annual REPORT 2007

AGEN HOLDING SA

GENOLIER Swiss Medical Network

AGEFI

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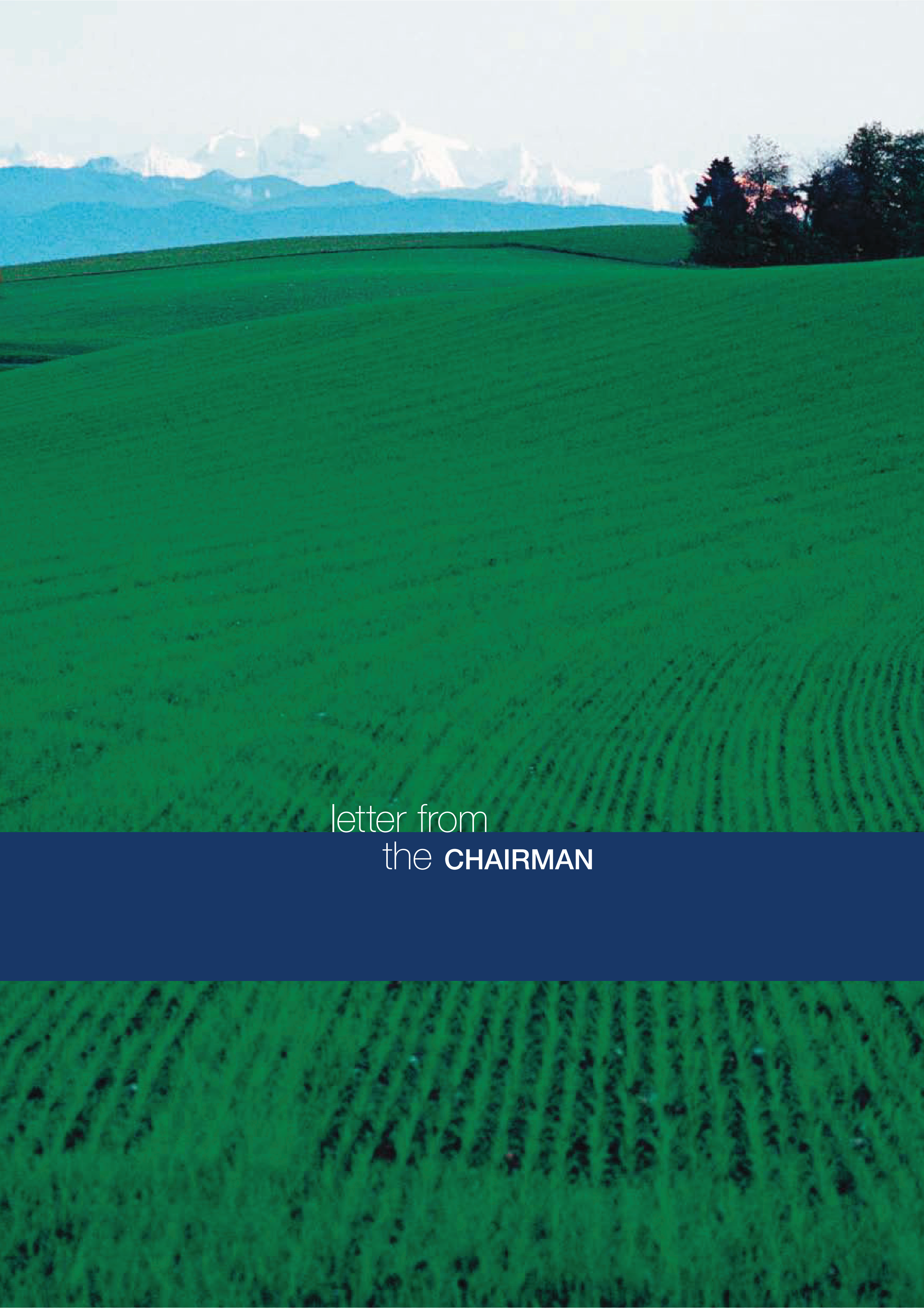

letter from the CHAIRMAN

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Dear Shareholders,

After its creation in December 2006 with the Agefi Group's acquisition of the four Genolier Swiss Medical Network clinics, 2007 was a year of transition and fundamental transformation for AGEN Holding. The priority of the Board of Directors was to define the company's development strategy and to create solid foundations and favourable framework conditions for its implementation.

Environnement of our key activities

It is useful to recall that our two key activities are developing in a political and economic environment which became even more demanding in 2007: the Healthcare Division (Genolier Swiss Medical Network), our main activity, operates in a tightly regulated and highly politicised environment – at both the cantonal and federal levels – as shown by recent popular votes and by the Federal Parliament deliberations on the revision of the "LaMal", the health insurance bill. On the other hand, the Publishing Division is faced with increased pressure, both from its direct competitors in the publishing sector as well as from the new electronic media, in particular the internet. It has to hold its position in an advertising market, especially the financial component, which is responding by diversifying and shrinking at the same time. This trend seems likely to hold true for 2008.

2007 quality targets and financial results

Taking these constraints and our Company's youth into account, we focussed in 2007 on fundamental objectives whose realisation is the prerequisite for the success of any future development of our two business divisions: the consolidation of organic growth, the strengthening of operational management, the streamlining of decision-making and controlling processes, the identification of opportunities for collaboration and strategic acquisitions in Switzerland and abroad. The costs related to Group development are essential in view of our mid- and long-term growth targets as already shown by the expansion of the number of medical establishments under management.

This realignment and turnaround process, which represented a true cultural revolution for management and staff both within each of the two divisions and at Group level, is beginning to bear fruit as proven by the 2007 financial results. Overall, these results have met our expectations despite the one-time expenses related to compliance to the stock exchange rules in the Healthcare division.

Despite several renovation projects underway in our clinics and the reorganisation within the publishing division, the consolidated turnover for the Company increased by 5% to 130 million Swiss francs (125 million in 2006), which matches the targets that we had announced.

With a turnover rising by 5% to 117 million francs (112 million in 2006), the major investments made in the Healthcare Division are proving their value. The Publishing Division also saw substantial improvements in its 2007 results, with turnover of 13.0 million (12 million in 2006) and a balanced EBITDA for the first time since 2002. The acquisition of Profil Femme and the new management team made it possible to reverse the downward trend that this division had been experiencing for many years, including in terms of readership, which is up by 15% for the first time.

Vision and corporate strategy

The structure of our turnover clearly shows that our core activity is in Healthcare, a sector with promising prospects for development. The Group will focus its efforts in this area of expertise, with the goal of becoming a major player in Switzerland. With this in mind, our corporate governance is guided by the best interests of our shareholders, of our clients (and patients) as well as of our staff. In addition, the Group intends to take responsibility as a "good corporate citizen" in the ongoing reform process of the Swiss healthcare policy whose outcome will be key to the future of private clinics. This focussed strategy involves an increased independence and autonomy of the Press Division. Therefore the Board has mandated Credit Suisse to explore together with AGEFI management the various options for development.

Our Group also welcomed new key shareholders, who fully share our vision. The systematic implementation of this strategy will clarify our profile and have a positive impact on our market capitalisation which, despite the financial-stock exchange crisis, proved more resistant than the average security on the SMI in 2007.

Development prospects

Firstly, we will strengthen our efforts toward organic growth by increasing our investments in the high end medical and hospitality infrastructure in order to provide top quality service to our Swiss and international patients and position GSMN around the world as the first healthcare destination in Switzerland. For example, Clinique de Genolier will manage a clinical residence, "Les Hauts de Genolier", a unique and appealing product for domestic and international guests.

Secondly, development goals in terms of cooperation and acquisitions are in process. Our Group can be the key pivot in the imminent restructuring and concentration process in this field. Due to the very high valuations achieved in 2007 in this sector, we temporarily refrained from bidding for some acquisitions. This cautiousness was the right decision and today we are stronger. Being free from long-term debt and as the only player in this sector of highly defensive investment that is listed on the Swiss stock exchange, we are in a good position to raise new capital and to seize new ventures. We are thus actively exploring targeted opportunities. In the mean time, we renewed our management agreement with the Centre Médico-Chirurgical des Eaux-Vives in Geneva and a decision on acquisition is pending. Other management contracts are under negotiation, notably with the Clinique de Valère in Sion.

Overall, the 2007 results confirm that the Group has created a solid earning potential for 2008 and years to come. Our development strategy is clear, restructuring is now being finalised and the tools for implementation activated. The outlook for 2008 is promising, as the first months' activity has demonstrated. In spite of the loss in 2007, the potential for development and success is now reinforced thanks to the solid foundations on which we now can build upon.

This work was achieved above all by women and men who, every day, not only give of their best to our Group, but also identify with our strategy and devote themselves to it wholeheartedly. We thank them for this dedication as well as our shareholders for their trust and loyalty. Last but not least, I take this opportunity to express the gratitude of the Group to one of its founders, Mr. Alain Fabarez, who resigned from the Board this year. He made a substantial contribution to the development of our growth strategy and supported us throughout this period of transition and restructuring. The Board of Directors thanks him sincerely for it.

Raymond Loretan
Chairman of the Board

«Vision without action is a dream; action without vision is a waste of time»

Nelson Mandela

report of the CHIEF EXECUTIVE OFFICER

report of the CHIEF EXECUTIVE OFFICER

Dear Shareholders,

The unwavering commitment of management and teams in place was required to lead AGEN Holding in a new direction on the operational level by reconciling the interests of each party.

With the support of a the Board of Directors which defined a clear development strategy, we established a priority objective with the general management of each division: to bring all of the operational units into financial equilibrium, to upgrade all units and to establish the foundations for solid and sustained growth in both divisions.

In spite of the restructuring and work in progress, the total consolidated sales of the company increased in 2007 by 4.8% to 130 million (124m), while the EBITDA, increased to 4.2 million as opposed to a negative EBITDA of 4.5 million in 2006, the net loss before taxes (EBT) for the fiscal year totals 3.0 m, wich represents a net decrease in comparison to June 30th, 2007. The Operating Cash Flow increased by more than 6 times to 5.6 millions (2006: 0.85 m). More than 14.5 millions have been invested in GSMN clinics, positioning our establishments at the point of progress in the area of technology, safety, and comfort.

As publicised, the essential portion of the 2007 losses are attributable to the restructuring costs linked to the Clinique Générale in Fribourg. Excluding it, the net income of the Healthcare division would have been a positive figure of 2.9 millions.

Thus, even if regulatories' rules and certain unforeseeable events delayed our business plan in 2007, the 2nd half of the year produces a net profit and we are starting 2008 with a restructured business, with the essential foundations for controlled growth and sustainable profitability.

Agefi back on track

Since April 2007, with the acquisition of Profil femme and the appointment of Eric Valette to the position of Chief Operating Officer (COO) of the press division, we worked to relaunch Agefi and its various publications.

"Profil" rounds off the offer of our press branch presenting a "trendy" alternative to active women, which complets the new version of "Evasion," launched in September 2007. A real lifestyle magazine published 9 times a year, "Evasion" has been selected by readers as well as advertisers. "Agefi Service", the supplement to the daily newspaper, became "1ndices," a thematic supplement on white glazed paper attracting new advertisers. A new layout is also being studied for the daily and should be ready in the fall 2008.

Advertising revenues have increased substantially in the second half, as well as readership, thus reversing a recurrent low trend and showing that Agefi still occupies an essential place in the landscape of economic and financial information in French-speaking Switzerland. The growth and the cost reduction efforts, spearheaded in 2004 by Alain Fabarez, have borne their fruit, and Agefi returned to profitability in the second half of 2007, enabling a balanced EBITDA for the first time since 2002.

We will continue this process throughout 2008, well aware that we'll have to deal with a difficult environment, but convinced that the strength of our brand will enable us to poursue our recovery process. However, in order to reinforce the independence of the branch and to ensure its long-term sustainability, we are exploring in parallel with Crédit Suisse the various strategic options offered to us.

GSMN, our healthcare division, has a promising future:

When we took over the Montchoisi Clinic in 2003, after the acquisition of the Genolier Clinic in 2002, our vision was clear: The private sector had a great future in Healthcare in Switzerland, but consolidation was necessary in this area. This consolidation is in progress, and within five years, we have seen the emergence of several private groups in Switzerland. Far from being finalised, this consolidation will continue, up to the European level, and Switzerland may play a central role in this process as the role it plays in financial services, food industry, or pharmaceuticals.

With access to the capital markets through its repurchase by AGEN Holding, the young GSMN took advantage of 2007 to complete its build-up and organisation. Capitalizing on a strong corporate identity and image supported by various high level partnerships, including the one with Alinghi, creation of a "GSMN" standard of excellence aligning all of the entities, renovation of clinics and modernisation of the medical and hospitality infrastructure, creation a high level communication network, harmonisation of databases and procedures, changes to IFRS rules and recruitment of high level operational and administrative management, complying with the rules of stock exchanges. The GSMN IT system was completely replaced, an integrated telecommunication system put into place, enabling the exchange and consolidation of medical and administrative data among various entities. As of July 2008, each clinic will operate independently relying on a unique GSMN system. This decentralisation will make it possible to further reduce overhead in the second half of 2008. This unique but decentralised management concept will make it possible to welcome new entities into the group without increasing the overall organisation.

Clinique de Genolier, Genolier

In spite of a slightly lower total turnover at CHF 66 million (68m) due to major refurbishments during the first quarter 2007, the Clinique de Genolier realised an EBITDA of CHF 5.5 million (6.3 m) and shows that it has now achieved sustainable profitability, in line with competitors and peers. The clients' class mix and origin are now quite diversified so that this healthcare facility can rely on a broad customer base from Switzerland and abroad. With a solid operating cash flow, the clinic will continue to grow in 2008, strengthening its medical competencies with the arrival of new well-known specialists, particularly in the areas of cardiology, oncology, and orthopaedic medicine. The Radio-oncology centre of the Clinic, which was the first private Radiotherapy opened in Switzerland in 1995, has been completely modernised in the first quarter of 2008 and equipped with a new last generation Varian linear accelerator. The Clinique de Genolier is also the first centre in Switzerland to offer IORT (Intra-Operative Radio Therapy). Operating as a network with the Rue Maunoir Radio-oncology Centre in Geneva (CMEV), GSMN's oncology is positioned at the top of excellence in Switzerland. The end of the year will also see the completion of the clinical residence (assisted living) of "Hauts de Genolier" which will open in January 2009. The Clinique de Genolier will be a tenant and operator of this high-end luxury residence which will crown the product range of the clinic. Offering 63 secure assisted living junior suites to retirees, the "Hauts de Genolier" will generate in the future more than 12 million in total sales and 2.5 million in additional EBITDA. In 2008, Cliniqe de Genolier should realise total sales of close to 70 million and an EBITDA of more than 10 million.

Clinique de Montchoisi, Lausanne

After a wide-range refurbsihment phase from 2004 to 2006, and strengthened by a state-of-the-art infrastructure, Montchoisi concentrated its efforts in 2007 on recruitment of new physicians in order to grow its business. The arrival of several specialists in the second half of the year enabled the Clinic to increase its total sales by 19.3% to 13.6 million and its EBITDA by 940% to 0.7 million Ophthalmology and orthopaedic have been strengthened considerably in 2007 and will constitute the core activity of the Clinic's business for years to come. Montchoisi has become the number one establishment in the Canton of Vaud in ophthalmology with more than 2 000 operations annually in this speciality alone. A private floor offering junior suites also enabled the growth of the foreign clientele which chooses Switzerlandas a preferred medical destination. Our efforts will continue in 2008 and 2009, where we expect double-digit growth in this business. Radiology will be developed as a priority in 2009 with the installation of a new 64 slices scanner which will reinforce the current offering. A check-up centre will also be opened, meeting the increasing demand by Swiss and foreign patients in the area of prevention. Montchoisi projects in 2008 an EBITDA of close to 1.7 million for a total turnover of more than 15 million.

Clinique de Valmont-Genolier, Glion sur Montreux

This century old landmark clinic in a unique location above the Geneva Lake, has been exclusively dedicated to rehabilitation. Benefiting among others from the influx of patients comnig from all our clinics, the occupancy rate raised substantially triggering an increase of the total turnover by 54% in 2007 to CHF 14.1 million (9.4m). The EBITDA turned out positive at CHF 0.2 million as opposed to the negative EBITDA of CHF 1.5 million in 2006. All three specialties (orthopaedic, cardiology and neurology) increased substantially, and the patient mix shifted to private clients thanks to investments in the technical platform and the hospitality area (hotel services). We will pursue our efforts to attract a private and foreign clientele with the total replacement of the furniture in 2008. This should enable us to reach a turnover in 2008 of more than 15 million and an EBITDA of 1.7 million.

Clinique Gérérale, Fribourg

In 2007, the Clinique Générale in Fribourg, which is the result of the merger between the Garcia and Ste Anne clinics, caused the major part of group's negative result with 3.5 million in losses for 20 million in Total Sales. The extensive renovations of the Ste Anne building, completed in July 2007, substantially reduced its operating capacity and weighed on its results. But now, the Clinique Générale has set up its quarters in a completely refurbished building, with new private rooms and 4 state-of-the-art operating rooms which are among the most modern in Europe. The "one site" concentration of the business enabled the staff to be significantly reduced and productivity to be increased. The new Canton's "planification hospitalière" allocated to this clinic the exclusive right of practice in Orthopaedic, Neurosurgery, and ENT (ear, nose & throat) specialities, three areas in which the General Clinic excels. Thus, two years after it was taken over by GSMN, the General Clinic is starting 2008 with a profitable operating structure and should realise Total Sales in 2008 of more than 26 million with an EBITDA of more than 2.4 million. Our efforts will remain focused on the private and semi-private clientele.

Centre Médico-Chirurgical des Eaux-Vives (CMEV) Geneva

The Medical Surgical Centre of Eaux-Vives (CMEV), a multi-disciplinary outpatient centre located on the Left Bank of Geneva opened its doors more than 30 years ago. In 2006, the CMEV company signed a Management contract with the GSMN and became a member of GSMN. Its shareholders then decided to expand its oncology activity by launching the first project of the Private Radio-Oncology Centre of Geneva. This new Cancer Radiotherapy centre, which is for outpatient treatment, opened its doors in September 2007 and currently treats more than 35 patients a day. It is placed under the medical supervision of Professor Jacques Bernier, in charge of all of the Radiotherapy of the Group. On 1 November 2007, AGEN Holding signed a letter of intent with the CMEV shareholders for the acquisition by AGEN of 100% share of CMEV. The company will realise total sales in 2008 of more than 9 million francs. Beginning in 2009, the increased business will generate close to 12 million francs in total sales and an EBITDA of 2.3 million francs.

Clinique de Valère, Sion

In March 2008, the Boards of Directors of AGEN and the Clinique de Valère signed a letter of intent for making this clinic a member of the GSMN network through a management contract. As the only private clinic for acute care in the canton of Valais, the Valère Clinic should carry out in 2008 and 2009 a large renovation programme in order to meet the quality standards of the group and, thus, to offer physicians and patients in Valais a private supplement to the medical care offered by the canton. The Valère Clinic currently generates 18 million in total annual turnover. This amount will be increased to more than 22 million after the reorganisation and renovation programme conducted jointly by GSMN and the Clinique will be completed. GSMN will charge the Clinic between 2 and 5% in management fees depending on the services provided and a will get an incentive payment based on the EBITDA This form of integration enables the Clinique de Valère to maintain its independence and autonomy while benefiting from the organisation and influence of the GSMN. Thus, the GSMN is enlarging its national presence and optimising the use of its central organisational structures.

