SONIC HEALTHCARE

ANNUAL REPORT 2005

CONTENTS

Sonic is strongly positioned to continue delivering shareholder value.

2005 FINANCIAL HIGHLIGHTS

- 33% Revenue growth
- 21% Core EPS growth
- 33% EBITA growth
- 31% EPS growth
- 34% NPAT growth
- 20% Full year dividend growth
- 40% Operating cash flow growth

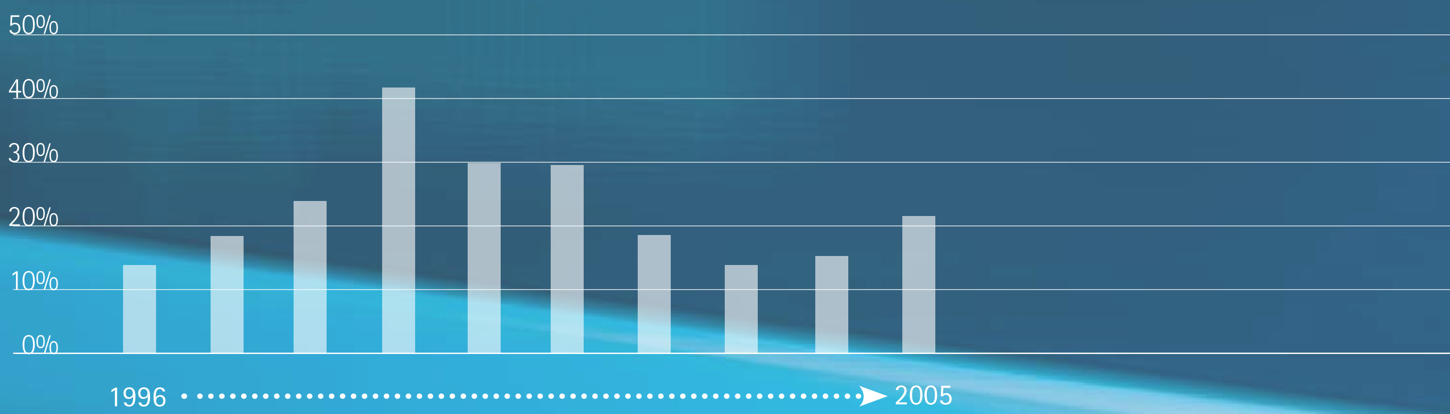
2005 SUMMARY

- Sonic delivers record earnings result
- Sonic guidance (upgraded in Feb'05) exceeded
- Strong group revenue growth
- Full-year dividend up by 20%
- 10th consecutive year of double-digit core EPS growth

FUTURE GROWTH

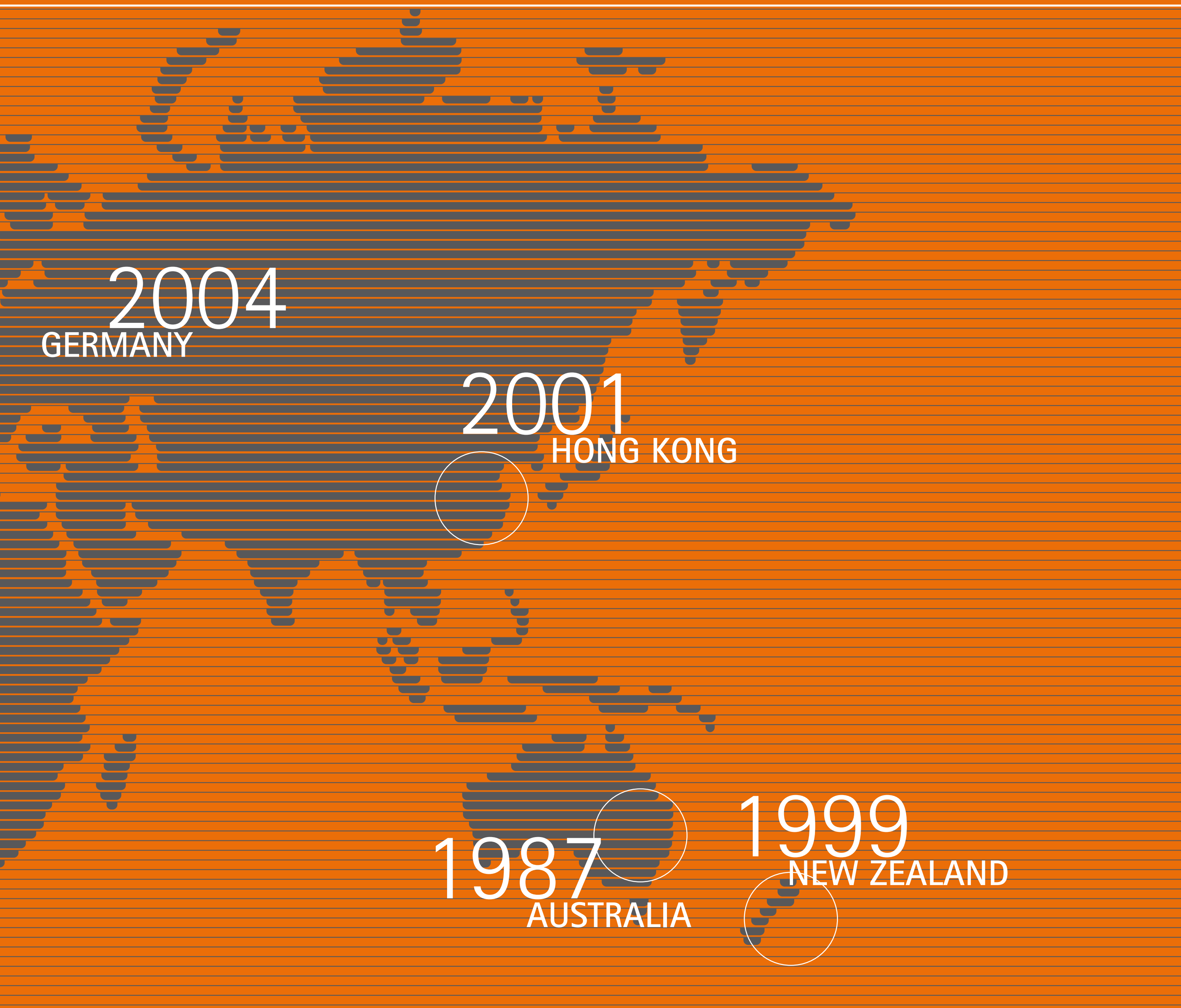
- Continued organic growth
- CPL (USA) acquisition a major growth step for Sonic
- Targeting synergistic acquisitions
- Targeting strategic offshore acquisitions

10 YEARS OF DOUBLE-DIGIT CORE EPS GROWTH

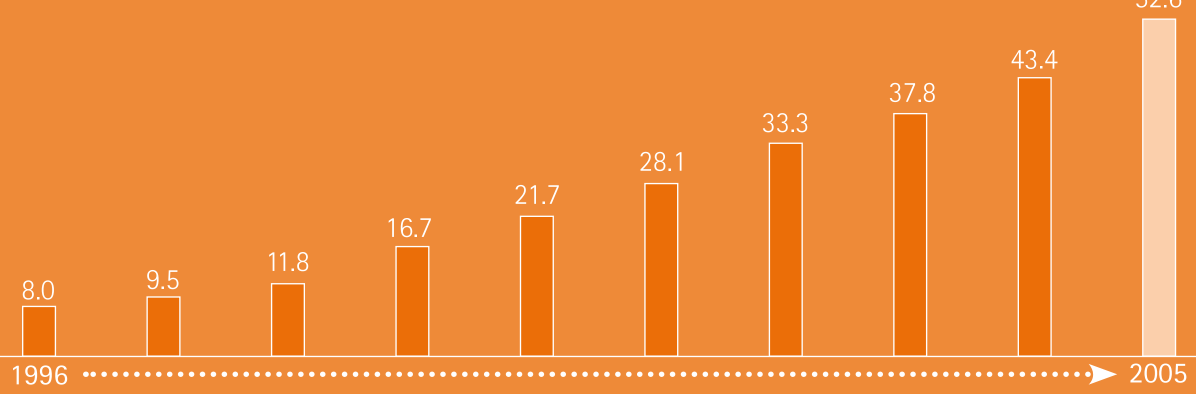


BUILDING A GLOBAL FOOTPRINT

"Sonic Healthcare achieved outstanding results in the 2005 financial year. The period in review is highlighted by record financial outcomes and further advancement of the company's global growth strategy."

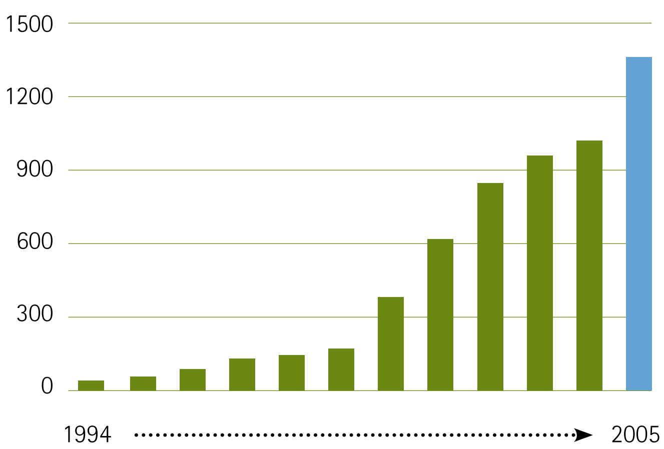


SONIC CORE EPS PERFORMANCE



MANAGING DIRECTOR'S REPORT

GROSS REVENUE ($M)

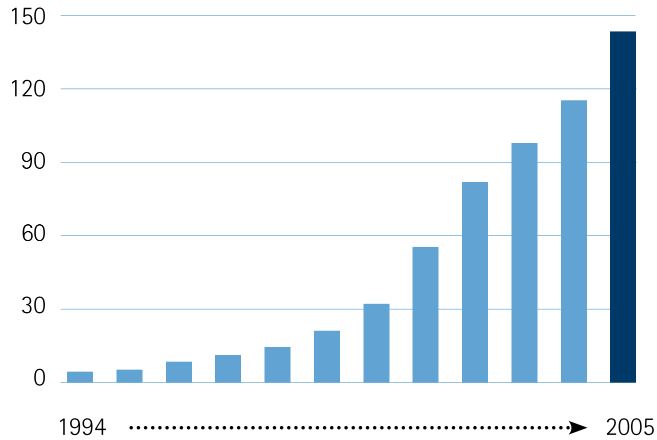


Sonic Healthcare achieved outstanding results in the 2005 financial year. The period in review is highlighted by record financial outcomes and further advancement of the company's global growth strategy. I am pleased to say that, as a result of the steadfast and dedicated work of its people, over a long period of time, Sonic Healthcare today stands proudly as a strong, united and unique organisation, equipped and ready to move forward toward further success.

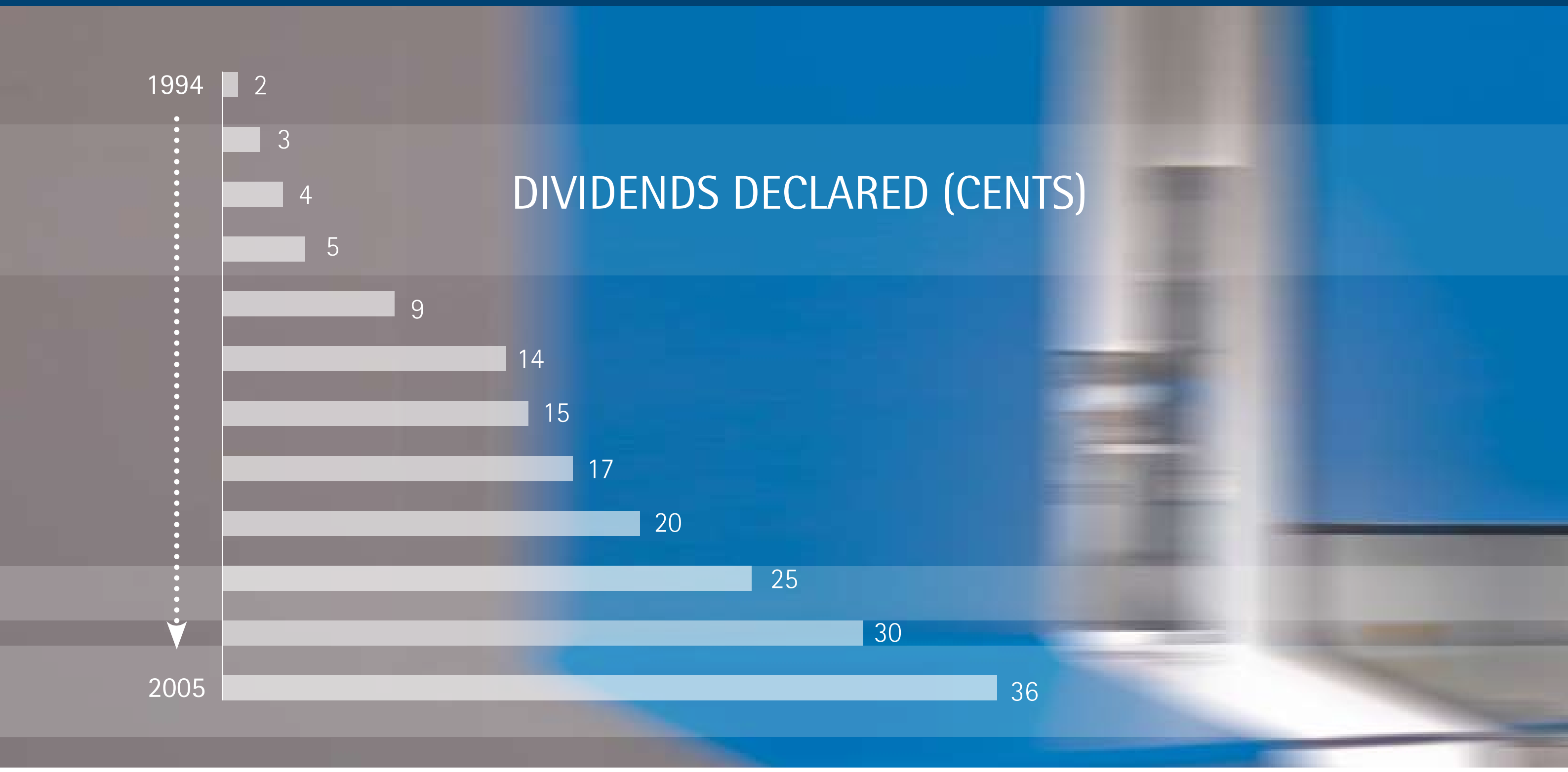
The company reached a major milestone in 2005 by recording its tenth consecutive year of core earnings-per-share growth in excess of 10%. This exceptional feat is a tribute to Sonic's people and I take this opportunity to thank and congratulate every member of the team for an outstanding and well-deserved achievement over the past ten years.

