



half-yearly
REPORT 2010



table of
CONTENTS

5	Profile
9	Letter to the shareholders
11	Portfolio overview
29	Consolidated financial statements

The French and German translations of this Half-Yearly Report are available on www.gsmn.ch.



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your HEALTH


GENOLIER
Swiss Medical Network

Genolier | Lausanne | Fribourg | Zurich | Montreux | Geneva

A group of private clinics on a national scale Genolier Swiss Medical Network SA (GSMN) groups together the most important private clinics in Switzerland. Its aim: to offer a range of high quality hospital care to its Swiss and foreign patients. GSMN sets itself apart from its competitors by its excellent care, personalised welcome and pleasant surroundings both for the patients and their families. With facilities equipped with the latest medical technology, Genolier Swiss Medical Network is synonymous with reliability, knowledge and well-being. The Group's growth strategy is based on building a national network of clinics by acquiring facilities and restructuring them. GSMN is listed on the Domestic Standard of the SIX Swiss Exchange (GSMN: SW).





letter to
the **SHAREHOLDERS**

Dear Shareholders,

Forward! GSMN is embarking upon a new era with its sights set firmly on the future. The summer of 2010 was marked by a clash between shareholders which led to the convening of an Extraordinary General Meeting on 6 September 2010. With the election of seven new members to the Board of Directors, this meeting put an end to a conflict that was detrimental to the stability of our Group and disruptive to our doctors and employees, and it endowed our company with governing bodies that conform to our corporate governance statutes. Alongside Antoine Kohler and the undersigned existing Board Members who were re-elected, Dr Christian Le Dorze, Chairman of the Vitalia Group, Dr Cedric George, a key shareholder of Klinik Pyramide, Dr Philippe Glasson, physician in charge of Clinique de Genolier, and Mr Johannes Boot, manager of the Lincoln Vale Fund, all joined the Board, providing it with new medical and financial expertise.

One must bear in mind that Genolier Swiss Medical Network is a recently established company, with both the inevitable teething problems and all the intrinsic qualities that represent a great potential in a sector with strong economic prospects which is also essential for the well-being of the population. Being a shareholder means acknowledging these two aspects and accepting them. Being a director means working tirelessly to correct the weak points and lead our company towards success and profitability, improving its management structure and processes in line with the company's size and financial resources. GSMN's vision is to create a major Swiss healthcare player present in a majority of cantons. This long-term objective is ambitious, but our aim is to do everything necessary to safeguard the survival of private medicine in Switzerland and ensure the permanence of our establishments, based on the activity of independent physicians. In this context, our failure to acquire the Klinik Stephanshorn in St Gallen during this summer's crisis, despite having reached the final stage of negotiations, constitutes a major strategic setback for our Group and will cause a significant delay in our development. That said, we are determined to pursue our efforts in the months and years to come and will explore every attractive opportunity allowing us to achieve our strategic goals.

At the operational level, the progress of business in the first half was rather subdued, as the increase in turnover and profit was essentially due to the acquisition of Bethanien. Group turnover rose by 37% to CHF 97.8 million and EBITDA by 23% to CHF 7.5 million. Restructuring operations and new projects adversely affected the Group's profitability, but most activities are showing positive progression.

Turnover and profitability of Clinique de Genolier fell slightly; a complete refurbishment of the operating theatres was begun, with the work expected to last 12 months and be completed in spring 2011. The investment of about CHF 12 million will endow Clinique de Genolier with a latest-generation operating theatre, comprising five rooms instead of four and thereby increasing the clinic's capacity by over 25%. The Centre medico-chirurgical des Eaux-Vives, which is linked to Clinique de Genolier and comprises, in particular, a cancer and radio-oncology unit, was particularly hard hit by the opening of a second private radiotherapy centre. The Centre will be enhancing its oncology offering with the arrival of several new specialists in 2010. Its link to Clinique de Genolier allows it to benefit from more than 15 years' experience in the field.

