Shareholders on 21st March 2012 and the decision of the Board of Directors on July 11, 2012.

In the year 2016 Company paid up bonds of total amount Euro 5.212 while the liability for interest cost for the same year 2016, was normally settled up.

Up to reporting date of the Financial Statements of 31/12/2016, bonds of common bond loan issuance programme, amounted to Euro 50,7milion were due.

The debenture loan balance € 132.800 th. becomes contractually due within 2017. Therefore, on December 31, 2016 total current liabilities of the Company exceeds its Current assets by € 142.190 th..

For the above bond issue, the Group is in discussions with Banks for the overall restructuring having already a draft loan agreement with the main terms of restructuring (term sheet) contract including among others the extension of the maturity of the loan in 5 years with a simultaneous modification of the repayment schedule of the outstanding principal current amount of bonds of € 50,3 m., other terms, conditions and guarantees which are under negotiations and agreed with Banks.

The agreement will be signed before the expiration date of the existing contract.

The successful completion of the agreement is an essential precondition for the adequacy of working capital ensuring the necessary liquidity of the Group and the Company respectively.

The Management taking into consideration the following:

The success that was recorded in the Financial Statements

The successful implementation of revised business plan, which is in full swing for the coming five years, with central axes developing sales and reduce costs, as stated below in "Outlook for 2017", and anticipates verification the estimates in the near foreseeable future.

The improvement of Working Capital presented in 2016, where the surpass of current liabilities of the Group and the Company over the current assets was decreased by €10m and €7m accordingly.

The positive cash flow from operating activities of the Group and the Company arising through agreements with all the major Greek and foreign insurance companies and negotiations with suppliers to ensure long-term conditions for repayment of liabilities. It should be noted that during the year, expected collection of old balances of funds (ex EOPYY) and will continue the claim of repayment, which correspond to clawback and rebate cuts.

The final stage of negotiation with the banks that will be positively finalized in the forthcoming period

prepared the accompanying Financial Statements based on the going concern basis and assumes that the Company will have sufficient funding to serve the financial and operational needs over the next 12 months.

a) Risk management framework

Company and Group are exposed to the following risks from using financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Management is generally responsible for establishing and supervising the framework for managing Company's and Group's risks. Managing financial risk aims to limit the above mentioned risks in terms of constant operation and funding of activities. Company's and Group's risk management policies have been introduced for locating and analyzing the risks Company and Group face, in order to set up the appropriate risk limits and their audit procedure, as well as the monitoring of risks and the compliance to the limits set up by Company and Group. Risks management policies and systems are regularly checked to reflect changes in market's circumstances and in Company's and Group's operations. Company and Group through personnel training and standards set up by management aim to develop a disciplined and constructive environment for control, in which all employees understand their roles and their obligations and in which the undertaking of risks and relevant antimeasures that reduce the risks, is explicitely defined.

The audit committee of Athens Medical Group supervises the way management monitors the compliance to the policies and risk management procedures for Company and Group and tests the adequacy of the risk management framework in terms of the risks both Company and Group face. Audit committee gets help to its work from internal audit service. Internal audit takes over the putting through of periodic and special purpose surveys of assurance valves and procedures, relating to risk management, the results of which are disclosed to the audit committee.

b) Credit risk

Credit risk arises, from credit exposures to customers, including outstanding receivables and conducted transactions of significance.

The maximum exposure to credit risk at the reporting date is as follows:

	The Group		The Company	
in thousands of euro	2016	2015	2016	2015
Cash and cash equivalents	12.182	10.426	11.716	9.901
Trade receivables	102.270	96.304	101.824	95.889
Other receivables	10.421	12.722	11.644	15.736
Derivatives	0	0	0	0
Other non current assets	277	438	276	434
Total	125.150	119.890	125.460	121.960

The major part of trade receivables comes from public insurance organizations and private insurance companies, whose credit risk is not considered significant in terms of Company's assets and liabilities except extraordinary events. Regarding the rest of debtors, represented by sale to individuals, risk is diversified due to the great number of debtors. (See Note 25). Credit control department assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Trade debtors credit limits are set based on internal ratings in accordance with limits set by management.

The Company's and Group's value of trade receivables is impaired, when there is evidence or indications that the collection of each receivable in whole or up to a percentage is not feasible. The Group's management proceeds to periodic revaluation of the formulated provision for doubtful debts in relation to the credit policy and data from the Group's Law Department, which arise from processing past data and recent developments of each case the department manages.

For other receivables credit risk is considered of no significance.

Furthermore in terms of cash and cash equivalents, Group and Company cooperate only with renounced credit institutions of highly credited ratings.

c) Liquidity risk

Liquidity risk is the risk of dealing with the difficulty in satisfying liabilities relating to financial liabilities, which are settled with cash or other financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed credit facilities. Furthermore, the Group estimates and controls its cash flows on a regular time basis.

The following table depicts Group's and Company's financial liabilties classified in groups by the time period, estimated from the reporting date to the contractual date payable. As is is point out in note 5, Company and Group are in negotiation process with banks about the refunding of existing borrowings and their conversion to non current ones.(see Note **5 Going concern capability of the Company's operational activity)**

Group 31/12/2016	Less than 1 year	Between 1 and 5 years	Over 5 years
in thousands of euro			
Borrowings	144.880	11	0
Trade accounts payable and other liabilities	110.139	2.605	616
Total	255.019	2.616	616
Group 31/12/2015	Less than 1 year	Between 1 and 5 years	Over 5 years
in thousands of euro			
Borrowings	149.047	74	0
Trade accounts payable and other liabilities	113.829	3.572	1.005
Total	262.876	3.646	1.005
Company 31/12/2016	Less than 1 year	Between 1 and 5 years	Over 5 years
in thousands of euro			
Borrowings	142.581	5	0
Trade accounts payable and other liabilities	118.272	2.604	616
Total	260.853	2.609	616
Company 31/12/2015	Less than 1 year	Between 1 and 5 years	Over 5 years
in thousands of euro			
Borrowings	146.750	16	0
Trade accounts payable and other liabilities	120.705	3.572	1.005
Total	267.455	3.588	1.005

d) Market risk

Market risk is the risk, changes in market prices like exchange rates, interest rates and prices of shares affecting Company's and Group's income, or the value of their financial assets. Market risk management aims to control and test the exposure in martket risk in acceptable level, by maximizing the return with which Company and Group perform these transactions by specific guidelines arising from risk management framework.

- **Foreign exchange translation risk (FX translation risk)**

The Group holds participations (business operations) in Romania, whose net assets are exposed to FX translation risk. This kind of FX translation risk derives from the exchange rate RON / € and it is not hedged as there is no substantial exposure. Group's management constantly monitors FX translation risks, that might arise and evaluates the need to take relative actions.

Presume that there is a change (depreciation/appreciation) at 31st of December 2016 concerning the exchange rate of RON/€ at a level of 0,1% (respectively at a level of 0,1% for previous year). The effect on Group's results for the year as well as on Group's equity, due to the translation of the results of company MEDSANA BMC from its functional currency to Euro, is disposed in the table below:

The Group				
in thousands of euro	2016	2015	2016	2015
Appreciation / (Depreciation)	0,10%	0,10%	-0,10%	-0,10%
Net profit				
gain /(loss)	0	0	0	0
Equity				
gain /(loss)	0	0	0	0

This percentage of 0,1% depreciation/appreciation was based on the average volatility in the exchange rates market for a twelve-month period for year 2016.

Foreign exchange rate

Exchange rate for year 2016	Balance Sheet	Profit and Loss
1€=RON	4,5239	4,4904
Exchange rate for year 2015	Balance Sheet	Profit and Loss
1€=RON	4,5240	4,4454

- **Price risk**

The Group and the Company is not exposed to securities price risk as it has no investment in entities classified, in the consolidated statement of financial position, as financial assets at fair value through income statement.

- **Cash flow and fair value interest rate risk**

The group's interest rate risk arises from long-term and short-term borrowings. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Depending on the levels of net debt, any change in the base interest rates (EURIBOR), has a proportionate impact on the Group's and Company's results. For diminishing the effect of the above mentioned interest rate risk beginning from year 2008 Group and Company entered financial contracts for interest rate risk hedging purposes. These financial instruments, are measured at fair value and are recognized as assets or liabilities in the Financial Statement.

The Group's policy is to minimize its exposure to interest rate cash flows risk with regard to financing issued at variable rates, to maintain its borrowings at low levels but at the same time make sure of the funding by cooperative banks that satisfy, by all means, the planned growth of the Group and the Company.

A detailed report of Company's and Group's loans is found in Note 29.

The table below presents the effect on Group's and Company's results for year 2016 and 2015 as well as on Group's and Company's equity at 31st December 2016 and 31st December 2015 (sensitivity analysis) at a rate volatility (increase/decrease) of EURIBOR by 0,5% .

	The Group				The Company			
in thousands of euro	2016		2015		2016		2015	
	0,50%	-0,50%	0,50%	-0,50%	0,50%	-0,50%	0,50%	-0,50%
Net profit								
gain /(loss)	-615	615	-768	768	-599	599	-757	757
Equity								
gain /(loss)	-615	615	-768	768	-599	599	-757	757

The above table does not include the positive effect of interest received from bank deposits.

	The Group				The Company			
in thousands of euro	2015		2014		2015		2014	
	0,50%	-0,50%	0,50%	-0,50%	0,50%	-0,50%	0,50%	-0,50%
Net profit								
gain /(loss)	-615	615	-768	768	-599	599	-757	757
Equity								
gain /(loss)	-615	615	-768	768	-599	599	-757	757

The above table does not include the positive effect of interest received from bank deposits.

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Capital is monitored on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the consolidated balance sheet) less "Cash & cash equivalents". Total capital employed is calculated as "Total Equity" as shown in the consolidated balance sheet plus net debt.

	The Group		The Company	
in thousands of euro	2016	2015	2016	2015
Total Borrowing	144.892	149.121	142.586	146.766
Less: Cash and cash equivalents	12.182	10.426	11.716	9.901
Net Debt	132.709	138.694	130.870	136.865
Total Equity	60.654	58.847	63.746	64.846
Total Capital employed	193.363	197.541	194.615	201.711
Gearing ratio	68,63%	70,21%	67,25%	67,85%

The gearing ratio for year 2016 has decreased compared to the previous year 2015 in terms of Group and Company.

25. "Alternative Performance Measurement Indicators"

(In accordance with the Guidelines "Alternative Performance Measurement Indicators" of the European Securities and Markets Authority (ESMA / 2015 / 1415el) applicable from July 3, 2016 in Alternative Performance Indicators (MEPP))

The Group evaluates its results and performance on a monthly basis identifying on time and effectively any deviations from its goals taking corrective action. The Group's performance is measured using financial performance ratios that are used internationally:

EBITDA (Decision 34 / Capital Market Commission) (Earnings Before Interest Taxes Depreciation & Amortization) –"Earnings Before Interest Taxes Depreciation & Amortization: The Financial index adds the current operating profits before interest expenses and taxes to total tangible and intangible assets depreciation and amortization, gains/losses on disposals and grants amortization. The higher the index, the more efficient the operation of the business is.
For the Group, the index amounted to €23.451 th. in the current year compared to €3.017 th. in the prior year.
For the Company, the index amounted to €22.122 th. in the current year compared to €2.046 th. in the prior year.

ROCE (Return on Capital Employed): The Financial Index divides Earnings before Interests and Tax by Capital Employed (Total Equity plus net debt).

For the Group, the index stood at 7% in the current year while in prior year was -4%.
For the Company, the index stood at 7% in the current year while in prior year was -2%.

ROE (Return on Equity) : The financial index divides Net profits after tax from continuing operations to average equity of the last two years. The higher the ratio the more efficient the Company uses its equity to generate earnings growth.
for the Group the index reached to 6% in the current year while in the previous was
-24%
for the Company the index reached to 1% in the current year while in the previous was
-22%.

Branches

During 2016 the Parent Company has not operated new branches. More specifically:

Branch	Address	Activity
Interbalkan Medical Center	Asklipiou 10, 57 001 Pilaia, Thessaloniki	General Clinic
Faliro Clinic	Areos 36, 17562 Faliro	General Clinic
Psichico Clinic	Andersen 1, 115 25 Psichico	General Clinic
Peristeri Clinic	Ethnarhou Makariou 60, 121 32 Peristeri	General Clinic
Dafni Clinic	Klious 8-10, 172 37 Athens	General Clinic

Subsidiaries' Branches

Subsidiary	Branch	Address	Activity
Iatriki Tachniki SA	Il Rubino (*)	Asklipiou 10, 57 001 Pilaia, Thessaloniki	Restaurant
Eurosite Health Services SA	Eurosite Health Services SA	Delfon 3, 15125 Marousi	Parking Services

(*):As of April 2016.

Related parties

The Company and its subsidiaries are related to the following legal and natural persons:

- due to the majority of shares acquisition in its capital with Mr. Georgios Apostolopoulos and the legal persons or other business activities he is related with,
- with its subsidiaries including their main shareholders and the members of their Boards of Directors, and
- with the members of the Company's Board of Directors.

For the detailed transactions with its subsidiaries please refered to the Note 39.

The transactions with its subsidiaries are mainly concerning the provision of commercial services, as well as the purchasing and selling of goods.

The transactions are realized within the normal operating framework of the Company.

i. Subsidiaries

2016	Company			
In thousands of euro	Receivables	Liabilities	Income	Purchases
IATRIKI TECHNIKI S.A.	0	35.536	4	10.057
EREVNA S.A.	0	0	0	0
PHYSIOTHERAPY CENTER S.A.	0	331	122	373
EUROSITE	3.381	0	56	0
GAIA	589	0	1	0
HOSPITAL AFFILLIATES INTERNATIONAL S.A.	437	0	0	0
TOTAL	4.407	35.867	184	10.430

2016	Company	
In thousands of euro	Receivables from dividends	Income from dividends
PHYSIOTHERAPY CENTER S.A.	0	31
TOTAL	0	31

2015	Company			
In thousands of euro	Receivables	Liabilities	Income	Purchases
IATRIKI TECHNIKI S.A.	0	35.077	15	9.644
EREVNA S.A.	0	31	0	0
PHYSIOTHERAPY CENTER S.A.	0	269	112	368
EUROSITE	3.456	0	57	0
GAIA	2.346	0	1	0
HOSPITAL AFFILLIATES INTERNATIONAL S.A.	392	0	0	0
TOTAL	6.194	35.377	185	10.013

2015	Company	
In thousands of euro	Receivables from dividends	Income from dividends
PHYSIOTHERAPY CENTER S.A.	0	40
TOTAL	0	40

The transactions with key management personnel are presented in the table below:

2016		
In thousands of euro	The Group	The Company
Compensations of executives and members of the Board	4.680	4.193

2016		
In thousands of euro	The Group	The Company
Liabilities to executives and members of the Board	2.090	1.840

2015		
In thousands of euro	The Group	The Company
Compensations of executives and members of the Board	5.595	4.955

2015		
In thousands of euro	The Group	The Company
Liabilities to executives and members of the Board	2.194	2.086

Prospects for the year 2017

According to the estimates of the National Bank of Greece the economic growth is expected to accelerate during 2017. The factors that led to that direction are stated as follows: the upward trend in private consumption, the further strengthening of business investments (and the increase of foreign investments) together with the further growth in exports. A necessary condition for this perspective is the immediate completion of the second evaluation,

The Group seeks to maintain its leading position in the Greek market through the provision of comprehensive primary and secondary high-quality health services, utilizing as a single network all Clinics marking a common business strategy, while taking into account the socioleconomic conditions of the population in which operates each clinic.

A focal point for the sector is the restructuring and financial support of EOPYY in order to operate more efficiently in cooperation with the private health sector.

The Group will insist on signing a more viable and functional agreement with EOPYY that should have a more substantial financial support from the Greek Government through preparing budgets per priovider, performing and monitoring controls of hospitalization, fulfilling its basic contractual obligations, conditions that established positions of our Group.

Management focuses on the completion of negotiations with the consortium of banks that will lead to the finalization of the agreement on the restructuring of the syndicated loan.

Particular emphasis will be given on the improvement of cash flow liquidity demanding the repayment of old balances from 2007 to 2011 mainly due from pension funds (before integrating them into EOPYY), the smooth flow of payments from EOPYY in accordance with its contractual obligations, and the claim amounts that correspond to the cuts due to the Rebate and clawback mechanism.

Furthermore, management will continue the effort to improve the collectability of old and new customers balances beyond EOPYY. It is also estimated that there will be an improvement in cash inflows through the increase in operational activities.

Finally, management will continue at the same rate towards to a further reduction of operating costs of the Group mainly through structural movements which will aim in reorganizing and consolidation of departments, using outsourcing services, development of cost saving energy programs and improving the proportion of variable costs, thereby continuing the policy of containing costs and focusing on maintaining high quality services.

The over 33 years continuous presence of the Group in the health sector, have led him known not only as a leader, but also as a synonymous of the private healthcare in Greece and the wider region of Southeast Europe.

The Group prudent management together with the continued success followed from previous years, was and still remain the comparative advantage. Despite the financial economic crisis, the Group managed to stand and be able to continue its business activities.

In nowadays, "Always one step ahead", Group is required to develop new prospects in order to strengthen the Group financial position, added value in interests of its shareholders and ensuring stability and confidence to its employees and to its cooperation companies respectively.

Non-Financial Performance

1. Brief Description of the Business Model of the Group

Athens Medical Group

Athens Medical Group started its operation in 1984, with the establishment of the Athens Medical Center at Maroussi by Dr. Georgios Apostolopoulos. Over the last 33 years, the group remains faithful to the constant commitment to "always be one step ahead," offering premium and innovative primary and secondary health care services, in accordance with the most stringent international standards and certifications.

Today, the Group avails 8 state-of-the-art nursing units, with a total of 1,200 beds, in Athens and Thessaloniki:

- Athens Medical Center
- European Inter-Balkan Medical Center of Thessaloniki
- Medical Center of Psychiko
- Medical Center of Palaio Faliro
- Medical Center of Dafni
- Medical Center of Peristeri
- Athens Children Medical Center
- Obstetrics-Gynecology clinic GAIA

It collaborates with an extensive nationwide network of more than 2,500 physicians, 390 medical centers and 8 dialysis units across Greece. Moreover, since 2015, through the initiation of selective exclusive partnerships (co-branding) with providers across Greece, the Group acquired an extensive network of Official Partners, through the expansion of partnerships with important medical centers. At the same time, it avails 4 proprietary diagnostic centers in Romania, named MEDSANA, and maintains solid partnerships in North Africa, the Balkans, the broader region of S.E. Mediterranean and the former Soviet Union, where, it should be noted, the Group founded the first private hospital in 1989.

Since its establishment, the Group prioritized scientific innovation, aiming to promote its clinics to top health service centers of international importance and acceptance through strategic business and scientific collaborations.

At the same time, the strategic Group planning for scientific innovation, includes On-Going Medical Education Programs, the implementation of clinical studies and the organization of annual conferences, while Group clinics are considered reference and excellence centers, both at European and global level.

Organizational Structure of the Group

The Board is responsible for the setting the strategy and development policy of the Company and the Group in general.

It consists of executive and non-executive members, acting with a view to protecting the principles of good corporate governance.

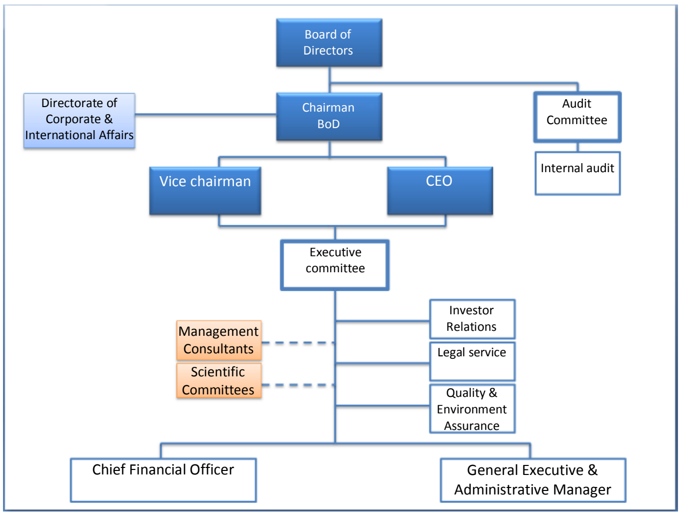
Composition of the Board of Directors

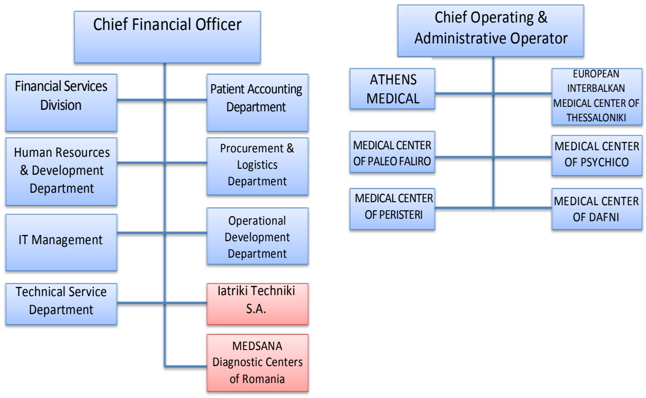
FULL NAME	CAPACITY	TERM START	TERM END
Dr. Apostolopoulos Georgios	Chairman of the Board, executive member	23/6/2016	23/6/2019
Apostolopoulos Christos	Vice Chairman of the Board, executive member	23/6/2016	23/6/2019
Dr. Apostolopoulos Vasileios	Managing Director, executive member	23/6/2016	23/6/2019
Dr. Jan Diersch	Member, non-executive	23/6/2016	23/6/2019
Pampoukis Konstantinos	Independent member, non-executive	23/6/2016	23/6/2019
Tountopoulos Basil	Independent member, non-executive	23/6/2016	23/6/2019
Koritsas Nikolaos	Independent member, non-executive	23/6/2016	23/6/2019

The organizational structure of the Group defines the powers and limits of responsibility of each operational unit and constitutes the foundation on which all activities of the Group are based.

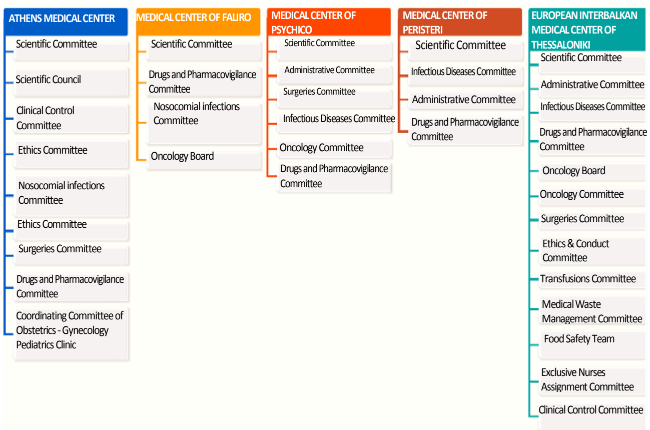
It is structured in such a way that:

- It meets the needs of key business areas in which the Group activates,
- Aligns with the respective principles of the institutional framework governing the operation of public limited companies,
- Allows the development and diffusion of a single business concept,
- Ensures the control of the operation and risks management, and
- Ensures the independence of control bodies from the controlled activities





Each Clinic of the Group operates a Scientific Committee which acts as a key supervisory and monitoring body on issues related to the standards and quality of the medical and nursing services provided.



Certifications & Awards

The Group's Clinics are certified as per ISO 9001: 2015 for all services, as per ISO 22000: 2005 for the catering services and as per ISO 14001 for environmental management.

Their quality has been rewarded with the certification Temos "Quality in International Patient Care", and the even more stringent Temos "Excellence in Medical Tourism", while they have been included in the listings "Best Hospitals Worldwide 2014, 2015 & 2016" and "Preferred Partner Hospitals" by the Diplomatic Council (DC) of the United Nations.

In 2016, the Group was awarded 5 gold awards in the Healthcare Business Awards, in the following categories: "Investment Activity"
"Contribution to Employment"
"Quality of Service"
"Environment Friendly Hospital" and "Action for Prevention / Early Diagnosis".

It won the highest award in the organization of Corporate Superbrands Greece 2016, where it was announced as the leading and most recognizable health service group in the country for 2016. This distinction marks the emergence of the Company among the most recognizable companies / brands of the Greek market.

The Group's subsidiary, Medsana Bucharest Medical Center, has been included in the top 10 foreign companies in Romania, according to the Chamber of Commerce of Bucharest.

Over the last years, international media have been interested in the activities and achievements of the Group, such as journals Financial Times, Sunday Times, Guardian, Independent, Times, The mail on Sunday and TV networks Bloomberg TV and BBC (six o ' clock news).

The Company's website www.iatriko.gr, presents in detail all certifications and awards of the Group.

Contribution to the Greek Economy

Athens Medical Center:

Offered in 2016 a total of 2,710 (2,655 during the fiscal year 2015) jobs.

It provided its high quality services to 468,767 outpatients and 74,660 inpatients.

Paid to its employees through payroll and insurance contributions, the amount of € 67 million.

Paid for insurance contributions to employee pension funds the amount of € 37,5 m. and to public funds the amount of € 34 mil. for taxes.

It cooperated with local suppliers at a rate of 100% (local suppliers are defined as Greek companies and Greek subsidiaries of multinational companies).

Aiming at the continuous improvement of its services, it participates in the following organizations:

- Association of Greek Clinics (SEC), in which it holds the presidency as of 2014.
- Hellenic Federation of Enterprises (SEV).
- Association of Greek Tourist Enterprises (SETE) - Athens Medical Group was the first private health institution to become a member of SETE, as a result of its many years of activity in the Medical tourism industry.

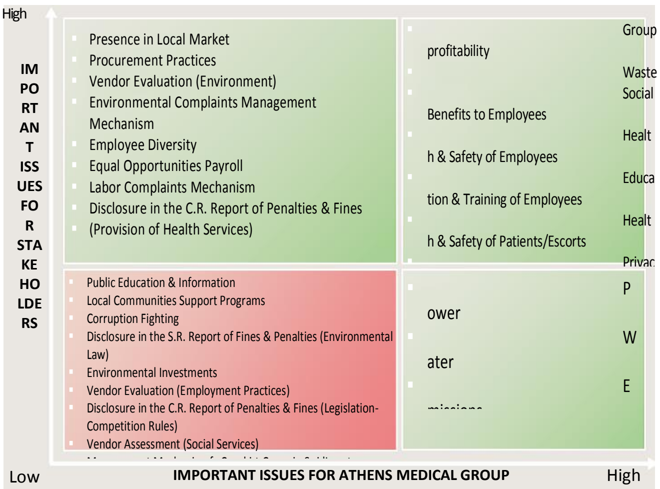
2. Essential Topics

In 2016, Athens Medical Group presented its first Corporate Responsibility Report covering the actions implemented by the Group in 2015. The report, was based on the Global Reporting Initiative (GRI) guidelines, and more specifically, edition G4, and it is the first health care organization In Greece which adopted these guidelines.

The Center for Sustainability (CSE) has assessed the Corporate Responsibility Report of Athens Medical Center Group, according to the GRI G4 instructions, certifying it as in "Core" compliance level.

Athens Medical Group has identified and evaluated all important issues related to Corporate Responsibility.

The essential topics are presented in a graph (materiality matrix), with the X-axis representing issues that have a significant impact on the Group's operation (Management view), and the Y-axis representing issues that are important among stakeholders (stakeholders view).



More information on the methodology applied for the essential issues and the full Corporate Responsibility Report for 2015 are available on the website, www.iatriko.gr.

For 2016, it was deemed that there were no grounds requiring the up7dating of essential issues identified and evaluated during the previous year.

3. Contribution to Society

Contribution and solidarity are integral parts of the Athens Medical Group culture. For 33 years, the Group is one of the first Greek companies that have integrated social contribution in the main pillars of its strategic planning.

As a leading group of medical services in Greece, Athens Medical Group consistently implements a multidimensional "Social Responsibility Program" through the offering of integrated medical services for the benefit of patients and vulnerable social groups.

In 2016, the Social Responsibility Program included organized individual programs implemented consistently every year and which include specific actions integrated in the design according to the needs of the society. The Group supported a total of 16 associations and NGOs like ELEPAP and Alma Zois, offering comprehensive screening test kits.

Medical Adoption Plans

In the context of the Social Responsibility Program, the Group offers for the last 32 years medical care for the children care facilities "SOS Children Villages", providing free diagnosis and treatment in clinics in Athens and Thessaloniki to all infants, young children, adolescents and mothers of the SOS for any health problem encountered.

Moreover, the medical adoption plan of the Athens Medical Group also includes the provision of free medical services to "The Smile of the Child" organization.

The Group continuously provides medical care to residents of border regions of the country such as the island of Ai Stratis, the Municipality of Kyprinos of Evros, and Fournoi of Ikaria. The benefits cover inter alia, free hospitalization in Group clinics for all children and adolescents and free birth in the maternity clinic GAIA for all parturients.

Close to local communities

In 2016, the Group offered hospital equipment to the Nursing Unit of Kalavrita of East Achaia General Hospital. Specifically, it offered fully functional hospital beds that will support the proper operation of the Nursing Unit of Kalavryta.

The "Medical Center of Peristeri" offers every month since 2015, three free cataract surgeries to residents of Peristeri, who are enrolled in the welfare registers of the region.

In the same context the "Medical Center of Paleo Faliro" offers consistently over the last years to the residents of the southern suburbs of Athens (Municipalities of Paleo Faliro, Vari, Voula and Vouliagmeni) unlimited medical visits to the Emergency department of the clinic.