Annual revenue growth of 33% included strong organic growth in all sectors, bolstered by acquisitions in Australia - Accord Pathology (Sydney and Perth) and Sonic's move to majority ownership of listed national medical centre operator, Independent Practitioner Network (IPN) – and including a full year of the Schottdorf Group in Germany. Cashflow, earnings and earnings margins were all strong through the year, resulting in a mid-year profit upgrade by Sonic, which was ultimately exceeded by year end. As an indication of the company's strength, the Board of Sonic declared dividends of 36 cents per share for the full year, an increase of 20% over the prior period. It is worth placing on record that incremental dividend payments have been made each year since Sonic's maiden dividend was declared for the 1994 financial year.

CORE NET PROFIT AFTER TAX ($M)
(BEFORE INTANGIBLES AMORTISATION)



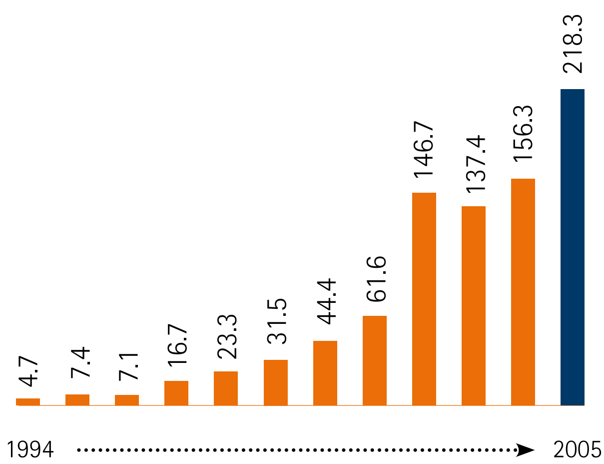
MANAGING DIRECTOR'S REPORT (CONTINUED)



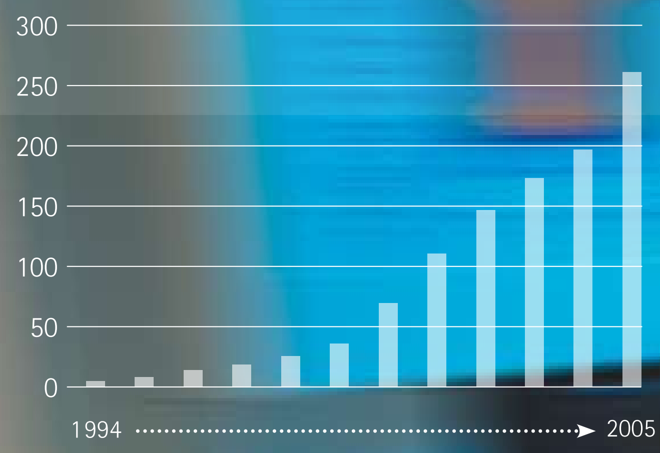
"The company reached a major milestone in 2005 by recording its tenth consecutive year of core earnings-per-share growth in excess of 10%."

At operational level, Sonic's pathology and radiology divisions both performed with distinction. By world standards, the diagnostic services provided by Sonic are of the highest order. In particular, the professional services provided by Sonic's pathologists and radiologists, the skills and expertise of our management teams and staff, together with the overall quality and turnaround times of our results. My special thanks is given to Sonic's pathologists, radiologists and managers, who continue to provide talented and inspirational leadership to Sonic's approximately 13,000 employees.

NET OPERATING CASH FLOW ($M)



In August 2005, Sonic announced the acquisition of Clinical Pathology Laboratories (CPL), the largest regional pathology company in the USA. This transaction, completed on 30 September 2005, heralds a major new phase in Sonic's development and opens up a new and exciting growth path for Sonic in the world's largest pathology market. CPL, with annual revenues of approximately US$190 million, is a leading pathology group in Texas and has expanded progressively into adjacent states. More recently, CPL has established operations in the populous north-east and mid-west regions of the United States. Under the terms of the transaction, Sonic has acquired an initial 82% of CPL, with the balance held by CPL pathologists and managers. Using a predetermined formula, Sonic will move to 100% ownership of CPL over a three year period between 2009 and 2012.



EBITA ($M)

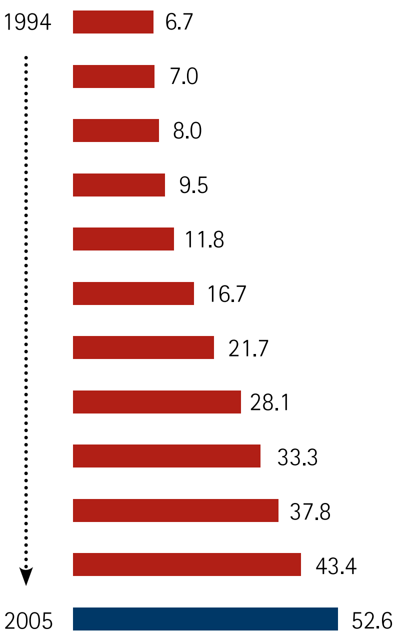
The corporate cultures and operating models of Sonic and CPL are very closely aligned and we are delighted to partner with such a like-minded company. Sonic's successful model, incorporating the principles of "Medical Leadership" and "Personalised Service", is the same operating model which CPL has used to drive its own success since inception. Each company has used the model to deliver professional, customised, personalised service to doctors and patients, to present differentiation from competitors in respective markets and to grow market shares. CPL's growth and professional status have been achieved under the experienced and expert leadership of CEO and Chairman, Dr Robert Connor (a pathologist), and Chief Operating Officer, Mr David Schultz, and it is an honour for me to formally welcome CPL into the Sonic group of companies. We look forward to a long and successful partnership with CPL, its management team, its pathologists and its staff.

The recent acquisition of CPL in the USA is a further significant step in Sonic's international expansion strategy in pathology. Since its founding in 1987, Sonic has moved to market leadership positions in both the Australian and New Zealand private pathology markets. In 2002, Sonic acquired UK-based TDL and then in 2004, the 56% acquisition of the Schottdorf Group in Germany was completed. The expansion into the UK and German pathology markets has progressed extremely well, with successful integration of TDL and the Schottdorf Group into the Sonic structure. Sonic has applied its "federation" model for new acquisitions, promoting management autonomy and preservation of local identity. Within this model, synergy capture between individual Sonic entities is fostered at many levels of operation and this endeavour will continue to escalate, in order to secure group-wide efficiencies into the future.

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 health care experience, particularly in the pathology industry, and is a valuable addition to Sonic's Board and, on behalf of the Board, I extend a very warm welcome to him.

CORE DILUTED EARNINGS PER SHARE (CENTS)

(BEFORE INTANGIBLES AMORTISATION)



In conclusion, I wish to thank all Sonic stakeholders – in Australia, New Zealand, Hong Kong, the UK, Germany and the USA – for their commitment to our organisation. Around the world, we have a very large number of doctors, patients, hospitals and other customers who are associated with our practices and I offer thanks for the ongoing support that we receive. It is readily apparent that many of our staff are highly enthusiastic about their jobs and their company and it is certainly both a pleasure and a great honour for me to lead an organisation with this level of passion in the workplace. I am strongly of the view that this established passion will continue to drive the company forwards to ever greater accomplishments in the times ahead.

Dr Colin Goldschmidt

CEO and Managing Director

SONIC HEALTHCARE LIMITED

ABN 24 004 196 909

ANNUAL REPORT 2005

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Your directors present their report on the consolidated entity consisting of Sonic Healthcare Limited and the entities it controlled at the end of, or during, the year ended 30 June 2005.

Directors

The following persons were directors of Sonic Healthcare Limited during the whole of the financial year and up to the date of this report:

Mr B.S. Patterson *Chairman*
Dr C.S. Goldschmidt *Managing Director*
Mr C.D. Wilks *Finance Director*
Mr R.P. Campbell
Dr P.J. Dubois
Mr C.J. Jackson
Dr H.F. Scotton

Mr L.J. Panaccio was appointed a director on 30 June 2005 and continues in office at the date of this report.

Principal activities

During the year the principal continuing activities of the consolidated entity consisted of the provision of medical diagnostic services and, following Independent Practitioner Network Limited (IPN) becoming a subsidiary of Sonic in August 2004, the provision of administrative services and facilities to medical practitioners.

Dividends

Details of dividends in respect of the current year and previous financial year are as follows:

	2005 $'000	2004 $'000
Interim dividend paid	35,665	26,746
Final dividend paid	63,367	54,216
Total dividend for the year	99,032	80,962

On 22 August 2005, the Board declared a final dividend in respect of the year ended 30 June 2005 of 23 cents per ordinary share, 100% franked (at 30%) to be paid on 19 September 2005 with a record date of 6 September 2005. An interim dividend of 13 cents per ordinary share 100% franked (at 30%) was paid on 17 March 2005.

A final dividend of 20 cents per ordinary share was paid on 20 September 2004 in respect of the year ended 30 June 2004, out of profits of that year as recommended by the directors in last year's Directors' report. The interim dividend in respect of the year ended 30 June 2004 was 10 cents per ordinary share, paid on 17 March 2004.

The company's dividend reinvestment plan (DRP) was suspended in respect of the 2004 and 2005 interim and final dividends and until further notice. The standing discount to market price for subscriptions under the DRP is 2.5%.

Review of operations

A summary of consolidated revenue and earnings is set out below:

	2005 $'000	2004 $'000	Movement %
Total Revenue	1,382,412	1,037,397	33.3%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	310,680	238,240	30.4%
Depreciation and lease amortisation	(49,594)	(41,679)	19.0%
Earnings before interest, tax and intangibles amortisation (EBITA)	261,086	196,561	32.8%
Net interest expense	(41,490)	(34,132)	21.6%
Income tax attributable to operating profit	(62,098)	(45,222)	37.3%
Net (profit) attributable to outside equity interests	(11,944)	(255)	
Core net profit attributable to shareholders of Sonic Healthcare Limited	145,554	116,952	24.5%
Amortisation of intangibles	(68,090)	(59,324)	14.8%
Net profit attributable to shareholders of Sonic Healthcare Limited	77,464	57,628	34.4%

(a) Revenue

Revenue for the year increased by 33.3% from the prior year reflecting the following factors:

- Strong organic (excluding acquisitions) growth of around 7%, reflecting both patient volume growth and increased average fees.
- The consolidation of IPN from 26 August 2004, the acquisition of Accord Pathology (November 2004) and the acquisition by IPN of Endeavour Healthcare's medical centres (November 2004).
- A full year of the businesses acquired during the 2004 year, including the Schottdorf Group (June 2004), Omnilabs Pathology (July 2003) and the radiology group SDSG (December 2003).

(b) Profit

The net profit (after outside equity interests) of the consolidated entity for the year was $77,464,000 (2004: $57,628,000), after deducting income tax expense of $62,098,000 (2004: $45,222,000). Net profit after tax and before intangibles amortisation (core net profit) attributable to Sonic shareholders increased by 24.5% to $145,554,000 (2004: $116,952,000). Core diluted earnings per share (pre intangibles amortisation) increased 21.2% from 43.4 cents to 52.6 cents.

Operating margins are set out below:

	2005	2004
EBITDA as a % of Revenue	22.5%	23.0%
EBITA as a % of Revenue	18.9%	18.9%

Margins have been impacted by the acquisition of a lower margin business, IPN (acquired 26 August 2004). Excluding IPN, the EBITA margin for 2005 was 19.4%.

The results for the year exceeded the upgraded revenue and EBITA guidance given in February 2005. Sonic's largest subsidiaries in both pathology and radiology excelled, showing impressive revenue and earnings growth. Sonic reached a significant milestone in 2005, achieving double-digit core earnings per share (EPS) growth for the tenth successive year.

Net interest expense has increased by 21.6% to $41,490,000 due to increased debt as a result of the acquisitions of the Schottdorf Group, IPN and the Endeavour Healthcare businesses, offset by the group's strong cash generation from operations. Appropriate interest rate hedging arrangements are in place.

The relatively high effective tax rate of 41.0% (2004: 43.9%) is essentially a function of the non-deductible intangibles amortisation. The reduction in rate versus the prior year is mainly due to the reducing ratio of intangibles amortisation to profit, as well as deductible goodwill amortisation to 31 December 2004 in the Schottdorf Group.

Significant changes in the state of affairs

Significant changes in the state of affairs of the consolidated entity during the course of the financial year included the following:

- The successful bid for control of 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 unsecured 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.