This autumn, a car park with 45 spaces and a first class radiology facility will sustain the fast-growing activity of Clinique de Montchoisi. With 14% growth in the first half, Montchoisi has confirmed its leadership in ophthalmology, and the radiology facility will make it yet more attractive to orthopaedic doctors.

In October 2009, Clinique Valmont ended its cardiac rehabilitation activity in order to focus on neurology and orthopaedics. This strategy has proved successful, as EBITDA has risen slightly despite a 22% fall in turnover. The restructuring plan anticipates a return to profitability in 2011.



In Fribourg, Clinique Générale has reached cruising speed with stable turnover and EBITDA. The refurbishment of an additional floor has enabled new private rooms to be created, supplementing the existing offering. A gynaecology centre has been opened and Clinique Générale will develop a range of services for women here.

GSMN's latest acquisition, Privatlinik Bethanien, has become the Group's most important centre in German-speaking Switzerland. With close to 200 physicians, Bethanien had a turnover of CHF 27 million in the first half and has substantial growth potential. GSMN intends to draw on the expertise at Bethanien to promote its development in the region.

We have made many contacts with a view to acquisitions, cooperation and synergies. In the next 12 to 18 months, we hope to make new acquisitions which will enable us to rapidly increase our coverage and size. The main priority will be German-speaking Switzerland and Ticino, in accordance with our national strategy. In the French-speaking part of Switzerland, our presence in the Canton of Geneva will need to be reinforced.

We will be making sustained efforts in the months ahead to re-establish confidence, recover a sense of calm and restore the image of our Group. We will need the support of all the actors at GSMN who remained loyal to our Group during the crisis, despite the turbulence. We wish to take this opportunity to thank them. We also owe a debt of gratitude to the shareholders who placed their trust in us, a trust we reciprocate, so that together we may return to a dynamic of constructive development and positive allure.

Raymond Loretan
Executive Chairman

Antoine Hubert
Managing Director



nous ne serons jamais
une **CLINIQUE** comme les autres


GENOLIER
Clinique

Clinique de Genolier, Genolier

The health solution

Founded in 1972, Clinique de Genolier is the flagship facility of GSMN. With 168 beds and almost as many physicians, it is one of the largest private clinics in Switzerland. Genolier offers specialist medical care, state-of-the-art technology, an experienced medical team and premier-quality hotel services all under one roof.

Ideally located between Geneva and Lausanne, Genolier offers sweeping views of Lake Geneva, Mont Blanc and the Alps. A presidential suite and junior suites furnished in contemporary style and "La Table", a gourmet restaurant, ensure an exceptional standard of hospitality for the patients.

Clinique de Genolier has built a strong reputation in the treatment of cancer with its radiation oncology centre ranking among Europe's most modern facilities. Genolier is also the first facility in Switzerland to offer Intra-Operative Radio Therapy (IORT) as an innovative treatment for breast cancer.

With its up-to-date medical imaging department, the clinic excels in general surgery, orthopaedics and aesthetic surgery. Gynaecology, neurology and even cardiology complete the range. Outpatient appointments are also offered to all patients whether they are private, semi-private or state insured.

The Genolier brand is well established in the French-speaking part of Switzerland and many foreign countries.

Key figures at 30 June 2010

168	Available beds
160	Admitting physicians
297	Employees
1'333	Surgical interventions
1'382	Admissions (IPD)
CHF 35.57 million	Turnover

Revenue breakdown

66%	Inpatient
34%	Outpatient

Customer mix

95%	Private/semi-private
5%	General

www.genolier.net



ihre gesundheit
ist uns WERTVOLL


BETHANIEN
Privatklinik

Privatlinik Bethanien, Zurich

Leading clinic in the Zurich region

Acquired by Genolier Swiss Medical Network at the beginning of 2010, Privatlinik Bethanien is situated on a prime elevated site on the Zürichberg and is surrounded by woodland. The clinic is committed to continually improving its services.

