



MEDIA RELEASE – 23 AUGUST, 2011

**FINANCIAL RESULTS
FOR THE YEAR ENDED
30 JUNE 2011**

1. Highlights

A\$M	Constant currency*	Constant currency increase on previous year	Statutory	Statutory increase on previous year
Revenue	3,287	10%	3,096	3%
EBITDA	605	11%	570	5%
Net Profit	311	6%	295	0.4%

- Net profit growth in line with guidance given in February 2011.
- Strong second half performance in Australian pathology with the return of volume growth, market share gains and margin improvement.
- Revenue growth, synergies and operational improvements driving significant margin expansion in all major markets.
- Five synergistic pathology acquisitions completed; and funding available for future acquisitions.
- Outlook positive, with revenue and earnings growth set to continue.

2. Guidance for 2012

Sonic expects to grow EBITDA by 10-15% over the 2011 level of A\$570M, on a constant currency basis (applying 2011 average currency exchange rates to 2012).

Net interest expense is expected to increase by approximately 30% over the 2011 level of A\$65M on a constant currency basis. About half of this increase relates to funding for acquisitions completed from July 2010 to date and the balance to higher margins following refinancing of debt facilities in 2011. Underlying floating interest rates are assumed to remain constant.

The effective tax rate is expected to rise to approximately 26% reflecting Sonic's expansion in countries with higher tax rates.

This guidance excludes the impact of future business acquisitions.

3. Dividends

- Final Dividend 35¢ per share (unchanged from prior year), 28% franked.
- Record date – 7 September 2011.
- Payment date – 21 September 2011.
- Dividend reinvestment plan remains suspended.

* **Constant currency:** Current period results presented using the comparative period currency exchange rates to translate offshore earnings.

4. **Commentary on Results**

Sonic Healthcare today reported a net profit for the year to 30 June 2011 of A\$295 million, equivalent to A\$311 million on a constant currency basis. Constant currency net profit growth of 6% was in line with guidance given in February 2011. The result was achieved on revenues of A\$3,096 million, equivalent to A\$3,287 million on a constant currency basis, 10% higher than the corresponding period in the prior year.

Sonic's CEO, Dr Colin Goldschmidt, said: "Sonic Healthcare has performed with distinction over the year, despite the challenging global financial markets and the headwind created by the strong Australian dollar. All Sonic divisions have delivered strong results, a credit to the expertise and dedication of our pathologists, radiologists, managers and staff around the world.

Our laboratory operations in the USA and Europe have expanded further, with pleasing revenue and earnings growth, as well as margin expansion due to synergy capture. The performance of our Australian pathology division in the second half of the year was very pleasing, with revenue growth of 6% and significant margin improvement, after a first half impacted by low market volume growth rates, fee cuts and other regulatory interventions. The new five year funding agreement between the industry and Government will provide much needed stability and predictability going forward. Our other operations, Radiology and IPN, together with New Zealand pathology, also performed strongly during the year."

Dr Goldschmidt added: "Our service delivery in healthcare markets around the world remains at premium level and Sonic continues to make a meaningful contribution to the health of communities wherever we operate. At the business level, we expect to achieve ongoing growth and margin expansion in our major markets, thus reaping the benefits of the significant investment in acquisitions and infrastructure we have made over recent years. The considerably positive outlook for Sonic would not be possible without the loyalty and commitment of our people and the unique and deep-seated cultural attributes that characterise Sonic Healthcare as a company today."

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 4E Preliminary Final Report, both of which will be posted on the Sonic Healthcare website by 10.00am, 23 August 2011 (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.