Matters subsequent to the end of the financial year

Since the end of the financial year, the directors are not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years, other than as follows:

- On 22 August 2005 Sonic's directors declared a final dividend for 2005 of 23 cents per ordinary share payable on 19 September 2005. Sonic's dividend reinvestment plan remained suspended for this dividend and until further notice.
- On 23 August 2005 Sonic announced the signing of an agreement to acquire an interest in Clinical Pathology Laboratories, Inc. (CPL), the largest privately owned routine pathology laboratory in the United States of America. The initial acquisition will be of an interest of 82%. The purchase consideration for this interest will be ~US$312 million, including an earn out amount of up to US$20 million to be paid upon achievement of pre-determined earnings targets. As described in the August release, Sonic will progressively acquire the balance of CPL's equity over the years 2009 to 2012.
- From 1 July 2005 to the date of this report, 546,750 options under the Sonic Healthcare Limited Employee Option Plan, 200,000 Executive Director options, and 35,000 Queensland X-Ray options have been exercised for a total exercise consideration of $5,060,155 to the consolidated group.

Likely developments and expected results of operations

Sonic's main focus during the 2006 and future financial years will be to continue to grow shareholder value through both acquisitions and organic growth and by extracting efficiencies from its existing businesses. Small "bolt-on" acquisitions which offer marginal profit contributions will continue to be targeted in Australia.

Sonic will also continue to pursue offshore expansion opportunities. 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. Sonic's partnership with CPL in the US will complement the company's successful growth strategy in Europe, making Sonic a truly global company. This strategy remains dependent on identifying attractive opportunities over time.

On 23 August 2005 Sonic provided guidance ranges to the market in relation to the 2006 financial year as follows:

- Revenue	$1,600	-	$1,670 million
- EBITA	$300	-	$320 million

This guidance includes the consolidation of CPL from 1 October 2005, but excludes any further acquisitions. The effect of expensing options/shares totalling $6.3 million under Australian equivalent International Financial Reporting Standards (AIFRS) has been included.

Further information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would prejudice Sonic's competitive position in the market place.

Share options

(a) Shares under option

Unissued ordinary shares of Sonic Healthcare Limited under option at the date of this report are as follows:

(i) Sonic Healthcare Limited Employee Option Plan Options:

Number of options	Issue price of shares	Grant date	Expiry date
1,803,950	$7.38	20 June 2001	20 April 2006
587,250	$4.66	16 July 2002	16 May 2007
650,000	$6.30	15 April 2003	15 February 2008
10,000	$9.51	23 September 2004	23 July 2009
370,000	$9.56	23 September 2004	23 July 2009
3,421,200			

The above options are exercisable as follows before the expiry date:

- Up to 50% may be exercised after 30 months from the date of grant
- Up to 75% may be exercised after 42 months from the date of grant
- Up to 100% may be exercised after 54 months from the date of grant

(ii) Executive Director Options:

Following approval by shareholders of the Executive Incentive Plan at the 2004 Annual General Meeting, options have been issued to Executive Directors in recognition that the applicable performance conditions have been satisfied. At the date of this report the following options are on issue:

Number of options	Issue price of shares	Issue date	Expiry date
1,540,000	$7.50	26 November 2004	26 November 2009
1,540,000	$7.50	22 August 2005	22 August 2010
3,080,000			

The above options are exercisable as follows before the expiry date:

- Up to 50% may be exercised after 24 months from the date of issue
- Up to 100% may be exercised after 36 months from the date of issue

(iii) Queensland X-Ray (QXR) Options:

Pursuant to Sonic's agreement with the vendors of QXR, Sonic is to issue a total of 1,000,000 options to staff of QXR. The vesting and other conditions for these options are the same as those for the Sonic Healthcare Limited Employee Option Plan. At the date of this report the following options are on issue:

Number of options	Issue price of shares	Grant date	Expiry date
275,000	$4.66	16 July 2002	16 May 2007
80,000	$6.01	7 April 2003	7 February 2008
215,000	$7.57	19 February 2004	19 December 2008
570,000			

(iv) Schottdorf Options:

On 1 July 2004 3,000,000 options over unissued ordinary Sonic shares were granted to Dr and Mrs Schottdorf (1,500,000 each). Each option is convertible into one ordinary share as set out below on or before 31 August 2009 at an exercise price of $6.75 per option:

- Up to 20% may be exercised after 12 months from the date of grant
- Up to 40% may be exercised after 24 months from the date of grant
- Up to 60% may be exercised after 36 months from the date of grant
- Up to 80% may be exercised after 48 months from the date of grant
- Up to 100% may be exercised after 60 months from the date of grant

No option holder has any right under the options to participate in any other share issue of the company or of any other entity.

Share options (continued)

Unissued ordinary shares of IPN, a controlled entity since 26 August 2004, under option at the date of this report are as follows:

(i) Independent Practitioner Network Limited Employee Share Option Scheme:

An Employee Share Option Scheme is in place where IPN, at the discretion of its Board of Directors, may grant options to directors, executives and certain members of IPN's staff. At the date of this report the following options are on issue.

Number of options	Weighted average exercise price of shares	Grant date	Expiry date	Vesting date
760,000	$0.085	23 November 2002	30 November 2007	25% per year from grant date
500,000	$0.085	23 November 2002	30 March 2007	25% per year from grant date
500,000	$0.085	23 November 2002	31 December 2006	25% per year from grant date
380,000	$0.132	22 August 2002	21 August 2007	10% on 1st and 2nd anniversary, 80% on third anniversary
2,140,000				

(ii) Independent Practitioner Network Limited Options:

At the date of this report there are 14,239,596 options over unissued ordinary IPN shares that were granted to R.E. Shreeve on 20 August 2002 in relation to the Foundation HealthCare Limited acquisition (prior to Sonic acquiring a controlling interest in IPN). Each option is convertible into one ordinary share in Independent Practitioner Network Limited at an exercise price of $0.132 on or before the expiry date of 7 October 2006.

No option holder has any right under the options to participate in any other share issue of the company or of any other entity.

(b) Shares issued on the exercise of options

(i) Sonic Healthcare Limited Employee Option Plan Options:

A total of 2,455,200 ordinary shares of Sonic Healthcare Limited were issued during the year ended 30 June 2005 on the exercise of options granted under the Sonic Healthcare Limited Employee Option Plan and a further 546,750 shares have been issued since that date, but prior to the date of this report. The amounts paid on issue of those shares were:

Number of options	Amounts paid (per share)
1,213,200	$5.41
1,368,750	$7.38
420,000	$4.66
3,001,950	

(ii) Executive Director Options:

A total of 4,300,000 ordinary shares of Sonic Healthcare Limited were issued during the year ended 30 June 2005 on the exercise of Executive Director Options that were issued on 20 April 2000 following approval at Sonic's 1999 Annual General Meeting, and a further 200,000 shares have been issued since that date but prior to the date of this report. The total amount paid on issue of those shares was $23,940,000 ($5.32 per share).

(iii) Queensland X-Ray (QXR) Options:

A total of 180,000 ordinary shares of Sonic Healthcare Limited were issued during the year ended 30 June 2005 on the exercise of QXR options and a further 35,000 shares have been issued since that date, but prior to the date of this report. The total amount paid on issue of those shares was $1,001,900 ($4.66 per share).

No amounts are unpaid on any of these shares.

Remuneration report

The Remuneration Committee, consisting of 2 non-executive independent directors, makes specific recommendations to the Board on remuneration packages and other terms of employment for the Managing Director and Finance Director and advises the Board in relation to equity based incentive schemes for other employees.

Remuneration arrangements for Dr C.S. Goldschmidt (Managing Director) and C.D. Wilks (Finance Director) were revised effective 1 July 2003 following a detailed review by the Remuneration Committee and subsequent approval by shareholders at the 2004 Annual General Meeting. The key terms of the revised arrangements are set out in part (d) below.

Sonic Healthcare Limited's remuneration policy links the remuneration of the Managing Director and the Finance Director to Sonic's performance through the award of conditional entitlements. These conditional entitlements (cash bonuses, share and share option grants) are dependant on the core earnings per share performance of the consolidated entity and thus align reward with the creation of value for shareholders.

	2001	2002	2003	2004	2005	Compound Average Annual Growth Rate*
Core earnings per share (cps)	28.1	33.3	37.8	43.4	52.6	17.0%
Net profit attributable to members ($'000)	26,179	33,758	40,858	57,628	77,464	31.2%

* The compound average annual growth rate is calculated over the period shown.

Sonic's total shareholder return over the five year period was 111%. This measure is calculated as the increase in share price over that period plus the dividends declared for those years (grossed up for franking credits) as a percentage of the share price at the start of the five year period. This total shareholder return calculation incorporates the value of the SciGen equity issue to Sonic shareholders in November 2002.

Remuneration and other terms of employment for other executives are reviewed annually by the Managing Director having regard to performance against goals set at the start of the year, relevant comparative information and independent expert advice. As well as a base salary, remuneration packages include superannuation, performance-related bonuses and share and option grants, and fringe benefits.

Cash bonuses and option grants to executives are made at the discretion of the Managing Director, the Remuneration Committee and the Board of directors based on individual and company performance. These bonuses and option grants reward the creation of value for shareholders.

Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the consolidated entity's operations.

Remuneration of non-executive directors is determined by the Board within the maximum amount approved by the shareholders from time to time. Options are not issued and bonuses are not payable to non-executive directors.

Remuneration report (continued)

Details of the nature and amount of each element of the emoluments of each director of Sonic Healthcare Limited and each of the five executive officers of the consolidated entity receiving the highest emoluments are set out below.

(a) Non-executive directors of Sonic Healthcare Limited

Name	Directors' fee $
B.S. Patterson (Chairman)	50,000
R.P. Campbell	50,000
L.J. Panaccio*	-

Superannuation contributions required by the Superannuation Guarantee Charge legislation are deducted from gross Directors' fees as appropriate.

The non-executive fee of $50,000 per annum has remained unchanged for 7 years.

*Appointment effective 30 June 2005.

(b) Executive directors of Sonic Healthcare Limited

Name	Base remuneration $	Directors' fee $	Other benefits* $	Bonus $	Super-annuation $
Dr C.S. Goldschmidt *Managing Director*	584,890	-	145,525	526,000**	19,585
C.D. Wilks *Finance Director*	448,415	-	-	284,040**	11,585
Dr P.J. Dubois *Director*	329,518	50,000	1,830	-	-
C.J. Jackson *Director*	383,588	50,000	8,859	-	16,691
Dr H.F. Scotton *Director*	197,364	50,000	-	-	95,980

* Other benefits include fringe benefits tax.

** Bonuses paid to Dr C.S. Goldschmidt and C.D. Wilks are based upon the core earnings per share performance of the consolidated entity (as set out in (d) below).

An Executive Incentive Plan for Dr C.S. Goldschmidt and C.D. Wilks was approved by shareholders at the 2004 Annual General Meeting. Under this plan fully paid up ordinary shares and options over unissued ordinary shares of Sonic Healthcare Limited are issuable upon the achievement of performance conditions. The fair values of the options and shares at the time of grant have been independently determined and have been allocated equally over the service periods up to the vesting dates. In addition to the remuneration disclosed above, the calculated values of shares and options allocated to the 12 month period to 30 June 2005 for Dr C.S. Goldschmidt were $249,601 and $2,339,825 respectively. In addition to the remuneration disclosed above, the calculated values of shares and options allocated to the 12 month period to 30 June 2005 for C.D. Wilks were $134,160 and $1,263,505 respectively.

Cash bonuses, fully paid up ordinary shares and options over unissued ordinary shares of Sonic Healthcare Limited are performance related components of Dr C.S. Goldschmidt's and C.D. Wilks' remuneration. In aggregate, these components make up 81% of Dr C.S. Goldschmidt's remuneration for the 12 months to 30 June 2005, and 79% of C.D. Wilks' remuneration for the 12 months to 30 June 2005.

Superannuation contributions required by the Superannuation Guarantee Charge legislation are deducted from gross Directors' fees as appropriate.

(c) Other executives of the consolidated entity

"Other executives" are officers who are involved with the management of the affairs of Sonic Healthcare Limited and/or its controlled entities.

Name	Base remuneration $	Other benefits $	Bonus $	Super-annuation $
D. Byrne* *CEO* *The Doctors Laboratory*	423,514	66,111	123,305	122,308
Dr R. Prudo* *Executive Chairman* *The Doctors Laboratory*	251,541	79,428	88,779	396,814
Dr B. Schottdorf** *Executive Chairman* *The Schottdorf Group*	977,887	27,822	167,398	-
G. Schottdorf** *CEO* *The Schottdorf Group*	773,126	27,033	334,796	-
R.E. Shreeve*** *Managing Director* *Independent Practitioner Network Limited*	407,013	-	375,000	9,654

* D. Byrne and Dr R. Prudo are employed by The Doctors Laboratory Limited (TDL) in the United Kingdom. They are remunerated in British Pounds.

** Dr B. Schottdorf and G. Schottdorf are employed by the Schottdorf Group in Germany. They are remunerated in Euros.

*** R.E. Shreeve resigned as Managing Director of Independent Practitioner Network Limited (IPN) on 26 July 2005 and was appointed Chief Executive Officer of IPN on the same date.

In addition to the remuneration disclosed above fully paid ordinary shares were issued to Dr R. Prudo and D. Byrne during the financial year as bonuses pursuant to their service agreements and based on the performance of TDL. The market value of these shares at the time of grant to Dr R. Prudo and D. Byrne was $100,118 and $129,366 respectively.

Cash bonuses and the issue of fully paid up ordinary shares (to Dr R. Prudo and D. Byrne) represent performance related components of remuneration for the "other executives". The relative proportion of these components to total remuneration in the financial year was; D. Byrne 29%, Dr R. Prudo 21%, Dr B. Schottdorf 14%, G. Schottdorf 29%, and R. Shreeve 44%.

R.E. Shreeve was issued options over unissued ordinary IPN shares on 20 August 2002. The fair value of these options at the time of grant has been allocated equally over the service periods up to the vesting dates. In addition to the remuneration disclosed above the calculated value of IPN options allocated to the period to 30 June 2005 was $67,584.