With 96 beds, it treats over 5'000 patients annually. With nearly 200 admitting physicians, Privatlinik Bethanien's specialties include general surgery, gynaecology and obstetrics, ENT, maxillo-facial surgery, orthopaedic surgery, plastic and reconstructive surgery, urology and abdominal surgery. The emphasis is on medical care of the utmost quality and on providing personal, flexible care for patients.

Firmly focused on the well-being and safety of its patients, Privatlinik Bethanien guarantees maximum comfort. The VIP «Diamond Care» concept offers its clientele the benefit of an excellent service under the motto «state-of-the-art medicine and first-class hotel services».

Key figures at 30 June 2010

96	Available beds
196	Admitting physicians
277	Employees
2'112	Surgical interventions
204	Deliveries
2'164	Admissions (IPD)
CHF 27.09 million	Turnover

Revenue breakdown

87%	Inpatient
13%	Outpatient

Customer mix

97%	Private/semi-private
3%	General

www.klinikbethanien.ch



la clinique générale
pour les fribourgeois en PARTICULIER


CLINIQUE GÉNÉRALE
Ste-Anne

Clinique Générale, Fribourg

Leading private hospital in the Canton of Fribourg

This clinic, which was acquired by Genolier Swiss Medical Network in 2005, is the result of the merger between Clinique Garcia and Clinique St-Anne.

Thanks to its 4 state-of-the-art operating theatres and its private and semi-private rooms, the clinic enjoys a unique position in the Canton of Fribourg.

Its medical specialties focus on orthopaedics, neurosurgery and ENT. In recognition of its competences, Clinique Générale has been granted the exclusive right of practice of these specialties by the «Planification Hospitalière» of the Canton of Fribourg. Orthopaedic surgery accounts for 70% of its total surgical activity.

In 2010, Clinique Générale opened a centre of excellence in gynaecology. Other specialties offered include general surgery and medicine.

The Clinic's elegant gourmet restaurant, the «Carré», which is open to the public, is one of the best in the canton.

Key figures at 30 June 2010

60	Available beds
82	Admitting physicians
139	Employees
2'267	Surgical interventions
2'567	Admissions (IPD)
CHF 14.61 million	Turnover

Revenue breakdown

95%	Inpatient
5%	Outpatient

Customer mix

30%	Private/semi-private
70%	General

www.cliniquegenerale.ch



au cœur de la cité
au cœur de la SANTÉ


MONTCHOISI
Clinique

Clinique de Montchoisi, Lausanne

State-of-the-art ophthalmology

Clinique de Montchoisi has always been one of the most reputable facilities in the Canton of Vaud since it was founded in 1934. Having been acquired by Genolier Swiss Medical Network in 2003, the clinic has been entirely renovated and modernised. Located right in the heart of Lausanne, all the rooms enjoy an unrestricted view over Lake Geneva and the Alps. The top floor contains a presidential suite and spacious and comfortable junior suites.

Clinique de Montchoisi has key competence in ophthalmology. With over 20 renowned FMH (Swiss Medical Association) specialists heading this department, it provides efficient treatment for diseases such as glaucoma, cataracts, reticular and macular degeneration.

As a multidisciplinary facility, the clinic offers quality services in general surgery, orthopaedics, gynaecology and plastic surgery. Among its core activities, it also offers medical imaging.

The clinic continues to expand with the opening of a new state-of-the-art radiology unit, an underground 45-space car park, and «La Pergola», a restaurant open to the public. This reorganisation will make space available for additional physicians and extra rooms.

Key figures at 30 June 2010

21	Available beds
97	Admitting physicians
98	Employees
2'524	Surgical interventions
516	Admissions (IPD)
CHF 9.91 million	Turnover

Revenue breakdown

51%	Inpatient
49%	Outpatient

Customer mix

96%	Private/semi-private
4%	General

www.montchoisi.ch



un lieu unique
uniquement pour la RÉADAPTATION



VALMONT
Clinique privée de réadaptation

Clinique Valmont, Glion sur Montreux

Combining modernity and tradition

With a century of history behind it, Clinique Valmont has had the privilege of welcoming royalty, politicians and famous artists from around the world. Set above Montreux in peaceful, green surroundings, it offers an outstanding view over Lake Geneva and the Alps.