Expectations

Our 2007 operational goals were to reach the breakeven point of all of our entities, in particular the most recent acquisitions, the Clinique de Valmont-Genolier in Glion sur Montreux and the Clinique Générale in Fribourg. In view of the results of the 2nd semester, these objectives have been achieved. The phase of extraordinary investments and reorganisations is now completed and all the clinics were able to start 2008 with a recovered capacity to profit and new operational management led by Louis Martin, the new Chief Operating Officer (COO) of GSMN. Today, at the dawn of its fourth year of existence, the Genolier Swiss Medical Network is entering adulthood, ready to participate in the construction of a major player in the healthcare environment in Switzerland and Europe.

I gratefully acknowledge all of the management and employees for their unfailing investment in our business as well as the Board of Directors for the trust and support it gave us during these years of transition.

Antoine Hubert
CEO

publishing DIVISION

The Publishing Division is fully dedicated to the world of business and finance, mainly in the French speaking part of Switzerland.

L'Agefi is the Company's flagship newspaper and the only Swiss daily newspaper exclusively dedicated to business, finance and markets. With its daily circulation of some 7 500 units, L'Agefi is mainly targeted at business leaders and reaches a specific and upscale audience composed of managers, executives, private investors and other active participants in the business and financial community. The editorial staff is constantly seeking to find exclusive business news and always try and present the information in a manner that is both original and relevant to the readers.

1NDICES is a monthly thematic supplement that presents and discusses analyses of broad economic issues and incorporates a thematic section dedicated to investments themes and assets classes. 42 000 copies thereof are produced and distributed to the subscribers of L'Agefi as well as to local business and opinion leaders.

Evasion comes out nine times a year. This magazine deals exclusively with matter related to luxury and prestige. Products, trends, fashion, people, gossip, wellness and travel are topics that are to be found in this magazine that has a circulation of 42 000. It is delivered to subscribers of L'Agefi and is also available in separate subscription or through a network of selected retailers.

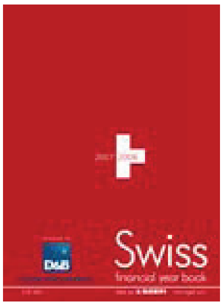
AM – L'Agefi Magazine are a set of magazines appearing six times a year, which complements the daily paper and looks in more details at topics of special interest, such as investment funds, chosen asset classes or sectors deemed of particular relevance. This series of magazines is delivered to the subscribers of the daily paper and sold separately at newsagents (circulation 17 000 magazines).

Swiss Financial Year Book is a guide to the banking and financial industry in Switzerland. The aim of this yearly publication is to provide its readers with all possible details related to the Swiss financial market (circulation 5 000 books).

Profil is a modern and intelligent society magazine (24 500 copies printed) aimed at a discerning female readership. It is an elegant French language publication combining editorial quality and diversity with an emotional and aesthetically balanced appeal. The magazine touches on all aspects of daily (and fantasy) life in a tone that is alternatively serious and tongue-in-cheek, controversial and unconventional.
Profil's typical reader is between 30 and 45 years of age. She's an urbanite with a university or equivalent education, has a career with significant responsibilities and belongs to a comfortable social class. She is financially independent with substantial purchasing power.

XXS The first Swiss timepiece magazine aimed exclusively at women, its original (small format) and relevant formula is designed to inspire interest in the world of timepieces among the privileged sphere of French-speaking Swiss females. 45 000 copies inserted in magazines such as Profil (November) and industry magazine GMT (Great Magazine of Timepieces) and distributed by Bon Génie department stores to its customers.
(Distribution in every room of the La Réserve hotel)

L'Agefi has virtually no direct competition for specific daily economic, financial and scientific news coverage in French speaking Switzerland. There is no other daily newspaper that offers predominantly coverage of in-depth economic and financial issues. In the global segment of the paper press, the Company believes that it is unlikely that another publisher would adopt the same positioning as L'Agefi in view of the initial investment that would be required to capture this specialist market. Somehow the limited size of the



Suisse Romande market represents a kind of barrier protecting L'Agefi's leading position in this area. Nonetheless, the competition to attract advertising has become fiercer in recent years. In spite of its generalist character, Le Temps, which offers a few targeted pages in its daily edition, represents L'Agefi's prime competitor, at the very least in terms in its quest for financial related advertising. In the absence of radio or television fully dedicated to economic and financial news, Agefi will seriously observe the new project developed by Ringier in the German part of Switzerland with the launch of the free-economic newspaper named "Cash Daily".

Since L'Agefi has launched its new salmon-colour edition in 2004, the newspaper claimed for more seductive power amongst its current and new readership. L'Agefi is also a powerful brand in the market, collecting good reputation and high qualitative standards; a recent survey conducted by L'Agefi showed that the brand enjoyed a global awareness of 51% in the Suisse Romande market and it increased to 67% considering people with high revenues (Link – Brand awareness survey, January 2006). Moreover another qualitative study (Koslowski & Partner – Qualitative survey for L'Agefi, June 2006) illustrated that genuine connection exists between L'Agefi and its readership, as L'Agefi was not only deemed a professional tool, but also a source of daily inspiration for High Net Worth Individuals (HNWI).

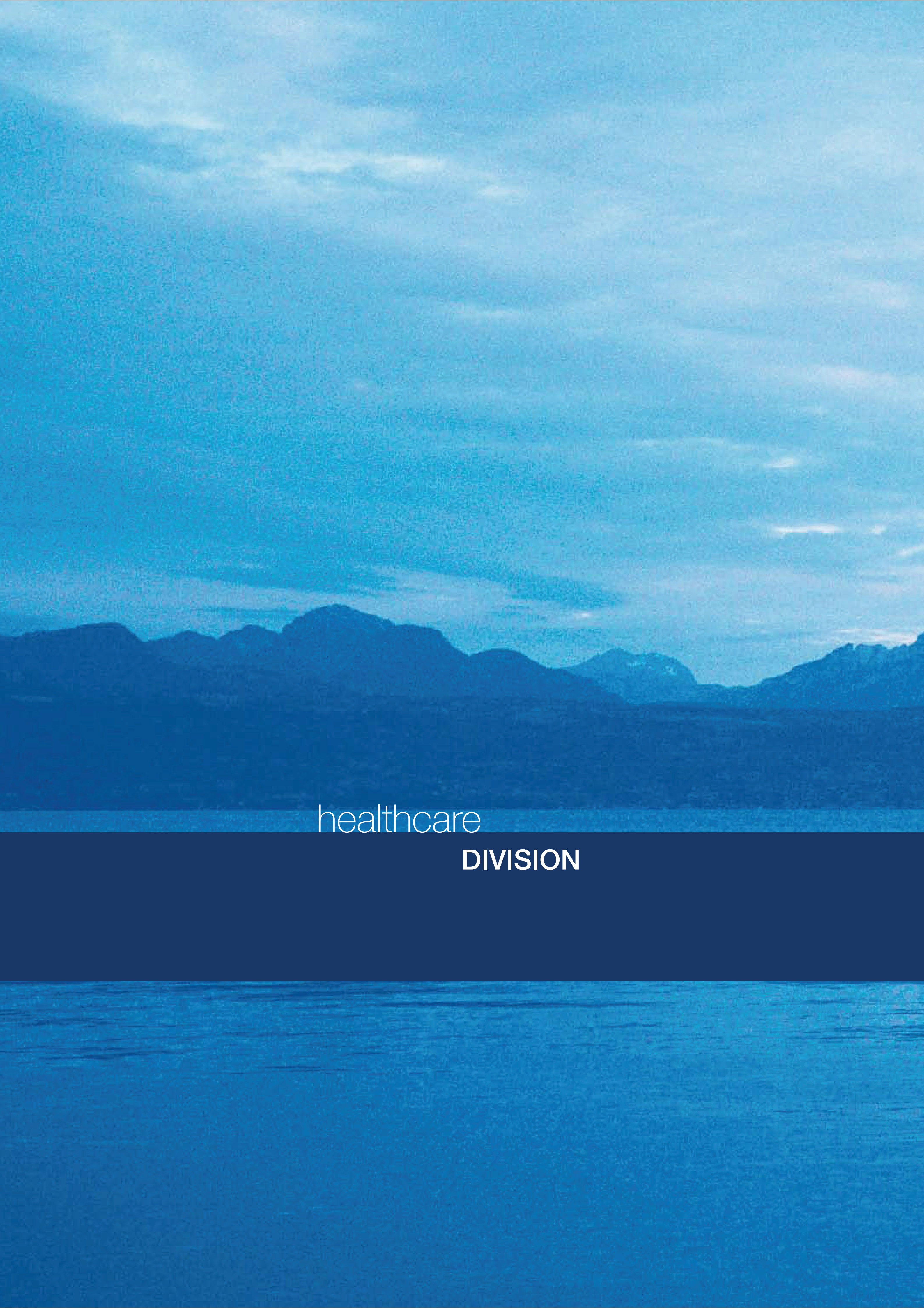
L'Agefi's target readership is mainly composed of managers, business executives, private investors and many other active participants in the business and financial community. The perspectives given by L'Agefi editorials also claims to reach the scientific community (EPFL, PSE…) and the small and medium size companies. The current net daily readership represents 15,000 readers, while the total sum of contacts given by L'Agefi is estimated to reach 134,000 persons (Mach Basic survey 2007/1). The typology issued from L'Agefi's readership profile is quite young (20% of the readership structure amongst the 15/34), progressive, modern, ambitious and explorer. They show high interest in the areas of finances and stock exchange, financial products, e-banking, sciences and research and of course political contents on regional, national and international scales. L'Agefi still proposes the highest affinity levels when considering high revenues population, business professionals and HNWIs.

The strategy of the Publishing Division rests on the following key elements:

Print media. The Division is focused to strengthen its position as the leading publisher of financial and economic news in Suisse Romande. The Division will evaluate opportunities to further enhance its competitive position and to develop existing as well as new products in within the context of its goal of providing economic and financial news to the business and financial community. In particular, the Division plans over the coming years to expand through selective acquisitions, joint ventures and/or strategic alliance in the field of financial and economic news in Switzerland and potentially abroad. Further opportunities are evaluated in life style niches. In addition, the Division intends to further intensify the development of its other publications such as the magazine L'Agefi Evasion. Finally, the Division is focusing on the further development of its activity in the conferencing business.

Electronic media. The Division plans to present a modernized and interactive Internet platform in the near future. In particular, the Division aims to become the leading news provider and blog for the companies in the Suisse Romande.

Lean management. The Division intends to continue to improve its operating efficiency and reduce costs throughout its business operations.



healthcare DIVISION

Clinique de Genolier (390 licensed beds / 168 available beds) is the largest of the GSMN's private hospitals. Since its inception in 1970, Clinique de Genolier has developed an international reputation in the field of cardio¬logy. Nowadays, Clinique de Genolier offers a wide range of medical services various fields such as orthopaedics, oncology, radiology and radiotherapy, age prevention and maxillofacial & dental surgery. The radiology department ranks amongst Europe's most modern facilities. In addition to the medical services, Clinique de Genolier has also taken advantage of its privileged location overlooking Lake Geneva to establish a part of the clinic where guests can stay in luxurious suites and apartments while still benefiting from the medical services of the clinic. This service is highly appreciated by wealthy clients who tend to travel with numerous family members and private staff.

Clinique de Montchoisi (56 licensed beds / 21 available beds) is located in the centre of the city of Lausanne. Since its inclusion in GSMN, the clinic has undergone heavy renovation and modernisation works. Since September 2006, the facilities are fully operational again. Clinique de Montchoisi's central location and modern, state-of-the-art equipment attract a steady flow of in and outpatients and allow it to focus on high value-added services, such as ophthalmology, orthopaedic, gynaecology, plastic surgery and radiology. The top floor has been arranged and furnished to offer VIP services to a clientele of wealthy patients. The rooms of the VIP section offer top-notch facilities, a feeling of privacy and intimacy, as well as beautiful views on Lake Geneva. In fall 2007, numerous new physicians joined Clinique de Montchoisi. Clinique Montchoisi

Clinique de Valmont (88 licensed beds / 85 available beds) is GSMN's neural, articular and cardiologic rehabilitation centre (in fact, the cardiac rehabilitation services of Clinique de Genolier have been transferred to Clinique de Valmont in September 2006 for operating efficiency purposes). The clinic is ideally located in the forest, with spectacular views on Lake Geneva and the Alps, yet close to the city of Montreux. Heavy construction, renovation and up-grading works have been done in 2006 and Clinique de Valmont is operating now at full capacity. In 2007, Clinique Valmont-Genolier focused on his turnaround and his patient-mix. Clinique Valmont-Genolier offers 85 beds in 75 rooms.

Clinique Générale Garcia-Ste-Anne (60 licensed beds / 64 available beds) is the result of the merger of the activities of Clinique Garcia and Clinique Ste-Anne in the city of Fribourg. These two private hospitals were in financial distress and Clinique Garcia bought assets in the bankruptcy of Clinique Ste-Anne prior to be integrated into GSMN in summer 2005. The objective was to concentrate the operations in the building formerly occupied by Clinique Ste-Anne. Since September 2007, after 10 months of refurbishment, Clinique Générale is operating now in a brand new facility, including 4 state of the art operating rooms and new private rooms. The clinic will focus mainly on Orthopaedics, Neurosurgery and ENT (Ear, nose and throat) as the "planification hospitalière" from de state Fribourg as confirmed in his decision.

corporate governance report of AGEN holding sa

This section on Corporate Governance has been prepared in compliance with the requirements of the «Corporate Governance Directive» produced by the SWX Swiss Exchange, which came into force on 1 July 2002 and, as revised, on 1 January 2007.

1.1 Structure of the Group

AGEN Holding SA, the Group's parent company (hereinafter "the Company"), is a listed corporation headquartered at 17, rue de Genève, Lausanne (Switzerland). The company's shares are quoted on the SWX Swiss Exchange (number ISIN CH00124881909). As at 31 December 2007, its market capitalisation stood at CHF 160.8 million. No other AGEN Group companies are listed. The AGEN Group (hereinafter the «Group») operates in the field of medical treatment, healthcare, newspaper editing and publication, and in the transmission of financial information over the Internet.

At 31 December 2007, the Group is composed of the following companies:

Publishing division

Name	Location	Activity	%
Agefi Société de l'agence économique et financière SA	Lausanne	Publishing	100.0
Agefi Com SA	Geneva	Financial information via the internet	100.0
Publications Financières LSI SA	Geneva	Publishing	100.0
Academy & Finance SA	Geneva	Organisation of seminars	22.5

Healthcare division (GSMN)

Name	Location	Activity	%
Clinique de Genolier SA	Genolier	Clinic	100.0
Genolier Swiss Medical Network	Genolier	Management and administration	100.0
Montchoisi SA	Lausanne	Clinic	100.0
Clinique de Valmont SA	Montreux	Clinic	100.0
Clinique Générale Garcia-Ste Anne SA	Fribourg	Clinic	100.0
Piscine de Bassins SA	Bassins	Public swimming pool	20.0

Full consolidation is applied if AGEN Holding SA controls operations of the subsidiary. The equity method is used if AGEN Holding SA owns, directly or indirectly between 20% and 50% of the voting right's subsidiary.

At 31 December 2007, the organisational chart and structure of the Group is the following:

- **AGEN Holding SA Lausanne**
  - **Publishing Division**
    - 100% Agefi, société de l'agence économique et financière SA Lausanne
    - 100% Agefi Com SA Geneva
    - 100% Publications Financières LSI SA Geneva
    - 100% Academy & Finance SA Geneva
  - **Healthcare Division**
    - 100% Clinique de Genolier SA Genolier
      - 100% Genolier Swiss Medical Network Genolier
      - 100% Geston SA Genolier
      - 20% Piscine de Bassins SA Bassins
    - 100% Montchoisi SA Lausanne
      - 100% Clinique de Valmont SA Montreux
    - 100% Clinique Générale Garcia-Ste-Anne SA Fribourg

In 2006, AGEN Holding SA acquired a group of clinics, Genolier Swiss Medical Network (GSMN) As the acquisition was completed on 7 December 2006, the Group's sales and profits for 2006 have been generated by Agefi, société de l'Agence Economique et Financière SA, Lausanne, a 100%-owned subsidiary of AGEN Holding SA. In 2007, sales and profit of all Group's entities are included in the consolidated financial statements.
In December 2007, Geston SA, a dormant company of the Healthcare division, was sold at book value.

At 31 December 2007, the Company owns 17% of the capital and the voting rights of Investissima S.A. in liquidation, Lausanne (share-capital: CHF 100). That company is not consolidated.

1.2 Significant shareholders

The following notifications pertaining to the holdings of a significant shareholder have been disclosed for the year under review:

Publication date	Shareholders	Number of registered shares	Shareholding
27.06.07	Jaime Rosell Vermala 71, 3963 Crans Montana Note: crossing the 10% threshold	552 605	9.97 %
11.07.07	Schroeders plc 31, Gresham Street, London, EC2V 7QA Note: crossing the 3% threshold	190 083	3.43 %
11.12.07	Lincoln Vale European Partners Master Fund L.P 55 Old Bedford Road Lincoln, MA 01773, USA Note: crossing the 5% threshold	304 624	5.49 %
04.04.08	Spinner Global Technology Fund Ltd c/o ATC Trustees (BVI) Ltd, Abbot Building 2nd Floor, PO Box 933, Road Town, Tortola British Virgin Island. Note: crossing the 3% threshold on 18.12.07	265 000	4.70 %

As at 31 December 2007, the Company's shareholders holding directly or indirectly 3 % or more of the share capital are:

	2007		2006	
	Number of shares	**%**	**Number of shares**	**%**
Alain Fabarez	368 700	6.54	428 314	7,73
Antoine Hubert & Géraldine Reynard-Hubert [1]	765 639	13.57	653 570	11,79
Dr. Michael Schroeder	603 370	10.70	661 370	11,94
Jaime Rosell[2]	465 212	8.25	661 370	11,94
Lincoln Vale European Partners Master Fund L.P., Lincoln, USA	355 289	6.30	-	-
Spinner Global Technology Fund Ltd, Tortola, BVI	265 000	4.70	-	-
Schroeders plc, London, UK	237 083	4.20	-	-

[1] Antoine Hubert (337 339 shares) and Géraldine Reynard-Hubert (428 300 shares) form an organised group according to article 15 of the Stock Exchange Ordinance –FBC.
[2] including the shares held by the companies Garsol International Ltd, Tortola, BVI and Olmen Enterprises Ltd, Tortola, BVI, beneficially owned by Jaime Rosell.

1.3 Cross-shareholdings

The Company has no cross shareholdings in excess of a reciprocal 5% of capital or voting rights with any other company.

2. Capital structure

The structure of the issued capital, conditional capital and authorised capital is as follows:

	Number of shares	**Total Nominal value ***
Share-capital	5 640 600	28 203
Conditional capital	199 400	997
Authorised capital	2 770 000	13 850

(* in thousands of CHF)

2.1 Capital

As at 31 December 2007, the share capital of AGEN Holding SA amounted to CHF 28 203, representing 5 640 600 registered shares of a nominal value of CHF 5. The conditional capital amounted to CHF 997 representing 199 400 registered shares of a nominal value of CHF 5. The authorised capital amounted to CHF 13 850 representing 2 770 000 registered shares of a nominal value of CHF 5.

2.2 Conditional and authorised capital in particular

Conditional capital

The share capital may be increased, through the exercise of conversion or option rights by a maximum of CHF 997 divided into a maximum of 199 400 fully paid-up registered shares with a nominal value of CHF 5 each. According to article 10ter of the article of associations, option rights can be granted to employees, consultants and directors of the Company or its subsidiaries (the beneficiaries) and in accordance with a stock-option plan as defined by the Board of Directors. Shares acquired through exercise of option rights have the same limitations of transferability as described under 2.6 below. The preferred subscription rights of shareholders are withdrawn.