As of 2016, the "Medical Center of Psychiko", in cooperation with the NGO "Mission", the Charity Organization of the Holy Archdiocese of Athens, offers free examinations for diabetic patients, every Wednesday from 08:30 to 12:00, at the Diabetes Department

The "European InterBalkan Medical Center of Thessaloniki" held and event offering information and free blood sugar measurements of the residents for diabetes, which was attended by more than 350 residents of Thessaloniki who were hosted for the exam in a specially designed area at Aristotelous Square. At the same time, it offered free exams for economically vulnerable adults and children, in cooperation with unions and associations, such as Cultural and Social Support Organization "Aristotle" and the Rotary Club of Thessaloniki

And in 2016, the people of the "Athens Medical Center" and "European Interbalkan Medical Center of Thessaloniki," responded massively to the blood donation activities organized each year for the employees of the clinics, offering more than 200 blood bags for the needs of patients.

Vodafone Telemedicine Program

Athens Medical Group and Vodafone have joined forces since 2008 for Vodafone Telemedicine Program. Utilizing medical excellence and cutting-edge technology, provide to more than 500,000 residents of 100 remote areas of Greece the ability to gain free access to high quality specialized health services, without having to move from their place of residence.

The Telemedicine Program is under the auspices of the Ministry of Health and the Ministry of Marine and Aegean.

For the period January - December 2016, the cardiologists/ pulmonologists of the "Athens Medical Center" were invited to provide their advisory opinion for about 1,544 exams.

World Health Days

Athens Medical Group has included in its Corporate Social Responsibility policy an organized program, which includes the provision of screening tests, on the occasion of World Health Days

In 2016, 1,266 of our fellow citizens throughout Greece, received screening tests and benefited from the program.

Sports

Sports are inspiration for the Group and form the backbone of sponsorship activity.

Always on the side of the athletes, Athens Medical Group is a proud sponsor of top sports organizations and clubs offering comprehensive medical services to hundreds of members across Greece, encouraging in practice the involvement of the young generation in sports.

The mobile Emergency Medical Services (EMS) of Athens Medical Group stands by the side of professional and amateur athletes, offering medical coverage to many sporting events.

International Contribution

Since its establishment, Athens Medical Group constantly offers its support to those who need it, especially in humanitarian crises at international level.

4. Environmental Management

In its effort to contribute to the improvement of environmental conditions and the proper management of resources, Athens Medical Group has developed and implemented an Environmental Management System as per ISO 14001: 2004, recognizing the responsibilities and obligations towards the environment and society.

Environmental policy

The Group is committed to:

- the continuous enrichment and improvement of the services provided.
- the safe management of waste of each Health Unit and the assurance of public health and environmental protection.
- the response to emergency humanitarian needs, implementing multidimensional social contribution programs.
- the compliance with the applicable environmental laws and regulations governing the National Health System.
- the continuous improvement of environmental performance.
- the prevention and avoidance of pollution.
- the employment of all necessary measures addressing environmental issues related to its activities.
- the rational management of resources.

Environmental Management System

The Environmental Management System of Athens Medical Center has as its main objective to ensure high environmental performance, the identification, control and reduction of environmental impact caused by its activities, and fully covers all the requirements of standard EN ISO 14001: 2004.

The Group has developed and implements a documented procedure, which identifies, examines and assesses the environmental aspects of the Group's activities. At the same time, it has developed and implements a process of identifying potential emergency situations and potential accidents. The process ensures the prevention of environmental effects and the reduction of environmental impact when they occur.

There has not been any complaint or grievance by either internal or external party relating to the Group's environmental practices.

The Group's environmental policy includes the following areas and actions for the prevention of environmental effects:

Air pollution -Ozone layer destruction - Greenhouse effect

The Group's facilities avail boilers / steam generators for the production of hot water and space heating which run on natural gas. There is performance of regular preventive maintenance and inspection of boilers and burners. The maintenance of air conditioning units and refrigerators is performed annually by internal licensed cooling engineers or by an outsourced licensed crew, and any coolant leaks are recorded and monitored.

Liquid waste - Wastewater

Microbiological laboratory liquid waste: There is local neutralization and disinfection of the liquid waster of the analyzers of the central diagnostic laboratories (biochemical, microbiological, hematology), within the laboratory, in a specific container, separately for each analyzer unit which produces liquid waste. Then, the liquid waste are guided to the drain. Liquid waste containing dyes or toxic substances are collected in special containers and are sent to the "Incinerator SA".

The table below lists the total volume of waste of the clinics in tonnes for the year 2016.

Clinic	Total Waste Volume (tonnes)
MEDICAL CENTER OF MAROUSI	550,80
EUROPEAN INTERBALKAN MEDICAL CENTER	446,33
MEDICAL CENTER OF PALEO FALIRO	266,41
MEDICAL CENTER OF PSYCHICO	145,71
MEDICAL CENTER OF PERISTERI	89,71
MEDICAL CENTER OF DAFNI	46,60

Non-hazardous waste:

Managed according to their type.

Hazardous waste:

Type of waste	Management
Batteries Printer Consumables	Organized collection and recycling of small batteries, in collaboration with AFIS. Collection of printer consumables (ink cartridges, toner). The Central Warehouse Department is responsible for collecting and forwarding for retreading, in cooperation with the supplier.
Lamps and electronic/electrical equipment	Organized collection and recycling of disposable electronic and electrical equipment, and lamps, in cooperation with licensed companies.
Purely Infectious Hazardous Waste (PIHW)	Waste which has been in contact with blood, secretions, or other biological fluids and can spread infectious diseases are collected at the production sites (hospital departments, laboratories, units, operating rooms), in Hospital box type cartons (Hallipack) and stored in a refrigerator. Then they are routed to an incinerator by a licensed hazardous waste management company. A relevant Management Directive has been developed and communicated to all parties involved.
Mixed Hazardous of Waste (MHW)	Waste derived from pathological laboratories, tissues, organs, waste containing mercury, other heavy metals, cytotoxic - cytostatic waster are collected in Hallipack cartons and stored in a refrigerator. Then they are routed to an incinerator by a licensed hazardous waste management company. A relevant Management Directive has been developed and communicated to all parties involved.
Other Hazardous Wastes (OHW)	Chemicals, consisting of or containing hazardous substances are collected in Hallipack cartons and stored in a refrigerator. Then they are routed to an incinerator by a licensed hazardous waste management company. A relevant Management Directive has been developed and communicated to all parties involved.
Used lead acid batteries for UPS, etc.	They are provisionally stored in special collection facilities (using special pallet tank / basin), under the responsibility of the Technical Service. Then they are routed for final disposal, in cooperation with licensed collectors and alternative management systems (SYDESYS).
Activated Carbon Filters	These are found in the air conditioning units of laboratories or hood Class 3, and after completion of their service life, they are collected and delivered to a licensed company for management, following a special decontamination procedure at the time of removal. The activated carbon filters found in the kitchen exhausts or air conditioning units, to prevent intake of polluted ambient air (i.e. NICU, infants' unit) are delivered to a licensed company for management.
Absolute filters for operating rooms	After the completion of their service life, they are collected and delivered to a licensed company for management.
Other Hazardous Waste (OHW) - Hazardous chemicals	They are collected and placed in a durable and sealed containers with a relevant marking and are delivered to a licensed company for management (Envirochem).
Clinical equipment maintenance devices, Medical -Technical and Auxiliary equipment, (generator, etc.).	Used oil from equipment maintenance is collected by the maintainer, who collects it in a special collection tank. When sufficient quantities are gathered they are delivered to ELTEPE. The scrap components derived from maintenance are collected and are typically delivered for recycling, along with other metallic objects collected.

Water consumption

The water used in the Group's facilities is supplied by EYDAP (Greek Water and Drainage Service). Water is mainly used for cleaning the premises and in sanitary facilities. The average daily water consumption is 400-450m^3.

The following table presents the overall water consumption of the clinics in m3 for the year 2016.

Clinic	m3
MEDICAL CENTER OF MAROUSI	77,809
EUROPEAN INTERBALKAN MEDICAL CENTER	45,087
MEDICAL CENTER OF PALEO FALIRO	7,179
MEDICAL CENTER OF PSYCHICO	14,324
MEDICAL CENTER OF PERISTERI	5,708
MEDICAL CENTER OF DAFNI	9,493

Power consumption

In compliance with the environmental management system, Athens Medical Group documents power consumption for the operation of its clinics and its greenhouse gas emissions.

The table below presents the total power consumption in kWh and the greenhouse gas emissions (CO2) of the clinics for the year 2016.

Clinic	Power consumption (kWh)	Thermal Energy Consumption (kWh)	Co2 tonnes
MEDICAL CENTER OF MAROUSI	9278489	6346190	10,420
EUROPEAN INTERBALKAN MEDICAL CENTER	7104492	4536839	7,916
MEDICAL CENTER OF PALEO FALIRO	1398,077	325,056	1,446
MEDICAL CENTER OF PSYCHICO	1658926	788,070	1,795
MEDICAL CENTER OF PERISTERI	1512940	356,362	1,566
MEDICAL CENTER OF DAFNI	413,672	172,396	455

Chemical substances

The chemicals used, include cleaning and disinfection products and lubricants. For these products, the Group avails the necessary Chemical Material Safety Data Sheets (MSDS), which are readily available to personnel who come into contact with these substances.

Noise

Although the noise from the operation of clinics, cannot be considered increased in any case, there is annual implementation of noise level measurements by an External Operator.

Use of Vehicles / Transportation Means

The Group ensures that the vehicles always avail a valid exhaust emissions control card and requests and receives on an annual basis, a certificate of the proper management / recycling of waste generated as a result of vehicle maintenance. In 2016, the fuel consumption of company cars amounted to 42,114 Liters.

Emergencies

Athens Medical Group avails contingency procedures that may cause environmental hazards.

Fire:

There has been appointment of Fire Safety Teams, a Reaction Plan in case of fire and the personnel is trained on Fire protection issues. In addition, all active fire protection measures are employed.

Hazardous Medical Waste Leak:

A reaction plan has been developed for the case of leakage. At the same time, there is availability of absorbent material and appropriate equipment to deal with any spillage. The staff are trained appropriately on the treatment of hazardous medical waste leaks.

5. Management and Development of Human Resources

The people of Athens Medical Group are the most important asset and the Group strives to improve their performance, to offer them development opportunities and balanced personal and professional life.

The Group's objective is to ensure an optimal, safe and fair working environment, that respects people and promotes trust, team spirit and effectiveness.

On 31/12/2016 the Company and its affiliates in Greece employed 2,730 people.

Total Number of Employees on 31/12/2016

Clinic	Number of Employees
MEDICAL CENTER OF MAROUSI	1,257
EUROPEAN INTERBALKAN MEDICAL CENTER	757
MEDICAL CENTER OF PALEO FALIRO	**233**
MEDICAL CENTER OF PSYCHICO	**264**
MEDICAL CENTER OF PERISTERI	181
MEDICAL CENTER OF DAFNI	**49**
IATRIKI TECHNIKI SA	13
PHYSIOTHERAPY CENTER SA	6
TOTAL	**2,730**

The Group nurtures the respect and protection of the equality of all workers, regardless of gender, education level, employment status, religion, or other characteristics.

Total Number of Employees Per Area and Gender on 31/12/2016

Clinic	MEN	WOMEN	TOTAL
MEDICAL CENTER OF MAROUSI	489	768	1,257
EUROPEAN INTERBALKAN MEDICAL CENTER	***257***	470	727
MEDICAL CENTER OF PALEO FALIRO	94	139	233
MEDICAL CENTER OF PSYCHICO	104	160	264
MEDICAL CENTER OF PERISTERI	81	100	181
MEDICAL CENTER OF DAFNI	17	32	49
IATRIKI TECHNIKI SA	5	8	13
PHYSIOTHERAPY CENTER SA	6	0	6
TOTAL	**1,053**	1,677	2,730

The minimum pay and working conditions of employees are determined by the National General Collective Labor Agreement (E.G.S.S.E) and therefore there is no difference in the wages of employees, based on their gender.

Total Number of Employees per Contract / Form of Employment/ Gender on 31/12/2016

Gender	EMPLOYMENT FORM FULL	EMPLOYMENT FORM PARTIAL	TOTAL	CONTRACT
MEN	898	149	1,047	National General Collective Labor Agreement (E.G.S.S.E.)
WOMEN	1,612	71	1,683	
TOTAL	**2,510**	220	**2,730**	

Training

The objective of the training programs of the Group is the evaluation and reassessment of all employees, the identification of their special talents, the provision of equal opportunities in training and specialization, the preservation and transmission of knowledge to maximize the contribution of training to work, the cultivation of on-going learning culture, communication and collaboration and the establishment of trust among employees.

These training programs are either in-house or implemented by external training providers.

Training for the year 2016

Number of External Training Sessions per year	39
Number of In-house training sessions per year	209
Total Training Programs per year	**248**
Total hours of external education - training sessions	6041
Total hours of in-house education - training sessions	3529
Total hours of education - training	**9,570**
Number of trainees in external training sessions	611
Number of trainees of in-house training sessions	3,024
Total number of trained persons	**3,635**
Total program costs	**€ 64,801**
Rate of participation to external training courses (Number of employees that participated in external training courses / Number of employees in the organization)	**23%**
Rate of participation to in-house training courses (Number of employees that participated in in-house training courses / Number of employees in the organization)	**36%**
Rate of **external training hours** (Total training hours / Number of employees in the organization)	**2.2**
In-house training rate (Total training hours / Number of employees in the organization)	***1.3***
Rate of training cost per employee (Total training costs Number of employees in the organization)	**23.9**
Rate of participation of Administrative staff (Number of Administrative staff that participated in training programs / Number of Administrative staff in the organization)	**23%**
Rate of participation of nursing staff (Number of nursing staff that participated in training programs / Number of nursing staff in the organization)	**33%**
Rate of participation of Paramedics staff (Number of paramedical staff involved in training programs / Number of paramedics in the organization)	**7%**
Rate of Participation of Auxiliary Personnel (Number of auxiliary staff that participated in training programs Number of auxiliary staff in the organization)	**24%**

The training policy of the Group aims at the continuous improvement of knowledge and qualifications of its staff, the continuous information thereof in the developments in the health sector, the new techniques and modern methods used worldwide, the development of self-improvement mechanisms for employees and their further training so that they constantly evolve as professionals

Athens Medical Group emphasizes greatly on further training with comprehensive education programs aimed at lifelong development of the executives and their potential evolution within the Group.

Accidents - Sick Leave Days

A non-negotiable commitment of the Group is the protection and safeguarding of the Health and Safety of its personnel.

Accidents - Sick Leave Days - Pregnancy and maternity leaves for the year 2016

Clinic	ACCIDENTS	SICK-LEAVE DAYS	PREGNANCY & MATERNITY LEAVE DAYS
MEDICAL CENTER OF MAROUSI	10	7,395	4321
EUROPEAN INTERBALKAN MEDICAL CENTER	10	4374	2,008
MEDICAL CENTER OF PALEO FALIRO	2	1326	891
MEDICAL CENTER OF PSYCHICO	-	1,858	824
MEDICAL CENTER OF PERISTERI	-	920	773
MEDICAL CENTER OF DAFNI	-	519	238
IATRIKI TECHNIKI SA	-	12	-
PHYSIOTHERAPY CENTER SA	-	-	-
TOTAL	22	**16,404**	**9,255**

Out of the 22 accidents, 11 occurred outside the workplace, during arrival, or departure of the employees. The remaining 11 were minor accidents, for which first aid was offered, without hospitalization requirements.

Benefits to Employees

For the benefit of its employees, the Group has established the following policies:

- For the safety of the employees and their families there is provision of health benefits.
- To facilitate employees in their commute, for their arrival and departure, there has been employment of leased buses that perform two routes in the morning, afternoon and in the night.
- There is application of IATRIKOSMOS card, which provides a range of benefits for employee purchases. Through the simple presentation of IATRIKOSMOS card, the employee receives discounts in a large number of items (clothing, electronics, house ware, eye glasses, etc.) and services (garages, travel, schools etc.). The offers are renewed and constantly enriched with new services.

- For the economic convenience of employees and their families there is provision of advances.

The Group's employees are directly informed on any operational changes that may occur.

For the year 2016, there was no filing of any complaints related to labor practices by employees or external parties.

Employees' recruitment

The continuously increasing activities of the Group render imperative the need to find new sources of skilled manpower. Many years ago the Group recognized that collaboration with universities and the academic community could be an effective solution both for direct and medium-term needs.

6. With respect to Human Rights and the Protection of Personal Data

Group employees must strictly adhere to the strict confidentiality for any item brought to their attention, or revealed by the patient, or third parties, in the context of exercise of their functions and which relates to the patient, or his family.

There has been no complaints, or reports about privacy and personal data of patients.

7. Against Corruption and Bribery

The Group is fighting corruption and is opposed to any form of bribery.

The Management is exercised at all levels on the grounds of ethics, transparency and openness.

The participation of managers in the successful policy implementation is immediate and substantial and thereby the Group achieves its objectives, stressing that corruption and bribery are not acceptable in our Group.

The Group's priority is to maintain an effective internal audit system.

The procurement of medical and mechanical equipment is performed by the Procurement Department of the Group, according to the requirements of the individual clinics of the Group. The Suppliers and supplied products are evaluated, based on documented procedures. The performances of vendors are reviewed at least annually with a view to taking decisions regarding the cooperation with such vendors.

The Group has adopted a series of measures with a focus on security and access of information systems, the clear and adequate segregation of duties among employees, the approval limits, the increased monitoring of works, the absolute transparency in procurement, assets and corporate assets protection, the securing of transactions and personal data protection.

There has not been recording or reporting of any corruption cases or allegations of possible corruption, embezzlement, fraud or acquisition.

CORPORATE GOVERNANCE DECLARATION

(this Declaration has been compiled according to article 43bb of C.L. 2190/1920, as is valid today)

Introduction

Corporate Governance describes a system of guidelines upon which the Company is organized, operated and managed by the Company, and establishes a structure that enhances its transparency towards the investment public, acknowledges and respects the rights of the stakeholders, promotes the interests of its shareholders and allows them to take an active role in its management. It also establishes a framework within which corporate goals are set, major risks are detected, the means for achieving corporate goals are specified, the risk management system is organized and management effectiveness is being monitored.

1) Corporate Governance Code

Disclosure of willing compliance of the Company with the Code of Corporate Governance

The principles of Corporate Governance and the procedures that follow are based on the C.L. 2190/1920, the existing legal framework concerning companies that are listed in the stock market, as is valid today, other principles and decisions of the Athens Stock Exchange, rules of the Hellenic Capital Market Commission and other bodies, but extend beyond the existing legal framework and also include voluntary commitments on behalf of the Company that aim to help maintain and improve the reliability of the company.

Our company complies fully with the above mentioned legal requirements, which comprise the minimum content of any Code of Corporate Governance.

The Company declares that it adopts the Greek Corporate Governance Code for the Listed Companies (hereinafter referred as "Code"). This Code can be found at the group's Greek Exchanges S.A., at the following address:
http://www.helex.gr/documents/10180/2227277/ESED+Kodikas+FEB+2015+-+A4+-+FINAL+-+Internet.pdf/a1b406ab-52e4-4d76-a915-9abefd0a9d09

Deviations from the Code of Governance and justification of the cases of non - compliance.

Our Company declares that it conforms to all the obligations of the Greek legal framework (C.L. 2190/1920, L. 3016/2002 and L. 3693/2008), which form the minimum requirements to be met by any Corporate Governance Code, applied by a Company, whose shares are traded on a regulated market.These minimum obligations are embodied in the Code of Corporate Governance of SEV, in which the company voluntary complies, insofar as it relates to its general principles. Currently, some deviations exist, especially concerning the specific provisions (additional to the general provisions). These deviations are as follows:

i. Role and Authority of the BoD

The BoD has not created a separate committee, which manages the procedure for applying candidates for the election of the BoD and prepares proposals for election in the BoD concerning the compensation of the members of the BoD, given that the policy concerning these compensations is stable and formed.

ii. Role and characteristics of the President of the BoD.

The BoD does not appoint an independent Vice President coming from its independent members, but an executive Vice President, as his contribution to the exercise of the executive duties of the President is considered of utmost importance.

iii. Duties and Conduct of the members of the BoD

The BoD has not adopted as part of the internal rules of the Company, policies to encounter conflict of interests between its members and the Company, since these policies have not been formulated yet.

There is no obligation of analytical disclosure of any professional bounds of the BoD including significant non-executive commitments to companies and non-profit institutions before their appointment as members of the BoD.

iv. Nominations of candidates for the BoD

The maximum service of the members of the BoD is not four years, but longer (six years), so that there is no need for the election of a new BoD in shorter periods, which would mean additional formalities (as for the representation in the presence of third parties etc.).

There is no committee for nominating candidate for the BoD, as due to the size and structure of the Company, the existence of this committee is not necessary, at this point.

v. Operation of the BoD

There is no specific set of rules for the organization of the BoD, as the existing articles of the Association are considered to be adequate.

The BoD at the beginning of every calendar year does not adopt any calendar of meetings or a 12month action plan, which is likely to be revised according to the Company's needs, since all its members are able to reach the Company premises and hence the convocation of the BoD is possible when the needs of the Company or the Law render it necessary, without a predetermined action plan.

There is no provision for the support of the BoD by a competent, specialized and experienced administrative secretary, since the existing technological infrastructure allows the accurate recording to the BoD meetings.

There is no obligation for the President and the non executive members of the BoD to convene on a regular basis so as to discuss the performance and compensation of the latter, since all the issues are open for discussion in the presence of all the members of the BoD.

There is no provision for the existence of introductory programs for the new members of the BoD or their constant vocational training as well as training for the rest of the members, since the members that are nominated have adequate experience and managerial skills.

There is no provision for granting additional resources to the committees of the BoD for the fulfillment of their duties and for the hiring of external advisors to the extent necessary, as such resources are approved by the Company according to existing needs.

vi. Evaluation of the BoD

There is no institutional procedure in order to assess the effectiveness of the BoD and the committees, or the President of the BoD during the procedure in which the independent Vice President directs or any other non executive member of the BoD directs in case of absence of independent Vice President. This procedure is not considered necessary based on the organizational structure of the Company.

vii. Internal Control System

There is no specific rule for the operation of the audit committee, as the basic obligations and authorities are adequately described in the existing legal framework.
No specific funds are granted for the use of external consultants, as the composition for the audit committee and its specialised knowledge and experience, ensure its efficient operation.

viii. Level and structure of compensations

There is no committee, comprising exclusively of non executive members of the BoD, independent in their majority, which aims at the compensation of the executive and non executive members of the BoD and thus there are no rules for its responsibilities, the frequency of its convocations and other issues concerning its operation. The creation of such a committee, given the Company's structure and operation, has not been deemed necessary to date.

In the contracts of the executive members of the BoD it is not stated that the BoD can demand the return of the bonus partly or as a whole, due to the revised financial statements of previous years or due to wrong financial data of any kind, that were used for the calculation of this bonus, since bonuses are decided only after the final approval of the financial statements.

The compensation of every executive member of the BoD is not approved by the BoD, following a proposal of the compensation committee, without the presence of the BoD's executive members, as such a committee does not exist.

2) Reference to the corporate governance practices beyond the requirements of the Law

Currently there are no deviations from the existing legal requirements.

3) Description of the main characteristics of the Company's Internal Control and Risk Management systems with respect to financial reporting.

The Company's as well as the Group's Internal Control System covers the control procedures for their operation, their compliance with the requirements of supervisory authorities, risk management and financial reporting.

The Internal Audit Service observes the correct implementation of each process and internal control system, regardless of their accounting or non-accounting content and evaluates the Company and the Group by reviewing their activities, functioning thus as a service to the Management.

The Internal Control System aims, among others, to ensure the completeness and reliability of the data and information required for the accurate and timely determination of the financial position of the Company and the Group and produce reliable financial statements.

The Company and the Group, in relation to the preparation of financial statements, designates that the financial reporting system "ATHENS MEDICAL CENTER S.A." uses an accounting system which is adequate for reporting to the Management as well as to the external users. The financial statements and other analyses reported to the Management on a semester basis are prepared on an individual and consolidated basis in accordance with the International Financial Reporting Standards, as adopted by the European Union for reporting purposes to the Management, and simultaneously for publication purposes, according to regulations, on a semester basis. Both administrative information and the disclosure of financial information include all the necessary information about an updated internal control system including analyses of sales, costs / expenses, operating profits and other economic indicators. All reports to the Management include the data of the current period compared to the corresponding budget, as approved by the BoD and the data of the corresponding period of the previous year of reference.

All the published interim and annual financial statements include all the necessary information and disclosure concerning the financial statements in accordance with the International Financial Reporting Standards as adopted by the European Union, reviewed by the Audit Committee and approved in their entirety by the BoD.

Security controls are implemented with regard to: a) identifying and assessing risks to the reliability of financial statements, b) administrative planning and monitoring relating to financial figures, c) the prevention and discovery of fraud, d) the roles / responsibilities of executives, e) the closing process including the use of integration (e.g. documented procedures, access, approvals, agreements, etc.) and f) safeguarding the data provided by the information systems.

The internal reports to the Management and the reports required by the Codified Law 2190/1920 and supervisors are compiled by the Financial Services Division, which has a suitable and experienced staff for this purpose. The Management ensures that these executives are adequately updated about any changes in accounting and tax issues concerning the Company and the Group.

The Company and the Group have established distinct procedures in order to gather all the necessary data from the subsidiaries and ensure the agreement of the individual transactions and the implementation of the same accounting principles by the companies of the Group.

4) Information required by Article 10, par. 1, under c), d), f), h) and i) of the Directive 2004/25/EC of the European Parliament and Council on April 21st 2004, concerning public bids, provided that the Company is subject to this Directive.

The information required by Article 10 par. 1 of the European Parliament and Council Directive 2004/25/EC, is contained, pursuant to Article 4 par. 7 of Law 3556/2007, in the Supplementary and Explanatory Report of the BoD and is presented below.

5) General Assembly of the shareholders

Responsibilities of the General Assembly

The General Assembly is the Company's supreme body and is entitled to decide on all corporate affairs. Its decisions bind the shareholders that are absent or disagree.

The general Assembly is the sole body competent to decide upon:

- ✓ Extension of the effective term or merger or split of the Company.
- ✓ Amendments of the articles of Association.
- ✓ Increases or reductions in the share capital, with the exception of those duly mentioned in the Articles of Association.
- ✓ Issue of bond loans and corporate bonds pursuant the articles 3a, 3b, 3c of L.C. 2190/1920, as valid.
- ✓ Election of members of the Board of Directors, apart from cases duly mentioned in the Articles of Association.
- ✓ Election of external auditors.
- ✓ Election of liquidators.
- ✓ Approval of the annual Financial Statements.

Convening the General Assembly

The General Assembly of shareholders, when convened by the Board of Directors, shall meet regularly at the company's registered seat or in the region of another municipality within the prefecture of the seat once a year, always in the first semester after closure of each financial year. The Board of Directors may convene extraordinary General Assemblies as often is it considered necessary.

General Assemblies, except repeat and other similar assemblies, must be noticed at least twenty (20) calendar days prior to the assembly date. It is noted that the date of the publication of the notice and the day on which the General Assembly is held, are not counted.

Notice to the General Assembly – Agenda

The notice to shareholders for the General Assembly shall state the date, time and venue of the assembly and the items on the agenda clearly, shall be posted in a visible location at the Company's offices and is published pursuant to current legal obligations.

Ten (10) days before each General Assembly every shareholder may obtain the annual financial statements and accompanying reports of the BoD and the external auditors.

Representation

The shareholders who wish to participate in the General Assembly are required to submit to the Company written certification from the registry of Dematerialised Securities System, according to article 51 of L.2396/1996 or alternatively any other equivalent certification according to par. 4 of article 28a of C.L. 2190/1920. The shareholder's identity must exist in the beginning of the 5th day before the General Assembly meeting (record date) and the relevant written certification must reach the Company at least three (3) days prior to the G.A. meeting. In the repeating Genaral Assembly meeting all shareholders, covering the same requirements, can participate. The shareholder's identity must exist in the beginning of the 4th day prior to the new Assembly Meeting (Record Date of Repeat General Assemblies) and the relevant certification, written or in electronic form, must reach the Company, at the latest on the 3rd day before the repeat General Assembly date.

Shareholders who are entitled to participate in the General Assembly may be represented by a legally authorized proxy.
In respect with the Company, right to participate in the General Assembly meeting have only the people who carry the shareholder identity on the relevant record date. The shareholders that do not comply with the provisions may participate in the General Assembly only upon a relevant license of the members that attend the General Assembly.

List of Shareholders entitled to vote

The list of shareholders entitled to vote at the General Assembly, shall be posted in a visible location at the Company's offices twenty four (24) hours prior to the General Assembly. This list must contain all the relevant information required by the Law, such as existing proxies, addresses of the shareholders or their proxies.

From the publication date of the invitation to the general Assembly, until the date of the Assembly, the Company is required to publish on its website, at least the following information:

i. The invitation to the General Assembly,
ii. The total number of shares and vote rights on the date of the invitation, including different subtotals of shares, if the company's share capital is divided in various types of shares,
iii. The documents to be submitted at the General Assembly,
iv. Draft for every decision on the topics to be discussed, or if no decision has been submitted for approval, the comments of the BoD for every matter to be discussed and if available any decision drafts concerning issues to be proposed by the shareholders, immediately upon receipt by the Company.

If for technical reasons, access to the above mentioned data is limited, the Company must mention on its website the methods of acquiring the relevant documents and send them to every shareholder upon request.

Regular Quorum and General Assembly majority

The General Assembly shall be considered to have a quorum when at least twenty percent (20%) of the paid-up share capital is represented therein.

If the quorum of the previous paragraph is not achieved, a repeat assembly shall be held within twenty (20) days from the initial date. The invitation must be sent at least ten (10) days, before the meeting. The General Assembly shall be considered to have a quorum and convene legally on the items of the initial agenda, irrespective of the percentage of paid-up share capital that is represented.

Decisions in the General Assembly shall be made with an absolute majority of the votes represented at the assembly.

