



FINANCIAL RESULTS FOR THE HALF YEAR ENDED 31 DECEMBER 2013

1. Summary

A\$M	Constant Currency*	Constant Currency increase on previous year	Statutory	Statutory increase on previous year
Revenue	1,772	4.4%	1,899	11.9%
EBITDA	321	5.6%	344	13.4%
Net Profit	165	9.6%	177	17.7%

2. Highlights

- Double digit revenue and earnings growth.
- Margin expansion of 25 basis points reflecting ongoing synergies and cost-out initiatives.
- On track to achieve full year guidance provided in August 2013.
- Currency movements augmenting reported results.
- Interim dividend increased by 8% to 27¢ per share, 45% franked, Record date: 6 March 2014, Payment date: 25 March 2014.
- Synergistic acquisition of Labco Germany completed 2 December 2013.
- Lower interest expense expected in 2014.
- Business secure and growing.

3. Commentary on Results

Sonic Healthcare today reported a record interim net profit for the half year to 31 December 2013 of A\$177 million, a 17.7% increase over the corresponding period in the prior year. The result was achieved on revenues of A\$1,898 million, 11.9% higher than the corresponding period.

Sonic's CEO, Dr Colin Goldschmidt, said: "Sonic Healthcare has delivered another solid result, with strong underlying revenue, earnings and margin growth. This result demonstrates the resilience of our company and the advantage of Sonic's geographic diversity, given the impacts of testing market conditions in selected countries in which we operate. Fortunately a number of these pressures are abating as we move forward.

Sonic's strong brands and market positioning continue to boost organic revenue growth, and our ongoing focus on cost control and efficiency improvement ensures this translates into profit growth. The company is in a very secure position, both financially and operationally, and we are well placed for future growth."

Dr Goldschmidt noted Sonic's Australian Pathology organic revenue growth of 7% and the USA cost-out program as highlights of the half year result, although all divisions had performed well, taking into account market conditions.

Dr Goldschmidt added: "The true strength of Sonic lies in our unique culture of medical leadership, which differentiates us from competitors both for organic growth and for acquisitions. Our culture and values bind and motivate Sonic's 26,000 staff to deliver outstanding service to customers and better health outcomes to communities. I thank all of our staff, pathologists, radiologists and managers for their ongoing contributions to our success."

* **Constant Currency:** Current period results presented using the same currency exchange rates as used in the comparative period to translate offshore earnings.

4. Full year (2014) guidance

Sonic gave full year guidance in August 2013 of EBITDA growth of approximately 5% over the 2013 level of A\$647M, on a Constant Currency basis (applying 2013 average currency exchange rates to 2014). After seven months of trading the Company is on track to achieve this guidance. The Labco Germany acquisition is expected to add a further approximate 0.5% to EBITDA growth.

2014 net interest expense is expected to decrease by approximately 15% from the 2013 level of A\$63M on a constant currency basis. Sonic's effective tax rate for 2014 is expected to be approximately 25%.

Dr Colin Goldschmidt
CEO
Sonic Healthcare Limited
Ph.: (02) 9855 5333
Fax: (02) 9878 5066

For further information regarding the result, please refer to Dr Goldschmidt's PowerPoint Presentation and to Sonic's Appendix 4D Half Year Report, both of which will be posted on the Sonic Healthcare website by 10.00am, 18 February 2014 (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.