During 2007, 37 500 options were granted but not exercised.
The options the Company has issued are for the employees' compensation plan as described in note 24.3 of the IFRS consolidated financial statements.

Authorised capital

The Board of Directors is also authorised to issue up to a maximum of CHF 13 850 divided into a maximum of 2 770 000 fully paid-up registered shares with a nominal value of CHF 5 each until 21 June 2009. The issue price, type of payment, timing, the beginning date for dividend entitlement and the conditions for the exercise of subscription rights attached to such shares would have to be determined by the Board of Directors. Preferred subscription rights which have been granted but not exercised are at the disposal of the Board of Directors, which can use them in the interest of the Company.
The Board of Directors is authorised to set the preferred subscription rights of existing shareholders aside and issue new shares by means of a firm underwriting through a bank or another institution with a subsequent offer of such shares to the Existing Shareholders. The Board of Directors may also withdraw the preferred subscription rights of shareholders in case of the acquisition of an enterprise, parts of an enterprise or participations in a company or any similar transaction.

2.3 Changes in capital

The changes in capital for 2005, 2006 and 2007 are as follows:

	Number of shares	Share capital*
Balance at 1 January 2005	**838 285**	**4 191**
Balance at 31 December 2005	**838 285**	**4 191**
Capital increase - cash payment (tranche A)	2 100 000	10 500
Capital increase - contribution in kind (tranche B)	2 600 000	13 000
Capital increase - exercise of employees stock options	1 715	9
Balance at 31 December 2006	**5 540 000**	**27 700**
Capital increase - exercise of employees stock options	100 600	503
Balance at 31 December 2007	5 640 600	28 203

(* in thousands of CHF)

On 7 December, 2006, the Company acquired a group of clinics, Genolier Swiss Medical Network (GSMN). The total consideration paid to the shareholders of GSMN in respect of the acquisitions amounted to 2 600 000 shares (for Clinique de Genolier SA) and CHF 35 million in cash (for Montchoisi SA and Clinique Générale Garcia - Ste-Anne SA). To finance the acquisitions, the Company's extraordinary shareholders meeting of 17 November 2006 resolved upon a two-step capital increase. In a first step, the Company conducted a cash capital increase via the rights offering, while in a second step, the Company's share capital was increased via the contribution in kind of the entire share capital of Clinique de Genolier SA. 2006 capital increase is described in note 15.1 of the 2006 consolidated financial statements.

In 2007, 100 600 options granted to management and key employees in connection with the 2006 acquisition of GSMN were exercised.

2.4 Shares and participation certificates

As of 31 December 2007, AGEN Holding SA's share capital is composed of 5 640 600 registered shares with a nominal value of CHF 5 each. According to Article 16 of the Articles of Association, each share confers the right to one vote. Voting rights may, however, only be exercised if the holder is registered in the share register with voting rights.

There are no participation certificates.

2.5 Profit sharing certificates

There are no profit sharing certificates.

2.6 Limitations of transferability and nominee registrations

Registered shares of the Company can be transferred without restriction, save that the Company requires the holder to declare that the shares have been acquired on own account and own benefit to register the holder in the share register with voting rights. There are no further registration restrictions (e.g. percentage limitation). The registration of nominees with voting rights is permitted but is subject to the consent of the Board of Directors and is conditional upon the signature by the nominees of an agreement specifying their status. At the date of the report, the Board of Directors has never received a request for registration of nominees with voting rights.

2.7 Convertible bonds and warrants/options

The Company has not issued any convertible bonds. The only options the Company has issued are for its employees' compensation plan as described in note 24.3 of the IFRS consolidated financial statements.

3. Board of Directors

3.1 Members of the Board of Directors

As of 31 December 2007, the Board of Directors of AGEN Holding SA is comprised of the following members:

Raymond Loretan, *Executive Chairman of the Board*, (born 1955, Swiss citizen, first election November 2006). Raymond Loretan holds a law degree from the University of Fribourg and a diploma in European Organizations from the University of Strasbourg. Raymond Loretan held several positions within and outside the Swiss administration for more than 20 years, serving as diplomatic Assistant to the Secretary of State at the Federal Department of Foreign Affairs (1984-1987), personal advisor to Federal Councillor Arnold Koller (1987-1990), Counsellor for European Affairs of the Canton of Valais (1991-1992) and Secretary general of the Swiss Christian Democratic Party (1993-1997). In 1997, Raymond Loretan was appointed by the Swiss government as Swiss Ambassador to the Republic of Singapore and to the Sultanate of Brunei Darussalam and in 2002 as Consul General of Switzerland in New York with ambassadorial ranking. Raymond Loretan joined the Group in January 2007 and is Chairman of the Board Executive Committee and was elected Chairman of the Board during the ordinary general meeting of shareholders on 13 June 2007.He is also founding associate of the consultancy practice Fasel Balet Loretan, Pully and Director of the Société Suisse des Explosifs.

Within the Group, Raymond Loretan is Chairman of:

Clinique de Genolier SA, Genolier
Montchoisi SA, Lausanne
Clinique de Valmont SA, Montreux
Genolier Swiss Medical Network, Genolier
Agefi, société de l'agence économique et financière SA, Lausanne
Agefi Com SA, Geneva
Publications Financières LSI SA, Geneva.

He is also Vice-Chairman of Clinique Générale Garcia-Ste-Anne SA, Fribourg.

Robert Pennone, *Vice-chairman of the Board*, non executive member, (born 1944, Swiss citizen, first election June 1998). Robert Pennone qualified as a Swiss certified accountant in 1974, and became a Partner with Deloitte. In 1979 he joined Fiduciaire Revex, which was affiliated with the law firm Lenz & Staehelin which he developed in his role as Managing Director through to its merger with Ernst & Whitney in 1987. Further to the firm's merger to become Ernst & Young, Robert Pennone became the Managing Director in charge of Mergers & Acquisitions in Europe. In 1993 he launched Pennone & Partners SA. Robert Pennone also was a co-founder of the MC Group of companies and acted as CEO of its bank, Marcuard Cook & Cie, until 2000. Robert Pennone is Co-Founder and Director of GEM Global Estate Managers SA, Vice-Chairman of

Banque Bénédict Hentsch & Cie SA, Chairman of Pennone & Partners SA, Director of Compagnie Financière Tradition. He joined the Board of Directors of AGEN Holding SA in 1998. Robert Pennone is chairman of the Nomination and Compensation Committee.
Within the Group, Robert Pennone is Vice-chairman of:

Agefi, société de l'agence économique et financière SA, Lausanne
Agefi Com SA, Geneva
Publications Financières LSI SA, Geneva.

Alain Fabarez, *Executive member of the Board*, (born 1945, French citizen, first election May 1993). Alain Fabarez holds a degree in economics and held several positions within Agefi France and Agefi Suisse. As of 1981 Alain Fabarez served as CEO of Agefi Suisse before buying out the Company in 1993. Alain Fabarez also serves on the Board of directors of Investissima S.A. in liquidation, in which the Company holds a participation. Alain Fabarez joined the Board of Directors in 1993. He was chairman of the Board from November 2006 to June 2007, member of the Nomination and Compensation Committee and of the Board Executive Committee. He resigned from the Board of Directors of AGEN Holding SA on 21 January 2008 and is no longer member of the Board of Directors of the subsidiaries of the Group, the Board Executive Committee and the Nomination and Compensation Committee.

Claude Haegi, *Non executive member of the Board*, (born 1940, Swiss citizen, first election June 1999). Claude Haegi was a member of both the Conseil Executif de la ville de Genève in charge of finance department (city of which he was the mayor) and the government of the Republic and Canton of Geneva for more than fifteen years. He was also chairman of the Congress of Local and Regional Authorities of Europe for which he is currently acting as an expert. Claude Haegi serves on the Board of directors of a number of companies, including Services Industriels de Genève, Société des Autoroutes et Tunnel du Mont-Blanc SA, Sociétés des Hôtels Président SA and Société Bancaire Privée SA. Claude Haegi joined the Board of Directors in 1999.
Within the Group, Claude Haegi is member of the Board of :

Clinique de Genolier SA, Genolier
Montchoisi SA, Lausanne
Clinique de Valmont SA, Montreux
Genolier Swiss Medical Network, Genolier
Agefi, société de l'agence économique et financière SA, Lausanne
Agefi Com SA, Geneva
Publications Financières LSI SA, Geneva.

Dr. Michael Schroeder, *Non executive member of the Board*, born 1956, Swiss citizen, first election November 2006). Dr. Michael Schroeder studied architecture at the University of Wuppertal and medicine at the Universities of Munich and Freiburg-im-Breisgau, Germany. He holds various positions in hospitals and medical centres and is also active in the property and real estate industry. Dr. Michael Schroder is member of the Board of Directors of Clinique de Genolier SA since 29 November 2002, of Genolier Swiss Medical Network since 13 December 2005, of Montchoisi SA since 14 October 2003, of Clinique de Valmont SA since 19 January 2006 and of Clinique Générale Garcia-Ste-Anne since 22 July 2005. Dr. Michael Schroeder is also shareholder of Unigerim SA, Geneva, a real estate company which rents the premises to the Clinics and Bio Tissue GmbH Freiburg, a biotechnology company (see note 30 of the IFRS consolidated financial statements).

Dr. Michael Schroeder is a major shareholder of Centre Médico-Chirurgical des Eaux-Vives SA, a company which has commercial relationships with GSMN. He is also shareholder and member of the Board of Unigerim SA, a real estate company which owns the premises of the clinics and shareholder of Bio Tissue GmbH Freiburg, a biotechnology company (see note 31 of the IFRS consolidated financial statements).

Within the Group, Michael Schroeder is member of the Board of:

Clinique de Genolier SA, Genolier
Montchoisi SA, Lausanne
Clinique de Valmont SA, Montreux
Genolier Swiss Medical Network, Genolier
Agefi, société de l'agence économique et financière SA, Lausanne
Agefi Com SA, Geneva
Publications Financières LSI SA, Geneva.
Clinique Générale Garcia-Ste-Anne SA, Fribourg.

3.2 Other activities and vested interest

Other activities and vested interests are mentioned for each member of the Board of Directors under 3.1 above.

3.3 Cross-involvement

They are no cross involvement among the members of the Board of Directors and Boards of other listed companies.

3.4 Elections and terms of office

The members of the Board of Directors are elected by the Annual General Meeting for one year and are eligible for re-election.

3.4.1 Election procedure

Members of the Board are elected by the Annual General Meeting for a period of one year. Re-election is permitted. Elections are collective unless a shareholder requests individual elections. All elections and motions at the Annual General Meeting are taken by open vote unless requested otherwise by the majority of votes.

3.4.2 First election and remaining term of office

Date of first election	Members	Duration
June 1998	Robert Pennone	Until the next annual general meeting of shareholder in 2008
June 1999	Claude Haegi	Until the next annual general meeting of shareholder in 2008
November 2006	Raymond Loretan	Until the next annual general meeting of shareholder in 2008
November 2006	Michael Schroeder	Until the next annual general meeting of shareholder in 2008

3.5 Internal organizational Structure

According to its organisational rules, the Board of Directors meets at least four times a year. In 2007, the Board of Directors met fourteen times. The Chief Executive Officer and the Chief Financial Officer of the Group are invited to attend the meetings. The average length of meeting is 6 hours. Extraordinary meetings, either formal or by means of telephone conferencing, may take place in the course of the year. The Board fulfils the function of defining the Group strategy, monitoring and directly controlling management. During its meetings, the Board reviews the activities of the Group with reference to operating reports. Once a year at least, the auditor is invited to take part in a meeting of the Board, in the course of which the results of the auditor's work are presented.

Meetings are prepared by the Chairman. Decisions are taken by the full Board. The Board can decide when more than half of its members are present. It decides by majority of votes. In case of a tie, the vote of the Chairman decides.

The Board constitutes a Nomination and Compensation Committee that annually submits proposals regarding annual compensation of its members, the members of the senior management and the key executive officers of the Divisions. The Nomination and Compensation Committee also proposes employee participation schemes. In the frame of approved programs, it also submits proposals concerning allocation of shares and share options to members of the Board, the members of the senior management and the key executive officers of the Divisions. Approvals of proposals of the Committee are granted by the full Board. The Committee was composed of Robert Pennone, Chairman of the Committee and casting vote, Alain Fabarez. Antoine Hubert and Eric Denzler, independent partner and Director of Denzler & Partner SA in Nyon. In 2007, the Committee met twice. The average length of meeting is 2.5 hours. Following his resignation from the Board of Directors on 21 January 2008, Alain Fabarez is no longer member of the Nomination and Compensation Committee and will be replaced after the next ordinary shareholders' meeting.

3.6 Definition of areas of responsibility

Pursuant to Swiss Code of Obligations and the Articles of Incorporation of the Company, the Board of Directors has in particular the following non-transferable and inalienable duties:

- ultimate direction of the business of the Company and giving the necessary directives
- determination of the organisation of the Company
- administration of accounting, financial control and financial planning as far as it is required for the direction of the Company
- appointment and removal of the persons entrusted with the management and representation of the Company
- ultimate supervision of the persons entrusted with the management of the company, specifically in view of their compliance with the law, the Articles of Incorporation, regulations and directives
- preparation of the annual report and the Annual General Meeting of shareholders and carrying out its resolutions
- notification of the court if liabilities exceed assets.

According to the organisational rules, the Board has delegated the day-to-day management and controlling of ongoing operations as well as the risk analysis to a Board Executive Committee under the leadership of the Chairman of the Board. The Executive Committee is composed of, Raymond Loretan Chairman of the Board, Alain Fabarez, Member of the Board, and Antoine Huber, CEO. The CEO in particular is responsible for the implementation of the decision taken by the Board Executive Committee. Each member of the Executive Committee has a right of veto when deciding on the matters delegated by the Board. In case such a right is exercised, final decision belongs to the Board of directors. Alain Fabarez, who resigned on 21 January 2008 has been replaced by Robert Pennone, Vice-chairman of the Board. Thre is no audit committee and the responsibility to liaise with the auditors remains in the hands of the full Board.

Name	Board of Directors	Board Executive Committee	Nomination and Compensation Committee
Robert Pennone	X	X	X
Claude Haegi	X		
Raymond Loretan	X	X	
Michael Schroeder	X		
Antoine Hubert		X	X
Eric Denzler			X

In 2007, Mr. Alain Fabarez was member of the Board of Directors, the Board Executive Committee and the Nomination and Compensation Committee. Mr. Alain Fabarez resigned on 21 January 2008.

3.7 Information and control instruments vis-à-vis the Senior Management

The Chief Executive Officer conducts the operational management of the Company pursuant to the organisational rules and reports to the Board of Directors on a regular basis.

Members of the senior management report on operational business issues to the Chief Executive Officer on a weekly basis either during a meeting or by means of telephone conferencing.

3.8 Members of the Senior Management

The senior management team of AGEN Holding SA is composed of the following persons:

Antoine Hubert, *Chief Executive Officer* (born 1966, Swiss citizen). Prior to acquiring a stake in Clinique de Genolier in 2002 and founding GSMN in 2004, Antoine Hubert was mainly active in the property and real estate industry and has set up businesses and served as a director to several companies in various industries. Antoine Hubert is member of the Board of Directors of Clinique de Genolier SA since 4 August 2003, of Genolier Swiss Medical Network since 13 December 2005, of Montchoisi SA since 14 October 2003, of Clinique de Valmont SA since 19 January 2006 and of Clinique Générale Garcia-Ste-Anne since 22 July 2005. Antoine Hubert is a major shareholder of Centre Médico-Chirurgical des Eaux-Vives SA, a company which has commercial relationships with GSMN. He is also shareholder and Chairman of the Board of Unigerim SA, a real estate company which owns the premises of the clinics and shareholder of Bio Tissue GmbH Freiburg, a biotechnology company (see note 31 of the IFRS consolidated financial statements).
Within the Group, Antoine Hubert is Vice-Chairman of Clinique de Genolier SA, Montchoisi SA and Clinique de Valmont SA. He is member of the Board of Clinique Générale Garcia-Ste-Anne SA, Fribourg and Genolier Swiss Medical Network, Genolier.

Georges Gard, *Chief Financial Officer*, (born 1961, Swiss and French citizen), Georges Gard is a Swiss certified accountant who holds a degree in business administration from the University of Geneva. After eight years with Atag Ernst & Young in Zurich and Geneva, he joined Pennone & Partners in 1995. After having served the Group on the basis of a management contract since 1999, Georges Gard became a full-time employee of the Group and as Chief Financial Officer, is in charge of the financial consolidation of both Divisions starting 1 July 2007.
Within the Group, Georges Gard is secretary to the Board of directors of AGEN Holding SA (non member).

Eric Valette, *Chief Operating Officer – Publishing division (joined the Group in March 2007)*, (born 1969, Swiss citizen). Activ in branch of publishing and media since more than 16 years, Eric Valette joined Publicitas Group after graduating from commercial school. In 1994 he joined the group Tamedia AG where he became in charge of sales of magazine such as Annabelle and Schweizer Familie. In 1998 he founded Audace Publishing in Geneva an individual publishing company publisher of the magazine "Profil Femme". In March 2007, Eric Valette sold Audace Publishing to Agefi, société de l'agence économique et financière SA. Eric Valette owns 20% of Green Grass Sàrl, Geneva, publisher of Golf magazines.

Key Executive Officer Publishing Division

Sylvie Gardel, *Chief Editor (nominated in March 2007)*, (born 1965, Swiss citizen). Sylvie Gardel has graduated from the University of Lausanne where she studied Humanities with a major in literature. After ten years in public relations at the national and international level, she worked as professor in Lausanne. She began her journalistic career as a free-lance reporter, then joined «L'Agefi» in 1997 where she mastered in journalism and won the Chuard Prize in 2000. After directing the Science & Technology section for 5 years, she was appointed Deputy Chief Editor of the daily newspaper. Since March 2007, Sylvie Gardel is Chief Editor of «L'Agefi».

Rolande Voisard, *Division Head, Administration and Accounting* (born 1950, Swiss citizen). Rolande Voisard is a trained accountant. After having held various accountant positions, she joined the Group in 1991 and has been Head of Administration and Accounting since that date.

Key Executive
Officer Healthcare Division

Eric Frey, *Division Chief Development Officer*, (born 1964, French citizen). Eric Frey joined Genolier Swiss Medical Network in 2006. He is also the Manager of BioTissue GmbH, a biotech company developing cell tissues. From 1989 to 2004 Eric Frey was active in the franchising of leather furniture and has set up his own company. Until 30 June 2007. Eric Frey was Chief Operating Officer of the healthcare division and employee of the Group. Since that date Eric Frey is in charge of the development projects for the Group.

Valérie Dubois-Héquet, *Division Chief Sales Officer* (born 1969, French citizen). Valérie Dubois holds a French diploma (BTS) in international trade. She started her career as a sales representative in the healthcare sector with Sofamor Danek Group before joining Surgitec in 1995, a distributor of medical products, as Chief Marketing and Sales Officer. In 1999 she joined Clinique de Genolier as Chief Marketing Officer and is since, in charge of commercial development especially for the foreign clientele.

Beat Röthlisberger, *Division Chief Administrative Officer* (born 1966, Swiss citizen). Beat Röthlisberger holds a degree in accounting and finance from the University of St-Gall. He has held positions in the controlling and finance departments of Biberist and Allseas Group. Prior to joining Clinique de Genolier in 2006, he had acquired a stake in and served as chief financial officer to Reymond SA in Lausanne, a distributor of luxury products and accessories.