Extraordinary quorum and General Assembly majority

In exceptional circumstances, the General Assembly shall be considered to have a quorum and convene legally on the items on the agenda when two thirds (2/3) of the paid-up share capital are attending or represented therein, regarding decisions that belong to the exceptional competency of the General Assembly and which are mentioned below:

- ✓ Extension of the effective term or merger, split, conversion, revival or dissolution of the Company
- ✓ Change in the nationality of the company
- ✓ Change in the business scope
- ✓ Amendments of the articles if Association
- ✓ Increases or reductions in the share capital, with the exception of those duly mentioned in the Articles of Association
- ✓ Issue of bond loans and corporate bonds
- ✓ Change in the distribution of profits
- ✓ Increase of the shareholders' obligations
- ✓ Every other situation that according to the Law for the General Assembly's decision, the above mentioned quorum is required

If the quorum of the previous paragraph is not achieved, a repeat assembly shall be held within twenty (20) days from the initial date. The invitation must be sent at least ten (10) days, before the meeting. The General Assembly shall be considered to have a quorum and convene legally on the items of the initial agenda, when at least ½ of the share capital is represented.

If the quorum of the previous paragraph is not achieved, a second repeat assembly shall be held within twenty (20) days from the initial date. The invitation must be sent at least ten (10) days, before the meeting. The General Assembly shall be considered to have a quorum and convene legally on the items of the initial agenda, when at least 1/5 of the share capital is represented. A new invitation is not required if in the initial invitation the place and the time of the repeat meetings, according to the existing legal requirements, is mentioned and if there are at least ten (10) days between each cancelled meeting.

The decisions of the general Assembly are taken by a majority of 2/3 of the represented votes.

Chairman - Secretary of the General Assembly

The General Assembly is chaired by the interim Chairman, or if unavailable, his deputy. Secretarial duties are reformed by the person temporarily set by the Chairman. Once the list of shareholders entitled to vote is approved, the Assembly proceeds to elect the President and a Secretary to perform the vote collection.

Topics discussed - Minutes of the General Assembly

The discussions and decisions of the General Assembly are limited to matters appearing on the agenda. For the issues discussed and decided in the Assembly Minutes shall be signed by the President and the Secretary. The copies and extracts are certified by the Chairman of the Board or his deputy. It is the responsibility of the BoD to publish the results of the votes on the Company's website, mentioning for every decision the number of valid votes, as well as the number of negative votes and the number of abstinence, within five (5) days the latest from the day of the General Assembly meeting.

Discharge of the Members of the Board and Auditors

Following the approval of the Annual Financial Statements, the General Assembly applying a special vote being carried by roll call decides upon discharge of the Board of Directors and Auditors from any liability for damages.

On the vote for the discharge of the BoD, all its members are allowed to participate with their own shares, or representing another shareholder, if they act as a legal proxy. The same holds for the Company's employees.

The discharge of the Board is powerless in cases of Article 22a of Law 2190/1920.

Shareholders Rights

The shareholders exercise their rights with regard to the Management of the Company only through their participation in the General Meeting.

In any Share Capital increase not affected by the contribution or issuance of convertible bonds, a Preference Right is provided upon the entire new Issue in favour of existing shareholders at the time of the issuance and proportionate to their share holding.

After the expiry of the time period set by the body of the Company for the exercise of the preference right, which may not be smaller than one month, shares not bought, according to the above, are disposed by the Board of Directors according to its unconstrained will.
The Invitation for the Exercise of the Preference Right, which must also mention the period in which the right should be exercised, is published in the relevant Issue of the Government Gazette. Notwithstanding paragraphs 6 and 7 of article 13 (Law 2190/1920), the Preference Right may either be limited or waived by resolution of the General Meeting.

As an exception, if all Company's shares are bearer, the invitation for the Preference right exercise may be effected by registered mail to shareholders.

Any Shareholder wherever located, as regards his relation to the Company, is subject to the Greek Laws and is considered to have as residence the Company's Headquarters.

Minority Interests

The rights of minority shareholders, as defined by the CL 2190/1920 and subsequent amendments and as provided for in Articles of Association are as follows:

a) Following a request from shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Directors shall include additional items on the agenda of the general assembly convened, if the relevant application is received by the Board of Directors at least fifteen (15) days prior to the General Assembly. The application for the inclusion of additional items on the agenda is accompanied by a justification or by a draft decision for approval by the general assembly and the reviewed agenda is published in the same manner as the last agenda, thirteen (13) days prior to the date of the General Assembly and at the same time it is made available to the shareholders on the webpage of the company, along with the justification or the draft decision that has been submitted by the shareholders, pursuant to art. 27 par. 3 of C.L. 2190/1920.

b) Following a request from a shareholder or shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Directors shall make available to the shareholders, at least six (6) days prior to the date of the General Assembly, draft decisions for items that have been included in the initial or the reviewed agenda, if the relevant request comes to the Board of Directors at least seven (7) days prior to the date of the General Assembly.

c) Following a request from any shareholder submitted to the company five (5) full days prior to the General assembly, the Board of Directors shall provide the General Assembly with information on corporate matters as requested, to the extent that such information is useful for the real assessment of the items on the agenda. The Board of Directors may refuse to provide information for specific reasons mentioned in the minutes. The Board of Directors may uniformly reply to requests of shareholders with the same content. No obligation for the provision of information exists, when the relevant information is already available on the webpage of the Company, particularly in the form of questions and answers.

d) On request of shareholders representing 1/5 of the paid-up share capital submitted to the Company at least five (5) full days prior to the General Meeting, the Board of Directors is obliged to provide the General Meeting with information on the course of corporate affairs and on the Company's property. The Board of Directors can deny providing the requested information due to substantial reasons that are reported in the minutes. Equivalent time limits for any exercise of the shareholders' minority rights also apply in case of a Repeat General Meeting.

6) Board of Directors

Composition and mandate of the Board of Directors

The Company is managed by the Board consisting of seven (7) members, of which three (3) are executive and four (4) are independent non - executive. Executive members are those that deal with everyday issues of management of the Company, while non – executive are in charge of the promotion of all corporate issues. The status of members as non-executive or executive is appointed by the Board of Directors.

The Board members are elected by the General Meeting of shareholders of the Company.

The Board of Directors has the following composition:

Board of Directors

NAME	CAPACITY	Date of appointment	End of Term
Dr. George V. Apostolopoulos	Chairman of BoD, executive member	23/6/2016	23/6/2019
Christos G. Apostolopoulos	Vice Chairman of BoD, executive member	23/6/2016	23/6/2019
Dr. Vassilis G. Apostolopoulos	CEO, executive member	23/6/2016	23/6/2019
Dr Jan Liersch	Member of BoD, non executive member	23/6/2016	23/6/2019
Konstantinos Pampoukis	Member of BoD, independent non executive member	23/6/2016	23/6/2019
Vasileios Tountopoulos	Member of BoD, independent non executive member	23/6/2016	23/6/2019
Nicolaos Koritsas	Member of BoD, independent non executive member	23/6/2016	23/6/2019

Dr George V. Apostolopoulos, Chairman of BoD, executive member.

Born in Corinth, Peloponnese. Founder of Athens Medical Group, in 1984.
He is an Economist. He studied Economics in Athens University of Economics and Business and he holds a doctorate from MIDDLESEX UNIVERSITY of London. He has written a series of books on the subject of Organization and Management of Nursing Units, which he taught as a visiting professor in Athens Technological Institution. For his business activity has been honored by the Greek State. Major awards were those from the "Chamber of Commerce" and the Most Successful self-made Entrepreneur.

Christos G. Apostolopoulos, Vice Chairman of BoD, executive member.

Born in Athens. He is an Economist. He studied Business and Economics in London and his postgraduate studies are in Information Systems and Technology.
He has been the Vice Chairman of the Group since 2002.

Dr Vasileios G. Apostolopoulos, CEO, Executive member.

Born in Athens. He holds a PhD in Economics, Distinguished Graduate of London School of Economics (BSc Management) and holder of a Master's degree in Business Administration (MBA) from University of Cambridge.
He is an Elected President of Greek Entrepreneurs Association, a board member of the International Business Center and Management at the University of Cambridge (CIBAM), and member of the General Board of Hellenic Federation of Enterprises (SEV). In 2008 he was honored with the international award "Giuseppe Sciacca" for his humanitarian work and his contribution to society, while he has also been honored with the Best Manager award of the year 2002-2003.

Dr Jan Liersch, Member of BoD, independent non executive member

He is a lawyer. Head of Regulatory Compliance Department and the Legal Department Mergers and Acquisition of Asklepios Kliniken Group.

Pampoukis Konstantinos, Member of BoD, independent non executive member

Born in Akrata, Aigialeia. Emeritus Professor of Commercial Law of Aristotle University Law School in Thessaloniki.
Tountopoulos Vasileios, Member of BoD, independent non executive member

Born in Chania, Crete. He is a Professor of the Aegean University of Shipping, Trade and Transport Department.

Koritsas Nikolaos, Member of BoD, independent non executive member

Born in Athens. He studied at the Law School of Athens University and he continued his postgraduate studies in international business law at the University of London. He is a lawyer and a law firm member..

Power – Responsibilities of the Board of Directors

According to Article 2 of Law 3016/2002 on Corporate Governance, as valid today, in conjunction with what is provided by the C.L. 2190/1920 and the Articles of Association, the primary concern of the Board of Directors is the pursuance of the growth of the long-term value of the Company and the defence of the general Company interest.

The members of the Board of Directors and any third person entrusted by the Board of Directors with responsibilities belonging to it are not allowed to pursue interests conflicting with those of the Company.

The members of the Board of Directors and any third person entrusted by the Board of Directors with responsibilities belonging to it are obliged to reveal to the other members of the Board of Directors their interests, as well as any conflict of these interests with those of the Company and Companies related to IAS 24.

The members of the Board of Directors are required to perform their duties with integrity, objectivity and professionalism and to devote sufficient time to perform those tasks.

Based on the Article of Association, the Board of Directors manages the Company's assets and represents it. It decides upon all issues regarding the Company within the framework of its scope, except those under the law or the applicable articles of Association which are the sole responsibility of the General Assembly.

The Board of Director can only in writing, delegate the exercise of all powers and functions (except those that require collective action), as well as and the representing of the Company in one or more persons, members or not, while determining the scope of this award. However, the powers of the Board are subject to article 23a of Law 2190/1920, as applicable.

Acts of the Board, even if they are outside its objects, bind the company towards third parties. Only in case it is proved that the third party knew of the excess of its objects or ought to know. The compliance with the formalities of disclosure in the company article of associations or amendments does not comprise as proof alone.

Restrictions on powers of Board of Directors from the Articles of Association or decisions of the General Assembly, do not object to third parties, even if they have been subjected to disclosure.

Issues relating to any fees paid to executives of the Company, internal auditors and the overall wage policy of the Company, are adopted by the Board of Directors.

Establishment of Board of Directors

After its election the Board of Directors is convened and elects the President and the Vice President. It can elect one or two Chief Executive Officers from its members only, determining in the same time its responsibilities. The president manages the meeting. In case of Presidents' absence the Vice President fully replaces the President. The Vice President is replaced by the Chief Executive Officer only by the Board of Directors' decision.

Replacement of a Member of Board of Directors

If for any reason, there is a vacancy in the Board of Directors, the remaining Members are obliged, provided that they are at least three (3), to elect a temporary replacement for the rest of the service of the replaced member. The election is submitted to publicity pursuant to art. 7b of C.L. 2190/1920 and is announced by the Board at the next General Assembly, which can replace the elected, even if no relevant item is included in the agenda. The elected members' actions are valid even if its election is not yet approved by the General Assembly.

Convergence of the Board of Directors

Board of Directors can meet after the Presidents' invitation, at the Company's registered offices at least once per month. It can also be convened at any time by the President or if two (2) of its members request it.

Representing Members - Quantum – Majority

Any absent Member can be represented by another. Each member can only represent one absent member.

The Board of Directors is in quantum and is valid when half plus one of its members are present or represented. In no case can the number of the present members can be less than three (3).

The decisions of the Board of Directors are taken on absolute majority of the present or represented members, besides those that are clearly stated by the current Articles of Association and legislation.

Board of Directors Minutes

For all decisions and meetings of the Board of Directors, minutes are kept. Copies of the minutes are validated by the President or the Vice President.

Board of Directors Members' Compensation

Board of Directors members can be compensated by an amount that is stated by the General Assembly. Any other fee or compensation of the members is given at the expense of the Company and only if it is approved by the General Assembly.

Company loans to founders, members of the Board of Directors, General Managers, Managers or persons related to them by blood or marriage or persons described in par. 5 of article 23a of C.L. 2190/1920, as well as the provision of credit and the granting of guarantees on their behalf against third parties are totally prohibited and invalid. For any contract between these persons and the Company a permission of the General Assembly is necessary. This also applies to employment contracts or orders, and to any alterations of employment contracts or amendments thereto.

Prohibition of Competition

It is prohibited to all Board of Directors members as well as to all managers to act engage professionally on their own account or on behalf of others, without the permission of the General Assembly, actions which are part of the Company's scopes. They are also not allowed to participate as partners to companies that are pursuing the same purposes as the Company's. In any violation case the Company has the right to ask for compensation based on the 23rd article of the 2nd and 3rd paragraph of the C.L. 2190/1920.

7) Committees

Audit Committee

Pursuant to the provisions of law no. 3693/2008 (Government Gazette 174A / 25-08-2008) and the Internal Rules of Procedure, the Company establishes the Audit Committee. The Audit Committee is set up to support the BoD in its functions relating to financial reporting, internal control and monitoring of the course of the regular inspection.

Without altering or reducing the obligations of the management members appointed by the General Meeting, the Audit Committee has, among other things, the following responsibilities:

- ✓ monitoring the financial reporting process,
- ✓ the monitoring of the effective operation of the internal control and risk management system as well as observing the proper functioning of the Internal Audit,
- ✓ monitoring the progress of the statutory audit of individual and consolidated financial statements,
- ✓ reviewing and monitoring issues related to the existence and maintenance of objectivity and independence of statutory auditors

Overall, the Audit Committee notes the lawful, efficient and smooth running of internal and external audits to the Company and ensures communication between the auditors and the Board. The Committee acts in the interests of all shareholders and investors to whom has the final responsibility.

According to a decision of the Annual General Meeting of Shareholders on 06/29/2014, the composition of the Audit Committee is as follows:

1. Konstantinos Pampoukis, independent non executive member of BoD, as President
2. Vasileios Tountopoulos, independent non executive member of BoD, as a member
3. Nicolaos Koritsas, independent non executive member of BoD, as a member

Internal Audit Service

The Internal Audit is an independent and objective confirmation and consulting activity designed to add value and improve the Company's procedures. It enables the Company to achieve its objectives by providing a systematic and structured approach to evaluate and improve the effectiveness of the control systems, risk management and corporate governance.

The organization and internal audit function is a prerequisite for the listing of shares or other securities on a regulated stock market. The internal audit is conducted by a special department of the Company.

The internal auditors perform their duties independently, are not hierarchically subordinate to any other department and are supervised by one to three non-executive members of the BoD.
The internal auditors are appointed by the Board of Directors and are exclusive, full-time. They cannot be appointed as internal auditors Board of Directors members, managers, who have other than the internal audit responsibilities or relatives of the aforementioned up to the second degree by blood or marriage. The company informs the Hellenic Capital Market Commission for any change in the persons or the organization of internal control within ten (10) business days.

While performing their duties, the internal auditors may examine any book, document, file, bank account and the Company's portfolio and have access to any service provided by the company. The BoD members must cooperate and provide information to internal auditors and generally to facilitate in every way their work. The Company's management has to provide internal auditors with all the necessary means to facilitate their work.

Responsibilities of the Internal Audit Service

The Internal Audit Service has the responsibility of monitoring and evaluating the internal control system established by the Company and submits proposals for improvement.

In this context, the Internal Audit Service has the following responsibilities, which must be carried out according to the principles of independence, impartiality and confidentiality:

1. Inspects the implementation and ongoing compliance with the Internal Operating Procedures and the Articles of Association, as well as the relevant legislation relating to the Company and in particular the law of S.A. corporations and the stock market.

2. Reports to the Board of Directors cases of conflicts of interests of BoD members or managers with the interests of the Company, discovered during the inspection.

3. Notifies in writing the BoD, at least once every quarter of the year, about the inspections, and attends the General Meetings of Shareholders.

4. Provides, with the approval of the Board of Directors, any information requested in writing by supervisory authorities, cooperates with them and facilitates in every possible way the work of inspection, control and monitoring they conduct.

Scientific Committee

According to the Operating Manual of each clinic, there is a Scientific Committee which serves as the basic body of supervision and control of issues relating to the level and quality of offered medical and nursing services.

The Scientific Committee comprises of all the Scientific Responsible Clinic Doctors with the Presidency of the Scientific Director, appointed by the Management.

The Scientific Committee is the main supervisory body for issues related to the level and quality of healthcare and nursing services provided. The Scientific Committee deals with cases concerning the integrity, the scientific adequacy, the behaviour and, in general, concerning the adherence to due process during the actual exercise of the medical practice. Its responsibilities may be summed up as follows:

1. It evaluates the adequacy of the salaried scientific medical staff, based on the performance and the keeping of due process by each and every one, as well as the discharge of their obligations, following a recommendation by the Scientific Director.

2. It controls the formal fulfilment of the obligations of the salaried doctors towards the clinic and the hospitalized patients, with regard to keeping medical records, minutes of operations, external offices' logs, etc.

3. It controls on a constant basis the operation and the scientific performance of the Medical departments and the Scientific staff, with regard to quality and manner of offering medical services.

4. It deals with the task of continuous training of the permanent staff of each Clinic in issues related to quality and manner of offering medical services.

Upon the Scientific Committee's decision one or more of its members can be delegated to deal with specific issues. The members are obliged to inform the committee for the course of their actions during a reasonable timeframe.

The Scientific Committee meets, provided that issues come up, twice a month, and more specifically on the first and third Tuesday of each month. The tenure of the Scientific Committee is two years.

The issues of the agenda of each meeting are stated by the Chairman. Issues can be stated also by other members of the committee. The members must notify the committee in writing, for the proposed issues, at least one week before the meeting. Likewise, the Board of Directors through its President or the CEO can raise issues in the committee based on its decision. The agenda is communicated to all members in writing at least three (3) days before the meeting. Non listed issues may be discussed at the committee only by the majority's approval. Quorum is defined as the half plus one of the members.

Decisions are taken based on the majority of present members. In cases of tie, the Chairman's vote preponderates.

In the committee's meeting the secretary of the Scientific Committee keeps the meeting's minutes and makes sure that the minutes are signed by all present members.

Ethics Committee

The Ethics Committee is consulted on ethical issues by the Board of Directors of the Company, and supervises the observance of the rules of medical morals and due process.

The Committee is chaired by the Scientific Director of each Clinic.

Hospital Infection Committee

It meets upon Board of Directors decision. It is comprised, as by the law, by all coordinating Doctors of the unit. It controls all departments of the unit and proposes to the Board of Directors measures to avoid any possible Nosocomial Infections. Moreover, it monitors the implementation of all above mentioned measures in order to reassure patients' protection. President of the Committee is the Scientific Director of each Clinic.

Executive Committee

The Committee meets once every month to monitor all Group activities, to plan all future Group actions, to assign duties, to determine the Group's strategy, to evaluate Groups financial results and, finally, to cope with all issues that refer to the operation of each one of the Group's units.

The Executive Committee is composed of:
- the Chairman of the Board of Directors
- the Chief Executive Officer
- the Vice President
- the Group's Chief Operating Officer
- the Group's Chief Financial Officer
- Management Consultants
- the General Managers of the Clinics and other Executives if necessary

Administrative Committees

Each Administrative Committee meets every two months and deals with all operational and organizational issues of each Clinic, evaluates the Clinics' financial results and plans all Clinics' activities.

The Administrative Committee is composed of:
- the Group's Executive Committee,
- the General Manager (or the Administrative Director) of the Clinic
- the Director of Medical Service
- the Nursing Director
- Financial Manager
- And heads of departments when necessary

8) Diversity policy with respect to the administrative, managerial and oversight bodies corporate mmittees

The Company has adopted the Policy on Employee Relations within Group, in which, inter alia, it is stated that the Company undertakes every effort to create equal opportunities for all current and potential employees regardless of gender, origin, disability, sexual orientation, religion, union memberships and political orientation, etc.

At the end of 2016, 68,5% of the Company's medium and upper level managers were women; the respective percentage in the high upper level managers was 37%.

The age of the medium and upper level managers was between 26 and 64 years (average age 44 years), of the high upper level managers between 37 and 67 years (average age 53 years).

With respect to the professional and educational background, the medium and upper level managers are University graduates and above in a percentage of 82%, while in the high upper level managers the respective percentage is 87%.

With respect to the professional background, the managers have many years of experience in their field and in their majority have prior experience in major firms in Greece and abroad.

A significant percentage of the medium and upper level managers come from the market, while high is the percentage of managers that have evolved within the Company and the Group.

In December 31, 2016, the Board of Directors is comprised by men.

As per their educational background all Board members hold University degrees either from Greek or from foreign Universities and the majority hold post-graduate degrees or/and doctoral degrees, in a variety of fields (financial, business administration, legal sciences, etc.).

Finally, all of the Board members have professional experience, either from their engagement in the market (private and international companies.

SUPPLEMENTARY AND EXPLANATORY REPORT OF THE BOARD OF DIRECTORS
(Information regarding issues pertaining to paragraphs 7 and 8 of article 4 of Law 3556/2007)

(a) Share Capital Structure

On December 31st 2016, the Company's Share Capital consists of 86.735.980 common nominal shares, with nominal value € 0,31 each.

Based on the Share Registry as at December 31st 2016, the Company's shareholders were as follows:

Share capital and share premium	Number of shares	% participation
G. Apostolopoulos Holdings S.A.	33.955.539	39,15%
Asklepios International Gmbh	31.500.271	36,32%
CREDIT SUISSE AG	6.706.461	7,73%
EUROFINANCIERE D INVETSISSEMENT MONACO	2.585.057	2,98%
Free float < 2%	11.988.652	13,82%
	86.735.980	**100,00%**

The total of the Company's shares (100%) are Common Bearer shares and indivisible. There are no special categories of shares. The rights and obligations derived thereof are those foreseen by C.L. 2190/1920.

(b) Constraints on Share Transfers

According to the Company's Articles of Association, there are not any.

(c) Significant direct and indirect participations in the sense of articles 9 to 11 of Law 3556/2007:

On December 31st, 2016, G.Apostolopoulos Holdings held a percentage of 39.15% and Asklepios International GmbH held a percentage of 36.32%.

(d) holders of shares with special control rights

There are no company shares affording special control rights.

(e) Voting rights' constraints –

There are no constraints on voting rights other than those foreseen by C.L. 2190/1920.

(f) Rules on appointment / replacement of members of the Board of Directors and on amending the Company's Articles of Association provided they differ from those foreseen by C.L. 2190/1920.

There are not any.

(g) Power of the Board of Directors to issue new shares or purchase its own shares according to the Article 16 of Law 2190/1920.

Notwithstanding paragraph 17 of this Article, it is hereby assigned that during the first five-year period from the company's constitution and following the Shareholder's General Meeting resolution dated 20.07.1993 by which the above mentioned power of the BoD was renewed for a period of five years, the BoD can issue new shares to increase all or part of the Company's Share Capital, with a 2/3 majority decision of its members. The increase cannot exceed the total of the capital already paid down. The above mentioned power of the Board of Directors may be renewed by the General Meeting for a period not exceeding five years for each renewal.

No renewal of this power has been decided by the General Meeting.

(h) Agreements among shareholders, known to the Company, resulting into restrictions on share transfers or on voting rights.

There are not any.

(i) Any important agreement the Company has contracted and is being put in force, modified or expires, in the event of a change in Management following a Public Offering and the results thereof; unless, due to the agreement's nature, its publication would cause serious damage to the company.

There are not any.

(j) Any agreement the Company has contracted with either members of the BoD or its personnel that foresees compensation in the event of resignation or redundancy with no well-founded reason or tenure termination due to a Public Offering.

There are not any.

Finally, the basic rights and obligations deriving from share ownership according to the Company's Articles of Association and Law 2190/1920 are as follows:

Shareholders' Rights

Shareholders exercise their rights with regard to the Management of the Company only through their participation in the General Meeting.

In any Share Capital increase not affected by in the contribution or issuance of convertible bonds into shares, a Preference Right is provided upon the entire new issue or the bond loan in favour of existing shareholders at the time of the issuance and proportionate to their share holding.

After the expiry of the time period set for the exercise of the preference right, which may not be smaller than one month, shares not bought, according to the above, are disposed by the Board of Directors according to its unconstrained will.

The Invitation for the exercise of the Preference Right, which must also mention the period in which the right should be exercised, is published in the relevant Issue of the Government Gazette. Notwithstanding paragraphs 6 and 7 of article 13 (Law 2190/1920), the Preference Right may either be limited or waived by resolution of the General Meeting.

As an exception, if all Company's shares are bearer, the invitation for the preference right exercise may be effected by registered mail to shareholders.

Any Shareholder wherever located, as regards his relation to the Company, is subject to the Greek Laws and is considered to have as residence the Company's Headquarters.

Minority Interests

The rights of minority shareholders, as defined by the C.L. 2190/1920 and the subsequent amendments and as provided for in the Articles of Association are as follows:

a. Following a request from shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Directors shall include additional items on the agenda of the general assembly convened, if the relevant application is received by the Board of Directors at least fifteen (15) days prior to the General Assembly. The application for the inclusion of additional items on the agenda is accompanied by a justification or by a draft decision for approval by the General Assembly and the reviewed agenda is published in the same manner as the last agenda, thirteen (13) days prior to the date of the General Assembly and at the same time it is made available to the shareholders on the webpage of the Company, along with the justification or the draft decision that has been submitted by the shareholders, pursuant to art. 27 par. 3 of C.L. 2190/1920.

b. Following a request from a shareholder or shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Directors shall make available to the shareholders, at least six (6) days prior to the date of the General Assembly, draft decisions for items that have been included in the initial or the reviewed agenda, if the relevant request is received by the Board of Directors at least seven (7) days prior to the date of the General Assembly.

c. Following a request from any shareholder submitted to the company five (5) full days prior to the General Assembly, the Board of Directors shall provide the General Assembly with information on corporate matters as requested, to the extent that such information is useful for the real assessment of the items on the agenda. The Board of Directors may refuse to provide information for specific reasons mentioned in the minutes. The Board of Directors may uniformly reply to requests of shareholders with the same content. No obligation for the provision of information exists, since the relevant information is already available on the webpage of the Company, particularly in the form of questions and answers.

d. On request of shareholders representing 1/5 of the paid-up share capital submitted to the Company at least five (5) full days prior to the General Meeting, the Board of Directors is obliged to provide the General Meeting with information on the course of corporate affairs and on the Company's property. The Board of Directors can deny providing the requested information due to substantial reasons that are reported in the minutes. Equivalent time limits for any exercise of the shareholders' minority rights also apply in case of a Repeat General Meeting.

Marousi, 06/04/2017
THE BOARD OF DIRECTORS

GEORGE V. APOSTOLOPOULOS
PRESIDENT OF THE BoD

Independent Auditor's Report

(Translated from the original in Greek)

To the Shareholders of
ATHENS MEDICAL CENTER S.A.

Audit Report on the Standalone and Consolidated Financial Statements

We have audited the accompanying Standalone and Consolidated financial statements of ATHENS MEDICAL CENTER S.A. (the "Company") which comprise the Standalone and Consolidated Statement of Financial Position as of 31 December 2016 and the Standalone and Consolidated Statements of Income and Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these Standalone and Consolidated Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of standalone and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone and Consolidated Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing incorporated in Greek Law. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the standalone and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone and consolidated 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 standalone and consolidated 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 company'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 standalone and consolidated 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 Standalone and Consolidated financial statements give a true and fair view of the financial position of ATHENS MEDICAL CENTER S.A. as of 31 December 2016 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the disclosure made in note 5 to the Standalone and Consolidated Financial Statements, which, along with other matters, refer to the fact that, as of 31 December 2016, the Company's total current liabilities exceed their total current assets, by approximately EUR 142 million. The Company is in the process of negotiations with creditor banks regarding the restructuring of existing short-term borrowings of approximately EUR 132 million, out of which the amount of approximately EUR 50 million is overdue while the rest of the amount of approximately EUR 82 million is payable in July 2017. These conditions indicate the existence of an uncertainty that may cast doubt about the Company's ability to continue as a going concern.

Report on Other Legal and Regulatory Requirements

Taking into consideration that Management is responsible for the preparation of the Board of Directors' Report and the Corporate Governance Statement which is incorporated in this report, pursuant to the provisions of paragraph 5 of Article 2 (part B) of Law 4336/2015, we note that:

The Board of Directors' Report includes a Corporate Governance Statement which provides the information set by article 43bb of C.L. 2190/1920.

In our opinion, the Board of Directors' report has been prepared in accordance with the applicable legal requirements of articles 43a and 107a and paragraphs 1c and 1d of Article 43bb of C.L. 2190/1920 and its content corresponds with the accompanying Standalone and Consolidated Financial Statements for the year ended 31 December 2016.

Based on the knowledge acquired during our audit, for ATHENS MEDICAL CENTER S.A. and its environment, we have not identified material misstatements in the Board of Directors' Report.

Athens, 7 April 2016
KPMG Certified Auditors AE
AM SOEL 114

Panayiotis Bountros, Certified Auditor Accountant
AM SOEL 22011

ATHENS MEDICAL CENTER S.A.