Remuneration report (continued)

(d) Service agreements

Remuneration arrangements for Dr C.S. Goldschmidt and C.D. Wilks were revised effective 1 July 2003 following a detailed review by the Remuneration Committee and subsequent approval by shareholders at the 2004 Annual General Meeting. The key terms of the revised arrangements are set out below:

Dr C.S. Goldschmidt

Base salary, inclusive of superannuation of $750,000.

Short term incentives:

- Cash bonus, payable half yearly based on reported core earnings per share.
- Issue of 20,000 fully paid ordinary shares if core earnings per share are at least 10% higher than the previous year. If core earnings per share growth falls below 10%, no shares will be issued. However, if core earnings per share growth in a subsequent year exceeds 10% and makes up for the previous year's shortfall, then the prior year's shares that were foregone will be released. This arrangement is to run for five consecutive years. Subject to satisfying the performance conditions the share issues relating to the first four years of the arrangement were approved at the November 2004 Annual General Meeting. Share issues relating to the final year of the arrangement will be subject to renewal of shareholder approval.

Long term incentive:

- Issue of 1,000,000 options exercisable at $7.50 (within 5 years) if core earnings per share are at least 10% higher than the previous year. If this growth is not achieved in one year but is made up in a subsequent year, then the previously forfeited options will be released. This arrangement is to run for five consecutive years. Subject to satisfying the performance conditions the share option issues relating to the first four years of the arrangement were approved at the November 2004 Annual General Meeting. Share option issues relating to the final year of the arrangement will be subject to renewal of shareholder approval.

C.D. Wilks

Base salary, inclusive of superannuation of $460,000.

Short term incentives:

- Cash bonus, payable half yearly based on reported core earnings per share.
- Issue of 10,750 fully paid ordinary shares if core earnings per share are at least 10% higher than the previous year. If core earnings per share growth falls below 10%, no shares will be issued. However, if core earnings per share growth in a subsequent year exceeds 10% and makes up for the previous year's shortfall, then the prior year's shares that were foregone will be released. This arrangement is to run for five consecutive years. Subject to satisfying the performance conditions the share issues relating to the first four years of the arrangement were approved at the November 2004 Annual General Meeting. Share issues relating to the final year of the arrangement will be subject to renewal of shareholder approval.

Long term incentive:

- Issue of 540,000 options exercisable at $7.50 (within 5 years) if core earnings per share are at least 10% higher than the previous year. If this growth is not achieved in one year but is made up in a subsequent year, then the previously forfeited options will be released. This arrangement is to run for five consecutive years. Subject to satisfying the performance conditions the share option issues relating to the first four years of the arrangement were approved at the November 2004 Annual General Meeting. Share option issues relating to the final year of the arrangement will be subject to renewal of shareholder approval.

No other directors have service agreements.

Service agreements for specified executives are as follows:

D. Byrne

Following the acquisition of TDL in the UK in April 2002, a 5 year service contract was established with the following key terms:

- Initial base salary of £150,000 per annum, plus superannuation and other benefits to be reviewed annually on 1 September each year.
- Cash and equity bonus arrangements relating to the performance of TDL.
- Twelve month notice period by either party.

Dr R. Prudo

Following the acquisition of TDL, a 5 year service contract was established with the following key terms:

- Initial base salary of £165,000 per annum, plus superannuation and other benefits to be reviewed annually on 1 September each year.
- Cash and equity bonus arrangements relating to the performance of TDL.
- Twelve month notice period by either party.

Dr B. Schottdorf

Following the acquisition of The Schottdorf Group in June 2004, a rolling service contract was established with the following key terms:

- Base salary of €579,000.
- Cash bonus arrangement relating to the performance of the Schottdorf Group.
- Twelve month notice period by either party.

G. Schottdorf

Following the acquisition of The Schottdorf Group, a rolling service contract was established with the following key terms:

- Base salary of €508,000.
- Cash bonus arrangement relating to the performance of the Schottdorf Group.
- Twelve month notice period by either party.

(e) Share options and shares granted to directors and executives

During the financial year 1,000,000 options over unissued ordinary shares in Sonic Healthcare Limited and 20,000 fully paid up ordinary shares were issued to Dr C.S. Goldschmidt, and 540,000 options and 10,750 shares were issued to C.D. Wilks under the Executive Incentive Plan. These performance related issues represented the short term and long term incentive awards in relation to the 2004 financial year.

Since the end of the financial year, but prior to the date of this report, an identical issue of fully paid up ordinary shares and options over unissued ordinary shares has been made to Dr C.S. Goldschmidt and C.D. Wilks under the Executive Incentive Plan. This performance related issue represented the short term and long term incentive awards in relation to the 2005 financial year.

During the financial year, 11,002 and 14,216 fully paid up ordinary shares were issued to Dr R. Prudo and D. Byrne as bonuses pursuant to their service agreements.

The remuneration amounts disclosed relating to shares and options issued under the Executive Incentive Plan represent the assessed fair values at the date they were granted allocated equally over the service periods up to the vesting dates. Fair values for these shares and options have been independently determined using appropriate pricing models that take into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the current price and expected price volatility of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.

Remuneration report (continued)

The amount disclosed for remuneration relating to options for R.E. Shreeve represents the assessed fair value of IPN options at the date they were granted allocated equally over the vesting periods. Fair value was independently determined using an appropriate pricing model as above.

Options over unissued ordinary shares in Sonic Healthcare Limited accounted for 61% of Dr C.S. Goldschmidt's remuneration. During the financial year 1,000,000 options with an aggregate value of $4,315,000 were issued to Dr C.S. Goldschmidt under the terms of the Executive Incentive Plan. 3,000,000 options issued in April 2000 were exercised during the financial year. The value at exercise date of these options (being the difference between the market price and the exercise price) was $14,120,000. The total value of options issued in the financial year and the value of options issued in prior years exercised in this financial year is $18,435,000.

Options over unissued ordinary shares in Sonic Healthcare Limited accounted for 59% of C.D. Wilks' remuneration. During the financial year 540,000 options with an aggregate value of $2,330,100 were issued to C.D. Wilks under the terms of the Executive Incentive Plan. 1,300,000 options issued in April 2000 were exercised during the financial year. The value at exercise date of these options (being the difference between the market price and the exercise price) was $5,768,000. The total value of options issued in the financial year and the value of options issued in prior years exercised in this financial year is $8,098,100.

Options over unissued ordinary shares in Independent Practitioner Network Limited granted in August 2002 accounted for 8% of R.E. Shreeve's remuneration. No options were issued or exercised by R.E. Shreeve during the financial year.

Information on directors

(a) Directors' profiles

Barry Patterson – Chairman A.S.M.M., M.I.M.M., F.A.I.C.D.

Mr Patterson has a corporate mining background, but in more recent years has held directorial positions in a number of both public and private companies. Mr Patterson is the Chairman of the Remuneration Committee and is a member of the Audit Committee and Chairman of the Nominations Committee. Mr Patterson is currently Chairman and a non-executive director of Silex Systems Limited (since 1992). Mr Patterson was formerly a non-executive director of National 1 Limited from June 2003 to July 2004.

Dr Colin Goldschmidt – Managing Director M.B., B.Ch., F.R.C.P.A., F.A.I.C.D.

Dr Goldschmidt became the Managing Director of Sonic Healthcare Limited and its subsidiaries in 1993, prior to which he was the Medical Director of Douglass Hanly Moir Pathology. He joined the company after completing his Australian Pathology Fellowship training in Sydney in 1986. Dr Goldschmidt is a member of the Risk Management Committee and the Nominations Committee. Dr Goldschmidt is currently a non-executive director of SciGen Ltd (since 1999), Silex Systems Limited (since 1992) and Independent Practitioner Network Limited (since August 2005).

Christopher Wilks – Finance Director B.Comm. (Univ Melb), A.S.A., F.C.I.S., F.A.I.C.D.

Mr Wilks has a background in chartered accounting and investment banking. He was previously a partner in a private merchant bank and has held positions on the boards of a number of public companies. Mr Wilks has been a director of Sonic since 1989. Mr Wilks is a member of the Risk Management Committee. Mr Wilks is currently a non-executive director of SciGen Ltd (since 1999) and Independent Practitioner Network Limited (since August 2005). He is also an executive director of Silex Systems Limited (since 1988).

Peter Campbell F.C.A., F.T.I.A., F.A.I.C.D.

Mr Campbell is a Chartered Accountant with his own practice based in Sydney. He is a Fellow of the Institute of Chartered Accountants in Australia, the Taxation Institute of Australia and the Australian Institute of Company Directors. He is a Registered Company Auditor. Mr Campbell is the Chairman of the Audit Committee and a member of both the Remuneration Committee and the Nominations Committee. Mr Campbell is currently a non-executive director of Silex Systems Limited (since 1996) and was formerly a non-executive director of SciGen Ltd from 1999 to February 2005.

Dr Philip Dubois M.B., B.S., F.R.C.R., F.R.A.N.Z.C.R, F.A.I.C.D.

Dr Dubois is Chairman of the Sonic Imaging Executive Committee and is Chairman and CEO of Queensland X-Ray. A neuroradiologist and nuclear imaging specialist, he is currently an Associate Professor of Radiology at University of Queensland Medical School. He has served on numerous government and craft group bodies including the Diagnostic Economic Committee and the Council of the Royal Australian and New Zealand College of Radiologists (RANZCR) and the Diagnostic Imaging Management Committee. He is currently Vice President and Treasurer of the Australian Diagnostic Imaging Association (ADIA), a Councillor and the Radiology Craft Group Representative of the Australian Medical Association (AMA), and member of the Nuclear Imaging Consultative Committee. Dr Dubois is a member of Sonic's Risk Management Committee. Dr Dubois is currently a non-executive director of Magnetica Limited (since December 2004).

Colin Jackson F.C.P.A., F.C.A., F.T.I.A., F.A.I.C.D.

Mr Jackson's background was in professional accounting practice prior to him becoming the Chief Executive Officer of Diagnostic Services Pty Limited (Sonic's Tasmanian practice) in 1995. He is a Fellow of the Australian Society of Certified Practising Accountants, the Taxation Institute of Australia and the Institute of Chartered Accountants in Australia. Mr Jackson has many years of active involvement at senior levels in the pathology industry including as Vice President of the Australian Association of Pathology Practices. Mr Jackson is a member of the Audit Committee. Mr Jackson was appointed as Chairman and non-executive Director of Independent Practitioner Network Limited on 27 August 2004.

Lou Panaccio B.Ec, C.A., M.A.I.C.D.

Mr Panaccio is a chartered accountant with strong management experience in business and healthcare services. He is currently Chairman of CPW Group, a director of the Inner Eastern Community Health Service in Victoria, Executive Chairman of Health Networks Australia, and a non-executive director of Primelife Corporation Limited (since 2001). Mr Panaccio was the Chief Executive Officer and an Executive Director of Melbourne Pathology for ten years to 2001. Mr Panaccio is a member of the Audit Committee.

Dr Hugh Scotton M.B., B.S., F.R.A.N.Z.C.R., D.D.U., F.A.I.C.D.

Dr Scotton trained in radiology in Adelaide and Brisbane prior to entering private practice in the Hunter Valley in 1972. He was Chairman of Pacific Medical Imaging, incorporating radiology groups in the Hunter Valley, Sydney and Illawarra from 1999 until the acquisition of the group in 2001 by Sonic. Prior to the formation of Pacific Medical Imaging, Dr Scotton was Chairman of the Hunter Imaging Group, the largest imaging practice in the Hunter Valley. He currently retains that position.

(b) Company secretary

Paul Alexander B.Ec, C.A., A.S.I.A.

Mr Alexander has been the Group Financial Controller of Sonic Healthcare Limited since 1997 and Sonic's Company Secretary since 2001. Prior to joining Sonic, Mr Alexander gained 10 years experience in professional accounting practice, mainly with Price Waterhouse, and was also Financial Controller and Company Secretary of a subsidiary of a multinational company for two years.

(c) Directors' interests in shares and options as at 16 September 2005

Director's name	Class of shares	Number of shares	Interest	Options
B.S. Patterson	Ordinary	3,816,646	Beneficially	-
Dr C.S. Goldschmidt	Ordinary	40,000 3,000,000	Personally Beneficially	2,000,000 -
C.D. Wilks	Ordinary	96,500 1,698,000	Personally Beneficially	1,080,000 -
R.P. Campbell	Ordinary	-	-	-
Dr P.J. Dubois	Ordinary	2,379 120,000	Personally Beneficially	- -
C.J. Jackson	Ordinary	490,590	Personally	-
L.J. Panaccio	Ordinary	-	-	-
Dr H.F. Scotton	Ordinary	180,634	Personally	-

Meetings of directors

The numbers of meetings of the company's board of directors and of each board committee held during the year ended 30 June 2005, and the numbers of meetings attended by each director were:

	Full meetings of directors		Meetings of committees							
			Audit		Remuneration		Risk Management		Nominations	
	Number of meetings attended	Number of meetings held	Number of meetings attended	Number of meetings held	Number of meetings attended	Number of meetings held	Number of meetings attended	Number of meetings held	Number of meetings attended	Number of meetings held
B.S. Patterson	9	11	2	2	-	-			3	3
Dr C.S. Goldschmidt	10	11					2	2	3	3
C.D. Wilks	11	11					2	2		
R.P. Campbell	11	11	2	2	-	-			3	3
Dr P.J. Dubois	11	11					2	2		
C.J. Jackson	11	11	2	2						
L.J. Panaccio	-	-								
Dr H.F. Scotton	9	11								

Insurance of officers

During the financial year, the company entered into agreements to indemnify all directors of the company that are named above and current and former directors of the company and its controlled entities against all liabilities to persons (other than the company or related entity) which arise out of the performance of their normal duties as director or executive officer unless the liability relates to conduct involving lack of good faith. The company has agreed to indemnify the directors and executive officers against all costs and expenses incurred in defending an action that falls within the scope of the indemnity and any resulting payments.

