



**DASA announces gross revenue of R\$930.7 million with adjusted EBITDA margin of 23.0% in 2007.**

### HIGHLIGHTS

- ✓ The year of 2007 marked the strengthening of DASA's strategy of consolidating Brazil's Medical Diagnostic market, with record acquisitions and the opening of new PSCs, and also the beginning of processing tests to the public sector - which represents an unprecedented potential volume;
- ✓ The three companies acquired during 2007 contributed with revenues of R\$85.6 million, representing an annualized revenue of R\$ 164.8 million, exceeding market expectations. In July, DASA acquired CientificaLab, the leading privately-owned lab service provider in the public healthcare sector, a market that was not explored until then;
- ✓ Organic expansion peaked in 2007, with the opening of 34 PSCs, including 7 mega units. In the 4Q07, we opened 10 new patient service centers (PSCs)- 5 mega units and 5 standard units;
- ✓ Gross revenue climbed by 27.5% over the year of 2007, with growth of 26.5% in the lab-to-lab segment and 20.2% in the inpatient and outpatient segment.
- ✓ Adjusted EBITDA totaled R\$ 197.8 million in 2007 accompanied by a margin of 23.0%;
- ✓ The increase in goodwill amortization, which totaled R\$ 53.3 million, shadowed DASA's operational improvement, pressuring income before income tax and social contribution. On the other hand, deferred income tax raised net income to R\$ 56.6 million.

**DASA ON**  
(Bovespa: DASA3)  
Last Price  
(02/21/08)  
R\$ 33.69

Average Daily Traded:  
R\$ 10.2 MM in 2007

Market Capitalization:  
R\$ 2.2 billion  
US\$ 1.2 billion

Free Float: 93.5%

Conference Calls:

Portuguese  
Date: 02/22/08  
Time: 10:00 am (Brasília)  
Phone: 55 11 2188-0188  
Code: DASA

English  
Date: 02/22/08  
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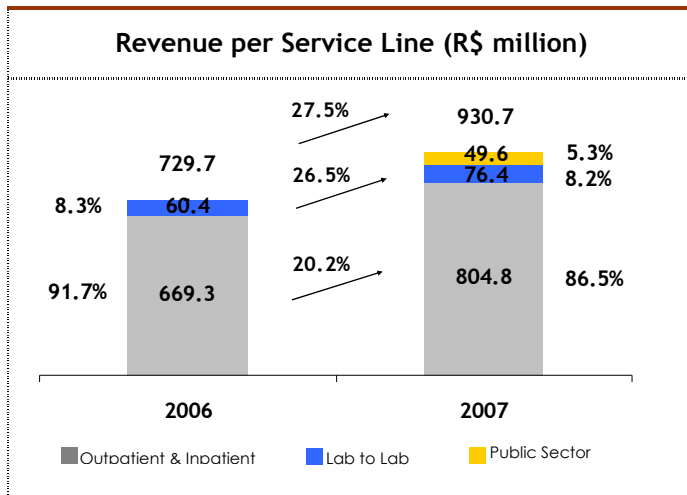
www.diagnosticosdaamerica.com.br

	R\$ million			R\$ million		
	4Q07	4Q06	% Chg	2007	2006	% Chg
Gross Revenues	250.8	190.0	32.0%	930.7	729.7	27.5%
Net Revenues	232.7	175.4	32.6%	858.8	670.5	28.1%
Cost of Services Rendered	(164.2)	(123.3)	33.1%	(584.6)	(443.5)	31.8%
Gross Profit	68.5	52.1	31.4%	274.2	227.0	20.8%
EBITDA	41.6	35.2	18.3%	179.5	137.4	30.7%
Adjusted EBITDA	49.6	39.2	26.4%	197.8	167.8	17.9%
Net Profit (Loss)	(8.7)	1.7	-614.4%	56.6	16.5	242.9%
Shareholders' Equity	512.4	469.2	9.2%	512.4	469.2	9.2%
Net Cash/Debt	(361.4)	(53.8)	N.A.	(361.4)	(53.8)	571.8%
Source: DASA						

**GROSS REVENUE**

The 4Q07 scenario sustained the growth acceleration pace. Gross revenue climbed by 32.0% year on year, totaling R\$ 250.8 million, the highest since DASA's IPO. This performance is the result of strong organic expansion, the growth of CientíficaLab and Alvaro operations (+26.5%), and acquisitions in the outpatient and inpatient segment (+17.5%). In 2007, revenue stood at R\$ 930.7 million, 27.5% up on the previous year.

Same-unit revenue rose by 5.5% in 2007, slightly lower than the average recorded in the last years due to temporary competition of the new PSCs and a weaker performance in the 4Q07 (3.5%) as a result of the smaller number of business days in this quarter.



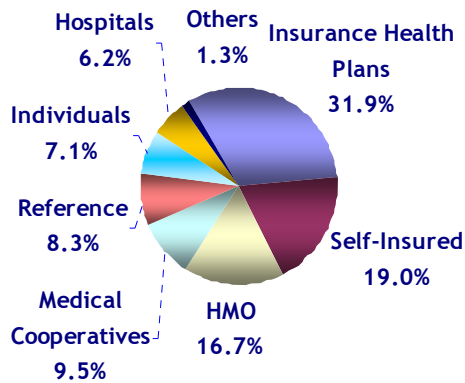
In the last twelve months, we opened 34 new PSCs (7 mega units and 27 standard units), exceeding the guidance given to the market. Of this total, 10 PSCs were opened in the fourth quarter (5 mega units and 5 standard units). In 2007, the number of units increased by 14.0%, closing the year at 296. This pace of organic expansion is unprecedented in DASA's history and reflects the Company's commitment to national consolidation. We believe that increasing the number of units in markets where we are already present strengthens the link between DASA, its patients and payers, in addition to ensuring strong revenue growth in the coming years.

In 2007, we acquired three major laboratories (Exame CientíficaLab and Med Imagem) in order to consolidate our presence in the markets we already

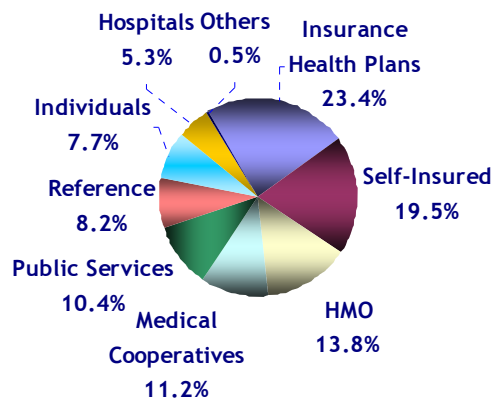
operate and diversify our payer base, in line with the Company's strategy. The acquisition of CientíficaLab was our debut in working to the public sector, a market where DASA still did not operate and has great expansion potential thanks to improvements in the cost and the quality of the services provided to the population in general.

The entrance of the public sector in the payer base in 2007, which already accounted for 10.4% of DASA's revenue in the 4Q07, diluted the revenue from other payers. In addition, the good performance of medical groups (+1.6 p.p.) and self-management (+0.5 p.p.) results from the profile of payers in the acquired laboratories. The larger share of private clients is due to the growth of the Popular Lab. Note the dilution of health insurance and plans results solely from the diversification of payers following the acquisitions.

**Gross Revenues per Payer (2006)**



**Gross Revenue per Payer (4Q07)**



Others: include Clinical Trials and GMO.