Acquired by Genolier Swiss Medical Network in 2006, it has been entirely renovated yet retains all its old-world charm. Clinique Valmont specialises in orthopaedic and neurological rehabilitation. The rehabilitation consultants are assisted by an experienced team of neuropsychologists, physiotherapists, occupational therapists, speech therapists, sports coaches and dieticians.

The clinic is a referral rehabilitation centre for physicians and hospitals in the region. It offers spacious, comfortable rooms meeting the requirements of the most discerning patients. The facility offers its patients an indoor swimming pool, a fitness centre and gym as well as a gourmet restaurant «Côté Lac» featuring a terrace with a spectacular view.

Clinique Valmont is GSMN's only rehabilitation clinic and caters for the needs of privately insured patients or otherwise.

Key figures at 30 June 2010	
78	Available beds
2	Admitting physicians
104	Employees
337	Admissions (IPD)
CHF 5.46 million	Turnover
Revenue breakdown	
92%	Inpatient
8%	Outpatient
Customer mix	
72%	Private/semi-private
28%	General
www.cliniquevalmont.ch	



· votre santé est au **CENTRE**
de nos préoccupations


EAUX-VIVES
Centre médico-chirurgical

Centre médico-chirurgical des Eaux-Vives, Geneva

Multidisciplinary medical centre in the city centre

An integrated part of the health landscape, Centre médico-chirurgical des Eaux-Vives (CMEV) fully meets the requirements of Geneva's population. Since January 2006, the Centre was managed by Genolier Swiss Medical Network, which acquired it in 2009.

This multidisciplinary medical centre on Geneva's left bank groups together a total of 20 physicians' practices in a pleasant, welcoming environment. With its main emphasis on general medicine, this friendly centre has built up specialties in practically all disciplines with pneumology and pediatrics being two of its key specialties. The centre has its own radiology service and offers outpatient consultations.

Key figures at 30 June 2010 (including Centre de radio-oncologie)

