SONIC HEALTHCARE

Half Year Results

For the period ended 31 December, 2011

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Forward-looking statements

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The information provided in this presentation is based on and should be read in conjunction with the Appendix 4D released to the ASX on 21 February 2012 and includes earnings figures restated on a "constant currency" basis.

Highlights

- Financial highlights

Growth	Constant Currency	Statutory
Revenue	12%	9%
EBITDA	14%	11%
Net Profit	8%	6%

- Operational highlights
  - Solid operating performance throughout company
  - Organic revenue and market share growth in major markets
  - Margin expansion particularly strong in Germany and Australian Pathology
- On track to achieve full-year guidance

Constant currency: H1 '12 results restated using H1 '11 currency exchange rates

Financial Summary

A$M	H1 '12 Constant Currency	GROWTH H1 '12 v H1 '11 Constant Currency	H1 '12 Statutory	CURRENCY TRANSLATION EFFECTS
Revenue	1,692	12%	1,642	(50)
EBITDA (pre-acquisition costs)	304	14%	297	(7)
Interest Expense	42	46%	39	3
NPAT	146	8%	143	(3)

- EPS – 37.2 cents (constant currency), up 8% on H1 '11
- Operating cash flow – A$224 million, 107% of cash profit
- NPAT impacted by A$3 million of acquisition-related expenses

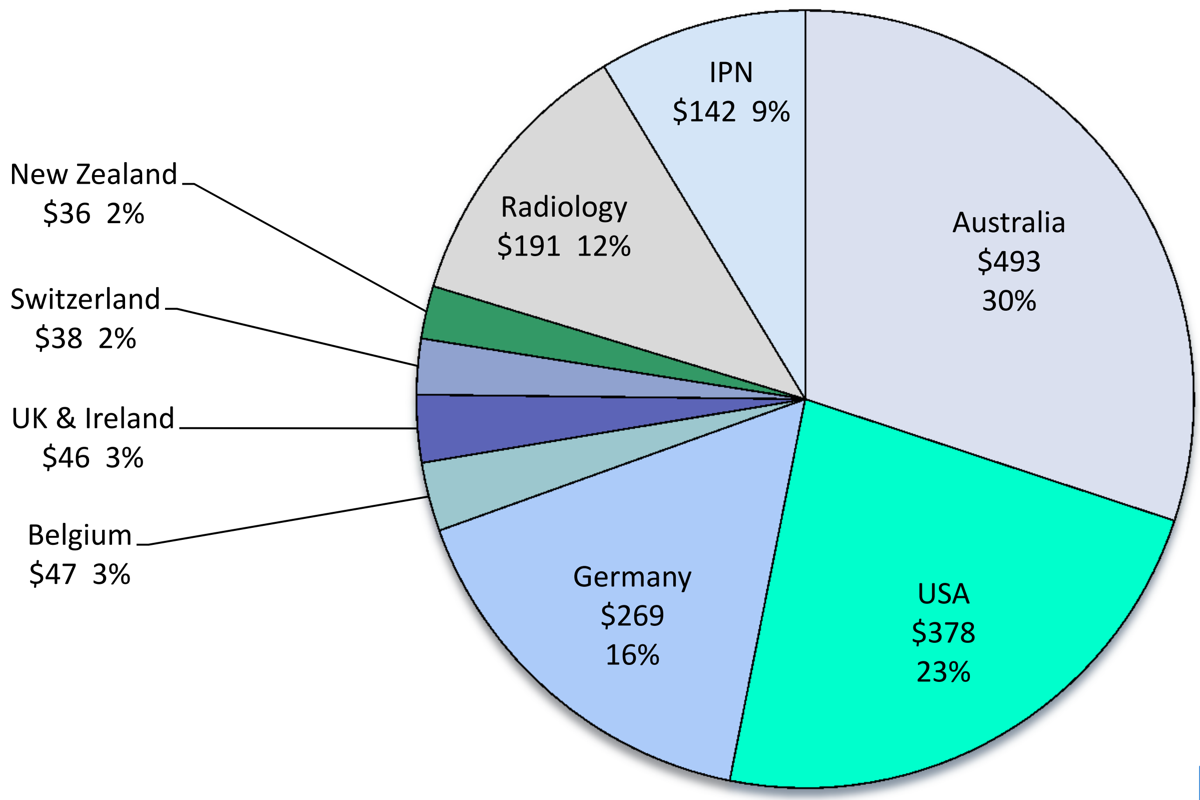
FY 2012 Guidance

- Full-year guidance: EBITDA growth 10-15%
  - H1 ‘12 EBITDA growth 14%
  - On track (January YTD) to achieve full-year guidance
- Interest and tax guidance
  - Interest expense growth of ~25% for full-year
  - Expect interest expense to decline in FY ’13
  - Effective tax rate FY ‘12 expected to be ~26%
- Guidance assumptions
  - Based on FY ‘11 EBITDA of A$570 million
  - On constant currency basis (FY ‘11 FX rates)
  - Excludes new acquisitions since August 2011
- Earnings weighted to second half

