Consolidated Balance Sheet

(In thousands of CHF)	Notes	30.09.2010 unaudited	31.12.2009 audited restated	30.09.2009 unaudited restated
Assets				
Equipment and leasehold improvements		76'075	46'704	44'080
Financial assets		454	254	146
Deferred tax assets		4'859	4'870	4'498
Total non-current assets		**81'388**	**51'828**	**48'724**
Inventories		6'384	4'934	4'635
Accrued income and prepaid expenses		3'458	3'240	3'400
Trade receivables		29'931	23'167	26'376
Other receivables		3'112	5'264	5'405
Cash and cash equivalents		5'396	6'928	6'383
Total current assets		**48'281**	**43'533**	**46'199**
Total assets		**129'669**	**95'361**	**94'923**
Equity				
Share capital		31'003	31'003	31'003
Share premium		395	6'841	6'841
Other reserves		323	323	323
Treasury shares		(2'522)	(2'947)	(2'966)
(Accumulated deficit)/retained earnings		(1'209)	(242)	642
Total equity		**27'990**	**34'978**	**35'843**
Liabilities				
Bank loans and other borrowings	Note 7	23'434	1'875	2'000
Finance lease liabilities, long term		5'309	6'129	6'838
Deferred income		750	975	1'000
Deferred tax liabilities		3'138	1'034	1'013
Total non-current liabilities		**32'631**	**10'013**	**10'851**
Bank overdraft, current portion of bank loans and other borrowings		22'132	14'626	14'342
Finance lease liabilities, short term		3'660	2'479	2'765
Trade and other payables		34'733	28'532	25'230
Accrued expenses and deferred income		8'523	4'733	5'892
Total current liabilities		**69'048**	**50'370**	**48'229**
Total liabilities		**101'679**	**60'383**	**59'080**
Total equity and liabilities		**129'669**	**95'361**	**94'923**

Consolidated Income Statement

(Unaudited - in thousands of CHF)	Notes	Nine months ended 30.09.2010	Nine months ended 30.09.2009 restated
Revenue		142'753	104'615
Medical services		(7'893)	(7'711)
Net revenue		**134'860**	**96'904**
Production expenses		(29'350)	(23'410)
Personnel expenses		(61'906)	(41'348)
Rental expenses	Note 4	(12'028)	(8'098)
Acquisition-related expenses		(297)	(273)
Other operating expenses		(21'543)	(15'399)
EBITDA (Earnings before interest, taxes, depreciation and amortisation)		**9'736**	**8'376**
Depreciation		(7'379)	(6'125)
Profit from operating activities		**2'357**	**2'251**
Net finance expenses		(1'412)	(1'054)
Profit before income tax		**945**	**1'197**
Income tax (expenses)/income		(312)	397
Profit from continuing operations		**633**	**1'594**
Extraordinary result	Note 8	(1'424)	3'008
(Loss) / Profit for the period		**(791)**	**4'602**

Consolidated Statement of Changes in Equity

(In thousands of CHF)	Number of shares (thousands)	Share capital	Share premium	Other reserves	Treasury shares	Retained earnings / (accumulated deficit)	Total
Balance at 1 January 2009 (as previously disclosed in IFRS)	**5'641**	**28'203**	**91'353**	**323**	**(2'868)**	**(2'989)**	**114'022**
Restatement effect (Note 3.1)	-	-	(85'056)	-	-	(971)	(86'027)
Balance at 1 January 2009 (restated)	**5'641**	**28'203**	**6'297**	**323**	**(2'868)**	**(3'960)**	**27'995**
Profit for the period	-	-	-	-	-	4'602	4'602
Capital increase	560	2'800	5'292	-	-	-	8'092
Goodwill directly offset with equity	-	-	(4'748)	-	-	-	(4'748)
Purchase of treasury shares	-	-	-	-	(200)	-	(200)
Sale of treasury shares	-	-	-	-	102	-	102
Balance at 30 September 2009 (restated)	**6'201**	**31'003**	**6'841**	**323**	**(2'966)**	**642**	**35'843**
Loss for the period	-	-	-	-	-	(876)	(876)
Purchase of treasury shares	-	-	-	-	3	-	3
Sale of treasury shares	-	-	-	-	16	(8)	8
Balance at 31 December 2009 (restated)	**6'201**	**31'003**	**6'841**	**323**	**(2'947)**	**(242)**	**34'978**
Loss for the period	-	-	-	-	-	(791)	(791)
Goodwill directly offset with equity	-	-	(6'446)	-	-	-	(6'446)
Sale of treasury shares	-	-	-	-	425	(176)	249
Balance at 30 September 2010	**6'201**	**31'003**	**395**	**323**	**(2'522)**	**(1'209)**	**27'990**