20	Admitting physicians
35	Employees
CHF 3.77 million	Turnover

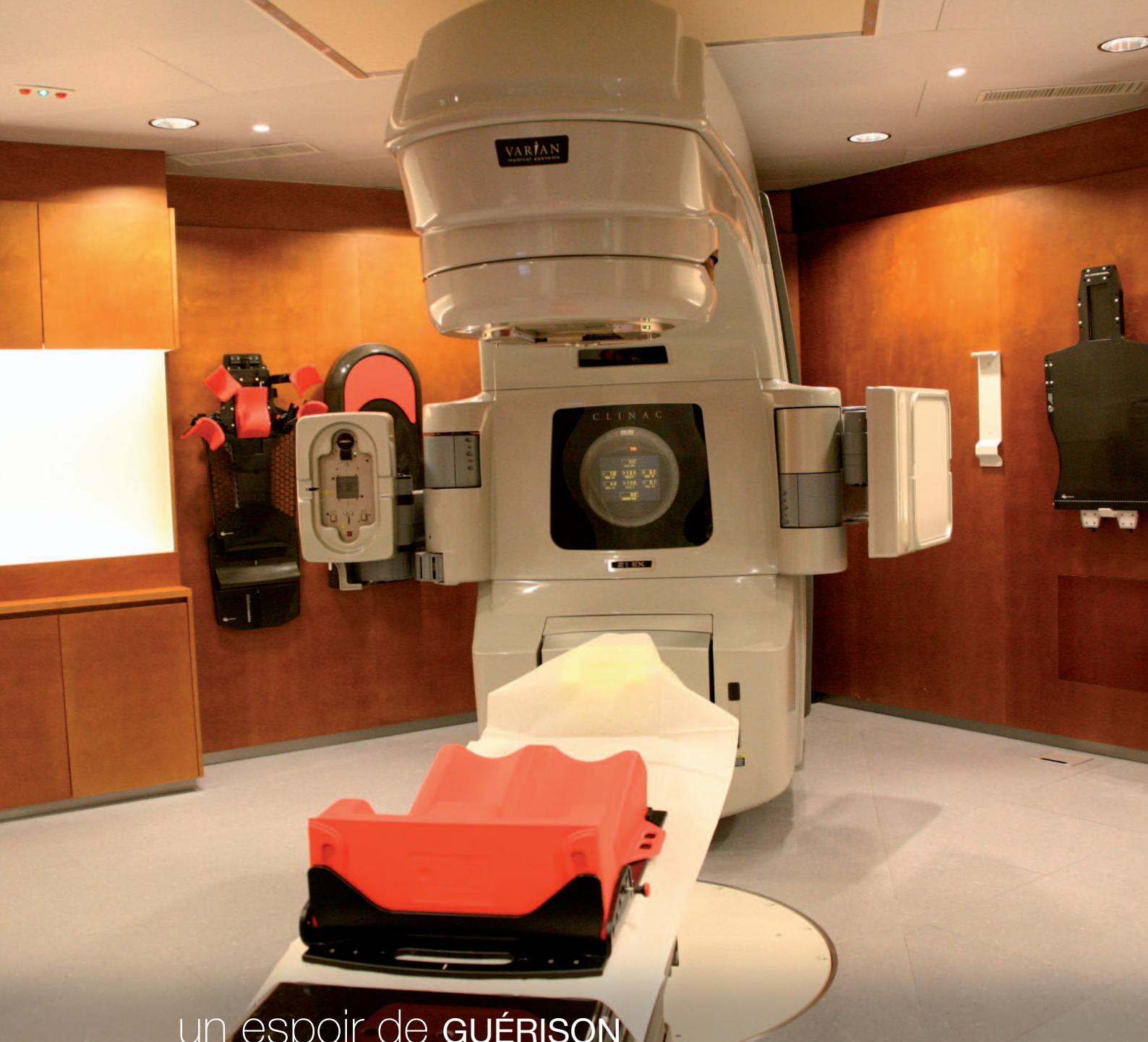
Key figures at 30 June 2010

15'077	Admissions (OPD)
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Revenue breakdown

100%	Outpatient
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www.cmev.ch



un espoir de GUÉRISON
qui se concrétise chaque jour

Centre de radio-oncologie des Eaux-Vives, Geneva

Efficient and welcoming radio-oncology centre

Radiotherapy for all types of cancer, systemic treatments and interdisciplinary consultations, all offered as an outpatient service in a peaceful environment, a stone's throw away from the Jet d'Eau fountain of Geneva. The Centre de radio-oncologie des Eaux-Vives is the only private facility in Geneva which provides access to this range of treatments for cancer patients whether they are privately or state insured. The centre provides a high-energy linear accelerator enabling more than 30 patients to be treated each day using high precision technologies.

The centre also has several chemotherapy and immunotherapy rooms. It provides treatment for all types of cancer. Practising radio-oncologists are able to treat their patients without waiting times and benefit from the technical infrastructure and the staff at the centre.

Offering treatment and care is the aim of the radio-oncology centre.

Key figures at 30 June 2010 (including Centre médico-chirurgical)

20	Admitting physicians
35	Employees
CHF 3.77 million	Turnover

Key figures at 30 June 2010

3'186	Admissions (OPD)
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Revenue breakdown

100%	Outpatient
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www.eaux-vives.com



vivez en toute **SÉRÉNITÉ**
à la clinique de genolier



LES HAUTS DE GENOLIER

RÉSIDENCE

Residence Les Hauts de Genolier

A new «home from home»

«Les Hauts de Genolier» is a unique concept in Switzerland, an alliance between premier hotel services and medical care supplied by the Clinique de Genolier. The residents can have full confidence in the clinic's equipment, technical know-how, and most up-to-date medical practices.