Gwynn Brand, *Unit Manager Clinique de Genolie*r, (born 1952, Swiss citizen). Gwynn Brand holds a masters degree in hospitality management from the Lausanne Hotel School. From 1978 to 1986 he held various positions in the hotel industry. In 1986 Gwynn Brand was appointed as CEO of Clinique de Métairie in Nyon. In 1995 he joined Clinique de Genolier as CEO.

Benoît Fallot, *Unit Manager Clinique de Montchoisi*, (born 1952, French citizen). Benoît Fallot holds a diploma from the nursing school in Lausanne. Benoît Fallot held various positions with medical clinics in the Suisse Romande. In 1999, he was appointed deputy CEO of Clinique de Montchoisi in Lausanne, before being appointed CEO in 2003.

Guy Reynard, *Unit Manager Clinique Valmont-Genolier*. (born 1957, Swiss citizen).Before he joined GSMN in November 2006, Guy Reynard was in charge of a car concession during 10 years. He was also in charge of seven local retailers.

Pietre Fabrizio, *Unit manager Clinique Clinique Génerale Garcia-Ste-Anne,* (born 1968, Swiss citizen). Pietro Fabrizio holds a federal degree in accounting. From 1998 to 2007 he was Chief Administration Officer and deputy CEO of Hôpital Daler in Fribourg. In June 2007 he joined Clinique Générale Garcia-Ste-Anne as CEO.

2008 restructuring in the Group's Senior Management

During the year 2007, key executive officer of both the publishing and the healthcare division were considered as members of the Senior Management as they reported directly to the Chief Executive Officer. Starting 1 January 2008, following the restructuring of both divisions, key executive officers no longer reports directly to the Chief Executive Officer but to their respective Chief Operating Officer. Therefore key executive officers are no longer considered as part of the Senior Management. In 2008, Senior Management consists of Antoine Hubert, CEO, Georges Gard, CFO, Eric Valette, COO publishing division and Louis Martin, COO Healthcare division.

Louis Martin, *Chief Operating Officer – Healthcare division, (joined the Group on 1 January 2008),* (born 1964, Canadian & Swiss citizen). Louis Martin began his international healthcare career in 1987 with Humana Inc. in the USA. In 1991 he went to Geneva, Switzerland and occupied both financial and operational responsibilities with Hospital de la Tour, owned and operated by Hospital Corporation of America (HCA). In 2000, he became the General Manager of Vietnam International Hospital in Hanoi, Vietnam. In January 2003, he joined the management team of Bumrungrad Hospital International where he occupied the function of Director, Financial Operations and reported to the Group CFO and Director International Development. In early 2006, he became the Chief Financial Officer (CFO) of Bangkok Hospital Medical Center.
Mr. Martin holds an Accounting & Finance degree (USA), an International Business Administration degree from the American College in Paris (France) and a MBA from the University of Geneva

(Switzerland). He also has completed an Executive International Management Program with Stanford University (USA - Singapore). He joined the Company in January 2008 as the COO, Healthcare Division.

4.2 Other activities and vested interests

Other activities of the senior management and the key executive officer of the divisions are listed under 4.1.

4.3 Management contracts

Georges Gard served as chief financial officer on the basis of a contract between AGEN Holding SA and Pennone & Partners SA. That contract terminated on 30 June 2007 and Georges Gard has become a full-time employee of the Group as from such date.

5. Compensation, shareholdings and loans

Content and method of determining the compensation and the share-ownership programs

Compensation and shareholding programs are defined by the Board of Directors based on a proposal of the Nomination and Compensation Committee. Members of the Board of Directors receive a base compensation and stock options. The additional variable part of compensation, which vary between 10 to 30% of the base compensation is subject to business success (percentage of EBITDA) as well as to meeting personal objectives.

In 2006, the remuneration of the members of the general management team was set by the executive member of the Board of Directors. Following the acquisitions of GSMN in December 2006, a Nomination and Compensation Committee was formed. Said committee is in charge of defining the remuneration of the ten highest remuneration of the management, overseeing and discussing the remuneration principles for the Company and the Group. He also submits for approval by the Board of Directors the remuneration of the member of the Board and the Senior Management.
The Nomination and Compensation Committee reports on its decisions to the Board, and keep the Board updated on the overall remuneration policy of the Group. The Nomination and Compensation Committee is composed of Robert Pennone, chairman of the Committee and casting vote, Antoine Hubert and Eric Denzler, independent member and director of Denzler & Partner SA, Nyon. Mr. Alain Fabarez was also member of the Committee before his resignation on 21 January 2008.

As the remuneration of the management of the healthcare division was not a charge of the Group in 2006, amounts for that year only includes directors and management team of the Publishing Division.

Compensation of the members of the Board of Directors and the Senior Management is detailed as per art. 663b bis CO in note 9 of the 2007 statutory financial statements of AGEN Holding SA.

Share-based payments to members of the Board and to employees is detailled in note 23.3 to the IFRS consolidated financial statements.

For details about transactions with related parties see note 31 to the 2007 IFRS consolidated financial statements.

6. Shareholders' participation rights

6.1 Voting rights and representation restrictions

All shareholders recorded in the share register with voting rights (see item 2.6) are entitled to attend and vote at the Annual General Meetings. Representatives have to be shareholders and to be authorized in writing unless they are the shareholder's legal representative. For organisational reasons, subsequent to closing the share register (see item 6.5) no further registrations can be executed.

6.2 Statutory quorums

The Annual General Meeting passes resolutions and makes elections, if not otherwise required by law (Swiss Code of Obligations, article 704), with an absolute majority of the votes represented at the meeting as per art. 703 CO.

6.3 Convocation of the general meeting of the shareholders

The General Meeting is convened at least twenty days before the date set for the meeting, by being published in the newspaper AGEFI or by means of registered letter sent to all shareholders, if these are known in the share register. One or a number of shareholders together representing at least 10% of share capital may request that a General Meeting be convened.

6.4 Agenda

The invitation to the meeting must indicate the items on the agenda and the motions of the Board of Directors and of those shareholders who have requested that the meeting be convened or that an item be included in the agenda. In compliance with art. 699 Para. 3 CO, shareholders representing shares amounting to a nominal value of 1 million francs may submit a written request for an item to be included in the agenda.

6.5 Inscriptions into the share register

As common practice, the share register is closed one week after the publication date. The closing date is mentioned in the notice. For organisational reasons, subsequent to closing the share register, no further registrations can be executed, except that shares that have been declared sold are withdrawn and cannot be voted.

7. Change of control and defence measures

7.1 Duty to make an offer

The Company does not have a provision on opting out or opting up in the Articles of Association.

Thus, according to art. 9 of the Articles of Association, the provisions regarding the legally prescribed threshold of 33 1/3 % of the voting rights for making a public takeover set out in article 32 of the Stock Exchange Act are applicable.

7.2 Clauses on changes of control

The services agreements and employment agreements of the members of the Board of Directors or of the Board Executive Committee do not contain clauses triggered by a change of control.

8. Auditors

8.1 Duration of the mandate and term of office of the lead auditor

In compliance with statutory conditions, the General Meeting of the shareholders of AGEN Holding SA each year appoints an auditing company and auditor for the Group's accounts. KPMG Fides Peat, Lausanne branch was appointed for the first time on 19 May 2005. On 21 June 2007, the General Meeting re-appointed KPMG SA, Lausanne branch, as the auditing company and auditor for the Group's accounts for the fiscal year ending 31 December 2007.

Helène Beguin, the auditor in charge at KPMG SA, has been supervising the auditing of the statutory annual accounts and consolidated accounts of AGEN Holding SA since 2005.

8.2 Auditing fees

Auditing fees of KPMG for the group amounted to CHF 300 for the business year 2007.

8.3 Additional fees

During 2007, KPMG charged additional fees for compliance advices of CHF 72.

8.4 Supervisory and control instruments pertaining to the audit

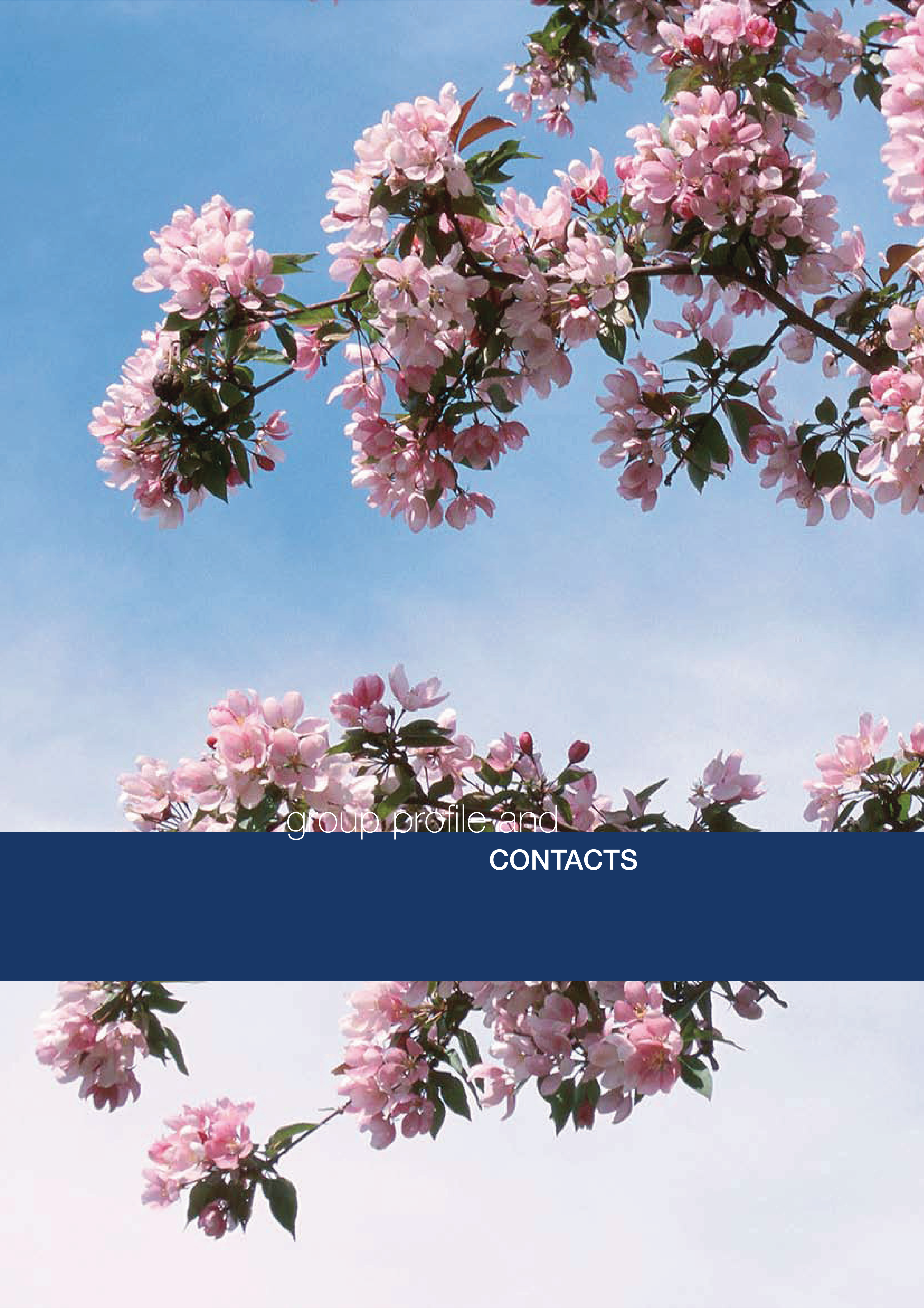
The Board of Directors is responsible for the evaluation of the external auditors and determines the audit scope and plan on an annual basis. At least once a year, the auditor is invited to take part in a meeting of the Board in the course of which the results of the auditor's work are presented. At the beginning of the each interim and final audit, the Chief Executive officer and the Chief Financial Officer of the Group meet with the auditor in charge. A report by the Chief Financial Officer is regularly made to the Board of Directors.

During 2007, the auditor participated to one Board of directors meeting. The auditor was also invited to participate in conference calls with the Board of directors when deemed necessary.

9. Information policy

The Group has an open and up to-date information policy that treats all target groups of the capital investment market equally. The most important information tools are the annual report and the half-year report, the web site (www.agen.ch), press releases, the presentation of the financial statements for media and analysts as well as the Annual General Meeting. Shareholders are in addition informed on important matters by letter. As a company listed on the SWX Swiss Exchange, the Group is obliged to publish information that is relevant to its share price (ad hoc publicity, art. 72 of rules governing quoted companies “Règlement de cotation”). These rules can be viewed under www.swx.com. For specific questions regarding the Group, contact our investor relations officer, Georges Gard, CFO, telephone +41 22 316 89 04, georges.gard@agen.ch.

The General Meeting of shareholders for the 2007 fiscal year will take place at the Hotel Richemond in Geneva
on 11 June 2008 at 11:00 a.m.



group profile and CONTACTS

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Claude Haegi	Member	claude.haegi@agen.ch
Michael Schroeder	Member	michael.schroeder@agen.ch

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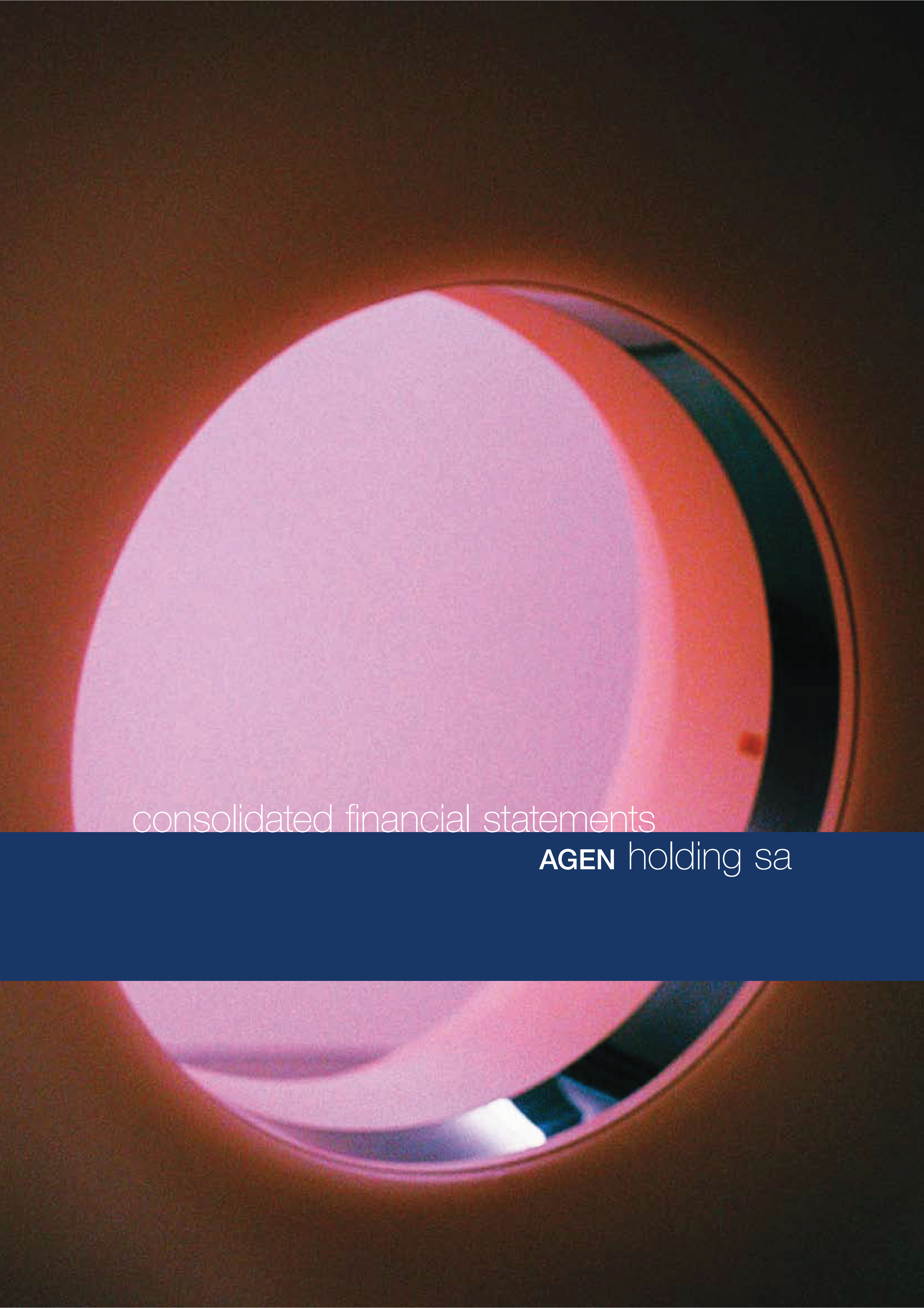

consolidated financial statements

AGEN holding sa

CONSOLIDATED BALANCE SHEETS
as at 31 December

(In thousands of CHF)	Notes	31.12.2007	31.12.2006 (restated *)
Assets			
Equipment and leasehold improvements	8	34 140	26 396
Intangible assets	9	400	-
Goodwill	9	85 056	85 056
Financial assets	10	92	466
Investments in equity accounted investees	11	31	100
Cash deposit	12	3 600	-
Deferred tax assets	13	3 800	4 176
Total non-current assets		**127 119**	**116 194**
Inventories	14	3 921	3 034
Accrued income and prepaid expenses		1 567	1 224
Trade receivables	15	24 590	24 316
Other receivables	16	7 805	13 645
Cash and cash equivalents	17	5 702	18 342
Total current assets		**43 585**	**60 561**
Total assets		**170 704**	**176 755**
Equity			
Share capital	18	28 203	27 700
Share premium		91 427	91 353
Other reserves		323	323
Treasury shares	18.4	(2 854)	(1 313)
Accumulated deficit		(3 301)	-
Total equity		**113 798**	**118 063**
Liabilities			
Finance lease liabilities, long term	19	4 940	4 893
Deferred tax liabilities	13	1 283	1 413
Total non-current liabilities		**6 223**	**6 306**
Bank overdraft	20	16 408	16 845
Finance lease liabilities, short term	19	2 930	2 365
Trade and other payables	21	25 920	24 953
Accrued expenses and deferred income	22	5 425	8 223
Total current liabilities		**50 683**	**52 386**
Total liabilities		**56 906**	**58 692**
Total equity and liabilities		**170 704**	**176 755**

* See note 5 : Errors in 2006 comparative figures.
(See accompanying notes to the consolidated financial statements.)

CONSOLIDATED INCOME STATEMENTS
for the years ended 31 December

(In thousands of CHF)	Notes	31.12.2007	31.12.2006 (restated *)
Sales		129 708	12 037
Commissions and medical services		(9 635)	(2 482)
Net revenue	**23**	**120 073**	**9 555**
Production expenses		(31 116)	(3 167)
Personnel expenses	24.2	(57 936)	(8 662)
Rental expenses	28	(6 862)	(365)
Other operating expenses	25	(19 940)	(1 838)
EBITDA		**4 219**	**(4 477)**
Depreciation and amortisation	8, 9	(6 431)	(205)
Impairment of goodwill		-	(26 190)
Share of loss from associates		(69)	-
Loss from operating activities		**(2 281)**	**(30 872)**
Finance income	25	690	9
Finance expenses	25	(1 395)	(5)
Net finance income		(705)	4
Loss before income tax		**(2 986)**	**(30 868)**
Income tax expense	27	(246)	-
Loss for the year		**(3 232)**	**(30 868)**
Loss per share			
Basic and diluted loss per share (in CHF)	32	**(0.58)**	**(37.14)**

* See note 5 : Errors in 2006 comparative figures
(See accompanying notes to the consolidated financial statements.)

