ALEGRO HEALTH CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATING RESULTS AND FINANCIAL POSITION

The following management discussion and analysis ("MD&A") dated this 15th day of Aug. 2007, provides an overview of the consolidated financial condition and results of operations of Alegro Health Corp. ["Alegro", "we", "our", or the "Company"] for the three months ended June 30, 2007. This discussion and analysis should be read in conjunction with the information from the consolidated financial statements of the Company and related notes thereto for the period ended June 30, 2007 and for period ended June 30, 2006.

The consolidated financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles ["GAAP'] and all amounts are presented in Canadian dollars.

Highlights in the Period Ended June 30, 2007 and subsequent events to the date of this MD&A

The company continued to generate increased revenues and net income in Q2 2007 as compared to the same period in 2006. Revenue increased 12.8% from $2,932,426 to $3,308,053, net income increased by 51% from $165,278 to $249,605. Revenue and net income for Q1 2007 were up 2% and 68% respectively.

A continued focus on development of the Company's core business activities has driven revenue and income increases in 2007, primarily due to growth in the medical assessment caseload at the Company's Work Able Centres subsidiary and increased prostate cancer treatment volume at the Company's Don Mills Surgical Unit.

Additionally, the Company's overhead control programs are paying dividends as reflected in the Q1 and Q2 net income increases from 2006 to 2007.

Overall Performance in the Three Months Ended June 30, 2007

	For three months ended June 30, 2007	June 30, 2006
Revenue	$ 3,308,053	$ 2,932,426
Direct & Operating Costs	3,058,449	2,766,724
Net Income (loss) after tax	$ 249,605	$ 165,278
Per Share	$ 0.00	$ 0.01
Per Share Diluted	$ 0.00	$ 0.00
Total Assets	$ 4,733,139	$ 4,589,083

REVENUE: The increase in Q2 2007, revenue as compared to Q2 2006, is primarily related to a continued focus on development of the Company's core business activities, compared to the same period in the prior year at the Company's Work Able Centres Inc. ("Work Able") subsidiary and an increased volume of prostate cancer treatments in 2007, performed by DMSU, also the increase in 2007 revenue at Direct Health although the closure of the WSIB contract.

DIRECT & OPERATING COSTS: The increase in direct costs mainly related to increase the volume of Revenue on both Workable and Direct Health in Q2 2007, compared to the same period in the prior year.

Amortization Expense
Amortization expense amounted to $71,168 for the three months ended June 30, 2007 compared to amortization expense of $72,900 recorded in the same period of 2006, decrease of $1,732.

Share Capital
As at June 30, 2007, and December 31st. 2006, the Company had 25,274,762 common shares issued and outstanding compared to 25,175,762 common shares issued and outstanding at December 31, 2004.

As at June 30, 2007, there were a total of 1,550,000 options outstanding to purchase an equivalent number of common shares at an average exercise price of $0.23, expiring at various dates.

Accounting Policies

Critical Accounting Estimates
The preparation of financial statements requires the Company to estimate the effect of various matters that are inherently uncertain as of the date of the financial statements. Each of these required estimates varies in regard to the level of judgment involved and its potential impact on the Company's reported financial results. Estimates are deemed critical when a different estimate could have reasonably been used or where changes in the estimate are reasonably likely to occur from period to period, and would materially impact the Company's financial condition, changes in financial condition or results of operations.

Recently Adopted Accounting Policies
There were no changes in accounting policies for the period ended June 30, 2007.

Consolidated Financial Statements

Alegro Health Corp.

June 30, 2007

Alegro Health Corp.