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2016

IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) AS THEY HAVE BEEN ADOPTED BY THE EUROPEAN UNION

CONTENTS OF ANNUAL FINANCIAL STATEMENTS

Statement of financial position

in thousands of euro		The Group		The Company	
	Note	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Assets					
Property, plant and equipment	19	228.252	232.713	216.436	220.867
Intangible assets	20	339	325	335	321
Other non current assets		277	438	276	434
Investments in subsidiaries	21	0	0	20.072	20.072
Equity-accounted investees	22	109	101	0	0
Deferred tax assets	23	10.336	12.528	10.312	12.495
Non current assets		**239.312**	**246.105**	**247.431**	**254.190**
Inventories	24	4.477	4.685	4.211	4.487
Trade receivables	25	102.270	96.304	101.824	95.889
Other receivables	26	10.421	12.722	11.644	15.736
Cash and cash equivalents	27	12.182	10.426	11.716	9.901
Current assets		**129.350**	**124.137**	**129.395**	**126.013**
Total assets		**368.662**	**370.243**	**376.825**	**380.203**
Equity		0		0	
Share capital	28	26.888	26.888	26.888	26.888
Share premium	28	19.777	19.777	19.777	19.777
Reserves	28	18.127	18.131	17.860	17.860
Retained earnings		-4.139	-6.057	-780	320
Equity attributable to owners of the Company		**60.654**	**58.739**	**63.746**	**64.846**
Non controlling interests		103	108	0	0
Total equity		**60.757**	**58.847**	**63.746**	**64.846**
Liabilities					
Non current loans and borrowings	29	11	74	5	16
Employee benefits	30	9.989	7.426	9.897	7.331
Other payables	31	3.221	4.578	3.220	4.577
Deferred tax liabilities	23	28.385	28.310	28.373	28.297
Non current liabilities		**41.606**	**40.387**	**41.494**	**40.220**
Taxes payable		11.280	8.134	10.732	7.682
Current loans and borrowings	29	144.880	149.047	142.581	146.750
Trade payables	32	74.882	80.312	87.384	92.255
Other current payables	33	35.257	33.517	30.888	28.450
Current liabilities		**266.299**	**271.009**	**271.585**	**275.137**
Total liabilities		**307.905**	**311.396**	**313.080**	**315.357**
Total equity and liabilities		**368.662**	**370.243**	**376.825**	**380.203**

The accompanied notes and appendixes are inseparable part of the Financial Statements

Statement of profit or loss

in thousands of euro	Note	The Group 1/1-31/12/2016	The Group 1/1-31/12/2015	The Company 1/1-31/12/2016	The Company 1/1-31/12/2015
Revenue	8	167.346	158.092	162.676	153.603
Cost of sales	10	-130.055	-131.828	-127.915	-130.063
Gross Profit		**37.291**	**26.264**	**34.761**	**23.540**
Other income	9	5.038	3.271	4.331	2.654
Administrative expenses	11	-23.802	-26.577	-21.858	-23.806
Distribution expenses	12	-3.282	-8.998	-3.130	-8.679
Other expenses	15	0	-1.734	0	-1.735
Operating profit (loss)		**15.244**	**-7.774**	**14.105**	**-8.026**
Finance income		4	1.333	34	1.372
Finance costs		-8.495	-9.809	-10.803	-9.614
Net finance result	16	**-8.490**	**-8.476**	**-10.769**	**-8.242**
Share of profit of equity-accounted investees, net of tax		8	3	0	0
Pre tax profits (losses)		**6.761**	**-16.247**	**3.336**	**-16.268**
Income tax -(expense)income	17	-3.233	475	-2.891	663
Profits (losses) after tax		**3.528**	**-15.772**	**445**	**-15.605**
Attributable to:					
Owners of the company		3.469	-15.773	-	-
Non controlling Interests		59	1	-	-
Profits (losses) per share	18	**0,0400**	**-0,1818**	**0,0051**	**-0,1799**

The accompanied notes and appendixes are inseparable part of the Financial Statements

Statement of other comprehensive income

		The Group		The Company	
in thousands of euro	Note	1/1-31/12/2016	1/1-31/12/2015	1/1-31/12/2016	1/1-31/12/2015
Profits (losses) after tax		**3.528**	**-15.772**	**445**	**-15.605**
Other comprehensive income					
Items that are or may be reclassified to profit or loss					
Impairment loss of affiliated companies , which was reclassified in income statement		0	0	0	0
Foreign operations-foreign currency translation differences		-3	-9	0	0
		-3	**-9**	**0**	**0**
Items that will never be reclassified to profit or loss					
Actuarial gains /(losses) related to Employee benefits	30	-2.185	1.356	-2.177	1.355
Income tax		634	-404	631	-405
		-1.552	**952**	**-1.545**	**950**
Other comprehensive income, net of tax		**-1.555**	**944**	**-1.545**	**950**
Total comprehensive income		**1.973**	**-14.828**	**-1.100**	**-14.655**
Attributable to:					
Owners of the company		1.916	-14.829	-	-
Non controlling Interests		57	1	-	-

The accompanied notes and appendixes are inseparable part of the Financial Statements

Statement of changes in equity for the year ended 31 December 2016

The Group

in thousands of euro	Share capital	Share Premium	Reserves	Retained earnings	Total	Non controlling interests	Total equity
Balance at 01 January 2016	**26.888**	**19.777**	**18.131**	**-6.057**	**58.739**	**108**	**58.847**
Profits (losses) after tax	0	0	0	3.469	**3.469**	59	**3.528**
Other comprehensive income, net of tax	0	0	-3	-1.550	**-1.553**	-2	**-1.555**
Total comprehensive income	**0**	**0**	**-3**	**1.919**	**1.916**	**57**	**1.973**
Dividends	0	0	0	0	**0**	-62	**-62**
Balance at 31 December 2016	**26.888**	**19.777**	**18.127**	**-4.139**	**60.654**	**103**	**60.757**

The Company

in thousands of euro	Share capital	Share Premium	Reserves	Retained earnings	Total
Balance at 01 January 2016	**26.888**	**19.777**	**17.860**	**320**	**64.846**
Profits (losses) after tax	0	0	0	445	**445**
Other comprehensive income, net of tax	0	0	0	-1.545	**-1.545**
Total comprehensive income	**0**	**0**	**0**	**-1.100**	**-1.100**
Balance at 31 December 2016	**26.888**	**19.777**	**17.860**	**-780**	**63.746**

The accompanied notes and appendixes are inseparable part of the Financial Statements

Statement of changes in equity for the year ended 31 December 2015

The Group

in thousands of euro	Share capital	Share Premium	Reserves	Retained earnings	Total	Non controlling interest	Total equity
Balance at 01 January 2015	**26.888**	**19.777**	**18.139**	**8.763**	**73.568**	**237**	**73.805**
Profits (losses) after tax	0	0	0	-15.773	**-15.773**	1	**-15.772**
Other comprehensive income, net of tax	0	0	-9	952	**944**	0	**944**
Total comprehensive income	**0**	**0**	**-9**	**-14.820**	**-14.829**	**1**	**-14.828**
Dividends	0	0	0	0	**0**	-130	**-130**
Balance at 31 December 2015	**26.888**	**19.777**	**18.131**	**-6.057**	**58.739**	**108**	**58.847**

The Company

in thousands of euro	Share capital	Share Premium	Reserves	Retained earnings	Total
Balance at 01 January 2015	**26.888**	**19.777**	**17.860**	**14.975**	**79.501**
Profits (losses) after tax	0	0	0	-15.605	**-15.605**
Other comprehensive income, net of tax	0	0	0	950	**950**
Total comprehensive income	**0**	**0**	**0**	**-14.655**	**-14.655**
Balance at 31 December 2015	**26.888**	**19.777**	**17.860**	**320**	**64.846**

The accompanied notes and appendixes are inseparable part of the Financial Statements

Statement of cash flow

	The Group		The Company	
in thousands of euro	**1/1-31/12/2016**	**1/1-31/12/2015**	**1/1-31/12/2016**	**1/1-31/12/2015**
Operating activities:				
Profit (loss) before taxes	6.761	-16.247	3.336	-16.268
Plus/less adjustments for:				
Depreciation and Amortization	8.211	9.057	8.021	8.337
Impairment losses on property, plant and equipment and intangible assets	0	1.715	0	1.715
Impairment losses on investments	0	0	2.470	0
Provisions	2.513	4.337	2.525	4.332
Exchange differences	0	10	0	0
Results from investing activities	-16	-1.317	-38	-1.352
Interest and related expenses	8.495	9.809	8.333	9.614
Plus/Less adjustments for changes in working capital:				
Decrease / (Increase) in inventories	208	-124	277	-141
Decrease / (Increase) in receivables	-5.790	6.781	-3.966	6.397
(Decrease) / Increase in liabilities (except for borrowings)	-1.986	8.346	-594	9.406
Less:				
Interest charges and related expenses paid	-8.346	-9.323	-8.186	-9.129
Paid taxes	-274	-160	-145	0
Total Inflows / (Outflows) from operating activities	**9.775**	**12.886**	**12.031**	**12.912**
Investing Activities:				
Purchase of tangible and intangible fixed assets	-3.768	-2.009	-3.608	-1.949
Cash collection from the sale of tangible and intangible fixed assets	8	6	8	6
Increase of investment in subsidiary	0	50	-2.470	50
Interest income received	4	351	4	350
Dividend received	0	0	31	40
Total Inflows / (Outflows) from Investing Activities	**-3.755**	**-1.602**	**-6.036**	**-1.503**
Financing Activities:				
Receipts from borrowings	1.192	0	1.192	0
Debt repayment	-5.361	-5.761	-5.361	-5.721
Payments of financial leasing (Capital installments)	-60	-65	-11	-11
Dividend paid	-35	-58	0	0
Total Inflows / (Outflows) from Financing Activities	**-4.265**	**-5.884**	**-4.181**	**-5.733**
Net Increase / (Decrease) in Cash and Cash Equivalents for the year	**1.756**	**5.400**	**1.815**	**5.676**
Cash and Cash Equivalents (beginning)	**10.426**	**5.027**	**9.901**	**4.225**
Cash and Cash Equivalents (year end)	**12.182**	**10.426**	**11.716**	**9.901**

The accompanied notes and appendixes are inseparable part of the Financial Statements

Notes to the Financial Statements

1. General information about the Company and Group

The Company " ATHENS MEDICAL SOCIETE ANONYME" with the distinctive title "ATHENS MEDICAL CENTER S.A." (hereafter the "Company" or the "Parent Company") and its subsidiaries (hereafter the "Group") are involved in the area of health care services with the organization and operation of hospital units. The Company's and the Group's head offices are located in the Municipality of Amarousion Attica in 5-7 Distomou Street and employ 2.710 and 2.861 employees respectively.

The Company's shares are publicly traded in the Athens Stock Exchange.

Company details:	
Board of directors:	Dr. George V. Apostolopoulos– President of BOD Dr. Vassilios G. Apostolopoulos – CEO Christos G. Apostolopoulos – Vice President of BOD Dr. Jan Liersch Ruediger– Member of BOD (non executive) Nikolaos Koritsas – Member of BOD (non executive) Pampoukis Konstantinos– Member of BOD (non executive) Tountopoulos Vassilios– Member of BOD (non executive)
Company's head offices:	5-7 Distomou Str, 15125 Maroussi
Company's number in the registry of Societes Anonymes:	13782/06/B/86/06
General Commercial Registry :	356301000
Auditors:	**KPMG CERTIFIED AUDITORS S.A.** 3, Stratigou Tombra Str. Aghia Paraskeui 15342 Athens Greece

The companies, which were included in the attached consolidated Financial Statement of the Group for the year ended at 31/12/2016, together with the related ownership interests are described in table below. There is no deviation in the companies and the method of consolidation relative to that used in the financial statements of the previous year 2015. More information regarding the method of consolidation is found in paragraph 6.1

Company's name	Company's location country	Activity	% Group's participation 2016	% Group's participation 2015	Concolidation method
IATRIKI TECHNIKI S.A.	GREECE	Sale of Medical Tools & Sanitary/Health Equipment	100.00%	100.00%	Total
EREVNA S.A.	GREECE	Diagnostic & Therapeutic Center	51.00%	51.00%	Total
AXONIKI EREVNA S.A.	GREECE	Diagnostic Center	50.50%	50.50%	Total
PHYSIOTHERAPY AND SPORTS INJURY TREATMENT CENTER S.A.	GREECE	Physiotherapy & Sport Injury Restoration/Treatment Services	33.00%	33.00%	Total
HOSPITAL AFFILIATES INTERNATIONAL	GREECE	Organization & Administration of Hospitals and Clinics.	68.89%	68.89%	Total
MEDSANA BMC	ROMANIA	Diagnostic Center	100.00%	100.00%	Total
BIOAXIS SRL (former MEDSANA SRL)	ROMANIA	Diagnostic Center	78.90%	78.90%	Total
EUROSITE HEALTH SERVICES S.A.	GREECE	Establishment &	100.00%	100.00%	Total
MATERNITY CLINIC GAIA	GREECE	Maternity and gynaecology clinic	100,00%	100,00%	Total
INTEROPTICS S.A.	GREECE	Trade & services of	27.33%	27.33%	Equity method

2. Basis of preparation of Financial Statements and measurement

The consolidated and separate Financial Statements for the year ended at 31/12/2016 (hereinafter referred to as "the Financial Statements") have been prepared in accordance with International Financial Reporting Standards (hereinafter referred to as "IFRS"), issued by the International Accounting Standards Board (IASB) and their interpretations, adopted by the European Union. There are no standards applied in advance of their effective date.

The Financial Statements have been prepared under the historical cost convention, except for derivative financial instruments which are measured at fair value.

The Financial Statements are presented in thousands of euro, unless stated otherwise. It is noted that any deviations are due to roundings.

The Board of Directors of Athens Medical S.A. approved the annual Financial Statements for the year ended at December 31/12/2015, at 6/4/2017. It is noted that the Financial Statements are subject to the approval of the Company's Shareholders' General Assembly Meeting.

3. Functional and presentation currency

These financial statements are presented in euro, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

4. Accounting estimates and assumptions

The preparation of Financial Statements according to IFRS requires that Management proceeds to judgments and estimates that affect items of assets and liabilities, the disclosure of contingent assets and liabilities at the reporting date as well as the amounts of income and expenses during the year. The actual results may differ from these estimates.

The above mentioned estimates, assumptions and judgments are periodically reviewed in order to reflect current conditions and current risks and are based on prior management's experience in conjunction to the volume / level of such transactions and events. The adjustments in accounting estimates are accounted in the period in which they occure and the future accounting periods they affect.

The principle judgments and estimates referring to events the development of which could significantly affect the items of the Financial Statements are as follows:

(a) Provisions regarding the amounts of Clawback:

In terms of compliance with Law 4172/2013 (GG 167A/23-07-2013) and the following Ministerial Decisions, which regulate clawback with retrospective application from 01.01.2013 up to 31.12.2018, company's management estimates the effects of these provisions on its Financial Statements. Given that the basic parameters for the calculation of clawback have not yet been disclosed and are not yet finalized, it is possible that variations may arise upon the final determination of Clawback for years 2014 and 2016 in the future, as long as these provisions remain valid. Further details are provided in Note 25.

b) Provisions for income taxes:

Income (current) tax liabilities according to IAS 12 for the current and prior periods are measured at the amounts expected to be paid to the taxation authorities, using the tax rates that have been enacted at the balance sheet date. (Provision for income taxes reported in the respective income tax returns and the potential additional tax assessments that may be imposed by the tax authorities upon settlement of the open tax years). Accordingly, the financial settlement of the income taxes might differ from the income taxes that have been accounted for in the Financial Statement. Further details are provided in Note 17.

c) Provision for retirement indemnities:

The cost for the staff leaving indemnities is determined based on actuarial valuations. The actuarial valuation requires management making assumptions about future salary increases, discount rates. Management, at each balance sheet date when the provision is re-examined, tries to give its best estimate regarding the above mentioned parameters. Due to the fact that these programmes are for long term periods such estimates are subject to significant uncertainty.

d) Impairment of debtors:

The Group impairs the value of trade receivables when there is evidence or indications that the collection of each receivable in whole or up to a percentage is not feasible. The Management of the Group proceeds to temporary revaluation of the formulated provision for doubtful debts in relation to its credit policy and data from the Group's Law Department, which arises from processing past data and recent developments of each case. Further details are provided in Note 25.

e) Contingent assets and liabilities:

The Companies of the Group are involved (in their capacity as defendant and as plaintiff) in various lawsuits and legal amperages in the framework of its normal operation. The determination of contingent liabilities relating to the litigation and claims is a complex process that involves judgments as to the outcomes and interpretation of laws and regulations. Further details are provided in Note 38.

f) Useful life of depreciable assets:

Management examines the useful life of the depreciable assets each year. At the 31st of December 2016, management estimates that the useful lives represent the predictable usefulness of the assets.

g) Impairment of property plant and equipment:

Property plant and equipment are tested for impairment when facts or changes in conditions indicate that their accounting balances may not be recoverable. The recoverable amount is the greater value between the fair value less distribution costs and value in use. For the calculation of the value in use management estimates its future cash flows from the asset or the cash generating unit and chooses the appropriate discount rate to calculate the present value of the future cash flows. Further details are provided in Note 19.

(j) Impairment of financial instruments:

Company follows the instructions of IAS in order to test its investments for impairment. During the determination whether an investment has been impaired, company estimates among other factors the duration or how much the fair value of the investment is lower than the acquisistion cost which is a solid indication of impairment, the financial viability and the short term prospective, business policies, the investment's future including factors like business sector's progress, changes in technology as well as in operational and financial cash flows. Further details are provided in Note 21.

(*ja*) Deferred tax assets recoverability:
Deferred tax assets recognition includes estimates as regards their recoverability. More specifically, the recognition of deferred tax assets on carried forward tax losses requires management to estimate to the extent that it is propable that taxable profit will be available against which the losses can be utilized in each tax regime in which the Company and the subsidiaries of the Group operate. Company and Group's subsidiaries have not recognized future tax benefits on tax losses. Further details are provided in Note 23.

5. Going concer capability of the company's operational activity

In the Previous years from 2013 to 2015, the Company did not meet some of Common bond loan covenants.

As a result, the Company's common bond loan was reclassified from long-term to short-term borrowings, according to IAS 1.

The Loan's duration is 5 years with floating rate based on Euribor plus margin and is payable in ten (10) installments. On July 12, 2012 the Company has signed the Common Bond Loan Issuance Programme, according to the provisions of C.L. 2190/1920 and L. 3156/2003, through private placement to NATIONAL BANK OF GREECE S.A., EFG EUROBANK ERGASIAS S.A. and ALPHA BANK S.A., the last acting also as a "Manager", of total nominal value of up to Euro 164 and granting of collaterals, following the decision of the 1st Repetitive Assembly of the Shareholders on 21st March 2012 and the decision of the Board of Directors on July 11, 2012.

In the year 2016 Company paid up bonds of total amount Euro 5.212 while the liability for interest cost for the same year 2016, was normally settled up.

Up to 6th April 2017, the date of 2016 Financial Statements submission, the amount of 50,3 millon has been over due, as the the total amount of bond loan was 132,2 million

The debenture loan balance € 132.800 th. becomes contractually due within 2017. Therefore, on December 31, 2016 total current liabilities of the Company exceeds its Current assets by € 142.190 th..

For the above bond issue, the Group is in discussions with Banks for the overall restructuring having already a draft loan agreement with the main terms of restructuring (term sheet) contract including among others the extension of the maturity of the loan in 5 years with a simultaneous modification of the repayment schedule of the outstanding principal current amount of bonds of € 50,3 m., other terms, conditions and guarantees which are under negotiations and agreed with Banks.

The agreement will be signed before the expiration date of the existing contract.

The successful completion of the agreement is an essential precondition for the adequacy of working capital ensuring the necessary liquidity of the Group and the Company respectively.

The Management taking into consideration the following:

- The success that was recorded in the Financial Statements
- The successful implementation of revised business plan, which is in full swing for the coming five years, with central axes developing sales and reduce costs, as stated above in "Outlook for 2017", and anticipates verification the estimates in the near foreseeable future.
- The improvement of Working Capital presented in 2016, where the surpass of current liabilities of the Group and the Company over the current assets was decreased by €10m and €7m accordingly.
- The positive cash flow from operating activities of the Group and the Company arising through agreements with all the major Greek and foreign insurance companies and negotiations with suppliers to ensure long-term conditions for repayment of liabilities. It should be noted that during the year, expected

collection of old balances of funds (ex EOPYY) and will continue the claim of repayment, which correspond to clawback and rebate cuts.

- The final stage of negotiation with the banks that will be positively finalized in the forthcoming period

prepared the accompanying Financial Statements based on the going concern basis and assumes that the Company will have sufficient funding to serve the financial and operational needs over the next 12 months.

6a. Accounting policies

The Company and the Group have applied in a consistent way the following accounting policies for all periods included in the financial statements. Below, Standards effective since January 1st 2016 are presented,as well as Standards which in one hand are effective since January 1st 2016 but on the other hand are not applicable in Company's and Group's activities.

6.1 Consolidation: The Company's accompanying consolidated Financial Statement include the Financial Statement of the Parent Company, as well as of all the subsidiaries that are controlled by the Parent Company. Subsidiaries are the companies which Parent company controls directly or indirectly through other subsidiaries. Control is presumed when a company has the authority to guide directly or indirectly the financial and operating principles of an entity in order to obtain benefit from its activities. In order to assess the existence of control, voting rights are considered which can be excercised at the moment or may be amended. Subsidiaries are consolidated from the date on which effective control is transferred to the Company and cease to be consolidated from the date in which control ceases to exist.

The consolidated Financial Statement include the Financial Statement of a subsidiary (Physiotherapy Center S.A.), in which although the direct Parent Company holds less than 50% of the voting rights, controls it through the ability of appointing the majority of members of the Board of Directors.

The Group's subsidiaries Ereuna S.A., Axoniki ereuna S.A. and Hospital affiliates S.A. according to their General Assemblies' decisions, have entered a liquidation procedure. Before that and during the year 2006, the above mentioned companies Ereuna S.A. and Axoniki ereuna S.A. have transferred together with all their productive assets – mechanical equipment, their operations to Parent Company and as a qonsequence their Balance Sheets do not include non current assets. As a result the liquidation of the above mentioned companies is not considered to be a discontinued operation according to IFRS 5 "**Non-current Assets Held for Sale and Discontinued Operations**", that requires distinctive reporting regarding the companies' results and assets.

All intercompany transactions and balances as well as not realized gains due to intercompany transactions, have been eliminated in the accompanying consolidated Financial Statements. Gains not realized from transactions among associated companies are eliminated against the Group's investment's percentage rate in the associated company. Non realized losses are also eliminated unless the transaction implies impairment indications of the transferred asset's item. Where necessary, accounting policies of the subsidiaries and associates have been revised to ensure consistency with the policies adopted by the Group. All the subsidiaries, included in the consolidation, prepare their financials statements for the same reporting period and the same date (31 December) as the Parent Company, with the exemption of the subsidiaries Ereuna S.A. and Axoniki Ereuna S.A., which prepare their Financial Statement for period 1/7-30/6. For consolidation purposes financials statements for these companies were prepared, concerning the same reporting period (1/1/2016-31/12/2016) as the Parent Company, which were included in the consolidation.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance

6.2 Investments in Subsidiaries (separate Financial Statement): The investments of the Parent Company in its consolidated subsidiaries are measured at acquisition cost less any cumulative impairment losses.

6.3 Investments in Associates:

(i) Consolidated Financial Statement: The Company's investments in other entities in which Parent exercises significant influence and are not subsidiaries or joint-ventures are accounted for using the equity method. Significant influence, mainly, seems to exist when a company holds, directly or indirectly through subsidiaries a percentage of

20% to 50% of another company's shares. Under this method the investment in associates is recognized at cost in addition to the changes in the percentage of the Company in the associate's equity after the initial date of acquisition less possible provisions for impairment in value. The consolidated statement of income reflects the Company's share of the results of operations of the associate. All the associates, included in the consolidation, prepare their financial statements for the same reporting period and the same date (31 December) as the Parent Company.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

(ii) Separate Financial Statement of Parent: Investments in associates in the stand-alone Financial Statement are measured at acquisition cost less any cumulative impairment losses.

***6.4* Investments in joint ventures (jointly controlled entities):** The Group has no interests in joint ventures which are jointly controlled entities. Jointly controlled entities are included in the consolidated Financial Statement with the equity consolidation method until the date on which the Group ceases to have joint control over the jointly controlled entities.

6.5 Conversion of foreign currencies: The functional currency of the Company and of its Greek subsidiaries is Euro. The transactions involving other currencies are converted into Euro using the exchange rates that were in effect at the time of the transactions. At the balance sheet date monetary assets and liabilities which are denominated in other currencies are adjusted in order to reflect the current exchange rates. Such arising exchange differences charge income statement.

The functional currency of the Group's foreign subsidiaries is the official currency of the related country in which each subsidiary operates. Thereafter, at each reporting date all balance sheet accounts of these subsidiaries are converted into Euro using the exchange rate in effect at the balance sheet date. Revenues and expenses are converted based on the weighted average rate of exchange that prevailed during the year.

The accumulated difference resulting from such translation is recognized directly in consolidated equity until the disposal, write off or de-recognition of a subsidiary, when it is transferred to the consolidated income statement.

6.6 Intangible Assets: Intangible assets are mainly consisted of software. These are amortized over their estimated useful lives which is set to five years. Software includes their acquisition cost and any expenditure realized in order for it to operate, reduced by the amount of accumulated amortization and any possible impairment losses. Expenditure related to software maintenance is recognized as expense when it occurs.

6.7 Revenue recognition: Revenue includes the fair value of goods and services sold provided, net of recoverable taxes, discounts and returns. Intercompany revenue in Group level is eliminated entirely. Revenue recognition has as follows:

Sale of Services

The Sale of Services revenue is accounted according to the extent of service completion.

The Company provides its services in private patients – customers as well as in patients – customers insured in cooperative insurance funds and insurance organizations. More specifically the main insurance fund with whom Group and Company cooperates is EOPYY. Insurance organizations with which Company cooperates are domestic insurance companies and insurance companies abroad. Revenue is accounted according to the extent of service completion and is the net amount expected to be collected by each category.

Sale of goods

The sale of goods revenue, is recognized when the goods are delivered to the customers, the goods are accepted by them and the collection of the sale is certain.

Interests

The interest revenue is recognized on the accrual basis of accounting.

Dividends

Revenue from dividends is recognized when the Group's right on such dividends is approved by the respective bodies of the companies' that declare them.

6.8 Property, Plant and Equipment: Land and buildings are valued at historical cost (deemed cost based on the provisions of IFRS 1), less accumulated depreciation and any impairment in value. The Company and the Group proceeded to a fair valuation of its land, buildings, as at January 1, 2004 and these fair values were used as deemed cost on the date of transition to the IFRS. The resulted revaluation surplus was credited to retained earnings. Machinery, transportation equipment, as well as the furniture and the rest of the equipment are measured at historical cost less the accumulated depreciation and any impairment in value. Acquisistion cost includes all direct expenditure necessary for the acquisition of the assets

Repairs and maintenance are charged to expenses as incurred. Major improvements are capitalized to the cost of the asset to which they relate when they extend the useful life, increase the earnings capacity or improve the efficiency of the respective assets. An item of property and plant is derecognized upon sale or disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset, is included in the consolidated statement of income in the year the item is derecognized.

6.9 Depreciation: Depreciation is calculated based on the straight-line method at rates, which approximately reflect the average useful lives of relative assets. The rates used are the following:

Classification	Annual rate
Buildings	2%
Machinery and Equipment	6,67%- 10%
Equipment of Transportation	6%-10%
Furniture and rest of Equipment	10%- 25%

The residual values and the useful life of tangible assets are tested at every reporting date of Balance Sheet.

6.10 Goodwill and business combinations: Business combinations are accounted for using the acquisition accounting method. This involves recognizing identifiable assets (including previously unrecognized intangible assets) and liabilities (including contingent liabilities) of the acquired business at fair value at acquisition date. Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities at transaction date. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is not amortized, but it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. At the acquisition date (or at the date of completion of the relative purchase price allocation) any goodwill acquired is allocated to each of the cash-generating units or groups of cash-generating units expected to benefit from it.

Impairment is determined by assessing the recoverable amount of the cash-generating unit, to which the goodwill relates.

Where the recoverable amount of the cash-generating unit is less than the carrying amount and the relevant goodwill, an impairment loss is recognized.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of, in this circumstance is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Goodwill resulting from acquisitions or business combinations has been allocated to the main cash generating units in group level. The cash generating units have been defined in accordance with the provisions of **IAS 36** "**Impairment of Assets**". The Group, in order to decide whether an impairment of goodwill exists, performes the related impairment tests in the cash generating units in which goodwill was allocated, in Group level.

When the Group increases its participation interest to existing subsidiaries (acquisition of minority interests) the total difference between the purchase price and the portion of the minority interests acquired (goodwill or negative goodwill) is transferred directly to equity as it is considered as a transaction among the shareholders (entity concept method). Similarly, when minority interests are sold (without losing control of the subsidiary) then the related gains or losses are recognized directly to equity.

6.11 Impairment of Assets: With the exception of goodwill and intangibles with indefinite life, which are reviewed for impairment at least annually, the carrying value of other non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Whenever the carrying value of an asset exceeds its recoverable amount a respective impairment loss is recognized in the consolidated statement of income. The recoverable amount is measured as the higher of net selling price and value in use. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, after deducting any direct incremental selling costs, while value in use is the present value of estimated future cash flows expected to arise from continuing use of the asset and from the revenue due to its disposal at the end of its estimated useful life. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. An impairment loss is reversed if the estimate of its recoverable amount changes. After the impairment loss is reversed the item's accounting balance can not exceed the accounting balance (after the deduction of the depreciation) in which the item would be presented if no impairment had ever taken place.

6.12 De-recognition of Financial Assets and Liabilities

(i) Financial assets: A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

• the rights to receive cash flows from the asset have expired;
• the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
• the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay. Where continuing involvement takes the form of a written and/or purchase option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase (including a cash-settled option or similar provision), except that in the case of a written put option on an asset measured at fair value, where the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(ii) Financial liabilities: A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

6.13 Inventories: Inventories are reported at the lower value between the cost and the net realizable value. Cost of inventories include all costs incurred in bringing inventories to their current location. The cost of inventories is determined based on the weighted average basis. Net realizable value for inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary, to make the sale. Especially medication supply is measured in a different way, that is at the last acquisition value, due to existing state of tariff, according to **I.A.S. 2** «**inventories**», paragraph 24.