The directors' and officers' liability insurance provides cover against all costs and expenses involved in defending legal actions and any resulting payments arising from a liability to persons (other than the company or related entity) incurred in their position as a director or executive officer unless the conduct involves a wilful breech of duty or an improper use of inside information or position to gain advantage. The insurance policy does not allow disclosure of the nature of the liabilities insured against or the premium paid under the policy.

Environmental regulation

The consolidated entity is subject to environmental regulation in respect of the transport and disposal of medical waste. The consolidated entity contracts with reputable, licensed businesses to dispose of waste and there have been no investigations or claims during the financial year. The directors believe that the consolidated entity has complied with all environmental regulations.

Non-audit services

The company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the consolidated entity are important.

Details of the amount paid or payable to the auditor (PricewaterhouseCoopers) for audit and non-audit services provided during the year are set out below.

The board of directors has considered the position and, in accordance with the advice received from the audit committee is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor.
- None of the services undermine the general principles relating to auditor independence as set out in Professional Statement F1, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risk and rewards.

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 31.

	2005 $'000	2004 $'000
During the year the auditor of the parent entity and its related practices earned the following remuneration:		
PricewaterhouseCoopers – Australian firm		
Audit or review of financial reports of the entity or any entity in the consolidated entity	409,832	228,527
Accounting and advisory services	22,290	38,000
Total audit and accounting/advisory services	432,122	266,527
Taxation compliance services	-	34,770
Taxation advice	104,814	251,824
Total taxation advice and compliance services	104,814	286,594
Total remuneration	536,936	553,121
Related practices of PricewaterhouseCoopers Australian firm (including overseas PricewaterhouseCoopers firms)		
Audit or review of the financial reports of the entity or any entity in the consolidated entity	280,794	189,144
Accounting and advisory services	9,390	213,875
Total audit and accounting/advisory services	290,184	403,019
Taxation compliance services	5,549	53,468
Taxation advice	51,068	146,765
Total taxation advice and compliance services	56,617	200,233
Total remuneration	346,801	603,252

Rounding of amounts

The company is of a kind referred to in Class Order 98/0100 issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of the directors.

Dr C.S. Goldschmidt
Director

C.D. Wilks
Director

Sydney
30 September 2005

PRICEWATERHOUSECOOPERS

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Auditors' Independence Declaration

As lead auditor for the audit of Sonic Healthcare Limited for the year ended 30 June 2005, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Sonic Healthcare Limited and the entities it controlled during the period.

B K Hunter
Partner
PricewaterhouseCoopers

Sydney
30 September 2005

The board of Sonic Healthcare continues to place great importance on the governance of the company, which it believes is vital to its well being and success. There are two elements to the governance of companies: performance and conformance. Both are important but it is critical that focus on conformance does not detract from the principal function of a business, which is to undertake prudent activities to:

- generate rewards for shareholders who invest their capital,
- provide services of value to customers, and
- provide meaningful employment for employees,

and to do so in a way that contributes positively to the community.

In this framework it is crucial that shareholders have clear visibility of the actions of the company and that they can rely on reported financial information. The Sonic board has committed itself to provide relevant, accurate information to shareholders on a timely basis and has adopted policies and procedures designed to ensure that the group's financial reports are true and fair, meet high standards of disclosure integrity and provide all material information necessary to understand the group's financial performance.

Sonic's board and management are committed to governance which recognises that all aspects of the group's operations are conducted ethically, responsibly and with the highest standards of integrity. The board has adopted practices and policies designed to achieve these aims. In March 2003, the ASX Corporate Governance Council published its Principles of Good Corporate Governance and Best Practice Recommendations (Recommendations). Sonic supports the Recommendations in advancing good corporate governance. Sonic's board has reviewed Sonic's compliance with the Recommendations, and in areas where Sonic's existing practices and policies were not in accordance with the Recommendations, Sonic has implemented change in a prudent manner. Sonic's website (www.sonichealthcare.com.au) includes a Corporate Governance section which sets out the information required by the Recommendations plus other relevant information, including copies of all Policies, Charters and Codes referred to herein.

Sonic's Code of Ethics (discussed below) and Core Values set out the fundamental principles that govern the way that all Sonic people conduct themselves. Sonic's Core Values apply equally to every employee of Sonic and were formulated with significant input from Sonic's staff. They have been embraced throughout the group. Sonic's Core Values are:

- *Commit to Service Excellence*

  To willingly serve all those with whom we deal with unsurpassed excellence.
- *Treat each other with Respect & Honesty*

  To grow a workplace where trust, team spirit and equity are an integral part of everything we do.
- *Demonstrate Responsibility & Accountability*

  To set an example, to take ownership of each situation to the best of our ability and to seek help when needed.
- *Be Enthusiastic about Continuous Improvement*

  To never be complacent, to recognise limitations and opportunities for ourselves and processes and to learn through these.
- *Maintain Confidentiality*

  With regard to patient records and all information pertaining to patients as well as other professional and commercial issues.

A description of the company's main corporate governance practices is set out below. All these practices, unless otherwise stated, were in place throughout the year.

1. Board of directors

(a) Role of the board

The board of directors is accountable to shareholders for the performance of the parent entity and the consolidated group and is responsible for the corporate governance practices of the group.

The board's principal objective is to maintain and increase shareholder value while ensuring that the group's overall activities are properly managed.

Sonic's corporate governance practices provide the structure which enables the board's principal objective to be achieved, whilst ensuring that the business and affairs of the group are conducted ethically and in accordance with the law.

The board's overall responsibilities include:

- providing strategic direction and approving corporate strategies;
- monitoring management and financial performance and reporting;
- monitoring and ensuring the maintenance of adequate risk management controls and reporting mechanisms, and
- ensuring the business is conducted ethically and transparently.

The board delegates responsibility for day-to-day management of the business to the Managing Director and senior executives. The Managing Director also oversees the implementation of strategies approved by the board. The board uses a number of committees to support it in matters that require more intensive review and involvement. Details of the board committees are provided below.

As part of its commitment to good corporate governance, the board regularly reviews the practices and standards governing the board's composition, independence and effectiveness, the accountability and compensation of directors (and senior executives) and the board's responsibility for the stewardship of the group.

The role and responsibilities of the board, the functions reserved to the board and those delegated to management have been formalised in the Sonic Board Charter.

(b) Composition of the board

The directors of the company in office at the date of this statement are:

Name	Age	Term of Office (Years)	Position	Expertise	Committees
Mr Barry Patterson	64	12	Chairman Non-Executive, independent Director	Company Management	Chairman of Remuneration and Nominations Committees, member of Audit Committee
Dr Colin Goldschmidt	51	12	Managing Director	Healthcare Industry and Company Management	Chairman of Risk Management Committee, member of Nominations Committee
Mr Chris Wilks	47	15	Finance Director	Finance, Accounting, Banking, Secretarial and Company Management	Member of Risk Management Committee
Mr Peter Campbell	60	12	Non-Executive, independent Director	Finance and Accounting, Computing and Company Management	Chairman of Audit Committee, member of Remuneration and Nominations Committees
Dr Philip Dubois	59	4	Executive Director	Radiology Industry and Company Management	Member of Risk Management Committee
Mr Colin Jackson	57	5	Executive Director	Finance, Pathology Industry and Company Management	
Mr Lou Panaccio	48	0.3	Non-Executive, independent Director	Finance, Pathology Industry and Company Management	Member of Audit Committee
Dr Hugh Scotton	63	4	Executive Director	Radiology Industry and Company Management	

1. Board of directors (continued)

The composition of Sonic's board is consistent with the principle of medical management and leadership which has been a core strategy of Sonic's since 1992. Sonic's Managing Director is a qualified pathologist, and the board also includes two radiologists, ensuring that it has the capacity to understand complex medical issues and be in close touch with the medical marketplace. The presence of medical practitioners on Sonic's board also gives comfort both to referring doctors (Sonic's customers) and to owners of diagnostic practices which Sonic seeks to acquire. This strategy has resulted in a board which has a relatively high proportion of executive directors.

Dr Dubois, Mr Jackson and Dr Scotton were appointed to the board following acquisitions of practices in which they held leadership positions. Their presence on the board has played an important role in consolidating several of the larger independent practices acquired by Sonic into a cohesive group.

Sonic's non-executive directors, including the Chairman, are considered independent and perform major roles in the board committees.

For the reasons described above, Sonic does not comply with ASX Corporate Governance Council Recommendation 2.1: "A majority of the board should be independent directors". Due to the importance to Sonic of medical leadership and representation of major medical practice subsidiaries on the board, it is envisaged that Sonic will not fully comply with Recommendation 2.1 in the short to medium term, however the appointment of a Nominations Committee, the retirements of two executive directors at the 2003 Annual General Meeting and the appointment of Mr Lou Panaccio (June 2005) as an additional independent director were significant steps towards compliance.

The board has resolved that the position of Chairman of the board be held by an independent director, and the position of Chairman and Managing Director will be held by different persons. The board has also resolved that the mere fact that a director has been in office for a period greater than 10 years does not change that director's status as an independent. The board has specifically considered the position of Mr Barry Patterson and has determined that he is independent.

The size and composition of the board is determined by the full board acting on recommendations of the Nominations Committee. Sonic's constitution requires that the board comprise no more than 12 and no less than 3 directors at any time. Sonic's constitution also requires all directors other than the Managing Director to offer themselves for re-election at an Annual General Meeting, such that they do not hold office without re-election for longer than three years.

(c) Board meetings

The board meets formally at least 10 times a year to consider a broad range of matters, including strategy, financial performance reviews, capital management and acquisitions. Details of meetings (both full board and committees) and attendances are set out in the Directors' report.

(d) Independent professional advice and access to information

Each director has the right to seek independent professional advice at the company's expense. However, prior approval of the Chairman is required, which is not unreasonably withheld.

All directors have unrestricted access to company records and information and receive detailed financial and operational reports from senior management during the year to enable them to carry out their duties. Directors also liaise with senior management as required, and may consult with other employees and seek additional information on request.

(e) Conflicts of interest of directors

The board has guidelines dealing with disclosure of interests by directors and participation and voting at board meetings where any such interests are discussed. In accordance with the Corporations Act, any director with a material personal interest in a matter being considered by the board does not receive the relevant board papers, must not be present when the matter is being considered, and may not vote on the matter.

(f) Share trading

Under Sonic's Share Trading Policy all Sonic employees are prohibited from buying or selling Sonic shares at any time they are aware of any material price sensitive information that has not been made public, and are reminded of the laws against "insider trading". Certain "Designated Officers", including all directors and senior executives, are also prohibited from trading in periods other than in 8 week windows following the release of half year and full year results, and 2 week periods following the provision to the market at any time by Sonic of definitive guidance regarding the next result to be released. Exceptions to this prohibition can be approved by the Chairman (for other directors) or the Managing Director (for all other employees) in circumstances of financial hardship. Prohibitions also apply to financial instruments related to Sonic's shares and to trading in the shares of other entities using information obtained through employment with Sonic. In addition, the Managing Director and Finance Director are required to obtain approval from the Chairman of the Remuneration Committee before selling any shares. All Sonic share dealings by directors are promptly notified to the Australian Stock Exchange (ASX).

2. Board committees

To assist the board in fulfilling its duties there are currently four board committees whose terms of reference and powers are determined by the board.

(a) Remuneration Committee

The role of the Remuneration Committee is to review and make recommendations to the board on remuneration packages and policies applicable to the Managing Director and Finance Director and to advise the board in relation to equity based incentive schemes for other employees. In addition, the Committee ensures appropriate disclosure is provided to shareholders in relation to remuneration policies and that equity based remuneration is within plans approved by shareholders. The Remuneration Committee, when deemed necessary, obtains independent advice on the appropriateness of remuneration packages.

The members of the Remuneration Committee during the year were:

Mr B.S. Patterson (Chairman)

Mr R.P. Campbell

The Remuneration Committee operates under a formal Charter and meets on an as required basis.

The current remuneration for non-executive directors is $50,000 per annum. Further details of Sonic's remuneration policies for executive directors and senior executives of the company, and the relationship between such policy and the company's performance is provided in the Directors' report.

(b) Audit Committee

The principal role of the Audit Committee is to provide the board, investors, owners and stakeholders with confidence that the financial reports for the company represent a true and fair view of the company's financial condition and operational results in all material respects, and are in accordance with relevant accounting standards.

The members of the Audit Committee are:

Mr R.P. Campbell (Chairman)

Mr L.J. Panaccio (appointed 30 June 2005)

Mr B.S. Patterson

Mr C.J. Jackson resigned from the Committee on 30 June 2005.

The external auditors, the Managing Director and the Finance Director are invited to Audit Committee meetings at the discretion of the Committee.

2. Board committees (continued)

The responsibilities of the Audit Committee are set out in its Charter and include:

- Assisting the board in its oversight responsibilities by monitoring and advising on:
  - the integrity of the financial statements of the company
  - the company's accounting policies and practices in accordance with current and emerging accounting standards
  - the external auditors' independence and performance
  - compliance with legal and regulatory requirements and policies in this regard
  - compliance with the policy framework in place from time to time
  - internal controls, and the overall efficiency and effectiveness of financial operations

- Providing a forum for communication between the board, executive leadership and external auditors.

- Providing a conduit to the board for external advice on audit and financial risk management.

In fulfilling its responsibilities, the Audit Committee receives regular reports from management and the external auditors. It also meets with the external auditors at least twice a year – more frequently if necessary, and reviews any significant disagreements between the auditors and management, irrespective of whether they have been resolved. The external auditors have a clear line of direct communication at any time to either the Chairman of the Audit Committee or the Chairman of the board.

The audit committee has authority, within the scope of its responsibilities, to seek any information it requires from any employee or external party.

(c) Risk Management Committee

The members of the Risk Management Committee are:

Dr C.S. Goldschmidt (Chairman)

Mr C.D. Wilks

Dr P.J. Dubois

The Risk Management Committee's responsibilities are set out in its Charter and include:

- Assisting the board in its oversight responsibilities by monitoring and advising on:
  - the management of operational risks, including but not limited to:
    - the company's insurance program
    - environmental risks
    - disaster recovery strategy
    - litigation against the company
    - industry related regulatory compliance
  - compliance with the policy framework in place from time to time.
  - internal controls over operational risks.
  - the company's overall operational risk management program.