## Private Sector

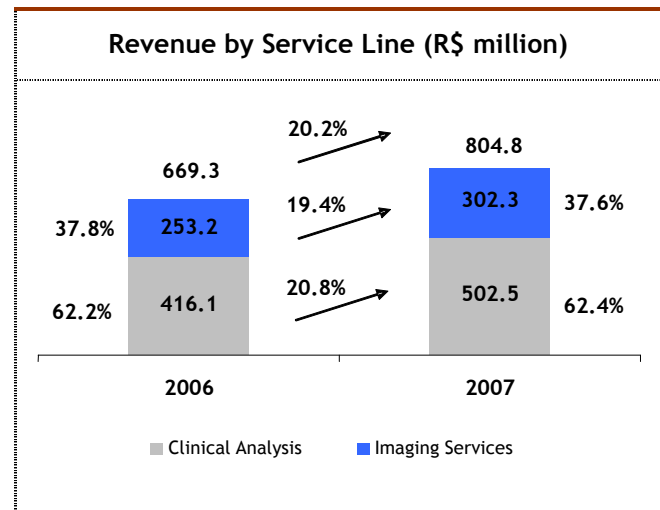
### Outpatient & Inpatient Market

Revenue from the outpatient and inpatient segment totaled R\$ 804.8 million, 20.2% up on 2006, due to the acquisition of Exame and Med Imagem, the introduction of new imaging services in the existing units and the opening of new units. In the quarter, revenue from this segment stood at R\$ 204.0 million, 17.5% up year on year.

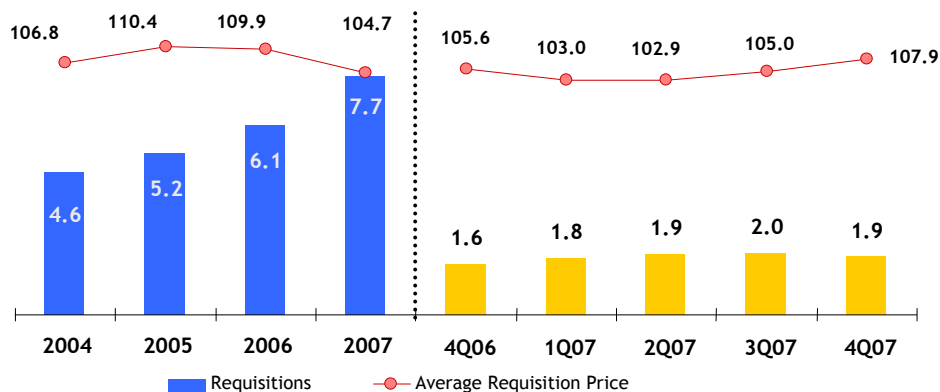
Revenue from clinical analysis grew by 20.8% year over year, totaling R\$ 502.5 million at the close of 2007 as a result of organic expansion and the acquisition of Exame, which focuses on laboratory services. In the 4Q07, this service generated gross revenue of R\$ 123.2 million (+14.1%).

Revenue from imaging services totaled R\$ 302.3 million in 2007 (+19.4%) and R\$ 80.8 million in the quarter (+23.1%). This result is consequence of the acquisition of Med Imagem and the introduction of new services in the existing units and the opening of 7 mega units. Imaging services as a percentage of revenue rose by 1.8 p.p. in the quarter. On a yearly basis, this share remained stable due to the nature of the acquisitions, given that the clinical laboratories had more operating months.

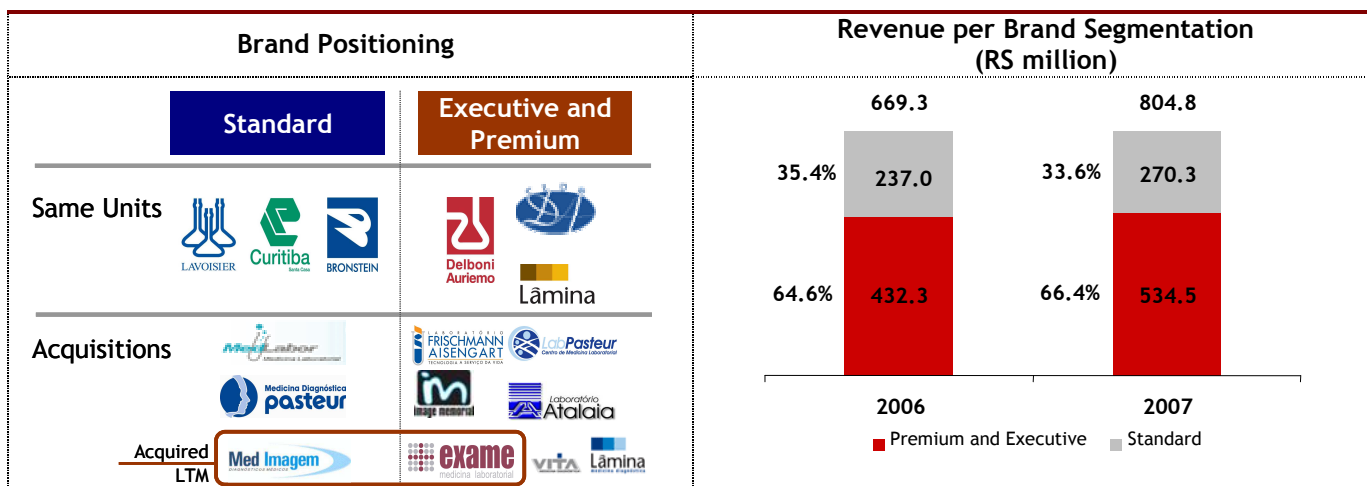
Note also the increase in the volume of requisitions processed in the outpatient and inpatient segment. In 2007, around 7.7 million requisitions were processed, 26.2% up on 2006. Average requisition price grew by 2.1% compared to the 4Q06, mainly due to the introduction of new imaging tests in the existing patient base.



### Average Requisition Price (R\$) and Requisition Volume (million)



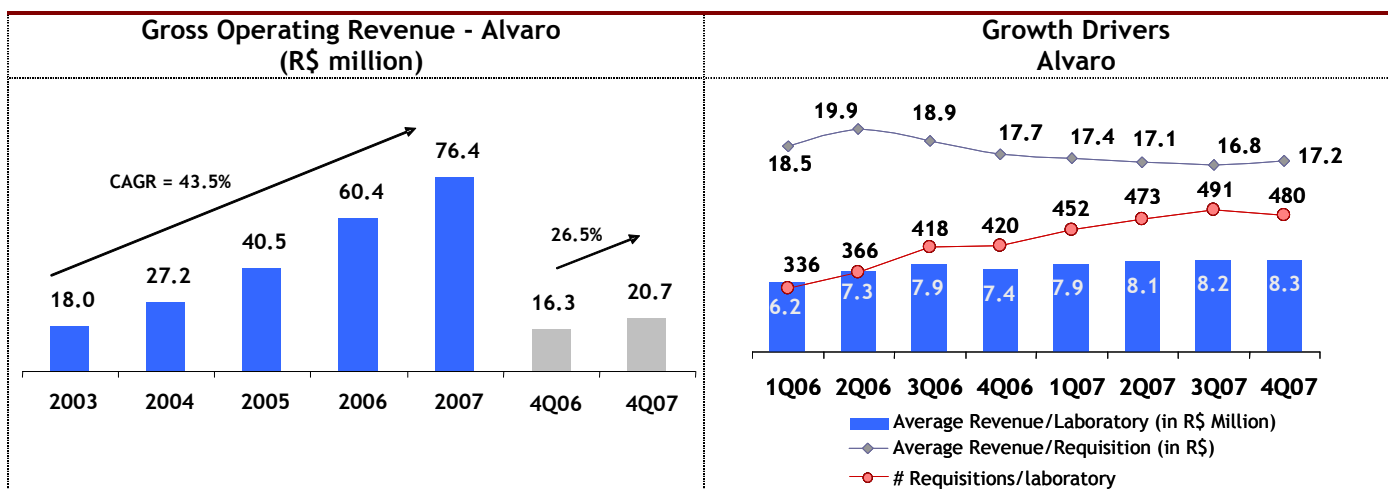
In relation to the performance by segment, revenue from the premium and executive brands moved up by 23.6% in 2007 as a result of the acquisition of Exame and the strong growth of the Club DA brand. Revenue from the standard segment rose by 14.1% compared to 2006 thanks to the addition of the Med Imagem brand to the standard segment in September 2008 and to the excellent results obtained with Laboratório Popular, which began in June 2006. This project is intended to reach patients who do not have health plans by offering tests at low prices. It is currently active in 105 of the 163 PSCs of the segment and has monthly revenue of over R\$ 1.3 million.