Consolidated Cash Flow Statement

(Unaudited - in thousands of CHF)	Nine months ended 30.09.2010	Nine months ended 30.09.2009 restated
Profit for the period	(791)	4'602
Adjustments for:		
Income taxes	312	(397)
Depreciation	7'379	6'125
Extraordinary result	1'424	(3'889)
Deferred income	-	1'000
Cash flow from operating activities before changes in working capital	**8'324**	**7'441**
Change in trade and other receivables	6'227	2'208
Change in inventories	(230)	(110)
Change in accrued income and prepaid expenses	(3'459)	(1'451)
Change in trade and other payables	(2'852)	(4'148)
Change in accrued expenses and deferred income	1'492	1'349
Cash flow from operating activities	**9'502**	**5'289**
Purchase of equipment and leasehold improvements	(7'702)	(5'769)
Disposal of discontinued operation, net of cash disposed of	-	2'314
Acquisition of subsidiary, net of cash acquired	(14'847)	175
Loan to an associate	(200)	-
Cash flow used in investing activities	**(22'749)**	**(3'280)**
Payment of finance lease liabilities	(2'394)	(2'345)
Purchase of treasury shares	-	(200)
Sale of treasury shares	250	102
Change in bank loans and other borrowings	7'353	(375)
Change in bank overdraft	6'506	2'061
Cash flow from financing activities	**11'715**	**(757)**
Change in cash and cash equivalents	**(1'532)**	**1'252**
Cash and cash equivalents at beginning of the period	6'928	5'131
Cash and cash equivalents at the end of the period	5'396	6'383

Notes to the interim consolidated financial statements

1 General information

Genolier Swiss Medical Network SA (hereafter "The Company") has its registered and principal offices at 1272 Genolier, Switzerland. The Company's purposes consists of holding interests in financial, commercial and industrial enterprises in Switzerland and abroad, in areas such as medical treatment and healthcare.

These unaudited consolidated interim financial statements of the Group for the nine months ended 30 September 2010 were authorised for issue by the Board of Directors on 10 February 2011 and comprise the Company, its subsidiaries and its interests in associates (together, the Group).

2 Basis of preparation and accounting policies

These consolidated interim financial statements of the Group for the nine months ended 30 September 2010 have been prepared in accordance with Swiss GAAP FER 12, Interim Reporting.

3 Change to Swiss GAAP FER

The change of accounting standard from IFRS to Swiss GAAP FER had following impacts on the accounting policies described in the Group's 2009 annual report:

- Goodwill Under IFRS, goodwill is recognised as an intangible asset with an indefinite useful life and tested annually for impairment. In accordance with Swiss GAAP FER, goodwill must be recognised as an intangible asset, usually amortised over a period of five years, or offset against equity at the date of acquisition. The Group decided to offset the goodwill against equity to enable comparison with previous years statements.

- Pension plan Under IFRS, the Group's pension schemes are considered as defined benefit plans and require an annual actuarial calculation to determine pension net asset or liability. In accordance with Swiss GAAP FER, an annual assessment based on the financial statements of the pension fund determines whether the Group has economic obligation or benefit. Assessment of prior years did not result in economic obligation or benefit and therefore the Group, under Swiss GAAP FER, has not recorded any asset in connection with the Group's pension schemes. Hence the Group also reversed related deferred tax liabilities.

- Direct acquisition costs Under IFRS, the direct acquisition costs are expensed as incurred. In accordance with Swiss GAAP FER, these costs are included in the total cost of the business combination at the date of the acquisition. The acquisition of Privat Klinik Bethanien took place in 2010. Thus the related directly attributable costs have been restated.

- Share based payments The Group has equity-settled payment transactions (share option plans). Under IFRS the grant date fair value of options granted to employees are recognised in profit or loss as personnel expenses with a corresponding increase in equity over the vesting period, if any. All plans have a service condition attached to them. This issue is not addressed by Swiss GAAP FER and the Group decided not to recognised the charges related to share based payments but will disclose all required information.

