



MEDIA RELEASE – 21 AUGUST, 2012

**FINANCIAL RESULTS
FOR THE YEAR ENDED
30 JUNE 2012**

1. Highlights

A\$M	Constant Currency*	Constant Currency increase on previous year	Statutory	Statutory increase on previous year
Revenue	3,423	11%	3,346	8%
EBITDA	639	12%	624	9%
Net Profit	323	10%	316	7%

- Business performing strongly, EBITDA growth in line with guidance given in August 2011.
- Strong organic revenue growth, synergies and operational improvements driving margin expansion and improvement in return on invested capital (“ROIC”).
- Market share gains in major markets.
- Significant further synergy capture and margin expansion expected to drive future ROIC and earnings per share accretion.

2. Guidance for 2013

Sonic expects to grow EBITDA by 5-10% over the 2012 level of A\$624M, on a Constant Currency basis (applying 2012 average currency exchange rates to 2013). This range allows for fee changes in key markets.

Net interest expense is expected to decrease by 5-10% from the 2012 level of A\$74M on a Constant Currency basis. Underlying floating interest rates are assumed to remain constant.

The effective tax rate is expected to be ~26%.

This guidance excludes the impact of the Healthscope and any future business acquisitions.

3. Dividend

- Final Dividend 35¢ per share, 45% franked.
- Record date – 7 September 2012, Payment date – 9 October 2012.
- Dividend Reinvestment Plan will operate for this dividend.

* **Constant Currency:** Current period results presented using the same currency exchange rates as used in the comparative period to translate offshore earnings. For more details see Appendix 4E Preliminary Final Report.

4. **Commentary on Results**

Sonic Healthcare today reported a record net profit for the year to 30 June 2012 of A\$316M, equivalent to A\$323M and a 10% increase on a Constant Currency basis. The result was achieved on revenues of A\$3,346M, equivalent to A\$3,423M on a Constant Currency basis, 11% higher than in the prior year.

Sonic's CEO, Dr Colin Goldschmidt, said: "I am delighted to be able to announce a record net profit for Sonic Healthcare, despite the prevailing weak global economic conditions. Sonic's strong earnings were delivered as a result of our relentless focus on quality, professionalism, service and efficiency gains, all of which have allowed us to win market share from competitors and enhance shareholder value by growing both earnings per share and return on invested capital. The reported result would have been even stronger, if not for the ongoing headwind from the strengthening Australian dollar, which whilst softening our statutory results, does not impact our underlying business performance."

Sonic's Pathology and Radiology divisions each increased their margins in 2012, a pleasing outcome at any time but even more creditable in light of prevailing market conditions. In pathology, we faced low market growth in the USA and substantial additional cost pressures in Australia as a result of collection centre deregulation. Following a number of years of very difficult market conditions, our radiology division has now delivered margin accretion for the second successive year and I wish to congratulate our managers and radiologists on this fine outcome."

Dr Goldschmidt pointed to the subdued market growth rate in the USA and added: "Although Sonic's USA organic growth rate exceeded that of our major competitors, the low-growth market environment has made margin expansion extremely difficult. However, we do anticipate a return to historical growth rate trends, given that the underlying industry growth drivers of population ageing, preventative medicine, new tests and technologies all remain stronger than ever. We also expect further market growth from the millions of additional insured lives entering the market from calendar 2014 onwards, as envisaged under the "Obamacare" legislation."

Dr Goldschmidt indicated that Sonic's stability, reputation and global presence were strengths that would serve the company well in the years ahead: "Sonic's future outlook is indeed bright, in light of our unique and consistent culture, our quality and growth strategies, plus our market leadership positions and exceptional infrastructure. I am confident that our global team will continue to deliver high quality, exceptional healthcare services, which in turn will drive further shareholder value. This year, Sonic Healthcare celebrates its 25th anniversary as a company and the strong position reached over this period is the culmination of the effort, talents and dedication of our experienced and stable management teams, our pathologists and radiologists, as well as our 25,000 staff in eight countries and three continents around the world. I take this opportunity to thank each of them for their ongoing input into the company's enviable stature and success to date."

Dr Colin Goldschmidt
CEO
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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 2012 (www.sonichealthcare.com).

Forward-looking statements

This media release may include forward-looking statements about our financial results, guidance and business prospects that may involve risks and uncertainties, many of which are outside the control of Sonic Healthcare. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date that they are made and which reflect management's current estimates, projections, expectations or beliefs and which involve risks and uncertainties that could cause actual results and outcomes to be materially different. Risks and uncertainties that may affect the future results of the company include, but are not limited to, adverse decisions by Governments and healthcare regulators, changes in the competitive environment and billing policies, lawsuits, loss of contracts and unexpected growth in costs and expenses. The statements being made in this media release do not constitute an offer to sell, or solicitation of an offer to buy, any securities of Sonic Healthcare. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including Sonic Healthcare). In particular, no representation, warranty or assurance (express or implied) is given in relation to any underlying assumption or that any forward-looking statement will be achieved. Actual future events may vary materially from the forward-looking statements and the assumptions on which the forward-looking statements are based. Given these uncertainties, readers are cautioned to not place undue reliance on such forward-looking statements.