This facility is designed for residents of all ages who wish to remain independent while benefitting from tailor-made services, during long-term or short-term stays within a secure medical environment.

The 63 spacious suites with balcony benefit from a magnificent view over Lake Geneva and Mont Blanc and meet the highest standards in comfort and safety.

The residents have access to various communal areas, such as a panoramic restaurant, a library, a games and billiards room, an occupational therapy studio, a wellness area offering a beauty salon, hairdressing salon and therapeutic massage.

Refinement, comfort and safety: these are the three keywords enabling «Les Hauts de Genolier» to meet its objectives: achieving excellence at all levels.

_____	Key figures at 30 June 2010
63	Suites
CHF 1.25 million	Turnover
_____	www.hdg.ch



CONSOLIDATED
financial statements

Consolidated Balance Sheet

(in thousands of CHF)	Notes	30.06.2010 unaudited	31.12.2009 audited restated	30.06.2009 unaudited restated
Assets				
Equipment and leasehold improvements		71'798	46'704	44'425
Cash deposit		-	-	3'300
Investments in equity accounted investees		21	21	46
Other investment		333	133	-
Deferred tax assets		4'845	4'870	4'498
Total non-current assets		76'997	51'728	52'269
Inventories		6'288	4'934	4'600
Accrued income and prepaid expenses		4'724	3'240	3'601
Trade receivables		35'565	23'167	27'402
Other receivables		4'092	5'364	5'564
Cash and cash equivalents		6'270	6'928	4'945
Total current assets		56'939	43'633	46'112
Total assets		133'936	95'361	98'381
Equity				
Share capital		31'003	31'003	31'003
Share premium		395	6'841	6'841
Other reserves		323	323	323
Treasury shares		(2'522)	(2'947)	(2'966)
Retained earnings/(accumulated deficit)		77	(242)	888
Total equity		29'276	34'978	36'089
Liabilities				
Bank loans and other borrowings	Note 7	23'456	1'875	2'125
Finance lease liabilities, long term		6'486	6'129	7'414
Deferred income		675	975	1'071
Deferred tax liabilities		3'035	1'034	1'013
Total non-current liabilities		33'652	10'013	11'623
Bank overdraft and current portion of bank loan		22'340	14'626	15'078
Finance lease liabilities, short term		2'933	2'479	2'987
Trade and other payables		38'112	28'532	27'867
Accrued expenses and deferred income		7'623	4'733	4'737
Total current liabilities		71'008	50'370	50'669
Total liabilities		104'660	60'383	62'292
Total equity and liabilities		133'936	95'361	98'381

Consolidated Income Statement

(unaudited - in thousands of CHF)	Notes	Six months ended 30.06.2010	Six months ended 30.06.2009 restated
Revenue		97'815	71'260
Medical services		(5'484)	(4'459)
Net revenue		92'331	66'801
Production expenses		(20'776)	(17'138)
Personnel expenses		(41'552)	(27'238)
Rental expenses	Note 4	(7'871)	(5'495)
Acquisition-related expenses		(227)	(66)
Other operating expenses		(14'377)	(10'726)
EBITDA (Earnings before interest, taxes, depreciation and amortisation)		7'528	6'138
Depreciation		(5'629)	(3'959)
Profit from operating activities		1'899	2'179
Net finance expenses		(936)	(736)
Profit before income tax		963	1'443
Income tax (expenses)/income		(468)	397
Profit from continuing operations		495	1'840
Profit from discontinued operation, net of tax		-	3'008
Profit for the period		495	4'848