CONSOLIDATED CASH FLOW STATEMENTS
for the years ended 31 December

(In thousands of CHF)	Notes	31.12.2007	31.12.2006 (restated *)
Loss for the year before taxes		(2 986)	(30 868)
Adjustments for :			
Depreciation and amortisation	8, 9	6 431	205
Movement of allowance for doubtful debts	15	51	-
Impairment loss		-	26 191
Equity settled share based payment expenses		74	3 802
Net finance income / expenses		970	(4)
Share of loss of equity accounted investees		69	-
Change in trade and other receivables		5 415	135
Change in inventories		(887)	
Change in accrued income and prepaid expenses		(343)	-
Change in trade and other payables		967	811
Change in accrued expenses and deferred income		(2 798)	574
Interest paid		(1 395)	-
Net cash flow from operating activities		**5 568**	**846**
Interest received		425	4
Purchase of equipment, leasehold improvements	8	(10 986)	(190)
Change in intangible assets	9	(500)	-
Change in financial assets		474	-
Changes in cash deposits	12	(3 600)	-
Acquisition of GSMN, net of cash acquired		-	(34 293)
Net cash flow used in investing activities		**(14 187)**	**(34 479)**
Capital increase	18	503	10 509
Share premium paid		-	42 000
Bank overdraft		(437)	-
Financing costs related to capital increase		-	(2 081)
Movement of treasury shares		(1 610)	(525)
Payment of finance lease liabilities		(2 477)	
Net cash flow (used in) / from financing activities		**(4 021)**	**49 903**
Net (decrease) / increase in cash and cash equivalents		**(12 640)**	**16 270**
Cash and cash equivalents at beginning of the year		18 342	2 072
Cash and cash equivalents at end of the year		**5 702**	**18 342**

* See note 5 : Errors in 2006 comparative figures (See accompanying notes to the consolidated financial statements.)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
for the years ended 31 December

(in thousands of CHF)	Number of shares (thousands)	Share capital	Share Premium	Other reserves	Treasury shares	Accumulated losses	Total
Changes in equity for 2006 (restated)							
Balance at 1 January 2006	**838**	**4 191**	**-**	**323**	**(533)**	**(2 616)**	**1 365**
Loss for the year (restated)	-	-	-	-	-	(30 868)	(30 868)
Total recognised income and expense for the year	**-**	**-**	**-**	**-**	**-**	**(30 868)**	**(30 868)**
Capital increase – cash payment (tranche A)	2 100	10 500	42 000	-	-	-	52 500
Capital increase – contribution in kind (tranche B)	2 600	13 000	80 860	-	-	-	93 860
Capital increase – exercise of employees stock options	2	9	-	-	-	-	9
Share based payments	-	-	3 803	-	-	-	3 803
Financing costs related to capital increase	-	-	(2 081)	-	-		(2 081)
Movement of treasury shares, net	-	-	-	-	(780)	255	(525)
Compensation of accumulated loss with share premium	-		(33 229)[1]	-	-	33 229[1]	-
Balance at 31 December 2006 (restated)	**5 540**	**27 700**	**91 353**	**323**	**(1 313)**	**-**	**118 063**
Changes in equity for 2007							
Loss for the year	-	-	-	-	-	(3 232)	(3 232)
Total recognised income and expense for the year	**-**	**-**	**-**	**-**	**-**	**(3 232)**	**(3 232)**
Capital increase – exercise of employee stock options	101	503	-	-	-	-	503
Movement of treasury shares, net	-	-	-	-	(1 541)	(69)	(1 610)
Share based payments	-	-	74	-	-	-	74
Balance at 31 December 2007	**5 641**	**28 203**	**91 427**	**323**	**(2 854)**	**(3 301)**	**113 798**

[1] The Board of Directors used a portion of that the share premium to cover the accumulated losses as at 31 December 2006 mainly related to the impairment of the goodwill following the acquisition of the GSMN division.

The restatement of 2006 financial statements has no impact on the opening balance of equity at 1 January 2006.

See note 5 : Errors in 2006 comparative figures. (See accompanying notes to the consolidated financial statements.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Reporting group of entities

AGEN Holding (hereafter «The Company») SA has its registered and principal offices at Rue de Genève 17, 1002 Lausanne, Switzerland.

The Company's purpose consists of holding interests in financial, commercial and industrial enterprises in Switzerland and abroad, in areas such as medical treatment, Healthcare, media and e-commerce.

In December 2006, the Company acquired Genolier Swiss Medical Network ("GSMN"), a network of private hospitals mainly composed of three separate entities or groups of entities: Clinique de Genolier SA, Montchoisi SA (which wholly owns Clinique de Valmont SA) and Clinique Générale Garcia St-Anne SA.

2. Basis of preparation

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The company has not early adopted any of the revisions to IFRS prior to these coming into effect.

The financial statements were authorised for issue by the Board of Directors on 28 April 2008. Final approval is subject to acceptance by the annual general meeting of shareholders on 11 June 2008.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except where a standard requires a different measurement basis.

Functional and presentation currency

The consolidated financial statements are presented in Swiss Francs (CHF), which is the functional currency of all entities included in the consolidation circle. All financial information presented in CHF has been rounded to the nearest thousand.

Use of estimates and judgements

The preparation of financial information requires Group management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are described hereafter:

Goodwill: an estimate of the fair value of the acquired assets and liabilities is made at the date of acquisition. The difference between acquisition cost and value of the net assets acquired is the goodwill. Goodwill is not amortised but is subject to an annual impairment test. Impairment tests require a number of assumptions to be made, which are based to medium and long term estimates and include growth rates of turnover, margins and discount rates. These estimates are affected by both internal data and external factors. Actual outcomes could vary significantly from estimated future cash flows. Factors such as occupation rates and attendance of VIP clients could result in lower growth rate of turnover.

Deferred tax assets: deferred tax assets arise from deductable temporary differences and tax loss carry forwards where it is considered probable that the tax losses will provide future benefits. The estimate of whether the tax loss carryforward can be used depends on the forecasts made by the taxable entity. If these forecasts prove to be either incorrect or imprecise, adjustments will have to be recognised in the income statement as additional tax expenses.

Leases: The group is party to leasing arrangements as lessee. The transactions in the financial statements are mainly determined by whether the lease is considered operating lease or finance lease. In making this assessment, management looks at the substance as well as the legal form and makes a judgement about whether substantially all of the risks and ownership are transferred.

3. Changes in IFRS accounting standards and interpretrations

The accounting policies adopted are consistent with those of the previous financial year except as follows:

News IFRS:

The Group has adopted the following new and amended standards (IFRS) and interpretations (IFRIC) during the year. Adoption of these revised standards and interpretation did not have any effect on the financial performance or position of the Group. They did however give rise to additional disclosures, including in some cases, revisions to accounting policies.

IFRS 7	Financial instruments: Disclosures
IAS 1 revised	Presentation of Financial Statements – capital disclosures
IFRIC 8	Scope of IFRS 2
IFRIC 9	Reassessment of embedded derivatives
IFRIC 10	Interim Financial Reporting and Impairment

The principal effects of these changes are as follows:

IFRS 7 *Financial Instruments: Disclosures*
This standard requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments. The new disclosures are included throughout the financial statements. While there has been no effect on the financial position or results, comparative information has been added where needed.

IAS 1 *Presentation of Financial Statements – capital disclosures*
This amendment requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital. The new disclosures are included throughout the financial statements. While there has been no effect on the financial position or results, comparative information has been added where needed.

IFRIC 8 *Scope of IFRS 2*
This interpretation requires IFRS 2 to be applied to any arrangements in which the entity cannot identify specifically some or all of the goods received, in particular where equity instruments are issued for consideration which appears to be less than fair value. As equity instruments are only issued to employees in accordance with the employee share scheme, the adoption of the interpretation had no impact on the financial position or performance of the Group.

IFRIC 9 *Reassessment of embedded derivatives*
This interpretation had no impact on the financial position or performance of the Group.

IFRIC 10 *Interim Financial Reporting and Impairment*
The Group adopted IFRIC Interpretation 10 as of 1 January 2007, which requires that an entity must not reverse an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost. This interpretation had no impact on the financial position or performance of the Group.

New standards and interpretations not yet adopted:
A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2007 and have not been applied in preparing these consolidated financial statements:

• IFRS 8 – Operating segments. This replaces IAS 14 and will take effect as from 1 January 2009. The operating segment information disclosed must be that used internally by the Group's key management personnel. It is not expected to have any impact on the consolidated financial statements.

• IAS 1 revised – Presentation of financials statements. Requires as from 1 January 2009 a statement of comprehensive income and amendments relating to disclosure of puttable instruments and obligations arising on liquidation

• Revised IAS 23 *Borrowing Costs* removes the option to expense borrowing costs and requires that the entity capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The revised IAS 23 will become mandatory for the Group's 2009 financial statements. In accordance with the transitional provisions the Group will apply the revised IAS 23 to qualifying assets for which capitalisation of borrowing costs commences on or after effective date.

• Revised IAS 27 revised – *Consolidated and separate financial statements* – It deals with the accounting for changes in ownership interests in subsidiaries after control is obtained, the accouting for the loss of control of subsidiaries and the allocations of profit and loss to controlling and non controlling interests in subsidiaries. These changes may have a signifcant impact on the accounting of future business combinations.

• IFRS 3 – Business combinations: The scope of the standard is enlarged. All consideration transferred by the acquirer are recognised at fair value including contingent consideration and any subsequent change of the contingent consideration is recognised in the profit and loss. The goodwill may be measured at fair value or calculated based on the parent's proportionate interest in the fair value of the net assets acquired. The transaction costs incurred in connection with the combination can no longer be included in the cost of the acquirer. There changes may have a significant impact on the accounting of future business combinations.

• IFRS 2 – Share-based payment, Amendments relating to vesting conditions and cancellation witll be effective as from 1 January 2009.

• IFRIC 11 IFRS 2 – *Group and Treasury Share Transactions* requires a share-based payment arrangement in which an entity receives goods or services as consideration for its own equity instruments to be accounted for as an equity-settled share-based payment transaction, regardless of how the equity instruments are obtained. IFRIC 11 will become mandatory for Group's 2008 financial statements with retrospective application required. It is not expected to have any impact on the consolidated financial statements.

• IFRIC 12 *Service Concession Arrangements* provides guidance on certain recognition and measurement issues that arise accounting for public-to-private service concession arrangements. IFRC 12, which becomes mandatory for the Group's 2008 financial statements, is not expected to have any effect on the consolidated financial statements.

• IFRIC 13 *Customer Loyalty Programmes* addresses the accounting by entities that operate, or otherwise participate in, customer loyalty programmes for their customers. It relates to customer loyalty programmes under which the customer can redeem credits for awards such as free or discounted goods or services. IFRIC 13, which becomes mandatory for the Group's 2008 financial statements, is not expected to have any effect on the consolidated financial statements..

• IFRIC 14 IAS 19 – *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction* clarifies when refunds or reductions in future contributions in relation to defined benefit assets should be regarded as available and provides guidance on the impact of minimum funding requirements (MFR) on such assets. It also addresses when a MFR might give rise to a liability. IFRIC 14 will become mandatory for the Group's 2008 financial statements, with retrospective application required, and is not expected to have any impact on the consolidated financial statements.

4. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in this consolidated financial statements, and have been applied consistently by group entities.

Basis of consolidation

(i.) Entities integrated in the consolidation circle

The consolidated financial statements include the Company and the subsidiary companies which are controlled by it (hereafter "the Group"). Control is the power to govern the financial and operating policies generally defined as ownership, either directly or indirectly, of more than 50% of the voting rights of a company's share capital. The consolidation is performed using the purchase method.

The purchase method of accounting is used to account for acquisitions. The cost of an acquisition is measured as the fair value of the assets given, shares issued and liabilities incurred or assumed at the date of acquisition plus costs directly attributable to the acquisition. The excess of the cost of acquisition over the fair value of the net assets of the company acquired is recorded as goodwill.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method (equity accounted investees). The consolidated financial statements include the Group's share of the income and expenses of equity accounted investee, after adjustments, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and subsequently the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Full consolidation is applied if AGEN Holding SA controls operations of the subsidiary. The equity method is used if AGEN Holding SA owns between 20 % and 50% interest in the subsidiary. The accounts of the Company's entity are appropriately reclassified and adjusted for consolidation purposes to conform to the Company's accounting policies. As of December 31, 2007, the following entities, all located in Switzerland, were integrated in the consolidation circle:

Publishing division

Name	Location	Activity	%
Agefi Société de l'agence économique et financière SA	Lausanne	Publishing	100.0
Agefi Com SA	Geneva	Financial information via the internet	100.0
Publications Financières LSI SA	Geneva	Publishing	100.0
Academy & Finance SA	Geneva	Organisation of seminars	22.5

Healthcare division (GSMN)

Name	Location	Activity	%
Clinique de Genolier SA	Genolier	Clinic	100.0
Genolier Swiss Medical Network	Genolier	Management and administration	100.0
Montchoisi SA	Lausanne	Clinic	100.0
Clinique de Valmont SA	Montreux	Clinic	100.0
Clinique Générale Garcia-Ste Anne SA	Fribourg	Clinic	100.0
Piscine de Bassins SA	Bassins	Public swimming pool	20.0

The acquisition of the companies listed under Health are division is described under note 6.

(ii.) *Transactions eliminated on consolidation*

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, have been eliminated in the consolidated financial statements.

Foreign currency

Transactions in foreign currencies are translated at exchange rates at the dates of the transactions. The consolidated financial statements do not include any assets or liabilities denominated in foreign currencies and the Group does not have any foreign operations.

Borrowing costs

Borrowing costs are recognised as an expense when incurred.

Finance income and expenses

Finance income includes interest income on funds invested. Interest income is recognised in the income statement using the effective interest method.

Finance expenses include interest expense on bank borrowings and leasings. All borrowing costs are recognised in the income statement using the effective interest method.

Equipment and leasehold improvements

(i.) *Recognition and measurement*

Items of equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of equipment and leasehold improvements have different useful lives, they are accounted for as separate items (major components) of equipment and leasehold improvements.

(ii.) *Subsequent costs*

The cost of replacing part of an item of equipment and leasehold improvements is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of day-to-day servicing of equipment and leasehold improvements are recognised in profit or loss as incurred.

(iii.) *Depreciation*

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of equipment and leasehold improvements. Leased assets are depreciated over the shorter of the lease term and their useful lives.

The estimated useful lives for the current and comparative periods are as follows:

• Medical machinery and equipment	5-8 years
• Leasehold improvements	10 years

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified at inception as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Leases where substantially all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases.

Inventories

Inventories mainly comprise medical supplies and pharmaceutical products. They are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle.

Financial instruments

(i.) *Non derivative financial instruments*

Non derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables. Non derivative financial instruments are recognised and measured as described below.

(ii.) *Financial assets*

The Group has investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured. These securities are initially recognised at cost and subsequently measured at cost less accumulated impairment losses.

(iii.) *Trade receivables*

Receivables are initially recognised at fair value and subsequently measured at amortised cost less any impairment losses. Impairment losses are recognised on an individual basis or on portfolio basis where there is objective evidence that impairment losses have been incurred. Collective impairment loss is measured either on the basis of past losses or using information provided by external sources. As long as impairment loss remains merely probable, it is recorded in an allowance for doubtful receivables. Once it is realised (bankruptcy or cessation of payment), the carrying amount of the related asset is offset directly.

(iv.) *Cash and cash equivalents*

Cash and cash equivalents comprise cash in bank, petty cash with original maturity dates of three months or less.

(v.) Loans and borrowings

Loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, loans and borrowings are stated at amortised cost using the effective interest method.

(vi.) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost.

Goodwill

Goodwill represents the future economic benefits arising from net assets acquired in a business combination that are not capable of being individually identified and separately recognised.

The cost of a business combination is determined in accordance with IFRS 3 and is equal to the fair values, at the date of acquisition, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group, in exchange for control of the acquiree plus any costs directly attributable to the business combination.

At the acquisition date (date on which the Group effectively obtains control of the acquiree), the Group allocates the cost of a business combination by recognizing the acquiree's identifiable assets, liabilities and contingent liabilities at their fair value at that date.

Any difference between the cost of the business combination and the acquirer's interest in the fair value of the identifiable assets, liabilities and contingent liabilities so recognised is treated as goodwill.

If the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized as described above exceeds the cost of the business combination, the Group reassess the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the combination and recognises immediately in profit or loss any excess remaining after the reassessment.

After initial recognition, the Group measures goodwill at cost less any accumulated impairment losses. Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that there might be an impairment.

An impairment has been booked on the goodwill of the Healthcare division (GSMN) at the end of December 2006. Further information concerning GSMN acquisition and the related goodwill are disclosed in notes 5 and 6.

Intangible assets

Intangible assets that are acquired by the Group, which have finite useful live are are measured at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated over the expected useful life of the asset.

Impairment

(i.) Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of equity instruments carried at cost is calculated as the difference between the carrying amount of the equity instrument and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in profit or loss. Impairment losses on equity instruments carried at cost are not reversed.

(ii.) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date or earlier (if there is an indication of impairment) to determine whether there is an impairment. If any such indication exists then the asset's recoverable amount is estimated. For Goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (on a pro rata basis).

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised. An impairment loss in respect of goodwill is not reversed.

Employee benefits

The Group entities contribute to various benefit plans according to Swiss law.

(i.) Defined benefit plans

Since 2007, all entities of the GSMN division contribute to a common pension fund for the benefit of their employees, which is a separate legal entity in accordance with the legal requirements in Switzerland. The entities of the Publishing division are affiliated with a multi-employer plan, whose risks are fully reinsured by an insurance company. Following the new published guidelines of the Swiss Institute of Certified accountants (chambre fiduciaire Suisse), all Swiss pension schemes must now be accounted for as defined benefit plans. This interpretation has no effect on the 2006 Group results but the comparative figures of employee benefit disclosures have been restated accordingly (see also note 5).

The employer net obligation in respect of defined benefit pension plans is calculated by estimating the amount of future benefits that employees have earned in return for their services in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan assets is deducted to determine the Group's net asset or liability. The discount rate is the yield at the reporting date on AAA credit rated bonds that have maturity dates approximating to the terms of the entities' obligations. The calculation is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the income statement on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the income statement.

Actuarial gains and losses arising from subsequent calculations are recognised to the extent that any cumulative unrecognised actuarial gain or loss exceeds 10 per cent of the greater of the present value of the defined benefit obligation and the fair value of plan assets and that portion is recognised in the income statement over the expected average remaining working lives of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognised.

(ii.) *Short-term benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(iii.) *Share based payment*

The Group has equity-settled payment transactions.

Options granted to employees are recognised in the income statement with a corresponding increase in equity recognised over the vesting period.

They are fair valued at grant date and measured using the Black and Scholes model. The cost of equity settled share-based payment transactions is adjusted annually by the expectations of vesting, for the forfeitures of the participants' rights that no longer satisfy the plan conditions, as well as for early vesting.

Treasury shares

Own equity instruments which are reacquired (treasury shares) are deducted from equity. These treasury shares are measured at their acquisition price and are deducted from equity. No gain or loss is recognised in the income statement on the purchase or sale of treasury shares but in equity. The consideration received when treasury shares are sold is recognised as a reduction in treasury shares.

Type of Revenue

Revenue includes:

Publishing activities: advertising fees, subscriptions and sale of newspapers and magazines. Revenue is recognised at the date of delivery of goods and services, after deduction of discounts.

Healthcare and medical activities: hotel revenue, fees and auxiliary income from activities conducted in the clinics and diagnostics activities. Revenue is recognised when the service has been rendered.

Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental expenses

Rental expenses include lease rentals of premises for the clinics which are calculated on the following basis:

• basis of calculation:	6% of the operating revenue (minimum lease: CHF 6 434; maximum lease: CHF 9 833)
• duration:	15 years (expiration 2020) with a renewal option of an additional 15 years term.