CONSOLIDATED BALANCE SHEETS

(Unaudited)	June 30, 2007 $	December 31, 2006 $
ASSETS		
Current		
Cash and cash equivalents	**731,101**	550,400
Receivables	**1,691,173**	1,556,816
Accrued receivables	**492,101**	292,764
Prepaids	**52,838**	46,508
Future tax assets	--------	19,844
	2,967,213	2,466,332
Due from related parties *[note 3]*	**40,000**	40,000
Capital assets, net	**446,799**	537,298
Goodwill	**46,863**	46,863
Intangible assets	**1,146,815**	1,146,815
Future tax assets	**85,450**	65,606
Total Assets	**4,733,139**	4,302,914
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Payables and accruals	**1,513,177**	1,788,884
Income taxes payable	**351,751**	160,070
	1,864,927	1,948,954
Shareholders' equity		
Share capital	**1,833,497**	1,833,497
Contributed surplus	**902,633**	902,633
Deficit	**67,580**	(446,670)
	2,868,212	2,353,960
Total Liabilities	**4,733,139**	4,302,914

See accompanying notes

Alegro Health Corp.

CONSOLIDATED STATEMENTS OF INCOME AND DEFICIT

For the period ended June 30, 2007	Three Months		Six Months	
(unaudited)	**2007**	2006	**2007**	2006
	$	$	$	$
Revenue	**3,308,053**	2,932,426	**6,835,818**	6,388,699
Expenses				
Direct costs	**2,527,644**	2,387,426	**5,327,806**	5,357,636
General and administrative	**287,537**	214,804	**546,089**	397,042
Stock-based compensation	-	-	-	-
Amortization of capital assets	**71,168**	72,900	**143,574**	141,803
Total expenses	**2,886,349**	2,675,130	**6,017,469**	**5,896,481**
Income (loss) before income taxes	**421,704**	257,296	**818,349**	**492,218**
Provision for (recovery of) income taxes:				
Current	**172,100**	79,955	**304,100**	177,144
Future	**-**	11,639	**-**	(1,004)
	172,100	91,594	**304,100**	**176,140**
Net income (loss) for the period	**249,605**	165,278	**514,250**	316,078
Basic and diluted earnings (loss) per common share	**0.02**	0.01	**0.01**	0.01
Deficit, beginning of period	**(182,025)**	(345,338)	**(446,670)**	(496,138)
Net income (loss)	**249,605**	165,278	**514,250**	316,078
Deficit, end of period	**67,580**	(180,060)	**67,580**	(180,060)
Weighted Average Number of Shares	#	#	#	#
Basic	**25,247,762**	25,247,762	**25,247,762**	25,247,762
Diluted	**25,354,127**	25,354,127	**25,354,127**	25,354,127

Alegro Health Corp.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended June 30, 2007 *(unaudited)*	Three Months		Six Months	
	2007	2006	**2007**	2006
	$	$	$	$
Increase (decrease) in cash				
OPERATING ACTIVITIES				
Net income (loss) for the period	**249,605**	165,277	**514,250**	316,077
Add (deduct) items not involving cash				
Amortization of capital assets	**71,168**	72,900	**143,574**	141,803
Future income taxes		11,685		(1,003)
Stock-based compensation	----	----	----	----
Changes in non-cash working capital items				
Receivables	**(478,923)**	1,903	**(134,357)**	90,219
Accrued receivables	**109,052**	(311,900)	**(199,337)**	(30,334)
Prepaids	**47,692**	(59,134)	**(6,330)**	(29,041)
Payables and accruals	**(252,865)**	74,707	**(275,708)**	(240,639)
Income taxes payable	**119,417**	79,848	**191,681**	177,037
	(134,854)	35,286	**233,772**	424,119
INVESTING ACTIVITIES				
Purchase of capital assets	**(39,026)**	(26,533)	**(53,072)**	(60,527)
	(39,026)	(26,533)	**(53,072)**	(60,527)
FINANCING ACTIVITIES				
Proceeds from exercise of warrants	----	----	----	----
	----	----	----	----
Net increase (decrease) in cash	**(173,880)**	8,753	**180,700**	363,592
Cash, beginning of period	**904,980**	920,562	**550,400**	565,723
Cash, end of period	**731,100**	929,315	**731,100**	929,315