3.1 The effects of the restatements described on previous page on the Group's equity and net profit are disclosed in the tables bellow:

Restatement effects on equity

(In thousands of CHF)	Equity as per IFRS	Restatement related to goodwill	Restatement related to direct acquisition costs	Restatement related to employee benefits, net of tax	Equity as per Swiss GAAP FER
1 January 2009	114'022	(85'056)	-	(971)	27'995
30 June 2009	126'864	(89'804)	-	(971)	36'089
31 December 2009	**124'233**	**(89'804)**	**1'356**	**(807)**	**34'978**

Restatement effects on net profit

(In thousands of CHF)	Net profit as per IFRS	Restatement related to goodwill	Restatement related to direct acquisition costs	Restatement related to employee benefits, net of tax	Net profit as per Swiss GAAP FER
six months ended 30 June 2009	4'727	-	-	121	4'848
six months ended 31 December 2009	(2'782)	-	1'356	304	(1'122)
Year ended 31 December 2009	**1'945**	**-**	**1'356**	**425**	**3'726**

4 Rental expenses

(In thousands of CHF)	Nine months ended 30.09.2010	Nine months ended 30.09.2009
Related parties rental expenses	7'139	6'081
Third parties rental expenses	3'564	532
Other non-real estate rental expenses	1'325	1'485
Total rental expenses	**12'028**	**8'098**

5 Information by business units

(In thousands of CHF)	Sales to third parties		EBITDA		Equipment and leasehold improvements	
	Nine months ended 30.09.2010	Nine months ended 30.09.2009	Nine months ended 30.09.2010	Nine months ended 30.09.2009	30.09.2010	30.09.2009
Clinique de Genolier	54'726	56'302	9'670	8'577	20'319	17'172
Clinique de Montchoisi	13'662	12'499	2'228	1'649	5'884	5'069
Clinique Générale Ste-Anne	20'050	20'069	2'021	2'444	9'459	8'539
Clinique Valmont	8'357	10'694	602	525	4'910	5'196
Centre médico-chirurgical des Eaux-Vives*	5'245	4'772	(229)	757	6'762	7'127
Les Hauts de Genolier**	1'915	-	(926)	-	2'799	-
Privatklinik Bethanien***	38'467	-	4'446	-	24'619	-
Total from operations	**142'422**	**104'336**	**17'812**	**13'952**	**74'752**	**43'103**
Corporate	331	279	(8'076)	(5'576)	1'323	977
Total Group	**142'753**	**104'615**	**9'736**	**8'376**	**76'075**	**44'080**

* Acquired in March 2009
** Activity started in January 2010
*** Acquired in January 2010

6 Scope of consolidation

In January 2010, the Company acquired Privatklinik Bethanien AG in Zurich. This acquisition is the sole change of the scope of consolidation compared to 31.12.2009.

7 Main balance sheet developments

The increases in balance sheet positions, compared to the statements as at 31.12.2009, are mainly due to the acquisition of Privatklinik Bethanien AG, of which increase in non-current bank loans and other borrowings is detailed below:

(In thousands of CHF)	30.09.2010
Bank facility for the acquisition	7'500
Final instalment to the seller	2'000
Borrowing agreement for the acquisition of leasehold improvements	12'309
Total increase related to the acquisition of Privaklinik Bethanien	**21'809**

8 Extraordinary result

The extraordinary result of 2010 relates to the expenses incurred by the Group resulting from the shareholder fight occurred during the 2nd and 3rd quarter. In 2009, the extraordinary result comes from the disposal of 51% of Agefi (refer to note 4 of the Group's 2009 annual report).

9 Subsequent events (in thousands of CHF)

The company held an extraordinary general shareholders' meeting on 6 September 2010 during which previous members of the board of directors were re-elected and new members appointed. The audit committee is in the process of evaluating expenses incurred during the third and fourth quarters for investigations and legal assistance.

Maximum exposure for direct expenses as per 10 February 2011 linked to such events is estimated to be CHF 4'208, of which CHF 1'424 already accounted for as extraordinary result in the unaudited consolidated interim financial statements of the Group for the nine months ended 30.09.2010. Such figures do not include loss of turnover and revenue or other indirect damages linked with such events, which have not been ascertained yet. On 20 December 2010, the Company has instituted legal proceedings for civil liability against the Company's organs for the period running from 9 June to 6 September 2010 in connection to the management of the Group during this period. Legal proceedings against other companies or individuals are currently examined.

During 4th quarter 2010, the Group purchased equipments and leasehold improvements for approximately CHF 11'000, of which CHF 6'000 financed by finance lease contracts. Bank loans increased about CHF 10'000 during the same period and the net debt of the Group as at 31.12.2010 amounts to CHF 63'920.