



MEDIA RELEASE

19 FEBRUARY 2004

FINANCIAL RESULTS FOR THE HALF YEAR ENDED 31 DECEMBER 2003

1. HIGHLIGHTS

- Revenue of \$509.9M, an increase of 5% over the comparative period
- EBITA of \$93.5m, an increase of 13.6%
- EBITA margins increased from 17.0% to 18.3%
- Core Net Profit \$55.3M, an increase of 14.1% flowing from revenue growth and higher margins
- Core EPS of 20.8¢, an increase of 12.4%
- 10¢ fully franked interim dividend to be paid on 17 March 2004 (up 25% on prior year)

2. 2004 FULL GUIDANCE

- Guidance unchanged from August 2003

Revenue	\$1,020M - \$1,035M
EBITA	\$185M - \$195M

2. COMMENTARY ON RESULTS

Sonic Healthcare today reported a core net profit (before amortisation of intangibles) for the half year to 31 December 2003 of \$55.3M, an increase of 14.1% over the previous year. The result was achieved on revenues of \$509.9 million, 5% higher than the previous year.

Sonic's Managing Director, Dr Colin Goldschmidt, said that the result was ahead of budget and that Sonic was well placed to meet its full year guidance. "Sonic's shareholders continue to benefit from our strategies of growth, service enhancement and synergy capture. The margin expansion in the half year and 12% earnings per share growth were particularly pleasing, assisting Sonic to continue its tradition of double-digit EPS growth."

Dr Goldschmidt said that the 25% increase in the interim dividend reflected Sonic's growing profits. "Our strong and predictable earnings and cashflows allow us to reward shareholders with increasing fully franked dividends while simultaneously pursuing our ongoing expansion strategy in local and overseas markets."

Dr Goldschmidt noted that a number of significant operational milestones occurred during the half year including:

- TDL, Sonic's UK operation, moved into their new state-of-the-art laboratory facility in central London.
- The acquisition of the Omnilabs pathology group was settled in July 2003, and the Omnilabs operations were fully merged into TDL in late December.
- TDL's ground breaking joint venture with the University College London Hospital (UCLH), one of the UK's most prestigious teaching hospitals, to form a high-volume automated laboratory for the routine pathology testing of both entities is set to commence.
- Diagnostic Medlab (DML), Sonic's Auckland based pathology subsidiary, officially opened their extended, state of the art laboratory facility. DML's laboratory now ranks as one of the finest in the Sonic group.
- Sonic's proprietary laboratory information system Apollo, was implemented into Diagnostic Services, Sonic's Tasmanian subsidiary in December 2003, and the Apollo radiology information system was implemented into additional sites within Queensland X-Ray.

Dr Goldschmidt concluded, "Sonic is in an extremely strong financial and operational position, well placed to create further shareholder value into the future. This result and the platform we have created for future growth is a tribute to the commitment of our dedicated team of doctors, managers and staff."

For further information regarding the Half Year 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 10.30am, 19th February 2004 (www.sonichealthcare.com.au).

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