- **Lab-to-lab (reference) market**

Alvaro has maintained a fast pace of growth, with gross revenue climbing by 26.5%, to R\$ 76.4 million in 2007, and by 26.5%, to R\$ 20.7 million in the 4Q07.

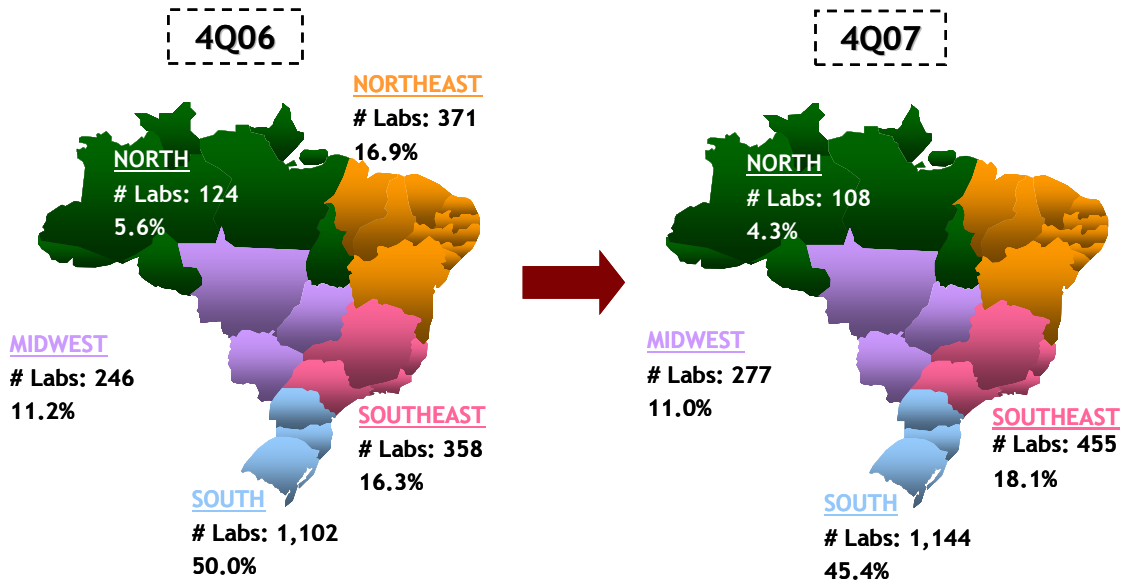
The good performance of the lab-to-lab market is due to the steep growth in the number of requisitions processed, which moved up by 38.6% in 2007. This upturn is a result of the following factors: (i) increase in the number of tests available, fueling the number of requisitions per laboratory; and (ii) expansion of the geographical coverage, increasing the number of client laboratories.



This revenue growth results from our strategy of expanding the number of client laboratories (+14.3%) and average revenue per laboratory (+10.6%). In addition, the number of requisitions per laboratory rose (+14.4%) due to the greater availability of less complex tests, which, on the other hand, contributed to reduce average requisition price (-3.3%).

	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07	4Q07	4T07 vs. 4T06	4T07 vs. 1T06
Revenue (in R\$ millions)	12.2	15.1	16.7	16.3	17.1	18.5	20.0	20.7	26.5%	69.3%
# of laboratories	1,962	2,068	2,119	2,196	2,178	2,299	2,427	2,511	14.3%	28.0%
Average Revenue/laboratory (in R\$ thousand)	6.221	7.303	7.899	7.439	7.873	8.067	8.242	8.231	10.6%	32.3%
# Requisitions/laboratory	336	366	418	420	452	473	491	480	14.4%	42.7%
Average Revenue/requisition (in R\$)	18.5	19.9	18.9	17.7	17.4	17.1	16.8	17.1	-3.3%	-7.3%

The expansion of geographical coverage is another factor that boosts the development of the lab-to-lab segment. Compared to the previous quarter, we added 315 new laboratories, 81.8% of which from the Northeast and Southeast regions. Note that there is a trend of expansion outside the South region, where Alvaro started its operation, showing growth potential to other regions.



## Public Sector

### Introduction

Brazil's public health system is managed by the Unified Health System (SUS) created in 1988, responsible for the public health system, comprising hospitals, clinics, research centers and service centers.

To meet the needs of the sector, private providers may join the SUS network through contracts established by public bids, with payment determined by the service provided: clinical analysis, operations or treatments.

### CientíficaLab

In July 2007, DASA acquired CientíficaLab, making its debut in servicing clinical analysis tests to the public health sector. This was considered one of the main strategic acquisitions thanks to the large volume of tests generated and subsequent synergies. Present in the states of São Paulo, Minas Gerais and Rio de Janeiro, CientíficaLab is an important driver of DASA's strategy, which comprises an increase in the number of tests in the current agreements and the execution of new agreements in other states and cities.

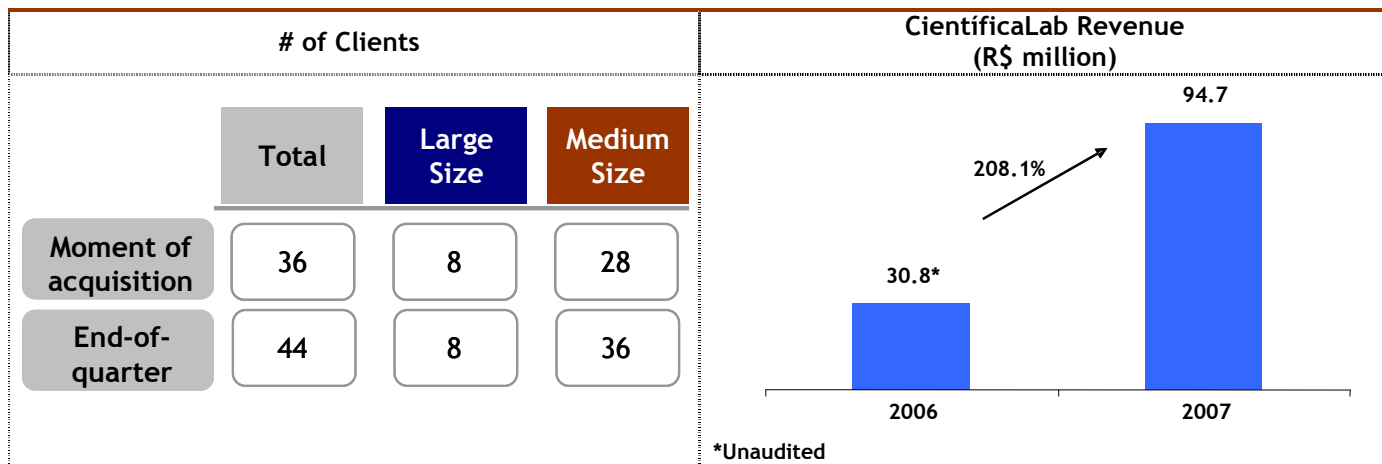
CientíficaLab, the leading privately-owned service provider in the public healthcare sector, served 36 clients when it was acquired and now has more than 44 clients, ranging between medium scale (up to 150,000 tests processed per month) and large scale (over 150,000 tests processed per month).

