



MEDIA RELEASE – 23 AUGUST, 2005

## FINANCIAL RESULTS FOR THE YEAR ENDED 30 JUNE, 2005

### 1. Financial Results Highlights

		Increase on prior year
Revenue	\$1,382.4M	33.3%
EBITA	\$261.1M	32.8%
Core Net Profit	\$145.6M	24.5%
Net Profit After Tax	\$77.5M	34.4%
Cashflow from Operations	\$218.3M	39.6%
Core EPS	52.6¢	21.2%
EPS	28.5¢	31.3%

### 2. Dividends

- Final Dividend 23¢, fully franked.
- Total Dividend for the year 36¢ – an increase of 20% over the prior year.
- Record date – 6 September, 2005.
- Payment date – 19 September, 2005.

### 3. 2006 Guidance

Revenue	\$1,600 million – \$1,670 million
EBITA	\$300 million – \$320 million

- Includes Clinical Pathology Laboratories, Inc. (CPL) from 1 October 2005.
- Includes AIFRS impact of expensing options/shares totalling \$6.3M.

### 3. Commentary on Results

Sonic Healthcare today reported a core net profit (before amortisation of intangibles) for the year to 30 June 2005 of \$145.6 million, an increase of 24.5% over the previous year. The result was achieved on revenues of \$1,382 million, 33.3% higher than the previous year.

Sonic's Managing Director, Dr Colin Goldschmidt, said: "I am pleased to report that once again Sonic Healthcare has delivered record earnings, which have exceeded our upgraded guidance given in February 2005. In particular, Sonic's largest subsidiaries in both pathology and radiology have excelled, showing impressive revenue and earnings growth. This year Sonic has also reached a significant milestone, with our tenth successive year of double-digit earnings per share growth. The Group's more recent expansion into offshore pathology markets in Europe - and now the USA - provides enormous growth opportunities for the company and I am confident that we will continue to deliver superior shareholder value into the future."

Sonic's Board has declared a fully-franked final dividend of 23 cents per share (a total of 36 cents per share for the full year). Dr Goldschmidt said that the 20% increase in dividends for the year reflected Sonic's strong and predictable earnings and cash flows. "The strength of the company is reflected in the progressively incremental dividend payments to shareholders and the simultaneous achievement of significant revenue growth, both nationally and internationally."

Dr Goldschmidt pointed out a number of other notable recent accomplishments:

- Agreement to acquire an interest (initially ~80%) in Clinical Pathology Laboratories (CPL), the largest privately owned pathology business in the United States (see separate announcement on CPL released by Sonic today).
- The integration of the Schottdorf Group (Germany) into Sonic, following the acquisition of a 56% interest on 28 June 2004.
- The successful bid for control of Independent Practitioner Network (IPN). IPN's results have been consolidated into Sonic from 26 August 2004.
- The acquisition by Sonic of Accord Pathology and the acquisition by IPN of Endeavour Healthcare's medical centres on 26 November 2004. The Accord Pathology businesses have since been completely merged into Sonic's existing operations in Sydney and Perth.
- Sonic completed the refinancing of its senior debt facility, with a new facility of \$700 million provided by its existing banking syndicate. The new facility is more flexible, has a lower cost of funds and provides Sonic with significant "head room" for expansion.
- Prior to year end, Mr Lou Panaccio accepted an offer to join the Sonic Board of Directors, as an independent director. Mr Panaccio has a wealth of healthcare experience, particularly in the pathology industry and is a valuable addition to Sonic's Board.

Dr Goldschmidt said, "The acquisition of CPL is a major strategic step for Sonic, providing an ideal entry and growth platform in the largest pathology market in the world. Our partnership with CPL in the US will complement our successful growth strategy in Europe, making Sonic a truly global company. Joining up with like-minded businesses allows us to implement our global growth strategy and, at the same time, to stay true to our core values and our commitment to medical leadership and personalised service. The enviable position that Sonic now holds in the international diagnostics community is a tribute to our loyal and dedicated team of doctors, managers and staff, whom I sincerely thank for their contribution to our successes to date."

**Dr Colin Goldschmidt**  
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*For further information regarding the result, please refer to Dr Goldschmidt's PowerPoint Presentation and to Sonic's Appendix 4E Interim Final Report, both of which will be posted on the Sonic Healthcare website by 10.00am, 23 August, 2005 ([www.sonichealthcare.com.au](http://www.sonichealthcare.com.au)).*