6.14 Accounts Receivable and Credit Policy: Short-term receivables are presented at their nominal value, net of provisions for potential non collectible accounts, while long-term receivables (balances that deviate from normal credit terms) are reported at the amortized cost based on the actual interest rate method. At each Balance Sheet date all past due or doubtfull debtors are assessed by management in order to determine the necessity for relevant provision, with criteria such as the customer's ability to pay and the aging of his balance. The balance of such allowance for doubtful accounts is appropriately adjusted at each balance sheet date in order to reflect all possible risks based on the past data of collections and the existing circumstances in the market. It is the Group's policy not to write-off an account until all possible legal action has been exhausted.

6.15 Cash and Cash Equivalents: The Company considers time deposits and other highly liquid investments with original maturity of three months or less, to be cash equivalents. Bank overdrafts are included within borrowings in current liabilities in the balance sheet. For the purpose of the cash flow statements, cash and cash equivalents consist of cash at hand and in banks and of cash and cash equivalents as defined above.

6.16 Share capital: Share capital represents the value of the Parent Company's shares issued and in circulation. Any excess of the fair value of the consideration received over the par value of the shares issued is recognized as the "share premium" in equity. Incremental external costs directly attributable to the issue of new shares are shown as a deduction in equity, net of tax, from the proceeds.

6.17 Long-term Liabilities: All long-term liabilities are initially recognized at cost. After initial recognition loans and borrowings denominated in foreign currency are reported using the spot rate at each reporting date. The interest costs are recognized on the accrual basis of accounting.

6.18 Borrowing Costs: Borrowing Costs are recognized as an expense in the period in which they are accrued.

6.19 Employee benefits

(a) Short term benefits

Short term benefits to personnel in cash and in form of goods are recognized as expense when they are accrued.

(b) Benefits after the exit from service

Benefits after the exit of service include defined benefit liabilities.

The liability recognized in the statement of financial position for defined benefit liabilities is the present value of the commitment for such obligation. The defined benefit liability's commitment is annually determined by an independent actuarial scientist using the projected unit credit method.

The changes in liabilities of the defined benefit liability programme relating to service cost and financial cost is recognized in the statement of profit and loss, while actuarial gains or losses arising from revaluations due to changes in assumptions are recognized in the statement of comprehensive income.

The discounting rate of defined liability after the exit from service is determined by taking into consideration the market performance of high quality corporate bonds at the end of the reporting date.

(c) Benefits for service termination

Benefits provided for service termination are paid when employees leave service earlier than retirement date. Group registers these benefits when is obligated to, or when it terminates the employement of current employees, according to a detailed programme which will not be withdrawn, or when it offers these benefits as motive for voluntary exit. Benefits for employement termination due to be paid 12 months after the reporting date of the Statement of Financial Position is discounted in their present value.

In case of employement termination with the inability to define the number of employees wiiling to use such benefits, there is no recognition but a disclosure as a contingent liability.

6.20 State Pension Programmes: The Company's personnel is covered by several State sponsored pension funds for private sector employees, (I.K.A., T.S.A.Y.) covering post-retirement pensions, and healthcare benefits. Each employee is required to contribute a portion of its monthly salary to the fund, with the Company also contributing a portion. Upon retirement, the pension fund is responsible for paying the employees retirement benefits.

At such, the Company has no legal or constructive obligation to pay future benefits under this plan.

6.21 Borrowings: All borrowings are initially recognized at acquisition cost, which reflects the fair value of amounts collected, net of any relevant transaction costs incurred. After initial recognition, they are measured at amortised cost, based on the effective interest rate. Gains or losses arising from differences of amortised cost are recognised in the income statement, as well as differences due to the de-recognition (repayment) of the borrowings. Borrowing costs are recognised as expenses in the period incurred.

6.22 Income Taxes (Current and Deferred): Current and deferred income taxes are computed based on the stand alone Financial Statement of each of the entities included in the consolidated Financial Statement, in accordance with the tax rules in force in Greece or other tax jurisdictions in which foreign subsidiaries operate. Income tax expense is computed based on each entity's profits as adjusted in its tax returns, additional income taxes resulting from tax audits by the tax authorities and deferred income taxes, using substantively enacted tax rates.

Deferred income tax is computed, using the liability method, on all temporary differences at the balance sheet date between the tax bases and the carrying amounts of assets and liabilities. Deferred income tax liabilities are recognized for all taxable temporary differences:

- Except cases, where the deferred income tax liability arises from goodwill impairment.

- Except cases where the deferred tax asset regarding the taxable temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and

- Deferred tax assets are recognized for all taxable temporary differences and transferred tax assets and losses, to the extent where it is possible that taxable profit will be available which will be used against the taxable temporary differences and the transferred unused taxable assets and losses.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, a deferred tax asset is recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and there will be available taxable profit which will be used against temporary differences.

The deferred tax assets are reviewed at each balance sheet date and reduced to the extent, where it is not considered as possible that enough taxable profits will be presented against which, a part or the total deferred tax assets can be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates (and the laws) that have been enacted or substantively enacted at the balance sheet date.

The income tax relating to items recognized directly in equity, is recognized in equity and not in the income statement.

6.23 Financial Leases: Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and the reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to income. Capitalized leased assets are depreciated over estimated useful life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the income statement on the straight line basis over the lease term.

6.24 Provisions and Contingencies: Provisions are recognized when the Company has a present legal or presumed/imputed obligation as a result of past events, it is probable that an outflow of resources will be required to settle this obligation and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each balance sheet date and are adjusted to reflect the present value of the expenditure expected to be required to settle the obligation. If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and, where appropriate the risks specific to the liability. Contingent liabilities are not recognized in the consolidated Financial Statement but they are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the Financial Statement but are disclosed when an inflow of economic benefits is probable.

6.25 Earnings per share: Basic earnings per share are computed by dividing net income attributed to the equity owners of Parent by the weighted average number of ordinary shares outstanding during each year, excluding any treasury shares outstanding during the year. Diluted earnings per share are computed by dividing net income attributed to equity owners of Group (after deducting the impact on the convertible recognized preference shares) by the weighted average number of ordinary shares outstanding during the year (after deducting the impact on the convertible recognized preference shares).

6.26 Operating Segment reporting : The Group reports financial and descriptive information about its operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available that is evaluated regularly by management, in deciding how to allocate resources and in assessing performance.

The operating segment performance assessment is based on revenue, operating results and EBITDA (results before taxes, financing, investing activity and depreciation). The Group for measuring the segment operating results, applies the same accounting policies to the ones adopted for preparing the Financial Statement.

The transactions between operating segments are realized within the normal operating framework of the Group to a way similar to the one used between related parties. Intersegment sales are eliminated in consolidated Financial Statements.

6.27 Derivative Financial Instruments and hedging activities: Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items (increase of the floating rate), as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The effective portion of changes in the fair value of these derivatives is recognized in equity. The gain or loss relating to the ineffective portion is recognized immediatelly in the income statement. Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss (when the forecast transaction being hedged takes place).

The derivatives that are not designated as hedges and do not qualify for hedge accounting are classified as held-for-trading and accounted for at fair value through profit or loss.

6.28 Investments and other (non derivative) financial assets:

Financial assets in the scope of IAS 39 depending on their nature and characteristics are classified as either:

- financial assets at fair value through profit or loss,
- loans and receivables,
- held-to-maturity investments,
- available-for-sale financial assets, as appropriate.

When financial assets are recognized initially, they are measured at fair value, plus, in some cases directly attributable transaction costs.

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation periodically.

(i) Financial assets at fair value through profit or loss :

Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on investments held for trading are recognized in income statement.

(ii) Loans and receivables :

Such assets, derived by the company's activity (that is beyond the Group's ordinary credit limits), are carried at amortised cost using the effective interest method. Gains and losses are recognized in the income statement when the loans and receivables are de-recognized or impaired, as well as through the amortization process.

6.29 Government Grants: Government grants are recognized where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, it is recognized as deferred income and released to the income statement, in equal amounts over the expected useful life of the related asset. When the grant relates to an expense item, it is recognized over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

6.30 Dividend distribution: The obligatory, according to law, dividend distribution to the Group's shareholders is recognized as an obligation to the Financial Statement in the year, in which the distribution is approved by the General Assembly of the Shareholders.

6.31 Offseting: Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset recognised amounts, and there is an intention to settle them on the net basis or realise the asset and settle the liability simultaneously.

6.32 Comparative figures: Where necessary comparative figures were reclassified to match with changes in closing year's figures presentation, without any effect in equity, turn over and results after taxes and non controlling interests of previous year for Group and Company.

6b. New Standards, Improvements and Amendmends of current Standards, which have been valid and have been adopted by the European Union.

International Financial Reporting Standard 14 "Regulatory deferral accounts"
<u>Effective for annual periods beginning on or after 1.1.2016</u>
On 30.1.2014 the International Accounting Standards Board issued IFRS 14. The new standard addresses the accounting treatment and the disclosures required for regulatory deferral accounts that are maintained in accordance with local legislation when an entity provides rate-regulated goods or services. The scope of this standard is limited to first-time adopters that recognized regulatory deferral accounts in their financial statements in accordance with their previous GAAP. IFRS 14 permits these entities to capitalize expenditure that non-rate-regulated entities would recognize as expense.
The above standard does not apply to the financial statements of the Group.

Amendment to International Financial Reporting Standard 11 "Joint Arrangements": Accounting for acquisition of interests in joint operations (Regulation 2015/2173/24.11.2015)

Effective for annual periods beginning on or after 1.1.2016

On 6.5.2014 the International Accounting Standards Board issued an amendment to IFRS 11 with which it is clarified that when an entity acquires an interest in a joint operation in which the activity of the joint operation constitutes a business (as defined in IFRS 3), it shall apply all of the principles on business combinations accounting in IFRS 3, and other IFRSs, that do not conflict with the guidance in IFRS 11. In addition, it shall disclose the information required by IFRS 3 and other related standards. This applies both when acquiring the initial interest in the joint operation that constitutes a business and when acquiring an additional interest.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

Amendment to International Accounting Standard 16 "Property, Plant and Equipment" and to International Accounting Standard 38 "Intangible Assets": Clarification of Acceptable Methods of Depreciation and Amortization (Regulation 2015/2231/2.12.2015)

Effective for annual periods beginning on or after 1.1.2016

On 12.5.2014 the International Accounting Standards Board issued an amendment to IAS 16 and IAS 38 with which it expressly prohibits the use of revenue as a basis for the depreciation and amortization method of property, plant and equipment and intangible assets respectively. An exception is provided only for intangible assets and only when the following conditions are met:

(a) when the intangible asset is expressed as a measure of revenue, i.e. when the right over the use of the intangible asset is expressed as a function of revenue to be generated in such a way that the generation of a specific amount of revenue determines the end of the right of use, or

(b) when it can be demonstrated that the revenue and the consumption of the economic benefits are highly correlated.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

Amendment to International Accounting Standard 16 "Property, Plant and Equipment" and to International Accounting Standard 41 "Agriculture": Bearer Plants (Regulation 2015/2113/23.11.2015)

Effective for annual periods beginning on or after 1.1.2016

On 30.6.2014 the International Accounting Standards Board issued an amendment to IAS 16 and IAS 41 with which it clarified that bearer plants, which are living plants that:

a) are used in the production or supply of agricultural produce;

b) are expected to bear produce for more than one period; and

c) have remote likelihood of being sold as agricultural produce, except for incidental scrap sales, shall be accounted for based on IAS 16 instead of IAS 41.

The above amendment does not apply to the activities of the Group.

Amendment to International Accounting Standard 27 "Separate Financial Statements": Equity Method in Separate Financial Statements (Regulation 2015/2441/18.12.2015)

Effective for annual periods beginning on or after 1.1.2016

On 12.8.2014 the International Accounting Standards Board issued an amendment to IAS 27 with which it provides the option to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. In addition, with the above amendment it is clarified that the financial statements of an investor that does not have investments in subsidiaries but has investments in associates or joint ventures, which under IAS 28 are accounted for with the equity method, do not constitute separate financial statements.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

Amendment to International Financial Reporting Standard 10 "Consolidated Financial Statements", to International Financial Reporting Standard 12 "Disclosure of Interests in Other Entities" and to International Accounting Standard 28 "Investments in Associates and Joint Ventures": Investment Entities: Applying the Consolidation Exception

Effective for annual periods beginning on or after 1.1.2016

On 18.12.2014, the International Accounting Standards Board issued an amendment to the above standards with which it clarified that the exception provided in IFRS 10 and IAS 28, for the preparation of consolidated financial statements and the application of the equity method respectively, applies also to a parent entity that it is a

subsidiary of an investment entity which measures all of its subsidiaries at fair value according to IFRS 10. In addition, with the aforementioned amendment it was clarified that the disclosure requirements of IFRS 12 apply to the investment entities which measure all of their subsidiaries at fair value through profit or loss.
The adoption of the above amendment by the Group is not expected to have any impact on its financial statements.

Amendment to International Accounting Standard 1 "Presentation of Financial Statements": Disclosure Initiative (Regulation 2015/2406/18.12.2015)

Effective for annual periods beginning on or after 1.1.2016

On 18.12.2014 the International Accounting Standards Board issued an amendment to IAS 1 in the context of the project it has undertaken to analyze the possibilities for improving the disclosures in IFRS financial reporting. The main amendments are summarized below:

• the restriction to disclose only a summary of significant accounting policies is removed;

• it is clarified that even when other standards require specific disclosures as minimum requirements, an entity may not provide them if this is considered immaterial. In addition, in case the disclosures required by the IFRS are insufficient to enable users to understand the impact of particular transactions, the entity shall consider whether to provide additional disclosures;

• it is clarified that the line items that IFRS require to be presented in the balance sheet and the statements of profit or loss and other comprehensive income are not restrictive and that the entity may present additional line items, headings and subtotals;

• it is clarified that in the Statement of Comprehensive Income the share of other comprehensive income of associates and joint ventures accounted for using the equity method shall be separated into:

- amounts that will not be reclassified subsequently to profit or loss and
- amounts that will be reclassified subsequently to profit or loss;

• it is clarified that the standard does not specify the presentation order of the notes and that each entity shall determine a systematic manner of presentation taking into account the understandability and comparability of its financial statements.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

Improvements to International Accounting Standards – cycle 2012-2014 (Regulation 2015/2343/15.12.2015)

Effective for annual periods beginning on or after 1.1.2016

As part of the annual improvements project, the International Accounting Standards Board issued, on 25.9.2014, non- urgent but necessary amendments to various standards.
The Group is evaluating the impact from the adoption of the above amendments on its financial statements.

In addition, the International Accounting Standards Board has issued the following standards and amendments to standards which have not yet been adopted by the European Union and they have not been early applied by the Group.

New standards, interpretations and amendments of current standards, which have not been effective yet nor have not been adopted by the EU

Amendment to International Accounting Standard 7 "Statement of Cash Flows": Disclosure Initiative

Effective for annual periods beginning on or after 1.1.2017

On 29.1.2016 the International Accounting Standards Board issued an amendment to IAS 7 according to which an entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities for which cash flows are classified in the statement of cash flows as cash flows from financing activities. The changes that shall be disclosed, which may arise both from cash flows and non-cash changes, include:

-- changes from financing cash flows,
-- changes arising from obtaining or losing control of subsidiaries or other businesses,
-- the effect of changes in foreign exchange rates,
-- changes in fair values and
-- other changes.

The Group is examining the impact from the adoption of the above amendment on its financial statements

Amendment to International Accounting Standard 12 "Income Taxes": Recognition of Deferred Tax Assets for Unrealised Losses

Effective for annual periods beginning on or after 1.1.2017

On 19.1.2016 the International Accounting Standards Board issued an amendment to IAS 12 with which the following were clarified:

• Unrealised losses on debt instruments measured at fair value for accounting purposes and at cost for tax purposes may give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the asset by sale or by use.

• The recoverability of a deferred tax asset is assessed in combination with other deferred tax assets. However, if tax law offsets specific types of losses only against a particular type of income, the relative deferred tax asset shall be assessed in combination with other deferred tax assets of the same type.

• During the deferred tax asset recoverability assessment, an entity compares the deductible temporary differences with future taxable profit that excludes tax deductions resulting from the reversal of those deductible temporary differences.

• The estimate of probable future taxable profit may include the recovery of some of an entity's assets for more than their carrying amount if there is sufficient evidence that it is probable that the entity will achieve this.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

International Financial Reporting Standard 15 "Revenue from Contracts with Customers"

Effective for annual periods beginning on or after 1.1.2018

IFRS 15 "Revenue from Contracts with Customers" was issued on 28.5.2014 by the International Accounting Standards Board. The new standard is the outcome of a joint project by the IASB and the Financial Accounting Standards Board (FASB) to develop common requirements as far as the revenue recognition principles are concerned.

The new standard shall be applied to all contracts with customers, except those that are in scope of other standards, such as financial leases, insurance contracts and financial instruments. According to the new standard, an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A new revenue recognition model is introduced, by applying the following five steps:

• Step 1: Identify the contract(s) with a customer
• Step 2: Identify the performance obligations in the contract
• Step 3: Determine the transaction price
• Step 4: Allocate the transaction price to the performance obligations in the contract
• Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The performance obligation notion is new and in effect represents a promise in a contract with a customer to transfer to the customer either: (a) a good or service (or a bundle of goods or services) that is distinct; or (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer. The new IFRS 15 supersedes:

(a) IAS 11 "Construction Contracts";
(b) IAS 18 "Revenue";
(c) IFRIC 13 "Customer Loyalty Programmes";
(d) IFRIC 15 "Agreements for the Construction of Real Estate";
(e) IFRIC 18 "Transfers of Assets from Customers";and
(f) SIC-31 "Revenue—Barter Transactions Involving Advertising Services".

On the 12.4.2016 the International Accounting Standards Board issued an amendment in IFRS 15 with which it clarified the following:

- when a promised good or service is distinct from other promises in a contract, fact that is taken under concern during the assessment whether this promised good or service consists an obligation to perform,

-in which way practically to be assessed whether the nature of the company's promise consists a provision of promised goods or services (hence the company is the assignor) or settlement in order that a third part can supply the above goods and services (hence the company constitutes the assignee),

-which factor determines whether the company recognizes the revenue through time or at a specific point of time, in cases of using licenses regarding mental rights.

Finally,with this amendment two practical solutions were added for IFRS 15 transition regarding completed contracts in which full retrospective application is used and regarding amendments in contracts during the transition.

The Group is examining the impact from the adoption of IFRS 15 on its financial statements. More specifically:

• The Group is involved basically in the area of health care services and more precisely in secondary health care (mainly domestic healthcare service) and primary health care (domestic healthcare service and healthcare service provided abroad). According to IFRS 15 revenue recognition depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Group is in a process of determining the obligation to customer in cases of health care services (primary and secondary health care), as it assesses whether secondary health care constitutes transfer of promised goods or services to customers over time and whether primary health care constitutes transfer of promised goods or services at a point of time.

• The Group also assesses the alternative methods regarding the retrospective application of the standard, provided by the standard itself.

• The Group also assesses, regarding customers to which secondary health care is provided and for which at each Financial Statements' reporting date, the transfer of promised services has not been completed (for example medical discharge), whether the portion of promised services transferred up to the Financial Statements' reporting date, constitutes a distinct classification of asset relating to trade receivables.

International Financial Reporting Standard 9 "Financial Instruments"

Effective for annual periods beginning on or after 1.1.2018

On 24.7.2014, the International Accounting Standards Board completed the issuance of the final text of IFRS 9: Financial Instruments, which replaces the existing IAS 39. The new standard provides for significant differentiations in the classification and measurement of financial instruments as well as in hedge accounting. An indication of the new requirements is presented below:

Classification and measurement

Financial instruments shall be classified, at initial recognition, at either amortized cost or at fair value. The criteria that should be considered for the initial classification of the financial assets are the following:

i. The entity's business model for managing the financial assets and

ii. The contractual cash flow characteristics of the financial assets.

In addition, IFRS 9 permits, at initial recognition, equity instruments to be classified at fair value through other comprehensive income. The option precludes equity instruments held for trading. Moreover, with regards to embedded derivatives, if the hybrid contact contains a host that is within the scope of IFRS 9, the embedded derivative shall not be separated and the accounting treatment of the hybrid contact should be based on the above requirements for the classification of the financial instruments. With regards to the financial liabilities, the main difference is that the change in the fair value of a financial liability initially designated at fair value through profit or loss shall be recognised in profit or loss with the exception of the effect of change in the liability's credit risk which shall be recognized directly in other comprehensive income.

Impairment

Contrary to the existing IAS 39, under which an entity recognizes only incurred credit losses, the new standard requires the recognition of lifetime expected credit losses if the credit risk of the financial instrument has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, 12-month expected credit losses shall be recognized.

Hedging

The new requirements for hedge accounting are more aligned with the entity's risk management. The main changes in relation to the current requirements of IAS 39 are summarized below:

• more items become eligible for participating in a hedging relationship either as hedging instruments or as hedged items,

• the requirement for hedge effectiveness tests to be within the range of 80%-125% is removed. Hedge effectiveness test is performed progressively only and under certain circumstances a qualitative assessment is considered adequate,

• in case that a hedging relationship ceases to be effective but the objective of risk management regarding the hedging relationship remains the same, the entity shall rebalance the hedging relationship in order to satisfy the hedge effectiveness criteria.

It is noted that the new requirements for hedge accounting do not include those that relate to macro hedging, since they have not been finalized yet.

Except for the aforementioned modifications, the issuance of IFRS 9 has resulted in the amendment to other standards and mainly to IFRS 7 where new disclosures were added.
The Group, in order to ensure proper application of IFRS 9 from 1.1.2018, is evaluating the impact from the adoption of the above amendments on its financial statements.
(i) More specifically the Group's trade receivables mainly consist of receivables from public, private insurance organizations and private patients. IFRS 9 requires the recognition of lifetime expected credit losses if the credit risk of the financial instrument has increased significantly since initial recognition. The Group is in the process of evaluating the effect in its financial statements due to the transition to model of expected credit losses, before this loss is incurred (ECL model) of IFRS 9, from the one of IAS 39, at the transition date.
(ii) During year 2016, there were revenue and respective cash inflows for the Group, from private insurance companies with residence in the United Kingdom in euro, which is the functional as well as the presentation currency of Group's Financial Statements. Group monitors any developments regarding "Brexit", in order to assess any effects of this issue, in its Financial Statements.

Amendment of the International Financial Reporting Standard 2 "Share based payments": Classification and measurement of benefits based on shares.

Effective for annual periods beginning on or after 1.1.2018

On 20.6.2016 the International Accounting Standards Board issued an amendment on IFRS 2 with which the following were clarified:
-during the measurement of the fair value of a benefit based on share value and which is settled in cash, the accounting treatment of effects from vesting conditions as well as from terms not related to the fulfillment of certain conditions (non-vesting conditions) follows the reasoning applied to share based benefits and are settled with equity instruments.
-in cases that tax legislation imposes the company to retain an amount of tax (which constitutes tax obligation of employee), which refers to fees related to share value and which must be attributed to the tax authorities, the transaction as a whole must be treated as a share based payment, which is settled with equity instruments, if it would be characterized as such, in case no issue of tax liability offsetting existed,
-in cases that conditions which rule share based payments are amended in such a way that these transactions should be reclassified from share based payments settled in cash to ones settled in equity instruments, the transaction must be recognized as a share based payments settled in equity instruments since the date that amendment occured.
The Group examines the effects of the adoption of the above amendment in its financial statements.

Amendment of the International Financial Reporting Standard 4 "Insurance contracts":By applying International Financial Reporting Standard 9 "Financial Instruments" with International Financial Reporting Standard 4 "Insurance contracts"

Effective for annual periods beginning on or after 1.1.2018

On the 12.9.2016 the International Accounting Standards Board issued an amendment of IFRS 4 with which it clarifies that:
-insurance companies, whose the main activity connects with insurances, have the possibility to get a temporary exemption from the IFRS 9 application.
-all companies that issue insurance contracts and adopt IFRS 9 have the ability to present the movements of fair value of selected financial assets in other comprehensive income recognized directly in equity and not in income statement.
The above amendment is not applicable to the financial statements of the Group.

International Financial Reporting Standard 16 "Leases"

Effective for annual periods beginning on or after 1.1.2019

On 13.1.2016 the International Accounting Standards Board issued IFRS 16 "Leases" which supersedes:
• IAS 17 " Leases"
• IFRIC 4 "Determining whether an arrangement contains a lease"
• SIC 15 "Operating Leases – Incentives" and
• SIC 27 "Evaluating the substance of transactions involving the legal form of a lease".

The new standard significantly differentiates the accounting of leases for lessees while essentially maintaining the existing requirements of IAS 17 for the lessors. In particular, under the new requirements, the classification of

leases as either operating or finance is eliminated. A lessee is required to recognize, for all leases with term of more than 12 months, the right-of-use asset as well as the corresponding obligation to pay the lease payments. The above treatment is not required when the asset is of low value.
The Group is examining the impact from the adoption of IFRS 16 on its financial statements.
More specifically the minimum future payable rental leases based on non –reversible contracts of operational leases as mentioned in note 37 of the financial statements mainly consist of payable rental leases regarding buildings. Group assesses the way of initial and subsequent measurement of the right of use asset, as well as the corresponding obligation for relevant leases with duration over 12 months, which will be valid at the effective date of this Standard.

Amendment to International Financial Reporting Standard 10 “Consolidated Financial Statements” and to International Accounting Standard 28 “Investments in Associates and Joint Ventures”: Sale or contribution of assets between an investor and its associate or joint venture

Effective date: To be determined

On 11.9.2014 the International Accounting Standards Board issued an amendment to IFRS 10 and IAS 28 in order to clarify the accounting treatment of a transaction of sale or contribution of assets between an investor and its associate or joint venture. In particular, IFRS 10 was amended in order to be clarified that in case that as a result of a transaction with an associate or joint venture, a parent loses control of a subsidiary, which does not contain a business, as defined in IFRS 3, it shall recognise to profit or loss only the part of the gain or loss which is related to the unrelated investor’s interests in that associate or joint venture. The remaining part of the gain from the transaction shall be eliminated against the carrying amount of the investment in that associate or joint venture.
In addition, in case the investor retains an investment in the former subsidiary and the former subsidiary is now an associate or joint venture, it recognises the part of the gain or loss resulting from the remeasurement at fair value of the investment retained in that former subsidiary in its profit or loss only to the extent of the unrelated investor’s interests in the new associate or joint venture. The remaining part of the gain is eliminated against the carrying amount of the investment retained in the former subsidiary.
In IAS 28, respectively, it was clarified that the partial recognition of the gains or losses shall be applied only when the involved assets do not constitute a business. Otherwise, the total of the gain or loss shall be recognised. On 17.12.2015, the International Accounting Standards Board deferred the effective date for the application of the amendment that had been initially determined. The new effective date will be determined by the International Accounting Standards Board at a future date after taking into account the results of its project relating to the equity method.
The Group is examining the impact from the adoption of the above amendment on its financial statements.

7. Operating segments

The operating segment performance assessment is based on revenue, operating results and EBITDA. (results before taxes, financing, investing activity and depreciation), while intersegment sales are eliminated in consolidated Financial Statement. It is noted that the Group applies the same accounting policies as those in the financial statements in order to measure the operating segments’ results.

Hence the group’s operating segments are the following: a) Domestic healthcare service, b) Healthcare service provided abroad (Romania) and c) Sale of medical tools & sanitary/health equipment.

2016						
in thousands of euro	Domestic healthcare service	Healthcare service provided abroad	Sale of medical tools & sanitary/health equipment	Other	Eliminations	Total
Sales						
To customers	162.860	4.383	26	76	0	**167.346**
Intersegment	373	0	10.056	0	-10.429	**0**
Total	**163.233**	**4.383**	**10.083**	**76**	**-10.429**	**167.346**
Results						
Profit before taxes, financing and investing activity and depreciation	22.264	201	980	5	0	**23.450**
Financial income	34	1	0	0	-23	**12**
Financial expenses	-10.804	-23	-137	0	2.470	**-8.495**
Gains / (losses) from associates	8	0	0	0	0	**8**
Profit before taxes	3.462	53	795	5	2.446	**6.761**
Taxes	-2.936	-2	-284	-10	0	**-3.232**
Profit after taxes	525	51	511	-5	2.446	**3.528**
Depreciation/Amortization	-8.035	-125	-50	0	0	**-8.211**
Segment assets	379.552	1.113	37.445	10.364	-59.811	**368.662**
Segment liabilities	317.220	425	25.959	2.646	-38.345	**307.905**

2015						
in thousands of euro	Domestic healthcare service	Healthcare service provided abroad	Sale of medical tools & sanitary/health equipment	Other	Eliminations	Total
Sales						
To customers	153.522	4.148	355	66	0	**158.092**
Intersegment	600	0	9.413	0	-10.013	**0**
Total	**154.122**	**4.148**	**9.768**	**66**	**-10.013**	**158.092**
Results						
Profit before taxes, financing and investing activity and depreciation	2.190	156	679	-8	0	**3.017**
Financial income	1.372	1	0	0	-37	**1.336**
Financial expenses	-9.615	-31	-164	0	0	**-9.809**
Gains / (losses) from associates	3	0	0	0	0	**3**
Profit before taxes	-16.139	-12	-52	-8	-37	**-16.247**
Taxes	624	3	-143	-8	0	**475**
Profit after taxes	-15.515	-8	-195	-16	-37	**-15.772**
Depreciation/Amortization	-8.352	-138	-567	0	0	**-9.057**
Segment assets	382.869	1.078	36.979	10.439	-61.123	**370.243**
Segment liabilities	320.130	438	26.001	2.716	-37.890	**311.396**

i.Revenue

in thousands of euro	2016	2015
Romania	4.383	4.148
Greece	162.963	153.944

Inter-segment revenues are eliminated upon consolidation.

ii. Non current assets

Capital expenditures refer mainly to sector a) Domestic healthcare service.

iii. Major customer

It is noted that in domestic healthcare service sector, the most significant part of sales to customers (approximately 32%), refers mainly to public insurance funds that are included in the broader public sector.