The type and range of the services provided vary according to the needs and interest of the public entity requiring the service and may comprise three different models:

Operation Type \ Service Provided	Support	Outpatient	Inpatient
Logistic	X	X	X
Central Processing	X	X	X
Collect Samples	-	X	X
Local Processing	-	-	X

- **Support:** includes the transport of samples and central processing. In this case, CientíficaLab provides collection materials, training of civil servants and sometimes refurbishment in PSCs to ensure service quality.
- **Outpatient:** in addition to the support service, it comprises patient service and sample collection;
- **Inpatient:** refers to patient service, test collection, local collection for emergency tests, transport and central processing for the other exams.

CientíficaLab closed 2007 with pro-forma revenue of R\$ 94.7 million, 208.1% up on 2006. Considering the months after its acquisition (July to December), revenue came to R\$ 49.6 million, a year-on-year increase of 137.1%. This upturn was possible thanks to the absorption of new clients and more services provided to the existing clients, driving the share of the public sector in DASA's gross revenue to 10.4%.



### Taxes on services

Taxes on services provided totaled R\$ 52.6 million in 2007, accounting for 5.65% of gross operating revenue, remaining in line with 2006.

### Discounts and deductions

Discounts stood at R\$ 19.3 million in 2007, versus R\$ 18.4 million in 2006, representing 2.1% of gross revenue, versus 2.5% of gross revenue in 2006. This improvement is due to the higher share of lab-to-lab, public and private payers, who do not use the disallowance system.

### Net operating revenue

Net operating revenue totaled R\$ 858.8 million, up by 28.1% on the R\$ 670.5 million reported in 2006 and slightly higher than the gross revenue growth of 27.5%

### Cost and services

The cost of services rendered includes expenses related to the operation of patient service centers, clinical analysis and imaging test production costs, in addition to amortization and depreciation.

Patient service center costs are divided into fixed (personnel, general services, utilities, rent and facility maintenance) and variable (materials used in the collection and production clinical analysis and imaging tests, which vary with the volume of requisitions processed). Costs related to the processing of clinical analysis tests include reagents, personnel and the operating costs of the central clinical laboratories. Diagnostic imaging processing costs include expenditures with equipment maintenance, expenses with test report centers and the hiring of specialized medical clinics to issue reports on these tests.

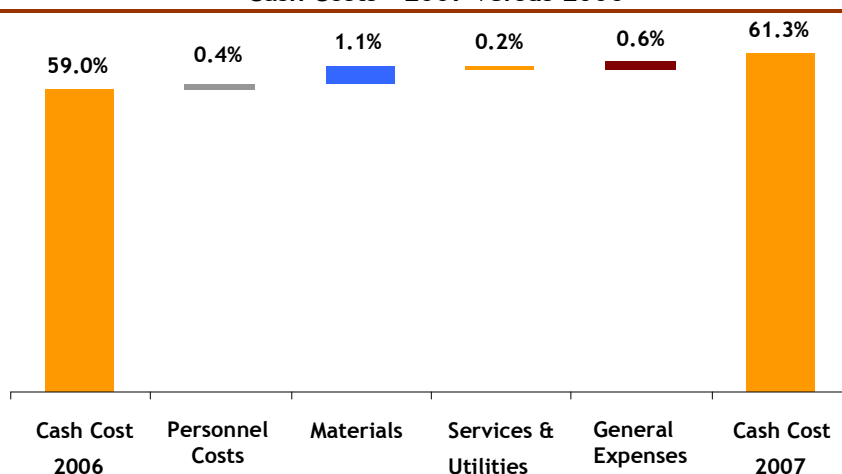
The cost of services rendered totaled R\$ 584.6 million in 2007, versus R\$ 443.5 million recorded in the previous year, dragging the period's gross margin down by 2.0 p.p. to 31.9%.

As we had seen along the year, the decline in margin in relation to 2006 is a consequence of the fixed costs generated by the opening of 46 new PSCs in the last 15 months. This pace of organic expansion is unprecedented in DASA's history and reflects the Company's commitment to consolidating the sector in Brazil. We believe a higher number of PSCs in the regions where we are already present strengthens the relationship between DASA and its patients and payers. In addition, the growth of the business-to-business operation (Alvaro and CientíficaLab), which has a differentiated cost structure, and the new inpatient units, which maintain central laboratories to perform short turnaround time tests, contributed to the variations in the main cost lines.

Note that the increase of these costs as a percentage of revenue is not a trend. The maturity process of the units opened recently and the efforts to consolidate the operations of the laboratories acquired should push these expenses down in the coming years. The new central laboratory in São José dos Pinhais, opened in November, for example, unified the Curitiba operation and will lead to synergies and gains of scale in the production area.

Cash costs, i.e. excluding depreciation and amortization, edged up by 2.3 p.p. over the same period in 2006.

Cash Costs - 2007 versus 2006

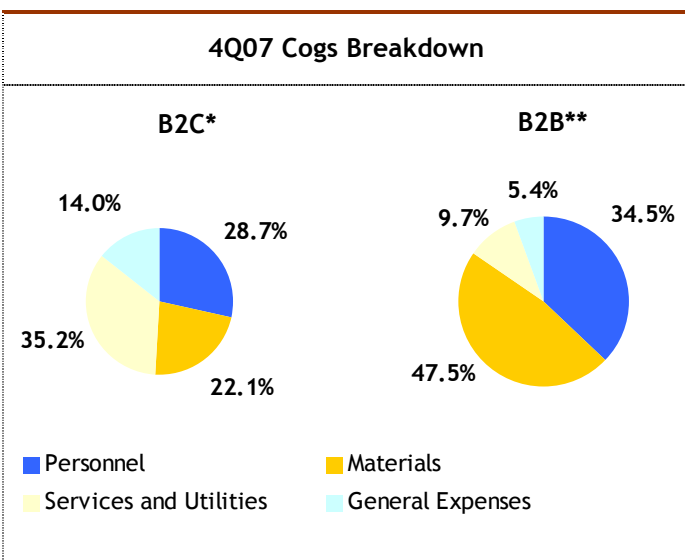


Source: DASA

The year-on-year variations in the main lines as a percentage of net revenue were as follows:

1) Personnel costs rose by 0.4 p.p. due mainly to the opening of 46 new PSCs in the last 15 months, which are still being ramped up. In addition, the three acquisitions made this year also contributed to increase these costs as the integration of the technical areas of the laboratories acquired is still not concluded;

2) Material costs rose by 1.1 p.p. due to the increased activity of Alvaro and the inclusion of the costs of CientificaLab, both in the business-to-business segment, where material costs are more representative as a percentage of net operating revenue.



