



MEDIA RELEASE – 23 FEBRUARY 2006

**FINANCIAL RESULTS
FOR THE HALF YEAR ENDED
31 DECEMBER 2005**

1. Financial Result Highlights

		Increase on previous year
Revenue	\$788.7M	17.3%
EBITA	\$147.1M	21.9%
Net Profit	\$83.2M	29.4%
Cashflow from operations	\$120.1M	24.3%
EPS (diluted)	29.0¢	23.9%

2. Dividends

- Interim Dividend 15¢, fully franked – an increase of 15.4% over the prior year.
- Record date – 6 March 2006.
- Payment date – 20 March 2006.

3. 2006 Guidance

- Unchanged since 23 August 2005.

Revenue	\$1,600 million - \$1,670 million
EBITA	\$300 million - \$320 million

- Includes Clinical Pathology Laboratories, Inc. (CPL) from 1 October 2005.

3. Commentary on Results

Sonic Healthcare today reported a record interim net profit of \$83.2 million for the half year to 31 December 2005, an increase of 29.4% over the comparative period. The result was achieved on revenues of \$789 million, 17.3% higher than the corresponding period in the prior year.

Sonic's CEO and Managing Director, Dr Colin Goldschmidt, said: "Sonic Healthcare has performed with distinction over this half-year period and I am confident that the talent and momentum within the organisation will continue to drive our ongoing growth. After seven months of the financial year, we are on track to deliver revenue and earnings results in line with our previously released guidance for the full year. "

Sonic's Board has declared a fully-franked interim dividend of 15 cents per share, a 15.4% increase over the previous year's interim dividend.

Dr Goldschmidt highlighted the following specific accomplishments during the half year:

- Noteworthy strong results from Sonic's large Australian practices (Douglass Hanly Moir Pathology, Sullivan Nicolaidis Pathology, Melbourne Pathology and Queensland X-Ray).
- Strong performance by Sonic's UK (TDL) and German (Schottdorf Group) pathology companies.
- Acquisition of an 82% interest in Clinical Pathology Laboratories (CPL), the largest privately owned pathology business in the United States.
- Successful equity raising of over \$250 million comprising a combination of an institutional placement and a Shareholder Purchase Plan.

Dr Goldschmidt said that CPL had integrated smoothly into the organisation and was already adding substantially to Sonic's financial profile and international standing. "The acquisition of CPL is a major strategic step for Sonic, providing an ideal entry into the world's largest pathology market. Our partnership with CPL in the US will complement our successful growth strategy in Europe, as we expand our footprint in international markets."

Dr Goldschmidt added: "Sonic's strength resides with its people. Our unique model of personalised and medically-focused pathology and radiology service provision, within a federation structure, continues to attract attention and to encourage outstanding performance from Sonic's people in all entities. With this culture and framework, the opportunities for growth, particularly in the large markets of Europe and North America, are substantial. The enviable position that Sonic now holds in the international diagnostics community is a tribute to our loyal and dedicated team of pathologists, radiologists, managers and staff, all of whom I wish to thank and congratulate for their contributions to date."

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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, 23 February 2006 (www.sonichealthcare.com.au).