8. Revenue

	The Group		The Company	
in thousands of euro	**1/1 - 31/12/2016**	**1/1 - 31/12/2015**	**1/1 - 31/12/2016**	**1/1 - 31/12/2015**
Revenue (before **Rebate** and **Clawback**)	181.350	177.511	176.681	173.022
Estimated effect of **Rebate** and **Clawback** during the year (L.4172/2013 art. 100)	-14.004	-19.419	-14.004	-19.419
Revenue (after Rebate and Clawback)	**167.346**	**158.092**	**162.676**	**153.603**

According to L. 4172/2013 (GG 167A/23-07-2013) article 100 provisions the following are required: a) return to EOPYY, by the contractual providers, in form of «automatic returns-clawback», of the excess amount, in case of excessing the authorised creditings of EOPYY budget and b) establishment of graduated percentage on EOPYY debt to private providers, as return (rebate).

Management based on available information at the reporting date of financial statements, estimated the amount of automatic returns-clawback, for year 2016 as well as adjusted corresponding amounts recognized in previous years and reduced Company's and Group's turnover. The same way Company for period 1/1/2016 – 31/12/2016,. based on the relative certifications of automatic returns-clawback issued by EOPYY, as well as on last year's available information issued credit notes amounted to euro 10.838 regarding year 2015 and no significant deviation arose from the relevant estimate, that was formed for this purpose.

9. Other income

The other income that are presented in the accompanying Financial Statement are analyzed as follows:

	The Group		The Company	
in thousands of euro	**1/1 - 31/12/2016**	**1/1 - 31/12/2015**	**1/1 - 31/12/2016**	**1/1 - 31/12/2015**
Provision of services	969	797	988	820
Government grants, special tax returns	225	333	225	333
Income from rentals	906	901	1.048	1.048
Income from reversal of provisions	81	0	69	0
Gain on disposals of fixed assets	4	0	4	0
Prior years taxes and duties paid back	872	0	872	0
Suppliers' discounts	866	492	44	110
Other income	1.114	747	1.081	342
Total	**5.038**	**3.271**	**4.331**	**2.654**

10. Cost of sales

The cost of sales that is presented in the accompanying Financial Statement is analyzed as follows:

	The Group		The Company	
in thousands of euro	1/1 - 31/12/2016	1/1 - 31/12/2015	1/1 - 31/12/2016	1/1 - 31/12/2015
Payroll cost (Note 13)	54.644	57.585	54.059	56.971
Third party fees	14.065	13.614	13.960	13.509
Depreciation and amortization (Note 14)	7.285	7.758	7.177	7.600
Other third party expenses	11.519	11.314	10.050	9.938
Taxes and duties	479	570	478	570
Other expenses	4.926	4.490	4.794	4.415
Health care materials, medicine and other consumables and special materials	37.138	36.497	37.396	37.061
Total	**130.055**	**131.828**	**127.915**	**130.063**

11. Administrative expenses

The administrative expenses that are presented in the accompanying Financial Statement are analyzed as follows:

	The Group		The Company	
in thousands of euro	1/1 - 31/12/2016	1/1 - 31/12/2015	1/1 - 31/12/2016	1/1 - 31/12/2015
Payroll cost (Note 13)	14.998	16.392	13.605	14.833
Third party fees	1.083	1.307	984	1.222
Depreciation and amortization (Note 14)	924	1.298	844	738
Other third party expenses	2.168	2.089	1.995	1.910
Taxes and duties	706	1.036	692	1.012
Other expenses	3.615	4.272	3.491	3.963
Health care materials, medicine and other consumables and special materials	308	182	247	127
Total	**23.802**	**26.577**	**21.858**	**23.806**

12. Distribution expenses

The distribution costs that are presented in the accompanying Financial Statement are analyzed as follows:

	The Group		The Company	
in thousands of euro	1/1 - 31/12/2016	1/1 - 31/12/2015	1/1 - 31/12/2016	1/1 - 31/12/2015
Payroll cost (Note 13)	94	130	0	0
Third party fees	480	244	472	240
Depreciation and amortization (Note 14)	2	1	0	0
Other third party expenses	28	20	0	0
Taxes and duties	239	498	238	492
Other expenses	156	138	138	114
Allowances for doubtfull debtors - Impairment (Note 25)	2.283	4.120	2.281	4.115
Deletion of receivables	0	3.846	0	3.717
Total	**3.282**	**8.998**	**3.130**	**8.679**

13. Payroll cost

The Payroll cost that is included in the accompanying Financial Statement is analyzed as follows:

	The Group		The Company	
in thousands of euro	1/1 - 31/12/2016	1/1 - 31/12/2015	1/1 - 31/12/2016	1/1 - 31/12/2015
Wages and Salaries	55.734	59.566	54.159	57.674
Social security costs	13.250	13.786	12.904	13.412
Provision for retirement indemnities (Note 30)	489	627	482	602
Other staff expenses	262	128	119	117
Total	**69.736**	**74.107**	**67.664**	**71.804**

14. Depreciation of tangible and amortization of intangible assets

Depreciation and amortization accounted in the accompanying Financial Statement is analyzed as follows:

	The Group		The Company	
in thousands of euro	1/1 - 31/12/2016	1/1 - 31/12/2015	1/1 - 31/12/2016	1/1 - 31/12/2015
Depreciation of property plant and equipment (Note 19)	8.116	8.887	7.930	8.178
Amortization of intangible assets (Note 20)	95	170	91	160
Total	**8.211**	**9.057**	**8.021**	**8.337**

15. Other expenses

The other expenses are analyzed as follows:

	The Group		The Company	
in thousands of euro	1/1 - 31/12/2016	1/1 - 31/12/2015	1/1 - 31/12/2016	1/1 - 31/12/2015
Impairment on PPE (Note 19)	0	1.715	0	1.715
Loss on disposals of fixed assets	0	19	0	20
Total	**0**	**1.734**	**0**	**1.735**

16. Net financial result

The financial income/ (costs) that are presented in the accompanying Financial Statement are analyzed as follows:

The Group		
in thousands of euro	**1/1 - 31/12/2016**	**1/1 - 31/12/2015**
Retirement indemnity interest costs (note 30)	-148	-143
Interest on current loans/borrowings & relevant expenses	-8.088	-7.994
Financial expenses from derivatives	0	-946
Factoring commissions	-254	-375
Finance lease interest	-4	-8
Derivative valuation at fair value	0	-344
Total financial costs	**-8.495**	**-9.809**
Interest on deposits and relevant income	4	5
Income from derivatives	0	346
Derivative valuation at fair value	0	932
Gain due to securities at fair value (shares), sale	0	50
Total financial income	**4**	**1.333**
Financial income/(costs)	**-8.490**	**-8.476**

The Company		
in thousands of euro	**1/1 - 31/12/2016**	**1/1 - 31/12/2015**
Retirement indemnity interest costs (note 30)	-147	-142
Interest on current loans/borrowings & relevant expenses	-7.932	-7.807
Impairment loss of investments	-2.470	0
Impairment loss of affiliated companies Medisoft SA and Iatriko Int., which was reclassified in income statement	0	0
Financial expenses from derivatives	0	-946
Factoring commissions	-254	-375
Finance lease interest	0	0
Derivative valuation at fair value	0	-344
Total financial costs	**-10.803**	**-9.614**
Interest on deposits and relevant income	4	4
Income from derivatives	0	346
Derivative valuation at fair value	0	932
Dividends from investments in companies	31	40
Gain due to securities at fair value (shares), sale	0	50
Total financial income	**34**	**1.372**
Financial income/(costs)	**-10.769**	**-8.242**

Dividends are analyzed as follows:

	The Group	
in thousands of euro	**1/1- 31/12/2016**	**1/1-31/12/2015**
PHYSIOTHERAPY AND SPORTS INJURY TREATMENT CENTER S.A.	31	40
Total	**31**	**40**

17. Income taxes

According to the tax legislation, the tax rate applicable in companies for the year of 2016 is 29%. (29 % the 31st of December 2015).

The provision for income taxes presented in the accompanying Financial Statement is analyzed as follows:

Amounts recognized in profit or loss

	The Group		The Company	
in thousands of euro	**1/1 - 31/12/2016**	**1/1 - 31/12/2015**	**1/1 - 31/12/2016**	**1/1 - 31/12/2015**
Current tax (expense) benefit				
Current year	-296	-187	0	0
Adjustments for prior years	-36	-954	0	-950
	-332	**-1.141**	**0**	**-950**
Deferred tax (expense) benefit				
Change of tax rate	0	-1.963	0	-1.955
Change in recognised deductible temporary differences	-2.901	3.579	-2.891	3.568
	-2.901	**1.616**	**-2.891**	**1.613**
Tax (expense) benefit	**-3.233**	**475**	**-2.891**	**663**

Greek tax laws and related regulations are subject to interpretations by the tax authorities. Tax returns are filed annually but the profits or losses declared for tax purposes remain provisional until such time, as the tax authorities examine the returns and the records of the taxpayer and a final assessment is issued. Tax losses, to the extent accepted by the tax authorities, can be used to offset profits of the five fiscal years following the fiscal year to which they relate.

In a future tax audit of the related unaudited years, additional taxes and penalties may be assessed to the Company and to its subsidiaries. The Group regards that the outcome of the tax audits and the amount of the possible added taxes and fines, is possible to estimate and, thus, a relevant provision has been made in the consolidated Financial Statement related to this subject, amounted to euro 251 (2015: Euro 1.960) of which euro 154 (2015: Euro 1.900) refer to the Parent Company. In current year the tax audit for the years 2009 and 2010 regarding parent company's tax liabilities was finalized. As a result of the tax audit differences that arose, further taxes and relevant increments totaling to euro 1.770 were charged. Therefore, no additional tax liabilities occurred as the open tax year provision was adequate.

For years 2011 to 2013 an audit has been carried out in terms of providing annual tax compliance certificate, according to the provisions of paragraph 5 of article 82 of CL 2238/94 as well as relevant explanatory circular POL 1159/2011, for the Parent Company and its subsidiaries with residence in Greece, « IATRIKI TECHNIKI S.A.», « PHYSIOTHERAPY AND SPORTS INJURY TREATMENT CENTER S.A.» and « MATERNITY CLINIC GAIA S.A.». By the same way for years 2014, 2015 an audit has been carried out in terms of providing annual tax compliance certificate, according to the provisions of article 65A of CL 4174/2013 for the Parent Company and its subsidiaries with residence in Greece, « IATRIKI TECHNIKI S.A.», « PHYSIOTHERAPY AND SPORTS INJURY TREATMENT CENTER S.A.» and « MATERNITY CLINIC GAIA S.A.», only for year 2014. For year 2016 the above mentioned audit for Parent Company as well as its subsidiaries « IATRIKI TECHNIKI S.A.», « PHYSIOTHERAPY AND SPORTS INJURY TREATMENT CENTER S.A.»is in progress. The final results are not expected to deviate significantly from the amounts of estimated taxes presented in the Financial Statements.

Regarding its subsidiaries, the tax authorities have not audited their books and their elements for the years mentioned in table below:

Company's name	Company's location country	Activity	Participation (%)	Tax unaudited years
IATRIKI TECHNIKI S.A.	GREECE	Sale of Medical Tools & Sanitary/Health Equipment	100.00%	2009,2016
EREVNA S.A. (liquidation)	GREECE	Diagnostic & Therapeutic Center	51.00%	2007-2016
AXONIKI EREVNA S.A. (liquidation)	GREECE	Diagnostic Center	50.50%	2007-2016
PHYSIOTHERAPY AND SPORTS INJURY TREATMENT CENTER S.A.	GREECE	Physiotherapy & Sport Injury Restoration/Treatment Services	33.00%	2016
HOSPITAL AFFILIATES INTERNATIONAL (liquidation)	GREECE	Organization & Administration of Hospitals and Clinics.	68.89%	2007-2010 & 2012-2016
MEDSANA BMC	ROMANIA	Diagnostic Center	100.00%	-
BIOAXIS SRL (ex MEDSANA SRL)	ROMANIA	Diagnostic Center	78.90%	-
EUROSITE HEALTH SERVICES S.A.	GREECE	Establishment & Operation of Hospitals and Clinics	100.00%	2014-2016
MATERNITY CLINIC GAIA S.A.	GREECE	Maternity and gynaecology clinic	100.00%	2010,2015-2016

In December 2016, the Group subsidiaries IATRIKI TECHNIKI S.A., PHYSIOTHERAPY AND SPORTS INJURY TREATMENT CENTER S.A. and EUROSITE HEALTH SERVICES S.A., has not been audited by Greek authorities for period ended 31/12/2010. In accordance with law 4446/2016 article 97 par.2, the tax liabilities for this period is defined.

Amounts recognized in OCI

The amounts of income tax recognized in OCI are analyzed as follows:

Amounts recognized in OCI		
	1/1 - 31/12/2016	
in thousands of euro	**The Group**	**The Company**
Actuarial gains (losses)	-2.185	-2.177
Current tax rate	*29%*	*29%*
Tax recognized in OCI income /(expense)	**634**	**631**
	1/1 - 31/12/2015	
in thousands of euro	**The Group**	**The Company**
Actuarial gains (losses)	1.356	1.355
Current tax rate	*29%*	*29%*
Tax recognized in OCI income /(expense)	**-404**	**-405**

Reconciliation of income tax in profit or loss

The reconciliation of the provision for income taxes to the amount determined by the application of the Greek statutory tax rate to pretax income for Group and company is summarized as follows:

	The Group			
in thousands of euro	**1/1 - 31/12/2016**			**1/1 - 31/12/2015**
Profit / (loss) before income taxes		**6.761**		**-16.247**
Income taxes calculated at the nominal domestic applicable tax rate	29,00%	1.961	29,00%	-4.712
Tax effects of non-taxable income	0,00%	0	0,59%	-96
Expenses not deductible for tax purposes	10,60%	717	-14,07%	2.287
Utilization of tax losses	0,00%	0	5,52%	-898
Current tax losses for which no tax asset was recognized	7,78%	526	-0,02%	37
Adjustments for prior years	0,54%	36	-5,87%	954
Tax effects of profits from subsidiaries abroad taxed at different rates	-0,10%	-7	-0,01%	2
Tax effects of deferred tax from change in statutory tax rate	0,00%	0	-12,08%	1.963
Other	0,00%	0	0,07%	-12
Income taxes reported in the statements of income	**47,82%**	**3.233**	**2,92%**	**-475**

	The Company			
in thousands of euro	**1/1 - 31/12/2016**		**1/1 - 31/12/2015**	
Profit / (loss) before income taxes		**3.336**		**-16.268**
Income taxes calculated at the nominal domestic applicable tax rate	29,00%	967	29,00%	-4.718
Tax duty on tax free reserve	0,00%	0	0,00%	0
Tax effects of non-taxable income	-0,27%	-9	0,07%	-11
Expenses not deductible for tax purposes	42,33%	1.412	-12,65%	2.059
Utilization of tax losses	0,00%	0	5,52%	-898
Current tax losses for which no tax asset was recognized	15,62%	521	0,00%	0
Adjustments for prior years	0,00%	0	-5,84%	950
Tax effects of deferred tax from change in statutory tax rate	0,00%	0	-12,02%	1.955
Income taxes reported in the statements of income	**86,68%**	**2.891**	**4,07%**	**-663**

18. Earnings per share

The calculation of basic earnings per share in the 31st of December 2016 and 2015 is the following:

	The Group		The Company	
in thousands of euro	**1/1 - 31/12/2016**	**1/1 - 31/12/2015**	**1/1 - 31/12/2016**	**1/1 - 31/12/2015**
Profit / (loss) attributable to equity holders of the Parent	3.469	-15.773	445	-15.605
Weighted average number of shares outstanding	86.735.980	86.735.980	86.735.980	86.735.980
Profits / (losses) per share	**0,0400**	**-0,1818**	**0,0051**	**-0,1799**

i. Profits / (losses) attributable to ordinary shareholders :

	The Group		The Company	
	1/1 - 31/12/2016	**1/1 - 31/12/2015**	**1/1 - 31/12/2016**	**1/1 - 31/12/2015**
Profit / (loss) attributable to equity holders of the Parent	3.469	-15.773	445	-15.605

ii. Weighted average number of ordinary shares :

	The Group		The Company	
	1/1 - 31/12/2016	**1/1 - 31/12/2015**	**1/1 - 31/12/2016**	**1/1 - 31/12/2015**
Weighted average number of shares outstanding	86.735.980	86.735.980	86.735.980	86.735.980

Given that there aren't any financial instruments which could further reduce basic earnings per share, the presentation of diluted earnings per share is not necessary.

19. Property, plant and equipment

Group 2016 in thousands of euro	Land	Buildings & installations	Machinery & equipment	Transportation equipment	Furniture & fixtures	Construction / Purchases in Progress	Total
Cost Balance 01.01.2016	**57.838**	**198.644**	**80.042**	**2.171**	**34.706**	**5.147**	**378.548**
Additions	0	178	1.697	2	799	986	3.662
Sales/Deletions	0	0	-752	-4	-272	0	-1.028
Impairment	0	0	0	0	0	0	0
Transitions and reclassifications	0	386	7	0	0	-393	0
Exchange Differences	0	-3	-6	-1	-1	0	-11
Balance 31.12.2016	**57.838**	**199.205**	**80.987**	**2.168**	**35.233**	**5.739**	**381.171**
Depreciation Balance 01.01.2016	**0**	**-45.307**	**-67.625**	**-1.974**	**-30.929**	**0**	**-145.835**
Year's Additions	0	-3.966	-3.156	-38	-956	0	-8.116
Sales/Deletions	0	0	750	4	270	0	1.024
Exchange Differences	0	1	6	1	0	0	8
Depreciation 31.12.2016	**0**	**-49.271**	**-70.026**	**-2.007**	**-31.615**	**0**	**-152.919**
Net Book Value 31.12.2016	**57.838**	**149.934**	**10.962**	**161**	**3.618**	**5.739**	**228.252**

Group 2015 in thousands of euro	Land	Buildings & installations	Machinery & equipment	Transportation equipment	Furniture & fixtures	Construction / Purchases in Progress	Total
Cost Balance 01.01.2015	**58.086**	**195.285**	**79.985**	**2.207**	**34.347**	**9.836**	**379.747**
Additions	0	211	1.070	2	497	68	1.847
Sales/Deletions	0	-133	-996	-37	-135	-1	-1.303
Impairment	-248	0	0	0	0	-1.467	-1.715
Transitions and reclassifications	0	3.290	0	0	0	-3.290	0
Exchange Differences	0	-9	-17	-1	-2	0	-28
Balance 31.12.2015	**57.838**	**198.644**	**80.042**	**2.171**	**34.706**	**5.147**	**378.548**
Depreciation Balance 01.01.2015	**0**	**-41.513**	**-64.720**	**-1.953**	**-30.048**	**0**	**-138.234**
Year's Additions	0	-3.930	-3.895	-47	-1.015	0	-8.887
Sales/Deletions	0	133	986	25	133	0	1.279
Exchange Differences	0	3	4	1	1	0	10
Depreciation 31.12.2015	**0**	**-45.307**	**-67.625**	**-1.974**	**-30.929**	**0**	**-145.835**
Net Book Value 31.12.2015	**57.838**	**153.337**	**12.417**	**197**	**3.777**	**5.147**	**232.713**

Company 2016 in thousands of euro	Land	Buildings & installations	Machinery & equipment	Transportation equipment	Furniture & fixtures	Construction / Purchases in Progress	Total
Cost Balance 01.01.2016	**51.060**	**194.352**	**74.959**	**1.772**	**33.658**	**1.484**	**357.285**
Additions	0	178	1.619	0	789	918	3.504
Sales/Deletions	0	0	-683	-3	-205	0	-891
Impairment	0	0	0	0	0	0	0
Transitions and reclassifications	0	366	0	0	0	-366	0
Balance 31.12.2016	**51.060**	**194.896**	**75.895**	**1.769**	**34.242**	**2.035**	**359.897**
Depreciation Balance 01.01.2016	**0**	**-42.126**	**-62.784**	**-1.575**	**-29.932**	**0**	**-136.417**
Year's Additions	0	-3.901	-3.051	-37	-941	0	-7.930
Sales/Deletions	0	0	681	3	203	0	887
Depreciation 31.12.2016	**0**	**-46.027**	**-65.154**	**-1.610**	**-30.670**	**0**	**-143.460**
Net Book Value 31.12.2016	**51.060**	**148.869**	**10.741**	**160**	**3.572**	**2.035**	**216.436**

Company 2015 in thousands of euro	Land	Buildings & installations	Machinery & equipment	Transportation equipment	Furniture & fixtures	Construction / Purchases in Progress	Total
Cost Balance 01.01.2015	**51.308**	**190.851**	**74.188**	**1.795**	**33.194**	**6.173**	**357.508**
Additions	0	211	1.022	2	489	68	1.793
Sales/Deletions	0	0	-251	-25	-25	-1	-301
Impairment	-248	0	0	0	0	-1.467	-1.715
Transitions and reclassifications	0	3.290	0	0	0	-3.290	0
Balance 31.12.2015	**51.060**	**194.352**	**74.959**	**1.772**	**33.658**	**1.484**	**357.285**
Depreciation Balance 01.01.2015	**0**	**-38.259**	**-59.758**	**-1.541**	**-28.957**	**0**	**-128.515**
Year's Additions	0	-3.867	-3.266	-47	-998	0	-8.178
Sales/Deletions	0	0	240	13	23	0	276
Depreciation 31.12.2015	**0**	**-42.126**	**-62.784**	**-1.575**	**-29.932**	**0**	**-136.417**
Net Book Value 31.12.2015	**51.060**	**152.226**	**12.175**	**197**	**3.726**	**1.484**	**220.867**

At 31 December 2016, due to the negative macroeconomic environment in Greece an impairment test was performed on property plant and equipment, according IAS 36. The Company calculated their value in use, in terms of cash generating units and concluded that there is no need to recognize impairment loss.

The calculation of value in use was based on the following assumptions:

•Cash Flows: the cash flows were estimated based on past years' experience, the actual operating results, the financial budgets and the approved by management 5 year business plan, which reflect management expectations regarding the evolution of revenue, operating expenses and Company's gross operating margin. The cash flows following after the five year period of the Company's business plan were calculated based on a 2% growth rate.

• Discounting rate: In order to determine the Company's value in use a discounting rate of 7,5% was applied.

•EBITDA: Earnings before interest, taxes and depreciation is expected to rise, according to the assumptions of the business plan, by taking into consideration the legislation of clawback and the further reasonable cost management .

Additionally, previous year's 2015 Group's and Company's assets that are under construction were tested for impairment. The determination of those assets' fair value was appointed to an independent professional valuator. The fair value of the above mentioned assets was determined according to comparative method and resulted to an impairment loss of euro 1.715.

There is mortgage attachment amounted to 196,8 mil, which is registered on parent company's land and buildings. No item of machinery equipment has been pledged as security for liabilities.

During 2016 there have been total amount of tangible assets additions approximately 3,5 mil for the Company and 3,7 mil for the Group. The major of tangible assets additions refer to purchase of equipment for Marousi and Diavalkaniko Clinic.

20. Intangible assets

Intangible assets are analyzed as follows:

Group 2016			
in thousands of euro	**Rights/Licenses**	**Other (Software)**	**Total**
Balance 01.01.2016	**66**	**1.982**	**2.048**
Additions	0	109	**109**
Sales/Deletions	0	-1	-1
Exchange Differences	0	-1	**-1**
Balance 31.12.2016	**66**	**2.090**	**2.156**
Accumulated amortization 01/01/2016	**0**	**-1.723**	**-1.723**
Additions	0	-95	**-95**
Sales/Deletions	0	1	1
Exchange Differences	0	1	**1**
Accumulated amortization 31/12/2016	**0**	**-1.817**	**-1.817**
Net Book Value 31.12.2016	**66**	**273**	**339**

Group 2015 in thousands of euro	Rights/Licenses	Other (Software)	Total
Balance 01.01.2015	**66**	**1.822**	**1.888**
Additions	0	162	**162**
Exchange Differences	0	-1	**-1**
Balance 31.12.2015	**66**	**1.982**	**2.048**
Accumulated amortization 01/01/2015	**0**	**-1.555**	**-1.555**
Additions	0	-170	**-170**
Exchange Differences	0	1	**1**
Accumulated amortization 31/12/2015	**0**	**-1.723**	**-1.723**
Net Book Value 31.12.2015	**66**	**259**	**325**

Company 2016 in thousands of euro	Rights/Licenses	Other (Software)	Total
Balance 01.01.2016	**66**	**1.685**	**1.751**
Additions	0	105	**105**
Balance 31.12.2016	**66**	**1.790**	**1.856**
Accumulated amortization 01/01/2016	**0**	**-1.430**	**-1.430**
Additions	0	-91	**-91**
Accumulated amortization 31/12/2016	**0**	**-1.521**	**-1.521**
Net Book Value 31.12.2016	**66**	**269**	**335**

Company 2015 in thousands of euro	Rights/Licenses	Other (Software)	Total
Balance 01.01.2015	**66**	**1.529**	**1.595**
Additions	0	156	**156**
Balance 31.12.2015	**66**	**1.685**	**1.751**
Accumulated amortization 01/01/2015	**0**	**-1.270**	**-1.270**
Additions	0	-160	**-160**
Accumulated amortization 31/12/2015	**0**	**-1.430**	**-1.430**
Net Book Value 31.12.2015	**66**	**256**	**321**

21. Investments in subsidiaries

The investments of Athens Medical Center SA (Company) in subsidiaries are analyzed as follows:

Company in thousands of euro	% Participation	31/12/2016	31/12/2015
Acquisition cost			
Iatriki Techniki S.A.	*100,00%*	25.421	25.421
Physiotherapy center S.A	*33,00%*	19	19
Axoniki Erevna S.A.	*50,50%*	545	545
Erevna S.A	*51,00%*	503	503
Hospital Affiliates International	*68,89%*	91	91
Eurosite S.A	*100,00%*	8.335	8.335
Medsana Buch	*100,00%*	33	33
BIOAXIS SRL (former Medsana Srl)	*78,90%*	517	517
Athens Paediatrics Center	*58,30%*	169	169
Maternity clinic Gaia SA	*100,00%*	26.010	23.540
Total		**61.644**	**59.174**
Impairment loss		-41.572	-39.102
Balance		**20.072**	**20.072**

The above-mentioned subsidiaries are consolidated, except from Athens Pediatrics Center SA, which is under liquidation procedure. The operation of this company was interrupted before the transition date to IFRS, the assets and liabilities of its balance sheets are of minor significance and the liquidation procedure does not entail significant costs for the Company. Until the reporting date of the accompanying Financial Statement no final judicial decision has been issued for its dissolution and its final deletion from the S.A. register. Its acquisition cost is totally impaired in the Company's accounting books.

Additionaly the acquisition cost in BIOAXIS SRL (former Medsana Srl) has been completely deleted in the stand alone Financial Statement of the Company, according to the provisions of IAS 27 and 39. This subsidiary is not operational and its accounting balance was greater than its recoverable amount.

It is also noted that since previous year Ortelia Holdings is not included in the consolidated Financial Statements because it was erased from company's registry of Cyprus.

During year 2012 subsidiary Hospital Affiliates International with residence in Greece entered liquidation procedure. This subsidiary had not any revenue since, while their assets are of no significance compared to the Group's ones. By the same way this specific investment's acquisition cost is totally impaired in the Company's accounting books.

The subsidiaries Axoniki Erevna S.A. and Erevna S.A remain in liquidation procedure up to date. The specific investments were impaired to the extent that their balances correspond to the estimated liquidation result that applies to parent Company.

During year 2016, an increase of subsidiary's GAIA SA share capital occurred which amounted to euro 2.470 th. Therefor an impairment loss of equal amount on parent's investment in subsidiary GAIA SA was recognized, in order for the carrying amount of the above mentioned investment to be presented at its recoverable amount.

During year 2014 in frame of the assets' impairment test, the value of the investment in the subsidiary company IATRIKI TECHNIKI S.A. was tested for impairment, in accordance with the provisions of IAS 36. As a result an impairment loss was recognized amounted to euro 2.615 that charged year's 2014 results.

In previous year an impairment test was performed on the accounting balance of Company's investment in subsidiary IATRIKI TECHNIKI S.A. The recoverable amount of the cash generating unit was determined based on its value in use. The value in use was calculated, based on projected cash flows, financial budgets approved by management that cover a five year period. The used discount rate before tax was 13.4%. Cash flows beyond the five year period were calculated on approximate basis with the help of the estimated growth rate of the sector, in which Company operates.

In current year 2016 and regarding the investments in Iatriki Techniki S.A. no indications for impairment testing arose since company based on past financial figures is estimated to reach satisfactory profitability and sufficient positive cash flows in the future.

Impairment per investment is analyzed as follows:

The Company	Participation percentage	Impairment	Impairment
in thousands of euro		31/12/2016	31/12/2015
Iatriki Techniki S.A.	100,00%	13.140	13.140
Axoniki Erevna S.A.	50,50%	535	535
Erevna S.A	51,00%	389	389
Hospital Affiliates International	68,89%	91	91
BIOAXIS SRL (former Medsana Srl)	78,90%	517	517
Athens Paediatrics Center	58,30%	169	169
Maternity clinic Gaia SA	100,00%	26.010	23.540
Eurosite S.A	100,00%	722	722
Total		**41.572**	**39.102**

The impairment movement is analyzed as folows:

in thousands of euro		31/12/2016	31/12/2015
Impairment at the beginning of the year		**-39.102**	**-39.102**
Impairment on investment in GAIA S.A.		-2.470	0
Impairment at the end of the year		**-41.572**	**-39.102**

22. Equity-accounted investees

i. Company

The investments in associates refer to the Company's participation in the capital share of the following companies in which no important influence is exercised.