- Providing a forum for communication between the board, management and external risk management advisors.

- Providing a conduit to the board for external advice on operational risk management.

The Risk Management Committee does not have any responsibility in relation to strategic and financial risk management, which is the responsibility of the company's Audit Committee.

The Committee meets at least twice per year.

(d) Nominations Committee

The Nominations Committee's role, as set out in its Charter, is to:

- Review the board structure regularly.
- Advise the board on the recruitment, appointment and removal of directors.
- Assess and promote the enhancement of competencies of directors.
- Review board succession plans.
- Make recommendations on remuneration of non-executive directors.

Members of the Nominations Committee are:

Mr B.S. Patterson (Chairman)

Mr R.P. Campbell

Dr C.S. Goldschmidt

The Committee meets on an as required basis.

3. Identifying and managing business risks

Sonic recognises that risk management is an integral part of good management and corporate governance practice and is fundamental to driving shareholder value across the business.

Sonic views the management of risk as a core managerial capability. Risk management is strongly promoted internally and forms part of the performance evaluation of key executives.

(a) Responsibilities

The board determines the overall risk profile of the business and is responsible for monitoring and ensuring the maintenance of adequate risk management controls and reporting mechanisms.

To assist the board in fulfilling its duties, it is aided by the Audit Committee (in relation to strategic and financial risk management) and the Risk Management Committee (in relation to operational and compliance risk management). The board has delegated to these Committees responsibility for ensuring:

- the principal strategic, financial, operational and compliance risks are identified.
- systems are in place to assess, manage, monitor and report on those risks, and that those systems are operating effectively.
- management compliance with board approved policies.
- internal controls are operating effectively across the business.
- all group companies are in compliance with laws and regulations relating to their activities.

The Audit Committee and Risk Management Committee regularly update the board on all relevant matters.

Management is responsible for the identification, assessment and management of business risks and reports on these matters to the Audit Committee or Risk Management Committee through various mechanisms depending on the nature of the risks.

3. Identifying and managing business risks (continued)

(b) Risk management systems and processes

Sonic's activities across all of its operating entities are subject to regular review and continuous oversight by executive management and the board committees. The Chief Executive Officers of the individual operating companies are responsible for the identification and management of risk within their business. To assist in this, executive management has developed an effective control environment to help manage the significant risks to its operations, both locally and overseas. This environment includes the following components:

- clearly defined management responsibilities, management accountabilities and organisational structures.
- established policies and procedures that are widely disseminated to, and understood by, employees.
- regular internal review of policy compliance and the effectiveness of systems and controls.
- comprehensive training programs for staff in relation to pathology and radiology operational practices and compliance requirements.
- strong management reporting framework for both financial and operational information.
- creation of an open culture to share risk management information and to continuously improve the effectiveness of Sonic's risk management approach.
- benchmarking across operations to share best practice and further reduce the operational risk profile.
- Sonic Core Values, a uniting code of conduct embraced by Sonic employees.
- centrally administered group insurance program ensuring a consistent and adequate approach across all operating areas.

(c) Regulatory compliance

Sonic's pathology and radiology activities are subject to Commonwealth and State law in Australia, and similar regulatory control in offshore locations. These laws cover such areas as laboratory and collection centre operations, workplace health and safety, radiation safety, privacy of information and waste management.

Sonic's network of pathology laboratories, collection centres and radiology centres are required to meet and stay compliant with set performance criteria determined by government and industry bodies.

To support this, Sonic's operating policies and procedures are overseen by internal quality assurance and workplace health and safety managers who review operational compliance.

In addition, practising pathologists and radiologists are required to be registered and licensed in accordance with Medical Board and Government regulations. The accreditation and licensing of locations, equipment and personnel is subject to regular, random audits by Government experts and medical peer groups. Sonic also undertakes internal reviews to ensure continued best practice and compliance.

Sonic's established procedures, focus on best practice, structured staff training and the external review activities serve to mitigate operational risk and support regulatory compliance.

(d) Managing Director and Finance Director sign-off

Sonic has adopted a policy requiring the Managing Director and the Finance Director to state to the board in writing to the best of their knowledge that the integrity of the financial statements is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board, and which operates efficiently and effectively in all material respects.

4. Ethical standards

The company has adopted a Code of Ethics policy that outlines the standards required so that the directors and management conduct themselves with the highest ethical standards. All employees of the company and its controlled entities are informed of the Code. The directors regularly review this code to ensure it reflects best practice in corporate governance. The Code is further supported by the Sonic Core Values.

5. Continuous disclosure

The Company Secretary has been nominated as the person responsible for communications with the Australian Stock Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX listing rules and overseeing and co-ordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

Sonic has formalised its policies and procedures on information disclosure in a Policy on Continuous Disclosure. The Policy focuses on continuous disclosure of any information concerning the company and its controlled entities that a reasonable person would expect to have a material effect on the price of the company's securities, and sets out management's responsibilities and reporting procedures in this regard.

All information disclosed to the ASX is posted on the company's web site as soon as it is disclosed to the ASX. When analysts are briefed on aspects of the company's operations, the material used in the presentation is released to the ASX and posted on the company's web site.

6. The role of shareholders

The Board of Directors aims to ensure that the shareholders are informed of all major developments affecting the group's state of affairs. Information is communicated to shareholders as follows:

- The annual report is distributed to all shareholders (unless a shareholder has specifically requested not to receive the document). The board ensures that the annual report includes relevant information about the operations of the group during the year, changes in the state of affairs of the group and details of likely future developments, in addition to the other disclosures required by law;
- Proposed major changes in the group which may impact on share ownership rights are submitted to a vote of shareholders.

To further facilitate communication with shareholders the company has established electronic shareholder communication processes via its share registry. Shareholders are able to access annual reports, notices of meetings, proxy forms and voting, and electronic statements (e.g. holding statements) by email. The company has an arrangement with eTree by which it donates up to $2 to Landcare Australia for each shareholder email address recorded.

The board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the group's strategy and goals. Important issues are presented to the shareholders as single resolutions.

The shareholders are responsible for voting on the appointment of directors.

7. External auditors

The company's policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually. Sonic requires its external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the auditor's report. It is the policy of the external auditors to provide an annual declaration of their independence to the Audit Committee. Sonic's external audit signing partner was changed for the 2003 financial year, under the audit firm's 5 year rotation policy. During the 2004 financial year Sonic put its external audit for 2004, 2005 and 2006 to competitive tender. Each of the four largest Chartered Accounting firms in Australia (including the incumbent) were invited to submit proposals. After consideration of tenders, the Audit Committee and board determined to reappoint the incumbent auditors, PricewaterhouseCoopers.

8. Performance evaluation of the board, its committees and directors, and key executive officers

(a) The board and its committees

The board carries out an annual evaluation of its own performance in meeting its key responsibilities in accordance with the Board Charter, by undertaking the following activities:

- the Chairman meets with each director separately to discuss individual performance and ideas for improvement, and
- the board as a whole discusses and analyses its own performance including suggestions for change or improvement. This includes an assessment of the extent to which the board has discharged its responsibilities as set out in the Board Charter.

The performance review covers matters such as contribution to strategy development, interaction with management, operation and conduct of meetings, and specific performance objectives for the year ahead.

The inaugural performance evaluation of the board and its members was completed during the year.

The board also obtains feedback on their performance and operations from key people such as the external auditors.

Each committee of the board is required to undertake an annual performance evaluation and report the results of this review to the board.

Performance evaluation results are discussed by the board, and initiatives undertaken, where appropriate, to strengthen the effectiveness of the board's operation and that of its committees. The board periodically reviews the skills, experience and expertise of its directors and its practices and procedures for both the present and future needs of the company.

(b) The Managing Director and Finance Director

The performances of the Managing Director and Finance Director are formally reviewed by the board. The performance criteria include:

- economic results of the consolidated group.
- fulfilment of objectives and duties.
- personnel and resource management.
- personal conduct and Sonic Core Values.
- corporate governance and compliance.
- risk management.
- feedback from clients and investors.

Performance evaluation results are considered by the Remunerations Committee in determining the level and structure of remuneration for the Managing Director and Finance Director.

(c) Key executives

The Managing Director evaluates key executives at least annually with qualitative and quantitative measures against agreed business and personal objectives. These business and personal objectives are consistent with those used in the performance reviews for the Managing Director and Finance Director.

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This concise report has been derived from the full financial report for the year ended 30 June 2005. The full financial report and auditors report can be accessed via the internet on our website (www.sonichealthcare.com.au). Alternatively, members can call 61 2 9855 5444 and request a copy of the full financial report and auditors report, which will be sent free of charge.

This concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Sonic Healthcare Limited and its controlled entities as the full financial report.

Consolidated statement of financial performance

for the year ended 30 June 2005

	Notes	2005 $'000	2004 $'000
Revenue from ordinary activities	3	1,382,412	1,037,397
Labour and related costs		(609,904)	(503,309)
Consumables used		(213,085)	(130,300)
Amortisation of intangibles		(68,090)	(59,324)
Depreciation and amortisation of physical assets		(49,594)	(41,679)
Operating lease rental expense		(67,486)	(41,073)
Borrowing costs expense		(43,411)	(35,250)
Repairs and maintenance		(33,152)	(27,028)
Utilities		(32,820)	(24,161)
Other expenses from ordinary activities		(113,364)	(72,168)
Profit from ordinary activities before income tax expense		151,506	103,105
Income tax expense		(62,098)	(45,222)
Profit from ordinary activities after income tax expense		89,408	57,883
Net (profit) attributable to outside equity interests		(11,944)	(255)
Net profit attributable to members of Sonic Healthcare Limited		77,464	57,628
Net exchange differences on translation of financial report of foreign controlled entities		(1,836)	4,433
Total revenues, expenses and valuation adjustments attributable to members of Sonic Healthcare Limited recognised directly in equity		(1,836)	4,433
Total changes in equity other than those resulting from transactions with owners as owners		75,628	62,061

		Cents	Cents
Basic earnings per share	5	28.5	21.7
Diluted earnings per share	5	28.0	21.4
Core (pre intangibles amortisation) diluted earnings per share	5	52.6	43.4

The above consolidated statements of financial performance should be read in conjunction with the accompanying notes and discussion and analysis.

Consolidated statement of financial position

as at 30 June 2005

	2005 $'000	2004 $'000
Current assets		
Cash assets	31,914	17,343
Receivables	146,110	145,596
Inventories	23,813	22,903
Other	10,253	10,258
Total current assets	212,090	196,100
Non-current assets		
Receivables	4,017	4,499
Other financial assets	11,677	45,763
Property, plant and equipment	270,127	240,712
Intangible assets	1,197,025	1,162,162
Deferred tax assets	40,919	43,526
Other	1,211	1,371
Total non-current assets	1,524,976	1,498,033
Total assets	1,737,066	1,694,133
Current liabilities		
Payables	102,282	99,973
Interest bearing liabilities	40,035	34,746
Current tax liabilities	6,629	11,800
Provisions	61,266	55,036
Other	5,028	21,919
Total current liabilities	215,240	223,474
Non-current liabilities		
Payables	35	-
Interest bearing liabilities	617,605	606,536
Deferred tax liabilities	2,453	998
Provisions	19,100	15,338
Total non-current liabilities	639,193	622,872
Total liabilities	854,433	846,346
Net assets	882,633	847,787
Equity		
Parent entity interest		
Contributed equity	913,981	875,248
Reserves	8,668	10,504
Accumulated losses	(38,142)	(25,725)
Total parent entity interest	884,507	860,027
Outside equity interest in controlled entities	(1,874)	(12,240)
Total equity	882,633	847,787

The above consolidated statements of financial performance should be read in conjunction with the accompanying notes and discussion and analysis.

Consolidated statement of cash flows

for the year ended 30 June 2005

	2005 $'000	2004 $'000
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	1,442,355	1,073,155
Payments to suppliers and employees (inclusive of goods and services tax)	(1,127,693)	(835,552)
	314,662	237,603
Interest received	1,921	1,118
Borrowing costs	(40,072)	(36,079)
Income taxes paid	(58,196)	(46,311)
Net cash inflow from operating activities	218,315	156,331
Cash flows from investing activities		
Payment for purchase of controlled entity, net of cash acquired	(121,411)	(55,688)
Payments for property, plant and equipment	(57,668)	(38,568)
Proceeds from sale of non-current assets	1,943	5,022
Payments for investments	(2,208)	(5,497)
Repayment of loans by other entities	2,940	5,723
Loans to other entities	(431)	(3,625)
Payment for restructuring activities	(4,249)	(5,611)
Net cash (outflow) from investing activities	(181,084)	(98,244)
Cash flows from financing activities		
Proceeds from issues of shares and other equity securities	38,504	5,839
Proceeds from borrowings	195,759	297,755
Repayment of borrowings	(166,360)	(326,202)
Dividends paid	(89,881)	(45,688)
Net cash (outflow) from financing activities	(21,978)	(68,296)
Net increase/(decrease) in cash held	15,253	(10,209)
Cash at the beginning of the financial year	17,343	26,489
Effects of exchange rate changes on cash	(682)	1,063
Cash at the end of the financial year	31,914	17,343

The above consolidated statements of financial performance should be read in conjunction with the accompanying notes and discussion and analysis.