The revenue used for the calculation of the rental commitment is based on the estimated future operating revenue. The minimum and maximum lease amounts are adjusted to the cost of living index.

Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.
A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Earnings per share

The group presents basic and diluted earnings per share (EPS) data for its shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

Segment reporting

A segment is distinguishable component of the Group that is engaged in providing related services or products (business segment), or in providing product or services within a particular economic environment (geographical segment), which is subject to risk and rewards that are different from those of other segments. As the Group only has its operations in Switzerland, the only format for segment reporting is based on business segments.

Reclassifications

Certain 2006 amounts have been reclassified to conform to the 2007 presentation.

5. Errors in 2006, restatement of comparative figures

The 2006 financial statements include two errors related to the acquisition of the Healthcare division as well as a restatement on employee benefit plan information according to IAS 19 following interpretation of the Swiss institute of Certified accountants (chambre fiduciaire Suisse) requiring these plans to be accounted for as defined benefit plans.

Share options

Share options with a fair value of CHF 2 899, granted to key employees involved in the acquisition of the Healthcare division, were treated as part of the acquisition cost and included in the determination of goodwill. Such equity instruments granted to employees in their capacity as employees are considered to be within the scope of IFRS 2 and, therefore, should have been accounted for as share-based payments and not as part of the payment for the acquisition of the business. Consequently, the options granted, which were equity-settled instruments immediately vesting at the grant date, should have been recognized in the income statement as personnel expenses. Based on that correction, the personnel expenses in 2006 increased from CHF 5 763 to CHF 8 662 with an offsetting decrease to goodwill as of 31 December 2006 (before impairment) from CHF 114 145 to CHF 111 246. That adjustment only relates to 2006 and will not impact the subsequent years.

Impairment of goodwill

The Board of AGEN Holdings SA approved the use of an annual impairment test performed for the purpose of the annual report 2006 which was calculated on the basis of the value in use and derived from the calculation of discounted future cash flows in conjunction with a valuation method based on “multiples”. These calculations were made in the course of a fairness opinion rendered in connection with the acquisition of the GSMN as well as the related equity capital transactions completed shortly before the end of the 2006 financial year. However, IAS 36 does not allow hybrid methods for the testing of impairment, but requires a calculation that is based only on discounted future cash flows. Applying a pure cash flow based impairment test as required by IAS 36 to the adjusted goodwill of CHF 111 246 as noted above, results in an impairment loss on goodwill for the 2006 financial year of CHF 26 190 (instead of CHF 31 763). The restated goodwill after impairment amounts to CHF 85 056 compared to CHF 82 382 as previously reported.

Employee benefits

During 2007, the Swiss Institute of Certified accountants concluded that pension plans in Switzerland should be accounted for as defined benefit plans. As a consequence, the company has recalculated pension expense under these parameters and included the necessary disclosures at note 24.4. There were no changes to the 2006 financial statements as a result of this change.

As a result of the above adjustments, AGEN's net consolidated loss for 2006 decreased by CHF 2 674 to CHF 30 868 (restated) compared to CHF 33 542 as previously disclosed in the 2006 annual report. The equity increased by CHF 2 674 from CHF 115 389 as previously reported to CHF 118 063 (restated).

The equity at 1 January 2006 was not affected by the errors as the restatement has no impact on the opening equity.

Impact of the restatement on the 2006 net loss and equity as at and for the year ended 31 December 2006

in thousands of CHF	2006
Loss for the year (before restatement)	**-33 542**
Adjustment for share-based payments	-2 899
Adjustment of the impairment loss	5 573
Net loss for the year (restated)	**-30 868**
in CHF million	
Equity (before restatement)	**115 389**
Adjustment of the loss for the year	2 674
Equity (restated)	**118 063**

The effect of these errors on the 2006 loss per share is the following:

In CHF	
Basics and diluted loss per share before errors	**(40.36)**
Adjustments described above	**3.22**
Basic and diluted loss per share after errors	**(37.14)**

The errors have had no impact on the 2006 cash flow statement.

6. Change in scope of consolidation

During 2006, AGEN Holding SA acquired 100% of the GSMN Group consisting of the following companies:

Name	Location	Activity	%
Clinique de Genolier SA	Genolier	Clinic	100.0
Genolier Swiss Medical Network	Genolier	Management and administration	100.0
Montchoisi SA	Lausanne	Clinic	100.0
Clinique de Valmont SA	Montreux	Clinic	100.0
Clinique Générale Garcia-Ste Anne SA	Fribourg	Clinic	100.0
Piscine de Bassins SA	Bassins	Public swimming pool	20.0

The acquisition was accounted for using the purchase method. The following amounts of assets and liabilities acquired have been included in the consolidated financial statements. The company reviewed the acquired business and concluded that there were no separable, unidentified intangible assets. It also concluded that the book values approximate the fair value of assets and liabilities acquired. Consequently, the excess consideration of CHF 111 247 (restated) has initially been recognised as goodwill.

(In thousands of CHF)	**Fair value of assets and liabilities included in the consolidated financial statements at the acquisition date** (Restated)
	31.12.2006
Equipment and leasehold improvements	26 066
Financial assets	537
Investment in equity accounted investee	100
Deferred tax assets	4 135
Inventories	3 034
Trade and other receivables	37 859
Cash and cash equivalents	2 513
Assets	**74 244**
Finance lease liabilities	7 258
Deferred tax liabilities	1 372
Bank overdrafts	16 845
Trade and other payables	23 784
Accrued expenses and deferred income	5 566
Liabilities	**54 825**
Identifiable assets and liabilities	**19 419**
Goodwill (restated, before impairment)	111 247
Cost of the business combination	**130 666**
Cash acquired	(2 513)
Treasury shares issued	(93,860)
Net cash outflow	**34 293**

The acquisition of the GSMN division was completed on December 7, 2006. Effective control in substance only transferred as from the beginning of the following year. The cost and effort of establishing an opening balance sheet as of December 7, 2006 would have clearly outweighed the benefits that would have been be obtained from that. In addition, the acquisition would have had a minor impact on EBITDA considering the seasonality of the Healthcare business and the

Christmas holiday period starting mid December. Pro forma information disclosed below regarding the combined revenues and results based on the assumption that the acquisition had taken place at the beginning of the reporting period was considered as more relevant information. Therefore, the acquisition was deemed to be performed on December 31, 2006 for purposes of application of the purchase method.

The restated cost of the business combination has been calculated as follows:

(In thousands of CHF)	Payment in cash	Exchange of shares	Total
Purchase price paid in cash	35 000	-	35 000
Shares exchanged at fair value at the date of exchange (CHF 36.10 per share)	-	93 860	93 860
Directly attributable costs (restated)			1 806
Total cost of the business combination			**130 666**

The goodwill includes the work force and potentially other intangible assets that could not be valued separately. If the acquisition had occurred on January 1, 2006, Group sales for the year ended 2006 would have been CHF 122 400 with a negative EBITDA of CHF 3 999, the net loss, including the restated goodwill impairment, would have been CHF 34 826.

In 2007, the Group sold Geston SA, a dormant Company at net book value.

7. Segment reporting

The Group's business segments comprise the Publishing division and the Healthcare division.

The Group operates only in Switzerland. Therefore only business segment information is disclosed hereafter. The primary format, business segments, is based on the Group's management and internal reporting structure.

As the acquisition of the Healthcare division only occurred in December 2006, the 2006 income statement only includes operations of the Publishing division.

	Publishing division		Healthcare division (Restated)		Corporate		Total	
(In thousands of CHF)	2007	2006	2007	2006	2007	2006	2007	2006
Sales	12 973	12 037	116 735	n/a	-	-	129 708	12 037
EBITDA	(93)	(611)	5 460	(3 438)[1]	(1 148)	(428)	4 219	(4 477)
Operating loss	(341)	(816)	(791)	(29 629)[1]	(1 149)	(427)	(2 281)	(30 872)
Segment assets	2 552	2 385	164 024	159 520	4 128	14 850	170 704	176 755
Investment in equity accounted investees	-	-	31	-	-	-	31	-
Segment liabilities	2 295	2 184	54 277	55 355	334	1 153	56 906	58 692
Depreciation and amortization	(248)	(205)	(6 183)	n/a	-	-	(6 431)	(205)
Impairment loss	-	-	-	(26 190)			-	26 190
Finance expenses	(3)	(5)	(1 364)	n/a	(28)		(1 395)	(5)
Share of loss of equity accounted investees	-	-	(69)	-	-	-	(69)	-
Finance Income	11	8	532	n/a	147	1	690	9
Capital expenditure	(66)	(190)	(10 910)	n/a	(10)	-	(10 986)	(190)

[1] The 2006 operating loss and EBITDA of the Healthcare division comprises only the restated impairment of goodwill and restated share based payments to employees of the division. See also note 5.

8. Equipment and leasehold improvements

In thousands of CHF	Medical machinery and equipment	Leasehold improvements	Total
Cost or deemed cost			
Balance at 1 January 2006	4 458	-	4 458
Acquisition through business combination	14 857	11 209	26 066
Additions	190	-	190
Balance at 1 January 2007	19 505	11 209	30 714
Additions	5 950	8 125	14 075
Balance at 31 December 2007	25 455	19 334	44 789
Accumulated Depreciation			
Balance at 1 January 2006	4 113	-	4 113
Depreciation for the year	205	-	205
Balance at 1 January 2007	4 318	-	4 318
Depreciation for the year	4 626	1 705	6 331
Balance at 31 December 2007	8 944	1 705	10 649
Carrying amounts			
At 31 December 2006	15 187	11 209	26 396
At 31 December 2007	16 511	17 629	34 140

Leased equipment

The Group leases machinery and medical equipment under a number of finance lease agreements. The leased equipment secures lease obligations (see note 19). At 31 December 2007 the net carrying amount of leased medical machinery and other equipment was CHF 7 963 (2006: CHF 7 071). The additions for 2007 amount to CHF 3 089 (2006: nil).

9. Intangible assets and goodwill

(In thousands of CHF)	Intangible assets	Goodwill (restated)
Cost		
Balance at 1 January 2006	-	-
Additions through business combination	-	111 246
Balance at 1 January 2007	-	111 246
Additions	500	-
Balance at 31 December 2007	500	111 246
Accumulated amortisation and impairment		
Balance at 1 January 2006	-	-
Amortisation for the year	-	-
Impairment loss	-	26 190
Balance at 1 January 2007	-	26 190
Amortisation for the year	100	-
Impairment loss	-	-
Balance at 31 December 2007	100	26 190
Carrying amounts		
At 31 December 2006	-	85 056
At 31 December 2007	400	85 056

In 2007 the Group acquired all intellectual properties of Audace Publishing, which includes “Profil Femme”, a magazine for women. Total consideration paid amounted to CHF 500.

Goodwill and Impairment test

Goodwill recognised in the balance sheet was subject to an annual impairment test in the last quarter of 2007. The total amount of goodwill is allocated to the Healthcare division.

The recoverable amount of the Healthcare division cash-generating unit was based on its value in use calculated by the discounted cash flow (DCF) method. The figures for future cash flows are based on the cash-flow forecast for 2008-2012 approved by the management. Growth assumptions are based on market expectations and measures taken in accordance with group strategy. An average growth rate of revenue and cash flow of 5.6% is expected for the forecasted period 2008-2012. Growth rate used to extrapolate cash flow projection beyond the period covered by the forecast amounts to 1.5%.

A pre-tax discount rate of 11.4% (2006: 13.1%) was applied in determining the recoverable amount of the division. The discount rate was estimated based on an industry average weighted average cost of capital.

As of 31 December, 2007 the impairment test did not indicate the need for a goodwill impairment. The recoverable amount exceeds the net carrying amount by CHF 18 212. In 2006, the impairment loss of CHF 26 191 was allocated fully to goodwill.

The discount rate and the forecast growth in revenues have a significant influence on the sensitivity of the impairment test. If the average annual growth in revenue declined by 10% or 0.6 basis point, the recoverable amount of the Healthcare division would equal its net carrying amount. If the pre-tax discount rate changed from 11.4% to 12.7%, the value in use would equal the net carrying amount.

10. Financial assets

(In thousands of CHF)	2007	2006
Investment in unlisted equity securities	1	18
Other financial assets	91	448
Total financial assets	**92**	**466**

11. Investment in equity accounted investees

In thousands of CHF	2007	2006
Piscine de Bassins	31	100
Total	**31**	**100**

Summary financial information (not adjusted to the Group's shares):

(In thousands of CHF)	2007	2006
Current assets	229	692
Non current assets	4 029	17
Total assets	**4 258**	**709**
Current liabilities	183	109
Non current liabilities	3 920	100
Total liabilities	**4 103**	**209**

	2007	2006
Revenue	466	-
Expenses	(673)	-
Loss for the period	**(207)**	**-**

12. Cash deposit

The amount of CHF 3 600 represents a cash deposit pledged in favour of a financing company to guarantee certain lease commitments. The amount will be paid at the end of the lease contract.

13. Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
(In thousands of CHF)	2007	2006	2007	2006	2007	2006
Equipment and leasehold improvements	-	-	842	1 084	842	1 084
Trade receivables	-	-	441	329	441	329
Finances leases	(13)	(41)	-	-	(13)	(41)
Tax loss carry-forwards	(3 787)	(4 135)	-	-	(3 787)	(4 135)
Net tax (assets) liabilities	**(3 800)**	**(4 176)**	**1 283**	**1 413**	**(2 517)**	**(2 763)**

Deferred tax assets relate only to the Healthcare division. Management considers it probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets recognised relate to tax losses for fiscal years 2001 to 2007 and are available to be set off against future taxable income for a period of seven years as follows:

(In thousands of CHF)	2007		2006
Period	**Deferred tax assets**	**Expiry**	**Deferred tax assets**
2000	-	2007	464
2001	319	2008	386
2002	325	2009	328
2003	553	2010	593
2004	631	2011	687
2005	321	2012	338
2006	1 108	2013	1 339
2007	530	2014	-
Total recognised deferred tax assets	**3 787**		**4 135**

Unrecognised deferred tax assets

For certain entities, deferred tax assets amounting to CHF 2 891 for periods from 2001 to 2007 (2006: CHF 1 897 for periods from 2000 to 2006) have not been recognised, which are available to be set off against future taxable income for a period of seven years as follows:

(In thousands of CHF)	2007		2006
Period	**Unrecognised deferred tax**	**Expiry**	**Unrecognised deferred tax**
2000	-	2007	160
2001	93	2008	168
2002	49	2009	46
2003	528	2010	488
2004	724	2011	620
2005	620	2012	311
2006	154	2013	104
2007	723	2014	-
Total unrecognised deferred tax assets	**2 891**		**1 897**

Deferred tax assets have not been recognised because it is not probable that, for certain entities, sufficient future taxable profit will be available in the period of seven years, against which the Group could utilise the benefits therefrom.

Summary of tax loss carry forwards

(In thousands of CHF)

Of which expiring	**Not recognised**	**Recognised**	**2007 Total**
Within one year	423	1 450	1 873
Within two to five years	9 432	13 354	22 786
After more than five years	3 286	2 409	5 695
Total tax loss carryforwards	**13 141**	**17 213**	**30 354**

(In thousands of CHF)

Of which expiring	**Not recognised**	**Recognised**	**2006 Total**
Within one year	727	2 109	2 836
Within two to five years	6 009	9 064	15 073
After more than five years	1 887	7 622	9 509
Total tax loss carryforwards	**8 623**	**18 795**	**27 418**

14. Inventories

(In thousands of CHF)	2007	2006
Medical supplies	1 696	1 930
Pharmaceutical products	1 880	867
Hotel and restaurant goods	126	106
Other inventories	219	131
Total inventories	**3 921**	**3 034**

Inventories are regularly adjusted to their net realisable value by the systematic elimination of out-of-date items.

15. Trade receivables

At 31 December 2007 trade receivables are shown net of an allowance for doubtful debts of CHF 1,850 (2006: 1 799).

Aging of trade receivables

(In thousands of CHF)	2007 gross	provision	2007 net	2006 gross	provision	2006 net
Within one month	10 861	104	10 757	13 798	162	13 636
One to two months	7 193	98	7 095	4 332	48	4 284
Three to six months	5 307	61	5 246	4 440	46	4 394
Seven to twelve months	1 445	16	1 429	1 665	22	1 643
Over one year	1 634	1 571	63	1 880	1 521	359
Total account receivable	**26 440**	**1 850**	**24 590**	**26 115**	**1 799**	**24 316**

On the basis of past experience, the Group sees no need to make additional provisions for receivables that are not yet due or impaired. 72% (2006: 67%) of the balance relates to insurance companies.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2007	2006
Balance at 1 January	1 799	305
Acquisition through business combination	-	1 494
Impairment loss recognized	51	-
Balance at 31 December	1 850	1 799

The impairments loss at 31 December 2007 of CHF 51 relates to customers who ceased to pay their debt during the year.

16. Other receivables

(In thousands of CHF)	2007	2006
Other receivables:		
- from related parties	6 418	11 300
- from associate	100	100
- from third parties	1 287	2 245
Total other receivables	**7 805**	**13 645**

Receivables due from related parties include various current accounts with shareholders and other entities under the control of the shareholders, as well as a remaining balance resulting from the carve-out operations of real estate and finance liabilities. Details of related party transactions and outstanding amounts are disclosed in note 31.

17. Cash and cash equivalents

(In thousands of CHF)	2007	2006
Bank current accounts	5 646	18 270
Petty cash	56	72
Cash and cash equivalents	**5 702**	**18 342**

18. Equity

At 31 December 2007, the share-capital of CHF 28 203 consists of 5 640 600 fully paid registered shares of par value CHF 5.- each.

18.1 Capital increase

The extraordinary shareholders meeting of the Company of 17 November 2006 resolved upon a two-step capital increase. Based on said resolutions and the implementing resolutions of the Board of Directors, the Company decided to increase its share capital by CHF 10 500, from CHF 4 200 to CHF 14 700, by issuing 2 100 000 Shares (the so-called Tranche A of the capital increase) of par value CHF 5.- each. The shares were fully subscribed at an issue price of CHF 25.- and paid-in on 20 December 2006. The total proceeds of the capital increase amounted to CHF 52 500, resulting in a share-premium of CHF 42 000.

The extraordinary shareholders meeting of 17 November 2006 also decided to further increase the share capital of the Company by CHF 13 000, from CHF 14 700 to CHF 27 700, by issuing 2 600 000 shares in consideration for the contribution in kind of the entire share capital of Clinique de Genolier SA (the so-called Tranche B of the capital increase). The preferred subscription rights of the Company's shareholders
have been waived in respect of Tranche B. According to IFRS 3, the final price paid by the acquirer is measured at the fair value of the shares at the date of exchange. The total proceed of the capital increase amounted to CHF 93 860 resulting in a share premium of CHF 80 860.

In January 2007, the share-capital of the Company was increased by CHF 503 following the exercise of 100 600 stock options granted to the management of the Group (see also note 24.3).

The 2006 and 2007 capital increases are summarised as follows:

	Number of shares	Share-Capital (in thousands of CHF)
Balance at 31 December 2005	**838 285**	**4 191**
Capital increase - cash payment (tranche A)	2 100 000	10 500
Capital increase - contribution in kind (tranche B)	2 600 000	13 000
Capital increase - exercise of employee stock options	1 715	9
Balance at 31 December 2006	**5 540 000**	**27 700**
Capital increase - exercise of employee stock options	100 600	503
Balance at 31 December 2007	**5 640 600**	**28 203**

18.2 Authorised capital

At the ordinary shareholders meeting of AGEN Holding SA on 21 June 2007, the shareholders resolved to authorize the Board of Directors to issue up to a maximum of CHF 13 850 divided into a maximum of 2 770 000 fully paid-up shares with a nominal value of CHF 5 each until 21 June 2009.