As the graph on the left shows, the breakdown of costs in the business-to-business segment is significantly different from that of the outpatient and inpatient segments as it does not have expenses related to service centers. This segment accounted for 8.3% and 18.7% of total revenue in 2006 and the 4Q07, respectively;

3) Service and utilities remained flat. This line includes the operating costs of patient service centers and medical services associated with the imaging segment. This line is directly impacted by the acceleration of organic expansion and the opening of new imaging test schedules, an effect that tends to be diluted with the development of the units. On the other hand, the impacts on this line are offset by the increasing share of the B2B segment, whose cost of service is lower than that of outpatient and inpatient operations;

\*B2B = Lab to Lab & Public  
\*\*B2C = Outpatient & Inpatient

4) General expenses rose by 0.6 p.p. as a percentage of net operating revenue compared to 2006, mainly due to the different cost allocation found in the three companies acquired in 2007. The cost allocation will be corrected as soon as their integration to DASA's IT systems is completed.

5) Depreciation and amortization costs edged down by 0.4 p.p. due to the low investment in the operations of companies acquired in 2007, mainly CientificaLab.

#### Cost of Services Rendered - 2007 versus 2006

	In R\$ Million		% of Net Revenues		2007 vs 2006	
	2007	2006	2007	2006	Δ %	Dilution (p.p)
Personnel	173,5	132,6	20,2%	19,8%	30,8%	0,4
Materials	159,0	116,7	18,5%	17,4%	36,2%	1,1
Services and Utilities	183,5	141,8	21,4%	21,1%	29,4%	0,3
General	10,9	4,6	1,3%	0,7%	138,0%	0,6
Depreciation and Amortization	57,7	47,8	6,7%	7,1%	20,7%	-0,4
<b>Cost of Services Rendered</b>	<b>584,6</b>	<b>443,5</b>	<b>68,1%</b>	<b>66,1%</b>	<b>31,8%</b>	<b>2,0</b>

Source: DASA

In the 4Q07, the cost of services totaled R\$ 164.2 million, versus R\$ 123.3 million in the 4Q06. In the quarter, cash costs as a percentage of revenue increased by 2.4 p.p., following the trend observed in the year. The 10 units opened in the 4Q07 had an impact on costs with personnel, services and utilities, and the growth of the B2B segment led to an increase in material costs as a percentage of revenue.

#### Cost of Services Rendered -4Q07 versus 4Q06

	In R\$ Million		% of Net Revenues		4Q07 vs 4Q06	
	4Q07	4Q06	4Q07	4Q06	Δ %	Dilution (p.p)
Personnel	49.6	36.0	21.3%	20.5%	37.8%	0.8
Materials	43.9	31.1	18.9%	17.7%	41.0%	1.1
Services and Utilities	50.2	38.7	21.6%	22.1%	29.7%	-0.5
General	3.9	1.2	1.7%	0.7%	227.5%	1.0
Depreciation and Amortization	16.6	16.3	7.1%	9.3%	1.9%	-2.1
<b>Cost of Services Rendered</b>	<b>164.2</b>	<b>123.3</b>	<b>70.6%</b>	<b>70.3%</b>	<b>33.1%</b>	<b>0.3</b>

Source: DASA

### Gross profit

Gross profit totaled R\$ 274.2 million, up by 20.8% on 2006. The acquisitions and the fast pace of organic expansion pressured the gross margin, which closed 2007 at 31.9%. The 4Q07 gross profit rose by 31.4% year on year, totaling R\$ 68.5 million.

### Operating expenses

Operating expenses amounted to R\$ 243.7 million in 2007, remaining virtually stable as a percentage of net revenue in 2006 despite the acquisition of three new laboratories, which led to higher net financial expenses due to the decline in cash and goodwill amortization.

On the other hand, general and administrative expenses, the main line influencing EBITDA, were diluted by 2.6 p.p. due to the dilution of expenses in the parent Company (2.0 p.p. - 2007 versus 2006) and lower non-recurring expenses. This gain was offset by the increase in subsidiary expenses (2.0 p.p. - 2007 versus 2006) due to the acquisitions made in the year.

### Operating Expenses - 2007 versus 2006

	In R\$ Million		% of Net Revenues		2007 vs 2006	
	2007	2006	2007	2006	Δ %	Dilution (p.p)
General and Administrative	(171.6)	(151.1)	20.0%	22.5%	13.6%	-2.6
Net Financial	(22.5)	(10.8)	2.6%	1.6%	108.7%	1.0
Goodwill Amortization	(53.3)	(30.1)	6.2%	4.5%	76.9%	1.7
Other Operating Revenues/Expenses	3.6	1.7	-0.4%	-0.3%	110.0%	-0.1
<b>Operating Expenses</b>	<b>(243.7)</b>	<b>(190.2)</b>	<b>28.4%</b>	<b>28.4%</b>	<b>28.1%</b>	<b>0.0</b>

Source: DASA

### General and Administrative Expenses (R\$ Million)

	4Q07	% Net Rev.	4Q06	% Net Rev.	2007	% Net Rev.	2006	% Net Rev.
<b>General and Administrative</b>	<b>(49.2)</b>	<b>-21.2%</b>	<b>(38.2)</b>	<b>-21.8%</b>	<b>(171.6)</b>	<b>-20.0%</b>	<b>(151.1)</b>	<b>-22.5%</b>
Parent Company	(22.0)	-9.5%	(23.9)	-13.6%	(88.8)	-10.3%	(82.5)	-12.3%
Non Recurring Expenses	(8.0)	-3.4%	(4.1)	-2.3%	(18.3)	-2.1%	(30.4)	-4.5%
Profit Sharing Program	-	0.0%	(0.7)	-0.4%	(5.1)	-0.6%	(5.3)	-0.8%
Depreciation	(5.2)	-2.2%	(3.9)	-2.2%	(15.6)	-1.8%	(12.0)	-1.8%
Subsidiaries	(14.0)	-6.0%	(5.7)	-3.2%	(43.8)	-5.1%	(20.9)	-3.1%

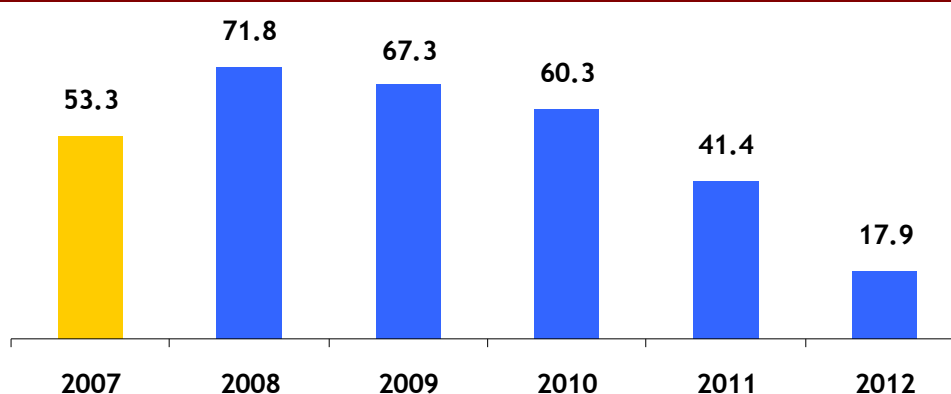
(\*) Profit Sharing Program

Source: DASA

The main year-on-year variations in operating expenses as a percentage of net revenue are described below:

- 1) General and administrative expenses (G&A) totaled R\$ 171.6 million in 2007, down by 2.6 p.p. The nominal increase is due to the acquisitions. Nevertheless, synergies arising from the integration of these acquisitions diluted the parent Company's expenses by 2.0 p.p.;
- 2) Net financial expenses rose as a result of higher cash disbursements due to the acquisitions and organic expansion;
- 3) In 2007, R\$ 3.6 million was booked under other operating revenues related to the recovery of sundry expenses;
- 4) The addition of five new companies to the operation during the period increased projected goodwill amortization, justifying the 76.9% upturn in goodwill amortization expenses. The following graph shows goodwill amortization estimates for the companies already acquired;

**Projected Goodwill Amortizations (R\$ Million)**



Source: DASA

In the 4Q07, the upturn in operating expenses was due to higher goodwill amortization and net financial expenses. Operating expenses as a percentage of net revenue moved up by 7.3 p.p. General and administrative expenses, together with other operating revenues/expenses diluted 0.3 p.p. for the same reasons explained above.