Discussion and analysis of consolidated statement of financial performance

	2005	2004	Growth
Revenue	$1,382.4m	$1,037.4m	33.3%
EBITA	$261.1m	$196.6m	32.8%
Core* Net Profit	$145.6m	$117.0m	24.5%
Net Profit After Tax	$ 77.5m	$ 57.6m	34.4%
EBITA Margin	18.9%	18.9%	-
Core* EPS	52.6c	43.4c	21.2%
EPS	28.5c	21.7c	31.3%
Dividends	36c	30c	20%

* before amortisation of intangibles

Revenue for the year increased by 33.3% from the prior year as a result of:

- strong organic (excluding acquisitions) growth of around 7% reflecting both patient volume growth and increased average fees;
- the consolidation of IPN from 26 August 2004, the acquisitions of Accord Pathology and Endeavour Healthcare's medical centres (November 2004); and
- a full year of the businesses acquired during the 2004 year, in particular the Schottdorf Group (acquired June 2004).

Margins have been impacted by the acquisition of the lower margin business of IPN, acquired 26 August 2004. Excluding IPN, the EBITA margin for 2005 was 19.4%.

Sonic's core diluted earnings per share (pre-intangibles amortisation) increased 21.2% due mainly to earnings growth and to the positive effect of the Schottdorf Group and other synergistic acquisitions. This is Sonic's tenth successive year of double-digit earnings per share growth.

The Board declared a final dividend of 23 cents per share fully franked (at 30%) taking the total dividends for the year to 36 cents, a 20% increase on the previous year.

Discussion and analysis of consolidated statement of financial position

	30 June 2005	30 June 2004
Equity	$882.6m	$847.8m
Total Interest Bearing Debt	$657.6m	$641.3m
Gearing (Net Interest Bearing Debt / Equity)	71%	74%
Net Interest Bearing Debt / EBITDA	2.01 x	2.62 x
Interest Cover (EBITDA / Net Interest)	7.49 x	6.98 x

Equity attributable to ordinary shareholders increased by approximately $35 million due predominately to the exercise of options over ordinary shares during the year.

During the year Sonic completed the refinancing of its senior debt facility with a new unsecured facility of $700 million provided by the existing banking syndicate. At 30 June 2005 Sonic had undrawn senior debt facilities of approximately $175 million.

The group's gearing, net interest bearing debt/EBITDA and interest cover ratios have all improved on the prior year as a result of Sonic's strong earnings and cash flows.

Discussion and analysis of consolidated statement of cash flows

Cash generated from operations increased 39.6% compared to the previous year due to growth in profit and favourable working capital movements.

Net cash outflow from investing activities increased significantly (84.3%) on the previous year as a result of the IPN and Accord acquisitions, and the payment of the Schottdorf acquisition earn out of €8.1 million.

Net cash outflow from financing activities decreased on the previous year as a result of increased borrowings and proceeds from the exercise of options in the 2005 year.

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This concise financial report relates to the consolidated entity consisting of Sonic Healthcare Limited and the entities it controlled at the end of, or during, the year ended 30 June 2005. The accounting policies adopted are consistent with those of the previous year, except as described in Note 1 below.

The company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in financial reports. Amounts in the concise financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars.

Note 1 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year. With the acquisition of a majority interest in Independent Practitioner Network Limited (IPN) and first time consolidation of its financial results, the Group's accounting policies have been expanded to include the following:

Revenue Recognition

Revenue is recognised from the rendering of other services when the service has been provided. Rental income is recognised by allocating minimum lease payments on a basis representative of the pattern of services rendered through the provision of the leased asset.

Leased Plant and Equipment

Future payments for surplus leased space under non-cancellable operating leases are recognised as a liability, net of sub-leasing revenue, in the period in which it is determined that the leased space will be of no future benefit to the consolidated entity.

Australian Tax Consolidation Legislation

Sonic Healthcare Limited and its wholly owned Australian controlled entities implemented the tax consolidation legislation as at 30 June 2004. The Australian Taxation Office has been notified of this event.

The company is in the process of determining the financial impact of various elections available to it under this regime. The company does not believe there will be any significant financial impact on its financial performance and position as a result of making these elections.

Note 2 Segment information

Business segments

The consolidated entity delivers medical diagnostic services in the following segments:

(i) *Pathology*
Pathology services provided across Australia, New Zealand, the United Kingdom and in Germany.

(ii) *Radiology*
Radiology and diagnostic imaging services provided across Australia, New Zealand and in Hong Kong.

(iii) *Other*
Includes the corporate office function and other minor operations. Following its acquisition on 26 August 2004 this segment also includes the consolidated results of Independent Practitioner Network Limited (IPN).

Note 2 Segment information (continued)

Primary Reporting – Business Segments

2005	Pathology $'000	Radiology $'000	Other $'000	Eliminations $'000	Consolidated $'000
Revenue					
External sales	1,002,997	293,896	63,009	-	1,359,902
Inter segment sales	354	344	2,097	(2,795)	-
Other revenue	5,723	1,183	13,683	-	20,589
Total segment revenue	1,009,074	295,423	78,789	(2,795)	1,380,491
Interest income					1,921
Total revenue					1,382,412
Result					
Segment result before interest and tax	171,017	31,825	(9,846)	-	192,996
Unallocated net interest expense					(41,490)
Profit before tax					151,506
Income tax expense					(62,098)
Profit after income tax expense					89,408
Segment assets	1,543,904	502,256	941,652	(1,250,746)	1,737,066
Segment liabilities	163,893	401,799	73,972	(380,845)	258,819
Unallocated liabilities					595,614
Total liabilities					854,433

Primary Reporting – Business Segments

2004	Pathology $'000	Radiology $'000	Other $'000	Eliminations $'000	Consolidated $'000
Revenue					
External sales	755,405	270,490	-	-	1,025,895
Inter segment sales	130	296	-	(426)	-
Other revenue	7,478	1,551	1,355	-	10,384
Total segment revenue	763,013	272,337	1,355	(426)	1,036,279
Interest income					1,118
Total revenue					1,037,397
Result					
Segment result before interest and tax	124,317	25,716	(12,796)	-	137,237
Unallocated net interest expense					(34,132)
Profit before tax					103,105
Income tax expense					(45,222)
Profit after income tax expense					57,883
Segment assets	1,517,143	516,686	896,827	(1,236,523)	1,694,133
Segment liabilities	201,322	393,401	75,083	(367,970)	301,836
Unallocated liabilities					544,510
Total liabilities					846,346

Note 3 Revenue	2005 $'000	2004 $'000
Revenue from operating activities		
Medical services revenue	1,359,902	1,025,895
Revenue from outside the operating activities		
Interest received or due and receivable	1,921	1,118
Proceeds on sale of non-current assets	1,943	5,022
Net foreign exchange gains	68	12
Rental income	8,702	2,401
Other income	9,876	2,949
	22,510	11,502
Revenue from ordinary activities	1,382,412	1,037,397

Note 4 Dividends

Ordinary Shares	2005 $'000	2004 $'000
Final dividend for the year ended 30 June 2004 of 20 cents (2003:17 cents) per fully paid share paid on 20 September 2004 (2003: 7 October 2003), fully franked (2003: 100% franked) based on tax paid at 30%	54,216	44,629
Interim dividend for the year ended 30 June 2005 of 13 cents (2004: 10 cents) per fully paid share paid 17 March 2005 (2004: 17 March 2004), fully franked based on tax paid at 30%	35,665	26,746
Total dividends provided for or paid	89,881	71,375
Dividends paid in cash or satisfied by the issue of shares under the dividend reinvestment plan during the years ended 30 June 2005 and 30 June 2004 were as follows:		
Paid in cash	89,881	45,143
Satisfied by issue of shares	-	26,223
DRP residual balance	-	9
	89,881	71,375
Dividends not recognised at year end In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of 23 cents (2004: 20 cents) per fully paid ordinary share, fully franked based on tax paid at 30%. The aggregate amount of the final dividend paid on 19 September 2005 out of profits, but not recognised as a liability at year end is	63,367	54,216

Franked dividends

The franked portions of the final dividends recommended after 30 June 2005 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the year ending 30 June 2006.

	2005 $'000	2004 $'000
Franking credits available for subsequent financial years based on a tax rate of 30% (2004: 30%)	83,289	76,927

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

(a) franking credits that will arise from the payment of the current tax liability

(b) franking debits that will arise from the payment of dividends recognised as a liability at the reporting date

(c) franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date, and

(d) franking credits that may be prevented from being distributed in subsequent financial years.

The consolidated amounts include franking credits that would be available to the parent entity if distributable profits of controlled entities not part of the Australian tax consolidated group were paid as dividends.

Note 5 Earnings per share

	2005 Cents	2004 Cents
Basic earnings per share	28.5	21.7
Diluted earnings per share	28.0	21.4
Core (pre intangibles amortisation) basic earnings per share	53.5	44.0
Core (pre intangibles amortisation) diluted earnings per share	52.6	43.4

Core basic and diluted earnings per share adjusts the figures used in the determination of basic and diluted earnings per share by adding back to net profit the amount of intangibles amortisation expense for the period.

	2005 Shares	2004 Shares
Weighted average number of ordinary shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share and core basic earnings per share	271,932,711	266,018,205
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share and core diluted earnings per share	276,973,703	269,429,507

	2005 $'000	2004 $'000
Reconciliations of earnings used in calculating earnings per share		
Net profit	89,408	57,883
Net (profit) attributable to outside equity interest	(11,944)	(255)
Earnings used in calculating basic and diluted earnings per share	77,464	57,628
Intangibles amortisation expense for the period	68,090	59,324
Earnings used in calculating core basic and core diluted earnings per share	145,554	116,952

Note 6 Events occurring after reporting date

Since the end of the financial year, the directors are not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in the subsequent financial year other than as follows:

- On 22 August 2005 Sonic's directors declared a final dividend for 2005 of 23 cents per ordinary share payable on 19 September 2005. Sonic's dividend reinvestment plan remains suspended for this dividend and until further notice.

- On 23 August 2005 Sonic announced the signing of an agreement to acquire an interest in Clinical Pathology Laboratories, Inc. (CPL), the largest privately owned routine pathology laboratory in the United States of America. The initial acquisition will be of an interest of 82%. The purchase consideration for this interest will be ~US$312 million, including an earn out amount of up to US$20 million to be paid upon achievement of pre-determined earnings targets. As described in the August release, Sonic will progressively acquire the balance of CPL's equity over the years 2009 to 2012.

- In the period to the date of this report 546,750 options under the Sonic Healthcare Limited Employee Option Plan, 200,000 Executive Director options and 35,000 Queensland X-Ray options have been exercised for a total exercise consideration of $5,060,155 to the consolidated group.

Note 7 International financial reporting standards (IFRS)

The Australian Accounting Standards Board (AASB) is adopting International Financial Reporting Standards (IFRS) for application to reporting periods beginning on or after 1 January 2005. The AASB has issued Australian equivalents to IFRS, referred to hereafter as AIFRS. The adoption of AIFRS will be first reflected in the consolidated entity's (hereafter referred to as "Sonic" in this Note) financial statements for the half-year ending 31 December 2005 and the year ending 30 June 2006.

Entities complying with AIFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of AIFRS to that comparative period. Most adjustments required on transition to AIFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004.

Sonic has analysed all of the AIFRS and has identified the key accounting policy changes that will be required. In some cases choices of accounting policies are available, including elective exemptions under Accounting Standard AASB 1: *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*. These choices have been analysed to determine the most appropriate accounting policy for Sonic.

Set out below are the key differences in accounting policies and significant known transitional differences (able to be estimated and identified to date) to the financial report for the year ended 30 June 2005 for the consolidated entity had they been prepared using AIFRS. Although the adjustments disclosed in this note are based on management's best knowledge of expected standards and interpretations, and current facts and circumstances, these may change. Therefore, until Sonic prepares its first full AIFRS financial statements, the possibility cannot be excluded that the accompanying disclosures may have to be adjusted. No material impacts are expected in relation to the statements of cash flows.

Proforma impact on the consolidated entity's statement of financial position at 30 June 2005 based on adjustments identified to date

	AGAAP $'000	AIFRS adjustments $'000	Notes	AGAAP adjusted for AIFRS $'000
Current assets	212,090	-		212,090
Property, plant and equipment	270,127	(6,048)	(a)	264,079
Intangible assets	1,197,025	72,344	(a)	1,269,369
Deferred tax assets	40,919	(231)	(c)	40,688
Other non current assets	16,905	-		16,905
Total assets	1,737,066	66,065		1,803,131
Current liabilities	215,240	-		215,240
Deferred tax liabilities	2,453	3,427	(c)	5,880
Other non current liabilities	636,740	-		636,740
Total liabilities	854,433	3,427		857,860
Net assets	882,633	62,638		945,271
Contributed equity	913,981	7,004	(b)	920,985
Reserves	8,668	(12,226)	(c),(d),(g)	(3,558)
Accumulated (losses)/profits	(38,142)	67,860	(a),(b),(g)	29,718
Outside interests in controlled entities	(1,874)	-		(1,874)
Total equity	882,633	62,638		945,271

Proforma impact on the consolidated entity's statement of financial performance based on adjustments identified to date

	Notes	$'000
Net profit reported under AGAAP for year to 30 June 2005		77,464
Decrease in amortisation of intangible assets	(a)	66,549
Decrease in depreciation of property, plant and equipment	(a)	1,213
Restructuring costs expensed	(a)	(5,522)
Share based payment expense	(b)	(4,484)
Income tax expense	(c)	(87)
Net profit reported under AIFRS for year to 30 June 2005		135,133

(a) Business combinations and intangible assets

Goodwill

Sonic's current accounting policy is to amortise goodwill over 20 years. Under AIFRS goodwill acquired in a business combination will no longer be amortised, but instead will be subject to impairment testing at each reporting date, and upon the occurrence of triggers that may indicate a potential impairment.

Under the transitional arrangements of AASB 1 there is an option to apply AASB 3: *Business Combinations* prospectively from the transition date to AIFRS. Sonic has chosen this option rather than to restate all previous business combinations. The impact of AASB 3 and associated transitional arrangements on the consolidated group will be as follows:

- all prior business combination accounting will be frozen as at 1 July 2004,
- the value of goodwill will be frozen as at transition date, with $64,154,000 of amortisation expense that has been reported under Australian generally accepted accounting principles (AGAAP) in the consolidated results for 30 June 2005 reversed for AIFRS restatements, and
- provisions for restructuring costs existing at 1 July 2004 where the acquiree had not, at the acquisition date, recognised an existing liability for restructuring, will be released to opening retained earnings as a transition adjustment.