See accompanying notes

Alegro Health Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007

1. INCORPORATION AND NATURE OF BUSINESS

Alegro Health Corp. ["Alegro" or the "Company"] was incorporated under the Canada Business Corporations Act on February 2, 2001 and is a venture company on the TSX Venture Exchange ["TSX-V"]. The Company provides health care services through its wholly-owned subsidiaries.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the interim financial statements are the same as those described in the Company's 2006 Annual Report. The disclosures in the interim financial statements conform in all material respects to the requirements of the Canadian generally accepted accounting principles for the annual financial statements included in the Company's 2006 Annual Report. The consolidated balance sheet June 30, 2007, consolidated statements of operations for the three months ended June 30, 2007 and 2006, and the consolidated statements of cash flows for the three and six months ended June 30, 2007 and 2006 are unaudited, but include all adjustments (consisting of normal recurring adjustments) which in the opinion of management are considered necessary for a fair presentation of the position, results of operations and cash flows for the periods presented. The results of operations for the three and six months ended June 30, 2007 shown herein is not necessarily indicative of the results that may be expected for the year ending December 31, 2007.

For more complete financial information, these financial statements, and notes thereto, should be read in conjunction with audited consolidated financial statements for the year ended December 31, 2006.

Basis of consolidation

These consolidated financial statements include the accounts the Company's wholly-owned legal subsidiaries; Work Able Centers Inc. ["Work Able"], Don Mills Surgical Unit Ltd. ["DMSU"], Assessment Network Inc. (operating as "MedEval"), and Direct Health Solutions Inc. ["Direct"]. All intercompany balances and transactions have been eliminated on consolidation.

Revenue recognition

Revenue is recognized when services for independent medical assessments have been completed, the price is fixed or determinable, and collection is reasonably assured. Accrued receivables represent an accrual for revenue recognized on completed and unbilled assessments. The estimated costs incurred to complete the assessments are included in accrued liabilities. Other services, such as work conditioning treatments and case management services, are billed when these services are rendered, the price is fixed or determinable, and collection is reasonably assured.

DMSU follows the deferral method of accounting for unrestricted contributions from the Ministry of Health and Long-Term Care. Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimate and collection is reasonably assured.

Goodwill

Goodwill is recorded when the cost of an acquisition exceeds the fair market value of the net tangible and identifiable intangible assets acquired. Goodwill is not amortized. Goodwill is tested for impairment on an annual basis or more frequently if warranted. Impairment losses are recorded when the carrying amount of goodwill exceeds its implied fair value. Such impairment losses are recorded as part of income from continuing operations.

Comparative Consolidated Financial Statements

The comparative consolidated financial statements have been reclassified from statements previously presented to conform to the presentation of the June 30, 2007 interim financial statements.

3. RELATED PARTY TRANSACTIONS

Certain related parties provide services to the Company either directly or through companies, which they control. Fees charged by such related parties for consulting fees for the six months ended June 30, 2007 were $198,000 (2006 - $155,250). These transactions with related parties have occurred in the normal course of operations and are measured at the exchange amount of consideration established and agreed to the related parties.

A summary of transactions and balances with related parties is as follows:

	2007 **$**	2006 $
Expenses		
Real World	**36,000**	36,000
Brenras	**126,000**	83,250
Disability Management	**36,000**	36,000
	198,000	155,250

Alegro Health Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2007

Amounts due from related parties		
Disability Management	**40,000**	40,000

Amounts due from related parties are non-interest bearing.

4. SHARE

CAPITAL [a]

Common shares

Share capital consists of unlimited Alegro common shares authorized.