The issue price, type of payment, timing, the beginning date for dividend entitlement and the conditions for the exercise of subscription rights attached to such shares would have to be determined by the Board of Directors. Preferred subscription rights which have been granted but not exercised are at the disposal of the Board of Directors, which can use them in the interest of the Company.

The Board of Directors is authorized to set the preferred subscription rights of existing shareholders aside and issue new shares by means of a firm underwriting through a bank or another institution with a subsequent offer of such shares to the existing shareholders. The Board of Directors may also set the preferred subscription rights of shareholders aside in case of the acquisition of an enterprise, parts of an enterprise or participations in a company or any similar transaction.

18.3 Conditional capital

At the extraordinary shareholders meeting of AGEN Holding SA on 17 November 2006, the shareholders resolved to authorize the Board of Directors to issue up to a maximum of CHF 1 500 divided into a maximum of 300 000 fully paid-up Shares with a nominal value of CHF 5 each pursuant to the exercises of stock option rights that are granted to employees, members of the Board of Directors as well as consultants under a stock option plan to be established by the Board of Directors. In connection with the issuance of stock options the preferred subscription rights of the Existing shareholders are excluded.

During the year 2006, 78 000 options granted to Class Editori Spa. Milan expired.

During the year 2006, 1 715 options, each giving rights to subscribe to one share at a unit price of CHF 5.-, were granted and exercised. These options were related to the stock option plan dated 22 June 1999 and represented the last available options under this plan.

On 6 October 2006, 12,648 options each giving rights to subscribe to one share at a unit price of CHF 25,- were granted. This plan is divided in three vesting periods, 31 October 2007, 2008 and 2009.

On 27 December 2006, 100 600 options, each giving rights to subscribe to one shares at a unit price of CHF 5.-, were granted. All options were exercised in January 2007

At December 31, 2007 the conditional capital of AGEN Holding SA consists of the following:

	Quantity	Nominal value in CHF
Balance at 1 January 2006	79 715	398 575
Maturing 2006	(78 000)	(390 000)
Exercise at 13 October 2006	(1 715)	(8 575)
Issuance at 17 November 2006	300 000	1 500 000
Balance at 31 December 2006	300 000	1 500 000
Exercise in January 2007	(100 600)	(503 000)
Balance at 31 December 2007	199 400	997 000

18.4 Transactions on treasury shares

In 2007, the Company had the following transactions on treasury shares :

	Purchase		Sale	
	Quantity	Average unit price	Quantity	Average unite price
January	62 444	38.45	52 216	37.55
February	21 083	38.70	6 665	39.67
March	9 045	36.43	5 305	37.40
April	4 300	36.35	11 483	35.28
May	7 000	27.18	1 900	34.90
June	4 050	29.07	409	30.45
July	1 374	24.87	500	27.00
August	7 501	23.61	1 200	26.00
September	16 128	20.72	600	21.00
October	2 300	26.86	3 717	27.00
November	2 713	26.48	1 345	26.00
December	250	28.08	2 000	28.00

In order to maintain sufficient liquidity on the market, AGEN Holding SA outsources the trading of its treasury shares to a company in which a director of AGEN Holding SA is associated.

At 31 December 2007, the Group held 86 918 treasury shares or 1.54 % of the share-capital which are shown in the balance sheet for a total amount of CHF 2 854.

18.5 Significant shareholders

At 31 December 2007 and 2006, the significant shareholders are as follows:

	2007		2006	
	Number of shares	**%**	**Number of shares**	**%**
Alain Fabarez	368 700	6.54	428 314	7,73
Antoine Hubert & Géraldine Reynard-Hubert [1]	765 639	13.57	653 570	11,79
Dr. Michael Schroeder	603 370	10.70	661 370	11,94
Jaime Rosell [2]	465 212	8.25	661 370	11,94
Lincoln Vale European Partners Master Fund L.P., Lincoln, USA	355 289	6.30	-	-
Spinner Global Technology Fund Ltd, Tortola, BVI	265 000	4.70	-	-
Schroeders plc, London, UK	237 083	4.20	-	-

[1] Antoine Hubert (337 339 shares) and Géraldine Reynard-Hubert (428 300 shares) form an organised group according to article 15 of the Stock Exchange Ordinance –FBC.
[2] including the shares held by the companies Garsol International Ltd, Tortola, BVI and Olmen Enterprises Ltd, Tortola, BVI, beneficially owned by Jaime Rosell.

19. Finance lease liabilities

At 31 December 2007 and 2006 Finance lease liabilities are payable as follows:

(In thousands of CHF)	Minimum lease payments	Interest	Principal
Less than one year	3 235	305	2 930
Between one and five years	5 308	368	4 940
Total finance lease liabilities 2007	**8 543**	**673**	**7 870**

Finance lease liabilities have an average interest rate of 4.2 % (2006: 3.5%).

(In thousands of CHF)	Minimum lease payments	Interest	Principal
Less than one year	2 603	238	2 365
Between one and five years	5 130	237	4 893
Total finance lease liabilities 2006	**7 733**	**475**	**7 258**

20. Bank overdrafts

The bank overdrafts relate to the Healthcare division. The 2007 average interest rate was 4.43%. As a guarantee, the Healthcare division pledged a portion of its trade receivables which amounts to CHF 24 203 as at December 2007 (2006: CHF 23 278).

21. Trade and other payables

(In thousands of CHF)	2007	2006
Trade payables due to third parties	18 818	15 581
Trade payables due to related parties	21	-
Trade payables due to doctors	7 004	4 986
Other payables	77	4 386
Total trade and other payables	**25 920**	**24 953**

22. Accrued expenses and deferred income

(In thousands of CHF)	2007	2006
Accrued personal expenses	2 364	2 953
Prepaid subscriptions	1 173	1 669
Accrued marketing expenses	639	1 463
Accrued tax expenses	37	624
Social charges on share based payments	4	609
Other accrued expenses	1 208	905
Total accrued expenses	**5 425**	**8 223**

23. Revenue

(In thousands of CHF)	2007	2006
Gross sales	116 735	n.a
Medical services	(7 003)	n.a.
Net revenue Healthcare division	**109 732**	**n.a.**
Subscriptions	1 988	2 196
Copy sales	552	441
Commissions on copy sales	(241)	(163)
Total revenue from copy sales	**2 299**	**2 474**
Advertising	8 714	7 844
Commission on advertising	(2 391)	(2 319)
Total revenue from advertising	**6 323**	**5 525**
Publication of investment funds pricing	1 589	1 370
Miscellaneous revenue	129	186
Net revenue publishing division	**10 340**	**9 555**
Total net Group's revenue	**120 073**	**9 555**

In 2007, Barter transactions in the publishing division amount to CHF 143 (2006: CHF 334)

24. Employee benefits

24.1 Number of employees

	2007		2006	
FTE*	**Healthcare**	**Publishing**	**Healthcare**	**Publishing**
Direct employees	527	74	521	58
Temporary employees	-	34	-	30
Total	**527**	**108**	**521**	**88**

* FTE = full time equivalent

24.2 Remuneration

(In thousands of CHF)	2007	2006 (restated)
Wages and salaries	50 643	4 078
Social security contributions	6 720	781
Share based payments	74	3 802
Other	499	-
Total personnel expenses	**57 936**	**8 661**

24.3 Share-based payments

On 6 October 2006, a stock option plan in favour of the existing non-executive members of the board of directors (Agefi Groupe SA) was implemented. 12 648 options, each giving rights to subscribe to one share at a unit price of CHF 25.- were granted. This plan is divided in three vesting periods, 31 October 2007, 2008 and 2009. In case of resignation, non vested options are forfeited.

On 27 December 2006, a stock option plan in favour of the management of the Group was implemented. 100 600 options, each giving rights to subscribe to one share at a unit price of CHF 5.- were granted. Options have been exercised in January 2007, 80 600 options granted to key management employee were accounted for as part of the acquisition before restatement as described under note 5. After restatement, the options granted have been considered as personnel expenses. At the same time a bonus compensation equivalent to the nominal value (and the subscription price) of the shares subscribed was paid to the key management employees in order to finance the subscription.

On 12 December 2007, a stock option plan in favour of the group management was implemented. 37 500 options, each giving rights to subscribe to one share at a unit price of CHF 30.- were granted. Options can be exercised at maturity date, at 31 December 2010.

The detail of share-based payments is presented as follows:

Arrangement	**Beneficiary / grant date**	**Number of instrument / exercise price**	**Vesting conditions**	**Exercise date**	**Expiry date**
Plan 10/06	Non-executive members of the board of Agefi Group SA 6 October 2006	12 648 CHF 25.-	Beneficiary should not have resigned at the date of exercise	31 October 2009	31 October 2009
Plan 12/06	Group Management 27 December 2006	100 600 CHF 5.-	None	January 2007	29 January 2007
Plan 12/07	Group Management	37 500 CHF 30	None	31 December 2010	31 December 2010

The movements of share based payment arrangements during the period are the followings:

	Plans		
	10/06	**12/06**	**12/07**
Oustanding share options at the beginning of the year	12 648	100'600	-
Granted during the year	-	-	37'500
Forfeited during the year	-	-	-
Exercised during the year	-	(100'600)	-
Expired during the year	-	-	-
Oustanding share options at the end of the year	12 648	-	37'500
Exercisable share options at the end of the year	-	-	-
	-	-	-
Weighted average price of exercised options	n.a	CHF 5.-	n.a
Weighted average price of outstanding options	CHF 25.-	-	CHF 30.-

Expenses relating to options granted under plan 10/06 and 12/06 are recognised in the 2006 consolidated income statement. The fair value of services received in return for share options granted is measured by reference to the share options vested times their fair value at the grant date (measurement date). The estimate of the fair value is based on a Black & Scholes model. Changes of the fair value of the option after the grant date do not change the fair value of the services received.

Fair value of share options and key assumptions:

Grant date	Share price	Exercice price	Expected volatility life (historic)	Option dividends	Expected interest	Risk-free value rate	Fair
Plan 10/06	CHF 35.7	CHF 25	44.75 %	2 years	-	2.45 %	CHF 16.71
Plan 12/06	CHF 36.0	CHF 5	-	-	-	-	CHF 36.00
Plan 12/07	CHF 27.9	CHF 30	30.00 %	3 years	-	2.80 %	CHF 5.95

In 2007, total expenses related to share-based payments amounts to CHF 74 (2006 restated: CHF 3 803)

24.4 Employee benefits

(A) Defined benefit plans

The entities of the GSMN division contribute to a common defined benefit plan that provide pension benefits for employees upon retirement. As the GSMN division has been included in the scope of the consolidation only as from 31 December 2006, no expenses were recognised in the 2006 income statement.

The entities of the Publishing division are affiliated with multi-employer plans, whose risks are fully reinsured with insurance companies. Until now, these plans were classified as defined contribution plans. In 2007, a review has been performed taking into account the recently published guidelines by the Swiss Institute of Certified Accoutants (Chambre Fiduciaire Suisse) that concluded that plans in this insurance solution should be accounted for as defined benefit plans. The company has evaluated the financial conditions of these plans under this interpretation and has concluded that no adjustment to previously reported financial information is required (see also note 5).

(In thousands of CHF)	2007	2006 (restated)
Present value of funded obligations	41 260	39 600
Fair value of plan assets	(44 693)	(43 171)
Surplus	(3 433)	(3 571)
Unrecognised actuarial gain	3 433	3 571
Asset / liability for defined benefit obligations	-	-

The Group does not expect any economic benefits to be available in the form of refunds from the plan (not permitted by Swiss law) or any reductions in future contributions to the plan. As a result, the net asset of CHF 3,432 (2006: 3,571) is not recognised.

(B) Periodic pension

(In thousands of CHF)	2007	2006
Current service cost	2 474	163
Interest cost	1 279	148
Expected return on plan assets	(2 023)	(172)
Change in assets not recognized in B/S	788	77
Net periodic pension cost recognised in P&L	2 518	216

The Group expects to have to pay contributions of CHF 2 599 in 2008.

(C) Change in the fair value of assets

(In thousands of CHF)	2007	2006
Plan assets as of 1st January	43 171	4 413
Expected return on plan assets	2 023	172
Actuarial gain / loss	(974)	(27)
Employer contributions	2 518	216
Employee contributions	2 406	216
Benefit payment	(4 451)	(743)
Business combination	-	38 924
Plan assets as of 31 January	44 693	43 171

(D) Change in the present value of obligations

(In thousands of CHF)	2007	2006
Obligation as of 1st January	39 600	4 413
Current service cost	2 474	163
Interest cost	1 546	148
Employee contribution	2 406	216
Actuarial gain / loss	(315)	19
Benefit payment	(4 451)	(1 743)
Business combination		36 384
Obligation as of 31 December	41 260	39 600

(E) Experience adjustments

(In thousands of CHF)	2007	2006
Plan assets as of 31 December	44 693	43 171
Actual return on plan assets as of 1 January	1 049	(145)
in % of plan assets as of 31 December	2.3%	0.3%
Difference between the actual		
and the expected return on plan assets	(974)	(27)
in % of plan assets as of 31 December	-2.2%	-0.06%
Obligations as of 31 December	41 260	39 600
Experience (loss) / gain on plan obligations	(315)	19
in % of plan assets as of 31 December	-0.8%	0.04%
Total actuarial loss	**(1 289)**	**(8)**
in % of plan assets as of 31 December	-2.9%	-0.02%

(F) Actuarial assumptions

	2007	2006
Discount rate	3,5%	3.5 %
Interest on individual accounts	3.5%	3.5 %
Expected return on plan assets	4.2%	4.8 %
Future salary increases	2.5%	2.5 %
Future pension increases	0.0%	0.0 %
Mortality tables		EVK 2000
Disability tables		1.5 x EVK 2000

The expected return on plan assets is based on the average of expected returns by asset categories.

(G) Plan assets allocation:

	2007	2006
Equity securities	25%	26 %
Bonds	44%	37 %
Real estates	20%	24 %
Other	11%	13 %
Total	**100%**	**100 %**

25. Other operating expenses

(In thousands of CHF)	2007	2006
Administrative expenses	5 651	358
Marketing expenses	3 782	722
Hotel and catering expenses	2 979	-
Maintenance	3 090	-
Energie expenses	1 616	-
Other expenses	2 822	758
Total other operating expenses	**19 940**	**1 838**

26. Financial expenses / income

(In thousands of CHF)	2007	2006
Financial expenses:		
Interest expenses	(1 238)	(5)
Commission on credit card	(157)	-
Total financial expenses	(1 395)	(5)
Financial income:		
Interest income	690	9
Total financial income	690	9
Net financial (expenses) / income	**(705)**	**4**

27. Income taxes

Reconciliation of effective tax rate:

(In thousands of CHF)	2007	2006 (restated)
Loss for the period	(3 232)	(30 868)
Income tax expense	(246)	-
Loss excluding income tax	(2 986)	(30 868)
Income tax using the entities' domestic tax rate (22%)	657	6 791
Unrecognised tax losses	(994)	(1 029)
Effect of the not deductible goodwill impairment	-	(5 762)
Tax effect on restatement	91	-
Other		-
Total tax income for the period	**(246)**	**-**

28. Operating leases

Leases as lessee

Non-cancellable operating lease rentals are presented as follows:

(In thousands of CHF)	2007	2006
Less than one year	8 712	7 610
Between one and five years	37 623	35 021
More than five years	95 337	105 836
Total non-cancellable operating lease rentals	**141 672**	**148 467**

The lease rentals are mainly related to the buildings in which the clinics are operating.

29. Capital commitments

The Group has commitments to purchase equipment for an amount of CHF 4,5 million as at 31 December 2007. (31 December 2006: CHF 10,5 million).

30. Contingent liabilities

The Group entered into leasing agreement with CIT Group (Switzerland) SA. As part of the contract signed, the Group is jointly responsible for any default of payment of its affiliates as well as the Centre Médico-Chirurgical des Eaux-Vives SA. Such an agreement was concluded in view of the acquisition of the CMEV. Should the acquisition of the CMEV by AGEN Holding SA not occur, the portion of this agreement (CHF 4 014) which relates to the CMEV finance lease will be assumed by its shareholders.

The Group is committed to issue a guarantee for the leased premises of CHF 4 580 to Unigerim SA.

31. Related parties

Compensation of the members of the Board of Directors and the Senior Management:

2007

(In thousands of CHF)	Board of directors	Senior management
Salaries	796	3 300
Directors' fees	213	-
Pension scheme	57	154
Share based payments	10	64
Total	**1 076**	**3 518**

2006

(In thousands of CHF) (restated)	Board of directors	Senior management
Salaries	260	436
Directors' fees	294	-
Pension scheme	46	26
Share based payments	181	2 898
Total	**781**	**3 360**

As the remuneration of the management of the Healthcare division only became a charge of the Group in December 2006, the 2006 figures only include directors and management team of the Publishing Division

The total sum of allowances for non executive directors for the 2007 fiscal year amounted to CHF 150 (2006: CHF 294).

In 2007, Mr. Raymond Loretan, executive chairman of the Board of directors received an annual salary of CHF 469 a bonus of CHF 100 and participate in Company's stock-option schemes and bonus. Mr. Raymond Loretan received no remuneration in 2006

The total remuneration paid to members of the senior management team is CHF 3 518 (2006: CHF 3 360). Shares and options attributed to Board of Directors members and management are described under note 24.3.

Additional fees and remuneration:

The Group outsourced the function of Chief Financial Officer (CFO) to Pennone & Partners SA of which Robert Pennone is chairman of the Board and, indirectly, minority shareholder. This was terminated on 30 June 2007. Fees paid to Pennone & Partners SA in 2007 amounts to CHF 120 (2006: 128).

A liquidity contract concluded previously with Pennone & Partners SA until November 2006 has been concluded with Banque Bénédict Hentsch SA (of which Robert Pennone is also member of the Board and shareholder) for an unlimited period and may be terminated at any time by either of the parties. Fees and interest paid to Banque Bénédict Hentsch in 2007 amount to CHF 22. (2006: 122).

The Group rents premises which belong to Unigerim SA, Geneva, a real estate company controlled by the former shareholders of GSMN, including Antoine Hubert and Dr Michael Schroeder. Starting December 2006, the Group pays annual rent of 6% of the operating revenue with a minimum of CHF 6 400 per annum. Due to renovating work in the clinics in 2007, Unigerim charged to the Group a reduced rent of CHF 4 720. In 2007, the Group charged Unigerim a total amount of CHF 1 141 as interest charges and service fees.

Loans to associates and related parties

Piscine de Bassins SA: CHF 100 (2006: CHF 100)

As at 31 December 2007, the Group had the following outstanding amounts with related parties:

	2007		2006
(In thousands of CHF)	Receivable	Payable	Receivable
Unigerim SA	4 328	-	10 412
Former shareholders of GSMN	684	-	684
Genorad	311	-	-
CMEV	1 095	-	204
Bio Tissue GmbH	-	21	
Total	**6 418**	**21**	**11 300**

In 2006, the Group had no payables to related parties.

Unigerim SA is a Geneva corporation belonging to and controlled by the former shareholders of GSMN, including Antoine Hubert and Dr Michael Schroeder. Prior to the acquisition of GSMN by the Company, the real estate and properties that used to belong to GSMN, including the buildings of the clinics, were acquired by Unigerim SA and operating lease agreements were entered into with the respective GSMN group companies for an initial time period of 15 years. The lease conditions are at arm's length.