**Operating Expenses Breakdown - 4Q07 versus 4Q06**

	In R\$ Million		% of Net Revenues		4Q07 vs 4Q06	
	4Q07	4Q06	4Q07	4Q06	Δ %	Dilution (p.p)
General and Administrative	(49.2)	(38.2)	21.2%	21.8%	28.9%	-0.6
Net Financial	(10.9)	0.2	4.7%	-0.1%	-4592.3%	4.8
Goodwill Amortization	(17.9)	(8.7)	7.7%	5.0%	105.7%	2.7
Other Operating Revenues/Expenses	0.6	1.0	-0.2%	-0.6%	-44.1%	0.3
<b>Operating Expenses</b>	<b>(77.5)</b>	<b>(45.6)</b>	<b>33.3%</b>	<b>26.0%</b>	<b>69.8%</b>	<b>7.3</b>

Source: DASA

### **Non-operating result**

Non-operating expenses totaled R\$ 1.5 million in 2007. This figure results mostly from the write-off of fixed assets (R\$ 1.2 million).

## Income Tax and Social Contribution

In 2007, income tax and social contribution totaled R\$ 28.0 million positive. This credit balance results of DASA's recognition of tax credits over tax losses and negative social contribution basis of previous fiscal years of R\$ 57.9 million.

## Net income

In 2007, net income totaled R\$ 56.6 million, 242.9% up on 2006.

## EBITDA and Adjusted EBITDA

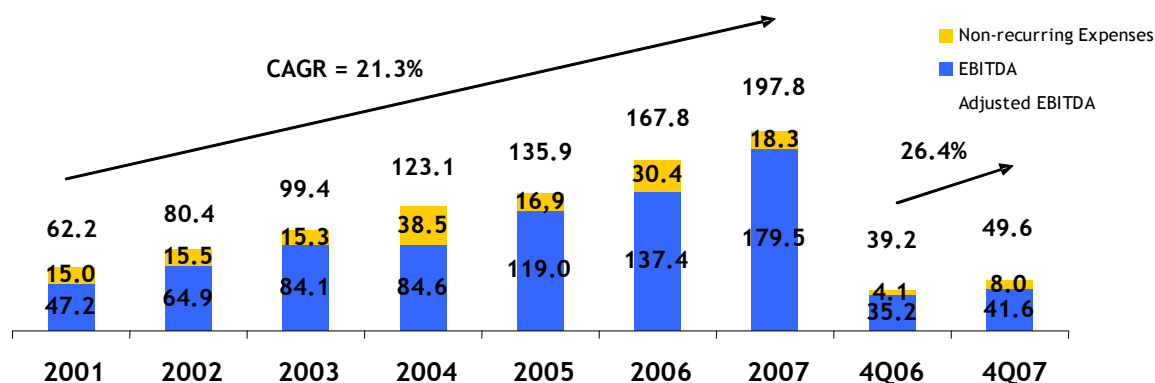
EBITDA totaled R\$ 179.5 million in 2007, accompanied by a margin of 20.9%, moving up by 30.7% on the R\$ 137.4 million recorded in 2006. In the 4Q07, EBITDA came to R\$ 41.6 million, accompanied by a margin of 17.9% over net operating revenue. Excluding non-recurring expenses, adjusted EBITDA totaled R\$197.8 million in 2007, accompanied by a 23.0% margin, 17.9% up on 2006. In the 4Q07, adjusted EBITDA totaled R\$ 49.6 million, accompanied by a margin of 21.3%, 26.4% up year on year.

### EBITDA and Adjusted EBITDA Breakdown

	In R\$ Million			2007	2006	Δ %
	4Q07	4Q06	Δ %			
Net Earnings	(8.7)	1.7	-614.4%	56.6	16.5	242.9%
Net Financial Expenses	10.9	(0.2)	-4592.3%	22.5	10.8	108.7%
Depreciation and Amortization	21.8	20.2	7.7%	73.3	59.8	22.6%
Goodwill Amortization	17.9	8.7	105.7%	53.3	30.1	76.9%
Minority Sharing	0.2	-	NA	0.4	0.1	
Non Operating Result	0.0	0.7	NA	1.5	0.8	92%
Income Tax and Social Contribution	(0.5)	4.1	-113.0%	(28.0)	19.4	-244.6%
<b>EBITDA</b>	<b>41.6</b>	<b>35.2</b>	<b>18.3%</b>	<b>179.5</b>	<b>137.4</b>	<b>30.7%</b>
Non Recurring Expenses	8.0	4.1	96.8%	18.3	30.4	-39.9%
<b>Adjusted EBITDA</b>	<b>49.6</b>	<b>39.2</b>	<b>26.4%</b>	<b>197.8</b>	<b>167.8</b>	<b>17.9%</b>

Source: DASA

### Adjusted EBITDA (R\$ million)



	2001	2002	2003	2004	2005	2006	2007	4Q06	4Q07
EBITDA Margin	19.3%	21.8%	23.1%	18.9%	22.5%	20.5%	20.9%	20.0%	17.9%
Adjusted EBITDA Margin	25.4%	27.1%	27.3%	27.5%	25.7%	25.0%	23.0%	22.4%	21.3%

Source: DASA

## Adjustments and non-recurring expenses

The expression “non-recurring expenses” is not included in BR GAAP or US GAAP and it includes expenses related to provisions for legal contingencies, especially those related to the ICMS tax and expenses from the acquisition and integration of companies.

In 2007, DASA recorded R\$ 18.3 million non-recurring expenses, distributed as follows: (i) R\$ 6.2 million in provisions for the ICMS tax; (ii) R\$ 8.5 million in expenditures related to the acquisition and integration process; (iii) R\$ 3.6 million in other non-recurring expenses.

## INDEBTEDNESS

DASA net debt totaled R\$361.4 million in 2007. Around 75.4% of DASA’s total indebtedness is long-term and close to 19.9% is denominated in foreign currency, 26.2% of which is hedged by swaps in order to avoid exposure to exchange rate fluctuations. The bulk of our debt is related to international equipment financing, while the Real-denominated debt comes from debentures.

