



SONIC
HEALTHCARE
LIMITED

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German Fees Update

As an update to the information provided in the Managing Director's Presentation at Sonic Healthcare's 2012 Annual General Meeting, Sonic has now been advised that German statutory health insurance ("EBM") funding (which makes up approximately half of Sonic's German revenue) will be subject to a national "quota" (or capped percentage of the EBM scheduled fees) of 89.18% for the March 2013 and June 2013 quarters. This compares to the quota applying to the current December 2012 quarter of 95.36% and Sonic's expectation of ~95%. The impact for the six months, above Sonic's expectation, equates to just over 1% of Sonic's group FY2012 EBITDA. The German laboratory industry is questioning the validity and calculation of the level of this quota with the governing body (the national "KV").

Under the new (from 1 October 2012) national EBM funding structure quotas are calculated for each quarter to curb the unprecedented strong industry growth that is currently occurring. Sonic's German operations are currently experiencing very strong organic revenue growth, which is believed to be above the industry rate due to market share gains. In addition, Sonic's German business has strong momentum in synergy capture and cost reductions, above budgeted expectations. The combination of these factors is expected to offset the impact of the quotas.

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