Consolidated Statement of Changes in Equity

(in thousands of CHF)	Number of shares (thousands)	Share capital	Share premium	Other reserves	Treasury shares	Retained earnings / (accumulated deficit)	Total
Balance at 1 January 2009 (as previously disclosed in IFRS)	5'641	28'203	91'353	323	(2'868)	(2'989)	114'022
Restatement effect (Note 3.1)	-	-	(85'056)	-	-	(971)	(86'027)
Balance at 1 January 2009 (restated)	5'641	28'203	6'297	323	(2'868)	(3'960)	27'995
Profit for the period	-	-	-	-	-	4'848	4'848
Capital increase	560	2'800	5'292	-	-	-	8'092
Goodwill directly offset with equity	-	-	(4'748)	-	-	-	(4'748)
Purchase of treasury shares	-	-	-	-	(200)	-	(200)
Sale of treasury shares	-	-	-	-	102	-	102
Balance at 30 June 2009 (restated)	6'201	31'003	6'841	323	(2'966)	888	36'089
Loss for the period	-	-	-	-	-	(1'122)	(1'122)
Purchase of treasury shares	-	-	-	-	3	-	3
Sale of treasury shares	-	-	-	-	16	(8)	8
Balance at 31 December 2009 (restated)	6'201	31'003	6'841	323	(2'947)	(242)	34'978
Profit for the period	-	-	-	-	-	495	495
Goodwill directly offset with equity	-	-	(6'446)	-	-	-	(6'446)
Sale of treasury shares	-	-	-	-	425	(176)	249
Balance at 30 June 2010	6'201	31'003	395	323	(2'522)	77	29'276

Consolidated Cash Flow Statement

(unaudited - in thousands of CHF)	Six months ended 30.06.2010	Six months ended 30.06.2009 (restated)
Profit for the period	495	4'848
Adjustments for:		
Income taxes	425	(397)
Depreciation	5'629	3'959
Gain on sale of discontinued operation, net of tax	-	(3'889)
Deferred income	(150)	1'071
Cash flow from operating activities before changes in working capital	6'399	5'592
Change in trade and other receivables	(287)	(803)
Change in inventories	(135)	(75)
Change in accrued income and prepaid expenses	(4'722)	(2'026)
Change in trade and other payables	3'222	(1'511)
Change in accrued expenses and deferred income	461	194
Cash flow from operating activities	4'938	1'371
Purchase of equipment and leasehold improvements	(3'251)	(3'948)
Disposal of discontinued operation, net of cash disposed of	-	1'314
Acquisition of subsidiary, net of cash acquired	(14'847)	175
Acquisition of other investment	(200)	-
Cash flow used in investing activities	(18'298)	(2'459)
Payment of finance lease liabilities	(1'637)	(1'547)
Purchase of treasury shares	-	(200)
Sale of treasury shares	250	102
Change in bank loans and other borrowings	7'375	(250)
Change in bank overdraft	6'714	2'797
Cash flow from financing activities	12'702	902
Change in cash and cash equivalents	(658)	(186)
Cash and cash equivalents at beginning of the period	6'928	5'131
Cash and cash equivalents at the end of the period	6'270	4'945

Notes to the consolidated interim financial statements

1 General information

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

These unaudited consolidated interim financial statements of the Group for the six months ended 30 June 2010 were authorised for issue by the Board of Directors on 12 October 2010 and comprise the Company, its subsidiaries and its interests in associates (together, the Group).