The Company in thousands of euro	% Participation	31/12/2016	31/12/2015
Acquisition cost			
Interoptics S.A.(ex-In Health S.A.)	27,33%	205	205
Herodikos Ltd	20,00%	0	19
Total		**205**	**224**
Impairment		-205	-224
Net carrying amount		**0**	**0**

ii. Group

The movement of the figure equity-accounted investees in Group level is analyzed as follows:

in thousands of euro		31/12/2016	31/12/2015
Balance at the beginning of the year		**101**	**98**
Share in year's results		8	3
Balance at the end of the year		**109**	**101**

Summary financial information of associates

2016 in thousands of euro	Assets	Liabilities	Income	Gains / (Losses)	Group's percentage
Interoptics S.A.	1.427	1.028	2.637	28	8
Total					**8**

2015 in thousands of euro	Assets	Liabilities	Income	Gains / (Losses)	Group's percentage
Interoptics S.A.	1.757	1.385	2.473	11	3
Total					**3**

During year 2017 shares of associate Interoptics S.A. were sold for euro 61. This associate was not presented as non current asset held for sale in the financial statements of year 2016, according to the provisions of paragraph 12 of I.F.R.S. 5, as the conditions mentioned in paragraphs 7 and 8 of the same standard were met after the reporting period and before the approval of the financial statements. The gain due to the sale, to be recognized in the separate financial statements of parent company for year 2017, will amount to euro 61th.

23. Deferred tax assets - liabilities

The deferred income taxes related to the temporary differences between the book values and the tax bases of assets and liabilities are calculated using the applicable statutory income tax rate.

The movement of deferred tax assets and liabilities is as follows

The Group

2016 *in thousands of euro*	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets	Deferred tax liabilities
- Property plant and equipment	-26.831	-378	0	-27.209	0	-27.209
- Leases	-1.238	253	0	-985	0	-985
- Accounts receivable	10.069	-2.925	0	7.144	7.144	0
- Deferred expenses	305	-10	0	295	295	0
- Provision for retirement indemnities	2.153	110	634	2.897	2.897	0
- Other	-241	50	0	-190	0	-190
Total	**-15.782**	**-2.901**	**634**	**-18.049**	**10.336**	**-28.385**

The Group

2015 *in thousands of euro*	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets	Deferred tax liabilities
- Property plant and equipment	-24.183	-2.648	0	-26.831	0	-26.831
- Leases	-1.354	116	0	-1.238	0	-1.238
- Accounts receivable	6.198	3.872	0	10.069	10.069	0
- Deferred expenses	263	42	0	305	305	0
- Provision for retirement indemnities	2.190	368	-404	2.153	2.153	0
- Other	-108	-133	0	-241	0	-241
Total	**-16.994**	**1.616**	**-404**	**-15.782**	**12.528**	**-28.310**

The Company

2016 *in thousands of euro*	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets	Deferred tax liabilities
- Property plant and equipment	-26.829	-377	0	-27.206	0	-27.206
- Leases	-1.227	250	0	-977	0	-977
- Accounts receivable	10.069	-2.925	0	7.144	7.144	0
- Deferred expenses	300	-2	0	298	298	0
- Provision for retirement indemnities	2.126	113	631	2.870	2.870	0
- Other	-241	50	0	-190	0	-190
Total	**-15.802**	**-2.891**	**631**	**-18.061**	**10.312**	**-28.373**

The Company

2015 in thousands of euro	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets	Deferred tax liabilities
- Property plant and equipment	-24.179	-2.650	0	-26.829	0	-26.829
- Leases	-1.344	117	0	-1.227	0	-1.227
- Accounts receivable	6.198	3.872	0	10.069	10.069	0
- Deferred expenses	259	41	0	300	300	0
- Provision for retirement indemnities	2.165	366	-405	2.126	2.126	0
- Other	-108	-133	0	-241	0	-241
Total	**-17.009**	**1.613**	**-405**	**-15.802**	**12.495**	**-28.297**

The deferred tax assets and liabilities are offset when there is a legal right that makes it applicable to offset current net tax assets over liabilities and when the deferred taxes refer to the same tax authority. The company and Group do not recognize deferred tax asset on tax losses.

24. Inventories

The inventories are analyzed as follows:

	The Group		The Company	
in thousands of euro	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Merchandise	175	77	0	0
Raw materials and consumable materials	4.302	4.608	4.211	4.487
Total	**4.477**	**4.685**	**4.211**	**4.487**

No item of inventories of Group and Company has been pledged as security for liabilities.

According to law 3204/2003 Company has the ability to return to its suppliers pharmaceuticals (merchandise) that have expired or about to expire in the short run. Raw materials and consumable materials have long life and so there is no reason for them to be impaired.

25. Trade receivables

The trade accounts receivable are analyzed as follows:

	The Group		The Company	
in thousands of euro	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Trade debtors – open balances (before **Rebate** and **Clawback**)	137.715	131.758	137.264	131.340
Provisions for **Rebate** and **Clawback** (L.4172/2013 art. 100)	-27.128	-27.690	-27.128	-27.690
Trade debtors – open balances (after **Rebate** and **Clawback**)	**110.587**	**104.068**	**110.136**	**103.650**
Checks receivable (postdated) & bills receivable	18.567	18.452	18.565	18.451
Doubtfull debtors	1.505	1.003	1.505	1.003
Total before provisions	**130.658**	**123.523**	**130.206**	**123.104**
Less: Provision for impairment (trade debtors)	-26.883	-26.216	-26.878	-26.211
Less: Provision for impairment (trade accounts receivable)	-1.505	-1.003	-1.505	-1.003
Total	**102.270**	**96.304**	**101.824**	**95.889**

It is noted that the company in terms of the Company's common bond loan agreement, amount of euro 50,5 mil from receivables mentioned above related to public insurance organizations has been pledged in favour of the borrowing banks as assurance for maintaining loan's covenants at 31/12/2016.

The movement of Rebate and Clawback for Company and Group are as follows:

in thousands of euro			31/12/2016	31/12/2015
Beginning balance			**-27.690**	**-47.488**
Provision for year that charged the results			-10.561	-9.924
Utilization of provision due to credit notes issuance			11.122	29.722
Ending balance			**-27.128**	**-27.690**

Since July 2013 was implemented in accordance with the Article 100 of Law4172 / 2013, the following:

a) The establishment of a percentage of EOPYY balances for healthcare services providers regarding hospitalization, diagnostic centers and physiotherapy noted as a Rebate discount amount (herein "Rebate") each month. Rebate is calculated on a monthly basis and incorporated by 01.01.2016 upon the issued service invoices to EOPYY and therefore no longer a relative provision is required.

B) the automatic return mechanism (Claw-back) for healthcare services providers regarding hospitalization, diagnostic centers and physiotherapy. Under this mechanism, the monthly cost of EOPYY for diagnostic tests, treatment and physiotherapy provided by the contractual private healthcare providers cannot exceed the 1/12 of the budgeted authorized limit indicated from EOPYY. The excess amount, which is being sought by the contracted private healthcare providers with EOPYY is calculated on a monthly basis and paid after the written notification EOPYY send to each healthcare provider every six months. More specifically, the amount of return (claw-back) is calculated as the difference between budgeted and actual expenditure, resulting from the requested by the provider's expense, net of any rebates discount amounts and other non-acceptable costs at the time of calculation.

So far, with the exception of the fiscal year 2013, is not possible the quantification of the exact amount of budget and claw-back that corresponds to each clinic due to the non-disclosure of all parameters (industry and clinical separately) from EOPYY which can reliably lead to an accurate determination of the respective amounts.

For the current year the estimation of the amount of return (claw-back) was calculated based on the new calculation method and according to the Certificates of automatic return mechanism for the first half of 2016 notified by EOPYY in March 2017.

It should be clarified that the final amounts of the claw-back in 2014 and 2015 will occur if checked and submissions of all the years mentioned and finally ratified by EOPYY. In any case, management estimates that based on the available information, the Company's results have been charged with sufficient amounts for the years 2014 and 2015 and not expected any further negative change on them.

More specifically the movement of the impairment regarding clients and other trade receivables is as follows:

Maturity of trade accounts receivable is presented in the following table:

	The Group		The Company	
in thousands of euro	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Trade debtors (<365 days) - non past due	28.703	45.629	28.536	45.487
Checks receivable (postdated) & bills receivable (<365 days) - non past due	3.889	3.865	3.889	3.865
Trade debtors (>365 days) – past due	81.884	58.440	81.600	58.162
Checks receivable (postdated) & bills receivable (>365 days) - past due	14.678	14.588	14.676	14.586
Less: Provision for impairment	-26.883	-26.216	-26.878	-26.211
Other trade receivables - past due	1.505	1.003	1.505	1.003
Less: Provision for impairment	-1.505	-1.003	-1.505	-1.003
Total	**102.270**	**96.304**	**101.824**	**95.889**

Specifically the maturity of trade debtors – open balances (except checks and bills receivable) is presented in the following table:

	The Group		The Company	
in thousands of euro	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Trade debtors (<30 days)	10.221	9.444	10.123	9.345
Trade debtors (<30-60 days)	6.981	8.027	6.944	7.999
Trade debtors (<60-90 days)	5.607	4.778	5.600	4.773
Trade debtors (<90-180 days)	4.293	899	4.280	895
Trade debtors (<181-365 days)	1.601	22.481	1.589	22.476
Trade debtors (>365 days)	81.884	58.440	81.600	58.162
Total	**110.587**	**104.068**	**110.136**	**103.650**

The majority of trade receivables over 365 days mainly relates to public insurance organizations (€ 32.4 mil.), Ministry of the Libyan Health for the treatment of Libyan patients (€ 20.6 mil.) and private insurance companies (€ 4.7 mil.)of which credit risk is not considered significant.

In October 2016, pursuant to art. 52 of Law. 4430/2016, was determined the terms for repayment of balances overdue from EOPYY, which arose before and after its operation as EOPYY, to healthcare service providers. In particular, under the provisions of this Article, further discounts were determined in order for EOPPY to carry out, within 2017, in full payment of its debts were incorporated up to the year ended 2015 (including debts that was incorporated before the year 2012). It is noted that the Company has already made adequate provisions according to the relevant law described as above, and therefore, no further provision is required in Company's results.

Regarding the rest balances of trade receivables mainly relates to services to private patients (€ 24.7 mil.) for which an adequate provision has been created. It is noted that the Company has made a number of legal actions for the recovery of these outstanding balances that together with the Company's new certified processes and monitoring system for outstanding customer's balances will lead to positive results.

The Company impairs the value of the trade receivables balances when there is sufficient evidence or indications that indicate that the collection of each receivable balance is not possible in a part or as a whole. The Company's management periodically reassesses the adequacy of the provision for bad and doubtful debts in accordance with the credit policy and taking into account all the supporting documents and estimations provided by the Legal department, resulted from processing historical data and recent developments of the legal cases they are handling.

26. Other receivables

The other receivables are analyzed as follows:

	The Group		The Company	
in thousands of euro	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Retained taxes	4.621	4.553	4.364	4.235
Receivables from credit cards	597	704	597	704
Short-term receivables from affiliated companies	0	0	4.407	6.194
Other accounts receivable	4.171	6.447	1.887	4.184
Prepaid expenses and earned income	955	940	739	769
Advances to third parties	77	77	40	40
Impairment of receivables of other accounts receivable	0	0	-390	-390
Total	**10.421**	**12.722**	**11.644**	**15.736**

The Group proceeds to impairment tests of the above mentioned receivables regularly.

27. Cash and cash equivalents

The cash and cash equivalents are analyzed as follows:

	The Group		The Company	
in thousands of euro	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Cash in hand	765	1.370	729	1.305
Deposits (sight and time)	11.417	9.056	10.986	8.596
Total	**12.182**	**10.426**	**11.716**	**9.901**

In Bank deposits, there are deposits in other currencies included which are translated based on official exchange rate at each reporting date. Group's balance in foreign currency at 31 December 2016 came up to euro 222 (31 December 2015 : euro 201).

28. Capital and reserves

Share capital and share premium

The share capital of the Company in 31st December 2016, consists of 86.735.980 common nominal shares, with nominal value € 0,31 each.

	Number of shares	% participation
G. Apostolopoulos Holdings S.A.	33.955.539	39,15%
Asklepios International Gmbh	31.637.760	36,48%
CREDIT SUISSE AG	6.706.461	7,73%
EUROFINANCIERE D INVETSISSEMENT MONACO	2.585.057	2,98%
Free float < 2%	11.851.163	13,66%
	86.735.980	**100,00%**

The share premium of the Company resulted from the period of 1991 until the period of 2007, with a total amount of euro 19.777 by the issuing of shares against cash, in value greater than their nominal value.

The Company's shares are publicly traded in the Athens Stock Exchange.

Reserves

The legal, tax free and special reserves are analyzed as follows:

The Group		
in thousands of euro	**31/12/2016**	**31/12/2015**
Legal reserve	8.576	8.576
Tax free and specially taxed reserves	9.577	9.577
Other	-26	-22
Total	**18.127**	**18.131**
The Company		
in thousands of euro	**42.735**	**31/12/2015**
Legal reserve	8.064	8.064
Tax free and specially taxed reserves	9.356	9.356
Other	440	440
Total	**17.860**	**17.860**

Legal reserve

According to the Greek Company Law, the companies are obliged to form at least 5% of their annual net profits, as they are represented in the accounting books, in legal reserve, until the accumulated amount of the legal reserve reaches at least the 1/3 of the capital share. The above-mentioned reserve cannot be distributed during the operation of the Company.

Tax free and specially taxed reserve

The untaxed and specially taxed reserves represent interest income, which are tax free or taxed by 10% at their source. The particular income is not taxable under the condition that adequate profits exist, from which respective untaxed reserves can be formed. According to the Greek tax legislation, this reserve is excluded from income tax, under the condition that it will not be distributed to the shareholders. The Company does not intend to distribute the particular reserve and thus it has not proceeded to the estimation of deferred income tax that would have been necessary in the case of reserve distribution.

Additionaly in the above mentioned reserves a special reserve is included, amounted to euro 4.343 in Company and euro 4.437, in Group and was formed according to the provisions of L. 3697/2008. The tax liability which will accumulate due to the distribution of this special reserve, according to the provisions of L. 4172/2013 article 47, at 31st December 2016 amounts to in 1.259 euro for the Company and 1.287 euro for the Group.

Special reserves

The special reserves have been formed based on the decisions of the shareholders' General Assemblies. The Company does not intend to distribute the particular reserves.

29. Loans and borrowings

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

	The Group		The Company	
in thousands of euro	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Non-current loans				
Finance leases	11	74	5	16
Total	**11**	**74**	**5**	**16**
Current loans				
Common bond loan	132.626	137.651	132.626	137.651
Working capital	12.193	11.337	9.943	9.088
Finance leases	61	58	11	11
Total	**144.880**	**149.047**	**142.581**	**146.750**
Total of loans due	**144.892**	**149.121**	**142.586**	**146.766**

It is noted that in the above mentioned balance of €132.626 regarding the common boan loan, an amount of €-174 (contra account) is included, which refers to bond loan's management fees that are amortized over the loan's duration, according to the provisions of IAS 39.

The fair value of borrowings approaches their book value, as Group's and Company's borrowings are mainly based on floating rates.

Terms and repayment schedule

On July 12, 2012 the company has signed the Common Bond Loan Issuance Programme, according to the provisions of C.L. 2190/1920 and L. 3156/2003, through private placement to NATIONAL BANK OF GREECE S.A., EFG EUROBANK ERGASIAS S.A. and ALPHA BANK S.A., the last acting also as a "Manager", of total nominal value of up to 164.000.000,00 euros and granting of collaterals, following the decision of the 1st Repetitive Assembly of the Shareholders on 21st March 2012 and the decision of the Board of Directors on July 11, 2012.

The Loan's duration is 5 years with floating rate based on Euribor plus margin and is payable in ten (10) installments.

During 2016 the anpaid amount of bond loan was about 132.8mil. For this amount has been recognized total amount of expenses about 174 th. which are going to be depreciated thoughtout the period of loan.

Common bond loan covenants

The financial clauses of the Loan include presuppositions of minimum Net Debt, minimum proportion of Net Debt to EBITDA, EBITDA to the total amount of interest expenses minus interest income, total Bank Debt to the total Bank Debt plus Equity.

More specifically the financial clauses at 31 December 2016 are as following (consolidated amounts):

a) Net Debt (leasing and recourse factoring) to maintain lower or equal to 190.000.000 euros.

b) Net Debt (leasing and recourse factoring), to EBITDA to maintain lower or equal to 5 for year 2016.

c) EBITDA to the total amount of interest expenses minus interest income to maintain greater or equal to 4 for year 2016.

d) total Bank Debt to the total Bank Debt plus Equity to maintain for all common Bond loan's duration lower or equal to 0,6.

For previous year 2013-2015 three of the above mentioned clauses were not satisfied by the Company (b, c, and d), resulting to the reclassification of the common bond loan from long term to short term borrowings, according to IAS 1. For year 2016 the above mentioned loan is short term because of its schedule of payments.

In the year 2016 Company paid up bonds of total amount Euro 5.2mil while the liability for interest cost for the same year, was normally settled up. Up to 6th April 2017, the date of 2016 Financial Statements submission, portion of owed capital amounting to 50,3 mil.has been over due, from the total amount of bond loan which is 132,2 mil.

For the above bond issue, the Group is in discussions with Banks for the overall restructuring having already a draft loan agreement with the main terms of restructuring (term sheet) contract including among others the extension of the maturity of the loan in 5 years with a simultaneous modification of the repayment schedule of the outstanding principal current amount of bonds of € 50,3 mil., other terms, conditions and guarantees which are under negotiations and agreed with Banks. The agreement is expected to be signed before the expiration date of the existing contract and the successful completion of the agreement is an essential precondition for the adequacy of working capital ensuring the necessary liquidity of the Group and the Company respectively.

The other current bank loans included in the financial statements, except the common Bond Loan, have been received by the Company and its subsidiaries for serving their needs in working capital.

Weighted average interest margins

The relevant weighted average interest margins at the Financial Statement reporting date are as follows:

2016	**The Group**	**The Company**
Working capital	5,99%	6,04%
Common bond loan	4,75%	4,75%
2015	**The Group**	**The Company**
Working capital	6,53%	6,37%
Common bond loan	4,75%	4,75%

Currency break down

The currency break down of Company's and Group's loans at 31/12/2016 has as follows:

in thousands of euro	**The Group**	**The Company**
Euro	144.836	142.586
RON	56	0
Total	**144.892**	**142.586**

The currency break down of Company's and Group's loans at 31/12/2015 has as follows:

in thousands of euro	**The Group**	**The Company**
Euro	149.016	146.766
RON	105	0
Total	**149.121**	**146.766**

Finance lease liabilities

The liabilities that result from leases concern the leasing of mechanical – hospital equipment. The liabilities to the lessor are analyzed as follows:

Leasing Liabilities - Minimum payments of leases:				
	The Group		The Company	
in thousands of euro	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Up to 1 year	63	63	11	11
Between 1 & 5 years	11	76	5	16
Total	**74**	**139**	**16**	**28**
Future finance charges on finance leases	-2	-7	0	0
Present value of lease liability	**72**	**132**	**16**	**28**

The present value of the leasing liabilities is the following:				
	The Group		The Company	
in thousands of euro	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Up to 1 year	61	58	11	11
Between 1 & 5 years	11	74	5	16
Total	**72**	**132**	**16**	**28**

Over the leased assets ownership retention exists, which will stay in force until the ending of the leasing period and the payment in full of the leases.

There are no other guaranties and commitments of ownership or use over the fixed assets and the other assets of the Group, except the one mentioned in note 19.

30. Employee benefit expenses

According to the Greek employment legislation, the employees are entitled to receive compensation in case of dismissal or retirement, the amount of which varies depending on the salary, the years of service and the type of retirement (dismissal or pensioning) of the employee. Employees that resign or get dismissed with a justification are not entitled to receive compensation. The payable compensation in case of retirement equals the 40% of the compensation that would have been payable in case of an unjustified dismissal. In Greece, according to the local practice, these programs are not granted. The Company debits to the results for the accrued benefits in every period with a relevant rise of the pensioning liability. The payments of the benefits performed to the pensioners every period are charged against this liability. An renounced firm of independent analogists/actuaries evaluated the Company's and Group's liabilities at 31 December 2016, arising from its the obligation to pay retirement indemnities.
The amounts recognized in the Statement of Financial Position:

	The Group		The Company	
in thousands of euro	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Net liability in Balance Sheet	**9.989**	**7.426**	**9.897**	**7.331**

The amounts recognized in the Statement of profit and loss:

	The Group		The Company	
in thousands of euro	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Service cost	407	611	412	586
Interest cost	148	143	147	142
Total charge in statement of profit and loss	**555**	**754**	**558**	**728**

The amounts recognized in the comprehensive income Statement:

	The Group		The Company	
in thousands of euro	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Actuarial (losses) / gains	**-2.185**	**1.356**	**-2.177**	**1.355**

The movement of the net liability of the Company and the Group is the following:

	The Group		The Company	
in thousands of euro	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Net liability at the beginning of the year	**7.426**	**8.422**	**7.331**	**8.327**
Service cost	477	587	470	579
Interest cost	148	143	147	142
Paid up compensations	-177	-394	-168	-370
Additional cost and employment termination cost	-70	24	-58	7
Actuarial (losses) / gains	2.185	-1.356	2.177	-1.355
Net liability at the end of the year	**9.989**	**7.426**	**9.897**	**7.331**

The additional cost of extra benefits relates to benefits paid to employees, who became redundant. Most of these benefits were not expected within the terms of this plan and accordingly, the excess of benefit payments over existing reserves have been treated as an additional pension charge.

Actuarial assumptions

The details and principal assumptions of the actuarial study as at 31st of December 2016 and 31st of December 2015 is the following:

The Group		
Principal assumptions:	**2016**	**2015**
Discount rate	1,40%	2,00%
Rate of compensation increase	2,75%	3,00%
Increase in consumer price index	1,75%	2,00%

The Company		
Principal assumptions:	**2016**	**2015**
Discount rate	1,40%	2,00%
Rate of compensation increase	2,75%	3,00%
Increase in consumer price index	1,75%	2,00%

Actuarial gains (losses)

According to the revised IAS 19 the accumulated actuarial gains or losses recognized directly in other comprehensive income are as follows:

The Group		
in thousands of euro	**31/12/2016**	**31/12/2015**
Balance at the beginning of the year	**1.713**	**357**
Actuarial gains /(losses)	-2.185	1.356
Balance at the end of the year	**-472**	**1.713**

The Company		
in thousands of euro	**31/12/2016**	**31/12/2015**
Balance at the beginning of the year	**1.758**	**403**
Actuarial gains /(losses)	-2.177	1.355
Balance at the end of the year	**-419**	**1.758**

Sensitivity analysis

The effect on the present value of the commitment for certain employee benefits when we have a variation of the discount exchange rate of +/- 0,5% is on 31.12.2016 and 31.12.2015 as following:

	The Group		The Company	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
The effect on the the commitment for certain employee benefits	-/+ 7%	-/+ 7%	-/+ 7%	-/+ 7%

31. Other non current payables

	The Group		The Company	
in thousands of euro	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Insurance and pension contributions payable	3.220	4.577	3.220	4.577
Other	1	1	0	0
Total	**3.221**	**4.578**	**3.220**	**4.577**

The non current obligations of Company and by extension the Group, refer to non current portion of regulated liabilities to insurance funds (IKA and TSAY).

More specifically, during the previous year, Company proceeded to the regulation of its liabilities to IKA for years 2014 and January of 2015. The repayment period extends from the period of April 30 2015 to July 31, 2023.

Additionaly Company proceeded to a respective regulation liabilities to TSAY for years 2012, 2014 and 2015, during closing year. The repayment period extends from the period of April 30 2015 to January 31, 2019.

32. Trade payables

The trade accounts payable are analyzed as follows:

	The Group		The Company	
in thousands of euro	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Suppliers	68.184	72.312	81.247	85.869
Checks outstanding and bills payable (postdated)	6.697	8.000	6.137	6.386
Total	**74.882**	**80.312**	**87.384**	**92.255**

33. Other current payables

The other accounts payable are analyzed as follows:

	The Group		The Company	
in thousands of euro	**31/12/2016**	**31/12/2015**	**31/12/2016**	**31/12/2015**
Obligations to affiliated companies not included in the consolidation	0	31	0	31
Sundry creditors	16.936	16.769	14.132	13.898
Insurance and pension contributions payable	9.617	10.398	8.421	8.567
Accrued expenses	1.777	1.823	1.758	1.763
Dividends payable	108	72	0	0
Advances from clients	5.228	3.045	5.228	3.045
Other	1.590	1.379	1.350	1.146
Total	**35.257**	**33.516**	**30.888**	**28.450**

34. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Capital is monitored on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the consolidated balance sheet) less "Cash & cash equivalents". Total capital employed is calculated as "Total Equity" as shown in the consolidated balance sheet plus net debt.

	The Group		The Company	
in thousands of euro	**2016**	**2015**	**2016**	**2015**
Total Borrowing	144.892	149.121	142.586	146.766
Less: Cash and cash equivalents	12.182	10.426	11.716	9.901
Net Debt	**132.709**	**138.694**	**130.870**	**136.865**
Total Equity	60.757	58.847	63.746	64.846
Total Capital employed	**193.467**	**197.541**	**194.615**	**201.711**
Gearing ratio	**68,60%**	**70,21%**	**67,25%**	**67,85%**

The gearing ratio for year 2016 has decreased compared to the previous year 2015 in terms of Group and Company.

35. Fair value of financial instruments

a) Measurement of fair values

Group measures the fair value of assets and liabilities, that are traded in an active market, based on available market prices. Active market is the market when prices of organized market are available in a direct and regular basis from stockmarkets, external dealers – brokers, valuation services or supervising authorities and these values refer to common transactions among market participants, that take place regularly.

In all other cases, Group measures fair value by using valuation techniques, that are appropriate for specific circumstances and for which available and sufficient data exist for valuation purposes, which on one hand maximize the use of relative observable values and on the other hand minimize the use of non observable values. In cases no observable market data exist, data based on internal assessments and assumptions are used, for example determination of projected cash flows, discounting rates e.t.c.. In every case Group uses assumptions for measuring the fair value, which would be used by market participants, given that they act according to their best financial interest.

All items af assets and liabilities, measured at fair value or for which fair value is disclosed, are categorized in terms of the quality of data used in the measurement of their fair value as follows:

• level 1: Published purchase prices (not revised or adjusted) for financial assets that are traded in active capital markets
• level 2: Valuation tecniques based directly on published purchase prices or computed indirectly from published purchase prices of similar instruments
• level 3: Valuation tecniques which are based on available information or Group's estimations as there are no observable data in the market.

Since January 1 2009, Group applies the amendment of IFRS 7, which requires the disclosure of financial assets measured at fair value according to a hierarchy of 3 levels.

At 31/12/2016 there are no assets or liabilities that are measured at fair value.

Fair value of the Group's and Company's financial assets and liabilities mentioned below, approximate their accounting balance.

- Trade receivables
- Other current assets
- Cash and cash equivalents
- Other non current assets
- Trade teceivables
- Other current liabilities
- Bank loans
- Other non current liabilities

b) Transfers between levels 1,2 and 3.

During the year no reclass took place among levels 1, 2, 3 relevant to fair value measurement.

36. Risk management

Company and Group are exposed to the following risks from using financial instruments:

- Credit risk
- Liquidity risk
- Market risk

a) Risk management framework

Management is generally responsible for establishing and supervising the framework for managing Company's and Group's risks. Managing financial risk aims to limit the above mentioned risks in terms of constant operation and funding of activities. Company's and Group's risk management policies have been introduced for locating and analyzing the risks Company and Group face, in order to set up the appropriate risk limits and their audit procedure, as well as the monitoring of risks and the compliance to the limits set up by Company and Group. Risks management policies and systems are regularly checked to reflect changes in market's circumstances and in Company's and Group's operations. Company and Group through personnel training and standards set up by management aim to develop a disciplined and constructive environment for control, in which all employees understand their roles and their obligations and in which the undertaking of risks and relevant antimeasures that reduce the risks, is explicitely defined.

The audit committee of Athens Medical Group supervises the way management monitors the compliance to the policies and risk management procedures for Company and Group and tests the adequacy of the risk management framework in terms of the risks both Company and Group face. Audit committee gets help to its work from internal audit service. Internal audit takes over the putting through of periodic and special purpose surveys of assurance valves and procedures, relating to risk management, the results of which are disclosed to the audit committee.

b) Credit risk

Credit risk arises, from credit exposures to customers, including outstanding receivables and conducted transactions of significance.

The maximum exposure to credit risk at the reporting date is as follows:

	The Group		The Company	
in thousands of euro	**2016**	**2015**	**2016**	**2015**
Cash and cash equivalents	12.182	10.426	11.716	9.901
Trade receivables	102.270	96.304	101.824	95.889
Other receivables	10.421	12.722	11.644	15.736
Derivatives	0	0	0	0
Other non current assets	277	438	276	434
Total	**125.150**	**119.890**	**125.460**	**121.960**

The major part of trade receivables comes from public insurance organizations and private insurance companies, whose credit risk is not considered significant in terms of Company's assets and liabilities except extraordinary events. Regarding the rest of debtors, represented by sale to individuals, risk is diversified due to the great number of debtors. (See Note 25). Credit control department assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Trade debtors credit limits are set based on internal ratings in accordance with limits set by management.

The Company's and Group's value of trade receivables is impaired, when there is evidence or indications that the collection of each receivable in whole or up to a percentage is not feasible. The Group's management proceeds to periodic revaluation of the formulated provision for doubtful debts in relation to the credit policy and data from the Group's Law Department, which arise from processing past data and recent developments of each case the department manages.