### Net Debt Breakdown

R\$ MM	4Q07	%	4Q06	%
<b>Short Term</b>	<b>(119.9)</b>	<b>24.6%</b>	<b>(90.6)</b>	<b>21.8%</b>
Domestic Currency	87.5		61.7	
Foreing Currency	32.5		28.9	
<b>Long Term</b>	<b>(368.5)</b>	<b>75.4%</b>	<b>(324.1)</b>	<b>78.2%</b>
Domestic Currency	303.9		261.3	
Foreing Currency	64.6		62.7	
<b>Total ST + LT</b>	<b>(488.5)</b>	<b>100.0%</b>	<b>(414.7)</b>	<b>100.0%</b>
Cash and Cash Equivalents	78.3		326.0	
(+) Escrow	48.8		34.8	
<b>Net Debt</b>	<b>(361.4)</b>		<b>(53.8)</b>	

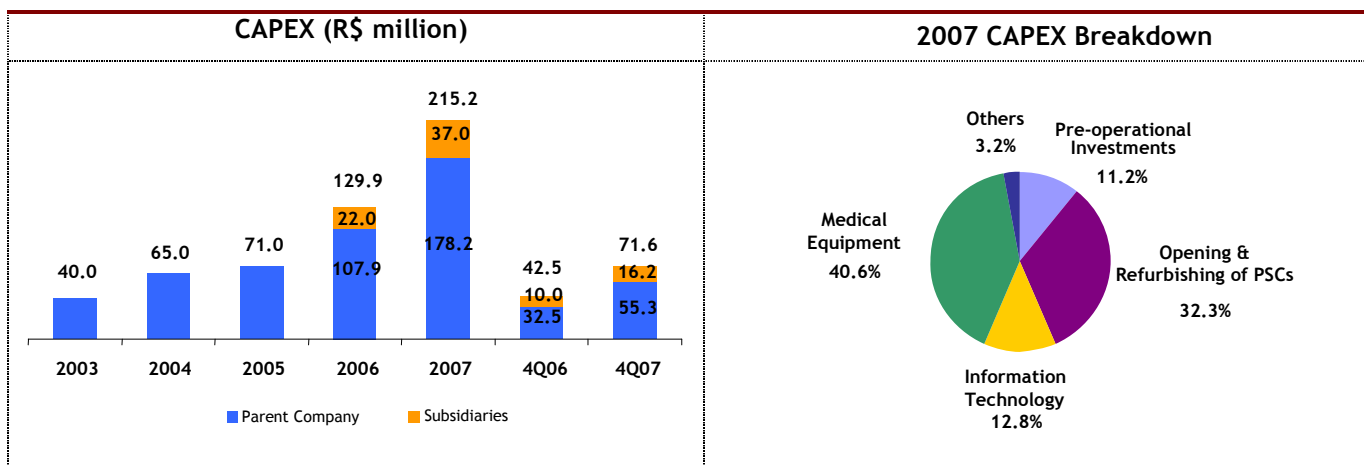
Obs.: Local Currency (Short and Long Term) - includes escrow accounts totaling R\$ 48.8 million.

Source: DASA

## CAPEX

CAPEX totaled R\$ 215.2 million in 2007, most of which going to (i) the purchase of imaging equipment and construction of PSCs; (ii) the construction of a new call center; and (iii) image digitalization equipment. In the 4Q07, CAPEX stood at R\$ 71.6 million.

The investment of R\$ 215.2 million is broken down as follows: (i) R\$ 84.7 million (R\$ 34.8 million in the 4Q07) went to the acquisition of medical equipment to expand our range of imaging services; (ii) R\$ 69.4 million (R\$ 21.5 million in the 4Q07) to improvements, refurbishments and the construction of new patient service centers; (iii) R\$ 27.6 million (R\$ 7.2 million in the 4Q07) to hardware, software licenses and the development of information systems; (iv) R\$ 24.1 million (R\$ 7.2 million in the 4Q07) to pre-operational investments; and (v) R\$ 6.8 million (R\$ 0.8 million in the 4Q07) to other investments.

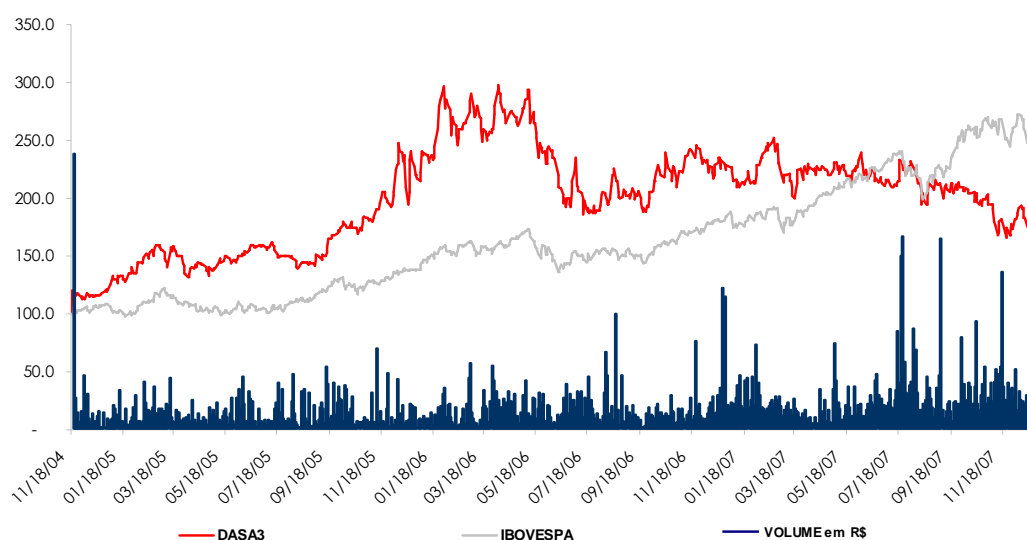


Source: DASA

## CAPITAL MARKET

DASA's shares closed the quarter at R\$ 36.90, shedding 19.2 p.p. in 2007, versus the 44.0% gain of the Ibovespa Index. In 2007, the Company's shares were traded in 100% of the Bovespa's trading sessions and total traded volume came to R\$ 2.5 billion (daily average of R\$ 10.2 million).

**Stock Exchange Performance (DASA ON versus IBOVESPA)  
November 2004 = 100**



Source: Agência Estado

### Bovespa Data

Bovespa - DASA ON	
Close (28/12/2007)	36.90
2007 High (R\$ per Share)	50.50
2007 Low (R\$ per Share)	33.25
% Chg. In 2007	-19.2%
Market Cap (R\$ MM)	2,118,168
Market Cap (US\$ MM)	1,195,827
Free Float	93.50%
Outstanding Shares (Th.)	57,402,935

Source: DASA e Bovespa

## RELEVANT EVENTS IN THE QUARTER

### Results in US GAAP

There were no differences between EBITDA in BR GAAP and US GAAP in 2007. The R\$973 thousand difference in net income refers only to adjustments in depreciation, goodwill amortization and the income tax line as shown below:

Description	12/31/2007		Change	Comments
	BRGAAP	USGAAP		
Gross Operating Revenue	930,687	930,687	-	
Net Operating Revenue	858,820	858,820	-	
<b>(=) GROSS PROFIT</b>	<b>331,927</b>	<b>331,927</b>	-	
<b>(=) EBTIDA</b>	<b>179,547</b>	<b>179,547</b>	-	
(-) Depreciation	(15,582)	(30,882)	(15,300)	Reduction of Pre-operating expenses
(-) Depreciation and Costs of Amortization	(57,701)	(58,514)	(813)	Amortization of fixed assets capitalized in costs
(-) Goodwill Amortization	(53,255)	(15,966)	37,289	Subsidiary goodwill amortization reversal
(+/-) Financial Results	(22,483)	(20,602)	1,881	Derivative instruments variation that were mark-to-market of R\$ (571), diminished from capitalization of fixed assets interests of R\$ 2.452.
(+/-) Non-operating Result	(1,526)	(1,526)	-	Reallocated to financial results
(-) Minority Shareholders	(411)	(411)	-	
<b>(=) EBIT</b>	<b>28,589</b>	<b>51,646</b>	<b>23,057</b>	
(-) Income Tax and Social Contribution	28,032	4,002	(24,030)	Refers to goodwill Income tax of R\$ 1.262, subtracted from income tax over the differences of GAAP criteria of R\$ 4.839; Reversal of R\$ (30.131) due to the adjust fro12/31/2006.
<b>(=) NET INCOME (LOSS)</b>	<b>56,621</b>	<b>55,648</b>	<b>(973)</b>	

