



MEDIA RELEASE – 18 FEBRUARY, 2021

FINANCIAL RESULTS FOR THE HALF YEAR ENDED 31 DECEMBER 2020

1. Summary

- Revenue growth of 33% to A\$4.4 billion.
- EBITDA growth of 89% to A\$1.3 billion.
- Net profit growth of 166% to A\$678 million.
- Significant revenue and earnings contribution from COVID-19 testing, leveraging existing infrastructure.
- More than 18 million COVID-19 PCR tests have been performed to date in ~60 Sonic laboratories globally.
- Global base business revenue (ex-COVID testing) H1 FY2021 down 1% versus H1 FY2020 (Constant Currency), significantly less impacted than in the first few months of the pandemic.
- Margin accretion in both laboratory and imaging operations.
- Strong balance sheet, with gearing at record low level and A\$1.3 billion of available liquidity (pre-interim dividend).
- Progressive dividend policy maintained, increase of 2 cents (6%) to 36 cents for the FY2021 Interim Dividend.

2. Commentary

Sonic Healthcare today reported a statutory net profit for the half year to 31 December 2020 of A\$678 million, on revenues of A\$4.4 billion.

Sonic's CEO, Dr Colin Goldschmidt, said: "Sonic's strong financial results for the half year reflect the millions of COVID-19 PCR tests we have performed across our countries of operation as part of combatting the pandemic. The volumes and quality of testing we have been able to provide in such a short timeframe have only been possible through the investments we have made over many decades in our people and in infrastructure. Our Medical Leadership culture has never shone more brightly than it has through the pandemic. Our pathologists and scientists have demonstrated their expertise and initiative not only within the company but with governments and other healthcare organisations, our managers have shown tremendous flexibility and resilience in the most challenging of circumstances, and all our 37,000 staff have put their communities before themselves to ensure seamless provision of our vital services."

"Our Laboratory division achieved organic revenue growth of 39% in the half year, with very strong growth in the USA, Germany, Belgium and the UK. Without the benefit of COVID-19 testing, our Imaging division grew revenue by 14%, much higher than long term industry averages, an amazing outcome which included taking market share."

"On the back of this strong revenue growth, the operating leverage inherent in Sonic's business was very apparent, with the level of profit growth far exceeding that of revenue. Our existing infrastructure of specimen collection facilities, courier networks, laboratories and other facilities, equipment, IT, management, staff and supply chains were all crucial to handle the increased patient volumes we have been, and continue to be, experiencing."

"Our global base business revenue (excluding COVID testing) declined by 1% versus the comparative period, which was a very significant improvement versus the dramatic falls in base business we experienced from mid-March through May 2020. It appears our base business is becoming increasingly less affected by social restrictions and fear of infection, through better community understanding of the dangers in delaying or avoiding essential healthcare services. Sonic is also benefiting from our geographical and healthcare sector diversification.

"Having adjusted to the new normal of high but variable volumes of COVID testing, our management teams around the world are increasingly focussing on further growth opportunities, including acquisitions, contracts and joint ventures, supported by our very strong balance sheet. We are currently bidding on significant opportunities in Australia, the UK, the USA and Alberta, Canada.

"I truly believe that Sonic's staff are unsung heroes of the COVID-19 pandemic, tirelessly and fearlessly providing our services for the benefit of others. I wish to thank each one of them for the contributions they have made, and continue to make, and for the passion and positivity they show for our patients, our referring physicians, and for Sonic itself."

Dr Colin Goldschmidt
 Chief Executive Officer / Managing Director
 Sonic Healthcare Limited
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This announcement has been authorised by the Board of Directors of Sonic Healthcare Limited – please refer to the contact details above.

For further information regarding the result, please refer to Dr Goldschmidt's PowerPoint Presentation and to Sonic's Appendix 4D Half Year Report, both of which will be posted on the Sonic Healthcare website by 8.00am, 18 February 2021 (www.sonichealthcare.com).

Forward-looking statements

This media release may include forward-looking statements about our financial results, guidance and business prospects that may involve risks and uncertainties, many of which are outside the control of Sonic Healthcare. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date that they are made and which reflect management's current estimates, projections, expectations or beliefs and which involve risks and uncertainties that could cause actual results and outcomes to be materially different. Risks and uncertainties that may affect the future results of the company include, but are not limited to, adverse decisions by Governments and healthcare regulators, changes in the competitive environment and billing policies, lawsuits, loss of contracts and unexpected growth in costs and expenses. The statements being made in this media release do not constitute an offer to sell, or solicitation of an offer to buy, any securities of Sonic Healthcare. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including Sonic Healthcare). In particular, no representation, warranty or assurance (express or implied) is given in relation to any underlying assumption or that any forward-looking statement will be achieved. Actual future events may vary materially from the forward-looking statements and the assumptions on which the forward-looking statements are based. Given these uncertainties, readers are cautioned to not place undue reliance on such forward-looking statements.