



MEDIA RELEASE – 23 FEBRUARY, 2010

**FINANCIAL RESULTS
FOR THE HALF YEAR ENDED
31 DECEMBER 2009**

1. Highlights

| Constant currency* | | Increase on previous year |
|---|----------|----------------------------------|
| Revenue | \$1,566M | 9% |
| EBITDA | \$288M | 10% |
| Net Profit | \$162M | 19% |
| Net Profit – growth adjusted for H1'09 NRIs | \$162M | 12% |
| EPS (diluted) | 41.4¢ | 7% |

- **Net profit in line with full-year profit growth guidance given in August 2009.**
- Market share gains and strong organic growth in Australian Pathology, the USA, Germany and the UK.
- Synergies drive strong margin expansion in the USA and Germany.
- Synergistic acquisitions completed; and ~A\$600M of funding headroom available for future acquisitions post the Medhold Group (Belgium) acquisition.

* Current period results presented using the comparative period currency rates to translate offshore earnings. For equivalent statutory numbers please refer to the Appendix 4D lodged with the ASX on 23 February 2010.

2. Dividends

- Interim Dividend 24¢ per share – up 9% (35% franked).
- Record date – 10 March 2010.
- Payment date – 25 March 2010.

3. Full year (2010) guidance reaffirmed

Sonic reaffirms its full year guidance given in August 2009 of Net Profit growth of 10-15% over the 2009 “Ordinary Earnings” level of A\$315M, on a constant currency basis (applying 2009 average currency exchange rates to 2010). This guidance excludes the incremental positive impact of business acquisitions announced after August 2009 (East Side and Medhold).

4. Commentary on Results

Sonic Healthcare today reported a record interim net profit for the half year to 31 December 2009 of A\$155 million (A\$162 million on a constant currency basis, an increase of 19% over the comparative period). The result was achieved on revenues of A\$1,489 million (A\$1,566 million on a constant currency basis, 9% higher than the corresponding period in the prior year).

Sonic's CEO and Managing Director, Dr Colin Goldschmidt, said: "Sonic Healthcare has performed very strongly over the half year, and we are on track to deliver on our full year guidance.

Sonic Healthcare is now a truly international company, with over 60% of our pathology revenue sourced in Europe and the USA. Strong growth in these off-shore markets is set to continue.

Continuing strong organic growth in our key markets, especially in Australian Pathology and the USA, is a clear highlight of the result, as is the margin performance in Australian Pathology and Germany, markets in which fee cuts have affected the period. German and USA margin improvements are particularly impressive given the substantial improvements already achieved in the comparative period.

We have also put Sonic's strong balance sheet to work since the start of the period, with four synergistic acquisitions in the USA and Germany, and most recently, a new beachhead acquisition, the Medhold Group, providing entry into the markets of Belgium and the Netherlands. The benefits of these acquisitions will flow in the second half and for years to come.

A key element in the success of Sonic's acquisition and organic growth strategies is Sonic's unique structure and ingrained culture – based on medical leadership, a federation structure and focus on personalised service. This culture serves to attract both referring physicians and like-minded laboratory owners, provides clear competitive advantage in the market and is difficult to emulate.

The strength of our culture and fine reputation is a reflection of the dedication, effort and expertise of our pathologists, radiologists, managers and more than 22,000 staff around the globe. I sincerely thank and congratulate all Sonic people for this achievement."

Sonic's Board has declared an interim dividend of 24 cents per share (franked to 35%), a 9% increase over the previous year's interim dividend.

Key milestones of the half-year include:

- The synergistic acquisitions of Axiom Laboratories (Florida), Piedmont Medical Laboratory (Virginia), and East Side Clinical Laboratory (Rhode Island) in the USA.
- The synergistic acquisition on 4 January 2010 of the Lademannbogen Laboratory in Hamburg, Germany.
- The acquisition on 12 February 2010 of the Medhold Group, a leading medical laboratory group in Belgium.
- Market share gains and strong organic revenue growth in Australian Pathology, the USA, Germany and the UK.
- Achievement of synergies and related operating margin improvements in Sonic's major growth markets, the USA and Germany.

- Seamless physical merger of Sonic's GLP Medical Group and Bioscientia's regional laboratory in Hamburg, the first of a number of laboratory mergers planned in Germany.
- New 4 year community laboratory contract won in Auckland, NZ for ~10% of the previous contract's volume.
- New 10 year contract won in the UK with the BMI Healthcare group, to provide laboratory services for BMI's 60 private hospitals.
- Successful establishment of additional bank debt facilities totalling ~A\$262 million, denominated in USD and Euro, and with tenors of three and five years.
- Debut US\$250 million note issue into the United States private placement debt capital market.

Dr Colin Goldschmidt
 CEO and Managing Director
 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, 23 February 2010 (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.