



**SONIC
HEALTHCARE
LIMITED**

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Sonic Healthcare to acquire German laboratory business of Labco

Sonic Healthcare Limited ("Sonic") (SHL.AX) is pleased to announce that it has reached binding agreement to acquire the German laboratory business of Labco S.A. The Labco German business has annual revenue of approximately €53 million and operates five well-established laboratories in the West and South-West of Germany.

The total purchase price of €76 million (cash & debt free) will be funded in Euro from Sonic's existing cash and debt facilities. The acquired business will be rapidly integrated into the organisational and operational structure of Sonic Healthcare Germany and synergies, which have been conservatively forecast, will be realised progressively through the first year of ownership. The transaction will be immediately earnings per share accretive and will be accretive to Sonic's return on invested capital once synergies have been achieved.

The transaction is subject to antitrust approval and other usual closing conditions, and is expected to complete by the end of the calendar year.

Sonic's CEO, Dr Colin Goldschmidt said: "The acquisition of Labco's German laboratories is a significant step in Sonic's growth strategy for Germany. The transaction provides significant synergy and growth opportunity for Sonic and we will be delighted to welcome the medical, laboratory and management staff of the Labco business into Sonic's German team and into our global healthcare organisation".

For further information regarding this announcement, please contact:

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