



**SONIC  
HEALTHCARE  
LIMITED**

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## **SONIC HEALTHCARE ACQUIRES SECOND CALIFORNIAN LABORATORY**

Sonic Healthcare Limited ("Sonic") (SHL.AX) is pleased to announce that it has acquired the laboratory business of **Central Coast Pathology Consultants** ("CCPC"), a high quality laboratory in California, USA.

The CCPC transaction follows on from Sonic's recently announced acquisition of Physician's Automated Laboratory ("PAL") based in Bakersfield, California.

CCPC was founded in 1983 by a group of pathologists and initially provided anatomical pathology services, adding clinical laboratory services from 2004. CCPC is based in San Luis Obispo, approximately mid-way between Los Angeles and San Francisco and 200km due west of Bakersfield. CCPC provides services in the San Luis Obispo, Santa Barbara and Ventura areas and has revenues of over US\$20 million per annum.

CCPC will join PAL as part of Sonic Healthcare USA's "California" Division. It is anticipated that the two operations will work together to streamline services, extract cost synergies and seek sales and marketing synergies for further growth. In addition to the inter-company synergies between PAL and CCPC, significant inter-divisional synergies are expected between the new California division and Sonic's other 8 US divisions.

The pathologists and management of CCPC are highly experienced and bring to Sonic a further wealth of knowledge of the Californian market. The management teams of both laboratories will remain in place under a unified organisational structure and Sonic will look to expand further in California, both via organic growth and through further synergistic acquisitions.

The (debt free) purchase price for CCPC is expected to equate to an FY2012 EBITDA (post synergies) multiple of ~6 times, after allowing for the net present value of tax deductions for goodwill amortisation. The acquisition has been funded in US dollars from Sonic's existing debt facilities and is immediately earnings per share accretive.

Sonic is pleased to welcome the pathologists, management and staff of CCPC into its USA team. As a high quality, service focused, medically led organisation CCPC is a natural fit within Sonic's global laboratory operations.

Crosstree Capital Partners, Inc. acted as exclusive financial advisor to Central Coast Pathology Consultants, Inc. in the transaction.

For further information regarding this announcement, please contact:

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