For other receivables credit risk is considered of no significance.

Furthermore in terms of cash and cash equivalents, Group and Company cooperate only with renounced credit institutions of highly credited ratings.

c) Liquidity risk

Liquidity risk is the risk of dealing with the difficulty in satisfying liabilities relating to financial liabilities, which are settled with cash or other financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed credit facilities. Furthermore, the Group estimates and controls its cash flows on a regular time basis.

The following table depicts Group's and Company's financial liabilties classified in groups by the time period, estimated from the reporting date to the contractual date payable. As is is point out in note 5, Company and Group are in negotiation process with banks about the refunding of existing borrowings and their conversion to non current ones.(see Note **5 Going concern capability of the Company's operational activity)**

Group 31/12/2016 in thousands of euro	Less than 1 year	Between 1 and 5 years	Over 5 years
Borrowings	144.880	11	0
Trade accounts payable and other liabilities	110.139	2.605	616
Total	**255.019**	**2.616**	**616**

Group 31/12/2015 in thousands of euro	Less than 1 year	Between 1 and 5 years	Over 5 years
Borrowings	149.047	74	0
Trade accounts payable and other liabilities	113.829	3.572	1.005
Total	**262.876**	**3.646**	**1.005**

Company 31/12/2016 in thousands of euro	Less than 1 year	Between 1 and 5 years	Over 5 years
Borrowings	142.581	5	0
Trade accounts payable and other liabilities	118.272	2.604	616
Total	**260.853**	**2.609**	**616**

Company 31/12/2015 in thousands of euro	Less than 1 year	Between 1 and 5 years	Over 5 years
Borrowings	146.750	16	0
Trade accounts payable and other liabilities	120.705	3.572	1.005
Total	**267.455**	**3.588**	**1.005**

d) Market risk

Market risk is the risk, changes in market prices like exchange rates, interest rates and prices of shares affecting Company's and Group's income, or the value of their financial assets. Market risk management aims to control and test the exposure in martket risk in acceptable level, by maximizing the return with which Company and Group perform these transactions by specific guidelines arising from risk management framework.

- **Foreign exchange translation risk (FX translation risk)**

The Group holds participations (business operations) in Romania, whose net assets are exposed to FX translation risk. This kind of FX translation risk derives from the exchange rate RON / € and it is not hedged as there is no substantial exposure. Group's management constantly monitors FX translation risks, that might arise and evaluates the need to take relative actions.

Presume that there is a change (depreciation/appreciation) at 31st of December 2016 concerning the exchange rate of RON/€ at a level of 0,1% (respectively at a level of 0,1% for previous year). The effect on Group's results for the year as well as on Group's equity, due to the translation of the results of company MEDSANA BMC from its functional currency to Euro, is disposed in the table below:

The Group in thousands of euro	2016	2015	2016	2015
Appreciation / (Depreciation)	0,10%	0,10%	-0,10%	-0,10%
Net profit				
gain /(loss)	0	0	0	0
Equity				
gain /(loss)	0	0	0	0

This percentage of 0,1% depreciation/appreciation was based on the average volatility in the exchange rates market for a twelve-month period for year 2016.

Foreign exchange rate

Exchange rate for year 2016	Balance Sheet	Profit and Loss
1€=RON	4,5239	4,4904
Exchange rate for year 2015	**Balance Sheet**	**Profit and Loss**
1€=RON	4,5240	4,4454

- **Price risk**

The Group and the Company is not exposed to securities price risk as it has no investment in entities classified, in the consolidated balance sheet, as financial assets at fair value through income statement.

- **Cash flow and fair value interest rate risk**

The group's interest rate risk arises from long-term and short-term borrowings. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Depending on the levels of net debt, any change in the base interest rates (EURIBOR), has a proportionate impact on the Group's and Company's results. For diminishing the effect of the above mentioned interest rate risk beginning from year 2008 Group and Company entered financial contracts for interest rate risk hedging purposes. These financial instruments, are measured at fair value and are recognized as assets or liabilities in the Financial Statement.

The Group's policy is to minimize its exposure to interest rate cash flows risk with regard to financing issued at variable rates, to maintain its borrowings at low levels but at the same time make sure of the funding by cooperative banks that satisfy, by all means, the planned growth of the Group and the Company.

A detailed report of Company's and Group's loans is found in Note 30.

The table below presents the effect on Group's and Company's results for year 2016 and 2015 as well as on Group's and Company's equity at 31st December 2016 and 31st December 2015 (sensitivity analysis) at a rate volatility (increase/decrease) of EURIBOR by 0,5% .

	The Group				The Company			
in thousands of euro	2016		2015		2016		2015	
	0,50%	-0,50%	0,50%	-0,50%	0,50%	-0,50%	0,50%	-0,50%
Net profit								
gain /(loss)	-615	615	-768	768	-599	599	-757	757
Equity								
gain /(loss)	-615	615	-768	768	-599	599	-757	757

The above table does not include the positive effect of interest received from bank deposits.

37. Commitments

i. Commitments from operational leases

The 31st of December 2016 the Group and the Company had various agreements of operational lease, concerning the renting of buildings and transportation equipment and they end in several dates.

The renting expenses are included in the accompanying consolidated income statement of the period ended in the 31st of December 2016 and they amount to € 2.037 (€2.100 at 31st December 2015).

The minimum future payable rental leases based on non-reversible contracts of operational leases in 31st of December 2016 and 31st of December 2015 are as follows:

in thousands of euro	31/12/2016	
Commitments from operational leases:	**The Group**	**The Company**
Within 1 year	2.400	2.341
1-5 years	7.151	6.435
Over 5 years	11.048	10.981
Total	**20.599**	**19.757**

in thousands of euro	31/12/2015	
Commitments from operational leases:	**The Group**	**The Company**
Within 1 year	2.200	2.367
1-5 years	6.447	6.623
Over 5 years	12.258	12.258
Total	**20.905**	**21.248**

ii. Lawsuits/litigation and claims

The Group at 31st December 2016 had issued letters of guarantee for good performance for a total amount of € 132 (€ 171 in year 2015).

38. Contingent assets and liabilities

The Company and the Group is involved (in its capacity as defendant and as plaintiff) in various lawsuits and legal amperages in the framework of its normal operation. The Management, as well as its legal advisors estimates that all the pending cases are expected to be settled without any significant negative repercussions on the consolidated financial position of the Company and the Group or in the results of its operation.

The Company has excercised legal remedies for annulment against the relevant Health Ministry decisions to the Council of the State and has also excercised appeals and applications for suspention against the stand alone acts of EOPYY to the Administrative Court of Appeal. We note that following the verdicts of the Administrative Court of Appeal, the power of these decisions of EOPYY has been suspended. However these decisions are considered to be outstanding and are refered to the Council of the State. Company’s management with the agreed opinion of its legal advisors although it expects to be justified, for reasons of prudence and in view of providing a complete picture of the anticipated effect on the Company’s and Group’s financial results, included the above mentioned amounts in its financial statements. Additionaly and for tax compliance purposes proceeded to the issuance of relevant credit notes, based on the updated certifications for the amounts of Clawback and Rebate, issued by EOPYY.

39. Related parties

The Company and its subsidiaries are related to the following legal and natural persons:

- due to the majority of shares acquisition in its capital with Mr. Georgios Apostolopoulos and the legal persons or other business activities he is related with
- with its subsidiaries including their main shareholders and the members of their Boards of Directors
- with the members of the Company’s Board of Directors.

The transactions with its subsidiaries are mainly concerning the provision of commercial services, as well as the purchasing and selling of goods. The transactions are realized within the normal operating framework of the Company.

The relative balances receivable from affiliated companies are not covered by securities, mortgages and their payment in full is conducted by cash payment within the time limits agreed between the companies in question.

The Management of the Company does not regard that a provision/allowance for a possible non-collection of its subsidiaries related receivables is needed, hence no provision/allowance for doubtful debtors against these receivables is formed, except the case of subsidiary Hospital Affiliates International (see note 26) and associate company LAVIE ASSURANCE (see below).

The balances receivable/(payable) of the related party accounts of the Group are as follows:

A. Transactions with key management personnel

2016		
in thousands of euro	**The Group**	**The Company**
Compensations of executives and members of the Board	4.680	4.193

2016		
in thousands of euro	**The Group**	**The Company**
Liabilities to executives and members of the Board	2.090	1.840

2015		
in thousands of euro	**The Group**	**The Company**
Compensations of executives and members of the Board	5.595	4.955

2015		
in thousands of euro	**The Group**	**The Company**
Liabilities to executives and members of the Board	2.194	2.086

B. Other related party transactions

i. Subsidiaries

2016	Company			
in thousands of euro	Receivables	Liabilities	Income	Purchases
IATRIKI TECHNIKI S.A.	0	35.536	4	10.057
EREVNA S.A.	0	0	0	0
PHYSIOTHERAPY CENTER S.A.	0	331	122	373
EUROSITE	3.381	0	56	0
GAIA	589	0	1	0
HOSPITAL AFFILLIATES INTERNATIONAL S.A.	437	0	0	0
TOTAL	4.407	35.867	184	10.430

2016	Company	
in thousands of euro	Receivables from dividends	Income from dividends
PHYSIOTHERAPY CENTER S.A.	0	31
TOTAL	0	31

2015	Company			
in thousands of euro	Receivables	Liabilities	Income	Purchases
IATRIKI TECHNIKI S.A.	0	35.077	15	9.644
EREVNA S.A.	0	31	0	0
PHYSIOTHERAPY CENTER S.A.	0	269	112	368
EUROSITE	3.456	0	57	0
GAIA	2.346	0	1	0
HOSPITAL AFFILLIATES INTERNATIONAL S.A.	392	0	0	0
TOTAL	6.194	35.377	185	10.013

2015	Company	
in thousands of euro	Receivables from dividends	Income from dividends
PHYSIOTHERAPY CENTER S.A.	0	40
TOTAL	0	40

Part of Company's receivables from subsidiaries Eurosite S.A. and Gaia S.A.and specifically receivables amounted to euro 1.548 and euro 389 respectively, refer to deposits of Parent Company for the purpose of future share capital increase of these subsidiaries. The rest of the receivables of the above mentioned companies, refer to financial facilitation. In year 2012, the company in relation to receivables from ***LAVIE ASSURANCE*** of 1.647 euro (in 31/12/2016), formed provision for impairment loss of 909 euro, charging its results. Finally, in year 2013 regarding the receivables of euro 437 (at 31/12/2016) from Hospital Affiliates International S.A., the Company formed impairment, charging this year's results, amounted to euro 390 (see note 26).

The purchases of the Company mainly refer to purchases of medical materials from IATRIKI TECHNIKI S.A. transacted in the normal course of business. Liabilities exist due to this commercial relationship.

Purchases from PHYSIOTHERAPY CENTER S.A. refer to health services that were provided by the subsidiary to patients of the Group's Clinics.

Also Parent Company has guaranted in favour of subsidiary Medsana for its borrowings (financial leases) amounted to 56 euro. The above mentioned subsidiary, in year 2017, will proceed to an investement of medical equipment estimated to amount to 1,47 mil (no VAT included).

ii Associates - other

	The Group				The Company			
2016	Receivables at	Liabilities at	Income for the period	Purchases for the period	Receivables at	Liabilities at	Income for the period	Purchases for the period
in thousands of euro	31/12/2015	31/12/2015	1/1-31/12/2015	1/1-31/12/2015	31/12/2015	31/12/2015	1/1-31/12/2015	1/1-31/12/2015
IKODOMIKI EKMETALEFTIKI S.A.	3	0	0	0	3	0	0	0
LA VIE Assurance	1.647	39	0	0	1.647	39	0	0
KORINTHIAKOS RYTHMOS	3	121	0	439	3	71	0	360
TRADOR S.A.	0	0	0	0	0	0	0	0
TOTAL	1.653	159	0	439	1.653	110	0	360

	The Group				The Company			
2015	Receivables at	Liabilities at	Income for the period	Purchases for the period	Receivables at	Liabilities at	Income for the period	Purchases for the period
in thousands of euro	31/12/2015	31/12/2015	1/1-31/12/2015	1/1-31/12/2015	31/12/2015	31/12/2015	1/1-31/12/2015	1/1-31/12/2015
IKODOMIKI EKMETALEFTIKI S.A.	3	0	0	0	3	0	0	0
LA VIE Assurance	1.744	39	0	0	1.744	39	0	0
SYCHRONI ECHODIAGNOSI	0	27	0	0	0	27	0	0
KORINTHIAKOS RYTHMOS	6	557	0	466	6	29	0	382
TRADOR S.A.	26	0	0	0	26	0	0	0
AGGEIOLOGIKI DIEREVNISI S.A.	0	4	0	0	0	4	0	0
TOTAL	1.779	627	0	466	1.779	99	0	382

40. Subsequent events

There are not any subsequent from the Financial Statements events, that refer to the Group or the Company in which relevant disclosure is required by the International Financial Reporting Standards.

41. Information of article 10 cl. 3401/2005

The Company during the year 1/1/2016 – 31/12/2016, provided at the disposal of the public the following information, which are available in the web site:www.iatriko.gr.

Date	Information	WEB SITE ADDRESS
18/01/2016	Announcement L. 3556/2007	www.iatriko.gr
30/03/2016	Annoucement of Financial Calendar	www.iatriko.gr
31/03/2016	Financial Statement	www.iatriko.gr
31/03/2016	Financial Statement	www.iatriko.gr
31/03/2016	Financial Statement and information according to IFRS	www.iatriko.gr
31/03/2016	Financial Statement and information according to IFRS	www.iatriko.gr
31/03/2016	Financial Statement	www.iatriko.gr
04/04/2016	Financial Statement	www.iatriko.gr
31/03/2016	Annoucement on Financial Statements/Reports	www.iatriko.gr
13/04/2016	Financial Statement	www.iatriko.gr
27/04/2016	Annoucement of state of origin	www.iatriko.gr
27/04/2016	Annoucement of tax audit results	www.iatriko.gr
01/06/2016	Announcement about the presentation to the analysts	www.iatriko.gr
02/06/2016	Annoucement of General Assembly	www.iatriko.gr
02/06/2016	Announcement about the presentation to the analysts	www.iatriko.gr
24/06/2016	Announcement about decisions of General Meeting	www.iatriko.gr
23/06/2016	Announcement about decisions of General Meeting	www.iatriko.gr
26/07/2016	Annoucements of other significant events	www.iatriko.gr
13/07/2016	Notification of change of BOD composition	www.iatriko.gr
30/09/2016	Financial Statement	www.iatriko.gr
30/09/2016	Financial Statement	www.iatriko.gr
30/09/2016	Financial Statement	www.iatriko.gr
30/09/2016	Financial Statement	www.iatriko.gr
30/09/2016	Annoucement on Financial Statements/Reports	www.iatriko.gr
18/10/2016	Trade Announcement	www.iatriko.gr
18/10/2016	Announcement L. 3556/2007	www.iatriko.gr

42. web site address

The Company's annual Financial Statement, consolidated and separate, the report of the Board of Directors as well as the Independent Auditor's report are uploaded to the internet address www.iatriko.gr .

Marousi, 6/4/2017

THE PRESIDENT OF THE BOD	THE CHIEF EXECUTIVE OFFICER AND MEMBER OF THE BOD	THE GENERAL GROUP CFO	THE PARENT CFO	THE PARENT CHIEF ACCOUNTANT
GEORGIOS V. APOSTOLOPOULOS ID AK 038305	VASSILIOS G. APOSTOLOPOULOS ID Ξ 350622	EMMANOUIL P. MARKOPOULOS ID Π 001034	PETROS D. ADAMOPOULOS ID AZ 533419	PANAGIOTIS CH. KATSICHTIS ID AB 052569 O.E.E. Rank No.17856 Classification A'

43. Financial statement and information

ATHENS MEDICAL CENTER S.A.

5-7 Distomou Str, 15125 Marousi

FINANCIAL STATEMENT AND INFORMATION FOR THE YEAR 1 January 2016 until 31 December 2016

(In accordance to L.2190/20, article 135 for companies that prepare annual financial statements, consolidated and not, according to IFRS)

The following results and information, that arise from the company's financial statements, provide a general picture of the financial position and financial results of the ATHENS MEDICAL CENTER S.A. (issuer) and the Group. Thus we suggest the reader, before entering into any sort of investment decision or other transaction with the company to gain access to the company's web site, where the financial statements can be downloaded, as well as the Auditor's Certificate.

Prefecture:	Ministry of Development and Competitiveness - Department for Limited Companies
Company's web site:	www.iatriko.gr
Date of approval by the Board of Directors of the annual Financial Statements :	6 April 2017
Certified Auditor Accountant :	Panagiotis Boumbos Certified Auditor Accountant AM SOEL 22011
Auditing Company :	KPMG Certified Auditors A.E. SOEL 114
Type of Auditor's Certificate :	Unqualified opinion- emphasis of matter

Company's Board of Directors

Name	Position
Dr. George V. Apostolopoulos	President
Dr. Vassilios G. Apostolopoulos	CEO
Christos G. Apostolopoulos	Vice President
Dr. Jan Liersch Ruediger	Member (non executive)
Nikolaos Kontaxis	Member (independent non executive)
Konstantinos Pamboukis	Member (independent non executive)
Vassilios Tountopoulos	Member (independent non executive)

STATEMENT OF FINANCIAL POSITION (annual consolidated and non consolidated) amounts in €

	GROUP 31/12/2016	GROUP 31/12/2015	PARENT 31/12/2016	PARENT 31/12/2015
ASSETS				
Property, plant and equipment	228.251.704,84	232.712.971,12	216.436.439,35	220.667.363,41
Intangible assets	339.236,30	325.267,70	335.030,13	321.371,23
Other non current assets	10.721.463,97	13.087.176,74	30.659.359,75	33.000.878,77
Inventory	4.476.918,19	4.684.945,97	4.210.747,98	4.467.412,04
Receivables (trade debtors)	83.703.511,76	77.851.841,08	83.256.486,81	77.438.437,59
Other current assets	41.169.609,08	41.600.341,97	41.825.254,78	44.067.354,15
TOTAL ASSETS	[illegible]	[illegible]	[illegible]	[illegible]
EQUITY AND LIABILITIES				
Share capital	26.888.153,80	26.888.153,80	26.888.153,80	26.888.153,80
Other components of equity	33.766.075,40	31.850.542,39	36.857.513,92	37.957.348,14
Total equity attributable to owners of the parent (a)	60.654.229,20	58.738.696,19	63.745.667,72	64.845.502,94
Non controlling interests (b)	103.075,49	108.036,12		
Total Equity (c) = (a)+(b)	60.757.304,69	58.846.732,31	63.745.667,72	64.845.502,94
Long term borrowings	11.161,70	74.106,70	4.787,66	16.271,66
Long term provisions / Non current liabilities	41.594.875,95	40.312.784,33	41.489.563,75	40.203.989,21
Short term borrowings	144.880.368,27	149.046.645,33	142.580.817,25	146.749.877,31
Other current liabilities	121.418.753,80	121.862.308,89	129.304.479,35	128.366.977,25
Total liabilities (d)	307.905.159,35	311.295.845,25	313.579.648,04	315.357.215,35
TOTAL EQUITY AND LIABILITIES (c)+(d)	[illegible]	[illegible]	[illegible]	[illegible]

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR (annual consolidated and non consolidated) amounts in €

	GROUP 31/12/2016	GROUP 31/12/2015	PARENT 31/12/2016	PARENT 31/12/2015
Total equity in the beginning of the year (1/1/2016 and 1/1/2015 accordingly)	58.846.732,31	73.664.747,96	64.845.502,94	79.500.748,19
Total comprehensive income after taxes (continued and discontinued operations)	1.972.872,44	-14.828.025,64	-1.099.835,22	-14.655.245,35
Dividend distributed	-62.300,07	-129.990,00	0,00	0,00
Total equity at the end of the year (31/12/2016 and 31/12/2015 accordingly)	60.757.304,69	58.846.732,31	63.745.667,72	64.845.502,94

CASH FLOW STATEMENT FOR THE YEAR (annual consolidated and non consolidated) amounts in €

Indirect method	GROUP 1/1-31/12/2016	GROUP 1/1-31/12/2015	PARENT 1/1-31/12/2016	PARENT 1/1-31/12/2015
Operating Activities :				
Profit / (Loss) before taxes (continued operations)	6.761.234,24	-16.246.702,31	3.336.089,52	-16.267.658,48
Plus/Less adjustments for :				
Depreciation	8.210.729,40	9.058.799,70	8.021.396,68	8.337.456,59
Impairment of tangible and intangible fixed assets	0,00	1.714.826,69	0,00	1.714.826,69
Provisions	2.512.912,58	4.337.231,10	2.524.511,24	4.331.845,30
Exchange differences	-395,00	10.095,00	0,00	0,00
Results (revenue, expenses, gains and losses) from investing activities	-16.003,06	-1.316.990,08	-38.032,48	-1.352.346,32
Interest expenses and related costs	8.494.612,80	9.809.465,94	10.802.986,18	9.614.091,28
Plus/Less adjustments for changes in working capital or related to operating activities :				
Decrease / (increase) in inventories	208.030,79	-123.624,48	276.664,06	-140.558,57
Decrease / (increase) in receivables	-6.790.179,12	6.781.385,83	-3.966.426,59	6.397.301,84
(Decrease) / increase in liabilities (except for borrowings)	-1.985.671,50	8.346.082,79	-593.776,33	8.446.265,30
Less :				
Interest charges and related expenses paid	-8.346.168,37	-9.322.837,96	-8.186.375,34	-9.126.741,52
Paid taxes	-273.735,25	-159.490,27	-145.464,33	0,00
Total inflows / (Outflows) from Operating Activities (a)	[illegible]	[illegible]	[illegible]	[illegible]
Investing Activities				
Purchase of tangible and intangible fixed assets	-3.767.663,64	-2.009.299,08	-3.608.466,73	-1.948.810,16
Cash collection from the sale of tangible and intangible fixed assets	8.458,73	5.653,00	8.158,73	5.500,00
Cash flows (inflows) from the sale (aquisition) of investments (shares, securities)	0,00	49.892,44	-2.470.000,00	49.892,44
Income from interest	4.411,28	351.386,47	3.680,65	350.489,16
Income from dividend	0,00	0,00	30.685,11	39.600,00
Total inflows / (Outflows) from Investing Activities (b)	[illegible]	[illegible]	[illegible]	[illegible]
Financing Activities				
Receipts from borrowings	1.191.868,65	0,00	1.191.868,65	0,00
Debt repayment	-5.361.028,71	-5.761.238,41	-5.361.028,71	-5.761.238,41
Payments of financial leasing (Capital installments)	-60.062,00	-65.266,03	-11.484,00	-11.484,00
Dividend paid	-35.370,01	-57.630,00	0,00	0,00
Total inflows / (Outflows) from Financing Activities (c)	[illegible]	[illegible]	[illegible]	[illegible]
Net increase / (Decrease) in Cash and Cash Equivalents for the year (a)+(b)+(c)	[illegible]	[illegible]	[illegible]	[illegible]
Cash and Cash Equivalents (beginning)	[illegible]	[illegible]	[illegible]	[illegible]
Cash and Cash Equivalents (year end)	[illegible]	[illegible]	[illegible]	[illegible]

STATEMENT OF COMPREHENSIVE INCOME (annual consolidated and non consolidated) amounts in €

	GROUP 1/1-31/12/2016	GROUP 1/1-31/12/2015	PARENT 1/1-31/12/2016	PARENT 1/1-31/12/2015
Turnover	167.346.104,73	158.091.903,85	162.676.475,07	153.603.876,13
Gross profit / (loss)	37.290.615,69	26.264.303,38	34.761.336,78	23.540.112,52
Profit / (Loss) before taxes, financing and investing activity	15.239.641,98	-6.039.399,76	14.101.043,22	-6.291.080,83
Profit / (Loss) before taxes	6.761.234,24	-16.246.702,31	3.336.089,52	-16.267.658,48
Profit / (Loss) after taxes (A)	3.527.674,78	-15.771.544,48	445.479,86	-15.604.923,96
Attributable to:				
Owners of the parent	3.468.671,42	-15.772.536,32	445.479,86	-15.604.923,96
Non controlling interests	59.003,36	991,84		
Other comprehensive income after taxes (B)	-1.555.002,34	943.518,84	-1.545.315,08	949.678,71
Total comprehensive income after taxes (A)+(B)	1.972.672,44	-14.828.025,64	-1.099.835,22	-14.655.245,35
Attributable to:				
Owners of the parent	1.915.533,00	-14.829.017,48	-1.099.835,22	-14.655.245,35
Non controlling interests	57.339,44	991,84		
Earnings (after taxes) per share - basic in €	0,0400	-0,1818	0,0051	-0,1799
Proposed dividend per share - in €			0,0000	0,0000
Profit / (Loss) before taxes, financing and investing activity and depreciation	23.450.371,38	3.017.399,94	22.122.341,90	2.046.375,85

ADDITIONAL INFORMATION :

Group Structure

Companies	Residence	Participation (%)	Consolidation Method	Tax Unaudited Years
ATHENS MEDICAL CENTER SA	Marousi Attica	Parent Co		2016
IATRIKI TECHNIKI SA	Kifisia Attica	100,00	TOTAL	2009, 2016
AKSONIKI EREVNA SA	Marousi Attica	50,50	TOTAL	2007-2016
EREVNA SA	Marousi Attica	51,00	TOTAL	2007-2016
PHYSIOTHERAPY CENTER SA	Marousi Attica	33,00	TOTAL	2010, 2016
HOSPITAL AFFILIATES INTERNATIONAL SA	Kifisia Attica	68,89	TOTAL	2007-2010 & 2012 - 2016
MEDSANA BMC	Bucharest Romania	100,00	TOTAL	--
BIOAXIS SRL (former MEDSANA SRL)	Bucharest Romania	78,90	TOTAL	--
EUROSITE SA	Marousi Attica	100,00	TOTAL	2014 - 2016
GAIA SA	Athens	100,00	TOTAL	2009-2010, 2015 - 2016
INTEROPTICS SA	Athens	27,33	EQUITY METHOD	2013-2016

1. All companies in the group are those described in the above table titled "Group Structure". There is no deviation in the companies and the method of consolidation relative to that used in the financial statements of the previous year 2015.

2. Matter of emphasis of Auditors' refers to the fact that at 31st December 2016 the Company's total current liabilities exceed their total current assets, by euro 142 mil. Also it is noted that the company is in the process of negotiations with creditor banks regarding the restructuring of current short term borrowings, amounted to euro 132 mil. from which an amount of euro 50 mil. is due while an amount of euro 82 mil. is payable to July 2017. These circumstances state the existence of uncertainty which may cause doubt regarding the Company's going concern.

3. There are pledges against the parent company's land and buildings, which refer to mortgage attachment amounted to 196,8 mil.

4. There are no legal disputes against Company that could have a significant effect on the company's and the group's financial structure.

5. The total number of employees for year 2016 was: group 2.861 (2.804 for year 2015) and parent co 2.710 (2.656 for year 2015) respectively.

6. Profit/(losses) per share was calculated using the average weighted number of total shares issued.

7. At 31/12/2016 no treasury shares were held by parent company, nor its subsidiaries.

8. Disclosures of transactions with related parties of group and company as defined in IAS 24 (amounts in €) :

	GROUP	PARENT
a) Revenue	0,00	214.303,58
b) Expenses	438.711,08	10.790.013,05
c) Receivables	1.863.219,80	6.060.491,77
d) Liabilities	159.472,80	38.976.420,38
e) Transactions and compensations of executives and members of the Board	4.679.911,21	4.193.488,08
f) Receivables from executives and members of the Board	0,00	0,00
g) Liabilities to executives and members of the Board	2.090.019,61	1.840.421,34

9. The amounts of formed provisions are the following (amounts in €):

	GROUP	PARENT
a) Legal disputes	207.776,98	0,00
b) Tax unaudited years	250.687,00	154.188,00
c) Other provisions	978,00	0,00

10. The amount of other comprehensive income after taxes of group for year 1/1-31/12/2016 € -1.555 th includes exchange differences expense amounted to € -3 th, deferred tax income amounted to € 634 th, recognized actuarial losses amounted to € -2.186 th. The respective amount € 944 th for year 1/1-31/12/2015 includes exchange differences expense amounted to € 9 th,deferred tax expense amounted to € 404 th, recognized actuarial gains € 1.358 th . The amount of other comprehensive income after taxes of company for year 1/1-31/12/2016 € -1.545 th, includes deferred tax income amounted to € 631 th, recognized actuarial losses € -2.176 th. The respective amount € 950 th for year 1/1-31/12/2015 includes deferred tax expense amounted to € 408 th, recognized actuarial gains € 1.358 th.

11. A detailed report to group's structure is found in paragraphs 1 "General information about Company and Group", 8a "Accounting Policies ", as well as in paragraphs 21 "Investments in Subsidiaries" and 22 " Equity accounted investees " of the Annual Financial Report.

12. The accounting policies, applied by the Group and the Company for the completion of the annual Financial Statements as at 31/12/2016, are consistent with those stated in the Financial Statements as at 31/12/2015.

13. Up to 6th April 2017, the approval date of Financial Statements of 31/12/2016, bonds of common bond loan issuance program, of total amount 50,5mil were due. Management is in negotiation process with the borrowing banks for the restructuring of the bond loan, which is in a final stage.

Marousi, 6 April 2017

The President of the BoD	The CEO and member of the BoD	The General Group CFO	The Parent CFO	The Parent Chief Accountant
Georgios V. Apostolopoulos ID AK 038308	Vassilios G. Apostolopoulos ID Ξ 350622	Emmanouil P. Markopoulos ID Π 001034	Petros D. Adamopoulos ID AZ 030419	Panagiotis Ch. Katsikis ID AB 062309

IMPORTANT NOTE: These Financial Statements and notes have been translated to English language from the original statutory Greek Financial Statement and notes. In case that differences exist between this translation and the Greek Financial Statement and notes, the Greek Financial Statements and notes will prevail.