



MEDIA RELEASE – 21 AUGUST 2008

**FINANCIAL RESULTS
FOR THE YEAR ENDED
30 JUNE 2008**

1. Financial Result Highlights

		Increase on previous year
Revenue	\$2,380M	26.2%
EBITA	\$403M	17.2%
Net Profit	\$245M	23.8%
Cashflow from operations	\$332M	23.9%
EPS (diluted)	73.5¢	12.2%
EPS (constant currency basis)	75.2¢	14.7%

- Revenue and EPS growth guidance achieved.
- Thirteenth consecutive year of double digit EPS growth.

2. Dividends

- Final Dividend 32¢ fully franked – total dividends for the year increased 13%.
- Record date – 12 September 2008.
- Payment date – 9 October 2008.
- Dividend reinvestment plan reinstated, with balance of dividend amount to be underwritten.

3. 2009 Guidance

Sonic's revenue for 2009 is expected to be greater than 15% above the 2008 figure.

Earnings per share growth is expected to be greater than 10%, depending on foreign exchange and interest rate movements, and excluding any acquisitions other than those already announced.

4. Commentary on Results

Sonic Healthcare today reported a record net profit of \$245.1 Million for the year to 30 June 2008, an increase of 23.8% over the comparative period. The result was achieved on revenues of \$2,380.3 Million, 26.2% higher than in the prior year.

Sonic's CEO and Managing Director, Dr Colin Goldschmidt, said: "Sonic Healthcare's strength and stature have been augmented by the record annual result announced today. We have achieved strong revenue and earnings growth and once again delivered on our guidance given at the beginning of the financial year. This is our thirteenth consecutive year of double digit EPS growth, a measure of the company's stability and the commitment and expertise of our 20,000 people around the world. Our international expansion has accelerated through the year, with the focus on Europe and the United States, where synergy activity has escalated, with pleasing outcomes. We will continue to pursue a growth path via both organic and acquisitional growth and to further promote our successful model, in the best interests of all our stakeholders."

Dr Goldschmidt advised: "The major factors behind our growth relate to our corporate culture, including our medical leadership philosophy, our federated model for acquisitions and our personalised service. Sonic's reputation is based around these features and has afforded us the opportunity to partner with high quality laboratories of similar culture."

Dr Goldschmidt added: "Sonic's standing in the international markets and medical communities in which we operate is a tribute to our talented, loyal and dedicated team of pathologists, radiologists, managers and staff, all of whom I wish to thank sincerely and congratulate for their contributions to the company's success to date."

Sonic's Board has declared a fully-franked final dividend of 32 cents per share, bringing the total for the year to 52 cents per share, a 13% increase over the previous year. Sonic's dividend reinvestment plan will operate for this dividend.

Key milestones of the last year include:

- The acquisition of Sunrise Medical Laboratories (Long Island, New York) in July 2007, a high quality, high growth practice.
- The acquisition of the Bioscientia Healthcare Group, one of Europe's largest and most prestigious laboratories, in September 2007, Sonic's second major transaction in the German laboratory market.
- The acquisition of the outstanding minority interests in the Schottdorf Group in Germany, to facilitate synergies with Sonic's other European laboratories.
- The synergistic acquisitions of American Clinical Services and Woodbury Clinical Laboratory, strengthening Sonic's position in the New York and Tennessee markets respectively.
- Successful completion in August 2007 of an institutional private placement, with the raising of A\$400 Million of equity to fund acquisitions.
- The raising of A\$64 Million of new capital from existing shareholders pursuant to a Shareholder Purchase Plan in November 2007, at the same price per share (A\$14.20) as the institutional placement.
- Commencement of operations at Sonic's new headquarters and Douglass Hanly Moir Pathology's new central laboratory in Macquarie Park, Sydney. This state-of-the-art facility has significant capacity and will increase efficiencies in Sonic's Australian pathology operations in the medium term.

- Agreements reached for the synergistic acquisitions of the Labor 28 Group (Berlin, Germany) (settled on 1 July 2008) and GLP Medical Group (Hamburg, Germany) (settlement expected in September 2008).
- Scheme of Arrangement under way to acquire the balance of Independent Practitioner Network Limited.
- Agreement reached to acquire Clinical Laboratories of Hawaii, the leading medical laboratory group in Hawaii, with settlement expected in September 2008.
- Successful “upsizing” of Sonic’s senior syndicated bank debt facility from A\$1 Billion to A\$1.75 Billion with all existing syndicate members increasing their commitments and one additional bank joining the syndicate.
- Successful establishment in July 2008 of an additional A\$160 Million 3 year term bank debt facility with two of the syndicate members in the A\$1.75 Billion facility.

Dr Colin Goldschmidt
CEO and Managing Director
Sonic Healthcare Limited
Ph: +61 2 9855 5333
Fax: +61 2 9878 5066

For further information regarding the result, please refer to Dr Goldschmidt’s PowerPoint Presentation and to Sonic’s Appendix 4E Preliminary Final Report, both of which will be posted on the Sonic Healthcare website by 10.00am, 21 August 2008 (www.sonichealthcare.com).