2 Basis of preparation and accounting policies

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

3 Change to Swiss GAAP FER

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

- **Goodwill** Under IFRS, goodwill is recognised as an intangible asset with an indefinite useful life and tested annually for impairment. In accordance with Swiss GAAP FER, goodwill must be recognised as an intangible asset, usually amortised over a period of five years, or offset against equity at the date of acquisition. The Group decided to offset the goodwill against equity to enable comparison with previous years statements.
- **Pension plan** Under IFRS, the Group's pension schemes are considered as defined benefit plans and require an annual actuarial calculation to determine pension net asset or liability. In accordance with Swiss GAAP FER, an annual assessment based on the financial statements of the pension fund determines whether the Group has economic obligation or benefit. Assessment of prior years did not result in economic obligation or benefit and therefore the Group, under Swiss GAAP FER, has not recorded any asset in connection with the Group's pension schemes. Hence the Group also reversed related deferred tax liabilities.
- **Direct acquisition costs** Under IFRS, the direct acquisition costs are expensed as incurred. In accordance with Swiss GAAP FER, these costs are included in the total cost of the business combination at the date of the acquisition. The acquisition of Privatklinik Bethanien took place in 2010. Thus the related directly attributable costs have been restated.
- **Share based payments** The Group has equity-settled payment transactions (share option plans). Under IFRS the grant date fair value of options granted to employees are recognised in profit or loss as personnel expenses with a corresponding increase in equity over the vesting period, if any. All plans have a service condition attached to them. This issue is not addressed by Swiss GAAP FER and the Group decided not to recognise the charges related to share based payments but will disclose all required information.

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

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

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

4 Rental expenses

(in thousands of CHF)	Six months ended 30.06.2010	Six months ended 30.06.2009
Related parties rental expenses	4'643	3'998
Third parties rental expenses	2'391	353
Other non-real estate rental expenses	837	1'144
Total rental expenses	7'871	5'495

5 Information by business units

(in thousands of CHF)	Sales to third parties		EBITDA		Equipment and leasehold improvements	
	Six months ended 30.06.2010	Six months ended 30.06.2009	Six months ended 30.06.2010	Six months ended 30.06.2009	30.06.2010	30.06.2009
Clinique de Genolier	35'565	37'868	4'967	5'832	18'685	16'964
Clinique de Montchoisi	9'906	8'714	2'039	1'354	4'598	4'997
Clinique Générale Ste-Anne	14'612	14'486	2'178	2'207	8'406	8'813
Clinique Valmont	5'456	7'053	274	265	5'050	5'307
Centre médico-chirurgical des Eaux-Vives*	3'771	2'908	98	601	6'875	7'378
Les Hauts de Genolier**	1'247	-	(531)	-	2'955	-
Privatklinik Bethanien***	27'086	-	3'930	-	23'848	-
Total from operations	97'643	71'029	12'955	10'259	70'417	43'459
Corporate	172	231	(5'427)	(4'121)	1'381	966
Total Group	97'815	71'260	7'528	6'138	71'798	44'425

* Acquired in March 2009

** Activity started in January 2010

*** Acquired in January 2010

6 Scope of consolidation

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

7 Main balance sheet developments

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

(in thousands of CHF)	30.06.2010
Bank facility for the acquisition	7'500
Final instalment to the seller	2'000
Borrowing agreement for the acquisition of leasehold improvements	12'206
Total increase related to the acquisition of Privatklinik Bethanien	21'706

8 Subsequent events

The company held an extraordinary general shareholders' meeting on 6 September 2010 during which previous members of the board of directors were re-elected and new members appointed. These elections put an end to the shareholder fight that started at the annual shareholder's general meeting of 9 June 2010. The audit committee is in the process of evaluating expenses incurred during the third quarter for investigations and legal assistance. The Group cannot yet assess the outcome of this process. Accordingly, the effects of these investigations are not recorded in the unaudited consolidated interim financial statements of the Group for the six months ended 30 June 2010.

Maximum exposure as per 12 October 2010 for the litigation is estimated to be (in thousands of CHF) CHF 3'535, of which CHF 3'346 directly invoiced to the Group. This amount includes CHF 1'182 lawyer fees, CHF 693 PWC fees, CHF 904 consultant fees, CHF 68 administrative expenses, CHF 383 salaries and CHF 116 for other expenses.

The board of directors has requested BMP Associates in Lausanne to review the exact nature of the contractual obligations resulting in these expenses for the purpose of allocating properly these costs.

As a consequence of the acquisition of Klinik Stephanshorn by a competitor, the Group will expense the directly attributable acquisition-cost of CHF 560 in the third quarter.