### Market Maker

Diagnósticos da América S.A. hired Banco UBS Pactual S.A. to act as market maker for the Company's registered common shares as of August 8, 2007. The contracting of this service aims to increase liquidity, reduce volatility and ensure that the price of DASA shares better reflect supply and demand conditions. The general conditions of the contract provide for the daily inclusion of firm purchase and sale orders, in accordance with the following parameters:

<b>Ticker</b>	DASA3
<b>Maximum Spread</b>	3.0%
<b>Minimum lot per offer</b>	5,000 shares
<b>Duration</b>	6 months, renewable for a further 6 months
<b>Start</b>	August 8, 2007

### **Acquisitions**

In 2007, the Company increased the number of subsidiaries through the acquisitions of new companies, as shown below:

<b>Acquisitions</b>	<b>Date</b>	<b>Stake</b>
Exame Laboratório de Patologia Clínica Ltda.	May 24, 2007	85.71% *
CientíficaLab Produtos Laboratoriais e Sistemas Ltda.	July 19, 2007	100.00%
Med Imagem Ultra-Sonografia e Radiologia Ltda.	August 29, 2007	100.00%

\* One share of Exame quotas, corresponding to 14.29% of the capital stock, was sold by the estate of a former partner of Exame, and the transfer of these quotas to DASA is subject to court authorization.

### **DASA is confirmed on the Bovespa Corporate Sustainability Index (ISE)**

In December 2007, DASA shares were confirmed for the third time on the Bovespa's Corporate Sustainability Index portfolio. This index is intended to reflect the return of actions of companies with a recognized commitment to social responsibility, corporate sustainability and good economic performance.

DASA is included in this index since its launch, in November 2005, along with the shares of other 32 companies.

### **Dividends Propose**

Due to the financial results of the year, the Company proposes to distribute the minimum amount of dividends allowed by the law, amounting to R\$ 13.4 millions, equivalently to R\$ 0.234 per share.

## Consolidated Statements of Income

R\$ million	4Q07	4Q06	Δ %	2007	2006	Δ %
<b>Gross Operating Revenues</b>	<b>250.8</b>	<b>190.0</b>	<b>32.0%</b>	<b>930.7</b>	<b>729.7</b>	<b>27.5%</b>
Deductions	(18.1)	(14.5)	24.7%	(71.9)	(59.2)	21.3%
Sales Taxes	(14.7)	(10.5)	40.9%	(52.6)	(40.8)	28.8%
Discounts	(3.4)	(4.1)	-16.4%	(19.3)	(18.4)	4.7%
<b>Net Operating Revenues</b>	<b>232.7</b>	<b>175.4</b>	<b>32.6%</b>	<b>858.8</b>	<b>670.5</b>	<b>28.1%</b>
Cost of Services Rendered	(164.2)	(123.3)	33.1%	(584.6)	(443.5)	31.8%
<b>Gross Profit</b>	<b>68.5</b>	<b>52.1</b>	<b>31.4%</b>	<b>274.2</b>	<b>227.0</b>	<b>20.8%</b>
Operating Expenses	(77.5)	(45.6)	69.8%	(243.7)	(190.2)	28.1%
Selling, General and Administrative Expenses	(49.2)	(38.2)	28.9%	(171.6)	(151.1)	13.6%
Net Financial Expenses	(10.9)	0.2	NA	(22.5)	(10.8)	108.7%
Goodwill Amortization	(17.9)	(8.7)	105.7%	(53.3)	(30.1)	76.9%
Other Operating Expenses	0.6	1.0	-44.1%	3.6	1.7	110.0%
<b>Operating Earnings</b>	<b>(9.0)</b>	<b>6.5</b>	<b>NA</b>	<b>30.5</b>	<b>36.8</b>	<b>-17.0%</b>
Non-Operating Results	(0.0)	(0.7)	NA	(1.5)	(0.8)	91.9%
<b>Net Loss Before Income Tax and Social Contribution</b>	<b>(9.0)</b>	<b>5.8</b>	<b>NA</b>	<b>29.0</b>	<b>36.0</b>	<b>-19.4%</b>
Income Tax and Social Contribution	0.5	(4.1)	NA	28.0	(19.4)	NA
Minoritary Shareholders	(0.2)	-	NA	(0.4)	(0.1)	445.4%
<b>Net Income (Loss)</b>	<b>(8.7)</b>	<b>1.7</b>	<b>NA</b>	<b>56.6</b>	<b>16.5</b>	<b>242.9%</b>

## Consolidated Balance Sheet

ASSETS	4Q07	4Q06	LIABILITIES	4Q07	4Q06
<b>CURRENT ASSETS</b>	<b>336.3</b>	<b>520.7</b>	<b>CURRENT LIABILITIES</b>	<b>255.4</b>	<b>169.5</b>
Cash and Cash Equivalents	23.0	7.2	Suppliers	53.3	34.1
Marketable Securities	23.9	325.9	Loans and Financing	103.5	67.0
Accounts Receivables	205.3	138.6	Taxes and Contributions Payable	16.5	6.2
Inventories	33.5	20.7	Salaries, Social Charges and Vacation	31.4	22.0
Recoverable Taxes	37.8	16.7	Tax in Installments	6.8	5.5
Advances to Suppliers	3.4	1.3	Accounts Payable from Acquisition of Subsidiaries	9.7	18.1
Prepaied Expenses	1.7	1.1	Other Accounts Payable	34.4	16.6
Other Receivables	7.8	9.2		-	-
<b>LONG TERM ASSETS</b>	<b>138.2</b>	<b>29.9</b>	<b>LONG TERM LIABILITIES</b>	<b>449.9</b>	<b>380.0</b>
Marketable Securities	80.2	27.8	Marketable Securities	302.8	275.9
Recoverable Taxes	48.5	-	Tax in Installments	15.1	16.9
Judicial Deposits	7.2	2.1	Provisions for Contingencies	81.4	55.8
Other Credits	2.2	0.0	Accounts Payable from Acquisition of Subsidiaries	50.6	31.2
			Other Accounts Payable	(0.0)	0.2
			<b>MINORITY SHAREHOLDERS</b>	<b>0.7</b>	<b>-</b>
<b>PERMANENT</b>	<b>743.9</b>	<b>468.0</b>	<b>SHAREHOLDER'S EQUITY</b>	<b>512.4</b>	<b>469.2</b>
Investments	247.4	120.9	Capital	402.1	402.1
Property, Plant and Equipment	426.6	289.5	Capital Reserves	68.4	65.5
Deferred Charges	69.9	57.7	Accumulated Earnings/Losses	41.9	1.6
<b>TOTAL ASSETS</b>	<b>1,218.5</b>	<b>1,018.7</b>	<b>TOTAL LIABILITIES</b>	<b>1,218.5</b>	<b>1,018.7</b>