Business combinations

Under AASB 3 there is a requirement to bring to account all identifiable intangibles acquired in a business combination entered into since the date of transition to AIFRS that meet the recognition and measurement criteria set out in AASB 138: *Intangible Assets*.

If these standards had been applied to Sonic's acquisition of a majority interest in IPN during the financial year, an identifiable intangible of $1,028,000 not recognised under AGAAP would have been recognised at 30 June 2005, goodwill would have decreased by $1,356,000 and an amortisation expense of $328,000 would have arisen in the restated financial results for the year to 30 June 2005.

Management is still in the process of reviewing the accounting for the Endeavour Healthcare business (acquired 26 November 2004) under AASB 3 and determining whether a component of the goodwill represents other intangibles assets. This review is expected to be completed between the date of this report and the half year report dated 31 December 2005. The impact of this review (if any) on the financial report would be to reduce goodwill with a corresponding increase in intangible assets.

Under AASB 3 provisions for restructure costs where the acquirer had not, at the acquisition date recognised an existing liability for restructure, will no longer be booked as part of acquisition accounting. As a result of this and the reversal of provisions for restructure at transition date, operating expenses for the year to 30 June 2005 would have been $5,522,000 higher. There will be no adjustment to the consolidated entities statement of financial position at 30 June 2005.

Note 7 International financial reporting standards (IFRS) (continued)

Identifiable intangibles

Under AGAAP Sonic has amortised identifiable intangibles over 50 years. On transition to AIFRS indefinite life intangibles will no longer be amortised, but will instead be subject to impairment testing at each reporting date, or upon the occurrence of triggers that may indicate a potential impairment.

Sonic has applied AASB 138 to its identifiable intangibles at 30 June 2004 and concluded that these assets meet the definition of indefinite life assets. Accordingly, the amortised balance of identifiable intangibles will be frozen as at transition date, and associated intangibles amortisation expense of $3,936,000 in the consolidated financial result for 30 June 2005 will be reversed for AIFRS restatements.

Software assets of $6,048,000 developed for internal use and recognised under AGAAP as part of fixed assets are defined under AASB 138 as identifiable intangibles. These assets will be reclassified from fixed assets to intangible assets on transition to AIFRS. As a result of this reclassification depreciation expense for the year to 30 June 2005 would have been $1,213,000 lower with a corresponding increase in intangibles amortisation expense.

(b) Share-based compensation benefits

Under AASB 2: *Share-Based Payment*, Sonic is required to recognise an expense for all share-based remuneration. This will result in a change to the current accounting policy under which no expense is recognised for equity-based compensation.

Under the transitional exemptions of AASB 1 Sonic has elected not to apply AASB 2 to equity instruments issued prior to 7 November 2002.

Options and shares issued to Directors under the Executive Incentive Plan and options issued to employees under the Sonic Healthcare Limited Employee Option Plan and to QXR employees pursuant to Sonic's agreement with the vendors of QXR have been valued using an appropriate valuation technique and will be charged against profit over the relevant periods, and adjusted as required by the standard.

Under transitional requirements, Sonic will reduce retained earnings at 1 July 2004 by $2,520,000 with a corresponding increase in the share option reserve for options issued after 7 November 2002 that remained unvested at the date of transition to AIFRS.

If the policy required by AASB 2 had been applied during the year ended 30 June 2005, the consolidated entity's employee benefits expense would have been $4,484,000 higher. Retained earnings at 30 June 2005 in the consolidated entity would have been $7,004,000 lower, with a corresponding increase in the share option reserve.

(c) Income tax

Under AASB 112: *Income Taxes*, deferred tax balances are determined using the balance sheet method which calculates temporary differences based on the carrying amounts of an entity's assets and liabilities in the statement of financial position and their associated tax bases. In addition, current and deferred taxes attributable to amounts recognised directly in equity are also recognised directly in equity.

This will result in a change to the current accounting policy, under which deferred tax balances are determined using the income statement method, items are only tax-effected if they are included in the determination of pre-tax accounting profit or loss and/or taxable income or loss and current and deferred taxes cannot be recognised directly in equity.

The identified tax adjustments to Sonic's consolidated deferred tax balances that arise on transition to AIFRS include the recognition of deferred tax assets relating to deductible costs not previously recognised under AGAAP, and an increase in deferred tax liabilities relating to the requirement to recognise directly in the foreign currency translation reserve (FCTR) tax amounts attributable to amounts recognised directly in the FCTR.

If AASB 112 had been applied during the year ended 30 June 2005 to the consolidated entity there would have been a decrease in deferred tax assets of $231,000 and an increase in deferred tax liabilities of $3,427,000 on the restated 30 June 2005 balance sheet with adjustments to the FCTR and retained earnings. The consolidated entity's income tax expense in the restated result for the 12 months to 30 June 2005 would have been $87,000 higher.

(d) Foreign currency translation reserve: cumulative translation differences

Following transitional adjustments arising from the adoption of AASB 112 noted previously, Sonic will elect to apply the exemption in AASB 1 that permits the resetting of the FCTR to nil as at the date of transition. As such, on transition, the FCTR will decrease by $7,318,000 with a corresponding increase in retained earnings. The foreign currency translation reserve at 30 June 2005 under AIFRS will have a debit balance of $3,558,000.

(e) Revenue disclosures in relation to the sale of non-current assets

Under AIFRS, the net gain or net loss recognised in relation to the sale of a non-current asset is reported as either income or expense. This is in contrast to the current AGAAP treatment under which the gross proceeds from the sale are recognised as revenue and the carrying amount of the assets sold is recognised as an expense. The net impact on profit of this difference is nil.

If this policy had been applied during the year ended 30 June 2005, the consolidated revenue from ordinary activities would have been $1,507,000 lower and the consolidated operating expenses have also been $1,507,000 lower. There would have been no impact on net profit.

(f) Financial instruments

Sonic will be taking advantage of the exemption available under AASB 1 to apply AASB 132: *Financial Instruments: Disclosure and Presentation* and AASB 139: *Financial Instruments: Recognition and Measurement* only from 1 July 2005. This allows Sonic to apply previous AGAAP to the comparative information of financial instruments within the scope of AASB 132 and AASB 139 for the 30 June 2006 financial report. The consolidated entity enters into interest rate swap agreements. Under AIFRS these will be accounted for as cash flow hedges. The current accounting policy will change so that changes in the fair value of the interest rate swap will be recognised directly in equity until the hedge matures.

(g) Asset revaluation reserve

Upon transition of AIFRS Sonic will deem the carrying value of all items of property, plant and equipment to be cost from the date of transition. The revaluation reserve of $982,000 in the opening balance sheet of the consolidated entity will be written off against opening retained earnings as an AIFRS transition adjustment.

Directors' declaration

The directors declare that in their opinion, the concise financial report of the consolidated entity for the year ended 30 June 2005 as set out on pages 41 to 55 complies with Accounting Standard AASB 1039: *Concise Financial Reports*.

The financial statements and specific disclosures included in this concise financial report have been derived from the full financial report for the year ended 30 June 2005.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report, which is available via our website or on request.

This declaration is made in accordance with a resolution of the directors.

Dr C.S. Goldschmidt
Managing Director

C.D. Wilks
Director

Sydney
30 September 2005

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Independent audit report to the members of Sonic Healthcare Limited

Audit opinion

In our opinion the concise financial report of Sonic Healthcare Limited for the year ended 30 June 2005 complies with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

This opinion must be read in conjunction with the rest of our audit report.

Scope

The concise financial report and directors' responsibility

The concise financial report comprises the consolidated statement of financial position, consolidated statement of financial performance, consolidated statement of cash flows, discussion and analysis of and notes to the financial statements, and the directors' declaration for Sonic Healthcare Limited (the company) for the year ended 30 June 2005.

The directors of the company are responsible for the preparation and presentation of the financial report in accordance with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

Audit approach

We conducted an independent audit of the concise financial report in order to express an opinion on it to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the concise financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. For further explanation of an audit, visit our website http://www.pwc.com/au/financialstatementaudit

We also performed an independent audit of the full financial report of the company for the financial year ended 30 June 2005. Our audit report on the full financial report was signed on 30 September 2005, and was not subject to any qualification.

In conducting our audit of the concise financial report, we performed procedures to assess whether in all material respects the concise financial report is presented fairly in accordance with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

We formed our audit opinion on the basis of these procedures, which included:

- testing that the information included in the concise financial report is consistent with the information in the full financial report, and
- examining, on a test basis, information to provide evidence supporting the amounts, discussion and analysis, and other disclosures in the concise financial report which were not directly derived from the full financial report.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the concise financial report.

PRICEWATERHOUSECOOPERS

Independent audit report to the members of Sonic Healthcare Limited (continued)

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

PricewaterhouseCoopers

B K Hunter
Partner

30 September 2005

1. Information relating to shareholders

(a) Distribution Schedule as at 16 September 2005	No. of holders ordinary shares
1 – 1,000	5,931
1,001 – 5,000	5,474
5,001 – 10,000	639
10,001 – 100,000	436
100,001 and over	118
	12,598
Voting rights – on a show of hands	1 / member
– on a poll	1 / share
Percentage of total holding held by the twenty largest holders	81.98%
Number of holders holding less than a marketable parcel	98

(b) Substantial holders as at 16 September 2005

The company has received substantial shareholding notices to 16 September 2005 in respect of the following holdings:

	No. of securities	Percentage held
Commonwealth Bank Group	41,883,003	15.27%
The Capital Group Companies Inc	19,437,131	7.06%
Jardvan Pty Limited	18,458,704	6.80%
Concord Capital Limited	17,004,615	6.27%
UBS Nominees Pty Limited and its related bodies corporate	17,077,773	6.22%

(c) Names of the Twenty Largest Holders of Equity Securities as at 16 September 2005	No. of securities	Percentage held
J P Morgan Nominees Australia Limited	45,978,006	16.69%
Citicorp Nominees Pty Limited	44,941,659	16.31%
National Nominees Limited	40,612,549	14.74%
Westpac Custodian Nominees Limited	29,674,257	10.77%
Jardvan Pty Limited	18,458,704	6.70%
Cogent Nominees Pty Limited	7,141,096	2.59%
RBC Global Services Australia Nominees Pty Limited	5,801,846	2.11%
ANZ Nominees Limited	5,280,539	1.92%
Queensland Investment Corporation	5,106,142	1.85%
Polly Pty Limited	3,816,646	1.39%
HSBC Custody Nominees (Australia) Limited	3,100,755	1.13%
Hamlac Pty Limited	3,000,000	1.09%
AMP Life Limited	2,484,768	0.90%
Westpac Financial Services Limited	2,399,440	0.87%
PSS Board	1,789,923	0.65%
Quintal Pty Limited	1,500,000	0.54%
Ms Estelle Wilks	1,500,000	0.54%
CSS Board	1,197,638	0.43%
Dr Anthony John Clarke	1,070,000	0.39%
Mrs Jennifer Margaret Robson	1,006,152	0.37%
	225,860,120	81.98%

2. Interests of directors in securities as at 16 September 2005

	Ordinary shares	Interest
B.S. Patterson	3,816,646	Held beneficially
Dr C.S. Goldschmidt	3,000,000 40,000	Held beneficially Held personally
C.D. Wilks	1,698,000 96,500	Held beneficially Held personally
R.P. Campbell	-	-
Dr P.J. Dubois	120,000 2,379	Held beneficially Held personally
C.J. Jackson	490,590	Held personally
Dr H.F. Scotton	180,634	Held personally
L.J. Panaccio	-	-

3. Unquoted equity securities as at 16 September 2005

	No. on issue	No. of holders
Options issued under the Sonic Healthcare Limited Employee Option Plan to take up ordinary shares.	3,462,700	428
Executive director options to take up ordinary shares	3,080,000	2
Queensland X-Ray options to take up ordinary shares	570,000	26
Schottdorf options to take up ordinary shares	3,000,000	2

4. Securities subject to voluntary escrow as at 16 September 2005

	No. on issue	Date escrow period ends
As at the date of this report the following securities were subject to voluntary escrow:		
Ordinary shares	86,058	5 December 2005
Ordinary shares	86,061	5 December 2006

The above securities were issued to vendor radiologists as part of the acquisition of the Southside Diagnostic Services Group.

Corporate directory

Directors	Mr B.S. Patterson	*Chairman*
	Dr C.S. Goldschmidt	*Managing Director*
	Mr C.D. Wilks	*Finance Director*
	Mr R.P. Campbell	
	Dr P.J. Dubois	
	Mr C.J. Jackson	
	Mr L.J. Panaccio	
	Dr H.F. Scotton	

Company secretary

Mr P.J. Alexander

Principal registered office in Australia

95-99 Epping Road, Macquarie Park,
New South Wales, 2113, Australia.

Ph:	61 2 9855 5444
Fax:	61 2 9878 5066
Website:	www.sonichealthcare.com.au

Share registry

Computershare Investor Services Pty Limited
Level 5, 115 Grenfell Street, Adelaide,
South Australia, 5000, Australia.

Ph:	1300 556 161	(Within Australia)
Ph:	61 3 9415 4000	(Outside Australia)
Fax:	61 8 8236 2305	
Website:	www.computershare.com	

Auditor

PricewaterhouseCoopers

Solicitors

Allens Arthur Robinson
Baker McKenzie

Bankers

Australia and New Zealand Banking Group Limited
Citibank, N.A.
Commonwealth Bank of Australia
National Australia Bank Limited
Westpac Banking Corporation
Dresdner Bank AG

Stock exchange listings

Sonic Healthcare Limited shares are listed on the Australian Stock Exchange.