



MEDIA RELEASE – 19 FEBRUARY, 2013

**FINANCIAL RESULTS  
FOR THE HALF YEAR ENDED  
31 DECEMBER 2012**

**1. Highlights**

<b>A\$M</b>	<b>Constant Currency*</b>	<b>Constant Currency increase on previous year</b>	<b>Statutory</b>	<b>Statutory increase on previous year</b>
Revenue	<b>1,733</b>	6%	<b>1,697</b>	3%
EBITDA	<b>313</b>	7%	<b>304</b>	3%
Net Profit	<b>155</b>	9%	<b>151</b>	5%

- Solid revenue growth and performance in Australia and Europe.
- Margin expansion 10 basis points (“bps”), 30 bps excluding Superstorm Sandy, follows 30 bps in FY2012.
- Ongoing focus on synergy capture and cost-control.
- Pathology margins (excluding USA and UK) up 50 bps.
- Reduced interest expense and lower effective tax rate.

**2. Full year 2013 guidance**

Sonic gave full year guidance in August 2012 of EBITDA growth of 5-10% over the 2012 level of A\$624M, on a Constant Currency basis (applying 2012 average currency exchange rates to 2013). After seven months of trading and allowing for larger than expected fee changes in Germany in the second half, unexpected anatomical pathology fee cuts in the USA, lower than expected growth in the USA and Superstorm Sandy impacts, the Company is expecting a full-year result at the lower end of the guidance range.

Net interest expense is expected to decrease by approximately 15% from the 2012 level of A\$74M on a Constant Currency basis.

Sonic’s effective tax rate for 2013 is expected to be approximately 25%.

**3. Dividend**

- Interim Dividend 25¢ per share (4% increase over the prior year), 45% franked.
- Record date – 6 March 2013, Payment date – 21 March 2013.
- Dividend reinvestment plan suspended.

\* **Constant Currency:** Current period results presented using the comparative period average currency exchange rates to translate offshore earnings.

#### 4. **Commentary on Results**

Sonic Healthcare today reported an interim net profit for the half year to 31 December 2012 of A\$151 million, equivalent to A\$155 million and a 9% increase on a Constant Currency basis. The result was achieved on revenues of A\$1,697 million, equivalent to A\$1,733 million on a Constant Currency basis, 6% higher than the corresponding period in the prior year.

Sonic's CEO, Dr Colin Goldschmidt, said: "Sonic Healthcare continues to grow its revenue and profits despite weak global economic conditions and ongoing headwinds from the strong Australian dollar. Our focus on synergy extraction and tight cost control has enabled us to increase operating margins by 10 basis points, and this would have been even stronger if not for the one off impact of Superstorm Sandy on our US operations.

Our Australian and European operations have achieved solid organic revenue growth, whilst our US operations have maintained market share in a weak industry growth environment."

Dr Goldschmidt pointed to Sonic's German pathology operations and IPN as standout performers in the period. He advised: "Our German business continues to make significant progress with operational improvements, procurement tenders and other synergy projects. This, along with organic revenue growth, has delivered a strong result for Sonic Healthcare Germany. Our medical centre operation, IPN, has achieved very strong organic revenue growth, particularly in its occupational health business, Kinetic Health. IPN's margin improvement of 50 basis points was extremely pleasing, as greenfield sites established in the previous year ramped up to profitable levels of revenue.

Our other European pathology operations and our Radiology division have also performed strongly during the half year."

Dr Goldschmidt concluded: "Sonic remains well placed to benefit for years to come from the ongoing strong underlying growth drivers for medical diagnostic services, not the least of which are aging populations in each of our markets. The company is in a robust financial and operational position, with a unique, unifying culture of medical leadership and focus on quality and service. This culture provides differentiation from our competitors, and will continue to enable us to increase our market shares over time.

I wish to thank our management teams, our pathologists and radiologists, and all our 26,000 staff for their efforts, dedication and innovation which have enabled Sonic to reach its current position and which will drive shareholder value into the future."

**Dr Colin Goldschmidt**  
CEO  
Sonic Healthcare Limited

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*For further information regarding the result, please refer to Dr Goldschmidt's PowerPoint Presentation and to Sonic's Appendix 4D Half Year Report, both of which will be posted on the Sonic Healthcare website by 10.00am, 19 February 2013 ([www.sonichealthcare.com](http://www.sonichealthcare.com)).*

**Forward-looking statements**

*This media release may include forward-looking statements about our financial results, guidance and business prospects that may involve risks and uncertainties, many of which are outside the control of Sonic Healthcare. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date that they are made and which reflect management's current estimates, projections, expectations or beliefs and which involve risks and uncertainties that could cause actual results and outcomes to be materially different. Risks and uncertainties that may affect the future results of the company include, but are not limited to, adverse decisions by Governments and healthcare regulators, changes in the competitive environment and billing policies, lawsuits, loss of contracts and unexpected growth in costs and expenses. The statements being made in this media release do not constitute an offer to sell, or solicitation of an offer to buy, any securities of Sonic Healthcare. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including Sonic Healthcare). In particular, no representation, warranty or assurance (express or implied) is given in relation to any underlying assumption or that any forward-looking statement will be achieved. Actual future events may vary materially from the forward-looking statements and the assumptions on which the forward-looking statements are based. Given these uncertainties, readers are cautioned to not place undue reliance on such forward-looking statements.*