	#	$
Number of Alegro common shares issued and outstanding		
Issued and outstanding, December 31, 2006	25,274,762	1,833,497
Issued and outstanding, June 30, 2007	25,274,762	1,833,497

[b] Stock-based compensation plan

As at June 30, 2007 options to purchase 1,550,000 shares at an average exe rcise price of $0.23 per common share with varying expiring dates were outstanding. During the six month period ended June 30, 2007 no options were exercised and 1,811,111 have expired.

[c] Contributed surplus

Contributed surplus consists of employee and non-employee stock-based compensation expense as follows:

Balance, December 31, 2006	$ 967,133
Options granted	----------
Balance, June 30, 2007	$ 967,133

Alegro Health Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

SEGMENTED REPORTING

The Company's reportable segments are strategic business units that offer different products and services. The operations of the company and its consolidated subsidiaries are comprised of the three reportable operating segments, Work Able (including MedEval), Don Mills Surgical Unit (DMSU) and Direct Health Solutions (Direct).

Three months ended June 30, 2007

	Work Able $	DMSU $	Direct $	Corporate $	Total $
Revenues	**1,978,002**	**726,794**	**603,038**	**219**	**3,308,053**
Operating Expenses	**1,580,593**	**577,400**	**418,062**	**257,584**	**2,833,639**
Net income (loss) Before income taxes	**397,409**	**149,394**	**184,976**	**(257,365)**	**474,414**
Total Assets	**2,254144**	**1,547,892**	**773,758**	**157,345**	**4,733,139**

Three months ended June 30, 2006

	Work Able $	DMSU $	Direct $	Corporate $	Total $
Revenues	**1,669,115**	**797,556**	**465,376**	**----**	**2,932,047**
Operating Expenses	**1,394,491**	**705,646**	**360,189**	**214,804**	**2,675,130**
Net income (loss) before income taxes	**274,624**	**91,910**	**105,187**	**(321,086)**	**256,917**
Total Assets	**1,959,485**	**1,650,134**	**627,785**	**351,679**	**4,589,083**

June 30, 2006

Six months ended June 30, 2007

	Work Able $	DMSU $	Direct $	Corporate $	Total $
Revenues	**3,963,324**	**1,522,834**	**1,349,169**	**491**	**6,835,818**
Operating Expenses	**3,244,807**	**1,366,073**	**807,789**	**546,089**	**5,964,758**
Net income (loss) Before income taxes	**718,517**	**156,761**	**541,380**	**(545,598)**	**871,060**
Total Assets	**2,254144**	**1,547,892**	**773,758**	**157,345**	**4,733,139**

Six months ended June 30, 2006

	Work Able $	DMSU $	Direct $	Corporate $	Total $
Revenues	**3,358,724**	**1,407,554**	**1,622,421**	**-----**	**6,388,699**
Operating Expenses	**2,680,622**	**1,292,745**	**1,526,072**	**397,042**	**5,896,481**
Net income (loss) before income taxes	**678,102**	**114,809**	**96,349**	**(397,042)**	**492,218**
Total Assets	**1,959,485**	**1,650,134**	**627,785**	**351,679**	**4,589,083**

6. BANKING FACILITY

During the first quarter, Alegro entered into a new $1,000,000 non-revolving operating facility. The operating facility bears interest at prime plus 0.5% per annum with interest paid monthly. The credit facilities are collateralized by a general security agreement on Alegro's assets. As at June 30, 2007, the Company had not drawn on these credit facilities.

7. SUBSEQUENT EVENTS

The Company concluded the key transactions in a strategic alliance with Global Healthcare Investments and Solutions ("GHIS"), first announced in Alegro's press release dated may 1, 2007.
On July 13, 2007 The Company completed a private placement of 6,250,000 units at a price of $0.20 per unit, for gross proceeds of $1,250,000. The proceeds of the private placement will primarily be applied to the expansion and the improvement of existing Alegro facilities.

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administration, the Company discloses that its auditors have not reviewed the unaudited consolidated financial statements for the period ended June 30, 2007 and June 30, 2006.