At December 31, 2007, the amount due by Unigerim are detailed as follows:

(In thousands of CHF)	2007	2006
2006 transfer of the real estate	2 121	10 412
Credit note for inconvenience caused during construction works*	1 136	-
Service fees and interest	1 071	-
Total	**4 328**	**10 412**

*This amount will be compensated with 2008 rental expenses.

The 2006 amount due from Unigerim SA and the former shareholders of GSMN resulted from the acquisition of the healthcare division by the Group and was due on 30 June 2007. Delays in reimbursement of that debt occurred in 2007 and final settlement is expected by 30 June 2008. The total amount due by Unigerim SA bear interest of 6%.

Centre Medico-Chirurgical des Eaux-Vives SA (CMEV) is a medical centre wholly owned by Dr. Michael Schoeder and Antoine Hubert. The centre has a commercial relationship with GSMN. In 2007, GSMN charged an amount of CHF 600 as service fees to the centre.

Genorad is a medical centre in which Dr. Michael Schoeder and Antoine Hubert have a majority interest. The centre has a commercial relationship with GSMN. In 2007, GSMN charged an amount of CHF 200 as service fees to the Centre. On 31 October 2007, the Group has signed a non-binding letter of intend with the Shareholders of the CMEV in view of the acquisition of the Centre. Discussions are still in progress. There Group has signed an agreement in favour of CMEV (see also note 30, contingent liability).

Bio Tissue GmbH, Freiburg, Germany, is a biotechnology company manufacturing and distributing tissue replacement products made from autologous cells. The Company is owned 78% by Antoine Hubert and Michael Schroeder and is a medical supplier for the Group. In 2007, Bio Tissue billed an amount of CHF 110 to the Group.

32. Loss per share

The earnings per share are determined based on the consolidated result of the Group and the weighted average number of shares outstanding during the year, excluding treasury shares.

(in thousands of CHF)	2007	2006
Net loss	(3 232)	(30 868)
Weighted average number of outstanding shares	5 566	832
Basic and diluted loss per share (in CHF)	(0.58)	(37.14)

For the years ended 31 December 2007 and 2006, loss per basic and diluted shares is based on weighted average of shares outstanding and excludes potential shares relating to employee stock options, as they would be antidilutive

33. Financial risk management objectives and policies

The Board of directors has the overall responsibility for organizing and supervising risk management. It has compiled a list of risks which is periodically updated

The Group has exposure to the following risks from its use of financial instruments:
- credit risk
- liquidity risk
- market risk

33.1 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivable from customer and investment security.

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all significant customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. The maximum exposure is the carrying amount as disclosed in note 15. 72% of the customers consist of insurance companies (2006: 67%). There are no significant concentrations of credit risk within the Group.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents, financial assets, trade and other receivables, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The maximum exposure to credit risk at the reporting date was:

	Carrying amout	
(In thousands of CHF)	**2007**	**2006**
Financial assets at cost	92	566
Trade receivable	24 590	24 316
Other receivable	7 805	13 545
Cash and cash equivalent	5 702	18 342
Cash deposit	3 600	-
Total	**45 389**	**56 769**

Other receivable includes an amount due by Unigerim SA, Geneva, the lendlord of the Clinics. Rents due to Unigerim can be compensated against that receivable.

The Group's policy is to provide limited financial guarantees for wholly-owned subsidiaries. At December 2007, AGEN Holding SA guaranteed the leasing commitments of the clinics in relation with the 2007 acquisition of medical equipment. See also note 12 and note 30.

33.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (eg accounts receivables, other financial assets) and projected cash flows from operations.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group's objective is to improve the balance between continuity of funding and flexibility through the use of bank overdrafts and finance leases.

The table below summarizes the maturity profile of the Group's financial liabilities at 31 December 2007 based on contractual undiscounted cash flows including interest.

(In thousands of CHF)

Year ended 31 December 2007	Carrying amount	Contractual cash flows	Less than 6 months	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
Bank overdrafts	16 408	16 408	-	-	-		-
Finance lease	7 870	8 543	1 692	1 539	2 322	2 989	
Trade and other payables	25 920	25 920	25 920	-	-	-	-
Total	**50 198**	**50 871**	**27 612**	**1 539**	**2 322**	**2 989**	**-**

(In thousands of CHF)

Year ended 31 December 2006	Carrying amount	Contractual cash flows	Less than 6 months	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
Bank overdrafts	16 845	16 845	-	-	-	-	
Finance lease	7 258	7 733	1 358	1 245	1 582	3 548	-
Trade and other payables	24 953	24 953	24 953	-	-	-	-
Total	**49 056**	**49 531**	**26 311**	**1 245**	**1 582**	**3 548**	**-**

33.3 Market risk

Market risk is the risk that changes in market prices, such as interest rate or equity prices will affect the Group's income or the value of its holding of financial instruments. As the Group does not have any foreign operations, it is not subject to foreign currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term debt obligations with floating interest rates and long-term debt obligations primarily resulting from leasing of equipments.

The Group's policy is to manage its interest cost using a mix of bank overdrafts with variable rates and financing lease with fixed rates. The Group's policy is to keep between 40% and 60% of its borrowings at fixed rates of interest.

A 1% rise or fall in the floating interest rate would have an impact of CHF 144 on the 2007 income statement. (2006: 141)

33.4 Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may issue new shares. End of 2006 have been impacted by the purchase of GSMN Group and the related recapitalisation. Since then, no changes were made in the objectives, policies or processes during the year ended 31 December 2007 and 31 December 2006.

The Group monitors capital on the basis of the equity ratio which is the ratio of the equity to total assets.

(In thousands of CHF)	2007	2006
Equity	113 798	118 063
Total assets	170 704	176 755
Equity ratio	67%	67%

The board of Directors is currently considering alternatives for extending the Group's share option programme beyond key management and other senior employees.

The Group hodls a certain number of its own shares, firstly to cover obligations related to its share and option plans and secondly to finance acquisitions.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

34. Subsequent events

In order to strengthen the independence and autonomy of the Media division, the share capital of that division's subsidiaries will be open to new strategic investors. Credit Suisse has been appointed to examine the various development options, together with the management and employees of the division. No other events took place between 31 December 2007 and 28 April 2008 (date of authorisation for issue of the consolidated financial statements by the Board of Directors) that would require adjustments to the amounts recognised or otherwise additional disclosure in these consolidated financial statements.

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Report of the Group Auditors to the General Meeting of

AGEN Holding SA, Lausanne

As group auditors, we have audited the consolidated financial statements (balance sheet, income statement, cash flow statement, statement of changes in equity and notes on pages 41 to 88) of AGEN Holding SA, Lausanne for the year ended 31 December 2007.

These consolidated financial statements are the responsibility of the board of directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with Swiss Auditing Standards, and with the International Standards on Auditing (ISA), which require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the consolidated financial statements. We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position, the results of operations and the cash flows in accordance with the International Financial Reporting Standards (IFRS) and comply with Swiss law.

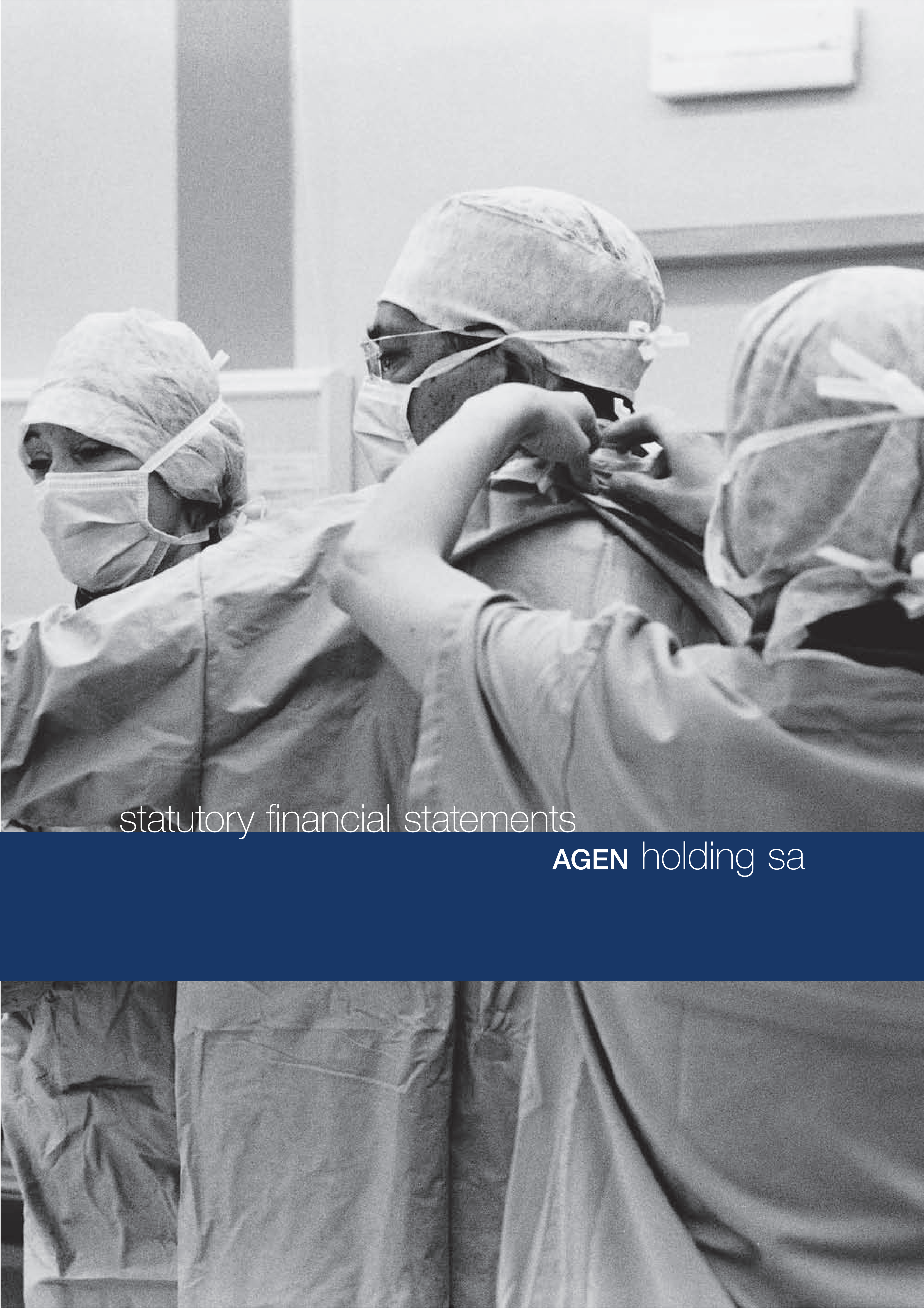
We recommend that the consolidated financial statements submitted to you be approved.

KPMG Ltd

Hélène Béguin
Auditor in Charge

Pierre-Henri Pingeon

Lausanne, 28 April 2008



statutory financial statements

AGEN holding sa

STATUTORY BALANCE SHEET
as at 31 December

(In thousands of CHF)	Notes	31.12.2007	31.12.2006
Assets			
Investments		51 089	51 089
Account receivable from subsidiaries		7 623	-
Account receivable from subsidiary,			
postposed (net of a provision of CHF 1 000 000)		833	600
Total non-current assets		**59 545**	**51 689**
Account receivable from subsidiary		-	33
Other assets		64	15
Treasury shares		2 477	-
Cash and cash equivalents		4 521	16 116
Total current assets		**7 062**	**16'179**
Total assets		**66 607**	**67'868**
Equity			
Share capital		28 203	27 700
General reserve		40 002	40 002
Reserve for treasury shares		2 854	1 313
Accumulated deficit		(5 242)	(2 299)
Total equity		**65 817**	**66 716**
Liabilities			
Bank overdraft		456	-
Accounts payable		162	887
Accrued expenses		172	265
Total current liabilities		**790**	**1'152**
Total equity and liabilities		**66 607**	**67'868**

STATUTORY INCOME STATEMENT FOR THE YEAR 2007

(In thousands of CHF)	Notes	31.12.2007	31.12.2006
Revenue		-	152
Interest income		121	2
Total revenue		**121**	**154**
General and administrative expenses		(1 012)	(366)
Net loss on treasury shares		(413)	-
Taxes on capital		(98)	(109)
Total expenses		**(1 523)**	**(475)**
Net loss for the year		**(1 402)**	**(321)**
Accumulated deficit at the beginning of the year		**(2 299)**	**(1 197)**
Dotation to reserve for treasury shares		**(1 541)**	**(781)**
Accumulated deficit at the end of the year		**(5 242)**	**(2 299)**

NOTES TO THE STATUTORY FINANCIAL STATEMENTS
as at 31 December 2007

1. Introduction

The financial statements of AGEN Holding SA were prepared in accordance with accounting principles required by Swiss law. They are prepared under the historical cost convention and on the accruals basis.

2. Investments in group companies

Investments are recorded at acquisition price less any write downs when deemed necessary.
At 31 December 2007, the company owns the following investments:

Name	Location	Activity	2007 %	2007 share capital*	2006 %	2006 share capital*
Agefi Société de l'agence économique et financière SA	Lausanne	Publishing	100.0	665	100.0	665
Agefi Com SA	Geneva	Financial information via the internet	100.0	200	100.0	200
Publications Financières LSI SA	Geneva	Publishing	100.0	100	100.0	100
Academy & Finance SA	Geneva	Organisation of seminars	22.5	250	22.5	250
Clinique de Genolier SA	Genolier	Clinic	100.0	10 000	100.0	10 000
Genolier Swiss Medical Network	Genolier	Management and administration	100.0	100	100.0	100
Piscine de Bassins SA	Bassins	Swimming pool	20.0	500	20.0	500
Montchoisi SA	Lausanne	Clinic	100.0	500	100.0	500
Clinique de Valmont SA	Montreux	Clinic	100.0	600	100.0	600
Clinique Générale Garcia-Ste Anne SA	Fribourg	Clinic	100.0	1 500	100.0	1 500

***in thousands of CHF**

3. Shareholders' equity

(in thousands of CHF)	Number of shares (thousands)	Share capital	General reserve	Reserve for treasury shares	Accumulated earnings / (loss)	Total
Balance at 1 January 2006	**838**	**4 191**	**83**	**532**	**(1 197)**	**3 609**
Capital increase - cash payment (tranche A)	2 100	10 500	42 000	-	-	52 500
Capital increase - contribution in kind (tranche B)	2 600	13 000	-	-	-	13 000
Capital increase - exercise of employees stock options	2	9	-	-	-	9
Financing costs of capital increase	-	-	(2 081)			(2 081)
Purchasse of treasury shares, net	-	-	-	781	(781)	-
Loss for the year	-	-	-	-	(321)	(321)
Balance at 31 December 2006	**5 540**	**27 700**	**40 002**	**1 313**	**(2 299)**	**66 716**
Capital increase - exercise of employees stock options	101	503	-	-	-	503
Purchase of treasury shares, net	-	-	-	1 541	(1 541)	-
Loss for the year	-	-	-	-	(1 402)	(1 402)
Balance at 31 December 2007	**5 641**	**28 203**	**40 002**	**2 854**	**(5 242)**	**65 817**

4. Authorised capital

Information on authorised capital are mentioned under note 18.2 to the IFRS consolidated financial statements.

5. Conditional capital

Information on conditional capital are mentioned under note 18.3 to the IFRS consolidated financial statements.

6. Treasury shares

Information on treasury shares are mentioned under note 18.4 to the IFRS consolidated financial statements.

7. Significant shareholders

Information on significant shareholders are mentioned under note 18.5 to the IFRS consolidated financial statements.

8. Commitments and contingent liabilities

The company is committed to provide certain subsidiaries with sufficient funds to cover potential lack of liquidity. At 31 December 2007, the total commitments amounted to CHF 4.5 million. (2006: CHF 6 500)

9. Additional information requested by the Swiss Code of Obligations on remuneration

Annual remuneration of the Board of Directors

Name	Position	Cash in CHF
Raymond Loretan[1]	Executive Chairman	-
Robert Pennone[2]	Vice-Chairman	56 440
Alain Fabarez[2]	Member of the Board	56 440
Claude Haegi	Member of the Board	50 000
Michael Schroeder	Member of the Board	50 000
Total		**212 880**

[1] Raymond Loretan is employee of the Group and does not receive directors' remuneration.
[2] Including social charges

Loans to members of the Board of Directors

There are no loans outstanding to executive and non-executive members of the Board of Directors or closely related parties.

Additional fees and remunerations of the Board of Directors

With the exception of options granted and salary paid to Raymond Loretan, there are no additional fees or remunerations paid by AGEN Holding SA or one of its Group companies, directly or indirectly, to members of the governing body or closely related parties.

Remuneration of the Senior management

Members of the Senior management are detailed in note 3.8 of the Corporate Governance report and includes Raymond Loretan, Executive Chairman, Alain Fabarez, Executive Director and key executive officers.

On 12 December 2007, a stock option plan in favour of the management of the Group was implemented. 37 500 options, each giving rights to subscribe to one share at a unit price of CHF 30, were granted. Options can be exercised at maturity date, at 31 December 2010.

Total remuneration of the members of the Senior management amount to CHF 4 381.

Highest total compensation for a member of the management

In 2007, the highest total compensation for a member of the Senior management was conferred to Raymond Loretan, Executive Chairman.

	Quantity	2007 CHF
Annual base salary		469
Bonus		100
Management stock options plan (black & Scholes value at grant)	5 000	31
Total		**600**

The Company also made a contribution of CHF 21 towards future pension benefits in line with the Group's pension benefits policy.

Share and stock options ownership of the Board of Directors and the management and closely related parties as at 31 December 2007

Name	Position	Number of shares held	Number of options held
Raymond Loretan	Chairman	8 450	5 000
Robert Pennone	Vice-Chairman	-	6 324[2]
Alain Fabarez	Member of the Board (until 21 January 2008)	368 700	-
Claude Haegi	Member of the Board	4 663	6 324[2]
Michael Schroeder	Member of the Board	603 370	-
Antoine Hubert[1]	CEO	765 639	-
Georges Gard	CFO	9 010	2 500
Valérie Dubois–Héquet	Division Chief Sales Officer	15 000	-
Beat Roethlisberger	Division Chief Administration Officer	7 000	-
Benoit Fallot	Unit manager Clinique de Montchoisi	2 700	-
Frey Eric	Chief Development Officer	30 379	5 000
Eric Valette	Division Chief Operating Officer	-	25 000
Guy Reynard	Unit manager Clinique de Valmont	2 000	
Rolande Voisard	Division head Administration and Accounting	1 035	-
Sylvie Gardel	Chief Editor of «L'Agefi»	1 020	
Total		**1 818 966**	**50 148**

1 Antoine Hubert hold these shares together with his wife, Géraldine Reynard-Hubert.
2 Of which 4 216 subject to vesting

Loans to member of the Senior management

At 31 December 2007, there were no loans outstanding to any member of the Senior management or closely related parties.

Additional fees and remunerations of the Senior management

There are no additional fees or remunerations paid by AGEN Holding SA or one of its Group companies, directly or indirectly, to members of the Senior management or closely related parties.

Compensation for former members of Senior management

There are no additional fees or remunerations paid by AGEN Holding SA or one of its Group companies, directly or indirectly, to former members of the Senior management or closely related parties.

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Report of the Statutory Auditors to the General Meeting of

AGEN Holding SA, Lausanne

As statutory auditors, we have audited the accounting records and the financial statements (balance sheet, income statement and notes on pages 91 to 98) of AGEN Holding SA, Lausanne for the year ended 31 December 2007.

These financial statements are the responsibility of the board of directors. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with Swiss Auditing Standards, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free of material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements comply with Swiss law and the company's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

KPMG Ltd

Hélène Béguin
Auditor in Charge

Pierre-Henri Pingeon

Lausanne, 28 April 2008

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