



MEDIA RELEASE – 24 AUGUST, 2010

**FINANCIAL RESULTS  
FOR THE YEAR ENDED  
30 JUNE 2010**

**1. Highlights**

		<b>Increase on previous year</b>
Revenue	\$2,994M	(1)%
EBITDA	\$544M	28%
Net Profit	\$293M	71%
Constant currency* Net Profit	\$317M	1%

- **Net profit in line with guidance given in May 2010.**
- Earnings growth impacted by NPAT shortfall due to market effects of Australian regulatory changes, as announced to the market in May.
- Ongoing organic growth in Sonic's key markets.
- Synergies drive margin expansion in the USA and Germany.
- Entry into the Belgian laboratory market through the acquisition of the Medhold Group.
- Five synergistic acquisitions completed, with more in the pipeline; ~A\$465M of funding headroom available.
- Guidance range for FY2011 widened to 5-15% NPAT growth (on a constant currency basis and excluding new acquisitions) to accommodate delayed resumption of Australian pathology market growth.

\* Current period results presented using the comparative period currency rates to translate offshore earnings. Growth calculated based on 2009 results adjusted for non-recurring items ("NRIs").

**2. Dividends**

- Final dividend 35¢ per share 35% franked – total dividends for the year increased 3.5%.
- Record date – 14 September 2010.
- Payment date – 28 September 2010.
- Dividend reinvestment plan remains suspended.

### 3. Commentary on Results

Sonic Healthcare today reported a record net profit for the year to 30 June 2010 of A\$293 million, equivalent to A\$317 million on a constant currency basis, an increase of 1% over the 2009 year period adjusted for non-recurring items. The result was achieved on revenues of A\$2,994 million, equivalent to A\$3,259 million on a constant currency basis, 8% higher than in the prior year. As flagged to the market in May 2010, net profit growth was negatively impacted by ~\$A30-35 million due to market effects of regulatory changes in Australia.

Sonic's CEO, Dr Colin Goldschmidt, said: "Sonic Healthcare has performed strongly over the year, despite second half difficulties due to regulatory changes affecting the Australian pathology industry. Fortunately the impacts were mitigated by Sonic's increasingly diversified operations, with over 60% of our revenue sourced from outside Australia."

Dr Goldschmidt said that: "During the year, Sonic added three more countries to its laboratory revenue portfolio. The beachhead acquisition of the Medhold Group provided a leading position in the Belgian market, as well as entry into the Netherlands. In addition, Sonic was awarded a contract to provide 50% of the national cytology testing for Ireland."

He added: "We have further expanded our existing offshore markets via four synergistic laboratory acquisitions in the USA and Germany, as well as a significant contract win in the UK to provide laboratory services to the BMI Healthcare group's 60 private hospitals. Closer to home, I am delighted to advise that Sonic's subsidiary, Douglass Hanly Moir Pathology, has been chosen to provide the laboratory services for the Macquarie University Private Hospital. This exclusive and prestigious appointment reflects the esteem in which Sonic's practices are held by the medical community."

Dr Goldschmidt pointed to stronger than market organic revenue growth in Australian Pathology, the USA and Europe as an ongoing feature of Sonic. He also advised: "The current year improvements in German and USA margins are particularly impressive, given the substantial improvements already achieved in 2009. Further synergies will be realised in these markets over the next few years, particularly in Germany where a number of additional physical laboratory mergers are planned.

Sonic Healthcare's unique medical leadership culture and federation structure are key elements in the success of Sonic's acquisition and organic growth strategies. This ingrained culture serves to attract both referring physicians and like-minded laboratory owners, and provides clear competitive advantage in the market.

I wish to thank our pathologists, radiologists, managers and more than 22,000 staff for their contributions to Sonic's standing in the medical community around the globe."

**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, 24 August 2010 ([www.sonichealthcare.com](http://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.*