Second Half Earnings

- H2 ‘12 EBITDA ~53-55% of full year
- Traditional southern hemisphere skew to H2
- Increasing northern hemisphere impact (summer holidays Jul/Aug)
- Exacerbated by working day differences in FY ’12
- Strong January 2012 result
- First global procurement contracts signed – savings of A$5 million in second half
- Marginal profit on strong organic revenue growth

Revenue Split
H1 '12



Statutory revenue in A$ million

Australian Pathology

- Revenue growth 8%
  - 1.4% of growth attributable to IPN medical centre/skin clinic acquisitions
  - Medicare market outlays growth for same period 3.5%
- Margin expansion >150 bps
  - Off low base in prior period
  - Efficiency gains mitigating higher collection costs
- Regulatory environment
  - 5 year funding agreement providing industry stability
  - Outlays tracking in line with expectation in first year
  - Collection centre numbers stabilising

Germany

- Organic revenue growth 6%
- Margin expansion >150 bps
  - FY '11 120 bps*
  - FY '10 20 bps*
- Synergies and operational enhancements ongoing
  - Three mergers completed
  - Successful procurement tenders
  - Rationalisation of logistics networks and vehicle fleet
  - Tight cost control
- Small synergistic acquisition completed Dec 2011
  - ~A$10 million revenue p.a.
- Short payments by some regional funders ("KVs") easing
  - System errors identified, with repayments by some KVs
  - Legal advice supports full recoverability
  - Change to more stable national funding system in Q4 FY '12
  - German healthcare system well funded and in surplus
  - Lab funding not tied to government budgets

** Excluding acquisition impacts*

Europe

Belgium, Switzerland, UK & Ireland

- Businesses tracking well
- Belgium
  - Organic growth in esoteric testing and Netherlands volume
  - Previous acquisitions fully integrated
  - ~3% fee increase from Jan 2012
- Switzerland
  - Particularly strong revenue and margin growth
  - Zurich lab modernisation and expansion completed
  - Minor fee reduction from Jan 2012 as final step of 2009 reforms
- UK & Ireland
  - Laboratory contract wins during period (North West London Trust, Ramsay hospitals)
  - Ongoing work to secure outsource contracts

USA

- Organic revenue growth 2%
  - Macro growth environment muted
  - Major competitors reported flat organic growth
  - Expect return to normal growth in near future
- Margin expansion 30 bps
  - Excludes acquisitions impacting period
  - Excludes one-off A$2.4 million bad debt (hospital bankruptcy)
  - Hampered by low organic revenue growth
- Regulatory environment
  - 0.75% Medicare fee increase from January 2012
  - ~2% Medicare fee cut from January 2013
  - US Medicare revenue <5% of Sonic's total revenue
  - Potential upside of additional ~30 million insured people (Obamacare)

Sonic Imaging
Medical Centres (IPN)

- Sonic Imaging
  - Revenue growth 4%
  - Margin expansion 30 bps (follows 100 bps for FY ‘11)
  - Doctor leadership and engagement at all levels
  - Ongoing cost control and process review programs
- IPN
  - Revenue growth 32%
  - Margin expansion >100 bps (follows 190 bps for FY ‘11)
  - A$119 million spent on acquisitions during period (Allied medical centres, Matrix skin cancer clinics, others)
  - Developing national occupational health footprint

Sonic Debt Summary

Investment Grade Credit Metrics

		31 Dec '11	30 Jun '11
Net interest-bearing debt	A$M	1,658	1,536
Gearing ratio	%	39.7	37.9
Interest cover	x	6.7	7.4
Debt cover	x	2.8	2.8

- Available headroom ~A$560 million (after interim dividend)

- *Gearing ratio = Net debt / Net debt + equity (bank covenant limit <55%)*
- *Interest cover = EBITA / Net interest expense (bank covenant limit >3.25)*
- *Debt cover = Net debt / EBITDA (bank covenant limit <3.5)*
- *Formulas as per bank facility definitions*

Interim Dividend

	H1 '12	H1 '11
Interim Dividend	A$0.24	A$0.24

- Dividend franked to 35%
- Record Date 7 March 2012
- Payment Date 22 March 2012
- Dividend Reinvestment Plan remains suspended

Outlook

- Sonic strategy – building a strong and successful company
- Culture, quality and customer service at company’s core
- ROIC and EPS accretion integral to strategy
- Synergy capture and margin expansion from existing infrastructure
- ROIC accretive acquisitions only
- Leveraging market leadership positions

ROIC – Return on invested capital
EPS – Earnings per share

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Thank You